UNITED STATES OF AMERICA

Congressional Record

PROCEEDINGS AND DEBATES OF THE 85th CONGRESS
SECOND SESSION

VOLUME 104—PART 2

JANUARY 31, 1958, TO FEBRUARY 25, 1958

(PAGES 1415 TO 2812)

UNITED STATES GOVERNMENT PRINTING OFFICE, WASHINGTON, 1958

J
11
.R
v.104
pt.2

DEPOSITED BY THE
UNITED STATES OF AMERICA

Congressional Record

United States of America

PROCEEDINGS AND DEBATES OF THE 85th CONGRESS, SECOND SESSION

SENATE

FRIDAY, JANUARY 31, 1958

(Legislative day of Monday, January 27, 1958)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Dr. Caradine R. Hooton, general secretary, the Methodist Board of Temperance, offered the following prayer:

Everlasting Father, governor of outer space and giver of inward grace, who didst bring the nations to Thy light, and the rulers to the brightness of Thy rising: Fill, we beseech Thee, the world with Thy glory, and use us to bring Thy radiance to all mankind.

May Thy Holy Spirit bring healing strength especially to the Chaplain of the Senate, and give to all Thy chosen leaders Christian wisdom and courageous utterance for the successful discharge of their stewardship responsibilities; through Him who is the true light and the bright and morning star, Jesus Christ, Thy Son, our Lord. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, January 30, 1958, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there be the usual morning hour, for the introduction of bills and the transaction of other routine business, with statements limited to 3 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

LEAVE OF ABSENCE

On his own request, and by unanimous consent, Mr. SPARKMAN was excused from attendance on the session of the Senate on Monday, February 3, 1958.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I should like to announce that it is the plan of the leadership to have brought up by motion House bill 10146, the supplemental appropriation bill for the Department of Defense, which this morning was ordered reported unanimously by the Appropriations Committee. We expect to have the Senate take up the bill on Monday next. As I understand, the report and the hearings will be available. I should like to have all Senators on notice of our plan, inasmuch as the bill is of an emergency nature, in the form of a supplemental appropriation bill.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT ON POSITIONS FILLED IN CERTAIN GRADES OF CLASSIFICATION ACT OF 1949

A letter from the Administrator, Small Business Administration, Washington, D. C., transmitting, pursuant to law, a report on positions filled in that Administration under the Classification Act of 1949, in grades GS-16, 17, and 18 (with an accompanying report); to the Committee on Post Office and Civil Service.

STATEMENT OF RECEIPTS AND EXPENDITURES, CHESAPEAKE & POTOMAC TELEPHONE CO.

A letter from the vice president, the Chesapeake & Potomac Telephone Co., Washington, D. C., transmitting, pursuant to law, a statement of receipts and expenditures of that company, for the year 1957 (with an accompanying statement); to the Committee on the District of Columbia.

COMPARATIVE GENERAL BALANCE SHEET, CHESAPEAKE & POTOMAC TELEPHONE CO.

A letter from the vice president, the Chesapeake & Potomac Telephone Co., Washington, D. C., transmitting, pursuant to law, a comparative general balance sheet of that company, for the year 1957 (with an accompanying paper); to the Committee on the District of Columbia.

REPORT ON EXAMINATION OF SPANISH BASE CONSTRUCTION PROGRAM

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the examination of the Spanish base construction program of the Departments of the Air Force and the Navy, as of June 30, 1957 (with an accompanying report); to the Committee on Government Operations.

SUSPENSION OF DEPORTATION OF ALIENS—WITHDRAWAL OF NAME

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, withdrawing the name of Thomas Picinich from a report relating to aliens whose deportation has been suspended, transmitted to the Senate on April 15, 1957; to the Committee on the Judiciary.

REPORT OF ATOMIC ENERGY COMMISSION

A letter from the Chairman and members of the United States Atomic Energy Commission, Washington, D. C., transmitting, pursuant to law, a report of that Commission, dated January 1958 (with an accompanying report); to the Joint Committee on Atomic Energy.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

The petition of H. J. Ryan, of Nashville, Tenn., relating to the method of conducting elections; to the Committee on the Judiciary.

PRICE SUPPORTS FOR DAIRY PRODUCTS—LETTERS AND RESOLUTIONS

Mr. MORSE. Mr. President, lastly, I ask unanimous consent to have printed at this point in the RECORD a letter dated January 21, 1958, which I have received from John A. Baker, director, division of legislative services, National Farmers Union, and also a letter from a member of the union at Milton-Freewater, Oreg., setting forth a resolution which I ask unanimous consent to have printed in the RECORD.

There being no objection, the letters and resolution were ordered to be printed in the RECORD, as follows:

NATIONAL FARMERS UNION,
Washington, D. C., January 21, 1958.

Hon. WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MORSE: I am sending to you two resolutions forwarded to me by Oregon Farmers Union local, with the thought that you might wish to insert them in the CONGRESSIONAL RECORD.

I know that you will do whatever you can to cancel the cut in dairy support level.

Sincerely,

JOHN A. BAKER,
Director, Division of Legislative Services.

MILTON-FREEWATER, OREG.,
January 10, 1958.

Mr. JOHN A. BAKER,
Director of NFU Office,
Washington, D. C.

DEAR SIR: At a joint meeting of Twin City local, and dairymen, on January 9, the vote

was unanimous to adopt the following resolution:

"We, as members of Twin City local and dairy grade A milk producers, have voted to go on record as opposing the parity support price cut, that Secretary Ezra Benson has proposed to put into effect on April 1, 1958."

Mrs. MABEL KNOSP, *Secretary.*

MILTON-FREEWATER, OREG.,
January 16, 1958.

Mr. JOHN BAKER:

The Twin-City Farmers' Union met on January 9 at the Milton City Hall. The meeting was well attended by local dairy producers and also dairy producers from the Walla Walla area. The group voted to favor the following resolution:

"We as members of the Twin-City local and dairy grade A milk producers voted to go on record that we oppose Secretary Ezra Benson parity support price cut that he proposed to put in effect April 1.

That dairymen can't stand another cut in price now they need higher prices, not lower.

I would appreciate an answer to my letter so I can use it at our next meeting and for organization work.

Yours truly,

CASPER HOHN.

EXTENSION OF RECIPROCAL TRADE AGREEMENTS PROGRAM—LETTER

Mr. HUMPHREY. Mr. President, I have just received a letter from the president of the Propeller Club of the United States, Port of Duluth-Superior, urging that the reciprocal trade agreements program be extended.

I ask unanimous consent that the letter be printed in the RECORD, and appropriately referred.

There being no objection, the letter was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

THE PROPELLER CLUB
OF THE UNITED STATES,
Duluth, Minn., January 27, 1958.

Hon. HUBERT H. HUMPHREY,
United States Senate,
Washington, D. C.

MY DEAR SENATOR HUMPHREY: The Propeller Club of the United States at its 31st annual convention at Houston, Tex., on the 23d of October 1957 adopted the following resolution:

"We reaffirm our belief in the wisdom of the reciprocal trade agreement program and urge that it be extended."

For the past quarter century our United States has greatly expanded the worldwide exchange of goods and increased its own markets abroad by reciprocally lowering tariff and trade barriers and liberalizing trade regulations resulting in the general prosperity of our Nation and welfare of our citizens.

Locally, the extension of this act has never been of greater importance to our twin ports as we make our bid for waterborne world trade.

We urge your vigorous support in asking for a renewal and substantial extension of the Reciprocal Trade Act.

Very truly yours,

Cmdr. E. W. KIRKPATRICK,
President.

INCREASED COMPENSATION FOR MAIL HANDLERS—LETTER AND RESOLUTION

Mr. HUMPHREY. Mr. President, I have recently received a resolution from the National Association of Post Office and Postal Transportation Service Mail Handlers, Watchmen, and Messengers Local 45, Minneapolis, Minn., relating to increased compensation.

I ask unanimous consent that the resolution and accompanying letter be printed in the RECORD and appropriately referred.

There being no objection, the letter and resolution were referred to the Committee on Post Office and Civil Service and ordered to be printed in the RECORD, as follows:

NATIONAL ASSOCIATION OF POST
OFFICE AND POSTAL TRANSPORTATION
SERVICE MAIL HANDLERS,
WATCHMEN, AND MESSENGERS,
Minneapolis, Minn., January 15, 1958.

To Whom It May Concern:

The enclosed resolution was adopted by Local 45, National Association of Post Office and Postal Transportation Service Mail Handlers, Watchmen, and Messengers at their monthly meeting November 10, 1957.

It is time that mail handlers were paid the same pay for doing similar work requiring equal responsibilities, as other classifications.

In many cases mail handlers and higher paid classifications perform the same duties and work, but are paid at a lower salary level than other classifications. We consider this an injustice that must be eradicated.

Promotional opportunities are limited to employees in level 4 pay grade and above, thereby denying opportunities of advancement to qualified mail handlers. Therefore, if mail handlers were placed in pay level 4 of the postal field service pay schedule, this injustice would be rectified.

All employees, regardless of classification status, should receive equal pay for doing equal work, which is plain ordinary fair play and justice.

Fraternally,

RALEIGH SANDALL, *Secretary.*

Whereas many mail handlers are required to perform similar duties with those within level 4 pay grades; and

Whereas many in level 4 pay grades are performing duties specifically designated as level 3 pay grades duties; and

Whereas all such duties require handling of mail matter of all types and with equal responsibility: Therefore be it

Resolved, That level 3 pay grades be abolished where it affects mail handlers' classification; that such action be brought about by an amendment to existing Salary Reclassification Act now under consideration by Congress; and be it further

Resolved, That copies of this resolution be forwarded to all Members of Congress urging investigation of discriminatory practices now in effect, that is, lack of equal opportunity for advancement, inadequate pay status for similar and responsible positions of trust, duty assignments, and many other direct causes of conflict and ill feeling existing under present policies, and, finally, that all postal employees responsible for the handling of mail matter be automatically advanced to level 4 pay grades, holding present pay step, and, with seniority as of date established by original appointment within the postal service.

HAROLD M. SILVER,
President.
RALEIGH SANDALL,
Secretary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HAYDEN, from the Committee on Appropriations, with amendments:

H. R. 10146. An act making supplemental appropriations for the Department of Defense for the fiscal year ending June 30, 1958, and for other purposes (Rept. No. 1238).

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 2132. A bill for the relief of Leonard C. Fink (Rept. No. 1247);

S. 2166. A bill for the relief of John J. Griffin (Rept. No. 1246);

H. R. 1392. An act for the relief of Karl L. Larson (Rept. No. 1248);

H. R. 1495. An act for the relief of Alfred Hanzal (Rept. No. 1249);

H. R. 1638. An act for the relief of Lt. Percy Hamilton Hebert (Rept. No. 1250);

H. R. 1792. An act for the relief of Dr. Royal W. Williams (Rept. No. 1251);

H. R. 2705. An act for the relief of William F. Kempe (Rept. No. 1252);

H R. 5161. An act for the relief of Mrs. Madeleine A. Work (Rept. No. 1253);

H. R. 6069. An act for the relief of Col. Jack C. Jeffrey (Rept. No. 1254);

H. R. 7200. An act for the relief of the estate of Isa Hajime (Rept No. 1255);

H. R. 7591. An act for the relief of Anton N. Nyerges (Rept. No. 1256);

H. R. 8038. An act for the relief of Margie C. Stewart (Rept. No. 1257); and

H. R. 8618. An act for the relief of Henry M. Lednicky (Rept. No. 1253).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 1657. A bill for the relief of Lloyd C. King (Rept. No. 1239);

H. R. 1692. An act for the relief of Mrs. Margot M. Draughon (Rept. No. 1240);

H. R. 2901. An act for the relief of Ralph H. Weeks (Rept. No. 1241);

H. R. 4541. An act for the relief of Leslie A. Batdorf (Rept. No. 1242); and

H. R. 5163. An act for the relief of Forest H. Byroade (Rept. No. 1243).

By Mr. EASTLAND, from the Committee on the Judiciary, with amendments:

S. 228. A bill for the relief of the Chamberlain Water Co., of Chamberlain, S. Dak. (Rept. No. 1244); and

S. 2004. A bill for the relief of George and Emma Clifford (Rept. No. 1245).

BILLS INTRODUCED

Bills were introduced, read the first time and, by unanimous consent, the second time, and referred as follows:

By Mr. GREEN (by request):

S. 3195. A bill to authorize certain retired personnel of the United States Government to accept and wear decorations, presents, and other things tendered them by certain foreign countries; to the Committee on Foreign Relations.

(See the remarks of Mr. GREEN when he introduced the above bill, which appear under a separate heading.)

By Mrs. SMITH of Maine:

S. 3196. A bill to provide that a portion of all surplus cotton sold or exchanged for export by the Commodity Credit Corporation pursuant to authority in the Commodity Credit Corporation Charter Act, as amended, or the Agricultural Trade Development and Assistance Act of 1954, as amended, shall be processed cotton; to the Committee on Agriculture and Forestry.

(See the remarks of Mrs. SMITH of Maine when she introduced the above bill, which appear under a separate heading.)

By Mr. SPARKMAN:

S. 3197. A bill to authorize reduced retired pay plus pension or compensation to certain retired personnel of the armed services who retired prior to January 1, 1957; to the Committee on Armed Services.

By Mr. SPARKMAN (for himself and Mr. HILL):

S. 3198. A bill to amend the Internal Code of 1954 so as to provide for nonrecognition of gain from the condemnation

of real property by the United States to the extent that the proceeds are used to purchase property for investment; to the Committee on Finance.

By Mr. CHURCH:

S. 3199. A bill to amend section 2324 of the Revised Statutes, as amended, to change the period for doing annual assessment work on unpatented mineral claims so that it will run from August 15 of one year to August 15 of the succeeding year, and to make such change effective with respect to the assessment work year commencing in 1959; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. CHURCH when he introduced the above bill, which appear under a separate heading.)

By Mr. PAYNE (for himself and Mrs. SMITH of Maine) (by request):

S. 3200. A bill to repeal the act requiring the inspection and certification of certain vessels carrying passengers; to the Committee on Interstate and Foreign Commerce.

By Mr. THYE:

S. 3201. A bill to prohibit the authorization of toll telecasts to private homes; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. THYE when he introduced the above bill, which appear under a separate heading.)

By Mr. BARRETT:

S. 3202. A bill for the relief of the estate of Elliott M. Anderson; to the Committee on the Judiciary.

By Mr. BARRETT (for himself and Mr. O'MAHONEY):

S. 3203. A bill to amend the act of August 15, 1953, chapter 509, 67 Stat. 592 (Public Law 284, 83d Cong., 1st sess.), to revest title to the minerals in the Indian tribes, to require that oil and gas and other mineral leases of lands in the Riverton reclamation project within the Wind River Indian Reservation shall be issued on the basis of competitive bidding only, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. O'MAHONEY (for himself and Mr. BARRETT):

S. 3204. A bill to amend sections 2 and 3 of the act of May 19, 1957 (ch. 80, 61 Stat. 102), as amended, relating to the trust funds of the Shoshone and Arapahoe Tribes, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. WATKINS:

S. 3205. A bill for the relief of Paul S. Watanabe; to the Committee on the Judiciary.

By Mr. HUMPHREY:

S. 3206. A bill to make the Civil Rights Commission a permanent Agency of the Government;

S. 3207. A bill to increase the personnel of the Federal Bureau of Investigation and to require special training of such personnel in order to provide for effective investigation of civil rights cases; and

S. 3208. A bill to secure, protect, and strengthen the civil rights accruing to individuals under the Constitution and laws of the United States; to the Committee on the Judiciary.

(See the remarks of Mr. HUMPHREY when he introduced the above bills, which appear under a separate heading.)

ACCEPTANCE AND WEARING OF CERTAIN DECORATIONS BY RETIRED PERSONNEL

Mr. GREEN. Mr. President, on January 23, 1958, the Acting Secretary of State addressed to the Vice President a letter transmitting a bill authorizing certain retired personnel of the United States Government to accept and wear decorations, and to accept presents and other things, tendered to them by certain foreign countries.

I introduce, by request, the bill transmitted to the Senate, so it may be appropriately referred.

I ask unanimous consent that the letter from the Acting Secretary of State to the Vice President be printed in the RECORD, at this point in my remarks.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 3195) to authorize certain retired personnel of the United States Government to accept and wear decorations, presents, and other things tendered them by certain foreign countries, introduced by Mr. GREEN, by request, was received, read twice by its title, and referred to the Committee on Foreign Relations.

The letter presented by Mr. GREEN is as follows:

JANUARY 23, 1958.

The Honorable RICHARD M. NIXON,
President of the Senate.

DEAR MR. VICE PRESIDENT: On April 13, 1954, the President issued an instruction to the heads of executive departments and establishments directing each agency to transmit to the Secretary of State a list of its retired personnel for whom the Department of State under the provisions of the act of January 31, 1881 (3 U. S. C. 115), is holding decorations, orders, medals, or presents tendered them by foreign governments and for the acceptance of which the agency desires to request the consent of Congress required by article 1, section 9, clause 8 of the Constitution. The Presidential instruction further directs the Secretary of State to have prepared an omnibus authorizing bill covering the retired personnel listed by agencies and to transmit such bill and consolidated list to the Congress.

In accordance with this instruction and with the requirements of the act of January 27, 1934 (5 U. S. C. 115a), there is transmitted herewith a proposed bill "To authorize certain retired personnel of the United States Government to accept and wear decorations, presents, and other things tendered them by certain foreign countries."

From the standpoint of the foreign relations of the United States, the Department perceives no objection to acceptance by these persons of the decorations tendered by the foreign countries indicated in the attached bill.

It is hoped that the Congress will give its early consideration to this proposed bill during this session. There has been no Congressional action evidencing the consent of the Congress for the acceptance of decorations or gifts from foreign governments by retired government personnel since before World War II, and the accumulation of awards, which the Department is required to hold, presents a problem which is becoming more acute all the time. A similar communication has been forwarded to the Speaker of the House of Representatives.

The Department has been informed by the Bureau of the Budget that there is no objection to the submission of this proposal to the Congress for its consideration.

Sincerely yours,

CHRISTIAN A. HERTER,
Acting Secretary.

SALE OF CERTAIN COTTON TEXTILES OR PRODUCTS THEREOF

Mrs. SMITH of Maine. Mr. President, I introduce a bill to provide that with respect to any surplus cotton sold or exchanged for export under the provisions of the Commodity Credit Corporation Charter Act, as amended, or the Agricultural Trade Development and Assistance Act of 1954, as amended, not less than 25 percent of such cotton shall be in the form of cotton textiles or products thereof.

The purpose of this bill is very direct and simple. It is another attempt to save an important American industry that is gradually being killed off by the overgenerosity of our Government to foreign nations. It proposes to assist the American cotton textile industry in regaining its equitable share of the world market.

This is a matter of very vital interest to the people of Maine—in fact, it is an economic life-or-death matter for thousands of workers in Maine. But it is by no means a matter narrowed by sectional or local interests, for there are cotton textile mills and cotton textile workers in many States throughout the Nation. Mill after mill is closing because of the failure of our Government to take action to prevent conditions causing these closings.

I made personal appeals for action to the executive branch of the Government in 1954, 1955, and 1956. I warned that if the executive branch continued to fail to act, the Congress would have no alternative but to take the leadership in the matter and pass needed legislation.

When it became clear that my words had fallen on deaf ears and that the executive branch planned no action, I introduced specific legislation, in 1956, to aid the cotton textile industry. Again the executive branch took a negative attitude, as the Department of State and the Department of Agriculture opposed the cotton textile bill.

Again I introduced the bill in 1957; and in the face of the opposition of the Department of State and the Department of Agriculture, the Senate proved its realistic concern about the situation by passing my cotton textile bill, S. 314. That bill has been awaiting action by the House of Representatives since August of last year. I am deeply hopeful that the House will act favorably on the bill, and will not, by killing the Senate-passed bill with inaction, undo the good done by the Senate.

Disastrously the trend has been to export our cotton textile jobs and industry, instead of exporting our cotton textiles. The bill which I have introduced today is another measure in which I propose not only to stop that trend, but to reverse it—not only to save the textile workers' jobs not yet lost, but to regain the jobs which already have been lost by this disastrous trend.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3196) to provide that a portion of all surplus cotton sold or exchanged for export by the Commodity Credit Corporation pursuant to authority in the Commodity Credit Corporation Charter Act, as amended, or the Agricultural Trade Development and Assistance Act of 1954, as amended, shall be processed cotton, introduced by Mrs.

SMITH of Maine, was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

AMENDMENT OF REVISED STATUTES, RELATING TO CHANGE OF PERIOD FOR ASSESSMENT WORK ON CERTAIN MINERAL CLAIMS

Mr. CHURCH. Mr. President, I introduce, for appropriate reference, a bill to amend section 2324 of the Revised Statutes to change the period for doing annual assessment work on unpatented mineral claims so that it will run from August 15 to August 15 rather than from July 1 to July 1, as at present. The bill does not, except for the first year, change the period of time within which the assessment work must be done, nor the amount of work necessary.

I am introducing this bill because it has been requested by prospector friends of mine in the State of Idaho who tell me that some years it is difficult to get into their claims in time to do the assessment work by the July 1 deadline, owing to the snow conditions in the higher elevations.

Mr. President, one of the commonest of our human frailties is the putting off of the routine until we run into its deadline. But many of the minerals necessary and vital for our economy and our defense have their way of shunning the lowlands and hiding themselves in the wilderness of our mountains. Particularly this is true of the rugged, western mountains. In their higher elevations the snow never leaves, but when the midsummer sun and winds come, the difference of a month, or so, is great. The difference often can be the turning of a slim possibility into one of strong probability that a prospector may, first, get into his claim, and second, that he may be able to work it.

Changing the deadline from July 1 to August 15 can work no possible hardship, it simply makes better use of time.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3199) to amend section 2324 of the Revised Statutes, as amended, to change the period for doing annual assessment work on unpatented mineral claims so that it will run from August 15 of one year to August 15 of the succeeding year, and to make such change effective with respect to the assessment work year commencing in 1959, introduced by Mr. CHURCH, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

PROHIBITION OF TOLL TELECASTS IN PRIVATE HOMES

Mr. THYE. Mr. President, since this session of the Congress convened earlier this month, my office has been flooded with letters and petitions in opposition to any action which might be taken to authorize pay television in private homes. My correspondence and public opinion polls which have been taken indicate the overwhelming concern of the general public.

In response to the expressions of public concern I have prepared a bill which, if enacted, would prohibit the licensing of toll television for reception in private homes. My bill would deny the Federal Communications Commission the authority to permit the imposing of any toll, fee, subscription, or other charge on the general public for the privilege of viewing television programs in private homes. I now introduce this bill, for proper reference, and urge that the committee to which it is referred schedule early action on this matter, so the Senate may consider this proposal before the adjournment of this Congress.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3201) to prohibit the authorization of toll telecasts to private homes, introduced by Mr. THYE, was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

PROPOSED LEGISLATION RELATING TO CIVIL RIGHTS

Mr. HUMPHREY. Mr. President, I introduce for appropriate reference three bills updating earlier legislation I have proposed in the field of civil rights. Prior to the enactment of Public Law 85-315, the Civil Rights Act of 1957, I had introduced Senate bill 500, relating to voting rights; Senate bill 501, relating to a Civil Rights Commission, and Senate bill 502, which would have created a Statutory Civil Rights Division in the Department of Justice. Public Law 85-315, for all practical purposes, covered the area of these three bills and I am glad to say borrowed considerably from them and their predecessors, both in language and in substance.

There were certain features, however, of the bills which I originally introduced which seem to me worth preserving. One such feature was in Senate bill 501, for a permanent Commission on Civil Rights, which would make an annual report to the President and the Congress.

Another provision was one in Senate bill 502 which would have provided for an increase in the personnel of the enforcement agencies in connection with the Justice Department's duty in civil-rights cases; a related provision would have included appropriate training and instruction of enforcement agents for the investigation of civil-rights cases.

I have had these provisions redrawn in separate form and also included in a general revision of Senate bill 510. I send to the desk the two separate bills as well as a general revised omnibus bill incorporating all those portions of Senate bill 510 which have not yet been enacted into law.

Mr. President, some have spoken of this as a year for "cooling off" in civil rights. I believe the new Attorney General has some such approach in mind. Cooling off is one thing, and a lack of vigilance to appropriate legal procedures, including prosecution, is another. As far as I am concerned, Mr. President, civil rights remains on the agenda here in the Senate and it should be on the agenda in the Department of Justice this year and every other year, for the simple reason that this is an issue which is on the national—and world—agenda. There is no escaping our moral obligation to act.

Yes; protection of human rights remains a vital issue before the Senate as long as it is an issue in the Nation and world. The minimum goal for this session should be changing the Senate rules to prevent future filibusters on civil-rights legislation. Acceptance of either a constitutitonal majority or two-thirds of those present and voting to bring debate to a close on all motions, resolutions, bills, and future changes of rules would mean genuine progress. In the very near future I shall join with Senator DOUGLAS and others in proposing additional civil-rights legislation—legislation bypassed in the first session of the 85th Congress, but urgently needed if our civil-rights laws are to be effective and adequate.

The PRESIDENT pro tempore. The bills will be received and appropriately referred.

The bills, introduced by Mr. HUMPHREY, were received, read twice by their titles, and referred to the Committee on the Judiciary, as follows:

S. 3206. A bill to make the Civil Rights Commission a permanent agency of the Government;

S. 3207. A bill to increase the personnel of the Federal Bureau of Investigation and to require special training of such personnel in order to provide for effective investigation of civil-rights cases; and

S. 3208. A bill to secure, protect, and strengthen the civil rights accruing to individuals under the Constitution and laws of the United States.

AMENDMENT OF REVISED STATUTES, RELATING TO WITHHOLDING INFORMATION AND LIMITING AVAILABILITY OF RECORDS—ADDITIONAL COSPONSOR OF BILL

Mr. PROXMIRE. Mr. President, the handmaiden of corruption and inefficiency in government is secrecy. Secrecy is by all odds the most serious obstacle to clean, able, American government today.

Secrecy is the one absolute essential for the special interest chiseler, or the lazy inept administrator.

The American press is immensely competent and alert. It is ready, willing, and able to expose the crook or drone wherever it has the chance. Our democratic processes and the solid moral fiber of the American people make it sure that dishonesty cannot remain long in office.

But, Mr. President, all this presupposes that the press has access to the facts. This is not true today.

For this reason, Mr. President, I ask unanimous consent that my name may be added as a cosponsor of the bill (S. 921) to amend section 161 of the Revised Statutes with respect to the authority of Federal officers and agencies to withhold information and limit the availability of records, introduced by the Senator from Missouri [Mr. HENNINGS] on January 29, 1957.

The PRESIDENT pro tempore. Without objection, it is so ordered.

DEDUCTION OF TEACHERS' EDUCATIONAL EXPENSES FOR INCOME TAX PURPOSES—ADDITIONAL COSPONSOR OF BILL

Mr. CLARK. Mr. President, I ask unanimous consent that when S. 3158, the bill to amend the Internal Revenue Code of 1954 to allow a teacher to deduct from gross income up to $800 a year of expenses incurred is next printed, that I may be joined as a cosponsor with the distinguished junior Senator from Mississippi [Mr. STENNIS], who originally introduced the bill.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CLARK. Mr. President, this measure in my judgment approaches the educational crisis which confronts us at exactly the right point.

CONTROL OF BRUCELLOSIS—ADDITIONAL COSPONSOR OF BILL

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the name of the junior Senator from Oregon [Mr. NEUBERGER] be added as an additional cosponsor of the bill (S. 3183) to extend the brucellosis eradication program for an additional 2-year period in the interest of protecting the public health and welfare, introduced by me on January 29, 1958.

The PRESIDENT pro tempore. Without objection, it is so ordered.

PROBLEMS OF SMALL BUSINESS—ADDITIONAL COSPONSORS OF BILL

Under authority of the order of the Senate of January 30, 1958,

The names of Senators YARBOROUGH, PAYNE, IVES, FLANDERS, WATKINS, and ALLOTT were added as additional cosponsors of the bill (S. 3194) to amend the Internal Revenue Code of 1954 so as to establish an initial program of tax adjustment for small and independent business and for persons engaged in small and independent business, introduced by Mr. SPARKMAN (for himself and other Senators) on January 30, 1958.

Mr. WATKINS. Mr. President, in a recent publication entitled "Federal Expenditure Policies for Economic Growth and Stability," the Subcommittee on Fiscal Policy of the Joint Economic Committee observed that "whether or not tax reduction will be called for, tax revision always is timely. Emphasis in any tax-revision program should be on eliminating or restricting those provisions of the tax laws which tend to offset the resource-allocating signals of the market mechanism," page 5.

I call this to your attention because I am impressed by the fact that present tax laws, as the junior Senator from Alabama told us yesterday, prevent small businesses, both incorporated and unincorporated, from meeting "the responsibilities of a growing and expanding economy"—CONGRESSIONAL RECORD, page 1349. Although S. 3194, the bill he introduced yesterday, does not limit its application to small concerns, it does seem to hold out more promise that this segment of the business world will be able to participate more fully in the future than in the past, in our growing and expanding economy. The legislation also would be especially helpful during contractions in economic activity.

In part, because of the budgetary and inflationary situation which prevailed in the spring of 1957, I opposed amendments to the tax bill, H. R. 4090, which would have granted tax relief to incorporated small business. I also opposed those amendments because the tax revision contained therein applied only to incorporated enterprises, which, it is estimated, account for only 10 to 15 percent of the enterprises which fit into the so-called small-business category.

The committee report on the hearings throughout the United States, which form the basis for this bill, indicates that passage of the measure would not result in any material loss of revenue because, among other reasons, the allowance of retained earnings permitted is granted only for expenditures made during the year and the expenditures must be twice as great as the nontaxable allowance.

For these reasons, and because I believe subsequent hearings will afford opportunity to amend the bill if necessary, I intend to add my name to the list of cosponsors of Senate bill 3194.

REVISION OF BASIC COMPENSATION SCHEDULES OF CLASSIFICATION ACT OF 1949, AS AMENDED

Mr. CARLSON. Mr. President, I point out for the RECORD that there is a technical deficiency in the bill which I introduced on January 16, S. 3052, to revise the basic compensation schedules of the Classification Act of 1949, as amended, and for other purposes. It has to do with the matters covered in subsection 2 (d) (4). The section analysis which I submitted with the bill does, however, contain a correct statement of the way in which the subsection is intended to operate. I shall offer amendments to make the necessary technical changes in the bill when it is considered in committee.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. JOHNSON of Texas:

Article entitled "Open Agreements Privately Made," written by Senator MANSFIELD and published in the New York Times Sunday magazine of January 26, 1958.

By Mr. HUMPHREY:

Address delivered by him at the International Rescue Committee meeting, held at the Hotel Fontainebleau, Miami Beach, Fla., on January 30, 1958.

By Mr. PROXMIRE:

Letter to him written by Alvin J. Sandow, of Portage, Wis., on use of surplus food to help world's hungry.

By Mr. MARTIN of Iowa:

Report by the Secretary of Agriculture on agricultural progress in 1957.

By Mr. WILEY:

Editorial entitled "Toward More Healthy Rivalry," published in the Milwaukee Journal of January 29, 1958.

NOTICE OF HEARING ON NOMINATIONS OF PHILIP D. REED AND ERWIN D. CANHAM TO BE MEMBERS OF THE UNITED STATES ADVISORY COMMISSION ON INFORMATION

Mr. GREEN. Mr. President, as chairman of the Committee on Foreign Relations, I desire to announce that the Senate received today the nominations of Philip D. Reed, of New York, and Erwin D. Canham, of Massachusetts, to be members of the United States Advisory Commission on Information for terms expiring January 27, 1961, and until their successors have been appointed and qualified.

Notice is given that the nominations will be eligible for consideration by the Committee on Foreign Relations at the expiration of 6 days, in accordance with the committee rule.

FORT MISSOULA AND THE OFFICE OF THE BUREAU OF PUBLIC ROADS SHOULD NOT BE TRANSFERRED FROM MISSOULA, MONT.

Mr. MANSFIELD. Mr. President, the Secretary of Commerce has sent out orders from Washington seeking to transfer the office of the Bureau of Public Roads, now in Missoula, Mont., to Helena, Mont., and to Vancouver, Wash.

As a result of the activities of the citizens of Missoula, headed by the chamber of commerce, we have been able to obtain a postponement of the decision made by Secretary of Commerce Weeks. We requested a rescinding of the original order, or a postponement, at the very least, because we felt it would not be economical or wise to transfer a part of the Office of the Bureau of Public Roads from Missoula to Vancouver, Wash., 700 miles away, and then expect employees of that office to return to western Montana, where surveys are frequently made, to carry on their work.

I am delighted to note that, as of this date, Secretary Weeks has informed the Montana Congressional delegation that on the basis of forthcoming information, he is reconsidering the matter.

I am also hopeful that in this particular instance the Government Operations Committee of the Senate, under the chairmanship of the distinguished senior Senator from Arkansas [Mr. MCCLELLAN], will look into the matter and will see whether ways and means can be found to retain in Missoula, Mont., the office of the Bureau of Public Roads, which has been located there for over a quarter of a century. I have already directed a letter to that effect to the chairman of that committee.

At the same time, there have been issued from Washington orders from the Department of Defense to the effect that Fort Missoula, as the headquarters of the Montana Military District, is to be disbanded, and that a corps headquarters is to be set up at Fort Lawton, Wash. The reason, as I understand it, on the basis of the most recent communication, is that there is a concentration of population and facilities along the west coast, near Fort Lawton. I think that is a very

nebulous and unsound basis for a recommendation for a change of this sort, because although Fort Missoula—again, 700 miles away from Fort Lawton—is designated as a battalion-type installation, nevertheless it is the logical point at which the corps headquarters for the newly created military district should be set up. Fort Missoula has every facility needed as well as a protected location. The people of western Montana are wholeheartedly behind the retention of Fort Missoula and I speak in their behalf this morning.

This morning I have received from the Department of Defense a communication to the effect that the original order will stand.

Today I am directing to the chairman of the Armed Services Committee of the Senate, the distinguished senior Senator from Georgia [Mr. RUSSELL], a letter in which I ask that the committee look into this matter, to see whether this particular order can be rescinded, and that, instead of having Fort Missoula dismantled, it be made the corps headquarters for the military districts in the Northwest.

Mr. President, the retention of both Fort Missoula and the office of the Bureau of Public Roads should be retained in Missoula, where they are needed, necessary and appreciated.

AMERICAN CITIZENSHIP CALLS FOR VIGILANT ATTENTION TO POLITICS AND GOVERNMENT

Mr. NEUBERGER. Mr. President, one of my favorite sayings was spoken 30 years ago by the illustrious Elihu Root, our former United States Secretary of State, to the students of Syracuse University. He said that politics was the practical exercise of self-government and that, if we are going to have self-government in America, somebody had to go into politics.

I believe this implicitly. Politics, as the late William Allen White often emphasized, is the citizen's responsibility. Whenever I speak in my own State of Oregon, particularly on college campuses, noted teachers of political science urge me to stress to the students the urgent nature of their own duty to make careers in Government and politics. Some of the able teachers of government or the humanities who have emphasized this to me are my own former political science professor, Dr. Waldo Schumacher, of the University of Oregon; Dr. John M. Swarthout, Prof. William A. McCleneghan, and Prof. Austin L. Walter, of Oregon State College; Prof. Hoyt C. Franchere and Prof. Marko L. Haggard, of Portland State College; Prof. Jonas A. Jonasson, of Linfield College; Prof. Charles McKinley, Prof. Frank Munk and Prof. Maure L. Goldschmidt, of Reed College; Prof. David Fosselman, of the University of Portland; and Prof. John P. Vloyantes, of Pacific University.

Their ideas, as well as some of mine, have been expressed with great clarity and vigor in a list of 10 rules for effective citizenship drawn up by 3 teachers of government at the University of Southern California. These precepts appeared in the Los Angeles Times of November 11, 1957—fittingly, Veterans Day, which commemorates the sacrifice made by so many Americans to maintain our right to free government.

I approve especially of the warnings of these professors that the citizen must be able to analyze propaganda and to sift truth from distortion, when he prepares for his decision at the ballot box.

I ask unanimous consent, Mr. President, that the article from the Los Angeles Times, with these 10 maxims of citizenship, be printed in the body of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PROFESSORS LIST RULES OF CITIZENSHIP—LACK OF PUBLIC RESPONSIBILITY HIT BY SOUTHERN CALIFORNIA TEACHERS

Three University of Southern California political science professors admit they have their work cut out for them in attempting to disassociate the word "politician" from anything shabby.

The average American automatically links the politician with such words as crook or grafter to show his hostility to politics and government, according to Drs. Carlton C. Rodee, Totton J. Anderson, and Carl Q. Christol.

TEXTBOOK WRITTEN

They have coauthored a textbook, with the innocuous title of "Introduction to Political Science," containing their analysis on "what's wrong with today's average citizen."

The trio point a finger at John Doe for being anti-intellectual, woefully ignorant of international and domestic problems of government and a regular complainer against taxes, jury duty and military service.

POLITICAL RESPONSIBILITY

"To run for public office," they cite as a common notion, "means involvement in 'dirty politics' and 'shabby compromises.'" But this "shirking of political responsibility by the better type of citizen leaves the field wide open to lower types," the professors put it very plainly.

Doctor Rodee, alarmed at the trend of the American mind toward anti-intellectualism, said phrases such as braintruster, theorist, longhair, visionary and intellectual are today in themselves described as terms of reproach and ridicule.

RESPONSIBLE CITIZENSHIP

The professors have their own commandments for responsible citizenship to offer those who are apathetic about politics and government.

"Citizenship, after all, is not a spectator sport," they add in listing the following suggestions:

1. Recognize that each citizen owes the Nation and Government a great debt for maintaining liberty, prosperity, high living standards and unmatched opportunities.

KEEP WELL INFORMED

2. Make a continuing effort to keep well informed about Government and its processes and problems at the local, State, national, and international level.

3. Assume duties of citizenship in the spirit of objectivity, first becoming informed on all sides of a public issue before shouting personal opinions.

4. Learn to detect, analyze and evaluate propaganda so that it may be kept in its proper place in the war of words which is constantly being waged to win men's minds.

STRONG COMMUNITY

5. Help build a strong, effective community and Nation.

6. Participate in political activity.

7. Join a political party, work actively within it to make it a strong and worthy vehicle to promote the public interest.

8. Uphold civil liberties, remembering that without them democracy cannot exist.

9. Combat the anti-intellectualism now rampant in the Nation.

10. Revive the traditional American self-confidence and courage.

Do these things, they recommend, and the politicians will no longer be the second-rate citizens many are called today.

FIVE CENTS ON OUT-OF-TOWN LETTERS COULD REVOLUTIONIZE POSTAL SERVICE

Mr. CARLSON. Mr. President, I ask unanimous consent that, regardless of the 3-minute rule, I may be recognized for 10 minutes.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Senator is granted 10 minutes.

Mr. CARLSON. Mr. President, for more than 7 years I have had the honor to serve as a member of the Post Office and Civil Service Committee of the United States Senate. My colleagues and I on that committee have devoted many years of study to the problem of determining what legislation should be enacted which would benefit the postal service of our Nation. While we have been successful to a degree, much remains to be done. It is our responsibility here in the Congress to provide the necessary legislative authority for the Post Office Department to meet the challenge of these changing times. I should like to speak briefly on this important subject and outline how I believe we can better fulfill this responsibility, faced as we are with the critical need of increasing postal rates.

VOLUME INCREASE POSES PROBLEM

I am informed that while the volume of mail today is about 60 billion pieces annually, yet by 1970 the volume will exceed 75 billion pieces when our population will be in excess of 200 million citizens. As our population increases, as our economy expands, and as our people become more prosperous the demands upon our postal service will multiply by leaps and bounds.

In the last few years great improvements have been made in the operation of the postal service. Better management, improved transportation, increased efficiency, and a research and engineering program have been responsible for preventing a serious breakdown in the postal service. However, during the past 25 years, while American industry has been improving its operating techniques by the use of mechanized equipment and modern handling methods, the Post Office Department still is forced to rely principally upon the same monotonous hand-sorting operations which originated in the days of Benjamin Franklin.

POSTAL EMPLOYEES LAUDED

It is, indeed, a great tribute to the devotion, ingenuity, and efficiency of our half million postal employees, three-fourths of whom are engaged in mail sorting and distribution work, that they are able to handle the ever-mounting

volume of mail without benefit of modern machinery and equipment.

To meet the needs of the next 20 years these conditions cannot be allowed to prevail. We must provide the Post Office Department with the means to secure buildings, facilities, and equipment to modernize the entire postal establishment.

NO GOVERNMENT BUILDINGS SINCE 1938

If we examine the meager progress made in building new post offices during the past 20 years, the story is much the same. Since 1938 not one single new post office has been built with Government funds.

Beginning in 1953, under the authority granted by Congress, the Post Office Department embarked on a program to encourage private industry to build new post office buildings according to their specifications, which, in turn, are leased by the Department on a long-term basis. This is a fine program, but because of the uncertainties of funds available from year to year for new equipment, it is impossible to coordinate the need for new facilities with available equipment.

This present program, by necessity, is restricted to only a small number of communities. Currently this program i. replacing mostly the smaller post offices, and it is not keeping abreast of the deterioration and obsolescence of building and equipment.

Now, what is the answer to this problem? In my opinion the Senate Post Office and Civil Service Committee has an opportunity to provide the solution.

RAISE WOULD NET $175 MILLION MORE

President Eisenhower, in his budget message on January 13, requested the Congress to approve legislation establishing a 5-cent letter rate on all except local letter mail.

This 5-cent nonlocal letter rate would provide an additional $175 million a year in new postal revenues above the revenues secured from a 4-cent rate on all letter mail.

Postmaster General Summerfield, in his appearance Friday, January 24, before the Senate Post Office and Civil Service Committee, explained the need for this increase by stating:

> The proposed amendment to H. R. 5836 to change the out-of-town letter rate from 4 cents to 5 cents is now necessary because the financial problems of the postal service have intensified.

While we are all concerned with the constant increases in the already huge annual postal deficits, yet I believe the most important current financial problem facing the postal service is how to finance properly a modernization and building program. In my judgment, any public-opinion poll would show that postal patrons who use first-class mail would not object to paying 5 cents postage on their nonlocal letters if they knew that the revenues therefrom would be used for a long-term program to build new modern post offices and facilities with the most up-to-date equipment and mechanical facing, culling, sorting and canceling machines, as well as provide the funds for a long-term research and development program.

I believe the general public, the business users of the mail, and the 500,000 postal employees will approve any reasonable postal rate increase which would earmark this extra 1 cent for capital improvements in the postal establishment. As this program begins to take effect, it would, I am certain, show that with modern and up-to-date techniques and equipment, the cost of handling the several classes of mail could be reduced.

PRESENT FACILITIES INADEQUATE

According to information furnished me by the Post Office Department, about 50 million square feet of the building space occupied by the entire postal service is located in Federal buildings. Most of these buildings are monumental in character, multistory, and not suitable to the Department's needs for modern one-story flexible post offices. In order to do the necessary job of modernization so that mail may be handled more rapidly and efficiently, the Department must move out of these Federal buildings into modern buildings designed to suit postal requirements. The space vacated by the Post Office Department is badly needed by other Government agencies and will not be left vacant.

I am informed that the Post Office Department has under consideration a long-term capital improvement program which could solve its basic problem, if adequate funds were available.

By reason of the Department's program of having new buildings built by private capital and leased to it on a long-term basis, the only capital funds necessary would be for equipment and vehicles, as the leases also include maintenance and taxes.

PLAN WOULD SUFFICE FOR 20 YEARS

It is my considered opinion that for an expenditure in Government funds of $175 million a year over a 5-year period our postal service can be provided a sufficient number of new buildings and modern automatic equipment to make our postal plant the equal of any modern industrial plant in the United States. Unless this is done, Mr. President, this wealthiest Nation in the world must be content with a mediocre and deteriorating postal service.

Therefore, at the proper time I shall propose an amendment to the House-approved postal rate bill now pending before our committee to provide for the establishment of a special fund to be financed from the revenues secured from the 1-cent increase in nonlocal letter mail rates proposed by the administration in the 1959 Federal budget. I propose that this special fund, which would increase at the rate of $175 million a year, be used to finance an expanded building, modernization, research, and development program to improve the entire postal establishment to meet the critical needs of the next two decades.

FIVE-YEAR LIMIT PROPOSED

On the basis of my study of these problems, I believe a 5-year program would be adequate, and at the end of the 5-year period the special fund should be liquidated as provided by law.

I can think of no more worthy purpose for which these funds could be used, because in addition to replacing and modernizing the buildings and equipment of the greatest communications system in the world, we would release into our national economy in the next 5 years a sum equal to $875 million of Government funds, plus a huge amount of private capital.

The funds from private capital, let me emphasize, would be used for the purchase of land and construction of the buildings which would be leased to the Post Office Department.

These funds would provide thousands of new postal buildings throughout the United States. While these facilities would obviously be located where they were needed most, every State in the Union would share in this building development program of the postal service. Moreover, each of these buildings, in addition to improving the postal service, will produce revenue and jobs for the community throughout the life of the lease.

PLAN AGREES WITH HOOVER COMMISSION

Mr. President, we have devoted many years of thoughtful study to the problem of how to improve the physical plant of the Post Office Department. Both reports of the Hoover Commission have emphasized the need for immediate modernization of the postal service. The reports of the Hoover Commission stress the fact that the solution to the problem is a joint endeavor by the Congress and the executive branch. In my judgment, my proposal carries out a portion of the Hoover Commission recommendations.

My colleagues and I, on the Senate Post Office and Civil Service Committee, have been concerned about the need of our postal service to keep pace with the demands of our growing and prosperous Nation. The Post Office Advisory Council to our committee has recommended on several occasions the urgent need for a practical solution to the problem of modernizing the postal service. In my opinion, the proposal I have suggested carries out the recommendations of this Council.

I have outlined what I believe is a realistic and practical way to solve one of the most urgent problems in the postal service. Here is a plan which provides benefits for everyone. This is a plan to give the American people the kind of mail service they desire and expect, now and in the years ahead.

Mr. NEUBERGER. Mr. President, I was listening to the very informative and challenging statement made a few minutes ago by the distinguished Senator from Kansas [Mr. CARLSON] who is the ranking Republican member of the Senate Committee on Post Office and Civil Service. I should like to say to him that I am extremely interested in the proposal he has made. I have not had an opportunity to study it thoroughly, but as a member of the special Subcommittee on Postal Rates, of which the Senator from Kansas is also a member, I promise him that I shall do my very best to analyze his suggestion as thoroughly and completely as possible.

I also should like to say at this time, inasmuch as the able Senator from Kansas has raised the question of postal

rates, that I believe a bill increasing postal rates should be reported to the Senate. I cannot commit myself to every single feature of the bill. I think it should be a fair bill. I think it should be a responsible bill. I think it should be an adequate bill. It should not be a punitive bill. I am personally opposed to tying together postal salaries and postal rates. In the long run I believe that would not be fair to postal employees. It would mean by implication that such employees should not again receive a raise in pay unless postal rates were increased, and it may be that the cost of living and inflation will shoot upward on a continuing basis and that these people will be entitled to a further raise.

I do believe and wish to state for the RECORD at this time, inasmuch as the able Senator from Kansas has raised the issue, that our Subcommittee on Postal Rates should within the near future report a fair, adequate, and comprehensive postal rate bill to the floor of the Senate.

Mr. CARLSON. Mr. President, if the Senator will yield to me, even though in possible violation of the rules of the morning hour, I shall appreciate it very much.

Mr. NEUBERGER. I certainly shall be happy to yield, if it is agreeable to the distinguished occupant of the chair.

Mr. CARLSON. Mr. President, I wish to say, as a member of the Committee on Post Office and Civil Service for some years, that it is a great pleasure to work with the junior Senator from Oregon on the committee. We do not have a more sincere, conscientious, hardworking and able member than the junior Senator from Oregon. He has spent much time on the postal pay legislation, which is under consideration by the Senate at the present time. He and I have discussed that problem, as well as the postal rate problem, with which we are confronted. I think I know his views and he knows mine. While we do not always agree on particular sections of the bill, on the principles we are agreed and there is not any question about it. I am in thorough accord with the Senator that I do not think postal rates and postal pay should be provided in the same bill. I have said that consistently.

I sincerely hope we can get a postal rate bill out of the committee. I know the Senator from Oregon will help me and the other members in getting such a bill out. I think it is important to do that, in order to protect the finances of the Federal Government which, after all, are affected by the amount of money received from postal receipts.

I may say that I made my suggestion this morning for consideration. I have a feeling that if we are going to modernize the postal operations such an approach will be necessary. We need new buildings in every section of the country. We need equipment.

I have served as the governor of a State, and I know what that State and other States are doing. There is a mill tax on real property, and there is a sales tax, and receipts are used to construct buildings for our educational institutions or eleemosynary institutions. We would never be able to accomplish that if we did not follow such a process.

Here we have an opportunity to set aside 1 cent of the revenue for 3 years or for 5 years, to modernize the plants and bring them up to date. I am very much in favor of that approach.

Mr. NEUBERGER. Mr. President, I appreciate the very generous and kind remarks of the Senator from Kansas.

I agree in substance with what the Senator has said about postal policy.

It is my opinion that when the bill providing for increases in salaries of postal employees, as well as increases in salaries of the classified-service employees of the Government, comes before the Senate, we on the Postal Rates Subcommittee should be able to indicate very definitely and very explicitly to our colleagues in the Senate exactly when we expect to report to the Senate a postal rate increase bill which will be fair and responsible.

I wish to add that I have raised this question at this time not only because of the very informative remarks of the able Senator from Kansas, but because the occupant of the chair is the President pro tempore, the distinguished senior Senator from Arizona [Mr. HAYDEN], who last year took the initiative in submitting to the Senate Committee on Post Office and Civil Service a statement on postal rates which was prepared in his characteristically courageous and forthright manner.

Mr. President, I now desire to address myself to another subject.

The PRESIDENT pro tempore. The Senator from Oregon has the floor.

HOW TO END OUR POST OFFICE MESS—PERMANENTLY

Mr. NEUBERGER. Mr. President, the distinguished chairman of the Senate Post Office and Civil Service Committee, the senior Senator from South Carolina [Mr. JOHNSTON], has contributed a challenging article to the February 1958 issue of the Reader's Digest, entitled "How To End Our Post Office Mess—Permanently." This article should be read by citizens of the United States, and should be studied carefully by every patron of the postal service who has ever expressed an opinion or given a second thought to the need for improvement in the service.

Mr. President, I ask unanimous consent to have this cogent article reprinted in the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HOW TO END OUR POST OFFICE MESS—PERMANENTLY

(By Senator OLIN D. JOHNSTON, of South Carolina, chairman, United States Senate Committee on Post Office and Civil Service)

For 13 years I have been sitting on the Senate Post Office and Civil Service Committee, for 7 of those years as its chairman. This is not a popular committee; few Senators seek membership on it. No committee involves more headaches or attracts such pressure from politicians, lobbyists, Government employee unions, and plain citizens. For the Post Office is not only the Department most intimately in touch with the entire population; it is also the most misunderstood and maligned. And, frankly, it is in a mess.

The proportions of this mess are staggering.[1] Although mail volume has doubled during the past 15 years the increased business has not brought costs down; instead inflation and inefficient handling have pushed deficits way up—to the point where the Department spends $2 million more per day than it receives. Service has become poorer, deliveries less frequent. Even the Postmaster General admits that the operations are "deplorable."

It has long been my ambition to see the United States Post Office, the largest in the world, become the most modern and efficient. Because of that goal and because my committee work has given me access to full information, I consider it my duty to set down the straight facts of the present situation and to offer a plan which, if carried out, would go a long way toward putting the Post Office on a proper basis.

Two basic points must be kept in mind as we consider this subject:

First, our Post Office was not designed to make money for the Government. Created by the Continental Congress in 1775, it was conceived as a service to the people, in contrast to the practice in other countries, where post offices were run as moneymakers for kings.

Second, the money you pay for such post office purchases as stamps does not go to the Post Office. Every cent the Post Office receives goes into the general fund of the Treasury. Every cent it spends comes from appropriations by Congress. When revenues are less than the Congressional appropriations, we have the familiar "Post Office deficit."

Few people realize, however, that every Post Office deficit is partly a "phantom" deficit because it results from charging as costs a huge variety of operations which the Post Office carries on for other Government agencies or in the interest of the Nation's general welfare. I doubt that many citizens know, for instance, that rural postal carriers each fall take a deer and grouse census on the Michigan Peninsula. Or that, in acting as agent for the Department of the Interior in selling migratory-bird-hunting stamps (wherever you live, if you want to hunt waterfowl, you must have a duck stamp in addition to your State hunting license) our post offices last year sold 2,332,014 such stamps.

Every year our post offices register aliens for the Department of Justice—2,565,262 in January 1957 alone. In addition, every time an alien changes his address he must reregister—meaning more post office work. In 1,400 communities the post office is the only place where citizens can buy or redeem Government savings bonds and stamps. Also, the post offices sell the Treasury Department stamps used whenever a transfer of property, stocks, or bonds requires a Federal tax.

Federal agencies continually turn to the Post Office Department when they are faced with a job that necessitates reaching into every nook and cranny of the land. The post offices store and distribute income-tax forms by the millions for the Internal Revenue Service, help make surveys of vacancies for the Federal Housing Administration, assist Civil Service in spreading information about examinations for Government positions. Some post offices provide the only notary service in their communities. When a war veteran dies, 3 out of 4 families turn to a post office to file application for a flag for the funeral. Post offices also receive and transmit funds for many volunteer charities—12 nationwide campaigns a year—heart, cancer, polio, and others—that are advertised over radio and television with the familiar final words: "Just hand or mail to your postmaster."

[1] See Our Horse and Buggy Mails, the Reader's Digest, May 1957.

Did you know of all the free postal services provided for the blind? Books, pamphlets, and other reading material in raised characters or on records are carried free. So are magazines for the blind, if they carry no advertising, and there is no subscription charge. Altogether, in a year the post office carries free more than 20 million pounds of such mail.

Among other free services is the delivery of newspapers in the county of publication—some 380 million copies last year. Also, there is free registered mail for Government agencies, free mail for the Pan-American Union and Pan-American Sanitary Bureau, free mail for widows of Presidents. Publications issued by nonprofit fraternal, religious and scientific groups are moved at special low rates set without relation to cost. In 1956 more than 1½ billion pieces of such nonprofit mail were handled. Also, low rates of postage are charged for all the 25,000 newspapers and magazines that are delivered by second-class mail—a recognition of their educational value.

One of the most valuable services performed by our post offices is the distribution of books at low cost. A 2-pound book can be mailed anywhere in the United States for 12 cents, less than one-fourth the charge for mailing a parcel-post package of that weight across the country—and we are a better-read Nation as a result. Libraries get an extra-special rate. I graduated from a small college in South Carolina which can borrow a book from the large libraries at the University of Virginia or Duke or Georgia Tech, for example, at a mailing cost of only 5 cents. Last year for libraries alone the post office delivered about 7 million books.

The postal card, once called the poor man's letter, is another public service. It was started 85 years ago because Congress thought the public should have a 1-cent communications medium. More than 3 billion post and postal cards are mailed annually, and even at today's 2-cent rate the sender pays only about two-thirds of the mailing cost. We also mail about a billion Christmas cards in unsealed envelopes, with a loss of about 1 cent on each.

Rural free delivery is perhaps the most conspicuous contribution to public welfare. Senator FRANK CARLSON, chairman of the Post Office Committee when the Republicans last controlled the Senate, once said: "I do not see how anyone could justify R. F. D. except as a service by the Government to its citizens."

When I was born in 1896, R. F. D. was just getting under way experimentally, a milestone in relieving the drabness and loneliness of farm life. It has played a major role in advancing the national economy since. R. F. D. carriers today number 18,300, drive a total of 1,500,000 miles each weekday, and serve 35 million people. Areas with as few as 3 families per square mile get R. F. D. and 11,569 even more sparsely populated areas are handled by contract. There are 135 horseback routes, 96 carriers using shallow-draft boats, and 32 routes using planes—for instance, out of Sandusky, Ohio, to a group of islands in Lake Erie. In fiscal 1956 the expenses of R. F. D. exceeded revenues by $205 million.

Many of our third- and fourth-class post offices exist simply as places where people come to pick up their mail. They don't take in enough revenue to equal the postmaster's salary. In 1956 these 28,058 offices had revenues of $58 million against expenditures for postmasters and clerks of $113 million. Obviously, some third- and fourth-class offices are considered political necessities; these might be dropped and good mail service provided by other means. But, in the main, public service rather than profit or loss must be the postal yardstick.

All of these services are part of the great tradition of the United States post office. We do not want to see them curtailed. Back in 1865 the Post Office spent $749,000 on routes from Kansas City and California which brought in revenues of only $23,900. The first letters sent to Alaska cost $450 apiece to deliver. That type of public service is what built and unified this country. Similarly, our costly R. F. D., our preferential treatment of scientific and other publications, our special low library rates—all these help build a stronger nation. How much do they cost?

Last February a citizens' advisory council, set up by Senate resolution, reported to our committee that public services performed by the Post Office in 1955 cost $392,400,000. These were the measurable items and did not include the costs of 11 services I have enumerated here. Before the council investigated, the accounting firm of Price, Waterhouse & Co. made a study for the Post Office Committee. It found that in 1952 the total value of measurable public services that the Post Office was giving away or selling below cost came to $274,470,674.

My own opinion is that these public services cost the Post Office well over $300 million, but I have no intention of getting into a bookkeeping debate. Instead, I wish to point out what I believe we should do to make our Post Office the best in the world:

1. Establish a basic postal policy: Congress should adopt a modern Post Office policy which defines precisely what costs are to be borne by mail users and what costs are to be borne by the Government because they are public services. When you mail a letter, its stamp should be expected to pay for postal services and not for public services such as counting grouse or surveying housing. The Hoover Commission put it this way: "There are good reasons why the nationwide facilities of the postal establishment should be available to perform certain functions for other departments and agencies of the Government. There should be no question, however, that the Post Office is entitled to reimbursement in some manner for such services."

2. Raise postal rates rationally: Once we determine what true mail costs are and agree on uniform, permanent ground rules for meeting them, we may still be compelled to raise postal rates. The first-class letter rate will probably have to be raised to 4 cents. (I think most people are reasonable enough to be willing to pay 1 cent more—a 33⅓ percent increase—for an item in 1958 than they paid for it in the depression 1930's.) Second-class rates have already been increased 30 percent, but they'll probably have to be increased further. Similarly, there must be a rise in third-class rates, already increased 50 percent. I would not say precisely what increases should be made; I do not believe anyone can make a businesslike forecast of that until Congress sets the fundamental postal policy.

3. Modernize the postal system: Neither a new postal policy nor higher rates will solve the basic Post Office problems. They spring from antiquated plants, equipment and processes. That's agreed on by Post Office officials, postmasters and management firms which have investigated. It's the reason increased volume doesn't bring down costs. So I believe we should launch a long-range, big-scale modernization program for the construction of efficient buildings, streamlining of facilities, development of advanced mechanical devices.

It takes huge sums to get efficient physical facilities for any nationwide communications system. Since the end of World War II the Bell telephone system, for instance, has obtained from the public $10 billion of new capital for the expansion and modernization of its physical plant. In the long run, when correctly handled, these investments pay for themselves. To pay for the Post Office modernization, I have proposed that the Postmaster General be authorized to borrow $2 billion from the Federal employees' retirement fund. Retirement funds are now invested in Treasury bonds at an interest rate of 2½ percent. The Post Office could pay 3½ percent interest for the use of the money, thereby adding to the fund for the benefit of Federal employees. Since the Post Office must now pay 4 percent interest on the limited money it can borrow, all would gain from this proposal.

4. Increase employee efficiency: Postal employees have received but one small increase in wages since 1951. Many are compelled to take extra jobs after hours in order to meet the present high cost of living. If we are to expect maximum efficiency from a worker, we must pay him a wage that will enable him to concentrate on his skill. An adequate increase in postal wages is necessary and would, in my opinion, pay big dividends in production.

If these four steps are taken by Congress, I believe that in a few years we can get out of this postal mess and have the best mail service in the world.

PRIORITIES IN EDUCATION

Mr. CLARK. Mr. President, I see in the Chamber the distinguished Senator from Alabama [Mr. HILL], who has recently introduced a bill on behalf of himself and a number of other Senators to help meet the educational crisis in the field of scholarships, in the graduate teaching of instructors, and in other ways.

I commend him for the fine work he has done in that regard, and express the hope that this session of the Senate will take some effective action with respect to his bill.

With all due deference, I should like to state briefly why, with deep regret, I do not feel that I can be a cosponsor of that bill, much as I favor the objectives of the Senator from Alabama.

In my judgment, the primary and critical educational need today is to rehabilitate the teaching profession by giving it greater dignity, by seeing that our teachers are better paid, and that they attain a better position in the community.

Senate bill 3158, with respect to which I have been permitted to act as a cosponsor with the Senator from Mississippi, is a step in that direction.

The second priority, in my view, is for a school-construction program, to make it possible adequately to house our boys and girls, and furnish them with proper laboratories and other buildings.

The third priority, in my judgment, is that of scholarships, and the need to see that more bright boys and girls go to college, to take the place of the boys and girls who are not quite so bright. While I have the greatest sympathy for the objective of the scholarship program set up in the bill of the Senator from Alabama—and the senior Senator from Oregon [Mr. MORSE] and I introduced a similar scholarship bill last year—I should like to use my best efforts to see if we cannot expand the excellent effort which the Senator from Alabama and his colleagues are putting forth, so as to include the two higher priorities, in my judgment, relating to the teaching profession and to the need for construction.

Mr. HILL. Mr. President, I have listened with interest to the remarks of

my distinguished friend from Pennsylvania yesterday when I introduced the bill (S. 3187) to which he refers. I pointed out that "the bill presents a well-rounded program of emergency assistance designed to stimulate and assist education at all levels." Some news reports concerning the bill have interpreted it as a bill designed solely to aid higher education.

I have prepared a supplementary statement on the bill, which shows that the total cost of the proposed 6-year program of education under the bill is slightly more than $3 billion. Of this amount, some $1,200,000,000, or 40 percent, is to provide assistance for programs directly benefiting elementary and secondary schools.

For example, $100 million a year, or $600 million over the 6-year period, would go to help elementary and secondary schoolteachers to take advanced training in summer schools or extension courses. In this way the teachers will be able to better prepare themselves; and by better preparing themselves be enabled to attain higher grades of pay.

There is also some $40 million a year in the bill—which would represent some $240 million over the 6-year period—for science-teaching facilities in elementary and secondary schools, to provide better equipment for laboratories, and other specialized equipment suitable for use in teaching science, mathematics, and modern foreign languages.

A part of the $1,200,000,000 would be matched by State and local funds, and that matching would give us, over the 6-year period, a total of $1,660,000,000 for our elementary and secondary schools.

I shall place in the RECORD a statement showing how the $1,660,000,000 would be expended for our elementary and secondary schools.

I agree with what the Senator from Pennsylvania has said. Surely if we are to meet the situation which now confronts us with reference to our schools, it is most important that we attack the problem not only at the level of higher education, but also at the level of our elementary and secondary schools. We must attack it at all levels.

Even our scholarship program, which is to provide scholarships to enable boys and girls graduating from our secondary schools to go to colleges and universities, will have a most wholesome and healthy effect on our secondary and elementary schools. This is true for this reason: The scholarships proposed in our bill will be granted to secondary school graduates on the basis of their ability, their scholastic achievement and their aptitude for higher learning. These scholarships will be really on honor, an award, to be won by application and good work in the secondary schools.

There are provisions in S. 3187 aimed at making sure that a college student who needs financial help can obtain it. Any boy who needs financial help is eligible to participate in a student loan program, at a 2-percent rate of interest. We go further and provide that if, after graduating from college, the young person, boy or girl, who has had a loan, enters the teaching profession the loan will be canceled at the rate of 20 percent a year. Thus if he remains in that profession for 5 years, the loan will be canceled.

The PRESIDENT pro tempore. The time of the Senator from Alabama has expired.

Mr. HILL. Mr. President, I ask unanimous consent to proceed for an additional minute.

The PRESIDENT pro tempore. Without objection, the Senator from Alabama may proceed for an additional minute.

Mr. HILL. There is also provision for a work-study program, which will give another opportunity to boys and girls who might need financial help.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks the statement to which I have referred.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

NATIONAL DEFENSE EDUCATION ACT OF 1958—STATEMENT BY SENATOR LISTER HILL

On Thursday, January 30, when I introduced the national defense education bill, S. 3187, I pointed out that "the bill presents a well-rounded program of emergency assistance designed to stimulate and assist education at all levels." Because some news reports concerning this bill have interpreted it as a bill designed solely to aid higher education, I ask unanimous consent that a supplementary statement concerning the proposal be printed at this point in my remarks. The fact is the bill lays great stress on meeting the needs of our elementary and secondary schools.

The total cost of the proposed 6-year program of education for the national defense is slightly more than $3 billion. Of this amount, approximately $1,200,000,000, or 40 percent, is authorized to provide Federal assistance for programs directly benefiting secondary and elementary schools. In addition, with State and local matching, the overall nationwide expenditures for education below the college level will amount to more than $1,660,000,000 in the 6-year period.

For example, the bill provides $40 million for each 6 years for the acquisition of science-teaching facilities for use in elementary and secondary public schools. These funds will help the Nation's public schools acquire specialized equipment suitable for providing education in science, mathematics, and modern foreign languages. As defined in the bill, the term "acquisition," when used in conjunction with science-teaching facilities, includes the alteration of existing buildings and the equipping of new buildings and existing buildings, whether or not altered. Through this program, in 6 years $240 million of Federal funds, matched by $240 million of State and local funds, making a total of $480 million, will be expended to modernize the facilities of elementary and secondary schools for teaching of science and languages to our Nation's children.

The sponsors of S. 3187 are extremely conscious of the all-important role of the individual teacher in our Nation's elementary and secondary schools. Above all, they are conscious of the need to provide as many teachers as possible with greater knowledge of their subjects and to increase the financial rewards earned by teachers. The bill, therefore, provides a number of programs by which elementary and secondary schoolteachers can secure advanced courses in the subjects which they teach and receive additional income by modest stipends paid them while taking these courses.

For example, title VI of the bill provides $75 million a year for 6 years for the payment of elementary and secondary teachers to attend summer courses and institutions of higher education, and $25 million a year for 6 years for teachers to attend extension courses in institutions of higher education. Teachers who are selected for summer courses will be paid at the rate of $75 a week plus $15 a week for each dependent. Teachers selected to take extension courses will be paid $7 for each day on which they attend such courses, with a ceiling of $56 for any 30-day period.

In addition, the bill provides for paying secondary schoolteachers to attend summer institutes for courses in the counseling and guidance of high-school students, particularly gifted students. Teachers selected under this program will be paid $75 a week for each week of their attendance at such institution and $15 a week in addition for each dependent. Teachers who participate in the program will improve their knowledge of the subject they teach, improve their methods of teaching these subjects, advance their professional standing, and thus qualify for higher salaries in their own school system; and at the same time receive a modest stipend while attending summer or extension courses.

The effect upon the students in our elementary and secondary schools will be of even greater importance.

The bill also provides additional means by which instruction for guidance of students in the elementary and secondary public schools may be improved. This will be accomplished through programs providing $15 million a year to State educational agencies for guidance and counseling programs in secondary schools, and $10 million a year to these agencies for consultants in science, mathematics, and foreign languages, whose task it will be to aid teachers of these subjects in the States schools. A total of $150 million during the 6-year period is authorized for these two programs. State and local matching funds will add $100 million to these programs.

The proposed program includes $10 million a year for 6 years for research and experimentation in new educational mediums, such as films and television. This will be of value to State and local educational agencies.

A further provision of the bill affecting education below the college level is the title which amends the Vocational Education Act to provide $20 million a year in additional funds for equipment and maintenance of area vocational education programs. These will provide vocational training in essential occupations, including retraining made necessary by scientific and technological developments. Through matching provisions, the $120 million authorized in the bill for Federal assistance will be doubled by the addition of State and local funds in the same amount, thus providing a total of $240 million to stimulate the training of technicians in skills essential to national defense.

The new national defense scholarship program authorized in our bill also is directed in major part toward our secondary schools. Witnesses who have appeared before the Committee on Labor and Public Welfare have stressed repeatedly that the existence of a Federal scholarship program will be an enormous stimulus to students all down the line, as they put it, to do their best in their school work, to take the harder courses, and to prepare themselves scholastically to go forward and to compete for the scholarships in their last year of school. The sponsors of the bill regard this stimulating effect of the scholarship program as even more important than the furnishing of financial assistance to able students.

In the first year after the program is established, 40,000 young American boys and girls graduating from high school will receive National Defense Scholarships, and every year for 5 succeeding years, 40,000 additional high school graduates will receive such scholarships. It should not be forgotten that 4 or 5 times this number, at the very least, will

compete for these scholarships during each year of the program. Its impact on the lower grades will grow even greater, and by the sixth year, 240,000 boys and girls will have won such scholarships, while probably well over a million or a million and a half will have prepared themselves to compete for the awards.

Surely this one program alone will have an immense effect in improving education at all levels, both above and below the high school.

Finally, the sponsors of the bill have recognized that financial inducements are not the only way by which our young people can be stimulated to improve their education, to study harder, and to take the courses that will make possible their entering college and proceeding toward professional careers, whether in science, teaching, medicine, law, or any other field of higher learning.

The bill provides that 5 percent of the high school graduates every year who attain the highest scholastic achievement shall be awarded a Congressional citation and receive a scroll and a medal as token of the esteem in which the Congress and the whole Nation holds those who strive for intellectual achievement.

The bill S. 3187 does not seek only to assist higher education, or any particular level of education, but rather education at all levels.

Mr. CLARK. Mr. President, I ask unanimous consent to proceed for 1 minute.

The PRESIDENT pro tempore. Without objection, the Senator from Pennsylvania may proceed for 1 minute.

Mr. CLARK. I thank the able Senator from Alabama [Mr. HILL] for his most helpful remarks about his bill. I assure him that I am in sympathy with his objectives. The Senator from Alabama has been kind enough to invite me to appear as a witness before his Committee on Labor and Public Welfare next week, at which time I shall avail myself of the opportunity to speak in greater detail on this subject. I hope I can persuade my good friend to incorporate some additional features in his bill. I know that he will listen to me with an open mind.

Mr. HILL. Mr. President, will the Senator yield?

Mr. CLARK. I yield.

Mr. HILL. Not only will I listen to the distinguished Senator from Pennsylvania with an open mind; but if he will read the remarks which I made on the floor of the Senate yesterday when I introduced the national defense education bill, he will note that I stated that out of the hearings would perhaps come facts which would result in modifications in the bill.

Mr. CLARK. I thank the Senator.

THE IMPORTANCE OF SELF-HELP

Mr. WILEY. Mr. President, as I have stated several times on the Senate floor recently, many American communities are experiencing difficult problems because of rising unemployment and falling business revenue.

A great many towns and cities find that their tax intake is dwindling. Why? Because businessmen are earning less profits and, therefore, there is less to tax; because labor encounters increasing amounts of layoffs, and therefore is buying less.

The answer to this problem is manyfold. On several occasions I have suggested what the Federal Government should do through its various agencies. But today, I should like to point out that the real task is one of grassroots action.

Yes, the real key is self-help. The State of Wisconsin has long believed in self-help. Its communities have a wonderful tradition of teamwork in order to meet local problems. It believes in civic cooperation, in management, working with labor and education and religion, in order to provide for community well-being.

I send to the desk a statement which I have prepared on Wisconsin self-help. I ask unanimous consent that it be printed at this point in the body of the RECORD as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WILEY

Not so long ago, one of the very fine newspapers of my State, the Racine, Wis., Journal-Times, had another of its many stimulating editorials. It was entitled "Mostly Up to Ourselves."

Its theme was perhaps best expressed in one sentence:

"What is needed in this area—which has all the resources necessary for industrial prosperity—is a little luck in the national economy, and a lot of drive on the home front."

Fortunately, there are many indications that Racine will provide such drive.

And other communities throughout my State will likewise provide such drive.

In the Tuesday, January 28, Milwaukee Journal, Mr. Jack Stephan, of Madison, was quoted very soundly as saying:

"Other States have waterpower and land * * *. We've got something different in our people."

And then he cited the instance of the citizens of Pardeeville, Wis., and I should like to include now what he said about this splendid community:

"RESIDENTS BUILD ROOF

"Pardeeville residents aided the American Scoreboard Co. in completing a plant addition in time for the firm to fulfill a contract, he said. The company makes plastic signs and scoreboards for gymnasiums.

"'The whole town—the minister, lawyer, druggist, everyone—helped put a roof on the place so the firm could complete its contract,' Stephan said."

ACHIEVEMENTS OF LOCAL INDUSTRIAL DEVELOPMENT CORPORATIONS

To this example could be added a great many others.

On a subsequent occasion, I am going to point out to my colleagues some other illustrations.

I am going to tell the story of Wisconsin's local industrial development corporations and what they have accomplished.

I am going to describe the work of the Bureau of Community Development of the University of Wisconsin, at Madison.

But the principle that I will state is very simple: Wisconsin believes that government has a vital task to perform.

But Wisconsin also believes that "God helps those who help themselves."

Wisconsin believes in every man; every community, doing what is necessary for its own good; its own salvation.

Lincoln phrased it this way: "The legitimate object of government is to do for a community of people whatever they need to have done, but cannot do at all, or cannot so well do, for themselves—in their separate and individual capacities. In all that the people can individually do as well for themselves, government ought not to interfere."

THE LESSON OF SENATOR WILEY'S HOMETOWN

Mr. WILEY. Mr. President, let me turn back the pages of history somewhat.

I remember in my own community of Chippewa Falls in 1908 when I ran for the office of district attorney, I campaigned in our sawmill area, which was then one of the largest in the world. The town was in the dumps, so to speak, because the mill was closing down. There was not enough timber to keep it going. Yes, the gloom was so thick in some places that it could be cut with a knife.

There were some with gray hair, who were yet young in spirit. They said, "We'll find the answer." They called a meeting. They discussed the opportunities. They looked around about them. There were a couple of Polish boys there who could scarcely speak English, who were repairing shoes. Someone had the idea, why not start a shoe factory? And the banks, and the people, furnished a little capital. So they went to work. And out of their efforts came a wonderful industry for Chippewa Falls—an industry which has paid off handsomely to business and labor and investor and community and consumer.

AN INSPIRATIONAL REMINDER

That brings to mind an old tale. It has been related many times, but it is well worth repeating. It concerns an elderly colored gentleman some 80 years old. He had lost his wife. Depression came along and he lost his home. And he started wandering up and down the highways and byways of the Southland. But he had a sing' 'g heart—that is why they called him Singing Sam. He sang "The Lord Is My Shepherd I Shall Not Want"; "Around About Me Are the Everlasting Arms."

One day he came to a village and another colored gentleman said, "Sam, you're looking for a place to call home, aren't you?" "Yes." "Go on up there on the hill, I've got a shack you can live in." Sam went up and he found the shack. It was in terrible condition. Its roof was caved in. The doors were off the hinges, and the windows and shutters were broken. Out in the half-acre lot, weeds and poison ivy grew thick.

But Sam went to work, and the next spring the local colored parson came by. He beheld almost a miracle. The whole house had been rehabilitated. Windows, doors, shutters, roof, all rebuilt; and out in the half-acre lot, little vegetable plots and a flower garden. And the parson looked and said in awe, "Sam, you and the Lord has sure done a good job here." But Sam replied, "Parson, you should have seen it when the Lord had it alone."

Well, so, too, as I have related, my own little town of Chippewa Falls had singing souls in it, and they went to work. And there is not a more beautiful spot in America today. In place of the sawmill, there is a great powerplant and upriver there is another powerplant, and 10 miles above that is another powerplant. Back in those days, the bank deposits were about one-tenth of what they are today. The shoe industry in that little town generates a total of something

like $20 million a year, with skilled, well-paid labor.

THE REAL ANSWER—COOPERATION

This was self-help applied in a very real sense. And there was cooperation.

The word "cooperation" has always intrigued me. I remember a story that came out of the First World War. They said there was a cleric who was constantly up in the front looking after the spiritual needs of the soldier boys, as well as their physical needs. He exposed himself time and time again to save a wounded soldier. But at last his luck ran out and he was fatally wounded.

Now, you know that they say that some spiritual-minded men, when they are about to pass on, go through a vestibule where they can look forward and look backward. This was said of him, as he lay on his deathbed, with the boys gathered around him. His eyes seemed to be seeing something, and he used the word "cooperari."

Someone asked him what he had said, and he spelled it out—"c-o-o-p-e-r-a-r-i"—in the Latin.

Perhaps, out of this incident, all of us can learn; we can get a directive for all of us—to be a little more cooperative in the real sense; not simply in word, but in action and deeds.

This is my creed, and I believe it is my State's creed as well. That is why Wisconsin is growing.

It is why it is fulfilling its motto: "Forward."

SMALL BUSINESS

Mr. THYE. Mr. President, during the time I have been privileged to serve the State of Minnesota and its citizens in the United States Senate, I have always attempted to support legislation and programs which would strengthen and assist the small business firms throughout the Nation.

It is for that reason that I authored the Small Business Act of 1953. It is why just yesterday I joined with the chairman of the Senate Small Business Committee in introducing a tax adjustment bill for small business. It is why I have urged the Senate Small Business Committee to adopt a rather wide agenda for its work during the coming year. The task of keeping small business strong belongs to private citizens, elected officials, and Government agencies who have responsibility in areas affecting small business.

Mr. George J. Burger, vice president of the National Federation of Independent Business, has been a stalwart friend of small business down through the years. He understands the problems of the small firm because he has spent a good deal of his life as a small-business man.

Mr. Burger recently met with Dr. Raymond J. Saulnier, Chairman of the Cabinet Committee on Small Business and Chairman of the Council of Economic Advisers to the White House. I have just received a copy of remarks from Mr. Burger which indicates some of the problems which were discussed in his meeting with Dr. Saulnier.

I should like to insert in the RECORD at this point pertinent correspondence of importance to the millions of small-business men in the United States.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JANUARY 30, 1958.

Dr. RAYMOND J. SAULNIER,
Chairman, Council of Economic Advisers, the White House, Washington, D. C.

MY DEAR DR. SAULNIER: Following up my recent correspondence with the Honorable Sherman Adams and yourself, and your letter of December 24, 1957, in which it was arranged for me to confer with you at a time convenient to both, I am most pleased that at last we can get together and discuss the important major problems faced by independent business throughout this Nation, which I believe call for special attention and consideration by the administration.

In the first instance, the main responsibility of any and all independent groups should be to make certain that the door is kept open for efficient independent business both at the productior and distribution level. This is the key to our real free enterprise system, and hence the reason that the executive officers of the National Federation of Independent Business, on direct nationwide vote of our membership—all independent business and professional men—are under mandate to use their best efforts in demanding consistent, impartial, and vigorous enforcement of the antitrust laws.

ANTITRUST

In the history of our Nation, beginning in or around 1890, the Congress was aware of the situation. Hence the reason for the adoption of the Sherman Act to protect the free-enterprise system. Whether the administrations and the courts over the years have vigorously enforced the Sherman Act is quite a question.

It is to be noted in this respect that the late Honorable Walter Lindley, member of the United States Appeals Court in the Chicago district, shortly before his passing made the statement, and I quote: "The Sherman Act, properly interpreted and administered, could remedy all the ills meant to be cured by it." It was his further opinion that: "this plan, this mechanism did not break down; it has never needed more than proper execution and enforcement," and he concluded: "Too often we enact a new law to cure the administration of an old one."

Competent independent business has been aware of this situation and has wondered when enforcement would actually take place.

We were told in February 1947, by a then high Government official in his appearance before a Congressional committee, that for 35 years or more the administrations had merely given lip service to the enforcement of the antitrust laws.

What this does lead up to is that in the minds of both big and small business they must look upon the antitrust laws as dead-letter laws.

It must be understood from the record that we in the National Federation of Independent Business are not antagonistic to big business as such. More power to them if they can increase and expand their positions in their daily operations, provided their operations are in conformity with State and Federal laws.

It is to be noted in this respect, that the present Attorney General, the Honorable William Rogers, in his announced program of vigorous enforcement of the antitrust laws, is tendering an invitation to the attorney generals of the various States to meet with him at an early date. This is a healthy sign, and it is our hope that the various attorney generals will cooperate with Mr. Rogers and if this is accomplished it can go a long way to bring the necessary relief both at the National and State levels.

Let it be understood for the record that in our opinion, the Antitrust Department, recently headed by the Honorable Stanley Barnes, and now by the Honorable Victor Hansen, gives a good indication and a healthy sign of a vigorous enforcement program. We hope it continues, and along this line of reasoning it is our hope and prayer that the administration will appropriate the needed funds to both antitrust agencies, including the Federal Trade Commission—and through this they may be able to attract competent personnel—career men who will then be in a position to bring about long overdue needed vigorous enforcement of antitrust laws, as in no other way can small business continue their existence in our free-enterprise system.

One further thought on this—we are not so much concerned as to the present situation, but we are vitally concerned as to what will happen to small business when our economy returns to a normal level.

SMALL BUSINESS ADMINISTRATION

The second item I am more than pleased to have the privilege to discuss with you is in relation to the Small Business Administration—again carrying out the instructions of our members—and we believe that the action of the House in the first session of the 85th Congress, by practically unanimous vote, improving the status and operation of the SBA was a forward and constructive step and a great encouragement to small business as a whole.

Of course there is room for improvement in the operation of the Small Business Administration, but as we recently advised a Congressional committee: "Rome wasn't built in a day," and therefore, we believe, with concurrent action by the Senate, in which the administration should concur, this will place the Small Business Administration in a position to do a more effective and constructive job in behalf of small business.

The improvement in the act, as so voted by the House, will place greater and greater responsibility on the administration of the Small Business Administration in carrying out the will of the Congress.

Again we urge the administration to take a positive stand on this, as outlined.

TAXES

Small business was told by both political parties in the recent presidential campaign that they could expect tax relief. It will also be found that the President's Cabinet Committee on Small Business made similar recommendations. Small business took these statements as a direct obligation on the part of the ones who made the statements, and we believe now more than ever, that small business should be placed in a position—through needed tax relief—so they can build up security for the time when our economy reaches a normal position.

I think it is most important, and most necessary, for all types of small businesses including those in the corporate structure, copartnerships, and those under individual ownership to be able to build up definite security, which is long overdue.

It goes without saying that this type in our economy does not have access to financing aids such as those in the big business structure have available to them.

Our Nation is vitally interested in the economy of the various nations throughout the world. However we do believe it is necessary to "keep the home fires burning"—that is, the many millions of small business institutions, and again we hope, in behalf of small business, that the administration will come out and recommend tax relief of some description for the smaller segments in our economy who are in the greatest number in our overall economy.

Doctor Saulnier, there are other matters on which we have been directed to follow through in behalf of our membership but we believe at this moment these are the three principal subjects on which we will look for all our support from the administration.

Sincerely yours,

GEORGE J. BURGER,
Vice President.

UNITED STATES SENATE,
SELECT COMMITTEE ON SMALL BUSINESS,
Washington, D. C., December 13, 1957.

The Honorable JOHN SPARKMAN,
Chairman, Select Committee on Small Business, United States Senate, Washington, D. C.

DEAR JOHN: We have now completed the last session of our committee hearings on the impact of Federal taxation on small business. It has been a pleasure to sit with the other members of the committee during the course of these hearings. I believe that you will agree with me that the evidence presented in all of the cities has developed a pattern of proposals and problems which will be of great use as we proceed to formulate our report.

I believe it is clear from the testimony that certain corrective adjustments to the Internal Revenue Code are needed immediately. There are other proposals which have been made and discussed by businessmen and other citizens which should have been given very careful consideration.

You will recall that during our conversation of last spring when we first discussed the possibility of holding these hearings, we agreed that we should proceed to develop a formula of conclusions and findings immediately after the hearings. This would enable the committee to draft its report and to introduce it to the Senate as soon as possible after the reconvening of Congress.

Pursuant to these prior discussions, I would request that the committee staff proceed promptly to develop recommendations and suggestions which our committee can consider at its first meeting in January 1958.

At this time, I would also like to submit to you for your consideration five proposals which have been touched upon throughout the testimony of our witnesses:

1. A form of deduction of all concerns which reinvest profits in the expansion of their operations. This would provide the necessary capital for expansion and development of concerns presently unable to obtain equity funds.

2. A close examination of the present depreciation restrictions and regulations and positive action concerning an extension of section 167 of the 1954 Internal Revenue Code.

3. A careful consideration of proposed methods for granting deductions to the self-employed and other persons not members of qualified pension programs for contributions for their own retirement.

4. Positive action concerning a provision for the payment of estate taxes in installments so that businesses need not be liquidated solely to accommodate the Federal Government.

5. A protection for taxpayers from rulings of the Treasury inconsistent with judicial interpretation of the Internal Revenue Code.

I am convinced that the Small Business Committee can evolve realistic and constructive legislative proposals which will be of great benefit to the small-business community. It is my hope that we will be successful in drafting a report and a list of legislative proposals which will receive the unanimous approval of the Small Business Committee.

With kindest personal regards,

Sincerely yours,

EDWARD J. THYE,
United States Senator.

NATIONAL FEDERATION OF INDEPENDENT BUSINESS,
Burlingame, Calif., December 17, 1957.

Hon. EDWARD J. THYE,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR: I was able, through the trade press, to see the copy of your letter of the 13th directed to the Honorable JOHN SPARKMAN, chairman of the Select Committee on Small Business of the United States Senate, in which you ably bring to his attention five proposals as to the committee's action in bringing in their report on the necessary tax relief for small business due to the fact of their extensive nationwide hearings on the subject matter.

Senator, in a quick review, I think it may be found that the Federation members have already taken a supporting position on some of these major recommendations outlined in your letter, and I am checking our head office at the present time for verification, and upon receipt of such information will advise you accordingly.

I want to take this time to compliment you for the splendid action you have taken in making these thorough, all-inclusive recommendations, and it is our hope, for the future good of small business, that the committee will unanimously approve, in substance, the recommendations.

Sincerely yours,

GEORGE J. BURGER,
Vice President.

NATIONAL FEDERATION OF INDEPENDENT BUSINESS,
Burlingame, Calif., December 18, 1957.

Hon. EDWARD J. THYE,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR: As ranking minority member of the Senate Small Business Committee it would be my opinion that you would be interested in the expected action of the second session of the 85th Congress as it applies to needed help to small business of this Nation.

Of course we do expect, insofar as the Senate is concerned, that the Senate Small Business Committee spearhead the drive for positive, definite relief to aid efficient small business of this Nation.

In this respect you are to be complimented on the splendid recommendations you made to the chairman of the committee, the Honorable JOHN SPARKMAN, on the recommended tax relief for small business. It is our hope that the committee will unanimously endorse, in some degree, the recommendations and that appropriate action will be taken. We say this because small business looked upon the pledges of the respective political parties in 1956, that these pledges would be fulfilled.

You will recall my conference with the then Economic Adviser to the President, Dr. Arthur Burns, on July 5, 1956, where during this conference major economic problems affecting small business were presented to Dr. Burns. I think it is good to review those recommendations.

We hold paramount the first item that should be considered by the Senate, and particularly the Senate Small Business Committee, would be all-out action in seeing to it that vigorous enforcement of the antitrust laws takes place through the Federal agencies. In no other way can small business exist. If such action is instituted then it would be in order for other helpful actions of the Congress to protect small business. In other words, the door of opportunity for small business, both at the production and distribution level, must be kept open.

We are not so very much concerned as to the present plight of small business, but we are more concerned when, sooner or later, the economy of our Nation levels off and returns to a normal state. We mean less Government expenditures, particularly on the international scene.

We are wondering then what will happen to small business, both at the production and distribution level when that takes place?

We say this because of alarming reports we are receiving as to the actions of some major producers to maintain and increase their position both at the production and distribution level—all at the expense of independent business.

Along this line of reasoning I am attaching herewith a proposed agenda that the Subcommittee of the Senate Small Business Committee will shortly hold hearings on. What is involved in this is the enforcement of certain sections of the Robinson-Patman Act applying to quantity discounts under the law, where monopoly or concentration is taking place within an industry.

The Federation's position on this is the law itself, and the question in our minds is whether the Government antitrust agencies use all their best efforts in invoking that section of the law as to carrying out the full provisions in setting up this action as the law provided. It is true that a certain major commodity is involved, but we in the Federation are more interested as to the principle involved.

It was stated before a Senate committee in 1947 by the then head of the Antitrust Division of the Department of Justice that for 35 years or more the administration had merely given lip service to the enforcement of the antitrust laws. Is it any wonder that certain segments of our economy must have been aware of this situation and shaped their policies accordingly—all at the expense of small business both at the production and distribution level?

The Federation's position politically is strictly neutral, and we do recognize where constructive action has been taking place, and we do admit that during the past 3 or 4 years there has been more positive action by the Antitrust Division of the Department of Justice than has taken place heretofore. We hope and trust that this action will continue and that the Senate Small Business Committee will make certain that positive action is continued on this major help to efficient small business of this Nation.

It is our hope that positive concurrent action will be taken by the Senate early in the coming session of the Congress in ratifying the action of the House, setting up the Small Business Administration as a permanent agency, and in substance following the action in the House bill.

To your credit in the public hearings early in the first session of the 85th Congress, you did take positive definite action in bringing about improved recommendations for the Small Business Administration.

Again it is our opinion that the Senate Small Business Committee should take a positive concrete stand on the action of the House, as similar action was taken to a degree in the House Small Business Committee.

Senator, I have already covered the subject matter of tax relief for small business in my letter to you, and these will be the three principal subject matters that we would request your help on in setting up an overall agenda for the Senate Small Business Committee in 1958.

There are some other items that should be taken under consideration and this must not be construed that we are antilabor, but it is necessary to protect small business that labor or any other segment of our economy exempt from the antitrust laws should be brought in under the full provisions of the laws.

It is my planning, following out the suggestion which came to me from Mr. Sherman Adams of the White House, that at an early date I will confer with the President's Economic Adviser, Dr. Raymond Saulnier, which

I hope to do at a convenient time for both, and at which time I will discuss these three or four major economic matters with the President's Economic Adviser.

In view of the fact that you have taken a consistent interest in the affairs of small business during your chairmanship of the committee and as ranking minority member of that committee, it is our hope that we can look forward to your continued aggressive leadership in having these recommendations followed out by the Senate Small Business Committee.

With very high regards,

Sincerely,

GEORGE J. BURGER,
Vice President.

UNITED STATES SENATE,
SELECT COMMITTEE ON SMALL BUSINESS,
Washington, D. C., December 20, 1957.

Dr. RAYMOND J. SAULNIER,
Chairman, the Cabinet Committee on Small Business, the White House, Washington, D. C.

DEAR DR. SAULNIER: As the second session of the 85th Congress reconvenes, the posture and position of small-business firms is certain to become a major subject of concern both from the standpoint of legislation and from the standpoint of administrative action.

As the ranking minority member of the Senate Small Business Committee, I have just completed participation in hearings which were held throughout the United States on the subject of the impact of Federal taxes upon small business. The committee received much valuable information from small-business men not only on the subject of taxation, but also upon other matters in its report of August 7, 1956, made specific pertaining to small business.

The Cabinet Committee on Small Business recommendations concerning tax relief, Government procurement policies, financing and technical aids, maintaining maximum competition in our free-enterprise system, and reduction of paperwork necessary in complying with Federal laws and regulations.

Since that time, many developments have taken place within all of these areas. I am hopeful that the Cabinet Committee will submit a second formal report within the near future so that the Congress will have the benefit of administration recommendations on legislative questions pertaining to small business.

I recommend for your careful consideration the following areas where both the administration and the Congress will be called upon to take action:

1. The extension of the Small Business Administration as a permanent and independent Government agency. The Thye bill and others now pending in the House and Senate provide for permanent status.

2. Tax relief to small-business firms. There are numerous bills before the House and Senate which would afford relief in different ways. Testimony taken by the Senate Small Business Committee indicates that the question of tax relief is uppermost in the minds of the small-business man.

3. Meeting credit needs of small business. The Small Business Administration plays an important and key role in the matter of financing and credit. Its effectiveness would be enhanced if it were to be made a permanent agency.

4. Continued effort to simplify procurement procedures and to increase the share of contracts and contract dollars awarded to small business.

5. Vigorous enforcement of the antitrust laws and other Federal laws designed to protect our economy from monopolistic practices which tend to curb and stifle competition.

6. Continued action to eliminate Government competition with private enterprise.

7. Recognition of small business in all mobilization-base planning. The defense mobilization order issued on December 6 which made the Administrator of the SBA a member of the Defense Mobilization Board was a step forward.

8. Small business initiative and resourcefulness should become a vital part of the missile-development program from the standpoint of research and development, as well as procurement, as prime contractors or as subcontractors.

It is my hope that the Cabinet Committee will make a report in the near future and that it will make findings and recommendations on the above subjects and others which would be vital to keeping small business as a healthy part of our national economy.

With kindest personal regards,

Sincerely yours,

EDWARD J. THYE,
United States Senator.

JANUARY 25, 1958.

Hon. JOHN SPARKMAN,
United States Senate,
Washington, D. C.

DEAR JOHN: I have received your letter in which you request suggestions from the committee members on an agenda for the coming year. I wish, first of all, to commend you as chairman of the committee and the members of the committee staff. The committee has continued to make gains in its ceaseless efforts to assist small-business firms in numerous areas of activity.

Before making suggestions for future action, I want to comment on the tax hearings which were conducted during the adjournment period of Congress. From my participation at the hearings and from conversation and correspondence with businessmen from all parts of the Nation, I believe that our committee has performed a great service. There can be no doubt that the heavy tax burden which falls upon the small-business man today not only works an extreme hardship upon him, but it also deprives our entire economy of the type of growth and expansion which has in the past characterized the small firms within our business community.

Staff members who worked so faithfully and arduously on this major project are to be congratulated for their dedicated service.

I am now looking forward to the issuance of the committee report and to specific recommendations which the committee will make as a result of the hearings.

Looking to the months ahead, I respectfully suggest that the committee consider the following items for its agenda:

1. The Senate Small Business Committee has become well known and favorably known for its splendid work in the area of Government procurement. I assume that the committee will continue its regular endeavor in this area.

However, I suggest that the committee establish a new subcommittee devoted entirely to an all-out effort to establish small-business firms as an integral part of the Government's new missile program. I suggest this as the No. 1 priority for the coming year. We must recognize that in the coming years there will be a continued increase in the development of our missiles. This is inevitable. For a time our Nation must continue to gauge its strength and thus its procurement in terms of both the so-called conventional weapons, and the missiles.

For the past 7 years and for several years before 1950, this committee and its predecessor have inspired and encouraged a realistic small-business program within the Department of Defense and the other Government agencies. We have not always been satisfied with the percentage of awards which have gone to small-business concerns. However, everyone admits to the general effectiveness of our work in this field.

I now feel it is time for our committee to specialize in missiles if we are to keep up with developments and if we are to continue to be effective in assisting small firms in procurement.

I suggest that the new subcommittee be established immediately, that membership be assigned, and that it address itself in the beginning to two primary subjects. They would be small business in missile research and development and small business in actual production of missile components. I further urge that the committee take a strong position with the Department of Defense to have the missile prime contractors establish subcontracting programs within their plants. I also will urge that the Small Business Administration take similar action.

2. A No. 2 priority item which I would like to present is that the committee commence immediately to study measures which would expand the disaster loan program of the Small Business Administration. I have already introduced a bill which is aimed at this target. However, there is much which must be done in the way of study and research into how disasters such as drought, flood, and continued rainfall over an extended period, early snows, etc.—can be met and dealt with most effectively. In this regard, I also suggest that we explore extensively the possibility of tying small-business disaster programs more closely with agriculture disaster programs. A pattern always develops when a rural area is stricken. The farmer loses crops and is dealt heavy financial losses by disasters. This reduction in purchasing power is next noticed on the main streets of the smaller towns and communities. This affects the small-business men. I feel that the committee can be most helpful to the agencies charged with administering the disaster aid programs by initiating such a review and study.

3. In view of the recent Supreme Court rulings in the *Nashville Milk Co.* v. *Carnation Milk Co.* and *Safeway Stores* v. *Vance*, I strongly urge that the committee give careful attention and action to the status of our antitrust laws and the enforcement thereof by the Department of Justice and the Federal Trade Commission. The antitrust laws constitute a foundation of free, open, and fair competition in our economy. There must be continued vigilance, review, and study to strengthen wherever needed and to guarantee vigorous enforcement. This is a subject which the committee has handled effectively with competent personnel and I feel that the subject should be granted a high priority on our agenda this year.

4. I cannot urge strongly enough that the committee continue with its work in fighting needless and unnecessary Government competition with private business. There is nothing more demoralizing for a business firm seeking to carry on its field of activity than to find itself deep in competition with the Government. You will recall that last year—our committee was able to work with the Navy in closing paint plants. We were effective in forestalling a heavy investment in baking equipment at the Air Force Academy at Colorado Springs. In addition, the Government agencies have responded by eliminating and curtailing numerous commercial type activities. Letters of support for this program have come to me from all over the Nation. I urge a stepped-up program and fight against this type of Government competition.

5. Last year I urged that the committee "solicit the assistance of Government agencies and private firms in an effort to get an objective report of business failures and causes for failures. Such a report should also present an accounting of the new business firms which are opening new doors of business each day." I do not feel that this has been accomplished to date. There has

been criticism of the committee from businessmen and interested citizens that the committee has become a reporting service of statistics concerning business failures, but that it has not analyzed the statistics to determine the reasons for failure. I hasten to point out that no study to my knowledge has been made by the committee on the comparison of new businesses with those which have closed down. It is always a matter of deep and heavy concern when I read or hear of a business closing its doors. However, I feel that conclusions as to the reasons should not be arrived at without an effort being made to determine the causes. Therefore, I again request that the committee go to work on this and avoid any possible criticism that it has become merely a reporting service.

6. The Small Business Administration has always worked cooperatively with our committee in developing the programs which will be of greatest help to small business. The activities of the SBA should be reviewed carefully and constructive suggestions should be given wherever it is found to be necessary.

7. I would hope that the committee and the staff will continue to investigate and study the question of mergers in industry and business today. This subject is, of course, related in a very real sense with the suggestion on antitrust laws and their enforcement.

8. I mention tax adjustments for small business assuming that we shall cover that subject completely and thoroughly in consideration of the tax hearings which I have already referred to.

9. With continued emphasis being placed upon foreign aid by the Congress and the administration, I am hopeful that the committee will continue to be vigilant to assure small suppliers and manufacturers of a rightful and just part in procurements under that program.

10. I am assuming that the committee will continue its work in evaluating the work of quasi-judicial regulatory bodies and the effect of their rulings and work on the small business community.

I am presenting these comments and suggestions in the spirit of cooperation and am looking forward to another year of accomplishment and favorable results as a member of the committee.

Sincerely yours,

EDWARD J. THYE,
United States Senator.

RECLAMATION AND THE AGRICULTURAL SURPLUS

Mr. WATKINS. Mr. President, recently Gov. George Dewey Clyde, of Utah, addressed the American Society of Agricultural Engineers in Chicago. His subject was Reclamation and Agricultural Surplus.

Governor Clyde is exceptionally well qualified to speak on his subject. Born in an area served by one of this country's first Federal irrigation projects—Utah's strawberry project—he spent his early years amidst the trials and problems of making a productive farm out of the desert. Irrigation was a part of the farm job, and the shovel and the lantern were tools as common as the plow and the hoe.

An extremely intelligent man, he was valedictorian of his high-school class, as well as the graduating class of 1921 from Utah State Agricultural College at Logan, where he majored in irrigation agriculture. From there, he went to the University of California and received his master of science degree in civil engineering.

Besides holding membership in the American Society of Agricultural Engineers, he also belongs to the Society of Civil Engineers, the Soil Conservation Society of America, and the Western Snow Conference. His achievements have been many, starting in 1934, when he was appointed to the State water conservation board by Governor Blood. He has served as dean of the school of engineering at Utah State Agricultural College, pioneered in water runoff forecasting, and has been a special adviser to two Secretaries of Agriculture on water resources and utilization. Presently, he is a member of the Upper Colorado River Commission and of the Advisory Committee on Soil and Water Conservation of the United States Department of Agriculture in addition to his duties as Governor.

With this background in mind, I hope my colleagues will give serious consideration to Governor Clyde's speech, which I hereby ask unanimous consent to have printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

RECLAMATION AND THE AGRICULTURAL SURPLUS

(Presented by George D. Clyde, Governor of Utah, to the winter meeting of the American Society of Agricultural Engineers, Chicago, Ill., December 17, 1957)

There is an old story, popular in this country—so old, in fact that it was probably old when vaudeville was young. But it keeps cropping up, in one form or another, because it is a classic illustration of one of the basic frailties of human nature.

The story concerns a call made by farmer A on his friend, farmer B, one day of pouring rain. Farmer B was sitting disconsolately in his kitchen, doing his best to dodge a dozen veritable rainspouts of water coming down from leaks in the roof.

"That roof is leakin' awful bad," said farmer A, "Why don't you fix it?"

"Can't," said farmer B, "It's rainin' too hard to get out there on the roof and do any work."

"It's been sunny all week until today," said farmer A, "Why don't you fix the roof when it isn't raining?"

"When it ain't rainin'," said farmer B, "the roof don't leak."

Perhaps no one is that stupid about an actual leak in the roof—although I would not want to make too heavy a wager on that assumption. But it is astounding how many people react that same way to other things, some of them just as serious—or even more serious—than a leak in the roof of a house. People frequently tend to ignore a potential danger until a genuine crisis is upon them—and then find that they cannot repair their leaky roof, so to speak, because of the pouring rain.

PLAN FOR THE FUTURE

I am fearful that we, as a nation, have been adopting something of that attitude toward our food supply. Because of a temporary surplus of some crops, many people are taking an abundance of food for granted. Instead of looking ahead and preparing for the situation we must inevitably face in a few years, they vigorously resist some of the programs that are designed to help meet the future crisis without adding to the temporary problem now confronting us. In other words, they may be wasting the bright sunny days and waiting until the rain starts pouring through the roof before worrying about the leaks.

I am happy to be discussing this problem with a group of agricultural engineers, because I know your professional understanding of the problem is both broad and deep. The very fact that you are all engaged in developing improved farming methods and techniques—all designed to produce increased crop yields—shows your complete comprehension of the fact that present crop surpluses in this country are temporary in nature. Eventually, they will disappear and we shall need increased production to feed our population. If we are looking forward to a permanent oversupply of food, it would be foolish to devote your careers to the improvement of agricultural technology.

However, a large segment of the public—and perhaps even some of the professionals whose experience is limited to the humid areas of the Nation—are opposing the Federal reclamation program on the ground that we should not be working to bring more land into production at a time when we are faced with surpluses of some crops. Let me here point out that, for the purposes of the present discussion, I shall use the term "reclamation" in this more restricted sense. In the broader sense, reclamation may mean the reclaiming of land by drainage of swampland or by any other means. In this paper, I shall use the term as applying specifically to the Federal program, established under the law of 1902, to reclaim arid lands in the 17 Western States by means of irrigation.

CRITICS VENT HALF-WITTICISMS

The eastern press has been widely, although not universally, critical of this program. Two or three recent articles have been extremely vehement on this subject. The writers have pulled out all the stops in loosing a torrent of caustic witticisms designed to ridicule the whole reclamation program. The writers were undoubtedly skilled in this sort of verbal attack. But they seem more concerned with showing their ability to write cleverly than to present a factual analysis of a very vital subject. Their witticisms are based on half-truths, which are often more misleading than outright falsehoods. I submit that these witticisms based on half-truths may appropriately be termed "half witticisms."

Now I know it must at first seem paradoxical to anyone who has not closely studied the problem to talk about bringing more agricultural lands into production at a time when we are beset with crop surpluses. However, a thorough analysis of the situation throws an entirely different light on the matter. Our basic problem is not nearly as simple as it first appears.

Let us begin by taking a brief look at the agricultural surpluses which we now have on hand. While the accumulated piles of commodities may appear mountainous—and in a few special areas they are—the excess agricultural products we have on hand amount, I have been told, to about 7 percent of our annual food consumption. Now it has been widely urged, by leaders of civil defense and others, that each United States family lay in a 1-month supply of food against a possible emergency. If this were done, if each family set by a single month's supply of food, our surplus would be entirely wiped out and we should be faced with critical shortages. As a matter of practical fact, of course, I am not suggesting that each family will set aside a month's supply of food—but this simple illustration shows how quickly our food surpluses could disappear. Our experience in World War II, when hoarding of scarce food items became a national problem, and when a suddenly expanded national income allowed more and more families to purchase what they wanted to eat instead of merely what they could afford to buy, should not be forgotten in this connection.

SURPLUS NOT EVENLY DISTRIBUTED

Actually, our accumulated surplus of agricultural products is not evenly distributed. We do not have a 7-percent surplus of all commodities that are in excess. Most surplus commodities are present in much smaller amounts. A few are on hand in much greater volume, and for some special reasons as we shall see in a moment.

As of July 1 of this year, the price-support program of the Commodity Credit Corporation totaled $7.6 billion, including both loans and inventories. This is equivalent to about 10 percent of the national budget. However, 4 commodities constitued 87 percent of this total value. These were wheat, comprising 30 percent of the total value; corn, 29 percent; upland cotton, almost 20 percent; and tobacco, almost 8 percent.

It is immediately obvious that of these 4 major agricultural commodities that are in oversupply, 2 are foods and 2 are not foods. Tobacco is not a food, nor is any food product derived from it. Furthermore, nowhere is tobacco grown on western reclamation lands. We can therefore ignore it as a factor in this discussion of the relation of reclamation to the problem of agricultural surpluses.

Cotton is also basically a nonfood substance, although cottonseed oil does enter into some food substances. I should like to point out, however, that the entire United States cotton surplus is composed of what is known as upland cotton. Very little of this type of cotton is grown on irrigated land. There is some cotton grown under reclamation, but this is largely the type known as American-Egyptian cotton, the long-staple cotton that is of premium quality and in heavy demand. There is no United States surplus of American-Egyptian cotton. In fact, there is a definite shortage and we are forced to import a considerable amount of it.

We are left then, with two major agricultural surpluses that are directly related to our national food supply: wheat and corn. I shall discuss their relation to reclamation in a few moments, but at this point let me point out a startling paradox in the matter of our No. 1 surplus crop, wheat.

PARADOX OF WHEAT SURPLUSES

Unbeknownst to most people, the United States is currently forced to import substantial quantities of wheat for domestic consumption. That is because all of our surplus wheat is the so-called soft wheat, flour from which does not produce a dough of sufficient consistency to be handled by American mechanized bakery methods. What our bakers demand is durum wheat, or hard wheat—and we do not grow enough of it for our own use.

The reason for this strange situation is that, under our system of price supports, many farmers find it more profitable to grow soft wheat—which is easier to grow and produces a higher per-acre yield though a lower per-bushel price—and sell it to the Government, than to grow the hard wheat which is in demand, and sell it on the market.

Let me point out that our whole price support structure and philosophy are not of recent origin. The present administration did not originate them—the administration is merely trying its best to live with the agricultural laws it inherited. I do not say this with any thought of making political speech, but merely to point out that we have an agricultural problem, quite apart from the matter of keeping food production and food consumption in balance, that is of long standing and will not be easy of solution. A large part of the problem is almost entirely unrelated to the question of feeding the American people in the years to come.

When we adjust our thinking to the factors I have enumerated, we begin to see that the problem of food surpluses is less enormous than it first appeared. By this I do not mean to imply that the problem is not serious. It is—for the time being. But much of it will disappear with the passage of a few years. And even in the midst of our present surpluses, we do not have too much of most of the foods that make up the American diet.

RECLAMATION NOT RESPONSIBLE

Let me here point out that at the present time, western reclamation lands under irrigation are not contributing materially to the agricultural surplus problem. Of the 4 crops that give us most of our national farm-surplus headache, the 4 that compose 87 percent of our total surplus burden—1, tobacco, is not grown on reclamation lands at all. A second, cotton, is grown only to a very limited extent.

As for corn, the total amount grown on reclamation projects in 1956 was four-tenths of 1 percent of the national production. The amount of reclamation-produced corn under the price-support program was estimated at less than one-third of 1 percent of the value of the 1956 crop under support.

Turning to wheat, the No. 1 villain of the farm-surplus picture, less than 2 percent of 1956 production came from reclamation lands. This is because wheat is simply not a good reclamation crop—under irrigation, other crops are far more profitable in most cases.

Crops that are grown extensively on reclamation lands are fruits and vegetables, alfalfa as a food for livestock, forage crops, sugar beets and various specialty crops that make important contributions to the high-standard American diet and are vital to the health of the Nation. These crops are not surplus. It is the irrigated Southwest—and without irrigation there would be no farming in the arid Southwest—that gives America a large portion of its fresh vegetables and fruits in wintertime. I think you will all agree that we should be hard put to get along without them. And they do not compete with production in other parts of the Nation.

RECLAMATION IMPORTANT TO SECURITY

It would be folly to overlook the importance of irrigation to national security. Without irrigation we might produce sufficient quantity of food for our present population, but we could not produce the variety of healthful foods which make up our national diet. Experience has already shown us the tremendous problem of importing foodstuffs in wartime—and the folly of depending on an outside food supply in case of war. Down through history, wars have been won by nations who could support themselves, while starving out an enemy with an insufficient domestic food supply.

So much for a brief review of the present status of our surplus problem. What of the future. Are we to continue to be plagued by over-production in agriculture? Will Americans always be able to sit down to three square meals a day, as we are accustomed to do? Let us look at the major factors affecting the question.

POPULATION STEADILY RISING

The first and most obvious is the matter of our steadily rising population.

Now it is an obvious fact, known to everyone, that the number of people in the United States, and in the world, has been increasing over the years. But, because this country has always been able to produce the food it needed, or to obtain from other countries desirable food items not grown within our borders, most people have given the growth factor little or no thought in connection with the problem of providing an adequate food supply for the future. So long as we were a young nation, with an abundance of fertile land on which to expand, it was not necessary to do so. Very soon, however, as we shall see, our population will reach a level that will radically alter the basic equation.

If we chart our population growth on a graph, we see a virtually straight line from the days of the first census to the present. There are variations, of course, such as a dip during the 1930's, when depression conditions sharply reduced the birthrate; a marked acceleration in the period of World War II, a comparative leveling off in the last few years, and so on. The basic trend, however, remains fairly steady.

This, at first, appears reassuring. If we could sustain a steady rate of growth in our early years, we should have no problem in a much more developed country, so long as there is not a radical change in the percentage rate of increase.

TWENTY-FIVE PERCENT GAIN IN 10 YEARS

Where this line of reasoning falls down is in the fact that, as our total population grows larger, a given percentage increase means something much different, in terms of mouths to feed, than it used to. For example, in the decade between the 1880 and 1890 census, the total United States population jumped from a little more than 50 million to almost 63 million—a phenomenal growth of nearly 25 percent in 10 years. In the 5 years from the 1950 census to the most recent Department of Commerce estimates, made in 1955, our population increased 8.64 percent. This is a much slower rate of growth than was experienced in the 1880–90 decade.

When we shift our basis of comparison from a percentage to a numerical basis, however, we get another picture entirely. The less than 9 percent increase between 1950 and 1955 amounted to more than 13 million people, or more than the total of the 25 percent increase in the full 10 years between 1880 and 1890. Thirteen million people consume a great deal of food, whether they represent 9 percent or 25 percent of the total population.

At the present rate of growth, in just 20 years we shall have added more mouths to feed than comprised our total population in 1880. It is clear that the problem of the future is entirely different than the one we have been facing in the past.

This factor will be operating at all times in the future, and must be taken into our calculations. As our base expands, our numerical increase in population will skyrocket, even though the rate of increase remains unchanged, or even declines. And the indications are that the rate itself is more likely to accelerate than to fall off. Estimates of population figures for future years are constantly having to be revised upward.

As recently as 1953 the "experts" were predicting a total United States population of 175 million persons by the year 1975, although some "extreme" estimates predicted we should be a Nation of 190 million by that time.

TWO HUNDRED AND TWO MILLION IN UNITED STATES BY 1967

Now let me refer you to the publication U. S. News & World Report for October 4, 1957, a little more than two months ago. The startling fact was reported that by the end of this year there will be 171 million people in the United States, and that we are going to have 202 million by 1967. The 1957 figure is just a tiny bit short of the total that was forecast for the year 1975 only 4 years ago. The United States Census Bureau, as reported in Business Week for August 31 of this year, forecasts an increase of more than 57 million people between the present time and 1970—which would give us a 1970 population in the neighborhood of 220 to 230 million people. And please note, once again, that each new estimate put forth by the best informed people in the Nation is higher than the last. The likelihood that we shall have a radical slowing down in our rate of population growth appears unlikely indeed.

Think for a moment what it will mean to feed a nation of 220 million people, to take the more conservative of the current estimates of our population some time in the 1970 decade. We shall require approximately 30 percent more food than we are consuming today—and where will our agricultural surplus go in the fact of that demand? It is obvious that, on a basis of present production, but not potential without controls, we should be critically short of just about everything except corn, cotton, and "soft" wheat.

Remember, too, that the rest of the world is steadily growing, along with us, and in many cases much faster than we are. That means that other nations will have less and less food to export as time goes by, and that there will be increasing competition for what exports are available. If the United States expects to remain strong as a Nation, we must take full precautions to assure ourselves an adequate domestic food supply. It would be folly to depend on outside sources of supply for staple items in peacetime or in war.

AMERICANS LIKE RED MEAT

Let us keep in mind, also, that Americans have a high dietary standard, which we hope to maintain. Not only do we eat a large variety of foods, we also make red meat a major item in our steady diet. Remember that it takes a lot of grain, and a lot of pasture land, to fatten the meat animals that mean so much to our daily menus. From a technical standpoint, it is much less efficient to feed the grain to cattle and eat the meat than it would be to consume the grain directly. Yet I very much doubt that we shall ever voluntarily make cereal grains the basis of our national diet, as do many of the oriental countries which have outgrown their capacity to produce variety foods.

We shall keep on eating substantial quantities of red meat so long as we are able to do so—and experience has shown that, as our average economic condition improves, the demand for meat increases. People want more meat, in other words, than they are buying today. As our standard of living rises—and it keeps steadily rising—our per capita demand for quality foods will further complicate the problem of our increasing population.

Not too long ago, Dr. Byron Shaw, who is administrator of the Agricultural Research Administration of the Department of Agriculture, told a Congressional committee that if our demand for red meat continued on the 1933 level of per capita consumption—and it is increasing—that by 1962 we should need 35 million acres more land devoted to the raising of feed than were in production in 1953. This is land for pasture and grazing and for the growing of feed grains.

Where are we going to find 35 million acres of suitable land? In the old days, we had virtually unlimited land on which to expand. That is why we could absorb the 25 percent population increase between 1880 and 1890 without straining too hard. A proportion of our new population became farmers and we pushed back the frontier to obtain suitable new land. It was as simple as that. But can we do anything similar under present-day conditions?

BEST FARMLANDS SHRINKING

The fact is, the total of our best and most fertile agricultural land is shrinking steadily instead of increasing.

As you came in to attend this meeting, whether you drove from some close-in point near Chicago, or traveled across half a continent, as I did, you inevitably saw a great many new houses under construction. Usually, house building is seen in group development, in whole subdivisions rather than scattered, isolated homes. Where are these new subdivisions and city extensions being built? For the most part, on land that a few years ago was raising crops to help feed the then-smaller cities.

Traveling across the country, you see a tremendous amount of new highway construction under way. With the interstate superhighway program now fully launched, the rate of building—and especially the building of the 4-, 6-, and 8-lane divided highways that convert many times the area taken by the old-fashioned roads of a generation ago—is going to accelerate tremendously. And where are all these new roads being built? For the most part, through the very heart of our most fertile valleys, cutting huge swaths through our most productive farmlands.

If you travel by plane, you cannot escape noticing the immensity of modern airports that serve our big cities—and are becoming increasingly common near our medium-sized cities, too. If you read the newspapers, you know that the jet age of commercial air travel is almost upon us. Major companies have already ordered fleets of jet transports, which will be put in service within a very short time. Jet planes not only travel at incredible speeds—they require incredibly long runways to handle those speeds. In other words, our airports are expanding in every direction. And where are the new airports and airport extensions being built? Why, on the flattest, best located land available close by our cities—on the land best suited to the agricultural purposes for which it was once used.

You may ask what significant difference a few housing developments, a few roads, a few airports, and a few new industrial sites can make to a vast country that contains nearly 2 billion acres of land. Let me tell you why it makes a very big difference.

PRODUCTIVE AREA SHRINKS ALARMINGLY

Of our 2 billion acres of total land surface, only about one-fifth is suitable for cultivation and most of that land—virtually all of it that has an adequate water supply—has been put to use. The encroachments of subdivisions, highways, airports, industry and so on are taking out of agricultural production over a million acres a year. Most of that acreage is taken from our very best farmland. Add to that the 200,000 to 250,000 additional acres that are lost each year through erosion, and you can see that our total area of productive farmland is shrinking rapidly—alarmingly, when we consider the shrinkage in conjunction with rate of population growth.

Donald A. Williams, Chief of the United States Soil Conservation Service, whose agency recently completed a State by State survey of the situation, uttered this ominous warning in an article published earlier this year:

"In our time, we shall see the rising population and the dwindling amounts of farmland meet. From that date on, you and your children can no longer be assured of the healthful, balanced diet to which we have become accustomed. When will this happen? The pessimistic crystal gazers say in another 10 years—the optimists claim not until the year 2000. But even the optimistic view is not pleasant to anticipate."

Unpleasant indeed. And the prospect should stir us to taking every possible precaution against that evil day.

WHAT CAN WE DO?

The vital question, then, is: Just what precautions can we take? What factors, if any, are working, or can be made to work, against the apparently inevitable trend toward food scarcity?

Let us first consider the one in which most Americans are placing blind and unquestioning trust: The advancement in technology and scientific research. The new commercial fertilizers and the new farming methods that are increasing the per-acre yield of our agricultural lands. Many laymen seem to feel that this will take care of everything. When the need develops, science and American ingenuity will have found a way to meet it. They always have.

Well, there is a limit to everything, including the productive capacity of an acre of land, no matter how much fertilizer and scientific know-how may be applied to its cultivation. No sensible person would argue that a single 100-acre farm, for instance, will ever be able to supply the needs of the Nation—or of a city for that matter. Just how far we can go in technological development is still to be determined, but there is a limit, and we may be closer to it than we like to think. Meanwhile, the increase in our population and the shrinkage of our presently available farmlands is going on constantly and with no limit in sight—until an arbitrary limit is forced by the disaster of an inadequate food supply.

TECHNOLOGICAL GAINS NOT LIMITLESS

Do not think that I am deprecating the value of technological advancement which you agricultural engineers and others are making. On the contrary, I thank God for it, from the bottom of my heart, for without it we should be in a desperate situation. But I think it would be the height of folly to allow a blind, unreasoning trust in this one factor to deter us from other courses of action that are obviously indicated.

A few years back, when the first hybrid corn was developed and the use of modern, scientific fertilizers became widely understood and applied, there was a phenomenal increase in per-acre yield on good scientifically farmed land. But the upward turn of the production curve soon leveled off. Very recently, there have been new developments that give fresh hope of still further gains in per-acre production. But our best agricultural researchers are not misled into thinking the process can go on forever. Mr. Williams, of the Soil Conservation Service, whom I quoted a moment ago, recently said:

"In the past 35 years, scientific advances in new machinery, fertilizers, hybrids, and improved farming techniques have been able to increase the yield per acre by only 36 percent. And although intensive research is being carried on by the Department of Agriculture and the States, it is possible that we are approaching the point where scientific advances in upping production will be less sensational than in the past."

BALANCE PREDICTED SOON

Other Department of Agriculture experts, who were predicting a balance between production and consumption of food within the next 5 years, say that recent developments have not materially changed the situation. The date of the balance point may have been set forward a few years—a very few years in terms of the magnitude of the problem—but that is all.

We must consider, too, that artificial fertilizers and other scientific developments may bring their own problems, of which we may yet be unaware, or only dimly aware. You will remember a few years back when antibiotics were first developed, and for the time it appeared that most of our medical problems were solved. Antibiotics have done an incredible job, and we are thankful for them; but we have found very definite limits to their use, and medical authorities warn us that overuse of antibiotics is courting disaster.

Comparable problems may arise in the too intensive use of modern fertilizers. A farmer in my own State recently reported that he had to abandon the intensive use of commercial fertilizers on his fruit orchards. He had produced abundant crops with the fertilizers, and beautiful looking fruit. The only trouble was, the fruit would not "keep"—despite all precautions, it spoiled before it reached the markets. We may still have a lot to learn about the processes

of nature, and there may be a limit beyond which we cannot successfully replace natural processes with scientific speedups. I cite this merely as a word of warning against putting too much trust in technological development, without recognizing that special problems may confront us as we advance.

ONE ANSWER: NEW LAND

Where else, then, can we look to extend our food production potential beside the area of more intensive cultivation and higher per acre yield? There is only one other possibility: The development of new farmland.

In the early days of our history, this was the obvious and comparatively easy solution. When we needed more living room, we pushed back the frontier. This is no longer possible. We have reached the outer borders of our national growth. Any new land we develop must be found within the Nation as it is now defined.

In the two decades following World War I, we found a significant new supply of land when the tractor mechanized farm operation and did away with the need for millions of horses and mules then used to pull the plows and the harvesters. The land needed to grow feed for these draft animals could be turned to growing food for humans. We reduced the acreage needed for growing food for horses and mules from about 90 million acres in 1920 to about 14 million acres—a net gain of 76 million acres of farmland. It has been aptly stated that the present food surplus is not a real surplus at all, but only "food for dead mules"—meaning it is production from land formerly devoted to raising forage for draft animals. In any case, we can look for no further significant increase in farmland from this source.

WARNS OF UTILIZATION PROBLEMS

We are told there are substantial acreages of marshland in the Midwest and of sandy soils in the Southeast that could be turned into excellent farmland, the former by proper drainage and the latter by the addition of fertilizers. My only hope is that the reports are not overoptimistic, for we shall need all of the productive land we can find before the end of this century. However, we should approach such prospects with reasonable caution, and not build our expectations too high until we have made the most thorough analysis. Drained swampland may or may not prove to be productive farmland. Often, conditions of excess acidity or salinity may have developed over the centuries the land has lain under water, presenting large and costly problems, which may or may not be amenable to practical solution.

As for the sandy soils of the Southeast, I have personally inspected hundreds of acres of this land and I can report, as an agricultural engineer, that the problem is bigger than many people like to think. The soil is so thin and the natural rainfall so heavy that tons of commercial fertilizer would be leached out each year. The cost of supplying sufficient fertilizers over the years would be staggering. We may have to resort to using this land, whatever the cost, when the pressure becomes heavy enough, but do not be misled into thinking this offers an easy or cheap solution to our problem.

Another reserve of productive land, available for use as needed, is the farmland now withdrawn from cultivation, particularly that participating in the soil-bank program. This is widely quoted, and it is impressive—on paper. However, I feel certain its contribution to overall production, when production is needed, will be disappointing.

A look at our experience with similar programs in the past, and a simple examination of human nature, will cut down too-sanguine hopes about the productive capacity of this land.

MARGINAL LAND REMOVED

When farmers voluntarily take land out of cultivation, on a Government-subsidy basis, they are most unlikely to plow up their best acreage and let it lie fallow. Instead, they take the marginal land out of production and cultivate their best land as intensively as possible. I am afraid that when we critically need food, we can hope for surprisingly little from the soil-bank land. This is just another illustration of the complicated national-farm policies that have built up over the years and with which this administration—and future administrations—have to wrestle.

The final area of potential new land is in the field of reclamation. I do not suggest that we can reclaim enough land to meet all our future needs, nor that western reclamation should replace research in technological development or the development of land in the Midwest and the Southeast. We should proceed with all feasible development, for we shall need it. But the maximum development of our irrigation resources offers many special advantages, which I shall, very briefly, outline.

I am sure that a majority of you who are here today, as agricultural engineers, are convinced of the value of irrigation to assure maximum efficiency in farm production. An assured and regulated water supply is better than depending on natural rainfall. In fact, a drouth—even one of very short duration—is almost always more severe in areas of normally abundant rainfall. That is because everything goes dry at once and there is no remedial action that can be taken in time to do any good. A dry period of as little as 10 days or 2 weeks may have extremely serious effects under such conditions.

EAST TURNS TO IRRIGATION

For this very reason, there has been a trend toward artificial irrigation in the humid eastern half of the United States. However, when some critics argue that we should extend eastern irrigation instead of developing irrigation in the West, because it would be less expensive in the water-abundant East, they are overlooking some of the facts.

First of all, the cheap and "easy" eastern irrigation projects have already been constructed. This is parallel to development in the West in the 1880's. The obvious and easy things were done first—and subsequent development was much more expensive. Future irrigation projects in the East will be expensive.

Secondly, it will be years before there can be extensive irrigation in the East, because of our basic water laws. Western water law was founded on the concept of putting water to beneficial consumptive use. Eastern law, founded on the doctrine of riparian rights, makes no provision for consumptive use. Major problems are being encountered in developing irrigation in the East, because of this legal conflict. Anyone who has had experience with changing basic law on any subject knows that it is a long-drawn-out process at best, and for that reason large-scale irrigation development in the East is a long way off—probably a generation or two, at least.

The eastern half of our Nation is already thickly populated. The pressure is already apparent and will increase over the years, to move into the less crowded areas. The Western States are growing at a faster rate than the rest of the country.

RECLAMATION HAS MULTIPLE VALUES

For this growth and natural expansion, we shall need every available drop of water, for the West is semiarid to arid country, and water is the final limiting factor of its growth. Water is needed not only for agriculture, but also for expanding cities and industries. Reclamation is not merely a process for bringing dry land under cultivation, it is a multipurpose development that puts water in the bank, so to speak, for every type of development.

Let me cite you an example from my own State of Utah. The Geneva steel plant, now the Columbia-Geneva division of the United States Steel Corp., was built in Utah during World War II, and has since changed the entire industrial picture in the West. Land was abundant in sparsely populated Utah, but a great deal of water is required to make steel, and water is scarce in that country. Every available source of water has been utilized, but if it had not been for the fact that the land purchased for the plant site carried with it irrigation water rights developed years previously, the project would have been impossible.

When we build reclamation projects, we are not merely building future farms, which we shall desperately need, but we are also building future cities and future industries and future recreation—living room and playgrounds for our future population.

DEVELOPMENT LONG RANGE

I earlier pointed out that present-day agricultural production from reclamation lands is not a significant factor in our vexing farm-surplus problem. This, however, is not the real crux of the matter. The important fact, in assessing reclamation in relation to farm production, is the time element. It takes from 20 to 25 years from the start of construction to the time a major reclamation project will bring full returns in agricultural production. We should not be thinking of what additional farm acreage—regardless of the crops produced—would mean today, but what it will mean a quarter of a century hence, when it will be a reality.

In another 25 years our population will be upward of 200 million people—perhaps 230 million, or even more. Our food requirements will be something like 40 percent above the present level. Our present surplus will be long forgotten, and we shall be seeking food in every available quarter.

Is there anyone who would complain about the development of new agricultural production under those conditions?

If there is anyone today who can look forward to the 1970's, when we shall have added 50 million or 60 million to our population and shall have lost 15 million or 20 million acres of the best farmland now under cultivation and say it is foolish to begin now to provide for that day's need, I charge that person with distorted vision or with deliberate and reckless disregard for the welfare of the Nation.

Let us not allow an obviously temporary condition to blind us to our long-range needs. Let us get busy now and repair our roof lest we be caught in a downpour from which there will be no escape.

THE TRINITY PARTNERSHIP PROPOSAL—IN CALIFORNIA

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a statement issued by me on yesterday, relative to the Trinity partnership proposal in California.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR KNOWLAND

I have been asked to submit my views on the Government's recommendations for development of the power facilities of the Trinity River project on a partnership basis. In my studies of the application of the partnership principle to this project careful consideration has been given to (a) the staggering level of the public debt, (b) the priority of expanding national security needs, (c) pres-

ent and future water needs of California, and (d) the economic analysis of Federal against partnership development of the Trinity power facilities.

1. For 45 years the Federal Government has recognized its responsibilities in the development, conservation, and utilization of the Nation's water resources. Our State has participated in this program.

2. Funds available for reclamation projects are not unlimited. The Federal budget recently submitted to Congress clearly indicates that the Nation's defense requirements and expenditures are resulting in increased demands not only for a delay in construction on water projects of all kinds, but a delay in expected appropriations for some partially completed ones.

3. Water conservation is the major purpose for the Federal Government's reclamation laws.

4. Development of water project power resources is designed for the purpose of providing a maximum financial contribution to the cost of water irrigation and conservation projects and thereby to reduce the burden on the Federal Treasury.

5. Development of the power facilities on other than a partnership basis would add to, not reduce, the construction and operating costs of the Trinity project. To be sure, a limited number of power consumers and Federal agencies would benefit, but the monetary advantage to them would not offset the monetary advantages provided under the partnership plan.

6. Development of the Trinity power facilities by the Federal Government would result in reducing the surplus fund now available in the Central Valley project, and thus limit the capital available for construction of other critically needed water projects, such as the San Luis unit. The partnership program would make available funds that could be allocated for other water- and flood-control projects, such as the Santa Maria, Solano, Hidden, and Buchanan Reservoirs; Success and Terminus Dams; Eel River and Los Angeles flood-control projects.

7. Partnership development would benefit the taxpayers of California and the Nation as follows: (a) $56 million in construction costs, (b) at least $165 million additional net revenue to the Central Valley project, (c) $83 million in tax revenues: total, an estimated $304 million. Partnership development would also contribute to State, County and local governments another $62 million in tax revenue.

8. Benefits of the Trinity project, whether computed on a water rate, electric rate, or on a tax revenue basis, would be enjoyed by countless more Californians under partnership development of the power facilities rather than Federal development.

9. There is ample precedent in California and elsewhere for private enterprise participation in the construction of power facilities at Federal projects at no cost to the Government whereby the purchase of the use of falling water in these joint operations assists in reducing Federal expenditures.

10. For 13 years in the Senate I have supported the Central Valley project and other reclamation and flood control projects, including powerplants and necessary transmission lines which were beneficial to the development of our water and power resources.

After a careful study of these factors, it is my conviction that in this specific Trinity partnership proposal the interests of the taxpayers, the water users and power users of California and also the taxpayers of the Nation would be best served by Congressional approval of the joint operation proposal.

Accordingly, I support the partnership plan for joint development of the Trinity project's power facilities. I shall also support an amendment which will provide for periodic review by the Federal Power Commission of the provisions regulating rate payments to the Government for use of falling water.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, before I suggest the absence of a quorum, I should like to inform the Senate that it is the intention of the majority leader to call up by motion during the day the following resolutions:

Senate Resolution 231, to investigate the administration of the antitrust and monopoly laws of the United States.

Senate Resolution 236, to investigate the administration of the Patent Office and review statutes relating to patents, trademarks, and copyrights.

Senate Resolution 250, authorizing the Committee on Rules and Administration to make expenditures and employ temporary personnel.

Senate Resolution 214, authorizing the Committee on Banking and Currency to investigate certain matters under its jurisdiction.

Senate Resolution 207, to investigate matters pertaining to public and private housing.

Senate Resolution 245, authorizing the Committee on Finance to expend an additional $10,000 from the contingent fund of the Senate during the 85th Congress.

Senate Resolution 252, to provide additional funds for the Committee on Labor and Public Welfare.

Senate Resolution 254, to authorize additional clerk hire for the Committee on Labor and Public Welfare.

Senate Resolution 255, to pay a gratuity to Edith B. Porterfield.

Senate Resolution 253, authorizing the Committee on Labor and Public Welfare to employ certain temporary staff members and assistants.

It is anticipated, as I previously announced, that we will have H. R. 10146, the supplemental defense appropriation bill, before us on Monday.

I should like to have the attachés of the Senate on both sides of the aisle inform interested Senators of our intention to bring up the measures I have listed, so that they may be on the floor when the measures are considered.

Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hayden	Mundt
Anderson	Hill	Pastore
Barrett	Holland	Payne
Bricker	Jackson	Potter
Carlson	Jenner	Revercomb
Case, S. Dak.	Johnson, Tex.	Robertson
Clark	Kefauver	Saltonstall
Cooper	Knowland	Smith, Maine
Cotton	Kuchel	Sparkman
Curtis	Malone	Symington
Dworshak	Mansfield	Thye
Eastland	Martin, Pa.	Wiley
Ellender	McClellan	Williams
Frear	McNamara	Yarborough
Goldwater	Morton	

Mr. MANSFIELD. I announce that the Senator from Tennessee [Mr. GORE], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Oklahoma [Mr. KERR], the Senator from Louisiana [Mr. LONG], the Senator from Washington [Mr. MAGNUSON], the Senator from Oklahoma [Mr. MONRONEY], the Senator from North Carolina [Mr. SCOTT], the Senator from Florida [Mr. SMATHERS], and the Senator from Georgia [Mr. TALMADGE] are absent on official business.

I further announce that the Senator from South Carolina [Mr. THURMOND] is absent because of a death in his family.

Mr. DIRKSEN. I announce that the Senator from Maryland [Mr. BUTLER], the Senator from Vermont [Mr. FLANDERS], the Senator from New York [Mr. JAVITS], and the Senator from Connecticut [Mr. PURTELL] are absent on official business.

The Senator from Iowa [Mr. HICKENLOOPER] is necessarily absent.

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). A quorum is not present.

Mr. MANSFIELD. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After a little delay, Mr. ALLOTT, Mr. BEALL, Mr. BENNETT, Mr. BIBLE, Mr. BRIDGES, Mr. BUSH, Mr. BYRD, Mr. CAPEHART, Mr. CARROLL, Mr. CASE of New Jersey, Mr. CHAVEZ, Mr. CHURCH, Mr. DIRKSEN, Mr. DOUGLAS, Mr. ERVIN, Mr. FULBRIGHT, Mr. GREEN, Mr. HENNINGS, Mr. HOBLITZELL, Mr. HUMPHREY, Mr. HRUSKA, Mr. IVES, Mr. KENNEDY, Mr. LANGER, Mr. LAUSCHE, Mr. MARTIN of Iowa, Mr. MORSE, Mr. MURRAY, Mr. NEUBERGER, Mr. O'MAHONEY, Mr. PROXMIRE, Mr. RUSSELL, Mr. SCHOEPPEL, Mr. SMITH of New Jersey, Mr. STENNIS, Mr. THYE, and Mr. YOUNG entered the Chamber and answered to their names.

The PRESIDING OFFICER. A quorum is present.

Is there further morning business? If not, morning business is closed.

COMMEMORATION OF FIRST FLIGHT OF AN AIRPLANE ON AN ARMY INSTALLATION

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H. R. 6078) to provide for the erection of suitable markers at Fort Myer, Va., to commemorate the first flight of an airplane on an Army installation, and for other purposes.

REACTIONS TO PRESIDENT'S ECONOMIC REPORT—MAJOR HOUSING PROBLEMS

Mr. SPARKMAN. Mr. President, 10 days have gone by since the publication of the President's Economic Report. By now we have had an opportunity not only to read the report, but also to get the reactions of various groups to it. I have been struck by the frequency with

which the news coverage and the editorial comment on the report have noted its optimistic bias, its failure to spell out the basis of the optimism, and the absence of an overall, antirecession program. These reactions have appeared in the daily press which in the past have been strong supporters of the administration, and also in financial newspapers and weeklies.

The stock market, which presumably registers investors' opinion, did not share the administration's complacency. It has continued during the past week in the state of lethargy that has characterized the market since July. All the assurances in the past 6 months by Secretary of Commerce Weeks and by other administration spokesmen have not lessened the increasing concern by business firms, as well as wage earners, at the pace that output, income, and employment have been declining in recent months.

Two days after the report was issued the survey of consumer attitudes by the Michigan Survey Research Center was released. In the past, this survey has had a good record in forecasting buying trends. This survey, based on returns around the country in late November and December, indicates a substantial downward revision in consumers' intentions to buy major durable goods items. The consumer attitudes index for late 1957 was down to about that recorded in the 1953 recession. Since unemployment at the time of the latest survey was about 3.3 million and the figure has been increasing substantially since then, we may expect further downward revisions in consumer-purchasing plans.

Turning from the latest consumer survey to a report of the purchasing agents for industry released 1 week after the President's economic report, we find little grounds for complacency. The January release of the National Association of Purchasing Agents states that not since before World War II have so many businessmen reported declines in production. The order situation was said to be gloomy. The association states that "we have to go back to 1949 to find so many of our committee members reporting poorer new order backlogs."

With each day's newspaper we find additional evidence that the economy has been slipping fast. I need hardly point to the fact that the steel industry has been operating at a rate of 55 percent of capacity and that railroad carloadings have been dropping sharply. But rather than cite the statistical evidence—which continues to multiply—that we are confronted by a business contraction that is more serious than any we have experienced since World War II, it is more fruitful to concentrate our attention on some of the underlying economic forces which are likely to determine the magnitude of the current recession.

The present downturn is more than an inventory recession. The decline is likely to be more substantial because it is associated with the curtailment of activity in the producer and consumer durable goods industries. Since World War II, the high level of business activity has in large part depended on the great rise in expenditures for consumer durables, housing, and plant and equipment. Such evidence as I have seen indicates that we may expect this year a sizeable drop in the consumer durable and plant and equipment sectors. There is also a question whether we are likely to do much better than last year in the construction of dwellings. Moreover, the stimulus from exports will be a negative one, which leaves the Federal Government sector as the only promising factor that may contribute to halting the decline. The President's budget message and economic report have shown very little of a sense of urgency with respect to our defense and related programs which would justify confidence that the military expenditures are likely to reverse the downward trend this year.

The underlying philosophy of the administration's current economic policy appears to be that this recession will shortly cure itself, with small doses of additional defense spending, and large doses of psychological treatment.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield to the Senator from Montana.

Mr. MANSFIELD. The Senator from Alabama is not only chairman of the Subcommittee on Housing, but also vice chairman of the Joint Economic Committee, which is now holding hearings on the President's economic report. I should like to ask the Senator this question: Do the expert economists who have testified before his committee thus far believe that the recession will cure itself?

Mr. SPARKMAN. No; I will say to the distinguished Senator from Montana that one thing that has impressed me greatly about this year's hearings has been the fact that every economist and every other person who has appeared before our committee without exception pointed out the dangers of the recession and the necessity of taking positive action to stop this downslide before it is too late. In this statement I am leaving out the economic advisers, because they came before the committee in executive session, and I am referring now only to those witnesses who appeared before us in open session.

Mr. MANSFIELD. Will the Senator yield further?

Mr. SPARKMAN. I yield.

Mr. MANSFIELD. What positive action is being taken by the administration to cope with the present slump, which this country is undergoing at the present time?

Mr. SPARKMAN. Well, about the only positive action so far has been the action by the Federal Reserve Board in twice reducing the rediscount rate. Again, however, I believe that every economist would say that this action is not sufficient and will not accomplish the result desired. A few other positive things have been proposed, but these proposals have been largely offset by curtailment and retreat. I hope to bring out some of these things in the speech I am making, in which I will deal with one phase of the program, namely housing.

Mr. MANSFIELD. Mr. President, will the Senator yield once more?

Mr. SPARKMAN. I yield.

Mr. MANSFIELD. If my memory serves me correctly, this morning's newspapers carried news stories quoting Secretary of Labor Mitchell to the effect that the unemployment figure at the present time was approaching 4 million, and, if I remember rightly, it was the contention of the Department of Labor and of the administration that by mid-February the figure might be approximating 4½ million.

I wonder if the Senator could give us any indication, based on the testimony of the economists who have appeared before his committee, and based also on his own knowledge, as to just what the consensus is on how severe the slump will become, and how long it will continue.

Mr. SPARKMAN. First, let me say that I have before me the news story to which the Senator referred. It is entitled "Mitchell Expects 4 Million Jobless." This article was printed in this morning's New York Times. The same story appeared as the lead article on the front page of the Wall Street Journal. That article, as the Senator has correctly said, states that the unemployment figure will go up to more than 4 million in February. The Secretary of Labor did say that he predicted unemployment would not go to more than 4½ million. I do not know of anyone who might be willing to get out on the limb with him on that prediction. Certainly, we all hope it will not rise further. However, there is the rather widespread fear that unemployment will exceed the figure of 4½ million.

I recall that one of the economists who testified before the Joint Economic Committee yesterday dealt in percentages, rather than numbers. He stated he regarded an unemployment figure of 6 to 8 percent as being definitely dangerous. He said we were approaching that percentage very closely at the present time.

Mr. MANSFIELD. Mr. President, will the Senator yield further?

Mr. SPARKMAN. I yield.

Mr. MANSFIELD. Even on that basis, I may say to the Senator from Alabama, the 4 to 4½ million figure comes within 6 to 8 percent of the total working population of the country.

Mr. SPARKMAN. The economist to whom I referred stated we were dangerously close to that percentage now, and that if we get to that point it certainly should be an alarm for the administration to do something, and to do it without further delay.

Mr. MANSFIELD. Mr. President, will the Senator yield further?

Mr. SPARKMAN. I yield.

Mr. MANSFIELD. If the Secretary of Labor, Mr. Mitchell, states that the maximum will be in the vicinity of 4½ million, and that at the present time it is rapidly approaching the 4 million figure, I would assume that the viewpoint of the administration is that the slump we are undergoing will be a short-lived one; whereas, the economists who

have appeared before the Senator's committee have taken a stand which would indicate that such is not the case, on the basis of their records. Is that correct?

Mr. SPARKMAN. Unless definite and positive action is taken, and taken quickly.

Mr. MANSFIELD. By the administration, that is.

Mr. SPARKMAN. That is correct. That is one of the points I wish to bring out in my speech. I do not believe it is necessary that the recession be long drawn out or very deep. I believe a recession can be prevented, but not if we just let it drag out in the hope it will cure itself. Positive steps will need to be taken. I believe that one of the finest fields in which to take those positive steps is in the field of housing. That is the reason I am duscussing that subject today.

Mr. MANSFIELD. Mr. President, will the Senator yield further?

Mr. SPARKMAN. I yield.

Mr. MANSFIELD. I may say that I am in full accord with what the Senator is saying, because both the domestic and the foreign policy of the administration have reached the stage where time will no longer provide the answers to the difficulties confronting the administration and us. The times do call for positive action. Let us hope that they will be forthcoming and that they will be in the right direction before too long.

Mr. SPARKMAN. The Senator is certainly correct.

Are there any areas of economic activity which could help pull us out of this period of recession before we find ourselves in serious trouble?

I believe there are. I believe we can stop this downslide in our economy if we use properly the tools and the resources that we have.

Steel, generally regarded as the bellwether of industrial prosperity, is one industry which is operating at a low level of production. Housing is another. I would like to draw upon my experience as chairman of the Housing Subcommittee to explore the potentialities for economic growth in the field of residential construction and urban renewal.

Housing is an area of economic activity in which the Nation's needs are still very great.

The Census Bureau made a survey last year and came up with the discouraging facts that over 13 million dwelling units in this country are below the standards of decent and adequate housing. This means that about one-fourth of all units in this country are substandard.

We all remember President Roosevelt's famous statement—one-third of a nation ill-housed, ill-clad, and ill-nourished. That statement was made 21 years ago, when we were in the depths of the worst depression in our history, when we had over 9 million unemployed and our gross national product was only $80 billion—about one-fifth of what it is today. We had no Federal housing programs then and you remember how startled everyone was at the thought that one out of three American families were living under such poor conditions.

We have come a long way since the thirties and we have prided ourselves on all the improvements in the American standard of living. It is hard to believe that, despite these improvements and all our efforts to provide Government assistance to help create better housing, we still have one out of every four housing units which are substandard.

Why is this?

The simple answer is that we are not producing enough housing units to meet the need.

During the last few years the demand for new housing was supposed to be fairly low because of the low birth rate of the thirties and the smaller number of youngsters coming of marriageable age. According to forecasters only 700,000 new nonfarm households were expected to be formed in each of the last 2 years, but the Census Bureau reports that the figures actually turned out to be about 1 million, or a total of 2.1 million for the last 2 years.

During these last 2 years, we have produced only a little over 2 million new nonfarm dwelling units. This has been barely enough to take care of new household formation and does not begin to take care of the replacements needed because of fire, flood, and demolition; nor does it provide any additional supply to reduce the huge backlog of worn-out, obsolete, and dilapidated houses in which so many of our American families are still living. Looking toward the future, it is estimated that we have to increase our production to about 1½ million units per year if we expect to make any inroads on the large backlog of substandard housing.

In addition to the creation of needs for new family formation and our desire to replace the supply of substandard units that now exist in the inventory, one very large source of housing demand is that generated by the unusual mobility of the American people. In this country, about one out of every five families moves every year. Most of the families move short distances within the same housing market area, but others move long distances from one housing market area into another, and they often move into areas where there is already a shortage of housing. For example, the population of California has increased by one-third during the last 7 years. You can well imagine the additional supply needed in that State because of new families moving into the State.

In considering the future housing need, we must take into account the cost of housing in relation to family income. During the last 3 years, the average price of new houses built in this country has increased from $13,500 in 1954 to over $15,000 in 1957. It is fairly obvious that the 1957 house averaging $15,000 is above the reach of most American families. To afford a $15,000 house, a family should earn at least $6,000 a year and most families in this country just do not earn that kind of money. According to the latest family income data, about two-thirds of the American families could not qualify to buy $15,000 houses. I believe this points up very dramatically one of the basic problems in the home-building industry. Builders are pricing themselves out of the market.

With these informative statistics in mind, we have some rough idea of the size of the housing job before us. We should not be discouraged by the size of the task, for in a very definite sense the fact that we have much to do can be a guaranty that our people will be gainfully employed in useful constructive jobs. We can turn the ill wind of housing shortages into a trade wind of prosperity, if we act boldly and seize the present opportunity to utilize the full potential of our human and material resources.

Let us examine the recommendations of the President on the subject of housing, as presented in his budget message. Let us evaluate these recommendations and judge for ourselves whether any serious effort is being made to match the deficit in housing inventory against the surplus of labor and productive capacity.

The President's budget message recognizes the fact that all is not well in the field of housing when it states:

> The rapid growth of our population and its increasing concentration in urban and suburban areas have created unprecedented problems for both industry and government in helping achieve the goal of a decent home and a suitable living environment for every American family.

I may interpolate that the last words of the President's statement; namely, "the goal of a decent home and a suitable living environment for every American family," are taken from the law in which the housing policy of the Nation is set forth, a part of the Housing Act of 1949.

As I proceed with this statement, it will become evident that I cannot agree with the administration as to the meaning of various symptoms, nor can I agree with the administration's recommendation as to what should be done to restore our economy to a state of vigorous health or to achieve the goal of a decent home and a suitable living environment for every American family. The President's message reveals that the administration is paying lipservice to the attainment of desirable social and economic objectives and at the same time trying to maintain the illusion that this can be done by cutting back important Federal programs. The net result will be failure in both attempts by providing too little, too late.

In order to solve the unprecedented problems facing both industry and government, the President proposes certain remedies. I shall refer to these proposals and discuss briefly what the effect of each may be.

First. The President recommends that local governments should share in the cost of planning urban-renewal projects from the start. By this he means that communities which have heretofore been able to obtain a repayable Federal advance in order to begin planning an urban-renewal project must now raise money locally in order to begin planning. The Federal Government would contribute a portion of planning costs but only after local funds have been made available.

I am not opposed to a sharing of urban-renewal costs by local governments—I think they ought to do so—but,

in my judgment, the overriding purpose of planning advances has been to encourage communities to undertake urban-renewal projects. Adequate planning can, in many cases, overcome unreasoned opposition to urban renewal as benefits to the locality become obvious. I am sure that any new requirement, such as that envisoned by this proposal; namely, that the local community raise funds in order to begin planning, will provide local opposition with a tool that can effectively kill many local urban-renewal projects before they get started.

In addition to being undesirable, in the eyes of many who honestly believe in an effective urban-renewal program, this proposal is unnecessary and, in a very strong sense, a contradiction of the position taken by the administration last year.

Prior to 1957 communities could secure planning advances and later repay those advances out of the proceeds of a Federal capital grant. At final settlement the net effect was that the community had paid one-third of all costs, including planning costs, and the Federal Government had paid two-thirds. In 1957 the administration proposed and Congress enacted an amendment to permit local communities to pay in full certain initial expenses, including planning expenses, and so to avoid redtape and delay. Communities which did so would be rewarded by having the Federal share of the remaining cost of the urban-renewal project increased to three-fourths and the local share reduced to one-fourth. Since the community had borne without assistance certain initial expenses, the actual dollar expense to the Federal Government and the local government under the one-fourth to three-fourths formula was almost identical with those under the older one-third to two-thirds formula.

The point of this involved history is that communities which can raise funds for initial expenses such as planning are encouraged and authorized to do so now. But under this new proposal they will be required to do so. There can be only one result. Some communities which under existing law would eventually begin a slum-clearance program will fail to do so under this new proposal.

Second. The President recommended that "each State establish a special agency for urban development, housing, and metropolitan planning to assume as soon as possible the financial responsibility for local planning of urban-renewal projects." This is not a recommendation for legislation, but rather a recommendation that the States assume some responsibility for the direction of urban renewal and slum clearance within State boundaries. Recent hearings by the Senate Subcommittee on Housing have indicated a need for such action, particularly in States where small communities find it impossible to begin planning projects without outside assistance. The Federal law now provides for the establishment of such State authorities and makes them eligible for planning advances. The implementation of this desirable recommendation appears to need no additional legislation.

Third. President Eisenhower recommends that on all urban-renewal projects initiated in 1960 and later years the States and localities should be required to provide an increased share of project costs. In short, the present one-third to two-thirds formula would be changed by providing annual reductions so that by the fiscal year 1962 the Federal Government would contribute not more than 50 percent of project costs, with the remaining 50 percent provided from local sources. This is a backward step—a retrenchment and a withdrawal which can have but one effect—a decline in local interest and community participation in the program—simply because the local governments, by and large, cannot afford the additional cost that would be involved.

But before that decline sets in, about the year 1962, when the Federal share would be cut to 50 percent, there will be a modern-day gold rush of communities trying to get into the program before the Federal share is reduced. This could lead to administrative chaos.

I am pleased to be able to report that the program is gaining momentum very rapidly, and has won the solid and enthusiastic support of virtually all groups in the communities where projects are under way.

As of December 31, 1957, there were 491 projects in 299 communities. During the earlier years of the program, it was in an experimental stage. It has now moved into a new phase. Hundreds of small and medium-sized communities are ready and eager to join in the nationwide task of cutting out the cancer of slums and blight.

My observations are based upon the testimony taken by the Subcommittee on Housing, which held hearings in several parts of the country during adjournment last year, in order to check on the progress of the program.

Perhaps the most striking result of the 1949 act is the educational function it has performed. It has brought out the local needs for all to see. Many individuals and groups have discovered housing conditions and needs they never knew existed. Moreover, this discovery has been made on a nonpartisan basis. The subcommittee found virtually no opposition to the Federal urban-renewal program, and a substantial majority of the witnesses urged us to recommend an expansion of the program.

The strong sentiment in favor of the program stems from a realization on the part of a growing number of local citizens—especially among leading businessmen and civic groups—that the Federal program is the main weapon in their battle against blight and decay. It is, therefore, understandable why urban renewal is a top-priority activity in an increasing number of communities, small as well as large.

It is true that most communities seek to plan local projects in such a way as to take the fullest advantage of the Federal capital grant and to minimize local contributions, wherever possible. This is not unexpected and, in fact, not undesirable, for it permits a community to undertake more extensively slum clearance with a limited amount of local funds than would otherwise be possible. We should not fall into the easy and convenient misconception that all that local officials see in the urban-renewal program is another device for raiding the Federal Treasury. We must attribute to these local officials the same degrees of honesty, patriotism, and desire to improve our cities that we ourselves feel. They see at long last an opportunity to clean out those festering sores in their communities, and they are eagerly taking advantage of it.

About 2 years ago, President Eisenhower pointed out that at the rate we were going, it would take 200 years to clear out our slums. We are moving now—making headway. Let us do nothing to stop the movement or slow it down.

There are, however, those who view the urban-renewal program as an expenditure by the Federal Government, with no compensating return of benefits. Nothing could be further from the truth. As the President himself said in his budget message:

> Last year our population increased by 3 million people; before another decade passes it will exceed 200 million. Almost 60 percent of our people work and live in the 174 metropolitan areas.

This crowding together in metropolitan areas, in both large and small communities, has, as the President says, created unprecedented problems that we must try our level best to solve. We should regard the expenditure of funds designed to solve these problems as investments—investments in security, investments in social progress, investments in health and welfare, and investments in prosperity. We should not reduce the Federal share of the cost of urban renewal.

Can anyone dispute that the newly redeveloped area in a community is an investment which will repay us many times over, not only in the social benefits of health, welfare, and living conditions which the urban renewal program was designed to provide, but also in the reduction of community expenses now needed for police and fire protection and for the maintenance of social agencies created to combat crime and juvenile delinquency. Neither should we overlook the increase in tax revenue which will occur through higher valuations on property in the newly developed areas.

As a demonstration of this, permit me to cite the following examples:

Project	Annual taxes before clearance	Estimated annual taxes after completion of redevelopment
Lake Meadows, Chicago	$140,475	$575,000
Waverly project, Baltimore	15,330	56,500
Capitol Mall, Sacramento	2,790,450	6,991,125
Southwest area, Washington, D. C. (projects B, C, and C-1)	604,900	3,583,000

I understand that some of these figures are estimates, because particularly the projects in the Washington area have not been completed.

Mr. President, these figures were obtained from qualified local sources. Allowances have not been made for possible changes in tax rates, but that would not have a major effect on these figures. Post-redevelopment taxes involve estimates, because in each case not all the new construction is complete.—Source: Urban Renewal Administration.

Fourth. The administration recommends that positive assurance of the continuity of the urban renewal program be given to the States and the cities by authorizing funds now for 1959 and each of the 5 succeeding years. Specifically, an additional $200 million for capital grants is recommended for 1959, added to unused authority of $50 million; $250 million for 1960; $250 million for 1961; and $200 million annually for the period 1962 through 1964.

I am pleased that the administration has recognized the need for continuity in the urban renewal program, for it was the universal recommendation made by community officials during the recent hearings of the Housing Subcommittee. Whether the 6-year period is sufficient, or whether a 10-year period, as envisioned by the American Municipal Association, would be more desirable, depends in the final analysis upon the size of the total job and the progress made during the next few years. Again, we must examine our objectives and must determine whether we want a program that will end in a given number of years or whether our objective is to clear slums for all American cities and to persevere until the job is done.

I have grave doubts that the dollar amounts for capital grants recommended by the administration will be sufficient. The President's budget message estimated that by 1959, over 600 projects will be either completed or in some stage of planning or development. It seems to me that the amount of money to be authorized for urban renewal capital grants is a matter which can be determined arithmetically, once we know the size of the job to be done and the speed at which it can be accomplished. I am, of course, assuming that we are serious in wanting to do the whole job.

Fifth. The President's budget message takes cognizance of a problem of growing importance in many of our communities: namely, what can be done to assist communities in redeveloping their blighted commercial and industrial areas. The administration recommends a new program of federally guaranteed loans to finance such projects. I have long felt the need for some form of aid to communities which have blighted commercial and industrial areas, but have hesitated to devote without restriction the total resources of the urban renewal program to such purposes. Basically, I feel that the urban renewal program, as presently envisioned, should be closely tied to the clearance or redevelopment of residential areas. To eliminate the "predominantly residential" test from the urban renewal program would eventually lead, in my opinion, to undue pressures for redevelopment of solely commercial and industrial areas, and corresponding neglect of residential areas. This new proposal is, in my judgment, worthy of study and consideration by the appropriate committees of the Congress.

Sixth. The President's budget message recommends that special-assistance mortgages which, at the direction of the Congress, are currently purchased at par by the Federal National Mortgage Association, no longer be accorded the advantage of par purchase; that is, the President recommends that special-assistance mortgages should be sold at whatever the market will pay. If this recommendation is adopted, it is certain that special-assistance mortgages of any kind, whether they be mortgages on relocation housing, cooperative housing, housing for the elderly, or military housing, will be subject to the unrelenting pressure of the private market which seeks to drive down the price to be paid for these mortgages. To remove the par purchase requirement can, in my judgment, lead to only one conclusion—namely, that the purchase of these mortgages, if made at all, will be made at a reduced price, which in turn will materially decrease the number of houses built under special-assistance programs and will add substantially to the cost of those produced.

Seventh. The President has asked for $90 million of new obligational authority to permit FNMA to purchase mortgages. While the special legislative recommendations concerning this use have not yet been made available, I understand that this $90 million will be added to what is commonly called the Presidential authority. It will, therefore, be added to funds already available to the President for subsequent allocation to needed housing programs at his discretion.

With this I have no quarrel except to express some doubt that the amount will be sufficient to achieve the objective. On the other hand, there is at this point an obvious gap in the budget message. At this moment, when our national security hangs in the balance, the Congress is appropriating additional funds for guided missiles, for a larger and better equipped Military Establishment and for increased research and development. In order to implement these new and improved programs, we must provide housing for military personnel at SAC bases, which, as we know, are often established in remote areas far from any community of any size. We must provide housing for scientists and technicians at research-and-development centers such as those located in Huntsville, Ala., and Cocoa, Fla., and other places at which research and development are being carried on. And it is certainly desirable to continue our program of aid to those persons who have banded together to form nonprofit cooperatives to provide housing for themselves.

The President's budget message, however, asks no funds for any of these programs, despite the fact that FNMA funds for the purpose of military housing are exhausted and funds for the other two programs are nearly exhausted.

At this point I should like to insert a table which shows the status of FNMA funds available for the various housing programs as of January 21, 1958.

I ask unanimous consent that the table be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Status of FNMA funds, January 1958

	Authorized by Congress	Expended or committed	Uncommitted balance
FNMA—Special assistance:			
Available to President	$450,000,000		
Allocated by President [1]	216,000,000	$151,000,000	$65,000,000
Cooperative (sec. 213)	200,000,000		
Impounded	40,000,000		
Released	160,000,000	147,000,000	13,000,000
Military (secs. 803 and 809)	450,000,000	437,000,000	[2] 13,000,000
FNMA—Secondary market: Mortgages purchased	2,617,000,000	1,638,000,000	979,000,000

[1] The President has designated mortgages covering the following types of housing as eligible for special assistance: (1) Housing intended primarily for victims of major disasters, $10,000,000; (2) housing in Guam, $15,000,000; (3) urban renewal housing constructed or rehabilitated under FHA sec. 220 and 221 programs, $150,000,000; (4) housing in Alaska, $10,000,000; (5) housing in connection with defense and military (Wherry) programs, $11,000,000; and (6) housing for elderly persons, $20,000,000.

[2] Reserved for sec. 809 housing as required by 1957 legislation.

Mr. SPARKMAN. Mr. President, of special interest at this time is the FNMA fund to be used for purchase of military housing mortgages insured under FHA sections 803 and 809. I should like to insert at this point in my remarks a list showing the approved applications relating to mortgages on military housing—FHA section 803 Capehart—presently pending before FNMA for which no funds are currently available.

I ask unanimous consent that the list be printed in the RECORD at this point.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Name of project:	*Amount of money*
Fort Shafter, T. H.	$1,713,600
Fort Triplette, T. H.	2,409,800
Clinton Air Force Base, Okla.	7,291,200
Tinker Air Force Base No. 1, Okla.	1,878,800
Tinker Air Force Base No. 2, Okla.	2,462,200
Charleston Air Force Base, S. C.	9,691,935
Total	25,437,535

Mr. SPARKMAN. Eighth. The President's budget message next deals with relocation housing. This refers to housing for persons who are displaced from their homes by governmental action, such as urban-renewal projects and highway construction. The President's message makes two recommendations. One, that the mortgage amount on housing insured under FHA section 221 be increased from $10,000 to $12,000 in high-cost areas. FHA section 221 housing insurance is, as Senators know, the most liberal FHA insurance program, and is available only to those families displaced from their homes by Government action. Second, the President recommends that the public housing authorization for the years 1956, 1957, and 1958, covering 70,000 units, be extended for an additional period.

Before commenting directly on these specific recommendations, let me give Senators my conception of what is involved in trying to develop an adequate program for displaced families in need of relocation housing.

Relocation is the human side of urban renewal. This is an assumption that underlies the entire urban renewal effort. The authors of the 1949 act had the foresight to plan for an orderly relocation program, by requiring in the basic law that, in order to qualify for the Federal urban renewal program, a local community must develop a satisfactory relocation plan. The present requirement is that displaced families must be relocated in decent, safe, and sanitary dwellings which are within their financial means and reasonably accessible to their places of employment.

What are the characteristics of the families now being displaced or to be displaced over the years, by governmental action? Of course, a great deal depends on the type of governmental action involved. The slum clearance and urban renewal program, for example, creates a more severe problem of relocating families, for it is directed at renewing the poorest sections of town. On the other hand, the highway program will not create as much of a need for relocation housing except when the new road goes through a substandard area.

In urban renewal areas, the displaced families are, for the most part, at the lowest rungs of the income ladder. Only a small proportion of them can readily go out into the private housing market and find a dwelling that is financially accessible. In fact, experience has shown that fully half of them have incomes so low that they qualify for the low-rent public housing program, which is limited to the lowest income group in our population.

They include thousands of elderly persons, whose housing conditions are truly a national disgrace; large masses of families from minority groups who now live in the dangerously congested slums of our great metropolitan cities; and many large families, whose need for space is not easily met in urban areas. In addition, there is another group, whose size varies from city to city. It is the family which is caught in a most difficult squeeze at the time of displacement. It has an income too high for admission to low-rent public housing; at the same time it cannot afford available private housing. This group is commonly referred to as the middle-income group.

In view of the relocation problem caused by the Federal highway program, which may exceed the requirements of the slum-clearance program, it is probably a conservative estimate that 100,000 families a year are being displaced by governmental activity and that this rate will increase rather rapidly.

What resources do we have at hand to meet the statutory requirement that displaced families be relocated in adequate housing? The existing inventory is woefully deficient. It still contains, as I pointed out earlier, 13 million substandard dwelling units, which no family should have to occupy under any circumstances. The private sales and rental markets which can serve these low-income families are, and have been for some time, almost nonexistent. The vacancy rate in all dwellings available for occupancy is just 2.3 percent—1.8 percent in units for rent, and 0.5 percent in units for sale. It is no surprise, therefore, that private relocation programs based on the use of the existing inventory are faced with hopeless odds. This means that a substantial volume of new construction is needed not only to relieve this mounting pressure on our housing inventory, but also to provide dwellings at a price level that can realistically serve as relocation housing.

There is no one solution to the relocation problem. A variety of tools is needed, and many of them have been made available by the Congress. A certain portion of displaced families can be accommodated in vacancies available in the existing housing market. To some extent, displaced families can become the beneficiaries of the trickle-down method, that is, as families improve their income and can afford better homes, they move from their present dwellings, making them available for less fortunate families, such as those displaced by a slum-clearance project. There is nothing basically wrong with this method, just so long as the home thus made available to the displaced family is standard, and is at a price the family can afford. In using this method, however, one thing should be kept clearly in mind. The whole job of relocation will never be done adequately through existing structures and trickle-down alone. Other methods must be used.

The low-rent public-housing program is still a useful tool for the relocation job, for, as I pointed out, at least half of the displaced families have incomes low enough to qualify. But as we all know, the public-housing tool, in the hands of the present administration, has become a blunt instrument, indeed, for use in solving the relocation problem.

I am not discouraged, however, and I am hopeful that the time is not too far away when we shall see a change in the present fortunes of the program. I say this for two reasons:

First. As the urban renewal and roads programs pick up momentum, they are bringing the relocation problem to the forefront, where local communities must come to grips with it. When a local community has to face up to the practical problem of relocating low-income families, it tends to accept the public-housing solution as one of the practical answers, which it is meant to be. In the face of the realities of relocation, the ideological eyewash that has been used to obscure the basic purpose and meaning of the public-housing program loses its potency. I am heartened by reports that the controversial nature of the public-housing issue is diminishing in the face of growing relocation needs.

Second. The public-housing program is undergoing intensive review by many private groups, who are offering constructive suggestions to improve it. One of these proposals is to get away from the kind of architecture and construction which results in an institutional type of living. Of course, this type of structure is the result of high land cost which makes it prohibitive to build in any other manner.

However, two types of experiments hold out considerable promise. One is a public-housing project of 20 new units in Cedartown, Ga., located on seven different sites. This is called the scattered-site policy. The second would provide public housing through the rehabilitation of existing structures. This approach is being contemplated by some of our large northern cities. Other suggestions have been made, such as the proposal to permit a low-income family to remain in a public-housing unit until the time when a rise in income enables the family to purchase the unit.

Still another method for handling relocation is the FHA section 221 program which is the first of two recommendations of the President on relocation housing. With this recommendation I must concur, despite some apprehension. It is my personal observation that the present mortgage limit of $9,000—$10,000 in high-cost areas—permits the construction of adequate numbers of relocation housing in many areas of the country. It is possibly quite true that adequate housing cannot be built for $10,000 in high-cost areas or in areas where land costs have become prohibitive. The danger, of course, in increasing mortgage amounts lies in the fact that many builders will build up to the maximum mortgage, and by so doing will freeze out of the effective market many displaced families who cannot afford the $12,000 house.

The family that cannot afford this $12,000 house or any other home available in the private market, yet has an income too high to qualify for public housing, is the "middle-income" family I referred to earlier, and for whom there is no adequate program in many localities.

It is to the great credit of the United States Senate that it recognized this program of the middle-income group last year when it approved an experimental program of FHA insurance—in the form of an amendment to the section 221 program—and FNMA special assistance to help meet their needs. Senators will recall that my proposal was to broaden the scope of the present section 221 program to make eligible not only the displaced families needing reloca-

tion, but also the same types of families who, although they may not be displaced in the next year or two, will in all likelihood be displaced as the urban renewal and roads programs make more headway in transforming blighted urban areas. In other words, my proposal looked to the future and attempted to anticipate long-term relocation needs rather than to limit the section 221 program to short-term needs. Unfortunately, the House of Representatives felt it needed more time to study the idea and requested in conference that it should be held up until this session. The Senate conferees were assured at the time that it would receive serious study by the appropriate House committee in time for consideration this year. I am hopeful that the Congress will give serious consideration to some broadening of the scope of section 221, for it may be the only alternative to an eventual further enlargement of more direct subsidy.

As for the President's proposal to extend the time limit on the present authorization for the present 70,000 public housing units, there is little that can be said at this time. The present administration has bankrupted the program through lack of leadership, and has been maintaining a tight receivership over it. Of the 70,000 units authorized, Mr. President, I have written in my original text the words "hardly more than 4,000 have been placed under contract." That was true when I first drafted my statement. I am told, however, that additional units have been placed under contract since that time and the figure as of today is 6,500. I am confident, however, that the relocation problem as it emerges in hundreds of cities across the country will bring about a more realistic administration attitude toward the program. Until someone convinces me that there is no need for the kind of Federal assistance exemplified by the low-rent public-housing program, I shall continue my efforts to see that it is revived and strengthened.

Nine. The budget message refers only to the expiration of the program for guaranteed and direct housing loans for the veterans of World War II and makes no mention of the possibility of extending this program for an additional period of time. I, for one, am reluctant to see the expiration of the VA program.

It has been a most effective vehicle for providing housing for veterans of World War II. As of this date, approximately 4.8 million World War II veterans have obtained assistance under the VA program. An additional 9.4 million have not utilized the program. I can see very little use in letting this program die, in view of the enthusiasm with which it has been received by consumers and industry alike, and particularly in view of the number of World War veterans yet to be served.

Consequently, I have already introduced a bill, S. 2995. May I say that the junior Senator from South Carolina [Mr. THURMOND] who is the chairman of the Subcommittee on Veterans' Affairs of the Committee on Labor and Public Welfare, joined me in the sponsorship of that bill. It is virtually identical with the bill overwhelmingly passed by both Houses of Congress in 1957, which will extend the life of the guaranteed program and provide additional funds for the direct loan program.

I may say, Mr. President, I refer to the fact that such a bill was passed by both Houses of Congress last year. Unfortunately—and I certainly think ill-advisedly—the bill was vetoed by the President.

Mr. PAYNE. Mr. President, will the Senator yield?

Mr. SPARKMAN. I am glad to yield to the Senator from Maine.

Mr. PAYNE. First of all let me thank the Senator for yielding to me, because perhaps it will be necessary for me in a few moments to leave the Chamber for an appointment.

I first wish to commend my colleague, the Senator from Alabama, for what I think is a very constructive statement being made this afternoon, covering a very vital problem confronting the American people. I think it is a matter which should be read by every person who wishes to be informed regarding the problems of housing in this country.

It has been my pleasure to serve on the subcommittee under the distinguished leadership of the Senator from Alabama, and I concur very generally with everything that has been pointed out up to this moment. I have not had a chance to read the entire statement or, of course, to hear the later discussion which will take place.

I do wish to say to the Senator, with regard to the last subject upon which he has touched, as to the continuation of the direct loan provisions for veterans, it is my opinion that such a program definitely should be passed by the Congress again. I hope it will be put into definite effect, because I know that in my particular section of the country we have great difficulty in being able to secure loans for our veterans at rates which they can afford to pay in order for them to have the housing they desire.

That situation does not exist in every section of the country. There are areas where undoubtedly a great deal has been done. I have heard that in Florida a great deal of veterans' housing is being undertaken. Some other sections of the country are probably in the same status. Nevertheless, there are a great many areas where that is not true, and where ready money is simply not available.

I commend my colleague, and state simply that I join with him in the wish he has expressed.

I should like to say further—and I shall be very brief—it was my good fortune to be with the junior Senator from Pennsylvania [Mr. CLARK] when he served as the chairman of the subcommittee which came to Portland, Maine, to hold hearings in connection with the slum clearance and urban renewal program.

Any person with an open mind—any person with any vision at all—who had the chance to go around on the particular tour which was carried out under the direction of the authorities of that community, certainly could not have come away from the tour without recognizing full well the absolute necessity for a well-planned program. Any such person would recognize that Portland, Maine, is a small community in terms of population, but the problem exists, also, as has been pointed out many times, in the great metropolitan areas such as New York, Chicago, and so on. There exists in Portland, Maine, and in many of the cities like Portland over the country, a situation similar to that which the Senator has described this afternoon.

It is only through this type of program that some progress has been possible. I hope not only that Portland will not be stopped from going forward, but that many other communities which see the light and the wisdom of programs of this type will have full opportunity to join in the program, and to see to it that the type of housing we should have in America is made available to all our people, without regard to their particular income class.

I thank my colleague and friend for yielding to me, and I commend him for what he is doing here this afternoon.

Mr. SPARKMAN. Mr. President, I thank the Senator from Maine for these very fine and constructive suggestions. No member of our subcommittee has been more dedicated to the task of doing a good job for housing throughout the country than has the distinguished Senator from Maine. He has supported and sponsored some of the finest programs we have put into effect.

Mr. CLARK rose.

Mr. SPARKMAN. Before yielding to the Senator from Pennsylvania, let me say, with reference to the direct-lending program for veterans, that the Senator from Maine will remember that the last time we held hearings on the subject there appeared before our committee bankers from New York City and other large cities, as well as the heads of several insurance companies. Without exception they approved of the direct-lending program with reference to veterans, and of the manner in which the program had been administered.

Mr. PAYNE. That is correct.

Mr. SPARKMAN. I have often made this statement, but I wish to make it again. The Senator from Maine was not in the Senate at the time I introduced the original bill, in 1950. However, at various times I have stated that the suggestion came to me from a banker, who said, in effect, that there are many areas throughout the country where mortgage money is not available and the local banks simply cannot carry in their portfolios sufficient mortgages to take care of the housing needs of veterans. He said, "I believe the country owes them the opportunity to obtain a house."

It was as a result of his suggestion that I introduced this bill. There was some difficulty getting it enacted into law initially, but the opposition vanished as the program proved itself. So far as I know, for the past several years there has been no opposititon to the VA direct loan program in either House of Congress. The program has proved to be one of the best, most effective, and most efficiently managed programs in the whole field of

housing. The repayment record is outstanding, and losses are practically nonexistent.

I now yield to the Senator from Pennsylvania.

Mr. CLARK. Mr. President, I wish to commend the Senator from Alabama for the very fine address he is making on a very vital subject. He was kind enough to allow me to see an advance copy of it, so I have had the opportunity to read it overnight.

I should like to say to my good friend, the Senator from Maine, before he leaves the Chamber, what a privilege and pleasure it was to sit with him as a member of the subcommittee of the Senator from Alabama, in the fine city of Portland, Maine, and to see what wonderful strides are being made in urban redevelopment and slum clearances in Portland. It was a heartening experience to me to see a community such as that, which had gotten this program off the ground at long last, and was moving forward with three fine redevelopment programs, and was about to enter the planning stage in connection with further programs.

I wonder if my friend from Maine would not agree that it is very important indeed that this urban-redevelopment program should go ahead full steam. I ask him whether he is of the view that the city of Portland and other Maine communities—or, indeed, the State of Maine itself—are in any financial position to increase the local contribution to urban redevelopment.

Mr. PAYNE. Mr. President, if the Senator from Alabama will yield to me, I shall be glad to try to answer the question.

Mr. SPARKMAN. Mr. President, I ask permission to yield, without losing the floor, for the purpose of allowing the Senator from Maine to answer the question of the Senator from Pennsylvania. I had wished to ask much the same question. The Senator from Maine is a former Governor of his State. He knows accounting, and has been a very valuable member of our committee and our subcommittee. I am happy the Senator from Pennsylvania asked this question, and I ask permission that the Senator from Maine may be allowed to answer on my time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PAYNE. Mr. President, I am very glad indeed to try to answer the question of my distinguished colleague from Pennsylvania. Before doing so I wish to say that the people of my State who had the privilege of attending those hearings were highly complimentary of the manner in which the hearings were conducted by my colleague, and very enthusiastic over the reception they received at his hands.

Mr. CLARK. I thank the Senator.

Mr. PAYNE. Let me answer the question specifically, as best I can.

In my opinion, no State having an economy similar to that of Maine—and there are a number of them in this country which are not as fortunate as some others—and no community of the type of Portland, Maine, would be able to go forward with a long-range and proper urban-renewal program under some of the proposals which have been submitted.

It is not too difficult for a community such as Chicago, Philadelphia, or New York, which has great possibilities for floating bonds to promote the proper use of certain areas, and great taxing powers, to raise the money to help with this program.

The trouble with the program is that nearly everyone has considered the urban renewal program as applying only to great metropolitan centers. There are many communities scattered throughout the length and breadth of this land which are comparable to the city of Portland, Maine. There are such communities in the State of the Senator from Alabama. There are such communities in the State of Pennsylvania. I know that they offer just as much of a problem, often on a smaller scale. They must be given consideration. Unfortunately, the type of program which has been offered in the message to which the Senator from Alabama is referring would not, in my opinion, do the job which must be done.

My answer has been rather lengthy. I do not know whether I have satisfactorily answered the question of the Senator from Pennsylvania or not.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. CLARK. I thank my friend from Maine for his remarks, which are in accord with my views. However, if he does not mind a brief correction, I can assure him, from my personal experience as mayor of Philadelphia, and from my intimate knowledge of the situation in other parts of Pennsylvania—not only in Pittsburgh, but in Scranton, for example, which is also a good-sized city—that the situation applying in Portland, Maine, is identical with our situation in Pennsylvania. We are up against our constitutional debt limit. We have increased taxes twice since the end of World War II. We have raised our assessments. We have imposed a wage tax. We have imposed a mercantile license tax. We have practically doubled our budgets because of the demands for services coming from many sources. Therefore we are in the same situation as are many other communities. We would like to get into bed with Portland, Maine, because we are in the same situation.

Mr. PAYNE. I am glad to have that situation cleared up. I believe it will be found in certain areas of the country that the situation can be met. However, I do not believe that legislation at the national level should be patterned after that which would fit only that which a very few communities would be able to undertake.

Mr. SPARKMAN. Mr. President, before the Senator from Maine leaves the Chamber—and I know he has another appointment—I remind him I stated earlier that, as of December 31, 1957, there were 491 urban renewal projects in 299 communities. With 299 communities in the United States participating in the program, we include some which are relatively small. Offhand, I do not know the size of the city of Portland, but the population of my hometown is 50,000.

Mr. PAYNE. Portland is larger than that.

Mr. SPARKMAN. I thought it was. Our town is about 150 years old. We have some very bad slums. But one of the finest programs of slum clearance, urban renewal, and redevelopment I have seen anywhere is being carried on in my hometown, which has a population of 50,000. I think this is indicative of the very fine point which the Senator makes, namely, that this is a program which can be utilized throughout the country, and should not be hamstrung to the point where it can be used only by some influential areas in the country.

Mr. CLARK. Mr. President, will the Senator yield further?

Mr. SPARKMAN. I yield.

Mr. CLARK. I believe it would be worth while, if the Senator from Alabama would permit me to do so, to state for the RECORD that since World War II State and local governments have had to increase their taxes and other revenues almost 2½ times as fast as the Federal Government has increased its total revenues. During the period 1946 to 1956, State and local revenues increased by 172 percent, as opposed to a 73 percent rise in Federal receipts.

Furthermore, the total cost of State and local debt has more than trebled since the war, rising from $13.6 billion to $46.7 billion, while the Federal debt has declined during this same period. Local governments must rely primarily on regressive property taxes, of course.

I wonder whether the Senator would not be willing to go along with my view that cities are presently under a greater financial strain than is the Federal Government.

Mr. SPARKMAN. I would like to suggest to the Senator from Pennsylvania that not only have they increased in the past, but that they are continuing to increase, in view of the relatively higher load they must carry.

Mr. CLARK. Mr. President, will the Senator yield once more?

Mr. SPARKMAN. I am glad to yield.

Mr. CLARK. In my home community, Philadelphia, it was necessary for the city to raise its property taxes by 25 percent, in the fall of 1956, which was the second time that taxes had to be raised since the war. That raise in taxes has been accompanied by an increase in assessments. The Senator from Alabama will recall that last year, when representatives from the American Municipal Association appeared before us, mayor after mayor said their cities could not possibly expect any real help from their State governments in the urban redevelopment field.

My State is, I believe, 1 of only 2 States which has made a contribution in that regard. Pennsylvania has contributed $12,300,000, whereas the Federal Government has authorized $103 million in our State. Illinois is the only other State I know of which has helped urban redevelopment renewal and slum clearance, to the extent of about $15 million. Even the great State of New York, which

has a splendid housing program, has not been able to help the urban renewal program.

Therefore, I believe that if we accept the concept which comes to us in the President's message, namely, that of decreasing the Federal contribution and increasing the State and local contributions, the only thing we will be doing is killing the urban renewal baby just as it is growing up. Would not the Senator from Alabama agree with me?

Mr. SPARKMAN. Yes. I dealt with that point in my statement earlier in the afternoon. I pointed out that the States and local communities were not able to contribute to the extent of carrying the program, particularly in view of the momentum which it has now gained, if such a proposal as the President suggests is written into law.

If the President's proposal should be made effective, it would mean the virtual end of the urban renewal development program. As it is, it would extend only through 1964, with $200 million each during the last 2 years and $250 million each for the years in between.

We made available $350 million during this year, and, based on current progress, we would need at least $350 million to keep the program going. With all the planning and all the other necessary steps of getting ready that must be taken, we know that we will require at least that much money per year for the next year, and for the year after that, and I hope many more years to come.

I pointed out earlier in my remarks that I remember quite vividly the statement the President made so forcefully about 2 years ago, when he said that at the present rate we are making with slum clearances, it would take more than 200 years to do the job.

I believe we are on our way to shorten that time. I do not know by how much, because there are so many slum areas all over the United States. I certainly do not know how long it will take. However, we can do the job, but certainly not under the President's program.

Mr. CLARK. Will the Senator yield once more?

Mr. SPARKMAN. I am happy to yield.

Mr. CLARK. I should like to ask this further question of the distinguished Senator from Alabama. I noticed with great interest what the Senator had to say with respect to the public-housing program, and the necessity for extending it in order to provide for the relocation of displaced families, both by reason of the highway program and the urban development program. I notice in the President's budget message—and judging by testimony before the Senator's subcommittee the President's statement would appear to be somewhat inaccurate—that more than half the families displaced by urban renewal could find safe, sanitary, and decent housing in the private housing market. That has not been the experience which we have had.

Certainly that has not been my experience in Portland, Maine, Pittsburgh, and Philadelphia, because there family after family which had been thrown out of their slum homes by the redevelopment program went back into the slums, because the private housing industry is unable to furnish decent housing to lower income groups. The only way those families can be helped is through public housing programs, which our astute Mr. Cole has done so much to bring to a halt.

Mr. SPARKMAN. I cannot give exact figures to the Senator from Pennsylvania, but I pointed out earlier in my speech that more than half—I do not have the exact figures—of the people who are forced out of urban renewal areas—and I am not including the highway program, because that hits all classes—more than half of the families forced out of their homes by the urban renewal program have incomes low enough to qualify them for public housing. The Senator knows that means that they do not have an income sufficient to buy the new private housing that is on the market today. As I pointed out earlier the average price of new housing is about $15,000 and the purchase of such a house requires at least $6,000 in income. There are very few families who are forced out by the urban renewal program who have incomes of $6,000 a year.

Let me couple public housing—and I do not wish to lose sight of this fact—with the section 221 housing, which will also be crippled by the President's program, because the President proposes to take away the special assistance program that we have set up.

Why should any mortgage finance company go out and buy those mortgages when they can get mortgages for $30,000 housing, which they would much rather have? The Senator knows the difficulty anyone would have in financing that type of housing. I pointed that out and said it represented a curtailment. My feeling is that we need to push housing, because we need the units and because we need to increase the 990,000 starts, which we got during 1957, to 1,500,000 starts in 1958, and that is a big jump.

Mr. CLARK. In my judgment that is still not high enough. I believe we need 2 million new starts a year.

Mr. SPARKMAN. I would use that as a minimum figure. Furthermore, we must do that not only because we need the units, but because we need to do everything we can to pull up the sagging economy before it gets too bad.

Mr. CLARK. Mr. President, I again wish to commend the Senator from Alabama for the splendid address he is making.

Mr. SPARKMAN. I appreciate the remarks of the Senator from Pennsylvania.

Tenth. The President's next recommendation is:

> To revise ceilings on interest rates and to remove discount controls which now discourage private financing of military housing and certain other FHA-insured mortgages and which prevent many veterans of the Korean conflict from using their continuing loan guaranty benefits.

In this statement the word "revise" may be translated to mean "increase," because that is the only thing the administration thinks of when it is talking about revising interest rates—increasing interest rates.

This recommendation perturbs me greatly, particularly at this time. As I have said previously, the Housing Subcommittee conducted hearings in various cities during November and December. I have recently visited my home State, where I have talked with numbers of builders and lenders. I have just returned from a trip to Chicago, where I attended the National Association of Home Builders convention. On each of these occasions I found opportunities to discuss with builders and lenders the present situation in the mortgage market. In addition, I attempt to keep myself closely informed through contacts with various Government agencies, such as the Federal National Mortgage Association. The Banking and Currency Committee, of which I am a member, has recently been briefed on the Nation's general economic situation, including the present status of the mortgage market.

From all of these experiences I have received the strongest impression that mortgage money is becoming increasingly available in almost every section of the country. Builders have been advised that they may now obtain mortgage funds from sources previously closed to them. Inquiries have been made by private investors regarding the availability of mortgages in FNMA's portfolio. Discounts have been lowered in the northeastern area although unfortunately they have been increased in other areas.

Taken altogether these indications convince me that we are on the brink of a period where it will be relatively easier for both builders and consumers to obtain mortgage funds. I shall not dwell on the reasons why this is so, but I do want to emphasize as strongly as I can that this is not the time to increase interest rates.

Within the last 2 months, the Federal Reserve Board, as I pointed out a moment ago, has reduced the rediscount rate twice. I believe everyone will agree that the trend of interest rates is downward. I ask, Should we at this time reverse that trend, and push interest rates upward?

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield to the distinguished chairman of the Committee on Banking and Currency, who is also a member of the Subcommittee on Housing.

Mr. FULBRIGHT. Before I ask the Senator a question, I wish to congratulate him upon the very fine speech he is delivering to the Senate. As chairman of the Committee on Banking and Currency, I may say that the Senator from Alabama has done more work to foster a sound housing program than has any other Member of the Senate. We on the Committee on Banking and Currency look to him for leadership in this field. He is a real expert in the field of housing. If anything constructive has been done in this field by the Committee on Banking and Currency, the Senator from Alabama deserves the credit.

I am extremely interested in the subject of interest rates. The Senator will recall that last year we had quite a struggle in this body to retain the interest rates which now obtain for college housing, to take a typical example. We all know a bill was introduced last year to revise all the interest rates on practically every governmental program, not only housing, but REA and all the other agencies.

I commend the Senator from Alabama for calling attention to this aspect of the administration's program, and shall ask him this question: It has occurred to me several times that the administration does not actually, overtly wish to attack the housing program; but by administrative action, by nibbling here and nibbling there, the administration is making the program ineffective. Would the Senator from Alabama agree that that is about what the administration has been doing?

Mr. SPARKMAN. Yes. I look at the matter in this way: First of all, this is a time when the economy of the Nation, in addition to the need for housing units in order to take care of families who need homes, is sagging and certainly needs stimulation. No single activity can stimulate it better than a good, strong, vigorous program of building homes for American families. The President recognizes that and says so.

By the way, he often speaks of a lowered cost credit as being helpful to the program. He makes some constructive suggestions. But then he turns around and takes away all the value of his proposals, and perhaps some extra, by his—how shall I describe them?—reactionary proposals.

Mr. FULBRIGHT. Is it not true that the President advocated assistance to education? Last year the Senate had before it a bill for educational construction. As the Senator knows, the bill was defeated in the House. The President is again for it this year. But is it not also true that he is not advocating an increase in college housing?

Mr. SPARKMAN. Yes.

Mr. FULBRIGHT. The administration favors all these programs, but it is against them when it comes to many tangible, specific parts of the programs.

Mr. SPARKMAN. That is correct. Just before the Senator from Arkansas returned to the floor a few moment ago, I discussed with the distinguished junior Senator from Pennsylvania [Mr. CLARK] and the distinguished junior Senator from Maine [Mr. PAYNE] the subject of urban renewal. The President praises urban renewal and tells us about the excellent work which is being done. Two years ago the President said that at the rate slums are being cleared away it will take more than 200 years to complete the work. We got started on a fine job. It has been doing well. But now the President says, "Let us cut it out in fiscal 1962 and turn it back to the States and cities."

The Senator from Arkansas knows that the States and cities, in the limited fields of taxation which the Federal Government has left to them, simply cannot do the job of urban renewal and slum clearance. Furthermore, this is a national problem and a national disgrace, and the Federal Government ought to share in the cost of removal.

Mr. FULBRIGHT. I certainly agree with the Senator from Alabama.

Mr. SPARKMAN. That applies to many facets of the housing program, all the way through.

Mr. FULBRIGHT. I appreciate the statement which the Senator is making.

Mr. SPARKMAN. I thank the Senator from Arkansas.

Mr. NEUBERGER and Mr. YARBOROUGH addressed the Chair.

The PRESIDING OFFICER (Mr. CLARK in the chair). Does the Senator from Alabama yield; and if so, to whom?

Mr. SPARKMAN. I promised earlier to yield to the Senator from Oregon.

Mr. NEUBERGER. I thank the Senator from Alabama. Before I ask him several questions, I desire to join the distinguished chairman of the Committee on Banking and Currency, which has general jurisdiction over housing legislation, in his commendation of the able speech now being made by the Senator from Alabama.

I think we in Oregon owe a particular debt to the Senator from Alabama, who has been a leader in our entire Nation in the field of housing. Oregon happens to be the leading lumber-producing State in the Nation. The condition of the Oregon economy is a very tragic demonstration of what is happening to housing in the United States.

Last Sunday the New York Times published in its editorial section 4 maps showing unemployment rates in the Nation in fixed periods over the last 2½ or 3 years. I regret to report that only one of the 48 States was shown on all 4 maps as having the maximum unemployment rate, so far as employment on insured jobs was concerned. That was Oregon, the foremost lumber-producing State in the United States.

Only one other State was indicated on the maps of maximum unemployment three times. That was Washington, which I believe is the second leading State in the production of lumber. In other words, the States of the Union which in the past 2 or 3 years have suffered most from men and women being idle or out of jobs are the States which are the principal producers of lumber. Lumber has been a principal victim of tight money and its crippling impact on the American housing industry.

It is my understanding that approximately three-fourths of the saw timber converted into lumber in this country goes into housing. So the States of the Pacific Northwest present a graphic demonstration, and to us a very sad and disturbing demonstration, of what the Senator from Alabama has been emphasizing concerning the fate of housing, both public and private, under the present administration.

I think it is especially significant that the Senator from Alabama has begun to stress the impact of high interest rates and tight money on housing.

I want to ask one question, which also has some indirect relevance to the very able address on education which was delivered in the Senate some days ago by the distinguished Senator from Arkansas [Mr. FULBRIGHT], who is now on the floor. It is my understanding that the tendency to revise or increase interest rates—and the Senator from Alabama has emphasized that "revise" will mean "increase"—will also affect college housing. Is that correct?

Mr. SPARKMAN. That is correct.

Mr. NEUBERGER. In other words, will not the interest rate tend to go up on college housing—the dormitories and other facilities for the living quarters of college students?

Mr. SPARKMAN. Under the present proposal, there would not be any tendency for them to go up; the President would simply increase the rate.

Mr. NEUBERGER. Is this not highly inconsistent with the administration's professed anxiety about the condition of education in the United States?

Mr. SPARKMAN. I think so; and that is the point which the distinguished Senator from Arkansas made a few minutes ago.

Mr. NEUBERGER. When I was in Oregon last fall, I had an opportunity to speak on a good many college campuses.

I talked to the presidents of great educational institutions in our State, such as Pacific University, Oregon State College, the University of Oregon, Linfield College, Reed College, Oregon College of Education, Lewis and Clark College, and many others. Nearly all of them emphasized to me the urgent importance of holding down as much as possible the interest rate on college housing. They pointed out—and quite validly—that if the interest rate on college housing rises, the cost of constructing those facilities will be greatly increased. The money can be obtained only from the rentals paid by the college students. These rentals are geared to the principal and interest involved in building projects.

Thus, although the administration claims, on the one hand, that it is vitally important to have educational opportunities made available to an ever-increasing number of young Americans, on the other hand the administration takes a step which will increase the cost of education to every young person who enrolls in a college in the United States. Housing is part of the expense of an education.

Mr. SPARKMAN. The Senator from Oregon is correct.

Mr. NEUBERGER. Is not this just another example of the situation which exists when the left hand knoweth not what the right hand doeth, insofar as this administration is concerned—in other words, that the word so seldom squares with the deed?

Mr. SPARKMAN. Yes. A little later in my remarks I shall refer to that process as "working both sides of the street." Perhaps the Senator from Oregon is familiar with that expression.

Mr. NEUBERGER. I shall listen with interest to the Senator's remarks. I think he has given an excellent and pertinent description of the policy involved in this case.

Mr. SPARKMAN. Mr. President, first, let me refer to the two reductions made in the rediscount rate in the last several

weeks by the Federal Reserve Board. The Senator from Arkansas [Mr. FULBRIGHT] will remember that I asked this specific question of some of the officials who appeared before our committee a few days ago. The avowed purpose of these reductions is, according to the Federal Reserve Board, to stimulate loans from member banks and, in turn, to stimulate individual loans and business activity. Of course, everyone knows that was the purpose. The Economic Report of the President, transmitted to the Congress on January 20, 1958, agrees that a reduction in the interest rates stimulates business. It states, on page 8, "increasing the availability and lowering the cost of credit"—which is interest—"are measures that help moderate a decline in business investment." Again, at another point, in referring to increased availability and lower costs of credit, the report states, they tend thereby to make financing more readily available for home construction and purchasing and to promote a higher level of building activity.

In another series of actions, the Federal National Mortgage Association in October 1957 floated an issue of securities in an amount of $802 million, with an interest rate of 4⅞ percent. In January of 1958, another issue, in the amount of $700 million, was floated by FNMA this time at an interest rate of 3⅝ percent. That represented a decrease of 1¼ percent from the rate in October 1957, only 3 months before. Still another FNMA offer, on January 28—just 3 days ago—went at a rate of 3.5 percent for 4-year debentures, and 3 percent for 1-year debentures.

Thus, by words and deeds the administration has shown that it believes that reduced costs of credit will stimulate business activity. Yet the President is recommending actions which most certainly will retard business activity, when he asks for legislation to increase interest rates on the VA program, on the military housing program, and on certain other FHA-insured mortgages.

I can draw no conclusion other than that the administration is working both sides of the street. On the one hand, it encourages the reduction in interest rates, to stimulate borrowing and business activity; but, on the other hand, it proposes to raise other interest rates.

I agree with the administration that tight money places an effective damper on certain kinds of business activity, including housing. In order to demonstrate this, I have prepared some figures which indicate the costs of higher interest rates to consumers.

It is impossible to put into statistical terms the harmful effect that tight money has had on the American homeowner, in his efforts to improve his housing and to reach the goal of a decent home in a suitable living environment. The intangible effects of a short supply of money, at high rates, on such things as home improvements, buying and selling used housing, and the slowdown of construction of new houses are impossible to measure. For those who have braved the money shortage, the costs have been almost unbelievable.

In 1957, FHA insured about $3 billion of mortgages. Let us bear in mind that when interest rates go up, the consumer is committed to this increase for the life of the mortgage, unless he goes through the expense of refinancing. The effect of a one-quarter percent increased interest rate for the life of the $3 billion of mortgages insured is about $46 million, if the life is about 8½ years; or about $135 million, if the mortgages held until maturity—25 years.

Mr. President, I have before me a table which shows how the FHA home purchaser's cost has increased in the past 5 years. I ask unanimous consent to have the table printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Cost to home purchasers of rising interest rates on FHA-insured mortgages, 1952–57

	1952	1954	1955	1956	1957
FHA sec. 203—1-family home mortgages:					
New construction:					
Number of homes insured	101,000	85,000	120,000	100,000	70,000
Value of property	$10,000	$10,700	$11,700	$13,200	(1)
Average mortgage	$8,300	$8,900	$10,000	$11,000	[2]$12,000
Term of mortgage—years	22	23	26	26	[2] 26
Rates of interest—percent	4¼	4½	4½	5	5¼
Monthly housing expense	$83.16	$88.91	$96.03	$104.60	(1)
Interest charges for life of mortgage	$4,500	$5,400	$7,000	$8,600	$10,800
Existing construction:					
Number homes insured	120,000	96,000	181,000	133,000	110,000
Average mortgage	$8,000	$9,000	$9,600	$10,000	$10,500
Terms of mortgage—years	20	20	23	23	23
Interest rate—percent	4¼	4½	4½	5	5¼
Interest charges for life of mortgage	$3,900	$4,700	$5,900	$6,800	$8,600

[1] Not available.
[2] Estimate.

Mr. SPARKMAN. Some of this increase is due to improvement in quality. For instance, the area of living space has increased from an average of 923 square feet, in 1952, to 1,065 square feet, in 1956. But most of it is related to increased costs of labor, material, and money. The changing value of the dollar is probably the most important factor in increased housing costs, but this cannot be measured statistically. To give some idea, however, of the effect of changing interest rates, we can compare the $4,500 interest charges for a new house in 1952 with the $10,800 interest charges in 1957 which the homeowner is committed to pay if he keeps the loan until maturity.

Mr, President, I think I would do well to repeat those figures. In short, the total amount of interest that would be charged for the average new FHA house purchased in 1952 was $4,500; the comparable figure for the average FHA house purchased in 1957 was $10,800—or almost 2½ times as much. For an existing house the interest charges have increased from $3,900 in 1952 to $7,600—or almost twice as much—in 1957, if the loan is kept until maturity.

Mr. FULBRIGHT. Mr. President, will the Senator from Alabama yield to me?

The PRESIDING OFFICER (Mr. CLARK in the chair). Does the Senator from Alabama yield to the Senator from Arkansas?

Mr. SPARKMAN. I yield.

Mr. FULBRIGHT. Will the Senator from Alabama state, for the information of those who are not quite as familiar with the matter as he is, the period over which that would extend?

Mr. SPARKMAN. It would extend from 1952 to 1957, which, of course, is 5 years.

Mr. FULBRIGHT. Do the figures apply to a loan running for 20 or 25 years? The Senator from Alabama has stated the average figures, has he not?

Mr. SPARKMAN. I have stated the average for the FHA-insured mortgages. The average life is 22 to 26 years. The table which I placed in the RECORD just a moment ago sets forth the matter in different categories, but the period of time runs from 22 to 26 years.

Mr. FULBRIGHT. Who benefits from that increase in the rate?

Mr. SPARKMAN. Of course, those who benefit are the money lenders, whereas those who pay are the purchasers or consumers, the veterans or the new families—in short, anyone who buys a new house or, in the second category, anyone who buys a used house.

Mr. FULBRIGHT. The persons lending the money in 1952 would make an average of $4,500 in the form of interest charges during the life of the loan; is that correct?

Mr. SPARKMAN. That is correct.

Mr. FULBRIGHT. If the some person loaned the same amount of money in 1957, he would receive, in interest charges, a total amount of $10,800; is that correct?

Mr. SPARKMAN. No; I wish to keep the record straight on that point. The cost of housing had risen; and the interest rate had risen, too. But a person who bought a house of the same size in 1957 would have to bear this added loan of additional interest, as well as the increased cost of the housing.

Mr. FULBRIGHT. I wish to make clear that the part of the additional charges attributable only to interest would have increased from $4,500, in 1952, to $10,800, in 1957. Is not that correct?

Mr. SPARKMAN. That is correct.

Mr. FULBRIGHT. So the person who had money to loan for that purpose would receive that increase, would he?

Mr. SPARKMAN. Yes.

Mr. CAPEHART. Mr. President, will the Senator from Alabama yield to me?

Mr. SPARKMAN. I yield.

Mr. CAPEHART. Let us keep the record straight. What was the interest rate in 1952?

Mr. SPARKMAN. Four and one-quarter percent.

Mr. CAPEHART. What was the interest rate in 1957?

Mr. SPARKMAN. Five and one-quarter percent.

Mr. CAPEHART. The difference between the total amounts paid under the 2 different rates would certainly come to $5,000 or $6,000 on a loan of the average size.

Mr. SPARKMAN. I am afraid the Senator from Indiana did not understand correctly what I said. I did not say it would be the same cost that went into a house, because costs in the meantime have risen too. I said the same house.

Mr. CAPEHART. Why do we not state that interest rates have gone up from 4¼ to 5½ percent over a period of 5 years? Is that not correct?

Mr. SPARKMAN. Yes. I think it is 5¼ instead of 5½.

Mr. CAPEHART. Interest rates have gone up from 4¼ to 5¼ percent, which is an increase of 1 percent in a 5-year period. To keep the record straight, Congress is responsible for that, because Congress voted for the increased rate; the President did not.

Mr. SPARKMAN. No, that is a misconception many persons have. Congress does not set the interest rate for FHA loans. Congress does set the maximum, which is 6 percent. The maximum is 6 percent, and the FHA can raise or lower that interest rate.

Mr. CAPEHART. In other words, Congress said to the President, "You can charge a rate up to 6 percent on FHA loans," meaning, I suppose, that 6 percent would be agreeable if the President wanted to use that; otherwise, Congress would not have voted for it.

Mr. SPARKMAN. Congress fixed a ceiling on the interest to be charged.

Mr. CAPEHART. In all good nature, if the interest rates have been increased to 5¼ percent, the President has increased the rates three-fourths of 1 percent less than the Congress said the President could raise the interest rates. I am saying this in a good-natured way, but I wanted to keep the record straight.

Mr. SPARKMAN. I wanted to show what had happened in the housing field and what it costs people to buy homes in which to live.

Mr. CAPEHART. There is no question that the interest rate has risen. It is like any other increase in cost—it costs the purchaser more money.

Mr. SPARKMAN. It costs more money. I pointed out that there had been an increase in costs. I said part of the cost was due to improvement in quality, but most of the cost was due to increased costs of labor, material, and money. Then I simply gave the increased cost, and broke it down to show how much the interest charge was.

Mr. CAPEHART. I did not want the RECORD to show that the able Senator is not a good mathematician, because he is.

Mr. SPARKMAN. As a matter of fact, I asked consent to have placed in the RECORD a table which was obtained from the FHA, and I am sure it was accurately worked out.

The 1952 mortgage interest rate was, on the average, one full percent less than 1957. The additional cost to consumers of this 1-percent increase in all nonfarm-mortgage recordings in 1957 amounted to an estimated increase in the cost to the consumer of $6.50 per $1,000 per year. For $24 billion of mortgages, this would amount to an average increase in interest charges of $156 million per year. For a 10-year life of a mortgage, the mortgagors will be paying an increase of $1,560 million in interest charges over the next 10 years above that which they would have paid if the rate had been kept at the 1952 rate of an average of 1 percent less than 1957. The following figures illustrate this point.

THE EFFECT OF INTEREST-RATE CHANGE FROM 1952 TO 1957: ALL NONFARM HOUSING

Nonfarm mortgages recorded: 1957, $24 billion.

Increased cost for first year of loan if interest rate increased one-quarter percent, $60 million.

Increased cost for first year of loan if interest rate increased 1 percent, $240 million.

Eleventh. Other administration proposals would increase the maximum mortgage amount on owner-occupied housing to $30,000 and add $15 billion to FHA's insurance authorization over the next 5 years. I fail to see the significance of either of these proposals at this time, but since neither would have any great effect on existing housing programs I prefer to leave them for discussion during the regular legislative hearings of the Housing Subcommittee.

Twelfth. The President's final recommendation on housing concerns the college housing program. This program has been one of the few areas in which the Federal Government has done something constructive in the field of education by reducing the cost of college facilities and permitting additional students, some of whom could not otherwise afford a college education, to undertake their studies. At a time when the educational system of the United States is under a barrage of criticism, Congress, through its support of the college housing loan program, has assured an increased attendance at many colleges and universities. It has been the one area in which we have answered the challenge of the Russian sputnik even before that challenge was made.

What are the administration's recommendations to continue this vital program? First, Federal loans would be restricted to use for essential dormitories and faculty housing and would no longer be available for "student unions and other less essential facilities." I have quoted the President's words. Second, the interest rate on college housing loans, which is presently 3 percent, would be increased and an attempt would be made to discourage the making of direct Federal loans even at the higher interest rate by establishing a program of Federal guaranties and prohibiting direct loans "where private funds are available on reasonable terms." Finally, new obligational authority of $200 million would be added for the fiscal year 1959.

The net effect of these recommendations, despite the new obligational authority to be made available, may be to kill the college housing loan program. Once again we see a direct contradiction, with the Federal Government reducing its interest rates in respect to certain other items, but raising them with respect to the college housing program. To force colleges back into the private market without recourse will mean that colleges will be unable to expand their dormitories and faculty housing facilities. Certainly, this is true of many of them. This will be a serious blow to many colleges and universities. They will simply not be in a position to finance loans with higher interest rates without raising the costs of education to a point which will bar some student forever.

In my judgment, we are at a time in our history when we can, if I may use an idiom, "kill two birds with one stone." By bold and vigorous actions taken now, we can not only achieve the desirable social objectives of clearing slums and providing necessary housing for our people; we can also reverse the present economic decline and avoid unemployment and its attendant evils. Now, more than at any time in recent years, we can, by alert and immediate response, utilize idle resources, both human and material, to maintain a high level of prosperity. With the fate of the world hanging in the balance, we cannot afford to do otherwise.

Mr. President, in these remarks today, I have attempted to describe the condition of our economy, to identify the strengths and weaknesses of our present housing program, and to analyze the President's housing recommendation contained in the budget message. In the course of my statement, I have expressed my views, and offered suggestions, on a wide variety of matters relating to the role of housing in our economy.

In conclusion, I should like to summarize the principal suggestions I have to offer on the problem:

First. Residential construction should be regarded as an important tool in our efforts to stimulate business activity.

Second. The Congress should hold the line against any proposed increases in mortgage interest rates.

Third. Adequate purchasing authority should be given to the Federal National Mortgage Association to insure the orderly marketing of special assistance mortgages without discounts.

Fourth. The Urban Renewal Program should be strengthened, expanded, and placed on a long-term basis.

Fifth. The relocation housing program should be broadened in scope to make eligible the needy families and individuals who will in the long run be displaced by a comprehensive urban renewal program.

Sixth. The VA home loan guaranty program and the direct loan program should be extended.

Seventh. The Administration should correct the causes of its failure to place under contract the low-rent public housing units authorized, at its request, by the Housing Act of 1956.

Mr. FULBRIGHT and Mr. JOHNSON of Texas addressed the Chair.

The PRESIDING OFFICER. Does the Senator yield; and if so, to whom?

Mr. SPARKMAN. I should like to yield first to the chairman of the committee, the Senator from Arkansas [Mr. FULBRIGHT].

Mr. FULBRIGHT. I wish to thank the Senator for making a thoroughly sound speech. I certainly hope the people of the country and my colleagues in the Senate will study what he is saying. It has a great deal of meat in it. They can rest assured that it is based on the experience of one having great knowledge in the field of housing. I think we must do something about the problem or it will be too late. We may find ourselves in a recession, such as one we have been having lately, and the whole problem of housing will become entangled in other problems. I hope the recommendations made by the Senator from Alabama will be given serious consideration by the committee.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield to the distinguished Senator from Texas.

Mr. JOHNSON of Texas. I am pleased to observe that for some 20 years I have followed the remarkable, monumental record that the distinguished junior Senator from Alabama has made in both the House of Representatives and the United States Senate. His service has been distinguished by the contributions he has made in many fields—the field of foreign relations; the field of military affairs, as an aggressive and able member of the House Military Affairs Committee, which later became the Armed Services Committee; and in the field of small business. However, I do not think that the Senator has or could make any greater contribution to America than he has made in the field of housing.

I was greatly impressed by that part of the Senator's statement which I had the opportunity to hear. I have read other portions of the statement. I shall study this statement a great deal. I believe it will set guidelines which the Senate can follow in the field of housing in the days ahead.

I particularly want to congratulate the Senator for expounding a philosophy that a nation in order to be militarily strong must be economically strong. I think all of us realize that it would do us little good simply to be superior in the field of missiles if we had an economy which would not support those missiles. I think we all recognize what would happen to this Nation if we let our natural resources go undeveloped. I think we realize what would come to pass if we ignored the despair of our farmers. I think we would be seriously crippled if we gave no attention to our small-business men.

But I know of no more important assignment that the Congress could have than to attempt to evolve a program looking to the day when every family can have a r[illegible]er its head. If we ever reach that p[illegible] in this country and we ever close that gap, to which the late President Roosevelt referred—and the Senator quoted him today—it will be largely through the efforts of men like the Senator from Alabama, who not only have pointed up and pointed out the problem, but who have given concrete, solid, constructive suggestions as to how to cope with the problem.

As one who has some responsibility on this side of the aisle, I want to say to my friend that I listened with pride on yesterday when his senior colleague from Alabama [Mr. HILL] presented to the Senate the mechanics of legislation in the field of education, which had been so dramatically pointed up by the Senator from Arkansas [Mr. FULBRIGHT] in a scholarly speech a few days ago. It is with equal pride that I have listened to the Senator from Alabama this afternoon pointing up the problem that faces us in the field of housing. I hope in the days ahead our colleagues will be responsive to his suggestions and that before we shall have concluded our work here this session we shall have sent to the President a bill in which all the Congress can take pride.

Mr. SPARKMAN. Mr. President, I certainly am indebted to the distinguished majority leader for those comments. I think it may be of interest not only to the majority leader but to Members of the Senate if I say that we are looking toward hearings on a comprehensive housing bill in the early part of March. It is my hope that we may be able to present a bill for the calendar early in the present session, in plenty of time to get a good housing program enacted into law.

Mr. JOHNSON of Texas. Mr. President, I want to observe that we are a people who respond to the dramatic. It took the sinking of the *Lusitania* to really get us into World War I. It took Pearl Harbor to get us fired up in World War II. And it took a dog up in the sky barking to get us concerned about missiles 3 or 4 months ago.

We are a people who are slow to start but hard to stop.

While I think it is extremely important that we take every possible step to see that this Nation is prepared, no one can overestimate the importance of also seeing to it that this Nation is economically strong and that our people are properly housed, that our farm economy is on a sound basis, and, finally, that our people are employed.

We must have a balanced program. The greatest waste which has taken place in America today is that we have nearly 4½ million people who are doing nothing. All their energies, all their talents, all their sweat is going down the drain. They have no jobs to do. All the plants and the tools they have manned are idle. This Nation is losing the productivity of billions a year.

If tomorrow morning somebody pulled the curtain and showed us a headline which said, "Four and a Half Million People Walk Out on Strike," there would be great alarm all over the country. But when we see 4½ million people with no job assignments we do not seem to be too concerned about it.

What I want to point out to the Senator is that I think he has made a great contribution, today, because if we start a housing program which will look toward the day we can put a roof over the head of every family, we will put some of these people back to work, we will recoup some of these talents and energies which are now idle—we will make this Nation stronger economically, and by being stronger economically we will be stronger militarily, and then we can negotiate from a position of strength.

I trust that the same great minds that have learned how to hurl a missile from one continent to the other will be able to find some approach where men can live in the world together without destroying each other. I believe a way can be found. I hope it will be found.

Mr. SPARKMAN. Again, Mr. President, I thank the majority leader. I will say to him that in the course of my remarks I stated, in discussing the unemployment situation with which we are confronted today—which economists have been telling us before the Joint Economic Committee is right on the borderline of danger—that perhaps the best stimulus we could give to the economy now would be a good, vigorous building program.

I for one have not been pessimistic about the situation, because I know we can pull out of it if we desire. However, it is going to take positive, bold action to do so. Housing is one of the best items to deal with. It is only one, but it is one.

There is [illegible]e other point I should like to bring to the Senator's attention. He said something a while ago about the necessity for good housing for people who build our missiles. That is not important from a social or economic standpoint alone. That ties in, actually and practically, to the places where the work is being done. Testimony was given before our subcommittee at Redstone Arsenal in my hometown of Huntsville, Ala., by General Medaris. As the Senator knows quite well, General Medaris heads the Army ballistic missile program and is certainly one of the best men in the field of missiles in the United States. General Medaris testified that he had lost scientists he wanted and needed because of insufficient or inadequate housing at Redstone Arsenal or Huntsville, Ala.

We have been trying desperately to get adequate housing at Redstone and in Huntsville. One of the programs which the President would cut back is the program we passed to provide housing at Redstone Arsenal, at Cocoa, Fla., at China Lake, Calif., and in all those areas where defense research and development is being carried on. We established this housing program as a special-assistance program and authorized FNMA to buy such mortgages at par. The President would do away with this program. The President would cut back the very type of housing the Senator from Texas was discussing, and which General Medaris testified was vital to his program.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. HUMPHREY. I regret that I was unable, because of other Senate business, to be present to listen to the Senator's address. I was informed of it, and I have had an opportunity, of course, to hear the comments of the majority leader relating to the program.

I think the important development here is that the leadership in the Senate and the responsible committee and subcommittee chairmen dealing with subjects in these important areas of legislative endeavor are now laying the total picture of legislative action before the American people in these presentations, such as the presentation of the distinguished junior Senator from Arkansas [Mr. FULBRIGHT] the other day in the field of education, complemented by the presentation of the able distinguished junior Senator from Montana [Mr. MANSFIELD] in the same field. Today we have a statement on housing by our Nation's foremost expert and most informed legislator in this field. I say that without trying to be overcomplimentary, but as a statement of fact. The junior Senator from Alabama has led the good fight in the Congress in the field of housing.

This morning I received a note to the effect that on Monday we are to hear from the able and learned Senator from Illinois [Mr. DOUGLAS] on a program relating to foreign trade and the general economic picture as it relates to foreign trade.

It seems to me that what we are doing is laying before the people the segments of the total picture of legislative action.

I wish to pay tribute to the Senator from Alabama for again challenging the Congress and the administration to do enough to get the job really done. The trouble with the administration, it seems to me, is that they create the atmosphere of appearing to do what is needed, but they always lack substance. In other words, there is a considerable amount of the public relations approach, rather than the public performance realization. The Senator from Alabama is asking for achievement and accomplishment.

This morning I read in the daily press the comments of the Secretary of Labor, Mr. Mitchell.

The Secretary of Labor told the American people in his statement that the unemployment picture would get worse rather than better, and that unemployment would increase rather than decrease. His prophecy, in the light of the program laid down by the administration, is possibly, and regrettably, true, because the program is too little and too late. The planned, premeditated, predesigned recession of this administration, as a result of its hard-money and tight-credit policies and its unwillingness aggressively to pursue projects and programs which the Congress has approved, has taken its toll.

It has taken its toll in steel production. As the majority leader has stated, steel production is down to 55 percent of capacity.

It has taken its toll in increased bankruptcies and failures in small business.

It has taken its toll in unemployment of 3,900,000.

I am sure the speech of the able Sentor from Alabama, will be greeted in some parts of America by the question, "Can we afford it?" The truth is that we cannot afford not to have such a program. Everyone knows that the field of construction is closely related to the entire area of American industry. Hundreds of thousands of component parts go into a house. Such parts, and the labor of craftsmen and tradesmen required in the building industry are so much a part of the total economy that a greatly expanded housing program is one of the best ways we have of combating a recession.

Furthermore, we need credit at reasonable rates of interest. I do not hesitate to predict—in fact, I prefer to go on record as saying—that this recession will not be licked without a tax reduction. Strange as that may sound, I do not believe that the American economy will receive the stimulus it needs to meet this very difficult period which is facing us, without at least selective tax reductions, and particularly for the great consuming public. We shall have to face up to that possibility. I hope members of the Finance Committee, who are competent in this area, will look into the subject very carefully.

Already eminent economists and some eminent financiers, bankers, and others in the field of investment capital, are beginning to say that possibly now is the time, before the recession turns into a complete economic rout or retreat of dangerous proportions, to initiate a sensible and realistic tax reduction. I think we must give consideration to that possibility.

Mr. SPARKMAN. Accqrding to press reports, the head of one of the biggest corporations in America, General Motors, testified before a Congressional committee only yesterday on that very subject.

Mr. HUMPHREY. I am glad to be in the company of such distinguished corporate executives.

My point is that we have committees in the Congress, such as the Joint Committee on the Economic Report, the Finance Committee, the Committee on Banking and Currency, and the Special Joint Committee on Internal Revenue Taxation, which, it seems to me, should look into the total monetary and fiscal picture of our country to determine whether or not the good medicine of a tax reduction might be required to bring healing to an ailing patient, namely, the American economy.

I thank the Senator from Alabama.

Mr. SPARKMAN. What the Senator says is certainly something which we must bear in mind, in connection with all the other programs. In other words, we must do something, and not depend on the situation curing itself.

Mr. President, I have finished, and I now suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

A KANSAS CREED

Mr. CARLSON. Mr. President, on January 29 Kansas celebrated her 97th birthday anniversary. Kansas has a rich history in every field and notably among the many fine citizens we have given to the Nation for outstanding service.

I could mention many individuals who have written both prose and poetry in regard to Kansas, but I call to the attention of the Senate a short article written by the late Charles M. Harger, of Abilene, entitled "A Kansas Creed," and ask that it be made a part of these remarks.

There being no objection, the article was ordered tc be printed in the RECORD, as follows:

A KANSAS CREED

(By Charles Moreau Harger)

We believe in Kansas, in the glory of her prairies, in the richness of her soil, in the beauty of her skies, and in the healthfulness of her climate.

We believe in the Kansas people, in their sturdy faith, and abounding enthusiasm; in their patriotism and their fidelity to the good things of civilization; in their respect for law and their love of justice; in their courage and zeal; in their independence and in their devotion to uplifting influences in education and religion.

We believe in Kansas institutions; in the Kansas language and in the Kansas ideals; in her cleanliness of society, and in her demands that honor, sobriety, and respect be maintained in public and private life; in her marvelous productiveness and in her wonderful future.

DISARMAMENT AS A FACTOR IN LATIN AMERICAN ECONOMIC DEVELOPMENT

Mr. HUMPHREY. Mr. President, on January 21, 1958, Ambassador Gonzalo J. Facio, of Costa Rica, delivered a stimulating address before the Overseas Press Club of New York. I ask unanimous consent that the text of this speech be inserted at this point in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

DISARMAMENT AS A FACTOR IN LATIN AMERICAN ECONOMIC DEVELOPMENT

(Address by Ambassador Gonzalo J. Facio, of Costa Rica, before the Overseas Press Club of New York, January 21, 1958)

Although a lawyer by profession, I have spent so many years of my life directly connected with newspapers that I dare to call you my colleagues.

My journalistic activities began in college as a contributor and later as editor of student newspapers. When I graduated from the university, I became editor of the magazine Surco, a monthly publication devoted to the analysis of the economic and political problems of Costa Rica. A few years later I was the editor of the weekly newspaper Acción Demócrata, which represented the ideas of the party now in power. From the foundation of the daily La República in 1950 until the first of August 1956, when I left for Washington to become Ambassador of Costa Rica, I wrote a daily column for the editorial page of that newspaper of which I was editor for 2 years.

My experience as a newspaperman enables me to appreciate fully this opportunity the Overseas Press Club of New York has given me to discuss with a group of foreign correspondents and local reporters some of the problems of inter-American politics.

The duty of every honest newspaperman is to convey to the reader as much information as possible about the problems on which the public must pass judgment. This is

why a democratic system is inconceivable without a free press. Unfortunately, that task cannot always be performed thoroughly.

To be frank, I have to tell you that the public of the Americas is not adequately informed about the problems of Latin America, nor is it informed about the development of inter-American relations. I realize that news space is limited. With crises bursting out elsewhere in the globe and significant domestic issues clamoring for attention, Latin American developments have a hard time competing for a hearing. To our disadvantage the public is apt to apply the old saying "No news is good news," and assumes that everything is well south of the Rio Grande.

DIFFICULT SITUATION

But the truth is that Latin Americans are having a rough time. Throughout the continent the standards of living are extremely low. Meanwhile the people have awakened to the facts of civilized life at mid-20th century. There is a social ferment that leads the Latin American to demand, ever more energetically, higher wages, better schools, improved medical attention and sanitation, decent housing, more social security, efficient working methods. But development projects, hospitals, schools, and the application of better, modern working methods which are necessary to meet their demands are extremely expensive.

Meanwhile Latin America continues running within the vicious circle in which underdeveloped countries move, wherein the lack of resources for education, public health and advanced working techniques impedes the growth of productivity, while the low productivity keeps income so meager that the savings indispensable for accumulating capital to increase production become almost nil.

The Communists have sized up the situation. They know inter-American cooperation and friendship impede their designs for world conquest. They know, too, how to utilize for their own purposes the smoldering discontent of masses of people without hope. Although busy elsewhere in the world, the Communists are not abandoning their effort to subvert Latin America.

The resulting combination of social tensions, nationalism, militarism and Communist intrigue is as explosive in Latin America as anywhere in the globe. No one can predict the course of the events if the social conditions of the majority of the Latin American countries are not improved.

The United States, as leader of the Free World, may and ought to help its sister Republics of the hemisphere to direct their energies toward economic development within a framework of liberty. The United States has been doing that through programs of technical cooperation, through loans by the Export-Import Bank and the World Bank, and through private investment. But that does not seem to be enough, since the differences in the standard of living between the North Americans and the Latin Americans keep widening year by year.

This does not mean that the Latin American nations expect everything from the United States. On the contrary, all of them are making efforts to achieve their development through their own means. They only look for international cooperation when they absolutely lack the resources within their territories or when the cause of their problem is foreign in its essence.

In this regard, it is appropriate to recall that the maintenance of better prices and of wider markets for the primary commodities that Latin America exports is the soundest way to accelerate their development. If this could be achieved, private enterprise would flourish, government income would increase and each nation would be in a position to finance with its own resources the projects essential to their economic and social framework, such as schools, housing programs, hospitals, roads, electric plants, irrigation programs.

MILITARY EXPENDITURES

But there is still another factor in economic development to which the Latin Americans may resort. I refer to the funds the underdeveloped countries of the hemisphere are expanding in the maintenance of their military establishments.

We must reexamine the benefits to be derived from the present substantial military expenditures. Wouldn't it be advantageous to all concerned if military expenditures were limited to the amount absolutely essential for defense and internal order? What would be the effect if the excess could be channeled into programs to raise Latin America's living standards? Could we have a Latin American disarmament program that would work?

How would the peace be preserved?

The inter-American system has built the most effective peace machinery the world has ever known. The OAS Charter itself reaffirms the principles of collective security and lays the basis for more harmonious inter-American relations. The Inter-American Treaty of Reciprocal Assistance, or Rio Treaty, has made it possible to put an end, through collective action, to every armed conflict that has arisen in the hemisphere. The fundamental principle on which the treaty is built—that aggression against any American country is considered aggression against all the rest—applies a brake to any illusions of easy military conquest on the part of the biggest powers outside the hemisphere.

EARLY ATTEMPTS

Before the collective-security system was perfected, the American countries had tried partial disarmament and demilitarized zones as a means of avoiding armed conflicts among themselves. But in the field of disarmament, as in the fields of international justice and economic integration, the most advanced steps have undoubtedly been made by Central America.

In 1923 the five Central American countries—Guatemala, Honduras, El Salvador, Nicaragua, and Costa Rica—signed a treaty with the most far-reaching disarmament provisions of any drawn up in America. By virtue of that treaty, none of the Central American countries could acquire warships except coast-guard vessels. None of the contracting parties could possess more than 10 military aircraft. The number of men who could be included in the armed forces was limited, set according to population, area, length of borders and other military factors in each country. The reason the treaty finally broke down was the lack of any provision for inspection. As a result, by the time Honduras formally denounced the treaty in 1953, all the parties except Costa Rica had already acquired arms and raised troops in greater numbers than it authorized.

My country refused to be dragged into the Central American armament race. On the contrary, in 1949, by provision in its constitution, it abolished its army which had always been the smallest in America. Even before that, to a considerable extent and radically thereafter, Costa Rica has been spending on education, economic development and public health what other countries with similar resources invest in arms and military forces. Thus the OAS and the Rio Pact became our real civilized way of defense.

We Costa Ricans do not pretend to set ourselves up as an example for the rest of the world. Perhaps the conditions that made this step possible for us are not present in most American nations. But I must stress that we have not missed the army, even when the stability of our democratic institutions has been threatened by invasions and subversive movements from abroad. On 2 occasions within the last 10 years our citizens have become improvised soldiers for national defense, while the peace machinery of the OAS was putting a stop to the aggression.

UNIVERSAL DISARMAMENT

Universal disarmament is the most crucial problem in international relations. In principle, all nations are in agreement that the concentration of money, human resources, and scientific research on an armaments race is the major cause of the world's present insecurity. All recognize that the rising military expenditures represent a colossal waste of economic resources that could be devoted to human welfare. From the point of view of mankind as a whole, the competition in nuclear armaments and guided missiles in this era of world scientific development cannot be described as anything but suicidal madness.

Why could Latin American disarmament work even though we have been unsuccessful in negotiating general disarmament? Hopes of a general disarmament have been frustrated by a psychological element—lack of mutual confidence. This lack of faith among the powers has been the ghost that has ruled out agreement in the discussions on disarmament from the days of the League of Nations down to the most recent session of the U. N. General Assembly. In all the negotiations the parties have been afraid to accept a provision that might favor the aggressive plans of powers that they cannot trust.

For this very reason, mere declarations of renunciation of the use of atomic weapons or written obligations to reduce the armed forces or to suspend nuclear tests offer no security to the nations of the West, which have grown used to the Soviet's disregard for international treaties that stood in the way of their expansionist policy. Nor do they offer security to the Soviet dictators, who, as good despots, consider treaties as scraps of paper. Only when these agreements are backed up by adequate international inspection, only when there is effective control over the degree to which the parties fulfill their obligations, when the security of all is protected against the disloyalty of anyone—only then can this vicious circle be broken in which lack of confidence prevents progress toward disarmament and lack of progress in disarmament prevents the growth of confidence.

Up to now it has been impossible. The reason is principally that the Soviet Union has carried its lack of confidence to the point of distrusting also international inspection and control, which are the instruments necessary to establish confidence.

LATIN AMERICAN DISARMAMENT

These considerations need not hinder a Latin American disarmament program. This program would not involve the touchiest problems of a general disarmament.

None of the Latin American nations possesses nuclear weapons or is in a position to manufacture them in the near future. None is equipped to launch intercontinental missiles or artificial satellites. None possesses an army, navy, or air force that exceeds the maximum that has been indicated as acceptable for countries not permanent members of the Security Council.

Latin America's delegates have definitely favored a general disarmament program. They have tried hard to see that the powers reach an agreement, although recognizing that the interests of our region are firmly tied to those of the Western Powers, especially to those of the United States through the Rio Treaty. There can be little doubt about their good faith and desire to lessen international tensions. In addition, there already exists a time-tested organization to carry out the necessary policing of disarmament. The mutual-assistance treaty is functional already.

The most difficult problems of a general disarmament would not have to be dealt with at all in Latin America.

How would a Latin American disarmament affect the United States military strength as opposed to the Soviet Union's? The precarious conditions of peace in which the world lives, threatened by the imperialistic greed of the Soviet Union, make the happy day when the United States can considerably reduce its military expenditures seem far off. As a leader of the Free World, that generous Nation has the painful duty of maintaining a military machine as powerful or more so than that of the Communist Empire. Only thus, keeping itself militarily strong, will the United States check the aggressive intentions of those who, lacking any moral concepts, govern by force and want to dominate the world by force.

MODERN WARFARE

Scientific advances in nuclear weapons and guided missiles have completely changed the strategy of modern warfare. It is absurd to prepare for global conflict on the basis of experience in World War II. Furthermore, to arm and train Latin American forces within the changing techniques of nuclear warfare is beyond the economic capacity of any of these nations and, I daresay, even beyond that of the United States. In view of this great Nation's enormous military obligations in Europe and Asia, on the periphery of the zone of Soviet expansion, the United States could hardly afford modern military equipment for other nations of the hemisphere in quantities of any strategic value. And, in any case, whatever armaments and costly training the United States might be able to give its sister American Republics would not relieve it, to any considerable degree, of its responsibility to maintain hemisphere security.

On the other hand, by the very fact of possessing modern weapons, the Latin American nations would incur military commitments that they would feel obliged to live up to. We know how expensive nuclear weapons and their upkeep are. The training of technicians to handle them would constitute an additional drain on developing economies which sorely need trained personnel for their industrial development. Latin America could not stand these additional burdens.

From the standpoint of Western defense, this tremendous expense, which would destroy all our hopes for economic progress, is also unnecessary. No one seriously considers overt Communist invasion to be a real threat. This was intimated by the ICA general counsel at one of the Senate hearings on the 1957 Mutual Security Act when he said:

"Because of Latin America's geographic location, there is not immediate threat of massive external Communist aggression, such as exists around the perimeter of the Soviet bloc, in places like Korea, Viet Nam, Taiwan, and Western Europe, and hence no pressing requirement for the creation and maintenance of large modern military forces. This does not mean that there is no Communist threat in the area, but, rather, that it takes the forms of subversion and of political, economic, and cultural penetration, and must generally be dealt with by other than conventional military measures."

In short, armaments, however modern, are no defense against propaganda. The way to counteract Communist demagogy is to find a democratic solution to our peoples' aspirations. Therefore, the principal effort, both of the Latin American nations and of their generous United States ally, should be to hasten their economic development—the only means of raising living conditions to a proper level.

BACKING OF THE WASHINGTON PRESS

In a world war the Latin American military forces, equipped with conventional arms, would be impotent and even useless. So, from the standpoint of Western defense, it is unnecessary and therefore wasteful to maintain forces stronger than what is required for internal security. From the inter-American standpoint, the existence of relatively large conventional military establishments is even less justified. There are certainly political and juridical problems among the American States, but none is of such magnitude that it cannot be solved peacefully. And even if nationalist passion should provoke armed conflict, the machinery of the Rio Treaty would immediately go to work and would end the armed struggle, reestablishing, at least, the status quo. These proposals for Latin American disarmament have been well received by the United States press as constructive suggestions on an important matter.

On November 27, 1957, in an editorial titled "For Defense or for Tyranny," the Washington Daily News analyzed my proposals and added:

"So we say, 'Viva Dr. Facio.' We hope the OAS will take up his suggestion with all speed and make a start toward scrapping the heavy arms burden of the American States. Then maybe we can make some headway toward realizing the constructive benefits of the richest undeveloped area left in the world."

On December 1, the Washington Post and Times Herald also published an editorial on the subject, titled "Arms in Latin America." After referring to the speech by Secretary of the Treasury Anderson, in which he advised revision of military budgets, this important newspaper said:

"Why should Latin American countries continue to spend millions on obsolete armaments? Quite properly, this is a question that Latin Americans themselves should ask, and it is good that Ambassador Gonzalo J. Facio, of Costa Rica, put the question to the OAS in accepting his election as Vice President of the OAS Council. He asks, 'If peace among the Americas is assured * * * is it necessary to keep the swollen military expenditures above those strictly required for domestic security? Wouldn't our contribution to the cause of the West be greater if, instead of spending huge amounts for military expenditures, we used the money to increase the productivity of our nations * * *?'"

ARMY ENGINEERING CORPS

There is also a positive side to the problem of armaments in Latin America. We are not limited to a program of cutting back military expenditures. It is our hope that these funds will be used for the improvement of general living standards. In addition the army can be assigned functions of constructing bridges, dams, ports. The military can cease to be an armed reserve against an unknown threat that will probably never materialize. The army will supplement government programs to present public works for its citizens. It can also serve a function much like your New Deal program, the Civilian Conservation Corps. This conservation program provided your young people with skills that they could use later in civilian life. Our armies could be used to acquaint our young men with tractors, bulldozers and modern mechanical equipment. By this method the army would provide new services for the public and help develop our human resources. Today and tomorrow we will need skilled workers. This is one method of training them in the skills of modern technology.

THE GENERAL PLAN

No one could precisely determine at this moment the details of a program for Latin American limitation of armaments. This will have to be the product of collective thinking and much negotiation based on study by experts. What can be done is to outline in very general terms how the OAS could approach the matter. I believe that a special disarmament committee should be appointed, which, with the collaboration of the Inter-American Defense Board and whatever experts are necessary, would draw up a draft convention embracing these points:

(1) A pledge on the part of the Latin American countries not to manufacture nuclear weapons nor to acquire them from the powers that do manufacture them.

(2) A pledge on the part of the United States not to sell, lease, or give nuclear weapons to the Latin American countries nor to give them the facilities for manufacture. (This would not prevent the United States from negotiating for the establishment, anywhere in Latin America, of the missile bases it considered indispensable for hemisphere defense.)

(3) A pledge on the part of the Latin American countries not to buy conventional weapons from countries outside the hemisphere.

(4) A pledge from the United States and the other American States that manufacture conventional weapons not to sell, lease, or give conventional arms beyond the quantities considered sufficient for a country's internal security by an inter-American technical committee.

(5) The establishment of a limit on the land, sea, and air forces each Latin American nation may possess, taking into account its population, size, geography, coastlines, and other relevant conditions.

(6) The establishment of an adequate system of armaments control and inspection of military movements and installations, to assure the fulfilling of the obligations imposed by the disarmament convention.

(7) Greater emphasis on the civil engineering and public-works functions of the Latin American army establishments, with the creation of centers for training personnel.

Putting these ideas into practice constitutes a very difficult but not impossible task. If we take into account that all the American nations support the world disarmament program presented by the Western Powers—which is by its very nature much more complicated—it may be hoped that they will attempt regional disarmament, which will demonstrate that they really meant what their delegates said in U. N. disarmament debates, and which would again demonstrate to the world the magnificent solidarity of our hemisphere.

I have no doubt that public opinion in my country, and therefore the Government, would enthusiastically support any program of arms limitation adopted by the American Republics. The democratic tradition, spirit of American solidarity, and experience with the guaranties that the OAS and Rio Treaty offer to a victim of aggression, would not let the Costa Rican people hesitate about the desirability of such a program.

We want to see our sister Republics of Latin America doing what we have already begun to do: invest a major part of the public resources that go into military expenditures into constructive activities which will create more opportunities to give our people a better life.

Mr. HUMPHREY. Mr. President, the title of the Ambassador's speech, "Disarmament as a Factor in Latin American Economic Development," is a provocative one. As Ambassador Facio points out, the development of effective peace machinery in the inter-American system has made it possible to bring an end to disputes among the nations of the area through collective measures. This establishment of effective machinery for settling disputes peacefully and through collective action is the first step to making large armed forces unnecessary. If expenditures on armaments by the nations of Latin America could be reduced,

more funds would be available for urgently needed economic development projects.

Mr. President, because of the importance of Ambassador Facio's address, I issued a press release on January 22, 1958, commenting on the subject of disarmament and security in Latin America. I ask unanimous consent that the text of this release be printed at this point in the RECORD.

There being no objection, the press release was ordered to be printed in the RECORD, as follows:

LATIN AMERICA OFFERS OPPORTUNITY FOR REGIONAL DISARMAMENT BREAKTHROUGH

Latin America offers an exceptional opportunity for a regional breakthrough on disarmament, according to Senator HUBERT H. HUMPHREY, chairman of the Senate Subcommittee on Disarmament.

Calling attention to an address given by Ambassador Gonzalo J. Facio of Costa Rica last night before the Overseas Press Club of New York on the topic, Disarmament as a Factor in Latin American Economic Development, Senator HUMPHREY declared it offered constructive suggestions for a Latin American regional disarmament program "which merit serious consideration throughout the Western Hemisphere."

Senator HUMPHREY warmly praised Ambassador Facio's address as "a significant contribution," declaring it underlined and added new emphasis to his Disarmament Subcommittee's Staff Study on Disarmament and Security in Latin America issued last summer.

"Our neighbors to the south need to devote more of their resources to raising living standards and to expanding their individual economies," Senator HUMPHREY declared. "At the present time large military expenditures absorb a significant portion of Latin American national budgets. If funds for defense could be utilized more efficiently and thereby permit a decrease in military budgets, Latin American economic development could be speeded up.

"Ambassador Facio suggests, quite rightly in my opinion, that Latin American peace has not been maintained by large armies, but by the development of peaceful machinery for solving disputes," Senator HUMPHREY added, quoting the following excerpt from the Ambassador's talk:

"The inter-American system has built the most effective peace machinery the world has ever known. The OAS Charter itself reaffirms the principles of collective security and lays the basis for more harmonious inter-American relations.

"The Inter-American Treaty of Reciprocal Assistance, or Rio Treaty, has made it possible to put an end, through collective action, to every armed conflict that has arisen in the hemisphere."

"Continued use of this Latin American peace machinery should permit our sister Republics to channel more of their resources into constructive economic and social projects," Senator HUMPHREY said.

Senator HUMPHREY recalled his preface to the Latin America disarmament study in which he said, in part:

"If greater attention were given the coordination of military policy and functions, it might result in a decrease in the amount Latin American nations need to supply their individual military establishments. Such a step might also lessen the possibility for arms competition among the several countries and, in turn, might enable more energy and resources to be channeled into constructive measures to increase living standards and develop Latin American economies."

Senator HUMPHREY urged the Organization of American States to seek to work out a regional disarmament agreement for Latin America taking into account three obligations:

"1. The internal security requirements of many Latin American nations, realistically determined, not swollen for special purposes by the government in power.

"2. The need to provide a coordinated system for defense of the southern half of the hemisphere.

"3. The obligation of all the 21 Republics of Latin America to the United Nations.

"On two occasions Latin American nations contributed to collective security through the United Nations by sending troops to help achieve and maintain peace. One was in the defense of the Republic of Korea against Communist aggression and the second was the contribution of forces to the U. N. emergency force established on the Egyptian-Israeli border. Latin American nations may be called on in the future to help maintain peace and any regional disarmament program would need to take this responsibility to the U. N. into account," Senator HUMPHREY said.

"Levels of armed forces to fulfill these three obligations should be established by agreement among the members of the Organization of American States under a coordinated defense plan. No state would then be allowed to exceed this level except with the consent of the others. To assure that these levels were not violated, the arms trade would be placed under the surveillance and control of an agency of the Organization of American States and systems of inspection could be established in each country as deemed necessary to assure compliance. By this means essential security could be safeguarded and every Latin American country could devote more of its resources for its own economic betterment rather than relying heavily on unnecessary arms," Senator HUMPHREY declared.

Mr. HUMPHREY. Mr. President, this is a subject, Mr. President, which has received detailed attention by the Senate Disarmament Subcommittee, which I have had the privilege to chair. Among the staff studies which the subcommittee has released is one on "Disarmament and Security in Latin America." The preface to this staff study which I wrote on May 12, 1957, discusses many of the subjects in Ambassador Facio's speech, and therefore I think that its inclusion in the RECORD at this point would also be particularly timely.

I also ask unanimous consent for this insertion as well.

There being no objection, the staff study was ordered to be printed in the RECORD, as follows:

PREFACE

(By Senator HUBERT H. HUMPHREY)

For many years the major powers of the world have been engaged in a search for ways to control and reduce their armaments and armed forces. Representatives of the United States and other governments have spent a great deal of time in submitting, examining, and negotiating numerous proposals dealing with armaments, inspection, enforcement, and more effective machinery for insuring peace. What has not been done is to examine sufficiently what has worked in the past and, consequently, what might work today if modified to fit present day conditions.

As this study on disarmament and security in Latin America shows, in our own hemisphere there exists considerable experience which should be brought to bear on future attempts to control and limit the weapons of war. For a long period the 21 Republics of the Western Hemisphere have cooperated in a system of interregional security which is one of the most highly developed the world has ever known. This system, based on the sovereign and independent status of each member nation, recognizes that security cannot be guaranteed by each State acting alone. The American States, therefore, have developed machinery by which various types of controversies may be subjected to peaceful settlement.

The Inter-American Treaty of Reciprocal Assistance of 1947 and the Charter of the Organization of American States, adopted in 1948, are the two basic documents which bind the American Republics together in formal agreement. Since they went into effect no nation in the area has been successful in imposing its will on another by force of arms. With few exceptions, when disputes have arisen an amicable settlement has been made through prompt use of the inter-American peace machinery, or if armed conflict has broken out, the regional defense treaty has operated to help end the warfare.

It is important to note that the success of the inter-American system does not rest on the absence of political disputes among the nations of the area. As in every area, some grievances of long duration remain; certain boundary disputes have not been settled; and economic rivalry persists. Therefore, it is not the lack of political and economic problems which is responsible for hemispheric peace. It is the creation of a system of handling disputes peaceably and the determination by the member nations to make the system work that give the Americas their admirable record.

The rest of the world—the major powers particularly—might examine the Latin American experience more carefully than they have. Those who agree that all political problems must be solved before a reduction can be made in armaments are as unrealistic as those who say disarmament can come about without regard to the presence of international tensions. We cannot expect to eliminate all political problems for all time. We can, however, strive to build a system whereby the political problems which do arise are solved by peaceful means rather than through the use of military force.

Other lessons can be learned from the operation of the inter-American system. It is the only regional system which provides machinery for handling disputes within the area. Other regional security systems might examine the extent to which the machinery developed in the Americas could be incorporated into their own systems.

The inter-American system, although it is not primarily a military alliance, does have military features. The United States, under the mutual security program, sends a substantial amount of military aid to individual Latin American nations, but there is some question that this aid is being supplied with a proper awareness of its implications.

The executive branch must be careful that military aid sent to Latin American nations does not promote an arms race. Nor should military aid detract from important programs of economic development and technical assistance. What we give to one nation for hemispheric defense may provoke demands by another for an equal amount of aid. This danger is particularly acute since little appears to have been done to integrate the defense functions of the separate countries. If greater attention were given the coordination of military policy and functions, it might result in a decrease in the amount Latin American nations need to supply their individual military establishments. Such a step might also lessen the possibility for arms competition among the several countries and, in turn, might enable more energy and resources to be channeled into constructive measures to increase living standards and develop Latin American economies.

SCIENCE ADVISER TO THE DEPARTMENT OF STATE

Mr. HUMPHREY. Mr. President, I am sure that many Members of the Senate were pleased to hear on January 13, 1958, of the appointment of Dr. Wallace R. Brode as the science adviser to the Department of State.

I ask unanimous consent that a press release issued by the Department of State on the occasion of Dr. Brode's appointment be printed at this point in my remarks.

There being no objection, the press release was ordered to be printed in the RECORD, as follows:

DR. WALLACE R. BRODE APPOINTED SCIENCE ADVISER TO DEPARTMENT OF STATE

The Department of State announces the appointment of Dr. Wallace R. Brode as science adviser. He was sworn in by Secretary of State Dulles at 5 p. m. today and immediately assumed his new duties. Until his present appointment, Dr. Brode was Associate Director of the National Bureau of Standards of the United States Department of Commerce. His election as president of the American Association for the Advancement of Science was announced last month. He was formerly professor of chemistry at the Ohio State University. Dr. Brode will advise the Secretary and other Department officers on matters relating to scientific developments which affect foreign policy, and will direct the work of science attachés overseas. He was recommended for the position by Dr. James R. Killian, Jr., special assistant to the President for science and technology, Dr. Detlev W. Bronk, President of the National Academy of Sciences, and Dr. Alan T. Waterman, Director of the National Science Foundation.

In addition to strengthening the Office of the Science Adviser by the appointment of Dr. Brode, the Department will augment embassy offices by assignment of science attachés to certain foreign capitals.

Dr. Brode's appointment signals a fresh emphasis on a postwar Department of State function curtailed in 1955 in order that the program might be reviewed and plans made for the future. Reexamination during the past year indicated the growing importance of activities of scientists as a significant element in formulating foreign policy and in carrying on relations with other governments. The new work will therefore be oriented more closely than before to the objectives of the Department and the Foreign Service. Both the science adviser and the science attachés will be responsive to requirements of other Government departments that carry on scientific activities abroad, since certain of these activities form parts of the pattern of our foreign relations. Dr. Brode will also keep in close touch with Dr. Killian.

As counterparts overseas of the science adviser in Washington, certain science attachés will be appointed to advise and collaborate with political, economic, and other Embassy officers on those foreign-relations questions in which scientific considerations play a part. They will also assist other Federal agencies and private groups in carrying out their programs of scientific cooperation abroad, such as those of the National Science Foundation, International Cooperation Administration, National Academy of Sciences, etc. Like other members of the Foreign Service, they will keep the Department currently informed of developments significant for international relations.

Commenting on the appointment of Dr. Brode and the responsibility he is to assume, Secretary of State Dulles said:

"I am most gratified that such a distinguished scientist as Dr. Brode has accepted the post of science adviser and will apply to a Government function the wisdom and skills for which he has long been known in professional and governmental fields. Dr. Brode enjoys the confidence of his colleagues at home as recognized by his recent election to the presidency of the American Association for the Advancement of Science and commands the respect of scientists and others abroad. His international vision and his dedication to scientific development will be powerful factors in helping to bring the significance of science into the realm of foreign relations and in helping to promote the progress of scientific endeavor throughout the world."

Science attachés will be assigned to several United States embassies in Europe and Asia in the near future.

A biography of Dr. Brode follows:

Dr. Brode's experience includes university teaching as well as Government research and administration. From 1928 to 1948 he was a member of the faculty in chemistry at Ohio State University. Before that time he had carried on research in chemistry at the University of Illinois and at the National Bureau of Standards. Since 1947 he has served as Associate Director of the National Bureau of Standards in the United States Department of Commerce. During the war he was liaison officer in Paris for the Office of Scientific Research and Development and later served as head of the science department of the naval ordnance testing station in California.

A member of the National Academy of Sciences, the American Chemical Society, and many other scientific organizations, Dr. Brode is highly respected by his colleagues here and abroad. He was elected president of the American Association for the Advancement of Science at its annual meeting last month. He has served as a United States member on a number of scientific delegations at assemblies both in this country and overseas. He has contributed numerous articles for chemical and other scientific journals, especially in the fields of organic synthesis, optical resolution, color and chemical constitution, absorption spectra, and emission spectra.

Dr. Brode was born in Walla Walla, Wash., June 12, 1900. He took his undergraduate work at Whitman College and his graduate studies at the University of Illinois, where he received his doctor of philosophy degree in 1925.

Mr. HUMPHREY. Mr. President, Mr. Brode's appointment comes only after many voices have been raised in protest over the State Department's lackadaisical handling of the science attaché program. Two years ago, during the 84th Congress, I discussed the matter several times on the Senate floor. In the CONGRESSIONAL RECORD, volume 102, part 6, pages 7762–7763, I pointed out that the ambitious program for science attachés envisioned in the Berkner report of 1950 reached a peak in 1952, and then declined into oblivion.

In the CONGRESSIONAL RECORD, volume 102, part 7, pages 8652–8653, I pointed out that the State Department attaché program was not only collapsing, but dissolving. At that time I said, among other things:

I noted in the press only the day before yesterday that the American representatives who are visiting in the Soviet Union and examining some of the developments in the field of nuclear science have been very much impressed by the laboratories which they have seen, the quality of the work which has been undertaken, and the very, very generous—indeed, extravagant—allocations of funds on the part of the Soviet Union in the field of nuclear science. If these things be true, it appears to me that the State Department would do well to implement its program of scientific attachés.

Again in the CONGRESSIONAL RECORD, volume 102, part 8, page 10674, I raised the issue again and asked the State Department to reexamine and review this program to prevent its coming to a "dead stop."

Mr. President, last December I wrote to the Secretary of State about this problem and I ask unanimous consent that my letter of December 13, 1957, be printed at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DECEMBER 13, 1957.

Hon. JOHN FOSTER DULLES,
Secretary of State, Department of State, Washington, D. C.

DEAR FOSTER: From time to time I have called the Senate's attention to the importance of the science attaché program in the State Department. I was distressed last year to find that the program was apparently on the verge of being dissolved under budgetary pressure. I refer you specifically to my comments on the Senate floor on May 22, 1956, and in June 1956.

According to reports, we have had no science attachés anywhere for more than a year now. I have also heard inklings that the Department is reviewing this unfortunate situation and considering the possibility of raising the salary and allowance level considerably. I am sure that I need not stress the importance which the public will give to such a move if the reports are correct. I hope they are, and I want to lend my own support and encouragement to a speedy review of this situation and a restoration of an active science attaché program.

Best wishes.

Sincerely yours,

HUBERT H. HUMPHREY.

Mr. HUMPHREY. Mr. President, on January 3, 1957, the Assistant Secretary of State, Mr. William B. Macomber, Jr., replied to my letter with the encouraging news that a Science Adviser would be appointed. I ask unanimous consent that the text of this January 3 letter be printed at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
Washington, January 3, 1957.

The Honorable HUBERT H. HUMPHREY,
United States Senate.

DEAR SENATOR HUMPHREY: The Secretary has asked me to thank you for your letter of December 13 inquiring into the Department's science attaché program.

A review of this activity has convincingly indicated the desirability of strengthening the Office of the Science Adviser in Washington and of reassigning science attachés abroad in order to help achieve the Department's foreign policy objectives. Accordingly, a Science Adviser is being selected and science attachés will be appointed after his selection.

We in the Department have long been aware of your continued interest and appreciate your support of this program. The selection of personnel to implement the program has presented difficulties because of the unavailability of men of the professional caliber we are seeking. In this connection the Department is working closely with Dr. James Killian and the National Science Foundation. We hope to be able to announce our selections in the near future.

Sincerely yours,

WILLIAM B. MACOMBER, Jr.,
Assistant Secretary.

Mr. HUMPHREY. Mr. President, in conclusion, I know that I voice the sentiments of the majority of my colleagues when I express my pleasure that the science attaché program will now apparently be revived. We should always be grateful for forward steps, even when they are belated ones. I know that the Congress will follow the development of this program under Dr. Brode with active and sympathetic interest.

INTERNATIONAL SPACE AGENCY

Mr. HUMPHREY. Mr. President, many Members of the Senate know of the splendid work performed in various international fields over the years by Father E. A. Conway, S. J.

Father Conway has recently written another illuminating article, entitled "International Space Agency; Time Running Out." The article originally appeared in the January 10, 1958, issue of the Commonweal, and was reprinted in the Catholic Messenger, of Davenport, Iowa, on January 16.

I ask unanimous consent that this article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PROPOSES INTERNATIONAL SPACE AGENCY; TIME RUNNING OUT—FRIAR CONWAY: UNITED STATES "PIED PIPER" PROJECT COULD PERSUADE REDS

(The following article is reprinted from the Commonweal, 386 Fourth Avenue, New York, 16, N. Y. The author is assistant professor of political science at Creighton University and former foreign affairs editor of America. He has written a number of articles on disarmament and is recognized internationally as a keen student of all phases of nuclear, hydrogen, and missile development and their political implications.)

(By Father E. A. Conway, S. J.)

In the nationwide confusion during the early days of December, two noteworthy anniversaries were generally overlooked. On December 2, 1942, the world's first atomic pile was activated in Chicago. On December 8, 1953, President Eisenhower personally invited the United Nations to establish an International Atomic Energy Agency in the hope of "finding the way by which the miraculous inventiveness of man shall not be dedicated to his death, but consecrated to his life."

Even in 1953, this hope was pale and dull. It was all that was left of that bright and shining hope that the invention of December 2, 1942, would be an unmixed blessing, that hope embodied in the so-called Baruch plan for an International Atomic Energy Authority. No anniversary date can be assigned to the fading of that hope—and perhaps it is just as well. We have found other wailing walls. It might help us avert the need for yet another if we paused to ponder the history of the President's 1953 proposal, and especially the circumstances in which he made it.

On December 8, 1953, the world had not yet adjusted itself to the novelties of the atomic age. Yet by that time it was well advanced into a far more perilous period—the hydrogen age. Although Mr. Eisenhower spoke solemnly of "the awful arithmetic of the atomic bomb," both the United States and the Soviet Union had already tested hydrogen bombs. The miraculous inventiveness of man had already raised the digits of nuclear destructiveness to the thousandth power.

Also, and largely because both nations had been racing toward this thermonuclear goal, disarmament discussions in the United Nations had become deadlocked. A staff study prepared for the Senate Disarmament Subcommittee says the President's proposal was prompted by the stalemate in disarmament negotiations, despite rapid developments of nuclear weapons. And Secretary Dulles, seeking ratification of the statute of the international agency which finally resulted from the President's proposal, told the Senate Foreign Relations Committee last May: "For 7 years the Soviet Union has blocked any progress by its refusal to accept atomic inspection and control. No way had been found to break the impasse. In this depressed climate the President's proposal for an atomic energy agency for peaceful purposes came as an inspiring concept. It was acclaimed throughout the world."

If the climate was depressed 4 years ago, it is nearing its nadir now. And the cause is not far to seek.

In 4 short years the wheel of life, turned furiously by the weaponeers, has come full turn about and cast us in circumstances which, while remarkably similar, are infinitely more foreboding than those in which the President rose to ask the uranium-rich nations to serve the needs rather than the fears of mankind. Before we have succeeded in imagining, much less comprehending, the perils of the hydrogen age, we have been rocketed into yet another age—the age of space. Omne ignotum pro magnifico. We air-breathers shudder as we peer into space, for we know so apallingly little about its vasty reaches.

And as to disarmament, most of us sense, though we may not have reasoned it out, that another disarmament deadlock is developing, even as the military technologists step up the pace of what the Pope has already called the race to the abyss. Small wonder we near the nadir of depression.

A moment's reasoning should convince anyone that disarmament is due to go into another deep freeze. The Russian intransigence in the U. N. from 1946 to 1953 stemmed from a fierce determination—in the name of national security, of course—to catch up with the United States in nuclear weapons. (They did so under cover of the longest filibuster in the history of the United Nations.)

The Soviet Union, for reasons too obvious to need mention, can hardly be expected to agree to any disarmament scheme that would threaten its new position. But something new will be added, nonetheless. The United States will help to develop a new deadlock.

It is only realistic to assume that the United States will neither propose nor accept any plan that might freeze the present imbalance of power. And we must assume that this attitude will continue (3, 4, 5 years?) until we have reached at least parity of military power with the Soviet Union. Any other assumption seems utopian, considering the clamor for catching up and the frenzied preparations to do so. These cries come loudest, of course, from the physical scientists recently returned from Coventry, and from the generals and politicians afraid of being sent there; the political scientists are silent, as they were, teste Yale's Professor Lasswell, in the early days of the atomic age. The official who questioned the wisdom of these demands or suggested any sort of United States-U. S. S. R. weapons moratorium, would probably be banished much farther than an academic oasis in New Jersey.

We should not need to walk all the way down a dead-end street before seeing and admitting it is blocked. This sort of pragmatism has governed much of our disarmament policy in the past. Until the 1955 Geneva Conference, for example, the United States clung to the modified Baruch plan, with its insistence on inspection to detect illegal possession of nuclear weapons. The dead end involved here, the technical impossibility of finding hidden nuclear weapons, should have been discerned and admitted soon after the Russians began building their own A-bombs, back in 1949. If we repeat this pragmatic approach now, if we refuse to see the inevitable new disarmament roadblock and refuse to admit that it will remain until the United States has caught up (or been blown up), we will waste those catching up years which could be devoted to searching out other paths to peace.

Essentially, that was what President Eisenhower was doing in his address to the U. N. Assembly on December 8, 1953. The path he pointed out did not parallel disarmament planning, in the way most peace planners say political settlement should. It might be said to start as a mere trail further back country, and to lead into the throughway of disarmament. Mr. Eisenhower seemed to be saying that if the nations could learn to cooperate in using the atom for peace they might one day agree to cooperate in banning its use for war.

Dean David Cavers, of Harvard, has noted that in this matter President Eisenhower's reasoning returned full circle to the philosophy of the Acheson-Lilenthal proposal of an International Atomic Energy Authority—before it was corrupted by Bernard Baruch's "condign punishment" clause. The authors of this proposal had envisioned the Authority as a means of stirring the constructive and imaginative impulses of men, rather than merely concentrating on the defensive and negative. Could they have had another vision—of NATO in 1957?

Standing as we do on the brink of space, and facing as we do another disarmament deadlock, under cover of which East and West will vie not only for missiles and atomic-powered planes and submarines, but for space weapons as well, should we not seek some passable path?

Is there nothing constructive and imaginative remaining for us to do? Must we stand at the edge of space, passive, and palpitating, until the heavens are filled with hideous, hurtling ceramo-metallic monsters?

It is bitterly true that we are running out of choices. But one, in view of the fact that our circumstances are so similar to those of 1953, fairly pleads for exploration. The United States could call upon the nations of the world to form another international agency, similar in structure and motivation to the atomic energy agency just organized in Vienna—this one dedicated to the joint exploration and exploitation of space for peaceful purposes.

Someone must make this move eventually. Why not the United States, as soon as the official planners agree on its feasibility? For any number of reasons, our country needs to take some dramatically affirmative action soon.

During the closing days of the last U. N. Assembly a significant exchange occurred between the New York Times and Sir Leslie Munroe, of New Zealand, president of the General Assembly. In an editorial on December 5 the Times observed that technological progress toward space travel has left far behind the development of institutions needed to cope with the consequences of that progress. After listing some of the problems the space age presents, the Times continued: "Fortunately, the organization exists for considering and deciding these problems in the spirit of international cooperation for the good of all nations. That organization is clearly the United Nations. The hour is growing late for reaching international agreements on the obvious problems that arise with man's growing progress into space."

In a reply dated December 6 and published in the Times on December 10, Sir Leslie said: "I believe that the near future will see us

(the U. N.) proceeding, whether out of necessity or free choice, along the lines I have suggested. Failure to do so would surely lead to spatial anarchy and render futile all the advances in science we are witnessing today." On the next day, however (December 7), Sir Leslie announced at U. N. headquarters, according to the Associated Press, that the "Assembly will have to consider control of sputniks and missiles next year, probably before the start of its regular session (opening) September 16."

If this is what Sir Leslie means by the "near future" it must be said that his future is not near enough. His timetable is entirely too leisurely—and in the case of missiles, completely out of date. Recent revelations about the stage missile competition has already reached show that even the 12th Assembly would have found it too late to do anything about their control.

As to all manner of spacecraft, Sir Leslie's timetable is not adjusted to what the late Herbert Elliston of the Washington Post used to call "these detonating times." The race for space is speeding up, and no one can tell how far the contestants will have gone by the time Sir Leslie's "Fall future" comes around. If only half of the reports of stepped up space programs on both sides are true, to defer even discussing the possibility of an agency for the peaceful use of space until next fall might mean losing the chance to save space for peace.

This danger is real because of what the technologists call lead time—the time that intervenes between putting an idea on a drawing board and actual production of the hardware. The Soviet Union, for example, is said to use 2 years less lead time than the United States in production of long-range bombers. The same phenomenon is found in social planning, including the establishment of international institutions. Thus the lead time between the President's proposal of the IAEA and its actual operation next year will be well over 4 years.

Sir Leslie's timetable is unrealistic for another reason, perhaps even more compelling. Unless the possible peaceful uses of space satellite vehicles are soon emphasized, even dramatized, these craft will become fixed in the public mind as exclusively weapons of war. Already, in this country at least this view is far developed. The phrasemakers of all our communication mediums are taking care of that, aided and abetted by the generals, the engineers, and the headline-hunting politicians. "We are in a war of science," "a race for the military conquest of space," and so on. The so-called Pentagon bias dominates whatever space policy we have. Typically, the new Advance Research Project Agency, set up to handle all new developments in space vehicles, platforms, etc., has been placed under the Pentagon.

Have we already forgotten what happened in the case of atomic energy? Early in the atomic age it became fixed in the American mind as a war potential. During the 10 years that followed its production, 95 percent of our atomic expenditures were devoted to the development of atomic weapons. It took the President's 1953 address to begin, at least, redressing the balance.

For these reasons, I believe that the United States should initiate action as soon as it is prudently possible. As soon as official studies establish the feasibility of an international space agency, therefore, I suggest that the United States call for a special session of the U. N. General Assembly. Then the stage would be set for another appeal by President Eisenhower, this time for the formation of an International Space Agency.

The president's preparation of this address to the U. N. would present few problems. Indeed, if he were not averse to indulging in a tour de force, he could use most of his 1953 text, simply substituting space for atomic energy and space craft for atomic bombs Many passages would be far more relevant today than they were 4 years ago. For example:

"The atomic age (read 'space age') has moved forward at such a pace that every citizen of the world should have some comprehension, at least in comparative terms, of the extent of this development, of the utmost significance to every one of us. Clearly, if the peoples of the world are to conduct an intelligent search for peace, they must be armed with the significant facts of today's existence." (Might that include a glimpse at the Gaither report on United States defense, and the Pentagon's R. M. 1760 Report on Soviet offense?)

"For me to say that the retaliation capabilities of the United States are so great that an aggressor's land would be laid waste—all this, while fact, is not a true expression of the purpose and the hope of the United States. To pause there would be to confirm the hopeless finality of a belief that two atomic colossi (read 'orbiting Big Brothers') are doomed malevolently to eye each other indefinitely across (read 'around') a trembling world."

If the President made such a proposal, the next move would be to induce the Assembly to vote its approval at once, instead of waiting a year as it did before, and then to appoint a subcommittee to arrange the details. In his 1953 address, the President recalled that the Assembly had resolved that the desirability of a subcommittee be studied, "consisting of representatives of the Powers principally involved, which should seek in private an acceptable solution. * * * The United States," he declared, "is instantly prepared to meet privately with such other countries as may be 'principally involved' to seek (an acceptable solution) to the atomic armaments race (read 'race for space') which overshadows not only the peace, but the very life of the world."

Could the President say less in this new offer? The fact is that in his state of the Union message of January 10, 1957, Mr. Eisenhower committed the United States when he said that it was willing to enter into an agreement to control outer space missile and satellite development. (His distinction here between missiles and satellites and his reference to development rather than to control will help us later on.)

Let us suppose, then, that the Assembly moves immediately to appoint a subcommittee. Obviously, its logical choice would have to be the two countries principally involved in the race for space, the United States and the Soviet Union. This designation by the Assembly of a two-nation subcommittee to conduct what President Eisenhower called "private conversations" should not disturb either Mr. Dulles, who discourages public United States-U. S. S. R. negotiations, or U. N. members who fear a deal behind their backs. The supposition is that this subcommittee would be approved by vote of the Assembly, and meet under its aegis.

This two-nation subcommittee could utilize the lessons learned in the years of negotiating the establishment of IAEA. It should be able to cut down the lead time to a year—perhaps in time to climax the conclusion of the International Geophysical Year with another Geneva conference, not on the peaceful use of atomic energy but on the peaceful use of space.

Would the United States and the Soviet Union accept nomination to the subcommittee? Both would probably be reluctant, and the United States more reluctant than the champion dragon of them all. And this chiefly because our officials seem to have forgotten the clear distinction the President made in his 1957 state of the Union message between missiles and satellites.

This obfuscation seems to have begun only 4 days after that message. Addressing the political committee of the U. N. General Assembly on January 14, 1957, United States Ambassador Henry Cabot Lodge informed his colleagues that "scientists in many nations are now proceeding with efforts to propel objects through outer space and to travel in the distant areas beyond the earth's atmospheric envelope. The scope of these experiments is variously indicated in the terms 'earth satellites,' 'intercontinental missiles,' 'long-range unmanned weapons,' and 'space platforms.' No one can now predict with any certainty what will develop from man's excursion in this new field. But it is clear that if this advance into the unknown is to be a blessing rather than a curse the efforts of all nations in this field need to be brought within the purview of a reliable armaments control system." Out of this proposal came (almost a year later, speaking of lead time) the sixth point of the recent Assembly's disarmament resolution: "A joint study of an inspection system designed to insure that the sending of objects through outer space will be exclusively for peaceful and scientific purposes."

Both of these passages cry out for extended exegesis. What peaceful purpose could an intercontinental ballistics missile be devoted to—space mail special delivery? Suffice it to note here that both passages treat all outer-space objects as weapons of war, to be subjected to inspection and control together with other arms. Mr. Lodge, it is true, differentiated between missiles and satellites. But subsequently both he and Mr. Dulles combined them in one term "outer-space missiles" which they used so consistently that it must be considered the official formula. Thus on July 22, 1957, Mr. Dulles talked about outer-space missiles as though he meant both missiles and satellites. On September 30, 1957, 4 days after the Soviet ICBM announcement, Mr. Lodge spoke in the U. N. of outer-space missiles as "the newest threat to peace" and obviously meant only missiles.

As long as our policy planners continue to lump missiles and satellites together, it is unlikely they will agree to any program for peaceful uses of satellites. What is needed, then, is some hard and clear thinking about the nature and uses of outer-space objects.

A ballistic missile is an outer-space object which briefly traverses space on its way to a terrestrial target. An earth satellite is an outer-space object which orbits around our planet. These differ not only in the amount of time they spend in space, but in the uses to which they can be put.

A missile is a weapon only, and a terror weapon at that. This fact was emphasized by a committee of the Commission to Study the Organization of Peace in its 10th report, Strengthening the United Nations, published by Harper & Bros. in October 1957. "Missiles," said the committee, "are simply extensions of the long-range gun—differing from it in degree and not in kind." As a member of the Commission I agreed strongly with the committee's further assertions that "therefore they fall within the scope of the present and future discussions of the U. N. Disarmament Commission, and are not essentially a problem in outer-space control."

Satellites, on the other hand, are as Janus-like as the atom. As fissionable material can be used for bombs and warheads or for power reactors, so satellites can be put to many military or peaceful uses. (We need more Lloyd Mallans to describe the latter.) It is upon this distinction, admittedly as imperfect as that between the two uses of the atom, that the President could build his new proposal to the United Nations—in reality, to the Soviet Union.

But would the Russians listen? Would they not view his invitation as a rather transparent attempt to lessen their satellite lead? At first blush it would seem that we have little to use by way of inducement. Could we warn them that Sir Leslie's spatial

anarchy will result from uncontrolled competition for outer space? Creating anarchy is a Kremlin specialty. Could we bully them into cooperation? Not from our present position of less-than-strength. Could we bribe them? Their price would probably be United States withdrawal from Europe—which would mean the dissolution of NATO.

One possibility emerges from the C. S. O. P. committee report already cited. This suggested that the United States propose an international space agency, but only after more than one nation has launched a satellite. We believed, of course, that the United States would launch one first, and that this proviso would make the idea more palatable to our Government. Now that the Soviet Union is the Government in question, we might make the idea of a space agency palatable to the Russians by convincing them that we are about to launch a satellite of our own—not any sort of satellite, but one equipped with television. This could make all the difference; despite agreement in principle to aerial inspection, the Kremlin is highly allergic to aerial surveillance. Witness their strident protests over our so-called weather balloons of a few years ago.

In March 1956, long before the United States put its reconnaissance project (Pied Piper) on a highest-priority basis, Dr. I. M. Levitt, director of Philadelphia Fels Planetarium, predicted in March 1956 that there would be satellites with television transmitters by 1960. If the Pied Piper were given the same crash priority as our ICBM's our reconnaissance vehicles might be ready for use as a bargaining counter by the time discussion of a space agency was very far advanced. This would be a position of strength which not even parity in ICBM's would give us. As far as that goes we might use the Pied Piper project for bargaining even earlier in the negotiations if we took the tarpaulins off the project even before its completion—not, be it stressed, in another Operation Vanguard, but by direct revelation to the Russians. The day may be near when the best guaranty against aggression (calculated or miscalculated) will be mutual disclosure of all new wonder weapons, in being and in development.

It is just possible, of course, that the Soviet Union would cooperate without such inducement. Robert McKinney, United States permanent representative on the IAEA, said in Buffalo on December 11 that the U. S. S. R. has shown an apparent desire to work with the rest of the world in a spirit of cooperation in the peaceful development of atomic power. This experience may inspire it to join in establishing a twin agency in which the miraculous inventiveness of man may explore and exploit for peace the macrocosm of space as it now does the microcosm of the atom.

THE TRUCKEE-CARSON PROJECT, NEVADA—RESOLUTION OF JOINT CALIFORNIA-NEVADA INTERSTATE COMPACT COMMISSION

Mr. MALONE. Mr. President, I present for appropriate reference and ask unanimous consent to have printed in the RECORD a resolution adopted by the Joint California-Nevada Interstate Compact Commission urging that an appropriation be made for the fiscal year 1959 for the commencement of construction of the Washoe project, the greatest reclamation-power development in Nevada since Hoover Dam.

There being no objection, the resolution was referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

Whereas the Joint California-Nevada Interstate Compact Commission has had under consideration for some time the effect of the Washoe project, as authorized by the act of Congress approved August 1, 1956 (70 Stat. 775), upon the States of California and Nevada; and

Whereas said project will provide badly needed flood control, the conservation of water for consumptive purposes, the generation of electric power, and the enhancement of fish, wildlife, and recreational resources which will benefit both Nevada and California; and

Whereas the Joint California-Nevada Interstate Compact Commission has agreed upon recommended terms and conditions for inclusion in permits to appropriate water for said project which will protect the interests of both Nevada and California; and

Whereas the Joint California-Nevada Interstate Compact Commission has been informed that formation of the necessary organization for the repayment to the United States of the reimbursable costs of the said project has been realized: Now, therefore, be it

Resolved, That the Joint California-Nevada Interstate Compact Commission urges the Congress of the United States to appropriate sufficient funds for the immediate commencement of construction of the Washoe project for the fiscal year 1959; and be it further

Resolved, That copies of this resolution be transmitted to the respective Congressional delegations of Nevada and California for action thereon forthwith, and also to all interested Federal agencies and Congressional committees.

PROJECT WILL BENEFIT BOTH NEVADA AND CALIFORNIA

Mr. MALONE. Mr. President, in January 1955, I introduced proposed legislation providing for this project, which was later passed by Congress and signed by the President on August 1, 1956. In 1957 the project, which will cost an estimated $43,700,000 upon completion, was allocated $50,000 to begin initial planning stage work. The conservation of water through this project will result in benefits to both the States of California and Nevada.

The Carson-Truckee Water Conservancy District has been formed as required by the authorizing act and is now in a position to negotiate a contract with the United States Government for repayment of the reimbursable cost of constructing the project.

ALLOCATION OF ADEQUATE FUNDS THIS YEAR VITAL

It is important that sufficient funds be made available during the new fiscal year to allow the securing of rights-of-way, clearing of reservoir sites, construction of roads and trails, and preliminary construction of the Stampede-Calvada tunnel. The need for this project is particularly important with respect to flood-control facilities. The Reno-Sparks area and the Carson Valley area which will benefit from the project's construction are in the same emergency state as they were during the costly floods of 1950 and 1955.

FLOOD PREVENTION AND REEF REMOVAL SHOULD BEGIN QUICKLY

I think it is highly advisable that this project get underway as early as possible, and that sufficient funds be allocated this year to carry on reef removal and other flood-prevention work simultaneously on both the Truckee and Carson Rivers and I have introduced legislation to this effect.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD, a letter dated January 21, 1958, which I have received from Robert B. Bond, assistant secretary, Joint California-Nevada Interstate Compact Commission, presenting the resolution.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SACRAMENTO, CALIF.,
January 21, 1958.

Hon. GEORGE W. MALONE,
United States Senator, Senate Office Building, Washington, D. C.

DEAR SENATOR MALONE: At the direction of the Joint California-Nevada Interstate Compact Commission, there is hereby transmitted to you the attached resolution urging appropriation of sufficient funds by the Congress to permit immediate commencement of construction of the Washoe reclamation project during fiscal year 1959.

This resolution was adopted by the joint commission at its January 16, 1958, meeting held in Reno, Nev. Copies are also being transmitted to the other members of the Congressional delegations from the States of California and Nevada, as well as to the interested Congressional committees and interested Federal agencies.

Very truly yours,

ROBERT B. BOND,
Assistant Secretary, Joint California-Nevada Interstate Compact Commission.

LAW AUTHORIZING PROJECT CITED

Mr. MALONE. Mr. President, I ask unanimous consent to have printed at this point in the RECORD sections 1 and 5 of Public Law 858, 84th Congress, the act which authorized the project. It was Senate bill 497. It appears in chapter 809 of the second session.

There being no objection, sections 1 and 5 were ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That, for the purposes of furnishing water for the irrigation of approximately 50,000 acres of land in the Carson and Truckee River Basins, Nev. and Calif., providing drainage service to approximately 31,000 acres of land therein, firming the existing water supplies of lands under the Truckee River storage project and the Newlands project, controlling floods, providing hydroelectric power, development of fish and wildlife resources, and for other beneficial purposes, the Secretary of the Interior is authorized to construct, operate, and maintain the Washoe reclamation project consisting of two principal reservoirs at the Stampede and Watasheamu sites, together with other necessary works for the impounding, diversion, and the delivery of water, the generation and transmission of hydroelectric power, and the drainage of lands. The dam at the Stampede site shall be so constructed as to permit its ultimate enlargement to a height at which the reservoir will have a capacity of approximately 175,000 acre-feet.

SEC. 5. There is hereby authorized to be appropriated for construction of the Washoe reclamation project the sum of $43,700,000 plus such amounts, if any, as may be required by reason of changes in construction costs as indicated by engineering cost indexes applicable to the types of construction involved therein and, in addition thereto, such sums as may be required to operate and maintain the project: *Provided*, That the appropriation of funds for the construction,

operation, or maintenance of facilities authorized by section 4 of this act shall not be from the reclamation fund.

Approved August 1, 1956.

MALONE BILL S. 38 WOULD AUTHORIZE ADDITIONAL FUNDS FOR PROJECT

Mr. MALONE. Mr. President, I have introduced Senate bill 38, which would authorize additional appropriations for river improvements on the Carson and Truckee Rivers. The estimated cost for improvements on the Truckee River is $4 million, and the estimated cost for improvements on the Carson River is $2,500,000. I ask unanimous consent that the bill, which is now pending in the Committee on Public Works, be printed at this point in the RECORD.

TEXT OF S. 38

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the project for flood protection on the Truckee River tributaries, California and Nevada, as authorized, is amended to provide for flood protection and channel improvements on the Truckee and Carson Rivers as may be necessary to provide for adequate flood protection in the area of such rivers. Such improvements shall be prosecuted under the direction of the Secretary of the Army and supervision of the Chief of Engineers at an estimated cost of $4 million for improvements on the Truckee River and $2.5 million for improvements on the Carson River.

SEC. 2. There are authorized to be appropriated such amounts as may be necessary to carry out the provisions of this act.

EXPENDITURES FOR IRRIGATION AND RECLAMATION TO BE REPAID OUT OF BENEFITS

Mr. MALONE. Mr. President, this project was authorized in 1957, in accordance with principles long adopted by Congress. In other words, a certain portion of the entire $44½ million will be allocated to reclamation and irrigation, to be repaid over a definite amortization period, and to be underwritten completely by the Carson-Truckee Water Conservation District, which is now formed, before the project starts. The amount is to be repaid without interest.

OTHER PUBLIC BENEFITS NOT REIMBURSABLE

The amount allocated to flood control, which is relatively small, is to be allocated in accordance with the principle long adopted on the Mississippi, Ohio, and other rivers, the rights-of-way to be purchased by local interests, but the money to be allocated and expended for flood control not to be repaid.

Also, improvements made for the benefit of fish and game are to be written off. They are very small amounts, but any improvements in the stream for the benefit of fish and game will be a part of the public expenditure.

The amount of money allocated to commercial projects, including powerplants, is to be repaid with interest, and will be underwritten before the money is expended on the project.

LETTER FROM CHAIRMAN OF USERS COMMITTEE REPRINTED

Mr. President, I ask unanimous consent that a letter dated January 27, 1958, written to me by George G. Devore, chairman of the Truckee-Carson Water Users Committee, be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

TRUCKEE-CARSON
WATER USERS COMMITTEE,
Reno, Nev., January 27, 1958.

Senator GEORGE W. MALONE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MALONE: It is important that an appropriation for the commencement of construction of the Washoe project be made for the fiscal year 1959 and your valuable assistance is requested.

As you know, this project was authorized in 1956 and the only money made available so far for the project has been for plans and specifications.

The Carson-Truckee Water Conservancy District has been formed as required by the authorization act for the Washoe project and is in a position to negotiate a contract with the United States for repayment of the reimbursable costs of constructing the project. While no doubt these negotiations will take some time to work out the details of the repayment contract, there does not seem to be any points upon which the local agencies and the Bureau of Reclamation are not in basic agreement.

An appropriation at this time sufficient to allow the securing of rights-of-way, clearing of reservoir sites, construction of roads and trails, and preliminary construction of the Stampede-Calvada Tunnel in an amount not to exceed $1 million would probably advance the time of completion of the project by at least 1 year.

The need for this project is urgent, especially with regard to flood-prevention facilities. The Reno-Sparks area and the Carson Valley area are under the same emergency conditions as they were during the floods of 1950 and 1955. In this connection it is believed advisable that the project work, particularly the part relating to flood control, should begin on both the Truckee and Carson Rivers simultaneously in order to relieve this emergency condition.

The Washoe authorization act provided for storage on the Truckee River for the protection and enhancement of fish and fisheries. The United States Bureau of Reclamation has completed studies on this phase of the project and have determined that a reservoir for this purpose and also for flood control should be located on Prosser Creek. This feature, of course, adds greatly to the recreational value of the project, will improve existing fisheries, and provide additional flood control under the authorization act.

You have no doubt received a copy of the resolution by the Joint California-Nevada Interstate Compact Commission urging an appropriation for the Washoe project. It is apparent to both States that the conservation of water through this project will result in benefits to the entire area regardless of the State line.

In view of the fact that the conservancy district is organized and are in a position to begin negotiations of the repayment contract, and that the need of the benefits of the Washoe project is urgent, we respectfully request the aid of your good offices in obtaining an appropriation which will allow construction to begin during the fiscal year 1959.

Yours very truly,
GEO. G. DEVORE, *Chairman.*

THE LATE SENATOR JOHN P. JONES, OF NEVADA

Mr. MALONE. Mr. President, I have listened with considerable interest to the concern expressed by the distinguished Senators from Minnesota [Mr. HUMPHREY] and Alabama [Mr. SPARKMAN] with regard to the coming depression, or the actual depression which is with us now. However, I did not hear them discuss the complete and free import of cheap-labor goods into this country for the last 24 or 25 years, which started in 1934 under the distinguished administration of Mr. Roosevelt, was carried through the Truman administration, and is now being carried on by the Eisenhower administration, the only free-trade Republican administrations we have had in 100 years of recorded history.

FREE IMPORTS THREATEN UNITED STATES INDUSTRIES, LABOR

I might say to those distinguished Senators that the machine tools and textiles and mining and livestock and the 5,000 other products of this country and the working men and women who produced them are seriously threatened by those free imports. On top of all that we now have the prospect of the distinguished Eric Johnston moving in with his Coxey's Army of six or seven hundred employees, trying to intimidate Congress to extend the very thing that is destroying the United States of America, namely, the policy of easy imports of the products of $2 labor and 50-cent-a-day labor, with the help of American capital, which is encouraged to go abroad to build their plants and then ship their products into the United States.

It does not make very much sense; but then the Senate reached that point long ago.

NEVADA'S SENATOR JOHN P. JONES WARNED AGAINST DESTRUCTION OF NATION'S ECONOMY

Mr. President, we will have more debate on this important question in the days to come. In the meantime I wish to direct the Senators' attention to the remarks which I intend to make with reference to a very distinguished former Senator from Nevada, the late Senator John P. Jones, who served five terms in the Senate and was the only other Senator from Nevada except myself to serve on the Committee on Finance.

Former Senator Jones had a great deal to say about the destruction of the economy of our country by the very thing the senior Senator from Nevada has directed attention to.

SENATOR JOHN P. JONES, GREAT WESTERN STATESMAN AND PATRIOT

Mr. President, this week marks the 129th anniversary of the birth of one of Nevada's most distinguished citizens, one of the West's most eminent statesmen, and one of the Nation's great patriots and defenders of the national economy. I refer to the late Senator John P. Jones, who served with great distinction in this body for five consecutive terms, from March 4, 1873, to March 3, 1903. Doubtless he would have been elected to a sixth term, had he not, at the age of 74, preferred to resume business and mining activities in his State and decline to be considered for reelection.

JOHN P. JONES AN AUTHORITY ON FOREIGN TRADE AND NATIONAL ECONOMY

Senator Jones was a Republican. It is particularly apropos that the speech

of Senator Jones, from which I am about to quote at some length, be referred to this week. Last Monday was the 129th anniversary of his birth.

The speech by Senator Jones was particularly directed to foreign trade and the national economy in relation to foreign nations. He was recognized as an authority on this subject, having made two trips to England to study economic conditions there at some length.

SENATOR JONES' POSITION ON FOREIGN TRADE PERTINENT TO PRESENT ADMINISTRATION POLICY

Today it is most apropos for us to bear in mind the position taken by Senator Jones, now that we have been confronted, just this week, with a request which the President, through Secretary Weeks, has sent to the Congress. Incidentally, let me say that in private life, Secretary Weeks was in a business in which he could not have lived for 30 days without the existence of an adequate duty or tariff to make up for the difference between the wages and cost of doing business in the United States and the wages and cost of doing business in the chief competitive nations, in the case of products Mr. Weeks manufactured.

ABRAHAM LINCOLN A SUPPORTER OF PROTECTION

Now the President has requested a five-year extension of the 1934 Trade Agreements Act, as extended to June 1958. Again I say that the present administration is the first free-import administration the Republicans have ever had in the nearly 100 years of their history, beginning with Abraham Lincoln.

Mr. President, Senator Jones' two-volume report on the monetary systems of the 21 leading nations of the world—Senate Report No. 703, 44th Congress, 2d session—still is considered a classic source by students of that important and complex subject.

NEVADA SENATOR URGES COLLEAGUES TO READ FULL TEXT OF SENATOR JONES' FAMOUS SPEECH

The time of the Senate, Mr. President, and the limitations of the CONGRESSIONAL RECORD scarcely permit me to include the full text of Senator Jones' famous speech of September 10, 1890, on Protection of the National Economy, although I sincerely believe that many of my distinguished colleagues would find it enlightening and stimulating reading. However, it is 30 pages long—in those times considered no extraordinary length in discussing so vital a subject dealing with the Nation's strength and welfare.

The present senior Senator from Nevada, will, therefore, be content to read excerpts from Senator Jones' address, hopeful that many of his colleagues in Congress, and also those officials in the executive branch who shape economic policy, might feel impelled to look over the complete text of this great Senator's remarks, which are, of course, available in the Library of Congress and in our own Senate Library.

FREE TRADE VERSUS PROTECTION—THEME OF GREAT 1890 SPEECH

The theme of one of his greatest speeches on the Senate floor, made on September 10, 1890, was on this very subject of free trade—free imports versus protection of the American workingmen's jobs and investors' investments.

Mr. President, Senator Jones, speaking from this Senate floor on that historic occasion, gave us the words of wisdom that have been proven correct on every occasion in history when the free import advocates prevailed in Congress.

He said, for example, that:

Free trade brings us the watch, protection brings the watchmaker.

Free trade brings the machine, protection brings the machinist.

Free trade brings the engine, protection the engineer.

Having the art—

He further said—

We shall not want for the article. Possessing the producer, we shall not want for the product. Between them who shall hesitate as to which is the more valuable to the country? Men found communities, machines do not; men constitute a society, machines do not.

Mr. President, the free imports advocates, supported by the low-wage foreign nations, work around the clock.

In 1934 they were able to pass the Trade Agreements Act—so-called reciprocal trade—as an emergency measure for 3 years. This act has been periodically extended, until it now expires in June of this year.

THE PINCERS MOVEMENT TO DESTROY AMERICA

But, Mr. President, that is not all. There has been developed a pincers movement to destroyed the economic and social structure of this Nation, of which the free imports act is only one part.

The following major moves were methodically made to accomplish the purpose:

First. In 1933 Congress took this Nation off the gold standard, thus removing the only stabilizing anchor that our money ever had. Uncontrolled inflation was the inevitable result.

Second. The 1934 Trade Agreements Act—so-called reciprocal trade—transferred the constitutional responsibility of the Congress to regulate foreign trade through the adjustment of the duty or tariff on imports to the executive, with the power to transfer that responsibility to foreign competitive nations at Geneva, Switzerland, which he did in 1947.

Third. The billions of dollars to Europe and Asia, about $70 billion since World War II, beginning with the $3¾ billion to England in 1946, the Marshall plan in 1948, and successive plans.

Fourth. Four official organizations largely financed by this Nation were created for the sole purpose of promoting American investments in foreign countries to utilize cheap foreign labor in the production of goods to send to America under the free imports act.

The organizations include: The Import-Export Bank; the International Bank; the International Monetary Fund, organized, by the way, by Mr. Harry Dexter White; and the International Finance Corporation.

Mr. President, only one of these moves are placed before the Congress at a time. Never are they mentioned together so that it can be called a coordinated plan.

UNITED STATES ONLY NATION REFUSING TO PROTECT ITS OWN PRODUCERS

Mr. President, we are the only Nation in the world today that does not protect the jobs of its workingmen, or the investments, or those who invest their money in America.

Mr. President, there are two gimmicks involved in this matter. One was brought about when the 1934 Trade Agreements Act transferred the constitutional responsibility of Congress to regulate and to adjust duties, imposts, and excises on imports, so-called tariffs, to the President, so that the teeth of the Tariff Commission were pulled. The Commission has no more authority over that matter than has the man in the street. All the Commission can do is make recommendations to the President.

DULLES' TESIMONY CITED

Testimony by Mr. Dulles before the Finance Committee, brought out by my questioning, was that, if the President believes that through the sacrifice of a part of or an entire industry, whether textiles, machine tools, livestock, or whatever industry it is, he can further this Government's foreign policy in securing agreements and treaties, then he may do that.

Never in the history of the United States has such a proposal even been suggested, nor has such a proposal ever been put through the Congress.

Secretary Dulles also testified that, through the 1934 Trade Agreements Act, the President had full authority to transfer this authority to Geneva, Switzerland, under the auspices of 36 competitive foreign nations, organized as the International General Agreement on Tariffs and Trades, or GATT.

GATT

These contracting parties, as they are called in GATT, through multilateral agreements, are chopping up our world markets, and dividing the pieces among themselves.

Secretary Dulles said that the President had full power under the 1934 Trades Agreements Act to transfer this authority to GATT. However, the gimmick is that when those 36 foreign nations make an agreement—we are one of the 37 nations in that organization, with one vote—which results in lowering some of our most important tariffs on very important products, while those nations may agree in turn to lower a tariff on a certain product, they do not have to live up to that agreement if they are short in dollar balances; and they seem to have no difficulty in finding themselves short in dollar balances, whatever the amount we may grant or loan them in foreign aid.

SENATOR JONES ONE OF NATION'S GREAT CHAMPIONS OF ECONOMIC INDEPENDENCE

Senator Jones, who died on November 27, 1912, at the age of 83, in my opinion, Mr. President, ranks with William McKinley, Henry Clay, and Henry Baldwin, of Pennsylvania, later to become a Supreme Court Justice, among the many illustrious champions in Congress of economic independence and national self-sufficiency. His speech of September 10, 1890, on this floor, on the so-called

McKinley tariff, is one of the classic dissertations on the issues involved in the century-old issue of free imports versus protection.

Senator Jones was an advocate of protection for American industries, labor, agriculture, mining, manufacturing, and our American institutions. Of Welsh ancestry, born in England but brought to America in his infancy during a British depression, he had made a vast study of European economic history, that of England, and that of our own Republic, and the repeated efforts of Great Britain to determine America's destiny and her trade policies.

SENATOR, AS YOUTH, SAILED OWN VESSEL AROUND HORN TO CALIFORNIA

As a youth, John P. Jones attended the public schools of Cleveland, Ohio. Then, with several other young men, he obtained a small vessel, sailed it down the St. Lawrence to the Atlantic and around the Horn to California. For a number of years he mined and farmed in Trinity County, Calif. Citizens of that county elected him first as sheriff, then as their State senator, where he served from 1863 to 1867. In 1868 he moved to Gold Hill, Nev., where—and I quote from his biography:

He engaged in the development of the mineral resources of that State. The State of Nevada.

JONES HEADED CONGRESSIONAL MONETARY INQUIRY OF 44TH CONGRESS

Nevadans first elected him to the United States Senate in 1873. An acknowledged authority on monetary metals and national finance, he served on the Finance, Mining, and Commerce Committees of the Senate, and as chairman of the Joint Monetary Commission organized under a joint resolution of Congress in 1876, and in that connection he made two trips to Europe during the 44th Congress to study European finance and economy.

And such was the confidence of the Senate in his ability that he was appointed to head the committee to audit and control the expenses of the Senate in the 47th, 48th, 49th, 54th, and 55th sessions of Congress.

PROTECTIVE TARIFF LIFTED NATION OUT OF DEPRESSION

Incidentally, Mr. President, the McKinley tariff of 1890 was adopted. It was protective in nature, particularly so with respect to wool, textiles, cutlery, and agricultural products. Four years later, during the Cleveland administration, it was lowered, but in 1897, following a great depression, emphasized by that misguided action, it was raised again to represent the difference in wages and the cost of doing business here and abroad and under President William McKinley prosperity was restored.

This is not the time or occasion, Mr. President, for me to review history of our tariff laws, or the shifts in the economic status of our country that occurred concurrently with the changes from time to time in our foreign economic policy. At an appropriate time I may undertake to do so.

Today, the remainder of my remarks will be limited to the words of wisdom enunciated on this floor on September 10, 1890, by my distinguished predecessor, Senator John P. Jones of Nevada, and with only occasional interpolations relating his remarks to present circumstances and conditions.

SECURITY OF HOME MARKET, WELL-PAID LABOR, BEST ASSURANCE OF NATIONAL HEALTH AND POWER

Said Senator Jones in his historic address:

A country can have no source of power more enduring than a body of skilled and well-paid mechanics who, working and residing in centers or cities at short and convenient distances apart, spend their money in their own localities, and furnish the most certain, convenient, and profitable market for the products of agriculture.

I might say at this point, Mr. President, that our State Department has fostered for the last 20 years a bill which has nearly always been introduced in Congress—we have it for consideration now—which would appropriate the taxpayers' money to train the men who are put out of jobs by the free imports in other kinds of jobs, and to pay their fare to different areas. Nothing is said about what kinds of jobs will be available or what areas they will go to, because almost every area of the United States is affected in the same way.

STATE DEPARTMENT'S PROPOSED SOVIET-TYPE PLAN FOR NATION'S JOBLESS

Nevertheless, that is what the State Department proposes, and the only difference between that and the situation in Russia is that Russia does not need an act to do so. The Russians simply ship their employees wherever they want them to be, and if they have too many they can dispose of them. It does not make much difference to them. If we can get an act to do that, then the State Department can carry it out.

FREE TRADE BASED ON FALSE ASSUMPTION WE CAN CHEAT FOREIGN SUPPLIER

Mr. President, I should like to quote further from the words of Senator Jones, who said:

I lay it down as a fundamental maxim that the highest agricultural prosperity can never be reached except in countries which do their own work; in other words, in countries in which manufactures abound and in which the farms feed the factories. The law of orderly progress demands that a people shall develop all their powers. The aptitude of each will supplement the aptitudes of the others.

Further on in his address, Senator Jones said:

Free trade is based essentially on the idea, express or implied, that in trading with other nations we can cheat them in the trade—that in exchanging with foreigners we can secure an advantage over them, that in return for the products of 1 day's work of ours we can get the product of a day and half of theirs.

AMERICAN WAGE RATES 3 TO 10 TIMES ABOVE THOSE OF OTHER NATIONS

I might say, Mr. President, in the way of interpolation, the way it works out is that in the United States the wages are about 3½ to 10 times those of the foreign nations, so we do get several day's work for 1 day's work here, but our people live in houses with curtains, and carpets on the floor, and they pay taxes and they buy things, which is what creates a market here. There is never going to be a raise in the wages in the foreign countries until there is no chance to benefit from the low wages in the market.

WAGES IN FOREIGN COUNTRIES HELD TO BAREST MINIMUMS

Article I, section 8 of the Constitution gives Congress the power to regulate foreign trade. Until the day comes that we take the profit out of the low sweatshop wages at the water's edge there will be no fundamental change in the wages in the foreign countries, because the American investors are working with the investors of those countries, and they are running those countries through kings, queens, and dictators. By holding the wages down in those countries, using our machinery and know-how, then they can bring the products here and sell them for whatever the traffic will bear. The cost is based on the low wages, and the market price is whatever can be obtained.

FREE TRADE REDUCES AMERICAN JOBS—HOLDS WAGES OF BOTH OUR OWN AND FOREIGN LABOR DOWN

Mr. President, if those transactions were allowed to go under a tariff, to take the profit out of the products made with low wages, the first thing we would discover is that they would change the setup. They would say, "The party is over; we will go home and let our wages go up." And they would create a market of their own.

Mr. President, further as to the matter of beating foreign nations in trade, the distinguished Senator said:

This (the idea that we can cheat the foreigner in trade) is a delusive hope. With freedom of trade, equalization would soon take place. All the wealth we can have is what we produce, or its equivalent. In obtaining the equivalent, let us obtain it of our own people. Thus, to the extent that we are consumers of the things they make, we shall give them employment; and, in return, to the extent that they are the consumers of the things we make will they give us employment, thereby insuring an equilibrium in our industries, developing at home skillful artisans in every branch of industry, and dotting the country over with manufacturing establishments.

Free trade would banish those establishments and would exchange skilled mechanics for cheap doorknobs or cheap cutlery. It would reject the knowledge of useful arts in order to save for the moment a few cents a yard on woolen cloth or cotton ties, or a few cents a pound on tinplates.

Protection secures the arts and protects the artist. It transforms ignorance into knowledge, indifference into zeal, inertia into activity, impotence into power.

NATIONS MUST BUILD OWN STRENGTH AND PROSPERITY

I quote further from the address of Nevada's great pioneer statesmen and a distinguished predecessor:

If we wish to unfold and strengthen every energy of our people—cultivate our material resources, preserve our national strength and impregnability; if we are to maintain our place in the vanguard of nations; if we are to seek the satisfaction of intellectual and spiritual needs; if we yearn after the higher life, after the broadest development; if we aspire to the noblest use of our best faculties; then we must look for these, not in free trade (free imports), nor in any form of foreign trade, but in the development within our own country of the wide and varied

catalog of all the industries, all the sciences, all the arts that contribute to the happiness of man.

In none of this work would free trade aid or encourage us. On the contrary, its motto is to buy wherever it may buy cheapest today, without regard to the future, or to the country in which it buys. It is distinctly founded on individual selfishness. It looks only to the temporary advantage of the individual, and takes no thought of the future or for the community. The protective policy is founded on a higher form of selfishness, the selfishness of the Nation, which is but another name for patriotism.

SENATOR JONES' ANALYSIS OF FREE IMPORTS VERSUS PROTECTION IN TERMS OF MEN AND COMMUNITIES

Mr. President, on the policy of free trade I quote further from the distinguished Senator:

Free trade brings the watch, protection brings the watchmaker; free trade brings the machine, protection the machinist; free trade brings the engine, protection the engineer. Given the men we cannot lack for machines. Having the art, we shall not want for the article. Possessing the producer, we shall not want for the product. Between them who shall hesitate as to which is the more valuable to the country? Men found communities, machines do not: men constitute a society, machines do not.

The policy of free trade involves a contradiction not readily reconcilable with the genesis of the Republic. Among the causes that led to the Declaration of Independence was the fact that Great Britain would not permit us to do our own work. No source of difference between the mother country and the colonies was more offensive and repugnant to the sense of reason than the denial of the right to the colonists to set up their own manufactures.

COLONIAL POLICY "BUY CHEAP AND SELL DEAR"

Mr. President, all the colonial possessions of the world were founded by greedy mother countries which forced raw materials to come to them as cheaply as possible, held down wages and costs of processing and manufacturing the material, and forced the colonies to buy back the finished products, not allowing them to have any manufactures at all.

The remainder of my remarks will be limited to calling attention to the wisdom enunciated on September 10, 1890, by my distinguished predecessor, Senator John P. Jones of Nevada, with only occasional interpolations. I quote:

All the force of law and of official discouragement was brought to bear to repress the spirit of enterprise on the new continent and to force its people to remain forever in a condition no less of industrial than of political dependence upon the mother country.

It was our market rather than our country that Great Britain prized. Our voluntary adoption of an economic policy which would now give that market to Great Britain or any other country would defeat one of the principal objects of the founders of the Republic.

AMERICAN MARKET STILL TARGET OF FOREIGN TRADING NATIONS

Mr. President, it is still our market that Great Britain prizes. It is the American market that all nations with whom we trade prize. It is the market that the 36 foreign members of GATT prize, and which our State Department has, in large measure, given them. It is our market that the State Department now wishes to give more of to these GATT nations. It is our market that the supporters of the 1934 Trade Agreements Act gave them in large measure, and the market that has been given them in progressively larger measure, in each of the successive extensions of that act.

INDUSTRIAL INDEPENDENCE NECESSARY FOR POLITICAL INDEPENDENCE

Quoting further from Senator Jones:

In order that this Republic may become fully independent it must become not merely politically, but also industrially independent: For, broadly considered, political freedom is not so much an end as a means; it is not a goal, but a starting point. In the presence of false industrial and economic systems political freedom cannot avail.

To be independent in the true and full sense a nation must become self-sustaining. Its work must be done by its own people on its own soil. In the means of livelihood of its citizens it must be independent of all the world. It should not leave them to the shifting, uncertain, and antagonistic policies of foreign governments.

NATION'S INDUSTRIES, LABOR, PROTECTED WHEN CONGRESS REGULATED TARIFFS

Mr. President, that is both sound philosophy and plain, practical, commonsense. When Senator Jones uttered those words we were on the high road to attaining that goal.

Congress regulated the tariff. Tariff adjustments up or down, to represent the difference in the effective wages and costs of doing business here and in the chief competing country with respect to each product, were made by the Congress, and later by its agent, the Tariff Commission.

Tariff adjustments and foreign-trade regulation then, and for 44 years thereafter, were exclusively the prerogative of Congress, as directed by the Constitution, article I, section 8, and not those of "shifting, uncertain, and antagonistic foreign governments," to repeat the phraseology of my distinguished Nevada predecessor.

THIRTY-SIX FOREIGN NATIONS NOW PARTICIPATE IN SHAPING OUR FOREIGN-TRADE POLICIES

Today the situation is precisely reversed. Our tariff and foreign-trade policies are made, not by ourselves but by 36 foreign nations, each with one vote, devising and maneuvering our foreign-trade policy at sessions of GATT, the so-called General Agreement on Tariffs and Trade, meeting at Geneva, Switzerland.

At 12 separate sessions, since 1947, delegates to GATT have adroitly schemed ways to divide our wealth and markets with countries, commonwealths, and colonies around the world, and to their conclusions and their policies our State Department has rapturously concurred.

This, Mr. President, is not independence. It is not economic independence, industrial independence, moral independence or political independence. It is subjecting our citizens to the purpose and whim of 36 "shifting, uncertain, and, frequently, covert if not openly antagonistic foreign governments."

DEPENDENCE ON FOREIGN NATIONS

When we become dependent upon a foreign nation for something without which we cannot fight, especially something outside the hemisphere and across a major ocean, we can be blackmailed in peacetime into further agreements and business treaties, and in wartime compelled to do anything foreign nations wish us to do, because during wartime we cannot obtain the materials.

SELF-SUFFICENCY NATIONS BEST SECURITY

That is precisely what Nevada's great statesman, John P. Jones, warned against. Senator Jones said further:

No nation can enjoy to the full extent the luxuries, conveniences, and comforts of civilization whose people do not produce them. Such things can not be permanently produced by exchange. If a nation would have them it must create them. This consideration should impel every nation of wide territorial extent to be self-sustaining. Exchange will for a time supplement our deficiencies, but, if for want of practical knowledge of the arts our skill decline, our exchange power will also decline.

UNITED STATES DISARMS ITS ECONOMY WHILE OTHER COUNTRIES PROTECT THEIRS

Mr. President, there was a time when our scientific, technical and industrial skills were the amazement of the world. In many fields we stood virtually alone, self-sufficient for any eventuality. Now in an age of ballistic missiles, sputniks, and potential space warfare we find ourselves faced both by a mortal enemy and by determined competition in all these fields in which only a few brief years ago we were incontestably superior. Every other great power, including Russia, encourages incentive by a policy of protection. Under our free trade—free import—policy of the past 23 years we have permitted much of industry, know-how and scientific incentive to decline here and to be removed to Europe and Asia.

AMERICA TO ALLIES TO RUSSIA, TODAY'S DOUBLE PLAY IN TRADE

It should not come as a great surprise to anyone when Russia surpasses us in any field, because Russia obtains everything we develop in our laboratories within 30 days, if she wants it. Some great American or foreigner will pick up his little briefcase and go to Russia. England and all the nations of Europe recognized Communist China and traded with her during the Korean war. Everything we send to European nations is available to Russia within 30 days.

Now it is proposed that we give our European friends all our secrets. I think we might as well put them in the airmail, special delivery, and send them direct to Mr. Khrushchev, as to send them to Europe.

NATION CALLS FOR RESTORATION OF FORMER SUPERIORITY IN SCIENCE SKILLS

Many voices throughout the Nation, Mr. President, are demanding that somehow, some way, we restore the superiority in the arts and skills which we possessed such a short while ago, and my voice joins them.

Many voices demand that we increase the products of these skills so necessary for our survival, and my voice joins them. You will find both of these approaches strongly advocated in Senate Report No. 1627 of the 83d Congress, the report of the Senate Subcommittee on Minerals, Materials, and Fuels Economics on the accessibility of strategic and critical materials to the United States in time of war and for our expanding economy.

Mr. President, I directed that report. Senators will find in that report testimony by eminent military authorities

and technical experts on the dangers that this country faces from a ruthlessly determined foreign power, and a warning against the serious decline in the number of technical graduates, supported by statistics.

FREE IMPORTS OF CHEAP FOODS DETER DEVELOPMENT OF OUR ARTS AND SKILLS

We do not create technical knowledge and skills through free imports of cheap labor goods in competition with our own workingmen and investors.

We certainly cannot do it by substituting foreign production and the product of foreign skills for our own, which is the objective of free trade, free imports and free traders.

As Senator Jones said in his speech on this floor:

To secure the largest achievement, manufacturers must not only be varied and generally dispersed throughout the country, but it is indispensable that they be long continued. The young of each generation must live in the presence of work and in the atmosphere of production. They must be accustomed to the hum of industry.

PROTECTION INVENTS MACHINES AND DEVELOPS MEN

Improvements in machinery—

And he could have addressed himself as well to improvements in science or military weapons—

are affected by those in daily association with it: who see and study it at rest and in motion; who occupy themselves in noting the harmony and proportion of its parts and their adaptability to the functions to which they are designed; who reflect upon the symmetry or the aberrations of its movements and discuss its merits and defects in detail with their fellows. This process awakens thought and arouses ambition.

It invents machines and develops men.

FOUNDING FATHERS PROVIDED FOR NATION'S ECONOMIC DEFENSE

Senator John P. Jones, of Nevada, said further:

It is the inherent right of a nation to defend its life. The clear-sighted men who drafted our Constitution needed no instruction in that regard. In the preamble to that instrument they declare the purpose of its formation in the following words:

"We, the people of the United States, in order to form a more perfect Union, establish justice, insure domestic tranquility, provide for the common defense, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity, do ordain and establish this Constitution for the United States of America."

In article I, section 8, the Constitution provides that:

"The Congress shall have power to lay and collect taxes, duties, imposts and excises, to pay the debts and provide for the common defense and general welfare."

What the opponents of a protective tariff assert is, not that Congress may not levy duties, but that it has no power to levy duties for the purpose of protection, or duties that shall be protective in character.

If Congress has not now the power to levy such duties it never had such power. In that case, the Members of the First Congress that met under the Constitution were surprisingly ignorant of the intentions of the framers of that instrument, for the preamble to the first tariff bill, passed July 4, 1789, reads as follows:

"Whereas it is necessary for the support of the Government, the discharge of the debts of the United States, and the encouragement and protection of manufacturers that duties be laid on goods, wares, and merchandise imported."

DEPENDENCE ON FOREIGN COUNTRIES NEVER CONTEMPLATED IN CONSTITUTION

These very instruments, Senator Jones observed, controvert the thesis that the framers of the Constitution intended that this country should never supply its own wants—should be forever dependent upon foreign countries for the simplest manufactured articles.

Senator Jones continued:

A nation that does not perform its own work and possess in the body of its citizenship the mental as well as physical force wherewith to carry on every process of industry, from the production of raw materials to the last state of its development and transformation, will be the helpless prey of national marauders.

Without mechanical and manufacturing resources and capacity, no people can maintain prosperity and independence. Any nation that desired the mastership of the world could achieve supremacy without a blow if the other nations of the earth would permit it to become their manufacturer. They would become powerless against it in war, as they would be tributary to and dependent upon it in peace.

MEN WHO MAKE THE WEAPONS HAVE VITAL ROLE IN NATION'S SECURITY

Senator Jones a moment later in his address had a further observation on national defense, which in my opinion is as timely today as when he uttered it on the floor of this Chamber. He said:

Less and less as invention develops will success in war depend on the man who holds the weapon; more and more on the weapon itself and on the man who invented and constructs it. * * * Power has been shifted from the field to the factory; from muscles alone to the combination of muscle and mind. The armies that have not artisans at their back, that have not the latest produce of the ever-teeming brain and untiring hand of the alert and aspiring mechanic, may look well on paper and on dress parade, but they will not win battles. * * *

Is it not manifest that the most powerful of all means for promoting the common defense is the development and maintenance of the highest and most varied mechanical and inventive skill among our people? Had we a sufficient number of weapons of the latest design wherewith to arm every able-bodied man in the United States, these weapons, in the absence of skilled workmen and of large manufacturing establishments constantly at work would, in a short time, be completely worthless.

In order, then, that we may have, and constantly maintain in the highest degree of efficient training, a numerous body of men skilled in the mechanical arts, we must encourage the growth and development of extensive plants, not in one direction and in one department alone, not in one section of the Union, merely, but in all directions and departments of the arts, and in all sections of our common country. Such enterprises are not the spontaneous offerings of nature; they will not grow while we sleep, nor will they come without waiting, neither, for emergencies, can they be had by act of Congress.

FREE IMPORT POLICY WRECKING NATION'S DEFENSE POTENTIAL

Nor, may I interpolate, Mr. President, can they be created overnight by merely voting billions of dollars while mines, mills, and factories throughout many areas of the Nation are curtailing output or closing down because of the free import policy of our State Department and other nonmilitary agencies in our Government.

The avowed purpose of these agencies is to increase imports, either directly by removing tariffs or rendering them innocuous, or indirectly by encouraging or financing competing industries in foreign countries to produce a greater flow of imports and thus crush American industry and enterprise so vital to our defense.

THE REAL CAUSE OF OUR CURRENT UNEMPLOYMENT

What it does is to crush the workingmen and investors of America. That is what the Congress of the United States is debating. Senators rise on the floor of the Senate and complain of unemployment. Unemployment where? The mines are closed down. The machine-tool shops are closing down. Textile mills and factories are closing down. Why? Largely because of American investments abroad, encouraged by the four organizations I have already mentioned. We encourage them to take their money abroad and to use it to pay $2-per-day labor and 50-cents-a-day labor and $3.50 labor, to make the materials which are brought in and sold from our shelves.

All Senators have to do if they do not have the time to do so themselves, is to ask their wives to go downtown to the stores to see what those stores are selling. Many of their wives do it anyway, they do the shopping anyway. All they have to do is take a look at that little piece of crockery and turn it over and see that it is made in Japan, or Germany, or Scotland, where the wages are one-fifteenth, one-tenth, or one-fifth of the wages that are paid to American workers. Certainly they are not more than one-fifth of the wages paid right here in America.

STATE DEPARTMENT BILL WOULD TRAIN EXPERT ARTISANS AND CRAFTSMEN FOR MYTHICAL AND UNFAMILIAR JOBS

Then the State Department sends a bill to Congress to appropriate money with which to train the crockery workers who are thrown out of work, and the miners who are practically out of work, and the textile workers who are going out of work, as well as the machine-tool makers who are thrown out of work. The money is asked to be appropriated so that those people can be trained in new jobs.

What kind of jobs? It is impossible even to make monkey wrenches in the United States today, when it is necessary to pay $16 or $17 a day, as against American machinery and know-how in foreign countries, with $2 labor.

NATION'S ECONOMY NOW TIED TO DEFENSE PRODUCTION

So what do we do? We keep raising and raising expenditures for national defense. It is now up to $40 billion, and we continue to live in a war economy. Senators continue to vote for all those things, to send money abroad, to help build plants abroad. If we once stop appropriating money—and it is $40 billion a year now—within 60 days every workingman in America would be out on the street without a job.

All one need to do to verify that statement is to watch papers like the New York Times and the Herald Tribune and read what those papers say.

All those fine newspapers in the Atlantic States say, "We must appropriate money to keep the economy going."

DEPRESSION HERE NOT ON HORIZON

They are absolutely correct. The economy is gone. We are not getting a depression; we have a depression.

People talk about Roosevelt spending a great deal of money. He wanted $3.5 billion at one time. It nearly scared everybody to death. That was in 1934. Today he must be turning over in his grave, because he did not know where there was $40 billion to spend to keep the economy going.

People talk about sputniks. I do not blame the State Department for being scared by the sputniks. The State Department may not have known it, but everybody else knew that the Russians were ahead of us. I traveled extensively in Russia in 1955. I visited every one of the so-called socialist republics. I traveled behind the Ural Mountains. It is enough to discourage any engineer to see what the Russians have over there. I know Bulganin and Khrushchev. They were drinking their vulcanizing specials when I had already had stopped drinking the stuff, and I was therefore a little more sober at those parties. Finally they turned me loose, and I traveled throughout their country.

SENATOR'S WARNING ON RUSSIAN'S POTENTIAL RECALLED

After I returned in 1955, I said at least three times on the floor and many times off the floor that, first, Russia would become self-sufficient in war and peace within a reasonable time; second, that there would be no effective revolt inside Russia; third, that all the power in the Eastern Hemisphere was in Russia.

I said that the colonial system was as dead as Julius Caesar. I said so far as Spain was concerned, the Nevada air corps could defeat Spain. I said all that in 1955. All I saw in the newspapers about that was ridicule.

Suddenly, last fall, everyone tumbled to the fact that those three things I mentioned were true.

Why? Why, with a public relations outfit and with Mr. Dulles' secret service all over the world, did they not know the three things that I spoke about when I returned home in 1955? My little grandson, who is 8 years old, knew them. Not only should these people be fired, but they should never be allowed in any office in the United States Government.

SECRETARY OF STATE FOLLOWING PREDECESSORS' POLICIES

Of course they knew it. There is that great Secretary of State who sat on the Senate floor a year and a half or so, after taking the late Senator Wagner's place in the Senate, and he sat in the Senate and voted for everything the other administration wanted. When he was not reelected, he went to work for Acheson and carried on everything that Acheson started.

Every once in a while Acheson cuts loose in the papers, but the only thing one can say about Dulles is that he is carrying through everything that Acheson had started. The Republican administration is carrying on everything the Truman administration and the Roosevelt administration started.

So far as the majority complaining about what is being done, for 20 long years, the majority instigated the very things that we are doing now.

The trouble is it is unbelievable to many people what is happening and what has been done in the last 25 years. If they did know, and finally became convinced of what was going on, I believe they would move on Washington and not even wait for an election.

Mr. President, I continue with my remarks.

Adding insult to injury, the American taxpayer is being compelled to finance the destruction of his own prosperity.

THE INCONSISTENCY OF PRESENT ADMINISTRATION POLICY

There is a great inconsistency, it seems to me, Mr. President, in the program presently advanced by the administration.

On the one hand it calls for an advance and expansion in our military hardware, and that I am certainly for. Time and again on this floor, and in my talks around the country, I have advocated a great expansion of our air strength, and especially in that of supersonic warplanes and in guided missiles. I have presented motions and amendments on the floor to this effect, and I have protested cutbacks made by two administrations in programs for which Senators and Congressmen, including myself, voted adequate appropriations.

For years I have urged that we expend on advanced air power the billions which we have been squandering on foreign aid, and some of you may recall my motion to that effect during debate on a previous foreign-aid bill. In brief, I have long supported increased military armament, and I am happy that the administration now shares the same views in this respect. I have great confidence in the President and his administration in this field.

But while calling for military armament on the one hand, the nonmilitary section of our executive branch is calling for economic disarmament on the other.

MILITARY ARMAMENT, BUT ECONOMIC DISARMAMENT, GOAL OF MANY AGENCIES

They are calling for disarmament of a large portion of our Nation's extractive and productive powers, and the substitution of foreign goods produced in foreign mines, mills and plants by foreign workers for American products produced in American plants by American workers.

They wish to push the Nation further and further during the next 5 years toward the brink of complete free trade, so that more and more foreign raw materials and more and more foreign manufactured goods—metals, textiles, electrical products, precision instruments and I could name a hundred other products—may pour into this country to flood our markets and supplant our miners, millhands, artisans and mechanics.

FREE IMPORT AIM IS TO GIVE UNITED STATES MARKETS TO FOREIGNERS

Why? Because our European friends, just as they did in 1776 and throughout the existence of this Republic, want our markets, and our State Department for the past 22 years has believed that in the interest of our foreign relations our markets should be given to them.

This Nation fought 2 wars to win our independence and for 158 years, or until 1934, our statesmen sought to preserve it. Since 1934 it has been progressively whittled away. Five more years of economic disarmament such as is now proposed, and where will we be? How much more of our independence will we have forfeited, and how much more will we be dependent on, and depend on, foreign nations for our survival?

Economic disarmament, in my opinion, Mr. President, would be more surely fatal to our independence and security than even our failure to properly rearm.

ECONOMIC DISARMAMENT A FATAL COURSE TO FOLLOW

Economic disarmament of the United States is precisely what Soviet Russia wants, what Red China wants, what the entire Communist world wants, and what, in addition, in my opinion, many of our trade competitors in the so-called free world also want, and which they have been striving for throughout our history. Economic disarmament of rival nations and peoples is what every predatory power has always wanted, but this is the first time in history that a country of free people have been advised by some of its officials in government to destroy or disarm their own economy, which is the object of our free import policy.

FREE TRADE HISTORICALLY IMPOSED BY FORCE

Free trade in the past, as Senator Jones pointed out, was only imposed on a people by force of arms employed by powerful aggressors against weaker nations.

Senator John P. Jones likened the free trader of modern times to the freebooters of the past. He said:

> The object of the freebooter was to get wealth without producing it, to get that which somebody else had earned, but to get it without giving an equivalent. In the early history of human endeavor wealth could be obtained only by direct and open plunder, by undisguised spoilation.
>
> This was the spoilation of the producers for the benefit of men who could not produce, and who despised the arts that led to production. It frequently culminated in the enslavement of the weak by the strong. Whenever circumstances gave prospect of constant employment to labor, the laborer was enslaved, and large bodies of men, the real producers of the world, were held in subjugation and hired out for wages paid to their masters, the consumers, that they might contribute to the ease and wealth of these consumers. Thus, we find that of a population of 120 million constituting the Roman Empire, 60 million were slaves, almost all of these being of the white race.
>
> Whenever the conditions were unfavorable for actual enslavement, the consumer and his regainers contented themselves with making periodical raids upon the producer and in a night depriving him of the hard earnings of industry. The free trader of that period was the warrior on land and the pirate at sea.
>
> Whether in the midnight raid of robber bands, the more warlike conflict of tribes, or the saiguinary encounters of armies, the ultimate object always was—unearned wealth. The opulence of the Orient excited the envy of Alexander, whose legions reveled in their ill-gotten booty. The riches of Gaul aroused the avarice of Caesar, and the spoils of the provinces, transported to Rome, long sup-

plied her proletariat with bread and circuses. The empire, in its turn, was sacked by barbarians. When, at its fall, society reverted to its earlier forms, the deadly foray and the predatory incursion became again, throughout Europe, leading instruments for the distribution of wealth among those who had not earned it.

On the decline of feudalism and the rise of modern nationalities, the pillage for the benefit of the aristocratic consumer was continued under a new guise. The work was invested with an air of philanthropy.

When Senator Jones made this speech, Mr. President, the term "foreign aid" had not yet been devised as an all inclusive label.

Barbarians were to be enlightened, and it became the self-imposed duty of the leading nations to secure at the mouth of the cannon, the privileges of freedom of trade with those barbarians. Civilization had to be extended, and with the aid of the resources of civilization, the terms of the trade were fixed by the one side for the benefit of both.

These resources, however, did not consist exclusively of implements of warfare. The aid of literature was invoked, and the world was flooded with books, which were translated into the principal language, attempting to prove that free trade was the panacea for all economic ills.

MODERN PATTERN OF FREE IMPORT PRESSURE BASED ON MANIPULATION OF PAPER MONEY

These words, Mr. President, are as true today as when Senator Jones uttered them two-thirds of a century ago. And the cure-all concept of free trade is as false today as it was characterized then by my distinguished predecessor from the State of Nevada.

I continue to quote from Senator Jones' speech.

In the progress of time having exhausted both physical and mental force in compelling or persuading the people of the world to accept free trade, and understanding the importance of money in its influence on the distribution of wealth, the free trade consumer secured a further share of the earnings of the producer by a skillful manipulation of the volume of money in the leading countries of the world, and by depriving of the money function the older, more useful, and more universal of the precious metals.

WATERFRONT BROKERS PRODUCED NO WEALTH

Mr. President, that is precisely the pattern of our foreign-trade freetraders today, and the pattern that these waterfront brokers and their bankers have followed for the past 23 years. None of them produce a single iota of the Nation's wealth. Yet by skillful propaganda, and by the aid of nonproducing bureaucrats, they have managed to dictate both the economy of the producing classes of this Nation, the farmer, the miner, the factory worker, the service producer and the housewife, but also the exchanging value of their paper money.

For 23 years successive administrations have been obsessed with the theory that our life, our economy, our wealth, and prosperity are dependent on our foreign trade. From some of the publications of the Commerce and State Departments it would seem that nothing else matters; we must encourage more imports.

TURN NATION INTO DUMPING GROUND FOR IMPORTS IS OBJECTIVE OF TODAY'S FREE-TRADE PROGRAM

We must turn this great Nation into a dumping ground for all the wares of Europe and the Orient, good products, poor products, junk and shoddy, it does not matter just so foreign stuffs clog our markets. Whatever the object of our Founding Fathers may have been, and that object is well defined, as Senator Jones pointed out, in the preamble to our Constitution, the policy of our leaders and department heads is—more foreign trade and freer imports.

What if our mines do close down throwing thousands of miners out of work or on part time? What if our textile mills, or scores of other plants and factories, have to shutter, bringing distress to whole communities? What if American jobs are given to coolie, peon, and sweatshop foreign labor and the products of this cheap labor do supplant those of American workers in our markets? All in the interests of foreign trade, say our free-trade planners.

Now foreign trade is not all bad, and it is definitely not all good. I take the position that trade which brings distress to American workers and communities and restricts the development and advancement of American industries, or which lessens our national defense capacities is detrimental to the Nation. I have never objected to foreign trade conducted on a basis of fair and equal competition for our own markets. In other words I draw a distinction between sound foreign trade and destructive foreign trade, which our State Department and its free-trade champions do not. To them all foreign trade is wonderful.

ABRAHAM LINCOLN QUOTED ON FOREIGN TRADE

Abraham Lincoln perhaps expressed the distinction between useful and nonuseful foreign trade in the clearest terms when he observed, and I quote:

If I be asked whether I would destroy all commerce, I answer: "Certainly not"—I would continue it where it is necessary and discontinue it where it is not. An instance: I would continue commerce so far as it is employed in bringing us coffee, and I would discontinue it so far as it is employed in bringing us cotton goods.

The free traders want it continued and expanded to include everything and to import everything on a free-trade basis.

Only 2 months ago a New York picture magazine of immense circulation whose editor has long been dedicated to international causes, published an editorial titled "A Proposal for a 'Giant Step'" which turns out to be a proposal for complete free trade.

Fortunately the free world has been enjoying a long boom, sparked largely by free enterprise the editorial reads in part. But this boom now threatens to dwindle before it has even begun to satisfy the world's unfilled need for trade and investment. Nor has the United States, the supposed headquarters of free enterprise, done nearly what it should to stimulate this boom toward its incredibly greater potential. A defensive United States trade policy represents a failure of leadership. The challenge to us now is to take a giant step and put our trade policy on the offensive. For that, the time is riper than ever.

This step is to adopt the policy of complete free trade.

Now complete, according to my Webster, means entire—with no part, item, or element lacking.

FREE TRADE GOAL NOW WOULD EMBRACE FOREIGN FARM AND DAIRY PRODUCTS

Complete free trade, which this magazine calls for, would mean unrestricted imports of foreign cotton, wheat, oats, rye, barley, peanuts, butter, cheese, and other dairy products. Imports of these foreign-farm commodities are properly restricted under section 22 of the Agricultural Adjustment Act.

It would mean also unrestricted and tariff-free imports of foreign sugars, tobacco, citrus fruits, wool, seeds, and many other foreign-farm products imports of which are now limited by other laws or regulations.

A GIANT STEP TO RUIN

Complete free trade, advocated in such glowing terms by this magazine, would indeed be, as it's editorial states, "a giant step." It would be a giant step toward the complete and final ruin of American agriculture, in the same manner that many American manufacturing industries are being ruined by the partial free-trade program, inaugurated in 1934 and continued since, from which only agriculture, to its good fortune, has escaped. Now, in one "giant step," it is proposed to include agriculture.

I am not surprised.

There are always elements in countries who appear willing to sacrifice agriculture, industry, energy, and independence to the chimera of foreign trade.

When the free-trade movement originated in England, it was aimed specifically at agriculture. The farmers of Britain were its first target. Adoption of free trade, as it applied to agriculture, was accomplished in 1846. Free trade thus accomplished its initial objective, the ruin of Britain's farmers. By depressing farm prices, which it did, Britain's statesmen of the free-trade school also hoped to depress wages in manufacturing. Their major hope was that by importing Britain's foods from countries where farmers were still serfs, and by exporting low-wage-cost manufactures, Britain's foreign trade would be augmented for the benefit of her shippers, waterfront brokers and international bankers.

SENATOR JONES' PHILOSOPHY ON FOREIGN TRADE

Senator John P. Jones, like Abraham Lincoln, took a candid view of foreign trade. Said the Senator, and I quote:

Foreign trade exchanges wealth; it does not promote it. Wealth is not made by exchange, but by production. Trade produces nothing. It serves a useful purpose in the distribution of wealth, but it is not itself wealth. Neither can it make wealth. * * *

Foreign trade does not add to the wealth of a country. On the contrary, except insofar as it consists of articles inhibited by soil or climate in one of the countries to the trade, it is evidence of a vicious distribution of the industries of that country. If foreign trade decreased by reason of a people's supplying their own wants, the decrease is an evidence of increasing prosperity.

I might say that all that is necessary is to read the newspapers. Mr. Dulles is now looking for new markets for the farm products we buy and store. All he does is to make enemies when he gives them to a nation at lower than the world price, and he makes mortal enemies of the people in another nation which has

been supplying the market. So there is no end to the matter.

FOREIGN COMMERCE TRIFLING COMPARED TO DOMESTIC TRADE

I resume quoting from Senator Jones' notable speech:

But, in any event, the foreign commerce of this country is a trifle, a bagatelle, compared with our magnificent domestic commerce, which, thanks to our protective tariff—

The Senator was speaking before our era of economic disarmament—

is unexampled among the nations, whether of the present day or all history.

In the extent and completeness of its natural resources, and, above all, in the high spirit and intellectuality of its people, our country can rely upon itself.

I may add that it still can, given the protection and opportunity.

It is the contention of the State Department, and has been during the past three administrations, that our country cannot rely upon itself.

This Department, and likewise the Treasury and Interior Departments in the two previous administrations, made a studied effort to disparage our material resources, and in so doing it likewise exhibited small confidence in the spirit and intellectuality of our people.

DISPARAGEMENT OF NATION'S RESOURCES CHALLENGED BY FACTS IN SENATE REPORT

Senate Report No. 1627 of the 83d Congress not only demonstrated that we in the Western Hemisphere can become self-sufficient in all the critical and strategic materials necessary to us in war or peace, but the committee, of which I was chairman, expressed full confidence in the spirit and intelligence of our own people, and in their ability to make these material resources available to the Nation, given the opportunity and proper legislation.

Instead we are importing foreign materials, foreign theories—of which the free trade theory is one—and, in effect, foreign brains in preference to our own, all in the interest of expanded foreign trade.

HOW FOREIGN COMMERCE CAN IMPOVERISH A NATION

I resume quoting from Senator Jones' famous address:

As shown by the investigations of the Select Parliamentary Committee of England, it has often happened that the foreign commerce of that country was largest when the times were hardest, because the people at home were too poor to buy, and the goods had to be exported in order to find a sale. It is no sign of prosperity that one's dealings with foreigners increase; they may increase at the expense of dealings with one's own neighbors. As production increases, if wages be pressed down, the laborer will become less and less a consumer, and the articles he would be glad to buy if he had the money may have to be sold abroad. Such foreign trade is no sign that the country is getting richer, but, on the contrary, is a sign that its people are getting poorer. Foreign trade destroys the equilibrium of a nation's industry; it leaves them one-sided and disjointed, and postpones indefinitely the period of their natural coordination.

WORDS OF A PROUD PATRIOT

Then, Mr. President, my Republican Nevada predecessor, made what I consider one of the finest statements on the composition of this country that I believe has ever been made in this Chamber on this subject. He said:

We are one country and one people, with one future and one destiny; subject to the same burdens of taxation, to the same duties and responsibilities of citizenship, and living on the highest plane of material civilization ever known to mankind. As against all the world we must regard ourselves as one family, between whose members there exist reciprocal duties which may not—nay, cannot—be overlooked by any without injury to all.

Our geographical situation, separated as we are by the fiat of nature from the older forms, the stagnant conditions, and the imbruting civilization of other continents, warrant us in demanding of the intellectual men among us, the professors and political economists of the country, themselves sharers of the national prosperity, that they shall take into account the manhood and the spirituality of a people. Our workmen have a right to demand of the professors of polite learning that they shall study, not merely books of literature, but the book of labor, and that they shall cease their attempts to adjust the conditions of the free citizens of this country to the conditions, infinitely lower, which prevail in other countries.

Senator Jones then termed the Nation's foreign commerce of trifling character compared with our domestic trade. He quoted Bureau of Statistics figures showing that of the total production in 1880 only 8½ percent was exported, 91½ percent consumed at home.

He asked:

Is it worth while to trouble ourselves about such a foreign trade when our home trade offers to our farmers, manufacturers and merchants the richest market in the world?

EXPORTS BEFORE AND AFTER 1934 FREE TRADE ACT COMPARED

Mr. President, the percentage of merchandise exports to our national production of movable goods during the present century, both before and after enactment of the free trade Trade Agreements Act in 1934, affords an interesting comparison with the statistics offered by my distinguished Nevada predecessor.

Even with the billions of dollars in loans and gifts and subsidies extended to foreign countries throughout the world, providing them with dollars with which to buy our goods, our merchandise export position has little changed since the day when we protected our own economy and abstained from vast give-aways of our taxpayers' money.

Mr. President, I ask unanimous consent to have printed in the RECORD a table which I had prepared for use in Senate Document No. 83, of the 83d Congress, supplemented by the appropriate data for the years 1956 and 1957 to bring it up to date.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

United States production of movable goods, proportion exported, and foreign aid

[Value in millions of dollars]

	Estimated United States production of movable goods	Total exports of United States merchandise	Percent of movable goods exported	Military aid exports from United States	Net U. S. Government grants other than military aid shipments	Net U. S. Government loans [1]	Sum of cols. 4, 5, and 6	Col. 2 minus col. 7	Ratio of col. 8 to col. 1 (percent)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1909	17,400	1,700	9.8					1,700	9.8
1914	20,200	2,100	10.3					2,100	10.3
1919	47,600	7,800	16.3		[2] 2,539		2,539	5,200	10.9
1921	33,300	4,100	12.9		[2] 28		28	4,400	12.9
1923	44,800	4,100	9.1		[2] −70		−70	4,100	9.1
1925	47,600	4,800	10.1		[2] −8		−8	4,800	10.1
1927	48,200	4,800	9.9		[2] −53		−53	4,800	9.9
1929	53,600	5,200	9.6		[2] −14		−14	5,200	9.6
1931	32,400	2,400	7.3		[2] 7		7	2,400	7.3
1933	25,500	1,600	6.5		[2] 5		5	1,600	6.5
1935	33,386	2,243	6.7			(3)	(3)	2,243	6.7
1936	(4)	2,419	(5)			−1	−1	2,420	(5)
1937	43,952	3,299	7.5			(3)	(3)	3,299	7.5
1938	(5)	3,057	(5)			1	1	3,056	(5)
1939	41,538	3,123	7.5			15	15	3,108	7.5
1940	47,369	3,934	8.3			51	51	3,883	8.2
1941	63,824	5,029	7.9	(6)	932	391	1,323	3,697	5.8
1942	88,181	8,003	9.1	(6)	6,304	221	6,525	1,478	1.7
1943	99,529	12,842	12.9	(6)	12,738	109	12,847	−5	
1944	105,856	14,317	13.5	(6)	13,846	231	14,077	240	.2
1945	101,432	10,309	10.2	(6)	6,542	1,019	7,561	2,748	2.7
1946	101,054	9,950	9.8	(6)	2,343	[7] 2,701	5,044	4,906	4.9
1947	125,608	15,100	12.1	(6)	1,940	[7] 3,907	5,847	9,313	7.4
1948	137,915	12,532	9.1	(6)	4,194	1,024	5,218	7,314	5.3
1949	126,060	11,936	9.5	(6)	5,207	652	5,859	6,077	4.8
1950	143,540	10,142	7.1	282	3,484	156	3,922	6,220	4.3
1951	163,532	14,879	9.1	1,065	3,035	156	4,256	10,623	6.5
1952	176,897	15,049	8.8	1,097	1,900	420	4,377	10,672	6.3
1953	183,533	15,652	8.5	3,511	1,831	218	5,560	10,092	5.5
1954	172,399	14,978	8.7	2,255	1,578	−93	3,740	11,238	6.5
1955	190,600	18,399	9.1	1,256	1,834	293	3,383	12,007	6.3
1956	207,055	18,928	9.4	1,757	1,995	626	4,078	14,850	7.3
1957 [8]	208,000	20,700	9.9	1,400	1,700	1,100	4,200	16,500	7.9

[1] Covers changes in both long- and short-term claims of the U. S. Government.

[2] Also includes U. S. Government loans.

[3] Less than $50,000.

[4] Not available: the prewar estimates are based in large part on the census of manufactures, which was not taken for even-numbered years during the 1930's.

[5] Not available, see note 2.

[6] Military-aid shipments under the war and postwar lend-lease and Greek-Turkish aid programs are included in col. 5.

[7] Excluding United States subscriptions of $323,000,000 in 1946 and $3,022,000,000 in 1947 to capital of International Bank and Monetary Fund.

[8] Preliminary estimates of Department of Commerce in a communication to Senator MALONE dated Jan. 22, 1958, and based on actual data for 9, 10, or 11 months of the year, the latest available in each case.

TRADE BILL "SOLD" UNDER FALSE PRETENSES

Mr. MALONE. Mr. President, the table shows that a smaller percentage of our exportable goods is being exported today. If we deduct the money we give nations to buy our goods and add to that the price of the goods we sell abroad, we are exporting a smaller percentage of our exportable goods than we were in 1934, when the act was first passed. It was said at that time that it was passed to prevent war. We have had two wars since then, and are nearer to war today than we have ever been before. So none of those things has worked out.

"SAVE AT THE SPIGOT AND LOSE AT THE BUNG"

Senator Jones continued:

The abandonment of our protective policy for the purpose of securing foreign trade would be to save at the spigot and lose at the bung.

The tendency of all free and unrestricted exchange is to equalize the conditions of the parties engaged in it. * * * The tendency is constantly and irresistibly toward equalization. Take two reservoirs in which the water is of unequal height; connect them by a conduit, and at once the process of equalization sets in. How soon it will be completed, how far the water will fall in the one and rise in the other depends on the relative superficial areas of the reservoirs, on the capacity of the conduit, and its freedom from obstruction. If the low water reservoir be much the larger of the two its rise will be slow and relatively slight, while the fall of the other will be rapid and great. * * *

My contention, then, is that in any two countries engaged in mutual interchange of commodities, according as wages approach a level common to both, the conditions of life in both become gradually adjusted to the new line of wages until those conditions reach a stage at which they are on a level.

NATION HEADED DOWNWARD IF FREE IMPORT POLICY CONTINUES

There is no question that if the free and unrestricted imports continue, our Nation will be headed for the level of wages and living conditions in European and Asiatic countries. When we reach that level, it will be too late to do anything about it. But we are on the way. All we have to do is watch the imports and watch the men working in those industries in this country which produce similar products, unless they are temporarily employed in industries where $40 billion a year will be expended for national defense.

We have been spending at least $15 billion a year for the last few years on obsolete equipment, on the maintenance of foot soldiers in 73 nations, who will be dead when the fight starts; on flattops which will be sunk like canoes by either submarines or being sprayed from airplanes. Surface ships will be no earthly good in the next war, except to hunt for submarines within the limit of shore protection from the air.

Why do we continue doing these things? Why do we keep soldiers in 73 nations, soldiers who will be dead when the fighting starts? They are sacrificial troops, intended to help the economy of those nations from which we acquire our imports.

SUGAR VERSUS WHEAT

When we were discussing a sugar bill in the Committee on Finance, I asked an Assistant Secretary of State why he was so insistent that Cuba retain 88 or 90 percent of the additional sugar consumption, in addition to what was allocated to our own Nation in the beet and cane sugar market, and to Hawaii and Puerto Rico.

He said, "They buy our wheat."

I said, "That is very interesting. When they buy our wheat, what do they pay us for it? Do they pay our support price or the world price?"

FOREIGN TRADE AT UNITED STATES TAXPAYERS' EXPENSE

He was a little hesitant. He said, "The world price."

I asked, "When we buy their sugar, what do we pay them? Do we pay our support price for sugar, or the world price, under which Cuba would make money?"

He said, "We pay the support price."

So I figured out then and there—it is in the RECORD twice last year or the year before, when the sugar bill was before the Senate Committee on Finance—that every 100 pounds of wheat we send to Cuba cost the taxpayers $1.35. And that is called foreign trade. It may be foreign trade, but we simply cannot afford that kind of foreign trade.

PRODUCTS OF CHEAP LABOR IN CHEAP NATIONS WILL CHEAPEN OUR OWN STANDARDS

Senator Jones then said:

It is vain, therefore, for a nation possessing a high order of workmen to attempt to benefit itself by trading with a "cheap" nation. If it persists in doing so, the inevitable result must be that in time both nations will be equally cheap. Whoever insists on having cheap labor from others will, in the end, find that in the process of cheapening the labor of others his own labor has been cheapened in precisely the same proportion.

International freedom of trade is but a process of international leveling. Lay down the connecting pipe of perfect freedom of trade between any two nations, and instantly the equalizing process begins.

The more we cultivate foreign commerce the more numerously do we lay down and keep open pipes of intercommunication between the reservoirs of industrial and social life characteristics of our own country and of the countries with which that commerce is conducted. This can only result in lowering greatly the level of prosperity of our people, while, owing to the much larger population of other continents, not greatly elevating the level of theirs.

Even were equalization to be established between this country and foreign countries on the basis of present conditions, how are we to know that that range of equalization is to continue? How are we to know that the exploiters of foreign labor will not force still lower the wages and conditions of their workmen in order to secure for themselves a continuing advantage over us. We know how difficult and undesirable it is to reduce labor in this country; it may not be so difficult to reduce it abroad. Our laborer can go to the land; the foreign laborer cannot. With the slightest hope of success held out, the foreign manufacturers would make a desperate struggle to secure our markets, and, when secured to keep them. To accomplish their purpose they would reduce to any desired level the wages of their laborers, ours would submit to no serious reduction without a struggle that would convulse society.

To set in motion the international equalizing process all that needs to be done is to destroy the tariff wall, and lay down the connecting pipe of freedom of trade with foreign countries.

SENATOR JONES' DEFINITION OF "TARIFF"

Senator Jones also gave in this address what I consider one of the finest definitions of a tariff. He said:

It is charged that a tariff is a tax. It strikes me, Mr. President, that it would be more correct to say that it is the price which the foreign manufacturers pay to this country for the privilege of selling the product of foreign labor in our market.

A duty of 40 percent ad valorem means that for every $100,000 worth of labor in the concrete which the foreigner ships into this country we charge him $40,000. That is to say, we charge him that sum for the privilege of cheating our workmen out of the work of this country, to which, I maintain, they have the first right and title.

THE TEST OF A SOUND TARIFF

Senator Jones called the true test of whether a tariff is proper is to be found in the answer to the question:

Are we doing our own work?

The tariff, he insisted, "ought to be sufficient to insure our people against the competition of foreign labor and foreign capital."

He continued:

But we are told by the freetraders that political economy teaches that we must buy in the cheapest market and sell in the dearest. That is good political economy for the few, but bad political economy for the many. For a short time one may get an article cheap in a foreign market, but the article is dear at any price if its purchase abroad discourages or postpones the production or development of a similar article in our own country.

The cheapness that freetraders are seeking means the ultimate cheapness of men, an inferiority of citizenship, a cheapness that submits men to squalor of living. This form of cheapness is odious and repulsive. In order to get cheaper goods for the moment they would cheapen our institutions. The aspiration of the Republican Party is not for that form of cheapness, but for the cheapness developed by science and promoted by art, the cheapness that results from improved methods of production.

I maintain that the first duty of the government of a republic is to adopt and maintain such economic policies as shall protect its citizens from a degrading competition with cheap people, with those who have no alternative but to take what is offered or starve, men who are obliged to accept in return for their labor the smallest amount that will sustain animal life.

"With the freetrader the dream of life is cheapness." * * * One cheap man begets another. If the hatter must have cheap shoes, the shoemaker must have cheap hats. If both must have cheap clothes, there must be cheap farmers to raise the wool, cheap spinners to spin it, cheap weavers to weave it, cheap sewing women and cheap tailors to make it into clothing. To supply cheap machinery for the shoemaker and the hatter, we must have cheap machinists: To supply the needs of existence for all these, there must be cheap agricultural produce, and cheap grocers; to repair their houses there must be cheap carpenters and painters.

CHEAP SELLERS WANT TO BUY CHEAP

Senator Jones gave other illustrations of the application of the free-trade philosophy to the ways of life.

If the Englishman sells cheap shoes he will insist on getting cheap wheat.

Are we willing, for the sake of the price which happens to be ruling abroad today, to permit our home manufacturers to languish, if not to die, and the inventive genius of our people to decline? It does not need

the eye of a prophet to see that had we no tariff charge on the foreign article the foreign manufacturers would flood our market with their goods, destroying our industries. It is equally clear that they could then raise the price of the articles to whatever figure they pleased.

One of the principal effects of the tariff, therefore, is that by the development of home manufactures we are protected from the exorbitant prices which, in the absence of the home product, we should be compelled to pay for the products of foreign factories and workshops.

The duty of this Republic is to assist in the cheapening of products, not by cheapening humanity, but by cheapening the processes of labor. This is the only method consistent with progress. By any other method, humanity must retrograde, not advance. By this method the result is effected by bringing to bear upon industry all the subtle powers of science for the liberation of man from the slow and toilsome method of hand labor.

Our workingmen, who with hand and brain have been busy devising new labor-saving processes, have year by year reduced the cost to the consumer without reducing the wages of the producer. They have cheapened the article without cheapening the artisan.

FREE IMMIGRATION-FREE TRADE, TWIN EVILS

Senator Jones saw little distinction between free immigration and free trade. Under the free-trade doctrine, he observed:

While the foreign laborer might remain physically in his own country, he would be here no less actually in the form of boxes and bales of goods.

Since the foreign laborers can exercise their vocation in this country without their personal presence; since, with boxes and bales by the million, containing their cheap goods, they can control our industrial conditions, the basis and foundation of our people's prosperity and independence, why not entitle them to send here, at each recurring period of our general elections, boxes and bales containing countless millions of their cheap votes, that they may thus be enabled to destroy the policy of protection and secure a more perfect freedom of trade?

TRADE ACT RENDERED CITIZENS VOTELESS ON OUR ECONOMIC PROTECTION

Mr. President, I wonder what my distinguished predecessor from Nevada, were he again with us, and on this floor today, would think, when he discovered, as he would discover, that the votes of millions of Americans, even if they were unanimous, could have not one iota of effect now on our present foreign economic or tariff policy. Nor have our millions of citizens, under present laws, any voice in determining what that policy shall be; not even the 96 Senators and 435 Members of the House chosen by the people to represent them in Congress, have any say or influence—even though the Constitution puts it in their hands.

VOTES IN FOREIGN COUNTRIES MAY AFFECT OUR TARIFF POLICIES; AMERICAN VOTES DO NOT

In fact it is quite possible that the "countless millions of cheap votes," as Senator Jones termed them, cast in foreign countries, do affect our foreign economic and tariff policies, while those cast by our citizens and producers over here can have no effect at all until Congress repeals the act giving the power to determine these policies to an international agency meeting in Geneva, Switzerland, known at GATT; or allows it to expire in June of this year, 1958.

In 1934 the Congress abdicated its responsibility to the people as expressly stated in the Constitution—article I, section 8—and turned over its powers to regulate tariffs and the national economy to the Executive.

The Executive passed it on to the State Department. Actually, it was the State Department which made the treaty.

In 1947 the authority was transferred to the General Agreement on Tariffs and Trade, more familiarly known as GATT, now holding its 12th session in Geneva, Switzerland, one of the great resort cities of Europe, some 4,000 miles distant from our shores.

GHANA, MALAYA VOTE IN GATT EQUAL TO OUR OWN

Thirty-seven countries have representatives, or are entitled to have representatives, at this GATT session, each of them with one vote, or, in other words with a power and voice equal to our own. The two most recent members are Ghana, a recently created country in Africa, and Malaya, which also only recently was permitted its own government. Each has one vote, the same as ourselves. Communist Czechoslovakia has one vote.

The United States, as do the 36 other foreign countries, sends a delegation to GATT to assist in dividing up our markets with every low-wage country of the world, but not one single elected official is a member of that delegation.

GATT NEVER SUBMITTED TO CONGRESS

As for GATT, itself, Congress has no official cognizance of it. It has never been submitted to Congress for approval or rejection.

They come in left handed, with what is called the OTC—the Office of Trade Cooperation. If you approve trade cooperation, you approve GATT. If you do not approve it, the other nations will continue to get our assistance under the 1934 Trade Agreements Act. This was testified by Mr. Dulles, under my questioning in the Senate Committee on Finance in 1955, when the act was renewed for 3 years. It is simply one of those things. If we do not pass it, it continues under existing law; if we pass it, we approve what is being done. It is a case of heads I win, tails you lose.

GATT AN INTERNATIONAL BUREAUCRACY

The entire GATT operation is completely insulated from any vote or votes by any American citizen. You cannot vote for or against the United States delegate at GATT even should he turn your job over to a foreign worker or destroy your industry, because he is not an elected official. He is a State Department underling.

You cannot express your satisfaction or dissatisfaction with any Member of Congress because of what GATT may do to you or to your business, because no Member of Congress participates in these 37-nation sessions, nor, for that matter, has ever been given an opportunity to vote for or against this international monstrosity itself.

Mr. President, that is not the Republican way of shaping economic policy.

It is not a democratic way of shaping economic policy.

It is bureaucratic dictatorship, not self-imposed to be sure, but conferred by act of Congress.

THE MECHANICS OF DESPOTISM

The organization known at GATT is the very type of organization against which Senator John P. Jones warned in the speech from which I have quoted. I recommend his speech, in full, to my colleagues. He drew a sharp distinction between despotism and the freedom of government our Founding Fathers designed for ourselves.

Despotism exists, Senator Jones said, when all power lies in the hands of a few lay leaders who act without responsibility.

As a matter of fact, no Senator would be allowed inside the GATT negotiations until they were completed and signed—not one Senator or Representative. We merely represent the people at home, so we have no place in that organization.

HOW PRESENT CONGRESS CAN LIBERATE UNITED STATES FROM GATT

So I agree that we have no place there, but I also agree that they have no place in our form of government.

Mr. President, all that the Senate and the House of Representatives have to do this year is simply not pass any measure of that sort. In that event, the authority now transferred to Geneva, for the regulation of our foreign trade and national economy by 36 competitive nations, will automatically revert to the Congress of the United States. Then all the multilateral agreements and bilateral agreements, as made by our great Secretary of State—who worked for Mr. Acheson until the Republican administration took over the Government—will also fall by the wayside, either when they have run their course of 3 years or when the President serves due notice to end the agreements. Then, after 6 months, or whatever period the law requires, that authority will automatically revert to the United States Tariff Commission, under the 1930 Tariff Act, which provides that the Tariff Commission shall determine the cost of producing an article or a similar article in the chief competitive foreign nations. The Commission will be able to do that every day or every 6 months or every 2 years, at the invitation of the President or at the invitation of a Congressional committee or at the invitation of a supplier or seller; or the Commission will be able to review it at its own motion, whenever it sees fit to do so.

GIVE AMERICAN MANUFACTURERS PRODUCERS' RIGHT TO COMPETE FOR AMERICAN MARKET

Mr. President, the "free trade" that is referred to in articles published in so many of the American newspapers and magazines, is not favored by many Americans. Of course, a few persons say there should not be a tariff. As a matter of fact, that particular term does not have to be used; we can refer either to a tariff or to a duty. We do not care what term is used. In any event, on the basis of the 1930 Tariff Act, the duty or tariff must be adjusted in such a way and to such an extent that it will

be possible for American manufacturers to compete for the American market. In that event, the less efficient ones will have to get out of business. There is nothing wrong with that; it is in accordance with our American system.

ABANDONMENT OF THE AMERICAN SYSTEM

Therefore, Mr. President, this afternoon I have been quoting the words of a great predecessor of mine from the State of Nevada. I favor, as did he, the American system.

Of course, in his day all these fine things had not been even thought of—for instance, to have the United States abandon the gold standard, and to have American firms price themselves out of every market in the world, and to continue inflation. Our Republican administration is doing no more to stop inflation that the Truman administration or the Roosevelt administration did.

Our Republican administration is giving only lipservice to stopping inflation—as has been done for 25 years. Likewise, it is giving only lipservice to the American system and the American policy. The only difference between our Republican administration and the preceding Democratic administrations is that President Eisenhower is condemning the two preceding administrations. However, the fact is that our Republican administration is carrying on exactly what the preceding Democratic administrations inaugurated.

ECONOMIC DESPOTISM

Mr. President, GATT is economic despotism.

Senator John P. Jones, of Nevada, in the speech from which I have quoted, and all of which I recommend to my colleagues, drew a sharp distinction between despotism and the form of government the Founding Fathers designed for our country. Despotism exists, he said, where all power lies "in the hands of a few, while the masses are inert and without responsibility."

With GATT, all power lies in the hands of a very few, and the masses are given no share whatever of the responsibilty.

"With us," the late Nevada Senator continued, when speaking proudly in this Chamber two-thirds of a century ago, "the responsibilities of government are shared by all. We have no privileged class. Power is distributed throughout the entire community."

What could that great Nevada patriot and statesman say now, when neither the American people nor Congress may share in the responsibilities of Government, as they pertain to our foreign economic policy, but when the power reposes in a Hydraheaded organization of 37 nations, sitting at Geneva, with the power to destroy any competitive industry in the United States.

AMERICA'S LAST RECOURSE

Mr. President, under our system of government, wherever there is a wrong, fortunately there is a recourse. A power mistakenly—and I contend unconstitutionally—given away by Congress can be regained by Congress. This, in the absence of a Supreme Court determination—which that Court has declined to make, is the only recourse the people and the Congress now have to the disastrous policies and dictates imposed by GATT, sitting in Geneva, 4,000 miles away.

As I have stated many times on this floor, and as a reading of the Constitution will confirm, the Constitution reposed in Congress the power to lay and collect duties and imposts—meaning tariffs—and the power to regulate our foreign commerce. Congress recklessly, and in my opinion illegally, transferred this power to the executive branch in 1934, which, in 1947 retransferred it to Geneva, under the authority given, so states the State Department, in the 1934 Trade Agreements Act.

There is but one way now, therefore, by which Congress can restore its constitutional responsibility and thus perform its duties and obligations to the American people in the interest of our national economy.

LET TRADE ACT DIE AND RETURN TO CONSTITUTION

That is to permit the nefarious 1934 Trade Agreements Act to expire on its present death date, June 30, 1958.

Then, and then only, will we revert to the Constitution.

Then, and then only, will Senator John P. Jones' proud statement of September 10, 1890 on this floor be true—namely, that "With us the responsibilities of government are shared by all. We have no privileged class," and that "power is distributed throughout the entire community."

Then, and then only, will we again be free from the shackles of foreign low-wage economic despotism.

OREGON'S LUMBER INDUSTRY DEPENDS MORE AND MORE ON PUBLIC LUMBER

During the delivery of Mr. MALONE's speech,

Mr. MORSE. Mr. President, will the Senator from Nevada yield?

Mr. MALONE. I shall be happy to yield to the distinguished Senator from Oregon for an insertion in the RECORD, if what he has to say may appear at the end of my remarks.

The PRESIDING OFFICER. Without objection, the remarks of the Senator from Oregon will appear at the conclusion of the remarks of the Senator from Nevada.

Mr. MORSE. I thank my friend from Nevada, and assure him that my statement is only one page in length.

Mr. President, the lumber industry, which is the major industry in my State, is in a slump. A forest products analyst, Mr. William Dean, from my hometown of Eugene, has done a very creditable job of summing up the situation. I ask unanimous consent that the January 2, 1958, issue of Random Lengths be printed at this point in the RECORD.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

GOODBY, 1957, AND GOOD RIDDANCE

"I don't know how we've gotten by the last 2 years. Sometimes I wonder why we've even tried."

The speaker is a young lumberman. He's tired and worried. Although his company has operated without a major shutdown since the strike of 1954, it has been hit from all sides by things largely beyond the owners' control. The blows have been significantly more violent in the last 12 months. This lumberman is one of hundreds who were happy to see old 1957 bow out.

But, is 1958 anything to look forward to? The lumber industry has been in a steady decline for 2 years from the peaks reached in 1955 and before. Will the industry go into a runaway tailspin in the next year, or will all of the loose ends come back together in a leveling out? Unqualifiedly, the outlook is better. There are signs that the demand for lumber will show slight improvement. More to the point, production, as well as inventories on both the mill and retailer levels, are finally becoming coordinated with the volume of demand—thus creating a situation with which the industry can live. A review of the last 3 years, coupled with a look ahead, provides the basis for this moderately optimistic viewpoint.

Lumber, even after manufacture in the mills of the West, is still largely a raw material. Its use, and consequently the condition of the industry from the logger through the eastern retailer, is dependent on both consumer demand and the ability of another manufacturer to produce a product which will satisfy that demand. In 1954, the gears meshed and held through most of 1955. Housing construction, the most important market for western lumber, boomed. In the peak month of May 1955 nearly 140,000 new dwelling units were started. The level of activity remained high and 1955 was a banner year with more than 1.3 million new homes started. The next year failed to meet the optimistic expectations held for it.

1. MONTHLY HOUSING STARTS (IN THOUSANDS) OVER THE LAST 3 YEARS SHOW THE CONSISTENT DECLINE IN BUILDING ACTIVITY—STARTS IN 1957 WERE AT THE LOWEST POINT IN 8 YEARS

Orders placed with the mills showed a similar decline. As reported by the West Coast Lumbermen's Association, orders placed in the Douglas-fir region dropped 1¼ billion board-feet from 1955 to 1957. The major decline was in orders placed for rail shipment. In 1957 these orders totaled 1,219,000,000 board-feet less than in 1955 and more than 500 million feet less than in 1956. On the other hand, cargo orders, which showed a drop of 24 million feet in 1956, were actually 6 million above the 1955 level at the end of November of this year. Shipments from the region covered by the Western Pine Association in 1957 were down 8 percent from 1956.

2. RAIL CARS OF LUMBER LOADED IN WESTERN OREGON FELL STEADILY FROM THE 1955 HIGH IN THE FIRST 10 MONTHS OF EACH OF THE LAST 3 YEARS

Ordinarily, a decline in orders (and production) could be taken by the producers without too much damage. They could say, "Well, business is down and we're not making as much money as we did during the boom." However, in many cases, it is literally true that lumber firms are not making any money. This has not been caused so much by the drop in orders as by the effect of other factors. To use Douglas-fir producers as an example, this is what happened: In 1954–55 the demand for lumber was so great that buyers were outbidding each other frantically. The mills, in order to meet that demand, bid outrageously against each other for the Federal timber which in the Northwest consists of some 70 percent of the available merchantable stumpage. At auctions, prices frequently went to more than double the upset appraisal put on the timber by the Federal agencies. The mills, who in that year bid an average of $40 a thousand board-feet for stumpage and in some cases went as high as $70 and $80, were gambling on a continuation of the 1955 market. The Fed-

eral agencies, whose appraisals were based on an earlier and lower market, were roundly criticized for offering timber at too low a price and speedily took steps to raise their base.

But, in truth, the inflated bidding was being done in advance of an impending deflated market. Because Federal appraisal levels always lag weeks or months behind actual market conditions this situation has been continued since 1955. Here is what this inflated bidding on a falling market meant to one millowner: In late July 1955, he bid $44.75 a thousand for a tract of national forest timber. The operator was required to construct slightly more than 4 miles of road which was a cost in addition to the sale price of the timber. Logging and milling costs added nearly $40 per thousand to the expense of producing lumber from this tract. The operator's profit from this tract depended almost entirely on his high grade, his overrun, and on underweight credits which he might get on his rail shipments. At the time the timber was purchased, green lumber, his basic product, was worth $77 a thousand for Const. 25 percent Std. 2" R/L Dimension. A year later, when he began logging, the price had fallen to $66 a thousand. Had he waited for another year, the timber which he had purchased on a $77 market would have brought only $60. The price has fallen another $3 to $5 since then.

Without going into great detail, there have been other depressing factors from the mill standpoint. While, generally, labor costs have been fairly static since the 1954 strike other production expenses have risen. Until recently, stumpage prices have remained relatively high largely because of an artificial shortage which results from the Federal Government's control and low level of management of the major supply of raw material. Over the 3-year period, mills have been forced to absorb freight-rate increases which normally would have been passed on to the consumer.

3. DOLLAR RETURN TO PRODUCING MILLS HAS TAKEN A SUBSTANTIAL TUMBLE IN THE LAST YEAR—PRICES FOR 1956 FOLLOWED A FAIRLY NORMAL PATTERN BUT CHART DOES NOT REFLECT SUBSTANTIAL INCREASE IN STUMPAGE AND PRODUCTION COSTS IN THAT YEAR—BECAUSE PROFIT MARGIN WAS NARROWED SUBSTANTIALLY IN 1956, MILLS WERE IN A WEAKENED POSITION GOING INTO LAST YEAR

The cumulative effect of all of these conditions has been to create in the lumber producing regions a recession which has now progressed beyond the "mild" classification.

Oregon, which is almost entirely a lumber economy, has felt the greatest effect. In 1957 peak employment failed to reach the 83,600 man level of the 1950–52 average. Claims for unemployment compensation are at an alltime high. Many of those working are on the job only 3 to 4 days a week and consequently have lost from 20 to 40 percent of their weekly buying income. The effect of this has been felt in every line of business.

If the industry's condition is as bleak as the foregoing figures indicate, why don't we call it a bad deal and bunch our cards? The primary reason, of course, is that every lumberman—manufacturer, wholesaler, and retailer—has hope for the future. What this future holds is mostly a matter of conjecture. However, there are certain indications, good and bad, which should be weighed. (Some of these, incidentally, will be explored fully in future Dividends.) Some of the things which will have considerable bearing on the future health of the lumber industry include:

The availability of Federal stumpage at a price which the mills can afford to pay. The outlook here is better. Federal stumpage has become a major factor only in the last 5 to 10 years, and a surprising number, even in the industry in the West, are just beginning to fully appreciate its value. The level of management currently is far below what it should be, but an increasing number of persons realize the potential that exists. Because of other conditions, nationally and internationally, the progress in the next year is more likely to resemble a baby's step than a giant's stride.

The cost of transporting lumber for manufacturer to eastern customer. This will continue to increase. The railroads already have filed for a 2-percent increase on lumber with no maximum. This will be protested, but in the end the railroaders will get the raise. However, because of the national economic downtrend, a second increase in 1958 is not likely. On the plus side, there is a chance that concerted effort by the railroads, assisted by lumbermen who write their Congressmen, will succeed in eliminating the World War II tax of 3 percent on freight shipments to offset the pending increase. Shipments of lumber by truck will increase. Previous rail-rate boosts have been followed by a downtrend in freight volume. Some of this business is lost outright by the lumber industry to nonwood competitors who have a better freight situation, but much of it is moved over to the trucks which are constantly extending their economic area of operation.

The major consideration for both the manufacturer and distributor of western lumber will be the condition of the home-construction industry in 1958 and beyond. Here there are both good and poor signs.

Housing starts for the first 11 months of 1957 totaled 926,700 units. This was 10 percent below the same period in 1956 and the smallest volume since 1949. Actually, however, the rate of construction since midspring has been very close to a million starts annually. This upturn in housing construction did not take the form of a steady climb but was a series of ups and downs which stayed within a range that rose steadily higher. During this same period in 1957, the rate of vacancies in existing housing fell to 2.8 percent compared with 3 percent in 1956, indicating the existence of a demand which is slightly greater than last year's construction rate.

For 1958 the outlook for home financing is improved. Recently the Budget Bureau was ordered to release $177 million appropriated by Congress last year for housing. The Federal Reserve Board already has eased its tight grip on the Nation's money supply, and another drop in the FRB discount rate is anticipated before spring. These factors, coupled with the cutback in business expansion which has reduced some of the competition for money, indicate that the home financing pendulum may be starting an upswing.

4. STEADY DECLINE IN LUMBER ORDERS AND PRICES HAS RESULTED IN AN EMPLOYMENT SLOWDOWN IN OREGON'S LOGGING AND LUMBER MANUFACTURING INDUSTRY—IN 1957, PEAK EMPLOYMENT FAILED TO REACH THE 83,600-MAN LEVEL OF THE 1950–52 AVERAGE—MANY OF THOSE WORKING, ACTUALLY WERE EMPLOYED ONLY PART TIME

The 1958 home-construction rate is expected to increase about 6 percent over 1957, bringing a total production of around 1.1 million units—the level, most authorities agree, which supplies the Nation's basic demand. This is not enough of an increase to bring a bloom back to the cheeks of lumbermen, but it indicates a substantial reversal of the gloom of the last 2 years. In addition, several billions more will be spent on home improvement in 1958 than were spent last year.

The crucial question is, How much of the building-material market which will be created by an increase in home construction can be captured by lumber manufacturers and distributors?

Part of that market already has been lost because of the cost of transportation; part has been lost to competitors who have gone all-out to create an appetite for their products rather than wood. Unless the lumber industry makes rapid adjustments, another major segment of the market will be lost as the home-building industry moves into mass production techniques and factory assembly of component parts. Here lumber is under the gun, because its competitors already know how to achieve substantial changes through research. In addition, in the next 1 to 3 years, an increasing number of apartments will account for a sizable chunk of the new housing starts. In 1958 apartment-house construction is expected to amount to about 20 percent of the total starts; it was 15 percent in 1957.

On the credit side, even though lumber is constantly losing ground in terms of per capita consumption and even though it may lose more of its housing market, this does not necessarily mean that there will not be a market for tremendous quantities of lumber. Some of the depressing consumption figures should be viewed from another angle—that it will take other products along with lumber to meet the growing demands of an exploding population.

For the next year, lumbermen should not expect miracles. But production has been cut back further than house building for several months, and industry inventories are in better shape than they were at this time last year. Some improvement in both orders and prices is virtually certain. After the treatment the industry got at the hands of Old Man 1957, this coming year—even with the troubles that are still ahead, should look good.

Mr. MORSE. Mr. President, I might add that Eugene is now the center of lumber production in our State and it is a good barometer of the economic picture.

One unique thing that is not revealed by Mr. Dean's excellent analysis is that despite the overall drop in lumber production in Oregon for 1957, the cut of public timber rose.

The Forest Service cut was 1.854 billion board-feet and the Bureau of Land Management cut was 674 million board-feet. These are record cuts for these agencies.

Public timber is increasing in demand because of two significant developments. Large private owners hold sizable volumes of timber so that mills that do not own timber must turn increasingly to public timber. Second and most important, despite all the fine tree farm signs the industry sets up, we have cut much of our private timber to the danger point.

With the great pressures that are developing on our public land we must make every effort to increase scientific management in our public forests so as to protect, conserve, and increase the forest reserves.

I do not believe that the budget submitted by this administration contains funds so that our foresters can look ahead and plan to meet the challenges that are fast descending upon them.

Mr. President, I thank the Senator from Nevada. While I am on my feet, I may say that I shall always appreciate the help he has been to us in regard to the Oregon projects such as that to which I have just addressed myself.

Mr. MALONE. Before the Senator from Oregon leaves the floor, I should

like to say that I appreciated very much his assistance in 1955, when the extension of the free-imports bill, laughingly called the Reciprocal Trade bill, was before the Senate. The Senator from Oregon made a very fine presentation on that subject and voted against the extension.

This year is the 129th anniversary of the birth of a great former Senator from Nevada, whom I am about to quote at length. One of his speeches in the Senate was on foreign trade and our economic relations with foreign nations. I direct the attention of the Senator from Oregon to those remarks, which will appear in the RECORD tomorrow morning.

I am looking forward to joining with the Senator from Oregon in the debate on the extension of the 1934 Trade Agreements Act, which will expire in June.

I have already remarked that the great Eric Johnston, whom the Senator from Oregon must know, is just about to move in with a Coxey's army of 700 or 800 persons to intimidate Congress, so that Members will not dare vote their convictions. I think what we ought to do is run them out of Washington and put them in an insane asylum.

Mr. MORSE. When the Senator from Nevada uses the word "intimidation," I want to testify that it is never applicable to the Senator from Nevada; I hope he will share the point of view that in this respect we have a common characteristic.

I also want the Senator from Nevada to know that in this instance, as always, I shall give attention to any suggestion he makes to the Senator from Oregon and, of course, reach an independence of judgment, but greatly influenced by any persuasive argument which the Senator from Nevada can make to me.

JAPANESE PLYWOOD

Mr. MALONE. In closing our individual debate here, I should like to say that there is nothing wrong now with the lumber industry that either a fixed price or a tariff which would constitute the difference between the wages and cost of doing business in the United States and the wages and cost of doing business in the chief competing countries, in the case of each product, would not cure. In other words, I am fully aware that in connection with the manufacture of plywood, for instance, the raw material is shipped from Canada to Japan, and the finished plywood is imported from Japan into the United States at a price less than the price at which plywood can be produced in either Oregon or Minnesota. The American producers of plywood are not likely to be able to operate their businesses until the United States reverts to a principle to which the Congress adhered for 140 years; namely, that of allowing the tariff, under article I, section 8, of the Constitution, to equal the difference between the cost of wages and the cost of doing business in the United States and the wages and the cost of doing business in the various competing foreign countries, in the case of each product. Apparently that is the position taken by the Senator from Oregon.

BIG BUDGETS—TO SAVE THE ECONOMY OR NEXT ELECTION

I have referred to the great John P. Jones. If the Senator from Oregon will review what he had to say on this matter, I think he will understand better the present situation. We are operating on a war economy, and now the administration is asking for the appropriation of $43 million or $44 million to save the economy until the next election.

On the other hand, our military departments are trying to operate on a basis of outmoded equipment; they are almost trying to have our soldiers use equipment of the type used by the soldiers of Julius Caesar. For instance, the Department of Defense is still advocating the use of aircraft carriers; it would like to have almost as many aircraft carriers as the number of canoes that can be found on the Potomac River on almost any summer evening. In short, the United States is spending vast sums of money for obsolete materiel and equipment.

All the things I have just mentioned are as obsolete as a Civil War musket. However, at this time the Congress is attempting to do what Mr. Truman, first, and now, Mr. Eisenhower, wish to do—namely, add another $4 billion on top of the other amounts.

Mr. MORSE. Will the Senator from Nevada yield?

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). Does the Senator from Nevada yield to the Senator from Oregon?

Mr. MALONE. I yield.

Mr. MORSE. I find the views of the Senator from Nevada very interesting. Of course, I am not one who believes that there is only one cause for many of our difficulties. I recognize that many of these problems have a number of causes.

I realize that the situation to which the Senator from Nevada has referred is in part responsible for the difficulties now existing in the plywood industry. However, there are other causes, too. For example, the Eisenhower tight-money policy has had the effect of closing mill after mill in Oregon.

I have another suggestion to make to the Senator from Nevada; possibly he and I can get together on at least one point: Perhaps in 1960 we can get together in bringing an end to the Republican administration, so we can arrive at an economic program which will not do the great harm that the present program has done to the State of Oregon, for instance—as has been pointed out again and again by my teammate in the Senate, the distinguished junior Senator from Oregon [Mr. NEUBERGER], who now is presiding over the Senate. Certainly I join him in that view and in that position.

DIFFERENT ADMINISTRATIONS BUT SAME POLICIES

Mr. MALONE. Mr. President, the only thing we can say about the present Republican administration is that it is just carrying on what the two preceding Democratic administrations began. There is no difference. Today, we simply add appropriation to appropriation, and we carry on the "funny money" policy and the policy of free trade to Europe. All that was started, not by the present administration, but by the preceding Democratic administrations. The Senator from Oregon did not quit the Republican Party until after that policy had been started by the preceding Democratic administrations. [Laughter.]

Mr. MORSE. At least the Senator from Nevada should give me credit for quitting it.

Mr. MALONE. However, when the Senator from Oregon quit the Republican Party, he went over to the party which started all that. I think the Republicans are even more to blame for continuing the policy, because they should know better. But the Democratic administrations started it.

Mr. MORSE. I was hoping for a change.

IF FREE IMPORT PROGRAM DIES, THEN LUMBER, OTHER UNITED STATES INDUSTRIES CAN LIVE

Mr. MALONE. But the Senator from Oregon went over to the party that started it in the first place.

As I indicated awhile ago, in 1955 the Senator from Oregon was opposed to unrestricted imports and the free-trade bill; and I believe he will be opposed to all that this time. So far as I am concerned, if five other Senators will stand with me on this issue, no vote will be taken on the bill until the snow on Pennsylvania Avenue is about 5 feet deep. If the bill is killed, then it will be found that the lumber business, the machine-tool business, the precision instrument business, and 5,000 other American businesses will begin to revive; because when the bill is killed, American businesses will again have something to say about the American markets. As the situation now stands, today the American markets are not controlled by Americans. Instead, the representatives of 37 other nations, sitting in Geneva, laugh at us while they are dividing the American markets between their own countries. At this time the administration wishes to have authority for an additional 5 years to permit those 37 foreign nations to continue to divide the American markets.

PUBLIC AWAKE TO SITUATION

I believe we can entirely kill the bill, because at last the people of the United States are waking up to the true situation. I need not tell the Senator from Oregon about that, for he is very close to the people of the country. The people of the country were slow to wake up; they were slow to realize just what the Congress has done to them in the last 24 years, beginning in 1933, when the country went off the gold standard. Since then, no one has tried to prevent inflation in the United States. No attempt to prevent inflation was made under either the Roosevelt administration or the Truman administration, and no attempt to prevent inflation is being made today, during the Eisenhower administration.

In 1934, the Congress reversed a 150-year-old American principle—that of protecting American workingmen's jobs and protecting the money of American investors, after the money was invested, to the extent of requiring the duty or tariff on each product to constitute the difference between the wages and cost of doing business in the United States

and the wages and cost of doing business in each of the competitive nations. In 1934, that principle was completely reversed. As a result, the products of the cheap-labor countries were invited to enter the United States.

Mr. MORSE. Mr. President, will the Senator from Nevada yield further to me?

GENESIS OF A DESTRUCTIVE PROGRAM

Mr. MALONE. Not at the moment, because I wish to discuss this point a little further, inasmuch as the Senator from Oregon referred to it. The present movement is a pincers movement to destroy the economic and social structure of the United States. That movement was begun in 1933, when the United States went off the gold standard. The movement was continued in 1934, with the adoption of free trade as a principle to apply to the United States. Then, in 1947, the then President of the United States—who, by the way, was not a Republican—transferred the authority over American trade to Geneva, where representatives of 37 foreign nations are dividing up the markets of the United States.

BILLIONS TO BRITAIN—THEN BILLIONS AROUND WORLD

Following World War II, the policy of sending bililons of dollars from the United States to the countries of Europe began. First, there was the request to send $3,750,000,000 to Europe. It was stated that that would be the last donation of that sort. But, following it, came the program of sending $15 billion or $17 billion, under the Marshall plan, to Europe over a period of 5 years. Again, we were told that that would be the last program of that sort.

But at this time our distinguished Secretary of State, who, during the previous administration, was an assistant to Secretary of State Acheson, says the program must be made permanent.

So we are dividing our cash and our markets, and are inflating our money, and are pricing our products out of every market in the world.

THE BIG FOUR GIVEAWAY GROUPS

Four organizations have been active in that connection. One of them has been the Export-Import Bank. The United States has financed all of its operations.

Another is the World Bank or the International Bank. Then there are two other organizations. We provide 36 percent of the funds, in dollars, whereas the other countries contribute only their silly paper money. All those organizations are for only one purpose, namely, to make it possible for American corporations to engage in operations in foreign countries, where they will be able to take advantage of the cheap labor and lower costs of doing business, and thereafter will be able to bring such low-cost products into the United States.

So there has been a pincers movement to destroy the economy and financial and economic structure of the United States of America.

I congratulate the Senator from Oregon for being against at least one of those organizations.

Mr. MORSE. Mr. President, at this time I must leave, to board an airplane which will take me to New York City. I have enjoyed very much the debate which has occurred thus far, and I am sure that the remainder of it also will be most fascinating. On tomorrow, I shall read with great interest all of the remarks of the Senator from Nevada, as they will be published in the CONGRESSIONAL RECORD.

At this time I regret that I must leave the Chamber to board an airplane which will take me to New York City, where, tonight, I will participate in a meeting for the purpose of trying to dig some more Republican graves.

Mr. MALONE. The graves of those who are destroying this country should be dug—whether they be Republicans or Democrats.

Mr. MORSE. That is why I have my mission to New York City tonight.

I thank the Senator from Nevada very much.

Mr. MALONE. I thank the Senator from Oregon.

PERMISSION TO ADDRESS THE SENATE ON TUESDAY

Mr. HUMPHREY. Mr. President, I ask unanimous consent that following the morning hour on Tuesday, I be permitted to speak on the subject matter of the negotiations in the field of disarmament, as conducted in the United Nations by our country with other parties.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

CALL OF THE ROLL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. PROXMIRE in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PAYMENT OF GRATUITY TO EDITH B. PORTERFIELD

Mr. MANSFIELD. Mr. President, what is the unfinished business?

The PRESIDING OFFICER. The unfinished business is House bill 6078.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of Calendar No. 1261, Senate Resolution 255.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the resolution was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Edith B. Porterfield, widow of Albert E. Porterfield, an employee of the Senate at the time of his death, a sum equal to 10½ months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

PUBLIC AND PRIVATE HOUSING

Mr. MANSFIELD obtained the floor.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. MANSFIELD. Mr. President, I yield to the Senator from Alabama.

Mr. SPARKMAN. Mr. President, I really asked for this time from the acting majority leader for the purpose of inquiring about and making a brief statement regarding Calendar No. 1256, which is Senate Resolution 207, relating to investigation of matters pertaining to public and private housing.

If I may have the attention of the minority leader, the Senator from California [Mr. KNOWLAND], I should like to say that if my plans go through, I shall not be here on Monday, when, I understand, Senate Resolution 207 will be taken up. It is my understanding that the distinguished minority leader proposes to offer an amendment to the resolution to reduce the amount from $104,000 to $90,000.

Mr. KNOWLAND. The Senator is correct, which is the amount, according to the figures I have, authorized last year. The amount which had been expended as of the 31st of January was $83,986.46.

Mr. SPARKMAN. I am not certain about the last figure, but that is approximately correct.

We think that we have good reasons for asking for the full amount, and we made a full explanation before the Committee on Rules and Administration. We explained that while it is true we are turning back some money this year it really came about as a result of a combination of factors. First, we had to curtail the hearings which we had planned, in the budgeting, to live within the amount we had available. It is true that we budgeted a little more closely than we had to, and the result was about $4,000 left over.

There is another thing which is important. This is a subcommittee of the Senate Committee on Banking and Currency. There is another resolution before the Senate to provide a special appropriation for the Committee on Banking and Currency. That amount, I believe, is cut $30,000. The entire committee operates very largely as one group. I think it would have been only fair to consider the two resolutions more or less together.

I think we have ample justification for the full $104,000. However, I am not going to oppose the amendment to be offered by the Senator from California. I know the Senator offers it in absolute sincerity, and with the same desire that all of us have, which is to hold the different appropriations down just as much as we possibly can.

Mr. KNOWLAND. Mr. President, I will say to the distinguished Senator that I am certainly fully cognizant of the work which is done by the Senator's

committee. I have a high regard for the Senator personally, as he knows, and for the work of his committee. It does seem to me, however, that if the amount is the same as last year and the committee proceeds along with its work, and if at the end of the session there is some extraordinary reason for some further action by the Senate, we could then take action. I have never opposed requests for funds when the presentations were properly made.

It does seem to me that when we have such great demands put upon us for the national defense of the country, and the other great demands put upon us, that at least in the Senate we should try to hold these expenses down. We will be prepared on a fair and equitable basis to consider any requests made which are amply justified.

Mr. SPARKMAN. That is exactly the suggestion I desired to make. We are perfectly willing to accept the amendment when it comes up, provided we have the understanding that if we do get into a tight spot, we may come back and ask for more.

Frankly, I am hopeful and rather confident that we perhaps will be able to operate within that figure. The Senator knows that in the operation of one of these committees it is always desirable to have a certain degree of elasticity, because, after all, we do what the Senate and the Senators ask us to do. Furthermore, this is a continuing study of the overall housing program, which involves a contingent liability on the part of the Federal Government of something like $63 billion. I know the Senator agrees with me that it is helpful and necessary to have this kind of study going on all the time in order that we may stay on top of the program, to prevent a recurrence of some of the scandals we had not many years ago.

Mr. KNOWLAND. I fully agree that we have to have some elasticity and we should maintain it, but I hope that at times it will be a contracting elasticity rather than an always expanding one.

Mr. SPARKMAN. I am in complete agreement with the Senator in that regard. I will say that we will exercise the same frugality and care in the future we have exercised in the past. We will do our best to operate within the budget. If by reason of some unusual happening or any load imposed upon us by the Senate we should need additional funds, I want to serve notice that in that event we will come back and ask for additional funds.

LEGISLATIVE PROGRAM

Mr. MANSFIELD. Mr. President, I must apologize to the Senators who have waited around so patiently this afternoon. It was the desire and the anticipation of the distinguished minority leader, the Senator from California [Mr. KNOWLAND], and the distinguished majority leader, the Senator from Texas [Mr. JOHNSON], that certain resolutions affecting the welfare of certain committees should be taken up this afternoon. However, at the express request of a Senator, those resolutions will go over until Monday.

FAREWELL TRIBUTE TO HEINZ L. KREKELER, AMBASSADOR OF THE WEST GERMAN FEDERAL REPUBLIC

Mr. KEFAUVER. Mr. President, I desire to join with other Members of the Senate in wishing German Ambassador Heinz L. Krekeler good wishes on his departure from his position as Ambassador to the United States from the West German Federal Republic. It is true that we in America shall miss this outstanding diplomat.

Ambassador Krekeler has received many honors in this country. I recall that he holds the honorary degree of doctor of laws from Xavier University in Cincinnati, Ohio, an honorary degree from the University of South Carolina, and an award from the Alpha Sigma Nu Society at Creighton University. And, in recognition of his achievements in restoring friendly relations between the United States and West Germany, he has been awarded the Knight Commander's Cross of the Order of Merit of his own country.

These were honors that were justly won, Mr. President.

Ambassador Krekeler will be remembered in many sections of the United States—and by many people of high and low estate. In his broad travels here and in Alaska, he always made it a point to get the little fellow's point of view. And so he takes home with him a rare understanding of the problems of the bellhop, the elevator operator, the taxicab driver, the waiter, as well as the problems of his fellow diplomats, leaders of labor and industry, and of the so-called "brass" of Government.

As many of my colleagues are privileged to know, the Ambassador is a delightful conversationalist. I recall his great interest in promoting cultural understanding between his people and ours. He believes that one of his greatest achievements has been in helping to bring about closer cultural relations between our two nations.

The Senator from New Hampshire has mentioned the Ambassador's schoolboy journey to the United States in 1925. I should like to point out that Herr Krekeler paid us another visit in 1933. On that occasion, he visited Texas and the Pacific coast in his capacity as a German industrial chemist. That visit helped him, in no small measure, to acquire an intimate knowledge of the United States.

When he took over his delicate diplomatic post in New York City in 1950, Ambassador Krekeler made but one request of his Government. He sought permission to engage the services of a women's affairs secretary, because his travels in this country had convinced him that women were destined to play an ever-increasing role in politics, civic affairs, and in industry.

The request was turned down—on the ground that the German Government's budget contained no provision for the employment of a lady diplomat in the United States. The refusal did not stop the Ambassador. He took his case to his beloved Chancellor—Chancellor Adenauer—and won the fight. The German Embassy today continues to be the only foreign diplomatic mission in this country with a women's affairs secretary on the payroll.

Ambassador Krekeler is returning to Europe still firm in his conviction that the people of Germany want unification—they want to bring east and west together—not for purposes of creating a greater Germany, but solely for the purpose of reestablishing freedom among all the German people. There are 18 million Germans living under Soviet domination today, and Herr Krekeler is striving to reunite them with their brothers and sisters. That is surely a worthy goal.

I join with the Senator from New Hampshire in saying farewell to the Ambassador, and in wishing him success in his new task of encouraging the free nations of Europe to find the pathway to lasting peace. And I shall remember the Ambassador's last words to me, which were—"My confidence in United States leadership is unshaken, and I shall always try to help my people understand the American people for the good of all."

That is true diplomacy, Mr. President.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield to the Senator from Montana.

Mr. MANSFIELD. I wish to join the distinguished Senator from Tennessee in expressing regret over the transfer of the Ambassador of the West German Federal Republic, Heinz Krekeler, to become a board member of Euratom in Europe. I think both Ambassador Krekeler and Madam Krekeler have rendered excellent service in representing their country in the United States. They have performed the duties of their office with dignity and honor. It is to be hoped that the individual who replaces Ambassador Krekeler will be at least half as good as he has been, and if he is, West Germany will be well represented in the United States.

I thank the Senator for his courtesy.

Mr. KEFAUVER. I thank the Senator from Montana.

ADJOURNMENT TO MONDAY

Mr. MANSFIELD. Mr. President, I move that the Senate now stand in adjournment until 12 o'clock noon Monday.

The motion was agreed to; and (at 5 o'clock and 31 minutes p. m.) the Senate adjourned until Monday, February 3, 1958, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate January 31 (legislative day of January 27), 1958:

Axel J. Beck, of South Dakota, to be United States district judge for the district of South Dakota. (New position.)

The following-named persons to be members of the United States Advisory Commission on Information for terms expiring January 27, 1961, and until their successors have been appointed and qualified:

Philip D. Reed, of New York.

Erwin D. Canham, of Massachusetts.

EXTENSIONS OF REMARKS

The New United States-U. S. S. R. Agreement on Cultural Exchange

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES
Friday, January 31, 1958

Mr. WILEY. Mr. President, an important milestone in the history of the relations between the United States and Soviet Russia occurred this week with the signature of the Agreement on Cultural Exchanges.

It is the earnest hope of the American people that this agreement, which has been solemnly signed by both parties, will be fulfilled in its letter and in its spirit.

We, of the United States, believe that our word is our bond. It is our intention to uphold our share of all the commitments which we have made, as a people.

So, too, it is our hope that this agreement is but the first step in a chain-reaction of peace.

For we have nothing but good will for the people of Russia, or for that matter, of any other land.

Some observers have said that, basically, the American people are very much like the Russian people.

We both are friendly and hearty.

We both have a vast land mass into which we can put an enormous amount of energy.

Russia, long before 1917, had a marvelous cultural heritage. We, of the United States, likewise prize esthetic values.

We want to get to know the Russian people better, and we want them to get to know us better.

We want their visitors to come to our shores and we would like more Americans to visit them.

That does not mean that our eyes are not open to the fact that sometimes, as in the past, visitors from their land have not abused our hospitality.

But we say, in all frankness, that, if the cultural-exchange program is carried out in letter and in spirit, if each visitor to each land behaves as a guest should behave in another man's house, then much good will develop.

The fact that we have signed this cultural agreement does not, of course, signify in the slightest that we have altered our own basic belief in our own way of life. It does not mean that we have diminished in the slightest our feelings against the official ideology of Soviet Russia.

But the ideology of its government is one thing; friendship with its people is another thing.

During World War II the people of Russia suffered terrible losses which are almost unimaginable here on this continent, which was unscathed.

We would like the Russian people to know, through our musicians, our artists, our writers, our sculptors, our athletes, and through plain, ordinary Americans, that we hope that the Russian people will, after all they have gone through, enjoy nothing but the good things of life.

Mr. President, recently Russia gave us the sputniks. We would like to give to the Kremlin and to the Russian people a higher standard of living and a better understanding, and what it means to keep faith. In the years gone by, our experience with the leaders of Russia has indicated that of 52 agreements we have entered into with them, 50 have not been kept by them. I believe it is important that we have a spirit of understanding and of companionship between us and the people of Russia. When that is brought about, I am sure the leaders in the Kremlin will likewise be affected by that spirit, and we can then march together down the highway of peace.

The Milwaukee Journal of January 29 contained an editorial commenting upon the new cultural agreement. I ask unanimous consent that this editorial of the January 29 issue be printed in the CONGRESSIONAL RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TOWARD MORE HEALTHY RIVALRY

The American-Russian cultural exchange agreement reached in Washington this week is all to the good. It is designed to bring a 2-year swap of films, radio-television broadcasts, athletes, artists, musicians, students, and some 500 experts in education, industry, and various other fields.

It takes some of the emphasis off the dangerous power rivalry which so threatens world peace and puts emphasis on amicable interchange and cooperation—on sportsmanlike competition and on healthy rivalry.

Americans and Russians have much to teach each other. Russians who visit the United States will come to realize that the people of this country want no war with the Russian people. Americans who visit the Soviet Union will doubtless find that the Russian people feel the same way.

Another encouraging fact about the Washington agreement is that it was reached after 3 months of quiet, patient negotiation. There was giving on both sides. There were no noisy public disagreements, no violent headline charges, no spectacular walkouts. An excellent example was provided by Ambassadors Lacy and Zarubin. May the lesson be kept in mind by those in high places who are thinking about future American-Soviet conferences and preparations for them.

Proof of the pudding will be in the eating, of course. The Russians are not famed for keeping their agreements to the letter; time will tell how they observe this new one.

There are hopeful elements in the picture, however. The agreement is carefully limited. It was drawn with infinite care. Basically it enlarges a present exchange program by fivefold.

Then there is Zarubin's statement that he considers it the most important achievement of his 5 years in Washington. Zarubin is returning to Moscow for what is reported to be a much better job in the Soviet Foreign Office.

So, to echo President Eisenhower's sentiments, here is hoping that "the arrangement will be implemented in the same spirit which has animated the negotiations." If it is, the last week of January 1958 may have seen a major contribution to lessened world tensions.

Use of Surplus Food To Help World's Hungry People

EXTENSION OF REMARKS
OF
HON. WILLIAM E. PROXMIRE
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES
Friday, January 31, 1958

Mr. PROXMIRE. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a brief statement prepared by me quoting a letter which I have received from Mr. Alvin J. Sandow concerning the use of our surplus food to help the world's hungry people.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

USE OUR FOOD TO HELP WORLD'S HUNGRY

(Statement by Senator PROXMIRE)

A few days ago I received a letter from a gentleman in Portage, Wis., which touched my heart as few things do.

This man's name is Alvin J. Sandow, and he lives at 820 East Edgewater Street, Portage. Mr. Sandow's letter is an eloquent plea to us all to heed the urging of our religious impulses and to make use of our tremendous abundance of food in this Nation to bring relief to the starving and hungry people of the world.

Mr. Sandow's deed is equally as eloquent as his words. With his letter to me, he enclosed a check for $12, which he asked me to forward to CARE, the agency which ships voluntary private gifts of food and other essentials to persons in other lands who are in need.

I was very happy, of course, to comply with Mr. Sandow's request. I have forwarded his check to Mrs. Raymond Clapper, the national secretary of CARE, to be used for the purpose intended by Mr. Sandow.

But Mr. Sandow expressed a further purpose in his letter to me. He hopes that his gift and the idea which prompted him to make it might serve as an example that could spread far and wide and result in great benefit to mankind.

Mr. Sandow's own words tell of this idea much better than I can express it. I will quote directly from his letter, as follows:

"Gentlemen, this is what the Lord has laid on my heart.

"Being a Christian, I can't do otherwise. Well, here it is in a nutshell. We have heard so much about CARE, and we have sent many packages in the past. We are told that $1 will take care of a family for a month. Last year I sent $12 to CARE to take care of a family for a year.

"So, this is what the Lord has laid on my heart: Since the Government has a great surplus, why not make it public that many people are starving in this world of ours?

"As we do in the March of Dimes and many other projects, we should ask every family that is able to send $12 to CARE. I believe if that were done it would take care of the surpluses we have.

"I am sure that almost every family could sacrifice a quarter a week for 48 weeks to

help some starving family, so here is a check for $12 to start it.

"Now, when I said every family, that means you gentlemen, too. So, gentlemen, get down on your knees and pray about it. And let the Lord be your guide."

That is the letter which Mr. Sandow wrote to me. I am sure that the compassionate spirit which motivates this Wisconsin citizen is a fine and constructive force in the world, and one which we should do all we can to foster.

Agricultural Progress in 1957

EXTENSION OF REMARKS
OF
HON. THOS. E. MARTIN
OF IOWA
IN THE SENATE OF THE UNITED STATES
Friday, January 31, 1958

Mr. MARTIN of Iowa. Mr. President, the Secretary of Agriculture, the Honorable Ezra Taft Benson, recently issued a report on agricultural progress in 1957 which brings into clearer light the status of our agricultural economy and the many benefits derived by it under our Republican administration. I ask unanimous consent that this report be printed in the CONGRESSIONAL RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

STATEMENT BY SECRETARY BENSON ON AGRICULTURAL PROGRESS IN 1957

As we enter the new year, it is well for the Department of Agriculture to take inventory and review the past year, even as farmers and other businessmen take stock.

Improvement was the keynote of conditions in agriculture during 1957. Progress in some instances was not as great as desired but significant gains have been made. This is indicated by a brief review of the Department's activities and our accomplishments, problems, and objectives in agriculture.

DEPARTMENT ACTIVITIES IN 1957

During the past year the Department of Agriculture has provided services of great benefit to the farmers and ranchers of this Nation. The various agencies of the Department are meeting the challenges of our dynamic agriculture.

We are continually striving to make improvements, inaugurate new ideas, and bring about savings to the American taxpayer.

We are bending every effort to utilize sound business principles wherever possible in the administration of this Department. For example, this past month we succeeded in selling the last of 155 million pounds of wool which had accumulated in Government warehouses by November 1955, as a result of the old Government support program on wool in 1952, 1953, and 1954. The Government is not now a competitor in the wool business. This was accomplished by orderly marketing procedures. This significant accomplishment was made possible through the cooperation of the wool industry and Department officials.

The price-depressing effect of vast Government surplus holdings has been one of our greatest problems. A major part of these commodities was acquired as a result of provisions in the old price-support law which, although improved by amendment, still presents us with many difficulties. We have made great progress in this regard as Government investment in surplus commodities has been reduced one-sixth during the past 17 months.

In fact, movement of surplus farm products from Commodity Credit Corporation stocks into consumption was at record levels. Surplus commodities with a cost value of $5.3 billion were disposed of during the 15-month period ending September 30.

Two major programs contributed to this progress in reducing stocks:

1. During the 1957 fiscal year farm commodity exports totaled $4.7 billion which is an all-time record. An important factor in this accomplishment was our sales for foreign currencies under Public Law 480, the Agricultural Trade and Development Act.

2. The soil bank helped check the buildup of surpluses as farmers withheld just under 30 million acres of cropland from production. Because of the soil bank's acreage reserve alone, in 1957 the Nation had about 2 million bales less of cotton, 6 million hundredweight less rice, 93 million pounds less tobacco, 225 million bushels less corn, and 175 million bushels less wheat. The soil bank is also supplementing farm income, and conserving soil and water resources for future needs.

In another field of agricultural achievement during 1957, the cooperative Federal-State rural development program was expanded to six additional States and Puerto Rico. This makes a total of 30 States which have selected specific rural areas for demonstration programs leading to improved farming and the development of new nonfarm enterprises.

Scientific successes by USDA in the past year included virtual eradication of the Mediterranean fruitfly in Florida; use of the byproducts of atomic energy in a campaign against the screwworm, a serious menace to livestock and wildlife; and purifying, isolating and photographing the virus of foot-and-mouth disease.

The Cooperative Extension Service of USDA and State land-grant colleges reached an all-time high in aid to homemakers, 4–H enrollment, and aid to handlers and distributors of farm products, and a near all-time high in aid to farmers.

Loans made and insured by the Farmers Home Administration during 1957 totaled $342.5 million, with more than 44,000 borrowers repaying their loans in full and attaining a position where they could obtain credit through other sources.

Farmers used agricultural conservation program cost-sharing assistance to establish conservation practices on 1,210,000 farms and ranches in calendar year 1956. Progress in the Nation's 2,770 soil-conservation districts was aided materially by increased local financial support—with the Soil Conservation Service reporting $1 of non-Federal contributions for every $3 from the Federal Government.

Farmers and ranchers signed the first contracts for long-term conservation cost-sharing in the Great Plains in the final weeks of 1957.

OTHER ACCOMPLISHMENTS

Agriculture was a $14 billion customer of industry and labor during 1957, not counting the billions farm people spend in consumer goods and services. Our farms and forests are the sources of most of our country's food, clothing, and shelter. Over one-half of all raw materials used during 1957 came from agriculture.

This purchasing power was increased during 1957 to the benefit of the entire national economy, as indicated by the following:

1. During 1957 farm income increased for the second consecutive peacetime year despite rising costs. Net realized farm income is expected to remain at about the same level during 1958.

2. Farm assets reached an all-time high last year. According to preliminary estimates, value of all assets rose $11.2 billion during 1957, and probably will continue to rise in 1958. Farms have only $11 in debts for each $100 of assets.

3. Farm ownership is at a record high, as farmers continue to demonstrate their sound financial management. Two out of three farms have no mortgages.

MAJOR PROBLEM

But, while agriculture was making this great contribution to the national economy in 1957, the cost-price squeeze on farmers continued to be a major problem.

Gross farm income is at the highest peacetime level in our history, but farm costs continue to rise.

The entire Nation should be concerned in stopping the price and wage spiral which is affecting adversely the keep-home pay of farmers and the income of the major segment of our population. Another round of wage increases and price hikes in machinery and other equipment used by farmers has recently occurred. A considerable part of these increased profits and higher wages is being siphoned from the economic bloodstream of the Nation at the expense of the American farmer.

As Congress convenes, the Department of Agriculture will be submitting recommendations for legislation based on the following objectives of this administration's farm program:

1. Freedom to plant.

2. Freedom for farmers to make their own management decisions on their own farms.

3. Elimination of undesirable controls, thus removing the shackles from farmers' efficiency.

4. Maintaining and expanding farm markets at home and abroad.

5. Using our ability to produce abundance for the blessing it really is.

6. Helping farmers to help themselves.

7. A program of research, education, and conservation combined with sound and reasonable price supports allowing Government to be a partner of the farmer but never his master.

Agriculture continues to grow in strength. However, we are in the midst of a technological revolution in agriculture and farmers must be able to adapt their operations to changing conditions, inaugurating new techniques, developing new crops, and finding new uses for farm products.

The promise and potential of the new agriculture can only be fulfilled if we have confidence in our free-enterprise system and confidence in the ability of farm people to make the best decisions regarding the use of their own resources.

A New Approach To Solve the Problems of Peace

EXTENSION OF REMARKS
OF
HON. LYNDON B. JOHNSON
OF TEXAS
IN THE SENATE OF THE UNITED STATES
Friday, January 31, 1958

Mr. JOHNSON of Texas. Mr. President, in times of turmoil and strife, a quiet, thoughtful voice is one of the most valuable possessions a nation can have.

I believe that my colleagues on both sides of the aisle will agree with me that such a voice is presented by the junior Senator from Montana [Mr. MANSFIELD].

Senator MANSFIELD is a man who thinks problems through before he expresses himself upon them. For that reason, his ideas and proposals carry conviction.

In the New York Times Sunday magazine of January 26 the junior Senator from Montana [Mr. MANSFIELD] sets forth some of his views. They are based upon the premise that the primary objective must be to reduce the danger of real war rather than to register gains in the cold war.

I commend this article to the attention of my colleagues and the country, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

OPEN AGREEMENTS PRIVATELY MADE—THE FAILURE OF OPEN DIPLOMACY, DECLARES SENATOR MANSFIELD, CALLS FOR A NEW APPROACH TO SOLVE THE PROBLEMS OF PEACE

(By MIKE MANSFIELD)

WASHINGTON.

It has been said many times and correctly that peace cannot be had for the wishing. It might also be said that peace cannot be had for the talking. Talks are a necessary part of peacemaking but they are not in themselves necessarily the producers of peace. It will be recalled in this connection that Secretary of State Cordell Hull was talking peace with Japanese diplomats at the very moment planes were heading for Pearl Harbor. The point is worth keeping in mind now that pressures for summit or near-summit talks are once again high.

President Eisenhower and Premier Bulganin are even now in the midst of an elaborate correspondence on whether new conferences on disarmament shall be held, and if they are, how they shall be arranged and stage managed. All other leading nations of the world watch these developments with a mixture of hope and anxiety, for much depends upon their outcome.

International talks are tools, not ends in themselves. They can be used as readily to promote the purposes of aggression and war as the cause of peace. If talks are to function in the latter capacity much depends on what kind of talks take place, who talks, and what is talked about.

Peace begins not with talks but with politics. In this day and age it begins largely with the policies of the Soviet Union and the United States. President Theodore Heuss expressed the initial problem succinctly in a New Year's message to the German people. "The main thing," he said, "is to get sober and disentagle oneself from the web of slogans and ideologies."

If there is to be peace, nowhere is this advice more applicable than in the foreign policies of the Soviet Union and the United States. These policies must reflect what the people of both countries know and what their leaders sometimes profess. They must reflect an awareness that both nations, indeed all nations, now have a supreme common interest which transcends ideological differences and clashing national aims. That supreme common interest is the preservation of the human species on earth in a recognizable form of civilization.

In short, the first step to peace requires policies aimed primarily at reducing the danger of real war rather than registering gains in the cold war. That means sincere efforts at reconciliation and accommodation on the great issues which divide the world, rather than continued provocation and obstinacy. It is senseless and hypocritical to talk peace in general terms if the desire to reach peace in specific situations does not really exist.

A supreme mutual interest in avoiding mutual extinction and a mutual appreciation of that interest will not automatically produce peace between the Soviet Union and the United States. The ideological differences remain. The clashing national aims are still with us. Reconciliation of these differences, accommodation of these aims require action. It requires action to harmonize the policies of the two nations and other nations into agreements designed to get at the causes of international tension.

The second step to peace is the work of men, skilled and sober men, and they require machinery through which to function. Even assuming the sincere desire on the part of all concerned to work for peace, what kind of machinery will serve to bring the desire to fruition in workable international agreements?

OPEN AGREEMENTS OPENLY ARRIVED AT

When President Wilson listed his 14 points to peace in 1918 he included the following:

Open covenants of peace, openly arrived at, after which there shall be no private international understandings of any kind, but diplomacy shall proceed always frankly and in the public view.

This statement 40 years ago set in motion the development of a new school of diplomacy. It found expression between the wars in the numerous public conferences of nations and particularly in the League of Nations. The open approach reaches its apex today in the United Nations.

We have had a decade in which to observe the United Nations at work on international problems directly related to peace. It has done much to prevent situations of tension from slipping into wholesale violence. We have seen it operate in this fashion in the Middle East, Kashmir, and elsewhere. In the case of Korea and Suez, the U. N. has also acted to restore to a state of tension situations which had in fact given way to wholesale violence.

It is one thing to hold an international tension in check or to restore it to a state of tension after it has given way. It is another thing to bring the tension to an end. The first is largely a problem of coercion, whether the coercion be the force of world opinion, economic sanctions or military action. The second, the ending of a tension, is a problem of reconciliation and accommodation. Contrary to popular belief, the U. N. has scored considerable success as an instrument of coercion. It has been least successful as an instrument for ending tension, that is for reaching agreements on the major international issues.

The organization has tackled at one time or another virtually all the principal problems which divide the world. It has dealt at length with the cold war between the Soviet Union and the United States, with oppression in Eastern Europe, with the arms race, with the Korean conflict, the divided-China question and the Middle East crises. All of these issues remain open and, much as it is, it is not enough merely to keep them from opening wider. All must begin to close in satisfactory agreements before the world can begin to breathe easily again.

The U. N. of course cannot settle questions unless nations are prepared to settle them. No blame attaches to the organization for the failure of member states to use it properly. Yet for anyone who has observed the organization in action, the feeling remains that even if the U. N. were used in good faith, it is not the best instrument for bringing about major settlements which involve the great powers. Indeed, the U. N. was never intended to serve that purpose and the attempts to make it serve the purpose may have acted during the past decade to complicate these settlements.

Behind the scenes much valuable work is done and has been done at the U. N. in reconciling differences between nations. Such was the case in bringing about the end to the Berlin blockade. These informal and private negotiations undoubtedly also loom large in keeping a measure of stability in the Middle East and elsewhere.

In formal operations, the U. N. is a vast international stage. The great diplomatic dramas of our times are played there before a worldwide audience. Stalking the stage are the diplomatic stars, the representatives of the most influential countries and their supporting casts.

The actors play the parts that have been written for them by the policies of their respective governments. Invariably, as actors will, they add their own inimitable touches and sometimes the bit players try to steal the show. The press, radio, and TV services of the world duly report the day-to-day performances and serve well in the role of critics.

These dramas in New York may provide entertainment or they may be boring. They may help to clarify or serve to confuse the issues. They may be necessary outlets for international steam. They may serve a useful purpose by mobilizing the emotions of the peoples of many nations in support of a desirable action or to discourage an undesirable one. That is all to the good but it is beside the point. The fact remains: the essence of drama is conflict. The question remains: Is this the way in which complex and contesting national aims are likely to be adjusted?

The experience of the United Nations during the past decade seems clearly to show that it is not. The attempt in the U. N., in effect, to arrive at open covenants in the open has put every nation on continuous exhibition. With the best of intentions, and these are not always present, the temptation remains for each country to portray itself a little purer than it is and its opponents a little impurer than they can possibly be.

The U. N. procedures encourage the overstatement at which the Russians are past masters, and which, regrettably, we are also learning to use. The glare of the international spotlight reflects all situations in clashing black and white when in reality many are shades of gray. The fear of public criticism and ridicule hangs over all who retreat from previously taken positions even though these positions may have lost their meaning.

As typified by the United Nations, in short, open diplomacy encourages propaganda, obstinacy and inertia in international negotiations. It is not the key to the kind of settlements that are likely to get the nations of the world off the sword's edge on which their survival now is so delicately balanced.

SUMMIT OR NEAR-SUMMIT CONFERENCES

Not all summit conferences have been open, as was the case at Potsdam, Teheran, and Yalta. These were wartime conferences, however, and between countries which were allies. In the postwar period, the summit or near-summit conferences have represented a more specialized form of the same open diplomacy that is practiced at the U. N. They may have many of the same limitations, perhaps intensified. As international dramas their casts contain only the superstars, the political heads, and the foreign secretaries of the most powerful states of the world. The glare of publicity under which they operate is even brighter than at the U. N. The whole world hangs on every word that is spoken. At these conferences, the political leaders must not appear too adamant, if the public demands conciliation. At the same time, they must not appear too yielding.

In these circumstances and in the few days that are usually allotted to these conferences, it is ridiculous to expect settlement of the intricate problems that stand in the way of peace. With the best of intentions, the political leaders are not equipped to do the painstaking work that must be done, if these problems are to be solved. Nor do these conferences provide the time or the

environment to permit the job to be efficiently handled by the anonymous experts who surround their respective leaders.

There is nothing intrinsically wrong in the meeting of the political heads of states or their foreign secretaries in summit or near-summit conferences. Meetings of this kind do provide a firsthand opportunity for the men who must make the ultimate decisions for peace to weigh the attitudes and thinking of their counterparts.

Attendance may be good international public relations. The conferences may give some relief when the nerves of the peoples of the world are strained to the breaking point by the endless threat of war. They may restate the major issues which divide the world and reemphasize the hope that they may be solved. In doing so, the conferences may create at least temporarily a better atmosphere for the consideration of these issues and some pressure on the bureaucracies of each country to get to work on them.

These results were in fact achieved by the Geneva Conference of 1955. They are results, however, that by now ought not to be confused with peace. Two years later, the issues discussed at Geneva are still with us and in some respects have grown more ominous. For that momentary respite, moreover, the democracies of the world paid a price. We have paid for it in an unwarranted relaxation of defense and other national efforts which have placed us in a more disadvantageous position with respect to the Russians than was the case 2 years ago.

The fault, of course, does not lie with the conference. It does not lie with the Russians. If we confuse the illusion of peace with the reality of international settlements which will make peace durable, we have only ourselves to blame.

TRADITIONAL DIPLOMACY—THE KEY TO SETTLEMENT

If the key to agreement does not exist in the United Nations or in the summit or near-summit conferences, it may possibly be found in traditional diplomacy. Diplomacy of this type, as contrasted with what is normally seen at the United Nations or in the great international conferences, is a quiet art. It is practiced in private, and those who pursue it do not normally seek the spotlight of international attention. On the contrary, they shun it. Its chief characteristic is the slow and unspectacular but dogged pursuit of a particular international objective.

While traditional diplomacy is quiet, it is not soft. The best practitioners are hard if well-mannered bargainers. They are master technicians in statecraft and international negotiation. They know the caliber of their opposites and they know the situations with which they may be called upon to deal. If directed to win the agreement of other states to a desired course of action, they will do so with minimum concessions. They will give a little and they will take a little. They will know better than most how much it is necessary to give and what to take in order to achieve an agreement, if in fact that is the ultimate objective.

The ability of traditional diplomats to function effectively depends largely on the privacy which they enjoy in the negotiating process. Privacy permits, without the loss of face, the making of specific concessions on all sides, concessions which often can and should be made to produce an agreement of mutual advantage to all. There need be no plays to the audience, no adamant refusals to retreat from untenable positions, no dramatic walkouts. There can be maximum attention to the basic problems involved in settlement and minimum concern with the possible propaganda impact of each act of give and take.

In short, the methods of traditional diplomacy permit the exercise of great skills in negotiation in a favorable setting on the significant issues of the day. Full utilization of these skills may well offer the best promise of progress in unraveling the knots in which peace is now tied.

That these skills can produce results is indicated by the Austrian peace treaty. This treaty represents the one genuine international settlement of an outstanding East-West issue that has been achieved since the cold war began in earnest.

The treaty did not materialize, of course, until the Soviet Union was prepared to settle the question. It might never have come off even then, however, had not skilled negotiators worked out the intricate details and had they not done so in private. There were no humiliating public retreats in this process. There were no Pyrrhic propaganda victories. There was, however, an agreement with which the Western powers and Austria are contented and which the Russians have kept.

In the past 10 years, traditional diplomacy also provided the means for solving the "insoluble" Trieste question after the failure of formal U. N. procedures to do so. It was the key to the termination of the Berlin blockade. Even in the Middle East, it has probably been as much the essentially private diplomatic work of the Secretary General as the formal open procedures of the U. N. that has kept a measure of order in that region. Elsewhere, the story is similar. Diplomacy at work, inconspicuously and continuously, often spells the difference between admittedly unsatisfactory international situations and impossible ones.

It is not possible to measure the total contribution of traditional diplomacy to peace in the postwar era. If for no other reason, to try to do so except in long retrospect would be to violate the privacy on which it depends for effectiveness. There is reason to believe, however, that it has made a highly significant contribution.

OPEN AGREEMENTS ARRIVED AT IN PRIVATE

If the time is approaching when talk is to be used to seek peace rather than to prosecute the cold war, we may well ask ourselves, what kind of talk is likely to prove most successful in easing situations of tension. It is unlikely that we shall obtain satisfactory open agreements if we attempt to arrive at them in the open. On the other hand, secret agreements arrived at secretly, with which old-fashioned diplomacy is sometimes associated, is a discredited formula. It is the technique of authoritarianism and is repugnant to any nation in which sovereignty resides in the people.

These phases, however, are, after all, slogans rather than actual methods. Open agreements in the past, the Versailles Treaty for example, have rarely been made fully in the open. And secret agreements have rarely been kept secret for very long. What is essential now is to employ the technique which offers the greatest promise of producing reliable agreements to strengthen peace, to obtain these agreements in an honorable manner and without relative loss of national security.

It may be that the road to settlements of this kind can be lit by still another slogan, "Open agreements arrived at in private." What is suggested here is not new. It is the formula that was employed in reaching the Austrian Peace Treaty. The method used was that of private negotiation but it produced an open agreement. It produced an agreement, moreover, which removed a specific cause of international tension without loss of relative national security and it did so in an acceptable and honorable fashion since the treaty was subsequently ratified.

The open agreement arrived at in private, in short, means simply a reemphasis of the constructive role of traditional diplomacy in seeking agreements while at the same time keeping this technique responsible to the people. As far as the United States is concerned, the use of the formula involves certain changes in the methods by which we are now carrying on our foreign policy. It means an improving of the caliber of American ambassadors abroad and a rebuilding of their stature. This stature has been lessened in recent years by the quasi-independent operations of the agents and representatives of the numerous Federal agencies concerned with the cold war and by the tendencies of the Secretary of State to act as his own diplomatic agent.

The formula also requires the development of a substantial corps of seasoned and able diplomats of the highest standing within the Department of State. These men, working closely with the Secretary of State and the planning of policy, should begin now to prepare for the specialized negotiations which may later come on such issues as the Middle East, Germany, and Eastern Europe, the divided countries of Asia, and arms control. And, if negotiations in earnest on these issues do in fact materialize, the formula means, finally, clear instructions to the negotiators from the President and the Secretary of State, full confidence in their efforts and full support of the results they produce.

There is a place for the summit or near-summit conference in this formula. When the differences between nations are narrowed to manageable proportions by the negotiators, ultimate decisions will still have to be made. These decisions will fall to the heads of states and their foreign secretaries, for it is they who will have to provide the political leadership to secure ratification of agreements.

Finally, there is a job for the U. N. in the procedure. The scripts will have to be rewritten and the stage set for a sober play on agreement rather than for a continuation of the cacophonous melodrama of the cold war. If in fact settlements are reached by the negotiators and supported by the political leadership of the countries involved it will be time then for the U. N. to keep the peace.

Address Delivered by Senator Humphrey at the International Rescue Committee Meeting

EXTENSION OF REMARKS

OF

HON. HUBERT H. HUMPHREY

OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

Friday, January 31, 1958

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD the text of an address I delivered last evening at Miami Beach, Fla., on the occasion of the annual dinner of the Florida chapter of the International Rescue Committee. The meeting was held at the Hotel Fontainbleau in Miami Beach, Fla. As many Members of the Senate know, the International Rescue Committee illustrates the noble work that is being done in the field of aiding refugees from Communist tyranny. In my address I reviewed the work of the International Committee, and outlined a program of action for its future consideration.

Its present program includes the resettlement of the victims of Communist tyranny in free lands where opportunity is available to them.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

SPEECH BY SENATOR HUBERT H. HUMPHREY AT INTERNATIONAL RESCUE COMMITTEE MEETING, HOTEL FONTAINEBLEAU, MIAMI BEACH, FLA., JANUARY 30, 1958

Mr. Duke, ladies and gentlemen, I am particularly pleased to be here tonight because whenever I can, I wish to honor the role of individual private voluntary efforts to help meet today's total challenge from the Kremlin. America's private citizens with their public conscience have brought our country to its present greatness. We must not lose our faith in voluntary efforts or in the institutions which embody them.

Tonight I wish to pay tribute to the special role that one private group, the International Rescue Committee, has played over the past quarter century. In the first half of its life, the IRC provided help and haven to victims from Nazi tyranny.

Since then, it has been entirely concerned with helping the refugees from communism, from behind both the Iron and the Bamboo Curtains. Operation Brotherhood in Vietnam, the combating of Soviet Gen. Nikolai Mihalov's redefection drive in Europe, and finally, the excellent job done by the IRC following the tragically abortive Hungarian revolution in October of 1956—all of these are examples of the work a private group can do, unhampered by Government redtape, in reacting quickly to further our national objectives.

Of particular interest now is the reaction to the Hungarian Revolution of 15 months ago. Then, in the wake of the Red Army's ruthless suppression of this anti-Soviet revolt, there was a surge of interest and sympathy among the American people for the fate of the thousands of Hungarian refugees who had fled to freedom across the swampy border into Austria.

The work of the International Rescue Committee during this emergency has already become legendary. Food, clothing, medicine, shelter were made available almost overnight. Plans for resettlement in other countries were carried forward as rapidly as possible. The American people opened their hearts and their homes to those refugees who were lucky enough to come to the United States.

Today Hungarian refugees are no longer in the headlines. But this noble rescue work is far from finished. The IRC deserves a tribute for its determination to follow through with aid and counseling for refugees resettled in the United States.

I am also extremely pleased that you intend to continue supporting your excellent projects for the refugees left in Austria.

The plight of the Hungarian refugees was dramatically told, although now, as the months pass, the story dims. It is all the more important, therefore, that we remember those even more forgotten men—the refugees from Poland, Czechoslovakia, and other Communist-dominated countries who poured into free Europe after World War II. Many of them have waited in dismal camps or temporary shelters for years for the opportunity which they thought the free world would give them to rebuild their lives. No words can describe the bleakness of their lives, or the agony of waiting year after year, apparently unwanted. Some, disappointed and broken in spirit, have returned to their Communist-dominated homelands. Others have lost the will to live.

The Zellerbach Commission recently asked that the United States assume the leadership in a program to help settle these 200,000 remaining refugees. As most of you know, this Commission has been studying the refugee situation under the auspices of the IRC. I agree wholeheartedly with the Commission that if the United States took the lead in such a move, we would be grasping one major opportunity for a humanitarian countermove to Soviet scientific achievements.

My good friend, Mrs. Eugenie Anderson, the former American Ambassador to Denmark and a distinguished citizen of my home State of Minnesota, has said: "If the United States will take the lead in seeking to implement NATO support in the refugee field, we can prove to Western Europe that we are prepared to lead the way in humanitarianism." Her concept is that NATO can play a role in waging peace as well as war.

Mrs. Anderson is troubled, as I am, and as I know you are, by matters of conscience. I mean the collective American conscience which concerns itself with the discrepancy between what we preach and what we do. When it comes to preaching, we Americans have held ourselves forth as the leaders of the free world. We have urged those behind the curtain to throw off their shackles. Moreover, we have indicated a degree of support for such action. We have sent balloons behind the curtain bearing the words on cards, "We can't help you unless you help yourselves."

Some among us once preached liberation. Yet, when it comes to action in helping those who have boldly and unsuccessfully raised their hands against the heavy brutality of communism, we find ourselves no longer so much in the lead.

When it comes to financial support for refugees from behind the curtain, we Americans have contributed more than any other country. But in the way of providing the traditional American welcome and haven, we have lagged miserably. In fact, my friends, the United States ranks 13th on the basis of population among the countries of the world in accepting Hungarian refugees. To be specific, Switzerland, Canada, Israel, Sweden, Australia, the Netherlands, the United Kingdom, Belgium, West Germany, and France, in that order, rank ahead of the United States.

This is startling enough. Unfortunately, on the basis of comparative overall welcome to refugees from behind the curtain since World War II, the United States ranking is equally low. Again, on the basis of population, the United States stands 13th among the countries of the world in admitting refugees from communism. Israel, Germany, Australia, Austria, Canada, Italy, France, Sweden, the United Kingdom, Switzerland, Belgium, and Venezuela, rank ahead of the United States in that order.

A far cry, isn't it, from what we preach?

Now, what can we do to carry out our obligation as the leader of the free world? First, empty these refugee camps. Give the victims of Communist tyranny a new life in areas of freedom.

Secondly, we must adjust the status of the thirty-thousand-some refugees from Hungary brought here as so-called parolees by Presidential fiat. These unfortunate people have been left to an uncertain future by the administration, which so far has failed to make any determined effort to obtain appropriate legislation.

According to the American Immigration Conference, this one point is the major stumbling block to successful integration in the United States of the refugees. It has woven a thread of uncertainty into the whole area of refugee resettlement. As a guest of the Government, one who is physically in our country, but who has not been legally admitted for permanent residence, the parolee's rights and responsibilities are at best tenuous and uncertain.

A parolee may not be employed by the Government or in defense industries. He cannot even join the Army. The parolees, themselves, are unquestionably apprehensive that they will be forced to move on to another country unless status is accorded them soon. This apprehension gives rise to all manner of fears that deter a refugee from adjusting to a new way of life.

Thirdly, the Immigration and Nationality Act of 1952 must be completely revised along the lines recommended by the commission appointed by President Truman, in 1948, and as embodied in bills introduced by Senator Lehman and others of us in successive sessions of the Congress. Even the adoption of all of President Eisenhower's recommendations on immigration last year, would have been a longer step in the right direction than the one we took.

This broad new program of immigration laws and policies should include the elimination of the national origins quota system of admission. This system of nationality quotas on a 1920 immigration pattern, is not only outdated but ineffectual and artificial as far as present needs are concerned. It is discriminatory in its very nature, an affront to the decent sensitivities of men everywhere.

A revised immigration program should also eliminate current provisions imposing unnecessary discriminations on naturalized citizens, as well as the provisions giving two agencies of the Federal Government—the State and Justice Departments—overlapping jurisdiction over applications for admissions to the United States for temporary or permanent residence.

The events of the past year have continued to demonstrate that the problem is not easily solved by makeshift policies of immigration. We must adopt longer range policies toward those who want to break away from Communist rule and flee to freedom. Of course, consideration must also be given to those from other parts of the world who want to migrate to the United States.

We all know that Public Law 316 was signed by President Eisenhower in September. As a cosponsor of this measure in the Senate, I have no delusions about it. Several worthwhile but relatively unimportant changes in existing laws were included in it—such as the admission of orphans, unification of families, and the lifting of mortgages on visa quotas. We all know in our hearts that this is a piecemeal and inadequate approach. What we really need is an overhaul of our entire immigration policy.

Unhappily, the general attitude throughout the country, as well as in Congress, has been and still is one of caution on this issue. On occasion, however, Congress has risen above its caution to move with boldness and generosity in this field. The passage of the Displaced Persons Act in 1948 and the Refugee Relief Act in 1953 is evidence of that fact.

The response of our people during the Hungarian emergency gives further ground for belief that Americans generally are not blindly set against all change. If all those who sincerely wish to improve our immigration laws and practices—including most specifically you of the International Rescue Committee—will work together for those improvements which are within the realm of the possible and thus, little by little, whittle away at the injustices in the present laws, I think we can succeed.

Friends, you and I know that basically this is a challenge to Americans to return to their better selves, to restore the image of the compassionate, friendly, humanitarian America devoted to works of peace, not merely the words of peace.

The works of peace are the very heart and core of our tradition and philosophy. Health care for the sick, food for the hungry, jobs for the unemployed, homes and shelter for the needy, opportunity for youth—these are the concrete works of peace we must execute and help toward fulfillment in the have-not nations of the world. This great promise of the good life, with liberty and the pursuit of happiness, is one we can fulfill, and we should move ahead vigorously to do it.

Indeed as I look at the world situation at the moment, I think we have an opportunity to face up to three basic challenges:

The first challenge, the immediate one, is to recover from our delays and mismanagement in the field of military rocketry and missiles. There is no doubt that Congress will respond with increased appropriations for these programs, probably more than the President has asked.

The second challenge is to provide the basic defense in depth which these defense programs need with a new and lively rediscovery of the importance of education, trained minds, basic research, not only in the sciences, but in the humanities too. There are signs that people are belatedly awakening to the full dimensions of this challenge, too.

The third challenge is the major one for the long haul. Today we have only a sobering and disturbing awareness that our current struggle to regain military parity ultimately will lead nowhere but to increased world problems. We are only vaguely aware that the long-term challenge lies in the competition for men's minds, hearts, and enthusiasms.

It is a political challenge to evoke a new appreciation of the worth and value of democratic institutions as the last best hope of earth. It is a social challenge to cut out the cant of inequality, to uproot the ugly weeds of racism, to quit acting as though we still have doubts that each man is his brother's keeper. It is an economic challenge—to harness the energies of people in a cooperative effort to create healthy and productive societies, giving and utilizing economic aid, technical assistance, our stores of food and fiber.

It is also, of course, a cultural challenge—to take up the gauntlet which Khrushchev, among others, has thrown down to us in such fields as people-to-people exchange.

But America, of all nations, ought to be the one best equipped to meet this total challenge. We are a Nation, which, throughout most of her history, identified herself with mankind. It is that kind of America which we must recapture. Woodrow Wilson was talking about it when he said:

"There have been other nations as rich as we. There have been other nations as powerful. There have been other nations as spirited. But I hope we shall never forget that we created this nation, not to serve ourselves, but to serve mankind."

And it was the same America, devoted to international rescue, which Emma Lazarus immortalized in her words inscribed on the Statue of Liberty in New York harbor, words that are familiar to all of you:

"Give me your tired, your poor,
Your huddled masses, learning to breathe free,
The wretched refuse of your teeming shore,
Send these, the homeless, tempest-tost to me,
I lift my lamp beside the golden door."

SENATE

MONDAY, FEBRUARY 3, 1958

Rev. Lawrence D. Folkemer, pastor, Lutheran Church of the Reformation, Washington, D. C., offered the following prayer:

God of all grace, who art far more ready to give than we to receive, whose blessings are new unto us every morning, every noon, and every night, grant us the joy of grateful hearts. Forbid us to become so obsessed with the things that burden us that we fail to look up and lift up our hearts to Thee, the author and giver of all good things.

Let not this brief moment of prayer become an island of unreality but let it be a lighthouse on the mainland of our common daily tasks. Translate this act of devotion and this plea for guidance into constructive channels for doing good. So hallow, therefore, all that we think, say, and do, that Thy kingdom may come and Thy will be done on earth as it is in heaven.

Cleanse Thou our hearts of all the things beneath the dignity of the children of God and make us to be fit vessels for the doing of Thy perfect will. Deliver us from the tyranny of petty and shallow partisan interests and lead us into the true service of all mankind. In the name and spirit of Christ. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Friday, January 31, 1958, was dispensed with.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 9739) to authorize the Secretary of the Air Force to establish and develop certain installations for the national security, and to confer certain authority on the Secretary of Defense, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. VINSON, Mr. BROOKS of Louisiana, Mr. KILDAY, Mr. DURHAM, Mr. ARENDS, Mr. GAVIN, and Mr. NORBLAD were appointed managers on the part of the House at the conference.

ORDER FOR DISPENSING WITH CALL OF THE CALENDAR

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the call of the calendar, under the rule, be dispensed with.

The VICE PRESIDENT. Without objection, it is so ordered.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. JOHNSON of Texas. Mr. President, under the rule, there will be the usual morning hour, for the introduction of bills and the transaction of other routine business. I ask unanimous consent that statements made in connection therewith be limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT ON AGRICULTURAL COMMODITIES AGREEMENTS WITH CERTAIN FOREIGN GOVERNMENTS

A letter from the Deputy Administrator, Foreign Agricultural Service, Department of Agriculture, Washington, D. C., reporting, pursuant to law, on agricultural commodities agreements with the Governments of Greece, France, and Yugoslavia (with accompanying papers); to the Committee on Agriculture and Forestry.

REPORT OF BUREAU OF THE BUDGET

A letter from the Director, Bureau of the Budget, Executive Office of the President, transmitting, pursuant to law, a report of that Bureau dated January 1958 (with an accompanying report); to the Committee on Appropriations.

REPORT ON FLIGHT TRAINING PROGRAM, DEPARTMENT OF THE AIR FORCE

A letter from the Director, Legislative Liaison Department of the Air Force, transmitting, pursuant to law, a report on the progress of the flight-training program (with an accompanying report); to the Committee on Armed Services.

PROPOSED CAREER PATTERN FOR CERTAIN OFFICERS OF MARINE CORPS

A letter from the Under Secretary of the Navy, transmitting a draft of proposed legislation to establish a career pattern for officer-lawyers in the regular officer structure of the United States Marine Corps, and for other purposes (with accompanying papers); to the Committee on Armed Services.

EXTENSION OF POWERS OF UNITED STATES TARIFF COMMISSION

A letter from the Chairman, United States Tariff Commission, Washington, D. C., transmitting a draft of proposed legislation to extend the inspection and subpena powers of the United States Tariff Commission, and for other purposes (with an accompanying paper); to the Committee on Finance.

REPORT ON GENERAL ACCOUNTING OFFICE

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the activities of the United States General Accounting Office, during the fiscal year ended June 30, 1957 (with an accompanying report); to the Committee on Government Operations.

REPORT ON CERTAIN CONTRACTS MADE BY BUREAU OF INDIAN AFFAIRS

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, a report on certain contracts made by the Bureau of Indian Affairs, for the fiscal year 1957 (with an accompanying report); to the Committee on Interior and Insular Affairs.

CLAIM OF SAN JUAN TRIBE OF INDIANS, P. THE UNITED STATES OF AMERICA

A letter from the Acting Chief Commissioner, Indian Claims Commission, Washington, D. C., reporting, pursuant to law, that proceedings have been finally concluded in the claim of the *San Juan Tribe of Indians, petitioner* v. *The United States of America* (with accompanying papers); to the Committee on Interior and Insular Affairs.

REPORT OF CIVIL AERONAUTICS BOARD

A letter from the Chairman, Civil Aeronautics Board, Washington, D. C., transmitting, pursuant to law, a report of that Board, for the fiscal year 1957 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

SUSPENSION OF DEPORTATION OF ALIENS—WITHDRAWAL OF NAMES

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, withdrawing the names of Chang Hui Chou and Yun Ching Liu Chou from a report relating to aliens whose deportation has been suspended, transmitted to the Senate of April 15, 1957 (with an accompanying paper); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A concurrent resolution of the Legislature of the State of Mississippi; to the Committee on Appropriations:

"Senate Concurrent Resolution 111

"Concurrent resolution memorializing the Congress of the United States of America to immediately make available sufficient funds to carry out the soil bank program and to permit the farmers of this State to qualify for benefits and be permitted to sign applications for soil bank benefit payment

"Whereas the farmers of the State of Mississippi have suffered a crop loss during the year 1957 because of adverse weather conditions and are now in dire and destitute circumstances and the entire economy of the State of Mississippi has been affected by the plight of the farmer of this State; and

"Whereas many of the farmers of this State have been denied the privilege to apply for and receive soil bank benefits from the United States Department of Agriculture and because of their circumstance as aforesaid, such benefits are highly desirable and needful at this time: Now, therefore, be it

"*Resolved by the Mississippi State Senate (the House of Representatives concurring therein)*, That the Congress of the United States of America be and it is hereby requested to make available to the farmers of the State of Mississippi sufficient funds under the soil bank program to permit said farmers of this State to qualify and be permitted to sign applications for soil bank benefit payment; and be it further

"*Resolved*, That the secretary of State be and is hereby directed to send a duly certified copy of this resolution to the Senate of the United States and one to the House of Representatives of the Congress of the United States.

"Adopted by the senate January 21, 1958.

"CARROLL GARTIN,
"*President of the Senate.*

"Adopted by the house of representatives January 23, 1958.

"MILTON SIEVERS,
"*Speaker of the House of Representatives.*"

A resolution adopted by the City Council of the City of Chicago, Ill., relating to the financing of relocation housing in that city; to the Committee on Banking and Currency.

A resolution adopted by the Common Council of the City of Detroit, Mich., favoring the repeal of excise taxes on automobiles; to the Committee on Finance.

A petition signed by C. F. Burmester, and sundry other citizens of Petaluma, Calif., praying for the enactment of legislation to provide for the completion of the Trinity River project in the State of California; to the Committee on Interior and Insular Affairs.

A resolution adopted by the Board of Supervisors of Gogebic County, Mich., favoring the designation of Gogebic County as a critical area in the matter of unemployment; to the Committee on Labor and Public Welfare.

A resolution adopted by the Philatelic Club of Los Angeles, Calif., relating to the receipt of canceled stamps by the patrons of that organization; to the Committee on Post Office and Civil Service.

A resolution adopted by the West Covina Branch, Pomona Chapter of the American National Red Cross, favoring the completion of the improvement of the Big Dalton and San Dimas Washes in the State of California; to the Committee on Public Works.

By Mr. JOHNSTON of South Carolina:

A concurrent resolution of the Legislature of the State of South Carolina; to the Committee on Agriculture and Forestry:

"A concurrent resolution memorializing the Congress of the United States to enact legislation providing for a farm program that will enable the small farmer under the acreage allotment and soil-bank programs to meet the rising cost of farm expenses and the necessities of life for himself and the members of his family.

"*Be it resolved by the House of Representatives (the Senate concurring)*, That the Congress of the United States is memorialized to take note of the conditions of the small farmer, not only in this State but in other States of this Union as well.

"We recognize the very laudable purpose of the tobacco and cotton acreage allotment and soil-bank program.

"We fully appreciate the fact that these programs are necessary to hold production in line with the supply and demand.

"It should be recognized that the small farmer constitutes a large percentage of the people who are engaged in producing the products demanded by our people and the food and fabric necessary to our existence. The acreage allotment of tobacco and cotton have been progressively decreased so that at present the small farmer finds that he is unable to meet the increased expenses incident to his farming operation and supply his family with the necessities of life.

"If this trend is not halted the small farmer will be forced to give up his farm, move into industrial areas where even now there is a great deal of unemployment.

"Congress should take notice of the fact that such a disruption of our economy would entail a great loss to our civilization and be attended by a great loss to a most substantial element of our citizenry.

"The General Assembly, therefore, urges Congress of the United States, before it becomes too late, to adopt legislation, while reserving the programs above referred to, to arrange the acreage allotments and other benefits for the small farmer so he can continue to exist and meet his farm expenses and discharge all other obligations of a worthy citizen; be it further

"*Resolved*, That the clerks of the respective bodies send to each of our United States Senators and each of the Congressmen from this State a certified copy of this concurrent resolution."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce, without amendment:

H. R. 3210. An act to amend section 510 (a) (1) of the Merchant Marine Act, 1936, as amended, to accelerate the trade-in of old vessels with replacement by modern vessels (Rept. No. 1259); and

H. R. 7052. An act to amend section 216 (b) of the Merchant Marine Act, 1936, as amended, to provide for appointments of cadets from the District of Columbia, Guam, American Samoa, Virgin Islands, and the Canal Zone (Rept. No. 1260).

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 1062. A bill for the relief of Maud Claer Wahl (Rept. No. 1261);

S. 1999. A bill for the relief of Constantinos N. Alivantistos (Rept. No. 1262);

S. 2251. A bill for the relief of Manley Francis Burton (Rept. No. 1263);

S. 2274. A bill for the relief of Mario Lazzarotto (Rept. No. 1264); and

S. 2503. A bill for the relief of Maria H. Aguas and Buena M. Castro (Rept. No. 1265).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 2245. A bill for the relief of Moy Tong Poy (Rept. No. 1266); and

S. 2430. A bill for the relief of Carlos Olmos Chang and his wife, Maria Luisa Chin de Chang (Rept. No. 1267).

By Mr. EASTLAND, from the Committee on the Judiciary, with amendments:

S. 2168. A bill for the relief of Armas Edwin Jansson (Rept. No. 1268).

REPORT ENTITLED "LEAKS OF CAB DECISION OF AUGUST 2, 1956, AFFECTING NORTHEAST AIRLINES STOCK" (S. REPT. NO. 1269)

Mr. JACKSON. Mr. President, in 1954 the Civil Aeronautics Board was contemplating the granting of additional air service between New York, N. Y., and Miami, Fla. Applications for this route were filed with the Board by the following airlines: Capitol, Colonial, Delta, Eastern, National, North American, Northeast, Pan American, Resort, and Riddle. According to the usual procedure, all available information was studied by a Board examiner who issued a preliminary decision, in April of 1956, in favor of Delta Airlines. As is usual, exceptions to the examiner's decision were filed with the Board and oral argument was then made before the full Board.

On August 2, 1956, the members of the Civil Aeronautics Board met in secret session, reversed the decision of the examiner, and voted, 3 to 2, to award the New York-Florida route to Northeast Airlines. The vote was at approximately 9 p. m. In addition to the 5 CAB members, 20 staff members were present.

On August 3, 1956, some 24,000 shares of Northeast Airlines stock were traded on the American Stock Exchange, whereas on the average date prior to August 3, approximately 500 shares a day were traded. It became apparent that the secret vote of the Board had been leaked. All present at the meeting of August 2, 1956, held very responsible positions in this regulatory agency of the Government. These 25 CAB employees were interviewed by the subcommittee staff, but no one admitted the leak or any knowledge of it. On August 10, 1956, because of the leak of information on the decision of August 2, 1956, the Civil Aeronautics Board published its former secret vote, and made it official.

The subcommittee was very much concerned with these leaks, particularly where some person acquired inside information and used it for his financial gain.

Public hearings were held by the Senate Permanent Subcommittee on Investigations, and they established that there

were two leaks of information concerning this secret decision of August 2, 1956. Unfortunately, the subcommittee was not able to identify the person or persons within CAB who were responsible for the leaks, partially because of the evasiveness and uncooperative attitude of certain of the witnesses. However, it was clear that leaks of information were a problem with the CAB. It was established that there is no present existing criminal statute prohibiting leaks. It was also determined that the regulatory agencies of the Government, being quasi-judicial in nature, are afforded no protection from attempts to influence the opinions of Board officials in any adjudicated matter.

In executive session, testimony was heard from officials of the Civil Aeronautics Board, the Security and Exchange Commission, the Interstate Commerce Commission, the Federal Communications Commission, the Federal Trade Commission, and the Federal Power Commission, with a view to the enactment of legislation concerning the two aforementioned points. Significantly, all of these officials voiced no objection to legislation of this type.

It is my opinion that there should be a penal provision making it a criminal violation for any employee in a regulatory agency to knowingly and willfully disclose any improper information with respect to any matter pending before such agency for adjudication. I also feel that it should be a criminal violation for anyone to attempt to influence any adjudication in a regulatory agency by making oral or written presentation on any question of law or fact to any Board member individually, without notifying other interested parties.

As a practical matter, two Senate bills, S. 2461 and S. 2462, on these two important points have been introduced in the Senate for the Senator from Arkansas [Mr. McCLELLAN] and myself, and they are presently in the Judiciary Committee. The Senator from Texas [Mr. YARBOROUGH] also cosponsored Senate bill 2462.

Mr. President, from the Committee on Government Operations, I submit the report entitled, "Leaks of CAB Decision of August 2, 1956, Affecting Northeast Airlines Stock," made by its Senate Permanent Subcommittee on Investigations, and ask that it be printed.

The VICE PRESIDENT. The report will be received and printed, as requested by the Senator from Washington.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BUSH (for himself and Mr. JAVITS):

S. 3209. A bill to best assure the security of the United States by providing for greater unification of the Armed Forces, and for other purposes; to the Committee on Armed Services.

(See the remarks of Mr. BUSH when he introduced the above bill, which appears under a separate heading.)

By Mr. COOPER:

S. 3210. A bill to supplement the National Security Act of 1947, as amended, by providing for unified civilian administration and control of the Armed Forces of the United States in conformity with certain recommendations made by the First Commission on Organization of the Executive Branch of the Government, and for other purposes; to the Committee on Armed Services.

(See the remarks of Mr. COOPER when he introduced the above bill, which appears under a separate heading.)

By Mr. POTTER:

S. 3211. A bill for the relief of Fouad Mikhail Zada; his wife, Sabat Zada (nee Leon or Laoun); and the minor child, Michel; to the Committee on the Judiciary.

By Mr. THYE:

S. 3212. A bill authorizing the Secretary of the Army to compensate certain persons who sustained damages by reason of fluctuations in the water level of the Lake of the Woods; to the Committee on the Judiciary.

(See the remarks of Mr. THYE when he introduced the above bill, which appear under a separate heading.)

By Mr. FULBRIGHT:

S. 3213. A bill to increase by $250 million the borrowing authority of the Housing and Home Finance Agency for college housing loans; to the Committee on Banking and Currency.

(See the remarks of Mr. FULBRIGHT when he introduced the above bill, which appear under a separate heading.)

By Mr. BIBLE:

S. 3214. A bill to reduce to 2 years the period of limitations for assessment and for filing claim for credit or refund of internal revenue taxes, and to provide that interest on underpayments and overpayments of internal revenue taxes shall not accrue during any period during which the time for assessment of tax has been extended by agreement; to the Committee on Finance.

By Mr. MUNDT:

S. 3215. A bill to provide for the industrial utilization of agricultural products, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. JAVITS:

S. 3216. A bill to authorize Federal assistance to the States and local communities in financing an expanded program of school construction so as to eliminate the national shortage of classrooms; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. JAVITS when he introduced the above bill, which appear under a separate heading.)

By Mr. MAGNUSON (by request):

S. 3217. A bill to amend section 1 (14) (a) of the Interstate Commerce Act to insure the adequacy of the national railroad freight car supply, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. KUCHEL:

S. 3218. A bill to amend the Federal-Aid Road Act approved July 11, 1916, as amended and supplemented, for the purpose of encouraging the control and improvement of areas adjacent to the National System of Interstate and Defense Highways; to the Committee on Public Works.

(See the remarks of Mr. KUCHEL when he introduced the above bill, which appear under a separate heading.)

PRINTING AS A SENATE DOCUMENT, WITH ADDITIONAL COPIES, REPORT BY SENATOR ELLENDER ENTITLED "A REVIEW OF UNITED STATES FOREIGN POLICY AND OPERATIONS"

Mr. ELLENDER submitted the following concurrent resolution (S. Con. Res. 60), which was referred to the Committee on Rules and Administration:

Resolved by the Senate (the House of Representatives concurring), That the report entitled "A Review of United States Foreign Policy and Operations," submitted to the Senate Committee on Appropriations on January 24, 1958, by Senator ALLEN J. ELLENDER, shall be printed as a Senate document.

SEC. 2. There shall be printed, for the use of the Senate, 7,500 additional copies of such Senate document.

GREATER UNIFICATION OF THE ARMED FORCES

Mr. BUSH. Mr. President, I introduce, for appropriate reference, a bill to best assure the security of the United States by providing for greater unification of the Armed Forces, and for other purposes.

The distinguished Senator from New York [Mr. JAVITS] has joined me in cosponsorship of the bill. I ask unanimous consent that the bill may lie at the desk for 48 hours so that additional Senators may become cosponsors if they desire.

I intend to discuss the bill later this afternoon apropos the defense appropriation bill, which I understand will be pending before the Senate today.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will lie on the desk, as requested by the Senator from Connecticut.

The bill (S. 3209) to best assure the security of the United States by providing for greater unification of the Armed Forces, and for other purposes, introduced by Mr. BUSH (for himself and Mr. JAVITS), was received, read twice by its title, and referred to the Committee on Armed Services.

SUPPLEMENTATION OF NATIONAL SECURITY ACT OF 1947

Mr. COOPER. Mr. President, I introduce, for appropriate reference, a bill to supplement the National Security Act of 1947, as amended, by providing for unified civilian administration and control of the Armed Forces of the United States, in conformity with certain recommendations made by the First Commission on Organization of the Executive Branch of the Government, and for other purposes.

I shall take between 10 and 15 minutes to explain the bill, and I ask unanimous consent that I may be permitted to speak to that extent.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the Senator from Kentucky may proceed.

The bill (S. 3210) to supplement the National Security Act of 1947, as amended, by providing for unified civilian administration and control of the Armed Forces of the United States in conformity with certain recommendations made by the First Commission on Organization of the Executive Branch of the Government, and for other purposes, introduced by Mr. COOPER, was received, read twice by its title, and referred to the Committee on Armed Services.

Mr. COOPER. Mr. President, my bill would amend the National Security Act of 1947. It is intended to reorganize and unify the civilian administration of the Department of Defense. Its purpose is to insure that the Secretary of Defense has unquestioned statutory authority, and the effective means of administering and directing the Departments of the Army, Navy, and Air Force. It is intended to accomplish this purpose by two means, set out in sections 2 and 4 of the bill.

First, as provided in section 2:

> All powers, duties, and functions of the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force, are transferred to the Secretary of Defense.

Then, to assure that there is no division of authority between the Secretary of Defense and the heads of the Departments of the Army, Navy, and Air Force, the bill would abolish the offices of the Secretary of the Army, Secretary of the Navy, and Secretary of the Air Force. In their place, it would establish Under Secretaries for each of the three Departments directly under the authority of the Secretary of Defense, and charged with administering their respective Departments, under the direction and authority of the Secretary of Defense.

I make it clear at the outset that the bill does not abolish the separate Departments of the Army, Navy, and Air Force. It does not abolish or merge the three great military services, or interfere with their military command.

Since the Soviet Union launched its first satellite, wide interest and debate in this country has been directed to the organization of the Department of Defense. The debate has concerned itself almost wholly with the organization and functions of the Joint Chiefs of Staff. I do not derogate the importance of this subject, but it seems to me that action in this field may proceed slowly.

The bill which I introduce is intended to focus the attention of the Congress and, I hope, public opinion, upon the civilian organization of the Department of Defense, one which has been barely discussed in the course of the debate. I want to raise questions as to whether the Secretary of Defense has the authority, by statute, or the practical means, for the full direction and control of the tremendously involved operations of the Departments of the Army, Navy, and Air Force.

As a matter of policy, it is fundamental in the American system that the Defense Establishment shall be under civilian control. Nevertheless, in the debate that has been in progress for nearly 4 months in the Congress and press it has seemed to be accepted that all strategy, direction, and control must necessarily fall upon the Joint Chiefs of Staff. The National Security Act of 1947 states this fundamental purpose in its declaration of policy. The President reiterated this principle in his great state of the Union message, when he said:

> Another requirement of military organization is a clear subordination of the military services to duly constituted civilian authority. This control must be real, not merely on the surface.

Mr. President, I was very much interested in the President's statement that civilian control "must be real, not merely on the surface." It was that statement which largely stimulated my inquiry into this matter. It seems to me that when the President spoke of real civilian authority, he was not speaking of the principle of civilian control as a theory, fundamental as it is, but was speaking of its effective practice.

Today, the challenge we face from Soviet Russia's swift advance in military and economic might—the rapid development of weapons, fearful in their capacity of mass destruction—and the tremendous burden of defense which we must bear for a long time, demand that the Department of Defense be managed in the most effective way. It concerns the economic capacities and health of our country; but, more profoundly, it may concern our survival and the strength of democratic institutions. I believe it is agreed that we cannot permit these deepest interests of our country to be endangered by divisions of authority, by competitive interests among the Departments of the Army, Navy, and Air Force. It may be said that the Secretary of Defense presently has all the authority he needs to administer and direct the three departments. I must say frankly that some contend that he has such authority. This question has been studied before, and on March 27, 1953, a legal opinion concerning the authority of the Secretary of Defense was given by Mr. H. Struve Hensel, Mr. Roger Kent, and Mr. Frank F. Brown to a committee on Department of Defense organization, under the leadership of Mr. Nelson A. Rockefeller. The opinion held that the Secretary had supreme power and authority. But the opinion itself admitted that his power was expressly limited by certain provisions of section 202 of the National Security Act.

Nevertheless, in 1949, 2 years after the adoption of the National Security Act, the Commission on Organization of the Executive Branch of the Government, under the leadership of the Honorable Herbert Hoover, as Chairman, and the Honorable Dean Acheson, as Vice Chairman, submitted a report to the Congress, after an investigation of the National Security Organization. In the report the Commission stated:

> The authority of the Secretary of Defense, and hence the control of the President, is weak and heavily qualified by the provisions of the act of 1947 which set up a rigid structure of federation rather than unification.

It stated that the Secretary of Defense had only "general" authority over the Service Departments; that his powers over the budget and expenditures were inadequate; and that the principle of federation, rather than firm unification, was implicit in the act. The Commission found that "centralized civilian control scarcely exists." It also said, "Each military branch values its own purposes and, due both to the weakness of the Defense Secretary's powers and to the confusion of authority over them, has very much a free hand."

It is significant that the Commission recommended to the Congress, under the heading, "What Should Be Done To Improve Organization?" among other things, the following:

> (1) That the principle of unifying civilian control and accountability be the guiding rule for all legislation concerned with the National Military Establishment, and that full authority and accountability be centered in the Secretary of Defense, subject only to the President and the Congress.
>
> (2) That all statutory authority now vested in the Service Departments, or their subordinate units be granted directly to the Secretary of Defense, subject to the authority of the President, with full authority to delegate them as he sees fit and wise.

Mr. President, the recommendation of the Hoover Commission is followed in my bill. It would transfer to the Secretary of Defense all the powers and functions now residing in the three separate departments.

Third, the Commission said:

> (3) That the Service Secretaries "be directly and exclusively responsible to him (Secretary of Defense);" and "that the Service Secretaries, to clarify their positions, be designated the Under Secretaries for Army, Navy, and Air Force."

The members of the Commission on the Organization of the Executive Branch of the Government were Herbert Hoover, Dean Acheson, Arthur S. Flemming, James Forrestal, George H. Mead, George D. Aiken, John H. McClellan, James K. Pollock, Clarence J. Brown, Carter Manasco, and James H. Rowe, Jr., all distinguished and able Americans. After their report had been filed, the Congress did transfer the powers of the Munitions Board and the Research and Development Board to the Secretary of Defense. But Congress did not follow their recommendations, and transfer the full powers of the Departments of the Army, Navy and Air Force to the Secretary of Defense. To the contrary, it amended the act in such a way as to deprive him of power in several specific fields set out in section 202 of the act. These provisions relate chiefly to the missions of the Services and the expenditure of funds appropriated by the Congress.

Since 1949, two commissions headed by the Honorable Nelson A. Rockefeller have studied the organization of the Department of Defense. While neither report made the specific recommendations which I have cited from the Hoover Report, both called attention to the lack of authority in the office of the Secretary of Defense. In 1953, the Rockefeller committee made the following statement:

> The direction, authority, and control of the Secretary over all agencies of the Department, including the three military departments, which should continue to be separately organized for effective administration, should be defined by decisive administrative action, and if necessary, by statutory amendment.

Of great weight, in my opinion, on this subject is the statement made by the Honorable Robert A. Lovett to former President Truman on November 18, 1952. Secretary Lovett was then leaving the Cabinet, and President Truman had asked Mr. Lovett to write an informal letter indicating his views on the organization of the Department of Defense.

It is a very comprehensive statement, with recommendations in many fields, which Mr. Arthur Krock, of the New York Times, summarized very clearly in an article in the New York Times dated January 5, 1958.

Mr. President, I ask unanimous consent that the article by Mr. Krock be printed in the body of the RECORD, at the conclusion of my remarks.

The VICE PRESIDENT. Without objection, it is so ordered.

(See exhibit A.)

Mr. COOPER. Mr. President, I cite the following statements of Mr. Lovett:

> Under the present act, and in the event of war, I believe that the present system of controls provided in the legislation for the exercise of authority by the Secretary of Defense, in some areas, will prove to be inadequate.
>
> Again, I conclude, therefore, that we should not deliberately maintain a Department of Defense organization which in several parts would require drastic reorganization to fight a war.

Three of the areas which Mr. Lovett cited as requiring attention and reorganization were the Office of the Secretary of Defense, the Joint Chiefs of Staff, and the Munitions Board.

Mr. Lovett, speaking of the organization of the Department of Defense, raised the question whether the Secretary of Defense had full authority over the three military departments, in view of the provision in the act that the three departments shall be separately administered. He had no doubt that it was intended that the Secretary have such authority, subject to the limitations in section 202, that I have previously noted, but went on to make the following recommendation to President Truman, for the use of the Office of Secretary of Defense, and, I should say, for the Congress. He made the following recommendation:

> However, to avoid a waste of time in arguments, it would be well, I think, to have this clarified definitely and I believe that it could be simply done by following the procedure already favorably acted upon in the case of other executive agencies through adoption of the recommendation of the Committee on Organization looking toward correcting the present diffusion of responsibility in certain executive departments. Under reorganization plans previously submitted to the Congress by the President, all functions of all agencies and employees of a department are transferred to the Secretary of the Department with exceptions, if necessary.

Again I say that is what the bill which I am introducing would do.

Then former Secretary Lovett went on to say:

> The application of this approved procedure to the three military departments or the Department of Defense could neatly cure such questions and I believe it should be considered.

Other distinguished and experienced Americans have raised the issue—among them, the Honorable John A. McCone, former Under Secretary of Air with a distinguished record in Government and in business, in a speech before the Air Force Association Air Power Symposium on August 2, 1957. In it he called attention to the fact that the three services were not operating "under a single administrative roof," but, rather, "a rigid structure of federation." He said:

> The true starting point, then, for resolving the conflict over the means of strategy should be another amendment to the National Security Act transferring to the Secretary of Defense the administration of the Army, the Navy, and the Air Force. This would give practical force to the statutory direction, authority, and control which now are his.

But the real issue goes at last to the practical effect of the bill I introduce, and to the recommendations of the Commissions and individuals to which I have referred.

If there is a division of authority between the Secretary of Defense and the three departments, as informed observers have reported, it appears to me that the confirmation of authority to the Secretary would have practical consequences. It would assure him of undoubted authority over the preparation of the budget, expenditures, and procurement, for the overall needs of the Department of Defense, rather than the needs and interests of the separate departments.

We are very much interested now in research and development. A few days ago I read that it had been said that the Secretary of Defense as a practical matter could only veto actions taken by the research and development divisions of each department rather than commence action and insure completely the exchange of full information. I do not know if this is accurate but if all authority over the three departments were transferred to the Secretary, while the separate departments might continue their separate programs in research and development, there would be undoubted power in the Secretary of Defense to require full and constant exchange of information and to authorize the commencement and discontinuance of specific projects, in research and development, including rockets and missiles. The authority would be firmly lodged in the Secretary of Defense rather than in the separate departments.

Respecting research and development essential to national security—while the services could continue their separate programs—the power to require full exchange of information, to commence and to stop specific projects, would be authoritatively lodged in the Secretary of Defense.

The bill which I introduce would not abolish the separate military departments, the military services, or interfere with their military command. It has nothing to do with the authority of the Congress to appropriate what it believes proper for the services, as of course it could not constitutionally affect.

It does not attempt to deal with the structure or functions of the Joint Chiefs of Staff—for that in itself is a large task. I think that in good time it will be accomplished, and that the Chiefs of Staff of the services who must lead and have the full support of their commands will not be expected to submerge every influence of their training and command responsibility, and that a separate staff will be created to plan the general strategy of all the armed services for the defense of the Nation. But if the Joint Chiefs of Staff are champions of their own services, to some degree, as observers report, the bill would prevent the civilian Secretaries of the Departments from acting similarly. It would require that the heads of the three departments constantly look at the recommendations of their military advisers, in the complete interest of the Department of Defense, rather than that of the separate departments and services. And to that extent, it is important. It would make it possible to review the recommendations of the Joint Chiefs of Staff from the time of their initiation rather than when they have been completed, and perhaps compromised.

In closing, it is not necessary for me to say, but yet I want to say, that no one questions the ability and patriotism of the military leaders of the services, or of the civilian Secretaries of the Departments. It is largely because of their concern for the security of the Nation that we have the magnificient Armed Forces that are ours today. I know, further, that the President of the United States, with the unique knowledge that grows from his experience as both military and civilian commander of the Armed Forces of the United States, which has given him a knowledge superior to that of any other person, is considering every element of defense organization.

I know that the Congress and the people of the United States have been impressed by the capabilities, the energy, and the imagination of the new Secretary of Defense, Mr. McElroy. He is and will be a great Secretary of Defense.

In the Congress, members of the Committee on Armed Services who have had years of experience and vast knowledge, are studying the problem with diligence and patriotism.

I pay my respects to the chairman of the Committee on Armed Services, the senior Senator from Georgia [Mr. RUSSELL], to the ranking minority member, the senior Senator from Massachusetts [Mr. SALTONSTALL], both of whom are intimately acquainted with the subject, and to all their colleagues on the committee.

The recent report of the Subcommittee on Preparedness under the outstanding leadership of the Senator from Texas [Mr. JOHNSON], is an example of nonpartisan patriotic work.

However, if the problem of unification is to be solved, the solution must start, I believe, with consideration of the recommendations which have been made in the past by able and distinguished men who are familiar with the difficulties of assuring authority of the Secretary to manage effectively the Department of Defense. The recommendations have joined in saying that it is necessary to assure full authority and control to the Secretary of Defense.

I repeat, the very fact that practically all of the debate thus far has been about the functions, structure, and organization of the Joint Chiefs of Staff is an admission that civilian influence is not as large as it should be. When combat

roles and missions are fixed and when logistic support for those roles have been determined by the Joint Chiefs of Staff there have been concluded, for all practical purposes, the decisions and responsibilities of the Congress of the United States regarding the services, and therefore our security, except as the Congress may act through appropriations.

I believe if the Secretary of Defense had the necessary authority, and if the heads of the departments subordinate to him were at all times his representatives, as Under Secretaries, it would provide a constant civilian review and check beginning with the initiation of strategy and the determination of logistics by the military leaders in the departments. Then we would not face the situation when plans are completed and are delivered to the Secretary of Defense and the President of the United States.

The problem of unification has always been a difficult one. Certainly it is evolutionary in nature. I know it takes a great deal of nerve for a person to venture into this field, but I have submitted my bill and I make this statement in the hope that it may direct attention to a side of the problem of reorganization and unification other than the Joint Chiefs of Staff—the problem of civilian control and administration. I hope this will contribute to the work of the committees of Congress, who must first consider and act upon the issue.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. COOPER. I yield to the distinguished Senator from Massachusetts.

Mr. SALTONSTALL. I wish to say to my distinguished colleague from Kentucky that I commend him for his initiative in introducing a bill on this subject. As the Senator knows from his previous experience on the Armed Services Committee, the original Unification Act of 1947 was a compromise, and it was necessary to have a compromise in order to secure passage of any act. The 1949 amendment strengthened unification to a degree.

There is now a great need for further strengthening of the Unification Act, and for the giving of more authority and responsibility to the Secretary of Defense. I believe we should have as many different ideas presented on this subject as possible, and we should have them all before the committee for consideration.

I should like to invite the attention of my colleague to the fact that the Secretary of Defense, who is a new man in that position, stated to the subcommittee headed by the able Senator from Texas [Mr. JOHNSON] that he was looking into the subject of reorganization very carefully, and that he did not desire too hastily to suggest any plan. I am confident, judging from he said then and what he has said since, that he will come forward with some suggestions as to reorganization of the Defense Department before many weeks have passed.

I certainly believe it is helpful to have ideas such as those the Senator has presented, so that we may have all subjects and all possibilities under consideration. I do want the Senator to realize, as I know he does realize, the original difficulties in the creation of the Defense Department, and the compromises that have had to be made in the Secretary's direct authority because of that situation.

Mr. COOPER. I appreciate the comments of the distinguished senior Senator from Massachusetts, who is the ranking member of the Senate Committee on Armed Services and has great knowledge of this issue. I am perfectly cognizant of the difficulties involved in this matter.

I know the very able Secretary of Defense, Mr. McElroy, is working on the problem. I know also it is an evolutionary problem, and difficult of solution.

I do want to point out that unification of the armed services started out as a compromise. Nine years have passed. There have been able men in the Department of Defense, and other distinguished men, and commissions, who have studied the problem. Many agree that one place to start in reorganization, is on the civilian side of the Department of Defense, to give assurance that the Secretary of Defense will have the actual authority to direct the tremendous operations of the Department of Defense, which are constantly growing, and which hold our very security and life.

Mr. SALTONSTALL. Mr. President, if the Senator will yield further, I agree with the Senator that the time is now ripe for this subject to be given the deepest and most thoughtful consideration. I am confident that will be done in the present session of Congress.

Mr. COOPER. Mr. President, I yield the floor.

EXHIBIT A

[From the New York Times of January 5, 1958]

DEBATE ON PENTAGON CROSSES PARTY LINES—MAJOR CONTROVERSY IS REVIVED IN WHICH EVERYBODY FAVORS SOME REFORMS IN THE MILITARY—LOVETT PLAN IS RECALLED

(By Arthur Krock)

WASHINGTON, January 4.—In the vigorous and often bitter differences of opinion over the executive and legislative program to strengthen the defense of the Nation—the foremost consideration for the President and for Congress in the next few months—there is one area in which partisan politics will not be a factor in decision. This is the area in which will center the dispute over how the civilian and military structures of the Pentagon shall be reorganized, and it will be one of the few in which there will be no prevailing party line.

This dispute has been going on for years and was lulled only temporarily by the passage of the Unification Act of 1947–49, which was the most recent effort to adjust a number of sharply differing points of view. And when evidence accumulated that this legislation, designed to unify the armed services and streamline the civilian command of the Pentagon, was accomplishing neither, and that service rivalries in weapons use and production were contributing to advances in the military capacity of Soviet Russia, the conflict over remedies was resumed with increased fervor.

NEW STUDIES MADE

The Hoover Commission twice proposed a number of solutions, but only the minor ones have been put in practice. Last November, in the report submitted to the National Security Council by a group of which H. Rowan Gaither, Jr., William Chapman Foster, and Robert C. Sprague acted as chairman and cochairmen, the problem again was surveyed and recommendations were offered. More recently, in the first of a series of defense studies by a committee assembled by Nelson A. Rockefeller, these conclusions were reached, among others:

There should be a single military Chief of Staff to the President and the Secretary of Defense to whom the Joint Chiefs of Staff would be subordinate. The present system of assigning roles and missions to the three branches of the Armed Forces should be supplanted by a system of unified command, executing a definite plan of military strategy, in which the test of a service role or mission would be only the nature of the task.

No sooner were outlines of proposals by these study groups published in the press than Members of Congress and of executive departments began publicly to express differences concerning them. Republicans opposed Republicans, and Democrats Democrats, on one point or another. Senator SYMINGTON, Missouri Democrat, and Senator FLANDERS, Vermont Republican, announced in favor of a unified military command. Senator RUSSELL, the Georgia Democrat, who is chairman of the Armed Services Committee, opposed this drastic change, saying, "I am not a single-department man." And so on.

RARE IN POLITICS

It was a rare and refreshing illustration of a major policy controversy in which the politics of a participant was no clue to the side he would take. But everybody favored some measure of reorganization of the Pentagon, where the civilian officials are so numerous that some don't know their associates or who has what authority.

Among the many documents that bear on the problem none is the product of as much direct experience as a memorandum sent by Secretary of Defense R. A. Lovett to President Truman, November 18, 1952. Since this undoubtedly will greatly influence the remedial legislation that seems certain this year, some of its main points are summarized herewith:

(1) "In the event of war an essential job [of the Pentagon] will involve distributing shortages among Army, Navy, and Air Force (manpower, material, transportation, communications, funds, etc.). * * * I believe the present system of controls [would] prove to be inadequate.

(2) "The act requires the Secretary of Defense to make use of interservice committees for much of his staff work, and prohibits him from having a military staff. In time of war [he] would, therefore, find himself unable to handle the distribution of shortages in an efficient and direct fashion.

(3) "The act has the fault of all compromises: * * * contradictions and straddles * * * For example, the question has been raised whether the Joint Chiefs of Staff are directly under the Secretary. In my opinion, the Secretary's authority is superior to theirs, but the President should clarify the matter by a simple directive.

(4) "The act provides that the three—armed services—departments shall be separately administered, but also that the Secretary shall have direction, authority, and control over them. His authority could be simply clarified by applying the procedure imposed elsewhere in the executive branch whereby all functions of all other offices of a department, and all functions of all agencies and employees within a department, are transferred to the Secretary.

(5) "The weaknesses of the present act stem from (a) excessively rigid statutory prescription of functions; (b) rigid statutory composition which makes the agency, in effect, an interdepartmental committee; and (c) the

requirements * * * that each agency perform functions inappropriate, if not actually impossible, for an interdepartmental committee to perform effectively and expeditiously.

(6) "An important issue compromised in the act is the position of the Joint Chiefs of Staff. The President and his civilian subordinates clearly must have the proper military advice. * * * But by their very makeup it is extremely difficult for the Joint Chiefs * * * to maintain a broad nonservice point of view. * * * Each wears two hats. * * * Their functions should be redesigned and clarified so as to confine them exclusively to planning functions and the review of war plans in the light of new weapons and techniques. The remaining military functions should be transferred to * * * the Secretary to provide him with a combined military-civilian staff, responsible only to him and through him to the President.

(7) "This would aid the Secretary in resolving service conflicts * * * and matters involving budget policies, procurement, logistics, manpower, personnel, intelligence, etc. Provision should also be made that in time of war there be a unified command established by the Secretary, to report as directed by him and * * * receive orders by his direction."

The above gives an idea of part of the problem as it was in 1952 and still is, and a glimpse into the mind of one of the ablest administrators of the public service in recent times.

PAYMENT OF DAMAGES CAUSED BY FLUCTUATIONS IN WATER LEVEL OF LAKE OF THE WOODS

Mr. THYE. Mr. President, I introduce a bill to authorize the payment of amounts found to be equitably due by the Secretary of the Army to persons who suffered loss in 1950 due to the flooding of Lake of the Woods. The level of this lake is regulated by the Army engineers in accordance with a treaty between Canada and the United States. In the summer of 1950, the level of Lake of the Woods was held at flood stage for approximately 100 days, doing a great deal of damage to property on the lake shore.

The 83d Congress recognized the responsibility of our Government for repaying these persons for the damage done. In that Congress, Public Law 589 was passed, which authorized the Secretary of the Army to investigate all claims which were submitted to him and recommend the amount which was equitably due to each claimant. That investigation has taken longer than we anticipated, but the report is now before both Committees on Judiciary in the Senate and House of Representatives. The Secretary has found that 320 claimants should be recompensed in the total amount of $243,633.49.

Many of the persons who suffered these losses had to borrow money to replace damaged property and therefore, my bill provides for the payment of interest on the amount due from the date of flooding through the date of payment. Because 7½ years have elapsed since the flooding, I urge that immediate action be taken so these people can be paid in the shortest possible time.

I ask that the bill be appropriately referred.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3212) authorizing the Secretary of the Army to compensate certain persons who sustained damages by reason of fluctuations in the water level of the Lake of the Woods, introduced by Mr. THYE, was received, read twice by its title, and referred to the Committee on the Judiciary.

INCREASE OF COLLEGE HOUSING LOAN FUND

Mr. FULBRIGHT. Mr. President, I introduce, for appropriate reference, a bill to increase by $250 million the authority of the Housing and Home Finance Agency to make college housing loans, and I ask for its appropriate referral.

The college housing loan program was first enacted in 1950, upon the initiative of the Senator from Alabama [Mr. SPARKMAN]. The program received considerable impetus when certain amendments were enacted in 1955.

This program permits direct Federal loans at low interest rates to assist colleges and universities in building housing accommodations for students and faculty and in building other service facilities such as dining halls, cafeterias, student unions, and in- and out-patient health facilities.

The present loan fund is $925 million, and it is estimated that only $25 million will remain unobligated by June 30 of this year. The President's budget message proposes to increase the fund by $200 million, and I am convinced that this amount is inadequate.

The administration has suddenly become aware that our higher educational institutions need Federal help, and the newspapers in recent days have been filled with the President's billion-dollar proposal which, among other things, would provide 40,000 scholarships above the high-school level. I am by no means suggesting that these recent proposals are adequate to meet the educational challenge of the times, but even if these minimum efforts are successful, the already critical housing problem on the campuses of our colleges and universities will be intensified.

Enrollment in our colleges and universities, if continued without any stimulation, will be double by 1965, and is expected to reach 6 million at that time. One of the greatest single handicaps of our college administrators is providing shelter and service facilities to accommodate this forecasted increase in students and faculty. The very least we can do is maintain this loan program at its present pace.

An increased authorization of $200 million will not even maintain the rate of activity experienced in fiscal year 1958. During this year it is estimated that Federal loans will approximate $230 million. I must emphasize that these are loans and not grants, and that the Federal Government can make no wiser investment.

The $250 million increase which this bill proposes, supplemented by the estimated carryover of $25 million, will make approximately $275 million available during fiscal year 1959. This amount will be no more than adequate to permit approval of acceptable applications at their present rate of receipt. Although I believe that even greater quantities of funds could be wisely channeled into loans of this kind, it is apparent that the present pace can only be slightly accelerated because of the financial condition of our colleges and universities and because of the necessary time involved in planning and executing construction projects.

I am confident that the Congress will see the wisdom of increasing this Federal loan fund by at least $250 million, and I can only regret that the President's proposal has not provided the leadership so greatly needed.

One could forgive a lack of vision and foresight, for such a lack may be present in all of us from time to time. What to me is unforgivable is the remainder of the President's recommendations with respect to the college-housing program which would, in effect, make certain that very few loans would be made.

The President proposes to restore to the law two provisions which were removed in 1955, because these provisions had made it impossible for colleges and universities to borrow. One proposal would increase the interest rate, thereby increasing the debt service and forcing the schools to raise the fees of students or to deplete other revenue sources already overextended. The other proposal would set up a standard of reasonable private terms whereby Federal loans would be denied if private funds could be obtained at an interest rate one-half percent higher than the Federal rate. A third proposal, which is apparently a new contribution of White House thinking, would attempt to substitute a guaranteed loan program for the direct loan program for those schools whose obligations are not exempt from Federal taxes. This proposal is not stated precisely in the President's budget message, but it can be assumed confidently that this is another effort to reduce the volume of Federal loans.

This is indeed a sad picture of Presidential leadership. On the one hand, the President proposes a scholarship program to stimulate enrollment in our colleges and universities. On the other hand, he proposes an inadequate increase in loan funds for the building of dormitories, and at the same time couples this inadequate increase with crippling amendments to the law to make doubly sure that the loan fund will not be useful. Similar proposals to cripple this program have been defeated in the Congress in the last three sessions, and I am confident that they will be defeated again.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3213) to increase by $250 million the borrowing authority of the Housing and Home Finance Agency for college housing loans, introduced by Mr. FULBRIGHT, was received, read twice by its title, and referred to the Committee on Banking and Currency.

AMENDMENT OF INTERNAL REVENUE CODE—AMENDMENT

Mr. WILLIAMS (for himself, Mr. AIKEN, Mrs. SMITH of Maine, Mr. PUR-

TELL, and Mr. POTTER) submitted an amendment, intended to be proposed by them, jointly, to the bill (H. R. 8381) to amend the Internal Revenue Code to correct unintended benefits and hardships and to make technical amendments, which was referred to the Committee on Finance, and ordered to be printed.

CONSTRUCTION OF HIGHWAY SYSTEM TO BE KNOWN AS THE LEWIS AND CLARK NATIONAL TOURWAY—AMENDMENTS

Mr. MAGNUSON (for himself, Mr. CHURCH, Mr. JACKSON, Mr. MURRAY, Mr. MANSFIELD, Mr. MORSE, and Mr. NEUBERGER) submitted amendments, in the nature of a substitute, intended to be proposed by them, jointly, to the joint resolution (S. J. Res. 88) authorizing the Commissioner of Public Roads to designate and construct a highway system to be known as the Lewis and Clark National Tourway, which were referred to the Committee on Public Works, and ordered to be printed.

COLUMBIA RIVER DEVELOPMENT CORPORATION—ADDITIONAL COSPONSORS OF BILL

Under authority of the order of the Senate of January 23, 1958,

The names of Senators MAGNUSON and JACKSON were added as additional cosponsors of the bill (S. 3114) to amend the Bonneville Project Act in order to establish the Columbia River Development Corporation, introduced by Mr. NEUBERGER (for himself and other Senators) on January 23, 1958.

IMPLEMENTATION OF THE PRESIDENT'S EDUCATION PROPOSALS—ADDITIONAL COSPONSORS OF BILL

Under authority of the order of the Senate of January 28, 1958,

The names of Senators THYE, JAVITS, and WILEY were added as additional cosponsors of the bill (S. 3163) to encourage and assist in the expansion and improvement of educational programs to meet critical national needs through the early identification of student aptitudes, strengthening of counseling and guidance services in public high schools, provision of scholarships for able students needing assistance to continue their education beyond high school; strengthening of science and mathematics instruction in the public schools; expansion of graduate programs in colleges and universities, including fellowships; improvement and expansion of modern foreign language teaching; improving State educational records and statistics; and for other purposes; introduced by Mr. SMITH of New Jersey (for himself and other Senators), on January 28, 1958.

NOTICE OF HEARING ON NOMINATION OF JULIUS H. MINER TO BE UNITED STATES DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF ILLINOIS

Mr. DIRKSEN. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Tuesday, February 18, 1958, at 2:30 p. m., in room 424, Senate Office Building, upon the nomination of Julius H. Miner, of Illinois, to be United States district judge, for the northern district of Illinois, vice John P. Barnes, retired.

At the indicated time and place persons interested in the above nomination may make such representations as may be pertinent.

The subcommittee consists of the Senator from South Carolina [Mr. JOHNSTON], the Senator from North Carolina [Mr. ERVIN], and myself, chairman.

NOTICE OF HEARING ON BILL TO LIMIT APPELLATE JURISDICTION OF SUPREME COURT

Mr. EASTLAND. Pursuant to resolution of the Committee on the Judiciary approved Monday, February 3, intensive hearings are to be held on the bill S. 2646, to limit the appellate jurisdiction of the Supreme Court in certain cases. This bill, introduced by Senator JENNER, would withdraw from the Supreme Court of the United States appellate jurisdiction in certain specified fields, namely, first, with respect to the investigative functions of the Congress; second, with respect to the security program of the executive branch of the Federal Government; third, with respect to State antisubversive legislation; fourth, with respect to home rule over local schools; and, fifth, with respect to the admission of persons to the practice of law within individual States.

All persons interested in testifying either for or against this bill or any of its provisions should immediately communicate their desire in this regard to me, to the chief clerk of the Committee on the Judiciary, or to the counsel of the Internal Security Subcommittee. Dates will be scheduled for these hearings so as to take care of all who wish to be heard; but, since the committee explicitly directed that the hearings be concluded in time to report the bill back to the full committee for action on March 10, it will be necessary for all persons who wish to appear and testify to make their wishes known promptly in order that time may be assigned to them.

Attention is called to the provisions of the Senate rule requiring each witness who intends to present a statement before the committee to furnish the committee with a copy of such statement at least 24 hours before the time of his scheduled testimony.

ROCKET PIONEERS—THE ARMY'S TEAM

Mr. MANSFIELD. Mr. President, I should like to take this occasion to extend my congratulations to the Department of the Army for the launching of the missile Explorer. I think that on too many occasions we have tended to downgrade the Army and to give most of the credit to the other services. For that reason, among others, I am delighted that this momentous event has occurred.

However, I suggest that in addition to Maj. Gen. John Medaris, Maj. Gen. Holger Toftoy, and the outstanding team of rocket pioneers who were responsible for the success of the Explorer, at this time we should not forget the fact that there is a lieutenant general by the name of Jim Gavin, who shortly will leave the Army, but who at present is Chief of Research and Development for the Army.

General Gavin has provided leadership and inspiration, and, insofar as he was capable of doing so, has made available whatever funds he could. He has headed a great team, composed of Generals Medaris and Toftoy. Formerly, the team had within its ranks Col. John Nickerson, who now is in Panama. It also includes the brilliant team of ex-German scientists, headed by such outstanding men as Dr. Wernher von Braun, Dr. Ernst Stuhlinger, Dr. Kurt Debus, and Dr. Hermann Oberth, as well as others. It is to our benefit and prestige that we were able to get these outstanding rocket pioneers to come to this country and work with us and, together, to help develop the satellite Explorer. I extend my personal congratulations to these scientists who have contributed so much in the field of rocketry. Their success means much to the United States and the whole Free World.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, an article entitled "Rocket Pioneers—the Army's Team," which was published in the U. S. News & World Report on February 7, 1958.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ROCKET PIONEERS: THE ARMY'S TEAM

A team of 110 German-trained scientists headed by Dr. Wernher von Braun—a team that has stuck together in secret rocket work for 20 years—is the brains behind the Army's missile program.

Putting together a rocket to launch a sputnik is only an incidental part of their work. Primarily, this is a missile team.

This group built the V–2 for Germany, to rain ruin upon London in 1944–45. In the United States, it has built the 200-mile Redstone missile, a descendant of the V–2 now ready for service with troops, and it developed the Jupiter, a 1,500-mile missile now going into production.

Nearly all of these 110 men now are United States citizens who took the oath of allegiance as a group, with their families, in 1955. All have had a hand in the Army missile program.

They came to the United States voluntarily—even eagerly. The alternative was capture by the Russians.

When Germany was collapsing in the closing weeks of World War II, the Red Army swooped down upon the Peenemünde rocket center, where this group of scientists had been building V–2's. The scientists were gone. As a group, under Dr. von Braun's leadership, they gathered up their documents and equipment and headed for southern Germany, where American troops were advancing.

Part of their equipment was lost from boats as they traveled up the Elbe River, sometimes under Russian fire. There were reports that Nazi secret police had orders to kill them to keep them out of allied hands. Yet they finally reached Maj. Gen. Holger N. Toftoy, then a colonel and now commander of Redstone Arsenal where they work. Through him, they signed contracts to work for the Army.

In all, 120 scientists escaped to the United States—and arranged to ship out many V–2's before the Russians could grab the rockets. Only 10 men have left the group to return to Germany or take jobs in American industry. All the rest work for the Army Ballistic Missile Agency. Most are paid around $14,000 a year.

"They've had some fabulous offers from industry but they turned them down," one United States official reports. "They want to continue to work together on a long-range rocket program."

Their leader, Dr. Von Braun, has been in missile work since he was 18—a period of 27 years. He was technical director of Germany's V–2 missile plant and now holds a comparable job with the Army. He directs the work of the rest of his Peenemünde team and a staff of 4,400 others.

It was Dr. Von Braun who proposed as long ago as 1954 to launch a United States satellite with a combination of existing Army rockets. He used the same rockets 16 months ago to fire rocket nose cones more than 600 miles into space in tests—and the combination worked without a hitch.

Some of Germany's most brilliant rocket scientists are on his team. Dr. Ernst Stuhlinger, 44, described by an associate as one of the real brains of the organizations, is in charge of research projects.

Another of the German-born team, Dr. Kurt Debus, heads the missile-firing laboratory at Cape Canaveral. And Dr. Hermann Oberth, who rejoined the group 2 years ago, after a stay in Germany, is regarded as a leading theoretician. He wrote the first textbook on basic technology of space rockets.

The whole group has fitted easily into American life. All speak fluent English. Their children attend public schools and are described as all-American—even down to the bobby sox.

EXTENSION OF THE RECIPROCAL TRADE PROGRAM

Mr. SMITH of New Jersey. Mr. President, one of the most important messages from the White House to be delivered this year was received by the Congress last Thursday. This was the President's request to extend the reciprocal trade program for another 5 years, with authority to negotiate reciprocal tariff reductions.

As an extremely important weapon in our effort to keep the Free World's economy healthy and to aid the growth of the underdeveloped nations toward economic maturity by a steady, upward climb, the reciprocal trade program should receive the support of all of us.

Mutual economic progress among the Free-World nations means the continuation of a more dynamic economy here in the United States, commercially, industrially, and agriculturally.

The program of the President, however, also assures the continued existence of safeguards for our local industries which might be particularly affected. It insures increasing strength and stability in the Free World, to enable it better to resist Communist subversion and infiltration. It is one of our best weapons with which to wage counterattacks against the new Russian economic challenge.

Mr. President, the reciprocal trade program evidences our faith as Americans in the continuing expansion of our economic system. I ask unanimous consent that an editorial entitled "A New Message to Congress," which urges support for the extension of the program, be printed in the RECORD as a part of my remarks. The editorial was published in the New York Times of January 31.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Times of January 31, 1958]

A NEW MESSAGE TO CONGRESS

In another move to meet the Soviet challenge President Eisenhower yesterday asked Congress to extend the reciprocal trade program for another 5 years and to give him added power to negotiate reciprocal tariff reductions. This is the program, in effect for some 24 years, which permits the administration to lower our own tariffs on imports from abroad in return for like cuts in foreign tariffs on American exports.

The original purpose of this program was to expand American exports and thereby both expand our own industry and provide more jobs for our workers. Under it the United States has become by far the world's greatest trading Nation, whose foreign trade amounted to $34 billion last year and provided no less than 4,500,000 jobs directly and many more indirectly. Though by no means the only factor involved, it contributed to the Nation's unprecedented prosperity and its abandonment or curtailment could only deepen the current recession.

Beyond that, however, this program has now become part of our own defense and the defense of the Free World. As the President emphasizes, it is designed to strengthen our economy as the foundation of our security, to enhance the economic strength of the Free World in which alone our trade can flourish, and thereby to provide a powerful force in waging peace. That peace is threatened not only by Soviet military might but also by the Soviet economic offensive conducted not for economic but for political purposes.

There has never been any objection to expanding our exports. But there has always been objection to imports to provide markets for the goods of our customers. Tariff fights have long dominated our domestic scene and a bitter battle is in prospect over the President's latest request. Yet unless we buy we cannot sell. We can boost our surplus of exports over imports to $8 billion, as we did last year, but only at the cost of financial difficulties in countries like Britain and France which impair their defenses. Such export surpluses are compensated in part by other transactions, including in particular our aid program. But trade is better than aid to keep the Free World's economy healthy. The response of Congress to the President's message will be one test of its realization of the new challenge of Soviet power.

IMPORTANCE OF FOREIGN INVESTMENT AND ECONOMIC DEVELOPMENT

Mr. SMITH of New Jersey. Mr. President, the Russian phobia for letterwriting, as evidenced just before the NATO conference in Paris in December, and also just before President Eisenhower's state of the Union message last month, as well as the Russian activities at the Asian-African conference in Cairo, demonstrate clearly their intention to resort to every instrument of foreign policy in their drive for the success of Communist imperialism. The struggle of the Free World against them must be waged with equal vigor on every front—military, economic, political, psychological, and cultural.

In the current emphasis on the military phases, we easily overlook the importance of these other aspects. To ignore any one of them, to lose the struggle in any of these fields, is to endanger the security of the Free World and to imperil irrevocably the success of our endeavor to achieve total peace.

In an excellent article entitled, "Foreign Investment and Economic Development," which appeared in the January 16 issue of the Commercial and Financial Chronicle, the Honorable Douglas Dillon, Deputy Under Secretary of State for Economic Affairs, describes the importance of an adequate economic program. He graphically explains why we must maintain a foreign investment and economic development program commensurate with the scope of our other activities, if our total effort is to be successful.

The article by Mr. Dillon is particularly relevant at this time, when we are about to consider our mutual security program for the coming fiscal year and the renewal of the Reciprocal Trade Agreements Act.

I ask unanimous consent that the article be printed in the body of the RECORD, following my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Commercial and Financial Chronicle of January 16, 1958]

FOREIGN INVESTMENT AND ECONOMIC DEVELOPMENT

(By Hon. Douglas Dillon, Deputy Under Secretary of State for Economic Affairs, former board chairman, Dillon, Read & Co., New York City, former Ambassador to France)

It is a characteristic of our times that public attention is largely monopolized by the dramatic events which seem continually to occur on the world stage. Yet these dramatic events are almost always the results of a chain of unspectacular happenings which are either overlooked or overshadowed by the headlines of the day. For example, not until the sputniks flashed across our sky did the American people become aware of the strides made by Soviet scientists and engineers—although these strides had taken place over a long period of time and had been manifested from time to time in less spectacular ways.

Forecasting conferences reflect the desire to look ahead and plan activities in the light of the best judgment one can get as to future trends and developments. Likewise, those of us who are charged with the conduct of our foreign policy must endeavor to identify as early as possible basic trends in world affairs so as to forestall the development of explosive situations which can only be dealt with on the basis of their visible effects and not of their fundamental causes. Clearly, this is a difficult and complex task, since differences of opinion are much more likely in the period before a potentially explosive force becomes clearly visible.

EXPLOSIVE SITUATION

There is no doubt in my mind about one such potentially explosive situation, a situation that could be of the greatest import in determining our future way of life, and yet a situation of which the American people as a whole are only dimly aware. On our awakening to the importance of this issue may well depend the fate of free government in the world, and with it the future of the free-enterprise system which has given us our strength and which we all take for granted as an essential attribute of freedom.

I refer to the determination of vast sections of the world to rise above their traditional illiteracy, poverty, and disease. As a member of the Indian Parliament said recently in an address in San Francisco:

"The drive for economic development is on in the underindustrialized regions. The question is not whether this transformation will occur but at what rate and how, and whether or not these peoples will do the job in association with the rest of the Free World."

The United States, in its own interest, must recognize and try to understand this great movement. More than that, we must search for practical ways of identifying ourselves with the aspirations of these free peoples. This should not be difficult, for the forces which motivate them are very much the same as those which inspired the growth of our own country. This, as I see it, is one of the most urgent tasks facing us today, if we are to preserve political freedom in the world, and strengthen the system of free enterprise which has nourished it.

U. S. S. R. AWARENESS

The Soviet leaders have shown that they are fully aware of this situation. Today the Soviet challenge to our way of life in this economic area is perhaps even more real and active than it is in the sphere of military and scientific technology. It was only 2 months ago that Khrushchev in an interview with a prominent American editor said: "We will make war on you through peaceful trade to see which system is the best." The Soviets today are pouring great efforts in money and manpower into their drive to take the uncommitted nations by economic assault. To carry on this offensive they have already sent forth over 2,000 technicians and granted over $1.5 billion of credit in the past 3 years. And last week in Cairo they seemingly opened wide the door of economic assistance to all the countries of Asia and Africa.

What should be our answer to this great challenge? One answer, of course, is grant assistance through governmental channels, such as we contributed to the European recovery program. But, although some grant assistance will be necessary, our experience with the Marshall plan is not a good guide for our relations with the underdeveloped regions. In Western Europe the objective was quite specific—to rebuild shattered economies where the principal problem was a temporary shortage of equipment and goods. In the underdeveloped world, however, a great many things are lacking—basic facilities, skilled labor, experienced management, both basic and technical education, strong traditions of individual initiative—all of these as well as capital are lacking. This is a far different situation than faced us in Western Europe in 1948—and requires quite different policies and approaches. Financial assistance is not the only need, and if offered alone or in too large amounts may even supplant the very initiative and resourcefulness which must be stimulated if progress is to be maintained.

We must, instead, help provide the framework in which economic progress can take place at a steady and acceptable rate. If we expect immediate and spectacular results the chances are that we will be disillusioned. For this is a long-range risk. We must therefore pursue sound and consistent policies which will demonstrate to the less developed areas of the Free World that our way of life, our free enterprise system, can meet the challenge of their problems and their aspirations. And we must make it clear to all that we are prepared to stay the course.

PROPOSES AID PROGRAM

What are some of the elements in this framework? They include:

(1) A forward-looking and consistent trade policy. This means that we should continue our efforts to remove artificial restraints upon world trade, our own and those imposed by others. Markets must be assured for the surplus production of all countries of the Free World. Developing countries need to sell their products in order to obtain industrial equipment needed for their development. All countries must expand their trade with each other, so that each can secure the advantages of the special talents and resources of the other. Moreover, as strong commercial ties are developed, a greater identity of political and social interests is likely to emerge. This interdependence is a source of strength, not of weakness, but it requires a continuity of leadership and action. Specifically, it requires that the trade-agreement authority of the President be extended for an adequate period and with sufficient power to make meaningful tariff reductions. It also requires that we continue working with other countries to expand trade through the General Agreement on Tariffs and Trade and that we join in the proposed Organization for Trade Cooperation to make the general agreement operate more effectively.

The movement of goods is, of course, closely related to the movement of capital. Not only are today's traders frequently tomorrow's investors, but those of us who invest abroad must market our products too. Our foreign investments exceed those of any other nation, and our ability to get returns on these investments depends on trade. Not only must we import in order to export; we must import to keep investment flowing overseas, for without the prospect of returns an expanding flow of private investment is impossible.

(2) Secondly, we must share our technical knowledge with the less developed countries. This means more than "know-how" in the sense of industrial technology. In many foreign countries it also means technical assistance in such fields as basic education, public health, agriculture, and governmental administration. In productive enterprise private investment is obviously the most effective purveyor of technical assistance, as well as capital, for economic development overseas. The two go hand in hand. But in countries where the flow of foreign private investment is limited or lacking, or in areas of endeavor in which foreign investment does not usually enter, the Government can and should help. The technical assistance programs in which the United States participates, either directly with foreign governments or through the United Nations, must continue to be a vital element in our efforts to promote economic progress in the less developed areas of the free world. We have recently agreed in the United Nations that an expanded program of technical assistance would be desirable, and we hope that Congress will appropriate the relatively modest additional sums that will be necessary if the United States is to contribute its share of this new and enlarged program.

(3) The third element in the framework for economic development is the provision of financial assistance to help the underdeveloped countries gain momentum in their efforts to develop themselves.

Development capital for the less-developed countries of the free world can be promoted either by the Government or by private enterprise. All of us are aware of the great advantages of private foreign investment. However, the fact must be faced that private capital has not yet proved willing or able to do the job in the areas of greatest need where the combat for men's minds and souls, the combat between freedom and tyranny, is today at its fiercest. These are the heavily populated areas of Asia and Africa where living standards are the lowest and the challenge of communism is the greatest.

Let us look at the record. American private foreign investment (long term) has reached the impressive total of around $33 billion. However of total new investment in 1956 of about $2¾ billion the less developed countries of Asia and Africa received only $342 million—about 1 dollar out of 8. Furthermore, the great bulk of this $342 million was concentrated in the oil producing countries of the Middle East, leaving very little for the rest of Asia and Africa.

These statistics mean that we must do two things—search out every way to promote a greater flow of private investment and, until we are successful in this endeavor, provide a reasonable amount of capital through governmental loans.

WORLD BANK'S WORK

The World Bank is today doing a wonderful and important work. But because of its very nature the World Bank alone cannot provide enough capital to maintain a satisfactory rate of progress throughout the less developed areas. Its loans must be repaid within a reasonable period of time in dollars or in other hard currencies.

It is the very essence of economic development under our system of free enterprise that developing countries or areas must during the period of their development receive more than they can give. Until private capital investment from the more fortunate areas of the world is able to fill the gap, the wealthier governments of the free world must help to do the job. For the less developed lands, the alternative to the receipts of foreign capital is the adoption of tyrannical methods that would enable their leaders to sweat the required results out of the labor of their enslaved peoples.

This they are only too likely to do if no other course is open to them. And if we Americans permit this to happen, permit the countries of Asia and Africa to be picked off one by one by the Soviet economic offensive, we can say goodby forever to our own liberties. We can lose the war for the preservation of freedom just as surely in this fashion as through a nuclear blitz. This is a basic truth of the world today, one which we as a people must learn in time if the way of life we all hold so dear is to survive.

UNITED STATES PROGRAMS

Now what are we as a government doing to provide this needed capital?

Through the Export-Import Bank we are making substantial funds available which are helpful to foreign development projects utilizing American exports. But again, as in the case of the World Bank, these loans must be repaid in dollars over a relatively short period of time. Therefore, the Export-Import Bank has been most active in those areas, such as Latin America, where development is further advanced, where there is considerable attraction for private investment, and where repayment prospects warrant substantial dollar loans.

To meet the problem of those countries just entering on their programs of development, other mechanics are required. For this purpose the development loan fund has been established as part of the mutual security program. It is authorized to provide loans repayable in local currencies as well as dollars, and to lend over longer periods of time than would be possible through conventional financing. We hope the Congress will give the fund additional resources so that it may operate on a continuing basis without the uncertainties of yearly appropriations.

The development loan fund is prepared to finance projects which contribute to development and cannot be financed otherwise. Many of the basic projects in the less developed countries lie in the fields of transportation, power, and irrigation; and are government operated. But in addition to these basic projects we expect the fund to assist private projects, too, and thereby promote the growth of healthy private enterprise in cooperating countries. The fund will collaborate with local investment institutions

so as to reach the small private enterprise whose growth is so important to sustained economic progress. The development loan fund is to stimuate, not replace, other investment; under no circumstances is it to be a substitute for other sources of capital—public or private, local or foreign.

MORE TRADE AND INVESTMENT

Here, then, is the starting point for our own foreign economic drive: More trade and more investment. It is not dramatic in an eye-catching way, but if pursued steadily and consistently its cumulative impact can be tremendous. The basic strength is that it depends upon individual initiative and enterprise. There is nothing inconsistent between these policies and the interests of American business. Your constant search for new products and larger markets will be facilitated by measures to expand trade and encourage economic development. Consider, for example, the markets that would be created by greater employment among the teeming millions of Asia and Africa and by a modest increase in their purchasing power.

American business can participate in these expanding markets providing it supports the principle of the open door for trade and investment, and demonstrates a willingness to enter and grow with the markets. In so doing, the strength and vitality of the free-enterprise system will be clearly demonstrated, as well as its ability to meet the drive for economic betterment that is today the dominant force throughout the non-industrialized regions of the world.

This must be our answer to the Communist challenge. We, in government, hope that trade will be accompanied by private investment, and that you will establish industrial and manufacturing plants, joining when you can with local businessmen or extending them credit to purchase needed plants and equipment. The funds you invest will only be part of the picture; the skills you introduce, the training you provide, the organizations you help establish and, above all, the example of your initiative will make the greatest impact.

Against this background, let me sketch very briefly some of the steps we are taking to encourage more private investment overseas:

ENCOURAGING PRIVATE INVESTMENT

(1) The Government maintains very extensive information and counseling services, designed to provide up-to-date data and advice to traders and investors—actual or potential. We have endeavored to improve the situation which gave rise to complaints that our diplomatic and consular establishments were not interested in assisting American businessmen. We are strengthening the economic staffs of our overseas establishments, establishing more commercial officer positions, and making sure that all our personnel understand the important contribution of American foreign trade and investment to the achievement of our foreign policy objectives.

(2) Our network of friendship, commerce and navigation treaties—or FCN treaties as they are usually called—is being steadily expanded. These treaties, as you doubtless know, provide a legal basis for the entry and protection of individuals and corporations in the signatory countries. These treaties have a long history. Since the war extensive revisions have been introduced designed specifically to encourage and protect more adequately the interests of private investors. We have concluded 16 modern treaties since the war, and others are in various stages of negotiations. I might add that the negotiating process itself provides a useful opportunity for a full review of all matters affecting investment, whether of a legislative, administrative, institutional, or political character.

(3) The investment guaranty program of the ICA has been steadily expanding. This program offers insurance, for a fee, against risks of loss arising from inconvertibility of local currency earnings, expropriation or nationalization, and war. The program is now operative in 37 countries, and guaranty contracts totaling nearly $200 million have been issued. More important, however, is the fact that interest in this program on the part of private investors has been growing steadily. ICA has on hand guaranty applications amounting to nearly $600 million.

(4) Through tax treaties, through our system of credit for foreign income taxes paid, and through certain special provisions of the Internal Revenue Code, the United States endeavors to avoid double taxation and thus facilitate American investment abroad. There is now pending before the Senate the tax treaty with Pakistan which, for the first time, contains a so-called tax-sparing provision whereby American investors will be granted by their Government the full advantage of special tax incentives offered by a foreign government to encourage new, productive investment—a device frequently used by States and municipalities in the United States.

We recognize that there is more to be done in this field. Tax incentives to overcome the risks involved in investing abroad are one of the most effective and practical ways to stimulate foreign investment. This matter is under intensive study. We must find a solution, fair to all, for only through a great increase in private investment abroad can we hope to reduce the demands on Government financing.

To sum up: The Soviet economic challenge is serious and menacing. It cannot be brushed aside but must be met head-on by the nations of the Free World if our way of life is to remain the continuing choice of the great mass of the world's population.

I have outlined the major foreign economic programs which the administration considers essential if the United States is to exercise the responsibility which falls to it as the strongest member of the free world. It remains for Congress and the people to decide whether these programs will in fact be carried through and whether the challenge will in fact be met.

AUGSBURG COLLEGE CHOIR OF MINNEAPOLIS, MINN.

Mr. THYE. Mr. President, the Augsburg College Choir of Minneapolis, Minn., is present in Washington. The members of the choir were privileged to appear at the White House and sing for President Eisenhower, Cabinet officials, and officials of the White House. There appeared in the Washington Post and Times Herald of today, February 3, an editorial entitled "Augsburg Choir Well Balanced."

I know it is not possible, because of the rules of the Senate, to point to the members of the choir in the gallery, but the young folks are in the gallery, with their director, Mr. Leland B. Sateren, and Mr. A. B. Batalden, the manager.

It was a pleasure to have had the Vice President receive them in the reception room a few minutes ago, and they were privileged to be greeted by you, Mr. President.

I send the editorial to the desk, and ask unanimous consent that it be printed in the body of the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Post and Times Herald of February 3, 1958]

AUGSBURG CHOIR WELL BALANCED

The Augsburg College Choir, of Minneapolis, under the direction of Leland B. Sateren, demonstrated the solid middle-western choral tradition in an a cappella concert at the Lutheran Church of the Reformation last night.

The choir proved to be a responsive instrument, securely pitched, without strain in tonal production, and very well balanced from deep baritone to high soprano. Some sixty-odd voices are in the group, and they sang a taxing program entirely from memory.

Of the larger works on the program, J. S. Bach's mote for double choir, Singet dem Herrn, took precedence in intricacy over a Song of Praise by Heinrich Schuetz for the same combination. Tempos in the Bach were extremely deliberate, to the point of slowness but the lines were finely delineated at times when a faster tempo might have muddied the flow of the work.

A missa brevis based on the Latin hymn, Ave, Jesu by the contemporary Briton, George Oldroyd, accomplished a fine pastoral mood, and the Easter carol, "Blossoms Awaken and Flower" was a little gem in performance.

Conductor Sateren was represented in the program by contrasting songs, the first from a Jeremiah text, Lo, They Have Rejected the Lord, and the second from an unattributed text, the World Victorious. They were excellent examples of choral manipulation.

Settings by Francis Poulenc of O Magnum Mysterium and Exultate Deo brought out the only Latin of the concert. There was an English version of the strong Gregorian hymn, Adoro Te, Devote, but the translation was abominable, and the arrangement was a clumsily tasteless attempt to approximate the free rhythms of Gregorian chant through such devices as dotted-note figures.

Songs in Norwegian by Edvard Grieg and Knut Nystedt were very effective, and F. Melius Christiansen was represented by his beautiful chorus, When Curtained Darkness Falls. Among the rarities was a chorus, All This Night, by the late British composer, Gerald Finzi.

There was far too much walking on and walking off in the concert, stretching an hour-and-a-half program to 2 hours, but the freshness of the singing in each group made up for the long pauses.

The VICE PRESIDENT. Is there further morning business?

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. THYE in the chair). Without objection, it is so ordered.

Is there further morning business?

THE SIGNIFICANCE OF THE AMERICAN SATELLITE EXPLORER

Mr. JOHNSON of Texas. Mr. President, on Friday, some very anxious moments for our people came to an end. An American satellite was put into orbit and at this moment is circling the globe.

The Explorer is a triumph of persistence against great odds. It represents the dedicated work of men like General Medaris, Wernher von Braun, and numberless scientists and technicians who will never receive their fair share of credit.

Our satellite is very aptly named. It is truly an explorer—a representative of the free people searching for the facts of a totally new dimension into which men and women will soon step. And, in its search for facts, it brings us face to face with a sharp reality which we cannot ignore.

Neither the Explorer nor its Soviet predecessors can be considered military weapons. They are merely collectors of data which they are transmitting or have transmitted back to earthbound men.

But the facts and figures of the physical world are of a peculiar nature. They have no loyalty, no patriotism, no system of morality and ethics. They are available for the advancement of mankind, or for the destruction of mankind.

The science of biology has given us penicillin and germ warfare. The science of chemistry has given us medicine and poison gas. The science of physics has given us new sources of useful power and the hydrogen bomb.

Now a new science—astronautics—is moving rapidly from the drawing board to the workshop. Will it give us new frontiers or new forms of total devastation?

To continue the arms race at this time will inevitably bring us to the point of no return. There must be action now—now, while there is still time to bring the new forces under control.

It is not difficult to forecast the future if the present situation continues. This will be the world of the manic depressive—high points of elation when "we" make an important advance; low points of despair when "they" outstrip us.

And at some interval when "we" are at a low point and "they" are at a high point, somebody is going to press the button.

There is no point in deluding ourselves that "we" can just call off the arms race on our own initiative. There is no point in debating why they do not call off the arms race at their own initiative.

The only worthwhile discussion is what is said in the effort to find ways and means of breaking the logjam—of bringing the tragedy of the cold war to an end.

This is the time to act—now, while the satellites are searching for facts instead of for targets.

I would hope that our leaders would give urgent consideration to a proposal for joint exploration of outer space by the United Nations. I would hope that this proposal could be pressed earnestly, vigorously, and with all the sincerity at our command.

No one would stand to lose by this proposal. The alternative is a disorderly arms race which can end only in death and destruction.

For the moment, our prestige is at a high point. There is no better time for a display of the generosity, the initiative and the constructive desire for peace which lies in the soul of the American people.

The president of the United Nations General Assembly—Sir Leslie Munro—has spoken the desires of the world. He says the nations are looking for leadership in the drive into outer space.

We have heard this morning that our President has received another letter from Soviet Premier Bulganin. It rejects the idea of a foreign ministers' conference as a precondition to a summit conference.

Whatever the note may say, however, there has never before been a more golden opportunity to bring this war-weary world to peace. A strong and determined proposal to cooperate now may save all of us from a strong and determined—and probably successful—effort to destroy humanity later.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a United Press dispatch from the United Nations headed "U. N. Talks Urged on Outer Space."

There being no objection, the dispatch was ordered to be printed in the RECORD, as follows:

U. N. TALKS URGED ON OUTER SPACE

UNITED NATIONS, N. Y., January 31.—General Assembly President Sir Leslie Munro, of New Zealand, tonight suggested a U. N. conference of scientists and diplomats within the next 2 or 3 months to study control of outer space.

Munro, who has spoken several times of the need to get United Nations action started to deal with the age of space, made the suggestion in a broadcast interview recorded for U. N. radio.

Munro said that despite many references by President Eisenhower and others to the need for space control, there has been no initiative except in embryo to bring the issue to the U. N.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. From listening to the statement of the Senator from Texas, I gain the impression that what he desires is that the leadership in the administration take every possible step to try to see that the satellite race does not end in a more critical military controversy, but will lead to a greater opportunity for attaining world peace. The Senator from Texas desires that we take the lead. Whether such leadership is exercised through the United Nations, or otherwise, I assume that the Senator from Texas desires that we take the lead; and we all concur in that desire.

Mr. JOHNSON of Texas. The Senator is correct. I think the leadership might very appropriately come through the United Nations, and I have so suggested. Last Friday the General Assembly President, Sir Leslie Monro, suggested that there be a United Nations conference of scientists and diplomats in a very short time, to enter into a study of the subject of control of outer space.

I am happy to have the Senator from Massachusetts associated with me.

Mr. SALTONSTALL. What we need to do is to take the first steps, whatever they may be. We hope they may be taken through the United Nations. They may be taken in some other way in the wise discretion of those in the responsible positions in the administration; but what we need to do is to take the first steps.

Mr. JOHNSON of Texas. I think we have a golden opportunity at this moment, and I hope we shall take advantage of it.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. KEFAUVER. I highly commend the majority leader for his statement today. It is in line with proposals and suggestions which he has made from time to time in the past. It seems to me that his proposal offers us the opportunity to regain the initiative, and win for ourselves the esteem of all the peoples of the free world, and perhaps even of the plain people behind the Iron Curtain as well. I believe that the proposal of the Senator from Texas to write the rules and regulations for the control of outer space under the auspices of the United Nations is good, for two reasons.

In the first place, the United Nations is the only organization with a world membership.

In the second place, taking the steps proposed would build strength in the United Nations for further useful efforts in the quest for ways and means of reaching peaceful settlements of the contentions in the world.

I hope the suggestions of the Senator from Texas will be followed by the President and by the American representative at the United Nations.

Mr. JOHNSON of Texas. Mr. President, the need for the type of cooperation of which I am speaking was well pointed up by an editorial in the New York Times this morning. I ask unanimous consent that its editorial be printed in the body of the RECORD as part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Times of February 3, 1958]

COOPERATION IN SPACE

The tempo of modern scientific advance is so swift that even a decade hence the earth satellite feats of recent months, both Soviet and American, may be regarded as but faltering steps toward the conquest of space. Yet modest as the present achievements may seem by the standards of the future, the present period may well be crucial. It is now that patterns and precedents regarding space exploration are being set, and depending upon their nature these present patterns and precedents can help determine whether man's strides into the cosmos shall eventually form a bright or a dark page in the annals of our species.

With that realization in mind, it is highly fortunate that both the Soviet sputniks and our own Explorer satellite have been launched as part of the program of the International Geophysical Year. That program is the most extensive example to date of integrated international scientific research. It was in the spirit of the cooperatoin which is central to the International Geophysical Year that the code used in the radio transmissions from our satellite has been made available to

scientists the world over. It is an unhappy violation of the spirit of that cooperation that the Soviet Union has not similarly made its codes publicly available, and there will undoubtedly be many who will regard it as more than a chance coincidence that only a few hours after the Explorer was launched International Geophysical Year headquarters in Brussels was informed that preliminary information from the Soviet sputniks was on its way.

The International Geophysical Year period ends with this year, but man's efforts to reach farther into space will surely continue indefinitely. That fact alone makes it urgent now to coordinate all nations' space exploration, and to assure, as President Eisenhower has suggested, that space be an area of human peace. Both the responsibilities and the opportunities before the United Nations in this situation are clear. Certainly all human beings who recognize the potentialities for good or for evil which the new space age we have entered contains, will hope that those who direct the United Nations and the leaders of its member nations will respond quickly to the current need, before it is too late.

Mr. WILEY. Mr. President, I listened with interest to the discussion precipitated by the distinguished majority leader. I am sure that his suggestions would lead to a consummation desired by everyone.

However, we must be careful, in pursuing whatever course we decide upon, to bear in mind what has happened in the past. We realize that we have tried disarmament at times when people did not disarm. We have had, as has been indicated, 52 experiences with the Kremlin, involving 52 agreements, only 2 of which the Kremlin kept.

Of course that does not mean that we should stop seeking to find a way to follow what the Secretary of State has suggested we do, namely, to get control of outer space through an agreement of some kind. A few days ago there occurred in the Senate a discussion dealing with Antarctica. There again we are seeking to get an agreement with the Kremlin which will be kept by them and not broken, as was the case with the other 50 promises that were made by the Kremlin. Therefore, as we seek to find the answer, let us keep our powder dry.

THE CASUALTIES SUFFERED BY THE STATE OF WISCONSIN IN THREE WARS

Mr. WILEY. Mr. President, today the Senate is to consider H. R. 10146, the supplemental appropriation bill for the Department of Defense. In my judgment, what is proposed in this bill is absolutely essential, and I am sure that the bill will promptly be enacted.

So, too, it is essential that in the 1959 fiscal year budget for the Department of Defense we provide every dollar which is truly necessary to make sure of America's supremacy in military science. Not a single dollar must be wasted, but neither should a single necessary dollar be spared.

When it comes to preparedness, we pay the price, whether or not we appropriate the funds. If funds are not appropriated, we might pay the price, ultimately, in human lives and suffering.

This, unfortunately, has happened all too frequently in America's history. No one can estimate the number of Americans who perished on the battlefield because they were not sufficiently prepared prior to the onset of war. Prepared or not, the cost of war is so vast as almost to be immeasurable.

To bring home this point, I recently wrote to the Department of Defense in an effort to get an accurate summary of the price paid by one State, my own State, in World Wars I and II, and Korea.

I have received from Assistant Secretary of Defense W. J. McNeil, Comptroller of that Department, a table listing the casualties incurred by United States military personnel from my State.

The table shows that Wisconsin suffered 8,023 battle casualties in World War I, 20,109 in World War II, and 2,659 in the Korean conflict.

This is not, however, the whole story. It does not include nonbattle casualties, which add up to exceedingly sizable figures.

As explained by Assistant Secretary McNeil, nonbattle death figures were not always compiled by State of residence at the time casualty summaries were prepared.

I send to the desk now the text of this summary. I think it provides a grim footnote to the important bill which we are to take up today. I ask unanimous consent that the Secretary's summary be printed at this point in the body of the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

Casualties incurred by United States military personnel from Wisconsin in World War I, World War II, and the Korean war

	Army	Air Force	Navy	Marine Corps	Coast Guard	Total
World War I:						
Battle deaths [1]	1,709		5	51	1	1,766
Nonfatal wounds	6,093		20	144	----------	6,257
Total battle casualties	7,802		25	195	1	8,023
Nonbattle deaths [2]	(3)		170	12	2	(3)
Total casualties	(3)		195	207	3	(3)
World War II:						
Battle deaths [1]	5,402		611	508	21	6,542
Nonfatal wounds	[4] 11,292		623	1,652	----------	13,567
Total battle casualties	16,694		1,234	2,160	21	20,109
Nonbattle deaths [2]	1,720		406	(3)	34	(3)
Total casualties	18,414		1,640	(3)	55	(3)
Korean war:						
Battle deaths [1]	627	11	6	79	----------	723
Nonfatal wounds	1,458	1	36	441	----------	1,936
Total battle casualties	2,085	12	42	520	----------	2,659
Nonbattle deaths [2]	(3)	(3)	(3)	(3)	(3)	(3)
Total casualties	(3)	(3)	(3)	(3)	(3)	(3)

[1] Deaths resulting from enemy action including killed in action, died of wounds, and died while missing or captured.
[2] Deaths from disease and from injuries not resulting from enemy action.
[3] Not available.
[4] Partly estimated.

NAVY DRYDOCK YFD-69 AT PORTLAND, OREG.

Mr. NEUBERGER. Mr. President, the port of Portland, which is a State agency answerable to the Governor of Oregon, has been informed by the Department of the Navy that upon the expiration, December 31, 1959, of the present lease of the Navy drydock YFD-69, the facility will be placed on a bid basis and that negotiation with the port of Portland for a renewal of the lease will not be considered.

As my colleague, the senior Senator from Oregon [Mr. MORSE], indicated a few days ago in submitting for the RECORD a joint letter addressed to the Secretary of the Navy, on January 14, 1958, we have asked the Navy to reconsider their position in this matter. Our request, something of a compromise, asked them to call for bids now for the drydock facility, to be effective on expiration of the present lease. However, the Navy explains that "the Bureau of Ships does not consider that it would be practicable to invite proposals more than 4 to 6 months prior to the expiration on December 31, 1959, of the current lease." For the reason, they say that "it is difficult to see how we could properly evaluate a proposal to determine whether it would represent a fair rental for the dock 2 years hence." The Navy also believes that it would be difficult for the companies making proposals to bid "intelligently 2 years in advance without knowing further what the market would be at the time the lease is to take effect."

Mr. President, it would seem to me that the same clairvoyance or perception that presently views a renegotiation as inadvisable upon the expiration of the lease could exercise similar powers if bids were now invited. I hope that the policy expressed in this regard by the Navy Department may be given further review.

It is significant, however, and should bear directly on any further consideration in this matter, that the port of Portland has the complete support of private enterprise and labor in the request for renegotiation. I call attention to resolutions I have received from the Portland Junior Chamber of Commerce and

the Propeller Club of Portland. I would like to ask unanimous consent, Mr. President, that the letters and resolutions from these groups be inserted in the CONGRESSIONAL RECORD along with similar resolutions and letters received from the port of Astoria and the Portland Steamship Operator's Association.

I ask unanimous consent that correspondence I have received in reference to this matter be printed at this point in the RECORD, together with inclosures.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

JANUARY 22, 1958.

Hon. RICHARD L. NEUBERGER,
Senate Office Building,
Washington, D. C.

DEAR SENATOR NEUBERGER: At the board of governors meeting of this organization held January 21, 1958, the matter of the Navy Department putting the drydock of YFD–69, now under lease to the port of Portland, Oreg., up for leasing on a bid basis, came up for discussion. The members of the organization are extremely concerned about the possible loss to the city of Portland of the drydock. Accordingly, the board of governors passed a resolution pertaining to this drydock, a copy of which is attached hereto.

It will be sincerely appreciated if you will do everything possible to convince the Navy Department that a renewal or extension of the present lease with the port of Portland is the appropriate action to take in this matter.

Very truly yours,
NORMAN E. SUTHERLAND,
President, the Propellor Club of the United States, Port of Portland, Oreg.

RESOLUTION OF THE PROPELLER CLUB OF THE UNITED STATES, PORT OF PORTLAND, PASSED AT THE REGULAR MEETING OF ITS BOARD OF GOVERNORS, JANUARY 21, 1958.

Whereas Portland is the leading seaport of the Pacific coast in volume of export and import dry cargo; and

Whereas the principal objective of the Propeller Club, Port of Portland, is to promote, further and support an American merchant marine adequate to meet the requirements of national security and economic welfare of the United States; and

Whereas the economic growth of the city of Portland is predicated upon its existence and growth as a major seaport; and

Whereas the United States Navy drydock YFD–69 which is presently leased to the Port of Portland Commission makes possible Portland's ship repair industry; and

Whereas the availability of adequate ship repair facilities is a prerequisite to the maintenance of the maritime commerce of any major seaport; and

Whereas the Navy has announced a proposed plan to place the leasing of Navy drydocks on a bid basis which action will place the port of Portland at a great disadvantage because of its limited revenues derived from the rental of the drydock; and

Whereas the nature of the ship repair industry with the public operation of the drydock and its availability to all ship repair contractors on an equal basis requires special consideration of Portland; and

Whereas it is the considered opinion of the Propeller Club of the Port of Portland that the removal of YFD–69 would jeopardize this port's maritime commerce and the livelihood of thousands in the Portland area and the city's economy in general: Now, therefore, be it

Resolved, That the Propeller Club of the United States of the Port of Portland, protests the proposal of the United States Navy for the leasing of YFD–69 on a bid basis and requests that the Navy Department enter into immediate negotiations with the Port of Portland Commission for a renewal or extension of the present lease now in effect for the YFD–69; be it further

Resolved, That copies of this resolution be sent to Mr. Fred Bantz, Assistant Secretary of the Navy, material Members of the Oregon and Washington Congressional delegation and to other interested parties as may be directed.

PORTLAND JUNIOR CHAMBER OF COMMERCE,
Portland, Oreg., January 14, 1958.

Subject: Port of Portland lease of United States Navy drydock, YFD–69.

The Honorable RICHARD L. NEUBERGER,
United States Senate,
Washington, D. C.

DEAR SIR: Due to recent transfer in administration of drydock leases and change of policy in the letting of these leases, the Navy has notified the port of Portland that the present lease will not be renewed. That said drydock will be put up for general public bid.

As it is very difficult for a public body to compete with private business on this basis and the importance of this drydock to the economy of Portland, the Portland Junior Chamber of Commerce has taken the attached stand.

Yours very truly,
HOWARD P. TRAVER,
President.

RESOLUTION, PORTLAND JUNIOR CHAMBER OF COMMERCE

Whereas floating drydocks are essential facilities in the Portland Harbor for the maintenance and repair of vessels of all sizes, and are used by 1 out of every 15 oceangoing vessels which call in port; and

Whereas Portland's ship repair contractors comprise one of the city's major industrial enterprises, providing 2,000 or more positions for skilled workmen, with a payroll in excess of $10 million annually, and deal with some 300 local suppliers and subcontractors; and

Whereas more than half of all drydock activity in Portland depends on the availability of the Navy drydock YFD–69, which is leased by the port of Portland, and the retention of this drydock in Portland therefore becomes a matter of the greatest concern to the city as a whole; and

Whereas the port of Portland now has in excess of $8½ million of taxpayers' money in facilities at Swan Island, which would be seriously jeopardized by removal of said drydock; and

Whereas the Navy has recently revealed a new policy on drydock leases which may result in the removal of the YFD–69 from Portland after 1959, which would leave the city with inadequate ship repair facilities and a serious waterfront unemployment problem: Now, therefore, be it

Resolved, That the Junior Chamber of Commerce of the city of Portland respectfully urges that the Department of the Navy negotiate an extension of its present drydock lease with the port of Portland; and be it further

Resolved, That copies of this resolution be directed to Thomas S. Gates, Jr., Secretary of the Navy, Fred Bantz, Assistant Secretary of the Navy for Material, Adm. A. G. Mumma, Chief of the Bureau of Ships, United States Navy, the Honorable Wayne Morse, the Honorable Richard L. Neuberger, Senators from Oregon, the Honorable Edith Green, Congresswoman from Oregon, the Honorable Charles O. Porter, the Honorable Al Ullman, and the Honorable Walter Norblad, Congressmen from Oregon.

THE PORT OF ASTORIA,
Astoria, Oreg., January 28, 1958.

Senator RICHARD L. NEUBERGER,
United States Senate,
Washington, D. C.

DEAR SENATOR NEUBERGER: Attached is a copy of the resolution adopted by the Port of Astoria Commission in reference to the new Navy Department's policy for the re-leasing of the port of Portland's leased drydock YFD–69.

We support completely the port of Portland on this matter and we respectfully request your help in our name to aid them in their effort to retain this drydock.

With best personal regards, I am,
Sincerely,
DICK BETTENDORF.

RESOLUTION, PORT OF ASTORIA, ASTORIA, OREG.

"Whereas the Bureau of Ships, United States Navy, has recently announced that future leasing of the floating drydock, YFD–69, presently under lease to the port of Portland, Portland, Oreg., will be offered on a competitive bid basis when the current lease expires; and

"Whereas such a policy places the port of Portland at an extreme disadvantage in competing against private ship construction and repair contractors for leasing said drydock due to the port's limited ship-repair revenues; and

"Whereas such a policy might result in the removal of the YFD–69 from Portland; and

"Whereas such a loss would cripple the entire maritime industry in the Columbia River area; and

"Whereas it is the only drydock on the Columbia River and the only drydock located between Puget Sound and San Francisco, which is capable of handling large ships, including the Mariner class freighters and large tankers which serve the area; and

"Whereas now and in time of national emergency the Federal Government benefits from the strategic location of the YFD–69 at Portland because of its close proximity to the Navy's Columbia River Reserve Fleet and the Maritime Reserve Merchant Fleet at Astoria: Now, therefore, be it

"*Resolved,* That the port of Astoria protests the proposal of the United States Navy for the leasing of the YFD–69 on a bid basis and formally requests the United States Navy to act in a manner serving the best interests of the national good, as well as with the good of the entire Columbia River area and Portland, by negotiating with the port of Portland for a renewal or extension of the lease of YFD–69 at rates offered by the port of Portland; be it further

"*Resolved,* That copies of his resolution be sent to Mr. Fred Bantz, Assistant Secretary of the Navy, Material, Members of the Congressional delegation of the State of Oregon, the Governor of the State of Oregon, and to such other individuals, and to departments of the United States, State of Oregon, and city of Portland as may be directed."

I, R. J. Bettendorf, assistant secretary of the port of Astoria, do hereby certify that the foregoing is a true and correct copy of a resolution passed at a regular meeting of the board of commissioners of the port of Astoria held January 21, 1958.

R. J. BETTENDORF,
Assistant Secretary, Port of Astoria, Astoria, Oreg.

PORTLAND STEAMSHIP OPERATORS' ASSOCIATION, INC.,
Portland, Oreg., January 29, 1958.

Subject: Navy drydock YFD–69 under lease by the port of Portland, Oreg.

Senator RICHARD NEUBERGER,
Senate Office Building,
Washington, D. C.

DEAR SENATOR NEUBERGER: The Portland Steamship Operators' Association, Inc., at

their meeting on January 23, 1958, viewed with great alarm the possible loss of Navy drydock YFD–69, now under lease by the port of Portland, and strongly support activities directed toward the retention of this vitally important facility, which may be lost to this area when the port lease expires on December 31, 1959.

Portland has only two drydocks, except a few privately owned docking facilities capable of handling light vessels, and in the event YFD–69 is moved away the port of Portland will be facing a very serious problem, as the remaining dock is not capable of handling the larger type ships making regular calls in this area.

The width and depth of our river channel between the mouth of the Columbia River and Portland has its limitations and during low water periods and adverse navigating conditions the larger ships occasionally get into trouble, and if we do not have the proper docking facilities we will, beyond question, suffer a substantial shipping loss.

The city of Portland is favored with ship-repair concerns having excellent reputations for both high-quality work and economical repair charges, and the loss of our most important drydock will undoubtedly put some of these concerns out of business and depress others to a nonprofitable status.

Possibly the loss of one drydock to certain United States ports would not be too serious; but here in Portland, where it represents over 50 percent of adequate drydocking within an area of several hundred miles (Puget Sound or San Francisco), we feel that the Department of Navy Bureau of Ships can well consider YFD–69 a very special case and one exempt from their current policy.

Thank you very much for your sincere efforts in regard to this exceptionally important subject, and we earnestly hope you, as well as others concerned, will be successful in obtaining the renewal of our lease on Navy drydock YFD–69.

Respectfully yours,

L. M. THOMPSON,
Chairman, Rivers and Harbors Committee.

TOWARD A NEW DISARMAMENT POLICY

Mr. HUMPHREY. Mr. President, it is a common failing in the field of foreign relations to think of the official position of a foreign government or a foreign leader as a solid national position. Hence, when the British Prime Minister says something we refer to this as the "British position"; when the French Foreign Minister says something else, we refer to this as the "French position."

The difficulty of looking at these things in such a way in this fast moving world is that statesmen and politicians are here today and gone tomorrow. When changes in government occur, or when new lines of thought and policy begin to reflect changes in government positions, we express pained surprise. One way to relieve the pained surprise is to look at the other voices often found in opposition parties which might alert us well in advance to trends of thinking and popular attitudes which are not necessarily reflected in official policy for the time being.

As I have read press reports of speeches of members of opposition parties in Britian and France, I have had some further inkling of what might be expressed in future British or French Governments. I think we should pay more attention to these opposition statements—in the long run that may amount to more than straws in the wind.

The German situation is another case in point. My colleagues know of my profound respect and admiration for Chancellor Adenauer and the magnificent contribution he has made toward western unity. In our close identification of policy with that of the present West German Government, we perhaps are completely unaware that other voices, representing a substantial part of German opinion, have actively been raised in the German Bundestag and other places on foreign-policy matters. One such speech which has recently come to my attention was delivered by Fritz Erler, a Social Democratic Party foreign-affairs speaker. Without expressing any necessary agreement on my part with what Mr. Erler has said, I do think it is important that his remarks be brought to the attention of this body. Consequently I ask unanimous consent that excerpts from Mr. Erler's speech, delivered before the assembly of the West European Union on October 10, 1957, be printed at this point in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

TOWARD A NEW DISARMAMENT POLICY

(From a speech by Fritz Erler, member of the Bundestag, given before the assembly of the West European Union on October 10, 1957)

In reply to a recommendation of the defense committee of the West European Union to stall the use of atomic weapons in case of a conflict through previous consultation and discussion, Fritz Erler took issue with the underlying assumption that atomic weapons should be produced and the armies of the seven members of the West European Union be equipped with them. Arguing against the traditional attempt to achieve a balance of power in armaments between the East and the West, he pointed out that overall security should be the first aim of any disarmament policy, a security which can only be achieved by a drastic reduction of both atomic and conventional weapons on both sides. It is pointless, he said, "to have the defense ministries rearm on the one hand, while the foreign ministries are disarming."

While pointing out that equipping European forces with atomic weapons might lead to a similar distribution in the rest of the world, as well, he also argued against the illusory goal of such a policy. He said: "I do not believe in the popular argument that we should frighten the Russians into disarmament; that if they do not give in we should pass the big stick on to others, such as the Germans, for instance. Threats like this have never worked. Russian policy has not budged an inch in answer to our attempt to make them more pliable. On the contrary, their attitude has stiffened.

"Now that the Soviet Union has taken the lead in the development of intercontinental ballistic missiles by being the first nation to launch an earth satellite, there is even less hope of winning political concessions by a policy of strength. It has been said that previously the West had a military superiority, whereas now East and West are in a state of equilibrium. But it has also been said that even when the United States of America had the monopoly in atomic weapons this Western superiority was insufficient to force any political advantages from the position of undeniable strength. It proved impossible. Does one really believe that if we were unsuccessful in our attempt to achieve political ends by dint of a military superiority, we will meet with greater success in the future, now that the comparative superiority of the West has vanished?"

ATOMIC TIME BOMB IN EUROPE

The race toward mutual destruction is an uncanny spectacle. We should not let ourselves be reduced to mere onlookers, nor should we actively promote it. We must deliberate how the race can be stopped. It should be our aim to prevent any unnecessary aggravation of world tensions. Previously, we were agreed that the existence of a divided Germany was like a time bomb placed in the heart of the European continent, the explosion of which might entail grave consequences for all of us. If this is so, we must not render this bomb more dangerous by filling it with atomic fuel. We should consider the arguments for an atom-free buffer zone between the two highly armed military powers in Europe, a zone which might lessen the existing tensions. We should not reject such suggestions out of hand.

By launching an earth satellite the Soviet Union has not only scored a propaganda success, but has added a further one in declaring itself ready to negotiate about the international control of long-range weapons, intercontinental ballistic missiles as well as the possible military uses of artificial earth satellites. We should not call this mere propaganda on the part of the Russians, but pin them down to see if they mean it. This is our task.

COORDINATION IS NEEDED

I regret the incoherence of our disarmament policy on the one hand and our military planning on the other. Given better coordination, we would not have witnessed those onesided concessions to the Russians that have been made. Through timely negotiations we could at least have made such concessions contingent upon similar concession on the part of the Soviet Union. Agreements on a partial withdrawal of troops from German territory, a reduction of troop strengths and a reappraisal of overseas bases on either side would have contributed much to our security. Now, however, it is the military leaders and the finance ministers who, for reasons of national interest or the like insist on reductions without reciprocal concessions which at the time could have been obtained and which would have improved our security and eased the position of many Europeans behind the Iron Curtain.

An example for an absurd lack of coordination in the two fields is Great Britain. Britain has declared herself in favor of a troop strength of roughly 350,000 men for her own defense while in the disarmament subcommittee of the United Nations which met in London a tough fight was put up for a ceiling of 650,000 men, as if a reduction to that level meant a concession to the Russians. The left hand does not know what the right is doing.

I do not advocate surrender. I am merely saying that the military development has maneuvered itself into a blind alley. We can no longer master the existing problems by military means. We should therefore resort to political ones.

Why not recommend to the West to take the initiative for breaking up the vicious circle and to state: We on our part will suspend all test explosions for a limited period. Such an example would not fail to have its effect on world opinion especially since the Russians themselves can no more ignore world opinion, particularly opinion in the Bandung countries. It is in that part of the world that decisions affecting our destiny are taken. The future course of these countries can be no matter of indifference to us. By setting the right example we could greatly strengthen our position in that area. I do not believe that atomic explosions can be conducted in one's trouser

pockets. So far they have all come to light. The NATO Headquarters keeps track of times and dates and enters them on charts. In any case a limited suspension of tests need involve no undue risk as long as we use the time to get a control system worked out to prevent further explosions on either side after the expiration of such a period.

In spite of setbacks in Eastern Europe, the Soviet Union has been increasing her influence in many areas without resorting to military action. The battle then should be fought with political, economic, social, and cultural weapons. Without victory in those terms our military defense preparations are all in vain. Therefore let me suggest that, while the experts continue discussing the military issues, we make a joint effort on the political level which alone can lead us toward an enduring and a secure freedom.

REDUCTION IN DAIRY SUPPORT PRICES

Mr. HUMPHREY. Mr. President, every day's mail brings new evidence of the deep concern throughout the Midwest over Secretary Benson's threatened further reduction in dairy support prices. Legislation to prevent this from happening is now before the Senate and House Agriculture Committees. We face a deadline of April 1.

Regardless of what is done about longer range programs for the future, some action must be taken at once to head off this cut in dairy prices.

Dairy groups are united in that determination. At the same time they are just as concerned over economic problems confronting their fellow farmers producing other commodities. For this reason they intend to support other improvements in farm legislation later in the session, if they can get a helping hand themselves before April 1.

Mr. President, I ask unanimous consent to have printed in the RECORD, a letter from the Cooperative Creamery Association of Pequot Lakes, Minn., which is typical of my daily mail.

Mr. President, I ask unanimous consent also to have printed in the RECORD a telegram from Irvin Grudem, president of Falls Dairy Co., Jim Falls, Wis., an executive vice president of the Western Dairy Cooperative at Clarkfield, Minn., further testifying to the fact that the lowering or price supports will not reduce the production, but increase it.

There being no objection, the letter and telegram were ordered to be printed in the RECORD, as follows:

THE COOPERATIVE CREAMERY ASSOCIATION,
Pequot Lakes, Minn., January 29, 1958.

Senator HUBERT HUMPHREY,
Washington, D. C.

DEAR SIR: At a recent meeting of the board of directors of the Cooperative Creamery of Pequot Lakes, Minn., a resolution was passed that the manager write you, urging you to use your influence in opposing any further cut in support prices on dairy products.

Dairymen in this community are already having a rugged time and a further drop in price would be disastrous to a large percentage of them; that in turn would have a devastating effect on all other business in this dairy community.

We therefore urge you to oppose Secretary Benson's suggested cut in support price as vigorously as possible.

Thanking you for anything you can do for us, I remain,

Yours truly,

WM. H. LUEDERS,
Manager.

ST. PAUL, MINN., *January 31, 1958.*

Hon. HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.:

I am a large dairy farmer in Wisconsin. Also president of Falls Dairy Co., Jim Falls, Wis., where we receive milk direct from approximately 1,500 farmers as well as purchasing milk from small cooperative and private creameries. I am also executive vice president of Western Dairy Cooperative at Clarkfield, Minn., where we receive milk from 16 cooperative creameries and 1 private creamery representing approximately 3,000 farmer producers. The drop in the support price will not hurt the creameries as the reduction in price will be passed on to the farmer. This drop in price, however, will be a very serious blow to the dairy farmer. It is beyond us to comprehend the justification for continually reducing the prices paid to farmers while nearly all other segments of our economy continue to raise prices. The labor costs are being increased yearly. In many cases these increases are automatic, having been negotiated from 1 to 3 years ahead with the result that everything the farmer purchases is costing him more money. This price squeeze on one of the most important segments of our economy is not, in our opinion, justified. The lowering of price supports will not reduce the production but will increase it as these farmers must have a minimum cash income to pay their obligations. We request that you use every effort and means possible to prevent the Secretary of Agriculture from reducing the support price April 1. In our opinion the least that can be done is to maintain the present support level.

IRVIN GRUDEM.

AN EXPANDED CREDIT PROGRAM THROUGH THE FARMERS HOME ADMINISTRATION

Mr. HUMPHREY. Mr. President, last summer natural disaster struck some thirty Minnesota counties, leaving hundreds of farm families seriously stricken.

Every effort was made to expedite assistance to these people under programs designed for that purpose by the Congress, and authority granted for that purpose to the Department of Agriculture.

I regret to report that such efforts have not produced very effective assistance.

After the Department of Agriculture in Washington rejected the recommendation of its own State disaster committee in Minnesota for an emergency feed and seed program for a group of northwestern Minnesota counties, Gov. Orville Freeman, of Minnesota, decided to use the full resources of the State government to make a comprehensive survey of just what conditions really existed. The survey was very effectively conducted under the direction of Mr. Arthur Hansen, State commissioner of securities. Representatives of the State conservation, agriculture, education, employment, highways, and business research and development departments all participated, as well as the University of Minnesota. Local farmers, businessmen, and legislators, all participated in trying to compile a factual picture of existing conditions and credit problems.

The findings show quite conclusively the need for an expanded and liberalized credit program through the Farmers Home Administration. If many farmers are to continue their operations through this year, they must have feed to keep from liquidating part of their foundation herds.

Mr. President, I ask unanimous consent that this report be printed in the RECORD, together with my cover letter to Secretary of Agriculture Benson calling his attention to it, and a press statement by Minnesota's Governor, including letters he has sent to responsible Department of Agriculture officials in Minnesota.

I also ask unanimous consent to have added a copy of a letter on this same situation from Minnesota's State commissioner of agriculture to Secretary of Agriculture Benson.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JANUARY 30, 1958.

Hon. EZRA TAFT BENSON,
Secretary, Department of Agriculture,
Washington, D. C.

DEAR MR. SECRETARY: Ever since natural disaster struck some 30 Minnesota counties last summer, many of us have been doing everything we could to obtain some form of effective assistance for hard hit farm families.

You will recall negotiations between my office and officials of your Department at the time. You may also recall the conference I arranged at the Capitol attended by representatives of every agency having any assignments touching upon possible disaster assistance. You will also recall, I am sure, the recommendations submitted to you from our Gov. Orville L. Freeman for effective assistance.

Since then numerous conferences have been held in Minnesota between State officials and your State disaster committee. However, very little in the way of practical aid has resulted. In terms of loans granted, there has been no indication of the liberalization of your FHA loans that were requested. Your own State disaster committee in Minnesota recommended an emergency feed and seed program for certain northwestern Minnesota counties, but the request was later denied in Washington.

At that time, your State disaster committee informed the Governor it would be willing to review its recommendations from time to time in light of further changes in agricultural conditions.

As a result, Governor Freeman ordered his State administration to conduct a comprehensive survey of farm and business conditions in nine northwest Minnesota counties. The results of that survey have been submitted to Mr. Floyd Sjolander, chairman of the State Disaster Committee for Minnesota, and chairman of your Minnesota ASC Committee, by your appointment, and to Gordon Klenk, State FHA Administrator, also by your appointment.

Because I am not sure your State-appointed officials have called this survey to your attention, I am enclosing a copy for your information, along with copies of the covering letters the Governor sent to your officials in Minnesota.

I respectfully ask that it be immediately reviewed by your farm-credit coordinator in the Secretary's Office, with a view toward recommending more effective assistance to these counties.

I have never received any justification or explanation for your denial of the emergency

feed and seed program recommended by your own State disaster committee. In view of your repeated assurance to our Senate Committee on Agriculture that you prefer to depend upon local views, I respectfully suggest that here is an example where you have overruled a recommendation from your own local officials designed to render effective assistance.

Please note that the report submitted lists the efforts made by the State government itself to render every type of assistance within its means and its authority.

The survey emphasizes the fact that present operations of the FHA are not meeting the needs in this area.

If you feel any additional authority, or additional funds, are required to enable you to render more effective assistance, please advise me so that steps can be taken by the Congress to provide it. However, all past testimony of your Department and reports on various farm-credit bills have indicated you already have widespread authority within your discretion to render assistance beyond what has already been granted.

I would appreciate a careful appraisal of this report, and some indication from you as to what your Department can and will do about this situation.

Sincerely,

HUBERT H. HUMPHREY.

STATE OF MINNESOTA,
DEPARTMENT OF AGRICULTURE,
DAIRY AND FOOD,
St. Paul, Minn., January 14, 1958.

Hon. EZRA TAFT BENSON,
Secretary of Agriculture,
Washington, D. C.

DEAR MR. BENSON: During the past 4 years Minnesota State officials, including myself, have met and corresponded with a great number of our citizens who are lifetime farmers, beginning farmers, and those who aspired to become farm operators. All of these people have problems in varying degrees, which stem primarily from the economic plight of American agriculture. However, one of the most grievous complaints of these Minnesota citizens concerns their inability to obtain needed credit from those who are in charge of the loan programs of the Farmers Home Administration here in Minnesota. In the past year this lamentation has become even more apparent in all areas of the State.

It is my understanding that the United States Department of Agriculture maintains some 51 unit offices of the Farmers Home Administration throughout Minnesota and has a State staff totaling about 135 trained people. With an organization of this size and the geographic distribution of unit offices, I would conclude that the Minnesota organization has ample personnel to properly administer its functions and duties. Therefore, I would conclude this is not the reason for the organization's inertia and continued lessening in use and value as an agricultural credit agency.

For many years I have beeen closely associated with farms and farm families of rural Minnesota and elsewhere. I have personally seen the outstanding services that Farmers Home Administration and its predecessor agencies have rendered to our farm people, including veterans of World War II and the Korean conflict. The administrative policies and approaches to the financial and farm management problems of underfinanced farm people of that era now appear to have been completely reversed by those in Minnesota who are now charged with the responsibility of carrying out the purposes and intent of legislation.

Here in Minnesota the eligibility requirements for Farmers Home Administration chattel-type credit seem to have gone to an extreme proportion. Those who qualify for Farmers Home Administration credit so nearly qualify for commercial or cooperative credit that there is practically no line of demarcation.

In making these criticisms of the Minnesota program, I am not completely satisfied that this State is conducting their activities in complete harmony with the policies as set forth by your national office. However, if the operations as presently conducted in Minnesota are in harmony and accord with national policy, I believe the Congress would be well advised to direct their attention toward bringing present administrative policies in line with the purposes and intentions of the enabling laws.

Yours truly,

BYRON G. ALLEN,
Commissioner of Agriculture.

NEWS RELEASE

Gov. Orville L. Freeman today released a survey conducted by State officials under the direction of Commissioner of Securities Arthur Hansen. The survey covered farm and business conditions in parts of Beltrami, Clearwater, Kittson, Marshall, Pennington, Polk, Red Lake, and Roseau Counties. These are the northwest Minnesota counties which suffered serious flood damage last summer and fall.

"I wish to commend Mr. Hansen and the members of the committee for an outstanding job," Freeman said. "This survey was accurately and carefully carried out. Mr. Hansen, aided by representatives of the departments of conservation, agriculture, education, employment, business research and development, highways, iron range resources, and rehabilitation and public welfare, and Dr. Hancock, of the University of Minnesota School of Business, planned and executed a very exhaustive study of general economic conditions in this area. I would like to point out also that local farmers, businessmen, and legislators in this area voluntarily contributed their time and effort to carrying out the program." The Governor stated that the findings show quite conclusively the need for an expanded and liberalized credit program through the Farmers Home Administration. If many farmers are to continue their operation through next year, they must have additional credit. The study also shows that the feed situation is becoming critical in that farmers are liquidating part of their foundation dairy herds in order to obtain ready cash and cut operating costs.

Governor Freeman also pointed out that the State, within its meager resources as compared to the Federal Government, has already set up expanded programs for school lunches wherever this was necessary, and has provided employment to a number of local people through conservation and highway department projects. The department of public welfare is channeling additional surplus commodities into the schools and communities where this will be helpful. "This study and the resulting projects," Freeman said, "are fine examples of what can be done with cooperative effort."

Freeman went on to state that he was forwarding a copy of the survey results to Mr. Floyd Sjolander, State disaster committee chairman, and Mr. Gordon Klenk, administrator of the Farmers Home Administration in Minnesota. In his letter to Mr. Sjolander, Freeman requested that the State disaster committee review the need for an emergency feed and seed program in Minnesota counties hit by flood last summer and fall. "The economic picture of northwestern Minnesota has not improved, and I feel it is incumbent on this committee to reappraise their earlier findings and make new recommendations with regard to the feed and seed needs of these farmers," the Governor said. "Dairy foundation stock sales have reached a disturbing level in this area." Governor Freeman also requested that Mr. Gordon Klenk, FHA Administrator, review the survey materials with particular attention to the serious lack of adequate credit facilities, and asked that this agency take appropriate action to more nearly meet the credit needs of farmers in these counties.

P. S.—Letters to Messrs. Klenk and Sjolander attached.

On Friday, January 10, 1958, the Governor sent the following letter to Mr. Floyd Sjolander, chairman, State disaster committee, 1134 Main Post Office Building, St. Paul, Minn.:

"DEAR MR. SJOLANDER: Among the types of aid I recommended for consideration by the Secretary of Agriculture for flood-stricken Minnesota farmers last summer was an emergency feed and seed program. You will recall that at our conference on July 12 in my office, we discussed this problem and you gave assurance that the matter would be considered when the State disaster committee made its recommendations. The State disaster committee, according to my understanding, made a recommendation that an emergency feed and seed program be instituted for certain northwest Minnesota counties, but this recommendation was not approved by your Washington office. However, my representative on the committee informed me that the State disaster committee would be willing to review its recommendations from time to time in light of further changes in agricultural conditions.

"At my request, various departments of State government under the chairmanship of the commissioner of securities, Arthur Hansen, conducted a survey of farm and business conditions in nine northwest Minnesota counties. These counties comprise the area of northwest Minnesota hit by floods this past summer and fall. You will recall that none of these counties received any emergency conservation funds or other kinds of Federal aid to help them through a critical period. It seems to me that the survey conducted by Commissioner Hansen shows conclusively that the farm and general economic picture in this area is a most serious one. The members of the survey committee who personally toured northwest Minnesota, expressed to me the belief that there is a need for an emergency feed and seed program in this area now and in the spring as well.

"I hope, therefore, that your committee will conduct an immediate reappraisal of this situation with a view to recommending such a program for all areas where it is needed.

"I am enclosing a copy of the report of the survey committee for your information and use.

"Sincerely yours,

"ORVILLE L. FREEMAN,
"Governor."

On Friday, January 10, 1958, the Governor sent the following letter to Mr. Gordon Klenk, State administrator, Farmers Home Administration, Federal Courts Building, St. Paul, Minn.:

"DEAR MR. KLENK: When natural disaster struck some 30 Minnesota counties last summer, one of my recommendations to Secretary of Agriculture Ezra Taft Benson, in addition to a request for disaster area declaration, was that the emergency-loan provisions of Public Law 38 be liberalized to meet the expanded credit needs of farmers in these counties.

"Under Public Law 38 as amended by Public Law 727, 83d Congress, emergency loans for the purchase of seed, feed, fuel, fertilizer, and other expenses, or to restore land and buildings damaged or destroyed by disaster, are supposed to be available at an interest rate of 3 percent for a maximum of $15,000 over a payment period of 5 years on chattel or 10 years on real estate for the best available security. My request was that loans of

this kind be extended with some consideration for the fact that many of these farmers could not make repayment in a 1-year period, which is the current practice by administrative order. In addition, refinancing loans were needed by some of these people to consolidate their debt position and keep in operation through another crop year. Such loans could be extended at 3 percent by a change in the current administrative rules of the Farmers Home Administration.

"I have been informed that the State disaster committee considered FHA loan programs as one of the possible kinds of aid to be extended to flood-stricken farmers in these counties. However, no special recommendation was made by the State committee for such a program. Because of our continued concern over this situation, I asked Commissioner of Securities Arthur Hansen to conduct a survey of the farm and business situation in northwestern Minnesota. You will recall that these counties did not receive emergency conservation money from the State disaster committee when it allocated such funds last fall. Commissioner Hansen has conducted the study and submitted to me a report of general economic conditions in these northwestern counties that I am sure will be of interest to you. The report indicates a critical need for improved farm-credit facilities from the Farmers Home Administration.

"Will you please carefully review this report? I believe the report factually demonstrates great need and the fact that the FHA is not meeting this need, which is precisely what it is by law directed to do. I urge you to take action to more adequately meet the seriously deteriorating credit situation of these farm families.

"Sincerely yours,

"ORVILLE L. FREEMAN,
"Governor."

To: Gov. Orville L. Freeman.

From: Arthur Hansen, chairman, flood relief study committee.

Subject: Report of survey of flood-stricken area, including parts of: Beltrami, Clearwater, Kittson, Marshall, Pennington, Polk, Red Lake, and Roseau County.

At the outset, I wish to express appreciation for the cooperation received from Senator Roy E. Wiseth, Representative Everett Battles, Representative Ben Wichterman, Dr. Hancock, of the University of Minnesota School of Business, the departments of conservation, agriculture, education, employment and security, business research and development, highways, Iron Range resources and rehabilitation, and public welfare; and the many farmers who cooperated in the survey, as well as members of chambers of commerce and the many other community-spirited citizens in the villages and towns in the area affected. The cooperation received from everyone was most gratifying.

Preliminary to survey: After meeting several times with the committee, decision was made to survey the area to find out the true facts as they exist which affect the welfare and future of the communities in the flood-stricken area. To make such a survey, several questionnaires were prepared. Dr. Hancock, of the school of business of the University of Minnesota, designed the questionnaire for the gathering of data as to the status of the retail businesses in the area involved.

Another questionnaire was prepared by other committee members to take a miniature census of whole townships. In order to have a true picture of actual conditions, it was decided to visit every farm in every township. This procedure would prevent our being influenced by the exceptional cases.

Other forms were developed on which to get information as to what has happened to grain elevators, creameries, and livestock shippers in the area.

Hiram Sorenson, of Iron Range resources and rehabilitation, and I went into the communities and met with farmers who had been selected by local members of the legislature. We held a class, usually lasting about 2 hours, in which we instructed volunteers as to what type of information we wanted and the purpose of the survey. We always emphasized that we did not want the facts perverted in any way; neither did we want them inflated nor played down. The response was heartening in each instance, and the volunteer workers were eager and anxious to do something for their communities. These men all served on their own time, without even being reimbursed for the gasoline used in their automobiles, because there has not been any provision for funds for this study.

These workers were instructed to be on the alert for any extreme hardship cases, where somebody was in dire need (and a few such instances were brought to light and details have been forwarded to the department of public welfare).

Results: A map has been prepared, a copy of which is hereto attached, showing the townships surveyed (marked in red).

Also, in order to be in a position to relate the conditions to surrounding townships, visitations were made in adjoining areas. Mr. Sorenson, Elmer Borgschatz, from my department, and I visited these areas shaded in blue on the map.

Long-term credit: From the information that the committee had prior to making the survey, it was evident that long-term credit would be needed to finance the farmers in this area, if they are to continue operating their farms. This fact was brought to our attention repeatedly by people in all walks of life. We visited with many bankers, as well as other businessmen in practically every type of business that exists in the area, and the opinion seems to be universal that some method of providing long-term credit is sorely needed.

It is interesting to note that among all of the farmers that were visited (we have reports from 422 of them) and all of the businessmen, no criticism was heard about any of the banks or bankers in the whole area. In each instance we were assured that the bankers were doing everything within their power and within the realm of good banking to help worthy people in the area. The residents realize, however, that banks are not going to be able to meet their needs. Many hundreds of notes that normally would be paid in the fall have had to be renewed, and the interest added to the face of the note. This does not put the banks in a position to make new loans for 1958.

The chief concern of all the people in the area is as to how the farmers are to be financed when it comes time for the purchase of seed, fertilizer, fuel for tractors, and to make necessary repairs to farm machinery to enable them to go into the fields to plant a crop in 1958, because all their credit has been exhausted.

Type of area involved: Much of this area is excellent agricultural land, being almost table level and very productive under normal conditions. The very topography was a handicap in 1957, however, because of the continuous rainfall above normal for the season, when the deluge of 7 to 9 inches of rain came on Labor Day, it was impossible to enter the fields to harvest what limited crops there were. Frequent rains continued until the ground froze. Hundreds of farmers then attempted to salvage some of the crops after the freezeup, but I question if there was any profit left in such an operation, because of the reduced yields and inferior quality of the crops harvested. In many cases the grain could not be stored because of the high moisture content. It was badly discolored, and, of course, cannot be used for seed. There was practically no grain for sale to elevators for shipment out of the area.

The many interviews we had in the area disclosed that very few people do not desire to remain and continue to make their homes in the area. They have great optimism for the community and feel it is a good place to live. They hope they can somehow continue to make their homes and livelihood there.

These people have a wonderful spirit. None of them want relief as such. Probably thousands of them are eager and anxious for any type of employment that would afford some cash for them to use to provide food for their families this winter. An illustration of this is reported by the REA office at Roseau. That office, in October, advertised for nine men to do brushing along the REA lines. Forty-eight hours after the ad appeared in their small periodical, 96 farmers had applied for the work.

Many farm families, of course, have already moved out. It is difficult to ascertain the number. One small rural church out of Roseau reported that nine families out of its small congregation had left the community. This is a grave concern to all the businessmen up there and, of course, the smaller towns suffer first and to a greater degree than the larger cities of Roseau and Thief River Falls; however, the reports indicate that business has dropped off very materially in those cities as well. Some businessmen report as much as 25 percent below the same period last year. The loss is difficult to measure because many places have closed and the business of those concerns is channeled into the remaining stores, a few of which actually have shown an increase because of the elimination of competitors.

FARMERS HOME ADMINISTRATION

It was evident to our committee from the outset that the providing of long-term credit so sorely needed in the whole area cannot be accomplished through any State agency. The people that we interviewed are well aware of this fact. They are very much disappointed with the attitude of the Farmers Home Administration in this connection. Unlike the banks in the area, it is not a question of how much money the Farmers Home Administration has to lend. Rather it is a question of whether or not the rules and regulations of the Farmers Home Administration can be applied under the circumstances. We encountered people who had been told by the local offices of the Farmers Home Administration that they were too well off to be eligible for one type of a loan, but too poor to comply with the standards of another type; so nothing could be done for them.

Originally the Farm Security Administration, which was the predecessor of the Farmers Home Administration, was designed to extend credit to worthy people who could not be financed by the regular credit institutions. In fact, to be eligible for a Farm Security Administration loan, it was necessary that the applicant first be turned down by a bank or some similar type of lending institution. If the applicants then meet requirements as to character (both the husband and wife), the Farm Security Administration would make 100 percent loans. This is no longer the case. There is evidence in the area that bankers have made loans to Farmers Home Administration clients to prevent their being foreclosed by that Federal lending agency.

Attached are copies of two letters from actual persons in the area, which cite typical cases. The situations related are typical of those reported in conversations with farmers and bear out the stories we heard from businessmen and bankers. This is one area where practically everybody is in agreement that FHA could, if they wished, meet the needs of the people; that in the course of a few years essentially all of the loans would be repaid and the communities, the towns and villages, churches and schools could all be saved.

ACCOMPLISHMENTS RESULTING FROM STUDY

School lunches: We had heard stories of many children dropping out of the Federal school lunch program because they did not have the few cents charged by the schools in the area. These facts were substantiated by our visiting superintendents of schools and school-board members in the area. At the outset, I was convinced that, while we had no machinery to meet the long-term credit needs, there were many fringe benefits that might be provided following a survey by the State departments. Personally, I have been very gratified with the results obtained and with the attitude of the State departments and their cooperation in this endeavor. The attached letters from the department of education are self-explanatory. Dean Schweickhard and A. R. Taylor have been very responsive in our endeavor and now have arranged to provide free school lunches to all of the children in those schools in the area, who are unable to pay. This action was made possible by reimbursing the schools at the rate of 10 cents per lunch instead of the 3¾ cents that was formerly provided.

Public welfare: The department of public welfare is deserving of credit for their fine response. Many surplus commodities are being channeled into the schools and into these communities for distribution, which will be very helpful.

Conservation: The department of conservation has provided employment for 34 farmers whose harvests were inadequate and who need some type of work to enable them to provide for their families this winter. This work is limited because of the budget, but it was found that approximately $8,000 could be used in doing necessary work this winter, which normally would have been deferred until next summer. The work is now in progress.

Highways: The department of highways has likewise provided employment for farmers in the area. Fifteen men are doing brushing and clearing for proposed roads west of the Red Lake Indian Reservation. Other projects on the reservation have also been developed by the highway department, which employs another 36 farmers. I have just recently been informed by Mr. Torgerson of that department that approval has been secured to clear the brush and trees off the proposed right-of-way for a highway between Strandquist and Newfolden, and that another 50 farmers will find employment there beginning about February 1. These men are paid at the rate of $1.38 an hour. An attempt has been made to provide employment near enough so that the workers can commute, several of them riding together in one car to keep expenses down.

I am pleased to relate, too, that the highway department is very much satisfied with the type of work that these men are doing. These men are appreciative of the work and they apply themselves diligently, turning an honest day's work for an honest day's pay.

Employment and security: We have had splendid help from the department of employment and security. They have suggested that a screening committee be used to select the men to be employed, because it would be impossible for the department to do a proper job in this respect. The services of Senator Roy E. Wiseth and Representatives Ben Wichterman and Everett Battles were enlisted for this screening. They are certifying the eligible people to the department of employment and security before they are put on the payroll. This procedure applies to the projects of both the conservation and highway department.

In a conversation with Senator Wiseth last Monday, he said that he is constantly being approached or called on the telephone by farmers who are desirous of being able to get some type of work. The new project between Strandquist and Newfolden is very welcome, but the work there will only take care of a small percentage of the people needing help.

Tabulated summary study of flood-stricken area committee

County and township	Number of farm reports taken in township	Average number acres in farm	Average number acres under cultivation	Normal total bushels grain harvested	Total bushels grain harvested in 1957	Average normal annual gross income	Average normal annual expenses	Average normal annual net income	Average gross income, 1957	Average net gain or loss, 1957	Percentage of acreage prepared for crop, 1958
Beltrami County: Hamre Township	22	297.5	173.8	35,675	8,193	$3,486	$1,695	$1,791	$1,861	$647	9
Clearwater County: Winsor Township	10	279.0	138.0	41,571	14,463	6,463	3,800	2,663	3,506	238	18
Kittson County: Hazelton Township	45	360.3	264.0	221,101	74,143	7,463	4,241	3,222	4,401	1,084	20
Marshall County: Maylon Township	30	384.0	261.0	104,036	26,274	4,119	2,245	1,891	1,833	(240)	10
Pennington County: Deer Park Township	41	300.0	210.0	95,649	26,261	6,298	3,765	2,533	3,172	345	6
Polk County:											
Gully Township	10	429	276.7	27,699	4,227	5,833	3,756	2,077	2,046	(517)	5
Johnson Township	19	313	223.0	46,455	6,509	3,863	2,114	1,749	1,915	(34)	10
Red Lake County: Equality Township	38	324	218.0	89,479	28,077	6,096	3,636	2,460	3,628	(114)	8
Roseau County:											
Barto Township	35	424	339.0	203,130	58,993	6,966	3,686	3,280	2,739	(450)	13
Barnett Township	41	345	233.0	147,945	26,885	5,619	3,523	2,096	2,271	(849)	5
Spruce Township	57	331	275.0	268,087	40,663	7,615	3,363	4,252	2,255	(820)	20
Stafford Township	5	400	312.0	24,700	5,270	8,360	4,740	3,620	3,150	(378)	20
Stokes Township	54	298	180.0	132,315	21,017	4,073	2,088	1,985	1,692	(122)	8
Total	[1] 407			1,437,842	341,075						
Average		345	239.0			5,866	3,281	2,584	2,698	(94)	11

[1] 15 additional farms covered in related area; figures not included in this report.

These statements all show a loss in income due to floods and excessive rain and although some farms are not mortgaged or are not very heavily mortgaged it will be very difficult if not impossible to get local finance because of the poor prospects for crops for next year because the ground was so wet there is very little plowing done for next year's crop.

This coupled with the fact that we have a Secretary of Agriculture who is constantly lowering the price supports and thereby lowering the prices farmers receive for their products. Banks and lending agencies will be very reluctant to lend money to farmers for seed, fertilizer, repairs and gas or fuel for next year's crop.

You will notice by these reports there are some farms in the soil bank. These farmers were unable to operate their farms because of the price cost squeeze so they did the only thing they could do: Signed their farms up for soil bank payments not because they wanted to but because they had to.

The opinions of farmers in this area are that we must have long term low interest rate loans and higher price supports for the products they produce.

OKLEE, MINN.

The net farm income indicated above is the combination of landlord and tenant shares of the farm and the net must be divided between two families.

The normal year used above is 1954. Since that time we have had abnormal weather and our gross production has been considerably less since, along with the fact that farm commodities are worth less today.

I would like to explain further my financial position and outline what the future holds for me. Up until this next year, I have been able to borrow money on my chattels for money to operate my farm. For the past three seasons, I have been unable to reduce my real estate mortgage nor have I been able to meet the chattel mortgage repayment schedule. As my chattels have been depreciating faster than I have been able to pay them off, I'm quite sure that come next spring I will be unable to obtain the necessary credit from my PCA. I don't see how they can go much further.

I bought my land from a private party on a contract for deed. For the past 3 years I have been unable to pay little more than interest on the mortgage. My creditors have been very lenient but the fact of the matter is that I am delinquent and should they choose, I would be out of business.

With that in mind I went to the local office of the Farmers Home Administration and applied for a real estate loan. I owe $14,000 on a 240-acre farm valued by many at $30,000. My loan was rejected because of the following circumstances: In order to qualify for a loan it would be necessary for me to establish some sort of a livestock venture on my farm. In order to accommodate a livestock program it would be necessary to rebuild my farm buildings somewhat. I would also need a larger home to accommodate my family. All this I agreed to do, but it was decided that if I was to expand my farm to the proportions outlined above, my indebtedness would run somewhat over the established debt limit of $15,000 per farm; therefore my loan was rejected. It was further decided that if the FHA was to set me up with a livestock program and buy my chattel mortgages, the amount of indebtedness would exceed anything that I most likely would be able to repay in the estimation of the local FHA committee. I have tried other lending agencies such as the Federal land bank for a real estate loan but they will not come near the amount of money I need to refinance my land. It seems to me that the FHA has lost sight of the motive that was originally used in setting up the agencies formerly known as Farm Security Agency. Today's concept is that all loans must be gilt-edged and most farmers in my area today are either too rich or too poor to get any help from this agency. It seems that a complete overhaul

of this organization is long overdue. Whether it is the administration of the program or the program itself that is at fault I'm not in a position to judge, but I do know that if we in this area are going to keep on as family farmers we must have a modernized program. We must have a program that is able to keep pace with today's inflated standards and modern day requirements. It must be set up in such a manner that a loan should be granted or rejected on the integrity of the producer and his potential ability, not determined by his net worth and equities. If this is not done soon a young farmer in this country will be a thing of the past, unless he is independently wealthy or born with a silver spoon in his mouth.

ROSEAU, MINN.

STATE OF MINNESOTA,
December 27, 1957.

To: Arthur Hansen, securities commissioner, 202 State Office Building.

From: George A. Selke, commissioner of conservation.

Subject: Conservation department, division of forestry, assistance projects to farmers.

Work projects on the assistance program to farmers were started in the Beltrami Island State Forest on December 16, 1957. On December 20, a total of 34 men were reported working on the following projects:

Project No. 422C: 25 men—presently employed on roadside brushing and cleanup—Clear River, Winner Road, and on plantation thinnings on project No. 419C, south of the Clear River ranger station.

Project No. 421C: 9 men—employed on logging project, on State land, lot 1, sec. 19–157–32, along Oaks-Rako Road near old townsite of Lovedale, and the N½NE¼NE¼, sec. 24–157–33. The logs will be hauled to Norris Camp sawmill to be used for bridge timber.

The men are working 8 hours a day, finishing work at 4:30 p. m., with a half hour at noon for lunch. All men are commuting back and forth to work, 5 or 6 men in a car.

All of these men come from Roseau County, most of them from the Greenbush area. The supervisors report them as excellent workmen who seem to be very happy to have employment.

GEORGE A. SELKE,
Commissioner of Conservation.

STATE OF MINNESOTA,
DEPARTMENT OF EDUCATION,
St. Paul, Minn., December 12, 1957.

Mr. ARTHUR HANSEN,
Commissioner, Securities Division,
State Office Building,
St. Paul, Minn.

DEAR MR. HANSEN: Reference is made to Mr. Taylor's conversation with you a couple of days ago regarding additional aid to school districts operating school lunch programs in the northwestern part of the State devastated by flood conditions during harvest time last fall:

I have reviewed the situation and have authorized increasing cash assistance from State and Federal funds to 10 cents per meal as compared with 3¾ cents at the present time. This involves some 5,000 children and represents additional Federal funds of $5,400 and State funds of $11,500 for the period January 1 through March 31, 1958. I have arranged for Mr. Taylor to review the situation on the ground with the schools involved and if further assistance is necessary beyond March 31 appropriate action will be taken.

Coupled with the additional cash for the school lunch program we are also offering additional United States Department of Agriculture commodities consisting of butter, cheese, flour, dry milk solids, rice, dried eggs, canned ham, and canned cherries. Further aid will be given through the special school milk program. This reimbursement of 4 cents per half pint will come from Federal funds and represents reimbursement for each half pint of milk served the children over and above the original half pint served with the lunch.

To date the following schools have been approved for additional cash reimbursement and commodities: Clearbrook Public School, Gonvick; Lancaster, Gatzke; Middle River, Grygla; Oklee, Strandquist; Wannaska, Haug-Leo (P. O. Badger); Malung-Pencer (P. O. Roseau), Greenbush; Karlstad, Strathcona; and Holt, Badger.

Roseau is not asking for aid at this time. Our letter of November 20, copy of which you will find enclosed, was also sent to the following schools: Humboldt, Shevlin, Viking, Solway, Erskine, Kennedy, McIntosh, and Warroad.

For the time being no help is being requested by these schools except for commodities. We are corresponding with Bagley, Gully, Salol, Pinewood and Thief River Falls and will provide help as the circumstances warrant.

In passing we have, as you know, informed Commissioner Hursh of the availability of certain United States Department of Agriculture donated commodities for distribution to eligible recipients through county welfare boards. This morning we received requisitions from Roseau County Welfare Board and we are making immediate shipment of bread flour, processed cheese, dry milk solids, and rice.

For your information am enclosing copy of typical letter addressed to the Greenbush school which Mr. Taylor is sending to all of the schools approved for the increased cash aid.

May I assure you that this department will follow the situation closely and if you have any information as to additional schools or communities that need assistance, we will arrange to take necessary action at the earliest possible date.

Sincerely,

DEAN M. SCHWEICKHARD,
Commissioner of Education.

STATE DEPARTMENT OF EDUCATION,
St. Paul, Minn., December 12, 1957.

Mr. LOUIS R. ALLEN,
Superintendent of Schools,
Greenbush, Minn.

DEAR MR. ALLEN: Reference is made to my letter of November 20 regarding economic conditions in your part of the State due to flood conditions during the past harvest season:

As indicated in my letter, this inquiry was prompted by Governor Freeman's desire to help those of our citizens in need of assistance in this emergency.

The Governor directed this department to canvas the situation to ascertain what State assistance could be rendered the parents through the medium of the school-lunch program. The first consideration is to provide a nourishing noonday lunch at school at a price that will be within the reach of every parent in your community that desires to have his children participate in the lunch program. Further, that those parents that may be able to pay only a part of the asking price of the meal or not at all, are to be offered the meal at a reduced rate or free as the case may be.

You know your community and the determination as to the ability of the parents to pay, lies entirely within your province.

To help your school district in this emergency to meet these local conditions, please be advised that effective January through March 31, 1958, your rate of reimbursement for the type A lunch served with milk will be 10 cents instead of 3¾ cents. We will review the situation again the early part of March 1958.

You may claim, beginning with your January 1958 operations (claim to reach this office by February 10), as follows:

From State Funds:	*Cents*
Type A lunch with milk	5
Type A without milk	3½
From Federal funds:	
Type A lunch with milk	5
Type A without milk	1½

In addition to the cash assistance mentioned we are prepared to offer you additional quantities of available United States Department of Agriculture commodities. These items comprise butter, cheese, flour, dry-milk solids, rice, dried eggs, canned ham, and cherries.

Taking into consideration the amounts you have on hand as of January 1958, let me know what you can use in addition to this inventory for the period January, February and March 1958.

Another thing: Please review your special school milk operations. Are you furnishing the youngsters milk when they get off the bus in the morning? You understand you may give them milk at any time during the school day. The reimbursement will be 4 cents per half pint for all milk served over and above the first half pint served with the noon lunch.

This office stands ready and willing to give you every possible assistance in this emergency and I plan to personally visit your school early in January to counsel with you and go into your situation at first hand.

In the meantime, a couple of suggestions: Tell your people what you plan to do to assist them. Offer a "family" rate if you are not doing so. If you are charging, for instance, 15 cents for the lunch at this time, offer a rate of 25 cents for two, 30 cents for three, etc. If the parents want to charge the meals for the balance of the school year make such arrangements. If it develops that the financial situation in the spring is not changed, cancel the bill if you so desire. As stated above, you know your own local situation and we will be guided by your determination as to what is right and proper to attain the desired result of helping your community in this emergency.

Very truly yours,

A. R. TAYLOR,
Director, Community School Lunch Section.

STATE OF MINNESOTA,
DEPARTMENT OF EDUCATION,
St. Paul, Minn., November 20, 1957.

Our attention has been called to the fact that excessive flood conditions exist in part of your county. It has also been stated that because of lack of purchasing power their youngsters are unable to participate in the school-lunch program.

At a recent meeting called by Lieutenant Governor Rolvaag at which were present representatives for Departments of Welfare, Conservation, Employment and Security, Agriculture, Business Development, Securities, State Banking, Highway and Education, attention was called to the fact that the agreement between the school district and the State department of education provided for meals being offered at reduced cost or free if the youngsters were only able to pay in part or not at all.

This letter is being written in the spirit of ascertaining information as to the condition in your school in regard to the parents having their children participate in the school-lunch program.

Please give me a frank expression of the situation as we are desirous of giving you every possible assistance. In this connection, could you use additional United States

Department of Agriculture commodities, and if so, what items would you have in mind?

Thanking you for your cooperation, I am,

Very truly yours,

A. R. TAYLOR,
Director, Community School Lunch Section.

EMPLOYMENT CONDITIONS IN NORTHWESTERN MINNESOTA

Employment security services to the area being studied in northwestern Minnesota is conducted through the permanent local offices at Thief River Falls and Bemidji.

Both of these offices report a much higher unemployment insurance claim load this year than last year. Bemidji had 970 persons in claims status during the week ending December 20 while for the same week last year they had 683. This is a 42-percent increase. Thief River Falls had 457 persons in claims status during the same week in 1957 compared with 326 for the same week last year. This is a 40-percent increase. Of course, many of the unemployed are not covered by unemployment insurance because they work in industries not covered by the law or because they work for employers who have less than four workers and are, therefore, not covered.

Both local managers report that the employment outlook, at least for the next 6 months, is rather bleak. Normal activities in construction and woods cutting are at low levels this year so that there are few off-the-farm employment opportunities for the people in the area being studied.

Reports from the area indicate some attempts to migrate out of the area. Most are not successful.

JANUARY 6, 1958.

To: Arthur Hansen, chairman, Flood Area Study Committee.

From: Elmer A. Borgschatz.

Subject: Summary of interviews, flood-stricken area.

In accordance with your instructions, I interviewed real-estate brokers, elevator and creamery operators, bankers, and livestock agencies in the flood-stricken area under study. I interviewed 20 persons not previously interviewed by either you or Mr. Hiram Sorenson.

REAL ESTATE

The general comments of the real-estate men suggested that the real-estate business, as far as farm sales are concerned, is practically at a standstill in the area, due to the fact that there is not sufficient financing available to supplement the limited down-payments that prospective purchasers have.

Secondly, the real-estate industry is well aware of the hardships and problems confronting the farmers as a result of the flood. All real-estate men interviewed were hopeful that some means could be found to provide necessary financing for planting in 1958, in order to obtain a crop and thus begin to rehabilitate the area.

These real-estate men also are conscious of the fact that the 1957 flood is not the sole cause of the present plight of the farmers there, but rather that the flood merely accelerated and intensified a condition that has been growing increasingly worse during the past 3 years.

There was only one real-estate broker, out of the many interviewed, who stated that the problem is not serious. He felt that there have been so many years of good crops in the area, it is time that some failures are to be expected, and that everyone should anticipate crop failures periodically. He did state, however, that, on the several farms he owns personally, he had not been able to harvest any crop whatsoever in 1957.

ELEVATORS

The information received from elevator operators was the most astounding, due to the fact that it reflected some figures that are almost unbelievable. One elevator manager stated that he received less than 15 percent of the normal amount of grain. Another elevator man stated that presently there were fewer than 5,000 bushels of grain in storage in his elevator; that normally several hundred carloads of grain are shipped out of the area, as compared to the less than six carloads shipped in 1957. The grain that was received was of such an inferior quality it was almost impossible to dispose of it.

When asked about credit, the elevator men in most cases stated that they are now on a strictly cash basis, and, therefore, their accounts receivable have not materially increased.

Reference to the tabulated summary will disclose that the amount of grain normally harvested by the 407 farmers interviewed is approximately 1½ million bushels, whereas in 1957 there were only one-third of a million bushels harvested. This proves the statement by the elevator operator that the difference between the less than 15 percent normally purchased by him and the quantity harvested was retained for feed.

BANKERS

Perhaps the most enlightened group interviewed were the bankers, due to the fact that they have been confronted with numerous requests for loans on personal property. They are facing the problem of giving additional credit in order to protect existing investments. The bankers in all cases stated that they did not insist upon repayments of personal property loans this last year. In many instances, the loans were renewed with the interest added to the principal.

One banker showed me his financial statement, which revealed that, in 1956, the bank had $214,000 in CCC loans outstanding. In 1957, the CCC loans were down to $26,000. The banker stated that he was reasonably sure that none of the grain was sold for cash in his particular area. Bearing in mind the reduction in the volume of CCC loans, it is significant to note that the overall lending picture in this same bank in 1957 increased from a volume of $409,000 to $508,000.

CREAMERIES AND LIVESTOCK AGENCIES

The most disheartening interviews, I believe, were with the operators of creameries. The pounds of butterfat coming in at this time reflect a reduction of from 25 to 50 percent under last year. If this condition continues, it will be difficult for many of the creameries to remain in business.

The situation pertaining to the reduction in butterfat is not due altogether to the lack of feed grain and hay but, rather, it was suggested by a number of persons interviewed, was the result of sale of dairy cattle to obtain some ready cash for subsistence.

In one particular interview with a livestock buyer, he stated that 200 dairy cows are being shipped out through his agency every week. This information was verified by the creameries and elevators in the feed business, whose feed sales have dropped at least 30 percent.

GENERAL BUSINESS CONDITIONS

Contacts throughout the area disclosed that many business places have already closed. Seemingly, the smaller communities are the hardest hit. Grocery stores in the smaller communities reported from 20- to 25-percent reduction in sales this past year. Implement and hardware dealers reported a greater percentage of reduction. Gasoline dealers and service-station and garage operators reported that their volume depends upon the amount of credit extended.

Merely to travel through the area and view the situation superficially does not reveal the severity of the flood damage to the land itself. One of the surprising results of the survey is that an almost uniform situation exists in all of the 13 townships most seriously affected. Unless adequate long-term financing can be provided for the farmers, the outlook for the rehabilitation of the farmers and business generally in the area is very bleak. The fact that very little land has been prepared for crop in 1958, added to the problem of obtaining sufficient financing for putting in a crop, presents a rather dim outlook at this time.

REVOCATION OF PENALTIES AGAINST COL. JOHN C. NICKERSON, PIONEER ARMY MISSILE ADVOCATE

Mr. NEUBERGER. Mr. President, I have written to Secretary of the Army, Wilber M. Brucker, asking that he undertake action to set aside penalties imposed against Col. John C. Nickerson, an early critic of a Defense Department decision limiting Army missile activity. The Army's success in putting a satellite in orbit with its Jupiter-C missile is ample evidence of the value of Colonel Nickerson's advocacy. In the light of new developments, the penalties imposed against him are deserving of immediate review.

I ask unanimous consent to have printed in the body of the RECORD, the text of my letter to the Secretary of the Army, urging appropriate action in this case, and also an article published in the New York Times of Sunday, February 2, 1958, describing Colonel Nickerson's reaction to the report on our satellite launching.

There being no objection, the letter and article were ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON INTERIOR AND INSULAR AFFAIRS,
February 3, 1958.

The Honorable WILBER M. BRUCKER,
Secretary of the Army,
Washington, D. C.

DEAR MR. SECRETARY: All of us share your pride in the fact that the Army's Jupiter-C missile has projected the first successful United States satellite into outer space.

As a Member of the Senate, I urge you to restore all lost rank, pay and delay in advancement to Colonel John C. Nickerson, who was banished as an aftermath of statements he made during his persistent advocacy of the continued experimentation by the Army with the Jupiter-C.

The demotion and court-martial of General Billy Mitchell, pioneer sponsor of air power, brought only repudiation to those responsible for it. Now that Colonel Nickerson's persistence has been vindicated so soon after his punishment, I believe you should revoke the unfortunate penalty which he suffered.

With kind regards, I am,

Respectfully,

RICHARD L. NEUBERGER,
United States Senator.

[From the New York Times of February 2, 1958]

NICKERSON IS SILENT ON ARMY'S SUCCESS

PANAMA, February 1.—Col. John C. Nickerson, banished champion of the Army's Jupiter-C missile, maintained his officially imposed silence today when told of the United States satellite.

A reporter telephoned the news to Mrs. Nickerson, who told her husband.

Back came this reply:

"He has orders not to comment on missiles."

"He says he'd better not come to the phone. But I have no orders not to talk, and I think it's wonderful the Army has lived up to all the things it promised."

The 41-year-old career officer came to Panama in August after conviction by a court martial on charges that he had given secret information to unauthorized persons. The accusation grew out of his determined campaign against a Defense Department order limiting Army missile activity.

NINETEEN-HUNDRED AND FIFTY-EIGHT CONTRACT DEMANDS OF THE UAW

Mr. POTTER. Mr. President, Mr. Walter Reuther, president of the UAW-CIO, has decided to conduct his collective bargaining with the automobile companies in a public forum, the public press. I commend to the reading of my colleagues an editorial entitled "Breech Lays It on the Line," published in the Detroit Free Press of January 25, 1958, which I ask unanimous consent to have printed at this point in the RECORD. The editorial refers to a speech by Mr. Ernest R. Breech, chairman of the Ford Motor Co.

Also, I ask unanimous consent to have printed at this point in the RECORD an editorial entitled "What Does Reuther Want?" published in the Detroit News of January 23, 1958.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Detroit Free Press of January 25, 1958]

TURNING TO THE PUBLIC—BREECH LAYS IT ON THE LINE

The vigorous personal attack made upon Walter Reuther by Ford Chairman Ernest R. Breech suggests two lines of strategy which the automobile industry intends to follow in resisting the 1958 contract demands of the UAW.

First, Mr. Breech's speech hints strongly at a united front by the Big Three of the industry, and second, it reveals a departure from former company policy of limiting counterattack to the bargaining table instead of taking it to the public forum.

Mr. Breech's exposition of his company's position was a clear case of countering union arguments with his own bid to influence public opinion.

What Mr. Breech had to say was in essence a forceful, more explicitly detailed extension of the things said and the reasoning followed by Harlow Curtice of General Motors and L. L. Colbert of Chrysler, as well as by Mr. Breech, in their prompt rejection of the Reuther profit-sharing proposals at the time they were made.

That at the time they all said much the same thing so promptly, instead of waiting for the bargaining sessions, was the first indication of the unity Mr. Reuther is finding himself up against.

Placing the company's case before the public in advance of negotiations is also something new, and implies the strong resistance which will be made when the parties meet around the bargaining table.

It was not so long ago that the preliminary statement of labor's contract goals was met with the "no comment" silence on the part of the companies.

Mr. Breech tacitly admited this shift when he told his audience in Nashville:

"Make no mistake about this: Industry cannot submit to further excessive demands or sit back and passively watch the unbridled growth of union power. Free industry begins to see its very existence threatened by that power, and it will have no choice but to fight as effective a defense as it can."

Mr. Breech then proceeded to strike back with the same vigor that Mr. Reuther has so effectively used. He listed what he called the fishhooks in the Reuther plan, and he labeled them as threats to the entire economy and as efforts to stir up class conflict.

He denounced the aims of Mr. Reuther, pointing out that they are not based upon sound economy, but upon Mr. Reuther's feeling of personal necessity for holding and enlarging his monopolistic power.

"I don't think," he declared, "most of us can appreciate fully the tremendous pressures upon a union leader seeking to maintain and increase his position of power. He most constantly defend himself against the natural drives of ambitious and power-hungry rivals to supplant and surpass him.

"He must constantly try to achieve for his followers greater gains than his rivals. This goes on throughout the hierarchy of union leadership, and in the contending of rival union leaders to deliver more than the next fellow—without regard to economic consequences—we have today a major threat to our national wellbeing."

Mr. Breech, and others in similar positions, are not only justified but obligated on behalf of the public interest to reply to Mr. Reuther with facts. For Mr. Reuther has left with the public some exceedingly odd economic thinking, which if it goes unchallenged could do immense damage—with many of his own UAW followers among those badly hurt.

Shortly, leaders of the auto companies will be in Washington to discuss the ways and the problems of their industry before Senators. We trust that they will go there prepared to state their case with the vigor Mr. Breech displayed.

A soundingboard that will reach all across the country is needed for the answers to Mr. Reuther's strange approach to the national economic welfare in general, and to that of his followers in particular.

[From the Detroit News of January 23, 1958]

LOOKING AHEAD—WHAT DOES REUTHER WANT?

What is Walter Reuther's ultimate goal?

In the confusion of solidarity house sycophants hailing his profit-sharing plan because anything from Reuther must be good, and of Reuther haters just as automatically attacking it because everything from Reuther must be bad, this more basic question is unanswered.

We pretend no ability to read the mind of this inscrutable man whom we suspect has no intimate to whom he reveals his whole dream. But, as we comb the records to see what Walter Reuther is, we find some things he obviously is not.

First, he is no aimless fool. As he digs into his biennial surprise package for cost-of-living pay scales, guaranteed annual wages, pensions, profit sharing and promises of a 4-day week to come, he most certainly is following a long-range grand scheme.

Neither is he an atom age Messiah come to die for the common masses. That he has made clear to those who would honestly oppose him in his own union and to the ones left unemployed by the closing of firms that could not meet his demands.

He is no traditional labor leader earning his own pork chops by getting his members more money for less work; neither is he a labor racketeer of the Dave Beck school, building power with one hand and stealing for himself with the other.

Is he a Communist? His egotism would seem to preclude that. Any movement demanding stern obedience to one other than himself is not Walter Reuther's dish of tea.

Broadly implied, the Socialist classification may fit better. The jigsaw of his record would indicate that he seeks, not Government ownership of all property and production, but a variant thereof in which unionized workers would have a major management voice with Walter Reuther doing the talking.

Reuther's latest plan would be a long step that way. It is not the normal profit sharing offered by management to inspire fairly paid workers to greater productivity and a bonus share in the extra profits thereof. Rather it would give the UAW guaranteed top wages—even in periods of no employment—automatic sharing of productivity gains, a negotiation table voice in product pricing and, after all that, a fixed share of profits that might be left.

On past performance, we call it a safe bet Mr. Reuther will get some piece of the plum he seeks. It will be that part which the efficient automotive Big Three can afford, and again some little companies will go broke because they cannot pay the costs of the new national pattern.

The latter probably will worry Walter Reuther not at all. After all, in the plans of all grand schemers, little men—whether little-business men, their employees or price-strangled little consumers—are incidental. If they must perish so their betters can prosper—so be it to the Reuthers.

OREGON WATER RESOURCES BOARD DESERVES CREDIT FOR MIDDLE SNAKE RIVER REPORT

Mr. NEUBERGER. Mr. President, the Oregon State Water Resources Board deserves great credit for having the patience and statesmanship to bring out a unanimous report on highly controversial questions connected with development of the waters of the middle Snake River in the public interest.

Because of its location in the depths of the Grand Canyon of the Snake, this river section has great potential for hydroelectric power and for flood control storage at low cost. An asset with these attributes naturally is subjected to wrangling and turmoil over how and to whom the benefits should be assigned.

Under such conditions, unanimity is not easy to achieve. The determinations of the Oregon Water Resources Board, adopted January 27, 1958, were based on a hypothetical situation. Their evaluations as to power and flood control data were made without regard to any existing Federal Power Commission licenses for projects on the Snake River. Of course this hypothesis does not give recognition to the fact that the Federal Power Commission has licensed three dams for construction by the Idaho Power Co., rather than recommending the construction of a high dam at Hells Canyon by the Federal Government.

An interesting result of the Oregon Water Resources Board's study is that the high Hells Canyon Dam is included in categories with greatest benefits of various possible combinations of dam structures proposed for development of the full potential of the middle Snake. The action by this nonpartisan board affirms the contentions of myself and

other supporters of high Hells Canyon Dam that, without its construction, the citizens of the United States will derive lesser benefits from this great natural resource. Had the board's determination been possible 2 years ago, the weight of this evidence might have altered the ultimate decision of the Federal Power Commission in the Hells Canyon case. The action of the Oregon board leaves no doubt that the Corps of Army Engineers, in its famous 308 report, was correct in designating Hells Canyon as a key project in its main control plan for the Columbia Basin.

Mr. President, the report of the Oregon Water Resources Board makes three principal recommendations and findings:

First. That the board request immediate suspension of those Idaho Power Co. project licenses which interfere with maximum development of a high Pleasant Valley Dam or other project of higher order of development.

Second. That the board urge comprehensive studies and reports by the Department of the Interior and Corps of Engineers of all possible combinations of dams in the middle Snake area. The board supported an appropriation for the Interior Department study of a high dam at the Pleasant Valley site.

Third. That the board issue an order establishing until 1965 a fish sanctuary in an area of the middle Snake, so as to protect migratory salmon and steelhead against encroachment by dam projects and other works.

In summary, these are the principal findings of the board. This undivided report is a real tribute to L. C. Binford, chairman of the water resources board, and his six fellow members. I believe that it can be made the focal point for wise and continuing study of the best way to tap the vast resources of the middle Snake. I am pleased to report that Chairman Binford, while in Washington a few days ago, met with all the members of the Oregon Congressional delegation under my auspices to confer on this vital question. I felt that the meeting was extremely helpful.

In addition to Mr. Binford, a Portland resident long prominent in the affairs of conservation organizations, members of the Oregon State Water Resources Board are Prof. Vincent A. Ostrom, vice chairman, Eugene; LaSelle E. Coles, Prineville; John D. Davis, Stayton; Robert H. Foley, Bend; Ben R. Little, Corvallis; Hon. Robert W. Root, Medford. Mr. Don Lane is secretary of the board; he is a resident of Salem.

Mr. President, I ask unanimous consent to have printed in the RECORD the text of the determinations of the Oregon State Water Resources Board, along with its appropriate tables.

There being no objection, the determinations and tables were ordered to be printed in the RECORD, as follows:

STATE WATER RESOURCES BOARD MIDDLE SNAKE INVESTIGATION—DETERMINATIONS

In the Oregon State Water Resources Board's investigation of the middle Snake, the staff has prepared the accompanying table indicating the nominal prime power and flood-control capability of seven different combinations of projects providing for the development of the water resources of the middle reaches of the Snake River. This table ranks the sequences or combinations in order of greatest benefit for power production and flood control:

	Ranking			Regulated flows below river mile 185	
	Power	1894 flood	1948 flood	1894	1948
1-A	7	7	7	69,000	47,000
1-B	6	5	4	57,000	33,000
1-C	2	4	5	49,500	36,500
1-D	4	2	2	37,500	20,500
1-E	3	6	6	62,000	42,500
1-F	5	3	3	47,000	31,500
1-G	1	1	1	39,500	[1] 20,000

[1] 260,000 acre-feet unused.

This evaluation is tentative in the sense that it is based upon data compiled without regard to any existing Federal Power Commission licenses for projects on the Snake River. This ranking is based upon physical capabilities without comparison of relative costs or benefits. Adequate costs and benefits data are not now available.

In connection with the review of the middle Snake Basin, the State water resources board adopts the following actions and recommendations:

1. That the data thus far developed by the staff and presented today will be published and made available.

2. That the board support or conduct the following studies:

A. Continue study of the relative costs, benefits, and economics involved in the series of projects found by the board to be most favorable.

B. Study the benefits and costs of the result of variation in height of dams on the Snake River from river mile 186.2 to river mile 354.0. In this connection we will urge the Congress to approve the appropriation required by the Department of the Interior for the purpose of making one of these studies at the high Pleasant Valley site.

C. We urge that the Corps of Engineers include all possible combinations of dams in this stretch of the river in its evaluation of the middle Snake River development without regard to Federal Power Commission licenses and fish-passage problems.

3. That the board request the Federal Power Commission to suspend immediately any portion of the license for projects Nos. 1971, 2132, and 2133 which would interfere with maximum economic development of a high Pleasant Valley or other projects of higher order of development in this reach of the river.

4. That the board withhold decision on the applications of Idaho Power Co. for State licenses for projects Nos. 188, 161, and 189 until the completion of the current review of the Corps of Engineers 308 report; the study of the Department of the Interior of the Pleasant Valley site; and the studies of the staff of the Oregon State Water Resources Board.

5. That the board declare by appropriate order the river between mile 176.9 and mile 192.5 and the tributaries thereto (Salmon and Imnaha) be reserved and set aside until 1965 as a fish sanctuary; that this declaration be made with the full knowledge and assumption that the ultimate best use of the river may be for power and flood control and in expectation that existing problems of fish passage over high dams be resolved in this period. If such solutions are found, then further particular attention and care should be given to the preservation of spawning areas in the Salmon and Imnaha Rivers. The board will encourage and assist appropriate fisheries agencies in studies leading to the solution of the fish passage problem.

6. We recommend that adequate funds be appropriated and construction be expedited on the low dams including Ice Harbor, Lower Monumental, Little Goose, and Lower Granite, on the Lower Snake River and John Day Dam on the Columbia River. These structures will provide increased power production and navigation benefits with minimum conflict with fisheries resources. Expediting these structures will give time to investigate fully the potentialities of the Middle Snake River for maximum development.

Adopted January 27, 1958, State Water Resources Board, Salem, Oreg.

DON LANE,
Secretary.

State Water Resources Board, Salem, Oreg.—Development combinations, Columbia River Basin (relative to Snake River study)

Project	Combinations						
	A	B	C	D	E	F	G
UPPER COLUMBIA RIVER PROJECTS							
Hungry Horse	X	X	X	X	X	X	X
Flathead Lake (Kerr)	X	X	X	X	X	X	X
Albeni Falls	X	X	X	X	X	X	X
Grand Coulee	X	X	X	X	X	X	X
Chief Joseph	X	X	X	X	X	X	X
Wells	X	X	X	X	X	X	X
Rocky Reach	X	X	X	X	X	X	X
Wanapum	X	X	X	X	X	X	X
Priest Rapids	X	X	X	X	X	X	X
MIDDLE SNAKE RIVER PROJECTS							
Brownlee	X	X	----	----	X	X	----
Oxbow	X	X	----	----	X	X	----
Hells Canyon (low)	X	X	----	----	----	X	----
Hells Canyon (high)	----	----	X	X	----	----	X
Pleasant Valley	X	----	X	----	----	----	----
Pleasant Valley (high)	----	----	----	----	X	----	----
Mountain Sheep	X	----	X	----	X	----	----
Mountain Sheep (high)	----	----	----	----	----	X	X
Crevice	X	X	X	X	X	X	X
Freedom	X	X	X	X	X	X	X
Lower Canyon	X	----	X	----	X	X	X
Nez Perce	----	X	----	X	----	----	----
China Gardens	X	----	X	----	X	X	X
Asotin	X	----	X	----	X	X	X
Asotin (high)	----	X	----	X	----	----	----
Clarkston	X	X	X	X	X	X	X
Bruces Eddy	X	X	X	X	X	X	X
Penny Cliffs	X	X	X	X	X	X	X
LOWER SNAKE RIVER PROJECTS							
Lower Granite	X	X	X	X	X	X	X
Lower Granite (high)	----	----	----	----	----	----	----
Little Goose	X	X	X	X	X	X	X
Lower Monumental	X	X	X	X	X	X	X
Ice Harbor	X	X	X	X	X	X	X
LOWER COLUMBIA RIVER PROJECTS							
McNary	X	X	X	X	X	X	X
John Day	X	X	X	X	X	X	X
The Dalles	X	X	X	X	X	X	X
Bonneville	X	X	X	X	X	X	X

X Project included.

AIRPLANE COLLISION OVER LOS ANGELES

Mr. KUCHEL. Mr. President, I have the sad obligation to report to the Senate that for the second time within about a year, over the populous Los Angeles area, and on a clear night, two military airplanes collided last Saturday night and crashed to the ground. They had taken off, not too long before, from airfields at Long Beach and Los Alamitos. Forty-eight men in the Air Force and the Navy

were killed. One housewife, who was in a yard at the time the crash occurred, was decapitated as the wreckage hurtled to the ground in Norwalk and Santa Fe Springs.

It was only a year ago that the tragedy of Pacoima took place, not very many miles from the scene of last Saturday's horrible occurrence.

I do not know the reason for the disaster. I recognize that automobiles on the highway every day violate the rules and laws and cause serious accidents, mishaps, and tragedies. I do not know—and neither does anyone else at the moment—what the cause of the collision between the MATS plane and the Navy plane was. That, I assume, is the basis upon which the appropriate investigations will be now carried forward in California, by both civilian and military authorities.

But I want to say now, as I said a year ago, that the people of the United States need and demand a clear, unequivocating single Federal authority to control air space in the interest of the safety of those who are in the air and those who are on the ground.

I have asked the distinguished senior Senator from Washington [Mr. MAGNUSON], the chairman of the Committee on Interstate and Foreign Commerce, to hold hearings on this matter. He has agreed to do so, and I have today written to the Secretary of the Air Force, the Secretary of the Navy, the head of the Civil Aeronautics Administration, and the Civil Aeronautics Board, concerning the matter. If divided authority contributed in any way to this latest disaster, then legislation is necessary to eliminate the division and to establish foolproof control and responsibility.

Mr. President, I ask unanimous consent that the text of my letters and also the news articles on this subject published in the Washington Post and Times Herald of yesterday and today be printed in the RECORD as a part of my remarks.

I call attention to the fact that I sent to the Secretary of the Air Force a letter identical with that addressed by me to the Secretary of the Navy, and that my letters to the Civil Aeronautics Board and Civil Aeronautics Authority are identical.

There being no objection, the letters and articles were ordered to be printed in the RECORD, as follows:

FEBRUARY 3, 1958.

The Honorable THOMAS S. GATES, Jr.,
Secretary, Department of the Navy,
The Pentagon, Washington, D. C.

DEAR SECRETARY GATES: I observe from this morning's newspapers that an intensive investigation has been started into the horrible, tragic collision Saturday night of two aircraft of the armed services over the thickly populated Los Angeles metropolitan area. I commend the Department of the Navy for moving swiftly to ascertain the circumstances leading to this accident, with its deplorably heavy loss of life.

Because of the constantly increasing congestion in airspace over this very heavily settled and expanding community, I would like to receive as early as possible the reports of the inquiry into the apparent causes of this collision. I trust the appropriate agencies of the services involved will pursue the investigation thoroughly and impartially in order that the fullest information about the cause may be developed and that the way may be shown to avoid recurrences of such sickening incidents.

This collision happened only a few hours more than 1 year after a similar accident—that time involving one aircraft intended for eventual delivery to, but not then under actual control of, one of the armed services—which pointed up the urgent need for restricting flight testing of airplanes over the congested communities of southern California.

Over a period of years, there have been successive reports of near collisions between military and civilian aircraft, including commercial airliners, in the vicinity of Los Angeles. Many residents have been apprehensive that such a tragic event as took place Saturday night would occur, possibly with a heavy toll of life among residents of the area.

Following the accident a year ago which brought sudden death to schoolchildren in the community of Pacoima as well as to flight personnel, steps were taken to regulate the flight testing of airplanes in southern California. At that time, I was led to believe, along with numerous other Californians, that military aircraft in normal operations complied with regulations for the control of air traffic and for the maximum attainable protection of all persons both in flight and on the ground. This most recent accident raises the question whether such compliance actually does occur and, further, whether existing regulations and controls are sufficient in view of the increasing use of the airspace over such centers of population and industry.

Besides furnishing me with copies of reports about this particular accident, I would like to receive specific information at the earliest possible time about the rules under which military aircraft utilize airspace over heavily populated communities and in which there is substantial private and commercial flying by civil aircraft, the kind and extent of coordination between military and civil aircraft in operation in such areas, and whether this terrible incident indicates that the time has arrived to remove certain additional types of military aviation to more remote and less congested sections of southern California.

In this last connection, I should like to point out that on a number of prior occasions, residents of the immediate vicinity of Long Beach have demanded curtailment of flight activity at Los Alamitos Naval Air Station. I wonder whether this most recent crash does not warrant prompt action toward this end.

I trust that the investigation now in progress will produce facts upon which the armed services can take all necessary steps to protect the people in this tightly packed part of southern California against a repetition of such a catastrophe, which easily might have brought a far heavier toll of dead and injured except for the intervention of providence.

With kind regards, I am,

Sincerely,

THOMAS H. KUCHEL,
United States Senator.

FEBRUARY 3, 1958.

The Honorable J. T. PYLE,
Administrator, Civil Aeronautics Administration, Washington, D. C.

DEAR ADMINISTRATOR PYLE: I am sure you have read of the sickening tragedy Saturday night involving two aircraft of the armed services in the Los Angeles metropolitan area.

I am writing you to inquire whether an inquiry is being conducted by your agency to determine whether the collision was a direct consequence of any violation of regulations governing the operation of aircraft in such heavily-populated areas and in such congested air space. I also would like to obtain concrete facts about the extent to which aircraft of the armed services are subject to coordinated regulation by the civil authorities charged with controlling airplane operations.

You will recall that almost exactly 1 year ago a collision between two aircraft, one a new experimental model, brought death to a number of schoolchildren in the community of Pacoima, not too many miles distant from the site of this latest horrible accident. Following that incident, steps were taken by the civilian authorities to avert a recurrence, through promulgation of regulations designed to remove flight testing to more suitable areas.

I have asked the armed services involved for their reports on investigations into this latest accident. At this time, I have only the information contained in press reports, of course, but I am gravely concerned about the adequacy of existing regulations and enforcement machinery to make sure, as much as is humanly possible, that operation of all types of aircraft in such areas is coordinated to the highest practicable degree.

Following my inquiries of a year ago, I was led to believe that authority existed—and in fact was being exercised—to regulate the normal peacetime operations of military aircraft over our Nation's centers of population and in the vicinity of much-used civilian airports. I was informed at that time that our Supreme Court has held the military is subject to civil control where no Army-Navy regulations to the contrary are in effect. I now wonder if our people have not been misled and lulled into a feeling of false assurance that a kind and degree of regulation exists which actually is not the case.

It seems to me that, regardless of the needs of the military for the greatest possible amount of flexibility and discretion in aircraft operation, the accident Saturday night demonstrates an urgent need for more stringent regulations and centralized control over all flying, at least above populated areas such as Los Angeles and Long Beach.

I should like to ask specifically whether the airplanes involved in this collision were subject to the direction and supervision of a single controller charged with reducing to the minimum the chances of such a terrible and deplorable accident. Will you also kindly advise me whether the pilots of military aircraft, or other members of the armed services, have the right to veto traffic control by responsible representatives of your agency?

This is not the first time that mishaps of like character have occurred in the heavily populated southern California area. The residents of scores of communities in this still fast-expanding section of our State have been increasingly apprehensive that tragedy from the skies would visit them as the volume of aircraft traffic has mounted above them. Except for the intervention of providence, this particular collision could have been accompanied by a far greater toll of victims.

On behalf of the residents of this area, and of similar other communities around our Nation where comparable conditions pertain, I would appreciate your views about the possible need for more vigorous and rigid measures to establish control over aircraft operations which will remove the dread fear which such accidents always heighten.

With kind regards, I am,

Sincerely,

THOMAS H. KUCHEL,
United States Senator.

[From the Washington Post and Times Herald of February 2, 1958]

FORTY-SEVEN FEARED KILLED IN FIERY COLLISION OF MATS PLANE AND NAVY BOMBER—WIDE AREA MENACED BY CRASH—CALIFORNIA TOWN'S POWER IS CUT OFF—7 BODIES FOUND

NORWALK, CALIF., February 1.—A four-engine military transport and a Navy medium bomber carrying an estimated total of 50 persons smashed together at 2,500 feet altitude tonight and crashed into thickly populated Los Angeles suburbs with a terrifying eruption of flame.

Reports from the fiery, smoky crash scenes a mile apart said there were few survivors.

The Military Air Transport Service said there were 36 passengers and 5 crewmen aboard the transport. The Navy said it believed nine were aboard the bomber.

One survivor of the Navy plane had reached a hospital. The Navy said it had an unconfirmed report of three survivors.

The transport crashed at the rear of the Norwalk sheriff's substation and blew up in a terrific explosion that shook the area and knocked out electric power.

The Navy plane plunged into an open area across the street from a fire station in the neighboring community of Santa Fe Springs.

A wing tank of the transport flew into a house, exploded, and set it afire. The two occupants were rescued unhurt by neighbors.

Deputy Coroner Lee J. Malims said seven bodies had been taken from the transport "and there'll be a lot more."

Jim Tucker of Norwalk said he saw three bodies inside the wreckage of the smaller plane.

He said he talked to a Navy airman who had been catapulted out of the wreckage. He said this injured man told him the fighter plane carried seven persons.

The transport took off from nearby Long Beach Municipal Airport bound for Maguire Air Force Base, N. J., the CAA traffic control tower said. It had been unreported for a short period before the crash.

The big plane, a 4-engine C–118, known as the Liftmaster, has a capacity of 76 troops.

It plunged to earth 20 miles southeast of downtown Los Angeles.

It was impossible for rescue workers to determine whether there were casualties in the houses set afire by the exploding wreckage.

Allen J. Franklin, 41, who was driving on the freeway, said he saw the collision.

"I saw a ball of fire in the air," he said. "I thought it was fireworks at first. Then there were three or four explosions. And I could see a four-engine plane coming down out of control.

"In the light of the fire I also saw a single-engine plane coming down out of control."

[From the Washington Post and Times Herald of February 3, 1958]

EXPERTS PROBE COLLISION OF PLANES FATAL TO 48

NORWALK, CALIF., February 2.—An intensive investigation began today of the collision of two military planes over a Los Angeles suburb in which 48 persons died.

Forty-one of the victims were aboard a huge transport, six aboard a Navy patrol bomber. One was a housewife blocks from the crash who was cut down by flying wreckage. Two Navy crewmen were saved.

The planes collided last night in clear, starlit skies some 2,500 feet above Norwalk, a community of 69,000, 20 miles southeast of Los Angeles.

The Military Air Transport Service plane plunged in flames, scattering bits of wreckage over a five-block area before breaking up over a heavily traveled highway. The tail section tore into a service station and the fuselage plowed into the rear yard of the sheriff's station across the street.

The patrol bomber wobbled along for another few miles before crashing in open land in the nearby community of Santa Fe Springs.

The housewife killed by flying wreckage was Edith Hernandez, 23. She was decapitated when she ran outside to see what had happened.

The Air Force and the Navy quickly brought their investigating teams into action. An Air Force crew headed by Col. Jasper Bailey from Norton AFB, San Bernardino, Calif., was on the scene last night. They were joined today by a MATS investigating crew from McGuire Air Force Base, N. J.

Also quickly on the scene were Navy officials from Los Alamitos, Calif.

The transport had taken off from Long Beach Municipal Airport for Wright Patterson Air Force Base, Dayton, Ohio. The Navy craft, manned by reservists, was on a training flight, the Los Alamitos Naval Air Station said.

The collision was observed by persons enjoying the balmy evening and scanning the skies for the new United States satellite which was due to pass by at almost the moment of the collision.

"We noted the lights of the two planes and they seemed to be coming together," said W. E. Price, who was on his lawn. "All of a sudden there was a big flash. It looked like those fireworks you see on the Fourth of July.

"There was another big flash when one of the planes hit the ground. The other just whistled through the air and disappeared."

The crashing transport turned the sheriff's station yard into an inferno, exploding a 2,000-gallon gasoline storage tank underground.

"I thought the Russians had bombed us for sure," said Sheriff's Lt. Rudy N. Wiggins, who was in the substation along with 29 other officers and 25 prisoners.

The sheriff's garage was wrecked and 13 cars destroyed.

Flaming wreckage set a house afire across the street.

The Navy plane plowed into the bank of an abandoned clay pit. One of the survivors was found 150 feet away. This crash scene was in the midst of a forest of oil well derricks.

WHAT LAUNCHING THE EXPLORER DOES NOT ACCOMPLISH

Mr. CLARK rose.

The PRESIDING OFFICER. The Chair recognizes the Senator from Pennsylvania.

Mr. CLARK. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CLARK. Are we still in the morning hour?

The PRESIDING OFFICER. The Senate is still in the morning hour.

Mr. CLARK. Mr. President, I think that all America must take part in feeling a sense of very real satisfaction as a result of the successful launching of the Explorer or earth satellite over the weekend. I share that feeling. I am afraid, however, Mr. President, that we are about to pat ourselves silly in self-congratulation, as a splendid editorial in the Washington Post entitled "Hail the Explorer," pointed out yesterday.

Mr. President, I ask unanimous consent that the editorial be printed in the RECORD at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

HAIL THE EXPLORER

Americans and their colleagues in the free world can once more lift their heads. The successful launching of the first American earth satellite, now circling the world in its orbit hundreds of miles out in space, is a tremendously welcome achievement. It will help revitalize the sorely buffeted self-confidence of the free peoples. More important, it should help restore a basic equality and balance in dealing with the Russians.

That the Army should have launched the American Explorer with its Jupiter-C rocket is particularly fitting, because of the large amount of preliminary work the Army had done before its plans were shunted aside some months ago. The final success is especially a tribute to the efforts of Dr. Wernher von Braun and his dedicated coworkers. At the same time it is impossible not to have a compassionate regard for the scientists of the Navy and Project Vanguard whose labors led to such heartbreak. American space explorations will benefit from all such endeavors, successful or momentarily unsuccessful.

What Explorer does, not quite 4 months after the first Soviet sputnik, is atone in part for a ghastly miscalculation. It repairs some of the psychological damage this country suffered throughout the world because of the failure to recognize that inevitably we were in a race with the Soviet Union. The fact that this particular gap has been thus narrowed in less than 4 months is an occasion for real pride.

But let us not pat ourselves silly in self-congratulation.

Explorer does not in any way detract from the Soviet achievement in being there first with larger satellites. Sputnik II, which is still circling the earth, weighs 1,120 pounds. Explorer weighs 30.8 pounds, and how long it will last is not yet certain.

The American success in no way alters the military significance of the earlier Soviet success. The advanced stage of Soviet rocketry, as exemplified in the sputniks and the evidences of missile prowess, remains ominous.

Explorer does not rectify the American defense lag. It does not provide the additional emphasis on science, the improvement of education generally, the classrooms and mental discipline that this country has not yet assured. It does not in the slightest change the need for substantially more defense funds, for attention to the economic and ideological struggle, for a more realistic diplomacy, for development of neglected facets of national strength, for harder work from all of us.

Nor does it mean that the United States can expect to negotiate with the Russians on a basis of superiority. At best it may halt the psychological erosion in the free world and give us a better chance to come to terms with the Soviet Union as equals.

The significance of Explorer is to confirm the entry of the United States into the space age, into unknown realms of enormous challenge and fantastic danger, into a totally new era in which the survival of humanity will depend upon the ability of man's philosophical intelligence to keep pace with his technical genius.

Russia's sputniks, one of which is still keeping Explorer company in the conquest of the skies, may well be proved to have been this country's best friends.

Mr. CLARK. Mr. President, the editorial points out very well what I believe to be our proper attitude in the best interests of the country. I should like to state briefly what the Explorer does not do.

It does not bring us up to date with the advanced stage of Soviet rocketry as exemplified by the sputniks.

It does not remedy our defense lag.

It does not provide the needed additional emphasis on science.

It does not relieve us of the necessity for modernizing our educational system.

It does not change in any way the requirement for a modern and positive diplomatic approach to world problems, which the present Secretary of State is not giving us.

Nor does it mean, Mr. President, that we can now expect to negotiate with the Russians on the basis of superiority.

Mr. President, in my view sputnik woke Rip Van Winkle up. I hope the Explorer will not put him back to sleep again.

Mr. President, I desire to address myself to another subject.

The PRESIDING OFFICER. The Senator from Pennsylvania has the floor.

NO CARE FOR EGYPT

Mr. CLARK. Mr. President, I note with something akin to dismay that the Secretary of State has refused to permit CARE to give food to small Egyptian children. There has been turned down a request for a 1958 program sponsored by CARE to assist 3.7 million Egyptian children with surplus food of a value of some $65 million. The State Department says because we do not get along very well with Mr. Nasser CARE will not be permitted to go ahead with that program.

There was published in the Washington Post of yesterday a fine editorial entitled "No CARE for Egypt?" I read one sentence from the editorial:

> This seems to us to be penalizing children for the policies of their government.

I ask unanimous consent that the editorial be printed in the RECORD at this point as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

NO CARE FOR EGYPT?

In the recent history of embittered relations with Egypt, the United States as well as Colonel Nasser has some things to answer for. One of these is the refusal of the State Department to permit CARE to resume its program of feeding school children in Egypt. Up until its contract with the Egyptian Government ran out coincidentally with the Suez invasion, CARE was feeding one meal a day to every child in primary and secondary school in Egypt with the help of surplus American food. Pains were taken to insure that the origin of the food was widely known, and 15 Americans were in Egypt supervising the program.

CARE, and understandably Egypt, have been anxious for more than a year to renew the contract. But the State Department has turned down a request for a 1958 program to assist 3.7 million children with surplus food valued at some $65 million, with the contention that because of Egyptian governmental policies such a program would not be in the best interests of the United States. The State Department has a veto because the Government supplies the surplus food distributed.

This seems to us to be penalizing children for the policies of their government. The United States has many grievances against Nasser (though the record is not all one-sided) and food is, in a narrow sense, a weapon. But an attempt to use hunger as a lever is scarcely calculated to make Nasser genuinely change his tack. Instead, it is altogether likely to increase his suspicion and apprehension with no benefit to the United States. It may force him, indeed, to look even more than he wishes to the Communist bloc.

What better way is there to contradict Nasser's distortions about the United States than to sanction a program that demonstrates in practice to his own people that this country is not a heartless ogre? The veto over CARE makes a sordid and mercenary business of an effort that has world recognition precisely because it stems from a genuinely humanitarian impulse.

Mr. CLARK. Mr. President, I wonder when we are going to modernize our diplomacy and realize that the best way for the United States to earn the good will of the entire world is to give our surplus food where it is needed, and take care that there should be less hunger in the world. We shall never get anywhere with the policy of an eye for an eye and a tooth for a tooth. I hope the State Department will reconsider what appears to me to be an irresponsible action.

WHY A MEANINGFUL EXTENSION OF THE RECIPROCAL TRADE ACT AND MEMBERSHIP IN THE ORGANIZATION FOR TRADE COOPERATION SHOULD BE PASSED BY THE CONGRESS

Mr. DOUGLAS. I rise today to support the extension of the Reciprocal Trade Act for a period of 5 years and membership of the United States in the Organization for Trade Cooperation. I believe that there are numerous long run and short run arguments not only why it is desirable but why it is actually imperative that we should take these steps.

In the past when the Reciprocal Trade Act has been before us, its proponents have always argued for support because of the general long run good which was bound to ensue from its enactment. We all knew that an expansion of trade was a good thing. We knew that reciprocal trade would bring with it a greater division of labor, greater specialization of manufacturing, more efficient use of resources because of geographical advantages, an expansion and extension of the market, lower prices to consumers and therefore an increase in their real standard of living, and numerous other beneficial effects, such as a stimulus to competition, which were bound to come in the long run. These arguments which Adam Smith developed nearly two centuries ago, and Ricardo a century and a half ago, and put forth by their followers, are still valid and in the past they have provided the firm intellectual basis upon which the extension of reciprocal trade has depended. They were at the bottom of the strong faith of Cordell Hull, who started this great movement, for a reciprocal lowering of trade barriers nearly a quarter of a century ago.

Although these general arguments, which were and are now true, have in general been successful since 1934, it has nonetheless been true that they have been hard to maintain against the concrete, immediate, and particular grievances of relatively small but often politically important specific commodity groups which claimed that the reciprocal trade program would bring injury to them. The benefits of freer trade were in the future, but the possible injuries were close at hand.

In 1958, however, while the political difficulties in the way of renewing the Reciprocal Trade Act in meaningful terms are perhaps greater than ever, not only can the usual long-run arguments be marshaled in favor of extending the act but there are now several immediate and pressing reasons why the act should be extended. I believe I can show that these immediate reasons are actually more to the self-interest of this country, and even to the short-run interests of the country and of individual commodity groups than are any of the short-run arguments against freer trade and the extension of the act.

Thus, for the first time in my memory, the proponents of reciprocal trade are no longer at the disadvantage of having to argue the general good against the specific interest. This year there are numerous concrete and immediate—one could even use the word "selfish"—reasons why the act should be extended.

These immediate and pressing reasons include the new relationship between the United States and our allies which has come as a result of the Russian missile capabilities and the launching ot the sputniks, the rise of neutralist sentiment which is a consequence of the missile race, the establishment of the common market and free trade area of Western Europe which could shut us out of those markets if we failed to extend the Reciprocal Trade Act, the opening of the St. Lawrence Seaway project next year, and the drop in our export trade which may well ensue from the economic recession, and which would be deepened if we were not to renew the act.

I—THE INTERNATIONAL PICTURE

We should first look at the general international picture and our relationship to it. Since last October and the launching of the sputniks there has been a shift in the distribution of military power, or at least the world believes there has been such a shift.

This is particularly true in Western Europe, and the launching of the sputniks and the clear evidence of Russian rocket capabilities have now tremendously increased neutralist sentiment.

Our successful launching of the satellite Explorer, in which we all rejoice, will help to raise our prestige and will reduce our diplomatic losses. But even so, we have, on balance, lost ground since last summer and I shall try to give the reasons for this as truthfully as I can.

The Europeans believe that the Russians either now have or are on the verge of having both the intermediate missile and intercontinental ballistic missile. We do not yet know whether they have solved the guidance problem and the reentry problem but the tremendous thrust

involved in launching the sputniks and the Russian claims that they do have the ICBM have led Europe and the world to think that the Russians do possess this weapon of destruction.

We apparently do not have the ICBM and probably will not have it for some time. We apparently do have the intermediate range missiles—the IRBM's—with ranges of approximately 1,500 miles but from all one can learn, they are only now going into production and it will probably be at least a year and possibly 18 months to 2 years before they are actually available even in small quantities for use.

Because of these facts, the Russians either now have or will soon have the ability to launch an ICBM from their own territory over the North Pole to a target or targets within the continental United States. We have no comparable missile capability and therefore must, in the immediate future, depend upon our Strategic Air Command and our air bases which surround the Russian perimeter as a deterrent against Russian attack and for our own safety.

In the next year or so, we shall need launching sites for the IRBM's which, if they are to be an effective deterrent to Russian aggression, must be located as close as is possible to the Russian borders in Western Europe and the Middle East because of their limited range of 1,500 miles.

These facts have led to an increase in the neutralist sentiment in Europe, and although it would be wrong to say that the governments of our most friendly and loyal allies in the NATO have given in to these shifts of opinion, they nevertheless, as democracies, must take account of public opinion, which has certainly shifted toward neutralism and a settlement with the Russians, perhaps on terms which would be to the great disadvantage of the Western World. Specifically, I mean the type of proposal put forward by George Kennan and which was previously advocated by a number of others, including Mr. Aneurin Bevan that our troops be withdrawn from Western Europe and that these nations be left with Swiss-like home guard units for their protection. In my opinion, this proposal could lead to suicide on the part of the West.

The consequences of the change in power, or what at least the world thinks is a shift in power, were clearly seen at the recent NATO conference in Paris. The United States wanted to gain the agreement on our western European allies to take our intermediate missiles and to build launching bases for them.

The Europeans saw two things concerning this proposal. First, they saw that by accepting our intermediate missiles and by building launching sites they would become prime targets if the Russians determined to begin a war. If they did not accept the missiles and build the launching sites, on the other hand, some thought there was at least a chance, if war broke out, that the Russians would more likely launch their ICBM's on the United States, which might leave Europe free of the consequences. This was put very forcefully and succinctly by the strong anti-Communist, Jules Moch, recently when he declared that France could remain neutral while the United States and Russia shot it out overhead with long range missiles. Of course, I do not agree with this assumption because the Russians in a future war would, in my opinion, try to overrun Europe at some stage anyway and the Europeans could not possibly expect to remain neutral and free.

Second, our allies knew that our missiles would not be ready for 18 months or 2 years, and they hesitated to commit themselves to such an agreement, which they thought would endanger their security, before they actually had the deterring power of the missiles on hand and ready to use.

Therefore, since October, we have seen a change in the basic facts of the cold war, and this has led to a shift in strategic thinking. From the end of World War II until October 4, 1957, the basic military concern of the Europeans was to know that the United States would come to their aid in case of a Russian land attack and that we would furnish both troops on the ground and our Strategic Air Command to first deter the Russians from an attack, and, if necessary, to retaliate if the Russians were so foolhardy as to attack. This was also our concern, but immediately, at least, the Europeans needed us far more than we needed them.

Now, however, things have changed. While the Europeans still need us in case of Russian attack on them, we need them as much or more for airbases and missile-launching sites to deter the Russians from launching the ICBM on us and, in case that should happen, to retaliate with SAC and the intermediate missiles from Western Europe and the Middle East.

For the first time, therefore, we need the Europeans, at least immediately, as much as they need us, and some Europeans think that we need them more than they need us. Therefore, many of them, primarily those out of power and in opposition to the governments in power, are urging that the price of their cooperation should go up, others are urging neutralism, and still others hope for a settlement with the Russians even on terms which, to my mind, would leave both Europe, the United States, and the free world in mortal danger.

When the NATO Conference took place we wanted an agreement with our European allies on missile bases, which they were reluctant to give. They wanted us to agree to negotiate with the Russians on terms which we were reluctant to accept. The result was that we agreed only in principle to negotiate, and they agreed, but only in principle, to take our missiles, with the real possibility that both sides would have numerous opportunities to alter affairs when it came to working out the details. It is one thing to agree in principle to take the missiles and construct the sites but the Europeans have a chance to have another look when the NATO commander begins to negotiate about particular sites and particular launching bases.

Thus, there has been an alteration in relations between ourselves and our European allies, and we now have a new military framework within which cooperation on political and economic lines must proceed. If at this time the United States were to fail to pass a meaningful extension of the Reciprocal Trade Act—I emphasize the word "meaningful"—and if the Europeans believed that barriers to trade with us were now to become more formidable to them, the consequences for the United States and the Free World would be devastating.

Such an act on our part would be a great national folly. The pressures for neutralism in Europe and the Free World would be compounded. The NATO alliance and Free World cooperation might very well disintegrate. The Europeans would be forced to trade with the Russians for their basic economic and strategic needs. This would bring with it political ties of incomparable harm to us all. It would mean shifts in the relations of the European countries away from us and toward the Russians. We would not get European missile bases which, for a considerable period of time, would leave us greatly weakened while the bases for our Strategic Air Command would become less secure.

RUSSIAN PROPOSALS

Lest some think I may be exaggerating, let me cite the proposal which the Russians have already made in the Economic Commission for Europe—ECE—at Geneva for a comprehensive all-European agreement on economic cooperation. This proposal includes not only matters of trade and international payments but also questions of transportation, communications, credit and banking, insurance, the use of natural resources, the extension of scientific and technical cooperation and the exchange of experience in science, technique, production and the peaceful uses of atomic energy, and so forth. In other words, the proposal is to form a very close economic unit for all Europe, with Eastern Europe and Western Europe joined together and with the Communist and non-Communist countries cooperating.

Thus far these proposals have not been accepted by our European allies and, in fact, were virtually rejected by them when it appeared that the Russians were using them largely for propaganda purposes. However, they are still before committees of the ECE and if we should be so foolish as to become a protectionist and isolationist nation by failing to pass a meaningful extension of the Reciprocal Trade Act, there is little doubt in my mind but that the Russians would pursue these proposals with great vigor and that the Europeans would probably be forced to work out some arrangements in these matters with the Soviet Union. This would soon be followed by closer political ties with Russia and with its satellites.

Therefore, to fail to pass the act at a time when we need our European allies as much as they need us, and at a time when the concept of "Fortress America" is more absurd than it has ever been before because we are in no way safe from a possible ICBM attack, would invite the disintegration of the defense of the free world which have been so laboriously

built up at a cost of many billions since the end of World War II. Such an act would be one of great national folly and of even greater irresponsibility.

It is for this reason, first and foremost, that we should extend the Reciprocal Trade Act in an adequate manner and accept membership in the OTC.

II—THE COMMON MARKET AND FREE TRADE AREA

Mr. President, I turn now to a discussion of the common market and free trade area, and the effect which that should have upon our trade policy. First let me discuss the common market.

A. THE COMMON MARKET

As a result of the treaty signed at Rome on March 25, 1957, and its ratification by the parliaments of the six member countries, the European Economic Community or "common market" treaty came into effect on January 1, 1958. Its members include France, Western Germany, Italy, Holland, Belgium, and Luxembourg, the same six countries who are members of the European Coal and Steel Community and who also signed last March the treaty for the European Atomic Energy Community, called Euratom.

The common market has been built on the institutions of the Coal and Steel Community which came into force on July 25, 1952. The Coal and Steel Community, which has been in operation for 5½ years, has been an unqualified success and has led to greater production and specialization, and the virtual free flow of coal and steel among the six countries to the benefit of them all—although there are six countries in the Coal and Steel Community and the common market, there are only four trading areas since Holland, Belgium, and Luxembourg have already formed the Benelux customs union. It has abolished or is in the process of completing the abolition of tariffs, quotas, currency restrictions on payments for coal and steel, subsidies, and artificial barriers to the free flow of coal and steel, and many of the protective and monopolistic practices which have heretofore characterized these industries. I can say from my personal study of and visit to the Coal and Steel Community that this is one of the most heartening and encouraging movements which it has been my pleasure ever to examine. One sees a real burst of energy and vitality and completed works which give one great confidence that the Europeans are far from decadent or finished but are giving to Europe a new life and a new vitality.

In addition, the Coal and Steel Community has brought common institutions among the six countries in which national barriers have been eliminated and a strong foundation for European economic and political union has been established. I want to mention, specifically, one striking feature of the Coal and Steel Community. In the assembly, which is composed of members of parliament from each of the six countries, the members sit by political parties and not by countries.

I see in the Chamber the able senior Senator from Tennessee [Mr. KEFAUVER]. I know that in his great work for an international political legislative body, he has always emphasized that such a body would come to maturity when the members sat by political parties, and not merely by countries.

The six nations have now gone forward again and have taken a page from history. They recall that German political unity really had its beginning with the formation of the free customs unions among the German states in 1834 and in 1867. These movements, called the Zollverein, came as a result of the writings of Friedrich List, who, as a matter of fact, had spent some years in this country and had realized that the growing prosperity of the United States was largely based upon the fact that we had a great internal free trade market.

Therefore, with the Coal and Steel Community as its base, the same six countries are now establishing the common market for a customs union between and among them. In the Common Market and Euratom Treaties there are provisions for common institutions with the Coal and Steel Community so that in the end there will be a common court, a common assembly, a common council of ministers—although the composition will vary according to the subject matter discussed—and separate but similar administrative organs for each called the commission or, in the case of the Coal and Steel Community, the high authority. The common market also provides for the complete mobility of labor between the member countries and, as in the Coal and Steel Community, a common fund to indemnify workers and concerns who may be damaged by the reductions and ultimate abolition of tariffs. Thus, it would be possible to move unemployed Italians to the northern countries, such as France and Germany, where they might work in the Coal and Steel Community and in other industries.

There is already a European Payments Union which amongst other functions, acts as an international clearinghouse for checks; and if all these ventures succeed, the moving spirits in these organizations, let by Jean Monnet, hope to establish a common currency. Once this is done, the steps to political union should not be too great—see exhibit 2 for an exposition of the common market provisions.

My personal belief is that the movement towards economic and political union has now progressed so far that a true United States of Europe will in fact develop very soon, provided the world is given peace. For the countries have already agreed how this is to occur, have actually begun the changes necessary to bring it about, and have a rather precise timetable for further steps on which agreement has been reached.

We all should welcome this movement and should seek to help it develop. If 170 million people in the center of Europe can once be united under common economic and political institutions, this should greatly strengthen Europe and the free world, increase production and trade, raise the general standard of living, solve the balance of payments problems, and present a bulwark against Soviet aggression, all of which have been American policy to promote since the end of World War II. We should give it our unqualified support, for in the long run it will strengthen us all. We need constantly to realize that it is to our interest to have prosperous neighbors and allies. We cannot sell to poverty-stricken peoples. As countries produce more, they can buy more.

The common market, however, with all its advantages, will bring with it numerous new problems and implications for the United States. These immediate consequences and interests must not be overlooked by us for we have particular reasons to be concerned with them.

In the first place, we sell great quantities of American goods in this market. In 1955 we sold $2.1 billion or 15.5 percent of our total exports, excluding special categories of defense equipment and support, to the six common market countries. In 1956 we sold $2.8 billion or 17.2 percent of our total exports to these 6 countries, and in the first 10 months of 1957 we sold $2.6 billion and 17.2 percent of our total exports to them—41 percent of our exported vegetable oil went to these countries; 31 percent of our exports of tobacco; 35 percent of our raw cotton exports; 23 percent of the petroleum sold abroad; and 54 percent of the value of our exported coal.

In other words, we have been selling about one-sixth of our exports to the common market countries.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. KEFAUVER. I should have asked the Senator to yield when he was discussing some of the objections which had been pointed out, which did not prove to be well founded, concerning the Steel and Coal Community and the effort for unity among the western European nations.

I remember in the beginning, when this organization was first proposed, that some pessimists thought that these nations by uniting in this way might indicate that they would be more neutralistic in their approach in connection with the problems between the East and the West; that by having a greater means of their own, they might not want to aline themselves with either the East or the West, but would pursue a more neutralistic course than they would as individual nations.

I have talked with many persons who have the feeling which the Senator from Illinois has, namely, that of elation over the great progress which has been made. The feeling is that a stronger Europe will have a much better influence on the free world, and will make it a much better ally of the United States, than simply operating independently as single nations; that rather than being weakened the alliance has been greatly strengthened. I wonder if that is the conclusion of the Senator from Illinois.

Mr. DOUGLAS. Yes; the Senator from Tennessee is completely correct. One of the concrete things it has effected has been the enabling of the French and the West Germans to cooperate very closely together. These nations have been historic enemies in the past. They have now been working in very close alliance in coal and steel and in a very close alliance in the common market.

Mr. KEFAUVER. I had the opportunity to be present when the French Ambassador, Mr. Henri Alphand, gave a farewell dinner for the German Ambassador, Dr. Heinz L. Krekeler, who was leaving to work in the Steel and Coal Community. Both gentlemen paid high tribute to the fact that many of the wounds of the past had been healed, and that the working together through the Coal and Steel Community was the cause of better relationships between the French and the German people.

Mr. DOUGLAS. The Senator from Tennessee is completely correct.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. JACKSON. I wish to commend the distinguished senior Senator from Illinois for the very fine talk he is making in the Senate this afternoon. He is discussing a subject which needs consideration. He is making a very valuable contribution.

COMMEMORATION OF FIRST FLIGHT OF AN AIRPLANE AT AN ARMY INSTALLATION

The PRESIDING OFFICER (Mr. PAYNE in the chair). The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which will be stated.

The LEGISLATIVE CLERK. A bill (H. R. 6078) to provide for the erection of suitable markers at Fort Myer, Va., to commemorate the first fight of an airplane on an Army installation, and for other purposes.

EXTENSION OF THE RECIPROCAL TRADE ACT AND MEMBERSHIP IN THE ORGANIZATION FOR TRADE COOPERATION

Mr. DOUGLAS. Mr. President——

Mr. COOPER. Will the Senator from Illinois yield for a question?

Mr. DOUGLAS. Certainly.

Mr. COOPER. I do not wish to delay the Senator's excellent presentation regarding the necessity for reenactment of the Reciprocal Trade Agreements Act. I subscribe to his position, which is the same as the position of the administration; I believe the act should be renewed for 5 years.

Perhaps I anticipate the Senator's argument. He has been making a very clear presentation of the development of the common market, in Europe. Does the Senator from Illinois intend to point out that a great part of our dollar market is represented by our trade with these countries and other European countries, and, further, that a great part of that market and that trade is under the Trade Agreements Act, by means of the agreements which have been made from time to time?

Mr. DOUGLAS. Mr. President, I was trying to point out that approximately one-sixth of our exports go to the six countries of the common market area; and that if we include the nations in the so-called free-trade area, about which I shall speak in a few minutes, the total is approximately 28 percent. (See exhibit 1 for total United States export and import figures.)

Mr. DOUGLAS. I thank the Senator from Kentucky for his question.

Mr. President, because of the new problems and the size of our trade with them, it is essential that we extend the Reciprocal Trade Act and join the CTC, unless we are to find ourselves at a great disadvantage with respect to our foreign trade.

The Common Market Treaty provides for the establishment of a customs union over a period of 12 to 15 years, and of course provides for much more also; but it is this aspect of it that primarily concerns our trade policy.

During this period of 12 to 15 years all tariffs between the 6 member countries or the 4 trading areas—because Belgium, Holland, and Luxembourg are in 1 trading area—are to be done away with during 3 stages of 4 years, with the possibility that the first stage may be extended to 5 or 6 years, and that delays in the last 2 periods may come about only by virtual unanimous agreement among the 6, but in no case to extend beyond a total of 15 years. Quotas between the member countries will be abolished over the 12–15-year period. In addition, a common external tariff will be established at the level of the arithmetic average of the individual tariff rates of the six countries in effect on January 1, 1957—see exhibit 3 for the detailed timetable of how the common market tariff provisions will come into effect.

The treaty provides that the tariff barriers of the member countries against each other will be lowered by successive stages, which, in effect, amount to a 30 percent reduction in the first 4-year period, 30 percent in the second 4-year period, and 40 percent or the remainder in the final 4-year period. The first reduction in the first period of 10 percent will occur on January 1, 1959, or a year after the treaty has gone into effect.

The common external tariff, which would be against us, will also go into effect at about the same rate. The arithmetic average for individual products is now being calculated. At the end of the first 4-year period, 30 percent of the difference above or below the new common tariff will be removed by individual members; 30 percent, at the end of the second stage; and the remainder, or 40 percent, at the end of the third stage.

Suppose, for example, that the new arithmetic average of the individual tariffs of the six member countries on American automobiles were 20 percent. If the French duty were now 35 percent and if the Dutch duty were now 5 percent, the difference between each of those rates and the new common tariff would be 15 points. The French would be required to lower their tariff by 30 percent of this difference, in the first stage; and the Dutch, to raise their tariff by 30 percent of the difference in the first stage, so that the new French tariff would be lowered from 35 to 30 percent, and the Dutch tariff would be increased from 5 to 10 percent, in this first period. At the end of the three stages, the tariff rates on automobiles for all six countries, as compared with the outside world, would be 20 percent.

IMPLICATIONS FOR THE UNITED STATES

The implications of these arrangements for the United States are very important. While the average rates against our products will not be increased, the differential between the rates for our products and the rates for the products of member countries will be increased. This will be a disadvantage to us. Let us take an example.

If the present French tariff on tractors were 20 percent, and if it were applied equally to all, as it must be under the obligations of GATT membership, a French importer would make his decision to buy, let us say, either an American or German tractor on a variety of issues—such as quality, transportation costs, availability of parts, and so forth—which are not associated with the tariff, because the tariff between France and the United States and between France and Germany would be the same. However, as the common market comes into effect, the tariff between the French and the Germans will be eliminated, but the tariff against the United States will be the average of the existing tariffs of the six member nations. Therefore, the French importer will now no doubt buy the German tractor duty free, rather than the American tractor, upon which a tariff of, let us say, 20 percent is maintained. In fact, he might well buy an inferior German tractor—one which he would not buy if other factors were equal—rather than pay the duty on an American tractor or on a tractor from still another third country, such as Canada.

Therefore, I want to draw the first conclusion, namely, that if United States products are not to be shut out of the common market countries, we must have the authority to make reciprocal arrangements with the common market for reductions in the common external tariffs, at the same relative rate that the internal tariffs between the six are reduced.

Since the internal tariffs are to be reduced at the rate of 30 percent in the first 4-year to 6-year period, we must have the authority to bargain with the common market on a reciprocal basis, to reduce their external tariffs by approximately 30 percent in this period.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield to the Senator from Pennsylvania.

Mr. CLARK. I should like to ask the Senator whether the bill sent to Congress by the President would give authority to reduce tariffs by 30 percent. Is it not limited to 5 percent a year for 5 years?

Mr. DOUGLAS. Yes.

Mr. CLARK. So the bill would not fill the complete needs which the Senator thinks are important, would it?

Mr. DOUGLAS. No, it would not. I would prefer to have a provision to reduce tariffs by 30 percent in the first 5-year period, so as to make it completely parallel to the common market provisions.

Mr. CLARK. May I ask the Senator why it seems we are always asked to ex-

tend the Reciprocal Trade Agreements Act, which now goes back for 20 years, by providing for periods of extension of 2, 3, or 5 years? Why should it not be made permanent, without any limitation?

Mr. DOUGLAS. There is going to be a great drive to reduce the time of extension of the act to 2 or 3 years. The proposal for a 5-year extension is roughly the length of the first transitional period inside the common market.

Mr. CLARK. In addition to being a fine statesman, the Senator from Illinois is also a practical politician. I for one would like to see Congress enact a law making the Reciprocal Trade Agreements permanent.

Mr. DOUGLAS. I would vote for it.

Mr. CLARK. So from then on, if anyone wanted to change the act, it would be up to him to initiate that action, instead of having Congress take up the extension of the act every 2 or 3 years. I would vote for such a bill.

Mr. DOUGLAS. I would vote for it. I would say an extension of the act for 5 years is the minimum, and I preferably should like to see a provision for a 30-percent decrease instead of 25.

Mr. President, to repeat a paragraph, since the internal tariffs are to be reduced at the rate of 30 percent in the first 4-year to 6-year period, we must have the authority to bargain with the common market on a reciprocal basis, to reduce their external tariffs by approximately 30 percent in this period.

The new extension of the Reciprocal Trade Act would grant authority to us to negotiate reductions in tariffs by 5 percent a year or by 25 percent over the next 5 years. This authority, which almost approximates the percentage reduction within the common market, is vital if there is not to be a great shift among the six away from American products toward products of the members. This is in our narrow self-interest and should be understood by all Members of the Congress.

My second conclusion is that as the first stage of the common external tariff will go into effect at the end of the first 4-year period—or in 1962—and as the first stages of the reductions of the tariffs between members will occur on January 1, 1959, again on July 1, 1960, and again on January 1, 1962, we must have the 5-year authority to negotiate which is included in the present extension, and have that as a minimum. A 1-year, or 2-year, or even a 3-year extension would be no good at all, for we must have some stability and continuity in our negotiations in this period when so many changes affecting our vital interest are to take place in the common market. Nor would it be enough to limit the President's authority to reduce our tariffs to not more than 10 or 15 percent. If this were done, we would not have enough marbles to be admitted into the game.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield to my good friend.

Mr. KEFAUVER. The Senator gave the example of a tractor or automobile, and said the size of the tariff on that would be 30 percent.

Mr. DOUGLAS. Twenty percent. I merely chose that as an illustration.

Mr. KEFAUVER. Would the tariff be higher on some other products?

Mr. DOUGLAS. Yes.

Mr. KEFAUVER. Therefore, would a 5 percent reduction in the bill proposed by the President enable us to negotiate evenly on those products where the tariff was substantially higher than 25 or 30 percent?

Mr. DOUGLAS. I think we shall have enough power to negotiate with a possible 25 or 30 percent reduction in our tariffs over that period of time. I think that would give us enough leeway in which to negotiate.

Mr. KEFAUVER. I thank the Senator.

Mr. DOUGLAS. Mr. President, my third point is allied to the second point:

If we fail to extend the act, or so weaken it as to make it ineffective, we shall have nothing to offer the Europeans for concessions from them, and we now have more to gain from reciprocal reductions of tariffs with the common market than we presently have in bilateral tariff reductions. At the present time, if we do not bargain or agree to reduce tariffs with individual European countries, the rate in both countries remains the same to us and to all third countries. Thus, while this rate may prevent some trade, at least our products are at no disadvantage compared with the products of other countries. Therefore, in the new period which is now beginning, a reciprocal agreement between ourselves and the common market will bring with it not only the advantages which come from greater trade under bilateral agreements, but it would prevent a discrimination against our products which would otherwise occur. Mutual concessions now will not only bring an increase in trade, but will prevent an actual decrease in our trade which would occur if we failed to act. We, therefore, have more to gain from future negotiations, and a great deal more to lose if we fail to negotiate, than ever before. This makes a meaningful extension of the Reciprocal Trade Act of greater importance to our immediate interests now than has ever been true in the past. For if we stand still, we shall automatically suffer a loss and a discrimination. But we will need time in which to negotiate, and 3 years will not be enough. We will need as much time as the common market provides for its first period and as much authority to reduce present tariffs as the common market is going to put into effect, namely, 5 years and 30 percent.

B. THE FREE TRADE AREA

The British saw very early that the establishment of the common market would have the same consequences for them which I have just outlined it would have for us. About 28 percent of Britain's total exports go to Western Europe, and about 15 percent go to the six common-market countries. An even greater proportion of her exports of specific commodities go to Western Europe, such as about 90 percent of her coal exports, over 70 percent of her exports of oil, and between 30 and 40 percent of her ships and nonferrous metal, wool, and machinery exports. In addition, the independent members of the British Commonwealth send about 17 percent of their total exports to the 6 countries of the common market, and the British colonies send about 14 percent of their total exports to the common-market countries. Again, for specific important commodities the percentages are much higher, so that the independent Commonwealth areas send over 50 percent of their exports of hides and skins, about 40 percent of their exports of vegetable oils, jute, wool and cocoa, and 25 percent of their copper exports to Western Europe outside Great Britain. The colonies send 35 percent of their coffee exports, about 30 percent of their rubber exports, and 25 percent of their vegetable-oil exports to Western Europe outside Great Britain.

To lose these markets or to see a great decline in them because of free trade within the common market and the French, Italian, and Belgian associated territories, was something Britain could ill afford to see happen. She proposed, therefore, through the OEEC that an outer free-trade area be associated with the common market. This outer free-trade area would be composed of Britain, Norway, Sweden, and Denmark, Switzerland, and Austria, and probably also Turkey, Greece, Portugal, Ireland, and Iceland on the periphery of Europe.

The free-trade area and the common market together would thus include about 250 million people. In this huge area, with a population 50 percent greater than that of the United States, industrial goods would eventually flow without barriers of tariffs or trade.

The British proposal differed, however, from the common-market treaty in numerous ways, the main differences being:

First. There would indeed be a common market among the original six plus the free-trade area, but only in industrial goods. Agricultural commodities were to be excluded. As the French, Dutch, and Danes, in particular, opposed this point, it now appears that some other arrangement than the complete exclusion of agricultural products will have to be worked out.

Second. While there would be free trade within both areas, the free-trade area would not establish a common external tariff as does the common market, but would continue the existing tariffs of each country against outside third parties.

Third. The free trade area would be confined to trade only and would not include the agreements on labor, transportation, and so forth, nor the political and other institutions covered by the common market treaty, whose purpose is to lead to a European federation.

Fourth. While the common market would include certain French, Italian, and Belgian colonial areas, the free-trade area would exclude the British Commonwealth countries and the British colonial areas.

It has now been determined through the OEEC that the free-trade area is

feasible and it has been agreed to in principle so that it now appears fairly certain that some form of free-trade area in association with the common market will actually be worked out and will come into effect.

How important the countries included in the free-trade area to the United States can be seen from a few figures on American trade. If we take the trade to both the free-trade area and common market countries of Western Europe—which excludes, of course, trade with Spain, Finland, and Yugoslavia—we find that the United States sold $3.8 billion, or 27.9 percent, of our total exports to them in 1955; $4.7 billion, or 28.3 percent, of our total exports in 1956; and $4.46 billion, or 28.5 percent, of our total exports to them in the first 10 months of 1957. Thus, our exports to this area comprise a most significant part of our foreign trade, and even now provide jobs for close to 1.5 million American workers.

The implications for the United States of the common market and free-trade area were put very well by Mrs. Miriam Camps, of the State Department, in the very excellent compendium of papers on foreign-trade policy published by the House Ways and Means Committee's Subcommittee on Foreign Trade Policy. According to her, this means that—

> About half of the world's trade will come within the purview of institutions to which the United States does not belong and will be conducted with rules that we have had little part in shaping—

And that while both groups have—

> stated that their intention is to reduce barriers on trade among themselves, but not to raise them against third countries, the degree of discrimination against third countries is, of course, frequently intensified in the process of removing barriers among participants (p. 447).

Thus, according to Mrs. Camps, one of the major effects is that these arrangements "should improve the competitive position in third markets of important United States competitors and tend to stimulate intra-area trade." This is to say that United States goods will be at a disadvantage in the transitional period. In the long run, of course, if these agreements expand the European economies as they should do, we in the United States can expect that as they become more prosperous more goods will be purchased from us, but until this occurs after the 12 to 15 year period, our products will certainly be at a disadvantage unless we have the power and authority to negotiate with them, particularly in the next 4 to 5 years.

It should be mentioned here, too, that certain problems affecting the United States will arise from these arrangements as they affect British trade with her Commonwealth and colonies.

Since the early 1930's the British have had in effect what is called imperial or empire preference. It was begun, in part, as a retaliation against the excessively high rates imposed in the United States by the infamous Smoot-Hawley tariff of 1930, which did so much to choke off our foreign trade and to intensify the great depression. Under empire preference the British grant lower tariff rates to goods from the imperial preference areas than are granted to third countries. In return these areas give preferential treatment to British goods as against goods from third countries. Where this is done by tariff rates, the British in general grant a 10 percent advantage to imperial preference goods.

As the common market and free trade area come into effect, and as goods flow freely between and among the countries involved, the effect will be for European goods to come into Britain free of duty while imperial preference goods, which now have duties, will be kept at their old rates, and goods from third countries, such as the United States and Japan, will be at an even higher rate than goods from the other two areas.

Because about 50 percent of the British imports from the imperial preference areas are agricultural products, which probably will not be excluded from the free trade area arrangements, at least as much as the British originally proposed, but for which some form of managed arrangements may well be worked out, and for which tariffs are generally very low or nonexistent, and as another 40 percent of the goods are raw materials which generally are now free of duty, there remains only about 10 percent of imperial preference goods which will suffer the disadvantage of having a rate higher than those goods from the free trade area and common market. However, this 10 percent would largely be composed of industrial goods from Canada. Further, United States goods would then suffer a greater relative disadvantage vis-a-vis Western European industrial commodities than even now exists vis-a-vis imperial preference goods.

Consequently, this is yet another reason why we need the authority to bargain with the British for reciprocal reductions in tariffs. In the past we have made bilateral arrangements with the British both for reductions of tariffs and for reductions in the preferential rates for imperial preference goods. If we do not extend the Reciprocal Trade Act we shall suffer increased discriminations in British markets, and in all of Western Europe as well. I am confident that if we show a cooperative spirit the British will respond. But if we do not and if we refuse to extend reciprocal trade in meaningful terms we are likely to touch off a trade war against us as we did in 1930 when Congress passed and President Hoover signed the Smoot-Hawley tariff.

Mr. NEUBERGER. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield to my colleague, the Senator from Oregon.

Mr. NEUBERGER. I first wish to thank the senior Senator from Illinois for his usual thorough and informative presentation. If I am not mistaken, in 1955 I followed the leadership of the Senator from Illinois, the Senator from Texas and others who voted to extend the Reciprocal Trade Agreements Act at that time without crippling amendment.

So far as I am concerned, this has been one of the most difficult issues I have had to confront as a Senator from Oregon.

Our State is one where many people in the tuna-fishing industry, in the growing of cherries and filberts, and in the production of plywood, feel that they have been damaged by imports. I do not necessarily concede that, but it has certainly been brought home to me very forcefully and in terms of protest by some of my constituents who were dissatisfied when I voted to extend the Reciprocal Trade Agreements Act.

In addition, our State legislature in 1955 overwhelmingly condemned the President's request to extend the Reciprocal Trade Agreements Act, even though it was overwhelmingly composed at that time of members of the President's own party. I cite that as a measure of some of the problems we have in our State concerning this issue.

I have been particularly interested to follow the statements of the Senator from Illinois with respect to our relationships with the British Empire regarding trade, commerce and tariffs. I should like to ask a question of the Senator from Illinois, and if it is a frivolous, foolish question I know the Senator will be charitable with me.

I realize that Canada is a part of the Empire bloc and Canada is a part of the Empire trade preference which the Senator has been discussing. I wonder if there would not be some wisdom in trying to establish on the North American Continent a common market between the two great nations of the United States and Canada somewhat parallel to the common market which the Senator from Illinois has described so graphically as coming into existence in Europe?

Mr. DOUGLAS. I think that would be an excellent idea, and I would be happy to include also Mexico, Central America, and other countries as well.

Of course, one difficulty at the moment is that the government which is in power in Canada, namely, the Conservative Party, desires to have increased trade relations with Great Britain, and at least verbally states it does not want as close ties with the United States. I think we should move in the direction the Senator indicates. I would welcome that very much.

Probably those in Canada who feel a strong connection with what they call the mother country would not like to see this happen, but it would be to the economic benefit of both countries, and I think it would be to the political benefit of both countries, and certainly would not injure the English-speaking world as a whole.

Mr. NEUBERGER. I happen to come from a State where a good many producers of plywood complain that they have been hurt by imports of Canadian plywood from British Columbia; yet, it is my feeling that, in the long run, the great natural resources of Canada and the great industrial production of the United States would make an ideal common market on the North American Continent. I am not as familiar with Mexico and the other Latin American countries and their problems as I am with the situation of Canada, which is such a near neighbor of the region in which I was born and raised. I intrude this

particular suggestion into the speech of the able Senator from Illinois, because he mentioned the British Empire preference system at that point.

Is it not a fact that some of the existing sentiment stems from the fact that the action referred to is being taken in retaliation for some tariff increases which have occurred, even under the reciprocal trade agreements? Is that correct?

Mr. DOUGLAS. Let me say that the imperial preference system is a retaliation against the Smoot-Hawley Act of 1930. This stimulated the feeling that the Canadians should trade within the Empire.

Mr. NEUBERGER. Coming from Oregon, a part of my problem is the fact, as I think the Senator realizes, that Mr. Willis Hawley, to whom he has referred many times, was a distinguished Member of Congress from the State of Oregon.

Mr. DOUGLAS. He may have been distinguished in the State of Oregon, but he did a great disservice to the United States in sponsoring the Tariff Act of 1930 which bears his name.

The relationships between the United States and Canada are difficult. It is always difficult for a big country and a relatively small country to live side by side. I believe that, in the main, during the past 24 years, we have treated the Canadians quite well, and that some of their grievances against us are not wholly well taken. However, I believe that the proposed tariff on lead and zinc would hurt them very much. They may be moving in anticipation of something which is likely to injure them.

Mr. NEUBERGER. We in the Pacific Northwest have been disturbed in recent weeks over an occurrence which I am sure the able Senator from Illinois has followed, with his usual thoroughness. Our country has shut off oil imports from Canada, even though great refineries actually were built on Puget Sound to handle oil from the Peace River and Alberta regions of western Canada. We capriciously and arbitrarily shut off such imports. This was a great shock to our Canadian friends. That is why, perhaps, some of the Canadian sentiment is, in a way, a rebuke for the steps we have taken.

I am happy to report that enlightened segments of the press in the Northwest have almost unanimously condemned this action on our part in shutting off Canadian oil imports.

Mr. DOUGLAS. The Senator is quite right. The so-called voluntary oil quotas, which are not really voluntary at all, have worsened our relations with Canada, as well as with Venezuela. They have also reduced the amounts which those and other countries can buy from us and therefore have hurt our export industries and trade.

Mr. NEUBERGER. I thank the Senator from Illinois. He is a great and wise teacher.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. CLARK. I wish to commend the distinguished senior Senator from Illinois for the fine and thoughtful address he is making on the vitally important question of reciprocal trade treaties, the OTC and GATT.

The Senator from Illinois was kind enough to permit me to read an advance copy of his speech, and I had the pleasure of doing so over the weekend. It seems to me that the Senator is making two major points of the greatest importance. I wonder if he agrees, first, that there are unanswerable political arguments as to why the proposed legislation should be enacted.

Mr. DOUGLAS. I am trying to make that point.

Mr. CLARK. It was my good fortune this fall to spend about a month in Italy, and to have occasion, while I was in Rome, to use the good offices of Ambassador Zellerbach, who is doing a fine job as our Ambassador to Italy. He has put up some $30,000 to $40,000 out of his own pocket to keep the Embassy going, because the Secretary of State has not requested and Congress has not appropriated enough representation allowance funds to enable a man who is not very wealthy to hold that post. Through the good offices of our Ambassador I had conferences with three members of the Italian Cabinet, namely, the Foreign Minister, the Minister of Commerce and Industry, and one of the other Italian ministers. To each of them I addressed this question: What would be the effect of the failure of the coming session of the United States Congress to reenact the Reciprocal Trade Treaties Act, and to join the OTC and GATT arrangements?

With no hesitation all three of them replied that the result would be disastrous. That point of view was buttressed by Ambassador Zellerbach.

Perhaps the Senator would agree with me, particularly with the spring elections coming up in Italy, and with the Communists making a determined effort to move forward, that if we wish to retain the friendship and help of one of our most valued allies, we must appreciate the fact that the economy of Italy and other countries depends, in part, upon their ability to trade with us. As the Senator knows, the Italians have no sources of fuels of their own, except a few oilfields still in their infancy. The effect on the Italian economy would be disastrous if we did not pass the proposed legislation. Does the Senator agree?

Mr. DOUGLAS. I certainly do. Also, there would be a disastrous effect on the American economy.

Mr. CLARK. That was the second point I was coming to. I suspect the Senator would agree with me that if we do not reenact the Reciprocal Trade Agreements Act, we may turn the present recession into a depression which will really curl our hair. Does the Senator agree?

Mr. DOUGLAS. I certainly do. Let me develop that point for a moment.

If we reduce the quantity of goods which we import from other countries, other countries will necessarily reduce the quantity of goods which they will buy from us; and in choking off imports into this country, by that very act we help to choke off exports from our country, and shut off markets for our products. The other countries cannot buy from us if they are not permitted to sell to us. As the Senator from Oregon [Mr. NEUBERGER] has pointed out, we tend to notice the injuries which are done to specific industries and specific plants by reason of the importation of foreign goods, and people say, "Let us keep those foreign goods out." But, when we do so, we make it less possible for foreign countries to buy goods from us, and that means that we strike a heavy blow at our export industry. We also invite them to impose retaliatory tariffs against our goods.

For the past few years we have been exporting approximately $19 billion worth of goods abroad. We have been importing approximately $13 billion worth. So even in gross terms, our exports have been approximately 50 percent more important than our imports. Furthermore, when we consider our imports, we find that a very large proportion consists of goods on which there are no tariffs. Approximately half of our imports consist of such goods. Therefore, they are presumably goods which we do not produce in this country. They consist of items such as $1.4 billion of coffee, of tea, and $145 million of cocoa, which we do not produce at all, as well as $398 million of crude rubber and $178 million of tin. If we shut off imports into the United States, foreign countries which sell to us these and other goods will not be able to buy from us, and we shall lose a considerable portion of our export trade. This will create additional unemployment.

Moreover, we forget that a very considerable number of persons in this country are employed in fabricating and distributing goods which are imported from abroad. They will be squeezed out.

Some estimates have been made of the total number of persons who are affected. For example, in connection with our exports, there are approximately 2,500,000 workers in nonagricultural industries who are producing goods for export; and about 600,000 who are producing farm goods for export, for wheat, cotton, tobacco, and soybean oil are great export articles. Thus in 1956 we exported $718 million of raw cotton, $797 million of wheat, including flour, $334 million of tobacco, and $447 million of vegetable oils, fats, and oilseeds. In all, we exported in 1956 $4.1 billion of farm products.

Therefore, more than 3,100,000 persons are employed in the export trades and industries. In the import trades about 1,400,000 persons are employed in the processing and distributing of articles imported from abroad. Therefore, about four and a half million people are directly involved in the foreign trade.

How many are going to be hurt by the imports which come in under a low tariff? It is a very much smaller number. Some figures have been compiled which show that if we took all the cases in which the Tariff Commission had recommended Presidential action for increases under the so-called escape clause, the total decrease in unemployment which was claimed in all those industries from 1946 to 1956 amounted to not more than 28,000 persons.

I ask unanimous consent that a table, from the compendium of papers by the Subcommittee on Foreign Trade Policy of the House Ways and Means Committee, which was prepared by the Department of Labor, be inserted in the RECORD at this point in my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Estimate of total employment [1] involved in escape-clause cases in which the Tariff Commission recommended Presidential action

Commodity	Highest employment [2]	Lowest employment [2]	Net decrease
I-A. Tariff action by President	36,000	26,000	10,000
I-B. Nontariff action [3]	45,000	35,000	10,000
Total	81,000	61,000	20,000
II. Rejected by President:			
A. Action recommended by Commission majority	13,000	9,000	4,000
B. Commission divided evenly	19,000	15,000	4,000
Total	32,000	24,000	8,000
Grand total	113,000	85,000	28,000

[1] Total employment in plants producing the commodity. The general period covered is 1946–56, but the entire period is not used for each commodity. Unless otherwise indicated, employment data are based on Tariff Commission reports, and the period is determined by the data shown in these reports (both original and supplementary). No commodity is counted more than once (i. e., watches and fish).

[2] Highest and lowest refer to that portion of the 1946–56 period for which data are available in the Tariff Commission reports.

[3] Velveteen and lead-zinc.

Mr. DOUGLAS. The trouble is that we are inclined to look at such specific industries through a microscope and to ignore the bigger losses in the export and other industries.

Mr. CLARK. Mr. President, will the Senator yield further?

Mr. DOUGLAS. I yield.

Mr. CLARK. I am happy to have the Senator say that, because he comes from a large industrial State, as I do. It has been thought that those who come from industrial States should be protectionists and high tariff advocates. I am satisfied, after a careful study of the best economic interests of the Commonwealth of Pennsylvania, that a vote for the reciprocal-trade programs and GATT and OTC is in the best interest of the industrial community which I represent.

In addition, of course, it is to the best interest of the port of Philadelphia and the port of Erie, which is about to participate in the St. Lawrence Seaway development; and it is also in the best interest of the entire consumer interests of my Commonwealth.

I hope some of our friends—both on this side of the aisle and on the other side of the aisle—who come from States which are only beginning to feel the effects of industrialization, will think hard and long before they succumb to what I consider the ostrich policy of thinking that, because some slight amount of damage may possibly be done to a new industry in their State, they should oppose the programs. I hope they will conclude rather that the large national interest, the interests of the consumers in their States, the general requirements of our foreign policy, and the position of the United States as a world power—all of which, in my judgment, back up the arguments which the Senator from Illinois has been so ably making—require them to support these programs. I again thank the Senator from Illinois for his indulgence in permitting me to join in the discussion.

Mr. DOUGLAS. I thank the Senator from Pennsylvania for his very able contribution to the debate. He has emphasized the fact that we should consider the consumers. The consumers are everywhere in the country. We should also consider the fact that those who are injured in certain industries, when we import goods, are, relatively speaking, a small number.

Mr. CLARK. Mr. President, will the Senator yield once more?

Mr. DOUGLAS. I yield.

Mr. CLARK. I am sure the Senator feels as I do, that special arrangements should be made to ease the pain of those who temporarily suffer in that regard.

Mr. DOUGLAS. I mentioned the fact that in the coal and steel community agreement there are provisions under which industries and employees who are damaged by free trade are recompensed. The same provision has been made in the constitution for the common market.

I believe we ought to adopt a new type of escape clause under the reciprocal trade agreements, so that instead of industries coming before the Tariff Commission requesting protection through an increase in the tariff, they may come before the Tariff Commission and show that they have actually been damaged, in which case the Tariff Commission would have the power to award compensation to them. I believe it would be much cheaper to do that, and to have a small sum paid out of the public treasury for that purpose, than having huge hidden levies imposed upon the American people.

Mr. CLARK. I thank the Senator from Illinois.

Mr. DOUGLAS. I now continue my statement on why we should strengthen GATT and join OTC.

III—WHY WE SHOULD STRENGTHEN GATT AND JOIN OTC

The United States has a great interest in the success of the common market and the free-trade area. We should give them our wholehearted support and make every effort to help direct the common market toward not only the economic but the political unity of Europe. The result would be an expansion in the economic health and prosperity of the entire area, an added market of 250 million people, an end to the dollar and balance of payments problems and restrictions against United States and dollar goods, and an increase in world trade well above that which could possibly occur under existing institutions, which together with a free and independent Europe could contribute as much to the common defense of the West and aid to underdeveloped areas of the world as the United States now does. These are most important tangible gains which the free world could make if these movements are successful.

There are certainly problems and dangers connected with these new institutions as well. It would be a great tragedy to us all if, after such promising beginnings, a full free-trade area and customs union were not achieved, for this would merely mean a new preferential trade area in which the advantages of freer trade were limited to a few with great disadvantages for the rest of the world. This is why, under the GATT, custom unions are recognized and welcomed but why preferential areas are discouraged and opposed. Unless the common market is completed, we may merely see a shift in trade from one area to another rather than a total increase with advantages for all.

CALCULATION OF COMMON-MARKET EXTERNAL TARIFF

In addition, there is the question of what will happen as a result of the calculation of the new external tariff of the common market. By its nature, the tariffs on goods to the low-tariff areas such as Benelux and West Germany will, on the average, be increased while the tariffs to the relatively high-tariff areas of France and Italy will be lowered. It is very important that the calculations are made in such a way that in the end the overall rates against the United States and other third countries are not merely increased by a calculation of exceedingly high rates for the goods which are mainly sold to the common-market countries, and low rates on those goods which are sold only in small quantities. Although much of the calculation will be automatic, there is a list of very important items, called list G of the common-market treaty, on which the new external tariff is to be negotiated by the 6 countries and which comprises 5 pages in the treaty establishing the European economic community.

THE QUESTION OF QUOTAS

An even more important question arises as to what will be done about quotas. Quotas, even more than tariff rates, have been the major barrier to the sale of dollar goods in Western Europe since World War II. Two problems concerning them necessarily come up under the new arrangements. The first is a short-run question; namely, that during the transition period, when great changes are to be made in lowering tariff rates, individual members of the common market may be tempted to keep quotas which are no longer needed, or no longer justified for balance-of-payments reasons, on grounds that too many adjustments are having to be made all at once in the internal market. They will argue, therefore, that the quotas should be continued until adjustment of them will be easier.

The second problem with respect to quotas is this: Quotas are now allowed where countries have real and severe balance-of-payments problems. At the present time, it is clear that the French have such serious problems. They have imposed a complete control on each specific set of imports. They may be made only under specific licenses granted to individual importers.

The other five members of the common market, with the possible exception of

the Italians, do not have unmanageable or severe balance-of-payments problems. The question is what the common market as a whole will do. Will the French be able to prevail on the other 5, for example, to agree to quotas for the entire common market area in order to protect only themselves or perhaps 2 of the 6 countries? If this should happen, we could very well see the common market become a highly managed, restrictive economic unit rather than a free trade and highly competitive economic area which it is our real purpose to promote and welcome.

In addition, a great many of the details of the common market, and even more of the free-trade area, are yet to be worked out. The whole question of quotas is left very much up in the air and is to be negotiated and worked out as time goes on. These future decisions can be decisive as to the true nature of the final forms of the common policies and institutions. It is because these issues are still very much alive and very much unsettled that our membership in the OTC and the strengthening of the GATT are of such great importance.

United States participation in the General Agreement on Tariffs and Trade is dependent on renewal of the Reciprocal Trade Act. All the countries of the common market and free-trade area are now members of the GATT along with the United States and others. Because of this, we and they have accepted certain obligations with respect both to trade and to the rules of the game.

Under the GATT, there are rules against preferential tariff treatment and discriminations. However, these rules do not prevent the formation of genuine customs unions—which by their nature are preferential and indirectly discriminate against third parties—because they will bring a closer integration of national economies, increase international trade and, in the long run, provide greater freedom and less restriction on the movement of goods than would exist before they came into effect.

In order, however, to insure that these long range objectives are met, GATT has established certain rules concerning customs unions to which we and the common-market countries all agree. These provide that the tariff and other restrictions imposed on outside countries are on the whole not to be higher, more burdensome, more protective, or more restrictive than those which exist before the union goes into effect. They also provide that an agreement to form a customs union, which is to be worked out by schedules over stages, must be completed in a reasonable length of time and must not end up half finished, which would merely increase discrimination without bringing the good effects of increased trade.

UNITED STATES LOSE INFLUENCE

These are the rules of the GATT, and they are rules to which we and the common-market countries now subscribe. If we were to fail to extend the Reciprocal Trade Act and the United States were no longer to be a member of the GATT, we, as a lone voice, could expect to have almost no influence on the way in which the common market and free trade area develop, and in preventing new discriminations against our products as a result.

We would have little or no influence, first, because we would be a lone voice, and second, because having repudiated the principles of the GATT, freer trade, and nondiscrimination, who would listen to us? Further, such a failure on our part could well bring the death of the GATT. This would give a free rein to those forces in Europe which would much prefer to develop a highly protective common market with a free trade for themselves but with great restrictions and discriminations against the rest of the world.

Similarly, what the common market and free trade area ultimately do about quotas also depends on the strength and influence of the GATT. Under its obligations, quotas are outlawed except for balance of payment purposes. Through the GATT and the OEEC, great strides have already been made in liberalizing quotas in Western Europe.[1]

I am appending a footnote showing that from September 30, 1954, to May 1, 1957, the percentage of products freed from licenses and quotas of the total private imports of the OEEC countries from dollar sources—that is, the United States and Canada—rose from 44 to 61 percent. As of May 1, 1957, 73 percent of the food and feeding stuffs, 67 percent of the raw materials, and 42 percent of the manufactured products had been liberalized.

In this connection, West Germany, the Benelux countries, and the United Kingdom have made the best records; Italy is next; France is last. However, I think it should be said of the manufactured products that even by May 1, 1957, only 8 percent of the United Kingdom exports restrictions had been removed. They do discriminate against American foods in these areas. Now, the GATT must be strong enough and influential enough to hold the common market members to their commitments. Further, it is very much to the self-interest of the United States that there not only be no increase in quotas and quantitative restrictions in Western Europe, but that discreet pressures are continually applied, as balance of payments problems improve, to get rid of those which now exist. This would open up a greater market for American exports, and would remove some of the current restrictions.

Further, because of its connections with the International Monetary Fund and the IMF's resources of money and hard currency which countries with balance-of-payments problems may desperately need, the IMF has on numerous occasions persuaded member countries to take those internal financial measures to halt inflation and improve their domestic economies in such a way that the balance-of-payments problems are improved or solved. In the end, this is the best way to remove quotas.

Therefore, if we expect to have any influence in these matters, we must be at the conference table where they are worked out. I find it extremely ironic that the protectionist elements in the United States, who constantly and quite rightly complain of European quotas against our goods, argue also that the United States should not be in the GATT or OTC. It is ironic because the GATT is the one place where we have influence to get quotas and restrictions removed. What these groups want, apparently, is to have the United States be as restrictive as some of the Europeans, but they cannot really complain of these restrictions and then advocate a course of action in which we would become just as restrictive.

NEXT FEW YEARS VITAL

The next few years are the ones in which the positive influence of the GATT to see that its members carry out their obligations will be decisive if the common market and free-trade area are to bring expanded trade and healthier economies. Otherwise, they can result in greater restrictions, discriminations, and quotas.

At the present time, the GATT has a professional staff of only 12 persons. It is only once a year at its annual sessions that concerted progress can be made to insure that members carry out their obligations. This is why we need the OTC, the Organization for Trade Cooperation.

OTC NOT SAME AS ITO

The OTC is not the old ITO, which aroused the opposition and indignation of so many protectionist Senators when it was first proposed in the Senate some years ago.

It really is nothing more than an administrative structure for the GATT. It carries with it no new trade obligations or commitments which do not now exist—none at all. It would have no power to go into the kind of restrictive internal practices which were provided for in the ITO. It includes no commitments concerning steps to insure full employment, such as were included in the ITO. There is nothing to fear from OTC; yet more bogus arguments and fears have been raised against it than

[1] In the 19-month period from September 30, 1954, to May 1, 1957, the percentage of freed products in the total private imports of the OEEC countries from dollar sources (United States and Canada) rose from 44 to 61 percent. As of May 1, 1957, 73 percent of the food and feedingstuffs, 67 percent of the raw materials and 42 percent of manufactured products had been liberalized. For the common-market countries and Great Britain, the percentages on May 1, 1957, were:

Country	Food and feeding-stuffs	Raw materials	Manufactured products	Total
West Germany	81	95	83	90
Benelux	88	80	90	86
France	----------	9	14	11
Italy	29	46	33	39
United Kingdom	73	76	8	50

Considerable further progress has since been made in Western Europe but owing to the severe French balance of payments crisis, the French have imposed new licensing and quota restrictions on both dollar and non-dollar goods. (Source: OEEC Liberalization of Europe's Dollar Trade, Paris, June 1957, pp. 12–13.)

against almost any other proposal we have ever had before us.

(See exhibit 4.)

Mr. DOUGLAS. What it would do would be to give to the GATT a larger professional staff. This it particularly needs during the period when the common market is coming into effect. For arrangements will be worked out day by day and month by month which the members of the GATT must understand and know about, in order that, if desirable, they may be checked.

All the questions of quotas, discriminations, and restrictions which are potential dangers to the common market need to be watched very closely so that what happens may be done within the obligations of GATT and within the spirit of those obligations.

Further, some of the greatest barriers to trade are not quotas or tariffs, but the way in which customs procedures are administered. The GATT needs a professional staff to work on these and related problems, and it does not now have that staff.

At the present time, the United States contribution to the GATT is made from the State Department's contingency fund and is therefore extremely limited in amount. This should more properly be done by Congressional appropriation on a regular basis and, further, the amount of our contribution should most certainly be increased in a way that would not make our proportion of the total any larger than it now is, but merely consist of a larger overall amount.

I am convinced that if Members of Congress could come to understand how important the work of the GATT will be in the next few years, the very excellent job which it has already done with the most limited resources, and the fact that all OTC would do would be to give to the GATT a proper administrative structure, there would be considerably less opposition to it and far less fear of it than now exists.

In fact, what we are doing now with respect to the GATT and the OTC is very much like the man who takes advantage of the facilities of a fine private club but who refuses to join it. I do not think that is a dignified practice for so great a country as ours.

These are among the reasons why OTC should be ratified. I hope the administration will press for this and will explain the functions and implications of OTC clearly to Congress and particularly to the Members of Congress from the President's own party who have up to now shown such strong opposition to it.

IV—THE ST. LAWRENCE SEAWAY PROJECT

I now turn to a discussion of the relationship of all this to the St. Lawrence Seaway project.

As we all know, the great port cities on the coasts of the United States have a vital interest in extending reciprocal trade. Some $19 billion per year in exports and $12.5 billion in imports, or a total of $31.5 billion of cargo, pass through their dock and shipping facilities. Cities like Boston, New York, Philadelphia, Norfolk, New Orleans, San Diego, San Francisco, and Seattle, to name only the major ones, share in this trade to an extent which is vital not only to the economic health of these cities themselves but also to the great interior regions which they serve.

How, if we shut off imports, which will automatically reduce our exports, can we have a prosperous shipping industry or a prosperous series of ports?

Now, however, with the completion of the St. Lawrence Seaway project, which is on schedule and will be opened about July 1, 1959, the port cities on the Great Lakes, such as Chicago, Milwaukee, Cleveland, Detroit, Toledo, and Buffalo, also have a great stake in our foreign trade. The expenditures connected with the St. Lawrence Seaway project, which they and the Federal Government have made or will make amount to many hundreds of millions of dollars.

In the first place, the United States Government is to spend from $125 million to $133 million on our share of the St. Lawrence project. The Canadians are to spend some $320 million. That is a total of from $445 million to $453 million, or, in round numbers, about $450 million. It is estimated that 40 million tons of cargo per year will be shipped through the project during the first 10 years of its life, and that there will be a marked increase in tonnage after that.

Included in this amount are approximately 10 million tons a year of iron ore from Labrador or Brazil and other extensive amounts of grains and steel. Even now, several 7,500-ton ocean-lake cargo vessels are being built, to ply the Great Lakes and ocean ports.

In the Chicago area, which I shall use as an example, numerous other expenditures, both Federal and local, already have been made or will be made.

I want to mention, first, the Calumet-Sag project, which will connect Lake Michigan with Lake Calumet and the Indiana border and the Illinois River, and through which will be shipped grain, ore, and steel. This project is merely a part of the integrated waterway and port authority program which is being built in the Chicago area, in preparation for the St. Lawrence Seaway project.

The Calumet-Sag project is in three parts, of which only part I is now being constructed. The project includes channel deepening and widening, and the construction of locks and bridges. The estimated total cost of the project is almost $200 million, of which the Federal share is about two-thirds, and the non-Federal share one-third.

In addition to this, the Chicago Regional Port Authority has organized the planning and construction of facilities which would implement the St. Lawrence Seaway project. A program with expenditures of some $24 million is now under way in the Lake Calumet area, and much of it is completed. I inspected it last fall. It includes some 3,300 feet of commercial wharves; modern transit sheds; the construction of two grain elevators, each with a 6½-million-bushel capacity; and further projected facilities for a trucking terminal and the extension or addition of another elevator. These projects will eventually cost approximately $50 million.

Other Chicago projects with possible expenditures of as much as $38 million at the mouth of the Chicago River are now being studied. Therefore, in the Chicago area alone, plans for the expenditure of about $280 million in Federal and local moneys have already been made, and some of them have actually been completed. Similar, although perhaps not as extensive, programs are planned or have been completed by other Great Lakes cities.

I understand that there are plans at Toledo to expand the port facilities there and to add grain-elevator capacity. Cleveland has completed a pier, at a cost of $1,250,000; and bids are being sought in the spring for additional pier facilities costing $1,750,000. Lorain, Ohio, plans to deepen its harbor; and the National Tube Co., a subsidiary of United States Steel, is considering new work on a lock. Milwaukee, Wis., has already spent several millions on facilities; and others are under study.

I have gone into these projects and expenditures for docks, grain elevators, channel deepenings, wharfage facilities, truck terminals, and pier extensions associated with the St. Lawrence Seaway project because they make necessary a meaningful extension of the Reciprocal Trade Act. If we do not extend the act, and if we return to the narrow, protective, and restrictive practices of the Smoot-Hawley era, not only will our total trade be diminished, but these facilities and the money spent on them—amounting to several hundred million dollars—will have been wasted. Fewer ships will bring goods into the Great Lakes; foreign countries will buy less from us; and, therefore, there will be fewer goods to be sent and fewer ships taking goods from the Great Lakes area through the St. Lawrence to overseas ports.

To sum it up, unless we extend the Reciprocal Trade Act, we shall be all dressed up, with no place to go. It is, therefore, to the direct and immediate economic interest of the Midwest to pass a meaningful extension of the act.

V—THE PROBLEMS WE FACE IN PASSING A MEANINGFUL EXTENSION OF THE ACT

1. ESCAPE CLAUSE PROVISION

While I am a supporter of freer trade and, therefore, think the administration's proposal to extend the Reciprocal Trade Act should pass, in the proposed extension there is most certainly one provision which should be discarded. It is the section which authorizes the President, in escape-clause proceedings, to raise tariffs by 50 percent of the 1934 levels. At the present time, under these proceedings, tariffs may be raised when injury is shown by 50 percent of the 1945—not the 1934—levels. As the general level of our tariffs in effect in 1934, following passage of the infamous Smoot-Hawley tariff of 1930, was over 50 percent—in fact, it was approximately 52 percent—and as the general level of tariff rates now is 13 percent of the value of the goods imported, the effect of this provision would be to give the President the authority to raise tariffs on specific goods to an average of 75 percent of the value of the imported goods, instead of to an average of approximately 20 percent of their value. With the present

escape-clause definitions of injury as wide open as a barn door, this is potentially one of the most protective amendments which anyone has ever proposed to the act. I am afraid that it shows once again that, while the administration speaks in the words of freer trade, its deeds are generally those of protection.

Let us take an example. Under the 1934 tariff levels, with an average rate of 50 percent, an item costing $10, when imported, would have had, on the average, a tariff rate of $5. Today, an item costing $10 would have, on the average, a tariff of $1.30. Under the new proposal, the President could increase tariff rates, not by 50 percent of $1.30—or to about $2, but, on an item with a 13 percent tariff rate, by 50 percent of the 1934 rate, or from $1.30 to $7.50. This would mean that, on the average, the increases would be not 50 percent, but 475 percent of the existing rates.

That is the general meaning of the request of the President. It should be defeated by the Congress, because it is an absurdly high rate, and goes well beyond any reasonable attempt to give some reasonable flexibility in the rates upward, as well as downward. Any company which is injured to such an extent that it needs a 475-percent increase in the tariff on goods which compete with it, must, indeed, be very noncompetitive. When one includes shipping costs, what this means is that foreign goods would come in with a burden of tariff rates and transportation costs of approximately 100 percent of the cost of the domestic product.

The burden of such increases would be borne by the particular consumers of the company's products who would be indirectly subsidizing such an inefficient firm. A tariff is a tax, and in this case the burden of the tax falls on the particular American consumer. The burden is not borne by society as a whole, but is borne by the number of consumers of particular products.

In fact, relief in the form of raising a tariff is a double cost on the country, because, first, the consumer must pay higher prices for the products; and, second, because of retaliation by the countries against whom the tariff was raised, some other American product suffers the effects of increased tariffs, reduced trade, and unemployment in the sale of its goods abroad. This shifts the unemployment, and creates a new problem. Total productivity and the real national income are lowered.

CHANGE ESCAPE CLAUSE

I suggest, therefore, that we seek a better method for aiding industries which can show actual injury because of added imports. It is unfair that the benefits of freer trade should be gained by the country as a whole, and yet have the attendant burdens borne by a disproportionately small number of persons. Both the benefits and the burdens should be shared by the country as a whole, and not by a few.

It would seem far wiser if we were to change the escape clause. I would suggest a system whereby an industry which could prove an actual injury—not just a potential injury, or the failure to gain as much of an increased share of the market as it thinks it should obtain, which is now the law—could come to the Tariff Commission for relief. If it could prove its case, the relief, instead of taking the form of an increase in the tariff, should take the form of indemnification by grants, loans, and technical assistance over a limited period of time, in order that the firm or industry could diversify its products and could shift its productive capacity to more prosperous lines.

The cost of such relief could be paid from the revenues which come from existing import taxes; or, if it were felt that it was improper to earmark these revenues for particular purposes, then an amount up to the total revenue from customs should be appropriated to do the job. In the fiscal year 1957, this amounted to $735 million.

This is the healthy and just way to approach this problem. As it has been estimated by Dr. Piquet that if all tariffs were removed, no more than 200,000 to 400,000 workers would be affected, the cost of such a program would not be very high.

I ask unanimous consent that a table prepared by Dr. Piquet which appears in the staff papers of the Randall Commission and which shows that if all tariffs were removed, only from 200,000 to 400,000 workers would be displaced, be included in the RECORD at this point in my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Number of workers producing goods equivalent to increases in annual imports after temporary tariff suspension

[Based on estimated increases in imports in event of tariff suspension, by Howard S. Piquet in Aid, Trade and the Tariff]

Types of import increases in case of tariff suspension and area of employment	Number of workers producing goods equivalent to—					
	Estimated minimum import increases			Estimated maximum import increases		
	Total	Employed in—		Total	Employed in—	
		Nonagricultural industries	Agricultural industries [1]		Nonagricultural industries	Agricultural industries [1]
A. All commodities	189,090	57,360	131,730	404,990	135,040	269,950
1. Direct employment	109,040	40,060	68,980	237,820	97,540	140,280
2. Indirect employment [2]	80,050	17,300	62,750	167,170	37,500	129,670
B. Commodities in "area of maximum import competition"	121,210	36,770	84,440	255,550	85,210	170,340
1. Direct employment	69,900	25,680	44,220	150,070	61,550	88,520
2. Indirect employment	51,310	11,090	40,220	105,480	23,660	81,820
C. Commodities which would be likely to cause some displacement of domestic goods	96,240	23,870	72,370	202,650	57,640	145,010
1. Direct employment	59,660	18,280	41,380	127,730	44,960	82,770
2. Indirect employment	36,580	5,590	30,990	74,920	12,680	62,240

[1] Agricultural employment figures are based upon Bureau of Agricultural Economics data.
[2] Includes estimates of offsetting employment in ocean transportation and insurance arising from assumed import increases.

Source: U. S. Bureau of Labor Statistics, Branch of Interindustry Economics.

Mr. DOUGLAS. However, as lower American tariffs may affect very adversely a particular industry or a particular firm or community, it is not unfair to seek a better form of relief than that which a tariff increase gives. The policy I am advocating has been adopted by the European coal and steel community and by the common market. It was urged by Mr. David McDonald, as a member of the Randall Committee, and has been embodied in bills by my colleagues, Senators HUMPHREY and KENNEDY.

2. THE RECESSION

Mr. President, we are now in the midst of an economic slump or recession, and the sentiment for protection tends to increase as a recession and unemployment develop. Of course, protection will not help solve the recession; but it will, in fact deepen it and make it more severe, see exhibit 6. Surely this is a lesson we should have learned from the experience of the Smoot-Hawley tariff of 1930.

Mr. President, it so happens that in 1930, I had a large share in helping draft an analysis, which was signed by 1028 economists, in which we asked the then President of the United States, Herbert Hoover, to veto the pending Smoot-Hawley bill. We pointed out that enactment of that bill, which increased the already high protective tariffs, would inevitably cause the European countries, first, to be financially less able to buy goods from the United States, and, second, to impose retaliatory tariffs upon United States goods, and that the result would be not only a diminution of imports, but also a diminution of exports and a further decrease of employment and an intensification of the depression—see exhibit 5 for the text of the statement.

Our advice was not taken by the President. The tariff bill was signed. What I had prophesied came true. Next year, 1931, Great Britain put into effect imperial preference. Other countries throughout the world began to increase their tariffs. The Smoot-Hawley tariff measurably deepened and prolonged the

depression, and injured not only the rest of the world, but the United States. Now we find ourselves in a recession, and here I am on the floor of the Senate pleading the same cause and the same arguments, knowing full well that, in spite of all one's talk, the pressure of the recession will influence people in terms of protection for particular industries which will be injured, and instead of suggesting financial indemnification for those industries, restrictive tariffs will be proposed.

A few figures will show why we should have learned the lesson that protection will hurt us more than any good which might come to the protected industries. In 1956 (1957 figures are not complete), the United States exported some $19 billion in goods and services. We imported only $12.6 billion, and therefore had an excess of $6.4 billion of exports over imports. If we raise tariffs or apply quotas, we can only expect retaliation from other countries against our products. As we export so much more than we import, this would harm us far more than the help any particular tariff increase might give to a specific industry.

Since most of the present unemployment is due to factors other than foreign imports, it would continue in those industries which sought and gained tariff increases. Take, for instance, the decline in the lead and zinc industry. Is that really caused by foreign imports, or is it caused by diminished business which has resulted in diminished demand for lead and zinc? I believe that the latter is the case.

Additional unemployment would then come in those industries which now export a considerable share of their production. This increased unemployment in turn would lead to less purchasing power for those who work in all industries, and this would soon further affect the purchases of consumers' durables, such as autos, washing machines, dryers, television sets, air conditioners, and the like, and unemployment and the recession would be compounded.

Thus, tariff increases would not merely have the effect of shifting unemployment from those firms which seek protection from imports to those firms which depend on exports, but there would be increased unemployment in both places.

Further, there are many better ways to help cure a recession, including easing monetary and credit restrictions, building needed public works, increasing Government expenditures for schools, hospitals, and those items in the budget which would increase consumer consumption, a tax cut to stimulate consumption if the recession continues and deepens, and aid to distressed areas and industries by way of grants, loans, and technical aid, to name only a few. I am in favor of such of those steps as are needed to cure the recession.

Protection, on the other hand, would damage rather than help our economy and could very well lead to economic disaster if pursued at home.

We must seek an answer to these problems by policies which will expand our economy rather than by increased tariffs and protectionism which are restrictive policies and, at best, may somewhat help a very few at the expense of the many.

However, reason does not always sway action, and I cite the recession as a major reason why the extension of the Reciprocal Trade Act is in great difficulty, and indeed in great peril.

3. ADMINISTRATION POLICY

I have felt also that the extension of the Reciprocal Trade Act and our membership in OTC would be difficult to pass because of the reluctant and only half-hearted support which the President and this administration have given to policies of freer trade in the past. While making many fine statements in favor of freer trade, the President has commonly acted in the opposite way. In particular, he has packed the Tariff Commission with protectionists.

In a speech which I gave on the floor of the Senate 2 years ago, I outlined the melancholy record of the President in connection with the Commission. Thus, he appointed a long-tested protectionist as Chairman of the Commission, and a professional tariff lobbyist as Vice Chairman. Two of the three other members who have been appointed by the President are blown-in-the-bottle protectionists. The staff has been filled with men who follow the official protectionist line. The Commission, therefore, has a built-in bias against freer trade and lower tariffs, and show this in their recommendations to the President under the escape clause.

I understand that the forces opposed to reciprocal trade are going to propose that the Tariff Commission instead of, as now, the State Department should represent us at the GATT conferences. In all charity, may I say that this would be about the same as sending the Minsky brothers and other promoters of burlesque to be the delegates to a conference on the purification of the drama. A friend of mine has suggested that it would be like sending the criminal syndicate to an anticrime convention. But this analogy seems to me to be a little too strong, although possibly not too greatly in excess of the truth.

In recent weeks a famous supporter of the President, Mrs. Clare Boothe Luce, has in desperation proposed that the Commission be abolished. A better suggestion would be that the President appoint members who believe in his officially declared policy. But of this there is no sign, and I am afraid that the President's gutting of the Commission speaks more eloquently of his real policy than do his high-sounding speeches.

A similar denial in action of principles espoused in words has been the way in which the President has approved large increases in the tariffs on watches—thereby endangering our relations with Switzerland—on bicycles and on clothespins and safety pins—I do not believe the latter could be regarded, by any stretch of the imagination, as essential for the national defense—and the manner in which he has forced the Japanese to put a so-called voluntary quota on the amount of cotton textiles they will send us and on the oil to be imported from outside. A similar rigid tariff-rate quota has been imposed on the importation of woolen goods, which, I may say, has grievously hurt the American men's clothing industry and has therefore injured my city.

This naturally makes both the public and the legislators extremely skeptical of the real intent and purpose of the administration. It is increased in my own case by bitter memories of the 1955 extension of reciprocal trade, when the President and his administration failed to fight for the bill which the House had passed, largely because of help from the northern Democrats and the courageous efforts of Speaker RAYBURN, and instead allowed it to be emasculated in the Senate. Some of us were ready to fight for these same principles in this body, only to find that the administration had once again pulled the rug out from underneath us.

Thus, while I welcome the President's proposals for the extension of reciprocal trade and membership in OTC, the appointment of Mr. Dillon to see this program through, and the encouragement given to Mr. Eric Johnston to form a group which will help create public opinion in favor of both foreign aid and reciprocal trade, I shall have to wait until the battle is over to see if the administration really intends to stick by its guns.

It is certainly discouraging that before a gun is fired, the administration, in an effort to soften the opposition, also proposes to give the President the power to raise tariffs 50 percent above those prevailing in 1934—50 percent above the Smoot-Hawley tariffs.

The way things are starting out, what finally emerges may become known as the High Tariff Act of 1958.

In all kindness, I think the best one can say about this administration in tariff matters is that it means well feebly, and that, like Oscar Wilde, it can resist everything except temptation.

Perhaps one should also say that in economic matters this administration is schizophrenic and has a split and double personality, one day espousing low tariffs and another day high tariffs. Certainly it would be ironic, as the administration is presumably pressing for freer trade, if it increased the tariffs on lead and zinc, if it transformed voluntary quotas on oil into compulsory quotas, and if, while mouthing low-tariff arguments, it put into effect high-tariff practices.

I think it is clear that the reciprocal trade program will have great difficulty, at best, in winning passage in any meaningful form. I could talk for half an hour on the rocks and difficulties which I see ahead, but I shall not do so. It will have no chance at all unless the President and his leaders fight for it and get ample support from the members of their own party. If they bend every effort, we may still have a chance. But we Democrats who believe in freer trade cannot do the job alone.

Permit me to say in conclusion, Mr. President, that we shall welcome in comradeship and cooperation those Republicans who mean what they say and who strive for a freer-trade policy. I

think we demonstrated that in the struggle for civil-rights legislation last summer. For the first time sections of the two parties joined together and worked cooperatively to get a civil-rights bill through. There were many difficulties in the way of cooperation. I think each of us was somewhat suspicious of the other as we began, but as the struggle went on and we came to have faith in each other we did get some kind of a bill through. I think we have developed a certain degree of trust in each other which can be of great use.

I want to pay tribute to the junior Senator from New York [Mr. JAVITS] whom I see in the minority leader's chair. We could not have had a better colleague in our work on civil rights. I look forward with the same pleasure to cooperating with him and others of his character in the struggle for a better trade policy.

Mr. President, I hope that despite the opposition to this bill from both sides of the aisle we may rally and put through a program which is for the best interests of the United States and the world.

Mr. President, before I yield the floor, I wish to ask unanimous consent that several exhibits which I have prepared be included in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXHIBIT 1

United States merchandise exports and imports for consumption, by leading commodities, 1936–38 average and 1953–57

[In millions of dollars]

Commodity [1]	1936–38 average	1953	1954	1955	1956	January–September	
						1956	1957
Exports of United States merchandise, total	2,925	15,652	14,981	15,421	18,928	13,748	15,674
Nonmilitary exports, total [2]		12,141	12,726	14,165	17,171	12,343	14,575
Exports, excluding "special category" commodities, total [3]		11,525	12,123	13,509	16,476	11,827	13,987
Agricultural commodities, total	778	2,847	3,054	3,198	4,168	2,836	3,376
Raw cotton, excluding linters	313	517	780	469	718	401	803
Vegetable oils, fats, and oilseeds [4]	5	173	306	324	447	292	315
Tobacco, unmanufactured	143	341	304	356	334	219	237
Wheat, including flour	62	589	427	482	797	578	688
Other grains and preparations	54	470	323	459	544	380	377
Other agricultural commodities	201	757	914	1,108	1,328	966	956
Nonagricultural commodities, total [3]	2,147	8,677	9,069	10,311	12,308	8,991	10,611
Machinery [5]	440	2,747	2,595	2,824	3,468	2,588	2,886
Automobiles, parts, and accessories [5]	292	963	1,036	1,238	1,357	1,024	988
Chemicals and related products [5]	129	800	983	1,077	1,237	937	1,036
Textile manufactures	87	640	621	615	629	460	497
Iron and steel-mill products, including scrap	199	495	516	818	1,075	750	1,092
Petroleum and products [5]	344	498	431	442	567	338	668
Coal	56	335	304	485	732	529	648
Nonferrous metals, including ferroalloys	114	176	305	319	415	296	364
Other nonagricultural commodities [5]	486	2,023	2,278	2,493	2,828	2,069	2,432
Imports for consumption, total	2,461	10,779	10,240	11,337	12,516	9,329	9,585
Agricultural commodities, total	1,260	4,185	3,973	3,982	3,962	3,105	2,900
Coffee	141	1,469	1,486	1,357	1,440	1,129	995
Cane sugar	152	425	411	415	437	377	381
Cocoa or cocoa beans	35	167	252	185	144	121	95
Other foodstuffs	328	908	827	798	778	589	620
Crude rubber	179	332	262	442	398	299	258
Wool, unmanufactured	57	296	223	260	242	196	173
Other agricultural commodities	373	588	512	525	523	394	378
Nonagricultural commodities, total	1,201	6,594	6,267	7,355	8,554	6,224	6,685
Nonferrous metals and ferroalloys	178	1,662	1,392	1,528	1,711	1,241	1,276
Petroleum and products	42	762	829	1,026	1,286	940	1,150
Paper and paper-base stocks	221	937	926	985	1,092	812	777
Textile manufactures	174	464	440	585	648	481	485
Machinery	19	245	240	277	355	266	329
Automobiles, parts, and accessories	1	53	53	85	145	97	228
Sawmill products	18	236	252	323	306	236	183
Chemicals and related products	87	293	249	255	274	203	206
Fish, including shellfish	31	194	210	214	238	177	188
Iron ore	5	97	119	177	250	184	214
Iron- and steel-mill products, excluding scrap	19	251	116	145	230	152	178
Other nonagricultural commodities	406	1,400	1,441	1,755	2,019	1,435	1,490

[1] Commodity data for 1936–38 and 1953–56 have been adjusted to conform as nearly as possible to 1957 statistical classifications. The distributions of nonagricultural exports by principal commodities, however, are based on total exports in 1936–38 and on exports excluding "special category" items in 1953 and later periods. (See footnote 3.)

[2] Data represent total exports minus shipments of military equipment and supplies by the Department of Defense under the mutual security program. Commodity breakdowns of nonmilitary exports are not available.

[3] "Special category" commodities are those to which security restrictions applied in 1956 as regards publication of detailed export statistics.

[4] Data exclude essential oils.

[5] Data for 1953 and later periods exclude "special category" exports. (See footnote 3.)

NOTE.—Details will not necessarily add to totals because of rounding.
Source: Department of Commerce.

EXHIBIT 2

[From the bulletin of the European Community for Coal and Steel, Luxembourg, April-May 1957, No. 23]

THE EUROPEAN ECONOMIC COMMUNITY

A COMMON MARKET FOR ALL GOODS

In the preamble to the treaty creating a European Economic Community, the six signatory governments declare their intention of establishing "the foundations of an enduring and closer union between European people" by gradually removing the economic effect of their political frontiers. A common market and a common external tariff—a customs union—are to be established for all goods; common policies for agriculture, transport, labor mobility, and the important sectors of the economy are to be devised; common institutions for economic development are to be set up; and, for an experimental period of 5 years, the oversea areas connected with the member states are to be associated with the new Community. All these measures are to be taken with one essential aim—a steady improvement in the conditions of life and work of the people of the six countries.

Institutions

The treaty, which binds the 6 counties for an unlimited period of time, consists of 248 articles, 15 annexes, 4 declarations of intention, and 3 protocols. The institutional arrangements follow broadly the pattern set by the Coal and Steel Community. The major difference is that the nine-man European Commission, which will be the operating executive body, will require the approval of the Council of Ministers for a far wider range of decisions than is the case for the High Authority. Thus, the Commission would propose and the Council dispose, to borrow a London Economist comment. In the early stages many important decisions will require the Council's unanimous agreement. For subsequent decisions a qualified majority of its votes (4 each to Germany, France, and Italy; 2 each to Belgium and Holland, and 1 to Luxembourg) will be sufficient.

The new Economic Community will share with the Coal and Steel Community and Euratom the same parliamentary Assembly—the present Common Assembly enlarged from 78 to 142 members. France, Germany, and Italy will each send 36 Assembly delegates, Belgium and Holland 14, and Luxembourg 6. The present Court of Justice will also be enlarged to serve the Economic and Atomic Communities. In addition an Economic and Social Committee will serve the Court on an advisory level.

The transition period

A period of between 12 and 15 years, broken up into 3 stages, will be allowed for the introduction of the common market. Each stage is to be of 4 years with the proviso that the ending of the first stage be conditional upon agreement between the Commission and the Council of Ministers that the necessary progress has been made. It may be extended to 6 years, or beyond if disagreement continues; the further stages may also be prolonged—but only on condition that the Council of Ministers agrees unanimously, and as long as the total transition period is not extended beyond 15 years.

Tariffs

Detailed rules are laid down for the gradual removal of customs duties between member states, and the establishment of a common external tariff. For internal import duties there will be a reduction of 30 percent in each of the first two stages, the remaining 40 percent being removed in the final 4 years. In the first year of the common market there will be a uniform reduction of 10 percent of the duty (calculated on the basis of rates in force on January 1, 1957) on all articles. In the application of the two further reductions of 10 percent each which will follow at intervals of 18 months, and for the second and third stages, member states will be allowed a certain amount of discretion as regards the incidence of the tariff cuts on the various types of goods.

Export duties on goods destined for Community countries will be abolished not later than the end of the first stage.

A common tariff on imports from non-Community countries will be established in full not later than the end of the transitional period at the arithmetical average of tariffs in force in the six countries on January 1, 1957. All duties which on January 1, 1957, varied by no more than 15 percent from the common list will be replaced by the common tariff in 4 years; for other tariffs the gap will be reduced by 30 percent after 4 years, a further 30 percent after 8 years, and eliminated by the end of the transition period.

Quantitative restrictions on trade within the Community are also to be eliminated in stages. Import quotas will be increased at least 20 percent a year by value and 10 percent a year by products, and by even greater amounts where global quotas are less than 3 percent of a country's domestic output of a given product. All bilateral quotas will become global quotas after 1 year.

Agriculture and transport

Common policies for agriculture and transport are to be evolved during the transitional period. For agriculture a conference of member states is to be called to lay down the lines of a common agricultural policy and to draw up a balance sheet of needs and resources. Within 2 years of the entering into force of the treaty, the Commission must present its proposals. A common organization for agricultural markets will be set up, its form depending on the needs of particular products. Until then, development of trade will be encouraged by the conclusion of long-term contracts.

During the transitional period member states will have the right to apply minimum prices for certain products (as long as these are nondiscriminatory and do not lower the previous volume of trade). If prices fall below this level imports may be temporarily suspended, reduced or admitted only at a higher price.

For transport the Council will establish (by a unanimous vote in the first two stages, by a qualified majority afterwards) common rules for international transport and other necessary measures for a common policy. Not later than the end of the second stage all rates which discriminate by reason of the national origin or destination of the goods transported are to be abolished. From the beginning of the same stage all state subsidies will be forbidden, unless specifically authorized by the Commission. A Consultative Committee to assist in this field is to be set up.

Labor, capital and services

The free circulation of workers, capital, and services is to be established in the community by the end of the transition period. As soon as the treaty comes into force, the Council after due consultation will decree measures necessary to secure the mobility of labor. These will include provisions for the close collaboration of national labor organizations, for the removal of administrative difficulties, and for the circulation of information about jobs and labor available in the community. The Council will also arrange—after a unanimous vote—for the necessary social security measures.

Restrictions on the movement of capital belonging to residents of the community are to be progressively removed, and not later than the end of the first stage, current payments related to the movement of capital will be freed from all controls. Meanwhile, states will seek not to introduce any new restrictions, and to make their existing arrangements as liberal as possible. They may, however, take, or be empowered by the Commission to take, protective measures within certain limits if capital movements should disturb their economies.

A general plan for the removal of restrictions on the free offering of services throughout the community will be published at the end of the first stage if the Council approves unanimously, and rules will be drawn up for mutual recognition of diplomas, certificates and other qualifications.

Common rules and policies

The central section of the treaty proposes common rules and policies in order to ensure free and equal competition within the community. Antimonopoly rules are stricter and more specific than those of the coal and steel community. In the early period they are to be enforced nationally on the basis of detailed reports to governments by the Commission; within 3 years, however, international rules and directives which have the force of law in the six countries are to be issued after a unanimous vote by the Council of Ministers. The treaty forbids any agreement of association which prevents, restrains or distorts competition, and notably those directly or indirectly fixing prices; regulating or controlling production, investment or technical development, sharing markets, requiring the acceptance of additional goods besides those required by the customer; or providing for discriminatory conditions of supply. The abuse by one or a number of enterprises of a dominant position in a market is also forbidden. Agreements contributing to better production or distribution, or to promote technical or economic progress, can however be authorized, provided the restrictive effect is no greater than is necessary for this purpose.

Similarly, state subsidies which distort competition are also forbidden, though special aid for economically underdeveloped areas, and special projects of European importance will be permitted. Discriminations through fiscal policy will be banned, as will concealed export subsidies within the common market.

The member states also bind themselves to consider as a matter of common interest their economic and commercial policies. In world trade, the member states agree to aim at the suppression of restrictions and the reduction of tariffs, and the application of a common commercial policy, particularly in tariff regulations, by the end of the transition period. The Commission will promote coordination of the member governments' social policies, notably conditions of work, social security, accident and health insurance, and trade union rights. From the end of the first stage of the transitional period the principle of equal pay for equal work will be applied. A European Social Fund will be set up to advance employment and labor mobility and will operate similarly to the coal and steel community's readaptation program.

While assuring their own balance of payments position, members states will set up a monetary committee with consultative functions. Exchange-rate policy will be considered as a matter of common interest, and the Commission may authorize reprisals for a limited period against any state which uses revaluation for unjustifiable aims. When grave balance-of-payments difficulties threaten a member state, the Commission must conduct an inquiry without delay; it can propose to the Council methods by which the rest of the community may help a member state in difficulties.

The European Investment Bank

A bank is to be set up to give aid to underdeveloped regions, to help modernization and conversion, and to finance projects of mutual interest. It will have a capital of $1,000,000,000 contributed as follows

	Million
Germany	$300.0
France	300.0
Italy	240.0
Belgium	86.5
The Netherlands	71.5
Luxembourg	2.0

Overseas territories

The six countries agree to associate their overseas territories with the common market and to promote their social and economic development. The products of the overseas territories will enter the community on equal terms with those of member states, and each overseas territory will extend to all the member countries any special concessions it applies to the country with which it has special links.

A special development fund will be set up to which a total of $581.25 million will be contributed in the first 5 years. Germany and France will each contribute $200 million, Belgium and Holland, $70 million each; Italy, $40 million; and Luxembourg, $1.25 million. The Commission will establish the general program of proposed investments; the Council—with a special voting system—will make the final decision. The fund is to be allocated as follows to the countries and territories of the following states—France, $511.25 million; Netherlands, $35 million; Belgium, $30 million; Italy, $5 million.

General finance

The member states will contribute in the following proportions—France, Germany, and Italy, 28 units each; Belgium and the Netherlands, 7.9 units each; Luxembourg, 0.2 units. The Commission, which is charged with the preparation of the budget, is also charged with studying under what conditions state contributions could be replaced by independent resources, notably the receipts from the common tariff. The community's budget must be approved first by a qualified majority of the Council and then by the Assembly. Should the Assembly propose modifications

the Council, in consultation with the European Commission, makes the final decision.

Safeguards

Special measures for the protection of the interests of individual member states are allowed in the sphere of defense and in the case of war. During the transition period a state in serious and persistent economic difficulties may be permitted to take special measures to safeguard its economy.

EXHIBIT 3

SUMMARY OF THE CUSTOMS UNION FEATURES OF THE TREATY ESTABLISHING THE EUROPEAN ECONOMIC COMMUNITY [1]

TIMETABLE

1. The common market will be established progressively over a transitional period of 12 years divided into 3 stages each of 4 years.

2. Before passing on to the second stage, the Council must decide whether the objectives set down for attainment during the first stage have been achieved.

3. The second and third stages cannot be prolonged or shortened save by unanimous decision of the Council.

4. In any case, the period of transition may not be longer than a total of 15 years. At the end of the period of transition, all the rules and regulations for the common market must come into effect.

The customs union

1. Customs duties will be progressively eliminated in respect of trade between the member states. Taking the duties actually applied on January 1, 1957, as base, duties must be reduced by stages according to the following timetable: (a) 1 year after entry into force of the treaty; (b) 2½ years after entry into force of the treaty; (c) 4 years after entry into force of the treaty; (d) 18 months after the beginning of the second stage; (e) 3 years after the beginning of the second stage; (f) 4 years after the beginning of the second stage.

2. On the first occasion each duty must be reduced by 10 percent. On each subsequent occasion the overall incidence of the tariff must be reduced by 10 percent, individual rates in excess of 30 percent must be reduced by at least 10 percent, and other rates by at least 5 percent.

3. The remaining reductions required to abolish tariffs altogether will be made during the third stage in accordance with a timetable to be decided by the council. Any special difficulties of member governments in complying with these provisions will be settled by the council.

4. Export taxes on trade within the common market must be abolished by the end of the first stage.

5. Revenue duties must be abolished in the same way as other import duties, but they may be replaced by internal taxes which do not discriminate against imports.

The common external tariff

1. Apart from specific exceptions, the common external tariff will be the arithmetic mean of the tariffs of the various members on January 1, 1957. The common tariff may not exceed: (a) 3 percent for most raw materials; (b) 10 percent for most semimanufactured goods; (c) 15 or 25 percent for certain chemicals. (For certain chemicals, tariffs of less than 3 percent will be considered to be tariffs of 12 percent for the calculation of the common tariff.)

2. For a specified list of products the tariff will be fixed by negotiation and not by calculation. Some of these negotiations are completed but most are still to come.

3. The common tariff will be introduced successively at the end of the three stages. Thirty percent of the difference above or below the common tariff will be removed at the end of the first stage, 30 percent at the end of the second stage. But if the national tariff is not more than 15 percent greater or less than the common tariff, the common tariff will be introduced at the end of the first stage.

4. No change may be made in the common tariff save by unanimous decision of the council. The council may, however, by majority vote modify for a period of not more than 6 months and for not more than 20 percent. A member may also be authorized to suspend any part or the whole of the tariff on agricultural products.

Quantitative restrictions

1. In general, quantitative restrictions on imports between members are prohibited.

2. There must be no intensification as between members of existing quantitative restrictions which are to be progressively eliminated in the course of the transitional period.

3. A year after the treaty comes into force, all bilateral quotas are to be converted into global quotas available without discrimination to all other members.

4. The total value of quotas is to be increased by 20 percent compounded annually with a minimum of 10 percent for each individual product.

5. For every product a minimum quota of 3 percent of domestic production must be established a year after the treaty's signature, to be increased to 4 percent after 2 years, 5 percent after 3 years, and thereafter annually by at least 15 percent. If there is no domestic production, the Commission will fix an appropriate quota.

6. At the end of 10 years, all quotas must be at least equal to 20 percent of domestic production.

7. Quotas representing more than 20 percent of domestic production need not be increased by the minimum of 10 percent annually, provided that quotas are increased by 20 percent overall and the Council by a majority vote on the Commission's recommendation approve.

8. The Commission shall determine how and when restrictions equivalent to quantitative restrictions shall be removed.

9. The above arrangements can be altered by decision of the Council on the Commission's recommendation.

10. Quantitative restrictions on exports as between members are prohibited. Existing restrictions must be removed not later than the end of the first stage.

EXHIBIT 4

THE AGREEMENT ON THE ORGANIZATION FOR TRADE COOPERATION—AN ARTICLE-BY-ARTICLE ANALYSES

PART I. GENERAL

Article 1 establishes the Organization for Trade Cooperation to further the achievement of the purposes and objectives set forth in the General Agreement on Tariffs and Trade. Such purposes and objectives relate to the freeing of international trade from artificial barriers as a contribution to the broad goals of international trade and economic endeavor, i. e., raising standards of living, insuring full employment and increasing real income, developing the world's resources, and expanding the production and exchange of goods. The language of the article makes clear that the means envisaged for the accomplishment of these objectives are limited to action in the trade field.

Article 2 first lays down the general principle that the members of the Organization shall be the contracting parties to the general agreement. An amendment to article XXV of the general agreement provides that those contracting parties which have accepted the organizational agreement may decide that any contracting party which has not accepted the organizational agreement shall cease to be a contracting party to the GATT.

Governments which become contracting parties to the general agreement shall become members of the Organization, and conversely governments which cease to be contracting parties to the general agreement shall cease to be members of the Organization. These provisions are contained, respectively, in an amendment to article XXXIII of the general agreement and in article 17 of the organizational agreement. The provision in article 2 on ceasing to be a member takes the place of any provision for withdrawal from the Organization.

By two-thirds majority of the votes cast, the organization may invite governments which have not been or which have ceased to be contracting parties of the general agreement to participate in such activities of the Organization, and on such terms, as are decided by the Organization. While it would generally be for the Organization to decide what these limited rights might be, the agreement specifically provides that such governments would have no voting rights when the Organization is exercising any activity relating directly to the general agreement.

Article 3 prescribes the functions of the Organization. It first states that the Organization shall administer the general agreement and generally facilitate its operation. Part III of the agreement, discussed later, contains more detail as to the exercise of this function. Additional functions of the Organization are: To facilitate intergovernmental consultations on questions relating to international trade; to sponsor international trade negotiations; to study questions of international trade and commercial policy and where appropriate make recommendations thereon, and, finally to collect, analyze, and publish information and statistical data relating to international trade and commercial policy.

It will be noted that the agreement gives the Organization powers of administration only in respect of the general agreement. Furthermore, sponsorship of negotiations relating to trade does not necessarily imply endorsement by the Organization, or by any particular member, of any result of such negotiations.

This article also provides that the Organization shall not have authority to amend the provisions of the general agreement. (The general agreement may be amended only by contracting parties to it, acting under art. XXX of the general agreement.) Moreover, it specifies that the Organization may not impose on a member any new obligation which the member has not specifically agreed to undertake.

PART II. STRUCTURE AND ADMINISTRATION OF THE ORGANIZATION

Article 4 provides that the Organization shall have an Assembly, an Executive Committee, and a Secretariat. Under article 5 the Assembly, which consists of all of the members of the Organization, is responsible for carrying out the functions of the Organization. Specific provision is made that the Assembly, which shall meet in regular annual session with provision for special sessions, shall specify the seat of the Organization, establish its own rules of procedure, and approve the rules of procedure of the Executive Committee. It will also be the body which will have the responsibility for the carrying out of the various activities involved in the administration of the general agreement (discussed in connection with pt. III), and the general functions of consultation, recommendation, and the sponsorship of negotiations.

Article 6 establishes an Executive Committee. It is to consist of 17 members to be

[1] Taken from the pamphlet Freer Trade in Europe, prepared by the Information Division of the British Treasury and the British Central Office of Information, May 1957.

elected by the Assembly. These will include the five members of chief economic importance, thus assuring that the United States will always be a member of the Executive Committee. The other members will be selected on the basis of representation of different geographic areas, types of economies, and degrees of economic development.

This Committee shall have such powers and perform such duties as are assigned to it by the Assembly by a two-thirds majority of the votes cast. For instance, with a view to expediting the handling of matters arising between sessions of the Assembly, the Executive Committee might be given authority to hear complaints of nullification or impairment of benefits under the general agreement and assist the members involved to reach a settlement, to conduct consultations with members desiring to take action for economic development under article XVIII of that agreement, or indicate what members have an interest in a concession which a member may desire to renegotiate under article XXVIII. In each instance the Assembly could delineate the extent of the Committee's authority.

Any decision or recommendation of the Executive Committee is subject to appeal to the Assembly in accordance with rules prescribed by the Assembly. Provision is made for a member not on the Executive Committee to participate without a vote in any discussion by the Committee which concerns it.

Article 7 provides for the Secretariat. It authorizes the appointment of a Director-General as chief administrative officer of the Organization. His powers, duties, conditions of service, and term of office shall conform to regulations approved by the Assembly. The Director-General or his representative may attend meetings of the Assembly and other bodies of the Organization without the right to vote. As in the case of the secretariat of any international organization, the Secretariat will, for example, prepare the drafts of necessary documents, circulate proposals by members, and generally service the activities of the Organization, both during and between meetings.

The Director-General shall appoint members of the staff and fix their duties and conditions of service in accordance with regulations approved by the Assembly. Provision is made that members of the staff should, to the extent possible, be selected on a wide geographical basis and with due regard to the different types of economies represented by the member countries, but that the paramount consideration should be to secure the services of persons with the highest standards of efficiency, impartiality, and integrity.

The article also contains provisions comparable to those in agreements setting up other international organizations designed to insure the international character of the responsibilities of the Director-General and the members of his staff. They are neither to seek nor receive instructions from any government nor from any other authority outside the Organization. Members are to respect this international character and not seek to influence the performance of the duties of the Secretariat staff.

Article 8 prescribes voting procedures. Each member of the organization shall have one vote in the Assembly, decisions of which are, except as otherwise provided for in the organizational agreement or in the general agreement, to be taken by a majority of the votes cast. Similarly, each member on the Executive Committee and of other bodies of the Organization shall have one vote therein. Rules of procedure may, however, provide that parties to a dispute before a subsidiary body shall abstain from voting. This could prevent the inequitable situation of only one party to a dispute having a vote in relation to it because only one party was a member of the subsidiary body considering it.

Article 9 provides that the budget of the Organization, to be submitted by the Director-General, shall be approved, and apportioned among the members, by the Assembly. If a member is in arrears for 2 years, it will lose its voting rights unless the Assembly is satisfied that failure to pay assessments is due to circumstances beyond the control of the member.

Article 10 covers status, privileges, and immunities. It is stated that the Organization shall have legal personality; that is, it shall have such powers as to sue and be sued and to make contracts, and, in the territories of members, such legal capacity, privileges, and immunities as may be necessary for the exercise of its functions. Similarly, the officers of the Organization and the representatives of members shall have the privileges and immunities needed to enable them to exercise their functions under the Organization, similar to those accorded by member countries to specialized agencies of the United Nations, their officers, and representatives of their members. Section 288a to 288f of title 22 of the United States Code contains those privileges and immunities which would be granted by the United States.

Article 11 provides that the Organization shall make arrangements with intergovernmental organizations which deal with related problems, for cooperation and for the avoidance of unnecessary duplication of activities. These would, among other things, continue the close, informal arrangements between the contracting parties to the general agreement and the International Monetary Fund, under article XV of the former agreement, on matters relating to import restrictions for balance-of-payments reasons. The article also would permit the Organization for Trade Cooperation to be brought into relation with the United Nations as a specialized agency if this is approved by the Assembly of the Organization. Specific reference is also made to arrangements for consultation and cooperation with nongovernmental organizations which may be concerned with matters within the scope of the Organization. For example, the contracting parties to the general agreement have already made several studies at the request of the International Chamber of Commerce, one of which has led to the conclusion of a convention in the customs treatment of samples and advertising matter which is now before the United States Senate for its advice and consent.

PART III. SPECIAL PROVISIONS RELATING TO THE ADMINISTRATION OF THE GENERAL AGREEMENT

Article 12 authorizes the Organization to administer those provisions of the general agreement which provide for action by the Organization, and to carry out those other activities in relation to the general agreement which involve joint action. The various provisions of the general agreement now providing for action by the contracting parties acting jointly would be amended to provide that such action would be taken by the Organization. Thus, the Organization would take actions which have heretofore been taken by the contracting parties (such as decisions regarding measures for economic development under art. XVIII), sponsoring of negotiations (including tariff negotiations), facilitating consultations (such as those relating to import restrictions for balance-of-payments reasons), conducting studies (such as those now being conducted at the request of the United Nations regarding the effects on trade of discriminations regarding transport insurance), circulating proposals (such as requests for renegotiations under art. XXVIII), and receiving reports (such as reports of balance-of-payments restrictions where such action is required or appropriate to carry out the purposes of the general agreement).

Article 13 empowers the Organization in exceptional circumstances, by two-thirds of the votes cast comprising more than half of the members, to release a contracting party to the general agreement from an obligation assumed by participation in that agreement. The contracting parties to the general agreement have hitherto exercised this function under paragraph 5 (a) of article XXV of that agreement for which this article will be substituted. For example, the contracting parties have recently granted the United States a waiver for any actions which have been or may be taken under section 22 of the Agricultural Adjustment Act, as amended, which might otherwise be contrary to the provisions of the general agreement.

Article 14 provides that the Organization shall carry on the functions with regard to the settlement of disputes now exercised by the contracting parties under article XXIII of the general agreement. These include the investigations of complaints when they are referred to it by a contracting party which contends that benefits accruing under the general agreement are being nullified or impaired or that the attainment of an objective thereof is being impeded. The Organization may make recommendations, as for further bilateral discussions; or make rulings, as interpretations of provisions of the general agreement in dispute; and may consult with other contracting parties and with other appropriate governmental organizations, when it considers such consultation necessary. In particularly serious cases the Organization may authorize the complainant party to suspend the application to another party of such concessions or other obligations under the general agreement as it considers appropriate. Action under this provision may be discriminatory. In the event a complainant country does suspend concessions or other obligations, the affected country may, if dissatisfied, withdraw from the general agreement and therefore from the Organization, in which case the decision is no longer binding on it.

Article 15 provides that the members of the Organization shall not, in their capacity as contracting parties to the general agreement, amend the general agreement so that it will contain procedures regarding general waivers, or nullification and impairment procedures, different from those set forth in article 13 and 14 of the organizational agreement.

PART IV. OTHER PROVISIONS

Article 16 relates to amendments. It provides that amendment to the organizational agreement shall become effective upon acceptance by two-thirds of the members. However, in no case will they bind a member which has not accepted them. The United States would seek Congressional approval before accepting an amendment to the organizational agreement.

Article 17 provides for the formal entry into force of the organizational agreement, which was opened for acceptance at Geneva on March 10, 1955. Acceptance can be effected, by signature or otherwise, by contracting parties to the general agreement and by other governments which have notified the Director-General of their intention to accede to the general agreement. Acceptance of the organizational agreement by the United States is contingent upon action by the Congress to authorize United States membership in the proposed Organization.

The agreement shall enter into force for those contracting parties to the general agreement which have accepted the organizational agreement when contracting parties which account for 85 percent of the total external trade of the contracting parties have accepted the organizational agree-

ment. The percentages of external trade set forth in the annex to the organizational agreement are the basis for determining when the 85 percent figure has been reached. The organization cannot be established, or its provisions become effective, without United States acceptance, since United States external trade accounts for over 20 percent of the total external trade. Thereafter the agreement shall enter into force for any government, following its acceptance.

Article 18 provides that copies of the agreement and notices of its acceptance shall be sent to contracting parties. The article also provides for the customary registration of the agreement with the United Nations.

PART V. TRANSITORY PROVISIONS

Article 19 is designed to meet the possibility that the organizational agreement may enter into force before the entry into force of the protocol amending the general agreement to transfer its administration to the organization. It provides that, in such a case, all references in the general agreement to action by the contracting parties jointly shall be understood to mean action by the organization.

Some governments may be able to apply the organizational agreement provisionally before they have accepted it formally under article 17. Article 20 provides that, if the agreement has not entered into force under article 17 before November 15, 1955, those contracting parties to the general agreement which are prepared to apply the agreement provisionally may do so, provided that the territories of such governments account for the same percentage of trade as is required for the entry into force of the agreement (85 percent). Here, again, action could not be taken without the United States. In the event the United States is prepared to accept the agreement, because Congress has approved, this provision would enable the United States and other countries to apply the agreement without awaiting formal acceptance under article 17 by contracting parties accounting for the requisite percentage of trade.

Article 21 provides that, pending entry into force of the organizational agreement, the executive secretary to the contracting parties to the general agreement shall exercise certain administrative functions assigned by the organizational agreement to the Director-General of the Organization.

JUNE 15, 1955.

EXHIBIT 5

(Text of statement issued by 1,028 economists in 1930 urging President Hoover to veto the infamous Smoot-Hawley Tariff Act of 1930:)

ONE THOUSAND AND TWENTY-EIGHT ECONOMISTS ASK HOOVER TO VETO PENDING TARIFF BILL—PROFESSORS IN 179 COLLEGES AND OTHER LEADERS ASSAIL RISE IN RATES AS HARMFUL TO COUNTRY AND SURE TO BRING REPRISALS

WASHINGTON, May 4.—Vigorous opposition to passage of the Hawley-Smoot tariff bill is voiced by 1,028 economists, members of the American Economic Association, in a statement presented to President Hoover, Senator Smoot and Representative Hawley by Dr. Claire Wilcox, associate professor of economics at Swarthmore College, and made public here today. They urge the President to veto the measure if Congress passes it.

Economists from 46 States and 179 colleges, among them Irving Fisher of Yale, Frank W. Taussig of Harvard, Frank A. Fetter of Princeton, Wesley C. Mitchell of Columbia, J. Laurence Laughlin of the University of Chicago, and Williford I. King of New York University, join in the statement.

Arguing against increased tariff rates they declare that the pending bill will raise the cost of living and injure the "majority of our citizens," that under it the vast majority of farmers would lose and that American export trade in general would suffer.

Asserting that America now faces the problem of unemployment, the economists challenge the contention of high tariff proponents that higher rates will give work to the idle. Employment, they state, cannot be increased by restricting trade, and American industry, in "the present crisis, might be spared the burden of adjusting itself to higher schedules of duties."

They urge the administration to give regard to that "bitterness which a policy of higher tariffs would inevitably inject into our international relations."

The text of the statement is:

"The undersigned American economists and teachers of economics strongly urge that any measure which provides for a general upward revision of tariff rates be denied passage by Congress, or if passed, be vetoed by the President.

"We are convinced that increased restrictive duties would be a mistake. They would operate, in general, to increase the prices which domestic consumers would have to pay. By raising prices they would encourage concerns with higher costs to undertake production, thus compelling the consumer to subsidize waste and inefficiency in industry.

"At the same time they would force him to pay higher rates of profit to established firms which enjoyed lower production costs. A higher level of duties, such as is contemplated by the Smoot-Hawley bill, would therefore raise the cost of living and injure the great majority of our citizens.

"Few people could hope to gain from such a change. Miners, construction, transportation and public utility workers, professional people and those employed in banks, hotels, newspaper offices, in the wholesale and retail trades and scores of other occupations would clearly lose, since they produce no products which could be specially favored by tariff barriers.

"The vast majority of farmers also would lose. Their cotton, pork, lard, and wheat are export crops and are sold in the world market. They have no important competition in the home market. They cannot benefit, therefore, from any tariff which is imposed upon the basic commodities which they produce.

PREDICT A DOUBLE LOSS

"They would lose through the increased duties on manufactured goods, however, and in a double fashion. First, as consumers they would have to pay still higher prices for the products, made of textiles, chemicals, iron, and steel, which they buy. Second, as producers their ability to sell their products would be further restricted by the barriers placed in the way of foreigners who wished to sell manufactured goods to us.

"Our export trade, in general, would suffer. Countries cannot permanently buy from us unless they are permitted to sell to us, and the more we restrict the importation of goods from them by means of ever higher tariffs, the more we reduce the possibility of our exporting to them.

"This applies to such exporting industries as copper, automobile, agricultural machinery, typewriters and the like fully as much as it does to farming. The difficulties of these industries are likely to be increased still further if we pass a higher tariff.

"There are already many evidences that such action would inevitably provoke other countries to pay us back in kind by levying retaliatory duties against our goods. There are few more ironical spectacles than that of the American Government as it seeks, on the one hand, to promote exports through the activity of the Bureau of Foreign and Domestic Commerce, while, on the other hand, by increasing tariffs it makes exportation ever more difficult.

"We do not believe that American manufacturers, in general, need higher tariffs. The report of the President's Committee on Recent Economic Changes has been shown that industrial efficiency has increased, that costs have fallen, that profits have grown with amazing rapidity since the end of the World War. Already our factories supply our people with over 96 percent of the manufactured goods which they consume, and our producers look to foreign markets to absorb the increasing output of their machines.

"Further barriers to trade will serve them not well, but ill.

AFFECT ON INVESTMENTS ABROAD

"Many of our citizens have invested their money in foreign enterprises. The Department of Commerce has estimated that such investments, entirely aside from the war debts, amounted to between $12,555,000,000 and $14,555,000,000 on January 1, 1929. These investors, too, would suffer if restrictive duties were to be increased, since such action would make it still more difficult for their foreign debtors to pay them the interest due them.

"America is now facing the problem of unemployment. The proponents of higher tariffs claim that an increase in rates will give work to the idle. This is not true. We cannot increase employment by restricting trade. American industry, in the present crisis, might well be spared the burden of adjusting itself to higher schedules of duties.

"Finally, we would urge our Government to consider the bitterness which a policy of higher tariffs would inevitably inject into our international relations. The United States was ably represented at the world economic conference which was held under the auspices of the League of Nations in 1927. This conference adopted a resolution announcing that 'the time has come to put an end to the increase in tariffs and to move in the opposite direction.'

"The higher duties proposed in our pending legislation violate the spirit of this agreement and plainly invite other nations to compete with us in raising further barriers to trade. A tariff war does not furnish good soil for the growth of world peace."

The signers include many economists connected with banks, public utilities, manufacturing industries, merchandising concerns, and other business establishments.

The number signing from leading universities are: Columbia, 28; New York University, 22; Cornell, 18; Harvard, 25; Yale, 14; Princeton, 17; Dartmouth, 24; Chicago, 26; Wisconsin, 23; Pennsylvania, 13; California, 11; Stanford, 7; Illinois, 14; Northwestern, 9; Minnesota, 15; Missouri, 15.

ORIGINATORS AND FIRST SIGNERS

Paul H. Douglas, professor of economics, University of Chicago.

Irving Fisher, professor of economics, Yale University.

Frank D. Graham, professor of economics, Princeton University.

Ernest M. Patterson, professor of economics, University of Pennsylvania.

Henry R. Seager, professor of economics, Columbia University.

Frank W. Taussig, professor of economics, Harvard University.

Clair Wilcox, associate professor of economics, Swarthmore College.

ADDITIONAL SIGNATURES

Alabama

University of Alabama: James Halloday.

Arizona

University of Arizona: Robert B. Pettingill.

Arkansas

University of Arkansas: Truman C. Bingham, Walter B. Cole, Kenneth Sharkey, C. C. Fichtner, A. W. Jamison, C. O. Branner, B. M. Gile.

Hendrix Henderson College: Ivan H. Grove, O. T. Gooden.

California

University of California: Ira B. Cross, Gordon S. Watkins, Stuart Daggett, M. M. Knight, Robert A. Brody, E. T. Grether, E. J. Brown, Lonn T. Morgan, Henry F. Grady, E. W. Braun, N. L. Silverstein.

Claremont College: Horace Secrist.

University of Southern California: Reid L. McClung.

University of Redlands: H. C. Tilton, Arthur D. Jacobson.

California Institute of Technology: Horace N. Gilbert.

Mills College: Glenn F. Hoover.

Stanford University: Dean W. E. Hotchkiss, Eliot Jones, Holbrook Working, Helen Cherington Farnsworth, Ada Fay Wyman, L. Elden Smith, Murray S. Wildman.

Pomona College: Kenneth Duncan, George I. Burgess, Norman Ness.

Armstrong College of Business Administration: Frank A. Haring, W. W. Diehl, J. Evan Armstrong, John H. Goff, George A. Letherman, J. Frank Day.

College of the Pacific: Robert C. Root, Luther Sharp, Laura M. Kingsbury.

Pasadena Junior College: Roscoe Lewis Ashley, Earl D. Davis, Leland M. Pryor, Fred G. Young, Louise H. Murdock, Henry P. Meinikow, Louis J. Hopkins, R. F. Berkeley, Walter W. Cooper, Howard S. Noble, L. S. Samra, Philip J. Webster, Claire Soderblom.

Colorado

University of Colorado: Dean Elmore Peterson, Frederick J. Bushee.

Colorado College: A. P. R. Drucker, J. G. Johnson, Edna Rose Groth.

University of Denver: H. W. Hudson.

State Agricultural College: D. N. Donaldson.

Colorado Wesleyan University: Clyde Olin Fisher, K. M. Williamson, Norman J. Ware.

Connecticut

Yale University, Ray B. Westerfield, Fred R. Fairchild, Withrop M. Daniels, Jerome Davis, C. H. Whelden, Jr., Hudson B. Hastings, Ralph A. Jones, A. Barr, Jr., William W. Werntz, Triston R. Barnes, H. Berrolzheimer, Goeffrey Crowther, Francis W. Hopkins.

Connecticut Agricultural College: Albert E. Waugh, Edward H. Gumbart, Cecil G. Tilton.

Trinity College: G. A. Kleene, George A. Suter, Henry W. Farnam, Curtis M. Geer, Charles A. Tuttle.

Delaware

University of Delaware: Claude L. Bonner, Harry S. Gabriel, J. Sidney Gould.

District of Columbia

Horace R. Drury, Frank J. Warne, Herbert O. Rogers, Arthur Sturgis, Boris Stern, Lester D. Johnson, Edith S. Gray, Arthur S. Field, W. H. Rowe, Glen L. Swiggett, John H. Gray, Jesse E. Pope, Harold Van V. Fay, Kurt Schneider, Charles E. Purans, Agnes L. Peterson, C. E. Clement, George B. L. Arner, William G. Elliott 3d, George B. Galloway, R. M. Boeckel.

Brookings Institution: C. C. Hardy, Leverett S. Lyon, Philip G. Wright, Lynn R. Edminster, W. M. Blaisdell, Gustavus A. Weber, Frank Tannebaum, Freda Baird.

George Washington University: Harold G. Sutton, Richard N. Owens, Belva M. Owens.

American University: Charles F. Marsh, D. A. Kinsman.

Catholic University: The Reverend John A. Ryan.

Florida

Francis M. Williams, H. Clay Armstrong, Isaac W. Bernheim.

Rollins College: Glen E. Carlson, Leland H. Jenks.

University of Florida: Harwood B. Dolbeare, Howard M. Dykman, Rollin S. Atwood, W. T. Hicks, J. G. Eldridge, J. P. Wilson, P. C. Scaglione, Huber C. Hurst.

Georgia

University of Georgia: Dean E. P. Brooks, Glenn W. Sutton, James B. Summers, Malcolm H. Bryan, John W. Jenkins.

Agnes Scott College: James M. Wright.

Emory University: Edgar H. Johnson, Clark Warburton, Mercer G. Evans.

Idaho

University of Idaho: Irwin Crane.

College of Idaho: Robert Rockwood McCormick.

Illinois

University of Illinois: Merlin H. Hunter, D. H. Hoover, M. A. Weston, D. Philip Locklin, Simon Litman, George U. Sanford, Paul E. Alyer, Paul M. Vanarsdell, Edward Berman, Donald R. Taft, Horace M. Gray, Daniel Barth, Jr., D. M. Dailey, R. F. Smith.

Northwestern University: Earl Dean Howard, Spencer W. Myers, Arthur J. Todd, Charles A. R. Wardwell, A. D. Theobald, Harold A. Frey, Coleman Woodbury, Robert J. Ray, E. W. Morehouse, Helen C. Manchau.

James Milliken University: Jay L. O'Hara.

Monmouth College: J. S. Cleland.

University of Chicago: H. A. Millis, J. Laurence Laughlin, Henry Schultz, Garfield V. Cox, Chester W. Wright, Stuart P. Meech, H. G. Shields, Hazel Kyrk, James L. Palmer, Paul W. Stone, Martin Taitel, Helen R. Jeter, S. H. Nerlove, F. W. Clower, John U. Nef, Howard A. Baker, Charles J. Coe, Sara Landau, Arthur M. Weimer, Hilding B. Jack, Mary V. Covey, Leo McCarthy, May I. Morgan, R. W. Baldwin, Esther Essenshade.

Knox College: R. S. Steiner.

Lewis Institute: Judson F. Lee, P. S. Mata, E. J. Fowler, Carl Vrooman, A. D. Arado, Eugene W. Burgess, Ruth M. Kellogg, S. Leon Levy, Dorothy W. Douglas, Edward Manley, Willard S. Hall, O. David Zimring, E. W. Marcellus, I. W. Mints, Roger T. Vaughan, Everett V. Stonequist, Henry C. Simons, Margaret Grobben, Howard B. Myers, Joseph E. Griffin, Gerald S. Brown, H. S. Irwin, George E. Hooker, John H. Sherman, John B. Woolsey, Harland H. Allen, Lester S. Kellogg.

Indiana

Indiana University: Thomas S. Luck, William C. Cleveland, Guy E. Morrison, James E. Moffat, Edwin J. Kunst.

Butler University: M. G. Bridenstein, Earl R. Beckner, Chester B. Camp, M. F. Gaudian.

Evansville College: Dean Long, Heber P. Walker, Paul G. Cressey.

Goseh College: Roland Yoder.

De Pauw University: William R. Sherman, A. H. Woodworth.

Iowa

University of Iowa: E. B. Reuter, Richard W. Nelson, George W. Mitchell, J. L. Miller, J. E. Partington.

Drake University: David F. Owens, L. E. Hoffman, W. N. Rowlands, Herbert W. Bohlman, Herbert R. Mundhenke.

Iowa State College: Elizabeth Hoyt, John E. Brindley.

Penn College: President H. L. McCracken.

Grinnell College: Laetia M. Conard.

Kansas

University of Kansas: John Ise, Jens P. Jensen, Eugene Maynard, Domenico Gagliardo.

Kansas State Agricultural: Leo Spurrier, J. E. Karnmeyer, T. J. Anderson, Jr.

Kansas Wesleyan: David Dykstro.

Southwestern College: E. R. McCartney.

Bethel College: Robert G. O. Grovewald, J. P. Moyer, H. W. Guest, W. M. Blach.

Kentucky

University of Kentucky: Edward Weist, James W. Martin, J. Catron Jones, C. A. Pearce, J. Phillip Glenn, Harry Best, Ester Cole, Chester W. Shull, G. W. Patton, John Kimper, Dana G. Card, Saul K. Walz, H. Bruce Price, Walter W. Jennings.

Louisiana

Tulane University: Robert W. Eisasser; J. H. Stallings, National Fertilizer Co.

Maine

John W. Bowers.

Bowdoin College: Walter B. Catlin, Phillips Mason, Morgan B. Cushing, William W. Lockwood, Jr., Wilfred H. Crook.

Maryland

Theodore Marburg, Dexter M. Keezer.

Goucher College: Mollie Ray Carroll, Elinor Pancoast.

St. John's College: V. J. Wyckoff.

Johns Hopkins University: Broadus Mitchell.

Western Maryland College: W. B. Sanders, W. Scott Hall.

Massachusetts

Harvard University: G. B. Roorbach, John D. Black, Carl F. Taeusch, N. S. B. Gras, Albert P. Usher, M. L. McElroy, Lawrence C. Lockley, T. H. Sanders, S. E. Harris, J. E. Dalton, Arthur W. Hanson, Donald H. Davenport, Scott Warren, Malcolm P. McNair, Murray R. Benedict, Albert O. Greef, P. T. Ellsworth, James A. Ross, Jr., George P. Baker, S. S. Stratton, Robert L. Masson, Edmund P. Learned, Joseph L. Snider, Karl W. Bigelow.

Amherst College: Willard L. Thorp, George R. Taylor, A. K. Eaton.

Williams College: President H. A. Garfield, W. W. McLaren, Albert Sydney Bolles, Walter B. Smith, David Clark, Rosnell H. Whitman.

Wellesley College: Elizabeth Donnan, Lucy W. Killough, Emily Clark Brown, Mary B. Treudley.

Massachusetts Institute of Technology: James C. MacKinnon, B. A. Thresher, Carroll W. Doten.

Tufts College: President John A. Cousens.

Smith College: Frank H. Hankins, Harold U. Faulkner.

Simmons College: Sara S. Stites.

Mount Holyoke College: Alzada Comstock.

Babson Institute: James M. Matthews.

Boston University: Charles T. Andrews.

Northeastern University: Milton J. Schlagenhauf, Julian E. Jackson, B. Gabine.

Clark University: Arthur F. Lucas, S. J. Brandenburg.

Wheaton College: Edith M. White, Herman P. Arentz, John W. Boldyreff, Dickinson W. Leavens, Francis G. Goodale, L. H. Hauter, George M. Peterson, Samuel Sigilman, E. M. Winslow, A. S. Kingsmill, Prentice W. Townsley, Gilbert A. Tapley, L. H. L. Smith, John D. Willard, Lauchlin Currye, A. E. Monroe, C. L. McAleer, Arthur M. Moore, Harry Wood, Edward S. Mason, Lucile Eaves.

Michigan

Lawrence H. Seltzer, Arthur E. Erickson, Clifford E. King.

Battle Creek College: W. E. Payne.

Western State Teachers' College: Floyd W. Moore.

University of Michigan: Dean C. F. Griffin, G. S. Peterson, Roy G. Burroughs, Carroll H. May, Robert J. Henry, Ruth M. Engle, Nathaniel H. Engle, C. F. Remer.

Michigan State College: Herman Wyngarden.

Minnesota

Carleton College: J. S. Robinson, O. C. Helwig, Paul R. Fossum, Gordon H. Ward.

University of Minnesota: Roy G. Blakey, Alvin H. Hansen, B. D. Mudgett, O. B. Jesness, R. A. Stevenson, Carl C. Zimmerman, Roland S. Vaile, Peter L. Stagswold, Glen R. Treanor, A. C. Haskin, Arthur W. Marget, O. W. Behrens, Richard L. Kozelka, J. Ross McFayden, John J. Reighard.

Mississippi

Agricultural and Mechanical College: Lewis E. Long.

Missouri

Chester W. Bigelow, S. H. Rigg.

Washington University: G. W. Stephens, J. Ray Cable, Orval Bennett, Ralph Carr

Fletcher, Joseph M. Klamow, Joseph J. Senturia.

Westminster College: W. S. Krebs, Frank L. McCluer.

University of Missouri: Harry Gunnison Brown, James Harvey Rogers, Charles A. Elwood, F. L. Thomsen, B. T. Frame, C. H. Hammar, Preston Richard, D. C. Wood, H. C. Hensley, Morris D. Orten, Howard S. Jensen, Arthur S. Ennis, R. E. Curtis, George W. Baughman, O. R. Johnson.

Montana

University of Montana: Mattheas Kast.

Nebraska

Edward L. Taylor, W. G. L. Taylor, D. M. Halley.

Doane College: J. Harold Ennis, J. E. Taylor.

University of Nebraska: J. E. Lerossignol, G. O. Virtue, J. E. Kirshman, Verron G. Morrison, Oscar R. Martin, J. C. Rankin.

Nevada

University of Nevada: Edward G. Sutherland, M. J. Webster, W. R. Blackhed, Ernest S. Brown.

New Hampshire

University of New Hampshire: Claire W. Swonger, Carroll M. Degler, John D. Hauslein, H. J. Duncan, H. W. Smith.

Dartmouth College: Malcolm Kier, Ray V. Leffler, Robert E. Riegel, Russell D. Kilborne, W. A. Carter, Bruce W. Knight, Everett W. Goodhue, H. V. Olsen, Robert P. Lane, Louis W. Ingram, Archie M. Peisch, Stephen J. Navin, Herman Feldman, H. S. Raushenbush, Stacy May, H. F. R. Shaw, Earl R. Sikes, Lloyd P. Rice, Harry Purdy, J. L. McDonald, Nelson Lee Smith, Arthur Howe, G. Reginald Crosby, W. H. McPherson.

New Jersey

Walter H. Steinhauser, Edmund W. Foote, Augustus Smith, Franklin W. Ryan, Charles W. Lum, A. J. Duncan, Robert L. Smitley, Peter Fireman, Robert F. Foerster.

Princeton University: Frank A. Fetter, Frank Dixon, James J. Smith, Richard A. Lester, Vernon A. Mund, Denzol C. Cline, James M. Garrett, Stanley E. Howard, Donald L. Kemmerer, Frank W. Fetter, J. Douglas Brown, George F. Luthringer, Howard S. Piquet, George W. Modlin, J. W. Blum.

Rutgers University: E. E. Agger, Harry D. Gideons, Thomas W. Holland, E. L. Fisher.

New York

Columbia University: Wesley C. Mitchell, J. M. Clark, J. Russell Smith, James C. Bonbright, R. G. Tugwell, R. M. Maciver, Frederick M. Mills, Paul F. Brissenden, Robert E. Chaddock, Edward L. Thorndyke, Robert L. Hale, K. N. Llewellyn, A. H. Stockder, Edith Elmer Wood, William E. Dunkman, George Fillipetti, Edward J. Allen, Harold F. Clark, E. J. Hutchinson, B. H. Brechart, Addison T. Cutler, George Mitchell, Robert L. Carey, Elizabeth F. Baker, C. C. Williamson, Margaret Eagelson, Ralph H. Blanchard.

New York University: Wilford I. King, Myron W. Watkins, J. D. Magee, Walter E. Spahr, Maruc Nedler, Corwin D. Edwards, William E. Atkins, D. W. McConnell, A. A. Frederick, Richard A. Girard, Louis S. Reed, John J. Quigley, Carl Raushenbush, Irving Glass, Lois Maesienold, Edith Ayres, Arthur Weeburg, Willard Friedman, Loyle A. Morrison, Randolf M. Binder, John H. Prime, John W. Wingatex, Arthur Wubniez.

Cornell University: Sumner Slighter, Walter F. Willcox, Morris R. Copeland, Paul T. Homan, S. S. Garrett, M. Slade Kendrick, James E. Boyle, Paul M. O'Leary, Lewis A. Froman, Harold L. Read, Donald English, Julian L. Woodward, W. Ross Junkin, William R. Leonard, Leonard P. Adams, John H. Patterson.

Syracuse University: Harvey W. Peck, H. E. Bice.

Colgate University: Freeman H. Allen, Albert L. Myers, E. Wilson Lyon, Sherman M. Smith, T. H. Robinson, N. J. Padelford, Everett Clair Bancroft, J. Millbourne Shortliffe.

Vassar College: Mabel Newcomer, Ruth G. Hutchinson, Kathleen C. Jackson, Herbert E. Mills.

University of Buffalo: Niles Carpenter, T. L. Norton, Newlin R. Smith, Raymond Chambers.

Union College: W. M. Bennett, Donald C. Riley, Daniel T. Selks.

Wells College: Mabel A. Magee, Jean S. Davis.

Hobart College: W. A. Hosmer.

Hunter College: Eleanor H. Grady.

University of Rochester: Roth Clausing.

Brookwood Labor College: Daniel J. Saposs.

Taylor Society: H. S. Person, managing director.

The Business Week: Virgil Jordan, editor.

The Annalist: Bernard Ostrolenk, editor.

International Telephone Securities Co.: M. C. Porty.

Second International Securities Corp.: Leland R. Robinson.

Social Science Research Council: Meredith B. Givens.

American Electric Railways Association: Leslie Vickers.

Russell Sage Foundation: Mary Van Kleeck.

Tariff Board: N. I. Stone, formerly chief statistician.

Federal Council of Churches of Christ in America: Arthur E. Suffern, Benson Y. Landis.

New York School of Social Work: John A. Fitch.

Clarkson College: Charles Leese.

Industrial Relations Counselors, Inc.: Mary B. Gilson, Murray Latimer, W. Bert, S. Regalo, James W. Zonson, Jeanne C. Barber.

Skidmore College: Coleman B. Cheney.

College of the City of New York: Ernest S. Bradford.

St. Lawrence University: Whitney Coombs.

Alfred University: Paul Rusby.

American Management Association: Mary Rogers Lyndsay, Leona Powell.

American Association for Labor Legislation: George H. Trafton, John B. Andrews.

Carl Snyder, Leo Wolman, George Soule, Stuart Chase, Herbert Feis, Edward T. Devine, George P. Auld, Fabian Franklin, Lawson Purdy, Gorton James, Paul W. Paustian, Warren W. Persons, Paul Tuckerman, Charles B. Austin, Donald R. Belcher, H. T. Newcomb, Lester Kirtzleb, A. W. Kattenhous, W. W. Cumberland.

Also, M. L. Jacobson, R. D. Fleming, Dudley M. Irwin, George B. Hill, William Church Osborne, Robert F. Binkled, E. B. Patten, Wendell M. Strong, Ida Craven, Elizabeth Todd, A. D. Noyes, Robert E. Corradini, Samuel M. Dix, W. C. Wishart, Edward E. Hardy, Ernest G. Draper, M. Leo Gitelson, Harold Fields, Henry Israel, Asher Achenstein, F. L. Patton, Stanley B. Hunt, R. L. Wiseman, Shelby M. Harrison, Rufus S. Tucker, John J. Wille, R. D. Patton, William E. Johnson, Albert W. Russell, Robert T. Hill, D. J. Cowden.

W. D. Gann, Melbourne S. Moyer, Herbert Fordham, Owen Ely, Roger H. Williams, Robert M. Woodbury, May Lerner, Elsie Gluck, Paul Bonwit, Robert D. Kohn, V. Kelley, J. C. Meeder, Cyrus L. Sulzberger, Charles S. Bernheimer, Ephriam A. Karelsen, Henry C. Hasbrouck, Robert Whitten, P. M. Tuttle, F. Lewis Corser.

Also, Jeanett Kimball, Francis H. McLean, John M. Glenn, C. P. Fuller, Emily Barrofs Weber, Richard Kramer, Montefiore G. Kahn, Mary A. Prentiss, L. R. Gottlieb, Charles R. Fay, Martin Clark, John P. Munn, Otto S. Whitelock, Victor Morawetz, Clinton Collver, Helen Sumner Woodbury, William Seagle, Helen Sullivan, Bettina Sinclair.

North Carolina

Selma Rogas, C. K. Brown, A. Currie, Maxwell G. Pangle, Carl J. Whelan.

North Carolina State College: Joseph G. Knapp.

University of North Carolina: Dean D. D. Carroll, J. Gilbert Evans, W. F. Ferger, C. T. Murchison, G. T. Schwenning, E. D. Strong.

North Carolina College for Women: Albert S. Keister.

Duke University: R. A. Harvill, J. P. Breedlove, J. H. Shields, William J. H. Colton, Christopher Roberts, E. R. Gray, B. U. Ratchford, Robert S. Smith.

Elon College: Ralph B. Tower.

North Dakota

Dana G. Tinnes, James Forgerson.

University of North Dakota: Dean E. T. Towne, J. Donald Pymm, A. G. Rowlands, Daniel J. Schwieger, J. Perlman, Spencer A. Larsen, J. J. Rellahan, Roy E. Brown, Carmen G. Blough, E. C. Koch, V. A. Newcomb, Daniel James.

Ohio

Ohio State University: Matthew B. Hammond, Milo Kimball, J. J. Spengler, Clifford L. James, E. L. Bowers, Henry J. Butterman, W. M. Duffas, Louise Stitt, Wilford J. Eiteman, Paul N. Lehocyky, N. Gilbert Riddle.

Antioch College: William M. Leiserson, Rudolf Broda, Algo D. Henderson.

Lake Erie College: Olive D. Reddick.

Wooster College: Alvin S. Testlebe, E. E. Cummins.

University of Cincinnati: Harry Henig.

Miami University: Warren S. Thompson, P. K. Whelpton, Edwin S. Todd, H. H. Beneke, Henry P. Shearman, C. H. Sandage, Howard White, Howard R. Whinson, John F. Schreiner, Wilfrid G. Richards, Carroll B. Malone, James H. St. John, F. B. Joyner, W. J. M. Neff, J. R. Dennison, J. M. Gersting, Read Bain.

Heidelburg College: Onsian Gruber.

Hiram College: J. E. Smith.

Denison University: Hiram L. Jome, Harold H. Titus, Leo A. Thaake, Charles West, Frederick E. Detweiler.

Western Reserve University: Claude Stimson, O. J. Marsh, Louis O. Foster, C. C. Arbuthnot.

Oberlin University: C. C. Bayard, Paul S. Peirce.

Case School of Applied Science: Frank T. Carleton.

Kenyon College: George M. James.

Municipal University of Akron: W. W. Leigh.

University of the City of Toledo: Clair K. Searles.

Dr. I. M. Rubino, Edward D. Jones, John A. Zangerle, I. W. Appleby, Amy G. Maher, Homer H. Johnson, E. L. Oliver, Thomas M. Wolfe, Grover P. Osborne, Eugene H. Foster.

Goodyear Tire & Rubber Co.: H. L. Flanick, Royal E. Davis.

Oklahoma

Oklahoma Agricultural and Mechanical College: Orman W. Hermann, P. H. Stephens, J. T. Sanders.

University of Tulsa: A. M. Paxson, W. M. Maurer.

University of Oklahoma: Dean Paul L. Vogt, Leonard Logan, Jr., John P. Ewing, Ivar Axelson, N. Grady Sloan.

Northeastern State Teachers College: Dean Sobin C. Percefull.

Oregon

Oregon State College: E. B. Mittelman, F. L. Robinson, Alfred C. Schmidt, Curtis Kelley, Bertha Whillock, Lelia Hay, E. E. Farnsworth, J. H. Irvine, H. K. Roberts.

Reed College: Clement Akerman, Blair Stewart.

Pacific University: Harold N. Burt, Harold Harward.

University of Oregon: Vernon G. Sorrell.

Pennsylvania

University of Pennsylvania: Emory R. Johnson, dean; Raymond T. Bye, Paul F. Gemmill, William C. Schluter, Stuart A. Rice, W. E. Fisher, William N. Loucks, Karl Scholz, Clyde M. Kahler, Raymond T. Bowman, Weldon Hoot, William J. Carson.

Temple University: Russell H. Mack, William J. Douglas, S. S. Hoffer.

Wilson College: Henrietta C. Jennings.

Lehigh University: E. A. Bradford, Elmer C. Bratt.

University of Pittsburgh: Francis D. Tyson, Marion K. McKay, Colston E. Warne, Donald D. Kennedy, Vincent W. Lanfear, Hugh M. Fletcher, P. N. Dean.

Washington and Jefferson: Carl W. Kaiser.

Bryn Mawr College: Hornell Hartz.

Franklin and Marshall: Horace R. Barnes, Edward L. Lancaster, Wesley Gadd, Noel P. Laird, Harold Fischer.

Haverford College: Don C. Barrett, John G. Herndon, Jr.

Pennsylvania State College: Earl V. Dye, W. E. Butt, H. W. Stover.

Drexel Institute: Edwin J. Kaschenbach, A. E. Blackstone, C. L. Nickels, Earl Spargee, W. N. McMullan.

Swarthmore College: Robert C. Brooks, Herbert F. Fraser, Troyer S. Anderson, J. Roland Pennock.

J. Henry Scattergood, Hugo Bilgram, Carl W. Fenninger, Louis N. Robinson, M. S. D'Essipri, Charles L. Serrill, John C. Lowry, Herbert S. Welch, Raymond Symestvzdt, Alexander Fleischer.

Rhode Island

Brown University: C. C. Bosland, Willard C. Beatty.

Rhode Island State College: Andrew J. Newman.

South Carolina

Furman University: A. G. Griffin.

South Dakota

A. I. Osborne.

Tennessee

E. P. Aldredge.

University of Chattanooga: C. W. Phelps.

Southwestern University: M. H. Townsend, Horace B. Davis.

University of the South: Eugene M. Kayden, William S. Knickenbacker, W. H. MacKellar, J. J. Davis, I. Q. Ware, George W. Nicholson, J. P. Jersey, C. B. Wilmer.

Texas

University of Texas: R. H. Montgomery, A. S. Lang.

A. and M. College: F. B. Clark, G. C. Vaughn, Thomas A. Hamilton.

Southern Methodist University: William F. Hanhart, Donald Scott, Frank K. Rader, Laurence H. Fleck.

Texas Technological College: John C. Grenbery, Ormond C. Corry, Harold R. Nissley, B. F. Coldray, Jr.

Utah

Latter Day Saints' College: Feramorz Y. Fox.

Vermont

University of Vermont: George C. Groat, Claude L. Stineford, L. Douglas Meredith.

Virginia

William H. Stauffer.

College of William and Mary: Shirley D. Southworth, A. G. Taylor.

Randolph Macon: Langdon White.

Washington and Lee: Robert H. Tucker, E. E. Ferebee, M. C. Robaugh, M. Ogden Phillips, R. G. Lausgobel, Dean G. D. Hancock.

University of Virginia: Wilson Gee, Charles N. Hulvey, G. R. Snavely, Abraham Berglund, A. J. Barlow, E. A. Hiniard, G. S. Starnes, William H. Wendel.

Washington

Arthur B. Young.

University of Washington: Theresa S. McMahon.

State College of Washington: Lawrence Clark.

West Virginia

University of West Virginia: E. H. Vickers, A. J. Dadisman.

Marshall College: C. E. Carpenter.

Wisconsin

Charles E. Brooks, Eldred M. Keayes, Alice E. Belcher, Ethel Wynn, R. Beckwith, J. Roy Blough, A. R. Schnaitter, Mary S. Peterson, William D. Thompson.

Lawrence College: R. H. Lounsburg, W. A. McConacha, M. M. Bober, M. M. Evans.

Beloit College: Lewis Severson, Lloyd U. Ballard, Dwight L. Palmer.

Marquette University: Lyle W. Cooper, William H. Ten Haken, Leo A. Schmidt, Oscar F. Brown, N. J. Hoffman, George W. Knick.

University of Wisconsin: Frederick A. Og, Edward A. Ross, William H. Kiekhofer, Selig Perlman, Alma Bridgman, Elizabeth Brandeis, Arthur Hallahan, Philip G. Fox, H. Rowland English, J. C. Gibson, Stanley Rector, George S. Wehrwein, William A. Scott, Paul A. Rauschenbush, M. G. Glaeser, I. A. Hensey, Arnold Zempel, J. L. Miller, Russell H. Baugh, J. Marvin Peterson, Harold M. Groves, Alfred W. Briggs, Margaret Pryor.

EXHIBIT 6

[From the Washington Post and Times Herald of February 3, 1958]

EXPORT DROP STIRS CONCERN

(By Carroll Kilpatrick)

President Eisenhower last week asked Congress to extend the Reciprocal Trade Agreements Act for 5 years at a time when declining United States exports are a major depressant of American business.

Exports reached an all-time high in the first quarter of 1957, and then declined in every quarter thereafter.

The export boom in the latter part of 1956 and the early part of 1957 was a major factor in the domestic boom of a year ago. Similarly, the decline in exports was a factor contributing to the business downturn in the latter part of 1957.

WATCHING FOREIGN TRADE

Government officials are watching the foreign-trade picture with acute interest because it contains one of the important clues to the course of economic development in this country this year.

Many members of Congress are reluctant to vote for reciprocal trade because they fear there will be lower tariffs and thus more imports to compete with domestic industry and agriculture.

The fight over extension of the trade act is intricately connected with the developing export-import picture and the effect of foreign trade on business in this country.

EXPORT DECLINE EXPECTED

Commerce Department experts believe that while there will be an export decline this year it should not be substantial. Some think that the decline will not be much below the fourth quarter 1957 rate, when exports totaled an estimated $18.2 billion at an annual rate.

Here are the export totals at annual rates by quarters for the last 2 years:

	Billion
1956:	
1st quarter	$15.8
2d quarter	16.9
3d quarter	17.8
4th quarter	18.8
1957:	
1st quarter	20.2
2d quarter	19.7
3d quarter	19.5
4th quarter (estimated)	18.2

The bulge in exports in the latter part of 1956 and early 1957 was largely the result of the Suez Canal closure and the requirements for petroleum and coal in Western Europe.

It is noteworthy that imports into the United States during the same period were more stable. There are good reasons to believe that imports will continue at a relatively stable rate this year.

Total imports in 1957 are estimated at $12.9 billion compared with $19.4 billion in exports.

The fact that imports have been at a reasonably stable level and are expected to decline only slightly means that foreign countries have a fairly reliable source of dollars with which to buy United States exports.

Imports in the fourth quarter last year set an alltime high at an estimated annual rate of $13.2 billion. The rise from the third quarter was accounted for chiefly by a jump in coffee imports.

Imports this year of petroleum and newsprint are expected to decline from the highs of last year, but in most other categories the experts see no reason for radical changes.

They expect more foreign autos to be sold in the United States than ever before.

Most experts expect petroleum, agricultural, and coal exports to decline this year. All of these were affected by unusual demand abroad in 1956–57.

More serious is the decline in exports to Canada, which, like the United States, is suffering a recession, perhaps a more serious recession than the United States. Exports to Canada rose rapidly in 1955 and 1956 and reached a total of more than $4 billion last year.

The decline in exports to Canada this year, according to the experts, could be by as much as $600 or $800 million.

Taking all these factors into consideration, United States exports for 1957 are roughly estimated by some experts at slightly under $18 billion—compared with $19.4 billion in 1957.

EUROPE BRIGHT SPOT

Western Europe, a major importer of American goods, is a bright spot. In many respects, it holds the key to the foreign trade picture. Its business is strong, and if it takes nearly $6 billion of American industrial and agricultural production in 1958 as it did in 1957 it will have a stabilizing effect on the American economy.

Camille Gutt, Belgian Minister of State and former managing director of the International Monetary Fund, said in New York Thursday the European common market was a golden opportunity for American business. Europe, he said, "has become too small to be anything but a common market."

"I go further," Gutt said. "I believe that in 10 to 20 years' time, owing to the fantastic speed of progress, the world, at least the Western World, will have become too small to be anything but a common market. This is just the beginning of a beginning. The main thing is to begin."

It is because of the development of the common market that President Eisenhower asked Congress for a 5-year extension of the Reciprocal Trade Agreements Act. During the formation period of the European common market, the United States must have authority to negotiate with the six nations on trade and tariff questions, the President said.

EXHIBIT 7

THE LIBRARY OF CONGRESS,
LEGISLATIVE REFERENCE SERVICE.

EUROPEAN INTEGRATION: SELECTED REFERENCES ON THE COMMON MARKET AND THE FREE TRADE AREA

SECTION I. COMMON MARKET

Abs, Hermann J., European Common Market and World Economic Fundamentals, Commercial and Financial Chronicle, volume 185, February 7, 1957, pages 682–683.

Ambassade DeFrance, Service De Presse Et D'Information, A New Step in Building Europe. A Common Market for 175 Million Consumers, New York, June 1957, 11 pages.

Aschinger, E. F., Problematical Aspects of the Common Market Project, Swiss Review of World Affairs, volume 7, July 1957, pages 6–10.

Aschinger, E. F., Some Problems of European Economic Integration, Swiss Review of World Affairs, volume 7, April 1957, pages 7–10.

The Assembly's Common Market Resolution, Bulletin from the European Community for Coal and Steel, No. 15, May 1956, page 11.

Bareau, Paul, Britain and European Free Trade, International Journal, volume 12, Spring 1957, pages 128–137.

Bareau, Paul, Plans for a European Common Market, The Listener, volume 56, October 4, 1956, page 493.

Bertrand, Raymond, The European Common Market Proposal, International Organization, volume 10, November 1956, pages 559–574.

Bettelheim, Charles, The Common Market, Monthly Review, volume 9, May 1957, pages 5–10.

Britain and Europe, A Study of the Effects of British Manufacturing Industry of a Free Trade Area and the Common Market, Economist Intelligence Unit, Ltd., London, December 1957.

Britain and a European Common Market, The Banker, volume 106, September 1956, pages 543–548.

Britain and the Common Market, Barclay's Bank Review, volume 31, November 1956, pages 69–71.

Britain Moves Closer to Europe, Bulletin From the European Community for Coal and Steel, No. 18, September-October 1956, pages 5–6.

Britain, Germany, and the Common Market, The British Survey, Main Series, N. S. No. 96, March 1957, pages 1–3.

British Parliament Debates Approach to Common Market, bulletin from the European Community for Coal and Steel, No. 21, January 1957, pages 5–6.

Browne, Geoffrey S., Europe's Common Market; The Probable Impact on United States Business, Export Trade and Shipper, volume 75, May 20, 1957, pages 20–21, 64–72.

Camps, Mrs. Miriam, the European Common Market and American Policy, Princeton, N. J., Princeton University Center of International Studies, November 1956, pages 30, xxii.

Canada Eyes the Trade Plan, the Economist, volume 181, October 13, 1956, pages 145–146.

Common Market and Commonwealth, Economic Digest, volume 11, March-April 1957, pages 104–105.

Common Market Plan Will Spur United States Firms To Boost Plant Building in Europe, Wall Street Journal, July 12, 1957, pages 1, 15.

Curwin, Daniel., European Common Market, Labour Monthly, volume 39, April 1957, page 160.

Diamond, Walter H., Impact of the European Common Market on United States Exports and Investment Aboard, Magazine of Wall Street, volume 100, March 30, 1957, pages 19–21, 50–51.

Efron, Reuben and Allan S. Names, the Common Market and Euratom Treaties: Supranationality and Integration of Europe, International and Comparative Law Quarterly, fall, 1957.

Europe Takes a Step Toward a "United States": Meaning of a Common Market for Six Nations, U. S. News & World Report, volume 42, April 12, 1957, pages 62–65.

Europe Tries To Free Its Trade, Business Week, No. 1413, September 29, 1956, page 34.

Europe's Common Market, the Manchester Guardian Weekly, part 1, May 19, 1955, page 7; part 2, May 26, 1955, page 5.

European Common Market, the British Survey, main series, N. S. No. 96, March 1957, pages 4–18.

The European Common Market, Current Affairs Notes for the Canadian Forces, volume 2, September 15, 1957.

The European Common Market and Proposed Free Trade Area, Industrial Canada, volume 58, September 1957, pages 68, 70.

European Economic Community, Provisional Translation of Treaty Establishing the European Economic Community, Washington, 1957.

The European Economic Community: A Common Market for All Goods, Bulletin from the European Community for Coal and Steel, No. 23, April-May 1957, pages 3–5.

European Industrial Free Trade Area, British Affairs, volume 1, No. 1, March 1957, pages 6–9.

European League for Economic Cooperation, the Common Market To Promote Social Prosperity, résumé of the work of the Third International Conference of E. L. E. C. and list of participants, Brussels, June 20, 21, and 22, 1956, 42 pages.

A European Ottawa, Economic Digest, volume 11, June 1957, pages 191–192.

Free Trade—Gain or Pain? the Economist, volume 181, October 13, 1956, pages 155–158.

Gaston, J. Frank, The European Common Market, the Conference Board Business Record, volume XIV, May 1957, pages 206–213.

Geddes, C. J., Wages and the Common Market, the Listener, volume 57, April 4, 1957, pages 539–540, 567.

A General Common Market Takes Shape, bulletin from the European Community for Coal and Steel, No. 15, May 1956, pages 7–9.

Gillie, D., France and the Common Market, Spectator, volume 198, January 25, 1957, page 100.

Giordano, Renato, Euratom and the Common Market, the New Leader, volume 40, March 4, 1957, pages 10–11.

Harrod, Roy, Britain and the Common Market, Foreign Affairs, volume 35, January 1957, pages 225–237.

Healy, Dennis, Britain and the Common Market, the New Leader, volume 40, April 15, 1957, pages 14–15.

Hennessy, Jossleyn, The European Common Market: What Will It Mean to You? London, Westminster Chamber of Commerce, 1957.

Hill and Knowlton International, The European Common Market, a memorandum, New York, 1957, 13 pages.

How a Single Market Will Change the Map of Europe, Business Week, June 29, 1957, pages 70–96.

Hutton, Graham, Commonsense on a Common Market, the Reporter, volume 16, January 24, 1957, pages 23–25.

International Labour Office, Social Aspects of European Economic Cooperation, Geneva, 1956.

Into Europe, The Banker, volume 107, March 1957, pages 143–149.

Jenkins, Roy, European Common Market, Fabian Journal, No. 21, March 1957.

Jenks, Jorian, Common Sense and the Common Market, Economic Digest, volume 11, March-April 1957, pages 116–118.

LaMalfa, Ugo, Italy, and the European Common Market in Italy, A Financial Times Survey, April 23, 1957, page 9.

Lind, John H., Britain and Western Europe Act To Solve Problems, Magazine of Wall Street, volume 99, February 16, 1957, pages 637–639, 670.

Lloyd, E. M. H., Agriculture and the European Plan, Lloyds Bank Review, New Series No. 44, April 1957, pages 14–28.

Marjolin, Robert, Prospects for the European Common Market, Foreign Affairs, volume 36, October 1957, pages 131–142.

Monnet, Jean, The Silent Revolution in Europe, New York Times Magazine, February 3, 1957, pages 3, 50–51.

Mosse, Robert, The Common Market, Challenge, volume 5, August-September 1957, pages 8–12.

Oelbaum, Jerome, Market Plan Impact, Journal of Commerce, March 21, 1957, pages 1, 13; March 22, pages 1, 24; March 25, pages 1, 13; March 26, pages 1, 19; March 27, pages 1, 15; March 28, pages 1, 23.

Opportunity in Europe, The Economist, volume 180, July 14, 1956, pages 105–106.

Opportunity or Threats: A Partial Free Trade Area, The Statist, volume 164, October 13, 1956, page 452.

Patch, Buel W., European Economic Union, Editorial Research Reports, volume 1, 1957, No. 12, March 27, pages 225–242.

Payments Threat to Freer Trade, The Banker, volume 107, May 1957, pages 302–306.

Philip, Andre, Social Aspects of European Economic Cooperation, International Labour Review, volume 76, September 1957, pages 244–256.

R. B., The European Common Market, World Today, volume 13, February 1957, pages 50–61.

Rivers, William L., Common Market: The American Stake, The Nation, volume 184, May 11, 1957, pages 411–414.

Root, Waverley, Europe's Common Market and NATO, Freedom and Union, volume 12, July–August 1957, pages 12–14.

Shonfield, Andrew, A Primer for United Kingdom Advertisers in the New European Market, Anglo-American News, volume 24, June 1957, pages 255, 259.

Siegel, Clarence S., European Common Market Projected, Foreign Commerce Weekly, volume 57, March 18, 1957, pages 20–21, 38.

Six Nations Settle Treaty Terms for European Atomic Energy Community and General Common Market, bulletin from the European Community for Coal and Steel, No. 22, February–March 1957, pages 1–4.

Sterling, Claire, Little Europe Is Growing Up, Reporter, volume 16, May 2, 1957, pages 14–18.

Structure and Organization, The Institutional Framework for Euratom and the Common Market, bulletin from the European Community for Coal and Steel, No. 15, May 1956, pages 10–11.

Tennyson, Leonard, The Climate of Europe, World Affairs, volume 120, summer 1957, pages 35–37.

Thorneycroft, Peter, Britain's Economy Is Fundamentally Sound, Anglo-American News, volume 24, February 1957, pages 59–60, 83–84.

Towards Free Trade, The Banker, volume 106, November 1956, pages 665–668.

Towards Freer Trade in Europe, Economist, volume 185, October 12, 1957, pages 1–24 (special supplement following p. 132).

Trade With Europe, the Manchester Guardian Weekly, volume 75, October 4, 1956, pages 1, 2.

Two Votes for Europe, the Economist, volume 184, July 13, 1957, pages 102–104.

United States Congress, House Committee on Ways and Means, Foreign Trade Policy Compendium of Papers on United States Foreign Trade Policy, collected by the staff for the Subcommittee on Foreign Trade Policy, Washington, United States Government Printing Office, 1957.

United States Congress, Analysis of the European Common-Market Treaty and Free-Trade-Area Arrangement, pages 361–377; Implications of the European Common Market and Free Trade Area Project for United States Foreign Economic Policy, pages 477–481.

United States Information Agency, Office of Research and Intelligence, report: Western European Communist Comment About Euratom and the Common Market, Washington, 1957, 11 pages (Its P–17–57).

United States Information Agency, Office of Research and Intelligence, Western European Press Reaction to the Signing of the Common Market and Euratom Treaties, 17 pages, Washington, 1957 (Its P–19–57).

Whitney, John Hay, The Chamber Meets the New American Ambassador, Anglo-American News, volume 24, June 1957, pages 221–225, 254, 259.

Without the Dollar? Toward a European Free Trade Area?, the Statist, volume 164, October 6, 1956, pages 425–426.

Wolff, Salomon, Toward the Economic Integration of Europe, Swiss Review of World Affairs, volume 5, January 1956, pages 17–24.

World Markets. A Free Trade Area for Western Europe? Industrial Canada, volume 57, pages 54–56, 80.

Zellerbach, James D. The Common Market: An Economic Instrument of International Policy. Department of State Bulletin, volume 37, October 14, 1957, pages 608–612.

SECTION II. FREE TRADE AREA

Balogh, Thomas Macmillan's Misery Market, New Statesman and Nation, volume 52, December 1, 1956, pages 689–690.

Balogh, Thomas, The New Utopia, the New Statesman and Nation, volume 53, March 30, 1957, pages 401–402.

Britain and a Free Trade Area in Europe. British Record, 1956–16, October 10, pages 1–3.

Britain and the Six, New Statesman and Nation, volume 52, December 1, 1956, page 689.

Driscoll, James, Britain and the European Market, London, 1956.

Driscoll, James. Our Trade With Europe, London, Conservative Political Centre, 1957.

European Free Trade Area and Customs Union Proposals, World Today, volume 12, November 1956, pages 433–435.

Federation of British Industries, European Free Trade Area: A Survey for Industrialists, London, April 1957.

Federation of British Industries, Report on the European Free Trade Area, London, April 1957.

Free Trade and Social Security, Political and Economic Planning, volume 41, No. 412, July 15, 1957.

The Free Trade Area—Some Questions and Answers, British Affairs, volume 1, September 1957, pages 108–13.

The Free Trade Proposals: A Symposium, Oxford University Institute of Statistics, Bulletin, volume 19, February 1957, pages 3–72. Various aspects of the free trade proposals by different authors.

Free Trade With Europe, the Economist, volume 180, September 22, 1956, pages 940–1.

Free Trade Without Emotion, the Economist, volume 181, October 27, 1956, pages 306–8.

Freer Trade in Europe. An Official Account. London, Her Majesty's Stationery Office, 1957, 31 pages.

Great Britain—Chancellor of the Exchequer. A European Free Trade Area; United Kingdom Memorandum to the Organization for European Economic Cooperation. London, Her Majesty's Stationery Office, 1957, 7 pages. (Great Britain Parliament. Papers by Command—Cmd 72.)

Haines, C. Grove, editor. European Integration, Baltimore, Johns Hopkins Press, 1957.

Horne, John V., The European Common Market and Proposed Free Trade Area, Industrial Canada, volume 57, April 1957, pages 59–60, 90.

Hutton, Graham, Britain in Europe, Spectator, volume 198, January 25, 1957, pages 105–6.

May, John Allan, A Study Page: Europe's Great Movement Toward Free Trade, Christian Science Monitor, October 16, 1957, page 9.

The New Fiscal Europe, Common Market and Free Trade Area, The Round Table, No. 187, June 1957, pages 225–32.

Organization for European Economic Cooperation, Report on the Possibility of Creating a Free Trade Area in Europe, Paris, 1957, 57 pages.

Problems of Setting Up a Free Trade Zone, London Times, October 24, 1956, page 13.

Rundt, S. J., Western Europe's Unification Efforts; What Will the Euromarket and the L–EPU Free Trade Area Mean to Us? Exporter's Digest, volume 31, July 1957, pages 14–17.

Schevenels, W., Great Britain and the Free Trade Area, Labour World, March 1957, page 10.

Simkin, C. G. F., Commonwealth Countries and the Common Market: Would Commonwealth Countries Gain or Lose by Britain's Association With a Free Trade Area? New Commonwealth, volume 33, April 1, 1957, pages 302–5.

Switzerland and the Free Trade Area, Economic Digest, volume 10, June 1957, pages 218–19.

Trades Union Congress, Economic Association With Europe; Statement of Policy and Background Report, London, 1956.

Why Austria Prefers the Free Trade Area, the Statist, volume 166, August 3, 1957, pages 172–4.

E. E. BILLINGS,
Analyst in International Finance, Economics Division.
NOVEMBER 1, 1957.

THE LIBRARY OF CONGRESS,
LEGISLATIVE REFERENCE SERVICE.

BIBLIOGRAPHY ON GENERAL AGREEMENT ON TARIFFS AND TRADE AND ORGANIZATION FOR TRADE COOPERATION

Actions taken to achieve United States foreign economic policy goals. Foreign Commerce Weekly, volume 54, September 19, 1955, pages 20–21. A brief summary of the Government's major actions for the period January 1954 to September 1955.

Agreement on Organization for Trade Cooperation and Amendments to GATT. Department of State Bulletin, volume 32, April 4, 1955, pages 577–582.

American Enterprise Association, Inc. Analysis of the Organization for Trade Cooperation (OTC) and the General Agreement on Tariffs and Trade (GATT), Washington, 1956, 22 pages. (Its Rept. No. 614.)

American Tariff League, Inc., The Story Behind GATT: Facts About the General Agreement on Tariffs and Trade and the Organization for Trade Cooperation. New York, 1955, 63 pages. Traces the development of GATT and discusses some of the disconcerting experiences encountered by the United States at GATT conferences. Doubts wisdom of United States membership in the GATT.

American Tariff League, Inc., trade information committee. Trouble With GATT-OTC and H. R. 5550. New York (1956), 24 pages. Attacks the trade-agreements program as bordering on the free-trade theory.

Anderson, Samuel W. Some Basic Factors in the United States Foreign Economic Position. Foreign Commerce Weekly, volume 52, November 29, 1954, pages 15, 19, 24. An address by the Assistant Secretary of Commerce for International Affairs made before the 41st Foreign Trade Convention, New York City, November 16, 1954.

Bailey, Cleveland M. The State Department and the tariff. Remarks in the House. CONGRESSIONAL RECORD, volume 102, part 2, pages 2694–2708. Attacks the GATT and OTC and charges that lower tariffs are injuring certain American industries. Urges the setting up of import quotas.

Blake, James J. The Cornerstone of Commercial Policy. GATT. Foreign Service Journal, volume 33, February 1956, pages 20–23, 53–56. Discusses the operations of the General Agreement on Tariffs and Trade. Urges United States adoption of the pending OTC legislation.

Bratter, Herbert M. The Tariff Again. Challenge, volume 3, June–July 1955, pages 55–58. Finds that the trade-agreements legislation was a compromise which indicated a strong domestic disagreement regarding tariffs. Doubts that the revision of the GATT can obtain permanent support.

Brown, Winthrop G. How and Why GATT Works. Anglo-American News, volume 20, December 1953, pages 519–521, 527.

Camps, Miriam. Trade Policy and American Leadership. Princeton, Center of International Studies, Princeton University, 1957, 36 pages. (Center of International Studies, Memo No. 12.) Feels that our policy has been deteriorating and OTC participation would help.

Coe, Robert D. United States Trade Policy and Problems. Department of State Bulletin, volume 34, March 12, 1956, pages 429–433. Contends that we have done much to reduce the barriers to world trade and will continue our efforts in that direction.

Committee for a National Trade Policy. Trade Cooperation or Trade Warfare; the Choice Before Us. Washington, 1957, 16 pages. Argues that the United States must join other free-world nations in the Organization for Trade Cooperation, or risk a return to trade wars between allies.

Congress Looks Again at GATT. Business Week, June 11, 1953, page 140.

Congress Lukewarm on Trade Proposals. American Tariff League Topics, April 1956, pages 1–2, 4. Stresses the committee amendments to H. R. 5550 and the resolutions seeking studies of GATT and textile imports.

The constitutionality of American participation in the proposed OTC and GATT. Record of the Association of the Bar of the City of New York, volume 11, May 1956, pages 239–276. A report by the committee on international law of the New York City Bar Association—the result of a detailed study. * * * It concludes that American participation in OTC and GATT is quite constitutional.

Contracting Parties to the General Agreement on Tariffs and Trade. General Agreement on Tariffs and Trade. Declaration on the continued application of schedules to agreement of October 30, 1947, between the United States of America and other governments, done at Geneva March 10, 1955. Washington, United States Government Printing Office, 1956, 17 pages. (U. S. Department of State. Publication No. 6281. Treaties and Other International Acts series, p. 3437.)

Contracting parties to the General Agreement on Tariffs and Trade. General Agreement on Tariffs and Trade, fifth protocol of supplementary concessions, done at Geneva July 15, 1955. Washington, 1956, 28 pages. (Treaties and other international acts series, 3631.)

Contracting parties to the General Agreement on Tariffs and Trade. General Agreement on Tariffs and Trade. Message of the President of the United States transmitting the sixth protocol of supplementary concessions to the General Agreement on Tariffs and Trade, pursuant to section 4 of the Trade Agreements Extension Act of 1951, as amended. Washington, United States Government Printing Office, 1956, 541 pages (84th Cong., 2d sess., H. Doc. No. 421).

Contracting parties to the General Agreements on Tariffs and Trade. General Agreement on Tariffs and Trade. Protocol of terms of accession of Japan between the United States of America and other governments, dated at Geneva June 7, 1955. Washington, United States Government Printing Office, 1956, 133 pages. (U. S. Department of State, publication 6226. Treaties and other international acts series, 3438.)

Contracting parties to the General Agreements on Tariffs and Trade. The General Agreement on Tariffs and Trade; what GATT is and what GATT has done, sixth edition, Geneva, GATT Secretariat, Information Office, 1957, 18 pages.

Contracting parties to the General Agreement on Tariffs and Trade. International trade, 1955. Geneva, May 1956, 229 pages. Contents: Recent developments in the structure and pattern of international trade. Developments in commercial policy. Principal activities of the contracting parties to GATT.

Contracting parties to the General Agreement on Tariffs and Trade. Preliminary General Agreement on Tariffs and Trade. Analysis of United States negotiations, sixth proto-

col (including schedules) of supplementary concessions, negotiated at Geneva, Switzerland, January-May 1956. Washington, United States Government Printing Office, 1956, 307 pages (Department of State publication 6348. Commercial policy series 158.)

Contracting parties to the General Agreement on Tariffs and Trade. Sixth protocol of supplementary concessions to the General Agreement on Tariffs and Trade, May 23, 1956. Geneva (1956), 541 pages.

Contracting parties to the General Agreement on Tariffs and Trade. General Agreement on Tariffs and Trade. Torquay protocol and Torquay schedules of tariff concessions dated at Torquay April 21, 1951, open for signature at Torquay April 21, 1951, and at the headquarters of the United Nations from May 7, 1951, to October 21, 1951. Decisions agreeing to accession of certain governments open for signature at Torquay, April 21, 1951, and at the Headquarters of the United Nations. Declaration on continued application of schedules dated at Torquay April 21, 1951. Final act dated at Torquay April 21, 1951. Washington, United States Government Printing Office, 1954, volume 2. (U. S. Department of State, publication 4802. Treaties and other international acts series, 2420.)

Contracting parties to the General Agreement on Tariffs and Trade. General Agreement on Tariffs and Trade. Fifth protocol of rectifications to the agreement of October 30, 1947, between the United States of America and other governments, signed at Torquay December 16, 1950, entered into force June 30, 1953. Washington, United States Government Printing Office, 1955, 65 pages. (U. S. Department of State, publication 5384. Treaties and other international acts series, 2764.)

Contracting parties to the General Agreement on Tariffs and Trade. A new proposal for the reduction of customs tariffs. Geneva, 1954, 16 pages. "Sales No.: GATT/1954—1."

Contracting parties to the General Agreement on Tariffs and Trade. General Agreement on Tariffs and Trade. Basic instruments and selected documents. Rev. Geneva, 1955, volume 1. "Sales No.: GATT/1955—1."

Contracting parties to the General Agreement on Tariffs and Trade. General Agreement on Tariffs and Trade, present rules and proposed revisions. Washington, United States Government Printing Office, 1955, 86 pages.

Contracting parties to the General Agreement on Tariffs and Trade. General Agreement on Tariffs and Trade. First protocol of rectifications and modifications to the Geneva, Annecy, and Torquay schedules between the United States of America and other governments, signed at Geneva October 27, 1951, entered into force October 21, 1953. Washington, United States Government Printing Office, 1955, 443 pages. (U. S. Department of State, publication 5414. Treaties and other international acts series, 2885.)

Contracting parties to the General Agreement on Tariffs and Trade. The General Agreement on Tariffs and Trade schedule of Japan. Tokyo, Trade Bulletin Corp., 1955, 113 pages.

The controversy over the proposed OTC Congressional Digest, volume 35, May 1956: 129–160. Contents: Development of United States trade policy. How trade agreements are negotiated. GATT—What it is. The proposed OTC. Pro and con discussion.

D'Anna, F. Coppola, Revisionary trends and apprehensions regarding GATT future. Review of the economic conditions in Italy, volume 7, November 1953, pages 491–501. Sees certain serious consequences in revision. Urges strengthening of the agreement.

Davidson, Irwin D., The General Agreement on Tariffs and Trade and the Organization for Trade Cooperation, daily CONGRESSIONAL RECORD, April 21, 1955, pages A2681–A2682.

Dulles, John Foster, Purposes of proposed Organization for Trade Cooperation, Department of State Bulletin, volume 34, March 19, 1956, pages 472–480. Contains a statement by the Secretary of State and one by the Secretary of Commerce supporting H. R. 5550—a bill authorizing the President to accept membership for the United States in the Organization for Trade Cooperation.

Faure, M. Edgar, France and GATT, Economic Digest, volume 6, February 1955, pages 72–76. Extracts from a speech delivered at the 9th session of the contracting parties, Geneva, November 8, 1954.

Fletcher School of Law and Diplomacy, International trade policy issues (by) Harry C. Hawkins, H. S. Carpenter, and J. L. Norwood. Washington, Chamber of Commerce of the United States, 1953, 68 pages. Contents: The Trade Agreements Act and its operation. Trade policy and national security. Trade policy and the domestic economy. Legislative and administrative questions.

Fletcher School of Law and Diplomacy, William L. Clayton Center for International Economic Affairs, GATT an analysis and appraisal of the General Agreement on Tariffs and Trade. New York, United States Council of the International Chamber of Commerce, 1955. 104 pages. Contents: General character of GATT tariff commitments, quantitative restrictions. Organizational functions of GATT. Issues raised by GATT.

Golay, Frank H., The revised United States-Philippine Trade Agreement of 1955. Ithaca, N. Y., Southeast Asia Program, Department of Far Eastern Studies, Cornell University, 1956, 61 pages. (Cornell University. Department of Far Eastern Studies. Southeast Asia program. Data paper, No. 23.)

Gorter, Wytze, GATT after 6 years: an appraisal. International Organization, volume 8, February 1954, pages 1–18.

Great Britain, Central Office of Information, Reference Division, General Agreement on Tariffs and Trade, London, 1956, 7 pages (R. 3412).

Great Britain, Board of Trade, Review of the General Agreement on Tariffs and Trade; statement of policy with revised text of the agreement and related documents, London, H. M. Stationary Office, 1955, 97 pages (Great Britain Parliament. Papers by command cmd. 9413.)

Gregg, Eugene, Do protectionist tariffs really protect us? Reporter, volume 12, May 5, 1955, pages 31–33. Supports GATT and OTC.

Kalijarvi, Thorsten V., The road ahead for foreign trade policy. Department of State Bulletin, volume 36, May 20, 1957, pages 815–816. Stresses the importance of the European common market and the OTC to the United States.

Keck, Robert C., Legal and economic aspects of our trade agreements program of interest to domestic industries. Federal Bar Journal, volume 17, January–March 1957, pages 608–619.

League of Women Voters of the United States, Cooperation or confusion in world trade, Washington, 1956, 15 pages. (Its Publication No. 232.) Supports United States membership in the OTC.

League of Women Voters, the GATT and the OTC, in Extension of Remarks of IRWIN D. DAVIDSON, CONGRESSIONAL RECORD, April 21, 1955, pages A2681–A2682.

Lubell, Samuel, The revolution in world trade and American economic policy. With a foreword by Bernard M. Baruch. (First ed.) New York, Harper (1955) 143 pages.

Malone, George W., The American system, Mines magazine, volume 47, April 1957, pages 27–30. Senator Malone feels that by allowing the 1934 Trade Agreements Act to expire in June 1958, our country can return to The American System.

McEwen, John, The recent review of the GATT: speech delivered by the Rt. Hon. John McEwen on GATT, at a dinner given in his honor in the Venetian Court, Hotel Australia, Melbourne, on Monday, March 28, 1955. (Melbourne, Victorian Chamber of Manufactures, 1955), 16 pages.

Meade J., Japan and the General Agreement on Tariffs and Trade. Lecture given in Adelaide on August 8, 1956. Adelaide, Griffin Press, 1956, 27 pages.

Organization for Trade Cooperation, Facts Forum, volume 5, February 1956, pages 39–43. Contains arguments for and against United States membership in the OTC.

The Organization for Trade Cooperation and Its Relation to the GATT, Committee for a National Trade Policy, May 1955, 4 pages.

President Requests United States Membership in Organization for Trade Cooperation, Foreign Commerce Weekly, April 25, 1955, pages 24–26.

Proposed Membership of the United States in the Organization for Trade Cooperation, CONGRESSIONAL RECORD, volume 101, part 7, pages 8659–8661.

The Question of United States Foreign Trade Policy, Congressional Digest (Washington), volume 33, January 1954, pages 1–32.

Partial contents: Story of Reciprocal Trade, 1934–52. "GATT" and Its Origin. Preparation of a Trade Agreement. United States Exports and Imports for 1952. Pro and con arguments. Questions of United States Foreign Economic Policy. Congressional Digest, volume 33, August–September 1954, pages 193–224. See particularly: Formation of GATT. pages 196–197.

Results of 1956 Tariff Negotiations, Department of State Bulletin, volume 34, June 25, 1956, pages 1054–1063. Article deals with tariff concessions United States obtained and granted in 4 months of tariff bargaining with 21 other countries at Geneva and which were announced June 7. Contains text of proclamation effecting concessions.

Rules for Fair Trade, Economist, volume 173, October 30, 1954, pages 359–360. Points out the difficulties faced by GATT. Urges British leadership in attempting to reach a workable agreement.

Satisfactory Balance Achieved in 1956 Tariff Negotiations, United States Department of Commerce Foreign Commerce Weekly, volume 55, June 18, 1956, pages 13–14, 24. Discusses the more important concessions granted and obtained by the United States in bargaining with 21 other nations.

Schwenger, Robert B. Agriculture in United States Tariff Bargaining, Washington, Foreign Agricultural Services, United States Department of Agriculture, 1956, 48 pages.

Should the United States Participate in OTC? Foreign Policy Bulletin, volume 36, August 15, 1957, pages 180–182. A foreign policy forum in which Mr. Philip Cortney favors joining the OTC, while Mr. Richard Anthony opposes American participation.

Smith, Marshall M., American Foreign Trade Policy, Foreign Commerce Weekly, volume 53, April 4, 1955, pages 14–15. The Assistant Secretary of Commerce for International Affairs gives his reasons for urging a liberalized trade policy.

Smith, Marshall M., Your Stake In Foreign Trade, Foreign Commerce Weekly, volume 55, January 16, 1956, pages 9–10, 21. The Deputy Assistant Secretary of Commerce for International Affairs maintains that prosperity and an extensive foreign trade go hand-in-hand. Discusses the policies of the administration which would remove as many obstacles as possible to foreign trade.

Smith, McLellan, Foreign Goods Challenging United States Products, Magazine of Wall Street, volume 98, April 28, 1956, pages 154–155, 186–200. Finds that some industries and areas are facing increased competition from imports. Believes that governmental action of some sort will become necessary to relieve several industries.

Smith, McLellan, The New Tariff Policy To Meet Import-Export Restrictions, the Magazine of Wall Street, volume 101, October 12, 1957, pages 71–73, 108. Finds fault with the reciprocal trade agreements program. Predicts that its renewal will be of a limited nature.

Smith, Russel G., and Lawrence F. Whittemore, Agreement Reached on Japan's Participation in GATT; United States Renegotiates Agreements With Benelux Countries and Canada, Department of State Bulletin, volume 32, June 1955, pages 1051–1056.

Some Free Traders Try a Slogan in Battle To Let United States Join OTC, Wall Street Journal, May 26, 1955, page 1.

Strackbein, O. R., Japanese Trade Agreement and GATT, in Extension of Remarks of JOHN W. BRICKER, daily CONGRESSIONAL RECORD, August 2, 1954, pages A5691–A5693.

Tariffs Under GATT, Barclays Bank Review, volume 28, November 1953, pages 71–73.

United States Congress, House, Committee on Ways and Means, Administration and Operation of Customs and Tariff Laws and the Trade Agreements Program. Overseas conference. Hearings before the Subcommittee on Customs, Tariffs, and Reciprocal Trade Agreements of the Committee on Ways and Means. House of Representatives, 84th Congress, 2d session, part 4, Washington, United States Government Printing Office, 1956–57, volume 4, 2138 pages.

United States Congress, House, Committee on Ways and Means, The Agreement on the Organization for Trade Cooperation. H. R. 5550, to authorize United States participation in the Organization for Trade Cooperation. The President's message requesting legislation authorizing United States participation in the Organization for Trade Cooperation and Related Material. Washington, United States Government Printing Office, 1956, 104 pages.

United States Congress, House, Committee on Ways and Means: The Agreement on the Organization for Trade Cooperation. Report of the Committee on Ways and Means, House of Representatives, to accompany H. R. 5550, Washington, United States Government Printing Office, 1956, 22 pages (84th Cong., 2d sess., H. Rept. No. 2007).

United States Congress, House, Committee on Ways and Means: Organization for Trade Cooperation. Hearings before the Committee on Ways and Means, House of Representatives, 84th Congress, 2d session, on H. R. 5550. Washington, United States Government Printing Office, 1956, 1444 pages.

United States Congress, House, Committee on Ways and Means: Report to the Committee on Ways and Means on United States customs, tariff, and trade-agreement laws and their administration from the Subcommittee on Customs, Tariffs, and Reciprocal Trade Agreements. Washington, United States Government Printing Office, 1957, 223 pages.

United States Congress, Joint Committee on the Economic Report: Foreign economic policy. Report of the Joint Committee on the Economic Report to the Congress of the United States, Washington, United States Government Printing Office, 1956, 32 pages. (84th Cong., 2d sess., Senate, Rept. No. 1312.)

United States Department of Agriculture, Foreign Agricultural Service: General Agreement on Tariffs and Trade. Tariff concessions on agricultural products negotiated at fourth round of tariff negotiations in Geneva, June 1956. Washington, 1956, 41 pages.

United States Department of State: Background of the Organization for Trade Cooperation, Washington, United States Government Printing Office, March 1955, 8 pages.

United States Department of State, Public Services Division: Background notes on the General Agreement on Tariffs and Trade, Washington, United States Government Printing Office, 1954, 7 pages. (Background notes No. 2.)

United States Department of State: General Agreement on Tariffs and Trade; present rules and proposed revisions, Washington, United States Government Printing Office, 1955, 86 pages.

In adjoining columns, gives the text of the GATT as it now stands, and the GATT as it will appear when all of the amendments have been accepted.

United States Department of State: General Agreement on Tariffs and Trade. Analysis of protocol (including schedules) for accession of Japan; analysis of renegotiations of certain tariff concessions negotiated at Geneva, Switzerland, February to June 1955. Washington, United States Government Printing Office, 1955, 124 pages. (Its publication No. 5831, commercial policy series 150.)

United States Department of State: General Agreement on Tariffs and Trade; analysis of renegotiation of certain tariff concessions, Italy, Peru, Union of South Africa, and Turkey. Washington, 1955, 32 pages. (U. S. Department of State, publication 6001, commercial policy series, 152.)

United States Department of State: Partners in world trade: the goal of the GATT—the General Agreement on Tariffs and Trade. Washington, United States Government Printing Office, 1955, 15 pages. (Its publication No. 5879, commercial policy series 148.)

United States foreign economic policy in 1955. Federal Reserve Bank of San Francisco monthly review, September 1955: 117–120. Reviews the important developments which have recently taken place.

United States Interdepartmental Committee on Trade Agreements: The General Agreement on Tariffs and Trade, negotiations under the Trade Agreement Act of 1934 as amended and extended. Notice of United States intentions to negotiate list of products to be considered, notice of public hearings. Washington, United States Government Printing Office, 1954, 40 pages. (U. S. Department of State, publication 5653, commercial policy series, 145.)

United States Interdepartmental Committee on Trade Agreements: The General Agreement on Tariffs and Trade, negotiations under the Trade Agreement Act of 1934 as amended and extended. Notice of United States intention to negotiate list of products to be considered, notice of public hearings. Prepared by the Interdepartmental Trade Agreement Organization, consisting of the Department of State, and others. Washington, United States Government Printing Office, 1955, 79 pages. (U. S. Department of State, publication 5993, commercial policy series, 151.)

United States prepares for tariff negotiations, possible concessions for Japan studied. Foreign Commerce Weekly, volume 52, November 22, 1954: 3–4.

United States President (Eisenhower 1953–): First annual report on the operation of the trade-agreements program. Message from the President of the United States transmitting the first annual report on the operation of the trade-agreements program. Washington, United States Government Printing Office, 1957, 248 pages. (85th Cong., 1st sess., H. Doc. No. 93.)

United States Tariff Commission: Investigations under the escape clause of trade agreements; outcome or current status of applications filed with the United States Tariff Commission for investigations under the escape clause of trade agreements as of February 4, 1957, seventh edition, Washington, 1957, 42 pages.

Vernon, Raymond, 1913– , America's foreign trade policy and the GATT, Princeton, International Finance Section, Department of Economics and Sociology, Princeton University (1954?), 25 pages, 23 cm. (Essays in international finance, No. 21.)

Waugh, Samuel C., a time for decision on foreign economic policy, Department of State Bulletin, volume 32, June 13, 1955, pages 958–963, appeals for United States participation in GATT.

Waugh, Samuel C., expansion of international trade, Department of State Bulletin, volume 33, August 22, 1955, pages 303–305. A background statement by the Assistant Secretary of State for Economic Affairs on United States tariff policy, GATT and the organization for trade cooperation.

White, Eric Wyndham, Achievements of GATT and prospects for the future, United Nations Review, volume 3, 1957, pages 34–37, 68. The Executive Secretary of GATT believes that the record of GATT has been one of success despite certain obstacles.

HERMANN FICKER,
Analyst in International Finance and Trade, Economics Division.
NOVEMBER 1, 1957.

Mr. JAVITS. Mr. President, I did not ask the Senator from Illinois to yield, because we are trying to get a good many speeches finished today, including my own. Before I start to speak on the subject which I have in mind speaking upon today, I should like to state to the Senator from Illinois that his hopes will not be dashed in terms of my own cooperation and I think the cooperation of many other Members on my side of the aisle, who feel very deeply that the national security is intimately linked with the reciprocal trade policy of the United States.

I hope very much, I say to my very dear and genial friend, that we shall not be dismayed in obtaining the maximum amount of cooperation on this side of the aisle by such attacks on the administration as to worry some of us. I say that in the kindest spirit, because we all know the spirit and conviction which goes into our attitudes when speaking on the floor. There is a point beyond which they hurt rather than help.

My colleague from Illinois has great taste and discretion. His friends on both sides of the aisle I know will give him ample notice long in advance so that we will get the maximum cooperation.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 1408) to provide allowances for transportation of house trailers to civilian employees of the United States who are transferred from one official station to another.

LITTLE ROCK, EDUCATION AND NATIONAL SECURITY

Mr. JAVITS. Mr. President——

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). The Senator from New York is recognized.

Mr. JAVITS. Mr. President, I have a matter to discuss today which is a source of deep concern to me and represents on my part an expression of conscience which I feel we should all deliberate upon and share in this country. Before I start, I should like to make it clear that I hope very much anything I say will be considered to be far more in sorrow than anger, and that anything I can contribute constructively even to

those bitterly opposed to civil-rights legislation—which I am very much for—may help us find some common ground of agreement in the crisis which faces our country, greater even than anything which is included in the very vital civil-rights issue.

Mr. President, I shall also endeavor to confine my remarks to 20 minutes. I have assured the majority leader that I do not wish to delay the pending measure any longer than that, and I shall appreciate it if the Chair will indicate to me when I have consumed 20 minutes.

Mr. President, the current discussion regarding Federal aid to higher education with the emphasis on science and engineering is now being properly broadened to include a revival of last year's program for Federal aid to public school construction. This problem is in turn inseparably connected with the equality of educational opportunity for all our youth, without regard to color, required by the Supreme Court decision of 1954. If we are, as we must be, truly on a talent hunt, we cannot exclude from full equality of opportunity to qualify some 10 percent of the American youth because of color. There are certainly talented among the Negroes, notwithstanding the difficulties under which they have labored. We are all so familiar with the names that it is almost surplusage for me to mention them, but I trust I may be pardoned for mentioning a few:

George Washington Carver, of Tuskeegee Institute.

Ralph Bunche, of the United Nations.

Archie A. Alexander, the former Governor of the Virgin Islands, and an outstanding engineer.

Dr. Charles Drew, who perfected blood plasma.

Marian Anderson, a great singer.

Judge William H. Hastie, the Circuit Court judge of Philadelphia, and a former Governor of the Virgin Islands.

Mr. President, I speak today not in any sense wishing to be or to become a special pleader upon this particular issue, but I really speak because I feel that the foreign policy crisis is very materially contributed to and can be very materially helped in being resolved by what we do on the civil-rights issue in the United States.

Throughout my service in the House of Representatives, as well as my service in the Senate, the dominant matter with which I have concerned myself has been the foreign policy of the country, particularly as it relates to the struggle for peace and open communication between the peoples of the world. I feel that there is a great moral issue involved here, as important in its own way to national security and peace as the launching of the Russian earth satellites I and II.

By way of suggesting practically the course of procedure which I have in mind, I am today introducing for appropriate reference a $2.4 billion school construction bill which follows the pattern of a compromise worked out by the House committee in the last session of the Congress. The bill would provide a formula for allocation of construction funds based upon both a per pupil and a needs formula.

The bill in principal part calls for the allocation of $600 million a year for 4 years for aiding needed school construction, but, recognizing the problems which have been illuminated by Little Rock, the bill specifically provides that no funds shall be paid to the State, school, or local authorities which are in current violation of a Federal decree respecting school desegregation, which Federal decree has been made final by virtue of affirmance on appeal or due to the failure to appeal from it in time. I believe that this is necessary, and that it is just to so provide.

Mr. President, where a State or a locality is in direct defiance of the Constitution and the laws under the 14th amendment and is also in defiance of the courts I see no justification for a financial contribution by the Federal Government, representing the whole country.

I believe that such a requirement as I have suggested—and I hasten to add that it is a suggestion as to how this very deep problem can be dealt with—would have avoided the past conflicts which previously defeated Federal aid for school construction. I certainly do not want to see any such defeat happen again, and I shall do my utmost never to contribute to that.

This formula holds out great hope for a workable solution which could lead to passage of a bill to give Federal aid for public schools, for it gives the time and it gives the specifications which the Supreme Court decision called for, to help bring about a solution by citizens seeking to honor law, whether they agree with it or not. That, I think is a very important point. It is a point I made in discussing this question in the forum provided by the law school at the University of Virginia, where there was plenty of exposure to those of contrary points of view. Even for those who sincerely believe in segregation in public education, the question of obedience to law, it seems to me, is far paramount to their convictions upon that subject.

I believe that it is amply demonstrated that our educational needs depend upon adequate primary and secondary school education which we are not now providing and I believe further that the need to develop that sound education system must be met within the framework of the Constitution and law.

Little Rock epitomized to millions throughout the Free World our struggle to deal with the problem of segregation in public education on grounds of color. It will be recalled that Little Rock preceded Sputnik I by exactly 1 month. On September 4, 1957, Negro pupils were first barred from the Little Rock High School. On October 4, 1957, the Soviet Union launched its first earth satellite. Both events, though for different reasons, were tremendously damaging to the position of the United States in the Free World. Both signalized a moment of crisis in the continued prestige and authority of our Nation, the most powerful of the Free World. Both raise serious problems of the capability of the leading countries in the Free World for retaining in it the 1 billion people in the so-called uncommitted nations in south and southeast Asia and the Pacific, the Middle East, and in Africa. Yet every one of us knows that which way the 1 billion go may decide the cold war more decisively than any other single factor before us.

It is this central point—the effect upon the enormous number of so-called uncommitted people in the world, who, incidentally, represent, roughly, two-thirds of the population of the whole Free World—to which I wish to direct attention today, for we suffer both within and without from a serious impairment of our moral strength and sense of justice relating to human relations unsuited to the historic challenge we face. It rests in the fact that there is segregation and discrimination on grounds of color in the United States especially noteworthy in education since the Supreme Court decision declaring it unlawful and that in certain areas we are not proceeding with the same patriotism and determination to deal with it as we are proposing to proceed to deal with our national defense or scientific education shortcomings. Yet, I am deeply convinced that in terms of the struggle for survival and the victory of the ideas of freedom, it is just as important that we successfully meet the challenge of discrimination and segregation at home reasonably and in time as it is that we meet these other critical challenges. Indeed, it is the nature of our time that we cannot deal only with one single issue or one single challenge but that the facts of international life present us with a whole series of major challenges, each of them vital and interdependent one with the other.

Within the past 2 weeks, one of our distinguished colleagues, the junior Senator from Arkansas [Mr. FULBRIGHT] made an important speech here on the national crisis of survival which we face. It sought to make a major contribution to accelerating our efforts in the field of education. The key to this speech was, in my view, found in the thought that the lesson of the sputnicks was not alone that we had fallen behind in a significant field, but that we had failed to appraise honestly and dispassionately the strength of our adversary and the weakness of ourselves, that we had failed, so far, to cultivate properly the very element on which our society fundamentally rests—the proper education of its people. Incidentally, my office advised the junior Senator from Arkansas that I would refer to him in my speech today.

I found myself in deep agreement with my colleague as to the shortcomings of our Nation in the field of education, as to the urgency in the interests of national survival of catching up, and as to the required increase in the President's program for aid to higher education of at least Federal aid to school construction in primary and secondary education. I had already sought to buttress the program for higher education with the education-loan bill I introduced with other colleagues to provide $1 billion in student loan funds and guaranties to help an estimated additional

25,000 to 50,000 talented students on a revolving fund basis.

But, I feel respectfully that the emphasis solely upon the proper education of our people to meet the current challenge is inadequate to the epochal point in history we have attained. For, I believe that the proper education of our people must have as its underpinning the moral strength—the sense of justice of our people—and that recognition of this fact is a salient element in our national security and foreign relations.

I questioned how we could buttress the administration program of Federal aid for higher education through Federal help for the public schools without considering the law of the land against segregation of the races in the public schools; without considering Little Rock where the very authority of the Federal courts was challenged; without considering the danger of wasting talent due to the deadening effect of segregation in public education at a time when we were in the highest national interest on a national talent search. I believe Little Rock cost us in a morning, in human international relations, as much as the Russian earth satellites have cost us in terms of free world defense relations since. If there is one sentence that I wish to leave with my colleagues, it is that.

I hasten to add that, of course, we have our problems in other parts of the Nation too, including my own city of New York. But as I shall show a little later on, our national test on this question, which has persisted so long in our national lives, must be what is being done currently to deal with segregation and education in public schools and the public climate for affirmative reform. In those respects I feel we in New York are working in accord with the demands of the national interest. Both local laws and local public opinion give every evidence of determination to end other vestiges of segregation which persist because of residential patterns.

Continuance of segregation and discrimination in our country has cost, and continues to cost us as much in terms of our strength in winning the struggle for freedom in those places where it counts, as heavily—with the two-thirds of the people of the Free World whose skins are yellow and black—as have Russian earth satellites I and II combined.

Everyone has read of the problem in our public school system, characterized, indeed, by criminal acts in some of our schools in New York City. Again I point out that there is a tremendous response in the public mind, and a determination to take effective action to deal with what we consider to be excrescences, and a discredit to our body politic.

I should like to compare our situation in New York with the situation in which we find all the forces of law, and many of the forces of public opinion, marshaled against compliance with the law of the land.

There remains hard-core resistance to desegration of their public school systems in Alabama, Georgia, Louisiana, Mississippi, South Carolina, and Virginia. Elsewhere some progress is being made but it is spotty. An estimated 252 now recognize integration of the approximately 3,000 biracial school districts in the 17 States which had segregated school systems prior to the Supreme Court decision of 1954. But there is a long way to go, for in the 9 traditionally Southern States the percentage of school districts recognizing integration is 1 percent—12 out of 1,173 school districts.

At the college level in the same 17 States my information is that 112 out of 202 tax-supported institutions of higher learning will accept Negro students, that an estimated 2,000 such students are enrolled, about 2 percent or less of total enrollment. But in higher education, too, there is a hard core with segregation continuing in 5 States, Alabama, Florida, Georgia, Mississippi, and South Carolina.

Let us review this cost in terms of the reaction of the world to Little Rock which continues to be exploited to this very day by every organ of propaganda of the Communists and their fellow travelers; and which continues to concern editors and other makers of opinion throughout the vast, relatively uncommitted areas of the Free World; and what is so very important, troubles us so deeply at home. Here are facts.

I have caused to be placed upon an easel at the rear of the Chamber a poster which was placed on walls in Italy last fall. It is in Italian, as is very clear. It was put up by neo-Communist parties in Italy, but it illustrates the exploitation by Communists of our situation in the United States.

It will be noted, on the right, under the heading Capitalist World, there is shown a scene showing one of the problems in our own country. The picture shows a young Negro girl going to school, accompanied by a Negro professor, both of them being followed, rather derisively, by a group of students.

On the other side is shown what appears to be the friendship which exists regardless of color in the so-called socialist world, which, of course, we know to be the Communist slave world.

Mr. President, it is certainly not to be expected, and nobody expects, that we are going to get any "breaks" from the Communists, or that they will show us off to any advantage. However, it is a fact that this first picture was not fabricated. The events depicted there were not fabricated. On the contrary, it shows things which, in terms of world opinion, in countries which are a part of the Free World—like Italy, from which I have shown the illustration—we are doing to ourselves.

I shall include in my remarks excerpts from a whole host of statements, beginning on January 22 and going right back to the original September dates, surrounding the episode in Little Rock, from a publication called Soviet Orbit Propaganda, which is issued by the United States Information Office. They represent quotations from broadcasts spread throughout the world by Radio Moscow, Tass, the East Germans, and others. It consists of the propaganda the Communists are utilizing with respect to the matter to which I have referred, and which is readily available from press reports in the American press.

I ask unanimous consent to have these excerpts printed in the RECORD at this point.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

January 22: "A Radio Moscow broadcast in Rumanian charged that the United States monopolies train the 'murderers of tomorrow' in such 'barbarous' actions as the recent outbreaks of 'racism' in the United States. The bulletin added that: 'United States racists manhandled a Negro schoolgirl at Little Rock, Ark.' "

December 13: "A Radio Moscow broadcast in Persian charged that 'racial discrimination is an integral part of United States policy'—and quoted an Iranian newspaper that 'the white people in the United States want to annihilate the Negroes.' "

November 20: "A Tass dispatch to Europe declared that 'racist outrages in Little Rock continue.' "

October 2: "A Tass dispatch to Europe predicted Little Rock would backfire badly every time a United States delegate spoke at the United Nations. When they begin to speak of 'liberty, equality, and humanism,' declared the original story in Pravda, 'to millions throughout the world will those high-sounding words stand for an orgy of racialism.' "

October 1: "A barrage of Radio Moscow broadcasts carried by satellite stations from East Germany to Red China: 'Racial terror' in Little Rock reveals 'the true face of American democracy.' * * * 'It must be rather disquieting for U. N. delegates from Asian and African countries to know the U. N. is meeting in a country in which people of their color are being persecuted' * * * then came the accusation that the same principle behind the gas chamber of murders of minority groups under Hitler underlies America's capitalist system. * * * 'United States monopoly capitalists' depend on cheap labor made possible by 'racial inequality,' therefore the United States Government can never 'abandon racial segregation.' "

September 25: "East German broadcasts pictured 'blood-stained Negro boys and girls, maltreated colored people, smashed houses.' * * * Radio Moscow vividly described a Negro newspaperman, 'cruelly beaten up as police watched calmly.' Radio Moscow told the people of Hungary that the perfect answer to Americans preaching their way of life and democracy abroad, was summed up in two words * * * 'Little Rock, a slap in the face for America.' "

September 16: "Radio Moscow pictured for the people of Great Britain the sight of 'hoodlums beating Negro children at the same time President Eisenhower signed the civil-rights bill. Only naive people can believe the United States intends to fight racial discrimination.' "

September 13: "Radio Moscow bombarded Southeast Asia with broadcast that the Arkansas Governor's action in using troops to bar Negro children from the school 'lays bare before the world the empty words of Washington activists who call themselves defenders of the freedom and interests of other nations'. A Hungarian Communist newspaper asked Ambassador Lodge why he talked of 'the so-called Hungarian affair' when Little Rock was the topic of the day, bringing back 'to mind the darkest days of the times of slavery.' "

September 11: "Europe read a TASS dispatch that nine Negro children were barred from their school by soldiers armed with rifles and a Negro minister 'was assaulted by a gang of racist hooligans who beat him with an iron chain.' Civil rights for the American Negro, it repeated, 'exist only on paper.' "

September 10: "Radio Moscow's daily round-up on Little Rock reported 'racialist hooligans hurling stones at 17 Negro children,' while Negro students were threatened with shouts of 'Come back tomorrow and we shall kill you.'"

(These words were backed up with plenty of pictures in European Communist and non-Communist newspapers taken in Little Rock by United States news services.)

In India, a key nation in the cold war, the following stories were carried prominently by the influential Times of India:

September 25: "Negroes fired on in Little Rock. * * * Incidents increase in racial riots."

September 12: Caption over a photo "Whites Jeer at Negro Student."

September 9: Caption over a photo showing the Little Rock mob "United States School Integration Dispute."

September 6: "Armed men cordon off white school * * * racial desegregation in Arkansas prevented."

In the Negro nation of Ethiopia; from the Voice of Ethiopia:

September 26: "Mothers league formed at Little Rock school * * *. A group of women in Little Rock who call themselves the Central High School Mothers' League hope to see Gov. Orval Faubus of Arkansas today and urge him to close the school, to which Negroes have been admitted under Federal armed guard for the past 3 days."

In key Indonesia, reported by the Times of Indonesia:

September 27: "Central High School integrated under protection of bayonet." And quoting Radio Moscow: "It is hard to realize that this is taking place in a country preaching herself of civilization, in a country proclaiming its democratic liberties for all to hear."

September 20: "Little Rock rouses bitter controversy."

From Iraq's Iraq Times:

September 14: "Negroes; President calls in Attorney General."

September 12: "Whites continue their segregation fight."

The story is much the same the world over.

From Sweden: "The wave of hate-inspired actions now rolling over a number of America's Southern States can only be characterized in one way—they are a shameful and deeply humiliating stain on the escutcheon of that country."

From Japan: "It is an abnormal scene of education when children are kept away from school by armed forces under the order of a governor."

From West Germany: "The times of the Ku Klux Klan and of lynching appear to be returning."

From Rome—the organ of the Roman Catholic Action Movement: "The situation 'does not bring honor to the greatest democracy in the world.'"

Mr. JAVITS. Can we deny the serious adverse effect on our prestige abroad caused by Little Rock? Can we afford to overlook the importance to the enlightened self-interest of the United States in meeting the cold-war challenge of acting to make full civil rights a living reality to all the people of America? We most assuredly cannot.

Yet there is a really encouraging point I find from the reaction of the world to Little Rock, and it points the way to the future. It is the understanding along with the criticism on this issue we got from public opinion outside the Communist bloc. It was well expressed and summarized by a page 1 editorial in the Times of Indonesia, which summed up:

To us it—

Little Rock—

is a personal triumph for President Eisenhower, a reaffirmation by Americans of their faith in the democratic system of government and a heartening example of human progress under the rule of law.

I am convinced that this understanding of our situation demonstrates the vast reservoir of basic good will that we have succeeded in building up throughout the world, good will that leads to understanding that we have a serious problem regarding civil rights and willingness to adopt a policy of waiting to see if and how we will act to solve that problem. Our opportunity now is to press forward with a solution.

Indeed, there are great traditions of patriotic leadership in the very areas of the South where segregation persists in public education. I would hope very much that the people there could be made to recognize how much it would contribute to the strength of our future for national security if they could lay aside their undoubtedly sincere feelings on segregation in educational facilities now.

In the newly created Civil Rights Commission, we have the vehicle to provide the mediation facilities and technical assistance to school districts in the South to enable them to comply with the Supreme Court desegregation ruling. We should move ahead as rapidly as possible in that area.

Former Ambassador and our former colleague, Clare Boothe Luce, said in a great speech at the Alfred E. Smith memorial dinner in New York City on October 17, 1957:

We implore our southern neighbors—and those in the North who agree with their stands on segregation and integration—if they will not lift their eyes to the highest heaven, at least to lift them as high as the sputnik.

On October 3 President Eisenhower wrote Bishop R. Brown, of Arkansas:

If we ourselves defy the instruments by which our liberties have been and are being preserved, our vulnerability to the outside threat will be vastly, even terrifyingly, increased.

Finally, Mr. President, in the words of a most influential and forward-looking leader of the South itself, Governor LeRoy Collins, of Florida:

The inevitable tide of human progress moves against racial discrimination. Universal brotherhood must be our goal. It is our Christian obligation as well as our legal obligation to accommodate our hearts and minds to it. We must abandon the defiant attitude of "never." We must say to Americans everywhere, "We will move forward as, where, and when it is reasonably sound to do so. And mean it. And do it."

I might add that that is just as true of my own Hebrew faith as it is of the Christian faith, to which Governor Collins so impressively refers.

We have a vast and impressive reservoir of goodwill stored up throughout the Free World. It would be exceedingly difficult for us to dissipate it. But we can do just that if we let up and fail to press forward on the issue of civil rights—we cannot allow any cause for legitimate criticism on an issue as crucial to the success of our struggle for national survival and world peace.

Certainly the peoples who are of yellow or black complexion throughout the world are not peoples who would rush us or desire us to be precipitant or improvident. What the world looks to us for and expects of us is that we shall constantly press forward with all material progress, and not let time take its toll, in the hope that the educational process over a century may work out the problem and solve it.

It is in this temper, with this desire for an expression of patriotism in this field, as in every other field, Mr. President, that I have made my remarks today, in view of the immediate challenge to survival of everything we hold dear.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3216) to authorize Federal assistance to the States and local communities in financing an expanded program of school construction so as to eliminate the national shortage of classrooms, introduced by Mr. JAVITS, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

Mr. KUCHEL subsequently said: Mr. President, I ask unanimous consent that the bill just introduced by the junior Senator from New York [Mr. JAVITS] be permitted to lie on the desk during tomorrow, so that any Senators who so desire may join as cosponsors.

The PRESIDING OFFICER. Is there objection to the request of the Senator from California? Without objection, it is so ordered.

SUPPLEMENTAL DEFENSE APPROPRIATIONS, 1958

Mr. BUSH obtained the floor.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senator from Connecticut may yield to me for the purpose of bringing before the Senate, for debate and vote, the supplemental defense appropriation bill, and that at the conclusion of the debate and the vote on that bill, the Senator from Connecticut may again be recognized.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of H. R. 10146.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 10146) making appropriations for the Department of Defense for the fiscal year ending June 30, 1958, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 10146) making supplemental appropriations for the Department of Defense for the fiscal year ending June 30, 1958, and for other purposes, which

had been reported from the Committee on Appropriations, with amendments.

The PRESIDING OFFICER. The first amendment will be stated.

The first amendment of the Committee on Appropriations was, under the heading "Title I—Office of the Secretary of Defense," on page 2, after line 2, to strike out the subhead "Advanced Research Projects Agency."

Mr. JOHNSON of Texas. Mr. President, I should like to announce for the information of Senators that before a vote is taken, I shall suggest the absence of a quorum and shall ask for the yeas and nays on the passage of the bill.

I believe that the measure now before the Senate merits a special word of comment. We all recognize, I am sure, that the appropriations provided in this bill are needed and that, in reality, the need existed before it was clearly seen and identified.

Efforts of the past several months have brought into focus for the Nation, for the Congress, and for the executive branch, much that was seen only dimly in the past.

We have on the record of the past clear and specific warnings of what has come, but as is so often the case, such warnings went by ignored—and even now the warnings are not remembered by some who are quick to speak.

I have said before, as I will say again, that there is no profit for the Nation in turning aside or turning back to raise old arguments or old disputes of the past. A quarrelsome Nation is not a united Nation, and there is no greater need now than for a unified Nation.

That is why I believe we should take special note of this measure on the calendar now. This session of Congress is not yet 1 month old. In that short time we have already begun to respond in a highly responsible way to the challenge that lies before us and before the Nation.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HAYDEN. Mr. President, the Committee on Appropriations reports H. R. 10146, the supplemental defense appropriations bill for 1958, in the same amount as that passed by the House. The bill provides $1,260,000,000 in appropriations and $150 million in transfer authority. The action taken is detailed in the committee report, which is before the Senate.

The only changes in the bill made by the committee were deletions of language specifically referring to the Advanced Research Projects Agency. This was done to avoid confusion relative to the establishment of such an organization. Funds have been included for advanced research, just as in the original submission.

The prompt enactment of this important bill will enable the Department of Defense to proceed immediately in the development and production necessary in vital defense areas prior to the passage of the regular 1959 defense bill.

Mr. JOHNSON of Texas. Mr. President, in order that Senators may be on notice, I ask for the yeas and nays on the passage of the bill. Senators may then know that there will be a yea-and-nay vote.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the first committee amendment.

The amendment was agreed to.

The next amendment was, on page 2, after line 3, to strike out:

SALARIES AND EXPENSES

For expenses necessary for the Advanced Research Projects Agency, as may be authorized by law, to remain available until expended, $10 million, to be derived by transfer from such appropriations available to the Department of Defense for the current fiscal year as may be designated by the Secretary of Defense.

And in lieu thereof, to insert:

SALARIES AND EXPENSES

The Secretary of Defense is authorized to transfer not exceeding $10 million, to remain available until expended, from any appropriation available to the Department of Defense for the current fiscal year for such advanced research projects as he may designate and determine.

The amendment was agreed to.

The next amendment was, on page 2, line 23, after the word "of", to strike out "this Agency" and insert "advanced research."

The amendment was agreed to.

The next amendment was under the heading "Title VI—General Provisions," on page 5, line 5, after the word "authorize" to strike out "within the Advanced Research Projects Agency."

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill having been read the third time, the question now is, Shall it pass?

On this question, the yeas and nays have been ordered.

Mr. JOHNSTON of South Carolina. Mr. President, I have had ready to offer an amendment in regard to some of the changes made at this time in the bill. Some of the amendments which have been agreed to constitute legislation on an appropriation bill, which I think is bad at this particular time. For that reason, I intended to submit an amendment.

Inasmuch as the bill has progressed to the point of the final vote, I do not intend to insist upon offering my amendment; but I desire to call the attention of the Senate to the fact that by agreeing to what is contained in the bill the Senate is doing a very dangerous thing. For instance, under one section, 15 professional and scientific positions are added, under the provisions of Public Law 313, of the 80th Congress; there are also added 10 additional supergrade positions, as authorized by the Classification Act of 1949.

In order to show how we can get into trouble in connection with such matters, let me say that I introduced a bill, which now has been reported, which would amend the Classification Act by providing increases for employees who already are in certain grades. If the pending appropriation bill is passed in its present form, and if the amendment to the Classification Act, to which I have just referred, is also enacted into law, then we shall find that these employees not only will receive the increases provided by the amendment to the appropriation bill, but also will receive an additional increase. Therefore, I believe we must watch carefully what we do.

Our committee has endeavored to be watchful and careful; it has tried to analyze the situation in regard to classification. If the grades are to be raised by means of an amendment to an appropriation bill, just because some department wishes to have higher grades for some employees, then there will be a great deal of trouble. That will be true not only in the case of the military departments, but also in the case of the other departments, which will wish to have the same privilege.

For that reason, if I had been in the Chamber when the appropriation bill was under consideration a few minutes ago, I would have brought to the attention of the Senate an amendment in regard to this matter, in order to show that when we legislate in this manner, we are treading on dangerous ground.

Mr. HAYDEN. Mr. President, will the Senator from South Carolina yield to me?

Mr. JOHNSTON of South Carolina. I yield.

Mr. HAYDEN. The matter came to the committee after the House of Representatives voted, in connection with the bill, for the establishment of an Advanced Research Projects Agency, and voted to make available to it, until expended, $10 million, to carry it on.

This advanced research work should be undertaken immediately, as everyone agrees.

Our committee disapproved the language establishing the agency because we thought insufficient study had been given to exactly what the agency would be, and we believed it would be much better to appropriate the $10 million to the Secretary of Defense, and to give him the help he needed in connection with this urgent matter. We voted to allow the additional positions, as the House of Representatives had provided.

A memorandum which I have from the Assistant Secretary of Defense, Mr. W. J. McNeil, reads in part as follows:

The 15 positions in the professional and scientific services, and the 10 positions in grades 16, 17, and 18 of the general schedule, as would be provided in section 601 of H. R. 10146, are needed immediately, as the Secretary of Defense has testified before both your committee and the House Appropriations Committee, in order that the Department of Defense may proceed without delay in the area of advanced research projects.

Before making a request as a part of the supplemental bill, inquiry was made as to the availability of such positions under present authorizations, as well as the time it might take to secure additional legislative authority utilizing the normal legislative processes. It was concluded by the executive branch that the delay would adversely affect progress in this important area.

Therefore, the department asked to have an exception made to the usual rule, under which the committee of the Senator from South Carolina would have authority over making changes. In other words, this legislation is urgent and highly important. On account of its urgency, the House proceeded as I have indicated. We could strike the provision out, if the Senate insisted, but I do not believe we would have any success in conference with the House, it having agreed to the provision. There is not any question that we are invading the jurisdiction of the Committee on Post Office and Civil Service, and the same is true with respect to the similar House Committee; but no one made a point of order in the House, so a point of order is not available here.

Mr. JOHNSTON of South Carolina. I wish to say to the chairman of the Senate Committee on Appropriations that I wrote him in regard to the matter, but he did not get my letter in time.

Mr. HAYDEN. The letter of the Senator from South Carolina was written on the same day the bill was reported. I received the letter the day after.

Mr. JOHNSTON of South Carolina. It will be found that my committee, it thinks properly, proposed amendments to become part of the pay bill when it comes before the Senate. It already has suggested amendments to the Classification Act in this respect.

Mr. HAYDEN. I am at a loss to understand the statement of the Senator from South Carolina, because the creation of the Advanced Research Projects Agency is an absolutely new idea, which was advanced at this session of Congress. The amendments offered by the Senator's committee were offered last summer, before the adjournment of Congress.

Mr. JOHNSTON of South Carolina. For the information of the Senator from Arizona, I may say to him that the whole committee agrees with me in the position I have taken in this matter. I have talked with the ranking minority member of the committee, the Senator from Kansas [Mr. CARLSON], on the subject. The committee reported amendments to change the classification bill which we passed last year.

Mr. HAYDEN. That classification bill has not been passed. Nobody knows when it will be passed. It will save time in setting up the Advanced Research Projects Agency if this provision remains in the bill. There will be no uncertainty then about the availability of the positions which the Secretary may set up.

Mr. JOHNSTON of South Carolina. I have not sent any amendments to the desk yet, but I wish to call to the attention of the Senate how dangerous it is to legislate in the manner now proposed.

Mr. President, at this time I send to the desk a statement, which I ask unanimous consent to have printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR JOHNSTON OF SOUTH CAROLINA

I wish to invite the attention of the Senate to section 601 of H. R. 10146, the appropriation bill now under consideration.

This section would add 15 professional and scientific positions under the provisions of Public Law 313 of the 80th Congress, and 10 additional supergrade positions authorized by the Classification Act of 1949, as amended. I think the Senate is entitled to a full explanation of the background in this situation.

The Senate Post Office and Civil Service Committee has made a very serious effort to carry out the wishes of Congress expressed on many occasions that the number of such positions be subject to Congressional control and that the number authorized be held to a minimum consistent with the needs of government. This assignment is difficult at best. It has become almost impossible at times because of interference in the process by the appropriation committees.

Last year, the year before, and now again this year we find the appropriation committees dabbling in the affairs of the Post Office and Civil Service Committee. Either we should repeal all limitations, let the agencies run hog wild or else full control should be with one committee.

That committee is, under law, the Post Office and Civil Service Committee. I think that is where the responsibility belongs and I think that is where it should be exercised.

In the case at hand, the Post Office and Civil Service Committee has worked closely with the Civil Service Commission, the Bureau of the Budget, and the individual agencies in arriving at the exact number of such positions required to execute their Federal programs in the light of current conditions. The committee amendment to S. 734, the pending pay bill, provides for the establishment of every single position—both scientific, professional and in the supergrade category—deemed necessary by the administration and the agencies. The figure authorized for the Department of Defense is exactly what they requested. It was rechecked with them again last Friday. Again the Department of Defense indicated complete satisfaction.

When inquiry was made as to why they were seeking additional positions via the appropriation route their very lame explanation was that someone at the top inexperienced in such matters merely got excited. The department then said that if they obtained the positions in the appropriation bill they would not fill a like number of positions that would be authorized under the pending pay bill.

Now I ask, who is naive enough to believe that we would ever see the positions remain unfilled. The Department of Defense is not known for its modesty, and when positions paying up to $19,000 a year are involved, I simply cannot picture the department exercising self-control.

We all know positions of this caliber cannot be filled overnight, we all know it takes time to recruit qualified personnel, we all know no damage will accrue if these positions are not authorized today, we all know the pending bills will be enacted shortly and we all know that will be soon enough for the positions to be authorized.

I would like to suggest that the appropriation committees cooperate by taking a stand when agencies pressure them to include matters of this kind in future appropriation bills.

Mr. MONRONEY. Mr. President, would the distinguished chairman of the Appropriations Committee yield for a question?

Mr. HAYDEN. I yield.

Mr. MONRONEY. I have heard that none of the funds carried in the bill are for concrete missile-launching bases for our IRBM's overseas. I trust that information is correct.

Mr. HAYDEN. I do not believe it has been decided yet.

Mr. MONRONEY. The reason I rise is that I wish to state that I trust more study will be given to the practicability of having our IRBM bases overseas in concrete, and more study should be had as to their likely instant demobilization by enemy missiles in the event of a ballistic-missiles war. Certainly I think it would be bad economics to embark on a program costing hundreds of millions of dollars for these fixed launching bases before we determine the relative values of mobility of the launching sites as planned by the Army and Navy against fixed sites as advocated by some of the Air Force planners.

I would commend to the careful study of the committee the lack of practicability of placing in concrete IRBM bases. Any possible enemy can make a ready determination as to their geographical location and predetermined range data which may eradicate them for use. It is the old coast-artillery theory of fixed fortifications. Two wars have proven an enemy will go around them or destroy them in the event of attack.

Mr. SYMINGTON. Mr. President, the inadequacies of this Defense Supplemental Appropriations bill are obvious.

Three of the 17 points unanimously recommended by the Senate Preparedness Subcommittee are not pertinent to defense appropriation legislation.

Of the remaining 14, nothing is provided for eight, little or nothing for two more, and the funds for the remaining four are inadequate.

The approach of this supplemental bill is essentially piecemeal and therefore unbusinesslike; and that is especially unfortunate because constant defense reprograming continues to cost the American taxpayers hundreds of millions of dollars a year.

In addition, time once lost can never be regained—and the importance of facing up realistically to the growing danger cannot be overemphasized.

Today, for two reasons, I nevertheless refrain from submitting amendments.

First, I am told any amendments would probably result in delay; and because we have actually done very, very little since October 4 last, the day the first sputnik blasted our constant reiteration of our qualitative superiority, there should be no more delay.

Secondly, I understand the administration will come up shortly with another supplemental bill.

If that is wrong, we should know it now—and, incidentally, if more defense is right tomorrow, more defense is right today.

How many people realize that the newly proposed overall fiscal year 1959 budget is nearly $2 billion less than the fiscal year 1958 budget? Therefore, do not let us be kidding ourselves that this supplemental bill, along with the fiscal 1959 budget that has been recommended behind it, together give evidence of additional sacrifice in the face of the growing danger.

Some of the categories in which this supplemental bill is so sadly lacking are as follows:

In answer to the sputniks, everyone has stressed the deterrent capacity of the Strategic Air Command. It was the first point on the list of the Senate subcommittee's recommendations.

But this supplemental bill does not contain one cent for any aircraft, let alone those so vitally needed to modernize that command; and no postponement of the B–52 or B–58 decision is a justifiable answer, because in modern aerial jet tankers, the plane required by both of these bombers, we are shortest of all.

At least $900 million, therefore, should be added to this supplemental bill for SAC weapons systems. That amount would permit an increased number of B–52's, an increased number of KC–135 jet tankers, more B–58's, and more Snark missiles.

Four hundred million dollars should be added to accelerate and increase the production schedules of our IRBM's and ICBM's. This money could provide $30 million for the Titan, which testimony before both the Senate and House committees showed was needed; and also $370 million for essential and business-like step-ups of the Atlas and Thor and/or Jupiter.

These increases are well within the production capabilities testified to by military and industrial witnesses, and would help carry out the Senate subcommittee's recommendation No. 8, to "step up production schedules of Atlas, Thor, Jupiter, and accelerate the development of Titan."

The supplemental bill should contain at least $150 million to initiate the expansion and modernization of airlift for the Army; also additional funds for modernization of equipment to support our ground forces. That inclusion would at least begin the subcommittee's recommendation No. 6 to "provide an adequate airlift for ground troops."

With our heavy commitments all over the world, we must have a reasonably adequate airlift.

The testimony of Navy witnesses in the Preparedness Subcommittee hearings showed current production capability would permit an increase in the program for new submarines. The supplemental does provide funds for construction of three nuclear-powered submarines designed for carrying the Polaris missile, but none for expansion in the program for hunter-killer submarines; and therefore point 7 of the subcommittee's recommendations is not being recognized.

A minimum of $500 million should be added immediately for submarine production. This amount would permit programing now 3 more Polaris submarines and 5 attack submarines. What good does it do to have the Polaris missile if we cannot deliver it?

Our lag in certain research and development is now clear.

At least $100 million more research and development money should be distributed among the three services.

This would follow the subcommittee's recommendation No. 15 that "decisive action" should be taken to "accelerate and expand research and development program."

Prior to this supplemental, the Army research and development budget for the fiscal year 1958 provided an insufficient dollar increase over the fiscal year 1957. It did not even make up for the decrease in the value of the research dollar.

This supplemental provides a $20 million transfer from other accounts which, in part, will meet the deficit—but an additional $20 million would further improve the programing, and increase the energy devoted to research and development for modernization of weapons systems for the Army.

In the 1958 budget, Navy research and development was about $2 million less than it was in the 1957 budget.

This supplemental meets that deficit in part by adding $22,200,000 to that account.

But again the increase is insufficient to even make up for the recent depreciation in the research and development dollar.

Therefore, an increase of at least $20 million is needed to speed up modernization of naval-weapons systems.

Inadequate attention has been given and is being given to research and development for the Air Force. Among the many clearly expressed needs are accelerated efforts for greater thrust engines, antimissile missiles, and modern follow-on aircraft for existing SAC bombers, including the ultimate manned missiles.

But the fiscal year 1958 budget provided almost $70 million less than the 1957 budget for Air Force research and development, and this supplemental proposes to add only $30 million to that deficient account. Even with that amount, it is much less than the 1957 budget.

An additional $60 million for Air Force research and development should be added now.

The requirements outlined above call for a minimum total of $2,050,000,000 over and above the $1,260,000,000 in this supplemental defense appropriations bill.

This addition would give more reality to the 17 recommendations of the interim report unanimously agreed to by the Preparedness Subcommittee.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. SYMINGTON. I am glad to yield to my friend, the junior Senator from Washington.

Mr. JACKSON. Mr. President, I wish to commend the distinguished junior Senator from Missouri for his fine statement in connection with our defense requirements. It is my understanding that the Senator's recommendations represent minimum requirements. Is that a correct understanding?

Mr. SYMINGTON. The Senator is entirely correct. I thank the Senator for pointing that out.

Mr. JACKSON. As they pertain to the Army, to the Navy, to the Air Force, and to the Department of Defense.

Mr. SYMINGTON. The Senator is an expert in this field, and he is exactly correct in assuming that I referred to minimum requirements.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. SYMINGTON. I am glad to yield to my colleague, the Senator from Pennsylvania.

Mr. CLARK. Mr. President, I should like to commend the Senator from Missouri for his terse and able exposition of the inadequacies of the supplemental appropriation bill. I should like to associate myself with the comments the Senator has made.

I should like to express my regret that in the interest of speed it has seemed undesirable to attempt to make this a really meaningful supplemental appropriation bill. I should like to point out that I hope very much that simply because we got the Explorer up in the air we are not going to sleep again.

I again wish to commend the Senator from Missouri for his fine presentation.

Mr. SYMINGTON. Mr. President, I thank the Senator from Pennsylvania. There is no Member of the Senate whose approval I would rather have of what I have said.

Mr. HOLLAND. Mr. President——

The PRESIDING OFFICER (Mr. BIBLE in the chair). The Senator from Florida.

Mr. HOLLAND. Mr. President, the able statement of the Senator from Missouri makes it very clear that there are many items which must be thrashed out when the annual appropriation bill covering the 1959 defense budget is considered by the Appropriations Committee.

I want to express my appreciation to the able Senator from Missouri and to members of the Appropriations Committee for having shown such restraint while this bill was being considered. Not only the Senator from Missouri, who has so ably stated his belief here, but other Senators as well would like to see certain amounts added to the bill here and there.

The sole purpose of my rising is to say that I think those Members of the Senate who feel that way and who are members of the Appropriations Committee should be complimented, as I now compliment my distinguished friend, the Senator from Missouri. I also feel that those Senators who are not members of the Appropriations Committee and who have refrained, as all have refrained, from offering amendments today, should likewise be complimented.

There is a heavy task ahead when the full budget request comes before us, but Mr. President, this bill represents a very

meaningful request for the appropriation of $1.3 billion to be used or committed during the remainder of the present fiscal year. This request covers those items which are thought to be of greatest immediacy in the defense field as a whole.

My own feeling, Mr. President, is that there is not a single item in the bill that has not been completely justified by the evidence before the committee. There were—and I think there will be—differences of opinion with regard to at least some of the items. So I think we now are demonstrating complete bipartisan support of the request of the administration, which has been approved by the House of Representatives by a unanimous vote, approved by the Senate Appropriations Committee by a unanimous vote, and completely approved here upon the floor by the fact that no amendments were offered. There will be a showing of unanimity which I think will be helpful, which I think is required, and which I think will give added confidence and morale to the country as a whole if the Senate follows the action taken thus far by unanimously voting to approve this particular appropriation bill.

Mr. President, no Senator has to yield for a moment his right to fight for items in the additional supplemental bill, which will probably be up for consideration within a period of weeks, or when we consider the regular defense budget. Every Senator has a right to fight for those matters which he feels have not been adequately taken care of in this bill.

So, Mr. President, I express appreciation to the entire Senate, and particularly to the able chairman of the Appropriations Committee, who has made it so very clear that he thought it was a matter of primary urgency for the committee to act quickly and act without amendment, and who has brought the bill to the floor for early treatment under that spirit. I think it is a matter of immediate importance for us to vote this bill favorably and let it go to the White House, to show the country the unanimous approval of the Congress of the United States of the acceleration of the defense program in the most vital particulars pointed out to us by the President and the Chiefs of Staff.

Mr. President, we have plenty of time to compose and to discuss our differences of opinion on other matters which will surely be discussed in later consideration of our defense.

SEVERAL SENATORS. Vote! Vote! Vote!

Mr. SYMINGTON. Mr. President, I am deeply grateful for the considerate remarks the very able and distinguished senior Senator from Florida [Mr. HOLLAND] has made in reference to me.

The PRESIDING OFFICER. The question is, Shall the bill pass?

Mr. KEFAUVER. Mr. President——

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. KEFAUVER. Mr. President, I should like to have 1 minute to ask the distinguished chairman of the committee a question.

About 2 weeks ago, when the matter of dispersal of Strategic Air Command bases was before the Committee on Armed Services for consideration, the distinguished Senator from South Dakota [Mr. CASE] brought up a question which I think he and the Senator from Mississippi had raised with some of the Air Force people, that some of the Strategic Air Command bases which they were recommending be built or enlarged, which are shown on page 5 of the report, are very close to other large military installations which are of great importance.

For example, the Kinross Air Force Base in Michigan is listed for a suggested amount of spending of $23,762,000. It is my understanding that this Air Force base is very near the Soo locks, which are of great importance.

Also, it will be noted that the Wright-Patterson Air Force Base, Ohio, is listed at $22,632,000.

The point brought out by the Senator from South Dakota was that, in the event of an attack upon this country, these bases would be logical targets, and that in the possible destruction of such targets there might be some damage to the Soo locks and to the other military installations at Wright-Patterson Field. I understand that 1 or 2 other bases might be near strategic targets. The question was, Why should not these installations be put in places where a hit would not destroy several other installations at the same time?

Let me ask if the designation of the sites in the report is binding upon the Air Force or the Defense Department, or whether they could reexamine the question and decide upon other locations?

Mr. SALTONSTALL. Mr. President, will the Senator from Arizona yield on that question?

Mr. HAYDEN. This question was thoroughly discussed in connection with the bill authorizing the construction of these items, and we followed the authorization.

I understand that the Senator from Massachusetts is thoroughly familiar with what was said and done in the hearings on the authorization bill. I will ask him to explain that the designations are not tied down irrevocably.

Mr. SALTONSTALL. Mr. President, the Senator from Mississippi [Mr. STENNIS] and the Senator from South Dakota are even more familiar with this subject than I am.

We placed two provisions in the authorization construction bill, which will go to conference tomorrow, which would allow a certain leeway to the Joint Chiefs of Staff to change these bases if they feel that there is any danger, by allowing an extension of presently authorized bases.

That would allow a certain amount of leeway for the purpose for which the Senator has suggested, as I understand. The bases had to be selected very quickly. It may be better, on further consideration, to move the installations to one of the presently authorized bases. I am sure the Senator from Mississippi and the Senator from South Dakota are very familiar with the question which the Senator has raised.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. STENNIS. I think the Senator from South Dakota can give a very clear explanation of this problem. He made a special study of it.

Mr. CASE of South Dakota. Mr. President, as the requests were originally submitted by the Defense Department in the first draft of the bill which was submitted to the House and Senate, they asked for a lump sum authorization similar to the figures employed in the appropriation bill. In the House of Representatives, the House Committee on Armed Services sought to have specific points indicated in the bill by line and item. As we were told, the Defense Department, and particularly the Air Force, responded on about 48 hours' notice, by indicating the probable allocation of these authorization funds on the basis of line items. They correspond to the locations or sites indicated in the report of the Senate Appropriations Committee.

However, during the consideration by the Senate committee, we went into the question further. I think the distinguished Senator from Mississippi first raised the question in the Preparedness Subcommittee hearings. I asked some questions about it when Secretary McElroy was before us. We went into the question further in the hearings on the authorization bill.

The result was that in the language of the authorization bill, as reported to the Senate, and as passed by the Senate, and as now pending before the conferees, who are to meet tomorrow, there are two paragraphs which will allow some leeway to the Defense Department.

The first paragraph requires that the Secretary of the Air Force, before he proceeds with the utilization of the authorization, shall obtain a finding by the Secretary of Defense and the Joint Chiefs of Staff approving the allocations.

If in any case the Joint Chiefs of Staff or the Secretary of Defense are not satisfied with the allocations, so far as the sites are concerned, they may use the authorization at some heretofore authorized Air Force installation. The bill merely carries authority for them to use the authorization, with whatever land acquisition adjoining the existing site may be necessary, to provide for proper dispersal. So if the House should concur in the language pending before the conferees, there would be the leeway to which the Senator from Massachusetts has alluded.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. KEFAUVER. Many of us know of bases which are not being used, or which might be enlarged, and which are not near some present target.

Am I to understand from the chairman of the committee that if the Air Force or the Secretary of Defense should decide to build some of these SAC bases at sites other than the ones in the report, they would not be bound

to follow the locations designated in the report, but might make other selections, or omit some of the sites?

Mr. HAYDEN. If the language referred to remains in the authorization bill, as passed by the Senate, and which goes to conference tomorrow, that is true. The conferees are handling that question.

Mr. STENNIS. Mr. President, let me read to the Senator from Tennessee the exact language in question, which covers the inquiry he makes. This language was adopted by the Senate, and will be in conference tomorrow:

> In the event dispersal locations other than those indicated in this act are considered to be in the best interest of the Nation's overall strategic dispersal plan, the Secretary of the Air Force with the approval of the Secretary of Defense and the Joint Chiefs of Staff may utilize any heretofore authorized base or location and shall have the authority to reprogram available authorizations and acquire such adjoining lands as are required to establish the essential facilities.

That means that the Joint Chiefs of Staff, the Secretary of Defense, and the Secretary of the Air Force will take another look. If they find the Nation's overall strategic dispersal plan would be better served by making a change from these bases to bases heretofore authorized, they may make such change, and utilize currently available authorizations. That would merely involve a reprograming of the money by the Appropriations Committee, which is the customary course.

Mr. KEFAUVER. As I understand, the designation of specific bases in the report on the appropriation bill, on page 5, must be read in conjunction with the language which will be in the authorization bill.

Mr. STENNIS. Of course, the report would have to yield to the language of the authorization bill and the findings of the military authorities, if the language which I read should be agreed to tomorrow, or on some subsequent date, by the conferees, and later by the House and Senate.

Mr. HAYDEN. Mr. President, I will ask the Senator from Mississippi, who is chairman of the Senate conferees, to explain the situation.

Mr. KEFAUVER. Inasmuch as the authorization bill has passed the Senate, it might be too late to add the Civil Defense Administration, but should it not be consulted, and should not provision for such consultation be made?

Mr. STENNIS. I assume that those with the responsible authority would consult with all those who they thought might give valuable advice on the subject.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

Mr. JENNER. Mr. President, I should like to ask the chairman of the committee a question or two.

As I understand, this is a supplemental defense appropriation bill. However, in a true sense, the bill is not really a supplemental bill, because if the bill is passed, the $1,260,000,000 included in the bill will be taken into consideration in the regular overall defense appropriation bill later in the session.

Mr. HAYDEN. That is a correct statement.

Mr. JENNER. In other words, the bill is to meet an emergency in order to accelerate payments to fill certain gaps. Is that correct?

Mr. HAYDEN. The money would become available immediately, whereas otherwise it would ordinarily become available on the 1st day of July.

Mr. JENNER. I understand there are a great many things in connection with the bill which cannot be explained to the people of this country; there is quite a bit of secrecy about it. Is that correct?

Mr. HAYDEN. I did not know that there was any great amount of secrecy connected with it.

Mr. JENNER. Is the bill intended to step up our missile program?

Mr. HAYDEN. Certainly; that is openly understood.

Mr. JENNER. In that case I shall oppose any kind of supplemental appropriations, because a supplemental bill is one of the tricks Congress has been using for years. It is always said that we cut the budget, and then a supplemental bill is brought in and the money is appropriated anyway.

Mr. HAYDEN. With reference to the missile program, for example, funds are included to accelerate the development of the Polaris missile. This solid-fuel missile, which has been developed by the Navy, is very important, because the missile can be discharged from a submarine.

Mr. JENNER. In other words, there would be a lag in that program unless the bill before the Senate were passed?

Mr. HAYDEN. It has been determined that the Navy's progress in connection with that missile up to the present time has been sufficient to warrant an acceleration of the program. Everybody is happy that it can be accelerated. It is important from the standpoint of defense.

Mr. JENNER. But the appropriation in the bill will be taken into consideration when we pass upon the appropriation bill for the Department of Defense later in the year.

Mr. HAYDEN. Yes; indeed it will.

Mr. JENNER. On that basis, I can justify a vote for a measure of this kind. However, I wish to say that I do not believe it is necessarily a question of money that confronts our defense. We have spent $300 billion already for that purpose since the Korean war. Yet we are pressing the panic button, and we have all of a sudden become a second-rate nation, and all of a sudden Russia is far ahead of us, and so forth. Personally, I have some ideas on that subject, particularly as to what is wrong with our defense. I do not believe it is a question of having not enough money; I believe it is a matter of having too much money now.

I am asking the Committee on Appropriations to take into consideration the fact that we cannot continue to do, as a nation, all the things we have been doing, and, at the same time, superimpose upon that base all the things we must do in this age of survival. It must be remembered that if we go down economically, we will be just as bad off as if we had no defense at all. I say that because it will then be a two-front war, as the distinguished senior Senator from Virginia [Mr. BYRD] has said. I do not wish to delay the Senate, but I do desire to make my position clear. If the bill before the Senate is an acceleration bill, not a supplementary appropriation bill, to close up the gaps in certain things that need to be done, and will be taken into consideration in the consideration of appropriations that will be passed on later in connection with our defense program, I am willing to let the vote come now.

At this time I ask unanimous consent to have placed in the RECORD an address I delivered before the Women's Patriotic Conference on National Defense, on January 30, 1958, entitled "The Real Weakness in Our National Defense."

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE REAL WEAKNESS IN OUR NATIONAL DEFENSE

(Remarks by Senator WILLIAM E. JENNER, Republican, of Indiana, at the Women's Patriotic Conference on National Defense, Mayflower Hotel, Washington, D. C., January 30, 1958)

Our topic for tonight is: What is the real weakness in our national defense.

This is the question which we must keep clearly in mind, until that glad day when the Communist power for evil lies in ruins, before a triumphant revival of liberty.

I make no pretense of speaking to you as a military expert. But military problems are also political problems. The critical weakness in our national defense today is not to be found in the technical military competence, or the engineering and scientific skills, of our professional military men. Our weakness lies somewhere in the vast political, legal, and financial setup which envelops the defense program like a cocoon. The main concern of this administrative network is not to assist in efficient operation of our military program, but to gear our strategic military policies to their own predetermined ends.

We have heard much of the paper shuffling, the administrative redtape, the inability of scientific and research people to get decisions on what is to be done. Congressional committees are working hard to get the full story.

Pressure will be strong on Congress for one crash program or another. It is always good clean fun to crack heads together. But such childishness will not help in the desperate crisis of today.

There is a danger to our national security in these heaps of paperwork but it can never be found by speeding up or cracking down.

DO WE HAVE A PLAN FOR DEFENSE OF AMERICA?

The question we must keep in mind is this, Has our Government worked out, anywhere in this maze of bureaus and agencies, any well-thought-out, well-organized program for American national security? The answer is "No."

Dr. Ellis O. Johnson, director of operations, research, of Johns Hopkins University, was quoted in the Baltimore Sun of January 12, as saying to a Senate committee that the Department of Defense has no long-range plans for the protection of this country. Neither does the National Security Council. He said our new weapons are selected under short-range crash programs which could lead to long-range disaster. That is the essential fact. But why?

I have known for years that this is the true story.

On August 13, 1954, in discussing the Geneva agreement for partition of Vietnam, I warned "for the last 15 years, we have had no military program for the defense of the United States. We do not have one now."

I said then that the difficulty sprang from the political and governmental control exercised, by the foreign-policy makers, over all military and defense planning.

Most of today's witnesses urge bigger appropriations as the cure-all for our troubles.

I have voted, at every opportunity, for funds for military protection of our country. But I do not believe appropriating money is any solution for the real weaknesses of defense. Money is only the first step in meeting the danger to our country.

Our leaders admit that the Soviet Union has surpassed us in important elements of military capacity. The nations in Europe and Asia, whose cooperation we need for airbases and missile bases, are frightened into incoherence by a clever barrage of letters from Bulganin.

What is behind this fantastic situation?

EXPLANATIONS THAT DO NOT EXPLAIN

First let me list a few explanations which, though well publicized, are no explanations at all.

Our military weakness cannot be explained by lack of appropriations. By June 30, 1958, the Defense Department will have spent practically $300 billions since the Communist armies attacked in Korea. Nearly $200 billion will have been spent since the war with the Chinese Reds changed from hot to cold. Last year when the executive branch recommended a reduced military budget, Congress, though it was in a mood of drastic economy, insisted on raising appropriations for the Armed Forces. Our present annual expenditure of almost 40 billions is just twice as much as we spent in the first year of the Korean fighting. We have statement after statement, by the most competent officials of our defense program, that they had all the money they needed, and often more than they used.

Our weakness cannot be explained by charges of interservice rivalry. Charles Wilson, our very able former Secretary of Defense, said the last word on that subject. Competition of ideas within the services is on the whole a good thing. In any large organization competition has to be encouraged, if it does not exist. The German General Staff went to great pains to train their staff officers to disagree with each other. Promotion and prestige went to those who found flaws in the plans for invasion of France. The only alternative is to let the enemy find one's mistakes.

It is nonsense or worse to say American military men, after a lifetime of devotion to our country, will put interservice rivalry ahead of the Nation's ability to resist Communist invasion.

It seems to me this charge has been repeated so often, that it might well be a cover for something much more serious, which we are not supposed to notice.

Likewise I do not believe for a moment there was any lack of patriotism by President Eisenhower or President Truman. Though I do not agree with all their judgments, I am sure that, in the light of the information they were given, they tried their best to protect our country. Let us put such charges behind us.

Neither is it fruitful to argue over the share of blame to be assigned to either party. We all know no true Democrats or true Republicans consciously omitted one step that would have helped protect us from the enemy. Both parties must give their best if we are to find the right answers.

Nor can I accept the nonsense that "science" suddenly erupted in the mid-20th century, and that army officers, naval officers, and air officials had buried their heads in the manual of arms and did not know the word "science" when they met it. Scientists are important, but the scientists have at least as much work to do, learning the military application of their discoveries, as our military experts meet in following new discoveries in science.

This overemphasis on science, and insistence on a shortage of scientists which is probably not real, are disturbing. They strengthen the impression that these plausible explanations are given us to hide more important explanations which we are not supposed to see.

You remember published stories of how minor officials in the Budget Bureau told the military services they could not spend money for missiles which Congress had appprpriated. Is the Budget Bureau above Congress or is it not? Again, someone down the line in the Budget Bureau decided no overtime would be paid on work for the missiles project.

The blame for cutting military funds is put on Treasury Secretary Humphrey, and others who believe a sound economy is the second front of our defense program. That is absurd. They did not wish to weaken our defense, but to strengthen it. Someone else, in the Government's vast financial network, wanted to cut our missile program, and had the power to do it.

You must visualize the size and confusion of the executive branch today, to understand how minor officials, especially in the financial or legal division of Government, issue their own directives. They know it is practically imposible for even high military officials to carry the fight to the Secretary of Defense for settlement. The military cannot appeal to Congress in fact, though, I believe, the Constitution puts on them the duty, to share, with Congress and the public, their best professional judgment on danger to our country.

THE PARADOX

We can restate our paradox. In spite of billions of expenditures, our military position was never so inadequate to meet our danger as at this moment, but we cannot justly blame Congress, the Presidents, the professional military men, or the political parties. We must look deeper into the bureaucratic maze we call the executive branch.

What have we been really getting in exchange for the money, time, and sacrifice we thought was buying us military strength?

Our so-called defense program has three serious flaws. They are all political and governmental, not military. I shall call them giantism, welfarism, and internationalism.

GIANTISM

For years I have been saying the military had too much money. I have checked my opinions with those of the ablest men I could talk with. They agree.

What happens when defense gets too much money? It grows and swells. It gets bigger, but it does not get stronger. It develops a kind of elephantiasis. Now what trainer of olympic runners would pick the fattest men he could get for the footraces? What trainer of football players or basketball players or swimmers would rate men highest who carried the most fat?

I say excess money for the military operates like excess fat on an olympic contender. It is stupid, defeatist, and could be fatal. Giantism in defense spending lulls us to sleep while our fighting forces grow ever weaker.

What do the bureaucrats do when they get too much money? They make new jobs. Especially they make more Under Secretaries and Assistant Secretaries and administrative assistants to the assistant administrators. They make more interdepartmental committees and conferences. They think up more research projects. They have to have more secretaries and file clerks to write memos explaining the explanations.

Obviously our defense has been buried under tons of paper. Obviously our real military experts have had to waste their time and their strength in this continual shuffling of papers, this inability to bring a question for decision to the point where there is competence to decide it.

What is the bright and shining needle which is lost in all this haystack of papers? Obviously simple functional military thinking about the danger to our country.

Giantism is the enemy, not the strength, of military security. Every good military man wants the Armed Forces lean, taut, functional. Fighting men prefer commanders who insist on a military stance. I do not mean at all that our fighting men should get less than the best. The best is that which keeps them in the best fighting trim, like the coiled serpent on the Colonial flag with the Latin motto, "No one can touch me unscathed."

WELFARISM

I shall not discuss welfarism in detail. You know it perhaps as mom-ism, or momstuff. I emphatically do not blame momstuff on the women of America. Of course, American women want our men to come home as soon as possible after every war. But they are not soft. It was not the women of America but the Communist-trained unions, the Communist leaflets, the pro-Communist columists, who, in 1945, set up the cry: "Bring the boys back home." The Communists knew what they wanted. They wanted the magnificent conquering army of American fighting men out of Europe, so they could make all Eastern Europe into a Soviet arsenal.

I blame the political and military leaders who could not tell the difference between the voice of patriotic American women and the Communist ventriloquists' dummies who talked like American women but spoke for the fifth column.

Then there are the mysterious attacks on the Marine Corps, especially the drill inspectors. Here, again, I claim no expertness, but remember—the toughness of military training is set by the enemy. What our men had not learned from their drill sergeants they learned from the Japanese, or the Red Chinese. Ask yourselves—Who in all the world would be most interested in blunting the vigorous training and fighting spirit of the Marines? Who, today, fears the men who marched into North Korea, to smoke out the Red Chinese forces, and came back in marching order, carrying their dead with them? Who would be most likely to plan far ahead, so that no such aggressive fighting forces would face them in another war?

I leave to you the next question: Why do we have vast numbers of military dependents on our bases all over the world? No one wants to keep American fighting men from their families. But I can see no excuse for burdening men on the Communist frontier with the dread possibility their wives and children will go down with them, if they are enveloped by a sudden Red attack.

Every military man outside the United States should be, at every moment, in instant fighting trim. He should be kept close to his family by being flown abroad and flown home, for short tours of duty. These flights give the Armed Forces training in the airlifts on which our survival may depend.

Either American youth should be spared all military service, or they should be in it, with all they have. If we need fighting men to defend America, we want no softening of the brutal necessity. We want our fighting forces to be the fightingest thing on this planet, and even in outer space.

INTERNATIONALISM

Third, I said our Military Establishment was not national. It is international.

I have described at length policies of NATO by which we are integrating our fighting men with those of other nations.

I have told of the NATO military academy which is training our officers to be multinational. I have told of the comic-strip books which are being used by NATO to tell our soldiers to think internationally.

This integration is not a military necessity. It is a political decision. It is the work of men determined to replace American sovereignty with a supernational state. They know they must make it impossible for the American forces to go it alone, and they are gaining their ends by one innocent-looking step after another, buried in the mountains of paperwork.

Of course, we have no military program to defend America.

THE TWO DEFENSE PROGRAMS

We have two military programs. One is made by American military and civilian patriots, to protect America. The other is made, high above the Cabinet departments, by a little group of political, legal, and financial planners, who want our defense program to be costly, centralized, soft, and internationalist.

Americans do not oppose international cooperation. We do oppose loss of our country's right to defend itself and preserve its sovereignty intact.

In 1917 the United States made a major contribution to the winning of the First World War. The British and the French had arranged that the Americans were to be brigaded with the Allied forces. Black Jack Pershing said, "No." And "no" it was, after all the protests. Americans fought as Americans, at Chateau Thierry and Belleau Wood. Their contribution to the common cause was not less, but more, because the undimmed fighting spirit of the American chose to smash through rather than slug it out, inch by inch, with the Germans.

WE NEED A NATIONALIST DEFENSE PROGRAM

We may need more scientists, more guided missiles, more space satellites. But more than anything else we need to be certain that the American Armed Forces are American, wholly American, from the lowest rank to the highest.

The American Military Establishment must be a wholly nationalist organization, ready to meet any need of our country, whatever the event, without asking permission of anyone not an American.

We can proudly lend the help of American fighting forces to other fighting nations if we believe it necessary. But we cannot integrate our fighting men with those of nations which may go neutralist. If we do, who will put Humpty Dumpty together again—when danger strikes?

I am only touching the surface of this question. Many changes have been made in the American military in the last 20 years. They leave us increasingly confused, and helpless to deal with the Communist war machine. We cannot end this leaking away of American military strength, until we identify the forces in our Government which are working to keep us militarily big, slow, helpless.

THE FOURTH BRANCH OF GOVERNMENT

The maze of bureaus, agencies, interdepartmental committees, and hidden influences, which manages our defense is not the true executive branch of the Constitution. This maze was built up over the last 26 years through the power that goes with big spending.

No one in Congress, in the press or among the voters, really understands the size and complexity of this jungle, or the number of things which can be done in such a maze which never see the light of day. Likewise no President can follow what happens in this maze. Only a handful of bureaucratic managers knows how to make it work.

Who gains by giantism, welfarism, and internationalism in military spending? The answer is the little group of New Dealers, Fair Dealers, collectivists, Socialists, One Worlders and pro-Communists who manage big government. They want big spending because spending gives them their power. Big spending also makes it impossible for Congress, the press, the public or the President, to watch and direct what is done with our money.

I have referred in the past to this managing elite in big government as a fourth branch of government. The fourth branch of Government consists roughly of the "planning elite" in our executive branch, and their coworkers in the press, in big business and finance, in the foundations. The fourth branch operates parallel with the three constitutional branches of Government, the legislative, executive, and judicial, not under them. It operates independently of all checks and balances, so long as it has enough money to spend. Government always becomes government above the law, when spending passes the point of scrutiny by Congress and the press.

This fourth house of Government is the dominant political influence on our defense policy, as it is on our foreign policy. Remember this—it has no intellectual or moral commitments to create a strong military defense for the United States. It has never promised to keep America strong and free.

At the moment we can see the working of this fourth branch, with its interlock between Government agencies, the press, and the foundations in two new proposals for reorganizing our Military Establishment, the Gaither and the Rockefeller reports. Both of them will give us more giantism, welfarism, and internationalism in defense than we have now. One of these reports is classified as top secret except for friends of the fourth branch of Government, who leak bits of it to Congress and the public. The other report, which makes similar recommendations, is being ballyhooed with vast resources from the foundations, radio, television, magazines, and the book-publishing business.

Both reports are part of a powerful drive to increase the size and cost of the American Armed Forces, to put them under centralized control free from interference by Congress, and to mesh them with the forces of other nations, so that no independent anti-Communist nation, like Korea, or Free China, Germany, or the United States, will be able to act alone.

The fourth branch of Government cannot remedy the weaknesses in our grand strategy for which they are responsible. Congress has a duty it cannot shirk.

CONGRESS MUST MAKE DEFENSE WHOLLY AMERICAN

The problem before Congress, as I see it, is not only to give the Armed Forces the money they need to get the newest technological weapons. Far more important, it is the duty of Congress to make sure our defense forces have an American political and governmental setup, in which to work. Our Military Establishment must be wholly American, from the highest ranks in Washington, to the farthest outposts of our power, in Europe, Asia, Africa or the stratosphere.

So I say to you, my friends, that we can spend billions on defense, we can have the ablest and most devoted military leaders in the world, but we cannot have military security for the United States, and we cannot block Soviet attempts at conquest, unless we, the Congress and the people, free our military leaders from the political yokes of giantism, welfarism, and internationalism, unless we return to the constitutional mandate of American national defense, under purely American direction, with one purpose only, the safeguarding of America.

Mr. STENNIS. Mr. President, this military appropriations bill launches us into an even more expanded military program, with special emphasis on missiles as well as additional detection systems, both very expensive phases of a modern military program.

When our various missiles reach the actual development and operational stages, they will cost more than any other single phase of our military program. Within a few years these will add additional billions of dollars to our defense cost. These additional defense burdens wil be paid either by tax money or by borrowed dollars, to be added to the national debt. Our people should be advised of these facts now. Our people should be warned that this $1.5 billion of new money in this present defense appropriations bill is only a small part of the enormous demands of our necessary defense program to be faced in the future.

Our security must be protected at all costs. But these continuing and ever-increasing enormous military outlays over a period of a prolonged cold war can lead eventually to our economic collapse. We must explore every possibility of seeking and developing channels of communication and understanding with the Russian people. This is our only way out of an otherwise unending cold war stalemate.

Mr. BUSH. Mr. President, I had intended to make some pertinent remarks on the pending bill. However, I yielded the floor temporarily so that the majority leader might bring the bill to a vote, with the understanding that there would be only a few remarks made in connection with the vote. If there is to be extended debate, I wish to take part in it.

In order to bring the bill to a vote immediately, I ask unanimous consent that I may have the floor immediately following the passage of the bill, in accordance with the previous agreement.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Connecticut? The Chair hears none, and it is so ordered.

The question is on the passage of the bill. The yeas and nays have been ordered. The clerk will call the roll.

The Chief Clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Tennessee [Mr. GORE], the Senator from Oklahoma [Mr. KERR], the Senator from Louisiana [Mr. LONG], the Senator from Oregon [Mr. MORSE], the Senator from Montana [Mr. MURRAY], the Senator from Rhode Island [Mr. PASTORE], the Senator from North Carolina [Mr. SCOTT], the Senator from Florida [Mr. SMATHERS], the Senator from Alabama [Mr. SPARKMAN], the Senator from Georgia [Mr. TALMADGE], and the Senator from Texas [Mr. YARBOROUGH] are absent on official business.

The Senator from South Carolina [Mr. THURMOND] is absent because of a death in his family.

I further announce that if present and voting, the Senator from New Mexico [Mr. CHAVEZ], the Senator from Tennessee [Mr. GORE], the Senator from Oklahoma [Mr. KERR], the Senator from

Louisiana [Mr. LONG], the Senator from Oregon [Mr. MORSE], the Senator from Montana [Mr. MURRAY], the Senator from Rhode Island [Mr. PASTORE], the Senator from North Carolina [Mr. SCOTT], the Senator from Florida [Mr. SMATHERS], the Senator from Alabama [Mr. SPARKMAN], the Senator from Georgia [Mr. TALMADGE], the Senator from South Carolina [Mr. THURMOND], and the Senator from Texas [Mr. YARBOROUGH] would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from Iowa [Mr. HICKENLOOPER], the Senator from North Dakota [Mr. LANGER], and the Senator from New York [Mr. IVES] are necessarily absent.

The Senator from New Hampshire [Mr. BRIDGES] and the Senator from Maryland [Mr. BUTLER] are detained on official business.

If present and voting, the Senator from Iowa [Mr. HICKENLOOPER], the Senator from North Dakota [Mr. LANGER], the Senator from New York [Mr. IVES], the Senator from New Hampshire [Mr. BRIDGES], and the Senator from Maryland [Mr. BUTLER] would each vote "yea."

The result was announced—yeas 78, nays 0, as follows:

YEAS—78

Aiken	Flanders	Martin, Pa.
Allott	Frear	McClellan
Anderson	Fulbright	McNamara
Barrett	Goldwater	Monroney
Beall	Green	Morton
Bennett	Hayden	Mundt
Bible	Hennings	Neuberger
Bricker	Hill	O'Mahoney
Bush	Hoblitzell	Payne
Byrd	Holland	Potter
Capehart	Hruska	Proxmire
Carlson	Humphrey	Purtell
Carroll	Jackson	Revercomb
Case, N. J.	Javits	Robertson
Case, S. Dak.	Jenner	Russell
Church	Johnson, Tex.	Saltonstall
Clark	Johnston, S. C.	Schoeppel
Cooper	Kefauver	Smith, Maine
Cotton	Kennedy	Smith, N. J.
Curtis	Knowland	Stennis
Dirksen	Kuchel	Symington
Douglas	Lausche	Thye
Dworshak	Magnuson	Watkins
Eastland	Malone	Wiley
Ellender	Mansfield	Williams
Ervin	Martin, Iowa	Young

NAYS—0

NOT VOTING—18

Bridges	Kerr	Scott
Butler	Langer	Smathers
Chavez	Long	Sparkman
Gore	Morse	Talmadge
Hickenlooper	Murray	Thurmond
Ives	Pastore	Yarborough

So the bill (H. R. 10146) was passed.

Mr. HAYDEN. Mr. President, I move that the Senate insist on its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. HAYDEN, Mr. RUSSELL, Mr. CHAVEZ, Mr. ELLENDER, Mr. BYRD, Mr. BRIDGES, Mr. SALTONSTALL, and Mr. YOUNG conferees on the part of the Senate.

COMMEMORATION OF FIRST FLIGHT OF AN AIRPLANE ON AN ARMY INSTALLATION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar 1252, H. R. 6078.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 6078) to provide for the erection of suitable markers at Fort Myer, Va., to commemorate the first flight of an airplane on an Army installation, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

SUPPLEMENTAL DEFENSE APPROPRIATIONS, 1958

Mr. JOHNSON of Texas. Mr. President, I may say to my friend, the distinguished Senator from Connecticut [Mr. BUSH], that I am very grateful for his courtesy and willingness this afternoon to wait until the Senate passed the appropriation bill before he addressed the Senate.

I am also appreciative of the courtesy extended to me by my friend, the distinguished Senator from New Hampshire [Mr. COTTON], and my friend, the distinguished Senator from California [Mr. KUCHEL]. I realize that all these very able gentlemen had speeches prepared and were ready to address the Senate. But it was felt better to have the yea-and-nay vote before 5 o'clock rather than to call Senators back late this evening.

I am sorry we were delayed longer than I wished; but we have passed the bill and have accomplished our task. I am appreciative of the courtesy the Senators have shown.

Mr. BUSH. Mr. President, I simply observe that we are always glad to cooperate with the distinguished majority leader, even if sometimes events beyond his control test our patience. I think that happened this afternoon. But I absolve the distinguished Senator from Texas from responsibility for that. I think it is pretty hard for him to keep 49 Senators in line, so that they will all do exactly what he wants to have done at the right time, particularly if it means sitting down. We are very glad to have cooperated with him today, and have no regrets about it at all.

However, I feel that we ought to discuss the matter of unanimous-consent agreements, because I find that unanimous-consent agreements are made which tie up the Senate for one afternoon after another. I question very much whether that is sound practice.

I think it is all right to obtain a unanimous-consent agreement within a day; but to go on and promise from day to day that Senators shall have the floor after the morning hour is not, I feel, a very satisfactory procedure. I think all Senators ought to consider very closely whether such agreements can be considered in the future.

Mr. President, my good friend, the distinguished Senator from Delaware [Mr. WILLIAMS], has a brief statement which he wishes to make for the RECORD. I ask unanimous consent that at this time I may yield to him for that purpose, without losing my right to the floor.

The PRESIDING OFFICER (Mr. BIBLE in the chair). Is there objection? Without objection, it is so ordered.

RECEIPT BY RACEHORSE OWNERS OF SUBSIDIZED FEED UNDER THE EMERGENCY DROUGHT RELIEF PROGRAM

Mr. WILLIAMS. Mr. President, today I call attention to a situation wherein the owner of one of the country's richest racing stables has been found to be on the Government relief rolls.

The official records show that Rex Ellsworth and his brother, owners of the Ellsworth Ranch, Seligman, Ariz., and owners of the racehorse Swaps, were, upon their application, approved as eligible to receive over 2 million pounds of subsidized feed under the emergency drought relief program.

Under this program, the Government contributed a $1.50 per hundredweight subsidy, which subsidy was authorized by Congress on the basis that it was to assist needy and bona fide farmers to maintain their basic herds of livestock; and the definition of livestock eligible under this program definitely did not include racehorses.

Most of these payments to Mr. Ellsworth were made in 1957. Some of the payments were made as long ago as 1954. When an inquiry was made, they were stopped; but before they were stopped, the owners had received total Government subsidies amounting to $28,914, with $26,049 of this amount representing subsidy feed payments; and $2,865 free hay—all paid for by the American taxpayers.

By the way, their racehorse, Swaps, was the winner of the Kentucky Derby, in 1955, winning for his owners $108,400; and the official records list $848,900 as the total earnings for his owners.

I am sure that as the racing fans watched this horse, they did not realize he was on Government relief.

The emergency drought relief program was definitely never intended for the benefit of racehorses. The program was authorized by Congress to help bona fide farmers preserve their foundation herds of livestock, and thereby enable them to continue their operations.

I quote an excerpt from the administration's letter No. 343, containing the FHA instructions on how this emergency feed program was intended to be administered:

> Any established farmer or stockman (partnership or corporation) whose principal occupation is farming or ranching and whose financial condition is such that he requires assistance under this program in order to maintain his foundation herd of livestock and continue his livestock operations, is eligible for assistance under the emergency feed program.

The application blank which was required to be signed by the recipient of the relief contained this language:

> I hereby make application for the purchase of this amount of feed under the emergency feed program.
>
> Without the assistance applied for under the emergency feed program I will be unable

to maintain my basic foundation herd and continue the livestock operation which I have been conducting for —— years.

Mr. Ellsworth must have had his tongue in cheek at the time when he signed the application blank claiming inability to pay for his own feed.

The county committee and any other official who took part in authorizing this $28,914 in relief to Rex Ellsworth, owner of one of the Nation's richest racing stables, should be called upon for an explanation as to why they approved this application.

This is another glaring example demonstrating the abuse which can develop in a well-intended program, when the Government pays all the cost, and there is no local financial responsibility.

Again, I urge the House of Representatives to give early consideration to S. 304, which was passed by the Senate last year, which bill would require a minimum of 25-percent contribution on the part of each participating State.

At the same time, I am suggesting that the Department of Agriculture refer the files of this case to the Department of Justice, not only for collection of the money which has been improperly paid to Mr. Ellsworth, but also for checking the validity of the statement, as contained in the application blank signed by him.

Mr. President, this is not the first time we have found owners of racehorses participating in this relief program.

Several years ago, the Kings Ranch, owners of High Gun—a horse which won the Belmont Sweepstakes, in 1954—likewise drew $32,585 relief under the same program.

Mr. President, the time has come for such things to be stopped.

I thank the Senator from Connecticut for yielding to me, Mr. President.

Mr. BUSH. I have been glad to yield.

ASSISTANCE TO LOCAL SERVICE AIRLINES

Mr. CAPEHART. Mr. President, will the Senator from Connecticut yield to me?

Mr. BUSH. I yield.

Mr. CAPEHART. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a statement I have prepared in regard to House bill 5822.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR CAPEHART

There are many overriding reasons why H. R. 5822 should be passed promptly by the Senate without crippling amendments and without any discriminations.

Right now our domestic trunkline carriers are seeking a reasonable and long overdue fare increase. Costs of operating airlines have risen astronomically since 1939. Our domestic carriers are operating under a fare structure 20 years old. What had been the finest competitive domestic airline system in the world has been placed in jeopardy because of the refusal of the Civil Aeronautics Board to face up to the facts of life.

While domestic trunkline fares, to be sure, are not part of this legislation they are tied in very securely with the economic well-being of commercial air transport in this country.

H. R. 5822 is essentially designed to give our heavily subsidized local service airlines an opportunity to get on their financial feet. If they are allowed to keep the proceeds from the sale of obsolete aircraft in order to purchase the new equipment necessary to make their routes more profitable, there is a strong likelihood that most of the local service lines will be off subsidy in a much shorter space of time. There is also a strong argument to be made that the subsidy goes to the community served rather than to the feeder lines providing the service. Many of these communities have found their local railroad service completely discontinued or sharply curtailed. Air transportation thus becomes a necessity for local passengers and mail.

It was with tremendous interest that I visited behind the Iron Curtain for several weeks last fall at which time I observed the continuing growth of Aeroflot, the national airline of Soviet Russia. Already Aeroflot has established a route system from Moscow to 16 foreign countries, from Norway to North Korea. Although it is just beginning to be a global carrier, Aeroflot already flies 58,000 route miles compared to the 64,000 route miles flown by Pan American World Airways, which many of my colleagues here seem to think is already too big. And keep in mind that Air France and KLM, two heavily subsidized airlines owned respectively by the French and Dutch Governments, have now more route miles around the world than does Pan American.

The Russians care little whether Aeroflot realizes a profit or breaks even. It is prepared to accept substantial book losses for the next 10 years—the jet age—in order to use Aeroflot as a symbol of Communist prestige.

Already Aeroflot has twin-engined jet aircraft in operation over its routes. I am reliably informed that Aeroflot now has 1,000 aircraft at its disposal. Consider this carefully in light of the fact that the whole fleet of Pan American Airways consists of 155 aircraft some of which are leased by Pan American and not owned. Consider this also: By rail from Moscow to Peking, the capital of Red China, the trip requires 8 days; Aeroflot's jets make the trip in 9 hours.

Five United States airlines, owned by American taxpayers, have extensive international routes. None of them reasonably hope to have jet equipment in operation before the first of next year at the earliest. Meanwhile, the British and French, as well as the Russians, are going ahead with the development of their own four-engine, ocean-spanning jet airplanes. Many of these experiments, to make the situation even more ironical, are being financed either directly or indirectly by United States Treasury Department funds accumulated from United States taxpayers.

Thus, we are here today talking about the possible—but not certain—saving of pennies when hundreds of millions of dollars in foreign commerce and our national prestige are at stake.

This is no time to be discussing who will or who will not get the most or least benefit from the passage of H. R. 5822. These arguments become trifling and petty when we look to the future and find our survival in the field of international commercial air transport imperiled by Communist Russia and the socialized operations of foreign lines of other nations.

This body has indicated its disturbance on many occasions during the past few years when representatives of our State Department engaged in bilateral air agreements with representatives of other nations. TWA, for example, cannot fly from the United States to Paris without our giving reciprocal rights to Air France under our bilateral agreement. Yet, the United States market is infinitely more valuable to Air France than is the French market to TWA.

Two of our international airlines fly to India. In return, Air India must be given similar routes to the United States. If it is inconceivable to some of our colleagues here today that Air India could finance and operate an overseas airline to the United States, please check on the amount of foreign aid that has gone from the United States to India in the past and which is still going to India in the amount of hundreds of millions of dollars. Relatively speaking, it doesn't cost too much to put a fleet of airlines in the skies, not, at least, when you are dealing in hundreds of millions of dollars. Air India, I might add, is also a Government-owned airline.

Our airlines need new equipment. They have new equipment on order. The manufacturers require payments for this new equipment in order to keep their factories operating and their people working. Right now the large banking houses consider airline loans a calculated risk.

Time and Life of January 27 have simultaneously recognized the problems facing our commercial airlines.

In a hard-hitting editorial entitled "Desk Pilots and Jet Enterprise," Life has brought home ringingly the need for financial aid for the airlines.

Time, likewise, has done considerable research on the subject of the commercial air arm of the Soviet Union in an article in its business section. These two articles, from Life and Time, are appended herewith.

[From Life magazine of January 27, 1958]

DESK PILOTS AND JET ENTERPRISES

With Marshal Pavel Zhigarov's Soviet jetliners about to begin scheduled international services, the future of United States commercial jet aviation is socked in by a mass of stratocumular studies and argument in Washington. Behind the Civil Aeronautics Board's current hearings on airline fares is the spectacle of the United States Government, widely regarded as a supporter of free enterprise, negligently smothering the efforts of American free enterprise to get its planes off the ground—in the shadow of subsidized Soviet competition.

The future of commercial jet aviation in the United States, a revolution comparable to the development of the first efficient passenger plane, rests with the 12 major trunk airlines. At the moment they aren't doing very well flying with propellers. At least four of them are in serious trouble—the trouble for one of them, Capital Airlines, coming ironically from its foresighted pioneering in turboprop aircraft. Investors tend to look on airline stocks with the distaste of an opera singer meeting a friend with Asian flu.

A normal business, faced with rising cost problems, could raise its prices. But air fares are strickly held down by the Civil Aeronautics Board. They are now a fraction lower than they were in 1938. In past years the airlines could still make their profits within this frozen price structure by virtue of their strenuous technical advances. Now, with propeller-driven airplanes flying about as fast and as economically as they are ever going to, this slack is all but used up. Each year the airlines' operating margin gets tighter.

Facing this economic heavy weather, the airlines have had to pledge a cool $2 billion for reequipping themselves with jet aircraft. The transition from propellers to jets, with their heavy speed and huge passenger and freight capacity, is a transport revolution in every sense of the word. It demands not only the meticulous remodeling of United States airports but a mass revision in the smallest details of airline operations. The airlines look forward hopefully to this

revision and the heavy passenger loads it should bring. So does the United States Air Force, since the entire wartime strategic transport reserve is to be based on commercial jet equipment. But the costs are revolutionary too. A brandnew Boeing 707 jet costs over $5 million, compared to the $125,000 the DC–3's cost back in 1938 (or even the $2.5 million a DC–7B costs today). As one airline executive observed, "You can't buy $5 million airplanes with 2½ cent nickels."

To get some 5-cent nickels from investors for this expansion, without going back to the days of Government subsidy, the airlines have to get some fare increases—and fast. The target date for established jet service is 1959. In April 1957, accordingly, some lines asked for an emergency 6 percent increase. The CAB, after mulling this over for 6 months, turned them down. In November, as the howls of anguished airline presidents were beginning to sound like a jet takeoff line, the CAB calmly began a full-dress investigation of fares, which most of the lines would like to increase by 15 percent to 17 percent. By the end of 1958, it is estimated, it may be ready to start making a decision.

In 1938 the Civil Aeronautics Board was founded, like many Government regulatory organizations, for the immediate reasons of preventing unfair competition, regulating routes and safeguarding the public against monopoly. This it has certainly done. The airline business in the United States at the moment is about as monopolistic as an oversubscribed hundred-yard dash. But it was also founded, primarily, to further the development of United States aviation. It can hardly do this by reenacting the solutions of past problems. Why should this highly competitive business have its prices regulated anyway? An experiment in letting the lines fix their own fares might be instructive and in the long run profitable to everybody.

It will be hard enough for United States free enterprise business to compete in a field where subsidized Soviet aviation has already piled up quite a few firsts. Our delay is understandable. Considerations of safety and economic operations inevitably make United States jet aviation planning longer, more thorough and better than the Russian variety. The inexcusable thing is to see United States free enterprise crippled by its own Government. For just as surely as Marshal Zhigarov and his friends are heading into the jet age, some of our own Washington desk pilots seem intent on heading it off.

[From Time magazine of January 27, 1958]

RUSSIAN CHALLENGE

The makers of sputnik are preparing another aerial challenge to the West: The world's biggest commercial air fleet. By pumping cash and talent into a crash drive to improve Soviet Russia's 1,000-plane Aeroflot, Nikita Khrushchev hopes to make it another impressive display of the achievements of Soviet technology. Says the United States Air Transport Association's President Stuart Tipton: "Aeroflot is visibly preparing to challenge the supremacy of Western carriers. An effective Russian civil airline will facilitate Russia's economic penetration elsewhere, serve as a vehicle for political influence and act as an effective propaganda weapon."

Aeroflot already reaches 16 foreign countries from Norway to North Korea, flies 58,000 route miles versus 64,000 for Pan American World Airways, the longest United States-flag carrier. Last month Aeroflot won Britain's approval for flights to London, is expected to start service next fall. Now Aeroflot is dickering for landing rights in France and Holland, is expected to go after rights in the United States as soon as it gets enough long-range jets to fly from Moscow to New York, probably within the year.[1]

PRESTIGE, NOT PROFIT

The Soviets plug Aeroflot as "the only line in the world with mass and regular exploitation of jets." To fly into the jet age ahead of the West, Aeroflot adapted designer Andrei Tupolev's twin-jet Badger medium-range bombers to regular commercial service. The TU–104 looks like a Victorian pullman car with ornate chandeliers, overstuffed seats, brass serving trays, and oldtime chain-flush toilets. But overnight it has changed Aeroflot from a lowly regarded, primarily domestic line into a major international threat. Aeroflot has about 50 TU–104's, flies them regularly to East Berlin, Prague, Sofia, and distant cities within the U. S. S. R., cuts the 8-day Moscow-to-Peiping rail trip to just 9 hours.

By United States commercial standards, the TU–104 has many shortcomings. Underpowered for a big jet, it has a range of less than 2,000 miles. It lands fast—up to 150 miles per hour—on weak brakes, often overshoots runways. It gulps so much jet fuel that it would probably break a private line. But the Reds want prestige rather than profit, are willing to let the state-owned line fly in the red for years to come.

Aeroflot expects to convert completely to jets and turboprops by 1960, phase out the 800 to 1,000 two-engined Ilyushins (opposite number to the DC–3) that are its bread-and-lard planes. Thus, in less than 3 years, Aeroflot hopes to leap from the primitive, twin-engined piston stage into the four-jet age, without carefully rolling up experience on larger piston planes as Western lines have done.

Aeroflot has some impressive new models for the job. It has started to fly Tupolev's new four-jet, 500-to-600 m. p. h. TU–110's the 2,700 miles from Moscow to Irkutsk, may put the plane on longer runs to replace the TU–104. For ranges up to 3,000 miles, Aeroflot has shown off prototypes of two 400-m. p. h. four-engined turboprops—Ilyushin's 100-passenger IL–18 Moskva and Antonov's 126-passenger Ukraina—that resemble Lockheed's Electra, now being test-flown. Aeroflot's highest hopes for capturing a large chunk of the foreign market rest on Tupolev's four-engined turboprop, swept-wing TU–114, a double-decked, pressurized behemoth, twice the size of a Super Constellation. The Reds claim that it is the world's fastest propeller airliner (more than 500 m. p. h.), can carry 110 passengers nonstop from Moscow to New York in 10 hours, crowd in 220 passengers for shorter trips. Aeroflot has displayed a prototype, plans to have TU–114's in commercial operation within a year.

COMFORT AND CONFUSION

Aeroflot developed into this huge, showy line from a humble beginning. The Soviet state put it together in 1923 from remnants of the revolution's Red air force. In the 1930's Stalin purged some of Aeroflot's best brains, but in World War II he outfitted Aeroflot with hundreds of United States lend-lease Dakotas (DC–3's), started to expand it fast to open up underdeveloped Russian areas that had no roads or rail lines.

Today Aeroflot is actually Soviet Russia's civil air ministry. Besides hauling passengers and freight, it carries out a massive program of crop dusting and sowing; it runs meteorological and oil-pipeline surveys, organizes flying clubs, maintains all nonmilitary airports and directs two colleges which train pilots and ground technicians. It is difficult to tell where the Red air force leaves off and Aeroflot begins. Bossing it is one-time air force commander in chief (1950–57) Chief Air Marshal Pavel Zhigarev, 60, veteran pilot and bomber expert who got the airline job a year ago.

Zhigarev rules a rigidly controlled bureaucracy. So tight is his grip that a station manager in Vladivostok sometimes has to seek approval from Moscow—4,000 miles away—to effect changes. At the same time, Aeroflot is so disorganized that its 27 territorial boards print separate timetables, often in the local language, to the consternation of passengers who must change planes on a long trip.

By Western standards, Zhigarev's bureaucracy ignores the basic rules for running an airline economically. While Western lines use their planes up to 12 hours a day for money-saving maximum utilization, Aeroflot idles dozens of planes on the ground for each one in the air. Aeroflot does not have enough good ground bases, maintenance depots or technicians to handle its huge fleet. The Russians built Aeroflot's new planes so they can use the country's rough airports, rather than improving the airports. Thus the jets sacrifice payload and range for ruggedness.

On the other hand, the line's big-city strips are long and smooth, and the terminals abound with electronic landing equipment, radar, and comforts for passengers. Moscow's Victorian-style Vnukovo Airport compares with some of the best in the West, houses a transient hotel and a nursery with toys and cots for the tots.

HIGH FARES

Aeroflot's fares are high: 11.3 cents a mile on flights inside Russia versus the 8.6 cents charged by Western carriers for trips within Europe and only 5.3 cents for domestic United States flights. Passengers have trouble buying tickets in advance, since flights are often reported fully booked because clerks hold out large blocks to satisfy any last-minute demand by Soviet VIP's. A foreigner can usually wangle a seat at the last moment, even if a nontitled Soviet citizen must be bumped just before takeoff. In flight, meals are heavy and ordinary, include Georgian wines, vodka, and cognac. The piston planes are unpressurized, and many of the TU–104 jets are pressurized to a cabin altitude of only 9,000 feet (versus 5,000 feet for United States planes), carry oxygen masks next to each seat for passengers who cannot stand the thin air.

Aeroflot pilots, though experienced, have won a daredevil reputation for going up in bird-walking weather. This can make for tough and treacherous travel, since they fly without electronic navigation aids in the back-country areas where airports are not equipped for instrument landings. What kind of safety record they have, no Westerner knows; Aeroflot does not announce crashes unless foreigners are on board. But there have been 3 crashes in the past 3 months alone that took 30 lives.

For these reasons, Western airmen feel that Aeroflot must go a long way before it can match non-Communist airlines in reliability. The real test will come when Aeroflot pits its jets against the Western lines in the tough competition in Western Europe and across the North Atlantic.

[1] Looking in the other direction, lively little Alaska Airlines applied to CAB for permission to fly from Alaska to Irkutsk, Siberia.

GREATER UNIFICATION OF THE ARMED FORCES

Mr. BUSH. Mr. President, earlier today I introduced, for appropriate reference, a bill (S. 3209) to best assure the security of the United States by providing for greater unification of the Armed Forces, and for other purposes. At this time, I desire to discuss the bill for a few minutes.

Mr. President, the development of advanced weapons systems at a fantastic

pace, and the world's sudden emergence into the age of space, present both great danger and a momentous challenge to the people of the United States.

The danger lies in the rapid growth of the military power of the Soviet Union and the concentration of that destructive power in the hands of a few men in control of a totalitarian system of government—men who have not hesitated to use that control with utter ruthlessness.

We now face our greatest challenge since 1776: Can our representative government of a free people demonstrate that it is able to respond quickly and effectively in time of danger? Have we the will and the courage to take every action necessary to repel a mortal threat to our freedoms?

It is a challenge to the Members of this Congress, the elected Representatives of the greatest republic ever founded on this earth.

It is a challenge to us, in cooperation with the President of the United States, to undertake without hesitation the tasks which must be accomplished if this Republic is to remain free.

It is a challenge to us to provide leadership to the American people and to inform them of the things which we, as a nation, must do to overcome the danger we face.

It is a challenge to all our people to accept the necessity to devote a larger share of our national resources to the national defense and to accept the sacrifices this may involve.

Mr. President, the ultimate security of the United States and of all the nations on this earth lies in an enduring peace in a world ruled by law, rather than by naked power. We must continue, in the United Nations and in every other international form, to pound home that truth, grounded in the ethical systems of all the world's great religions.

Unhappily, unless there occurs a drastic change in the policies of the Kremlin's atheist rulers, our world of law lies in the distant future, perhaps never to be achieved in the lifetime of the present generation. In the meantime, then, we must look to our defenses, upon which the people of America and the peoples of all other free nations depend, for the preservation of freedom.

We have received many recommendations for maintaining and strengthening the military capabilities of the United States which, augmented by the collective strength of our allies, constitute the free world's sword and shield against aggression.

But, Mr. President, the many recommendations for greater unification of the Armed Forces and better organization of the Department of Defense strongly suggest, in my judgment, the most important single action within the power of Congress to take at this time.

The most efficient organization of our military strength to meet the demands of the age of space is the key to success of most of the other steps we have been called upon to take since the Russian sputniks, whirling around the globe at 18,000 miles an hour, alerted this Nation to the danger we face.

Efficient organization will make certain that the vast sums we are being called upon to appropriate for our Military Establishment will be spent with minimum waste, minimum delay, and maximum effectiveness.

Overlapping of functions, duplication of effort, prodigal rivalries among the separate services—these are luxuries we cannot afford. Faced with enormous expenditures, the Congress has a duty to the American taxpayer to take every step necessary to create a military establishment which can perform its duties with maximum economy and effectiveness.

Substantial savings may well be made—savings which, in part, at least, will offset the increased funds needed for advanced weapons. At a minimum, we shall avoid the construction of a new annex to the Pentagon, which will be needed if the current trend continues. We may be able to vacate some of its floor space and tear down some of the temporary buildings of World Wars I and II, which now deface Constitution Avenue and other areas in Washington, D. C.

We have received from many sources recommendations for a more unified command in the Pentagon.

The President of the United States, Dwight D. Eisenhower, in his state of the Union message has emphasized the need.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a portion of the President's message; it is the portion dealing with defense reorganization.

There being no objection, the excerpt from the message (Doc. No. 251, 85th Cong., 2d sess.) was ordered to be printed in the RECORD, as follows:

1. DEFENSE REORGANIZATION

The first need is to assure ourselves that military organization facilitates rather than hinders the functioning of the Military Establishment in maintaining the security of the Nation.

Since World War II, the purpose of achieving maximum organizational efficiency in a modern defense establishment has several times occasioned action by the Congress and by the Executive.

The advent of revolutionary new devices, bringing with them the problem of overall continental defense, creates new difficulties, reminiscent of those attending the advent of the airplane half a century ago.

Some of the important new weapons which technology has produced do not fit into any existing service pattern. They cut across all services, involve all services, and transcend all services, at every stage from development to operation. In some instances they defy classification according to branch of service.

Unfortunately, the uncertainties resulting from such a situation, and the jurisdictional disputes attending upon it, tend to bewilder and confuse the public and create the impression that service differences are damaging the national interest.

Let us proudly remember that the members of the Armed Forces give their basic allegiance solely to the United States. Of that fact all of us are certain. But pride of service and mistaken zeal in promoting particular doctrine has more than once occasioned the kind of difficulty of which I have just spoken.

I am not attempting today to pass judgment on the charge of harmful service rivalries. But one thing is sure. Whatever they are, America wants them stopped.

Recently I have had under special study the never-ending problem of efficient organization, complicated as it is by new weapons. Soon my own conclusions will be finalized. I shall promptly take such executive action as is necessary and, in a separate message, I shall present appropriate recommendations to the Congress.

Meanwhile, without anticipating the detailed form that a reorganization should take. I can state its main lines in terms of objectives:

A major purpose of military organization is to achieve real unity in the Defense Establishment in all the principal features of military activity. Of all these, one of the most important to our Nation's security is strategic planning and control. This work must be done under unified direction.

The defense structure must be one which, as a whole, can assume, with top efficiency and without friction, the defense of America. The Defense Establishment must therefore plan for a better integration of its defensive resources, particularly with respect to the newer weapons now building and under development. These obviously require full coordination in their development, production, and use. Good organization can help assure this coordination.

In recognition of the need for single control in some of our most advanced development projects, the Secretary of Defense has already decided to concentrate into one organization all the antimissile and satellite technology undertaken within the Department of Defense.

Another requirement of military organization is a clear subordination of the military services to duly constituted civilian authority. This control must be real; not merely on the surface.

Next there must be assurance that an excessive number of compartments in organization will not create costly and confusing compartments in our scientific and industrial effort.

Finally, to end interservice disputes requires clear organization and decisive central direction, supported by the unstinted cooperation of every individual in the Defense Establishment, civilian and military.

Mr. BUSH. Mr. President, in his recent dramatic visit to the Pentagon, President Eisenhower emphasized his announced intention to take personal charge until the job of reorganization is done.

The new Secretary of Defense, Mr. Neil McElroy, has appointed a group of distinguished military and civilian advisers to assist him in preparing detailed plans for the better organization of his Department. He has announced that his recommendations will be submitted to the President, for transmission to the Congress, early in the present session.

I should like to make it clear that in drafting my bill, I have not consulted with the President, nor with the Secretary of Defense; and I have no intention of attempting to anticipate the specific legislative recommendations which may come from them in due course of time.

I do have confidence, however, that my bill is in harmony with the general philosophy of President Eisenhower regarding the need for greater unification of the Armed Forces.

My purpose in introducing the bill today is to bring this issue, in specific legislative language, squarely before the

Congress and the American people at the earliest possible moment.

Although the recommendations of the President and the Secretary of Defense will receive the most thoughtful and thorough consideration, Congress has its own responsibilities, too, and it is not too early for us to be considering these responsibilities of ours.

The Constitution, in its grant of legislative powers, specifically imposes upon Congress the duty to make rules for the Government and regulation of the land and naval forces. That duty is contained in article I, section 8, of the Constitution. Parenthetically, I might observe that events have forced Congress to run ahead of the Constitution in this respect. We now make rules for the Government and regulation of the Air Force as well, and we are now faced with the necessity of making rules to govern the forces of outer space.

By introducing a bill now, I hope to stimulate discussion among Members of the Senate and the House of Representatives, and in the public at large, of one of the most serious and important, as well as the most controversial, issues of the present session.

Exposure of a specific bill to discussion and criticism in advance of the detailed recommendations of the President and the Secretary of Defense, will, I hope, cast a spotlight on the subsidary issues involved, and may improve understanding of the problem and stimulate constructive suggestions which will contribute to its sound solution.

In drafting the bill, I sought to put into legislative language some of the major recommendations of the report on "international security—the military aspect" made by the special studies project of the Rockefeller Brothers Fund, Inc.

Members of the subpanel which drafted that report, and the overall panel, headed by Nelson Rockefeller, which approved it, testified during the hearings held by the Preparedness Subcommittee of the Committee on Armed Services, under the chairmanship of the able majority leader, Senator LYNDON JOHNSON.

These and other distinguished witnesses repeatedly stressed the crucial importance of reorganization at the Pentagon, with emphasis upon a unified command under effective civilian control. They included such respected military leaders as Gen. Lucius Clay, General Spaatz, Gen. Jimmy Doolittle, General Gavin, and General LeMay; outstanding scientists like Dr. Edward Teller and Dr. Vannevar Bush; Mr. Rockefeller himself, and others.

As a member of the Committee on Armed Services, and thus an ex officio member of the subcommittee, I sat through the hearings from the time they started last November until their adjournment last month. From that experience, as well as from my own observations of our Military Establishment at home and in Europe, I reached the conclusion that the recommendations of the Rockefeller report for a unified command represent the most important single suggestion for legislative action. It is for that reason that I present my bill, which would accomplish the following:

First. Strip from the National Security Act of 1947 the major legal barriers to effective unification of the Armed Forces and more efficient organization and administration at the Pentagon. Included among the stumbling blocks so removed would be a provision which prevents the Secretary of Defense from directing the most efficient use of funds, including research and development funds, of his Department.

In the existing National Security Act there is language which is all negative and which shows that at the time the bill was written, while there were some evidences of an effort toward unification, they were halting steps, indeed, and language was put into the Defense Act to the effect that the purpose of the bill and the intention of Congress was to provide three military departments, separately administered; to provide authority for coordination and unify everything under civilian control under the Secretary of Defense, "but not to merge them"; there was a provision "not to establish a single Chief of Staff over the Armed Forces" and so forth. The bill was full of negative provisions, all of which tend to prevent the possibility of bringing about the efficiencies which would come with a unified command.

The second point I should like to make is that my bill would permit the creation of operational unified commands, as needed, thus making possible the most efficient use of the striking and defensive powers of the United States in a period of rapidly changing methods of warfare.

Third, the bill would establish a direct line of command authority over unified commands of the Armed Forces of the United States from the President through the Secretary of Defense to the Chairman of the Joint Chiefs of Staff. This would strengthen civilian control, and in no way decrease it.

This point was emphasized in the testimony of General Clay, under questioning by Mr. Edwin L. Weisl, chief counsel for the Preparedness Subcommittee. I shall read a brief excerpt from the transcript for Thursday, January 23, 1958, for the information of the Senate:

Mr. WEISL. May I ask this question, General Clay: The argument is constantly made that if a single military officer becomes the principal adviser to the President and the Secretary of Defense, it will dilute the power of the civilian forces over the military forces.

Do you agree with that off-repeated argument?

General CLAY. I am convinced that in the multiplicity of people reporting to the Secretary of Defense, he has nowhere nearly the control that the civilian head of our Defense Department should have, and that with a single or a chairman with the complete authority of the Joint Chiefs of Staff reporting directly to him, he will have a far more positive control of our military policy than he now has.

I have no worries whatsoever about that man becoming a man on horseback. In point of fact, I would rather take my chances even if that was a danger, than have some man on horseback ride in from somewhere else.

I think we are at the point now in our national defense where we have got to have the best. I do not believe you can have the best with three people reporting with conflicting viewpoints to the Secretary of Defense or to the President, and hope to have a Secretary of Defense and President who can resolve those differences while he is still attending to his other duties.

Mr. WEISL. In other words, General, you believe that under such a plan, civilian control would be greater and more effective than it is today?

General CLAY. I am positive that it would.

My fourth point is that my bill would empower the Chairman of the Joint Chiefs of Staff to define and periodically review the roles and missions essential to modern warfare, and in warfare in the foreseeable future, and assign such roles and missions to unified commands and among the Departments of the Army, Navy, and Air Force, and to unified commands.

Fifth. Preserve the separate services—the Army, the Navy—including naval aviation and the Marine Corps—and the Air Force—and their fine traditions. The separate services would be assigned important basic responsibilities for the recruitment and training of manpower, for logistics and procurement, and for contributing forces in a high state of readiness to unified commands.

Sixth. Transfer to the Chairman of the Joint Chiefs of Staff certain functions now performed by the Joint Chiefs, including strategic planning. The Joint Chiefs would serve as the Chairman's consultants and advisers in his discharge of these responsibilities.

Seventh. Create a corps of senior officers of the Armed Forces of the United States and provide that all officers, upon attaining the rank of brigadier general or rear admiral, shall receive their future promotions in the Department of Defense.

Mr. President, I ask unanimous consent that the text of the bill—a comparative print showing the contemplated additions to, and deletions from, existing law—and also the section of the Rockefeller report which discusses defense organization may be printed in the RECORD following these remarks.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Connecticut?

There being no objection, the text of the bill, the comparative print, and a portion of the report were ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That section 2 of the National Security Act of 1947 is amended to read as follows:

"SEC. 2. In enacting this legislation, it is the intent of Congress to provide an efficient administrative and command structure that, under the direction, authority, and control of the Secretary of Defense, will best assure the security of the United States; to provide for the establishment of integrated policies and procedures for certain departments, agencies, and functions of the Government relating to the national security; to provide three military departments for the administration of the Army, the Navy (including naval aviation and the United States Marine Corps), and the Air Force; to provide for their unified direction under civilian control of the Secretary of Defense; to provide for the effective strategic direction of the Armed

Forces, for their operation under unified control and for their integration into efficient unified commands."

SEC. 2. (a) Section 202 (c) or such act is amended to read as follows:

"(c) (1) The Departments of the Army, Navy, and Air Force shall be administered by their respective Secretaries under the direction, authority, and control of the Secretary of Defense.

"(2) No function which has been or is hereafter authorized by law to be performed by the Department of Defense shall be substantially transferred, reassigned, abolished, or consolidated until after a report in regard to all pertinent details shall have been made by the Secretary of Defense to the Committees on Armed Services of the Congress.

"(3) No provision of this or any other act shall be so construed as to prevent a Secretary of a military department or the Chairman of the Joint Chiefs of Staff from presenting to the Congress, on his own initiative, after first so informing the Secretary of Defense, any recommendation relating to the Department of Defense that he may deem proper, or shall any such Secretary or Chairman be penalized for so doing."

(b) Section 203 (c) of such act is amended by striking out "section 211 (a) of this act" and inserting in lieu thereof "sections 141 (a) and 143 (a) of title 10 of the United States Code."

SEC. 3. Chapter 5 of title 10 of the United States Code is amended to read as follows:

"CHAPTER 5—CHAIRMAN OF JOINT CHIEFS OF STAFF

"Sec.
"141. Composition; functions.
"142. Chairman of Joint Chiefs of Staff.
"143. Unified Staff.

"§ 141. Composition; functions.

"(a) There shall be in the Department of Defense a Chairman of the Joint Chiefs of Staff who shall be the principal military adviser to the President, the National Security Council, and the Secretary of Defense.

"(b) Subject to the authority and direction of the President and the Secretary of Defense, the Chairman of the Joint Chiefs of Staff shall exercise military command over unified operational forces of the Armed Forces of the United States; shall perform such other duties as the President and the Secretary shall prescribe; and, after consultation with the Joint Chiefs of Staff, shall—

"(1) define and periodically review the roles and missions essential in modern warfare, both limited and global, and in warfare in the foreseeable future, and, notwithstanding any other provision of law, assign such roles and missions to unified commands and among the Departments of the Army, Navy, and Air Force;

"(2) prepare strategic plans and provide for the strategic direction of the Armed Forces;

"(3) establish unified commands and essential staff organizations for the operation of such commands;

"(4) prepare logistic plans and assign logistic responsibilities to the Armed Forces in accordance with those plans;

"(5) review the major material and personnel requirements of the Armed Forces in accordance with strategic and logistic plans;

"(6) formulate policies for the training of the Armed Forces;

"(7) formulate policies for coordinating the military education of members of the Armed Forces;

"(8) provide for representation of the United States on the Military Staff Committee of the United Nations in accordance with the Charter of the United Nations.

"(c) There shall be under the Chairman of the Joint Chiefs of Staff a Joint Chiefs of Staff consisting of—

"(1) the Chief of Staff of the Army;
"(2) the Chief of Naval Operations; and
"(3) the Chief of Staff of the Air Force.

"The Joint Chiefs of Staff shall serve as advisers to the Chairman, with particular responsibility with respect to logistics, training and procurement for their respective services. Except as provided by section 141 (b) of this title and except as otherwise provided by the Chairman and the Secretary of Defense, they shall exercise military command over their respective services, but may delegate such responsibility to their Vice Chiefs.

"(d) The Commandant of the Marine Corps shall indicate to the Chairman of the Joint Chiefs of Staff any matter scheduled for consideration by the Chairman in consultation with the Joint Chiefs of Staff that directly concerns the Marine Corps. Upon a determination by the Chairman that the matter concerns the Marine Corps, the Commandant shall meet with the Joint Chiefs of Staff and shall have coequal status with the members thereof when that matter is under consideration.

"§ 142. Chairman of Joint Chiefs of Staff.

"(a) The Chairman of the Joint Chiefs of Staff shall be appointed by the President, by and with the advice and consent of the Senate, from the officers of the Armed Forces of the United States. He shall serve at the pleasure of the President for a term of 2 years, and may be reappointed in the same manner for one additional term, except that in time of war or national emergency declared by Congress there shall be no limit on the number of reappointments.

"(b) While holding office, the Chairman shall be senior in grade and rank to all other officers of the Armed Forces.

"(c) The Chairman shall receive the pay and allowances provided by law for the Chief of Staff of the Army.

"§ 143. Unified Staff.

"(a) There shall be under the Chairman of the Joint Chiefs of Staff a unified staff consisting of civilians in the Department of Defense and officers selected by the Secretary of Defense. The officers on the unified staff junior in grade to the officers of the Armed Forces of the United States on such staff, shall be selected in approximately equal numbers from—

"(1) the Army;
"(2) the Navy and Marine Corps; and
"(3) the Air Force.

"(b) No officer who is assigned or detailed to duty on the unified staff may serve for a tour of duty of more than 4 years. However, the Secretary may extend such a tour of duty if he makes a special finding that the extension is necessary in the public interest. This subsection shall not apply in time of war, or of national emergency declared by Congress. The Secretary shall report quarterly to Congress the number of officers on the unified staff, and justification therefor.

"(c) The Chairman of the Joint Chiefs of Staff, with the approval of the Secretary of Defense, shall select the Director of the Unified Staff. The Director shall serve at the pleasure of the Secretary of Defense.

"(d) The Unified Staff, operating under the Director, shall perform such duties as the Chairman of the Joint Chiefs of Staff may direct."

SEC. 4. Section 171 (a) of title 10 of the United States Code is amended by striking out clauses (6), (7), (8), and (9) and inserting in lieu thereof:

"(6) the Chairman of the Joint Chiefs of Staff; and, when matters concerning logistics, training, and procurement are involved—
"(7) the Chief of Staff of the Army;
"(8) the Chief of Naval Operations; and
"(9) the Chief of Staff of the Air Force."

SEC. 5. Section 2201 (11) of title 10 of the United States Code is amended by striking out "Joint Chiefs of Staff" and inserting in lieu thereof "Chairman of the Joint Chiefs of Staff appointed under section 141 of this title."

SEC. 6. All references in law to the Joint Chiefs of Staff of the Department of Defense shall be deemed to refer to the Chairman of the Joint Chiefs of Staff appointed under section 141 of title 10 of the United States Code.

SEC. 7. Notwithstanding any other provision of law, all officers shall, upon attaining the grade of brigadier general in the Army, Air Force, or Marine Corps, and the grade of rear admiral in the Navy, receive their permanent promotions from the Department of Defense and shall become officers of the Armed Forces of the United States.

NATIONAL SECURITY ACT OF 1947

Showing changes made by the bill "To best assure the security of the United States by providing for greater unification of the Armed Forces, and for other purposes" to the National Security Act of 1947 and title 10 of the United States Code.

[Existing law proposed to be omitted is enclosed in black brackets, new matter is shown in italics, existing law in which no change is proposed is shown in roman. Section numbers in bill are shown as heads.]

Section 1

SEC. 2. In enacting this legislation, it is the intent of Congress to provide [a comprehensive program for the future] *an efficient administrative and command structure that, under the direction, authority, and control of the Secretary of Defense, will best assure the* security of the United States; to provide for the establishment of integrated policies and procedures for [the] *certain* departments, agencies, and functions of the Government relating to the national security; to provide three military departments [, separately administered,] for the [operation and] administration of the Army, the Navy (including naval aviation and the United States Marine Corps), and the Air Force, [with their assigned combat and service components;] to provide for their [authoritative coordination and] unified direction under civilian control of the Secretary of Defense [but not to merge them]; to provide for the effective strategic direction of the Armed Forces, [and] for their operation under unified control and for their integration into [an efficient team of land, naval, and air forces but not to establish a single Chief of Staff over the Armed Forces nor an armed forces general staff (but this is not to be interpreted as applying to the Joint Chiefs of Staff or Joint Staff)] *efficient unified commands.*

Section 2 (a)

SEC. 202. (a) * * *

(c) [(1) Notwithstanding any other provision of this act, the combatant functions assigned to the military services by sections 205 (e), 206 (b), 206 (c), and 208 (f) hereof shall not be transferred, reassigned, abolished, or consolidated.[1]

[(2) Military personnel shall not be so detailed or assigned as to impair such combatant functions.

[(3) The Secretary of Defense shall not direct the use and expenditure of funds of the Department of Defense in such manner as to effect the results prohibited by paragraphs (1) and (2) of this subsection.]

[(4)] (1) The Departments of the Army, Navy, and Air Force shall be [separately] administered by their respective Secretaries under the direction, authority, and control of the Secretary of Defense.

[(5) Subject to the provisions of paragraph (1) of this subsection no] (2) *No* function which has been or is hereafter au-

[1] Note that sec. 205 (e) is now 3062 (b), 206 (b) is now 5012, 206 (c) is now 5013 and 5402, and 208 (f) is now 8033 (g), all of title 10.

thorized by law to be performed by the Department of Defense shall be substantially transferred, reassigned, abolished, or consolidated until after a report in regard to all pertinent details shall have been made by the Secretary of Defense to the Committees on Armed Services of the Congress.

[(6)] *(3)* No provision of this *or any other* act shall be so construed as to prevent a Secretary of a military department or [a member of] the *Chairman of the* Joint Chiefs of Staff from presenting to the Congress, on his own initiative, after first so informing the Secretary of Defense, any recommendation relating to the Department of Defense that he may deem proper, *nor shall any such Secretary or Chairman be penalized for so doing*

Section 2 (b)

SEC. 203 (a) * * *

(c) Officers of the armed services may be detailed to duty as assistants and personal aides to the Secretary of Defense, but he shall not establish a military staff other than that provided for by [section 211 (a) of this act] *sections 141 (a) and 143 (a) of title 10 of the United States Code.*

TITLE 10, UNITED STATES CODE

Section 3

Chapter 5.—Chairman of Joint Chiefs of Staff

Sec.
141. Composition; functions.
142. Chairman *of Joint Chiefs of Staff.*
143. [Joint] *Unified* Staff.

§ 141. Composition; functions.

(a) There [are] *shall be* in the Department of Defense *a Chairman of* the Joint Chiefs of Staff [consisting of—

[(1) a Chairman, who has no vote;
[(2) the Chief of Staff of the Army;
[(3) the Chief of Naval Operations; and
[(4) the Chief of Staff of the Air Force.

[(b) The Joint Chiefs of Staff are] *who shall be* the principal military [advisers] *adviser* to the President, the National Security Council, and the Secretary of Defense.

[(d)] (b) Subject to the authority and direction of the President and the Secretary of Defense, the *Chairman of the* Joint Chiefs of Staff shall *exercise military command over unified operational forces of the Armed Forces of the United States; shall perform such other duties as the President and the Secretary shall prescribe; and, after consultation with the Joint Chiefs of Staff, shall—*

(1) define and periodically review the roles and missions essential in modern warfare, both limited and global, and in warfare in the foreseeable future, and, notwithstanding any other provision of law, assign such roles and missions to unified commands and among the Departments of the Army, Navy, and Air Force;

[(1)] *(2)* prepare strategic plans and provide for the strategic direction of the Armed Forces;

[(2)] *(3)* establish unified commands [in strategic areas] *and essential staff organizations for the operation of such commands;*

[(3)] *(4) prepare* [joint] logistic plans and assign logistic responsibilities to the Armed Forces in accordance with those plans;

[(4)] *(5)* review the major material and personnel requirements of the Armed Forces in accordance with strategic and logistic plans;

[(5)] *(6)* formulate policies for the [joint] training of the Armed Forces;

[(6)] *(7)* formulate policies for coordinating the military education of members of the Armed Forces;

[(7)] *(8)* provide for representation of the United States on the Military Staff Committee of the United Nations in accordance with the Charter of the United States[; and

[(8) perform such other duties as the President or the Secretary of Defense may prescribe].

(c) There shall be under the Chairman of the Joint Chiefs of Staff a Joint Chiefs of Staff consisting of—

(1) the Chief of Staff of the Army;
(2) the Chief of Naval Operations; and
(3) the Chiefs of Staff of the Air Force.

The Joint Chiefs of Staff shall serve as advisers to the Chairman, with particular responsibility with respect to logistics, training, and procurement for their respective services. Except as provided by section 141 (b) of this title and except as otherwise provided by the Chairman and the Secretary of Defense, they shall exercise military command over their respective services, but may delegate such responsibility to their Vice Chiefs.

[(c)] *(d)* The Commandant of the Marine Corps shall indicate to the Chairman *of the Joint Chiefs of Staff* any matter scheduled for consideration by the [Joint Chiefs] *Chairman in consultation with the Joint Chiefs of Staff* that directly concerns the Marine Corps. [Unless, upon request of the Chairman for a determination, the Secretary of Defense determines that such a matter does not concern the Marine Corps, the Commandant shall meet with the Joint Chiefs of Staff when that matter is under consideration. While the matter is under consideration and with respect to it, the Commandant has coequal status with the members of the Joint Chiefs of Staff.] *Upon a determination by the Chairman that the matter concerns the Marine Corps, the Commandant shall meet with the Joint Chiefs of Staff and shall have coequal status with the members thereof when that matter is under consideration.*

Section 142. Chairman *of Joint Chiefs of Staff*

(a) The Chairman of the Joint Chiefs of Staff shall be appointed by the President, by and with the advice and consent of the Senate, from the officers of the [regular components of the Armed Forces] *Armed Forces of the United States.* He [serves] *shall serve* at the pleasure of the President for a term of 2 years, and may be reappointed in the same manner for one additional term [. However], *except that* in time of war *or national emergency* declared by Congress there [is] *shall be* no limit on the number of reappointments.

[(b) In addition to his other duties as a member of the Joint Chiefs of Staff, the Chairman shall, subject to the authority and direction of the President and the Secretary of Defense—

[(1) preside over the Joint Chiefs of Staff;

[(2) provide agenda for the meetings of the Joint Chiefs of Staff and assist them in carrying on their business as promptly as practicable; and

[(3) inform the Secretary of Defense, and, when the President or the Secretary of Defense considers it appropriate, the President, of those issues upon which the Joint Chiefs of Staff have not agreed.]

[(c)] (b) While holding office, the Chairman [outranks] *shall be senior in grade and rank to* all other officers of the *Armed Forces of the United States.* [Armed Forces. However, he may not exercise military command over the Joint Chiefs of Staff or any of the Armed Forces.]

[(d)] (c) The Chairman [is entitled to] *shall receive* the pay and allowances provided by law for the Chief of Staff of the Army.

§ 143. [Joint] *Unified* Staff

(a) There [is] *shall be* under the *Chairman of the* Joint Chiefs of Staff a [Joint Staff consisting of not more than 210 officers selected by the Joint Chiefs of Staff with the approval of the Chairman. The Joint Staff] *unified staff consisting of civilians in the Department of Defense and officers selected by the Secretary of Defense. The officers on the unified staff, junior in grade to the officers of the Armed Forces of the United States on such staff,* shall be selected in approximately equal numbers from—

(1) the Army;
(2) the Navy and the Marine Corps; and
(3) the Air Force.

[The tenure of the members of the Joint Staff is subject to the approval of the Chairman of the Joint Chiefs of Staff.]

(b) No officer who is assigned or detailed to duty on the unified staff may serve for a tour of duty of more than four years. However, the Secretary may extend such a tour of duty if he makes a special finding that the extension is necessary in the public interest. This subsection shall not apply in time of war, or of national emergency declared by Congress. The Secretary shall report quarterly to Congress the number of officers on the unified staff, and the justification therefor.

[(b)] *(c)* The *Chairman of the* Joint Chiefs of Staff, with the approval of the Secretary of Defense, shall select the Director of the [Joint] *Unified* Staff. [The tenure of the Director is subject to the Secretary's approval. The Director must be an officer junior in grade to each member of the Joint Chiefs of Staff.] *The Director shall serve at the pleasure of the Secretary of Defense*

[(c)] *(d)* The [Joint] *Unified* Staff, operating under the Director, shall perform such duties as the *Chairman of the* Joint Chiefs of Staff *may* direct. [The Chairman of the Joint Chiefs of Staff manages the Joint Staff and its Director.]

CHAPTER 7.—BOARDS, COUNCILS, AND COMMITTEES

* * * * *

Section 4

§ 171. Armed Forces Policy Council

(a) There is in the Department of Defense an Armed Forces Policy Council consisting of—

(1) The Secretary of Defense, as Chairman, with the power of decision;
(2) the Deputy Secretary of Defense;
(3) the Secretary of the Army;
(4) the Secretary of the Navy;
(5) the Secretary of the Air Force;
(6) The Chairman of the Joint Chiefs of Staff; *and, when matters concerning logistics, training, and procurement are involved—*
(7) the Chief of Staff of the Army;
(8) the Chief of Naval Operations; and
(9) the Chief of Staff of the Air Force.

CHAPTER 131.—PLANNING AND COORDINATION

* * * * *

Section 5

§ 2201. General functions of Secretary of Defense.

The Secretary of Defense shall, in support of strategic and logistic plans—

(1) * * *

(11) assemble and review requirements for material and personnel presented by the *Chairman of the* Joint Chiefs of Staff *appointed under section 141 of this title* and by the production, procurement, and distribution agencies assigned to meet military needs.

Section 6

All references in law to the Joint Chiefs of Staff of the Department of Defense shall be deemed to refer to the Chairman of the Joint Chiefs of Staff appointed under section 141 of title 10 of the United States Code.

Section 7

Notwithstanding any other provision of law, all officers shall, upon attaining the grade of Brigadier General in the Army, Air Force or Marine Corps, and the grade of Rear Admiral in the Navy, receive their permanent promotions from the Department of Defense and shall become officers of the Armed Forces of the United States.

VI. Defense Organization

Because of the tremendous significance of the affairs which center in the Department of Defense, all studies of the national security inevitably concern themselves to some extent with the organization and methods of the Pentagon. This concern is not new. It has been a preoccupation of successive administrations since the creation of the original National Military Establishment 10 years ago. It has been the subject of numerous studies which have found the organization of the Department of Defense inadequate to its task and constantly outstripped by a rapidly evolving weapons technology.

Detailed organizational recommendations lead quickly to arguments outside the scope of this panel's undertaking. We have, therefore, confined ourselves to identifying the critical areas of weakness and to advancing several broad principles which should guide the development of specific organizational changes. It seems to us that the major defects in the present organization are inherent in its structure. They cannot be removed by modifying it. They will be further aggravated by the passage of time. These defects are three in number:

1. The roles and missions assigned to the individual military services have become competitive, rather than complementary, because they are out of accord with both weapons technology and the principal military threats to our national safety.

2. The present organization and responsibilities of the Joint Chiefs of Staff preclude the development of a comprehensive and coherent strategic doctrine for the United States.

3. The Secretary of Defense is so burdened with the negative tasks of trying to arbitrate and control interservice disputes that he cannot play his full part in the initiation and development of high military policy.

These points will be discussed in order.

The problem of roles and missions

The range and destructiveness of modern weapons have tended to overlap the traditional boundaries among the services. As a result, our effort to develop an integrated national strategic plan has been beset by interservice rivalry. This rivalry is not due fundamentally to parochialism on the part of our military leaders; it is built into the present assignment of roles and missions.

Ten years ago, whatever else was hoped for in the new defense organization, one result was expected by the public: that through joint planning by the Chiefs of Staff, supplemented when necessary by the authority of the Secretary of Defense, there would be a coordinated and harmonious development of our potential in all three media of operations: land, sea, and air.

Such has not occurred. With the advantage of hindsight, it is now clear that the organization itself doomed this important goal. For the assignment of roles and missions among the Army, Air Force, and the Navy has become increasingly inconsistent with the new technology. Heretofore, the Army has been assigned the task of winning a war on land; the Navy has been charged with control of the seas; and the Air Force has been responsible for dominating the sky. Thus, the method of transportation by which a weapons system moved determined which service controlled it.

Until the development of long-range airpower, the division of functions based on methods of locomotion worked relatively smoothly because it reflected the actual tasks each service had to perform. Each service was therefore able to develop its own strategy and to develop under its own control the weapons required for achieving its mission. But the revolutionary advances in technology have made the traditional division of functions increasingly obsolete. Given the range and destructiveness of modern weapons, the present assignment of roles and missions forces each service to duplicate the efforts of some other service. Thus, one service, the Navy, operates in all the media—sea, land, and air. Other missions are shared by two or more services, such as tactical air support. There are 3 services with airpower and 2 with armies; the Air Force is responsible for coordinating air defense, but the Army is responsible for the air defense of specific targets. And there are three separate service war plans with the common tendency of reducing the reliance on other services as much as possible.

Thus, the division of functions which worked without fundamental frictions until the end of World War II has led to bitter conflict in the nuclear air age. It is inherent in the philosophy and training of each service that it should see in any developing enemy threat predominately those elements which its own particular organization seems best adapted to counter. And each service by a natural rationalization judges the proper balance of forces to be the one which maximizes its own role.

A duplication of weapons systems and a wastage of scientific talent is inevitable. This prevents us from drawing the full benefit from our military expenditures and forces our policymakers constantly to arbitrate among sharply conflicting advice. New weapons are placed into the straitjacket of obsolescent missions instead of missions being reshaped to conform to an evolving technology and to new military problems.

Conversely, the present organization may neglect certain vital tasks. An example is the problem of airlift for the ground forces. To provide such facilities is an Air Force responsibility. When budgets are tight, the Air Force is understandably reluctant to favor this mission at the expense of its primary task of defeating the enemy in the air, especially against the background of growing Soviet strength in planes and missiles. On the other hand, the Army is prevented by our mechanistic assignment of functions from developing and operating the transport aircraft required to move forces swiftly to the combat zone.

The Joint Chiefs of Staff

Except for the Chairman, the members of the Joint Chiefs of Staff are the senior officers of the military services. Therefore, even with the best will in the world, they cannot avoid being advocates of a service point of view. The position of each reflects a lifetime of dedication to his service. He is primarily the product of its training schools, and its environment. Since he is responsible for the future of his service, its status and morale must be one of his chief concerns.

Thus under the present organization most of the decisive pressures on the Joint Chiefs of Staff organization are produced by the individual services, and the Joint Chiefs of Staff functions too often as a committee of partisan adversaries engaged in advancing service stategic plans and compromising service differences. Too little in present arrangements permits the Chiefs of Staff time and opportunity to think spontaneously or comprehensively about overall strategic problems. The result is that our military plans for meeting foreseeable threats tend to be a patchwork of compromise between conflicting strategic concepts or simply the uncoordinated war plans of the several services.

The role of the Secretary of Defense

The organization of the Military Establishment into three competing services, and the aggravation of this difficulty by ill-defined and sometimes obsolete roles and missions, have shaped the role of the Secretary of Defense in ways not foreseen when the office was created in 1947. To a considerable extent, these conditions have confined him to the essentially negative functions of arbitration and control. He has become the referee in disputes over policy issues originating in the services or in the Joint Chiefs of Staff. It is the essence of a referee's position that disputes reach him only after positions have hardened. The Secretary of Defense has, in consequence, found it difficult to play the positive, creative role required of the cabinet officer who together with the President and the Secretary of State formulates high policy for foreign and military affairs.

In exercising the functions of arbitration and control, the Secretary of Defense and his staff have become overwhelmed with many administrative tasks which, were it not for deep-seated interservice rivalry, could be better handled by the individual services. This condition is reflected in the ever increasing number of Assistant Secretaries of Defense and the heavy emphasis of the Secretary's office on financial controls at the expense of strategic doctrine. Financial controls are no doubt essential. Nevertheless, a principal objective of any reorganization plan should be to create conditions in which the Secretary of Defense can give a more effective lead to the initiation and formulation of broad military policy, while delegating to the substructures of the defense organization a substantial portion of his present administrative burden.

Recommended changes

The foregoing analysis indicates that the difficulties described are inherent in the present organization of the Defense Department, and that they cannot be removed merely by adjustments of the existing structure. The obstacles to correcting these deficiencies are formidable indeed. Yet the growing complexity of modern technology, the foreseeable rise in the cost of maintaining weapons systems, and the interdependence of foreign policy and military capability make it clear that our future security, which is to say, our survival as a Nation, will require a far more efficient system for military planning and military decisions.

To remedy the central weaknesses, the following changes are recommended.

Roles and missions

(a) The military departments should be removed from the channel of operational command. The existing military departments should cease to be responsible for carrying out particular combat missions. Henceforth their responsibility should be to provide support in matters of recruitment, training, research, procurement, and supply for unified operational commands (to be described below). Relieved of their responsibilities for strategic planning and combat operations, the service chiefs and their civilian superiors could concentrate on tasks of management and logistics.

(b) All of the operational military forces of the United States should be organized into unified commands to perform missions which are called for by our strategic requirements. No foreseeable conflict will fit the category of land, sea or air battle. Therefore, unified commands, each composed of appropriate land, sea and air elements and assigned a particular mission, are essential. Each unified command should be composed of the appropriate elements from each military service brought together under a single commander. As units complete their training within the existing services they would be assigned to a functional command. The units assigned to each of the unified commanders should be organic to his command and not simply placed under his operational control temporarily. Each unified command would be, in effect, a combined force with its own mission and trained to carry out a distinctive task.

The composition and mission of these unified commands should not be frozen by legislation. They should be determined

from time to time in the President's discretion, so that they remain abreast of technology and of the tasks an evolving strategy will require. The conduct of all-out war may be one mission; continental defense another; limited war still another.

In such an organization officers could more easily transcend the confines of service loyalty and address themselves more objectively to strategic problems. With each functional area representing a clear strategic mission, the requirements of self-interest and of strategic doctrine would be much more in harmony than now.

The Joint Chiefs of Staff

(c) The Chairman of the Joint Chiefs of Staff should be designated Principal Military Adviser to the Secretary of Defense and the President. The Chairman of the Joint Chiefs is the only member who can give his full-time attention to problems of overall strategic doctrine. It is therefore logical that he be the Principal Military Adviser to the President and the Secretary of Defense instead of the Joint Chiefs collectively. The chiefs of the several services would continue to serve on the Joint Chiefs of Staff but only as advisers to the Chairman and with particular responsibility for the areas of logistics, training, and procurement.

(d) The staff of the Joint Chiefs of Staff should be organized on a unified basis and placed under the control of the Chairman. The Chairman should be in a position to shape strategic planning. One major obstacle is that officers on interservice staffs and committees are negotiators rather than planners and tend to represent the point of view of a service rather than an overall approach. A unified staff under the direct control of the Chairman would remove many of the service pressures on the members of the staff. The organization of the unified staff would be analogous to that of the functional commands. It would assist the Chairman in his capacity as Principal Military Adviser to the President and the Secretary of Defense in strategic and operational planning.

(e) All officers above the rank of brigadier general or equivalent should receive their permanent promotions from the Department of Defense and would become officers of the Armed Forces of the United States. This change is essential in order to derive the full benefits from recommendation (d). For effective overall planning, it is vital that we develop a group of top officers who throughout their careers have been encouraged to transcend the thinking of any one service. The procedure recommended here would retain the specialization necessary to command specific units and the morale which goes with membership in a service. At the higher levels, however, where the requirement is for an overall view, the primary loyalty of all high-ranking officers would transcend service boundaries. Since entry into this group would be the goal of most if not all officers throughout their careers, junior officers would know that their future would depend on their ability to take a broad view, rather than on the ability to defend the point of view of their service on interdepartmental committees. When a higher rank within a service seems required by circumstances, a temporary appointment should be made.

The authority of the Secretary of Defense

(f) The line of operational command should be from the President and the Secretary of Defense to the functional commanders through the Chairman of the Joint Chiefs of Staff in his capacity as Principal Military Adviser. Any modern war requires swift reaction and this can be achieved only if there are a minimum number of organizational layers. Since the present division of functions among the military services often represents no distinguishable strategic task, the separate military departments should be relieved from responsibility for the unified commands as recommended above. Rather, the unified commands should be under the Principal Military Adviser to the President. This proposal recognizes that the Secretary of Defense is the deputy commander in chief. His position in the line of command would preserve civilian control over the Armed Forces.

(g) The line of logistic command should be from the President through the Secretary of Defense to the Secretaries of the three military departments. This recommendation is an application to logistics and the recruitment and training of manpower of the previous recommendation.

(h) The Secretary of Defense should be given direct authority over all research, development, and procurement. He should have the right of cancellation and transfer of service programs together with their appropriations. He should also be given a direct appropriation for the conduct of research and development programs at the Defense Department level. One of the outstanding characteristics of the present period is the basic relationship between strategy and technology. When technology was relatively stable, the technical aspect of military planning usually involved problems either of procurement or of engineering. But today with technology developing at an explosive rate, the direction of both research and development is a primary strategic concern. As a result, another war may well be won or lost in the laboratories and on the drawing boards. As long as the Secretary of Defense cannot shape the direction of research and development or of procurement, his role will be the essentially passive one of arbitrating disputes formulated elsewhere. Where so much depends on keeping up and staying ahead in the technological race, it is essential that our weapons development reflect a clear sense of direction and not a series of compromises.

THE PROBLEM OF LEAD TIMES

Lead time—the interval between conception and execution—has never been more crucial. The best plans will be fruitless if they cannot be carried out rapidly. The best production apparatus will be ineffective if it requires too long to produce the necessary implements of defense. A nation can achieve a basic advantage if it is able either to develop or to produce weapons more rapidly than its opponent.

One of the major weaknesses in our strategic posture has been our inordinately long lead times. They have been produced in part by the cumbersome machinery in the Department of Defense. In part they have been caused by a quest for perfection in development and by its corollary which is an overconcern with the avoidance of mistake. As our Government has grown, it has followed the familiar course into a system of rewards that favors caution and mediocrity. Punishment for inaction is rare, but retribution is swift and harsh for measures that were imaginative, risky, and failed. It is especially important that this pattern be reversed in a situation which is inherently uncertain and where great achievement is inseparable from great risk. It is essential that we compress our lead times and the recommendations in this report should help in this direction. At the same time there has to be a greater flexibility and willingness to run risks in research, development, and procurement.

STRATEGY AND PSYCHOLOGY

Another great weakness in the organization of our national Government is the absence of a clear focus at any single point to assess the psychological impact of our actions. Whatever the wisdom of the decision not to engage in a race with the Soviet Union in the space satellite field, it does not appear that the psychological reaction of other nations to a Soviet first in this field has been given sufficient weight. Yet the more revolutionary the developments of technology, the more their significance depends on the interpretation placed on them. Since very few of the modern weapons have ever been used in wartime, their impact on policy reflects what people think with respect to them. It is therefore essential that within our national Government there exists a mechanism to assess the psychological impact both at home and abroad of our actions in the military field as in others. This is a problem far transcending the organization of the Department of Defense and will be dealt with at greater length in the report of other subpanels. It is mentioned here only because a section on organizational remedies would be incomplete without it.

CONCLUSION

Implementation of the recommendations in this section would provide a unity and coherence now absent from our defense organization. They are the primary means to achieve economies in our defense structure because they will permit a better utilization of resources and eliminate the present duplication of functions.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. BUSH. I am delighted to yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I should like to make a brief observation, and then perhaps ask a question.

I commend the Senator from Connecticut for the thoroughness with which he has debated the subject of the chairmanship of the Joint Chiefs of Staff. As the Senator and I know, we have heard much discussion on that subject.

Earlier in the day I listened to the discussion by the senior Senator from Kentucky [Mr. COOPER] on the question of the elimination of the three Secretaries of the services.

The two bills seem to fit in quite well together, when we consider the subject.

The Senator knows, I am sure, the difficulties of enacting any unification act in 1947. We had to make a great many compromises to get that act. I was on the conference committee, and I know of the difficulties. I was very much in favor of unification.

We amended the act in 1949 and improved it in some ways.

There is no question that the act ought to be strengthened at the present time, and I believe there is a great will on the part of Congress and on the part of the administration to improve the act, so that decisions will be made more quickly and everything will be more streamlined.

I am sure—and I think the Senator knows, also—that the administration, through the Secretary of Defense and others, is working on this problem. The new Secretary of Defense has made a fine impression before those of us who serve on the Preparedness Subcommittee, as well as at the Appropriations Committee meetings. The Secretary desires an opportunity to study this very important question before he submits his recommendations. The President has made the remarks which the Senator has stated.

I hope that as this problem is worked on we will have, in addition to the suggestions already made by the two distinguished Senators and others, the recommendations of the administration, so that we can consider the entire subject with all ideas before us.

I am sure the Senator is in accord with the thought that we should wait a reasonable time to permit the present Secretary of Defense to obtain an understanding of the various points of view and endeavor to give effect to his recommendations. The present Executive, who is responsible for these activities, will be giving his ideas, and we shall be developing ideas of our own.

Does the Senator agree with that general statement?

Mr. BUSH. Mr. President, I thank the distinguished Senator from Massachusetts for his attentiveness to my remarks. Certainly no member of the Committee on Armed Services has devoted so much time and selfless attention, especially in recent months, to the labors of the committee as has the distinguished Senator from Massachusetts.

I think the Senator has appraised the situation very fairly. I agree with him that we must have recommendations from the President and the Secretary of Defense, and I mentioned that necessity in my prepared remarks.

I feel that it is not too early for Members of Congress to be thinking about this subject in some detail. One of the chief reasons I introduced the bill today, well in advance of what we may hear from the White House or the Pentagon on this subject, is so that we can acquaint those who are interested, including Members of Congress and members of the press, with what is required in the way of legislation to create a strong chairman of the Joint Chiefs of Staff, what is necessary to the establishment of unified commands, and what it takes to reassign roles and missions of the three departments. These questions should be understood.

I hope the discussions which may take place in the coming weeks will make it easier for us to appraise the recommendations which come from the White House when the President is ready to send them to the Congress.

Mr. SALTONSTALL. Mr. President, will the Senator yield for an observation?

Mr. BUSH. I am glad to yield.

Mr. SALTONSTALL. The Senator has performed a service by his action today in introducing his bill, with the general theory behind it, which the Senator has just stated.

Mr. BUSH. I thank the Senator from Massachusetts. I very much appreciate his interest in the matter.

Mr. President, I now yield the floor.

ORDER FOR ADJOURNMENT

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in adjournment until noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I should like to announce that we have entered an agreement that no more legislative business will be transacted today, but we expect to proceed tomorrow to the consideration of several money resolutions which were delayed on Friday. Those resolutions have been pointed out in the RECORD, and I hope all Senators will be on notice that we expect to consider them tomorrow.

THE MISSILE-FIRING SUBMARINE—KEY WEAPON OF OUR NATIONAL DEFENSE

Mr. COTTON. Mr. President——

The PRESIDING OFFICER (Mr. MONRONEY in the chair). The Senator from New Hampshire is recognized.

Mr. COTTON. Mr. President, like every Member of the Senate, I have been following with intense interest the discussions on this floor relating to our national defense and have been reading with painstaking care the available testimony on this subject before the committees of the Congress.

Clemenceau once observed that "war is too important a matter to leave entirely to the generals." This statement comes to us with renewed force in this hour as we view the race for superiority in scientific weapons and contemplate the dreadful possibilities of a global nuclear war. Certainly we must rely upon our professional military experts for information and guidance, but the Congress and the people must make the ultimate decisions. The responsibility of determining methods and providing means for our national defense which devolves upon the Senate is a solemn one. It is incumbent upon every Senator, regardless of whether he serves upon the particular committees involved, to bear his share in these decisions.

Mr. President, in the course of the past few days the need for more intercontinental, land-based ballistic missiles and for more long-range jet bombers, and bases for bombers, has been greatly stressed, but in my opinion, not enough emphasis either in our discussions here, or, more important still, in the budget recommendations has been laid upon the most potent and powerful of all the new space-age weapons, the nuclear-powered, missile-firing submarine.

Perhaps there is no such thing as the ultimate weapon against which no defense can be devised. If there is such a weapon, we should pray fervently to God that it may never be found, that mankind may return to sanity and agree on safe and sure methods of disarmament before it is found. To this end we must bend our greatest efforts. I am firmly convinced, however, that from the standpoint of immediate safety and longtime security, the nuclear submarine equipped with ballistic missiles comes the nearest to being the perfect weapon. It can provide us with a deterrent power of staggering proportions. Our possession of adequate numbers of missile submarines may well tip the scales in our favor while we take the necessary steps to put an end to the present reign of terror. Therefore, I want to review some of the known and published facts about this key weapon and its potentialities. Some of these facts have already been pointed out, but I believe they should be repeated. Neither the Senate nor the country should be allowed to forget them.

THE NUCLEAR SUBMARINE

First, a word about the atomic-powered submarine as such without regard to its missile-carrying possibilities.

The nuclear-powered submarine is not just a new model. It is not just a better submarine. It is a new weapon of deadly power and enormous versatility.

The World War II submarine, even the improved postwar type, could only remain submerged for limited periods of time before coming to the surface to recharge its batteries. Submerged, its top speed was about 10 knots, but only for one hour. The normal submerged speed was a creeping 2 or 3 knots, and this snail's pace could not be maintained for more than 50 hours before the batteries were exhausted. The methods of antisubmarine warfare were based on these two weaknesses—slow speed when submerged, and need to come up for air.

Contrast this with the *Nautilus* and the *Seawolf*. They can maintain speeds of 20 knots for days and weeks at a time without coming to the surface at all. The *Nautilus* has made an 8-day submerged trip of more than 3,000 miles at a speed of more than 19 knots, and she came to the surface after 3,000 miles only because she had arrived at her destination.

For long periods the *Nautilus* can remain securely hidden in the ocean depths without even rippling the surface, and without revealing a single trace of her position to radar-alerted ships or planes. Radar contact cannot be maintained with a completely submerged submarine. It can only be detected by sonar, and, for the present at least, the sustained speed of the atomic submarine is too great for surface ships to maneuver and retain effective sonar contact. On the other hand, underwater sonar gear and our self-guided torpedoes enable a submarine to destroy a surface ship without ever seeing it even through a periscope.

Fuel endurance is another revolutionary characteristic of the nuclear submarine. The *Nautilus* traveled almost 70,000 miles in 26 months on her first charge, and the second charge now in use is expected to last nearly twice as long.

Bear in mind the *Nautilus*, our first atomic submarine, is not even now the last word. We are building new ones with a "swept-wing" design, based on the Portsmouth-built, experimental sub, *Albacore*. These have so much speed and maneuverability that they are described figuratively as "flown" under water from a "cockpit" control center.

These are the reasons that the nuclear submarine is no more like the conventional submarine than the *Queen Mary* is like the *Mayflower*.

MISSILES FOR THE SUBMARINE

A jet-powered guided missile, Regulus, is already a proven weapon in connection with submarines and on active duty

with the fleet, using converted conventional submarines. The latest version of the Regulus has a range of more than 1,000 miles. It can be fired within minutes after a submarine comes to the surface and is a powerful, effective weapon. However, its relatively slow speed (although it travels at twice the speed of sound) and the fact that it must be launched on the surface are drawbacks. Furthermore, its course must be radio controlled by a ship or plane for the first 100 to 150 miles before its own guidance system takes over and brings it to the target.

The missile which can make the atomic submarine the No. 1 guardian of peace and security for us and for the world is an intermediate-range, rocket-powered ballistic missile called Polaris, now under intensive development by the Navy. When perfected, Polaris will speed over its 1,500-mile course 14 times faster than sound. It is designed for firing from a fully submerged submarine—rising first through the water and then through the air on its course to the target. It will not require radio control or external guidance of any kind. It is the only intermediate-range missile we are now actually testing which uses solid instead of liquid fuel. Our present missiles, including Atlas, Titan, Jupiter, and Thor, are propelled with fuel of the liquid oxygen type. Oxygen requires tremendous pressure and refrigeration to become liquid. In its liquid state, it is dangerous and hard to handle. A single drop on a man's arm can freeze the marrow in his bone. The missile must be fired soon after the liquid oxygen is pumped into it or else it has to be emptied. It cannot be kept in a fueled-up, ready-to-fire condition. The preparation and the loading of the liquid fuel requires tons of launching equipment, acres of space, and precious time. Such missiles could not possibly be fired from submarines.

The solid-fueled Polaris solves this nightmare of problems.

ADVANTAGES OF THE BALLISTIC SUBMARINE

The marriage of the ballistic missile and the atomic submarine will not only provide the most effective weapon yet known to mankind, but will introduce a whole new concept of warfare. Consider first some of the potentialities of the Polaris submarine and then its advantages over other weapons.

1. It can reach the target. 1500-mile missiles launched from the ocean fringes of Europe and Asia can reach almost any point in Russia or China with the possible exception of a small, isolated area of Siberia.

2. It can carry more than one missile and fire them singly or in groups.

3. It provides a hidden, movable launching site. The enemy can have no advance knowledge of the point from which the missile will start its deadly journey. The lurking submarine can hide under any of the 100 million square miles of ocean, safe from the prying eyes of enemy radar. It can discharge its missiles without coming to the surface at all, and then can be quickly away as the missile strikes home.

Now just for a moment let us explore these potentialities and consider the advantages of the missile-firing submarine over other weapons.

The secrecy and mobility of the submarine as a launching base presents a terrible problem for the aggressor, and that is all to our advantage for we shall never be the aggressor. Because of their fixed location and elaborate paraphernalia, land missile bases would be known to the enemy. For instance, we publicly announced the first of our intercontinental missile bases in Wyoming. If we hadn't done so, undoubtedly the Soviets would soon know of its exact location. The same is true of bomber bases. An enemy aggressor would plan to knock out our bomber bases and land missile sites with the first blow, and he might succeed in destroying much of our power to retaliate. It would be a stupendous task, and probably an impossible one, however, to locate and destroy this silent submarine force afloat under the seven seas. The undetected presence of even one or two missile submarines would be enough to strike back, and the punishment would be swift and terrible. Regardless of world satellites, intercontinental missiles, and the whole appalling list of scientific weapons, it is almost safe to assert that no power would dare to stage a sneak attack upon us if we were equipped with a fleet of Polaris submarines, and that is one defense that we can't afford not to have.

Another important advantage is that the submarine as a launching base would not be located on the soil of any country nor subject to the sovereignty of any other nation. Many of our most vital air bases and military and naval installations are now of necessity located in foreign countries, with all the resulting dangers and disadvantages. Despite the treaties we have, these bases cannot be insulated from political changes which may take place in those countries. A new unfriendly government could force us out, making the bases useless for our defense, or worse, a bastion for the enemy, ready-made at our expense. Locating our intermediate-range missiles on foreign bases will magnify this problem. Our land-based IRBM's are no protection against the Communist dictators unless they are placed in nations adjacent to them, so we have offered them to the NATO countries. Sounds of the resulting controversy can be heard in some of the nations of northern Europe including those of our staunchest friends. The location of any of our bases in a country makes that country a target for the enemy, and is bound to arouse misgivings. Placement of missiles in Europe confronting similar Russian missiles gives rise to many complications and presents Communist agitators with appealing issues for stirring up trouble.

The missile-carrying submarines would cause none of these complications, would place no strain on our diplomacy, would not require armies of land-based troops to guard them, nor would they necessitate huge payments of foreign aid to be allowed to maintain them. Each one of them would be an almost impregnable outpost of our own Nation under our own flag, virtually immune from detection and destruction, at a minimum of cost to provide, to man, and to maintain.

Let us now consider the advantage of the missile-firing submarine over the aircraft carrier.

The colossal aircraft carriers now under construction are highly expensive. The nuclear-powered carrier authorized by Congress last year will cost over $300 million. Another $100 million will be required to equip it with the planes it must carry, and hundreds of millions of dollars more must be provided for its escort and supporting ships. The total cost of a carrier task force is probably nearly one billion dollars. The continuing cost of manning it and maintaining it is enormous.

Are we getting our money's worth from the giant carrier, or more correctly, when the carrier is finally built, outfitted, and equipped—in 3 or 4 years—will it be anything more than a white elephant or a museum piece too big for any museum?

Two or three Polaris submarines can strike the enemy as hard and do it at much smaller cost and with far less risk.

Advocates of the supercarrier have long claimed that its great speed and maneuverability plus its defense armament render it almost invulnerable to enemy attack. Yet the fact remains that only a couple of years ago, the Navy was devoting a sizable portion of its funds for research and development to the defense requirements of the carrier. We have spent large sums of money in constantly seeking measures for its protection. Nevertheless, if we think the Russians cannot devise a missile which can find its way to 85,000 tons of steel sitting up in the middle of an empty ocean, then we are once more underestimating their abilities.

Continued reliance on carriers can only mean that we are preparing to fight the next war with the weapons of the last. Aircraft carriers will, of course, continue to have their important uses. We shall need them for antisubmarine warfare, for close support of troop landings, and for use with other conventional, and limited nuclear weapons in brush-fire conflicts which may occur and in which we do not want to precipitate all-out nuclear warfare. The uses of the carrier, however, bid fair to become progressively more limited as missiles are developed, and the giant carriers that we are now planning can well go the same way that the battleship went. I firmly believe that the money we are devoting for this purpose should be used to speed the production of a fleet of missile-firing atomic submarines, and that every dollar spent for them will buy more security than ten spent for supercarriers.

One more brief comparison. I have mentioned the land-based launching sites, the intermediate ballistic missiles, and the hoped-for intercontinental missile. Certainly these weapons are important, and we must not be outstripped in acquiring and perfecting them. However, it must be borne in mind that these launching sites are bound to loom up like sitting ducks and that it is a slow,

complex, and cumbersome process to launch a mighty missile from one of these huge bases. One need not be an expert to conclude that they are much more susceptible to being knocked out before they can strike than the missile-carrying submarine speeding quietly beneath the sea. Enemy missile bases are similarly vulnerable. For instance, if the Russians establish a missile base, as they well might, on the Kamchatka Peninsula near the Bering Sea, their 5,000-mile missile could reach almost any target on our continent. Yet this base could be knocked out with a single missile launched from a submarine, even one of the submarines with our fleet right now. Compare the cost of that missile submarine with the hundreds of millions of dollars we have spent on air bases, early warning radar networks, dispersal of industries, and all our civil defense.

WHAT PROGRESS HAVE WE MADE?

What progress have we made toward the establishment of a missile-firing submarine force?

The Navy began the task of converting a conventional submarine to fire guided missiles seven years ago. Others have been converted since that time. I shall not mention the exact number, although I believe it is well known and a matter of record. These are the ones I have mentioned as being already with the fleet, equipped and ready to fire the Regulus missile.

The first nuclear submarine especially designed for guided missiles was authorized by Congress in 1956 at a cost of $61 million. It is the SSGN *Halibut* now scheduled for completion late in 1959. Three additional nuclear-powered, guided-missile submarines were authorized by Congress last year. These are under design, and component parts are being constructed, but the keels have not yet been laid. In fact, one of them has not yet been assigned to a shipyard. These three submarines are all being designed for the improved Regulus II guided missile, not the Polaris ballistic missile.

The supplemental budget now before us carries appropriations for three more atomic submarines designed for the Polaris. There are no funds for additional missile-firing submarines included in the regular budget for the coming fiscal year, but both the Secretary of the Navy and the Chief of Naval Operations have indicated that they may request money for six additional Polaris subs as soon as they feel justified by technical developments. (Hearings of the House Appropriations Committee on Supplemental Defense Appropriations for 1958, pages 208–209.)

So far as I can ascertain, it is not definitely known that the Russians possess any completed atomic-powered submarines. Their fleet of conventional submarines, however, is believed to be five times as many as ours, and a certain number of them are said to be equipped to launch at least 500-mile missiles.

As a Senator from New Hampshire and knowing something of our submarine shipyard at Portsmouth, I take pride in pointing out that this Nation has one substantial advantage. Only two shipyards in the world are known to have actually completed and launched nuclear-powered submarines. One is the Electric Boat Company at Groton, Connecticut, and the other is the Portsmouth Naval Shipyard. The Naval Shipyard at Mare Island, California, is well advanced in the technology of nuclear-submarine construction and about to launch its first. Nuclear submarines are already assigned to private shipyards at Newport News, Virginia, and Pascagoula, Mississippi. However, it would be fatuous to assume that the Soviets are not well on their way toward the completion of atomic-powered subs.

ACTION IS NEEDED

The first of our nuclear-powered, guided-missile submarines will not be completed until late next year. It is the only submarine of its kind now actually under construction except for component parts. We haven't started the ballistic missile submarine (Polaris). The first three are before the Senate for authorization this very day.

Admiral Burke has declared that the Polaris missile will be available and ready for our ships in 1960. Unless we move much faster than we have yet, we shall not have the ships to put them in.

Must the Polaris sit around and wait for the submarines to be finished? More important, can we expect the Russians to wait while we catch up with ourselves? National security demands that we have a maximum number of undersea missile ships at the earliest possible date.

Mr. President, I believe that every submarine shipyard we have which is skilled and ready should be immediately working at full capacity designing and building this key weapon. The Vinson-Trammel Act (title 34, United States Code, section 495) requires that naval vessels be alternated between naval and private shipyards unless the President determines that that is inconsistent with the public interest. I hope the Department of Defense and the President will review application of this 1934 law so that full and immediate use can be made of the naval shipyards at Portsmouth and Mare Island, which are already qualified and experienced to build atomic-powered submarines. Full use of the Electric Boat yard should, of course, also be made, as well as other yards as soon as they acquire the necessary experience and skill. I think it is imperative for our national security that our own naval shipyards at Portsmouth and Mare Island do all the design work in connection with the submarines built by them in order that the necessary experience and skill may be developed and preserved for this vital program.

Mr. KUCHEL. Mr. President, will the Senator yield?

Mr. COTTON. I am happy to yield to the Senator from California.

Mr. KUCHEL. The Senator is making an excellent presentation on a tremendously important subject. About 3 years ago I had the pleasure of spending a few days at the Mare Island Shipyard in California, at the time the construction of an atomic submarine was awarded to that great shipyard. I remember that at that time, as well as in subsequent visits, there was great enthusiasm on the part of the men in the naval service and civilians who looked forward to the accomplishment of that great new type of nuclear construction.

The Senator points up very strongly indeed, the means by which the American Navy can continue to gain in power to discharge her role, if necessary, in the defense of the security which the American people require.

The Senator is a very able and persuasive advocate for the maximum construction of nuclear submarines. Moreover, he is a very persuasive representative of the State which he has the honor in part to represent in the Senate. Occasionally he becomes a little more persuasive than some of us from the West, who are proud of our own Mare Island Shipyard, might want. However, I congratulate him on his presentation.

Mr. COTTON. Does the Senator from California mean by that that he objects to the Senator from New Hampshire trying to see to it that the Portsmouth Naval Shipyard gets its full share of the design work for submarines which it builds?

Mr. KUCHEL. Not at all; to the contrary, I applaud what the Senator has said and the manner in which he has said it. So far as I am concerned, I want the Senator to know that I associate myself with his comments and his statement that the national security demands the maximum construction of this tremendously potent new weapon to give the American Navy the additional strength which it needs.

Mr. COTTON. I thank the distinguished Senator from California. I feel very strongly that this weapon is of such paramount importance to the security of this country and the peace of the world that I am speaking today in the interest purely of its vital necessity to the national defense. This is no time for us to be quibbling about what shipyard gets what contract. I think, rather, it is time to make certain that both of our great national naval shipyards devoted to submarines, the fine shipyard in the State of the distinguished Senator from California and the fine shipyard, the oldest one in the country, in my own State of New Hampshire, at Portsmouth, should have all that they can do, and should be doing all that they can for our national defense.

One point I wish to emphasize is that I think every qualified shipyard should be designing these submarines as they are perfected and as their designs progress. It is vitally necessary that not one, but all our shipyards, both naval and private which participate, should develop, maintain, and keep the necessary experience and skills to do this work, not simply for now, but for the future, because this is one weapon which, I venture to predict, will not soon pass, but will be with us and will be a vital weapon in our arsenal for many years in the future.

Mr. KUCHEL. I venture to hope also that both these great shipyards may be utilized to their maximum capacity in this endeavor.

Mr. COTTON. I join the Senator from California in that sentiment.

I believe we should abandon plans for construction of any future giant aircraft carriers and that careful consideration be given to the possibility of canceling the giant carrier authorized last year. The funds thus released should be used to step up our missile-carrying submarine fleet.

CONCLUSION

Mr. President, in conclusion, let me summarize in capsule form the arguments for greater concentration on the missile-firing submarine.

1. With the Regulus guided missile already in our arsenal and conventional submarines available, rapid conversions could give us the immediate deterrent strength to prevent our being attacked regardless of what may develop in the field of earth satellites and intercontinental missiles. Winston Churchill once said:

> If we can stave off a world conflict for even 5 or 10 years, all sorts of things may happen. A new breeze may blow upon this troubled world.

At all costs we must have the power to deter aggression and maintain peace while we struggle for disarmament and better world understanding.

2. The missile-firing submarine is not only a ready solution for our temporary security, but it is the key weapon for our permanent defense. It is the weapon of tomorrow.

3. The missile-firing submarine is the best defense at the lowest cost. It is vitally important that we do not wreck our economy in striving for national defense.

4. The missile-firing submarine is the safest investment because it is less likely to be spotted and destroyed than the costly carriers and expensive land bases.

5. The missile-firing submarine will provide us with global defense and striking power anywhere in the world without the strain on our diplomatic relations, and the risk of destruction entailed in locating more bases abroad.

The PRESIDING OFFICER (Mr. MONRONEY in the chair). The Chair wishes to commend the distinguished Senator from New Hampshire on his speech concerning the *Nautilus* submarine and the Polaris. The present occupant of the chair is also familiar with the great work the Navy has done in this program, and agrees completely with what the Senator has said. The Chair commends the speech of the distinguished Senator to the attention of the country. It is a most important statement.

Mr. COTTON. I thank the distinguished Senator from Oklahoma, who is now occupying the chair, for his commendation. I am happy that the Senator, with his comprehensive knowledge of our national defense, agrees with my position.

FEDERAL INCENTIVE TO STATES TO CONTROL OUTDOOR ADVERTISING ON INTERSTATE HIGHWAYS

Mr. KUCHEL. Mr. President, one of the most amazing aftermaths of the depression and World War II is the degree to which the United States has become a Nation of people who seem to be incessently on the go.

The trend toward shorter work weeks and more leisure time, higher standards of living with greater family resources for recreation and travel, migration and development of new communities, and mechanical improvements in motor vehicles all combine to keep Americans on the move.

Several years ago the consequences of this modern habit began causing concern all over our Nation. Around the family table or fireplace, in the clubs and offices, everywhere, people grew increasingly aware of the ghastly toll which higher speeds, increased hours behind the wheel, congested traffic, and poorly planned or constructed routes cost our Nation annually in deaths, injuries, and property losses.

For a variety of reasons, what formerly had been primarily a State and local responsibility—the planning, engineering, and construction of highways—now has grown into a national problem in which the Federal Government has a distinct obligation.

As Americans have turned more and more toward the automobile, the bus, and the trailer to get to some other place, so also have farmers and industry come to count on motor trucks to bring them raw materials and to distribute their products. Beyond that, while the airplane now occupies the center of attention among military planners thinking about moving large numbers of men and huge volumes of supplies and equipment to distant points, our national defense takes it for granted that rubber-tired vehicles will play a major role in mobilizing for any eventuality and for resisting any aggressor who might be so misguided or power-hungry as to undertake hostilities against either us or friendly nations with whom the United States is associated in efforts to preserve peace and democratic principles.

With this background, the President and Congress, in the last few years, took a series of steps to discharge a newly recognized national responsibility of aiding and safeguarding Americans in moving their persons, their families, their possessions, and their products. The President appointed a distinguished commission headed by a great veteran of World War II to survey the Nation's need and to measure our capacity to meet the national requirements. Congress authorized a new type of long-range Federal aid highway construction program, one we hoped could be completed in 13 years and which would satisfy the basic demand for efficient, durable, and safe routes comprising a network linking the maximum number of major cities and State capitals, designed to serve in both peace and war.

In measuring the requirements and the capacity, both the Commission and the Congress paid most attention to the matter of dollars. Roads engineered and built to stand the pounding and carry the volume of traffic cost immense sums of money. The national demand for improved safety increases the prices which must be paid in many ways, in routing and designing and building.

These considerations rightfully received a great deal of study and attention. We are and must be concerned with our financial ability, with safety, with adequacy, and with durability.

But the question more recently has arisen: Why should we not also be concerned with preserving the beauty of America through which will now be threaded 41,000 miles of American highways, representing a multi-billion-dollar outlay of the people's money? Our National Interstate Highway System will strike boldly through sections which at present no roads traverse. New routes will go up hill and down dale, across fields and through woods, skirting thickly settled neighborhoods, crowded downtown business sections, and concentrated industrial areas.

An average American in a decade or so hence expects to take his vacation, visit friends and relatives, seek sport and recreation by driving on throughways and freeways not now in existence. He hopes to enjoy scenery and vistas on which his gaze has never fallen. He trusts that his travels will refresh him and entertain him.

Like my fellow Americans, I rely upon and benefit from advertising. The availability of products and services is important to you, Mr. President, and to me and to our way of living. The printed, pictured, and spoken information about how and where they may be found and of their unique merits and advantages influences both you and me daily, and sometimes hourly. Our business and industry count on, and must employ, advertising if they are to succeed and to continue.

But, at times, all of us like to get away from advertising and from commercialization. Often, that is one of the reasons why we hop in the family car and take a drive. Frequently we resent intrusions on our privacy or our solitude or our mental comfort with messages, admonitions, or enticements. At least, when traveling by automobile or by bus, we should be spared the strain and sometimes the depressing effect of wood and paper curtains of advertising which unfortunately screen too many miles of our existing highways.

Mr. President, I have concluded that the time has arrived for the Congress to take a novel but a necessary step to encourage States to protect the spiritual and the esthetic opportunities of our people by undertaking to safeguard our new 41,000-mile Interstate Highway System from billboard blight. I also feel that such action will contribute to safety, one of the goals of this program, because all too often vital route information or cautionary signs are obscured by, or are difficult to spot in mazes and walls of posters and billboards.

On this basis, I have been searching for a formula by which our National Government may help solve the problem of averting billboard blight. In this, my feeling that Congress must act, and must act quickly, has been strengthened by the stand of our Chief Executive.

In his budget message earlier this month, President Eisenhower said:

Prompt enactment of legislation to control advertising on the Interstate Highway System is also recommended.

In addition, on January 15, President Eisenhower wrote to Major General U. S. Grant, retired, president of the American Planning and Civic Association, a letter in which the President stated his views on this subject. I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, the letter to which I have referred.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEAR GENERAL GRANT: Thank you very much for informing me of your feeling that legislation is needed to provide for the prohibition of billboards on certain private property abutting the National System of Interstate and Defense Highways.

As you may know, I again expressed my concern about this problem in my budget message just submitted to the Congress.

I am convinced that this activity must be controlled and regulated if the public is to have the safe driving conditions and surroundings contemplated by the high standards applicable to the Interstate System. While it is desirable that the control and regulation of outdoor advertising be left to the States, I believe that Federal legislation on the subject is necessary to assure effective State action. The Department of Commerce last year submitted to the Congress a proposal which would accomplish this objective and the Secretary again reiterated the administration's position before the Subcommittee on Public Roads of the Senate Committee on Public Works last week.

It is earnestly hoped that consideration of this important problem by the Congress this session will result in the enactment of legislation which will produce the desired results.

With warm regard,

Sincerely,

DWIGHT D. EISENHOWER.

Mr. KUCHEL. Mr. President, the Eisenhower administration believes Congress should endeavor to preserve the scenic beauty of the 41,000-mile network, which, when completed, will represent an investment of $37 billion of the people's money. This is sound business, to my mind. Roughly, 90 percent of the cost of constructing this great interwoven web of high-speed, large-capacity routes rests with the Federal Government. It is only prudent and just, in view of the outlay coming from the National Treasury, for the Federal Government to interest itself in assuring all users of these highways the fullest opportunity to enjoy the views and vistas of the country through which the new highways will run.

Mr. President, I have before me some comments which Secretary of Commerce Weeks made last year, before our Committee on Public Works. I ask unanimous consent that those comments by the Secretary of Commerce be printed at this point in the RECORD, as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SECRETARY OF COMMERCE WEEKS

The Federal Government does not have authority to control advertising along the system. The General Counsel of the Department ruled in an opinion dated February 19, 1957, copies of which were provided to the members of your committee, that Federal funds may not participate in the cost of acquiring advertising rights except in certain limited instances, under section 11 of the Federal Highway Act of 1940, where the acquisition of such rights alone would be sufficient for preservation of the natural beauty. The General Counsel also ruled in the opinion that the Federal-aid highway laws do not authorize the Secretary of Commerce to acquire advertising easements with Federal-aid highway funds.

Despite this lack of authority, there is widespread feeling throughout the country that the Federal Government has an obligation to take action assuring the control of advertising adjacent to the Interstate System. This is based largely on the fact that highway-user taxes, collected by the Federal Government, will provide 90 cents out of every dollar spent on construction of the System.

* * * * *

However, it is recognized that this obligation of the Federal Government must be discharged in a manner consistent with the historic rights of the States. The draft legislation which we have submitted would discharge the obligation of the Federal Government by establishment of a national policy that recognizes the interests of the States. This legislation would require application of the national policy to federally owned or controlled lands along the Interstate System and would provide an incentive for action by the States with respect to other lands.

The draft legislation would declare it to be the national policy and in the public interest to preserve scenic beauty adjacent to the Interstate System, safeguard public travel, promote interstate commerce and protect the public investment in the Interstate System. The policy calls for the control of advertising that can be seen from the Interstate System within 600 feet of the nearest edge of the paved surface. The policy would permit signs of an official nature, signs advertising the sale or lease of property upon which they are located, and signs advertising activities being conducted upon the property on which they are located. State and local zoning laws would be recognized by permitting advertising in areas actually zoned industrial or commercial. The policy would prohibit all other signs within the controlled area.

Mr. KUCHEL. Mr. President, the regulation and control of outdoor advertising contemplates, of course, the regulation of private property, rather than the use of highway rights-of-way. This is, in my view, a proper function for State and local government.

The proposed legislation I have introduced constitutes incentive legislation; that is to say, it would establish a policy of incentive payments to States which would actually participate in a national policy of preserving the scenic beauty of nature through which the Interstate and Defense Highway System would run. I believe this policy to be in the interest of the people of our country. Having said that, I want to add that the drafting of legislation on this subject has been extremely difficult, from the standpoint both of policy involved and of the law.

For example, the historic method of the Federal Government, when dealing with State or local problems, has been to deal with the 48 State governments, never with the counties or the cities across the Nation. The obvious reason is the comparative administrative ease when the Government deals with the 48 State governments, rather than the unquestionably insurmountable administrative difficulties of dealing with thousands of local governmental units.

The law governing the Interstate Highway System follows the historic pattern of dealing with the States, not with political subdivisions. Each State government makes its own plans, under Federal law, for interstate highway routes, and, by contract, proceeds to have the new system constructed to the standards which the Federal law envisions. I think it is obvious that the same administrative pattern should be the basis of Federal legislation offering to States incentives to regulate outdoor advertising on land adjacent to the system. But this decision, if it is valid, as I believe it is, raises some very difficult problems.

Some States of the Union have constitutional provisions creating so-called "home rule." My own State of California is an example of a home-rule State. Our State's constitution provides, in part, for the creation of municipalities in the instances in which a majority of the citizens in a given area wish to make of their community an incorporated city.

Mr. President, I ask unanimous consent that the section of the Constitution of the State of California dealing with the subject of home rule be printed at this point in the RECORD, as a part of my remarks.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

EXCERPT FROM ARTICLE 11, SECTION 6 FROM CONSTITUTION, STATE OF CALIFORNIA

SEC. 6. Municipal corporations: Corporations for municipal purposes shall not be created by special laws, but the Legislature shall, by general laws, provide for the incorporation, organization, and classification, in proportion to population, of cities and towns, which laws may be altered, amended, or repealed; and the legislature may, by general laws, provide for the performance by county officers of certain of the municipal functions of cities and towns so incorporated, whenever a majority of the electors of any such city or town voting at a general or special election shall so determine. Cities and towns heretofore organized or incorporated may become organized under the general laws passed for that purpose, whenever a majority of the electors voting at a general election shall so determine, and shall organize in conformity therewith. Cities and towns hereafter organized under charters framed and adopted by authority of this constitution are hereby empowered, and cities and towns heretofore organized by authority of this constitution may amend their charters in the manner authorized by this constitution so as to become likewise empowered hereunder, to make and enforce all laws and regulations in respect to municipal affairs, subject only to the restrictions and limitations provided in their several charters, and in respect to other matters they shall be subject to and controlled by

general laws. Cities and towns heretofore or hereafter organized by authority of this constitution may, by charter provision or amendment, provide for the performance by county officers of certain of their municipal functions, whenever the discharge of such municipal functions by county officers is authorized by general laws or by the provisions of a county charter framed and adopted by authority of this constitution. (Amended Nov. 3, 1896; Nov. 3, 1914.) (West's Annotated California Codes, arts. 5-11, p. 525.)

Mr. KUCHEL. Mr. President, I think this home-rule concept has promoted good government in California. Under it, people in various areas are able to form incorporated cities to govern themselves and to exercise their police power in accordance with the wishes of their own people. In California, the enactment of legislation dealing with the use of property has always been recognized primarily as a function of local government. Thus, when our forward-looking California State government adopted regulatory legislation on the subject of outdoor advertising, the act by its terms was made applicable only to unincorporated territory. I think our cities have discharged very well their responsibility in the field of regulation of the use of private property.

In a number of cases in California, the validity of the home-rule constitutional provision has been established—as, for example, in the followinig cases: *City of Grass Valley* v. *Walkinshaw* ((1950) 212 P. 2d 894, 34 C. 2d 595); *City of Oakland* v. *Williams* ((1940) 103 P. 2d 168, 15 C. 2d 542); *Mefford* v. *City of Tulare* ((1951) 228 P. 2d 847, 102 C. A. 2d 919). It was said:

> In respect to municipal affairs a city under a home-rule charter is not subject to general law except as the charter may provide, and in construing the charter restrictions on exercise of municipal power will not be implied.

The point I make is that the State Government of California under its constitution can exercise its authority in the field of property use only in the areas of my State which lie outside incorporated cities. Thus, under any Federal incentive legislation authorizing the Federal Government to make incentive payments to States which followed a National policy of beautification, a home-rule State, such as California, could bind itself only to the part of California lying outside of our home-rule communities. Not a very large percentage of the Interstate Highway System is contemplated for municipalities. Obviously, in my State and in every other State, the great bulk of the interstate mileage will be in the vast expanses of open space through mountains and valleys and plains lying outside of incorporated communities. From a practical standpoint, therefore, the interstate mileage located within cities is not of the highest importance when we think of beautification. Indeed, I venture to suggest that much of the interstate mileage within cities will traverse industrial areas and business or commercial districts which would not present an opportunity to preserve scenic beauty, and which probably would present little opportunity to create it. It is, of course, conceivable that a State by the action of its people could abandon State constitutional provisions of home rule. I doubt that they would do so; and, for myself, I do not believe they should. Thus, I have concluded that Federal incentive legislation should run only to State governments, and not to local incorporated cities. If we can give each State an incentive to preserve the scenic values of the land area outside of densely populated communities, we shall have gone a long way, and shall have done so in a realistic manner, to maintain the aesthetic values which rightfully are the concern of all of us.

Thus, I have drafted proposed legislation laying down a national policy and inviting State cooperation, except to the mileage of the system lying within home-rule communities.

Roughly three-quarters of the 41,000-mile system will be constructed on completely new routes. Here is the area in which I think the national policy of protection from spoilation should most particularly apply. Much of the present interstate system in your State, Mr. President, and in mine will cease to be a part of the new interstate system. Where great new interstate thoroughfares are built on land newly acquired, Federal incentive legislation adopted by the Congress now would present to each State a completely new opportunity to enact suitable zoning laws to preserve the beauty of the lands adjacent to the system where there is beauty to preserve. Under my concept of legislation in this field, States would have the good-faith responsibility of adopting regulatory legislation on a reasonable basis in accordance with the national policy set forth in my legislation. And the Federal Government, through the Secretary of Commerce, would be authorized to enter into an agreement with each State where the State were to agree to carry out that national policy. Preserved, therefore, to the Federal Government is its good-faith responsibility of determining when a State makes itself eligible for incentive payments.

Mr. President, I ask unanimous consent that the entire text of the bill which I am introducing be set forth in the RECORD at this point as a part of my remarks.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That section 122 of the Federal-Aid Highway Act of 1956 (70 Stat. 374) is renumbered section 123.

SEC. 2. The Federal-Aid Highway Act of 1956 is amended by adding thereto a new section 122, as follows:

SEC. 122. Areas adjacent to the interstate system.

(a) National policy: To promote the safety, convenience and enjoyment of public travel and the free flow of interstate commerce and to protect the public investment in the national system of interstate and defense highways, it is hereby declared to be in the public interest to encourage and assist the States to control the use of and to improve areas adjacent to the interstate system by controlling the erection and maintenance of outdoor advertising signs, displays and devices adjacent to that system. It is hereby declared to be a national policy that the erection and maintenance of outdoor advertising signs, displays or devices within 600 feet of and visible from the main-traveled way of all portions of the interstate system, outside of incorporated municipalities located upon any right-of-way acquired for highway purposes subsequent to July 1, 1956, should be prohibited, except:

(1) Directional or other official signs or notices that are required or authorized by law.

(2) Signs advertising the sale or lease of the property upon which they are located.

(3) Signs advertising activities being conducted upon the property on which such signs are located.

(4) Signs erected or maintained upon land pursuant to specific authorizing State or local laws or regulations.

(b) Agreements: The Secretary of Commerce is authorized to enter into agreements with State highway departments to carry out the national policy set forth in subsection (a) of this section.

(c) Federal Share: Notwithstanding the provisions of section 2 of the Federal-Aid Highway Act of 1944 (58 Stat. 838), the Federal share payable on account of any project on any section of the interstate system to which the national policy set forth in subsection (a) of this section applies, provided for by funds authorized under the provisions of section 108 of this act, shall be increased 1 percent of the total cost thereof, if an agreement, as provided for in subsection (b) of this section, is entered into prior to July 1, 1960: *Provided*, That such Federal share shall not include any costs incurred in carrying out any such agreement.

(d) Whenever any portion of the interstate system is located upon or adjacent to any public lands or reservations of the United States, the Secretary of Commerce may make such arrangements and enter into such agreements with the agency having jurisdiction over such lands or reservations as may be necessary to carry out the national policy set forth in subsection (a) of this section, and any such agency is hereby authorized and directed to cooperate fully with the Secretary of Commerce in this connection.

(e) The provisions of subsection (a) of section 109 of the Federal-Aid Highway Act of 1956 shall not be construed as granting authority to the Secretary of Commerce to acquire lands or interests in lands to carry out the provisions of this section.

Mr. KUCHEL. Mr. President, I call attention particularly to the fourth exception which is included in the national policy statement which I have laid down in the first section. That exception preserves to the States their authority to pass such regulatory laws as they may desire to. And, as I say, where those regulatory laws meet the policy standards set forth in this bill, they will participate in the benefits which it provides.

So I am very glad to introduce a bill which is the result of my staff's thinking and mine, although I must say we have had the benefit of recommendations and criticisms from the staff of the Federal Bureau of Roads.

I believe this is a fair, reasonable, and constructive bill. I believe it would serve the public interest. I shall urge prompt consideration of it before the Senate

Public Works Committee. I believe it ought to be enacted into law.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3218) to amend the Federal-Aid Road Act approved July 11, 1916, as amended and supplemented, for the purpose of encouraging the control and improvement of areas adjacent to the national system of interstate and defense highways, introduced by Mr. KUCHEL, was received, read twice by its title, and referred to the Committee on Public Works.

THE PLACING OF THE UNITED STATES ARMY SATELLITE INTO ORBIT

Mr. COOPER. Mr. President, the American people, and indeed millions of others throughout the world, are happy that on last Friday evening the United States Army placed a satellite into orbit. All congratulations are due the Department of the Army, Secretary of the Army Brucker, Gen. John B. Medaris, Dr. Werhner von Braun, and indeed all of the devoted scientists, technicians, and engineers, in all the services and in civilian life, who contributed to this magnificent achievement.

In our exultation, we should not forget that the primary purpose of launching a satellite is to extend man's knowledge for peaceful purposes. Dr. Joseph Kaplan, Chairman of the United States National Committee for the International Geophysical Year, has said:

> The satellite program is one of the boldest, most imaginative steps taken by man: it represents the first stage in his acquisition of direct knowledge of the universe far beyond the earth's surface and far beyond the scope of aircraft, balloons, and even conventional research rockets.

President Eisenhower respected this valid truth and our commitment to other nations and to world knowledge, when, after the successful launching of Explorer, he released immediately scientific data concerning its flight.

And now, to keep our effort devoted to knowledge and to peaceful uses, it seems to me that the President and the administration must consider placing eventually development, for peaceful and scientific purposes, under civilian control, rather than military.

But it is also of tremendous consequence to our military security that the launching of a satellite, even though it may not be as large as the Soviet satellites, demonstrates that the United States possesses the scientific knowledge and techniques to develop the precision, as well as the power, to place a satellite in orbit, for both power and precision are requisite for the development and production of the ICBM and IRBM.

It is also the proof that President Eisenhower and the Department of Defense have been working steadily and successfully toward this end. It is hardly known that during the past few years, over $17 billion have been obligated for research and development and missile production. An estimated 200,000 people have been engaged in federally financed missiles programs. Contracts have been given to universities and private businesses for basic and applied research, and 5,000 civilian scientists, engineers, and technicians are engaged in the Department of Defense, itself, in missile work.

But even with this accomplishment, the main task is still ahead. We cannot slacken our efforts to step up national military preparedness—and to improve educational standards, which at last will determine our future in the world.

Only yesterday the Vice President of the United States made it clear that these were the goals of this administration and of our people.

An editorial in the New York Times of yesterday, which I shall have placed in the RECORD, concludes its praise of the American achievement with these words:

> Let us keep our dignity. Let us not make this moment the occasion for a faster, more maddening competition. Let us have harmony among ourselves. Let us hope that when our satellites sweep with the Russian satellies through the abysses of space it will be the thought of peace and not of war that will be uppermost and outermost.

The scientists and many in the Congress have followed this precept. I pay particular tribute to the Senate Armed Services Committee, under the able leadership of the distinguished senior Senator from Georgia [Mr. RUSSELL], and to the distinguished ranking minority member of the Armed Services Committee, the senior Senator from Massachusetts [Mr. SALTONSTALL]. In addition, I wish to pay tribute to the valuable work and patriotic tribute of the Senate Preparedness Subcommittee, under the very able and nonpartisan leadership of the senior Senator from Texas [Mr. JOHNSON].

But above all, during these difficult months, since the Soviets launched their satellite, when cries arose from persons of lesser judgment and unsure balance, President Eisenhower and Vice President NIXON, without avoiding the harsh facts, have maintained the highest standards of national dignity and honor, and have given balance and a sense of direction to the Nation.

Mr. President, I ask unanimous consent that the editorial I have referred to be printed in the body of the RECORD, at this point of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE LEAP INTO SPACE

The American people have been understandably exultant in this first weekend of the Explorer satellite's cruise through space. Many elements have combined to produce this emotion. After long weeks of frustration it was thrilling to see that the Jupiter C rocket was able to succeed in its very first try. We now know that, whatever Soviet propaganda may say in the future, it can never again be as stinging and as mocking as it has been these past weeks while Soviet sputniks have coursed alone through the heavens. And the Explorer satellite now in orbit is the concrete symbol that the United States' contribution to mankind's conquest of space will be of major proportions.

Inevitably the Explorer satellite will become an element in the political and propaganda war which is so central a feature of our time. The Soviet Union assured this consequence when it chose to exploit its own previous two sputniks as symbols of its military power, threatening bluntly that the same rockets that sent the sputniks into space could deliver hydrogen bombs anywhere on the earth's surface.

Yet it was not for purposes of war that the Explorer was shot into space last Friday night. President Eisenhower has already made clear that it is the purpose of our foreign policy to make the cosmos an area of peace rather than an arena for the combat of nations. Mr. Khrushchev charged in Minsk recently that our President was inspired by the desire to deprive the Soviet Union of a weapon, the intercontinental ballistic missile, which it alone now has. But if the Explorer reminds the Soviet leaders that any lead they may have in this area may be transitory it may well make them more amenable than they have been so far toward giving a positive response to the President's gesture.

Space has now been internationalized in the sense that manmade satellites of two nations are now traveling through it at enormous speed. As we have urged before, we feel it is urgent that the question of the control of space be taken up by the United Nations so as to assure that the rapid strides being made toward man's conquest of space be strides of peace and not of war. All humanity has a stake in the issue. The United Nations is the proper agency to assure that all humanity's interests are safeguarded in the incredible new era man is now entering as he breaks the bonds with which gravity has always hitherto bound us and our artifacts to this small planet.

The launching of a satellite into outer space does not by itself represent a scientific breakthrough. As Dr. J. W. Buchta of the University of Minnesota said last week at the meeting of the American Physical Society in New York: "Newton could have calculated the energy needed to launch it and he could have determined the magnitude and direction of the velocity it must be given to be placed in orbit." The act of launching, he pointed out, "is a major engineering feat, requiring great skill and mastery of instruments."

This should enable us to judge the launching of Jupiter C from a more objective point of view, looking at it rather as a means than as an end in itself, namely, as a powerful new tool for the exploration of the world we live in. As such, it represents a quantum jump into new dimensions of space, earthbound man being free at last to expand the domain of his limited knowledge, to explore the hitherto forbidden, awesome realm in which some of nature's most vital secrets are being kept hidden from his inquisitive mind. What is thus most important is not so much the tool in itself but the uses man is to make of it, and of the greatly extended mastery of nature the tool will provide him with.

It is certain that the satellite will make nature yield many answers to vital questions put to her. But it is also most likely that, through the agency of Jupiter and many others like it to follow, we will also acquire startling information about the universe and the forces within its vast domain that will surprise even the most imaginative among her questioners. The answers, it has been said, "may well constitute the most significant and profound discoveries in the physical sciences in the next half century." We are on the eve of discovery of new forces that may make even the discovery of atomic energy rather minor by comparison, from the point of view of its potentialities for the future of man.

As Dr. Joseph Kaplan, Chairman of the United States National Committee for the International Geophysical Year, said: "The satellite program is one of the boldest, most imaginative steps taken by man; it represents the first stage in his acquisition of direct knowledge of the universe far beyond the earth's surface and far beyond the scope of

aircraft, balloons, and even conventional research rockets."

The contrast between Friday night's proud achievement and the preceding rivalries, postponements, and alternations of secrecy with expansive publicity, is in itself dramatic. Some of our national weaknesses revealed themselves even as we were about to make this spectacular demonstration of our national strength.

We hope these minor episodes will not be repeated. We are now on the threshold of mankind's supreme adventure.

Let us keep our dignity. Let us not make this moment the occasion for a faster, more maddening competition. Let us have harmony among ourselves. Let us hope that when our satellites sweep with the Russian satellites through the abysses of space it will be the thought of peace and not of war that will be uppermost and outermost.

ADJOURNMENT

Mr. KUCHEL. Mr. President, pursuant to the order previously entered, I move that the Senate stand adjourned until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 21 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until tomorrow, Tuesday, February 4, 1958, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

MONDAY, FEBRUARY 3, 1958

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Psalms 46: 1: *God is our refuge and strength, a very present help in trouble.*

Most merciful and gracious God, who art the inspiration of our prayers and their answer, grant that our minds and hearts may be the sanctuaries of Thy light and love.

Show us how to walk the way of life without fear for Thine is the strength which sustains us, the wisdom which guides us, and the grace which redeems us.

Inspire us with a clear vision of that kingdom of truth and righteousness, of peace and good will which is slowly and surely emerging out of the welter of crisis and confusion in which we daily live and labor.

Help us to believe that no hope vouchsafed to our human souls is too high or holy to be fulfilled by Thy divine goodness and power.

In Christ's name we pray. Amen.

The Journal of the proceedings of Thursday, January 30, 1958, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McGown, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 9739. An act to authorize the Secretary of the Air Force to establish and develop certain installations for the national security, and to confer certain authority on the Secretary of Defense, and for other purposes.

The message further announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. RUSSELL, Mr. STENNIS, Mr. JACKSON, Mr. SALTONSTALL, and Mr. CASE of South Dakota to be the conferees on the part of the Senate.

BOARD OF VISITORS—UNITED STATES COAST GUARD ACADEMY

The SPEAKER. The Chair lays before the House the following communication:

JANUARY 30, 1958.

Hon. SAM RAYBURN,
Speaker of the House of Representatives, Washington, D. C.

DEAR MR. SPEAKER: Pursuant to section 194 of title 14 of the United States Code, I have appointed the following members of the Committee on Merchant Marine and Fisheries to serve as members of the Board of Visitors to the United States Coast Guard Academy for the year 1958: Hon. EDWARD A. GARMATZ, Hon. THOMAS LUDLOW ASHLEY, Hon. WILLIAM S. MAILLIARD.

As chairman of the Committee on Merchant Marine and Fisheries, I am authorized to serve as an ex officio member of the Board.

Sincerely,

HERBERT C. BONNER,
Chairman.

BOARD OF VISITORS—UNITED STATES MERCHANT MARINE ACADEMY

The SPEAKER. The Chair lays before the House the following communication:

JANUARY 30, 1958.

Hon. SAM RAYBURN,
Speaker of the House of Representatives, Washington, D. C.

DEAR MR. SPEAKER: Pursuant to Public Law 301 of the 78th Congress, I have appointed the following members of the Committee on Merchant Marine and Fisheries to serve as members of the Board of Visitors to the United States Merchant Marine Academy for the year 1958: Hon. EDWARD J. ROBESON, Jr., Hon. JOHN C. KLUCZYNSKI, Hon. JOHN H. RAY.

As chairman of the Committee on Merchant Marine and Fisheries, I am authorized to serve as an ex officio member of the Board.

Sincerely,

HERBERT C. BONNER,
Chairman.

RESIGNATIONS FROM COMMITTEES

The SPEAKER. The Chair lays before the House the following resignations from committees:

JANUARY 31, 1958.

Hon. SAM RAYBURN,
Speaker of the House of Representatives, Washington, D. C.

MY DEAR MR. SPEAKER: I hereby tender my resignation as a member of the House Committee on Public Works effective this date.

Sincerely yours,

FRANK J. BECKER,
Member of Congress.

JANUARY 31, 1958.

Hon. SAM RAYBURN,
Speaker of the House of Representatives, Washington, D. C.

DEAR MR. SPEAKER: I hereby tender my resignation as a member of the House Committee on the Judiciary.

Respectfully yours,

LAURENCE CURTIS.

The SPEAKER. Without objection, the resignations will be accepted.

There was no objection.

ELECTION TO COMMITTEES

Mr. MARTIN. Mr. Speaker, I offer a resolution (H. Res. 468) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the following-named Members be, and they are hereby, elected members of the following standing committees of the House of Representatives: Committee on Armed Services, FRANK J. BECKER, New York; Committee on Foreign Affairs, LAURENCE CURTIS, Massachusetts; Committee on Public Works, HOWARD W. ROBISON, New York.

The resolution was agreed to.

DESIGNATION OF MINORITY EMPLOYEE

Mr. MARTIN. Mr. Speaker, I offer a resolution (H. Res. 469) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That pusuant to the Legislative Pay Act of 1929, as amended, Harry L. Brookshire is hereby designated a minority employee (to fill an existing vacancy) until otherwise ordered by the House, and shall receive gross compensation of $15,000 per annum.

The resolution was agreed to.

DEVELOPMENT OF INSTALLATIONS FOR THE NATIONAL SECURITY

Mr. VINSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 9739) to authorize the Secretary of the Air Force to establish and develop certain installations for the national security, and to confer certain authority on the Secretary of Defense, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Georgia? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. VINSON, BROOKS of Louisiana, KILDAY, DURHAM, ARENDS, GAVIN and NORBLAD.

THE LATE HONORABLE BERTRAND H. SNELL

The SPEAKER. The Chair recognizes the gentleman from New York [Mr. KILBURN].

Mr. KILBURN. Mr. Speaker, I ask unanimous consent that all Members may have permission to extend their remarks on the life and accomplishments

of the Honorable Bertrand H. Snell at this point in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. KILBURN. Mr. Speaker, I am sorry to have to tell the House of the death of a distinguished former Member. Bertrand Hollis Snell died yesterday afternoon at his hometown, Potsdam, N. Y.

Former Congressman Snell was born in Colton, St. Lawrence County, N. Y., on December 9, 1870. He attended the public schools in Colton until 1884, when he entered the State normal school at Potsdam, N. Y., now Potsdam State Teachers College, from which he was graduated in 1889. After postgraduate courses at the normal, he entered Amherst College in the fall of 1890, being graduated in 1894. In 1929 he received an honorary doctor of laws—LL. D.—degree from Amherst. He married Miss Sara L. Merrick, of Gouverneur, N. Y., on June 3, 1903. They have two daughters, Helen L. and Sara Louise.

Representative Snell was elected as a Republican to the 64th Congress to fill a vacancy caused by the death of Representative Edwin A. Merritt, Jr., who had died on December 4, 1914. He took his seat on November 2, 1915, and served continuously until January 3, 1939, when he retired. This period of service covered the 64th Congress through the 75th. During his entire service, Congressman Snell represented the same four New York counties: Clinton, Essex, Franklin, and St. Lawrence. When Representative Snell retired from the House of Representatives on January 3, 1939, only 10 Members of that body, as it was then constituted, had served longer than he. Two of these ten are still Members of the House. These are SAM RAYBURN and CARL VINSON.

Representative Snell began his business career as a bookkeeper. He afterward became secretary and manager of the Raquette River Paper Co. at Potsdam, N. Y. He was sole owner of the Snell Power Plant at Higley Falls, N. Y. He was president and manager of the Phenix Cheese Co. of New York City. He was a director of at least three firms, namely, the Northern New York Trust Co., at Watertown, N. Y.; the Agricultural Insurance Co., also of Watertown; and Gould Pumps, Inc., at Seneca Falls, N. Y.

Representative Snell was president of the board of trustees of Clarkson College, Potsdam, N. Y., 1920–45. He was a member of the board of trustees of Potsdam State Teachers College, 1910–48. He was also a trustee of the Potsdam Public Library and of A. B. Hepburn Memorial Hospital in Ogdensburg, N. Y.

Representative Snell from 1914 to 1944, inclusive, was a member of the Republican State Committee from the Second Assembly District of St. Lawrence County, and for many years was a member of the executive committee of the Republican State Committee.

He was a delegate from the 31st Congressional District to the Republican National Conventions at Chicago in 1916 and 1920, at Cleveland in 1924, and a delegate at large at Kansas City in 1928. He was a delegate to and permanent chairman of the Republican National Convention at Chicago in 1932, and a delegate at large and again permanent chairman at the Cleveland convention in 1936. Again in 1940, he was a delegate to the Republican National Convention at Philadelphia.

When Representative Snell took his seat in the 64th Congress on November 2, 1915, he was assigned to the following committees of the House: Census, Railways and Canals, and War Claims. His service on the first two committees ended with this same Congress. During the 66th Congress, he served on the Committees on Public Lands and Expenditures in the Department of Labor, but here again this service was confined to a single Congress.

It was to the Committees on War Claims and Rules, particularly the latter, that Representative Snell made his chief contribution as a committee member. His service on War Claims began in the 64th Congress and extended through the 67th. In the latter Congress, he was the committee's chairman. His service on Rules began in the 65th Congress and extended through the 71st. He was chairman of the committee during the 68th through the 71st Congresses.

With the advent of Democratic control of the House in the 72d Congress, Representative Snell gave up his ranking minority membership on the Committee on Rules to become minority floor leader, a position he retained until his retirement at the close of the 75th Congress.

Bert Snell was a lifelong friend of mine and my father before me. He was upright, honorable, and respected. He was probably northern New York's most outstanding citizen. This country needs more men of his high caliber. I extend deepest sympathy to his beloved wife, Sara, and his two daughters.

I now yield to the distinguished minority leader, the gentleman from Massachusetts [Mr. MARTIN].

Mr. MARTIN. Mr. Speaker, the death of Bertrand H. Snell yesterday in the Potsdam hospital ended an illustrious industrial and legislative career. To me it came as a great shock because he was my predecessor as Republican leader; and, in a sense, it was under him I received much of my early legislative training.

For a number of years I served as a member of the Rules Committee, of which he was chairman, and later was an assistant leader under his command. It was under his leadership I served as chairman of the Republican Congressional committee and increased our thin ranks from 89 to 169 Members, a gain of 80 in a single election.

Bert Snell graduated from Amherst College with Dwight Morrow and other men who were deeply interested in building a better America. Starting life as a lumberjack he worked hard for his education and in building thriving enterprises in his north country.

He was the type of man who wanted nothing from the Government; his sole purpose was to make it a better country. He was interested in youth and several years ago he endowed Clarkson College in his hometown with $150,000 to expand scholarship programs.

Bert Snell served 24 years as a Member of Congress. His ambition was to become Speaker of the House, and he remained in Congress several years longer than he intended, hoping he could be successful in his ambition.

By 1938 his health was declining, and with his clear vision he saw it would be a number of years before the Republicans would control the House, and he voluntarily retired.

Bert Snell was an unusually brilliant legislator, and his sole objective was to make a constructive contribution to the country that had been good to him. He was a man of fine character and rugged honesty.

He had one pet measure. He believed in the St. Lawrence Seaway and fought for it when it had few supporters. Recently Congressman KILBURN has proposed that the Grasse Lock be named after Mr. Snell. Personally I believe it would be a proper gesture, and I hope this will result.

To Mrs. Snell, her two daughters and their charming families I extend my deepest sympathy in their hour of sorrow. A fine American has left this world to the land beyond.

Mr. KILBURN. Mr. Speaker, I yield to the Speaker of the House, the gentleman from Texas [Mr. RAYBURN].

Mr. RAYBURN. Mr. Speaker, it was my privilege to serve with Bertrand H. Snell during his whole service as a Member of this House. I had a very deep respect for Bert Snell and we were warm personal friends. He was the type and character of man that you could trust not only in his agreements but I had a high degree of respect for his judgment. He and the present minority leader worked very closely together while he was minority leader of the House and also while he was chairman of the Committee on Rules. I know of few men for whom I had deeper respect than I did for Bertrand H. Snell, because he was a towering individual, a rugged, great American.

I want to pay this word of tribute to him and to send to his wife, as I did in a telegram, my deepest and sincerest sympathy on the loss of her husband, who in my book was a great American.

Mr. KILBURN. Mr. Speaker, I yield to the majority leader, the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. MCCORMACK. Mr. Speaker, those of us who knew and served with Bert Snell will always have a memory of him that will be uppermost in our minds. Bert Snell was a real man. He was one of the great legislators of the Congress in the entire history of our country, a man of strong convictions, possessed of the elements of leadership, fearless, decent and good, and above all a gentleman. Bert Snell will always live in the memory of those who served with him or who knew him. I join the New York delegation in expressing our sympathy to Mrs. Snell and her loved ones.

Mr. KILBURN. Mr. Speaker, I yield to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, it has been with genuine sorrow that I have

learned of the passing of our former colleague, a distinguished Member of this body and a great American, Bert Snell. However, I think when we say that we certainly must also reflect on the fact that his was a full life, a life replete with great accomplishments for the people he represented and for the people of this great Nation of ours.

It is something of a coincidence that just 23 years ago this coming Wednesday I walked into the well of this House to be sworn in as a Member of this body. I was elected at a special election in Indiana on January 29. I was sworn in on February 5, 1935. One of my most pleasant memories of Bert Snell is that he, at that time the minority leader, escorted me into the well of the House and stood with me when I was sworn in.

His standing with me did not end there. He seemed always to me to be more of a father than a colleague in this body. He advised me and he helped me. Some of you may wonder why it was that the minority leader escorted me into the well of the House to be sworn in. Well, at that time there were no other Republicans from the State of Indiana. I was the lone one of that day. So you can understand that I needed a lot of help. But, I got it from Bert Snell. I would like to think that in some measure my career in this body reflects credit upon Bert Snell and the help that he was to me.

As has been said here, he was a man of great understanding, of great capacity, and with it all a man with a gentleness that endeared him to all of us. There was in his character also a rugged determination, a kind of bulldog determination that led him always to call the shots where he saw them.

Possibly, as we look back on some of those days and some of the problems that were before us, some perhaps might have done things a little differently. At the same time, his leadership was always an inspiration to me because while he held fast to fundamental principles, Bert Snell was always able to look to the future with understanding and good judgment.

In my opinion, that is what made him a very able legislator in this great body, the House of Representatives. So I shall miss him. I enjoyed receiving letters from him through the years since he was away, and I wrote to him from time to time. I shall be eternally grateful for the fine guidance and counsel he gave me and for the valued assistance that he was to me through the years that he and I served here together.

Mr. KILBURN. Mr. Speaker, I yield to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, when I first came here Bert Snell was chairman of the Committee on Rules of the House. Later on, he became the minority leader. He served here for over 20 years. He came here after a fine career in business, both locally and in his home territory and throughout the Nation. He was able to give to the Government about as solid advice and consideration as any man I have ever known in this body. He always understood the measures which were presented and he was always able to get up and fight for the things that he thought were right. I know of no one with whom I have served who did a better job and who is more entitled to the credit that should go to that kind of legislator. I wish to extend to his family my sincerest sympathy and I hope we have more like him in the days to come.

Mr. KILBURN. Mr. Speaker, I yield to the gentleman from New York [Mr. KEATING].

Mr. KEATING. Mr. Speaker, Bert Snell's death is a great loss to the State of New York. He was one of the towering figures in the political life of New York. Others of the Members who served with him here in the past know of his stanch adherence to the principles of the party to which he paid his allegiance. He was truly a remarkable figure. Although he left this body a considerable time before I came here, I always looked upon Bert Snell as a man of outstanding character and ability in New York State affairs. I might add in passing that in talks I had with him, he was always much pleased with and derived real satisfaction from the representation of his district by the distinguished gentleman from New York [Mr. KILBURN] who today is paying this tribute to him. I extend to Mrs. Snell my most sincere sympathy and likewise to all of his friends and associates including the gentleman who is now speaking to us who was such a close and personal friend.

Mr. JENKINS. Mr. Speaker, will the gentleman yield?

Mr. KILBURN. I yield to the gentleman from Ohio.

Mr. JENKINS. Mr. Speaker, my relation with Bert Snell was such that I would be remiss if I did not take this opportunity to say some kind words about him. As has already been said, he was a real gentleman. Not only was he a capable man but he was a very capable and convincing gentleman. His good judgment and his good character made him a very useful and successful legislator. Although of course I am sorry he has gone, I am glad I can say a few words today about a noble American. I extend to his family my most profound sympathy.

Mr. REED. Mr. Speaker, will the gentleman yield?

Mr. KILBURN. I yield.

Mr. REED. Mr. Speaker, the word has just come to me that my friend of long standing, Hon. Bertrand H. Snell, of Potsdam, N. Y., has passed away.

I feel the loss of Bert Snell deeply because we served together many years in the House of Representatives, and during that time we were close friends. This friendship has continued all through the years since he left Congress, and I not only considered him as a great leader, but as a man of such sterling character who exerted a great influence over me.

One of his great countributions to this country was his sponsorship of the St. Lawrence Seaway, the progress of which he has watched throughout the years. His interest and leadership and contributions to Clarkson College were of the highest order, up to the present time.

Throughout his long life of 87 years he was active in many fields of endeavor, and his judgment in all business affairs was most highly respected.

The village of Potsdam has lost a wonderful civic leader, in whose activities his lovely wife participated.

There is much that I would like to say about this great American, but time will not permit. The State and the Nation have lost a man who has really made history, not only in the Halls of Congress, but in the business and educational world.

Mrs. Reed joins with me in extending our heartfelt sympathy to Mrs. Snell and her daughter in their time of bereavement.

Mr. WIGGLESWORTH. Mr. Speaker, I deeply regret the passing of a former colleague and a great American, Bert Snell, of New York.

A Member of this House for 24 years, chairman of the powerful Rules Committee and minority leader for 8 years, 6 times a delegate to the Republican National Convention, twice its permanent chairman, an outstanding citizen, he made a great contribution to the welfare of the Nation.

I had the privilege of serving with him here for 10 years and have always had for him the highest regard and genuine affection.

He was a talented leader, a fine parliamentarian, and a hard fighter—a fighter who was both fearless and fair.

He was respected by all his colleagues on both sides of the aisle.

No one who served with him could forget him.

He was a true friend, and I am indebted to him for all that he did to help me during the early years of my service here.

I join in heartfelt sympathy to Mrs. Snell and to all those close to him.

Mr. KEARNEY. Mr. Speaker, I join with the many friends and colleagues of the Honorable Bertrand H. Snell, of New York, in mourning his loss last Sunday at the age of 87.

It was only a week ago that the New York delegation to the House proposed unanimously that the Grasse River lock of the St. Lawrence Seaway be named in honor of this esteemed ex-Member of the House. It was in 1917 that Bertrand H. Snell introduced the first bill to authorize the St. Lawrence Seaway, a project to which he gave his stanch support throughout his many years in the House of Representatives, living to see its completion within view.

Bertrand Snell entered the Congress in 1914. During his often stormy career he became chairman of the House Rules Committee, also serving as minority leader after the 1930 election.

He was born in Colton, N. Y., and made his home all his life in the Adirondack Mountains of New York. He will be long remembered by the Republican Party in New York State as a member of the Republican State Committee and executive committee, having served also as a delegate to the Republican National Convention in the years 1916, 1920, 1924, 1928, 1932, and 1936. It is with a deep sense of grateful appreciation for his many services through the years to his party and his country that we

mourn the passing of this distinguished American.

Mr. REES of Kansas. Mr. Speaker, in the passing of our former Member and colleague, Bertrand H. Snell, the country has lost one of its outstanding legislative leaders, as well as a great leader in industry and business. More than that, the country has suffered the loss of a great man.

Bertrand Snell was one of the first Members of this House with whom I became acquainted when I came to Congress. I shall not forget his kindness to me as a new Member of this body.

Bertrand Snell was a great leader. He was interested in the welfare of his community and his State. Most of all, he continued his interest in building a better and finer America.

He had a deep understanding of human nature. He was willing to listen to people with respect to their individual problems. He was absolutely honest. His advice and judgment were always good. Bertrand Snell had a deep sense of justice. He was firm in what he believed was right. He had the attributes that go to make a Christian gentleman.

I join with my colleagues in extending sincere sympathy to the members of the family of Bertrand Snell. A great man has been called to his reward.

THE LATE HONORABLE ELMER J. RYAN

Mr. O'HARA of Minnesota. Mr. Speaker, it is my sad duty to report the death of Elmer J. Ryan, former Representative in Congress of the Second Congressional District of Minnesota.

His death was due to injuries received in an automobile accident.

Elmer James Ryan was born in Rosemount, Minn., on May 26, 1907. He was educated in the public schools and the law department of the University of Minnesota, and was engaged in the general practice of law in Minnesota at the time of his death.

Mr. Ryan had served as city attorney of South St. Paul and was a delegate to the Democratic National Conventions of 1936 and 1940. He was elected as a Democrat to the 74th, 75th, and 76th Congresses.

I succeeded Mr. Ryan in the 77th Congress. During World War II he was on active duty in the United States Army, first in the Selective Service and later transferred to the Judge Advocate General's Department, and he was discharged with the rank of major.

At the time of his death he was a resident of St. Paul, Minn.

My own relationship with Mr. Ryan was one of friendliness, both during our political campaigns and afterward.

I extend my deepest personal sympathy to his charming wife and his six lovely children.

In all reverence, may his soul rest in eternal peace.

Mr. H. CARL ANDERSEN. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield.

Mr. H. CARL ANDERSEN. Mr. Speaker, I was very much distressed to hear of the passing of Elmer Ryan. He was a gentleman in every sense of the word and one of the most likable men I ever knew. It was my privilege to serve my first years in the House of Representatives with him and the fact that his district joined my own helped establish our friendship.

Although he was on the other side of the political fence, I never found that made any difference in our relationships. If I had a problem or a question, he was as ready as anybody else to help me find the answers. He had definite ideas of his own but was always tolerant of the views of others.

Elmer Ryan was the kind of man you are proud to have known. I know that my early years here were made easier and more enjoyable by reason of our association, and I regret very much his passing.

Mr. BROWN of OHIO. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Mr. Speaker, I was privileged to serve on the House Committee on Interstate and Foreign Commerce in the early days with Elmer Ryan. I knew him to be a man not only of great ability but also of splendid character and reputation. He made great contributions to our committee, and to the Congress of the United States while he served here. I join with the gentleman from Minnesota [Mr. O'HARA] and the delegation in paying tribute to his memory.

Mr. O'HARA of Minnesota. I thank the gentleman.

Mr. Speaker, I ask unanimous consent that all Members who desire to do so may have the privilege of extending their remarks at this point in the RECORD on the life, character, and public service of our late colleague.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. MARSHALL. Mr. Speaker, we are saddened to learn of the sudden death of a former Representative from Minnesota, the Honorable Elmer J. Ryan. For three terms—from 1935 to 1941—he ably served the Second District of Minnesota in the House of Representatives.

Prior to his election to the 76th Congress, Mr. Ryan practiced law in South St. Paul and served as city attorney. He was twice a delegate to the Democratic National Convention.

During World War II, he served on active duty in the Judge Advocate General's Department and rose to the rank of major. Upon his discharge in 1945, after more than 3 years of service, he resumed the practice of law in South St. Paul.

He is remembered by his friends as a genial and conscientious worker who sought always to represent the best interests of the people he spoke for in the Congress.

His friends and family can rightly take pride in his record of service to his Government. To his wife and children, we offer our deepest sympathy in their great loss.

PUT THE DEVELOPMENT LOAN FUND TO WORK

Mr. PORTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. PORTER. Mr. Speaker, many of us who support foreign aid would be pleased if the emphasis were more on loans than on gifts, and on economic rather than military aid.

The development loan fund, one of the devices of the act last year that appealed to many of us, was established with $300 million to assist on the basis of self-help and mutual cooperation the efforts of free peoples to develop their economic resources and to increase their productive capacity.

I received a letter from the manager of this fund, Mr. Dempster McIntosh, dated January 28, and it told me that no loans have yet been established under this fund although they have applications in excess of $1 billion—no loans in over 7 months of its existence, 7 months after this $300 million became available.

I hope we will find the reason for this delay and that this condition will be corrected.

PERMISSION FOR ARMED SERVICES COMMITTEE TO SIT DURING SESSION OF HOUSE

Mr. RIVERS. Mr. Speaker, I ask unanimous consent that the Committee on Armed Services may sit this afternoon during general debate.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

THE PUNXSUTAWNEY GROUNDHOG

Mr. GAVIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GAVIN. Mr. Speaker, I want to call to the attention of the House that the one and only Punxsutawney groundhog—that great prognosticator of the weather—has spoken.

He emerged from his hole on Gobbler's Knob in the foothills of the Alleghenies located in my district—the 23d District of Pennsylvania which I am proud and honored to represent—on the annual Groundhog Day yesterday, February 2, and saw his shadow at 8:27 a. m.

Whether we like it or not we are in for 6 weeks more severe winter weather.

It is gratifying to me to know that the synthetic hogs from Sun Prairie, Wis., and Quarryville, Pa., no longer have the audacity to challenge the predictions of this world-renowned meteorologist.

I want to present to you one of the forebears of the one and only groundhog—the weather prophet who for the past 75 or more years has predicted with amazing accuracy weather conditions for the 6 weeks following Groundhog Day, February 2.

The seer of seers has spoken and I will resent any attempts on the part of anyone to depreciate his lordship's predictions.

Let me now present this mounted groundhog to you—one of the forebears of the one and only weather prophet—the Punxsutawney groundhog.

EXPLORER

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I feel the deepest appreciation of General Medaris and the Redstone Arsenal and all of the arsenals that contributed to the great Explorer that is winging its way for miles and miles and miles and for days and day and days. It is just another instance and another proof that we must not scrap our arsenals; that we must keep them going if we want to stay ahead of every other country in national defense. Please, please, fight for your arsenals. They give work to many highly skilled workers and many small businesses. We want small business to go forward. They are invaluable to us.

My most profound and deepest thanks to all who took part in this great satellite, the Explorer, but first of all we must keep our arsenals in operation. They have the skills and know-how to do anything in defense. If we lose them, we shall be weak indeed.

GI HOUSING PROGRAM

Mr. AYRES. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. AYRES. Mr. Speaker, the GI housing program is just as dead as the groundhog the gentleman from Pennsylvania exhibited here. For the past year there have been very, very few loans, and the main reason is that there is not any mortgage money available. Having given the matter considerable thought, I am today introducing a bill that removes the ceiling on the interest rate. In that way it will make it possible for the lender, the buyer, and the builder to arrive at an interest rate that is fair, and with the enactment of this bill I am confident that there will be mortgage money available and there will be homes for those potential buyers, those veterans who have not been able to purchase homes. My bill extends the program for 1 year, and I hope mortgage money will be available. In these times when our economy needs strengthening, I know of no measure that will be more constructive for the building of homes for those veterans who are most deserving.

JUPITER

Mr. HARVEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HARVEY. Mr. Speaker, I take this opportunity to congratulate the Army upon the successful launching of their Jupiter missile. I am today introducing a bill which I hope will bring about better coordination of the activities of all of the services and research boards. If there is any question in the minds of any Member of this body, I think it should be resolved by simply reading the headlines in the papers.

THE EARTH SATELLITE

Mrs. ST. GEORGE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Mrs. ST. GEORGE. Mr. Speaker, we all have cause to rejoice today. The American satellite is in the sky and is circling the globe and acting according to schedule. This bears out the truth of the words of the Chairman of the Atomic Energy Commission, Lewis L. Strauss, who recently said:

> There is no place in our thinking for pessimism, gloom, despair.

There has been too much pessimism, gloom, and despair, especially among the editorial writers and columnists in this country. What has not been sufficiently stressed is the fact that our scientists over a year ago announced that we would launch this satellite in the first 6 months of the geophysical year. This we have done. So, I think we can say, Mr. Speaker, "Well done." We are not complacent; we will keep up the work. We have proved ourselves, and we have good cause to cheer.

LAUNCHING OF SATELLITE

Mr. HENDERSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HENDERSON. Mr. Speaker, in its launching of a satellite on last Friday night our Nation has lived up to the expectations of the people of the free world. We have again demonstrated our characteristic ability to keep pace, and to excel. The Explorer will provide us with scientific data which could not have been obtained by sensational, hasty flights into space. It is significant that the Explorer has probed further into space than its Russian predecessors and has thereby probed the unknown and can provide us with much-needed information on the temperature, radiation, and meteorite environment that it encounters, information which will be made available to scientists everywhere, so that all men and all nations may benefit from this great event.

I am sure that we are all thankful to the men of science, industry, military, and Government who have made this momentous occasion possible.

The event demonstrates once again our ability to respond to a challenge, both of a military and a scientific nature. It also vindicates the program of the administration in both the missile and the satellite fields. The Explorer took its place in outer space under the guidance and financing of that program.

Let us keep that in mind as we are pressed to recklessly and hastily substitute money for diligence and proper direction in the missile and satellite program.

LAUNCHING OF SATELLITE EXPLORER

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ARENDS. Mr. Speaker, last October Russia successfully launched the satellite, sputnik. It was dramatic evidence of the technological advances being made by Soviet Russia. The incident stimulated a healthy national concern as to our own military-defense posture and our technological progress in the field of missiles and satellites.

Unfortunately, some in this country sought to fan this public concern into a hysteria with talk of urgency, emergency, and need for crash programs. These various statements were obviously designed to give the people the impression that our whole defense status and planning was being neglected.

The fact is that during these last few years real impetus has been given to the development of long-range ballistic missiles as the weapon of the future. The first year the United States spent as much as a million dollars on strategic ballistic missiles was as recently as fiscal year 1953.

The launching of our satellite Jupiter C, nicknamed the Explorer, is conclusive proof of what has been accomplished in these last few years and what we may expect in the years ahead. It proves our capabilities. I hope this achievement puts to an end any and all attempts to interject politics in defense matters. It has always been my view that no one, at any time, under any circumstances, should try to make political capital out of national-defense questions.

This is the objective manner in which our Committee on Armed Services continues to operate as we proceed with our intensive and objective study of all phases of our Defense Establishment.

A RESOLUTION TO AWARD POSTHUMOUSLY CONGRESSIONAL MEDALS OF HONOR TO THE FOUR CHAPLAINS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. RODINO] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. RODINO. Mr. Speaker, the memory of man is sometimes dulled with the passage of years. However, though it has been 15 years since that fatal and memorable day of February 3, 1943, the faith and courage displayed by the four chaplains of the famous troopship *Dorchester*, should ever be a challenge and inspiration to every American.

While the Soviet rulers spread fear and frenzy by reaching for the moon with their sputnik men and sputnik missiles, we in America can ever be grateful that we can freely reach out with outstretched arms in prayer to God Almighty. And, so long as there are dedicated men such as the four chaplains, America need not fear.

Last year, Mr. Speaker, I introduced my bill, H. R. 5089, to authorize the award posthumously of Congressional Medals of Honor to the four chaplains: George L. Fox, Alexander D. Goode, Clark V. Poling, and John P. Washington.

These heroic men whose significant act of true faith in American unity gave their lives to a cause which to them was greater than the phrase "above and beyond the call of duty" or "their lives in the service of their country." It was indeed a sacrifice most high. It was my privilege last year, Mr. Speaker, to author a resolution to set aside Sunday, February 3, 1957, as a day of observance in the memory of these four chaplains. I now ask the House to act on H. R. 5089 as a proper and fitting tribute to an act of greatness in the names of the four chaplains.

ESTABLISHMENT OF HOSPITAL IN SOUTHEAST SECTION OF WASHINGTON, D. C.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that on Wednesday next it will be in order for the chairman or any member of the Committee on the District of Columbia having charge of the bill, to call up for consideration the bill S. 1908 which is a bill, I understand, unanimously reported out of the Committee on the District of Columbia, to authorize the establishment of a hospital in the southeast section of the city of Washington. This is a matter of great importance.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar Day. The Clerk will call the first bill on the Consent Calendar.

INCREASING BENEFITS TO WIDOWS OF FORMER EMPLOYEES OF LIGHTHOUSE SERVICE

The Clerk called the bill (S. 235) to increase from $50 to $75 per month the amount of benefits payable to widows of certain former employees of the Lighthouse Service.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WEAVER. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

DISPOSAL OF CERTAIN UNCOMPLETED NAVAL VESSELS

The Clerk called the bill (H. R. 8547) to authorize the disposal of certain uncompleted vessels.

Mr. NATCHER. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

AMENDING THE ORGANIC ACT OF GUAM

The Clerk called the bill (H. R. 4215) amending sections 22 and 24 of the Organic Act of Guam.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

RECREATIONAL ASPECTS OF WATERSHED PROTECTION PROJECTS

The Clerk called the bill (H. R. 5497) to amend the Watershed Protection and Flood Prevention Act.

Mr. WEAVER. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

MONUMENT SYMBOLIZING IDEALS OF DEMOCRACY

The Clerk called the bill (H. R. 8290) to authorize the erection of a national monument symbolizing the ideals of democracy in the fulfillment of the act of August 31, 1954 (68 Stat. 1029), "An act to create a National Monument Commission, and for other purposes."

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. SHEPPARD, Mr. SIKES, and Mr. MILLER of California objected.

AMENDMENT OF BANKRUPTCY ACT

The Clerk called the bill (H. R. 982) to amend section 77 (c) (6) of the Bankruptcy Act.

Mr. WEAVER. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

FISH FARMING

The Clerk called the bill (S. 1552) to authorize the Secretary of the Interior to establish a program for the purpose of carrying on certain research and experimentation to develop methods for the commercial production of fish on flooded rice acreage in rotation with ricefield crops, and for other purposes.

Mr. PELLY. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

CONVEYANCE OF PROPERTY TO CITY OF ROSEBURG, OREG.

The Clerk called the bill (H. R. 6995) to amend Public Law 883, 84th Congress, to provide for the conveyance of certain additional property of the United States to the city of Roseburg, Oreg., and for other purposes.

Mr. CUNNINGHAM of Iowa. Mr. Speaker, the Bureau of the Budget opposes this bill. I ask unanimous consent that it be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

ALLOWANCES FOR TRANSPORTATION OF HOUSE TRAILERS

The Clerk called the bill (S. 1408) to provide allowances for transportation of house trailers to civilian employees of the United States who are transferred from one official station to another.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 1 (b) of the act entitled "An act to authorize certain administrative expenses in the Government service, and for other purposes," approved August 2, 1946, as amended, is amended by adding at the end thereof the following: "Under such regulations as the President may prescribe, any civilian officer or employee who transports a house trailer or mobile dwelling within the continental United States, within Alaska, or between the continental United States and Alaska, for use as a residence and who would otherwise be entitled to transportation of household goods and personal effects under subsection (a) shall be entitled to a reasonable allowance, not to exceed 20 cents per mile, in lieu of such transportation."

The bill was ordered to be engrossed and read a third time, was read the third time, passed, and a motion to reconsider was laid on the table.

FOURTH INTERNATIONAL AUTOMATION CONGRESS AND EXPOSITION

The Clerk called the joint resolution (H. J. Res. 347) authorizing and requesting the President to invite the several States and foreign countries to take part in the Fourth International Automation Congress and Exposition to be held in the New York Coliseum at New York, N. Y., from June 9 to 13, 1958.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

Mr. GROSS. Reserving the right to object, Mr. Speaker, I should like to ask someone a question about this joint resolution. Does it provide that we pay the expenses of foreign representatives coming to this country for this particular congress and exposition?

The SPEAKER. Unless there is someone here to explain it, the Chair suggests the joint resolution be passed over without prejudice.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the joint resolution be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

SECOND ANNUAL UNITED STATES WORLD TRADE FAIR

The Clerk called the joint resolution (H. J. Res. 509) authorizing the President to invite the States of the Union and foreign countries to participate in the Second Annual United States World Trade Fair to be held in New York City, N. Y., from May 7 to 17, 1958.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the joint resolution be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

INTERNATIONAL RULES OF JUDICIAL PROCEDURE

The Clerk called the bill (H. R. 4642) to establish a commission and advisory committee on international rules of judicial procedure.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. ASPINALL. Reserving the right to object, Mr. Speaker, and I do not intend to object if I get the right answers to my questions, will someone who is interested in this bill tell us approximately what it will cost?

Mr. WALTER. As far as we know, the cost will be very nominal, because the study contemplated will not require the establishment of a large staff. Further, with the exception of the amendment including two representatives to be appointed by the Attorney General and two who are officials of State governments, this bill is identical with a bill that passed the House by unanimous consent during the last Congress.

Mr. ASPINALL. The gentleman from Colorado understands that, but this has an open-end authorization for an appropriation. If the gentleman will tell me what the extent of the appropriation may be, I am likely to withdraw my reservation.

Mr. WALTER. I could not imagine the cost's exceeding $5,000 at the most.

Mr. CELLER. If the gentleman will yield, I agree with the gentleman from Pennsylvania that the cost would be very nominal, at most possibly to defray the cost of some representative abroad. Most of the work will be done here by members of the American Bar Association and various other bar associations, as well as the State Department.

Mr. ASPINALL. I withdraw my reservation of objection, Mr. Speaker.

Mr. GROSS. Mr. Speaker, reserving the right to object, this provides simply for a commission to study international rules of judicial procedure; is that correct?

Mr. WALTER. Precisely. And it is not contemplated that any legislation will be enacted, of course, without consultation with the appropriate Congressional committee.

Mr. GROSS. It provides no legislation?

Mr. WALTER. It does not provide for any legislation at all.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc.—

ESTABLISHMENT OF THE COMMISSION ON INTERNATIONAL RULES OF JUDICIAL PROCEDURE

SECTION 1. There is hereby established a Commission to be known as the Commission on International Rules of Judicial Procedure, hereinafter referred to as the "Commission".

PURPOSE OF THE COMMISSION

SEC. 2. The Commission shall investigate and study existing practices of judicial assistance and cooperation between the United States and foreign countries with a view to achieving improvements. To the end that procedures necessary or incidental to the conduct and settlement of litigation in State and Federal courts and quasi-judicial agencies which involve the performance of acts in foreign territory, such as the service of judicial documents, the obtaining of evidence, and the proof of foreign law, may be more readily ascertainable, efficient, economical, and expeditious, and that the procedures of our State and Federal tribunals for the rendering of assistance to foreign courts and quasi-judicial agencies be similarly improved, the Commission shall—

(a) draft for the assistance of the Secretary of State international agreements to be negotiated by him;

(b) draft and recommend to the President any necessary legislation;

(c) recommend to the President such other action as may appear advisable to improve and codify international practice in civil, criminal, and administrative proceedings; and

(d) perform such other related duties as the President may assign.

MEMBERSHIP OF THE COMMISSION

SEC. 3. (a) The Commission shall consist of seven members. The President shall appoint 3 public members, the Secretary of State shall appoint 2 representatives of the Department of State, and the Attorney General shall appoint 2 representatives of the Department of Justice. The Commission shall elect a chairman from among its members.

(b) Vacancies in membership of the Commission shall be filled in the same manner as in the case of original designation.

(c) Five members shall constitute a quorum.

(d) Members of the Commission who are appointed by the Secretary of State and the Attorney General shall serve without compensation in addition to that received for their services in the Government.

(e) The public members of the Commission shall each receive $50 per diem when engaged in the actual performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and other expenses incurred by them in the performance of such duties.

(f) Service of an individual as a member of the Commission or employment of an individual by the Commission shall not be considered to be service or employment bringing such individual within the provisions of sections 281, 283, 284, 434, or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes (5 U. S. C. 99).

THE DIRECTOR AND STAFF

SEC. 4. (a) The Director of the Commission shall be appointed by the Commission without regard to the civil-service and classification laws, and his compensation shall be fixed by the Commission without regard to the Classification Act of 1949, as amended.

(b) The Director shall serve as the Commission's reporter, and, subject to the direction of the Commission, shall supervise the activities of persons employed under the Commission, the preparation of reports, and shall perform other duties assigned him within the scope of the functions of the Commission.

(c) Within the limit of funds appropriated for such purpose, individuals may be employed by the Commission for service with the Commission staff without regard to the civil-service and classification laws, and services may be procured as authorized by section 15 of the act of August 2, 1946, as amended (5 U. S. C. 55a), but at rates for individuals not in excess of $50 per diem.

ESTABLISHMENT OF THE ADVISORY COMMITTEE

SEC. 5. (a) There is hereby established a committee of 15 members to be known as the Advisory Committee on International Rules of Judicial Procedure (hereinafter referred to as the "Advisory Committee"), to advise and consult with the Commission. The Advisory Committee shall be appointed by the Commission from among lawyers, judges, and other persons competent to provide advice for the Commission.

(b) Members of the Advisory Committee shall not be deemed to be officers or employees of the United States by virtue of such service and shall receive no compensation. Members of the Advisory Committee who are not otherwise officers or employees of the United States shall be entitled to travel and subsistence expenses as authorized by section 5 of the Administrative Expenses Act of 1946, as amended (5 U. S. C. 73b-2), for persons serving without compensation, in accordance with the provisions of the Travel Expense Act of 1949, as amended (5 U. S. C. 835–842).

GOVERNMENT AGENCY COOPERATION

SEC. 6. The Commission is authorized to request from any department, agency, or independent instrumentality of the Government any information it deems necessary to carry out its functions under this act; and each such department, agency, and instrumentality is authorized to cooperate with the Commission and, to the extent permitted by law, to furnish such information to the Commission, upon request made by the

Chairman or other member designated to act as Chairman.

ADMINISTRATION

SEC. 7. (a) For administrative purposes only, the Commission and the Advisory Committee shall be attached to the Department of Justice.

(b) The Commission shall render to the President annual reports for transmission to the Congress.

The Commission shall submit its final report and the Commission and the Advisory Committee shall terminate and wind up their affairs prior to December 31, 1959.

AUTHORIZATION OF APPROPRIATIONS

SEC. 8. There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such amounts as may be necessary to carry out the provisions of this act.

With the following committee amendments:

On page 2, beginning on line 23, strike out all of section 3 (a) and insert the following:

"SEC. 3. (a) The Commission shall consist of 9 members. The President shall appoint 5 members, 3 of whom shall be public members and 2 of whom shall be officials of State government whose positions give them knowledge of judicial and quasi-judicial procedures in the States. The Secretary of State shall appoint 2 representatives of the Department of State and the Attorney General shall appoint 2 representatives of the Department of Justice. The Commission shall elect a chairman from among its members."

On page 3, line 9, strike out the word "Five" and substitute therefor the word "Seven".

On page 5, line 3, strike out the comma after the word "judges" and insert the following: "of Federal and States Courts,".

The committee amendments were agreed to.

Mr. McCORMACK. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I notice this bill calls for the appointment of 5 members by the President, 2 by the Secretary of State, and 2 by the Attorney General. I just make the observation in passing that, of course, politics should not be involved in a bill of this kind. But, political connotations flow from every action or nonaction and I hope that when the bill becomes a law and the commission is appointed that the President and the others who have the appointing power will realize that there are also outstanding lawyers in the country who are Democrats as well as lawyers who are Republicans.

Mr. HOFFMAN. Mr. Speaker, I rise in opposition to the pro forma amendment.

When you get through with rules to govern international bodies, will you do something to bring—what will we call it—commonsense and consistency in the rules and decisions governing and applied by our local courts—the appellate and Supreme Court?

Mr. WALTER. As far as the rules are concerned, I might say they were prepared after the Congress adopted a similar resolution. If the rules are not applied, then the gentleman should direct his inquiry to another branch of our Government.

Mr. HOFFMAN. Well, I do not know of any branch more powerful or any agency or any committee more powerful than the Committee on the Judiciary of the House of Representatives. If you can just get them to apply some rules of consistency to what they do so that a fellow would know when he is insane and when he is not insane and when he ought to be in jail and when he should not be in jail, it would be of help to some of us—to the people of the District.

Mr. Speaker, I yield back the balance of my time.

Mr. KEATING. Mr. Speaker, I ask unanimous consent to revise and extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEATING. Mr. Speaker, H. R. 4642 is a bill which would establish a Commission and an Advisory Committee to study existing court practices and procedure in foreign countries and in the several States with a view toward recommending simplified and uniform international rules of judicial procedure.

The bill is identical, except for one provision, to H. R. 7500, which, after extensive hearings in the 84th Congress, passed the House but died in the Senate.

Since World War II, Americans have been doing more and more business in foreign countries. This has meant steadily increasing business and commercial ties between the United States and the rest of the world. As a result of this increased commercial activity, a great deal of private international litigation has developed. In the course of this litigation it has been necessary for American lawyers to seek evidence or judicial documents abroad, to serve papers in other countries, and to obtain proof of foreign law to be introduced in our courts.

Unfortunately, since there are no uniform rules among the various nations, our lawyers have, all too often, discovered that the procedures normally followed in this country either do not exist or are outlawed in foreign countries. Where there are procedures, they are often so cumbersome and time consuming as to be, for all practical purposes, unavailable. The only conclusion to be drawn is that existing forms of international legal procedure have not kept pace with the needs of the lawyer today.

The measure before the House, in my opinion, represents the best forward step we can take in bringing the law up to date. It is only the first step, but we must certainly begin by making a thorough investigation and study of the many complex problems presented by the various legal systems of the world.

To accomplish this, H. R. 4642 would create a Commission and an Advisory Committee to study existing practices of judicial assistance and cooperation with a view to recommending improvements.

The Commission would consist of nine members. Five of these members would be appointed by the President. Of these, 3 would be public members and 2 would be officials of State governments. Of the remaining 9 the Secretary of State would appoint 2 representatives from his Department, and the Attorney General would appoint 2 from his Department.

H. R. 7500, passed during the 84th Congress, provided for a Commission of 7 members. H. R. 4642 has been amended to increase the membership to 9 and to specify that 2 members of the Commission shall be officials of State governments. This is the only respect in which the bill differs from that passed during the 84th Congress.

The Advisory Committee would be composed of qualified lawyers, judges, and other persons competent to advise the Commission in its work. This Committee would play an important role in formulating the Commission's proposals and would closely supervise the work of the Commission.

As set forth in the bill, it would be the function of the Commission, after its studies and investigations, to draft, for the assistance of the Secretary of State, international agreements to be negotiated by him. It would also be expected to recommend to the President such action or legislation as it might deem advisable to improve international practices in civil, criminal, and administrative procedures.

The approach this bill takes has been urged by the Department of State and the Department of Justice, and has the unqualified endorsement of the American Bar Association and numerous other associations representing members of the bar and State officials.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

TWO HUNDREDTH ANNIVERSARY OF BIRTH OF ALEXANDER HAMILTON

The Clerk called the joint resolution (H. J. Res. 483) to amend the act of August 20, 1954, establishing a commission for the celebration of the 200th anniversary of the birth of Alexander Hamilton.

Mr. ROONEY. Mr. Speaker, reserving the right to object, I should like to inquire of the distinguished gentleman from Georgia [Mr. FORRESTER] as to whether or not there are any funds involved in the enactment of this legislation.

Mr. FORRESTER. Mr. Speaker, I would advise the gentleman from New York that in the very last sentence of the report on this bill, he will find the language "no further appropriation of funds is authorized." It does not cost one cent additional.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

There was no objection.

The Clerk read the joint resolution, as follows:

Resolved, etc., That section 8 of the joint resolution entitled "Joint resolution to establish a commission for the celebration of the 200th anniversary of the birth of Alexander Hamilton," approved August 20, 1954, as amended by Public Laws 358 and 855, 84th Congress, and section 3 of Public Law 1002, 84th Congress, is further amended by deleting "January 11, 1958" and substituting therefor "March 15, 1958."

SEC. 2. Notwithstanding approval of this act after January 11, 1958, the Commission

shall be deemed to have continued its existence to the date of approval of this act.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. That is the last eligible bill in the calendar.

INDEPENDENCE NATIONAL HISTORICAL PARK

Mr. O'NEILL. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution (H. Res. 464) providing for the consideration of H. R. 1244, a bill to provide for the development by the Secretary of the Interior of Independence National Historical Park, and for other purposes, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 1244) to provide for the development by the Secretary of the Interior of Independence National Historical Park, and for other purposes. After general debate, which shall be confined to the bill and continue not to exced 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. O'NEILL. Mr. Speaker, at the conclusion of my remarks, I yield 30 minutes to the gentleman from Pennsylvania [Mr. SCOTT].

Mr. Speaker, House Resolution 464 makes in order the consideration of H. R. 1244 providing for the development by the Secretary of the Interior of Independence National Historical Park in the city of Philadelphia. The resolution provides for an open rule and 1 hour of general debate on the bill.

H. R. 1244 authorizes an appropriation of $7,250,000 for the Federal Government's contribution to the further development of this park. The committee amendment to the bill provides that the funds authorized shall be spent by June 30, 1963.

The establishment of the park was authorized in 1948 and during the last 9 years the Department of the Interior has expended over $7 million for land acquisition and demolition of buildings within the area which have no historical significance. The State of Pennsylvania and the city of Philadelphia have spent millions on the park and the State is now making available additional funds. There are no funds available for work on the part of the park which is to be developed by the Federal Government for the fiscal year 1958. Testimony before the Rules Committee by interested members from Pennsylvania indicated that the delay on the part of the Federal Government has left the Government's section of the park in an unsightly condition.

I might add at this point that I was recently in Philadelphia and I saw the area where the intended work is to be done. At the present time it is a real eyesore and disgrace to the Federal Government to leave this vast tract of land, unsightly as it is, without going forward with our plans. I know that the history of metropolitan city governments shows that any area which is left vacant and unused on the outskirts will grow to be a blighted area, and I think there is a moral obligation on the part of the Federal Government to move in immediately and do the work which has been planned. If it does not, I fear very much for the economy of the city of Philadelphia, and I feel we will have a tremendous blighted area around this area where we have planned these beautiful buildings.

While the Department of the Interior has sufficient authority now to request appropriations under the original act, the sponsors of the legislation feel that the enactment of this bill will show the interest of the Congress in the Independence Historical Park and also add impetus to its development by the Federal Government.

I urge the adoption of House Resolution 464.

COMMITTEE ON EDUCATION AND LABOR

Mr. ELLIOTT. Mr. Speaker, I ask unanimous consent that the Subcommittee on Special Education of the House Committee on Education and Labor may have permission to sit during general debate this afternoon.

The SPEAKER. Is there objection?

There was no objection.

DEVELOPMENT BY THE SECRETARY OF THE INTERIOR OF INDEPENDENCE NATIONAL HISTORICAL PARK

Mr. SCOTT of Pennsylvania. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, this bill was reported from the Committee on Interior and Insular Affairs. It provides for a continuation of a project which has been in operation for some years, a joint project whereby the State of Pennsylvania and the Federal Government undertook and were authorized to develop and restore the Independence Hall area in Philadelphia, which includes Independence Hall itself, Congress Hall, Carpenter's Hall, the American Philosophical Society, a number of ancient churches and religious buildings. A great deal of the work has already been accomplished. The State has spent, during the past 9 years, over $8 million on its portion of the work. The Federal Government has spent over the same period over $7 million. About 70 percent of the buildings which are without historical significance have been demolished. At this time we find the State prepared to go ahead with its commitments and to complete its part of the work, certainly within 5 years. The Federal Government appropriations, however, are down to only about $1,500 presently available, and there is only $58 of that unobligated. For that reason, unless there is a declaration of the intent of Congress to undertake the present commitment of the Federal Government, it may not be kept in time to meet the State government's commitments. The destruction of a number of these nonhistorical buildings has given this section of Philadelphia all the appearance of a bombed-out area, and the condition looks like devastation. The kind of condition which exists leads to the deterioration of other properties in the area, which might eventually call for Federal funds in other directions for other appropriations to cure the failure on the part of the Federal Government to promptly carry out its obligation.

This does not require the Federal Government to expend any more money than has already been authorized, which is $7,250,000 to complete the Federal Government's commitment; but it requires it to be done between now and 1963 rather than permitting the matter to depend upon sporadic appropriations, more in 1 year perhaps and less in another, which might extend the completion period several years beyond the time in which the State of Pennsylvania will have fully completed its part of the commitment.

This is, of course, the greatest tourist attraction outside of the Washington, D. C., area in the United States, and it is presently unsightly. It is a shame that it does present this unfortunate appearance, and this reflects upon all agencies which do not promptly go forward toward completion of the mall around our greatest national shrine.

I sincerely hope the Federal Government will continue its commitment on this reasonably phased-out program.

I know of no opposition to the bill.

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. SCOTT of Pennsylvania. I yield to the gentleman from Nebraska.

Mr. MILLER of Nebraska. I notice in the report of the Department of the Interior of May 14, 1957, that Mr. Aandahl, Acting Secretary of the Interior, made this statement:

> We are agreeable to the enactment of this proposed legislation as an expression of interest by the Congress in the Independence National Historical Park; however, we believe there exists sufficient authority to support appropriation requests for development of the park and that the enactment of such proposed legislation is not required for that purpose.

What does the gentleman have to say about that statement?

Mr. SCOTT of Pennsylvania. I would say to the gentleman that I think the statement is correct, that authority exists.

What we are seeking here is an expression of Congressional intent that the commitment of the Federal Government will be fulfilled over the same period of years as the commitment for the State government. That is about all we have in mind.

Mr. BYRNE of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. SCOTT of Pennsylvania. I yield.

Mr. BYRNE of Pennsylvania. The gentleman will remember the meeting we had at the Congressional Hotel with the Deputy Secretary of the Interior, and the representatives from Philadelphia and the Independence Hall area.

Mr. SCOTT of Pennsylvania. Yes.

Mr. BYRNE of Pennsylvania. Does the gentleman remember what they said in response to the question about how much money they had on hand?

Mr. SCOTT of Pennsylvania. He said they had $1,500, but that after commitments were taken out they were down to $58.

Mr. BYRNE of Pennsylvania. Did I not ask the question how much real money they had and they said $58?

Mr. SCOTT of Pennsylvania. The gentleman certainly did.

Mr. BYRNE of Pennsylvania. Then I went on to ask what became of money from the rents. They stated that the rent money was being used to demolish these buildings. After the buildings are demolished there is nothing left but big holes; and, as the gentleman says, it looks like a bombed-out area.

This area comprises 20 acres, about 5 or 6 city blocks, and they are not even building fences around it, let alone filling up the holes and sowing a little grass seed on it.

Mr. Speaker, last January, I introduced a bill, H. R. 1925, similar to H. R. 1244 which is being considered today. Both of these provide for the development by the Secretary of the Interior of Independence National Historical Park, and contain an authorization for an appropriation of $7,250,000 for this purpose.

There is, of course, nationwide interest in Independence Hall where about $225,000 has been provided by the General Federation of Women's Clubs, and work is being done on the restoration and refurnishing of the Hall's first floor as it was when the Declaration of Independence was signed.

Much land has already been acquired by the State and Federal Governments, and buildings without historic significance have been removed in order to create a very attractive park, with Independence Hall, Carpenter's Hall, and Old Christ Church among the many central points of interest. However, parts of this section still appear to be a bombed-out area as buildings are being torn down and funds are badly needed in order to complete the project.

It is generally agreed that the authorization for an appropriation of $7,250,000 is ample to provide for the restoration of all the old buidings, construction of new Guide Headquarters, the transformation of the Merchants Exchange into a Park Museum, and so forth. And I feel that since the Government has already made a rather heavy outlay to create this park, we should act quickly to enact legislation for its completion.

Mr. SCOTT of Pennsylvania. I thank the gentleman for his contribution. This development is in the gentleman's own district. I know he is extremely concerned about it and has been most active in insisting that action be taken to comply with the Federal Government's commitment.

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield further?

Mr. SCOTT of Pennsylvania. I yield to the gentleman.

Mr. MILLER of Nebraska. Can the gentleman tell me whether the Interior Department submitted to Congress any requests for appropriations in the 1958 budget?

Mr. SCOTT of Pennsylvania. I am sorry I do not have exact knowledge on that.

Mr. MILLER of Nebraska. That is a part of the report. The Director of the National Park Service has acknowledged that $1,050,000 could be used for this purpose. I do not know where he got the $1,050,000 without appropriation, but he apparently does have some money, with or without this legislation, to proceed with the direction of Congress.

Mr. SCOTT of Pennsylvania. I am familiar with the statement made by the Director of the National Park Service. I think the Director is anxious to have this Congressional discretion in order that the money may be allocated for this purpose.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. ENGLE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 1244) to provide for the development by the Secretary of the Interior of Independence National Historical Park, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H. R. 1244, with Mr. ROGERS of Colorado in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. ENGLE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this bill has been so well explained by gentlemen who addressed the House in connection with the rule that extended discussion is hardly necessary. But to get the history in the RECORD may I say that the Independence National Historical Park was authorized by the act of June 28, 1948.

This bill would amend that act to specifically authorize the expenditure of $7,500,000, which authorization expires on June 30, 1963.

The situation is that the Federal Government pursuant to the authorization of the act of June 28, 1948, authorizing the establishment of the park, went into the area and during the past 9 years has expended over $7 million for land acquisition within the park boundaries. About 70 percent of the buildings without historical significance have been demolished. The State of Pennsylvania itself, on a cooperative basis, has spent in excess of $8 million and expects to come in with more.

In addition to that there has been donated by the American Federation of Women's Clubs the sum of $225,000.

The difficulty is that the Park Service is not moving fast enough. There are some 20 acres, or a good many square blocks, of area, as reported by the committee on page 2, that is in Federal hands. It is unsightly in appearance and looks like a bombed-out area.

The purpose of this bill is to express the intention of the Congress that the Park Service proceed with more expedition. That is the reason a deadline is provided. In other words, the money has to be appropriated through appropriate requests by the Department and expended by June 30, 1963.

This is a rather important matter to those who represent that area because this devastation resulting from the tearing down of buildings, leaving brick piles standing around, and gaping holes where basements existed before, creates an unsightly condition and has a tendency to create slum-type areas adjacent to the part under the jurisdiction of the Federal Government.

Mr. ASPINALL. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I yield to the gentleman from Colorado.

Mr. ASPINALL. What is involved in this legislation is demanding that the National Park Service do within the next 5 years what they say they have the right to do now by authorization in something like 10 or more years, is it not?

Mr. ENGLE. That is correct.

I want to emphasize the proposition that this bill does not enlarge the responsibility of the Federal Government financially. It simply says to them that the kind of condition that exists there is intolerable to the people of Philadelphia and to the gentleman from Pennsylvania [Mr. BYRNE], who represents that particular district, and ought to be changed.

Now, the Department of the Interior, on page 2 of the committee report, says that they have sufficient authorization under present law to go forward with what is authorized to be done, and, in addition, can do it under the so-called Mission 66 program. So, this legislation boils down to the proposition that it is not an addition to the Federal financial responsibility in the area. It is a matter of speeding it up to eliminate the conditions which reflect not only upon the national parks, but are conditions which are unacceptable in the particular area due to the depreciation of the property values and in every other way in Philadelphia.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I yield to the gentleman from Iowa.

Mr. GROSS. What would be the Government's financial responsibility if this bill were not enacted?

Mr. ENGLE. It would be the same.

Mr. GROSS. Well, now, your report says that "H. R. 1244, if enacted, would authorize the appropriation of $7,250,000 for the necessary development," and so forth. It says "would authorize the appropriation." I gained the impression a little while ago that that $7,250,000 was

already authorized, but your report does not indicate that.

Mr. ENGLE. Well, now, the report indicates that in a letter from the Secretary of the Interior, and we have certainly made it plain to everybody that we think that under Mission 66 and under their general authority they have the power to go ahead. They can send the appropriation request up here. They simply have not done it. As I believe the gentleman from Pennsylvania [Mr. SCOTT] observed, there is about $58 left in the account there. This is what you call a legislative "hot foot" to get the Park Service under way and moving, and that is all it amounts to. It is an expedition, in other words, of getting the thing done that will be done anyway. Furthermore, the total cost will not be greater. As a matter of fact, if they do it earlier it may be cheaper, if construction costs go up.

Mr. GROSS. In the absence of this legislation, am I correct in assuming that the Department of the Interior could ask for $500,000 or $1 million or any other amount short of $7,250,000?

Mr. ENGLE. Now, the gentleman puts his finger on a very good point, which may explain why the Department damned this legislation with faint praise, because inasmuch as it is a subsequent legislative enactment, the $7,250,000 may be interpreted to be a limitation on the preceding act and thereby limit the appropriation to that extent. I am not saying that is true, but I suspect that is why they are just a little bit unhappy to have this particular bill come along, in addition to the fact that they do not like to be prodded for their dereliction in not carrying forward this necessary and beneficial work in preserving the first shrine of America, which has not gone forward as it should.

Mr. GROSS. I assume that the language on page 2 of the bill in italics is new language: "*Provided*, That all funds authorized to be appropriated under this act shall be expended by June 30, 1963." That is new language, is it not?

Mr. ENGLE. That is language added by the committee as appears on the first page of our report.

Mr. GROSS. It does not appear in legislation previously on this subject?

Mr. ENGLE. No, not to my knowledge; and the committee put it in to give emphasis to the fact that this should be done in 5 years instead of 10.

Mr. GROSS. So, you do two things in this legislation: you provide for $7,250,000 specifically—that is what you call for—and set a termination date or a date when the Department of the Interior must perform.

Mr. ENGLE. That is correct. We do not add to the total obligation of the Federal Government.

Mr. BARRETT. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I yield to the gentleman from Pennsylvania.

Mr. BARRETT. Mr. Chairman, the bill now under consideration, H. R. 1244, which will authorize the sum of $7,250,000 for the Secretary of the Interior to proceed with the development of the Independence National Historical Park in Philadelphia, Pa., will do much to enhance the beauty of the City of Brotherly Love and, at the same time, afford more employment opportunities for the thousands who are out of work. I wholeheartedly support this bill and appeal to you, my friends and colleagues, for help in obtaining its unanimous passage.

The city of Philadelphia has been recorded on the pages of history many times since its founding by William Penn in 1682. During the Revolution, it was the seat of the Continental Congress where the Declaration of Independence was signed and first read to the people on July 8, 1776. The Second Continental Congress held its sessions in the world famous Independence Hall, Philadelphia. Here, George Washington accepted his appointment as General of the Continental Army; here the Articles of Confederation and Perpetual Union between the States was signed, and here the convention met and framed the Constitution of the United States.

Independence National Historical Park is undoubtedly the Nation's most important shrine and is visited by thousands of American citizens every year. It is only fitting and proper that these historic grounds and buildings be restored to reflect that era when our infant Nation was struggling for unity, peace, and freedom.

Gentlemen, it is my sincere hope that H. R. 1244 will merit your support and approval.

Mr. ENGLE. Mr. Chairman, I reserve the balance of my time.

Mr. MILLER of Nebraska. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the proposed legislation presently before us is really a continuation of a sort of partnership arrangement between the State of Pennsylvania, the local governments, and the Federal Government.

Before the Committee on Rules, I raised some question about the propriety of the bill, and I think the report from the Department of the Interior indicates very clearly what is involved. I should like to read it now.

> We are agreeable to the enactment of this proposed legislation as an expression of interest by the Congress in the Independence National Historical Park; however, we believe there exists sufficient authority to support appropriation requests for development of the park and that the enactment of such proposed legislation is not required for that purpose. Planning for development of the park is going forward under existing authority and appropriations will be sought by this Department for that purpose in accord with priorities established under our national park mission 66 program.

Really what the proposed legislation does, Mr. Chairman, is to give a preferred position to this park over other parks that have been set up under Mission 66. That is all it does. It gives this park authority to go forward.

Mr. Chairman, I am not going to oppose this bill. I think this is a good project. It does establish priority and a preferred position for this park. It sets a precedent for the rest of us to come in with special legislation to promote some parks in our district. I have some in my District I would like to see go forward. I was not too happy with the priority setup under Mission 66. There is already existing authority for improving this park. In fact, the Director of the Park Service says that he has $1,050,000 that could be used for this purpose starting immediately.

So what do we do? We authorize $7 million plus to get started immediately to finish the project by 1963. Other projects under Mission 66 will have to take a back seat to this project. I think that ought to be clearly understood.

I wanted to speak on this thought, too, that the Bureau of the Budget and the administration have indicated that we ought not to have any new projects for flood control, reclamation, and so forth, that those projects ought to be put on the shelf. We are not putting this one on the shelf. We are giving it a preferred position. True, they must get appropriations, which may require some doing. But I assume that with this hotfoot as my chairman has referred to it, it will go forward.

Mr. Chairman, I am not going to object to this project going forward, but I think it is rather a poor arrangement because Members of Congress should recognize that there are areas in their districts which they might like to get started, but which would not be considered in this bill. This bill provides special consideration for a park in Philadelphia. The State of Pennsylvania has provided $8 million plus and I think the Park Service ought to go forward.

The Congressional Library has just completed a list of new starts in foreign countries for reclamation, flood control, forestry, and water preservation. May I say to Members who voted so avidly for foreign-aid bills that last year I placed in the RECORD a list of projects totaling $345 million covering 149 projects in 47 countries.

This recent survey sent to me from the Congressional Library shows that since last year there are 35 new projects in 22 countries upon which more than $21 million has been or will be spent on flood control and reclamation projects. In these 35 projects there is money for Yugoslavia and Egypt, who certainly do not love us very much. The report calls for tremendous expenditures of additional moneys in some 22 countries for 35 projects which are prohibited in this country.

If we are going to spend all this money in other countries, we ought also to spend money in this country on similar projects. I remind my colleagues that reclamation and flood control projects represent an investment in the resources of this country, and that these projects in the 17 arid Western States are mighty good customers for the industrial East. I doubt if this bill is necessary. I believe the Park Service now has part of the appropriations and they have the authority to proceed. This bill urges them to move forward a little faster and places them in a preferred position over some 183 other parks and monuments we have in the United States.

Mr. ASPINALL. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from Colorado.

Mr. ASPINALL. I join with the gentleman from Nebraska in his criticism of our present program of no new starts. On the other hand, I think my colleague will have to agree with me that this particular legislation does not come within the limitations of what he has been saying. This is not a new start. This project has been under way a good many years. Much money has been spent on it. All we are trying to do here is hasten the time when we can have a completed program. Is not that right?

Mr. MILLER of Nebraska. Will the gentleman also agree to give this park priority ahead of other parks that might also be needed?

Mr. ASPINALL. Not necessarily, although I can conceive that it might be used that way. But now it is just a question of putting first things first. I am sure that this appropriation has a right to consideration that other parks do not have.

Mr. MILLER of Nebraska. This Congress is going to say to the Department, "This park has number one priority. Regardless of what you say, we say it is number one."

Mr. ASPINALL. If the gentleman wishes to interpret Mission 66 that way, that is all right, but Mission 66 has never been authorized by Congress. It is not a part of statutory law. I personally pay no attention to it except as a guidepost to what they are trying to do down in the National Park Service.

Mr. MILLER of Nebraska. Nebraska has had legislation before the Interior Committee to implement Mission 66. For some reason, it has never been called up for hearing. Nevertheless, they are following the provisions of that bill and it has been recognized by the Appropriations Committee and they are making appropriations in accordance with the guidepost set up in their proposed Mission 66 bill.

Mr. ASPINALL. Does my colleague think for any reason at all the National Park Service is going to be able to implement within the 10 years what is proposed to be done in Mission 66?

Mr. MILLER of Nebraska. That depends on the appropriations made available by this Congress. The Congress is moving in this specific instance to see that they do implement the program and give this particular thing priority over other parks.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from Iowa.

Mr. GROSS. How much has already been spent in total on this project?

Mr. MILLER of Nebraska. I am not sure. I cannot answer that. Maybe someone else can.

Mr. ENGLE. Eight million dollars by the Federal Government and $8 million at least by the State; is that right, may I ask the gentleman from Pennsylvania?

Mr. SCOTT of Pennsylvania. I believe so. Also the city has spent about $2 million or $2½ million.

Mr. GROSS. Then do I understand that about $18 million has already been expended on this project; is that correct?

Mr. SCOTT of Pennsylvania. Eight million dollars, plus $7 million plus $2½ million would make about $17½ million.

Mr. MILLER of Nebraska. That is right. This is truly a partnership arrangement between the State and the Federal Government.

Mr. MILLER of Nebraska. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. SAYLOR].

Mr. SAYLOR. Mr. Chairman, in 1948 both Houses of the Congress in their wisdom decided that the place where this country was born should be recognized by the Congress and set aside for the entire country as a national park. In 1948 this Congress passed the bill which established Independence National Historical Park. That park is in the district now represented by our good colleague from Philadelphia, Mr. JAMES BYRNE. As has been specified and told, it was to be the first and so far the only cooperative national park which the Federal Government was not called upon to produce all of the money to create and maintain. Half of the money was to be provided by the Federal Government and the other half was to be provided by the State of Pennsylvania and the city of Philadelphia. The metes and bounds of the park were established and the State and Federal Government both proceeded to develop their part of Independence National Historical Park. The State of Pennsylvania and the city of Philadelphia proceeded on the theory that they would tear down buildings and improve the site as they moved forward thereby causing a minimum of disruption. The Federal Government decided that they would acquire all of the land within the park area they were to develop and then they tore down all of the buildings in that area. I do not know how many Members of the Congress were privileged to see war-devastated Europe after World War II but if you were blindfolded and dropped down into Mr. BYRNE's District in the city of Philadelphia and were today just permitted to take a glimpse of Independence National Historical Park, that the Federal Government has charge of developing, you might believe that you are somewhere in some European country like Germany, England, or in the Far East in Japan following World War II. Certainly, that was not the intention of this Congress when Independence National Historical Park was established.

It was their purpose that this should be a mecca for peoples not just from the United States but from all the world to see what we, as Americans, have done to preserve the place where our country was founded. So Mr. BYRNE and I and several other Members of the Congress who are vitally interested in this matter took it up with the Department of the Interior and particularly with the Park Service and asked them why they were not proceeding with more diligence the work of establishing this new national park. They stated that they were being limited by the Committee on Appropriations and that the necessary funds were not available. They said that they did not have authority to then proceed; whereupon several bills were introduced. One of them is the bill now before you, to see to it that the authority was granted to the National Park Service to move forward with rapidity.

When the Department of the Interior filed their report with our committee they then said, as a matter of hindsight, that they might have the necessary authority to complete this park. The House Committee on Interior and Insular Affairs in its wisdom felt that the Park Service, once having been in doubt, they should have placed firmly in their minds the fact that Congress expects this park to be completed as a fitting testimonial to our forebears and to the men and women who established this country. Therefore this bill is before you. It calls for an amount of money which the Interior Department and the Park Service say is necessary to complete the project. There is a time limit fixed on it so that it cannot be dragged out over a long period of time. The reason the date, June 30, 1963, was fixed as a termination date is that before our committee the Park Service stated that by that time they could, in the normal process of events and in good orderly procedure, complete this park. I do not believe this gives special preference to any national park, particularly this national park. It is only calling for the Park Service to do for Philadelphia and the State of Pennsylvania and the Nation what in truth should be done, so that when people come to Philadelphia from all over the world there will not be any need for those who represent our Park Service and those who represent the district, to hang their heads in shame and say that at some future date in the far distant future it will be completed. They can say that by June 30, 1963, Independence National Historical Park will truly be a fitting memorial to the men and women who established our country.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I am happy to yield to my good friend and colleague from Iowa.

Mr. GROSS. Do I understand the Federal Government has already put $8 million into this project?

Mr. SAYLOR. The Federal Government has put about $8 million into this project.

Mr. GROSS. And the State of Pennsylvania $7 million; is that correct?

Mr. SAYLOR. That is correct.

Mr. GROSS. And the municipality of Philadelphia 2½ million?

Mr. SAYLOR. That is correct.

Mr. GROSS. Now it is proposed to spend $7,250,000 on the part of the Federal Government; is that correct?

Mr. SAYLOR. That is correct.

Mr. GROSS. How much more will the State of Pennsylvania spend?

Mr. SAYLOR. The State of Pennsylvania will probably spend the same, $7,250,000, if not more money.

Mr. GROSS. Is there any compulsion upon the State of Pennsylvania to spend any particular amount of money?

Mr. SAYLOR. The State of Pennsylvania has passed acts accepting their responsibility, and each session of the legislature has appropriated money to proceed with their share of the work.

Mr. GROSS. But it is not strictly on a matching basis?

Mr. SAYLOR. It is not on a matching basis. They are working in another area which is within the confines of the park.

Mr. GROSS. So that if the $7,250,000 is sufficient, the responsibility of the State and the municipality has ended?

Mr. SAYLOR. No; it will not end. You need not worry, the State of Pennsylvania and the people of Pennsylvania will complete their part of the deal. The $7,250,000 will only complete that part of Independence National Historical Park which is a Federal responsibility.

Mr. SCOTT of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I am happy to yield to my colleague from Philadelphia.

Mr. SCOTT of Pennsylvania. May I state the State of Pennsylvania has undertaken to do that part of the project which moves east and west across the Mall, and the Federal Government that part which goes north and south, so that they are not working on exactly the same project. Each supplements the other, and when the work is done you will have a National Park to which the State has contributed money, which will be a great credit to all the people of the United States.

Mr. SAYLOR. That is correct.

Mr. BYRNE of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I am happy to yield to my colleague from Pennsylvania.

Mr. BYRNE of Pennsylvania. I would like to thank my distinguished colleague [Mr. SAYLOR] for his hard work and his kind contribution toward this project. It does not belong to me alone. It belongs to every American. This is a national project. It is a nonpolitical project. It is for everyone.

Mr. SAYLOR. I wish to thank my good friend and colleague from Philadelphia for his kind remarks, for without his help and cooperation this bill would not be here for action today.

Mr. SAYLOR. Mr. Chairman, I have no further requests for time.

Mr. ENGLE. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized to proceed with the development of Independence National Historical Park, the establishment of which was authorized by the act of June 28, 1948 (62 Stat. 1061). The development hereby authorized shall be in accordance with plans to be approved by the Secretary.

SEC. 2. There is hereby authorized to be appropriated for the development of said park pursuant to this act the sum of $7,250,000.

With the following committee amendment:

Page 2, line 1, after "$7,250,000," insert "*Provided*, That all funds authorized to be appropriated under this act shall be expended by June 30, 1963."

The committee amendment was agreed to.

Mr. HOFFMAN. Mr. Chairman, I move to strike out the last word and ask unanimous consent to proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

GLASS HOUSES AND STONES

Mr. HOFFMAN. Mr. Chairman, the following statement is made not from choice, but because some who consider themselves innocent of any wrongdoing have, they say, been most unjustly attacked and vilified by Drew Pearson, who specializes in character assassination, especially the reputations of Republicans either elected or appointed to Federal office.

A subcommittee of a House committee of which our respected colleague, Mr. MOULDER, is chairman has of late, at least through the press, made several references to the receipt of gifts by members of the Federal Communications Commission. They have been charged with improper conduct in that they have received gifts from either individuals who or corporations which are interested in the activities of an industry which the subcommittee has been probing. Our colleague, the gentleman from Missouri [Mr. MOULDER], has been finding considerable fault with, shall I say, gratuities or honorariums from individuals or corporations interested in the dissemination of information either by radio or television to members or employees of FCC.

It is my understanding that these individuals who are being criticized, who, it is understood, are on the hot seat today before the committee, received not fur coats, refrigerators, but odds and ends which might be of some value and which some think might tend to influence their judgment on matters pending before them.

It is a matter of common knowledge that some committees—at least one or two—have through their investigations seemed to be quite actively interested in the doings of appointed Federal executives; in other words, bureaucrats who presumably are Republicans. This being a campaign year, such a course is not difficult to understand. But we get back again to the glass house and the stones.

Personally, it has been my lot to, at one time or another, be accused by the champion character assassin, Drew Pearson, of having a relative on the payroll. On that particular occasion, Mr. Pearson did tell the truth. He publicized the fact that a granddaughter—and he might at another time have referred to a daughter-in-law, had he known about it—was on my payroll as an assistant. That statement was true, and my recollection is that on the day, or shortly after he gave it publicity, from the well of the House it was stated by me that there was on my payroll a granddaughter who had won a scholarship to the State university, and that during vacation she was employed as one of my assistants. She did the work and she earned the money paid her, which assisted her in her studies at the U. of M. during the next year.

If there is any reason why a Senator or a Congressman should not hire, especially in a place calling for a confidential relationship, a member of his family, when that member does an efficient job, that reason has not as yet been made clear to me. No apology will ever come from me for employing a relative if the relative does the work and earns the money. Many a Congressman owes much of his success to the sincere, helpful work of a relative.

On another occasion, Drew published the statement that the woman who for 58 years has honored me by being my wife was on the payroll. As to that one, Drew was completely mistaken. The good wife is altogether too independent to take orders from me. He was just a little confused over names. That was all.

On still another occasion, Drew accused me of holding hearings to aid a constituent. As to that particular charge, the alleged constituent to whom Drew referred never lived within 400 miles of the Fourth Congressional District, which is the only district ever served by me. As a matter of fact, the hearings were held at the request of the two Michigan Senators and the Representative of the district where those seeking help resided. On that occasion, when put under oath, Mr. Pearson frankly admitted that he had not told the truth, so we let it go at that. He was just trying to do his job as he understood it.

But, back to this complaint of unfair accusations by our colleague from Missouri. The article to which my attention was called was from the Chicago Tribune. That is a paper which publishes facts as distinguished from editorials in its news columns. It represents the sentiment of the great Midwest. It is not under control of eastern internationalists. It seems to think, if my reading of its editorials is correct, that the independence of the United States of America is not only worth believing in, adhering to, but fighting for. Permit me to read from the Saturday, February 1, issue of the Chicago Tribune:

UNITED STATES PAYS DAUGHTER OF CONGRESSMAN $12,132

(By Philip Worden)

WASHINGTON, January 31.—Representative MORGAN M. MOULDER, Democrat, Missouri, said today the $12,132.22 government salary paid to his teenage daughter as a Congressional secretary while she was in Missouri going to high school was every cent earned.

"She worked and earned her salary," Moulder said in an interview.

Moulder is chairman of the House Interstate and Foreign Commerce Subcommittee on Legislative Oversight. The committee currently is investigating alleged misconduct by officials of six Government regulatory agencies, such as the acceptance of the loan of color television sets by Federal communications commissioners from the television industry.

ON PAYROLL AT 15

MOULDER'S only daughter, Marcia, who he said was born in February 1937, was first put on the Federal payroll as a secretary in his office in December 1952, House records revealed. That would have made her 15 years old at the time.

The House disbursing office journal for the period of July 1, 1952, through December 31, 1952, shows that Government check number 155349 was issued to Marcia Moulder on December 19, 1952, for $397.48, after Federal income taxes of $86.90 had been withheld.

The journal recorded her gross pay for the period as $484.38.

"Marcia Moulder entered Camdenton (Missouri) High School September 1952," the Camdenton school superintendent, Wallace Wilson, said, in a statement given to the Missouri Republican State Committee on November 2, 1956. Her attendance was regular during the 4 years of high school, with an occasional absence. She graduated in May 1956.

WORKED "BACK THERE"

MOULDER said in the interview that his daughter worked for him in Washington "2 or 3 summers" while she was in high school. He said she was in Camdenton in high school during the winters.

"She did work for me back there," MOULDER said. "She sent out farm bulletins and did many other things which had to be done."

In 1953, which would be the last half of her freshman year and the first half of her sophomore year in high school, Marcia was paid $5,812.56, the House pay records showed. A total of $1,042.80 in Federal taxes was withheld from her pay check.

One check was paid to her in 1954, the records showing she received $484.38 for January. But in 1955 she was back on the Congressional payroll, the journal for December showing that she had received gross pay of $4,879.80 for the 1955 year, from which tax withholdings of $818.40 were taken.

No comment is made as to whether the young lady who was employed by our colleague earned or did not earn the sums paid her. It is assumed that she did, otherwise she would not have been employed and paid.

The point I am trying to make is this—that before our colleague from Missouri, through his trusted staff member, spreads alleged shortcomings of individuals in the present executive departments over the front pages of the newspapers, it might have been well to have advised his subcommittee members, yes, even the members of the full committee, of the situation. I learned the facts and the reason for any gratuities which may have been given to individuals who were being investigated.

Perhaps, through the making of this statement here today, a greater degree of consideration may be shown to those in the departments who are now being criticized.

Please do not misunderstand. No claim is made that we should not have Congressional investigations; that public officials and, for that matter, Congressmen, should not have their acts made public or criticized; but, if we are to have investigations and criticism, let us not confine those investigations or those criticisms to either elected or appointed Republican officials.

Mr. DENT. Mr. Chairman, I am very pleased to be able to add my vote to the votes already cast for H. R. 1244, a bill to provide for the development of the Independence National Historical Park, a measure which is so important to the preservation of historical Americana.

It was my great privilege as a member of the Pennsylvania State Senate and chairman of the Board on Priorities of the General State Authority of that great commonwealth, to provide State funds over the years for the rehabilitation and revival of the great historical value contained in the Philadelphia Mall and Independence Hall with their many-treasured ties to the past.

This Congress is to be complimented for its unanimity of support of legislation such as this which directly reaffirms our faith in the future by honoring the past. The Congressional delegation from Philadelphia is to be complimented for their untiring efforts in behalf of this legislation.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ROGERS of Colorado, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 1244) to provide for the development by the Secretary of the Interior of Independence National Historical Park, and for other purposes, pursuant to House Resolution 464, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The question is on the passage of the bill.

The bill was passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. ENGLE. Mr. Speaker, I ask unanimous consent that all members may have permission to extend their own remarks in the RECORD in connection with the consideration of the bill H. R. 1244, just passed, and include extraneous matter.

Is there objection to the request of the gentleman from California?

There was no objection.

HIGHWAY CONSTRUCTION COULD AID UNEMPLOYMENT

Mr. MADDEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks, and include a letter.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. MADDEN. Mr. Speaker, I am herewith submitting a letter from Orval J. Kincaid, president of the United Fund of Gary, Inc., setting out the serious unemployment and part-time work situation in the Calumet industrial region of Indiana. His inquiry as to why the administration has so long delayed the start of the $31 billion highway program is one that only the President and his advisers can answer. It is now almost 2 years since the House passed this legislation, but up to this time it is only in a planning and blueprint stage.

Mr. Kincaid also submits an article from the Gary Post-Tribune warning the Community Chest to reduce its budget by reason of the unemployment and business recession. Three major steel mills in my District—U. S. Steel, Youngstown, and Inland—are operating 55 to 60 percent of capacity. If purchasing power of farmers and industrial employment is not increased, economic conditions will continue in the downward direction.

Hundreds of other smaller industries and business concerns in Indiana are likewise hoping that the depression trend be terminated.

UNITED FUND OF GARY, INC.,
Gary, Ind., January 31, 1958.

Congressman RAY MADDEN,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN MADDEN: Enclosed herewith is a clipping from the Gary Post-Tribune, dated Thursday, January 16, 1958, which is self-explanatory.

If this downward trend in employment and part-time or share-the-work continues, it will strike a tremendous economic blow to the health, welfare, and recreational agencies affiliated with our Community Chest and United Fund here in Gary.

We are not asking you, as a Congressman, to sponsor any type of a program which is not conducive to good sound government, but we are under the impression that the Congress of the United States, some 2 years ago, passed a highway bill which was signed by the President.

This bill was designed to create highways throughout the United States and to give our citizens better roads. It was passed with the support and backing of both major political parties, in the belief that this was something good for our Nation.

As you can see from the enclosed clipping, we are blaming no one for the predicament we are in on this unemployment situation. We know and realize that we have unemployment and part-time work, and we are asking you, as our Congressman, if there is anything that you can do to proceed in an orderly manner to bring about a real, honest-to-goodness effort on the part of the Congress and the administration to get this 2-year-old highway program off the ground and into operation. We believe that if this program was put into full force and effect it might be the little injection in the steel industry to get it back on its feet and get our men back to work, and get our economy back on an even basis. We believe that in the building of these highways it will take men, money, cement, and, above all, steel.

We hope that you will use your good office to attempt to do something about our problem, and we hope you will convey this message also to our other Congressmen from Indiana, and to the two designated Senators from Indiana. We believe the unemployment problem should be over and above partisan politics, as there are many people laid off today who are both Republican and Democrat, and the little children who do not have enough to eat cannot look to party politics for aid. We have it—unemployment and part-time work—and we would like to have it eliminated.

In closing, I would like to point out to you that in our area the part-time work is far greater than the numbers of those laid off, which means a short pay check to keep the home fires burning. As an example, in one of our plants the total employment is 18,000, but today 12,000 are either unemployed or working a short workweek.

Sincerely yours,

ORVAL J. KINCAID,
President.

PRESIDENT'S BUDGET FOR FISCAL YEAR 1959

Mr. JONES of Missouri. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. JONES of Missouri. Mr. Speaker, I wish to call attention to one of the recommendations in the President's recent budget message, which, in my opinion, is not in the best interest of the Nation and is specifically and directly contrary to the best interests of the various States.

I am referring to the proposed reduction in the strength of the Army National Guard, and for the purposes of supporting my reasons for believing that the President's recommendation is contrary to the policies announced by the Secretary of the Army less than a year ago, I am presenting herewith a letter written by the Honorable James T. Blair, Jr., Governor of the State of Missouri. I am in full accord with the statements made by Governor Blair and believe that he has thoroughly justified his position in urging that the Army National Guard be maintained at a strength of 400,000 exclusive of those who are taking 6 months' active duty for training.

At this time I would like to read into the RECORD Governor Blair's letter:

EXECUTIVE OFFICE,
STATE OF MISSOURI,
Jefferson City, January 30, 1958.

The Honorable PAUL C. JONES,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN JONES: I strongly protest the reduction in strength of the Army National Guard proposed in the President's budget for fiscal year 1959.

At the beginning of fiscal year 1958 there were approximately 435,000 members in the Army National Guard, now in the process of reduction to 400,000 by June 30, 1958.

The President's budget for fiscal year 1959 includes only sufficient funds to support an enrolled strength of 360,000 in the Army National Guard, representing a total loss of 75,000 guardsmen during fiscal years 1958 and 1959.

I am informed that a 4-division reduction is being applied to the active Army which approximates 20 percent, and that a similar reduction is being planned for the Army National Guard. This could mean the loss of five or six National Guard divisions and a corresponding reduction in nondivisional units.

Specifically, for Missouri, this would mean the minimum loss of 22 existing organizations, units in operation; units with personnel, equipment, facilities, and units with a historical background and tradition.

It would mean the discharge of approximately 1,700 voluntarily participating Missouri citizen-soldiers; the return shipment of tons of arms, equipment, and supplies, and the closing of armories and facilities.

It would be a slap in the face to 22 Missouri communities which have supported their guard units and regard them as corporate parts of their organized society.

In this time of international tension and danger, rising costs, and tremendous expenditures for national defense, such a program is basically unrealistic, economically wasteful, and foolishly extravagant.

From the national viewpoint, it would seem reasonable to strengthen the Reserve components while reducing the active Army.

And in strengthening the Reserve components it would seem reasonable to nurture strength and let necessary loss fall to weakness. Yet, while the President's budget will cut the Army National Guard, declared by the Congress as "an integral part of the first line defenses of this Nation," from 435,000 on June 30, 1957, to 360,000 on June 30, 1959, it will increase the Army Reserve from 260,000 to 300,000 in the same period.

As to Missouri, between April 16, 1957, and September 30, 1957, strength ceilings imposed by the Department of the Army caused the enlisted strength of the Army Guard to be reduced from 7,703 to 7,188, a loss of 515. These were discharged or transferred to inactive status, many unwillingly.

Then on October 25, 1957, the strength ceiling was increased to 8,672 officers and men, a net gain of 667, 152 more than the loss suffered during the period immediately prior to September 30, 1957.

But to fill the 667 newly acquired vacancies only 469 spaces to 6-month active duty training were allowed for the remainder of fiscal year 1958, the requirement being that the others be filled by enlisting servicemen released with an obligation, and other veterans. I have had a thorough study made of this source and am convinced that it will not supply the needed manpower.

The limitation of spaces for 6-months trainees is in direct violation of the statement, quoted below, made by the Secretary of the Army, Mr. Brucker, before the Adjutants General Association of the United States in April 1957: "I want to set at rest right now any apprehensions the guard may have that the Army will set up any limiting quotas which might delay training for some young men. * * * Whenever the States are ready to have National Guard enlistees trained, the Army will receive them for training regardless of whether the training load is balanced or unbalanced." My adjutant general reports that both elements of the above statement have been violated.

The present allocation to Missouri of 8,672 officers and men is based upon an overall Army National Guard strength of 400,000. Neither the National nor State strength should be reduced, and the Army should fulfill its promise to receive 6-months trainees as necessary in order to maintain those strengths.

I depend on the Missouri National Guard for State emergencies, as do all governors. Since coming to office in January 1957, I have called out elements of the Army National Guard on four occasions of tornado, flood, and storm, the most notable being that of the Kansas City tornado in May 1957 in which the Kansas City elements of the guard were of outstanding service to our distressed citizens.

Any further reduction of the Missouri National Guard from its present position in a 400,000 national structure would be uncalled for, wasteful, and dangerous.

I ask your help to support a program assuring:

1. Appropriations sufficient to maintain the Army National Guard at an overall strength of 400,000 exclusive of those who are taking 6 months active duty for training.

2. Appropriations sufficient for 6-month training to cover the number of men needed to maintain a guard strength of 400,000, as guaranteed previously by the President and Army Secretary.

3. Retention in the forthcoming new Reserve Forces troop basis all of the Guard's existing divisional and nondivisional units, making such conversions or redesignations necessary to provide the new type pentonic units.

4. The Army to maintain all guard units on the same level of manning, equipment, and amount of training.

With kindest personal regards,

Sincerely,

J. T. BLAIR, JR.,
Governor.

TAX CREDIT FOR SCHOOLS

Mr. POFF. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. POFF. Mr. Speaker, since I have been in Congress, I have consistently and steadfastly opposed in principle the several Federal aid to education bills which the Congress has considered, under the earnest conviction that aid means control and control should remain with the States and localities. I recognize the deficiencies and urgent needs of education in general and science in particular, but I have not changed my convictions. The States still can, and I believe will, meet the challenge and do the job. The only help they need is a tax source to finance the job. The Federal Government can make that tax source available to the States in a very simple and uncomplicated way.

On January 29, 1958, I introduced a bill, H. R. 10354, to provide a credit against the Federal income tax for additional State and local taxes imposed for school purposes. Under my bill, a Federal taxpayer will be authorized to subtract from his total income-tax liability any new school tax hereafter imposed by any State legislature, provided that the revenue from this new tax is used solely for school construction, maintenance, or operation, or for the payment of interest on, or the repayment of the principal of indebtedness incurred for any such school purposes, and provided further that such new tax does not replace any other tax in effect at the time of the passage of the bill.

So far as I know, this is an entirely original approach to the school-aid problem. To my mind the idea, which doubtless will need some technical refinement in legislative draftsmanship, has several important virtues:

First. Simplicity: Not a single additional Federal employee would have to be hired to administer the program.

Second. Independence: The Federal Government would have no control whatever over either substantive or procedural educational policies. The individual States and localities would decide how much tax would be imposed and how every revenue dollar would be spent for school purposes.

Third. Flexibility: Each local school district would receive additional school revenue suited to its particular needs as distinguished from the needs of another district in another State.

Fourth. Economy: The total cost of educational assistance to the Federal Treasury—measured in revenue lost on the tax credits—would be a realistic minimum. Obviously, no State would

impose a tax higher than necessary for vital school needs. Moreover, this plan would contain none of the customary costs of administration incidental to Federal programs.

Fifth. Local incentive: State and local taxing authorities would be able to sell the new school tax to the people because there would be no net increase in the taxpayer's total annual tax liability. Whatever he pays under the new local school tax he would be able to recapture as a credit when he pays his Federal income tax.

Another consideration is of prime importance. In Federal aid grant programs, whether educational or otherwise, the individual taxpayer, whose taxpayments are commingled with taxes paid by his fellow citizens throughout the United States, loses sight of the many courses his tax dollar follows after it leaves Uncle Sam's hands. Stated differently, he has no personal identification with the ultimate achievement of the program. However, when a taxpayer pays a State or local school tax, he recognizes his own personal tax dollar in the brick and mortar of the new school building erected in his community. From that he takes a certain intangible but nonetheless actual pride in the school and in the cause which it symbolizes. To him it is a concrete object lesson in government by the people which he can see and understand. Since, in a democracy, all strength and all resources originate with the people, we must, if we expect to meet the national education crisis, go to the people at the local level and inspire in them the spirit of self-help and the pride of personal achievement.

WHERE DO WE GO FROM HERE?

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. MULTER] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MULTER. Mr. Speaker, there are two outstanding misfortunes regarding the present muddle in this country's defense picture: First, that we find ourselves in such an unfavorable position, and second, that Executive leadership in recent years has been usually absent and weak and vacillating when present. It is of considerable concern to myself and to most of our colleagues in Congress that the executive departments have failed to formulate a definite, bold defense program.

Committees of both the House and Senate, under Democratic leadership, are now moving at full speed in an attempt to fill this vacuum created by the Executive's failure. All aspects of our defense program are being investigated and all proposals for remedy will be evaluated.

I recommend attack on a broad front. The strength of the United States in the sputnik age necessarily depends upon many factors other than weapons.

For example, it is necessary to realize that educational policy in the long run is as important as the immediate production of missiles and satellites. We must rapidly and wisely improve and expand our educational system. This goes to the heart of the problem and will pay great, long-term dividends.

Federal aid is necessary not only for school construction, but as well for financial assistance in the form of scholarships to enable students who lack the necessary funds for college tuition to continue their education. Scholarship funds should, however, not be limited to students of mathematics, science, and engineering. The needs of our Nation extend also to expertise in the humanities and social sciences.

In order to make college education available to greater numbers I have introduced in Congress two bills. One, H. R. 808, permits tax deductions to parents for educational expenses incurred in sending their children to a college or university. The second bill, H. R. 821, provides for loans to enable needy and scholastically qualified students to continue post-high-school education.

With increased funds for education and an awareness on the part of the public of the important role intellectual labor must play in our society, I feel that a process of natural selection will occur through which the need for scientists and engineers will be met. A thorough study and evaluation of the curriculum of our grammar schools, high schools, and colleges is also essential at this time.

It is clear that all forms of research, including basic research, require greater emphasis. It is not always possible to predict what will be the concrete outcome of much research, but advances in knowledge on the basic laws of nature are the foundation of all applied science and engineering. One need only mention the contributions of Albert Einstein to bring home the significance of such research.

All the required programs will require additional funds. The exact amount is at present highly problematic. However, from what is known of the Gaither Report and from the Rockefeller Report it is apparent that the sums will be sizable. Recent testimony before Congressional committees on the relative strength of the United States and the Soviet Union indicates that financial considerations have led the present administration to complacently receive intelligence reports on the Soviet Union's growing military strength and by ignoring them, gamble with our security. Economy must not take precedence over security in the present budget. The spending measures must be carefully considered for their wisdom but a balanced budget must not take priority over our safety and perhaps our very existence.

It is now apparent that changes are necessary in the organization of our defense program. A way must be found to eliminate petty conflicts between the services which prevent action, and oft-times create unhealthy price competition at the expense of the taxpayer.

I am in favor of creating a central missile authority with a single head who would be fully and directly responsible to the President alone for all research development in this critical field. This would prevent the confusion which now exists whereby the people and Congress are hard put to locate the person or persons with the authority to make the decisions and give the orders.

It is furthermore necessary that an agency be created which will have the continuing responsibility of evaluating the relative strength of the Soviet Union and the United States. No such agency now exists. Intelligence reports, as early as 5 years ago, indicated Russian missile development was far in advance of our own. That had no impact on our own scientific research and development policies.

Lastly, it has become clear that there is a pressing need for a reevaluation of our information and security policies. There are two aspects to this problem. Scientists doing military research have operated under a narrow clearance procedure whereby little interchange of information between scientists was possible. Basic scientific advances could not be communicated between scientists on different projects. This has been a barrier to the dissemination of knowledge which might have been helpful not only to the immediate development of other projects but also to the advancement of science in the United States.

My final recommendation is of great importance. The executive branch of the Government must be honest and frank with Congress and the American people concerning our defense position and needs. The American people will rise to the challenge if and when they are candidly informed that all is not as well as it could be.

In answer to those who have made defense a partisan issue, I would like to set the record straight. It has been charged that our present weak position is the result of decisions made by the administration of former President Truman and Democratic Congresses.

However, the facts refute these charges. It was the foresight of President Truman and his advisers that was responsible for the production of the 11 operational missiles that are in use today. All of the missiles which President Eisenhower claims are operational, were initiated under the Truman administration.

The fact is that a Republican Cabinet hellbent on economy has blinded itself to our defense needs. For example, former Secretary of Defense Wilson in 1957 prohibited spending of $1.7 billion for research and development and ordered cutbacks and cancellations of missile programs.

Furthermore, a Democratic Congress forced upon the President, over his objection and the objection of his Defense Secretary, $100 million which was labeled "For Air Use." The President and his Secretary of Defense refused to permit that money to be spent. More examples could be cited, but the pattern is clear. There is no doubt that this Democratic Congress will do its best to prevent a repetition of such shortsightedness.

The important thing Democrats in and out of Congress want to bring home to the American people is this—We are not concerned in who is entitled to the credit for the good or who is to be blamed for the bad. We do want to know what was bad so as to correct it and how do we best proceed from here.

In summary and conclusion I would like to give expression to the determination of this Congress to carry out a broad program in the areas of education, scientific research, armaments production, executive reorganization, and public information to the end that this country will remain safe from military attack and in the forefront in education, both humane and scientific.

THE LATE SHIBLY JEAN TALAMAS

The SPEAKER. Under previous order of the House, the gentleman from Ohio [Mr. DENNISON] is recognized for 60 minutes.

Mr. DENNISON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include related matters.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. DENNISON. Mr. Speaker, It is with considerable reluctance that I rise to discuss with the Members of the House today the tragic circumstances surrounding the death of Shibly Jean Talamas who died in Port-au-Prince, Haiti, on the evening of September 29, 1957. I do so, however, not only because Mr. Talamas young wife, Frances, and their only child, Ann Frances Talamas, who was born on the day of her father's death, reside in the 11th Congressional District of Ohio which I have the honor to represent but because the prestige of the United States of America not only in Latin America but in the entire world is suffering a severe strain as a result of this unfortunate incident.

This case first came to my attention last fall when Mrs. Talamas of Ashtabula, Ohio, called at my district office in Warren, Ohio, to tell me her story. I was so astounded and shocked by the facts she gave me that I immediately decided to investigate for myself every possible facet of the case. Since then I have made two trips to Haiti, I have interviewed all of the available principals in the case, I have met with representatives of the Department of State many times, I have spent many hours poring over statements, transcripts, and memorandums relating to the case and I now submit to the Members of the House the facts as I have found them.

Shibly Talamas was an American citizen. His father, Antoine M. Talamas, was also an American citizen having originally come from Palestine but acquiring citizenship during minority by virtue of the naturalization of his father, Moussa Talamas. Antoine named his son Shibly because of his affection and regard for Mrs. Ruth B. Shipley, former Chief of the Passport Division, who just before Shibly's birth had facilitated the issuance of a passport to the father. By error, the letter p was transposed to a b in the official records.

Shibly Talamas was educated in the United States and married an American-born woman from Ashtabula, Ohio, Frances Wilpula. He was engaged in business in Port-au-Prince, Haiti, retaining, however, at all times his citizenship as an American.

Early in the evening of September 28, 1957, Talamas and his wife, who was then pregnant with their first child, left home in Port-au-Prince and went to a cafe nearby, staying there until 9:45 or 10 p. m., when they left for home.

Because the political situation in Haiti had for some time been quite unsettled, a curfew had been in effect for some weeks, although it had been partially lifted that evening because of the presence of a convention of American tourist trade people which had assembled in Port-au-Prince. Since tourism is one of the big industries of Haiti, it was important to the Haitian Government that all outward evidence of peace and quiet be given to those who were met in Haiti that night to promote that business. Knowing of the curfew the Talamases stopped en route home at the Sacre Coeur police station to arrange for an after-curfew pass in case Mrs. Talamas would have to go that night to the hospital. A corporal, the only apparent person on duty, advised them to pick up the first policeman they saw if they had to go and have him accompany them and that possibly they could get one of the guards at General Kebreau's house which was near Talamas' home. General Kebreau, of whom we shall hear more later, was at that time the head of a three-man military junta then ruling Haiti.

They arrived home at 10 p. m. and retired. About 3 a. m. Mrs. Talamas woke Shibly and said it was time to go to the hospital. As they drove out of the driveway, Shibly put on the interior lights of his car so that he would be observed by any curious police. They drove to the barricade at General Kebreau's house, but the road to his house was so dark that the Talamases decided it was not safe for anyone to walk through as the guards might not be able to distinguish who it was. They continued to the Sacre Coeur substation where in the presence of 6 or 7 soldiers Shibly stated the situation, and asked for someone to accompany them. Just then a motorcycle policeman who had just driven up heard the request and told Shibly it was not necessary for a policeman to accompany them to the hospital. He advised them to drive directly to the hospital and thereafter to get a pass from headquarters to go for the doctor. They were stopped once more by two soldiers in a jeep, were given the same advice and so proceeded to the Canapé Vert Hospital. At about 3:30 a. m. after Mrs. Talamas was settled, Shibly left to get one Dr. Borno, his attending physician.

You may wonder why it was necessary for Talamas to leave the hospital in search for a doctor. First, no doctor was at that time in attendance at the hospital and secondly, no phones were then working in Port-au-Prince nor had they been working for a period of some months prior thereto. In fact, when I was there in November and again in December on this case, the only means of direct communication between one part of town and another was by radio which was not the usual appurtenance of everyone in Haiti.

We have been able to reconstruct to some extent what happened between 3:30 a. m., September 29, when Talamas left the hospital and 11 a. m. when he returned. Upon leaving the hospital, Talamas went immediately to the Petionville police headquarters to get a curfew pass so that he might then get their family physician, Dr. Borno, to attend Mrs. Talamas. At headquarters he was told "We've heard that story before" and was thereupon arrested by the Haitian police—an integral party of the Haitian Army—for having violated the curfew. He was locked up until about 9 a. m. when he was released after which he got Dr. Borno and went to the hospital. Enroute to the hospital, Talamas was met by friends and warned that the police had been at his home searching for arms and that they wanted him to come to headquarters for questioning. After he had safely escorted Dr. Borno to the hospital, Talamas proceeded immediately to the Ambassador's residence to consult with Gerald A. Drew, American Ambassador to Haiti.

Drew advised Talamas that the decision as to whether or not he should report to the police was his own. However, if he refused to report to the police station, there was no alternative for Talamas but to leave the country since as a resident of Haiti Talamas was subject to Haitian law and authority. On the other hand, if his conscience was clear as Talamas had indicated, Drew replied, he saw no reason why he should not report to the jail. Throughout the conversation Talamas appeared completely at ease, so much so after having been on his feet much of the night he dozed off on a couch where he slept for the better part of an hour. While Talamas was resting, Drew sent for the officer in charge of the consulate, Vice Consul Thomas W. Davis, Jr., who came to the Ambassador's residence and at about 11 a. m. accompanied Talamas to the chancery. On the way, Davis and Talamas stopped at the Canapé Vert Hospital where Shibly saw his wife and their little baby girl which had just been born. This was the only time that he ever saw his baby and the last time he ever saw his wife.

Mr. Davis and Vice Consul J. H. Long then proceeded to the police station to inquire into the matter of the Haitians interest in Shibly Talamas. They were met by the officer in charge, Lieutenant Octave Cayard. Davis informed him that he had heard that Shibly's house had been searched by the police that morning and that Shibly was wanted by the police. Lieutenant Cayard stated that this was true and that following the murder of several policemen the night before at the mountain village of Kenscoff—some 40 minutes drive from Port-au-Prince—the police had searched Shibly's house on the morning of September 29 following an informant's tip. He claimed that the search had revealed

a 38-caliber—9-millimeter—Star automatic pistol, and a shotgun, together with bullets of the same caliber and type used in the killing of Kenscoff. He said that the police wanted to question Shibly Talamas in reference to the arms in his house, and in reference to the Kenscoff murders. Davis requested an assurance that, if Shibly were arrested or came to the police station, he would not be mistreated, and that they, the American officials, would be able to visit him in accordance with international custom.

Lieutenant Cayard assured Long and Davis that Shibly would not be mistreated; that they merely wanted to question him; that following the questioning they might wish to detain him overnight. At this point another officer identified as Captain Jacques Laroche approached Davis and Long and joined the discussion. He repeated the assurances of Lieutenant Cayard that the police merely wanted to question Shibly; that he would not be mistreated; and that Davis and Long would be able to visit him. Davis then stated that he had heard that during the search of Shibly Talamas' house the police had unnecessarily broken and destroyed a number of items and suggested that Captain Laroche accompany him to the house to ascertain whether or not this was true. Laroche agreed. Together with Mr. Long and various policemen, Davis immediately left for the Talamas residence. Their inspection revealed that a wall safe in the master bedroom closet had been pried open; that the bed linen had been pulled off of the bed; and that a latch had been pried from a chest. After this inspection they returned to the Chancery to consult with Shibly Talamas and his brother William.

When informed of Davis' interview with the police and the condition of his home, Talamas asked what he should do. Davis told him that he could not tell him what to do, but that if he did not report to the police his only alternative appeared to be to hide from them, or to attempt to leave the country, and that either of these actions might be implied to indicate guilt. Talamas replied that he had nothing to hide and was willing to go to the police station, but that first he would like to consult with his brother William. William then asked if there was any other way. Davis replied, as he had to Shibly, that unless Shibly gave himself up to the police for questioning he would have to hide or leave the country as the police were looking for him. Accordingly, they decided that Shibly should go to the police station. However, they requested that Mr. Long and Mr. Davis accompany them.

Upon arriving at the police station, Captain Laroche was not available. However, Lieutenant Cayard received them and again gave his assurances that Mr. Talamas would not be mistreated; that they merely wanted to question him, but would want to keep him overnight. Long advised that he would visit Talamas the following morning. At this point Shibly was taken into custody and Davis and Long left the police station.

Early the following morning, September 30, Davis heard rumors that Talamas had been beaten to death by the police. At about 10 a. m. Long went to the jail with instructions to demand to see Mr. Talamas. He was, however, unable to see Talamas and was told at the jail that Talamas had been transferred to the Casernes, the army headquarters, and that he would have to obtain permission from the Ministry of External Relations to see him. Upon calling at the Casernes, Long was informed that Talamas had been taken to the penitentiary. At the penitentiary this was denied. However, Long was again told that he would need permission from the Ministry of External Relations in order to see Talamas. At the Ministry of External Relations, Long was given an appointment for 12:30 p. m.

At 12:30 p. m. Davis and Long presented themselves at the office of Col. Louis Roumain, officer in charge of the Ministry of External Relations. Roumain then confirmed the rumor that Talamas was dead, stating that he had died of a heart attack following an attempt to overpower his interrogators and reach for a machinegun. Colonel Roumain stated that the guards were forced to overpower him, put handcuffs upon him, and that he died on the way to a hospital.

Davis requested that they be permitted to see the body at once. Colonel Roumain replied that it was in the morgue, and that they could see it at any time they wanted. Davis stated he would like to have an American doctor present for an examination, and that perhaps a joint Haitian-American autopsy could be made to determine the cause of death. Colonel Roumain agreed this would be a good idea but that an autopsy had already been performed.

At approximately 2 p. m., Messrs. Davis and Long and an American doctor arrived at the general hospital and requested permission of the doctor in charge to see the body. This permission was refused. Long and Davis then proceeded to the morgue but were refused entry by two soldiers and a policeman who informed them that the morgue had been under police guard since that morning. The soldiers on duty, after considerable argument, finally permitted Davis, Long, and the doctor to enter the morgue where they visually inspected the body of Shibly Talamas. They were shocked to observe that it was literally covered with massive bruises.

On the afternoon of September 30, Ambassador Drew and the counselor of the Embassy endeavored to see General Kebreau on this important and urgent matter. At the general's headquarters they learned that the general was at his home and after requesting that the general be notified, they proceeded to the general's residence. Upon arrival there they found that the general had departed a few moments before, whereupon the Ambassador returned to the chancery after advising the lieutenant in charge he would expect to hear from the general at once as this was a matter of great importance in the relations between our two countries. Soon after his arrival at the chancery, Colonel Roumain, the officer in charge of the Ministry of External Relations, called to inform Drew that General Kebreau would be unable to see him since he had gone to see his doctor. Ambassador Drew stressed the urgency of an interview with General Kebreau because of the fact that an American citizen, Shibly Talamas, had died while in the hands of the police. During this interview, Colonel Roumain denied that Talamas had been beaten. Since at this point Drew had not yet received the report of Long and Davis and the American doctor verifying the rumors that Talamas had been beaten to death, Ambassador Drew requested from Colonel Roumain an official report of the death as promptly as possible. This report was not received until 1 month later, October 31.

Shortly after this, the doctor, Davis, and Long returned from the morgue to report that Talamas had been severely beaten, that the body contained severe multiple bruises on the legs, shoulders, and abdomen, as well as large incisions on the thighs. The visual inspection disclosed that an autopsy had already been done.

We digress for a moment to discuss the subsequent medical findings with respect to the cause of Talamas' death. The first autopsy was performed by Claude Georges Lafontant, qualifications not stated, of the general hospital of Port-au-Prince on September 29, 1957, at about 10:30 p. m., at the request of the Haitian Government. No representatives from the American Embassy or the American Government were invited or were present. The autopsy report is very short—just a little over a page—and concludes, and I quote:

> Shibly Talamas received injuries by a blunt instrument on the parts of the body mentioned (anterior aspect of the thorax, the abdomen, the anterior aspect of both thighs, and the anterior part of both legs). Nevertheless, the blows did not cause any bone or organic injury. Previously there existed an important weakness of the heart. Factors of a psychic nature such as emotion, anger, and so forth, could have caused hypertensive pressure followed by fainting with heart failure. But it is certain that no traumatism could have provoked the death. Conclusion: Shibly Talamas died of natural causes of cardiac origin.

Upon the demand of the American Embassy, a second autopsy was performed upon the body of Shibly Talamas on October 1, 1957, by Dr. Verne Edward Chaney in the presence of Dr. Claude Lafontant and others. Upon reopening the incisions made during the first autopsy, Dr. Chaney found that the lungs, left kidney, and most of large bowel had been removed and consequently were not available for examination. His report, however, indicated that the severest beating took place in the area of the chest wall and stomach. After a very thorough examination of the body, Dr. Chaney concluded that the probable cause of death was "severe soft tissue injury with secondary hemorrhage and resulting shock." The diagnosis was in summary as follows:

> A. Extensive hemorrhage into the subcutaneous tissue and muscle of the anterior chest, upper arms, upper abdomen, scrotum, and both anterior lower extremities bilateral.

B. Anterior subperitoneal and retroperitoneal hemorrhage.

C. Blistering of right inguinal region.

D. Diagnosis: Minimal arteriosclerosis of the aorta and the left anterior descending coronary artery with no evidence of coronary occlusion.

These findings are entirely compatible with the results of severe trauma to the described areas by means of blunt force with resulting extensive and severe blood loss into the soft tissue. There was no evidence of significant heart disease.

I might point out that Dr. Chaney has a bachelor of science degree from the Virginia Military Institute, and a medical degree from Johns Hopkins School of Medicine. He has had 6 years of surgical residency training in the Johns Hopkins Hospital and at North Carolina Memorial Hospital, Chapel Hill, N. C. He was a battalion and regimental surgeon for the 23d Infantry Regiment, 2d Infantry Division, in Korea for 9 months. He was for 4 months assigned to the 8076 Mobile Army Surgical Hospital. During this time in Korea, extensive experience was gained of autopsies performed in the MASH and in determining cause of death in the 23d RCT. He is presently chief surgeon and acting pathologist of the Albert Schweitzer Hospital at Des Chapelle, Haiti.

Dr. Chaney confirmed the findings of Dr. Lafontant that the body showed traces of circular lines in the region of the wrists. To eliminate all doubt as to the cause of death, a third autopsy was performed at the City Mortuary in New York on October 17, 1957, by Dr. Milton Helpern, chief medical examiner. His report was in great detail. Dr. Helpern concluded that the deceased did not die from natural causes. The report stated in part:

The very extensive, widely distributed blunt force injuries of the soft tissues made it reasonable to conclude that the death had resulted from physical violence. The character, pattern, and distribution of the injuries found at the second and third autopsies indicate multiple applications of blunt force as the cause of the injuries and of the death of the deceased.

Dr. Helpern conjectured that—

The extensive body contusions involving so much of the subcutaneous fat would suggest the presence of pulmonary fat embolism. The possibility also of injury to the lungs and to the absent kidney and large bowel must also be considered.

The following day, October 1, Drew drafted a note of protest addressed to the Haitian Government. He delivered this in person at approximately 12 noon to Colonel Roumain. This note demanded an investigation, including at least the trial and punishment of Haitian officers and employees responsible for the assassination, adequate assurances from the Haitian Government with respect to the protection of the lives and property of American citizens and reserved any rights on indemnification of the survivors.

At the time Drew delivered the note to Roumain on October 1, he renewed his request to be received by General Kebreau at the earliest possible moment. The following morning, October 2, Ambassador Drew again requested an appointment with General Kebreau. The reply that this could be arranged for the afternoon of the following day was not satisfactory and, after the urgency of the matter was again emphasized, an appointment was given for Drew to see the general at noon that same day. During this interview, which was attended by other officers of the Haitian Government, Ambassador Drew stressed that even if Talamas had been a confessed murderer he was entitled to a fair trial and humane treatment. The Ambassador also underscored the fact that Talamas' death resulted from violence after specific and repeated assurances had been given Embassy representatives at the time of his voluntary surrender that he would not be mistreated. The meeting resulted in no pretense of a settlement.

On the same day, October 2, 1957, the Republic of Haiti replied to our note of October 1 by note to the effect that regrettable as this death may be, Haiti could only reject the American interpretation as no crime exists in the absence of any criminal intent. According to Haiti, the very guaranties given to the representatives of the American Embassy that Mr. Talamas would not be mistreated dispelled the supposition of a desire to kill.

In their note the Haitian Government oddly enough termed the "accident" an involuntary homicide and stated that it was chargeable to a certain colonialist spirit which has been observed among many Americans living in Haiti and in small nations—and noticeable with Mr. Talamas—which leads them to believe themselves above laws and authority because they are subjects of a great power and to behave in defiance of Haitian laws and institutions.

I have in my possession an unofficial translation of a memorandum sent by the Haitian Foreign Office to all diplomatic missions in Haiti, except the United States Embassy. Referring to their note of October 2, the memorandum states as follows:

It stresses the state of mind and the behavior of certain foreigners—notably Americans—who, during these 9 months have been meddling in our internal political affairs and have prominently participated in strikes and our political difficulties, in spite of their status of foreigners—considering themselves above our laws and institutions.

It stresses that these foreigners constantly stir up dissensions among political groups, excite quarreling and support racial prejudices.

It stresses that Shibly Jean Talamas was marked in the Haitian police files as a professional agitator and a troublemaker.

Since then Ambassador Drew and his staff and the State Department have tried every reasonable means to obtain a settlement of this matter. Numerous personal conferences have been held with the leaders of Haiti including President Duvalier who has been inaugurated since the Talamas beating. Notes have been exchanged. Ambassador Drew was brought to Washington for consultations with the hope that new means could be found to persuade Haiti to settle. Our demands are clear, concise, and if I may say so, not in the least harsh. They are, to repeat:

First. Bringing to trial those guilty of the crime and punishing them therefor.

Second. Granting to the survivors of Shibly Talamas an adequate financial settlement.

Third. Assuring by proper guaranties that no violence or mistreatment to any American will henceforth be permitted or tolerated.

The Haitians purport to have complied in part by submitting to us minutes of a board of inquiry so-called held on November 8, 1957, in closed session concluding that Talamas died of a heart attack, minutes of a board of inquiry held on November 28, 1957, concluding that on May 25, 1957, Talamas was arrested for carrying a carbine and a small rifle and minutes of a general court-martial in closed session dated November 15, 1957, finding Henri-Claude Pereira and Luc Pierre-Louis, second lieutenants in the Haitian Army, guilty of having disobeyed orders not to use special force on Talamas and sentencing them to a loss of 10 points in grade.

All of these minutes are completely unacceptable to anyone having the vaguest conception of justice and lawful proceedings. No adequate examination of witnesses was conducted—no cross-examination. No opportunity was given to the public, the press, the American Government, the relatives of Talamas or anyone else to observe the proceedings. No attempt was made to adhere to any of the usual rules of evidence. In short, the entire proceedings were a travesty and mockery indicative of the most cynical contempt for life, for law, and for international integrity.

It would be well, however, to consider for a moment the purported facts upon which the Haitian Government attempts to justify this ruthless murder:

First. That Shibly Talamas was not an American citizen. This has not been pressed by Haiti recently and I have already alluded to the basis for determination that Talamas was an American citizen. So that the RECORD is clear, I ask unanimous consent at this point to insert a memorandum of the facts and law applicable to the case.

MEMORANDUM RE CITIZENSHIP STATUS OF SHIBLY JEAN TALAMAS, DECEASED

With reference to the case of Shibly Jean Talamas, his United States citizenship is of record in the Passport Office in the form of a consular report of his birth which was executed at the Embassy at Port-au-Prince, Haiti, on May 16, 1928 and applications upon which he was registered as a United States citizen from time to time at the Embassy, the last of which was approved on June 11, 1957. Mr. Talamas was also issued a number of passports by the Embassy at Port-au-Prince the last of which was on October 28, 1954. This passport was renewed at the Embassy on January 11, 1957 to expire on October 27, 1958. According to information contained in the consular report of birth, the applications for registration and for American passports, Mr. Talamas was born at Port-au-Prince, Haiti, on October 1, 1927, his father, Antoine M. Talamas, was born at Bethlehem, Palestine, on June 12, 1897, his mother, Yvonne Marzouka, was born at Cap-Haitien, Haiti, on August 11, 1902, and his father acquired citizenship of the United States

during his minority through the naturalization of his grandmother, Moussa Talamas, who was also born in Bethlehem, Palestine. Moussa Talamas was naturalized as a citizen of the United States by the Eastern District Court of the United States at Brooklyn, N. Y., February 1, 1905. Mrs. Talamas, by reason of her marriage on May 11, 1918, to Antoine M. Talamas, acquired United States citizenship automatically.

By his birth in Haiti on October 1, 1927, of parents who at that time possessed the status of citizens of the United States, Shibly J. Talamas is deemed to have acquired citizenship of the United States at birth, under section 1993 of the Revised Statutes of the United States as originally enacted and which reads as follows:

"All children heretofore born or hereafter born out of the limits and jurisdiction of the United States, whose fathers were or may be at the time of their birth citizens thereof, are declared to be citizens of the United States; but the rights of citizenship shall not descend to children whose fathers never resided in the United States."

With regard to the question whether Mr. Talamas also acquired at birth the status of a Haitian national, there is no evidence in his file to indicate how that could have been accomplished, and a review of the available provisions of the Haitian citizenship law would not so indicate. If Mr. Talamas also acquired the status of a national of Haiti, such fact apparently could have been accomplished only through a process of naturalization in that country. If the Haitian Government insists that he did possess the status of a Haitian national, it is believed that it should state how this was accomplished and that it should cite the applicable provisions of Haitian law.

Concerning Mr. Talamas' father Antoine M. Talamas, his acquisition of United States citizenship is also of record in the Passport Office in the form of applications upon which many American passports were issued to him over a period of years both in the United States and by the American Embassy at Port-au-Prince, Haiti. However, as a naturalized citizen of the United States Mr. Talamas became subject to certain provisions of the Nationality Act of 1940 which became effective January 13, 1941, having reference to automatic loss of citizenship of the United States by naturalized United States citizens because of protracted foreign residence. Thus, when Mr. Talamas communicated with this office in 1947 regarding his desire to obtain further passport facilities of this Government to enable him to return to Haiti, where he had resided for many years, his attention was invited to section 404(c) of the Nationality Act of 1940, which is set forth in the enclosed excerpt. He was informed that as it did not appear that his case came within the purview of any of the exceptions to section 404 as set forth in 405 and 406 of the same act he apparently would cease to be an American citizen should he resume his residence in Haiti. Mr. Talamas' application for further passport facilities was disapproved. Since this office has not subsequently had occasion to pass formally upon the case of Antoine M. Talamas, it is in no position to say that he lost his United States citizenship. Even if Antoine M. Talamas lost his United States citizenship by returning to Haiti, such fact would have had no effect on the United States citizenship of his son, Shibly Jean Talamas, as far as the evidence of record discloses.

Second. That Shibly Talamas had been arrested on May 25, 1957, and was found armed with an army rifle of Austrian manufacture. I ask unanimous consent at this time to insert into the RECORD the statement of Frances E. Talamas, wife of Shibly Talamas, relating to his activities occurring on that date.

STATEMENT OF FRANCES E. TALAMAS RELATING TO EVENTS OF MAY 25, 1957

SATURDAY, MAY 25, 1957.

During the month of May 1957 my husband Shibly and I had his brother's two children staying with us while their parents were on vacation. They are aged 7 and 10. On the morning of May 25, 1957, Shibly left home with the children to bring them to his brother George's home to play with their children for the day. Then he was to get a few groceries for me from the store. I don't remember what time he left the house. He returned with the groceries between 12 noon and 1 p. m., because I remember I was peeling carrots for our lunch that I was preparing and discussed the poor quality with Shibly. It was a very warm day and Shibly changed to his Bermuda shorts and house slippers. Seeing as lunch wasn't ready yet, Shibly walked to our neighbors, the Gentils, for a while. During this time there was shooting around the palace. I could see it from my kitchen as our house was at such an elevation. While Shibly was at the neighbors, two friends of his came over. I'd met them but I don't remember their names. They went up to the porch on the roof of our house to watch what was transpiring in town. I had told them Shibly was next door. Then they left.

Shibly came home so that we had lunch about 3 or 3:30 p. m. I remember, because I was upset that he'd stayed so long and I had to rewarm our lunch. We stayed home the rest of the afternoon and listened to the radio in case they'd broadcast any news of the happenings during the day. In late afternoon, between 5 and 6 p. m., we drove to Shibly's brother George's home to get the children. We left there to be at home before the curfew at 9 p. m.

FRANCES E. TALAMAS.

Third. That Talamas was involved in the so-called Kenscoff massacre. It can be proven by reliable eye witnesses that Talamas was in a cafe in Port-au-Prince until after 9:30 p. m. the night of September 28. Consequently he sat at home with his wife while they timed her labor pains. When they became frequent, he took her to the Canapé Vert Hospital at about 3 a. m. He went to Petionville to seek the attending physician, Dr. Borno, and was arrested and detained in the Petionville jail under the mistaken belief that the curfew was in effect. Colonel Roumain informed the American Ambassador that the curfew had been lifted that night. These facts eliminate any possibility that Talamas could have participated in the so-called Kenscoff massacre.

Fourth. That Talamas died a natural death due to a cardiac condition. Three American doctors examined the cadaver of Talamas and testified that he died of beating. His heart was incised by Dr. Chaney of the Schweitzer Hospital who testified that the heart was normal for a man of his size and corpulence. The Chief Medical Examiner of the city of New York, Dr. Milton Helpern, performed the third autopsy and, although the heart and vital organs were missing, certified that he died of beating.

Fifth. That Talamas meddled in Haitian politics. This has nothing to do with the case. It is difficult either to prove or disprove, but close friends of his testify it is not true. Whatever crime he might have been guilty of, the Haitian Government had issued on September 28 a decree of expulsion. It could have carried out this decree without formal protest on the part of the American Embassy.

Sixth. That Talamas was beaten while being subdued. Allegations that he attacked the interrogating officer and attempted to seize a machine gun left within his reach cannot be taken seriously. Regardless of his guilt of any crime, it does not justify or extenuate the circumstances of his death by beating while his hands were handcuffed behind him as they evidently were since most of the beating occurred on the front of his body.

Seventh. That Talamas was to be deported. Reference to a decree of expulsion is first mentioned in this case in the Haitian note of November 16. The date of the alleged order was September 28, 1957, the night Talamas stopped twice at a police station to get a curfew permit and the same night he spent in jail. There is no evidence that Talamas knew of such an order, or that any Haitian officials knew of it or that it even existed on September 28. The curious fact is that it bears the same issue number and pagination on the official journal of the Haitian Government as a decree of Monday, September 30 after Talamas was dead.

What is the present state of the record? A young American citizen has been ruthlessly murdered by agents of the Haitian Government under circumstances that are too revolting to contemplate. An American citizen who was entitled to enjoy the fruits of his labor, who had a right to expect the protection of the Haitian Government, who had a right to expect the protection of the American Government, now lies dead. An American citizen whose greatest ambition in life was to live peacefully with his wife and little baby girl is no longer around to brighten their now melancholy home.

And for what reason was this American murdered? Taking the entire record of the excuses, reservations, and arguments advanced by the Haitian Government, there has not been one single reason justifying the reckless abandonment of the conventional principles of international law which have governed the conduct of civilized nations for some time and which we hope will continue to do so for years to come. There is not one single iota of evidence to justify the denial of protection not only of the citizenship of Shibly Talamas as an American but the protection of the laws of Haiti itself. The Haitian Government has willfully and contemptuously refused to accept any responsibility for this fateful act and this is so notwithstanding the fact that its own military officers have admitted and the Haitian Government had admitted by finding those officers guilty of violence, that they in fact did do violence to Shibly Talamas resulting in his death.

The Haitian Government has refused to accept any responsibility for law and order for the protection of foreigners and to paraphrase the Haitian Government, particularly Americans. The Haitian Government has refused to accept any responsibility for the administration and execution of its own laws which are based upon our own United States Marine Code.

The Haitian Government has refused to accept responsibility for the protection of any Americans whether residents of Haiti or not, who travel abroad within their land. What can anyone think, what do you think about going to a country as a tourist or on business that refers so contemptuously to a nation which has done everything possible to encourage friendship between these two countries? What will you advise your friends about traveling in Haiti?

For the Haitian people, I have the highest regard and the deepest sympathy. As a people, I found them kind. I found them desperately poor. I am convinced that they need every cent of the economic aid that they get from the United States of America. They do get some. For example, with regard to technical aid, $1.1 million of United States funds were appropriated for fiscal year 1957 for technical assistance in Haiti. For fiscal year 1958, United States expenditures for the technical cooperation program are expected to be less than the amounts spent during each of the preceding 2 years. Grant aid funds amounting to $5 million were appropriated in fiscal year 1956 to finance economic development projects such as improved irrigation facilities, watershed protection, access roads, and improved marketing systems. For fiscal year 1957 an additional $1 million of grant funds was appropriated. This was carried over from fiscal year 1957 to fiscal year 1958 but none of this $1 million has been used so far during this fiscal year. During fiscal year 1957 $1.5 million worth of agricultural surpluses was made available under Public Law 480, title 2.

The Export-Import Bank in 1941 extended a credit of $5 million to a Haitian governmental agency known as the Haitian-American Agricultural Development Society—SHADA; the present outstanding principal balance on this credit amounts to $3.4 million. In 1948 the bank authorized a credit to Haiti for irrigation and agricultural development in the Artibonite Valley, including a dam across the Artibonite River. The total authorized credit is $27 million, of which $23.9 million has been disbursed, leaving an undisbursed balance of $3.1 million.

For the Haitian Government which rejects international law and order in the face of great world tension today, I have little confidence or respect. The United States of America can ill afford to permit this case to remain unsettled. Of course, we cannot call out the marines or declare war but we can make it certain that Haiti knows the revulsion that we feel in our hearts for any government or nation which practices the rule of the jungle. We should urge the State Department to press this matter vigorously so that a just and equitable settlement will be reached at once. All of us desire an early conclusion of this case. In my opinion, it would be of great assistance to the negotiations now taking place for this body to express itself and to express its feelings with respect to the treatment of one of their fellow citizens.

I hope that the House Foreign Affairs Committee will give this matter serious and immediate consideration and I hope not only for the widow and little Ann Frances Talamas who as yet can say nothing but also for the millions of American citizens both here and abroad that the prestige of the United States of America and of its citizens shall never suffer because of the despicable act of a few lawless and ruthless individuals.

Mr. Speaker, since preparing my remarks on this unfortunate incident, I am reliably informed that the negotiations which have been going on between the United States and the Republic of Haiti have reached a definitive stage and that there are reasonable grounds for hope that a settlement may be reached in the near future.

It is my earnest hope that my information is correct and that the Haitian Government has accepted its responsibility and that a settlement may be forthcoming shortly so that the normal peaceful relationship between our two countries may be resumed for the benefit of the citizens of both.

Mr. MORANO. Mr. Speaker, will the gentleman yield?

Mr. DENNISON. I yield to the gentleman from Connecticut.

Mr. MORANO. As a member of the Committee on Foreign Affairs, and in particular as a member of the Subcommittee on Inter-American Affairs, I am interested in this case. I wish to compliment the gentleman from Ohio for the dogged persistence and perseverance he has used in attempting to seek out the facts in this matter. I am certain that if a settlement is finally reached, and I hope one is, it will be due in great part to the efforts of the gentleman from Ohio who not only is doing his best to protect the rights of a constituent of his, but also is doing his best to protect the rights of every American who may go to a foreign country. I want to assure the gentleman that as one mem- of the Inter-American Subcommittee of the Committee on Foreign Affairs of the House I will do what I can to support the position he takes and to bring about a mutually satisfactory settlement.

Mr. DENNISON. I thank the gentleman.

Mr. JACKSON. Mr. Speaker, will the gentleman yield?

Mr. DENNISON. I yield to the distinguished gentleman from California, a member of the Committee on Foreign Affairs and a member of the Subcommittee on Inter-American Affairs.

Mr. JACKSON. I would like to join with others in complimenting the gentleman on a very fine documentation and presentation of a very tragic case. While the implications of the Talamas death are great from the standpoint of the death of a single American citizen in a foreign country, they go far behind that to our relationship with a good many other countries in the Western Hemisphere and throughout the world. The gentleman knows that the gentleman from California was in Haiti in November and undertook a first hand, detailed study of the circumstances in the Talamas case. It is sincerely hoped that the stage in present negotiations for settlement will be successfully concluded and that proper indemnification will be paid the surviving relatives. Again I want to compliment the gentleman on the asiduous manner he has approached an isolated instance which but for his interest might have gone unnoticed here in the Congress. And, with the gentleman from Connecticut [Mr. MORANO], I shall, as a member of the House Committee on Foreign Affairs, do my part. I have deep sympathy with what the gentleman from Ohio is trying to achieve and will be very happy to support any action toward that settlement in the House committee.

Mr. DENNISON. I thank the gentleman.

Mr. COLLIER. Mr. Speaker, will the gentleman yield?

Mr. DENNISON. I yield to the gentleman from Illinois.

Mr. COLLIER. Mr. Speaker, I would like to commend my very able colleague from Ohio for his very complete and very revealing report on this tragic incident. I came to know the circumstances in this case to some degree as the result of one of my own constituents writing me about it. She had been a roommate of the widow in college and for many years had been a very close friend of the Talamas family. I believe, too, that our colleague from Ohio, as the other Members here have stated, should be complimented for the long hours of work and investigation that he has put in on this case. I personally would like to say that I, too, believe that the widow and the daughter of Shibly Talamas should receive full indemnification for this act from the Haitian Government and, further, that those who were responsible for this shameful treatment and murder of Talamas, in turn, be properly punished.

Mr. DENNISON. I thank the gentleman.

Mr. KILGORE. Mr. Speaker, will the gentleman yield?

Mr. DENNISON. I yield to the gentleman from Texas.

Mr. KILGORE. Mr. Speaker, I, too, would like to express my sincere appreciation to the gentleman from Ohio for the very fine and detailed and dignified manner in which he has prepared this statement surrounding the Talamas case and made it available to this body. The case, as the gentleman knows, was first called to my attention by members and friends of the Talamas family who reside in my district. At that time, as I began to examine into the case, I found that the gentleman from Ohio had for a considerable period of time been amassing information, had been dealing with the State Department on the matter, had been collecting information on which his statement was made here today. Whatever the eventual solution may be—and I certainly hope it is one entirely satisfactory to the family and to the State Department—the degree of success will to a large measure be the result, I think, of the gentleman's work, and I know that the Talamas family and all branches thereof, wherever they may reside, sincerely appreciate that effort. I, too, certainly agree that the settlement, when made, should be one that will be satisfactory by way of indemnity to the survivors and that it will include punishment of those responsible within

the Haitian Government, which punishment necessarily must be carried out by that Government. In addition, it should include assurance to the United States and its citizens, when traveling within that Republic, shall be treated properly in the future. Again I would like to express my personal appreciation on behalf of those family members who live in my district for the gentleman's work and his presentation today.

Mr. DENNISON. I would be remiss if I did not at this time express my own personal thanks to the gentleman from Connecticut, the gentleman from California, and the gentleman from Texas, particularly, for their advice and counsel in the preparation of this case and for their words of encouragement to the widow and to the family. I would say on behalf of Mrs. Talamas and her child that we are very grateful for this fine assistance which we have received.

Mr. TEWES. Mr. Speaker, will the gentleman yield?

Mr. DENNISON. I yield to the gentleman from Wisconsin.

Mr. TEWES. Mr. Speaker, I am impressed again, as I have been many times in the past, with the statesmanship with which the gentleman approaches these very serious problems. It is a service not only to his constituents and the people he represents, but to the entire United States. This is a matter which affects not only those who reside in Ohio but those who reside in Wisconsin and all over the country who wish the advantage of the reciprocal good feeling and understanding which should exist between countries and which, quite obviously, has not existed in this case.

I think the solutions which the gentleman has offered are wise and they are discreet. We well recognize that the administrative problems involved here are for the Department of State, and we urge upon them our strong feeling that this is deserving of their most urgent attention. At the same time, however, I join the gentleman in expressing my own personal outrage and the outrage of the people whom I represent at this deplorable treatment of an American citizen.

The gentleman from Ohio [Mr. DENNISON] has today performed a unique service for his people and for the people of the United States.

Mr. DENNISON. I thank the gentleman.

Mr. HASKELL. Mr. Speaker, will the gentleman yield?

Mr. DENNISON. I yield to the gentleman from Delaware.

Mr. HASKELL. Mr. Speaker, I want to commend the gentleman from Ohio [Mr. DENNISON] for bringing the case of Shibly Talamas to the attention of this body, and I concur wholeheartedly in the statement of my friend from Ohio.

It is becoming increasingly clear that this Government must take a firm stand to protect the rights of its citizens in foreign countries. We can neither condone nor can we accept this unjust and cruel treatment of a fellow American in this foreign land of Haiti.

I do not stand to judge this man, either as to his beliefs or for the crime he was reportedly charged with. I know only that he was an American citizen, and on the day of his untimely death a new father. After hearing the statement by the gentleman from Ohio [Mr. DENNISON], I cannot help but feel that this man was beaten to death not in spite of his American citizenship but because of it.

The leadership of a country which holds out its one hand for help and with the other pens memorandums of disdain, does not deserve our respect or our friendship.

I hope that through an expression by this body that a just and equitable settlement will be reached with the family of Shibly Talamas and that this country will make every effort to protect its citizens traveling or working in foreign countries against ruthless and inhuman leaders.

Mr. DENNISON. I thank the gentleman.

Mr. NIMTZ. Mr. Speaker, will the gentleman yield?

Mr. DENNISON. I yield to the gentleman from Indiana.

Mr. NIMTZ. Mr. Speaker, the Members of the House are indebted to our colleague from Ohio [Mr. DENNISON] for this complete, documented, factual, and unbiased report concerning the death of his constituent, Shibly Talamas.

I join my colleagues in congratulating him and commending him upon his persistent, scholarly, dignified, and calm approach to this investigation. It is consistent with the gentleman's reputation as a distinguished member of the Ohio bar.

As the gentleman from Ohio has said, and as was emphasized by the gentleman from Connecticut [Mr. MORANO], this is not just a matter of indemnification of the family, but it is one also of law and order and of the safety of persons who travel from their native land to some other country.

Mr. DENNISON. Mr. Speaker, I thank the gentleman.

DOMINATION OF FOREIGN COMMERCE REGULATIONS BY THE EXECUTIVE DEPARTMENTS

The SPEAKER pro tempore (Mr. PRESTON). Under previous order of the House, the gentleman from West Virginia [Mr. BAILEY] is recognized for 30 minutes.

Mr. BAILEY. Mr. Speaker, in the unending procession of State Department usurpations of Congressional power, we have the latest example in present efforts of that Department in combination with the Department of Commerce to head off the recent Tariff Commission recommendation on stainless-steel flatware.

Let us get a clear view of what is going on. It will throw a spotlight on what has become one of the principal, if not the central issue, in the trade agreements program. This is the domination of the whole field of foreign commerce regulation by the executive departments.

Recently the Tariff Commission unanimously found serious injury to domestic producers of stainless-steel products from imports under reduced rates of duty. The President has 60 days in which to proclaim or reject the Commission's recommendation for an increase in the tariff.

Now let us see what the two executive departments that have most to do with foreign trade are up to. The situation is not entirely new.

What is happening now is not unlike the shenanigans behind the scenes that took cotton textiles out of the realm of administrative procedure provided by law in late 1956 when an "arrangement" with Japan was made by which that country ostensibly agreed "voluntarily" to limit her exports of cotton cloth to the United States.

This was a stratagem by which the function of Congress and its agencies were by-passed and short shrift was made of the laws and procedures that had been provided by Congress to deal with imports that seriously hurt domestic industry.

Here was a clear case for Tariff Commission action either under the escape clause or under section 22 of the Agricultural Adjustment Act to provide a remedy for the cotton textile industry. Because of the activity of the industry in pursuing both a legislative and an administrative remedy the State and the Commerce Departments evidently became extremely fearful that the regulation of our foreign commerce was about to revert to its constitutional channels and were desperate over the possibility that the authority of Congress might be reestablished.

Accordingly they set up a base of operations of their own in competition with Congress and its administrative agencies. Perhaps these executive departments could substitute their own plan of regulating commerce for that of the elected representatives of the people. If they could announce an arrangement with Japan, negotiated outside the law and behind the scenes, before the Tariff Commission could act they could snatch the regulation of foreign commerce out of the very hands of those seeking properly to exercise it.

Some four or five applications involving cotton textiles were made by various segments of the industry to the Tariff Commission under the escape clause. This fact itself was enough to hasten the feverish negotiations of the Commerce and State Departments with Japan. This enabled them to announce their arrangement with Japan before the Commission investigations had been completed and the cases before the Commission collapsed. A great victory had thus been achieved by executive coercion and under-the-table methods over the straightforward and lawful procedure under which the Tariff Commission was seeking to carry out the enactments of Congress.

The present situation with respect to stainless-steel flatware is different. The Tariff Commission has already spoken in this case. It found serious injury as a result of increasing imports under reduced rates of duty. It recommended to the President that he raise the duty but the President has not yet acted.

Now come the Departments of State and Commerce to derail the case to make way for another voluntary arrangement with Japan.

At this time I am pleased to yield to the distinguished gentleman from Georgia [Mr. DAVIS].

Mr. DAVIS of Georgia. Mr. Speaker, I desire to commend and compliment the distinguished gentleman from West Virginia for bringing to the attention of the House today the action of the Commerce Department of the executive branch acting through the Department of Commerce in undertaking to sidestep and bypass the Tariff Commission and the legislative branch of the Government. This action on the part of the Commerce Department with reference to stainless steel flatware imported from Japan is a continuation of the pattern which the executive branch has followed in the last year or two, 1956 and 1957, with reference to the importation of textiles from Japan. It is an attempt to bypass the Tariff Commission. I understand that the Tariff Commission in this case has already recommended a tripling of the duties on this imported stainless steel flatwear. Is that correct, may I ask the gentleman?

Mr. BAILEY. That is correct.

Mr. DAVIS of Georgia. I think this pattern is subject to severe condemnation. All of this activity means that American workers are deprived of jobs. It means that American investors are deprived of returns on their investment. It means that American industry is being displaced by these imported products. I would like, if the gentleman has no objection, to ask unanimous consent to include as part of my remarks at this point an article appearing in the Journal of Commerce for January 27 entitled "United States, Japan Are Discussing Voluntary Flatware Limit."

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

The article referred to is as follows:

UNITED STATES, JAPAN ARE DISCUSSING VOLUNTARY FLATWARE LIMIT

WASHINGTON.—The Government is quietly trying to work out an agreement between American and Japanese silverware producers whereby Japan would "voluntarily" limit its shipments of stainless steel flatware to the American market.

United States-producer agreement on informal curbs would permit the administration to sidestep recommendations of the Tariff Commission for a tripling of duties on imports of steel knives, forks, and spoons.

Commerce Department officials, however, are working against a deadline at a time when the prospect for such an accommodation is not promising.

MARCH 10 DEADLINE

President Eisenhower has only until March 10, under the time rules of the escape-clause procedure, to decide whether to go along with USTC's findings. At the same time, the position of the Japanese and the American producers are so far apart that a meeting of minds seems remote.

But the administration hopes that something can be arranged so that it is not forced to invoke the escape clause and raise duties unilaterally. The President, of course, could reject USTC's findings out of hand, but it is felt this would be bad psychology at a time when he is trying to get the controversial Reciprocal Trade Program renewed in Congress.

The situation in the flatware case corresponds to the cotton textile tariff controversy of 1956–57, except on a much smaller scale. The value of imports of steel flatware in 1956 totaled only $7.5 million—about $5.8 million being Japan's share.

SAME CHOICE IN TWO CASES

In the textile case the administration was up against essentially the same problem; either unilaterally satisfy United States producers with import protection, or induce Japan to voluntarily hold down on textile shipments to the United States. Because of international political and other considerations, the administration chose the latter course.

The United States negotiators, faced with the antitrust laws, were unable to seek the advice of United States manufacturers or permit them to participate in the talks. Neither could the Government act simply as a transmittal agent for the industry.

Existing court decisions, moreover, militated against the possibility that an official understanding to restrain trade by such agreements would be illegal.

ANTITRUST LAWS STARTED

By successfully maintaining legal fiction that Japan's action was a voluntary, and governmental arrangement, the textile deal has managed to skirt the antitrust laws.

The same legal conditions confront the Commerce Department in its attempts to come to an understanding with Japan on flatware.

Apart from the legalities, however, the positions of the parties loom largest in the flatware case. Japan says it will limit its exports to no less than 5.9 million dozen a year. The domestic producers indicate it will be much less than this if there is to be an agreement.

Mr. BAILEY. I would like to say to the distinguished gentleman from Georgia that this is just another proposition similar to what they worked out in the case of textiles and cotton cloth. There the gentleman will remember that five years ago there were approximately 15 million square yards of cotton cloth being imported from Japan. Within two years after the adoption of the new Japanese trade agreement, the total imports had jumped to 270 million yards of cotton cloth. What they did was to totally ignore the ordinary procedures set up through the general agreements on trade and tariff and to coerce the Japanese into agreeing that they would volutarily cut back the number of yards of cotton cloth imported into this country from 270 million yards to 230 million yards. That is exactly what they are proposing to do in this stainless-steel case. In other words, they are just making a joke out of the Congress and the Tariff Commission regulations of our commerce.

Mr. DAVIS of Georgia. The gentleman is eminently correct. The gentleman from West Virginia has been most vigilant in watching these developments. I thank him for yielding to me at this point, and again I commend him for his fine action in bringing this to the attention of the House.

Mr. BAILEY. I thank the gentleman from Georgia.

I now yield to the distinguished gentleman from Washington [Mr. MACK].

Mr. MACK of Washington. I agree with the gentleman from Georgia [Mr. DAVIS] that the gentleman from West Virginia has done an outstanding job in alerting the Congress and the country to the dangers of too much free trade. The Congress should have a greater voice than it has exercised in the making of trade agreements under which goods from low-wage foreign nations flood American markets. The blame does not lie entirely with the administration. It lies equally with the Congress and with the Committee on Ways and Means. The gentleman from West Virginia and I as well as other Members of the Congress have had bills to restrict imports pending in the Committee on Ways and Means for months. We have not been able to get the bills out of committee nor have we been able to obtain hearings on our bills which are pending before that committee. The Pacific Northwest is a large manufacturer of plywood. There came into this country last year plywood valued at $60 million.

These plywood imports, most of them from Japan, were the equivalent of the output of 12 large plywood plants employing 5,000 workers. These workers have been deprived of employment and many suppliers of raw materials, such as the loggers who harvest timber, also are out of work. The wage rate in Japan is 11½ cents an hour. Our American workers cannot compete with that scale of wages and should not be expected to.

Conditions in the fishing industries—the salmon, the tuna, the crab and the oyster business—also are bad.

Japanese fishermen last year, according to the Fishing Board, caught 149,414 tons of salmon. A great deal of that salmon when canned by 11½-cent labor came into the United States. The prosperity of and employment in the canneries and among fishermen suffered.

The Japanese take of crab, during 1957, was 11,351,746 crab, almost 1,000,000 dozen and a good deal of this canned crab came onto the American market.

Plywood and fishing plant operators are losing their profits. This means they are paying less income taxes to the Federal Government. As a result of fish and plywood imports workers are finding their annual incomes curtailed and are paying less in income taxes into the Treasury. The Government, as well as workers and the industry, are losing income.

It is important that Congress do something promptly to relieve these conditions and restore jobs to workers who are idle.

There are two easy ways this can be done by the Ways and Means Committee. It can approve the bill introduced by myself and others directing the Tariff Commission to make a survey of the harm being done by these imports and if as bad as I know the damage is the Tariff Commission can invoke the peril point to restrict these imports to reasonable limits.

Or the Ways and Means Committee can favorably report to the House a bill which I and others have introduced which would limit hardwood plywood imports to 15 percent of the American market. This automatically would reduce plywood imports from the level of about $60 million in 1957 to about $20

million during this year. That kind of a restriction will save about 3,750 of the jobs which have been lost by plywood workers due to plywood imports as well as put idle loggers back to work in the woods.

Such a restriction will not greatly harm Japan, for Japan even with this restriction will be permitted to ship into the United States more plywood than she exported to the United States in any year prior to the start of World War II.

Mr. BAILEY. I thank the gentleman from Washington for his remarks at this point. I want also to thank him for his cooperation over a number of years with my efforts to bring this matter forcibly to the attention of my colleagues in the Congress in the hope that something can be done about it.

I am sure the gentleman will remember my having stated on numerous occasions that every industry in the country today is a pawn in the game of international politics. I think it is about time the Congress reasserted its authority under the Constitution to take over the regulation of our commerce through the activities of the Tariff Commission. In other words, if you will permit me to so express myself, it is time we took the President and the State Department out of the hair of the Tariff Commission.

Mr. MACK of Washington. I agree with the gentleman.

Mr. BAILEY. Mr. Speaker, in conclusion, unless this practice is stopped in its tracks the Tariff Commission will be set to one side and become even more impotent than it is today. This is the same as saying that the Congress itself will also become even more powerless than it is today in the regulation of foreign commerce. This follows from the simple fact that the Tariff Commission is an agency of the Congress, created by the Congress to help it carry out its twin functions of making the tariff and regulating foreign commerce.

Any action, such as that of the State and Commerce Departments, that undermines the Tariff Commission or heads off its recommendations or supersedes its functions also undermines the authority of Congress. When these two executive departments cross over into the field of the Tariff Commission and deal with subjects identical to those earmarked by Congress for Tariff Commission action under the escape clause and section 22 of the Agricultural Adjustment Act, then we have not only wasteful duplication but confusion and the makings of ill will both here and abroad.

What could be worse administratively than to have two authorities, one constitutional and the other muscling in, undertaking to carry out the same function, particularly when the domineering outsider shoulders the legitimate agency out of the way?

I say to you that unless such abominable practices are stopped, we of the House of Representatives, we of the Congress of this country, are not performing our clear and obvious duty.

The time is at hand when the Congress must assert its constitutional authority to regulate commerce, to make trade treaties, and to fix tariffs.

AMERICA EXPLORES SPACE

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Tennessee [Mr. REECE] is recognized for 1 minute.

Mr. REECE of Tennessee. Mr. Speaker, flashing through the skies is America's answer to both the prophets of doom at home and our cynical friends abroad. Similarly, Explorer has dramatically served notice on the Kremlin that the Russians have no monopoly on scientific achievement or outer space itself.

The Soviet space accomplishments may have served the best interests of the United States in making the public fully aware of the formidable nature of the Soviet war machine. America has a tendency to develop a complacent attitude toward any potential enemy. There can be no doubt that sputnik punctured any unrealistic smugness which might have prevailed prior to last October.

However, I have consistently maintained that there never existed among our leaders, responsible for national security, any unrealistic complacency about Soviet ability. Despite the hues and cries of a large segment of the press and some of our colleagues, we have made truly amazing progress toward the conquest of space. The launching of Explorer is a great accomplishment if its only contribution were to restore a sense of balance to the appraisal of the relative Soviet-American overall national strength. Explorer was not planned, developed, and launched in 3 months. It is the product of a concerted, farsighted program carefully planned, and fully supported by President Eisenhower and our entire national administration.

It is now obvious that the charges of defense neglect made recently by our critics cannot be substantiated. It is rather disheartening to reflect that responsible citizens both in and out of Government would distort a situation vital to our national welfare for political gain but I would not be surprised to find their regretting their unduly alarming the general public. It cannot be more apparent that our scientific achievements are largely the result of the vastly increased efforts which a Republican administration put into the race for space. Had this administration not speeded up research development and production of missiles and satellites these critics might have real reason to sound a national alarm. As it is, we should all be thankful to President Eisenhower and our defense authorities that today America can proudly point to the skies and see there the Stars and Stripes in space.

It is my fond hope that America and all the Free World, reassured by our brilliant achievement, will once again face the Soviet challenge with the courage and purpose which can only come from a realization of our true strength.

MEETING THE NEED FOR SCIENTIFIC MANPOWER—AN INTELLIGENT APPROACH TO THE PROBLEM

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Illinois [Mr. PRICE] is recognized for 15 minutes.

Mr. PRICE. Mr. Speaker, the gentleman from Pennsylvania, the Honorable JAMES VAN ZANDT, joins me in the statement I am about to make to the House.

We believe that the time has come, and in many respects is long overdue, for a forthright facing-up to the challenge presented to this country by the Soviets in their massive educational program aimed at outproducing the Free World, both in quantity and quality, in the output of trained scientists and engineers.

We are witnessing a life and death battle for brainpower in an age of rapid technological advance. The penalty for losing this battle is Soviet domination of the world and the destruction of our way of life as a free people. It is clear that we must act—and act promptly—to meet this threat. At the same time, we must not lose sight of our long range objectives and adopt hasty measures which will jeopardize the attainment of these objectives.

This battle for brainpower is not new. Back in the spring of 1956 the Research and Development Subcommittee of the Joint Committee on Atomic Energy, mindful of the mounting threat to this country posed by the Soviet Union, held extensive public hearings on the shortage of scientific and engineering manpower. As members of the subcommittee, we believed then, and we continue to believe today, that concrete remedial action is needed urgently if we are to meet the Soviet challenge successfully.

Recent events, including Russian achievements in launching two earth satellites, serve to underscore this urgent need for action. We are faced not so much with a new situation as with dramatic proof of what many experts have been saying all along regarding the large scale efforts of the Soviets to achieve technological mastery of the world. Our recent firsthand visit to Russia where we had an opportunity to talk directly with top Russian scientists has clearly confirmed these findings.

Since the advent of sputnik we have heard much in public forums and in the press about the need for crash programs to regain America's technological supremacy. We have heard proposals for stepping up scholarships in the individual scientific disciplines such as physics, chemistry, and biology, and for channeling our young people into specific lines of activity within the scientific and engineering fields. These statements are reminiscent of the line of thinking which we ourselves indulged in prior to the subcommittee hearings in 1956.

As the hearings progressed, however, it became clear that only by attacking the roots of the manpower problem, not its surface manifestations, can we effectively meet future requirements. We recognized then, as we do today, that in our haste to catch up with the Russians

there is a natural tendency to call for special purpose legislation to cope with the pressing problems of the moment.

But the more we looked at the problem, the more we became convinced that the shortage of scientists and engineers is only part of a larger shortage of specialized talent in all fields, and that the best and surest means of meeting future requirements in the scientific and engineering fields is to increase the overall supply of specialized talent—across the board. Laying undue emphasis on any one specialized field of scientific endeavor, to the exclusion of others, would create serious imbalances which would in the long run only serve to undermine the very strengths we are attempting to build up.

In brief, we came to recognize that the shortage of specialized talent is total and that deficiencies exist in many areas which must be dealt with at the same time we are directing our attention to the scientific and engineering fields. Loading the deck in favor of one over the other is not only futile but may well be fatal to the long-term national interest.

It is clear, then, that any measures which are taken must be developed in the context of our overall needs and must serve to strengthen the Nation as a whole. This is not to say, however, that specific actions cannot be initiated now as part of a broad program of improvement, provided they contribute to our general long-term objectives.

Going to the roots of the scientific manpower problem, the subcommittee found that one of the greatest deficiencies to be overcome is the serious deterioration in recent years in the quality of mathematics instruction in our high schools. We found that through inadequate preparation in our secondary schools, particularly in the traditional subjects of mathematics, many of our young people who might be scientifically inclined are actually prevented from pursuing college level courses in science and engineering. This represents an enormous annual waste of potential scientific talent which we can ill afford if we are to compete effectively with the Russians in the years to come.

Fortunately, this is one area in which concrete remedial action can and should be initiated immediately. We have been particularly impressed with the proposal originally made to the subcommittee at the 1956 hearings by Dr. I. I. Rabi of Columbia University that an award program be set up to provide a $500 scholarship to all high school seniors who can pass an examination of prescribed difficulty in the traditional subjects of mathematics. There would be no strings attached to this award and there would be no requirement that the winners of such awards pursue a particular line of study, either in the scientific or other technical fields.

The advantages of such an award program are obvious. In the first place, it would help restore mathematics to its rightful place as a basic element of the high-school curriculum through stimulating greater student interest in mathematics. An essential background would thus be provided for these intending to pursue scientific and engineering careers and at the same time the general curriculum would be strengthened for all students, whether or not they go on to specialize in these fields.

The award program would also serve as an indirect stimulus to parents and community groups to seek improvements in mathematics instruction in their own local high schools. Since the program would be on a purely voluntary basis it would not involve the problem of Federal control of local educational institutions. Major emphasis would still remain on action by local groups but a new incentive would be provided for such groups to take the necessary corrective measures. This, it seems to us, is a commonsense approach to the problem and one which would achieve tangible results without upsetting delicate social and economic balances in this country.

Intimately allied with interesting young people in science is the caliber of the science teachers they have in high school. Without good teachers, well equipped with knowledge of recent developments in the scientific field, there will be no stimulus for students to excel in their subject, no one to alert youthful imagination to the challenges of the scientific frontier. It is difficult to calculate the influence good teachers have had in helping produce our scientific and other leaders of today, but no one would question that it has been substantial. Do we dare embark upon the future without assuring ourselves that we are doing everything possible to provide our young people with the best teachers available to prepare them for what lies ahead?

But good teachers do not just happen. Incentives must be provided to attract young men and women of high intellectual caliber to the teaching profession. Once they are recruited, there must be continuing incentives provided to keep them in the profession. The question then arises: What form should these incentives take?

As in the case of improving the high-school curriculum, much depends on the initiative and resourcefulness of local communities, particularly with regard to increasing teacher salaries, which in many areas are shockingly low. But beyond this, some means must be devised through which the Federal Government can lend assistance in cooperation with local authorities. Once again, this Federal assistance would have to be provided in such a way as to avoid undue interference with local school boards and State authorities.

Perhaps the greatest need at the moment is to provide high-school teachers with the opportunity to improve their own knowledge of their subjects and thereby improve the quality of instruction offered their students. This applies to teachers of all subjects, but the need for improvement has become particularly critical in the case of mathematics and science teachers.

One of the most successful means to date of meeting this need has been the summertime refresher courses for high-school teachers which have been held for the past several years under the auspices of the National Science Foundation. Through the cooperation of universities and institutions throughout the country, hundreds of teachers have attended special summer courses which average about 6 weeks in duration. Stipends of $75 per week are offered, together with $15 per dependent. The cost of running the courses is borne mutually by the Foundation and the participating university.

While the program is excellent as far as it goes, it does not go far enough on its present limited budget to meet mounting needs. For example, the Foundation was able to provide funds for 108 institutions last year on its relatively small budget of $5.3 million. However, there were double that number of qualified institutions who proposed to set up summer institutes with the Foundation's cooperation but were unable to do so because of lack of funds. It is conservatively estimated that in addition to this, there are at least 200 other qualified institutions in this country who have not made specific proposals to the Foundation but who might be encouraged to join the program if funds were made available.

We therefore propose, as a concrete means of assisting high school mathematics and science teachers and improving the quality of their instruction, that the present summer institute program of the Foundation for high-school teachers be quadrupled in size and that the present funding level for the program be increased from $5.3 million to $25 million. Chief value of such action would be to take an already going concern and through expanding its activities, increase the number of teachers being assisted with a minimum of delay and a maximum of effectiveness.

In addition to the above program, we believe a new program should be established by the Foundation to provide summer fellowships for those high-school teachers who already have their bachelor of arts degree but who desire to increase their scientific knowledge. Such a program—at a level of $10 million per year—should be a valuable supplement to the summer institute program and should provide the advance training which some of our teachers need to stimulate and guide talented young people in our better schools. It would have the added advantage of helping bring up the quality of instruction among teachers all the way up and down the line and would place a premium on competence.

It is our conviction that the proposals we have made, if translated into action, would be an important first step toward insuring that this country will have an adequate supply of scientific and engineering talent to meet the scientific challenge of the future. They will help meet this need, moreover, without creating serious imbalances in the social and economic fabric of this country. They will, in fact, serve to strengthen the country measurably by providing improvements in the basic educational preparation we give to all our young people. This is the true answer to the Soviet challenge and in keeping with the best traditions of our free society.

We are today introducing legislation in the House to carry out these proposals. We are hopeful it will receive prompt and favorable consideration.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. HAYS of Arkansas (at the request of Mr. TRIMBLE), for an indefinite time, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. CELLER, for 20 minutes, on Wednesday next.

Mr. MATTHEWS, for 45 minutes, on Thursday, February 6.

Mr. PATMAN, for 45 minutes, on next Monday, February 10.

Mr. BAILEY, for 20 minutes, on next Thursday, February 6.

Mr. REECE of Tennessee, for 1 minute, today.

Mr. PRICE, for 15 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mrs. KEE.

Mr. MADDEN and include the text of the statement by the majority leader on the Joe McCaffrey program yesterday.

Mr. GARMATZ and to include two statements.

Mr. SAYLOR and to include extraneous matter.

Mr. AYRES.

Mr. KEATING and to include extraneous matter.

Mr. DAGUE.

Mr. VURSELL in two instances.

Mr. HILLINGS (at the request of Mr. ARENDS) and to include extraneous matter.

Mr. PATTERSON and to include extraneous matter.

Mr. THOMPSON of New Jersey and to include extraneous matter.

Mr. O'KONSKI and to include extraneous matter.

Mr. COLLIER and to include extraneous matter.

Mr. DAVIS of Georgia and to include extraneous matter.

Mr. KEARNS (at the request of Mr. PELLY) and to include in each extraneous matter.

Mr. BOGGS (at the request of Mr. ALBERT) in two instances and to include extraneous matter.

BILL PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on January 31, 1958, present to the President, for his approval, a bill of the House of the following title:

H. R. 8216. An act to amend the Internal Revenue Code of 1954 to prevent unjust enrichment by precluding refunds of alcohol and tobacco taxes to persons who have not borne the ultimate burden of the tax.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 44 minutes p. m.) the House adjourned until tomorrow, Tuesday, February 4, 1958, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1546. A communication from the President of the United States, transmitting a proposed supplemental appropriation for the fiscal year 1958 in the amount of $10 million for the Department of the Interior and a proposed supplemental appropriation to pay claims for damages, audited claims, and judgments rendered against the United States, as provided by various laws, in the amount of $6,900,276, together with such amounts as may be necessary to pay indefinite interest and costs and to cover increases in rates of exchange as may be necessary to pay claims in foreign currency (H. Doc. No. 321); to the Committee on Appropriations and ordered to be printed.

1547. A letter from the Administrator, Veterans' Administration, transmitting the annual report of the Veterans' Administration as of June 30, 1957, pursuant to Public Law 536, 71st Congress, and Public Law 346, 78th Congress (H. Doc. No. 285); to the Committee on Veterans' Affairs and ordered to be printed with illustrations.

1548. A letter from the Deputy Administrator, Foreign Agricultural Service, Department of Agriculture, transmitting a report concerning agreements concluded under title I of the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480, 83d Cong.), pursuant to Public Law 128, 85th Congress; to the Committee on Agriculture.

1549. A letter from the Director, Bureau of the Budget, Executive Office of the President, transmitting a report on the operations of Bureau of the Budget Circular No. A-45 upon departments, agencies, and corporations of the Government, pursuant to section 208 of the General Government Matters Appropriation Act, 1958; to the Committee on Appropriations.

1550. A letter from the Director, Legislative Liaison, Department of the Air Force, transmitting the annual report on the progress of the flight training program, pursuant to the act of August 1, 1956, chapter 830 (70 Stat. 804); to the Committee on Armed Services.

1551. A letter from the Under Secretary of the Navy, transmitting a draft of proposed legislation entitled "A bill to establish a career pattern for officer-lawyers in the regular officer structure of the United States Marine Corps, and for other purposes"; to the Committee on Armed Services.

1552. A letter from the Chairman, District of Columbia Armory Board, transmitting the 10th Annual Report of the District of Columbia Armory Board, pursuant to Public Law 605, 80th Congress; to the Committee on the District of Columbia.

1553. A letter from the vice president, the Chesapeake & Potomac Telephone Co., transmitting a comparative general balance sheet of the Chesapeake & Potomac Telephone Co. for the year 1957, pursuant to the act of March 4, 1913; to the Committee on the District of Columbia.

1554. A letter from the vice president, the Chesapeake & Potomac Telephone Co., transmitting a statement of receipts and expenditures of the Chesapeake & Potomac Telephone Co. for the year 1957, pursuant to chapter 1628, acts of Congress 1904; to the Committee on the District of Columbia.

1555. A letter from the Comptroller General of the United States, transmitting the annual report on the activities of the United States General Accounting Office during the fiscal year ended June 30, 1957, pursuant to the Budget and Accounting Act of June 10, 1921; to the Committee on Government Operations.

1556. A letter from the Comptroller General of the United States, transmitting a report on the examination of the Spanish base construction program of the Departments of the Air Force and the Navy as of June 30, 1957, pursuant to the Budget and Accounting Act, 1921 (31 U. S. C. 53), and the Accounting and Auditing Act of 1950 (31 U. S. C. 67); to the Committee on Government Operations.

1557. A letter from the Chairman, Foreign Claims Settlement Commission of the United States, transmitting a draft of proposed legislation entitled "A bill to amend section 39 of the Trading With the Enemy Act of October 6, 1917, as amended"; to the Committee on Interstate and Foreign Commerce.

1558. A letter from the Acting Secretary of the Interior, transmitting a summary on contracts and the moneys expended thereunder, made by the Bureau of Indian Affairs for the fiscal year 1957, pursuant to the act of June 4, 1936 (49 Stat. 1458, 1459); to the Committee on Interior and Insular Affairs.

1559. A letter from the Acting Chief Commissioner, Indian Claims Commission, transmitting a report that proceedings have been concluded with respect to the following claim: *The San Juan Tribe of Indians, Petitioner, v. The United States of America, Defendant* (Docket No. 214), pursuant to the Indian Claims Commission Act of August 13, 1946 (60 Stat. 1055; 25 U. S. C. 70t); to the Committee on Interior and Insular Affairs.

1560. A letter from the Chairman, United States Atomic Energy Commission, transmitting the 23d Semiannual Report of the United States Atomic Energy Commission, pursuant to the Atomic Energy Act of 1954; to the Joint Committee on Atomic Energy.

1561. A letter from the Director, Administrative Office of the United States Courts, transmitting statistical tables reflecting the business transacted by the bankruptcy courts and other pertinent data for the fiscal year ended June 30, 1957, pursuant to section 53 of the Bankruptcy Act (11 U. S. C. 81); to the Committee on the Judiciary.

1562. A letter from the Administrator, Small Business Administration, transmitting the annual report of positions in the Small Business Administration established in grades GS-16, GS-17, and GS-18, pursuant to Public Law 854, 84th Congress; to the Committee on Post Office and Civil Service.

1563. A letter from the Chairman, United States Civil Service Commission, transmitting a report relative to positions in grades 16, 17, and 18 of the general schedule of the Classification Act of 1949, as amended, pursuant to Public Law 854, 84th Congress; to the Committee on Post Office and Civil Service.

1564. A letter from the Chairman, United States Tariff Commission, transmitting a draft of proposed legislation entitled "A bill to extend the inspection and subpena powers of the United States Tariff Commission, and for other purposes"; to the Committee on Ways and Means.

1565. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, relative to the cases of Chang Hui Chou, A-6142713, and Yun Ching Liu Chou, A-6916526, involving suspension of deportation under the Immigration and Nationality Act of 1952, and requesting that they be withdrawn from those before the Congress and returned to the jurisdiction of this Service; to the Committee on the Judiciary.

1566. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, relative to the case of Thomas Picinich, A-7873183, involving suspension of deportation under the Immigration and Nationality Act of 1952, and requesting that it be withdrawn from those before the Congress and returned to the jurisdiction of this Service; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mrs. GREEN of Oregon: Joint Committee on the Disposition of Executive Papers. Report on the disposition of certain papers of sundry executive departments (Rept. No. 1321). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. H. CARL ANDERSEN:

H. R. 10420. A bill to provide for incentive payments for the marketing of lightweight hogs; to the Committee on Agriculture.

By Mr. BECKER:

H. R. 10421. A bill to prohibit private employment agencies from recruiting minors for out-of-State employment without making certain findings; to the Committee on Education and Labor.

By Mr. BUCKLEY:

H. R. 10422. A bill to amend the Federal-Aid Highway Act of 1956 to increase the mileage of the National System of Interstate and Defense Highways, and for other purposes; to the Committee on Public Works.

By Mr. BURNS of Hawaii:

H. R. 10423. A bill to grant the status of public lands to certain reef lands and vesting authority in the Commissioner of Public Lands of the Territory of Hawaii in respect of reef lands having the status of public lands; to the Committee on Interior and Insular Affairs.

H. R. 10424. A bill authorizing the donation of certain surplus personal property to the Territory of Hawaii; to the Committee on Interior and Insular Affairs.

By Mr. CELLER:

H. R. 10425. A bill to amend section 2734 of title 10, United States Code, so as to authorize the Secretary of the Treasury to settle claims arising in foreign countries incident to noncombat activities of the Coast Guard; to the Committee on the Judiciary.

By Mr. CRAMER:

H. R. 10426. A bill to provide that the Federal-Aid Highway Act of 1956 (Public Law 627, 84th Cong., ch. 462, 2d sess.) shall be amended to increase the period in which actual construction shall commence on rights-of-way acquired in anticipation of such construction from 5 years to 7 years following the fiscal year in which such request is made; to the Committee on Public Works.

By Mr. CRETELLA:

H. R. 10427. A bill to amend the Shipping Act, 1916, to provide for licensing independent foreign freight forwarders, and for other purposes; to the Committee on Merchant Marine and Fisheries.

H. R. 10428. A bill to protect the right of the blind to self-expression through organizations of the blind; to the Committee on Education and Labor.

By Mr. DELLAY:

H. R. 10429. A bill to increase the rates of basic salary of employees in the postal field service; to the Committee on Post Office and Civil Service.

H. R. 10430. A bill to adjust the rates of basic compensation of certain officers and employees of the Federal Government, and for other purposes; to the Committee on Post Office and Civil Service.

H. R. 10431. A bill to provide for improved methods of stating budget estimates and estimates for deficiency and supplemental appropriations; to the Committee on Government Operations.

By Mr. DENTON:

H. R. 10432. A bill to amend the Agricultural Act of 1949, as amended; to the Committee on Agriculture.

By Mr. DEROUNIAN:

H. R. 10433. A bill to prohibit private employment agencies from recruiting minors for out-of-State employment without making certain findings; to the Committee on Education and Labor.

By Mr. DINGELL:

H. R. 10434. A bill to amend the National Labor Relations Act with respect to the effect of State laws on union shop agreements; to the Committee on Education and Labor.

By Mr. GEORGE:

H. R. 10435. A bill to provide minimum price-support levels for whole milk and butterfat during the 2-year period beginning April 1, 1958; to the Committee on Agriculture.

By Mr. GLENN:

H. R. 10436. A bill to provide for the procurement and installation of mechanism for recording and counting votes in the House of Representatives; to the Committee on House Administration.

By Mr. HARRIS:

H. R. 10437. A bill to authorize the Secretary of Commerce to undertake certain activities at the request of public or private parties at the expense of the requesting party and for other purposes; to the Committee on Interstate and Foreign Commerce.

H. R. 10438. A bill to provide for the issuance of dealers' aircraft registration certificates; to the Committee on Interstate and Foreign Commerce.

By Mr. HARVEY:

H. R. 10439. A bill to amend the National Security Act of 1947, to provide for the coordination and integration of policies and procedures with respect to Federal programs in the fields of science and technology; to the Committee on Armed Services.

By Mr. HORAN:

H. R. 10440. A bill to provide a minimum initial program of tax relief for small business and for persons engaged in small business; to the Committee on Ways and Means.

By Mr. KEARNS:

H. R. 10441. A bill to protect the right of the blind to self-expression through organizations of the blind; to the Committee on Education and Labor.

By Mr. KING:

H. R. 10442. A bill to provide that a foreign tax credit need not be adjusted where a difference between taxes accrued and taxes paid resulted from a difference in the rate of exchange and where the taxpayer was not permitted to convert the amount of the tax; to the Committee on Ways and Means.

H. R. 10443. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claims of the State of California; to the Committee on the Judiciary.

By Mrs. KNUTSON:

H. R. 10444. A bill to expand and extend the loan program for bona fide fur farmers, and for other purposes; to the Committee on Agriculture.

By Mr. KRUEGER:

H. R. 10445. A bill to change the name of the reservoir above Garrison Dam and known as Garrison Reservoir or Garrison Lake to Lake Sakakawea; to the Committee on Interior and Insular Affairs.

By Mr. McGOVERN:

H. R. 10446. A bill to protect the right of the blind to self-expression through organizations of the blind; to the Committee on Education and Labor.

By Mr. McINTIRE:

H. R. 10447. A bill to provide a preliminary examination and survey of Prospect Harbor, Maine, in the interest of navigation; to the Committee on Public Works.

By Mr. MACHROWICZ:

H. R. 10448. A bill to repeal the manufacturers' excise tax on passenger automobiles and trucks; to the Committee on Ways and Means.

By Mr. MAHON:

H. R. 10449. A bill to amend section 3 of title 35 of the United States Code, expressly providing for an Assistant Commissioner of Trademarks; to the Committee on the Judiciary.

By Mr. MILLER of California:

H. R. 10450. A bill to authorize the construction and sale by the Federal Maritime Board of a passenger vessel for operation in the Pacific Ocean; to the Committee on Merchant Marine and Fisheries.

By Mr. MOULDER:

H. R. 10451. A bill to grant a pension of $100 per month to all honorably discharged veterans of World War I who are 60 years of age; to the Committee on Veterans' Affairs.

H. R. 10452. A bill to incorporate the Veterans of World War I of the United States of America; to the Committee on the Judiciary.

By Mr. MULTER:

H. R. 10453. A bill to create a Small Business Capital Bank System to make available to small business a source of equity and long-term loan capital where such capital is not available on reasonable terms from existing private sources; to transfer to such system all funds which are presently available under section 13b of the Federal Reserve Act for loans to industrial and commercial firms, together with certain other funds out of the surplus accounts of the Federal Reserve banks, and for other purposes; to the Committee on Banking and Currency.

By Mr. O'KONSKI:

H. R. 10454. A bill to establish a scholarship program to train scientists and technicians, to provide that scholarship beneficiaries shall be obligated to serve in the Armed Forces upon completion of their education, and for other purposes; to the Committee on Education and Labor.

By Mr. PORTER:

H. R. 10455. A bill to prohibit discrimination because of age in the hiring and employment of persons by Government contractors; to the Committee on the Judiciary.

By Mr. PRICE:

H. R. 10456. A bill to amend the National Science Foundation Act of 1950 in order to provide for certain educational programs; to the Committee on Interstate and Foreign Commerce.

By Mr. RAINS:

H. R. 10457. A bill to amend the National Housing Act to authorize the Federal Housing Commissioner to purchase certain insured

mortgages for the purpose of avoiding foreclosure in cases where the mortgagor is in financial straits for reasons beyond his control and could not otherwise retain his property; to the Committee on Banking and Currency.

H. R. 10458. A bill to authorize the use of additional funds for the 1958 cotton-acreage reserve program; to the Committee on Agriculture.

By Mr. SPENCE:

H. R. 10459. A bill to increase the lending authority of the Export-Import Bank of Washington, and for other purposes; to the Committee on Banking and Currency.

By Mr. TALLE:

H. R. 10460. A bill to increase the lending authority of the Export-Import Bank of Washington, and for other purposes; to the Committee on Banking and Currency.

By Mr. TEAGUE of Texas (by request):

H. R. 10461. A bill to amend section 315 (m) of the Veterans' Benefits Act of 1957 to provide a special rate of compensation for certain blind veterans; to the Committee on Veterans' Affairs.

H. R. 10462. A bill to amend section 201 of the Servicemen's and Veterans' Survivor Benefits Act to provide for paying dependency and indemnity compensation to the survivors of certain deceased veterans having serious service-connected disabilities; to the Committee on Veterans' Affairs.

H. R. 10463. A bill to amend section 620 of the National Service Life Insurance Act of 1940 to authorize the granting of insurance under that section on a premium paying basis to certain veterans having total service-connected disabilities; to the Committee on Veterans' Affairs.

By Mr. VAN ZANDT:

H. R. 10464. A bill to amend the National Science Foundation Act of 1950 in order to provide for certain educational programs; to the Committee on Interstate and Foreign Commerce.

By Mr. WALTER:

H. R. 10465. A bill to amend the act of September 11, 1957; to the Committee on the Judiciary.

By Mr. CELLER:

H. J. Res. 522. Joint resolution to authorize the Attorney General to establish an Institute of Corrections for the training and instruction of corrections personnel selected by States and their municipal subdivisions in the field of correctional methods and techniques; to the Committee on the Judiciary.

By Mr. MERROW:

H. J. Res. 523. Joint resolution to designate the 1st day of May of each year as Loyalty Day; to the Committee on the Judiciary.

By Mr. THOMPSON of New Jersey:

H. J. Res. 524. Joint resolution granting the consent of Congress to the States of Connecticut, Massachusetts, New Jersey, New York, Pennsylvania, and Rhode Island to enter into a compact to provide uniform tax treatment of nonresidents; to the Committee on the Judiciary.

By Mr. O'HARA of Illinois:

H. Con. Res. 256. Concurrent resolution to extend greetings of the United States to the Government and people of Israel on the occasion of the 10th anniversary of the independence of Israel, and for other purposes; to the Committee on Foreign Affairs.

By Mr. MORANO:

H. Con. Res. 257. Concurrent resolution to extend greetings of the United States to the Government and people of Israel on the occasion of the 10th anniversary of the independence of Israel, and for other purposes; to the Committee on Foreign Affairs.

By Mr. BYRNE of Illinois:

H. Res. 470. Resolution expressing the sense of the House that those of the several States and Territories which have not done so should enact into law the substance of the Uniform Vehicle Code, Act I; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AYRES:

H. R. 10466. A bill for the relief of Djuro Tasich; to the Committee on the Judiciary.

By Mr. BAUMHART:

H. R. 10467. A bill for the relief of Kim Yong Joo; to the Committee on the Judiciary.

By Mr. COOLEY:

H. R. 10468. A bill for the relief of Earl Guyton; to the Committee on the Judiciary.

By Mr. CRETELLA:

H. R. 10469. A bill for the relief of Domingos Vaz Gomes; to the Committee on the Judiciary.

By Mr. GUBSER:

H. R. 10470. A bill for the relief of Maria Burzio; to the Committee on the Judiciary.

By Mr. HOLMES:

H. R. 10471. A bill for the relief of Ronald Dee Tedrow and Jock Angus Tedrow; to the Committee on the Judiciary.

By Mr. McINTIRE:

H. R. 10472. A bill to authorize and direct the Secretary of the Treasury to cause the vessel *Eugenie II*, owned by J. C. Strout of Millbridge, Maine, to be documented as a vessel of the United States with full coastwise privileges; to the Committee on Merchant Marine and Fisheries.

By Mr. MONTOYA:

H. R. 10473. A bill for the relief of Hipolito C. DeBaca; to the Committee on the Judiciary.

By Mr. O'KONSKI:

H. R. 10474. A bill for the relief of Theodore Allen Norris; to the Committee on the Judiciary.

By Mr. SCOTT of Pennsylvania:

H. R. 10475. A bill for the relief of Clarita Martinez; to the Committee on the Judiciary.

H. R. 10476. A bill for the relief of Carmen Gallardo Trejo; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

No Change in REA Financing Without Thorough Study Proves Justified

EXTENSION OF REMARKS

OF

HON. CHARLES W. VURSELL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 3, 1958

Mr. VURSELL. Mr. Speaker, I have been concerned, as have other Members of Congress, with some language in the budget with reference to the discussion of REA electric power, which I quote as follows:

> Approximately one-half of REA electric power now goes to rural industrial and nonfarm residential consumers, and in the future these nonfarm users will count for a large share of the increasing demands. This situation together with the present state of development of rural electric cooperatives, clearly indicates that it would be in the public interest to broaden the source of capital from which the REA cooperatives may obtain the financing necessary for continued growth and adequate service to consumers.

And, here is the language that further disturbs me:

> Therefore, legislation will be proposed (1) to assist both electric and telephone borrowers to obtain financing from private sources where the security is adequate, and the loans can be paid within a reasonable time, and (2) as previously mentioned in this message, to adjust interest rates on future loans for loan programs to meet the Government's cost.

Mr. Speaker, this language indicates some concern about the great increase of industrial powerload, and nonfarm residential consumers that are now being serviced by the REA. Elsewhere in the discussion, this increase in the nonfarm powerload is referred to.

Mr. Speaker, in a bulletin from the Agriculture Department, under date of January 10, 1958, it is pointed out "95 percent of our farms now have central station electric power"; that "total energy sales by REA borrowers exceeded 19 billion kilowatt-hours, while nonfarm consumers used about one-half of this energy."

These statements from the budget and the Department of Agriculture indicate that this is a part of the problem referred to; and the reference to adjusting interest rates on future loans for all loan programs to meet the Government's costs appears to be the other problem. There has been some demand in the Congress during the past year that money loaned for college housing and to REA cooperatives and to any department of Government should bear an interest rate equivalent to the cost incurred by the Federal Government in borrowing its money from the people through the sale of bonds and securities.

Until legislation is offered setting out clearly the mode of financing REA and telephone loans, in whole or in part, from private sources, it is difficult to determine just how such financing can be carried out, and at the same time give REA the type of reasonable interest rates and sound financing in the future it has had in the past.

Mr. Speaker, it seems to me, and I think the Congress should and will take the position, that no change shall be made in the present financing of REA, until a thorough study proves that any change is needed. The Congress will want to be assured that such change in the legislation will be fair and adequate to the REA cooperatives, so that REA may continue to make its great contribution to agriculture and the economy of the Nation.

The over 900 REA cooperatives, each a separate cooperative organized and managed by the farmers through their own elected and separate boards of directors, is one of the finest examples of free enterprise at the grassroots of the country that has ever been developed.

PROGRESS OF RURAL ELECTRIFICATION AND TELEPHONE SERVICE

Let us look at its record of accomplishment to our Nation. The rural electrification and rural telephone programs have contributed substantially to the economic development of rural America. The availability of electric power in heretofore unserved rural areas has brought about improved farming conditions and methods, a higher standard of living, and has attracted industrial development and a variety of nonfarm rural consumers. Rural America is becoming increasingly attractive to people and industry because of the availability of electric and telephone service.

Rural electric systems that have availed themselves of REA financing serve more than 4.4 million consumers; an increase of about 600,000 consumers received service during the past 5 years. This rate of growth—more than 100,000 a year—is expected to continue.

ALL LOAN NEEDS MET

Rural-electrification loans now total $3.6 billion. Legitimate and feasible loan needs are being met with a record promptness. In the past 5 years the loans have totaled $824 million.

COST OF POWER DOWN

Rural electric systems in calendar year 1957 purchased power at the lowest wholesale cost in REA history—$7\frac{1}{10}$ mills per kilowatt-hour on the average. The average retail rate dropped to an all-time low of 2.23 cents per kilowatt-hour.

Mr. Speaker, this reflects credit not only to the REA management, but credit as well to the 5 years of this administration.

EXCELLENT REPAYMENT RECORD

Mr. Speaker, REA has a good repayment record. On the nearly $3.5 billion loaned, there has been paid approximately $930 million in principal and interest. The borrowers' payments against loan maturities were 99.985 percent of the total amount which had become due by December 31, 1957. In addition, the borrowers had at that time a balance of payments in advance of due date amounting to about $117 million.

Mr. Speaker, it is a proven fact that the Treasury has had a cushion of some $40 million for the past several years paid in advance to the Government by the REA at 2 percent when the Government was borrowing money for less than that for a number of years in the past.

Actual loan losses during the life of the program have been less than $50,000. Only a very small number of electric borrowers now are delinquent in loan repayments.

These accomplishments reflect great credit to the rural men and women who are largely responsible for making this outstanding record.

Throughout the United States, the farmers, in organizing these REA cooperatives, have given millions of dollars worth of their time and effort, free of any charge, because they visualized the great good it would bring to the farm people of America. The farm directors of these cooperatives have developed a record of business ability and administration that has not been surpassed, and seldom equalled by any business organization in America.

These cooperatives employ thousands of men and women with steady jobs, with practically no labor trouble and no strikes.

To a very large extent, they have helped to modernize the countryside, and have brought to its people the conveniences, the entertainment, and culture which a quarter of a century ago were enjoyed only by the people in the towns and cities of the Nation.

The REA also has contributed greatly to the economic development of every rural community.

Mr. Speaker, the electrification of rural America has opened up a farm market for billions of dollars of electrical appliances—the manufacturing of which has expanded business in the cities, employing additional millions of men and women.

Thousands of returning veterans now have prosperous small businesses, retailing and servicing the many electrical appliances—greatly increased by farm ownership.

When the question of low interest rates to REA is raised, if we consider the increased income tax receipts going into the Treasury from the wages of millions of laborers employed manufacturing these appliances, and the additional millions in taxes flowing into the Treasury from those who sell this greatly expanded volume of electrical appliances, we must conclude that the small amount in interest rates sacrificed to the REA cooperatives has increased the tax flow into the Treasury many-fold millions of dollars annually—more than the small benefits in interest rate granted to the REA.

Of all the many other business organizations assisted by the Government, not a single one has made such a contribution to so many American citizens and made such a financial contribution to the economy of the country and increased income in taxes to the Federal Treasury.

Mr. Speaker, let us not point only to REA as the recipient of low-cost money. This issue also applies to other governmental operations, and should be considered in its entirety.

Mr. Speaker, if there is an overload of industry locating in the rural areas to secure REA light and power, or if the Government insists upon an increase in interest rates to meet the Government's cost of money loaned to such agencies of Government, a thorough study of this entire problem should be made, and all the facts bearing on the problem should be evaluated before any hasty action is taken by this Congress.

Mr. Speaker, the President could appoint a commission with members representing the executive department, and the other members to be appointed from the membership of the House and Senate, selected by the leaders of the two bodies. Such a commission would have the authority to make this study I have just referred to, and report its findings at the opening of the next Congress. Certainly, all the facts should be determined before any action is taken by Congress which would in any way affect the great $3\frac{1}{2}$ billion REA organization, which is doing such a splendid job furnishing light and power to the rural areas of America.

Such a commission, in making a study of all low rate Government loans, would bring out all of the facts and make their report to the Congress. It would give the Members of Congress an opportunity to evaluate the facts and make a fair and intelligent decision. If the facts prove that rates should be adjusted upward on such Government borrowings, the Congress could take such action.

Mr. Speaker, if the Congress was convinced and placed a minimum borrowing rate equal to the cost paid by the Government, the farmers of America, who only want what is fair, would be the first to say, "We are willing to pay a just and equitable rate to the Government for the money we borrow."

Mr. Speaker, no action should be hastily taken that might impair the present and future long range financing of the great REA organization until such a real study is made and all the facts given to the Congress and the executive department of the Government.

Education in the Interest of National Security

EXTENSION OF REMARKS

OF

HON. CARROLL D. KEARNS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 3, 1958

Mr. KEARNS. Mr. Speaker, the subject of education is controversial and controversy breeds confusion. I should like today to try to dispel some of the confusion that apparently surrounds the education program set forth in H. R. 10278, which I have introduced on behalf of the administration.

This is a program to strengthen education in the interests of national security. It is not a cure-all. It does not aim at trying to do everything at once. In particular, it avoids the attempt to do things that are beyond the proper scope of any Federal undertaking.

No Federal program can or should attempt to accelerate the consolidation of small and uneconomical school districts.

No Federal program can or should attempt to remove unreasonable restrictions on bonded indebtedness or reform outmoded assessment practices.

No Federal program can or should attempt to bring some kind of sensible order out of the crazy quilt of taxing jurisdictions.

No Federal program can or should attempt to reapportion State legislatures so as to give more equitable representation to metropolitan areas.

No Federal program can or should attempt to impose higher and more rigorous standards of academic achievement.

All these things are important to education. Action to correct them is urgently needed. We must look for such action, however, not to the Fedral Government but to the States, to local school systems, and to an aroused citizenry.

In the final analysis, the Federal Government has open to it only two possible approaches to the needs of education. One is simply to make available large amounts of money without any designation of the purpose for which it is to be used, hoping that some of it will be applied to strengthening those aspects of education most significant to the national security.

The other—the more efficient and the more consonant with the traditional role of Federal grant-in-aid programs—is to provide funds to encourage greater State and local attention to specific problems of paramount concern to the national interest and national security.

Mr. Speaker, I am convinced that the second is the sounder course. I am convinced, moreover, that in this a great majority of our colleagues are agreed. The bill which I have been privileged to sponsor follows this course.

The program set forth in that bill has been given many misleading labels in recent days. It has been called a billion-dollar-scholarship program. It is not that. It does include scholarships, but as one part of a three-part approach to the problem of inducing a higher proportion of our bright and talented high-school students to go on to college. The total cost of scholarships would be less than 10 percent of the cost of the entire program.

It has been called a teacher-pay bill. It is not that. It does permit local school systems, if they see fit to do so, to apply the matching funds made available for strengthening the teaching of science and mathematics to the payment of qualified teachers of these subjects. This would be done, however, only where a local school system concludes that additional teachers are needed in order to expand and improve the teaching of these subjects, or where qualified teachers of science or mathematics cannot be attracted or retained without the inducement of extra pay. But the local school systems would be equally free to use the funds instead of laboratory equipment, visual aids, reference materials, or for other purposes best suited to local needs.

This part of the program follows the pattern first established 40 years ago in vocational education. The Smith-Hughes Act and the George-Barden Act are almost exact precedents. The only difference—aside from the substitution of mathematics and science for agricultural and mechanical arts—is that under the new program the States and local school systems would not have to meet so many conditions in order to qualify for Federal matching funds.

The program has been called a patchwork of unrelated proposals. It is not that. Each of its elements is directed toward a specific aspect of education which has important bearing on the national security. It would help reduce the waste of talented youth. It would stimulate improvement in the teaching of mathematics and science. It would provide for in-service training of elementary and secondary school teachers of languages, and for centers of training in the so-called rare languages. It would substantially expand the output of fully trained college teachers. It would enable the Office of Education to cooperate with State departments of education in collecting data bearing on the progress and needs of education.

These are the purposes of this program. I submit, Mr. Speaker, that the unifying principle which binds them all together is a single-minded concern for strengthening education to meet the needs of national security.

I urge my colleagues to bear these needs in mind as during the days ahead we deliberate upon the subject of education.

Remarks of Secretary of the Treasury Robert B. Anderson Before the Mississippi Valley World Trade Conference

---

EXTENSION OF REMARKS

OF

HON. HALE BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 3, 1958

Mr. BOGGS. Mr. Speaker, under leave to extend my remarks, I include an excellent talk made by Secretary Anderson.

I commend these remarks to all of the Members of Congress:

REMARKS BY SECRETARY OF THE TREASURY ROBERT B. ANDERSON BEFORE THE MISSISSIPPI VALLEY WORLD TRADE CONFERENCE AT THE ROOSEVELT HOTEL, NEW ORLEANS, LA., JANUARY 28, 1958

It is a real pleasure for me to revisit the lovely city of New Orleans and to meet with you at your 13th Mississippi Valley World Trade Conference. I have already had an opportunity to see many old friends and I notice a good many others here in the audience tonight.

In the framework of history, America has always been a Nation dedicated to friendship with others—in actions as well as words. From the time of the first ships that sailed from the harbor of New Orleans with the products of the Mississippi Valley, American traders have opened the way for friendly exchanges with other nations, exchanges of ideas as well as goods and services.

Today, as the President recently pointed out, we are the world's greatest trading nation, with world trade providing employment for 4½ million American workers. Yet our most valuable export, and the one most prized by others, is still—as it was in 1776—the concept of freedom and humanity for which our Nation stands.

In recent years, as the threat of Communist enslavement has grown, we have extended a helping hand to others on a scale never before known in the world's history. We have not just talked freedom; we have entered into arrangements for mutual security. And the Free World has attained a strength which only an alliance of independent and self-respecting peoples can achieve. No free nation is cowering in fear of America, and no free nation ever will.

There are certain profound convictions with which I approach all our international relations. They are convictions which I have held throughout a lifetime. The first conviction is this: No difference exists between free nations as to the objectives we seek. They are objectives that can be defined only in terms of freedom, human well-being, and progress. We all agree that man does not exist to enhance the importance and power of the state. The state should respect man in his dignity as a child of God, to preserve his rights as an individual, and provide opportunities which will release the full creativeness of every human being.

This is the end we seek when we speak of promoting commerce, industry, agriculture, and development of all of our resources. We promote them because they make for the better employment of our citizens, better homes for our families, better education for our children, greater satisfaction of our aspirations; in short, a better world for all of us.

A second conviction which I hold strongly is that there is no question incapable of resolution if reasonable men of good will bring to bear on it their best and united efforts. This is one of the strengths of our democratic system.

My third great conviction is that the progress and welfare of every free nation is closely related to the progress and welfare of each. We cannot afford to be indifferent to the problems and the suffering of others. Freedom is indivisible. Our best interests clearly lie in pursuing a policy of cooperation.

A basic aspect of this policy of cooperation is a firm determination on the part of our own country to preserve a climate that will lead to the maintenance of dynamic growth. A fixed point in our national policy is the avoidance of any return to the depressed conditions of an earlier decade. Such avoidance insists on growing markets and demands here and abroad.

Let us look for a moment at the importance of world trade to the Mississippi Valley:

In 1956, which is the latest full year for which we have the figures, nearly $2 billion of world commerce moved through the New Orleans district, and almost two-thirds of this amount was in exports.

On a national basis, excluding our military aid to foreign countries, our merchandise exports in that year represented over 4 percent of our Nation's output. Measured in terms of movable goods—that is to say, excluding services, construction, and retail distribution values, which are not exportable—you will find that our exports were around 9 percent of our national production.

To give you some indication of the importance of these export figures, they were as large as our total consumer purchases of automobiles; they equalled our entire output of crude and prepared minerals; they were as large as the incomes of farmers from their crops or livestock.

Perhaps we can best understand the importance of world trade by reviewing our national experience in retrospect.

In the brief years between the Continental Congress and the Constitutional Convention each individual State retained the power to control its trade, not only with other countries but with other States as well. That previous experience made it abundantly clear that our survival and prosperity of the Nation required broader opportunities to develop our resources and wider markets to employ them most effectively.

Our Constitution recognized this requirement by virtually eliminating the barriers to trade among the States.

There is a story-book flavor to the success we have attained in enriching our material well-being through the opportunities for trade which were created and sustained in the union of our States. The common interest and common destiny which these opportunities offered welded a strong Nation politically and economically.

The lesson of our experience has not been lost on the other countries of the Free World. In their search for protective strength and growth in material advantages for their people, they seek to match our achievements. We can assist them in pursuing this course, and at the same time gain real benefits for ourselves.

We have already pointed out the importance of world trade in general terms, but let us look for a moment at some specific examples of our own self-interest. About 40 percent of the track-laying tractors we produce, 26 percent of construction and mining equipment, 19 percent of the trucks, 14 percent of the coal, and between 25 and 40 percent of the cotton, wheat, rice, fats and oils, and tobacco we produce are sold abroad.

Perhaps equally important in the long term to our continuing prosperity and the further improvement of our standard of living is our growing dependence upon other countries for vital materials and supplies. Our imports may look small in comparison with our total national production—they are only about 3 percent of the total, or a little over 6 percent of the movable goods we produce. But for many commodities we are much more dependent upon imported supplies. For example, we now obtain from foreign sources almost one-fourth of our iron ore, one-third of our copper and rubber, over half of our raw wool, the great bulk of our supplies of tin, nickel, aluminum, and newsprint, and most of our supplies of ferro alloying ores and metals which are essential to the manufacture of modern equipment from machine tools to jet aircraft.

Looking ahead to the future, we may be certain that as our population grows and our production expands, and as we dip further into our own heritage of resources, we will have to turn more and more to foreign sources to maintain the efficiency of our production and our standard of living. To pay for these imports, we shall have to find expanding markets for our own exports. A prudent regard for our own future needs would, alone, favor continued effort to seek reductions in trade barriers which bar our exports—a policy which we have been following through the authority granted under the various Trade Agreement Acts which have been in effect without interruption since 1934 under both major political parties.

In recent years, the Sino-Soviet bloc has added a new weapon in its conflict with the Free World. Beginning in about 1953 the bloc launched a series of economic programs designed to gain greater influence in the less-developed countries of the Free World, particularly in the vast areas of Asia and Africa. In these regions new nations are struggling for economic improvement, and the bloc is offering increased trade in an effort to promote its own political objectives. During the period from 1954 to 1956 the trade of the bloc with the less-developed countries rose about 70 percent. In 1956, trade with the bloc constituted more than 20 percent of the total foreign trade of Afghanistan, Iceland, Egypt, Yugoslavia, and Burma; about 17 percent of Turkey's foreign trade; and 12 percent of Iran's.

The bloc is able to carry out an economic offensive of this sort effectively because it conducts its foreign trade as a state monopoly, and so can mix its politics with its business. Expanded capital goods production in the bloc, and its demands for food and raw materials, provide an economic basis for the expansion of trade with the less-developed countries of the Free World. Offers of the bloc to increase trade have met a favorable response in many of the less-developed countries which are in search of markets for their own products.

These moves to link the economies—and hence the political destinies—of the less-developed countries to the Sino-Soviet bloc present both a threat and a challenge to the Free World. These countries are increasingly aware that trade tied to political motivations rather than commercial considerations is likely to be unstable and is not promising in the long term. Some of them also question the capacity of the bloc to deliver the types and qualities of goods they require. But the problem they face is one of alternatives. If the nations of the Free World which are most advanced industrially recede from sound trade policies, the less-developed countries may move into closer relations with the bloc.

Our choice is particularly fateful at this time because the less-developed countries of the free world may stand at the threshold of marked change. As these countries are moving to expand their economic development, the shape of the future is being molded. If their growth takes place in economic isolation, they will fail to achieve their highest destiny. The Free World will be fragmented politically and its economies divided. Should the less developed countries turn to the Sino-Soviet bloc to provide markets and supplies for their growing industries, we would lose vital sources of raw materials and potential markets as well as political allies.

We must all have regard for the maintenance of our national strength—military and economic. We must cooperate to exchange not only skills and resources but goods and mutual confidence as well.

Only if we affirm now a solid and enduring foundation for the growth of trade among the nations of the Free World can we hope to link our strength with theirs and join with them in new achievements of material and spiritual well-being.

In the period since the end of the Second World War, there has been a great resurgence of American private investment in foreign countries. This flow of private capital has brought with it the managerial skills and technical excellence which have been the foundation of our own economic growth and which is playing a vital role in the development of industry and trade throughout the world.

If American investors and businessmen are to continue the expansion of their activities abroad, they will require assurance that the profits they earn may eventually be remitted in dollars, and the capital shifted if other ventures are considered more desirable. The transfer of values from one country to another must in the last analysis be made in the form of goods and services. It will be clear, then, that the movement of goods across international boundaries on a mutually beneficial basis is crucial if we are to encourage private enterprise and private capital to do their part most effectively in developing the industries of the Free World, and so diminish reliance on governments to do the job.

In all these efforts we must take action to assure that the President is amply authorized to safeguard the markets of American industry and agriculture in the very important area of the world which has made common market arrangements and is contemplating the extension of those arrangements through a proposed free trade area.

We in this country can never permit ourselves to forget that the responsibility for the ultimate success of this and all national policies lies with the people, with each of us individually. Leadership can show the way. But as our history has proved many times, very little can be accomplished in the long run unless the people themselves understand and support the policies as necessary and right.

In our generation, we are entering a new age, an age in which the physical distances separating countries and continents have almost lost their meaning. Four centuries ago the knowledge that mankind lived on a ball whirling in space was gradually permeating the countries of Western Europe, and this knowledge underlaid the discovery of the New World.

Today, the vastness of outer space has become the New World. Each nation's concept of its position in relation to others has taken on a wholly new meaning. Time is running out for any country that would choose to "go it alone."

We know that the space age—whatever else it may bring, has created and will continue to create many new and difficult problems in the field of international relations. You who have daily contact with the practical problems of world trade have a serious responsibility in the broader area of national policy.

The Nation deserves not only your understanding, but your enlightened help in making the relationship between freedom and trade fully appreciated and understood here and abroad. You could make no greater contribution to peace and freedom. You could have no greater opportunity to justify the blessings of peace and material prosperity.

Trinity Church Plan Foundation, Atlanta, Ga.

EXTENSION OF REMARKS
OF
HON. JAMES C. DAVIS
OF GEORGIA
IN THE HOUSE OF REPRESENTATIVES

Monday, February 3, 1958

Mr. DAVIS of Georgia. Mr. Speaker, under our constitutional separation of church and state, our churches are about the only segment of American life which cannot directly or indirectly tap the United States Treasury for subsidies, grants, support, handouts, or financial assistance in any form. I regard this as proper as does every other American. No one would want to change this. It has placed the religious life of our Nation on an absolutely independent and self-reliant basis. American churches have not suffered as a consequence.

Each denomination and in many cases each church has had to solve its own financial problems. It may be of possible interest to other Members of this House to learn a few details of the Trinity Church Plan Foundation of Atlanta, Ga. Started only a year ago, this foundation has already succeeded in helping 35 churches of 9 different denominations in 9 States from Georgia to New Mexico. Twenty-four banks in nine States participated in the bond selling program which raised $2,084,500 for church and church annex buildings.

The Trinity Church Plan Foundation is a nonprofit organization. Its method of raising funds for churches and auxiliary church buildings is that church members are not asked for gifts or pledges. Instead they are given an opportunity to invest in bonds issued by their own church, these bonds paying 5

percent and maturing in 13½ years. Each church sets up a sinking fund in a local bank to finance interest payments and retirement of bonds.

Leaving Our Debts to the Next Generation

EXTENSION OF REMARKS
OF
HON. HAROLD R. COLLIER
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Monday, February 3, 1958

Mr. COLLIER. Mr. Speaker, acknowledging our responsibilities to our constituents is an occupational pastime in Congress. Certainly I am not adverse to it. In fact, I am heartily in accord with it even when it is a coincidental process in attracting votes.

But, I submit, Mr. Speaker, that the subject of responsibilities as I have heard them discussed has failed to point out one in particular which certainly merits special consideration by this esteemed legislative body. I refer to the responsibility of fiscal prudence to the youngsters of the generations to follow us. It seems to me that the course of Federal spending during the past three decades has frequently shown an utter disregard for the next generation. There is not a man or woman in the Congress of the United States today who will live to see the astronomical national debt even paid in part if we pursue the pattern of the past and present. By simple arithmetic, one deducts the sad fact that it will take 50 years to pay off the national debt—not including interest—if we found a means of making payments of $5,500,000,000 per year starting right now. But, if we continue to go on as we have in the past three decades, our children and our children's children will be left with a Nation so mortgaged that it will be void of any individual incentive or initiative.

Perhaps we may justify this burden which we apparently are satisfied to bequeath to the unsuspecting youngsters romping in the schoolyards today, by saying we are leaving assets along with the liabilities. But, in reality, how happy can one be in inheriting a home upon which he may well have to give up all else just to meet the mortgage payments?

Spending today without consideration for the next generation is nothing more than telling our children and our grandchildren that we do not particularly care what happens to them. In fact, we are going to leave them a big, fat bill for the spending we have done for them—even before many have drawn their first breath or have seen the light of day for the first time. What a grand heritage.

Strange it is that most parents, almost instinctively, are willing to make personal sacrifices for their children to provide a better future for them. We save today to accumulate enough to send them to school to provide a better education that they might avail themselves of both the material and esthetic things in life. But, do we stop to consider that by going to the Federal Government with every desire and need striking our fancy, that we are simply passing the tab on to these same youngsters who will have to pay it by one means or another?

Perhaps it is too bad the youngsters of the next generation do not have a lobby here in Washington to protect their interests in the dollars they have yet to earn.

Aroused but Not Afraid

EXTENSION OF REMARKS
OF
HON. PAUL B. DAGUE
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, February 3, 1958

Mr. DAGUE. Mr. Speaker, shortly following the launching of the Russian space satellite I had the occasion to address an audience in my District and took the opportunity to flatly state that the Communist achievements, while impressive, did not scare me in the least. The disappearance of Sputnik I and the diminishing orbit of Sputnik II indicate that they are temporary devices of scientific importance of but little or no military significance. Their real importance, however, rests in the fact that they have served to arouse the administration, the Congress, and the American people to the necessity of getting on with the job of perfecting our own missile and satellite program. Our Explorer satellite, now circumnavigating the globe, indicates that we are doing just that.

In assaying the relative strength of the American and Soviet advances in these fields we have to take into account, and at the same time discount, those who are trying to scare this Nation into a crash program. First, of course, are those politicians who have a yen for higher office and are using defense as a promotion vehicle. Then there are those columnists who are having a field day with a subject on which there are few with enough experience to challenge them. And, of course, there are the military professionals who give the advancement of their own careers and their particular service a high priority. And, too, there are the scientists and the educators who see the present situation as ideal for the upgrading of their professions. All of these folks are patriotic Americans, but it must continue to be the responsibility of the rest of us to see that they do not scare us or overpersuade us into doing something that will not give us a superior retaliatory force and one that will be in time.

Speaking of standing fast and refusing to be scared, I believe that the article by Constantine Brown appearing in the January 22 issue of the Evening Star gives us a shining example in fortitude as displayed by our staunchest allies, the Turks.

Mr. Brown reminds us that the Turks have been under attack by the Russians on innumerable occasions and that their experiences have trained them to be neither swayed nor dismayed by the threats from the north of their border. In the words of Mr. Brown:

> There is an inclination by many leaders in the West to regard the Russians as supermen. Not so those close to the borders for whom Russia, be it czarist or Communist, has always been a problem which was licked.

And then further along in his article he has this to say:

> New weapons have made their appearance during and after every major war known in history. They always give the impression of being the latest, which makes wars so destructive that they cannot be fought any longer by those who do not possess them. But, eventually, antidotes are developed by hard work and determination not to succumb to the bully. What defeats a nation or a coalition is the fear that it cannot compete with the bully without suffering too much loss.

That is the fear that must not be allowed to possess us. That is the compulsion that must fire us to get on with the job at hand.

Retail Clerks Versus Montgomery Ward

EXTENSION OF REMARKS
OF
HON. ALVIN E. O'KONSKI
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Monday, February 3, 1958

Mr. O'KONSKI. Mr. Speaker, labor-management stability apparently will become a significant domestic issue during the balance of the present year. Indeed, the economic well-being of the country is inextricably related to the problem of labor peace. In this regard I have had occasion to look into the facts surrounding the current labor dispute existing between the retail clerks unions and the management of Montgomery Ward & Co. That company is one of the large retail organizations of this country. Its labor policies and practices effect hundreds of communities in which the company maintains retail establishments. It is therefore fair to say that the current dispute between the clerks and the company has an impact of national consequence.

The dispute is important also because for the first time in recent years the AFL–CIO itself, the parent body of the unions, has participated in the negotiations through the assignment of two of its vice presidents. Additionally, the convention of the AFL–CIO in Atlantic City roundly condemned the bargaining attitude of Montgomery Ward. I also understand that the matter is being given careful consideration by the National Labor Relations Board following the filing of charges of unfair labor practices against the company.

It is disappointing to learn that Ward's takes the position as a matter of company policy that it is opposed to general wage adjustments and that Ward's alone will determine wages on the basis of individual merit. Ward's takes the same position regarding other vital matters in the area of collective bargaining.

Ward's policy frustrates and is intended to destroy the entire bargaining process and makes a mockery of employees' rights to join and to bargain through a labor union of their own choice.

Inevitably such archaic policies foment strikes and unrest and such has been the result. The clerks union has called strikes and is presently engaged in intensive economic activities against the company. Efforts of the United States Mediation and Conciliation Service have been unavailing.

It is even more disappointing to find that Ward's seeks to conceal the true issues of the dispute by insisting that the issue of the strike is the union's insistence on national bargaining, as opposed to its view that bargaining should take place on a store-by-store basis. Aside from the fact that the company has in fact negotiated a previous contract with the clerks union on a national basis and has for months met with the clerks in fruitless centralized negotiations, the company's asserted position is a sham on the stockholders and the public.

Moreover, Ward's has bargained on a national basis with the teamsters union. One of the issues of the dispute is the company's discriminatory treatment of the clerks union and its refusal to disclose to the clerks the collective bargaining agreement which it entered into with the teamsters union. Significantly, the teamsters union is engaged in intensive propaganda activities supporting the position of the company and attempting to sabotage the clerks' strike.

Investigation discloses that the company did grant general wage adjustments to the teamsters union of the same type denied the clerks. I suggest that the company's practices require investigation on just what private arrangement Montgomery Ward has with the corrupt teamsters union. Why such preference to a corrupt union over an honest union?

Passport to Praise for Miss Frances G. Knight

EXTENSION OF REMARKS
OF
HON. PATRICK J. HILLINGS
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Monday, February 3, 1958

Mr. HILLINGS. Mr. Speaker, too often the only words we hear of the thousands of dedicated people in our Federal service amount to criticism—most of it undeserved. It is not too often that we offer any praise when we hear of a job well done in the Federal service.

I am happy today to call to the attention of the Congress a well-deserved tribute that has been paid to one of the Federal Government's finest officials—Miss Frances G. Knight, Director of the Passport Office of the Department of State.

For outstanding service, Miss Knight and her excellent staff recently were commended by a group that should know what it is talking about.

This group constituted the 2,000 active and allied delegates representing the worldwide travel industry which met at the convention of the American Society of Travel Agents and the World Travel Congress in Madrid, Spain, October 13 through 20, 1957.

At the final session the following resolution was passed unanimously by the delegates:

> We recognize the continuing improvement in the functioning and operation of the United States Passport Office and expressly commend its Director, Miss Frances G. Knight, and her staff for their efforts in facilitating the expeditious obtaining of passports for the American traveling public.

I think this resolution commending Miss Knight and her staff is justly deserved, and I, for one, want to congratulate the United States Passport Office, its fine employees and its able and excellent Director.

National Engineers Week

EXTENSION OF REMARKS
OF
HON. JOHN P. SAYLOR
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Monday, February 3, 1958

Mr. SAYLOR. Mr. Speaker, National Engineers Week will be observed February 16 to 22. I feel that Congress should take notice of this event as our tribute to that profession which has given so much to the betterment of American lives and to the defense of our Nation.

National Engineers Week not only provides an opportunity for honoring the thousands of engineers who make up an important part of our economy, but it also serves to give recognition to the engineering profession as a career for our youth. With all of our great industries now depending so heavily upon the talent of the technician to bring into reality the many dreams that were believed unattainable only a short time ago, students below the university level must be made aware of the opportunities and the rewards that lie ahead for those who would enter this profession.

The occasion also offers entree into a realm which this Congress will be hearing more about in the coming weeks. I refer to the coal research program recommended by the House Committee on Interior and Insular Affairs.

Two years ago it was my privilege to introduce a resolution which the House unanimously adopted in establishing a Coal Research Subcommittee. This subcommittee made a thorough study of the programs and possibilities in the bituminous coal and anthracite industries. We received testimony from management and labor representatives of coal, railroads, electric utilities, and from other allied industries. We talked with experts in the Bureau of Mines and with research organizations. We held hearings in coal producing areas from the Rocky Mountains to the Appalachians.

As you know, the outcome of those hearings was a recommendation for establishment of an independent Coal Research and Development Commission. I am confident that the House and Senate will endorse this and other recommendations of the subcommittee during this session.

We became aware of the great potential for engineers in the coal industry, Mr. Speaker. Although exceptional progress has taken place in American mines in recent years, there is still considerable room for advancement in the production, preparation, transportation, and utilization of coal. We are far ahead of the rest of the world in extracting this valuable fuel, but our quest for greater productivity and efficiency cannot be decelerated.

Let us consider, for a moment, what the American mining industry has accomplished. Not many years ago coal was mined almost exclusively by human machines. Then the engineer decided that there were more sensible ways to mine coal. Gradually cutting machines began to displace picks. Mechanical loaders were to make shovels obsolete. Conveyor belts and electrically operated underground railway systems sent the mule in the mine packing into oblivion. On the outside, electrically operated shovels which stand higher than the dome of this Capitol have been developed to remove overburden from our rich coal seams. Mechanical sweepers clean the coal and other shovels scoop it from the earth and load it into trucks capable of carrying as much as 80 tons.

To improve the quality of coal and to sort it into the proper sizes for all needs, preparation plants costing as much as $2 million each have replaced the traditional tipple in mining areas.

There is little in today's modern mines to identify them with the equipment and methods that were used only a few short years ago. Without the engineer's contribution, little progress could have been achieved. With him, the American coal-mining industry will proceed to develop the machines and the techniques necessary to retain our world supremacy in coal production.

Perhaps the most outstanding tributes come to the American engineer when foreign delegations visit our mining communities. Teams of British, Japanese, German, Russian, and a host of other nationalities have inspected mines in America within recent years. All express amazement in the marvels that are now a commonplace in United States mines.

As a principal ingredient of every war effort, coal must always be in ample supply for the use of defense industries, Mr. Speaker. Russia is striving desperately to increase coal output in her own mines and in the satellite nations. In the Soviet domain, however, bestiality frequently is substituted for ingenuity. When American management seeks improvement in mining equipment it sets the engineers to work. The Communist theory brooks no delay for science and research; when coal production is lacking, harsh measures are applied to the laboring forces. During a frigid winter of several years ago, at a time when the

Korean war was in progress, it was not unusual to see women and children sent into the mines by the Communist leaders. As recent as last September Communist rulers in Czechoslovakia ordered coal miners to trial in state courts, evicted thousands of others from their homes, and undertook other disciplinary action in order to increase coal production.

Under such a system, where human machines are driven mercilessly by ruthless rulers, and where teeming populations allow these machines to be enslaved in whatever numbers are necessary, it is reasonable to assume that practically any level of production can be achieved. For this reason, the allied nations must not lose sight of the fact that Russian coal productivity will likely meet demands of the Soviet war machine for an indefinite period. America's answer must be a constantly adequate coal supply. Coal must always be ready to replace other fuels, whether they are in short supply through depleting reserves or are being diverted into emergency service.

I am convinced that a Coal Research Commission, which will stimulate research and development from mine to boiler, is a prerequisite to a sound defense policy. The program will call for continued contribution on the part of the engineers. Dedicated to provide a fuel for a better America and an impenetrable national defense, our engineers will thus continue to keep our country far in advance of every other nation in the world, so far as quality and availability of coal are concerned.

We salute these engineers and their contemporaries in other American industries and in Government service. Setting aside a week in their name is an honor they richly deserve.

Pay Television

EXTENSION OF REMARKS
OF
HON. WILLIAM H. AYRES
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Monday, February 3, 1958

Mr. AYRES. Mr. Speaker, in my opinion a vast majority of the American people are against "slot machine television."

I made the following statement before the Interstate and Foreign Commerce Committee.

The Committee on Interstate and Foreign Commerce has a very great responsibility to the Congress and to the American people with regard to the question of subscription television. Forty-two million families, out of approximately fifty million families, own television sets today. These people bought these sets with the belief that they would be able to see and hear entertainment without a further charge. If the average American family is subjected to pay television, it will have to rearrange its entire budget. It has been estimated that the cost on an annual basis could approximate $475. Just think of the impact this would have on the family purse. In essence, the American public would be paying for a big financial bonanza which would be reaped by the few private promoters of pay television. To me, it appears that the promoters are simply using a public medium for the private distribution of television programs.

From my observations, present television is supplying first-run movies, broadway plays, and championship athletic events which the pay proponents say they will supply. Actually, what will pay television supply but a price tag to be borne by the American public? I would like to be shown that free broadcasting is not fulfilling its function or in alternative that a system of toll television can do so in a more efficient manner consistent with the rights of the whole public.

The proponents of pay television made flowery claims that they will be able to present specialized programs, such as opera, Shakespearean plays, to limited audiences. However, it is plain economics that these private companies in this business for profit are going to provide programs which the majority of the public want and will pay to see—be they operas or westerns. In other words, they would present the same programs we have today which the public demands. This is true in all areas of the entertainment field.

There have been claims that programing will be free of advertising. How long do you think such a medium as television could remain devoid of commercials? What is there to prevent a station or network from selling time? We would be naive to think that advertising with its extra revenue can be kept out of television.

The committee has only to look at the various polls taken throughout the country to see if the public wants pay television. After all, the public is the real party in interest in this case.

For example, in a recent poll conducted in 10 cities by Broadcasting, the weekly television and radio magazine, revealed 66.6 percent of the 1,409 people interviewed against pay television and 33.4 percent for it.

A mail poll conducted by KSBW–TV, Salinas, and KSBY–TV, San Luis Obispo, both California, turned up these results: 5,002 viewers against subscription television, 4 in favor of it.

A mail poll conducted by Senator WILLIAM LANGER, Republican of North Dakota, among residents of Bartlesville, Okla., where a wire movie system is operating, turned up these results: 1,930 against subscription television, 163 for it.

A mail poll conducted by TV Guide among its readers turned up these results: 43,361, 96.65 percent, against subscription television; 1,527, 3.45 percent, for it.

A poll conducted by the Houston Post indicated 856 people against pay television, 163 for.

A poll conducted in Minnesota indicated 72 percent of the people against toll television.

A poll conducted by the New York Herald Tribune indicated 76 percent of the people interviewed against toll television.

A Gallup poll shows 49 percent against turning a few channels over to pay television, 36 percent for.

I am sure that there are many other polls taken which have followed the trend of those which I have mentioned. As you gentlemen can see, the idea of "slot machine" payment for television programs has been assailed overwhelmingly by the public. I cannot see Congress favoring pay television when more than 9 out of 10 people oppose it. It is the duty of the Congress to legislate against pay television so that there will be no ambiguity as to whether the Federal Communications Commission has the authority to conduct trial tests or to ultimately authorize regular subscription television.

Text of Celebrity Parade Broadcast, Sunday, January 19, 1958

EXTENSION OF REMARKS
OF
HON. RAY J. MADDEN
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, February 3, 1958

Mr. MADDEN. Mr. Speaker, in my extension of remarks I include a transcript of a program conducted by Joseph F. McCaffrey on Sunday, January 19, 1958, over TV station WMAL—channel 7—Washington, D. C., in which the gentleman from Massachusetts [Mr. McCORMACK] participated:

Mr. McCAFFREY. Good afternoon, welcome once again to Celebrity Parade. After a word from our sponsor, I would like you to meet Congressman JOHN McCORMACK, of Massachusetts. It is always a pleasure to have you with us, and I have some questions to fire at you after this word from the Retail Clerks International Association. First of all, Mr. McCORMACK, as the Democratic leader of the House of Representatives, what do you think the big issues are going to be in this session of Congress?

Mr. McCORMACK. The big issue is that which concerns not only the American people but people everywhere who want to be free under their own law and not subject to future Communist domination in those countries like Poland and any other satellite countries where so many of the overwhelming majority of the people want to be free from Communist domination is the matter of foreign policy and from the angle of the people of our country are the national security which includes national defense and foreign policy.

Mr. McCAFFREY. You give me a good opening right now, Mr. McCORMACK, but the other day somebody called to my attention a hearing which you took part in as a member of Government Operations and I have read the report over the weekend. This report was filed with the Speaker of the House in August 3½ years ago—in other words, 4 years ago this August—1954.

Mr. McCORMACK. That's right, and incidentally, it was a Republican-chaired committee at that time because that was a Republican-controlled Congress.

Mr. McCAFFREY. I have read the 72 pages.

Mr. McCORMACK. I believe Congressman RIEHLMAN, of New York, was chairman of that subcommittee at that time.

Mr. McCAFFREY. You were a member—in fact there was a special note——

Mr. McCORMACK. I sat with the subcommittee.

Mr. McCAFFREY. That's right, you participated in the hearings and the preparation of the report.

Mr. McCORMACK. I was very much concerned with research and development at that time and prior to that time.

Mr. McCAFFREY. And that's what this hearing concerns. I have read the 72-page report and I am going to, when I get home, read the 710 pages of the hearing because I think that if the recommendations that were included in this report had been put into effect 3½ years ago, we wouldn't be in the trouble today that we are. Tell me this: Why weren't the recommendations accepted?

Mr. McCORMACK. Well, first, there's no question but that if the recommendations had been adopted, we would not be in the situation we are today and the Soviet Union would not be ahead of us in the satellite field or in the field of ballistic missiles whether intercontinental or intermediate. Why they weren't adopted, I don't know. It simply showed that the Congress was years ahead of the executive in being concerned about this situation and the recognition of the importance of technology not only in connection with our defenses but also in connection with the future world in which we are going to live because we are going to live in what might be termed a nuclear world and we have got to realize just what some of the implications might be and so we are ahead of the executive. Now, we can have hearings and investigations and make our reports, but it is up to the executive—that means the President and the Defense Department and those in the executive branch of the Government—to carry out the recommendations of the committee and the fact is, interservice jealousy that the President referred to in his message—human personalities clash, jurisdiction, power, all those things which exist in the capital city of any country and exist here all came into play and they just didn't adopt the major recommendations which, if they did, we would have met the urgency.

Mr. McCAFFREY. I think there is one thing that impressed me, Mr. McCORMACK, as I read through the 70 pages, and that was the sense of urgency in research and development that was felt by the subcommittee that held these hearings and yet apparently your subcommittee was never able to convey that sense of urgency either to the Defense Department or to the White House.

Mr. McCORMACK. Yes; the legislative, the Congress, can propose but it is up to the Executive, that means the President, the head of our Government, that he administers the law, it is up to the Executive to dispose and to administer. They failed to grasp the significance of the hearings and the report. It was a very constructive hearing. Not looking for somebody to just blame, we were looking, searching for the reasons for the difficulties. To do a constructive job and that is when Congress does its job in its most effective and refined way, not to make, to look for some scape goat, but to say, "All right, these conditions exist. What can we do to improve them for our national interest?" And the subcommittee did a grand job and I'm proud I sat with them. And these hearings and the report are more alive today than they were in 1954 because the Executive refused or failed to adopt them or ignored them.

Mr. McCAFFREY. Well, tomorrow, Mr. McCORMACK, the budget is going to come up to Capitol Hill and I notice that in the state of the Union message the President talked about possible reductions in other areas, for instance, rivers and harbors, perhaps, and some other domestic programs in order to balance the budget * * * do you think that there are going to be sharp cut-backs in many of the domestic programs?

Mr. McCORMACK. Well, I don't think there should be, they certainly—we don't want to have economy which constitutes false economy at the expense of meeting the domestic problems that confront our Government. I think we can adequately and effectively meet the problems that confront us from the angle of national defense and meet our domestic problems but in connection with national defense, there'd better be some coordinating of thought and action, giving the power on a high level to make decisions and the authority to carry them out and the President has got to do some knocking of heads to do that—he is the one man only that can do it, but he can do it if he wants to.

Mr. McCAFFREY. Well, do you think on the basis of the state of the Union message that President Eisenhower is now reasserting his leadership?

Mr. McCORMACK. I would think that the events of the last several months with the constructive leadership given by the Democrats in the Congress and some Republicans, but mainly Democratic leadership, that as a public opinion molded—and public opinion is a great factor in our country and in democracies—a public opinion molded which is operated upon the President and which reflected itself in his message on the state of the Union. Now the question for him to do is to carry it through. Words are one thing, deeds are another and they're the important factor.

Mr. McCAFFREY. Mr. McCORMACK, there has been some talk and some columnists have written over the last few months that it might be well if the President would resign, what is your thinking about that?

Mr. McCORMACK: Emphatically "No" Mr. McCaffrey. President Eisenhower is highly respected, his political leadership has gone down materially and it should, based upon his leadership of the past, he is now, the people are now holding him responsible where for the past 4½ years he was off in some political penthouse where he never was charged with responsibility and others were although he appointed those people. The line of direct responsibility, which is important in a democracy like ours, has been ignored, but the people are now placing responsibility upon him where it belongs. But he is a symbol, there is a deep respect for the President. I may disagree with him in some of his decisions and in some of his leadership, but on a personal level, I have profound respect for him and it's between him and Vice President NIXON and as between the two—and I'm not saying this in any unkind way, I am just trying to talk objectively—I think that there would be less division among the American people with President Eisenhower than there would be with Vice President NIXON and furthermore, I don't think the President is thinking of resigning—I haven't talked with him and I haven't talked with anyone else. He wouldn't think of resigning unless he is completely unable in his own mind to perform his duties; because he is elected and one has got to carry on, no matter how hard it might be, if they are able to do so. So, from the angle of being a symbol based upon respect, I think that he would be much better for our country than if he resigned.

Mr. McCAFFREY. Mr. McCORMACK, one of the big problems facing this session, it seems to me, is to work out some provision for the presidential disability, and last October you told me that you were giving serious study to this problem. I was wondering if now you have come up with what you think might be the best solution?

Mr. McCORMACK. That's a very serious question and there's many implications involved. It's one thing to say "When is a President unable" or "When does inability exist as the word is used in the Constitution?" The probabilities are that the President—it would have to be plain to everybody before such a decision is made, and if the President, for all practical purposes, was unconscious and had some attack—I'm not talking about President Eisenhower, I'm talking about a President, because I don't like to talk about anyone, any individual getting sick, but we are talking about the President. But, suppose several months later the President says, "I've recovered and I'm able to take over" and suppose somebody's in there and says "No, you're not" * * * you could have serious complications in this country. Who would the military follow? The President elected or the Vice President who has taken over during the period of inability * * * so there's many questions involved. Now we've got to meet it and the world of today * * * in past decades we could go along recognizing the deep questions involved and the implications and say, "Well, we can put this off" because the Atlantic was our first line of defense * * we had natural barriers, but we haven't got them now and things may happen quickly so we have got to pass a bill. Now, I think the best kind of a bill to pass is some kind of a commission bill where the members of the commission would be representative of the parties and the country and one that the people would have complete respect in relation to the decision and also if a later question should arise of a return.

Mr. McCAFFREY. How would that commission be made up now in your thinking?

Mr. McCORMACK. Well, my individual judgment is that it shouldn't be too large, on the other hand, it should be representative. Without committing myself but giving you an idea as to how my mind runs, I should say the Vice President belongs on there, the Speaker of the House belongs on there, despite the fact that they are in a line of succession with a commission, then they can't be charged with serving two masters like they could be if the Vice President was to make the decision as to when the President was unable to continue—he'd be in an awful position of serving two masters, himself in two different capacities. The Vice President, the Speaker, the majority leader, and the minority leader of the Senate, the majority and minority leaders of the House, the Chief Justice if he will serve—and I think on a commission of this kind that the Chief Justice might well serve because this is not the ordinary commission where there is the legislative and the executive and the judicial, are in to look at some legislation, this is a matter of paramount importance to our country and then one or two members of the Cabinet should be, for example, the Secretary of State and if there's two, probably the law office, the chief law office of our country would be the Attorney General. That would mean that no matter what party is in control of the White House and if the opposite party is in control of the Congress, if this question should arise in the future of the inability of the President that there would be a majority on the commission of the party who is in control of the White House or if the Chief Justice should be a Democrat, there would be four and four and the Chief Justice, and the people of the country would not impute political connotations of any kind to the Chief Justice of the Supreme Court.

Mr. McCAFFREY. Tell me this, are you hopeful as the Democratic leader in the House of getting through a disability clause this session?

Mr. McCORMACK. I have more confidence today than I had a few weeks ago and I have every feeling of confidence that one can humanly entertain that we will have legislation reported out of committee and not in the remote future and that some kind

of legislation will get through, but remember, it's a serious question * * * it's a hard question with many implications involved * * * it's not just an easy thing.

Mr. McCAFFREY. I think everyone agrees on the need for it—it's just what is the best plan—that is where your problem is, isn't it?

Mr. McCORMACK. That is the basic state of mind.

Mr. McCAFFREY. Moving over to something else, Mr. McCORMACK, last Sunday afternoon Senator MIKE MANSFIELD said that he opposed continuation of heavy foreign aid—he felt probably more could be done with point 4 and with long-term, low-interest loans.

Mr. McCORMACK. Well, I think we have gone in that direction and I think probably the tendency will be to go more and more in that direction. Matter of fact, what is called point 4 foreign aid has been sharply reduced in the last 5 years and I think it's a very effective part of waging the cold war from our angle.

Mr. McCAFFREY. Well, of course, the administration is now, I have noticed they have just got Eric Johnston in line to start a campaign to try and get the foreign aid program through, and yet there seems to be some opposition on the part of the Republicans and a growing opposition on the part of Democrats, to foreign aid.

Mr. McCORMACK. Well, no question about it, because the rule was adopted in the House last year by only one vote and under very trying circumstances where we had to go down the hill and up the hill and down the hill again and up the hill again and I think the bill only passed the House by several votes, so, and the clear majority, the great majority, the convincing majority of the Republicans voted against it. A convincing majority of the Democrats voted for it, and that is going to be the test of the President's leadership, is he going to be able to do anything with his own party, and it's also on reciprocal trade.

Mr. McCAFFREY. I wanted to ask you about that——

Mr. McCORMACK. What's he going to do with his own party?

Mr. McCAFFREY. It seems to me that more and more Members who supported reciprocal trade let's say a year ago, 4 or 5 years ago, are now worried because they have seen what they believe to be the facts of reciprocal trade hurting industries in their own area. Do you think that reciprocal trade is going to be approved in this session?

Mr. McCORMACK. Well, I hope so, I think it would be a serious blow to the foreign policy of our country and while the administration of the law could be better, nevertheless, I hope that the American people will appreciate the significance of reciprocal trade in the terms of the national interest of our country because if that bill should be defeated, it would have a shattering effect upon the prestige, the standing, and the national interest of the United States.

Mr. McCAFFREY. Let me ask you one more question, Mr. McCORMACK: As the Democratic leader of the House, do you expect the present spirit of cooperation that seems to exist between the Democrats and the White House to continue on through for the next 6 months?

Mr. McCORMACK. Well, so far as the Democratic leadership is concerned and the Democratic party as a whole, I have every confidence that we are going to give leadership to the country on the Congressional level, the legislative level, that will have constantly and always in mind the national interest of our country. I think, why I expect we will put through something on research and development to get it out of these bottleneck situations. I expect that we are going to give leadership to the country that will show that on the legislative level as I said, that the national interest is paramount. Now I don't look for any bitterness, I am against it. On the other hand, if it does develop, I warn my Republican friends that they got to be careful of that. I notice that the President is going to make a political speech on January 20.

Mr. McCAFFREY. Do you think that is poor timing?

Mr. McCORMACK. Well, I, who am I to tell the President what to do? But if I were President, under the circumstances in the second term, and knowing I can't succeed myself—but leave that out—but knowing that little additional piece of evidence and the world the way it is today, I'd be very careful that I wouldn't say anything that would constitute bitterness because he is the Chief Executive of the country and he is going out there as a political leader of the Republican Party that is sharply divided on most questions and they're against him, they applaud him as they did the other day, but I am interested in how they are going to vote. He is going to go out there and make a speech on January 20 and he has a responsibility to maintain this healthy state of mind between the two parties that will be for the national interest of our country.

Mr. McCAFFREY. Thank you very much—it's always a pleasure to have you with me here JOHN.

Mr. McCORMACK. Well, thank you Mr. McCaffrey.

Unemployment Compensation

EXTENSION OF REMARKS
OF
HON. ELIZABETH KEE
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Monday, February 3, 1958

Mrs. KEE. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I include a copy of my weekly newsletter, Keenotes, which was released today.

KEENOTES

(By Representative ELIZABETH KEE)

As unemployment edges closer to the 4 million mark, it is reassuring to realize that wise legislation now on the statute books provides reasonable assurance that the present recession will not develop into a full-scale depression.

Sound checks against complete economic collapse have been written into Federal law. These measures, highly controversial when first proposed and adopted, are an integral part of President Eisenhower's economic program. He is counting upon them to blunt the force of the present downturn in business, reverse the trend and lead once more to economic progress.

Most of you can recall the intense legislative fights touched off in the 1930's by proposals for unemployment compensation, Federal insurance of bank deposits, and the 40-hour week, among others. These forward-looking measures are now an accepted part of our economic life, regarded by a Republican administration not only as desirable but as essential to the Nation's prosperity.

Let's take a look at just one of these so-called progressive measures and see how it has served the country in a period of mounting unemployment.

Unemployment compensation, when it was set up about 25 years ago, was a novel concept of Government activity. A Federal tax of up to 3 percent of an employee's earnings up to $3,000 is levied on an employer. The money is paid into a trust fund which is operated solely by the States, under laws passed by the State legislatures. The Federal Government contributes to the administrative expenses.

Today, the States are paying out more than $210 million a month to help people who have lost their jobs. There is still $8.7 billion in the trust fund, which should be adequate to meet the demands of the immediate future.

More than 43 million people, or 83 percent of all nonagricultural wage and salary workers, are covered by unemployment compensation.

It is not hard to imagine just what shape the economy would be in today if the more than 3 million persons now drawing weekly checks were without any income whatsoever. Payments from State reserves to unemployed persons do more than provide them with a defense against personal hardship. The effect on the total economy is significant. The weekly checks, even though smaller than regular paychecks, help maintain national purchasing power and keep the effects of the recession to a minimum.

Of course, unemployment compensation is no substitute for gainful employment. The system is deficient in some respects and all States set a limit on the maximum number of weeks in which payments can be received by a worker.

But it is fair to say that the entire country has benefited, as our present experience so eloquently proves, from this once highly controversial but now almost universally accepted method of protecting our working people against the hazards of unemployment. The system—a cooperative Federal-State endeavor—has been tested and found equal to the challenge.

REA

EXTENSION OF REMARKS
OF
HON. CHARLES W. VURSELL
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Monday, February 3, 1958

Mr. VURSELL. Mr. Speaker, with leave to extend my remarks, I am inserting in the RECORD copy of a letter addressed to Mr. David A. Hamil, Administrator, Rural Electrification Administration, Department of Agriculture, Washington 25, D. C., on January 11, 1958, written by my colleague, Hon. WALT HORAN and myself, and also the reply from Mr. Hamil to this letter, dated January 13:

JANUARY 11, 1958.

Mr. DAVID A. HAMIL,
Administrator, Rural Electrification Administration, Department of Agriculture, Washington, D. C.

DEAR MR. HAMIL: The undersigned have seen recommendations in the President's budget which will adversely affect the long-time policies of the REA.

These, as you may well imagine, are disturbing to us.

We would like to have a full explanation of these matters and a complete analysis together with any recommendations which you might care to make.

We feel this is important and will appreciate your cooperation immediately.

Sincerely,

C. W. VURSELL,
WALT HORAN,
Members of Congress.

UNITED STATES DEPARTMENT OF AGRICULTURE,
RURAL ELECTRIFICATION ADMINISTRATION,
Washington, D. C., January 13, 1958.

Hon. C. W. VURSELL and Hon. WALT HORAN,
House of Representatives.

GENTLEMEN: The REA electrification and telephone programs are major contributing factors in the social and economic progress of rural areas and the national economy in general. Continuance of these programs on a sound basis, meeting the constantly expanding needs for electric power and communication facilities, calls for an increasing availability of capital funds; this is in line with the experience of the whole utility industry.

The budget message, in proposing a reduction in the amount of Government loan funds for 1959, notes that legislative recommendations will be submitted to assist REA borrowers in supplementing these funds with credit from other sources.

I am unable at this time to forecast the amount of other funds which might be available for this purpose or the terms and conditions under which such funds could be obtained. These are questions which would need to be carefully considered, having in mind that the maintenance of a sound financial position by the REA borrowers is essential to their continued ability to adequately serve their communities. These rural utility systems are independent local enterprises. Predominantly they are owned by the farm and rural people they serve. Knowing of the genuine interest of these men and women in continuing their ownership and in maintaining these systems on a sound operating basis, I intend to work with them and with the Congress in exploring the availability and terms of credit.

Sincerely,

DAVID A. HAMIL,
Administrator.

Ukrainian Independence Day

EXTENSION OF REMARKS
OF
HON. EDWARD A. GARMATZ
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES
Monday, February 3, 1958

Mr. GARMATZ. Mr. Speaker, the Ukrainian population, recently estimated as the third largest in Europe after Russia and Germany, is one of the greatly oppressed peoples under the rule of the Soviet Republic. Although a charter member of the United Nations, they have no free voice in that body, and no voice in the direction of the affairs of their own nation. One of the oldest civilizations in Europe, they have suffered much by domination of larger powers, but they are still hopeful that in this generation they will again become a free and independent nation.

On Sunday, January 26, the Maryland branch of the Ukrainian Congress Committee of America observed the 40th anniversary of the proclamation of Ukrainian independence, in Baltimore, and it was my privilege to join them in this celebration. There were about 500 persons present, and they unanimously adopted the following declaration, which I believe will be of interest to all Members of the House:

DECLARATION ADOPTED BY THE AMERICANS OF UKRAINIAN DESCENT OF MARYLAND, ON THE OCCASION OF COMMEMORATION OF THE 40TH ANNIVERSARY OF THE JANUARY 22, 1918, PROCLAMATION OF UKRAINIAN NATIONAL INDEPENDENCE

On January 22, 1918, the Ukrainian Supreme Council issued in Kiev, the ancient capital of Ukraine, the Fourth Universal and thereby brought about the rebirth of Ukrainian independence and established the Ukrainian National Republic.

The new free state of Ukraine was recognized as the legitimate nation of the Ukrainian people by many governments, including that of Soviet Russia, the latter, however, almost simultaneously with recognition, declared war and conquered by force the new Ukrainian Republic.

In place of their free national democratic government the Ukrainian people were forced upon, by Soviet Russia, a puppet Soviet Ukrainian Government, which from the very first day never represented the free will of the Ukrainian people. The Communist system has brought about the ruin of the Ukrainian people and turned their land into the status of a colony of Russian imperialism.

The Ukrainian people have been deprived of all the freedoms they enjoyed under their own independent government.

Since the final conquest of Ukraine by Russian Communist force of arms and subversion in 1920, Ukraine never surrendered in spirit or gave up hope of eventual liberation and complete independence. The heroic struggle of the Ukrainian people today inspires peoples of all nations enslaved by Russia to fight for freedom.

We, Americans of Maryland, whose roots, parentage, or birth lie in Ukraine, join our brethren-Ukrainians throughout the free world in their solemn observance of the 40th great anniversary of Ukrainian independence.

On this day of Ukrainian national independence we wish the whole world to know that:

1. We, who are of Ukrainian descent and are cognizant of the desires of the Ukrainian people, speak today to the honorable representatives of the United States Government and to the freedom loving people of this country and the free world, and affirm confidently that since 1918 the Ukrainian people are striving for their independence, for their right for freedom, for their right to a democratic Ukrainian Government. This fight throughout the years has taken many forms among others also of armed resistance, and has not waned until this day.

2. The fight for freedom and independence from Russian domination makes of Ukrainians and other enslaved nations a strong ally of the Free World in its present stage of the struggle with Russian imperialism, an ally much stronger than any most modern technical weapons.

3. We, Americans of Ukrainian descent of Maryland, feel it our duty to call upon our Government of these United States of America to give to the heroic people of Ukraine and other enslaved nations a strong moral encouragement and an assurance that their fight shall not be in vain. This assurance should be based on the only realistic positions of:

(a) Indivisibility of freedom the world over.

(b) The destruction of all totalitarian systems.

(c) The proclamation without any qualification of the necessity of liberation of all nations subjugated by Russia.

(d) Abandoning of the division of the subjugated nations into those that should be liberated (such as satellite countries) and those that may continue to remain under Russian control (nations subjugated earlier such as Ukraine, Byelorussia, the Baltic, and the Caucasian States).

(e) Assurance that in no case will the West restore the Russian Empire in another form upon the destruction of the Soviet Russian Empire, as was the case after the First World War.

We, Americans of Ukrainian descent of Maryland, assembled today at the Ukrainian rally here in Baltimore, Md., for the commemoration of the 40th anniversary of the Ukrainian Declaration of Independence, appeal to the Government of the United States of America and to all the free nations of the world assembled in the United Nations organization to aid the Ukrainian nation in freeing itself from Communist Russian tyranny and in reestablishing in Ukraine a government by the will of the Ukrainian people.

PETRO WOJTJWYCH,
Chairman, Citizens' Committee for the Observance of Ukrainian Independence Day.

Mr. Speaker, under leave to extend my remarks, I would also like to include a copy of the proclamation by Mayor Thomas D'Alesandro, Jr., of Baltimore, designating Wednesday, January 22, 1958, as Ukrainian Independence Day in Baltimore; an address by Senator J. GLENN BEALL, of Maryland; and my own remarks:

PROCLAMATION BY MAYOR THOMAS D'ALESANDRO, JR., DESIGNATING WEDNESDAY, JANUARY 22, 1958, AS UKRAINIAN INDEPENDENCE DAY IN BALTIMORE

Whereas January 22, 1958, will be the 40th anniversary of the declaration of independence of Ukraine, proclaimed in the year 1918 in Kiev, the ancient capital of Ukraine; and

Whereas Ukrainians everywhere, especially those who came to America to escape the tyrannic dangers of communism which threaten the peace of the world today, realize that it is vital for all free peoples to combat the rising spread of subversive propaganda by spreading the doctrine of democracy, both here and abroad, and to bear witness to our American way of life with its ideals of life, liberty, and the pursuit of happiness, the God-given right of freemen both in America and throughout the world; and

Whereas although the Iron Curtain makes it impossible for those subjects under temporary communistic domination to inform the free world of the real nature of the rule of dictators, the Ukrainian Congress Committee of America, Inc., is well aware of the true facts and has taken the lead in pointing up for all Americans the danger of communistic world domination.

Now, therefore, I, Thomas D'Alesandro, Jr., mayor of the city of Baltimore, do hereby proclaim Wednesday, January 22, 1958, as Ukrainian Independence Day in Baltimore, in recognition of the efforts being made by Americans of Ukrainian birth or ancestry to extol the merits of true democracy and to urge all our people to be alert to the ever-present danger to liberty and justice throughout the free world. I further urge all citizens to join with the Ukrainian Congress Committee of Baltimore in the hope that the 40 million Ukrainians, as well as all other persons temporarily behind the Iron Curtain, may soon be able to live as free men and be masters of their own destiny.

In witness whereof, I have hereunto set my hand and caused the great seal of the city of Baltimore to be affixed this 15th day of January, in the year of our Lord, one thousand nine hundred and fifty-eight.

THOMAS D'ALESANDRO, *Mayor.*

ADDRESS BY SENATOR J. GLENN BEALL

The first World War gave birth to many national states in Eastern Europe which had been subjected to alien rulers for centuries.

That war, in contrast to the last one, ushered in an era of freedom and national independence to suppressed and submerged nationalities.

The Ukrainians were among these nationalities who, after suffering the oppressive yoke of foreign rulers, proclaimed their national independence and established the Ukrainian Republic in their historic homeland.

Today that memorable occasion is being celebrated not only by Ukrainians, but also by all those who appreciate and place the highest premium on freedom, liberty, and independence.

Unfortunately, however, the Ukrainian Republic ceased to exist as a free nation a little more than 2 years after its birth.

It fell before the onslaught of Russian communism in November of 1920.

Communist tyrants who were successful on overwhelming and thereby putting an end to the newly born state also hoped, by force and terror, to extinguish the spirit of Ukrainian independence.

Fortunately they have not succeeded in their effort.

The free spirit of Ukraine hovers in the air there, and however hard the Communist tyrants try to eliminate that spirit, they cannot prevent patriotic and liberty-loving Ukrainians from breathing it.

Nor is the significance of Ukrainian Independence Day lost on those unfortunate souls suffering indescribable hardships in their homeland.

They are well aware of its meaning as a symbol of freedom, as are those who live in the free world and have the freedom to celebrate its anniversary.

In commemorating the 40th anniversary of that historic event, the Ukrainian Independence Day, let us hope that someday Ukrainians will become the masters of their destiny and celebrate their Independence Day in their homeland.

In conclusion, let us, as free Americans, rededicate ourselves today to the cause of freedom.

Working together, in our homes, at our businesses, in the Halls of the Congress, we shall emerge victorious.

ADDRESS BY EDWARD A. GARMATZ

I appreciate very much the privilege of being invited here today by the Maryland branch of the Ukrainian Congress Committee of America to participate in the observance of the 40th anniversary of the proclamation of Ukrainian independence.

True, we know the time has not yet come for rejoicing. Rather, this occasion should serve as a reminder to Ukrainians all over the world to renew their efforts and to encourage one another to continue to work for the independence of their homeland.

We know the Ukrainians have borne the yoke of the Kremlin longer than all other groups that are bent beneath its crushing weight—biding their time with smoldering patience, against the day of liberation which will surely come.

We know that despite every effort to suppress it, the yearning for liberty is unquenchable among Ukrainians and that tyranny has only served to stimulate it rather than stifle it.

Among those whose freedom has been suppressed by Russian imperialism, none give their present masters and overlords greater cause for apprehension than the 45 million Ukrainians, who today comprise the largest nation behind the Iron Curtain and the second largest non-Russian nation in Central and Eastern Europe.

Ukrainians have suffered more than any of the several scores of oppressed national groups in the Soviet Union—in concentration camps, slave-labor camps, in prison, and in the desolate Siberian wilderness.

Why has this been the lot of the Ukrainians?

It is not that they refuse to be law-abiding citizens.

In the United States there is no group more orderly than the Ukrainian-Americans. It is not that they do not appreciate the blessing of a quiet life in their homes. Americans of Ukrainian background are numbered among the most stable elements of our populations.

It is not that they are perpetual troublemakers and therefore have to be subdued and suppressed. That is certainly not the case with the Ukrainians in the United States.

Ukrainians in the Soviet Union have never ceased to struggle for their national independence, for the attainment and enjoyment of freedom in their homeland.

These basic rights have been denied to them by their Russian-Communist overlords. That is the fundamental cause of the Ukrainian tragedy. And the key to the understanding of that tragedy is the Ukraine's never-ending fight for freedom, for political, economic, cultural and spiritual freedom.

This country has always taken pride in welcoming immigrants, but we are particularly glad to welcome those fleeing from Communist tyranny. As you probably know, through the action of Congress, it has been possible to bring into this country about 60,000 Ukrainian displaced persons.

We are indeed glad to offer these people a safe abode under our democratic system. Many hundreds of thousands of Ukrainians who have come before them to these shores, have given a good account of themselves. They have made good use of the opportunities provided by this country to improve their lot and to enrich our national life in many ways. They have worked to make this country what it is and they have fought side by side with all other Americans in two World Wars in its defense.

I would like to assure the Ukrainian people that this country has not abandoned her interest in the freedom-loving people of central Europe.

We will continue our efforts to resist further aggression and to point the way toward the liberation of all oppressed people.

Brotherhood Week

EXTENSION OF REMARKS
OF
HON. KENNETH B. KEATING
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, February 3, 1958

Mr. KEATING. Mr. Speaker, overnight our world has been made a neighborhood. But we have yet to make it a brotherhood.

This thought might well be the theme of Brotherhood Week, which we observe this week. This annual commemoration, sponsored by the National Conference of Christians and Jews, is dedicated to the ideal that people shall live as one family of man.

Brotherhood is an ideal we must ever keep before us. The greater the stresses and strains around us, the more important it becomes.

Brotherhood implies responsible freedom. It implies respect for the other fellow and his rights. It implies good will toward all others of the human race.

The age in which we live has excelled in the science of communications and in technological achievement. But much is left to be desired in the field of communication between men and between nations. It is to the task of clearing those channels of understanding that we should rededicate ourselves this week.

All our efforts for military, economic, scientific, and political progress will go for naught unless we can develop an ethical concept by which men can live in peace and harmony. With that goal in mind, each of us should this week resolve to hold high the ideals of respect for people and for human rights. That is the stuff of which a peaceful tomorrow can be made.

Mr. Speaker, the observance of Brotherhood Week lasts only a week. Its real meaning should be practiced every day of the year.

Connecticut in the Civil War

EXTENSION OF REMARKS
OF
HON. JAMES T. PATTERSON
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Monday, February 3, 1958

Mr. PATTERSON. Mr. Speaker, at this time when we honor our great Civil War President, Abraham Lincoln, and under leave to extend my remarks in the RECORD, I wish to cite a few facts concerning the significant role of Connecticut in that heroic struggle that preserved the Union of our great country.

In the early morning of Friday, April 12, 1861, the Confederate batteries opened fire on Fort Sumter, the lone Union outpost in Charleston Harbor. In no part of the North was the shocking news received with greater emotion and sterner resolve than in Connecticut. The people of Connecticut knew that the hour had once more struck. Memories of the Revolution, proud traditions of the old Connecticut line, returned to stir men's minds and hearts. Up in Harwinton, old Louis Catlin, bowed under the weight of more than three score years and ten, rose from his chair by the stove, and pulling himself up by the mantel shelf to his full height thundered:

"They have started the war. Throw out the flag. We shall fight until the last slave is freed."

This man had two sons living in Virginia, both of whom owned slaves, and up to that time their father's sympathy had inclined to the South which he felt was being unfairly attacked by the anti-slavery fanatics of the North. But to resent fanaticism was one thing: to take up arms against the Union was very, very different. The flag had been fired on. That settled the matter. There could be, on the part of Union men, but one possible response. Action. As the bulletins

were telegraphed from Washington all through that fateful Saturday of the 13th, a wave of patriotic fervor swept over the Northern States. Long afterward, men and women recalled the overpowering strength of the emotion which filled patriotic hearts; something of that deep outpouring of the spirit may still be caught in the records which have come down to us. Late in the afternoon of Saturday, Major Anderson, hopelessly overpowered, was obliged to surrender his token garrison. And so, what many wise and earnest statesmen, from the days of Clay and Webster, had striven so valiantly and prayerfully to avert; what all honest men, with the exception of a few hotheads, North and South, had so long dreaded, had come at last. The Great Rebellion was upon the Nation, and great would be the affliction thereof.

For the moment, however, the prospect of battle and suffering was put aside; a sort of fierce exultation swept over the North—nowhere more so than in the New England States, and nowhere more so in New England than in Connecticut. The die was cast; the issue was joined. Be it so.

Sunday, April 14, to be remembered as "Battle Sunday," found the Stars and Stripes spread to the breeze all over the hills and through all the valleys of Connecticut. From the pulpits of every church in the State—city, town, hamlet, and countryside—the rallying call went out. The stirring words of Andrew Jackson seemed to emerge from the past and were recalled by many: "Our Federal Union—it must and shall be preserved."

On Monday morning, April 15, the newspapers carried the proclamation of the President calling upon the governors of the loyal States to supply 75,000 volunteers. The response was literally overwhelming. The Federal Government was simply not equipped to handle the offers which poured in upon Washington hour after hour. "The first gun at Fort Sumter," wrote James Russell Lowell, "brought all the free States to their feet as one man."

Here in Connecticut meetings were held in practically every town in the State. At the town meetings money and supplies were promptly voted. Home guards were organized. On April 16, the day after the President's proclamation, Governor Buckingham—one of the ablest of the Civil War governors—called for a regiment of volunteers. Thousands came forward to enlist. Instead of one regiment, five were mustered. I think it worth recalling that the first volunteer to sign up was Samuel B. Horn, of Winsted—again, like Catlin, from the region now embraced by this Congressional District. At the time of his enlistment Horn was only 17 years of age. He served faithfully throughout the war; took part in 25 battles, and was wounded 3 times.

Three Connecticut regiments instead of one were sent to Washington. The first was dispatched by boat to the Chesapeake and so up the Potomac, reaching Washington May 13, 1861. It was met and cordially welcomed by President Lincoln and the assembled Cabinet. It was the first regiment from any State to be thoroughly equipped. It had tents, uniforms, 50,000 rounds of ammunition, and rations and forage for 20 days. Capt. Daniel Tyler was in command. The aged General Scott, veteran of the Mexican War, reviewed them and exclaimed: "Thank God, we've one regiment ready to take the field."

This 1st Connecticut Regiment, it may be added, was taken as a model for discipline and equipment by other States. On May 23 the 2d and 3d Connecticut Regiments arrived in Washington. At the First Battle of Bull Run, the following July, these three Connecticut regiments fired the first shots in the morning and the last in the evening. They were the first to advance, the last to retreat, and they covered the Union stampede which closed that ill-starred day.

In all, Connecticut had in service in the Civil War 28 regiments of infantry, 2 regiments and 3 batteries of artillery, and 1 regiment and 1 squadron of cavalry.

Thus we have every reason to be proud of our State in the great struggle to preserve the Union. That was nearly a century ago. Already the Government has set up a commission to direct a solemn observance of these terrible but glorious years.

As President Lincoln had one supreme mandate before which everything must bow—the preservation of the Union—so his latest successor has the grave task of again preserving that Union, not, indeed, from the foes of its own household, but from the challenge of an alien ideology which now confronts us across the other half of the world with—so far—seeming implacable hostility. Lincoln was faced with internal rebellion: Eisenhower has to safeguard us from the unknown menace of the outer spaces. As 1863, the third year of the War of the Rebellon opened with the great issue hanging fearsomely in the balance, so this year of 1958 may yet prove the turning point of our own era.

As our New England forefathers gave of their blood, their substance, and their supreme loyalty to the great war President of the years 1861–65, so let us of this generation give our own full loyalty and devotion to the Government of our own day, firmly resolved, as were our forefathers, that this Nation shall not perish from the earth.

An Interstate Compact Is by Far the Best and Most Certain Way To Provide Uniform Tax Treatment

---

EXTENSION OF REMARKS

OF

HON. FRANK THOMPSON, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, February 3, 1958

Mr. THOMPSON of New Jersey. Mr. Speaker, I am introducing today a joint resolution granting the consent of Congress to the States of Connecticut, Massachusetts, New Jersey, New York, Pennsylvania, and Rhode Island to enter into a compact to provide uniform tax treatment of nonresidents.

In a study of the subject made at my request by the American Law Division of the Library of Congress it was pointed out that there is no constitutional inhibition to State compacts in regard to taxes, and that this way of dealing with the subject is being given increased attention.

Some years ago the Secretary of the Treasury in a lengthy report to the Senate Committee on Finance—Senate Document No. 69, 78th Congress, page 78, stated:

> In the field of interstate cooperation, the Council of State Governments, since 1935, has organized commissions on interstate cooperation in most States with membership consisting of legislators and administrative officers. These commissions have stressed the need for reciprocal tax laws to promote uniform and nondiscriminatory taxation, particularly in the insurance, personal income, and inheritance-tax fields.

While I do not deny that a constitutional amendment is at least one way to handle this matter of providing uniform tax treatment, I think that it is a long, difficult, and uncertain way of going about the matter. Further, I hesitate to approach States far removed to bring pressure on the sovereign States concerned. Let us, first, I say, use every means of seeking an agreement among the States directly involved.

Governors Meyner, Harriman, and Ribicoff are going about the matter in the best way, I am convinced, in setting up a three-State panel to study this complex subject.

I am including two editorials and a news article on this subject which is of such great interest to the residents of the States named in my joint resolution.

My joint resolution reads as follows:

> Joint resolution granting the consent of Congress to the States of Connecticut, Massachusetts, New Jersey, New York, Pennsylvania, and Rhode Island to enter into a compact to provide uniform tax treatment of non-residents
>
> *Resolved, etc.*, That the consent of Congress is hereby given to the States of Connecticut, Massachusetts, New Jersey, New York, Pennsylvania, and Rhode Island to enter into a compact designed to provide uniform tax treatment of nonresidents through agreement not to discriminate between residents and nonresidents in the levying and collection of taxes. No such compact shall be binding or obligatory on any of the parties thereto unless and until it shall have been ratified by the legislatures of each of the States who are a party to it, and it is approved by the Congress of the United States.

[From the New York Times of Monday, December 30, 1957]

TAX DISCRIMINATION

We can't say we blame people in New Jersey and now in Connecticut for the indignant noise made over New York State's income-tax law. Residents of those States who earn most of their income by commuting into New York suffer rank discrimination. It is fair enough that they have to pay New York income taxes; but it is unfair that they have to pay more—on the same income—than they would pay if they lived in New York.

They do this because New York allows these nonresident taxpayers to use the short-form

only type of deduction, which is 10 percent of gross income or a top of $500, whichever is less. There is no itemization for the nonresident. He cannot enjoy deductions for real-estate taxes, for interest paid on debt, for sales taxes, for gasoline taxes, for costs of impoverishing illness, for gifts to charity, for life-insurance premiums paid to $150.

Besides suffering a premium rate of taxation without representation, the nonresidents endure a form of double taxation. In a State having no income tax, which is the case with New Jersey and Connecticut, other taxes must carry the burden of government and notably the support of education. The nonresident taxpayer must pay a full load in New Jersey and Connecticut. Meanwhile, through his unfairly large income tax sent to Albany, he is helping support local schools in New York.

So the nonresident not only overpays New York State income taxes, while benefiting by no reciprocity offset that he might get if his own State had an income tax, but he also enjoys little reward in New York for his generosity. He can't share in health-and-welfare benefits. He and his children would be considered rank outsiders by State-aided schools.

In other words, we take his money by employer withholding before it even reaches his pay envelope to be sure he doesn't escape, and we don't want him bothering us with any requests for quid pro quo. We suppose these people could solve their problem by coming over to New York to live. But until they become converted they ought to get a fair shake from New York.

[From the Trenton (N. J.) Trentonian of January 30, 1957]

OUT-OF-STATE TAXES

State Senator Walter H. Jones, Bergen Republican, has taken up the cudgels in behalf of New Jersey residents who work in New York and are taxed by New York State. He has succeeded in having the New Jersey Legislature adopt a resolution asking Congress to initiate a constitutional amendment which would forbid any State from assessing income taxes against residents of another State. In addition, he has written Governor Harriman, of New York, asking the Empire State's chief executive to "consider helping right what is truly a great tax wrong."

New York is not the only State that collects income taxes from out-of-State residents. There is for instance, the infamous payroll tax adopted by the city of Philadelphia as an emergency measure to take care of destitute people during the depression days of the midthirties. Like all emergency tax measures, the Philadelphia payroll tax still is in full force and effect, and so far as anyone knows, probably will remain so in perpetuity.

The way the Philadelphia deal works in essence, is that any resident of the City of Brotherly Love earning his income out of Philadelphia is obliged to pay the tax to Philadelphia. And a Jerseyite, for instance, who works in Philadelphia, is taxed at the source of his income.

The Supreme Court of the United States has upheld the legality of the Philadelphia tax, just as it has upheld the legality of the New York State tax on New Jersey's "bedroom residents."

Now New Jersey has opened fire in a campaign to have the out-of-State taxation burden removed or eased. But it might be well if we proceed with caution. Right now, New Jersey doesn't have a personal income tax. But the way governmental spending is mounting, such a tax looms as a distinct possibility. If and when that time comes, New Jersey will not hesitate to tax residents of Pennsylvania and New York who earn their incomes in Jersey.

[From the New York Times of January 11, 1958]

HARRIMAN AGREES TO THREE-STATE PANEL ON TAX PROTESTS—JOINS RIBICOFF AND MEYNER IN TALKS HERE, BUT DENIES INCOME LEVY IS UNFAIR—TWO GOVERNORS PUSH CASE—SAY DEDUCTION RULES WORK AGAINST THEIR RESIDENTS—EXPERTS TO SEEK DATA

(By Richard Amper)

Governor Harriman agreed yesterday to a special tri-State study of New York's nonresident income tax after the Governors of New Jersey and Connecticut told him it was unfair.

But he ruled out any possibility of a change this year in taxes that New Jersey and Connecticut residents will pay on income earned in this State in 1957.

Mr. Harriman met Gov. Robert B. Meyner, of New Jersey, and Gov. Abraham A. Ribicoff, of Connecticut, at a luncheon conference. They agreed that each would name a tax expert to provide details on the levies involved in the dispute.

They stipulated that the formation of such a tax committee involved no commitments but that the information it would provide was necessary to any further discussion of the issue. The committee is to be formed promptly but no deadline for a report was set.

HARRIMAN IS HOST

The three governors, all Democrats, took up the tax issue in Mr. Harriman's home, 16 East 81st Street.

Mr. Meyner and Mr. Ribicoff's complaint was this:

Residents of their States who work in New York have to pay New York State personal income taxes. Unlike New York residents, they are subject to compulsory withholding of the tax. Moreover, they may take a flat deduction of 10 percent or $500, whichever is less, but may not claim itemized deductions permitted to New Yorkers for medical expenses, State and local taxes, motor-vehicle fees, and so forth.

Mr. Harriman went into the conference after having made it clear that he thought the tax burden was fair to nonresidents.

But at a press conference after the luncheon he said that "New York wants to be fair to its neighbors."

He noted that at the luncheon discussion, "when it came down to details each [governor] had a different set of figures" on the taxes. Therefore, he agreed to the three-man committee "without any commitment on any of us" but merely to obtain more precise figures for further conversations.

Governor Meyner said that they discussed exemptions and deductions, found situations in which New York was more than fair. But others in which New Jersey residents suffer great disadvantage.

Through the figures of the experts, he said, he hoped to persuade Mr. Harriman of the need for changes.

Mr. Harriman interjected, "I'm not quite as optimistic."

"I see no hope of anything being done to change the tax anybody pays this year," he said. And Mr. Harriman, who recently voiced anxiety over declining State revenue, quickly added, "I hope nobody holds back filing their income tax this year."

LEGISLATIVE ACTION NEEDED

Any changes in the nonresident tax would require action by the legislature, he said, and the 1957 tax forms already "are out."

Governor Ribicoff explained that the difficulty was "having no way to know the impact" of various categories of deductions and the number of nonresidents affected by them.

Mr. Harriman said that it was impossible to devise a tax structure to take care of every case without creating loopholes for others. That might increase "any tendency of people to move right out" of New York State.

Mr. Harriman estimated that 175,000 New Jersey residents were working in New York. Mr. Meyner put the total at 155,000 and said that they paid $20 million in State income taxes while 50,000 New Yorkers worked in his State, which like Connecticut has no income tax. Mr. Ribicoff said 20,000 persons from his State worked in New York, paying $6 million in taxes.

Mr. Harriman replied that about $1,400,000,000 in income earned in New York was taken into the neighboring States and contributed to their prosperity.

Governor Ribicoff said that 13,000 New Yorkers worked in his State and paid no Connecticut income tax. He wanted "New York to treat Connecticut residents as Connecticut treats New York residents."

Governor Meyner deprecated "any retaliatory action" on the ground that the three States involved had many common problems to solve. He also said that any constitutional amendment prohibiting a State from taxing residents of another was likely to fail since 33 States imposed income taxes.

Both Mr. Meyner and Mr. Ribicoff said they would oppose any State income tax in their States.

The Reciprocal Trade Program: A Priority for America

EXTENSION OF REMARKS

OF

HON. HALE BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 3, 1958

Mr. BOGGS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address:

THE RECIPROCAL TRADE PROGRAM: A PRIORITY FOR AMERICA

(Address of the Honorable HALE BOGGS, of Louisiana, before the 13th Mississippi Valley World Trade Conference, Tuesday, January 28, 1958)

It is always a pleasure for me to return home to New Orleans and particularly so to participate in the meetings of the Mississippi Valley World Trade Conference. Mr. Schilling and his committee chairmen have organized an excellent program this year; they are to be complimented. With their usual fine appreciation of what is really important they have identified as the theme of this 13th conference, The Reciprocal Trade Program: Key To Expanding World Prosperity. You have heard and will hear many fine and distinguished speakers during the course of this conference. I am pleased to be in their company.

As many of you know, for the past year and a half, I have been chairman of the Subcommittee on Foreign Trade Policy of the Committee on Ways and Means. Our subcommittee has undertaken an extensive and detailed study of United States foreign policy. In the course of our studies we have held two series of hearings, one in September 1956, and the other during December last. Our subcommittee has published a detailed report on United States legislation in the field of foreign-trade policy since our country's inception and a compendium of papers on foreign-trade policy which I am proud to say have been hailed as standard reference works. We have extended our studies overseas to Western Europe, Japan, and the Far East, Canada and South America. On the basis of this solid record of study, we are about to issue a report containing for the

first time recommendations of the subcommittee with respect to our foreign-trade policy and the trade-agreements program in particular.

In undertaking this careful program of work and study, we have been aware that the trade agreements program has been a source of contention for many years in and out of the Congress. To put it mildly we anticipate further controversy when the bill for extension of the program comes before the Congress later this year.

The Committee on Ways and Means will begin its hearings on this legislation on February 17. Here the work of our subcommittee will be helpful. I sincerely hope and expect that the recommendations of our subcommittee will play an important part in the consideration by the Congress as a whole of the trade agreements program. A program that should have the highest priority in this year of crisis.

The reasons for such priority are clear. We have all been preoccupied in recent months with the technological feats of the Russians in launching two sputniks and their progress in the production of long range missiles. The military responsibility that falls on the United States as a result of the Soviet advances are beginning to be understood by all Americans. In his budget message the President called for the expenditure of $46 billion for defense purposes. Our Nation is prepared to carry the burden of equipping the Defense Establishment with the weapons necessary to give the United States and the Free World the defense posture and the deterrent capacity necessary for adequate military security.

It is not our intention to use these weapons except as a deterrent or, should attack ever take place, in retaliation against attack. What we pray for is that these weapons will never be used, for another war would mean the destruction of civilization as we know it. If we succeed in maintaining what Sir Winston Churchill has called "the balance of terror" between East and West, we will have a long-term military stalemate.

But is this sufficient? Is it enough then to spend billions for weapons? Will military strength alone win the long cold war with the Soviet Union? The question answers itself. The Soviet Union is challenging us simultaneously in every department of human endeavor: scientifically, educationally, culturally, militarily, politically, economically.

The Soviet Union is challenging us in the struggle for men's minds everywhere. Significantly, the new Soviet Ambassador to the United States is an expert on trade and, equally significant, the No. 2 man of the Soviet Union, the Deputy Premier, Mr. Anastas Mikoyan, is a trade expert. It has been Mikoyan who has used trade to get a grip on the economies of such varied countries as Egypt, Syria, Burma, Iceland, and now missions are to be found all over Latin America negotiating for Brazilian coffee, Argentine wheat and beef, Chilean copper, wool from Uruguay, and similar raw materials.

At the moment the largest Soviet activity in the Western Hemisphere is carried on from Montevideo in Uruguay. From here missions are spreading out as far north as Colombia and all over the continent.

Just a few months ago Mr. Khrushchev told American reporters in Moscow:

"We declare war upon you—excuse me for using such an expression—in the peaceful field of trade.

"We declare a war we will win over the United States. The threat to the United States is not the ICBM, but in the field of peaceful production. We are relentless in this and it will prove the superiority of our system."

I don't know how the Soviet Union's leaders propose to beat us in trade. But I would guess that they don't count upon defeating us solely through their own efforts. They confidently reckon upon help from Americans to enable them to defeat America in the field of trade.

They count upon us to try to hitch a 19th century wagon to a 20th century star.

They count upon us to put the little before the big, the particular before the general, the special interest before the national interest.

They count upon us, in short, to help them in their task of destroying us.

Khrushchev is not the architect of this plan. He is merely reaffirming an old aim implacably held by the Soviet Union.

When Joseph Stalin addressed the Cominform in 1952, few of us listened. But it would have paid us to listen. He made no threats. He said the Soviet Union would win the world through trade. He mentioned Japan especially. It was, he said, one of the countries upon whose future the world would turn. Then Mr. Stalin spelled it out.

He thought that when Japan got on her feet economically and became more competitive with the West, the West would do everything possible to shut Japan out of its markets. Too much of this prediction already seems to be coming true.

How shall we respond to this new challenge? How do we propose to fight this new kind of war and with what weapons? Can we afford to throw away what weapons we have or let them rust into uselessness? That surely would be the height of folly and irresponsibility. And yet that is what would happen if we scrapped the reciprocal trade program or crippled it with protectionist amendments. I say we do have weapons to fight this war, weapons that are battle-tested and ready and the trade-agreements program is one of these.

We must recognize, however, that there is an important difference between what we can do through our trade policy and what the Soviet bloc can and is doing with its trade policy. In the case of the Soviet bloc it is the Government that is engaging directly in foreign trade, making deals designed to exploit weak points in the Free World economic picture. The basic philosophy of our trade program is that governments should progressively remove barriers to trade so that it will move in response to the needs and decisions of thousands upon thousands of individual businessmen conducting their business in an atmosphere of freedom of enterprise. That is the fundamental difference that reflects the basic philosophies of our two systems and it is a difference that needs emphasis. If we really believe in free societies and associations of men, of which free enterprise is one of the cornerstones, then it is important to put that freedom to work for us in the field of trade relations. This long-run contest is after all a contest of ideologies, of economic and political systems. We seek to unleash the energies, the initiative, the ingenuity of free men throughout the free world for the purpose of developing the economic life of that world so that the benefits of increasing productivity and growth can be shared by all. Trade, and expanding trade, in an atmosphere of greater and greater freedom is a vital means of accomplishing that objective. Our greatest strength then is also our greatest weapon. It is strange then that so many leaders of business at home who believe in free enterprise call for Government interference the moment trade crosses a national frontier.

There is a second important characteristic of the trade policy that deserves more attention than it has received. Unlike other proposed solutions to the difficulties that beset us, such as greater military expenditures and increasing foreign aid, trade is a weapon that brings us good returns today and in the future. By making trade freer and permitting it to expand we are not only making it go to work as an effective instrument of foreign policy and as a tool for strengthening the Free World and therefore indirectly weakening the Soviet bloc, we are also—and this is fundamental—adding to our own economic strength, improving our own economic productivity, giving better and more jobs to people in the United States, providing ourselves with increasing raw materials at lower costs, and giving the consumer a greater break in terms of the range of things he can buy and the prices he has to pay for them. Viewed entirely from the point of view of our selfish economic interests as a nation, freer and expanding trade would be a policy that is very desirable to follow. But, when in addition to purely selfish economic interests we add the dimension of foreign policy and the contribution that trade can make to the economic health and prosperity of the Free World, then the development of an effective and sound trade policy becomes overwhelmingly essential. It seems to me that this is the proper perspective in which to view the reciprocal-trade program and to weigh the many arguments pro and con that will fill the air over the next few months.

Let me point out here that I am not entirely satisfied with the proposals presented by the administration. I think they fall down in two respects.

First, I think it unwise to propose an increase in the tariff-raising authority to levels 50 percent above the Smoot-Hawley rates of 1934, the high-water mark in protectionism. It was a reaction against Smoot-Hawley that the Hull reciprocal-trade program came into being. To suggest moving back beyond and above Smoot-Hawley under the guise of the Trade Agreements Act comes dangerously close to making a mockery of the program. I know that this authority, if given to the President would not be used promiscuously, but it is distressing to see such suggestions coming from the executive branch this year.

My second criticism is that the administration has failed to recommend changes in some of the existing protectionist provisions.

If the program is to be truly effective, we must realize that the program today has moved away from what it was in its first 15 years. Today it is part liberal and part protectionist. It has become somewhat schizophrenic. It seems to say "Let's lower tariffs so long as imports don't increase very much and let's raise tariffs whenever anyone complains about greater imports." The paramount need of our trade policy is to make the trade-agreements program more effective and stable and I fear that the administration's proposals leave much to be desired.

We need—and this is highly important—coordinated policy. We need an agency to assess the overall national interest in matters of trade policy. There are unfortunately too many instances when we seem to be going off in several contradictory directions at one time.

We appreciate the need for coordination in other areas. President Eisenhower in his state of the Union message put forward, as point No. 1 in his program, the need for reorganizing the Defense Establishment to minimize the conflicts and rivalries between the several services.

We need the same thing in the field of our foreign economic policy if it is to be an effective instrument in the cold war. We need, in short, a board of economic foreign policy that could act as a central agency to keep us abreast of economic affairs, and which would coordinate the direction and the programs of the multitudinous bureaus and agencies now involved in one degree or another in our trade and foreign economic policies.

Turning from the general to the particular: As previously mentioned this past fall members of our subcommittee made inquiries in Canada and throughout South

America. I was impressed in our visit to South America by the fact that the United States enjoys a tremendous reservoir of good will. But this reservoir is in danger of being depleted by the vagaries of our foreign trade policy. The prime example that comes to mind because it was so recent was the recommendation of the administration last summer to the Congress for legislation providing increases in the duties on lead and zinc. We heard very little about this proposal in the United States, partly, may I say, because the Committee on Ways and Means, or at least the Democrats on that committee, refused to consider the proposal advanced by the White House. We did so not only because the idea violated in a blatant fashion our declared economic policy but also because it followed the wrong road, since the United States Tariff Commission is the appropriate agency to study such matters. To our close neighbors and allies—Canada, Mexico, and Peru—it was most alarming. In the case of Peru it nearly brought about a panic and when we visited in Canada the proposed increase in duties on lead and zinc along with our wheat surplus disposal program were the two subjects that we heard most about. We have virtually undertaken a joint defense enterprise with Canada for the protection of the North American Continent. Yet despite this long mutuality of interest our actions in the field of foreign trade policy have threatened to impair this ancient friendship. Here are examples where a coordinated policy would prove effective; where a board of economic foreign policy could function.

In light of all these considerations you may well ask, "Why is it then that there appears to be so much opposition to this program? Where does the opposition come from?"

The main answer is that opponents of the program have been vocal; proponents have not. This despite the fact that in terms of economic interests, the benefits from trade are diffused throughout the economy while increased import competition pinches in limited spots.

It is easy to blame all one's troubles on import competition, particularly in this time of recession or adjustment. Others are content to have large and expanding export markets but resist any competitive imports. Let me give you a few examples. Take the case of chemicals. The chemical industry in the United States is huge; it produces $25 billion worth of products annually. It is a dynamic and inventive industry that has made remarkable contributions to our economic progress and prosperity, and, as befits an industry that is a leader, it is also a pace setter in foreign trade. In 1957 the exports of the chemical industry were $1 billion greater than the imports, 5 times as great, as a matter of fact. The export markets for United States chemicals have been growing rapidly, while imports of chemicals in 1958 were actually lower than they were in 1951 and 1952. And yet this great industry with its tremendous export markets has been vigorously opposed to the reciprocal trade program. Is this a case of trying to have one's cake and eating it too?

Much of the growing protectionist sentiment in the southeast reflects the antagonism to the program on the part of the cotton textile industry. Yet one looks at the figures and one sees that our exports of cotton manufactures are still substantially larger than imports and imports are only an infinitesimal fraction of our total production. The bulk of our cotton textile industry has been unaffected by imports although certain segments have faced increasing import competition. The Japanese were persuaded to put into effect a voluntary quota on cotton textile exports to the United States and they haven't even been able to fill that quota this year. Despite this fact the cotton textile industry is still opposed to the program. Because of such opposition we are in danger of alienating our most important ally in the Far East, Japan, who is—to return to selfish economic interests again—a prime market for American exports. Next to Canada, Japan is our best customer. In agricultural products alone Japan imports $400 million worth of farm products from the United States each year.

The economic interests of the South are still overwhelmingly tied up with the expansion of United States foreign trade. For example, I recently saw a study made by the Federal Reserve Bank of Atlanta, Ga., which showed that United States exports in 1957 increased 12 percent over 1956 and the four customs districts in the southeast—Florida, Georgia, Mobile, and New Orleans—accounted for one-fourth of this total national gain in exports. The volume of goods moving through these four customs districts increased by 45 percent in 1957 above the 1956 volume; in value terms, over $2 billion.

There are other industry segments in the United States that have fallen behind in their technical progress and have not developed the new products which the American consumer wants whereas foreign producers have.

These few examples can be multiplied many times over. They all add up to this fact: There is a determined opposition to the reciprocal-trade program. The sum total of these interests stand in danger of defeating or emasculating this program. If they succeed, the American people will not only lose in terms of their own economic well-being but we will have thrown away one of our most important weapons in the cold war with the Soviets. It is up to us, who are interested in seeing that the United States does not abdicate its leadership, to go to work to counteract these negative influences. The stakes are high; we cannot afford to lose.

An awesome power truly rests in our hands. It is the power of Congress to lay or remove tariffs and this, given the dimensions of our economic place in the world, is the power to affect for good or bad most of the peoples of the earth, including Americans. Used wisely, this power may become a potent instrument of national survival. Used unwisely, well, the consequences of that are so somber I don't like to think about them.

SENATE

TUESDAY, FEBRUARY 4, 1958

Rev. Edward L. R. Elson, S. T. D., minister, the National Presbyterian Church, Washington, D. C., offered the following prayer:

Eternal God, our creator, redeemer, and judge, make this Nation and all its people great enough, strong enough, and good enough for this hour of destiny. To this end, wilt Thou bless the Members of this body, that they may uphold what is right, correct what is wrong, and evermore serve Thy righteousness. Through Christ our Lord. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Monday, February 3, 1958, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H. R. 1244. An act to provide for the development by the Secretary of the Interior of Independence National Historical Park, and for other purposes;

H. R. 4642. An act to establish a Commission and Advisory Committee on International Rules of Judicial Procedure; and

H. J. Res. 483. Joint resolution to amend the act of August 20, 1954, establishing a commission for the celebration of the 200th anniversary of the birth of Alexander Hamilton.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (S. 1408) to provide allowances for transportation of house trailers to civilian employees of the United States who are transferred from one official station to another, and it was signed by the Vice President.

DISPOSAL OF AGRICULTURAL COMMODITIES IN FOREIGN COUNTRIES—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 323)

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which, together with the accompanying report, was referred to the Committee on Agriculture and Forestry:

To the Congress of the United States:

I am transmitting herewith the seventh semiannual report on activities carried on under Public Law 480, 83d Congress, as amended, outlining operations under the act during the period July 1 through December 31, 1957.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *February 4, 1958.*

REPORT ON ACTIVITIES OF HEALTH RESEARCH FACILITIES PROGRAM—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 324)

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which, with the accompanying report, was re-

ferred to the Committee on Labor and Public Welfare:

To the Congress of the United States:

Under the provisions of title VII of the Public Health Service Act, as amended by Public Law 835, 84th Congress, I transmit herewith for the information of the Congress the second annual report of the Surgeon General of the Public Health Service summarizing the activities of the Health Research Facilities Program.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *February 4, 1958.*

HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills and joint resolution were severally read twice by their titles and referred as indicated:

H. R. 1244. An act to provide for the development by the Secretary of the Interior of Independence National Historical Park, and for other purposes; to the Committee on Interior and Insular Affairs;

H. R. 4642. An act to establish a Commission and Advisory Committee on International Rules of Judicial Procedure; and

H. J. Res. 483. Joint resolution to amend the act of August 20, 1954, establishing a commission for the celebration of the 200th anniversary of the birth of Alexander Hamilton; to the Committee on the Judiciary.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. JOHNSON of Texas. Mr. President, under the rule, there will be the usual morning hour, for the introduction of bills and the transaction of other routine business. I ask unanimous consent that statements in that connection be limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Antitrust and Monopoly Legislation Subcommittee of the Committee on the Judiciary was authorized to meet during the session of the Senate today.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT OF DISTRICT OF COLUMBIA ARMORY BOARD

A letter from the Chairman, District of Columbia Armory Board, Washington, D. C., transmitting, pursuant to law, a report of that Board, for the fiscal year ended June 30, 1957 (with an accompanying report); to the Committee on the District of Columbia.

AUDIT REPORT ON EXPORT-IMPORT BANK OF WASHINGTON

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Export-Import Bank of Washington, for the fiscal year ended June 30, 1957 (with an accompanying report); to the Committee on Government Operations.

AUDIT REPORT ON RECONSTRUCTION OF ROAD TO PATRICK AIR FORCE BASE

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on reconstruction of State road 402 to Patrick Air Force Base (with an accompanying report); to the Committee on Government Operations.

AUTHORIZATION FOR SECRETARY OF COMMERCE TO ENTER INTO CERTAIN CONTRACTS

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to authorize the Secretary of Commerce to enter into contracts for the conduct of research in the field of meteorology and to authorize installation of Government telephones in certain private residences (with accompanying papers); to the Committee on Interstate and Foreign Commerce.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

Two letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders suspending deportation of certain aliens, together with a statement of the facts and pertinent provisions of law pertaining to each alien, and the reasons for ordering such suspension (with accompanying papers); to the Committee on the Judiciary.

GRANTING OF STATUS OF PERMANENT RESIDENCE TO CERTAIN ALIENS

Two letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders granting the applications for permanent residence filed by certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien, and the reasons for granting such applications (with accompanying papers); to the Committee on the Judiciary.

TABLES OF BANKRUPTCY STATISTICS

A letter from the Director, Administrative Office of the United States courts, Washington, D. C., transmitting, pursuant to law, statistical tables reflecting the business transacted by the bankruptcy courts, for the fiscal year ended June 30, 1957 (with an accompanying document); to the Committee on the Judiciary.

REPORT ON PENALTY MAIL

A letter from the Postmaster General, transmitting pursuant to law, a report showing the number of envelopes, labels, wrappers, cards, and other articles bearing penalty indicia procured or accounted for through that Department, during the fiscal year ended June 30, 1957, by the executive departments, independent establishments, organizations, and persons authorized by law to use the penalty privilege (with an accompanying report); to the Committee on Post Office and Civil Service.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A concurrent resolution of the Legislature of the State of Mississippi, relating to the availability of sufficient funds to carry out the soil bank program, which was referred to the Committee on Appropriations.

(See an identical concurrent resolution printed in full when laid before the Senate on Monday, February 3, 1958, p. 1475, CONGRESSIONAL RECORD.)

RESOLUTION OF NORTH DAKOTA STATE WATER CONSERVATION COMMISSION

Mr. LANGER. Mr. President, I present a resolution adopted by the North Dakota State Water Conservation Commission, favoring the enactment of the bill (S. 863) to affirm and recognize the water laws of the States lying wholly or partly west of the 98th meridian. I ask unanimous consent that the resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas Senate bill 863, 85th Congress, 1st session, introduced in the Senate on January 25, 1957, known as the Western Water Rights Settlement Act of 1957, affirms and definitely recognizes the water laws of States lying wholly or in part west of the 98th meridian; and

Whereas the decision of the Supreme Court of the United States in the *Pelton* case (349 U. S. 435), has apparently modified numerous prior decisions of that Court holding that the Desert Land Act of 1877 definitely ceded ownership and control over all nonnavigable waters to the States concerned with irrigation: Now, therefore, be it

Resolved, by the North Dakota State Water Conservation Commission in meeting assembled at Bismarck, N. Dak., this 31st day of January 1958, That the commission endorses Senate bill 863 and urges its passage and approval; and be it further

Resolved, That the secretary of the commission be, and is hereby, directed to forward to Senators WILLIAM LANGER and MILTON R. YOUNG, North Dakota sponsors of Senate bill 863, a copy of this resolution.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. FULBRIGHT, from the Committee on Banking and Currency, without amendment:

S. 3149. A bill to increase the lending authority of the Export-Import Bank of Washington, and for other purposes (Rept. No. 1270).

REPORT ENTITLED "SUPPLY WASTE AND EXCESSES IN THE NORTHEAST AIR COMMAND" (S. REPT. NO. 1271)

Mr. McCLELLAN. Mr. President, the Senate Permanent Subcommittee on Investigations held hearings in 1957 concerning supply waste and excesses in the Northeast Air Command. This command was composed of the following air bases: McAndrew, Pepperrell, Saglek Bay, Goose Bay, Frobisher, Sondrestrom, Narsarssuak, Thule, and Ernest Harmon, all of which were located in Newfoundland, Labrador, Baffin Island, and Greenland, respectively.

As a result of the preliminary inquiry conducted by the staff, three separate investigations were conducted by the Secretary of Defense, United States Air Force, and United States Army. These organizations have submitted preliminary reports of their investigations and final results have not, as yet, been received. The subcommittee desires to acknowledge the assistance and full cooperation of these three Departments.

It notes that the Department of Defense has already taken action to correct the deficiencies and improprieties that prevailed.

The Defense Department has estimated that there was in existence in August of 1957 $34,680,000 worth of excesses in the Northeast Air Command. It is recognized that excesses do not necessarily mean waste. However, the problems that existed throughout the Northeast Air Command indicated that a large percentage of excess material was being declared surplus and sold even though much of the material was in a new or usable condition, and the need for some of these items was outstanding both in the Northeast Air Command and the United States.

Illustrative of the excesses that developed at Ernest Harmon Air Force Base was that of the 823d Army Battalion. This Army unit had spare parts for technical equipment representing over a million dollars. According to organizational charts this battalion should have had approximately $75,000 worth of spare parts.

Testimony revealed that in one instance an Army warrant officer, contrary to all regulations, caused to be buried approximately $33,000 worth of excess spare parts, of which approximately $25,000 worth were good and usable at the time of the burial.

The Department of Defense has reported that the accumulation of excesses at Harmon Air Force Base was apparently the result of—

First. Improper computation of requirements.

Second. Improper requisitioning.

Third. Lack of inventory control.

Fourth. Inadequate storage.

Fifth. Abandonment of equipment at the end of World War II.

Sixth. Changes of missions.

Seventh. Lack of effective action by local commands to resolve supply problems.

Testimony of the officer who was Director of Materiel for the entire Northeast Air Command showed that he was unaware of many of the existing delinquencies. For example, he did not know that at the Harmon Air Force Base the stock record cards, which are the basic documents of inventory control, were 50 percent inaccurate. Air Force witnesses testified that the major cause of the development of excesses was the lack of adequate supply training of both military and civilian personnel.

The subcommittee has criticized the Air Force for its failure to furnish properly trained supply personnel to the Northeast Air Command, and for the existence of the many continuing errors in the supply system at Ernest Harmon Air Force Base.

The subcommittee recommended that the Air Force should maintain a central control of supplies and excesses at the Pentagon in Washington, D. C. This was not being done. It was also recommended that the Air Materiel Command, which is the Air Force unit for supply and logistics, should conduct periodic supply inspections at all Air Force bases, and submit the results to the Air Force at the Pentagon.

The subcommittee is continuing its investigation and is interested in ascertaining whether the delinquencies that existed in the Northeast Air Command exist elsewhere. We are interested in ascertaining the exact dollar value of the amount of surplus in the Northeast Air Command.

A day or two ago, when the Senate was considering a resolution to provide funds for the Permanent Subcommittee on Investigations, I pointed out this particular investigation and said that as a result of it and of the remedial action which has been taken, the subcommittee's efforts in this respect will save the Government millions of dollars, enough to pay for the operation of the subcommittee for many years.

Mr. President, on behalf of the Government Operations Committee, I submit the report of the Senate Permanent Subcommittee on Investigations, entitled, "Supply Waste and Excesses in the Northeast Air Command," and ask that it be printed.

The VICE PRESIDENT. The report will be received and printed, as requested by the Senator from Arkansas.

REPORT ON DISPOSITION OF EXECUTIVE PAPERS

Mr. JOHNSTON of South Carolina, from the Joint Select Committee on the Disposition of Executive Papers, to which was referred for examination and recommendation a list of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted a report thereon, pursuant to law.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. GREEN, from the Committee on Foreign Relations:

James W. Riddleberger, of Virginia, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary to Greece, vice George V. Allen;

Parker T. Hart, of Illinois, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary to the Hashemite Kingdom of Jordan, vice Lester D. Mallory;

John Wesley Jones, of Iowa, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary to the United Kingdom of Libya, vice John L. Tappin;

Lester D. Mallory, of Washington, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary to Guatemala, vice Edward J. Sparks;

Edward J. Sparks, of New York, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary to Venezuela, vice Dempster McIntosh;

Clifton R. Wharton, of California, a Foreign Service officer of class 1, to be Envoy Extraordinary and Minister Plenipotentiary to Rumania, vice Robert H. Thayer;

Frank A. Waring, of California, and sundry other persons, for appointment in the foreign and diplomatic service; and

W. Wendell Blancke, of California, and sundry other persons, for promotion in the foreign and diplomatic service.

By Mr. EASTLAND, from the Committee on the Judiciary:

Lawrence Edward Walsh, of New York, to be Deputy Attorney General; and

Malcolm R. Wilkey, of Texas, to be an Assistant Attorney General.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BUSH:

S. 3219. A bill for the relief of Mrs. Margaret Graham Bonnalie; to the Committee on the Judiciary.

By Mr. MURRAY (for himself, Mr. MANSFIELD, Mr. ANDERSON, Mr. JACKSON, and Mr. CHURCH):

S. 3220. A bill to amend the Federal-Aid Highway Act of 1956 to authorize appropriations for forest highways for the fiscal years ending June 30, 1960, and June 30, 1961, and for other purposes; to the Committee on Public Works.

(See the remarks of Mr. MURRAY when he introduced the above bill, which appear under a separate heading.)

By Mr. BUTLER:

S. 3221. A bill for the relief of Erika Margaretha Zintl Pearce; to the Committee on the Judiciary.

By Mr. LANGER:

S. 3222. A bill to incorporate the Veterans of World War I of the United States of America; to the Committee on the Judiciary.

By Mr. HUMPHREY:

S. 3223. A bill to amend the Agricultural Trade Development and Assistance Act of 1954, as amended; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. HUMPHREY when he introduced the above bill, which appear under a separate heading.)

By Mr. McCLELLAN (by request):

S. 3224. A bill to improve opportunities for small business concerns to obtain a fair proportion of Government purchases and contracts, to facilitate procurement of property and services by the Government, and for other purposes; to the Committee on Government Operations.

(See the remarks of Mr. McCLELLAN when he introduced the above bill, which appear under a separate heading.)

By Mr. CASE of South Dakota (for himself and Mr. MUNDT):

S. 3225. A bill to provide for the acquisition of lands by the United States required for the reservoir created by the construction of Fort Randall Dam on the Missouri River so far as it affects the Crow Creek Sioux Reservation, S. Dak., and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. LONG:

S. 3226. A bill to permit a taxpayer who has attained the age of 65 and is disabled, or whose spouse has attained the age of 65 and is disabled, to deduct up to $20,000 of medical expenses incurred in any year; to the Committee on Finance.

By Mr. GOLDWATER (for himself, Mr. BUTLER, Mr. JENNER, Mr. CURTIS, Mr. MARTIN of Pennsylvania, and Mr. THURMOND):

S. 3227. A bill to amend the National Labor Relations Act, as amended, for the purpose of prohibiting compulsory unionism, and for other purposes; to the Committee on Labor and Public Welfare.

By Mr. EASTLAND (for himself, Mr. McCLELLAN, and Mr. KEFAUVER):

S. 3228. A bill to alleviate the critical shortage of high quality cotton and to protect farm income and for other purposes; to the Committee on Agriculture and Forestry.

TEMPORARY DELAY IN CONSTRUCTION OF CERTAIN BRIDGES OVER POTOMAC RIVER

Mr. O'MAHONEY. Mr. President, on behalf of the Senator from Pennsylvania [Mr. CLARK], the Senator from Oregon [Mr. MORSE], the Senator from Maryland [Mr. BEALL], and myself, I submit, for appropriate reference, a concurrent resolution expressing the sense of Congress that the Commissioners of the District of Columbia should take no further action under the law which permits them to proceed with the construction of a bridge over the Potomac River, until the House of Representatives has disposed of the measure the Senate passed on July 3, 1957, authorizing the construction of a tunnel under Roosevelt Island.

The purpose of this concurrent resolution is to make certain that the House of Representatives has an opportunity at this session to act upon the bill which the Senate has passed. I have every reason to believe that the House will act upon that bill.

Those of us who are supporting the construction of a tunnel were convinced that a tunnel would be a much better method of handling the traffic problem between Virginia and the District of Columbia than would the construction of a bridge, and that it would do very much more to preserve the artistic and scenic beauty of this area.

Going as we are now, there is great danger that there will be a sort of a shed over the Potomac River between the District of Columbia and Virginia, with the Lincoln Memorial, the Jefferson Memorial, and the Washington Monument on one side, and, on the Virginia side, other architectural erections which will be made. It is an eventuality which should not be permitted if it can be avoided.

Therefore, Mr. President, I send the concurrent resolution to the desk for appropriate reference, and I ask unanimous consent that, as a part of my remarks, there may be printed in the RECORD the list of various organizations which have endorsed this concurrent resolution.

The VICE PRESIDENT. The concurrent resolution will be received and appropriately referred; and, without objection, the list will be printed in the RECORD.

The concurrent resolution (S. Con. Res. 61), submitted by Mr. O'MAHONEY (for himself and other Senators), was referred to the Committee on the District of Columbia, as follows:

Whereas Senate bill 944, authorizing the construction of a tunnel across the Potomac River, passed the Senate on July 3, 1957, and is now pending in the House Committee on the District of Columbia: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the Commissioners of the District of Columbia should take no further action pursuant to title I of the act entitled "An act to authorize and direct the construction of bridges over the Potomac River, and for other purposes," approved August 30, 1954 (68 Stat. 961), prior to the final disposition of Senate bill 944 which passed the Senate on July 3, 1957, and is now pending in the House Committee on the District of Columbia, or the date of adjournment of the second session of the 85th Congress, whichever occurs first.

The list presented by Mr. O'MAHONEY is as follows:

A list of those organizations which have advocated a tunnel as the proper trafficway across the Potomac River at Constitution Avenue:

American Institute of Architects.
American Planning and Civic Association.
American Scenic and Historic Preservation Society.
American Society of Landscape Architects.
Civil War Centennial Commission.
Commission of Fine Arts.
Committee of 100 for the Federal City.
General Federation of Women's Clubs.
Joint Committee on the National Capital.
Lincoln Sesquicentennial Commission.
Military Order of the Loyal Legion of the United States.
Marine Corps War Memorial Foundation.
National Capital Planning Commission.
National Freedom Shrine Foundation.
National Monument Commission.
National Park Service.
National Society of Professional Engineers.
Sons of Union Veterans.
Theodore Roosevelt Association.
Theodore Roosevelt Centennial Commission.
United States Department of the Interior.

AMENDMENT OF THE FEDERAL HIGHWAY ACT AS IT RELATES TO FOREST HIGHWAYS

Mr. MURRAY. Mr. President, on behalf of myself, my colleague, the junior Senator from Montana [Mr. MANSFIELD], the Senator from New Mexico [Mr. ANDERSON], the Senator from Washington [Mr. JACKSON], and the Senator from Idaho [Mr. CHURCH], I introduce, for appropriate reference, a bill to amend the Federal Highway Act as it relates to forest highways.

This bill is identical to bills introduced in the House on January 27, and in view of the extensive remarks made by Representative METCALF, which can be found on pages 1075 and 1076 of the RECORD for that day, I shall not reiterate them again.

We believe that pending a complete study of our forest highway system and its needs, we should retain the formula that has been used for the last 35 years. We could perhaps suggest some method of distributing these funds that looked advantageous on the surface. We prefer to return to the old formula for two reasons. We believe the several States should be given a chance to cooperate both in a review of the program and possible methods of distributing the funds. Second, is that the uses of our national forests are increasing at an explosive rate. Recreation use is mounting in intensity and broadening in variety. Operation Outdoors, the program to rehabilitate and expand the recreational assets of our national forests, will make these forests even more attractive.

Timber cutting is on the rise. We have many States where there is a great gap between the actual cut and the amount permitted by the sustained yield program of the Forest Service. We need to consider and review the role that forest highways play in delivering timber from the forest development timber access road to the manufacturing centers. The passing of the logging railroad has added this new traffic to our roads and created a need for good roads where none existed before.

We believe that an increase in the authorization now is justified. At the present $30 million authorization level, it will take 93 years to complete the Bureau of Public Roads estimate of needs for the next 30 years. In addition, we have before us a proposal to put this program under the Highway Trust Fund. We should ascertain the full impact of this proposal before we accept it. I am not at this time questioning the soundness of the proposal. We are, however, bound to insure that this trust fund is adequate to handle the great highway program. If we are to transfer tax revenue while adding new program demands on the trust fund, and at the same time face up to a real increase in the cost of roads, it would be well to have the best possible information on just what will happen to this fund.

We want to assure the distinguished chairman of the Public Works Committee, Senator CHAVEZ, and his able subcommittee chairman, Senator GORE, that we are desirous of working with them to promote the highways so vitally needed to develop our great forest resources.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3220) to amend the Federal Aid Highway Act of 1956 to authorize appropriations for forest highways for the fiscal years ending June 30, 1960, and June 30, 1961, and for other purposes, introduced by Mr. MURRAY (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Public Works.

AMENDMENT OF AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954

Mr. HUMPHREY. Mr. President, I introduce, for appropriate reference, a bill to amend the Agricultural Trade Development and Assistance Act of 1954, as amended, and ask that it be appropriately referred.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3223) to amend the Agricultural Trade Development and Assistance Act of 1954, as amended, introduced by Mr. HUMPHREY, was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

Mr. HUMPHREY. Mr. President, the purpose of this proposal is to amend the Agricultural Trade Development and Assistance Act of 1954, by extending and expanding this highly successful program.

The program has become commonly referred to as a surplus disposal program, although in reality its purpose is far broader, and its contribution far more significant.

Perhaps there is need, in considering its extension, to call attention to the statement of purpose in the act itself declaring it to be the policy of Congress "to expand international trade among the United States and friendly nations, to facilitate the convertibility of currency, to promote the economic stability of American agriculture and the national welfare, to make maximum efficient use of agricultural commodities in furtherance of the foreign policy of the United States, and to stimulate and facilitate the expansion of foreign trade in agricultural commodities produced in the United States by providing a means whereby surplus agricultural commodities in excess of the usual marketings of such commodities may be sold through private trade channels, and foreign currencies accepted in payment therefor. It is further the policy to use foreign currencies which accrue to the United States under this act to expand international trade, to encourage economic development, to purchase strategic materials, to pay United States obligations abroad, to promote collective strength, and to foster in other ways the foreign policy of the United States."

All evidence to date indicates the act has served those purposes effectively, becoming a valuable international economic tool in support of American foreign policy in addition to making wiser use of our agricultural abundance.

The administration has asked for extension of this program, and for its expansion.

The accompanying bill represents conclusions drawn from lengthy hearings and months of study by the Senate Committee on Agriculture and Forestry, seeking to perfect the measure out of working experience with it.

The measure authorizes an additional $500 million for sale of agricultural commodities for foreign currencies during the balance of this fiscal year, because officials of the Department of Agriculture have testified requests for that amount of purchases are already on hand and cannot be met because the limited authorization of last year has been exhausted in the midst of the fiscal year.

The measure would authorize continuing the program at a level of $1,500,000,000 per fiscal year for the next 2 years.

The administration has recommended that level of operation, but asked extension for only 1 year. The 2-year extension is proposed instead because of overwhelming testimony indicating many of the operating problems had developed over uncertainty of length of the program. Participating countries have been handicapped in developing constructive programs under the act because of the year-to-year extensions in the past. The 2-year approach is in keeping with all our foreign aid studies emphasizing the necessity for more long-range planning for efficient and effective administration. The act still requires periodic reports to the Congress every 6 months, providing ample opportunity for Congressional review and changes if necessary within the 2-year period.

The measure also expands the purposes for which the foreign currencies obtained can be used in support of United States foreign policy and other purposes of the act.

These additional purposes include the person-to-person exchange program under the Smith-Mundt Act; to aid the vocational education facilities in foreign countries, and assistance to schools, colleges, or universities founded or sponsored abroad by citizens of the United States to carry on programs of vocational, professional, scientific, or general educations; the financing of reconstruction, rehabilitation, health, self-help and other technical assistance-type projects by American voluntary nonprofit agencies such as church groups and CARE; and for financing research projects in foreign countries to find new uses for United States agricultural commodities whereby consumption and use of such commodities can be expanded.

The measure also extends for 2 years the famine assistance authority of the President in government-to-government assistance, as well as the relief programs of American voluntary nonprofit agencies limiting such programs to $500 million for the 2-year period but broadening the types of commodities available by making the definitions of surplus for purposes of title I sales programs also apply to title II relief programs.

The measure further clarifies the intent of the Congress as to the barter programs under title III, directing the Secretary to protect the funds and assets of the Commodity Credit Corporation by bartering commodities for materials meeting the criteria in the law of being cheaper to store and which entailed less loss due to deterioration, establishing a ceiling of $500 million for such transactions unless additional authority is granted by the Congress.

The measure also substitutes the term "agricultural commodities" for the word "food" in section 416 of the Agricultural Act of 1949, which is also included in Public Law 480 by reference, to make fibers such as cotton eligible as well as food for relief programs in the United States and abroad.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3223

A bill to amend the Agricultural Trade Development and Assistance Act of 1954, as amended

Be it enacted, etc., That section 103 (b) of the Agricultural Trade Development and Assistance Act of 1954, as amended (Public Law 480, 83d Cong.) is amended to read as follows:

"(b) Transactions shall not be carried out under this title during the period ending June 30, 1958, which, together with transactions heretofore carried out, will call for appropriations to reimburse the Commodity Credit Corporation, pursuant to subsection (a) of this section, in amounts in excess of $4,500,000,000. Tranactions shall not be carried out under this title during the period beginning on July 1, 1958, and ending on June 30, 1960, with respect to commodities having a total market value in excess of $3 billion."

SEC. 2 (a) Section 104 of such act is amended by inserting before the period at the end of the first sentence of paragraph (h) thereof the following: "and for the financing of programs for the interchange of persons under title II of the United States Information and Educational Exchange Act of 1948, as amended (22 U. S. C. 1446)."

(b) Paragraph (j) of such section is amended to read as follows:

"(j) For providing assistance to activities and projects authorized by section 203 of the United States Information and Educational Exchange Act of 1948, as amended (22 U. S. C. 1448)."

(c) Such section is further amended by adding after paragraph (j) the following new paragraphs:

"(k) For providing assistance, by grant or otherwise, in the establishment or expansion in foreign countries of schools, colleges, or universities founded or sponsored by citizens of the United States, for the purpose of enabling such educational institutions to carry on programs of vocational, professional, scientific, technological, or general education;

"(l) For providing assistance, by grant or otherwise, in the establishment or expansion, and in the operation, of vocational education facilities in foreign countries;

"(m) For the financing of reconstruction, rehabilitation, health, self-help and other technical assistance-type projects by American voluntary nonprofit agencies registered with and recommended by the Advisory Committee on Voluntary Foreign Aid;

"(n) For financing research projects in foreign countries to find new uses for United States agricultural commodities whereby consumption and use of these commodities can be expanded."

SEC. 3. Section 109 of such act is amended by striking out "June 30, 1958" and inserting in lieu thereof "June 30, 1960."

SEC. 4. (a) Section 201 of such act is amended by inserting after the words "out of its stocks" the words "or from private stocks."

(b) Section 202 of such act is amended by inserting after the words "Commodity Credit Corporation stocks" the words "or from private stocks."

SEC. 5. The first sentence of section 203 of such act is amended to read as follows: "Not more than $300 million (including the Corporation's investment in the commodities) shall be expended with respect to transfers made and other costs incurred under this title prior to July 1, 1958, and not more than $500 million (including the Corporation's investment in the commodities) shall be expended with respect to transfers made or costs incurred during the period beginning on July 1, 1958, and ending on June 30, 1960."

SEC. 6. Section 204 of such act is amended by striking out "June 30, 1958" and inserting in lieu thereof "June 30, 1960."

SEC. 7. Section 303 of such act is amended to read as follows:

"SEC. 303. In addition to other authorized methods and means of disposing of agricultural commodities owned by the Commodity Credit Corporation, the Secretary is directed to protect the funds and assets of the Commodity Credit Corporation by barter or exchange of such agricultural commodities for (a) materials entailing less risk of loss through deterioration or substantially less storage charges, or (b) materials, goods, or equipment required in connection with foreign economic and military aid and assistance programs, or (c) materials or equipment required in substantial quantities for offshore construction programs, he is hereby directed to use every practicable means, in cooperation with other Government agencies, to arrange and make, through private trade channels, such barters or exchange or to utilize the authority conferred on him by section 4 (h) of the Commodity Credit Corporation Charter Act, as amended, to make such barters or exchanges: *Provided*, That the total volume of the transactions directed by this section shall not exceed $500 million annually, unless approved by the

Congress. The authorities contained in this section shall, in addition to other types of transactions, permit the domestic processing of raw materials of foreign origin or of domestic origin where the domestic processor will agree to import an equivalent amount of similar foreign material. Agencies of the United States Government procuring such materials, goods, or equipment are hereby directed to cooperate with the Secretary in the disposal of surplus agricultural commodities by means of barter or exchange. Materials so acquired by the Commodity Credit Corporation shall be considered as assets of the Corporation and other agencies of the Government, in purchasing such materials, shall purchase such materials from Commodity Credit Corporation inventories to the extent available in fulfillment of their requirements. The Secretary is also directed to assist, through such means as are available to him, farmers' cooperatives in effecting exchange of agricultural commodities in their possession for strategic materials."

SEC. 8. (a) Section 206 (a) of the Agricultural Act of 1956 is amended by striking out the words "Strategic and other materials" and inserting in lieu thereof "Materials."

(b) Section 206 (b) of such act is amended by striking out the words "Strategic materials" and inserting in lieu thereof the word "Materials."

SEC. 9. Section 416 of the Agricultural Act of 1949, as amended, is amended by striking out the words "in the case of food commodities" in clause (3) of the first sentence; by striking out the word "food" in clause (4) of such sentence; by striking out the word "food" in the second sentence and inserting in lieu thereof the words "agricultural commodities"; and by striking out the word "food" in the next to the last sentence.

AMENDMENT OF FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949

Mr. McCLELLAN. Mr. President, I introduce, for appropriate reference, a bill to improve opportunities for small business concerns to obtain a fair proportion of Government purchases and contracts, to facilitate procurement of property and services by the Government, and for other purposes.

This bill is being introduced at the request of the Administrator of General Services as a part of the legislative program for the General Services Administration for 1958.

Mr. President, I ask unanimous consent that there be inserted in the RECORD at this point the letter received from the Administrator of General Services by the President of the Senate on January 10, 1958, together with an explanation of the provisions of the bill, which were referred to the Committee on Government Operations.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the letter and explanation will be printed in the RECORD.

The bill (S. 3224) to improve opportunities for small business concerns to obtain a fair proportion of Government purchases and contracts, to facilitate procurement of property and services by the Government, and for other purposes, introduced by Mr. McCLELLAN, by request, was received, read twice by its title, and referred to the Committee on Government Operations.

The letter and explanation presented by Mr. McCLELLAN are as follows:

GENERAL SERVICES ADMINISTRATION,
Washington, D. C., January 10, 1958.

Hon. RICHARD M. NIXON,
President of the Senate,
Washington, D. C.

MY DEAR MR. PRESIDENT: There is transmitted for consideration a draft bill "To improve opportunities for small business concerns to obtain a fair proportion of Government purchases and contracts, to facilitate procurement of property and services by the Government, and for other purposes."

An explanation of the provisions of the draft bill is also enclosed.

The legislative recommendations proposed in the draft bill were developed by the interagency Task Force for Review of Government Procurement Policies and Procedures which was established by me to perform the review of Government procurement policies requested by the President in accordance with a recommendation made by the Cabinet Committee on Small Business in its first progress report.

It is believed that the draft bill will help achieve the objectives of the Cabinet Committee on Small Business—to eliminate needless inconsistencies, to simplify, and to remove any inequities, in procurement procedures of Government agencies, with a view to facilitating participation of small businesses in work on Government contracts.

It is impracticable to estimate with any reliability the savings, costs, and personal service expenditures that the proposed legislation will produce.

The Bureau of the Budget has advised that there is no objection to the submission of this draft bill to the Congress.

The draft bill and explanation will also be transmitted to the Speaker of the House of Representatives.

Sincerely yours,

FRANKLIN G. FLOETE,
Administrator.

EXPLANATION

Section 1: Section 1 of the draft bill would amend section 302 (a) of the Federal Property and Administrative Services Act of 1949 to liberalize the discretionary power of the Administrator to extend to civilian agencies authority to use the procurement procedures stated in title III of the act. There would be deleted specific reference to two situations where delegation is now authorized (1) purchase for the use of two or more agencies, and (2) other cases where, by reason of circumstances set forth in a determination, delegation is advantageous to the Government in terms of economy, efficiency, or national security.

Title III represents a modernized code of procurement procedures. It concerns such matters as advertising, negotiation, small business, antitrust laws, covenant against contingent fees, cost-plus and incentive-type contracting, examination of contractors' books and records, advance payments, and labor standards. This code applies to GSA, agencies to which GSA has delegated authority to use it and, in a broader version, to the military departments, the Coast Guard, and the National Advisory Committee for Aeronautics (NACA) (10 U. S. C., ch. 137).

Most civilian agencies follow the advertising requirements of section 3709 and 3710 of the Revised Statutes (41 U. S. C. 5, 8) and lack the guidance of a code of statutory procedures. An agency delegated authority to use title III only for certain procurements must observe older requirements in its other procurements, so procurement may be controlled by two different sets of rules within the same agency.

By virtue of the legislative history of section 302 (a), its authorization to permit delegations has been narrowly construed and only sporadic and closely circumscribed delegations have been made. In the interest of promoting uniformity and simplification in procurement procedures used by Government agencies, section 1 would liberalize authority of the Administrator to permit use of title III. His discretion would remain unimpaired with respect to granting or withdrawing such delegations and authority to make determinations so to delegate would remain tightly limited (section 307 (b); 41 U. S. C. 257 (b)). Present exemption of agencies from section 3709, Revised Statutes would continue (section 6 of the draft bill).

The Administrator could develop uniformity in agency procurement procedures if section 1 were enacted by prescribing uniform conditions for exercise of the delegated authority, pursuant to section 302 (a) or section 205 (c) of the act (40 U. S. C. 486 (c)). With the growth of uniformity, codification and accessibility of agency procurement procedures would be assisted.

Extension of the procurement procedures of title III to all Government agencies has been recommended by the Senate Committee on Banking and Currency (S. Rept. No. 1263, 81st Cong., p. 11 (1950)).

Section 2: Section 2 of the draft bill would amend section 302 (c) of the Federal Property and Administrative Services Act of 1949 to enlarge authority of civilian agencies to procure in two areas by negotiation methods.

Section 2 (a) would increase from $1,000 to $2,500 the maximum amount of small procurements which GSA may make by negotiation methods, and abrogate power of the Administrator to authorize a $1,000 limit for agencies procuring for the use of two or more agencies.

The military departments, Coast Guard, and NACA likewise have a limit of $1,000 on the negotiation of small procurements (10 U. S. C. 2304 (a) (3)). Other agencies are subject to a $500 limit for small procurements, apart from a relatively few agencies which have received exemption from the advertising requirements of section 3709, Revised Statutes, or have other special negotiation authority (as, for example, Central Intelligence Agency, under 50 U. S. C. 403c).

Section 2 (a), together with section 8 and section 9 (a) of the draft bill, would establish a uniform $2,500 small procurement limit for all Government agencies, legislative, executive, and judicial.

Negotiated procurement contemplates suitable competition. In some instances greater competition may be engendered than by formal advertising, as where paperwork costs or lack of understanding of formal bid procedures may deter prospective contractors, particularly small business concerns, from submitting bids on small dollar amount procurements. Increased competition and lower prices would flow from the simplification, speed, and similarity to commercial practice regulated negotiation of small procurements would provide. Administrative savings to the Government also would result from the lesser cost in such cases of negotiated procurements as compared with formally advertised procurements.

A uniform maximum amount for small procurements by Government agencies, based on the changed economic value of the dollar, and their negotiation under uniform executive agency procedures developed by the Administrator would reduce inconsistencies and complexities in such procurements, benefitting both business and the Government.

The House Committee on Armed Services and the Comptroller General have recommended this increase of $1,000 to $2,500 for the military departments, Coast Guard, and NACA. "While under review, we concluded that the limitation of $1,000 in section 2 (c) (3) [now 10 U. S. C. 2304 (a) (3)] was hampering economical procurement. The Comptroller General agrees with us. He and we are of the opinion that a limit of $2,500 in

single purchases would be a more realistic limitation, in the current state of our economy, than would a limitation of $1,000. It has been pointed out that the paperwork involved in a procurement is the same whether it be for $1,000 purchase or one for many thousands of dollars." (H. Rept. No. 1688, 84th Cong., p. 4 (1956).)

The House of Representatives passed the bill (H. R. 8710) containing this recommendation (102 Cong. Rec. 2918 (1956)). No action on it occurred in the Senate.

In April 1957, the State of New Jersey increased from $1,000 to $2,500 the amount of small procurements which municipalities may make without public advertisement (ch. 30, Public Laws 1957, amending New Jersey Statutes Annotated, 40:50–1).

Section 2 (b) of the draft bill would renumber certain paragraphs of section 302 (c) of the Federal Property and Administrative Services Act of 1949. The effect would be to make comparable the first 13 items contained in this section with those contained in 10 U. S. C. 2304 (a), from which, as originally enacted in 1948, they were derived.

Section 2 (c) of the draft bill would amend section 302 (c) of the Federal Property and Administrative Services Act of 1949 to authorize GSA (and agencies to which it may delegate similar authority) to procure by negotiation methods perishable and nonperishable subsistence supplies.

The military departments, Coast Guard, and NACA have explicit authority to procure perishable subsistence supplies by negotiation (10 U. S. C. 2304 (a) (9)). Other agencies lack this express authority but frequently resort to such negotiated procurements in appropriate circumstances under the "public exigency" authorizations of section 3709, Revised Statutes and section 302 (c) (2) of the Federal Property and Administrative Services Act of 1949. The proposed amendment gives explicit recognition to the availability of negotiation procedures for such procurements and harmonizes the authority of Government agencies in this respect.

Section 2 (c), together with section 9 (b) of the draft bill, would also authorize negotiation procedures in the procurement by agencies of nonperishable subsistence supplies. The need for such authority was stated in a report of the House Armed Services Committee:

change in the marketing system for nonperishable substances, such as canned goods. The introduction into the market of frozen foods and other methods of packaging and marketing has changed the requirements and placed military procurement at a disadvantage in this competitive field. To permit abandonment of the strict form of advertised competitive bidding in the field of nonperishable substances, such as the Quartermaster General of the Army has shown, will in fact result in a broader base and a better system of procurement than could otherwise be done. The seasonal packs and the difference in packing for military use, require that decisions be made while crops are still in the field. That can best be accomplished by the flexibility of decision allowed in this exception. In no sense is competition avoided because food prices and demands are public knowledge and posted at market centers." (H. Rept. No. 1688, 84th Cong., p. 5 (1956).)

A bill (H. R. 8710) to carry out this view of the House Armed Services Committee by authorizing negotiated procurement of nonperishable subsistance supplies by the military departments, Coast Guard, and NACA was passed by the House (102 Cong. Rec. 2918 (1956)), but was not acted on in the Senate.

Substantial purchases of nonperishable (as well as perishable) subsistence supplies are made by civilian agencies for hospitals, prisons, and other institutions. Authority to use competitive negotiation procedures in such procurements would be valuable to these agencies, as well as to the military departments, Coast Guard, and NACA. Extension of such authority to the civilian agencies, as well as to the military services, would reduce differences in procurement procedures among the agencies and would permit development of uniform regulations for the exercise of the authority.

Section 3: Section 3 would renumber certain paragraphs cited in section 302 (e) of the Federal Property and Administrative Services Act of 1949 because of the renumbering would be occasioned by section 2 (b) of the draft bill.

Section 4: Section 4 of the draft bill would amend section 305 of the Federal Property and Administrative Services Act of 1949 to enlarge the authority of civilian agencies to make advance and progress payments. (Sec. 10 would provide similar authority for the military departments, Coast Guard, and NACA. Section 5 (b) and section 12 would permit increased delegability in the agencies of determinations to make advance payments.)

Proposed section 305 (a) (1) would authorize making advance payments (and other payments) for advertised contracts, as well as for negotiated contracts. The present section 305 (a) limits advance payments to negotiated contracts. Under emergency legislation, such as the First War Powers Act, 1941 (50 U. S. C. App. 611), and the Defense Production Act of 1950 (50 U. S. C. App. 2061ff), advance payments may be made for either kind of contract.

A tremendous volume of Government procurement occurs through advertised procedures. Many small-business concerns, research laboratories, and educational institutions would be unable to perform important production or research and development work for the Government without the financial assistance advance payments provide. Advance payments have demonstrated their value in achieving difficult procurements and should be available, under suitable administrative regulations, regardless of the procedure used in letting the contract.

Proposed section 305 (a) (2) would permit in advertised procurements limiting advance payments and progress payments to small-business concerns. Without such statutory sanction the same payment terms must be offered in advertised procurements to all bidders, regardless of their financial resources (Comp. Gen. B–133956, October 22, 1957). The section will thus provide authority to agencies, as in negotiated procurements, to offer such payments only where needed.

Proposed section 305 (b) would restrict payments under a contract to the unpaid contract price. A first payment may be in any sum not exceeding the maximum amount of the contract price. Each following payment may not exceed the then unpaid balance of the contract price. This section applies to all contract payments the restriction on advance payment amounts presently stated in section 305 (a).

Proposed section 305 (c) restates in somewhat changed and simplified form the conditions specified in present section 305 for making advance payments. It is contemplated that uniform governmentwide regulation will be developed to guide the exercise of the proposed advance payment (and progress payment) authority. What is adequate security and the public interest will be considered, and appropriate standards will be prescribed to assure that advance payments (and progress payments) are made available only to the proper extent that the procurement program may require.

Section 5: Section 5 would amend section 307 of the Federal Property and Administrative Services Act of 1949 to effect certain renumbering and increase delegability of determinations to make advance payments.

Section 5 (a) would renumber the cited paragraphs of section 302 (c) in the light of the renumbering section 2 (b) of the draft bill would occasion.

Section 5 (b) would remove the nondelegability of determinations to make advance payments now included in section 307 (b). Such determinations will then be governed by section 307 (a), which authorizes the agency head, in his discretion and subject to his direction, to delegate his power to make such delegations (among others) to other officers of the agency. The proposed action will increase the flexibility of the advance payment procedure and, together with sections 4, 10, and 12 of the draft bill, will improve and facilitate the program.

Section 5 (c) would renumber the references to section 305 (a) in the light of the renumbering which would be occasioned by section 4 of the draft bill.

Section 6: Section 6 is technical. It would amend section 310 (b) of the Federal Property and Administrative Services Act of 1949 to provide that agencies authorized to observe in procurement the advertising and negotiation procedures of title III of that act need not observe the kindred requirements of section 3709, revised statutes. Existing exemptions from the applicability of section 3709, revised statutes, are automatically transferred and preserved.

Section 7: Section 7 would further amend section 214 of the Small Business Act of 1953 (15 U. S. C. 643) to clarify administration of the small busines set-aside program under that act and to provide expressly that the program may seek to assure that a fair proportion of Government procurements are placed with small business.

The Congressional policy to assure such fair proportion has been stated in several acts, including the Armed Services Procurement Act of 1947, as revised (10 U. S. C. 2301) and the Federal Property and Administrative Services Act of 1949 (41 U. S. C. 252 (b)). Satisfaction of the policy may be promoted through operation of the set-aside program jointly by the Small Business Administration and the procurement agencies.

Under the proposed amendment, such joint determinations to set-aside procurements for small-business concerns may, for suitable administration, be made on an individual contract or a class of contract basis (compare 41 U. S. C. 257 (a)).

Section 8: Section 8 would increase from $500 to $2,500 the small-purchase limitation contained in section 3709, Revised Statutes, for the reasons stated in the explanation of section 2 (a) (1) of the draft bill.

Section 9: Section 9 would increase from $1,000 to $2,500 the small-purchase limitation applicable to the military departments, Coast Guard, and NACA and authorize their negotiated procurement of nonperishable subsistence supplies, for the reasons stated in the explanation of section 2 (a) (1) and section 2 (c) of the draft bill.

Section 10: Section 10 would facilitate advance payment and progress payment procedures of the military departments, Coast Guard, and NACA, for the reasons stated in the explanation of section 4 of the draft bill.

Section 11: Section 11 would renumber a reference to section 2307 (a) of title 10, United States Code in the light of the renumbering which section 10 of the draft bill would occasion.

Section 12: Section 12 would authorize delegation of determinations to make advance payments within the military departments, Coast Guard, and NACA, for the reasons stated in the explanation of section 5 (b) of the draft bill.

Section 13: Section 13 would amend the Copeland (antikickback) Act to simplify the filing of payroll information by contractors and subcontractors in connection with

construction contracts made or financed by the Government.

Section 18 (a) would authorize their furnishing a statement of wages paid employees during the preceding week instead of a sworn affidavit with respect thereto. Removal of the statutory requirement for the affidavit will permit simplification of enforcement procedures.

Section 18 (b) would apply the provisions and penalties of section 1001 of title 18, United States Code to the filing of these statements. Hence, the criminal law will apply to false statements as it does to false affidavits. The anti-kickback provision of the Copeland Act will continue to be protected by the criminal law (18 U. S. C. 874).

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, February 4, 1958, he presented to the President of the United States the enrolled bill (S. 1408) to provide allowances for transportation of house trailers to civilian employees of the United States who are transferred from one official station to another.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. MORSE:

Article entitled "Our Surplus Food: Bane or Blessing?" written by Senator PROXMIRE and published in Presbyterian Life.

GREATER UNIFICATION OF THE ARMED FORCES

Mr. BUSH. Mr. President, on yesterday I introduced a bill to implement the findings and recommendations of the so-called Rockefeller fund report. The bill calls for unification of command and a simplification of processes in the Department of Defense.

One of the objections which has been raised to legislation of this type has been that the people do not want to see a stronger or more unified military command. Mr. President, I believe that is not so. In that connection, Mr. President, I hold in my hand a finding by the so-called Gallup poll. Because it shows that at the present time the public feels that the military unification law, namely, the National Security Act of 1947, is not effective, and because the public agrees with the President's call for reorganization of the Pentagon, I ask unanimous consent that the Gallup poll be printed at this point in the body of the RECORD, as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PUBLIC SAYS PRESENT MILITARY UNIFICATION LAW NOT EFFECTIVE—AS INTERSERVICE RIVALRY GOES ON, PUBLIC AGREES WITH IKE ON PENTAGON REORGANIZATION

(By George Gallup)

PRINCETON, N. J., January 25.—The American people agree with President Eisenhower that the present Pentagon setup could do with some reorganization.

In their opinion, the existing military unification program, in effect for nearly a decade now, leaves something to be desired.

By a vote of 2 to 1, those who expressed an opinion on the issue in the latest institute survey say that the 1949 law which created the Department of Defense has thus far been ineffective.

As reasons for their dissatisfaction with the present military setup, voters cite most often the struggles between Army, Navy, and Air Force over who is going to produce which missile.

In their opinion, this interservice rivalry is a key factor behind our present position in the missiles race with Russia.

Even those who feel that the present law has worked in cutting down rivalry and competition between branches of the armed service often volunteer the comment:

"At least, it's better than it was before."

As military authorities debated the pros and cons of a truly unified military comcand, institute opinion reporters were asking a sample of United States civilian adults this question about the existing program:

"A few years ago, Congress passed a law which it believed would cut out much of the rivalry and competition between the Army, Navy, and Air Force. Do you think this law has worked well, or not?"

The vote nationwide:

	Percent
Yes, has worked	20
No, has not	42
No opinion	38

Analysis of the results reveals that the greatest dissatisfaction with the existing military setup comes from college-trained persons—a group which would naturally be better informed about the current organization of the Pentagon.

Here is the vote on the issue among college persons:

LAW WORKED WELL?

College

	Percent
Yes, has	8
No, has not	68
No opinion	24

Defense Secretary Neil McElroy this past week named 3 military men and 3 civilians to help him with studies for reorganization of the Pentagon, which had been recommended by President Eisenhower in his state of the Union message.

One of the appointees, Nelson Rockefeller, headed a non-Government committee which advocated recently—in the Rockefeller report—that a single chief of staff replace the present Joint Chiefs of Staff.

UNIFIED COMMAND APPEALS TO PUBLIC

The basic idea of a unified service under one command is one that would seem to have appeal to the public, judging by comments recorded in the survey. Many feel that so long as there are three separate services, under any guise, rivalry is inevitable and that one service is the only solution.

The present bill to strengthen the military unification program went into effect in 1949. Under the measure, the National Military Establishment was renamed the Department of National Defense and the Departments of the Army, Navy, and Air Force were reduced from Cabinet to departmental rank.

HEROISM OF BERNARD DIETZ

Mr. BUSH. Mr. President, I hold in my hand a letter from Mrs. Walter G. Ames, president of the William S. Johnson Parent-Teachers Association, in Bridgeport, Conn. Her letter describes the very heroic act of a young man named Bernard Dietz, 15 years of age, who just recently rescued a small boy from a frozen lake, in zero temperature.

Bernard Dietz' act of heroism is very well described in the letter which Mrs. Ames has written to me. Therefore, Mr. President, I ask unanimous consent that Mrs. Ames' letter and also an article from one of the Bridgeport newspapers be printed at this point in the RECORD, as a part of my remarks.

There being no objection, the letter and article were ordered to be printed in the RECORD, as follows:

BRIDGEPORT, CONN., *February 3, 1958.*

Senator PRESCOTT BUSH,
Senate Office Building,
Washington, D. C.

DEAR SENATOR BUSH: An occurrence happened in our city last week that I feel should not go unnoticed.

So much is written, publicized and digested about juvenile delinquency that when a true act of teen-age courage happens, it is the topic of discussion for a brief moment and then overshadowed and forgotten in the next day's headlines, "Teen-Ager Murders, Steals, etc."

It is the act of juvenile delinquency and not juvenile heroism that people remember.

Bernard Dietz, 15 years of age, with no thought of personal danger or injury rescued a small boy from a frozen lake in zero temperature.

Bernie, who took a Red Cross lifesaving course, literally talked this child into not panicking which would certainly, had he panicked, have meant both their lives, into a successful rescue.

With presence of mind, Bernie removed his coat, shirt and shoes and slid into the waters of a frozen lake; (this particular section of the lake remained open because a family of ducks who preferred to stay north for the winter had to swim around and around for survival); swam out to the boy, little Kenneth Sweeny, 7 years old, buoyed him up, talked to him, and brought him to the edge of the ice where waiting hands and warming blankets brought the life back into him.

Bernard needed medical care for frostbite and immersion and developed a cold, but feels nothing of his heroism other than it was something that he saw needed doing immediately—so did it.

I feel, as do most people, that recognition be given to Bernard in the name of all unheralded teen-age acts of courage. This boy exemplifies the majority of teen-agers in our country, their fine sensibilities, their understanding of the innate goodness of man toward man and certainly their promise of the future generation of adults that we must depend on.

Senator BUSH, is there some way to show Bernard that we recognize his fine act of courage other than a pat on the head, and well done, son?

I'm sure a letter from you to him would please him and also his parents. They have worked hard to instill faith in God, hope for the future and charity toward mankind in their children and are proud, as only parents can be, of Bernard.

May I hear from you.

Very truly yours,

MRS. WALTER G. AMES,
President, William S. Johnson PTA.

HE LEARNED SAFETY AND HAD USE OF IT

(By Robert Kowalski, Fairfield Prep)

It isn't very often that one gets the chance to interview a real hero. Bernie Dietz, a sophomore at Fairfield Prep, has been in the news for his heroic rescue at Lake Forest on January 28.

Fifteen-year-old Bernie Dietz was reading, sitting by the window of his home overlooking the lake, when he heard three boys calling for help. He looked out the window and saw the boys running about panic-stricken. He saw another boy floating in the water out of reach. He ran outside and

saw that the only way to get the boy out of the water was to go in himself. He took off his shirt and shoes, lowered himself into the water, and brought the boy onto the ice. Two days later a Junior Post reporter interviewed the Dietz boy at his home.

Question. Could you name anything that might have prepared you to meet such an emergency without panicking?

Answer. Two years ago I took a Red Cross life-saving, water-safety course which my father introduced to Lake Forest. I completed the course but was never able to take the final test because of a perforated ear drum. When I saw the boy in the water I knew what I had to do.

Question. How do you feel about your rescue now?

Answer. I certainly don't feel like a hero; but I am very glad that I was able to save somebody's life. Everything has been happening so fast since Thursday that I feel like I'm in a daze. Swimming around in that cold water has helped me to get a cold.

Question. How do you spend your spare time?

Answer. School takes up most of it. Right now we have mid-term exams at Prep. Ordinarily I spend four hours a day doing homework.

Question. Four hours of homework doesn't seem to leave time for much else besides homework. What about girls?

Answer. My hobby is photography. I have a darkroom of my own at home. I belong to the production department of the Dramatics club at Prep.

DAIRY STABILIZATION PLAN PROPOSED BY THE NATIONAL GRANGE AND THE NATIONAL MILK PRODUCERS' FEDERATION

Mr. PROXMIRE. Mr. President, I ask unanimous consent to have printed in the RECORD a statement by me on the self-help dairy stabilization plan.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE SELF-HELP DAIRY STABILIZATION PLAN

(Statement by Senator PROXMIRE)

I am a cosponsor with the junior Senator from Minnesota [Mr. HUMPHREY] and my senior colleague from Wisconsin [Mr. WILEY] of S. 3125, a bill to enact the dairy stabilization plan proposed by the National Grange and the National Milk Producers Federation. I have cosponsored this bill because I share the concern of my colleagues that every constructive proposal for a long-range program to improve and protect the incomes of dairy producers should be laid before the Committee on Agriculture and Forestry for its consideration.

I warmly commend the National Grange and the National Milk Producers Federation for their work in drafting this excellent proposal. I commend them also for the spirit with which they have undertaken this work—a spirit of compromise, tolerance, and genuine determination to arrive at a broad area of agreement with other groups who share our interest in improving the protection for dairy producers and all family farmers.

The dairy stabilization bill proposed by the Grange and Milk Producers, and which I have cosponsored, is very similar in principle to the dairy products marketing provision in S. 2952, the comprehensive all-commodity self-financing farm bill which I introduced in the Senate on January 9. I believe that the principles which my bill and the dairy stabilization bill have in common, absolutely must be recognized in any program if it is to succeed. Both of these bills—the dairy stabilization bill and the dairy marketing plan provided for in my earlier bill—would protect and improve the incomes of dairy farmers without exorbitant drains on the United States Treasury.

The two main differences between my bill and the dairy stabilization bill are:

First, compliance by farmers with my bill would be voluntary, whereas compliance under the dairy stabilization bill would be compulsory if producers have approved of the program in a referendum.

Under the terms of my bill, dairy producers who do not wish to comply with marketing quotas would be free to ignore them. They would thereby sacrifice their right to parity income deficiency payments, but no penalty would be imposed upon them for producing milk in excess of their quotas.

Under the dairy stabilization bill, producers under certain circumstances would be penalized for marketings in excess of their quotas.

I wish to emphasize at this point that I do not mean to condemn the dairy stabilization plan on this account. Perhaps it will be considered necessary or desirable to provide for penalties on marketings in excess of marketing quotas. I would not object to reasonable provisions of this kind if they are necessary to enact a sound and workable program. I do think, however, that incentives to comply, such as provided for in my bill (S. 2952) can do the job successfully of adjusting total marketings to demand, without requiring penalties for producers who do not comply.

If the Senate Agriculture Committee, with the advantage its members possess of great experience in farm legislation, should feel that a plan is essential which authorizes reasonable penalties such as are provided for in the dairy stabilization bill, then I will certainly give great weight to their judgment. I want to emphasize that I would support such a plan if it is necessary to secure improvement and protection in the income of dairy producers.

Second, S. 2952 provides for greater protection, in my opinion, for the consumers at times when the general economy is operating under conditions of less than full employment. Under my farm bill, the farm program could not be operated in such a way as to reduce the supply of commodities in the market below what would be needed by the Nation for fully adequate diets for all Americans and for foreign commitments. In times of full employment, the market would absorb such a supply at prices fair to farmers. But when unemployment is high, many families through no fault of their own would be unable to buy all the milk and other dairy commodities they need for good healthful diets. My bill would, first, provide for producing sufficient supplies to meet these needs as well as regular market requirements, and second, would provide for measures to enable the economy to consume its full dietary needs for milk and other dairy products.

Under my bill, returns to dairy producers would be protected under all conditions. When there is high employment, my program would be self-financing. Provisions for adjusting the supply of milk to the demand would accomplish most of the task of protecting returns to farmers. A self-financing program of parity income deficiency payments to producers would accomplish the balance of the job.

But in periods when unemployment exceeds 3 percent of the labor force, it would be undesirable to cut marketings sufficiently to hold farmers' returns at the desirable level. My bill would not permit any such cut in production. Farmers would continue to produce all the milk that the Nation needs for adequate diets. The prices that consumers would pay under conditions of severe unemployment, of course, would decline, but parity income deficiency payments to farmers would protect their returns. Under these conditions, the payments to farmers would constitute a subsidy to the consumers of the United States to underwrite full consumption, much as the wartime subsidy helped to supplement consumers' incomes by underwriting part of their food bills to prevent runaway inflation.

Under conditions of severe unemployment, the self-financing provisions of my farm bill might not provide sufficient revenue to fully compensate the Treasury for the parity income deficiency payments to dairy producers. But it would certainly be much more desirable, in such circumstances, to draw on General Treasury funds to subsidize full consumption, than to compel farmers to reduce their production and marketings below the Nation's needs for adequate diets.

I am very hopeful that the Committee on Agriculture will consider all the proposals for improved farm legislation that have been placed before it. I hope it will draw upon the very best features of all the proposals that are before it, and from its members' own great experience and knowledge. Regardless of the origin of the specific ideas that are adopted, I want to assure my colleagues that I am anxious to support the very best farm bill that Congress can adopt. It is in this spirit that I have made my own proposals, and I have cosponsored the proposals of the Grange and Milk Producers Federation.

The following resolution was received today by me from a very fine Grange organization in Fond du Lac County:

KNOWLES, WIS., *January 31, 1958.*

Senator WILLIAM PROXMIRE,
United States Congress,
Washington, D. C.

DEAR SENATOR PROXMIRE: The Fond du Lac County Pomona Grange, in the heart of Wisconsin's dairyland, has studied the self-help or dairy stabilization program such as the one proposed by the National Grange and the National Milk Producers Federation and hereby wishes to register its approval.

We realize that all farm organizations must unite their efforts if this program is to stand a chance in Congress, therefore, we want you to know where we stand on the question.

Because of the increased emphasis on preparedness for defense, any dairy program which must depend upon annual appropriations of Congress will stand little or no chance of passage.

Won't you and your colleagues make a concerted effort to win Congressional approval this session, for the self-help plan which we believe is in the best interests of the dairy farmers now and in the future?

Thanking you, we remain,

Sincerely yours,

FOND DU LAC COUNTY POMONA GRANGE
LEGISLATIVE COMMITTEE.
MRS. LAVERNE MARQUART,
Chairman, Knowles.
ROBERT C. PINKERTON, *Brandon.*
AL J. WALGENBACH, *Fond du Lac.*
ARNOLD BELLING, *Rosendale.*
CHESTER P. WILLIAMS, *Fond du Lac.*

The VICE PRESIDENT. Is there further morning business?

CALL OF THE ROLL

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. PROXMIRE in the chair). Without objection, it is so ordered.

RECENT DIFFICULTIES IN THE PUBLIC SCHOOLS OF BROOKLYN, N. Y.

Mr. TALMADGE. Mr. President, the people of Georgia are deeply sympathetic with the citizens of Brooklyn, N. Y., in the difficulties they are experiencing in maintaining the integrity and independence of their public schools.

It is a source of concern to all law-abiding citizens when there arises in any school anywhere a situation in which the rights of pupils and teachers are violated and the preservation of order and tranquillity is jeopardized.

All men and women of conscience are shocked when the public schools—which bear the responsibility of training our youth for good citizenship—are thwarted in the discharge of that responsibility by strife, friction and violence.

It has been suggested that the President of the United States send Federal troops to Brooklyn to preserve order in the public schools there in the same manner that he did to force a new social order upon the public schools of Little Rock, Ark.

The people of Georgia reject such unconstitutional interference in purely local affairs as a solution to any problem. As much as they abhor the outrages which have occurred in Brooklyn, they do not believe that wrong compounded by wrong can make right.

The people of Georgia are determined to prevent the occurrence in their schools of such outbreaks of lawlessness as have transpired in Brooklyn. And, left alone to manage their own school affairs, I am confident that Georgians will see that there will be no rapes, riots, assaults or suicides to mar the good name and tranquillity which our schools now enjoy.

I am further confident, Mr. President, that left alone to solve their difficulties in accordance with the customs and wishes of the people concerned, the citizens of Brooklyn also will be able to restore order to their schools and make sure there is no repetition of their present difficulties.

The strong feeling of the citizens of Georgia against the illegal use of Federal troops in Little Rock was expressed in a resolution of censure of the President of the United States adopted unanimously by the General Assembly of Georgia on January 21, 1958.

I ask unanimous consent, Mr. President, that that resolution be herewith printed in the body of the RECORD and appropriately referred for consideration.

There being no objection, the resolution was referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Resolution censuring the President for calling out military forces to enforce integration of the races at Central High School in Little Rock, Ark.

Whereas on September 24, 1957, by arbitrary and illegal action unprecedented in the annals of history, the President of the United States federalized the Arkansas National Guard and sent airborne storm troopers of the United States Army into a sovereign State to enforce integration of the races at bayonet point in the Central High School of Little Rock, Ark., contrary to the President's positive statement never to use troops in enforcing integration; and

Whereas in so doing, the President sacrificed the honesty and integrity of our highest executive office on an altar of political expediency to appease the NAACP and other radical, Communist-sympathizing organizations; and

Whereas such action was illegal, unconstitutional, and void, as held by Attorney General Eugene Cook in official opinion to the Governor under date of October 17, 1957, in that:

(a) It was in direct violation of the Constitution, article IV, section 4, declaring that the United States can intervene in State affairs only upon application of the executive or legislature thereof;

(b) It was in violation of the Posse Comitatus Act (18 U. S. C. A., sec. 1385).

(c) It was in violation of other provisions of law limiting the use of troops to enforcing laws of the land, when in truth and fact, the decision of the Supreme Court sought to be enforced was not the law of the land, but only the law of the case, as held by the United States Court of Appeals for the Fifth Circuit in the case of *Indiviglio v. U. S.* (26 L. W. 2227 (October 31, 1957)).

(d) It was contrary to Federal statutes and established principles of constitutional law that military forces should not be used in enforcing court decrees until civil authorities had been frustrated in their attempt to so do, when in fact no United States marshall had ever sought to enforce Federal court decrees requiring integration in the Central High School: Now, therefore, be it

Resolved by the house of representatives (the senate concurring), That this general assembly does hereby censure the President of the United States, and declares its most emphatic disapproval for this deliberate and palpable executive encroachment of the Constitution and laws; be it further

Resolved, That copies of this resolution be dispatched forthwith to the White House and to each member of the Georgia delegation to Congress.

Mr. TALMADGE. I further ask unanimous consent, Mr. President—in order that the Senate might be fully acquainted with the attitude of the people of the South on this question—that there also be printed herewith in the RECORD as a portion of my remarks an article by the Associated Press entitled, "Southern Papers Remember How 'They Told Us'," as it appeared in the February 3, 1958, issue of the Atlanta, Ga., Journal.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NEW YORK SCHOOL VIOLENCE—SOUTHERN PAPERS REMEMBER HOW "THEY TOLD US"

Why doesn't President Eisenhower send Federal troops to Brooklyn, N. Y., to keep order in the schools there as he did at Little Rock, Ark.?

Why aren't northern newspapers playing up the Brooklyn violence the way they would if the same thing happened in the South?

These questions appear again and again in editorials published in southern newspapers printing details about the rapes, stabbings, and beatings in Brooklyn schools.

The stories themselves are receiving a wide variety of treatment, depending on editorial policy, segregation sentiment, and straight news value.

Papers in such Deep South States as Georgia, South Carolina, Alabama, and Mississippi tend to play developments on page 1 and do not hesitate to write sharp editorials. Border State papers generally are more moderate and the editorials reflect this attitude.

There are exceptions, however. The statement by Representative WILLIAMS, Democrat, Mississippi, in the House that New York City officials are unable to cope with violence in their schools was given wide play throughout the area. So was the suicide of George Goldfarb, principal of John Marshall Junior High School, who leaped to his death from the roof of his apartment house.

Eisenhower received an indication of southern sentiment when he visited Augusta, Ga., for golf over the weekend. It was his second trip south since he ordered troops into Little Rock last September to enforce school integration.

The day he arrived the Augusta Chronicle asked editorially: "Why doesn't President Eisenhower send Federal troops to Brooklyn to keep order in the schools? Or isn't the situation there regarded as a breakdown of law and order?" The paper said the editorial was written before it knew of the President's visit.

In Little Rock itself, neither the Democrat nor the Gazette commented editorially on Brooklyn. Both papers played the story inside.

The Democrat carried front-page comment by Gov. Orval Faubus on WILLIAMS' statement, however. Faubus told newsmen he would "hate to think what the metropolitan press would have done to us" if the violence had happened in Little Rock.

The Governor also said: "the people are not being told one-tenth of the trouble about racial problems going on outside the South."

The Jackson (Miss.) Daily News played the stories on page 1 most of the week and said editorially: "Obviously the civil rights of teachers and the students as well are being flagrantly violated. * * * Will the President be asked to send in combat-trained troops to enforce attendance? We wouldn't bet on it." The Jackson Clarion Ledger carried the stories inside and did not comment.

The Mobile (Ala.) Press and Register handled the stories on page 1 or inside, depending on news conditions. The Register said editorially:

"In the continued demonstrations of failure by local law enforcement, Eisenhower would be 10,000 times more justified in ordering Federal troops to Brooklyn to rid the schools of rapists and other dangerous thugs than he was in using troops to integrate a Little Rock school. * * * The American people will remember more than Little Rock. They will remember Brooklyn, too."

Both the Birmingham (Ala.) News and Post-Herald gave the stories top play as did the Montgomery papers. The (Montgomery) Alabama Journal said editorially: "It is such people as these, who having made a mess of their own schools, have the nerve to tell us how to run ours."

A Birmingham Post-Herald editorial said: "The problem is grave indeed, but out of it, let us hope, will come a new understanding of the havoc which has been wrought by a Supreme Court decision based not on law but on the writings and theories of an alien sociologist."

Said the Birmingham News: "The news from New York may make some southerners feel that violence which has accompanied racial difficulties in their areas is relatively light."

The Charleston (S. C.) News and Courier used page 1 stories on the principal's suicide and New York Mayor Robert F. Wagner's offer of police protection. Other Brooklyn stories were played inside.

The Chattanooga (Tenn.) News-Free Press used the stories inside most of the time with a couple of page 1 displays. The Chattanooga Times did not comment editorially. The News-Free Press said many northern voices were heard during the Little Rock disorders, "but deep is the silence of those

same voices today as New York's integrated schools are terrorized by a viciousness such as Little Rock and most other southern cities have never experienced."

The Nashville Banner played the stories on page 1, the Tennessean inside. The Banner said in an editorial: "The major factor in compulsory integration, fertilizing lawlessness. * * * The South sympathizes. It has escaped these ravages this far because it had the good sense long ago to shun contributory circumstances."

The Richmond (Va.) News Leader displayed the stories prominently most of the week. The Times-Dispatch carried them inside. The Times-Dispatch said editorially:

"You get hardly an inkling from the New York press that the wave of terrorism in the schools is largely carried on by Negro pupils. The papers in Gotham refer regularly to 'teen-agers' without reference to the race of those concerned in the brutalities, sluggings and rapes. Fortunately, the Associated Press is sending the facts to the rest of the country." •

The Atlanta Constitution used WILLIAMS' statement to the House on page 1 but did not comment editorially. The Atlanta Journal said in an editorial:

"We can't resist suggesting that if horror ruled any Georgia school system as it rules New York's, we'd be overrun by reporters looking for fresh incidents to deplore and new horrors to explore. And naturally there would be gravely pious editorials from New York asking 'What will Russia think of this?' Being of a States rights turn of mind we're glad to let New York settle its own problems in its own way, though it looks like they're breaking some of the Ten Commandments up there as well as manmade laws."

Mr. JAVITS. Mr. President, I have just heard with deep interest the views of my colleague, the Senator from Georgia, in his desire to help us bear our heavy burdens of disorder in the schools of Brooklyn, which is in my home State.

I have also, Mr. President, been somewhat interested to read the editorials which have appeared in many papers in States which persevere in resistance to the mandate of the Supreme Court of the United States against segregation in their public-school systems, in the feeling that this somehow equates the problem which we find in some of our New York City public schools with theirs.

I might say, without wishing to be invidious, that these are crocodile tears, but nevertheless the issues are sought to be equated one with the other.

Mr. President, I think this would make the hair of many of the people of New York stand up on end, because I think I bespeak their views, that they see no relationship between a violation of the law of the land and the effort to suppress disorder and to deal with other difficulties involving the young people in our public schools. I can say that the attitude of our people would be very definitely that they wished very much the attitude in Georgia and in other States were the same with respect to the Supreme Court mandate and the desire to honor it, both because it is right in letter and because it is right in spirit and morality, that obtains in the preponderant public opinion among the people of the State of New York.

I think, Mr. President, this is rather a blessing in disguise, for if it is necessary to reach out so far and so irrelevantly to maintain a position taken in certain parts of the South, if that be the position, as expressed by my colleague, then I think that position has very little to sustain it, Mr. President.

And I think one other thing is very, very important. In our city and in our State the governor and the mayor are indefatigably pursuing the effort to deal with disorder in the public schools and indefatigably seeking in every possible way to deal with any vestiges of segregation in our public-school system which may persist because of a residence pattern.

I would welcome and would invite the same kind of diligence and the same kind of attitude with respect to law—the law which great patriots in the South have preached for decades must be sustained as paramount in our society. I would welcome that same approach with respect to law on the part of other governors, including the Governor of Arkansas, the Governor of Georgia, and the governors of other States which persevere in the violation of the Supreme Court mandate in spirit. There may not be a specific court order that they are persevering against. That was tried at Little Rock, and, fortunately, the President had the fortitude to see that they did not get away with it. But they have persevered in violating what they know to be the spirit of the law of the land in terms of the Supreme Court decision against segregation in the public schools.

I hasten to add, Mr. President, that if ever the Supreme Court makes a decision which these same officials think is partial to their point of view, we will see how they will be here and elsewhere inveighing for the fact that the law must be respected—that it is right, that it must be obeyed, and that it is the supreme law of the land.

The present public-school desegregation law does not suit them, so they think it is very unfair, a very crushing burden, and a very improper thing to do.

Mr. President, I am not impatient. I think it is tremendously useful to have this kind of discussion to point up the issue. I am not impatient. I will say, as I have said in the civil-rights debate, the present law is right. It is wrong to have young children segregated in our public-school systems, when we are fighting the fight for justice and human dignity throughout the world. I said that yesterday as eloquently as I could, and I shall continue to say it. It is wrong to do that, and the wrong will ultimately fail and the right will ultimately triumph.

FEDERAL COOPERATION IN SAVING OF PIONEER AND HISTORIC PENGUIN FLOCK AT PORTLAND, OREG.

Mr. NEUBERGER. Mr. President, since time immemorial men have been fascinated by the penguin life of the great Antarctic Continent. The journals of valiant explorers like Scott, Amundsen, Shackleton, and our own Admiral Byrd are replete with vivid tales of these quaint and extraordinary birds.

Through the cooperation of the Navy Department, one of the largest penguin flocks in history ever to leave the Antarctic was flown to my home city of Portland, Oreg., last year for Portland's new zoological gardens. This passage by air was an effort to avoid the long steamer trip through the humid Tropics which has killed so many penguin passengers in the past.

The pilgrimage proved successful, but in Portland some of the penguins—both of the Emperor and Adelie variety—began to succumb to the dread waterfowl disease, aspergillosis. Because our Federal Government, as well as Portland's local government, had a great deal of money and time invested in this experiment, it seemed to me that the most skillful and competent scientific talent should be available to treat the ailing birds. Accordingly, I requested of Ross M. Leffler, Assistant Secretary of the Interior for Fish and Wildlife, that Dr. Carlton Herman, Chief of the Disease Control Section of the Waterfowl Division of the United States Fish and Wildlife Service, be assigned to journey to Portland to put his knowledge at the disposal of zoo authorities.

Secretary Leffler was more than prompt in his effective cooperation. Not only did Dr. Herman travel to Portland, but his assignment resulted in his being accompanied by one of the world's most eminent experts in the field of penguins, Dr. W. J. L. Sladen, of the School of Public Health and Hygiene of Johns Hopkins University.

Due to the presence and competence of Drs. Herman and Sladen, the historic Portland penguin flock of Emperors and Adelies has made an encouraging recovery. I have brought this subject to the attention of the Senate because it seems to me an ideal example of Federal cooperation with a local governmental body. In this instance, trained men on the staff of a Federal agency had the unique knowledge and experience necessary to save and redeem a most unusual experiment being carried on by a representative American community. I think that Secretary Leffler and all others concerned are to be commended for their early and effective assistance, which has proved so valuable.

I desire the body of the RECORD to include some correspondence from leaders in my home city which bears on this issue. I particularly wish to call attention to a letter I have received from Dr. Frank Queen, noted medical researcher himself and president of the Portland Zoological Society, in which he describes the good fortune of our city in having had Drs. Sladen and Herman for consultation in the treatment of the Portland penguins.

I also desire the RECORD to include a series of letters from Ormond R. Bean, the member of the Portland City commission who is in charge of the zoological gardens, in which he expresses his profound appreciation to Secretary Ross M. Leffler, to Dr. W. J. L. Sladen, to Dr. Carlton M. Herman, and to Prof. F. B. Bang, head of the School of Hygiene and Public Health at Johns Hopkins University. I ask unanimous consent, Mr. President, that these communications be printed in the body of the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

PORTLAND ZOOLOGICAL SOCIETY,
Portland, Oreg., January 13, 1958.

Senator RICHARD NEUBERGER,
Senate Office Building,
Washington, D. C.

DEAR SENATOR NEUBERGER: We appreciate very much your arranging to have Dr. Carlton Herman, pathologist, Fish and Wildlife Service, come to Portland to assist us with our problem with the penguins.

During the week Doctor Herman was able to be with us, I had the opportunity to work closely and continuously with him. He is forthright, direct, and well informed. I am very pleased you made it possible for him to come here.

I wish to thank you, too, in the name of the executive committee of the Portland Zoo Commission, as well as in the name of the Portland Zoological Society.

I should add that Dr. William J. L. Sladen of the Johns Hopkins School of Hygiene was also most helpful. In fact, Doctors Herman and Sladen complemented each other admirably in their knowledge of aspergillosis, and of penguin diseases and treatment. It was a peculiarly fortunate circumstance to have both of these authorities here together.

Sincerely,

FRANK QUEEN, M. D., *President.*

CITY OF PORTLAND, OREG.,
January 15, 1958.

The Honorable RICHARD L. NEUBERGER,
United States Senator,
Senate Office Building,
Washington, D. C.

DEAR SENATOR NEUBERGER: Please accept the sincere thanks of this department for your assistance in the recent epidemic of aspergillosis that threatened Portland's unique penguin colony.

Your earnest interest and initiative in obtaining the services of a leading Federal authority on this dread disease has proved of major importance in checking the loss of these rare birds. Dr. Carlton M. Herman, head of the Disease Control Section of the Fish and Wildlife Division, whose services were obtained by your efforts, proved of great assistance in combating the infection. His advice was also of great value in redesigning the $50,000 penguinarium now under construction in the new zoo.

I am sure I speak for Portland's penguins as well as the Portland public in expressing earnest appreciation to one who has on many previous occasions shown himself a a friend of Portland's zoo.

Sincerely,

ORMOND R. BEAN,
Commissioner of Finance.

JANUARY 15, 1958.

Dr. W. J. L. SLADEN,
School of Public Health and Hygiene,
Johns Hopkins University,
Baltimore, Md.

DEAR DR. SLADEN: The mayor and city council join me in expressing sincere appreciation for the assistance you rendered during the recent crisis affecting Portland's colony of Adelie and Emperor penguins.

Your long experience and intimate knowledge proved invaluable in improving the condition of the birds, diagnosing the aspergillosis in an early stage and in apparently succesful treatment of the infection. I am sure you will be happy to learn that we have lost only one more bird, the Emperor which had been in such poor condition from the moment of capture. Our veterinarians feel the worst is past. The epidemic appears checked. All the birds are now showing encouraging gains in weight and general appearance. Four of the Emperors are well into the moult and continuing to eat when hand fed.

Your lecture and pictures on Antarctic Adelies won wide attention and many compliments here.

Your advice in altering plans for the penguin pool now under construction proved invaluable. The designs are being altered as you suggested to provide a longer run for the birds in their pool, and a floating "iceberg island" to encourage more playful maneuvers.

I trust you were able to learn something of value in your research and to establish working agreements with Portland laboratories which will assist you in your future research work.

I know I speak for Portland's penguins as well as the penguin-loving public in extending our heartfelt thanks for dropping your own busy schedule during the holidays and rushing to Portland to assist in saving what we consider an asset to science and a national asset as well as an exhibit fraught with civic pride.

Sincerely,

ORMOND R. BEAN,
Commissioner of Finance.

JANUARY 15, 1958.

Dr. CARLTON M. HERMAN,
Disease Control Section, Fish and Wildlife Division, Washington, D. C.

DEAR DR. HERMAN: The mayor and city council join me in expressing sincere appreciation for the assistance you rendered in the recent crisis with our Adelie and Emporer penguins.

We appreciate, particularly, your quick concern over the plight of these rare birds and your appreciation of the importance of saving this unique colony for the benefit of science as well as the public edification. Your advice and assistance were invaluable to our veterinarian, Dr. Clifford Bjork, and our zoo director, Jack Marks, in helping to save this biggest colony of Antarctic Adelie and Emporer penguins in captivity.

I am sure you will be happy to learn we have lost only one more bird, the Emperor which had been in such poor condition from the moment of capture. Our veterinarians feel that the worst is past. The epidemic appears checked. All the birds are now showing encouraging gains in weight and general appearance. Four of the Emperors are well into the moult and continue to eat when hand fed.

I know I speak for Portland's penguins as well as the penguin-loving public in extending our heartfelt thanks for dropping your own busy schedule during the holidays and rushing to Portland to assist in saving what we consider an asset to science and a national asset as well as an exhibit fraught with civic pride.

Sincerely,

ORMOND R. BEAN,
Commissioner of Finance.

JANUARY 15, 1958.

Prof. F. B. BANG,
Johns Hopkins University, School of Hygiene and Public Health, Baltimore, Md.

DEAR PROFESSOR BANG: The mayor and city council join me in expressing sincere appreciation for your assistance to us in making Dr. W. J. L. Sladen's services available to us here in Portland in our time of need due to the penguin crisis.

Dr. Sladen rendered invaluable assistance to us in saving Portland's penguin colony in the recent epidemic of aspergillosis. His long experience and intimate knowledge proved invaluable in improving the conditions of the birds, diagnosing the aspergillosis in its early stages and aiding in the apparently successful treatment of the infection. We feel that his advice will be not only of value here but will develop information that can be used in the future for any city or community that might find itself involved in an epidemic of aspergillosis in their zoo or wildlife displays.

Again, we sincerely thank you for making Dr. Sladen available to us, in fact, the penguin-loving public and our zoo people developed a very warm feeling for the good doctor and would like to steal him from you and bring him to Portland.

Sincerely,

ORMOND R. BEAN,
Commissioner of Finance.

JANUARY 15, 1958.

The Honorable Ross M. LEFFLER,
Assistant Secretary of the Interior for Fish and Wildlife, Washington, D. C.

DEAR MR. LEFFLER: The mayor and city council join me in expressing sincere appreciation for the assistance your department so ably rendered in saving Portland's penguin colony from the recent epidemic of aspergillosis.

We appreciate, particularly, your quick concern over the plight of these rare birds and your appreciation of the importance of saving this unique colony for the benefit of science as well as the public edification. Your prompt action in dispatching Dr. Carlton M. Herman, head of the Disease Control Section of the Fish and Wildlife Division, to our assistance was an important factor in checking the ravages of the disease.

Dr. Herman proved himself a top authority on the diagnosis and treatment of this disease, which has proved such a scourge to our own American wildfowl. His advice and assistance was invaluable to our zoo veterinarian, Dr. Clifford Bjork, and our zoo director, Jack Marks. In helping to save this biggest colony of Antarctic Emperor and Adelie penguins in captivity, Dr. Herman has helped preserve a national asset.

The zoo commission that I found Dr. Herman's advice particularly valuable in improving the design of the $50,000 penguinarium already under construction in our new zoo. As a result of suggestions by Dr. Herman and his research associate, Dr. W. J. L. Sladen of Johns Hopkins University, we are making some changes in the plans to give the birds more room for their natural aquabatics.

Please accept the sincere thanks of the mayor, city council, and the Portland public for your cooperation in this emergency.

Sincerely,

ORMOND R. BEAN,
Commissioner of Finance.

THE NEED FOR ACTION ON BEHALF OF SMALL BUSINESS

Mr. WILEY. Mr. President, in my work on the Senate Judiciary Committee, and the Subcommittee on Antimonopoly and Antitrust Activities, I receive a great many messages from small enterprises across the country.

In letter after letter, small manufacturers, small jobbers, wholesalers, retailers, indicate that they are facing rough times.

A great many of them plead for tax relief so that they can accumulate their earnings and build themselves up, rather than have those earnings largely taken over by the Federal Government.

Of course, they, like the rest of us, are well aware of the budget problems facing Uncle Sam.

Nevertheless, if it is at all possible for tax relief to be granted this year, in view of the dip in our economy, then certainly the small-business man should be among the very first to receive such relief.

In this connection, Mr. President, I note each week the summary prepared by the staff of the Senate Small Business Committee, which describes the work of that very fine group. In its February 1 issue, reference is made to the Small Business Tax Adjustment Act of 1958, which has been introduced by the distinguished chairman of that committee, the junior Senator from Alabama [Mr. SPARKMAN], on behalf of himself and colleagues on that committee.

This bill represents the fruit of long and patient hearings of that committee.

It constitutes the best judgment available from the Senators who are most expert in this problem. They speak as men of experience.

I should like to be associated with this bill, and I should like to ask that I be listed as a cosponsor.

In so doing, I do not, necessarily, endorse all of the provisions of the bill.

But, from what I have read and studied, of it, it is a most constructive measure and well merits early consideration and review on the Senate floor.

I may say that I have a very high regard for my friend from Alabama. In a Senate, where Members devote themselves conscientiously to a great many tasks, he has particularly distinguished himself in this field, as in the fields of housing, electrical energy for the American people, and many other fields.

I earnestly hope, therefore, that before very long in this second session, we, in the Senate, will have the opportunity to take up this very important bill, which he, and his associates, have offered in the interests of American small business.

THE IMPORTANCE OF WEATHER CONTROL—"WITHOUT VISION, A PEOPLE PERISH"

Mr. WILEY. Mr. President, an article in the Sunday, February 2, issue of the New York Times was entitled "Weather Bureau Fails in Fund Bid."

Its subtitle: "Plea for Expanded Research Rejected in Face of Many Warnings by Scientists."

The theme of the article was that the Weather Bureau has been turned down in its application for more funds for the purpose of forecasting and eventually controlling weather.

In the 1958 fiscal year budget, the administration has provided $2.6 million for the Weather Bureau. This represents, however, only a $45,600 increase over the Bureau's research budget for the current fiscal year.

By contrast, it should be noted that next month there will come a report from the National Academy of Science. It is headed by the eminent scientist Dr. Lloyd V. Berkner. It is expected to recommend very sizable increases in weather research funds. One such proposal may be that a $50 million meteorological laboratory be established by the Government.

Mr. President, the State of Wisconsin has long been interested in weather matters. It is a Wisconsinite who is known as Father of the Weather Bureau, Dr. Increase Lapham, one of my State's famous scientists, who worked out a way of using maps and charts to find out what the weather was going to be, and on November 8, 1870, he sent out his first weather forecast from Chicago.

The reason I mention this general subject today, Mr. President, is this:

AVOIDING A WEATHER-DISASTER PEARL HARBOR

I have spoken on several occasions on the floor of the Senate relative to the need for America's avoiding a nuclear Pearl Harbor. There are other types of grim possibilities of surprise devastation, as well.

According to scientists, it is not beyond the realm of possibility that the Soviet Union might some day be able to control the weather over the American Continent. Stranger things have happened.

President Eisenhower has warned us against the total Soviet threat. The Soviet Union will not miss any bets if it can menace us through meteorological warfare, as it menaces us with other kinds of warfare: political, economic, social, psychological, cultural, atomic, as well as conventional weapons.

REDUCING TOLL OF TORNADOES

But, there is a second reason. Each year, this country suffers enormous property damage and loss of lives from various forms of nature's havoc. We have hurricanes, cyclones, tornadoes. And drought, hailstorms, blizzards are an old story to us.

Why should we not make it possible for this country to find the answers to these natural disasters?

Centuries ago, prehistoric man feared thunder, he feared lightning; he did not know where they came from or why. Today, however, man knows the answers to some of these questions. Why should not man make himself more adequate to cope with these problems?

Let me remind my colleagues that a single tornado, a single cyclone, a single hurricane, can cause more damage than the $2.6 million which is being requested for Weather Bureau research scientists.

In my judgment, the military problem is of course especially important.

We need to step up our research into the weather conditions of our planet and of outer space.

SENATOR WILEY'S REPRINT OF MR. PRYOR'S PROPHETIC 1954 TALK

I should like to recall this fact: Mr. President, on February 18, 1954, I reproduced in the CONGRESSIONAL RECORD, a most interesting address. It was entitled "Wings or Caves."

Its theme was that man could usher in a new golden age of aviation and progress, or he might be forced back into the caves.

Prominent in that address, which had been delivered on January 30, 1954, before the Women's Forum on National Security by Mr. Samuel F. Pryor, Jr., was a prediction that there might some day be an earth satellite.

This was 3½ years before the October 1957 Soviet sputnik.

MY REASONS FOR RAISING THIS MATTER

Let me emphasize that the purpose I refer to this subject today is severalfold.

(a) In the first place, the 1954 speech demonstrated foresight. That is what this country needs—vision. Without vision, a people perish, the Good Book tells us.

That, too, is what many sound newspapers editorialized on when they rightly praised the "Wings or Caves" speech.

But, what has not been pointed out by the press was that, in the original speech, reference had been made to weather research—German space research for weather control purposes.

Let us not, therefore, overlook this weather possibility, just as for so long we unfortunately overlooked the possibility of an earth satellite.

(b) In the second place, this weather subject is very relevant to East-West scientific cooperation or conflict.

DISARMAMENT PROBLEM AND THE WEAPON OF WEATHER

My learned colleague, the senior Senator from Minnesota [Mr. HUMPHREY], is giving us the benefit today of his long study of the subject of disarmament. He has worked with his characteristic diligence and dedication on the Senate Subcommittee on Disarmament.

But, I stress now, that the disarmament problem, as he so well knows, is complicated by the fact that whole new weapons, and families of weapons, are being developed. Weather control may be such a weapon in the future; and someday, that weapon may become so comparatively simple, so comparatively easy to use, almost to defy inspection and control. I am sure that my alert colleague will be mindful of this fact, just as he bears other elements of the picture in mind.

I send to the desk now, two items; the first consists of the New York Times article, to which I referred.

The second consists of a few brief excerpts from the speech as delivered originally on January 30, 1954. I ask unanimous consent that both items be printed at this point in the RECORD.

There being no objection, the items referred to were ordered to be printed in the RECORD, as follows:

[From the New York Times of February 2, 1958]

WEATHER BUREAU FAILS IN FUND BID—PLEA FOR EXPANDED RESEARCH REJECTED IN FACE OF MANY WARNINGS BY SCIENTISTS

WASHINGTON, February 1.—The administration has rejected pleas for expanded meteorological research, which the Weather Bureau says could lead to improved forecasting and eventually weather control.

The rejection came in the face of warnings from prominent scientists and a special advisory committee to the President that the country must accelerate research on weather and how it could be modified or controlled.

In the budget for the coming fiscal year, the administration has provided $2,650,100 for the Weather Bureau. This represents only a $45,600 increase over the Bureau's research budget for the current fiscal year. The small rise is more than offset by growing research and personnel costs.

As a result, officials estimate the Bureau will be forced to a declining level of research and will be unable to undertake broad new projects.

SOUGHT BIGGER FUND

While the exact figures are secret, the Bureau was reported to have asked for several million dollars more than what has been allocated. The proposed research budget was trimmed as it passed through the Commerce Department and the Budget Bureau.

Among the proposals rejected was research on such meteorological fundamentals as the cause of tornadoes and the formation of rain.

The Bureau had proposed a multi-million-dollar investigation of tornadoes, one of the most destructive types of storms. Bureau scientists believed that the investigation would lead to better forecasting of storms and perhaps to a method to dissipate them before they started their destructive whirl.

The Bureau also had proposed greatly expanded research on the nature of cloud and rain formation. Surprisingly, after years of predicting rain, it still has no definite answer as to what makes rain.

Its research is being curtailed when meteorological experts believe they have the tools finally to make great advances in understanding and predicting weather.

Dr. Harry Wexler, chief Bureau scientist, observed that with such devices as high-flying planes, earth satellites and high-speed computers, "we, for the first time, have tools commensurate with the global scale of weather research; we are on the verge of making a great forward step if only we can exploit the tools we have available."

In recent weeks, there have been repeated warnings from scientists that the United States must accelerate meteorological research or face the possibility that the Soviet Union will be first to achieve weather control.

Dr. Edward Teller of the University of California, the so-called father of the hydrogen bomb, warned the Senate Preparedness Subcommittee in November that the United States could become a second-class power without a shot being fired if the Soviet Union first learned how to control weather on a large scale.

Similarly, Dr. Henry G. Houghton of the Massachusetts Institute of Technology has said that international control of weather modification will be as essential as control over nuclear energy.

The lack of basic scientific knowledge essential for future weather control was stressed by the Advisory Committee on Weather Control in its first report to President Eisenhower December 31. A major recommendation was that the Government back meteorological research more vigorously.

The administration's attitude toward meteorological research may be changed by a report expected early next month from a committee of the National Academy of Sciences.

The committee, headed by Dr. Lloyd V. Berkner, was established at the request of the Commerce Department to survey the field of weather research.

It is expected to recommend that the Government substantially increase support of basic research in meteorology, and that steps be taken to increase the now-limited number of meteorological students.

An indication of the committee's thinking is the proposal by Dr. Berkner that a $50 million national meteorological laboratory be established by the Government with an annual operating budget of $15 million.

THE ORIGINAL GERMAN PLANS FOR WEATHER CONTROL

(Excerpts from address by Mr. Samuel F. Pryor, Jr.)

You will remember that what so gallantly streams above "the ramparts we watch" is nothing less than The Star-Spangled Banner. How many of you, I wonder, realize the historical significance of those other words in our national anthem which refer to "the rockets' red glare."

Rockets themselves date back to the Chinese and the Arabs, who used them in the 13th and 14th centuries mainly for signaling and fireworks. But by the time of the War of 1812, when Fort McHenry was attacked not many miles from here, the British had recognized the military possibilities of the rocket and had established their famous Rocket Corps.

The rockets, then, seen by Francis Scott Key as they were fired from British ships in Chesapeake Bay in 1814 are the direct ancestors of the antitank rocket bazookas used in Korea.

Like the propeller-driven aircraft and so many other inventions which could be used for peaceful purposes if the power-drunk Kremlin would permit, the rocket could have many peaceful uses. In the future, mail and freight may be carried across oceans and continents at low cost and at terrific speed. General Doolittle has estimated this speed as three times the speed of sound. There would be no pilots aboard such aerial rocket freighters. They would be controlled electronically in flight and landed, gently, by the same means.

We learned when we captured German scientific material after World War II, that German scientists had brilliantly carried out the technical details for a manmade satellite which would revolve around the earth in an orbit 600 miles away.

The most outstanding feature of this satellite was to be a giant mirror with an arrangement for changing its focal length so that the sun's rays could be either concentrated on a small area of the earth, resulting in immense heat, or spread over a large area.

The Germans conceived their satellite originally for peaceful purposes—as a way-station for the interplanetary travel of the more distant future, as a superobservatory from which astronomers would have an unparalleled view of the heavens, as a platform from which vast areas of our globe could be studied. And the mirror was to control our weather. This was to be achieved by manipulating the sun mirror in such a way as to melt large ice fields or increase the evaporation rate of large bodies of water or change the course of cloud masses.

But the Nazis, like the Reds, were superior to God and the rest of the human race, and were not interested in the scientific or humanitarian aspects of this plan. What appealed to them was the potential destructive power of a highly concentrated sunbeam that a large space reflector could produce. Such a mirror, properly focused on London, New York, Chicago, or San Francisco might be able to burn to a crisp in a matter of minutes every man, animal, plant, tree, or shrub. There would be no explosive noise as with a hydrogen bomb. Only the crackle and roar of the most horrible fire in history.

Unfortunately we have definite reason to believe that the Russians not only share with us paper knowledge of such an earth satellite—they have also in their control some of the German scientists who worked on this and other V-2 projects.

So we are forced to look this fact in the face—whoever with intent to control the world by force first constructs and operates such a satellite may be able to reduce any country it likes to ashes. Only those in caves might survive—if they could find enough vegetation to sustain life when they came out.

More and more it becomes apparent that our problem goes even deeper than the security of this Nation alone. Analyzing the twenty or so previous civilizations which the world has known, Toynbee makes this important point. "When one society has collapsed in one quarter of the world it has not, in the past, necessarily dragged down others with it."

But "we," he says, "are confronted with a challenge that our predecessors never had to face—we are aware that the atom bomb and our many other lethal weapons are capable, in another war, of wiping out not merely the belligerents but the whole of the human race."

In other words, my good friends and ladies, the choice is unfortunately between civilization and oblivion—or, as it might be said, between wings—or caves.

I believe we can meet this challenge, horrible as it is. And I am confident that, with God's help, and with faith in Him and belief in ourselves, we can keep out of the caves and keep human freedom alive.

PRESERVATION OF EAST FACADE OF THE NATIONAL CAPITOL

Mr. CLARK. Mr. President, I note with satisfaction the announcement by the distinguished Senator from Michigan [Mr. MCNAMARA], that the Senate Public Buildings Subcommittee of the Committee on Public Works will hold hearings on S. 2883, a bill introduced by the senior Senator from New Jersey [Mr. SMITH]; the junior Senator from New Jersey [Mr. CASE]; the Senator from Minnesota [Mr. HUMPHREY], and myself to preserve intact the east facade of the National Capitol. I would like to express my appreciation also to the distinguished Senator from New Mexico [Mr. CHAVEZ], chairman of the Senate Public Works Committee, who requested these hearings. Those of us who sponsored this legislation requested such hearings in letters to the chairman, and he has graciously consented to have them. The hearing is set for February 17 and will afford those of us who are opposed to the proposed extension of the Capitol's east front the first opportunity we have had to explain our position.

Mr. President, the proposed rebuilding of the east front of the Capitol is strongly opposed by the American Institute of Architects, the National Trust for Historic Preservation, and the Society of Architectural Historians. Many individuals and historical and architectural groups in Pennsylvania have written to me to protest this tampering with the Nation's greatest historic monument. The proposed changes—which, incidentally, have never been made public in detail—have been roundly criticized in much of the Nation's serious press, including the Architectural Forum, the St. Louis Post-Dispatch, the New York Herald Tribune, the Nashville Tennessean, and the Philadelphia Bulletin.

At the annual meeting of the Society of Architectural Historians held here in Washington last week it was unanimously voted to address a letter to the President on this matter. I ask unanimous consent to have printed in the RECORD at this point the text of that message.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

At the annual meeting of the Society of Architectural Historians in Washington, on January 31, 1958, the anniversary of President Washington's formal approval of Thornton's design for a Capitol for our new Nation, it was unanimously voted to address the President of the United States.

The Society of Architectural Historians wishes to urge the President's most thoughtful consideration and intervention to assure for posterity the preservation of the historic east facade which constitutes one of the few unchanged portions of the Capitol's original structure.

The Capitol has become, during its 150 years, a symbol of our national growth and spirit, not only to Americans but to all peoples as well. In its deepest sense, this symbolism is bound up in the actual forms and materials which have sheltered since our first struggling years the Congress which has epitomized our democratic way of life. Any threat to destroy or impair such an irreplaceable symbol must therefore be viewed as a loss of the gravest consequence that only your personal intervention can avert.

WALTER L. CREESE,
President.

Mr. CLARK. On February 1, Mr. Julian E. Berla, chairman of the newly formed Committee To Preserve the National Capitol, read a paper at the meeting of the Society of Architectural Historians which eloquently states the case for leaving the Capitol intact, which I ask unanimous consent to have printed in the RECORD at this point.

There being no objection, the paper was ordered to be printed in the RECORD, as follows:

HISTORICAL BACKGROUND OF THE PROPOSED ALTERATION OF THE EAST FRONT OF THE NATIONAL CAPITOL

(Paper read at meeting of Society of Architectural Historians February 1, 1958, Mayflower Hotel, Washington, D. C., by Julian E. Berla, chairman of the Committee to Preserve the National Capitol.)

One hundred and sixty-five years ago yesterday, on January 31, 1793, George Washington, writing to the Commissioners of the city of Washington, proposed the adoption of Dr. William Thornton's design for the new Capitol. The Commissioners, replying on March 11, accepted the President's proposal. Almost immediately, improvement of the Thornton design became a popular indoor sport, and one that never lacked devotees throughout the history of our country.

Jefferson, who after the competition fiasco, had favored the Hallet plan, now pronounced Thornton's scheme, "simple, noble, and beautiful," and must have used a part of his remaining 33 years, according to Dr. Charles Moore, to "watch over Thornton's plans to save them from serious change at the hands of zealous superintendents eager to magnify their office and put the impress of their incompetence on the designs."

Stephen Hallet, George Hadfield, and James Hoban all held official advisory and supervisory positions and performed valuable services in connection with the construction of the first phase of the Capitol Building, and each lost his job successively in attempting to modify the approved design.

With all the bickering, therefore, it comes as a surprise to learn that it was only 8½ years after Washington climbed out of the cornerstone cavazion in 1792 that Congress, both Senate and House, assembled for the first time in its crowded quarters in the North Wing.

Benjamin Henry Latrobe came on the scene in 1803, to find the House of Representatives occupying an oval-shaped brick structure known as the oven on the site of the south wing. Under Latrobe this prototype of the famous D. C. Temporary was destroyed along with the defective existing foundations of the south wing. On being returned to the confines of the limited space in the north wing, the House complained bitterly of its inconvenient position, directing its pleas for relief to the President of the United States. Again to quote Dr. Moore "the Capitol has ever been the peculiar charge of the President of the United States." In 1807 the House of Representatives occupied the permanent but only partly-finished south wing. The separate wings with a covered wood walkway spanning the no man's land between them remained thus until the British burned them in 1814.

Following the fire Latrobe was in charge of the restoration after the Congress had seriously debated removing the seat of the government to some better developed city in the North. Charles Bulfinch took over the duties of Architect of the Capitol in 1817, with great emphasis on completing the work in the two legislative buildings, so that it was not until early 1819 that he began the central portion uniting the wings. The design, after Latrobe, incorporated parts of the original scheme of Thornton, but in the end was mostly Bulfinch.

In 1828 the office of Architect of the Capitol was abolished, bringing us to the end of an era.

From the early 1840's on proposals were made by various architects for the enlargement of the Capitol Building to the north and south, among them Robert Mills and Wm. Strickland, but it was not until the acceptance by President Fillmore of the plans of T. U. Walter in 1851 that building activity was renewed.

The new Halls of Congress designed by Walter in white marble brought with it the painting of the Acquia freestone of the original central portion to match the color of the new construction and the suggestion for the first time that it be faced with marble.

Succeeding Architects of the Capitol have had the same urge to desecrate the work of their great predecessors, and while none of them has succeeded until now, the incumbent is at this very moment coming dangerously close to accomplishment, as we shall presently observe.

To return to architects and architecture.

The last great construction was added by Walter, when he saw how dwarfed the existing wood Bulfinch dome appeared in the expanded composition. The great new dome was of structural cast iron and is still one of the must-sees of the Federal City. But because the sheet iron surrounding its base projects out over the portico a few feet, the purists are offended, and seek to correct the defect visually by extending the east front, thus faking a structural support.

Noting the addition of the west terrace work under Edward Clark, this sketch of the major construction stages of the Capitol closes and we turn our attention to some new extensions presently proposed.

In August of 1955 Congress passed legislation for the extension of the Capitol, setting up a commission under the act composed of Mr. RAYBURN, Speaker of the House, who is the Chairman, Vice President NIXON, Senator KNOWLAND, and Representative MARTIN, and Mr. J. George Stewart, Architect of the Capitol. Mr. Stewart, a former general contractor, is an architect only by grace of his official title.

Current proposals contained in the legislation to alter and extend the Capitol seek to accomplish the following:

1. Meet the needs of Congress for additional space.

2. Correct the defect of the dome overhanging the central portico as noted above.

3. Destroy the original and build a marble replica of the Thornton-Latrobe-Bulfinch east front.

4. Beautify the grounds and provide underground parking.

The Federal Commission appointed a committee of distinguished architects: Messrs. Henry R. Shepley, John F. Harbeson, and Arthur Brown to make the preliminary studies and prepare a report to the Architect of the Capitol. Before the completion of the report Mr. Brown died; his place was filled by Mr. Gilmore D. Clarke.

Obviously the consultants were severely hampered by the sneaky wording of the enabling act and the directives given them by the Architect of the Capitol. This is attested to by the following excerpt from the consultants' report, dated August 19, 1957:

"It was agreed between your consultants and the Architect of the Capitol that the question whether or not to move out the east front would not be a matter for discussion as this had been decided already by an act of the Congress. Your consultants are therefore concentrating on the problem of how best to accomplish the will of the Congress within the limitations imposed by the act in ways that will be least detrimental to the beauty and majesty of the east front."

Thus Congress unwittingly made a major limiting architectural decision and three competent architects were denied the right to find as experts a solution other than the extension of the east front.

It is this portion of the overall alteration of the Capitol and Grounds that the Chairman of the Commission, Mr. RAYBURN, seems determined to force on the American public without adequate hearings to determine its acceptability. The proposed construction will accomplish the following:

Destroy the original Thornton-Latrobe-Bulfinch sandstone front and substitute for it a replica in white marble. Produce only a small fraction of the space required by the Congress, and this at enormous cost.

Reading elsewhere in the consultants' report we find such phrases as:

"The problem assigned to you of increasing the usable space in the Capitol and of making all areas more efficient and more serviceable to the Members of Congress, their staffs and the employees of the building, without marring its historic aspect or its unique architectural qualities of beauty and proportion, is a difficult one.

"If the central element is to be refaced it should be of marble."

This seems to indicate that the consultants were not entirely happy with the restrictive directives quoted previously, and occasionally demurred, at least among themselves if not publicly. A first step, therefore, on the part of Congress toward correcting this travesty on the practice of architecture would be to have the consultants testify freely before a Congressional committee as to their true feelings on the extension of the east front. And while the hearings are being held let every American be heard who wishes to protest against the impending obliteration of our Nation's most historic building.

When the Capitol had been rebuilt after the War of 1812, Jefferson said, "If it be proposed to place an inscription on the Capitol, the lapidary style requires that essential facts only should be stated, and these with a brevity admitting no superfluous word: 'Founded, 1791: burnt by a British army, 1814; restored by Congress, 1817.'"

To this shall we soon be required to add: "Vandalized by Congress, 1958."

Mr. CLARK. Mr. President, the distinguished Senator from Michigan said yesterday that the legislation to block this unwarranted project has come at "half past the 11th hour" because the proposed extension to the east front has been authorized and money appropriated. Unfortunately, that is true. But it is not that late that we cannot prevent this unnecessary and ill-conceived proposal from maiming a great national shrine.

It is quite true that we who are seeking to preserve the Capitol in its present status have begun work almost at the 11th hour. I hope the 11th hour is not too late. I note the presence in the Chamber of my colleague, the distinguished Senator from Minnesota [Mr. HUMPHREY]. He has joined in this effort. I hope we shall be able to preserve intact this great architectural monument in the condition in which it now exists.

PUBLIC HOUSING AS A PART OF LONG-RANGE URBAN REDEVELOPMENT PROGRAM

Mr. CLARK. Mr. President, one of the most important problems to come before the Senate at this session is the extension of public housing, as a part of our long-range urban redevelopment program. Recently a most significant report entitled "Basic Policies for Public Housing for Lower Income Families in Philadelphia" has been prepared by a special committee on public-housing policy of the Philadelphia Housing Association and the Citizens Council on City Planning. These two organizations have rendered illustrious service over a long period to the city of Philadelphia and its people. The committee, consisting of 12 able and outstanding Philadelphians, was headed by Jefferson B. Fordham, dean of the Law School of the University of Pennsylvania.

I ask unanimous consent that a summary of the conclusions and recommendations of that committee be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

CONCLUSIONS

1. The committee believes that a basic public objective should be to bring about and maintain conditions in which every family can secure a decent home and a suitable home environment.

2. The committee has found that there is a need in Philadelphia for public action to achieve this objective.

3. The committee has concluded that low-rent public housing is an appropriate method for meeting this need.

4. The committee believes that the role of public housing should be (a) to provide shelter and an environment for low-income families that is satisfactory both physically and socially, (b) to eliminate blight and encourage neighborhood improvement, and (c) to make possible the elimination of bad housing by making available alternate housing for low-income families dislocated by other urban renewal activities.

RECOMMENDATIONS TO THE CONGRESS

The committee recommends:

1. That low-rent public housing be continued and expanded under the annual contributions formula;

2. That veterans' preference for admission to public housing be eliminated; and

3. That the United States Housing Act of 1937 be amended to give tenants an opportunity to acquire ownership of their dwelling units.

RECOMMENDATIONS TO THE PUBLIC HOUSING ADMINISTRATION

The committee recommends:

1. That regulations on cost limitations on site acquisition and site development be changed to enable the spending of more per unit in order to make possible row houses at acceptable densities instead of elevator buildings;

2. That regulations be amended to make possible the acquisition of existing houses on the private market for operation as low-rent public housing;

3. That funds be available in local budgets to provide for social welfare workers in housing projects; and

4. That more adequate sums be budgeted for project maintenance.

RECOMMENDATIONS TO THE PHILADELPHIA CITY COUNCIL

The committee recommends:

1. That the cooperation agreement be amended to facilitate the purchase of existing houses on the private market for operation as low-rent public housing; and

2. That if inadequate amounts should be authorized by the Public Housing Administration for social welfare workers in housing projects such amounts be appropriated from city funds for the housing authority.

RECOMMENDATIONS TO THE PHILADELPHIA HOUSING AUTHORITY

The committee recommends:

1. That the housing authority carry on continuous studies to determine the extent of the need for public housing in Philadelphia;

2. That new public housing meet the same standards as those desirable for new private housing;

3. That public-housing projects consist mainly of 1- or 2-story houses with private yards, with elevator buildings being used to house only single persons and families with no young children;

4. That public-housing projects be so designed as to appear not too different from the houses in the surrounding neighborhood but without the defects of site and dwelling design of many row houses;

5. That projects be generally of no more than 100 units, with 250 units as the maximum size;

6. That public-housing projects be built at densities which do not exceed whichever of the following is the lowest: 25 dwelling units per net acre, or 90 persons per net acre, or the density of the neighborhood in which the project is located;

7. That the following standards be adopted for selection of public-housing sites; (a) a site should make possible a project meeting the recommended standards of building type, design, size, density, location, and social integration (as herein described); (b) sites should have available adequate community facilities; (c) sites in areas classified as "A" and "B" in the central urban renewal area study should assist other urban renewal activities;

8. That it would be preferable to build no public-housing projects at all rather than to construct projects, particularly of the elevator type, that result in project and neighborhood congestion;

9. That there be a substantial increase in the proportion of 4, 5, and more bedroom units in public housing in Philadelphia;

10. That an experimental program of purchasing existing houses on the private market for use as public housing be undertaken in the "B" and "C" urban renewal areas reasonably close to existing projects;

11. That the present tenant selection regulations be retained with two exceptions: (1) That veterans' preference be eliminated as soon as action by Congress makes this possible; (2) that preference to the elderly be eliminated;

12. That problem families not be excluded from public housing unless it is clearly shown that their presence is a serious detriment to the project;

13. That the housing authority continuously review its tenant selection procedures with a view to making sure that public-housing facilities are administered in faithful adherence to the principle of equal protection of the law.

14. That the housing authority encourage the adoption of a management attitude oriented to the health and welfare of the residents;

15. That project managers be well grounded in social science and social work as well as in business and housing management;

16. That funds be regularly budgeted to make social-welfare workers available to each project, preferably as a regular budget item, but if not available there, then through city funds;

17. That public-housing management seek to integrate projects into their neighborhoods;

18. That community facilities be available in public-housing projects and be available also to residents of the surrounding neighborhood;

19. That tenant organizations be encouraged for the purpose of developing volunteer activities and for advising management on tenant opinions;

20. That special efforts be made to help problem families;

21. That tenants be given a chance to acquire ownership of their dwelling units;

22. That special management techniques be devised to handle scattered houses;

23. That an objective attitude study among public-housing tenants be undertaken; and

24. That greater care be given to project maintenance in order to improve living conditions for tenants, to protect capital investment and to strengthen the neighborhoods in which projects are located.

ECONOMIC SITUATION FACING THE STATE OF OREGON

Mr. NEUBERGER. Mr. President, on January 31, 1958, the Oregon Journal, of Portland, published a guest editorial by me on the question of the general economic outlook confronting our State.

In that same issue of the Journal, the editors commented in an editorial about my presentation. While the editorial took issue with me in certain aspects of my views, I believe it is only fair that it accompany the publication of the guest editorial in the pages of the CONGRESSIONAL RECORD.

The title of the guest editorial which I have written for the Journal is "Oregon Must Put Forth Big Effort To Win Industry." The title of the Journal's editorial that same day is "The Senator Too Gloomy."

Because the editorial and the guest editorial both concern the economic situation in Oregon, I also should like the RECORD to contain a brief comment from the weekly news column of February 3, 1958, written by Mrs. Neuberger and myself, which refers to the position of Oregon shown in 4 tables published by the New York Times regarding unemployment statistics in the United States during the past 2 years.

Mr. President, I ask unanimous consent that both the guest editorial and the editorial by the editors of the Journal, as well as the item from our weekly news column, appear in the body of the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Oregon Journal, Portland, Oreg., of January 31, 1958]

OREGON MUST PUT FORTH BIG EFFORT TO WIN INDUSTRY

(Guest editorial by RICHARD A. NEUBERGER)

Reluctantly, I must disagree with those who predict a major business recovery for Oregon in 1958. To me the economic signs, alas, look otherwise. Not only is Oregon's primary lumber industry now suffering from the hard-credit strangulation of the national homebuilding market—actually Oregon income averages have been dropping for 5 or 6 years relative to the trend in other States.

Some optimistic prophecies lean heavily on prospective public works such as roads, bridges and reservoirs. I, too, am pleased that we obtained in Congress for Oregon this year the third largest sum for Corps of Engineers undertakings in any one State, and that the new Federal highway program will be well started this year. Yet in and of themselves, such construction jobs are temporary economic props. We need permanent industrial and business payrolls lasting 52 weeks a year.

For such long-run, permanent economic development, I see two principal hopes:

1. Further development of a well-rounded, integrated wood product industry, based first upon a revival in the lumber market for the Nation's greatly expanding housing needs, and combined with more by-product utilization and pulp and paper mills to process wood wastes and scrub timber species, such as Oregon's plentiful lodgepole pine and alpine fir.

2. New supplies of low-cost hydroelectric power for electroprocess industries, such as the aluminum plants which Bonneville power brought to the Northwest.

With an easing in tight-money rates and the liberating of more funds for home building, the lumber revival can be accomplished more quickly, because it requires 5 or 6 years to build a great dam such as John Day. Still, we must recognize that Oregon incomes slipped comparatively even at a time when lumber seemed to be doing fairly well. Nearly every lumber-based economy in American history has needed some new source of employment to take up the slack.

If ever a time in Oregon's century of existence cried out for abandonment of ancient prejudices, it is now. I believe chambers of commerce and other business groups, conservatives and their Republican spokesmen in politics must abandon their instinctive and doctrinaire hostility to governmental activity where it is of economic importance to Oregon. Particularly, they must recognize the key contribution which can be made by Federal power dams such as Hells Canyon.

I believe Oregon's working people, their labor-union organizations and Democrats must recognize that the attraction of capital investment in job-creating plants and industries today is as much a necessary objective of public policy in Oregon as is social welfare. If we succeed in obtaining new blocks of low-cost power, they must give priority to its industrial use over low domestic light and electric bills. Particularly, they must surrender their unyielding opposition to broadening the base of Oregon's taxing system, so as to make possible more flexible tax policies designed to offer competitive and attractive terms to new industrial locations in Oregon.

I do not think for one moment that taxes are responsible for Oregon's present economic difficulties. We have the same general tax program we had during the years when lumber and other Oregon industries were booming.

Nevertheless, the fact remains that Oregon today has a reputation for high taxes and for rigidity in tax policy which may well be discouraging to persons contemplating plant locations in the West. This reputation may be worse than the facts really justify; yet the psychological impact should not be ignored.

[From the Oregon Journal, Portland, Oreg., of January 31, 1958]

THE SENATOR TOO GLOOMY

The Journal was among the first to recognize what is now generally conceded to be an economic recession in our State.

But it never took a gloom-and-doom attitude. It never accepted the view that the decline was more than temporary.

In a special year-end section December 29, Journal writers described both public and private projects and other economic factors which give reason for optimism both for the latter part of this year and for the long range.

The Journal agrees with part of what Senator RICHARD L. NEUBERGER says in his guest editorial today, but it believes he is unduly pessimistic about the economic outlook for Oregon.

He does not give sufficient weight to the potential effect on our lumber industry of the easing of the tight-money policy and of the increased demand for housing as we enter a period of population bulge among those of an age to form new families.

He is right in saying that a lumber-based economy needs new sources of employment, but in our history, lumber States never enjoyed the prospects of the diverse use of lumber products which are opening up to us today. And diversity in other directions is coming, too, in metals, in electronics, in a whole host of products emerging from research laboratories. The westward movement of population, particularly to California, is promising new markets, new demands.

The Journal always has recognized the place of Federal power in our economy, but NEUBERGER, in speaking of this need, neglects to tell what has actually happened. When the Eisenhower administration took office, the Bonneville system had 2,604,900 kilowatts of installed capacity. It is true that the administration has dragged its feet on new starts, but continuation of existing Federal projects has added 2,381,100 kilowatts to Bonneville's capacity in the last 5 years. The administration may not deserve any particular credit for this, but this is certainly not a drying up of Federal power.

NEUBERGER attributes more magic to a high Hells Canyon Dam than ever was justified, failing to mention that under the Hells Canyon bill 500,000 of its 800,000 kilowatts would be reserved for Idaho. And even if it had been authorized when the Eisenhower administration first took office, not one kilowatt from it would yet be on the line.

We have no quarrel with the view that the aluminum reduction industry is important to this region, but the need now is for additional fabrication, a process which provides far more employment in relation to the power it uses and in which extremely low-cost power is less important. Let's have more Federal power, to be sure, but let's recognize the importance of the great blocks of power from non-Federal sources which are coming into production.

NEUBERGER is to be commended for acknowledging the need to consider broadening our tax base as a means of encouraging industry. He risks criticism from many of his own party adherents. His guest editorial was written prior to the announcement that the State is to have made an independent study of our whole tax structure.

NEUBERGER's pessimism is not shared by Gov. Robert D. Holmes, who now speaks confidently of a resurgence in our economy. Holmes has even branded "gloom and doom" talk as subversive. We would not call it that, but we think his optimism has a sounder base than the Senator's pessimism.

[From the Weekly News Column of February 3, 1958]

WHAT'S REALLY HAPPENING IN OREGON?

(By Richard and Maurine Neuberger)

Reluctantly, I must disagree with those who predict a prosperous 1958 for Oregon. Such rosy prophecies are, in my opinion, a disservice. They prevent our State from coming to grips with economic realities. That is why I have been issuing warnings for the past 3 years.

On January 26 the New York Times published four maps showing unemployment in every State as of four dates: January 1956, December 1957, January 1957, and January 1958. Only one State out of all 48 was in the maximum unemployment category on each of the four maps. That State was Oregon. Washington was next in this unenviable niche, being listed in the high category on three of the maps.

Such facts demonstrate how much this crisis is born of distress in lumber. Oregon must cease to be reliant so totally on one industry, if Oregon is to return to an expanding and growing economy.

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

Mr. JOHNSON of Texas. Mr. President, I ask that the unfinished business be laid before the Senate.

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business.

COMMEMORATION OF FIRST FLIGHT OF AN AIRPLANE ON AN ARMY INSTALLATION

The Senate resumed the consideration of the bill (H. R. 6078) to provide for the erection of suitable markers at Fort Myer, Va., to commemorate the first flight of an airplane on an Army installation, and for other purposes.

The PRESIDING OFFICER. Under the order of Friday last, the Senator from Minnesota [Mr. HUMPHREY] is entitled to the floor at this time.

Mr. JOHNSON of Texas. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

NEED FOR BASIC RESEARCH

Mr. MONRONEY. Mr. President, I call the Senate's attention to a news report regarding the testimony yesterday before a subcommittee of the Joint Committee on Atomic Energy by three eminent scientists on our need for additional funds to do the basic research job that is needed to keep the United States in a place of world leadership. I ask unanimous consent that a news article from the Washington Post of February 4, 1958, be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BASIC RESEARCH BOOST SOUGHT

(By Edward Gamarekian)

Three distinguished nuclear research scientists told a joint Congressional committee yesterday that the $250 million being spent in the United States for basic research was grossly insufficient for the Nation's security and future progress.

Glenn T. Seaborg and Frederick Seitz recommended that the Federal Government appropriate 50 to 100 percent more for the kind of basic research being done primarily in the universities. The universities cannot finance the effort needed, they said.

Seaborg, a Nobel prize-winning University of California professor, is an international expert in nuclear chemistry and nuclear physics. He was the codiscoverer of eight

new elements, two fissionable isotopes of uranium and plutonium and the neptunium radioactive series.

Seitz, a University of Illinois professor, is widely known for his work in nuclear and solid-state physics and is a member of several Government and private research groups.

ANOTHER YARDSTICK URGED

Isador I. Rabi, the third scientist to appear before the committee, also strongly advised that more money be invested in basic research but suggested another yardstick. He suggested that the increase be set by the number of capable people available and the extent to which money can be spent wisely.

Rabi, a Columbia University professor and 1944 Nobel prize winner, is a specialist in the field of nuclear physics, quantum mechanics, and molecular beams. He is a member of the President's Scientific Advisory Committee.

The three scientists were the first to testify in a 2-week series of hearings before the Research and Development Subcommittee of the Joint Atomic Energy Committee. A total of 52 scientists from universities and national laboratories throughout the United States are expected to report during this period on the research work they are carrying on.

The scientists who testified yesterday gave a general survey of the Nation's present activity and need.

LACK OF METALS CITED

Seitz, a metals specialist, told the subcommittee that the present bottleneck in missiles and atomic reactors was due to the lack of metals that will stand up under high-temperature conditions. The metals-research programs in the universities were lagging, he said, because of a deficiency of space and equipment.

Up until the Korean war, the support for research was about right, Seitz said, but it has not changed since.

Material research requires a never-ending increase of people and funds during the coming years, he added, but the universities cannot do it and take care of the avalanche of students.

When the subcommittee members asked the three scientists how the folks back home were going to be made aware of the need for more funds for research, the scientists pointed out that the results of the research would produce new inventions and new industries and increase the national income.

Rabi told the Congressmen the American people are more willing to support research than the Bureau of the Budget is willing to believe.

Asked to compare American and Russian research, Rabi said that a poll of foreign scientists would probably show the United States in the lead but it may not be superior in all fields.

RUSSIA COMING ALONG

Russia is coming along rapidly, China may be second, and India third, Rabi said. The Russians may move ahead of us as fast as we moved ahead of Europe because they have more students, teachers, and facilities.

All three of the scientists stated that the Nation did not have enough scientists to meet the needs of the future.

Rabi said the prestige and salaries of scientists must be increased to attract more young people.

"England can confer knighthood," he said. "All we can give is money."

Rabi recommended that the Federal Government, in cooperation with education and scientific groups, set up standards of education and provide incentives that can be implemented and administered at the local level.

In response to the remark that mathematics was one of the weak points of American students, subcommittee chairman MELVIN PRICE (Democrat, Illinois) and Representative JAMES VAN ZANDT (Republican, Pennsylvania) stated they had a bill ready that would award $500 scholarships to all high-school students who passed a mathematics test, step up the number of summer refresher courses for high-school mathematics and science teachers, and establish a new summer fellowship program for advanced training of some teachers. The bill was introduced yesterday.

Mr. MONRONEY. Mr. President I personally believe that we should more than double the Defense Department funds for basic research. I believe we should increase them to whatever point is necessary to utilize fully the talents of available American scientists with equipment and laboratories that are available now. While we talk of training new scientists, we should utilize the ones we have now.

I understand that we could double the $100 million being spent this year by the various agencies of the Defense Department right now. There would be enough manpower left over, I am told, to redouble the amount in the 1959 budget, if certain equipment and laboratory facilities were included.

I agree with Dr. Rabi, who is one of the President's own scientific advisers, that "the American people are more willing to support research than the Bureau of the Budget is willing to believe."

UNITED STATES FOREIGN POLICY AND DISARMAMENT

Mr. HUMPHREY. Mr. President, I wish to address the Senate on the subject of United States foreign policy and disarmament.

In recent weeks the American people, Members of Congress, and indeed our allies have given prolonged thought to the military and foreign policy implications of the launching of the two Soviet earth satellites.

SIGNIFICANCE OF THE SOVIET SPUTNIKS

The sputniks have caused us to realize that the Soviet Union is exerting tremendous effort to accomplish impressive feats in science and technology. These accomplishments have alerted us to reexamine and reevaluate our defense policies, our defense organization, and the state of our military preparedness. Sputniks I and II have made us realize that if we hope to maintain our defense capabilities and if we do not want to be outdistanced in the vital area of outer space, vastly increased effort and expenditures of funds may well be required.

The areas in which decisive action must be taken to strengthen our defense capabilities have been pointed out in the unanimous interim report of the Senate Preparedness Subcommittee, under the able and dedicated chairmanship of the majority leader, the senior Senator from Texas. A program of action has been outlined, and the Nation anxiously awaits the fulfillment of the specific proposals.

We have the resources to match—yes, even to surpass—the Soviet Union in military might. We are prepared to speed up production of missiles, and to equip our Army, Navy, and Air Force with weapons which can, if necessary, meet any type of attack. We are able to devote whatever is required to defend our shores, our fields, our industries and our cities against the new weapons of mass destruction. But even when all this is done, Mr. President, the world will still be dangerously divided into two highly armed camps.

The peace we seek must be more than the absence of armed conflict. It must be a peace that embraces the expansion of the areas of political freedom and the development of closer bonds of international cooperation among all nations and peoples.

We who have the responsibility for appropriating funds for the new weapons of defense must keep reminding ourselves it is essential that we search perseveringly for the ways and means of securing a just and enduring peace so that the terrible reality of the use of these weapons will never happen. We need the same courage and patriotism in our search for peace that would be required of us in the defense of our Nation from hostile attack.

As the distinguished former Senator from Connecticut and Assistant Secretary of State, William Benton, declared in a recent statement:

> Nearly everybody realizes now that the United States has fallen behind the Russians in key elements of military power. Further, they have awakened to the fact that we are falling behind in science and education—as I have been reporting to Congressional committees and the country these past 2 years since I saw developments in the U. S. S. R. at firsthand.
>
> But it is not yet fully understood that, because of complacency in high places, the Soviet propaganda has stolen the role of peacemaker throughout much of the world and has seriously undercut the world prestige of the United States.
>
> It will take courage, vision, enormous energy, and all our experience to restore the balance and thus lessen the danger of devastating war.

Mr. Benton's remarks were underscored on the Senate floor only a few days ago by our majority leader when he said in moving words:

> But the same forces, the same knowledge and the same technology which are producing ballistic missiles can also produce instruments of peace and universal cooperation.
>
> We are engaged in a race for survival and we intend to win that race. But the truly worthwhile goal is a world of peace—the only world in which there will also be security.
>
> Somehow, somewhere, the great minds which have done so much to bring us modern implements, great adventures in science, and great discoveries, must be able to find a solution whereby men can live in the world together. If not, the road ahead will not be a very happy one.

Modern science and technology forewarn us of the appalling destruction that threatens us in the nuclear age. That same science and technology, however, beckons us to beat our swords into plowshares and our spears into pruning hooks and that man shall study war no more. The nuclear age can be an inferno of death and destruction or a garden of peace and plenty. This decision is the difference between good and evil—man and beast.

Mr. CHURCH. Mr. President, will the Senator yield?

Mr. HUMPHREY. I am very happy to yield to the distinguished Senator from Idaho.

Mr. CHURCH. First, I commend the Senator from Minnesota for addressing himself today to this very timely topic. It seems to me that there is danger, as we gird ourselves and gather our national momentum toward the need for constructing missiles and improving rockets, that we may move farther away from the even greater need to seek a way to an effective and enforceable disarmament in the world.

I ask the Senator from Minnesota whether, in his opinion, it would not be helpful, in marshaling public support for the great need of getting on with the business of disarmament, if somehow we could make it better known to the people of this land and the people of the world that a thermonuclear war will be utterly unlike any kind of war which has ever been fought before; that, however, destructive those wars have been, they have been winnable; that there have been objectives which have been secured by the fighting of the war; and that it has been possible heretofore for one side to win and for the other to lose. But if a thermonuclear war comes, which will involve the use of weapons that we are even now appropriating millions of dollars to build, the capacity of which is easily calculated and known, then, at best, such a fury of destruction will be visited upon the participating nations that nothing but anarchy and destruction will be left in its wake.

No one can win such a war, and the burden of civilization may well shift to the little nations on the periphery which are not caught up in the current of that war. At worst, such a war could mean the poisoning of the atmosphere of the earth by hydrogen or cobalt bombs, or whatever may be in existence 5 years from now, in such a way as slowly to exterminate all human life on the planet, with the end of man coming ignominiously through vomiting fits from radiation.

If the people of the land can be made to understand that that is the kind of catastrophe we are trying to avoid, then does not the distinguished Senator from Minnesota feel that there will be a greater urgency and a greater demand for initiative and new ideas in this field to push us forward in quest of those solutions which will lay the basis for an effective and enforceable disarmament?

Mr. HUMPHREY. The very eloquence of the words of the Senator from Idaho indicates the urgency of the matter we are discussing. Those words themselves will help immeasurably to alert not only the American people, but also all the peoples of the world, to the challenge that lies before us. It is a choice, as I have said, between infernal destruction from nuclear war or a garden of peace and plenty.

The only purpose the Senator from Minnesota seeks to serve today, in the discussion of this most complex and difficult subject, is to arouse the kind of creative thinking and the pertinent comment which the Senator from Idaho has just expressed.

I am hopeful that we in the Congress may, during the coming months, be able to demonstrate to our Government, at the executive-branch level, and to the people of our Nation and the world, that we have deep concern over these matters of foreign policy and the relationship of disarmament negotiations to them. Even more important, I hope that we shall be able to come up with some new thoughts, possibly even a new approach, which might slowly but surely pry open the door of Soviet unwillingness and other unwillingness, where it may exist, to sit down and negotiate over the question of man's survival.

I am deeply grateful to the Senator from Idaho. He will note that in the next paragraph of my prepared remarks I allude to the thoughts he has stated so much more brilliantly and ably. I say that very frankly and candidly. How good it is to get the Senator's refreshing approach to this subject and to discuss it as we should in these important halls.

Mr. CHURCH. Mr. President, I thank the Senator from Minnesota for permitting me to speak so early during his address. I wish to commend him for the great effort he is making in this field and for having taken this timely opportunity to speak on the most important subject on man's agenda.

Mr. HUMPHREY. I thank the Senator from Idaho.

Mr. MONRONEY. Mr. President, will the Senator from Minnesota yield to me?

Mr. HUMPHREY. I am happy to yield.

Mr. MONRONEY. I should like to associate myself not only with the junior Senator from Minnesota [Mr. HUMPHREY], but also with majority leader [Mr. JOHNSON of Texas] and the junior Senator from Idaho [Mr. CHURCH], in the expression of the thought that the thermonuclear war, if we allow it to break out with intercontinental and intermediate range ballistic missiles, will be a case, not of one side's winning the victory, but of double suicide by both the slave world and the Free World.

Perhaps we could win the missile race and perhaps we could overtake Russia in both the IRBM and the ICBM fields; yet we could still lose such a war, because I have the feeling that the 1 billion people who live in Southeast Asia, Indonesia, Japan, Iran, Iraq, the Middle East, and North Africa, are far more interested in finding out how hundreds of millions of people can live, instead of how many hundreds of millions of people can be cremated in the first 10 hours of an intercontinental nuclear war.

So I believe that the other side of the shield of atomic power and nuclear energy is going to be what my friends, the former chairman and the former vice chairman of the Joint Committee on Atomic Energy, the Senator from New Mexico [Mr. ANDERSON] and the Senator from Tennessee [Mr. GORE], and others have tried to make it be. What they have attempted to do has been to beat the atom into a plowshare. Their imaginative approach has been toward using the byproducts of atomic energy to cure diseases, to permit the raising of better agricultural crops, to improve transportation, and, above all, to make pure water for irrigation purposes out of sea water—all that to be done by means of the use of atomic reactors. This approach, if we but devote to it our minds and our money—money measured almost in terms of pennies, as compared to the thousand dollar bills we are spending for instruments of death—will win the hearts and minds of peoples around the world.

In that way we shall be able to bring these depressed billion people, who are looking either to communism or to us as the way of life, to decide in favor of the nation that can offer the best chance of life, instead of the best chance of death. In short, we can develop a program such as the one the distinguished Senator from New Mexico [Mr. ANDERSON] has so long advocated. We can use mass-production reactors to generate electricity for use in the fuel-short areas where these depressed and underprivileged people live, so as to permit them to live in the 20th century of electrically lighted modernization for industry and for health. When we do these things then we shall justify the standard of living that a divine providence has given to us. Then we shall earn the right of being the most favored people in the world, deserving the revelation of all the great scientific things which have been entrusted to us.

But so long as we put our trust in these weapons of destruction—

> For heathen heart that puts her trust
> In reeking tube and iron shard,
> All valiant dust that builds on dust,
> And guarding, calls not Thee to guard.

Then I am afraid that we shall spend billions of dollars in vain.

I am in favor of equating and equalizing the Russian weapons of death; but we should spend $1 billion or $2 billion or $5 billion, if necessary, to take the scientific developments available to us to the rest of the world, by means of an imaginative program which will carry to the peoples everywhere the message of the Sermon on the Mount.

Mr. HUMPHREY. I thank the Senator from Oklahoma. I am very mindful of the great contributions which have been made in the Senate—and to which I shall allude during my remarks—by the Senator from New Mexico [Mr. ANDERSON] and the other Senators mentioned by the Senator from Oklahoma.

I am also mindful of the fact that ours is a Nation of peace, and that our great, expensive defense effort is made with heavy hearts, hearts that would like very much to convert these weapons into means of engaging in peaceful pursuits.

Mr. JOHNSON of Texas. Will the Senator from Minnesota yield to me?

Mr. HUMPHREY. I am glad to yield to the distinguished majority leader.

Mr. JOHNSON of Texas. I wish to comment on the statement which has been made by the distinguished junior Senator from Oklahoma. However, before doing so, I desire to observe that the distinguished Senator from Minnesota [Mr. HUMPHREY], who has rendered many great services to the people of this

Nation, has never rendered a greater one than in taking the floor today and in making the speech on the subject he has selected.

The Senator from Oklahoma correctly pointed out that we must be a prepared nation, and that he is willing to have the United States spend the billions of dollars which may be required in order to make sure that we are in a position to maintain a state of readiness which will be equal to the challenge.

But what the Senator from Oklahoma also has pointed out, and what the Senator from Minnesota likewise has disclosed, is that our plans for peace must progress jointly and must be as firm as our plans for defense. In other words, this must be a joint effort. We must not spend all of our billions of dollars and make all of our plans to fight a war which may never be fought. But in preparing our Nation and in purchasing the implements, the missiles, the planes, and the submarines which may be necessary to prevent a war we should also have some positive, affirmative plan for peace, to go alongside our preparedness efforts. That is the service the Senator from Minnesota is performing today, and I wish to congratulate him.

Every Member of this body is willing to have the United States pay whatever is required to make sure that our Nation is protected; and all the Members of this body know that the people of America will have to pay through the nose, and that today the United States is not spending nearly enough.

But I believe that all of us feel somewhat derelict in regard to the state of our planning for peace.

If the Senator from Minnesota can call our attention to the road of peace today and can bring about some really heavy thinking on that subject, he will have rendered the greatest of all services.

Mr. HUMPHREY. I thank the Senator from Texas for his helpful and revealing statement. Let me say that my effort today will be very limited, because this subject matter will take much more talent, time, and capability than any one Senator, particularly the Senator now speaking, has. But if we can do as the scientists propose, namely, if at this stage we can engage in some basic research in preparing the way for peace and of planning the works of peace, then I think we shall have the time to bring about the applied development which will bring us to the era of peace and justice which we seek.

Mr. ANDERSON. Mr. President——

Mr. HUMPHREY. Mr. President, I am happy to yield to my able and distinguished friend, the Senator from New Mexico, who has done so much in the field of peaceful use of atomic energy.

Mr. ANDERSON. Mr. President, I am indeed grateful that the Senator from Minnesota is a Member of the Senate, and I am happy that he is addressing the Senate on the subject of many of the things which I believe have a very important bearing on this entire subject. Not the least of them are the remarks of our able majority leader [Mr. JOHNSON of Texas), who has spoken of the great minds working on this subject.

A few days ago, I had occasion to write to an anxious friend, and to express the prayer that the intelligence which taught us how to make the atomic bomb may give us the sense to control it. Surely, having the great intelligence to make these devices it will be too bad if we do not also have the sense and ability to use them properly, to control them, and to devote them to the best possible uses.

If the Senator from Minnesota were a member of the Joint Committee on Atomic Energy, and if he had a chance to see the fantastic character of the weapons we contemplate for the future, and if he had an opportunity to measure their destructive power and also the limited space required to smuggle them into an area and to destroy a great civilization, then I am sure he, too, would be praying that we may have the sense to use them wisely or, as his very fine address suggests, to control their use and eventually to bring about a disarmament in the case of these weapons, which promise nothing but destruction to both sides.

I wish to say to the Senator I had the privilege of glancing through his remarks. It struck me that he put his finger on something important when he talked about the great destructive power of nuclear weapons. It was my good fortune to listen to a great scientist discussing what a great nuclear war would be like. He was shocked that some people were talking about what would happen the second or third month. He said, "I am not sure there will be a second or third day." I think that is a possibility that ought to make us stop and ponder about this whole question.

I am grateful to the Senator from Minnesota, who has performed many tasks with which I have been happy to associate myself. I am glad he continues to stress the need for abandoning the use of frightful nuclear weapons for the benefit of the people of the world. I agree with him that we must prepare ourselves fully.

I am glad the Senator from Oklahoma has stressed the fact that the use of this great power can bless humanity, and can be used for the curing of all sorts of diseases, and can result in an abundance of all sorts of agriculture endeavors, and all the other wonderful things that can follow peaceful use of atomic energy. If only we could get some discussion of the matter, what wonderful results might ensue. When we put a satellite in the air, people start talking about the destructive possibilities of it.

I am glad the Senator from Oklahoma has followed the theme of the Senator from Minnesota, which our able majority leader has so frequently discussed. All these possibilities have a very pleasant aspect, if only we could find ways to put them in effect.

Mr. HUMPHREY. I thank the Senator. Later in my prepared address, which I have had circulated among some of my colleagues, I try to be specific. I am sure the American people know that the Congress is interested in works of peace, but they sometimes ask us, as the Senator from New Mexico has just related, how we can promote such works.

What I think is most important today is that the world regain knowledge of the true spirit of this country; that the image of America shall not be the image of a snarling giant, breathing fire and destruction, but rather the symbol of the Good Samaritan, of the scientist who seeks to bless mankind, of the student who seeks to enlighten mankind, of the doctor who seeks to heal mankind, and of the humble citizen who seeks to know the truth of the universe.

Mr. ANDERSON. May we not also remember that while the things we are doing may not have importance to the people of the United States, they may have enormous importance to the people of other parts of the world.

There is a laboratory in New York where some work has been done with respect to a certain type of grain which gives promise of resulting in more abundant harvests. The Senator from Minnesota, who is a member of the Committee on Agriculture and Forestry, knows that the people of the United States are not now perplexed over the problem of how to get more grain, but might be happy to learn how to get a little less. However, there are areas of the earth where the problem of feeding people is great, and will continue to be a great problem for generations to come. Therefore, the byproduct of knowledge which we may gain from the use of atomic energy may be extremely important to other people in the world, if we will turn that information loose.

I am glad the Senator from Minnesota never fails to stress the peacetime benefits of the utilization of atomic energy. I hope every Member of the Senate will study the disarmament proposals of the Senator. I may not agree with everything he proposes, and I do not think he would want me to, but I thank God he stands up and proposes something. That is what this country needs.

Mr. HUMPHREY. I thought it was time we talked frankly about this matter. I am sure the Senator will agree that disagreement is part of the process of seeking answers to the truth.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the distinguished junior Senator from Montana.

Mr. MANSFIELD. No one in or out of the Government is more capable of speaking on the subject of disarmament than is the distinguished Senator from Minnesota. He and our colleagues have been pointing out the dangers, as well as the blessings, which are inherent in the world as we know it today and as it will develop tomorrow.

I know there has been a great deal of emphasis on nuclear and thermonuclear weapons and devices. I think we ought to remember also, in addition to that, there is such a thing as bacteriological warfare, which can be just as devastating, just as killing, just as successful in eradicating from the face of the earth not only human life as we know it, but produce and the fruits of the soil as well.

I was especially interested in the speech of the Senator from Minnesota, which I read last night, and which I have been following this morning, because of one point in it, namely, the fact that the

Senator from Minnesota, following in the footsteps of the distinguished majority leader, whom the Senator quotes on page 2 of his statement, is hammering on the theme of peace—not a peace by disarmament, not a peace by appeasement, but a peace based on justice, and based on equitable understanding of all mankind. I think what the majority leader said, and what the Senator from Minnesota quoted, ought to be called to the Senate's attention again and again. It reads as follows:

> We are engaged in a race for survival, and we intend to win that race. But the truly worthwhile goal is a world of peace—the only world in which there will also be security.

If I understand the Senator's speech correctly, he does not maintain, or state, or infer, or imply, that we should disarm overnight. It is his contention, as I understand, that we have to maintain a position of strength——

Mr. HUMPHREY. Indeed.

Mr. MANSFIELD. And from that position we should try to simplify some of the procedures which have become so complex and complicated, so that, in a simple, straightforward, understandable manner, the question of disarmament can be discussed, and therefore small beginnings reached.

Mr. HUMPHREY. The Senator has stated the thesis of my address very accurately. May I also add that the Senator from Minnesota has devoted a portion of his speech to what I call "negotiating from strength," with a description of what we mean by strength, which I think we must clearly understand if we are to discuss this subject in a mature and sensible manner.

Mr. MANSFIELD. Will the Senator yield further?

Mr. HUMPHREY. Yes.

Mr. MANSFIELD. I want to say again, Mr. President—and I repeat this for emphasis—there is no one inside or outside the Government who is more capable of talking on the particular subject he is now discussing. I know from personal experience that the Senator from Minnesota has for the past two years been the chairman of a subcommittee which has considered this particular question, and if anyone knows this subject it is the Senator who is now addressing this body. I am delighted that he is giving us the benefit of his views and the benefit of his conclusions, because I think the Senate, the Congress, and the country as a whole—and I might say the world as a whole—can benefit from the frank proposals which will be espoused today by the Senator from Minnesota.

Mr. HUMPHREY. I thank the Senator from Montana for his very kind remarks.

Mr. President, as has been indicated, in our endeavor to regain our strength in missiles, rockets, and other weapons, it is imperative that we not fool ourselves into thinking such effort is sufficient in the long run. In a recent New York Times article I referred to it as "A Pyrrhic victory whose very process of achievement may squelch our search for positive approaches to peace, may weaken our endeavors to curb the weapons of war and may cause us to lose our sense of perspective. We must not let our fixation on security through more and bigger armaments lead to a stage where arms alone would control our policy, for this would invite our ultimate destruction."

Our immediate task, therefore, is to prevent the two great power systems of the Communist bloc and the free nations from colliding head-on either by design or accident, and thereby touching off world war III. The world needs time—time to think, time to negotiate, time to find answers, time to realize the utter futility of armed conflict, as stated here today, and the wondrous opportunities to be found in peaceful living. The world needs leadership—inspired and humanitarian leadership—to point the way patiently, yet firmly, to peace. This peace we so zealously desire will not come easily. Peace, like war, requires sacrifice. It requires also the mobilization and planned use of our material and human resources.

It is within this frame of reference that I venture to discuss the difficult and perplexing problem of the control and reduction of armaments. The discussion of disarmament policies and proposals must be undertaken within the context of our entire foreign and military policies. Nor should we be restrained by inhibitions and preconceptions which so often bind us to the policies and attitudes of the past. This generation has witnessed two amazing and sensational scientific developments, the harnessing of nuclear energy and the breakthrough into outer space. The diplomatic and political formula of yesterday are not adequate for this era of power.

DILEMMA OF SPEAKING FRANKLY

Before going into the substance of my remarks I wish to say that in these days a Member of Congress who speaks at all critically about foreign policy is confronted by a real dilemma. Criticism of the executive branch can be and undoubtedly will be misused by the Kremlin. Radio Moscow is quick to pick up our statements as evidence that the policies being pursued by the United States are wrong and that those of the Soviet Union are right. We have observed on occasions that excerpts from speeches delivered before this body have been reprinted and broadcast by the Soviets in an effort to discredit our country.

This illustrates one of the difficulties of a free people in the struggle with a totalitarian dictatorship and society. Nevertheless, since freedom of speech and expression is one of our dearest and most cherished freedoms, we must be willing to exercise it when the situation demands it.

If we do not speak with candor, voice our concerns, and offer constructive criticisms and suggestions, we may well be doing our country a great disservice. Our responsibilities, as representatives of the people of the United States, require that we present to the President and his officers, yes the public, our views with respect to foreign policy. We of course must use discretion and judgment. But, when we differ and have genuine doubts, these differences must be expressed openly.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from Pennsylvania.

Mr. CLARK. I should like to express my personal sense of gratification that the distinguished Senator from Minnesota is delivering so erudite, so able, and so comprehensive a speech on a matter which is of the greatest concern to all of us in the Senate, namely, the subject of peace and the closely allied subject of disarmament.

I note with pleasure that the distinguished majority leader [Mr. JOHNSON of Texas] is on the floor, and I call attention to the fact that he was among the first to point out that somewhere, somehow, the great minds which have done so much to bring us the modern weapons of warfare must be able to find a solution to the problem their existence raises whereby men can live in the world together.

What concerns me, Mr. President—and this is a problem I should like to pose to my good friend, the Senator from Minnesota, is how, both as a matter of substance and as a matter of public relations and in the guiding of world opinion, we can create an atmosphere which will persuade the entire world that the one thing the American people, from the most humble citizen to the President of the United States, desire more than anything else in the world, is peace—a just peace and a peace which comes through world law.

The distinguished majority leader has rendered an outstanding public service through the work of his Preparedness Subcommittee, and yet the necessity of pointing out the deficiencies in our armaments has almost inevitably caused, as he himself has recognized, a diminution in the fervor for peace which we would like to put before the entire world.

I ask my friend, the Senator from Minnesota, whether it is possible that in some way or in some manner—and I am delighted the majority leader is here to listen—we can create a forum whereby the best minds in the whole world can be brought together to consider practical means of obtaining peace. This is much too important a problem to be left only to the diplomats, just as war is far too serious a business to be left to the generals.

I noted with some pleasure a suggestion made by a great American, Adlai Stevenson, the other night in New York, when he suggested that the United Nations might summon people from all over the world to try to evolve a method for establishing world peace through world law. I know that the distinguished Senator from Minnesota is the chairman of a subcommittee dealing with disarmament, and the thought had gone through my mind that perhaps such a subcommittee would be an appropriate forum for the purpose of bringing before the country at least the American experts who could help us in this field.

I know the distinguished Senator from Arkansas [Mr. FULBRIGHT] and the distinguished Senator from Rhode Island [Mr. GREEN] under the auspices of the

Committee on Foreign Relations, are soon to conduct a wide review of our foreign policy. I ask my friend, the Senator from Minnesota, is there not some way, perhaps in his own subcommittee, whereby we can bring world opinion to bear on an earnest, practical, and concrete effort to find ways toward world peace?

Mr. HUMPHREY. The Senator from Pennsylvania has addressed himself to the very heart of the problem of how one generates a consensus in a nation for a particular objective, and how to implement that consensus with programs of action.

I suggest to the Senator that his proposal, that our subcommittee and the full Committee on Foreign Relations concentrate their attention upon providing such a forum, is very constructive.

Only recently we announced contemplated hearings on the entire subject matter of policies directed toward disarmament and peace. Disarmament perhaps cannot come by itself without adjustments in the world picture to which I shall address myself, and which make possible disarmament or the reduction and control of arms. But surely, as the Senator has stated, the world wants some new methodology, some new approach. I intend to propose 1 or 2 approaches, which are perhaps not as far reaching as I would like, but they are beginnings. We shall pursue this effort together.

Mr. CLARK. I thank the Senator. If he will indulge me for one further point, I ask him if he agrees that there are three facets to this problem. The first is the solution of political problems in order to decrease world tensions. The second is the working out of practical and feasible disarmament agreements, in order to take from the backs of all the peoples of the world the crushing burdens of armaments, and again to reduce tensions.

Third—and perhaps the most important; certainly to my mind one of the most neglected to date—is to try to create a practical, feasible type of world organization by which, through world law, we can attain world peace.

Mr. HUMPHREY. The Senator has very appropriately and neatly summarized three of the dimensions of the problems which face us today.

I point out that it is not always necessary to wait for political solutions. It is not always necessary to start disarmament without political solutions. The two are intermeshed. However, the third point which the Senator mentions, of building a body of law, tradition, and custom which will be respected, is an equally absolute essential.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. HUMPHREY. I am happy to yield to the Senator from Louisiana.

Mr. ELLENDER. As my good friend from Minnesota is aware, I have traveled extensively through Russia in the past 3 years.

Mr. HUMPHREY. I am very much aware of that. I commend the Senator for so doing.

Mr. ELLENDER. I have been advocating a new look at our foreign policy for the past 3 years. I am glad to note that the Committee on Foreign Relations of the Senate is now taking that new look.

I have not read the written copy of the address of the Senator from Minnesota, but I have been listening for the past few minutes. I wonder if he has touched or intends to touch upon a certain point which I believe is vital to disarmament—the establishing of a climate of mutual condence between the people of the Soviet Union and the people of this country.

As I have been saying for the past 3 years, what causes nations on both sides of the Iron Curtain to increase their armaments is the fear they have of one another. It has been my thought that unless and until the fear which now exists among the peoples on both sides of the Iron Curtain is dispelled and full confidence is restored, we cannot have disarmament.

Mr. HUMPHREY. Let me say to the able and experienced Senator from Louisiana that I could not agree with him more thoroughly. I invite attention to a section of this speech entitled Building an International Climate of Confidence."

I have read some of the Senator's reports on his tours. Those reports are, to me, revealing of the importance of travel. The Senator has brought back many helpful and constructive observations.

Mr. ELLENDER. As the Senator well knows, in 1955, as well as 1956 and again in 1957, I visited Russia. In my three reports I advocated a broadened exchange program, an abbreviated version of which we are now seeing the President belatedly adopt.

Mr. HUMPHREY. I am aware of that.

Mr. ELLENDER. It strikes me that if such an exchange of persons program had been instituted when I first suggested it, and if our approach to the peoples behind the Iron Curtain had been a positive one and not a negative one, we would have made greater progress.

Mr. HUMPHREY. I agree with the Senator.

Mr. ELLENDER. I believe that approach is essential if we are to attain the millennial peace for which we are all striving.

Mr. HUMPHREY. I agree with the Senator. The Senator from Louisiana and the senior Senator from Texas [Mr. JOHNSON] were among the first to advocate the approach of cultural exchanges. At the time when such an approach was advocated it was not so popular.

Mr. ELLENDER. In that connection, let me say to my good friend from Minnesota that I believe I was one of the first Senators to visit Russia and make a report as to what was observed there. Because I spoke the truth about what I saw in Russia, not only in 1955, but in 1956, I was maligned. I was called pro-Russian, pro-Red, and pro everything else, by a number of people.

My only purpose in my reports was to reveal to the people of the United States how the Russians were living. I am firmly convinced that the Russian people do not want war any more than we do. The problem that is before us is how best to dispel fear and restore confidence. If we succeed in this, then disarmament will be made possible. I believe trade relations will soon start as a natural result of increased contact between the people of the Soviet Union and the United States. However, we shall never realize our goal unless and until we dispel fear and restore confidence. We should devote our energies to telling the Soviet people of the many advantages of our way of life. Instead of condemning communism, we should ignore it in our contacts with the people of Russia. We often forget that under communism the Russian people—who in the recent past have known only the absolute despotism and accompanying misery of the czarist system, as opposed to their present form of communism—have pulled themselves up immeasurably. Their standard of living may not be as high as ours, but it is still better than anything they have known in the past. The restrictions of thought and action under the Communists may be unthinkable by our standards, yet they are nothing new to the people of the Soviet Union. If we remember these things, then the fallacy of our attacking or criticizing communism, per se, is obvious. That is why I say that the best avenue of opposition to the communistic form of government in this great cold war in which we are engaged is through a positive approach. We must show the people of the Soviet Union the advantages that we have—and that they lack—in order to encourage them to emulate our way of life. If this succeeds, and they do try to emulate us, then communism, as such, must fall.

Mr. HUMPHREY. I thank the Senator.

SPECIAL RESPONSIBILITY FOR ARMS CONTROL

In the area of arms control I feel a special responsibility. I have been privileged to serve these past 2½ years as chairman of a special committee to study the control and reduction of armaments. This committee has issued a unanimous report with conclusions and recommendations. What I am about to say in no way contradicts this report. Much of what I say is foreshadowed by it.

Disarmament bears on so many aspects of foreign policy and defense strategy that one cannot possibly touch in one speech on every question related to it. Consequently, and regrettably, I must omit several matters which deserve our attention. I would like, however, to discuss some of these related aspects. The first is our attitude toward the Soviet Union.

ASSUMPTIONS ABOUT THE SOVIET UNION

There is reason to believe that those who conduct and design foreign policy make two false assumptions regarding the Soviet Union.

The first is that the United States has such political, military, and economic superiority that it can force the U. S. S. R. to accept our terms in any series of negotiations.

The other assumption is that the internal domestic difficulties of the Soviet regime are so great that all we need to do is continue to apply pressure and the collapse of the system will automatically

follow. Both of these assumptions have been stated or implied many times.

Recent developments have shattered the validity of these assumptions. The Soviet sputniks indicate that the U. S. S. R. is, or will be in the near future, capable of launching intercontinental and intermediate range ballistic missiles. Reports from Sweden seem to indicate that the Soviets have, or are in the process of building, atomic-powered submarines among their gigantic fleet of some 500 underwater vessels. May Day parades and public celebrations of the October revolution reveal highly mechanized and mobile tank units and artillery. We now have disturbing evidence of the sizable expansion of Soviet economic aid, political infiltration, propaganda, and cultural offensives.

There is evidence that the Soviet system has many weaknesses. Soviet industry is suffering from manpower shortages. Efforts to open up and cultivate new land have not been too successful to date. Soviet citizens are still relegated to a standard of living considerably below that of the countries of Western Europe, and some of Eastern Europe as well. But there is little sign that these problems are about to force any sudden fundamental changes in the regime.

Too often, United States proposals regarding the settlement of political problems and arms control appear to stem from the assumption that western military and economic pressure will produce unwilling compliance on the part of Soviet leaders.

In point of fact, the United States itself weakened its own strength during the course of disarmament negotiations in London last year with the Soviet Union.

While the U. S. S. R. was making naval sallies into Middle East waters, funneling arms into that area, hurling threats of nuclear annihilation at our allies, and announcing boastfully its achievement of an intercontinental ballistic missile, we were lowering the ceiling on our defense expenditures, cutting back or pulling back our Armed Forces, and curtailing or slowing down our military aircraft and missiles programs.

It is difficult to see how we could have presented a strong negotiating front to the Soviet Union when we were so busily engaged in unilateral disarmament.

Mr. SYMINGTON. Mr. President, will the junior Senator from Minnesota yield?

Mr. HUMPHREY. I am glad to yield to the Senator from Missouri, who has been a faithful, energetic, and extremely able member of the Subcommittee on Disarmament.

Mr. SYMINGTON. I thank the distinguished Senator. The Senator from Minnesota has done at least as much in recent months and years for peace through disarmament as anyone else. I ask the Senator if I am not correct in saying that he warned all last year, long before sputnik was launched by the Soviets, about the grave dangers of this country attempting to negotiate disarmament at the same time it was unilaterally disarming.

Mr. HUMPHREY. I would say to the Senator from Missouri that many times in the discussions in the Subcommittee on Disarmament we—I say "we" because the Senator from Missouri and other Senators were present during those meetings—we did warn that it was very important that our posture of military strength be maintained.

Mr. SYMINGTON. Mr. President, will the Senator yield further?

Mr. HUMPHREY. I yield.

Mr. SYMINGTON. I believe we both agree that the most important thing in the world today for the people of the world is permanent peace.

Mr. HUMPHREY. Yes, indeed.

Mr. SYMINGTON. And we believe, based on the hearings which the distinguished Senator from Minnesota chaired for months and for years, as chairman of the Subcommittee on Disarmament, that we believe peace can best be obtained through mutually agreed upon inspection-proof disarmament. Is that correct?

Mr. HUMPHREY. Yes; also through proposals that make sense to the national interest of both parties concerned.

Mr. SYMINGTON. Finally, based on what the distinguished Senator has placed in the RECORD so far in his talk, I am sure we agree that the way to obtain that peace, if there is a way—and God grant there be—is by negotiating with those who may wish to destroy world peace, from a position of relative strength, instead of from one of relative weakness.

Mr. HUMPHREY. The Senator has put it well. I thoroughly agree.

Mr. SYMINGTON. I thank my friend from Minnesota, who has made a contribution which, in my opinion, no one has exceeded, in his search for peace as chairman of the Subcommittee on Disarmament.

Mr. HUMPHREY. I thank the Senator.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the distinguished Senator from Tennessee.

Mr. KEFAUVER. I wish to join in complimenting the Senator from Minnesota on his excellent presentation, as well as on the hard and thorough work he has done as chairman of the subcommittee over a period of many years. I am glad that the subcommittee has been continued, even though only for a short time. I hope it will be continued on a more permanent basis.

I wish to compliment the Senator upon presenting the issues in plain language. It seems to me that, while some of our decisions may have been direct and clearly understood, too often we have been inclined to complicate our proposals for peace and disarmament in extremely legalistic terms and with so many conditions that the people of the United States and, indeed, the people of the world, have not understood them; and they have taken, rather, to the plain slogan terms used by Mr. Khrushchev and the other leaders of the Kremlin. Has not that been one of our faults and difficulties? I believe the Senator is on the way to correcting it by the plain way in which he is presenting the issues in his masterful presentation.

Mr. HUMPHREY. I thank the Senator. One of the difficulties we have faced is indeed the complexity of United States statements and proposals on disarmament. We have not been able to speak simply and profoundly. In simplicity there can be great profundity, of course. I am afraid that sometimes our proposals and statements have been so guarded and even so garbled that they have not had the psychological impact or the political impact they justly deserve.

NEGOTIATING FROM STRENGTH

A foreign policy designed to meet the realities of international life requires that we face up to the true power and political relationships between the U. S. S. R. and the United States.

On the one hand we cannot act as though we have the strength to force the Soviet Union to accept our terms without offering reasonable compromises and concessions. On the other hand, our capacity to defend ourselves and our allies must be sufficient to discourage the Soviet Union or any of the Sovietized states from embarking on misguided and miscalculated military aggressions. While we have allowed ourselves to fall behind in three crucial areas—missiles, outer space, and capacity to deal with limited armed conflicts—it would be wrong to assume that we are so weak that we are inviting Soviet aggression or that the Soviets could force us to accept their terms in any series of negotiations. Fellow Americans, we need not tremble at the thought of sitting face to face with Soviets at the conference table.

Negotiating from strength means not only the appearance of strength, but the fact and reality of strength. By strength we must include military preparedness with modern weapons, alliances that are strong and secure both militarily and politically, and a vigorous and expanding economy. The friendship, goodwill, and understanding of other nations is another source of strength that we should seek and merit. Favorable world opinion is one of those immeasurable and intangible factors, while not decisive in matters of world politics, is at least worthy of our concern and attention.

The Soviet Union too must come to accept the reality of the balance of power existing between it and the free world. It may be under an illusion that its achievements in missiles and rockets have so elevated its power position that negotiations with the United States can only be on Soviet terms. Perhaps this is why the Soviets abruptly broke off the London disarmament talks of last summer and why it is boycotting the newly expanded United Nations Disarmament Commission. Soviet leaders must be persuaded through our increased defensive strength, through a broad program to pursue works of peace and a willingness to conduct negotiations at any time, that neither side can force terms on the other. Any agreement reached, to be effective, must serve the national interests of both countries as well as the many countries allied and associated with us in our search for peace.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. SYMINGTON. The Senator speaks about increased defensive

strength. Inasmuch as it is recognized that we have put a considerable amount of money into missiles, and inasmuch as, despite that fact, the budget for fiscal year 1959 is nearly $2 billion less than the budget for fiscal year 1958, we must be taking money out of many programs which the Senator from Minnesota and the Senator from Missouri agree are important, namely, flood control, roads, aid for school construction, and so forth. Does not the Senator agree? In this policy we may be doing wrong because we realize a strong economy is vitally important. Only from our moral and economic strength can we obtain our defense strength.

Mr. HUMPHREY. I thoroughly agree with the Senator. Let me state what I mean by negotiating from strength. Strength embraces adequate military might, political unity, and solidarity at home and with our allies. It embraces our own economic strength and that of our allies. It embraces not merely a static economy, but an expanding one.

Negotiating from strength includes psychological factors—friendship and good will toward other nations and finally our moral position. Are we right? Are we doing the right thing?

I admonish in this address that at all times our position in these critical negotiations toward disarmament must be honorable, right, and faithful to our tradition.

The successful launching of the 1958 Alpha, our Explorer, last Friday night was a spectacular affirmation that the United States has had and does have the technological ability—and now has the will—to close the gap in missile development. The world knows that at last we are aroused from the lethargy of the past few years that has characterized our efforts in the development of missiles, rockets, and outer-space science.

In terms of the immediate future of disarmament negotiations, the successful launching of the satellite Explorer gives new emphasis to the urgency of the reduction and control of modern weapons. This, coupled with our own scheduled production programs of the intermediate-range ballistic missiles Jupiter and the Thor, and the recent breakthroughs in the development of the solid fuel Polaris, combine to indicate a far stronger probability that the Soviet Union can be persuaded to return to the conference table for serious arms-control discussions.

IMPROVING THE INTERNATIONAL CLIMATE

To reach lasting agreements with the Soviet Union on such fundamental issues as arms control and political settlements, the international climate must be conducive to the development of mutual confidence. It is somewhat pointless to expect immediate success to result from discussions on disarmament when the western nations and the Soviet Union are simultaneously exchanging verbal threats of how each can retaliate against and destroy the other.

There are many ways to help build an environment of confidence. It can be improved through an acceleration of private and public contacts on all levels.

The recently announced agreement to liberalize and broaden the exchange programs in order to encourage a greater measure of contact between the people of the United States and those of the Soviet Union is a big step in the right direction. Such an exchange can do much to calm the fears, and help to create a degree of understanding between our people and those of the Soviet Union. I wish to commend and compliment the administration on the recent agreement between the United States and the Soviet Union. It deserves our continuing attention and support.

I would go even further. I would like to see us encourage anyone—and particularly those from behind the Iron Curtain—to come to the United States on a visitor's visa for a certain limited period of time. By a single stroke of this nature, we could restore much of our damaged image abroad. By the same token, I think we should encourage American tourists to go behind the Iron Curtain, and encourage them to do so as part of official policy.

Soviet education is producing a new intelligentsia in the fields of science, literature, music, agriculture and industry. I am told that the young scientists, engineers, musicians, and even publicists are increasingly nonpolitical or apolitical in their outlook.

Science and technology not only contribute to the arms race and the power drive of aggressive rulers; they also can be made to contribute to peace. Science is not political; it is neutral. Scientists, in the main, place professional and scholarship standards above ideology.

This offers opportunity for association in those broad areas of nonpolitical activities. We must encourage Soviet citizens—as well as people from other countries—to come to this country, to visit, to travel, and to study. More of our citizens should be meeting with Soviet experts in all fields and in as many places as they can be found. International fairs, international scientific conferences, international educational conferences and international health conferences are some of the places United States and Soviet citizens should be meeting and exchanging views and ideas. Let us accept the challenge of competitive coexistence—but let us be sure to compete.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. HUMPHREY. I am happy to yield to the Senator from Illinois.

Mr. DOUGLAS. First, I congratulate the Senator from Minnesota for the characteristically broad-gage, statesmanlike speech he is making. I hope it will be read with great care in the State Department and at 1600 Pennsylvania Avenue.

There is a point in the last matter the Senator discussed which I think should be explored a little further. It is the fact that the Russians permit to come to the United States on visas only those who believe in communism and who will not be influenced by their contact with free institutions.

On the other hand, the Americans who go to Russia tend to be of an inquiring, generous, questioning disposition. In a sense we are amateurs in the propaganda warfare, contesting against professionals. What sometimes happens is that our people are too little prejudiced, whereas the Russians have a hard crust of Communist indoctrination; indeed, they are watched closely by the Communist secret police to make certain that they do not become affected with democratic ideas.

This, it seems to me, is the big problem we have to face in the matter of the exchange of persons. I know the Senator from Minnesota has thought about this matter. I wonder what methods he would suggest to counteract this tendency.

Mr. HUMPHREY. I surely have thought about this matter. It is one which very obviously poses a problem for us.

First, I have gone into this matter with some of our most noted scientists, and in my discussions with them I find that in the last year Soviet scientists have been much freer in their discussions with American scientists and other scientists of the Western World than was the case 2 years ago.

I also find that so long as the subject matter is not politics or foreign policy, but is within the area of the professional skill or of the scholarship to which they have dedicated their lives, there is a valuable exchange of ideas and comment.

Second, it is true that the Soviet Union will undoubtedly select trained, disciplined Communists, to the best of its ability, to send at the beginning, at least, of many of the exchange programs. But even a trained, disciplined Communist will have his eyes opened when he sees New York City. He will have his eyes opened when he sees Grand Coulee Dam. He will have his eyes opened when he sees the metropolitan areas, the beautiful fields, and the small communities of all parts of America.

I do not say his politics would be changed. But if by an exchange we could plant just a little doubt as to the validity of his own system and consequently a desire to dedicate more of his energy to peaceful pursuits, I think that would be an advantage to us.

I am not too much worried that the Americans who go to the Iron Curtain countries will be converted politically. I say this because it is hard to convert them to some more housebroken philosophies such as Republicanism or Democracy. It is difficult to get Americans into political pursuits.

I do feel, however, that all Russians are not Communists. Only a small section of the population—about 4 million or 5 million—are Communists.

The freshness of the American approach, the frankness of it, the fact that the Russians will see us as we are, is bound to have some impact in their country.

I will conclude on this point by saying I do not think we have much to lose; we possibly have something to gain.

To come to the point of the question of the Senator from Illinois, we do know what we are up against. We ought to proceed on this basis. I suggest that our State Department would be well advised to inform our overseas visitors—those

whom we send as representatives of the Government and those who go from America at their own expense—of their responsibilities as ambassadors of good will.

I think there is a real dereliction here, in the sense of giving people the kind of friendly counsel and guidance that are necessary for them to have in their travels in other parts of the world, and I do not mean only behind the Iron Curtain. When Americans travel, they do not travel entirely on their own, even though they pay their own way and make their own arrangements. Instead, they also travel as representatives of the United States; as such, they should be on guard to be at least as good as they are at home, and probably even a little better.

Mr. JACKSON. Mr. President, will the Senator from Minnesota yield to me?

Mr. HUMPHREY. I yield.

Mr. JACKSON. First, I should like to commend the Senator from Minnesota for making this very able and important speech today in the Senate.

I was particularly impressed by his suggestions regarding an exchange of persons with the Soviet Union. During my trip to Russia in August and September of 1956, I was deeply impressed by the friendliness of the Russian people toward America. Of course, in that statement I do not refer to the leadership of the Soviet Union; I do not impute the friendship of the Russian people to the top Soviet leadership.

What interested me was that after 40 years of Communist rule, with the most vicious kind of propaganda against the American people and against the West, the Russian people were friendly. I had an opportunity to go into their homes and to meet them, both in European Russia and in Asiatic Russia. I could not help feeling that we and the rest of the free world would gain by an exchange of persons with the Soviet Union, even if some of those who came to this country from the Soviet Union were—as the distinguished Senator has pointed out—hardened, disciplined Communists. I believe that such exposure to the Western World could not but help aid the cause of world peace and freedom.

It seems to me most significant that the Soviet leaders have been unable to make great headway with their people, after years and years of effort to destroy the good name of the people in the Western World.

I was very much impressed by what the distinguished Senator had to say in regard to such an exchange of persons, because I believe that kind of exchange could go a long way in aiding the cause of peace in the world.

Mr. HUMPHREY. I thank the Senator from Washington.

Mr. President, I would only add that there is great similarity between the people of Russia and the people of the United States, just as there is great similarity between all other peoples—for instance, between the people of France, the people of Germany, and the people of any other country. But in this connection, I refer particularly to the similarity between the people of Russia and the people of the United States, because I have in mind the pioneer attitude of the people of Russia, their vigor, and their openness as a people. I believe that the accuracy of the statements made by the Senator from Washington can be verified again and again; and I am pleased that he has made them a matter of record here. I have heard from others of the genuine friendship—at least, the expressed friendship, and what appears to be the true friendship—which has been found in the ranks of the people of Russia.

Mr. CARROLL. Mr. President, will the Senator from Minnesota yield to me?

Mr. HUMPHREY. I am happy to yield to my friend, the Senator from Colorado.

Mr. CARROLL. Mr. President, I must leave the Chamber, to attend a committee meeting at 2 o'clock.

Let me say that I am highly impressed by the splendid address being made by the distinguished Senator from Minnesota. I should like to have the RECORD show that in 1956, in Denver, Colo., the able junior Senator from Minnesota, in a statesmanlike speech—one which I thought carried a great deal of prophecy and vision—appealed to the people of Colorado and the people of the Rocky Mountain region to recognize and accept the program he is suggesting today on the floor of the Senate of the United States.

I am especially impressed with his statement that science and technology can make a great contribution to peace.

I have in mind one contribution science and technology can make; perhaps the Senator from Minnesota intends to comment on this later during the course of his remarks. However, at this time let me refer to one or two matters from the hearings of the Preparedness Subcommittee of the Armed Services Committee, in connection with its investigation of the guided missile and outer space development program. Very little about these matters has appeared in the press.

A number of scientists and generals have testified—and I think it is generally accepted as correct—that one of the great blocks to disarmament is the absence of an effective system of inspection. Now that the able Senator from Minnesota has referred to the launching of Explorer by the United States let me ask what it means. A few weeks ago the Boston Physical Research Laboratory sent to my office a photograph which was taken from the top of Pike's Peak, 63 miles from Denver, Colo. Yet, in the photograph I could identify the Colorado State Capitol Building in Denver, the Montgomery Ward Building, and several other prominent buildings. Referring to this 63-mile photo, I asked General Irvine this question: "Could a camera installed in a satellite in orbit take useful photographs of the area it traverses? Would such photographs have sufficient clarity to make it possible to identify objects many miles below, so that one may know what activity is taking place and what installations are being developed in that part of the world?"

He replied, "Yes."

I asked, "Would not that constitute a great contribution to peace?"

He said, "It could be the first step toward peace."

We talked of the Baruch atomic plan and of President Eisenhower's open sky program, and finally of the possibility of an inspection deterrent through high powered, sensitive cameras in orbiting, controlled space vehicles.

I wish to have the RECORD show that today, in America, we have the greatest cameras in the world—cameras so great that the Soviet Union is right now attempting to purchase them. If a camera of that type were attached to the Explorer—and I have no reason to believe that the Explorer now contains such a camera, and I doubt that it does—certainly such a camera would be able to photograph all activity on the earth below, and the objects shown in the photograph would be clearly and easily capable of identification.

As General Irvine said, if we can do that, so can the Russians.

I should like to say to the Senator from Minnesota that the inspection-satellite camera is one means by which science and technology can make a vital contribution toward easing the tensions which exist between the great powers—a subject to which he has referred.

I do not know how familiar the Senator from Minnesota is with this subject of inspection from high-speed space vehicles, but inspection by such means is feasible; and it is my information, based on accounts which have been published in the newspapers, that after such photographs have been taken, they can be returned to the earth, and recovered by this country. I was further interested to note in this morning's Washington Post that plans are underway to launch a satellite with television apparatus aboard.

I thank the Senator from Minnesota for yielding to me. I congratulate him on the excellent presentation he is making. I am sorry that at this time I must leave the Chamber, but later I shall read every word of his speech.

Mr. HUMPHREY. I thank the Senator from Colorado for his very helpful contribution to the discussion. The matter to which he has referred, namely, photographic inspection, is one to which I shall allude later in my remarks.

I must say to the Senator from Colorado that our minds must be running somewhat in the same channel, because I have included some references to the matter on which he has commented just now—although I do not have the knowledge the Senator from Colorado has of the specific details.

The time is ripe to devise and execute extensive programs designed to improve the international atmosphere. We cannot expect progress on arms control and the settlement of major political problems over night. Many moons and many earth satellites are likely to pass over our heads before we see significant agreements on fundamental issues. If we can expand our efforts in these many peripheral areas, then the possibilities for reduced international tension and a break in the arms race may be realized.

The world atmosphere needs to be "disarmed" by better human relations. Political problems, like bacteria, have less chance of becoming dangerous or fatal if the surrounding environment is not conducive to their multiplication and contagion.

But at all times, Mr. President, we should be the exponents of political settlements, negotiations and peaceful progress.

The challenge the Soviet Union presents is a total challenge. It is military, political, social, economic, cultural, and ideological. We must meet this challenge on all fronts.

The first challenge, the immediate one, is to recover from our delays and mismanagement in the field of military rocketry and missiles. There is no doubt that Congress will respond with increased appropriations for these programs, probably even more than the President has asked.

The second challenge is to provide the basic defense in depth which these defense programs need, with a new and lively rediscovery of the importance of education, trained minds, basic research, not only in the sciences, but in the humanities too. There are signs that people are belatedly awakening to the full dimensions of this competition.

The third challenge is the major one for the long haul. At the moment we have only a sobering and disturbing awareness that our current struggle to regain military parity ultimately will lead nowhere but to increased world problems. We are only vaguely aware that the long-term challenge lies in the competition for men's minds, hearts, and enthusiasms.

We cannot afford to relax on any front, for we can be sure that the Soviet Union's determination to envelop the world with its political and economic system will never let up.

We must rid ourselves of the fallacy that there is a kind of priority of programs and negotiations. Negotiations and programs on the most difficult, as well as the least complex, need to be pursued simultaneously.

I now wish to turn, Mr. President, specifically to the problem of the control and reduction of armaments.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to my friend from Illinois.

Mr. DOUGLAS. I regret that, like other Members of the Senate, I shall have to get to a number of different meetings in the afternoon, and unfortunately shall not be able to hear the Senator from Minnesota deliver all of his very able speech. I know that there is no more determined person in the country to resist Communist aggression than the Senator from Minnesota. While I appreciate the value of negotiation, I am certain that the Senator from Minnesota bears in his mind, just as does the Senator from Illinois, that 20 years ago negotiations were started between the British and the French on the one hand and Hitler upon the other, and that those culminated, in September of 1938, in the so-called Munich agreement, under which, for the sake of peace, Great Britain and France agreed to a territorial settlement which permitted Nazi Germany to take over a portion, and then later all, of Czechoslovakia.

Mr. HUMPHREY. Mr. President, may I interrupt the Senator's observation at that point?

Mr. DOUGLAS. Yes.

Mr. HUMPHREY. I am aware of that historical fact, and it is a tragic fact. I only want my position to be quite clear, that negotiations as we discuss them, and as we have been discussing them in the Senate Subcommittee on Disarmament, are not negotiations of appeasement; they are not negotiations of selling out of fundamental principles, but negotiations that must be predicated on a position of strength.

Mr. DOUGLAS. And in defense of democratic principles.

Mr. HUMPHREY. And in defense of democratic principles. That must be made clear.

Mr. DOUGLAS. Later in his very able speech, the Senator from Minnesota will discuss the speeches of Mr. George Kennan.

Mr. HUMPHREY. Yes. I shall allude to them, without necessarily associating myself with them.

Mr. DOUGLAS. I understand. I noticed the care with which the Senator from Minnesota, I will not say disassociated, but did not affiliate himself with those ideas. Would the Senator from Minnesota permit the Senator from Illinois to make some comments on the proposals of Mr. Kennan?

Mr. HUMPHREY. I certainly shall. I know the Senator must go to another meeting. I am grateful to him for his participation in this discussion. While I shall come to the subject matter to which the Senator from Illinois has referred a little later in my speech, it would be well to have the Senator's views at this time.

Mr. DOUGLAS. The Senator from Illinois was in England when Mr. Kennan made his broadcasts over the facilities of the British Broadcasting Co., and read with great care the articles which appeared in the Listener, which is the organ of the British Broadcasting Co. Mr. Kennan proposes atomic neutralization of central Europe as the first step, but he goes on from there and also proposes withdrawal of American troops from West Germany, provided there is withdrawal of Russian troops from her satellites, and he also goes so far as to propose withdrawal of all American troops from Western Europe.

I should like to raise two points, if I may, which I think are of fundamental importance. The first is this: If there is an atomic neutralization of central Europe, it will mean that the Russians, with the intermediate-range ballistic missile, will be able to hit central Europe, but that we, in all probability, will not be able to hit Russia with the intermediate-range ballistic missile. Therefore, Russia will have a threat which it can use on central Europe to intimidate, and we will not have the deterrent power which we otherwise would have. This, it seems to me, would encourage the bellicose element in the Russian Government.

The second provision deals with the withdrawal of conventional forces. If we withdraw our forces from West Germany, or if the British and we withdraw our forces from the Continent of Europe, it will be extremely difficult, will it not, both militarily and psychologically, for us ever to reenter the Continent of Europe; whereas it would be a relatively easy matter for the Russians to take their troops and move across the borders?

What I am afraid of, in the Kennan proposals, although I think they were advanced in good faith—I am sure they were advanced in good faith—is that while we should not be afraid to examine any proposal, there is the possibility that we might weaken our deterrent power on Russia at the same time we were not appreciably reducing the possible intimidation which Russia might exercise upon central Europe.

If we come to the specific question of West Berlin, which is completely surrounded by Communist East Germany, can we not picture what would happen if we withdrew our troops and the Russians could at any moment, as they did in 1948, choke off all communications, so that we would be unable to bring aid to West Berlin?

Therefore, I am sure the Senator from Minnesota is saying that while we should consider the Kennan proposals, which are in some respects very similar to the proposals advanced by a section of the British Labor Party and the German Social Democrats, nevertheless we should subject those proposals to close scrutiny. Simply because the proposal may offer the opportunity for an agreement, we must not permit ourselves to be put in the position where a squeeze may be put upon the countries of Europe.

I make these remarks knowing full well there is not a more determined opponent of Russian communism or American communism in the country than the Senator from Minnesota.

Mr. HUMPHREY. I thank the Senator from Illinois. While at this moment I shall make only a very brief reference to his commentary, at the time in my speech when I come to the problems of central Europe I hope to be able to say a little more.

My only point in reply would be this: Insofar as resistance to the onrush of a Soviet missile attack is concerned, may I point out that so long as substantial forces are in Turkey and even so long as substantial forces or modern weapons are in France, the central part of the Continent of Europe is not without protection.

The important thing, it seems to me, is to recognize what NATO means in this instance. If we should disband NATO then indeed we would have no real political commitments to Western Europe. Moreover, I do not understand Mr. Kennan to advocate any dissolution of NATO. So long as NATO is in being, an attack upon any member of NATO is an attack upon the whole.

Furthermore I do not believe that the strategic isolation of West Berlin is conceivable under Mr. Kennan's proposals

for the neutralized reunification of Germany which he links to his troop withdrawal discussion.

I do not wish to get into this subject more deeply at the moment, but I surely want to say to the Senator from Illinois, as he will note in reading my remarks later on, regarding the Kennan proposals, I think they performed a useful purpose of giving information to help us reexamine our position.

I want to underscore the Senator's comment about careful examination of any proposal. One can always get an agreement with the Soviets, we know, if one is simply willing to agree. However, we have a responsibility to examine, and to examine meticulously, everything that is proposed, particularly when such proposals seemingly offer inroads on grave political problems.

Mr. DOUGLAS. I again wish to congratulate the Senator from Minnesota, and to express my deep regret that I am not able to hear him to the very end. I hope to be back in the Chamber within an hour. The Senator from Minnesota has a speech generally about as long as one to be delivered by the Senator from Illinois. I hope that I may be able to come back to the Chamber near the end of the Senator's address. In any event, I shall read the remarks with great care. The Senator from Minnesota is performing a real public service in discussing the issue in this fashion.

Mr. HUMPHREY. I thank the Senator from Illinois. The Senator knows that on yesterday it was impossible, for the same reasons, for me to be present in the Chamber when the Senator from Illinois gave what I considered to be one of the most important messages addressed to this Congress.

Mr. President, I said I wanted to discuss disarmament proposals, and I shall be doing so under the subject matter of the administration's disarmament proposals as a first step.

ADMINISTRATION'S DISARMAMENT PROPOSALS AS A FIRST STEP

In discussing United States disarmament policies it is necessary to evaluate them in light of the changing definition of disarmament. Today, "disarmament" has meaning only if it is defined in terms of five key words: strength, understanding, limitation, inspection, and control.

Strength is the continuing prerequisite for effective bargaining, the one persuasive catalytic agent without which negotiations are futile.

This has been underscored by the remarks of the Senator from Missouri [Mr. SYMINGTON].

Understanding signifies broader and better public conception of the difficulties and complexities involved in disarmament in a nuclear age. Limitation, inspection, and control are the essential features of an effective system, without which disarmament is a mirage.

In the context of this definition of disarmament it is essential to look at and examine our past policies as we prepare to deal with the disarmament discussions of the future.

Make no mistake about it, Mr. President, the Soviet Union will come back to the conference table for disarmament discussions. We must be prepared for that day and that hour.

Mr. SYMINGTON. Mr. President, will the Senator yield for a question for clarification?

Mr. HUMPHREY. I yield to the Senator from Missouri.

Mr. SYMINGTON. Will the Senator describe a bit more what he means by the use of the term "limitation" in this his intensely interesting talk?

Mr. HUMPHREY. I will say that what we talk about as "limitation" sometimes refers not to the abolition of armaments but to the limitation upon categories of armaments or the selective cutback and reduction of armaments.

Frequently when we discuss or even mention the word "disarmament" people have the utopian vision of the day all weapons are put away. That would be a blessed day, if mankind could secure such a result. However, it seems to me we are a little more realistic at this stage in our existence, because we must talk in terms of the limitations upon numbers, quality, quantity, firepower and all that goes with weapons systems. As I said, that is not only a limitation, but that means inspection and control over those agreed-upon limitations.

Mr. SYMINGTON. I thank the Senator.

Mr. HUMPHREY. If we understand, as the Senator from Missouri so well pointed out, this definition of disarmament, then we can proceed in a more reasonable and sensible manner.

There will be those who say all this is well and good but then ask When and how do you negotiate with the Soviets in light of recent developments? The Soviet Union has offered two possibilities. The first, the so-called summit conference, the second, within the General Assembly of the United Nations.

Those are the broad possibilities. Let us examine them.

While neither of these alternatives lend themselves to truly responsible, effective and methodical negotiation, they do suggest other possibilities within the framework of the United Nations or within the channels of traditional diplomacy. For example, the Secretary General of the United Nations has mentioned three approaches in addition to the General Assembly—the Disarmament Commission, the Security Council, and the facilities of the office of the Secretary General of the U. N.

Outside of the United Nations there are these possibilities, first, of negotiations at the ambassadorial level. This possibility seems to be gaining more favorable attention from the Soviet Union, according to the most recent letter from Premier Bulganin.

Then there are also the foreign minister level, and negotiations at the summit, with a limited agenda, and with agreed-upon items for discussion. It is our responsibility as a nation, in our search for peace, to explore every reasonable possibility and alternative. The door is not closed to negotiations. The American people ought to know that. It is a question of how the door shall be opened, how wide it shall be opened, and in what environment and at what political level disarmament talks may be resumed.

There are several aspects of United States policy on arms control which are sound and constructive.

I endorse wholeheartedly the President's statement that the one indispensable condition of any disarmament proposal is reliable means to insure compliance by all. I also applauded his appointment of a Special Assistant on Disarmament and the initiative he took at the 1955 summit conference in proposing aerial surveys, the open-skies plan, to guard against surprise attack. These were imaginative and constructive acts.

Two recent developments deserve special attention and commendation. (a) Careful negotiation last summer among all the NATO countries that resulted in agreement which produced the so-called Western disarmament proposals.

(b) At the recent session of the United Nations, Ambassador Lodge skillfully handled the difficult question of the expansion of the Disarmament Commission. The disarmament machinery of the U. N. has been strengthened and improved as a result.

Our present disarmament proposals consist of the following points: First, prevention of surprise attack through aerial and ground inspection; second, suspension of nuclear weapons tests; third, prohibition of fissionable material production for weapons purposes; fourth, a beginning on the transfer of fissionable material from weapons to peaceful purposes; fifth, modest reduction of armed forces; sixth, the transfer of selected armaments to international depots; seventh, the prohibition of the transfer of nuclear weapons to other countries; eighth, the establishment of a committee to study ways to insure that objects sent into outer space will be used exclusively for peaceful and scientific purposes; and ninth, the grant of authority to an international agency to study the control of the export and importation of armaments.

The United States refers to these nine points as constituting a first step disarmament treaty. I respectfully submit that these points amount to much more than a first step. What would be left for a second, third, or fourth step agreement would be rather insignificant compared to the disarming that would have been undertaken in this so-called first step. To call these nine points a start on world disarmament is inaccurate and unrealistic. No nation, least of all the suspicious, tightly controlled Soviet Union, would agree to such sweeping provisions all at one time. The most important points in the United States disarmament package require the installation of elaborate inspection systems. Do we really expect the Soviet Union to open up its country to the extent of foreign inspectors in all its atomic energy plants, all tests sites, all major communication centers, all ports, all airfields, all depots, to mention only the most important inspection points in our proposal? And would we be ready to reciprocate if the Soviet Union were to surprise us by accepting the proposal?

Mr. JAVITS. Mr. President, is this a convenient place for the Senator to yield to me?

Mr. HUMPHREY. I am always happy to yield to my friend from New York.

Mr. JAVITS. I interrupt the Senator only because I must shortly leave the Chamber to attend a conference on a bill.

I have listened with interest, during the time I have been able to be present today, to the Senator's address. I have also read the text of his address.

I believe that the Senator from Minnesota has touched upon several points of the utmost importance to our people with respect to this problem. I very much hope that he can gain encouragement from his colleagues from the various States. The Senator may take such encouragement as he can from what I am about to say.

First, he is pointing out to the American people that the Russians, in entertaining the fears which they entertain, are only acting naturally. If we were in their place, we would consider such fears legitimate, just as we consider our concern legitimate, from our standpoint. Therefore, it is superficial to write off the Russians as fanatics, or as people who are needlessly concerned over what foreigners might do to them. Their fears are the understandable, natural fears of any great power, and they must be separated from the philosophy which we should try to understand, and which we are doing our utmost to cope with.

Second, there are no shortcuts to disarmament, just as there were no shortcuts in the development of the ICBM, which took place under tremendous pressure in the struggle for survival.

The only real approach to disarmament is through painful progression from step to step, very much along the lines originally proposed by the United States after World War II. It is necessary to understand each step in order to have a firm opinion about it.

I believe that the avenues of approach suggested by the Senator are of tremendous value to our people. Though they deal with dangerous things, they tend to calm us, because they express reasonable ideas in an understandable context.

I have supported the efforts of the Senator from Minnesota in the work of the Disarmament Subcommittee. I consider it an honor and a privilege to do so. I feel that the Senator is making a significant contribution to our thinking, and that we should cheer him on.

Mr. HUMPHREY. I thank the Senator from New York for what he has said, but, even more significantly, for the dedication which he has exhibited in the cause of disarmament and his profound interest in our foreign policy. The Senator's words are always constructive, and his contributions are always very helpful.

A policy which is predicated on the willingness of the Soviet Union to turn overnight from a totalitarian dictatorship out to conquer the world, to a peace-loving, cooperating, submissive nation willing to acquiesce in our demands, is doomed to defeat and ridicule.

There is one note of optimism that I can add, however, in this respect. The recent letter of the President to Premier Bulganin appears to have a more moderate tone. The letter indicates that its creator, reportedly the Secretary of State, may have had some second thoughts about the scope and substance of our disarmament policies and procedures.

What seems necessary at this point if we are ever to reach a real and genuine first-step agreement with the Soviet Union is to be willing to break up the disarmament package. We should be prepared to negotiate on some of these nine points separately. I will elaborate on this point later, but I must emphasize here that it is utopian to expect to reach comprehensive agreements with the Soviet Union on any matter. To think we can obtain them on the most sensitive aspects of their and our national security is deceiving to the American people as well as the entire world.

However, no matter what the dimension or scope of the negotiations, there are certain ground rules in the field of disarmament which must be followed if negotiations are to be successful.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I am glad to yield to my friend from Oregon.

Mr. MORSE. I always find myself happier in the Senate when I am in agreement with the Senator from Minnesota. It pleases me that on this issue—at least so far as concerns the portion of the speech of the Senator from Minnesota which I have heard—I find myself enthusiastically in agreement with him.

I compliment the Senator for the great work he has done in the entire field of disarmament. It is appropriate for me to say, as a colleague of his on the Foreign Relations Committee of the Senate, that, in my judgment, had it not been for the persistence of the Senator from Minnesota, with the support of a group of us on the Foreign Relations Committee who agreed with him, the great Subcommittee on Disarmament, of which he has been the chairman, would have suffered demise quite some time ago. The Senator will recall that on several occasions it was given a blood transfusion—shall I say?—by way of an extension of its life, against some opposition that I was always at a loss to understand.

As the Senator from Minnesota has pointed out time and time again—and this needs to be emphasized over and over to the American people—the greatest issue of our time is the issue of ending the armament race. The Senator from Minnesota has understood it. He has understood the fact that it must not be unilateral disarmament on the part of the United States, but that it must be disarmament on the part of all nations.

Therefore, I am delighted that the Senator from Minnesota is making this truly historic speech today.

I am puzzled, however, by some of the roadblocks which seem to have developed in connection with disarmament. I am not one who thinks they are all of Russia's making. Certainly, she has not been cooperative. However, the American people would make a great mistake if they accepted the false assumption that at all times Mr. Dulles has been cooperative. To understand that he has not always been cooperative one need only to sit in parliamentary conferences—as I did in one in December—and listen to delegations from Asian and African nations—not Communist nations, but free nations—make very clear that they fear the United States as much as they fear Russia in the matter of peace, and that they feel the course of action the United States is following is as jeopardizing to peace as is the course of action Russia is following.

It does not do us any good to engage in a head-in-the-sands siesta about this; it is one of the ugly realities of Asia and Africa today.

I thought Prime Minister Nehru put it very well in the debate in which we all participated, when he referred, as the Senator has pointed out, to the nuclear programs of the free and the Communist worlds. Nehru said it could be best described as a game of international leapfrog between the Western Powers and the Communist Powers, which will inevitably result in war, as all history teaches, when one or the other side takes the last leap by going over the brink. We are moving down that road to ultimate disaster.

Although I disagree with Prime Minister Nehru on many things, I could not answer his observation; nor could anyone from the British delegation answer his observations, as he pointed to our threats of massive retaliation, to our jet bombers loaded with nuclear warheads, and as he made very clear in his great speech that these policies did not instill confidence in nations which are, as he said, standing on the sidelines and trying to bring reason to bear upon the Western Powers and the Communist Powers.

If the Senator will permit me one more observation before I put my question, I would appreciate it, because these observations are necessary as a foundation for my question.

I am very much interested in the exchange of notes between Bulganin and President Eisenhower, between Russia and the United States. There is some potential good that might come from such an exchange, which is much greater than any potential trouble that could be caused by them. However, the world is not so much interested in note exchanges as it is in some progress flowing from note exchanges. If I read today's newspapers correctly, apparently we are not making very much progress in the last exchange.

Well, Mr. President, there is contained in the United Nations Charter—although sometimes I wonder how many of our leaders are aware of it—a whole procedure for peaceful approaches to the problems which threaten the peace of the world. Not only are judicial processes encompassed within those procedures, but arbitration and mediation and conciliation processes are also clearly implied. It would seem that formally, within the United Nations, many have chosen up sides, and the Western Powers and the Communist Powers are very clearly on two opposing teams. But we

also have a middle group, to whom I believe we must pay some attention.

It is quite possible that procedurally-wise they offer mankind's best hope.

The difficulty is—and I believe the Senator from Minnesota agrees with me in this regard—that when we start enumerating these powers in terms of their heads of state, people in the Communist world and people in the free world immediately make reservations as to whether or not they approve of Prime Minister X, Prime Minister Y, or Secretary of Foreign Affairs Z. In effect, then, some of these countries are no more neutral countries than we are or Russia is—given any position which would make it possible for them to mediate the terms of reference for negotiation on armament. I believe that is a mistaken attitude for us to hold, but it often prevails.

Therefore, I should like to ask the Senator from Minnesota if he thinks there is any merit at all in a proposal that if the stalemate continues between the United States and Russia as to the terms of reference on which negotiations shall be started in regard to disarmament, and without any binding commitment to accept any recommendation, we should not say to the world we are ready to place this problem before a group—I do not care what the number is—whether it is 3 or 5 or 7—headed by the Secretary General of the United Nations, to make recommendations to the Western Powers and to the Communist Powers as to how the negotiations for disarmament should start. There is nothing novel about it. There is a great deal of horsesense in it when we apply it to domestic problems. Does the Senator think there is any merit in such a suggestion?

Mr. HUMPHREY. I do. I would say that earlier in my remarks I referred to the role of the Secretariat and the office of the Secretary General of the United Nations offering its good offices and facilities to expedite such discussions. Surely within that possibility would reside the opportunity for the consideration of our proposals by so-called neutralist nations, who refrain from joining the power blocs of either the East or the West.

Those nations could be of great help. The Disarmament Commission of the United Nations, since the last Assembly—since the 12th Assembly—is a much more broadly based Commission than it was before. There are now several nations on that Commission which are in neither the East nor the West power systems, but which represent the so-called middle ground approach about which the Senator from Oregon is talking.

As I understand the Senator's suggestion, it is not that the third force, or the neutrals, would make binding suggestions upon either party, but would only establish a framework of reference.

Mr. MORSE. And recommendations.

Mr. HUMPHREY. And recommendations, which would be available for the respective nations to consider in their disarmament discussions. I think there is merit in that proposal.

One does not like to—indeed, cannot—give, offhand, definitive opinions or answers concerning these matters. What we are doing, as I said in the very beginning, is to encourage Members of Congress and the citizenry in general to think through and to make and suggest constructive proposals in this area of negotions and disarmament. The proposals can all be carefully examined. We ought not to be fearful that we will make one which will turn out subsequently to be not all we had hoped for. We must have the courage of free expression and the courage of creative thought.

Mr. MORSE. If the Senator from Minnesota will permit this further observation, it seems to me that the difficulty with the Secretariat at the present time—and I think it is too bad it is true, but it is true—is that it has pretty much become unacceptable to Russia as a mediator in this procedural problem, because Russia has really withdrawn from the proceedings of the Disarmament Commission, and I think mistakenly so and unjustifiably so. But, again, we simply have to face a few ugly facts, and this happens to be one of them.

Does the Senator think we ought to pursue the possibility of reaching some kind of agreement between the Western Powers and the Communist Powers by having an entirely independent third-party group—perhaps someone from Norway, someone from Sweden, and someone from India, simply to name 3 possibilities—and I am not limiting them to those 3 possibilities—which would give consideration to the exchanges which have taken place between the Western Powers and the Communist Powers? That group then could make recommendations of procedures which they thought might break the logjam which apparently has developed between Russia and the United States and Great Britain. Does the Senator think that proposal has merit?

Mr. HUMPHREY. I do. The suggestions of the Senator from Oregon have merit, and they are within the framework of the Charter of the United Nations. In fact, they are a part of the mandate of that charter.

Again, one wants to take these suggestions and examine them with relation to the manner in which they would be developed, or the manner in which they would proceed. But what I gather the Senator from Oregon is seeking is a way out of the dead-end streets.

Mr. MORSE. That is right.

Mr. HUMPHREY. A way out, without jeopardizing our security, but bringing us onto a different plateau of procedure than we have had thus far. Is that correct?

Mr. MORSE. Yes. I have two more comments on which I want the Senator's observations; but the Senator from Missouri has indicated that he wishes to ask a question concerning what we are now talking about.

Mr. SYMINGTON. I am most interested in what the distinguished senior Senator from Oregon has had to say. He always intrigues me with his thinking in these matters. The Senator from Oregon mentioned three countries, and the distinguished Senator from Minnesota agreed with his suggestion. Would we not encounter the same type and character of problem with respect to NATO, if we accepted those three countries, as we would encounter if we had bilateral negotiations between the Soviet Union and the United States? I ask the question not necessarily disagreeing with the suggestion; but for information, from two members of the Committee on Foreign Relations, whose knowledge of this matter is far greater than my own.

Mr. MORSE. If the Senator from Minnesota will permit me to answer, I simply happen to pick those three countries out of the air as being illustrative of the principle about which I am speaking. There are all sorts of combinations of countries.

But I believe we are fast approaching the point where we will have to try to break the procedural logjam—and that is what this is—by resorting to some mediation process, which, as the Senator from Minnesota has so very rightly pointed out, is completely consonant with the United Nations Charter; in fact, it is by clear implication expected to be used if conditions develop to the point where that procedure is the road to peace.

I simply do not think we can continue indefinitely to have useless, if they become useless—they have not yet proved to be, and I am still hopeful that they will not be—exchanges between Russia and the United States.

Mr. HUMPHREY. The letter exchanges.

Mr. MORSE. Yes, the letter exchanges. It will be necessary to break the logjam somewhere.

At a later date I intend to discuss phases of this problem with reference to the most ticklish issue of all, I think, in terms of the emotional reaction in the United States, namely, the issue of national sovereignty. Basic in this problem is the need, I think, for our Nation and other nations to do a little rethinking about the matter of national sovereignty.

As I have indicated, in India there is a need for Mr. Nehru to do a little rethinking about it, too, because we need to be on guard against a tendency in the whole matter of disarmament and other matters which threaten the peace too, for us to wrap around ourselves that old, tattered, wornout concept of national sovereignty, and to say, "We will be the judge," and thereby use the concept of national sovereignty as a static concept instead of a dynamic one, adjustable to changed conditions.

It seems to me that much of the Dulles approach, and certainly all of the Khrushchev approach, is based upon a static conception of national sovereignty. I urge my friend from Minnesota to ponder the problem of national sovereignty from this angle: That any issue which, in fact, threatens the peace of the world no longer is an issue that any nation has any right to reserve unto itself for judgment. Believe me, we want to get ready to take a lot of punishment for that point of view, but we are entering an era in the history of mankind when we shall have to modify the conception of national sovereignty if nations are to survive.

That is why I suggested when I was in India that Mr. Nehru modify his con-

ception of national sovereignty in regard to Kashmir. What does he say about Kashmir? He says, "That is for India to decide."

Whenever a nation takes such a position on any issue which threatens the peace of the world, then that nation is following a course of action that ought to be the concern of all other nations. But it applies to the United States, too.

I close with this question: Does my friend from Minnesota agree with me that in the high-level review of our foreign policy in which the Senate Foreign Relations Committee is now engaged we should encourage the Government of the United States to be willing to apply any of the procedures of the United Nations which in fact will break the deadlock existing between Russia and the United States over the matter of disarmament?

Mr. HUMPHREY. I think it is all to the good—and I believe it will serve us well, both now and in the days to come—to use every honorable means, including all those which are within the Charter of the United Nations, to get the Soviet Union to sit down with the West to discuss matters of disarmament and the control and limitation of arms.

Mr. MORSE. I have a final suggestion on which I should like to have the Senator's comment: It seems to me that sooner or later we shall have such negotiations on some basis.

Mr. HUMPHREY. I have expressed the same feeling. I believe the Soviet Union itself, at this very hour, is preparing the way for a renewal of the negotiations, at some level.

Mr. MORSE. I do not care what we call them—whether we call them summit conferences or cellar conferences—just so long as we can get them started.

Does not the Senator from Minnesota share my concern regarding the attitude in Asia and Africa toward this peace issue? We run into so many responsible persons who say what I have stated earlier, namely, that they are as afraid of the United States as they are of Russia. That being a public-relations problem which concerns us—and of course public relations are very important in this offensive for peace—what does the Senator from Minnesota think of the advisability of moving the conference to the seat of government of one of the great Asiatic or African countries, such as to New Delhi, India? Does the Senator think that has great public-relations potentialities, in that it would demonstrate to the people of Asia and the people of Africa that we are desirous of bringing this problem very close to them, and are perfectly willing to conduct the negotiations in so-called neutral India, for example?

Mr. HUMPHREY. I am not prepared to say whether that would be good or bad. I have felt there were two natural settings for conferences for peace—one, at Geneva; the other, at the United Nations. If it would help bring about a better understanding—to which I have already alluded—and if it would improve the international climate, and would lead to a growth of confidence and mutual respect, indeed the location of the conference should be arrived at on that basis. The test should be whatever is conducive to the best results.

Earlier today I stated, in referring to what we mean by strength, that the friendship and the good will and understanding of the other nations constitute another source of strength which we should constantly seek to merit. Favorable world opinion is one of the intangible, immeasurable forces which carries great weight, and certainly it merits our continuing attention and concern.

Mr. MORSE. I heard the Senator from Minnesota make that suggestion, and that is why I throw out this suggestion. I am not married to it, but I think we must do something very dramatic in the Asian-African area, in order to make it clear that we are really seeking the road to peace.

Mr. HUMPHREY. I thoroughly agree.

Mr. MORSE. I believe that if we could take the conferences of negotiation away from old environments and to, let us say, New Delhi, India, that might have a terrific psychological effect in Asia and Africa.

Mr. HUMPHREY. I thank the Senator from Oregon for his always beneficial and illuminating observations.

Mr. SPARKMAN. Mr. President, will the Senator from Minnesota yield to me?

Mr. HUMPHREY. I yield.

Mr. SPARKMAN. The Senator from Minnesota is making a very excellent contribution to the Senate and to the country, by means of his splendid address.

I have enjoyed very much the colloquy between him and the Senator from Oregon and also the Senator from Missouri.

In the early part of the Senator's address, I noticed that he made the point that it is necessary to build up and to maintain our strength—in other words, to be able to negotiate from a position of strength. He mentioned particularly that perhaps the feeling that the Soviets were ahead in the field of missiles and space occupancy may have influenced the Soviet Government to break off the London talks. I believe I correctly understoood the Senator, did I not?

Mr. HUMPHREY. Yes, that is my feeling. I think there is a peculiar relationship between the announcement of the successful testing of the ICBM in the Soviet Union and the deterioration of the talks at London.

Mr. SPARKMAN. I fully subscribe to that view. I should like to ask my friend, the Senator from Minnesota, whether he also accepts the statement made by the Senator from Orgeon, namely, that there are really three sides to this matter.

Mr. HUMPHREY. I certainly do.

Mr. SPARKMAN. In other words, there are those who are lined up with the Soviets; I refer to the totalitarian governments. Then there are those who are lined up with the West and the other free nations of the world. Then there is the great uncommitted part of the world, which is not primarily interested in military strength, although it does take into consideration such things as those Russia has been able to demonstrate—for instance, the conquest of outer space. But is it not true that Russia, while building her strength in the field of missiles and the occupancy of outer space, has not been neglecting the building of her strength with the uncommitted nations, in every way she could conceive of?

Mr. HUMPHREY. Certainly the Senator from Alabama is putting his finger on a new source of strength of the Soviet position. She has indeed been building in those areas.

Mr. SPARKMAN. Does not the Senator from Minnesota agree with me that in connection with discussions of positions of strength which we are likely to achieve by means of the development of missiles, and so forth, we are likely to neglect the building up of strength with the underdeveloped nations of the world? Has Russia been neglecting that field?

Mr. HUMPHREY. No; not at all. I certainly agree that in connection with what we call negotiations from strength, we must also include with military preparedness a sufficient stress on the health, well-being, and constructive nature of our economy and the economies of all those with whom we would have friendly and helpful relations. Our attitude in this field certainly has a bearing on the question of whether we are really seriously pursuing peace.

Mr. SPARKMAN. It also affects our relations with the parts of the world which possess the strategic and critical materials which we require for the building of our defenses; is that not true?

Mr. HUMPHREY. The Senator from Alabama is entirely correct.

Mr. SPARKMAN. The Senator from Minnesota may recall that during the last fall and winter, I traveled in the Far East and in much of Asia; I visited Singapore, Malaya, Ceylon, and Pakistan. I was there when Sputnik No. 1 was launched. The people of those areas were electrified at what had happened in the struggle between the great powers, as they view them—namely, Russia and the United States of America.

By the way, the Senator from Minnesota may have seen in Time magazine a statement attributed to a western diplomat, who sent to his government the cryptic message that, "On October 4, the diplomatic balance shifted from the United States to the Soviet Union."

Does not the Senator from Minnesota believe there is a great deal to that statement? Of course, I do not admit that it is entirely correct; but certainly the United States took a tremendous psychological beating at that time; and that helped bolster the strength of the Soviet Union in that part of the world, did it not?

Mr. HUMPHREY. Unquestionably. The Senator is unquestionably correct, from all I have read, and from the few people with whom I have had an opportunity to discuss the question. I think there could be seen a change in attitude of the visiting representatives to the United Nations, and the change in terms of the feeling toward the Soviet Union was very measurable.

Mr. SPARKMAN. I want to commend the Senator from Minnesota, not only for the most excellent address which he is giving today, but for the very fine leadership which he has exercised in this

field, particularly as chairman of the Subcommittee on Disarmament. It was my privilege to serve on that subcommittee under his chairmanship and leadership, and I know something of the tremendous effort, time, and energy that he has put into this subject. I wanted to emphasize the point I think we are so prone to overlook, which is that there is involved in this question not just a matter of military strength alone.

Mr. HUMPHREY. I thank the Senator from Alabama for his cooperation here today, and as a member of the Subcommittee on Disarmament and of the Committee on Foreign Relations. As we all know, this is a subject matter deeply related to and a fundamental part of our overall foreign policy, and the Senator from Alabama has been a leader in this field in every aspect of it. I thank him for it.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from Missouri.

Mr. SYMINGTON. I agree with the remarks of the very able Senator from Alabama, who knows so much about the problems which the Senator from Minnesota is discussing today. As the Senator from Minnesota wisely pointed out, the question of military strength is only part of the whole question. We need economic and moral strength, as well as military strength.

I ask the Senator from Minnesota relating to his discussion of neutral countries, and the fact that the way those countries go may be the deciding factor as to who will rule the world. We have already done a great deal for those countries, and should do more, just as the countries behind the Iron Curtain are doing. On the other hand, if those countries get to the point where a decision has to be made, as to whether they will go with the Free World because of a commitment on our part to defend them against Communist aggression, may not their opinion as to whether we have the ability to go through with our commitment to defend them and ourselves be a conclusive, possibly a decisive factor, relative to their ultimate decision?

Mr. HUMPHREY. I wish to say to the Senator that the leaders in those countries, the men and women who are held responsible for the security of their nation, look at both the United States and the Soviet Union in this power struggle, and they weigh very carefully the ability of either one to keep its commitments. We have made a lot of commitments all over the world. The nations to whom those commitments have been made will be friendly with us, of course, but they will be a lot more friendly if they know we are able to fulfill the promises we have made. We will also gain respect elsewhere. There is involved not only a question of our military strength, but the question of our position of leadership in the world. It is dependent on all forms of strength. One form of strength cannot be cut down without hurting our position.

Mr. SPARKMAN. Mr. President, will the Senator yield for a brief question?

Mr. HUMPHREY. I yield.

Mr. SPARKMAN. A short time ago the Senator mentioned a couple of fallacious thoughts——

Mr. HUMPHREY. A couple of false assumptions.

Mr. SPARKMAN. A couple of assumptions which were fallacious with respect to the Soviet Union. I wonder if he will agree with me that one error into which we are likely to fall is the assumption that Russia's promises to uncommitted countries are merely promises that are not kept?

Mr. HUMPHREY. I may say that this matter was discussed in the Committee on Foreign Relations when the Secretary of State and other officials were present. In recent years, statements have been made to the committee by responsible officials that the promises of the Soviet were just paper promises, that they were just political propaganda promises. I notice now that the statements of our responsible officials are to the contrary. Now they say Russia is keeping her promises, and that Russia is delivering the goods, is delivering economic aid, and is fulfilling her commitments. Believe me, that fact is having a profound effect on the world today.

Mr. SPARKMAN. I heard those statements made in our committee. Yet, I was highly surprised and my eyes were opened last fall when I saw in the ports of countries I visited ships flying the Russian flag. I asked what they were doing there, and I was told that Russia was delivering aid under agreements she had made with those countries.

Mr. HUMPHREY. We have been guilty of underestimating the Soviet Union. One of the greatest mistakes one can make in politics, and in life itself, is to underestimate the opposition, or underestimate anyone with whom one may be in contact.

Mr. CLARK. Mr. President, will the Senator yield for a question?

Mr. HUMPHREY. I am happy to yield to the Senator from Pennsylvania. I wish to thank all who have participated in this discussion.

Mr. CLARK. I shall be very brief. I listened with interest to what the Senator from Missouri said a moment or two ago. I have been very much concerned about the cutting back of our Army and depriving our divisions of mobility by our failure to provide for an airlift to enable troops to be taken to places where there may be "brush" wars. I wonder if the Senator from Minnesota will agree with me that, in connection with gaining a position of strength from which to negotiate disarmament, we must also remember that in uncommitted nations such as South Vietnam, Pakistan, Formosa, Malaya, and others, the threat is not only from Russia, but from Communist China, and that if we do not have the Armed Forces to prevent infiltration, we shall not be capable of negotiating or acting from a position of strength so far as that part of the uncommitted world is concerned?

Mr. HUMPHREY. I add this observation: If our policy is to be one only of relying on massive retaliation and on nuclear weapons, we are limiting our effectiveness in the world, because Soviet Russia may very well be interested, as has been pointed out, in Operation Nibble rather than Operation Big Bite. It can very well gobble up the world bit by bit, rather than blow it to bits. Therefore, the defense in depth to which I referred should include not only massive military deterrent power, but a variety of smaller-scale military capability. That is one place where our military strength today is weak.

Mr. CLARK. It was pointed out in the hearings of the Subcommittee on Preparedness that the budget does not call for an airlift and mobile divisions to cope with "brush" wars, and we must be prepared to do that.

Mr. HUMPHREY. The Senator is quite correct, and I am deeply disturbed and deeply concerned about it.

Mr. President, a while ago I mentioned some of the ground rules in the field of disarmament which must be followed if negotiations are to be successful.

NEED FOR POSITIVE ATTITUDE

One of the ground rules is that all the participating governments approach the conference table with a positive attitude. It is imperative that the United States reflect and adopt such an attitude. Unless such an attitude exists on the part of all participants the negotiations will deteriorate to mere propaganda battles in the cold war.

No government, least of all the Government of the United States, should ever be casual and negative about limiting the arms race. We must never devise proposals that obviously have no chance of being accepted. Every proposal of ours, and every rejection of proposals from the Soviet, should be given only after the most thoughtful and scrutinizing study.

There has all too often been a tendency for spokesmen in the State Department to brush aside the latest Bulganin letter at the first news flash. Such actions may demonstrate alertness to news but they also reveal an automatic reflex of prejudice and skepticism which weakens our stature and posture of leadership. If we find it necessary to say no to Soviet proposals, let us do so after careful examination despite the obvious record of propaganda and cold war political maneuvers that have been so evident in past U. S. S. R. proposals. We do no honor to our own character or image by aping the Kremlin.

CASE OF SOVIET PROPOSAL FOR A TEST BAN

For example, we have handled very badly the proposal of the Soviet Union to ban nuclear-weapons tests. The Soviet offer, on its face, includes the installation of an inspection system within the borders of each testing state and near each testing site. The purpose of such an inspection system would be to verify the observance of a test suspension.

We rejected the Soviet proposal out of hand. We did not follow an elementary principle in dealing with the Soviet Union. We did not challenge them. By rejecting the Soviet proposal, and not giving cogent reasons for the rejection, we let them score another of their many important propaganda victories.

We should seek to determine what kind of inspection system the Soviet leaders envisage. Is it the type we agreed to in the Korean armistice? If it is, then we and the world should realize that the Soviets are trying to pull the wool over our eyes. The Korean inspection system, as we have since learned to our sorrow, was inadequate. Perhaps the Communists never intended it to work. However, if the Soviets have in mind another type of inspection system and are prepared to consider an inspection system which we believe is adequate, then we should know that too. Above all, when the Soviet indicates a willingness to accept inspection as a component part of a proposal for the cessation of nuclear testing then let us pursue the proposal to its most intimate and minute detail. If the Soviet is prepared to accept genuine, effective inspection within its borders, this could well be the break through the Iron Curtain that is more significant than the launching of the sputniks.

During the course of the debate on disarmament in the United Nations General Assembly, I wrote to the President suggesting that the United States propose a suspension of weapons tests with appropriate inspection apart from the proposal to stop production of fissionable material for weapons purposes and the other features of our disarmament package.

The President's response, I am happy to say, was not wholly negative. The administration is still studying this possibility, he said. The President's letter to me seemed to indicate that the administration still had an open mind on the matter.

However, 5 weeks later the President wrote to Prime Minister of India, Mr. Nehru, and said something quite different. He told Mr. Nehru the United States could not consider separating the test-ban issue from a cutoff of fissionable material for weapons purposes.

Could it possibly be that in the intervening 5 weeks the administration's so-called study had been completed and the President felt compelled to report on it first to Mr. Nehru, one of the statesmen of the world least likely to be pleased?

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the exchange of letters between the President and myself, and the President's cablegram to the Prime Minister of India.

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). Is there objection to the request of the Senator from Minnesota?

There being no objection, the letters and cablegram were ordered to be printed in the RECORD, as follows:

NOVEMBER 4, 1957.

THE PRESIDENT,
The White House, Washington, D. C.

MY DEAR MR. PRESIDENT: I have become increasingly concerned with the recent developments regarding the efforts of the major powers to reach a first-step agreement on the control and reduction of armaments. I feel that we are fast approaching a stalemate which will be difficult to break. By this I mean that the United States and the Soviet Union have taken positions which seem to leave little room for compromise.

There is no question in my mind that the major responsibility for the present stalemate rests with the Soviet Union. If the Russians had not insisted on abruptly terminating the London negotiations we would at least be in the position of exploring the various possibilities for a limited and safe agreement. However, I also believe that the United States has taken an unnecessarily rigid position in its insistence on combining a 2-year ban on nuclear-weapon tests with a cutoff in the production of fissionable materials for weapons purposes and also with aerial and ground inspection zones to guard against surprise attack. While I understand the basis of the various parts of the present United States proposals, I do not think that their inseparableness should represent an ultimate position.

Throughout the summer months I participated, as chairman of the Senate Foreign Relations Subcommittee on Disarmament, in weekly meetings with the Secretary of State or his deputies regarding the progress of the disarmament talks. These meetings were constructive and gave those of us on the subcommittee an opportunity to explore the position of your administration on the disarmament issue. As a result of these meetings as well as the independent research and hearings conducted by the subcommittee it appears that there is no military reason why a 2-year ban on nuclear weapons tests must be accompanied by agreement to cease the manufacture of fissionable materials for weapons purposes. In fact, the present disarmament package of the United States has its disadvantages. One of these is stated as a conclusion of the unanimous recent report of the Senate Disarmament Subcommittee:

"The subcommittee has concluded that a disarmament agreement must include measures to test the observance of its provisions. Measures for inspection, adequate to safeguard each separate disarmament proposal in the package may, however, when added together, be so extensive as to be impractical or unacceptable."

I would like to suggest, Mr. President, that the United States, after consulting with its allies, declare its willingness to negotiate separately on a ban on nuclear weapons tests for a 2-year period with the only condition being agreement on an effective inspection system with United Nations supervision to insure that the ban is being scrupulously observed.

It is my belief that such a proposal would be a safe and reasonable one. It would be a concrete step toward ending the arms race. It would also enable the people of this and other countries to learn more clearly whether the Soviet Union is truly ready to accept effective inspection. We cannot challenge the intentions of the Soviet Union on inspection unless we are in a position to negotiate on a test ban irrespective of the other measures in the Four Power disarmament proposal.

I have discussed this matter with Governor Stassen. These discussions have convinced me that this course of action would be in the best interests of the United States and should be proposed by the earliest possible date to the United Nations General Assembly.

Respectfully,

HUBERT H. HUMPHREY.

THE WHITE HOUSE,
Washington, November 8, 1957.

The Honorable HUBERT H. HUMPHREY,
United States Senate,
Washington, D. C.

DEAR SENATOR HUMPHREY: Thank you for your letter of November 4. I appreciate your comments based upon your observations and review in your subcommittee.

The entire subject of nuclear tests and its relationship to disarmament agreement is under continuing study and review. I am referring copies of your letter to the Secretary of State, the Secretary of Defense, and the Chairman of the Atomic Energy Commission for their consideration in connection with their own recommendations to me. Your own views will be helpful to us.

With best wishes,

Sincerely,

DWIGHT D. EISENHOWER.

TEXT OF EISENHOWER CABLEGRAM TO NEHRU

DEAR PRIME MINISTER: I have read with great sympathy your earnest and eloquent public appeal of November 28 on disarmament. This is a matter which has also concerned me deeply for a very long time.

In the days immediately following the end of World War II the United States proposed that the dreadful power of the atomic bomb, which we alone then possessed, be forever denied all nations. We hoped, instead, that the wonders of the nuclear age could be devoted wholly to the uses of peace. This plan was refused and we were left with no choice but to maintain our armed strength. Since this time the United States has continued an unremitting effort to achieve a just system of disarmament and a secure peace for all nations.

We have repeatedly stated our readiness, indeed our anxiety, to reduce the possibility of war through arms regulation and control, to stop tests of nuclear weapons and to devote a part of our huge expenditures for armaments to the great causes of mankind's welfare. Our only concern is that these measures be accomplished in a way that will not increase the risk of war or threaten the security of any nation.

We earnestly believe that the plan which we joined with the United Kingdom, France, and Canada in suggesting at the London disarmament talks on August 29 offers a meaningful opportunity for removing fear and gaining international trust. It is a source of great personal regret to me that these proposals have not so far been found acceptable by the Soviet Union even as a basis for negotiations.

In these circumstances, I have been able to reach no other conclusion than that, for the time being, our security must continue to depend to a great degree on our making sure that the quality and quantity of our military weapons are such as to dissuade any other nation from the temptation of aggression. The United States, I can assure you unequivocally, will never use its armed might for any purpose other than defense.

I know that the subject of testing of nuclear weapons is of understandable concern to many. I have given this matter long and prayerful thought. I am convinced that a cessation of nuclear-weapons tests, if it is to alleviate rather than merely to conceal the threat of nuclear war, should be undertaken as a part of a meaningful program to reduce that threat.

We are prepared to stop nuclear tests immediately in this context. However, I do not believe that we can accept a proposal to stop nuclear experiments as an isolated step, unaccompanied by any assurances that other measures—which would go to the heart of the problem—would follow. We are at a stage when testing is required particularly for the development of important defensive uses of these weapons. To stop these tests at this time in the absence of knowledge that we can go on and achieve effective limitations on nuclear-weapons production and on other elements of armed strength, as well as a measure of assurance against surprise attack, is a sacrifice which we could not in prudence accept. To do so could increase rather than diminish the threat of aggressions and war.

I believe that bolder and more far-reaching measures are required. Specifically, I believe that any government which declares its desire to agree not to use nuclear weapons

should, if they are sincere, be prepared to agree to bring an end to their production. Agreement to devote all future production of fissionable material to peaceful uses is, as I see it, the most important step that can be taken.

Together with this, we have proposed that we begin to transfer to peaceful uses, on a fair and equitable basis, fissionable material presently tied up in stocks of nuclear weapons. We believe this is the way to a true reduction of the nuclear threat and to an increase in confidence among nations. So far we have not had a reasoned explanation from the Soviet Union of whatever objections it might have to this program.

I agree that it is in the power of my country, along with those others who possess nuclear weapons, to put an end to the fear and horror which the possibility of their use imposes. I want to assure you with all the sincerity of which I am capable that we stand ready, unbound by the past, to continue our efforts to seek a disarmament agreement, including the cessation of nuclear testing, that will promote trust, security, and understanding among all people.

Sincerely,

DWIGHT D. EISENHOWER.

Mr. HUMPHREY. I note, Mr. President, this is the first time these communications have been made public. I believe that my colleagues in the Senate will find the President's letter and the inquiry to the President to be of interest.

IMPORTANCE OF ADEQUATE PREPARATION

Along with the need for a constructive attitude toward the problem of disarmament, there is the requirement of adequate preparation and an expenditure of considerable effort.

A few comparisons of our effort to perfect weapons with those made on behalf of armaments control are revealing. We are all somewhat familiar with the energy, resources, and funds behind the production of a new missile—hundreds of millions of dollars, detailed blueprints, hundreds of contracts and subcontracts, frequent tests, elaborate facilities, and thousands of individuals, each striving to perfect a single weapon. And all this effort goes into a project which we hope will never be sent on its mission. Major General Schriever, who is in charge of the Air Force ballistic missile program, estimated that over 75,000 persons are engaged just in perfecting the Atlas intercontinental ballistic missile.

Compare this to the kind of effort and preparation we are making to realize some progress on arms control. The Disarmament Office in the last fiscal year spent some $530,000 and in fiscal 1956, expenditures totaled $450,000. Estimates for fiscal 1958 show a reduced budget of $375,000.

Mr. Stassen has a staff of about 40. I am told this staff is being reduced by half. In the meantime, the staff in the State Department has not appeared to have been augmented. The Defense Department has had one or two individuals working on arms control in the Office of International Security Affairs. The Atomic Energy Commission, to my knowledge, has no one assigned to work on control of nuclear materials except those who are working on the regular United States bilateral and international atomic energy inspection programs.

This is the total effort at the staff level of the executive branch assigned to secure progress on disarmament. It would seem to me that a problem as complex and as interrelated to our entire defense and foreign policies should command a staff effort vastly greater than this.

The Disarmament Subcommittee made definite recommendations regarding the type of effort that the executive branch ought to make in order to be thoroughly prepared regarding all arms control possibilities. The subcommittee suggested in its report the "creation of special advisory groups of nongovernmental experts who are especially knowledgeable regarding problems related to disarmament." The subcommittee also recommended that the President and the Secretary of State make sure that the head of the Office of Disarmament has the necessary funds and authority to carry out his assignment.

The Congress should determine whether the administration is considering and acting seriously on these recommendations. Unfortunately, I fear the opposite has been done. The Disarmament staff is being reduced. The Office of Disarmament has an uncertain role in the State Department. No special study groups have been created.

A few weeks ago I added a personal recommendation with respect to the matter of preparation and effort devoted to disarmament. When I heard that Mr. Stassen might be leaving the Government I wrote to the President to give my own views regarding the continuation of the Special Office on Disarmament. I also referred to the advice contained in the subcommittee's report. I ask unanimous consent to have this exchange of letters printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

DECEMBER 27, 1957.

The PRESIDENT,
The White House,
Washington, D. C.

DEAR MR. PRESIDENT: Recently I have noticed reports in the press to the effect that the Office of Disarmament within your administration is about to be reduced considerably in size and function. I hope this is not true. However, I am taking this means of expressing directly to you my personal concern over such reports and my apprehension over their apparent accuracy.

The problem of armaments control, as you know, is as complex and difficult a problem as any facing this country. Given continued Soviet intransigence, it may be insoluble. In any case, it will not be solved easily, for we do not have the sole power to achieve a solution. However, the United States has a tremendous and continuing obligation to the people of all nations to put forth our very best efforts to achieve some measure of control over the new weapons now being produced and soon to be spread throughout the world. We must not only say, and say convincingly, that we are devoted to finding new avenues of approach. We must actually, seriously, make these approaches.

There have also been press statements indicating that your Special Assistant for Disarmament may be resigning his post. If this is true, I hope his successor will be given all the support he deserves in the performance of his difficult assignment.

Last September, the unanimous and bipartisan report of the Senate Disarmament Subcommittee made several very pertinent recommendations regarding the organization of the Disarmament Office. I hope that you will not consider it to be presumptuous if I quote the following from that report:

"The subcommittee agrees that the Office of Disarmament should be maintained within the Department of State. It should be adequately staffed by competent personnel experienced in the various aspects of arms control. * * * The subcommittee believes that although the executive branch has made a considerable effort to resolve the many issues confronting it in formulating disarmament policy, a still greater effort should be made. The President and the Secretary of State should make sure that the head of the Office of Disarmament has the authority and the funds to make this effort. If they are not so confident, then the subcommittee suggests that the President consider whether the Congress should be asked to grant the necessary authority and to appropriate the needed funds."

Mr. President, I believe these recommendations should be taken seriously and acted upon, now that this matter is up for review.

As chairman of the Senate Foreign Relations Subcommittee on Disarmament, I have made a genuine effort to treat the problem of arms control in a bipartisan spirit. I have tried to tender my personal suggestions or criticisms primarily in private in the hope that the administration would give them careful attention, and that if they were rejected, I would be given a reasonable explanation of why a different course should be pursued.

In all honesty I wish to say now, Mr. President, that I find myself increasingly in disagreement with many of our official policies and attitudes. I find that true with respect to the position taken on nuclear weapons tests as expressed in your letter to Mr. Nehru, on the inadequacy of our proposals at the NATO Conference, and on our apparent inability or unwillingness to reexamine our entire disarmament package to determine whether it should be modified.

These issues are by no means dead. Their disposition will be affected by the disposition made of the Office of Disarmament itself.

Sincerely yours,

HUBERT H. HUMPHREY.

THE WHITE HOUSE,
Washington, January 3, 1958.

The Honorable HUBERT H. HUMPHREY,
United States Senate,
Washington, D. C.

DEAR SENATOR HUMPHREY: I appreciate your thoughtful letter on the always difficult subject of disarmament. As your letter indicates, I and my associates are at this very time reappraising the various problems in all of the aspects that you mention. Your personal suggestions will be helpful, and I thank you sincerely for sending them to me.

With best wishes,

Sincerely,

DWIGHT D. EISENHOWER.

Mr. HUMPHREY. Mr. President, I wish to make one further comment regarding the matter of preparation for disarmament negotiations.

SUBCOMMITTEE'S EFFORTS TO LEARN OF TASK FORCE STUDIES

Mr. Stassen, when he was first appointed as the President's Special Assistant for Disarmament, made a special point of announcing the creation of eight task forces, each dealing with a different aspect of inspection—inspection for nuclear materials, aerial inspection, Army inspection, Navy inspection, budget and financial inspection, communications, industrial and power inspection, and steel inspection.

In telling of these task forces, Mr. Stassen said:

> As a result of their studies, * * * I believe we shall have something we have never had before—a detailed operating manual of what to inspect, how and where it would be inspected, a knowledge of what can and cannot be profitably inspected if we seek to provide a safeguard against surprise attack and to supervise an international arms limitation agreement.

It was announced that when the task forces completed their work United States policy would have a firmer foundation and our negotiating position would be enhanced.

All of us would agree that the creation of these task forces was a commendable act and their assignment covers a key element in our country's quest for a safe and workable arms control agreement. Our subcommittee naturally became interested in the results of the eight task forces. And so we made inquiries regarding them.

Our efforts to learn about the task forces have been fruitless. When we first asked Mr. Stassen whether the subcommittee might be informed regarding their work, we were told that the reports were not in a form that would be useful to the subcommittee.

Some months later I inquired again, this time of Secretary Dulles. At that time, the Secretary assured me that the task force reports would be available whenever the members wished to see them. Subsequently, I addressed a letter to Mr. Dulles indicating that the reports would indeed be useful to studies being undertaken by the subcommittee.

Let me digress to say that we are very proud of our staff of the subcommittee—a staff which is professional, nonpolitical, and dedicated to the work of the field of disarmament. The staff is headed by Miss Betty Goetz, whom I asked to be present today on the Senate floor because of her great and generous contribution to the address I am making today.

I wish to pay tribute to the Library of Congress for the very effective assistance we have received from the Legislative Reference Service. It has been a very wonderful experience for Members of the Senate to have such fine cooperation.

Mr. President, I said that I asked for the task force reports. Mr. Dulles first responded by suggesting I see another document. When I repeated my request in another letter, Mr. Dulles replied that the task force reports were prepared for the President and that the Department of State had no authority to release them in any manner whatsoever.

Let me add that our subcommittee and its staff had the privilege of reviewing all the secret documents and information which came back from the London Conference on Disarmament. Every member of the staff has been given what we call a full field investigation, so there can be no question as to their complete loyalty and their soundness of approach to these problems.

I then addressed a letter to the President inquiring whether the results of the task forces might be made available to the subcommittee on a highly confidential basis. The President's reply to our letter was in the negative. He gave as his reason of refusal that the task force reports came under the cloak of Executive privilege and he indicated also that no useful purpose would be served to have anyone else see them besides the few who needed to have access to them. I ask unanimous consent to place at this point in the RECORD the correspondence regarding the request to gain information on the task force reports.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

SEPTEMBER 16, 1957.

The Honorable JOHN FOSTER DULLES,
Secretary of State,
Washington, D. C.

DEAR MR. SECRETARY: In your appearance before the Subcommittee on Disarmament on June 27, 1957, you stated that you would make available for use of the subcommittee the studies on inspection prepared by the task forces of experts appointed by Mr. Stassen, and I said I would contact you when the material was needed. I have now requested the staff of the subcommittee to undertake a study on inspection of an arms-control agreement and would like for them to read the task force reports for background information.

Could you arrange to have them sent to the Foreign Relations Committee in room F-53 in the Capitol, attention Mrs. Ellen Collier. Or, if you prefer, a member of the staff could come to the State Department to read the reports.

Sincerely,

HUBERT H. HUMPHREY,
Chairman, Subcommittee on Disarmament.

DEPARTMENT OF STATE,
Washington, October 3, 1957.

The Honorable HUBERT H. HUMPHREY,
United States Senate.

DEAR SENATOR HUMPHREY: I have looked into you request of September 16 for material to assist in a study of inspection of an arms control agreement. I understand that, at your request, the Department has sent you a copy of a Department of Defense report entitled "Outline Plan for Implementation of an Aerial Ground Inspection System in First Phase Disarmament."

I hope this will prove to meet the needs of the study you have in mind. If it does not, representatives of the Department would be glad to discuss the subject with members of the subcommittee staff.

Sincerely yours,

JOHN FOSTER DULLES.

OCTOBER 17, 1957.

The Honorable JOHN FOSTER DULLES,
Secretary of State, Washington, D. C.

DEAR MR. SECRETARY: Your letter of October 3 indicates that there may have been some misunderstanding as to the material on inspection that the Subcommittee on Disarmament is attempting to secure. We would like to see the reports on inspection which were prepared by the eight task forces commissioned by Mr. Stassen in 1955 to study various aspects of inspection. The heads of these task forces were Dr. Ernest O. Lawrence, Gen. James H. Doolittle, Vice Adm. Oswald S. Colclough, Lt. Gen. Walter Bedell Smith, Benjamin Fairless, Walker L. Cisler, Dr. Harold Moulton, and Dr. James B. Fisk. As I mentioned in my letter to you of September 16 you stated before the Subcommittee on Disarmament on June 27, 1957, that you would make available for use of the subcommittee the studies prepared by these task forces.

I should appreciate it if a representative of the Department of State could discuss the matter with Miss Betty Goetz, the staff director of the Subcommittee on Disarmament.

We did receive the Outline Plan for the Implementation of Aerial-Ground Inspection System in the First Phase of Disarmament which you mentioned in your letter. While this was helpful it was a study of only a limited phase of inspection and apparently was prepared by the Department of Defense rather than a task-force group.

Sincerely,

HUBERT H. HUMPHREY,
Chairman, Subcommittee on Disarmament.

DEPARTMENT OF STATE,
Washington, November 6, 1957.

The Honorable HUBERT H. HUMPHREY,
Chairman, Subcommittee on Disarmament, United States Senate.

DEAR SENATOR HUMPHREY: I have your letter of October 17, in which you identify eight task-force studies on inspection which the Senate Subcommittee on Disarmament would like to examine.

I find that these studies were prepared under the direction of Governor Stassen prior to his association with the Department of State. I have checked with Governor Stassen, and he tells me the studies were prepared with the understanding that they would be for the express use of the President. We do not, therefore, believe that we can properly make them available to the subcommittee.

I regret that under the circumstances I cannot send you a more favorable reply in this matter.

Sincerely yours,

JOHN FOSTER DULLES.

The PRESIDENT,
The White House,
Washington, D. C.

MY DEAR MR. PRESIDENT: On October 7, 1955, Mr. Harold Stassen, as your Special Assistant for Disarmament, announced that eight task force study groups had been appointed to make "a new, fundamental and extensive expert study * * * of the methods of international inspection and control." It seemed to me that the appointment of these task forces was commendable in view of the importance of inspection in any agreement on the control and reduction of armaments.

It is my feeling that the problems of inspection in a disarmament system need to have a great deal of attention by all those concerned with arriving at a safeguarded agreement. Consequently I asked Mr. Stassen whether the reports of the task forces could be made available to our subcommittee. His response at the time was that the reports were not in a usable form. Subsequently, I repeated my request to Mr. Dulles, and although he first agreed to make the reports available, he later indicated that the task force reports were prepared only for your use. I now, Mr. President, ask of you whether the subcommittee might have the task force studies made available to it for study. I am sure that the findings of the various task forces on inspection would give the Subcommittee on Disarmament valuable insight into the problems involved in reaching a disarmament agreement and be an aid as background material in the study of disarmament which the subcommitee is conducting.

You can be assured that any classification of the material would be scrupulously observed in the event you could see fit to extend to us access to the task force reports.

Respectfully,

HUBERT H. HUMPHREY.

THE WHITE HOUSE,
Washington, December 4, 1957.
The Honorable HUBERT H. HUMPHREY,
United States Senate,
Washington, D. C.

DEAR SENATOR HUMPHREY: I have your letter asking that I make available to your Disarmament Subcommittee the eight task force studies on international inspection and control that were prepared as a basis for policy decisions in the field of disarmament. These studies were prepared for the National Security Council and for my own use, and I prevailed upon various individuals to undertake these studies on this understanding. In view of this circumstance and the nature of the information these studies contain, I believe it would not serve the public interest to make them available outside the very limited group that has had to have access to them.

With best wishes and warm regard,
Sincerely,

DWIGHT D. EISENHOWER.

Mr. HUMPHREY. The decision of the President in this matter is precisely the same as it was in connection with the request of the Senate Preparedness Subcommittee concerning the Gaither report. It illustrates the difficulty of committees of the Congress in obtaining valuable information in order to carry out their responsibilities.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. SYMINGTON. I should like to associate myself with the remarks made by the distinguished Senator from Minnesota with respect to the staff of the Disarmament Subcommittee, especially Miss Betty Goetz. In the years I have spent in Government service, both the executive and legislative branches, I have never known a more dedicated staff.

The distinguished junior Senator from Minnesota stated that the committee staff aided in collecting the data for this magnificent address. I believe that in itself proves the type and character of work of which this staff is capable.

I now ask the Senator if he knows whether or not the reason assigned for not making available to the subcommittee the task force reports on the subject at hand was that they were papers which had been prepared for the National Security Council.

Mr. HUMPHREY. These studies were prepared, according to the President's letter, for the National Security Council, and, as the President says, "for my own use, and I prevailed upon various individuals to undertake these studies on this understanding."

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. SYMINGTON. Once again we are trying to obtain information with respect to the functioning of our Government in order to perform our duties in the legislative branch. As has been well said by a distinguished Member on the other side of the aisle, in one case it had to do with the knowledge of the purse and the sword. In this case it would have to do with the purse and the plowshare.

Once again we are denied constructive information prepared by those who studied the subject at hand, for reasons which do not seem to be pertinent from the standpoint of national security provided those on the staff and members of the committee are good citizens.

Mr. HUMPHREY. The Senator's statement is correct. I regret we have been unable to obtain the information—not that it would be conclusive, but it would furnish guidance.

As the Senator knows, the subcommittee and its staff have studied the question of the manner and means by which we might establish effective inspection. We feel that this is a duty we owe to the Congress. If there is to be any agreement, the Congress should have assurance from its own instrumentality, namely, the committee or subcommittee, that any inspection system which may be agreed upon is worthy of our confidence.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MANSFIELD. I note in the Senator's excellent address that he makes a comparison between the Gaither report, which was requested of the President by the Senate Preparedness Subcommittee, of which the distinguished junior Senator from Missouri [Mr. SYMINGTON] is a member, and the eight task-force studies requested by the Senator from Minnesota on behalf of the subcommittee of which he has the honor to be chairman.

As I recall, both the distinguished majority leader, the Senator from Texas [Mr. JOHNSON], and the distinguished Senator from Minnesota [Mr. HUMPHREY], chairman of the subcommittee, were very courteous in their requests of the administration for these studies. Their desire was to be cooperative. The idea was not to look for dirt, not to find a scapegoat, not to create an issue, but to try to determine, in the field of the Gaither report, what, if anything, was wrong in our defense program, and what should be done to correct the situation; and in the field of disarmament, to determine in what way a special committee, composed of representatives of the entire Senate and consisting of members from three distinguished committees, namely, the Armed Services Committee, the Joint Committee on Atomic Energy, and the Committee on Foreign Relations, could be of service.

The question which comes to my mind in relation to both the Gaither report and the task force studies, and the refusal on the part of the administration, in the person of the President, to furnish them to Congressional committees which were thoroughly screened so far as their staffs were concerned, is this: What are they afraid of? Can the Senator tell me?

Mr. HUMPHREY. I do not know. I wish I knew whether or not there was anything to be afraid of. We all have the same concern for the welfare of our country. I am tempted to say to the Senator something which I once had in the draft of my speech. I think I shall say it anyway.

Many of the task force reports, which we thought were being prepared, may not actually have been prepared to the degree and in the depth which would be of service in connection with our study of the subject matter of inspection and disarmament.

Mr. MANSFIELD. To the Senator's knowledge, were those task force reports used as the basis for the months-long negotiations carried on by Mr. Stassen in London?

Mr. HUMPHREY. I do not know that they were. What I have said is that if we are to be trusted—and the Senator knows that we were, and I think the trust was well placed, because not a single word was leaked to anyone—to examine confidential and secret cables between our Government and the governments negotiating in London, as we did for weeks, I think we could be trusted to look at task-force reports prepared by private citizens in the United States.

Mr. MANSFIELD. Let me say to the Senator from Minnesota that if those task-force studies were used as the basis of Mr. Stassen's negotiations in London, I, for one, am willing to confess that, try as hard as I might, I could not follow the complex and complicated procedures. I do not know exactly what our Government was trying to negotiate in the way of a disarmament understanding with the Soviet Union.

One of the reasons I am delighted that the Senator from Minnesota is making his speech today is the fact that he is advocating a simplified and understandable procedure which the average American can understand and on which we hope, beginning, as I have said earlier, on a small and perhaps marginal basis, agreement can be reached, and on which eventually the full question of disarmament, in all its applicabilities, can be laid foursquare not only before the negotiators, but also before Congress and the people of the United States and the people of the world. This is the most important question of our time.

Mr. HUMPHREY. I thank the Senator very much.

SUGGESTIONS FOR FUTURE NEGOTIATIONS

I now turn to a consideration of how our present arms-control policies should be modified and to what extent new policies should be devised and tried.

My first suggestion is one I alluded to earlier.

We should take some of the points in the present disarmament package and break them up and offer them as separate proposals.

1. SUSPENSION OF NUCLEAR WEAPONS TESTS

To me, acceptance of an agreement on either of two of these proposals would be significant. One is the inspection system to verify a suspension of nuclear weapons test. The other is the inspection system for the cessation of production of fissionable materials for weapons purposes.

As to nuclear weapons tests, I believe that public opinion in the United States and throughout the world would support the suspension of these tests provided an adequate inspection and detection system can be installed in all testing countries and close to all possible test sites.

It has never been clear to me, all of the explanations and arguments of the administration notwithstanding, why

the United States insists a test suspension with inspection safeguards should not be proposed as a separate measure.

President Eisenhower, in his cablegram to Prime Minister Nehru, gave the impression that weapons tests were not important as a factor in halting the arms race. He said:

> I do not believe that we can accept a proposal to stop nuclear experiments as an isolated step, unaccompanied by any assurances that other measures—which would go to the heart of the problem—would follow.

In the first place, the term "heart of the problem" is a new way of stating the objectives of our disarmament policy. I thought it was to be a first step—a start toward world disarmament—that we were pursuing. I would like to know whether the President's cablegram represents a departure in the description of our proposals.

I agree with the President that a cutoff in the production of fissionable material for weapons purposes constitutes the heart of the nuclear weapons problem. But the testing of weapons is not insignificant. A suspension of tests would retard, and I hope prevent, the spread of the production of these lethal weapons to other countries. According to Admiral Strauss in a letter to the Disarmament Subcommittee last June, "there is no substitute for tests to determine the reliability of a weapon, conventional or atomic." What this means to me is that a test ban would freeze nuclear weapons development where it is now in the United States, the U. S. S. R., Great Britain, and possibly France. According to the former Secretary of Defense this would not preclude testing of missiles. If it did, a new problem would be presented.

Freezing nuclear weapons development at present levels should involve no threat to our security, since we have been assured that we are ahead of the U. S. S. R. in this aspect of weapons technology.

Assuming, therefore, we are equal or ahead of the U. S. S. R. on nuclear weapons development then I think we should press for an agreement on an inspection system to verify the suspension of these tests. I repeat, to gain admission to the U. S. S. R. for inspection by an international agency, would be a political and technological breakthrough second to none.

For some peculiar reason this does not seem to sink in. For an international agency to gain access to the Soviet Union for purposes of inspection of the cessation of nuclear weapon testing, would be a spectacular political development, and one we ought to search for relentlessly.

Now I wish to turn to the other point in the present United States disarmament package worth exploring as a separate agreement. That is the proposal to cease production of fissionable materials for weapons purposes.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. FULBRIGHT. I refer to the Senator's speech at page 27 of his text, where he refers to nuclear weapons development, and states that we are assured that we are well ahead of the U. S. S. R. in this aspect of weapons technology.

That statement raises a question in my mind. It is this: Are we going to take the position that we are willing to agree to freeze or to control only in those cases where we are ahead?

Mr. HUMPHREY. No. I was merely trying to point out, that if the argument was being advanced that we ought not to agree to a weapons test ban because it might jeopardize our security, that that is not an argument at all. We have security, so far as numbers of nuclear weapons can give it to us.

Mr. FULBRIGHT. I wanted the Senator to clarify that point, because I do not believe the impression should be left that the only time we might enter into any agreement would be when we were well ahead, which would mean automatically that the Russians would not agree because they were behind us.

Mr. HUMPHREY. Yes. I tried to make that position clear in my previous remarks. I wish to make that position clear again. I reiterate that we must be willing to negotiate on these weapons items even in some instances where we may not have conclusive or decisive advantages, because we would be negotiating over the total picture.

Mr. FULBRIGHT. I should like to take this opportunity to congratulate the Senator from Minnesota for his preparation of the information which he is now giving to the Senate and to the country, and for his very statesmanlike and extremely thorough statement of the subject. The Senator from Minnesota, as chairman of the Subcommittee on Disarmament, is certainly the best qualified man in the Senate to speak on the subject.

Mr. HUMPHREY. I thank the Senator.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. SYMINGTON. I have followed the Senator's discussion carefully. I say to him most respectfully that he has just reached a point which arouses a little apprehension in my mind, although not from the standpoint of the matter the distinguished Senator from Arkansas has brought out.

Is it not true that some of the apprehension incident to the question of banning nuclear tests has had to do with our possibly not being able, under any known inspection procedure, to find out whether the Soviet Union was living up to its agreement?

Mr. HUMPHREY. I would say to the Senator from Missouri—as I am sure he knows already, from our many hours of listening to testimony on this subject matter and our studying it—that it is not true that we can have automatic knowledge of an A-bomb test merely from its explosion. That is not true any longer, although it may have been true at one time.

The fact is that some of the smaller weapons can be tested and not detected without an elaborate system of inspection. It is true that there are ways of testing such weapons under water and down in the bowels of the earth, so to speak, which would make the detection of their firing rather difficult.

However, I do not believe it is true that if we are permitted an inspection system in the country where the test takes place, that it would not be possible to determine that the test had taken place. What I am trying to say is not that we should agree to the suspension of tests, per se, but that we should have immediately challenged the Soviet Union when they said they were willing to agree to a suspension of tests and to inspections.

We should have at that moment said to the Soviet Union: "All right, what kind of inspection do you mean? Let us pursue this subject. Let us find out what you mean. How far do you intend to go?" If this is going to be a Korea-type inspection, we want none of it. That Korea-type inspection was a politically conceived business that does little or no honor to the concept effective disarmament.

But last summer we ought to have pursued this subject. For the first time, we had a chance to pursue what the Soviets meant by inspection.

The junior Senator from Minnesota believes that if we could have been able to obtain an inspection system which provided for international inspectors and international inspection parties, it would have been very important in terms of weapons and in terms of disarmament, and terrifically important in terms of the political impact. That would have been the first time that this great monolithic society of the Soviet Union, under police control, would have been opened to the point where others could see what was going on. That is my view. I know the Senator and I have discussed this question at some length, and we may have a little difference of opinion.

Mr. SYMINGTON. I am not so sure. I am not at all sure that I disagree in any way with the distinguished Senator from Minnesota. As I understand what my colleague has just said, the premise of all this discussion is an inspection system which it was decided would work.

Mr. HUMPHREY. Exactly.

Mr. SYMINGTON. Prior to any agreement on our part to enter into any bilateral agreement to suspend tests.

Mr. HUMPHREY. Of course, I thoroughly agree, and I am delighted that the Senator from Missouri has again brought this out for our comment. What I am stressing is the fact that we have permitted the Soviet Union to appear throughout the world as if they were the great ban-the-bomb-tests people; the stop-the-tests advocates; the stop-the-radioactive-fallout crusaders.

We have appeared before the world as if we favored radioactive fallout; as if we positively enjoyed bomb testing. That, of course, is not the view of the American people. It is not the spirit of our country.

Why have we got ourselves into this position? Every time the Soviet Union makes a proposal—and this is ironic; it is something like the case of Pavlov's dog, except that Pavlov was a Russian—we automatically say, "No."

We said, "No," when the Soviet Union had been urging for years that the bomb tests be stopped. But one day in London the chief negotiator of the Soviet Union said, "We would like to discuss stopping the tests, with inspection, to see whether or not the agreement is kept up or maintained." We said, "No." We did not even explore what they meant by "inspection." For the first time we had that chance. We insisted, after they had agreed to inspection, that they go one step further.

I say we can separate this package. We can have a suspension of tests with inspection, if we can get that agreement, and then have inspection over the stopping of the production of fissionable materials for weapons purposes. In other words, we can break up the whole fissionable material problem into separate packages with inspection.

Mr. SYMINGTON. With respect to the position in which we have now been placed before the world by the able diplomatic representations of the Soviet Union, as presented by the Senator in this last part of the colloquy I have had the privilege of entering into with him, I am in complete agreement with the Senator. I am also in agreement with him that we should go through with any suspension of testing or production, provided we are certain that any agreed-upon inspection system is sound to the point where there can be no cheating.

Mr. HUMPHREY. I certainly accept that statement as the position I hold.

CESSATION OF PRODUCTION OF FISSIONABLE MATERIAL FOR WEAPONS PURPOSES

This proposal, according to the administration, is considered to be the most important of all the points in the package. We should remove it from the package and offer to negotiate on it separately.

The Soviet Union has never flatly rejected this proposal, although the Soviets have never appeared enthusiastic about it. I want the RECORD to be clear, however, that they have never said "No" to this proposal.

Negotiations for a cutoff would center on the inspection system needed to verify the production ban. The Soviet Union undoubtedly is fearful of such an inspection system. Our negotiators must press harder to persuade Mr. Khrushchev and his subordinates that an inspection system to verify a cutoff of production of fissionable material for weapons purposes is not only essential but urgent if the world ever expects to put a ceiling on the amount of available nuclear ammunition.

Devising an adequate and acceptable inspection system must be determined by the experts and the negotiators. The administration apparently thinks it would not be too difficult. Admiral Strauss has indicated in regard to inspection for a cutoff that while an adequate system of control and inspection cannot be simple, nevertheless it should be feasible to install such a system. The French weapons control expert, Jules Moch, has asserted that, assuming all nuclear facilities are declared or are known, "on the whole, less staff is required in a large country to control the cutoff of manufacture for military purposes than to verify that there are no secret explosions." Mr. Moch further asserts that as of this time there are less than 100 nuclear facilities in the world that would need to be inspected.

NEW STUDY GROUPS NEEDED

With respect to the requirements for both the inspection system for a cutoff of production and for a suspension of nuclear weapons tests, I propose that the executive branch appoint two teams of prominent and highly qualified nuclear scientists and weapons experts. One should be charged with making a complete and thorough study of the requirements of inspection for a test ban; the other group for inspection for a cutoff of production. These two groups should offer to meet with comparable scientists and nuclear experts from the Soviet Union in order to devise inspection systems acceptable to both countries. If the U. S. S. R. refuses both of these proposals then we should try such a proposal on the nongovernmental level. The United States National Academy of Sciences could appoint two teams of weapons experts. These teams might then negotiate with the Soviet Academy of Sciences to determine whether they could agree on the necessary requirements of an inspection system to verify a test ban on the production of fissionable material for weapons purposes.

It is important for our Government to know what we mean by "inspection," if we are to continue to talk about it. It means that our Government must proceed to develop inspection proposals, to have them in being, and to know what to do in case an agreement is reached. I am sure there has been much talk about disarmament and agreements, but there has been little follow-through in terms of the meticulous detail which will be required for an effective inspection and control system.

The Administration should also create special groups of experts both in and out of Government to study in relation to arms control such problems as posed by the successful testing by the U. S. S. R. of an intercontinental ballistic missile. We should also be investigating to what extent the achievements of the launching of earth satellites will affect present plans for aerial inspection to prevent surprise attack.

I digress to comment upon what the distinguished junior Senator from Colorado [Mr. CARROLL] had to say today about the type of aerial photography which is presently available and is known to be in existence, and how aerial photographic equipment might well be utilized, as he indicated, with outer space objects or satellites. All of these things invite our careful attention. It is necessary to have the scientific brainpower of our country directed toward these things.

In fact, I recall talking with Admiral Strauss, the chairman of the Atomic Energy Commission, and urging that the AEC set up a program for the training of inspectors in the field of nuclear production and weapons testing. There are not enough scientists today, in case an agreement were at hand, to explore the question properly. It seems to me that the least our Government can do is to prepare ourselves for disarmament and the possibilities of the negotiation of agreements, as we prepare to defend our shores.

In this connection, it is imperative that the United States take the lead through the United Nations to work for international control of outer space along the lines suggested by the majority leader, LYNDON JOHNSON, and the president of the United Nations General Assembly, Sir Leslie Munro, one of the world's great statesmen.

The United Nations should establish a special committee on the joint exploration of outer space—a committee which should include the scientists of many nations, including those of the United States and the Soviet Union. Such an act would constitute a truly new enterprise in genuine international cooperation. One of the first projects such a committee might sponsor could be a United Nations reconnaissance satellite. A satellite of this nature would impress all nations that no longer are national borders and countries sacrosanct. It would be a vivid example of internationalism which by its very existence would require the creation of new concepts of international law and order. Why not let the most important international organization dedicated to peace be the sponsor of a special kind of an earth satellite? This would be science at work for humanity, not nationality.

Mr. MORSE. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. MORSE. The suggestion the Senator from Minnesota has just made fascinates me, and it is a typical product of the great powers of creative imagination which the Senator from Minnesota has. I think he does well to show the direct bearing upon the need for a great deal of rethinking about the entire sphere of international law, because in the last analysis we shall have to relate all these proposals to international law. Of course, one of the things sorely needed is a great expansion of international law, for at the present time it is confined too narrowly to implement the kind of international statesmanship the Senator from Minnesota is expounding this afternoon on the floor of the Senate.

Mr. HUMPHREY. I thank the Senator from Oregon. I have tried to suggest a practical possibility for United Nations action.

Mr. President, in conclusion I wish to discuss the subject of disarmament and arms control in specific areas of the world.

Mr. LONG. Mr. President, will the Senator from Minnesota yield to me?

Mr. HUMPHREY. I am happy to yield to my friend, the Senator from Louisiana.

Mr. LONG. I wonder whether the Senator from Minnesota will agree that in developing this subject, we should try to make some showing of having made at least some headway toward disarmament; that it is no particular credit to us to be able to say that the Russians are bad because they will not agree to

anything, and that we would make no further suggestions or proposals for disarmament or the control of arms.

Mr. HUMPHREY. I could not agree more fully. I believe the most important thing we can do is make a first step, even though a small one, so long as it is a legitimate one.

Mr. LONG. The Senator from Minnesota has referred to the so-called open-skies proposal. I believe it would be good if the countries were able to agree to it. But, of course, so far there has been no agreement, and nothing has happened about it.

It occurs to me that the Russian objections to so-called violations of their boundaries would not apply to a suggestion for an identification of the position of naval vessels. That would not require an inspection of Russia, and it would not require anyone to cross either the boundaries of Russia or the boundaries of the United States. It seems to me that if we could have an understanding that periodically—perhaps once every 24 hours or once every 48 hours—naval craft would identify either their location or a position within perhaps 50 or 60 miles of their location, with some pattern worked out, so that each side could be sure the other side was living up to the agreement in good faith, that would enable both the United States and Russia to feel more secure in their positions.

I would hope the United States would not insist upon having a disarmament program worked out precisely along any particular line.

We should say we are open to any suggestion and are willing to bargain for any mutual agreement which would help both the United States and the Soviet Union feel more secure in the situation which exists today.

Mr. HUMPHREY. I believe the suggestion the Senator from Louisiana has made would constitute not only a little, first step; instead, I believe it would be a very significant one, in view of the importance of submarines, aircraft carriers, and other types of naval craft, in connection with any military operation and any possibility of attack. The Senator from Louisiana has suggested a very important advance which is outside the old pattern of proposals. I think the Senator from Louisiana is correct; there must be a willingness to explore other possibilities of negotiation and agreement, instead of running up the same streets day after day, to no avail and to no real destination. We should be seeking other possibilities and should be searching for ways to bring about an understanding, rather than merely saying "No" to the Soviet proposals.

I thank the Senator from Louisiana for his suggestion. In the Senate Committee on Foreign Relations, many times he has advanced thoughts relative to relieving international tension and to the control and reduction of armaments, and I have participated with him in those discussions. They have always been very constructive and helpful.

ARMS CONTROL IN SPECIFIC AREAS

Mr. President, I now offer some suggestions regarding arms control measures in specific geographical areas. I preface my remarks here by quoting from the report of our Disarmament Subcommittee. The subcommittee concluded that: "Reducing international tension and diminishing the threat of war should be pursued both through efforts to settle political problems and through negotiations to curtail and control armaments." The report also noted that: "Substantial reduction of armaments cannot be made without corresponding progress on the resolution of at least some politcial issues." Therefore, it seems that the United States should be adopting and pursuing concertedly and actively policies designed to reduce international tension in specific areas, to the end that armaments themselves can be cut back.

I am thinking of the division of Europe, the tension in the Middle East, and problems connected with the existence of two Koreas, two Chinas, and the two countries of North Vietnam and South Vietnam. The problems confronting these areas are political, as well as military. In each area the United States is heavily committed. And the tragedy is that in all five of these aeras, our policy has been essentially of a military nature. If tension increases, our reaction has been to send more armaments and more military aid. While the immediate situation in each or any of these areas may require more arms or military aid, surely for the long run we should lay plans and study alternatives designed to relax tension, through solutions based on both political settlements and arms control measures. At least, we must try. Hardware consignments to friendly nations and increased armaments to American troops and bases abroad are no substitute for an effective foreign policy. Their purpose is to provide defense capabilities, so we can pursue political and diplomatic policies. They are effective only when they are a part of a broad foreign policy and national security system.

ARMAMENTS LIMITATIONS FOR THE MIDDLE EAST

I regret to say what is nevertheless true, that adroit Soviet diplomacy and propaganda have made a shambles of the Eisenhower doctrine. The only possibility of rescuing that doctrine and American Middle East policy generally is to face up, in a variety of specific ways, to the challenges of that area.

In the Middle East, we and the Soviets are engaged in an arms race that is inconclusive, costly, and dangerous. We should initiate proposals to end the arms race in the Middle East by an effective embargo against shipments from any outside source, other than under United Nations auspices. To this end, we should seek the establishment by the United Nations General Assembly of a Special Commission on Arms Traffic, which Commission would be charged with responsibility for proposing early recommendations on regulating all flow of non-United Nations materiel into that region.

Mr. President, I notice the distinguished junior Senator from Montana [Mr. MANSFIELD] in the Chamber. As I recall, it was this very proposal which was advanced in the Senate by him.

We should strengthen the United Nations Emergency Force in the Middle East, for its continued and further use in this area, if necessary. Here, the Senate of the United States recommended unanimously that our Government seek the establishment of a permanent United Nations police force.

We should seek agreement on a pilot project, open-skies aerial and ground inspection system.

We should propose the establishment of a United Nations Good Offices Commission, whose purpose would be to reduce tensions in the Middle East by promoting direct negotiations between the current antagonists, and by mediating among them if direct negotiations prove to be impossible.

We should reaffirm our interest and support for long-term, regional economic development programs. Toward this end, we should take the initiative in the United Nations in proposing a Middle East Development Authority, as an administering agency for the mutual pooling of capital and technical aid in the region.

I consider these proposals to be sound, practicable, and indicative of the positive approach which the United States must adopt.

Mr. President, I may add that many nations have supported these proposals, including New Zealand, Australia, Italy, and Canada.

Unfortunately, we stand opposed to them. We are engaged in a very dangerous, inconclusive, and costly armament race in the Middle East, which leads us nowhere but to continued trouble and continued tension.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MORSE. I apologize for interrupting the Senator now for the third time, but the Senator is giving a speech today which I think needs all the expression of support that his colleagues can give to it. The subject on which the Senator is now touching is of vital importance in a great many respects. I read with great interest—I assume he was correctly quoted—a story which appeared in Sunday's New York Times, dated February 2, about the position the Senator had taken in a New York speech about the Eisenhower doctrine in the Middle East. My recollection is that his statement was, in effect, that the Eisenhower doctrine has been a failure in combating communism. The story went on to stress the point which the Senator from Minnesota is now making.

As the Senator knows, he and I did not agree on the Middle East doctrine. I was pleased to hear the emphasis which he has made and the statements quoted from his New York speech about a development agency for the Middle East. It makes a great deal of sense to me. It, of course, happens to be what I thought the Middle East doctrine, if we were going to have one, ought to have involved. Instead, the military emphasis of the Eisenhower doctrine has only frightened away our friends and, in my judgment, has not created any effective allies.

I should like to ask the Senator a question. If America would support, and it should, in my judgment, an economic development agency such as he has mentioned for the benefit of the Middle East, does he not agree with me that through such an agency we could bring benefits to the people of the Middle East?

Mr. HUMPHREY. I am sure of it.

Mr. MORSE. Does the Senator agree with me that as we improve the economic status of the people of the Middle East, the chances are better for removing one of the greatest threats to peace in the Middle East, and that is the Arab-Israeli conflict?

Mr. HUMPHREY. I am convinced that unless there is more substantial economic aid given to the people of the Middle East, and unless an effort is made on a regional and unified basis, there will be no improvement of any consequence. In fact, the dangers multiply every day. I am convinced that the only reason there is momentary tranquility in the Middle East today is that the Soviet Union, which we said should not be there, and which is now there, has decided it is to her advantage to move her apparatus of subversion, political penetration, and economic aid into the continent of Africa.

Russia is fast at work, may I say to my colleagues, and hard at work, in Africa. She already has one foot in Damascus and the other one in Cairo, standing astride the great geographical crossroads of the world. She already spends more money on propaganda in the Middle East than we spend the world over. She has now momentarily claimed the area by calling off her agents, so to speak, and releasing pressure, and is moving into Africa, as was manifest at the Asian-African conference at Cairo just a couple of months ago. Here we are, sitting, waiting for something to develop. Then we shall try quickly to deal with it, but I am afraid our efforts will be futile.

Mr. MORSE. If the Senator will permit a further comment and a question, as the Senator knows, and as the RECORD shows, I have always been of the opinion that the approach to the Middle East had to be an economic approach and not a military approach. One of the reasons for my strong opposition to the so-called Eisenhower doctrine was its emphasis on the military. The Senator from Minnesota himself expressed some doubts about the military aspect of the policy.

Mr. HUMPHREY. Not only doubts; I felt when it was announced, and still do, that the doctrine was only the beginning. It did provide for both economic and military assistance. I had hoped it would open the door to a much more progressive policy. I remember other Senators who expressed the same sentiments. The Senator from Louisiana [Mr. LONG] and the Senator from Montana [Mr. MANSFIELD], who are now present, expressed the same sentiments. The trouble was we did not go further than military aid. The economic aid has been sporadic, and not on a general basis for the whole area.

Mr. MORSE. It is not for the purpose of whipping a dead horse that I make this comment, but only to keep the RECORD clear. I just did not share the optimism of the Senators who supported the doctrine, because I thought it had inherent in it the power of self-destruction. I thought the approach we were going to have to make, so far as American unilateral action was concerned, was the economic approach, and that so far as any military approach was concerned, it should be through the United Nations.

Be that as it may, the point I want to raise and discuss with the Senator from Minnesota is the matter of the Economic Development Agency, which I think offers promise as one instrumentality which might promote peace in the Middle East. Yet I am greatly concerned about the tendency on the part of the Middle East countries to seek economic aid from the United States without being willing, as a condition precedent thereto or concomitant with it, to make any commitments on their part in regard to the Arab-Israeli complex, which I think is a real threat to peace in the Middle East.

Does the Senator from Minnesota think that as we give support to his proposal for an Economic Development Agency—on which I find myself in complete agreement with him—we ought to require as a condition precedent, that the economic aid will not be used by the Arab countries to strengthen their warmaking potential so they can carry out the still unretracted threat made by many of their leaders that at the first opportunity they propose to wipe Israel off the face of the map?

Mr. HUMPHREY. I am sure the Senator understands, as the public does, my sentiments respecting the status of Israel as one of the important nations in that area and in the world. I feel the Economic Agency—to which I have alluded only briefly since I have discussed this and other proposals in other speeches in much more detail—ought not to have any political conditions tied to it except that projects under such a program should be feasible and economically sound and should contribute to the general well-being of the country involved. I certainly would want to limit those programs to peaceful projects, and not have them used for atomic-weapon installations, but for irrigation, reclamation, land development, housing, and public works that would lend themselves to the betterment of the countries involved and to the uplifting of the standard of living of those people.

May I say most respectfully to my friend from Oregon that I should like to discuss that matter with him, but I want to get along to a discussion of other geographical areas. Then as we come back to that matter, would the Senator be agreeable to having the question discussed then?

Mr. MORSE. I have covered the point I desired to cover. It seemed to me at this point in the speech, since the Senator did such a masterful job in it and in his New York speech with regard to the Economic Development Agency, it ought to be made clear that the Senator does not stand alone.

Mr. HUMPHREY. I shall place in the RECORD at the end of this week the full transcript of the speech to which the Senator refers, given at the Middle East Institute.

POLITICAL SETTLEMENT IN EUROPE

Mr. President, the second regional arms control proposal concerns Europe. I am delighted that my friend, the Senator from Illinois [Mr. DOUGLAS], is present in the Chamber at this time. There are three major European security and political problems. One is the continued division of Germany. The second is the subjugation of the majority of the peoples in the satellite nations of Eastern Europe through the occupation of Soviet military troops. The third is the constant danger that either one of these problems could erupt into a European conflagration. If Soviet intermediate-range missiles and the 170 divisions of the Soviet army descended upon Western Europe, the present state of NATO defenses would be hard pressed to stop them.

So far the answer of the executive branch to these three problems is to arm Western Europe with a variety of missiles when they become available. It is a proposal backed by many of us in Congress on both sides of the aisle.

I submit, however, that when the problems and the proposed solution to them are lined up side by side, the solution looks pretty weak and inadequate.

The Senate Subcommittee on Disarmament gave some attention to the problem of Germany in its report of last September. I would like to quote now from that report:

> The achievement of a free and reunified Germany would probably involve some ceiling on the size of its armed forces and its supply of armaments. Such restrictions to be binding, however, must be accompanied by similar restrictions on the armed forces and armaments of other nations in Europe as well as the United States and the Soviet Union. These restrictions should apply to the European NATO countries and the Warsaw Pact countries of Eastern Europe, and would involve relocation and possible reduction of Soviet forces in Eastern Europe and United States forces in Germany.

I add, Mr. President, that none of these negotiations should ever take place, and none ought to be given consideration, without consultation with the West German Republic. The Government of the West German Republic has been friendly to the United States, and a loyal partner in the NATO alliance.

Mr. President, I think is is important to ephasize here that the report stated that:

> If United States forces were to be withdrawn from Germany provision would need to be made for stationing them elsewhere on the eastern side of the Atlantic so long as NATO military strategy requires it.

The subcommittee concluded that: "if German reunification is to become more than a slogan, Western policy must be both persistent and realistic. Neither the Western Powers, nor Soviet policy on German unification appears to be sufficiently flexible to encourage progress toward the solution of this problem."

This section of our report, particularly the last sentence, is just as applicable today as it was 5 months ago when the report was filed. I urge the administration to consider the findings and sugges-

tions of the subcommittee on this question.

It is on this point which I believe Mr. George Kennan, former United States Ambassador to the Soviet Union and one of the foremost American experts on Russia, has made a significant contribution. I do not agree with everything that Mr. Kennan has said, but I do believe he has helped to jar many of us loose from a stereotyped kind of thinking about European problems.

We must face up to the possibility of change in the political leadership of our major allies. This I fail to find as a factor in the thinking of our policymakers. There are powerful political forces in Germany, powerful political forces in Great Britain and elsewhere, already advocating a withdrawal of allied troops from Germany and Soviet troops from Eastern Europe. If for no other reason than this, it would be prudent for NATO political and military advisers to formulate various plans and alternatives that could serve as the basis of negotiations with the Soviet Union. As the subcommittee report notes, one of the problems that must be solved in this connection is where else on the eastern side of the Atlantic American troops could be based.

If such a withdrawal did take place Germany would not turn Communist nor even neutral toward communism as an ideology or power system. But, a withdrawal of Soviet troops from Eastern Germany and Poland could result in a political upheaval of significant proportions and meaning for a free Europe.

ARMS CONTROL IN ASIA

A third area in which tension exists is the Far East. In Korea there is a divided country with each half heavily armed and separated by a thin buffer zone across the middle or the waist of the peninsula.

When the Communists violated the terms of the armistice and brought new armaments into North Korea, the United States as the agent of the United Nations felt obliged to protect the forces under its command by modernizing their military equipment.

If, however, we expect to reduce tension in the area it will be through a reduction of armaments available to both sides rather than through a buildup of armaments. Here, then, is another case where the United States should attempt to win support in the United Nations to limit, through adequate inspection provisions, the number of troops and amount of military equipment based in North and South Korea.

I would at least like to see a plan submitted. We have not, to my knowledge, made any proposals of an affirmative nature regarding the division of Korea in over 3 years. It is time to take positive steps toward bringing a more stable situation in that part of the world. Furthermore, a reduction of armaments, which could be verified by an adequate inspection system, would furnish an excellent pilot project to test the adequacy of aerial and ground inspection which might be applied in a more general arms control agreement.

Another area in Asia which is fraught with tension and large armaments is the area of China. If we expect to achieve any disarmament among the major powers, some settlement of the China issue must take place. Surely, no thinking person could envisage an overall disarmament agreement with Communist China excluded. Such an arrangement would be an open invitation for Soviet evasion of arms agreements by collusion with Red China.

United States policies regarding China need a thorough reexamination, especially if we are to seriously pursue disarmament.

Competent observers and students of China and Asia have warned us that Communist China is the new aggressive force in Asia. We have heavy commitments in the Asian area. We have already suffered from one terrible example of Chinese Communist aggression. It would be reckless and, in fact, dangerous to our national security and vital interests to reduce substantially our military strength even if the Soviet Union did likewise while at the same time Communist China was exempt from any control, inspection, and reduction of its military machine.

ARMS CONTROL IN LATIN AMERICA

Finally, with respect to the areas of control of arms, let me say a word about Latin America.

Latin America is another geographical area in which armaments expenditures of individual nations might be reduced. This area offers especially hopeful possibilities because of its highly developed machinery for the settlement of inter-American disputes. The Organization of American States, set up in 1948, and the Inter-American Treaty of Reciprocal Assistance of 1947 have provided means to handle any controversy which might arise between the member nations.

The success of the inter-American system does not rest on the absence of political disputes among the nations of the area. As in every other area, some grievances of long duration remain. Therefore, it is not the lack of political and economic problems which is responsible for hemispheric peace. It is the creation of a system of handling disputes peaceably and the determination by the member nations to make the system work that give the Americas their admirable record.

The continued and successful operation of the inter-American system should make possible a beginning on the reduction of armaments of the individual countries and also a decrease in United States military aid to the region. It would be much more desirable if United States aid and Latin American national budgets could be geared primarily to developing Latin American economies and raising living standards of the people.

CONCLUDING REMARKS

Mr. President, I have made a number of suggestions which I hope will be given serious consideration by the Members of this body and by the executive branch. Today my colleagues have made many more constructive suggestions. My aim in all of these proposals is to make some headway toward diminishing the threat of a total and terrible third world war, toward achieving some settlements of the major political problems that account for the persistence of international tension, and finally toward reducing the gigantic burden on all peoples of large armament expenditures.

I realize, too, that the United States cannot do these things by itself. The rulers of international communism must be brought to realize that the only alternative to peace is their destruction.

We need to pursue our foreign policies and programs in close consultation with our allies in NATO, with the newly created nations as well as our older friends in the Middle East, Asia, and Africa, and with our neighbors in our own hemisphere. We need to make our alliances fortresses of mutual respect, partnership and positive programs. And above all, we must strive unceasingly to strengthen the most important of all international institutions dedicated to peace, namely, the United Nations.

Our sincerity, integrity of purpose, and the realistic nature of our proposals can serve to mobilize the understanding, support, and friendship of the world's non-Communist peoples. To have them and their governments working with us is the true meaning of negotiating from strength—strength of conviction and strength of support.

Some of my colleagues in this body may disagree with my suggestions. Disagreement, however, often serves a useful purpose when it helps to clarify thought. I want to be helpful to our President and to the Secretary of State because the problems we face affect the very survival of our great country. These issues are not partisan. The President deserves all the support we can give him in the quest for a just and enduring peace. As he said in his state of the Union address: "But of all the works of peace, none is more needed now than a real first step toward disarmament."

I firmly believe that we must keep trying to negotiate as long as there is a faint hope of success. The people of this and all countries desperately want and need peace. The nation which by its dedication, persistence, boldness, and imagination persuades people that it is the champion of peace will merit and obtain support. This is what the United States must represent to the world.

America's foreign policy needs the inspiration of the "works of peace"—not merely the words of peace.

The works of peace are the very heart and core of our tradition and philosophy. Health care for the sick, food for the hungry, jobs for the unemployed, homes and shelter for the needy, opportunity for youth—these are the concrete works of peace we must do. This great promise of the good life, with "liberty and the pursuit of happiness" is one we can fulfill, and we should move ahead vigorously to do it.

We have an opportunity, now as never before, to recover that generosity, humanitarianism and compassion that in the past won for us the world's admiration and respect, and even turned our enemies into friends.

Therefore let us be the people of progress, the people of performance, and the people of peace.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. DOUGLAS. I think the Senator from Minnesota, by his speech this afternoon, has made a magnificent contribution to our thinking about foreign relations. I like it for many reasons, although earlier in the afternoon I voiced my apprehension that we should not be led, by our desire for negotiations, into repeating the experience of Munich. I know that the Senator from Minnesota agrees with me on that point.

The Constitution provides that the President shall conduct the foreign affairs of the country, but with the advice and consent of the Senate. Frequently it is the tendency of the executive department to omit the word "advice" and conduct foreign affairs with the "consent" of the Senate.

However, the Senate is not really performing its function in this field when it turns these all-important questions over to the Executive. The advice which the Senator from Minnesota has given is constructive, certainly beneficial, and in harmony with the historic policy of humanitarianism in this country. I hope we may be able to induce those at 1600 Pennsylvania Avenue and those in the State Department to agree with what the Senator from Minnesota has said.

There is a personal angle upon which I wish to comment, and which shows the generosity of spirit of the Senator from Minnesota. I was much interested in the passage in which he defended the position within the administration of Mr. Harold Stassen. It is well known that Mr. Stassen has been a political rival of the Senator from Minnesota, and has not always been charitable in the remarks which he has made, nor have his followers been charitable in the remarks they have made, about the Senator from Minnesota. Therefore it would have been only human on the part of the Senator from Minnesota to abandon Mr. Stassen to his fate, and not intervene to protect him from the wolves which are apparently intent upon devouring him and his policy.

This example of forgiveness on the part of the Senator from Minnesota is almost unique in politics. I congratulate him on it. It exhibits a true Christian charity.

I suppose it is too much to hope, in this naughty world, that there will be any reciprocation. In all likelihood, the Senator may expect in the future to be treated as he has been treated in the past. Nevertheless, goodness shines in a naughty world, and perhaps even more in a naughty world, because of the contrast which exists.

I hope that, in the little cubby hole which is now apparently reserved for him, the erstwhile Governor of Minnesota will read the speech of the Senator from Minnesota, and be moved to compassion.

Mr. HUMPHREY. Mr. President, again I extend my thanks to Members of the Senate who have so fully participated in the discussion this afternoon. It was a long discussion, and a number of Senators made excellent contributions which were helpful and constructive.

Let me say to my friend from Illinois that my remarks with respect to my fellow ex-Minnesotan only stated the record as I see it.

Perhaps I have learned a little charity from my good friend the Senator from Illinois. I have learned much from him.

Mr. SYMINGTON. Mr. President, I would like to congratulate the very able Senator from Minnesota for having delivered on the floor of this body one of the most comprehensive and constructive talks with respect to the method for obtaining permanent world peace that it has ever been my privilege to listen to.

Mr. HUMPHREY. Mr. President, the key to obtaining peace is to bring the people of the world together in cooperation. One of the most imaginative proposals I have heard in many months is that advanced by our majority leader: a joint venture in the exploration of outer space.

The distinguished correspondent of the Washington Post, Robert C. Albright, covered the proposal very well this morning. I ask unanimous consent that his article be printed in the RECORD as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post of February 4, 1958]

U. N. URGED TO LEAD IN SPACE EXPLORATION

(By Robert C. Albright)

Senate Majority Leader LYNDON B. JOHNSON, Democrat of Texas, yesterday called on President Eisenhower to press immediately in the United Nations for exploration of outer space by U. N. member nations as a joint undertaking.

JOHNSON told the Senate the United States has a golden opportunity at this moment, in the wake of the successful launching of the satellite, Explorer, to take the initiative in world councils.

He said: "This is the time to act—now, while the satellites are searching for facts instead of for targets."

JOHNSON'S speech was one of a series of Senate talks inspired by the satellite launching.

While JOHNSON prodded for action by the U. N., another speaker, Senator JOSEPH S. CLARK, Democrat of Pennsylvania, warned against any United States relapse into complacency.

Clark said this is no time to knock ourselves silly in self-congratulation. He said the Soviet sputniks woke up Rip Van Winkle. * * * I hope the Explorer does not put him back to sleep.

The Democratic leadership call for the United States to seize the initiative in the U. N. coincided with yesterday's opening of a sweeping review of foreign policy by the Senate Foreign Relations Committee, believed aimed at a similar goal.

TWINING ISSUES WARNING

The foreign policy review, which will continue into late spring, opened in executive session with Maj. Gen. Nathan F. Twining, Chairman of the Joint Chiefs of Staff, on the witness stand. Twining testified that as of today the Free World is strong enough to devastate Communist territory and win any war forced upon us. His detailed analysis of United States strength in relation to Russia's was kept secret, however.

JOHNSON'S Senate speech, favorably received on both sides of the aisle, meanwhile pushed ahead with the Texan's proposal of January 14 that the United States demonstrate its initiative before the United Nations by inviting all member nations to join together in the outer space adventure.

"I would hope that this proposition could be pressed earnestly, vigorously, and with all the sincerity at our command," JOHNSON told the Senate yesterday. He added:

"No one would stand to lose by this proposal. The alternative is a disorderly arms race which can end only in death and destruction.

"For the moment, our prestige is at a high point. There is no better time for a display of the generosity, the initiative, and the constructive desire for peace which lies in the soul of the American people."

The Texan said that if the present race continues this will become "the world of the manic depressive—high points of elation when we make an important advance; low points of despair when they outstrip us.

"And at some interval when we are at a low point and they are at a high point, somebody is going to press the button."

The Texan told the Senate that General Assembly President Sir Leslie Monro of New Zealand already has proposed a U. N. conference of scientists and diplomats in the near future to study control of outer space.

Monro was quoted in a United Press dispatch, January 31 as saying however, that despite many references by President Eisenhower and others to the need for space control, there has been no initiative, except in embryo, to bring the issue to the U. N.

Senator LEVERETT SALTONSTALL, Republican of Massachusetts, chairman of the Senate's Republican Party Conference, replied that he gathered JOHNSON wanted the administration to "take every possible step to try to see that the satellite race does not end in a more critical military controversy, but will lead to a greater opportunity for attaining world peace."

SALTONSTALL added:

"Whether such leadership is exercised through the U. N. or otherwise, I assume that the Senator from Texas desires that we take the lead; and we all concur in that desire."

JOHNSON said that was correct but stressed again:

"I think the leadership might very appropriately come from the United Nations, and I have so suggested."

Senator ESTES KEFAUVER (Democrat of Tennessee) praised JOHNSON'S proposal as a move that could "win for us the esteem of all the peoples of the free world, and perhaps even of the plain people behind the Iron Curtain as well."

KEFAUVER said he hoped it would be pushed by the President and the American representative at the United Nations.

OTHER DEVELOPMENTS

In these other developments:

Senator RICHARD NEUBERGER (Democrat of Oregon), urged the Army to revoke its court-martial conviction of Col. John C. Nickerson, who was shifted to a sewer inspection job in Panama for breach of rules in his advocacy of the Jupiter C missile, which has since launched the satellite.

Senate Democratic Whip MIKE MANSFIELD, of Montana, praised Nickerson as well as Lt. Gen. James M. Gavin, retiring from the Army March 31, in protest against what he termed the Army's rapidly deteriorating position. MANSFIELD said the Army's satellite success should help restore its rightful place in the sun.

House Republican Whip LESLIE C. ARENDS (Republican of Indiana), said he hoped the Explorer would put an end to any effort to make political capital out of defense and quiet what he termed the hysteria displayed by some people.

Senator RALPH W. YARBOROUGH (Democrat of Texas), announced he will propose a special "space act" to make the fullest possible

use of data obtained from the scientific satellites. His bill would authorize the National Science Foundation to set up and operate the program.

Senator HUBERT H. HUMPHREY (Democrat of Minnesota), said he will make a major speech on United States foreign policy and disarmament in the Senate today.

Mr. HUMPHREY. Mr. President, the profession of journalism is more than the mere collecting and reporting of facts. In its highest sense, it is a question of putting facts in their true perspective so our people can be fully informed when they make their decisions.

Americans are extremely fortunate and can rejoice in the press corps that covers Washington. On the whole, the news coverage out of this city is the finest of any capital in the world.

On Sunday, there was an unusually good example of the kind of reporting that reflects the Washington press corps standards. It was an article by the Capitol correspondent for the Washington Post, Robert C. Albright.

Through careful research, Mr. Albright put together facts, traced their relationship and emerged with a coherent picture—the picture of this session as one which must pave the road toward peace if peace is to come in our time.

I ask unanimous consent that Mr. Albright's very fine article be printed in the RECORD as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post of February 2, 1958]

JOHNSON DRIVING FOR "PEACE BEYOND SPUTNIKS"

(By Robert C. Albright)

Behind the Senate investigation of United States missile preparedness is a far more significant though largely unpublicized Democratic effort to hammer out a realistic United States program for peace.

It can now be stated that the overall aim of the Democratic leadership is not just to catch up with Soviet Russia, however absorbing that quest may be for the present. The paramount goal of top Democrats is to seek out and, in cooperation with the executive branch, help develop foreign policies that will bring peace in our time.

If these leaders have their way, this will not go down as the "Sputnik Congress" but as the Congress which made tangible progress toward peace.

This has been the dominant objective of leading Democrats for a long time—in fact, ever since it became obvious that to overtake Russia in rockets, desirable as that immediate goal was and still is, can only result in stalemate and a stretchout of the arms race. The country and the world would demand something better, and these leaders proposed to give it to them.

PUBLIC GETTING SATED

Senate Majority Leader LYNDON B. JOHNSON, Democrat, of Texas, is the daddy of this new Democratic strategy, which really isn't new and possibly isn't strategy in the strictly political concept.

It has been there right along, lying just under the surface of the dramatic Congressional drive to plug up the missile gap.

There have been some hints that the public may be beginning to pall of the daily diet of missiles and frenzied satellite efforts. Some say the people are also very weary of being told thrice daily the depressing tale of how the Soviet Union outfoxed Uncle Sam.

Anticipating just such a surfeit, this Democratic Congress wants to have something more than missiles and sputniks to offer the American people when they ask the inevitable question: "What are you doing about it?"

Congress hopes to have liberalized programs of education and housing. It hopes to have farm, small-business and natural resource proposals bearing a distinctive Democratic label. And it hopes to do something tangible about sagging business and the Nation's 4½ million unemployed.

THE PARTISANS OUTVOTED

The specifics of all of those programs are still on the drawing board. But in the broader field of international relations, this Congress already has its answer ready. The fact is, with any kind of luck, Congress will muscle right in on the Eisenhower administration's 5-year monopoly of the big "P" in "Peace."

Key to the new strategy is the strictly nonpartisan posture taken by JOHNSON at the start of the present session. Democratic partisans didn't like it, but JOHNSON flatly refused to step over the line.

To all who chose to make it a party matter, JOHNSON argued that only through affirmative action by the President himself can the missiles gap be closed. Similarly, he suggested that Congress can make important contributions to foreign policy but that only the President can execute them.

First fruits of the Democratic leadership tactic, if tactic it is, were impressive. Forsaking party lines, the full membership of the Preparedness Subcommittee (4 Democrats and 3 Republicans) called on the administration January 23 to take decisive action on 17 major defense programs.

MINDS THEIR TARGET

Although it received second billing to missiles in the headlines, the overall peace objective was stated ringingly in the initial bipartisan declaration of the investigating group.

"We are engaged in a race for survival and we intend to win that race," said the statement. "But the truly worthwhile goal is a world of peace—the only world in which there will also be security.

"The immediate objective is to defend ourselves. But the equally important objective is to reach the hearts and minds of men everywhere so the day will come when the ballistic missile will be merely a dusty relic in the museums of mankind and men everywhere will work together in understanding."

Hardly was the ink dry on this statement before the Senate Foreign Relations Committee picked up the bipartisan ball to take another far-reaching action. By the same unanimity that distinguished the missile investigation, the foreign relations group approved the most comprehensive review of foreign policy undertaken in recent years.

In effect, this blue-ribbon unit was never before assumed on the Hill exerting a foreign policy leadership during President Eisenhower's incumbency. Like the missile investigators, it was doing this by the joint action of Democrats and Republicans alike.

A Foreign Relations Subcommittee headed by Senator J. WILLIAM FULBRIGHT, Democrat of Arkansas, with obvious restraint spelled out the purpose of the sweeping inquiry. After weeks of hearings, the committee was to make "such recommendations as may be found appropriate to enable the United States Government to strengthen or alter its policies to the end that they most effectively serve the national interest."

In a word, here was another instrument in the quest by this Democratic-led Congress for the kind of policies that could lead the world to peace.

Actually, the pattern of the Democratic offensive for peace as well as missiles was established by JOHNSON in his session-opening speech to the Senate Democratic caucus January 7. This speech, which later became popularly known as the Democratic state of the Union message, warned bluntly that control of space means control of the world.

Space preparedness highlights received the biggest news play, but JOHNSON was plugging even then for the conference table. He termed it more important now than it ever has been. He said that goals now within reach of the human race are too great to be divided as spoils, too great to waste in a blind race between competitive nations.

"Total security perhaps is possible now for the first time in man's history," he told his Democratic colleagues. "Total security—and, with it, total peace."

This JOHNSON theme was to repeat itself in a variety of forms again and again during the first 4 weeks of the Congress, culminating in a concrete proposal for a penetration of international differences.

Addressing a meeting of CBS affiliates in Washington January 14, JOHNSON urged that the United States demonstrate its initiative before the United Nations by inviting all member nations to join in this adventure into outer space together.

"The dimensions of space dwarf our national differences on earth," he said. "If we are to win space as the outpost of peace, all men may—and should—share in that endeavor."

Here, in effect, was a bid for the smallest, along with the biggest, U. N. member nations to join the United States and Russia in control of space. It would appear on its face to have universal appeal.

President Eisenhower, in a letter to Soviet Premier Bulganin, January 12, had proposed to dedicate outer space to the peaceful uses of mankind. JOHNSON was proposing a specific way to do it.

Two days later he got a nibble from Secretary Dulles. Speaking to the National Press Club, Dulles said:

"It is unhappily too late now to assure fully what the United States proposed in 1947—that all fissionable material should be used only for peaceful purposes—although we still can, and should, do that for newly produced fissionable material.

"But it is possible now to assure that outer space—all of it—should be dedicated to peace and not to war. I might add that we have been much interested in the suggestions made by Senator LYNDON JOHNSON in this field."

If picked up and pushed by the administration, this wouldn't be the first time that an idea advanced by the Senate Democratic leader had been incorporated in United States foreign policy.

Following the controversial 1957 CBS broadcast featuring a Face the Nation interview with Soviet boss Khrushchev, JOHNSON bucked a critical pattern of administration comment to propose more of such broadcasts by Russian leaders. He made one condition: That they grant us equal opportunities for reaching the Russian people.

In a major speech to the Senate last June, JOHNSON proposed other such exchanges. Why not let American and Soviet farmers, labor leaders, industrial managers, scholars and professional men visit each other's countries and exchange views in the plain sight of the whole world?

Last Monday, just 7 months after the Johnson proposal, the United States and Russia signed a historic exchange-of-persons agreement. It contemplates visits to this country by some 500 Soviet scientists, students, sportsmen and artists in each of the next 2 years, with comparable American groups going to Russia. It also provides for an exchange of broadcasts, each over the other's radio, on international political problems.

The day after the agreement was announced, a Republican Senator, JACOB K.

JAVITS of New York, arose in the Senate to give JOHNSON due credit. He said that JOHNSON originally had suggested such broadcast exchanges, and "I think he is entitled to hear our thanks for what he did."

Earlier, JOHNSON himself had welcomed the signing of the exchange agreement as an essential first step—the beginning of a beginning—on the long road to peace.

He made a little speech, which somehow missed the news trunk wires, spelling out the hopes now a-borning in this Democratic Congress for making that permanent contribution to peace.

"I try to be a realist about such things," JOHNSON said. "I have little faith in outlawing war as an instrument of national policy merely through pacts of renunciation.

"I do, however, have a great deal of faith in efforts to outlaw war when they are accompanied by positive steps to bring people together in cooperation."

Then he nailed down his point:

"When people work together to face a great challenge, they tend to lose their suspicion of each other. They become absorbed in the task before them—and fighting as an instrument of policy fades from the picture.

"It is for this reason that I believe the current situation affords us such a great opportunity. There are positive steps which we can take in concert with the other nations of the world to face the great challenge presented by outer space.

"These steps cannot be taken overnight. They will require long and careful preparation. And part of that preparation must be to bring the people of the world to a point where they can at least talk to each other."

BOARDS OF VISITORS TO UNITED STATES COAST GUARD AND MERCHANT MARINE ACADEMIES

The PRESIDING OFFICER (Mr. PROXMIRE in the chair). The Chair has been requested by the Vice President to announce for him the following appointments:

The Senator from Connecticut [Mr. BUSH] as a member of the Board of Visitors to the United States Coast Guard Academy, pursuant to Public Law 38, 75th Congress; and

The Senator from New Hampshire [Mr. COTTON] as a member of the Board of Visitors to the United States Merchant Marine Academy, pursuant to Public Law 301, 78th Congress.

AMERICAN MILLIONAIRES

Mr. McNAMARA. Mr. President, many of my colleagues, I am sure, have been laboring under the assumption that the era of Horatio Alger has passed. Under severely restrictive Federal taxation, the rugged individualist presumably is unable to enter that charmed circle of millionaires. I am happy to report, however, that this is a false assumption. It still is possible to make a million dollars in a year, and keep it. And the number of new millionaires, far from decreasing, is on the increase.

For this startling intelligence, I have the January 31 issue of U. S. News & World Report to thank. In an article on the subject, we are informed that in 1950 there were 219 persons or married couples who made a million dollars or more. Five years later, in 1955, the latest year officially reported, there were 267 such persons or married couples.

The average income of this group in 1955 was $2,096,000. Of that income, the Federal Government took $1,106,000 in tax, leaving $990,000, or 47.2 percent of total income.

But is that the entire story? No, indeed.

The article states this about the typical millionaire:

You can be sure, however, that this typical millionaire had a great deal of income not reported on his return—such as tax-free interest on municipal bonds.

Few high-bracket taxpayers have all their wealth in taxable investments.

The article notes that, despite tax rates running up to 91 percent, the Federal income tax actually takes considerably less than half of the typical millionaire's income.

But what is really amazing is that the tax bite on the millionaire actually is getting lighter. The article contains this statement:

In 1950 the Federal levy took 60.1 percent of (the typical millionaire's) income. In 1955, despite a slightly higher income and somewhat higher tax rate, the tax took 52.8 percent.

And the reason for this? Changes in the tax law made the difference.

Unfortunately, Mr. President, the American wage earner cannot make use of the loopholes that have been carved into the tax laws for the millionaire or other high-bracket taxpayers. The wage earner does not have a 27½-percent depletion allowance on his life's work. He does not find the capital-gains provisions of much help. Nor can he afford to lose money by being a gentleman farmer or a racehorse owner.

While I am delighted, Mr. President, that our young people can still aspire to be millionaires, I think it is time the Government provided some loopholes for the American wage earner.

I ask unanimous consent that the article from U. S. News & World Report be printed in the RECORD at the conclusion of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE STORY OF 267 AMERICAN MILLIONAIRES

Take a look at this country's millionaires through their income tax returns and you find some interesting and significant things.

You can't get a peek directly at those tax returns, of course. The law prohibits it. But the Internal Revenue Service has just completed—ahead of schedule—its analysis of people's tax returns for 1955. Included in the official report are figures on millionaires.

All told, says IRS, 267 individuals—or married couples—reported a million dollars or more of income in that year. In 1950, there were 219.

TYPICAL MILLIONAIRE

If you look at the averages for people who made a million in 1955, you see what might be called a "typical millionaire."

His income of the sort reported on tax returns came to $2,096,000, and his Federal income tax to $1,106,000. So he got to keep $990,000 or about 47.2 percent of his reported income.

You can be sure, however, that this typical millionaire had a good deal of income not reported on his return—such as tax-free interest on municipal bonds. Few high-bracket taxpayers have all their wealth in taxable investments.

What this means is that, despite tax rates running up to 91 percent, the Federal income tax actually took considerably less than half of this typical millionaire's income.

Taxes, moreover, have lightened perceptibly for him. In 1950, the Federal levy took 60.1 percent of his reported income. In 1955—despite a slightly higher income and somewhat higher tax rate—the tax took 52.8 percent. Changes in the tax law made the difference.

HOW TO DO IT

Official information shows where the typical millionaire got his income.

It was not from salary. Though 3 in 4 of the millionaires had salaries, this source accounted for less than 1.5 percent of their income. Taxable interest made up even less.

Biggest item: dividends—more than a million dollars in dividend checks from corporations to the average man in the top group.

But capital gains—profits on the sale of capital assets—were a close second. The typical millionaire reported more than a million dollars of capital gains, over and above his capital losses.

That figure, however, includes an unknown amount of long-term gain, and that type of gain is reported at only one-half its actual size. Conclusion: This typical millionaire had capital gains of far more than a million dollars.

Only 17 of the millionaires reported any profit directly from businesses, and only 52 from partnerships. But 141—more than half—showed losses. Hobbies of the rich are the explanation. Tax laws offer strong incentives for country estates, racing stables, other "losing" ventures.

FIGURING THE TAX

Sitting down to count his deductions, the typical millionaire came up with about $373,000—though one settled for the standard deduction of $1,000.

The typical millionaire's tax, at first figuring, came to $1,145,000. But he got a tax credit—or reduction—of more than $33,000 on his dividends, in recognition of the tax already paid by the dividend-paying corporations.

Many of the millionaires, with investments abroad, got credits for taxes paid to foreign governments. There were other, smaller, credits, but only 33 of the millionaires reported they were retired and claimed a credit for that.

Final tax figure: $1,106,000.

Four of the 267 millionaires—omitted from these averages—paid no Federal income tax whatever, despite their average incomes about $4 million. Why? They donated all, or virtually all, their income to charities. There's a special rule in the law that says you can deduct your contributions without limit if you have been donating most of your income in the past 8 to 10 years. Four wealthy families qualified under that rule.

THE NATIONAL SCIENCE FOUNDATION SOCIAL RESEARCH PROGRAM

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a report by Dr. Harry Alpert on the National Science Foundation's activities in the social sciences. This report appeared in the February 1, 1958, issue of the Saturday Review and is entitled "The Knowledge We Need Most."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE KNOWLEDGE WE NEED MOST

(By Harry Alpert)

Phenomena of human social behavior are commonly divided into three broad categories: those relating to man as a social animal and as a unit of society; those relating to the societies or groups that human beings form; and those relating to the cultural products of human creativity, and social interaction. In very brief, shorthand formulation, these may be referred to as the phenomena of personality, society, and culture.

The social sciences are usually divided into several broad disciplines, each of which views human social behavior from a different angle. The commonly recognized fields are:

Anthropology, the science of man and his culture.

Economics, the science of man's behavior in obtaining goods and services in making a living.

Political science, the science of government.

Social psychology, the science of the functioning of the human individual in his social relationships.

Sociology, the science of society.

Social statistics, the science of quantitative method applied to the social phenomena.

The interdisciplinary sciences or the borderline sciences which are considered integral parts of biological and physical sciences, but have significant social science orientation. These include: demography, the science of population; physical anthropology, the science of the races of man and their physical characteristics; social geography, the science of man's relation to his environment.

There are, as in the physical and biological sciences, many subdivisions and specialties within the main branches of the social sciences. There is also considerable overlapping among the social disciplines, as well as important overlapping between the social sciences and natural sciences.

The history of the National Science Foundation's activities in the social sciences began with the introduction in Congress in 1945 of the Magnuson-Kilgore bill for the establishment of a National Science Foundation. It was characterized from the outset by extensive debate on the part of Congressmen, Goverment officials, and the scientific community at large, on the degree to which the social sciences, being concerned with human behavior, could observe and measure with the objective accuracy generally attributed to studies of man's environment. There was a major national controversy over the interrelations of the natural sciences and social sciences, including lengthy Congressional hearings at which a most substantial majority of the witnesses supported the social sciences as essential to fulfillment of the National Science Foundation's mandate—to develop and encourage the pursuit of a national policy for the promotion of basic research and education in the sciences. The Cabinet members and other Federal officials who testified at all on this point supported unanimously and without reservation the principle of bringing the social sciences into the full picture. No witness expressed opposition in principle to Government support of the social sciences. A specific provision in the bill for establishment of a division of the social sciences within Nation Science Foundation was removed by the Senate, however, and when President Truman on May 10, 1950, signed the National Science Foundation Act, the law represented (insofar as research support, scholarships, and graduate fellowships were concerned) the permissive but not mandatory position put forth by Dr. Vannevar Bush, who originated the National Science Foundation concept at Franklin Delano Roosevelt's behest to win the peace.

Noting that the Federal Government already did a great deal of social-science research, Dr. Bush declared: "We could well do more. * * * I think it would be a mistake for the Foundation to plunge into work in the social sciences without very careful consideration of what parts it would like to cover, what parts it feels can appropriately be handled under Federal auspices in view of their nature. * * * In other words, the legislation should be permissive but not mandatory, so that the Foundation will not be barred from entering into the field but on the other hand will not be forced into it until it has given it the study that the subject deserves."

Nothing was said to limit or qualify inclusion of the social sciences in the law's directives to NSF "to appraise the impact of research upon industrial development and upon the general welfare" and "to maintain a register of scientific and technical personnel and in other ways provide a central clearinghouse for information covering all scientific and technical personnel in the United States." But during the Foundation's first years of operation several considerations led to initial concentration on the natural sciences.

First, the early NSF budgets were pitifully small in relation to the known needs of the sciences: $225,000 in fiscal year 1951 and $3,500,000 in fiscal year 1952 could scarcely begin to meet essential requirements of the scientific community. Second, the action in the Senate against a social science division invited a fear that support of social science research would embroil the Foundation in political controversies. Third, the Foundation was, at the outset, staffed on the professional side largely with natural scientists, and the majority of members of the National Science Board were selected because of their natural science backgrounds; consequently, there was little sense of competence to deal with the social sciences.

These inhibitions continued for some time. However, early in 1953, in response to persistent inquiries from other governmental agencies as to its social science intentions and in recognition of a Congressional suggestion that it examine the status of the social sciences and take appropriate action, the Foundation undertook a systematic study of its role with respect to the social sciences. As a result, the Director of the Foundation presented to the National Science Board a series of recommendations involving a limited program of research support and fellowships in selected areas of the social sciences. These recommendations were unanimously approved by the Board on August 13, 1954. They involved support of basic research, conferences, symposiums, attendance at international scientific congresses, studies in the status of science, and emergency publication needs in the areas of convergence of the natural sciences and social sciences. Similarly, the Foundation's fellowship programs were broadened to include a limited number of fellowships in the convergent fields.

The first fellowships were awarded for the academic year 1956–57. In that and the following academic year a total of 30 fellowships were initiated in the convergent fields.

Originally the limited program of research support was administered experimentally through the Biological and Medical Sciences Division and the Mathematical, Physical, and Engineering Sciences Division. Operating experience with this procedure was accompanied by increasing evidence of the significant contribution of the social sciences to the Federal Government, and by expressions of interest in basic social science research and education on the part of Congressional committees and individual Congressmen. Among these expressions was a specific recommendation in a report of the Subcommittee on Juvenile Delinquency of the Senate Committee on the Judiciary.

"Research provides the necessary basic knowledge concerning human social behavior upon which rational, effective action programs must be based," the report observed. "The subcommittee, therefore, believes that the encouragement of basic research in the social sciences must be an essential feature of any systematic program designed to meet the problems created by delinquent behavior. * * * Research plays a particularly important role in the attack upon social problems. * * * Likewise, research is essential in broadening and deepening our understanding of man's hopes, desires, and aspirations and our knowledge of the social processes by which human ideals can be achieved. Man has achieved mastery over nature, but now needs more than ever the fundamental knowledge about his own nature and his family and community relationships which will permit him to achieve mastery of himself. This much is axiomatic."

Here was an acknowledgement of the way the social sciences tend, by their nature, to become identified with the prominent social problems of the time. The NSF does not support research in applied social science. The basic research on the fundamental workings of human behavior which it does support may be expected to provide the practitioners of applied social science with important theories and understandings of specific happenings in much the same way as the engineer continually relies on the findings of his basic science colleagues in physics, chemistry, and mathematics.

One NFS grantee, Urie Bronfenbrenner at Cornell University, is studying the problems of sex identification and family structure. If our theories of personality development are correct, variations in the patterns of family structure and parental behavior should leave their mark on the personality of the child.

The existence in our culture of consistent differences between the sexes, both in attitude and action, is a well-documented fact, as is the presence of considerable overlapping from one sex to the other. However, we know little of how these differences come to be. It is generally conceded that such variation is not to be explained by biological factors alone but depends in large part on environmental influences, particularly within the family. Empirical studies of this question are few. We have little information about differences in the bringing up of boys and girls in our culture and the specific role of each parent in this process. We know even less about how these differences in child rearing operate to produce systematic variations in personality for the two sexes. Knowledge of how behavioral differences between the sexes develop may pave the way for better understanding of how persons of the same, as well as different, sexes come to differ in personality characteristics.

Juvenile delinquency was not the only public problem that Congress felt could be effectively attacked by basic research in the social sciences. Others were suggested by the Subcommittee on Economic Statistics of the Joint Economic Committee. In these, mathematical techniques in economics were involved. Electronic computers have opened new methods of analyzing economic data. Julius Shiskin and Geoffrey H. Moore of the National Bureau of Economic Research have been using an NSF grant to explore the problem with special reference to the analysis of current economic indicators and historical analyses of business fluctuations. They have made a significant advance in their development of an electronic computer program

which can systematically and rapidly separate more meaningful business trends from seasonal and irregular fluctuations. The previous inability to do this was long an acute problem because, on a month-to-month basis, seasonal and irregular movements are usually much larger than changes in the underlying cyclical, or major, trend. The new method provides a more speedy and a more sensitive measure in determining the stage of the business cycle; it is already in use by both Government and private industry in gaging the current position of our economy.

The NSF staff, having outgrown some of its original caution, responded to the indications that experience with the benefits of social science research was altering Congressional attitudes about support of experiments in human behaviorism. In planning for fiscal 1958 (which began July 1, 1957) it was decided to request limited funds to broaden the NSF approach to the social sciences beyond the areas of convergence with the natural sciences. The staff proposal was approved by the Board, the new funds were obtained, and on August 1, 1957, there was established within NSF a consolidated, unified social science research program.

One may well ask: Where do we go from here? From various quarters we are urged to survey and study further the social sciences and to make a case for the support of social-science research. But the social sciences have already been surveyed to death. Little can be accomplished by more activity along these lines other than to delay and postpone effective positive action. In fact, in some instances, the suspicion seems to be well founded that the demand for more studies is a substitute for facing up to a policy decision.

Unquestionably, the case for the social sciences can rather easily be made in statements and memorandums. But a memorandum is not enough. Heed must be given to the well-considered warnings of Charles Dollard, now a member of the National Science Board, regarding necessary strategy for the social sciences. Dollard quite properly stresses the strategy of the deed. Advance in social science depends on what social scientists indeed do: How well they teach at the undergraduate level, how effectively they respond to calls from industry and government for help in resolving practical problems, and how much they devote to fundamental research. It depends also on the extent to which they cultivate patience and humility. "An attitude of patience and humility," Dollard concludes, "involves no admission of failure or inadequacy. * * * The long-term contract of the social scientist with society is not to perform miracles but to bring to the study of man and his problems the same objectivity and the same passion for truth which have in the past given us some understanding and control of the physical world."

Illustrative of the sympathetic understanding of social science activities and objectives which proper presentation can achieve is the final report of the select committee of the House of Representatives, Cox committee, which in 1952 investigated tax-exempt foundations. The report commented:

"Many of our citizens confuse the term 'social' as applied to the discipline of the social sciences, with the term 'socialism.' And since the social sciences may be defined as the study of man's relationship to man, the problem of every man considering himself an expert in the field is ever present. Few individuals feel themselves qualified to express an expert opinion on nuclear fission or the value of isotopes, but most of us will not hesitate to express our opinions on such homely subjects as divorce, the causes for the increase in the cost of living, the psychological effect of segregation, the increase in juvenile delinquency, or the impact of television on the study habits of children. But these and other subjects within the orbit of the social sciences are proper subjects for study and analysis under conditions of control which give promise of revealing scientific facts."

Many social-science programs of the Federal Government have experienced a process of starts and fits: an activity gets started; then, when a general or Congressman throws a fit, it gets discontinued. By contrast, the social science research program of the National Science Foundation has been characterized by selective, cautious, but continuous and essentially sound growth. Some have viewed the developments here reported as exasperatingly slow, but I believe that by careful planning and effective operations a solid basis has been established for future growth.

Next steps, in my judgment, should include, for the short range, (1) broadening of the NSF graduate and faculty fellowship programs to include the social sciences as such; (2) inclusion of the social sciences on an equal status with other scientific disciplines in the education, register, facility support, and related programs of the Foundation; and (3) establishment, after a period of experience with present programs, of a division of the social sciences, as envisaged originally in the Magnuson-Kilgore bill 13 years ago.

For the long run, steps must be initiated to develop among natural scientists and social scientists a sense of mutual respect and understanding and a community of interest. Today's invidious hierarchical distinctions among specialists of the various disciplines must disappear. An institutional environment must be created to encourage all scientists in intimate association to cooperate effectively toward achievement of the common goal of better understanding of the ways of nature, man, and society. Man's mastery of space, it has been appropriately said, must quickly be matched by man's mastery of himself. This is a fundamental condition of survival.

Mr. MORSE. Mr. President, I submit this article for the RECORD because the Committee on Labor and Public Welfare, of which the distinguished Senator from Arizona [Mr. GOLDWATER] is also a member, is at the present time considering the whole subject of the so-called educational crisis which confronts America, and this article is a reference piece which I believe ought to be made available for Senate debate.

I am particularly proud to direct attention to Dr. Alper's article because he will be leaving the National Science Foundation shortly to assume his new post as dean of the graduate school and professor of sociology at the University of Oregon. I am also proud of the role I have had in supporting the programs of the National Science Foundation, and especially its activities in behalf of the social sciences. My colleagues in the Senate may recall that during the early debates on the national science legislation I received assurance from the Senator from New Jersey [Mr. SMITH] that the newly proposed National Science Foundation would have specific, unquestionable authorization to move in the social science fields. Mr. President, we have moved ahead on this program and I believe a great deal of credit for accomplishments to date must be given to those of us here in the Senate who for the past 8 years have vigorously supported the role of the National Science Foundation in the social science fields.

Aside from the intrinsic importance of the social sciences to which I directed the attention of the Senate last summer in the CONGRESSIONAL RECORD of June 3, June 12, and August 26, I believe that continued support of training, research, and education in the social sciences will help redress, in some measure, the unfortunate imbalance in our educational system which may result from undue emphasis on the physical sciences. Nor can we ignore at this particular time the liberal arts and humanistic studies which help to give expression to the spiritual values of man. As the New York Times noted in an editorial last fall, the wider lesson of the sputniks involves not only education in the field of missiles or the natural sciences alone, but also our ability to examine ourselves and our institutions and to improve our knowledge and methodology in the sciences dealing with man's social behavior.

I understand that the President's budget for fiscal year 1959 includes a modest increase of the funds available to the National Science Foundation for support of basic research in the social sciences. The requested amount of $850,000 for this purpose out of a total budget request for $140 million is the very least we can allocate to these important disciplines. Undoubtedly the social sciences could properly spend 2 or 3 times this amount. I also understand that the same budget requests increased funds for fellowships in selected social-science areas. I strongly urge that this budgetary request be approved in full and that the social sciences be given proper recognition not only in the fellowship program but also in all of the other program activities of the National Science Foundation.

Finally, I should like to congratulate Dr. Alpert for his excellent work at the National Science Foundation and for his wisdom in selecting Oregon as his adopted State. The Oregon delegation in both Houses of Congress welcome him to the University of Oregon and look forward to pleasant associations with him in his new position.

EXPAND THE SCHOOL

Mr. President, I ask unanimous consent to have printed in the body of the RECORD, as a supplement to the Alpert article, an article entitled "Expand the School," written by Pendleton Herring, the president of the Social Science Research Council of America. This article, too, particularly deserves the attention of the Committee on Labor and Public Welfare.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

EXPAND THE SCHOOL

(Pendleton Herring is president of the Social Science Research Council. In the conduct of his office during the last decade he has become intimately familiar with the difficulties inherent in constructive spending of money. He knows from experience with the council's seven member societies—the American Anthropological Association, the American Economic Association, the American Historical Association, the American Political Science Association, the American Psycholog-

ical Association, the American Sociological Society, and the American Statistical Association—that the wellsprings of imaginative research cannot be neatly channeled along the lines of an accountant's ledger. His call for help for the social sciences is, thus, the more compelling.)

(By Pendleton Herring)

The social sciences have developed over the years as an integral part of American higher education. By and large, their usefulness has been taken for granted. Their private foundations have supported many aspects of social science research, and have encouraged scientists by providing fellowships and grants. The Federal Government, however, is the largest single consumer of the resulting social science skills and talents. Thousands of employees are trained in one or more of the social science disciplines and spend their days applying their knowledge for one or more Federal agencies. Indeed, our great Federal Departments—Treasury, Agriculture, Commerce, Labor, and Health, Education, and Welfare—could not discharge their manifold duties properly without men and women trained in the social science disciplines, particularly economics, statistics, and psychology.

In view of this dependence of the Government on officials broadly educated in the subject matter of the social sciences in our colleges and universities, we might expect from the Government clear recognition and continuing support of the social sciences. What is the actual situation?

According to National Science Foundation data for 1957, the whole of Federal Government spending in support of the social sciences was $35 million—about 3.6 percent of the total Government expenditure for science. Only $4 million of that sum was spent for basic research. The NSF's own spending for social science amounted to $382,000. Of the many thousands of Federal fellowships or research assistantships given to science students how many went to students in the social sciences?

	Resident students	Recipients of stipends
Physical sciences	18,996	3,399
Life sciences	13,042	1,696
Psychology	5,444	402
Other social sciences	15,405	110

It is clear that fellowship support under the National Science Foundation is not yet available to qualified students in the social sciences generally. If we add up the numbers of economists and psychologists and sociologists and other social scientists, they constitute about a fifth of the total of all the college graduates professionally employed in all fields of science. Support for the social sciences is not commensurate. This line of argument, if pursued, would mean urging a manifold proportionate increase in social science appropriations.

I prefer not to adopt this criterion. More money can help, but we cannot buy our way to knowledge or truth, or even to security. If one shortsighted reaction is to hope to spend our way out of this present crisis, another is to identify with greater national security increased support for some special-interest field of learning to the detriment of other fields. The history of science tells us that studies seemingly remote and abstract at one moment have highly practical aspects at another. At the same time that governmental contracts are offered for research relevant to immediate national needs, it is important that a substantial number of scholars should continue to follow their scientific curiosities without regard to the clock or the calendar. The dynamic crisis through which we are moving will not be resolved in the present session of Congress nor by the election of next November. It is to be of long duration. To recognize that we are living in a period of rapid change means also to accept the fact that routines will be altered, some vested interests demoted and others enhanced in importance. So I prefer not to plead for any fixed proportion of Government funds for the social sciences.

My concern is with how the social sciences can best contribute to the institutional developments in our society. This contribution is the appropriate measure of social science worth, its true claim to recognition.

The Nation's need, in my own opinion, is for steady, strong support for the broad sweep of teaching and research in American higher education. To establish the social sciences upon a higher and firmer plateau for advance over the next 10 years, increased opportunity must be provided for further research activity. This calls for more endowed professorships, for more tenure appointments, for better fellowships, and for more situations where a professor can work closely with a group of highly qualified advanced students, and where these students, in turn, can look forward to adequately rewarded social science careers.

The sums of money involved are, of course, substantial. Such financial support goes beyond the present practice of research grants for specific projects undertaken with grants made for 1, 2, or 3 years. It is an integral part of the larger questions involved in the support of higher education. These problems are so massive that, while efforts are being made to cope with the total situation, opportunities should not be overlooked by industry, or by the smaller foundations, to provide professional chairs at selected institutions.

Estimated costs of such educational improvement that may seem extravagant today will, I predict, turn out to be conservative before the total bill is paid. Providing money is the easiest part; taxing our brains comes harder. The demanding task is to decide how best to employ our resources and direct our energies.

Now, and during an indefinite span of years ahead, there is urgent need for the confident exercise of social intelligence. As a nation, we will be called upon to make choices that call for a full appreciation of consequences. As a society, we function under a system of decentralized decision making. In all walks of life we endeavor to preserve the individual's right to decide for himself. This is probably what freedom means to most of us. It is certainly the nature of our pluralistic society.

As self-governing individuals, we must live in the same world with a totalitarian state that denies in its organization and ideology all that we cherish. If we are not to embrace, in self-defense, the very attributes of our competitor for survival, we must learn to excel in terms of our own attributes. Freedom must show its greater strength: the capacity of citizens to make wise choices. To this end, we must be self-aware; aware of our psychological strengths and weaknesses as individuals, aware of our social roles as citizens or as parents or in our work or play, aware of the interrelations of churches and labor unions and businesses and professions and other groups, aware of the forces that make for productivity or self-development or moral virtue, aware of the nature of the American culture and of the other cultures we must understand in order to remain free.

In simpler, tradition-bound cultures, such conscious awareness does not have to be articulated in theories or expressed in administrative arrangements. It can be expressed in the mores and carried out in familiar routines. But in our highly mobile, technological society we cannot rely upon custom and we abhor totalitarianism. The only alternative is greater knowledge of human behavior and social relations, if we are to lead our individual lives with some degree of freedom and at the same time manage our public affairs effectively. The social sciences represent our efforts to deal rationally and systematically with such matters even while we recognize that human affairs may transcend the limits of scientific analysis—even though, in matching our social science potentials against the magnitude and complexity of the human problems that surround us, we realize our kinship to builders of a fire with wet wood on a stormy mountainside.

All-out war as an instrument of national policy is obviously self-defeating and suicidal. The outbreak of so-called limited warfare between major powers would greatly increase the risk of the use of weapons of mass destruction. Hence, as we look ahead, diplomacy and negotiation take on a new importance. This is another way of saying that political, economical, cultural, and psychological factors take the center of the international stage.

Our defense is now more than ever tied in with knowledge of the Soviet Union. Due to the foresight and initiative of several of our leading universities and major foundations over the past decade, 400 to 500 specialists in various aspects of Soviet studies have been trained and significant research completed. The task now before us is to build from what has been accomplished in order to widen understanding of how a totalitarian system actually functions.

In the uncommitted parts of the world, will representative or dictatorial forms of government win out? We need a clear grasp of the interplay of social, economic, political, and cultural forces in these other places. We should know the real acceptability of our financial aid to foreign lands, and the impact of our information agencies abroad. Are we fighting straw men instead of our real enemies? Have we misjudged the aspirations of our friends? Systematic efforts could be made through surveys of opinions and preferences to find out more about the peoples of the world with whom we wish to cooperate. Comparative analysis of political systems can provide a clearer picture of the realities.

Even while we are engaged in the political and economic subtleties of the cold war, we are also called upon to reckon with the strains on both the individual and the society induced by technological progress. What are the social implications of atomic energy? What are the psychological as well as the biological limits of endurance of navigators for the space age? Change is all about us, yet our methods for studying it fall short of grasping its complexities.

All of the problem areas of great national concern at the present time can be approached on at least two levels. What is the concrete and immediately wise course of action? How to increase the supply of scientists is a question at that level. The second level involves such questions as: What makes a scientist, anyhow? What makes him want to study science, and when does it happen? Highly qualified sociologists and social and educational psychologists can seek answers to those questions and to still broader ones such as these: What kinds of students get most out of college, and under what conditions? What influences most affect their development during the college years? In short, what does the college experience mean and, more particularly, how can the vast amount of wealth and intellect expended in higher education be used to maximize the educational experience for the individual student? It seems to me highly desirable to give encouragement and support to social scientists working at this second level, and to have this effort continually under way in many problem areas. The answers found do not necessarily produce easy solutions, but they

do provide a factual basis for coherent thought about constructive social arrangements.

In fact, an effort is now under way to exploit electronic computers to understand the nature of human thought itself. What are the possible parallels between the cognitive processes as discerned by psychological study and as performed by computers? This question is so much on the frontier of research curiosities that the fingers of one hand suggest the number of individuals professionally qualified and technically competent to think about thought with the aid of the most advanced thinking machines. An experimental approach is involved where the gamble is great but where a genuine scientific breakthrough might result. Such possibilities on the frontier of social science research are few in number, and so are the rare individuals with the skills and imagination for meeting the challenge. When they can be found, they should be backed to the utmost.

There is today a widely held conviction that a clearer recognition of social scientists within the National Science Foundation is in order. Research projects in the fields relating to human behavior and institutions should be considered on their merits under conditions that insure informed judgments by those at the top decisionmaking level. The Foundation has been moving in the right direction. The time has come for more forthright support and recognition of the social sciences as these fields contribute to a basic understanding of human behavior.

PROTECTION OF ROADSIDE SCENERY ALONG INTERSTATE HIGHWAY SYSTEM

Mr. NEUBERGER. Mr. President, it was with great interest and satisfaction that I read in the CONGRESSIONAL RECORD this morning the remarks made by the junior Senator from California [Mr. KUCHEL] in introducing S. 3218. This is a bill which would offer an incentive of a 1-percent increase—from 90 percent to 91—in the Federal contribution toward the cost of the Interstate Highway System in any State which undertook a program of controlling the construction of advertising signs and billboards along the Interstate System within its borders, outside incorporated cities.

As the author of a billboard-regulation measure earlier in this 85th Congress, S. 963, I welcome the proposal of the junior Senator from California. It offers us some reason for renewed hope that the Congress may act on this subject while there is still time. Quite some time has already been unnecessarily lost, but we still have the opportunity at this session to act to save the new highway system; to avoid offering up the hundreds of millions of Americans who for years to come will travel along these highways, built 90 percent with their Federal gas and tire taxes, as a captive audience to the billboard industry. Better late than never. S. 963 was introduced January 29, 1957. As a matter of fact, I had tried to have roadside protection included in the original highway bill in the 84th Congress. I must say the proposal did not receive a great deal of support at that time, when it would have been easiest to pass as part of the whole Federal highway program. But hearings were held on S. 963 from March 18 to April 2, 1957, by the Subcommittee on Public Roads under the chairmanship of the able junior Senator from Tennessee [Mr. GORE] on which both the junior Senator from California and I serve. The Eisenhower administration, and particularly Federal Highway Administrator Bertram D. Tallamy expressed sympathy with the objective of Federal action on billboard control. The subcommittee voted to report favorably an amended version of S. 963. This bill would provide an incentive of three-fourths percent, instead of 1 percent as now proposed by the Senator from California, and it differed in other minor particulars. Unfortunately, the Senator from California was not persuaded of the necessity of action to protect the roadsides of the new highways. He voted against S. 963, and thus that proposal for Federal incentives to state billboard control action was defeated in the Committee on Public Works August 21, 1957, by a single vote, 7 to 6.

I am glad to be able to say that this did not end public clamor for action. The interest and activities of the many citizens' groups concerned about the appearance of and outlook from the new highway persisted and, if anything, increased between the sessions of Congress. Among these have been the American Automobile Association, the Garden Clubs of America, the California Roadside Council and many others.

As a matter of fact, the last-named organization sent me a sampling which they had collected of editorial opinion in the press of California to be sent to all members of the Public Works Committee, which included 12 favorable items and only one opposed to billboard control.

Mr. President, I regard this kind of sustained effort, made by organizations of citizens who have no financial self-interest at stake in a policy against the determined oppositions of groups which have such an interest, as a particularly inspiring example of democracy in action. It is one which we in the Congress should especially respect as an expression of a true public interest, as against the many more mundane economic interests which so often occupy our attention. That is why I am glad that the Senator from California has reconsidered his opposition of last year to the Federal billboard control incentive proposal urged by the distinguished Senator from Tennessee [Mr. GORE] and me; that his mind was not closed and fixed in this opposition, but that he has determined such incentive payments to be a worthwhile step the Federal Government could take to protect the interest of the traveling public in its National Highway System. I hope that his introduction of his bill, S. 3218, will lead to renewed consideration of this approach by the Senate Committee on Public Works and that, with his vote now subtracted from the opponents and added to those of the proponents of Federal action—and, I hope, with real support from the administration—we shall be able to bring before the Senate a roadside protection provision for the highway program in time for adoption during the present session.

VOLUNTARY UNIONISM

Mr. GOLDWATER. Mr. President, the National Labor Relations Act requires membership in a union within 30 days after going to work for a company with which a union-security agreement has been negotiated.

For nearly 1 year, the Senate Select Committee on Improper Activities in Labor and Management, known sometimes as the Senate Rackets Committee, and mostly as the McClellan committee, has been listening to evidence collected by its staff on the improper and irresponsible activities of certain labor leaders of the labor movement of this country.

The country has been rightly shocked by the disclosures of this committee. The people of the United States are looking today to this legislative body to improve existing laws so that it will be impossible for these actions to be repeated in the future.

This cry comes, in large measure, from the union member himself, who, because of our labor laws, must belong to a union in order to work, whether or not he likes the way the union is run, whether or not he likes its leadership, whether or not he likes the association.

It might be of interest to note that in the year since these investigations began, my office has received approximately 10,000 letters. I would judge that 98 percent of them have come from union members expressing this concern.

As a result of this loud and insistent cry, many suggestions have been made by Members of this body and by Members of the other body, and by members of the administration.

Aimed at correcting these evils, some of these suggestions have already reached the floors of Congress in the form of bills. One of those suggestions has reached this body in the form of a proposal that I, along with Senators BUTLER, JENNER, THURMOND, CURTIS, and MARTIN of Pennsylvania have introduced, which, in my honest conviction, is vital before the union movement in this country can clear itself of the evils that have been disclosed and to protect itself and its members from a recurrence of them in the future.

Unlike most of the proposed legislation offered thus far, this proposal goes to the cause of the difficulties which have occupied the McClellan committee, and is not aimed solely at the effects. It is my honest opinion that the abolition of compulsory unionism is the means by which honest unions can rid themselves of all the dishonest officers, alien ideologists, political fanatics, hoodlums, and plain old crooks.

As I have sat in this committee, day after day, listening to the shocking parade of witnesses, one statement kept coming to my mind—and that is the statement made by Lord Acton:

> Power tends to corrupt; absolute power corrupts absolutely.

Power vested in the hands of any group, whether it be government, business, or labor, is a source of evil, and on reflection, I am not surprised that this

very power which has been permitted by an act of Congress has been taken advantage of by some of the union officials.

No one in this country should really have been surprised, even though he had a right to be shocked, for anyone who has given any thought to the evils of concentrated power knows what to expect from that power and should have realized that what has been going on is not unusual; in fact, it is predictable. No organization having a stranglehold on both the physical and economic condition of its members can expect to live forever free of corruption. Wherever power is created, if men who are skilled in corruption are not attracted immediately, then it is only a matter of time until they arrive. Mr. President, it is as useless to expect responsibility in an organization created by compulsion as it would be to expect the same responsibility in a government wherein the divine right of kings or a dictatorship over the people was the political principle controlling that society.

Our Government has been a responsible and responsive government because the leadership must be responsive and responsible to the citizens. The same condition must prevail in labor organizations to the extent that leaders be responsible to the membership, instead of having the members being responsible and beholden to the leaders. We can say this about any organization of people, whether it be an organization of labor, veterans, chambers of commerce, business, or professional. If the membership in these organizations were compulsory—required by the law of the land—then we would be witnessing corruption in all of these places, just as today we are witnessing corruption in some segments of the labor movement.

I say to my colleagues assembled today that if the free people of America desire to retain that freedom and to preserve the principles that have created greatness in this land, the absolute power that was vested in the leadership of the union movement by virtue of the Wagner Act and the compulsion clause of the NLRA, as amended, must be removed. That I am not alone in this thinking is evidenced by the increasing spread of right-to-work laws across the States of America.

In our Nation there is only one association in which membership is compulsory and universal, and that is the State. The State alone has responsibility in respect to all. We, in this country, however, by an act of Congress, have gone further. We have required membership in a labor organization as a prerequisite for work, where bargaining agreements so require in this country today.

The people of the States, having been given the right, under section 14 (b) of the NLRA, to prevent compulsory unionism, have, in 18 States, to date, enacted laws which have traveled under the name of right-to-work laws. Much argument exists as to the propriety of having that term attached; but, inasmuch as it is a popular and an accepted term, it can be used in describing the opposite of compulsion. However, I should like to see us discuss this problem in the light of voluntary membership.

The concept of voluntary membership is based upon two premises, the first of which is the freedom of the individual; and the second is the right of association.

Let us explore the first one first—freedom of the individual. As more and more employers in this country were signing agreements with the union or closed-shop clauses, it became evident that, with the arbitrary power placed in unions, a man's membership in a union was becoming more important than his right as a citizen, because his livelihood depended on maintaining his membership. The obviousness of this fact created an interest among the very workers affected in the States which have enacted voluntary laws, to the extent that sufficient interest to accomplish their passage was aroused.

I believe that the best expression I have ever read concerning the freedom of the individual was expressed by Mr. Bennett B. Patterson, in his book, The Forgotten Ninth Amendment. Mr. Patterson said:

> Individual freedom and the recognition and development of the spiritual nature of mankind are the essence of democracy.

Indeed, they are the essence of life itself. We believe that by nurturing and encouraging the natural development of the individual, to the point where he will achieve his greatest work, society as a whole will profit in the greatest measure. Our whole system of government and our whole system of free enterprise are based upon the individual rights of freedom. Our basic writings abound with the proof of this statement, and we need to look only at the Declaration of Independence to find the substance of all our freedom. This document says:

> They are endowed by their Creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness.

That is not only the cornerstone of our Republic; it also spells out our fundamental rights. Certainly, the right to employment, regardless of whether a man belongs or does not belong to a labor organization, is one of his basic rights. It is fundamental, for without it a man cannot retain the right of liberty or the right to pursue happiness, inasmuch as both are dependent on his free right to work.

For quite a few years, now, in this country we have heard that the right to a job is one of the basic human rights; and we hear, further, that our Government is not only bound to protect this right, but must create it.

Today, the same sources are highly concerned because 18 of our States have passed legislation or their constitutions contain provisions to protect the working people from being deprived of their jobs, by reason of membership or nonmembership in a union.

The question that arises at this point is this: Is the right to a job really a basic human right, or is this right restricted to union members only? Actually, there is no right to a job in this country or any other country that follows our concepts of freedom. The right to a job, if such a right does exist, exists only in man's determination to get a job and to keep it. If there are rights connected with that, then those rights are wrapped up in voluntary unionism that recognizes that a right to work, regardless of whether a man belongs to a union, is a basic right expressed in our Declaration of Independence and further outlined in various places in our Constitution.

This right is coextensive with the right to life itself. William Shakespeare once said, in The Merchant of Venice:

> You take my house, when you do take the prop that doth sustain my house; you take my life, when you do take the means whereby I live.

Let us look at the Constitution, and see what that document has to say about this subject and the other rights that man enjoys in connection with employment.

The famous fifth amendment of the Constitution says, in part:

> No person shall be held to answer for a capital or otherwise infamous crime unless—

And then it goes on to list several exemptions; and it says—

> nor be deprived of life, liberty, or property, without due process of law.

If a man is forced to join a union, in order to obtain or retain employment, certainly that action, being one of compulsion, without the process of law, violates that part of the fifth amendment. Likewise, if a man were denied employment because of membership in a union, that action would be a similar violation of this amendment.

Quite similar language is contained in the 14th amendment, which says in part:

> Nor shall any State deprive any person of life, liberty, or property without due process of law.

Thus, we see in amendments 5 and 14 the clear intent of the Constitution to protect any right bearing upon life, liberty, and property; and, certainly, voluntary unionism is fundamental to these rights.

There is another amendment, not often referred to by students of the Constitution, or generally known by the American public, but which contains what is, to me, one of the basic statements about our rights.

The ninth amendment says:

> The enumeration in the Constitution of certain rights shall not be construed to deny or disparage others retained by the people.

Thus, Mr. President, some of our rights, like the right to stand up or sit down, the right to walk, or the right not to walk, are not enumerated in the Constitution. And, I may add, the right to work is not specifically enumerated in the Constitution, either; but certainly it is spelled out in the amendments to which I have referred.

The ninth amendment is a broad statement of the protection and extent of these rights. It recognizes that all of the rights of men are protected. It recognizes that the individual, not the

State or the Federal Government, is the source and basis of our social compact. It further recognizes that sovereignty rests with the individual. The right to voluntary membership in a union is a right which must be protected if the very rights of life, liberty, and the pursuit of happiness are to be maintained in this land of ours.

Near the outset of this discussion, I stated that there are two aspects to voluntary unionism—one being the rights of the individual, which we have just discussed, and the second being the right of association.

In taking up this aspect of my discussion, we should again turn to our Constitution, and should see what the first amendment has to say about the freedom of association. It says:

> Congress shall make no law respecting an establishment of religion.

Then it states, "nor the right of the people peaceably to assemble."

Again, we get back to the freedom of the individual, for this right springs from the liberty of the individual to order his life as he sees fit, to choose where he will work, to choose his church, his political party, his lodge, his union, if he desires to affiliate with any of these.

No law in the United States should compel a man to join any organization or group; neither should a man be denied the right to join any group whose purposes are lawful. Some men want to belong to unions; some do not. It is as simple as that. But some union leaders want the right of assembly destroyed by the extension of compulsory unionism into the States where that right is now protected. These people may not want to belong, because they do not like some of the leaders. They may not want to belong, because they do not like the program. There are many reasons that would make a man hesitate to join any organization, just as there are many compelling reasons which make men want to associate with others, in the pursuance of a common objective.

It is difficult for me to understand why there exists here in America, the land of the free, the desire on the part of some persons to force a man to join a union in order to gain and retain employment. There are successful unions in other parts of the world. There are countries that are far more unionized than is the United States. Many western European countries prohibit by law compulsory unionism. This policy is based on a belief that the fundamental right, which they recognize, of freedom of association cannot exist independently of the equally fundamental right of the freedom not to associate.

In fact, in these countries—and I mention Switzerland, Belgium, and Austria as examples—the highest courts take the position that the right to associate and the right not to associate constitute a single inseparable right.

The most highly unionized group of countries in the world, the Scandinavian countries, prohibit by law compulsory unionism. It is not allowed. Yet, in spite of that, in these countries the percentage of the working people belonging to unions is greater than that in any other countries in the world. Compulsory unionism is abhorred.

Leaders across the world recognize that compulsion contains the seeds of its own destruction. But, allow a man the freedom to join or not to join, when a man does become a union member by exercising his free right of determination, he becomes a good union member and an asset to his organization and a person who will, in a democratic way, police the activities of the union, and, thereby, prevent the type of activity that we have seen unfolded in the caucus room of the Senate Office Building in this past year.

I cannot help but comment again on the fact that organizations in this country are not policed from the top down; they are policed from the bottom up. I cite the Veterans of Foreign Wars, the American Legion, the chambers of commerce, our associations of trade and professional people. They are not compulsory organizations. They are organizations which are kept on the right and the good path by the interest of voluntary members.

It may be that in this country some union leaders are afraid of free men's choices. Perhaps they do not recognize that free men know the need and the value of unions: That free men will join unions when the unions show free men that they are better off belonging to them than not belonging to them. Perhaps they do not recognize that Americans do not like coercion, that Americans do not like to be told what to do, or when to do it, or to have to pay for a right to do it. Perhaps they are not aware of the fact that many members of their unions and many people who do not belong to the unions do not like the way that their unions have violated the desires of minority groups of their organization.

The thoughts that I have expressed on the dangers of compulsion in the union movement are not new. In fact, in 1924, Samuel Gompers, in El Paso, Tex., said in his final presidential address:

> Where we have blundered into trying to force a policy or a decision, even though wise and right, we have impeded, if not interrupted, the realization of our aims.
>
> No lasting gain has ever come from compulsion. If we seek to force, we but tear apart that which, united, is invincible.
>
> As I review the events of my 60 years of contact with the labor movement and as I survey the problems of today and study the opportunities of the future, I want to say to you, men and women of the American labor movement, do not reject the cornerstone upon which labor's structure has been built—but base your all upon voluntary principles and illumine your every problem by consecrated devotion to that highest of all purposes—human well-being in the fullest, widest, deepest sense.
>
> We have tried and proved these principles in economic, political, social, and international relations. They have been tried and not found wanting. Where we have tried other ways, we have failed.

I quote from An Introduction to the Study of Industrial Relations, by J. Henry Richardson, who says:

> Union leaders may be less considerate of their members' interests if workers no longer have the safeguard of leaving the union and still be able to find work.

My colleagues, if what I have just stated about the moral and constitutional basis of voluntary unionism be true, then how did the proviso to section 8 (a) (3) of the NLRA—the union shop, compulsory provision—ever become part of the law of this land?

I shall tell the Senate how it crept into the law, and if I may, I should also like to refresh some of my colleagues on basic physics. In my State of Arizona, men for over a hundred years have toiled to remove copper from the earth. They removed the copper in order to sell it so as to support themselves and their families, and one of the things that has created the great demand for copper is its excellence as a conductor of electricity. Copper is smelted and transformed into wire, the wire is then wrapped with rubber and used for electrical cord. When electricity is induced into this cord, it unfailingly obeys a basic law of physics by following the path of least resistance, the copper wire. Rubber offers great resistance to electricity, but copper does not. This physical phenomenon has been the source of many of our present-day conveniences and laborsaving devices.

Mr. President, Senators may be wondering just what copper wire has to do with Federal labor laws, so allow me to explain.

During the thirties, there was a labor surplus, and allegedly certain employers took advantage of this fact to lower wages, and, as is so often stated, "bust unions." I do not condone this action, but merely state it as an allegation.

Labor leaders, to meet the challenge, asked the Congress for legislation which would encourage trade unionism. Congress responded with the Norris-La Guardia Act in 1932, the National Industrial Recovery Act in 1933, the Wagner Act in 1935, and the NLRA, as amended, in 1947.

I do not want to take up the time of this body by a complete recital of the legislative histories of these measures. I will ask, however, that material that I have had prepared on this subject be inserted at the conclusion of my remarks. Suffice it to say that compulsory unionism was not Federal policy in the Norris-La Guardia Act or the NRA, but came on the scene with the Wagner Act in 1935. Not only was compulsory unionism not Federal policy in the period from 1932–35, it was specifically prohibited, as is shown by an examination of section 2 of the Norris-La Guardia Act and section 7 (a) of the National Recovery Act.

Section 2 of the Wagner Act reads as follows:

> In the interpretation of this act and in determining the jurisdiction and authority of the courts of the United States, as such jurisdiction and authority are herein defined and limited, the public policy of the United States is hereby declared as follows:
>
> Wherens under prevailing economic conditions—the individual unorganized worker is commonly helpless to exercise actual liberty of contract and to protect his freedom to labor, and thereby to obtain acceptable terms and conditions of employment, where-

fore, though he should be free to decline to associate with his fellows, it is necessary that he have full freedom of association, self-organization, and designation of representatives of his own choosing, to negotiate the terms and conditions of his employment, and that he shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection; therefore, the following definitions of, and limitations upon, the jurisdiction and authority of the courts of the United States are hereby enacted.

Section 7 (a) of the NLRA reads as follows:

Every code of fair competition, agreement, and license approved, prescribed, or issued under this title shall contain the following conditions: (1) That employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection; (2) that no employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing; and (3) that employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment, approved or prescribed by the President.

In spite of these precedents, Congress, in 1935, obeyed the basic law of physics, only in human terms. The Congress, like electricity, followed the path of least resistance when it adopted the closed and union shop provisions in the Wagner Act.

Labor leaders had raised a hue and cry about union security, union busting, yellow dog contract, and the Congress, to satisfy them, actually stripped American workers of a basic freedom. I say that Congress followed the path of least resistance because the individual who was losing his freedoms was not, as is too often the case, consulted or even considered when the legislation was being considered.

What possible rationale could Congress have applied in arriving at this drastic conclusion? Gentleman, the answer is expediency. Expediency has been the salve to soothe tortured consciences in all too many cases, and the conscience of the Congress badly needed salving after the passage of the Wagner Act.

I cannot, in honesty, say that Congress did not hear some wonderful arguments in behalf of compulsory unionism. These arguments—like fool's gold—seem good and honest at first glance, as Senators shall see when I discuss them. There is only one drawback, one Achilles' heel, one fly in the ointment, and that is the fact that we are Americans, free children of God, and the inheritors of more freedom than has ever been previously enjoyed. As Americans, we can strip from the compulsory unionism question all the verbiage, the window dressing, the rationalizations, and examine the issue as it really is: a denial of freedom which is the direct result of Congress following the copper wire, the path of least resistance, all in the name of expediency.

I think it can be fairly stated that the arguments in behalf of compulsory unionism and against voluntary unionism break down into four classes: Motivation, union security, free rider, and economic progress and freedom of contract—the Case for Right-To-Work Laws, by Rev. Edward A. Keller, C. S. C.

These arguments, briefly, are as follows:

First, the motivation argument states that only union haters and union busters favor voluntary unionism, or, if you will, the right to work, and that they are motivated only by a desire to destroy unions. This is argued in spite of the fact that many right-to-work laws, such as in my own State of Arizona, were voted on by all the citizens of the State and were adopted by overwhelming majorities.

Second, union security is advanced as sufficient reason for compulsory unionism. In other words, unions are good, the right to work weakens unions, ergo, right-to-work laws are bad. This argument has many devotees in spite of the proven fact that unions, voluntary unions, have increased membership at a greater rate in right-to-work States than in non-right-to-work States, and in spite of the fact that this argument is a restatement of the old end theory which we all studied—and renounced—in freshman philosophy; that is, a good end justifies any means.

Third, the free rider argument is based, supposedly, on the equitable theory that everyone should pay his own way. I think we can all agree that, basically, this is a good abstract principle, but the difficulty arises in the fact that unions participate in many activities outside the sphere of collective bargaining, and it is often difficult for a union member to appreciate that what is done, ostensibly in his behalf, certainly with his own money, is, in fact, good for him. Mr. President, how often have we all heard union leaders make the statement, "We have to provide services for scabs because we are the exclusive representatives of all the employees, union and nonunion alike"? There is no question about the exclusive representative status of present-day labor unions, but this did not become the law by happenstance. When the National Labor Relations Act was being considered, the union leaders fought, and fought hard, for exclusive bargaining rights on the ground that, if they did not bargain for nonunion workers, the employer might use favoritism toward the unorganized workers as a means of weakening unions. So, in effect, exclusive bargaining is not in any sense a millstone around the necks of our union leaders. In fact, the so-called free riders could better be termed forced riders because by the terms of the National Labor Relations Act they lost their right to bargain individually and are forced to accept the services of the union. I can guarantee one thing, Mr. President. There is not a union leader in this country who would be willing to give up the great burden of servicing nonunion workers.

In spite of these obvious inconsistencies, the free rider is probably the most persuasive of the flimsy arguments advanced in behalf of compulsory unionism and has probably salved more Congressional consciences than any other balm.

Fourth, economic progress and freedom of contract is the last and weakest argument which has been used to cloud this particular issue. This argument suggests that, because of our advanced production methods and ways of doing business, we need advanced laws on collective bargaining, specifically, compulsory union membership. Further, it is said that the freedom of contract which came to us by way of the English common law carries with it the right to enter into a contract calling for a union shop. This apparently logical supposition has often been denounced by State courts because the right to enter into a contract entails, conversely, the right not to contract, or, in other words, the right not to join the contracting unit—in this case, a labor or trade organization. Under absolute freedom of contract, if the employer is stronger than the union, the worker can be forced to abstain from union membership; if the union is stronger than the employer, the worker can be forced to join a union. Federal anti-yellow-dog legislation protects the worker from the employer; Federal legislation should equally protect him from the union.

Mr. President, I have often heard well-informed, even brilliant, men, say, "Sure, the right to work is probably a good thing, but think of the problems and confusion that would arise if employers had to deal with splinter groups." That is precisely the uninformed attitude demonstrated by the Senate when it adopted the compulsory proviso of the National Labor Relations Act. In the first place, the splinter-group-confusion argument is invalid because, before any union can enter into a union-shop contract, under the terms of National Labor Relations Act, that union must first be certified as the exclusive bargaining agent for the employees of that plant. In the second place, even if the supposition were valid, is that sufficient reason to deprive an American citizen of a God-given right?

The final determination as to the rightness or wrongness of compulsory unionism must be based on a moral decision. Is it morally right to require Americans to join anything—church, fraternal order, civic group, or a labor union? I say it is not, and I do not think that there is a man or woman in this Chamber that can coldly analyze the question and come up with a different answer.

Mr. President, I might point out an example. Let us say, for example, that there is a man who abhors the actions of a Dave Beck in a labor union. That man does not like that kind of thing, and does not want to associate with that kind of man. However, the only thing he knows how to do is to drive a truck, so he has to belong to the group and he has to associate with the likes of Dave Beck in order to earn his livelihood. Certainly the writers of our basic documents never had that situation in mind.

I might suggest that there are union members who are members of a union which was formerly controlled by Communists—fortunately, no longer so controlled—and during that time, even though these men were good, God-fearing, patriotic Americans they had to belong to the Communist-dominated union in order to follow their trade.

Mr. President, some Senators may now be saying to themselves, "Why, I thought trade unionism was a good thing and should be encouraged by the United States Government." Voluntary trade unionism is a good thing and should be encouraged. This spirit has pervaded all of the labor laws of this country for the past 25 years and, I trust, will continue to be the guide for labor legislation for all time. It is only when we interject compulsion into the picture that we begin to infringe on a great right, a great freedom—the right of an American to associate or not to associate as he sees fit.

Mr. President, compulsion is, to me, a bad word, because I, like all Americans, object to the idea of being forced to do any particular thing. Many years ago, the old saw ran, "The only sure thing is death and taxes." Today, we could amplify on this statement by saying, "The only sure thing is death, taxes, and union dues."

Mr. President, if it were possible for me to state with accuracy that American labor unions were all absolutely pure, that fact would not alter the moral question I have raised. But when we all know that labor unions are not all pure, it only intensifies the need for hasty action by this body to cancel this unfortunate mistake.

Mr. President, previously in my talk, I mentioned four distinct arguments that were generally advanced in favor of compulsory unionism. Let me add a fifth—hybrid—argument that is given a great deal of lipservice. This argument could be classified as the "voluntary association" argument, although, actually, it is a corollary of the so-called economic progress and freedom of contract argument.

The Congress, on many occasions, has looked into labor-management relations, and generally has queried labor leaders about possible legislative remedies to apparent ills in the relationship between a union and its workers. Many labor leaders, although admitting that there are ills, immediately respond that the Congress has no authority to interfere with the internal workings of a labor union because it is a voluntary association. Mr. President, if unions were, in fact, voluntary, this argument might carry some weight, but it is apparent to anyone who has studied this subject that there is nothing voluntary about the union shop.

If I may, I would like to review some testimony taken by a Special Subcommittee on Education and Labor of the House of Representatives. This testimony, taken on June 4, 1949, will aptly illustrate the voluntary association argument as it is practiced. The House subcommittee, at that time, was looking into the peculiar financial transactions of the International Printing Pressmen and Assistants Union, and the witness was Mr. George Logan Googe, vice president of that organization:

Mr. KENNEDY. Mr. Chairman?

Mr. JACOBS. Mr. KENNEDY would like to ask a question.

Mr. KENNEDY. I was wondering, Mr. Googe, if you could suggest any laws that in the future could prevent what happened in the case of Mr. Berry. [Former president of the union who was alleged to have run the union to suit his own financial desires rather than those of the membership.] What laws would you suggest which would have stopped Mr. Berry's action?

Mr. GOOGE. Frankly, Congressman, my answer to that is that any man who heads a voluntary organization, if he has the complete confidence of the overwhelming majority of the people within that organization through the years—I think that in any law written by Congress a man, if he wanted to, could find a loophole to do pretty much what he wanted to do as long as he had the support of the overwhelming majority. Frankly, I do not know how you could write a law to prevent a man from doing whatever he wanted to, provided he could get the majority of the membership to approve whatever action he took.

Mr. KENNEDY. So in other words, there is no way that we in Congress could write any laws that would prevent what George Berry did in your union? It is hopeless?

Mr. GOOGE. Of course, you could write a law compelling conventions to be held. I do not know how you are going to word that law, and I do not know but that somebody, probably after the law is written, not taking George Berry, but some other group of international officers, might find a way to get around that law if they thought it was to the best interests of their organization at the specific time.

Mr. KENNEDY. Then the only way for us to protect the members of the union is to write a compulsory open shop. That is the only way in which you would say that we could protect the rights of a minority in the union?

Mr. GOOGE. I do not think it is a function of Congress. I do not think it is a function of Congress to regulate voluntary associations. I think it is the function of the membership of those organizations to regulate themselves. Do you follow my point of view there?

Mr. KENNEDY. Yes. But do you not think that because of the great part that the unions play in the public interest, it is a function of Congress to be concerned with their leadership and the direction in which they are going?

Mr. GOOGE. No more than any other private organization.

Mr. KENNEDY. We are concerned with the direction that the corporations take, for example. Do you not think that we ought to be concerned with the direction that unions take?

Is it not passing strange that a vice president of a union would, at one point, admit that democratic processes were nonexistent in his union, and then state that Congress had no right to regulate a voluntary association?

I would, at this point, like to congratulate the junior Senator from Massachusetts [Mr. KENNEDY] on his question.

Mr. President, I want to make it amply clear that by the use of the colloquy which was engaged in by our distinguished colleague, the Senator from Massachusetts [Mr. KENNEDY], when he was a Member of the House of Representatives, I do not mean to imply that the Senator from Massachusetts now endorses the bill I have presented to the Congress, although I wish that he did, and I pray that time and enlightenment will cause him to do so.

Mr. President, I quote the question to which I refer:

Then the only way for us to protect the members of the union is to write a compulsory open shop. That is the only way in which you would say that we could protect the rights of a minority in the union?

Mr. President, there are several bills pending before this body which would supposedly insure democratic process in union affairs. I certainly do not intend to discount the possible beneficial effects of such legislation, but I would like to emphasize that, in my opinion, so long as compulsion is a part of American jurisprudence, democratic processes cannot be insured by any piece of legislation.

To illustrate this point, let me again refer to the testimony elicited by the special House subcommittee. The witness was the then president of the International Printing Pressmen and Assistants Union, and the examiner was the now junior Senator from Massachusetts:

Mr. KENNEDY. If there had been a vote, would Mr. Berry have received the majority vote? Was his popularity strong at this time, or toward the end of his regime, wouldn't he have gotten a majority of the votes in a free election?

Mr. DE LA ROSA. Yes.

Mr. KENNEDY. He would have? He was that well liked by the majority?

Mr. DE LA ROSA. He was well liked.

Mr. KENNEDY. So there is really no method as long as that man is popular with the majority of the members whereby a minority who recognizes his weakness can get rid of him, is there?

Mr. President, I wholeheartedly agree with the conclusion expressed at that time by the junior Senator from Massachusetts. This Congress can pass bills from now until doomsday and there will still be abuses of minority groups in labor unions. The only way that the Congress can effectively protect these minority interests is by giving a man the option to withdraw from his union without economic detriment, and that is all that I have proposed in the bill which I have introduced in this body.

Once upon a time, in the late 1760's and early 1770's, a phrase was generated which contributed greatly to the fruition of the Revolution. That phrase was, "Taxation without representation." Taxes, even with representation, can often be discouraging—and I might say they are at the present time—and, without representation, they would be appalling. I know that there is not a person in this room that would countenance for one moment a situation where Americans were being taxed with nothing to say about how their taxes were to be levied and spent. Nevertheless, that is the situation in which the individual union member may well find himself today when he is forced to belong to a union and then see his dues money spent on causes in which he has no personal interest; in fact, which he may personally oppose.

I have often heard a compulsory union advocate argue that he paid school taxes even though he had no children, so why

should a scab participate in union-secured benefits unless he paid his dues—or could we say, his tax?

Contrary to the belief of some, labor unions are not governments and cannot require taxes to be paid. But, actually, have we not in Congress elevated the unions and granted them, in part, the prerogatives of a governmental subdivision? We tell a man to join a union if he wants to work and pay dues to join the union. This is nothing more than a tax, a cost of doing business, and I say that the Congress has not the right to force free Americans into this economic cul-de-sac. Apropos of the governmental character of labor unions, let me quote from a story in Labor's Daily of October 19, 1957, in which Walter Reuther is quoted as saying:

> The union is the people's government in the factory.

There is not a person present who does not know that labor unions today have gone far beyond the old concept that they are collective-bargaining agents. They enter into politics, they own property—in Washington, banks and office buildings—they support organizations espousing a variety of causes, and if it is morally wrong, per se, to force a man to join a union, think how much worse it is for a man to be forced to join a union, pay his dues, and then see that dues money spent for purposes that are personally repugnant to him.

As an illustration of the new concept of the scope of union activity, let me cite a press release issued by the UAW–CIO on September 22, 1957. Walter Reuther, president of the UAW–CIO, in announcing the formation of a UAW choral group, made this statement:

> In the early beginnings of the UAW it is easily understandable that our major efforts had to deal with basic economic and collective bargaining problems. As we move forward, technological improvements and other developments make it easier for workers to satisfy the material needs of the outer man, and through their union can devote more time to the job of satisfying the important cultural and spiritual needs of the inner man. This choral group is one of the first of many more such activities that we believe the union can and should engage in.

I do not mean to imply by the use of this example that there is anything intrinsically wrong with choral singing; nor do I mean to impugn Mr. Reuther's motives in forming such a group. I merely point this out to show that collective bargaining is becoming a smaller and smaller part of the operations of our present-day unions and, although many union members will do doubt participate in and enjoy this choral group, I do not think that a person should be forced to join an organization and then see his dues money spent on such activities.

Would any of us care to join an organization, pay his hard-earned money in dues, and see that money go to defeat the political candidates of his choice? Further, would we like to be forced to join a union if that union, like some today, were led by devoted Socialists and had as officers admitted ex-Communists and fellow travelers? I dislike to think that I might ever be forced into that position, and I also do not like to think that the Congress would knowingly stand by and do nothing while thousands of American citizens are being forced to pay tribute to union leaders whose major interests are political self-aggrandizement and personal power.

Mr. President, if I may be indulged for a moment more, let me read from the report of the Committee on Labor of the House of Representatives which was submitted in 1947 when the NLRA was being discussed. That committee recommended complete prohibition of compulsory unionism and gave its reasoning as follows:

> For the last 14 years, as a result of labor laws ill-conceived and disastrously executed, the American workingman has been deprived of his dignity as an individual. He has been cajoled, coerced, intimidated, and on many occasions beaten up, in the name of the splendid aims set forth in Section 1 of the National Labor Relations Act. His whole economic life has been subject to the domination and control of unregulated monopolists. He has, on many occasions, had to pay them tribute to get a job. He has been forced into labor organizations against his will. At other times, when he has desired to join a particular labor organization, he has been prevented from doing so and forced to join another one. He has been compelled to contribute to causes and candidates for public office to which he was opposed. He has been prohibited from expressing his own mind on public issues. He has been denied any voice in arranging the terms of his own employment. He has frequently, against his will, been called out on strikes which have resulted in wage losses representing years of his savings. In many cases, his economic life has been ruled by Communists and other subversive influences. In short, his mind, his soul and his very life have been subject to a tyranny more despotic than one could think possible in a free country.

This committee of the House of Representatives saw, recognized, and properly disposed of the moral issue which I have raised today. The full House of Representatives and the Senate were blinded and intimidated, and now, eleven years later, I am here asking Senators to purge themselves and this body by breathing life and meaning into the words "The land of the free and the home of the brave."

The Congress of the United States has been bilked and has thereby done a great disservice to freedom-loving Americans. From time immemorial, the highest duty of a citizen of our country has been to defend it in time of war. Yet this duty is tempered by a law which permits one whose beliefs transcend this obligation to abstain from fighting when the duty conflicts with his faith. In the case of union membership, when the same conflict exists, a man must lose his job if he does not relinquish this belief. So, in effect, we have placed union membership in a category superior to that of man's highest duty of citizenship.

We have an opportunity now to undo some of the damage, and I am convinced that if you will examine the moral issue and reduce it to its simplest term, paying no heed to the siren call of expediency, then you will have no difficulty in resolving, once and for all, that Americans, so long as there is a Congress and a Constitution, will never again be forced to join any organization before being allowed to earn bread for his family.

Mr. President, I ask unanimous consent to have printed, at the conclusion of my remarks, a legislative history of the Norris-La Guardia Act, the National Recovery Act, the NLRA, and the NLRA, as amended.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE SIGNIFICANCE OF THE NORRIS-LA GUARDIA ACT IN CONNECTION WITH COMPULSORY UNIONISM

In 1932 Congress enacted the Norris-La Guardia Act which among other things clearly made yellow-dog contracts unenforceable in any Federal court. But what is rarely mentioned is that this same statute clearly indicated the same policy with respect to contracts or agreements requiring union membership as a condition of employment. The relevant provisions of the Norris-La Guardia Act demonstrating this read as follows:

"SEC. 2. In the interpretation of this act and in determining the jurisdiction and authority of the courts of the United States, as such jurisdiction and authority are herein defined and limited, the public policy of the United States is hereby declared as follows:

"Whereas under prevailing economic conditions, * * * the individual unorganized worker is commonly helpless to exercise actual liberty of contract and to protect his freedom to labor, and thereby to obtain acceptable terms and conditions of employment, wherefore, though he should be free to decline to associate with his fellows, it is necessary that he have full freedom of association, self-organization, and designation of representatives of his own choosing, to negotiate the terms and conditions of his employment, and that he shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection; therefore the following definitions of, and limitations upon, the jurisdiction and authority of the courts of the United States are hereby enacted.

"SEC. 3. Any undertaking or promise, such as is described in this section, or any other undertaking or promise in conflict with the policy declared in section 2 of this act, is hereby declared to be contrary to the public policy of the United States, shall not be enforceable in any court of the United States and shall not afford any basis for the granting of legal or equitable relief by any such court, including specifically the following:

"Every undertaking or promise hereafter made, whether written or oral, express or implied, constituting or contained in any contract or agreement of hiring or employment between any individual, firm, company, association, or corporation, and any employee or prospective employee of the same, whereby—

"(a) Either party to such contract or agreement undertakes or promises not to join, become, or remain a member of any labor organization or of any employer organization; or

"(b) Either party to such contract or agreement undertakes or promises that he will withdraw from an employment relation in the event that he joins, becomes, or remains a member of any labor organization or of any employer organization."

A careful reading of sections 2 and 3 of the Norris-La Guardia Act sets forth above makes it clear that the right not to join a labor union is regarded under the Federal

policy embodied in the Norris-La Guardia Act as of equal dignity with the right to join a labor union.

Although section 3 specifically spells out yellow-dog contracts as contrary to the public policy of the United States as declared in the act, and specifically makes such contracts unenforceable in the Federal courts, the clear implication is that contracts requiring union membership as a condition of employment are also declared contrary to the public policy of the United States and unenforceable in the Federal courts though not spelled out in the same detail as are yellow-dog contracts.

Thus, section 2 declares that it is part of the policy of the United States that an individual unorganized worker should be free to decline to associate with his fellows. If this means anything at all, it means that a worker's right to refuse or to refrain from joining a union is Federal public policy. Section 3 then provides that any undertaking or promise in conflict with the policy declared in section 2 shall not be enforceable in any Federal court. This necessarily means that a compulsory union membership contract, being in conflict with Federal public policy as set forth in section 2 is unenforceable in any Federal court.

This interpretation appears to be supported by the report of the Senate Labor Committee on the bill which became Norris-La Guardia (S. Rept. No. 163 on S. 935, 72d Cong., 1st sess.). Thus the report points out that the Federal public policy declared in section 2 of the bill (ultimately passed verbatim) is substantially the same public policy set forth in the Railway Labor Act at that time. The Railway Labor Act, however, prohibited compulsory unionism until its amendment in 1951 specifically permitting compulsory union membership agreements. Therefore, if the public policy declared in the two statutes was the same in 1932, it is clear that Norris-La Guardia like the Railway Labor Act prior to 1951, makes compulsory unionism contrary to public policy.

The Senate report does not specifically discuss the language in section 2 stating that the unorganized worker "should be free to decline to associate with his fellows" and all that can be said of that language is what has been said in the preceding paragraph in connection with the Railway Labor Act. The report does discuss in detail the "yellow dog" contract and the desirability of eliminating it, but even in this discussion, the report says that "One of the objects of this legislation is to outlaw this "yellow dog" contract." It does not make this the sole object, and does not exclude, as an object of the bill, the outlawing of compulsory union contracts.

That protection against compulsory unionism was regarded by the Congress as an essential element in the Norris-La Guardia bill is clearly shown in the conference reports which eventually became law without any relevant change.

Thus in Senate Document No. 71, 72d Congress, 1st session (conference report on bill H. R. 5315), there is no discussion of the bill and the only significant statement is "that the House recede from its disagreement to the amendment of the Senate, and agree to the same with amendment, as follows": (Here follows the entire text of the bill, including sec. 2 and 3 as eventually adopted, and nothing else).

Then in House Report No. 821, 72d Congress, 1st session (conference report on H. R. 5315), the House conferees receded from their disagreement with the Senate bill and agreed to the latter. The report then proceeds section by section to describe the differences between the Senate and the House bills and to indicate what was agreed to. In dealing with section 2, the public-policy section of the bill, the House conference report states:

"Section 2 of the Senate amendment contains the statement of the policy of the legislation, the phrase 'though he [the individual unorganized worker] should be free to decline to associate with his fellows.' This phrase is not employed in the corresponding provision in the House bill. The conference agreement adopts the Senate provision."

That is the only reference to the worker's right not to associate with his fellows. But it is highly significant for it demonstrates conclusively that this right was not ignored; that the Senate conferees insisted on its inclusion, and that it was included in the bill as passed. It would be either naive or disingenuous to hold that this phrase has neither meaning nor significance in the face of such insistence. And in its context in section 2, coupled with the Senate report's assertion that the policy in section 2 was the same as that declared in the Railway Labor Act at that time, it is irrefutable that Congress intended, and legislatively made that intention plain in the Norris-La Guardia Act, that compulsory union membership contracts were as contrary to the legislatively declared public policy of the United States as "yellow dog" contracts and equally unenforceable in the Federal courts.

Thus, with the adoption of the Norris-La Guardia Act in 1932, compulsory union membership contracts were regarded as contrary to the statutorily expressed public policy of the United States and unenforceable in the Federal courts.

The significance of this will become apparent in the succeeding pages of this memorandum dealing with compulsory unionism under the Wagner Act. Sufficient to point out briefly here that in June 1933, the National Industrial Recovery Act (sometimes referred to as the NIRA or NRA) became law and it contained a provision, section 7 (a), which guaranteed employees the right to form and join unions and prohibited employers from interfering, restraining, and coercing employees in the enjoyment of these rights. This guaranty was in substance similar to the public policy set forth in section 2 of the Norris-La Guardia Act and in the Railway Labor Act as indicated above. It was, therefore, perfectly obvious that when section 7 (a) of the NIRA was adopted the prevailing public policy of the United States frowned upon compulsory unionism and nothing in section 7 (a) indicates a contrary intention to change public policy in this respect. Hence, when section 7 (a), during its life (from June 1933 until the NIRA was held unconstitutional by the Supreme Court in the middle of 1935) was also construed to illegalize compulsory unionism by those who administered the act, such construction was fully justified by reason of the Norris-La Guardia and Railway Labor Acts.

Hence, when Senator Wagner, and other Members of Congress, during the debates on the Wagner bill in 1934 and 1935, asserted that it had not been the intention of Congress to outlaw compulsory unionism when it enacted section 7 (a) (as set forth hereinafter), these statements were, at the least, highly debatable, and on the basis of the legislative evidence up to that time, probably incorrect. It would seem that when Congress wrote the compulsory-union-membership contract into section 8 (3) of the Wagner Act, as a proviso, it was plainly reversing what had been existing Federal public policy condemning such contracts as expressed in the Norris-La Guardia Act, the Railway Labor Act, and section 7 (a) of the NIRA discussed hereinafter.

LEGISLATIVE HISTORY OF THE WAGNER ACT ON COMPULSORY UNIONISM

I. The forerunner of the Wagner Act was section 7 (a) of the National Industrial Recovery Act (48 Stat. 198, 15 U. S. C. 707 (a)). This section read as follows:

"Every code of fair competition, agreement, and license approved, prescribed, or issued under this title shall contain the following conditions: (1) That employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection; (2) that no employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing; and (3) that employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment, approved or prescribed by the President."

It is obvious that this provision does not seek to authorize compulsory unionism. The second clause prohibits compulsory membership in a company [dominated] union and forbids discrimination against employees because of membership in or activities in behalf of a bona fide union. As the legislative history of the Wagner Act, adopted a few years later indicates, it was the intention of Congress to leave the matter of compulsory unionism to the continued regulation of the States. On the other hand, the language of the first clause of the above provision can reasonably be construed to mean that an employer interferes with, restrains, or coerces his employees when he requires them to be members of or to join even a bona fide union despite a compulsory union agreement with such union. And apparently this construction was the prevalent one and was a reason for the inclusion of the proviso in section 8 (3) of the Wagner Act, authorizing compulsory union agreements.

II. On February 26, 1934, Senator Wagner introduced S. 2926, a bill similar to which was to become the Wagner Act. Section 5 (6) of the bill, in relevant part, provided as follows:

"It shall be an unfair labor practice for an employer * * *

(6) to engage in any discriminatory practice as to wage or hour differentials, advancement, demotion, hire, tenure of employment, reinstatement, or any other condition of employment, which encourages membership or nonmembership in any labor organization: * * * *Provided further*, That nothing in this act shall preclude an employer and a labor organization from agreeing that a person seeking employment shall be required, as a condition of employment, to join such labor organization if no attempt is made to influence such labor organization by any unfair labor practice, if such labor organization is composed of at least a majority of such employers' employees, and if the said agreement does not cover a period in excess of 1 year."

There are two significant things to notice about this last proviso. First, union security agreements are limited to 1 year, and second, the proviso is expressly applicable to applicants for employment and is silent with respect to employees already in the employ of the employer at the time the compulsory union membership agreement is entered into. It should be noted that when this bill was introduced (February 1934) there was no CIO, only the AFL with its adherence to craft rather than industrial unionism and with apparently little or no desire to expand its membership, but rather being primarily concerned to give first crack at the available jobs to its existing members. At any rate, when the Wagner Act was finally enacted about 17 months later, the proviso had been

modified to include existing employees as well as applicants.

III. In introducing this bill, Senator Wagner made a speech on the Senate floor on March 1, 1934 in which he said:

"Failure to meet the problem of employer domination over employee organizations has not been the only defect of section 7 (a) of the NIRA. This section provides that employees shall be free to choose their own representatives. It has been interpreted repeatedly to mean that any employee at any time may choose his own representative or elect to deal individually with his employer. Such an interpretation, which illegalizes the closed union shop, strikes a death blow at the practice and theory of collective bargaining. * * *

"The new legislation which I am proposing does not indicate any policy as to the closed union shop. That is a problem which labor must work out for itself. But the bill does make it clear that section 7 (a) [of the NIRA] was not intended to ban the closed union shop, and that Congress never intended to place employees in a worse position than they were before the Recovery Act was passed."

Note again the reference to the closed rather than the union shop, i. e., applicants for jobs must be union members—silence in re employees already employed. As indicated, when the Wagner Act was adopted in 1935, the language was modified to permit either closed or union shop agreements. This change coincided with the formation of the CIO with its theory of industrial as against craft unionism and its objective being the largest possible union membership rather than the restricted membership characteristic of the AFL craft unions.

Note also Senator Wagner's statement that section 7 (a) of the NIRA had been construed to illegalize the closed shop, and that was one of the reasons for the changed language in his bill, i. e., language which would not illegalize the closed shop. As finally passed, not only did the Wagner Act specifically permit both closed and union shop agreements, but in specific language said such agreements were permissible anything in the NIRA to the contrary notwithstanding. Section 8 (3) of the Wagner Act, approved July 5, 1935, read as follows:

"It shall be an unfair labor practice for an employer—

* * * * *

"(3) by discrimination in regard to hire or tenure of employment or any term or condition of employment to encourage or discourage membership in any labor organization: *Provided*, That nothing in this act, [or in the National Industrial Recovery Act (U. S. C., supp. VII, title 15, secs. 701–702 [which includes sec. 7 (a)]), as amended from time to time, or in any code or agreement approved or prescribed thereunder,] or in any other statute of the United States, shall preclude an employer from making an agreement with a labor organization * * * to require as a condition of employment membership therein."

In the absence of the proviso, this provision of the Wagner Act would have made compulsory unionism an unfair labor practice just as section 7 (a) of the NIRA had been construed to do. The insertion of the language in black brackets clearly demonstrates that Congress recognized that section 7 (a) of the NIRA, the ancestor of the Wagner Act, outlawed compulsory unionism.

IV. On March 14, 1934, Senator Wagner testifying before the Senate Labor Committee on his bill, said:

"The new bill makes it perfectly clear that the closed union shop is not illegal. It leaves this question of policy open to industry and labor. At the same time it surrounds nonunion members with safeguards by providing that only those seeking employment may be required to join a union."

This demonstrates conclusively that under the original Wagner bill only new employees, i. e., applicants for jobs, could be compelled to join a union. Incumbent employees could not be forced to join a union, i. e., forcing them to join would be an unfair labor practice.

V. Thus we see the evolution of the compulsory unionism proviso of the Taft-Hartley Act proceeding as follows:

1. Prior to 1934: Under section 7 (a) of the NIRA, compulsory unionism is illegal.

2. During 1934: First version of the bill that became the Wagner Act, permits compulsory union membership with two limitations which disappeared when the bill became law.

(a) No compulsory unionism agreement for more than 1 year.

(b) Compulsory union agreements are legally applicable only to new employees, applicants for employment, and not to incumbent employees.

V. Early in 1934, the automobile industry and its employees worked out a settlement for handling labor relations, under section 7 (a) of the NIRA, which was acclaimed by the late Franklin D. Roosevelt in the most glowing terms. The text of the President's statement as reported in the Washington Post of March 26, 1934, declared, among other things, the following:

"In the settlement there is a framework for a new structure of industrial relations—a new basis of understanding between employers and employees. I should like you to know that in the settlement just reached in the automobile industry we have charted a new course in social engineering in the United States. It is my hope that out of this will come a new realization of the opportunities of capital and labor not only to compose their differences at the conference table and to recognize their respective rights and responsibilities but also to establish a foundation on which they can cooperate in bettering the human relationships involved in any large industrial enterprise."

This language of F. D. R. was applied to a settlement which provided:

1. The employers agree to bargain collectively with the freely chosen representatives of groups and not to discriminate against any employee because of union membership.

2. If there be more than one group, each bargaining committee shall have total membership pro rata to the number of men each member represents.

In other words, F. D. R. was hailing as the new dawn in labor relations a plan whereby all the unions of an employer would be recognized in bargaining and not the majority union exclusively as was later provided in the Wagner Act. It is obvious that where an employer is permitted to bargain with several unions in his enterprise rather than with one exclusively, it becomes much more difficult to impose compulsory unionism.

But F. D. R. went further. In the same statement he declared himself in favor of this type of multi-union representation and thus in favor of a system under which compulsory unionism is exceedingly difficult to secure. He said:

"In the settlement just accomplished two outstanding advances have been achieved. In the first place, we have set forth a basis on which, for the first time in any large industry, a more comprehensive, a more adequate, and a more equitable system of industrial relations may be built than ever before. It is my hope that this system may develop into a kind of works council in industry in which all groups of employees, whatever may be their choice of organization or form of representation, may participate in joint conferences with their employers, and I am assured by the industry that such is also their goal and wish."

But this enthusiasm for multi-union representation with its inevitably strong barriers to compulsory unionism, was to give way in 1935 to the Wagner Act with its principle of exclusive representation by one majority union and its inevitable consequence of a trend to compulsory unionism. During the interval the CIO had appeared on the scene and that apparently spelt the difference.

VII. In may 1934, the Senate Labor Committee reported the Wagner bill, S. 2926, as amended, to the Senate. Although this revised bill dropped one of the limitations on compulsory unionism which had been in the original bill, the limitation of a one year term on compulsory union membership contracts, it added an additional limitation on such contracts. Whereas the original bill permitted agreements requiring applicants for jobs to be union members, the reported bill permitted agreements which required such applicants to become union members, thus narrowing the range of compulsory unionism from the closed shop principle to the union shop principle. Incumbent employees were still exempted from the requirement of union membership under the committee bill. In this connection the committee report on the bill (S. Rept. No. 1184 on S. 2926, 73d Cong., 2d sess.) reads as follows:

"The proviso that follows the fourth unfair labor practice * * * is not intended to require any employer to enter into an agreement conditioning employment upon membership in any labor organization. This proviso is not a mandate, but is a permissive exception made necessary by the other provisions of the law. If the proviso were not in the bill, a willing employer and employees could not of their own accord agree that thereafter a person seeking employment should be required, as a condition of employment, to join the employees' organization.

"The reason is that an employer is elsewhere in the bill forbidden to indulge in 'discrimination in regard to hire * * * to encourage * * * membership in any labor organization' or to attempt, by interference or coercion, to impair the exercise by the employees of the right to form or join labor organizations. The committee is of the opinion that if employers and employees of their own accord, in a voluntary spirit of cooperation, want to require persons thereafter seeking employment to belong to an organization, they ought generally to be allowed to do so. This always has been the law, and in many industries and plants it has worked remarkably well. But the committee, recognizing the danger of abuse, has inserted two restrictions. First, such an agreement can be made only as to 'a person seeking employment.' If a worker already has a position, the employer cannot agree with a majority of his employees that the worker will be discharged unless he joins an organization."

VIII. The 73d Congress died without enacting the original Wagner bill. In the 74th Congress, in February 1935, Senator Wagner introduced a new labor-relations bill, S. 1958, which substantially resembled his bill introduced a year earlier. However, the union security proviso in this new bill had the form which was in substance ultimately adopted in the Wagner Act and was the law of the land from 1935 until modified by Taft-Hartley in 1947. It permitted compulsory union membership contracts with respect to all employees, incumbent as well as new applicants and permitted requiring union membership as a condition of securing as well as retaining employment, that is, the complete closed shop as well as any other lesser form of union shop arrangement.

In submitting this bill, which in respect to its provisions permitting compulsory

union, eventually were adopted into law, Senator Wagner stated:

"Equally erroneous is the belief that the bill creates a closed shop for all industry. It does not force any employer to make a closed-shop agreement. It does not even state that Congress favors the policy of the closed shop. It merely provides that employers and employees may voluntarily make closed-shop agreements in any State where they are now legal. Far from suggesting a change, it merely preserves the status quo." (CONGRESSIONAL RECORD, vol. 79, pt. 3, p. 2368; vol. 1, p. 1311, Legislative History of the Wagner Act.)

Here we have the clearest and plainest evidence that the Wagner Act, although authorizing all forms of compulsory union membership agreements, was never intended by Congress to withdraw the authority of the States to prohibit such agreements. In other words, the principle of section 14 (b) of the Taft-Hartley Act, was in relevant part, a continuation of the law that prevailed under the Wagner Act. State right-to-work laws were valid prior to Taft-Hartley. There will be further evidence of this Congressional intent. It should be noted that in this accompanying statement, Senator Wagner nowhere indicates that he has changed the union security proviso as contrasted with his bill of the previous year, nor does he give any reason for such change.

IX. On March 11, 1935, however, the Senate Labor Committee issued a committee print comparing Senator Wagner's new bill S. 1958 with the bill he had introduced the previous year, S. 2926. This comparison referred to the change in the union security proviso as follows:

"The third unfair labor practice of this year's bill is virtually the same as the fourth unfair labor practice of last year's bill. But there is this difference, which is of great consequence. In last year's bill it was stipulated in the proviso that a closed-shop contract might validly be made as to new employees. In this year's bill it is stipulated that a closed-shop contract is lawful even if it affects people who are already employed."

The comparison then goes on to state:

"Section 8 (3): The two drafts are substantially identical. The purpose here is to cover all forms of discrimination in hire or tenure of employment or conditions of employment, including the 'yellow dog contract,' whose enforcement in the Federal courts is already outlawed by the Norris [La Guardia] Anti-Injunction Act [of 1932]. Precedents for the provision are subdivision (2) of section 7 (a) of the NIRA * * * etc.

"The proviso in the two drafts are similar in purpose. They are intended merely to preserve the status quo as to the legality of closed-shop agreements under the common law in the different States, and to make clear that neither section 7 (a) [of the NIRA] nor any other statute of the United States precludes such agreements. * * *

"The proviso does not make closed-shop agreements legal; it merely says that nothing herein should illegalize them. The operation of State common law on the subject is left unaffected. * * *

"Further, S. 1958 applies the general policy of the proviso to workers already on the job, for otherwise the proviso would be much narrower than existing case law sanctioning closed-shop agreements in some jurisdictions. * * *

"Unless this change is made as provided in S. 1958, most strikes for a closed shop or even for a preferential shop would by this act in effect be declared to be for an illegal purpose, and hence would be enjoinable in many States. The law on the question is in great confusion in the State courts, and any uniform rule as a Federal statute would work hardship and injustice in many areas. This is accentuated by the fact that the law in many States is in a state of change." * * *

"As the legislative history of 7 (a) [of the NIRA] demonstrates, nothing in that section was intended to deprive labor of its existing right in many States to contract or strike for a closed or preferential shop. * * * No reason appears for a contrary view here."

The language quoted above is significant for a number of reasons. Being part of the legislative history of the Wagner Act, it reveals a Congressional intent in the following respect:

1. That in permitting compulsory union membership agreements under the Wagner Act, Congress intended to permit the States to retain their authority to either permit or to prohibit such agreements; in other words, that States had the power under the Wagner Act, and prior to the enactment of section 14 (b) of Taft-Hartley to adopt right-to-work laws;

2. That in adopting the Wagner Act, Congress did not intend to preempt the labor-relations field as evidenced by the fear of the Senate Labor Committee that if compulsory union membership agreements were made illegal under Federal law, the States would have the power to enjoin strikes to secure such agreements; in other words, that State courts would have the authority to provide remedies against a violation of Federal law—which is directly contrary to the preemption principle; and

3. That the reason why the committee substituted the broader union security proviso permitting all forms of compulsory unionism for the narrower and more restricted proviso of the earlier Wagner bill of 1934 was precisely and specifically so as not to nullify existing State law in some of the States (permitting compulsory unionism), i. e., Congress was concerned not with the purpose of overriding existing State law in this area, but in conforming Federal law to such existing State law.

4. Note also, that although the committee print asserts that Congress in section 7 (a) had no intention of completely illegalizing compulsory unionism, the NLRA administration itself had held compulsory unionism illegal under section 7 (a), and that Senator Wagner's bill (S. 1958) and the Wagner Act as passed contained language permitting compulsory union membership agreements, the provisions of the NIRA notwithstanding. This clearly indicates that Congress in considering and passing the Wagner Act recognized that compulsory unionism had been held to be illegal under section 7 (a) of the NIRA.

X. On April 21, 1935, Senator Wagner made a radio address which was inserted in the CONGRESSIONAL RECORD by Senator Costigan, of Colorado (CONGRESSIONAL RECORD, vol. 79, pt. 6, p. 6183; vol. 2, p. 2282, Legis. Hist. of the Wagner Act). In this address Senator Wagner again made it clear that the proviso of his bill permitting compulsory unionism was not intended to deprive the States of the power to act in that area. He said:

"The malicious falsehood has been widely circulated that the measure was designed to force men into unions, although the text provides in simple English prose that workers shall be absolutely free to belong or to refrain from belonging to any labor union. Practically everyone has heard the charge that the bill imposes a closed shop and a union monopoly upon the whole United States, when in fact it does absolutely nothing to change in any State the existing law in regard to the closed shop."

XI. On March 11, 1935, Senator Wagner appeared before the Senate Labor Committee and testified on his bill S. 1958. In the course of his testimony he stated:

"Thus the third unfair labor practice makes it illegal for an employer, by discrimination in regard to hire or tenure of employment or any term or condition of employment, to encourage or discourage membership in any labor organization.

"This provision is merely a logical and imperative extension of that section of the Norris-La Guardia Act [adopted in 1932] which makes the yellow-dog contract unenforceable in the Federal courts."

This statement is significant in connection with the contention presently being made in some quarters that equity demands that at the very least, section 14 (b) of Taft-Hartley be made a 2-way street by authorizing the State to permit as well as to prohibit compulsory unionism. Senator Wagner's statement clearly reveals that Federal law outlaws the yellow-dog contract, anything in the State laws to the contrary notwithstanding. Therefore, the argument that section 14 (b) be made a 2-way street is specious. To make it a real 2-way street, genuinely balanced on both sides of the question (compulsory union membership—compulsory non-membership in a union) would require amending section 14 (b) to empower the States to permit or prohibit both compulsory unionism and yellow-dog arrangements. As it is conceded that getting such an amendment is impossible, despite its equity from a States-right point of view, the proper compromise should be not to authorize the States to permit compulsory unionism if they so desire, but to authorize the States to prohibit not only compulsory unionism but also yellow-dog arrangements, the latter of which they are not now authorized to do because of the preemption doctrine.

XII. Senator Wagner, in his testimony, went on to say:

"Furthermore, the terms of the bill do not compel or even encourage a man to join any union. Nothing could be more false than the charge that a gigantic closed shop would be forced upon industry. The much discussed closed-shop proviso merely states that nothing in any Federal law shall be held to illegalize the consummation of closed-shop agreements when they are sought by the majority of the employees in the unit to be covered by them when made. This insertion is necessary to prevent repetition of these mistaken interpretations which have held that Congress intended to outlaw the closed shop when it enacted section 7 (a) of the Recovery Act (NIRA).

"I hold no brief for or against the closed shop. But there are many who believe that it is a device which at times may be necessary to advance and preserve the living standards of employees. It is legal in New York, Massachusetts, and in many other States. Upon this subject, no sufficient reason has been advanced why Congress should change the status quo."

Here again we have a clear indication that the compulsory union proviso of the Wagner Act was not intended to limit or restrict the States in their actions in that field. The "status quo" as used by Senator Wagner, here as elsewhere in the legislative history, refers to State law on the subject of compulsory unionism.

XIII. Senator Wagner's bill, S. 1958, was reported favorably by the Senate Labor Committee on May 1, 1935 (S. Rept. No. 573 on S. 1958, 74th Cong., 1st sess., vol. 2, Legislative History of the Wagner Act, p. 2300).

The report states:

"The proviso attached to the third unfair labor practice [prohibiting discrimination in employment to discourage or encourage union membership] deals with the question of the closed shop. Propaganda has been widespread that this proviso attaches special legal sanctions to the closed shop or seeks to impose it upon all industry. This propaganda is absolutely false. The reason for the insertion of the proviso is as follows: According to some interpretations, the provision of section 7 (a) of the NIRA assuring the freedom of employees 'to organize and bargain collectively through representatives of their own choosing' was deemed to illegalize the closed shop. The committee feels

that this was not the intent of Congress when it wrote section 7 (a); that it is not the intent of Congress today; and that it is not desirable to interfere in this drastic way with the laws of the several States on this subject.

"But to prevent similar misconceptions of this bill, the proviso in question states that nothing in this bill, or in any other law of the United States, or in any code or agreement approved or prescribed thereunder, shall be held to prevent the making of closed-shop agreements between employers and employees. In other words, the bill does nothing to facilitate closed-shop agreements or make them legal in any State where they may be illegal; it does not interfere with the status quo on this debatable subject but leaves the way open to such agreements as might now legally be consummated * * *."

This statement in the report is further evidence that (1) the States retained their authority to deal with compulsory unionism under the Wagner Act and prior to section 14 (b) of Taft-Hartley; (2) that section 7 (a) of the NIRA, the spiritual ancestor of the Wagner Act, regarded compulsory unionism as a violation of the basic principle common to section 7 (a), the Wagner Act and the Taft-Hartley Act granting employees the right freely to join or not to join unions without interference from their employers.

XIV. There is one section of this Senate Labor Committee report which is precisely relevant to the revelations which have resulted from the McClellan committee investigations. The relevancy is so obvious that no further comment is needed beyond the language of the report itself. I quote:

"One suggestion in regard to this bill has been advanced so frequently that the committee deems it advisable to set forth its reasons for rejecting it. This proposal is that employees and labor organizations, as well as employers, should be prohibited from interfering with, restraining, or coercing employees in their organization activities or their choice of representatives.

"The argument most frequently made for this proposal is the abstract one that it is necessary in order to provide fair and equal treatment of employers and employees. The bill prohibits employers from interfering with the right of employees to organize. The corresponding right of employers is that they should be free to organize without interference on the part of employees; no showing has been made that this right of employers to organize needs Federal protection as against employees. * * *

"This erroneously conceived mutuality argument is that since employers are to be prohibited from interfering with the organization of workers, employees and labor organizations should also be prohibited from engaging in such activities. To say that employees and labor organizations should be no more active than employers in the organization of employees is untenable; this would defeat the very objects of the bill.

"There is an even more important reason why there should be no insertion in the bill of any provision against coercion of employers by employees or labor organizations. Courts have held a great variety of activities to constitute 'coercion': a threat to strike, a refusal to work on material of nonunion manufacture, circularization of banners and publications, picketing, even peaceful persuasion. In some courts closed-shop agreements or strikes for such agreements are condemned as 'coercive.' Thus, to prohibit employees from 'coercing' their own side would not merely outlaw the undesirable activities which the word connotes to the layman, but would raise in Federal law the ghosts of many much-criticized injunctions issued by courts of equity against activities of labor organizations, ghosts which it was supposed Congress had laid low in the Norris-LaGuardia Act [in 1932].

"Nor can the committee sanction the suggestion that the bill should prohibit fraud or violence by employees or labor unions. The bill is not a mere police-court measure. The remedies against such acts in the State and Federal courts and by invocation of local police authorities are now adequate, as arrests and labor injunctions throughout the country will attest. The Norris-La Guardia Act does not deny to employers relief in the Federal courts against fraud, violence, or threats of violence.

"Racketeering under the guide of labor-union activity has been successfully enjoined under the antitrust laws when it affected interstate commerce. * * *

"Proposals such as these under discussion are not new. They were suggested when section 7 (a) of the NIRA was up for discussion, and when the 1934 amendments to the Railway Labor Act were before Congress. In neither instance did they command the support of Congress."

Comments:

(1) The evils disclosed by the McClellan committee are obviously of long standing. Informed sources in the labor-relations field were obviously aware of them as far back as 1933 and probably earlier. Demands were made during that period for Federal legislation to cope with these evils. Whatever justification may then have existed for refusing to do so, such justification no longer exists.

(2) The wisdom of the 80th Congress when in the Taft-Hartley Act is prohibited restraint and coercion of employees by labor unions, is now visible for all to see despite the fact that the Democratic NLRB prior to 1954, completely emasculated the prohibition in its administration of the act. Improvement in this respect did not take place until the Board with a majority of Republican members after 1954, began to give this provision some teeth, e. g., the outlawing of organizational picketing in the Curtis Bros. case decided late in 1957.

(3) The preemption doctrine as developed by the Supreme Court has substantially impaired the powers of the States to act against labor union misconduct although the Senate Labor Committee in 1935 asserted the States already had such powers and would continue to have them under the committee bill (which in all substantial respects became the Wagner Act).

(4) In 1940, the Supreme Court in the Apex Hosiery and the Hutcheson cases gave labor unions almost complete immunity under the Federal antitrust laws although the committee in 1935 asserted that the antitrust laws were adequate to prevent labor racketeering and would continue to be so under the recommended legislation (Wagner bill).

XV. On May 15, 1935, in the course of a speech on the Senate floor, Senator Wagner stated:

"* * * this bill does not establish the closed shop or even encourage it. The much-discussed closed-shop proviso merely states that nothing in any Federal law shall be held to illegalize the confirmation of voluntary closed-shop agreements between employers and workers. This insertion is necessary to prevent repetition of those mistaken interpretations which have held that Congress intended to outlaw the closed shop when it enacted section 7 (a) of the Recovery Act.

"I hold no brief for or against the closed shop, but there are some who believe that it is a device which at times may be necessary to advance and preserve the living standards of employees. It is legal in many States, and there is no reason why Congress should make it illegal in those places where public policy now sustains it."

Again we have evidence that Congress intended State law to prevail on the subject of compulsory unionism, and we also have an admission by Senator Wagner that compulsory unionism is only necessary at times to help employees; he impliedly concedes that it is not always necessary. This moderate statement made at a time of widespread depression, widespread prolabor sentiment, and when unions were both weak and numerically insignificant is an interesting contrast to the assertions presently made by labor-union officials and their allies that compulsory unionism is universally both necessary and beneficial—in the face of the greatest prosperity ever enjoyed by the American worker, the tremendous growth, size, wealth, strength, and political influence of the labor movement today, and the exposure of serious and widespread abuses and misconduct by labor unions and their leaders against their members, against employees generally, and against the public as well as against employers.

XVI. On May 16, 1935, the Senate proceeded to consider the committee bill, section by section, and to vote on the same. The provision containing the proviso permitting compulsory unionism (sec. 8 (3)) was agreed to by the Senate. There was no roll-call vote, and no debate on the proviso prior to its passage. After the committee amendments were all adopted, Senator Tydings, of Maryland, proposed to amend section 7 as follows (the new language proposed by Senator Tydings is in black brackets):

"SEC. 7. Employees shall have the right to self-organization, to form, join, or assist labor organizations, to bargain collectively through representatives of their own choosing, and to engage in concerted activities, for the purpose of collective bargaining or other mutual aid or protection [free from coercion or intimidation from any source]."

Senator Wagner strenuously opposed the amendment. He said on the Senate floor:

"The amendment which the Senator suggests is not new to me. If I had been willing to accept that amendment, all the large employers who are trying to prevent their workers from organizing would have accepted this bill, because the amendment is exactly what they want.

"So far as coercion is concerned, if it exists among employees, there is now an absolute legal right to go into court and seek an injunction if such coercion takes the form of intimidation or violence of any kind or character * * *. But how has the word 'coercion' as among employees been interpreted by the courts? The use of pickets, mere persuasion without any force, threats, or intimidation, has been deemed coercion; and employees simply trying to persuade their fellow workers to join a particular organization have been charged with coercion."

Senator Couzens, of Michigan, replied as follows:

"Mr. President, of course the Senator from Maryland knows, as does the Senator from New York—and that is the reason why I am astonished at the objection of the Senator from New York to this amendment—that in every big industrial community there is competition between one union and another. There is just as much fight, there is just as much effort, there is just as much salesmanship, there is just as much force used in many cases to induce workmen to join one union as to join another. For the life of me I do not understand why a union should be enabled to coerce a worker into an organization which he does not choose to join."

Senator Wagner: "Such acts are today illegal and remediable if they amount to threats or intimidation or force of any kind or character. Application may be made to a court for an injunction, and injunctions are issued by the thousands by courts all over the country to prevent such action. There is no remedy today, however, when an employer uses his economic pressure to compel a worker to join a particular organization or not to join a particular organization. * * *"

Senator Couzens:

"The Senator from New York injected that matter [employer coercion] into the issue to confuse it. The Senator from Michigan is not in any way attempting to weaken the bill of the Senator from New York with respect to the coercion of the employer.

"What the Senator from Michigan is trying to do is to support the contention of the Senator from Maryland that coercion between union and union should be prohibited. It is not enough to say that in 48 jurisdictions there is sufficient remedy. If there is sufficient remedy, as the Senator from New York contends, let us put it in the act."

Senator Tydings: "And if there is sufficient remedy, then the mere insertion of these words, which make that for which the Senator from New York contends mandatory, can have no effect at all but to strengthen the bill for the ideal purpose which he espouses, of allowing labor to combine and collectively bargain without coercion from any source whatsoever."

Senator Tydings:

"Inasmuch as that is what the Senator from New York says he wants to obtain, namely, the right of labor to be removed from any coercion or intimidation, the right to collectively bargain for whatever they think would be better for themselves, and that nobody shall step in and frighten them, that nobody shall coerce them, if we do not keep that principle in the bill, then this boasted thing about labor having freedom is a farce, because we would simply take coercion away from one side and permit it on the other side. If it is wrong on one side, it is wrong on the other side.

"A laborer ought to be entitled without coercion from any side to say whether he wants to join this, that, or the other union, and if it is wrong for the employer, as it is wrong, to coerce labor or intimidate labor, it is equally wrong for somebody else to coerce laborers and intimidate them. All I am asking is that labor be protected from any coercion or intimidation from any source whatsoever."

Senator Walsh (chairman of the Labor Committee), in the course of this debate, insisted that the proposed Tydings amendment to protect employees from coercion from any source was both unrelevant and unnecessary. Irrelevant, because the Wagner bill dealt only with misconduct by employers and unnecessary because, to quote Senator Walsh:

"Why does it [the bill] deal with the employer and say 'you cannot coerce any employee'? Here is the fundamental problem involved in all this: The employer is the only person who can effectively coerce an employee.

"Of course the fundamental difference which is arrived at immediately is that whatever coercion there is among employees is open and aboveboard; it can be seen and can be detected, but coercion exercised by an employer upon an employee is subtle, underground, economic, and the employer has power of this character over an employee which no employee has over another employee."

Senator Tydings:

"* * * As I see this particular section [sec. 7 of the Wagner bill], it looks to me like an effort to force every man in America to join a certain kind of union, whether or not he wishes to join that union; and the coercion and intimidation features are not to be inserted in this section because a certain union desires a free hand to take the workers from the groups in which they now belong into groups into which they may not wish to go.

"That is the naked fact back of the opposition to this [my] amendment. It is an amendment [meaning the committee proposal] to force all working people into a particular union, and every Senator on the floor knows that to be the truth."

XVII. During the same debate Senator Hastings, of Delaware, stated:

"The language is perfectly clear. Does it not say, in so many words, that if the employer so desires, and the majority of the labor union so desires, they may make an agreement whereby no one may be employed in the establishment unless he belongs to that union, and will not that provision in this bill compel a minority of employees in that particular shop or that particular unit to join that union, whether they wish to or not, and pay all the fees which the union may desire to charge?"

Senator Wagner replied:

"The provision will not change the status quo. That is the law today; and wherever it is the law today that a closed-shop agreement can be made, it will continue to be the law. By this bill we do not change that situation."

(NOTE.—This is a further admission in the legislative history that under the Wagner Act, State law on the subject of compulsory unionism was regarded as controlling and that the return to the Wagner Act which the unions have been demanding since the passage of Taft-Hartley would not have the effect of nullifying the power of the States to outlaw compulsory unionism.)

Senator Walsh replied saying that, standing alone (minus the closed-shop proviso), section 8 (3) of the bill (prohibiting discrimination in employment to encourage or discourage membership in a union) "would make an employer commit an unfair labor practice if he required his employee to be a member of a union. The reason why an exception [the closed shop proviso] has been made to the rule is that there are already contracts existing, permitted and authorized by certain States, permitting employers to make contracts with employees limiting their personnel to members of a particular union.

(NOTE.—The language of the proviso to section 8 (3) of the Wagner bill [and Act] permits compulsory unionism notwithstanding any other provision of Federal law—it does not say "notwithstanding any provision of State law." By this time it should be conclusively clear that Congress in passing the Wagner Act, intended that State law should prevail on the subject of compulsory unionism.)

XVIII. Senator Tydings proposed amendment was defeated by a vote of 50 to 21 with 23 not voting.

On May 16, 1935, the Wagner bill containing the closed-shop proviso was passed by a vote of 63 to 12 with 19 not voting.

IN THE HOUSE OF REPRESENTATIVES

XIX. On February 25, 1935, Representative Boland, on the floor of the House, made the following statement during a discussion of section 7 (a) of the NRA:

"The ideas underlying this section are very simple. The worker is treated as a free person. He is accorded the right to associate with fellow workers, to join or refrain from joining any labor organization. * * *"

Although, inconsistently, Representative Boland, later in his speech asserts that Congress in section 7 (a) did not intend to outlaw the closed shop. Nevertheless, the quoted passage is further indication that the freedom of the worker to join or not to join a union was a fundamental and underlying principle prior to the Wagner Act of 1935, and that the latter's proviso, permitting compulsory unionism was a denial of that fundamental principle.

XX. Senator Wagner, testifying before the House Labor Committee in 1935 on H. R. 6288, the Connery bill (the counterpart of Senator Wagner's bill in the Senate) stated:

"Nothing could be more false than the charge that a gigantic closed shop would be forced upon industry. * * * This insertion [of the closed-shop proviso] is necessary to prevent repetition of these mistaken interpretations which have held that Congress intended to outlaw the closed shop when it enacted section 7 (a) of the Recovery Act. * * * It [the closed shop] is legal in New York, Massachusetts, and in many other States. Upon this subject no sufficient reason has been advanced why Congress should change the status quo."

This passage clearly demonstrates that section 7 (a) had been construed as outlawing compulsory unionism, and that in the legislative history of the Wagner Act it was the intent of Congress to make State law controlling in re compulsory unionism. Moreover, as has already been shown, this interpretation of section 7 (a), which Senator Wagner regarded as mistaken, was clearly justified on the basis of existing Federal policy on the subject as manifested in the Railway Labor Act and the Norris-La Guardia Act.

XXI. On May 7, 1935, Representative Connery introduced H. R. 7937 which was identical with the Wagner bill in the Senate with respect to section 8 (3) and the compulsory union membership proviso.

Later, on May 9, 1935, Representative Connery introduced another bill, H. R. 7978 which was the same as section 8 (3) and the proviso. This bill was reported favorably by the House Labor Committee on May 20, 1935 with section 8 (3) and the proviso appearing therein as introduced. (H. Rept. No. 969 on H. R. 7978, 74th Cong., 1st sess.) The report, among other things, stated:

"The provisions and objects of this bill have been subjected to preposterous exaggerations and misrepresentations. * * * But the bill is merely an amplification and further clarification of the principles enacted into law by the Railway Labor Act and by section 7 (a) of the National Industrial Recovery Act, with the addition of enforcement machinery of familiar pattern. Curiously, few opponents of the bill have had the hardihood to avow an opposition to the principles of section 7 (a); they take alarm, however, when a serious effort is proposed to enforce the mandate of that law. * * *

"Before proceeding to detail comment on the bill, it may be helpful to state in broad outline the structure of the bill. Section 7 (a), as it now appears in the National Industrial Recovery Act, is amplified by the specific prohibition of certain unfair-labor practices, which by fair interpretation would constitute infringements upon the substantive rights of employees declared in section 7 (a) [of the NIRA]. These prohibitions, and the substantive rights, are made applicable, to the extent of Congress' power under the commerce clause, to employers and employees irrespective of whether the industry in question is subject to a code of fair competition. * * *"

Comment:

The clear implications of these quotations are:

1. That the principles of the reported bill, which ultimately became the Wagner Act, and with respect to compulsory unionism in exactly the form in which it appeared in the reported bill, are based on the principles of the Railway Labor Act and section 7 (a) of the NIRA.

2. The Railway Labor Act, at that time (1935) specifically prohibited compulsory unionism, and section 7 (a) of the NIRA had been officially construed to do the same.

3. Therefore, the only conclusion that can be drawn is that the compulsory unionism proviso of the Wagner Act constituted an unmistakeable repudiation of the Railway Labor Act and of section 7 (a) of the NIRA with respect to compulsory unionism, and hence constituted a contradictory and inconsistent deviation from the basic principle of the Wagner Act itself, which like the Railway Labor Act, the Norris-La Guardia Act, and section 7 (a) of the NIRA established a fundamental scheme to prohibit dis-

crimination against employees because of their membership or nonmembership in a union.

XXII. The House committee report (on H. R. 7998) goes on as follows with respect to the proviso permitting compulsory unionism:

"The proviso * * * has been widely misrepresented. The proviso does not impose a closed shop on all industry; it does not give new legal sanctions to the closed shop. All that it does is to eliminate the doubts and misconstructions in regard to the effect of section 7 (a) [of the NIRA] upon closed-shop agreements, and the possible repetition of such doubts and misconstruction under this bill, by providing that nothing in the bill or in section 7 (a) or in any other statute of the United States shall illegalize a closed-shop agreement. * * * The bill does nothing to legalize the closed-shop agreement in the States where it may be illegal; but the committee is confident that it would not be the desire of Congress to enact a general ban upon closed-shop agreements in the States where they are legal."

This is further proof that the Wagner Act did not preempt the power of the States to regulate or prohibit compulsory unionism, and demonstrates that section 14 (b) of Taft-Hartley was merely a restatement of the law existing under the Wagner Act with respect to State power to prohibit compulsory unionism. The quotation also indicates that those who insisted that section 7 (a) of the NIRA was erroneously misinterpreted to outlaw compulsory unionsm, claimed no more than that Congress, in enacting section 7 (a), left the matter of compulsory unionism to regulation by State rather than Federal law.

XXIII. The House Labor Committee then approved a report on S. 1958, the Wagner bill as it passed the Senate (H. Rept. No. 972 on S. 1958, 74th Cong., 1st sess., May 21, 1935). S. 1958 except for clerical errors was identical with H. R. 7978, favorably reported to the House. This report again states:

"But the bill is merely an amplification and further clarification of the principles enacted in law by the Railway Labor Act, and by section 7 (a) of the National Industrial Recovery Act, with the addition of enforcement machinery of familiar pattern. Curiously, few opponents of the bill have had the hardihood to avow an opposition to the principles of section 7 (a); they take alarm, however, when a serious effort is proposed to enforce the mandate of that law."

"The time for appropriate action is at hand, because on June 16, 1935, the National Industrial Recovery Act, and Public Resolution 44, 73d Congress, expire by limitation. The Congress does not propose to withdraw the 'new charter of rights' enacted in section 7 (a). The only honest thing for the Congress to do, therefore, is to provide adequate machinery for its enforcement, which is the object of the present bill."

This is further proof that the object of the Wagner Act was to provide adequate enforcement of the rights granted to employees under section 7 (a) of the NIRA which had been interpreted to outlaw compulsory unionism. Therefore, the inclusion of the closed shop proviso in the Wagner Act was a repudiation of the basic principle of section 7 (a) as that section had been construed. See the preceding comment on H. R. 7978.

With respect to the compulsory unionism proviso of the bill, the language of this report is identical with the language of the report on H. R. 7978 set forth above.

XXIV. On June 10, 1935, the House Labor Committee submitted a favorable report on a corrected print of S. 1958 (H. Rept. No. 1147 on S. 1958, 74th Cong., 1st sess.) in which the compulsory union proviso was identical with those discussed above. This report repeats the familiar theme that the bill is merely an amplification and clarification of the principles of the Railway Labor Act and of section 7 (a) of the NIRA. It also repeats in identical language the comments set forth above on the closed shop proviso with respect to State law controlling on the question of the closed shop.

XXV. On June 19, 1935, discussion on S. 1958, as favorably reported by the House Labor Committee, began on the floor of the House. Congressman O'Connor referring to S. 1958 declared:

"This bill is nothing new. The National Industrial Recovery Act contained substantially the spirit of the bill. * * *

"The bill in its spirit is substantially a reenactment of the provisions of the National Industrial Recovery Act, which this Congress deliberately put into that bill. * * *"

Congressman Connery, the bill's sponsor, in the course of his remarks stated:

"* * * I said this [S. 1958] gives the [Labor] Board the power to enforce what we wrote into section 7 (a) when we wrote the National Industrial Recovery Act. * * *

"* * * So that all we are asking by this bill is to guarantee to labor the same rights we gave them in section 7 (a) of the National Industrial Recovery Act, namely, the power to bargain collectively through representatives of their own choosing. * * *"

Comment:

These remarks indicate clearly that in adopting the Wagner Act, Congress regarded itself as merely putting teeth into the enforcement of sec. 7 (a) of the NIRA, which as has been shown above, had been construed to outlaw compulsory unionism. Hence, the inclusion of the closed shop proviso of the Wagner Act can properly be regarded as inconsistent with the basic principles of sec. 7 (a) as well as of the Railway Labor and Norris-La Guardia Acts.

During the course of the same day's debate, Representative Connery also declared:

"* * * We do not want the employer to be able to fire a man because he stands up and says: 'Let us get together for our own protection and for the protection of our families to get short hours and decent wages. Let us form a union.' That is all there is in this bill."

But Representative Connery wasn't disclosing the whole picture however. The bill did a lot more. It enabled an employer, having signed a closed-shop contract with the union, to fire a man at the union's demand because he stood up and said that he had refused to join the union, regardless of the reason, even if it was out of religious scruples.

As the debate continued, the following exchange took place between Representative Connery and Representative Taylor, of South Carolina:

"Mr. TAYLOR. Does the man in the boiler room or on the yard, however insignificant his job may be, have the right, in his own right, to join a union so that the boys on the inside cannot ballot against him and keep him out?

"Mr. CONNERY. Of course, he will have his chance to go in and vote with all the rest of the people in the plant. The board can declare what unit is the unit in that plant.

"Mr. TAYLOR. That is not the point I have in mind right now. Can every individual on that payroll, it makes no difference who he is, demand the right to go in and join a particular union in that plant?

"Mr. CONNERY. Yes.

"Mr. TAYLOR. And none of his fellow workmen can keep him out?

"Mr. CONNERY. They cannot interfere with him at all * * *."

Comment: This time Representative Connery, in his answers, is completely at odds with the truth of the matter. Under both the Wagner Act, as well as the Taft-Hartley Act, a union is completely free to set its own qualifications for membership and to exclude from such membership anyone they wish. Hence, Mr. Connery's statement that an employee couldn't be kept out of a union under the provisions of his bill is utterly false. Furthermore, under the Wagner Act (Mr. Connery's bill), the complete closed-shop agreement was permissible. Thus a union, under that statute, could for any reason at all, deny an employee membership in the union, and if it had a complete closed-shop agreement, compel the employer to fire him, or if he was an applicant for employment, deny him a job.

If Mr. Connery's replies to Mr. Taylor are to be regarded as a valid part of the legislative history of the Wagner Act, the only conclusion is that the intent of Congress was sadly betrayed by the inclusion of the closed-shop proviso and its subsequent interpretation by the Wagner Act Labor Board.

The discussion on this point was resumed and it is interesting to note how Mr. Connery ducks the question when Congressmen Taylor and Wood try to pin him down.

Thus:

"Mr. WOOD. They have the right to join the union; but if the rest of the employees in that plant form an organization, they do not have to take that man in if they do not want to.

"Mr. TAYLOR. That is what I was trying to get at.

"Mr. WOOD. No more than they would have to do so in the present situation. This bill does not compel any group to take in somebody they do not want to take in.

"Mr. TAYLOR. What would become of that man? If the majority group should establish a closed-shop agreement with the employer, what would become of this man who knocked at the door and could not get in?

"Mr. CONNERY. He can get in.

"Mr. TAYLOR. The gentleman from Missouri says he cannot.

"Mr. CONNERY. There is nothing to keep him out. For instance, in the case I have referred to, they had 3 or 4 different questions on the ballot: Do you want an independent union, do you want a company union, do you want this or that, and they voted without any interference from the employers or anybody else. They voted in this case for an independent union of their own. They had, I think, 80 or 90 percent of the plant who voted to come into the union and the representatives which this 90 percent elected do the collective bargaining with the company." [Note how Mr. Connery, after denying an employee can be kept out of a union, completely ducks the issue in his so-called explanation.]

"Mr. TAYLOR. I understand that.

"Mr. CONNERY. I do not think you need worry about that situation. The man to whom you refer would join the union and even if he did not he would get union wages, because the men bargaining collectively would bargain for everyone in the plant."

[NOTE.—Not if there were a closed-shop contract. The nonunion man would not only not get union wages, he'd be fired from his job.]

"Mr. TAYLOR. I want to know what becomes of the individual who goes up to the union and says, 'I want to become a member,' and they ballot among themselves and say he cannot become a member. This being the majority group, they go out to the office and bargain with the employer and effect a closed-shop agreement and then this man who is denied membership, in effect, is legislated out of employment by this bill.

"Mr. CONNERY. Oh, no; I do not agree with the gentleman about that. In the first place, the man would join the union, and, second, no employer can be forced to make a closed-shop agreement."

[NOTE.—Mr. Connery never really answers the question.]

"Mr. WOOD. There is nothing complicated about this measure that I can see. Everything that was in section 7 (a) [of the NIRA] that was designed to give men and women the right to organize is in this bill. The only difference between section 7 (a) of the National Recovery Act and this measure is that there was not sufficient enforcement machinery set up in the National Recovery Act to enforce section 7 (a) * * *."

[NOTE.—He fails to mention the inclusion of the closed-shop proviso in the bill, a feature that was not in sec. 7 (a).]

"Mr. CONNERY. Oh, no. Nobody can force the workers in any plant to join a union who do not want to join it."

[NOTE.—He fails to mention that under a closed- or union-shop agreement signed pursuant to the closed-shop proviso of the bill, workers can be fired if they refuse to join the union, or for that matter, if the union refuses to accept some of the workers into membership in the union.]

"Mr. CONNERY. It [this bill] was designed originally to put teeth in section 7 (a) of the NIRA. * * *

"Mr. TRUAX. Nothing in this bill or in any other statute illegalizes closed-shop agreement by the employer and labor organization. * * *

"Neither are the closed-shop agreements legalized in any State where it may be illegal * * *."

XXVI. Representative Rich, of Pennsylvania, offered an amendment similar to that offered by Senator Tydings and rejected by the Senate. It would have prohibited restraint, coercion or intimidation from any source, and was intended to outlaw such conduct on the part of employees and unions as well as of employers.

"Representative O'Malley, I wish to make this statement with respect to the Wagner-Connery labor bill. The principle of the bill is exactly the same principle that is contained in the Railroad Labor Relations Act that this Congress passed years ago." [NOTE—The Railway Act prohibited compulsory unionism at that time.]

Mr. Rich's amendment was rejected.

XXVII. Representative TABER objected to the closed-shop proviso which he asserted would permit 51 percent of the employees of any organization to "get together and make an agreement for the discharge of the other 49 percent."

Representative Connery replied: "The closed-shop proposition in this bill does not refer to any State which has any law forbidding the closed shop. It does not interfere with that in any way." Representative TABER's amendment to strike out the proviso was rejected.

S. 1958 passed the House on June 19, 1935, containing the proviso (which was in the Wagner Act as finally adopted) permitting all forms of compulsory union membership agreements.

In subsequent insertions in the CONGRESSIONAL RECORD, Members of the House expressed their views on the bill (S. 1958). Representative Beiter, of New York, inserted in the RECORD a statement by Senator Wagner, which in relevant part, read as follows:

"Second, there is nothing in the bill which favors the closed shop. It provides merely that closed-shop agreements may be made, but only in those States where they are now legal. * * *"

XXVIII. On June 26, 1935, the conferees from the Senate agreed on a conference report on S. 1958 (H. Rept. No. 1371, 74th Cong., 1st sess.).

On June 27, 1935, the Senate agreed to the conference report. On the same day the House agreed to the conference report by a vote of 132 to 45.

On July 5, 1935, S. 1958 was signed by the President and became law as the Wagner Act.

LEGISLATIVE HISTORY OF THE TAFT-HARTLEY ACT WITH RESPECT TO COMPULSORY UNIONISM

I. Section 8 (3) of the Wagner Act which made it an unfair labor practice for an employer to discriminate against employees in hire or tenure of employment in order to encourage or discourage membership in a labor union contained a proviso permitting an employer and a majority union to sign and enforce a complete closed-shop agreement. This proviso went all the way in permitting every variety of compulsory unionism—from the complete closed union, closed shop situation at one extreme, through the union shop, union preference shop, to the maintenance-of-membership shop. Absent this proviso any such agreement would have been an unfair labor practice on the part of the employer, for such agreements encourage membership in a union contrary to the basic design of the statute and the specific prohibition of section 8 (3).

The Taft-Hartley Act retained the proviso to this section [now designated sec. 8 (a) (3)] but modified and restricted its scope. The proviso permits an employer and a union to sign an agreement for a limited union shop (the closed shop is prohibited) under which employees as a condition of retaining their jobs must join the union within 30 days of the effective date of the union-shop agreement or of the beginning date of their employment. Moreover, even under such a contract, nonmembership in the union can lawfully result in discharge only if the nonmembership is due to nonpayment of the regular and uniform union dues and initiation fees. Strikes to compel an employer to sign such an agreement are lawful. The House bill (H. R. 3020) permitted the same type of limited union-shop agreement but prohibited strikes to compel an employer to accept such an agreement and limited such agreements to a term of 2 years. The House version did not become law.

II. On April 11, 1947, the House Labor Committee reported its bill, H. R. 3020, favorably to the House (H. Rept. No. 245 on H. R. 3020, 80th Cong., 1st sess.). Referring to the question of compulsory unionism, the report stated:

"At least 12 States (Alabama, Arizona, Arkansas, Florida, Georgia, Idaho, Louisiana, Minnesota, Nebraska, North Dakota, South Dakota, and Tennessee) have laws forbidding compulsory unionism. Four others (Colorado, Kansas, Utah, and Wisconsin) allow agreements compelling union membership only after employees authorize such agreements by large majorities. California, Connecticut, Delaware, Iowa, Kansas, Maine, Massachusetts, Missouri, New Hampshire, North Carolina, Ohio, Oregon, Pennsylvania, and Texas have under consideration laws forbidding compulsory unionism. The demand for legislation of this kind is widespread and pressing."

NOTE.—It is clear from this passage that section 14 (b) of the Taft-Hartley Act was not needed to confer on the States the power to prohibit or restrict compulsory unionism. The States retained this power under the Wagner Act and as shown in the above quotation many of them exercised it. What section 14 (b) added to the law was a limitation upon the power of the States to permit compulsory unionism going beyond the narrow and limited type of union security arrangement permitted under the Tart-Hartley Act. Thus, if Congress were to repeal Taft-Hartley and to reenact the Wagner Act, as the unions have so persistently demanded, the States would retain their authority to forbid or restrict compulsory unionism but would acquire authority to permit any form of compulsory unionism as well.

The above House committee report also contained a minority report signed by six Democratic members of the committee—Representatives John Lesinski, Augustine Kelley, Adam Clayton Powell, Ray Madden, Arthur Klein, and John F. Kennedy. This minority report asserts that there is wide misunderstanding of the closed-shop proviso in the then existing Wagner Act. The minority says:

"Contrary to widespread belief, this provision does not legalize or extend the use of union security provisions. In fact, it limited their use by establishing two requirements * * * which did not exist prior to the passage of the [Wagner] Act, the national statute [Wagner Act] has left the State laws where it found them."

NOTE.—Thus the minority also concedes that under the Wagner Act, State law was controlling on the question of compulsory unionism.

III. On April 17, 1947, the Senate Labor Committee reported favorably to the Senate its bill (S. 1126) which, among other things, narrowed the closed-shop proviso of the Wagner Act to permit no more than the 30-day limited type of union shop which is now the law under the Taft-Hartley Act. (S. Rept. No. 105 on S. 1126, 80th Cong., 1st sess.). The bill, as reported, did not contain sec. 14 (b). In its report the committee stated:

"* * * It should be noted that when the railway workers were given the protection of the Railway Labor Act, Congress thought that the provisions which prevented discrimination against union membership and provided for the certification of bargaining representatives obviated the justification for closed-shop or union-shop arrangements. That statute specifically forbids any kind of compulsory unionism." [In 1951, Congress amended the Railway Labor Act to permit compulsory unionism along the lines of the Taft-Hartley Act but did not include the equivalent of sec. 14 (b).]

"* * * Under that statute [Wagner Act] a proviso to section 8 (3) permits voluntary agreements for compulsory union membership. * * * When the committees of Congress in 1935 reported the bill which became the present National Labor Relations [Wagner] Act, they made clear that the proviso in section 8 (3) was not intended to override State laws regulating the closed shop. The Senate committee stated that 'the bill does nothing to facilitate close-shop agreements or to make them legal in any State where they may be illegal' * * * abuses of compulsory membership have become so numerous there has been great public feeling against such arrangements. This has been reflected by the fact that in 12 States such agreements have been made illegal either by legislative act or constitutional amendment, and in 14 other States proposals for abolishing such contracts are now pending."

IV. The conference report adopted the Senate bill's provisions on compulsory unionism and they are embodied as current law in the Taft-Hartley Act. But the conference report (House Conference Rept. No. 510 on H. R. 3020, 80th Cong., 1st sess., June 3, 1947) did include what is now section 14 (b) of title I of Taft-Hartley, the provision authorizing State right-to-work laws. In this connection the conference report stated:

"Under the House bill there was included a new section 13 of the National Labor Relations Act to assure that nothing in the act was to be construed as authorizing any closed shop, union shop, maintenance of membership or other form of compulsory unionism agreement in any State where the execution of such agreement would be contrary to State law. Many States have enacted laws or adopted constitutional provisions to make all forms of compulsory unionism in those States illegal. It was never the intention of the National Labor Relations Act, as is disclosed by the legislative history of the act, to preempt the field in this regard so as to deprive the States of their powers to prevent compulsory unionism. Neither the so-called

"closed shop" proviso in section 8 (3) of the existing act [Wagner Act] nor the union shop and maintenance of membership proviso in section 8 (a) (3) of the conference agreement could be said to authorize arrangements of this sort in States where such arrangements were contrary to the State policy. To make certain that there should be no question about this, section 13 was included in the House bill. The conference agreement, in section 14 (b), contains a provision having the same effect."

V. In the floor debate in the House on the Hartley bill (H. R. 3020), Congressman Barden, second ranking Democrat on the Labor Committee and one of the House conferees in discussing compulsory unionism on April 15, 1947, quoted the late Justice Brandeis of the Supreme Court, as follows:

"'It is an essential condition of the advance of trade-unionism that the unions shall renounce violence, restriction of ouput, and the closed shop. * * * The American people should not, and will not, accept unionism if it involves the closed shop. They will not consent to the exchange of the tyranny of the employer for the tyranny of the employee.

"'I think there is no other man or body of men whose intelligence or whose character will stand in absolute power, and I should no more think of giving absolute power to unions than I should of giving capital monopoly power.

"'The closed shop seems to me opposed to our ideas of liberty, as presenting a monopoly of labor which might become as objectionable a monopoly as that of capital'."

On April 16, 1947, on the floor of the House, Representative FISHER, of Texas, a member of the House Labor Committee, in discussing compulsory unionism and State right-to-work laws, stated:

"Of course the gentleman refers to the fact that there were 12 States, now 13 with Texas, that have voted on the proposition [right-to-work laws] which is an indication of the overwhelming public opinion in this country in that direction. In that connection I should like to call the gentleman's attention to the fact that in the last Gallup poll on this subject 66 percent of the American people are shown as favoring the open shop, 18 percent favor the union shop, 8 percent favor the closed shop, and 8 percent have no opinion on the subject."

On April 16, 1947, Representative HOFFMAN, of Michigan, offered an amendment to the committee bill which would have completely outlawed all forms of compulsory unionism or union preference. The Hoffman amendment was rejected. In support of his amendment, Representative HOFFMAN quoted the provision of the Railway Labor Act which prohibits all forms of compulsory unionism. That provision as found in subdivision 5, section 152, title 45 of the United States Code, reads as follows:

"No carrier, its officers, or agents shall require any person seeking employment to sign any contract or agreement promising to join or not to join a labor organization; and if any such contract has been enforced prior to the effective date of this chapter, then such carrier shall notify the employees by an appropriate order that such contract has been discarded and is no longer binding on them in any way."

NOTE.—In 1951, this provision of the Railway Labor Act was amended to permit union shop agreements similar to those permitted under Taft-Hartley.

On April 17, 1947, the House passed the Hartley bill (H. R. 3020) substantially as reported by the House Labor Committee by a vote of 308 to 107 with 17 not voting.

On June 4, 1947, the House passed the conference report (the present Taft-Hartley Act which was much closer to the milder Senate bill than it was to the House committee bill H. R. 3020) by a vote of 320 to 79 with 30 not voting.

On June 20, 1947, the House passed the conference report over President Truman's veto by a vote of 331 to 83 with 15 not voting.

VI. The Senate debate on Taft-Hartley:

On May 9, 1947, the Senate by a vote of 57 to 21 (17 not voting) defeated an amendment by Senator Ball, of Minnesota, to outlaw all forms of compulsory unionism. On this vote, Senator MCCLELLAN, of Arkansas, voted for the Ball proposal.

The Senate passed its bill on May 13, 1947, by a vote of 68 to 24 with 3 not voting. This bill contained the present provisions on union security agreements.

During the debate in the Senate on the conference report (which became the Taft-Hartley Act in its present form) Senator Taft made the following statement on the floor on June 6, 1947:

"I merely wish to make it clear that in the report of the (Senate Labor) committee to the Senate, we stated that in our opinion there was nothing in the bill as originally reported by the committee which in any way would invalidate the provisions of a State law prohibiting the closed shop. That statement appears in the committee report to the Senate, on page 6. In it we pointed out that when the National Labor Relations Act was enacted (in 1935), it was made clear in the report at that time that the proviso in section 8 (3) was not intended to override State laws regulating the closed shop. At that time the Senate committee stated that the bill did nothing to facilitate closed-shop agreements or to make them legal in any State where they may be illegal.

"In other words, the whole spirit of the Wagner Act and its provisions would prohibit a closed shop because it prohibits discrimination against people who are not members of labor unions. In order to preserve that right and to keep the Wagner Act itself from abolishing the closed shop everywhere, it was necessary to write in this proviso. But that did not in any way prohibit the enforcement of State laws which already prohibited closed shops.

"That has been the law ever since that time. It was the law of the Senate bill; and in putting in this express provision from the House bill, we in no way change the bill as passed by the Senate of the United States."

Comment:

1. This is further evidence that Congress, under the Wagner Act intended State law to be controlling on the question of compulsory unionism.

2. In this statement, Senator Taft recognizes that the closed shop proviso of the Wagner Act was in conflict with the basic principles of that statute, and that in the absence of the proviso, compulsory unionism would have been outlawed by the Wagner Act.

On June 6, 1947, the Senate passed the conference report by a vote of 54 to 17 with 24 not voting.

On June 23, 1947, the Senate voted to override the President's veto by a vote of 68 to 25 with 2 not voting.

APPENDIX A

List of States which adopted legislation or constitutional amendments prohibiting all forms of compulsory unionism prior to the passage of the Taft-Hartley Act in June 1947:

1. Arkansas, November 7, 1944 (constitution).
2. Florida, November 7, 1944 (constitution).
3. Arizona, November 5, 1946 (constitution).
4. Nebraska, November 5, 1946 (constitution).
5. South Dakota, November 5, 1946 (constitution).
6. Virginia, January 21, 1947 (statute).
7. Tennessee, February 21, 1947 (statute).
8. North Carolina, March 18, 1947 (statute).
9. North Dakota, March 13, 1947 (statute).
10. Georgia, March 27, 1947 (statute).
11. Texas, April 8, 1947 (statute).
12. Iowa, April 28, 1947 (statute).

APPENDIX B

JUDICIAL HOLDING THAT COMPULSORY UNIONISM WAS SUBJECT TO STATE LAW UNDER THE WAGNER ACT

The Supreme Court of the United States has held that State laws prohibiting or restricting compulsory unionism were controlling under the Wagner Act.

Prior to the adoption of Taft-Hartley, and during the life of the Wagner Act, Wisconsin enacted legislation requiring two-thirds of the employees voting to vote in favor of any compulsory union membership contract if such contract were not to constitute an unfair labor practice under State law. The Wagner Act contained no such limitation on compulsory unionism nor did it contain a provision analogous to section 14 (b) of Taft-Hartley, specifically making State law controlling in this area. In 1943, the Algoma Plywood Co. of Wisconsin entered into a collective bargaining agreement with the Carpenters Union, AFL, which contained a union security clause of the maintenance-of-membership type. This contract continued in effect through January 1947 at which time an employee of the company was fired at the union's demand pursuant to said contract because of his failure to pay his union dues. This was prior to Taft-Hartley. He filed charges of unfair labor practice with the Wisconsin Employment Relations Board. At the hearing before the State board it was shown that the union security agreement had not been approved by the employees in a referendum as required by the Wisconsin statute. The Wisconsin board ordered the discharged employee reinstated with back pay and ordered the company to cease and desist from giving effect to the union security clause of the contract. The Supreme Court of Wisconsin sustained the State board's decision.

The case was appealed to the United States Supreme Court, which on March 7, 1949, in *Algoma Plywood Co.* v. *Wisconsin Employment Relations Board* (336 U. S. 301, 23 LRRM 2402), held that the closed-shop proviso of section 8 (3) of the Wagner Act did not sweep aside State law respecting the union shop. This proviso merely disclaimed a national policy hostile to the closed shop or other forms of union-security agreement.

In the course of its decision, the Supreme Court made the following comments:

"At the time when the National Labor Relations (Wagner) Act was adopted, the courts of many States, at least under the same circumstances, denied validity to union-security agreements. Here Wisconsin has attached conditions to their enforcement and has called the voluntary observance of such a contract when those conditions have not been met an unfair labor practice. Had the sponsors of the (Wagner) act meant to deny effect to State policies inconsistent with the unrestricted enforcement of union-shop contracts, surely they would have made their purpose manifest * * *.

"The contention that section 10 (a) of the Wagner Act swept aside State law respecting the union shop must therefore be rejected. * * *

"It is argued, therefore, that a State cannot forbid what section 8 (3) (the closed shop proviso of the Wagner Act) affirmatively permits. The short answer is that section 8 (3) merely disclaims a national policy hostile to the closed shop or other forms of union-security agreement. This is the obvious inference to be drawn from the choice of the words 'nothing in this act * * * or in any other statute of the United States,'

and it is confirmed by the legislative history."

The Court then quotes extensively from the legislative history of the Wagner Act—from the Senate report, the House report, from Senator Wagner's major speech to the Senate in support of the bill, and from the Senator's responses to questions during the course of the Senate debate as well as from statements made by Representative Connery, the manager of the bill in the House, during the House debates. All of the quotations from the legislative history referred to by the Court, are set forth at various places in this memorandum.

The Court then goes on to say: "No ruling by the courts or the NLRB, the agency entrusted with administration of the Wagner Act, has adopted a construction of section 8 (3) in disregard of this legislative history.

"Since we would be wholly unjustified therefore, in rejecting the legislative interpretation of section 8 (3) placed upon it at the time of its enactment (in 1935) it is not even necessary to invoke the principle that in cases of concurrent power over commerce State law remains effective so long as Congress has not manifested an unambiguous purpose that it should be supplanted. * * *

"Since, therefore, the effect given by the Wisconsin Employment Peace Act by the judgment below does not conflict with the enacted policies of Congress, that judgment (of the Wisconsin Supreme Court) is affirmed."

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. GOLDWATER. I am happy to yield.

Mr. CURTIS. I commend the distinguished and able Senator from Arizona for his statement on the right to work. Does the Senator agree that so long as we have compulsory unionism we take away from workers the most potent weapon they have for policing their unions?

Mr. GOLDWATER. I definitely agree. I believe the same holds true with respect to any organization. The only threat which exists for example, in an association such as the Veterans of Foreign Wars or the American Legion, is that if we do not like what is going on in the leadership, we can quit or we can throw them out at the next election.

Mr. CURTIS. I believe the Senator will recall that when Dave Beck was before the McClellan committee he was asked the question—referring to the States where there are no right-to-work laws—if his members believed the charges against him, that their money was being squandered, they could stop paying their money without losing their jobs, and he reluctantly admitted that they could not.

Mr. GOLDWATER. That is true.

Mr. CURTIS. If it were not for compulsory unionism and the right to have captive membership and compulsory collection of dues, would gangsters and racketeers gravitate to the labor union movement?

Mr. GOLDWATER. I cannot say that they would not, because they do gravitate to organizations which are voluntary, even though they do so only on a scale which is not brought to national attention. However, it is my feeling, as I said at the outset of my remarks, that the only solution to what the McClellan committee has turned up is voluntary unionism.

I might go one step further and say that if the American people become more incensed as a result of the disclosures yet to be made about what is going on and what has been going on in the union movement, they may demand reforms far more drastic than those which the Senator from Nebraska and I would like to see. Unfortunately, that is the way some minds work.

Mr. HENNINGS. Mr. President, will the Senator yield?

Mr. GOLDWATER. I shall be happy to yield to the Senator from Missouri when I have finished my colloquy with the Senator from Nebraska.

Mr. HENNINGS. I suggest the absence of a quorum.

Mr. GOLDWATER. Mr. President, I did not yield; I have not finished.

The PRESIDING OFFICER. The Senator from Arizona has not yielded.

Mr. CURTIS. I believe the Senator from Arizona is aware of the statement made by Mr. Guy Brown, of the Brotherhood of Locomotive Engineers, when he testified before a Congressional committee not long ago. He said, in substance, speaking against compulsory membership, that he believed the unions had a product good enough so that they did not have to compel people to join. I really think that that is an unanswerable argument for good unions.

Mr. GOLDWATER. The evidence is replete on that score. If we look at foreign countries, where compulsory unionism is prohibited, the percentage of workers in the unions is far greater than it is in the United States.

I think, undoubtedly, that if membership in unions in this country were on a voluntary basis, we would find a great increase, in the long run in union membership, and much better conducted unions, on the whole, than there are today.

Now I am happy to yield to the Senator from Missouri, for the purpose of suggesting the absence of a quorum.

Mr. HENNINGS. I felt, because of the importance of the issue to which my good friend speaks, that I should suggest the absence of a quorum, so as to enable all Senators to hear what the Senator from Arizona has to say.

Mr. GOLDWATER. I had concluded my speech and was about to take my seat.

Mr. HENNINGS. Then, Mr. President, I shall not suggest the absence of a quorum.

Mr. McNAMARA. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. SPARKMAN in the chair). Without objection, it is so ordered.

INVESTIGATION OF THE ADMINISTRATION OF ANTITRUST AND MONOPOLY LAWS

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1217, Senate Resolution 231; and I invite the attention of the Senator from Tennessee to the motion.

The PRESIDING OFFICER. The resolution will be read by title for the information of the Senate.

The LEGISLATIVE CLERK. Calendar No. 1217, Senate Resolution 231, to investigate the administration of the antitrust and monopoly laws of the United States.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Goldwater	Morton
Allott	Green	Mundt
Anderson	Hayden	Murray
Barrett	Hennings	Neuberger
Beall	Hill	O'Mahoney
Bennett	Hoblitzell	Pastore
Bible	Holland	Payne
Bricker	Hruska	Potter
Bridges	Humphrey	Proxmire
Bush	Ives	Purtell
Byrd	Jackson	Revercomb
Capehart	Jenner	Robertson
Carlson	Johnson, Tex.	Russell
Carroll	Johnston, S. C.	Saltonstall
Case, N. J.	Kefauver	Schoeppel
Case, S. Dak.	Kennedy	Smathers
Church	Kerr	Smith, Maine
Clark	Knowland	Smith, N. J.
Cooper	Kuchel	Sparkman
Cotton	Langer	Stennis
Curtis	Lausche	Symington
Dirksen	Long	Talmadge
Douglas	Magnuson	Thurmond
Dworshak	Malone	Thye
Eastland	Mansfield	Watkins
Ellender	Martin, Iowa	Wiley
Ervin	McClellan	Williams
Flanders	McNamara	Yarborough
Frear	Monroney	Young
Fulbright	Morse	

Mr. MANSFIELD. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Tennessee [Mr. GORE], and the Senator from North Carolina [Mr. SCOTT] are absent on official business.

Mr. DIRKSEN. I announce that the Senator from Maryland [Mr. BUTLER] is detained on official business.

The Senator from Iowa [Mr. HICKENLOOPER] is necessarily absent.

The Senator from New York [Mr. JAVITS] and the Senator from Pennsylvania [Mr. MARTIN] are absent on official business.

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the motion of the Senator from Texas [Mr. JOHNSON] that the Senate proceed to the consideration of Calendar No. 1217, Senate Resolution 231.

The motion was agreed to; and the Senate proceeded to consider the resolution.

ORDER FOR ADJOURNMENT TO TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today it stand in adjournment until 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CALL OF THE CALENDAR ON THURSDAY NEXT

Mr. JOHNSON of Texas. Mr. President, I should like to announce that there will be a calendar call in the Senate on Thursday. I now ask unanimous consent that upon the completion of morning business on Thursday the unobjected-to measures on the calendar be called from the beginning.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I am sorry that we have had to ask our colleagues to come here and answer the rollcall at this late hour, especially on an evening when the distinguished Speaker of the House is being honored by the Veterans of Foreign Wars. I did not anticipate that we would have a live quorum call. Since we have had one, and since the scheduled dinner is at 7 o'clock, I hardly believe that we could debate the resolution which is now the pending business and consider the amendments that will be offered and have a rollcall on the amendments and still permit Senators to fulfill their engagements.

I apologize to the Senate for the situation in which we find ourselves.

I had told the Senator from Tennessee [Mr. KEFAUVER] that I felt we would have time to give consideration to his resolution, between the conclusion of the address of the Senator from Arizona [Mr. GOLDWATER] and the 7 o'clock meeting.

I suggested the absence of a quorum, so that all Senators could be on notice. Then I asked unanimous consent that the order for the quorum be rescinded, but a live quorum was later requested and that order could not be rescinded. As a result, we have had to spend a longer time getting the Members to the Chamber than had been anticipated.

Under the circumstance, it would be my suggestion, if it is agreeable to the minority leader and to the Senator from Tennessee, that there be offered at this time the amendment to the resolution which I understand is to be offered by the minority leader; that the yeas and nays on the amendment be ordered; that Senators be on notice that we will start debate on the resolution tomorrow following the morning hour; and that we have, tomorrow, any yea-and-nay votes that are possible on the pending business. Senators will also be on notice that the other so-called money resolutions will be considered tomorrow if Senators permit them to come to a vote then. Is that agreeable to the Senator from Tennessee?

Mr. KEFAUVER. That is agreeable to me.

Mr. JOHNSON of Texas. Is that agreeable to the minority leader?

Mr. KNOWLAND. That is agreeable.

Mr. JOHNSON of Texas. I understand that the minority leader wishes to offer an amendment.

Mr. KNOWLAND. Yes. I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER (Mr. SPARKMAN in the chair). The amendment will be stated.

The LEGISLATIVE CLERK. On page 3, line 2, it is proposed to strike out the figure "$365,000" and to insert in lieu thereof the figure "$250,000."

Mr. KNOWLAND. Mr. President, I understand that we will not continue the debate this evening. However, I ask that the yeas and nays be ordered on the amendment I have offered.

The yeas and nays were ordered.

ADJOURNMENT

Mr. JOHNSON of Texas. Mr. President, pursuant to the order previously entered, I move that the Senate stand in adjournment until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 38 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until tomorrow, Wednesday, February 5, 1958, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

TUESDAY, FEBRUARY 4, 1958

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Ephesians 3: 16: *That ye may be strengthened with might by His spirit in the inner man.*

Almighty God, Thou art always standing at the door of our hearts waiting to be welcomed and wanting to be known and trusted.

Make us sensitive and responsive to the promptings of Thy spirit, seeking to transform us from what we are to what we ought to be.

May we always be eager to yield ourselves to Thy goodness for our littleness needs Thy greatness and our weakness needs Thy strength.

Grant that nothing may eclipse our faith and obscure our hope as we continue to pray and labor for the peace of the world.

Hear us in Christ's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Ratchford, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McGown, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 10146. An act making supplemental appropriations for the Department of Defense for the fiscal year ending June 30, 1958, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. HAYDEN, Mr. RUSSELL, Mr. CHAVEZ, Mr. ELLENDER, Mr. BYRD, Mr. BRIDGES, Mr. SALTONSTALL, and Mr. YOUNG to be the conferees on the part of the Senate.

REFUNDING GOVERNMENT DEBT AT HIGH INTEREST RATES

Mr. VANIK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. VANIK. Mr. Speaker, in yesterday's Washington newspapers an advertisement caught my attention advertising the refunding of $16,785,000,000 in United States Treasury issues. In accordance with this advertisement certain new issues were advertised in exchange for outstanding issues maturing within the next 75 days.

One of the extraordinary features about the new issue is that bonds can be acquired, paying a guaranteed 3½ percent interest rate until February 15, 1990, 32 years from now.

I am fully aware of two desperate problems faced by the Treasury Department: First, in securing the necessary funds for the operation of the Government, and second, the necessity for avoiding short-term refunding of national indebtedness. However, it is extremely difficult for me to comprehend the fiscal wisdom of our Government and its debt managers who persisted in short-term borrowing during the past several years when interest rates were steadily rising upward and now undertaking a long-term offering for a period of 32 years at a 3½ percent rate at the very time when every indication points to decreasing interest rates in the immediate future.

If this offering could be delayed for 90 or 180 days, it is extremely possible that one-half of 1 percent might be saved on the interest rate with a possible net savings to the American people of almost $2½ billion. A policy of long-range high-interest offering at a time when lower interest rates are in clear prospect indicates a national fiscal policy designed for and perhaps by the banking and investment interests of America rather than the guardians of American tax dollars.

There seems every reason to believe that public policy would be better served if this tremendous long-range high-interest offering could be deferred for a more prudent period of lower and more attractive interest rates.

HARRY HEYDENBURG, REPORTER

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, in the district court of the United States in Chicago the distinguished jurists in their robes sat en banc, the United States marshal brought before them in handcuffs, the defendant, Harry E. Heydenburg, charged with the grievous crime of desertion from the Federal Building pressroom, the evidence was heard and a verdict of guilty promptly rendered, whereupon District Judge Phillip Sullivan sentenced the defendant to accept the gifts that a host of Harry Heydenburg's friends had ready with which to shower a great newspaper reporter on his retirement. It was a ceremony in appreciation of and affection for one of the journalistic greats, a newsman who for more than 40 years had covered the beat of the Federal courts in Chicago. Harry Heydenburg got his first job as a reporter on a metropolitan daily in 1903. He was assigned to the Federal pressroom in 1916 and remained there until his retirement in January of 1958. From 1924 to 1958, over three-score years, he was on the staff of the Chicago American. He never made an enemy. He was respected and beloved by several generations of judges, court officials, and lawyers. He set the pace and the pattern for topnotch reporting.

My colleagues join me, I am sure, in noting the retirement of a great newsman and in wishing him rich contentment in the years ahead. It is to be hoped that in his retirement he will find the time to write the story of his 41 years covering the beat in the old Federal Building in Chicago. Many things have happened in four decades in that building. There have been many famous trials, many picturesque personalities of which Judge Landis was but one, many dramatic and historic scenes. Harry Heydenburg covered them all. His story of it all would be a best seller.

HUMANE SLAUGHTER BILL

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I rejoice with all animal lovers that the humane slaughter bill, H. R. 8308, introduced by the gentleman from Texas [Mr. POAGE], which comes up in the House today for action, will pass.

Is there anyone who will deny an animal has feelings?

This legislation is humane and necessary. I am extremely happy that the House today will pass the bill, and I believe that the Senate will do likewise.

RECENT MALLORY DECISION DEVELOPMENTS

Mr. KEATING. Mr. Speaker, if the after effects of the Supreme Court's Mallory decision last year appeared disastrous to law enforcement efforts, that impression has been doubly pounded home by recent district court rulings.

The decision by Judge Edward M. Curran in the Turner case yesterday is an example of this. I think the words of Judge Curran in ruling inadmissible the confession of a two-time robber are significant. He said:

> Now, while I don't agree with the Supreme Court's decision, there is nothing I can do about it. It is too bad law-enforcement officials do not have the right to ask certain questions of a person who has been arrested and charged with a crime.

Mr. Speaker, no matter what may be the personal feelings of the district court judges, the fact is that their adherence to a strict interpretation in cases involving arraignment procedures has virtually encased our law-enforcement officials in a legal straitjacket. The split-second timing now seemingly required means very simply and directly that the police cannot effectively carry out their duties.

While the desire of any court to protect the rights of individuals is certainly commendable, it should not be carried to absurd extremes. When such tendencies result in a threat to the welfare of the great mass of our people, then it is time to call a halt.

Mr. Speaker, that time has arrived. Judge Curran says he does not agree with the Mallory decision, but he can do nothing about it. I also disagree with the Mallory edict. And we in Congress can do something about it. We must act, if the streets of the District of Columbia are to be made safe once again for law-abiding citizens.

In the broader sense, Congressional action is also needed to clarify arraignment procedures in all Federal jurisdictions.

Mr. Speaker, I am extremely hopeful we will soon have on the floor of the House such a bill. Legislation such as I have proposed provides a just and sound means for ending the dangerous repercussions of the Mallory ruling. Let us delay no longer in unchaining our law-enforcement officials.

SECOND ANNUAL REPORT OF THE SURGEON GENERAL OF THE PUBLIC HEALTH SERVICE—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 324)

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Committee on Interstate and Foreign Commerce and ordered to be printed:

To the Congress of the United States:

Under the provisions of title VII of the Public Health Service Act, as amended by Public Law 835, 84th Congress, I transmit herewith for the information of the Congress the second annual report of the Surgeon General of the Public Health Service summarizing the activities of the health research facilities program.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *February 4, 1958.*

SEVENTH SEMIANNUAL REPORT ON ACTIVITIES CARRIED ON UNDER PUBLIC LAW 480, 83D CONGRESS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 323)

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Committee on Agriculture and ordered to be printed:

To the Congress of the United States:

I am transmitting herewith the seventh semiannual report on activities carried on under Public Law 480, 83d Congress, as amended, outlining operations under the act during the period July 1 through December 31, 1957.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *February 4, 1958.*

CALENDAR WEDNESDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday of next week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

HUMANE SLAUGHTER OF LIVESTOCK

Mr. SMITH of Virginia. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 376 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 8308) to establish the use of humane methods of slaughter of livestock as a policy of the United States, and for other purposes. After general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SMITH of Virginia. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN] and to myself such time as I may require.

Mr. Speaker, I have had no requests for time for debate on the rule. I know of no opposition to the rule, but I would like to make a brief statement if the gentleman will consume such time as he may desire.

Mr. ALLEN of Illinois. Mr. Speaker, I have no objection to the rule.

Mr. SMITH of Virginia. Mr. Speaker, House Resolution 376 makes in order the consideration of H. R. 8308, the humane slaughter bill. The resolution provides

for an open rule and 1 hour of general debate.

The bill establishes a national policy in connection with the slaughter and handling of livestock for slaughter. Certain methods which would comply with the public policy are listed in the bill, but it does provide that slaughtering in accordance with the practices and requirements of any established religious faith are to be considered in conformity with the public policy.

The Secretary of Agriculture is authorized to conduct research and investigation to determine the most humane, practicable methods of slaughter. He is also authorized to establish a 12-man advisory committee to make recommendations in connection with the study.

After December 31, 1959, the Federal Government will buy no livestock products which have not been slaughtered by the humane methods determined by the Secretary of Agriculture, and such products shall be labeled as having been slaughtered by these humane methods. There is no other penalty attached to the bill. The bill merely seeks to promote practical methods of humane slaughter of animals. It is a measure with large public support. It is a moderate bill and ought to be enacted. I hope that the rule may be adopted and the bill passed.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AMENDING TARIFF ACT OF 1930 RELATIVE TO IMPORT DUTIES ON CERTAIN COARSE WOOL

Mr. SMITH of Virginia. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 460 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 2151) to amend certain provisions of the Tariff Act of 1930 relative to import duties on certain coarse wool, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill, and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be considered as having been read for amendment. No amendment shall be in order to said bill except amendments offered by direction of the Committee on Ways and Means, and said amendments shall be in order, any rule of the House to the contrary notwithstanding. Amendments offered by direction of the Committee on Ways and Means may be offered to any section of the bill at the conclusion of the general debate, but said amendments shall not be subject to amendment. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit.

Mr. SMITH of Virginia. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN], and to myself such time as I may require.

Mr. Speaker, I have no requests for time on this side.

Mr. ALLEN of Illinois. Mr. Speaker, I reserve the balance of my time.

Mr. SMITH of Virginia. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

HUMANE SLAUGHTER OF LIVESTOCK

Mr. POAGE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 8308) to establish the use of humane methods of slaughter of livestock as a policy of the United States, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 8308, with Mr. HERLONG in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. POAGE. Mr. Chairman, I yield myself 25 minutes.

Mr. Chairman, the need for humane slaughter legislation has been quite evident for many years. While the American meatpacking industry has long held a deserved reputation as one of the most efficient in the world, most of its members had, up until a few months ago, done practically nothing to meet the requirements of human kindness and even decency in the slaughtering of animals. While practically every other packing-house operation had been mechanized and modernized cattle and hogs were still killed exactly as they were when as a boy of 10 I first visited the plants at Fort Worth. Possibly the companies needed the spur of competition in this field.

True there have been a few outstanding examples of progress. George Hormel & Co., one of the great hog packers, had devised and installed a modern and humane hog slaughtering practice in their new plant at Norfolk, Nebr., as it was constructed. They found that it actually saved money through the elimination of losses of valuable meat from bruises and broken bones. They later installed similar facilities in all of their plants. Other hog packers have followed suit, but I believe I am correct when I say—at least as far as I know—none of the so-called big four packers have as yet adopted similar methods for hogs.

They still kill hogs by bleeding them to death on the gruesome wheel—an instrument of torture to which live conscious hogs are shackled in an endless line with a dozen or more being lifted some 12 or 15 feet into the air to slowly and relentlessly move through possibly 50 feet of space where they come even with a sticker. A sticker, my colleagues, is a man who stands on a bloody pedestal with a knife—sharp at the beginning of the day but certainly on many occasions in need of grinding—with which he sticks the jugular vein of the hog. He does not kill the hog. He is not there to kill the animal. The hog—or lamb and in some packing houses the calf—dies from the loss of blood as it is carried ever onward by the inexorable movement of the endless chain to which it is attached by a steel chain around one hind leg. If the animal is a hog it is shortly dropped into a vat of boiling water. In most cases it has lost consciousness but numerous exceptions are reported.

Your committee believes that more humane methods should be employed.

At least two of the largest packers have, since this bill was favorably reported by the Agriculture Committee, made a very far-reaching change for the better in their methods of slaughtering cattle. First Swift & Co. and then Armour & Co. have turned from the age-old system of knocking cattle. In the past all cattle were pushed into chutes and knocked in the head by men armed with sledge hammers. These knockers became quite expert and in the great majority of cases they were able to kill an animal with one blow—but they missed now and then. In fact, sometimes they knocked off horns or knocked out eyes. Most—but not all—packing houses killed cattle, especially calves—if they were not killed on the wheel—8 or 10 deep. If the animals first knocked down were not killed, and sometimes they were not, they struggled to extract themselves from the mass of bodies on top of them.

The small Sitz Packing Plant at St. Joseph, Mo., was one of the early packers to abandon this practice. They used the captive bolt pistol. Members of our committee visited the plant and used the pistol. It is not perfect but used in connection with a series of electric lights which tend to quiet the cattle in a small pen there is very little margin for error.

Many other plants are now using the captive bolt pistol. It costs about $200 and the shells cost about one-half a cent per animal. It can hardly be said to impose an unbearable economic burden on the packers.

The two largest packers have recently equipped themselves with an improvement of this weapon in the form of the Remington Stunner—produced by the Remington Arms Co. It is said to be even more efficient than the pistol. There are also pneumatic devices on the market. Any slaughter house can provide for the humane slaughtering of cattle without any considerable capital investment.

As the American Meat Institute very recently stated in a joint statement with the American Humane Association:

> The problem in connection with its use on hogs and sheep and lambs is primarily one of restraining the animals while applying the stunner.

They add:

> We are convinced, however, that time, patience, and continuous investigations will lead eventually to the correct answers.

The majority of the Committee on Agriculture also believe that the problem but needs the same kind of consideration which has been given to all of the competitive technical problems of the packers.

Our committee has made an on-the-spot investigation of packing house killing practices. It was not a pleasing duty. We recognize that the slaughter of living animals is never a pleasant task. We found that the packers have great difficulty securing and retaining men to do the cruel and dirty work of knocking and sticking. Most workers take these jobs because of economic necessity and quit them as soon as they can. Unfortunately, the few who seem to want to stay with this work are generally either without any kindly feeling of compassion for the suffering of God's dumb creatures or are of such low intellect themselves that they are immune to any pain except their own. This situation is not the fault of the packers but it is most unfortunate—and it does exist.

Even before our committee conducted its investigations numerous Members of Congress recognized the situation and introduced bills intended to deal with the evil. I wish that I could name all those who introduced bills. Unfortunately, I have no accurate list. I would, however, call especial attention to the devoted efforts of our colleague, the gentle lady from Michigan, Mrs. MARTHA GRIFFITHS, who has pushed for a solution of this problem ever since she has been in Congress. Her work and her attitude have always been helpful and constructive.

Our colleague the gentleman from Utah [Mr. DAWSON] has been most interested, as have the gentlemen from California [Mr. MILLER and Mr. HIESTAND], the gentleman from South Carolina [Mr. MCMILLAN], the gentleman from Tennessee [Mr. LOSER], the gentleman from Maryland [Mr. HYDE], and the gentleman from Michigan [Mr. BROOMFIELD].

Almost a full year ago, our committee held hearings. A great number of witnesses were heard. Most of them in favor of legislation—but we also heard the representatives of the packers and others who raised questions.

The hearings resulted in a completely new approach to the problem. As chairman of the Subcommittee on Livestock and Feed Grains I introduced a bill, very similar to the perfected measure we have before us. The previous bills had all sought to make other than humane slaughtering methods punishable as criminal acts. The committee bill contains no criminal penalties. Its only sanction lies in the provision that the United States Government will not hereafter buy meat from any processor who uses other than humane methods in slaughtering.

The bill will not therefore apply to the local butcher who does not seek a government contract. We realize that the exception is large, but we felt that we should better err on the side of liability. We do not want to impose any kind of economic burden on either the small packer or on the producer of meat. Nor did we feel that the Federal Government should attempt to prescribe rules for purely local business activities. We did, however, feel that if the Government was going to spend tax money it should spend it with those packers who followed a reasonably enlightened code of slaughtering practices.

In the beginning opposition came from three sources. First the packers objected. They said it would add materially to their costs. We have, however, seen that one of the largest hog packers and the two largest cattle packers have voluntarily adopted humane practices; the first as to hogs—the other two as to cattle. In the face of this it seems clear that there is little real validity to their protests and just last week you doubtless received the publication of the American Meat Institute to which I referred. This seems to make it quite clear that there is in fact no real economic barrier. Surely there is none in the big plants and the small plants are for practical purposes all exempt—unless they are bidding on Government contracts.

The second group of objections come from livestock producers who had been told that they would have to absorb some substantially increased costs. No farmer wants to absorb extra costs. Very few indeed could do so. I don't want to impose any burden on livestock producers. I am one myself. I have been in the cow business, in a very small way, all my life and my father before me and his father before him. No, I would not knowingly hurt the livestock producers but on the other hand I know that that livestock man, if he is the kind of man of whom we are so proud, is deeply interested in knowing that the cow he raised from a calf is not going to be needlessly and brutally subjected to any kind of mistreatment, and from the testimony of the packers themselves, it seems clear that there is not going to be any extra costs to pass back. Hormel's several years of experience has resulted in a saving—not a cost.

The third group of objections came from an unexpected source. We had recognized that some of our people hold religious convictions in regard to the method of slaughtering animals for food. The original committee bill had sought to deal with this by simply excepting the Jewish ritualistic method of slaughter. It was, however, pointed out, quite fairly, I thought, that any exception might be construed as a brand of evil on a practice which we condemned but were willing to tolerate.

The committee recognized and I recognize that ritualistic slaughtering is not simply something that we should condone in behalf of religious freedom—although I would always feel that we should be extremely careful not to interfere with any citizens' religious beliefs, but ritualistic slaughtering is as I see it, when actually carried out in compliance with the Mosaic law one of the most humane methods yet devised. The bill, therefore, was changed to recognize ritualistic slaughtering as of itself humane.

It will, however, be understood that on matters of this kind there are naturally going to be many varieties and degrees of feeling. There were those who felt that even as reported by the committee the bill did not give quite the degree of recognition or dignity which should be accorded the sincere belief of some citizens. The sponsors of the bill tried to work out the language last summer but found that it was going to take time to do this.

At that time and at all times since we have had the splendid cooperation of the distinguished majority leader, the gentleman from Massachusetts, and of the distinguished gentleman from New York [Mr. MULTER]. They and others have done everything possible to achieve unanimity. We have also had the cooperation of many outside agencies, groups, and individuals.

At last we are able to present language, which will be offered as an amendment with the approval of a majority of the Agriculture Committee which is acceptable to the great majority of those who have heretofore opposed this bill on religious grounds.

At this point, Mr. Chairman, I would like to read into the RECORD a letter dated January 29, 1958, from Hon. Leo Pfeffer, of New York City. The letter is as follows:

DEAR CONGRESSMAN POAGE: I am writing this letter on behalf of the Rabbinical Assembly of America and the United Synagogue of America (representing respectively the conservative rabbinate and conservative congregations), the Central Conference of American Rabbis and the Union of American Hebrew Congregations (representing the Reform rabbinate and Reform congregations), and the American Jewish Congress.

We understand that your bill H. R. 8308 regarding humane slaughtering of animals has been or will be amended as follows:

In the enactment section on page 2, line 3, the words "the most" and "practicable" will be eliminated.

For the present section 2 the following will be substituted:

"SEC. 2. No method of slaughtering or handling in connection with slaughtering shall be deemed to comply with the public policy of the United States unless it is humane. Either of the following two methods of slaughtering and handling is hereby found to be humane:

"(a) In the case of cattle, calves, horses, mules, sheep, swine, or other livestock, all animals are rendered insensible to pain by a single blow or gunshot or an electrical, chemical, or other means that is rapid and effective, before being shackled, hoisted, thrown, cast, or cut; or

"(b) By slaughtering in accordance with the ritual requirements of the Jewish faith or any other religious faith that prescribes a method of slaughter whereby the animal suffers loss of consciousness by anemia of the brain caused by the simultaneous and instantaneous severance of the carotid arteries with a sharp instrument."

In addition, a new section 6 will be added to read as follows:

"Nothing in this act shall be construed to prohibit, abridge, or in any way hinder the religious freedom of any person or group to slaughter and prepare for the slaughter of livestock in conformity with the practices and requirements of his religion."

We understand that these amendments are based upon the convincing scientific testimony presented before the respective committees of both the House of Representatives and the Senate to the effect that the Jewish method of slaughter described in the

proposed amendment is a human method meeting the standards of your bill.

We understand further that while the bill as amended would empower the Department of Agriculture to restrict or prohibit shackling or hoisting of conscious animals in connection with slaughtering according to the ritual requirements of the Jewish faith, it does not restrict or prohibit, nor does it authorize the Department of Agriculture to restrict or prohibit the use of the Weinberg or revolving pen, as is used in Great Britain, and that such use of the Weinberg pen is a humane method of preparing the animal for slaughter.

With this understanding I am authorized by the organizations listed above to inform you that these organizations and their membership have no opposition to H. R. 8308, as so amended.

You are authorized to read this letter into the CONGRESSIONAL RECORD and make such further use of it as you deem appropriate. You are authorized further to inform all interested persons that the statement containing my signature now being circulated by the Union of Orthodox Rabbis in opposition to H. R. 8308 is based upon that bill before the amendments set forth in this letter, and that continued circulation of the statement by the Union of Orthodox Rabbis with my signature appended thereto is without my consent or approval.

Cordially,

LEO PFEFFER.

I now want, Mr. Chairman, to state for the RECORD that I agree with Mr. Pfeffer on his interpretation of the meaning of the proposed amendments and particularly to point out that the proposed amendments are not intended to deny the Department of Agriculture the right and power to prohibit any form of shackling and hoisting of conscious animals. It is not, however, intended to and does not give the Department of Agriculture any right or power to restrict or prevent the use of the Weinberg or revolving pen.

I want to also state that it is our purpose to offer the amendments to which Mr. Pfeffer referred in the language quoted. The amendments will actually be offered by our colleague the gentleman from New York [Mr. ANFUSO], a member of the Agriculture Committee.

In view of all of these facts, Mr. Chairman, I trust that this bill may have the overwhelming support of this House.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I now yield to the gentleman.

Mr. HOFFMAN. Do I understand that the objections of the Union of Orthodox Rabbis have been removed by what the gentleman has said?

Mr. POAGE. No; I do not understand that the Union of Orthodox Rabbis agreed to it. I do understand that all of these other groups, the Rabbinical Assembly of America, the United Synagogue of America representing collectively the conservative rabbis and the conservative congregations, the American rabbis, and the Union of American Hebrew Congregations, and the American Jewish Congress—I understand that their objections have all been removed.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield.

Mr. HOFFMAN. Will the gentleman tell us how they were removed?

Mr. POAGE. By the amendments I have just mentioned.

Mr. HOFFMAN. What do they do?

Mr. POAGE. They restate the right of any group to practice any religious belief they want.

Mr. HOFFMAN. Wait a minute; how do the Jewish people kill a steer?

Mr. POAGE. By following——

Mr. HOFFMAN. I know, but how do they do it?

Mr. POAGE. I am trying to tell the gentleman, by following the ritualistic requirements of the Jewish faith which prescribes a method of slaughter whereby the animal suffers loss of consciousness by anemia of the brain caused by the simultaneous and instantaneous severance of the cardiac arteries.

Mr. HOFFMAN. That is simply cutting their throat, slitting their throat, is it not?

Mr. POAGE. No.

Mr. HOFFMAN. Cutting the throat. Do they suffer any less because a member of the Jewish faith does it?

Mr. POAGE. Yes, because the Jewish method results in immediate death.

Mr. HOFFMAN. Immediate death.

Mr. POAGE. Yes. It brings on immediate death.

The present method in most cases is to stick the jugular vein and let the animal bleed to death. The Jewish ritualistic method cuts the cardiac arteries. cuts the nerve and causes instant death.

Mr. HOFFMAN. Oh, you have brought the nerve in there now.

Mr. POAGE. You cannot do it any other way; there is no practical way to sever the cardiac arteries without severing the nerve. Of course, it could be done but as a practical matter when the throat is cut so are the nerves.

Mr. HOFFMAN. How is that any different than killing a chicken by pushing a knife blade up its mouth and into its brain?

Mr. POAGE. I do not know about that. This bill does not apply to chickens.

Mr. HOFFMAN. It applies to domestic animals, does it not?

Mr. POAGE. Yes; it applies to domestic animals but not to poultry. The bill carefully defines its applications, and it applies to cattle, hogs, sheep, mules, horses——

Mr. HOFFMAN. Livestock?

Mr. POAGE. But not to poultry.

Mr. HOFFMAN. Oh, yes; you will find that on page 4, line 6.

Mr. POAGE. Will the gentleman read the reference to chickens?

Mr. HOFFMAN. Each species of livestock.

Mr. POAGE. "Each species of livestock above referred to."

Mr. HOFFMAN. Are not chickens livestock?

Mr. POAGE. Chickens are not livestock under the terms of this bill.

Mr. HOFFMAN. The gentleman just does not know what he is talking about. The courts have held time and time again that chickens are livestock.

Mr. POAGE. I would like to read the section the gentleman has referred to. The gentleman read one part of it. I think it is only fair to read the whole thing:

No method of slaughter or handling in connection with slaughter shall be deemed to comply with such public policy unless in the case of cattle, calves, horses, mules, sheep, swine, and other livestock.

Mr. HOFFMAN. Yes.

Mr. POAGE. Other livestock.

Mr. HOFFMAN. Chickens come under "other livestock."

Mr. POAGE. I must insist the gentleman is mistaken.

Mr. HOFFMAN. As a matter of fact the bill itself refers to chickens and I refer the gentleman to line 13, page 5, where the poultry industry is specifically mentioned.

Mr. POAGE. Because we place one member representing the poultry industry on the advisory committee thinking that we should have a member representing the poultry industry.

Mr. HOFFMAN. Why did you not put fish on there too?

Mr. POAGE. Because we did not think there would ever be any thought of its applying to fish, but there had been consideration of poultry.

Mr. ROOSEVELT. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from California.

Mr. ROOSEVELT. Would the gentleman be able to tell us whether the Union of Orthodox Jewish Congregation has passed upon this new amendment which will be submitted to the House?

Mr. POAGE. The gentleman asks about a particular group. There are many of these groups. As far as I know, there is no group, except the Union of Orthodox Rabbis, that has not agreed to these amendments. I may be wrong, but I know of no other group that is not in favor of these amendments.

Mr. MULTER. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from New York.

Mr. MULTER. Let us make this crystal clear. The Union of Orthdox Rabbis, which has sent a telegram protesting against this or any bill on this subject, is only one of many organizations of orthodox rabbis. No one rabbi and no one group of rabbis has any right to speak for all Jews, orthodox or otherwise.

It is doubtful whether the Union of Orthodox Rabbis speaks for all of its own members. Few, if any, of its members are members of the Rabbinical Council of America, another and distinct and much older organization of orthodox rabbis. I have seen the objections to the bill as reported, as urged on behalf of the Rabbinical Council of America. It is my opinion that the proposed Anfuso amendment meets these objections.

The Rabbinical Assembly of America, a conservative rabbinical group; the United Synagogues of America, the conservative lay group; the Central Conference of American Rabbis; and the Union of American Hebrew Congregations, representing reform rabbinic and lay groups, support this measure to the extent indicated by the letter that the gentleman from Texas [Mr. POAGE] placed in the RECORD. These four groups and

the American Jewish Committee and the American Jewish Congress support the amendment by the gentleman from New York [Mr. ANFUSO] and they agree that that amendment makes this a good bill.

Mr. HOEVEN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, it has quite often been said that legislation is the result of public opinion. If there ever was a bill which is the result of public opinion, it is H. R. 8308, now being considered by the Committee.

The Committee on Agriculture, particularly the Subcommittee on Livestock and Feed Grains, has received more mail in reference to this particular bill than on any subject which has ever been presented to the Committee on Agriculture. This sentiment, expressed mainly in favor of the pending legislation, has among others, come from humane societies, it has come from labor organizations, it has come from the rank and file of the American people.

When you sum it all up, it is just as simple as this: No one that I know of is in favor of cruelty to animals. So I can readily understand why this type of legislation should have so much popular appeal.

Many conflicting opinions were presented to the subcommittee. There were many different views. Many different methods of approach were presented. The committee worked out what it thought was a fair compromise.

This legislation has been kicked around for 2 years. The clamor for its enactment has increased as time has gone on. I dare say all of you have received a fair proportion of mail relating to this legislation.

The bill provides that the Secretary of Agriculture shall put on a research program to determine the most humane methods of slaughter. There is no rush about it. He is going to be given an opportunity to engage in proper research.

Furthermore, an advisory committee of 12 members is going to be set up to advise the Secretary in determining humane methods of slaughter. All segments of our economy are represented on that committee. The committee of 12 members shall be composed as follows:

One shall be an officer or employee of the Department of Agriculture designated by the Secretary who shall serve as chairman.

Two shall be representatives of national organizations of slaughterers.

One shall be a representative of the trade-union movement engaged in packinghouse work.

One shall be a representative of the general public.

Two shall be representatives of livestock growers.

One shall be a representative of the poultry industry.

Two shall be representatives of national organizations of the humane movement.

One shall be a representative of a national professional veterinary organization.

One shall be a person familiar with the requirements of religious faiths with respect to slaughter.

Certainly, this is an advisory committee which does represent every segment of our economy, and they are the ones that are going to advise the Secretary of Agriculture as to humane methods of slaughter. I should also point out that this legislation does not take force and effect until the 31st day of December 1959. So we will have most of the year 1958 and all of 1959 to get the benefit of the research program that the Secretary of Agriculture is going to conduct. Furthermore, we will have the benefit of the advisory committee, so we should be rather well advised by the time this law becomes effective. And, I daresay if there are any bugs in the new legislation, ensuing sessions of Congress will take care of the situation.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. HOEVEN. I yield to the gentleman from Nebraska.

Mr. MILLER of Nebraska. Does it apply to the small slaughter groups and the locker plants that are in existence now?

Mr. HOEVEN. As I understand, it only applies to those slaughtering plants that are engaged in interstate commerce and those plants that sell meat to the Federal Government.

Mr. MILLER of Nebraska. What will be the cost of the operation of the plan?

Mr. HOEVEN. The cost is problematical. There have been different methods of humane slaughter suggested. The research program on the part of the Secretary of Agriculture and the recommendations of the advisory committee will all enter into the cost picture.

Certainly it is not the intention of the Congress to penalize the small packers and small slaughterers and put them out of business; not at all. There has been a lot of misconception about what the bill will do in that respect. I would be the last one to recommend that anything like that be done. We are affording a long time for research and investigation to try to put into effect a law which the public is demanding.

Mr. AVERY. Mr. Chairman, will the gentleman yield?

Mr. HOEVEN. I yield to the gentleman from Kansas.

Mr. AVERY. I just want to make sure I understand the procedure anticipated here. I am not sure that I understood the gentleman from Texas, but if I did understand him correctly, there are to be some amendments offered later during the consideration of the bill, and that if these amendments are adopted, the language of this bill will be acceptable to certain religious groups in keeping with their methods of slaughter; is that correct?

Mr. POAGE. That is correct.

Mr. AVERY. I believe I also understood the gentleman from Texas to say that no packer would be eligible to sell meat to the United States Government unless he was in compliance with the provisions of the bill.

Mr. POAGE. That is right.

Mr. AVERY. Then, are we not doing this, just by making a statement of policy in the bill, not changing the requirements of the provisions, we are making it possible for the kosher slaughterers to sell meat to the United States Government? Is that not about the effect of it?

Mr. POAGE. Mr. Chairman, I do not think that would be the effect of it at all, because it would require the kosher killers to continue to slaughter in strict compliance with the Jewish ritualistic law. The packers say they do not want to carry out their operations that way on a large scale. This would require a humane method, whether kosher or nonkosher. It would require that kosher-killed animals be put in revolving pens or otherwise handled so they would not be subject to the wheel, which represents the present slaughtering methods.

Of course, it would be possible for kosher slaughterers to sell to the Government, but there would be no inducement on the part of the packers to engage in kosher slaughter except to the extent they do today. Every packer today sells some of the product of his cattle slaughtering to the gentile trade although it is killed kosher, because it is cheaper to do so. There would be no greater economic advantage under this bill to do it. So I can see no reason in the world why we should expect the kosher packing houses to pick up anything, nor would they be denied any market they now have.

Swift and Armour today are complying with the humane methods in killing cattle and obviously there is no reason for their changing to kosher methods as far as cattle is concerned; and hogs are never killed under kosher methods.

Mr. AVERY. Mr. Chairman, will the gentleman yield further?

Mr. HOEVEN. I yield to the gentleman from Kansas.

Mr. AVERY. As I understand the bill as it is now written, the kosher killers would not be considered as killing under humane methods, is that true?

Mr. POAGE. Mr. Chairman, if the gentleman will yield to me to answer; "No, that is not correct." The bill as written now strictly defines this method to be humane. In all frankness, the amendments are nothing but clarification, a little change in wording and, as far as I can see, there is no material change whatever in the meaning. There were those who felt that they would prefer this new language and in an effort to try to be fair to our fellow citizens who have a slightly different view of how we should handle this, the committee has tried its best to get language that would obtain the results and also give every citizen of America the opportunity to carry out his religious beliefs. I want that for myself, the gentleman I am sure wants it, and we want to extend that opportunity to every citizen of our country.

Mr. SCHERER. Mr. Chairman, will the gentleman yield?

Mr. HOEVEN. I yield to the gentleman.

Mr. SCHERER. The gentleman from Iowa has said that the bill provides for the setting up of a commission to determine the most humane way to kill pigs. Has the Congress of the United States ever set up a commission to determine whether the various States use the most

humane methods for the killing of a human being as the result of a court order?

Mr. HOEVEN. Of course, that does not have anything to do with the proposed legislation.

Mr. SCHERER. I understand.

Mr. HOEVEN. But I will say to the gentleman that there are a number of States that already have legislation on this subject, laws, that prevent the inhumane treatment of animals, but which apparently do not apply to slaughterhouse operations.

Mr. SCHERER. We leave the killing of human being as the result of court orders to the States. Why should we not leave this matter to the States?

Mr. HOEVEN. Does the gentleman contend that these matters should be handled in the courts, that the courts should determine what are humane methods of slaughtering?

Mr. SCHERER. The courts merely determine whether a man should be killed as the result of judicial processes.

Mr. HOEVEN. Up to this time we have had no legislation determining what is a humane method of slaughter. That is the very thing we are trying to do for the guidance of the courts, I imagine.

Mr. SCHERER. And I am saying, that the matter of humane slaughter of animals should be left to the individual States rather than to the Federal Government.

Mr. HOEVEN. I would concur with that as a general proposition but apparently the respective States are not taking care of the matter.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. HOEVEN. I yield to the gentleman.

Mr. KEATING. I wonder if the gentleman from Texas could tell us, if it would not unduly delay consideration of this bill, just how, by his amendment on page 2, he is taking care of the sensibilities of some of our fellow citizens?

Mr. POAGE. Mr. Chairman, will the gentleman yield for that purpose?

Mr. HOEVEN. Mr. Chairman, I wanted to say, in further reply to the gentleman from Ohio, that we are also dealing here with interstate commerce which puts a rather different slant on the legislation that we are considering today.

Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. KEATING].

Mr. KEATING. I wonder if the gentleman from Texas will respond to my question.

Mr. POAGE. I would be glad to. The amendment proposed would apply to section 2. Where we say "slaughter" they would change the word to "slaughtering." That occurs two or three times. I frankly do not understand the import of it, but I see nothing wrong with using the word "slaughtering" instead of the word "slaughter."

Where we use the words "such public policy" in line 5, the amendment would insert "of the United States." I think the language was adequate to begin with, but if that clarifies it we are perfectly satisfied.

There is a statement that it is humane in the case of cattle, calves, horses, mules, sheep, swine, and other livestock by either of two methods of slaughtering and handling which are hereby found to be humane. As to the two methods of slaughtering, the first, (a), is word for word as we have it, and the second, (b), would change the words "in conformity" to "in accordance with," and instead of saying "the practices" say "the ritual requirements." We do not see that that makes any great difference.

Then instead of saying "any established religious faith" they say "Jewish faith or any other religious faith."

Then instead of saying "which practices and requirements are hereby declared to be humane within the meaning of this act," they say "any other religious faith that prescribes a method of slaughter whereby the animal suffers loss of consciousness by anemia of the brain caused by the simultaneous and instantaneous severance of the carotid arteries with a sharp instrument."

That simply defines the Jewish method of slaughtering. It is simply a case of finding that that method as described here, when carried out according to the Jewish ritualistic or any other ritualistic method of slaughtering is defined to be a humane practice.

Frankly, I cannot see that it achieves any material difference from the language we used, but as I said a while ago, it does satisfy the feelings of some people who had some reservations about this, and they unquestionably had them in good faith. They felt there was a danger, perhaps, in what we were doing. They say, "We want to prevent the same thing you want to prevent. We want to prevent any unnecessary cruelty. We believe if you will use this language it will be acceptable to practically all the groups involved." So we have simply made these minor changes in the language. That is all that is in the proposed amendment.

Mr. KEATING. I thank the gentleman. It seems to me this amendment which has been so carefully worked out should serve to remove the objections which have been raised by certain religious leaders.

The legislation itself is worthy and deserves support.

Clearly, we should do all we can to insure that livestock is slaughtered in the most humane manner possible. That, it seems to me, is our moral obligation both as human beings and as legislators. We owe much of prosperity, our health, and our happiness to those of the animal kingdom who today are often dying in unnecessarily inhumane treatment.

Mr. HOEVEN. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. BENTLEY].

Mr. BENTLEY. Mr. Chairman, like many, if not all, Members of the Congress, I have received both this year and last year a substantial volume of mail in support of H. R. 8308, a bill providing for the humane slaughtering of animals. I have replied to the writers of these letters that if this legislation came to the floor of the House, I would support it. However, at this time I take the floor to present, in all fairness, another side of the story which is a very interesting letter I received last summer from a small packing company in my district. The letter is as follows:

PEET PACKING CO.,
Saginaw, Mich., July 17, 1957.

Hon. ALVIN M. BENTLEY,
Member of Congress,
New House Office Building,
Washington, D. C.

DEAR AL: I have your letter of July 11, 1957, regarding the wire which I sent in opposition to H. R. 8308. It appears to me that possibly I should explain a little more in detail than I was able to do in the wire as to our feeling in connection with this bill.

We are wholeheartedly in accord with slaughtering by humane methods. As evidence of that, AL, I would like to state that as soon as they were available in the United States, we purchased a captive bolt pistol, and have used it to a greater or lesser extent ever since for the slaughter of cattle. This pistol was not satisfactory, from a service angle, and we finally purchased a second pistol, feeling we could have one in service while the other was being returned to the factory for repairs. However, even the two pistols were of so much trouble, servicewise, that we were unable to keep them in use all the time.

A few months ago, a new instrument came onto the market, and we have purchased one of those stunning pistols. During the short period of time it has been in use, we have had very good results with this new instrument. If it continues to prove satisfactory, all of our cattle slaughtering will be done by the use of this captive-bolt pistol.

From the above, I believe you can see that we are attempting to find an answer to this problem, and we are not unique among packers in that respect. The slaughter of cattle does not seem to present too serious a problem in this respect. During recent months, the Remington Arms people have, likewise, brought out a new stunning pistol which seems to offer considerable promise.

However, the slaughter of hogs is an entirely different problem. This is the problem that seems more difficult for the packers to find a satisfactory answer.

I know there has been considerable publicity regarding the fact that slaughtering is done by electrolysis in Europe. This method, however, is not satisfactory in this country. We are advised by the Federal inspectors that it is impossible to distinguish between a diseased hog and one that has been killed by electrolysis, and they, therefore, are opposed to this system. While we have done no experimenting of this system, yet the information I have read on the subject convinces me that a much less desirable product would be the end result of killing by electrolysis because there is not complete bleeding of the animal after they are killed.

The only satisfactory method for killing hogs on a so-called humane basis, and in the quantities which hogs must be killed in this country, is the CO_2, developed by one of the major packers. This method seems to hold great promise for packers who kill a sufficient quantity of hogs that they can afford to make the investment. We have sent representatives of our company to inspect this new method, and the results are very encouraging, except for the fact that an installation costs approximately $40,000. I am sure you will recognize that many small packers would find themselves unable to make such an investment in new equipment.

I hope from the above, AL, that you will realize the industry, has, during recent years, made considerable progress toward what is termed humane slaughtering. However, it is our feeling that until such time as practical methods of humane slaughtering are devised, we should not require packers throughout

the country to completely discard their present slaughtering equipment. To the best of my knowledge, there is no satisfactory method that would be classed as humane slaughtering for the small hog slaughterer.

Possibly the first question that should be answered is, What constitutes humane slaughtering? What would appear to some of us to qualify under that classification would be entirely unsatisfactory to others. Therefore, it seems that until such time as a satisfactory method of killing that will qualify as humane slaughter, the Secretary of Agriculture should have the authority to state what constitutes humane slaughter. I am certain there are many well-meaning people who would object to seeing cattle slaughtered by a captive bolt pistol because they might feel it was inhumane. Nevertheless, this apparently qualifies for humane slaughter.

I give you the above information, AL, not because I think you can use it to change the action if this bill reaches the floor of the House, but rather to give you the thinking of one of the many small packers in the United States, and from the discussion with others, I know the above represents the thinking of most progressive packers. I am aware there has been considerable criticism of slaughtering methods, and frankly, I must admit that the packers have been very slow in attempting to change their methods to what is now being classed as humane. However, it is my feeling, with the progress that has been made during the last few years by the packing industry, it would be well to give them sufficient time to find an answer to this problem. I believe you will agree that no one else is quite as well qualified to find the solution as the packers themselves.

Thanking you for your letter, and with warm personal regards, I am,

Very truly yours,

R. D. STEARNS,
President.

In view of the progress that has apparently been made in slaughtering methods by the American meatpacking industry and in view of the joint statement issued by the American Humane Association and the American Meat Institute, of which I believe all Members have received a copy, I am frankly curious as to why it is felt necessary to bring this legislation before the House for action at this time. No one would deny that there has in the past been barbarous methods of killing animals, particularly hogs, but also, no one could deny that the great majority of packers have made real and sincere progress in their endeavors to find more humane methods of slaughtering these animals. Since the American Humane Association has itself expressed gratification with this trend in the packing industry, since it has, as of last fall, given its stamp of approval to plants handling approximately 11 million animals and hopes to give similar awards to many more in the near future, I frankly cannot see the necessity for legislation at this time. As I stated above, I will vote for H. R. 8308, but I believe it would have been better if the meatpacking industry and the American Humane Association had been left to work this problem out on a cooperative and apparently satisfactory basis.

May I ask the gentleman from Texas if he is familiar with the slaughtering process known as electrolysis?

Mr. POAGE. Yes. It was discussed in the committee.

Mr. BENTLEY. I wonder if the gentleman then would care to comment on this particular statement from my constituent's letter:

We are advised by the Federal inspectors that it is impossible to distinguish between a diseased hog and one that has been killed by electrolysis, and they, therefore, are opposed to this system. While we have done no experimenting of this system, yet the information I have read on the subject convinces me that a much less desirable product would be the end result of killing by electrolysis because there is not complete bleeding of the animal after they are killed.

Is it not true that if a hog has been killed by electrolysis you cannot tell whether or not it was diseased?

Mr. POAGE. That was the testimony that was given before our committee, and I assume it is true, but there is nothing in this bill even suggesting that you must use electrolysis as a method. There is nothing in this bill suggesting it need ever be used.

Will the gentleman from Michigan give us the name of the packer whose letter he is reading?

Mr. BENTLEY. I will be very glad to. It is the Peet Packing Co., of Saginaw, Mich. The letter I am reading from is by Mr. R. D. Stearns, president.

Mr. POAGE. I thank the gentleman.

Mr. BENTLEY. I would like to read another paragraph from this letter and I invite the gentleman's comments, if he cares to comment on it. It says:

The only satisfactory method for killing hogs on a so-called humane basis and in the quantities in which hogs must be killed in this country is the CO_2 developed by one of the major packers of which an installation costs about $40,000.

Can the gentleman tell us what CO_2 is? Frankly, I do not know.

Mr. POAGE. That is carbon dioxide gas. It is a method that Hormel and other packers are using. The hogs are driven through the gas to cause insensibility before they are stuck for bleeding, but it is not the only method and it is not required under this bill at all. On the contrary, under the terms of this bill you can use the captive bolt pistol or the Remington stunner. If you have the statement that was put out last week by the American Meat Institute and the American Humane Society, you know that they pointed out in their statement that the only objection they have found so far to that change is simply the difficulty of applying the stunner, the instrument, to the hog's head. So that there is not any serious problem that we can see that prevents the use of humane methods. I would like to call the gentleman's attention further to the fact that there are only four packing houses in the State of Michigan that could possibly be affected by this law. There are only four in the State of Michigan who come within the Federal inspection, and they are the only ones who can bid on Government contracts so there cannot be more than four packers in the State of Michigan that can possibly be affected.

Mr. BENTLEY. May I ask the gentleman another question? The gentleman referred to this joint statement from the American Humane Association and from the American Meat Institute. This statement was made sometime ago; was it not?

Mr. POAGE. No; it was mailed to every Member last week—on Friday, I believe.

Mr. BENTLEY. I know when it was mailed, but when was the statement originally put out?

Mr. POAGE. It was made sometime this month. I do not have the exact date before me. But it was put out since the first of the year. What it did was to take great credit, and I think properly, because of the fact that Swift and Armour adopted the Remington stunner for all of their cattle. And I would say today more than 50 percent of the cattle slaughtered in the United States are slaughtered under humane methods, but I would point out that that did not take place but a few months ago.

Mr. Speaker, at this time I wish to insert a letter from Hon. Fred Myers.

The letter follows:

THE HUMANE SOCIETY
OF THE UNITED STATES,
Washington, D. C., January 17, 1958.

Representative W. R. POAGE,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN POAGE: The Humane Society of the United States suggests that H. R. 8308 be amended as follows:

In the enacting section, page 2, line 3, eliminate the words "the most" and "practicable."

Substitute the following for present section 2:

"SEC. 2. No method of slaughtering or handling in connection with slaughtering shall be deemed to comply with the public policy of the United States unless it is humane. Either of the following two methods of slaughtering and handling are hereby found to be humane:

"(a) in the case of cattle, calves, horses, mules, sheep, swine, or other livestock, all animals are rendered insensible to pain by a single blow, or gunshot, or an electrical, chemical, or other means that is rapid and effective, before being shackled, hoisted, thrown, cast, or cut; or

"(b) by slaughtering in accordance with the ritual requirements of the Jewish faith or any other faith that prescribes a method of slaughter whereby the animal suffers loss of consciousness by anemia of the brain caused by the simultaneous and instantaneous severance of the carotid arteries with a sharp instrument."

Add new section 6 to read as follows:

"Nothing in this act shall be construed to prohibit, abridge, or in any way hinder the religious freedom of any person or group to slaughter and prepare for the slaughter of livestock in conformity with the practices and requirements of his religion."

In reference to the proposed new section 2 (b), it is our opinion, based upon expert testimony already presented to Congress and upon personal observation, that the Jewish method of slaughter, when performed according to the laws of schechita by a trained and religiously supervised shohet, results in virtually immediate loss of consciousness by the animal and should be legally recognized as being humane.

The first sentence of section 2 is intended to apply in all cases, thus prohibiting any method of handling animals that would cause injuries or wounds, or cause avoidable suffering, prior to the actual act of slaughtering. We have purposely avoided, in that sentence, a detailed description of humane methods of handling animals as they are brought into position for slaughter, in order to allow for future inventions in that field.

We hope that you will find these proposed amendments acceptable and will sponsor

them through the legislative process. We are assured that adoption of these amendments will substantially eliminate the problem that led last autumn to postponement of House action on H. R. 8308.

Sincerely yours,

FRED MYERS,
Executive Director.

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. BENTLEY. I yield.

Mr. FLOOD. In the course of the gentleman's inquiry, I wonder if he would find out if we could deal with slaughter on the highways under the terms of this bill in some way.

Mr. BENTLEY. Well, I am not sure that that is appropriate at the moment. I would like to ask my friend, the gentleman from Texas, another question. Is it not true that in the meatpacking industry, substantial progress has been made with respect to the adoption of methods of humane slaughter?

Mr. POAGE. I think tremendous progress has been made and more since this bill was reported out of the Committee on Agriculture than for the past 100 years.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. HOEVEN. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Chairman, as happens sometimes, I assumed that the sole purpose of the bill was to prevent cruelty to animals about to be made into food and those who sponsored the bill knew what they were doing. As the gentleman from Iowa [Mr. HOEVEN] said, no one wants to torture animals any more than they do human beings. But, I wonder if this is just to protect animals. If that is the only purpose why do they stick in this bill on page 1, line 5, "better working conditions"? Why did the committee wiggle that in there? Its sponsors must have something else in mind. Then when they get to page 2 where it says "before being shackled, hoisted, thrown, cast, or cut" the animals are to be rendered insensible. I cannot, for the life of me, in spite of the discussion here earlier, see why our Jewish friends are exempt from this bill. One's religious practices, if the method and procedure of slaughter are just as painful as those used by others, is no reason for an exception if the sole purpose is to prevent pain in slaughter. You say here in the bill "livestock," which includes chickens and turkeys, though the gentleman from Texas insists that chickens are not livestock—he is mistaken—that is all nonsense. Webster's says, and one of my colleagues, the gentleman from Illinois [Mr. MICHEL] just gave me this when the gentleman was talking. I quote Webster's definition of livestock: "domestic animals used or raised on a farm—especially those kept for profit." Now, chickens and turkeys are livestock. Do not forget that definition hereafter when you go fussing around about some legislation. I do not know how animals are slaughtered under the Jewish custom or practice.

Mr. MULTER. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. I yield. Gladly.

Mr. MULTER. The so-called Jewish method of slaughter is not accomplished by sticking the animal. It is accomplished by the use of a very sharp knife, and with one stroke, and the animal must then be killed. With the one stroke the jugular vein and the carotid arteries are severed and instantly from the loss of blood from the brain the animal is made insensitive.

Mr. HOFFMAN. Of course everyone knows that is all nonsense, because if you cut an artery the animal does not die instantly. If you said "a nerve" I could figure it out. But you claim that if you cut an artery of a chicken it does not suffer any pain, but when you stick a sharp instrument—not ease it in—up into its brain, of a chicken, as is the method of some, one would think that would kill it quicker than cutting an artery and letting it bleed to death.

Mr. MULTER. Will the gentleman yield further?

Mr. HOFFMAN. I yield.

Mr. MULTER. What is your method of killing a chicken?

Mr. HOFFMAN. It has been a long time since I was a boy killing a chicken for our Sunday dinner but my way was to put it on a chunk of wood, take the broad ax or a hatchet and cut its head off. I am not sure it died at once, because that hen after the head was off would flop around for some time scattering blood all over. Then there was another way. Pick it up by the head and swing it around until the head came off—the neck seemed to break and the chicken did not flop. I do not know of any painless method of killing anything, and I do not believe anyone else does unless he is an expert.

Mr. FARBSTEIN. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. I yield.

Mr. FARBSTEIN. Do you know that this bill calls for a penalty? That there is a crime under this bill?

Mr. HOFFMAN. No, I do not know that. Nor do I know how much it will cost and I do not know how many more inspectors or employees we will get. I know I promised to vote against cruelty to animals. I will have to vote for this bill or write back to about 75 women explaining the bill is very limited in scope and tell them it will not accomplish their objective.

Mr. FARBSTEIN. Will you show me where this bill makes a crime or misstatement, where such a misstatement honestly is made?

Mr. HOFFMAN. I know the members of the Committee on Agriculture. They are honest.

Mr. FARBSTEIN. I appreciate that, but I think there is a misapprehension in this bill, because not always can an animal be stunned by one blow.

Mr. HOFFMAN. I have been stunned by statements made on this floor many times. I know on the farm when we killed a steer we shot him with a .22 rifle or hit him on the head with a maul, or rather a sledge. That method is recognized in the bill.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. HOEVEN. Mr. Chairman, I yield 5 minutes to the gentleman from Utah [Mr. DAWSON].

Mr. DAWSON of Utah. Mr. Chairman, I realize that on a subject of this kind we can get rather emotional, and also that there may be injected into a debate of this kind many humorous statements, and amendments may be offered to deter us from what we have in mind.

I am one of the original sponsors of this legislation. May I confess that I started out as a reluctant sponsor. It is against my political philosophy generally to favor legislation which compels any individual or business or industry to do something which should be done voluntarily. It was only after I had determined through my own independent investigation that—with the exception of all too few progressive companies—the meatpacking industry was making little or no progress in this field, only then did I decide humane slaughter legislation was necessary.

I am happy to report that under the goad of this bill and similar bills, some progress is now being made.

When this measure was first introduced in January of 1957, the Department of Agriculture could not furnish me with any estimate of what percentage of our livestock were rendered insensible to pain by humane methods before being slaughtered. Now, I am informed by the Department, more than half of all beef slaughtered under Federal meat inspection is stunned by approved mechanical methods.

This legislation will have no effect upon the scores of packers who already have adapted their operations to conform with the minimum requirements of humane decency called for in this bill. This bill is directed toward that segment of the industry which has done too little; which will continue to do too little and will do it too late—or never. Without legislation, I am convinced, cruel, wantonly cruel practices against millions of animals will continue to be standard procedure.

I do not intend to go into lengthy descriptions of present methods of slaughter now followed by most of our packing plants. I do think it is safe to say that there is not a Member of Congress who would condone these methods if he witnessed them being practiced on one dumb animal and knew that such practices were unnecessary. I submit that corporate cruelty—if a ready alternative is available—is a fit subject for legislative action.

The enactment of this humane slaughter bill will not force an industry into unexplored territory. Humane slaughter has been compulsory in Switzerland since 1874. England adopted a similar law in 1933. Other nations requiring humane slaughter are Norway, the Netherlands, Scotland, Ireland, Finland, Sweden, New Zealand, and Denmark. Years of experience in each of these countries has proved that humane slaughter practices are economically beneficial to the industry.

We need not go to Europe to verify the feasibility of humane slaughter practices. Companies in the United States have found that the immobilization of hogs by carbon dioxide has saved more money in the reduction of damaged meat than was spent for the installation of the new equipment. Captive bolt pistol stunning devices to replace the uncertain poleax are available at $120—an investment even the most modest of plants can afford.

I may add at this point in reply to the gentleman from Michigan that the cost according to a manufacturer of Denmark of the carbon dioxide equipment is about $4,500. Hormels use a more expensive installation.

Why, then, one may ask is this legislation necessary? Why is it being opposed by the packing industry generally? I can only conclude that the industry is caught in the inertia of tradition. In this regard, I can only say to the members of the industry, "Recall your fight against the Federal Meat Inspection Act in the early part of this century." Let the packers reread the arguments they made to Congress against that law which grew out of public revulsion against the shoddy, insanitary conditions that prevailed in a portion of their industry. We can only hope that by reviewing their attitude then against minimum sanitary laws—and comparing it with their attitude now against minimum humane laws—they will profit by experience.

Certainly this industry which contributes so much to our fine standard of living should be in the vanguard of this fight to end needless cruelty. To that portion of the industry that has undertaken that leadership we owe our respect. For that portion that will resist to the end, we have this bill.

Before concluding, Mr. Speaker, I would like to make a few personal observations. Many people, including some Members of Congress, seem to think that there is something humorous about this legislation. It has been suggested that this legislation be amended to include lobsters, fish, and other lower animal life. Their reasoning seems to be that unless we can abolish all needless pain and cruelty in one legislative swoop, we should take no action at all. To them, I can only say, man's struggle toward decency, kindness, and compassion has been made in many little steps but we have come a long way since the days of Tamerlane the tyrant. This bill is another step along that path.

In closing, Mr. Speaker, I would like once again to pay tribute to the many individual citizens with whom I have had the pleasure of working on this legislation. Opponents of this bill have come to me and characterized these fine people as sentimentalists and dreamers. To my mind, however, these people belong with the other so-called sentimentalists and dreamers—the ones in the past who were so misguided to believe that child labor could be abolished, or who argued that madness was a subject for medicine, not mockery. It has been a distinct pleasure to work with them for this bill to outlaw mass cruelty to dumb animals—a cruelty that is indefensible because it need not continue.

I can only agree with them wholeheartedly that the needless suffering of some 100 million animals per year is a matter of concern for us all.

Mr. POAGE. Mr. Chairman, I yield 6 minutes to the gentleman from New York [Mr. MULTER].

Mr. MULTER. Mr. Chairman, my remarks today arise from a careful consideration of H. R. 8308, which concerns the humane slaughter of animals for food, authored by the distinguished gentleman from Texas [Mr. POAGE]. In weighing the merits of this new legislation, I think it important to look back and examine the long history behind civilized mankind's tradition of humaneness and compassion toward animals.

The humane societies vigorously advocating the Poage bill are a modern expression of a tradition as venerable as recorded history. These societies have been active in the Western World for but a century or so of time. The tradition of which I wish to speak today traces back 3,500 years.

Those who know the Bible are certain to remember the many admonitions addressed to the Israelites in behalf of the animals entrusted to their care. These early Biblical injunctions laid the foundation for man's consideration for his beasts of labor.

> Six days shalt thou do thy work, but on the seventh day thou shalt rest; that thine ox and thine ass may have rest—

The Bible commanded.

> Thou shalt not muzzle the ox when he treadeth out the corn—

The Holy Book specified to the ancient farmer.

> Thou shalt not yoke an ox and an ass together—

The Bible ordered, lest a weaker animal be subjected to inequitable strain.

This Biblical tradition of concern for the welfare of animals was continued and expanded in the Talmudic law, which dates back about 2,000 years. The rules of the Talmud, binding upon observant Jews, forbade a man to purchase animals unless he had the means to feed them. The farmer was always required to feed and water his livestock before himself. The compassionate viewpoint of the Talmud has been summed up by one authority as:

> Kindness to animals is a purer act of goodness than helping one's neighbors. For it is done without any hope of receiving a return.

It is in this context—the ancient Jewish teachings governing kindness to live animals—that I would like to address myself to some other laws—the rules governing the Jewish method of slaughtering animals for food. These, as I shall demonstrate, are all designed to secure the utmost humanity and maximum freedom from avoidable pain.

The regulations on slaughtering animals for food—known in Hebrew as schechita—are derived from Holy Writ. As interpreted and supervised by the rabbis, schechita insures a swift and painless death to the animal. Religious Jews, who observe the dietary laws, may not eat meat slaughtered by any other method. Any legislation interfering with this hallowed practice would, therefore, inflict severe hardship upon law-abiding citizens.

Extensive care and anatomical knowledge lie behind these detailed regulations for animal slaughter according to Jewish law. Special qualifications are set for those who slaughter, coupled with specific requirements for the knife to be used and the cutting technique. In fact, a codification of Jewish religious law devotes no fewer than 27 chapters to the rules concerning the humane Jewish method of slaughter. I would like to read to you some pertinent references in Talmudic law as defined by Chief Rabbi Isaac Halevi Herzog of Israel. I quote:

> The Jewish method consists of cutting the throat of the animal with a single swift and uninterrupted sweep of the knife, which is of more than surgical sharpness and smoothness, horizontally, across the throat in such a manner that it severs the trachea, esophagus, carotid arteries and jugular veins. The knife edge must be perfect * * * minutely examined by a specific method before killing to test its sharpness and smoothness. It must also be examined after killing, and if any indentation is found, the beast is regarded as having been improperly slaughtered and its flesh * * * may not be consumed by Jews. * * *
>
> The slaughtering of animals for Jewish consumption must be carried out by an educated, refined and cultured man, known to be God-fearing * * * properly trained, duly licensed, authorized and supervised.

The purpose of this method is to eliminate, as far as possible, pain to the animal at the time of slaughter. Some 800 noted authorities—most of them non-Jewish—in the fields of physiology, pathology, anatomy, and veterinary medicine have attested that this ancient method meets the most modern scientific tests of humaneness.

Prof. August Korgh, a Nobel prize-winning scientist of the Physiological Institute of Copenhagen, was asked to judge the Jewish method of slaughter from the physiological point of view. He reported:

> The sudden severance of the carotid arteries, the main point of schechita, causes such immediate and complete drainage of arterial blood that the brain centers are paralyzed very quickly, at longest in a few seconds.

This outstanding physiologist concludes:

> Having been personally at Jewish slaughterings and having had occasion to observe the animals, I do not hesitate to declare that the Jewish method of slaughtering is a proceeding fulfilling every requirement demanded by the dictates of mercy.

A special study was made of schechita in England, and the director of the Department of Applied Physiology of the National Institute for Medical Research came to this conclusion:

> No death could be more merciful.

And here in the United States, Prof. H. H. Dukes, head of the department of veterinary physiology at New York State Veterinary College, Cornell Uni-

versity, made repeated and detailed observations. Dr. Dukes reported:

> Many physiologists and veterinarians in past years have declared that, in their opinion, schechita slaughter is humane. I join in this assertion.

I have carefully studied H. R. 8308 and the proposed amendment which I understand will be offered with the approval of the distinguished Committee on Agriculture.

The bill in its amended form, in my opinion, should overcome all objections from whatever source. Based on the expert lay and religious testimony before the committee, and which is now before this House, the bill will declare as a matter of fact and as a matter of law that schechita, the method of slaughter of animals in accordance with the religious requirements and practices of the Jews, is humane. Unlike some versions of the bill as originally introduced, the bill no longer declares certain methods inhumane and excepts or exempts from the operation of the statute, religious methods. By the passage of this bill as amended the Congress will find and declare that this method, followed by the Jews for more than 3,000 years, is humane.

In addition, the new section 6 as added by the amendment, will indicate our adherence to the constitutional requirement that freedom of worship also prohibits interference with religious practices.

In the light of such explicit recognition of the humaneness of the Jewish method, our colleagues may reasonably wonder why some of my coreligionists are opposed to any legislation dealing with the slaughter of animals for food. First, let me emphasize that they have been opposed to all proposed legislation that they deemed a threat to schechita, and not specifically to the Poage bill. Secondly, I would like to take just a moment to explain why many Jews tend to view all legislation on this subject with a wariness born of long and bitter experience.

Let us look back to the 1890's, to Switzerland. The pattern of events there was often to be repeated in other European lands. First, there were grumblings and stirrings against the practice of schechita, and then attempts to have legislation enacted against the Jewish method of slaughter. The Swiss Government undertook an investigation, and its official study concluded: "schechita cannot be considered cruelty to animals." Despite this clean bill of health, agitation continued to increase. When the controversy came to a head—the issue even reached a public referendum—Professor Hilty of the faculty of law of Berne University summed it up as follows:

> Unfortunately, it is impossible not to see that the campaign against schechita is an attempt to stir up anti-Semitism in general.

A non-Swiss Protestant observer backed up this opinion, writing:

> What we witnessed in Switzerland is anti-Semitism using the guise of humanitarianism.

In Europe—fortunately, not here—the Jews soon came to learn that even humane slaughter legislation that recognized the humaneness of the Jewish method could be twisted later into a slur on their tradition of humaneness, and a thinly veiled device for stirring up anti-Semitism. This lesson was learned in Poland, where legislation with such an exemption was passed in 1936. By 1939, anti-schechita sentiment had been so aroused that the method was outlawed entirely.

As might be expected, the most extreme abuses of the humane cause took place in Nazi Germany. Anti-schechita feelings in Germany traced back to 1892, when a prohibition had been enacted in Saxony. By 1910, this edict was repealed after the medical faculty of the University of Dresden had declared that schechita was humane. Elsewhere in Germany, various attempts to outlaw the Jewish method of slaughter were repeatedly defeated. In fact, it is interesting to note, a similar method of slaughter without preliminary stunning was made obligatory for plants producing preserved meats for the Prussian Army. As late as 1930, the official view of the health council of the Reich was that schechita "cannot be described as cruelty to animals." But scientific evidence and solid authority were easily swept aside by the inhuman wave of anti-Semitism that engulfed the German scene.

In Hitler's Germany, schechita was immediately seized upon as an object for special attack. This was to be expected since it could be manipulated so readily to serve Hitler's propaganda purposes. Nazi Germany adopted an outright anti-schechita law in 1933 for the entire Reich. And as other nations fell under Hitler's oppression, the proscription of schechita was among the first decrees enacted.

The experience in Austria was particularly bitter. There, the welfare of animal pets belonging to Jews was of great concern to the Austrian humane societies—of greater concern than the Jewish men, women, and children who were being hauled away in cattle cars to be scientificially murdered in Nazi camps.

Is it any wonder that Jews have long been suspicious of a type of legislation which, time and again, was an instrumentality of most anti-Semitic drives?

It may strike many people as most strange that in one of the European countries where the Jews suffered the worst massacres and pogroms known in pre-Hitler days, to wit, czarist Russia, the problem was approached by the appointment of a commission to inquire into the matter. The commission was composed of outstanding scientists, pathologists, physiologists, physicians, and veterinarians. After a thorough and complete study of the matter, they reported that the Jewish method of slaughter of animals was the most humane known, and no anti-schechita law was enacted in Russia. Today, every country except one has repealed anti-schechita laws.

Fortunately, Americans of the Jewish faith can approach humane animal slaughter legislation with greater security and less fear than their European forefathers and coreligionists. Nevertheless, I think the sponsors of this legislation should put themselves on record unequivocally so that nothing in their proposals may ever be construed as delimiting the right of Jews to practice Shechita—an essential element of the Hebraic tradition of kindness to animals, and—to the observant Jew—a holy rite commanded by God himself.

Mr. Chairman, I would indeed be remiss if I did not take a moment to pay a sincere tribute to the gentleman from Texas [Mr. POAGE], chairman of the subcommittee which had this delicate situation in charge, and all of his colleagues on that committee, as well as to our distinguished majority leader from Massachusetts, [Mr. MCCORMACK] who made certain that there was ample time to offer the amendatory language. They approached the problem with a sincere desire, born out of their own religious faiths, that no matter how different the practice of another faith may be from their own, they would respect it and would protect it. They leaned over backward so as to be sure to give no offense. Theirs was the approach of the true American patriot, breathing spirit and life into the Declaration of Independence and to the guaranties of freedom of religion written into our Constitution. We are most appreciative of their good will, which has produced a good bill.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield.

Mr. HOFFMAN. If the committee wanted to prevent cruelty to animals why did they not include the branding of Texas cattle?

Mr. MULTER. Probably they should have done that and also included trapping and hunting and other things, but we have to take these things one step at a time.

Mr. KEARNEY. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from New York.

Mr. KEARNEY. If this bill passes and is enacted into law, has the gentleman any idea how many more Federal employees it will put on the payroll?

Mr. MULTER. No, I do not know. I have not inquired into that phase of the subject at all. I have left that to the Committee on Agriculture and to the Department of Agriculture. I have concerned myself with the phase of the bill which some people thought might give offense to some of our citizens of the Jewish faith. I am convinced that with this amendment no one can take offense at this bill. There should be no doubt in anyone's mind that any member of the committee or in the House ever intended any offense to them; the bill as proposed and as amended does not grant an exemption or an exception for religious practices. On the contrary, it affirmatively finds and declares the fact that such method is also a humane method.

Mr. BASS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from Tennessee.

Mr. BASS of Tennessee. This position that the gentleman has just stated as being the position of the leaders and organizations of the Jewish faith has changed somewhat since the original bill was introduced, has it not?

Mr. MULTER. Yes. Before the committee their representative was asked to submit language which would meet with their approval. Such language I understand now has not only met with their approval but with that of the humane societies. The gentleman from Texas [Mr. POAGE] has placed in the RECORD a letter sent to him showing the approval by six of these organizations.

Mr. BASS of Tennessee. I would like to say to the gentleman that I opposed in the committee the original inclusion of language which he is saying now has been approved by the Jewish faith, but am now ready to accept the version of the distinguished gentleman from New York [Mr. MULTER].

Mr. MULTER. May I take this last moment at my disposal to say that we are most appreciative to every member of the committee, particularly to the gentleman from Texas [Mr. POAGE], and the staff who have worked with him, and to the majority leader, the gentleman from Massachusetts [Mr. MCCORMACK], for their very fine approach to this matter. Their cooperation has been in the true American spirit dictated by our Constitution and our Declaration of Independence, making certain that we would not interfere with religious worship or religious practice in any manner whatsoever. The entire debate indicates that no such effort was intended and the bill as amended will prevent any such interpretation.

Mr. ROOSEVELT. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROOSEVELT. Mr. Chairman, I am sure that my colleagues are aware of the considerable attention and concern which has been directed to H. R. 8308 because of the possibility that its passage will represent a threat to the continuance of the practice of religious ritual slaughter.

I assure you that if I believe that this measure constituted such a threat, I would oppose it with all the vigor that defense of religious freedom demands. I do not oppose it, however, because I firmly believe that, far from presenting a threat, H. R. 8308 as amended by the proposal of the gentlemen from New York [Mr. MULTER and Mr. ANFUSO] will protect religious slaughter.

As the bill reads, and as the intent of Congress clearly indicates, religious slaughter is not inhumane, and no such implication was ever intended. H. R. 8308 does not exempt religious slaughter, which would imply that the ritual is actually inhumane but that Congress will allow it to continue nonetheless. Instead, the bill specifically defines compliance with the policy of the act in two instances—one being practices performed in conformity with an established religious faith. Because there are two declarations of what is humane, it does not follow that one of them is an exception. The section merely makes doubly sure that ritual slaughter can never be construed as anything but that which the bill declares it to be, a humane practice.

We know that it was the Jewish religion which gave the western civilization its first understanding of humane treatment of animals, and it was the Mosaic code which established the first humane slaughter law.

I sincerely hope that these amendments which have been adopted will calm all fears about danger to religious slaughter.

Having removed the basic objections previously raised, I believe the great advantages and humane aspects of the bill make it sound prospective law.

The CHAIRMAN. The time of the gentleman from New York has expired. All time has expired. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the Congress finds the use of humane methods in the slaughter of livestock prevents needless suffering; results in safer and better working conditions for persons engaged in the slaughtering industry; brings about improvement of products and economies in slaughtering operations; and produces other benefits for producers, processors, and consumers which tend to expedite an orderly flow of livestock and livestock products in interstate and foreign commerce. It is therefore declared to be the policy of the United States that the slaughtering of livestock and the handling of livestock in connection with slaughter shall be carried out only by the most humane practicable methods.

SEC. 2. No method of slaughter or handling in connection with slaughter shall be deemed to comply with such public policy unless, (a) in the case of cattle, calves, horses, mules, sheep, swine, and other livestock, all animals are rendered insensible to pain, by a single blow or gunshot or an electrical, chemical, or other means that is rapid and effective before being shackled, hoisted, thrown, cast, or cut, or (b) by slaughtering in conformity with the practices and requirements of any established religious faith which practices and requirements are hereby declared to be humane within the meaning of this act.

Mr. ANFUSO. Mr. Chairman, I offer two amendments and I ask unanimous consent that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. GROSS. Mr. Chairman, reserving the right to object, I would like to hear the amendment read. May we have the amendment read before the request is made?

The CHAIRMAN. The amendment will be read for information.

The Clerk read as follows:

Page 2, line 3, strike out the words "most" and "practicable."

And on page 2, line 4, strike out all of section 2 and insert the following:

"SEC. 2. No method of slaughtering or handling in connection with slaughtering shall be deemed to comply with the public policy of the United States unless it is humane. Either of the following two methods of slaughtering and handling are hereby found to be humane:

"(a) in the case of cattle, calves, horses, mules, sheep, swine, and other livestock, all animals are rendered insensible to pain by a single blow or gunshot or an electrical, chemical or other means that is rapid and effective, before being shackled, hoisted, thrown, cast, or cut; or

"(b) by slaughtering in accordance with the ritual requirements of the Jewish faith or any other religious faith that prescribes a method of slaughter whereby the animal suffers loss of consciousness by anemia of the brain caused by the simultaneous and instantaneous severance of the carotid arteries with a sharp instrument."

And insert the following new section at end of bill:

"SEC. 6. Nothing in this act shall be construed to prohibit, abridge, or in any way hinder the religious freedom of any person or group to slaughter and prepare for the slaughter of livestock in conformity with the practices and requirements of his religion."

The CHAIRMAN. Is there objection to the request of the gentleman from New York [Mr. ANFUSO] that these amendments be considered en bloc?

There was no objection.

HUMANE SLAUGHTER

Mr. ANFUSO. Mr. Chairman, first of all, I wish to congratulate my esteemed colleague, the gentleman from Texas [Mr. POAGE], for bringing out this bill, which is long overdue. Also I wish to congratulate him and the entire committee for their understanding and the patience which they have displayed throughout the hearings. The amendment which I am offering is acceptable to the gentleman from Texas, I understand, and also to a great majority of the committee. Let me explain the amendments.

Section 2 of the bill under consideration, as presently worded, has aroused a good deal of concern among our citizens of the Jewish faith, particularly among Jewish religious leaders. They feel that it would constitute a certain degree of danger to the religious life and practices of the Jewish community in this country because it would render virtually impossible the Jewish religious method of slaughtering animals.

In April 1957 a delegation of Jewish leaders representing 22 major Jewish national organizations and speaking for almost the entire Jewish community of the United States submitted a statement to the Subcommittee on Livestock of the House Committee on Agriculture, in which were outlined the views of American Jewry on humane slaughtering. It was pointed out by them that not only do the bills then being considered by the subcommittee not meet the objections of the Jewish community, but that they also constitute an infringement on the exercise of religious freedom in this country. Even after the present bill, H. R. 8308, was revised and introduced in June by the gentleman from Texas [Mr. POAGE], it was felt by the Jewish community that it did not meet the objections raised by its spokesmen in April.

The Jewish community is specifically alarmed that the adoption of this bill, as presently worded, would have the following consequences:

First. It will undermine Jewish dietary practices of Kashruth, namely, kosher meat will either no longer be obtainable

or, if obtainable, will be so expensive that many families will not be able to afford it.

Second. It may cause resentment and perhaps some dissension between Jews and non-Jews because Jewish religious practices will require more slaughtering of animals.

Third. It may encourage other countries as well as some of our States, to adopt similar laws which would be harmful to Jewish slaughtering methods and other religious practices.

To these objections, I should like to add the observation that to my knowledge this would be the first time in American history that the Federal Government will be taking steps to interfere in religious ritual matters. I am not so sure that this is a desirable step. I am not so sure that I would like to see such a precedent established. Today it may strike the Jewish faith, tomorrow it may be the Catholic or Protestant religion. We have a long and established reputation for leadership in the field of religious freedom. I should not like to see the enactment of a bill containing a section which might be interpreted as an official sanction of religious discrimination—which is what section 2 implies.

For the reasons cited above, I submit a substitute for the entire section 2 and add a new section 6 which is not now contained in the bill. The substitute prescribes two methods of slaughtering and handling which are found to be humane. Of these, the second applies to the religious faiths and reads as follows:

(b) By slaughtering in accordance with the ritual requirements of the Jewish faith or any other religious faith that prescribes a method of slaughter whereby the animal suffers loss of consciousness by anemia of the brain caused by the simultaneous and instantaneous severance of the carotid arteries with a sharp instrument.

And the new section to be added at the end of the bill states:

Nothing in this act shall be construed to prohibit, abridge, or in any way hinder the religious freedom of any person or group to slaughter and prepare for the slaughter of livestock in conformity with the practices and requirements of his religion.

It is my understanding that these amendments are acceptable to the vast majority of the Jewish community and its religious leaders.

The testimony before our committee, as well as the written representations made to our committee on behalf of the various humane societies that have been urging the enactment of this bill, all affirmatively establish that Shechita—the method of slaughtering in accordance with the Jewish faith—is a humane method of slaughtering animals. None of us question that.

It is important, therefore, to note that this bill does not create an exemption or an exception on behalf of those of the Jewish faith; rather it declares in so many words that their method is humane. To make assurance doubly sure, we added the additional section which repeats the constitutional mandate that nothing we do shall interfere with religious freedom.

Mr. Chairman, I urge you and all my colleagues to adopt this substitute and amendment so that we may proceed with final passage of this bill.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. ANFUSO. I yield to the gentleman from North Carolina.

Mr. COOLEY. May I say to the House that the amendments now being proposed by the gentleman from New York [Mr. ANFUSO] were considered by the House Committee on Agriculture. My recollection is that they were unanimously approved by the members of that committee. I certainly am in favor of the amendments and will vote for them. I hope the House will adopt them.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. ANFUSO. Mr. Chairman, I ask unanimous consent to proceed for 1 additional minute.

Mr. MASON. I object, Mr. Chairman.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I should like to ask the gentleman from Texas or someone the difference between the knife killing of livestock as used by the Jewish faith and the knife killing of livestock by anyone else?

Mr. POAGE. The difference is this: The Jewish faith requires such use of the knife as to bring about instantaneous death. The slaughtering in the packinghouses on the wheel, which most of the large packers have long used, involves not a cutting of the throat at all but rather merely a sticking of the animal with the deliberate intention to leave the animal alive when it bleeds, on the theory that the animal bleeds better when alive than after death occurs. So, the packinghouse method today is deliberately intended to leave the animal alive. The Jewish method results in instantaneous death. That is the difference.

Mr. GROSS. When an animal is killed by the Jewish method, is it drained of blood?

Mr. POAGE. I certainly would not want to pass on that. I do not know. But it satisfies the Jewish belief. If anybody likes that meat, that is perfectly satisfactory with me. I never have been able to tell them apart, myself.

Mr. GROSS. Then there is no difference in the present method of killing hogs by sticking them and the method used by the Jewish faith with respect to other livestock?

Mr. POAGE. I just got through pointing out that there is a very decided difference. There is a difference of carrying a live, conscious animal through the air, shackled by one leg for a good long time, and that of having a dead animal. That is the difference.

Mr. GROSS. I doubt if there is any more pain inflicted on the animal by being swung up slowly on a wheel than there is in branding cattle in Texas or some other southwest part of the country. I can think of other handling of livestock, and so can the gentleman—I do not care to discuss it on the House floor, and it is not covered in this bill—that is more painful than anything you have talked about so far.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I am glad to yield to the gentleman.

Mr. POAGE. George Hormel & Co. are not in business for their health. They pay dividends the same as any other profitmaking institution tries to. They established in the neighboring State close to the gentleman's district a rather modern plant and at very considerable expense the carbon-dioxide chamber for hogs not because they were philanthropic but because they felt it would save them money on the loss of meat.

Mr. GROSS. Now the gentleman is using my time, but the question I originally asked was, how humane is the slaughter by the Jewish faith? What is the difference between the two, that is what I want to know.

Mr. POAGE. I do not think the method used in accordance with the Jewish faith is at all inhumane.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. HOFFMAN. He says over there in one case they stick the knife in and in the other case they ease the knife in.

Mr. GROSS. Oh, I see.

Mr. MULTER. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I am glad to yield to the gentleman from New York.

Mr. MULTER. Despite what was just said by the last gentleman who tried to answer your question, he did not describe the Jewish method of slaughter of animals. It is not done by easing—it is done by one swift stroke which instantaneously severs both the jugular vein and the carotid arteries, immediately insensitizing the animal.

Mr. GROSS. The meat that you use or that the Jewish faith uses, let me say, is drained of blood; is it not? You want the carcass drained of blood; do you not?

Mr. MULTER. Immediately after the animal is killed, the blood is drained out of them.

Mr. GROSS. They cannot be drained if there is a complete paralyzation of the animal by the knife method that you use; is that not correct?

Mr. MULTER. No, that is not so.

Mr. GROSS. If there is complete paralyzation, how can an animal be completely and properly bled?

Mr. MULTER. There is a difference between paralyzing and insensitizing caused by the loss of blood from the brain.

Mr. GROSS. I cannot agree with that.

Mr. Chairman, I am for the humane slaughter of livestock. By all means let us do all we can to eliminate inhumaneness wherever it may be found, but let us be fair and end inhumane practices on the part of everyone.

Mr. HOFFMAN. Mr. Chairman, I rise in support of the amendment.

Of course, Mr. Chairman, if you cut an artery, the blood runs out. But if someone of the Jewish faith sticks a sharp instrument in the carotid artery, we have just been told the animal dies instantly. But, if someone else cuts

the artery—and the gentleman from Texas did say "to ease the knife in" the blood does not run out as soon; the animal does not die at once but lingers on and suffers. Of course, what the gentleman has forgotten is yesterday's paper carried a story about an accident where a man in California was hurt. I understand he fell through a plate glass window—but listen and I will read the story—please—you gentlemen who have been telling committee members that when a jugular vein or carotid artery is cut—death is instantaneous, Mr. MULTER, Mr. POAGE, listen, I read:

NO PULSE, NO RESPIRATION, NO BLOOD PRESSURE—'CORPSE' WITH THROAT CUT IN BRAWL IS REVIVED BY FAST HOSPITAL ACTION

SAN FRANCISCO, February 3—Prompt action by a surgeon and two ambulance stewards was credited today with saving the life of a man who was "legally dead" as the result of a severed jugular vein.

Authorities said Veldon Averett, 37, fell through a plate glass window in a tavern in a scuffle with a drinking companion. His jugular vein and carotid artery were severed.

"The man was legally dead when I examined him," said the surgeon, Dr. Sanford Marcus. "There was no pulse, no respiration and no blood pressure.

"He had a wound in his throat big enough to shove your fist through. He didn't have enough blood left in him to keep a chicken alive.

"But Steward Joseph Lanthier told me he thought Averett's eyes fluttered once on the way in, so I thought it was worth a try to bring him back to life."

Dr. Marcus, a figure in a sensational kidnaping of his infant son two years ago, said he first shot adrenalin into the heart "and it responded." Next the damaged artery and blood vessel were clamped off.

"We pumped in three pints of plasma, five pints of whole blood and one pint of a chemical blood substitute," he said. "Within an hour he regained consciousness and within three hours his condition was good enough to permit transfer to San Francisco Hospital.

"It was a case of everyone doing the right thing as fast as he could," the surgeon said. "The steward promptly cut down the loss of blood at the scene with compresses, and ambulance driver John Harte drove the 3-mile round trip in about nine minutes."

Dr. Marcus' newborn son was kidnaped from a hospital nursery in 1955 by a Stockton, Calif., woman. The child was recovered unharmed nine days later.

Did the gentleman from Texas, the gentleman from Missouri get that—jugular vein and carotid artery both—both cut—but the man lived. I wonder if the gentleman from Texas [Mr. POAGE] will tell me, if the purpose was in preventing cruelty to animals, why did you not put something in the bill to prevent branding cattle before sending them to market. Why did you not put something in there about roping, throwing, and branding your cattle with a red-hot iron before you send them to market. Does burning the hair and some of the hide off a steer cause pain—if not, why does the steer bawl—just out of joy? Why did you not prohibit branding in the bill? I am waiting. You are listening.

Mr. POAGE. If the gentleman wants to know why, it is because the committee wrote a bill relating to the slaughter of animals and not with reference to the branding of animals.

Mr. HOFFMAN. In other words, it is all right to torture them before you kill them, if they are not being slaughtered for food?

Mr. POAGE. The branding of animals has nothing to do with the slaughter.

Mr. HOFFMAN. No? It is all right to burn part of the hide off while branding but do not hurt them while killing them for market; why not protect animals while getting them ready to ship as well as after? What nonsense—what utter nonsense to pretend making an effort to prevent cruelty while leaving the red-hot iron free.

Mr. POAGE. The gentleman asked me a question and yielded to me to answer and now he is putting words in my mouth that I did not say.

Mr. HOFFMAN. All right, now then you say them yourself. Why did you not prohibit branding in this bill if your objective was the preventing of cruelty to animals?

Mr. POAGE. Because this committee was writing a bill relating to the slaughtering of animals. We did not cover the whole field of cruelty to animals, human beings, flies, grasshoppers or a great many other things——

Mr. HOFFMAN. Or Congressmen. But you are putting this bill across by stating its purpose is to prevent cruelty to animals—that it does not do.

Mr. POAGE. We did cover a field in which the United States Government is spending your tax money and mine.

Mr. HOFFMAN. That is long enough. That is long enough—that is your answer.

Mr. Chairman, I decline to yield further.

Mr. POAGE. This is the field in which the Government of the United States is spending our good tax money.

Mr. HOFFMAN. Mr. Chairman, I decline to yield further. If the bill was devised to prevent cruelty to animals, it was no trouble to protect the animal while on the road to the slaughtering pens. And on this business of slaughtering animals, does it apply to the farmers? No, because this is interstate and foreign commerce. The committee does not touch the animal being slaughtered by the farmer—only those who sell to Uncle Sam.

Mr. Chairman, I yield back the balance of my time.

Mr. FARBSTEIN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I hesitate to take issue with my colleague from New York [Mr. MULTER] in some of the statements he has made. Perhaps after I have finished he can explain what I am going to read.

I have in my hand a telegram, dated February 3, 1958. This is from the Union of Orthodox Rabbis of the United States and Canada. It gives the names of three rabbis and says further that they are members of the Preisium. It is addressed to me. It read as follows:

In behalf of our organization, the highest rabbinical authority in the United States, we urge you to address the House of Representatives tomorrow and vigorously oppose H. R. 8308, regardless of any amendment. All rumors of acquiescence in any amendment by any orthodox organization are false and groundless. Please emphasize following points: From historical viewpoint American Jewish community has cause for deep concern over such legislation, for experience demonstrates that it leads in time to agitation against schechita itself. Moreover, except schechita the methods prescribed in the bill as humane are highly dubious. This demonstrates that further study and research are necessary before any legislation is proposed. Your strong opposition to bill will be an invaluable service to religious Jewry.

Now, objections raised by these gentlemen can be explained in this fashion: In England there was enacted a law similar to this, that called for humane slaughter, and it was described there practically as described here. Despite the fact that that is now the law in England, I think last year there was introduced another bill. At least there was an attempt made to introduce a bill into the Parliament declaring all ritual slaughtering or all schechita illegal. Fortunately there were not enough votes to permit the introduction of that bill; and, therefore, today the law in England still permits schechita. Nevertheless, there was this tremendous agitation after the passage of the first humane-slaughtering bill which sought to make schechita illegal. Furthermore, in this bill, as I see it—I may be wrong—there is a criminal penalty.

Page 3, lines 12 to 18, states:

After December 31, 1959, each supplier from which any livestock products are procured by any agency of the Federal Government shall be required by such agency to make such statement of eligibility under this section to supply such livestock products as, if false, will subject the maker thereof to prosecution (18 U. S. C. 287).

This suggests that one who makes what is considered a false statement in the sale of slaughtered animals to the Government is guilty of a crime. Section 2 says, in effect, that all animals to be considered humanely slaughtered shall be rendered insensate to pain by a single blow or gunshot. It is a known fact that there is failure in rendering insensate these animals by a single gunshot. This raises the question whether or not one who makes representation to the Government of this supposedly humane method of slaughtering, is guilty of a false statement within the law when it turns out that they had not been slaughtered humanely because they were not rendered insensate by a single blow. It has been suggested by the gentleman from Texas [Mr. POAGE] that the interpretation is with reference to the method.

I am not satisfied that anyone slaughtering animals who to the best of his ability has tried to slaughter them in a humane way and so states may not still be subjected to being accused of the commission of a crime.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. COOLEY. Mr. Chairman, I rise in support of the amendment.

I would like to say to the gentleman from New York that it seems to me rather strange that these individuals should wait until February 3 to complain about this bill that has been under consideration for practically 2 long years.

Furthermore I would like to point out that the section referred to does not define any criminal offense; it provides only that if an individual makes a false statement he will be subjected to prosecution under a law which is already on the statute books.

Let me say further that these amendments, if I understand them, were actually written by Jewish rabbis and they were written for the purpose of making this bill acceptable to those of the Jewish faith.

Now the gentleman from New York [Mr. FARBSTEIN] certainly knew what he was talking about in regard to the present amendment. He collaborated in the preparation of the amendments. They were submitted by the gentleman from New York [Mr. ANFUSO]. We did not have these provisions in the bill originally, but in an effort to make the bill acceptable we are now providing these amendments which were considered by the committee and I think unanimously approved by the committee.

Mr. FARBSTEIN. Mr. Chairman, will the gentleman yield to me for an answer?

Mr. COOLEY. I wish the gentleman would answer this question: Has the gentleman any amendment that is better than these we are presenting?

Mr. FARBSTEIN. I do not have any amendment; I do not seek to amend this bill, although I understand the gentleman from South Carolina [Mr. DORN] has an amendment to the bill providing for further study, because I understand the Department of Agriculture itself does not know the definition of the word "humane." That is the reason they have been opposed to this bill since its inception.

How can you possibly hold a man guilty of a crime when the bill itself does not give a definition of the word "humane"?

Mr. COOLEY. The gentleman apparently has not read this bill, or certainly he does not interpret it correctly. I have just pointed out, and I do so again, that the bill states that if a person makes a false statement he can be prosecuted under another law. Does the gentleman want to strike that out and let him make false statements with impunity?

Mr. Chairman, I say that this is an important measure. I do not believe it should be regarded as nonsense, as it has been referred to here during this debate. If you could see the tremendous amount of—I will call it propaganda, that has come to us from every nook and corner of this great Republic you would be amazed. Every humane society in America has been communicating with us constantly during the past 2 years. This is a matter in which the American people are intensely interested. The bill, of course, is not perfect, but it is a step in the right direction and is a step that we should have taken long ago.

Mr. ANFUSO. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from New York.

Mr. ANFUSO. I should like to state, Mr. Chairman, as most of the Members here know, no one is more interested in protecting any religious faith than I. I was very patient with the committee that came before us. I think some 200 rabbis from throughout the country were represented.

I am astonished that at this late date there should be some objection. The chairman of our subcommittee would be the last person in the world to deny any religious freedom, and I certainly would be. I thought when we received this last amendment which arrived, incidentally, only this morning—the final correction was made by me this morning—I thought we were taking care of the objections, and I am very disappointed at this turn of events.

Mr. FARBSTEIN. Mr. Chairman, will the gentleman yield?

Mr. ANFUSO. I do not have the floor.

Mr. COOLEY. I will yield to the gentleman from New York.

Mr. FARBSTEIN. The gentleman knows that the Jewish religion has 3 sects, 3 principal ones at least. There is the orthodox, there is the reform, and there is the conservative. One is an offshoot of the other, just as in the Christian religion you have the Protestant, then you have the Baptists, and so on. The orthodox Jew adheres strictly to the Bible.

Mr. COOLEY. Mr. Chairman, I do not yield further to have a lecture on the Jewish faith. I want to ask the gentleman, is he in favor of humane slaughter or inhumane slaughter?

Mr. FARBSTEIN. Of course, I am in favor of humane slaughter. There is no one opposed to humane slaughter. The Bible has always contended that we are in favor of humane slaughter.

Mr. COOLEY. Why does not the gentleman vote for the bill, then?

Mr. FARBSTEIN. This bill does not do anything but what has been done.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. KEATING. Mr. Chairman, I move to strike out the requisite number of words and I do this only for the sake of clarification. I am a little bit confused by the discussion that has taken place on these amendments. The gentleman from New York refers to an amendment in the remarks which he recently made, and I refer to the gentleman from New York [Mr. ANFUSO]. Earlier in the debate I interrogated the gentleman from Texas about an amendment which he proposed to offer or which the committee would offer. My question is, Are those two amendments one and the same?

Mr. POAGE. The gentleman asked me about the proposed amendment fitting in with the present language. I tried to give him what might be called the Ramseyer rule, the new language and the changed language. The amendment is to strike out all of the existing language and to insert new language, but it comes down to exactly what I said to the gentleman and what I tried to point out, where it would change words and insert new words. He struck out the entire section.

Mr. KEATING. The gentleman from Texas feels that the amendment as offered or as mentioned by the gentleman from New York is in accordance with the colloquy we had earlier in the debate?

Mr. POAGE. Exactly. It comes out exactly the same.

Mr. KEATING. I thank the gentleman.

Mr. DAWSON of Utah. Mr. Chairman, will the gentleman yield?

Mr. KEATING. I yield to the gentleman from Utah.

Mr. DAWSON of Utah. I would like to direct this question to the gentleman from Texas. I have a copy of a letter which the gentleman inserted in the RECORD on behalf of the Rabbinical Assembly of America, and the United Synagogue of America, representing the conservative rabbinate and the conservative congregations, the Central Conference of American Rabbis and the Union of American Hebrew Congregations, representing the reform rabbinate and reform congregations, and the American Jewish Congress. This would include practically all of the Jewish organizations? Am I correct about that?

Mr. POAGE. It includes all except the Union of Orthodox Rabbis. I know of none other.

Mr. ANFUSO. Mr. Chairman, will the gentleman yield?

Mr. KEATING. I yield to the gentleman from New York.

Mr. ANFUSO. I would like to say in defense of the rabbis and the associations which appeared before our committee and also which consulted me in my office, that they did express views as stated before by my esteemed colleague from New York [Mr. FARBSTEIN]; but, then, when they were told that we must have legislation of this nature, which is long overdue, and they were given the protection which my amendment seeks to give to them, they were satisfied with it.

Mr. MULTER. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I want to be sure that we are not going to be confused by any of the statements which have been made, all made in the utmost of good faith. There are many sects of the Jewish religion, and even divisions within each sect. It would, indeed, be utopian if all religious sects could agree. I am not going to give you a lecture, however, on the Jewish religion.

I do want to make clear, if possible, how near to agreement we have come.

Now, I said to you before that a letter has been made part of this RECORD by the gentleman from Texas [Mr. POAGE], dated January 29, 1958, in which Mr. Leo Pfeffer writes on behalf of these organizations: First, the American Jewish Congress—a national organization of Jewish laymen and rabbis of all persuasions; second, the Rabbinical Assembly of America—that is, the national organization of the conservative rabbis; third, the United Synagogues of America—that is the national organization of conservative laymen; fourth, the Central Conference of American Rabbis—the national organization of reform rabbis; and fifth, the Union of American Hebrew Congregations—the national organization of reform laymen.

Mr. Pfeffer says in his letter, referring to the amendment which the gentleman from New York [Mr. ANFUSO] has offered and about which we are speaking now, after setting forth this amendment, Mr. Pfeffer writes to Mr. POAGE, "With this amendment, I am authorized by the organizations listed above to inform you that these organizations and their membership have no opposition to H. R. 8308." Incidentally, the American Jewish Committee, another national association of Jewish leaders, finds no fault with this new language.

I want to compliment every last Member who has participated in this, Jewish and non-Jewish alike, for their high-minded approach to this problem in order to try to keep off this floor any semblance of an argument about religion. Having accomplished that, I am not going to get you into an intra-Jewish conflict on this matter.

Let me give you this assurance, as one born into the orthodox Jewish faith and who today is a member of the President's Council of Yeshiva University, which includes a theological college, one of whose main functions is to ordain orthodox rabbis, that neither all of the orthodox rabbis nor all of the orthodox Jews are opposed to this bill and that many, if not most, of them will approve it as amended. This organization whose telegram has been read to you has no right to talk for all of the orthodox rabbis nor for all orthodox Jews. The signers of that telegram cannot claim unanimity within their own organization. They certainly have no right to pretend to be the highest rabbinic authority anywhere.

Every other organization of orthodox rabbis, as well as those of the conservative and reform rabbinate, will reject that claim.

Let us not get into that. I say to you with all the vigor at my command that this bill offers no offense to any religious group; it protects them all, and it is a better bill if this amendment prevails.

Mr. CHELF. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from Kentucky.

Mr. CHELF. Is it a fair statement to say that this amendment will satisfy the great majority or the vast majority of folks of the Jewish faith?

Mr. MULTER. I would rather say that it will satisfy the overwhelming majority of the people of Jewish faith.

Mr. CHELF. That is what we non-Jews want to know. We want to be sure not to interfere with any religious observance.

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

Mr. DORN of South Carolina. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DORN of South Carolina: Strike out everything after the enacting clause in the bill as amended by the committee and substitute therefor the following: "That the Congress finds that the use of humane methods in the handling, transporting, and slaughtering of livestock and poultry prevents needless suffering; brings about improvement of products; and produces other benefits for producers, processors, and consumers which tend to expedite the orderly flow of livestock and poultry and their products in interstate and foreign commerce. It is therefore declared to be the policy of the Congress to provide for study and research to develop improved methods of handling, transporting, and slaughtering, and to encourage acceptance and use of such methods to the end that livestock and poultry shall be handled, transported, and slaughtered only by humane methods.

"SEC. 2. The Secretary of Agriculture is authorized to conduct, assist, and foster research, investigation, and experimentation to develop and to encourage the adoption of improved methods of handling, transporting, and slaughtering livestock and poultry.

"SEC. 3. To assist in implementing the provisions of section 2, the Secretary is authorized to establish an advisory committee. The functions of the advisory committee shall be to consult with the Secretary and other appropriate officials of the Department of Agriculture and to make recommendations relative to (a) the research authorized in section 2; and (b) obtaining the cooperation of the public, producers, farm organizations, industry groups, humane associations, and Federal and State agencies in the furtherance of such research and the adoption of improved methods. The chairman of the committee shall be an official of the Department of Agriculture designated by the Secretary. The committee shall consist of not more than eight members other than the chairman and shall be appointed by the Secretary and shall include representatives of (a) the public, including groups concerned with humane handling of animals, (b) producer and industry groups, and (c) scientific and professional groups. The committee shall meet at the call of the Secretary or his designee. Committee members other than the chairman shall not be deemed to be employees of the United States and are not entitled to compensation, but the Secretary is authorized to allow their travel and subsistence expenses necessary in connection with their attendance at meetings called by him or his designee for the purpose of this section.

"SEC. 4. The Secretary of Agriculture shall report to the Congress on January 1, 1959, and annually thereafter concerning actions taken pursuant to this act.

"SEC. 5. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act."

Amend title to read as follows: "A bill to promote the development and use of improved methods for the humane handling, transporting, and slaughtering of livestock and poultry in interstate and foreign commerce."

Mr. DORN of South Carolina. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes and to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. DORN of South Carolina. Mr. Chairman, there is not a single person in this great House who is opposed to the humane slaughter of animals or the humane treatment of animals. Certainly for those of us who farm, whose only occupation other than being here is that of agriculture, it is in our interest and the interest of the country to promote the humane handling and care of animals. I can assure you that that is the practice on the farm that it is my privilege to own and operate.

Mr. Chairman, this debate today has served to bring out the fact that there is much confusion concerning this type of legislation. You will note that in the committee report—and I hope you read it carefully—one of the principal reasons advanced for the passage of this legislation was the fact that a certain number of letters had been received by the committee and the members of the subcommittee.

Now, what are the facts concerning public support of this compulsory type of legislation? I have here a statement from the American Farm Bureau opposing the so-called Poage bill. I have here a statement from Mr. True D. Morse, Acting Secretary of Agriculture, sent to me this morning opposing this legislation. Now, mind you, here we want to vest in the Secretary of Agriculture's office the enforcement of a compulsory law that he is not in sympathy with and that he is not sure what the House intends when it defines "humane slaughter of animals."

I have here a telegram from the National Wool Growers Association endorsing my substitute bill and opposing the Poage bill.

I have here a telegram from Mr. Radford Hall, executive secretary of the Cattlemen's Association in Denver, Colo. I have here a telegram from Mr. Smith, president of the South Carolina Livestock Council. One from the Cattlemen's Association of the State of Oklahoma. The National Grange is opposed to compulsory legislation.

DENVER, COLO., *February 3, 1958.*
Hon. W. J. BRYAN DORN,
House Office Building,
Washington, D. C.:

We understand that humane slaughter legislation is to be considered on floor of House tomorrow. For your information I call your particular attention to the following resolution approved by the American National Cattlemen's Association, in convention January 9, 1957:

"HUMANE SLAUGHTERING

"Whereas the American Humane Association is backing legislation to force drastic changes in methods of slaughtering food animals; and

"Whereas the packers have for some time cooperated in a joint committee with the American Humane Association in improving methods of handling livestock: Therefore be it

"*Resolved,* That we strongly favor humane treatment of livestock but urge that progress in this matter be made through the continued cooperation of packers and the humane association rather than through legislation."

RADFORD HALL,
Executive Secretary.

CHARLESTON, S. C., *February 3, 1958.*
Congressman WILLIAM JENNINGS BRYAN DORN,
House Office Building,
Washington, D. C.:

South Carolina Livestock Council has asked entire South Carolina delegation to support your alternate humane slaughter bill, H. R. 5320. Many thanks and good luck to you.

R. B. SMITH, *President,*
South Carolina Livestock Council,
Greenwood, S. C.

OKLAHOMA CITY, OKLA.,
February 4, 1958.
Congressman W. J. BRYAN DORN,
House Office Building,
Washington, D. C.:

We respectfully, but urgently, solicit you to move adoption of your bill, H. R. 5820, as

a substitute for H. R. 8308. H. R. 8308 would curtail slaughter of livestock in many plants.

JACK R. HOUSER,
Executive Secretary, Oklahoma Cattlemen's Association.

FEBRUARY 3, 1958.

We urge your support of the Dorn bill, H. R. 5820, which will be offered as a substitute for the Poage bill, H. R. 8308, on the House floor. We favor humane slaughter and are working to bring this about as rapidly as humane methods are developed that are practicable and within the financial reach of small packers. The Dorn bill calling for study and research on this important issue has support of livestock and farm organizations and United States Department of Agriculture. Compulsory legislation would be a mistake at this time. The Poage bill should be defeated.

E. F. FORBES,
President, Western States Meat Packers Association, Inc.

RESOLUTION ADOPTED BY THE NATIONAL WOOL GROWERS ASSOCIATION ON JANUARY 23 AT THEIR NATIONAL CONVENTION IN PHOENIX, ARIZ.

We are opposed to any impractical and uneconomic legislation regarding methods of slaughtering lambs. We commend the principles involved in Senate bill 1213, asking for a study of humane slaughtering methods.

NATIONAL WOOL GROWERS ASSOCIATION.
Headquarters, Salt Lake City.

AMERICAN FARM BUREAU FEDERATION,
Washington, D. C., February 4, 1958.

Hon. W. J. BRYAN DORN,
United States House of Representatives, Washington, D. C.

DEAR CONGRESSMAN DORN: Attached is a copy of a letter expressing the views of the American Farm Bureau Federation on humane slaughter legislation. This letter was sent in April 1957 to Congressman POAGE at the time the Subcommittee on Livestock and Feed Grains of the House Agriculture Committee was holding hearings on this matter.

The attitude of the American Farm Bureau Federation on humane slaughter legislation has not changed since that time.

Sincerely yours,

JOHN C. DATT,
Assistant Legislative Director.

AMERICAN FARM BUREAU FEDERATION,
Washington, D. C., April 1, 1957.

Hon. W. R. POAGE,
Chairman, Livestock and Feed Grain Subcommittee, House Agriculture Committee, United States House of Representatives, Washington, D. C.

DEAR CONGRESSMAN POAGE: On behalf of the American Farm Bureau Federation we would like to express our views with regard to bills requiring the compulsory application of so-called humane methods in the slaughter of livestock and poultry. Naturally, as a representative of livestock producers, we have a tremendous interest in this matter.

With the membership in Farm Bureau at about 1,600,000 I would judge that a very large majority of this membership is actively engaged in producing, feeding and marketing livestock, dairy, and poultry. From a completely practical point of view we believe the humane handling of livestock and poultry at all levels is perhaps of greater interest and concern to us than to any other group. Farmers and ranchers usually give the utmost care to their livestock.

In considering this legislation it is necessary for us to view compulsory legislation in this field in light of its possible economic impact on livestock producers. It seems to us that the meatpackers, the humanitarians, the scientists, and others cannot yet agree on the most practical or even the most humane method for slaughtering livestock. In light of the controversy around this issue it seems to us that compulsory legislation at this time would be very premature and not in the best interest of either the producers of livestock or the consumer.

We would recommend that an advisory group under the direction of the Secretary of Agriculture be established to give concerted study to this problem. It is our belief that a great deal more could be achieved toward a solution to this problem on a voluntary basis than if compulsory legislation is passed. The success of any program of this kind is largely dependent on the willingness of those dealing with the matter to cooperate.

In other words, we strongly believe that the greatest progress toward the solution of this problem will come about through the development of voluntary programs, based on factual information made possible through cooperative efforts of all segments of the livestock, poultry, and meat industry, and those interested in the humane handling of livestock and poultry at all levels of production and processing.

We respectfully request that this letter be made a part of the record of hearings.

Sincerely yours,

JOHN C. LYNN,
Legislative Director.

DEPARTMENT OF AGRICULTURE,
Washington, D. C., February 4, 1858.

Hon. WILLIAM JENNINGS BRYAN DORN,
House of Representatives.

DEAR CONGRESSMAN DORN: This is in reply to your request of February 3, for a report on H. R. 8308, a bill to establish the use of humane methods of slaughter of livestock as a policy of the United States, and for other purposes.

The Department emphatically favors humane slaughter of livestock by any method that is found to be practicable and workable. However, we oppose the enactment of H. R. 8308, on the basis that it would tend to cause confusion. We believe that the end result could best be obtained through scientific research and development and cooperation of the public, producers, farm organizations, industrial groups, and humane associations.

Our opposition to the enactment of H. R. 8308 is based on the following facts:

Even the stunning methods advocated by the humane organizations would not be in conformity with the stated public policy, because the methods have been known to fail to stun each and every animal with a single blow.

Slaughtering in connection with the practices of a religious faith is declared to be humane, but it is not clear whether the handling of livestock in connection with such slaughtering, must conform with the stated public policy—this would require all such livestock to be rendered insensible prior to slaughter, contrary to most religious laws.

There are approximately 3,000-livestock slaughterers, of which 500 are eligible to sell meat to Federal agencies. The procurement provisions would apply only to the owners of plants which actually contract to sell to such agencies. Furthermore, the bill does not apply to slaughterers of poultry.

Even though there is a lack of authoritative scientific information on the subject of humane slaughter of each species of livestock and the handling in connection therewith, the Secretary is compelled without waiting for the research and study provided in the bill, to designate methods which are or are not in conformity with the stated public policy.

The difficulties of compliance, due to its stringent and ambiguous terms, would greatly restrict the competitive bidding on Federal meat contracts and inevitably result in marked increase in cost to the Government, as well as, hamper supplies and disrupt the marketing of livestock.

Programs designated to stabilize the livestock market by purchasing of surplus meats would be jeopardized. The programs must be conducted on short notice and during brief periods when prices to producers are seriously depressed and livestock numbers are especially high.

The bill might cause such confusion as to impede progress on the part of slaughterers, researchers, local jurisdictions, and humane associations in the field of humane handling and slaughtering of livestock.

In lieu of H. R. 8308, we would again recommend that the Congress consider the merits of H. R. 5820. This bill would provide an orderly approach to the objective of humane slaughter and would, in addition, provide for a coordinated national effort to improve the humane handling and transport of food animals which involve repeated handling of these animals during the marketing process from farm to slaughter.

The Bureau of the Budget advises that there is no objection to the submission of this report.

Sincerely yours,

TRUE D. MORSE,
Acting Secretary.

Mr. Chairman, this legislation is dangerous legislation. In section 2 of the bill there is language such as—by a single blow of the hammer, or a gunshot; and it goes on to add electrical and chemical devices.

My bill provides for the appointment of a committee of eight people in addition to a representative of the Department of Agriculture. This committee is to meet with the humane societies. It is to be composed of representatives of the public, the meat producers and the meatpackers, and the Department of Agriculture, to determine what is the most humane method to dispatch livestock in America. And they are to report back to this Congress within 2 years so that we may proceed without all of this confusion.

Mr. Chairman, let me call your attention to section 3 of the bill, which, as the gentleman from New York has pointed out, calls for criminal punishment under title 18 of the United States Code. Let me point out this, also in that section—and I hope every single Member here before he votes on this bill will read section 3—that no meatpacker can sell meat to the Government of the United States, under any of its procurement programs—Army, Navy, Air Force, Marine Corps, school lunch program, they did not say the school lunch program, but it mentions price supports and I am wondering, I will say to the chairman of the Committee on Agriculture, if this bill does not go much further afield than has been represented here today.

Here is another strange aspect of this bill. It sets forth the policy of this Congress in defining humane slaughter. The bill makes it unlawful to slaughter animals except in certain ways. Then it goes on to say the producers and the packers and the consumers will all benefit by the passage of this bill. That is under the policy section. Then lo and behold, in section 4 of the bill it provides for a committee to study and to determine what is the most humane method. The bill defines humane slaughter at the same time setting up a committee to study the most humane methods. No

wonder the Secretary of Agriculture is so bitterly opposed to this type of legislation.

Let me say right here that some years ago Dr. Galloway of the Congressional Library, who is not affiliated with any political party, who is a statistician, said that 90 percent of all the laws, rules, and regulations with the full force and intent of the law are not written by the Congress, but by the departments and agencies and bureaus of the Federal Government. How refreshing it is to see one department of the Federal Government that has the courage to come here and say that, "We do not want any more power over the great meat and livestock industry of this country."

The Department of Agriculture informs me that this Poage bill cannot be properly enforced. It is vague and ambiguous. It will embarrass and curtail Federal meat-purchasing activities. It will restrict the competitive bidding on Federal meat contracts and result in cost to the taxpayers as well as hamper supplies. This bill could result in lower prices to farmers for livestock by restricting the Defense Department's buying program.

The Poage bill would overrule local, State, national humane organizations and livestock groups which might differ with the Secretary of Agriculture on his methods of slaughter. This bill will hurt the little packer struggling to compete in a highly competitive field.

Mr. Chairman, I am glad to see one department of the Federal Government that does not want this enormous power to regulate, intimidate, and harass one of the greatest industries in the world. It is just incidental that the Secretary of Agriculture happens to be a member of the party on my left. I congratulate Mr. Benson for opposing this confusing legislation.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. DORN of South Carolina. I will be delighted to yield to the distinguished chairman of the committee.

Mr. COOLEY. It is rather refreshing to hear the gentleman's comments concerning Mr. Benson. It is the first time I have known the gentleman had such great confidence in the Secretary.

What I wanted to ask the gentleman was this: In section 5 we authorize the Secretary to establish an advisory committee composed of 12 members. What authority does the gentleman propose to give his 9-man committee that is not given to the 12-man committee provided for in this bill?

Mr. DORN of South Carolina. That is exactly the point. I am glad the gentleman brought it up. The bill that came out of his committee in the policy section and in sections 2 and 3 provides for all of this to be compulsory. Then you go ahead in the same bill, not knowing what humane slaughter is all about, and provide for research and a committee to study what is humane slaughter.

Mr. COOLEY. Is it not rather strange that the gentleman should come here and present a bill, then object to its being read and ask to waive the reading of the bill, and then ask the House to reverse the Committee on Agriculture and take the gentleman's leadership and adopt a bill they have not even heard read?

Mr. DORN of South Carolina. All the bill provides for——

Mr. COOLEY. I wish the gentleman would tell us what it provides.

Mr. DORN of South Carolina. A committee of eight, representing the humane societies, the producers, packers, and scientists.

Mr. COOLEY. To do what? To study this for 2 long years?

Mr. DORN of South Carolina. To study what is the most humane method of slaughter.

Mr. COOLEY. To study for 2 years and report back?

Mr. DORN of South Carolina. And report back to this House so we can legislate intelligently. No two packers in this country seem to agree on what is the most humane method. Let us have a scientific study of the various methods and report to the country. This is exactly what my bill provides for. We should not legislate blindly. I am for humane slaughter, but let us first determine what is humane slaughter.

Let me say in reference to Mr. Benson, the Secretary of Agriculture, that I did not call his name, but I will say this, and I repeat, it is refreshing to me, and I do not care what political party he belongs to, to see one man in this Government who is anxious to get the Government out of business in this country.

I am a farmer. No man, more than a farmer, can have greater concern for the welfare of the animals he raises on his land. Cruelty to animals is abhorrent to the good farmer, not only because it is morally wrong, but because it is wasteful—it is just not good husbandry. There is no profit to be had from animals that have been allowed to languish and suffer from sickness, or have been injured by wanton brutality. But the fate of the domestic animal, the whole reason for its existence, is to provide food for man—as the Good Book says in Genesis, chapter 9, verse 3: "Every moving thing that liveth shall be meat for you"—and no matter how a farmer's heart may be touched, his herds and flocks must in the end go to the slaughter pen if the Nation is to be fed.

There is no way, let us confess it—unless we are all to become vegetarians—to reprieve our flocks and herds. Nor, let us also confess, here and now, to bring death to any animal that can be considered pleasant. The slaughterhouse can never be a pretty place.

The best we can hope to achieve is to make the slaughter of animals as humane as possible, and there is not one farmer, one rancher, one meatpacker, or meat consumer who would not support legislation to that end. To vote against it would be to vote for the sin of cruelty.

But enormous problems are involved—problems that have beset the entire meat industry for many years—and they are not to be solved by any law that does not take account of them. In fact, a law that ignores them and seeks to impose standards it cannot enforce, may well set back the cause of humane slaughtering rather than encourage it. Moreover, it could produce such chaos in the meat industry that this Nation, one of the largest meat-eating countries in the world, could in weeks be reduced to meat rations, worse than any in the leanest time of World War II—shades of OPA and meat lines at butcher shops. I am sure that the distinguished majority leader, the gentleman from Massachusetts, will recall the political debacle of 1946 that beset our party caused by meat shortages—caused by disruption of this vast and complicated industry.

Such a law, in my view, is that proposed by the Poage bill—H. R. 8308—now before you. I do not quarrel with its preamble, which requires the Secretary of Agriculture to conduct, assist, and foster the necessary research and experiments to develop methods for the slaughter of livestock which are both humane and practical.

But the Poage bill goes further than this to enter—with all those good intentions which pave so many roads to folly—the realms of unreality and even, if I may say, of that bureaucratic tyranny which was never a substitute for sane legislation, but merely a convenient way for shelving the responsibility for constructive thought in favor of satisfying an ill-informed emotional clamor.

For the bill would require the Secretary, at an early date and continuously thereafter, to give the official sanction of his office to certain methods which he would approve and designate. This would have two, and to my mind, quite disastrous effects, as well as being a denial of the democratic and free enterprise system which is the very sinew of this country's strength and progress.

First it would completely overrule, without appeal, the local, State, and national humane organizations and livestock groups, which might differ, with excellent cause and reason, from the Secretary of Agriculture's fiat. Further I ask, is there now unanimity of opinion between all humane societies on how is the most humane method to dispose of unwanted and unloved kittens and puppies.

Second, it would deny all packers and wholesalers of meat the privilege of selling to any agency of the Federal Government, unless the vendors were completely prepared to employ the Secretary's chosen methods throughout their entire organizations.

What would be the immediate result if the Poage bill was made effective this very day? Not a single United States soldier, sailor or airman, serving at home or overseas, would get another ounce of meat; nor would there be any meat in the school lunches provided with Federal aid for our children.

Why? Because there is not a single packer or wholesaler, great or small, who could meet the requirements set out in the bill—although it is estimated that fully 50 percent of the cattle now being slaughtered in this country are rendered insensible by mechanical stunning methods, already approved and in fact installed on the recommendation of the Nation's leading humane societies and the American Meat Institute. For the bill requires that each and every animal

slaughtered must first be stunned by a single blow.

This, Mr. Chairman, with the best will in the world, and the latest methods of humane slaughtering so far devised, is impossible to guarantee.

And I would like to point out here that these latest methods of humane slaughtering exist for the most part only on the premises of the larger packers. It still remains for the large number of small packers to adopt the new methods. Considerable costs are involved which a small business might at first find difficult to meet, but there is every indication that the small packers are following suit as quickly as they can and are more likely to be deterred than encouraged by legislation.

We are talking about the humane slaughter of all meat animals. However, the law, as the bill stands, would apply to only about 500 of the more than 3,000 livestock slaughterers in this country. It could apply to none of the poultry slaughterers, since the sole methods of enforcement is through denial of opportunity to sell meat from federally inspected packing plants to the Federal Government.

Even assuming that the law's one-blow requirement could be met, it would almost certainly be met by the big packers first and consider what a restriction this would impose upon competitive bidding for Federal contracts. It requires little or no imagination to forecast at once not only a serious falling off of supplies, but as a result of that scarcity, a marked increase in price to the Federal Government—which is already having a hard enough time finding money for defense. Again, the Department of Agriculture itself would be seriously embarrassed to stabilize the livestock market purchasing of surplus meats. This program, as you know, must be conducted on short notice and during very brief periods when prices to producers are seriously depressed and livestock numbers especially high. It is a delicate buisness at the best of times. It would become doubly delicate if livestock prices were to be further artificially depressed by a slowdown in slaughtering.

The point has been made that this is really a cheap law because, as a result of its method of enforcement, the only cost to the Federal Government would be for research and experiment in humane slaughtering methods, for evaluation and determination of methods, and for identification of carcasses from plants that use designated methods. All this has been set at a mere $200,000 which would include the payroll for about 20 people.

But nowhere do I find a single mention of what is likely to be the biggest cost of all: the cost to Federal purchasing agencies to assure themselves that the law has been complied with and to take action in the event of noncompliance. And of course, no one can estimate the countless millions that will be lost both to the Federal Government and to the meat industry and our hard pressed farmers by the inevitable confusion which I have outlined, and from which I see no possible way of escape.

Now, Mr. Chairman, that I have—as I trust—given cause for second thoughts about what I sincerely believe is a well meant but dangerous bill, I would seek your indulgence to examine more closely the rights and wrongs of humane slaughtering. There are a good many rights and a good many wrongs, and most of the wrongs are in the emotional approach to a problem, which if the Nation is to be fed meat, must be tackled from knowledge and not from emotionalism.

I have been impressed, deeply impressed, by the efforts made by the Department of Agriculture, to inform all those interested in humane slaughter of the difficulties to be overcome, and I am convinced all concerned with the handling of animals should study very carefully the plan for accomplishing its objective which the Department of Agriculture, the American meat industry and the American Humane Association has many times presented. We must not lose sight of the fact that the Department and these agencies, in the democratic process, have not only defined the problem but also sought diligently for a solution. That they have not yet succeeded in finding one that can immediately be put into operation in every slaughterhouse in the land is not for lack of trying. I have, as you know, Mr. Chairman, myself proposed alternative legislation which has complete support of the Department of Agriculture, and furthermore—as I am sure I have little need to remind you—that Department is being administered by a gentleman whose politics are very different from my own. I consider this a certain measure of its merit. My bill, H. R. 5820, provides for further study of humane slaughter under the guidance of the Department and also provides for a time limit for reporting to Congress and assuming responsibility for those humane methods of slaughter which it is prepared to designate and support against the inevitable conflict of interest that must come on judicial review.

My bill, I maintain, is as far as this House may honestly go in this matter at this time. It has the considered support of the American Farm Bureau Federation, the American National Cattlemen's Association, the National Wool Growers' Association, and many other State and national farm organizations. We are concerned with animals—and rightly so. But our primary concern, Mr. Chairman, is the well-being of the men, women, and children of this Nation.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

(By unanimous consent, Mr. DORN of South Carolina was allowed to proceed for 2 additional minutes.)

Mr. JOHANSEN. Mr. Chairman, will the gentleman yield?

Mr. DORN of South Carolina. I will be delighted to yield to the gentleman from Michigan.

Mr. JOHANSEN. I wonder if the gentleman can tell me the present prevalent method of slaughtering hogs.

Mr. DORN of South Carolina. I will refer that question to the distinguished gentleman from Texas [Mr. POAGE]. He mentioned it a moment ago.

Mr. POAGE. The gentleman is asking what the present method of slaughtering hogs is?

Mr. JOHANSEN. Yes.

Mr. POAGE. The present method is to use the wheel, by which a live animal is shackled to a steel chain, a revolving chain about 12 or 15 feet high. He is pulled up there, often breaking a leg, pulling the bone out of the socket.

Mr. JOHANSEN. That is not the question.

Mr. POAGE. I would like to give the gentleman the whole of the method, if he wants the method.

Mr. JOHANSEN. May I ask the further question, if this bill is enacted into law what will become the compulsory method of slaughtering?

Mr. POAGE. The Secretary of Agriculture will be permitted to require any humane method of slaughtering.

Mr. JOHANSEN. But specifically, when and how will the slaughterers know the proper method?

Mr. POAGE. They will know twofold: First, the bill itself sets out two methods which are hereby defined to be humane. Those are the two that are rewritten by the amendments we just adopted. That is the instantaneous death, or it is the ritualistic slaughtering method. Or he will know by the Secretary of Agriculture's permitting some other method. That is exactly what section 5 provides. We know we do not have all knowledge today, and as we learn more about these things we may very well find that an electric method is a practical and a humane method; and the Secretary can so promulgate.

Mrs. GRIFFITHS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I oppose the gentleman's amendment and support the bill as written by the committee.

WHY COMPULSORY HUMANE SLAUGHTER LEGISLATION IS NEEDED

Over 30 years ago there was a strong movement throughout the civilized nations of the world for the institution of humane methods of slaughter. As a result of this movement the Netherlands, Norway, Scotland, Ireland, England, and parts of France, Germany, and Austria and other foreign nations enacted compulsory humane-slaughter legislation. In the United States the meatpacking industry agreed to voluntarily institute humane methods of slaughter. In 1929 the American Meat Institute, the trade, research, and educational association of the meatpacking industry set up a special committee to develop improved methods of slaughter which would first, be considered more humane than present practice; second, be practical and economical in regular plan operations.

The efforts of the industry as a whole throughout the years indicate little or no real effort to solve the problems of developing improved methods of humane slaughter. Only in isolated plants has real progress or substantial results been achieved.

It appears obvious that the meatpacking industry has not chosen to proceed aggressively and conscientiously to voluntarily institute humane methods of slaughter and having had over 25 years in which to do so I believe one can assume that they never will institute such methods voluntarily.

Legislation in this area is certainly long overdue. Daily, we attempt to lead nations in matters of foreign affairs, often emphasizing and stressing the fact that we are a nation guided by humane principles. Such reasoning must appear hollow to people who long ago recognized the need for compulsory humane-slaughter legislation and did something about it.

ECONOMIC FACTORS

First. Reduction in accident rate: Besides the humaneness of the thing, a compelling reason for modernizing slaughtering methods is the fact that accidents would be drastically reduced. The various humane methods—carbon dioxide or other gas, the captive bolt pistol and others would materially reduce the hazards present in our plants.

The latest figures of the Department of Labor show that accidents occur at almost double the rate in slaughterhouses as for all industrial activity combined. The average accident rate for all manufacturing in 1955 was 12.1 per million man-hours worked. For slaughterhouses the rate was 18.9 per million man-hours worked.

Preliminary figures from the Department for 1956 show a significant increase in the accident rate in slaughterhouses. For 1956 the accident rate jumped to 19.1—first 9 months—per million hours while the average for manufacturing was 12.1—first 9 months.

Here is a table setting forth these statistics for quick reference:

Accident rates per million man-hours

Year	General manufacturing	Slaughterhouses (includes slaughtering and dressing only, not processing)
1953	13.4	20.0
1954	11.9	19.4
1955	12.1	18.9
1956 [1]	12.1	19.1

[1] Estimates by Department of Labor for first 9 months of 1956.

These safety figures should not be construed as an adverse reflection on the industry or labor unions involved. Both labor and management are credited with making a continuous strong effort to reduce accidents but it should be emphasized that present methods of slaughter are hazardous and I submit the introduction of humane methods—whereby immobile, unconscious animals are substituted for kicking, screaming animals—would materially contribute to a reduction in packinghouse accidents. Lost manhours, injury, and medical expenses are of benefit to none. Humane slaughtering methods can reduce this unnecessary economic loss.

Second. Reduction in bruised and damaged meat: Apart from the compelling considerations to accord humane treatment to the animals involved, the use of humane techniques in slaughtering could have important and beneficial economic consequences for the meatpacking industry. Perhaps the most important would be the reduction in bruised and damaged meat. It is presently estimated that as much as $50 million worth of meat is rendered unsalable annually because of damage coincident with the slaughtering process. This loss could be reduced substantially if humane methods were employed. An unconscious animal is easy to work with, presents no problem in the subsequent killing process, and thus the prospect of loss in dressing is reduced to an important degree. Secondly, it should be noted that meatpacking companies would be entitled to the generous depreciation rate of the Internal Revenue Code in charging off the cost of new installations necessary to accomplish humane slaughtering.

Under the 1954 Revenue Act this depreciation can be accomplished at twice the rate previously allowed.

Enactment of this legislation requiring new installations would not place the packing industry in any less favorable position than other industries which are subject to legislation and regulation. All public carriers, for example, are obliged to maintain safety devices called for in law. These costs are a part of doing business.

The same circumstances would obtain for the packing industry under the proposed legislation. Furthermore the legislation gives the industry a voice in the final determination of the new methods to be used. There would be no arbitrary decision involved or enforced.

HUMANE SLAUGHTERING METHODS AND COSTS

One of the most frequently voiced objections to this legislation is the statement that advocates of humane methods do not agree on a specific technique to be used. This is certainly not a valid argument. The legislation would establish in law the fact that a humane system of slaughtering shall be practiced in those humane slaughtering plants whose products move in interstate commerce. The legislation reserves to the industry and the Secretary of Agriculture the right to determine the best humane method to be employed. Different animals present different slaughtering problems, and it is proper that the law allow flexibility to meet every need.

While it is difficult to estimate the total cost of converting the packing industry to humane methods, some useful data is available.

The captive bolt pistol and the new Remington stunning instrument cost less than $200. The electric stunning equipment is relatively inexpensive.

But perhaps the most significant advance in humane slaughtering in this country was the perfection of an immobilizing unit for hogs which is now in operation at the Austin (Minn.) plant of the George A. Hormel Co. This method using carbon monoxide gas to render the hog unconscious before sticking was pioneered by Hormel engineers and has been in successful operation 3 years on a commercial scale.

Mr. L. W. Murphy of the Hormel Co. service division spoke before the American Meat Institute in 1952 and pointed out that the above method has the complete approval of the Department of Agriculture and he made these other significant observations:

> We are sure the method can be applied to other packinghouse livestock. * * * the hog was presented to the sticker so that he could operate at arm's length, accurately, safely, unhurried, and with cleanliness to himself.

Mr. Murphy pointed out with emphasis that the Hormel Company has effected substantial savings in operating costs and has brought about improved working conditions. Mr. Murphy concludes:

> They alone (these savings) more than compensate us the cost of our years of research.

Incidentally, it might be noted that this company has reaped immeasurable benefits in good will because of this forward step.

This installation is concrete proof that humane methods can be combined successfully with practical business considerations. Several other smaller packing concerns have also adopted humane methods in recent years. These installations would seem to demolish the contention that it cannot be done.

The idea of protecting our animals from unnecessary pain and suffering is certainly not new and unique. It is, indeed, interesting to note that man at one time sought and received statutory protection for his animals before the same protection was given to human beings. In 1866 the first anticruelty legislation was passed in the United States. This legislation made cruelty to animals—such as the man beating his horse on the street—punishable by fine and imprisonment. At this time there were no statutory laws to prevent cruelty to children. Parents and guardians in the United States had the legal right, under the common law, to treat their children as they saw fit. The only deterrent to vicious and cruel treatment of children was a moral obligation not to do so.

The Society for the Prevention of Cruelty to Animals was constantly besieged with cases of cruel treatment to children but the laws at the time provided no remedy for such actions. Then one day the case of Mary Ellen was brought to the attention of Henry Bergh, a leader in the anticruelty movement. This little girl was daily the victim of viciously cruel treatment by her guardians. They kept her chained to a bedpost, dressed only in a thin and dirty chemise, unchained her only to do housework, and punished her regularly with a big leather whip and with fierce prods of scissors. Mr. Bergh could stand it no longer.

He went to the State legislature and got the 1866 act—an act better to prevent cruelty to animals, amended—so that in 1874 it prohibited acts of cruelty to "every living creature"—and in November of 1874 the courts declared this to include children and thereby the Mary Ellens were given statutory protection against cruel and inhumane treatment. Soon specific legislation to prevent cruelty to children was enacted, and a

Society To Prevent Cruelty to Children established.

In closing let me say that progress in any field has not come easily or willingly on the part of those persons, groups, or business interests affected. But when it can be demonstrated—as indeed the weight of evidence does in humane slaughtering—that a beneficial result will be obtained for all concerned, we cannot, in good conscience, delay this legislation any longer.

It is my earnest hope that humane slaughter legislation will be acted upon favorably during this session of Congress. I am certain that you will find an overwhelming majority of our people in agreement.

Mr. HARRISON of Nebraska. Mr. Chairman, I move to strike out the last word and rise in support of the amendment.

Mr. Chairman, I would like to ask the gentleman from South Carolina if the number of his bill is not H. R. 5820?

Mr. DORN of South Carolina. Yes, the number is H. R. 5820; and if the gentleman will yield for just a moment, I want to point out I neglected to say since most of my time was taken up that a similar bill passed the other body unanimously in 1956 on July 23. If we had gone ahead and acted on that bill, it would have been in the interest of the humane societies of this country and something could be done about it and some research would have uncovered the most humane way to slaughter livestock in this country.

Mr. HARRISON of Nebraska. I thank the gentleman. I want to associate myself with the gentleman from South Carolina [Mr. DORN] who is proposing the bill, H. R. 5820, on the basis that the Commission set up by that bill will come back to the House of Representatives and bring its conclusions to the House of Representatives rather than bring the conclusion of the Commission, as provided in the Poage bill, to the Secretary of Agriculture. A great deal has been said about humane methods of slaughtering. I think each and every one of us here today is in favor of some method of humane slaughtering of our animals. I do not think there has been enough research as of this time to determine what is humane and what is not humane. It has been said that the so-called bolt method of slaughtering or stunning of beef animals is humane and that it is being used. I do not know whether it is or it is not humane. I do not think there has been enough research on this particular method of stunning the animal to determine whether it is or it is not. I think that the one-shot method so to speak is supposed to be humane. What happens to the animal when he is not insensitized by the one shot? Is he to be taken to one side and not slaughtered at all or should he be shot again? I think that is one of the things that we must determine here. What is a humane method of slaughtering hogs? I think it was very well described here by the gentleman from Texas [Mr. POAGE] as to the method that is used today, the conventional method. However, there are other methods and one of them which is used in my particular district by the Hormel Packing Co. is that of the carbon dioxide gas which immobilizes the pig for some 40 or 50 seconds, and when the pig would have gained consciousness, he has been bled to death.

I think anyone of us who would watch that particular method would say that it is humane where the hogs are driven into a particular pen and are put on an endless belt and they go into a gas vat and when they come out, to all intents and purposes and from anything that you can determine by looking at the hog, it seems as if it is humane. I do not think there is anyone here who knows whether or not that pig goes through any agony at all when it is in the gas chamber. I think those things need to be determined. I think they have not been determined yet. I think this electrical method that has been talked about is another method that we do not know enough about with respect to the insensitizing of any of the animals.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. HARRISON of Nebraska. I yield to my distinguished chairman.

Mr. COOLEY. I want to ask the gentleman if he would not tell the House something about the experience of the Hormel Co., and if Hormel did not tell the gentleman in my presence that it was an economical operation and that it was humane and just as humane as it could be made.

Mr. HARRISON of Nebraska. I think the chairman is exactly correct. They said it was more economical and from their standpoint, it was humane. But I am not so sure that everyone would agree that the method is humane until some research is completed to determine the feeling of the hog within the gas chamber.

There has not been enough research on this particular aspect in order to determine whether it is or is not humane. So I want to associate myself with the gentleman from South Carolina [Mr. DORN], that we should set up this particular commission to study this matter for 2 or 3 years and then come back and make recommendations with respect to what is or is not humane.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

(By unanimous consent, Mr. HARRISON of Nebraska was granted 2 additional minutes.)

Mr. DORN of South Carolina. Will the gentleman yield?

Mr. HARRISON of Nebraska. I yield.

Mr. DORN of South Carolina. I would like to state to my friend that he is making a great contribution. This matter should be thoroughly studied before we pass compulsory legislation.

The Department of Agriculture is bitterly opposed to this type of bill. No one can say what effect the methods outlined in this bill will have upon Brahma cattle, which is a growing industry all over Florida and the South. Everyone knows they are twice as tough as the ordinary cattle in this country, and an entirely new method might have to be used or those farmers would be forced to take lower prices for that type of cattle.

Mr. HARRISON of Nebraska. I thank the gentleman. In a great many instances it would be harmful to a great many of the slaughtering houses in the United States. Not the Big Five or the Big Six, because they can put in these particular methods. Unless they are using some of these methods that have been described, they cannot sell to the Government. That would work a hardship on a great many slaughtering houses at this time who were not able because of finances to meet the standards and would create a monopoly from the standpoint of the Big Six.

Mr. JOHANSEN. Mr. Chairman, will the gentleman yield?

Mr. HARRISON of Nebraska. I yield.

Mr. JOHANSEN. Is it not possible under this bill that the Department could issue an order requiring a completely different method, at great expense to the packers?

Mr. HARRISON of Nebraska. They might adopt a method that might not be acceptable to the House of Representatives at all.

Mr. JOHANSEN. But under the original bill—under the Poage bill?

Mr. HARRISON of Nebraska. That is my understanding.

The CHAIRMAN. The time of the gentleman from Nebraska has again expired.

Mr. DAWSON of Utah. Mr. Chairman, I rise in opposition to the amendment. I shall not take the 5 minutes, but I think we should understand what we are doing.

The purpose of this amendment is to refer the matter back to the Department of Agriculture for further study. That is all it provides. Of course, they already have the power to study. They sent Mr. Miller over to Europe and he made an investigation, and he came back and they made a report, and they have been studying for years and years. If you will study the report of the Department of Agriculture, you will find they are not very bitterly opposed to this bill. They state they are in accord with its objectives, but they feel they should be given more time to study the matter. They have had year after year to study it. I feel the time has arrived for action. I hope in voting on this amendment we will keep in mind that we are either voting for the bill or against it, because if this amendment is agreed to it simply means we are giving a green light to certain packers to continue their inhumane practice in the hopes that delay will occur and nothing will be done. So I hope this amendment will be rejected.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. DAWSON of Utah. I yield.

Mr. POAGE. Is it not a fact that the remarks of the author of the amendment clearly showed that it was intended to completely kill the bill? He did not have the amendment read. He simply said, "Here is an amendment," and he made a speech in which he said that he was opposed to the bill. The effect of all that would lead conclusively to the view that if you adopt this amendment you will kill the bill. He said, "We are opposed to the bill"; so, vote for this amendment and kill the bill.

Mr. DAWSON of Utah. That is the effect of it.

Mr. HENDERSON. Mr. Chairman, will the gentleman yield?

Mr. DAWSON of Utah. I yield.

Mr. HENDERSON. I would like to ask the gentleman a question or two about the bill originally introduced. Do I understand that this bill would affect only those packers who intend to sell to the Government?

Mr. DAWSON of Utah. That is my understanding.

Mr. HENDERSON. Does it affect packers who sell in interstate commerce?

Mr. DAWSON of Utah. No; it affects only those packers who are selling meat to the Government.

Mr. HENDERSON. Does it include the school-lunch program as has been mentioned?

Mr. DAWSON of Utah. It could; yes.

Mr. HENDERSON. I would also like to ask why, on page 2, there is reference to price supports? What do price supports have to do with this bill?

Mr. DAWSON of Utah. I think perhaps the chairman of the committee could give a better explanation than I, but it is my understanding that the question of price supports could come in because of Government buying of meat surpluses.

Mr. COOLEY. It applies to the school-lunch program.

Mr. HENDERSON. Then this bill would include those who are slaughtering for the school-lunch program.

Mr. DAWSON of Utah. That would come under Government procurement.

Mr. HIESTAND. Mr. Chairman, I rise in opposition to the amendment, but I will not take the full 5 minutes to which I am entitled.

Mr. Chairman, I am very reluctant to oppose my colleague from South Carolina, but it becomes obvious that the effect of the amendment is to kill the bill. We have had this matter before us for several years. I introduced a bill about 4 years ago to this effect.

The Nation, Mr. Chairman, wants us to legislate for humane slaughtering. There is more to it than just the feeling of the animals; in my judgment the biggest factor is human reaction, because human beings are shocked by this continuation year after year of inhumane slaughtering that amounts to cruelty; it is shocking to a lot of people in this country who have been writing to Members of Congress. They dislike to have their children know that we are continuing something of this kind 20 years after European nations have abolished it as cruel and inhumane.

Mr. Chairman, I feel that this is a bill we can all get together on. It is a compromise bill but it is the best that can be had at this time, and it is subject to amendment in future years if new inventions come along, making amendment desirable.

I emphatically oppose the amendment, Mr. Chairman.

Mr. DORN of South Carolina. Mr. Chairman, I ask unanimous consent that the Clerk read the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

(The Clerk read the amendment.)

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Carolina.

The question was taken; and on a division (demanded by Mr. DORN of South Carolina) there were—ayes 73, noes 122.

So the amendment was rejected.

Mr. POAGE. Mr. Chairman, I ask unanimous consent that the balance of the bill be considered as read and open for amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The balance of the bill follows:

SEC. 3. The public policy declared herein shall be taken into consideration by all agencies of the Federal Government in connection with all procurement and price support programs and operations and no agency or instrumentality of the United States shall contract for or procure any livestock products produced or processed by any slaughterer or processor which in any of its plants or in any plants of any slaughterer or processor with which it is affiliated slaughters or handles in connection with slaughter livestock by any methods other than methods designated and approved by the Secretary of Agriculture (hereinafter referred to as the Secretary) pursuant to section 4 hereof: *Provided*, That during the period of any national emergency declared by the President or the Congress, the limitations on procurement required by this section may be modified by the President to the extent determined by him to be necessary to meet essential procurement needs during such emergency. For the purposes of this section a slaughterer or processor shall be deemed to be affiliated with another slaughterer or processor if it controls, is controlled by, or is under common control with, such other slaughterer or processor. Each supplier from which any livestock products are procured by any agency of the Federal Government shall be required by such agency to make such statement of eligibility under this section to supply such livestock products as, if false, will subject the maker thereof to prosecution, title 18, United States Code, section 287.

SEC. 4. In furtherance of the policy expressed herein the Secretary is authorized and directed—

(a) to conduct, assist, and foster research, investigation, and experimentation to develop and determine methods of slaughter and the handling of livestock in connection with slaughter which are practicable with reference to the speed and scope of slaughtering operations and humane with reference to other existing methods and then current scientific knowledge;

(b) on or before June 30, 1958, and at such times thereafter as he deems advisable, to designate methods of slaughter and of handling in connection with slaughter which, with respect to each species of livestock, conform to the policy stated herein. If he deems it more effective, the Secretary may make any such designation by designating methods which are not in conformity with such policy. Designations by the Secretary subsequent to January 1, 1959, shall become effective for purposes of section 3 hereof 180 days after their publication in the Federal Register;

(c) to provide suitable means of identifying the carcasses of animals inspected and passed under the Meat Inspection Act (21 U. S. C. 71 and the following) that have been slaughtered in accordance with the public policy declared herein.

SEC. 5. To assist in implementing the provisions of section 4, the Secretary is authorized to establish an advisory committee. The functions of the Advisory Committee shall be to consult with the Secretary and other appropriate officials of the Department of Agriculture and to make recommendations relative to (a) the research authorized in section 4; (b) obtaining the cooperation of the public, producers, farm organizations, industry groups, humane associations, and Federal and State agencies in the furtherance of such research and the adoption of improved methods; and (c) the designations required by section 4. The Committee shall be composed of 12 members, of whom 1 shall be an officer or employee of the Department of Agriculture designated by the Secretary (who shall serve as Chairman); 2 shall be representatives of national organizations of slaughterers; 1 shall be a representative of the trade-union movement engaged in packinghouse work; 1 shall be a representative of the general public; 2 shall be representatives of livestock growers; 1 shall be a representative of the poultry industry; 2 shall be representatives of national organizations of the humane movement; 1 shall be a representative of a national professional veterinary organization; and 1 shall be a person familiar with the requirements of religious faiths with respect to slaughter. The Department of Agriculture shall assist the Committee with such research personnel and facilities as the Department can make available. Committee members other than the Chairman shall not be deemed to be employees of the United States and are not entitled to compensation but the Secretary is authorized to allow their travel expenses and subsistence expenses in connection with their attendance at regular or special meetings of the Committee. The Committee shall meet at least once each year and at the call of the Secretary and shall from time to time submit to the Secretary such reports and recommendations with respect to new or improved methods as it believes should be taken into consideration by him in making the designations rquired by section 4 and the Secretary shall make all such reports available to the public.

With the following committee amendments:

Page 2, line 18, strike out "on and after July 1, 1959" and insert "After December 31, 1959."

Page 3, line 11, strike out "on and after July 1, 1959" and insert "after December 31, 1959."

Page 4, line 11, strike out "January" and insert "July."

The committee amendments were agreed to.

Mr. HARVEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am reluctant to rise in opposition to this bill. It is pretty obvious to me that it is going to pass. Certainly I would have to say that the motives back of it are commendable. I want to compliment the committee, too, although I voted against it in committee and I spoke against it in committee. The committee has made a very distinct and commendable effort to make sure that the bill be as fair and equitable as possible.

There are two main classes of livestock involved in this bill, hogs and cattle. So far as cattle are concerned, I think the controversy has been pretty well ironed out. There are two methods of slaughter approved here, one for

kosher meat and the other for other than kosher meat, as far as beef is concerned.

I think the argument that has been most vocal has had to do with the slaughter of hogs. I have had a good deal of experience in this field. I think I know a little about it. I know, as I have heard from various witnesses, that the present method of slaughtering hogs does offend the sensibility of many people, and it was primarily that one fact alone that had to do with bringing this bill before us today. And, it has, of course, occasioned a great deal of thought on my part. But, let me say to you in all fairness that regardless of whether your sensibilities are offended by the present method, the commonest method of slaughtering hogs, it is in my judgment the most humane method of slaughtering hogs.

In order to confirm my opinion on this I had the opportunity to discuss it with a very eminent research specialist in this field. He had no idea when I questioned him as to what I was driving at or why I was questioning him, but he said without question that in his opinion the period of suffering endured by an animal, a hog, for example, that was drowned in carbon dioxide or was attempted to be rendered unconscious by electrolytic methods was as much as one where the throat of the animal was slit, as is the present method; unconsciousness would come, in his opinion, quicker and with less suffering.

I would have no objection, of course, in certain instances, where packing plants are set up to do so, to the method of using carbon dioxide if they chose to do so. But, I do feel that in many instances it will impose an undue burden and an unnecessary burden on many small packing plants scattered throughout the country.

Mr. Chairman, I believe much good already has come from the presentation of this bill, and I am certainly heartily in favor of its objective. But, it is a sad fact, I think, for those who care to study it, that the proposed improvement of humane slaughter so far as it applies to hogs is just not an actual fact.

Mr. GROSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Gross: On page 4, strike out lines 19 through 25; on page 5, all of line 1 through 25; and on page 6, all of lines 1 through line 7.

Mr. GROSS. Mr. Chairman, this is a peculiar bill for it is supposed to provide for the humane slaughter of livestock. If present methods of slaughtering livestock are inhumane, then this bill legalizes the inhumane slaughter of livestock for a special provision has been adopted to that effect. Thus you are for the first time legalizing inhumane slaughter of livestock if you vote for this bill.

My amendment would strike out section 5 of the bill which provides for a commission. This Government today is overrun with boards, bureaus, commissions, and advisory committees. Apparently it has become fashionable, every time someone brings in a bill to tie onto it an advisory committee or an advisory commission. What will this 12-member advisory commission or Committee do? It will recommend. It has no power to do anything but recommend.

The gentleman from New York [Mr. KEARNEY], earlier this afternoon, raised a pertinent question: What is this bill going to cost? There was no answer to his question and there is nothing in the bill to tell. The Committee can go on from now until doomsday; there is no termination date. It makes recommendations to the Secretary of Agriculture. In some places in the bill we are led to believe that it will become effective on December 31, 1959, yet on page 4 of the bill, we find the following:

On or before June 30, 1958, and at such times thereafter as he deems advisable.

And so forth, and so on, the Secretary of Agriculture is authorized and directed to do thus and so. When do the provisions of this bill become effective? Is it June 30, 1958, or December 31, 1959? Which is it?

It is hardly possible the Committee can be established and organized to provide recommendations to the Secretary of Agriculture in the normal course of the passage of legislation in both bodies before June 30, 1958.

I am opposed to this commission as being just another expense upon the taxpayers of this country. It is time we stopped setting up advisory committees and advisory boards every time a bill is brought to the floor of the House.

Mr. HARVEY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Indiana.

Mr. HARVEY. I think it should be said that in this bill we are actually legalizing the slaughtering of cattle in the same way that we are attempting to make illegal that method so far as hogs are concerned.

Mr. GROSS. That is correct.

Mr. DAWSON of Utah. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman.

Mr. DAWSON of Utah. Would the gentleman inform the Committee whether or not the members of this commission are to receive any compensation from the Government.

Mr. GROSS. They do not receive compensation as such but suppose they appoint several members from distant parts of the country and the meetings are held in Washington. That is going to cost the taxpayers considerable money if the Committee or commission runs for 10 or 20 years.

I urge adoption of my amendment. Let us stop this empire building in the Federal Government.

Mr. POAGE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to say that in the committee I felt that we did not need a commission. The committee decided that we did need a commission in order to share some of the responsibility with the Secretary. There has been a good deal of concern expressed here about the fact that the Secretary did not want to assume these obligations; and he does not want to do so. He said he did not. So we gave him this advisory commission. This commission will advise whether in their opinion certain procedures are humane or whether certain procedures are not humane. Then the Secretary may follow that advice or he may ignore it, as he sees fit and will then proceed to promulgate regulations.

The bill does say that he shall promulgate regulations a year before they go into effect. This is to put the packer on notice. I feel that the gentleman must misunderstand.

The gentleman objected strenuously to the fact that we are requiring the Secretary to do something within about 6 months. We require him to give notice so that the industry may know what they are going to have to live under.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield.

Mr. GROSS. I do not object to it. But I am saying that speaker after speaker has said that this does not go into effect until December 31, 1959, when, as a matter of fact, it goes into effect June 30 of this year.

Mr. POAGE. Mr. Chairman, I think the gentleman is mistaken in that; the requirement of humane practices does not go into effect in June. It says the Secretary must at least tell the industry what they may expect some time in advance. That is all we are trying to do here.

We want to see that the Secretary will give notice some time in advance. It seems to me that since the commission is not allowed to draw a salary, as the gentleman has intimated it would, and since the commission cannot be the expensive agency that it was suggested it might become, and since the commission might give some little help to the Secretary of Agriculture, who said he did not want to have this responsiblity thrust upon his shoulders, even though you may feel as I did, that we probably might just as well act without any commission, it seems to me that we might just as well keep this provision of the bill, pass it, get a bill, and send it to the Senate and stop this argument.

Mr. THOMSON of Wyoming. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this is called a humane slaughter bill. We know that we do not slaughter humans, and until the sixteenth century that is what the word humane meant. But in the quest for food we slaughter livestock to obtain that food. A more recent meaning of humane as to animals is to treat them with kindness and compassion. Humane slaughter then means killing them with kindness and compassion. I am for use of slaughter methods that would involve the most kindness and compassion consonant with supplying our need for food, as I am sure are all other Members of this body. Certain parts of this bill though concern me.

In section 4, subparagraph (b), in putting the burden of determining humane methods on the Secretary and I am surprised to see this recognition of his good judgment on the part of certain members of the committee, it is stated:

On or before June 30, 1958, and at such times thereafter as he deems advisable, to

designate methods of slaughter and of handling in connection with slaughter which, with respect to each species of livestock, conform to the policy stated herein.

Would the gentleman tell me what the policy stated herein is, that is, to what that language refers?

Mr. POAGE. It is stated in section 2. It says now that certain procedures are found by the Congress to be humane. We say that those stated in the Anfuso amendment, which we adopted, are humane. Any packinghouse may rely on that. If the owner of a packinghouse complies with these methods, he builds his plant in accordance therewith. He is not subject to variations of opinion on the part of the Secretary of Agriculture, because he knows that the Congress has stated that these things are humane, and they remain so regardless of changes in the personnel in the Department of Agriculture or changes of opinion there. The Secretary, however, may prescribe other methods that he may say are humane, but he cannot deny the things Congress has said are humane. So we do give to the packing industry the stability that has been suggested does not exist. At the same time we give to the Secretary the right and we give to this commission the duty, to try to determine, as scientific knowledge advances, just what other additional methods are humane, that we might not have simply a static situation where we could not take advantage of the new developments of science but instead, as new developments appeared, we could take advantage of them, at the same time protecting the packinghouse investment in that type of method which is declared by the Congress to be humane.

Mr. THOMSON of Wyoming. I thank the gentleman.

Mr. RHODES of Pennsylvania. Mr. Chairman, I rise in support of H. R. 8308, the humane slaughtering bill. The cruel and inhumane practices being used in the slaughtering industry are well known and have been adequately documented. New devices are readily available to permit humane slaughter of livestock. There is no reason why this should not be done, since the present slaughtering methods are so offensive to the sensibilities of millions of people.

Mr. ENGLE. Mr. Chairman, I just want to make a few remarks in favor of the bill now before us. I strongly support this legislation, which in my opinion is long overdue.

I believe a national policy should be established to encourage methods for the humane slaughtering of livestock, and this bill certainly serves that purpose. It is not a hodge-podge piece of legislation. It is a culmination of nearly 2 years of study and thorough hearings by the respective committees of the House and Senate.

I feel confident that in accordance with the intentions of the bill that satisfactory and practicable methods can be established throughout the Nation for the humane slaughter of livestock.

I hope my colleagues will join with me in supporting the legislation.

Mr. ULLMAN. Mr. Chairman, I urge that H. R. 8308 be enacted. The evil which this bill is designed to abolish is one well deserving of eradication. At the present time painful and inhumane methods of slaughter are widely used throughout this country. We who are charged with setting up minimal standards in this area have allowed primitive methods of commercial slaughter to continue with a resulting painful and slow death for countless animals.

Mr. Chairman, such a situation has not continued because humane methods are unavailable or not perfected. Certainly alternative methods do exist and the adoption of them would involve only a small additional cost. I think their adoption is long overdue.

Mr. Chairman, I am fully in sympathy with the objectives of this legislation and I urge its prompt passage.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. GROSS].

The question was taken; and on a division (demanded by Mr. GROSS), there were—ayes 44, noes 100.

So the amendment was rejected.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose, and the Speaker having resumed the chair, Mr. HERLONG, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 8308) to establish the use of humane methods of slaughter of livestock as a policy of the United States, and for other purposes, pursuant to House Resolution 376, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

Mr. SMITH of Mississippi. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Two hundred fifty Members are present, a quorum.

Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The question is on the amendments.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. POAGE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

CORRECTION OF BILL

Mr. POAGE. Mr. Speaker, I ask unanimous consent to correct line 3, page 2, by striking out the word "the."

The SPEAKER. Without objection, it is so ordered.

There was no objection.

TEMPORARY SUSPENSION OF IMPORT DUTIES ON CERTAIN COARSE WOOL

Mr. MILLS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 2151) to amend certain provisions of the Tariff Act of 1930 relative to import duties on certain coarse wool.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 2151), with Mr. BOLAND in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. The gentleman from Arkansas [Mr. MILLS] is recognized for 1 hour, under the rule, and the gentleman from New York [Mr. REED] will be recognized for 1 hour.

The Chair now recognizes the gentleman from Arkansas [Mr. MILLS].

Mr. MILLS. Mr. Chairman, I yield myself 13 minutes.

Mr. Chairman, I rise to strongly urge passage of H. R. 2151 by the House of Representatives.

The purpose of this meritorious legislation is to suspend for a limited time the import duties on certain coarse wools imported under bond for use in the manufacture of rugs and carpets. At the present time paragraph 1101 (b) of the Tariff Act of 1930 provides for free entry under bond of imports of certain wools and animal hair for use in the manufacture of rugs and carpets and certain other items such as press cloth, lumberman's socks, and a few other similar products. These wools consist of so-called unimproved wools and other improved wool not finer than 40's, and camels hair. The so-called unimproved wools are those from sheep which are native to certain regions and which have not been improved through cross-breeding with Marino or English sheep. Other wool not finer than 40's are the coarser grades obtained from cross-bred sheep.

This legislation now pending before the Committee would add to the wools which are now permitted duty-free importation for the specified uses those wools, which are finer that 40's but not finer than 46's. The bill is limited to a period of 3 years. A so-called tolerance provision is included, as has been customary in the past, so that a tolerance of not more than 10 percent of wools not finer than 48's may be allowed in each bale or package of wools imported if not finer than 46's.

Mr. Chairman, there is urgent need for this legislation. It is designed to provide our domestic carpet industry with

sources of raw supplies so that it may compete on an equal basis with the increasing imports of foreign-made carpets. Traditionally, the Congress has permitted duty-free entry of carpet-grade wools. This accounts for the fact that no added protection for the carpet industry of a specific duty was given. However, the volume of these grades of wools entering international trade has been much smaller than consumption. Information brought to our committee indicates that there has been a worldwide shortage of carpet-grade wools and, as a result, foreign manufacturers have been utilizing wools up to grade 46's. Your committee was advised that these finer grades of wools are not as satisfactory as the coarser grade, but they are now being used by foreign carpet manufacturers because of the shortage of coarse grades of wool. These foreign manufacturers can obtain this additional class of wools much cheaper than domestic manufacturers are able to obtain such wool because the domestic manufacturers have to pay a duty on it.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield.

Mr. BAILEY. Was there testimony given before the Ways and Means Committee, of which you happen to be chairman, to show that American-produced wool cannot be used in the manufacture of the rugs you are talking about?

Mr. MILLS. Yes. I will come to that later.

Mr. BAILEY. And it was not refuted?

Mr. MILLS. No, sir. If the gentleman will permit me, I will come to that later, and then I will yield.

The foreign carpetmakers have a decided advantage over our United States carpetmakers. Convincing evidence was presented to the Committee on Ways and Means that the domestic carpet industry is faced with a squeeze which has placed it in a very adverse position competitively because, on the one hand, it cannot obtain economically the raw wool which it needs in order to compete and, on the other hand, it is faced with mounting competition from imported foreign carpets.

Mr. Chairman, this legislation has been before the Congress now for several years. A bill was introduced in the 84th Congress, reported by the Committee on Ways and Means, and barely failed of passage by a two-thirds vote under suspension of the rules in the closing days of the second session of that Congress. The primary objection which was urged on the floor of the House at that time was that no public hearings had been held on the bill and that there might in some way be an adverse effect upon domestic wool producers and the domestic felt industry. In the fall of 1956, hearings were held on the legislation and all interested parties were given adequate opportunity to thoroughly and completely present their views. The Committee on Ways and Means requested and received up-to-date departmental reports on the new bill when it was introduced in the early days of the present Congress. It gave this bill most thorough and painstaking consideration in executive session, receiving views from officials of all the interested departments and agencies. The bill was reported favorably from our committee by an overwhelming majority.

This bill, in the view of the Committee on Ways and Means, will help our domestic rug industry to compete effectively and will not result in any adverse effect upon our domestic wool producers or our domestic felt industry. Information brought to the attention of the committee shows that domestic production of wools suitable for carpet use is so slight as to be practically nonexistent, and that the domestic felt industry already has added protection in the form of a compensatory duty which the carpet industry does not have.

The only department which reported adversely on this legislation was the Department of Agriculture. In reporting on the bill in the 84th Congress, officials of the Department based their objections upon psychological grounds. They did not bring to the attention of the committee facts to show that the wools concerned by this legislation are produced in any quantity in the United States. That Department has continued to oppose the bill, although they have yet to bring tangible, firm evidence to the committee to show wherein this legislation would injuriously affect domestic wool producers. Their opposition, it appears, continues to be based on psychological grounds. Officials of the Department of Agriculture, when the new bill was considered in executive session, indicated that some wool had been sold by the Commodity Credit Corporation to domestic carpet manufacturers. However, when questioned as to whom these sales were made and in precisely what quantities, no answers were forthcoming at that time from the officials. Subsequently, they did supply factual information on one sale which had been made, and it turned out that this was infinitesimal as compared to the amount of wools needed for the domestic manufacture of carpets. Information subsequently furnished the committee also indicated that the one purchase of wool of the grades indicated from the Commodity Credit Corporation proved to be unsatisfactory and that no further purchases were made.

The carpet industry is to be commended for urging this legislation. That industry did not come to the Congress and ask for an advantage; they came and asked merely to be placed on an equal footing with their foreign competitors insofar as obtaining their necessary raw supplies is concerned. They said, in effect, we can take care of ourselves if you will permit us to obtain our needed raw materials on the same basis and on the same footing as our foreign competitors obtain their raw materials. The domestic carpet industry is asking for simply equity so that they can compete in the marketplace and they are not here asking for a special advantage.

The Committee on Ways and Means was careful to place safeguards in this legislation. The wool which would be brought in must be under bond and cannot be used for other than the stated purposes. The Treasury Department has advised the Committee on Ways and Means that, in view of the control exercised through the bond which is required and through the departmental regulations, there is no reason to anticipate evasions of the law and deflection of this wool for other than the stated purposes. The Committee on Ways and Means has also placed a 3-year limitation on this legislation so that the Congress can again take a look at the situation after the bill has been in operation for a limited period of time. Certainly these safeguards are more than adequate to protect against any adverse effects which conceivably might develop, and your committee does not foresee any such adverse effects.

The Committee on Ways and Means has most thoroughly considered this legislation and I strongly urge its enactment by the House.

Mr. DIXON. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield.

Mr. DIXON. May I refer to the statement about worldwide scarcity? I have information from the Department here showing that Argentina has a tremendous surplus?

Mr. MILLS. I will get to that particular question a little later.

Mr. DIXON. On this particular kind of wool the price has dropped 18 percent. If there is a shortage why has the price dropped so much?

Mr. MILLS. I am interested in the gentleman's statistics but his information is contrary to that given to the committee in this matter. The Department has not furnished our committee such information. Also, I want to emphasize that there are very many types and classes of wool. The gentleman did not specify the particular grade and class.

Mr. SCOTT of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Pennsylvania.

Mr. SCOTT of Pennsylvania. Will the gentleman be good enough to review the benefits of H. R. 2151 to the public?

Mr. MILLS. I think there are many benefits to the public generally. First, it will assist in the preservation of a domestic industry. I will have more to say about that at a later point. Rugs are coming in from overseas made out of this wool. We should put our domestic industry in a position of being able to get its raw materials from the same source as the foreign producer of the rugs and at the same price. How can our domestic industry compete if we do not do that? That is what they are asking for. So I think it is in the public interest that we pass legislation of this sort to give them an opportunity to survive.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from New York.

Mr. TABER. The real advantage to the general public, outside of the specific advantage to the carpet industry, would be that the people of the United States

and the rug consumers would have an opportunity to have better competition in connection with the prices of these rugs.

Mr. MILLS. Yes; the consumer would be protected in a situation where the prices might otherwise go up and the domestic industry would be able to compete better in our domestic markets.

Mr. DIXON. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Utah.

Mr. DIXON. With these wools having dropped 18 percent in price in the last year, I wonder whether the competition is due to the cheap wool or to the cheap foreign labor?

Mr. MILLS. The industry advises us they need this bill to effectively compete. I have always a lot of trouble when I go home trying to explain to my farmers why it is the wool people are already treated better than they are. What I want the gentleman to explain to me is, How in the name of goodness, other than the possible psychological effect that the Department of Agriculture pointed out, we are going to in any way interfere with the woolgrowers or the price of the wool that the people in the gentleman's State produces when that wool is supported by legislation through the Department of Agriculture to the extent of—I have forgotten the exact figure—104 or 106 percent of parity? I would like for the gentleman to explain to me how this legislation can possibly hurt his District and, furthermore, how it can hurt the domestic producer of wool in the United States, when I do not believe the gentleman will contend that this type of wool is produced in any sufficient quantity or in any significant amount here in the United States.

Mr. DIXON. I shall do that.

Mr. MILLS. I think you people in the wool industry make a very serious mistake when you endeavor to defeat the passage of this type of legislation when it cannot affect the type of wool that you are producing except that maybe over a period of 10 years you have hopes of producing that kind of wool. If you do, if that is your thought, this legislation will apply for only 3 years, and if you get to where you can produce it in the United States, I will be the first one to say that this legislation ought to be reconsidered in the light of the then existing facts and the 3-year period insures that it will.

Mr. DIXON. I shall answer that when I get time, and I appreciate the comment. The carpet people have asked the Tariff Commission for relief through the escape clause in the Reciprocal Trade Act which in no way will imperil our sheep industry. I wonder if the committee has considered that alternative, because the Tariff Commission now is working to see what injury these imported carpets are doing to the carpet industry.

Mr. MILLS. The committee is not, I might say, considering that matter, because proceedings before the Tariff Commission are matters before an independent agency. If the carpet industry can prove their case of injury to the Tariff Commission, the Tariff Commission will presumably make recommendations to the President for some appropriate action. But, this is something entirely different from that; this bill involves the raw supplies—not the finished imported carpets. Why should we maintain a duty on something that we admittedly do not produce here in the United States in sufficient quantity to satisfy our needs when we are denying in the process our own domestic producers of having that raw material at a comparable price with their competitors overseas? Since it will not hurt anybody here at home, why should we be concerned?

Mr. Chairman, I urge the passage of the legislation.

Mr. REED. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, one of the saddest spectacles in this country is to observe towns becoming ghost towns. For many years I have driven through the State of Pennsylvania, coming and going to my home in New York, and there are many beautiful little communities with fine schools, with fine homes, with swimming pools, and a fine American community life. What supports these communities? In many cases it is not the farming country around them. You go over a little way to the remote part of these little towns and there is an industry; there is a smokestack; there is a fine payroll in that little town; they are making something special. They just cannot survive without a tariff to protect them from the cheap labor abroad. And, you can see places where there is nothing left standing in some of the communities up there. The church is gone; the houses are gone; the people have gone. I have always believed that our industries in those towns should be protected from cheap-labor-produced goods from abroad. I want to see our way of life maintained and strengthened.

Mr. Chairman, I join my distinguished colleague and chairman, Mr. MILLS, to speak in support of H. R. 2151. This legislation would provide for a 3-year suspension of the import duty applicable to wools of certain prescribed fineness used in the manufacture of carpets.

With respect to the need for the legislation and reducing the description of such need to its bare essentials in the interest of simplicity, I would say that the purpose of this legislation is to improve the competitive position of the American carpet industry in our American market by enabling the domestic carpet producers to buy their wool raw materials which are covered by the bill on a duty-free basis. Our domestic carpet industry is in a seriously depressed condition today because of the fact that its foreign competitor cannot only employ cheaper labor than is available to the American producer but also that foreign competitor can buy his raw materials in the case of wool largely on a tariff-free basis.

To the membership of this distinguished Committee I would call attention to the fact that many of the problems that our great domestic carpet industry is presently experiencing can be attributed to the evils of the trade agreements program and the improper administration of that authority through a multilateral agreement never specifically authorized or approved by the Congress known as the General Agreement on Tariffs and Trade—or more simply—the GATT. The proper relief that the Congress should accord to the domestic carpet industry is to increase the tariff rates applicable to imported carpets. Unfortunately the Executive has informed the Congress in effect that such action pursuant to the constitutional responsibility of the Congress would be in derogation of the GATT. Therefore the executive branch has expressed opposition to legislation that would provide more realistic tariff protection for our domestic carpet industry. The alternative to increased tariff protection for the finished domestic product in this case seems to be reduced tariff protection in regard to the raw materials used in the production of that finished product. The membership of this distinguished Committee is aware of my consistent position in support of an appropriate level of tariff protection for our domestic producers—agriculture, industry, and labor.

The effect of this legislation would permit the import of wools necessary as a raw material for our domestic carpet industry without adversely affecting other domestic producers. For all practical purposes there is virtually no domestic production of the types of wools covered under this legislation. Because the legislation would suspend the duty on such wools for a period of 3 years the Congress will have opportunity at the end of that period to reexamine the domestic wool industry to determine whether or not domestic production of such wools has developed in the interim. With respect to the papermaker-felt industry, which has expressed opposition to this legislation, I would state for the benefit of the Committee that that industry has a special compensatory tariff of 37½ cents a pound in addition to a 15 percent ad valorem duty. The papermaker-felt industry has a measure of tariff protection that is not available to the carpet industry. I am impressed with the fact that industries having such protection should not be willing to sacrifice another domestic industry by exposing that other industry to unfair import competition.

Mr. Chairman, I regret that our great Nation has been committed through the GATT to tariff obligations, that expose our domestic industries to detrimental imports at noncompetitive prices. The fact is that that is what has happened under the trade-agreements program. The domestic carpet industry has been placed in an untenable competitive position with cheaply produced carpets from abroad. The legislation before this committee today would ameliorate the competitive position of our domestic carpet industry, and it is for that reason that I support its enactment. I do this in the interest of preserving our carpet factories in the United States and the payrolls those factories represent. It is in the interest of preserving the jobs of our American workers who find employment in these carpet factories that I

state this legislation merits the support of the Congress of the United States.

Mr. Chairman, during my tenure in Congress I have been a protectionist. I am still a protectionist. But there is one fundamental thing everybody should remember in regard to the tariff question; that is, we all believe in foreign trade when it comes to getting materials for our industries that we cannot obtain in our own country, just the same as we import bananas and things we cannot raise in this country; we do not come in competition with similar fruit in this country. That is fundamental in our whole tariff setup.

This is a case where England can get from Russia and other sources this particular type of wool with which to make carpets. Then England takes that wool and makes the carpets and puts them, produced by cheap labor, into our market. Under existing circumstances our factories cannot get that wool on a competitive basis and consequently will have to close down. There are some communities which cannot survive unless those factories continue to make the carpets.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. REED. I yield to the gentleman from West Virginia.

Mr. BAILEY. I should like to say amen to what the gentleman says about the General Agreement on Tariffs and Trade, better known as GATT. I am just a little bit uncertain as to the gentleman's attitude. Does he care to give the Members of the House the impression that permitting this type of wool to come in on the free list will enable the American producers of carpets to create added jobs for American workmen? Is the gentleman approaching it from that standpoint?

Mr. REED. I certainly am.

Mr. BAILEY. Is the gentleman convinced that there is no American domestically produced wool being used in the manufacture of carpets?

Mr. REED. As far as I have been able to find out, that is true. It is not available. If I were not satisfied that it is true, I would be the last one to be here presenting this bill.

Mr. BAILEY. I thank the gentleman.

Mr. FISHER. Mr. Chairman, will the gentleman yield?

Mr. REED. I yield to the gentleman from Texas.

Mr. FISHER. The gentleman stated a moment ago, just to keep the record straight, that Great Britain imports this course wool.

Mr. REED. Yes.

Mr. FISHER. From Russia?

Mr. REED. England obtains this coarse wool from Russia and from other sources.

Mr. O'NEILL. From New Zealand.

Mr. FISHER. I understood the gentleman to say a moment ago that some of the wool that England uses in the manufacture of carpets is imported to England from the Soviet Union. Is that what the gentleman said?

Mr. REED. Yes; and from other sources.

Mr. FISHER. I heard that argument made in this Chamber when this bill was up before; in fact, practically all the sponsors of the bill dwelt on that at length, that foreign producers had that advantage as a result of the imports from Red China and Russia, which gave them an advantage because our mills could not import from those countries under the Trading With the Enemy Act.

Mr. REED. That is right.

Mr. FISHER. I wrote to the American Embassies in both Britain and Belgium to find out what the facts are. I have a letter here from the assistant agricultural attaché in the Embassy in London, dated January 24, 1957. He said in his letter:

> In reference to your letter in the past 4 years, there have been no imports of raw wool into the United Kingdom from the Soviet Union or Tibet.

None whatever.

Mr. REED. That is the information you have.

Mr. FISHER. That is the information from the American Embassy.

Mr. REED. That is not the information I have, however.

Mr. HALE. Mr. Chairman, will the gentleman yield?

Mr. REED. I yield.

Mr. HALE. The passage of this legislation, according to my information, would create a good many jobs in my own District, in a community where a very large textile industry was obliged to liquidate largely on account of foreign competition from Japan. I hope very much that this legislation will pass.

Mr. REED. I thank the gentleman very much, and I join him in hoping this legislation will pass.

Mr. HARRISON of Virginia. Mr. Chairman, I yield 7 minutes to the gentleman from Michigan [Mr. MACHROWICZ].

Mr. MACHROWICZ. Mr. Chairman, I rise to support enactment of the pending legislation. My distinguished colleagues who have preceded me in debate have covered in detailed fashion the purposes of this legislation and the provisions of the bill, so I will direct my remarks primarily to one aspect which I feel needs to be strongly emphasized. I am here referring to the beneficial effect which passage of this meritorious legislation will have on American labor. As has been indicated, the purpose of this legislation is to make it possible for our domestic carpet manufacturers to obtain on an economical basis the raw supplies which they need in order effectively to compete with foreign rug manufacturers.

No one during the course of this debate or during the course of the lengthy consideration of this legislation while it was before the Committee on Ways and Means has questioned in the slightest degree the fact that our domestic carpet industry is in need of assistance. To the extent that this essential industry is adversely affected by its inability to obtain its needed supplies on an economical basis, the laboring men and women in our domestic rug factories are being thrown out of employment and are suffering the hardships attendant upon widespread unemployment.

The Department of Labor in its report on this bill to the Committee on Ways and Means, has amply substantiated this fact. I quote here from that report, submitted to our committee on May 9, 1957:

> The domestic wool carpet and rug industry currently employs about 22,000 production workers, a decline of about 40 percent from the 1950 level, the postwar high. This decline has been almost continuous. The Department of Labor does not have data on the relative effect of changing consumer habits, competition from other types of floor covering, along with the shortage of raw wools of the coarse type, formerly imported from China, in bringing about this decline. So far as employment is concerned, I would have no objections to H. R. 2151 * * * designed to assist the declining domestic wool carpet industry.

This report goes ahead to indicate that, in addition to assisting our domestic labor meet the mounting competition from rugs manufactured by cheap foreign labor, it would also assist in providing savings to the American consumer in the purchase of rugs and carpets.

I should like to also point out here that the Secretary of Commerce, the Honorable Sinclair Weeks, has indicated that, in achieving its purpose, this legislation would be beneficial to the American carpet industry "and would assist it in meeting the competition of foreign manufacturers who have the advantage of being able to buy coarse wools from China and Tibet, sources presently closed to the United States."

In testimony before our subcommittee, the domestic rug manufacturers clearly showed that the need for the legislation which impelled the carpet industry to seek relief remains and has grown more acute with the passage of time. That testimony was presented in December of 1956 and over a year has now passed since that time. The situation, as we are advised, has continued to grow worse with resulting displacement of American workers and increasing hardships due to this widespread unemployment. Imports of foreign rugs produced with low-standard labor, and through the securing of raw supplies by foreign manufacturers at much cheaper prices than is possible by our domestic manufacturers, have continued to grow from year to year. This competition comes from Belgium, Japan, France, Italy, and it is particularly significant that Japan has shown a tremendously great increase over the types which they previously imported. Our information is that imports from all of these countries are increasing.

It has been suggested that this legislation may not be the proper approach to solution of the problems of the rug industry—that they should ask instead for an increase in the tariff on the finished product. I want to strongly emphasize that the present bill is the proper approach. Our domestic manufacturers have taken the best and soundest course: they ask for no advantage; they do not want to burden consumers with higher prices; they merely ask for a source of economic supplies so they can compete on an equal footing; and they ask only for what they traditionally and historically have been accorded by the Congress—duty-free raw supplies.

Mr. Chairman, this legislation should be of material benefit to American

working men and women; it should be of great assistance in providing American consumers with superior domestically manufactured rugs at cheaper prices; and, according to the information presented to the Committee on Ways and Means after exhaustive study, this legislation should not adversely affect either our domestic wool producers or any segment of domestic industry.

Mr. Chairman, the Committee on Ways and Means in order to be doubly certain that this legislation would not result in any adverse effect has written into the bill a 3-year limit so that the committee and the Congress can again review the situation after the legislation has been in operation for a trial period.

Mr. Chairman, in behalf of our American working men and women and in behalf of American consumers, I strongly urge enactment of this important legislation.

I now yield to the gentleman from West Virginia.

Mr. BAILEY. Of course, the gentleman being a member of the Committee on Ways and Means is familiar with the history of the Reciprocal Trade Agreements. Back in 1934 when the President was given authority to raise or lower the tariff duties by 50 percent; in the renewal of the bill in 1955 President Eisenhower was given authority to increase the import duties 5 percent for each of the 3 years during the life of the extension; did it ever occur to the gentleman that the President has not discovered this situation and applied that authority to this situation?

Mr. MACHROWICZ. It might be strange, but the fact that they have not done it should not stop us from doing the proper thing.

Mr. BAILEY. It might be that you are right in suggesting this legislation in order to get relief instead of going through the Tariff Commssion after the President had ordered the duty lowered.

Mr. MACHROWICZ. The gentleman may be correct on that.

Mr. HARRISON of Virginia. Mr. Chairman, will the gentleman yield?

Mr. MACHROWICZ. I yield.

Mr. HARRISON of Virginia. That would not meet the problem. The problem we are concerned with here is a shortage of raw material which the American producer cannot get and which the foreign producer can get.

Mr. BAILEY. I have not advised the gentleman from Virginia that I am against this legislation.

Mr. HARRISON of Virginia. I do not think you are.

Mr. BAILEY. I think what this Congress needs to be doing today is stockpiling American jobs, and it looks like we might stockpile a few of them here.

Mr. HARRISON of Virginia. I am glad to hear the gentleman is in favor of the legislation.

Mr. REED. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois [Mr. MASON].

Mr. MASON. Mr. Chairman, on account of the shortage of time, I will not yield.

I opposed this legislation in committee. I am opposed to it now on the floor. This legislation separates this body into two distinct groups—not on party lines, but on lines where you want to be with this group or the other group. Opposed to this bill is the Department of Agriculture. Opposed to this bill are the wool-growing farmers of the Nation. Opposed to this bill are some other industries that say, "If you give this to the carpet industry you are showing favoritism and we will want to come in for some favoritism, too."

I am opposed to this legislation because of the precedent it sets. It is a bad precedent. If you want to cure the problem that is bothering the carpet industry do it in the right way: Put a tariff on these carpets that are coming in and taking business away from them; that is the way to do it. This is not the way to do it.

You talk about a shortage of fiber for carpets. The Department of Agriculture so I am told today, says there is an abundance of this kind of fiber in Argentina. The price there was reduced 18 percent, which will more than offset the payment of the 17-cent tariff on this kind of fiber by the carpet industry. The carpet industry today can get all they want of this fiber, all they need, at a low price. If you want to protect them, put a tariff on the carpets coming in and taking away their markets and the jobs of their employees.

Mr. HARRISON of Virginia. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. FISHER].

Mr. FISHER. Mr. Chairman, it is with reluctance that I question the propriety of this legislation. I naturally sympathize with any American industry which feels the pinch of foreign competition. But as so often happens, an attempt to solve one problem creates others. It is difficult to find a simple solution. Even assuming that some relief is in order in this instance, I am afraid this is not the proper method to use in getting it. I shall undertake to develop that point a little more in a moment.

As can be seen from the hearings, this bill is sponsored by the American Carpet Institute, which represents carpet manufacturers. The institute contends that American carpetmakers are experiencing difficulty in meeting foreign competition. And I am sure that is true. In Belgium, for example, the institute says the average hourly wage paid to carpet mill workers is 39.2 cents, whereas in this country the average is $1.85. The institute reports that average profits on carpet sales in the United States from 1951 to 1956, inclusive, was 2.32 percent, as contrasted with 7.29 percent in the lush period from 1947 to 1950.

Therefore, the Carpet Institute is here asking that its competitive position be improved by the passage of this bill which would admit, duty free, a substantial amount of non-carpet-type wool but which is readily usable for carpetmaking purposes.

Now, that non-carpet-type wool which this bill would admit duty-free is a type of wool which may be used for purposes aside from carpetmaking. Yet the Carpet Institute asks the Congress to admit this wool duty free only if it is used for carpetmaking, but if it is used for papermaking, felt manufacturing, blankets, apparel manufacturing, and so forth, then the institute would have those who use it for other purposes continue to pay the 17 cents per pound duty on it.

We find a rather odd situation here. We find the Carpet Institute here on the one hand complaining about an unfair competitive situation with foreign carpetmakers, and on the other hand they want, with equal fervor, to create for themselves an unfair competitive advantage over other Americans who compete for this same wool on the world's markets.

This matter of proposing to help one industry to the disadvantage of other industries, reminds me of a telegram received during the time this issue was previously before the Congress. Coming from a Pendleton, Oreg., wool manufacturer, and opposing this bill, it says:

> We consume 100,000 pounds of up to 46s scoured wool annually in manufacture fume bags used in filtering gases in smelting plants. Papermakers felts use similar grade. Number of years ago member Oregon Legislature introduced a bill providing for registration certain breed of dogs. Another member asked that his dog be included. Procedure continued until a member proposed amendment that would include all other sons of female dogs in the State.

In other words, Mr. Chairman, this bill raises the question of precedents, of helping one industry and by doing so hurting others. If it is proper and good for one—as in the case of the Oregon dog—then by the same logic I suppose it should be applied across the board to all others. And on and on it goes.

The Secretary of Commerce, in his report to the committee, while declining any specific recommendation, is very critical of the bill, and touching on the subject of favoring one industry while hurting others, stated:

> The enactment of the proposed legislation would permit the use of these 40s and 46s in certain specified uses without the payment of duty. As a result, users of these wools for the specified purposes would have a marked advantage in competing for the limited supply.

WOULD COMPETE WITH DOMESTIC WOOL

It has also been contended by the Carpet Institute that the wool which would be brought in under this bill, duty free, is not competitive with wools produced in this country. And in support of that the institute, in testimony before the committee, cited as its authority figures from the Tariff Commission to the effect that only 1½ percent of our domestic production is of 46s and coarser—amounting to only about 2 million pounds per year.

Obviously that amount is trivial, but in fairness to all concerned I think we should examine that a little further. Those Tariff Commission figures were from 1946 estimates—and they were estimates. Since then facts before the committee revealed that there has been considerable crossbreeding in this country for more meat-type sheep and consequently this has tended to lower the grades of wool produced in certain areas.

The hearings, for example, contain testimony to the effect that the wool grower marketing associations of Iowa, Minnesota, and South Dakota show that

in 1946 only thirty-five thousandths of 1 percent of their farm fleece wool fell in the not finer than 46s classification. In 1956 almost 8 percent of their wools were in this grouping. The volume is reported even higher in West Virginia.

So it is apparent that even though the total amount of this type of wool is comparatively small, yet there is a definite increase trend taking place in this country. And of course this coarser type of wool produced in this country simply cannot compete with low-cost foreign production if it is admitted duty free under the terms of this bill.

While it is true that very little carpet-type wool is produced domestically, the potential is there. After all, there has been no incentive for American producers to produce that type because imports of that quality come in duty free, and American growers simply cannot compete with foreign wools that come in duty-free. And it is proposed here to make it even more difficult for American producers to succeed in that field by making them compete with duty-free wools coarser than 48s.

Now there is another angle to this that should not be overlooked. Carpetmakers blend various amounts of finer, noncarpet-type wools and other fibers with the usual carpet types in the manufacture of carpets. The amount varies. In Britain the amount that is so blended is reported to be rather substantial. And that is also true in this country. Carpetmaking is a big business. Those mills consume around 150 million pounds, scoured basis, of carpet wools annually, and in addition they consume more than 50 million pounds of other fiber annually, blended with the carpet-type wools.

I do not know just how much of that 50 million pounds of noncarpet fiber is domestic wool. But based upon what is being done in Britain by carpetmakers there I would assume that at least a fair portion of that fifty-plus million pounds is noncarpet type, of various grades.

What would happen to the non-carpet-type fiber now being used by our carpetmakers annually if this bill is enacted? Obviously all such wool finer than 46s will be replaced by the wools that can be admitted duty free.

So it is not exactly accurate to say, Mr. Chairman, that the wools which this bill would admit duty free are not competitive with domestic fibers. It is apparent that any of the noncarpet fibers now being used by carpetmakers would be replaced by the wool which this bill deals with. I think that is a fair assumption.

USDA OPPOSES THIS BILL

Let us look a little further for authority on this question of competition with fibers produced in this country. The Department of Agriculture reported to the committee as follows:

The proposal to permit duty-free importation of all wools for specific uses such as carpets may result, if enacted, in injury to the domestic wool producer. In addition to setting a precedent which may lead to other segments of the wool industry demanding similar concessions, this proposal would add to the uncertainties of the domestic wool market.

NOT PROPER WAY TO SEEK RELIEF

And finally, Mr. Chairman, it would seem that even admitting some relief to carpetmakers is desirable, the type of relief sought here by the Carpet Institute is in any event premature.

As has been pointed out, this legislation is based upon the allegation that carpetmakers in other countries are able to make carpets, competitive in quality with those produced in this country, and export them to this country, pay the present tariff, and sell at a price that makes it difficult for domestic manufacturers to meet the competition.

No one questions the fact that such competition, with our present high wage rates is of some moment. So far as the adequacy of available carpet-type wool is concerned, the Department of Agriculture reported to the committee the supply appears reasonably adequate, with most of our imports coming—as has always been true—from South America where production and carryover of carpet-type wool is on the increase. But foreign competitors—or at least some of them—do enjoy a competitive advantage over our own carpetmakers because of lower wages paid to the workers. Therein lies the foreign advantage. As a result of the competition thus developed, from 7 to 11 percent of carpets consumed in this country are imported. That constitutes the competition which prompted the Carpet Institute to sponsor this legislation.

ESCAPE CLAUSE USE IS PROPER PROCEDURE

This deals with international trade. It deals with the reciprocal trade law. It deals with the adequacy of protective tariff to prevent possible damage being done to an American industry—in this instance the carpet industry.

The Congress has wisely provided for relief when any domestic industry is threatened by foreign competition. In the Trade Agreements Act the standard escape clause provides, in essence, that either party to an agreement may withdraw or modify any concession made therein, if the article on which the concession enters in such increased quantities as to cause or threaten serious injury to the domestic industry producing like or directly competitive articles. And the Congress very wisely set out procedure for invoking that escape clause at the instance of a threatened American industry.

That would seem to be the proper procedure for the Carpet Institute to pursue. And I am informed such a request has been formally made by the institute. It is now pending before the Tariff Commission, and hearings have been set to begin within a few days. I wish them well. For relief the institute requests that imports be limited to 5 percent of domestic production, or that the rate of duty on imported carpets be raised from 22½ percent to 40 percent ad valorem to offset the present foreign competitive advantage.

It would seem, therefore, that the Congress having enacted a law providing for a method of procedure to determine this issue, and having made appropriate relief available to the Carpet Institute, it would, to say the least, be premature and somewhat out of order now, at the very time when the request for administrative relief is pending, for the Congress to step in and in effect grab the ball away from the Tariff Commission which the Congress has said should pass on this issue.

We all know that many American industries are feeling the pinch of foreign competition. That includes those who manufacture or produce glass, watches, bicycles, tile, various minerals, oil, and a hundred others. Is it now the policy of the Ways and Means Committee, as might be indicated from this legislation, to resolve these issues, industry-by-industry, in the Halls of the Congress?

It just seems to me that, in any event, the Carpet Institute should at least exhaust the relief which may be provided under the terms of the Trade Agreements Act before seeking special legislation of this kind.

Mr. HOLMES. Mr. Chairman, will the gentleman yield?

Mr. FISHER. I yield to the gentleman from Washington.

Mr. HOLMES. I want to help the gentleman nail down that point he is now making and let us make it crystal clear. When you get these wools up to 40, 46, and 48, with that 10 percent in the 48 class, you are not only working on your felt people, but you are moving into clothing.

Mr. FISHER. That is right.

Mr. HOLMES. You are moving into clothing and, having handled considerable wool in my time, may I say that we grow a lot of clothing wool in this country.

Mr. FISHER. Indeed; and in the class 40 to 46 up to 48 a considerable amount is converted and used for the manufacture of apparel. So we find ourselves in the situation here where on the one hand we are asked to protect an industry from unfair competition because of low-cost production abroad and at the same time and by the same move we are asked to create a disadvantage for competing American users. That is, the apparel people and others who can use the same kind of wool. It simply gives the carpet people a 17-cent advantage when they go in the world market to buy this kind of wool when they are competing with others in America who are buying the same wool.

Mr. MILLER of New York. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and fifteen Members are present, a quorum.

Mr. REED. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. BYRNES].

Mr. BYRNES of Wisconsin. Mr. Chairman, as will be noted in the committee report on this bill, I, along with several others, filed a minority report and I rise in opposition to the legislation presently before us.

I do not blame the domestic carpet industry for complaining about the situation in which it finds itself as a result of competition from carpets and floor coverings made abroad. I believe they

should have protection against that competition. But, Mr. Chairman, this bill takes the wrong road to provide that protection. You do not protect the domestic carpet industry by penalizing other domestic industries in this country. But that, fundamentally, is what this bill does. The exemption from the duty is accorded only to this one industry, the carpet industry, and this bill broadens it further and lets in additional grades of wool under a duty-free status.

Now, other industries in this country use this type of wool in the production of the products that they market, and I would cite as an example the papermaker's felt industry. Now, if we are going to be fair about the matter and if we are going to come to the conclusion that the domestic wool industry does not need the duty in order to give it protection, then let us just repeal the duty as it applies to any use to which this wool is put. But this bill discriminates in that it permits only the carpet industry to purchase abroad duty-free fibers in this classification.

I call your attention to some of the department reports in addition to the report of the Department of Agriculture as set forth in the report of the minority views. Let me call your attention, for instance, to the letter from the Secretary of Commerce dated May 10; I quote:

> Wools having a fineness of over 40s but not more than 46s have a wide range of uses in addition to those specifically listed in present tariff paragraph 1101 (b) and the proposed legislation. Currently, imports of all wools of these grades, regardless of intended use, are subject to the payment of a substantial duty. For some years, these and lower grade wools have been in limited world supply and there is no indication that this situation will change.
>
> The enactment of the proposed legislation would permit the use of these 40s to 46s in the specified uses without the payment of duty. As a result, users of these wools for the specified purposes would have a marked advantage in competing for the limited supply.

Now, that is an advantage that we are giving to one industry over other domestic industries, and it is on that basis, Mr. Chairman, that I say this bill is unsound and should be defeated.

Mr. HARRISON of Virginia. Mr. Chairman, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Virginia.

Mr. HARRISON of Virginia. I understand the gentleman disagrees with the statistics cited a few minutes ago from the Department of Agriculture that this wool is in plentiful supply.

Mr. BYRNES of Wisconsin. Well, I do not think that fundamentally goes to the issue that we have here, anyway. How can you discriminate between one user in this country as against another user and say one user can bring it in duty free while the other user pays 17 to 25 cents?

Mr. HARRISON of Virginia. The gentleman was the one who made the argument as to whether it was in short supply or oversupply. It cannot be both.

Mr. BYRNES of Wisconsin. I will agree with the gentleman that it cannot be both, and I will say there may be a difference of opinion, but there should be no difference of opinion that if this Congress is going to act in justice and in equity it is going to treat all domestic industry in this country on the same basis and not discriminate as this bill discriminates.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Illinois.

Mr. MASON. This type of wool is in short supply in this country, but it is in great supply in Argentina.

Mr. BYRNES of Wisconsin. My understanding is that the world market is still short of these fibers.

Mr. MASON. That is true, but in Argentina they have a great supply of it. They have reduced the price 18 percent, and the Department of Agriculture just told us that today.

Mr. MILLER of New York. Mr. Chairman, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from New York.

Mr. MILLER of New York. The statistics which were quoted here on the floor as to the long supply of wool were in reference to these coarse grades of wool which are not produced in this country and which they can get from the Argentine, which even makes this bill worse, because at the present time the carpet industry can import duty-free this type of wool which is in long supply. But, what it is now given is a special advantage in the finer grades of wool from New Zealand and Australia, which are in short supply.

Mr. BYRNES of Wisconsin. I think we have gotten into confusion about the long and short supply and the finer fibers and so forth. As the gentleman from New York has pointed out, there is an international market shortage of the particular fibers covered by this bill, and that, of course, does complicate the legislation. No matter what the supply, my point is, Mr. Chairman, we have no right in this Congress to pick out one user and give him a preference over other domestic users.

Mr. McCULLOCH. Mr. Chairman, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Ohio.

Mr. McCULLOCH. Mr. Chairman, I should like to join the distinguished gentleman from Wisconsin in his statements on the discriminatory nature of this proposed legislation. I think we are embarking upon a course of action that could be most dangerous. I think this proposed legislation should be defeated.

Mr. BYRNES of Wisconsin. I thank the gentleman. May I say one further word? What the proponents are really concerned about—and I am concerned about it, too—is the competition that our domestic carpet industry has from imported carpet. But the way to attack that is to impose duties and restrictions on the importation of foreign-made carpets and not to create discrimination between users of wool fibers.

Mr. REED. Mr. Chairman, I yield 3 minutes to the gentleman from Connecticut [Mr. SADLAK].

Mr. SADLAK. Mr. Chairman, I support the legislation before this committee—H. R. 2151, to permit the free entry of certain raw wool used in the manufacture of carpets. I have cerefully studied this matter and I am convinced that this legislation is essential to preserve the American carpet industry in my great State of Connecticut and the other areas of our country where it exists.

Essentially there is no domestic production of carpet type wool in the United States. We are told by the domestic wool producers that this legislation will result in lower prices for wool; the papermaker felt manufacturers on the other hand have expressed the view that the legislation would cause a higher price for wool. Both of these contradictory contentions cannot be correct. It is correct to state, however, that our domestic carpet industry cannot survive in our domestic market unless their competitive position is improved vis-a-vis the foreign producer either through increased tariff protection or lower costs of raw materials. H. R. 2151 would result in the latter alternative of providing a lower cost of raw materials for the domestic industry.

The Committee on Ways and Means through a subcommittee on which I am privileged to serve has given careful consideration to this matter in public hearings. The legislation was further carefully considered in executive session by the full committee. Its meritorious purpose of seeking to preserve our domestic carpet factories and the jobs they provide is not only appropriate but it is vital to the persons in the industry. I therefore urge my colleagues to support this legislation.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. SADLAK. I yield to the gentleman from West Virginia.

Mr. BAILEY. Is it not strange, indeed, that nobody on the Committee on Ways and Means has taken any interest in glassware and pottery? Does it mean that there is nobody on the committee interested in that particular domestic industry which is in worse shape than the carpet industry?

Mr. SADLAK. No; I will say to the gentleman that I am convinced that that opportunity will come when the extension of the reciprocal trade agreements is before the Committee on Ways and Means, commencing on February 17. I would say further that I understood that the carpet industry has made a request for an investigation by the Tariff Commission; and it is my further understanding that such investigation or hearing has been scheduled for May 10. As the gentleman well knows, after the hearing is held, the Tariff Commission has 9 months in which to make its recommendations. The relief, as I understand, is needed now. That is the reason why I am supporting this legislation.

Mr. BAILEY. I thank the gentleman for his answer, but it still does not answer the question as to why we cannot get a little action on some industries other than the carpet industry.

Mr. MILLS. Mr. Chairman, I ask unanimous consent that all members caring to do so may have permission to

extend their remarks at this point in the RECORD on this bill.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. COFFIN. Mr. Chairman, I wish to voice my opposition to H. R. 2151, because of the adverse effect this legislation would have on certain segments of the wool-manufacturing industry. The bill is designed to benefit the carpet industry, which claims it is being injured by foreign competition. I am sympathetic to this argument, because I realize the problems which can be raised by sudden changes in an industry brought about by increased foreign competition. The woolen textile industry in my own State has suffered from this kind of competition. And I have worked with others in this House to help alleviate their situation. Nevertheless, I cannot support legislation which will benefit one domestic industry at the expense of another.

The Ways and Means Committee has presented a very fine report in support of the argument that the carpet industry must be aided. However, I fear that they have not given due weight to the burden which this legislation would place on such industries as the papermakers' felt industry and other users of the same grades of wool which this legislation proposes to admit, duty free, for the exclusive use of the carpet industry.

The papermakers' felt industry is composed of 11 companies with plants in 9 States; it employs approximately 5,000 persons. The industry, which has been declared essential for national defense, produces woven woolen felts for papermaking machinery and for other industrial uses. The industry uses large quantities of both domestic and foreign wool, and a substantial portion of its foreign wool is in grades covered by H. R. 2151.

Two of the 11 companies engaged in this operation are located in my own district. I cannot, in good conscience, stand by and watch these industries injured by discriminatory legislation.

The report of the Ways and Means Committee of the House on H. R. 2151 was issued prior to the action of the Carpet Institute in appealing for relief under the escape clause of the Trade Agreements Act. On January 22, 1958, the Carpet Institute filed a 48-page detailed petition on behalf of the industry before the United States Tariff Commission, alleging that the domestic carpet industry has been injured by foreign competition. The carpet industry, in its petition, has asked for a 17½ percent increase in the ad valorem duty on foreign-made carpets and an import quota of 5 percent on such carpets. A public hearing has been scheduled for June 10, 1958, for this request.

It is my belief that in view of the possible damage to the wool-producing industry, the discrimination against other wool users by H. R. 2151, and particularly in view of the pending petition of the domestic carpet industry for relief under the escape clause of the Trade Agreements Act, this House should not now pass H. R. 2151.

Mr. McCARTHY. Mr. Chairman, 2 years ago when this legislation was considered, the Wool Act of 1954 was firmly established with at least 2 years to run. Woolgrowers in the United States had the protection and the encouragement of that law. Today, the Wool Act is up for extension. There is some question as to whether it will be extended in existing form. Until final action is taken on the wool bill, action on this carpet wool bill does involve uncertainty and carries risk of weakening the market for domestic woolgrowers.

Mr. MARSHALL. Mr. Chairman, I am opposed to the enactment of H. R. 2151. The extension of the Wool Act which expires this year is not assured at this time. It is wrong to add still more confusion to the producers of wool in this county. Even if that were not so is it wise to permit by legislation the importation of wool on a free-duty basis? To an industry that has not proved its case to the Tariff Commission. There exists legislation under the escape clause that provides protection to distressed industries. I repeat, the carpet industry has not proved its case. Since it has not, why should we legislate? I don't feel we should.

Furthermore, why should we create in the consumptive field an inequality? To provide for one industry the use of low quality wool at a reduced rate creating hardship for another American industry is certainly not in the interest of fairness.

We are presently spending a considerable amount of money for utilization research for farm products. This includes wool. It is my belief we should use the results of the research to find our answer for some of these problems.

I join those who oppose this legislation. I do not think it necessary and certainly not in the interest of the sheep industry of the country.

Mr. ELLIOTT. Mr. Chairman, I oppose H. R. 2151.

The Congressional district which I am privileged to represent produces some papermakers' felt.

The papermakers' felt people, and their employees, and there friends feel that the passage of this bill will jeopardize their ability to obtain the wool they need from the world wool market. It appears that there is a shortage of the supply of wool needed. This bill, as I see it, will put a squeeze on the existing supply.

Mr. Chairman, the Seventh Congressional District of Alabama does not have any carpetmaking factories. It does not have many wool producers. It does have a fine large plant engaged in the manufacture of papermarkers' felt.

In this case, as in the past, I take a position with the people I represent and will oppose this bill. Every expression from my district has been against this bill.

I want to read a telegram from the Aliceville Chamber of Commerce wired by its president, Mr. D. B. Love. He urges me to oppose this bill with reference to "the importation of certain foreign wools which is to advantage of carpet industry, but to disadvantage of felt industry. Our local plant of F. C. Huyck & Sons will be seriously affected if this bill passes."

This telegram is in line with many other communications received by me about this bill, and I, therefore, oppose it.

Mr. DONOHUE. Mr. Chairman, I very earnestly request the most sympathetic consideration of our colleagues to the beneficial effects of H. R. 2151 and particularly to the substantial assistance it will bring to those areas where the unemployment rolls are daily and dangerously increasing.

Let me, please, remind you that the precedent for the admittance, duty free, of wools used to make carpets and rugs has been in the law since 1913. Currently wools up to grade 40s, and the so-called name wools, are admitted duty free if they go into rugs and carpets.

For a clearer understanding of the situation, I would like to emphasize that foreign manufacturers of carpets have access, duty free, to wools in the 40s–46s grades. They purchase these wools, make them into carpets, and then import them into the United States. Obviously this procedure visits discrimination against our domestic carpet industry which cannot get the raw materials that are readily available to competitors abroad. Meanwhile, imports of carpets into the United States are steadily increasing to the detriment of our own industry and the welfare of the industry employees.

To those who express the sincere question of injury imposed upon our domestic wool industry, let me point out that the distinguished chairman of this committee informs us that his body very conscientiously investigated that contention and found it to be without any factual foundation.

Let us further note that the suspension of duty proposed is only for a period of 3 years. Also, the wool admitted under the provisions of this bill must be used for carpets since it is admitted under bond for that purpose and cannot be diverted to other uses without payment of duty.

The overwhelming evidence, including favorable reports from the Departments of State, Treasury, and Labor, presented in support of this measure makes it very clear that the bill does not impose injury upon other segments of the wool industry, that it will be of substantial help to our declining wool carpet industry and that it will provide continuing employment for taxpaying American citizens. On its merits this measure should inspire favorable action and I hope that the House will pass it without further prolonged debate.

Mr. MILLS. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. O'BRIEN].

Mr. O'BRIEN of New York. Mr. Chairman, I think the gentleman from Wisconsin has placed a finger very squarely on the issue before us today. There is no division in this House over whether or not it is desirable to help the carpet industry. Certainly we all want

to help the carpet industry. But I think the implications at least of this bill include a philosophy that does appear to rob Peter to pay Paul. I realize that the carpet industry is larger for example than the papermakers felt industry, but I do not think anyone here would suggest that to help one American industry we should consider only its size and in the process we should destroy or cripple another industry.

The papermakers felt industry has 11 companies with plants in 9 States. It employs about 5,000 persons. It has been declared an essential industry for national defense. It uses large quantities of both domestic and foreign wool. A substantial part of its foreign wool is in grades covered by H. R. 2151.

I think there are other remedies which can be invoked in our Government to help the carpet industry. I do not believe we are going to produce anything but chaos by constantly reaching out to help one segment of our economy at the expense of another. I think that is economic tinkering of the worst kind.

In this instance the people who are going to be hurt are the people who are not in direct competition with the carpet industry, only in competition with them for these scarce wools which they must bid upon abroad. There could be a differential of as much as 32 cents a pound between the bidding carpet industry representative and the bidding felt company representative in a foreign market. The end result of that would have to be the destruction or the crippling of the felt industry and other industries in this country.

Mr. ELLIOTT. Mr. Chairman, will the gentleman yield?

Mr. O'BRIEN of New York. I yield to the gentleman from Alabama.

Mr. ELLIOTT. Is it the gentleman's opinion that the passage of this legislation will do irreparable harm to the papermakers felt industry?

Mr. O'BRIEN of New York. It is my belief and it is the belief of the felt industry that that will result.

Mr. RIVERS. Mr. Chairman, will the gentleman yield?

Mr. O'BRIEN of New York. I yield to the gentleman from South Carolina.

Mr. RIVERS. Is it not definitely true beyond peradventure of a doubt that this legislation discriminates against one segment of American industry and favors another, for a product which is in short supply, giving one the advantage over the other to get what is in short supply on the world market?

Mr. O'BRIEN of New York. If you have 32 cents a pound more to pay for that short-supply wool you are going to be in a strong competitive position and the other fellow is going to be in a worse position.

Mr. RIVERS. Can the gentleman imagine that the Committee on Ways and Means, which supposedly serves all taxpayers with the same spoon, would be a party to this?

Mr. O'BRIEN of New York. I would have to say my respect for the Committee on Ways and Means is very high, indeed. Their purposes here today are laudable and very sincere. I just happen to think they are wrong.

Mr. RIVERS. I join with the gentleman, but anybody can make a mistake and this is a classic example.

Mr. HOEVEN. Mr. Chairman, will the gentleman yield?

Mr. O'BRIEN of New York. I yield to the gentleman from Iowa.

Mr. HOEVEN. I simply want to say that the wool and sheep growers of my Congressional district and of the State of Iowa are opposed to this legislation. I expect to vote against the bill.

Mr. SMITH of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. O'BRIEN of New York. I yield.

Mr. SMITH of Mississippi. I am at a loss to understand the gentleman's statement about how this wool is in short supply whereas some of the opponents of the bill are telling us about the great surplus that exists in Argentina and elsewhere. If that surplus exists, I suggest that the papermakers felt industry ought to investigate and get some of that surplus, and you would not have any problem in that industry.

Mr. O'BRIEN of New York. I am sure the papermaker felt industry would not be quarreling about something that does not exist because they do not compete with the carpetmaker in selling their goods in this country. If it were not in short supply, I do not think they would raise their voice here through me or anyone else.

Mr. SMITH of Mississippi. But the distinguished opponents of this bill, the gentleman from Illinois and the gentleman from Utah, say that they received information this morning that there was no short supply and that the price had fallen 18 percent and continues to fall.

The CHAIRMAN. The time of the gentleman has expired.

Mr. REED. Mr. Chairman, I yield 10 minutes to the distinguished gentleman from New York [Mr. TABER]. May I say with reference to the gentleman from New York that this House knows his fine record here in the Congress and what he has meant to this country. I hope for that reason you will give him your very close attention.

Mr. TABER. Mr. Chairman, I am especially interested in this bill because I have a couple of carpet factories in my district that are a fine asset to the community. Let us see what the situation is and let us see what there is to this story that this is discriminatory legislation. When the Tariff Act of 1930 was passed, certain quantities of wool which was available for carpet wool were exempt from duty. As time went on that figure was increased to the 40 wool. Now it is asked that that exemption be increased up to 46 wool. Why is that? It is because there is little demand for and little production in the United States of wool having a rating of 46 and less. The domestic producers of wool would not be hurt in the slightest degree by the adoption of this bill. Frankly, I have joined with these people many times to secure the support which I felt they needed in order that there might be sufficient wool available in the United States so that we could take care of our situation domestically and militarily. I have voted for the bill which set them up in this position. I hate to see them, when something does not hurt them a bit, and when the things it is sought to have brought in here are not in competition with domestic wool—I hate to see them sliding out. Here is the situation. There is nothing of a discriminatory nature about this bill. Let me say to you that the papermaker felt industry has a compensatory tariff of 37½ cents a pound in addition to the 15 percent ad valorem duty so that they are not in bad shape. But, on top of that, and that is only a little bit of it, the wool that they use in the papermaking felt is only a very small percentage and they would not be hurt a bit in my opinion.

Mr. HARRISON of Virginia. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. HARRISON of Virginia. In connection with this claimed discrimination, no mention has as yet been made in this debate by the proponents of this measure that the papermaker felt people have a special compensatory duty advantage of 37½ cents a pound on imports of papermaker felt. Such an advantage is not available to the carpet manufacturers of this country. Is the gentleman aware of the fact that in the hearings on this matter before the Committee on Ways and Means the representatives of the papermaker felt people were asked whether or not they would be willing to go into this bill under the exact same footing as the carpet people and forego the special compensatory advantage, and they said they would not?

Mr. TABER. I am glad to have that additional proof that there is no discrimination in this bill.

For my part, I have always stood and always expect to stand, as long as it is my privilege to serve in the House, for the protection, fairly and honestly, of American industry, and opportunity for it to succeed and to build up our industrial position so that we will be able when the time comes, if it ever does come, to hold up our end domestically and to supply our Army.

Now, if this bill is passed, there will be an increase in the demand for wool because of the fact that that duty is removed. The duty is 17½ cents a pound. Because of the removal of that duty the carpetmakers of the United States will be able to meet competition with the British, the Germans, the Netherlands, and the rest of the countries abroad who are able to beat us because they do not have to pay any duty on the majority of their wool. In Britain they do not have the quantity of carpet wool that is necessary to keep their plants turning, and they have to import. Perhaps they do not import from Russia. I do not know anything about that, but they import from some place. They import duty free. British wool that is raised in England is practically all used there, and most of it is of too high a grade to turn into carpeting. Wool of that high rating is not the kind of wool that is suitable for carpets. It is not as good for carpets as the coarser wool of the lower num-

ber. Nobody is going to use that sort of wool if he can get cheaper wool that is exempt from duty under this bill.

Mr. HILL. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. HILL. I heard what the gentleman said a moment ago concerning the wool bill extension that we shall have under consideration later. I have a bill for that purpose, and I assure the gentleman that I am one who is for the extension of the wool bill and I expect to support the gentleman's stand on this legislation.

Mr. TABER. I am glad to hear the gentleman say that, because I believe that kind of stand is in the interest of the woolgrowers of the United States.

I hope we will realize the situation that the United States is in and that we must take care of our industries and see that every opportunity is given to build them up. I hope, therefore, the Members of this House when they come to vote on this bill will not be influenced by statements that cannot be borne out by evidence, but that they will go along with us in trying to provide the relief afforded in this bill for the carpet industry of the country. I thank you.

Mr. HARRISON of Virginia. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. O'NEILL].

Mr. O'NEILL. Mr. Chairman, I rise in support of the Harrison bill.

Mr. Chairman, at the close of World War II New England was the textile and carpetmaking center of this great country of ours. Shortly after World War II we lost much of our textile and particularly the carpet industry largely because of tax advantages, cheaper labor in other sections of the country, new and modern buildings, nearness of the source, and so forth. Some 12 years have now gone by and those whom we accused of stealing our industries from us have been organized and they are confronted with the same problems with regard to the carpet industry and textiles that we in New England experience.

What does this bill do? Actually this bill means more American jobs; it means saving a dying American industry. We still have up in the New England area and in the northeastern area of the country a large number of cotton and woolen mills, and I am happy to join here with the gentleman from Mississippi [Mr. SMITH] and the gentleman from Virginia [Mr. HARRISON], who are now confronted with trying to solve the problems that likewise affect us in New England and the Northeast and have affected us for so many years.

The arguments I have to make in favor of the bill have naturally been given to me by the owners and operators and employers of the woolen carpet mills. I have to believe what they say. They say that all the wools used by the domestic carpet industry are coarse wools produced primarily by unimproved breeds of sheep. In recent years many countries have up-bred their sheep, and the finer wools resulting are not suitable for carpets. Also, China and other Iron Curtain countries once were important sources of carpet wools for the domestic industry. These wools are not now available to the United States.

They talk about foreign manufacturers. Foreign manufacturers of carpets have access, duty free, to wools in the 40 to 46 grades. They buy these wools and make them into carpets, some of which are imported into the United States. The situation discriminates against the domestic carpet industry which cannot get the raw materials that are available to its competitors abroad. Meanwhile, imports of carpets into the United States are steadily increasing.

This industry is badly in need of help; this bill is a means of saving the industry. It will mean a continued availability of woolen carpets.

It will mean continued opportunity for American labor to compete with low-cost foreign labor by equalizing opportunity of obtaining raw material.

And I repeat, the passage of the Harrison bill means the saving of American jobs and the saving of the woolen carpet industry.

Mr. Chairman, I hope that the Harrison bill is enacted into law.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. O'NEILL. I yield to the gentleman from West Virginia.

Mr. BAILEY. I am in sympathy with the problem that the gentleman has in New England in connection with their textile mills and their carpet mills and in their operations. That is one of the things I have been fighting for—stockpiling—for the last 12 years. Naturally, I am sympathetic with what is going on here, but when I get to making inquiry I find most of the people who support this bill happen to have carpet manufacturing plants in their districts.

Mr. O'NEILL. That is true, and those who are opposing have felt industries in their districts.

Mr. BAILEY. The Wool Growers Association of West Virginia and the National Wool Growers Association are opposed to it, and since I do not have any carpet mills in my district maybe I better go along with the woolgrowers in my State. I want to do what is best here but I do not want this whole program whittled down, one at a time being taken care of, this little group here and that little group.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. REED. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from New York [Mr. MILLER].

Mr. MILLER of New York. Mr. Chairman, I rise in opposition to this piece of legislation; yet I concur with the observations made by my distinguished and beloved colleague from New York. Certainly I do not want to see any ghost towns or any segment of our economy or any particular industry suffer or be injured. As a matter of fact, we who have opposed this legislation all through the years have simply taken the position that the carpet industry needed help and needed that help badly, but that the American approach to the salvation of an American industry was not to destroy another American industry in the course of this salvation.

In my Congressional District there is a small town of about 1,500 people. In this town is a papermakers' felt industry which employs about 300 people. If this felt company were to go out of business there would be in my Congressional district a ghost town.

The situation is simply that the felt industry, making papermakers' felt, uses the 42, 44, 46, and 48 grades of wool and purchases a great amount of that wool from New Zealand and Australia. In the foreign market those grades of wool are in short supply. If this bill is passed and the carpet people who use a tremendous amount of this particular wool, whose demand for the wool is far greater than the small business I am referring to, invade this market, which is in short supply and which gives them a 17-cent tariff advantage, in other words the industry in my District has to pay a 17-cent-per-pound tariff, you can appreciate the terrific advantage the carpet people would have. They would not have to pay this 17 cents and they could outbid the feltmaking people in the foreign markets up to 15 or 16 cents per pound and still bring it in cheaper than can the felt people.

The cost of the raw material in papermakers' felt operation is the major cost of the operation. It is almost as large as the cost of labor. A 17-cent differential in cost to the papermakers' felt industry would ultimately result in its ruination.

Now, the point is this. Is it necessary to ruin one American industry in order to save the carpet industry? I have before me now a notice dated only a few days ago, January 30, 1958, published by the United States Tariff Commission, in which the carpet people just a couple of weeks ago made application, as they should have a long time ago before the Tariff Commission, for the invocation of the discretion by the President under the General Agreement on Tariffs and Trade and under the escape clause provision to increase the tariff on the importation of carpets. By that increase in tariff you save the local carpet industry without hurting any other American industry, which is the basic American approach to this problem.

At the present time what is the situation? We have pending in this House a bill to discriminate in favor of the carpet people to the extent of 17 cents a pound tariff on these particular grades of wool used by other American industries and at the same time you have an application pending before the United States Tariff Commission requesting that the President invoke the escape clause provision increasing the tariff on imported fabrics. If both happen, the carpet industry will have more than they need, and the only result would be the destruction of a local industry. I say the logical, sensible approach to this problem is to let the carpet industry exhaust their administrative remedy before the Tariff Commission before we get into these premises in a discriminatory way and endanger the solvency of one segment of our economy, namely, the papermakers' felt industry, and if you destroy that industry, you endanger the paper industry of the country, for all

paper industries are dependent upon the local felt industry to make the felts which go on the paper machines which produce the paper.

Mr. REED. Mr. Chairman, I yield such time as he may desire to the gentleman from South Dakota [Mr. BERRY].

Mr. BERRY. Mr. Chairman, as has been heretofore stated, because of the policy adopted by Congress, the administration and the Tariff Commission, who refused to provide the domestic producer with a protective tariff, the sheep and wool industry was dealt a body blow during World War II. As a result of the policy, we were raising less than one-fourth of the wool which was actually being used in the United States.

The millions of acres in this country which were taken out of production of sheep were converted to cattle and grain crops. The surplus production of both resulted in the Government being requested to support both cattle and grain crops in order to maintain an artificial cost-of-production price.

Because of the critical condition of agriculture, one of the steps taken 4 years ago in an effort to help relieve the burdensome surpluses was the passage of the National Wool Act. One of the major objectives of the act was to increase the minimum production of domestic wool to 300 million pounds of shorn wool for strategic purposes and the economic security of the Nation. By "economic security of the Nation," Congress not only referred to those engaged in the sheep industry, but likewise all segments of agriculture, as range and crop acreages would be taken out of production of surplus crops and converted into the production of wool and lamb, which was, and still is, in seriously short supply.

In spite of the fact that the National Wool Act has been in operation for almost 4 years, the goal of 300 million pounds of shorn wool has been only about three-fourths achieved. Domestic wool production today is only about one-third of domestic consumption. Domestic wool production will be increased only if domestic producers have reasonable assurance that the business they are building will not have the carpet jerked out from under them as soon as they become established again.

It was with this view in mind that the administration gave to the sheep and wool industry its assurance that the tariff protection in effect in 1954, when the act was passed, would not be disturbed during the life of the act.

In his testimony before the Senate committee at the time of the hearings on the wool bill, Ross Rizley, speaking for the Department of Agriculture and the administration, testified:

> The program would be self-financing. The tariff established to protect the domestic industry would be continued—

And so forth. This statement both he and Frank Imasche, as well as the Department of Agriculture, repeated on several occasions.

The administration and the Tariff Commission do not propose at this time or during the life of the act to change the tariff structure on wool. Proponents of this bill have come to Congress asking us to break the agreement we made, and the administration made, with the sheep and wool industry 4 years ago.

CARPET INDUSTRY IN DISTRESS

There is no question but that the carpet industry is in distress. Under the General Agreements on Tariff and Trades in 1948, rates were lowered from 40 to 30 cents. Under the GATT effective in 1951, they were reduced to 25 percent, and in 1956 they were reduced still more. From 1948 to 1956 carpet imports increased 334 percent. During the same period the industry's costs have gone up in a much greater ratio than the costs of their foreign competitors.

The carpet industry makes much of the fact that they are permitted to buy only named wools and wools no finer than 40's, duty free, while their competitors in most of the foreign countries are able to buy wools no finer than 46's duty free. That, plus the fact that their foreign competitors are permitted to buy from Red China and Tibet, while domestic industry is not.

The industry points out that on all imported wools they use, of fineness between 40's and 46's, they are required to pay a duty of from 17 to 27 cents per clean pound. They also state that—

> All fabrics of wool, with the exception of carpets, are protected from this type of discrimination by the levying of a compensatory duty. (Schedule 11 of the Tariff Act.)

My question is, why—why is the carpet industry not in here asking that Congress protect them, and their industry, by amending the Tariff Act requiring the payment of a compensatory duty on all that portion of imported carpet yardage manufactured from wools finer than 40's?

I submit to you that is the American way. Why do they not ask the foreign importers to pay the subsidy needed by their industry instead of asking the American farmer to compensate them with a subsidy from his product in order that they can meet foreign competition? Why do they propose to make the American sheepman subservient to his foreign competitor—rather than facing up to their own problem of meeting their foreign competition?

APPLICATION FOR TARIFF INCREASE

On January 22, 1958, the Carpet Institute, Inc., filed application with the United States Tariff Commission for investigation and increase of the tariff rates under the provisions of section 7 of the Trade Agreements Extension Act of 1951, as amended.

On January 30, 1958, the Tariff Commission issued an order setting out that such an application had been filed, alleging that as a result of tariff concessions granted under the act, carpet material is being imported into the United States in such quantities as to threaten serious injury to the domestic industry producing like or directly competitive products. The Commission set June 10, 1958, at 10:00 o'clock in the morning as a date for hearing upon such application.

In other words, pending the time that a hearing is to be held upon the increase of the tariff rate by the United States Tariff Commission, the Congress is asked to remove by legislation most of the need for such tariff increase.

There is no question, Mr. Chairman, but that a tariff increase should and must be granted to this industry. To do otherwise is to destroy part of the basis of the American standard of living, and every Member of Congress should file notice today that he wishes to be heard on this matter.

But this is no time—here on the 4th of February—4 months ahead of the hearing date before the Commission, for Congress to assume that the Commission will not take appropriate and necessary action. This is no time to pass legislation crippling another domestic industry for 3 years, when none of us will know for 4 months yet whether the relief sought in this bill is necessary or even helpful to the carpet industry.

This is no time to act on a bill having such far-reaching effect on the rural economy of the Nation, when the whole difficulty may well be handled—as it should be handled—by a protective tariff, protecting the domestic carpet industry.

Not only that, Mr. Chairman, but as the Tariff Commission is granting a protective tariff rate to the carpet industry, it may likewise do, as should be done, and provide a compensatory duty on imports of carpet yardage containing wools finer than 40's which is equal to the 17 to 27 cents duty on raw wools imported into this country.

Let us not forget that the Tariff Commission is an arm of the Congress. It was established by the Congress in order that Congress would not need to spend its time wrestling with the problem of intricate tariff legislation such as the legislation before us today.

U. S. S. R. IMPORTS

Under the law as it exists today, countries behind the Iron Curtain are not affected by the GATT agreements. In other words, non-Communist countries can import clean wool into the United States by paying a duty of 17 cents on 40's to 44's and 25½ cents on 44's to 46's, whereas Iron Curtain countries must still operate under the original 1930 act and pay 29 and 34 cents on the same grades.

This bill (H. R. 2151) proposes to amend section A of paragraph 1101 of the original 1930 Act, which would mean that Iron Curtain countries would be permitted to import wools as fine as 46's with a 10 percent tolerance for 48's, duty free, when used in the carpet industry.

We should bear in mind that the U. S. S. R. is an importer of coarse wools, whereas they export wools finer than 40's. If this bill should pass, it would open the door for the importation of Communist wools duty free, in direct competition to the domestic wool producer.

Your answer to that is that the Iron Curtain countries can import into this country only after obtaining a license to import, which is issued by the Foreign Assets Authority, an arm of the State Department.

My reply to that argument is that the Foreign Assets Authority is composed of

men who are pretty human, and if the carpet boys put as much heat on them for the issuance of a license as they have put on Congress for this revision of the tariff law, they are pretty liable to get a license permitting imports of these finer wools from Communist countries and from Communist dominated countries.

Since this bill has a closed rule and no amendments are permitted, it is my suggestion, Mr. Chairman, that if the tariff laws have to be amended, this bill be recommitted to the committee making the amendment applicable to GATT treaties and not to the basic tariff law which would open the gates to Communist imports.

Mr. RIVERS. Mr. Chairman, will the gentleman yield?

Mr. BERRY. I yield to the gentleman from South Carolina.

Mr. RIVERS. The carpet industry has a case now before the Tariff Commission.

Mr. BERRY. I will come to that in a minute.

Mr. RIVERS. So their remedy should be first exhausted there before coming in here if they come here.

Mr. BERRY. That is correct. I will say to the gentleman that hearings on this case started by the carpet industry have been set for the 10th of June of this year, and I say that every Member of this Congress should today file notice that they wish to appear and speak before the Tariff Commission.

Mr. BALDWIN. Mr. Chairman, will the gentleman yield?

Mr. BERRY. I yield to the gentleman.

Mr. BALDWIN. Mr. Chairman, I should like to congratulate the gentleman on the statement he is making. It seems to me this very bill and the nature of it implies that there must be some adverse effect on the wool industry, when they state specifically that they are limiting it to the carpet industry. If they did not feel there was some adverse effect, they would make it applicable to everybody and have wool come in free.

Mr. BERRY. Yes; and let me say to the gentleman that I think we are 4 months ahead today in considering this bill. We should wait because, after all, the Tariff Commission is an arm of the Congress, and we should wait until after the Tariff Commission has acted.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. BERRY. I yield.

Mr. BAILEY. Does the gentleman not think, in view of what has happened to the last 12 decisions of the Tariff Commission that the wool growers of this country are wasting their time going down there?

Mr. BERRY. The gentleman means the carpetmakers; I would say this. If the carpet boys are as diligent in their fight in the Tariff Commission as they have been in their fight in Congress I would say the Tariff Commission will give them their relief.

Mr. BAILEY. Yes, but after they do that, then whatever Secretary Weeks or Secretary Dulles advises the President to do, that is what they will get.

Mr. BERRY. Mr. Chairman, there is one more point that I want to make, and that is this. I do not believe the bill we have before us today is doing the thing that the carpet people want. We are amending the original act of 1930. We are amending paragraph (a) of section 1101. Under that provision all countries are required to pay an import duty. Then under GATT we cut this down to countries outside of the Iron Curtain. But if we amend the original act here, we will be permitting the import of wool from Iron Curtain countries absolutely free.

Mr. HARRISON of Virginia. Mr. Chairman, I yield 5 minutes to the gentleman from Mississippi [Mr. SMITH].

Mr. SMITH of Mississippi. Mr. Chairman, I would like to emphasize two points in regard to the desirability of this bill that have not been properly understood by the Members of the Committee in view of some of the reaction that has been demonstrated and the talks that have been made. The suggestion has been made that the carpet industry apply for relief under the escape clause of the Reciprocal Trade Agreements Act. Assuming that action were taken, there are two things that would be wrong with that action from the standpoint of the American public in general and the carpet industry in particular.

First of all, the remedy would be no solution to the problem of supply for that particular type of lower grade wool. The supply is in shortage all over the world and no matter what the remedy was in regard to the extra cost or in regard to competition, they would still have to pay an extra amount for something that is not produced here. They would have to pay a duty on something which is not in competition with any American product.

More important than that I think from the standpoint of protecting the industry and the American public in general is that the remedy we would offer to them or the remedy we would turn to is to get something that will put prices up, that will make the cost of the product higher to the American public, that will make it more costly to the American consumer.

The remedy that is sought here in this bill is to find a way to get these raw materials as cheaply as possible so that they will be made available to the American consumer as cheaply as possible.

I think that if we turn aside and seek any other solution to that we will be directly imposing an additional cost upon the consumer, who we hope will have such a standard of living that he can use these carpets to the greatest advantage in his home or various other places where they are used throughout the country.

This bill is not designed in any way to affect adversely any other type of industry in the country. It will perhaps cut down a little bit the advantage that the papermakers' felt industry presently enjoys in seeking these items that are in short supply, but it certainly will be no additional disadvantage to that industry. The papermakers' felt industry is not going to go out of business as a result of whatever happens here. That particular product is essential to the manufacturing of paper in this country. All of us know what the demand for paper is and know how it has expanded in the recent past. The industry has expanded, too, along with the increased demand for and production of paper.

I do not believe we have to have any fear here about involving any other industry. Of course the wool industry, or rather the various lobbyists for the woolgrowers, are unhappy about this proposal, but these woolgrowers are unhappy even about their present support program of over 100 percent of parity, because they have introduced bills to extend it and perfect it and enlarge it. They are not happy about the present system. I think they have a higher support than any other type of agricultural commodity we know anything about.

Mr. FISHER. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Mississippi. I yield to the gentleman from Texas.

Mr. FISHER. I checked with the Department of Agriculture. The support price of wool is lower than 95 percent of parity.

Mr. SMITH of Mississippi. I am glad to have that correction. I want to point out that the support is higher than that of any other major commodity that is given support today. I think that if we move toward further restriction on the availability of wool in this country we are moving toward higher cost for the consumer, we are moving toward new loss of markets for wool, just as we will be losing markets for other agricultural products to synthetic fibers, which can be produced at a much cheaper rate.

Mr. REED. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Illinois [Mr. COLLIER].

Mr. COLLIER. Mr. Chairman, the benefits of the legislation before us today with regard to what it will contribute to American labor and to our economy in general have already been very adequately described, so I shall be brief in pointing out just one other benefit of this legislation that has not been touched upon too much this afternoon.

For more than a century and a half the American carpet industry has produced woolen soft surface coverings for domestic use. The industry is almost completely dependent upon certain specific coarse types of wool which are not produced in the United States. These wools must be imported from countries which use sheep flocks which are of the undeveloped and of the coarse grade types that produce the coarse wool necessary to the manufacturer of carpeting. Since 1890, wools in the manufacture of carpets in this country have been admitted without payment of import duty up to grade 40. Until rather recently, there has been a sufficient supply of this type of wool. However, today the available supply of these grades of wool have been greatly reduced by the complete lack of trade with such Iron Curtain countries as China and Tibet. Diminishing supplies of these grades of wool together with the increased demands by the world carpet industry has created what we all know to be a very

serious shortage in the United States and one which undoubtedly will get more serious as time goes on. I believe, Mr. Chairman, the enactment of H. R. 2151 is the only answer to the problem which the carpet industry faces today. I believe it is highly essential if this industry in our own country is to even compete with foreign markets for the increased numbers of grades of wool without affecting domestic production of wool or any domestic industry that this legislation be passed. With regard to the objection of discrimination that has been brought up here, let me point out, if I may, that practically every type of legislation that comes to this floor can be construed as discriminatory, if we look at it in the manner in which we are looking at this legislation. How many times do we come here with legislation designed to help in solving an immediate problem for one section of the country or for one segment of our people. That is what the Congress is here for, and certainly we are faced today with a problem of helping one segment of our industry which definitely needs help. Certainly, that cannot be looked upon as discriminatory legislation. I hope Members of the House will support this bill because the demand in the United States for carpeting of all kinds has increased with the higher standard of living and with the increased population in the country. There are now more than 15,000 retail establishments with a vast populace of employees in this country, and I might add in my own district as well, from the east coast to California. They are vitally concerned with this problem. They are concerned because of their job to best serve the demands of the American homemaker. There can be no denial of the fact that we need additional wool that will be made available through this legislation to enable the retailer to supply normal demands which now exist. Let me say in closing, notwithstanding the fact that my basic philosophy is one that is for a sound protective tariff, the circumstances and conditions in the wool supply market today make the passage of this bill desirable and essential not only to the industry itself but to provide carpeting at prices that the American people can afford to pay.

The CHAIRMAN. The time of the gentleman has expired.

Mr. REED. Mr. Chairman, I yield 5 minutes to the gentleman from Wyoming [Mr. THOMSON].

Mr. THOMSON of Wyoming. Mr. Chairman, it is with reluctance that I disagree with many of my good friends who are supporting this bill. I know that they and I believe in the same principles of protecting American business, labor, industry, and agriculture. I would like to be helpful to them so far as this carpet industry is concerned. I, too, do not like to see American business shutting down with the loss of jobs to American labor any place in this country. But I cannot understand how by penalizing some other industry and shutting it down we are going to be able to help this situation. I think that those who really believe in protecting American industry, business, labor, and agriculture will have their opportunity to stand up and be counted when we vote upon reciprocal-trade legislation. I will be among those present and among those counted. I cannot support this bill for some very simple reasons. Carpeting wools have been admitted duty free because they are unimproved wools not competing with the wools grown in this country and wool used for clothing and other purposes. The carpet manufacturers, however, now want a special privilege in this legislation permitting them to bring in duty free finer wool which we do raise in this country and which would compete with the manufacturers of blankets, sport coats, overcoats, and other items of manufacture. This could result in a complete breakdown of our entire tariff structure, because you cannot prefer one over the other for long, and be fair. There are increasing numbers of our producers in this country that are raising this type of wool. The Department of Agriculture is making a study to determine how much, and has not had time to complete it. Regardless of that the purpose of this bill is to raise the type of wool that can be brought in duty free, to grades 46, with a 10-percent tolerance for 48. That wool is raised in this country. I am sympathetic to the carpet-wool manufacturers. They claim that their need for relief is based on the fact that imports of cheaply produced carpets have hurt their industry, but I submit to you, and it is my firm belief, and I believe the belief of those of us opposing this bill, that the solution to their problem lies in adequate tariff protection against those imports.

As I have indicated previously, I will continue in my effort to protect American business, industry, labor, and agriculture from cheap foreign labor which is their primary problem.

Statements were made on the floor today about the textile industry in New England. It was having its difficulties too. But of course in that case no amount of tariff relief is going to help them. We must have an increase in tariffs. I submit that is the solution in this instance. I hope the House votes this bill down. I hope the reciprocal-trade legislation can correct the situation. I will fully support my friends in those industries who have to compete with cheap foreign imports, before the Tariff Commission or otherwise.

Mr. TEAGUE of California. Do I understand that the gentleman takes the position that this is discriminatory legislation?

Mr. THOMSON of Wyoming. I think it discriminates against all other industries that use this type of wool. There are several of them.

In 1956 we had in the Commodity Credit wool stockpile 11½ million pounds of 46's and 48's, the type of wool involved here. I think we raise some eighteen million pounds of it per year. It will discriminate against the wool industry and all other industries that use those grades of wool.

Mr. TEAGUE of California. That was my opinion, but I wanted to be sure that I understood you correctly.

Mr. DIXON. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. DIXON. Mr. Chairman, I oppose H. R. 2151 and do not believe it should be passed by the House for the following reasons:

First. This bill was opposed by the Department of Agriculture, but USDA officials were never invited to testify before the Ways and Means Committee to elaborate the reasons for their opposition. The bill is also vigorously opposed by State and national woolgrowers organizations.

Second. H. R. 2151 would directly contradict Government policy as expressed in statute by the Wool Act of 1954. Congress recognized that the serious drop in wool production was imperiling our national defense, since wool cannot be matched for warmth to clothe our servicemen in the event of war. The United States Tariff Commission urged an increase in import duties on wool. The President and Congress instead of raising tariffs agreed to maintain them at existing levels and based on these tariff levels to institute incentive compensatory payments to encourage an expansion of the flocks of sheep.

American wool production is still 40 percent lower than at the beginning of World War II. We are still far from the Congress approved aim of domestic production at a minimum of 300 million pounds of shorn wool a year. Current production is approximately 225 million pounds.

Yet H. R. 2151 would fly in the face of Congressional policy of encouraging expansion in the domestic wool industry by allowing competitive foreign wools to enter the country duty-free.

Third. Although H. R. 2151 does not authorize Federal appropriations, it will be costly to the taxpayers. First, it will reduce tariff revenue from the wool duty. Second, by driving down the price of domestic coarse wool, it will increase the amount of the incentive payments paid by the Government. For every cent wool goes down in price, Government pays $2 million to $3 million.

Fourth. Allowing wool of grades 40 to 46 to enter the country duty-free for carpet manufacturing would be a discriminatory wedge into tariff reductions which could do considerable harm to our domestic industry. This would be the first tariff to break in improved wools, and would likely be followed by moves to eliminate the tariff for even finer grades of wool.

Furthermore, H. R. 2151 would remove the tariff from coarse wools used in carpet manufacturing, but would not affect the same grades of wool used for other purposes. If this legislation passes, other users will undoubtedly demand equal treatment. For example, on July 30 of last year Clarence Bishop of the Pendleton Woolen Mills, who opposes this legislation, was speaking with Ed Marsh, secretary of the National Wool Growers. Mr. Bishop expressed the position that if this tariff concession were made to the carpet manufacturers the woolen mills would want equal treatment. He pointed out that Pendleton

uses grades 36 to 46 wool for fume bags to filter fumes at smelters and uses grade 46's for some blankets. These coarse wools are also used in some overcoats and sport coats. At present H. R. 2151 is special legislation designed for the benefit of a single industry, but it could open the floodgates of tariff concessions to foreign producers which would ultimately ruin the domestic industry.

Fifth. There is no shortage of wool already in the duty-free category for carpet manufacturers. For example, imports into the United States of duty-free wools during the first 11 months of 1957 were 114 million pounds of clean wool. During the same period in 1956, imports were 135 million pounds. The decrease in imports does not represent a smaller foreign supply, but a reduced domestic demand. This is demonstrated by the fact that Argentina's carryover as of October 1, 1957, was 50 million pounds compared with only 30 million pounds on October 1 of the previous year. Furthermore, the supply and demand relationship represents itself in price and carpet wool prices declined during 1957. For example, Argentina carpet wools coming into Boston dropped 18 percent in price between May 1957 and January 24, 1958. This further demonstrates the adequacy of the supply of foreign coarse wool in the duty-free category. Furthermore, an increase in coarse wool production is expected in Argentina as a result of the new Government policies favoring the sheep industry. This is important because Argentina has for two decades been the largest supplier of carpet wools to the United States. New Zealand is the second leading supplier of carpet wool, and production is increasing rapidly as a result of improved pasture.

Sixth. Domestic production of grades 40 to 46 wool is increasing. Officials of the National Wool Growers Association last September asked the Carpet Institute people if they could give any reasons why American improved coarse wool would not be as satisfactory for carpet manufacturing as foreign improved wools. As yet there has been no answer. However, the Department of Agriculture has solicited the cooperation of the carpet manufacturers to make a scientific study of similarities and differences in the characteristics of foreign and domestic wools of the grades with which this legislation deals. In the absence of proof from carpet manufacturers that domestic wools are inferior for this purpose, Congress should not legislate against the domestic industry.

In the meantime domestic production of improved coarse wool is increasing. Little data has been gathered as yet. However, we know that the production of the wools to which this bill pertains involved 1½ percent of domestic production in 1946, and that since then depressed conditions in the sheep industry have caused growers to crossbreed for more meat production. This has lowered the grade of wool produced. For example, figures have been compiled by the wool marketing associations of Iowa, Minnesota, and South Dakota. These figures show great increase in the production of wools referred to in this bill. In 1946, production of these wools amounted to only thirty-five one-thousandths of 1 percent of their farm fleece wools, or a volume of 6,150,000 pounds. In 1956 the percent had grown to 7.93 or a volume of 9,960,000 pounds.

The Department of Agriculture has been requested to make a study of the amount of wool referred to in this bill which are produced domestically. In the lack of complete data and the indications that domestic production is on the upswing, I urge that this special privilege legislation for the carpet industry be rejected.

Seventh. The carpet industry has filed for escape clause action for increased tariff protection.

The woolgrowers have maintained from the start that the carpet industry should seek tariff protection against foreign carpets rather than attempt to weaken further the wool tariff structure.

Just recently the carpet industry petitioned the United States Tariff Commission for protective tariff relief under the escape clause proceedings of section 7 of the Trade Agreements Extension Act as amended in 1951, and section 332 of the Tariff Act of 1930.

Within the past week, on January 30, the Tariff Commission ordered an investigation to determine whether imports of carpets are hurting the domestic industry.

It would be appropriate for Congress to await the outcome of this effort to obtain protective tariff relief for the carpet industry before seriously considering H. R. 2151 which would harm an important domestic industry in order to help the carpet manufacturers.

Mr. RIVERS. Mr. Chairman, I would not be so vain as to think I could change your minds in 2 minutes. I want to say that this bill gives a marked advantage to one segment of our industry over another. In effect, it makes end runs on the Tariff Act. It takes part and parcel, body and soul, jurisdiction from the Tariff Commission. This case is pending before the Tariff Commission. I know I am going to be there for the carpet industry, but if a boat sailed into Charleston or Philadelphia or New York, and they say "What are you going to do with this wool?" I am going to make carpets. They get in free. But if one says "I will make felt," he pays. What do you call that? Somebody says you have got a compensatory thing. I do not know what that means. But I know one group is going to have to pay, and the other group is going to get in free.

EXHIBIT 1

MAY 20, 1957.

SOME REASONS WHY THE CARPET INDUSTRY BILL SHOULD NOT BE ENACTED

A bill now pending before Congress, H. R. 2151, would permit the carpet industry to import certain grades of wool free of duty for use in carpets. The bill is sponsored by the Carpet Institute, Inc.

The Papermakers' Felt Industry,[1] which uses substantial quantities of wool of the grades covered by H. R. 2151, feels bound to oppose the bill because it would:

1. Discriminate against other American industries for the benefit of the carpet industry;
2. Give the carpet industry an unwarranted special advantage over other American industries in bidding for scarce wool supplies;
3. Shift part of the carpet industry's raw material costs to other American wool users;
4. Perpetuate and extend an existing discrimination in favor of large industry against smaller industries.

The enactment of the carpet industry bill is:

1. Opposed by the Department of Agriculture;
2. Criticised by the Department of Commerce as working to the "disadvantage" of American manufacturers other than the carpet industry;
3. Denounced by the Tariff Commission as a "conspicuous" discrimination against industries other than carpet manufacturers;
4. Resisted by the National Woolgrowers Association which accounts for 74 percent of the wool grown in the United States.

RAYMOND J. LEE,
Chairman, Tariff Committee, Papermakers' Felt Association, Care of Lockport Felt Co., Newfane, N. Y.

I do not believe in that type of legislation. I have enough trouble to get equality when I understand the law. We do not want anything else. If you did not believe that, why did you not come here with an open rule? You have bound and gagged one industry in favor of another.

This legislation is premature; the carpet industry now has administrative remedy and has a case pending before the Tariff Commission on June 10, 1958.

Let us await this decision. If this law passes, the Reciprocal Trade Act should be repealed.

Under the escape clause of that act, this industry has its remedy.

EXHIBIT 2

UNITED STATES TARIFF COMMISSION, WASHINGTON—PUBLIC NOTICE, INVESTIGATION INSTITUTED AND HEARING SET, WILTON AND VELVET CARPETS AND RUGS

INVESTIGATION NO. 67 UNDER SECTION 7, TRADE AGREEMENTS EXTENSION ACT OF 1951, AS AMENDED

Investigation instituted: Upon application of the Carpet Institute, Inc., of New York, N. Y., received January 22, 1958, the United States Tariff Commission, on the 29th day of January 1958, under the authority of section 7 of the Trade Agreements Extension Act of 1951, as amended, and section 332 of the Tariff Act of 1930, instituted an investigation to determine whether Wilton and velvet carpets, rugs, and mats, and carpets, rugs and mats of like character or description, classifiable under paragraph 1117 (a) of the Tariff Act of 1930, are, as a result in whole or in part of the duty or other customs treatment reflecting concessions granted thereon under the General Agreement on Tariffs and Trade, being imported into the United States in such increased quantities, either actual or relative, as to cause or threaten serious injury to the domestic industry producing like or directly competitive products.

Public hearing ordered: A public hearing in this investigation will be held beginning at 10 a. m., e. d. s. t., on June 10, 1958, in

[1] The Papermakers' Felt Industry is composed of 11 companies with plants in 9 States; it employs approximately 5,000 persons. The industry, which has been declared essential for national defense, produces woven woolen felts for papermaking machinery and for other industrial uses. The industry uses large quantities of both domestic and foreign wool; a substantial portion of its foreign wool is in grades covered by H. R. 2151.

the hearing room, Tariff Commission Building, Eighth and E Streets NW., Washington, D. C. Interested parties desiring to appear and to be heard at the hearing should notify the secretary of the Commission, in writing, at least 3 days in advance of the date set for the hearing.

Inspection of application: The application filed in this case is available for public inspection at the office of the secretary, United States Tariff Commission, Eighth and E Streets NW., Washington, D. C., and at the New York office of the Tariff Commission, located in room 437 of the customhouse, where it may be read and copied by persons interested.

By order of the Commission:

DONN N. BENT,
Secretary.

Issued January 30, 1958.

You are going to hang, draw, and quarter my people before they can present their case. I say to you it is not right; it is not right.

This is denounced by many. It is denounced by Sinclair Weeks, it is denounced by the Department of Agriculture, and MENDEL RIVERS denounces it; and I say that under this concept of legislation you are taking property without due process of law. Last year we heard lots of talk about the 14th amendment. We obey the 14th amendment down South. That is what you are doing too. Do not do this to our industry. Do not take a stand in this great Congress as against one industry and pit it against another; it is not right.

All I want you to do is to let me eat out of the same spoon you have. If you do that everything will be all right. Let us have that kind of equal treatment, not special legislation.

Mr. REED. Mr. Chairman, I have no further requests for time.

Mr. MILLS. Mr. Chairman, I yield the remainder of the time on this side to the gentleman from Virginia [Mr. HARRISON] to close general debate.

The CHAIRMAN. The gentleman from Virginia is recognized for 15 minutes to close the debate.

Mr. HARRISON of Virginia. Mr. Chairman, my friend from South Carolina almost brought tears to my eyes. He speaks of his plight. I feel sorry for him. It is the saddest thing I know. He says he wants to have the same spoon as the cotton people have, and he wants to eat out of that same spoon, and he would be satisfied with that. Mr. Chairman, if he will turn to page 61 of the hearings before the Committee on Ways and Means he will find that the spokesmen for his industry refused to accept that spoon. He wants the spoon he has and another spoon too.

There are several things I want to talk about in connection with this legislation, but first, Mr. Chairman, I would like to say that of all the phony arguments that are presented on this matter, the most phony is the argument that there is discrimination against the papermaker felt industry. Let me give you some of the history of this thing and tell you what the situation is. The papermaker felt industry has a special tariff protection of 37½ cents a pound as special compensatory duty for the fact that they have to buy raw wool that is subject to a duty. They get that much protection on every pound of papermaker felt that is imported into the United States. That is not available to the carpet people. When their spokesman was here I asked him if he would surrender that and go under the same terms as the carpet industry. He said he would not. Now he wants that protection and then he wants also to have the advantage over the carpet people in the purchase of wool in the markets of the world.

Mr. RIVERS. Mr. Chairman, will the gentleman yield?

Mr. HARRISON of Virginia. I will after a bit. Let me go into this a little. The papermaker-felt people say that this supply of wool is short in the world; the wool people say that it is in oversupply in the world and that there is plenty of it. The papermaker-felt people say that if we pass this legislation it will raise the price of wool, and the wool people say that if we pass this legislation it will lower the price of wool. One thing we can be certain of, whatever we do about this foreign wool it is going to come into this country. Whatever we do with this legislation, whether wool is in large supply or short supply, whether the legislation raises the price of wool or lowers it, wool is going to come into this country. The proponents of this legislation want wool to come in here as a raw material where it can be fabricated by our manufacturers and by American labor into carpets and sold to the American people. The opponents want to keep it out and have it come in in the form of carpets for the benefit of the Japanese, Belgian, and the British manufacturers of carpets. That is the issue. It does not make any difference what we do, the wool is coming in and will continue to do so. It is a question of whether it is to be fabricated by American labor and made into carpet to the benefit of American industry or not.

Nobody disputes the need for this legislation. Every speaker, the gentleman from Texas, my good friend from Wisconsin [Mr. BYRNES], the Department of Agriculture, speaks for the distress of the carpet industry on account of the importation of these foreign-made carpets. There cannot be any doubt about the fact that for the last 7 years the importation of foreign carpets has gone up at the rate of 7 million pounds per year. There cannot be any doubt about the fact the report of the Department of Labor on this legislation in advocating it sets forth the fact that in this industry there has been a loss of employment of 40 percent. There cannot be any doubt about the fact that this industry cannot get the raw material it needs to stay in business.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. HARRISON of Virginia. I yield to the gentleman from Mississippi.

Mr. ABERNETHY. Would the gentleman answer me whether or not this bill will give the carpet industry any advantage up to 17 cents, below or otherwise, over the felt industry that purchases the same wool?

Mr. HARRISON of Virginia. It leaves them at a disadvantage.

Mr. ABERNETHY. Then why would you want to pass a bill of this kind?

Mr. HARRISON of Virginia. Because it enables the carpet industry to buy wool. There is no competition between these two industries.

Mr. ABERNETHY. Do I understand the gentleman to say there is no competition in the foreign market between the two industries in the purchase of this wool?

Mr. HARRISON of Virginia. Yes; that is true.

Mr. ABERNETHY. The felt people say differently.

Mr. HARRISON of Virginia. They are wrong about that and I think that I can testify as well as they can. The finding of this committee is that they are wrong.

Mr. ABERNETHY. Why is it they object to it then?

Mr. HARRISON of Virginia. I do not know. The gentleman will have to ask them.

Mr. ABERNETHY. They tell us it is because it puts them to a disadvantage.

Mr. HARRISON of Virginia. I just answered that to the best of my ability. If I have not been able to enlighten the gentleman it is either his fault or mine.

Mr. ABERNETHY. I have the industry's word against the gentleman's.

Mr. HARRISON of Virginia. The gentleman has the committee's word, too.

Mr. ABERNETHY. I have part of the committee's word, not all of the committee. Some of the committee disagrees with the gentleman.

Mr. HARRISON of Virginia. I have answered the gentleman to the best of my ability. If I have not been able to satisfy the gentleman I am very sorry.

Now, I will try to answer the gentleman further. Carpet wool has for 60 or 70 years been on the free list. It has been on the absolute free list since 1913. Why is it that it was put on the free list and not subject to duty? Because it is one user of wool that cannot get its raw product in this country. The domestic wool industry cannot supply the carpet industry with its raw material. They cannot get it. There is not any way they can get it. Therefore the carpet industry has been given this favored treatment in order to keep it alive. There is not any question about competitors getting on the free list. There is a definition of what is carpet wool. The Tariff Act of 1930 provides for certain named wools and unimproved wools up to the grade of 40's. That was completely satisfactory. Under that definition the manufacturers of carpet could get all the wool they needed. This is the situation the gentleman from Texas was talking about in connection with the gentleman from New York and that situation existed until under the Trading With the Enemy Act the supply of carpet wool from Communist China was cut off; 34 million pounds were cut off. Nobody can deny it. And, when that came about, as it did in the last 7 years, then the squeeze was put on. Then they could not get the raw material they needed, but their competitors were able

to buy it duty-free and ship it in here, as manufactured carpets, without adequate protection of the tariff.

Mr. FISHER. Mr. Chairman, will the gentleman yield?

Mr. HARRISON of Virginia. I yield to the gentleman from Texas.

Mr. FISHER. The gentleman referred to the 34 million pounds admitted from Red China.

Mr. HARRISON of Virginia. That was in 1 year.

Mr. FISHER. That is correct. But, the Department of Commerce informs me that the average import back during the time we were trading with China ran 8 million pounds a year from 1954 through 1949, so I think we should refer to the average and not to one unusual year.

Mr. HARRISON of Virginia. Will the gentleman deny that the shortage came about when Tibet and China ceased to be free nations for export?

So far as any injury to the wool producer is concerned, I do not think anyone in this House would say that the gentleman from Colorado [Mr. HILL], who has announced his advocacy of this measure, would, in any likelihood, betray their interest.

Now, let me tell you another thing how the producers are protected. This wool can be used only for the manufacture of carpet. It comes in under bond. There is no change in the law here. There is not any basis for a contention of new special privilege. It is not true. The policy established of putting carpet wool on the free list is some 70 years old, and this is a continuation of the policy, so that this industry can get the raw material it needs, which can be supplied in this country.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. HARRISON of Virginia. I yield to the gentleman from Illinois.

Mr. MASON. Up until now we have had wool come in 40 and below in grade free.

Mr. HARRISON of Virginia. That is right.

Mr. MASON. Now you are asking to extend it up to 46, possibly 48.

Mr. HARRISON of Virginia. That is to broaden the definition, not to change the principle.

Mr. MASON. When you extend it to 46 you are competing with wool grown in this country, because they grow much wool of that grade.

Mr. HARRISON of Virginia. I take issue with the gentleman. The Tariff Commission report shows that but 1 percent of it goes in that category. The evidence before the committee shows that the carpet-wool people have never been able to get supplies in this country, and on the one occasion that they bought some too small, trifling amount, they were unable to use it. It was utterly unsatisfactory for their purpose.

Now, this wool cannot be used for anything but carpet because it comes in under bond and it cannot be used for anything else. It cannot be taken out of bond for anything else except carpets. Now, the papermaker felt people complain because the carpet people are given duty-free treatment. However, the papermaker felt people are in a field where the American producer can supply them, or at least half of the supplies of the papermaker-felt industry comes from the domestic market. Therefore, in order to compensate them, they are given not only an ad valorem tariff of 15 percent, but are given a special compensatory tariff of 37½ cents a pound, which is twice the amount of money that they need to compensate them for any foreign competition. So there could not be any question that the contention of favoritism is without foundation.

Mr. BYRNES of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. HARRISON of Virginia. I yield to the gentleman.

Mr. BYRNES of Wisconsin. This compensatory duty has to do with the importation of papermaker felt imported into this country; is that correct?

Mr. HARRISON of Virginia. That is right.

Mr. BYRNES of Wisconsin. That is the protection they have against the foreign product. It has nothing to do with the fibers that they have to import into this country to make their own felt, does it?

Mr. HARRISON of Virginia. But the gentleman's point has been that in competing for these wools in the world market, if they are in competition, which we deny—but let us assume that they are in competition, and let us assume the gentleman's point is valid, that they will have to pay a higher price in the world market, their foreign competition has to pay not only that price but twice as much in the form of duty before they can sell their papermaker felt in the United States.

The CHAIRMAN. The time of the gentleman from Virginia has expired. All time has expired.

Under the rule, the bill is considered as having been read for amendment. No amendments are in order to the bill except amendments offered by direction of the Committee on Ways and Means.

The Clerk will report the committee amendments.

The Clerk read as follows:

Page 1, line 10, strike out "thereon" and insert "thereof."

Page 2. Strike out section 2 and insert:

"SEC. 2. The amendments made by this act shall be effective only with respect to wool entered, or withdrawn from warehouse, for consumption, during the 3-year period beginning on the 60th day after the date of the enactment of this act."

The committee amendments were agreed to.

The CHAIRMAN. Are there any further committee amendments?

Mr. MILLS. Mr. Chairman, there are no further committee amendments.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BOLAND, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 2151) to amend certain provisions of the Tariff Act of 1930 relative to import duties on certain coarse wool, pursuant to House Resolution 460, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule the previous question is ordered. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. MASON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. BYRNES of Wisconsin. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 250, nays 129, not voting 50, as follows:

[Roll No. 8]

YEAS—250

Abbitt	Cretella	Haskell
Addonizio	Cunningham, Nebr.	Healey
Albert	Curtin	Herlong
Alexander	Curtis, Mass.	Hess
Allen, Calif.	Dague	Hill
Allen, Ill.	Davis, Ga.	Hillings
Andrews	Delaney	Holifield
Anfuso	Dellay	Holland
Arends	Denton	Holtzman
Ashley	Derounian	Hosmer
Ashmore	Diggs	Huddleston
Auchincloss	Dingell	Hull
Baker	Dollinger	Hyde
Barden	Donohue	Jackson
Barrett	Dorn, N. Y.	Jarman
Bates	Dorn, S. C.	Jenkins
Beckworth	Durham	Jennings
Belcher	Dwyer	Jonas
Bennett, Fla.	Edmondson	Jones, Ala.
Bentley	Evins	Jones, Mo.
Boland	Fallon	Karsten
Bolton	Farbstein	Kean
Bosch	Fascell	Kearney
Boyle	Fino	Kearns
Bray	Flood	Keating
Breeding	Flynt	Kelly, N. Y.
Brooks, La.	Fogarty	Keogh
Broomfield	Forand	Kilburn
Brown, Ga.	Ford	King
Brown, Mo.	Fountain	Kitchin
Brownson	Frazier	Kluczynski
Broyhill	Frelinghuysen	Lafore
Buckley	Friedel	Landrum
Bush	Fulton	Lane
Byrd	Gary	Lankford
Byrne, Pa.	Gathings	Latham
Canfield	Gavin	Lennon
Cannon	Granahan	Libonati
Carnahan	Grant	Long
Carrigg	Gray	Loser
Celler	Griffin	McCormack
Chamberlain	Griffiths	McFall
Chiperfield	Gubser	McIntosh
Christopher	Gwinn	McMillan
Church	Hale	Macdonald
Clark	Haley	Machrowicz
Collier	Halleck	Mack, Ill.
Cooley	Hardy	Madden
Corbett	Harrison, Va.	Magnuson
Coudert	Harvey	Martin
Cramer		Matthews

May	Powell	Smith, Va.
Merrow	Preston	Spence
Michel	Price	Springer
Miller, Md.	Rabaut	Stauffer
Mills	Ray	Steed
Minshall	Reed	Sullivan
Mitchell	Reuss	Taber
Morano	Rhodes, Pa.	Teller
Morris	Riehlman	Tewes
Morrison	Robeson, Va.	Thomas
Multer	Robison, N. Y.	Thompson, N. J.
Mumma	Robsion, Ky.	Thompson, Tex.
Murray	Rodino	Tollefson
Neal	Rogers, Colo.	Trimble
Nicholson	Rogers, Fla.	Tuck
Nimtz	Rogers, Mass.	Utt
Norrell	Rogers, Tex.	Vanik
O'Brien, Ill.	Rooney	Van Pelt
O'Hara, Ill.	Roosevelt	Vorys
O'Neill	Sadlak	Vursell
Osmers	Santangelo	Wainwright
Ostertag	St. George	Walter
Passman	Scherer	Whitener
Patman	Scott, N. C.	Whitten
Patterson	Scott, Pa.	Williams, Miss.
Pelly	Seely-Brown	Wilson, Calif.
Perkins	Sheehan	Wilson, Ind.
Philbin	Shelley	Wright
Pilcher	Shuford	Yates
Pillion	Sieminski	Younger
Poage	Sikes	Zablocki
Poff	Simpson, Pa.	Zelenko
Porter	Smith, Miss.	

NAYS—129

Abernethy	Gross	Moulder
Adair	Harden	Natcher
Alger	Harrison, Nebr.	Norblad
Andersen, H. Carl	Hemphill	O'Brien, N. Y.
	Henderson	O'Hara, Minn.
Anderson, Mont.	Heselton	O'Konski
	Hiestand	Pfost
Aspinall	Hoeven	Prouty
Avery	Hoffman	Rees, Kans.
Ayres	Holmes	Rhodes, Ariz.
Bailey	Holt	Riley
Baldwin	Horan	Rivers
Bass, N. H.	Ikard	Rutherford
Baumhart	Jensen	Saund
Beamer	Johansen	Saylor
Bennett, Mich.	Johnson	Schenck
Berry	Kilday	Schwengel
Betts	Kilgore	Scrivner
Blitch	Knox	Scudder
Boykin	Knutson	Selden
Brooks, Tex.	Krueger	Siler
Brown, Ohio	Laird	Simpson, Ill.
Budge	LeCompte	Sisk
Burleson	Lipscomb	Smith, Calif.
Byrnes, Wis.	McCarthy	Smith, Kans.
Cederberg	McCulloch	Staggers
Chelf	McDonough	Talle
Chenoweth	McGovern	Teague, Calif.
Coad	McIntire	Thompson, La.
Coffin	McVey	Thomson, Wyo.
Colmer	Mack, Wash.	Thornberry
Cunningham, Iowa	Mahon	Udall
	Mailliard	Ullman
Curtis, Mo.	Marshall	Van Zandt
Dawson, Utah	Mason	Watts
Dempsey	Meader	Weaver
Dennison	Metcalf	Wier
Dent	Miller, Calif.	Wigglesworth
Dixon	Miller, Nebr.	Williams, N. Y.
Dowdy	Miller, N. Y.	Willis
Elliott	Montoya	Winstead
Fenton	Moore	Withrow
Fisher	Morgan	Wolverton
George	Moss	Young

NOT VOTING—50

Baring	Eberharter	Kee
Bass, Tenn.	Engle	Kirwan
Becker	Feighan	Lesinski
Blatnik	Forrester	McGregor
Boggs	Garmatz	Polk
Bolling	Glenn	Radwan
Bonner	Gordon	Rains
Bow	Green, Oreg.	Reece, Tenn.
Burdick	Green, Pa.	Roberts
Byrne, Ill.	Gregory	Sheppard
Clevenger	Hagen	Taylor
Davis, Tenn.	Harris	Teague, Tex.
Dawson, Ill.	Hays, Ark.	Vinson
Devereux	Hays, Ohio	Westland
Dies	Hébert	Wharton
Dooley	James	Widnall
Doyle	Judd	

So the bill was passed.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Taylor.
Mr. Dawson of Illinois with Mr. James.
Mr. Dies with Mr. Dooley.
Mr. Blatnik with Mr. Devereux.
Mr. Hogen with Mr. Judd.
Mr. Forrester with Mr. Glenn.
Mr. Garmatz with Mr. Westland.
Mrs. Green of Oregon with Mr. Widnall.
Mr. Rains with Mr. Radwan.
Mr. Robert with Mr. McGregor.
Mrs. Kee with Mr. Clevenger.
Mr. Baring with Mr. Becker.
Mr. Boggs with Mr. Wharton.
Mr. Eberharter with Mr. Reece of Tennessee.
Mr. Engle with Mr. Bow.
Mr. Hays of Arkansas with Mr. Byrne of Illinois.
Mr. Hays of Ohio with Mr. Burdick.

Messrs. HARRISON of Nebraska, VAN ZANDT, MEADER, and STAGGERS changed their vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

The title was amended to read as follows: "A bill to suspend for 3 years the import duties on certain coarse wool."

A motion to reconsider was laid on the table.

RECIPROCAL TRADE AGREEMENTS ACT

Mr. NEAL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. NEAL. Mr. Speaker, while it is generally admitted the American economy does now and must in the foreseeable future depend upon export trade, it is equally obvious that unrestricted imports can throw our domestic economy out of balance. A successful domestic economy cannot exist when emphasis is placed on production of exportable commodities under trade policies that permit foreign products to usurp markets for domestically produced consumer goods.

Uniform production can exist only during high level employment of all branches of industry employing both skilled and unskilled labor forces. This cannot happen when excess consumer commodities are allowed to flood our markets to the extent that our own industries no longer find buyers for their products.

Administration of the Reciprocal Trade Agreements Act, instead of meeting the ideals for which it was enacted, has consistently disregarded the welfare of a large number of small industrial producers of domestic commodities in an effort to encourage production and export of products in great demand by foreign nations. Much of this export trade has enjoyed Federal subsidy. Only a portion of its cost has been met by credits resulting from the sale of foreign made consumer products permitted to enter our local markets. Yet, imports of these goods have been allowed to enter our markets to cause the failure of a large number of our local industries and the unemployment of those people upon whom these industries depend.

Fairly administered, the Trade Agreements Act can be beneficial to our world trade without undue injury to our American economy. This may require quotas. This is especially the case in imports of foreign oil, both crude and residual. The latter continues to displace American coal, causing unemployment of thousands of employable people.

Most consumer imports are produced by foreign labor whose pay is in nowise commensurate with American standards. Such commodities need not necessarily be excluded from our markets, but at least their import duties should be determined on the basis of the differential between costs of production.

Section 336 of the Tariff Act of 1930, no longer effective, set out methods by which such adjustments of import duties could be determined. Renewal of the Reciprocal Trade Agreements Act, without some provision for this principle, will eventually result in the closure of many of our small industrial establishments, causing unnecessary unemployment and a dangerously unbalanced economy.

AIRCRAFT COLLISIONS

Mr. HILLINGS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HILLINGS. Mr. Speaker, I know that all of us in the House have been shocked by the tragedies resulting from the crowding of air space over metropolitan centers of the United States, particularly in the Los Angeles area.

In recent days there have been three midair collisions over the Los Angeles area resulting in a terrible toll of life and property.

I realize that Congress during the last session gave the authority for the establishment of an Airways Modernization Board, which now has just started to function.

But can the Board act swiftly enough to meet a situation that is growing ever more dangerous with each passing day?

With no intent to reflect on this new board, I plan to introduce a resolution calling for the creation of an emergency joint Congressional committee to give swift consideration to changes in the Civil Aeronautics Act for absolute control of our shrinking airspace by the appropriate government agency.

The emergency joint Congressional committee would function only until it had completed its findings and made its recommendations for safer air-traffic patterns for commercial, military, and civil aviation.

The time for action in absolutely controlling the airspace over the continental United States is now, lest we witness more of these appalling tragedies.

Since last Saturday, there were three midair collisions over the Los Angeles

metropolitan area with a loss of 55 lives and destruction of property in densely populated sections. The wonder is that more lives were not lost.

These three terrible crashes followed by a year the collision of a commercial transport and a military jet over the San Fernando Valley, with the wreckage spewing over Pacoima schoolyard, killing and maiming children at play. This tragedy cost the lives of eight persons.

The emergency joint Congressional committee could work closely with the Airways Modernization Board and perhaps make specific recommendations for better control of congested traffic patterns.

I think this problem of airspace, which will be further restricted when jet transports are placed in commercial service, demands the full and immediate attention of Congress through the creation of an emergency joint committee of our top aviation experts in the House and Senate.

DEMOCRATIC ADVISORY COMMITTEE

Mr. BASS of New Hampshire. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. FRELINGHUYSEN] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

Mr. FRELINGHUYSEN. Mr. Speaker, the so-called Democratic advisory committee issued another one of its policy statements a few days ago. In its latest search for headlines, this group has been guilty of the most irresponsible kind of political extremism.

The Democrats have accused the Eisenhower administration of contributing to the current recession by a deliberate, premeditated, and stubbornly pursued policy. They charge that Republicans have no program for checking and reversing the downward trend of economic activity. They say President Eisenhower now advocates the same defeatist doctrine expressed by President Hoover nearly 30 years ago.

The Democrats have sought to raise old ghosts regarding the depression of the 1930's. By implication at least they suggest we again face a major depression, with Government unwilling or unable to respond.

It needs no expert to tell us that 1958 is not 1929. Economic conditions are far different today than they were then. We now have many built-in economic safety valves, such as unemployment insurance and old-age pensions, and a Government ready to step in should that be necessary. Even blind partisans must realize, though they refuse to admit it, that the Eisenhower administration is pledged to take strong action to prevent mass unemployment.

The Democrats will not help economic conditions by this blatant attempt to scare up votes. On the contrary, this type of demagogic scare talk can only do harm.

Only last week we heard many Democrats talking about the importance of avoiding excessive partisanship. This latest evidence of extremism is not likely to foster political restraint. Judging by their latest effort, it looks as if the Democratic advisory committee badly needs some sound advice.

MR. STEVENSON IS OUT OF STEP AGAIN

Mr. SCOTT of Pennsylvania. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SCOTT of Pennsylvania. Mr. Speaker, Mr. Adlai Stevenson is quoted in the Washington Star of February 3 as making light of the American satellite by referring to it as "long, thin, and not much to it."

At a time when Americans generally are rejoicing in a scientific achievement of the first magnitude, it is regrettable that Mr. Stevenson, under cover of wit, chooses to disparage an accomplishment to which Americans thrilled with pride.

Mr. Stevenson is out of step again.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. WIDNALL (at the request of Mr. OSMERS), for the balance of this week, on account of illness.

Mr. BARING (at the request of Mr. MCCORMACK), for the balance of the week, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. PATMAN, for 45 minutes, on Thursday next, to revise and extend his remarks and include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. HILLINGS in two instances and to include extraneous matter.

Mr. CELLER (at the request of Mr. MCCORMACK) in two instances and to include extraneous matter.

Mr. GORDON (at the request of Mr. MCCORMACK) and to include extraneous matter.

Mr. POWELL (at the request of Mr. MCCORMACK) and to include extraneous matter.

Mr. KEAN and to include a letter from the Secretary of Commerce.

Mr. MAY (at the request of Mr. MCINTIRE).

Mr. ROOSEVELT and to include extraneous matter.

Mr. ASHLEY (at the request of Mr. ALBERT) and to include extraneous matter.

Mr. THOMPSON of New Jersey in two instances and to include extraneous matter.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following table:

S. 1408. An act to provide allowances for transportation of house trailers to civilian employees of the United States who are transferred from one official station to another.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 30 minutes p. m.) the House adjourned until tomorrow, Wednesday, February 5, 1958, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1567. A letter from the Assistant Secretary of the Navy (Personnel and Reserve Forces), transmitting a report on the progress in the Department of the Navy of the ROTC flight training program, pursuant to Public Law 879, 84th Congress; to the Committee on Armed Services.

1568. A letter from the Comptroller General of the United States, transmitting a report on the review of the reconstruction of a portion of Florida State Road 402 to serve as a new access road to Patrick Air Force Base, Cocoa, Fla., pursuant to the Budget and Accounting Act, 1921 (31 U. S. C. 53), and the Accounting and Auditing Act of 1950 (31 U. S. C. 67); to the Committee on Government Operations.

1569. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation entitled "A bill to authorize the Secretary of Commerce to enter into contracts for the conduct of research in the field of meteorology and to authorize installation of Government telephones in certain private residences"; to the Committee on Interstate and Foreign Commerce.

1570. A letter from the Chairman, Civil Aeronautics Board, transmitting the annual report of the Civil Aeronautics Board covering fiscal year 1957; to the Committee on Interstate and Foreign Commerce.

1571. A letter from the Postmaster General, transmitting a tabulation showing the number of envelopes, labels, wrappers, cards, and other articles bearing penalty indicia procured or accounted for through the United States Post Office Department during fiscal year ending June 30, 1957, pursuant to Public Law 785, 80th Congress; to the Committee on Post Office and Civil Service.

1572. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to the Immigration and Nationality Act of 1952 (8 U. S. C. 1254 (a) (1)); to the Committee on the Judiciary.

1573. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of

orders suspending deportation as well as a list of the persons involved, pursuant to the Immigration and Nationality Act of 1952 (8 U. S. C. 1254 (a) (5)); to the Committee on the Judiciary.

1574. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders granting the applications for permanent residence filed by the subject, pursuant to the Refugee Relief Act of 1953; to the Committee on the Judiciary.

1575. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting a copy of the order granting the application for permanent residence filed by Tom Hee, pursuant to the Displaced Persons Act of 1948, as amended; to the Committee on the Judiciary.

1576. A letter from the Comptroller General of the United States, transmitting a report on the audit of the Export-Import Bank of Washington for the fiscal year ended June 30, 1957, pursuant to the Government Corporation Control Act (31 U. S. C. 841) (H. Doc. No. 322); to the Committee on Government Operations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. McMILLAN: Committee on the District of Columbia. H. R. 9304. A bill to amend section 12 of the act approved September 1, 1916, as amended; without amendment (Rept. No. 1323). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. S. 1040. An act to amend the act known as the Life Insurance Act, approved June 19, 1934, and the Fire and Casualty Act, approved October 9, 1940; without amendment (Rept. No. 1324). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. S. 1908. An act to amend the District of Columbia Hospital Center Act in order to extend the time and increase the authorization for appropriations for the purposes of such act, and to provide that grants under such act may be made to certain organizations organized to construct and operate hospital facilities in the District of Columbia; without amendment (Rept. No. 1325). Referred to the Committee of the Whole House on the State of the Union.

Mr. LANE: Committee on the Judiciary. H. R. 3261. A bill for the relief of the Oceanside-Libby Union School District, San Diego County, Calif., with amendment (Rept. No. 1326). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. H. R. 7300. A bill to amend section 15 of the District of Columbia Alcoholic Beverage Control Act; with amendment (Rept. No. 1327). Referred to the House Calendar.

Mr. CELLER: Committee on the Judiciary. Report, pursuant to House Resolution 107, on the airlines industry (Rept. No. 1328). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. McMILLAN: Committee on the District of Columbia. H. R. 9271. A bill to authorize the National Society of the Sons of the American Revolution to use certain real estate in the District of Columbia as the national headquarters of such society; without amendment (Rept. No. 1322). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. AYRES:

H. R. 10477. A bill to amend the Servicemen's Readjustment Act of 1944, to extend for 1 year the direct and guaranteed home-loan programs, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. ADDONIZIO:

H. R. 10478. A bill to amend the National Housing Act to authorize the Federal Housing Commissioner to purchase certain insured mortgages for the purpose of avoiding foreclosure in cases where the mortgagor is in financial straits for reasons beyond his control and could not otherwise retain his property; to the Committee on Banking and Currency.

By Mr. ASPINALL:

H. R. 10479. A bill to amend the Internal Revenue Code of 1954 to establish a 27½ percentage depletion allowance for minerals mined as a source of synthetic oil or gas; to the Committee on Ways and Means.

H. R. 10480. A bill to extend and liberalize the direct home-loan program for veterans, to extend the guaranteed home-loan program, to provide special assistance to paraplegic veterans under the direct home-loan program, to stimulate the making of direct farm-housing loans, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. BENTLEY:

H. R. 10481. A bill to amend title II of the Social Security Act to provide that an individual may become entitled to husband's insurance benefits thereunder if he is dependent on his insured wife when he files his application for such benefits, even though he was not dependent on her when she became entitled to old-age insurance benefits; to the Committee on Ways and Means.

By Mr. BROYHILL:

H. R. 10482. A bill to create a Washington Metropolitan Area Authority with certain powers over terminal and transportation facilities in the Washington metropolitan area; to the Committee on Interstate and Foreign Commerce.

By Mr. BROYHILL (by request):

H. R. 10483. A bill to amend the Civil Service Act of January 16, 1883, to eliminate the provisions of section 9 thereof concerning two or more members of a family in the competitive civil service; to the Committee on Post Office and Civil Service.

H. R. 10484. A bill to amend the Civil Service Act of January 16, 1883, to eliminate the requirement of apportionment of appointments to the competitive civil service; to the Committee on Post Office and Civil Service.

By Mr. BURDICK:

H. R. 10485. A bill to change the name of the reservoir above Garrison Dam and known as Garrison Reservoir or Garrison Lake to Lake Sakakawea; to the Committee on Interior and Insular Affairs.

By Mr. CELLER:

H. R. 10486. A bill to amend section 4083, title 18, United States Code, relating to penitentiary imprisonment; to the Committee on the Judiciary.

By Mr. COOLEY:

H. R. 10487. A bill to extend and expand the operations of the Agricultural Trade Development and Assistance Act of 1954, and for other purposes; to the Committee on Agriculture.

By Mr. FALLON:

H. R. 10488. A bill to revise the Federal-aid highway laws of the United States; to the Committee on Public Works.

By Mr. FULTON:

H. R. 10489. A bill to establish an effective program to alleviate conditions of substantial and persistent unemployment and underemployment in certain economically depressed areas; to the Committee on Banking and Currency.

By Mr. GWINN (by request):

H. R. 10490. A bill to extend and improve the act of September 23, 1950, and the act of September 30, 1950, which provide financial assistance in the construction and operation of schools in areas affected by Federal activites, and for other purposes; to the Committee on Education and Labor.

By Mr. KEAN:

H. R. 10491. A bill to reduce individual income taxes by 10 percent of the tax on the first $1,000 of taxable income and 5 percent on all tax over $1,000, to reduce the tax on net long-term capital gains in the case of assets held over 2 years to a maximum rate of 16 percent and in the case of taxpayers over 65 years of age to 10 percent; to the Committee on Ways and Means.

By Mr. KNOX:

H. R. 10492. A bill to regulate the foreign commerce of the United States by establishing quantitative restrictions on the importation of hardwood plywood; to the Committee on Ways and Means.

By Mr. McFALL:

H. R. 10493. A bill to specify the indemnity payable with respect to cattle destroyed because of tuberculosis; to the Committee on Agriculture.

By Mr. MULTER:

H. R. 10494. A bill to amend section 5210 of the Revised Statues to provide that lists of the shareholders of national banks shall be available for inspection by committees of Congress, and for other purposes; to the Committee on Banking and Currency.

By Mr. MURRAY:

H. R. 10495. A bill to amend that part of the act of June 9, 1896 (29 Stat. 313), relating to the establishment of postal stations and branch post offices, so as to permit them to be established within 10 miles of the boundary of the adjoining city; to the Committee on Post Office and Civil Service.

H. R. 10496. A bill to revise the law relating to the dispatch of mail from post offices, and for other purposes; to the Committee on Post Office and Civil Service.

H. R. 10497. A bill to further amend the first sentence of the act of January 20, 1888 (25 Stat. 1), as amended, by repealing the restrictive provisions relating to the form of publishers' bills, receipts, and orders for subscriptions enclosed in publications mailed at second-class rates of postage, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. NIMTZ:

H. R. 10498. A bill to authorize the advance on the retired list of M. Sgt. Chester E. Games, United States Army (retired) to the grade of first lieutenant; to the Committee on Armed Services.

By Mr. RAINS:

H. R. 10499. A bill to amend the Internal Revenue Code of 1954 so as to establish an initial program of tax adjustment for small and independent business and for persons engaged in small and independent business; to the Committee on Ways and Means.

H. R. 10500. A bill to amend section 221 of the National Housing Act to permit

families displaced from a community by action of the Federal Government, whether or not such community has a workable program, to be relocated in section 221 housing in another community if it has such a program and is within commuting distance; to the Committee on Banking and Currency.

By Mr. RAY:

H. R. 10501. A bill to provide that education and training may be afforded certain veterans under the Veterans' Readjustment Act of 1952 who did not initiate their program of education or training within 3 years after their discharge from active service; to the Committee on Veterans' Affairs.

By Mr. REUSS:

H. R. 10502. A bill to prohibit discrimination because of age in the hiring and employment of persons by Government contractors; to the Committee on the Judiciary.

By Mr. RHODES of Pennsylvania:

H. R. 10503. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income for certain amounts paid by a teacher for his further education; to the Committee on Ways and Means.

By Mr. ROBESON of Virginia:

H. R. 10504. A bill to make the provisions of the Longshoremen's and Harbor Workers' Compensation Act applicable to certain civilian employees of nonappropriated fund instrumentalities of the Armed Forces, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. SCOTT of Pennsylvania:

H. R. 10505. A bill to amend title II of the Social Security Act to provide that the child of a deceased insured individual may receive child's insurance benefits after attaining age 18 so long as he is a student regularly attending school; to the Committee on Ways and Means.

H. R. 10506. A bill to amend the Internal Revenue Code of 1954 to increase the amount of the personal income tax exemption allowed a taxpayer for a dependent from $600 to $1,000 for any taxable year in which such dependent is a student attending school at the college level or above; to the Committee on Ways and Means.

By Mr. ALBERT:

H. R. 10507. A bill to amend the Federal-Aid Highway Act of 1956 to increase mileage of the National System of Interstate and Defense Highways, and for other purposes; to the Committee on Public Works.

By Mr. ASHLEY:

H. R. 10508. A bill to amend section 221 of the National Housing Act to permit families displaced from a community by action of the Federal Government, whether or not such community has a workable program, to be relocated in section 221 housing in another community if it has such a program and is within commuting distance; to the Committee on Banking and Currency.

By Mr. EDMONDSON:

H. R. 10509. A bill to amend the Federal-Aid Highway Act of 1956 to increase the mileage of the National System of Interstate and Defense Highways, and for other purposes; to the Committee on Public Works.

By Mr. JONES of Missouri:

H. R. 10510. A bill to provide additional cotton acreage for meeting existing shortages of upland cotton grading Strict Low Middling and better; to the Committee on Agriculture.

By Mr. McGREGOR:

H. R. 10511. A bill to revise the Federal-aid highway laws of the United States; to the Committee on Public Works.

By Mr. JARMAN:

H. R. 10512. A bill to amend the Federal-Aid Highway Act of 1956 to increase the mileage of the National System of Interstate and Defense Highways, and for other purposes; to the Committee on Public Works.

By Mr. TEAGUE of California:

H. R. 10513. A bill to amend title 10 of the United States Code to provide for the establishment of a program of cash awards for suggestions or inventions made by members of the Armed Forces which contribute to the efficiency, economy, or other improvement of Government operations in the general field under the supervision of the Secretary of Defense; to the Committee on Armed Services.

By Mr. McGOVERN:

H. R. 10514. A bill to transfer to the Secretary of Agriculture certain alcohol-producing facilities of the United States, to require him to produce alcohol from surplus agricultural products and certain corn and wheat, to provide for the disposal of such alcohol, and for other purposes; to the Committee on Agriculture.

By Mr. CURTIN:

H. J. Res. 525. Joint resolution proposing an amendment to the Constitution of the United States to establish a commission to determine the inability of a President to discharge the powers and duties of the office of President; to the Committee on the Judiciary.

By Mr. RODINO:

H. J. Res. 526. Joint resolution to punish the imparting of false information concerning bombs and other destructive substances; to the Committee on the Judiciary.

By Mr. HILLINGS:

H. Con. Res. 258. Concurrent resolution establishing an emergency joint Congressional committee to investigate and study and make recommendations with respect to the control of the air space of the United States; to the Committee on Rules.

By Mr. WAINWRIGHT:

H. Con. Res. 259. Concurrent resolution to request the President to designate the year 1960 as "Visit U. S. A. Year"; to the Committee on the Judiciary.

By Mr. SAYLOR:

H. Con. Res. 260. Concurrent resolution to request delay of further action under title I of the act of August 30, 1954 (68 Stat. 961); to the Committee on the District of Columbia.

By Mr. FORAND:

H. Res. 471. Resolution to print 7,500 additional copies of H. R. 9467, 85th Congress, 1st session; to the Committee on House Administration.

By Mr. KEARNS:

H. Res. 472. Resolution providing that potato soup shall be included on the menu of the House of Representatives restaurant and branches thereof as often as possible; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Kentucky, memorializing the President and the Congress of the United States relative to requesting the repeal of transportation excise taxes in the amounts of 10 percent on passenger travel and 3 percent on freight levied during World War II, and to provide a measure of needed relief to the people of our Nation by enacting pending legislation to repeal these wartime excise taxes levied on transportation; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BROWN of Ohio:

H. R. 10515. A bill for the relief of Harley D. Rucker; to the Committee on the Judiciary.

By Mr. BROYHILL (by request):

H. R. 10516. A bill for the relief of Gourgen H. Assaturian; to the Committee on the Judiciary.

H. R. 10517. A bill for the relief of Hilary W. Jenkins, Jr.; to the Committee on the Judiciary.

By Mrs. DWYER:

H. R. 10518. A bill for the relief of Mrs. Nicolina Donatelli Mastrocecco; to the Committee on the Judiciary.

By Mr. FARBSTEIN:

H. R. 10519. A bill for the relief of Joseph N. Cohen; to the Committee on Post Office and Civil Service.

By Mr. HERLONG:

H. R. 10520. A bill for the relief of A1c. Delbert Lanham; to the Committee on the Judiciary.

By Mr. JACKSON:

H. R. 10521. A bill for the relief of Milton S. Koblitz; to the Committee on the Judiciary.

By Mr. SHELLEY:

H. R. 10522. A bill for the relief of Josefina Formalejo; to the Committee on the Judiciary.

By Mr. STAGGERS:

H. R. 10523. A bill for the relief of Dr. Carlo M. Marchesi and his wife, Pia Maria Marchesi; to the Committee on the Judiciary.

By Mr. TEWES:

H. R. 10524. A bill for the relief of Robert Francis Stewart; to the Committee on the Judiciary.

By Mr. UTT:

H. R. 10525. A bill for the relief of Elizabeth Stylianou; to the Committee on the Judiciary.

H. R. 10526. A bill for the relief of Kyriake and Georgia Stylianou; to the Committee on the Judiciary.

By Mr. WALTER:

H. J. Res. 527. Joint resolution to facilitate the admission into the United States of certain aliens; to the Committee on the Judiciary.

H. J. Res. 528. Joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens; to the Committee on the Judiciary.

H. J. Res. 529. Joint resolution for the relief of certain aliens; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

373. By Mr. PATMAN: Petition of Donald B. Foltz and 59 other citizens of Texarkana, Tex., requesting early consideration of and action on H. R. 77, a bill to provide a direct old-age pension of $75 a month for every citizen of the United States who is 65 years of age or over; to the Committee on Ways and Means.

374. By the SPEAKER: Petition of the city clerk, Chicago, Ill., requesting an increase from $10,000 to $14,000 per unit the legally permitted maximum amount available under section 221 of the Federal Housing Act; to the Committee on Banking and Currency.

375. Also, petition of the fourth district adjutant, the American Legion, Hamilton, Ohio, petitioning consideration of their resolution with reference to urging Senators BRICKER and LAUSCHE of Ohio "to oppose any and all attempts now being made or which may be made to weaken, destroy, or repeal the McCarran-Walter Immigration and Nationality Act"; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Commemorative Stamp Honoring Early Polish Settlers at Jamestown in 1608

EXTENSION OF REMARKS
OF
HON. THOMAS S. GORDON
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 4, 1958

Mr. GORDON. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the text of a second letter which I wrote to the Post Office Department on January 22, 1958, requesting further consideration of my earlier suggestion that a special commemorative stamp be issued, honoring the early Polish settlers and their role in the founding of Jamestown.

I am also including the reply of January 30, which I received from the special assistant to the Postmaster General, explaining the negative decision of the Post Office Department.

I regret very much that the Post Office Department finds it impossible to issue such a special stamp and, as with my previous request of January 9, 1958, and the reply of the special assistant to the Postmaster General which were inserted in the RECORD of January 21, 1958, page 727, I take this additional way to further call attention to the significant role of the early Polish settlers and their part in founding the first factory in the United States in 1608.

The letters follow:

JANUARY 22, 1958.

Hon. L. ROHE WALTER,
Special Assistant to the Postmaster General, Post Office Department, Washington, D. C.

DEAR MR. WALTER: I was very much disappointed to learn from your letter of January 17 of the Department's position on the suggestion that a commemorative stamp be issued honoring the early Polish settlers and the part they played in the founding of Jamestown.

I note that 50 years ago a set of 3 stamps was released to mark the 300th anniversary of the founding of Jamestown and in 1957 a stamp was issued jointly noting the International Naval Review and the Jamestown Festival. Neither the 1907 nor the 1957 stamp relates directly to the establishment of industry in Jamestown in 1608 or to the part played by the Polish artisans in the founding of the first factory in what later became the United States. This has such historical significance aside from the events commemorated by the stamps you mention that I felt impelled to write again to ask if the Department would be willing to give further consideration to this matter.

I think we are all agreed that commemorative postage stamps have a great educational value. I have a strong impression that we have not yet realized fully the extent of the benefits possible through a greater use of postage stamps to highlight historical events that also have an impact in the field of foreign relations. With this thought in mind, I am writing to request your further consideration.

Sincerely yours,
THOMAS S. GORDON, *Chairman.*

JANUARY 30, 1958.

Hon. THOMAS S. GORDON,
Chairman, Committee on Foreign Affairs, House of Representatives, Washington, D. C.

DEAR MR. CHAIRMAN: Thank you for your letter of January 22, in which you request that further consideration be given to the issuance of a commemorative stamp honoring the early Polish settlers and the part they played in the founding of the first glass factory in the United States.

The Citizens' Stamp Advisory Committee was requested to consider a stamp for the 350th anniversary of the glass industry in America on three separate occasions. Each time their decision was negative. In view of this fact, I do not feel a further request should be made of them. I have a thorough awareness of the importance of this occasion and of the contributions of this pioneer group of Polish immigrants. However, I am certain you will realize my position as Postmaster General Summerfield's liaison with the Citizens' Stamp Advisory Committee renders it difficult for me to pursue this matter further.

I am sorry this decision is necessary.

Cordially yours,
L. ROHE WALTER,
Special Assistant to the Postmaster General.

Highways and Historical Sites: Pennsylvania Has One Standard for Philadelphia's Independence National Historical Park, Another for the Town of New Hope

EXTENSION OF REMARKS
OF
HON. FRANK THOMPSON, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 4, 1958

Mr. THOMPSON of New Jersey. Mr. Speaker, the lovely town of New Hope, Pa., a few miles up the Delaware River from Trenton, N. J., is threatened with destruction by a modern express highway. Pennsylvania, apparently, has one standard for Philadelphia, another for the town of New Hope.

New Jersey has already lost numerous landmarks and historic sites to the march of progress in the form of rubber tires, gasoline fumes, and an endless procession of filling stations, hot dog stands, neon lights, a lack of green places, and all the more depressing excrescences of civilization. Nearly all of my constituents visit New Hope each year to get away from this kind of progress.

In addition to New Jersey, New York, Massachusetts, Pennsylvania, Louisiana, and Virginia are States where places of historic interest are presently threatened by new highway programs as the Courier-Post of Camden, N. J., noted the other day in a splendid editorial.

I have recently received a letter from Kenneth Chorley, president of Colonial Williamsburg, on this matter. Mr. Chorley, a constituent of mine, writes in part as follows:

Thank you for your letter of December 30 enclosing copy of your bill H. R. 9511, and its Senate companion measure to prevent the encroachment of federally aided highways on historic sites. I think this is extremely important legislation.

As president of Colonial Williamsburg, I have been associated with historic preservation for over 30 years, and I can testify to the necessity for such legislation. The only question I have now is whether or not it goes far enough.

I note that the bill pertains only to lands or interests in lands with respect to which the Secretary of the Interior exercises, or may exercise, any function under the act of August 21, 1935. Unfortunately, I am not familiar with that act, and must, therefore, speak only from my own personal knowledge and observations. As far as Colonial Williamsburg is concerned, it is true that it is an historic Colonial National Park. However, let us assume that it is not in that park and the Secretary of the Interior has no jurisdiction over this historic site. Would this act then prevail?

Another illustration—and perhaps a better one—is Monticello. What would happen if a federally aided highway were planned in such a manner as to be detrimental to Monticello? Would this legislation prevail?

Here, then, at New Hope, Pa., is the perfect example of what Mr. Chorley has in mind.

Priceless bits of the American heritage are being chipped away, and public opinion must be alerted and must express itself in demands that State legislatures, as well as Congress, pass laws to protect the Nation's cultural values from burial under our ever-burgeoning strips of asphalt and concrete.

THIS ADMINISTRATION OPPOSES HISTORIC PRESERVATION

Fortunately, the Congress is showing an increasing interest in historic preservation. Some 70 bills have been introduced in both Houses of Congress which will save the Dolly Madison House, the Benjamin Tayloe House, historic Lafayette Park, Madison Place, Jackson Place, and the great State, War, Navy Building, all in Washington, D. C., which President Eisenhower would destroy for office building purposes. The President's plans add up to a $50 million boondoggle and the most expensive lawn in America. The Congress appropriated $232,000 to complete the Historic Buildings and Sites Survey authorized by the Historic Sites Act of 1935.

The 84th Congress kept this administration from destroying the historic Patent Office Building for parking lot purposes. It also stopped the scandalous plans to survey and destroy some 31 other historic buildings across the Nation, preparatory to replacing them with modern office buildings. Here was another boondoggle that alert action prevented.

NATIONAL CITIZENS COMMITTEE TO SAVE HISTORIC WASHINGTON

Several of our colleagues from both major parties have spearheaded the fight to save the historic United States Capitol

Building from an unwise building program, and have been instrumental in the formation of a national citizens' committee to save historic Washington. It is to be hoped that this committee soon will turn its attention to the President's plans for office expansion which will destroy Lafayette Park and its environs. Not to do so will convict the committee of being more interested in politics than in preservation of historic buildings and sites.

This Republican administration is actively hostile to all buildings over 70 years old. I am amazed by such disregard for the basic cultural values of our civilization which can only be compared to the sacking and destruction of some of the world's great libraries and art galleries which has taken place, from time to time, through the centuries. There is plenty of building to be done without destroying all the great structures of the past.

INDEPENDENCE NATIONAL HISTORICAL PARK

Pennsylvania's disregard of historic New Hope contrasts strikingly with the importance it attaches to Independence National Historical Park in Philadelphia.

Despite this treatment of New Hope, there is every reason for believing that we here in the United States are coming to recognize the values of our great past, especially when 60 million people visit our shrines yearly.

As we all know, Americans by the thousands tour abroad each year. They spend hundreds of millions of dollars to look at the historic sites and monuments of other countries. Yet the very things they adore abroad they destroy as quickly as possible at home. We have no cultural custodians to sort out the values at home.

I hope the good people of New Hope, Pa., the good people of Morristown, N. J., and a thousand other lovely towns and cities of our country will rise up in their wrath and form a powerful national organization to fight for the enduring values of our own way of life.

I hope the Courier-Post, of Camden, N. J., will launch such a national movement before it is too late, and that other newspapers and towns and cities will quickly join in this worthy drive.

Mr. Speaker, I include here the editorial entitled "Highways and Historical Sites," from the Camden Courier-Post of February 11, 1958. In addition, I include here a letter I have received from Herbert H. Smith, president of Community Planning Associates, Inc., of Princeton, N. J.:

[From the Camden (N. J.) Courier-Post of February 11, 1958]

HIGHWAYS AND HISTORICAL SITES

New Hope, Pa., is a famous artists' colony. To call it quaint might be insulting, but it is a beautiful old town that retains the charm of a bygone American era. That is why artists originally congregated there.

Now the State of Pennsylvania is planning to run a modern express highway down New Hope's narrow, tree-shaded Main Street. The project threatens destruction of the renowned Bucks County Playhouse, which fronts on Main Street. Residents are up in arms, petitions are circulating, and the State in the end may have to divert the highway.

Never before has highway planning threatened historic and cultural sites in America as it does today. New Hope's case is only one of many.

Elfreth's Alley, the famous little enclave of colonial Philadelphia near Benjamin Franklin Bridge, is threatened in whole or in part by a new highway planned along the Philadelphia waterfront. Like New Hope, it will not be so desecrated without a terrific fight by its many friends.

New Jersey has already lost numerous landmarks and historic sites to the march of progress in the form of rubber tires and gasoline fumes. A major threat is posed at the moment to the old Ford mansion in Morristown National Historical Park. This mansion, dating back to pre-Revolutionary days, was Washington's headquarters in the winter of 1779–80. Actual physical destruction of the building is not planned. But a realinement of Route 202 worked out by the State highway department under the new Federal highway program would bring heavy through traffic within less than 100 yards of the mansion. Part of the protective park land would be bitten off.

Perhaps the Ford mansion is luckier than many of its counterparts. Not only the Morristown Planning Board but the National Trust for Historical Preservation and the National Park Service itself are battling the projected encroachment. The highway department in the end probably will have to give in and build along a different line. Other routes are said to be perfectly feasible for the new road, as they are in virtually all similar cases.

Representative FRANK THOMPSON, JR., Democrat, of New Jersey, has introduced legislation in Congress to protect federally controlled areas like Morristown National Park from despoliation by highway construction. Similar legislation has been introduced in the Senate. It seems to have a fair chance of enactment, but it will apply only to historic sites under Federal control—a small minority.

In addition to New Jersey, New York, Massachusetts, Pennsylvania, Florida, Louisiana, and Virginia are States where places of historic interest are presently threatened by new highway programs, a conservation writer reports.

Priceless bits of the American heritage will be chipped away unless public opinion is alerted and expresses itself in demands that State Legislatures, as well as Congress, pass laws to protect the Nation's less tangible values from burial under our ever-burgeoning strips of asphalt and concrete.

COMMUNITY PLANNING ASSOCIATES, INC.,
Princeton, N. J., January 28, 1958.

Congressman FRANK THOMPSON, Jr.,
Trenton, N. J.

DEAR FRANK: Thank you for sending me copies of the legislation pertaining to planning for the new highway system as well as the other material.

While I am in no position to speak for the American Institute of Planners, I can assure you that as an individual I feel that your proposals have a great deal of merit. We have had some very frustrating experiences in New Jersey in preparing plans for a local municipality, getting them accepted, and then finding that the entire matter is upset by a highway of major consequence which had been hidden away in the labyrinth of the State highway department.

We have also found, however, that even where the law requires a public hearing before designating the alinement of the road, the public hearing is mere window dressing as far as the highway department is concerned and has very little bearing on any proposed alinement. Therefore, it seems to me that there is the definite problem of wording legislation so that not only is the machinery provided, but also the effectuation is assured.

At the same time, it is an extremely difficult situation because we are in need of an improved highway network which cannot become completely bogged down or stymied by arbitrary and discriminatory action on the part of those communities that want the highways, but only if they are in somebody else's back yard.

It would appear to me that the municipality should be expected and required to have completed technical studies regarding highway alinement in connection with their master plan which can assure everyone that they have given adequate thought to this matter before they can be in a position to cause delay on required negotiation.

It is for these and a number of other reasons that I am sure that Lou Wetmore would be interested in having you discuss this problem personally with some representatives of AIP. I, of course, would be happy to be of service if I can help you in any way.

Cordially yours,

HERBERT H. SMITH,
President.

My Recent Trip to Italy

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 4, 1958

Mr. CELLER. Mr. Speaker, I have recently returned from one of my trips to the Continent of Europe where I spent some time in Italy. Each visit to Italy is more exciting and revealing than the previous one. There is something about Italy that is infectious. I do not know whether it is the gentilezza of the people, the salubrious climate, the colorful scenery, the many artifacts of history to be found there; whatever it is, a visit to Italy always gives me great exhilaration and makes me want to return.

THE PART PLAYED BY WOMEN IN ITALIAN LIFE

Each visit brings new knowledge. For example, I never realized the part played by women in Italian political and community life. While I knew that there were women in the Italian Parliament, I did not know that today 34 seats are held by those on the distaff side, 33 in the House and 1 in the Senate. The democratic way of life is the choice of the Italian people, and it postulates the full recognition of all individuals. Women are the equals of men in Italy and on such equal footing can fully participate in the political life of the nation. Women have made a splendid contribution to the development of Italy. Political rights were too long denied women, and those countries that have recognized their error in this regard and have endowed women with equality of rights with men, have earned a rich heritage. Women have contributed materially to Italian social and political progress.

I believe it was at the end of the First World War that in Italy we had the real emergence of women into politics. Steady advance has been made since. The new republican constitution of the Italian state which was promulgated at

the end of the Second World War broke down the last barrier that blocked the way of women. Under this constitution all citizens are endowed with equal social dignity and are equal before the law, without distinction as to sex, race, language, religion, and political opinions. All have the right to vote, and those who can vote are eligible for public office. The women members of Parliament have contributed greatly, particularly to welfare and social legislation as well as educational and cultural pursuits. Two women in the last few years became members of the government as undersecretaries. One still holds the office as Under Secretary of Education in the Zoli Cabinet.

Women have entered most of the professions. Many have been called to the bar and many have distinguished themselves in engineering and mathematics. Some of those most expert in medicine, especially obstetrics and pediatrics, are women. Italian universities are filled with women. There are many female journalists and of course, in the arts women have won and carried off many prizes. I was also struck by the number of important women's associations that are interested in social services.

CULTURAL EXCHANGES BETWEEN ITALY AND THE UNITED STATES

During my previous visits and particularly during my last visit to Italy, I noted the initiatives adopted by Italy and the United States to foster better mutual understanding between the countries by way of cultural exchanges.

Both countries exchange many students, scholars, teachers, and technicians. These exchanges are part of programs operated by the United States Embassy and by the American Commission for Cultural Exchanges with Italy. The basic laws which authorize the American Government to facilitate and operate these exceptional cultural exchange programs are the Fulbright law and the Smith-Mundt law.

In Italy the Fulbright plan has only nontransferable funds at its disposal. As a result, while it can finance not only the voyage but also the entire stay in Italy of American scholars and students, it can only provide Italian students with their return fare from their home to the university in the United States.

This deficiency is supplied by scholarships in dollars offered both by the United States Government and by American private organizations and foundations.

Italy, together with France and Great Britain, is operating an extremely wide cultural exchange program. While the financial and administrative control is the responsibility of the American State Department, the final selection of candidates is left to a special cultural council known as the Board of Foreign Scholarships. Local commissions in the various countries in their turn are responsible for the budget and programs, and for the preliminary selection of candidates.

In Italy the competent body is the American Commission for Cultural Exchanges with Italy, which is composed of 6 Italian members, including representatives of the Ministry of Foreign Affairs and the Ministry of Education, and of 6 United States members. The Commission was created by an agreement between the Governments of Italy and the United States, signed on December 18, 1948, and the first exchanges of scholars and students took place in 1949–50 academic year.

The Smith-Mundt law makes provision for the annual appropriation of funds in dollars to allot study scholarships to supplement the travel grants provided by the Fulbright law.

The scholarships available are as follows:

(a) Government scholarships for post-graduate students, which, apart from university fees, include a monthly allowance to cover board and lodging expenses, and supplementary allowances;

(b) private scholarships granted through the Institute of International Education of New York, which are reserved for post-graduate students or students with a university diploma. Every year a competition is held in Italy for the above types of scholarships, which takes place under the joint auspices of the Italian Foreign Ministry and the Cultural Office of the American Embassy;

(c) scholarships offered directly by private American institutions;

(d) paid hospital posts granted by American hospitals on the direct application of candidates furnished with the required qualifications.

Each year a competitive examination is held in Italy to assign travel grants covering the return journey to holders of scholarships under (c) and (d).

The Cultural Office of the United States Embassy furthermore operates programs which enable personalities of Italian cultural, social, and political life to visit the United States by invitation for a period varying from 1 to 4 months. The aim is to enable them to make direct contact with the United States and come to know the American way of life. They visit centers and institutions and exchange ideas with their American colleagues.

I know of no better way to develop the spirit of amity, accord and goodwill between Italy and the United States than through the exchange of these cultural agents—these students, scholars, teachers. They explain to their native lands the mores and institutions of the land they have visited and where they have studied. This exchange tends to smooth off rough edges, develop better understanding, remove prejudices and destroys the last vestiges of isolationism which unfortunately still exists in some parts of Italy and in some parts of the United States.

STUDIES AND RESEARCH IN NUCLEAR ENERGY

Despite limitations, Italy has reached a fairly advanced stage in nuclear energy research. Let me point out that two important Italian scientists participated in our own Manhattan project which resulted in the splitting of the atom—Fermi and Perla.

There was established by the Government in Italy immediately after the war in 1946, the CISE—Centre for Study, Information, and Experiments. This institution was founded to carry out research in nuclear power and energy. In 1955, CISE was expanded to embrace private companies. It has carried out some highly significant work, including the training of a specialized staff. It employs about 40 technicians, machine assemblers and over 50 engineers, physicists and chemists. The CISE has at its disposal a number of important installations, among them a pilot plant for the production of heavy water; a laboratory for technical and mechanical testing of nuclear fuels; an experimental physics laboratory for research into neutrons; a laboratory of analytical chemistry for radioactive minerals and an electronics laboratory.

Among the concrete results of its activity, the CISE can list the plan for an industrial plant for the production of heavy water, the construction and assembly of a pilot plant for the production of metallic uranium from uranate of ammonium, and a laboratory for the checking of the uranium produced. This installation is capable of producing 15 kilograms of metallic uranium per day. Studies and research into the isotopic separation of uranium and research into the designing of the first Italian nuclear reactor are constantly being carried on.

In 1952 there was founded the National Committee for Nuclear Research which was set up. First, to carry out studies, research and experiment in the field of nuclear physics; to promote the coordination of undertakings in the same field of study and research and, if necessary, to arrange such coordination within the sphere of the existing laws; second, to promote and encourage the development of industrial applications of nuclear energy; and, third, to keep in contact and develop collaboration with international organizations and with foreign bodies operating in the field of nuclear studies.

There was also set up in 1951 and reorganized in 1952 the National Institute of Nuclear Physics in conjunction with the Universities of Turin, Milan, Padua, and Rome.

These organizations will put Italy in the vanguard of nations studying the imponderables of nuclear energy.

Italy needs power. The demands for electric power, for example, may only be met until 1965 by utilizing the remaining waterpower. The use of coal and fuel is highly expensive. It is estimated that after 1965, Italy will be compelled to rely in good part on nuclear fuel. It will have to tap nuclear fuel more and more each year thereafter. This demand for nuclear fuel will be greatly emphasized by the expansion of industrial production in Italy. The Government, therefore, plans for the building of 2 reactors with a total of 300,000 kilowatts. State-controlled electricity companies and private firms have produced initial designs for electronuclear plants which vary from 60,000 kilowatts to 150,000 kilowatts. Beyond that, the Government is aiding in the building of low power reactors which will be employed for scientific and technological research. Italy like other countries interested in advanced nuclear

developments will be greatly benefited eventually by the development and use of nuclear power in the prevention and cure of human diseases, for the expansion and acceleration of farm crops, for the destruction of diseases which now plague cattle, and for the general advancement of the well-being of Italians.

In all these nuclear studies and research, I found Italian officialdom and experts most anxious to develop these new stores of power. The Italians in this regard make much out of little. On all sides they are hampered by lack of funds but they have dedicated themselves to this great work.

While in Italy, I discussed these problems at great length with Hon. Aldo Fascetti, the president of the Istituto per La Recostruzione Industriale—IRI—and his central director, Dr. Pasquale Saraceno, both most estimable gentlemen. The institute was established in the 1930's to invest in faltering industries disrupted by the world depression. It was revitalized at the end of World War II to facilitate reconstruction of war industry for peacetime purposes. The original intention was for the Italian Government to invest in the equity of companies badly in need of capital and to relinquish that equity interest as soon as those companies were financially stable. However, it was decided in recent years that IRI could serve a useful function if it maintained interests in many companies and industries. Thus, the institute continues as a moderating and stabilizing force in Italian industry by holding managerial interests in some 12,000 companies. Among other functions, it prevents use of restrictive industrywide agreements and thus, to a large extent, moderates any monopolistic tendencies in Italian industry.

Mr. Fascetti told me in detail of one of IRI's most important projects—the development of nuclear power to fill Italy's present need for fuel. IRI in cooperation with the Ente Nazionale Idrocarburi—ENI—is making broad plans for construction of nuclear power reactors throughout Italy. Thus far, only one reactor has been contracted for, and that is to be financed partly by the International Bank for Reconstruction and Development. Italy's chief problem in the development of this nuclear power is, of course, shortage of financial resources, particularly long-term credit. Few companies are willing to extend long-term credit on projects as experimental and uneconomic as the early reactors must be. Even the United States Government has failed to show any real interest in extending to its ally this sorely needed credit. I told Mr. Fascetti that I would do what I could to encourage our Government to help Italy in its nuclear projects so as to strengthen our ally and the NATO alliance as well.

ECONOMIC CONDITIONS IN ITALY

While in Italy, I noticed that despite a rise in its gross national product and a fair degree in the reduction of unemployment, Italy has done better than most European countries in attacking the bogeyman inflation. Prices are still fairly high but not as high as in many other countries. Although there was a bit of a slowdown in construction and in the iron and steel industry, particularly in semifinished products, nonetheless, Italy can look upon 1957 as a year of fairly good achievement. Its gross national product had increased over the previous year by about 5 percent and wages have been somewhat increased.

Italy will become a member of the European Common Market. This should have a tendency to increase her trade with European countries. She will also become a member of Euratom, which is the pooling of all nuclear processes of most European nations.

While conditions in the chemical and mechanical industries may not have been up to promise, the slackening in those industries was more than made good by progress in mining and electrical goods. Notwithstanding the bad harvests in wheat and grapes, which are major Italian crops, the agricultural output stayed just about even. A significant factor in the Italian economy is that inflation has been well kept in hand. This is a great tribute to the ingenuity and efficiency of the Italian Government.

IMMIGRATION

For many years I have fought for a liberal United States immigration policy. The United States has become a country of the highest standards of living that civilization has ever witnessed, primarily because it siphoned off from countries of Europe some of the best of their brains and brawn. Among those who contributed immeasurably to the growth of the United States are Italians. They have settled in the farflung reaches of our land and are to be found in every industry and every calling. From the vineyards of California to the concrete and gravel industry of New York, from the potato farms in Maine and the dairy farms in Wisconsin to the cotton plantations of Louisiana and the citrus groves of Florida, the sons and descendents of Italian immigrants have spread a benign influence over all of the United States. They have become doctors, lawyers, legislators, mayors, Congressmen, authors, artists, industrialists, publicists, professors, scientists, humanitarians, ministers of the gospel, and priests.

There are more Italians in New York than there are in Rome. Every city of consequence has a roster of prominent Italian citizens. The mayors of many of our cities are of Italian birth or descendents of Italians. They have graced the United States Senate and the House of Representatives. At the present time some of my dearest friends and colleagues—all of Italian lineage—serve with me in the House—Representatives HUGH J. ADDONIZIO, VICTOR L. ANFUSO, ALBERT W. CRETELLA, VINCENT J. DELLAY, JOHN DENT, DANTE B. FASCELL, PAUL A. FINO, ROLAND V. LIBONATI, GEORGE P. MILLER, ALBERT P. MORANO, PETER W. RODINO, JR., ALFRED E. SANTANGELO, and in the Senate, Senator JOHN O. PASTORE.

VICTOR ANFUSO is a fellow Brooklynite who has served faithfully his constituents and his country. He is wise against ignorance and honest against corruption. I treasure my association with him.

ALFRED E. SANTANGELO is a fellow New Yorker, of whom our State is justly proud. He brings to bear upon his tasks good humor, courage, and efficiency. He is most worthy.

ROLAND V. LIBONATI hails from Chicago. He has just entered Congress and recently was assigned to the House Judiciary Committee. He is rich in legislative experience gained as a member of the Legislature of Illinois. He gives great promise.

ALBERT P. MORANO from neighboring Connecticut is an able, conscientious public servant, ever mindful of the needs of his District and his State. He hails from Danbury, the hat capital of the world.

HUGH J. ADDONIZIO comes from Newark, N. J. He is quiet, unassuming, and matchless in argument. His people can well be proud of him.

ALBERT W. CRETELLA and PAUL A. FINO, of New York, are fine gentlemen. They sit on the other side of the aisle; that is, they are Republicans. They never let partisanship govern their votes on any matter of vital importance. They have, by their words and deeds, kindled great respect from their colleagues, including myself.

VINCENT J. DELLAY and DANTE B. FASCELL are from New Jersey and Florida, respectively. DANTE is an indefatigable worker and skilled in debate. His is an ebullient personality. He is quite popular. VINCENT recently became a Democrat. He saw the light. I admire his courage. He is a new Member and should be with us for as long as he cares to stay in Congress.

GEORGE P. MILLER, from California, is an old friend. He is kindly and well versed in the routine of Congressional duties. We all have an abiding affection for him. I have yet to see him angry or hear from him an unkind word. He brings to bear upon his tasks a genuine efficiency and honesty of purpose.

JOHN DENT comes from Pennsylvania, where he served as State senator for 22 years. He has recently been elected to the House in a special election and I look forward with great interest to getting closer to him.

Senator JOHN O. PASTORE, of Rhode Island, is an exemplary Member of the Senate. He has earned the goodwill and respect of Members of both the Senate and the House. When he arises to address a group, in or out of the Senate, he commands widespread attention. His message is always freighted with importance, spoken with logical precision and with charm of manner.

PETER W. RODINO is very close and dear to me. We serve together on the Judiciary Committee generally and on the Antimonopoly Subcommittee of the Judiciary Committee. I have come to rely greatly upon PETER. He is indispensible to me in my chairmanship of these committees. I greatly respect his judgment and counsel. He is an excellent lawyer, steeped in the knowledge of the law and the precedents. I am happy

in his friendship—a friendship I treasure. Some friends are like sundials, useless when the sun sets. Not so PETER. I feel that he is a friend on all occasions—when conditions are good or bad.

All the men mentioned are alive to wrongs and human suffering. They have an understanding heart. They are men who are just. They know that justice is the bread of the Nation—all hunger for it. And in the face of injustice—with true Italian instincts—they become intensely active, like the clanging and clamor of fire engines dashing to the flames.

To me it matters not where a man is born so long as America was born in him. Italians who have streamed into our land are Americans because America was born in them. They love our fierce spirit of liberty and individual freedom, our Bill of Rights, and the intangibles that have made the United States great.

It is for these reasons that I want to do away with the so-called national origins quota immigration law which compartmentalizes quotas based upon race and place of birth, which gives Italy a quota of 5,645 yearly and Great Britain a quota of 65,361 yearly. This disparity has no place in logic or commonsense. In fact, it says an Englishman is better than an Italian. This system gives the Spaniards a quota of 250 and the Germans a quota of 25,814. Again the inequality is so marked as to be almost nonsensical. A German is no better than a Spaniard. A Frenchman is no worse nor better than an Irishman, although the quota of the Irish Free State is 17,756, while that of France is 3,069. This type of discrimination bears heavily against people of the Latin race and favorably for the people of the Aryan or Nordic race. Thomas Jefferson, who said that "all men are created equal," must stir in his eternal sleep when he hears of these unequal quotas.

I have a bill pending that would treat the Italians no better nor worse than any other Europeans. All would be on a par. This bill would have the effect of greatly increasing the number of Italians that could come into the United States. The bill would have for one of its main purposes the uniting of families. It would cater to the industrial and economic needs of the United States. If we need tailors or carpenters or farmers, let us have them regardless of race, creed, or national origin. We need Italian tailors. Why should not we have them? Why should a cruel quota bar their way? My bill likewise, would do away with the inequities and discrimination that now plague naturalized citizens. There would be no difference between a naturalized and a native born citizen.

I have been interested in Italian emigration for years. I know the emigration needs of Italy. Italy must export upward of 100,000 of her natives each year. Her natural growth, plus the coming of refugees and stateless persons into her confines, causes considerable difficulty—difficulty in housing, feeding, and clothing this great growth of persons. Italy does not have the absorption capacity to take care of all these people. Some must leave her shores. Unfortunately, in some countries the blinds are drawn and the doors are shut in the face of Italian emigration. It takes all the statesmanship, the wit, and the ingenuity of Italian diplomats and publicists to keep some doors open to Italian emigrants. I have been to some 20 countries in South America where Italian ambassadors are doing a splendid job in aiding emigration of Italians to those Republics. The same is true of Central America. As chairman of the House Committee on the Judiciary of the Congress of the United States, which has jurisdiction over immigration, I have struggled personally to bring in more and more Italians. For this purpose I have consistently advocated a liberalized immigration policy. In these efforts I have been abetted by the Honorable PETER RODINO, JR., member of my Judiciary Committee of whom I spoke before, and others of Italian lineage.

During my recent visit to Italy, I met with Under Secretary of State for Foreign Affairs, the Honorable Carmine de Martino, and the Italian Ambassador for Emigration, the Honorable Luciano Mascia, both eminent and dedicated officials. I discussed with them at some length the Italian emigration problems and the resettlement of Italian emigrants into South and North America. I explained to them my plans for this coming session of Congress with respect to immigration.

Ambassador Mascia has had a distinguished career in the Italian service. He has been counselor in Moscow and remained in that position until 1941. He was in hiding during the German occupation of Italy. In 1944 and 1945 he was counselor at the Embassy in Madrid. During 1945 and 1946, he was at the Foreign Ministry in Rome and was in charge of the economic mission negotiating trade with Great Britain. In 1945 he was assigned to the Embassy in Washington, acting as well as an observer to the U. N. Mr. Mascia was Ambassador to Cuba from 1951 to 1953 and from 1953 to 1955 was again attached to the Foreign Ministry in charge of questions dealing with claims. Since 1955 he has been Director General of Emigration.

Hon. Carmine de Martino, born in Salerno and now residing in Rome, is a deputy and member of the Christian Democrat Parliamentary Group. He is a member of the Parliamentary Committee of Finance and Treasury of the Chamber of Deputies. His experiences as banker, mathematician and professor of industrial law at Rome University have been effectively utilized in the service of his Government. He has taken part in many parliamentary debates and has presented important bills to the House. He has done much to encourage large-scale land reclamation. In May 1957 Carmine de Martino became a member of the Zoli Cabinet as Under Secretary to the Ministry of Foreign Affairs.

STATESMEN IN ITALY

Italy has a fine group of statesmen who can compare favorably with the best in any state in Europe. Their tasks have not been too easy. Nonetheless, they have definitely steered Italy westward and have forged a strong link between Italy, the NATO Powers, and the United States. They have their country's interest at heart, not unmindful of the needs of other nations. Their creed is "live and let live."

Italy was badly hurt during the war years, but her leaders have helped the Italian people to rise again out of the ruins and the rubble. The industry of the Italian people, with aid from the United States, has resulted in the emergence of a new Italy. Literacy and education have advanced and living standards have been heightened.

While in Italy, I visited with Hon. Adone Zoli, Prime Minister of Italy since May 20, 1957. He is a man of great strength of character, approachable and easy to talk to. He is most affable and courteous and answered my every question concerning Italy, her people, and her affairs without hesitation. He is a strong personality, well able to guide the Italian ship of state. His home is in Florence, the city of Michelangelo. Senator Zoli is married and has six children. He is a lawyer by profession and he speaks with the precision and logic of an advocate. He was a captain of artillery in the First World War and was decorated with the Military Cross.

Senator Zoli is president of the council of the Order of Lawyers and a member of the national council. In 1943, he took part in the creation of the new Christian Democrat Party and after July 25 was elected commissioner of the Syndicate of Lawyers at Florence. A member of the Tuscany branch of the National Committee of Liberation, he was arrested in November 1943 and condemned to death, but managed to escape execution of the sentence. Deputy mayor of Florence, Zoli has been national councilor of the Christian Democrat Party. All Italy can well be proud of him.

In 1948, he was elected senator for Florence. He became vice president of the finance and treasury committee and was nominated deputy speaker of the senate in March 1950. He left this position in July 1951, upon being appointed minister of justice. He was reelected senator in 1953, and is also president of the second committee for justice and procedure. Senator Zoli was elected president of the Christian Democrat Party on August 24, 1954, and on February 19, 1956, he became minister of the budget in the Segni cabinet. On May 20, 1957, he was appointed Prime Minister.

With such a startling record it is natural for him to slip easily into the premiership and rule wisely and justly.

I also visited with Hon. Giuseppe Pella, who, since May 20, 1957, has been minister of foreign affairs and deputy prime minister. He is a man of lively personality. He inspires confidence. He is every inch an Italian and wants Italy to go forward majestically, but nonetheless with a due regard for the rights of other nations. He is a born political leader with the skill and acumen that only long political experience command.

Born in the small town of Galdengo, near Vercelli, Italy, on April 18, 1902,

Giuseppe Pella devoted himself to the teaching of banking and industrial theory. When still very young, he entered the ranks of the Catholic Action and became one of its leading members. In 1919, he founded the Catholic Organization of Secondary School Students and became its first president. It was in this capacity that he came to know many of the leaders of the Italian People's Party. As an expert in financial and industrial problems, Mr. Pella has enjoyed great success and his competent approach in the field of commercial finance has gained him wide renown both in Italy and abroad.

Between 1932 and 1939 he took part in all the international wool conferences that were held in the European capitals as head delegate of the Italian Wool Traders Association. In 1946, Mr. Pella was elected to the Chamber of Deputies and was asked to act as secretary of the Parliamentary Committee for Finance and Treasury. In October of the same year, he was nominated Under Secretary to the Ministry of Finance, thus entering the second cabinet of De Gasperi, after having resigned from all the other offices he then held. He was reconfirmed in his office during the third term of Premier De Gasperi and on June 2, 1947, he became Minister of the department he had entered 8 months previously.

On May 23, 1948, the Honorable Pella was made Minister of Treasury and Minister of Budget "ad interim." His main achievement during this term was the strengthening of the Italian currency which prevented the looming danger of inflation. He was confirmed in this latter appointment on July 1951 and in February 1952 took over the treasury as well. Mr. Pella has also been a Governor of the International Monetary Fund and representative of the Italian Government to the Council of Ministers of the Organization for European Economic Cooperation. In that period, he took an active part in the movement for the consolidation of the Atlantic Alliance as well as in the achievement of the long-sought unification and economic integration of Europe. The Honorable Pella was elected for a third time in 1953.

On August 16, 1953, he became Prime Minister, Minister of Foreign Affairs, and Minister for the Budget, appointments which he held until January 1954. It was during this term that the Trieste crisis came to a head and on September 13, 1953, he appealed to the British and Americans, warning them that the Trieste question would be the testing ground of the Western Alliance. His strong and determined stand has been considered instrumental to the solution of that thorny problem. In November 1954 he was elected President of the European Coal and Steel Community, but resigned in November 1956, to take a more active part in Italian parliamentary life. On May 20, 1957, the Honorable Pella was appointed Minister of Foreign Affairs and Deputy Prime Minister in the Zoli cabinet.

One of the most important figures on the Italian political scene is Deputy Amintore Fanfani, national secretary of the Christian Democrat Party. He is indeed a man to be reckoned with. He was formerly Prime Minister and now has the important task of leading the Christian Democrat Party. We in the United States must have an interest in the victories of this party because without those victories Italy might fall into the hands of communism. Fanfani, heading the Christian Democrat Party, has the will and ability to organize his party in every nook and cranny of Italy and Sicily and Sardinia, and elsewhere, so that his party is bound to win in the next elections. As the late Premier de Gasperi said:

> Fanfani is the only man in present-day Italy with the ability to organize the Christian Democrat Party and lead it and the people of Italy against the threat of communism.

This is not an easy job, but Fanfani is used to difficult jobs. He will succeed. He definitely wants Italy aligned with the West and opposed to so-called neutralism. He feels that the future of Italy lies with Britain, France and the United States. Fanfani is not unknown to the United States. He visited with us in 1956 and was a guest of President Eisenhower.

I was very much impressed with my visit with Fanfani. He seems not unlike an American political leader. He is affable, kind and authoritative, yet manifests a sense of enormous power and indomitable courage. He inspires confidence.

Deputy Fanfani has a splendid record. He was born at Pieve Santo Stefano—Arezzo—on February 6, 1908. He is a doctor of political economy, and an ordinary of economic history at the Sacred Heart University of Milan. From 1938 to 1943, he was a member of the Senior Teachers Council of Poltical Economy at Venice. Required for military service on September 3, 1943, he took refuge in Switzerland where he taught interned Italians at the Universities of Lausanne and Geneva. Returning to Italy in 1945, Fanfani took an active part in the secretarial office of the Christian Democrat Party.

By May 1946 he was a member of the administration of the party. In this same year, he was elected to the Constituent Assembly and again elected in 1948. He has sat on the 11th Committee for Labour and Social Insurance and was Minister of Labour from May 31, 1947 to January 1950. In July 1951, Fanfani became Minister of Agriculture and Forestry. Reelected for the third time in 1953, he became Minister of the Interior in the 8th De Gasperi government and was confirmed in this office during the succeeding Pella government. He was Prime Minister from January 19, 1953, to February 10, 1954. On June 30 of this year he was elected National Secretary of the Christian Democrat Party after the movement which he headed, and which became known as the Democratic initiative, obtained a solid victory at the Fifth National Congress of the Party at Naples. He has a number of important writings to his credit. We in the United States heartily wish Fanfani success in the next election.

On previous visits to Italy, I had the pleasure of meeting President Gronchi. I greeted him when he visited in Washington about a year or so ago. I have his autographed photograph inscribed to me on that memorable occasion. That photo graces my room.

Giovanni Gronchi was born at Ponteda—Pisa—on September 10, 1887. He holds a degree in letters. Belonging to a family of modest means, he was forced to start work at a very early age in order to attend university.

He belonged to the Christian Democrat movement which was founded in 1902 by Romolo Murri, a priest, with whom Don Sturzo collaborated. As a postulate, the movement supported the political autonomy of Catholics, bringing a nonconfessional character to its organization and activity in public life and the improvement of the conditions of the Christian trade union organizations. He was a volunteer in the First World War.

In 1919 he helped found the Italian Peoples' Party. Elected to parliament—1919–21—he was appointed head of the Confederation of Christian Workers and became a member of the Parliamentary Group of the party.

During the first Mussolini government, he was Under Secretary for Industry and Commerce. He held this office until the party congress at Turin—August 1923—which decided on a policy of noncollaboration and the retirement of representatives of the party from the government. Passing to the opposition, he was one of the exponents of the so-called Aventine movement. When the opposition's motion against the Fascist Party was presented to the King but not heard, Gronchi was compelled to retire by parliamentary mandate.

Returning to private life he started a commercial career in Milan and later dedicated himself to industry.

Gronchi got in touch with underground elements in Lombardy, Piedmont and Liguria, in 1942. Successfully evading the police he was one of the leaders of the political and military struggle in Rome. With De Gasperi, he represented the Christian Democrat Party on the Central Committee of the National Liberation Committee. During the first Bonomi government he was Minister for Industry and Commerce—June 18-December 10, 1944. He continued in this office in the succeeding Bonomi government—December 12, 1944-June 19, 1945—and the Parri government—June 21, 1945-December 8, 1945. He again returned to the Ministry of Industry and Commerce in the first De Gasperi government.

Elected to the Constituent Assembly in 1946, he later became President of the Parliamentary Group, an office he held until the Assembly was dissolved.

As president of the Committee for Trade Unione Agreements, Gronchi was responsible for Christian Trade Union policies up to the time that these organizations decided to become independent of the Italian General Confederation of Labour.

On May 8, 1948, he was elected Speaker of the Chamber of Deputies, an office which he retained until the conclusion of the first Republican legislative period. Reelected deputy in 1953, he was again appointed Speaker—July 25, 1952—an office which he held until his election to the Presidency—April 29, 1955.

Italy has a most able representative in her present Ambassador, H. E. Manlió Brosio. He was born in Turin in 1897. When still very young he enlisted in the Alpine Corps—1915—and fought as an officer in their ranks through the end of World War I—1918. For a brief period he was a prisoner of war and was awarded the Silver Medal and the Cross for Valour.

He graduated in law at the University of Turin and there started his professional career as a lawyer. A young political leader, member of the Liberal Party and Central Secretary of the Liberal Revolution movement from 1922 to 1925, he wrote several articles for the periodical Rivoluzione Liberale and was a close friend of Piero Gobetti, the Liberal Party's foremost writer in those years.

After Fascism took power, he retired from politics and continued his work as a lawyer in Turin, in continuous contact with the anti-Fascist groups and their leaders, such as Philosopher Croce and Economist Einaudi, who was to become the President of the Italian Republic.

In 1936 he married Miss Clotilde Brosio, a cousin; they have no children.

During the German occupation, Mr. Brosio was a member of the underground National Liberation Committee—1943–44. He was Secretary General of the Liberal Party in 1944–45. He became a Minister Without Portfolio in the Bonomi Government in 1944 and was subsequently Vice President of the Council of Ministers in the Parri Government—1945—and Minister of Defense—1945–46—when De Gasperi became Premier.

He was appointed Ambassador to Moscow, where he remained from January 1947 to December 1951. Afterward he was Italian Ambassador in London and has now been appointed to represent the Italian Republic in the United States.

Mr. Brosio writes on political and juridical subjects for some specialized periodicals, such as Foro Italiano and La Rivoluzione Liberale, and also for La Stampa, a daily paper of Turin. He is fluent in English, French, German, and Russian.

Ambassador Brosio is a most creditable representative from Italy. He is as skilled in the ways of diplomacy as he is affable in manner. He is as incisive in action as he is kindly in speech. We hail him, here, in Washington.

CONCLUSION

This report on my Italian visit has reached greater proportions than anticipated. That may be due to the fact that my admiration for Italy and her people unbridles my thoughts and as a result, my opinions flow uninhibitedly.

Introduction of Bill To Amend Section 221 of National Housing Act

EXTENSION OF REMARKS
OF
HON. THOMAS L. ASHLEY
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 4, 1958

Mr. ASHLEY. Mr. Speaker, today I have introduced a bill to amend section 221 of the National Housing Act to permit families displaced from a community by action of the Federal Government, whether or not such community has a workable program, to be relocated in section 221 housing in another community if it has such a program and is within commuting distance.

Under the National Housing Act as it now reads, special FHA mortgage insurance aids are available for financing housing for families who are displaced either from urban renewal areas or as a result of governmental action, such as acquisition of privately owned lands for public purposes or the termination of a Government-owned housing project. In general, these aids consist of low-interest rate, long-term loans—with funds supplied from FNMA.

Except for communities which are carrying out urban redevelopment projects under Federal aid contracts entered into prior to August 2, 1954, or which are carrying out urban renewal projects in connection with major disasters, the section 221 aid is limited to families who are being relocated from homes in communities which have adopted a workable program for dealing with their overall problems of slums and blight.

Thus, a community which has no "workable program" may request section 221 housing, but this housing must serve families displaced from home located in communities which—with the two exceptions noted—do have workable programs. In my view, Mr. Speaker, the failure of a local community to adopt a workable program should not prevent the Federal Government, where otherwise feasible, from making relocation housing aid available to those families displaced from such a community as a result of Federal action. Accordingly, if a community which has both a workable program and a section 221 program is willing to extend eligibility for occupancy of section 221 housing within its own borders to families who are displaced by Federal governmental action from a nearby locality having no workable program, there should not—in my view—be any reason why this should not be permitted by Federal law.

The bill which I have introduced today would permit this result. In my own community, it will allow persons living in villages, cities, and townships outside of Toledo—which has a workable program—to take advantage of 221 housing located within the city limits of Toledo. It will also permit the villages, cities, and townships—which have no workable program—to make future 221 housing available to county residents displaced by Federal governmental action.

Our Surplus Food—Bane or Blessing

EXTENSION OF REMARKS
OF
HON. WAYNE MORSE
OF OREGON
IN THE SENATE OF THE UNITED STATES
Tuesday, February 4, 1958

Mr. MORSE. Mr. President, I ask unanimous consent to be published in the CONGRESSIONAL RECORD an article published in the latest issue of Presbyterian Life. It was written by the present Presiding Officer, the junior Senator from Wisconsin [Mr. PROXMIRE]. I urge the reading of the article by all Members of the Senate, particularly as we approach the debate in the Senate, in the not-too-distant future, on the whole agricultural program. I particularly commend the article to the reading of all Senators because the junior Senator from Wisconsin has raised great moral principles and teachings which are conscience-stirring.

The junior Senator from Wisconsin points out what the American people need to give consideration to, and that is that while we sell great quantities of dried milk for hog food, tens of thousands of children in Asia and Africa suffer crippling diseases and high fatality rates because of the lack of the very milk that could be made available to them but which we are pouring into the bellies of American hogs.

I say most respectfully, in language not of the kind the Senator from Wisconsin used in his article, but in language which needs to be used, that we are not living up to the great moral obligations which confront the American people with regard to surplus food.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

OUR SURPLUS FOOD—BANE OR BLESSING?

Abundant food is America's greatest blessing. United States agriculture is the most efficient, most productive the world has ever seen. The 1957 crop is equal to the all-time record set the year before—in spite of deliberate efforts that were made by our National Government to curb our abundance.

Yet our farm abundance generally seems like a curse instead of a blessing to the family farmers whose skill, hard work, and diligence produce it—per capita income of farm people in 1956 is well below one-half that of nonfarm.

How can we manage the agricultural abundance which God's bounty and our family-farming system provides for us?

During the past few years, we have tried deliberate waste on a scale that staggers the imagination—on a scale that never before in all history has had an equal. Under the farm law enacted in 1955, the United States Government is committed to, or has already paid, a total of $1.4 billion to farmers for plowing under or not producing wheat, corn, cotton, rice, peanuts, and tobacco. This enormous expenditure will result in the destruction or failure to produce grain sufficient to provide the entire population of the United States with its normal supply of bread for a full year's time, plus some ham and eggs and a couple of cotton shirts for every man, woman, and child in the Nation.

This outlay of $1.4 billion is a total, dead loss to the Nation's economy. It will not secure one single whit of soil-conservation work on the land it idles. It does not even

add to farmers' incomes—for it merely substitutes for the wealth that they are paid not to produce.

This staggering waste of potential food, moreover, has taken place in a world and in a day when there are millions who suffer from malnutrition. It represents enough bread for the entire American population for a whole year—bread which was not given to our hungry neighbor in Christian charity, but instead was turned under the plow and the disk, or simply never planted on the idle land. Certainly, at the very best, this waste must be described as a monumental failure of moral imagination.

Another example of recently wasted food particularly distresses me—as a Representative of Wisconsin, America's dairyland.

In 1954, the United States Government sold the entire supply of dried skim milk in Government storage to animal-feed manufacturers. The dried milk was high quality and fit for human consumption.

Yet this sale of more than half-a-billion pounds of dried milk took place while millions of little children in Asia, Africa, and South and Central America suffered from the dreaded disease Kwashiorkor. This malady causes both mental and physical deformity, and costs the lives of half of the victims who receive hospital treatment. For this ugly killer and maimer of the world's most unfortunate children, a little bit of milk reconstituted from dried milk powder is a complete cure.

The dried milk that was sold for hog feed in 1954 was sufficient to provide a tall, full 8-ounce glass of milk every day for a full year's time to 24 million children. Truly, it requires the utmost of charity to describe this squandering for hog feed of enough milk to furnish life-saving protein every day for a year to 24 million children as merely a monumental failure of moral imagination.

It is tremendously fortunate for history's judgment of America that there is a brighter chapter in the account of our stewardship of our unprecedented blessing of abundant food. The American spirit is generous and good. The American people are true to the generosity and goodness in American character if they have the chance—and when their leaders appeal to that generosity and goodness.

American food fed the allied nations during World War II. And when the war had come to an end, American food rescued many tens of millions of human beings from certain starvation—in the lands of our former enemies as well as those of our liberated friends and our bleeding allies. Never before in all the history of the world has any people given so greatly and so generously to so many—and thereby rescued so many human beings from hunger and death by starvation.

This great outpouring of American food to the world's hungry continues today. It is a great credit to American ingenuity that our religious organizations—Church World Service and its counterparts of the other religious faiths—are playing a central and aggressive role in this program.

I use the word "ingenuity" both on moral and on practical grounds. It is ingenious of us, as a Nation, to work in partnership with our own and the world's religious institutions in this work—for we thus express the essential moral impulses from which America's giving springs. And it is ingenious for practical reasons, because it works so much better, both for the giver and those who receive, than any strictly governmental or strictly commercial operation could possibly work.

In this American-style partnership of government and religion, the public underwrites the costs of collecting and buying food. This is done, through governmental programs which are primarily motivated by other considerations than the ultimate use of food—through our farm-price-support programs. The function of distribution is carried out by the churches. As a result, what might otherwise appear to be a surplus-disposal program is transformed into a people-to-people relationship which binds all men of goodwill into closer communion and contributes to the lasting peace which we all desire for our agonized earth.

The achievements of this partnership have been truly outstanding. More than four-fifths of all the Nation's voluntary relief work for the hungry and needy overseas has been conducted through the religious agencies supported by more than 100 million Americans who are enrolled in our major religious faiths. More than a billion pounds per year of food, much of it donated by the Government, is being distributed by the major religious agencies. Life-saving supplies of clothing, medicines, and money for resettlement, economic development, health projects, and other assistance for refugees are also being provided in companion programs.

The average contributed dollar in these programs provides for more than 300 pounds of food to be delivered to destitute areas. I was particularly pleased to learn that since these programs got under way 3 years ago, more than 9½ million persons, mostly children, have received at least one glass of milk every day.

But we cannot—we must not—rest on self-praise for our accomplishments. There is much need yet to command our compassion.

The leaders of Church World Service estimate that the world total of refugees today is 30 million—and these comprise only the very most desperate of the earth's homeless, ragged, and disease-ravaged, hungry people. This total does not being to count many millions more whose hunger is stabilized and unspectacular—but who never achieve adequate diets, year in and year out, and who ultimately die or malnutrition at an average age that may be only one-third the life expectancy of an American.

"To allow the hungry man to remain hungry would be blasphemy against God and one's neighbor, for what is nearest to God is precisely the need of one's neighbor" (Dietrich Bonhoeffer). This, it seems to me, is a moral injunction upon all of us—as citizens just as surely as in our capacity as Christians. Can there be a moral defense for a soil-bank program which has subsidized the waste of enough potential grain to supply all American with bread for an entire year?

Can there be a moral defense for any national food policy which regards farm surpluses as a burdensome scourge, or which permits agricultural abundance to impose a real and severe hardship upon the conscientious farm people who produce it?

It is true that the primary task of shaping food policy for the Nation must be assigned to the politicians and the economists and the businessmen and farmers. I am one politician who feels deeply about the moral problems which it involves, and I appeal in complete sincerity for the help and guidance of church people in the national effort to solve them.

As for me, the moral guideposts which I recognize point very clearly to a number of fundamentally important conclusions in the field of my responsibility as a Member of the United States Congress.

I believe that the food which saves a child's live and health in a Church World Service refugee camp in Hong Kong serves a use as high as any that is produced anywhere beneath the sun. I do not believe that we can, in good conscience, term it a burdensome surplus.

I believe, in fact, that the world has too little food rather than too much. In the world of today, the basic moral imperative is for us to devise ways and means to get our abundant food to those who need it.

Certainly, the great work in which the religious relief agencies are playing such a vital and constructive role must be sustained—and expanded. We need to accept this work as a full-scale national responsibility, instead of treating it as an accidental incident of our farm problem.

We do not treat military aid to our allies as a subsidy to the producers of tanks and planes and rifles; we should no longer treat famine relief to our allies as a subsidy to the producers of wheat and milk.

But we need to go far beyond the defensive reflex of emergency feeding of the victims of famine and wars and political dislocation. We need to greatly expand the use of our abundant food for positive, constructive building, to help create the improved economies that are absolutely essential as a foundation for political stability, progress, and peace.

It is too short-sighted to regard food merely as a means to sustain life. Truly, it does little good to send our food to people to help them to survive this season's famine, only to leave them no better able than they were before to cope with the next famine that will come along.

We must raise our sights and stretch our imaginations. We must see that food can also be the source of human energy with which the means for better life can be constructed.

Let me give you a simple example of one way that this can be done:

Consider a little village in India—just like many thousands of real Indian villages today. The people of the village are forced to work their lives out, with extremely inadequate tools, to scratch a bare subsistence from their impoverished soil. In a good year they barely survive; in bad years many die.

This typical village often does have a surplus of food during the growing season. But there is no refrigeration, nor any other adequate means of storing this perishable surplus food. And there is no road over which this seasonal surplus can be transported to the nearest city, to be traded for better tools, for fruit jars for canning food, or for the other simple items that could break the endless chain of privation. For the want of a road, the village economy is chained to a treadmill on the brink of famine.

In small, pilot-plant projects the United Nations has shown that surplus food can be used in underdeveloped economies to finance such capital improvements as roads, bridges, schools, canals, and the like. Surplus food is converted into human energy, used to construct capital improvements which permanently raise the productive power of the economy. This can be done even in the most primitive community, where modern methods are hopelessly beyond reach. A road might be built, for example, by paying people in surplus food to carry earth and stones in baskets on top of their heads.

In the case of our little village, the assurance of a year's food supply would free the people from the obligation to spend all their time and energy to eke out a bare living by subsistence farming. Instead, they might be paid with surplus wheat and dried milk to build a road to the city. At the end of the year they would have survived, just as if they had spent their time as usual in wresting a bare living from their land. But they would have their road to show for it. And next year they will be able to transport their seasonal surplus over the road to the city, where they can trade it for efficient shovels, hoes, sickles, and other tools. Even such simple tools as these would enormously increase the productivity of their farming economy. The city and the whole nation, too, will benefit, and the economy grow, as a result of the increased market for skills and products which the road opens up.

Multiply this one tiny village and this one tiny bit of economic expansion by thousands,

as there is the opportunity to do not alone in India but in the Middle East, and Africa, and South America. The product can be a powerful surge of growth, progress, and rising hope to the poverty-fettered people in these areas.

Programs essentially like the oversimplified example I have described are being carried on in a small way—some sponsored by the religious agencies, some by local governments, some by the United Nations. The United Nations pilot-plant projects have shown that such a program can be conducted without upsetting normal patterns of trade. The simple truth of the matter is that the food that is contributed in such a program is used to feed people who otherwise would not have eaten—or would have eaten only what they themselves could eke out by their primitive farming methods. It does not reduce the normal commercial sales of food within the economy which receives it.

Here, certainly, is a method whereby our agricultural abundance can be transformed into a powerful and constructive instrument to build lasting foundations for peace and prosperity in our troubled world.

The Senate Foreign Relations Committee has twice voted its approval for the United States to join in setting up a World Food Bank plan through which the global food surpluses can be employed in this kind of constructive and creative building. A joint resolution has been proposed to Congress which would call on the President to initiate negotiations for establishment of such a program. Unfortunately, there has not yet been a sufficient sense of urgency to get this kind of work under way on the scale that this age demands.

Certainly, the grave and growing challange to our position of world leadership makes it more imperative than ever that America unleash its inventive imagination to develop a constructive solution to the dilemma of surpluses in a world where hunger is widespread. Certainly, there is a moral imperative also that this cruel paradox be resolved in a humane and constructive way.

With their Christian compassion, church members are particularly qualified to provide forceful leadership to the American people in using our blessing of abundant food as a powerful instrument for building the foundations of peace, progress, and good will among men.

Space Men

EXTENSION OF REMARKS
OF
HON. PATRICK J. HILLINGS
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 4, 1958

Mr. HILLINGS. Mr. Speaker, the Explorer, our country's first earth satellite, rightfully belongs to all Americans, but I want to point out that special pride can be taken in this major event by the scientists and technicians of Caltech's Jet Propulsion Laboratory, which developed and produced the fourth stage of the Jupiter C missile.

The fourth stage is the Explorer that now is collecting important space data for the benefit of all mankind as it orbits the earth.

The Explorer is the forerunner of even greater, more thrilling adventures into outer space that are sure to come.

The Explorer may well be called the equalizer in the race to conquer space since Russia cannot place any special claim to dominating the ways and means of projecting objects beyond the earth's atmosphere.

The satellite Explorer is a meteor of peace and a triumph that can be shared by all Americans. Commendation is in order for those redoubtable men of achievement at the Jet Propulsion Laboratory of Pasadena, Calif. They are truly space men now.

Ceylon Celebrates 10th Anniversary of Independence, February 4, 1958

EXTENSION OF REMARKS
OF
HON. ADAM C. POWELL, JR.
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 4, 1958

Mr. POWELL. Mr. Speaker, in recognition of the 10th anniversary of the independence of Ceylon, February 4, 1958, I wish to send warm greetings to the people of Ceylon, His Excellency S. W. R. D. Bandaranaike, Member of Parliament, Prime Minister, and His Excellency R. S. S. Gunewardene, Ambassador of Ceylon.

Determined to have their independence, the period from the end of the Second World War until they achieved their free status in February 1948 was one of tension and uncertainty. Colonialism left Ceylon with many problems which war-scarred Europe never had: the problem of underdevelopment, overpopulation, poverty, and a low standard of living. Ceylon realized only too well that political freedom would be dead sea fruit unless this freedom was used to achieve as speedily as possible economic emancipation as well.

While Ceylon's prestige abroad has grown tremendously since she attained independence, her internal development has not lagged far behind. In her agriculture and industry alike, in her health and social services, Ceylon has made spectacular advances to which they can look back with legitimate pride and satisfaction.

Ten years ago when Ceylon gained her freedom, there were some who had lingering doubts about the reality of their independence. By now, these doubts have been fully dispelled. Ceylon's independence received the seal of international recognition when she took her rightful place in the United Nations. Ceylon was the scene of the historic meeting of Commonwealth Foreign Ministers out of which emerged the now famous Colombo plan which has contributed so much to the economic development of southern Asia, and which is so splendid an example of international cooperation between countries at widely differing levels of economic development. The tremendous importance of the Asian-African Conference at Bandung has begun to dawn on the world's consciousness. Ceylon played an important part in translating the dreams of Afro-Asian cooperation into reality. The notable contributions made by Ceylon at the Bandung Conference has received worldwide acclaim.

Although the United States supports the ideals of democracy everywhere, there is still a need for better understanding by Americans of the dire problems facing the recently freed peoples of Asia. These people are exhibiting the same concern for freedom and voluntary individual action that we do; and if in strengthening their free political and economic institutions, they succeed, they will further the cause of freedom in the world, which is our greatest cause.

I salute Ceylon on this momentous occasion of independence day and pray for her continued peace, prosperity, and progress.

Why Reciprocal Trade?

EXTENSION OF REMARKS
OF
HON. ROBERT W. KEAN
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 4, 1958

Mr. KEAN. Mr. Speaker, the Reciprocal Trade Act expires on June 30. The President has recommended that his powers under this act be renewed for 5 years with some amendments. Hearings before the Ways and Means Committee will start on February 17.

I have had many inquiries as to the effect on our economy of this legislation to encourage two-way trade. There seems to be much misunderstanding in many individuals' minds as to the implications of the law.

Because I believe the American people should have a much clearer understanding of the legislation, I have propounded a series of questions about the act and its national and worldwide effects, and submitted them to Secretary of Commerce Weeks for reply.

The Secretary has now provided me with complete answers to my questions, and to make them quickly available to the American people. I ask that they be printed in the CONGRESSIONAL RECORD as of this date.

THE SECRETARY OF COMMERCE,
Washington, D. C., February 3, 1958.

Hon. ROBERT W. KEAN,
House of Representatives
Washington, D. C.

DEAR MR. KEAN: In response to your letter of January 29, I appreciate the opportunity to present the answers to your questions regarding the trade-agreements program. You undoubtedly know that the recently constituted Trade Policy Committee has the responsibility for advising the President on foreign-trade decisions. Our philosophy and operational procedures are, I believe, spelled out in the following answers:

1. What is the trade-agreements program?

This is the program begun in 1934—and now in need of extension by the Congress—to promote the expansion of markets for the products of American farms and factories. Under this program authorized by the Congress, the President obtains reductions in foreign tariffs against our exports in return for the reciprocal lowering of our own tariffs. This encourages similar tariff-reducing negotiations between other countries. By this means, world trade is expanded with many benefits for all the cooperating countries.

2. How important is world trade to our economic well-being?

All Americans share in the benefits of world trade. The production of the goods that our industry and agriculture sell abroad creates many jobs for American workers who, in turn, buy things produced by other Americans. Employment opportunities are also expanded by the handling and processing of imported goods, especially the imported raw materials that are essential to many industries. In addition to the higher levels of income that international trade makes possible for our people, consumers gain from the wider variety of goods made available by imports, to American consumers.

Farmers depend greatly on foreign sales. In 1956 one-fifth of United States cropland produced for foreign markets. About 11 percent of our total farm production is exported each year. Export sales, which are of critical importance for some farm commodities, absorb over a third of the wheat and rice crops, nearly a third of the tobacco and the fat and oil production, and a seventh of our cotton output.

Imports of materials in raw or semiprocessed form accounted for 60 percent of total 1956 imports of $12.6 billion. The United States is self-sufficient in only 9 of the 39 minerals vital to our industries. Over 40 imported materials, for example, from a dozen Free World countries are used to make our telephones. Also, our newspapers rely on imports for about three-fourths of their paper. Imports, moreover, are our only source of coffee, tea, cocoa, chocolate, tapioca, and Brazil or cashew nuts. Foreign trade also supplies an important part of our consumption of other foods such as sugar, spices, olives, lobsters, and bananas.

Export sales to other countries totaled $17.2 billion in 1956. This amounted to about 5.7 percent of the Nation's total output of goods and services. Important segments of our industry are particularly dependent on export markets. In recent years we exported between one-fifth and one-third of our civilian aircraft, railroad cars, construction and mining equipment, textile machinery, sewing machines, and steel and rolling mill machinery. We exported 19 percent of our motor trucks and buses, 16 percent of our diesel engines, 14 percent of our agricultural machinery and equipment, 14 percent of our coal, and 11 percent of our machine tools.

Job opportunities for Americans are thus created by international trade. Some 4.5 million workers owe their jobs directly to foreign trade. This is about 7 percent of our total employed labor force. Foreign trade creates a job for one out of every 14 American workers. It provides as much direct employment as the automobile, chemical, steel, and textile industries combined. Less foreign trade would mean fewer jobs in the production of automobiles, telephones, TV sets, household appliances, and farm tools. Less foreign trade would mean fewer job opportunities for laborers, salesmen, advertisers, stenographers, accountants, bookkeepers, engineers, machinists, and others.

3. How does the trade-agreements program serve these American economic interests?

Reciprocal trade agreements have, since 1934, reduced barriers to mutually beneficial world trade. This is a well-tested way to promote the sound two-way trade that assures widening opportunities to American industries to participate in world markets and allows foreign nations the opportunity to earn the dollars to pay for the goods we sell.

4. What does foreign trade, and the Trade Agreements Act, mean to the security of the United States?

International trade is vital to the economic health and future growth of many Free World nations. Their economic vigor is most important for both their military strength and their political stability. This is especially true for the underdeveloped countries which comprise a large and important area of the world.

The reduction of trade barriers within the Free World facilitates the development of expanding markets for these countries that are so vitally dependent on trade. Our trade agreements program, by the actions we take and the leadership we exercise, makes a significant contribution to this end.

A more direct threat to our security now makes the trade program even more important. An economic offensive has been hurled against the free nations by the Communist leaders. Through programs of trade and aid, the Soviet Union is making intensive efforts to divide the Free World, to detach them one by one and draw them into the orbit of Communist influence. It is offering to import the surpluses of underdeveloped countries and is thus seeking to exploit the trade difficulties of the Free World and to tie those countries to the Soviet bloc.

The trade agreements program can help the United States to play a decisive role in protecting and strengthening both itself and the Free World against the Communist threat.

5. What are the administration's proposals for continuing this program?

(a) To extend the reciprocal trade agreements authority for a minimum of 5 additional years beyond June 30, 1958.

(b) To authorize the President to lower tariffs on a gradual and selective basis in return for equivalent trade benefits from other countries. The principal provision would allow tariff reductions up to 5 percent a year over a 5-year period.

(c) To improve the safeguards for domestic industries.

6. Would all our tariffs be cut under the proposed legislation?

No. The reduction of tariffs is made on a highly selective basis after study by the Tariff Commission and the executive branch as to whether reductions in tariffs would threaten injury to particular industries. We would reduce our tariffs only when that can be done without threatening serious injury to our producers and only in return for reductions by other countries in their tariffs on our exports.

7. Why is authority needed to reduce tariffs up to 5 percent a year over a 5-year period?

The President needs adequate tariff reduction authority to promote the further expansion of our export trade through reciprocal tariff negotiations. Authorization to lower tariffs up to 5 percent a year over a 5-year period would constitute adequate authority for this purpose. Less authority might well prevent our Government from obtaining important concessions from other countries.

The proposed authority, of course, would be used selectively and would be subject to all the safeguards of the trade agreements legislation.

8. Why is an extension of 5 years rather than 3 years necessary?

A 5-year extension is needed to provide essential continuity in our trade relations with other free nations. Moreover, a minimum of 5 years is needed in order to prepare for and carry through negotiations with the new European common market. The countries involved, constituting a market of over 160 million people, will ultimately have uniform tariffs against imports from outside countries. The first steps toward establishment of this common tariff will become effective sometime between 3½ and and 4½ years from the renewal date of our trade agreements legislation. During this period there must be thoroughgoing preparations by the executive branch, based on a grant of adequate authority by Congress, and this must be followed by careful negotiations. These preparations and negotiations cannot be carried through unless the legislation is extended for a minimum of 5 years.

9. How are the interests of domestic industries safeguarded?

In addition to the fact that tariff reductions are made only selectively and gradually, there are several specific safeguards:

(a) Before the tariff on any item is negotiated downward, the United States Tariff Commission determines the minimum tariff—the so-called peril point—that can be established without serious injury to the domestic industry. The administration proposes that an immediate escape-clause investigation be instituted whenever the Tariff Commission finds a peril point to be higher than the existing tariff. This improvement makes possible more expeditious relief than under present law.

(b) When the Tariff Commission finds that imports are threatening serious injury to a domestic industry, the escape clause of the trade agreements legislation allows the President to raise tariffs that have been reduced. The administration's proposed extension of this legislation would increase the level to which the President could raise duties in these cases.

(c) The President may limit imports that threaten to impair the national security.

(d) In the case of agricultural commodities, the President may limit imports that interfere with our domestic agricultural programs.

10. What is the Trade Policy Committee?

The President recently established the Trade Policy Committee to assist him in the administration of the reciprocal trade program and to advise him on trade matters, including escape-clause cases. The Committee is chaired by the Secretary of Commerce and includes the Secretaries of State, Treasury, Defense, Interior, Agriculture, and Labor.

11. Why can the President reject Tariff Commission recommendations in escape-clause cases?

The Tariff Commission considers only the question of injury to a domestic industry. It does not consider the need for maintaining export markets, the needs of American consumers, or the necessities of national security and foreign policy. The President must consider all the factors affecting the security and well-being of all Americans. The Commission makes findings on a particular tariff's impact upon a particular industry; the President considers both this and the national interest in arriving at his decision.

12. What is the General Agreement on Tariffs and Trade (GATT) and by what authority does the President enter into the GATT?

The General Agreement on Tariffs and Trade (GATT) is an agreement under which 37 countries work together to expand world trade on a mutually beneficial basis.

The Trade Agreements Act, first enacted in 1934, authorizes the President to enter into trade agreements with other countries in order to expand export markets for United States products. By this authority the President in 1947 entered into the GATT which combines in one agreement the principal features of our trade agreements previously negotiated with 29 countries.

The administration, on the basis of experience with trade agreements negotiated under the Trade Agreements Act between 1934 and 1947, came to the conclusion that combining our many trade agreements into a single general agreement would be a more businesslike and efficient procedure. This procedure also offered the prospect—now clearly realized—that the United States could obtain greater benefits for our export trade through negotiations with many of our trading partners at one time.

13. Does the GATT tie the hands of Congress?

No. Congress retains its authority to legislate increased tariffs or any other restrictions on imports at any time. In addition, the GATT takes account of the safeguards for our domestic industries.

14. What has been accomplished through the GATT?

(a) The reduction of tariffs on products accounting for approximately half of world trade, thereby contributing greatly to the healthy development of international trade.

(b) The reduction or elimination of import quotas and other nontariff barriers, especially those against American exports.

(c) The reduction and elimination of many international trade disputes and complaints among trading countries.

15. Isn't our tariff already about the lowest in the world?

Specialists generally consider our tariff to be midway between the tariffs of high and low-duty countries. The relative position of our tariff, however, is not materially changed by trade agreements because reductions under the trade agreements program require approximately equivalent reductions in the tariffs of other countries.

Sincerely yours,

SINCLAIR WEEKS,
Secretary of Commerce.

An Extension of the A. T. & T. Monopoly

EXTENSION OF REMARKS
OF
HON. JAMES ROOSEVELT
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 4, 1958

Mr. ROOSEVELT. Mr. Speaker, I have just written a rather full letter to Chairman CELLER of the House Judiciary Committee concerning a problem which has great potential effect, and one which has presented a problem to an evergrowing group of small-business people in the radio communications industry because of its widespread application in many States. I am quoting it below with the feeling that many Members will find they have constituents who are greatly interested.

FEBRUARY 5, 1958.

Hon. EMANUEL CELLER,
Chairman, Judiciary Committee,
House of Representatives,
Washington, D. C.

DEAR MR. CHAIRMAN: For the past few months it has come to my attention that the plight of many hundreds of small-business men in the private mobile radio communications industry has become desperate, mainly due to the interpretation being given to the consent decree in the case of the *United States* v. *Western Electric Co. and the American Telephone & Telegraph Co.*, by the public utility regulatory agencies of a number of States.

On March 29, 1956, Subcommittee No. 5 of the House Select Committee on Small Business, of which I have the honor of being the chairman, held hearings in which it carefully examined that consent decree.

The American Telephone & Telegraph Co., on February 21, 1957, filed with the Federal Communications Commission a proposed tariff schedule setting forth rates and regulations applicable to the lease and maintenance of private communication systems. The attempt on the part of the powerful A. T. & T. to have the Federal Communications Commission and the various State public-utility boards and commissions assume jurisdiction has aroused a veritable storm of protests from every part of the country. Due to the public importance of this matter, the FCC suspended the operation of the proposed A. T. & T. tariffs and ordered public hearings.

Because of my deep concern for the thousands of small-business men who are engaged in furnishing private mobile radio communications systems and maintenance and who are being put out of business as a result of the A. T. & T. and its many subsidiaries entering this field, I am following the matter carefully.

The first day of the FCC hearings was held in Washington on January 14, 1958. This hearing appears to have aroused a tremendous amount of public interest throughout the United States in that attorneys representing the interests of many corporations and persons engaged in the private radio communication industry were present. The hearing room was hardly large enough to accommodate all present.

I understand that after considerable discussion and motions in regard to preliminary matters, counsel for some of the interveners—persons and firms that would be affected by any ruling—sought to have the hearing examiner of the Commission restrict or limit the hearing to the question of the jurisdiction of the Commission, contending that the FCC has no jurisdiction to accept the filing of the proposed tariff schedules by reason of one of the provisions in the consent decree entered in the case of the *United States* v. *Western Electric Co. and the A. T. & T.*, civil action No. 17-49, in the United States District Court for the District of New Jersey, January 24, 1956.

Counsel for the A. T. & T. and the subsidiary Bell telephone companies endeavored to make light of the question of jurisdiction and appeared to argue solely and mainly on their clients' abilities to furnish adequate service at rates stated in the proposed schedules.

The consent decree supposedly requires the Bell System companies not to enter the private nonregulated communications field which provision obviously was intended to limit the A. T. & T. subsidiary companies to common carrier operations.

The main reason that A. T. & T. and its subsidiaries are vitally interested in having the FCC and the regulatory bodies of States assume jurisdiction over private mobile radio communications stems from the definition of "common carrier communications services" in section II (i) of the consent decree in the case of the *United States* v. *Western Electric Co., Inc., and A. T. & T.*

The A. T. & T. and its subsidiaries were enjoined from engaging in any business other than the furnishing of common carrier communications service. Therefore, it is argued, if private mobile radio is deemed to be a common carrier communication service, the A. T. & T. and its subsidiaries would be permitted to engage in such business, otherwise it may not. This consent decree definition is as follows:

"(i) 'Common carrier communications services' shall mean communications services and facilities, other than message telegram service, the charges for which are subjected to public regulation under the Communications Act of 1934, or any amendment thereof * * *; and shall also include any communications service or facility, other than message telegram service, the charges for which are or become subject to regulation under existing future laws of any State, Territory, or the District of Columbia, but only in the jurisdictions in which the charges for such service or facilities are subject to regulation."

Thus, the issue becomes clear for if the various State Public Service Commissions and the FCC assume jurisdiction, then the A. T. & T. is exempt from the operation of the prohibition of the consent decree and may enter this new business. Should this happen, one can readily foresee what its effects would be on the many persons and firms who are presently engaged in this business.

One of the exhibits filed with the FCC reflects the expression of private mobile communications systems provided by the Bell Telephone Companies. It shows that in 1950 these companies had 4,344 mobile units in operation; in 1956 it had grown to 24,075 units. Under the decree, the A. T. & T. and the Bell Telephone companies appear to be clearly enjoined from engaging in any business other than the furnishing of common carrier communications systems. Inasmuch as A. T. & T. and its subsidiaries entered into this field, and are seeking to further expand such services, the impact of its competition upon the thousands of persons engaged in the private radio communications business would have the effect of destroying their livelihood.

It was approximately 2 months after the entry of the consent decree, on March 30, 1956, that the Pacific Telephone & Telegraph Co. filed tariffs for private communications services. It is illuminating to note that this implements the announcement of the Bell Laboratories issued just 1 week after the entry of this decree, that the telephone companies whose private communications services were not then subject to regulation were going to file tariffs with the various State Public Service Commissions in order to bring them within regulation and so exempt these operations from the prohibitions of the decree.

The Antitrust Division of the Department of Justice has intervened in the proceedings before the FCC, alleging its interest in the proceedings due to competitive and antitrust implications of the A. T. & T. proposed tariff in this branch of the communications industry. I cannot help but feel that the rather belated interest of the Department of Justice is in large measure due to the hearings held by Subcommittee No. 5 of the House Committee on Small Business on March 29, 1956, relating to the A. T. & T. consent decree.

It certainly seems to me that the leasing and maintaining of radio equipment and private mobile radio systems is neither a telephone service in fact, nor one within the intent of the Communications Act, or the public utility codes of the various States.

The proceedings before the FCC will continue for an indeterminate period of time and, no doubt, appeals will be taken to the courts. In view of the scheduled hearings by the Antitrust Subcommittee of the Judiciary Committee, may I express the hope that your committee will look particularly into this phase of the consent decree situation. The interest of Subcommittee No. 5 of the House Small Business Committee is, of course, particularly in the adverse effect upon small business concerns in this field, but I believe it is part and parcel of the entire antitrust situation.

Sincerely yours,

JAMES ROOSEVELT,
Chairman, Subcommittee No. 5.

Congressman Dennison on the Talamas Case

EXTENSION OF REMARKS
OF
HON. EDWIN H. MAY, JR.
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 4, 1958

Mr. MAY. Mr. Speaker, yesterday my very able colleague, DAVID DENNISON, presented a very astute and complete summary of the facts and circumstances

surrounding the death of Shibly Jean Talamas, an American citizen, in Haiti.

Congressman DENNISON's detail of research and excellence of presentation made for one of the finest speeches made on the floor of Congress this year. Obviously, this is a very difficult case which he is trying to help solve. I believe that the people of the 11th Congressional District of Ohio can be very proud of his activities in their behalf. He reflects great credit in his representation of them in the Congress of the United States.

Law Must Keep Pace With Space—Address of Hon. Kenneth B. Keating, of New York

EXTENSION OF REMARKS
OF
HON. PATRICK J. HILLINGS
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 4, 1958

Mr. HILLINGS. Mr. Speaker, our distinguished colleague, Representative KENNETH KEATING, of New York, has given us pause for serious thought at the dawn of the space age in a speech he delivered to the New York State Bar Association on Friday, January 31, 1958.

The speech, entitled "The Law and the Conquest of Space," analyzes the problems of developing rules that will govern the use of outer space in the future.

As Mr. KEATING points out in his speech, "the rule of law in the age of space is not a matter of philosophy, but a matter of survival."

Mr. KEATING'S thought-provoking analysis is something that should not only concern lawyers but all of us because world survival may be at stake unless all nations observe and follow rules and regulations for the orderly conquest of outer space.

Mr. KEATING'S timely and excellent speech follows:

It is a distinct pleasure for me to be here today and to have this opportunity to meet again with my fellow members of the New York State Bar Association. It would not be overstating the case to say that no single bar in this country is better informed, more progressive, or more vitally concerned with the need for keeping our laws and procedures apace with our changing and complex world.

New York has traditionally led the way in formulating forward-looking changes in the law and new methods of legal and court procedure which better insure that justice will be done. The present members of the bar are carrying on in this proud tradition magnificently. Your Committee on Atomic Energy is an example.

It seems particularly fitting to discuss with the New York Bar Association problems inherent in America's entrance into the space age. Your ability to meld science and the law in sane and progressive ways is well known. That attribute will stand you in good stead as we ponder possible changes in our laws necessitated by recent Buck Rogers-ish achievements.

All of us as lawyers can well view with awe and admiration the tremendous advances being made by science in every field. Dedicated men in this country and abroad have pushed forward from one frontier to the next at amazing speeds. It is often difficult for the rest of us to comprehend the nature of their accomplishments, much less the serious implications they may hold for our future.

The launching of the sputniks symbolizes, in a sense, the culmination of these advances. The drama of the earth satellites has shaken every American to the roots. It has led to a searching analysis of our way of life and has touched off a sort of national soul searching about where we stand and why.

The important thing is that we go about this national self-examination in a rational manner. We must solve the problems which face us, not with a sense of doom but with a sense of destiny. This is no time for crepe hanging. We are fully aware of the military and scientific dangers, and we are initiating effective measures to meet them.

But I fear that in our natural desire to measure up to these challenges, we may overlook other, longer range problems which also cry for solution now. Though most all of us will admit the need for acceleration in scientific research, development, and education, we cannot let the new-found glamour of the sciences blind us to the need of keeping other fields abreast of these advances.

We hear, for instance, much talk that it will be the scientist who will chart the future course of the world. That is, of course, true to a certain extent. Clearly, it is the technician and the specialist who will provide the know-how and inventive genius which will spell much of the progress of the world in the years ahead.

But that is only half the story. There are others who will play important roles. They are the long-range operators. You might class them together as the social scientists. They include such people as the anthropologist, the historian, the philosopher, political scientists, and the lawyer. These people are concerned that our attitudes, our customs and our laws keep pace with achievements in the scientific world.

The problem for the legal profession is not a new one. Down through the ages man has striven to attune his legal codes to progress in other fields. Constant change to insure maximum justice has been the hallmark of progressive and successful legal thought.

History reveals that the physical sciences did not reach fruition until the proper moral climate had been achieved in civilized sectors of the world. This was brought about by the rise of mature religions and the promulgation and acceptance of legal standards by which man's conduct could be guided.

From all sides we are bombarded with talk of atoms and missiles. The newspapers are full of news of rockets and reactors. The radio and television bring word of cosmic rays and predictions concerning travel in the vast reaches of outer space. Technology with a capital "T" is on every tongue. Definitely, the sciences are on the ascendancy. There is no question about that.

The lawyer should not resent this. We know as well as the next fellow that there is a great need—both in terms of national survival and of human happiness—to get ahead as fast as possible in the sciences. We all hope and pray for the promise technology offers.

The lawyer should be pondering all this today. He should remember the old maxim that forewarned is forearmed. Let that be the guide for the legal fraternity as we attempt to meet the promises and dangers of the dawning age of space conquest.

So it behooves all lawyers to be up and doing. We should challenge the demand that America channel all its best brains and talent into a Gargantuan effort to develop scientists and engineers.

Many of our young people should be guided in that direction; yes. But not all.

America's greatest contribution to the future may well lie in adapting rules of law to advances in the physical sciences. Freedom, fairness, compassion, and justice may then accompany and survive any such advance, regardless of how revolutionary it may be.

Our goal must ever be to strive for the truth, to search for the means of achieve maximum justice, and to explore paths to the happy road of worldwide peace.

The space age challenges to the legal profession are not far off. They are not obscured from our view at some distant, ephemeral point. They are upon us now. Scientists have taken us, in little more than 12 short years, from the dawn of the atomic age to the threshold of the conquest of space.

Scientists of this country can now predict a timetable of achievement. Of course, sputnik and muttnik have already become realities. Sometime this year the United States will launch a satellite equipped for space search. It is expected that a manned rocket plane will be flown upwards of 100 miles into space next year. By 1960, a man in a satellite may navigate it around the earth. Scientists expect in 1961 to land rockets on the moon and 1962 may see us encircle it. How far the Russians and other nations will go in this same period of time can only be a matter of speculation. But one thing is certain. They will not be far behind.

So the age of space is literally upon us. Its effects will be felt by every resident of the earth.

As the President and our leaders search for answers to the puzzling enigmas of this new age, they must be aided by enlightened and understanding work by the legal profession. It is, after all, our function to help make rules to govern an orderly society. It is our duty to create understanding and respect for those rules. And it is our obligation to see that those rules are enforced.

These laws must be based on human experience. They must change to meet the changing needs of society. And where any society, or where any civilization itself, progresses to the point where existing laws are not adequate, then new laws must be shaped.

It is my opinion that we have reached that point. New laws and new concepts must be formulated to meet the promises and dangers of the coming age. And the lawyers of America must lead the way in this vital work.

It is not premature, therefore, for lawyers to give serious consideration to the legal problems which will arise out of the conquest of space. If we wait until the collisions occur before we devise the rules of the road, there may be no hope for the settlement of the clashes by a rule of law. What time will there be for judicial speculation when rival claims are made to the moon or to space itself?

It is true that law must reflect experience and to some extent, therefore, that legal solutions cannot precede practical needs. The impact of the space age, however, presents us with a unique challenge. We must anticipate and confront its problems before they become additional elements of world tension. The rule of law in the age of space is not a matter of philosophy, but a matter of survival.

The first legal problem of the space age, and of most immediate concern now that the first satellites actually have been launched, is the question of who owns space. We know that at common law, the ownership of land extended indefinitely up to the sky and indefinitely down in the earth. In Coke on Littleton we find the maxim: "To whomsoever the soil belongs, he owns also to the sky and to the depths. The owner of

a piece of land owns everything above and below it to an indefinite extent." This maxim just barely survived the invention of the airplane.

In 1902, shortly after the Wright brothers' first flight, a convention was proposed under which the air would be free to commerce and travel just as is the sea. This proposal was rejected.

During the First World War, each nation began to assert exclusive control of the airspace over its territory. After the war, the law of absolute sovereignty over airspace was formalized in the Paris Convention of 1919. This provided that "every power has complete and exclusive sovereignty over the airspace above its territory." This principle has since been consistently adhered to in domestic legislation as well as in international treaties.

Significantly, the term "airspace" has never been defined in any of these treaties. Scientists have now established that there is no fixed separation between airspace and outer space. It is apparent that law and science will have to join forces in arriving at an acceptable definition of these terms.

Suppose we were to attempt to apply the principles of established international law by extending the boundaries of each nation into outer space. Because of the curved face of the earth, the extension would give us an inverted cone which would grow bigger and bigger in relation to the country as it reached farther into space. At some point these cones would overlap and more than one state would be occupying the same airspace. Moreover, the continuous movement of the earth on its axis means that the relationship of particular areas on the surface of the earth to space beyond the atmosphere would be constantly changing.

These solar facts illustrate the impossibility of applying existing concepts of international law to the control of outer space. In my opinion, space beyond the atmosphere must remain the common property of all the nations, or, what is the same thing, the property of no nation.

To an informal extent, at least, freedom of outer space has already been established as a principle of international law by the course of international conduct in connection with the International Geophysical Year. Under various conventions relating to air travel, any nation could have objected to the flight of earth satellites over its projected territory.

The fact that there were no protests after this announcement or after the actual launching of the sputniks by Russia is strong evidence that the nations of the world recognize the freedom of outer space.

I urge that the United States take the lead in formalizing international recognition of freedom of outer space. Specifically, I recommend the following three point program for international action:

First, an immediate declaration that outer space is not subject to appropriation by any nation. This "freedom of outer space" declaration could pave the way for peaceful cooperation among all nations to best utilize the treasures of these unexplored regions.

Second, I propose an international agreement barring the use of outer space for any military purpose.

Third, an existing international agency should be adapted or a new one formed for the joint exploration of outer space.

Such a program is urgently needed to promote a universal dedication to the development of outer space for peaceful, scientific, and humanitarian objectives.

The United States has already rejected any use of outer space for military purposes. A United Nations resolution sponsored by the United States and a number of other nations provides for a joint study "of an inspection system designed to insure that the sending of objects through outer space will be exclusively for peaceful and scientific purposes."

While thus far the salutary purposes of this proposal have been frustrated by Kremlin rejections to inspection we should continue to press for an early agreement along these lines. Today we are paying the toll for our failure to reach a timely agreement for inspection of atomic devices while that inspection was still practicable. Now is the time, therefore, while space travel is still in its embryonic stages, to clip the wings of those who would utilize space flight for other than the pursuits of science and peace.

Another major legal problem is whether the international rules of discovery and occupation are suitable for determining the rights of nations to terrestrial bodies on which landings may be made. The prospect of annexing the moon or a planet to the United States is, of course, appealing. We can only speculate on what treasures these areas may contain: But the prospect is equally appealing to all nations and none could be expected readily to surrender its rival claims.

In my opinion any attempt to apply the present rules to solar claims would precipitate and magnify the same territorial conflicts in outer space which have plagued the earth for its entire history. The moon and other planets can never be successfully occupied on any exclusive basis without immeasurably increasing the risk of war. The moon and other planets, therefore, must be regarded as the satellites of all the nations of the earth. And there must be an early and firm assertion of international jurisdiction over these areas by an organization of all the countries of the earth.

All of this, of course, assumes that we will not find places like Mars already inhabited. Such a prospect continues to be supported by a number of scientific authorities. The problems of dealing with such space-people would be infinitely more complex than those raised by the mere occupation of presently unoccupied areas. But we cannot ignore this possibility just because its consequences are so immense.

A host of other practical problems will accompany outer space commerce. New principles of law will have to be adopted for the protection of persons, industries, and territories from misguided missiles or petered-out sputniks. Rules will have to be devised with respect to liability for injury or damage from activities in outer space. What would you say as to the launching nation's liability for damages if Sputnik II were to come crashing down on this auditorium at this very moment?

Some Federal regulatory agencies already are up against practical space-age problems. The Federal Communications Commission, for example, has received a formal protest that radio transmissions of the Soviet sputniks have violated global agreements for radio frequency allocation. Under the International Telecommunications Treaty, certain bands are reserved for worldwide use for distress signals and scientific purposes. The unauthorized use of these bands by the sputniks may have resulted in serious errors of instrument calibration and interference with aircraft radio and radar beacons. This situation will be aggravated, of course, as more sputniks and baby moons are launched. A conglomeration of satellites, transmitting conflicting signals could endanger lives and would make tracking and transmission virtually impossible.

Still another Government agency, the Civil Aeronautics Board, has gotten into the act. Recently, it received an application of a transportation company for an interplanetary passenger route emanating from Atlanta, Ga. This application was rejected by the Board because the applicant did not specify terminals to be served and failed to designate the type of aircraft to be employed. The agency indicated also that the application might be a little premature. But they did it all with a straight face.

These and other practical examples show that we lawyers have our work cut out for us. We have to start thinking now of a space-navigation code, a space-radio-communications code, and even a space-rescue code. It seems likely that in our lifetime, we will be drafting agreements governing the carriage of goods and passengers in space.

I urge all lawyers to keep advised of the progress in these fields, to offer suggestions, and to participate wherever possible. Specific attention should also be given to establishing law school courses devoted to these legal questions. The success of pioneering courses in atomic energy law provides a good precedent for this.

Turning now to the Federal Government, there are specific steps it can take to avert conflict and possibly disaster as we stand on the edge of space.

First, Congress itself must organize to deal with the problems of the space age. In this connection, I propose the establishment of a Joint Committee on Outer Space, modeled after the Joint Committee on Atomic Energy. This new committee would explore without delay the many legal, political, and scientific problems raised by our scientific advances. It would recommend legislation and policies to assure cooperation with other nations in joint ventures in outer space.

To spur scientific achievement, and in recognition of the importance of science to our national security, we should create a Department of Science, headed by a Cabinet-rank Secretary. This Department would bring together all existing Government scientific agencies, would stimulate and coordinate the Nation's science endeavors, and would work to eliminate wasteful duplication of effort.

It would also work to reevaluate our whole system of education in the light of the needs of our times.

Another important step which we should take now is to pool our knowledge of missiles and rockets and certain atomic information with our friends in the NATO alliance. It would be folly to say that we Americans have a monopoly on talent or know-how. We need the brains and knowledge of our allies just as they need ours.

For that reason, I propose that we amend our existing laws to make possible a NATO pool of scientific information. It is my hope that such a pooling on the NATO level could be the first step to a pooling by all nations of satellite and space knowledge as further assurance of the peaceful exploration of space.

These proposals are only a start—the basic minimum. I am convinced that they are constructive steps in the right direction. They are offered as more than parts of a formula for victory in a race for survival. For I certainly pray that civilization has not sunk to the point where all it can hope for is to survive.

I am confident that our future holds more. It is within our power to make sputnik the spark, not that touches off world destruction, but that lights the path to world peace.

A genuine international effort to press the conquest of space and solve its many enigmas is one of the world's compelling needs.

In cooperating to prevent anarchy in space, every nation may well come to the realization that respect for one another on earth is our best hope for peace. Perhaps by this means men can learn that only through mutual understanding and give and take can we not only hope to survive, but to achieve maximum justice and freedom for all men.

The idea of solar travel as a practical reality is just around the corner. Because it is novel to the human mind is no reason to reject its implications.

Thus did men resist the idea of transoceanic travel, long after Columbus and others had shown it was an accomplished reality. So, long after men have soared to the reaches of outer space, notions shaped by man's earth-bound environment will continue to govern the thought and imagination of many.

Our hope for a peaceful future and for man's very survival lies in throwing off these ideas which have kept the world in a state of turmoil since time immemorial.

Mankind stands at the threshold of a new age of exploration and discovery that can expand his understandings and his horizons. The fruits of this new flowering of science and research must be shared peacefully by all peoples.

It is the way of common sense—and indeed it is imperative for the peace of this world—that there be a joint sharing of all nations in the great adventure into outer space from which these benefits will emerge.

In this great endeavor, the American lawyer in his traditional manner, must lead the way. While we may be uneasy about what lies ahead, we must be bold, imaginative, and resourceful. We must prepare ourselves for these new challenges with hope and enthusiasm—like the American pioneer faced the great frontier—fully aware of the promises as well as the perils that lie ahead. For in this great era which confronts us, men of vision rather than men of vexation, will most clearly focus on the bright vistas of tomorrow. The choice is clear. We choose between greatness and oblivion.

S. 1451 and H. R. 7026: Proposed Financial Institutions Act of 1957

EXTENSION OF REMARKS
OF

HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 4, 1958

Mr. CELLER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

STATEMENT OF REPRESENTATIVE EMANUEL CELLER, CHAIRMAN OF THE COMMITTEE ON THE JUDICIARY, HOUSE OF REPRESENTATIVES, BEFORE COMMITTEE ON BANKING AND CURRENCY, HOUSE OF REPRESENTATIVES, ON S. 1451 AND H. R. 7026, PROPOSED FINANCIAL INSTITUTIONS ACT OF 1957

INTRODUCTION

I appreciate the opportunity to present to this distinguished committee my views concerning certain provisions of the proposed Financial Institutions Act of 1957 (S. 1451 and H. R. 7026). These views, I would point out, are based in considerable measure on extensive studies, hearings, and reports of the House Judiciary Antitrust Subcommittee, dealing with the competitive aspects of bank mergers. To summarize my position, I recommend that section 23, chapter 5, title III (p. 163), relating to Federal banking agency merger approval, be amended in the following respects:

First, by prohibiting the appropriate Federal bank supervisory agency from approving any bank merger or consolidation where, in any section of the country, the effect may be substantially to lessen competition or tend to create a monopoly;

Second, by requiring the appropriate Federal bank supervisory agency to give notice to the Attorney General of a proposed merger and to enable him to intervene or offer his views respecting the competitive phases of the transaction;

Third, by requiring notice with opportunity to be heard to the appropriate supervisory authority of the interested State in the event the transaction involves State banks;

Fourth, by adoption of an antitrust savings clause for bank mergers similar to that governing bank holding companies in section 61, chapter 9, of title II (p. 146), thus making it clear that applicable provisions of the antitrust laws pertaining to banks are not to be superseded.

Beyond that, I recommend deletion of subsection (b), section 32, chapter 6, title I (p. 25) and that part of subsection (d), section 23, chapter 5, title II (p. 96), beginning with the words "*Provided, however,*" to the end of the paragraph. These subsections presently incorporated in the bill would authorize national and State member banks to purchase and hold stock of other banks for not to exceed 90 days as a step in a proposed merger or consolidation.

Finally, I urge amendment of chapter 9, title II, so as to prohibit bank holding company expansion within a State except in accordance with the branch banking laws of that State.

As background for these legislative recommendations, I propose to discuss first the trend of bank-merger activity and the resulting concentration in banking facilities, and second, the present provisions of Federal law dealing with mergers. Following that, I shall detail the reasons why present section 23 is inadequate and what changes are required. Lastly, I shall indicate why there is need for amendment to the Bank Holding Company Act.

Concentration of banking facilities

At the outset I would emphasize that enactment of these recommended amendments is the minimum necessary not only to maintain a sound, vigorously competitive unit banking system in this country, but also to arrest a trend which is concentrating control of the Nation's banking business into the hands of fewer and larger financial institutions. Thus, at the present time, while there are approximately 13,680 commercial banks in this country, the 100 largest control approximately 46 percent of the Nation's total bank assets, and more than 48 percent of the bank deposits. In 10 of the Nation's 16 leading financial centers, 4 banks own more than 80 percent of all commercial assets. Furthermore, in 9 of these financial centers, 2 banks own more than 60 percent of all commercial bank assets. Again in each of these 16 financial centers, as indicated by the following table, the first 2 banks own more than 40 percent of all the commercial assets, the first 4 banks 60 percent.

Percentage of total assets owned by largest banks in principal financial centers

	4 largest	2 largest	Largest
New York	60	41.6	22.0
Providence	98	93.3	57.7
Pittsburgh	87	79.2	61.0
Minneapolis	87	76.0	39.7
Cleveland	97	72.3	74.7
Boston	83	71.6	52.2
Chicago	84	66.9	34.1
Detroit	90	65.9	46.5
Dallas	84	64.9	32.8
Atlanta	92	63.9	33.2
Richmond	84	55.9	33.2
Kansas City	75	53.7	34.3
St. Louis	68	53.5	28.0
Baltimore	77	44.9	24.0
Philadelphia	69	44.6	24.7
Washington	60	43.0	26.3

Source: Superintendent of Banks, New York State.[1]

[1] See interim report of the Antitrust Subcommittee, House Committee on the Judiciary, on corporate and bank mergers, p. 30 (84th Cong., 1st sess.). See also House Judiciary Rept. No. 1417 on H. R. 5948 (bank mergers), p. 8 (84th Cong., 1st sess.).

Further indicating the degree of concentration is the following table (CONGRESSIONAL RECORD, vol. 103, pt. 3, p. 3705) showing as of June 30, 1956, the proportion of assets for each of 54 cities which are classified as central reserve and reserve cities by, first, the largest commercial and, second, the 5 largest commercial banks:

Assets of (1) the largest commercial bank, and (2) the 5 largest commercial banks as percentages of the total assets of all commercial banks in central reserve and reserve cities, 1956

City	Percentages as of June 30, 1956	
	Largest bank	5 largest banks
Birmingham, Ala	63.35	99.33
Little Rock, Ark	33.92	99.38
San Francisco, Calif	58.71	92.95
Los Angeles, Calif	39.19	93.44
Denver, Colo	22.48	75.80
Pueblo, Colo	50.42	100.00
Washington, D. C	30.51	74.41
Jacksonville, Fla	34.76	94.90
Atlanta, Ga	35.19	93.71
Savannah, Ga	69.15	97.33
Chicago, Ill	25.78	66.61
Indianapolis, Ind	41.09	96.54
Des Moines, Iowa	31.17	91.09
Cedar Rapids, Iowa	66.04	100.00
Sioux City, Iowa	25.63	94.05
Kansas City, Kans	24.15	69.37
Topeka, Kans	28.73	92.37
Wichita, Kans	47.60	94.37
Louisville, Ky	30.70	88.93
New Orleans, La	39.93	100.00
Baltimore, Md	23.14	86.53
Boston, Mass	54.03	90.20
Detroit, Mich	46.23	96.68
Minneapolis, Minn	38.31	87.95
St. Paul, Minn	55.65	83.95
Kansas City, Mo	34.79	78.80
St. Louis, Mo	27.79	73.21
Helena, Mont	55.85	100.00
Omaha, Nebr	47.93	93.92
New York, N. Y	20.99	65.84
Buffalo, N. Y	52.72	100.00
Charlotte, N. C	56.21	97.30
Cincinnati, Ohio	33.77	97.50
Cleveland, Ohio	46.91	97.74
Columbus, Ohio	53.46	97.26
Toledo, Ohio	59.12	97.61
Oklahoma City, Okla	48.31	88.19
Tulsa, Okla	42.27	92.20
Portland, Oreg	47.83	99.78
Philadelphia, Pa	25.23	79.66
Pittsburgh, Pa	60.04	93.19
Memphis, Tenn	45.73	98.97
Nashville, Tenn	38.58	99.62
Dallas, Tex	35.84	90.75
El Paso, Tex	47.10	100.00
Fort Worth, Tex	37.39	88.33
Houston, Tex	32.90	83.07
San Antonio, Tex	27.72	81.91
Ogden, Utah	67.54	100.00
Salt Lake City, Utah	24.47	92.64
Richmond, Va	29.60	92.64
Seattle, Wash	49.14	99.67
Milwaukee, Wis	48.19	83.10

Source: Office of the Comptroller of the Currency.

This degree of concentration is contrary, I think, to the fundamental premise that the banking system of the United States should rely for its vitality on vigorous competition by a multitude of independent banks, locally organized, locally financed, and locally managed. Unlike other countries, such as Great Britain and France, where a few mammoth institutions control nearly all the banking facilities, the American system is based on unit banking—that is, strong, growing community banks which provide a wide range of financial services to the people in the area. It is the unit-banking system which has played a key role in the economic development of this country. And it is this kind of system, premised on independent banks effectively competing with each other, that must be perpetuated and preserved. However, I am constrained to conclude that unless additional legislative precautions are taken such as those here recommended to preserve the competition that still exists, there is the very real possibility that banking credit will be dominated to an ever-increasing extent by a small, tightly knit group.

Bank merger activity

Largely responsible, in my judgment, for this degree of concentration has been a rapidly accelerating trend toward bank mergers which has been a major development in banking over the past 8 years. As shown by the following table, in the period 1950 through 1957, some 1,179 of the Nation's commercial banks have disappeared by way of mergers and consolidations:

Decreases in number of commercial banks because of consolidations and absorptions

	Number
1921	305
1922	394
1923	329
1924	373
1925	363
1926	462
1927	567
1928	534
1929	636
1930	769
1931	798
1932	433
1933	322
1934	231
1935	160
1936	176
1937	186
1938	100
1939	119
1940	96
1941	59
1942	89
1943	86
1944	72
1945	79
1946	93
1947	84
1948	75
1949	77
1950	91
1951	82
1952	100
1953	116
1954	207
1955	232
1956	189
1957	162

Source: Federal Reserve Board.

Of these 1,179 mergers and consolidations, 647 or over one-half involved national bank transactions approved by the Comptroller of the Currency. Total resources of the banks absorbed in these national bank mergers amounted to $9,598,501,474.

Consolidations, mergers, and purchase and sale transactions approved by the Comptroller of the Currency[1]

	Number	Total resources of absorbed banks
1950	52	$576,464,143
1951	30	384,389,647
1952	59	517,662,108
1953	67	523,680,925
1954	126	2,058,262,234
1955	126	2,015,225,452
1956	105	2,380,816,965
1957	82	1,142,000,000
Total	647	9,598,501,474

[1] Hearings before Antitrust Subcommittee, House Committee on the Judiciary, on H. R. 264 and H. R. 2143 (premerger notification), pp. 146–171, 171 (85th Cong., 1st sess.).

Another matter that I know is of great interest to this committee is the gradual decline in the total number of banks in the Nation. During the last 35 years the banking population of the Nation has been reduced by more than half; in 1921 there were more than 30,000 banks serving the Nation's creditors and depositors as compared to approximately 13,680 at the present time. True, a large share of the Nation's losses occurred prior to 1933 because of the depression when approximately 9,000 banks were forced to suspend operations during the 4-year period between 1930 and the end of 1933. However, as Chairman Martin, of the Federal Reserve Board, testified "since 1933 the merger movement has been the major factor in the gradual decline in the total number of banks."[1]

The fact is that the banking population of our country is at a 35-year low despite the postwar boom, despite the 286 percent growth in bank assets, despite the new high level of loans and deposits, despite the greatly increased use made of banking services, and despite the enormous growth in the number of depositors.

The continued downtrend in the number of the Nation's banks is even more striking when examined on a regional basis. In New York State, for example, where New York City is widely recognized as the financial capital of the world, there were 611 State-chartered banks in 1926. The State's banking structure weathered the depression with the loss of less than 100 banks between 1929 and 1933, and by 1935 New York State had 471 chartered banks in operation. Yet the number of banks kept decreasing until there are now less than 380, a loss almost as severe as that suffered in the depression years.

Let me make it clear that I would not quarrel with the reduction in the number of independent banks, if thereby only weak banks were eliminated. The fact is, however, the banks that have been absorbed in merger activity during the past number of years have not been for the most part the financially weak. Nor have they been, in the main, the specialized, the poorly organized, or the inefficiently managed. On the contrary, most of the banks that have been absorbed have been growing, efficient, profitable, vigorously competitive banks taken over at peak earning capacity. In short, the merger pattern is not predominantly a situation where two or more small, inadequately financed or managed banks, falling behind in the competitive race, seek by merging to form a big integrated institution, able to compete on equal terms. On the contrary, a large percentage of mergers involved one or more giant banks having assets of $100 million or more. And a large percentage of the absorbed banks had assets in excess of over $50 million.[2]

Take New York City, for instance, where there occurred in 1955 the three largest mergers in the history of the country in terms of total deposits. In March of that year the Chase National Bank, with total assets of $5,669 million, merged with the Bank of Manhattan Co., with assets of $1,629 million, and the Bronx County Trust Co., with assets of $76 million. This merger provided the new entity, the Chase Manhattan Bank, with total assets of $7,374 million, or 21.7 percent of the total assets of all banks in New York City and jumped it to first place in New York City and second place in the Nation.

Also in March 1955 the National City Bank of New York, previously the second largest bank in the United States with assets of $5,767 million, took over the First National Bank of New York, which had total assets of $713 million. The new combination, the First National City Bank, then ranked second in the area with assets of $6,480 million, or 19.1 percent of the total.

Less than a month later the Bankers Trust Co., with assets of $2,207 million, acquired the Public National Bank & Trust Co., of New York, which controlled assets comprising some $562 million. This was only the last of a series of acquisitions by Bankers Trust Co., which has been taking over other banks at a rapid rate for the last several years. Indeed, since 1950 Bankers Trust has absorbed such substantial banking institutions as the Title Guarantee & Trust Co., Lawyers Trust Co., Flushing National Bank, the Commercial National Bank & Trust Co., and the Bayside National Bank.

In December 1954 the Chemical Bank & Trust Co., with assets of $2,081 million, combined with the Corn Exchange Bank & Trust Co., which had assets of $821 million, to form the Chemical Corn Exchange Bank which now has total assets of $2,902 million.

In part because of this merger activity, New York City now has only 56 commercial banks, whereas at the opening of the century it had 127. Further, the city's 4 largest banks control 61 percent of all deposits, whereas in 1900 the 4 largest had only 21 percent of the total deposits.

But this situation is by no means a local phenomenon. Other leading financial centers have likewise experienced a similar rash of bank-merger activity. In Philadelphia, Pa., for example, the Pennsylvania Company for Trusts & Banking, the second largest bank in the area, with total assets of $805 million, merged with the First National Bank, which was fifth in size, with total assets of $218 million. The consolidated bank had total assets of about $1,023 million, making it the largest banking institution in the area, with control of 25.3 percent of total banking assets. Prior to that, in 1953 the Tradesman's National Bank & Trust Co., with total assets of $139 million, merged with the Land Title Bank & Trust Co., which had assets of $56 million. Also, in 1953 the Girard Trust Corn Exchange Bank, with assets of $579 million, acquired the National Bank of Germantown, with assets of $39 million. The Girard Trust Corn Exchange Bank itself resulted from a merger in 1951 between the Girard Trust Co., one of the hundred largest banks in the United States, and the Corn Exchange National Bank & Trust Co., another leading bank.

In Pittsburgh, Pa., the Mellon National Bank & Trust Co. has risen after a long series of mergers to a point where it has assets of $1,861 million, representing 61 percent of the total assets in that area. Between January 1950 and the end of 1954 Mellon National had absorbed at least 13 other banks, many of them small, independent banks which had previously served depositors and borrowers in the suburban communities in the Pittsburgh area. In 1948, 8 banks had been merged or consolidated by Mellon National, and in 1947 it had absorbed 2 large banks in Pittsburgh and 7 banks in the adjacent suburbs.

In Providence, R. I., the Industrial Trust Co., with assets of $312 million, merged in 1954 with the Providence Union National Bank, with assets of $168 million, which gave the resultant Providence Industrial National Bank control of some 57.7 percent of all banking assets in that city.

In California, the First Western Bank & Trust Co., of San Francisco, a subsidiary of Transamerica Corp., absorbed 14 other California banks in 1954 and increased its assets in the process from $333 million to $708 million.

Many other cities have also experienced analagous bank-merger activity in the last

[1] Hearings before Antitrust Subcommittee, House Committee on the Judiciary on Current Antitrust Problems, p. 2177 (84th Cong., 1st sess.).

[2] For a list showing the resources of each bank absorbed in a merger transaction approved by the Comptroller of the Currency in the period 1950–56, see hearings before Antitrust Subcommittee, House Committee on the Judiciary on H. R. 264 and H. R. 2143 (premerger notification), pp. 146–171 (85th Cong., 1st sess.). See also hearings before House Banking and Currency Committee on S. 1451 and H. R. 7026 (proposed Financial Institutions Act of 1957), pp. 581–614 (85th Cong., 1st sess.).

several years, for example, Boston; Cleveland; Dallas; Kansas City, Mo.; Cincinnati; Baltimore; Washington, D. C.; Houston; Indianapolis; Hartford; Portland, Oreg.; and Wilmington, Del.[3]

The conclusion is inescapable, as the Federal Reserve Board testified before our Antitrust Subcommittee, that recent merger activity is a matter of deep concern. This is particularly true since competition is one of the strongest factors safeguarding a sound banking system. To quote from the testimony of the Chairman of the Reserve Board in June 1955: [4]

"The CHAIRMAN. And would you say, as a very distinguished and very efficient head of the Federal Reserve Board that this merger movement is a matter of deep concern to you and your colleagues on the Board?

"Mr. MARTIN. It is, indeed, Mr. Chairman. As we note in a later paragraph, it is a matter that we have given a great deal of thought to."

Mr. Martin added: "I would like to reiterate, Mr. Chairman, that this is a trend which has given us very serious concern. * * *"[5]

In March 1957, Mr. Martin, of the Reserve Board, again emphasized that the bank merger trend was a matter that gave the Board very serious concern.[6]

Present provisions of Federal law dealing with bank mergers are inadequate

Under the National Banking Act, approval of the Comptroller of the Currency is required for any merger between national banks, or between a national bank and a State bank, where the resultant institution is a national bank.[7] In addition, the Federal Deposit Insurance Act[8] requires that approval of certain mergers must be obtained from the Federal Deposit Insurance Corporation, the Comptroller of the Currency, or the Federal Reserve Board, as the case may be, but only where the capital stock or surplus of the resulting bank will be less than the aggregate stock of the two institutions combined. Also, approval of the Federal Deposit Insurance Corporation is required for mergers between insured and noninsured banks.[9] None of these Federal banking statutes applicable to mergers, deals substantively with competition in the field of banking, and in no case is the competitive impact of the merger a necessary element to be considered by Federal banking officials in deciding whether or not to grant approval.

Bank mergers are also circumscribed by the provisions of the Sherman Act of 1890 which prohibits combinations in restraint of trade, attempts to monopolize, or monopolization of trade or commerce. Illegality is established by proof that the merger has actually resulted in an unreasonbale lessening of competition; it is immaterial whether the merger was accomplished by stock or asset acquisitions.

Section 7 of the Clayton Act of 1914 on the other hand, deals specifically with corporate and bank mergers and bans those achieved by stock purchases where there is a reasonable probability of a substantial lessening of competition or a tendency to monopoly. Responsibility for enforcing the section insofar as banks are concerned is vested concurrently in the Attorney General and the Federal Reserve Board.

Section 7 was designed to stop mergers beyond the reach of the Sherman Act but its faiure to include mergers accomplished by asset acquisitions resulted in a loophole which so far as nonbanking corporations are concerned was closed by passage of the Celler-Kefauver Act of 1950. However, because of revisions made in subsequent versions of various antimerger bills, it became impracticable to include within the scope of the Celler-Kefauver Act corporations other than those subject to the jurisdiction of the Federal Trade Commission. This left asset acquisitions by banks unaffected by the new law since authority to enforce the provisions of section 7 dealing with banks is vested in the Federal Reserve Board and not in the Federal Trade Commission.

Beyond this, virtually all bank mergers are accomplished by asset acquisitions by virtue not only of provisions of Federal law prohibiting member banks of the Federal Reserve System, with a few exceptions, from purchasing corporate stocks, but also of various State statutes prescribing similar limitations. For these reasons, section 7 of the Clayton Act has little value in coping with the mounting trend of bank-merger activity. In fact since section 7 was adopted in 1914, only one proceeding has been instituted—that a case brought by the Federal Reserve Board against the so-called Giannini group controlling Transamerica.

To close this loophole in section 7 and provide Federal enforcement agencies with the same authority to move against bank mergers accomplished by asset acquisitions, I introduced H. R. 5948 in the last Congress. This bill was adopted by the House without dissent on February 6, 1956, but was not brought up on the Senate floor for vote.[10] I might add, that the measure was in accordance with the President's recommendations submitted to the Congress in 1956 and repeated in 1957 and 1958 calling for revision of antitrust legislation to cover bank mergers by asset acquisitions.[11]

One month after House passage of H. R. 5948, the Acting Secretary of the Treasury transmitted to the Senate and House proposed legislation to amend the banking statutes (specifically sec. 18 (c) of the Federal Deposit Insurance Corporation Act) so as to give Federal banking agencies sole jurisdiction to approve or disapprove bank mergers. It is clear, I believe, that this recommendation was a stratagem to head off Senate passage of H. R. 5948. Certainly it was contrary to the President's recommendation seeking revision via antitrust legislation to cover bank mergers accomplished by asset acquisitions as envisaged by H. R. 5948. In any event, a Senate bill embodying the Treasury proposal was adopted by the Senate during the last Congress and is now incorporated in the proposed Financial Institutions Act of 1957 as section 23, chapter 5, title III.

These considerations apart, amendment of the banking laws in this area would not be inconsistent with the amendment of the antitrust laws to cover bank mergers accomplished by asset acquisitions, provided that certain changes are made in section 23 of the proposed Financial Institutions Act, including insertion of an antitrust savings clause similar to that contained in the Bank Holding Company Act.[12] Indeed, to assure against the Judiciary and the Banking Committees of the House working at cross purposes with each other in respect to this problem, the Antitrust Subcommittee of the Judiciary Committee has decided to defer consideration of amendment of the antitrust laws until the House Banking Committee has taken final action on the Financial Institutions Act. For that reason, the Antitrust Subcommittee deleted from H. R. 7698 (a premerger notification bill I introduced during the present Congress) a provision plugging the banking loophole in section 7 of the Clayton Act. In this context, it is particularly important that the House Banking Committee not recommend any action on the Financial Institutions Act which would render nugatory future legislative recommendations by the House Judiciary Committee relating to the antitrust aspects of this problem.

Present section 23 is inadequate

It is against this background that I turn to section 23, chapter 5, title III, of the proposed Financial Institutions Act of 1957. That section would first expand provisions of existing law so as to require prior approval by the appropriate Federal bank supervisory agency for every merger or consolidation involving insured banks. Second, in granting or withholding consent, the Comptroller of the Currency, the Federal Reserve Board, or the Federal Deposit Insurance Corporation, as the case may be, would be required to consider not only the usual banking factors, but also to take into consideration whether the effect (of the proposed transaction) may be to lessen competition unduly or to tend unduly to create a monopoly. Finally, the appropriate supervisory agency would be required to consult the other two Federal banking agencies on the question of competition and may also request the opinion of the Attorney General with respect to such question, although there would be no requirement to do so.

Competitive considerations are virtually ignored

Under this provision, competitive considerations would be only one of the various factors that would have to be taken into account by the appropriate Federal banking agency in scrutinizing a proposed bank merger. Beyond this, an entirely novel test is proposed, namely, whether the acquisition may lessen competition unduly or tend unduly to create a monopoly. Indisputably this proposed standard is far weaker than that of section 7 of the Clayton Act which applies to other businesses and prohibits any merger where the effect of the acquisition may be substantially to lessen competition, or to tend to create a monopoly. Moveover, in the 67 years since passage of the Sherman Antitrust Act no suggestion has been made that its provisions designed to prevent clogs on competition did not apply equally to banking and nonbanking corporations. Nor are the characteristics of the banking industry so unique as to justify such departure. As the Comptroller of the Currency has testified,

---

[3] See Interim Report of the Antitrust Subcommittee, House Committee on the Judiciary on Corporate and Bank Mergers, pp. 28–30 (84th Cong., 1st sess.).

[4] Hearings before Antitrust Subcommittee, House Committee on the Judiciary on Current Antitrust Problems, p. 2159 (84th Cong., 1st sess.).

[5] Id., p. 2165.

[6] Hearings before Antitrust Subcommittee, House Committee on the Judiciary on H. R. 264 and H. R. 2143 (premerger notification), p. 229 (85th Cong., 1st sess.). For a contrary view that the merger trend is not a matter of serious concern, see testimony of Comptroller of the Currency before House Antitrust Subcommittee in March 1957. Id., p. 182.

[7] 40 Stat. 1043, Public Law 240, 65th Cong., 2d sess. (1918), 12 U. S. C. 33; 44 Stat. 1224, Public Law 639, 69th Cong., 2d sess. (1927), 12 U.S. C. 34a. Approval of the Comptroller of the Currency is not required where a national bank leaves the national system by consolidation or merger with a State bank.

[8] 64 Stat. 873, Public Law 797, 81st Cong., 2d sess (1950), 12 U. S. C. 1828 (c).

[9] 64 Stat. 873, Public Law 797, 81st Cong., 2d sess. (1950), 12 U. S. C. 1828 (c).

[10] During the 84th Congress, I sponsored a subsequent bill dealing with premerger notification (H. R. 9424) which incorporated the provisions of H. R. 5948. H. R. 9424 was passed by the House without dissent on April 16, 1956, and was reported favorably by the Senate Judiciary Committee on July 27, 1956, too late for final Senate action.

[11] See Economic Report of President, January 23, 1956, pp. 78–79; Economic Report of President, January 23, 1957, p. 51; Economic Report of President, January 20, 1958, p. 64.

[12] See section 61, chapter 9, title II, of proposed Financial Institutions Act of 1957 (p. 146).

"It is no less important to have competition in banking, when this can be done soundly, as it is in other fields of commerce and industry." [13] In these circumstances, I must view with the utmost gravity a proposed standard that would provide for the banking industry a preferred and favored position.

It will be recalled that the term "substantially lessen competition" has been imbedded in Federal jurisprudence for some 34 years in the course of which it has received judicial content via numerous court interpretations. If we discard this standard for the vague [14] and novel standard of unduly, we would find ourselves in a sea of trouble. It took years and years to determine through court interpretation what the term "substantially to lessen competition" means. Should present section 23 be adopted, not only would the courts have to start all over again in interpreting a vague and untested term, there would be created—and without justification—a dual standard, one for banks—another for nonbanking corporations. The force of these considerations was noted by the Chairman of the Federal Reserve Board. He testified:

"We recognize * * * that you have a legal groundwork for substantial lessening competition already in the framework of the law and that it may not be possible to use 'unduly lessening competition.'" [15]

Indeed the present Comptroller of the Currency testified before our Antitrust Subcommittee as follows:

"We have no objection to the principle that the acquisition of one bank by another through purchase, merger, or consolidation should not be permitted if the effect of the acquisition may be substantially to lessen competition. It is no less important to have competition in banking, when this can be done soundly, as it is in other fields of commerce and industry." [16]

Moreover, it must be recognized that if the Congress should adopt the standard here proposed and proscribe only bank mergers which tend unduly to monopoly, then the Congress, in effect, would be placing its imprimatur of approval on mergers which tend to monopoly. Stated otherwise, adoption of the "unduly" standard would mean that it is the policy of Congress that a bank merger which tends to monopoly is in the public interest; that only if it tends unduly to monopoly should it be banned. Apt in this connection is the comment of Judge Barnes, former head of the Antitrust Division: "I think that when we talk about 'tendency unduly to create a monopoly' it seems akin to speaking of a man that is not 'unduly dishonest.' I think that we have to pause a little bit to consider if that is exactly what we mean." [17]

Pertinent in this regard also is testimony by the Comptroller of the Currency before our subcommittee:

"The CHAIRMAN. Mr. Comptroller, as I get it, you would proscribe a merger which tends unduly to monopoly.

"Mr. GIDNEY. Yes.

"The CHAIRMAN. Is that right?

"Mr. GIDNEY. Yes.

"The CHAIRMAN. Then, the converse, it strikes me, would be true: that in your judgment, then, a bank merger that tends to monopoly only, is in the public interest.

"Mr. GIDNEY. I don't——

"Mr. KEATING. Watch out.

"Mr. GIDNEY. I hear something I don't understand too well.

"The CHAIRMAN. I want you to watch out and listen very carefully. You would proscribe or prevent a merger that tends unduly to monopoly——

"Mr. GIDNEY. Yes.

"The CHAIRMAN. Then it strikes me if that is sound, then the converse must be true: that in your judgment a bank merger that only tends to a monopoly is in the public interest?

"Mr. GIDNEY. Well, we merely have to find it is not contrary to the public interest; don't we?

"The CHAIRMAN. Yes; you have got to find it; but when you say it is 'unduly,' then it is against the public interest——

"Mr. GIDNEY. Yes; that is right.

"The CHAIRMAN. If it is not 'unduly,' then it is in the public interest and you let it go on.

"Mr. GIDNEY. Well, do we have a neutral position somewhere there? Are we——

"The CHAIRMAN. At least you do not take any action then.

"Mr. GIDNEY. That is right. We have a certain amount of free enterprise, even in the banking system, and if it is not against the public interest, why should we——

"The CHAIRMAN. In other words, you figure that in the interests of free enterprise, you would allow the thing to go along, even if it tends to monopoly so long as it does not 'unduly'——

"Mr. GIDNEY. I won't accept that, because my difficulty is this 'tends' business.

"The CHAIRMAN. Is that not what you really say? You say you only prevent it when it 'unduly' tends to monopoly.

"Mr. GIDNEY. That is to give us——

"The CHAIRMAN. Therefore, if it does not 'unduly' tend to a monopoly, then in the interests of free enterprise you let it go on without taking any action, even if it only tends to a monopoly and does not tend unduly to a monopoly.

"Mr. GIDNEY. Well, things are a matter of degree. I think we want the word 'unduly' in there so that this 'tends' word is something that we can live with and understand. In other words, we can have——

"The CHAIRMAN. Then your answer is 'Yes,' is that it?

"Mr. GIDNEY. I don't think I want to say 'Yes' on that sir. I don't understand it well enough." [18]

In these circumstances, I am constrained to agree with the Attorney General who testified last year:

"First, the proposed banking legislation prescribed for bank mergers would weaken section 7 standards. The factor of competition would be only one of numerous considerations to be taken into account by a banking agency in scanning a merger. Beyond that, the competitive considerations of section 23 specified, whether the acquisition may 'lessen competition unduly or tend unduly to create a monopoly' are completely novel and are intended simply to be less stringent than those specified by the Clayton Act, section 7, for other American business. As the result, not only does that proposal prescribe pale antitrust standards, but even that lesser standard is only one of many factors banking agencies must consider. All told, then, that proposal does little more than give lipservice to insure competitive enterprise in banking. Banking agencies themselves recognize inherent difficulties in construing this jerry-built standard. While relevant language of the Clayton Act, section 7, has been on the books for almost a half century, proposed section 23's 'unduly' phrasing is completely novel." [19]

The short of the matter is that as former Assistant Attorney General Barnes testified the "proposal does little, if anything, to insure competitive enterprise in banking. Any pretense that it does seems to me hardly more than sham." [20]

The contention has been made that a test of "undue lessening of competition" would provide greater flexibility by permitting the approval of mergers and consolidations which for particular reasons would not be contrary to the public interest. It must be recognized, however, that in some circumstances a transaction may not be contrary to the policy of the antitrust laws even though it may lessen competition. Thus, in the *International Shoe Co.* case (280 U. S. 291), the Supreme Court held that where the concern acquired is "a corporation with resources so depleted and the prospect of rehabilitation so remote that it faced the grave probability of business failure * * * the purchase of its capital stock by a competitor (there being no other prospective purchaser), not with a purpose to lessen competition, but to facilitate the accumulated business of the purchaser and with the effect of mitigating seriously injurious consequences otherwise probable * * * does not substantially lessen competition or restrain commerce within the intent of the Clayton Act."

On the same principle, the acquisition by a bank of the assets of another bank would not be precluded under the "substantially" test where otherwise there would be a reasonable probability of the ultimate failure of the acquired bank or where, because of

---

[13] Hearings before Antitrust Subcommittee, House Committee on the Judiciary on H. R. 5948 (bank mergers), p. 71 (84th Cong., 1st sess.).

[14] The following illustrates the vagueness of the proposed standard:

The Comptroller of the Currency was requested to supply the Antitrust Subcommittee with a list of the type of bank merger situations his office would approve under a test based on a statutory provision requiring that consideration be given to whether the effect thereof may be "to lessen competition unduly or to tend unduly to create a monopoly" but would not approve under a test based on a provision reading "substantially to lessen competition or to tend to create a monopoly." In reply the Comptroller advised the subcommittee that after having studied the matter carefully, "it was not feasible to supply such a list in the form suggested." Hearings before the Antitrust Subcommittee, House Committee on the Judiciary on H. R. 264 and H. R. 2143 (premerger notification), p. 194 (85th Cong., 1st sess.).

[15] Hearings before Antitrust Subcommittee, Senate Committee on the Judiciary on S. 3341 et al. (premerger notification), p. 52 (84th Cong., 2d sess.).

[16] Hearings before Antitrust Subcommittee, House Committee on the Judiciary on H. R. 5948 (bank mergers), p. 71 (84th Cong., 1st sess.).

[17] Hearings before Antitrust Subcommittee, Senate Judiciary Committee on S. 3341 (premerger notification), p. 157 (84th Cong., 2d sess.).

[18] Hearings before Antitrust Subcommittee, House Committee on the Judiciary on H. R. 264 and H. R. 2143 (premerger notification), p. 73 (85th Cong., 1st sess.).

[19] Hearings before Antitrust Subcommittee, House Committee on the Judiciary on H. R. 264 and H. R. 2143, p. 73 (84th Cong., 1st sess.). To similar effect, see testimony of Assistant Attorney General Hansen, hearings before House Banking and Currency Committee on S. 1451 and H. R. 7026 (proposed Financial Institutions Act of 1957), p. 128 (85th Cong., 1st sess.); testimony of Attorney General Brownell, hearings before a subcommittee, Senate Committee on Banking the Currency on proposed Financial Institutions Act of 1957, p. 1031 (85th Cong., 1st sess.); testimony of Assistant Attorney General Barnes, hearings before Antitrust Subcommittee, Senate Judiciary Committee on S. 3341, et al. (premerger notification), p. 156 (84th Cong., 2d sess.).

[20] Hearings before Antitrust Subcommittee, Senate Committee on the Judiciary on S. 3341 et al. (premerger notification), p. 157, 84th Cong., 2d sess.).

inadequate management, the acquired bank's prospects for survival seem dim.[21]

In addition to the acquisition of a bank which otherwise would be faced with a possibility of failure, there are other circumstances in which, from a banking standpoint, the acquisition of a bank by another bank may be in the public interest. For example, where the acquisition is the most practicable means of dealing with a problem bank having inadequate capital or unsound assets or where the acquired bank has not adequate provision for management succession. Also, where several banks in a small town are compelled by an overbanked situation to resort to unsound competitive practices which may eventually have an adverse effect upon the condition of the banks, the merger of two or more of the banks may well be in the public interest. The same principle applies where there are not adequate banking facilities. These various situations are illustrative of the circumstances where the consummation of the transaction would not be contrary to the public interest and not be banned under the "substantially" test. However, should there be any doubt in this respect, I would recommend that the report of this committee on the proposed legislation make this crystal clear.[22]

Manifestly, therefore, these banking factors do not make necessary abandonment of the "substantially" test. In addition to that, adoption of "unduly" would mean that there would be one standard for bank acquisitions by other banks, another for bank acquisitions by holding companies even though there is no real distinction between the two kinds of transactions. Recall that under the Bank Holding Company Act, section 3,[23] the applicable standard for bank acquisitions is whether in any line of commerce in any section of the country the effect of such acquisition may be substantially to lessen competition or to tend to create a monopoly. This is indicated by the following extract from a letter which the Vice Chairman of the Federal Reserve Board sent to me on January 18, 1957:

"Section 11 of the Bank Holding Company Act of 1956 provides that nothing therein shall be interpreted as approving any action which may be in violation of existing law, nor is anything herein to constitute a defense to any action or proceeding on account of any prohibited antitrust action or conduct. Also, as you indicate, under the Celler-Kefauver amendment to section 7 of the Clayton Act the test is whether the effect of the acquisition may be substantially to lessen competition or to tend to create a monopoly in any section of the country.

"Section 3 (c) of the Bank Holding Company Act requires the Board, in passing upon each application by a bank holding company for approval of its acquisition of bank stock, to consider certain specific factors, including whether or not the effect of the proposed acquisition would be to expand the size or extent of the holding company system beyond limits consistent with the public interest and the preservation of competition in the field of banking. The concept involved in this factor is a broad one, and in the Board's opinion adequate consideration of the facts in this regard necessarily involves consideration of the standards mentioned in section 7 of the Clayton Act—that is, whether in any line of commerce in any section of the country the effect of such acquisition might be substantially to lessen competition or to tend to create a monopoly."

On the other hand, the test for an acquisition of one bank by another would be whether the effect of the transaction may be to lessen competition unduly or to tend unduly to create a monopoly. Beyond the fact that there is no basis for such distinction, the Federal Reserve Board would be faced with the grotesque task of having to administer dual standards involving similar types of transactions. Thus in the case of a merger where the resulting institution is a State member bank, the Board, as the appropriate Federal supervisory agency, would be obliged to follow the "unduly" test. But in the case of a merger involving a bank holding company, the Board would be obliged to follow the "substantially" test. The short of the matter is that confusion would be compounded on confusion.

There is yet another consideration, namely, that the proposal would weaken the competitive standards which the Comptroller of the Currency now professes to follow with respect to bank mergers. It will be recalled that approval of the Comptroller of the Currency is required in all cases of mergers between national banks, or between a national bank and a State bank where the resultant institution is to be operated under a national charter. I point out that the Comptroller of the Currency has stated on numerous occasions that before granting merger approval, he will determine whether its effect in any section of the country may be substantially to lessen competition or tend to create a monopoly; that he will determine, in short, whether the transaction is violative of the policy of the Celler-Kefauver Act. Moreover, the Comptroller has stressed that he would not approve any bank merger or consolidation which he thinks would be a violation of the principles of this act. Thus, in a letter to me dated March 14, 1955, the Comptroller of the Currency stated in part:

"In determining whether the approval of this office will be given to any merger or consolidation, the Comptroller considers, among other things, how the proposed merger will affect the particular banks involved, the soundness of the national banking system, and the convenience and needs of the community concerned. There may be a technical question as to the specific application of section 7 of the Clayton Act to these mergers. However, it has been the practice of the Comptroller before giving his approval to determine whether the effect of the merger, 'in any section of the country * * * may be substantially to lessen competition, or to tend to create a monopoly.'" [24]

Again in March 1957, the Comptroller testified as follows:

"Mr. MALETZ. Is it your practice * * * not to approve any bank merger where the effect may be substantially to lessen competition or tend to create a monopoly?

"Mr. GIDNEY. I say, that has been our practice. We have not approved any where it could be.

"Mr. MALETZ. That is your practice?

"Mr. GIDNEY. We have not approved where it could be shown." [25]

The fact is, however, that from 1950 to May 1, 1955, the Office of the Comptroller approved 376 bank mergers and consolidations involving in respect to banks absorbed total resources of $7,464,000,000. During the same period that office did not disapprove a single merger application on the basis of competitive consideration.[26] The report of our Subcommittee on Corporate and Bank Mergers issued in December 1955, made the following comment in this connection:

"Comptroller of the Currency, Ray M. Gidney, has indicated that before giving his approval to any bank merger or consolidation coming within his jurisdiction, he will determine whether its effect in any section of the country may be substantially to lessen competition or tend to create a monopoly; in short, he will determine whether the merger is violative of the policy of the Celler-Kefauver Antimerger Act. Mr. Gidney has stressed that he would not approve any bank merger or consolidation which he considers to be in violation of the principles of this act. But what does the record show? It shows that from 1950 to May 1, 1955, the Comptroller and his predecessors have approved 376 bank mergers and consolidations involving total resources of $7,464,000,000 It also shows that since 1950 the Comptroller's Office has not disapproved a single merger application on the basis of a possible substantial lessening of competition. This is not surprising since the Comptroller's Office has not issued anything specific to the examiners in regard to considering anticompetitive factors; it has never notified national bank examiners or given them any specific admonition that it is the Comptroller's policy to disapprove any bank merger violative of the Celler-Kefauver Act. Nor has it required examiners to make findings of fact with regard to competitive considerations in recommending approval or disapproval of proposed bank mergers." [27]

It should be added that within a few weeks after issuance of this report in December 1955, the Comptroller's Office promulgated standards for considering the competitive consequences of bank mergers.[28] Furthermore, after the subcommittee hearings, the Comptroller's Office in June 1955, for the first time, informally disapproved a merger application because of competitive considerations and followed that up in November 1955 by refusing for similar reason to approve certain proposed mergers in cases involving eight banks. However, in 1955 the office approved 126 bank mergers involving, in respect of banks absorbed, resources of $2,015,225,452. In 1956 it approved 105 bank mergers involving banks absorbed having total resources of $2,380,816,965 and informally disapproved 10 applications for competitive reason.[29] In 1957 it approved 82

---

[21] The Department of Justice has given firm assurance that such mergers would be permitted under the "substantially" standard. See testimony of Assistant Attorney General Hansen before House Banking and Currency Committee on S. 1451 and H. R. 7026 (proposed Financial Institutions Act of 1957), pp. 130–131 (85th Cong., 1st sess.). See also testimony of Attorney General Brownell, subcommittee, Senate Banking and Currency Committee, on proposed Financial Institutions Act, p. 1014 (85th Cong., 1st sess.).

[22] See House Judiciary Report No. 1417 on H. R. 5948 (bank mergers), pp. 5–6 (84th Cong., 1st sess.).

[23] Proposed Financial Institutions Act of 1957, subsection (c), sec. 54, ch. 9, title II (p. 141).

[24] See CONGRESSIONAL RECORD, vol. 101, pt. 3, pp. 3307–3308 (84th Cong., 1st sess.).

See also hearings before Antitrust Subcommittee, House Committee on the Judiciary, on Current Antitrust Problems, pp. 452–453, 493 (84th Cong., 1st sess.).

[25] Hearings before Antitrust Subcommittee, House Committee on the Judiciary, on H. R. 264 and H. R. 2143 (premerger notification), p. 143 (85th Cong., 1st sess.).

[26] Hearings before Antitrust Subcommittee, House Committee on the Judiciary, on Current Antitrust Problems, p. 451 (84th Cong., 1st sess.).

[27] Interim report, Antitrust Subcommittee, House Committee on the Judiciary, on Corporate and Bank Mergers, p. 36 (84th Cong., 1st sess.).

[28] Hearings before Antitrust Subcommittee, House Committee on the Judiciary, on H. R. 264 and H. R. 2143 (premerger notification), pp. 175–176 (85th Cong., 1st sess.).

[29] Id., pp. 171–172. Attorney General Brownell testified on this point as follows:

"Senator DOUGLAS. Mr. Brownell, when the same proposal was up before us last year I gathered some figures from the records of the

mergers involving banks absorbed having resources of $1,142,000,000, without disapproving any application for competitive reasons.

Without in any way singling out the present incumbent—my remarks are applicable to his predecessors as well—it is clear as the Attorney General has testified, that the Office of the Comptroller has tended to give little or no consideration to the question as to whether or not competition would be substantially lessened.[20]

The appropriate Federal bank supervisory agency must be required to give notice to the Attorney General

The obvious reason for failure to take competitive considerations adequately into account is lack of expertise in the antitrust field on the part of Federal bank supervisory agencies. The Comptroller of the Currency has stated and I quote him: "I have no competency in that (the antitrust) field. I do not know what the courts have done."[21]

Similarly, the Chairman of the Federal Reserve Board pointed out that administration of the banking laws was in an entirely different sphere than enforcement of the antitrust laws. He testified:

"The principal functions of the Federal Reserve System lie in the field of monetary and credit policy and bank supervision. The prosecuting and adjudicatory functions involved in the enforcement of the antitrust laws are only indirectly related to the Board's principal responsibilities. They are of a character quite different from the functions normally exercised by the Board in passing upon particular transactions in the bank supervisory field. In other words, enforcement of the antitrust laws and the function of bank supervision represent, we believe, different spheres of governmental operation."[22]

As the Department of Justice has observed, "failure to insure informed advice on competitive factors could have effects far beyond the banking field. Without (the Department's) right to intervene in bank mergers there might be as many different views of section 7 standards and scope as there were agencies charged with this enforcement. The result could well be disparities in view, which in turn, spell real enforcement inequities. Enforcement effectiveness as well requires some procedure for (the) Department's intervention. Otherwise in its overall responsibility for section 7's enforcement * * * outside of the banking area—(the) Department would be bound by bank merger precedents (it) had no voice in picking or shaping."[23]

In these circumstances, it would be little short of folly to require the appropriate Federal bank supervisory agency to obtain the views of the other two banking agencies, but not impose the same requirement in respect to seeking the informed advice of the Department of Justice—the one agency possessing the necessary competency to make an informed recommendation respecting competitive implications of a proposed merger. Actually, the Comptroller of the Currency testified before our subcommittee that he didn't really object to a provision requiring him to obtain the opinion of the Attorney General as to the antitrust implications of a proposed merger, provided it was submitted promptly or within a designated period.[24]

Furthermore, on the basis of past experience, unless a requirement of mandatory consultation with the Department is written into law, there is little, if any, likelihood that the Federal banking agencies will seek the informed advice of the Attorney General. Consider, for example, that although the Office of the Comptroller of the Currency approved some 647 mergers in the past 8 years, many involving acute competitive problems, in only one instance did the Comptroller seek the Department's advice on the competitive effect of a particular bank merger problem. This was made clear in a letter from Assistant Attorney General Hansen to me, dated March 20, 1957, which reads as follows:

"In Attorney General Herbert Brownell's appearance before your subcommittee on March 6, 1957, it was requested that the Department furnish you with instances in which Comptroller of the Currency Ray M. Gidney sought advice from the Antitrust Division as to whether the effect of a given merger may be substantially to lessen competition or tend to create a monopoly. We have reviewed our records and find that in only one instance was the Department's advice sought on the competitive effect of a particular bank merger problem. In that instance, members of the Comptroller's staff conferred informally with the Division around the end of September 1956 on the proposed acquisition of the Peoples Saving Bank of Port Huron (Mich.) by the Michigan National Bank. This proposed acquisition has been subject to a rather thorough investigation because of Sherman Act as well as Clayton Act problems.

"In two other instances, the Comptroller's Office has forwarded information to the Division on bank mergers. On August 8, 1956, the proposed merger of Farmers & Merchants National Bank of Los Angeles and Security First National Bank of Los Angeles was brought to the Division's attention before the Comptroller had given his approval. It was with respect to this merger that I personally talked to Mr. Gidney on the telephone. Lack of section 7 jurisdiction because this transaction was consummated by an acquisition of assets precluded the Department from considering this matter under section 7. On August 17, 1956, the Comptroller called the Division's attention to his approval of the merger of the Delaware Valley Bank & Trust Co., of Bristol (Pa.), and the Philadelphia National Bank of Philadelphia.

"In three other instances, our records show that the Comptroller's Office was notified of our interest in certain bank-merger problems. Notice was given on January 5, 1955, on the Chase-Manhattan Bank merger, March 7, 1955, on the National City-First National Bank merger, and around the 1st of December 1956 on the pending New York bank holding company formation which is now before the Federal Reserve Board for approval. In the Chase-Manhattan and National City-First National Bank mergers, this Department specifically requested from the Comptroller's Office information or data relating to competitive aspects of these mergers. In the pending holding company problems, our requests for information have been mainly channeled through the Federal Reserve Board, the agency with primary jurisdiction over this matter under the Bank Holding Company Act of 1956. However, a recent information request has been made directly to the Comptroller's Office."[25]

Where the continuing institution is to be a State bank, notice to the State bank supervisor should be required

The foregoing considerations are equally applicable in respect to obtaining the views of the appropriate State banking supervisor when the continuing institution is to be a State bank. In such cases it is as necessary to obtain the views of the appropriate local official as it is the views of the other two Federal banking agencies since the State supervisor usually will have special knowledge of local banking and other matters—factors which are of the highest degree of relevance to a determination as to whether final approval should be granted or withheld. Consequently, I deem it important that section 23 be amended to require notification to the appropriate State bank supervisor where the proposed merger will result in creation of a State bank.

Need for adoption of an antitrust savings clause

Section 11 of the Bank Holding Company Act, which is incorporated in the present bill as section 61, chapter 9, title II, provides that "nothing herein contained shall be interpreted or construed as approving any act, action, or conduct which is or has been or may be in violation of existing law, nor shall anything herein contained constitute a defense to any action, suit, or proceeding pending or hereafter instituted on account of any prohibited antitrust or monopolistic act, action, or conduct."

Purpose of this section is to insure that no provision of the Bank Holding Company Act is to supersede any provision of any other Federal law, particularly those "designed to control monopoly or break up trusts." To quote from the Senate report on the bank holding bill:

"The bill provides that none of its provisions are to be construed as approving any act, action or conduct in violation of existing law. It also provides that nothing in the bill shall constitute a defense to any action, suit, or proceeding pending or later instituted on account of any prohibited antitrust or monopolistic act, action or conduct. In the opinion of your committee, ap-

---

Comptroller of the Currency on approving and disapproving mergers since 1950. My figure showed that there were 6 years, from 1950 to 1955, inclusive, in which we had approved 460 mergers, had formally disapproved 9, had informally disapproved 13; therefore, he had approved between 96 and 98 percent of all mergers during those 6 years.

"Could you tell me if these figures which I collected are approximately accurate, according to your knowledge?

"Mr. BROWNELL. Yes; they are. And I am not so sure that the 22 that were turned down were turned down on the ground of competitive factors."

Hearings before subcommittee, Senate Committee on Banking and Currency, on Banking Laws, Financial Institutions Act of 1957, p. 1027 (85th Cong., 1st sess.).

[20] The Attorney General testified in part as follows:

"Senator DOUGLAS. In other words, up to date the Comptroller of the Currency has tended to give little or no weight to the question as to whether or not competition would be substantially less?

"Mr. BROWNELL. I believe that is a fact. And I think his own testimony indicates that." Ibid.

[21] Hearings before Antitrust Subcommittee, Senate Committee on the Judiciary, on S. 3341 et al. (premerger notification), p. 80 (84th Cong., 2d sess.).

[22] Id., p. 49.

[23] Testimony of the Attorney General before subcommittee, Senate Committee on Banking and Currency on proposed Financial Institutions Act of 1957, p. 1032 (85th Cong., 1st sess.). See also testimony of Assistant Attorney General Hansen, hearings before House Banking and Currency Committee on S. 1451 and H. R. 7026 (proposed Financial Institutions Act of 1957), p. 131 (85th Cong., 1st sess.); testimony of Assistant Attorney General Barnes, hearings before Antitrust Subcommittee, Senate Judiciary Committee, on S. 3341 et al. (premerger notification), p. 160 (84th Cong., 2d sess.); testimony of Attorney General Brownell, hearings before Antitrust Subcommittee, House Committee on the Judiciary on H. R. 264 and H. R. 2143 (premerger notification), p. 74 (85th Cong., 1st sess.).

[24] Hearings before Antitrust Subcommittee, House Committee on the Judiciary on H. R. 264 and H. R. 2143 (premerger notification), p. 131 (85th Cong., 1st sess.).

[25] Id. pp. 25–26.

provals granted and action permitted under the provisions of this bill are not to supersede the provisions of other Federal laws, particularly those designed to control monopoly or break up trusts. For example, the Clayton Act has been judicially determined to apply to banks. Under the provisions of that act, the Federal Reserve Board has an administrative role to play in determining whether banks comply with the requirements of the Clayton Act. Under the provisions of this bill, any action taken by the Federal Reserve Board in accordance with its terms is not to interfere in any manner with the performance by the Board of such functions as may be assigned to it under the Clayton Act." [36]

Unless this same antitrust savings provision is made applicable to bank mergers, the possibility would exist—certainly the contention would be advanced—that the Financial Institutions Act has nullified the strictures of the Sherman Act forbidding any bank merger which results in an unreasonable restraint of trade or monopoly.

What is more, absence of such provision could well render nugatory action that might be taken by the House Judiciary Committee in recommending legislation to plug the loophole in Clayton Act, section 7, so as to cover bank mergers accomplished by asset as well as stock acquisitions. This would necessarily follow if failure to include a savings clause was construed to mean that section 7's provisions dealing with bank mergers had been superseded by the present legislation.[37]

There is no justification for provisions of the bill allowing banks to purchase and hold stock in other banks as steps in a proposed merger

Two provisions of the pending bill, one permitting national banks, the other, State member banks to purchase and hold stock of other banks for 90 days in contemplation of merger are particularly mischievous. The first, subsection (b), section 32, chapter 6, title I (p. 25), reads:

"A national bank may, with the prior approval of the Comptroller, directly or indirectly purchase and hold, for not to exceed 90 days, stocks of another bank as steps in a proposed absorption of such other bank through merger, consolidation, acquisition of assets and assumption of liabilities, or otherwise."

The second, section 23, chapter 5, title II (p. 96), reads:

"State member banks shall be subject to the same limitations and conditions with respect to the purchasing, selling, underwriting, and holding of investment securities and stock as are applicable in the case of national banks under section 32 of the National Bank Act: *Provided, however,* That with the prior approval of the Board, a State member bank may directly or indirectly purchase and hold for not to exceed 90 days stock of another bank as steps in a proposed absorption of such other bank through merger, consolidation, acquisition of assets and assumption of liabilities or otherwise."

Candor compels me to say that rarely have I seen a proposal better calculated to stimulate merger activity and enhance banking concentration. To quote the Comptroller of the Currency:

"We are opposed to enactment of this proposal.

"Two or more national banks may merge or consolidate only upon the approval of the holders of two-thirds of the stock of each bank. Once a bank owned control of another bank, the shareholders of the acquiring bank would, as a practical matter, have very little choice but to vote for the proposed merger or consolidation. We do not believe that it is proper for the officers or directors of a national bank even with the prior approval of the Comptroller, to use the bank's money to acquire stock in another bank as a first step to merging or consolidating with that bank. We have a like belief with respect to similar Federal legislation affecting State banks that are members of the Federal Reserve System." [38]

Indeed, I am somewhat puzzled as to why this proposal was inserted in the bill in the first place especially because of the testimony of Governor Robertson of the Federal Reserve Board before this committee that it wasn't really very important to begin with. He stated:

"This is a very insignificant portion of the bill, and we really don't urge it one way or the other. It comes up because of a situation in California, for example, where this procedure has been used in the past.

"* * * But it is not important. It is a very limited sort of proposition, and we wouldn't urge it or oppose it." [39]

Amendment is necessary to prevent the holding company device from being used to circumvent State branch district lines

Finally, amendment is essential to prohibit holding company acquisition of banks within a State except within the area within which branches of banks are permitted. Such provision, it will be recalled, was incorporated in section 5 (c) of the Spence bank holding company bill (H. R. 6627) which was adopted overwhelmingly by the House in the last Congress though the section was later deleted in conference. Subsequent developments have only served to underscore need for its enactment. Absent such provision, State geographic limitations have been and can be avoided by the simple expedient of forming a holding company to acquire control of banks throughout the State without regard to district lines. As an illustration, the Marine Midland Corp., which was organized in 1929 and is presently New York State's leading holding company, felt itself "compelled to carry out (its) plans by the method of 'group' banking because * * * the laws of New York State and the National Banking Act both prohibit branch banking beyond city limits." [40]

Circumvention is possible notwithstanding that a holding company system is a substitute for a branch system and that there is no essential difference between branches and affiliates, or subsidiary banks. As this committee stated most cogently: "Great stress has been placed on their difference in form, which everyone of course recognizes. * * * [H]owever, in a large measure they are differences without a distinction. Other than in form, what is the practical difference between a branch and a bank the stock of which is owned by a holding company that can select the bank's directors and change them at its pleasure, even holding repurchase rights to the directors' qualifying shares; that can hire and fire the bank's personnel and otherwise supervise its operations; that can make its investments, handle its insurance, buy its supplies, originate and place its advertising; can pass on its loans to local firms and individuals, usually receiving a fee for services performed?" [41] The fact is that "as each new bank is * * * added to those already a part of the holding-company system, such bank automatically becomes in effect, though not in name, a branch of that banking system." [42]

To my mind the conclusion is inescapable that despite all that has been said about the distinction between bank holding company groups and branch banking systems, both accomplish the same thing—the operation of a number of banking units under one control and management. Through the corporate device, holding companies still can be used to evade branch banking laws and defeat the declared policies of the State regarding branch banking. The same management which is restricted in its operation under a bank charter, can, via a holding company, acquire a unit bank, operate it in the same manner a branch would be operated and flout the expressed will of the legislative body of a State regarding the establishment of branches. This should not be tolerated.

Bear in mind that the overriding purpose of the Bank Holding Company Act and of State branching restrictions is similar: to safeguard against banking monopoly by minimizing the dangers inherent in concentration of economic power through centralized banking control. Yet, the Bank Holding Company Act, by permitting the piercing of branch district lines via the holding company device, is now serving as a convenient vehicle for fostering just that banking concentration which it is designed to prevent. I can think of no greater anomaly.

This whole issue, long virtually dormant, came dramatically to life in New York State last year when the First National City Bank of New York, the second largest in the city, sought to evade New York State statutory limitations preventing banks in New York City from establishing branches outside the boundaries of the city. This it tried to do by applying to the Federal Reserve Board for permission to form a bank holding company with the initial objective of acquiring control of the Country Trust Company of White Plains, White Plains, N. Y., the dominant commercial bank in Westchester County. Undoubtedly, successful consummation of this transaction would have forced other giant banking institutions in New York City, in self-defense, to utilize the same subterfuge and swallow up other banks in the State. Experience in the bank merger field proves that one acquisition inexorably leads to another. The prospect, therefore, was that the First National City plan would initiate a chain reaction until ultimately a handful of giant New York City banks, through the holding company device, would be in control of nearly every sizable commercial bank in the State of New York. This would mean that the day of independent unit and regional banking would have passed and that money and credit in New York State would be largely controlled by a few dominant banking institutions.

I think it is fair to say that effectuation of the First National City plan could mean the end of branch district lines in the State; it could mean basic alteration of the State's banking structure, completely without the approval of the State legislature.

Had section 5 (c) of the Spence bill been enacted into law, the proposal, of course, would have been stopped in its tracks. Obviated would have been any such threat

---

[36] Senate Banking and Currency Report No. 1095, p. 10 (84th Cong., 1st sess.).

[37] See hearings, House Committee on Banking and Currency on S. 1451 and H. R. 7026 (proposed Financial Institutions Act of 1957), p. 134 (85th Cong., 1st sess.). See also hearings before subcommittee, Senate Committee on Banking and Currency on proposed Financial Institutions Act of 1957, p. 1034 (85th Cong., 1st sess.).

[38] See hearings, House Committee on Banking and Currency, on S. 1451 and H. R. 7026 (proposed Financial Institutions Act of 1957), p. 156 (85th Cong., 1st sess.).

[39] Id., p. 27.

[40] See hearings before House Committee on Banking and Currency on H. R. 2764 to provide for the control and regulation of bank holding companies, p. 171 (84th Cong., 1st sess.), hereinafter referred to as "House hearings."

[41] House Banking and Currency Report No. 609 on Bank Holding Company Act of 1955, p. 3 (84th Cong., 1st sess.).

[42] See House hearings, p. 212.

to the State's banking structure. As it was, because of the absence of Federal legislation on the subject, the State legislature was forced to pass an interim bill, effective until May 1, 1958, forbidding any bank holding company from acquiring any bank except within the geographic limitations that would apply to the establishment of branches under the banking laws of the State.

Even so, the Federal Reserve Board apparently is doubtful as to State authority to legislate in this area. After an examiner recommended to the Board that the First National City application be dismissed on the basis that State law bars the transaction, the Board remanded with instructions to file a report on the merits of the transaction. In light of this development, it is incumbent upon this committee to reiterate either through an amendment or through a statement in its report that the Bank Holding Company Act does not preempt the field and that there is a wide area for permissible State action.

This is necessary despite the fact that the Bank Holding Company Act, coupled with its legislative history, seems to make it crystal clear that there has been reserved to the State wide latitude to adopt appropriate bank holding legislation. Thus, section 7 of the Bank Holding Company Act specifies that "The enactment by the Congress of the Bank Holding Company Act of 1956 shall not be construed as preventing any State from exercising such powers and jurisdiction which it now has or may hereafter have with respect to banks, bank holding companies, and subsidiaries thereof."

Furthermore, the legislative history explains in detail what the section means. The report of the Senate Banking and Currency Committee makes this comment:

"* * * another provision of this bill expressly preserves to the States a right to be more restrictive regarding the formation or operation of bank holding companies within their respective borders than the Federal authorities can be or are under this bill. Under such a grant of authority, each State may, within the limits of its proper jurisdictional authority, be more severe on bank holding companies as a class than (1) this bill empowers the Federal authorities to be or (2) such Federal authorities actually are in their administration of the provisions of this bill. In the opinion of the committee this provision adequately safeguards States rights as to bank holding companies." [43]

Beyond that, Senator ROBERTSON, sponsor of the legislation in the Senate and chairman of the Banking and Currency Subcommittee which considered the measure, pointed out in Senate debate that "each State may * * * enact legislation to regulate bank holding companies." [44] As an example of the type of legislation States were empowered to enact, Senator ROBERTSON inserted in the CONGRESSIONAL RECORD the text of a bank holding bill recently passed by the Georgia Legislature,[45] preventing any bank holding company incorporated under State law or doing business in the State, from acquiring 15 percent or more of the voting stock of each of two or more banks. Illinois has enacted similar legislation.[46]

But apparently the statute and the legislative history are not, in the eyes of the Federal Reserve Board, sufficiently dispositive that Congress intended to leave wide latitude to the States to enact holding company legislation. In these circumstances, this committee, I submit, has no alternative but to remove any doubt whatsoever as to the authority of the States to legislate in this area. Only then can there be firm assurance that State bank holding company action will not be overriden.

The Fine Arts as a Major Instrument of Foreign Policy

EXTENSION OF REMARKS

OF

HON. FRANK THOMPSON, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 4, 1958

Mr. THOMPSON of New Jersey. Mr. Speaker, top officials from many Federal departments and agencies have ably expressed the growing appreciation of the arts by this administration as a means of communication with other peoples throughout the world.

It is natural to feel both gratification and pride in the growing status of American culture when one sees the way in which other peoples have received some of the leading exemplars of our cultural progress.

There is impressive evidence that our art and our artists, which have been toured abroad by the Department of State and the United States Information Agency, are achieving impressive successes as good will ambassadors of this Nation. Under the impact of these programs the picture of the United States and its citizens held by other peoples is changing. Such evidence may be found, for instance, in a Manila newspaper report that, and I quote:

Asians by the thousands have modified their concept of America as an originally materialistic country after going through the experience of listening to an American symphony orchestra or hearing wise words from the mouth of so native an American as William Faulkner.

I hope you were able to view the See It Now report on the triumphant Far Eastern tour of Marian Anderson and see for yourself how ably she met the difficult questions asked her, particularly one about her singing on the steps of the Lincoln Memorial because the sole concert hall in the Nation's Capital was denied to her by the Daughters of the American Revolution. While many of us have forgotten that stirring occasion one April when she had an audience of tens of thousands on the steps of the Lincoln Memorial, a concert arranged, I might add, by such distinguished concert managers as Mrs. Franklin D. Roosevelt and Secretary of the Interior Harold Ickes, it was clear that the occasion was one of the most intense interest to her hosts and the man in the street of every Asian country she visited.

As coauthor with Senator HUBERT H. HUMPHREY of the legislation which was enacted as Public Law 860 of the 84th Congress, the International Cultural Exchange and Trade Fair Participation Act, I am especially pleased to have had a part in making the President's special international program a permanent part of this Nation's exchange with the other countries of the world and their peoples.

For many years, while important aspects of our American culture were neglected at home they were no less forgotten in the story we told to others about our American civilization. At the same time, the U. S. S. R. and other Communist states launched a large-scale cultural offensive. Musicians, dancers, and other artists in large numbers were sent by Russia and its Eastern European satellites into the uncommitted nations and into Western Europe to demonstrate, if possible, that the arts and the artists are not controlled but flourish and prosper under Communist regimes. The success of this drive became so apparent that people in and out of the Federal Government, the press, the radio, and television commentators, all finally asked in unison, "Why should the devil have all the good tunes." They were moved to do this because the Russian accusation that we are a Nation with a machine for a soul was going largely unchallenged by concrete demonstrations to the contrary.

I was pleased, then, as all of us were, to have the President say, in his message on the state of the Union, that our people and those of Eastern Europe should learn to know each other better. He was right, I think, in urging the Soviet Government to cooperate in breaking down unnatural barriers that have blocked the flow of thought and understanding between our peoples.

I was asked to speak to the new Advisory Committee on the Arts at the Department of State on January 16, 1958, which was appointed by Secretary Dulles. I include my remarks to this committee at this point for the information of my colleagues.

A list of the committee members, a general description of their duties, and an outline of their program is included at this point:

ADVISORY COMMITTEE ON THE ARTS TO OPEN 2-DAY SESSION IN WASHINGTON JANUARY 15–16, 1958, NEW STATE BUILDING, 21ST AND VIRGINIA AVENUE NW.

The Advisory Committee on the Arts appointed by the Secretary of State, under the terms of the International Cultural Exchange and Trade Fair Participation Act of 1956, will meet at the State Department for a 2-day session to inaugurate its duties.

The members of the committee will take their oath of office at 9:40 a. m. Wednesday, January 15, and will be greeted by Secretary Dulles at the opening session.

The Committee, under the chairmanship of Rufus H. Fitzgerald, chancellor emeritus of the University of Pittsburgh, will devote its first sessions to receiving a general briefing concerning international programs in the arts sponsored or assisted by the United States Government. On the basis of such information they will conduct their subsequent evaluations of the effectiveness and the adequacy of these programs.

Members of the Committee in addition to Dr. Fitzgerald are: Gilmore Clarke, architect; Sumner McKnight Crosby, art historian; Lamar Dodd, artist and art educator;

---

[43] Senate Report No. 1095 (84th Cong., 1st sess.), p. 11. See also House hearings, p. 98.

[44] CONGRESSIONAL RECORD, vol. 102, pt. 5, p. 6752.

[45] Ibid.

[46] Mississippi outlaws bank holding companies while Vermont bars any corporation whose primary business is the holding of stock in other corporations. Wisconsin law provides that any corporation controlling a majority of stock in a State bank is to be deemed engaged in the business of banking and subject to supervision of the State banking department.

Thor Johnson, musician; James Albert Michener, author; Robert Montgomery, actor and television executive; George Lloyd Murphy, actor and motion-picture executive; Charles Nagel, art museum director; Mrs. Helen Crocker Russell, civic leader and art patron.

The Wednesday and Thursday program will include addresses by Senator Hubert H. Humphrey and Representative Frank Thompson, authors of the aforementioned legislation; by Dr. Thurston J. Davies, Executive Director of the Office of the United States Commissioner General for the Brussels Fair; Robert V. Dowling, chairman, board of directors, American National Theater and Academy; Andrew H. Berding, Assistant Secretary for Public Affairs; Donald B. Cook, Staff Director, Departmental Staff of the United States Advisory Commission on Educational Exchange; E. Allan Lightner, Jr., Deputy Assistant Secretary for Public Affairs; Russell L. Riley, Director, International Educational Exchange Service; the Honorable George V. Allen, Director, United States Information Agency; and Thomas Beggs, Director, National Collection of Fine Arts.

The purpose of the International Cultural Exchange and Trade Fair Participation Act "is to strengthen ties which unite us with other nations by demonstrating the cultural interests, developments, and achievements of the people of the United States, and the contributions being made by the United States economic and social system toward a peaceful and more fruitful life for its own people and other people throughout the world; and thus to assist in the development of friendly, sympathetic, and peaceful relations between the United States and the other countries of the world." It provides for appointment of an advisory committee on the arts to advise and assist the President and Government departments and agencies in the conduct of the cultural program authorized by this act and—with special reference to the role of the arts—in other international cultural activities.

The Committee members were selected, under terms of the act, for their experience or interest in one or more of the arts.

STATEMENT OF THE ADVISORY COMMITTEE ON THE ARTS

The Advisory Committee on the Arts ended its 2-day session today. At the conclusion of this meeting, the committee issued the following statement:

As members of the Advisory Committee on the Arts, we are glad to place such special knowledge and experience as we may have at the service of our Government in its promotion of cultural relationships with other nations and peoples.

At a time of reassessment of the Nation's scientific and technological accomplishments, the creation of this committee furnishes gratifying evidence that our Government is also concerned with America's cultural achievements. Our maturity in the arts can win us the respect of others as surely as our progress in science.

The committee's initial meeting has been devoted to a familiarization with the Government's interest in the arts as a means of communication with other peoples, and with the various interrelated programs through which this interest is made evident. We have been impressed by the statements made to us. In particular, the Secretary of State spoke eloquently, and with manifest sincerity, of the importance he and the Department of State attach to demonstrating America's achievement in the arts as a hallmark of our national maturity. The remarks of the Honorable George V. Allen and other officials of the executive branch were of like character. Assurances were received from Senator HUBERT HUMPHREY, Senator H. ALEXANDER SMITH, and Representative FRANK THOMPSON that they and many of their colleagues in the Congress share fully in this interest in the arts in our international relations.

The reports received on the scope and effectiveness of our Government's programs for artistic presentations and exchanges were equally impressive to the committee. The fact that so much has been accomplished with limited resources is a tribute to the ingenuity and imaginativeness of the administrators of these programs and to the generosity of so many of the artists who have participated and of public-spirited citizens and groups. The success to date suggests that consideration should be given to an expansion of these activities.

It will be one of our important tasks as an advisory committee to give continuing review and guidance to these programs—in particular to the President's cultural presentations program and the reciprocal visits of artists under the international exchange program. It is our desire to be of assistance to the Department of State and to the other agencies, public and private, in the realization of the objectives of these programs.

We recognize the complexities of the relationship between Government and the arts, but we see no necessary incongruity in the artist's serving the legitimate ends of Government or in Government's giving recognition to the artist. We believe that in the arts integrity and quality are important watchwords, and within the framework of our relations with other nations we are confident that these values have been, and will be, honored.

The arts illumine the mind, kindle the spirit, and move the heart. Surely there can be few better ways to serve the cause of international understanding.

REMARKS OF REPRESENTATIVE FRANK THOMPSON, JR., DEMOCRAT, OF NEW JERSEY, TO THE UNITED STATES ADVISORY COMMITTEE ON THE ARTS, DEPARTMENT OF STATE BUILDING, JANUARY 16, 1958

I should like to extend my personal congratulations to each of you on your appointment to this Advisory Committee on the Arts. I am sure your association with the Government's international cultural program will be, as it has been for me, a continuing source of gratification and pride. You face a special challenge, I think, because, for the first time in our history, the Congress has established a top-level Federal Commission concerned with the arts both abroad and at home in a number of ways, and your committee will serve in an advisory capacity to a Cabinet officer, the Secretary of State, and the President, and the Director of the United States Information Agency. You will work with the Operations Coordinating Board, also, which is headed by Under Secretary of State Christian A. Herter, and with an interagency committee of top Government art officials established by the Humphrey-Thompson Act. Among these officials are the Librarian of Congress, the Secretary of the Smithsonian Institution, and the Director of the National Gallery of Art.

It is natural to feel both gratification and pride in the growing status of American art when one sees the way in which other peoples have received some of the leading exemplars of our cultural progress. I know that you will be hearing a good deal about the successes achieved by this program, and I will make no attempt, therefore, to go into this. One cannot but rejoice, however, in evidence that our art and our artists are having such great success abroad as this Nation's cultural ambassadors of good will. This success is having a lasting effect in changing the picture held by the peoples of other countries of the dominant character of the United States and its citizens. Such evidence may be found, for instance, in a Manila newspaper report that "Asians by the thousands have modified their concept of America as an originally materialistic country after going through the beautiful experence of listening to an American symphony orchestra or hearing wise words from the mouth of so native an American as William Faulkner."

I hope you were able to view the See It Now report on the triumphant Far Eastern tour of Marian Anderson and see for yourself how ably she met the difficult questions asked her, particularly one about her singing on the steps of the Lincoln Memorial because the sole concert hall in the Nation's Capital was denied to her by the Daughters of the American Revolution. While many of us have forgotten that stirring occasion one April when she had an audience of tens of thousands, it was clearly a matter of the most intense interest to the people of every Asian country she visited. I have long believed that we must establish in our Nation's Capital worthy monuments to our fine arts as eloquent testimony to our regard for the arts going far beyond our increasing appreciation for their propaganda value. As the New York Times said editorially on January 25, 1957:

"Representative FRANK THOMPSON, of New Jersey, one of the few Members of Congress who has consistently shown an interest in these matters, was responsible, with a handful of colleagues, for getting through a measure last year (Humphrey-Thompson Act, Public Law 860, 84th Cong.) providing governmental support for American artists performing abroad; but this, while highly desirable in itself, must be looked at as primarily a matter of propaganda and cultural exchange; it is ironic, in fact, that this one substantial recent Federal contribution to the arts is limited to backing them outside—not inside—America.

"Practically every other civilized country (and some not so civilized) has recognized that the Government has a proper interest in promoting the arts, and in promoting them with cash. It would be a mark of maturity and enlightenment if we were to do the same."

So, I would say to you that you must come to grips with this problem immediately. Keen observers in and out of Government, and our top officials, are becoming increasingly alarmed over the Russian propaganda campaign that depicts that country as the cradle of culture and the fine arts, and the United States and Washington officialdom as unconcerned with the rich heritage of the arts of western civilization, and with living artists, except for their propaganda value. In many areas of the world a place of honor is given to leaders in the arts and intellectual fields and in religious activities. It is there that the Russian propaganda is having its deadly effect: In those countries the artist is not called a longhair, and the intellectual is not dismissed as an egghead. So I think you must grasp this nettle, because, in many areas of the world, we are considered anti-intellectual, deficient in culture, superficial in religion.

I do not need to document for you the low esteem in which the artist and the scientist has long been held in this country. The denial of Constitution Hall to Marian Anderson was but one of many dramatic examples shouted around the world by our enemies and deplored by our friends.

When Queen Elizabeth visited our country recently, both President Eisenhower and the Queen ringingly called for a pool of the best technological, scientific, and cultural brains in the Western World to beat the Russians. However, the widely syndicated columnist, Inez Robb, reported that the four glittering dinners attended by Her Majesty during the Queen's stay in Washington did not contain the name of one single, solitary person distinguished in the arts and

sciences. According to Miss Robb "Military brass in enough fruit salad and gold braid to equip the whole Albanian army turned up at the state dinner at the White House and that given in Her Majesty's honor at the Pan American Union by John Foster Dulles, Secretary of State, and Mrs. Dulles, and the luncheon given by Vice President Richard M. Nixon."

For many years, while the arts were neglected at home, they were no less forgotten in the story we told to others about our American civilization. At the same time, the U. S. S. R. and other Communist states launched a large-scale cultural offensive. Musicians, dancers, and other artists in large numbers were sent by Russia and its Eastern European satellites into the uncommitted nations and into Western Europe to demonstrate, if possible, that the arts and artists flourish and prosper under Communist regimes. Red China joined in this offensive and its Peking Opera Co. was enthusiastically received everywhere it went.

The success of this drive became so apparent that people in and out of the Federal Government, the press, our radio and TV commentators, finally asked in unison, "Why should the devil have all the good tunes" because the Russian accusation that we are a nation with a machine for a soul was going largely unchallenged by concrete demonstrations to the contrary.

Starting in 1951, the United States Advisory Commission on Educational Exchange began recommending that an Advisory Committee on the Arts be established to help counter the Russian offensive. In March 1956 the State Department finally sent legislation to the Congress to establish an exchange program but not a committee. In its closing days, the 83d Congress appropriated $5 million to send our cultural groups overseas and to participate in trade fairs. In passing the Humphrey-Thompson Act in 1956 establishing your committee, Congress demonstrated that the American people support these international cultural efforts.

I was pleased to have the President say, in his message on the state of the Union last week, that our people and those of Eastern Europe should learn to know each other better. He urged the Soviet Government to cooperate in breaking down unnatural barriers that have blocked the flow of thought and understanding between our peoples. It is right here, I think, that you have your work cut out for you and it is an immense and challenging task.

I like the phrase in the preamble to the UNESCO charter which declares that "Since wars begin in the minds of men, it is in the minds of men that the defenses of peace must be constructed."

In an historic speech before the conference on the arts and exchange of persons, held by the Institute of International Education in New York City in October, 1956, Senator J. WILLIAM FULBRIGHT, author of the Fulbright Act, declared, and I agree:

"For my part, I want to use art to help the human race avoid committing suicide. It was an extraordinary, mysterious thing that in 1914, after 100 years of relative peace, the most civilized peoples of the world fell upon one another and tried to commit suicide. I have never heard a satisfactory reason for it, nor do I know why they fought. None of the reasons, economic, racial, or political, make any sense to me. I think it was a wholly irrational thing. Perhaps the human race is not capable of ever achieving peace or a rational international relationship. But I think there is sufficient chance to justify exerting ourselves in a field which has never been tried; that field is the exchange of persons and exchanges of the arts. Such exchanges may result in mutual understanding and sympathy.

"Contemplation of the fine arts or even competition among peoples in this field does not lead to bloodshed and hatred, as competition in the field of economics tends to do. I often think of the story they tell about Lenin who refused to listen to music because it tended to soothe his passions and make him less forceful and cruel. If that story is true, and I rather think it is, it encourages me in the direction I hope we are moving."

RECOMMENDATIONS

I hope, therefore, that this committee will ask searching questions about the Government's art programs and will make specific studies and recommendations which will lead to an increased importance of and emphasis on art in our relations with other nations.

(1) In May, 1956, Dr. J. L. Morrill, president of the University of Minnesota, made a study for the Department of State recommending coordination of the various exchange of persons programs and said "The time has clearly come for an upgrading of United States exchange activity in governmental, congressional, American public and foreign consciousness. * * * It is recommended that the Department of State appoint a coordinator for cultural and technical exchange working, of course, in cooperation and agreement with the International Cooperation Administration. The coordinator should occupy a new position with the title and rank of Assistant Secretary of State." One of the programs which will be coordinated is the cultural programs authorized by the Humphrey-Thompson Act. Senator Fulbright and I are sponsoring this legislation and I hope your committee will strongly support it since it has the support of the State Department. My bill is H. R. 10031. Senator FULBRIGHT'S companion measure is S. 3112. Senator HUMPHREY is a cosponsor of Senator FULBRIGHT'S bill.

(2) I hope you will be concerned with what action can be taken, by the Government and private agencies, to facilitate the visits to this country of foreign performing artists. No funds are available at present for this purpose, but one yardstick that will be used to measure our culture will be the interest we show in the cultural efforts of others. In this connection, then, you will be interested in the testimony by Robert W. Dowling, president of the American National Theater and Academy which works with the State Department in sending our performing artists overseas. Mr. Dowling said:

"When we send abroad an exchange program, 'exchange' is a misnomer if we can't receive something here in return. These programs have been making friends for our country. But then artists, producers, musicians ask when they can come here. There is no commercial theater you can book them into in midseason. Every New York theater manager hopes to book his house for a whole season. With the exception of the National Theater in Washington, where you might find a couple of weeks in winter, there is no place to play. New York is practically closed. You just have to have an adequate house, not only for the theater, but for ballet, opera, concerts—all the performing arts need it."

Therefore, Senator HUMPHREY and I are sponsoring legislation to provide for a National Capital Center of the Performing Arts. In such a national theater all the great artists from our own country, as well as those abroad, could be presented with the authority which other nations of the world accord their own artists and our own. This national theater I am sponsoring would have the same status in the Federal Government as the National Gallery of Art, and it would be built entirely with private funds without any cost to the taxpayer. My bill is H. R. 9848. This administration wants to build an air museum on the site reserved for an art center.

(3) You will want to inquire whether more importance shouldn't be given to the exchange with other countries of our graphic and plastic arts and to our great artists in these mediums, and to architecture. Authority exists, in the Humphrey-Thompson Act, for broadening these programs and the United States Information Agency already conducts such programs under the authority of the Smith-Mundt Act. Shouldn't we do more, for instance, about being represented at the important international arts festivals and competitions? A separate provision in the Humphrey-Thompson Act emphasizes the desirability of such representation. Then, too, Senator HUMPHREY and I are sponsoring legislation to establish a permanent home for the National Collection of Fine Arts and also to establish a National Portrait Gallery. The Smithsonian Institution, the Commission of Fine Arts, the Bureau of the Budget, all are backing this plan which would utilize the historic Patent Office Building in Washington and transfer it to the Smithsonian Institution for these purposes. Among the members of your committee especially interested in these proposals, I would think, would be Mr. Gilmore Clark, Mr. Sumner Crosby, Mr. Lamar Dodd, and Mr. Charles Nagel.

In a few minutes you will hear from the distinguished Director of the National Collection of Fine Arts, the Honorable Thomas Beggs, and will learn of the wonderful work he is doing in circulating American art abroad through such agencies as the United States Information Agency. The National Collection of Fine Arts, which was established by the Congress more than a century ago, is now valued at more than $10 million. Yet it has no permanent home and is scattered throughout the Smithsonian Institution, gathering dust and badly neglected. This is not the way a great Nation, which prizes its own art and artists, should treat them. Just suppose when we sent our art abroad it was exhibited in such a manner in foreign museums. The art of our country is important, make no mistake about that. Look at the beautiful book Three Hundred Years of American Painting recently published by Time magazine if you want to gain a picture of its scope. But don't go to the Smithsonian Institution unless you want to be chagrined and disappointed, and, I hope, challenged. Here is proof that art, when combined with natural history and science in a single museum, suffers. I think the British realized this when they made in the present century the division at the Victoria and Albert Museum placing the natural history section, the science section, and the arts section under different administrations and set up as individual institutions. It seems clear that the same reason applies to the Smithsonian Institution. With a building of its own I am sure that the National Collection of Fine Arts would attract gifts from many citizens throughout the country. That has been proven to be the case with the National Gallery of Art. I am convinced that people hesitate to make gifts to the Smithsonian Institution's national collection, knowing how and where they will be exhibited. So it is clear that American prestige abroad demands a home for the National Collection of Fine Arts immediately. We cannot wait another century, nor even another decade. Fortunately, the historic Patent Office Building can be used for this purpose thus saving the taxpayers many millions of dollars in construction costs. Until recently, however, the President wanted this building destroyed for parking-lot purposes.

(4) I would like to suggest that sometime during its first year, this committee meet with the members of a closely related com-

mittee, the Advisory Committee on Cultural Information, which advises the United States Information Agency on its programs carried out under the United States Information and Educational Exchange Act of 1948. I had the pleasure of meeting with the Advisory Committee on Cultural Information a few months ago and from its lively discussions, learned a good deal about the cultural programs operated under this act by the United States Information Agency—its art exhibits, libraries, and other book programs, English teaching efforts, documentary films, cultural broadcasts, and publications; and, of the work of the 160 cultural affairs officers abroad. The USIS cultural affairs officers are particularly important to your committee because they are the people who handle the arrangements overseas for the cultural presentations programs and, to some extent, for the trade fairs authorized in the Humphrey-Thompson Act. The USIS cultural affairs officers also administer the overseas part of the educational exchange program; they lecture before significant cultural and educational audiences; and they encourage the performance of American music and plays by the musicians and actors of other countries.

Since your committee and USIA's committee have common areas of interest, I would urge each committee to exchange a member who could sit as an observer at meetings of the opposite committee. I understand, in fact, that USIA's committee already has expressed its interest in an exchange of observers as well as a possible joint meeting sometime in the future. Such coordination would save the taxpayers money and result in a vastly better telling of the American story.

An area of interest to both committees is that of United States representation in international cultural festivals, exhibitions, and competitions abroad. Film festivals and exhibitions of the fine and applied arts come within the normal scope of activities of USIA and are also authorized by the Humphrey-Thompson Act which action was assigned by the President to USIA. Unfortunately, however, USIA has not been allotted any of the funds appropriated under the Humphrey-Thompson Act. As a result of lack of funds, United States participation in these fields has been on a very limited scale. At the same time, the U. S. S. R. is supplied with unlimited funds in this very field.

While USIA provided representation of the United States this past year at the São Paulo biennial and at the Milan triennial exhibit of industrial design, regular United States representation should be provided at such great international cultural festivals as the Tokyo yearly international art exhibit, the Bordeaux Annual International Art Festival, the Cologne Biennial International Photography Exhibit, and the Berlin Annual Cultural Festival. An absolutely unrivaled opportunity to tell our story and win lasting friends for our country is provided at such events.

In my opinion, the committee can perform a very real service by marshalling its support on behalf of the allocation of Humphrey-Thompson Act funds to USIA for these important international cultural activities. Existing legal authority is inadequate in another respect. No authority or funds are presently available for international festivals and exhibitions to be held in the United States. So we send our art abroad but are made to appear uninterested and inhospitable to other peoples.

World interest could be developed and focused upon the United States and its cultural interests and achievements by the holding of international cultural exhibitions in our country. The USIA heartily supports such a program and authorizing legislation probably will be submitted to the Congress this session. I want to add my support to a program of international cultural activities in the United States and I am hopeful that this committee will be in the forefront in recommending such action.

(5) Recently the Cultural Presentations Committee of the Operations Coordinating Board adopted a resolution stating that from now on it is a matter of policy that amateur and educational groups will be used where appropriate in addition to professional artists and groups. There remains, however, the problem of how best to utilize performers and groups which do not go abroad under a grant or under the authority of the Humphrey-Thompson Act, but who wish Government facilitation for their appearances or wish to participate in USIS music programs. In this body of musicians are many relatively unknown but very gifted artists deserving of support. However, there are also self-seekers and incompetent artists who merely wish to gain press notices for their own use in this country. The weeding out of the incompetent musicians and the utilization of the good musicians has never been accomplished satisfactorily, and this is a program that your committee will want to study.

It is my firm conviction that if assistance amounts to no more than a circular communication to field posts of the United States Information Agency, we owe it to ourselves that the groups conform to certain performance and repertoire standards. This principle has been maintained by the ANTA panel in passing on attractions sent abroad under the authority of the Humphrey-Thompson Act. These same criteria should apply to the voluntary programs as well, particularly since they feature more attractions than are sent abroad under the Humphrey-Thompson Act authority.

Doubtless there are a number of solutions to the problem of screening and evaluation posed here. One solution has seemed to me to be worthy of your study and consideration. It involves the establishment of 5 or 6 regional panels of highly qualified music educators, composers, and musicians who would meet periodically and screen or, as the case might be, audition groups or individual artists considered to be deserving of support and worthy of becoming known in other parts of the country. In addition to quality, repertoire should be carefully scrutinized, and no group should be passed which does not meet the established standards. The Department then would pass the decision of the panels on to the field. It would be clearly understood that an adverse ruling by the panels should not keep the group from making any private arrangements it might wish. However, no Government support, financial or otherwise, would be given groups or individual artists not qualifying.

The question then arises, What group could set about organizing some sort of screening mechanism on a countrywide basis? I believe that the answer might well prove to be the National Music Council, which was chartered by the Congress and which has in its membership all the leading musical and educational organizations of this country. In the same way that ANTA is given funds to carry on its work with the Department of State, the National Music Council should be given funds for the development of regional screening panels. A very small sum, perhaps as little as $5,000, would be enough to establish these important screening panels.

(6) One of the better-kept secrets in Washington, where practically nothing is really secret, is the fact that the Secretary of State already has an adviser on art, Miss Ardelia R. Hall, who is in the Office of the Deputy Assistant Secretary of State for International Information and Cultural Affairs. This single employee is all that reminds us of the vast interest that the United States has in the saving of artistic and historic treasures and of the splendid work of the wartime American Commission for the Protection and Salvage of Artistic and Historic Monuments in War Areas, headed by former Supreme Court Justice Owen J. Roberts.

The official State Department manual states that the Office of Arts and Monument Adviser, in cooperation with governmental and nongovernmental agencies, establishes and implements policies and procedures for carrying out United States policies, interests, and obligations consistent with international treaties and conventions for the protection and restitution of artistic and historic properties and the preservation of cultural institutions. This is a very large order, indeed. In talking to the appropriate official at the State Department I was advised that the major task of the art adviser was to keep in touch with a recent Hague Convention for the protection of artistic and historic treasures to which the United States is a party.

Now, as we all know, Americans by the thousands tour abroad each year spending hundreds of millions of dollars to look at the great art of earlier centuries, the historic monuments, and the ancient cities. Yet, as the Architectural Forum said editorially in April 1957:

"The very things that Americans adore abroad they destroy systematically at home. Old buildings are broken up in the United States as fast as used packing boxes to make way for new ones. We have no cultural custodians to sort out the values (those that do exist, judge old structures by their sentimental associations rather than by their intrinsic esthetic significance or their contributions to beauty, as if it were magic just to stand where Mark Twain stood or to sleep where Washington lay awake. If we had a Sainte Chapelle in New York and it stood in the way of speculative office building, we would pull it down at once without further question. The Pyramids, having already stood through 5,000 years, have a better chance of rounding out another cinco-millenium than any 5-year-old American masterpiece has of rounding out the decade."

The Congress has, fortunately, shown an increasing interest in historic preservation. Some 70 bills have been introduced this past year to save the buildings overlooking Lafayette Park and the historic State, War, Navy Building. The Congress appropriated $232,000 to complete the Historic Buildings and Sites Survey authorized by the Historic Sites Act of 1935. The 84th Congress kept this administration from developing plans for destroying some 31 historic buildings across the Nation, and razing the historic Patent Office Building in Washington for parking lot purposes. This administration shows less interest in historic sites and buildings, and works of art, than any of its predecessors. Here again we are weighed in the balance and found wanting by all of the older nations of the world with their own highly developed lists of national treasures.

These, then, are some of the matters which I think you should consider. There will be others, of course. And, in seeking the answers to questions about America's place in the arts, you will be performing a national service no less than those seeking the right answers about America's place in science. As has been well stated by the French writer, Romain Rolland:

"The political life of a nation is only the most superficial aspect of its being. In order to know its inner life, the source of its action, one must penetrate to its soul by literature, philosophy and the arts, where are reflected the ideas, the passions, the dreams of a whole people."

SENATE

WEDNESDAY, FEBRUARY 5, 1958

Dr. Theodore Henry Palmquist, minister, Foundry Methodist Church, Washington, D. C., offered the following prayer:

Lord of all creation and Father of all mankind: We thank Thee for the privilege of living in this great land where the law upholds the rights and dignities of man. However, teach us that we can inherit initials, but not a name; a house, but not a home—that all privileges must be born anew in us, and we must prove ourselves worthy of them by protecting them with our living philosophy of life.

Deliver us from the foolishness of impatience, the dictatorship of the nonessential, and the emptiness of the hurried life. Help us to differ, without becoming difficult; and to have convictions, without becoming dogmatic.

Bless the world of which we are a part. Show us the greatness and the limitations of science, for it can create, but it cannot control; it can give us what we want, but not always what we need, for our greatest need is the quality of mind and soul which will make us sensitive to our own needs, the needs of others, and our need of Thee. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, February 4, 1958, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on February 4, 1958, the President had approved and signed the joint resolution (S. J. Res. 131) authorizing the President to issue a proclamation calling upon the people of the United States to commemorate with appropriate ceremonies the 100th anniversary of the admission of the State of Oregon into the Union.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 2151. An act to suspend for 3 years the import duties on certain coarse wool; and

H. R. 8308. An act to establish the use of humane methods of slaughter of livestock as a policy of the United States, and for other purposes.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred, as indicated:

H. R. 2151. An act to suspend for 3 years the import duties on certain coarse wool; to the Committee on Finance.

H. R. 8308. An act to establish the use of humane methods of slaughter of livestock as a policy of the United States, and for other purposes; to the Committee on Agriculture and Forestry.

SPECIAL SENATE COMMITTEE TO CONSIDER THE POLICY PROBLEMS OF OUR APPROACH TO OUTER SPACE

Mr. JOHNSON of Texas. Mr. President, I wish to speak on a matter of deep, personal concern to myself and, I am sure, to every other Member of the Senate.

It is apparent that our country is stepping into a totally new stage of history. Events are crowding upon us thick and fast; and it is urgent that we lay our basic plans now, while there is still time for reflection.

The exploration of outer space has moved from the laboratory to the workshop, and there are far-reaching implications which we must understand.

The President of the United States has instructed his scientific advisers to look into the question of an agency to handle space projects. We can expect recommendations, I hope, during this session.

As a temporary expedient, it has been proposed that the Secretary of Defense be given control of space projects for 1 year. But we know that this does not settle the basic policy questions.

Thus far, there is little that we know about outer space—except that it is about to dominate the affairs of mankind. Our techniques are in their infancy; our knowledge is meager; and our space tools are limited.

But we have reached the point where broad policy problems are being raised. They are problems which must be settled now, lest they become stumbling blocks to progress.

There are arguments that outer space should become the province of the military, simply because our space implements so far have grown out of the search for weapons.

There are arguments that we should have a separate civilian agency, because we wish to bring mankind together in the use of outer space for peaceful purposes.

There are arguments that we must find a form of organization which permits us to pursue peace in outer space, while maintaining our defense potential, if peace cannot be found.

Only one thing is clear: We are entering into an age in which conventional responses to unconventional problems will not be adequate.

A little more than a decade ago, we encountered essentially the same problem, in the development of atomic energy. The basic research had been done by independent scientists. The practical work had been done by the military.

The Nation was then faced with the problem of what should be done with a new, and unconventional, source of energy.

It was not possible to point to any single Congressional committee, and to say: "This is your field." The jurisdiction obviously cuts across that of many standing committees.

It was decided to set up a special Senate study committee, drawing from four committees for its membership. The decision was wise. It culminated in the Atomic Energy Act.

We are faced, again, with a problem that cuts across the jurisdiction of many committees, and it is a problem that must be solved.

Accordingly, on behalf of the Senate Preparedness Subcommittee—the senior Senator from New Hampshire [Mr. BRIDGES], the senior Senator from Massachusetts [Mr. SALTONSTALL], the Senator from Vermont [Mr. FLANDERS], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Mississippi [Mr. STENNIS], and the Senator from Missouri [Mr. SYMINGTON]—I am submitting at this time a Senate resolution for the appointment of a special Senate committee to consider the policy problems presented in our approach to outer space.

The members of the special committee would be appointed by the Vice President, and would be drawn from the Armed Services Committee, the Foreign Relations Committee, the Appropriations Committee, the Interstate Commerce Committee, the Government Operations Committee, and the Joint Committee on Atomic Energy.

This is intended to be merely a temporary study committee to make recommendations at this session of Congress. But it would be empowered to receive—as a legislative committee—any recommendations that came to us from the President.

Our Nation, according to all the evidence, suffers from no lag in brainpower available for the problems immediately before us. We can suffer, however, if we do not establish a national policy to mobilize that brainpower in order to pioneer the new dimension.

The task is far too big to be left to scattered efforts. Somewhere there must be lodged specific responsibility for America's effort in outer space.

We can achieve a consistent policy only through cooperation. The Executive is moving to make recommendations, and we should move to be ready to give them early consideration.

I believe this is a matter of the first importance. I hope the resolution will receive early action by the Rules Committee; and I send the resolution to the desk, for appropriate reference.

The VICE PRESIDENT. The resolution will be received and appropriately referred.

The resolution (S. Res. 256), submitted by Mr. JOHNSON of Texas (for himself, Mr. KEFAUVER, Mr. STENNIS, Mr. SYMINGTON, Mr. BRIDGES, Mr. SALTONSTALL, and Mr. FLANDERS), was referred to the Committee on Rules and Administration, as follows:

Resolved, That there is hereby established a special committee which is authorized and directed to conduct a thorough and complete study and investigation with respect to all aspects and problems relating to the exploration of outer space and the control, development and use of astronautical resources, personnel, equipment, and facilities.

All bills and resolutions introduced in the Senate, and all bills and resolutions from the House of Representatives, proposing legislation in the field of astronautics and space exploration shall be referred, and if necessary re-referred, to the special committee. The special committee is authorized and directed to report to the Senate by June 1, 1958, or the earliest practical date thereafter, by bill or otherwise, with recommendations upon any matters covered by this resolution.

SEC. 2. (a) The special committee shall consist of 13 members, 7 from the majority and 6 from the minority Members of the Senate, to be appointed by the Vice President from the Committees on Appropriations, Foreign Relations, Armed Services, Interstate and Foreign Commerce, Government Operations, and the Joint Committee on Atomic Energy. At its first meeting, to be called by the Vice President, the special committee shall select a chairman.

(b) Any vacancies shall be filled in the same manner as the original appointments.

SEC. 3. For the purposes of this resolution the special committee is authorized as it may deem necessary and appropriate to (1) make such expenditures from the contingent fund of the Senate; (2) hold such hearings; (3) sit and act at such times and places during the sessions, recesses, and adjournment periods of the Senate; (4) require by subpena or otherwise the attendance of such witnesses and production of such correspondence, books, papers, and documents; (5) administer such oaths; (6) take such testimony, either orally or by deposition; (7) employ on a temporary basis such technical, clerical, and other assistants and consultants; and (8) with the prior consent of the executive department or agency concerned and the Committee on Rules and Administration, employ on a reimbursable basis such executive branch personnel as it deems advisable; and further with the consent of other committees or subcommittees, to work in conjunction with and utilize their staffs, as it shall be deemed necessary and appropriate in the judgment of the chairman of the special committee.

SEC. 4. Upon the filing of its final report, the special committee shall cease to exist.

SEC. 5. The expenditures authorized by this resolution shall not exceed $50,000 and shall be paid upon vouchers signed by the chairman of the special committee.

Mr. KNOWLAND. Mr. President, I believe it is a constructive move on the part of the chairman of the Preparedness Subcommittee and his colleagues on both sides of the table in that committee, when they suggest the establishment of a special committee of the type indicated. Working in cooperation, as part of a common government faced with a problem common to our own Nation and to civilization, I believe the establishment of a special committee of this type, representing several committees which otherwise might have jurisdiction over proposed legislation in this field, will permit the Senate to coordinate its efforts, as part of the legislative arm of the Government, and before this session has completed its labors, and in working with a common purpose with the executive arm of the Government, to develop legislative proposals in this field, which is of importance and concern to the American people.

Mr. JOHNSON of Texas. Mr. President, I thank the distinguished minority leader for his constructive observation.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT ON NAVAL ROTC FLIGHT TRAINING PROGRAM

A letter from the Assistant Secretary of the Navy (Personnel and Reserve Forces), reporting, pursuant to law, on the progress in that Department of the ROTC flight training program; to the Committee on Armed Services.

CONSOLIDATION, REVISION, AND REENACTMENT OF PUBLIC LAND TOWNSITE LAWS

A letter from the Under Secretary of the Interior, transmitting a draft of proposed legislation to consolidate, revise, and reenact the public land townsite laws (with an accompanying paper); to the Committee on Interior and Insular Affairs.

GRANTING TEMPORARY ADMISSION INTO THE UNITED STATES OF CERTAIN ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting pursuant to law, copies of orders entered, granting temporary admission into the United States of certain aliens (with accompanying papers); to the Committee on the Judiciary.

REPORT ON POSITIONS FILLED IN CERTAIN GRADES OF CLASSIFICATION ACT OF 1949

A letter from the Administrator, General Services Administration, Washington, D. C., transmitting, pursuant to law, a report on positions filled under the Classification Act of 1949, in grades GS-16 and GS-18 for the calendar year 1957 (with accompanying papers); to the Committee on Post Office and Civil Service.

PETITION

The VICE PRESIDENT laid before the Senate the petition of Caroline E. M. Burks, of Oklahoma City, Okla., relating to sputniks versus the old-age assistance program, which was referred to the Committee on Finance.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. KERR, from the Committee on Public Works, without amendment:

H. R. 3770. An act to rename the Strawn Dam and Reservoir project in the State of Kansas as the John Redmond Dam and Reservoir (Rept. No. 1272); and

H. R. 6660. An act to provide that the lock and dam referred to as the Tuscaloosa lock and dam on the Black Warrior River, Ala., shall hereafter be known and designated as the William Bacon Oliver lock and dam (Rept. No. 1273).

By Mr. HENNINGS, from the Committee on Rules and Administration, with an amendment:

S. Res. 256. Resolution establishing a special committee on astronautics and space exploration (Rept. No. 1274).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SALTONSTALL (for himself, Mr. KENNEDY, Mrs. SMITH of Maine, Mr. PAYNE, and Mr. MAGNUSON):

S. 3229. A bill to provide a 5-year program of assistance to enable depressed segments of the fishing industry in the United States to regain a favorable economic status, and for other purposes; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. SALTONSTALL when he introduced the above bill, which appear under a separate heading.)

By Mr. GOLDWATER:

S. 3230. A bill for the relief of W. L. Benedict; to the Committee on the Judiciary.

By Mr. GORE:

S. 3231. A bill to check the growth of unemployment by providing for Federal assistance to States and local governments for the construction of needed public works and public improvements; to the Committee on Public Works.

(See the remarks of Mr. GORE when he introduced the above bill, which appear under a separate heading.)

By Mr. FLANDERS:

S. 3232. A bill to amend section 170 (b) (1) (C) of the Internal Revenue Code of 1954 relating to unlimited deduction for charitable contributions; to the Committee on Finance.

By Mr. YARBOROUGH (for himself, Mr. MANSFIELD, Mr. HILL, Mr. SPARKMAN, Mr. CARROLL, Mr. HUMPHREY, and Mr. MORSE):

S. 3233. A bill to provide for the initiation and support of an inner and outer space study, research, and development program for peaceful uses in commerce and industry which shall include, but shall not be limited to, the assimilation, gathering, correlation, and dispersal of information and knowledge relating to, among other fields, weather and communications obtained from rocket ships, satellites, space vehicles and other such media; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. YARBOROUGH when he introduced the above bill, which appear under a separate heading.)

By Mr. WATKINS (for himself and Mr. GOLDWATER):

S. 3234. A bill to repeal the suspension of certain import taxes on copper; to the Committee on Finance.

(See the remarks of Mr. WATKINS when he introduced the above bill, which appear under a separate heading.)

By Mr. THYE:

S. 3235. A bill for the relief of Eldon Sell; to the Committee on the Judiciary.

By Mr. WATKINS:

S. 3236. A bill further amending the Agricultural Act of 1938 so as to exempt excess wheat from marketing quotas in certain cases, and providing for refunds to certain producers; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. WATKINS when he introduced the above bill, which appear under a separate heading.)

By Mr. YOUNG:

S. 3237. A bill to appropriate funds necessary for the construction of badly needed housing for doctors and nurses at the Veterans' Hospital in Fargo, N. Dak.; to the Committee on Appropriations.

S. 3238. A bill to direct the Secretary of Commerce to conduct a particular survey in order to assist in promoting the economic welfare of Indians living on Indian reservations in North Dakota; to the Committee on Interior and Insular Affairs.

By Mr. HUMPHREY:

S. 3239. A bill to authorize the use of additional funds for the 1958 corn, wheat and cotton acreage reserve program; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. HUMPHREY when he introduced the above bill, which appear under a separate heading.)

RESOLUTIONS

Mr. JOHNSON of Texas (for himself, and Senators KEFAUVER, STENNIS, SYMINGTON, BRIDGES, SALTONSTALL, and FLANDERS) submitted the resolution (S. Res. 256) establishing a special committee on astronautics and space exploration, which was referred to the Committee on Rules and Administration.

(See resolution printed in full when submitted by Mr. JOHNSON of Texas, which appears under a separate heading.)

AMENDMENT OF RULE RELATING TO STANDING COMMITTEES—COMMITTEE ON VETERANS' AFFAIRS

Mr. LANGER submitted the following resolution (S. Res. 257), which was referred to the Committee on Rules and Administration:

Resolved, That rule XXV of the Standing Rules of the Senate (relating to standing committees) is amended by—

(1) striking out subparagraphs 10 through 13 in paragraph (h) of section (1);

(2) striking out subparagraphs 16 through 19 in paragraph (l) of section (1); and

(3) inserting in section (1) after paragraph (o) the following new paragraph:

"(p) Committee on Veterans' Affairs, to consist of 9 Senators, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:

"1. Veterans' measures, generally.

"2. Pensions of all wars of the United States, general and special.

"3. Life insurance issued by the Government on account of service in the Armed Forces.

"4. Compensation of veterans.

"5. Vocational rehabilitation and education of veterans.

"6. Veterans' hospitals, medical care, and treatment of veterans.

"7. Soldiers' and sailors' civil relief.

"8. Readjustment of servicemen to civil life."

SEC. 2. Effective for the remainder of the 85th Congress, section (4) of rule XXV of the standing rules of the Senate is amended to read as follows:

"(4) (a) Each Senator shall serve on two standing committees and no more; except that not to exceed 21 Senators of the majority party, and not to exceed 9 Senators of the minority party, who are members of the Committee on the District of Columbia, the Committee on Government Operations, the Committee on Post Office and Civil Service, or the Committee on Veterans' Affairs may serve on 3 standing committees and no more.

"(b) In the event that during the 85th Congress members of one party in the Senate are replaced by members of the other party, the 30 third-committee assignments shall in such event be distributed in accordance with the following table:

"Senate seats	
Majority	*Minority*
48	48
49	47
50	46
51	45

"Third-committee assignments	
Majority	*Minority*
23	7
21	9
19	11
17	13"

SEC. 3. Effective at the beginning of the 86th Congress, section (4) of rule XXV of the Standing Rules of the Senate is amended to read as follows:

"(4) Each Senator shall serve on 2 standing committees and no more; except that not to exceed 19 Senators of the majority party, and not to exceed 7 Senators of the minority party, who are members of the Committee on the District of Columbia, the Committee on Government Operations, the Committee on Post Office and Civil Service, or the Committee on Veterans' Affairs may serve on 3 standing committees and no more."

SEC. 4. The Committee on Veterans' Affairs is authorized and directed as promptly as feasible after its appointment and organization to confer with the Committee on Finance and the Committee on Labor and Public Welfare for the purpose of determining what disposition should be made of proposed legislation, messages, petitions, memorials, and other matters theretofore referred to the Committee on Finance and the Committee on Labor and Public Welfare during the 85th Congress which are within the jurisdiction of the Committee on Veterans' Affairs.

FEDERAL FISHERIES ASSISTANCE ACT OF 1958

Mr. SALTONSTALL. Mr. President, on behalf of my colleague, the junior Senator from Massachusetts [Mr. KENNEDY], the Senators from Maine [Mrs. SMITH and Mr. PAYNE], and the Senator from Washington [Mr. MAGNUSON], and myself, I introduce, for appropriate reference, a bill to provide a 5-year program of assistance to enable depressed segments of the fishing industry in the United States to regain a more favorable economic status. This proposed legislation is entitled "The Federal Fisheries Assistance Act of 1958." It was drafted to help alleviate the critical condition of the New England groundfish industry, which has been a cause of great concern for several years. We hope it will also have application to the Alaskan bottomfish industry.

Imports of groundfish fillets have risen from 54 million pounds per year in 1948 to 141 million pounds in 1957. Domestic production during the same period declined from approximately 138 million pounds per year to approximately 95 million pounds per year. Today landings at the port of Boston, for example, are only 26 percent of what they were in 1941. The price which the fisherman receives for his catch today is approximately the same as the price which he received in 1945, despite the fact that the price of the nets, steel and oil which he must purchase has increased substantially.

As the capital available to the industry has declined, so has the condition of the vessels declined with a corresponding increase in insurance costs. The fishing processors have been unable to undertake the repair and modernization needed to produce the processed fillets efficiently and economically. At the present rate of decline, the industry faces little alternative in the near future than to cease domestic operations entirely.

Twice the industry has sought tariff relief and both times has established the economic justification for its case. The President, however, has had to reject the tariff relief recommended inasmuch as it would have seriously affected our trade relations with NATO allies and hence our national security.

There has been important legislation enacted in recent years to aid the industry. The Government has, however, over the years contributed more to the decline of the industry than it has to its revival. First, because of international reasons, tariff relief has been denied. Secondly, under existing regulations of several years standing, fishing vessels must be constructed in this country even though they could be built at substantially lower costs in foreign countries. Of course, foreign competitors avail themselves of these lower shipbuilding costs. Some of our mutual-aid spending for the technical and economic development of friendly foreign allies has been used to assist their fishing industries, and thereby gives them an added advantage over our own industry. The industries of almost every foreign competitor are heavily subsidized by their own governments, enabling the foreign industry to sell fillets below cost.

Research funds have been available to the Department of the Interior under the provisions of the Saltonstall-Kennedy Act and much of the research conducted has been very beneficial. The Fish and Wildlife Act of 1956 created a separate organization within the Department of the Interior to deal with the problems of the commercial fisheries industry. This long-range action alone, however, cannot correct the immediate problems. It is obvious that some form of direct assistance to the industry is desperately needed, at least as long as international conditions require this extraordinary burden on the industry.

The bill which I am today introducing is not a price-support subsidy bill. We have carefully tried to avoid in the preparation of this legislation any quota or price-support system; this would only prolong the industry's existence without finding any permanent solutions. Aid must be in the form of an incentive to help the industry get back on its own feet.

Briefly, the bill calls for Federal assistance in maintaining vessel inspection and procuring safety equipment; this is designed to reduce the present high rates of insurance. The bill proposes to set up a loan program specifically for processors so that they may repair and modernize their now obsolete and inefficient facilities. Thirdly, the bill calls for a ship-construction subsidy similar to that now offered our maritime industry to offset the higher construction cost in American yards. Fourth, the bill calls for incentive payments to both the fishermen and the processing plants. The latter provision is designed to encourage the boat operators and processors to improve the quality of the fish caught and processed. These incentive payments would aid the industry in making up the price differential between foreign and domestic products and thereby retain their present share of the market. But more importantly, this would place certain requirements on the industry to improve its own practices, thereby improving the ultimate product to be distributed to the American consumer.

I wish to emphasize that this proposed legislation is not a subsidy. It offers financial assistance to the industry to

encourage constructive measures of its own to improve the quality of the finished product and thereby to maintain its competitive position. Equity demands that some legislation of this nature be enacted in that the Federal Government has been at least partially responsible for the industry's decline. The national interest further demands that such legislation be enacted so that this vital industry and source of domestic food supply be preserved in case of war.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3229) to provide a 5-year program of assistance to enable depressed segments of the fishing industry in the United States to regain a favorable economic status, and for other purposes, introduced by Mr. SALTONSTALL (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

PROPOSED PUBLIC WORKS ACT OF 1958

Mr. GORE. Mr. President, I introduce for appropriate reference a bill to check the growth of unemployment by providing for Federal assistance to States and local governments for the construction of needed public works and public improvements.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3231) to check the growth of unemployment by providing for Federal assistance to States and local governments for the construction of needed public works and public improvements, introduced by Mr. GORE, was received, read twice by its title, and referred to the Committee on Public Works.

Mr. GORE. The bill contains the following declaration of policy:

> The Congress hereby declares that it is in the national interest to make available useful employment opportunities, including self-employment, to all those able, willing, and desiring to work, and to prevent extensive unemployment, which seriously impairs purchasing power and threatens the national economy.

I would not wish to have the introduction of this bill interpreted as a forecast on my part of a major depression. Our country has greater reserve strength, greater power, and greater facilities to avert such a disaster than it has ever heretofore possessed. However, with responsible estimates of 5 million unemployed, and several million more who have formerly been fully employed, and are now only partially employed, I see danger signals.

I have seen thousands of my own fellow Tennesseans, able-bodied men who want to earn a living, standing for hours in the cold to obtain a small allotment of surplus food commodities. That is a danger signal.

From the Library of Congress I learned this morning that Dun & Bradstreet reported that there were 1,120 business failures in the first 27 days of January. That is at the rate of 280 business failures per week.

The United States is the richest and the most powerful nation on earth. I believe that this society of ours owes an opportunity for work to able-bodied men and women who want to work and earn their daily bread.

I hope that the Senate Public Works Committee will soon hold public hearings on the bill. It is, of course, but one of the many things that should be done.

The highway program should be pushed on schedule. The home-building industry should be stimulated as should urban redevelopment, school construction, and so forth.

Mr. KERR. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. KERR. Is the Senator aware of the fact that in 1957 there occurred the greatest number of bankruptcies that ever occurred in any year of our history?

Mr. GORE. I am aware of it. I am also aware of the fact that the bankruptcy rate today, in 1958, is still greater than it was in 1957—greater than ever before in the history of the country. It is even greater than it was in 1933.

Mr. KERR. Mr. President, will the Senator further yield?

Mr. GORE. I yield.

Mr. KERR. From the standpoint of the achievement of a proclaimed objective, does not the Senator feel that the Eisenhower administration should take a great deal of pride in this recession?

Mr. GORE. I must concede to my able colleague from Oklahoma that a slow-up was one of the purposes of the tight-money policy.

Mr. KERR. Did not Mr. Humphrey and Mr. Burgess make it abundantly clear that they were working for what they called an adjustment?

Mr. GORE. A rolling adjustment.

Mr. KERR. Mr. Humphrey called it a rolling adjustment and the President himself referred to it as a breathing spell.

Mr. GORE. I heard former Secretary Humphrey call it a rolling adjustment. I am not acquainted with President Eisenhower's description of it.

Mr. KERR. Was it not evident that they were earnestly endeavoring to bring about a recession?

Mr. GORE. I could make no other interpretation of the testimony before the Senate Finance Committee. Let me add that I cannot conceive that they, or any other responsible persons, wished to bring it about to the extent to which we have it.

Mr. KERR. I think the Senator is eminently correct in that regard. But they were reminded at the time that they could start a depression much more easily than they could stop it.

Mr. GORE. The able Senator from Oklahoma reminded them fully of that fact.

Mr. KERR. Does it not occur to the Senator from Tennessee as being a fact that the strength and dynamics of the economy were such that that crew required nearly 18 months to bring on the present recession?

Mr. GORE. Yes; and some of the authorities seem to be obsessed with the idea that they can turn on optimism or pessimism like turning a water spigot on and off. There is a lag of many months. That is why, the danger signals being as acute as they now are, I think we should proceed to put into full effect the Full Employment Act.

Mr. KERR. Mr. President, will the Senator further yield?

Mr. GORE. I yield.

Mr. KERR. They pursued their tight-money policy until it reached its peak in the fall of 1957. Does not the Senator recall that money became so tight that the Treasury had to pay in the neighborhood of 3¾ percent on 90-day bills?

Mr. GORE. Yes; and for short-term paper the rate went as high as 3.6 at one time.

Mr. KERR. On their 1- to 2-year paper they offered 4 percent, and issued billions of dollars of it.

The VICE PRESIDENT. The Chair is informed by the Parliamentarian that the Senate is now operating under the 3-minute rule in the morning hour.

Mr. KERR. Mr. President, I ask for recognition in my own right.

The VICE PRESIDENT. The Senator from Oklahoma is recognized.

Mr. KERR. In line with the discussion and colloquy with the distinguished Senator from Tennessee, I note that, due to a reversal of policy of the Federal Reserve System, in a few short months—in fact, in 3 or 3½ months—a situation was brought about in which, yesterday, the Treasury sold its 90-day bills at about 1.6 percent. The week before, they had sold at about 2¼, proving beyond the shadow of a doubt that members of the administration not only can, could, but did, make policies to tighten credit and increase interest rates. Then, in the shadow of the recession which they had created, they reversed their field. The Federal Reserve System twice reduced the rediscount rate and brought about an environment in which they are now selling 90-day bills at a rate in the neighborhood of 1½ percent, instead of the 3¾ percent which prevailed less than 4 months ago.

I would, however, remind them of the fact that while they can reverse the field and plead guilty to everything the Senator from Tennessee and the Senator from Oklahoma charge them with, they cannot make restitution for the damage they have done.

Mr. GORE. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. GORE. Apprehension and uneasiness rest with millions of businessmen and millions of other citizens throughout the land. The psychological factor in a recession or a boom is great, and unmeasurable. If a citizen has confidence in his job and confidence in the future, he may buy a new automobile. However, if he sees his neighbors losing their job, or having their work cut down from 48 hours a week to 24 hours a week or to 30 hours a week, then, even though he continues in employment, he may postpone adding a bathroom or postpone buying an automobile. All of it, however, adds up, and is cumulative and contagious. I am apprehensive that this situation may be

galloping. I want Government to move, and to use its great resources to forestall a possible catastrophe.

Mr. KERR. I appreciate the remarks of the distinguished Senator from Tennessee.

PROPOSED SPACE ACT OF 1958

Mr. YARBOROUGH. Mr. President, on behalf of myself, the Senator from Montana [Mr. MANSFIELD], the Senators from Alabama [Mr. HILL and Mr. SPARKMAN], the Senator from Colorado [Mr. CARROLL], the Senator from Minnesota [Mr. HUMPHREY], and the Senator from Oregon [Mr. MORSE], I introduce, for appropriate reference, a bill entitled "The Space Act of 1958."

This proposed legislation provides for the initiation and support of an inner and outer space study and development program for peaceful uses in commerce and industry of information obtained from rocket ships, satellites, space vehicles and similar media. The bill recognizes the importance of the use of space travelling objects in systems of communication between different points on the earth, and between the earth and other bodies in space, and provides for study, research, evaluation and operation of systems of communication based on utilization of manmade objects in space.

The activities provided by this bill are placed under the National Science Foundation, and the bill provides for the creation within the National Science Foundation, of the position of Coordinator of Space Information.

Mr. President, the American satellite Explorer is now orbiting the great unknown of outer space, and we are all proud of this scientific advancement. But we are also keenly aware of the fact that all mankind stands at a great crossroads of history.

The potential of the good that may come to all mankind from the exploration and understanding of outer space is so great it defies description. The treasures of knowledge which our space explorers will bring back to the earth from the heavens will be far more valuable than those carried back to Europe by Columbus, or any other explorer of all time. It is expected that the most immediate benefit to mankind will be meteorological information which must lead to improved long-range weather forecasting, weather control, and modification.

The information we gather from the satellite Explorer and other space bodies may help furnish keys to weather control which would assure that one day great areas of our Nation and the world would no longer have droughts and famine; that mankind would be able to prevent, or be amply warned of hurricanes, tidal waves, and other severe weather. These are things which seem far off, yet competent scientists report they are within the realm of the attainable, with this vast new knowledge of outer space. And the weather picture is only one field of those to be developed. Information to be gained from Explorer and other satellites will prove invaluable in our understanding of communications, and most fundamental problems of science, including physics, geophysics, astrophysics, and astronomy. In short, with a satellite in outer space, we are at the threshold of a great revolution in our knowledge of communication, weather control, and scientific phenomena, and this in time will likely produce great changes in our way of life as we know it today.

In the face of such momentous developments, it is imperative that this information be used for the benefit and not the detriment of mankind. America's satellite in the heavens is sending information from the skies, and we need a program for the study and beneficial utilization of that information.

These satellites can be used for war or peace. While military agencies consider their military value, I believe we should begin to develop them as instruments of peace, as the ultimate destiny of the human race must surely lead to that goal.

Mr. President, I ask unanimous consent that the bill be printed in full at this point in the RECORD, and that it may lie on the table until the close of the session of the Senate this coming Friday, to give an opportunity to any other Senators who may wish to do so to join in sponsoring it.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD, and lie on the desk, as requested by the Senator from Texas.

The bill (S. 3233) to provide for the initiation and support of an inner and outer space study, research, and development program for peaceful uses in commerce and industry which shall include, but shall not be limited to, the assimilation, gathering, correlation, and dispersal of information and knowledge relating to, among other fields, weather and communications obtained from rocket ships, satellites, space vehicles, and other such media, introduced by Mr. YARBOROUGH (for himself and other Senators), was received, read twice by its title, referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That this act may be cited as "The Space Act of 1958."

FINDINGS AND DECLARATION OF PURPOSE

SEC. 101. The Congress hereby finds and declares that the national interest and national security of the United States require the fullest development of the uses of inner and outer space relating to communication, transportation, commerce, and weather study, the latter of these having been considered in hearing before the Interstate and Foreign Commerce Committee of the Senate starting March 26, 1957.

On January 31, 1958, the United States of America in connection with the International Geophysical Year launched a space vehicle equipped with instruments of communication.

Daily summaries of current space vehicle trajectories that have been minutely clocked and mapped recently by United States Government agencies for earth circling vehicles indicate that cumulative serial trajectories and triangulations for communication channels and signals are and will continue to be of value to the scientific community of the world.

This act is to initiate and to support programs of study, research, evaluation, and operation of (1) inner and outer space communication that relates in particular to weather recording, forecasting, and modifying programs, (2) interrelations of earth-circling vehicles and other means of communication and the recording and allocating of channels and signals in order that coordinating means may be found and utilized with current programs and stations of the International Geophysical Year, and stations of the United States Government, and the stations of the various areas and States of the United States, and (3) programs of special reference for areas and States that have suffered from droughts, hail, lightning, fog, tornadoes, snow, freezes, and other weather phenomena which are of vital concern.

Title II. General provisions

National Science Foundation

SEC. 201. The National Science Foundation is authorized and directed to initiate and support this program of study, research, and evaluation and is hereby directed to immediately initiate the study of weather modification, giving particular attention to areas and States that have experienced floods, drought, hail, lightning, fog, tornadoes, snow, or other weather phenomena, and to report annually to the President and the Congress thereon. In conducting such studies, the Foundation shall consult with scientists in private life, with agencies of Government interested in, or affected by such research. Research programs to carry out the purposes of this act by the National Science Foundation, and by other Government agencies or departments, may be accomplished through contracts with, or grants to, private or public institutions or agencies, including but not limited to cooperative programs with any State through such instrumentalities as may be designated by the Governor of such State.

Acceptance of Gifts and Services

SEC. 202. For the purposes of this act, the Foundation is authorized to accept gifts and bequests: *Provided*, That if the donor so specifies, such gifts or bequests may be restricted or limited for use in connection with certain projects or areas. Other agencies of the Government are authorized to lend, without reimbursement, and the Foundation is authorized to receive, such property and personnel as may be deemed useful and necessary, with the approval of the Director of the Bureau of the Budget. In addition to the authority contained herein, the National Science Foundation, for the purposes of this act, may utilize any of the powers granted by the National Science Foundation Act of 1950, as amended.

Title III. Programs and studies

Initiation of Programs and Studies

SEC. 301. (a) The National Science Foundation in conformity with the other provisions of this act is authorized and directed to initiate programs and to coordinate such programs with other agencies of the Government.

(b) The National Science Foundation is further authorized to initiate, investigate, and coordinate such studies and programs to determine such changes as may be necessary in the International Table of Frequency Allocations (Atlantic City Radio Regulations, 1947). National frequency problems soluble within the framework of the present international allocations shall not be included in this inquiry. The program, among others, in conformity with the foregoing provisions of this subsection shall include the allocation of radio frequencies which could be used on a nonclassified, nonmilitary, worldwide basis for the following communications—

(1) Communications to and from earth encircling satellites and to and from earth

(standard frequency services, fixed services, aeronautical navigation services);

(2) Communications to and from vehicles in space to and from other vehicles in space (aeronautical radio navigation services, mobile services);

(3) Communications to and from vehicles in space to and from earth (standard frequency services, fixed services, mobile services, and aeronautical navigation services); and

(4) Communications to and from earth and to and from positions such as the moon (standard frequency services, fixed services).

Title IV. Coordinator

Coordinator of Space Information

SEC. 401. There is hereby created within the National Science Foundation the position of Coordinator of Space Information whose duties shall be the carrying out of the provisions of this act.

Appointment

SEC. 402. The Coordinator of Information shall be appointed by the President by and with the advice and consent of the Senate.

Title V. Appropriations

SEC. 501. (a) The Advisory Committee on Weather Control is abolished 30 days after the effective date of this act, and its functions, duties, and records and any unexpended funds shall be transferred to the National Science Foundation.

(b) There is hereby authorized to be appropriated to the National Science Foundation, such amounts as may be necessary to carry out the purposes of this act.

REPEAL OF LAW SUSPENDING COPPER IMPORT TAX

Mr. WATKINS. Mr. President, on behalf of myself and the Senator from Arizona [Mr. GOLDWATER], I introduce, for appropriate reference, a bill to repeal the law suspending certain import taxes on copper. I do this even though the present suspension law would expire as of June 30, 1958, and in spite of the fact that I have joined on a bipartisan basis in the sponsorship of a bill providing for increased import taxes on copper.

Why? First, because the suspension act now in effect bars the copper industry from seeking relief under the escape-clause provisions of section 7 of the Reciprocal Trade Agreements Act.

It appears evident in this connection that the injury or threat of injury resulting from a concession, in the absence of a period of operation under the terms of a concession, would be impossible to evaluate or determine. This is because, except for a short period since 1947, the import taxes on copper have been kept in a suspended state, and there is no history of operation under any concession.

Second. I am introducing this bill because if the import-tax suspension law is removed it would give a slight measure of immediate relief, and perhaps more importantly some hope to an industry that is in need of vital protection from increased foreign imports. In addition, should the copper industry thus become eligible for escape-clause relief under section 7, the duty on copper could be increased, first, up to 50 percent above the rate prevailing on January 1, 1945, or second, up to 6 cents per pound, as contrasted to the suspended duty of 1.8 cents per pound. Also, the Tariff Commission could then recommend the imposition of quotas or a combination of a tariff increase and a quota.

Copper is Utah's largest mineral industry, employing roughly 8,000 persons in mining, milling, and refining. Nearly a third of the Nation's copper production is produced at one mine, Kennecott Copper Corp.'s Utah copper mine at Bingham Canyon, Utah. This is the world's largest open-pit nonferrous metal mine, second only to Chile's large mine in estimated reserves.

It is difficult to overestimate the importance of the copper industry to the economic stability and to the military security of this country. Congress must act now to prevent the same degree of stagnation and demoralization that has occurred within our vital domestic competition of foreign minerals.

The shortage of copper that developed during the postwar period around 1947 was responsible for the initial copper duty suspension. It was initially suspended by the act of April 29, 1947.

The duty of 2 cents was in effect from July 1, 1950, until April 1, 1951, when it was suspended again. Other than that period from 1950 to 1951 it has been suspended from about 1947 until the present act which expires June 30, 1958.

It is imperative that the suspension of the import taxes on copper be lifted without delay. For this reason, Mr. President, I ask unanimous consent that the bill I have just sent to the desk remain there for 24 hours so that other Senators who wish to join with me in this effort to aid the domestic copper industry may add their names to the bill as cosponsors.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will lie on the desk, as requested by the Senator from Utah.

The bill (S. 3234) to repeal the suspension of certain import taxes on copper, introduced by Mr. WATKINS (for himself and Mr. GOLDWATER), was received, read twice by its title, and referred to the Committee on Finance.

EXEMPTION OF EXCESS WHEAT FROM MARKETING QUOTAS IN CERTAIN CASES

Mr. WATKINS. Mr. President, I introduce, for appropriate reference, a bill further amending the Agricultural Act of 1938 so as to exempt excess wheat from marketing quotas in certain cases, and providing for refunds to certain producers. I ask unanimous consent to have printed in the RECORD a statement prepared by me relating to the bill.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The bill (S. 3236) further amending the Agricultural Act of 1938 so as to exempt excess wheat from marketing quotas in certain cases, and providing for refunds to certain producers, introduced by Mr. WATKINS, was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

The statement presented by Mr. WATKINS is as follows:

STATEMENT BY SENATOR WATKINS

I have today introduced a bill for appropriate reference. Section 1 of this bill would (1) exempt excess wheat from marketing quota penalties if the entire crop is used for feed, seed, or food on the farm where grown; (2) refund such penalties on the 1954, 1955, 1956, or 1957 crops if such entire crop of wheat was used for feed, seed, or food.

This bill is substantially the same as S. 403 which I introduced on January 9, 1957, and S. 959, which passed the Senate last session. However, the House of Representatives passed a bill limiting the exemption to 30 acres, and in order to get some relief for livestock producers the Senate went along. I deem this action inadequate. My reason for introducing S. 403, as well as in this case, was and is therefore, prompted by a genuine concern for the welfare of livestock producers in deficit feed producing areas such as the Intermountain and New England States, where poultry, turkey, and dairy production are major agricultural activities.

This bill will serve to alleviate much of the economic distress producers in these areas have been and are experiencing, as a result of the price support and acreage control programs which have resulted in increased livestock production in the Midwest and the South and lower prices to producers generally. In other States, rising costs of production and marketing, especially transportation, when coupled with continued increase in livestock numbers in the basic commodities producing areas of the country, in spite of the soil bank, have resulted in market prices way below parity.

For example, in December 1956, turkeys were bringing producers only 75 percent of parity; in December 1957, average prices received by producers had declined 9 points to 66 percent of parity. Likewise, in December 1956, poultry farmers were getting only 55 percent of parity; in December 1957, they got only 54 percent—a further decline of 1 point. During the same period, average prices received as percentages of parity prices declined 3 points for milk and 2 points for butterfat.

As these data indicate, if any part of agriculture has been hard hit by the cost-price squeeze, it has been the dairy, poultry, and turkey industries. Passage of this bill will provide some measure of relief to people engaged in these industries. On the other hand, its passage will not adversely affect, materially, the welfare of commercial wheat producers, since the wheat produced under the exemption features of this bill will not find its way into commercial trade channels nor will it end up under price support.

By way of illustration, let me point out that whereas farmers in my own State of Utah produced over 6.5 million bushels of wheat in 1954, less than 8 percent of it was placed under price support.

In many of the deficit feed producing States which are designated as being in the "commercial wheat area," acreage allotments are very small. With respect to 1954, the only year such data is available, the USDA reported that of 12,163 farms which produced wheat in Utah, for example, only 1,313 had wheat acreage below 16 acres. Utah farmers derive only 6.4 percent of their income from wheat production, and although it qualifies as a commercial wheat State, because Utah farmers produce more than 25,000 acres of wheat, it plainly is not a major commercial wheat producing State. On the other hand, Utah farmers derive a major portion of their income from livestock products as follows: 22.5 percent from beef cattle and calves; 16.8 percent from dairy products; 8.8 percent from eggs; and 7.7 percent from turkeys. Most of the grains produced, including wheat, are

fed to livestock, they are not sold in commercial trade.

In general, what is true of Utah's agriculture, is also true of the agriculture of many other States in the Intermountain and New England areas, and other parts of the country as well. Authority for farmers in such areas to produce wheat for feed without penalty on their farms would be of material assistance under prevailing economic conditions.

Historically, what was used for livestock was a significant proportion of our annual wheat crop. For many reasons, this is no longer true. But the fact remains, as the President noted in his January 1956 special agricultural message: "There are opportunities to use more wheat for feed in feed-deficit areas distant from the Corn Belt."

This point of view is substantiated by a letter dated January 21, 1957, to me from Mr. David H. Jones, former Utah commissioner of agriculture, in support of S. 403 which is substantially the same bill I am introducing today. In part this letter reads:

"I want to congratulate you on your fine thinking and the action you have taken to remove the restrictions on wheat acreage where extra wheat is needed for feed or seed purposes. We, in the State of Utah, really import grains for feeding purposes and the bill should prove to be a worthy one.

"In my own farming experience I never sold grain off the farm. I found there was no equal to wheat mixed with other grains for livestock feed. I am certain it will be a fine thing to have Senate bill 403 passed, and it should benefit many people."

Similar concern was expressed to me in a letter also dated January 21, 1957, from Mr. Ralph Blackham, a director of the executive council of the Utah Council of Farmer Cooperatives. In part Mr. Blackham wrote:

"I am very much in favor of the passage of * * * S. 403 and I appreciate more than I can say your action in instituting this legislation. Farmers in the intermountain area who feed livestock or poultry have been put to an increasing disadvantage the past several years for two reasons: high Government price supports and reduced acreage allotments on wheat, and rapidly increasing freight rates on all feed."

Typical of the reactions I have received from producers to S. 403 was that of Mr. Zelph S. Calder, of Vernal, Utah. His letter of February 5, 1957, reads in part as follows:

"I read with interest and approval press comments to the effect you were entering a bill in Congress which would allow a farmer to feed his excess wheat to his cattle without paying a penalty on it.

"The following example might be of help to you.

"Last year I produced about 6,000 bushels of wheat and fed and pastured 200 stocker cattle that I bought last spring. The local USDA wheat allotment office declared October 31, 1956, that I had excess wheat in the amount of 2,780 bushels and that if the penalty of $1.07 per bushel was not paid on the wheat stored and bonded by November 15, 1956, I would have to pay the above penalty on the 6,000 bushels. (I was and now am of the opinion that I did not have an excess acreage because of winter-killed and volunteer wheat acreage counted by the said office.)

"Uintah County was declared last fall a drought disaster area. I could not qualify for the $1.50 per cut subsidy given by the Government in this area on grain fed to cattle because I had wheat and because I had stocker and feeder cattle, notwithstanding I had suffered greater loss due to the drought than my neighbor who had breeding cattle."

The Congress to date has given very little attention to pleas for relief from such livestock producers. Other than a few direct purchase or surplus removal programs, which more often than not have had very little price boosting effect, livestock producers have received little assistance. Passage of this bill will help a great many farmers and ranchers in the nonbasic commodity producing areas of this country.

ADDITIONAL FUNDS FOR 1958 CORN, WHEAT, AND COTTON ACREAGE RESERVE PROGRAM

Mr. HUMPHREY. Mr. President, in the past days it has become clear that the corn acreage reserve and the wheat acreage reserve allotments in the State of Minnesota have been far oversubscribed. In many counties of the State in which farmers have suffered disastrous crop failures for the past 2 years, even the conservation reserve allotments have been fulfilled, leaving thousands of farmers unable to take advantage of the soil bank.

Information from the Department of Agriculture today reveals that as of last Monday Minnesota's allotment of about $9.8 million for the corn acreage reserve program is short by at least $14 million. The wheat acreage reserve program is short by nearly $1.5 million. Both of these programs are oversubscribed at the rate of 145 percent.

Mr. President, I have discussed the national situation with Mr. Howard Doggett, the Director of the Soil Bank Division, and find that the chances of shifting any significant amount of funds from States in which the allotments have not yet been utilized is almost nil. Clearly, the Minnesota situation is only part of a pattern rapidly developing throughout the farming areas of the country.

For this reason, Mr. President, in the interest of farm families who in good faith have intended to join in the soil bank program during the fiscal 1958 crop year, I introduce, for appropriate reference, a bill to lift the limitations imposed on the corn, wheat, and cotton acreage reserve contracts available for the 1958 program up to the full amounts authorized in Public Law 540, 84th Congress.

The effect of this proposed legislation would be to make available to corn, wheat, and cotton farmers an additional $250 million for acreage reserve contracts.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3239) to authorize the use of additional funds for the 1958 corn, wheat, and cotton acreage reserve program, introduced by Mr. HUMPHREY, was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

AMENDMENT OF INTERNAL REVENUE CODE—AMENDMENTS

Mr. FLANDERS submitted amendments, intended to be proposed by him, to the bill (H. R. 8381) to amend the Internal Revenue Code of 1954 to correct unintended benefits and hardships and to make technical amendments, and for other purposes, which were referred to the Committee on Finance and ordered to be printed.

COLUMBIA RIVER REGIONAL POWER CORPORATION BILL—ADDITIONAL COSPONSORS OF BILL

Mr. NEUBERGER. Mr. President, I am heartened to be able to announce to the Senate that the distinguished senior Senator from the State of Washington [Mr. MAGNUSON] and the distinguished junior Senator from that great State [Mr. JACKSON] have decided to become cosponsors of the bill providing for a regional power corporation in the Columbia River basin. The bill is S. 3114. Other cosponsors, with me, are: Mr. MORSE, Mr. MURRAY, Mr. HILL, Mr. MANSFIELD, and Mr. SPARKMAN.

It is our expectation that the distinguished senior Senator from New Mexico [Mr. CHAVEZ] will announce in the comparatively near future the scheduling of hearings on this vital proposal by the Public Works Committee, of which he is chairman.

On December 10, 1957, one of Oregon's leading newspapers, the Pendleton East Oregonian, published an informative and helpful editorial on this bill, entitled "A Regional Corporation." Because the editorial is particularly pertinent at this time, when the distinguished Senators from the State of Washington have just joined as cosponsors of the proposal, I ask unanimous consent that the editorial be printed in the body of the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A REGIONAL CORPORATION

Because the Congress will be asked by the Eisenhower administration to appropriate more funds for defense there has been much speculation as to the availability of funds for domestic programs. It has been anticipated that the administration will adopt a no-new-starts policy which would halt appropriations for water resources development projects—hydroelectric, reclamation, and flood control.

How would this—delaying of construction of John Day Dam, impounding funds for construction of the Crooked River reclamation project, withholding funds for several other projects that have been authorized—affect the economy of the State of Oregon?

Oregon's economy is dependent upon the development of three basic resources—wood, soil, and water. Wood products manufacturing contributes most to the State's economy and agriculture stands second. Full utilization of the water resources of the State in the direction of increasing agricultural production and providing all available hydroelectric energy from our streams could do much more toward growth of the State's economy than has been done.

Some of the job of developing the State's water resources can be done by the private power companies. They are doing some of it now. But there is much they cannot do. They cannot build reclamation projects and neither can any other private group. And they cannot provide low-cost power that will attract those industries that must have low-cost power.

Metallurgical industries have been moving into the Ohio valley and eastward because the Northwest cannot provide them with abundant low-cost power. Although they are paying more than they would be charged for Bonneville power the higher cost is just about offset by higher freight rates they would pay on products manufactured in the Northwest and shipped to the populous centers of the Midwest and East. Low-cost

power must be available in the Northwest in sufficient quantity to attract those industries here. There are too many contrary factors that make the region undesirable to them.

What can be done to assure the continued development of the vast hydroelectric potential of this region?

Senator RICHARD NEUBERGER says it is the responsibility of the Federal Government and he refuses to accept the administration's premise that the Nation cannot afford to develop its resources at the same time that it is catching up with the Russians in the missiles race. He points out that the Russians are well able to keep both programs going simultaneously and argues that the United States is quite capable of matching the Soviets.

There is another approach to the subject. Its proponents do not take issue with Senator NEUBERGER, but it has been their thinking for some time that the day might not be too far off when the Congress, no matter in which party's control, would refuse to annually spend large sums of money for the development of the hydroelectric potential of the Northwest. They point out that it has been increasingly difficult to get adequate funds. The Oregonian has been a spokesman for this group. It is that newspaper's suggestion that a regional corporation, composed of the Federal Government and the Northwest States, be formed to build hydroelectric projects in this region. The job would be financed by borrowing funds on existing installations, thereby removing the Federal Government from financing.

We think Senator NEUBERGER is entirely right, that this Nation is well able to pay for the development of its resources while it is spending for an adequate defense. But we would like to see the introduction of legislation that would establish a regional corporation. Then, if the Congress refused to make any more appropriations for hydroelectric projects in the Northwest the region would not be placed in a vacuum. A regional corporation would permit progress on the huge task of developing the region's hydroelectric potential. We do not see how industrial and business growth can be accomplished without full utilization of the water resources of the region.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. TALMADGE:

Address delivered by him before General Assembly of Georgia on February 3, 1958.

By Mr. HRUSKA:

Address by Senator CURTIS on the subject The Individual in the Age of Space, delivered at Nebraska Wesleyan University, Thursday, January 30, 1958.

By Mr. SYMINGTON:

Article entitled "Urges a Plan To Tame Atom, Relating to Address by Senator MONRONEY," published in the Kansas City Star of February 2, 1958.

NOTICE OF HEARING ON NOMINATION OF WALTER K. SCOTT TO BE AN ASSISTANT SECRETARY OF STATE

Mr. GREEN. Mr. President, as chairman of the Committee on Foreign Relations, I desire to announce that the Senate received today the nomination of Walter K. Scott, of Maryland, to be an Assistant Secretary of State, vice Isaac W. Carpenter, Jr., resigned.

Notice is hereby given that the nomination will be eligible for consideration by the Committee on Foreign Relations at the expiration of 6 days, in accordance with the committee rule.

NOTICE OF HEARINGS ON CERTAIN NOMINATIONS BEFORE THE COMMITTEE ON FOREIGN RELATIONS

Mr. GREEN. As chairman of the Committee on Foreign Relations, I desire to announce that the Senate has received today the following nominations:

Everett F. Drumright, of Oklahoma, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to China, vice Karl L. Rankin.

Howard P. Jones, of Maryland, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Indonesia, vice John M. Allison.

Notice is hereby given that these nominations will be eligible for consideration by the Committee on Foreign Relations after 6 days, in accordance with the committee rule.

TRIBUTE TO THE HONORABLE ROBERT C. HILL, UNITED STATES AMBASSADOR TO MEXICO

Mr. HAYDEN. Mr. President, my attention has been called to the friendly impact which our United States Ambassador to Mexico has had in that country. The Honorable Robert C. Hill has spent time with here on the Hill. In 1946 and 1947 he was the clerk of the Committee on Banking and Currency of the Senate.

After some years, he again became well known to Members of this body when he served as Assistant Secretary of State for Congressional Relations. He held that position in 1956 and throughout much of 1957.

I am delighted to know that Mr. Hill is making such a fine record in Mexico.

On October 15, 1957, the Senate of the Republic of Mexico received a visit from Ambassador Hill, and Hon. Luis C. Manjarrez paid tribute to the work Mr. Hill was doing in Mexico.

I ask unanimous consent that there be printed at this point in my remarks the statement of Hon. Luis C. Manjarrez, a Senator of the Republic of Mexico.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. President, your Excellency Robert C. Hill, Ambassador to the United States of America, it is highly satisfactory for this honorable Senate of the Republic to receive the visit of the representative of the United States of America and is particularly satisfactory when that representation is embodied in a person of such high virtues as are yours and which are auguries for an ever growing and strengthened friendship and understanding between our peoples.

You visit us, Mr. Ambassador, at the time when we are celebrating the Year of the Constitution and Mexican Liberal Thought, where the freedom-loving words of our precursors and leaders, and the overflowing and dispersed aspirations of our great proletarian masses become law in Querétaro. A compendium of the aspirations of the Mexican people collectively expressed in our three great liberating movements: The Rebellion, the Reform, and the Revolution which are the bulwark for the strengthening of our nationality and the realization of the principles of social justice based upon human dignity.

You visit us, Mr. Ambassador, in the month of Belisario Domínguez, champion of civic liberties. Both of these celebrations are expressions of the basic aspirations of Mexico for liberty and social justice. And this so dear aspiration is the common hope of our two countries; it is evident also in each step of your history, as it flowers fragrantly also in the history of all countries of Latin America.

Washington, Jefferson, Lincoln, Hidalgo, Morelos, Juárez, Bolívar, San Martín, and Martí are fused in the same thought and lead the way for the countries of this continent. For that reason, the language of your great President, the soldier of the democracies, Dwight D. Eisenhower, is familiar to us when he affirms: "We are moved by the imperishable spirit of freemen as imperturbable in the face of the false promises of totalitarianism as in the face of its loud threats. * * * Our goal is the attainment of productive and lasting peace. * * * We seek, in truth, that era the most grandiose monuments of which will not be erected to commemorate military or material triumphs, but very different monuments: schools to enlighten youth; hospitals to cure the sick; roads to activate our commerce; electric power for illumination and heating; religious institutions to elevate the spirit, and a solid structure for lasting peace so that men may assiduously seek all that is good and noble in life." Likewise for our people, the thought that animates Mexico, expressed by its most authorized voice, that of President Ruiz Cortines, cannot be alien when it points out that "he foresees the coming of a united and peaceful continent—the sum and culmination of American virtues—which will act in the world as a beneficent influence of peace under justice and law, of cooperation in study and in work, of friendship, understanding, and of mutual tolerance. In the heroic land of America, doctrines which negate the dignity and the hierarchy of moral values and which affirm that only through the domination of one group can security and social justice be achieved, can never thrive."

You have been welcomed to this Mexican land; an expression of a new, more elevated diplomatic practice, you are already called Ambassador and friend, and events such as this today make even more brotherly our bonds of friendship.

It has already been easy for you, and it will be easier in the future the more you get to know Mexico, Mr. Ambassador, to understand Mexico which, as President Ruiz Cortines has pointed out, is a peaceful, friendly, sincere country, jealous of its autonomy and proud of its historical and democratic traditions. This country which has distinguished itself as the standard bearer for the best causes, for its vigorous rejection of any form of external domination, for its unbreakable respect for the right of self-determination; its innate sympathy for the weak and the oppressed; its absolute lack of racial prejudice; its aversion to all injustices; its unsullied devotion to the cause of peace, and above all its profound love for liberty.

It will be easy for you, Mr. Ambassador, representative of a country where man has reached the highest standards of living, to understand the legitimate demands of our country in its eagerness to advance, to satisfy its growing needs for economic and social development; to reach the glorious goal of its destiny.

Mr. Ambassador of the United States of America, in the name of the Senate of the

Republic which I have the honor to represent, I express my cordial and sincere desires for the prosperity and the greatness of your country, for the health, well-being and long life of your great President Eisenhower and for your own personal happiness, Ambassador and friend, which will make possible another affirmation in the peaceful and fraternal coexistence of our peoples.

AMERICA'S TIME FOR DECISION—ADDRESS BY SENATOR CASE OF NEW JERSEY

Mr. SMITH of New Jersey. Mr. President, at the dinner of the New Jersey State Chamber of Commerce at the Mayflower Hotel in Washington on Thursday evening, January 30, my distinguished colleague, the junior Senator from New Jersey [Mr. CASE], made an outstanding address on the present world situation. This address was entitled "America's Time for Decision."

Because of the timeliness of the subject, and the able way in which my colleague presented it, I ask unanimous consent that the address be printed in the body of the RECORD in connection with my remarks.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

AMERICA'S TIME FOR DECISION

Recent Soviet achievements—and they are outstanding achievements—came as a rude surprise to most Americans. In the wake of the sputniks has come an intense interest and concern with our defense program.

This is a healthy thing, for it seems clear that most of us had drifted into complacency. We had a comfortable feeling that whatever the Soviets could do, we could, and would, do better and sooner. Recordbreaking prosperity only whetted our appetite for material possessions—the latest auto model excited far more interest than warnings that our store of basic knowledge was not being replenished at the rate necessary to assure continued scientific preeminence. Coping with the immediate problems of living, buying a home, raising a family, striving to put aside enough for old age, these understandably preoccupy our thoughts in ordinary times.

Unfortunately, the times have not been ordinary. Most of us recognized this. Yet, over a period of time we began to take it for granted. The menacing presence of the Soviet Union came to seem increasingly remote and even unreal as compared with the pressing demands of the tax collector.

We can be thankful that the temper of the people has changed. For it has definitely changed, I believe. Those of us who last year argued against cuts in defense expenditures are now being urged to make sure that our defense posture in terms of missiles and satellites is not weakened for lack of money. This is all to the good. But it is not good enough. More than money for missiles and satellites is required to assure the strongest possible defense position.

I believe that we have yet to grapple with some of our toughest problems. And to concentrate solely on the missile and satellite programs, as is the present tendency, will obscure rather than advance the resolution of these basic issues.

For some years now our defense effort has been largely built on the possession of even larger weapons of mass destruction. The development of the A-bomb, then the development of the thermonuclear bomb, gave us the power to wreak utter devastation over large areas. In some degree, they provided, and still provide, a shield for the free world, a deterrent against direct aggression against its most vital spots. But everyone knew we would never use these weapons in a war of aggression. And even when the A-bombs were in our hands alone they did not prevent the Communists from nibbling away at the fringes of the Free World, constantly probing for soft spots and quick to exploit them.

Some time ago our nuclear monopoly vanished. The Soviet Union also has the capacity to wreak fearful damage and the prospect of an all-out thermonuclear war is horrible to contemplate. We are, as it has been aptly put, "in a balance of terror." Now our moral reluctance to use nuclear bombs is reinforced by the power of the Soviet Union to retaliate in kind. And for the Soviet Union, too, the consequences of nuclear war are equally dread.

Let me make this clear—I do not suggest that there has been any real change in the motives of the Kremlin or in its hostility to freedom and democracy. We know, however, that the masters of the Kremlin are hard headed. As such, I am sure they recognize that in a thermonuclear holocaust no nation can escape or even survive in any recognizable sense.

A curious, even paradoxical, situation has developed. The more terrible the weapons, the less likely we are to use them short of a direct threat to our very survival. The more we allow the "big bang" to dominate our defense effort at the expense of more conventional capacities, the less able we are to deter or, if necessary, to defeat any lesser aggressions, the greater our vulnerability, and that of all the Free World, to Soviet military blackmail. This course, I suggest, could lead only to ever deeper frustrations and, eventually, to utter disaster.

In the circumstances, several points seem very clear. The first, of course, is that our very survival requires us to maintain adequate retaliatory power. We must be able to inflict unacceptable losses on any enemy who might attack us by whatever means.

The second is that reliance upon nuclear deterrence alone is not enough. We must be able, and we must be willing, to cope with lesser aggressions, the little wars against the outposts of freedom that are likely to be far more appealing to the Soviet leaders than direct attack upon freedom's bastions. Only if we are known to have the capacity, and the will, to deal with less than all-out war, is there any hope of preventing it. And only if we have the means and equipment to wage limited war can there be any chance to keep wars limited.

This then must be the measure of our defense position. Are we prepared and ready to meet not only the massive direct challenge, but the lesser aggression designed to nibble away at the edges of the Free World and eventually to push us into lonely and vulnerable isolation?

Have we really thought through the many difficult problems that this involves? For one example, what are the points of vital concern to the United States and the ways in which we propose to defend them?

For another, can we ever use tactical atomic weapons without risking an unlimited extension of hostilities, and, if so, in what circumstances?

Not to face and resolve such questions is to allow decisions to be made by default, to permit events to shape policy instead of consciously trying to shape events by policy.

And we must recognize, too, that military strength alone is not enough. For it is not even certain that the primary struggle will be military. How much better, from the Communist point of view, if they can attain their ends through economic penetration or internal subversion, avoiding the risk of destruction by military, especially, nuclear, force. In the past, there has been some skepticism as to the Communists' ability to mount an economic offensive. But our reports indicate that they are carrying through an ambitious program of economical and technical assistance in the Near East and Asia. Surely our own mutual security programs, economic and technical, as well as military assistance, have become more important than ever.

Finally, realizing that we are in for a long, hard pull, let us recognize the importance of the quality of our educational system. It is not enough to press for narrowly scientific and technical advance if we fail to provide the base essential to continued progress. To our schools, our universities, and our laboratories we necessarily entrust the most precious resource of all—the individuals on whom the Nation will depend for leadership in the years ahead. It is not just the children who attend overcrowded, understaffed schools who are shortchanged. It is the Nation as well. And every level of government—local, State, and national—must be concerned.

Returning for a moment to the question of our military posture, I would emphasize my full appreciation of the difficulties faced by those in whose hands the immediate responsibilities lie. The aggressor has all the advantages of a free choice as to time, place, and method of attack. These uncertainties complicate enormously the problems of our defense planners. Rightly, they seek to protect against every eventuality, and in their business it is no excuse that the odds were 100 to 1 against a particular occurrence.

But their task is made even more difficult by several factors we can do something about. The evidence is strong that the very structure of the defense establishment itself militates against the formulation of a unified concept, a single orderly policy, or doctrine, as the experts call it, which provides a balanced defense under which the roles and missions of the services are clearly defined.

The recent Rockefeller report on the problems of United States defense states it clearly: "Ten years ago, whatever else was hoped for in the new defense organization, one result was expected by the public: that * * * there would be a coordinated and harmonious development of our potential in all three media of operations: land, sea, and air. Such has not occurred. * * * There are three separate service war plans with the common tendency of reducing the reliance on other services as much as possible."

Pointing to the Joint Chiefs of Staff as key to the formulation of policy, the report continues: "The Joint Chiefs of Staff functions too often as a committee of partisan adversaries engaged in advancing service strategic plans and compromising service differences. * * * The result is that our military plans for meeting foreseeable threats tend to be a patchwork of compromise between conflicting strategic concepts or simply the uncoordinated war plans of the several services."

To remedy this, the Rockefeller report suggests among other things the designation of the Chairman of the Joint Chiefs of Staff as the principal military adviser to the President and the Secretary of Defense. This suggestion has aroused considerable controversy. But all the argument over the particular organizational device cannot obscure the basic point—the lack of a unified strategic doctrine. This has long seemed to me a basic weakness and for some time I have urged prompt action, both executive and legislative, to strengthen our defense planning and our organizational structure.

As you know, the Secretary of Defense has now under way a study looking toward reorganization of the Defense Department. It is none too soon. No one wants to disrupt the whole defense structure by violent overhaul. Attitudes and traditions of many years standing—in the Congress and the Pentagon

alike—cannot be changed overnight. But neither can we afford a defense organization outmoded by the hard realities of modern scientific and technological development. We must strengthen the structure, and, most important of all, work out a truly unified policy.

And there is another factor of even more fundamental importance to the national security—the cost of an adequate defense effort. It will be expensive, yes, enormously expensive, no matter how efficiently and carefully funds are administered—and this is, of course, more than ever imperative. This has been emphasized recently by a number of highly responsible groups who have given the matter close scrutiny.

There are two questions here. The first is whether we can afford the cost of an adequate defense effort. The second is whether we are willing to pay the cost.

As to the first question, the burden is indeed extraordinary, but so is the American economy. As Secretary of the Treasury Anderson recently pointed out, our economy has managed to maintain a steady expansion over a relatively long period. And he added that in his opinion it could carry without serious injury a larger defense load if necessary. I am sure he is right.

The second is the crucial question. Are we willing to pay the cost? Some of the most thoughtful people I know have confessed to me their fear that the American people are not willing to pay that cost. I do not, I cannot, accept that to be true.

If it is true, then, as I suggested before, there is no real hope for us. We face only ever deepening frustrations and, in the end, disaster. And the months and years immediately ahead will be a sickening succession of nightmares and troubled sleep, of grasping at this straw and that, at one panacea or another, of periods of pathetic hope that perhaps the Soviet rulers are not really bent on our destruction and will treat us kindly if we can only persuade them that we mean them no harm, of search for scapegoats (whether they be Secretaries of State or anyone else) on whom to pin the blame for the consequences of our common irresponsibility, of increasing disillusionment and loss of confidence in us and in the possibility of freedom by one country after another, and of our gradual isolation until, entirely alone, we face the stark choice between surrender and unleashing a nuclear holocaust in which we and our enemies will perish together.

I do not share the fear that Americans are unwilling to pay the cost of defending freedom and themselves. But is it not obvious that they will not—indeed, that they cannot—make the decision to pay that cost unless they are given a chance to make that decision, unless they are told frankly and fully what the problems are, unless they are given a real chance to face the alternatives. I deeply believe that to give them that chance is the highest responsibility of leadership in America today.

My remarks tonight have been directed almost exclusively to the problems of power relationships in the world today. This was by deliberate choice because of my strong conviction that, among all the problems confronting us, these are the ones we have been least willing to face.

Of course, I do not for a moment suggest that I have been able to deal in any adequate way with all the problems of power. And, particularly, I would not have it thought that it is my view that the problems in this area are the only problems confronting us.

It is important, too, as I have said on many previous occasions, that we pursue every avenue which can lead to a lessening of tensions and to the establishment of more peaceful relations among all nations. We must continue, with persistence, patience, and the liveliest concern, to seek out ways in which, by unilateral action and by agreement with other nations, we can, for example, reduce the danger of fallout from atomic and nuclear weapons, by which we can bring nuclear weapons, and all weapons, and the uses of outer space under international control, by which we can reduce poverty, discrimination, and suffering in every part of the world.

These are vital objectives and we must pursue them unceasingly, at the same time as we seek to achieve and maintain in the world a system of power relationships conducive to our own security and to that of the free nations generally.

I do emphasize that the pursuit of these objectives cannot be regarded as a substitute for our maintenance of adequate defensive strength—militarily, economically, and politically. It is not a question of one or the other. We must do both. Indeed, it is my deep belief that until we have determined, and the Communist rulers know we have determined, to establish and maintain an adequate defense—and in this we must, of course, be joined by our allies—they will be unwilling to conclude any agreements, however reasonable, which in any important way lessen their freedom to pursue their course of bluster, bluff, blackmail, and aggression of every sort short of all-out war.

We are in a critical period in the history of civilized man. It could be the last chapter in that history. Or it could be but the foreword to a new and marvelous adventure of the human mind and spirit in an ever-expanding universe. The hopes of men everywhere for a happy outcome ride with the course we in the United States set.

PEACE AND DISARMAMENT

Mr. PROXMIRE. Mr. President, yesterday I listened for 4 hours to a speech by the distinguished Senator from Minnesota [Mr. HUMPHREY]. I may say for the RECORD I have never spent a more useful, educational, and provocative period of 4 hours. The address was an example of a topflight mentality at work on the most puzzling and complex problem facing mankind. What emerged was a series of concrete, specific, and positive proposals.

The junior Senator from Minnesota addressed himself to the big problem of our time, peace. He addressed himself to the problem of reduction of armaments in the missile age, at a time when we are confronted by a militant communism, when we are locked in an arms race with this subversive adversary. I believe the address of the Senator was so tremendously important that I shall do all I can in the coming weeks to bring it to the attention of the people of Wisconsin. I feel very strongly that it is an excellent and very important supplement to the Johnson Preparedness Investigating Subcommittee report on how we can best prepare our Armed Forces, so that we can negotiate from strength.

However, Mr. President, the point I should like to make this morning, in the final minute of my remarks, is that it was a great economy speech. In fact, it is perhaps the most responsible economy speech I have heard in a long time. During the course of his remarks, the Senator from Minnesota pointed out that there are 75,000 persons working on missiles. Many of us wish there could be more than that. In the present missile race with the Soviet Union we wish the number could be 750,000. But the Senator from Minnesota pointed out that, by contrast, in the executive agency which deals with disarmament, there are not 75,000 people, or even 750 people, or even 75.

There are not even 40 persons working under Mr. Stassen. The Senator from Minnesota tells us there are just 20. Twenty people, Mr. President, in the United States of America working for a peaceful world through a reduction of armaments, working for lifting the tax burden through responsible arms reduction. Many of us receive requests and admonitions from our constituents, from chambers of commerce, from manufacturers' associations, from taxpayers' organizations, about doing all we can to reduce Government spending. These organizations deserve a world of credit for admonishing us to work for economy and efficiency in Government. They are working hard in many ways against the steady discouraging rise in the burden of taxes. Here is a great economy opportunity for these organizations. If we could simply put the energy in these organizations to work, to get behind the constructive and positive proposals of the Senator from Minnesota for achieving a peaceful world by orderly reduction of armaments, it seems to me that we could accomplish what we all want to accomplish—the achieving of a peaceful world and the reduction of spending and taxes at the same time. To achieve anything worth while in this world, Mr. President, we must work. We are not now working hard for peace. We should be.

I have one last thought, Mr. President. I have appointed several of the outstanding citizens of Wisconsin—people who have devoted their lives to peace—to serve on a Peace Advisory Affairs Committee to advise me while I am a Member of the Senate. I intend to call their attention to the great speech of the Senator from Minnesota, for their comments, and I shall pass those comments on to the Senator from Minnesota and his subcommittee.

SPACE RIVALRY DEMANDS PEACE TALKS

Mr. NEUBERGER. Mr. President, on February 4 an able speech was delivered by the distinguished junior Senator from Minnesota [Mr. HUMPHREY], calling for wise and persistent efforts toward disarmament. Only the day before that there appeared in the Oregonian, of Portland, Oreg., which is the newspaper in our State of the greatest circulation, a very thoughtful, pertinent, and timely editorial entitled, "Space Rivalry Demands Peace Talks." The concluding paragraph of the editorial reads:

> If mankind is to survive and go forward in the space age, diplomacy must overtake the progress of science.

I endorse that thought, Mr. President, and I believe it carries out in spirit the proposals made to us only yesterday in the Senate by the Senator from Minnesota, a foremost member of the Senate Committee on Foreign Relations.

Mr. President, I ask unanimous consent that the editorial from the Oregonian be printed in the body of the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SPACE RIVALRY DEMANDS PEACE TALKS

The technical achievement of putting a satellite of earth into orbit caused a great sigh of relief to go up among Americans. It was not that anyone really doubted that our scientists and military men could, in time, match the Russian experiments in outer space. It was more that Americans, a prideful people, do not like to accept the idea that others can do some things better than we; that others may lead us in any field.

In addition to hurt pride, however, Americans were confronted with the grave evidence of the Communist empire's ability to launch a nuclear attack on this and other countries by intercontinental rockets or from space ships. There was no outward display of fear or hysteria in the United States. But there was nationwide demand that a maximum effort be made to overtake the Russians.

American gratification arising from launching of the Explorer satellite must be tempered, therefore, by realization that this does not bring us even with the Russian program. The Army has insisted that it could have launched a satellite with the Jupiter missile before the Russians sent up Sputnik I last October, had it not been forbidden to do so. The Vanguard missile-satellite program was committed to the Navy, despite the greater experience in rocketry of the Army's group of scientists at the Redstone arsenal at Huntsville, Ala.

That America has a long way to go to catch up with Soviet progress in space vehicles was appropriately emphasized by Dr. Wernher von Braun of the Huntsville group. "If we should attain a rate 20 percent greater than theirs it would still take 5 years to overtake them," he said.

These chilling words should be noted well by Americans, as they will be by our allies in Europe, the Middle East and the Far East. Launching of the Explorer will in no way diminish the insistent demand from most of our European allies for top-level negotiations with the Kremlin. In fact, it may be expected to increase the pressure for a summit conference.

The rigidity of Secretary of State Dulles' refusal to be drawn into new negotiations with the Russians over the first steps toward arms limitation, or any nonaggression world pact to supplement the United Nations pledge, was modified by President Eisenhower who virtually overruled Mr. Dulles at the NATO conference in Paris. Yet the conditions laid down both by the State Department and President Eisenhower do not yet offer much hope of a heads-of-state meeting.

Both Russians and Americans must give way on some points, for the world now is confronted with completion in outer space which could go either way—into a holocaust of destruction, or into an era of scientific accomplishments which could transform the lives of earthlings in ways approaching the utopian.

None should expect that the sputnik race, the new vital necessity of a world agreement for common use of outer space, or the treaties which may arise from negotiations with the Communists could result, for many years, at least, in the ending of all possibilities of war. Peace is something people have not learned to live with. But the sputniks and Explorer, intercontinental missiles and nuclear bombs are forcing mankind to act while there still is time. We have long since passed that era when bow and arrow overcame the spear, and when gunfire made the bow and arrow impotent.

If mankind is to survive and go forward in the space age, diplomacy must overtake the progress of science.

SUPPLEMENTAL MILITARY CONSTRUCTION AUTHORIZATION ACT—CONFERENCE REPORT

Mr. STENNIS. Mr. President, I ask that the Chair lay before the Senate the conference report on the bill (H. R. 9739) to authorize the Secretary of the Air Force to establish and develop certain installations for the national security, and to confer certain authority on the Secretary of Defense, and for other purposes.

The VICE PRESIDENT. The Chair is informed that the official papers on the conference report are not at the desk.

Mr. STENNIS. Then I ask that the report lie on the table until the papers are received. They are merely filed for the information of the Senate. The House acts first on the report.

The VICE PRESIDENT. Without objection, the report will lie on the table and be printed in the RECORD.

(For conference report, see House proceedings of Feb. 6.)

Mr. STENNIS. Mr. President, yesterday the Senate and House conferees met on H. R. 9739, the Supplemental Military Construction Authorization Act.

All the conferees agreed on the results of the conference, and that consequently better legislation will ensue.

One of the principal subjects of discussion pertained to section 7 in the House-passed bill, which authorized the Secretary of Defense to establish an Advanced Research Projects Agency. The Senate-passed bill contained no such language.

As a result of the conference a modified provision was agreed to.

Because there have been so many questions raised on the subject following the conference, and because certain articles referring to the subject appear in the morning papers, it seems to me desirable that I present for record the substance of what was agreed to, in an effort to clarify the intent of the conferees.

Mr. President, the new language makes no mention of the Advanced Research Projects Agency. At this time I will not take time to read the entire new proposed section 7, but I ask unanimous consent that it be printed in the RECORD at this point in my remarks.

There being no objection, the language was ordered to be printed in the RECORD, as follows:

SEC. 7. The Secretary of Defense or his designee is authorized to engage in such advanced projects essential to the Defense Department's responsibilities in the field of basic and applied research and development which pertain to weapons systems and military requirements as the Secretary of Defense may determine after consultation with the Joint Chiefs of Staff; and for a period of 1 year from the effective date of this act, the Secretary of Defense or his designee is further authorized to engage in such advanced space projects as may be designated by the President.

Nothing in this provision of law shall preclude the Secretary of Defense from assigning to the military departments the duty of engaging in research and development of weapons systems necessary to fulfill the combatant functions assigned by law to such military departments.

The Secretary or his designee is authorized to perform assigned research and development projects: by contract with private business entities, educational or research institutions, or other agencies of the Government, through one or more of the military departments, or by utilizing employees and consultants of the Department of Defense.

The Secretary of Defense shall assign any weapons systems developed to such military department or departments for production and operational control as he may determine.

Mr. STENNIS. Mr. President, in substance, however, this section would authorize the Secretary of Defense, or his designee, to engage in such advanced projects essential to the Defense Department's responsibilities in the field of basic and applied research and development as pertain to weapon systems and military requirements. In addition, the Secretary of Defense would be authorized to exercise certain contract authority.

One added provision has been the main subject of the questions I have referred to previously. I should like to address myself specifically to that portion now. This added portion states:

And, for a period of 1 year from the effective date of this act, the Secretary of Defense or his designee is further authorized to engage in such advanced space projects as may be designated by the President.

It was agreed that this added temporary authorization be included in order to insure that such projects as the Vanguard might continue uninterrupted for the time being.

All conferees were in agreement that the Secretary's authority in the field considered should be limited to the development of weapon systems and military requirements, with this one exception; namely, where the Defense Department is already engaged in certain activities which might under strictest interpretation not be considered primarily of a military nature.

Agreeing to the new language I have referred to, the conferees were also in complete agreement that this does not establish any new agency within the Department of Defense or in the Office of the Secretary of Defense.

TAX DEDUCTION FOR IMPROVEMENT CLASSES UNDERTAKEN BY SCHOOLTEACHERS

Mr. NEUBERGER. Mr. President, one of the anomalies of our tax laws has long been the fact that, while expense deductions are allowed for all kinds of expenditures of business and self-employed persons, America's schoolteachers are denied tax deductions for the costs they must necessarily incur to take advanced courses necessary for their continued professional competence and advancement.

At this time, when the quality of the academic standards and preparation of young people in this country are so much in the spotlight, nothing could appear a more reasonable step toward raising these standards than to recognize, for tax purposes, the necessary costs which many teachers incur in advanced study. This would aid education greatly.

Today, other professional persons can attend conferences in faraway places, purchase expensive books, or attend seminars in specialties of their profession, and deduct the costs from their income for tax purposse. Teachers, who are not self-employed, may have a hard time proving that graduate study is necessary to their continued employment and income. The Internal Revenue Service has for years held that the costs of such study are not deductible expenses.

Legislation is called for to change this rule, which now is more and more being recognized as not only unfair to teachers, but also wholly incongruous with our wishes for more and better trained teachers in the Nation's grade and high schools. Many Members of Congress have introduced bills for tax deductions for teachers' necessary costs of advanced study, which are now before the House Committee on Ways and Means and the Senate Committee on Finance. The one best known to the teachers themselves is H. R. 4662, also known as the King-Jenkins bill; but there are many others with the same basic objective, though they may differ slightly in detail.

Mr. President, I do not have the privilege of serving on the Committee on Finance, but I shall support this reform in the tax laws when the committee brings an income-tax bill before the Senate. It is a reform which is thoroughly equitable, consistent with the public interest, and which is perhaps more widely desired among educators themselves than many of the more elaborate and costly aspects of our current proposals for aiding education. As examples of the interest among leading teachers in my own State, Mr. President, I ask, in conclusion, unanimous consent to have printed in the body of the RECORD just a few of the thoughtful letters which I have received in support of the King-Jenkins bill or similar legislation. I endorse the general theme and content of these letters.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

MEDFORD CITY TEACHERS ASSOCIATION,
December 17, 1957.

The Honorable RICHARD NEUBERGER,
Senate Office Building,
Washington, D. C.

DEAR MR. NEUBERGER: The Medford City Teachers' Association urges your support of the King-Jenkins bill, H. R. 4622, which would permit teachers to deduct summer-school and other educational expenses up to $600, in computing their taxable income on their Federal income-tax returns.

Very truly yours,
DOROTHY M. WILSON,
Secretary of Association.

MYRTLE POINT ELEMENTARY SCHOOLS,
Myrtle Point, Oreg., January 21, 1958.

Senator RICHARD L. NEUBERGER,
Senate Office Building,
Washington, D. C.

DEAR SENATOR NEUBERGER: We, the teachers of Myrtle Crest School, would like to express to you our interest in H. R. 4662. Undoubtedly, you know this bill. You are aware that many other bills of this nature have been placed before Congress; all have failed.

Now we are calling upon you, our elected representatives, for help. This bill would allow teachers of this country the same rights that businessmen have, namely, the right to declare as an expense the cost of their schooling. Help us to make it possible to improve ourselves by making schooling a business expense for teachers as it is for insurance men, lawyers, and physicians.

We need your help in passing H. R. 4662. But first it must come out of committee and onto the floor. Will you talk to your friends on the committee and get it out onto the floor and pass H. R. 4662 as a step toward better teachers and better education for American youth.

We sincerely thank you for your help and interest in this matter.

Yours truly,
MYRTLE POINT TEACHERS ASSOCIATION.

PORTLAND, OREG., *January 5, 1958.*

Hon. RICHARD L. NEUBERGER,
United States Senate Building,
Washington, D. C.

DEAR SIR: As this session of the Congress opens, education faces a new crisis, the outcome of which might well determine our future way of life, perhaps even our survival.

We in education have watched fearfully the near hysteria of recent weeks, and hope that legislators will resist the pressure which will doubtless be placed upon them to go all out for science and mathematics at the expense of a sound, well considered educational program.

This is a time for strengthening our schools, for assessing the needs in terms of schoolroom space and teacher load, or the obligation of the public to provide for really adequate educational facilities for the growth of the youth of the country. In the words of Dr Carr, "What we need is not a crash program, but a cash program"—wisely planned and administered.

In Oregon we point with pride to the leadership of our Congressional delegation in support of legislation favorable to good schools for all the children of our Nation. We know that we can depend upon you to continue this leadership, and we want you to know that we appreciate it.

Since low salaries and tax inequities are major factors in the loss of qualified teachers, we are sure that you will again be out in front in support of H. R. 4662, the amendment to the Internal Revenue Code providing equitable tax exemptions for professional expenses.

I am enclosing a copy of the NEA publication The Case of the Deductible Tights, which I believe you will find interesting.

Yours sincerely,
MRS. GLADYS BELDEN,
President, Department of Classroom Teachers, Oregon Education Association.

JACKSON COUNTY DIVISION OF THE OREGON EDUCATION ASSOCIATION,
January 6, 1958.

Hon. RICHARD NEUBERGER,
United States Senate,
Washington, D. C.

DEAR SENATOR NEUBERGER: At our last monthly meeting, the Jackson County unit of the Oregon Education Association adopted a resolution in favor of House bill 4662 whereby it would be possible for teachers to deduct summer school and other educational expenses from income taxes.

We teachers of Jackson County are strongly in favor of this bill, as we are encouraged and, in many cases, compelled to continue our education to keep up with the trend in our own professional fields. The deduction for these expenses from income taxes, we know, would make a considerable difference.

We would appreciate your careful consideration of House bill 4662.

Thank you.

Yours very truly,
MISS JOSEPHINE CULBERTSON,
Secretary.

OCEANLAKE, OREG., *December 29, 1957.*

Hon. RICHARD NEUBERGER: According to the Oregon Journal we were to write in our views on coming tax revision. I have one simple request: Permit teachers to deduct money spent for furthering their education.

It's a sorry mess indeed when people in the entertainment world can throw big parties and deduct it from income taxes, but a teacher can't deduct one red cent for money spent on furthering their education.

Thank you.

Sincerely,
ROBERT J. SPIERING.

MYRTLE CREEK, OREG., *January 27, 1958.*

Senator RICHARD L. NEUBERGER,
Senate Office Building,
Washington, D. C.

DEAR SIR: There are about 70 teachers in the Myrtle Creek school system who are exceedingly anxious that the King-Jenkins bill H. R. 4662 should be passed at the next session of the legislature. We certainly hope that you will give this bill your most ardent support.

Sincerely yours,
MABEL HARRIS,
Secretary of the Classroom Teacher's Association of Myrtle Creek.

FEDERAL LAWS ON IMPACTED SCHOOL DISTRICTS ARE GOOD

Mr. KUCHEL. Mr. President, in caring for the needs of America's defenses, the Federal Government has been required from time to time to acquire privately owned land in the several States. In constructing various military facilities and defense installations on such property, the Federal Government has brought in military and civilian personnel with their families. My State of California has been proud of the American citizens, both military and civilian, who have come to live amongst us in this type of Federal undertaking. The children of these good people have gone to our public schools. Since these families live on Federal property, they do not pay property taxes for the support of schools. And thus a far greater burden has been placed on the common property owner whose home is in a school district where a Federal defense facility exists.

A number of years ago, Congress recognized the inequity in such a case and adopted legislation under which the Federal Government would pay a fair share to the support of local government in those instances where the Federal undertaking resulted in great new groups, both military and civilian, coming into a local area with their families. Public Law 874, 81st Congress, authorized payments to be made for current operating expenses of local school districts where such a Federal activity was located. The 83d Congress extended it, and the 84th Congress did likewise. It expires next June 30.

Public Law 815, 81st Congress, originally authorized the allocation of $3 million to State educational agencies to assist them in the inventory of existing school facilities and in the survey of construction needs for new schools. It was designed to help States to plan for school construction programs. It recognized the crisis to local homeowners resulting from suddenly increased school enrollments brought about by the influx

of population connected with our defense needs. The 83d Congress and the 84th Congress enacted and reamended this law. Clearer recognition of the Federal Government's responsibility was made in those instances where substantial numbers of pupils residing on nontaxed Federal property were educated in local school districts. This law will expire on June 30, 1959.

These laws are good laws. I believe they should be extended.

Mr. President, I ask unanimous consent that some comments by the United States Commissioner of Education in his seventh annual report on these two statutes be printed in the RECORD at this point in my remarks.

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). Is there objection to the request of the Senator from California?

There being no objection, the comments were ordered to be printed in the RECORD, as follows:

Under Public Law 874: Since 1951, the first year of operation of the school assistance program, the number of participating local educational agencies has tripled, the number of federally connected pupils has more than doubled, and Federal payments have nearly quadrupled. The rapid increase in the number of districts and pupils and in the amount of payments in recent years may be ascribed to three causes: (1) Liberalizing amendments to the act, (2) resulting increased interest by State and local officials in financial benefits provided by the program, and (3) increase in housing for Armed Forces personnel and their families on military installations.

The proportions of the number of federally connected pupils and of Federal funds to the total number of pupils and total current operating expenses of the eligible districts have remained fairly stable. For example, in 1957 the total average daily attendance (ADA) of federally connected pupils as a percentage of the total ADA of eligible school districts was 15.4 percent as compared to 16.6 percent in 1954 and 17.5 percent in 1951. The slight decline in percentage of federally connected pupils to the total number of pupils is due to the fact that new applicant districts each year generally have felt less Federal impact than the school districts originally participating in the program. The average percentage of Federal payments to total school budgets has remained fairly constant over the 7-year span of the program, at approximately 5 percent. In spite of amendments which have liberalized the formula rates of payment to eligible school districts, the proportion of Federal payments per federally connected child to the total cost per pupil in these districts has remained at about one-third.

The school districts which received funds under Public Law 874 in fiscal year 1957 had a total average daily attendance of approximately 7.6 million pupils. That was almost one-fourth of the total public school ADA in the United States. In 1951 the estimated 2.9 million pupils in attendance in eligible school districts represented about one-eighth of the Nation's public school attendance. Thus, the Federal payments now are helping to support free public education over twice as broad a base as in 1951.

Under Public Law 815: The school construction grants made under Public Law 815 reached a peak in fiscal year 1953, from which they have declined. Total expenditures rose from $3.2 million in 1951 to $134 million in 1953 and have since that time declined to $74.8 million in 1957.

Approximately 1,500 local educational agencies have been aided by grants under Public Law 815. Of the total amount of $765 million appropriated to finance school-construction projects in federally affected areas, the United States Commissioner of Education had allocated $715 million by June 30, 1957, to 3,715 eligible projects. The recipient local school districts had added more than $300 million of their own funds to these projects. Thus, more than $1 billion in public school construction has been initiated under this program, and the approved projects will provide facilities to house some 950,000 pupils. When existing authorizations have been fulfilled, schoolhousing will be provided for an additional 100,000 pupils.

Mr. KUCHEL. Mr. President, my State of California has enjoyed the benefits of these laws for almost 8 years. There are some 425 school districts in California that have participated in the programs provided by these two laws. The California State Department of Education makes it crystal clear that there is an indispensable need for continuation of these Federal statutes. The extent of participation by California since enactment of Public Law 874 indicates that applicant school districts have received assistance varying from 25 percent in the total national payments under section 3 in 1950–51 to 19 percent in 1955–56. This is an indication of the great use of areas in California for defense purposes. With this aid, California also has shown average daily attendance of eligible pupils under the act ranging from 21 percent in 1950–51 to 17 percent in 1955–56 of all eligible pupils in the Nation. Between 1950–51 and 1955–56, the number of eligible pupils under Federal law in California has increased 61 percent.

These two laws are of the utmost concern not only to the State of California, but to all other States where large Federal activities may be located. They have prevented an inequitable added burden to the homeowner. I cannot agree to proposals for modification or elimination of this necessary and morally justified Federal participation in local school support where the Federal Government itself has created the problem.

CONSERVATION AND DEVELOPMENT OF LAND AND WATER RESOURCES

Mr. KERR. Mr. President, on January 28, 1958, the Senate agreed to Senate Resolution 148 with the amendments jointly reported by the Committee on Interior and Insular Affairs and the Committee on Public Works.

This action of the Senate is an important step in providing for comprehensive conservation and development of land and water resources. In consequence of Senate Resolution 148, the two committees of the Senate that are responsible for recommending authorization of projects will be able to do so on the basis of information and evaluations that disclose fully the costs, benefits, and evaluations. Based on such disclosures, the committees will be able to recommend for authorization projects that will fully conserve and develop all of the natural resources that are involved in each project. Senate Resolution 148 requires that project authorizations take into account the full range of potential benefits from land and water resource projects. This comprehensive treatment of natural resources is essential, and it is in keeping with the traditional policies of the Congress.

In furtherance of these Congressional objectives, the Interior and Public Works Committees were diligent in preparing Senate Resolution 148 for the action of the Senate. Intensive consideration was given to the wide range of technical matters covered by the resolution, and this is evidenced by the studies reported in the five preparatory committee prints totaling 370 printed pages, in addition to the public hearing.

Similar consideration was given by the committees to the practical side. In this connection, a major consideration was that Senate Resolution 148 should result in more expeditious consideration of project authorizations. The information requested by the resolution was designed to make use of data and analyses which are regular and routine practice of the executive agencies. The Corps of Engineers and the Department of the Interior advised the committees that such information was available without additional study or expenditure of funds.

In furtherance of the practical side of this matter, promptly after the Senate agreed to Senate Resolution 148, the chairmen of the Interior and Public Works Committees jointly wrote to the executive agencies affected, pointing out that provision of the information requested does not require additional time for submission of the project reports. In order to further expedite and simplify the procedures, the letters from the chairmen suggested that the information be supplied in the form of a supplement. This, they point out, is particularly desirable in the case of project reports that already are in the process of clearance or submission to the Congress.

Because of the widespread interest in expediting the submission of project reports, I ask that the joint letters from the chairmen of the Committee on Interior and Insular Affairs and Public Works, the distinguished senior Senator from Montana [Mr. MURRAY], and the distinguished senior Senator from New Mexico [Mr. CHAVEZ], be inserted in the RECORD at this point. The letters are dated January 31, 1958, and are addressed to the Director of the Bureau of the Budget, the Secretary of the Department of the Army, the Secretary of the Department of the Interior, and the Secretary of Agriculture.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON INTERIOR
AND INSULAR AFFAIRS,
January 31, 1958.

Hon. PERCIVAL F. BRUNDAGE,
Director, Bureau of the Budget,
Washington, D. C.

DEAR MR. BRUNDAGE: On January 28, 1958, the Senate agreed to Senate Resolution 148 in the form that was reported jointly by the Committee on Interior and Insular Affairs and the Committee on Public Works. A copy of Senate Resolution 148 is enclosed.

The resolution requests the cooperation of the executive branch in certain specified improvements in the procedures relative to the authorization of projects for conservation, development, and utilization of land and water resources.

It is reassuring that Assistant Director Merriam's letter of July 8, 1957, advised that much of the information requested is now available, and that the additional information could provide a useful supplement to that provided under present procedures. Communications from the several executive agencies advised us that the information requested by Senate Resolution 148 is regularly available or can be readily secured.

This confirms our understanding that provision of the information requested in the resolution will not require additional time for the preparation of reports and recommendations on projects. Consistently with the request in Senate Resolution 148 that the information be furnished in connection with the project reports, it would seem that its presentation in the form of a supplement would expedite consideration by the committees. This procedure will coincide with the schedule requested in section 2 of the resolution. Presentation of the information in the form of a supplement will be especially desirable in the case of project reports that are now in process of clearance or submission to the Congress.

It is, of course, important that project authorization proposals be available for the consideration of our committees promptly after preparation of the plans and recommendations. We are confident that we will have your cooperation in the several improvements provided by Senate Resolution 148, for the purpose of expediting project authorizations consistent with the requirements of Senate Resolution 281, 84th Congress.

Attached are copies of our letters to the Secretaries of the Departments of the Army, Interior, and Agriculture.

Sincerely,

JAMES E. MURRAY,
Chairman, Committee on Interior and Insular Affairs.
DENNIS CHAVEZ,
Chairman, Committee on Public Works.

UNITED STATES SENATE,
COMMITTEE ON INTERIOR
AND INSULAR AFFAIRS,
January 31, 1958.

Hon. WILBER M. BRUCKER,
Secretary of the Army,
Department of the Army,
Washington, D. C.

DEAR MR. SECRETARY: On January 28, 1958, the Senate agreed to Senate Resolution 148 in the form that was reported jointly by the Committee on Interior and Insular Affairs and the Committee on Public Works. A copy of Senate Resolution 148 is enclosed.

The resolution requests the cooperation of the executive branch in certain specified improvements in the procedures relative to authorization of projects for conservation, development, and utilization of land and water resources.

Among the improvements specified by Senate Resolution 148 is provision of certain information that has not heretofore been furnished relative to projects considered for authorization. As we wrote to you on January 23, 1958, it has been gratifying to us to receive the reassurance of your January 18, 1958, letter to Senator WATKINS that the information desired is regularly available to the Corps of Engineers, and that it is standard practice for the Corps of Engineers to investigate projects to the extent outlined in Senate Resolution 148.

Your letter thus confirms our understanding that provision of the information requested in the resolution will not require additional time for preparation of reports and recommendations on projects. Consistently with the request in Senate Resolution 148 that the information be furnished in connection with the project reports, it would seem that its presentation in the form of a supplement would expedite consideration by the committees. This procedure will coincide with the schedule requested in section 2 of the resolution. Preparation of the information in the form of a supplement will be especially desirable in the case of project reports that are now in process of clearance or submission to the Congress.

It is, of course, important that project authorization proposals be available for the consideration of our committees promptly after completion of the plans and recommendations. We are confident that we will have your cooperation in the several improvements provided by Senate Resolution 148 for the purpose of expediting project authorizations consistent with the requirements of Senate Resolution 281, 84th Congress.

Sincerely,

JAMES E. MURRAY,
Chairman, Committee on Interior and Insular Affairs.
DENNIS CHAVEZ,
Chairman, Committee on Public Works.

UNITED STATES SENATE,
COMMITTEE ON INTERIOR
AND INSULAR AFFAIRS,
January 31, 1958.

Hon. FREDERICK A. SEATON,
Secretary of the Interior, Department of the Interior, Washington, D. C.

DEAR MR. SECRETARY: On January 28, 1958, the Senate agreed to Senate Resolution 148 in the form that was reported jointly by the Committee on Interior and Insular Affairs and the Committee on Public Works. A copy of Senate Resolution 148 is enclosed.

The resolution requests the cooperation of the executive branch in certain specified improvements in the procedures relative to authorization of projects for conservation, development, and utilization of land and water resources.

Among the improvements specified by Senate Resolution 148 is provision of certain information that has not heretofore been furnished relative to projects considered for authorization. One of the committee amendments adopted by the Senate clarifies the uncertainty expressed in Assistant Secretary Aandahl's letter of July 22, 1957, relative to the extent of the information desired concerning plans alternative to the recommended project. With this clarification, Secretary Aandahl's letter advises that a large part of the information is regularly included in planning reports, and that the remainder can be supplied.

This confirms our understanding that provision of the information requested in the resolution will not require additional time for preparation of reports and recommendations on projects. Consistently with the request in Senate Resolution 148 that the information be furnished in connection with the project reports, it would seem that its presentation in the form of a supplement would expedite consideration by the committees. This procedure will coincide with the schedule requested in section 2 of the resolution. Preparation of the information in the form of a supplement will be especially desirable in the case of project reports that are now in process of clearance or submission to the Congress.

It is, of course, important that project authorization proposals be available for the consideration of our committees promptly after completion of the plans and recommendations. We are confident that we will have your cooperation in the several improvements provided by Senate Resolution 148 for the purpose of expediting project authorizations consistent with the requirements of Senate Resolution 281, 84th Congress.

Sincerely,

JAMES E. MURRAY,
Chairman, Committee on Interior and Insular Affairs.
DENNIS CHAVEZ,
Chairman, Committee on Public Works.

UNITED STATES SENATE,
COMMITTEE ON INTERIOR
AND INSULAR AFFAIRS,
January 31, 1958.

Hon. EZRA TAFT BENSON,
Secretary of Agriculture, Department of Agriculture, Washington, D. C.

DEAR MR. SECRETARY: On January 28, 1958, the Senate agreed to Senate Resolution 148 in the form that was reported jointly by the Committee on Interior and Insular Affairs and the Committee on Public Works. A copy of Senate Resolution 148 is enclosed.

The resolution requests the cooperation of the executive branch in certain specified improvements in the procedures relative to authorization of projects for conservation, development, and utilization of land and water resources.

It is, of course, important that project authorization proposals be available for the consideration of our committees promptly after completion of the plans and recommendations. We are confident that we will have your cooperation in the several improvements provided by Senate Resolution 148 for the purpose of expediting project authorizations consistent with the requirements of Senate Resolution 281, 84th Congress.

Sincerely,

JAMES E. MURRAY,
Chairman, Committee on Interior and Insular Affairs.
DENNIS CHAVEZ,
Chairman, Committee on Public Works.

THE MODEST 1959 FISCAL YEAR BUDGET FOR THE UNITED STATES CHILDREN'S BUREAU

Mr. WILEY. Mr. President, youth is in the news. The Nation's press is full of articles on the need for improved education, especially in science and technology, for America's youngsters.

On a different phase, we read articles almost every day about the problem of juvenile delinquency, which involves many youngsters. Fortunately, that problem involves only around 5 percent of our children. Nevertheless, it is a serious problem, as those of us who serve on the Senate Subcommittee on Juvenile Delinquency particularly can attest.

In view of these, and many other phases of child problems, which are in the headlines today, the question naturally, arises, "What is our Federal Government doing in relation to our children in the 1959 fiscal year budget?"

I was pleased to write, therefore, to the Chief of the Children's Bureau, in the Department of Health, Education, and Welfare, Dr. Katherine Oettinger. At my request, Dr. Oettinger has listed and briefly described the next year's budget for the Bureau. Of course, as in the case of all other Federal units and agencies, these represent the official amounts requested by the Bureau of the Budget and the Executive Office of the President, and as faithfully supported by the particular bureaus.

My colleagues will find that the overall budget is modest, indeed, especially in relation to the much more sizable Federal programs of many different types which may be found in the 1,200-page Federal Budget.

To my way of thinking, we must look at all times with sympathetic understanding on the needs of our youngsters. It cannot be too often stated that they represent America's future.

Their health, their education, their well-being, their training, their thinking are assets of this Republic. We cannot afford to squander those assets.

As the fine dedicated team of the Children's Bureau so well knows, we need to have every youngster grow to his fullest potentiality in right thinking, right acting, right living.

Of course, the basic responsibility for every youngster is in the American home. It is in the church; it is in the school. It is in local government and in State government. But the Federal Government—principally through this great organization, the Children's Bureau—has its responsibility, as well, which it must never shirk.

I believe that Dr. Oettinger's comment and summary will be of interest to my colleagues. I ask unanimous consent that they be printed in the body of the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
January 28, 1958.

Hon. ALEXANDER WILEY,
United States Senate,
Washington, D. C.

DEAR SENATOR WILEY: Thank you for your letter of January 27 concerning the Children's Bureau 1959 budget request.

I am glad to send you the enclosed summary statement showing our 1959 request as compared with the 1958 amounts.

You will see that the amounts requested for grants to the States for the three programs administered by the Children's Bureau are the same for 1959 as for 1958. This means, of course, that if the amounts appropriated for 1959 are the same as those requested for these grants, the impact of these programs with respect to matching funds put up by the States will be generally the same in 1959 as in 1958. Even though the appropriation continues the same, each year there are slight changes in the amounts apportioned to the various States because the apportionments are based on more recent statistics than for the previous year. However, the impact of this change is very small and does not create major problems.

The Children's Bureau is requesting no new positions for 1959 under its regular budget request for salaries and expenses. The requested increase of $13,000 is solely for the purpose of carrying new 1958 positions and related expenses for the full year 1959.

You will see that we do have a new budget item for salaries and expenses for the proposed 1960 White House Conference on Children and Youth. The amount requested, $150,000, provides for 18 positions and related expenses. This proposed Conference will be the sixth since 1909. We see this Conference as a peacetime instrument for mobilizing community and national efforts in strengthening the coming generation in every stage of their growth and development in becoming mature and responsible citizens.

If you have further questions, I shall be glad to try to answer them.

I am glad to see that you are sustaining your longtime interest in the Children's Bureau.

Sincerely yours,

KATHERINE B. OETTINGER,
Chief, Children's Bureau.

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
SOCIAL SECURITY ADMINISTRATION,
Washington, D. C., January 14, 1958.

CHILDREN'S BUREAU BUDGET REQUEST, FISCAL YEAR 1959

The following table shows the three items in the Children's Bureau budget request for the fiscal year 1959, in relation to the amount estimated for the fiscal year 1958:

	1958	1959
I. Salaries and expenses, Children's Bureau:		
1. State and local health services for children	$686,086	$686,086
2. State and local social services for children	368,286	378,255
3. Technical assistance to States and communities for juvenile delinquency programs	149,524	165,783
4. Research in child life and services for children	288,039	300,291
5. Information for parents and others working with children	255,821	255,821
6. Administration	220,044	226,764
Subtotal	1,967,800	2,013,000
Unobligated balance no longer available	32,200	----------
Total	2,000,000	2,013,000
II. Salaries and expenses, White House Conference on Children and Youth:		
1. Planning the conference [1]	----------	150,000
III. Grants to States for maternal and child welfare:		
1. Maternal and child health services	16,500,000	16,500,000
2. Crippled children's services	15,000,000	15,000,000
3. Child welfare services	10,000,000	10,000,000
Total	41,500,000	41,500,000

[1] Every 10 years since 1909 the President has called a White House Conference on Children and Youth. These conferences are joint undertakings of the Government, States, Territories, and citizens as represented by national organizations concerned with the well-being of children and youth. The funds requested in 1959 will enable the Children's Bureau to work cooperatively with interested organizations in Conference planning.

The above information is taken from "The Budget of the United States Government for the fiscal year ending June 30, 1959" (pp. 613–614), the official document setting forth the administration's budget proposals for 1959. This document was made available to the public simultaneously with the President's budget message, transmitted to Congress on January 13, 1958.

It will be noted that the budget request for 1959 contains 3 items, instead of the usual 2, because of the addition of a separate item for the 1960 White House Conference.

COMMISSION ON COUNTRY LIFE

Mr. THYE. Mr. President, during the first session of this Congress Senate Joint Resolution 18 was enacted. This resolution authorized and requested the President to issue a proclamation in connection with the centennial of the birth of Theodore Roosevelt. In 1955 the Congress provided for the creation of a Theodore Roosevelt Centennial Commission, and it is my understanding that June of this year has been selected as the month to feature his contribution to natural resources conservation. Teddy Roosevelt's active interest in the out of doors and his fostering of national programs for forestry, wildlife, parks, monuments, and general natural resources management are well known. It is my sincere hope that all conservation groups and conservation-minded individuals will respond to the call of the Theodore Roosevelt Centennial Commission to participate in this June observance with appropriate ceremonies.

Mr. President, I wish to call to the attention of my colleagues the fact that in August, 1908, President Theodore Roosevelt appointed a Commission on Country Life. In so doing he stated that the "social and economic institutions of the open country are not keeping pace with the development of the Nation as a whole."

I am informed that in beginning the inquiry the Commission sent a questionnaire to 550,000 persons. More than 100,000 replies were received and tabulated by the Bureau of the Census.

The Commission also held public hearings in 24 States. At the suggestion of President Roosevelt, farmers were urged to hold local discussion meetings in their schoolhouses. Response to this suggestion apparently varied, but it is known that many such local meetings took place.

Dr. Liberty Hyde Bailey, dean of the New York State College of Agriculture, was Chairman of the Commission.

The work of the Commission resulted in steps leading to the establishment of the Extension Service, various conservation programs, farmer cooperatives, emphasis on the need for good roads to serve agriculture, and other important developments in the field of agriculture.

This year, 1958, is the 50th anniversary of the Commission. Its work was so outstanding that it has been suggested that this might be an appropriate time to provide a new Presidential Commission on Country Life. This proposal is being advanced particularly by the American Country Life Association, of which Mr. Roy C. Buck, of Pennsylvania State College, is president. The idea has also been espoused by a number of agricultural publications.

Without undertaking to pass upon the need for or advisability of a new Country Life Commission at this time, I do call attention to the proposal. Further, I suggest that the new rural development program, which is now in its third year and which is under way in 30 States, is making a definite contribution to projecting a sound future for more of our rural families.

It would be my judgment—in the event consideration is given to the establishment of a new Commission on Country Life—that it should deal specifically with the opportunities for rural development. We must recognize the fact that many rural communities now

have nonfarm people living in them and that industries are more and more being dispersed out through rural areas.

PRESCRIPTION FOR DEPRESSION

Mr. BUSH. Mr. President, the report released by the Democratic Advisory Council provoked a very interesting editorial entitled "Prescription for Depression," which was published in the Wall Street Journal of February 4, 1958. The concluding line of the editorial reads:

The Nation had better be wary of the confused economic doctors who want to cure the recession with a prescription for depression.

I think the editorial is so revealing that I ask unanimous consent to have it printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

PRESCRIPTION FOR DEPRESSION

It is natural for the Democrats to use the recession as a club to belabor the Republicans. Apart from politics, though, the views of the Democratic advisory council are doubtless sincerely held by some leading in the party, and for that reason are perhaps worth noting.

The council, recalling the thirties, warns that a real depression may be in prospect if the Republican administration doesn't change its do-nothing ways. What, in this Democratic view, should the administration be doing? The answer is the soul of simplicity: Spend. To be sure, the administration is spending heavily as part of its antirecession activity—too much, some people think, but not nearly enough to satisfy the Democratic advisory council.

The group argues that there never was a time when there were so many urgent tasks. Defense needs, aid to our allies and friends abroad, research, health facilities, highways, and other civilian requirements are all urgent. And beyond these are housing, the renewal and rebuilding of our urban areas, the replanning of metropolitan transportation, and a score of other urgent tasks.

Now it has never been proved that Government spending cures a recession or depression, as the thirties these Democrats are resurrecting itself shows. But let us assume for the moment that the Federal Government can spend the country into a big new boom, and see what happens.

One thing that happens is inflation to finance the spending. Some people, though not all people, may feel good for a while under the inflationary stimulant, but the price is high, for the result of a thoroughgoing inflation is a thoroughgoing crash.

Though that may sound like a doctrinaire contention, it is fairly firmly grounded in economic experience. To see how, we must ask why we have the so-called business cycle of ups and downs anyway.

In oversimplified terms, a recession is a reaction to some prior excess in the economy. The speculative orgy of the late twenties led to financial collapse. The inflation of the thirties and war years, plus accumulating demand during the war, fed a boom to which the reaction was the downturn of 1948–49. More boom brought the mild adjustment of 1953–54. Certain excesses—in adding to capacity, for example—in the boom of 1955–56 account for the current recession.

It is just not in human nature to regulate these matters perfectly, though people have learned a lot since 1929. Thus the boom of 1955–56 was by no means carried to idiotic extremes; some restraint was exercised both by business and the Government. Those who believe the present recession will not be serious base their optimism largely on that restraint.

What the Democratic advisory council proposes, however, is perpetual boom with never a breather. The inflation and the constant forced-draft expansion that this effort would require would become intolerable for the economy; these forces would build up an overpowering need for correction, and the correction, when it came, could well be drastic. Government spending could replace the speculative binge of the twenties as a cause of depression.

Certainly, valid criticisms can be made of the administration's policies for dealing with the recession. But it is not a valid criticism to charge that Washington is doing too little. The Nation had better be wary of the confused economic doctors who want to cure the recession with a prescription for depression.

CHANGES IN THE MONEY MARKET

Mr. BUSH. Mr. President, I ask unanimous consent to have printed in the body of the RECORD, immediately following the editorial from the Wall Street Journal, an editorial entitled "Money Market Changes," which was published in the New York Times for today, February 5, 1958.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Times of February 5, 1958]

MONEY MARKET CHANGES

Two events in the Wall Street money market this week point up the degree to which the recent reversal of the Federal Reserve's restrictive monetary policy, less than 3 months ago, has left its impress on the Nation's interest rate structure.

This week's regular auction sale of 91-day Treasury bills sold at prices giving the average holder a yield of 1.58 percent plus. The peak of the 1955–57 period of so-called tight money, so far as the yield of Treasury bills was concerned, came in October of last year, when one weekly offering sold on a yield basis of 3.66 percent plus. The yield on Treasury bills is of key importance, not merely because the commercial banks are large holders of this form of short-term asset, but because it is the form of short-term liquid paper that they use to a greater extent than any other to adjust their portfolios to changing monetary conditions. In other words, it is the form of paper through which, more than any other, Reserve-bank policy is communicated to the commercial banking system and the money market.

As a second demonstration this week of how completely the log jam on credit has been broken in the last few weeks, major sales finance companies have just reduced the yield they pay investors on their commercial paper by one-half of 1 percent. Reductions in this rate since the end of 1957 have aggregated 1⅛ percent, a decline unprecedented in the recollection of veteran observers in the street.

In the case of the second decline in the rediscount rate, initiated by the Philadelphia bank on January 21, it might be said that the rate was being employed to conform with its now customary usage—namely, to adjust itself to a changed interest rate structure the achievement of which had been initiated by other techniques, particularly open-market operations. But in the case of the November reduction the Reserve found its hand forced by the suddenness and extent of the business contraction. By timing its action to follow by 1 day the President's statement that he would not hesitate to unbalance the budget if increased military expenditures made this desirable, and by adding a spectacular touch to its action by reducing the rediscount rate by a full half percent, the monetary authorities demonstrated that that instrument, when intelligently used, still retains much of the potency associated with it a generation ago.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. NEUBERGER in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORT OF A COMMITTEE

The following favorable report of a nomination was submitted:

By Mr. MURRAY, from the Committee on Interior and Insular Affairs:

Royce Aller Hardy, Jr., of Nevada, to be an Assistant Secretary of the Interior.

DIPLOMATIC AND FOREIGN SERVICE

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations in the Diplomatic and Foreign Service.

The legislative clerk proceeded to read sundry nominations of Ambassadors Extraordinary and Plenipotentiary of the United States of America in the Diplomatic and Foreign Service.

Mr. MANSFIELD. Mr. President, I move that the nominations of Ambassadors in the Diplomatic and Foreign Service be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

DEPARTMENT OF JUSTICE

The legislative clerk proceeded to read the nominations in the Department of Justice.

Mr. MANSFIELD. Mr. President, I ask that the nominations in the Department of Justice be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

DIPLOMATIC AND FOREIGN SERVICE — ROUTINE APPOINTMENTS

The legislative clerk proceeded to read sundry routine appointments in the Diplomatic and Foreign Service.

Mr. MANSFIELD. Mr. President, I ask that the routine appointments in the

Diplomatic and Foreign Service be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the routine appointments are confirmed en bloc.

Mr. MANSFIELD. Mr. President, I ask that the President be immediately notified of the nominations this day confirmed.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of the legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

OPPOSITION TO REDUCTION IN STRENGTH OF NATIONAL GUARD

Mr. STENNIS. Mr. President, an essential and effective segment of our National Defense Program over the years has been the National Guard. For many years the Guard has been organized, equipped, trained and housed under criteria established by the Federal Government, the cost of which has been jointly borne by the Federal Government and the States and Territories. The Guard is ready for quick mobilization and effective operation and movement as trained and equipped units wherever their services are required.

Last year, at the direction of the administration, the strength of the Army National Guard was reduced from a high of 434,000 to 400,000 men. In 1957 the Senate Appropriations Committee increased the Appropriations for the Army National Guard to provide for 424,000 members, only to be advised by the administration when the defense appropriations bill was in conference that these additional funds would not be expended. For this reason the Army National Guard has been in the process of discharging thousands of volunteer citizen soldiers during the past 6 months in order to reduce to the required limit of 400,000.

I am seriously concerned that the President's budget for the fiscal year 1959 includes only sufficient funds to support an enrolled strength of 360,000 officers and men in the Army National Guard. This will require a further reduction of 40,000 trained volunteers in this Ready Reserve force.

Mr. President, if we permit the guard to be gradually reduced in strength to a point where it is no longer a potent part of our national security, we shall be guilty of reducing our defenses at the very point where they should be maintained at a higher level. I question the advisability of this action, both from the standpoint of national defense and from the standpoint of national economy. The discharge of thousands of trained volunteer citizen-soldiers, the destruction of several hundred effective combat units, the closing of hundreds of existing facilities, and the corresponding return of tons of supplies and equipment, appear to me to be extremely unwise.

I am firmly in favor of the increased emphasis being placed upon the development of the pushbutton weapons of the future and the most careful study of our existing defense programs. I am likewise convinced that our future security requires a more efficient welding of the military, scientific, and economic resources of the Nation. We must not take any action, however, which would destroy or impair the effectiveness of our existing security forces. While we have been advised that our enemy has the presumed capability to mount devastating nuclear attacks against us, we must not forget that he has, also, the world's largest land forces and large naval forces at his command. While we struggle to meet this massive air threat, we would be foolish indeed to invite disaster from other quarters.

Our military planners should not consider the wholesale slashing of this highly capable, battle-tested, first-line Reserve organization.

During World War I, 11 guard divisions saw combat as a part of American Expeditionary Forces in Europe. Indeed, these divisions made up two-fifths of the American Army there. Of the 8 American divisions rated highest by the German Supreme Command, 6 were guard divisions.

The National Guard was trained and available and was called to active duty before Pearl Harbor. If it had not been for the National Guard, we would have been many years farther behind in our preparation for that conflict. When called to duty, these troops immediately doubled the strength of the Army. In World War II, guard units took part in 26 different campaigns and more than 40 assault landings. Fourteen guardsmen won the Congressional Medal of Honor in World War II.

In the Korean conflict, in my State, 78 National Guard units out of 81 were called to active duty, and over 80 percent of the members of these units served overseas—most of them in the Far East Command. So, Mr. President, I am not talking about a reduction on paper; but I am talking about actual, available, trained, and experienced units, the very units which always have been our first line of defense. Their record of performance is indelibly inscribed on battlefields from Bataan to North Africa, from Okinawa to Normandy.

These citizen soldiers are proud of their fine organization, as I am. Many of them served in combat overseas, in both World War II and in the Korean conflict. Their experience in both wars is invaluable to us, and represents a tremendous asset which the country cannot afford to lose. We should keep up their training, and should let them remain in the organization and available for active duty whenever their services may be required.

The guard has local support all over the country, because it is something the people can see and feel. Its members actively fill places of civic responsibility in their communities, their State, and their Nation in time of peace; but they are also trained and ready to serve in time of war.

I am told there are National Guard units located in over 2,600 separate communities scattered throughout the width and breadth of the United States. This wide dispersal could not have been better planned, had it been specifically accomplished for the common defense in this atomic and nuclear age. In the event of crushing missile or air-bombardment attacks on this Nation, with the consequent disruption of communications and transportation facilities, units of the National Guard, operating locally, and with their own equipment, may provide the necessary backstop, control, and rally points to bring order out of chaos.

In the current atmosphere of technological advances in warfare, with increased costs of research and equipment, we should consider strengthening and expanding our National Guard program, for it gives the Nation more military might in return for each military dollar spent.

The cost of maintaining the military preparedness necessary to insure our freedom can destroy the very freedom we seek to protect. In the atomic-missile age, all unit costs are continuing to soar. To illustrate the full impact of the increased cost of our vast military machine, let us consider the fact that the B–17 bomber used during World War II cost $250,000; whereas the B–52 of today costs $8 million. A World War II fighter plane cost $50,000; the present jet fighter costs from $700,000 to over $1 million. A modern submarine costs over $44 million, eight times as much as a World War II type. The largest World War II aircraft carrier cost $80 million; today's atomic carrier will cost over $300 million.

We, as a Nation, must learn to build and maintain our Military Establishment within the limits of our economy; we must lower this frightening cost where we can. We must utilize our present resources wherever possible, and thus reduce the cost of our long-range military program.

The National Guard represents an outstanding example of one phase of our military program which can be continued at relatively low cost, but with dependable performance when we need it. We can keep 8 men in the National Guard, physically fit, fully trained and equipped, and ready to move on short notice, for the money it costs to keep one man of full-time active duty with the Regulars. We would be foolish if we failed to take advantage of this economic fact.

My emphasis today is on the National Guard; but I am not unmindful of the fine service rendered by the Reserves of the Army, the Navy, and the Air Force. Many of the points I have made here apply with equal force to the men in the Reserves. The National Guard comes in a special category, and I emphasize today its work and its needs.

I urge the Department of Defense to reconsider the entire question of National Guard strength.

I shall actively support the necessary appropriation to maintain the guard at a level of at least 400,000 men.

The Congress, however, can only appropriate the funds. It cannot put a military plan into execution. The latter is the direct responsibility of the Chief Executive and the Department of Defense. I urge them to reconsider this question, and to request the funds necessary to carry out an expanded, rather than a restricted, program for the National Guard.

Mr. HILL. Mr. President, will the Senator from Mississippi yield to me?

The PRESIDING OFFICER (Mr. TALMADGE in the chair). Does the Senator from Mississippi yield to the Senator from Alabama?

Mr. STENNIS. I am glad to yield.

Mr. HILL. I want the Senator from Mississippi to know how glad I am that he has brought to the attention of the Senate the proposal of a further reduction in the National Guard.

The Senator from Mississippi is not only one of the ablest and most distinguished Members of the Senate Committee on Armed Services; he is also one of the ablest and most distinguished members of the Senate Committee on Appropriations. I have the honor to serve with the distinguished Senator from Mississippi on the Senate Appropriations Committee, and I know how diligent, devoted, and indefatigable he is in his efforts on behalf of the defense of our country. I recall so well how vigorous he was, at the meetings of the Appropriations Committee during the last session, in his efforts to maintain the strength of the National Guard.

I wish to join him in his tribute to the National Guard and in all he has said about the part the National Guard has played in the defense of our country, and about the importance of the National Guard in our national defense setup today.

I also desire to tell him that I stand shoulder to shoulder with him in opposition to any reduction in the strength of the National Guard, and that I shall be by his side fighting with him to maintain the strength of this most important and integral part of our defense system.

Mr. STENNIS. Mr. President, I thank the Senator from Alabama very much for his remarks.

I recall very well his most valuable and timely work and interest in this very question, in the Appropriations Committee, last year, when we took the action to which I have already referred, in endeavoring to insure that the membership of the National Guard would not be so reduced. I am sure the Senator from Alabama is surprised now to find that an even further reduction is proposed. I appreciate very much his kind words, as well as his work on the committee and elsewhere.

Let me say that of all the military programs about which I know anything, the only one for which there is any real prospect of saving money and reducing military expenditures is the program of building up all our Reserves—not just the National Guard, but also the other Reserves, so as to take advantage of the military training and know-how our men have already acquired, not only during World War II and the Korean war, but also as a result of their military training since then, to keep them in training, both militarily and otherwise.

As I have already stated, eight men can be maintained in the National Guard, in almost combat-ready condition, for the price of maintaining only one man in the Regular service. That figure may vary as between the various services; sometimes the figure six is given. But on the basis on which the Army National Guard operates, I believe the figure runs as high as eight.

Mr. THURMOND. Mr. President, will the Senator from Mississippi yield to me?

Mr. STENNIS. I am glad to yield.

Mr. THURMOND. Mr. President, I wish to commend the distinguished Senator from Mississippi for his magnificent work on the Armed Services Committee, and especially do I wish to congratulate him for his deep interest in the work of the National Guard and the Reserves.

It seems that today emphasis is being placed on various other aspects of our defense, at the expense of the ground forces. I do not think there is any question in the world that we must maintain strong ground forces. I realize that possibly the greatest threat from the Communists is through the ICBM and the submarine. But I visualize that we shall come nearer to having a "brush war" than to having a world war which would involve a conflict between our country and Russia. Therefore, it is my opinion that we must retain strong ground forces.

I dislike very much to hear talk about reducing the size of the Regular Army or the Marines.

If this must come to pass, if this must be done, then certainly the National Guard and the Reserves, which are all we have left to fall back on, should not be reduced, but should be retained at full strength. We have at present few enough divisions of the National Guard and the Reserves, and I feel very strongly that none of them should be deactivated, but that they should be strengthened. They should be provided with the most adequate training possible and with the most modern equipment and weapons, and given every stimulus to improve their combat readiness, in the event they may be needed in an emergency.

Again I wish to congratulate the able and distinguished Senator from Mississippi for his presentation to the Senate this morning.

Mr. STENNIS. I thank the Senator. His words have added strength and wisdom to the discussion of this subject matter, because of the Senator's very fine war record and his very active and outstanding contributions as a member of our Reserve forces, for which I thank him as well as commend him.

Mr. President, I yield the floor.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 1908) to amend the District of Columbia Hospital Center Act in order to extend the time and increase the authorization for appropriations for the purposes of such act, and to provide that grants under such act may be made to certain organizations organized to construct and operate hospital facilities in the District of Columbia.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 6306) to amend the act entitled "An act authorizing and directing the Commissioners of the District of Columbia to construct two four-lane bridges to replace the existing 14th Street or Highway Bridge across the Potomac River, and for other purposes"; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. DAVIS of Georgia, Mr. SMITH of Virginia, and Mr. BROYHILL were appointed managers on the part of the House at the conference.

INVESTIGATION OF THE ADMINISTRATION OF THE ANTITRUST AND MONOPOLY LAWS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending business be laid before the Senate.

The Senate resumed the consideration of the resolution (S. Res. 231) to investigate the administration of the antitrust and monopoly laws of the United States.

Mr. MANSFIELD. Mr. President, to keep the record straight, there is an amendment pending, is there not?

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from California on page 3, line 2, to strike out the figure "$365,000" and insert in lieu thereof "$250,000."

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Ervin	Lausche
Allott	Flanders	Long
Anderson	Frear	Magnuson
Barrett	Fulbright	Malone
Beall	Goldwater	Mansfield
Bennett	Gore	Martin, Iowa
Bible	Green	McClellan
Bricker	Hayden	McNamara
Bridges	Hennings	Monroney
Bush	Hickenlooper	Morse
Butler	Hill	Morton
Byrd	Hoblitzell	Mundt
Capehart	Holland	Murray
Carlson	Hruska	Neuberger
Carroll	Humphrey	O'Mahoney
Case, N. J.	Ives	Pastore
Case, S. Dak.	Jackson	Payne
Church	Jenner	Potter
Clark	Johnson, Tex.	Proxmire
Cotton	Johnston, S. C.	Purtell
Curtis	Kefauver	Revercomb
Dirksen	Kennedy	Robertson
Douglas	Kerr	Russell
Dworshak	Knowland	Saltonstall
Eastland	Kuchel	Schoeppel
Ellender	Langer	Scott

Smathers	Symington	Wiley
Smith, Maine	Talmadge	Williams
Smith, N. J.	Thurmond	Yarborough
Sparkman	Thye	Young
Stennis	Watkins	

Mr. MANSFIELD. I announce that the Senator from New Mexico [Mr. CHAVEZ] is absent on official business.

Mr. DIRKSEN. I announce that the Senator from Kentucky [Mr. COOPER] and the Senator from Pennsylvania [Mr. MARTIN] are absent on official business.

The Senator from New York [Mr. JAVITS] is necessarily absent.

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from California [Mr. KNOWLAND].

Mr. KNOWLAND. Mr. President, I shall not debate the amendment for an extended period. The resolution before the Senate provides for the appropriation of $365,000 for the Subcommittee on Antitrust and Monopoly of the Senate Committee on the Judiciary. The RECORD, according to the information available to me, shows that the resolution which was passed at a comparable time last year called for $225,000. That was Senate Resolution 57.

Subsequently, after the committee had been operating, a presentation was made to the Senate as to cost, and under Senate Resolution 166 there was granted an additional $50,000, which made a total of $275,000 allowed under the two resolutions.

The expenditures up to the end of January, according to the information furnished me, amounted to some $241,713.41.

The amendment which I have offered allows a greater amount than was expended by the subcommittee last year, and a greater amount than the first resolution provided, though an amount slightly reduced from the total authorization of last year.

I invite the attention of Senators to the fact that in 1955, under Senate Resolution 61, $200,000 was allotted to the subcommittee, of which amount there was expended some $191,873.62.

On February 8 of 1956 there was a request for an additional authorization of $27,146.05, which the Senate granted under Senate Resolution 209. Of that amount there was expended $20,575.55.

On February 21, 1956, the subcommittee was allocated $207,250, of which there was expended $194,795.

Mr. President, I think the Senate has been generous with all these committees. We have not dealt with the matter in a partisan manner. I acknowledge the importance of this particular subcommitttee, as I do the importance of other subcommittees, but it seems to me that we should, with the grave problems facing the country, keep from having these subcommittees constantly expanding by substantial additions to their appropriations each year.

If the committee will proceed with the funds provided by my amendment, and if there are some urgent matters which need the consideration of the Senate at a subsequent period, I am sure the Senate at that time will be prepared to consider the facts as they are then presented.

For these reasons, Mr. President, I have offered the amendment to provide $250,000 rather than $365,000. I urge its adoption.

Mr. KEFAUVER. Mr. President, this subcommittee consists of the Senator from North Dakota [Mr. LANGER]; the Senator from Illinois [Mr. DIRKSEN]; the distinguished former chairman of the Committee on the Judiciary, the Senator from Wisconsin [Mr. WILEY]; the Senator from Missouri [Mr. HENNINGS]; the Senator from Wyoming [Mr. O'MAHONEY]; the Senator from Colorado [Mr. CARROLL], who has taken the place of the former Senator from West Virginia, Mr. Neely, who was a member of the subcommittee; and myself. I have the privilege of being the chairman.

The subcommittee carefully considered the problems it had before it and the investigations which it needed to make in the light of some deteriorating situations and important economic problems with which the Nation is faced today, which I shall describe later.

The unanimous opinion of the subcommittee was that the amount requested was needed as a minimum to give the subcommittee the tools it needed with which to do its work and to carry out its program. Indeed, in the subcommittee, as in the full committee, one member felt that the amount should be raised substantially.

The amount requested was unanimously agreed upon by the subcommittee. It was presented to the full Committee on the Judiciary and it was discussed. The importance of the problem was considered by the Committee on the Judiciary, and in the Committee on the Judiciary there was not a dissenting vote on the request of the subcommittee.

The program was presented, studied, and considered by the Committee on Rules and Administration; and so far as I know there was no dissension in that committee.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. KEFAUVER. I will yield in just a moment.

I do not know what revelation the distinguished Senator from California may have which gives him information superior to that possessed by the members of the committee, or a judgment which is superior to theirs. As chairman of the subcommittee, I feel that I would rather abide by the collective judgment of members of the committee than by the individual judgment of the Senator from California.

I now yield to my colleague from Louisiana.

Mr. ELLENDER. What presentation, if any, was made to the Committee on Rules and Administration? What facts were brought out? Were any hearings held, so as to afford the Senate an opportunity to examine the facts, or was there nothing more than a mere statement as to alleged need?

Mr. KEFAUVER. I believe every member of the subcommittee was present. There was an extended discussion, participated in, I believe, by every member of the subcommittee, as to what the subcommittee had done and what its plans were. There was more than the mere reading of a statement or letter.

Mr. ELLENDER. Were any witnesses heard?

Mr. KEFAUVER. No witnesses were heard, aside from Members of the Senate. I do not understand that the Committee on Rules and Administration ordinarily asks witnesses to appear in connection with requests of this kind.

Mr. ELLENDER. As the Senator may be aware, I have been advocating such a practice for some time, in order to make available to the Senate the evidence produced, if any there may be, to justify the need for these funds. I think the Senate should have enough information upon which to base an intelligent decision.

However, up to this time that practice has not been followed.

As I understand, the Senate provided $225,000 last year for this subcommittee.

Mr. KEFAUVER. The Senate provided a total of $275,000 last year—$225,000, plus an additional $50,000 later.

Mr. ELLENDER. When was that obtained?

Mr. KEFAUVER. In August of last year.

Mr. ELLENDER. In the closing weeks of the session?

Mr. KEFAUVER. That is correct.

Mr. ELLENDER. Why is it necessary to this year increase the amount to $365,000? What evidence was produced before the Committee on Rules and Administration to justify such an increase?

Mr. KEFAUVER. I shall try to go into that question. If I do not answer the Senator's question satisfactorily, I shall be glad to have him ask me any of the questions he wishes to ask.

Last year the subcommittee held 87 days of hearings. Those were not merely morning sessions. Usually they were sessions lasting the full day.

I have before me many of the printed volumes of hearings before the subcommittee. Some of the hearings have not been printed. I have before me various reports which have been filed. Two of them are still in the process of printing.

We have held extensive hearings on the part which mergers play in inflation. We have held hearings with relation to enforcement of antitrust laws. We have held hearings relating to pre-notice of mergers; hearings with reference to proposed amendments to the Robinson-Patman Act; and hearings on a bill called the equality of opportunity bill.

Many of these hearings were held under the direction of the Senator from Wyoming [Mr. O'MAHONEY], acting as chairman of the subcommittee. That was true of the entire important hearing in connection with the oil lift and problems in the oil industry. Those hearings consumed many days and were of great importance.

Also the Senator from Wyoming conducted hearings in connection with the meat industry, having to do with a bill to try to obtain better enforcement of the

antitrust laws in connection with the meat industry.

Some of the hearings were conducted by the Senator from North Dakota [Mr. LANGER], acting as chairman of the subcommittee, Such hearings dealt with the McCarran Act of 1945 in connection with the insurance business, involving the imposition on borrowers from certain loan companies of excessive costs. Borrowers were forced to take insurance, from which the loan companies and some insurance companies received an exorbitant interest rate.

We have held extensive hearings in connection with the study in which we have participated, with the Bureau of the Census, to devise a table showing the trend in economic concentration, which is of great importance. The evidence shows that, as the years have gone by, by reason of the merger movement the number of companies in various types of important industries has been growing fewer and fewer. The opportunities for establishing new industries or energizing new companies have been fewer, and the operations have been made more difficult.

We have held extensive hearings on what we term "administered prices." There was a full hearing in connection with the steel industry, which I think has been of great importance. At present there is an unusual situation in the steel industry. It is operating at approximately 55 percent of capacity, and several hundreds of thousands of employees are out of work, yet prices are very high, and they were increased last year. Labor has played a part in these hearings. We have heard from both labor and management.

We are now in the process of holding hearings on the same subject in connection with the automobile industry. More than 25 percent of the capacity in that industry is not being used, and hundreds of thousands of people are out of employment.

Today, with 4 million people unemployed, with plant capacity in basic industries not being fully utilized, with inflation and high prices, and with a higher concentration of industry, the No. 1 economic problem of today is to learn the facts relating to our economic system and to energize it.

I hope the present situation will not be permanent. Our purpose is to determine what the problems are, and whether the present antitrust laws are adequate; also to bring information to the public, for the benefit of the Congress.

We have had the phenomenon of extremely high profits in some large industries, with middle sized and low profits in some of the small industries, together with an increasing number of bankruptcies. This is a problem which we have studied as objectively as we could.

Let me say to the Senator from Louisiana that a tremendous amount of digging is required in order to prepare for these hearings. The preparation requires examination of records and statistics.

I want the minority to have the benefit of good counsel, too. Topflight lawyers have been assigned to the minority. One works primarily under the direction of the ranking minority member, the Senator from North Dakota [Mr. LANGER]. Another assists the Senator from Wisconsin [Mr. WILEY]. The Senator from Illinois [Mr. DIRKSEN] has been very much interested in the hearings. In order to enable him to keep up with the work of the committee and do what he aims to do on the committee, we all agree that he should have someone to assist him. It is contemplated that $15,000 of the new amount will be allocated to the minority for the purpose of employing assistants to be selected by them and to be responsible to the minority, as well as to assist the Senator from Illinois.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. ELLENDER Are there any other Senators on the subcommittee who are provided with special assistants, as is the case with the Senator from Illinois [Mr. DIRKSEN]? Is this not a new approach to committee work?

Mr. KEFAUVER. All the assistants are assigned to the minority, but those assistants try to help particular Senators in the study of these very technical subjects.

Mr. ELLENDER. Is that in addition to the regular staff that is provided by the committee?

Mr. KEFAUVER. It is part of the regular staff that is provided by the committee.

I should also point out, in that connection, that the Senator from Wyoming [Mr. O'MAHONEY], who is sick in bed at home today, and who may not be able to come to the Senate, is tremendously interested in this entire problem of competition and concentration in industry. He was acting chairman of the subcommittee before Senator Kilgore passed away, and continued for a while. There are certain members of the staff who primarily help him in the hearings that he is interested in and has been conducting.

Mr. ELLENDER. May I inquire whether any of the hearings in the last 2 years, have been, let us say, productive of legislation?

Mr. KEFAUVER. The hearings in connection with the problem of automobile dealers have given these people their day in court. The meat bill is pending on the calendar at the present time. There are other bills now pending in the Judiciary Committee. However, the point the Senator raises is exactly the reason why we must have a sufficiently large staff to help the members of the subcommittee. As the Senator from Illinois [Mr. DIRKSEN] has said, many more bills would have been passed except for the fact that he presented opposite views, and was very diligent in digging up the facts in connection with them.

I do believe that in the antitrust field, which is so complicated and so far reaching, we should not merely pass a bill and get it over with, but that it is necessary to study the problem very intensely and carefully, and to consider all the angles in connection with it, as it relates to our economy, before it is presented for debate and vote in the Senate.

The bill recommended by the administration with reference to prenotice on mergers is before the Judiciary Committee and we will have to have further hearings on it.

The present payroll is approximately $253,000. Additions will have to be made to that sum for some assistants for the Senator from Illinois [Mr. DIRKSEN]. In addition to that, we must make a contribution to the civil-service retirement fund in the amount of $17,500.

Therefore, it will be seen that that leaves us only about $75,000 for administrative expenses, such as for witness fees and for reporting the proceedings, and other necessary expenses, as well as for travel, which latter item has been very small up to the present time. I will say to the Senator from Louisiana that we have been just as careful as we can be with the expenditure of the money. On some occasions we have been able to get our reporting of the hearings done for nothing because the reporters were able to sell copies of the proceedings to interested persons. We have had very little to pay out in the way of witness fees, because of the type of witnesses we have had before the committee.

In addition to continuing the program I have been discussing and holding the kind of hearings we have held in the past, we expect to hold further hearings on the meat industry, the milk industry, the baking industry, and perhaps the aluminum industry, and also the roofing industry. We want to look into certain practices in connection with the meaning of the growth of conglomerate mergers, and what can be done about it, if anything. We also want to examine into certain companies getting into fields outside their main industry or main effort. In perhaps 15 or 20 types of business, competitors claim that some companies in certain lines lower prices and give them severe competition in one field, in some cases running them out of business, while in other fields they hold up their prices, and in that way even it all out.

I do not know what is necessary to be done in that connection. Certainly it will require a great deal of consideration. We will have to make a study of the proposal presented by the Senator from Wyoming [Mr. O'MAHONEY] in connection with the Federal charter plan. We must hold hearings on the prenotice of merger matter.

Another problem is presented by certain corporations joining together in so-called joint ventures, which may or may not be covered by the antitrust laws. We will make an investigation of that subject. Certain problems have arisen in connection with the McCarran Act since the Southeastern Insurance Underwriters case, with reference to the part the antitrust laws should play in connection with insurance rates.

The Senator from North Dakota [Mr. LANGER] has held some hearings on that problem. We are also very much interested in not only preventing concentration and enacting laws to prevent

concentration, but we are also interested in energizing new competition, and supplementing the antitrust laws so as to make it easier for new businesses to get started.

Furthermore, at the suggestion of the Senator from Illinois [Mr. DIRKSEN], we will go into the field of policies applying to overseas companies in connection with their being taken over by foreign companies.

We do feel that we must have the tools with which to work. Because of the present trend toward concentration and mergers, the Senate needs the appropriate tools with which to get the facts. We need to understand the issues and need to have the tools. These issues should not be left entirely with the executive branch of the Government. We need to have those facts ourselves. Therefore I think it is either a question of having people help us, and to have the tools, particularly in the face of the monopoly trend that we have today, and in the face of the problems that our economy faces today, or have our economy suffer as a result. We will use the money very carefully. I believe we have turned back about $20,000 after our payroll was met at the end of this year. We simply cannot do the work unless this amount is allowed by the Senate.

Mr. President, it has been suggested that we proceed now and return later for any additional appropriation which may be needed. I believe we should be able to plan our work for the entire year. We have some excellent people who help us, and they should know one way or the other whether they can continue or not and not be uncertain about it.

I hope the Senate will sustain the opinion of the subcommittee, the opinion of the Committee on the Judiciary, and the Committee on Rules and Administration, because all these committees studied the question very carefully.

Mr. CURTIS. Mr. President, I support the amendment offered by the minority leader, the distinguished Senator from California [Mr. KNOWLAND]. I am very much disturbed by the trend toward monopoly and merger in the United States. I think almost everyone is. I do not believe that our best efforts to cope with this problem can be carried out by the proposal before us to provide a greater amount of money.

What is needed is not an academic study of the laws relating to antitrust and antimonopoly. We are not in need of a study of the legalities and technicalities involved in how a proposal for a merger is handled after it has reached that stage. What the Senate should be interested in is the basic economic causes which are driving us into a period of more mergers than we would like to have.

I do not suggest that I am an authority on such matters. I have observed a few things which have happened in my section of the country. In recent months a number of medium-sized industries have sold out to larger concerns. There are two factors involved. One factor is labor difficulties; the other is the burdensome taxes which are imposed upon small- and medium-sized industries.

I have in mind two great industries in Nebraska which in recent months have sold out to large, nationwide concerns. They were more or less family controlled corporations. One of the big factors which compelled them to sell out was the problems which arise by reason of burdensome taxes, particularly death taxes. The inheritance and the estate taxes were such that if the companies had not disposed of their businesses to larger competitors they would have been faced with the problem, some day, of having to liquidate in order to pay the death taxes.

Those are not isolated cases; they happen continually. When a medium-sized business is forced to sell in order to pay taxes usually the only people who are possible purchasers are the giants or the near giants, or at least the large concerns.

What is creating monopoly and merger is not the lack of the spending of money by Congress; it is the spending of money. It is the heavy and burdensome taxes.

If I understand correctly the cry of small business today, it is not for the creation of more agencies which will have greater amounts of money to spend, it is a cry for freedom from Government and a cry for fewer burdens.

If Congress is going to do anything to prevent monopolies and mergers, it will have to lessen the burdens of Government, and thereby lessen the tax burdens on the people.

Another factor which is driving industries into monopoly and merger is the activities in the field of labor and management. I shall not take the time to cite the number of instances in which there have been boycotts and secondary boycotts. In one instance a trucking company was the victim of such a boycott because the unionized transportation companies and warehouses refused to turn over freight which was intended for the small independent firm. When such boycotts last for months it finally becomes necessary for the small companies to give up and sell out. To whom do they sell? To some of the largest transportation companies in the country. The great power which the union leaders have in this field, which is sometimes misused, is causing the trend toward monopoly and merger.

A small-business man reported to me recently that in his labor negotiations he was openly told, "You ought to merge with somebody else; we do not like to negotiate with so many small operators."

Those are the things which are making it hard for small and medium-sized businesses to continue to operate. If we do nothing about the basic causes, what good will it do to have detailed studies as to how to administer a merger after the merger has become economically necessary?

It is because I am concerned about small business and about the tax burden that I am anxious to hold down costs as much as possible, and certainly within our own household is the place to start.

I shall support the amendment offered by the distinguished minority leader to reduce the amount of the appropriation; and I commend him for his action.

Mr. LANGER. Mr. President, I have been a member of this committee ever since its inception. I am sure of one thing: that if the distinguished minority leader, my good friend from California, had sat in on the hearings of the committee and had heard what the automobile dealers of California had to say about the work of the committee, he never, never would have offered the amendment.

One of the leading automobile dealers in Huntington Park, Calif., told me that the investigation conducted by the Senator from Wyoming [Mr. O'MAHONEY] alone changed the entire practice of the big three in the sale of automobiles. Before that investigation, one of those companies would load large numbers of automobiles onto a dealer in Huntington Park, or somewhere else, and the dealer had to pay cash when the cars arrived. Otherwise, the manufacturer could cancel the contract, even though the dealer had invested hundreds of thousands of dollars in his business.

I need not go into all the rest of the practices which were conducted at that time by the Big Three, but all those practices have been changed because of the splendid work done by the committee headed, at that time, by the Senator from Wyoming.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. KNOWLAND. In my opening remarks, I commended the committee for the type of work it had done. I called attention to the fact that it was done under a previous allocation and expenditure of some $241,000. My purpose is not to deny the committee funds, but to keep the funds within a reasonable approximation of what the Senate has granted in past years.

Mr. LANGER. I appreciated the Senator's statement.

I repeat that I believe that if the distinguished Senator from California were thoroughly familiar with the work the subcommittee has done, he would not have offered the amendment. Today, the subcommittee is still investigating the operations of the three big automobile concerns.

I wish to refer to the State of North Dakota, my own State, and to show exactly what the subcommittee's work has meant to North Dakota. For instance, let me refer to Mr. George Dixon, the head of the North Dakota Automobile Dealers Association. When the subcommittee was first created, he was opposed to it. At that time the late Senator Taft was the leader. Mr. Dixon wrote to Senator Taft a letter of opposition to any investigation by the Antimonopoly Subcommittee.

Then Mr. Dixon came to Washington, and testified before the subcommittee headed by the distinguished Senator from Wyoming [Mr. O'MAHONEY].

When Mr. Dixon returned to North Dakota, he held meetings all over the State; and he praised the work of the subcommittee, and he particularly

praised the distinguished Senator from Wyoming.

Next, I wish to refer to the investigation of mortgage credit. The investigation shows that one concern alone, in Florida, made $7 million in a comparatively short time, as a result of the monopoly it had on mortgage credit.

In North Dakota, there were 13 concerns which were known as small-loan sharks. They had a monopoly. We brought a lawsuit there against those finance companies; and the Supreme Court of North Dakota found that they were charging poor veterans 227 percent interest.

In North Carolina, Duke University cooperated with the subcommittee, and assigned some professors to help it. As a result, it was found that in North Carolina the small-loan companies were charging as much as 500 percent interest.

In Kansas, the attorney general, who is a great fighter, assigned his deputy—the deputy attorney general—to assist us. The State of Kansas finally passed a law which wiped out entirely the small-loan sharks; and in Kansas there were scores of cases which showed that the small-loan companies had been charging as much as 300 or 400 percent interest. All that has been wiped out.

Today, there are only four States which themselves have not passed laws wiping out the small-loan sharks. In that connection, all credit should be given to the Senator from Tennessee [Mr. KEFAUVER], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Wisconsin [Mr. WILEY], and the rest of us who have been fighting the small-loan sharks all over the United States.

I may add that the sworn testimony given before our subcommittee by a man who was in charge of the purchase of supplies for the United States Government shows that if the oil companies increase the price of gasoline 1 cent a gallon, the additional cost to the United States Government will be nearly $84 million. Yet here we are squabbling over the expenditure of $50,000 or $60,000 or $70,000.

Mr. KEFAUVER. Mr. President, will the Senator from North Dakota yield to me?

Mr. LANGER. I yield.

Mr. KEFAUVER. Last year at the hearing conducted by the Senator from Wyoming [Mr. O'MAHONEY], we found that a 1-cent-a-gallon increase in the price of gasoline would cost the public $500 million. Does not the Senator from North Dakota recall that?

Mr. LANGER. I referred only to the added cost to the United States Government itself. The man in charge of the purchase of supplies for the United States Government stated that the additional cost to the United States Government would be $84 million. As the Senator from Tennessee knows, the additional cost to the public at large would be $500 million.

I am sorry that my colleague from North Dakota, Senator Young, is not in the Chamber at this time, because I wish to state that a short time ago he issued a newsletter dealing with the price of farm machinery. All Senators who are familiar with farm conditions know that nothing has risen in price more than farm machinery. Let us consider a combine, which a few years ago could be purchased for $3,000 or thereabouts. Today, its price is $5,500. Today, the price of a power drill or press drill is $700. The situation has reached the point where a veteran who wishes to begin farming finds that he has to have $20,000 or $25,000 just for the purchase of farm machinery—just because of the high price of farm machinery—before he can go into the farming business.

We plan to look into the monopoly of farm machinery production by 4, 5, or 6 concerns which set the prices of that machinery, which the farmers absolutely require.

Much as I dislike to disagree with my distinguished friend, the Senator from California [Mr. KNOWLAND], whom I admire so much, and who has been my seatmate for so long, nevertheless I feel that my first duty is to the people of North Dakota and to the farmers of the country. So I wish to see the investigation made, in order to find out why the farmers are being mulcted and why they have to pay $5,500 for a combine.

The distinguished Senator from Tennessee [Mr. KEFAUVER] has gone into all the details of this matter.

I wish to commend publicly the Senator from Illinois [Mr. DIRKSEN]. He has been handicapped; he has not had the services of an economist. He needs to have the services of an able economist upon whose judgment he can rely. Instead, he has had to get along as best he could, with whatever help we had available. I want the Senator from Illinois to have a staff large enough to enable him to go into these matters and to analyze the testimony which is taken from the witnesses.

When we came before the full committee, the Senator from Illinois [Mr. DIRKSEN] said he wanted to have the services of one economist who could be used by the minority, chiefly by himself. In the committee, we voted to increase the amount, so the Senator from Illinois could have the benefit of the services of an economist in whom he could have great confidence.

I state frankly and in all honesty that I do not believe the requested amount will represent a waste of money. I agree with my friend, the Senator from Nebraska.

I am chairman of the Subcommittee on Refugees. Forty-five thousand dollars was appropriated for that subcommittee. But we returned $26,000 of that amount; we did not use the $26,000.

This subcommittee has been very economical, under the administration of the Senator from Tennessee [Mr. KEFAUVER]; and I am sure it will continue to operate in that way.

Mr. KNOWLAND. Mr. President, will the Senator from North Dakota yield to me?

Mr. LANGER. I yield.

Mr. KNOWLAND. Again, I merely wish to call the attention of the Senate to the fact that the amount expended last year by the subcommitee, in carrying on the work the distinguished Senator from North Dakota has mentioned, was $241,000. However, the amount requested this year is $365,000, or an increase of $124,000. So far as I know, even to judge from the testimony given by the distinguished chairman of the subcommittee, the Senator from Tennessee [Mr. KEFAUVER], the only amount the Senator from Illinois [Mr. DIRKSEN] apparently was to be allocated for a minority counsel was approximately $15,000. Yet the requested increase amounts to $124,000.

Mr. LANGER. Mr. President, in my opinion the amount of the requested increase is entirely insufficient. I think the subcommittee should be given several hundred thousand dollars more than it is requesting. As I said a while ago, my colleague, the Senator from North Dakota [Mr. YOUNG], recently issued a newsletter regarding the price of farm machinery; and it shows that the price of farm machinery has nearly doubled. Let me ask my colleague whether that is correct.

Mr. YOUNG. Yes, it has nearly doubled; and in the last 10 years there has been an increase of nearly 60 or 70 percent.

Mr. LANGER. Mr. President, we should find out what has caused the increase.

The other day we found that when the cost of manufacturing an automobile increases a few dollars, the price charged for it is increased several times that amount.

So I sincerely hope the full amount will be allowed the subcommittee, in order to permit it to make the investigation.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). The question is on agreeing to the amendment of the Senator from California.

Mr. DIRKSEN. Mr. President, I find myself in a distressingly awkward position, first because $15,000 of the money in the committee request was, by general agreement, earmarked for a staff member for me. Secondly, I must openly and publicly confess that the request for that amount by the committee was at my very special instance. So that puts me in a slightly awkward position.

I came to my conclusion for various reasons. On two distinct occasions the Senator from North Dakota had requested $1 million for the work of this subcommittee. I apprehend that at some time or other he is likely, as things go on, to get rather close to that sum. I have always thought it was just too much for the members of the committee and for the staff to digest physically.

One reason I made such a special point of the fact that I thought I ought to have some expert staff assistance is that if I really voted my allergy against work, I would vote against any money for this subcommittee, because I think this particular subcommittee has burdened me, ever since I have been on it, more than

have all the other subcommittees put together. I do not think that is an overstatement, as a matter of fact.

The question was raised as to whether or not these staff positions were sinecures. My answer was that it was a matter of deep regret to me that nearly everybody on that staff was such an eager beaver that I was constantly loaded with work.

In the Committee on Rules and Administration, the very pertinent question was raised as to what proposed legislation the committee had reported. One particular measure was pointed out which is presently on the Senate Calendar, a proposed amendment to the Packers and Stockyards Act. It is on the calendar, but it is not there because the junior Senator from Illinois did not do his best to keep it from getting there.

One would think that, since I am in disagreement with the subcommittee, I ought to be in favor of cutting off funds for it. I am not, because I think the work the subcommittee does is important, even though I disagree so generally with my able and affable friend from Tennessee.

There is pending presently in the subcommittee a bill in the form of an amendment to the Robinson-Patman Act. In its present form, if it were left to the junior Senator from Illinois, if he could stop it, it would never get to the Senate floor. One would think that I would be in favor of cutting down the money for the subcommittee, on the basis that if the subcommittee is going to get into mischief and do things I do not like, perhaps the easiest way to stop the committee would be to give it no funds, which would stop it.

Last year there came to the Senate, before the end of the session, the premerger notification bill. It did not get to the Senate until it embraced an amendment which the distinguished Senator from Wyoming opposed. The distinguished Senator is for the bill, and the junior Senator from Illinois is not for the bill. I managed to commandeer enough votes in the committee to get the amendment written into the bill. So it has never gotten any further, and it has not been brought up. But I point out that it is a piece of proposed legislation in which the Department of Justice is interested. The President wants it. The Board of Economic Advisers is for it. But the junior Senator from Illinois is against it. If his conviction amounts to anything, he is going to try to stop it. Thus far I have succeeded in stopping it.

So the subcommittee cannot be blamed for not wanting to fill the Senate Calendar with a lot of proposed legislation. I have used every weapon at my command. I shall use every parliamentary device and what feeble skill I have as a parliamentarian to keep these little brain children from seeing the light of day, if it is possible.

I think that explanation is in order. It is owing to the distinguished Senator from Tennessee, because it has not been due to a lack of diligence on his part that a lot of measures have not come to this floor.

Mr. President, I suggested the amount of $365,000. That figure would involve $15,000 for a staff member. Then I suggested two new lines of work. I wish the junior Senator from Wyoming were present to hear this, because he might violently disagree; but when we had the long hearings on the alleged oil monopolies, with regard to their operations in the foreign field, and the allegations that our oil companies were operating as cartels in the Middle East, in South America, and elsewhere, I had a difficult time in getting out minority views, amounting to 80 pages. We got those views together, and in my judgment the report was a dandy. I think the report blew the majority's case into smithereens, although I am sure my pleasant friend from Wyoming would certainly not agree with me.

However, it seems to me that, in dealing with matters in the monopoly field, it becomes necessary, in order to set the matter in proper perspective, that we get a better picture of conditions abroad. No member of the subcommittee, who has had to do with the alleged monopoly operations abroad, has had an opportunity, so far as I know, to see conditions on the ground, know of the operations, know of our relationships with foreign governments, and then come back and make a report, which, in my considered judgment, would do better justice to the American companies that have been operating in that field.

I marked that matter out, and the Senator from Tennessee agreed it was an appropriate line of endeavor for this committee and that it ought to work on it. In connection with that, I suggested that the mileage travel allowance be increased substantially, because if members of the subcommittee go abroad, the travel expense will increase proportionately.

I also pointed out to the Committee on Rules and Administration that when one looks at the difficulties the United Fruit Co. encountered in Guatemala, on which a consent decree was signed only yesterday, when one considers the expropriation of Dutch property in Indonesia, when one remembers the threats of Nasser to expropriate American properties and properties which are labeled as cartels and American monopolies, I think the time has come, in America's interest, that members of the subcommittee go abroad, since the committee has jurisdiction, and take a far better look at the situation than we have ever had before. I believe that will require some funds.

I do not attempt to persuade the judgment of any Senator present on the floor. I tried to come to a conclusion in a manner which I think is reasonable and fair, against the backdrop of conditions as they exist. I took that attitude notwithstanding the fact that I have religiously and diligently fought the senior Senator from Tennessee, ever since I have been on this committee, whenever we have disagreed. He and I do not see eye to eye on the packers and stockyards bill. We do not see eye to eye on the proposed change in the Robinson-Patman Act. We do not see eye to eye on the premerger notification bill. After 7 or 8 days of testimony, and after hearing heads of the motor companies, and also Walter Reuther, it must have been evident to anybody in the caucus room that my own ideas were contra to those expressed by members on the majority side of the committee. But notwithstanding that fact, this is a field which the Attorney General recognizes as of transcendent importance, because some years ago a commission was created, consisting of 55 brilliant lawyers and jurists, for the purpose of examining and reexamining all the monopoly and antitrust legislation on the statute books and making informal recommendations which would serve as guidelines for the Congress.

So even though at times I feel harassed and even though I feel the subcommittee has burdened my time to the point where I had virtually a 1-week vacation in the adjournment last year, because I came back for the hearings last fall in October and November, I still believe that the $365,000 is a reasonable and very proper amount, and for that reason the junior Senator from Illinois expects to support the resolution.

I offer one other comment, Mr. President, which comes in pursuance of the observations made by the distinguished Senator from Nebraska [Mr. CURTIS]. It was his opinion that probably in one field this subcommittee would do nothing, and that was the field of labor monopoly.

I presume that one could get a pretty good argument on the floor of the Senate as to whether the Committee on the Judiciary actually has jurisdiction in that field. The only guideline we have is what is contained in the Senate Rules, under the jurisdictions set out for the different committees. Under subparagraph 7 as to the jurisdiction of committees, which is a part of rule XXV, among the other jurisdictions there is included the one sentence:

> Protection of trade and commerce against unlawful restraints and monopolies.

That sentence does not say "corporate monopolies." It does not say "corporate restraint." There is no limitation in the language.

I submit to my distinguished friend, the Senator from Nebraska, that in my considered opinion that language is broad enough for the subcommittee to investigate into the whole field of labor monopoly. I think we have a perfect right to do so. Whether we go into that field will be determined finally by the chairman of the subcommittee and by a majority of its members.

If I am asked openly today what my own notions are about the matter, I would vote this afternoon for a proposal, formal or informal, on the part of the subcommittee, to start at least a preliminary investigation in the field of labor monopoly, for when we talk about monopolies in this country let us not forget that they are not limited to corporate monopolies.

When Mr. Reuther points the accusing finger at General Motors and talks about a giant monopoly, that same finger can be reversed, and one can point to a union,

with over 1 million active, dues-paying members, which bargains in the automobile industry, and one can say, "Here is a labor monopoly."

I submit to my very affable chairman that I think it is a line of endeavor which the subcommittee ought to pursue, and if it does burden my time even further I shall be more than delighted to cooperate with the distinguished Senator from Tennessee [Mr. KEFAUVER] in pursuing that line of endeavor.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield, with pleasure.

Mr. KNOWLAND. It is not often on the floor of the Senate that I find myself in friendly disagreement with my good friend from the State of Illinois. I realize that on this subject, as on most subjects which come before this body, there is ample room for an honest difference of opinion.

I will say to my distinguished friend, the Senator from Illinois, however, that I can well understand the statement he made at the opening of his remarks, that there had been some suggestion the funds might even exceed $1 million. If, indeed, the subcommittee branches out far enough, the sum would exceed $1 million.

I am not necessarily challenging the authority of the subcommittee to branch out into the field of labor monopoly, which is at least a concurrent jurisdiction of the Committee on Labor and Public Welfare, but if the subcommittee does branch out into the field mentioned by my distinguished friend from Illinois, and into the field of expropriation of American property by Mr. Nasser or anyone else abroad who might attempt to expropriate American property—which, indeed, I think, is perhaps properly a field of jurisdiction of the Committee on Foreign Relations of the Senate of the United States—I can see that in a few years, after I have long departed from this body, the sum involved may exceed not only a million dollars but perhaps several million dollars.

I do submit that the problem of keeping our expenditures within reasonable bounds is always a most difficult one, because there are very valid and very cogent arguments which can always be made toward expanding jurisdiction and increasing the expenditures.

If we were considering an amendment today which would drastically cut the funds which the subcommittee has had available to it, and which the subcommittee has expended heretofore, I could understand the problem, and then I would not have offered such an amendment. I do submit, in trying to keep our own housekeeping expenditures at least within reasonable bounds, that when the subcommittee, as I have previously stated, has had in one instance $200,000 and in another instance $207,000, and last year only expended $241,000, I do not think we will be lacking in generosity to the subcommittee if we provide in the amendment that we will allow the subcommittee $250,000. If some emergency should develop and it is necessary to come before this body again, I am sure at that time we could consider, as we would for other committees, the need for additional funds.

I do not wish to prolong the argument today, but I have observed the procedure session after session. The distinguished Senator from Louisiana, who is temporarily not on the floor, has raised this issue. It is not a partisan issue.

I am sure the very fact that my good friend from Illinois is present and has said he is interested in the increase of funds should assure our friends on the other side of the aisle that this is not a partisan matter.

There are several committees where the increase sought seems to be beyond what we feel is a reasonable proportion, and for those we shall have amendments to offer. I am not too sanguine that we will necessarily be successful in that, but I, at least, feel some responsibility as to trying to hold these housekeeping expenditures within reasonable bounds.

Mr. KENNEDY and Mr. HENNINGS addressed the Chair.

The PRESIDING OFFICER (Mr. CLARK in the chair). Does the Senator yield; and if so, to whom?

Mr. DIRKSEN. I yield to the distinguished Senator from Massachusetts [Mr. KENNEDY].

Mr. KENNEDY. I must say to the Senator that after looking over the jurisdictions of the various committees I really do not see how this subcommittee of the Committee on the Judiciary could have any jurisdiction over labor. It seems to me that, if a labor organization owned a business which was a monopoly, the subcommittee might have jurisdiction in that case, or in a case where a labor organization was joined with management in restraint of trade in a conspiracy. We had a good many of those cases in New York, in the electrical industry, some years ago.

So far as labor organizations themselves are concerned it seems to me that they are under the jurisdiction of the legislative Committee on Labor and Public Welfare, and of course under the jurisdiction of the select committee headed by the able Senator from Arkansas [Mr. MCCLELLAN].

I wonder if the Senator from Illinois would object to my asking the Senator from Tennessee [Mr. KEFAUVER] whether he plans, with the money which may be appropriated, to look into the general area which the Senator from Illinois is discussing? I raise this question as a member of the Committee on Labor and Public Welfare and as the chairman of the Subcommittee on Labor of that committee.

Mr. DIRKSEN. I shall be glad to have the Senator from Tennessee respond, but before he does so let me say I disagree very cordially with my distinguished friend, the Senator from Massachusetts. When one is dealing with monopolies, it does not make any difference, in my judgment, whether it is an agglomeration of business units which restrains trade, which constitutes a monopoly, or an agglomeration of labor units, or what it is. Monopoly is monopoly. When it is an unlawful restraint of trade and commerce, I think it clearly comes under the language of the rule with respect to the Committee on the Judiciary.

It would be rather interesting to ventilate that subject for the benefit of our esteemed Parliamentarian, and ultimately obtain a ruling from the Chair on the question; but since the question is moot at the moment, there is no point in pursuing the discussion further.

I now yield to the Senator from Tennessee, to permit him to answer the question which has been propounded.

Mr. KENNEDY. Mr. President, I ask the Senator from Tennessee whether it is planned, with the funds under discussion today, to investigate the subject now under discussion between the Senator from Illinois and myself.

Mr. KEFAUVER. No program was presented to the Committee on Rules and Administration, nor is any presented here for the investigation of labor as a monopoly, pure and simple. In the past we have received testimony with reference to the effect labor has had on the economy, and we shall do so in the future. About 2 weeks ago the Attorney General said that inflation was due to a great extent to poor enforcement of the antitrust laws, and that if we had good enforcement of the antitrust laws we would not likely have inflation.

In connection with prices, we have investigated, and will make findings, as to the part labor plays.

If there were agreements in restraint of trade between a labor union and a corporation, that subject would be in our immediate jurisdiction; and if our investigation showed something of that sort, I think it would come under the jurisdiction of our subcommittee.

However, as to the outright jurisdiction to investigate labor as a monopoly in itself, that is a moot question, and certainly one which should be discussed. We have no program at the present time looking in that direction.

Mr. DIRKSEN. Mr. President, I agree basically with everything my leader from California [Mr. KNOWLAND] has said. I think about the only answer I could make is that I think there is some virtue in the contention of the Senator from Tennessee to the effect that, instead of doing the job piecemeal, if the full amount is available at the beginning of the year, the work program can be planned a little better than otherwise would be possible.

Mr. HENNINGS. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. HENNINGS. I ask the distinguished Senator from Illinois if it is not true that the entire Subcommittee on Antitrust and Monopoly appeared before the Committee on Rules and Administration, with the exception of the late Senator Neely.

Mr. DIRKSEN. That is correct.

Mr. HENNINGS. I ask the Senator, first, if the members of the subcommittee were not thoroughly interrogated by the several members of the Committee on Rules and Administration.

Mr. DIRKSEN. That is correct.

Mr. HENNINGS. I make the further observation that not only was the interrogation thorough and complete, but the Committee on Rules and Administration reported the resolution favorably by a unanimous vote.

Mr. DIRKSEN. That is correct.

Mr. HENNINGS. I do not know whether the Senator can make that statement of his own knowledge, but I happen to know it, as a member of the Committee on Rules and Administration.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. DIRKSEN. I should like to conclude by alluding to two further points. I hope Senators will give ear.

It will be noted that the final date for filing a report by a subcommittee or a committee under this type of resolution is the last day of January of the new year.

We return for the new session during the first week in January. In the odd years, of course, there will be a reorganization, which will require a little time. Inevitably we discover, if we are writing a minority report, that we cannot find time before the end of January to complete that report. As I recall, my friend from Colorado [Mr. ALLOTT] alluded to that very fact in a conference yesterday.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. ALLOTT. As I understand, two questions were propounded to the chairman of the subcommittee by the junior Senator from Massachusetts. I am not certain that I understand the situation. My vote on this question may be influenced by the answers of the Senator from Tennessee.

If I state the situation erroneously, I should like to be corrected. As I understand the answer of the Senator from Tennessee to the first question, he does have the point of view that his subcommittee has the authority to investigate, on its own initiative, monopoly in the labor field.

Mr. DIRKSEN. I believe so.

Mr. ALLOTT. Was that the reply of the Senator from Tennessee?

Mr. KEFAUVER. I said that, so far as I was concerned, it was a moot question at the present time. It is a question which we shall have to discuss and settle with the other committees.

However, I did say that so far as the power of labor was reflected in concentration of industry, or in raising prices, or in conspiratorial agreements between management and labor, I felt that without question our subcommittee had the right to make investigations.

The other question is one which will be gone into by our subcommittee. It relates to jurisdiction. I am sure we shall also discuss that question with the Committee on Labor and Public Welfare and with the special committee headed by the Senator from Arkansas [Mr. MCCLELLAN].

Mr. ALLOTT. That answers the first question.

The second question is whether the Senator from Tennessee has any intention of entering this field during the present session of Congress.

Mr. KEFAUVER. It is not on the program which we have submitted, but we shall discuss the subject in our subcommittee, and see where we stand in connection with it.

Mr. ALLOTT. Then the Senator would not say at this time that he would not attempt to go into the subject at this session?

Mr. KEFAUVER. As I explained to the Senator a few minutes ago, in the past we have gone into many questions in connection with labor. We shall go into such questions in the future.

With respect to the direct question as to investigation of labor as a monopoly, it has not been discussed in our subcommittee. We have not arrived at any conclusion, and we have not discussed the subject with the other committees or taken it up with the Parliamentarian.

Mr. ALLOTT. If the Senator from Illinois will yield for one further question, I shall appreciate it.

Mr. DIRKSEN. I yield.

Mr. ALLOTT. I ask the Senator from Tennessee what his personal intentions are in this connection. He is the chairman of the subcommittee.

Mr. KEFAUVER. My personal intention is, if any member of the subcommittee has a problem or a suggested line of inquiry which he thinks should be followed, first to examine the question objectively to determine whether or not we have jurisdiction; and if the majority of the members of the subcommittee wish to enter into a certain line of inquiry, that is what we shall do.

Mr. ALLOTT. I thank the Senator. My interest stems from my membership on the Committee on Labor and Public Welfare.

Mr. KENNEDY. Mr. President, as a member of the Committee on Labor and Public Welfare, I feel that before the subcommittee of the Committee on the Judiciary intervenes in an area with respect to which there seems to be some disagreement as to where the proper jurisdiction lies, the question should be brought to the attention of the Senate.

I know that the jurisdiction of the Judiciary Committee is wide. The subject of labor legislation and activities involving improper practices of labor and management are now receiving the attention of two committees of the Senate. I believe that before the Judiciary Committee, which has a very full agenda, decides to intervene in an area in which personally I do not think it has jurisdiction, the question should be brought before the Senate.

A good deal of legislation dealing with this question will be submitted to the Senate. Such legislation will be considered by the Committee on Labor and Public Welfare. If I am to understand that the funds which we are now discussing are to be used to enable the Judiciary Committee to usurp the functions of the Committee on Labor and Public Welfare or the McClellan committee, we ought to know it now. The subject is not completely under the jurisdiction of the Committee on the Judiciary. It is a question for the Senate to decide.

I believe we should get a clear answer as to whether this question will come back to the Senate before we finally decide whether action should be taken and, if so, by which committee the action should be taken.

Mr. DIRKSEN. Of course the Senator from Massachusetts refers to alleged usurpation.

Mr. KENNEDY. That is correct.

Mr. DIRKSEN. If we undertake an inquiry in that field, and it is agreed that there has been some usurpation of jurisdiction, the question can be raised on the floor of the Senate on a point of order, and then of course the whole question of jurisdiction can be thoroughly ventilated and thoroughly cleared up, and a final ruling can be obtained on the question from the Chair. That is the parliamentary way to do it.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. GOLDWATER. I should like to ask the distinguished Senator from Massachusetts a question in relation to his comments on the jurisdiction of the various committees. Does the Senator from Massachusetts feel that at the present time the McClellan committee has jurisdiction to go into the effects of monopolistic practices on the part of labor unions?

Mr. KENNEDY. The Senator from Tennessee [Mr. KEFAUVER] has described the responsibilities of the Committee on the Judiciary in the field of labor monopoly, and I agree completely with him. The McClellan committee has the responsibility of going into improper practices in the labor and management fields. I certainly feel that a monopoly is an improper practice and is a subject which would come under the jurisdiction of the McClellan committee.

Mr. GOLDWATER. Will the Senator from Illinois yield for one more question of the Senator from Massachusetts?

Mr. DIRKSEN. I yield.

Mr. GOLDWATER. Does the Senator from Massachusetts feel that the Committee on Labor and Public Welfare, of which both of us are members, has the authority, under the interpretation of the rules of the Senate, to investigate the very important field of labor monopoly?

Mr. KENNEDY. I think there is no doubt about it. It comes under the jurisdiction of the Committee on Labor and Public Welfare.

Mr. GOLDWATER. Does the Senator from Massachusetts feel that the Senate now has three committees which can investigate in the field of labor monopoly?

Mr. KENNEDY. No. I believe there is a distinction in the functions of the three committees. I believe the Committee on the Judiciary can investigate a labor monopoly when a labor union, for example, owns a business, or when labor and management join in a conspiracy to restrain trade. There have been a number of such cases, and they have been prosecuted by the Department of Jus-

tice. That is a part of the responsibility of the Committee on the Judiciary.

I believe that the Committee on Labor and Public Welfare has the responsibility of looking into undemocratic procedures on the part of labor, which is what is suggested by the term labor monopoly, and the McClellan committee has jurisdiction in that field.

Mr. GOLDWATER. I am not talking about monopolies as that term applies to practices, but, rather, to activities of labor in the monopolistic field, in connection with restraint of trade, by virtue of the fact that it is a monopoly, let us say, in the labor market. That is what I am talking about.

Mr. KENNEDY. As the Senator knows, the closed shop is prohibited by the Taft-Hartley Act. So I do not understand how we can talk about a monopoly in that field, since management does the hiring. That subject, of course, was gone into in 1947. I believe the jurisdiction of the Committee on Labor and Public Welfare is rather clear in the area we are talking about.

Mr. GOLDWATER. I am anxious to get an answer to this question. I will try to explain it in better terms. Since the enactment of the Taft-Hartley Act in 1947 and the enactment of the other acts in this field since 1934, there has been given to labor, as the Senator from Massachusetts knows, certain powers which other segments of our economy and other segments of our citizenship do not have, such as tax-free status, tax-free funds, and so forth. I am not alluding to my interest in right-to-work legislation. I am alluding now to the monopoly powers that rest in the labor movement by virtue of laws which have been passed by Congress.

I am not saying that those laws should not have been passed at the time. However, I believe the time has come when Congress should consider placing labor unions under the same antitrust laws that corporations have been placed under. It might be interesting in that connection for the Senator to know that in an off-the-record discussion with Jimmy Hoffa during the recent hearings, he agreed that when a labor union reached the point where it acted in restraint of trade, consideration should be given to placing it under the same laws under which corporations must act.

I wonder whether the Senator feels if any of the three committees now have authority to go into that field of investigation.

Mr. KENNEDY. One of the problems we find when we talk about antitrust laws is in connection with their enforcement against unions. Obviously they come under the antitrust laws if they are acting in conspiracy in a business. On the other hand, I do not believe that those laws can be enforced against a trade union, even if it is involved in a strike and thereby creates an effect upon the level of a business. I believe those are matters which come within the jurisdiction of the Committee on Labor and Public Welfare.

The only area in which the Committee on the Judiciary has ever moved in that field has been in connection with the Hobbs bill. That was reported by the Judiciary Committee in the House, and probably also in the Senate. The situation was due to certain circumstances in the House at that time. I do not know of any other time when the Committee on the Judiciary has attempted to accept jurisdiction in that field. I never believed that the Committee on the Judiciary or any other committee had any responsibility over the regulation of labor, as in the case of a labor organization. Therefore I must say that I do not agree with the Senator from Arizona that the antitrust laws should go as far as he has indicated. I hope, as a fellow member of the committee, he will agree to defend the jurisdiction of the Committee on Labor and Public Welfare.

Mr. GOLDWATER. I am not suggesting that either of the committees give up jurisdiction. What I am suggesting to the distinguished chairman of the subcommittee, the Senator from Tennessee [Mr. KEFAUVER], is that this is a little known subject that should be investigated. The hearings which I have attended and the transcripts of the hearings which I have read very clearly indicate to me that it is a labor monopoly. I am not defending one side or the other, but I do say it is obvious to people who have studied the matter that this new monopolistic power is a source of inflation and a source of high prices, and I am merely suggesting to the Senator from Tennessee, and to other Senators on both sides of the aisle, that his subcommittee consider going into that subject matter. I realize that it is a field about which we know very little. There has been only one detailed study made in that field during the last 25 years. I hope the Senator from Tennessee will include the subject in his investigations.

Mr. O'MAHONEY. Mr. President, will the Senator yield to me?

Mr. DIRKSEN. I yield.

Mr. O'MAHONEY. It occurs to me, from listening to the colloquy, that it has been diverting the attention of the Senate from the issue before us today. The issue pending is the amendment of the Senator from California on the question whether there shall be appropriated out of the contingent fund of the Senate either $365,000 or $250,000, on a bill of particulars submitted by the chairman of the Judiciary Committee, the distinguished Senator from Mississippi [Mr. EASTLAND]. The issue, therefore, is whether we shall authorize the additional $115,000 to carry on the work which was laid out in full before us. There can be no doubt that the Committee on the Judiciary has jurisdiction over monopolies, restraints of trade, and the like. However, the vote now will be on the appropriation of the money for the particular purposes set forth in the report of the Committee on the Judiciary and in the report of the Committee on Rules and Administration.

Those reports do not include any investigation of labor at this time. The overall jurisdiction of the committee, of course, covers any sort of restraint of trade. However, before the Committee on the Judiciary could enter into that field it would obviously have to appeal for the money with which to do so. We do not have the money now, and I believe the mind of the Senator from Massachusetts can be set perfectly at rest in that respect. We are here seeking an additional $115,000, which was approved by the Committee on the Judiciary and approved by the Committee on Rules and Administration. That issue is now before us. The committee needs that money to carry out the program set forth in the report.

It does not include any investigation of labor monopoly. If we wanted to enter into such a field, it would be necessary to go back to the Committee on the Judiciary, to the Committee on Rules and Administration, and to the Senate to obtain money with which to carry on, because the fund which has been appropriated for us will be sufficient only to carry on the program we have laid out. So I think the discussion might divert the attention of Senators from the only issue before us.

Mr. DIRKSEN Mr. President, to confess my own dilemma about the position in which I found myself, I found it necessary to make an explanation to the Senate. Without undertaking to influence the judgment of other Senators, I felt this was a reasonable amount, and I suggested the amount which is in the resolution before us. As an individual Member of the Senate, certainly I shall support it.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from California [Mr. KNOWLAND]. On this question the yeas and nays have been ordered.

Mr. O'MAHONEY. Mr. President——

Mr. KEFAUVER. Mr. President, will the Senator yield that I may suggest the absence of a quorum?

Mr. O'MAHONEY. Yes; if the Senator desires to do so.

Mr. KEFAUVER. Mr. President, I shall withhold my suggestion of the absence of a quorum.

Mr. O'MAHONEY. Mr. President. I am very fearful that neither the Senate nor the public has had actually presented to it as yet a dramatic illustration of what we are talking about. I do not hesitate to say that in connection with this fund we may be deciding a critical question in the present posture of trade, commerce, and economic concentration in the United States and in the world.

We all know that we are involved in an economic war with Soviet Russia. I believe that the preservation of freedom throughout the world depends upon our victory at home in the war against economic concentration. There can be no permanent political liberty without economic freedom.

There is another phase of the picture, namely, that Congress is steadily giving away its powers, delegating its powers to

the Executive, and rendering itself unable to decide issues on which the welfare of our people, our constituents in every State, depends.

I hold in my hand the budget of the United States. This document was sent to Congress last month by the President. It contains, minus the index, 955 pages. On page M–4, at the very beginning, where there is a brief résumé of the budget, it is set forth that the new obligational authority asked by the President of Congress amounts to $72.5 billion, and that the budget expenditures, when the document was drafted, were estimated to amount to $73.9 billion. Since that time additional expenditures have been suggested and have been made necessary.

The launching of the Explorer and the efforts which our Department of Defense will make soon to launch other missiles and satellites are a warning to us of what the expenditures will be and how necessary they are.

But who has stopped to compare the cost of Congress with the cost of the executive departments? Of the 955 pages recording the various appropriations which the executive branch of the Government calls upon Congress to make, beginning with page 19, exactly 28 pages are devoted to the expenditures of Congress, the legislative branch of the Government. In the legislative branch are included all the expenditures of the Library of Congress and, if my memory does not fail me, of the Botanic Garden, as well, although that is scarcely a legislative activity.

But here it is: The total sum estimated for expenditure by the legislative branch during the fiscal year 1959 is $126,173,000 compared with $73.9 billion, the total amount of the budget. The comparison indicates how absolutely infinitesimal is the issue which is presented to us this afternoon.

The author of the amendment to reduce the appropriation from $365,000 to $250,000 is asking for a reduction of $115,000; that is all. That amount will not balance any budget. It will not result in any economy. But it will interrupt, it will disorganize, and it might easily destroy the activities of the Subcommittee on Antitrust and Monopoly from the program which has been carefully laid out and approved by two committees to investigate the problem of the economic structure in the United States.

This is an important question. But before I go into it, my eye falls on the Washington Post and Times-Herald of this morning. On the first page, I see an article under the by-line of William F. Abrogast, of the Associated Press. The heading is: "Waste Seen in Spanish United States Base." The article begins:

> Comptroller General Joseph Campbell told Congress yesterday there is no military need for one of the United States bases being built in Spain. He said another is being built at a poor location because Spanish officials wanted a show place near Madrid.

Farther down in the column, I read:

> The Spanish bases are being constructed at a projected cost of about $483 million.

Compare that amount—just one of the little operations in the tremendous scope of military expenditures—with the amount which is at issue in the resolution and with the total estimated expenditure of the entire legislative branch of the Government—the House, the Senate, and the other agencies which are handled under this branch.

Mr. President, we are fighting the fight against totalitarianism.

I think there would be no disagreement on that point. But this is a twofold struggle. We would be mistaken if we dreamed that by the defeat of political dictators we were successful in defeating or holding back or controlling economic dictators.

Mr. KEFAUVER. Mr. President, I rise to a point of order: The Senate is not in order.

The PRESIDING OFFICER. The Senator from Wyoming has the floor. Does he yield to the Senator from Tennessee?

Mr. O'MAHONEY. I yield.

Mr. KEFAUVER. Mr. President, this is a very important speech by a Member of the Senate who has spent almost his entire life studying these problems. I wish there were better order in the Senate.

The PRESIDING OFFICER. The Senator from Wyoming will suspend. Senators who desire to converse will please retire to the cloakrooms.

The Senator from Wyoming may proceed.

Mr. O'MAHONEY. Mr. President, I realize that during the debate in the Senate, there is scarcely a moment when Senators do not have to confer with their staff members; and that does not bother me at all.

The point I am making is designed to call the attention of this body, and also the attention of the country, if possible, to the fact that the policies of this country against the concentration of economic power have been basic, nonpartisan policies. They have been adopted from the beginning of this Government by both parties; and today they are proclaimed even by those who are leading in the fight to concentrate economic power.

When the Sherman Antitrust Act was passed, one House of Congress was controlled by one political party, and the other House was controlled by another political party. Of course, the President was of the same political faith as the Members who controlled one of the two Houses of Congress. As I recall, the Sherman Antitrust Law was passed by the Senate by practically a unanimous vote. All of us say we are opposed to conspiracies in restraint of trade.

I believe that many persons receive the idea that whenever the Antitrust and Antimonopoly Subcommittee holds a public hearing, it is seeking to prosecute someone or to establish a basis for an indictment. However, Mr. President, that has not been the fact, insofar as I have been able to observe. Instead, the purpose of the subcommittee has always been to lay the facts of our economic situation on the table, so that economic leaders, management leaders, consumers, labor leaders, those in the professional ranks, and all other groups of the population may know what the problems before us are.

There has been a great change in the organization of our economy and our trade and commerce since the antitrust laws were passed. They were passed because then, for the first time, national organizations engaged in transportation were expanding beyond the ability of the States to regulate them in the public interest. For example, when the Interstate Commerce Commission was established by law of Congress, the railroads no longer could be regulated in the public interest by the States. So the Interstate Commerce Commission was set up. Railroad transportation was recognized as being an absolutely essential aspect of interstate commerce. So the United States Congress passed that law. It has never been repealed. Congress after Congress has created new commissions to regulate all sorts of traffic and all sorts of communications, because in the situation in which we now live, regulations in the public interest cannot be carried on, except by Federal authority.

It was in 1955, a little more than 2 years ago, that Mr. Cordiner, president of the General Electric Co.—whose ability and leadership I think are recognized throughout the country—filed with the administration a report recommending increased compensation for the officers in our Armed Services. He was recognized as an authority. Mr. Cordiner, when speaking before the School of Business, at Columbia University, in New York City, made the very significant remark that a great change has come over the organization of business in the United States. He said the functions of ownership and of management have been divided. The management of the modern corporation which is operating in interstate or foreign commerce can no longer be called the owners. Mr. Cordiner frankly said that although he himself was the president of that organization, he was still an employee; he was not the owner.

When our Constitution was drafted, that was not the situation. When the Constitution was drafted, there were only five industrial corporations in the Thirteen Colonies. The only other corporations in this country at that time were banks. In each instance, those corporations had to obtain their charters from the States. The Constitution took away from the States the power to regulate trade or commerce in the public interest, when that trade or commerce was either interstate or foreign. But today the States create the corporations which are the agencies by means of which interstate and foreign commerce are carried on. The function which is performed by the Antitrust and Antimonopoly Subcommittee is to examine the nature of the economic structure which has grown up and is growing up about us.

At this moment we are discussing a difference in the amount of $115,000.

The Senator from North Dakota [Mr. LANGER], who has been a supporter of this appropriation from the beginning, in the committee urged a much larger appropriation for this purpose. The committee did not care to recommend as large an appropriation as the one he preferred. I may say that he recommended an appropriation of $1 million. However, we recognized the fact that every Member of the Senate has a mountain of work, both in his own office and in other committees. So we were content to request limited authority in limited fields.

I believe that in making this recommendation to the Committee on Rules and Administration, the Judiciary Committee, acting unanimously, as it did, was acting in a very modest way.

The Senate Committee on Rules and Administration, after hearing the testimony and after examining the bill of particulars, so to speak, voted unanimously to authorize the investigation and for the approval of the requested appropriation.

Therefore, Mr. President, I trust that the Senate will not be misled into thinking that there is anything reasonable—as the Senator from California has said—in requesting that the subcommittee shall have less than $365,000. Why, Mr. President, that amount of money would be scarcely peanuts, in the hands of any of the great aggregations of concentrated trade and commerce organizations which pour their lobbyists into Washington, in an attempt to shape the nature of the laws which shall be passed. Some of the best and most modern office buildings in the city of Washington are filled by the representatives of these corporations, who spend for that purpose far more than is requested by the Rules Committee and the Judiciary Committee for this purpose.

If we do not investigate the matter, who will? Of course, there are many great aggregations of capital which carry on trade and commerce throughout the world, and which would like to have the Antitrust and Monopoly Subcommittee stripped of everything. They do not want the story told in public. But through 20 years I have seen the effect—the salutary effect—of the public story of the way business is carried on. Most of it is, by far, legitimate. Most of the leaders of business management are patriotic citizens, who desire only the best for the country. But there are occasions when abuses take place, and when we hold a hearing and see what is being done, then history shows that frequently business groups affected by that hearing take remedial action themselves, without a single law of Congress being enacted.

I was most grateful this afternoon when I heard the senior Senator from North Dakota [Mr. LANGER] refer to the result of the hearing which the subcommittee held respecting General Motors in 1955. I said then, and I say again, that that hearing was not in any sense a prosecution. It resulted in a bill to authorize the automobile dealers throughout the country to go to court if their contracts with the manufacturers were being violated. So far as I know, Mr. President, there has not been a single suit brought under that law, but the result of the law was an immediate improvement in the relationship between the manufacturers and their dealers.

Now, Mr. President, I wish to make a remark on another aspect of the matter. We talk about little business, and we talk about agriculture. Let us think about little business for a few minutes. Is little business to survive by free action, by freedom, by economic freedom; or will it have to continue to depend upon loans made by the Government? Only a few years ago the Small Business Administration was liquidated by the administration, but immediately the problem was so great that demands poured into Washington for the reestablishment of the administration, whereby the Government would loan money to business. Now that loaning of money is a business operation. It is not an operation of Government. Yet it is done, and has to be done. It is supported by Republicans and Democrats alike, because we have not learned how to make the economic system operate freely.

If we had a free economy, then small business would not have to be running to Washington, rapping on the door of the Treasury of the United States for subsidies; nor would any other group. The ideal of this Government was a government of the people, a government that would regulate the activities of the people in the public interest, a government that would provide and guarantee not only political liberty, but economic liberty as well.

I have no hesitation in saying, Mr. President, that if we do not now adopt the recommendation of the Committee on Rules and Administration and of the Committee on the Judiciary, if we adopt the amendment which has been presented by the Senator from California, the public will interpret the action as a determination by the Senate of the United States that it is no longer interested in the concentration of economic power, that it is no longer interested in making certain that the public interest is protected where great combinations are in the position, here and throughout the world, of exercising the force and power of their great wealth to affect the welfare of all the people and to deny to many of them the freedom to do business as they would like to do.

Mr. ELLENDER. Mr. President, will the Senator yield for a question?

Mr. O'MAHONEY. I yield.

Mr. ELLENDER. I should like to ask my good friend from Wyoming a question with reference to the small-business aspect of the problem about which he has been talking. I can well remember that the same arguments which the Senator has been advancing were advanced by the distinguished Senator from Alabama when he came before the Senate only 2 weeks ago to ask for an additional $90,000, to finance studies by the Select Committee on Small Business of problems of small business. Among the subcommittees of the Small Business Committee is one that devotes time to, and will spend some money on, a study of the monopoly problem.

To what extent will the work now being carried on by the distinguished Senator from Tennessee and the Antitrust Subcommittee of the Small Business Committee conflict?

Mr. O'MAHONEY. If the Senator will read the reports of the Committee on Rules and Administration in both cases, he will find that there is no conflict. There is a specific program laid out for this subcommittee, and that is the program the subcommittee will follow. I assure the Senator there will be no conflict and no duplication.

Mr. ELLENDER. The Senator is devoting a good deal of his argument to his desire to save small business.

Mr. O'MAHONEY. Not at all. The Senator from Louisiana did not come into the Chamber soon enough.

Mr. ELLENDER. I am talking about the argument I have just heard by the Senator from Wyoming.

Mr. O'MAHONEY. I am talking about that argument, too. The Senator from Louisiana did not come into the Chamber soon enough to realize that I was mentioning small business merely as an illustration.

We are constantly appropriating money for small business, because we do not take the trouble or the time to study the question of economic freedom, so that small business may support itself.

Mr. ELLENDER. To what extent was the matter of any possible conflict or overlapping of work between the Antitrust and Monopoly Subcommittee of the Committee on the Judiciary, and the Antitrust and Monopoly Subcommittee of the Small Business Committee brought to the attention of the Committee on Rules and Administration?

Mr. O'MAHONEY. The Judiciary Committee has submitted, through the chairman of the full committee, the Senator from Mississippi [Mr. EASTLAND], and through a statement by the Senator from Tennessee [Mr. KEFAUVER], the chairman of the subcommittee, the full agenda of our committee, and that work does not conflict at all with the work of the Small Business Committee.

Mr. ELLENDER. Can the Senator from Tennessee tell me the difference between the studies that will be made by the Antitrust and Monopoly Subcommittee of the Committee on the Judiciary and the study that is going to be made by the Antitrust and Monopoly Subcommittee of the Small Business Committee?

Mr. KEFAUVER. I have had, and will have, frequent conferences with the Senator from Alabama as to the line of activity that his committee is pursuing, as well as that pursued by our committee. We have not had conflicts in the past. We will not have conflicts in the future.

Our effort is to study the antitrust laws, and their application and concentration. That does, I hope, help small business. As to specific matters, such as the Small Business Administration and how it should operate, or specific detailed remedies for small business,

those are under the jurisdiction of the other committee, not ours.

Mr. ELLENDER. May I ask the Senator from Tennessee another question?

Mr. KEFAUVER. Yes.

Mr. ELLENDER. I intended to ask this question while the Senator had the floor and was making his main presentation.

The Senator spoke of the work which is going to be done by the subcommittee with reference to economic stabilization. There is a special subcommittee of the Committee on Banking and Currency making that same study. To what extent will there be conflict between the studies of economic stabilization to be made by the subcommittee of the Banking and Currency Committee of the Senate and those to be conducted by the subcommittee of which the distinguished Senator is the chairman?

Mr. KEFAUVER. I think there will be no conflicts. There have not been any in the past. We have studied the problems of concentration and monopoly.

Mr. ELLENDER. And mergers?

Mr. KEFAUVER. And mergers.

Mr. ELLENDER. So has the Committee on Banking and Currency.

Mr. KEFAUVER. Their study is largely in connection with monetary matters. I do not think we have had any conflict.

SEVERAL SENATORS. Vote! Vote! Vote!

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment offered by the Senator from California to Senate Resolution 231. On this question the yeas and nays have been ordered. The clerk will call the roll.

The Chief Clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from New Mexico [Mr. CHAVEZ] and the Senator from Minnesota [Mr. HUMPHREY] are absent on official business.

I further announce that if present and voting, the Senator from New Mexico [Mr. CHAVEZ] and the Senator from Minnesota [Mr. HUMPHREY] would each vote "nay."

Mr. DIRKSEN. I announce that the Senator from Kentucky [Mr. COOPER] and the Senator from Pennsylvania [Mr. MARTIN] are absent on official business.

The Senator from Utah [Mr. BENNETT], the Senator from Vermont [Mr. FLANDERS], and the Senator from New York [Mr. JAVITS] are necessarily absent.

On this vote, the Senator from Kentucky [Mr. COOPER] is paired with the Senator from New York [Mr. JAVITS], and, if present and voting, the Senator from Kentucky would vote "yea" and the Senator from New York would vote "nay."

If present and voting, the Senator from Utah [Mr. BENNETT], and the Senator from Pennsylvania [Mr. MARTIN] would each vote "Yea."

The result was announced—yeas, 28; nays, 61; not voting, 7, as follows:

YEAS—28

Aiken	Case, S. Dak.	Knebel
Allott	Cotton	Martin, Iowa
Barrett	Curtis	Morton
Bricker	Dworshak	Saltonstall
Bridges	Ellender	Schoeppel
Bush	Goldwater	Smith, N. J.
Butler	Hickenlooper	Watkins
Byrd	Hruska	Williams
Capehart	Jenner	
Carlson	Knowland	

NAYS—61

Anderson	Jackson	Payne
Beall	Johnson, Tex.	Potter
Bible	Johnston, S. C.	Proxmire
Carroll	Kefauver	Purtell
Case, N. J.	Kennedy	Revercomb
Church	Kerr	Robertson
Clark	Langer	Russell
Dirksen	Lausche	Scott
Douglas	Long	Smathers
Eastland	Magnuson	Smith, Maine
Ervin	Malone	Sparkman
Frear	Mansfield	Stennis
Fulbright	McClellan	Symington
Gore	McNamara	Talmadge
Green	Monroney	Thurmond
Hayden	Morse	Thye
Hennings	Mundt	Wiley
Hill	Murray	Yarborough
Hoblitzell	Neuberger	Young
Holland	O'Mahoney	
Ives	Pastore	

NOT VOTING—7

Bennett	Flanders	Martin, Pa.
Chavez	Humphrey	
Cooper	Javits	

So Mr. KNOWLAND's amendment was rejected.

Mr. HUMPHREY subsequently said, during the remarks of Mr. O'MAHONEY on Senate Resolution 236: Mr. President, will the Senator from Wyoming yield to me?

Mr. O'MAHONEY. I yield.

Mr. HUMPHREY. Mr. President, I am very appreciative of the courtesy of the Senator from Wyoming in yielding to me.

I wish to announce that on the question of agreeing to the amendment of the Senator from California [Mr. KNOWLAND] to the resolution (S. Res. 231) providing funds for the Subcommittee on Antitrust and Antimonopoly, I was detained at a staff meeting in the Committee on Agriculture and Forestry, and I did not hear the bells ring. If I had been in the Chamber at that time, I would have voted against the amendment and in favor of supporting the recommendation made by the committee. I regret that I was not in the Chamber at that time.

Mr. O'MAHONEY. Mr. President, when I yielded to the Senator from Minnesota, I fondly believed he was going to announce his support of the amount requested in the resolution now before the Senate.

Mr. HUMPHREY. I may say that the Senator from Wyoming knows I always enjoy supporting the propositions that he offers to the Senate.

Mr. O'MAHONEY. I thank the Senator.

RECEIPT BY RACEHORSE OWNERS OF SUBSIDIZED FEED UNDER THE EMERGENCY DROUGHT RELIEF PROGRAM

Mr. WILLIAMS. Mr. President, a few days ago I called the attention of the Senate to the fact that Rex Ellsworth, the former owner of the racehorse Swaps, the winner of the Kentucky Derby in 1955, received $28,914 under the Government emergency drought relief program, with $26,049 of the amount representing subsidy feed payments and $2,865 representing free hay.

Following my statement to the Senate the other day I received a newspaper article stating that the owner of the Ellsworth Ranch and recipient of the relief payment from the Government calls my charges fantastic. I shall incorporate Mr. Ellsworth's statement into the RECORD, but first I should like to comment on a portion of it. According to the article Mr. Rex C. Ellsworth was quoted as saying that my charges that the famous racehorse was once on relief are fantastic. I agree with that phrase it was fantastic to find this million dollar ranch on the relief rolls.

Mr. Ellsworth further explained that his racehorses did not eat this relief feed because:

> The horses get only the best oats and timothy from the northern highlands. As I understood, the (drought relief) program was developed by the Government to help cattle raisers and the cattle industry.

He is also quoted as having said:

> When I put in for that relief, I had already sold Swaps. Everybody knows that. And I'd laid out a tremendous amount of money for brood mares I bought from the Aga Kahn.

Then he goes on to say:

> We bought this ranch in Seligman, Ariz., for a lot of money. It cost around $1 million. We scraped up every penny we had to buy that ranch and when we got that drought money we really needed it.

That is what Mr. Ellsworth has to say about a drought relief program, passed by Congress, to assist bona fide farmers who were in desperate need of such assistance in order to maintain their basic herd.

In other words, it was Mr. Ellsworth's idea that after having spent $1 million to buy the ranch and after buying a few brood mares from the Aga Kahn, and apparently being down to his last million dollars, he had every right to go to the Government for relief.

In this case it is not so much the money involved as it is the fact that the recipient of this relief should think that there is nothing wrong with what he has done. We have found other similar examples of persons with substantial means applying to the Government for relief and signing the required application blanks in order to get this kind of relief from the Government.

In order to keep the record straight, I shall incorporate in the RECORD the full application blank which was signed by Mr. Ellsworth. However, first I will quote from the application blank to show what Mr. Ellsworth actually signed in

order to get the money he received from the Government. I am quoting from the application blank:

I hereby make application for the purchase of this amount of feed under the emergency feed program. Without the assistance applied for under the emergency feed program, I will be unable to maintain my basic foundation herd and continue the livestock operation which I have been conducting for (blank) years.

That is the form that Mr. Ellsworth, the owner of this million-dollar ranch, signed. I ask unanimous consent that the complete application blank be printed in the RECORD at this point.

There being no objection, the application blank was ordered to be printed in the RECORD, as follows:

Form FHA-937
(Rev. 6-15-56)

Position 3

Form approved.
Bureau of Budget No. 40-R2689.1.

UNITED STATES DEPARTMENT OF AGRICULTURE

FARMERS HOME ADMINISTRATION

APPLICATION AND CERTIFICATION
EMERGENCY FEED PROGRAM

(If both hay and grain are needed, file separate application for each)

Name

Address

County

1. Number of livestock in basic herd now on hand:
Beef ---------- Dairy ----------
---------- ---------- Cows
---------- ---------- Heifers
---------- ---------- Calves for replacement
---------- ---------- Bulls
---------- Ewes
---------- Ewe lambs for replacement
---------- Rams
---------- Nannies
---------- Kids for replacement
---------- Billies

2. Other livestock owned: Kind and number

3. Feed on hand: Tons hay | Tons silage | Other—Kind and quantity

4. Feed crops growing:	Kind	Acres	Expected yield per acre (Tons, bushels, etc.)
	Hay		
	Silage		

5. Applicant certification:
I certify that the above information is correct and that my principal occupation is farming or ranching, and that I do not have a supply of feed on hand to maintain my basic herd of livestock, listed in Item 1, until ----------, 19---. In order to provide a supply of feed for this livestock, in addition to the feed I have on hand and that to be harvested during the above period, I will need (complete either "a" or "b"):
a. ----------tons of hay. b. ----------pounds of surplus grains designated by the Commodity Credit Corporation.
I hereby make application for the purchase of this amount of feed under the Emergency Feed Program.
Without the assistance applied for under the Emergency Feed Program I will be unable to maintain my basic foundation herd and continue the livestock operation which I have been conducting for ----------years.
I will not sell or otherwise dispose of any of the feed herein applied for except by feeding it to my basic herd in ----------County.
Date ----------, 19---. Applicant ----------

6. Committee action: We, the undersigned committeemen, certify that the above-named applicant
☐ is eligible for assistance under the emergency feed program and hereby approve (his) (her) application for ----------tons of hay. ----------pounds of surplus grains designated by the Commodity Credit Corporation.
☐ is NOT eligible for assistance under the emergency feed program.
Comments:

Signed ----------

Date ----------, 19---.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. CASE of South Dakota. Does Mr. Ellsworth state whether he had sought to borrow any money on his ranch after he paid $1 million for it, in order to obtain feed for his livestock?

Mr. WILLIAMS. He does not say, but I assume that he did not ask for a loan, because in his statement, as quoted in the press, he said he felt that the cattle prices looked low and therefore felt he was entitled to go to the Government for relief. He doesn't even mention the drought as having affected his operations but merely refers to possible low cattle prices. Apparently he felt that the Government had a responsibility to guarantee profitable operations on his million-dollar ranch and racing stable. The article which I will later put in the RECORD also points out that he sold the racehorse Swaps in 1957, the same year in which he obtained the relief, and that he sold the horse for $1 million. The earnings of the racehorse before sale had been around $800,000.

Nevertheless, he was so greedy that he had to apply to the Government for relief. He unhesitatingly signed the application to go on the Government relief rolls. Certainly such action cannot be justified. I am glad to note that the Department of Agriculture is asking him to repay that money.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. CASE of South Dakota. Was the application for relief examined by the county committee? Who approved the application?

Mr. WILLIAMS. The application was approved by the county committee, and I have asked the Department of Agriculture to investigate the background of this approval.

I may point out to the Senate that this is not the first example we have had of such action. Three years ago I pointed out that the owners of the King Ranch in Texas, which is larger in area than the whole State of Delaware, went on the relief roll and obtained about $35,000 in relief. They owned the famous racehorse High Gun, winner of the Belmont Stakes.

Many taxpayers are getting a little tired of these subsidies being paid to owners of racehorses.

Mr. CASE of South Dakota. I am sure the Senator from Delaware would agree that the program is a worthy program so far as the bona fide farmers are concerned, especially those who need the relief granted by the legislation. I hope the Senator from Delaware makes it perfectly clear that this was an action taken by a ranch owner, not by horses that were hungry.

Mr. WILLIAMS. Of course I pointed out that the racehorse did not eat any grain. Mr. Ellsworth said it was not good enough for his horse, but he accepted the relief for his other animals. His statement is that:

The horses get only the best oats and timothy from the northern highlands.

That relief money was for his ranch.

Mr. CASE of South Dakota. For his cattle, in other words.

Mr. WILLIAMS. That was for the cattle on his ranch.

Mr. CASE of South Dakota. But the cattle did not know where the feed came from.

Mr. WILLIAMS. This is a glaring abuse of a well-intentioned program. I supported the program at the time it was enacted, and I would support it again.

I do not recall that there was any objection to the legislation when it was passed. It was intended, however, to help only bona fide farmers in the drought area when they needed such assistance in order to carry them through the drought crisis. It was a well-intentioned program. Certainly by no stretch of the imagination was it intended that such a program be used as it was in this case.

Last year I pointed out another instance wherein one recipient received $800, even though the only animals he owned were a polo pony and a bird dog. He used the money he received from the Government to buy mallets and a saddle for his polo pony. These abuses will never be really controlled until Congress passes a law which will require some form of State participation in the cost of these relief programs. If the people at the local level have to put up some of the money and must obtain an appropriation in their own State legislatures, they will see to it that millionaire ranchers and racehorse owners are kept off the relief rolls.

Mr. CASE of South Dakota. I commend the Senator from Delaware for his diligence in this matter. The point at which I might differ with him, particularly, is in the use of the word "abuse." I think it was not merely an abuse of the program, considered on the basis of what the Senator said; it was a violation of the regulations which surrounded the program. I do not see any connection between the application which was signed and the facts as related. It would appear to me that the gentleman was not in need of the relief which he sought.

Mr. WILLIAMS. I agree with the Senator that perhaps the word "abuse" was not strong enough. I am asking the Department of Justice to review the whole case as to the certification, to see whether or not any penalty is involved in the signing of an application blank stating the need for benefits from these relief programs. Mr. Ellsworth's application certainly cannot be justified by any stretch of the imagination.

Mr. CASE of South Dakota. Certainly a declaration which resulted in payment of money by the Government under a fraudulent representation seems to be more than an abuse.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. SYMINGTON. Let me congratulate the senior Senator from Delaware. Once again he points out the questionable administration of the agricultural programs. I believe this is the third or fourth such violation the Senator has discovered.

Does the Senator not believe it would be a good idea to see if the money could be recovered, from the standpoint of the Comptroller General.

Mr. WILLIAMS. Steps are already being taken by the Department to collect the money. I think it can be collected. Unquestionably, it should be collected.

As the Senator has said, this is not the first time such a practice has occurred. The same program has been abused many times. What gave me great concern was that abuses of this type of program have extended back for several years. The same man is administering the program under the present administration as had charge of it under the preceding. He should have been fired before, and he ought to be fired today.

Mr. SYMINGTON. It is true, is it not, that this program is simply one of many, and that as we proceed in getting information the Senator from Delaware and the Senator from Missouri apparently cannot learn about these things through the Department; we learn about them from the public press.

Mr. WILLIAMS. Much of the information comes from the outside; the Senator is right about that. To me, that is unfortunate because I think the Department has some responsibility always to clean itself up from within. I should add, however, that many employees in the Department are just as resentful of this practice as we are.

The Department's eligibility requirements for relief under this program as set forth in a directive to the personnel in the field is as follows:

I quote from administration letter 343, dated July 22, 1954. I quote from paragraph IV, on page 2:

Eligibility: Subject to the following conditions, any established farmer or stockman (partnership or corporation) whose principal occupation is farming or ranching and whose financial condition is such that he requires assistance under this program in order to maintain his foundation herd of livestock and continue his livestock operations, is eligible for assistance under the emergency feed program.

The words are: "Any farmer whose financial condition is such that he requires assistance."

Certainly, using Mr. Ellsworth's own definition of his eligibility, the fact that he had just spent his last million dollars in buying a couple of ranches in Arizona and the remainder of his reserve cash to buy some brood mares from the Aga Khan, did not establish eligibility under this definition of the program.

Mr. CASE of South Dakota. Mr. President, the Senator from Missouri has suggested that the average person has to learn some of these things through the press and radio. I think there should be added to that statement that the average Member of Congress and of the public sometimes has to learn of these things from JOHN WILLIAMS, a very distinguished Senator from Delaware.

Mr. WILLIAMS. I thank the Senator from South Dakota.

Mr. President, I ask unanimous consent that two newspaper articles, one from the Washington Post and one from the New York Post, in which are found Mr. Ellsworth's explanation, be printed at this point in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post and Times Herald of February 5, 1958]

RECEIVED FREE HAY, OATS—SENATOR SAYS SWAPS, ONE OF RICHEST HORSES, WAS ON GOVERNMENT RELIEF

(By Dick West)

Senator JOHN J. WILLIAMS (Republican, of Delaware) charged yesterday that Swaps, one of the Nation's richest racehorses, had been getting free oats and hay from the Government.

WILLIAMS told the Senate he was sure that as the racing fans watched this horse they did not realize he was on Government relief.

The Senator said Rex Ellsworth and his brother Reed, Seligman, Ariz., ranchers, who sold Swaps to Mr. and Mrs. John Galbreath last year were approved to receive more than 2 million pounds of subsidized feed under the drought-relief program.

He said the payments were stopped after an inquiry was made, but not before the owners had received $26,049 in subsidy feed payments and $2,865 worth of free hay.

WILLIAMS pointed out that Swaps, 1955 Kentucky Derby winner, collected $848,000 in prizes for his owners during his brilliant turf career.

"The emergency drought relief program was definitely never intended for the benefit of racehorses," he said.

The Senator said farmers and ranchers applying for such assistance were required to sign a statement that the aid was necessary to maintain their basic herds.

WILLIAMS read from the drought relief application form the required statement that "without the assistance applied for under the emergency feed program, I will be unable to maintain my basic foundation herd and continue the livestock operation which I have been conducting for — years."

"Mr. Ellsworth must have had his tongue in cheek at the time he signed the application blank claiming inability to pay for his own feed," the Senator said.

He also recommended that the case be referred to the Justice Department not only for collection of the money which has been improperly paid to Mr. Ellsworth but also for checking the validity of the statement as contained in the application blank signed by him.

"FANTASTIC," SAYS REX ELLSWORTH

CHINO, CALIF., February 3.—Sportsman-rancher Rex C. Ellsworth, who no longer owns any part of Swaps, declared today that a Senator's charges the famous racehorse once was on Government relief were fantastic.

"I think it's a little bit little for the Senator to say that," Ellsworth said at his ranch here. "In the first place, my brother, Reed, and I bought only grain—maize—from Texas, and I wouldn't feed that to my horses.

"The horses get only the best oats and timothy from the northern highlands. As I understood, the (drought relief) program was developed by the Government to help cattle raisers and the cattle industry.

"Well, we needed that help last year," he declared.

Ellsworth said it was not a matter of whether the cattle raisers have money to buy grain.

"If their cattle are losing money, they should be allowed to get cheap grain from the Government," he said.

[From the New York Post of February 5, 1958]

OWNER SAYS SWAPS WASN'T ON RELIEF

CHINO, CALIF., February 4.—Rex Ellsworth, former owner of the 1955 Kentucky Derby winner, Swaps, said today charges his famous horse once was "on Government relief" were "fantastic."

Senator WILLIAMS, Republican, Delaware, yesterday said Ellsworth and his brother, Reed, were given $26,049 in subsidy feed payments and $2,865 worth of free hay under the drought relief program.

"The emergency drought relief program was definitely never intended for the benefit of race horses," Williams told the Senate, adding he was "sure that as the racing fans watched this horse [Swaps] they did not realize he was on Government relief."

To get drought assistance, ranchers or farmers have to sign statements saying the aid is necessary to maintain their herds and that they are not able to pay for their own feed. Williams said Ellsworth "must have had his tongue in cheek at the time he signed."

"When I put in for that relief," Ellsworth told the Post, "I had already sold Swaps. Everybody knows that. And I'd laid out a tremendous amount of money for brood mares I bought from the Aga Khan.

"We bought this ranch in Seligman, Ariz., for a lot of money. It cost around $1 million. We scraped up every penny we had to buy that ranch and when we got that drought money, we really needed it."

Ellsworth said he signed the statement of inability to pay for feed in good faith.

"There was nothing under the table, everything was above board and the three Government men knew just what the situation was," he said.

"The payments to us were stopped months ago," he added.

Williams yesterday said the payments were stopped after an inquiry was made and that he felt the case should be referred to the Justice Department for collection of the money.

"I don't feel like giving that money back," Ellsworth said.

During his racing career, Swaps earned $846,000. He was sold to Mr. and Mrs. John Galbreath last year for an unknown sum which is thought to be in the neighborhood of $1 million.

INVESTIGATION OF THE ADMINISTRATION OF THE ANTITRUST AND MONOPOLY LAWS OF THE UNITED STATES

The Senate resumed the consideration of the resolution (S. Res. 231) to investigate the administration of the antitrust and monopoly laws of the United States.

The PRESIDING OFFICER. The resolution is open to amendment. If there be no amendment to be proposed, the question is on agreeing to the resolution.

The resolution was considered and agreed to, as follows:

Resolved, That the Committee on the Judiciary, or any duly authorized subcommittee thereof, is authorized under sections 134 (a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdictions specified by rule XXV of the Standing Rules of the Senate, to make a complete, comprehensive, and continuing study and investigation of the antitrust and antimonopoly laws of the United States and their administration, interpretation, operation, enforcement, and effect, and to determine and from time to time redetermine the nature and extent of any legislation which may be necessary or desirable for—

(1) clarification of existing law to eliminate conflicts and uncertainties where necessary;

(2) improvement of the administration and enforcement of existing laws;

(3) supplementation of existing law to provide any additional substantive, procedural, or organizational legislation which may be needed for the attainment of the fundamental objects of the laws and the efficient administration and enforcement thereof.

SEC. 2. For the purposes of this resolution the committee, from February 1, 1958, to January 31, 1959, inclusive, is authorized to (1) make such expenditures as it deems advisable; (2) to employ upon a temporary basis, technical, clerical, and other assistants and consultants: *Provided*, That the minority is authorized to select one person for appointment, and the person so selected shall be appointed and his compensation shall be so fixed that his gross rate shall not be less by more than $1,200 than the highest gross rate paid to any other employee; and (3) with the prior consent of the heads of the departments or agencies concerned, and the Committee on Rules and Administration, to utilize the reimbursable services, information, facilities, and personnel of any of the departments or agencies of the Government.

SEC. 3. The committee shall report its findings, together with its recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than January 31, 1959.

SEC. 4. Expenses of the committee, under this resolution, which shall not exceed $365,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

CONSTITUTIONAL GOVERNMENT—ADDRESS BY SENATOR THURMOND

Mr. BYRD. Mr. President, I ask unanimous consent to have printed in the body of the RECORD the text of an able address on the subject Constitutional Government, delivered by the distinguished Senator from South Carolina [Mr. THURMOND] at the Harvard Law School Forum, Harvard University, on December 6, 1957.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

CONSTITUTIONAL GOVERNMENT

(Address by Hon. STROM THURMOND, of South Carolina, to Harvard Law School Forum, Harvard University, Cambridge, Mass., December 6, 1957)

I am happy to have this opportunity to speak on the subject of constitutional government. I am particularly happy to be able to do so at the Harvard Law School. For it is here at Harvard that so much has been done, and that so many have labored in the never-ending fight to insure that the precious heritage of our constitutional rights shall be preserved intact for the future.

The list of those associated with the Harvard Law School and Harvard University who have labored zealously in behalf of the precious rights to the individual is a long and impressive one.

I wish to impress upon you fully, at the outset, that I have a full awareness and that the people of the South have a full awareness of the vital importance of preserving the constitutional rights of the individual, that is, civil liberties. I emphasize this point, because I do not want what I am going to say tonight to be taken in any way as an attempt to minimize the importance of the efforts which have been made toward safeguarding the rights of the individual citizen.

But I do want to make myself clear on this: In order to be true defenders of the Constitution, true supporters of Constitutional Government in the fullest sense, it is necessary that we look at the entire Constitution and defend all of it, and not merely certain sections which best suit our own political or social views. We cannot be selective in our approach to the Constitution. Yet, it is my feeling—and I think that there will be general agreement on this point—that many great liberal minds, here at Harvard as elsewhere, have tended, in their efforts in behalf of Constitutional Government, to emphasize the rights of the individual, the individual's civil liberties.

Important as this aspect of Constitutional Government is, it should not be stressed to the point of neglecting—or actually disparaging—other important aspects of the Constitution. It is about one such vital facet of the Constitution which has not only been neglected but has actually been deliberately whittled away (often, sad to say, directly because of the emphasis on individual rights), that I wish to speak tonight.

I should like to pause here a moment to note that the motto which appears on the shield, or arms, of this great university is veritas—truth. Let us all bear that word in mind when we set out to examine the Constitution. Let us be dispassionate in our approach to this basic document of our political system. Regardless of our personal feelings as to politics, race, or ideology, let us look the Constitution squarely in the face. Let us admit this fundamental truth about the Constitution: Namely, that in addition to its concern with the rights of the individual citizen, the Constitution looks also to the rights and integrity of the several States.

By no fair view of the Constitution are the States supposed to be mere administrative subdivisions of an all-powerful Central Government, exercising whatever powers they may have strictly at the sufferance of the Central Government. Yet that stage is rapidly being reached and, curiously and tragically, seems almost to be promoted by many of those who, where the individual's rights are concerned, are the quickest to proclaim the sanctity of the Constitution. Whatever one's views on the current social and political issues, fairness and truth demand that this fundamental concept be kept in mind: These States are States and not mere provinces.

The very bedrock of the Constitution is its establishment of our dual system—the division of powers between the States and the Federal Government. The second major feature of the Constitution is the tripartite principle, that is, the principle of the independence of the three branches of the Federal Government. These two devices together make up the system of checks and balances which the Founders strove to provide, in order that no tyrannical power apparatus should ever be created in America.

The wisdom of the checks-and-balances system seems so obvious that it is scarcely believable that it should at this day need any advocacy or defense. Yet, in recent years, men apparently have been willing, in order to obtain some temporary—and usually illusory—advance in the field of individual rights, to jeopardize this entire intricate structure, so vital to all our freedoms. When men fall into this error they not only violate to the very core the Constitution which they claim to serve, but, in the long view, they also place the precious human rights of the individual in the greatest jeopardy possible. For individual rights are in the most mortal danger when a power apparatus has been built up which has no checks, no balances, which relies solely on the discretion of the men who happen to be in control of it. The importance of the checks-and-balances system and of strict adherence to constitutional methods has probably never been better expressed than by President George Washington who, in his Farewell Address, declared as follows:

"The necessity of reciprocal checks in the exercise of political power, by dividing and distributing it into different depositories, and constituting each the guardian of the public weal against invasions of the others, has been evinced by experiments ancient and modern; some of them in our country, and under our own eyes. To preserve them must be as necessary as to institute them. If, in the opinion of the people, the distribution, or modification of the constitutional powers be in any particular wrong, let it be corrected by an amendment in the way which the Constitution designates. But let there be no change by usurpation; for though this, in one instance, may be the instrument of good, it is the customary weapon by which free governments are destroyed. The precedent must always greatly overbalance in permanent evil, any partial or transient benefit which the use can at any time yield."

The protestations of certain so-called liberals to the contrary notwithstanding, the greatest bulwarks of individual rights and

freedoms in the long run are the twin principles of States' Rights and independence of the three branches of Government. The genuine liberal who is truly interested in buttressing the rights of the individual and our precious civil liberties can best do this, first, by fighting with all his might to preserve the rights and integrity of the States, and, secondly, by resisting firmly any and all attempts on the part of any one of the three branches of the Federal Government to usurp the powers of one of the other branches.

At this point, it seems to me to be peculiarly appropriate to remember the eloquent statement by an alumnus of this university, the late President Franklin D. Roosevelt, who gave this forceful warning:

"* * * to bring about Government by oligarchy masquerading as democracy, it is fundamentally essential that practically all authority and control be centralized in our National Government. The individual sovereignty of our States must first be destroyed, except in mere minor matters of legislation. We are safe from the danger of any such departure from the principles on which this country was founded just so long as the individual home rule of the States is scrupulously preserved and fought for whenever it seems in danger."

Since, then, an honest and true appraisal of the Constitution requires us to protect the rights of the States as well as the rights of the individual, let us shift our attention for a moment away from those sections of the Bill of Rights dealing with the individual which have received so much attention in recent years—such as the 1st and 5th amendments—to the 10th amendment.

The 10th amendment has been sadly neglected. It has received little attention from the modern-day liberal, and very little support from any source (outside the South) in the recent past. One former Justice even went so far as to dismiss the 10th amendment as a "mere truism."

The 10th amendment is not a mere truism. It was not included in the Bill of Rights just to bring the number of amendments to a round 10. It was put there for a purpose, to give emphasis and clarification to the fundamental nature of the Constitution and thus to reassure the States. The 10th amendment provides that "the powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people." In other words, the only powers possessed by the Federal Government are those which were, by means of the instrument known as the Constitution, delegated to it.

Nowhere in the Constitution, nor in any amendment thereto, is the Federal Government given any power in the field of public-school education. This is one of the fields that is reserved to the States. Public-school education has been universally acknowledged as being peculiarly within the province of the State and local governments. For the Federal judiciary now to arrogate unto themselves control over the basic educational policies of the States, to the extent of usurping the administrative function of determining what child, or classes of children, shall attend which schools, is to do grave violence to the Constitution.

Now, to this argument some will reply that, whatever the facts as to the 10th amendment, the Federal courts were given the powers which they are now seeking to exercise in the educational field, by the adoption of the 14th amendment.

Let me say that I am not here to discuss the history of the 14th amendment, nor to raise the question of whether, in the light of the force and fraud and peculiar circumstances surrounding its purported adoption, this amendment has ever really been legally incorporated into the Constitution. This question has been thoroughly and ably dealt with by many scholars and many political writers—recently, among others, by the distinguished editor and columnist, Mr. David Lawrence. Regrettably, the correctness of their conclusions runs up against the hard facts of political life and the likelihood that, should the South plead in court the illegality of the 14th amendment, the court would evade the question as being: not justiciable. In any event, for the purposes of this discussion, we need not raise the question of the legal existence of the 14th amendment.

I say we need not, for this reason. Even those who accept the 14th amendment without a qualm, even those who classify themselves as unquestioning followers of John Marshall and Alexander Hamilton, in short, even the most ardent Federalists should view with grave concern the decision of the Supreme Court in *Brown* v. *Board of Education*. They should also view with concern the decisions in several other cases of the past few years and, for that matter, the entire recent trend of the Federal judiciary.

For we have here a serious question, a grave question, of usurpation of power. That this trend on the part of the judiciary would eventually arise was forecast long ago by Thomas Jefferson, when he declared:

"It has long, however, been my opinion * * * that the germ of dissolution of our Federal Government is in the Constitution of the Federal judiciary. An irresponsible body * * * working like gravity by night and by day, gaining a little today and a little tomorrow, and advancing its noiseless step like a thief, over the field of jurisdiction until all shall be usurped from the States and the Government of all be consolidated into one."

This usurpation must be resisted. Responsible citizens have long been aware that the judiciary can no more be given free rein than either of the two other branches of Government. But, blinded by widespread misconceptions as to the role of the Supreme Court and by such cliches as "the Constitution is what the Supreme Court says it is," the people have failed to maintain any adequate checks or safeguards against encroachment by the Federal judicial branch.

These safeguards must be provided, these checks must be maintained, if we are to remain a free people. In the words of the late John W. Davis, one of the greatest constitutional lawyers our country has produced:

"Americans can be free so long as they compel the governments they themselves have erected to govern strictly within the limits set by the Bill of Rights. They can be free so long, and no longer, as they call to account every governmental agent and officer who trespasses on these rights to the smallest extent. They can be free only if they are ready to repel, by force of arms if need be, every assault upon their liberty, no matter whence it comes."

As citizens, and especially as lawyers, we have a duty to repel these assaults on our liberty made by the Federal judiciary. As citizens and as lawyers, we have a duty to see to it that there shall be no docile acceptance of any Supreme Court ruling which clearly and palpably violates the intent of the framers of the basic law, no acceptance of any so-called interpretation of the Constitution which amounts to judicial legislation.

In this connection, while on the subject of intent as a limitation on the interpreting power, I wish to quote at some length from an editorial which appeared not long ago in the Saturday Evening Post (issue of June 8, 1957). The editorial was written by the Honorable Hamilton A. Long, a distinguished authority on the Constitution and a member of the New York bar.

"Few subjects are surrounded by more confusion than the function of the United States Supreme Court in interpreting the Constitution. There can be no doubt, however, that the Court has no right to change this basic law or to violate the intent of those who initially adopted it or of those who later amended it. Only the people can change the Constitution, by amendment.

"For the Supreme Court to try to bypass this process, by interpreting the Constitution contrary to that original intent, is to usurp power never given it.

* * * * *

"Although the Constitution has not been amended to increase Federal powers since 1920, the Supreme Court in 1937 abandoned its policy of respecting the original intent of the Constitution—as amended—in defining them.

"* * * Many of these increases (in Federal power) might have been made eventually, but the proper method to make them is provided in the Constitution and should have been followed. For the Court to attempt to make them by 'interpretation' is government by usurpation, the opposite of constitutionally limited government.

"* * * This generation, like those which preceded it, is the custodian of the liberties of the people and the restraints on government power which alone can protect them. When we permit judges to 'interpret' these guaranties so as to make them ineffective, we help sabotage our own and posterity's liberties."

The duty of members of the bar is to uphold, not all Federal laws and decisions, but those (and only those) made pursuant to the Constitution. No reasonable man can construe a decision as being made in pursuance thereof where the Supreme Court's interpretation violates the plain and obvious intent of the framers and adopters—as the school segregation decision (*Brown* v. *Board of Education*) completely violates, beyond any real dispute, the plain intent of those who brought into being the 14th amendment.

Decisions which are not rendered pursuant to the Constitution, like Federal laws which do not conform to the Constitution, are acts of usurpation. It is the duty of members of the bench and bar to speak out against these acts of usurpation instead of, by silent acquiescence, lending them support.

In these troubled times, when our judicial system is floundering and the Constitution is in grave danger, it would be well for all of us to remember these words, from a letter of opinion by the Honorable J. Lindsay Almond, then attorney general and now Governor-elect of the Commonwealth of Virginia:

"Under our constitutionally ordained system of government, * * * I draw and adhere to a basic and fundamental distinction between that which issues from and under the authority of the Constitution and that which is created through usurped power under the pretended color of but ultra vires of the Constitution. That authorized by the Constitution is de jure law and binding. That not authorized is de facto law and binding only through the sheer force of power."

The segregation decision, Mr. Almond goes on to say, "* * * is devoid of constitutional derivation or support. As hereinabove pointed out, it is presently binding by virtue of superior force shackled upon a sovereign State through usurpation of authority and arrogation of power transcending the Constitution of the United States, and in abnegation of every apposite legal precedent known to American jurisprudence."

I have dealt at some length with the subject of usurpation by the judicial branch. I do not, however, wish to give the impression that it is from the judiciary alone that we need fear attempts to infringe upon our freedoms and do violence to the Constitution. Serious offenses against the basic law

have been committed in recent months by both the other branches of the Federal Government—the executive and the Congress.

In the case of the executive, of course, I am alluding to the President's action of 2 months ago in ordering Federal troops to occupy the capital city of one of our sovereign States. I have been unable to find any constitutional or statutory authority giving the President the right to use Federal troops in the enforcement of a court order not based on a law of the United States—that is, an act of Congress. Due to the fact, however, that it was my original intention to discuss with you tonight another aspect of this problem—the civil-rights bill—I would rather defer discussion of the troop question until I have an opportunity to devote more time to that subject, which from a legal standpoint is a very intricate one.

The violation of the Constitution which I should like to discuss with you at this time is the passage last summer, by the Congress, of the so-called civil-rights bill, H. R. 6127.

This bill, as finally passed by Congress and signed by the President, contains several objectionable features, some of which in my opinion render it unconstitutional. That the bill is unconstitutional is in itself, of course, more than sufficient reason for opposing it—and I opposed it all the way in the Senate, and still oppose it. But, in addition to being unconstitutional, this bill was also both unnecessary and unwise; and before going into the question of its unconstitutionality, I should like to take a few moments here to discuss these other objectionable qualities.

First, as to why this bill was unnecessary.

The right of all qualified citizens to vote is protected by law in each of the 48 States, and by Federal laws where applicable. I refer you, for example, to title 18, section 594 of the United States Code, which reads as follows:

"Whoever intimidates, threatens, coerces, or attempts to intimidate, threaten, or coerce, any other person for the purpose of interfering with the right of such other person to vote or to vote as he may choose, or of causing such other person to vote for, or not to vote for, any candidate for the office of President, Vice President, presidential elector, Member of the Senate, or Member of the House of Representatives, Delegates or Commissioners from the Territories and possessions, at any election held solely or in part for the purpose of electing such candidate, shall be fined not more than $1,000 or imprisoned not more than 1 year, or both."

If anyone should try to claim that these long-standing laws are inadequate, I think that a review of the facts and statistics should be sufficient to rebut their contention. According to recent figures, Negro registration in the Southern States has risen sharply since 1952, to a total of 1,238,000 in 1957. If that figure seems small compared to the total number of Negroes of voting age in the South, I suggest that, before rushing to accuse southern registrars of wholesale fraud or intimidation, our critics should remember that not only do many Negroes fail to meet the basic voting qualifications which are applied alike to members of both races, but also that many Negroes simply lack sufficient political consciousness to spur them on to participate in political and civic affairs. I might point out here that a great number of those who lack this political consciousness probably also lack certain other qualities prerequisite to casting a truly intelligent ballot, and thus that the cause of good government would not necessarily be served by a sudden vast swelling of the registration lists through artificial politically inspired stimuli.

Proof that Negroes were voting in the South in substantial numbers years prior to the passage of the civil-rights bill can be found in an article which was published in a Columbia, S. C., newspaper, following the general election of 1952.

The November 8, 1952, issue of the Lighthouse and Informer, a newspaper published by and for Negroes carried an analysis of the election in South Carolina. A story which appeared on page 1 read as follows:

"• • • There was no doubting that South Carolina's Negro voters were the only reason the State managed to return to the Democratic column.

"Late figures Wednesday afternoon gave Gov. Adlai Stevenson 165,000 votes and Gen. Dwight D. Eisenhower 154,000. Some 9,000 other votes were cast for the Republican Party for General Eisenhower but cannot be added to the 154,000 cast by South Carolinians for Eisenhower.

"The more than 330,000 votes counted in 1,426 of the State's 1,563 precincts represented the largest cast in the State since Reconstruction Days.

"Estimates placed the Negro vote at between 60,000 and 80,000 who actually voted."

Those are the words of the newspaper, not mine. I have no doubt that the Negro vote in the 1952 general election and the one in 1956 was heavy in South Carolina. The reports which came to me indicated a large turnout.

Second, as to why this civil-rights bill is unwise.

Part I of the bill, providing for the creation of a Commission on Civil Rights, is a good place to start. I could spell out a number of strongly objectionable and unwise features regarding specific subsections of this part I, and I did so on the floor of the Senate, but in view of considerations of time, I shall confine myself to this general observation as to the unwisdom of establishing this Commission.

The Commission can go far afield from a survey on whether the right to vote is protected. Through the power granted in section 104 (a) of part I, the Commission could exert its efforts by indirect means, toward bringing about integration of the races in the schools and elsewhere. In so doing, the Commission would be bound to create further suspicion and tension between the races.

Unbiased persons who are familiar with the segregation problem, and who have observed the detrimental result of the Supreme Court decision, know that a traveling investigating commission not only is unnecessary, but that it could, in concert with a meddling Attorney General, bring about chaos in racial relations. To bring about such a situation in our country is certainly not the part of wisdom—even if it be the part of practical politics in certain big-city States.

There are several grounds on which this bill has been challenged as unconstitutional. These range from questions of unconstitutional delegation of Congressional powers, through what possibly amounts to double jeopardy, on down to the lack of a guaranty of jury trial in cases which are criminal in nature. Under this bill, State administrative remedies will be abrogated; the Attorney General will be empowered to proceed on suspicion, against "persons about to engage" in certain activities; and suit may be filed on behalf of persons not requesting the same. I shall not engage in a detailed discussion of every one of those points. Suffice it to say that even those features which may not actually be unconstitutional are at least hardly consonant with established ideas of judicial administration. I should like, however, to take a few moments at this point to emphasize some facts in regard to one aspect which clearly involves a violation of the Constitution, namely, the question of the right to jury trial—a right which has been severely abrogated by the terms of the final, so-called compromise, version of the civil-rights bill.

In my view, this so-called compromise is no less than an attempt to compromise the United States Constitution itself.

In effect, it is an illegal amendment to the Constitution because that would be the result insofar as the constitutional guaranty of trial by jury is concerned.

Article III, section 2, of the Constitution provides that "the trial of all crimes"—I repeat, all—"except in cases of impeachment, shall be by jury."

Again in the sixth amendment—in the Bill of Rights—it is provided that "in all criminal prosecutions, the accused shall enjoy the right to a speedy and public trial, by an impartial jury of the State and district wherein the crime shall have been committed, which district shall have been previously ascertained by law, and to be informed of the nature and cause of the accusation; to be confronted with the witnesses against him; to have compulsory process for obtaining witnesses in his favor, and to have the assistance of counsel for his defense."

The fifth and seventh amendments to the Constitution provide additional guaranties of action by a jury under certain circumstances. The fifth amendment refers to the guaranty of indictment by a grand jury before a person shall be held to answer for a crime. The seventh amendment guarantees trial by jury in common-law cases.

These guaranties were not included in our Constitution without good and sufficient reasons. They were written into the Constitution because of the abuses against the rights of the people by the King of England. Even before the Constitution and Bill of Rights were drafted, our forefathers wrote indelibly into a historic document their complaints against denial of the right of trial by jury.

That document was the Declaration of Independence.

After declaring that all men are endowed with certain unalienable rights, including life, liberty, and the pursuit of happiness, the signers of the Declaration pointed out that the King had a history of "repeated injuries and usurpations, all having in direct object the establishment of an absolute tyranny over these States." Then they proceeded to the listing of a bill of particulars against the King.

He was charged with "depriving us in many cases of the benefits of trial by jury."

When our forefathers won their freedom from Great Britain, they did not forget that they had fought to secure a right of trial by jury. They wrote into the Constitution the provisions guaranteeing trial by jury. Still not satisfied, they wrote into the Bill of Rights 2 years later the three specific additional provisions for jury action.

The specific provisions in the Constitution and the Bill of Rights guaranteeing trial by jury have not been repealed. Neither have they been altered or amended by the constitutional methods provided for making changes in our basic law if the people deem it wise to make such changes.

Nevertheless, in spite of the prevailing constitutional guaranty of trial by jury, we are here presented with a proposal which would compromise the provisions of the Constitution—yes, in my opinion, amend the Constitution illegally.

This compromise provides that in cases of criminal contempt, under the provisions of this act, "the accused may be tried with or without a jury" at the discretion of the judge.

It further provides "that in the event such proceeding for criminal contempt be tried before a judge without a jury and the sentence of the court upon conviction is a fine in excess of $300 or imprisonment in excess of 45 days, the accused in said proceeding, upon demand therefor, shall be entitled to a trial de novo before a jury."

The first of the provisions I have just cited, giving discretion to a judge whether or not a jury trial is granted in a criminal case, is in direct conflict with the Constitution.

The Constitution does not provide for the exercise of any discretion in a criminal case as to whether the person accused shall have a jury trial. The Constitution says "the trial of all crimes except in cases of impeachment shall be by jury."

The sixth amendment says "in all criminal prosecutions, the accused shall enjoy the right to a speedy and public trial, by an impartial jury."

The Constitution makes no exception to the trial by jury provision in criminal cases in the event contempt is involved. Let me repeat and let me emphasize. The Constitution says "the trial of all crimes shall be by jury"—not all crimes except those involving contempt, but all crimes.

What power has been granted to Congress to agree to this proposal to compromise the constitutional right of trial by jury? The only way to amend the Constitution is by the amending process as set forth in the instrument itself. As the directly elected representatives of the people, the Congress should have been the last body to attempt to infringe upon this authority which the Constitution vests solely in the people. Yet we have seen them do so, and apparently with the approbation of many segments of the public which ought to know better.

I have dealt long enough, I think, on this particular case of undermining our Constitution. I simply wished to show, by mentioning these three examples—the segregation decision, the use of troops by the executives, and the civil rights "compromise," that all three branches of Government have been guilty, in the recent past, of offenses against the Constitution.

We are indeed at a late hour to defend our liberties. Much of our constitutional structure has been already eroded away. So much the more urgent, then, that we rededicate ourselves to the cause of constitutional government, and that we do so now.

Earlier in this address, in urging that we be fair and true in examining and upholding the Constitution in its entirety instead of in a selective fashion, I mentioned that word "veritas," which appears on the shield of this university. This brings to my mind another simple, short inscription, one which stands out in bold letters on the base of the tallest monument in the city of Charleston, S. C. The words read: "Truth, justice, and the Constitution."

The monument is that of John C. Calhoun, South Carolina's, and probably America's, foremost political thinker, a man who strove with all his power to preserve the Union. The position of Calhoun is basically the position of the Southern States today. All that they ask—and on this much they insist—is truth, justice, and the Constitution; but when they say the Constitution, they mean the whole Constitution, not just those selected portions which protect individual rights and civil liberties, but also those basic portions which protect the integrity and rights of the several States, which are themselves in the long run the surest bulwarks of the people's rights and freedoms.

INVESTIGATION OF THE ADMINISTRATION OF THE PATENT OFFICE

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1221, Senate Resolution 236.

Mr. SALTONSTALL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. LAUSCHE in the chair). Without objection, it is so ordered.

The Senator from Montana has moved that the Senate proceed to the consideration of Calendar No. 1221, Senate Resolution 236, which will be stated by title for the information of the Senate.

The CHIEF CLERK. Calendar No. 1221, Senate Resolution 236, to investigate the administration of the Patent Office and review statutes relating to patents, trademarks, and copyrights.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the resolution (S. Res. 236) to investigate the administration of the Patent Office and review statutes relating to patents, trademarks, and copyrights.

Mr. KNOWLAND. Mr. President, the pending business is Calendar No. 1221, Senate Resolution 236, is it not?

The PRESIDING OFFICER. That is correct.

Mr. KNOWLAND. Mr. President, I should like to address an inquiry to the distinguished Senator from Wyoming [Mr. O'MAHONEY]. I may say that in the case of the pending resolution, I am even less sanguine, as a result of what happened to the last suggestion made for a reduction in the amount proposed for one of the subcommittees. But I wish to call the attention of the Senate to the fact that the funds authorized last year under Senate Resolution 55 amounted to approximately $80,000, whereas the funds expended last year amounted to $73,770. I wonder whether the Senator from Wyoming feels that the subcommittee could get by with $80,000, rather than with the proposed increase to $135,000, which would constitute a very major increase in the funds available to this subcommittee.

Mr. O'MAHONEY. Mr. President, perhaps I should first state, as justification for the request which has been made, and which has been approved by the Committee on Rules and Administration, the fact that last year we did what we said we would: We did not spend as much as was appropriated for our use. But we requested the funds early in 1957, in order that we might carry out the program which was planned. That program has been carried out.

In this case, I can make a statement which it was not possible to make during the debate on the last item. That statement is that the publications which the Subcommittee on Patents has secured have already earned an income for the Superintendent of Documents, during less than 1 year, in the amount of more than $4,000. These documents were written by distinguished persons, such as Dr. Vannevar Bush; Dr. George E. Frost; Dr. P. J. Federico, of the Patent Office; Mr. Raymond Vernon; and Dr. Archie Palmer; and we have 14 studies of this kind, for which there has been a tremendous demand.

In addition to those, which brought in more than $4,000, two more now are ready for distribution. One of them is study No. 7, entitled "Efforts To Establish a Statutory Standard of Investigation," written by Victor L. Edwards, of the Legislative Reference Service of the Library of Congress. It will be for sale at 15 cents a copy, in the Office of the Superintendent of Documents.

The next is study No. 8, entitled "The Role of the Court Expert in Patent Litigation," written by Leo H. Whinery. It will be for sale at 30 cents a copy.

To indicate the demand for many of the documents which are directly concerned with the patent service, let me point out that in the case of the first six documents, including Senate Report No. 72, on "Patents, Trademarks, and Copyrights," 22,961 had been sold by the 8th of January of this year; and they are still being sold.

As a result of this work, we have half a dozen bills already pending; and there will have to be hearings on them.

In addition—as was pointed out by the Committee on Rules and Administration, in its report—the new developments of the past year with respect to technology and the race between the United States and Soviet Russia have raised considerable interest in the work which must be done.

The Senator from Missouri [Mr. HENNINGS], in submitting his report, has pointed out:

> This resolution would empower the Subcommittee on Patents, Trademarks, and Copyrights of the Committee on the Judiciary to expend not more than $135,000 on its program of investigations and studies of the American patent system, particularly as its technological advancement and status might now directly relate to the recent impact of Russian technology on American invention and science.

We have discovered that at the present time at least 7,500 patents are owned by the Government of the United States. Most of them have been developed in the various departments, for various purposes. Some of them have been developed in the Defense Department. It is anticipated that before the end of this year there will be approximately 10,000 such patents. One of the subjects we must develop this year is a method by which to encourage inventors to devote their talents to the invention of techniques, machines, or other devices which would be of aid in the defense of the United States. These would naturally fall into a classified character; and since they are classified, there is no possibility of having the inventors profit, under the present system. We are striving to find the best way to handle that matter.

Likewise—because, as I have said, 7,500 patents are now owned by the United States, and there will be 10,000 before the end of the year—I wish to point out that the Government receives no income from them. One of the principal objects of the committee for this year will be the making of a study of the best practicable method to provide an income to the United States from the patents it

owns. I do not think they should simply be available without any repayment to the United States.

That, in brief, is the reason why we believe the amount requested should be provided.

Mr. KNOWLAND. I still wonder whether the distinguished Senator from Wyoming might come to an adjustment of the matter, and whether he could agree to a compromise proposal to allow $100,000 this year, or an increase of approximately $20,000 over and beyond what the subcommittee had last year. I assume the subcommittee will not retrace its steps of last year.

Mr. O'MAHONEY. Oh, no; there will be no retracing.

Mr. KNOWLAND. Can the Senator from Wyoming at least make an effort—as did the Senator from Alabama [Mr. SPARKMAN]—to cooperate and to try to find a means of arriving at some reduction?

Mr. O'MAHONEY. But this is one of the most technical and one of the most difficult subjects before any of the committees of Congress. It requires a great deal of study and a great deal of time. It requires competent assistants. We have a competent staff. I assure the Senator from California that the greatest care was exercised in developing the budget. It was subject to consideration by the full Judiciary Committee, and received its approval. It was also subject to consideration by the Committee on Rules and Administration, and received its approval.

So in this case, after two full standing committees of the Senate have approved this amount, I really do not think that I, merely as chairman of the subcommittee, should now be asked—after such careful scrutiny has been given to the matter—to agree that a cut be made, just for the purpose of making a cut.

I assure the Senator from California that economy will be exercised.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. ELLENDER. The Senator has stated that at present he has a competent staff. Is that correct?

Mr. O'MAHONEY. Yes.

Mr. ELLENDER. Was that staff provided with the moneys that were made available to the subcommittee during the last session of Congress?

Mr. O'MAHONEY. No increase in the staff is requested.

Mr. ELLENDER. What will the extra $55,000 be used for?

Mr. O'MAHONEY. There is included an added contribution to the civil service retirement fund.

Mr. ELLENDER. How much does that amount to?

Mr. O'MAHONEY. That amounts to $6,967.76.

Reimbursable payments to agencies will, according to our estimates, amount to $2,000, because we draw on various agencies of Government, and we must, of course, reimburse them.

Mr. ELLENDER. Is that an extra item?

Mr. O'MAHONEY. No; there was some reimbursement last year. What it amounted to, I do not recall.

Then there is an item for travel, inclusive of field investigations. There was an increase in that item. That amounts to $6,000.

Then there is an item for hearings, inclusive of reporters' fees, amounting to $5,000.

There is an item for witness fees and expenses, $3,000.

The contingent fund item is set at $2,635.96.

As stated in the report, I point out that the Senator from Wisconsin [Mr. WILEY] and I have jointly introduced several bills. They include a bill to improve the operations of the Patent Office; a bill to establish the Patent Office as an independent agency; a bill to remove a bottleneck in the processing of patents by enlarging the membership of the Patent Office Board of Appeals to enable that Office to obtain and keep qualified personnel through an increase in the salaries of certain officers; a bill to speed up the processing of patent applications. There are about 215,000 cases now pending. We must find a way to speed up those operations.

Mr. ELLENDER. I think those who operate the Patent Office came before the Appropriations Committee sometime ago and stated that, if we provided more money for the Patent Office, the processing of applications could be expedited. What does the Senator expect to develop in the attempt to have the investigations completed more quickly than they would be if they proceed as they are now being held?

Mr. O'MAHONEY. Well, they are not being held.

Mr. ELLENDER. As has been stated, they need more money; and what will an investigation do in that regard?

Mr. O'MAHONEY. I will say to the Senator from Louisiana that the patent system is one of the oldest systems in the Government. The provision for the patent law was a result of one of the clauses in the Constitution itself. Half a dozen times it had been estimated that the Office of Patents was no longer usable. We find the problem is steadily growing more difficult, much more complex, and much more necessary of attention from Congress. The applications which are made to the Appropriations Committee by the various departments are under the supervision of the Budget. They are under the supervision of the creators of the departments. It seemed to the committee, in fostering the bills, it was necessary that special action should be taken, as defined in the measures that the Senator from Wisconsin [Mr. WILEY] and I have introduced, and there will have to be hearings on those bills.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. JOHNSTON of South Carolina. I wished to verify the fact that, so far as processing of patents is concerned, we are very much behind. The Patent Office is living with old laws that have existed for some time, and which ought to be changed. I think it is necessary that patents be processed much faster than is the case at the present time.

Mr. O'MAHONEY. The Senator is correct. It is not to be accomplished by providing more money, but by passing a publications bill, which will speed operations. Hearings will be required on that bill. We are dealing with comparatively small items here. I hope the Senate is ready to take affirmative action on the resolution.

Mr. ELLENDER obtained the floor.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield to the Senator from California.

Mr. KNOWLAND. I send an amendment to the desk, and ask to have it stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. It is proposed, on page 2, in line 18, to strike out the figure "$135,000" and insert in lieu thereof the figure "$80,000."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from California.

Mr. ELLENDER. Mr. President, for the past 7 or 8 years, I have been questioning the constantly increasing authorizations of money for special subcommittees. I have not met with much success in reducing the trend toward ever-greater expenditures and constantly swelling staffs. I have frequently been discouraged, but I do not propose to stop. I hope that the Senate will someday come to its senses and begin to exercise a little prudence in providing more and more of our taxpayers' money to finance temporary investigations which seem to go on and on and on.

I have served in the Senate since 1937. I have seen the amounts provided for so-called special investigations grow from $170,000 in 1940 to more than $3 million last year.

As the Senate knows, this is over and above amounts regularly made available to standing committees of the Senate. Every major committee, as well as the Small Business Committee, obtains from the Senate $110,000, in round figures, for its operations and $10,000 to hold hearings. There are few committees which do not come before the Senate annually to ask for authority to create subcommittees, and to spend money over and above those amounts authorized by the Reorganization Act.

The Committee on the Judiciary of the Senate leads the list of committees which receive large amounts of money for special subcommittees.

Last year the Judiciary Committee spent, aside from the $110,000 which it regularly obtains from the Senate, $994,291.45. If the resolution now before the Senate is adopted, that amount will be increased to $1,124,000 for the year ahead, and includes sums available for the 10 subcommittees receiving funds for special investigations.

As was pointed out a while ago, the Antitrust and Monopoly Subcommittee allowance was raised by $135,000, in round figures, over last year's allowance. As I pointed out during debate earlier this

afternoon, that subcommittee deals with antitrust investigations.

Last week we adopted a resolution to provide $90,000 for the Select Committee on Small Business. That sum was in excess of the regular appropriation which is made available to the Select Committee on Small Business. The $90,000 which was provided last week for the Select Committee on Small Business included money, among other things, for a subcommittee to study the antimonopoly-antitrust question. I cannot for the life of me see any basic difference in jurisdiction between the Select Committee on Small Business and the subcommittee of the Judiciary Committee, headed by the distinguished Senator from Tennessee. There is bound to be duplication.

As the Senator from Tennessee stated, a good deal of work will be necessary to look into the problem of economic stabilization. That problem has been studied and is now being studied by the Committee on Banking and Currency. I assume that this afternoon we shall consider a resolution to provide $70,000 for that committee, for a study which involves some of the same issues which have been outlined by the distinguished Senator from Wyoming, as well as by the distinguished Senator from Tennessee.

We have a continuous procession of subcommittees being organized and operating throughout the Congress. Last year the subcommittees spent $2,909,000. That was in 1 year.

If the resolutions which are now before us are all adopted as presented, the total amount required will be $3,072,000. That is $169,000 more than was provided last year.

I predict that a good many subcommittees will return to the Senate next year and request more money. They usually do. Many of these same subcommittees will be before us next year with their hands out for more money. My guess is that expenditures for special subcommittees next year will be far in excess of the $3,072,000 which is now being provided.

Mr. President, I again point up the fact that every year the Committee on the Judiciary increases the expenditures of its subcommittees. I again point out that that committee will receive this year $1,124,000, which represents more than one-third of the total amount of money provided by the Senate for all the subcommittees of the Senate.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from California [Mr. KNOWLAND].

Mr. PAYNE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment offered by the Senator from California [Mr. KNOWLAND].

Mr. O'MAHONEY. Mr. President, the amendment which has been offered, if it were adopted, would be a decision on the part of the Senate to repudiate the action of the Judiciary Committee and the action of the Committee on Rules and Administration. Both those committees, standing committees of the Senate, created by the Senate under the standing rules, have recommended to the Senate that a certain sum be allowed to the committee.

The criticism has been made that the Judiciary Committee as a whole has received a very large sum from the contingent fund. I point out that the Judiciary Committee handles 70 percent of all the legislation which comes to the floor of the Senate.

Mr. President, I am ready to vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from California [Mr. KNOWLAND]. (Putting the question.)

Mr. KNOWLAND. Mr. President, I ask for a division.

The Senate proceeded to divide.

Mr. MANSFIELD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Green	Mundt
Allott	Hayden	Murray
Anderson	Hennings	Neuberger
Barrett	Hickenlooper	O'Mahoney
Beall	Hill	Pastore
Bennett	Hoblitzell	Payne
Bible	Holland	Potter
Bricker	Hruska	Proxmire
Bridges	Humphrey	Purtell
Bush	Ives	Revercomb
Butler	Jackson	Robertson
Byrd	Jenner	Russell
Capehart	Johnson, Tex.	Saltonstall
Carlson	Johnston, S. C.	Schoeppel
Carroll	Kefauver	Scott
Case, N. J.	Kennedy	Smathers
Case, S. Dak.	Kerr	Smith, Maine
Church	Knowland	Smith, N. J.
Clark	Kuchel	Sparkman
Cotton	Langer	Stennis
Curtis	Lausche	Symington
Dirksen	Long	Talmadge
Douglas	Magnuson	Thurmond
Dworshak	Malone	Thye
Eastland	Mansfield	Watkins
Ellender	Martin, Iowa	Wiley
Ervin	McClellan	Williams
Frear	McNamara	Yarborough
Fulbright	Monroney	Young
Goldwater	Morse	
Gore	Morton	

The PRESIDING OFFICER (Mr. LAUSCHE in the chair). A quorum is present. The question is on agreeing to the amendment offered by the Senator from California [Mr. KNOWLAND].

Mr. KNOWLAND. I request a division.

On a division the amendment was rejected.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution was agreed to, as follows:

Resolved, That the Committee on the Judiciary, or any duly authorized subcommittee thereof, is authorized under sections 134 (a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdiction specified by rule XXV of the Standing Rules of the Senate, to conduct a full and complete examination and review of the administration of the Patent Office and a complete examination and review of the statutes relating to patents, trademarks, and copyrights.

SEC. 2. For the purposes of this resolution the committee, from February 1, 1958, to January 31, 1959, inclusive, is authorized to (1) make such expenditures as it deems advisable; (2) to employ upon a temporary basis, technical, clerical, and other assistants and consultants: *Provided*, That the minority is authorized to select one person for appointment, and the person so selected shall be appointed and his compensation shall be so fixed that his gross rate shall not be less by more than $1,200 than the highest gross rate paid to any other employee; and (3) with the prior consent of the heads of the departments or agencies concerned, and the Committee on Rules and Administration, to utilize the reimbursable services, information, facilities, and personnel of any of the departments or agencies of the Government.

SEC. 3. The committee shall report its findings, together with its recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than January 31, 1959.

SEC. 4. Expenses of the committee, under this resolution, which shall not exceed $135,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

Mr. O'MAHONEY subsequently said: Mr. President, I ask unanimous consent to have printed at the conclusion of the vote on the last resolution the list of studies contained in the Research Study Program which have been published and are to be published under the direction of the Senate Subcommittee on Trademarks and Copyrights.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

RESEARCH STUDY PROGRAM OF THE SENATE SUBCOMMITTEE ON PATENTS, TRADEMARKS AND COPYRIGHTS

The following studies have been printed and distributed:

Study No. 1: Proposals for Improving the Patent System, by Dr. Vannevar Bush.

Dr. Bush's study embraces proposals to strengthen patent validity and protect against the misuse of patents, including their use for monopolistic purposes. He also takes up the underlying purpose and objectives of the patent system, its relationship to basic and applied science and their shifting roles, and its relationship to the independent as compared to the corporate inventor. Fifteen cents.[1]

Study No. 2: The Patent System and the Modern Economy, by George E. Frost.

Mr. Frost discusses the present patent system as it relates to our modern economy and competitive philosophy and practices. First he examines its effect as a stimulus to competitive research, inventions, and development. Second he examines its role in the competitive economy and its relation to antitrust, monopoly, and competition. Lastly, he turns to a study of the administration of the patent system. Twenty-five cents.[1]

Study No. 3: Distribution of Patents Issued to Corporations (1939–55), by the Patent Office (Commissioner Watson and P. J. Federico).

This is a statistical study of patents issued to corporations between 1939 and 1955.

[1] Copies of this study are available at the price indicated, from Superintendent of Documents, Government Printing Office, Washington 25, D. C.

The substantial ownership of patents by corporations, and their heavy concentration in a fairly small number of corporations, underlines the need for more attention to the role corporations play in the patent system and the patent system plays in corporate affairs. Fifteen cents.[1]

Study No. 4: Opposition and Revocation Proceedings in Patent Cases, by P. J. Federico.

This study reviews the opposition, revocation, and nullification procedures of England, Germany, Sweden, and the Netherlands. The study also compares these proceedings to the interference and "public use" proceedings that exist under the United States system. Fifteen cents.[1]

Study No. 5: The International Patent System and Foreign Policy, by Raymond Vernon.

Mr. Vernon examines the economic effect of foreign patenting by United States citizens, and domestic patenting by foreign citizens, involving such patents to United States policies on foreign trade, investment, and restrictive business practices. With the Lisbon Conference scheduled for October 1958 this discussion of the international convention and the international role played by patents, is most timely. Twenty cents.[1]

Study No. 6: Patents and Nonprofit Research by Dr. Archie M. Palmer.

Dr. Palmer examines the patent holdings, policies, and practices of numerous educational institutions, experimental stations, and other nonprofit research organizations. With increasing attention being given to the contributions by educational institutions to technological development, the patent practices and policies of such institutions becomes increasingly important. Twenty-five cents.[1]

The following studies are being printed and will be available shortly:

Study No. 7: Efforts to Establish a Statutory Standard of Invention, by Victor L. Edwards, of the Legislative Reference Service, Library of Congress.

This study is the first in a series prepared by the Legislative Reference Service, dealing with Congressional efforts, successful and unsuccessful, to legislate on various important features of the patent system. The study clearly points up the difficulties that attend efforts to pin down the invention concept and the annotations bring out the fact that enactment of section 103 has contributed little to solving the problems that exist. Fifteen cents.

Study No. 8: The Role of the Court Expert in Patent Litigation, by Leo H. Whinery.

Professor Whinery's study deals with another of the basic unsolved problems of the patent system, namely, a litigation process which leaves complex, technical-fact issues to be determined by nontechnically trained judges. Professor Whinery was the first Armstrong fellow to undertake a study of this problem, pursuant to a grant made to Columbia University Law School, by Maj. Edwin Armstrong. The present study is the outcome of that research and deals with both the advantages and dangers in the use of neutral experts. The analysis is based upon a study of actual cases in which such experts have been used. Thirty cents.

Study No. 9: Recordation of Patent Agreements—A Legislative History, by Michael Daniels and Victor L. Edwards, of the Legislative Reference Service of the Library of Congress.

A study of proposals in Congress, since 1935, to require recordation of patent agreements in order to discourage the use of patents to restrict competition. Included is comment upon TNEC hearings on this subject, proposals to regulate restrictive patent agreements on the international level, and related provisions of the International Trade Organization charter. A brief bibliography is appended to the study.

Study No. 10: Exchange of Patents and Technical Information With Foreign Nations, by Michael H. Cardozo.

A study of governmental measures to facilitate and protect the flow and interchange of patent rights and technical information in connection with our foreign-based defense programs, starting with lend-lease and continuing down through the present NATO and mutual-defense programs. Recent developments suggest that there may be a substantial increase in this type of activity in the future, as a result of the sputnik-inspired program to expand scientific and technical interchange with our European friends.

Study No. 11: The Impact of the Patent System on Research, by Seymour Melman.

Professor Melman examines the part played by the patent system in stimulating and encouraging, or failing to stimulate or encourage, invention and research in our modern industrial society. He examines its impact upon both the individual who does the work and the institution that supports it. He directs his analysis primarily to the two very important areas of basic research, educational institutions and the research laboratories of large industrial corporations.

Study No. 12: Compulsory Licensing of Patents—A Legislative History, by Catherine S. Corry of the Legislative Reference Service of the Library of Congress.

This legislative history of Congressional activity deals with one of the hardy perennials of patent controversy, i. e., compulsory licensing of patents. Starting with the Oldfield proposals in 1911, it reviews the suggestions that have been made since that date, ranging from across-the-board compulsory licensing proposals to the narrower suggestions of licensing patents to combat suppression, to promote antitrust objectives or to aid national defense. Finally, it discusses the varied proposals for administering Government-owned patents. There is appended a bibliography.

Study No. 13: Patent Office Fees—A Legislative History, by Victor L. Edwards of the Legislative Reference Service of the Library of Congress.

This legislative history is a listing of Patent Office fee proposals presented to Congress from 1922 to date. The study discloses the longstanding nature of the Patent Office budgetary inadequacies and of the controversy, still argued today, over the question whether primary Patent Office support should come from the patentees and others served by it, or from the general public through taxation.

Study No. 14: Economic Aspects of Patents and the American Patent System: A Bibliography, by Julius W. Allen of the Legislative Reference Service of the Library of Congress.

This study comprises a bibliography of 447 selected articles and books on various economic aspects of patents, with each reference followed by a brief description of its contents. Categories listed include the history of patents, the concept of invention, patents and technology, Government research and patents among others.

[1] Copies of this study are available at the price indicated, from Superintendent of Documents, Government Printing Office, Washington 25, D. C.

EMPLOYMENT OF TEMPORARY PERSONNEL BY THE COMMITTEE ON RULES AND ADMINISTRATION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1229, Senate Resolution 250.

The PRESIDING OFFICER. The resolution will be stated by title for the information of the Senate.

The CHIEF CLERK. A resolution (S. Res. 250) authorizing the Committee on Rules and Administration to make expenditures and employ temporary personnel.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to, and the Senate proceeded to consider the resolution.

Mr. CURTIS. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The CHIEF CLERK. On page 2, line 11, after "employee," it is proposed to insert: "*Provided further*, That the total number of employees shall not exceed three unless a greater number is authorized by a majority vote of the Committee on Rules and Administration."

Mr. CURTIS. Mr. President, the resolution provides for money for the Subcommittee on Privileges and Elections of the Committee on Rules and Administration.

I am not satisfied with the rate of expenditure which is taking place in that committee, but we are faced with a situation whereby if the amount were reduced we would not attain the objective we seek.

The Subcommittee on Privileges and Elections must have an appropriation on a standby basis. It might become necessary after Congress had adjourned, and in the course of the elections, to hold an investigation. There might be a contest over a Senate seat. There are several very sound reasons for the present practice, namely, the practice of appropriating money for the Subcommittee on Privileges and Elections to have on hand in case it is needed.

Based upon the performance of last year, I wish to state my position in opposition to what has taken place. I believe I am correct in saying that the Subcommittee on Privileges and Elections did not hold a meeting in 1957. It asked for a greater amount of money, which we were able to reduce in part last year.

I thought this nonworking subcommittee had a staff of three persons. Actually, there is no need for that large a staff. But as the year drew to a close, I investigated and found that the subcommittee has a staff of six. There are 2 professional members, each of whom is paid a salary of more than $10,000. As of 10 days ago, when I got this information, there were four additional persons. This makes a staff of six for a committee that has had no duties to perform.

It was suggested in the Committee on Rules and Administration that it might be in order for me to offer an amendment to reduce the figure of $150,000 to a much smaller amount. That would not reach the problem, because if we continued to carry a staff having no duties to perform, we would still have to request more money before Congress adjourned.

I believe the amendment I have offered is a very reasonable one. I hope the majority will accept it. It merely provides that the full amount shall be made available; but until such time as the entire Committee on Rules and Administration, by a majority vote, shall take action, the size of the staff shall not be more than three. If circumstances arose which placed a problem before the committee a week or a month from now, or at any other time, the Committee on Rules and Administration could take action by a mere majority vote. To fail to offer the amendment would be to acquiesce in what is going on now in the committee. That I cannot do.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. CURTIS. I yield to the distinguished Senator from Louisiana.

Mr. ELLENDER. Last year there was no election. I wonder who appointed the six persons. How was it done? I wonder if the Senator could tell us what those persons did.

Mr. CURTIS. I cannot give the Senator the information. I do not know. None of them were minority employees. I think three persons were working after the subcommittee concluded its work last January. But upon inquiry in December, I found there were six. I do not say that this subject was never mentioned in a committee meeting, but it was never mentioned in any committee meeting when I was present, or which was called to my attention, and I attend most of them.

I believe I am correct in stating that the Subcommittee on Privileges and Elections did not meet during the period we are discussing, which was from January 3, 1957, until the end of the year.

Mr. ELLENDER. I presume the reason why the subcommittee did not meet was that there was no election in that year; therefore, there was no use for the money. Am I correct in that understanding?

Mr. CURTIS. Yes; there was no work to be done.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. CURTIS. I yield.

Mr. MANSFIELD. I call the attention of the Senator to the fact that we did have meetings in 1957. They were not subcommittee meetings, but they were full committee meetings, when bills were introduced by the Senator from Tennessee [Mr. GORE], the Senator from Missouri [Mr. HENNINGS], who is chairman of the full committee, and the Senator from Nebraska [Mr. CURTIS]. One other bill, S. 2151, was introduced.

If my memory serves me correctly, there were four meetings of the full committee to consider subjects which ordinarily would have been considered by the subcommittee. But because of the importance of those matters, they were considered in the full committee. I think the Senator from Nebraska recalls them.

Mr. CURTIS. I recall them very well. But the subcommittee has a staff. The subcommittee never assembled as a subcommittee to perform any work.

Mr. MANSFIELD. Not in 1957. But we certainly met many times in 1956, when there was a need for meetings. I call the Senator's attention to the fact that at that time the staff numbered 45.

Mr. CURTIS. I am aware of that, and I was not in harmony with it. I was out of harmony with the report which was submitted.

Mr. MANSFIELD. I must take exception to that statement, because the Senator from Nebraska was not out of harmony with the Gore report until the report was issued and brought to the floor. At the time of the hearings, the Senator from Nebraska raised no objection. But once the report was brought to the floor, objections were raised; and the result of those objections was that we could not get an additional number of the reports published. I think the total number published was 1,000.

Mr. CURTIS. I am sure the distinguished Senator wants to keep the record correct.

Mr. MANSFIELD. I do.

Mr. CURTIS. If the Senator will examine the report, he will see, in the report itself, that I dissent from it.

Mr. MANSFIELD. But it was after the report was completed, not during the course of the hearings, because the Senator was there—I know I was—and we were in agreement all the time.

Mr. CURTIS. I could not have dissented from the report until it was written. I admit that I dissented after the report was written.

Mr. HENNINGS. Mr. President, will the Senator yield?

Mr. CURTIS. I yield to the distinguished Senator from Missouri.

Mr. HENNINGS. I thank my colleague from Nebraska. I appreciate what the Senator has said, because I am the chairman of the Committee on Rules and Administration and have had 6 years of experience on the Subcommittee on Privileges and Elections.

As we all know, that is a committee which sometimes has unwelcome chores and a great deal of other work to do which is unpleasant. By reason of the inherent nature of the work of the Subcommittee on Privileges and Elections, it requires a staff to investigate. I believe the Illinois primaries will be held in April. I am sure that the distinguished Senator from Illinois [Mr. DIRKSEN] will bear me out in that statement. So the committee must have a standby staff.

I was not chairman of the full committee during the period when there was a relatively large staff under the administration of the Senator from Tennessee [Mr. GORE] as chairman of the subcommittee. He succeeded me in that position.

Some of us have felt that there must be a nucleus of a staff, so that if complaints should arise, investigators could be sent out to investigate.

We know that many primaries are now underway, in a sense. I do not know of any earlier ones than the primaries in the State of Illinois; but many candidates have filed, or at least have announced their candidacy, for election to the United States Senate. We simply cannot go out on the streets and find persons who are experts on the general, overall problems and laws relating to elections.

As I understand, the subcommittee now is busy with several projects. I believe that the chairman, the Senator from Montana [Mr. MANSFIELD], will bear me out on this statement. I understand that a number of things are now in process. There is presently on the calendar a so-called clean elections bill, which the full committee reported late in the summer. Of course the committee staff is available to the members of the minority, as well as to the members of the majority. I, individually, would be very happy to have on the committee staff itself a staff member from the minority, if the Senator from Nebraska has someone to suggest.

I think the amount requested has been justified. I do not believe it is unreasonable to have on the subcommittee's staff six employees who are familiarizing themselves with the very technical aspects of our national elections, as related to expenditures, campaign procedures, and so forth, which are of concern to the Senate, in connection with the effort to improve our general election machinery.

Although I am no longer a member of the subcommittee, I cannot believe that the amount requested is really excessive.

I recall that during the contest between the senior Senator from New Mexico [Mr. CHAVEZ] and General Hurley, the subcommittee had to make a number of trips to the State of New Mexico. I am sure that my distinguished friend, the Senator from Wyoming [Mr. BARRETT], will bear out my statement. On 2 or 3 occasions we had to request additional funds. I believe we spent approximately $250,000 on just that one election contest. I shall not attempt to state how successful we were; but certainly we tried, under the leadership of the distinguished Senator from Wyoming, to do the best job we knew how; and we needed a staff if we were to do the job properly.

I believe that the investigations are made under those conditions and in that atmosphere.

Although I shall not attempt to bring too much persuasion to bear upon my friend, the Senator from Nebraska, I hope the amendment will either be withdrawn or will be rejected, because I believe that if it were agreed to, it would hamper the work of the members of the subcommittee.

Our distinguished chairman, the Senator from Montana [Mr. MANSFIELD], has kept his hand on what is going on. There are a great many facets to this problem.

So I believe it would be a great mistake to add to the resolution any provision which would tend to inhibit or restrict the activities of a subcommittee of the Senate such as this one, which may have to go into action tomorrow. As the Senator from Nebraska knows, the subcommittee may have to go into an investigation next week. We never know when such things will develop. It is not possible to hire a capable staff on the spur of the moment.

Mr. CURTIS. Mr. President, I have followed with interest what the dis-

tinguished Senator from Missouri has had to say.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from Nebraska yield to me?

The PRESIDING OFFICER (Mr. PROUTY in the chair). Does the Senator from Nebraska yield to the Senator from South Carolina?

Mr. CURTIS. I yield.

Mr. JOHNSTON of South Carolina. I believe the amendment would make it impossible to hire more than three staff members for the subcommittee, without having the full committee present and without having the full committee pass on the matter. Is that true?

Mr. CURTIS. Under the provisions of the amendment the full committee would have to authorize a number greater than three.

Mr. JOHNSTON of South Carolina. Does the Senator from Nebraska mean that there would have to be a full committee meeting?

Mr. CURTIS. Yes.

Mr. JOHNSTON of South Carolina. This is an election year; that is why I have asked this question. The amendment would mean, as I understand it, that if, during this election year, some question about an election arose, it would be necessary to call together the full committee, before an investigation of election irregularities in some State could be made.

Mr. CURTIS. The full committee meets regularly. Undoubtedly it will take this very action before the Congress adjourns.

All the amendment requests is that the question of how large a staff the subcommittee shall have shall be resolved by the full committee.

I wish to read the list of the members of the committee, which includes some of the most distinguished Members of this body: The Senator from Arizona [Mr. HAYDEN], the Senator from Rhode Island [Mr. GREEN], the Senator from Missouri [Mr. HENNINGS], the Senator from Montana [Mr. MANSFIELD], the Senator from Georgia [Mr. TALMADGE], the Senator from Kentucky [Mr. COOPER], the Senator from New Jersey [Mr. CASE], and the Senator from New York [Mr. JAVITS]. They are my colleagues on the committee. I trust their judgment. But I do not believe I would wish to approve the requested appropriation authorization without having someone pass on the staff of the subcommittee, if the committee did not meet, and when I had no evidence of what work the staff had been doing, and inasmuch as I did not know that 50 percent of its work even existed.

So, Mr. President, I believe that my amendment is a very reasonable one. It would permit this distinguished group to decide this question.

Therefore, Mr. President, I hope the majority will accept the amendment.

Mr. MANSFIELD. Mr. President, I am very much impressed and pleased with the reading of the names of the distinguished Senators who comprise the Committee on Rules and Administration. One of the most distinguished members of the committee is the Senator from Nebraska [Mr. CURTIS], himself. However, he either neglected or forgot to identify himself as a member.

Let me point out that this distinguished committee had before it, when the resolution was being considered, all the information it needed; and I had available the names of all the employees of the subcommittee, the salaries they received, the length of time they had been on the payroll, and the activities which were within their ken.

Mr. GREEN. Mr. President, will the Senator from Montana yield to me?

Mr. MANSFIELD. Mr. President, if I may yield briefly to my distinguished friend, the Senator from Rhode Island, I shall continue after he has made his remarks.

Mr. GREEN. I thank the Senator from Montana. Since my name has just been brought into the discussion, I desire to make a few remarks.

Mr. President, the Committee on Rules and Administration approved this request for funds by the Subcommittee on Privileges and Elections.

It is fully recognized that the full sum of $150,000 may not be used if no contested elections arise. The subcommittee must be prepared, however, to employ additional staff personnel if investigations and contests do arise.

Since election day follows the adjournment date of Congress, it is necessary to appropriate a sufficient amount before Congress adjourns.

Furthermore, there must be on the subcommittee payroll a permanent staff to meet all contingencies and to carry out the year-round duties conferred upon the subcommittee by the Senate, such as investigations of campaign contributions and expenditures, hearings and studies of proposed amendments to the Corrupt Practices Act, the Hatch Act, and other measures within the jurisdiction of the subcommittee.

A staff of six lawyers, investigators, research specialists, and clerical assistants is reasonable, in view of the responsible work of the subcommittee.

I recommend that the resolution, as reported by the Committee on Rules and Administration, be agreed to.

Mr. MANSFIELD. Mr. President, I thank the distinguished Senator from Rhode Island, the chairman of the Foreign Relations Committee, and one of the senior members of the Committee on Rules and Administration, for the contribution he has made this afternoon.

I should like to repeat, Mr. President, that all the information which the distinguished Senator from Nebraska has laid before the Senate this afternoon was discussed in the committee, and the only member who did not vote in favor of the resolution was the Senator from Nebraska himself. Of course, he is the ranking minority member of the committee. Although he did not vote for the resolution, neither did he vote against it; he withheld his vote, but at that time he made his position known.

The pending resolution will authorize the Subcommittee on Privileges and Elections to specialize in all matters referred to it, all investigations and all contests, and all other matters involving only one subject; namely, elections.

Every even-numbered year, the subcommittee must be prepared to inquire into campaign financing or to investigate complaints arising out of one or more elections.

The chairman of the Committee on Rules and Administration pointed out that in the investigation of the Chavez election, some 5 years ago, the cost for that one investigation alone was in the neighborhood of $235,000, I believe.

The functions of the Subcommittee on Privileges and Elections require a staff of qualified and experienced lawyers, investigators, researchers, accountants, and secretaries. However, the staff is so reduced in nonelection years that it is only with great difficulties, and after hasty—and sometimes faulty—consideration of applicants, that a staff is assembled during election years.

In January of 1956, the staff consisted of only 3 members; but by September of that year it had increased to a maximum of 45 members.

New staff members had to be trained to do a job in a short time—September 1956 to January 1957, about 5 months.

Had more experienced permanent staff members been available, time and money could have been saved. An efficient and systematic investigation is the result of trained personnel.

The military, the police and fire departments, the Federal court system, and many Federal agencies employ the necessary specialists to perform their assigned functions, and when activity is relatively slow, those personnel are utilized in every manner possible.

Similarly, the Subcommittee on Privileges and Elections must have at all times a basic staff of specialists competent to carry out the assigned duties of the subcommittee.

There are countless requests for information on subcommittee matters: Letters and cards asking for copies of documents, reports and hearings; calls for interpretation or advice on Federal and State election laws; bills, resolutions and petitions calling for amendments and modifications of Federal laws; and hearings and staff studies on matters of interest to the members of the subcommittee or its parent committee.

All these matters must be given consideration and disposed of by the staff during the entire year, and not only during the latter part of an election year.

When the subcommittee is relatively inactive, some staff members are assigned to the offices of the Senators or are given other work on behalf of the Senators of the subcommittee or its parent committee.

The 15 standing committees of the Senate are not always as active when Congress has adjourned as they are during the session. Nevertheless, the professional and clerical staff members are retained because they have the knowledge and experience to prepare for and handle efficiently the work of the forthcoming year.

Without a minimum of qualified and trained personnel, a committee is ineffective. The staff of the subcommittee, numbering six at present, is not capable of being reduced without being seriously

impaired in operating skill and effectiveness.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. MANSFIELD. I am delighted to yield.

Mr. CURTIS. I should like to have a little information about the staff. I am acquainted with three of its members. Of the other three members of the staff, how many are experienced lawyers and investigators, which the Senator has stated we need as a standby staff?

Mr. ELLENDER. Can the Senator give us the names of them? I should like to have them.

Mr. MANSFIELD. The name of the chief counsel is James H. Duffy.

Mr. CURTIS. I myself know of only three.

Mr. MANSFIELD. Let me give the whole list of the staff:

James H. Duffy, chief counsel. Sadi J. Mase, associate counsel. Alice Clark, chief clerk. David J. Humphrey, clerical assistant and investigator. He was hired, I believe, last August or September. Norma Kath, clerical assistant. Clara R. Gale, research assistant. Miss Gale has been with the committee only for a few weeks. She has not yet had an opportunity to engage actively in the work of the subcommittee, but will be given time to familiarize herself with its functions. Her education and background of experience as a research analyst and in legislative research qualify her for employment on the staff, and her services will be of value when the committee conducts hearings and investigations of the kind which develop during election years.

I believe Mr. David Humphrey was hired last September. Since he was assigned to the subcommittee, he has assisted in reorganizing files, and has had the responsibility of maintaining the documents and hearings of the subcommittee. He has familiarized himself with the functions of the subcommittee, and assists the members of the subcommittee, as well as other Members of the Senate, in handling agricultural matters for their individual offices. His experience as an investigator with the Department of Agriculture and with the Subcommittee on Government Employment Security of the Post Office and Civil Service Committee will be of benefit to the subcommittee should we get into an election contest or have an investigation into campaign practices.

Mr. CURTIS. Coming back to my question then, of the last three employed, how many of them are lawyers and trained investigators? A plea has been made for a standby staff of lawyers and trained investigators.

Mr. MANSFIELD. It is my understanding that Mr. Humphrey is an investigator, and the only investigator we have on the committee at the present time.

Miss Gale has done investigative work.

As to Mr. Kath, I can give no information.

Mr. CURTIS. The Senator has stated that one of the staff had been engaged in agricultural work.

Mr. MANSFIELD. That is correct. The sheet I have before me states that Mr. Humphrey has assisted members of the subcommittee, as well as other Members of the Senate, in handling agricultural matters for their individual offices. His experience as an investigator with the Department of Agriculture and with the Subcommittee on Government Employment Security of the Post Office and Civil Service Committee will be of benefit to the subcommittee should we get into an election contest or have an investigation into campaign practices.

Mr. CURTIS. I still would press for the adoption of my amendment. It would give to the full committee the opportunity to pass on this question, and at the same time it would be possible for the Senate not to approve the practice which has been engaged in by the committee in recent months.

Mr. MANSFIELD. Mr. President, the Senator from Nebraska has made his position clear. I have endeavored to make mine clear. I ask for a vote on the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Nebraska [Mr. CURTIS]. [Putting the question.]

Mr. KNOWLAND. Mr. President, I ask for a division.

The Senate proceeded to divide.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Green	McNamara
Allott	Hayden	Monroney
Anderson	Hennings	Morse
Barrett	Hickenlooper	Morton
Beall	Hill	Mundt
Bennett	Hoblitzell	Neuberger
Bible	Holland	Pastore
Capehart	Hruska	Payne
Carroll	Humphrey	Potter
Case, N. J.	Jackson	Proxmire
Case, S. Dak.	Jenner	Purtell
Church	Johnson, Tex.	Robertson
Clark	Johnston, S. C.	Schoeppel
Cotton	Kefauver	Smathers
Curtis	Kennedy	Smith, Maine
Dirksen	Kerr	Smith, N. J.
Douglas	Knowland	Sparkman
Dworshak	Kuchel	Stennis
Eastland	Lausche	Symington
Ellender	Long	Talmadge
Ervin	Magnuson	Thurmond
Frear	Malone	Watkins
Fulbright	Mansfield	Wiley
Goldwater	Martin, Iowa	Williams
Gore	McClellan	Yarborough

The PRESIDING OFFICER. A quorum is present. The question is on agreeing to the amendment offered by the Senator from Nebraska [Mr. CURTIS].

Mr. KNOWLAND. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. CURTIS. Mr. President, I shall take only a brief moment to state the substance of my amendment.

The proposal before us is to make available $150,000 for the Subcommittee on Privileges and Elections. My amendment does not disturb that amount. The money should be available on a standby basis in case it should become necessary to conduct an investigation or deal with an election contest, perhaps at a time when Congress is not in session.

However, there is a situation confronting us which I should like to explain to the Senate. The Subcommittee on Privileges and Elections did not hold a meeting last year after January 31, when it concluded its work for the previous year. Perhaps a staff of one or two is all that is needed. I was under the impression that the subcommittee was continuing with a staff of three. In December, however, I discovered that the subcommittee, which did not meet all year, and had very little work to do, had a staff of six.

I believe it is true that at the present time the subcommittee has a staff of six, although it has not had any meetings during the past year. To reduce the amount asked for would not be wise, because the money might be needed later in the year. At the same time, to continue to spend it now, when no investigations are under way and there is no election contest to investigate, would likewise be unwise, and leave the subcommittee without any funds.

My amendment merely provides that the number of employees shall not exceed three, unless a greater number is authorized by a majority vote of the Committee on Rules and Administration. Certainly that is a fair proposal. The Committee on Rules and Administration meets regularly.

A short time ago I named the distinguished Senators who serve on the committee. I wish to do so again. Some very distinguished Senators serve on that committee. They are Senators HENNINGS, HAYDEN, GREEN, MANSFIELD, TALMADGE, COOPER, JAVITS, and CASE of New Jersey. Those are the Senators who serve with me on the Committee on Rules and Administration.

All my amendment would do would be to provide that the number of employees shall not exceed three, unless the full committee, by majority vote, shall authorize a greater number of employees. A situation might arise which would induce the committee to take such action at any time, perhaps next week, or perhaps before Congress adjourns.

Mr. KERR. Mr. President, will the Senator yield?

Mr. CURTIS. I yield.

Mr. KERR. As I understand, the Senator is a member of the Committee on Rules and Administration. Is that correct?

Mr. CURTIS. That is correct.

Mr. KERR. He has been a member of that committee for how long?

Mr. CURTIS. For 3 years.

Mr. KERR. As I understand, he made his discovery last December. Is that correct?

Mr. CURTIS. I was under the impression that the subcommittee had a staff of three. When I started to look into the question of funds for the committee, I discovered that the subcommittee, which had held no meeting during the past year, had a staff of six.

Mr. KERR. Is the Senator from Nebraska a member of the subcommittee?

Mr. CURTIS. I am.

Mr. KERR. How long has the subcommittee had six staff members?

Mr. CURTIS. I do not know. I believe the Senator from Montana [Mr. MANSFIELD] may be able to enlighten us on that point. I understood that one of

the employees was taken on in August and another one later in 1957.

Mr. KERR. But the Senator from Nebraska did not discover that until December. Is that correct?

Mr. CURTIS. Congress was not in session. I do not believe I have ever seen members of the staff.

Mr. KERR. But the Senator from Nebraska did discover it in December. Is that correct?

Mr. CURTIS. I believe it was in December.

Mr. KERR. That was the statement the Senator made.

Mr. CURTIS. Yes.

Mr. KERR. And he has been a member of the subcommittee all that time. Is that correct?

Mr. CURTIS. Yes. If I had not made inquiry with regard to the payroll of the committee, I would not have discovered it even up to this date, because the subcommittee does not meet. I do not see the need for such a staff.

Mr. HENNINGS. Mr. President, will the Senator yield?

Mr. CURTIS. I yield.

Mr. HENNINGS. I wish to make my position clear. Some Senators who are now in the Chamber were not present when I made my earlier statement and during the previous colloquy. I shall not repeat it in full. However, I have had service with the subcommittee for about 6 years. In 1955 I was chairman of the subcommittee. I served on the subcommittee during the Hurley-Chavez contest, when the subcommittee was presided over by our learned and distinguished friend, the Senator from Wyoming [Mr. BARRETT]. At that time there were 60 staff members on the subcommittee. I believe we spent about $230,000 on that occasion. I was a member of the subcommittee not only during the Hurley-Chavez contest, but also during the contest between former Senator Tydings and the present Senator from Maryland [Mr. BUTLER], in 1952. Then there was the investigation of Senator Joseph McCarthy. We also considered questions relating to the election in Michigan, as the distinguished Senator from Michigan will recall.

The subcommittee handles an enormous amount of business and correspondence. I may say parenthetically—and I do not mean to reflect upon either the good faith or the intentions of my good friend from Nebraska—that the United States Senate should not sit in solemn deliberation on a question concerning a subcommittee of a committee of the Senate, particularly with reference to whether that subcommittee should employ a staff of three members, or six.

The Senator from Nebraska has been good enough to compliment the composition of the Committee on Rules and Administration, on which I have the honor to serve as chairman. I wonder if the Senator does not think that this is really committee business.

Mr. CURTIS. That is what I wish to make it. My amendment would do just that.

Mr. HENNINGS. The Senator was in committee when the subject was discussed. I see in the Chamber the distinguished Senator from Maine [Mrs. SMITH] who also has served on the Privileges and Elections Subcommittee with great distinction to herself and to her State. I believe I hold the record in years of service. I have served on the subcommittee for 6 years. I did not ask for the assignment.

I believe we should have a standby staff for whatever may happen. A number of primary elections contests will be held this year, and it is necessary to have some staff members on hand who have some familiarity with election laws and election procedures in the event that a contest should arise. The distinguished Senator from Oklahoma [Mr. MONRONEY] was also a member of the subcommittee and served with great credit and distinction. He also has an understanding of the problems.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. CURTIS. I yield briefly.

Mr. MONRONEY. The Senator from Missouri is a distinguished constitutional lawyer. Is it not a fact that, in the final analysis, what the distinguished Senator from Nebraska is proposing is that a subcommittee which has the right to recommend to the Senate that a Senator not be seated is not to be trusted with the employment of three staff members?

Mr. HENNINGS. The Senator from Oklahoma has well stated the question. I do not mean to reflect on the Senator from Nebraska, but he was present at the meeting when this subject was discussed. He said he would not vote against it in committee but that he had certain reservations about it.

I am not critical of the Senator from Nebraska. However, I do think this is committee business. If a committee of the Senate cannot be trusted, we can follow the same procedure with respect to every other committee of the Senate, and ask whether a certain employee is needed, whether the employee reports on time, and what kind of work he does, and what time he leaves the office. That is not business for the Senate to consider. The Subcommittee on Privileges and Elections reported the resolution without a dissenting vote, including that of my good friend from Nebraska. It came to the conclusion that the resolution related to a subject which was fully discussed. The Senator from Nebraska says that the subcommittee held no hearings last year. Perhaps that is a bit unfair to my distinguished friend, the Senator from Montana [Mr. MANSFIELD], because we did hold hearings on the so-called clean elections bill—S. 2150—in the full committee. We reported a bill which is now on the calendar.

Mr. CURTIS. Mr. President, a short time ago I yielded to the distinguished Senator from Oklahoma, who inquired about the necessity of having a staff adequate to handle the situation in case a contest should arise. I can advise the distinguished Senator that prior to his entrance into the Chamber the Senator from Montana told us what the staff members were doing. I asked him whether they were trained lawyers and investigators. I am sorry the Senator was not here to hear that information.

With regard to my position in the Committee on Rules and Administration, I said then and I say now that I have no opposition to granting the money requested. I think it should be made available.

I stated my opposition to the staff that I discovered, stating that I did not believe there were duties for them to perform. Very frankly, I declined to offer an amendment to reduce the amount, and I am not doing so now. I am ready to vote.

Mr. MANSFIELD. I note that the Senator has used the word "discovered." I want the Senator to know that there was nothing hidden about the six employees on the payroll. There were three for a while; then there were four; finally there were six.

The Senator from Nebraska has repeated on the floor what he said in the committee. I, too, am sorry that this question was not settled in the committee, but it is too late now. The matter is now before the Senate. I think the issue is clear. I think everyone has his or her mind made up. I hope the vote will be taken, and the matter settled.

Mr. CURTIS. The issue on which we are voting is one of approving the staff which has been described, or the alternative of suggesting that the size of the staff be determined by a majority vote of the committee. I do not believe the amendment would cripple the work of the committee. I hope the amendment will be agreed to.

Mr. MANSFIELD. So far as the majority vote of the committee is concerned, at its last regular meeting the committee, with one exception—the Senator from Nebraska—voted for the $150,000 and the six-employee staff. Is that not correct?

Mr. CURTIS. Not completely.

Mr. MANSFIELD. Wherein am I mistaken?

Mr. CURTIS. I do not think we had an opportunity to draft an amendment which would have placed the question in issue as it has been done now.

Mr. MANSFIELD. That is true; but every member of the committee knew there were six members on the staff. Every member of the committee knew that $150,000 was being asked for. This is a standing subcommittee; it is not a select committee. It is a permanent subcommittee. Some Senator must serve as chairman; Senators must man it; someone must direct it.

So far as the committee was concerned, they knew there were six members of the staff; they knew that $150,000 was being asked for; and by a vote of 8 to 0 they reported the resolution favorably. The only Senator who did not vote, among the nine members, was the Senator from Nebraska, who abstained from voting, but who made his position very, very clear.

Mr. CURTIS. That is correct.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. CURTIS. I yield.

Mr. AIKEN. I entered the Chamber only a short time ago. Possibly the Senator from Nebraska has already answered the question I wish to ask. Am I to understand that he is proposing to

reduce from six to three persons the staff of the subcommittee which will investigate the elections which will take place next November? Is that the proposal of the Senator from Nebraska?

Mr. CURTIS. My amendment proposes to reduce the staff to three until the full Committee on Rules and Administration, by a majority vote, authorizes a greater number, which it can do at any time.

Mr. AIKEN. As I understand, the staff would not have cases on which to work until next fall.

Mr. CURTIS. That I do not know. Something might arise very shortly. I believe I am correct in saying that in the first 6 months of 1956, which was an election year, the subcommittee had a staff which was much smaller than the present staff.

Mr. AIKEN. Inasmuch as the staff would investigate and challenge elections, is it evenly divided as between the two parties?

Mr. CURTIS. No. I have not availed myself of the opportunity to appoint a minority staff member, because there has been nothing to do. The committee did not meet during 1957.

Mr. AIKEN. More than one minority member would be needed. I was a member of the Subcommittee on Privileges and Elections several years ago, and there were two members on the staff. I believe the present distinguished Governor of Arizona was the chairman of the committee at that time, and the staff consisted of one Republican and one Democrat, who got along very well together. After the election, when Congress met, we found that we had 96 Senators.

Mr. CURTIS. I think if we are faced with a contest, the staff membership question can be settled.

Mr. HENNINGS. Mr. President, will the Senator yield?

Mr. CURTIS. I yield.

Mr. HENNINGS. I am not a member of the subcommittee; I am chairman of the full Committee on Rules and Administration, although I served for 6 years on the subcommittee. The distinguished Senator from Vermont asked whether this subcommittee would have to do with anything other than what might happen next November at the regular general election. I think the Senator from Nebraska made it abundantly clear, but to make the assurance doubly sure, I will say to the Senator from Vermont that we might be called on to conduct an investigation and an inquiry into an election in the State of the distinguished Senator from Illinois [Mr. DIRKSEN]. I believe the primaries in that State will be held in April. Such an investigation might arise very soon.

From my experience as chairman of the subcommittee, I should say that it would be difficult to go out on the street, here and there, and try to recruit a staff. We are talking about three persons; that is all the discussion is about. There are six on the staff; the Senator from Nebraska is talking about taking three off.

Mr. DIRKSEN. There will be a primary in April in Illinois; but am I to understand that the Senator's subcommittee would investigate a primary election?

Mr. HENNINGS. Oh, indeed; that is a part of the function of the subcommittee.

Mr. DIRKSEN. I do not know whether there is any authority to do so. I do not know whether there is anything in the law to warrant the investigation of a primary election.

Mr. HENNINGS. It has been done. It has been done in my own State.

Mr. AIKEN. I asked the question for a different reason. I wanted to know what the six members of the staff would do between now and November.

This afternoon I voted against one appropriation for an investigation, and I shall vote this time for the amendment of the Senator from Nebraska, because I think Congress is showing a tendency to run pretty wild in making appropriations for our use on the Hill. I do not believe we can run very wild ourselves and then expect to hold the executive branch in line when it comes to appropriations. I am becoming a little disturbed over the situation.

Mr. CURTIS. I yield the floor.

Mr. MANSFIELD. This is a general-election year.

Mr. AIKEN. I am not questioning the amount.

Mr. MANSFIELD. This is not a select committee; it is a standing subcommittee.

Mr. AIKEN. I would question the hiring of more personnel at this time than there is actually work for.

Mr. KERR. Mr. President, the distinguished Senator from Illinois asked if this subcommittee had any function to perform in connection with a primary election. My first acquaintance with this subcommittee was in connection with my own primary election. It came as quite a shock to me that Republican staff members of the Republican subcommittee came into Oklahoma in 1948 in the primary election. They were not satisfied with doing that; they then went on to the State just south of the Red River.

Mr. ANDERSON. Texas?

Mr. KERR. To Texas. [Laughter.]

Then they went on to the State of my colleague, the distinguished Senator from New Mexico [Mr. ANDERSON].

I do not know whether or not there is authority of law for this subcommittee to spend money in connection with the investigating of primaries; but I say to the wide, wide world that there is precedent for it. [Laughter.]

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Nebraska [Mr. CURTIS]. The yeas and nays having been ordered, the clerk will call the roll.

The Chief Clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Ohio [Mr. LAUSCHE], the Senator from Montana [Mr. MURRAY], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Georgia [Mr. RUSSELL], and the Senator from North Carolina [Mr. SCOTT] are absent on official business.

I further announce that, if present and voting, the Senator from New Mexico [Mr. CHAVEZ], the Senator from Montana [Mr. MURRAY], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from North Carolina [Mr. SCOTT] would each vote "nay."

Mr. DIRKSEN. I announce that the Senator from Kentucky [Mr. COOPER] and the Senator from Pennsylvania [Mr. MARTIN] are absent on official business.

The Senator from Massachusetts [Mr. SALTONSTALL], the Senator from Vermont [Mr. FLANDERS], and the Senators from New York [Mr. IVES and Mr. JAVITS] are necessarily absent.

The Senator from Ohio [Mr. BRICKER], the Senator from New Hampshire [Mr. BRIDGES], the Senator from Connecticut [Mr. BUSH], the Senator from Maryland [Mr. BUTLER], the Senator from Kansas [Mr. CARLSON], the Senator from North Dakota [Mr. LANGER], the Senator from West Virginia [Mr. REVERCOMB], the Senator from Minnesota [Mr. THYE], and the Senator from North Dakota [Mr. YOUNG] are detained on official business.

If present and voting, the Senator from Ohio [Mr. BRICKER], the Senator from Kentucky [Mr. COOPER], the Senator from Pennsylvania [Mr. MARTIN] and the Senator from Massachusetts [Mr. SALTONSTALL] would each vote "yea."

The result was announced—yeas, 25, nays, 49, not voting, 22, as follows:

YEAS—25

Aiken	Dworshak	Mundt
Allott	Goldwater	Potter
Barrett	Hickenlooper	Purtell
Bennett	Hoblitzell	Schoeppel
Capehart	Hruska	Smith, N. J.
Case, S. Dak.	Jenner	Watkins
Cotton	Knowland	Williams
Curtis	Martin, Iowa	
Dirksen	Morton	

NAYS—49

Anderson	Hill	Morse
Beall	Holland	Neuberger
Bible	Humphrey	Pastore
Carroll	Jackson	Payne
Case, N. J.	Johnson, Tex.	Proxmire
Church	Johnston, S. C.	Robertson
Clark	Kefauver	Smathers
Douglas	Kennedy	Smith, Maine
Eastland	Kerr	Sparkman
Ellender	Kuchel	Stennis
Ervin	Long	Symington
Frear	Magnuson	Talmadge
Fulbright	Malone	Thurmond
Gore	Mansfield	Wiley
Green	McClellan	Yarborough
Hayden	McNamara	
Hennings	Monroney	

NOT VOTING—22

Bricker	Flanders	Revercomb
Bridges	Ives	Russell
Bush	Javits	Saltonstall
Butler	Langer	Scott
Byrd	Lausche	Thye
Carlson	Martin, Pa.	Young
Chavez	Murray	
Cooper	O'Mahoney	

So Mr. CURTIS' amendment was rejected.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 250) was agreed to, as follows:

Resolved, That the Committee on Rules and Administration, or any duly authorized subcommittee thereof, is authorized under sections 134 (a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdictions specified by rule XXV of the Standing Rules of the Senate, to examine, investigate, and make a

complete study of any and all matters pertaining to—

(1) the election of the President, Vice President, or Members of Congress;

(2) corrupt practices;

(3) contested elections;

(4) credentials and qualifications;

(5) Federal elections generally;

(6) presidential succession.

SEC. 2. For the purposes of this resolution the committee, from February 1, 1958, to January 31, 1959, is authorized to (1) make such expenditures as it deems advisable; (2) to employ upon a temporary basis technical, clerical, and other assistants and consultants: *Provided*, That the minority is authorized to select one person for appointment, and the person so selected shall be appointed and his compensation shall be so fixed that his gross rate shall not be less by more than $1,200 than the highest gross rate paid to any other employee; and (3) with the prior consent of the heads of the departments or agencies concerned, and the Committee on Rules and Administration, to utilize the reimbursable services, information, facilities, and personnel of any of the departments or agencies of the Government.

SEC. 3. The committee shall report its findings, together with its recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than January 31, 1959.

SEC. 4. Expenses of the committee, under this resolution, which shall not exceed $150,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

INVESTIGATION BY COMMITTEE ON BANKING AND CURRENCY

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1255, Senate Resolution 214.

The PRESIDING OFFICER (Mr. PROXMIRE in the chair). The resolution will be stated by title.

The CHIEF CLERK. Calendar No. 1255, Senate Resolution 214, authorizing the Committee on Banking and Currency to investigate certain matters under its jurisdiction.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the resolutiton (S. Res. 214) authorizing the Committee on Banking and Currency to investigate certain matters under its jurisdiction, which had been reported from the Committee on Banking and Currency without amendment, and subsequently had been reported from the Committee on Rules and Administration without amendment.

Mr. JOHNSON of Texas. Mr. President, if there is no objection, I should like to have action taken on the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

Mr. ELLENDER. Mr. President, I notice that the resolution calls for $30,000 less than was allowed last year.

Mr. FULBRIGHT. Yes. The amount now called for is the smallest amount for this purpose that I can remember; it is $30,000 less than was allowed last year. We cannot recall a time when a smaller amount was requested for this purpose. The committee now has the smallest number of employees it has ever had.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 214) was agreed to, as follows:

Resolved, That the Committee on Banking and Currency, or any duly authorized subcommittee thereof, is authorized under sections 134 (a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdictions specified by rule XXV of the Standing Rules of the Senate, to examine, investigate, and make a complete study of any and all matters pertaining to—

(1) banking and currency generally;

(2) financial aid to commerce and industry;

(3) deposit insurance;

(4) the Federal Reserve System, including monetary and credit policies;

(5) economic stabilization, production, and mobilization;

(6) valuation and revaluation of the dollar;

(7) prices of commodities, rents, and services;

(8) securities and exchange regulation;

(9) credit problems of small business; and

(10) international finance through agencies within the legislative jurisdiction of the committee.

SEC. 2. For the purposes of this resolution the committee, from February 1, 1958, to January 31, 1959, inclusive, is authorized to (1) make such expenditures as it deems advisable; (2) to employ upon a temporary basis, technical, clerical, and other assistants and consultants: *Provided*, That the minority is authorized to select one person for appointment, and the person so selected shall be appointed and his compensation shall be so fixed that his gross rate shall not be less by more than $1,200 than the highest gross rate paid to any other employee; and (3) with the prior consent of the heads of the departments or agencies concerned, and the Committee on Rules and Administration, to utilize the reimbursable services, information, facilities, and personnel of any of the departments or agencies of the Government.

SEC. 3. Expenses of the committee, under this resolution, which shall not exceed $70,000 shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

PUBLIC AND PRIVATE HOUSING

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1256, Senate Resolution 207.

The PRESIDING OFFICER. The resolution will be stated by title.

The CHIEF CLERK. Calendar No. 1256, Senate Resolution 207, to investigate matters pertaining to public and private housing.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

Mr. KNOWLAND. Mr. President, we have no objection to having the resolution taken up. This is the resolution upon which the Senator from Alabama had a colloquy with me, the other day, here on the floor. He said he would be willing to accept an amendment providing for $90,000, which is the amount the committee had last year.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the resolution (S. Res. 207) to investigate matters pertaining to public and private housing, which had been reported from the Committee on Banking and Currency without amendment, and subsequently had been reported from the Committee on Rules and Administration without amendment.

Mr. JOHNSON of Texas. Mr. President, if the Senator from California will submit his amendment, we shall act on it.

Mr. KNOWLAND. Mr. President, I offer the following amendment: On page 2, in line 18, strike out "$104,000" and insert in lieu thereof "$90,000."

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 2, in line 18, it is proposed to strike out "$104,000" and to insert "$90,000."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from California.

The amendment was agreed to.

The PRESIDING OFFICER. The question now is on agreeing to the resolution, as amended.

The resolution (S. Res. 207) as amended, was agreed to, as follows:

Resolved, That the Committee on Banking and Currency, or any duly authorized subcommittee thereof, is authorized under sections 134 (a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdictions specified by rule XXV of the Standing Rules of the Senate, to examine, investigate, and make a complete study of any and all matters pertaining to public and private housing.

SEC. 2. For the purposes of this resolution the committee, from February 1, 1958, to January 31, 1959, inclusive, is authorized to (1) make such expenditures as it deems advisable; (2) to employ, upon a temporary basis, technical, clerical, and other assistants and consultants: *Provided*, That the minority is authorized to select one person for appointment, and the person so elected shall be appointed and his compensation shall be so fixed that his gross rate shall not be less by more than $1,200 than the highest gross rate paid to any other employee; and (3) with the prior consent of the heads of the departments or agencies concerned, and the Committee on Rules and Administration, to utilize the reimbursable services, information, facilities, and personnel of any of the departments or agencies of the Government.

SEC. 3. The committee shall report its findings, together with its recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than January 31, 1959.

SEC. 4. Expenses of the committee, under this resolution, which shall not exceed $90,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

INVESTIGATION BY COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1257, Senate Resolution 224.

The PRESIDING OFFICER. The resolution will be stated by title.

The CHIEF CLERK. Calendar No. 1257, Senate Resolution 224, authorizing the Committee on Interstate and Foreign

Commerce to investigate certain matters under its jurisdiction.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the resolution, which had been reported from the Committee on Interstate and Foreign Commerce with an amendment, on page 3, in line 4, after the word "exceed" to insert "$225,000"; and which had subsequently been reported from the Committee on Rules and Administration without additional amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the Committee on Interstate and Foreign Commerce, which will be stated.

The CHIEF CLERK. On page 3, in line 4, it is proposed to insert "$225,000."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. ELLENDER. Mr. President, I believe the resolution calls for an increase in the amount of $25,000 over the amount provided last year. According to information before me, the Senate last year provided $200,000 for this subcommittee; this year $225,000 is requested.

Mr. KNOWLAND. Mr. President, my record shows that last year the Senate authorized $225,000. Therefore, the pending resolution calls for the same amount the Senate authorized last year, as I understand.

Mr. ELLENDER. Last year the Senate authorized for this purpose the expenditure of $200,000, did it not?

Mr. KNOWLAND. No; last year the Senate authorized for this purpose an appropriation of $225,000. The committee spent less than that amount, and returned part of the amount authorized for its use.

Mr. ELLENDER. Then the information provided me is in error.

Mr. KNOWLAND. Mr. President, we have no objection to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the Committee on Interstate and Foreign Commerce.

The amendment was agreed to.

The PRESIDING OFFICER. The question now is on agreeing to the resolution, as amended.

The resolution (S. Res. 224), as amended, was agreed to, as follows:

Resolved, That the Committee on Interstate and Foreign Commerce, or any duly authorized subcommittee thereof, is authorized under sections 134 (a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdictions specified by rule XXV of the Standing Rules of the Senate, to examine, investigate, and make a complete study of any and all matters pertaining to—

(1) interstate commerce generally;
(2) foreign commerce generally;
(3) maritime matters;
(4) interoceanic canals;
(5) transportation policy;
(6) domestic surface transportation, including pipelines;
(7) communications;
(8) Federal power matters;
(9) civil aeronautics; and
(10) fisheries and wildlife.

SEC. 2. For the purposes of this resolution the committee, from February 1, 1958, to January 31, 1959, inclusive, is authorized to (1) make such expenditures as it deems advisable; (2) to employ, upon a temporary basis, technical, clerical, and other assistants and consultants: *Provided*, That the minority is authorized to select one person for appointment, and the person so selected shall be appointed and his compensation shall be so fixed that his gross rate shall not be less by more than $1,200 than the highest gross rate paid to any other employee; and (3) with the prior consent of the heads of the departments or agencies concerned, and the Committee on Rules and Administration, to utilize the reimbursable services, information, facilities, and personnel of any of the departments or agencies of the Government.

SEC. 3. The committee shall report its findings, together with its recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than January 31, 1959.

SEC. 4. Expenses of the committee, under this resolution, which shall not exceed $225,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

ADDITIONAL FUNDS FOR THE COMMITTEE ON FINANCE

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1258, Senate Resolution 245.

The PRESIDING OFFICER. The resolution will be stated by title.

The CHIEF CLERK. A resolution (S. Res. 245) authorizing the Committee on Finance to expend an additional $10,000 from the contingent fund of the Senate during the 85th Congress.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the resolution was considered and agreed to, as follows:

Resolved, That the Committee on Finance is hereby authorized to expend from the contingent fund of the Senate, during the 85th Congress, $10,000 in addition to the amount, and for the same purposes, specified in section 134 (a) of the Legislative Reorganization Act, approved August 2, 1946.

ADDITIONAL FUNDS FOR THE COMMITTEE ON LABOR AND PUBLIC WELFARE

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1259, Senate Resolution 252.

The PRESIDING OFFICER. The resolution will be stated by title.

The CHIEF CLERK. A resolution (S. Res. 252) to provide additional funds for the Committee on Labor and Public Welfare.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the resolution was considered and agreed to, as follows:

Resolved, That the Committee on Labor and Public Welfare is hereby authorized to expend from the contingent fund of the Senate, during the 85th Congress, $10,000 in addition to the amount, and for the same purpose, specified in section 134 (a) of the Legislative Reorganization Act approved August 2, 1946.

ADDITIONAL CLERK HIRE FOR COMMITTEE ON LABOR AND PUBLIC WELFARE

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1260, Senate Resolution 254.

The PRESIDING OFFICER. The resolution will be stated by title.

The CHIEF CLERK. A resolution (S. Res. 254) to authorize additional clerk hire for the Committee on Labor and Public Welfare.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas [Mr. JOHNSON].

The motion was agreed to; and the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

Mr. HILL. Mr. President, under the resolution the committee would not be adding any personnel other than those we have had since the 83d Congress.

Mr. ELLENDER. Does that statement apply to all three resolutions?

Mr. HILL. No. I understand that the Senate is not to take up our third resolution. The resolution now before the Senate authorizes the continuance in service of four clerical assistants who were hired in the 83d Congress. Their employment continued through the 84th Congress. They were retained in the first session of the 85th Congress. It is proposed now to continue their employment in the 2d session of the 85th Congress.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution was agreed to, as follows:

Resolved, That the Committee on Labor and Public Welfare is authorized, from February 1, 1958, through January 31, 1959, to employ four additional clerical assistants to be paid from the contingent fund of the Senate at rates of compensation to be fixed by the chairman in accordance with section 202 (e), as amended, of the Legislative Reorganization Act of 1946, and the provisions of Public Law 4, 80th Congress, approved February 19, 1947, as amended.

COMMEMORATION OF FIRST FLIGHT OF AN AIRPLANE ON AN ARMY INSTALLATION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1252, House bill 6078.

The PRESIDING OFFICER. The bill will be stated by title.

The CHIEF CLERK. A bill (H. R. 6078) to provide for the erection of suitable markers at Fort Myer, Va., to commemorate the first flight of an airplane on an Army installation, and for other purposes.

Mr. JOHNSON of Texas. Mr. President, I merely desire to make that bill the unfinished business.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I should like to make an announcement. I should like to have the attention of the distinguished minority leader and the distinguished chairman of the Committee on Post Office and Civil Service.

As is customary, the leadership conferred and agreed on the period of February 10 to February 15 as one when we would not bring before the Senate any highly controversial legislation. So far as it is within my power, there will be no yea-and-nay votes. Of course, there may be quorum calls. Those quorum calls may not be withdrawn. I shall attempt to avoid as many quorum calls as possible during that week, in order to extend the customary cooperation to my friends on the minority who have speaking engagements throughout the country on Lincoln's Birthday.

I expect the Senate to be in session several days during the week. There will be some speeches, and perhaps a call of the calendar for the consideration of noncontroversial legislation, or legislation that appears to be noncontroversial.

I am hopeful that when we return to the consideration of controversial legislation, beginning with February 17, or 18, at least, the majority leader can bring before the Senate the pay bills for the postal and classified Government workers.

I expect that proposed legislation to be motioned up on Tuesday, February 18. Certainly, I shall do everything I can to hit that target. It may be 2 or 3 days later, but I expect it to be in the vicinity of February 18, or the week of February 18.

I am very much interested in getting prompt action on the bill, as I know other Senators are, because I am aware of the economic pressures which have been squeezing our Federal employees.

This type of legislation always involves many difficulties in scheduling. Many individuals must be consulted and an agreement must be reached as to the appropriate time for debate. As nearly as possible, I have already worked out that problem with the distinguished minority leader and the chairman of the Committee on Post Office and Civil Service.

The question has arisen as to whether such legislation must be tied to a postal rate increase. That is out of the hands of the majority leader. However, the only language I know is the language of candor. I have been informed by Members on both sides of the aisle that when the leadership motions up the postal pay legislation, there will be amendments offered in the form of postal rate increases. I am betraying no secret when I say Senators have already served notice to that effect upon me. I want each Member of the Senate to be aware of the facts.

There is no way that I know of in which a Senator can or should be precluded from offering an amendment. It would not accord with the traditions of the Senate to determine in advance what changes can be proposed to any specific piece of legislation.

I am informed by the distinguished chairman of the Committee on Post Office and Civil Service that he hopes to conclude hearings on Thursday of next week, and that he expects to report a rate increase bill at the earliest possible date. I hope the committee may be able to get together and report a postal rate bill, because I think it would be much better if the Senate could act upon a bill reported by the committee and thoroughly considered by the committee, rather than upon amendments offered only from the floor.

I have discussed that problem with the chairman of the Committee on Post Office and Civil Service several times. He has assured me that he will do his best to conclude hearings next week. He hopes that during the week of February 18 he can have a postal rate bill on the calendar. If that is true, perhaps we shall be able to consider pay legislation on its merits and the rate legislation independently.

If such a bill is not reported and placed on the calendar, I think all Members should be on notice that Senators will offer amendments in the form of postal rate increases, and that very likely there will be a number of yea-and-nay votes on that subject that week.

Mr. JOHNSTON of South Carolina. Mr. President, I should like to reply to what the majority leader has just said. I am glad to know the pay bills in regard to Government employees, both classified and postal workers, which are now pending on the Senate Calendar will be taken up. First, I should like to make one thing crystal clear. Pay increases for postal or other Federal employees should not and must not depend on increased revenues from postage rates. Unless we wish to limit future pay adjustments for the employees of the Agriculture Department until that Department's budget is balanced, or of the employees of the Internal Revenue Service unless and until taxes are increased, and so on down the line, we had better not set this dangerous precedent.

As to postal rate increases, I should like to read to the Senate a press release sent out of my office dated January 21, 1958:

Senator OLIN D. JOHNSTON (Democrat, of South Carolina), chairman of the Subcommittee on Postal Rates of the Senate Committee on Post Office and Civil Service, announced today that the Postmaster General, Arthur E. Summerfield, would appear before the subcommittee, Friday morning, January 24, 1958, at 10 a. m., in room 135 of the Senate Office Building, to explain the administration's new proposal to increase postal rates.

Senator JOHNSTON, also chairman of the standing Committee on Post Office and Civil Service, stated "the subcommittee met this morning and, after a full discussion, decided to begin the hearings with General Summerfield Friday morning after which all interested witnesses will be requested to conclude their testimony by the end of February."

Senator JOHNSTON declared, "It is my intention to end these hearings at the earliest possible date and to present a committee proposal to the Senate early in March."

Mr. President, I served notice on the Senate and the public that the committee had decided to conclude its hearings on this matter by the end of February, and I said that it is my intention to present a committee proposal to the Senate early in March.

This is a highly complex subject. The committee has spent many long hours studying this problem. A definite postal policy has never been decreed by the Congress. It is my hope that the hearings now scheduled for Thursday of this week and Tuesday and Thursday of next week should complete the testimony necessary to enable the committee to make a decision on this matter at an early date. I am sure the members of the subcommittee will have a general idea as to what they want to propose to the Senate when we complete the hearings next Thursday.

I intend to call the committee together immediately following the termination of the hearings on February 13, and give the members of it every opportunity to make a decision in this matter, based upon the knowledge and facts gained during the long months of hearings and study.

In the meantime, I urge each and every Member of the Senate to read the article on this subject placed in the CONGRESSIONAL RECORD by the distinguished junior Senator from Oregon on January 31, 1958. The article relates in some detail the problems that confront us at the present time.

I hope we can handle this problem in an orderly manner. I can assure the Senate that present indications are that we shall probably be able to report a bill which will involve approximately half a billion dollars.

Mr. JOHNSON of Texas. During the week of February 18?

Mr. JOHNSTON of South Carolina. Somewhere near that date. Of course, I cannot speak for all the committee members.

Mr. JOHNSON of Texas. Mr. President, I appreciate the Senator's cooperation. I want all Senators to be on notice that we shall take up the postal pay legislation during the week of February 18. We hope also to be able to consider immediately thereafter a bill which the committee has reported on postal rate legislation.

AMENDMENT OF CODE, RELATING TO PROMOTION OF RESERVE COMMISSIONED OFFICERS OF THE AIR FORCE

Mrs. SMITH of Maine. Mr. President, at the request of the National Guard Association through Maj. Gen. George M. Carter, the adjutant general of the State of Maine, I introduce for appropriate reference, a bill to amend title 10 of the United States Code with respect to the promotion of Reserve commissioned officers of the Air Force.

The bill was drafted and prepared by the National Guard Association which informs me that it contains amendments to the Reserve Officer Personnel Act

which would answer the most distressing problems confronting the Air National Guard and the Air Force Reserve at the moment.

The National Guard Association further informs me that each of the provisions embodied in the proposed bill were included as recommendations in the report of the Department of the Air Force Reserve Officer Personnel Act Committee (ad hoc) and adopted by the Air Staff Committee on Air National Guard and Air Force Reserve Policy.

I am introducing this proposed legislation at this time in the hope of expediting consideration, discussion and action on this important matter at this session of Congress as I have been further informed that there is considerable conjecture as to whether a departmental bill on this subject will be forwarded to Congress before the close of this session.

For the maximum clarification of the purposes of this bill, I ask unanimous consent to have the bill printed in the RECORD at this point, together with letters received from Maj. Gen. George M. Carter, the adjutant general of Maine, and Brig. Gen. John L. Strauss, general counsel of the National Guard Association.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill and letters will be printed in the RECORD.

The bill (S. 3240) to amend title 10, United States Code, with respect to the promotion of Reserve commissioned officers of the Air Force, and for other purposes, introduced by Mrs. SMITH of Maine, by request, was received, read twice by its title, referred to the Committee on Armed Services, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That title 10, United States Code, is amended as follows:

(1) Chapter 51 is amended—

(A) by amending section 1007 to read as follows:

"SEC. 1007. Commissioned officers: retention in active status while assigned to Selective Service System or serving as United States property and fiscal officers.

"Notwithstanding chapters 337, 363, 573, 837, and 863 of this title, a Reserve commissioned officer, other than a commissioned warrant officer, who is assigned to the Selective Service System or who is a property and fiscal officer appointed, designated, or detailed under section 708 of title 32, may be retained in that assignment or position until he becomes 60 years of age."; and

(B) by striking out the following item from the analysis:

"1007. Commissioned officers: retention in active status while asigned to Selective Service System."

and inserting the following new item in place thereof:

"1007. Commissioned officers: retention in active status while assigned to Selective Service System or serving as United States property and fiscal officers."

(2) Section 8212 is amended—

(A) by inserting the figures "8370 (a) and (c), 8372 (b), 8374" immediately before the figure ", 8375"; and

(B) by inserting the following immediately before the period at the end of the first sentence: ", and to the extent necessary to allow the appointment of Reserve officers to fill prescribed mobilization or active duty requirements".

(3) Section 8363 is amended by striking out the figure "8372" in subsection (c) and inserting the figures "8366, 8372, or 8373" in place thereof.

(4) Chapter 837 is amended—

(A) by adding the following new section at the end thereof:

"SEC. 8394. Officers promoted under section 8366 of this title: retention in unit.

"(a) Notwithstanding any other provision of law except sections 8842–8844 of this title, an officer of any unit of the Air Force Reserve organized to serve as a unit, or an officer of the Air National Guard of the United States, who is promoted to the Reserve grade of captain under section 8366 of this title, and for whom there is no vacancy in a grade above first lieutenant in his unit, may be retained in the grade of captain in his unit until he is promoted to the Reserve grade of major or until he completes 14 years of service computed under section 8366 (e) of this title, whichever is earlier.

"(b) Notwithstanding any other provision of law except sections 8842–8844 of this title, an officer of any unit of the Air Force Reserve organized to serve as a unit, or an officer of the Air National Guard of the United States—

"(1) who is promoted to the Reserve grade of major under section 8366 of this title;

"(2) who is designated under section 8067 of this title; and

"(3) for whom there is no vacancy in a grade above captain in his unit; may be retained in the grade of major in his unit until he is promoted to the Reserve grade of lieutenant colonel or until he completes 21 years of service computed under section 8366 (e) of this title, whichever is earlier.

"(c) An officer of the Air National Guard covered by this section may be federally recognized, and retained as provided in this section, in the grade of captain or major, as the case may be, regardless of the existence of a vacancy in that grade, or in any higher grade, in his unit."; and

(B) by adding the following new item at the end of the analysis:

"8394. Officers promoted under section 8366 of this title: retention in unit."

(5) Chapter 863 is amended—

(A) by adding the following new section at the end thereof:

"SEC. 8854. Transfer from an active status of certain officers of the Air National Guard of the United States or Air Force Reserve.

"Notwithstanding any other provision of law, a Reserve officer who is a civilian employee of the Air National Guard or an Air Force Reserve technician, and who is under 60 years of age, may not be removed from an active status without his consent, because of any provision of this title, except for physical disability or because of failure of promotion to the Reserve grade of captain, major, or lieutenant colonel. A vacancy may be specifically created, if necessary, to give effect to a mandatory promotion of an officer covered by this section."; and

(B) by adding the following new item at the end of the analysis:

"8854. Transfer from an active status of certain officers of the Air National Guard of the United States or Air Force Reserve."

The letters presented by Mrs. SMITH of Maine are as follows:

NATIONAL GUARD ASSOCIATION
OF THE UNITED STATES,
Washington, D. C., February 4, 1958.

The Honorable MARGARET CHASE SMITH,
United States Senate,
Senate Office Building,
Washington, D. C.

DEAR SENATOR SMITH: In reply to your communication of February 3, concerning the bill forwarded to you by General Carter, of Maine, which would amend certain provisions of title 10, United States Code, in respect to the promotion of Reserve commissioned officers of the Air Force, I should like to take the liberty of acquainting you with some of the background which culminated in its development.

Prior to the enactment of the Reserve Officer Personnel Act of 1954, the National Guard Association and others, notably the Department of Defense and the Department of the Air Force, recognized its possible unfavorable impact in special areas upon certain of the Reserve components. Testimony before the Armed Services Committee of the Senate during its consideration of H. R. 6573 clearly revealed the degree of misgivings which had arisen concerning the then proposed act. After H. R. 6573 was enacted into Public Law 773, 83d Congress, and prior to the effective date of the law, certain technical amendments were introduced by the Department as S. 1718, and enacted as Public Law 115, 84th Congress. The announced position of the Department of Defense at that time was to the effect that it would continue to operate under the terms of the act, as amended, for a period of 2 years, in order to gain additional experience before seeking further amendments.

During the ensuing period, the operation of certain provisions of the act upon organized Ready Reserve units of the Air Force, and in particular on the Air National Guard, became almost devastating in effect. As a result of agitation in the field and specific recommendations of the Air Staff Committee on Air National Guard and Air Force Reserve Policy, there was established and convened in the Department of the Air Force during the fall of 1956 a Reserve Officer Personnel Act Committee (ad hoc), consisting of representatives from the Air Force Reserve, Air National Guard, Regular Air Force, Air Staff Committee on Air National Guard and Air Force Reserve Policy, Air Force Association, Reserve Officers Association, and the National Guard Association. This ad hoc committee developed a series of proposed amendments to the Reserve Officer Personnel Act, which were adapted by the Air Staff Committee on Air National Guard and Air Force Reserve Policy and recommended by that body to the Secretary of the Air Force as required legislation.

Proposed legislation was drawn and submitted to the Reserve Forces Policy Board in the Office of the Secretary of Defense. Meanwhile, the other services had been engaged in developing needed amendments to the basic statute, and ultimately the whole was incorporated into a completed document.

It is impossible to say at this time when or if the departmental bill will be forwarded to Congress for introduction.

While the proposed bill prepared by this association and submitted to you by General Carter is not intended to be a full and complete panacea, it does contain amendments to the Reserve Officer Personnel Act which would answer the most distressing problems confronting the Air National Guard and the Air Force Reserve at the moment. Moreover, each of the provisions embodied in the proposed bill were included as recommendations in the report of the Department of the Air Force Reserve Officer Personnel Act Committee (ad hoc) and adapted by the Air Staff Committee on Air National Guard and Air Force Reserve Policy.

The proposed bill is admittedly confusing, in that it is drawn as amendments to title 10, United States Code, and a study of that document apparently indicates many drafting deficiencies in the bill. The reasons are obvious. Existing title 10 of the code was enacted by the Congress as Public Law 1028 of the 84th Congress, approved on August 10, 1956. That codification law as embodied in H. R. 7049 included only those laws which

were enacted or by their terms effective on or before March 31, 1956. Thus, the Reserve Officer Personnel Act, which became effective on July 1, 1955, is not included therein. Nevertheless, the codification cleanup bill, H. R. 8943, which was passed by the House of Representatives on August 5, 1957, and which is now pending before the Judiciary Committee of the Senate, codifies into title 10 of the code all laws enacted or made effective subsequent to March 31, 1955, up to and including December 31, 1956. It is in this latter document that the provisions of Public Law 773, 83d Congress (ROPA), may be found. Inasmuch as H. R. 8943 will undoubtedly be enacted into Public Law at an early date, and prior to any action taken on amendments to the Reserve Officer Personnel Act, our proposed bill is keyed to title 10 as though H. R. 8943 had actually been enacted.

The National Guard Association firmly supports the provisions of the proposed bill. We believe that it will provide, in great part, an answer to certain problems confronting the Air National Guard under the provisions of the basic statute.

I trust that this communication presents the answers to your questions and would consider it a distinct pleasure to discuss this matter further with you or the members of your staff, at your convenience.

Sincerely,

JOHN L. STRAUSS, *General Counsel.*

OFFICE OF THE ADJUTANT GENERAL,
Augusta, Maine, January 29, 1958.

The Honorable MARGARET C. SMITH,
United States Senate,
Washington, D. C.

DEAR SENATOR SMITH: For the past 3 years the Reserve forces of the Air Force have been operating under the restrictive provisions of the Reserve Officers Personnel Act of 1954, which became effective on July 1, 1955. Even prior to its effective date, a bill was introduced by you to provide certain clarifying and technical amendments, and this became law on June 30, 1955. This bill did not, in our opinion, correct all the deficiencies inherent in ROPA, but did aid in its administration. Consequently, the units of the Ready Reserve remain under the heavy burden of the unfavorable aspects of the law.

In July of 1955, all promotions to unit vacancies were temporarily suspended by direction of the Air Force through the National Guard Bureau. This action was taken because the initial impact of the mandatory promotions was expected to exceed the grade authorizations as set forth in section 503 of ROPA. Later, in mid-1956, the freeze was lifted on promotions to captain and colonel. The restrictions on promotions to major and lieutenant colonel remains to this date and there seems to be no relief in sight except through legislative action by the Congress.

As a matter of interest, there are 10 qualified captains and majors of the Maine Air National Guard who are occupying position vacancies calling for the next higher grade. These officers cannot, of course, be promoted except under the mandatory provisions of the act. This is a grave injustice to these competent officers. Most have had both World War II and Korean service. I do not have figures available on the total number of unit officers similarly affected nationwide, but it is known to be substantial.

In the fall of 1956 the Chief of Staff of the Air Force appointed a committee to examine the Reserve Officers Personnel Act in its entirety. It also served as a clearinghouse for the many proposals for amendment which were being generated at all levels of the Reserve force structure. Recommendations were submitted by:

1. Air staff working group on amendments to ROPA.

2. Air Force Association.

3. National Guard Association of the United States.

4. Reserve Officers Association of the United States.

The committee itself was composed of a representative group of officers, including representatives from the Air National Guard and the Air Force Reserve.

The committee's report contained some 25 to 30 specific recommendations. It is our understanding that the substance of these recommendations will be included in the approved Department of Defense legislative program, and will be introduced sometime during the current session. We do not know whether this is likely to be done in time to permit hearings to be completed this session.

To guard against the possibility of high priority defense matters crowding the docket at the expense of any extensive ROPA hearings, the attached abbreviated legislative amendments are recommended. These proposals, if adopted, would eliminate the most immediate and serious deficiencies now encountered in the administration of the act. To the best of our knowledge, they will not be inconsistent with the Department of Defense recommendations, and, so far as we have been able to learn, will not create controversy within the Air National Guard and the Air Force Reserve, and the organizations representing them.

The attached bill was prepared by the legal staff of the National Guard Association of the United States. Our understanding is that it will also be introduced in the House. This bill would, if adopted, accomplish four objectives:

1. Permit the retention of United States property and fiscal officers until age 60.

This concerns United States property and fiscal officers who perform a vital function for the Air National Guard and Army National Guard and for the Federal Government. Each is the accountable officer for all Federal property issued by the Army and Air Force to the Army National Guard and Air National Guard of the State or Territory. Each United States property and fiscal officer must be a member of the Army National Guard or Air National Guard of his State on active duty and assigned to his position at the request and with the concurrence of the appropriate State or Territory authorities.

The grade of such officers is currently controlled pursuant to law by agreement between the Secretaries concerned. In the majority of cases these officers are serving in the grade of lieutenant colonel or colonel and are senior officers of long experience and mature judgment. Their importance to the guard program should not be underestimated. Their elimination from active status and coincidental release from active duty by virtue of the mandatory service and grade retirement provisions of the act would be extremely detrimental to the guard program and increase the difficulties of obtaining qualified officers to serve in this capacity. Precedence for the recommendation concerning these officers exists in the treatment of civilian employees of the Air National Guard and of officers assigned to the Selective Service System.

2. Remove officers of organized units of the Air National Guard and Air Force Reserve from the general grade limitations imposed on Reserve officers of the Air Force.

This proposal merely clarifies the law to provide a separate grade authorization for the Ready Reserve, in line with provisions found in the Army title. It will mean that vacancies existing in Ready Reserve units can be filled by promotion, notwithstanding the fact that authorized numbers in grades may have been exceeded by the working of other provisions of the law. This proposal would relieve the situation here in Maine previously referred to. The promotion to these officers of our Maine Air National Guard is, naturally, of great concern to us. It would have a substantial morale effect, since these officers are justifiably embittered at a system which denies them promotion because the positions are occupied by officers in other than the Ready Reserve and whose participation and contribution is certainly of a much lesser degree.

3. Provide for the retention of certain officers beyond the present phased promotion limitation.

This provision concerns the phased, or mandatory, promotion system which promotes officers without regard to whether they are, in fact, promoted out of their unit of assignment. This is a healthy situation in the case of older officers who have held their grade and position for long periods as it reduces stagnation in these units and vitalizes the mobilization Reserve. It should be noted that the vitalization principle of ROPA is generally accepted and endorsed.

However, since only a small portion of the positions in the Air National Guard and Air Force Reserve units are in grades higher than lieutenant an undesirable situation results. A first lieutenant is mandatorily promoted to captain upon completion of 7 years of service. Since the average officer is first commissioned at age 23, he reaches the grade of captain at age 30. If there is no unit vacancy above the grade of first lieutenant, he must leave the unit at a relatively early age after only a few years of experience.

However, if he could be retained during his captaincy, he would remain with his unit until he completed 14 total years of service or, on the average, 37 years of age. In this way, the vitalization concept of ROPA would be preserved, yet the young officer, expensively trained, could be retained during the peak of his productivity.

For officers in a unit vacancy of captain who are mandatorily promoted to major, and no unit vacancy exists, retention would be permitted for 21 years, or, on the average, until 44 years of age.

4. Provide for the retention of civilian employees and technicians of the Air National Guard and the Air Force Reserve.

This refers to a savings clause in ROPA for those Air National Guard officers who were employed by the State as Air National Guard technicians from being separated from an active status because a mandatory promotion placed them in a grade higher than called for in the position they occupy. This savings clause was of immediate necessity at the time it was enacted. However, a situation which will arise in the future was apparently overlooked. Actually the employment of these people is predicated on each individual holding a commission in an active status. If they lose that commission, they likewise are no longer qualified to hold the civilian position.

Most retirement plans for State employees require attainment of age 60 for eligibility. As this savings clause does not protect these technicians who complete the maximum years of service (30 years if a colonel; 28 years if in lower grades) many will lose their active status prior to age 60 and thereby might lose their rights to State retirement. It can be said that this will invariably happen to those who were originally commissioned prior to age 30. This group, of course, is in the large majority.

As the Air Reserve technician plan is patterned after the Air Guard technician plan, the same conditions will affect these officers as to their Federal civil service status.

This will extend the savings provisions to all Air National Guard technicians and preclude removal from an active status because of length of service. Because the same situation will prevail for Air Reserve technicians when the plan for their use is approved, they too are included in these savings provisions.

We sincerely hope that you will, on basis of the information herein contained, find it possible to introduce this bill in the Senate and lend your support to hearings and action in this session.

Even in the so-called missile age, a strong Air National Guard is essential to our defense structure. We will be happy to furnish any additional details required.

GEORGE M. CARTER,
Major General, The Adjutant General.

NEED FOR PAY INCREASES FOR POSTAL AND CLASSIFIED CIVIL SERVICE EMPLOYEES, AND INCREASED ANNUITIES FOR RETIRED CIVIL SERVICE EMPLOYEES

Mr. SMATHERS. Mr. President, there is pending on the Senate Calendar legislation to provide pay increases for postal and classified civil-service employees, as well as legislation to provide an increase in the annuities which our retired civil-service employees are now receiving. Since the soaring costs of living have placed a financial hardship on both active and retired Federal employees, I cannot urge too strongly that the Senate act promptly and favorably on this legislation.

My years of service on the Post Office and Civil Service Committee gave me an opportunity to become familiar with the problems of both our active and retired Federal employees. It equipped me to place a proper evaluation on whether those problems are being resolved in a timely and equitable manner. One of the most pressing and seemingly continuing problems is the matter of pay and annuities which they are receiving. They have seen prices on the continual rise and yet their wages and annuities have remained more or less constant.

Last year the administration unfortunately took a firm position against an increase of any kind. I did not agree with that position for I thought it was completely wrong. I am very happy to note that the administration has had a change of heart and now is supporting pay-increase legislation.

I have carefully studied the postal pay and classified pay increase legislation. I believe it is equitable, and reasonable, and its passage certainly is long overdue. I will support both of these measures and I hope my colleagues on both sides of the aisle will see fit to do likewise. This is an instance in which equity transcends political considerations. The pending bills deserve and should receive our united support.

Mr. President, I would not wish to conclude my brief remarks without indicating how happy I am that legislation to provide an increase in annuities for civil service retirees has been cleared by the Democratic Policy Committee, and is also scheduled for floor action at an early date. I am very familiar with and have long been acutely conscious of the plight of these senior citizens who have devoted the best days of their lives in the service of the Federal Government. Many of them are in desperate financial circumstances. To help alleviate their plight, it is also essential that we act with the utmost speed on such legislation.

Mr. President——

The PRESIDING OFFICER. The Senator from Florida has the floor.

NATIONAL MENTAL HEALTH WEEK

Mr. SMATHERS. Mr. President, once again I rise to speak in behalf of the Nation's most neglected unfortunate sick—the millions of mentally ill.

A year ago, when I introduced a joint resolution for the proclamation of National Mental Health Week, I reported tentative evidence indicating a break in the steep 25-year climb of the Nation's mental hospital rolls. At that time, I stated that, during 1956, the resident population of these hospitals had fallen by 7,000—and that this was the first such decline in the entire period. But then, taking heed of the cautionary comments of the National Association for Mental Health, I pointed out that it was then too early to determine whether this decline was some statistical accident resulting from a combination of undiscernible circumstantial factors—or whether it was indeed an indication of a true break.

It gives me great gratification to now report that, in 1957, mental hospital rolls fell once more. Complete figures for the year—and for all mental hospitals—are not yet available. But reports from 20 representative States for the period up to October 1957, show an additional decline of 2,500 patients. If we project this decrease for the entire year, and for all 48 States, we may conclude that during 1957, mental hospital rolls dropped for the second consecutive year and in the amount of some 6,000 patients.

Perhaps this decline may not appear too significant or substantial when we compare it with the total resident mental hospital population of 750,000—and perhaps this comparison may tend to dull our optimism somewhat.

But, if that be our inclination, then let us consider some other facts. First, let us remember that for 25 years up to 1956, mental hospital rolls rose by an average of 12,000 patients each year. Then let us remember that the decline in hospital rolls during 1956 and 1957 took place despite an increase in hospital admissions during these 2 years. Considering these facts, the decline reflects progress and affords hope in combating this disease.

What does this decline really mean? It means that despite an increase in the incidence of hospitalization for mental illness, there has been a decrease in the number of patients who remain hospitalized because of mental illness. It means that thousands of human beings are being freed from the nightmare and torture of mental illness.

It means that the concept of custodial care for the mentally ill is slowly, but certainly, being converted into the concept of medical treatment for the mentally ill. It means that more and more patients are being given the treatment which they need—the treatment which science has already made available, but which has been withheld from so many because the hospitals lacked the necessary professional staff and medical equipment.

We must remember, however, that the gains which are being made still affect only a small percentage of the hospitalized mentally ill. Most of the patients who are being discharged from the mental hospitals are new patients, for it is the tragic fact that most mental hospitals have only enough staff and equipment to give adequate care and treatment to their new patients—and not even to all of these.

This means that hundreds of thousands of elderly men and women—patients—are being denied a chance to get well. It is, of course, entirely proper to raise the question as to whether these older patients could benefit by treatment, even if the hospitals did have the necessary staff and equipment. In answer to this question permit me to submit information provided by the National Association for Mental Health. This information reflects that in the past few years hundreds of patients, who have been hospitalized from 5 to 50 years, have recovered and gone home. But these were the fortunate few. These were patients in hospitals which have pushed their treatment program—so far as possible—to include some of the older patients. If this can happen in some hospitals, then it can happen in all. It is safe to say, that with even a slight further extension of treatment, tens of thousands of elderly mental-hospital patients could be rescued from mental illness within the next few years.

Though the tide of mental illness has begun to turn, it still remains the Nation's No. 1 health problem. The gains which have been made are real but they are small. There has been no major breakthrough—only a small breach.

All of what I have said applies as well to those mentally ill who are not in need of hospitalization. I refer to the 16 million other Americans suffering from disabling mental disorders. They, too, could be helped if there were more mental health clinics in their communities and more guidance and counseling services in the schools and in industry. But here again, there is a continuing shortage—a continuing inadequacy. Many of those suffering today from minor mental disorders, and who are unable to get the treatment they need, will some day become applicants for admission to mental hospitals.

Current treatments for mental illness, including shock therapy and psychotherapy, are effective only for some mental disorders, and for only some mental patients. This points to the urgent need of expanded research designed to improve current treatment methods and to find new ones for those patients who cannot yet be helped.

And let us not forget too, the thousands of recovered mental patients who break down again, after their discharge from the hosiptal, because they are unable to get a welcome, a home or a job on their return to their community.

There is every reason for us to be hopeful about the final outcome in the fight against mental illness—but then, we must recognize, as we heed the lesson which medical history points out—that gains do not come by themselves—so, once more, I call attention to Mental Health Week, an annual nationwide observance directed by the National Association for Mental Health in cosponsor-

ship with the National Institute of Mental Health. This year, the week of April 27 has been set aside for the purpose of focusing the attention of the people of America on the necessity of continuing the fight against mental illness.

To express the sense of the Congress concerning this serious problem with which the Nation is confronted, I desire to introduce at this time for appropriate reference a joint resolution, which is cosponsored by my able and distinguished colleague, the senior Senator from Florida [Mr. HOLLAND], and request that it be printed in the RECORD, and lie at the desk for 3 days in order to permit such other of my colleagues who desire to do so, to join as cosponsors.

The PRESIDING OFFICER. The joint resolution will be received and appropriately referred; and, without objection, the joint resolution will be printed in the RECORD, and lie on the table, as requested by the Senator from Florida.

The joint resolution (S. J. Res. 148) requesting the President to proclaim the week April 27 to May 3, 1958, inclusive, as National Mental Health Week, introduced by Mr SMATHERS (for himself and Mr. HOLLAND), was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Whereas there is presently a great need for nationwide action for the prevention, treatment, and cure of mental illness; and

Whereas the National Association for Mental Health and the State and local mental health organizations associated therewith are working diligently in the fight against mental illness; and

Whereas the mental health fund is in dire need of public support in order to improve conditions in mental hospitals, provide more adequate treatment for the mentally and emotionally ill, carry on research in the field of the prevention, treatment and cure of mental illness, and promote mental health education: Now, therefore, be it

Resolved, etc., That the President of the United States is authorized and requested to issue a proclamation designating the week beginning April 27 and ending May 3, 1958, as National Mental Health Week, and urging the people throughout the Nation to cooperate in the fight for the prevention, treatment, and cure of mental illness, and inviting the communities of the United States to observe such week with appropriate ceremonies and activities.

TRANSACTION OF ADDITIONAL ROUTINE BUSINESS

By unanimous consent, the following additional routine business was transacted:

ADDITIONAL BILL AND JOINT RESOLUTION INTRODUCED

The following additional bill and joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mrs. SMITH of Maine (by request):

S. 3240. A bill to amend title 10, United States Code, with respect to the promotion of Reserve commissioned officers of the Air Force, and for other purposes; to the Committee on Armed Services.

(See the remarks of Mrs. SMITH of Maine when she introduced the above bill, which appear under a separate heading.)

By Mr. SMATHERS (for himself and Mr. HOLLAND):

S. J. Res. 148. Joint resolution requesting the President to proclaim the week April 27 to May 3, 1958, inclusive, as National Mental Health Week; to the Committee on the Judiciary.

(See the remarks of Mr. SMATHERS when he introduced the above joint resolution, which appear under a separate heading.)

ADJOURNMENT

Mr. SMATHERS. Mr. President, I move that the Senate now stand in adjournment until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 34 minutes p. m.) the Senate adjourned until tomorrow, Thursday, February 6, 1958, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate February 5, 1958:

DIPLOMATIC AND FOREIGN SERVICE

Everett F. Drumright, of Oklahoma, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to China, vice Karl L. Rankin.

Howard P. Jones, of Maryland, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Indonesia, vice John M. Allison.

Walter K. Scott, of Maryland, to be an Assistant Secretary of State, vice Isaac W. Carpenter, Jr., resigned.

FEDERAL RESERVE SYSTEM

Abbot L. Mills, Jr., of Oregon, to be a member of the Board of Governors of the Federal Reserve System for a term of 14 years from February 1, 1958. (Reappointment.)

DEPARTMENT OF THE NAVY

Rear Adm. Paul D. Stroop, United States Navy, to be Chief of the Bureau of Ordnance in the Department of the Navy for a term of 4 years.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 5, 1958:

DIPLOMATIC AND FOREIGN SERVICE

The following-named persons to be Ambassadors Extraordinary and Plenipotentiary of the United States of America to the country indicated:

James W. Riddleberger, of Virginia, to Greece.

Parker T. Hart, of Illinois, to Hashemite Kingdom of Jordan.

John Wesley Jones, of Iowa, to United Kingdom of Libya.

Lester D. Mallory, of Washington, to Guatemala.

Edward J. Sparks, of New York, to Venezuela.

The following-named person to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to the country indicated:

Clifton R. Wharton, of California, to Rumania.

DEPARTMENT OF JUSTICE

Lawrence Edward Walsh, of New York, to be Deputy Attorney General.

Malcolm R. Wilkey, of Texas, to be an Assistant Attorney General.

DIPLOMATIC AND FOREIGN SERVICE

ROUTINE APPOINTMENTS

The following-named persons, who were appointed during the last recess of the Senate, to the offices indicated:

To be consuls general

Frank A. Waring, of California.
Samuel D. Boykin, of Maryland.
Edward C. Crouch, of the District of Columbia.
Graham R. Hall, of Arkansas.
John F. Killea, of Texas.
Walter W. Orebaugh, of Oregon.
Donald A. Dumont, of New York.

To be Foreign Service officer of class 2, consul, and secretary

John Miles, of Illinois.

To be Foreign Service officers of class 3, consul, and secretary

James G. Byington, of Connecticut.
Harold A. Chastka, of South Dakota.
Mrs. Alice T. Curran, of New York.
Clyde E. Holmes, of Washington.
Wallace Irwin, Jr., of New York.
Benton D. Morgan, of California.
Jameson Parker, of the District of Columbia.
William J. Stibravy, of New Jersey.

To be Foreign Service officer of class 4, consul, and secretary

Mrs. Margaret Rupli Woodward, of the District of Columbia.

To be Foreign Service officers of class 5, consul, and secretary

Stephen Duncan-Peters, of New York.
Miss Elizabeth McGrory, of California.

To be consuls

Paul J. Hoylen, of Maryland.
Andrew I. Killgore, of Alabama.
Anthony E. Starcevic, of California.

To be Foreign Service officers of class 6, vice consul of career, and secretary

Miss Maurine Crane, of Utah.
Dudley E. Cyphers, of Florida.
Eric W. Fleisher, of Maryland.
Wayne B. Gentry, of Washington.
James M. Hall, of Washington.
Miss Roberta L. Meyerkort, of Mississippi.
Miss Ruth G. Michaelson, of Michigan.
Philip M. Nagao, of California.
Gabriel J. Paolozzi, of Nevada.
Paul Sadler, of Tennessee.
Mrs. Helen S. Steele, of California.

To be Foreign Service officers of class 8, vice consul of career, and secretary

Terrell E. Arnold, of California.
David P. Banowetz, of Louisiana.
Harry E. Bergold, Jr., of New York.
Miss Emma Bernardon, of New York.
Jay H. Blowers, of Florida.
James Bernard Bockian, of New Jersey.
Miss Helen Brady, of Pennsylvania.
William E. Breidenbach, of New York.
Peter S. Bridges, of Illinois.
Miss Lucy Therina Briggs, of Maine.
Jere Broh-Kahn, of Ohio.
Carroll Brown, of Alabama.
Eugene B. Bruns, of Maryland.
Jerald G. Clemans, of California.
John R. Clingerman, of Michigan.
Emmett M. Coxson, of Illinois.
William F. Crary, of Florida.
Robert R. Dennis, of Pennsylvania.
Francis De Tarr, of California.
Miss Helen Marie Donovan, of New Jersey.
Miss Suzanne E. Dress, of Pennsylvania.
Robert W. Duemling, of California.
William L. Dutton, Jr., of Iowa.
Richard A. Dwyer, of Indiana.
Miss Phyllis E. Elliott, of Missouri.
Ollie B. Ellison, of Illinois.
Raymond C. Ewing, of California.
Miss Anne Ladd Frederick, of Massachusetts.
Howard V. Funk, Jr., of New York.

Herbert Donald Gelber, of New York.
Terry G. Grant, of Illinois.
Kurt F. Gross, of Wisconsin.
Miss Thurza Maureen Harris, of Kansas.
James R. Holway, of Illinois.
James F. Hughes III, of New York
David Korn, of Missouri.
David C. Lacey, Jr., of Ohio.
George M. Lane, of Massachusetts.
Frederick H. Lawton, of New Jersey.
Melvin H. Levine, of Massachusetts.
William H. Luers, of Illinois.
Edward J. Malonis, of Massachusetts.
Wade H. B. Matthews, of North Carolina.
James A. Mattson, of Minnesota.
John C. Monjo, of Connecticut.
John T. Morgan, of Illinois.
Miss Dorothy H. Myers, of Maryland.
Richard A. Neale, of California.
George Clay Nettles, of Alabama.
George W. Ogg, of Virginia.
Oscar J. Olson, Jr., of Texas.
James R. Panks, of Washington.
Thomas J. Pape, of Texas.
Edward L. Peck, of California.
Neale J. Pearson, of Florida.
Lawrence Pezzullo, of New York.
Homer R. Phelps, Jr., of New York.
Martin Polstein, of New York.
William H. Price, of Florida.
Frederick S. Quin, of New York.
William E. Rau, of Missouri.
Thomas J. Riegert, of Ohio.
John T. Rogerson, Jr., of Florida.
John Hall Rouse, Jr., of Maryland.
David D. Shobe, of Illinois.
Walter John Silva, of Massachusetts.
Clint E. Smith, of New Mexico.
Donnell D. Smith, of Rhode Island.
David C. Sperling, of Connecticut.
Linwood R. Starbird, of Maine.
Ronald Lewis Steel, of Illinois.
Donald C. Tice, of Kansas.
Blaine C. Tueller, of Utah.
Leonard B. Weddle, of Indiana.
Albert W. Whiting, of Kansas.
Stephan Charles Williams, of New York.
Herbert Gilman Wing, of Pennsylvania.

To be consuls

Thomas J. Barrett, Jr., of Pennsylvania.
Stephen P. Belcher, Jr., of Vermont.
Robert C. Benedict, of California.
Richard C. Brower, of Minnesota.
Marvin A. Derrick, of California.
Homer G. Gayne, of the District of Columbia.
John L. Hedges, of Illinois.
Orton W. Hoover, of Iowa.
Rolf Jacoby, of New York.
Richard B. Joyce, of Missouri.
Robert G. Mahon, of California.
Paul R. Phillips, of California.
Robert L. Walker, of Montana.
Chester R. Chartrand, of California.
Robert W. Crawford, of Ohio.
David J. DuBois, of New York.
William J. Hood, of Maine.
Roderick W. Horton, of New York.
George O. Kephart, of Maryland.
Max W. Kraus, of Maryland.
Vincent M. Lockhart, of Texas.
Thomas Polgar, of Virginia.
Arthur F. Rall, of New York.
Paul L. Springer, of Virginia.

To be vice consuls

Walter L. Campbell, of California.
Richard J. Cleary, of Massachusetts.
William H. Dunbar, of the District of Columbia.
Ralph J. Katrosh, of Virginia.
William C. Rogers, of Kentucky.
R. Harden Smith, of Maryland.
George W. Steitz, of New York.
Robert D. Wiecha, of Michigan.
Throop M. Wilder, Jr., of the District of Columbia.

To be secretaries

Lewis P. Achen, of Montana.
Burnett F. Anderson, of the District of Columbia.
Charles J. Beckman, of Arizona.
Alfred V. Boerner, of Maryland.
William B. Bromell, of Virginia.
Willard F. Burke, of Massachusetts.
James B. Burns, of Pennsylvania.
Michael C. Capraro, of New York.
Walter T. Cini, of New York.
Francis G. Coleman, of Pennsylvania.
Francis L. Coolidge, of the District of Columbia.
J. Edmund Crowley, of Virginia.
Robert K. Davis, of California.
Paul E. Eckel, of Maryland.
Sam A. Edwards, of Connecticut.
William T. Ellis, of Virginia.
Jack M. Forcey, of California.
Leonard C. Gmirkin, of Ohio.
Rolfe A. Haatvedt, of Iowa.
Virgil L. Harris, of California.
Henry D. Hecksher, of the District of Columbia.
Miss Louise M. Hoppy, of Oklahoma.
Earl H. Link, of Pennsylvania.
Edward A. Marelius, of Colorado.
John H. Martinsen, of Washington.
Clyde R. McAvoy, of New York.
Laughlin Phillips, of the District of Columbia.
Joseph W. Reidy, of Illinois.
John J. Shea, of New York.
Arnold M. Silver, of Massachusetts.
Michael F. Taylor, of Virginia.
Edward O. Welles, of the District of Columbia.

The following-named Foreign Service officers for promotion as indicated:

To be class 1

W. Wendell Blancke, of California.
William O. Boswell, of Pennsylvania.
John H. Burns, of Oklahoma.
Prescott Childs, of Massachusetts.
Edward C. Crouch, of the District of Columbia.
Francis Deak, of the District of Columbia.
Robert F. Hale, of Oregon.
Morris N. Hughes, of Nebraska.
Eric Kocher, of California.
Robert G. Miner, of New York.
Charles P. O'Donnell, of Illinois.
William J. Porter, of Massachusetts.
Edward E. Rice, of Wisconsin.
Harold Sims, of Tennessee.
John M. Steeves, of the District of Columbia.
Carlos J. Warner, of Maine.
Murat W. Williams, of the District of Columbia.

To be class 1 and consuls general

Charles W. Adair, Jr., of Ohio.
Daniel V. Anderson, of Delaware.
Wilson T. M. Beale, Jr., of the District of Columbia.
William Belton, of Oregon.
W. Tapley Bennett, Jr., of Georgia.
Carl H. Boehringer, of Arizona.
William C. Burdett, of Georgia.
William I. Cargo, of Maryland.
Ralph N. Clough, of Washington.
William A. Crawford, of Pennsylvania.
Richard H. Davis, of New York.
Fulton Freeman, of California.
Edward L. Freers, of California.
Martin J. Hillenbrand, of Illinois.
Arthur G. Jones, of Virginia.
J. Jefferson Jones 3d, of Tennessee.
Edmund H. Kellogg, of Virginia.
Peyton Kerr, of Virginia.
Nat B. King, of Texas.
William L. Krieg, of Ohio.
William Leonhart, of West Virginia.
Edward P. Maffitt, of Missouri.
Edwin W. Martin, of Ohio.
Robert H. McBride, of Michigan.
Jack D. Neal, of Texas.
Joseph Palmer 2d, of California.
Stuart W. Rockwell, of Pennsylvania.
Terry B. Sanders, Jr., of Texas.
Joseph W. Scott, of Texas.
Richard M. Service, of the District of Columbia.
Harold Shullaw, of Illinois.
Wallace W. Stuart, of Tennessee.
David A. Thomasson, of Kentucky.

To be class 2

Robert W. Adams, of Texas.
William C. Affeld, Jr., of New Jersey.
W. Stratton Anderson, Jr., of Illinois.
H. Kenneth Baker, of Maryland.
William Barnes, of Massachusetts.
Arthur E. Beach, of Missouri.
Robert M. Brandin, of New York.
Herbert D. Brewster, of Minnesota.
Stephen C. Brown, of West Virginia.
Willard O. Brown, of Texas.
Findley Burns, Jr., of Minnesota.
Kenneth A. Byrns, of Colorado.
Donald B. Calder, of New York.
Thomas Patrick Carroll, of New York.
Don V. Catlett, of Missouri.
Albert E. Clattenburg, Jr., of Pennsylvania.
Charles Philip Clock, of California.
Miss H. Alberta Colclaser, of Ohio.
William E. Cole, Jr., of New York.
John F. Correll, of Ohio.
Robert F. Corrigan, of Ohio.
Philip M. Davenport, of Maryland.
Rodger P. Davies, of California.
Henry Dearborn, of New Hampshire.
Samuel De Palma, of Maryland.
Thomas P. Dillon, of Missouri.
Perry Ellis, of California.
Jack M. Fleischer, of Wisconsin.
Richard Funkhouser, of California.
Daniel Gaudin, of Pennsylvania.
Forrest K. Geerken, of Minnesota.
Lewis E. Gleeck, Jr., of California.
Joseph N. Greene, Jr., of Massachusetts.
Paul L. Guest, of California.
John E. Hargrove, of Mississippi.
Franklin Hawley, of Michigan.
Frank Snowden Hopkins, of the District of Columbia.
Charles E. Hulick, Jr., of Pennsylvania.
Ralph H. Hunt, of Massachusetts.
Paul C. Hutton, of Colorado.
Alfred le S. Jenkins, of Georgia.
John M. Kennedy, of Virginia.
Roy I. Kimmel, of New Mexico.
Spencer M. King, of Maine.
William Kling, of New York.
M. Gordon Knox, of New York.
Abe Kramer, of California.
Eldred D. Kuppinger, of Ohio.
Nathaniel Lancaster, Jr., of Virginia.
Gilbert E. Larsen, of Illinois.
James H. Lewis, of Pennsylvania.
Thomas H. Linthicum, of California.
Aubrey E. Lippincott, of Arizona.
William L. Magistretti, of California.
Abram E. Manell, of California.
Donald B. McCue, of Virginia.
Robert G. McGregor, of Massachusetts.
Francis E. Meloy, Jr., of Maryland.
Lee E. Metcalf, of Texas.
Howard Meyers, of Maryland.
Charles P. Nolan, of Massachusetts.
Julian L. Nugent, Jr., of New Mexico.
Albert E. Pappano, of Ohio.
Paul H. Pearson, of Iowa.
Oliver A. Peterson, of Maryland.
Richard I. Phillips, of California.
George W. Renchard, of Michigan.
W. Garland Richardson, of Virginia.
Thomas C. M. Robinson, of Iowa.
Leslie L. Rood, of New Jersey.
Edward J. Rowell, of California.
Albert W. Sherer, Jr., of Illinois.
Thomas W. Simons, Sr., of the District of Columbia.
Walter Smith, of Illinois.
Byron B. Snyder, of California.
Paul J. Sturm, of Connecticut.
James W. Swihart, of Massachusetts.
John D. Tomlinson, of Illinois.
Richard E. Usher, of Wisconsin.
Joseph J. Wagner, of New York.
Herman Walker, Jr., of Maryland.
Andrew B. Wardlaw, of South Carolina.
Philip P. Williams, of California.

David G. Wilson, Jr., of Oregon.
Charles D. Withers, of South Carolina.

The following-named persons for appointment as Foreign Service officers as indicated:

To class 3, consuls and secretaries

Albert S. Watson, of Connecticut.
Stanley Wilcox, of Illinois.

The following-named Foreign Service officers for promotion as indicated:

To class 3

Hugh G. Appling, of California.
Philip Axelrod, of Delaware.
Taylor G. Belcher, of New York.
Harry H. Bell, of New Jersey.
Robert S. Black, of the District of Columbia.
Gray Bream, of Wyoming.
William T. Briggs, of Virginia.
Philip H. Chadbourn, Jr., of California.
Stanley M. Cleveland, of New York.
A. John Cope, Jr., of Utah.
Thomas J. Corcoran, of New York.
Alexander J. Davit, of Pennsylvania.
Richard C. Desmond, of Ohio.
Robert Donhauser, of New York.
Thomas A. Donovan, of North Dakota.
John Warner Foley, Jr., of New Hampshire.
Herbert Gordon, of New York.
Roger L. Heacock, of California.
John Calvin Hill, Jr., of South Carolina.
Robert B. Hill, of Massachusetts.
Oscar C. Holder, of Louisiana.
Miss Dorothy M. Jester, of California.
Thomas M. Judd, of Maryland.
Max V. Krebs, of California.
Weldon Litsey, of Texas.
Duncan A. D. Mackay, of New Jersey.
Martin G. Manch, of Virginia.
Grant V. McClanahan, of Missouri.
Thomas D. McKiernan, of Massachusetts.
Joseph A. Mendenhall, of Maryland.
Harold M. Midkiff, of Florida.
Robert W. Moore, of Iowa.
R. Kenneth Oakley, of Oklahoma.
Eugene L. Padberg, Jr., of Texas.
Elwood M. Rabenold, Jr., of Pennsylvania.
Reed P. Robinson, of Utah.
Joseph W. Schutz, of California.
Frederick D. Sharp 3d, of Maine.
Merlin E. Smith, of Ohio.
Ernest L. Stanger, of Utah.
Charles G. Stefan, of California.
Robert A. Stevenson, of Florida.
Galen L. Stone, of Massachusetts.
John L. Topping, of New York.
Raymond A. Valliere, of New Hampshire.
Herbert E. Weiner, of New York.
Jackson W. Wilson, of Texas.
Robert M. Winfree, of the District of Columbia.
Robert W. Zimmermann, of the District of Columbia.

Class 4

Arthur S. Abbott, of Illinois.
Harold Aisley, of Maryland.
Joseph A. Angotti, of West Virginia.
Alfred L. Atherton, Jr., of Massachusetts.
John Campbell Ausland, of Pennsylvania.
John A. Baker, Jr., of Connecticut.
Harris H. Ball, of California.
Harry G. Barnes, Jr., of Minnesota.
John L. Barrett, of Texas.
Carl E. Bartch, of Ohio.
Williams Beal, of Massachusetts.
William E. Beauchamp, Jr., of New York.
Alf E. Bergesen, of New York.
Slator C. Blackiston, Jr., of North Carolina.
John Q. Blodgett, of Maryland.
Archer K. Blood, of Virginia.
Mrs. Elizabeth C. Bouch, of Oregon.
John M. Bowie, of the District of Columbia.
Vincent S. R. Brandt, of Rhode Island.
Miss Elizabeth Ann Brown, of Oregon.
Emerson M. Brown, of Michigan.
Robert R. Brungart, of Maryland.
Thompson R. Buchanan, of Maryland.
William A. Buell, Jr., of Rhode Island.
Miss Patricia M. Byrne, of Ohio.
Robert W. Caldwell, of North Carolina.
Paul C. Campbell, of Pennsylvania.
William A. Chapin, of Illinois.
Christian G. Chapman, of New York.
Carroll E. Cobb, of Colorado.
Richard H. Courtenaye, of California.
W. Kennedy Cromwell 3d, of Maryland.
Charles T. Cross, of Virginia.
John B. Crume, of Kentucky.
Phillip B. Dahl, of Illinois.
Miss Frances M. Dallor, of the District of Columbia.
Hampton Davis, of California.
Arthur R. Day, of New Jersey.
Mario R. DeCapua, of Connecticut.
William B. deGrace, of Massachusetts.
Paul W. Deibel, of Ohio.
Morris Dembo, of New York.
Edward J. Dembski, of Colorado.
John B. Dexter, of Maryland.
James A. Dibrell, of Texas.
Richard H. Donald, of Connecticut.
Anthony J. Dreape, of New Jersey.
Walter H. Drew, of Colorado.
Adolph Dubs, of Illinois.
Michael J. Dux, of Florida.
Theodore L. Eliot, Jr., of California.
Miss Virginia Ellis, of the District of Columbia.
Warrick E. Elrod, Jr., of Illinois.
Mrs. Elizabeth L. Engdahl, of New Hampshire.
Charles W. Falkner, of Oregon.
John M. Farrior, of North Carolina.
Harry Feinstein, of Georgia.
Benjamin A. Fleck, of Pennsylvania.
Robert C. Foulon, of Illinois.
A. Eugene Frank, of Illinois.
Harry George French, of Wisconsin.
Ronald A. Gaiduk, of California.
John N. Gatch, Jr., of Ohio.
Norman W. Getsinger, of Michigan.
John I. Getz, of Illinois.
Russell L. Gibbs, of Michigan.
Justice E. Gist, of Iowa.
Culver Gleysteen, of Pennsylvania.
John G. Gossett, of Oklahoma.
Miss Betty C. Gough, of Maryland.
Pierre R. Graham, of Illinois.
Lindsey Grant, of New York.
Lawrence E. Gruza, of Connecticut.
James C. Haahr, of Minnesota.
Andrew E. Hanney, of Massachusetts.
Joseph A. Harary, of New York.
Miss Margaret P. Hays, of Texas.
Robert Whitcomb Heavey, of California.
Richard M. Herndon, of Pennsylvania.
Martin Y. Hirabayashi, of Maryland.
Robert S. Hoard, of California.
John H. Holdridge, of California.
Jerome K. Holloway, Jr., of Maryland.
Robert B. Houghton, of Michigan.
Robert B. Houston, Jr., of Missouri.
Thomas D. Huff, of Indiana.
Elmer C. Hulen, of Kentucky.
Mansfield L. Hunt, of Maine.
Milan W. Jerabek, of Maryland.
Robert C. Johnson, Jr., of New Jersey.
Charles M. Johnston, of Maryland.
James R. Johnston, of Ohio.
Curtis F. Jones, of Maine.
William Kane, of Virginia.
Warren A. Kelsey, of Massachusetts.
Bayard King, of Rhode Island.
David Klein, of Kansas.
Joseph B. Kyle, of Virginia.
Lowell Bruce Laingen, of Minnesota.
Mason A. La Selle, of Colorado.
Chase E. Laurendine, of Alabama.
Donald A. Lewis, of New York.
Herman Lindstrom, of Florida.
Harry M. Lofton, of South Carolina.
Earl H. Luboeansky, of Missouri.
Basil F. Macgowan, of Tennessee.
Dayton S. Mak, of Iowa.
Philip W. Manhard, of Florida.
Doyle V. Martin, of Oklahoma.
Glenwood B. Matthews, of California.
James A. May, of California.
James H. McFarland, Jr., of Michigan.
Robert A. McKinnon, of Michigan.
Kermit S. Midthun, of Michigan.
Daniel W. Montenegro, of New York.
Sam Moskowitz, of Missouri.
Grant E. Mouser 3d, of Ohio.
Franklin H. Murrell, of California.
Jacob M. Myerson, of the District of Columbia.
E. Jan Nadelman, of Virginia.
Joseph P. Nagoski, of Tennessee.
Joseph W. Neubert, of Washington.
Daniel O. Newberry, of Georgia.
Cleo A. Noel, Jr., of Missouri.
Douglas B. O'Connell, of New York.
John F. O'Donnell, Jr., of Massachusetts.
John F. O'Grady, of Massachusetts.
Robert L. Ouversion, of Minnesota.
William V. M. Owen, of the District of Columbia.
Carvel Painter, of Wisconsin.
Stephen E. Palmer, Jr., of New York.
Chris G. Petrow, of Massachusetts.
Harry F. Pfeiffer, Jr., of Maryland.
Harry M. Phelan, Jr., of Tennessee.
Wendell A. Pike, of Washington.
Ferdinand F. Pirhalla, of Pennsylvania.
Richard A. Poole, of New Jersey.
Paul M. Popple, of Illinois.
Francis C. Prescott, of Maine.
Lewis M. Purnell, of Delaware.
Jack R. Queen, of Ohio.
Lawrence P. Ralston, of Connecticut.
John P. Reddington, of New York.
Larry W. Roeder, of Missouri.
Frederick L. Royt, of Wisconsin.
James R. Ruchti, of Wisconsin.
David T. Schneider, of New Hampshire.
Robert M. Schneider, of Iowa.
Cabot Sedgwick, of Arizona.
Peter A. Seip, of Iowa.
Albert L. Seligmann, of Virginia.
Melvin E. Sinn, of Virginia.
Matthew D. Smith, Jr., of South Dakota.
Richard E. Snyder, of New Jersey.
Karl E. Sommeriatte, of Florida.
C. Melvin Sonne, Jr., of Pennsylvania.
William F. Spengler, of Wisconsin.
Daniel Sprecher, of New York.
Thomas C. Stave, of Washington.
Kenedon P. Steins, of the District of Columbia.
Robert W. Stookey, of Illinois.
DeWitt L. Stora, of California.
Lee T. Stull, of Pennsylvania.
Kenneth P. T. Sullivan, of Massachusetts.
Jack A. Sulser, of Illinois.
Kingdon W. Swayne, of Pennsylvania.
Charles R. Tanguy, of Maryland.
Herbert B. Thompson, of California.
David R. Thomson, of California.
Miss Ruth J. Torrance, of Virginia.
Theodore A. Tremblay, of California.
Edward J. Trost, of New York.
Thomas T. Turner, of Washington.
Philip H. Valdes, of New York.
Theodore A. Wahl, of New York.
Peter C. Walker, of New York.
Milton C. Walstrom, of the Territory of Hawaii.
Herbert S. Weast, of California.
Sidney Weintraub, of New York.
Robert W. Weise, Jr., of Minnesota.
Alfred W. Wells, of New York.
Karl F. Weygand, of Massachusetts.
Mrs. C. Carey White, of Arizona.
Orme Wilson, Jr., of New York.
Wendell W. Woodbury, of Iowa.
Charles G. Wootton, of Connecticut.
Arthur I. Wortzel, of New Jersey.
Frederick S. York, of New Jersey.
Harry R. Zerbel, of Wisconsin.

The following-named persons for appointment as Foreign Service officers as indicated:

To class 5, consuls, and secretaries

Thomas M. Gaffney, of Massachusetts.
Arthur V. Metcalfe, of California.

The following-named Foreign Service officers for promotion as indicated:

To class 5

Robert E. Barbour, of Tennessee.
Hubert H. Buzbee, Jr., of Alabama.
Oscar H. Guerra, of Texas.

Malcolm P. Hallam, of South Dakota.
Andrew I. Killgore, of Alabama.
George R. Phelan, Jr., of Missouri.

To class 5 and consuls

Miss Gloria E. Abiouness, of Virginia.
Karl D. Ackerman, of Oklahoma.
Richard H. Adams, of Texas.
Arthur P. Allen, of California.
Robert N. Allen, of Oklahoma.
Henry T. Andersen, of Connecticut.
Daniel N. Arzac, Jr., of California.
James H. Ashida, of Washington.
Robert A. Aylward, of Massachusetts.
Miss Mildred J. Baer, of Maryland.
Robert J. Ballantyne, of Massachusetts.
George M. Barbis, of California.
Malcolm R. Barnebey, of Texas.
Robert S. Barrett IV, of Virginia.
Raymond Bastianello, of Texas.
Raymond J. Becker, of California.
Philip B. Bergfield, of California.
John A. Billings, of Missouri.
Robert A. Bishton, of Maryland.
Richard J. Bloomfield, of Connecticut.
Miss Helen M. Bonnell, of Michigan.
Lewis W. Bowden, of the District of Columbia.
William G. Bradford, of Illinois.
John A. Brogan III, of New York.
William R. Brown, of Ohio.
Harrison W. Burgess, of Virginia.
Frank N. Burnet, of Alabama.
Robert L. Burns, of the District of Columbia.
Robert T. Burns, of Indiana.
Charles T. Butler, Jr., of Indiana.
Pratt Byrd, of Kentucky.
Alan L. Campbell, Jr., of North Carolina.
Roy O. Carlson, of Illinois.
Maxwell Chaplin, of California.
Arnold K. Childs, of Ohio.
Miss Virginia Whitfield Collins, of Florida.
Thomas F. Conlon, of Illinois.
John S. Connolly, Jr., of Virginia.
Eiler R. Cook, of Florida.
Ray H. Crane, of Utah.
Joseph H. Cunningham, of Nebraska.
Everett L. Damron, of Ohio.
Miss Lois M. Day, of Ohio.
John M. Dennis, of Pennsylvania.
Walker A. Diamanti, of Utah.
Thomas I. Dickson, Jr., of Texas.
Miss Hazel C. Dougherty, of Pennsylvania.
Miss Dorothy J. Dugan, of New Jersey.
Gilda R. Duly, of New York.
Chester G. Dunham, of Ohio.
William B. Edmondson, of Nebraska.
Alfred J. Erdos, of Arizona.
Elden B. Erickson, of Kansas.
Miss Barbara C. Fagan, of New York.
Michael A. Falzone, of New York.
Gordon R. Firth, of New York.
Richard V. Fischer, of Minnesota.
Robert M. Forcey, of California.
James B. Freeman, of Ohio.
William Lee Frost, of Connecticut.
Alexander S. C. Fuller, of Connecticut.
Fred J. Galanto, of Massachusetts.
Samuel R. Gammon III, of Texas.
John L. Gawf, of Colorado.
Charles A. Gendreau, of Minnesota.
H. Kent Goodspeed, of California.
Miss Shirley M. Green, of Missouri.
Clifford H. Gross, of New York.
Pierson M. Hall, of Kansas.
Donald S. Harris, of Connecticut.
William C. Harrop, of New Jersey.
Russell C. Heater, of California.
Mrs. Hallye A. Heiland, of California.
Robert T. Hennemeyer, of Illinois.
Frederick A. Hill, of California.
Benjamin C. Hilliard 3d, of West Virginia.
Edward C. Howatt, of Virginia.
Robert A. Jackson, of Michigan.
John W. Jelich, of New York.
Kempton B. Jenkins, of the District of Columbia.
John M. Kane, of Illinois.
George R. Kaplan, of Massachusetts.
Edward P. Kardas, of Pennsylvania.
John Edward Karkashian, of California.
Lawrence J. Kennon, of California.
C. Dirck Keyser, of New Jersey.
Edward L. Killham, of Illinois.
Leslie A. Klieforth, of California.
Kenneth W. Knauf, of Wisconsin.
John F. Knowles, of New Jersey.
Paul H. Kreisberg, of New York.
John Krizay, of Maryland.
Henry A. Lagasse, of New Hampshire.
Lyle F. Lane, of Washington.
Paul Baxter Lanius, Jr., of Colorado.
Edwin D. Ledbetter, of California.
Samuel W. Lewis, of Texas.
Charles E. Lilien, of Illinois.
John A. Linehan, Jr., of Massachusetts.
Alan W. Lukens, of Pennsylvania.
John G. MacCracken, of Virginia.
Timothy M. Manley, of Connecticut.
S. Douglas Martin, of New York.
Nicholas V. McCausland, of California.
Edward S. McClary, of California.
Miss Margaret J. McClellan, of Pennsylvania.
Harry R. Melone, Jr., of New York.
Franklin L. Mewshaw, of New York.
Miss Colette Meyer, of California.
Dudley W. Miller, of Colorado.
William A. Mitchell, of Maine.
George C. Moore, of California.
Benjamin R. Moser, of Virginia.
Edwin H Moot, Jr., of Illinois.
Robert L. Mott, of California.
Charles Willis Naas, of Massachusetts.
Richard D. Nethercut, of Florida.
Michael H. Newlin, of North Carolina.
Donald R. Norland, of Iowa.
Anthony F. O'Boyle, of Pennsylvania.
Richard W. Ogle, of Indiana.
James M. E. O'Grady, of the District of Columbia.
Miss Mary W. Oliverson, of Oklahoma.
Hugh B. O'Neill, of Connecticut.
Frank V. Ortiz, Jr., of New Mexico.
Richard B. Owen, of Michigan.
James B. Parker, of Texas.
Russell R. Pearson, of Minnesota.
George W. Phillips, of Florida.
Richard St. F. Post, of Connecticut.
Arthur W. Purcell, of Massachusetts.
Peter J. Raineri, of New York.
Jess F. Reed, of Washington.
James F. Relph, Jr., of California.
Robert A. Remole, of Minnesota.
G. Edward Reynolds, of New York.
Charley L. Rice, of Texas.
Miss Martha Jean Richardson, of Illinois.
Ralph W. Richardson, of California.
Lucian L. Rocke, Jr., of Florida.
Robert H. Rose, of Utah.
Samuel O. Ruff, of North Carolina.
James T. Rush, of Rhode Island.
Leo J. Ryan, of Florida.
William E. Schaufele, Jr., of Ohio.
Kennedy B. Schmertz, of Pennsylvania.
Richard R. Selby, Jr., of New Jersey.
Robert G. Shackleton, of Ohio.
Miss Anna E. Simmons, of Texas.
Herman T. Skofield, of New Hampshire.
Robert F. Slutz, Jr., of Ohio.
Miss Cora M. Smith, of Vermont.
Miss Jean V. Smith, of Minnesota.
Michel F. Smith, of Texas.
Joseph F. Starkey, of Washington.
Lawrence L. Starlight, of New York.
Francis R. Starrs, Jr., of California.
William A. Stoltzfus, Jr., of Minnesota.
Thomas E. Tait, of New Jersey.
Jean R. Tartter, of Massachusetts.
Charles William Thomas, of Illinois.
William W. Thomas, Jr., of North Carolina.
Arthur T. Tienken, of New York.
William D. Toomey, of North Dakota.
Rene A. Tron, of New York.
Allen R. Turner, of Missouri.
Richard D. Vine, of New York.
Robert T. Wallace, of Florida.
Mrs. Marjory M. Wallis, of California.
Robert B. Warner, of Michigan.
Robert H. Wenzel, of Massachusetts.
Lewis M. White, of New York.
Charles L. Widney, Jr., of Georgia.
Miss Helen B. Wilson, of California.
Miss Eugenia Wolliak, of Connecticut.
Miss Julia L. Wooster, of Connecticut.
Robert C. Wysong, of California.
Amos Yoder, of Nebraska.
Robert D. Yoder, of Pennsylvania.
Carlos M. Yordan, of the Commonwealth of Puerto Rico.
Miss Jane B. Young, of the District of Columbia.
Dan A. Zachary, of Illinois.

The following-named persons for appointment as Foreign Service officers as indicated:

To be class 6, vice consuls of career, and secretaries

Gori P. Bruno, of New York.
Dale W. Field, Jr., of Iowa.
Miss Wilda Mitchell, of Nebraska.

The following-named Foreign Service officers for promotion as indicated:

To class 6

Craig Baxter, of Ohio.
Joel W. Biller, of Wisconsin.
Wesley D. Boles, of California.
Donald W. Born, of Massachusetts.
Merritt C. Bragdon, Jr., of the District of Columbia.
Arthur E. Breisky, of California.
Marshall Brement, of Maryland.
Hugh K. Campbell, of Ohio.
Frank C. Carlucci, of Pennsylvania.
Edward J. Chesky, Jr., of Kansas.
Don T. Christensen, of California.
Herman J. Cohen, of New York.
Allen C. Davis, of Tennessee.
John G. Day, of New York.
John L. De Ornellas, of Alabama.
Willard A. De Pree, of Michigan.
C. Edward Dillery, of Washington.
Robert S. Dillon, of Virginia.
Richard W. Dye, of New York.
Harland H. Eastman, of Maine.
Miss Sharon E. Erdkamp, of Nebraska.
Fred Exton, Jr., of the District of Columbia.
Donald C. Ferguson, of California.
Lewis P. Fickett, Jr., of Maine.
Miss Catherine M. Frank, of Connecticut.
Gerald A. Friedman, of Florida.
Robert K. German, of Texas.
Miss Joan Gillespie, of Connecticut.
Wever Gim, of Utah.
Maynard W. Glitman, of Illinois.
Roderick N. Grant, of California.
William B. Grant, of Massachusetts.
Charles W. Grover, of New York.
Harold E. Grover, Jr., of Florida.
John E. Guendling, Jr., of Indiana.
Miss Theresa A. Healy, of New York.
Lambert Heyinger, of New York.
Wallace F. Holbrook, of Massachusetts.
William A. Ispirian, of New York.
Ralph T. Jans, of Michigan.
Lee R. Johnson, of Ohio.
Ernest B. Johnston, Jr., of Alabama.
Adolph W. Jones, of Tennessee.
Miss Helen E. Kavan, of Ohio.
Robert V. Keeley, of Virginia.
Charles S. Kennedy, Jr., of California.
James A. Kiemstine, of Pennsylvania.
Albert A. Lakeland, Jr., of New York.
Peter W. Lande, of Massachusetts.
Samuel Lee, of the Territory of Hawaii.
Louis J. Link, of Kansas.
Jay H. Long, of California.
John M. Lord, Jr., of Massachusetts.
Stephen Low, of Ohio.
Walter H. Lubkeman, of New York.
David A. Macuk, of New Jersey.
James W. Mahoney, of Indiana.
Herbert S. Malin, of Connecticut.
Charles E. Marthinsen, of Pennsylvania.
J. Thomas McAndrew, of New York.
Franklin O. McCord, of Iowa.
Stuart H. McIntyre, of Oregon.
Frazier Meade, of Virginia.
Byron B. Morton, Jr., of New Jersey.
Robert H. Munn, of California.
William C. Nenno, of New York.

Gerald F. Nollette, of Washington.
Jay R. Nussbaum, of New York.
Gerald R. Olsen, of Michigan.
John Patrick Owens, of the District of Columbia.
David W. K. Peacock, Jr., of New Jersey.
Miss Mary Hoxton Pierce, of Florida.
Arthur C. Plambeck, of Illinois.
David R. Raynolds, of Connecticut.
Ernest G. Reeves, of Texas.
Owen W. Roberts, of New Jersey.
Stephen H. Rogers, of New York.
Edward M. Rowell, of California.
Glenn R. Ruihley, of Ohio.
Charles E. Rushing, of Illinois.
Miss Edith M. Scott, of the District of Columbia.
Peter Semler, of New York.
George B. Sherry, of Maryland.
Joseph G. Simanis, of Connecticut.
William N. Simonson, of Virginia.
Clyde H. Small, of California.
Jackson L. Smith, of Florida.
Charles R. Stout, of California.
John Sylvester, Jr., of the District of Columbia.
George H. Thigpen, of the District of Columbia.
David B. Timmins, of Utah.
Donald R. Toussaint, of California.
Frank G. Trinka, of New Jersey.
Frank M. Tucker, Jr., of Pennsylvania.
James R. Wachob, of Oregon.
Edward T. Walters, of Texas.
Miss Suzanne White, of Illinois.
Frontis B. Wiggins, Jr., of Georgia.
John E. Williams, of North Carolina.
Richard L. Williams, of Indiana.
Miss Suzanne S. Williams, of Ohio.

To class 7

Anthony C. Albrecht, of Virginia.
J. Bruce Amstutz, of Massachusetts.
Oler A. Bartley, Jr., of Delaware.
William M. Beck, of Illinois.
David A. Betts, of New York.
H. Eugene Bovis, of Florida.
Everett E. Briggs, of Maine.
Bazil W. Brown, Jr., of Pennsylvania.
Charles R. Carlisle, of Florida.
Gordon Chase, of Massachusetts.
Robert D. Collins, of California.
Richard S. Dawson, Jr., of California.
Miss Stella M. Deinzer, of New York.
Lloyd L. DeWitt, of California.
Robert W. Drexler, of Wisconsin.
Miss Regina Marie Eltz, of Alabama.
Robert L. Flanegin, of Illinois.
Robert L. Funseth, of New York.
Paul F. Gardner, of Texas.
Marion L. Gribble, of New York.
Charles R. Hartley, of the District of Columbia.
Edgar P. Henderson, Jr., of Indiana.
Roger P. Hipskind, of Illinois.
Thomas J. Hirschfeld, of New York.
Edward Hurwitz, of New York.
George W. Jaeger, of Missouri.
James T. Johnson, of Montana.
Robert M. Kline, of Connecticut.
Tadao Kobayashi, of the Territory of Hawaii.
Robert Gerald Livingston, of Connecticut.
Peter P. Lord, of Massachusetts.
James Gordon Lowenstein, of Connecticut.
Jack F. Matlock, Jr., of Vermont.
Robert Marden Miller, of California.
Jay P. Moffat, of New Hampshire.
John L. Offner, of Pennsylvania.
Mark S. Pratt, of Rhode Island.
Thomas D. Quinn, of the District of Columbia.
Cecil S. Richardson, of New York.
Miss Ann C. Roper, of Ohio.
David E. Simcox, of Kentucky.
William Slany, of the District of Columbia.
Daniel P. Sullivan, of Virginia.
Roger W. Sullivan, of Massachusetts.
D. Dean Tyler, of California.
William Watts, of New York.
William B. Young, of New Hampshire.
Albert L. Zucca, of New York.

The following-named person for appointment as a Foreign Service officer as indicated:

To be class 8, vice consul of career, and secretary

Jay R. Grahame, of New York.

The following-named Foreign Service Reserve officers to the grades indicated:

To be vice consuls

Theodore S. Mandeville, Jr., of Ohio.
Richard D. Van Winkle, of the District of Columbia.
Robert Wilbourn, of Texas.

To be secretaries

Justin E. O'Donnell, of Pennsylvania.
Graham D. Renner, of California.
John Sherry, of Maryland.
Louis J. Toplosky, of New Jersey.
Steve Washenko, of Virginia.

HOUSE OF REPRESENTATIVES

WEDNESDAY, FEBRUARY 5, 1958

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

John 20: 27: *Be not faithless, but believing.*

O Lord, our God, we are now coming unto Thee in the sacred attitude of prayer, constrained by the wonder of Thy love and compelled by the direness of our many needs.

We rejoice that Thou hast made the way so plain and clear that whosoever will may come unto Thee.

Grant that daily we may seek Thy truth and righteousness and follow those ways which Thou hast marked out for us.

Help us to build a better world and hasten the dawning of that glorious day when all shall know Thee, from the least to the greatest.

To Thy name we ascribe the praise. Amen.

The Journal of the proceedings of yesterday was read and approved.

COMMITTEE ON APPROPRIATIONS

Mr. CANNON. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations have until midnight Friday, February 7, to file two reports, one on the general government matters appropriations bill, 1959, and one on a special resolution.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. TABER. Mr. Speaker, reserving the right to object, may I ask the chairman if there appears to be any controversy on these bills?

Mr. CANNON. Mr. Speaker, in response to the gentleman from New York, I think there is complete agreement on the part of all members of the committee, on both sides of the aisle, on these two measures.

Mr. TABER. What will happen if we have a rollcall vote? Will that go over?

Mr. McCORMACK. Mr. Speaker, I shall answer that question, if I may. Of course, I am hopeful, there being no controversy on these matters, apparently, that they will go through without a rollcall. Of course, nobody can foretell that. If a rollcall vote were asked on Monday, to put them over until the following week would be rather extreme. I think anyone would agree to that.

Mr. CANNON. Mr. Speaker, may I say to our leader that in discussing this matter, the committee agreed that there was no occasion for a rollcall on either of these propositions.

Mr. McCORMACK. That was my understanding, but one can never tell. There may not be a quorum on the floor and some Member might make the point of order of no quorum. I do not expect that, but nobody can guarantee it.

The SPEAKER. Is there objection to the request of the gentelman from Missouri?

There was no objection.

Mr. TABER. Mr. Speaker, I reserve all points of order.

Mr. CANNON. Mr. Speaker, I ask unanimous consent that it be in order for the Committee on Appropriations to call up for consideration on Monday next the general government matters appropriations bill for the fiscal year 1959; and a House joint resolution for two urgent items in the Department of Labor. One of them is unemployment compensation for veterans and the other is unemployment compensation for Federal employees. This is occasioned, Mr. Speaker, by the fact that funds for these mandatory items are nearly exhausted, and unless this resolution is passed and sent to the other body and disposed of at a very early date there will be no funds with which to meet essential operations.

The SPEAKER. Is there objection to the request of the gentleman from Missouri.

There was no objection.

THE LATE WALTER A. LYNCH

The SPEAKER. The Chair recognizes the gentleman from New York [Mr. HEALEY].

Mr. HEALEY. Mr. Speaker, I rise to pay tribute to a prominent former Member of this legislative body, the late Walter A. Lynch, whose passing has brought sorrow to all who knew him and benefited from his long and distinguished public service.

I feel honored to be representing the Congressional District which he served so well for many years. Walter Lynch was a brilliant and capable Member of Congress. He served in the House from 1940 through 1950. He assumed many heavy duties in his lifetime and always performed them well. He was a man of highest principles, devoted to his country and to his faith.

It was a privilege and a pleasure to have known Walter Lynch and his family for over 25 years, and to have been an active member of his election committee on numerous occasions when he campaigned for Congress. On these occasions and on social visits, I came to know him intimately and found him to be one of the most honorable and decent men I have ever met. He was my idea of a model Congressman. He was always

available to his constituents; he was patient and understanding with their problems, and people were enlightened after a visit with him.

After leaving Congress, he served with distinction as a justice of the New York State Supreme Court, until his sudden death.

We are fortunate to have been blessed with a man of the ability, integrity, and stature of Walter Lynch. His reputation and record of service will stand as a symbol and inspiration for others to follow.

To his widow, and their two sons, Walter A., Jr., and John J., I extend my deepest sympathy.

Mr. Speaker, I yield to the gentleman from New York [Mr. DOLLINGER].

Mr. DOLLINGER. Mr. Speaker, it is with fond remembrance that I speak of our former colleage, the Honorable Walter A. Lynch. It is with gratitude that I remember his great kindness to me when I first came to Congress; his wise counsel and his friendliness were invaluable to me, and I shall always be thankful that I had the opportunity to come to know him well, to enjoy a happy association with him as a Member of Congress, and to benefit by his fine example as a legislator.

Before coming to Congress, he distinguished himself as a practicing lawyer; as a city magistrate of the city of New York, he was known as a brilliant judge, fair to all who appeared before him, and astute in the decisions he rendered. His career as a Member of the House of Representatives was marked by splendid service to his constituents and to his Nation; his industry and ability made him an outstanding member of the Committee on Ways and Means, with which he served for many years. The Congress suffered a great loss when he left us to take his place on the bench as a justice of the Supreme Court of New York, but his friends were happy that this high honor was paid him. He brought great knowledge of the law, dignity, and innate consideration for his fellow man to his judicial office, and was recognized as one of the outstanding justices of our State.

His untimely death came as a great shock. Our city, State, and the Nation lost a true statesman and illustrious judge; his neighbors and friends lost a true and loyal friend, who never failed to speak a cheerful and encouraging word or to hold out a helping hand when needed. Members of his family have my deepest sympathy in their bereavement.

It is altogether fitting that we should honor his memory, and I speak sincerely when I say that my admiration and respect for our departed colleague will never die.

Mr. HEALEY. Mr. Speaker, I yield to the gentleman from New York [Mr. KEOGH].

Mr. KEOGH. Mr. Speaker, I wish to take this occasion to pay tribute to the memory of one of our departed former colleagues, a distinguished member of the House of Representatives and of the Committee on Ways and Means for many years, the Honorable Walter A. Lynch.

Walter Lynch passed away last September 10 during the adjournment period of this Congress. I had the honor to succeed him as a member of the Committee on Ways and Means from New York, following his voluntary withdrawal from this body. It was with profound sorrow last September 10 that I learned of his death, and I know all of my colleagues who served with him in this great body and on the Committee on Ways and Means who may not have received word of his death will be equally saddened to learn that he is no longer with us.

Walter Lynch was a great legislator, judge, and outstanding statesman and patriot. He was a distinguished public servant. His record of service will stand as a lasting monument to his integrity, his ability, and his work in behalf of the welfare of his fellowman. He served with great distinction in this body for six consecutive terms. However, Walter Lynch's contribution to the public interest and in the welfare of his fellowman was not limited solely to the area of legislation. A man of high legal ability and judicial temperament, he also rendered outstanding service in the judicial branch of the government of the city and State of New York. He was still serving in the judicial branch when his untimely death occurred.

It was my high honor to serve with Walter Lynch both in this body and in local and community affairs, which gave me a greater and more incisive insight into his qualities of leadership and his personal attributes. He was a man of courage and great moral strength, attended by a kindly disposition and sweetness of character.

He paid close attention to details because he was aware that, with regard to both legislative and judicial matters, it often develops that the hard intricacies of legislation or cases may well determine the overall course of public policy or of the disposition of the case. No project was too complex for him because he had the type of logical and incisive mind which could go to the crux of a problem and analyze its facets in simple and understandable language. Yet, despite his heavy burden of responsibilities he was never too busy to take the time necessary to lend helpful assistance and counsel to colleagues who sought his assistance. Many new Members of this body were the beneficiaries of his considered counsel. Many lawyers who practiced before Judge Lynch have commented on his fairness and his highly developed sense of justice. He was a gentleman and a scholar in the highest sense of the word. His death is a great loss to the city and State of New York and to the Nation.

Walter Lynch had a host of friends in this body and through his hard work, high ability and those personal qualities which we all desire to emulate, he has left a record of which his family and all of his friends can be proud.

To all of those who knew him and to his dear Claire and to his two sons, I extend deepest sympathy and condolences.

Mr. HEALEY. Mr. Speaker, I yield to the gentleman from New York [Mr. REED].

Mr. REED. Mr. Speaker, when Hon. Walter Lynch passed away the State and the Nation lost one of the noblest of men. I valued his friendship beyond any words of mine to adequately express. His personality and character radiated sunshine and inspiration on all occasions. Those of us who served with Walter Lynch on the Ways and Means Committee learned to respect and admire his keen legal mind, which he applied diligently to the many highly technical problems assigned to the Ways and Means Committee. I am told by members of the legal profession that Walter Lynch, when promoted to the office of supreme court judge of the State of New York, discharged the duties of that high office with marked ability and legal acumen.

I firmly believe that when our beloved Walter confronted the Judge on high, he was received with the words, "well done thou good and faithful servant."

I extend my deepest sympathy to Mrs. Lynch and her family in their great bereavement.

In the words of William Blake:

> The pure soul shall mount on native wings, disdaining little sport, and cut a path into the Heaven of glory, leaving a track of light for men to wonder at.

Mr. HEALEY. Mr. Speaker, I yield to the gentleman from New York [Mr. FINO].

Mr. FINO. Mr. Speaker, I wish to join my colleague the gentleman from New York in expressing deep sorrow on the death of Walter Lynch. To the Lynch family I extend my deep sympathies on their loss.

Mr. HEALEY. Mr. Speaker, I yield to the gentleman from New York [Mr. KEARNEY].

Mr. KEARNEY. Mr. Speaker, I learned with deep regret today of the death of my very good friend, the Honorable Walter A. Lynch, of New York City.

Together with the gentleman who succeeded him, Mr. HEALEY, I wish to pay my tribute to the late Congressman and extend my sympathy to Mrs. Lynch and their two sons.

From the time I first came to the House of Representatives I learned to admire and respect Mr. Lynch as a fine and courageous Member of Congress. He was an individual who had the respect of all his colleagues on both sides of the aisle and his death is deeply regretted by me.

Mr. HEALEY. Mr. Speaker, I yield to the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. MCCORMACK. Mr. Speaker, our country was dealt a grievous blow, and I personally lost a dear and respected friend, when Justice Walter A. Lynch, a former Representative from the State of New York, died at his home in Belle Harbor last September. Many years have I labored in this great body, and many a Member or former colleague who has crossed the bar have I mourned, but none with more poignancy than the passing of Walter Lynch. Many of the present Members of this House will cherish, as I I do, the memory of that strapping six-footer with sandy hair striding into the Chamber of the House or down the hallways, and the sincerity of that quick, infectious smile and understanding nature. The hair was burnished to a gentle silver by the time he died, but that won-

derful smile and the wonderful human being behind it burst forth with a marvelous radiance to the last.

The life of this man was built on two mighty pillars—his religion and his devotion to public service. Walter was a Catholic with all his great heart and all his enormous energy. Nurtured by devout parents, he attended St. Jerome's Parochial School, Fordham Preparatory School, Fordham University, and finally Fordham Law School. He was State deputy, and later chairman, of the New York Chapter of the Knights of Columbus, and a member of the Catholic Club of New York City and of the Catholic Lawyers Guild.

His religious faith was as strong as his contempt for those who hide their heads in the sands of prejudice. He was respected and admired by men of all faiths, as was so admirably illustrated in 1945 when the American Jewish Congress awarded him its good citizen commendation.

We, his friends, were privileged to know him in this private role, but the public at large will remember him for the patient, hard-working years he devoted to his country and to the Democratic Party.

Justice Lynch was born in the Bronx, N. Y., on July 7, 1894. He lived in and around New York City all his life and practiced law there for several decades, a highly respected member of the American, New York State, New York County, and New York City Bar Associations. In 1930 the late James J. Walker appointed him a city magistrate. Later Lynch served as chairman of the law committee of the Bronx County branch of the Democratic Party, and was a trusted and valued associate of the late Edward J. Flynn, the former Democratic national chairman. In 1938 Walter Lynch was accorded the signal honor of selection as a delegate to the New York State Constitutional Convention. His contributions to that convention and the abilities he displayed attracted wide and grateful attention. He was urged to stand for a seat in Congress.

When Edward W. Curley died, Walter Lynch was nominated to replace him, and entered the House of Representatives in January 1940. In the following month he was elected in his own right, and such was the regard in which he was held by his constituents of the 23d District that they returned him to the House for six successive terms. In 1948, in his last campaign for the House, his prestige drew the support not only of the Democratic Party, but of the Republican and Liberal parties as well, and he swept his district by a 5 to 1 majority.

Let future Members of this House look in the record Walter Lynch established here as a model of intelligent, faithful, useful, and outstanding service. Never, he promised, would he walk away from the ordinary man, and he fulfilled that pledge. Little wonder that he won the lasting gratitude of myriads with his generous and intelligent consideration of their well-being. The love of God and the love of mankind that always pervaded his being channeled his interests into welfare problems, and his keen intelligence drew him toward tax matters.

He was a staunch supporter of Presidents Roosevelt and Truman, of the New Deal and the Fair Deal. He favored and worked for the acceptance of the United Nations, the Marshall plan, the point 4 program, aid to Korea, and other non-Communist countries, and the reciprocal trade program. As a member of the Banking and Currency Committee in the early days of his career in the House, he labored tirelessly in the preparation of legislation to curtail inflation. During the period of inflation he was a strong advocate of price and rent controls and had a leading hand in the writing of the original Price Control Act. Cooperative housing and disability insurance also aroused his sympathy and support.

He was highly praised for his work as a member of the Special Committee on Postwar Economic Policy and Planning, and served as chairman of the Subcommittee on Public Works and Construction. As a member of the Ways and Means Committee he won acclaim from Members of both parties.

Largely through his efforts, maritime workers were brought under the unemployment-insurance program. His labors in the field of social-security legislation resulted in the extension of benefits to some 11 million citizens not previously covered. As chairman of a Ways and Means subcommittee, he was responsible for the formula by which life-insurance companies agreed to pay income taxes from which they had been exempt. The President of the United States often sought his counsel on matters of old-age assistance, social security, and finance.

In 1950 his party enthusiastically nominated him as a candidate for the office of Governor of the State of New York. He accepted the task with his usual humility. Despite a hard-fought campaign, he was defeated. In 1952, he served as acting State chairman for his party. And in 1954, with support from both the Democratic and Liberal parties, he was elected to the State Supreme Court. On September 11 of last year, as he was about to leave his home to attend his duties at the New York County court house, he suffered a fatal heart attack.

Let his epitaph include the words with which the American Jewish Congress cited him, "in recognition of his patriotism and zeal in sponsoring legislation to maintain and protect the blessings of democracy in the spirit of American liberalism; his devotion to the well-being of his fellow citizens, without regard to race, creed, or position, in his endeavors for the social, philanthropic, and spiritual advancement of the community." So will our country remember him. To his family, we, his friends, can only say, with Thomas Campbell:

To live in hearts we leave behind is not to die.

And Walter Lynch will ever live in our hearts.

Mr. HEALEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks at this point in the RECORD concerning the life and services of the late Walter A. Lynch.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CELLER. Mr. Speaker, I served many years with Walter. I always found him kind, intelligent, and affable. He was efficient as a Member of this body. As a member of the Ways and Means Committee he left an indelible and brilliant record.

Now the iron sleep of death has him. Death keeps no calendar or almanac. War or peace means nothing to this grim reaper. Death will take its toll. Death is timeless.

We fret and struggle, weep and play, work or sleep, love or hate, persist or weakly try, in strength or weakness, death ever hovers over us. Death is master. It is a mighty leveler. We are all equal in death. All worldly goods vanish with death. There are no pockets in shrouds. We come into the world with clenched fists but leave it empty handed—with hands outstretched and open.

We leave naught but a name. Walter left a good name. A good name is like an acrostic. You read it up or down, to the left or to the right, it spells the same—goodness.

My heartfelt sympathy journey to the dear members of his family.

Mr. ROONEY. Mr. Speaker, I wish to join my colleagues in paying tribute to the life and character of our good and respected friend, the late honorable Walter A. Lynch, who, at the time of his death on September 10, 1957, served as a justice on the Supreme Court of the State of New York.

Walter, as he was affectionately known to us, served as a Member of this body from February 1940, when he won a special election to succeed Edward W. Curley, who had died. He later was elected to 5 successive terms from the 23d Congressional District in the Bronx. He was a stanch supporter of the Roosevelt-Truman administrations, and former President Truman often called him to the White House as a consultant on old-age assistance, social security, and financial and tax problems. He served with great honor and distinction as a member of the House Committee on Ways and Means and was an intelligent and conscientious legislator and a fine debater.

Walter and I were close friends, and I always admired him for his outstanding ability and talents. He was a vigorous fighter for any cause or any legislation which he deemed to be for the benefit and welfare of the people of his district, but at all times showed fairness to his opposition. This characteristic he took with him upon leaving Congress to assume a seat on the Supreme Court of the State of New York. While there he served with great distinction and was highly respected and admired for his judicial temperament and sense of fairness.

I feel that I have lost a real friend and shall always have a very warm recollection of our happy association.

His wife and two sons have my deepest sympathy on their great loss.

Mr. EBERHARTER. Mr. Speaker, it is with profound sadness that I rise to pay my respects to someone who was very close and dear to me and who was a former Member of this House, the Honorable Walter A. Lynch of New York.

Words are inadequate to express the shock and personal loss I felt upon hearing of his death. It was my privilege to have sat next to him on the Committee on Ways and Means during the time he was a Member of Congress, and his intelligent suggestions and advice were very helpful to me on many occasions. Although I did not have the pleasure of seeing him so frequently in the last few years, nevertheless, I valued his friendship highly, and shall miss him greatly.

Walter Lynch was a dedicated public servant all his life and served his country in many capacities. His many years of fine, devoted service in the legislature were followed by an equally outstanding period of service as a New York State Supreme Court justice. In every office in which he served, he did so with the highest degree of loyalty, honor, and devotion to duty.

I know we will all agree that this country owes him a great debt of gratitude.

To the loved ones he left behind, I extend my deepest sympathy.

Mr. FORAND. Mr. Speaker, I join with my colleagues today in paying tribute to the memory of a great man, our former colleague, the Honorable Walter A. Lynch, of New York, who has passed away.

It was my very good fortune to have known Walter quite intimately during his years of service in the Congress of the United States. We sat next to each other on the Committee on Ways and Means, where he displayed a great knowledge of the law as well as an enviable understanding of his fellow man.

He was generous in his counsel, which was always sound. It was based on equality and justice. Anyone who followed Walter's advice did not go wrong.

We in the committee and in the Congress have missed him. He left us to serve on the Supreme Court of the State of New York, where his record, for justice administered equally to all who had business in his court, will stand as a monument to his memory.

Walter Lynch served his country well. He was a good husband and father. I have lost a real friend.

My prayer is that God will have mercy on his soul and will give his widow and his children strength to bear the great burden that his passing has put upon them.

Mr. O'BRIEN of Illinois. Mr. Speaker, the late Walter A. Lynch, of New York, passed to his eternal reward on September 10, 1957, after a lifetime of devoted service in his private and public life. His beloved family, his former colleagues, and his innumerable friends in all walks of life are bereaved by his death.

Walter Lynch came to the House of Representatives in the 76th Congress and was reelected five times thereafter. If he had not resigned voluntarily, his constitutents unquestionably would have reelected him as often as he wished to continue to serve here.

As the recipient of a liberal arts degree and a law degree from Fordham University he remained steadfast in his loyalty to the university throughout his entire lifetime, and was esteemed by the faculty, alumni, and students alike, as an exemplar of ideals of that great university. Upon being admitted to the bar in New York State, he engaged in the active practice of the law until he was appointed a magistrate of New York City in 1930, in which service he gained the great respect of the people of New York. In 1938, he served as a delegate to the New York State constitutional convention and shortly afterward came to Congress. I was fortunate to know him as a respected and influential member of the House Committee on Ways and Means. He terminated his career in the Congress in order to become the Democratic candidate for governor in New York State and shortly thereafter was elected to a 14-year term as a justice of the supreme court of that State.

In his legislative and judicial career, as well as in his everyday contacts with his family, his friends, and the public, Walter Lynch displayed those magnificent qualities of character that were so much a part of him. His loyalty to his church, his country, his family, and his friends—political and nonpolitical—were so outstanding that it would have been constitutionally impossible for him to inflict harm upon anyone. His kindliness and cheerfulness were immediately apparent to even a casual acquaintance and endeared him forever to those who knew him. His great breadth of intellect qualified him for the many diverse tasks of the lawyer, legislator and justice.

With his passing, the Nation, his State, and his dear family have suffered an immeasurable loss.

Mr. DELANEY. Mr. Speaker, the death of Walter A. Lynch on September 10 of last year shocked and saddened his former colleagues in this House. During his 10 years of distinguished service here he won a host of friends, and I can truly say that I have never known any Member more universally beloved and respected. With his passing, the Nation has lost a valued and dedicated public servant, and the State of New York has lost a great citizen.

Walter Lynch was one of those rare men whose personal warmth was immediately felt by everyone who came in contact with him. His kindness, generosity, geniality, and his unfailing interest in his fellow beings will never be forgotten by those of us who were privileged to have his friendship, and it is with deepest sorrow that we realize he is no longer with us in person.

Walter Lynch was a man of many talents. As a lawyer, a New York City magistrate, a Member of Congress, a Justice of the Supreme Court of New York, and as a politician, he served his city, State, and county with highest distinction. There have been few Members of this body who have impressed themselves as firmly upon the minds of their colleagues. He commanded our respect because of the many valuable contributions he made to deliberations both in committee and on the floor, and because of his outstanding ability as a legislator.

To inject a personal note, it was my good fortune to be closely associated with Walter both here in the House and during his campaign as Democratic candidate for Governor of New York in 1950. I shall never forget the good counsel he gave me in my freshman term in Washington. As we all know, Congress can be bewildering to a newcomer, and I shall always be grateful for his guidance at that time. It was typical of his readiness to help others.

In spite of the many demands made on him, Walter Lynch found time for a full and rewarding private life. He was a devout churchman, a devoted husband and an affectionate father.

Walter Lynch will be sorely missed—but while we grieve, we may try to take some consolation in the thought that although his physical presence is no longer with us, we are all the richer for his having lived, and his memory will remain as an abiding inspiration.

I join my colleagues in expressing deepest sympathy to his family.

Mr. KILBURN. Mr. Speaker, Walter Lynch was a good friend of mine. He was a fine man with a high character and great ability. I greatly enjoyed his friendship and companionship while he was here in the House and I followed his career afterward with great interest. The country has lost an outstanding citizen.

Mr. BUCKLEY. Mr. Speaker, this is a sad occasion for me.

Walter A. Lynch was one of my dearest friends and I enjoyed many years of close association with him. He was always a perfect gentleman, courteous and kindly, and ready to help all who called upon him for assistance. We all know, too, the deep intensity of his labors here in the House.

Walter enjoyed a highly successful and varied career; he was a brilliant practicing attorney, he served as city magistrate of the city of New York with distinction, he rendered splendid service to his constituents and Nation while a Member of the House of Representatives. As a member of the powerful Committee on Ways and Means he contributed his fine ability and discernment for the progress of our Government.

We, in Congress, suffered a great loss when he left us to serve as a justice of the supreme court of New York, but it was an honor he richly deserved. Because of his judicial demeanor, his great knowledge of the law, his sense of fairness, he made his mark as one of the greatest justices of our State of New York.

His death came as a great shock to all who knew him, and we lost a fine statesman, fair and impartial judge, a good neighbor, and a loyal friend.

I extend my deepest sympathy to his family in their hour of sorrow.

Mr. FARBSTEIN. Mr. Speaker, I join my colleagues in expressing the grief and

loss we all suffered when Judge Walter A. Lynch passed away last September. I have always felt immensely proud of my State and my city for producing a man of his outstanding character and abilities.

Those qualities were recognized by all, including myself, who were privileged to know him. A brilliant lawyer, he was an outstanding New York City magistrate. He served 10 years as a distinguished Member of the House of Representatives, forging an enviable and liberal record. His career was crowned by a memorable tenure as a justice of the supreme court of the State of New York.

Wherever he served—and his life was devoted to service—he left the impress of his indomitable personality, his sincerity, and his courage.

I extend my deepest sympathy to his widow and to his two sons.

Mr. MULTER. Mr. Speaker, on September 10, 1957, we suffered a great loss when the soul of our very good friend and former colleague, the Honorable Walter A. Lynch, was called to eternal rest.

It had been my happy privilege to be able to work very closely with our friend, Walter, prior to his coming to Congress, after he came here, and then, of course, much more intimately when I joined him here.

He was in every respect a gentleman and a scholar, a devout follower of his own religion but a respecter of that of everyone else. He was a good lawyer, a fine Congressman and an excellent Justice of our State Supreme Court.

He was fair and considerate at all times, a hard fighter for the things he believed in, disagreeing agreeably with his antagonists.

Our city, State, and country have lost a devoted public servant.

I sadly join with my colleagues in extending to his widow and their children our heartfelt sympathy.

Mr. MILLS. Mr. Speaker, I join with my colleagues in paying tribute to the memory of a departed former colleague and distinguished former Member of this body and the Committee on Ways and Means, Walter J. Lynch.

It was my privilege to know and be associated with Walter Lynch during his period of service in the House of Representatives and on the Committee on Ways and Means. In this brief space, I cannot adequately describe my deep sorrow on learning of his death last September, nor can I adequately describe those many fine qualities which so endeared him to his colleagues in this body and to his friends throughout the Nation.

Walter Lynch brought to bear on his duties as a Member of this body and as a member of the Committee on Ways and Means those qualities and abilities which mark a great legislator and statesman. He had a keen analytical mind, high professional ability, a judicial temperament, and a strong awareness of fairness and the sense of justice required for outstanding service by members of the committee of the Congress which has jurisdiction over tax matters and other areas which touch the life of every American.

I concur fully with all the fine things which have been said by my colleagues on the floor of this House about the outstanding contributions to his State and Nation made by Walter J. Lynch. Walter Lynch was a fine man with high moral standards and he was indeed a Christian gentleman.

I join with my colleagues in extending my deepest sympathy and condolences to the members of his family and to his many friends in the city of New York, the State of New York, and the Nation.

FOURTEENTH STREET HIGHWAY BRIDGE

Mr. SMITH of Virginia. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6306) to amend the act entitled "An act authorizing and directing the Commissioners of the District of Columbia to construct two 4-lane bridges to replace the existing 14th Street or highway bridge across the Potomac River, and for other purposes," with Senate amendments thereto, disagree to the Senate amendments and request a conference with the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Virginia? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. DAVIS of Georgia, SMITH of Virginia and BROYHILL.

SUPPLEMENTAL MILITARY CONSTRUCTION AUTHORIZATION ACT

Mr. VINSON submitted a conference report and statement on the bill (H. R. 9739) to authorize the Secretary of the Air Force to establish and develop certain installations for the national security, and to confer certain authority on the Secretary of Defense, and for other purposes.

INTOXICATION TESTS IN THE DISTRICT OF COLUMBIA COURTS

Mr. SMITH of Virginia submitted a conference report and statement on the bill (S. 969) to prescribe the weight to be given to evidence of tests of alcohol in the blood or urine of persons tried in the District of Columbia for operating vehicles while under the influence of intoxicating liquor.

LAUNCHING OF SATELLITE BY UNITED STATES ARMY

Mr. GAVIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GAVIN. Mr. Speaker, I am proud of the United States Army.

When the restraints were removed, the Army did the job of launching a satellite.

It was a great victory for the Army and a complete vindication of the position they had taken. It proves in a very definite manner that General Gavin knew what he was talking about.

If the Army had not been shackled with restrictions, they would have had a satellite in space long before Russia.

There are certain people who think that ground forces and Army techniques have become obsolete. However, this convincing demonstration should indicate that the Army has the brains, skill, and ingenuity to carry out and reach whatever objectives may be assigned to them.

They have never failed and if given further flexibility, I feel certain they will solve the problems of the IRBM and the ICBM.

Also, let me say to the House, immediate consideration should be given to restoring the strength of our ground forces to at least 900,000 men.

BOY SCOUT WEEK

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, some of the Members have been given pins by the Boy Scouts. As you know, this is Boy Scout Week. I am proud of the fact that I was given a scout pin by Drew Upton, a very fine young Alexandria Cub Scout. I commend the Boy Scouts for all that they do for us in the United States, in citizenship, kindness, helpfulness, and as an example in all that is good and loyal. A Boy Scout never becomes a delinquent.

Three cheers for them and for their leaders.

THE LATE HONORABLE LEONIDAS C. DYER

Mr. CURTIS of Missouri. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CURTIS. Mr. Speaker, and my colleagues, particularly my older colleagues, I want to call to your attention the passing of former Congressman Leonidas C. Dyer, of St. Louis, Mo., who served for 22 years in the House of Representatives. He was first elected to the Congress in 1910 as a Member of the 62d Congress, and served through the succeeding Congresses until 1932, representing one of the Congressional Districts of the city of St. Louis.

Mr. Dyer, after leaving Congress, returned to St. Louis to the practice of law and he remained active in that practice up to the time of his death at the age of 86. He was a distinguished citizen of St. Louis and a great American. Our country, indeed, is a better country because of his life. The examples of men like Leonidas Carstarphen Dyer have made this country continue to grow and prosper long after they have passed on. I pay tribute to his memory.

Mr. Speaker, I ask permission to include with these remarks the article appearing in the St. Louis Globe-Democrat at the time of his death:

[From the St. Louis Globe-Democrat of December 16, 1957]

L. C. DYER, FORMER CONGRESSMAN, DIES

Funeral services for former Congressman Leonidas C. Dyer, who served 22 years in the House of Representatives and was author of the Dyer Act, will be held at 2 p. m. tomorrow at the Compton Heights Christian Church, 2149 South Grand Boulevard. Burial will be in Oak Grove Cemetery.

Mr. Dyer, who was 86 years old and lived at 3638 DeTonty St., died Sunday night at the John J. Cochran Veterans Hospital, which he entered November 29. He had been suffering from a heart ailment for several years but had remained active in the practice of law with his nephew, George C. Dyer.

The body will be at the Kriegshauser Mortuary, 4228 South Kingshighway, until 11 a. m. tomorrow.

Surviving are the widow, the former Miss Clara Hyer, and two daughters, Dr. Martha Dyer Collins, a physician and head of a veterans hospital at Sunmount, N. Y., and Mrs. Herman C. Verwoert, of Berkeley, Calif.

ADVISER TO PRESIDENTS

Mr. Dyer, a Republican, was the author of many important bills during his 11 years in Congress. He also was a close friend and Congressional adviser to Presidents Coolidge and Hoover and served on the Hoover inaugural committee in 1928.

He probably is best known for his authorship of the National Motor Vehicle Theft Act, commonly known as the Dyer Act, which was passed in 1919 and makes interstate movement of a stolen automobile a Federal offense.

For many years, Mr. Dyer received semiannual reports from J. Edgar Hoover, director of the Federal Bureau of Investigation, on the number of automobiles recovered and convictions obtained under the act.

TREASURED LETTER

Six months ago, he received a highly treasured letter from Director Hoover complimenting him on his legislative forethought and skill.

Mr. Dyer also was the author of the China Trade Act, which provided for Federal incorporation of companies doing business in China. He made a three-months' tour of the Orient in connection with this legislation. He also was cosponsor of the National Parole Act.

He conducted a vigorous campaign for a Federal antilynching law, speaking in most of the Nation's largest cities. A bill he introduced passed the House in 1922 but was killed in the Senate by a filibuster of southern Senators.

AUTO CLUB PLAQUE

In 1953, Mr. Dyer received a plaque from the Automobile Club of Missouri for outstanding service to the automobile owners of the United States in connection with his sponsorship of the Dyer Act.

He often spoke with pride of the fact that for many years some member of his family had held high Federal office, starting with United States District Judge David Patterson Dyer in 1860. The nephew, George C. Dyer, formerly was an assistant United States attorney here.

BORN ON FARM

Born June 11, 1871, on a farm in Warren County, Mo., Mr. Dyer attended the old Central Wesleyan College at Warrenton, and Washington University, where he received his law degree in 1893.

For a time, he was private secretary to the Assistant Secretary of the Treasury in Washington. He resigned to return here and practice law and was named an assistant circuit attorney.

He was elected to his first term in Congress in 1910. He was reelected in 1912, and received his certificate of election but was unseated by a contest filed by his Democratic opponent in the Democratic-controlled House.

NINE SUCCESSIVE TERMS

He was reelected in 1914 and every 2 years thereafter until 1932, when he went down to defeat in the Roosevelt landslide. He was an unsuccessful candidate for Congress in 1934 and 1936.

A veteran of the Spanish-American War, he was national commander of the Spanish-American War Veterans in 1915 and 1916. He was a member of the Compton Heights Christian Church for 54 years. He was a Mason and also a member of various other fraternal organizations.

While her husband was in Congress, Mrs. Dyer served as president of the Congressional Club, composed of the wives of the President, Vice President, Justices of the United States Supreme Court, and Members of the Senate and House.

LEGISLATIVE PROGRAM

Mr. ALLEN of Illinois. Mr. Speaker, I take this time to ask the majority leader what the program is for the rest of the week.

Mr. McCORMACK. The first order of business will be the District of Columbia Hospital bill. Then a bill amending the Organic Act of Guam, and if time remains today the Pecos River project.

Tomorrow we take up the conference report that came from the Committee on Armed Services—an authorization bill. It may be that the question of concurring in certain amendments to a supplemental appropriation bill may be brought up.

The bill relating to the Freedom Shrine is stricken from the program. I have no definite information as to the time when it will be programed again, so Members need not fear about it being programed next week.

Of course next week I shall make it as light as possible in view of the situation that confronts our friends on the Republican side. I am unable to state what the program will be for next week, except that it will be as light as possible. Outside of the legislation that may come up Monday, I know of nothing at the present time that may be programed for next week.

In any event, so far as next week is concerned, outside of Monday, if any rollcall is requested, it will be postponed until the following week. The Speaker, the gentleman from Massachusetts [Mr. MARTIN] and I have had discussions to that effect and an understanding has been reached.

On tomorrow we will consider a conference report, then a supplemental appropriation bill, in all probability. Whether or not the Pecos River project will come up today or tomorrow I am unable to state at this time, but if it is desired to have it come up, it will be brought up.

Mr. SMITH of Virginia. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Virginia.

Mr. SMITH of Virginia. May I ask the majority leader why the Freedom Shrine bill has been stricken from the program?

Mr. McCORMACK. That is a reasonable, a very proper, and fair question. It has been stricken from the program because the gentleman who is handling the bill has certain official matters which compel him to be out of Washington tomorrow and there is no possibility of the bill being reached today. He requested that it be stricken.

Mr. SMITH of Virginia. I was unaware of that fact. I am handling the rule and I have some interest in the matter. I do not want to see it indefinitely postponed.

Mr. McCORMACK. The gentleman from Virginia understands that the leadership likes to confer on these matters and it would be unwise to leave it on the program if the chairman of the committee, or the gentleman handling the bill, wants it postponed. The leadership always likes to cooperate.

Mr. ALLEN of Illinois. Can we adopt the rules on the Guam and Pecos River matters at the same time?

The SPEAKER. If it does not take up too much time.

PROTECTION AND DEVELOPMENT OF OUR NATURAL RESOURCES

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. STAGGERS. Mr. Speaker, in the mad scramble to develop an American sputnik, I hope that the Congress will not be swayed from the basic program of sustained effort in protecting and developing our natural resources. Protection of these vital resources is essential to the long-term strength and security of the United States. Above all we should avoid risking damage to forest resources through unnecessary exposure to fire, insects, and disease. The national expenditure for forestry is small in the overall picture, but it is our investment that pays rich dividends in the form of timber, water, forage, wildlife, and public recreation. These are vital elements of national strength in time of peace or in time of war.

LEAVE OF ABSENCE

Mr. BAILEY. Mr. Speaker, I ask unanimous consent that the gentlewoman from West Virginia [Mrs. KEE] may have a leave of absence on account of illness.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

AMENDING DISTRICT OF COLUMBIA HOSPITAL CENTER ACT

Mr. SMITH of Virginia. Mr. Speaker, by direction of the Committee on the District of Columbia, and pursuant to the unanimous consent heretofore

granted, I call up the bill (S. 1908) to amend the District of Columbia Hospital Center Act in order to extend the time and increase the authorization for appropriations for the purposes of such act, and to provide that grants under such act may be made to certain organizations organized to construct and operate hospital facilities in the District of Columbia, and ask unanimous consent that it be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Virginia [Mr. SMITH]?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the last sentence of the first section of the act entitled "An act to provide for the establishment of a modern, adequate, and efficient hospital center in the District of Columbia, to authorize the making of grants for hospital facilities to private agencies in the District of Columbia, to provide a basis for repayment to the Government by the Commissioners of the District of Columbia, and for other purposes," approved August 7, 1946 (60 Stat. 896), as amended, is amended by inserting after "operating" a comma and "or organized to construct and operate,".

SEC. 2. Section 5 of such act of August 7, 1946, is amended to read as follows:

"SEC. 5. Thirty percent of the net amount expended by the Administrator of General Services under this act shall be charged against the District of Columbia and shall be repaid to the Government by the Commissioners of the District of Columbia at the annual rate, without interest, of 3 percent of such 30 percent. The District of Columbia shall be entitled to 30 percent of the sale price of any of the properties sold by the Administrator of General Services under section 2 of this act, other than properties the value of which is deducted from the gross amount expended to determine the net amount upon which the 30 percent to be charged against the District of Columbia is computed, and the District of Columbia shall also be entitled to receive 30 percent of any rentals received from the leasing of any of the hospital facilities acquired or constructed by the Administrator of General Services under this act. The amounts which may be due the District hereunder shall be credited on the amount owed the Government by the District of Columbia until such obligation of the District is discharged in full."

SEC. 3. Section 6 of such act of August 7, 1946, is amended (1) by striking out "1958" and inserting in lieu thereof "1959", and (2) by striking out "$36,710,000" and inserting in lieu thereof "$39,710,000."

SEC. 4. The amendment made by this act to section 5 of such act of August 7, 1946, shall apply only with respect to grants from funds authorized by amendments made by this act.

Mr. SMITH of Virginia. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, the hospital situation in Washington is such that when they passed the general hospital bill some years ago, Providence Hospital, which was in the southeast section of the city, was removed and became a part of the General Hospital, so that there are no hospital facilities anywhere in the southeastern part of the city. Consequently the people in the southeast feel that they have been discriminated against in the matter of hospital facilities, and they are raising a fund to build a hospital provided the general hospital bill is amended so as to include them. One-half of this fund is being raised by public subscription. This bill merely amends the general hospital bill to raise the general authorization by $3 million in order that funds may be provided to supplement the necessary funds for this hospital. Then the District of Columbia will put up 30 percent, which will be repayable to the Government in the years to come, without interest.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Iowa.

Mr. GROSS. I appreciate the gentleman's explanation. Where would this hospital be built, on the Maryland-District line?

Mr. SMITH of Virginia. Somewhere down in that area.

Mr. GROSS. So that it would serve not only the District of Columbia but the States of Maryland and Virginia as well?

Mr. SMITH of Virginia. It will serve Maryland; it will not serve Virginia in any way, shape, or form. A large part of the fund is being raised over on the Maryland side by private subscription for the purpose of constructing this hospital.

Mr. GROSS. But it could very well serve Virginia once the bridge at Jones Point is completed, could it not?

Mr. SMITH of Virginia. Well, I do not know about that. Virginia now has under arrangement for construction ample hospital facilities. They are building a $5 million hospital in the county of Fairfax, and they are building a $5 million hospital in the city of Alexandria. If the gentleman means to intimate that I have any interest on behalf of my constituents, or the State of Virginia, in this hospital, he is entirely wrong.

Mr. GROSS. I do not mean to intimate that the gentleman has any personal interest in this proposed hospital.

Mr. SMITH of Virginia. I am always proud to serve my constituents, but it so happens that in this case I am not serving them.

Mr. GROSS. The gentleman has been doing an excellent job in serving his constituents, may I say.

Mr. SMITH of Virginia. I thank the gentleman.

Mr. GROSS. The gentleman said something about money being raised in the State of Maryland as part of the public contribution to this hospital, is that correct?

Mr. SMITH of Virginia. What I said was, it will be supplemented by funds raised in the southeast and in the Maryland areas.

Mr. GROSS. I thank the gentleman.

Mr. LANKFORD. Mr. Speaker, I move to strike out the requisite number of words.

Mr. Speaker, I am, indeed, gratified by the prompt action taken by the District of Columbia Committee on S. 1908, and the recognition by our distinguished majority leader of the importance of this measure.

During the past 2 years I have worked closely with many civic-minded groups in southeast Washington who over 3 years ago recognized clearly the problem created by lack of hospital facilities in southeast Washington. I have never known a more dedicated and responsible group of citizens. They have proved to me that their determination will see that this grave problem is solved. Becoming convinced at a very early date that their cause was just, I introduced in the first session of this Congress H. R. 7396, which is identical to the bill now under consideration.

The situation that now exists in southeast Washington with respect to hospital facilities can only be termed critical. With the removal of Providence Hospital and the impending removal of Sibley and Hanneman Hospitals from downtown District of Columbia and only one hospital in the north sector of Cheverly, Md., the southeast Washington section will suffer by 1960 a total loss of 569 beds, not to mention all attendant facilities. This loss of beds will be offset only partially by the passage of this measure as it is my understanding that the hospital contemplated for southeast Washington will have a capacity of 250 beds. To date, the funds made available under the Hospital Center Act have been used to help construct hospital facilities in the upper northwest and northeast sections of the District of Columbia. It is estimated that by April 1960, more than 322,000 people in southeast Washington and Prince George's County, Md., will be dependent on two distant and widely separated hospitals unless this southeast hospital is financed and completed by that time.

In order to more effectively deal with the problem, the Greater Southeast Hospital Foundation was formed as a result of concerted action by more than 30 civic and church organizations in southeast Washington. The foundation, which is presently composed of over 3,000 members including individual members and organizational members such as citizens associations, service clubs, and so forth, proposes to raise funds for the construction of this 250-bed, non-sectarian general hospital. This legislation will allow the foundation the time in which to raise the funds from private sources necessary to be matched with Federal funds for the construction of a hospital in southeast. I have made previous reference to the fact that funds under the Hospital Center Act have been used for the construction of facilities in upper northwest and northeast District of Columbia. This maldistribution of hospital facilities was recognized by the Hill-Burton Advisory Council for the District of Columbia which in its report made in April 1956, page 30, stated as follows:

> Although the District of Columbia as a whole has an adequate number of general hospital beds, according to the Hill-Burton formula it is not certain that the formula is applicable to this jurisdiction. The beds are, moreover, so distributed as to leave the southeast and Anacostia sections with inadequate facilities. It is recommended, therefore, that another general hospital of approximately 250 beds be constructed in Anacostia.

That section of southeast Washington which lies east of the Anacostia River has a population of approximately 150,000. If that section were to be considered separately from the overall picture of the District of Columbia, and well it might be because of the river is a natural boundary, the hospital bed need there, by Hill-Burton standards, would be over 675 beds. Any catastrophe which would wipe out our bridges would leave this area east of the Anacostia River virtually helpless as far as hospital facilities are concerned. From a practical point of view, any person who is seriously injured in an automobile or other accident in the southeast area of the city today will have to travel 15 to 25 minutes longer in an ambulance to reach a hospital than he would if a southeast hospital were available. I think that many of us have seen an ambulance with its red light flashing and siren blowing standing motionless in the center of morning traffic on the South Capital Street Bridge. This illustration certainly punctuates our need for a hospital in the southeast section.

Preliminary plans for the new hospital include facilities for the chronically ill. This will help to meet a serious need not only in the southeast, but in the entire city of Washington. Congress, in recognition of the need for hospital facilities in our Nation's Capital passed the Hospital Center Act and its present amendments. We are asked here today not to neglect a large section of the District of Columbia in the provision of such hospital facilities. I am impressed with the community effort involved in a solution to this problem and I am certain that the proposed southeast hospital will be one of which the entire metropolitan area of Washington may be proud.

Mr. ABERNETHY. Mr. Speaker, will the gentleman yield?

Mr. LANKFORD. I yield to the gentleman from Mississippi.

Mr. ABERNETHY. Will the gentleman be agreeable to sponsoring an amendment to this bill which would authorize the District of Columbia to enter into some sort of compact with the State of Maryland, with the end result being that the people of Prince Georges and other counties to be served by this hospital would contribute taxwise comparable to that which would be contributed by the people of the District of Columbia?

Mr. LANKFORD. I am certain that the people of Maryland would be more than willing to bear their own share, but I fail to see how that could be worked out properly. May I just say this, that the leading figures in this Southeast Hospital Foundation, the ones who have gotten behind it most, from my personal knowledge are people from Maryland.

Mr. ABERNETHY. That is right.

Mr. LANKFORD. Although they are not asking that the hospital be built in Maryland, they are asking that it be built in southeast Washington because a great many of them have contact with southeast Washington and have realized the need for a hospital in that area.

Mr. ABERNETHY. That is exactly the point I am making. The people of Maryland have stimulated interest in the construction of this hospital to be constructed in the District with District and Federal funds, but the Marylanders are going to use it although they are not making any contribution to it taxwise.

Mr. LANKFORD. The use by Marylanders, I would say, in my honest opinion, will be in direct ratio to their contribution to the foundation fund.

Mr. ABERNETHY. How much have they pledged to the construction of the hospital?

Mr. LANKFORD. I cannot answer that; I do not know.

Mr. MILLER of Nebraska. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, this bill, as has been explained, does amend the Hospital Act of 1946. It makes one additional amendment to that act. The bill spells out how the District must reimburse the Federal Government.

It is my understanding that to date they have not paid back 1 penny and have not levied 1 penny of taxes to pay back anything of the money advanced in the bill in 1946. I have insisted in the committee that that was wrong and that they ought to make a levy each year. I believe we changed the act in 1951 to provide payments. It should be done. I believe this bill does provide that the District Commissioners will now repay at an annual amortization rate of 3 percent without interest. I think there is something to the thought that Maryland will use the hospital because it is on the edge of the District of Columbia. But they do desperately need hospitalization in that area. I presume there are a certain number of charity patients who will come into the hospital, but I presume also that the people who have charge of the hospital administration will see that those who can pay do pay what they can or maybe pay the full bill and cost of hospitalization. The only thought I have had in this entire bill is that we have been pretty generous with the District of Columbia. You who pass, as I do, every day the new hospital out at the Old Soldiers' Home realize that we have a pretty fine institution there to take care of the needs of the District of Columbia. The taxpayers in the District of Columbia, we said in that act, should pay back 30 percent. I say to you that the Commissioners, so far as I can find in all of their records and there was testimony before our committee which shows that they have not as yet levied a tax to pay back any part of the money advanced to them. I think that was a mistake. In this bill, they are charged with making an annual payment back of 3 percent without interest. We do not do that to our own communities. Counties levy taxes, issue bonds, and pay interest. But I realize the District of Columbia is in a peculiar position and as a physician I think we recognize that the 200,000 or more people in the southeast area are entitled to some additional hospitalization over what they have at this time. I believe this is a step in the right direction.

The people of the community formed a foundation called the Greater Southeast Community Hospital Foundation with about 3,000 dues-paying members. They are raising a certain amount of money to match the Federal funds. I believe that the Hill-Burton funds are available and not matched. They do get a nice piece of money from the Hill-Burton funds, as we get in our States. They also get Hill-Burton funds which they do not pay back. With that thought in mind, the Members of the Congress ought to realize that we are authorizing an appropriation of $3 million by this legislation. The Bureau of the Budget at times has been pretty cautious about recommending new projects. They have done that in flood control and reclamation projects and public works. Here is a public-works project that apparently is going to be an exception to that rule. We are going to appropriate $3 million, to get the hospital started. With reference to the project, I assume that the people need it. I would like to see a hospital built someplace in the proposed area. But, I do think the financial arrangement has been rather loosely construed in the past and if we make any more of this kind of appropriation, we ought to pin down very definitely how the people in the District of Columbia will repay their share. Those who are going to have the benefits of the hospital ought to pay back a good share of the cost of the hospital.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. MILLER of Nebraska. I yield.

Mr. GROSS. What does the Bureau of the Budget think about this particular bill?

Mr. MILLER of Nebraska. I do not know whether there is a report here from the Bureau of the Budget. I do not find any. I do not know that they reported to us. One of the Commissioners was not too happy about this hospital. The other two thought it ought to be built.

I expect to support the measure.

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to be read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

AMENDING SECTIONS 22 AND 24 OF THE ORGANIC ACT OF GUAM

Mr. MADDEN. Mr. Speaker, by direction of the Committee on Rules I call up the resolution (H. Res. 462) providing for the consideration of H. R. 4215, a bill amending sections 22 and 24 of the Organic Act of Guam.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4215) amending sections 22 and 24 of the Organic Act of Guam. After general debate, which shall be confined to the bill and continue

not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER pro tempore (Mr. McCORMACK). The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PECOS RIVER BASIN, N. MEX. AND TEX.

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution (H. Res. 461) and ask for its immediate consideration.

The Clerk read the resolution as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (S. J. Res. 39) to authorize the construction of certain water conservation projects to provide for a more adequate supply of water for irrigation purposes in the Pecos River Basin, N. Mex. and Tex. After general debate, which shall be confined to the joint resolution and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Commitee on Interior and Insular Affairs, the joint resolution shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the joint resolution for amendment, the committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr ALLEN of Illinois. Mr Speaker, I have no objection to this rule.

I reserve the remainder of my time.

Mr. THORNBERRY. Mr. Speaker, House Resolution 461 makes in order the consideration of Senate Joint Resolution 39, to authorize certain water conservation projects in the Pecos River Basin in New Mexico and Texas. This measure passed the Senate in March 1957.

House Resolution 461 provides for an open rule and 1 hour of general debate on the joint resolution.

At the present time large quantities of water in this area are wasted through evaporation and transpiration. In addition, the water is contaminated with soluble salts. In the past few years a drought has existed on the Pecos River making the water situation critical and, in fact, threatening the economy of the Pecos River Basin.

Senate Joint Resolution 39 proposes to alleviate this situation by authorizing the Secretary of the Interior to construct a channel to convey flows of the Pecos River below Alamagordo Dam through the delta at the head of McMillan Reservoir, a levee and cleared floodway through the delta and spur drains from the delta. It is estimated these projects will cost approximately $2,600,000. Salinity alleviation works are also authorized at a cost of approximately $150,000, none of which would be reimbursable.

Construction of these projects is conditioned upon local payment for the right-of-way acquisitions, highway revision, an access road, and the payment of the operation and maintenance costs. The Committee on Interior and Insular Affairs added an amendment to the Joint Resolution which provides that the Carlsbad Irrigation District, New Mexico, and the Red Bluff Water Power Control District, Texas, will return to the United States annually for a period of 50 years such portion of the construction costs as is within their ability to pay, the amount to be determined by the Secretary of the Interior.

The resolution further provides that any of the Carlsbad Irrigation District's terminal storage which may be lost by the clearance of the floodway must be replaced.

Of the total cost of $2,600,000 at present prices it is estimated that $2,200,000 will be borne by the Federal Government, plus $150,000 for the salinity alleviation works. Expenditures will be spread over a 2-year period.

In view of the situation which exists in this area I urge prompt adoption of House Resolution 461 so the House may proceed to the consideration of this measure.

The SPEAKER pro tempore (Mr. McCORMACK). The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ORGANIC ACT OF GUAM

Mr. O'BRIEN of New York. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4215) amending sections 22 and 24 of the Organic Act of Guam.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 4215, with Mr. JONES of Missouri in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with

The CHAIRMAN. Under the rule, the gentleman from New York [Mr. O'BRIEN] will be recognized for 30 minutes, and the gentleman from Pennsylvania [Mr. SAYLOR] will be recognized for 30 minutes.

The Chair recognizes the gentleman from New York [Mr. O'BRIEN.]

Mr. O'BRIEN of New York. Mr. Chairman, I yield myself such time as I may desire, and I shall be brief.

This bill would accomplish three purposes: One, to broaden and clarify the district jurisdiction in certain respects, and to provide more flexible appellate procedure in the Guam Federal court. It would also lengthen from 4 to 8 years the judge's term in the Guam District Court to conform with the terms of judges of the District Courts of Puerto Rico, the Canal Zone, and the Virgin Islands.

The third part of the bill would bring the salary of the United States district court judge of Guam in line with the salaries paid other district judges under the American flag.

It was believed by the committee that this legislation is largely noncontroversial and it was brought up earlier on the Consent Calendar. At the time the gentleman from Iowa raised a very fair question as to whether the district judge in Guam received additional compensation in the form of free housing. We have investigated that matter and we learn that the district judge in Guam rents a house from the Guamanian Government, a two-bedroom house, for which he pays $96 a month. I would assume that is a fair rent and is not in the form of a subsidy to the judge.

The committee feels, and I feel, that we should not single out one district judge among all those under the American flag and say that he shall receive less compensation than the others. This House has voted in the past to establish uniform salaries for district judges. The incumbent in the office at Guam is the sole exception. The reason for that was that his salary at the time the other salaries were adjusted was governed by the Organic Act of Guam. It was treated as a separate proposition. His salary was tied in with that of the Governor of Guam. There seems to be very little merit in tying in the salary of a Federal district judge with that of the governor of any Territory.

As far as the proposed increase in the term of office from 4 to 8 years is concerned, it is obvious it is difficult to persuade distinguished attorneys to accept appointments to a judicial office in a place as remote from the Continental United States as is Guam. There is a feeling in the committee that if the term were lengthened to 8 years we would be able to persuade distinguished attorneys to accept appointment to that important office.

There is a great deal of judicial work in Guam, some of it originating among the natives of Guam, a great deal of it involving land condemnations, some of it involving United States servicemen stationed at Guam.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. O'BRIEN of New York. I yield to the gentleman from Michigan.

Mr. HOFFMAN. I want to know what this is about. I have a bill, H. R. 4215, which has to do with the courts. Is that what is before the committee now?

Mr. O'BRIEN of New York. That is correct.

Mr. HOFFMAN. As I get it, the bill deals with the jurisdiction of the courts.

Mr. O'BRIEN of New York. No. The bill covers the jurisdiction of the court, also the term of office of the district judge in Guam and also the compensation of the district judge in Guam. The

amount of money involved is $3,500 a year.

Mr. HOFFMAN. For what?

Mr. O'BRIEN of New York. To establish the salary of the district judge in Guam at the same level as that of every other Federal district judge under the American flag.

Mr. HOFFMAN. Is there something in this bill about housing? It has only 3 pages.

Mr. O'BRIEN of New York. There is nothing about housing in the bill. The gentleman from Iowa last year asked if the Federal district judge in Guam received free housing. That was a very fair and pertinent question because it would have, I assume, some effect upon his compensation. I explained a few moments ago that the Federal judge over there does not receive free housing. He rents a two-bedroom house in Guam from the Guamanian Government and pays $96 a month rent.

Mr. HOFFMAN. Am I correct in assuming that the bill merely deals wtih the jurisdiction of the court and the appointment of the judge?

Mr. O'BRIEN of New York. The jurisdiction of the court, the length of term of the judge, and the compensation of the judge.

Mr. HOFFMAN. I thank the gentleman.

Mr. CRETELLA. Mr. Chairman, will the gentleman yield?

Mr. O'BRIEN of New York. I yield to the gentleman from Connecticut.

Mr. CRETELLA. Is this not the same subject matter that was defeated under suspension of the rules last year?

Mr. O'BRIEN of New York. No.

Mr. CRETELLA. When an attempt was made to raise the salary of the judge in Guam?

Mr. O'BRIEN of New York. No. The gentleman is incorrect to this extent. It came up on the Consent Calendar and was objected to by the gentleman from Iowa who raised the point I mentioned earlier about the residence and so forth.

Mr. CRETELLA. Well, the purpose of the bill at that time on the Consent Calendar was almost identical with this one here, except this one has something to do with jurisdiction that that one did not have. What is the salary of the judge in Guam now?

Mr. O'BRIEN of New York. Nineteen thousand dollars as compared with $22,500 for all other Federal district judges. I might say in passing that the Federal district judge in the Virgin Islands, with one-third of the population of Guam, receives $22,500.

Mr. CRETELLA. Can the gentleman give us any idea as to the amount of work that the judge in Guam has to do as far as either criminal or civil actions are concerned?

Mr. O'BRIEN of New York. Yes; I can give the gentleman that information. I would say that in the first place there are undoubtedly districts in the United States where the judges carry a heavier workload, but I would say—and I base this upon the testimony of people from the judiciary—that the workload of the district judge in Guam is as great, if not greater than the workload of the district judges in other territories, incorporated and unincorporated. And, I might say in passing, too, that if we establish a salary basis for our Federal district judges, I do not think we should put them on piecework any more than we would put a Member of Congress on piecework.

Mr. CRETELLA. Well, we apparently do that with other Federal judges where States have applied to the Judiciary Committee with bills to increase the number of judges in the various States because of the workload, and the Judiciary Committee in its wisdom has not seen fit to report those bills out yet. Those judges are on a piecework basis to the extent that they do not even have summer vacations. That has been taken away from them. I do not think you are going to find any dearth of candidates for a judgeship in Guam.

Mr. O'BRIEN of New York. Yes; and I assume there are lawyers who would be willing to accept $19,000 a year even if it was with the full knowledge that they were the one and only district judge under the American flag who was being paid less than $22,500. May I also add for the gentleman's benefit that the Federal judge in Guam does not receive the 25 percent cost-of-living differential which goes to other Federal employees or officials in Guam. So, if you are going to take that into consideration, you should in all fairness reduce in your mind the amount he is now receiving by 25 percent. If he gets $22,500, he would still not obtain that cost-of-living differential.

Mr. CRETELLA. I think this is certainly a matter that should have the attention of the Committee on the Judiciary in connection with its omnibus legislation dealing with all Federal judges in the United States.

Mr. O'BRIEN of New York. The Committee on the Judiciary did deal with the legislation, and it was debated at great length in this House, relating to the salaries of Federal district judges, and the reason they did not include at that time the district judge in Guam was because his salary was controlled by the Organic Act of Guam, and I am very sure if that had not been the case, the Committee on the Judiciary would not have said that in every place, Alaska, Puerto Rico, the Virgin Islands, Hawaii, the Federal district judge, regardless of his workload, shall receive $22,500, but in Guam and Guam alone we are going to fix the salary at $19,000. I am very sure that the Committee on the Judiciary wanted all Federal district judges to have $22,500 when they proposed and supported their legislation a couple of years ago.

Mr. CRETELLA. I want to go on record that I am opposed to the bill and I am opposed to the manner in which it has been handled.

Mr. SAYLOR. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, I would like to urge that this bill be adopted promptly. Now, you just heard the objection made to the way in which this bill was handled. This bill was introduced as every other bill is introduced in the House of Representatives. The Speaker and the Parliamentarian in their wisdom assigned it to the committee that has jurisdiction, to the House Interior and Insular Affairs Committee; they have jurisdiction over the entire Territory of Guam, and of necessity therefore over the judiciary of Guam.

Just to make sure that the House committee found out the views of the Committee on the Judiciary, the gentleman from California [Mr. ENGLE], the distinguished chairman of our committee, took this matter up with Judge Maris, the man who has been selected by the Committee on the Judiciary to be the adviser on matters affecting judges in the Territories. And if you will look at page 7 of the committee report you will find that Judge Albert B. Maris of the third district of the United States Court of Appeals recommends that this bill be enacted; first, because it made the term of the district judge of Guam the same as the district judges in our other Territories and possessions; second, because it straightens out a serious matter of jurisdiction, and thirdly, it places this judge on the same salary scale with every other Federal district judge.

Mr. Chairman, I think the distinguished gentleman from New York [Mr. O'BRIEN], who handled this bill before the subcommittee, has made an excellent presentation. The Governor of Guam is here. The gentleman from New York [Mr. O'BRIEN], and I checked with the Governor of Guam to determine whether or not this judge was receiving free housing. We found that he lives in a house that is owned by the Territory of Guam but for which he is charged a rental which has been fixed by the General Accounting Office. He does not receive free rent. Neither does he receive the 25 percent cost-of-living allowance given to other Government employees, and if this bill is passed he still will not receive that cost-of-living allowance. All this bill does is to put the judge in the Territory of Guam on the same level with all other Federal judges.

Mr. MADDEN. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I am happy to yield.

Mr. MADDEN. I noticed in the report that the judge in Guam does not receive the cost-of-living allowances that other Federal officials receive out there, which come to about 25 percent; is that correct?

Mr. SAYLOR. That is correct.

Mr. MADDEN. As a matter of fact, if the judge were to get this increase in salary, the fact that he does not receive a cost-of-living allowance would mean that his salary was really only about $18,000 as compared with the other officials out there; is that correct?

Mr. SAYLOR. That is correct. He does not receive that allowance. I think in fairness to the judge in Guam, whoever he may be, he should have the same standing as all other Federal judges.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman.

Mr. GROSS. This judge has gone from $13,000 a year to $19,000 a year; is that correct?

Mr. SAYLOR. No; that is not correct. As the gentleman from New York pointed out, there is an error in the figures in the report. His salary is $19,000 a year and not $13,125 as appears in the report.

Mr. GROSS. He has been paid $19,000 a year all the time; is that correct?

Mr. SAYLOR. I believe that is right.

Mr. GROSS. So he was not moved up to $19,000 a year just to keep pace with the Governor of Guam?

Mr. SAYLOR. I believe that is right.

Mr. GROSS. I am surprised there would be that error in a report, but things of that kind do happen. Does the gentleman have any idea of the workload of this judge in Guam as compared with the workload in the northern or southern Federal jurisdictions in Iowa?

Mr. SAYLOR. I cannot tell the gentleman, but I know from information we have received that he has more work than many Federal courts in this country that have two judges.

He has as much work as practically all of the courts in our territories that have only one judge.

Mr. GROSS. In this country?

Mr. SAYLOR. I do not know about in this country, but if the gentleman will refer to page 6 of the committee report he will find reference to the Canal Zone, Virgin Islands, New Hampshire, Alabama—middle district—Idaho, Nevada, and Hawaii. His record compares very favorably with them.

By the way, I do not think we should judge the amount we pay a judge by the number of cases had in other jurisdictions. This judge is at the call of the United States Supreme Court and can be assigned to other jurisdictions should they need his services.

Mr. GROSS. Where, for instance, would a judge on Guam be assigned at the pleasure of the Court if he were still under an 8-year appointment?

Mr. SAYLOR. He could be called to serve just as all the judges are under the United States Supreme Court. They are subject to being assigned for temporary work.

Mr. GROSS. I understand that, but is the gentleman saying that he would be called, with transportation paid and his family moved from Guam to some jurisdiction in this country, when he is under an 8-year appointment. I do not understand that.

Mr. SAYLOR. No, I have not tried to say that at all. What the Supreme Court could do is that if they had need of his services on a temporary basis they could ask him to come and sit and assist other judges in other places.

Mr. GROSS. Has that been done in the past?

Mr. SAYLOR. It has not been done from Guam, but in the past judges have been sent to Guam.

Mr. GROSS. Is it the intention that it will be done in the future?

Mr. SAYLOR. I do not know what the United States Supreme Court will do.

Mr. O'BRIEN of New York. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield.

Mr. O'BRIEN of New York. The judge of Guam could very well be, probably would be, and I assume has been called, say, to Hawaii. I am also informed that the district judges sitting in Hawaii on occasion have been called from Hawaii to the west coast to help out when there has been calendar congestion.

Mr. CRETELLA. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from Connecticut.

Mr. CRETELLA. Referring to page 6, if the statement of the workload of the district court in Guam is correct, it has handled in 1 year 63 criminal cases and 93 civil cases, or a total of 156 cases. First of all, that does not indicate that there is any need for a transfer of judges from one jurisdiction to another. In answer to the gentleman's remarks that you do not pay judges by the workload they carry, it certainly is obvious to me that this particular judge is being greatly overpaid for what he is doing. I cannot see how you can reconcile what is demanded for his salary when judges up in our district have thousands of cases a year. We had in our district of Connecticut a Smith Act case, where the judge was tied up on it for 9 months in the trial, to say nothing of the proceedings from that point on. This judge handled 63 criminal cases, that were handled expeditiously, most of them, perhaps, on guilty pleas.

Mr. KEARNEY. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from New York.

Mr. KEARNEY. One question I have in mind is why the provision for an 8-year term in this particular legislation. As I understand, all Federal judges are appointed for a life term.

Mr. SAYLOR. No, that is not true of judges in our Territories and possessions.

Mr. KEARNEY. That is the question I wanted answered.

Mr. SAYLOR. The terms of the other Federal judges in the Territories have been increased to 8 years. This is only increasing the term of this judge in Guam to the same as the other judges in the Territories.

Mr. KEARNEY. Do I correctly understand that the workload of this particular district judge in Guam is commensurate with the workload of judges in Hawaii, the Virgin Islands, and our other outlying possessions?

Mr. SAYLOR. That is correct.

Mr. O'BRIEN of New York. Mr. Chairman, I yield myself such time as I may desire.

Mr. Chairman, the question was raised about the workload in some of our States. Certainly as a resident of New York I am fully aware of that. I also believe that something should be done about it in the interest of the litigants. But I cannot for the life of me understand how our problem or the problem in Connecticut or any other State is to be solved by saying that the district judge in Guam shall receive $3,500, a year less than the district judge in the Virgin Islands, in Alaska, in Hawaii, or in the other Territories or possessions.

Here is a case where we are bringing up a batting average of the per diem labor or caseload against one judge. Who is to say that the workload is not too great in Guam? Let us not forget that in that remote place, there is a great background of Spanish law and custom. There are difficulties which confront the Federal district judge in Guam which do not confront the district judge in my district or in your district. In addition to that, he is far from home. The judge there has a number of problems which do not occur to these other overworked judges in the States to whom reference has been made. Here is a Territory that is strategically important to our country. There are 73,000 people there, 3 times the population of the Virgin Islands. I may say to the gentleman who raised the question of procedure that the Committee on Interior and Insular Affairs does not relish the expansion of its duties, but because we have jurisdiction over the organic act of these Territories necessarily we find ourselves dealing with problems which ordinarily would go before the Committee on the Judiciary. I might say further that I doubt very much whether any member of the great Committee on the Judiciary which supported the legislation for salary increases for Federal judges in this country would stand on this floor and say that we had in mind all the Federal judges under the American flag except this one person in Guam. I doubt it very much and I might say further that we followed exactly this procedure when the salary of the Federal district judge in the Virgin Islands was increased. That was done in the orderly way we are doing it now, by amending the Organic Act of the Virgin Islands. We are not going to help the caseloads in any of our districts by singling out this one man. All we would be doing is saying that in the judgment of the Congress of the United States this man and this man alone is to receive less than every other Federal district judge under the American flag; not only $3,500 a year less but bear in mind the cost differential of 25 percent which exists in Guam. That cost differential has been recognized by this Congress which has provided for the payment of that 25 percent differential to Federal employees and servicemen generally. This is a matter, in my opinion, of simple justice. By denying this fair play to this one man, we are not going to remedy any situation in any of our districts.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. O'BRIEN of New York. I yield.

Mr. GROSS. Did I understand the gentleman to say that there is a population of 73,000 in Guam?

Mr. O'BRIEN of New York. That is correct.

Mr. GROSS. I might say to the gentleman that we have 2 Federal district judges in the State of Iowa serving 2¾ million people and 2 serving more than 1¼ million in each jurisdiction. Does the gentleman suggest that this judge might be sent to Hawaii to help with the cases there?

Mr. O'BRIEN of New York. Yes; that is entirely possible. I understand one of the district judges of Hawaii at this moment is sitting on the west coast hearing cases.

Mr. GROSS. Does the gentleman think that 2 judges serving Hawaii with only, according to your own report, 200 cases or approximately 200 cases, that there would be any need to bring a judge from Guam to Hawaii?

Mr. O'BRIEN of New York. No; I would say to the gentleman I do not. And I did not raise as a substantial argument that this man's work might be increased thereby. But, in view of the fact that the gentleman has brought it up, it is entirely legal and entirely possible that the judge would so sit. Then we would be in a most peculiar situation if there was more than a one-man court, sitting alongside a man receiving more money, wearing the same robes and having the same title. When we talk about a population of 73,000, we overlook the peculiar problems which arise in some of these remote places.

Mr. GROSS. I think it is peculiar that we have two Federal judges in Hawaii with a workload of 200 cases. I think that is out of this world.

Mr. O'BRIEN of New York. The gentleman may be correct. I think the gentleman might also say that it is very peculiar that we are paying $22,500 to a Federal district judge in the Virgin Islands, which has a population of only 23,000.

Mr. RHODES of Arizona. Mr. Chairman, will the gentleman yield?

Mr. O'BRIEN of New York. I yield.

Mr. RHODES of Arizona. Is this not the situation that is bothering the gentleman from Iowa [Mr. GROSS]? We have a situation where we must have a judge. It does not make too much difference what the workload is, because it is necessary for us to provide a court and a judge, and the judge has to be there whether he tries one case or a hundred cases. If you have to have a judge, you have to pay that judge the same amount of money as you do any other judge who serves in a United States district court.

Mr. O'BRIEN of New York. I think the gentleman is correct. While the gentleman from New York carries a workload commensurate with his capacity, he is also aware that there are many Members of Congress who have the mental capacity to carry a greater workload who receive exactly the same salary as the gentleman from New York. When you adopt a uniform salary schedule, whether it be Members of Congress or Cabinet members or the Federal judiciary, you should not single out one man or a very small group of men and say, "You are the sole exception."

Mr. CRETELLA. Mr. Chairman, will the gentleman yield?

Mr. O'BRIEN of New York. I yield.

Mr. CRETELLA. The gentleman made reference to the fact that a judge in Guam has a peculiar responsibility, different from that of other Federal judges. In the report on page 6, of the 63 criminal cases that he handled in one year, he had 15 theft and fraud cases, 4 immigration cases, 3 offenses against the United States, 3 murder cases, and 1 manslaughter case; 7 assault, 8 burglaries, and 4 other cases. The municipal court of the District of Columbia handles that much business in one day. I cannot find fault with the theory of trying to put these on the same pay schedule, but I do not think the gentleman can show that this man's requirements are so much higher than other Federal judges.

Mr. O'BRIEN of New York. If the gentleman has gathered that impression from my remarks, I regret it. I am not talking about $3,500. I am not talking about the capability of the gentleman who is now district judge in Guam. I simply say that this Congress has said that Federal court judges shall receive a certain salary, and that under existing law we have this one man singled out. The only reason he is singled out is that when we changed the other law this man was controlled by the organic act over which the Interior Committee had control and not the Committee on the Judiciary.

Mr. KEARNEY. Mr. Chairman, will the gentleman yield?

Mr. O'BRIEN of New York. I yield.

Mr. KEARNEY. When I asked the gentleman about the term of office which was raised from 4 years to 8 years, I would like to make this observation: An individual who has an excellent law practice in this country would not want to give up that practice to become a judge. It might be rather difficult to find that type of a judge who would be willing to give up his practice of 4 years or 8 years and go to Guam or some other such place.

Mr. O'BRIEN of New York. The gentleman is very correct, because in this instance you would be saying to that capable lawyer, "When you go on the Federal bench not only will you receive $3,500 less than any other Federal judge, but it will cost you 25 percent more to live there than it does where you are living now.

We would have to reach out and try to get for that position lawyers who would be satisfied with $15,000 or $16,000. I do not know whether there are many of them of that kind.

Mr. KEARNEY. Those particular individuals would not be the type we want for judges?

Mr. O'BRIEN of New York. They could be, but I think if we made it just a little more attractive we would be able to secure more desirable men.

Mr. KEARNEY. The gentleman believes we should be consistent insofar as the pay of Federal judges is concerned, whether in this country or in our possessions?

Mr. O'BRIEN of New York. We should be just as consistent with Federal judges as we are with members of the Cabinet and Members of Congress. We have established a salary scale. If you want to haggle, if you want to put them on a piecework basis, all right; then we will have to start with the Virgin Islands, we will have to take up Alaska, Hawaii, and Guam, and measure their workload; then decide that our judges are to be paid according to the volume of work they handle. If we ever start that system in this country, we are going to be in very bad shape. If we had ever started that in Congress we would be in worse shape.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. O'BRIEN of New York. I yield to the gentleman from Iowa.

Mr. GROSS. When the salary-increase bill for judges was before the House, we had all kinds of statistics furnished us with respect to the workloads of the Federal judges. It was used then. Why not now? That was one of the great contentions made for an increase, which, incidentally, I voted against insofar as the amount of that increase was concerned. I would have gone along with a reasonable increase but not with the amount they put in that judges' increase bill. That was used at that time as one of the real arguments for a huge boost in the pay of Federal judges.

Mr. O'BRIEN of New York. The gentleman is correct; but at that time we were arguing about the workload of the Federal bench generally. We never set up a box score showing that the judge in my district handled so many cases and the judge in the gentleman's district handled so many cases. We argued about the Federal judiciary generally. When it was a question of a salary increase for Members of the House we provided it right across the board and did not examine the workload of any individual Member. I say if we apply that rule to ourselves, we should apply it to the judiciary.

The CHAIRMAN. If there are no further requests for time, the Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the second sentence of subsection (a) of section 22 of the Organic Act of Guam (64 Stat. 384, 389; 48 U. S. C. 1424) is amended to read as follows: "The District Court of Guam shall have the jurisdiction of a district court of the United States in all causes arising under the Constitution, treaties, and laws of the United States, regardless of the sum or value of the matter in controversy, shall have original jurisdiction in all other causes in Guam, jurisdiction over which has not been transferred by the legislature to other court or courts established by it, and shall have such appellate jurisdiction as the legislature may determine."

SEC. 2. Section 22 of the Organic Act of Guam (64 Stat. 384, 389; 48 U. S. C. 1424) is further amended by inserting at the end of subsection (a) thereof the following additional paragraph:

"Appeals to the District Court of Guam shall be heard and determined by an appellate division of the court consisting of three judges, of whom two shall constitute a quorum. The judge appointed for the court by the President shall be the presiding judge of the appellate division and shall preside therein unless disqualified or otherwise unable to act. The other judges who are to sit in the appellate division at any session shall be designated by the presiding judge from among the judges assigned to the court from time to time pursuant to section 24 (a) of this act. The concurrence of two judges shall be necessary to any decision by the District Court of Guam on the merits of an appeal but the presiding judge alone may make any appropriate orders with respect to an appeal prior to the hearing and determination thereof on the merits and may dismiss an appeal for want of jurisdiction or failure to take or prosecute it in accordance with the applicable law or rules of procedure."

SEC. 3. Subsection (a) of section 24 of the Organic Act of Guam (64 Stat. 384, 390; 48 U. S. C. 1424b), as amended, is further amended as follows:

"(a) The President shall, by and with the advice and consent of the Senate, appoint a judge for the District Court of Guam who shall hold office for the term of 8 years and until his successor is chosen and qualified unless sooner removed by the President for cause. The judge shall receive a salary payable by the United States which shall be at the rate prescribed for judges of the United States district courts.

"The Chief Judge of the Ninth Judicial Circuit of the United States may assign a judge of the Island Court of Guam or a judge of the High Court of the Trust Territory of the Pacific Islands or a circuit or district judge of the ninth circuit, or the Chief Justice of the United States may assign any other United States circuit or district judge with the consent of the judge so assigned and of the chief judge of his circuit, to serve temporarily as a judge in the District Court of Guam whenever it is made to appear that such an assignment is necessary for the proper dispatch of the business of the court."

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose, and the Speaker pro tempore [Mr. FORAND] having assumed the chair, Mr. JONES of Missouri, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 4215) amending sections 22 and 24 of the Organic Act of Guam, pursuant to House Resolution 462, he reported the bill back to the House.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

SUPPLY OF WATER IN PECOS RIVER BASIN, N. MEX. AND TEX.

Mr. ENGLE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the resolution (S. J. Res. 39) to authorize the construction of certain water conservation projects to provide for a more adequate supply of water for irrigation purposes in the Pecos River Basin, N. Mex. and Tex.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the resolution (S. J. Res. 39), with Mr. TRIMBLE in the chair.

The Clerk read the title of the resolution.

By unanimous consent, the first reading of the resolution was dispensed with.

Mr. ENGLE. Mr. Chairman, I yield to the gentleman from Colorado [Mr. ASPINALL], chairman of the Subcommittee on Irrigation and Reclamation, such time as he may require.

Mr. ASPINALL. Mr. Chairman, Senate Joint Resolution 39 would authorize a small reclamation project with attendant works; in fact, it should be labeled a rehabilitation program rather than an outright reclamation program.

The program which would be authorized by Senate Joint Resolution 39 has 2 purposes: The first purpose is to provide for channelization and firming up of a project that is already in existence, and the second purpose has to do with the salvaging of water which is so briny that it cannot be used for irrigation or municipal purposes at the present time.

The Pecos River rises in the State of New Mexico and flows down into the State of Texas. It was necessary to have an understanding between the authorities in those two States before this bill could be brought before the Congress of the United States. That understanding has been arrived at, and it is here with the approval of both of the States.

The McMillan Reservoir, which is on the Pecos River in the State of New Mexico, was built by private enterprise, but at the time the Carlsbad project was studied and authorized, the McMillan Reservoir became a part of the Carlsbad Reservoir, and the whole project is a reclamation project under the jurisdiction and control of the Bureau of Reclamation of the Department of the Interior.

The McMillan Reservoir has had to have its banks shored up and strengthened from time to time because of the sedimentation which has flowed into it; and the channel which leads directly to the McMillan Reservoir has become so filled up with salt cedars that it is almost impossible to get the water through to the reservoir. Consequently, we have a loss of approximately 26,500 acre-feet of water. There is nothing more consuming as far as plants are concerned than the salt cedar of the Southwest.

This authorization would provide for the channelization and the refirming of the banks of the reservoir; also it would provide that below the reservoir where the water flows through what is known as Malaga Bend, which means bad water, where brine is added to the water to the tune of something like 400 tons a day, there will be taken out by an installation, which would withdraw the brine from the water, most of the briny content. This would permit better water to go down to the Red Bluff Reservoir in Texas, which is above the town of Pecos. Such improved water will be used on the Pecos project.

The gentleman from Texas [Mr. RUTHERFORD], is here to speak about that part of the legislation. The cost involved is minor, $2,600,000 for the main channelization and rehabilitation of the project; $150,000 for the plant that is to be placed into operation at Malaga Bend to get the brine out of the water.

The benefit-cost ratio of this project is 1.6 to 1 which makes it a good project. However, under the present situation, with the loss of so much water, it is impossible for the users under the project effectively to use the water and to pay for the project which has already been authorized.

Mr. ENGLE. Mr. Chairman, will the gentleman yield?

Mr. ASPINALL. I yield to the gentleman from California.

Mr. ENGLE. Just to emphasize that point, what it boils down to is that this project is being put together to bail out and to make economically operative the Federal investment already in the area.

Mr. ASPINALL. The gentleman from California is exactly right. The part of this legislation which is new policy is that provision which would provide for the use of Federal moneys on a nonreimbursable basis to salvage the project which is already authorized. That is a departure from our reclamation law; but it is impossible for the users to pay all of the small amount of money which would be charged against them because of the added cost of this project.

The other body passed this bill over to the House without any reference whatsoever to the possibility of the users paying what they could pay, although that requirement is basic to reclamation law.

The committee having jurisdiction in the House made an amendment which appears on the first page of the report and states that the users under the project must pay what they are able to pay; that a reevaluation will be made from time to time so that if they are unable to pay as much as was originally thought then they will be permitted to have their payments reduced a little bit; and, if they are able to pay more then they shall have their payments increased in order to take care of their added ability.

As has been suggested this is a salvage program to a great extent, and unless we do this there is no possibility of the Federal Government getting back all of the money which has already been charged against the project.

May I say in passing that the users of this project are current in their repayment responsibility at the present time; that is, the users under the Carlsbad project are current with the payment of current liabilities, so we are picking them up at the right time.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. ASPINALL. I yield to the gentleman.

Mr. GROSS. How did this project get started? How much did the Federal Government have in this project?

Mr. ASPINALL. In the original project, I cannot tell you that at the present time.

Mr. RUTHERFORD. Mr. Chairman, will the gentleman yield?

Mr. ASPINALL. I yield to the gentleman from Texas.

Mr. RUTHERFORD. In response to that question, approximately $3 million was originally invested. As the gentleman from Colorado [Mr. ASPINALL] has pointed out, at the present time that is current, although our ability to pay is not current under the reclamation basic criteria.

Mr. GROSS. This is a compact between the States of New Mexico and Texas?

Mr. ASPINALL. The compact between New Mexico and Texas is part of the

whole picture, but it has little if anything to do with the repayment liabilities.

Mr. GROSS. How much has the Federal Government invested in this?

Mr. ASPINALL. The gentleman from Texas says approximately $3 million, and that has to do with the existing project in the State of New Mexico.

Mr. GROSS. Now you want another $3,500,000?

Mr. ASPINALL. No. The gentleman understood me to say $2,600,000. It is because of needed rehabilitation features.

Mr. GROSS. How did they get in trouble with this project?

Mr. ASPINALL. I expect that if the truth were known it was because of a poor survey at the time the work was entered into in the beginning, not realizing that the soil was as alkaline and briny as it is, and not realizing that the salt cedars would move into the channel of the Pecos River and take approximately 26,500 acre-feet of water per year.

Mr. GROSS. Was it a mistake or was it due to stupidity?

Mr. ASPINALL. I would not say that it was either one. I would say that perhaps there should have been a little bit more surveying. On the other hand, I doubt if it was foreseeable that the salt cedars would move in and use as much water as they have.

Mr. ENGLE. Mr. Chairman, will the gentleman yield?

Mr. ASPINALL. I yield to the gentleman from California.

Mr. ENGLE. The project was started in 1906 and it has been without engineering since then.

Mr. GROSS. I still do not know what I want to know about it.

Mr. ASPINALL. If the gentleman has another question, I will try to answer it.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. ASPINALL. I yield to the gentleman from Massachusetts.

Mr. NICHOLSON. Did they not know that this was salt water when the project was started?

Mr. ASPINALL. This was not salt water when the project was started in 1906.

Mr. NICHOLSON. The salt water has come in since?

Mr. ASPINALL. The salt water has come up since. The alkalies of the soil have come in, washed in, and come through the channel of the Pecos River above the McMillan Reservoir, and that is where the damage has started.

Mr. GROSS. Do I correctly understand that the State of New Mexico raises $290,000? For what purpose?

Mr. ASPINALL. To take care of the rights-of-way that are necessary for the improvement that is to be made.

Mr. GROSS. What has the State of Texas done, or is there any responsibility on its part?

Mr. ASPINALL. The State of Texas has no responsibility in that respect, because the part that belongs to the State of Texas is below the Carlsbad project. The rehabilitation mostly goes to the Carlsbad project.

Mr. GROSS. Does the State of Texas have any responsibility in any other aspect that it should be carrying that will be eliminated by this bill?

Mr. RUTHERFORD. Texas has agreed through the compact ratified in 1948 that they will cooperate with New Mexico in the maintenance and operation. Because of a constitutional limitation, the State of Texas cannot appropriate money to be used outside of its State boundaries. In other words, we cannot appropriate money for projects outside the State of Texas. This whole project is in the State of New Mexico. Actually, how this came about was a joint venture between the State of Texas and the State of New Mexico through the compact agreement. For a great number of years we have experienced a great amount of difficulty in water rights as between Texas and New Mexico, because we are downstream.

This is the first joint venture between the State of Texas and the State of New Mexico in working out an agreement through legislation rather than in a courthouse. We will assume all necessary and possible expenditures that we are permitted to, and we will jointly accept half of the bill of the operation and maintenance without cost to the Federal Government.

The CHAIRMAN. The Chair recognizes the gentleman from South Dakota [Mr. BERRY].

Mr. BERRY. Mr. Chairman, we have no further requests for time on this side.

The CHAIRMAN. If there are no further requests for time, the Clerk will read.

The Clerk read as follows:

Whereas there has been an inadequate supply of water for beneficial consumptive uses in the Pecos River Basin, N. Mex. and Tex., for a number of years; and

Whereas in recent years the shortage of water for beneficial consumptive uses in such basin has been aggravated by reason of the nonbeneficial consumptive use of water by salt cedars in such basin and by reason of the infiltration of brine into such river; and

Whereas the States of New Mexico and Texas, with the consent of Congress, entered into a compact in 1948 with respect to the Pecos River and one of the principal purposes of such compact was to provide for cooperation between the Federal Government and the States of New Mexico and Texas in studies and projects designed to make available a greater supply of water for beneficial consumptive uses in such basin; and

Whereas the Bureau of Reclamation and the Geological Survey, after investigation of certain conditions causing the shortage of water in the Pecos River Basin, have made reports in which they have respectively considered, for the purpose of alleviating such shortage, engineering and other aspects of the construction of a water salvage channel in such basin and the construction of works for the alleviation of salinity in such basin; and

Whereas the construction of such channel and works are estimated to cost $2,600,000 and $150,000, respectively, and the annual operation and maintenance costs for such channel and such works are estimated to be $55,300 and $4,300 a year, respectively; and

Whereas the States of New Mexico and Texas are ready and willing to make substantial contributions to the cost of construction of such channel and works if the United States will join with them in bearing such costs; and

Whereas State and local agencies in New Mexico and Texas are ready and willing to undertake equitably the financial burden of operating and maintaining such channel and works, and State and local agencies of Texas are ready and willing to undertake the financial burden of operating and maintaining the works for the alleviation of salinity in the Pecos River; and

Whereas the Legislature of the State of New Mexico has authorized the appropriation of $290,000 to meet the State's share of the construction costs of the works; and

Whereas the value of benefits which will accrue to the United States from the construction of such channel and works, including restoration of the ability of water users in such basin to pay their contractual obligation of approximately $3,500,000 to the United States, are substantially in excess of the share of the costs of construction of such channel and works to be borne by the United States: Now, therefore, be it

Resolved, etc., That the Secretary of the Interior is authorized to construct, upon a nonreimbursable basis, a 1,500 cubic-foot-per-second water salvage channel, levee, cleared floodway, and spur drains sufficient to drain McMillan Delta in the Pecos Basin in New Mexico substantially in accordance with the plans described in the report of the Secretary of the Interior, entitled "McMillan Delta Project, Pecos River Basin, New Mexico," House Document 429, 84th Congress, but with such modifications of, additions to, and deletions from said plans as the Secretary may find appropriate to accomplish the purposes of this joint resolution: *Provided, however*, That no money shall be appropriated for, and no work commenced on the clearing of the floodway called for in said report unless provisions shall have been made to replace any Carlsbad irrigation district terminal storage which might be lost by the clearing of the floodway: *Provided further*, That prior to construction of the water salvage channel the Secretary shall, unless clearance of the floodway is then assured, analyze the adequacy of the designed floodway levee and make such new designs therefor as will assure substantially the same standards of flood protection as would be achieved by the presently contemplated levee with a cleared floodway. The Secretary shall not proceed with the construction of such channel until (1) he has adequate assurance from the State of New Mexico that it will, as its share of the costs of construction of such channel, acquire such rights-of-way, complete such highway changes, and construct such bridges as may be necessitated by the construction of such channel and that it will build an access road to such channel, and (2) he has adequate assurance from the Pecos River Commission or other State and local agencies in New Mexico and Texas that such commission or agencies in New Mexico and Texas will operate and maintain such channel and other works authorized in this section.

SEC. 2. The Secretary of the Interior is authorized to construct upon a nonreimbursable basis, works for the alleviation of salinity in the Pecos River Basin, New Mexico, substantially in accordance with the report entitled "Possible Improvement of Quality of Water of the Pecos River by Diversion of Brine, Malaga Bend, Eddy County, New Mexico," prepared by the Water Resources Division, Geological Survey, and dated December 1954, but with such modifications of, additions to, and deletions from said plans as the Secretary may find appropriate to accomplish the purposes of this joint resolution. The Secretary shall not proceed with the construction of such works until (1) he has adequate assurance from the State of New Mexico that it will, as its share of the costs of construction of such works, acquire such rights-of-way for wells, pipelines, and disposal areas as may be necessitated by the construction of such works, and (2) he has adequate assurance from the Pecos River Commission or other State and local agencies in Texas that Texas or local agencies

therein will operate and maintain such works.

SEC. 3. The projects constructed under the authority of this joint resolution shall, except as otherwise provided herein, be governed by the Federal Reclamation Laws (act of June 27, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto), to which laws this act shall be a supplement.

SEC. 4. Nothing contained in this joint resolution shall be construed to abrogate, amend, modify, or be in conflict with any provisions of the Pecos River Compact.

SEC. 5. There are hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, such sums as may be required to carry out the purpose of this joint resolution.

Mr. ENGLE (during the reading of the joint resolution.) Mr. Chairman, I ask unanimous consent that the further reading of the Senate joint resolution be dispensed with and that it be considered as read and be open for amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I should like to ask the gentleman from California, or someone, if this is an irrigation project which would be the means of bringing more land into production and more farm crops into existence.

Mr. RUTHERFORD. I shall be glad to answer the gentleman. There will be no new lands going into cultivation as a result of this project.

Mr. GROSS. The purpose of it, then, is the impounding of water; is that it?

Mr. RUTHERFORD. I will answer the gentleman from Iowa by saying this is a rescue project. At the present time there are 470 tons of pure salt that today is being dumped daily into the famous Pecos River which supplies a great number of people. That is 470 tons per day. Behind the McMillan Dam, there are 13,500 acres of delta that have grown up of silt. On this silt there has grown up this salt cedar which has strangled the flow of water. What is involved is not only the quality of the water but the quantity of the water. The only thing we are attempting to do is to increase the quality and the quantity of our present flow of the river; otherwise, by a natural attrition there will be a damming up of the river and a dumping into the river of 470 tons of salt per day.

Mr. GROSS. But this is not going to make a flow of fresh water to be used for new irrigation projects or for the production of more farm crops; is that correct?

Mr. RUTHERFORD. I think you will find there will not be one single acre being cultivated as a result of the improvement. This is only to help those who are already depending on the land to make their livelihood so that they will receive something more than they have now. The average income is less than $1,000 a year due to the present condition of the river. All we want to do is to receive the necessities of life. I would point out the fact that under the law governing the Bureau of Reclamation, the income has to be $2,500 and over before they are liable for repayment. These people make less than $1,000 a year and to show their willingness, they are current on their present payments. In fact, most of them have borrowed money to stay current with the Federal payments. I think we will always maintain our obligations.

Mr. GROSS. I thank the gentleman from Texas.

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

Page 3, lines 3 and 4, strike out the words "construct, upon a nonreimbursable basis," and insert the word "construct."

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 4, line 14, strike out the word "and."

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 4, line 19, strike out the period, insert a comma, and add the following language: "and (3) he has adequate assurance in the form of contracts with the Carlsbad Irrigation District, New Mexico, and the Red Bluff Water Power Control District, Texas, that they will return to the United States each year during a 50-year period from the date of completion of the works authorized by this section, under terms and conditions satisfactory to the Secretary, such portion of the cost of constructing those works as is within their repayment ability, said repayment ability to be determined by the Secretary from time to time, but not more often than every 5 years, after consultation with said districts."

The committee amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose and the Speaker pro tempore [Mr. McCORMACK] having assumed the chair, Mr. TRIMBLE, Chairman of the Committee of the Whole House on the State of the Union reported that that Committee having had under consideration the joint resolution (S. J. Res. 39) to authorize the construction of certain water-conservation projects to provide for a more adequate supply of water for irrigation purposes in the Pecos River Basin, N. Mex., and Tex., pursuant to House Resolution 461, he reported the joint resolution back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore (Mr. McCORMACK). Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the third reading of the Senate joint resolution.

The Senate joint resolution was ordered to be read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the Senate joint resolution.

The Senate joint resolution was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. ENGLE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed, and to include extraneous matter if they so desire.

The SPEAKER pro tempore. Is there objection?

There was no objection.

TO ESTABLISH THE UNITED STATES SCIENCE ACADEMY

Mr. RODINO. Mr. Speaker, I ask unanimous consent to revise and extend my remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. RODINO. Mr. Speaker, the bill providing for a United States Science Academy which I introduced several weeks ago adds to the several earlier bills of this session a proposal which differs from most of them in rather important respects. The term "Academy of Science" has several meanings including, for example, an academy which is composed of the most eminent scientists elected to its membership as an honor or, for a second example, an educational institution for the training of young scientists. My bill deals with the latter type of academy. I wish to explain the idea upon which my proposal is based and also to describe the proposed academy and its operation.

Almost every one must be convinced by this time that one of our most important duties during the present session of the Congress is to make provision for increasing the national supply of scientists, and I shall only add a statement of my concurrence in this belief without reviewing the evidence. I think we can accept the assumptions that our country has a serious shortage of scientists, that it is necessary for national defense to remedy this situation immediately, and that the Congress, while not bearing the sole responsibility for action, does nevertheless have an unique function to perform. If the Federal Government—the representative of all the people—does not carry out its duty to protect citizens in time of national crisis there will be no leadership adequate to the necessities of the situation. Individuals, organizations and foundations, colleges, and universities, State and local governments all can—and must—make their respective contributions but unless there is vigorous leadership from a single source we shall have only a disorganized collection of separate programs. Some aspects would be duplicated or overemphasized—others would be omitted or under-emphasized. The production of

the number of scientists which we need for our national defense effort almost certainly cannot be expected unless the National and State and local governments, private organizations, and educational institutions make the maximum effort to attain this goal.

The bill which I have introduced deals with only one aspect of the total program and with only one means of training more scientists. It does not attempt to supplant or duplicate other programs now in operation or planned for the future. In simplest terms, it provides a national educational institution which will train, at Government expense, civilian scientists to be utilized in Government employment. Some of the other bills to establish a National Academy of Science are based on the theory of merely adding trained scientists to the general stockpile in the country, without making explicit provision that the Government's need for such personnel shall be a first priority. Obviously, this is an excellent purpose but in my thinking it is too timid and too indirect and, I fear, will not insure that the Government's needs will be satisfied. If Federal tax money is to be used to educate scientists, the expenditure is justified if there is a Federal need for such personnel and if there is a definite plan to channel the new graduates into Federal employment. My bill meets this test.

The Academy which I propose may be compared in some respects to the Academies of the three armed services. One important difference lies in the provision for civilian control and direction of the Academy of Science by the Secretary of the Department of Health, Education, and Welfare, rather than military control by the Department of Defense. Since graduates of the Academies of the armed services enter the Army, the Navy, and the Air Force as military, not civilian, personnel, supervision by the Department of Defense is suitable. But graduates of an academy of science would enter the Federal Government as civil servants, and it is suitable that such an academy should be controlled by a civilian agency. The Office of Education is a part of the Department of Health, Education, and Welfare and its good influence on the new member of the Department would be counted on. In all respects this Department seems to be an ideal sponsor for the new Academy. Recognizing the contributions which would be made by the National Science Foundation and the Atomic Energy Commission, the bill provides that both agencies would be asked to cooperate with the Department as specified in the bill.

The method of appointing students to the proposed academy resembles the methods of choice used by the three service Academies. All expenses of the 4-year course would be borne by the Government, and this is a most significant provision. Today an education in any field of science is a very expensive proposition and too many of our brightest high-school graduates cannot meet such costs. From the individual student's standpoint, as well as from that of the Government, there is a clear gain in offering a first-class scientific education at public expense. Following graduation, the young person enters the Federal civil service in a position suitable to his individual skills and he remains in that service for 10 years. This means that, by his early thirties, he has to his credit a degree in science and 10 years of experience. Naturally, by that time, most of the young civil servants will have been promoted into interesting and responsible positions and almost certainly they will choose in a large number of cases to remain in Federal employment. If they do not so choose, they will enter private business, thus adding badly needed workers to the seriously insufficient number of trained scientists outside of Government. Probably some of them would become science teachers, and this would be of inestimable public benefit.

I hope that the opportunity will be given, through committee hearings, for Members of the Congress and citizens of the country to have the benefit of discussion of my proposal and those made by other Members. We need to hear as witnesses eminent scientists and educators and public administrators, because the idea of an academy of science is new and has not been the subject of thorough discussion either in or out of Congress. Furthermore, if the idea of such an institution meets with general approval we shall next have to determine all the details of its organization, operation, and financing. This proposal is, in my judgment, an important part of the total effort being made in the present session of the Congress to improve our national defense, and I anticipate general interest in the proposed United States Science Academy.

SUBSCRIPTION OR PAY TV

Mr. DINGELL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DINGELL. Mr. Speaker, I am introducing two bills today to outlaw so-called subscription television or pay TV. These bills will outlaw the broadcast of television programs through the air waves for cash payment by the viewer.

The first bill simply specifically denies to the Federal Communications Commission the power to authorize any person to engage in broadcasting or subscription television programs. The second bill denies the Federal Communications Commission any authority to permit any licensee to engage in subscription television operations after March 1, 1961. My preference is for the first, which is a better bill.

The date of March 1, 1961, in the second bill is approximately the concluding date of the 3-year trial period which the FCC has set up to test pay TV.

I want to make it clear that I do not recognize that the FCC has the authority under the Federal Communications Act to permit either subscription television or a test of subscription television. I repeatedly examined the Federal Communications Commission in a hearing before the House Interstate and Foreign Commerce Committee, as to what section of the act they relied on in having permitted this test. The usual answer was that it came from a broad, general power conferred in the act. Repeated questions by me on this subject could narrow the scope of the FCC reliance no further.

The Communications Act of 1934 referred to broadcasting as it was understood at that time; namely, free operation to the listener, and had television existed at that time, television financed by sale of advertising time. Certainly no specific authority for so radical a step exists.

These bills require affirmative action by Congress after their passage for any subscription broadcasting. They do not admit that the FCC has this authority to permit subscription broadcasting operations but seek to specifically remove the doubt under which the FCC has acted.

Subscription television will outbid existing free television stations for the present prime viewing shows and viewing hours. Simple economics prove that subscription television would shortly acquire all of the especially desirable programs, like world's champion football and World Series baseball and All-Star Games. The bowl games and other sporting events would gravitate from existing free viewer service to this service for a fee. There is no great pool of viewer programs which would be immune to this siphoning process. Good movies, plays, ballet, opera, and other similar programs on free television would flow to subscription television.

All sides agree that subscription television has a vast earning potential in Detroit. Mr. Willard A. Michaels, vice president of WJBK in Detroit, had this to say on the subject in a letter to me:

> We have said repeatedly that we as a station are not afraid of pay television as such, for if paid television is eventually authorized by the Congress (which is where we feel that issue should be decided), it is certainly a source of untapped revenue for us, and conceivably considerably more profitable than the intensely competitive advertising business as it is today. For example, if you utilize only 1,200,000 families out of the 1,700,000 TV homes in our primary coverage area as probably consistent pay television users, it is just a matter of simple arithmetic to calculate the potential revenue therein. Even if we use one of the very conservative estimates at the probable per family cost, $100 per year (and some estimates run in excess of $400), you can see that this is a potential of $120,000,000 annually, far greater than the combined revenues of all the Detroit stations from advertising.

International Telemeter, a proponent of pay TV, said through one of its officers:

> The World Series in the future conceivably will be able to gross as much as $25 million (that is, from pay television).

The president of Zenith Radio Corp., another proponent, declared that it could have grossed $5 million for the 1 television supershow, Peter Pan, viewed

on 20 million receivers. He said as follows:

Approximately 20 million receivers were tuned to this program. With the same show on subscription television, and the same audience paying 25 cents per set to watch the attraction at home, the box office would have received $5 million to be divided between the producer, the distributors, and the broadcasting station.

An officer of Skiatron TV, Inc., said:

If we assume that the cost to the viewer of a particular program is $1, one customer under this type of programing is economically equivalent to 140 consumers under the existing advertiser-sponsored system. In other words, if an audience of 7 million people is required to support a particular program under the existing system, an audience of 50,000 would support the same program given subscription television.

Note well that these earning projections are far in excess of advertiser revenue or ability to compete for the same productions.

What proponents and opponents alike are saying is that pay TV can and "will compete with the networks for talent"—quoting a representative of Skiatron TV.

And this is precisely what subscription television would do; raid the existing services for shows, personalities, and attractions. Financial power superior to that of advertisers would assure success to subscription television in this raiding and in its general operaton.

The ultmate effect of subscription TV would be to compel all viewers to pay to see all worthwhile programs during the really desirable viewing hours from 7 until 10 or 11 in the evening during weekdays and almost all day Sunday. All stations, and certainly the networks would commence operation on a subscription basis in self-defense, to compete for prized talent and for this huge new source of revenue.

The other viewing hours, usually now subject to service at the break-even point or below, will probably remain free, since it appears now that no one will pay to watch programs at those times.

The golden promise of freedom from advertising would soon be dispelled, since everyone admits that there is nothing to bar advertisements with subscription television. Most of the entrepreneurs who appeared before our committee admitted that advertising on subscription television might be desirable, and that they are at this time considering it as a good revenue source.

This test is especially dangerous since it apparently is conducted without adequate safeguards. I repeatedly asked the FC C to name one limitation which would prevent persons applying for test licenses from acquiring what in effect would be a purchase or leasehold of the air waves which are a part of the public domain. At no time did any member of the Commission give any information as to what constituted either an adequate test or proper limitations for the protection of the American people. Members of the FCC specifically stated that there was nothing to prevent them from repeatedly extending the test. Conceivably it could run as long as the Clear Channels case now growing whiskers after 10 years before the FCC.

It further appears that there is no new information to be gleaned from this test. I repeatedly examined the members of the FCC as to what information they expected to derive from these tests. They were unable to state any specific information or any planning involved in the test. I examined witness after witness as to whether these tests would show whether or not there would be a siphoning of programs from free to subscription television; no one could tell me that this information would be forthcoming from the tests. I sought information from the various witnesses as to whether or not the tests would be of sufficient scope as to reveal the impact of so-called subscription television on existing free service. Again, the FCC was not able to say the tests were sufficiently large in scope to show anything of its impact on present free service. In fact, the consensus seemed to be that the test would not be of sufficient duration to glean any of this information. All parties agreed that subscription TV proponents would be on their very best behavior during the period of the test.

These are questions that go to the very heart of the matter, and it is in these questions and their answers that we must read the public good and the public convenience and necessity. If the public must pay for service it now gets free there must be good reason such as no commercials, superior programing and preservation of present free service. There is no such assurance.

Everyone agrees that these tests will reveal that toll TV or subscription TV is workable technically and economically desirable to the entrepreneurs.

There has been no great public outcry for this type of service. Chairman Doerfer of the FCC said so, in response to my question. In fact, public opinion is directly and forcibly opposed to pay TV.

A number of polls have been taken on this subject. WJBK–TV in Detroit has had mail with 3,062 against and 31 for, as of January 29, 1958.

A similar test in a program on KSBW–TV in Salmas-Monterey and KSBY–TV in San Luis Obispo, Calif., ran 5,002 against pay TV to 4 in favor.

TV Guide and Pulse have taken polls running very strongly against subscription TV. My own mail is about 1,000 to 1 against pay TV.

In a word, the people do not want it, and should not be saddled with it.

No one can show that either this test or toll TV is in the public interest.

Indeed, the FCC is to be criticized for having failed to have held evidentiary hearings as urged by Commissioner Bartley in his minority views. Such hearings would have disclosed as much as the projected tests with less danger to the present free service.

It appears that Congress must take action now to halt and to destroy this monster before it is able to usurp the air waves and destroy existing free services, which while not perfect are certainly very desirable.

PROTECTING INVESTMENTS ABROAD

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New York [Mr. CELLER] is recognized for 20 minutes.

Mr. CELLER. Mr. Speaker, a few months ago some of the most prominent Republicans were foolishly trying to lull the United States into a false sense of security by preaching that Soviet power was finally on the decline and that the United States had nothing to fear from Russia or her satellites in the foreseeable future.

Today, we are living in an America that has been reawakened and transformed by the new awareness that we are actually locked in a life-or-death struggle with a first-class power which is our equal in almost every important respect except one—freedom for its people.

We see debate about intercontinental missiles and summit conferences dominating the headlines and the thinking of the hour. We set up the Explorer as against sputnik. While it is important that we solve these issues they must not be permitted to crowd out the consideration of the more basic problems that we face in our rivalry with Russian power.

Nowhere today does the United States face a more serious long range challenge from expanding Soviet imperialism than in the underdeveloped areas of the world. The Soviet has put all its power behind the centrally directed state-financed drive for economic penetration of these underdeveloped areas in Asia, Africa, Latin America, and elsewhere. This is the program that embodies Russia's boldest bid for control of the world.

If we are to meet this challenge properly, we must begin today to develop a new philosophy, and new programs of action. We must establish some basic conditions of security for capital throughout the world which will make it possible for us to prove actually that private enterprise is superior in every respect to a state-controlled economy.

There is today a need throughout the world in underdeveloped areas for dams and electrical plants; for steel mills and cement factories; for railroads and hospitals; and for highways and schools, the cost of which will amount to tens of billions of dollars. Even if we were to strain our system of grants, aids, and government-to-government loans to the limit we could not begin to meet this demand, even supposing that our Treasury and our taxpayers would want to endure the burden.

But if we cannot meet these demands, as the Russians can on a government giveaway basis, we can surpass anything the Russians have to offer if we will take the right steps to utilize the unlimited energies of our private enterprise capitalist system to the utmost.

I believe that to do this job correctly we must start by relieving American capital, available for investment in such projects, from some of the uncertainties which now surround the process of investment in foreign countries. We

should begin by moving in the direction of a system of international law and safeguards to halt the spread of the fever of nationalization; to create bulwarks against expropriation, confiscation, and the illegal seizure of capital invested in foreign countries, whether that capital be of American, British, French, German, or any other origin.

Within the last decade we have seen too many instances of mounting fever of nationalization to feel that it will pass without strict, sound measures to cure this problem. These instances have created a profound impression on the financial community and they have inhibited, and in some cases dried up, the capital which would otherwise be available for overseas development.

There is, for instance, the recent case of the seizure of the principal mines in Bolivia; the nationalization of Anglo-Iran oil; the expropriation of United Fruit by Guatemala; the seizure of the Suez Canal and of banks and insurance companies owned by Europeans in Egypt; the action of the Indonesian Government in dishonoring its obligations to Dutch investors and in seizing $1½ billion of private property.

We of the Western democracies prize highly our system of private enterprise. To make it work better we must protect and make secure the private capital which is invested in foreign lands.

We must do it both on an international basis by joining forces with other democracies and on a unilateral basis through better implementation of foreign policy. On an international basis this can be achieved, I believe, by setting up an international society whose members will subscribe to an international Magna Carta.

This international convention would be bolstered by an International Court of Arbitration which would establish effective and enforcible rules of law for the securing of private foreign investment. These rules would afford protection to the investors and to the recipient nations alike.

But this is not all we can do. There are also obvious steps which we in the Congress of the United States can take to halt the spreading cancer of nationalization. Because, as I have said before, this cancer can kill our efforts to promote the vitally needed investment of American capital overseas.

In this connection I want to take the liberty of commending to the attention of my colleagues the praiseworthy action of the eminent Senator from Rhode Island, THEODORE FRANCIS GREEN. A few months ago, Senator GREEN, who is chairman of the Foreign Relations Committee, served notice on our State Department that he would soon order an investigation of our national policy toward the Government of Bolivia. The basic reason for his step was the fact that this country which confiscated the major tin-mining properties of foreign investors in 1952 has so far evaded every attempt to establish a valuation and a method of compensation for the dispossessed companies and stockholders, many thousands of whom are American citizens.

I should like to quote from the statement made by Senator GREEN on this matter in the RECORD of September 19, 1957. He said:

> We are living in perhaps the most revolutionary period of recent history. One of the most disturbing phenomena of our times is the spread of the type of nationalism which believes that the nationalization of private property and the adoption of socialistic economic policy are the best solutions for all economic ills.

Later in the statement he said the following:

> I believe that the United States through its Government is obliged to take a positive stand on this matter of Bolivia's seizure of its large mines. There is no question that the world is looking to us for guidance in these troubled times and that socialistically inclined politicians in many countries will interpret the actions of the United States for their own purposes if we fail to take a firm stand.

And subsequently in the same statement he made the following trenchant comment regarding the use of foreign policy in this problem of nationalization:

> As time goes on, and as the United States continues to expend large sums to help the Bolivian Government to support itself, we have been identified more and more openly with the policy of the present Government of Bolivia. This is most unfortunate, because it has led to misinterpretation of United States Government policy with respect to nationalization. The time has come, it seems to me, for clarification of this anomalous situation.

I think that the Members of this House will certainly agree with me that this is a profoundly intelligent estimate of the problem. The stand which Senator GREEN takes is just and it is in full accord with the principles of law. It is a refreshing contrast to the irresolute policy of our State Department which has poured tens of millions of dollars of American money into Bolivia without regard to whether or not they were aiding a government in its defiance of its international obligations.

I feel that it would be to the benefit of not merely Congress but of many prominent American business organizations to pay careful attention to what Senator THEODORE GREEN says in his policy declaration regarding Bolivia. He provides the needed antidote to the fuzzy, vacillating policy of our Department of State in this notorious incident of expropriation, which has continued to mislead some prominent American corporations into dangerous ventures in Bolivia, of doubtful character and even dubious morality.

Much as it distresses me to mention this name in this connection, I am forced to point out that the National Lead Co. in New York seems now to have involved itself in an unfortunate predicament in Bolivia.

About a year and a half ago it was first reported that the National Lead Co. was negotiating with the Bolivian Government to take over the lease of a mine in Bolivia, one of the properties which had been expropriated from its former owner.

What was remarkable about this was the fact that in all of the negotiations there seems to have been absolutely no provision, either on the part of National Lead or of the Bolivian Government to compensate the owner for the vast sums of money which they had invested in developing and preparing these valuable properties for exploitation.

At that time, in October of 1956, the financial publication, Barron's, commented by saying:

> The private companies might have shunned such devious deals had not Uncle Sam set them an example by purchasing Bolivian stolen tin.

And I also note that the financial columnist, Mr. Norman Stabler, commenting on the same situation in the Herald Tribune, said:

> For investors there is the question whether the leasing of properties that were expropriated, without adequate compensation to the former owners, may set a precedent. Other countries could resort to the same tactics and this in turn would tend to discourage the exportation of private American capital to areas where it is sorely needed.

I only hope that the officials of National Lead will read carefully again the statement of Senator GREEN and the comments of these highly respected financial analysts. They are a better guide to their future course than the advice which they must now be receiving from the Bolivians and our State Department.

It is indeed strange that a leading American company in the field of minerals who has probably had broad dealings in the international field would countenance anything to do with being involved in properties that were confiscated abroad and on which the whole issue of compensation is not only pending for 6 years, but little, if any, progress has been made to resolve this problem. If the problem were reversed there is no doubt that the National Lead Co. would come post haste to Washington to seek protection and support.

Just as the National Lead Co. has frequently in the past shown a calloused disregard for the antitrust laws of the United States, it now seems to be showing a callous disregard for the reprehensibility of taking over another company's mines and properties, by conspiring with an expropriating government. I hold before me the records of the numerous antitrust violations with which the National Lead Co. has been charged and found guilty, dating from as far back as 1923, and up to as recently as February 27, 1957, when the Supreme Court upheld the decision of the Federal Trade Commission and accused National Lead of operating with utter disregard for the law in its business practices.

In 1943, 1945, and again in 1956, National Lead was found guilty of operating and participating in a worldwide cartel in titanium compounds, products which have a high degree of essentiality for our national defense.

In 1956 both civil and criminal actions were prosecuted against National Lead

Co. for another type of antitrust violation—namely, conspiracy in restraint of trade in disposal of used storage batteries and salvaging of lead from same.

I could continue to cite from this record at length, but I think I have shown enough to indicate that this company has not in the past hesitated to enter into illegal actions from which it could profit.

And now, I am afraid that we are witnessing a situation in which National Lead is preparing to exhibit the same type of moral blindness in the realm of international law. If National Lead conspires with the Bolivian Government to take over the properties of another company which have been expropriated, but not compensated for, it is openly encouraging the spread of the "law of the jungle" in the area of international investments. It is helping to strip many worthy American companies and investors of the safety on which many billions of dollars of invested American capital depends.

Certainly, National Lead Co., cannot possibly enhance its reputation by such actions. If the officers of the company have a prudent regard for the welfare of the company which they administer, they will promptly realize that they cannot afford to show such complete disregard for both international law and American public opinion.

COTTON ACREAGE

The SPEAKER pro tempore (Mr. McCORMACK). Under previous order of the House, the gentleman from Missouri [Mr. JONES] is recognized for 10 minutes.

Mr. JONES of Missouri. Mr. Speaker, I am taking this opportunity to call attention to a bill which I introduced yesterday, H. R. 10510. This is a bill which, while it deals with cotton, has an interest outside the area of production of cotton. The title of the bill I think explains the purpose of the bill, which is to provide additional cotton acreage for meeting existing shortages of upland cotton grading Strict Low Middling and better.

A lot of people will wonder why at the time we are making soil bank payments to farmers who are taking land out of the production of cotton we are now asking that we have increased production. I shall try to explain that as briefly as possible and shall also discuss the limitations on this legislation.

To begin with, it is generally recognized that there is a shortage and there will be even greater shortages of the better grades of cotton which are in demand by the domestic mills of this country as well as by our friends to whom we have been exporting this type of cotton in other countries.

In seeking this additional acreage, we are asking that a farmer be permitted to overplant his current allotment by 25 percent. That does not mean that every farmer will want to increase his allotment or this year's plantings by 25 percent. The reason many will not seek this additional acreage is the fact that none of the cotton produced on this excess acreage would be eligible for price supports. It would not be eligible for the CCC loan. Therefore, the Government would not be called upon to pay out any money either in the form of a loan or a subsidy or any other payment for his cotton which is grown on the excess acreage. This excess acreage would not count as allotment history. The farmers who elect to plant over their allotment up to 25 percent would not be eligible to participate in the cotton acreage reserve of the soil bank. In other words, some farmers who have gone into the soil bank might be encouraged to withdraw from the soil bank if they had the privilege of planting this additional 25 percent, but at the same time those who elected to remain in the soil bank would have that privilege.

While the bill calls for an additional 25 percent, I think it would be reasonable to expect that the current allotments would not be increased by more than 15 percent. I think that would be a modest prediction.

Another thing, the bill provides that the anticipated increase in production would not be considered in any price support computations.

In other words, this bill is an emergency measure to meet a condition which does exist and which I think needs to be met.

Last week the representatives of the National Cotton Council and representatives of some textile mills appeared before the Department of Agriculture asking for an increased allotment for cotton. The Secretary of Agriculture took the position, and I might say not unwisely, that to grant a 25-percent increase in acreage across the board without any limitation would have the effect of continuing the production of all types of cotton in the same proportion as the cotton which has caused at least a part of our problem.

Under this bill there would not be that likelihood at all because the farmers, unless they felt that they were in a position to produce cotton which is in demand and which would sell at a good price, would not be inclined to take advantage of this concession permitting this overplanting. Under present law if a farmer overplants his acreage, he is assessed a penalty of 50 percent of the current support price. Of course, that is the deterrent to going out and planting to meet this demand.

The thing I am so interested in working out is some plan whereby we can get adequate supplies of the better grades of cotton which are in demand in the manufacture of textiles. There has been some talk and we have heard rumors at least that there might be a demand upon the administration to cause an embargo to be placed on the export shipment of cotton. The embargo that was placed on export shipments in 1951 was one of the things that got us into the trouble that cotton is in at the present time. During the last 2 years we have been carrying on an export program which has been, I think most people will admit, rather successful. We have not only been able to reduce our supplies, but we have been able to recapture some of the markets that we have had historically and traditionally.

I was in Europe last fall and talked to several people in various countries about the problem. What they would like to have is some assurance of a dependable and stable supply of cotton. In order to continue as our customers, they must have this assurance. Foremost in their mind is the fact that they would like to see a dependable and continuing supply of good cotton. If an embargo should be placed on the exportation of cotton this year, I think we would lose some of the markets we have regained. I do not want that to happen. I think it would mean a very disastrous situation because the American cotton producer cannot afford to produce cotton solely for domestic consumption. We have to have a foreign market. I think we are beginning to remain the historical percentage of that market which we had in the past. I think we will not be able to retain them, however, unless we are able to meet the needs of the people who want to buy American cotton.

Another impression I got from this trip last fall, in the European economy particularly, is that I believe they are willing to pay more for American cotton than for cotton from other countries, if they can be assured of an adequate and stable supply of that cotton. They would rather buy from a source of supply that can supply all of their needs rather than to have to scatter their purchases over a number of countries. I talked to one of the cotton merchants from Paris. He told me that last year he had to go to 25 different countries in order to buy the types of cotton necessary to satisfy the demands of his particular customers. He said he felt the United States could produce cotton in sufficient supply on a competitive basis to meet all of the needs of those particular customers and for the convenience which he felt it would mean to him, he would be justified in paying from a cent to 2 cents per pound more.

In Europe we do not have the same degree of threat of competition from synthetics that we have here in the United States where it is on a highly competitive basis. We do have to meet that competition and I think most of us who live in the cotton areas know that eventually we are going to have to sell cotton at a price to meet synthetic competition.

We have another bill, which is H. R. 9134, that has been endorsed, not only by the American Cotton Producers Associates, which is an organization that represents a great many of our State cotton producer groups, but it has been endorsed by many mill groups, and the Cotton Exchanges of New York and New Orleans; by labor groups; by the cotton trade; by warehousemen and others. In other words, a portion of every segment

of the cotton industry has endorsed the bill. This is a long range bill. The present bill, H. R. 10510, does not supplant H. R. 9134.

The bill about which I have been talking today is a bill to meet an immediate emergency, and yet at the same time it will go a long way toward doing this year what the bill H. R. 9134 would do over a long period, with this exception: The bill I am talking about today would not cause the Government of the United States to spend any more money in return for obtaining this increased production. I know our farmers do not want to give up our support program. I also know there are many who do not favor any acreage increases, but I feel there are a sufficient number who are interested and who will go out and plant cotton without any guaranty at all. But I have the feeling that they can sell that cotton. I feel that the cotton that will be produced on this excess acreage will be cotton that will be sold in addition to the cotton that will be sold under the regular program this year.

The SPEAKER pro tempore. The time of the gentleman from Missouri has expired.

(By unanimous consent, Mr. JONES of Missouri was granted 2 additional minutes.)

Mr. JONES of Missouri. The only thing I think this will do is that it will supply the demand of the mills here at home, and it will enable us to supply the needs and demands of our foreign customers, and at the same time this bill will take away no privilege that any cotton producer has at this time. It will help the industry, it will help the mills, and the trade, without any cost to the Government.

I invite those from the mill areas to give consideration to this matter and to make inquiries and to see how this bill can be helpful.

Mr. GATHINGS. Mr. Speaker, will the gentleman yield?

Mr. JONES of Missouri. I yield to my distinguished colleague, the gentleman from Arkansas, who is chairman of our Subcommittee on Cotton.

Mr. GATHINGS. The gentleman from Missouri has done a splendid job all through the years for cotton. He represents one of the larger cotton producing areas of this country. His bill will be given wholehearted consideration by a subcommittee of the Committee on Agriculture on Monday.

There are two sides to this issue, and both sides should be looked into carefully.

Mr. JONES of Missouri. I thank the gentleman.

Mr. PILCHER. Mr. Speaker, will the gentleman yield?

Mr. JONES of Missouri. I yield.

Mr. PILCHER. Do you not feel that this bill will reduce the price of cotton to the little farmer between 5 and 10 cents a pound?

Mr. JONES of Missouri. I have heard that suggested, but I do not concur in that belief. I think that the demand this year will be so great and the supply so short that prices will hold up. However, I will say this, that unless legislation of a similar type is passed we will see the price of the better grades of cotton so high that we will be out of competition with some competing synthetics. I think for the immediate time that that might be true, but not to the extent of 5 or 10 cents a pound. I do not believe it would be that much.

Mr. PILCHER. Do you not believe that the little cotton farmer this year will be able to get from 38 to 40 cents a pound?

Mr. JONES of Missouri. On the higher grade cotton I think he will, but I do not want to see him destroy his future potential market in order to get a little more money just now. I feel the same way about the soil bank.

The SPEAKER pro tempore. The time of the gentleman from Missouri has again expired.

A NEW UNITED ARAB STATE IN THE MIDEAST

Mr. RABAUT. Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. SIKES] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. SIKES. Mr. Speaker, there appears to be little concern in this Nation over the possible significance of the emergence of a new United Arab State in the Mideast. This lack of concern is hardly justified when we consider the fact that the new Arab State is a pro-Russian force successfully put in being since the creation of the Eisenhower doctrine less than a year ago. The component nations are those which are currently receiving Russian arms and Russian advisers. To say that their aim will be for a peaceful Middle East, friendly to the Western Powers, is scarcely conceivable. It more likely is a drive for additions to the union with emphasis on a holy war against Israel and eventual control by Russia of the entire oil-rich area.

It is not an encouraging commentary that the economic need for an Arab alliance has long been recognized. It is disappointing to realize that it is the Soviets who have stimulated progress in this direction. This area, some of it very rich and some of it very poor, is split into a dozen nations and protectorates. Most of them have extreme difficulty in maintaining national status because of the lack of resources.

The United States must indeed direct its efforts more effectively or the handwriting on the wall is plain to be seen. The Soviet progress in the Mideast is altogether too pronounced for comfort and too significant for the future well-being of the area. The oil-rich Middle East is a direct steppingstone to Africa's masses where the Russian underground already is working feverishly. The mere existence of the Eisenhower doctrine is not enough. Judging by its achievements to date, it is a failure. Diplomatic defeat can be just as damaging as military defeat.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. PERKINS, for 15 minutes, tomorrow.

Mr. JONES of Missouri, for 10 minutes, today.

Mr. BAILEY, for 30 minutes, on Monday next, February 10, 1958.

Mr. HOFFMAN (at the request of Mr. ALLEN of Illinois), for 20 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. VINSON and to include an address by Hon. OVERTON BROOKS in New Orleans.

Mr. WILLIS and to include extraneous matter.

Mr. KEATING.

Mr. MASON.

Mr. CURTIS of Missouri and include extraneous material.

Mr. MCINTOSH and to include extraneous matter.

Mr. ZELENKO (at the request of Mr. ALBERT) and to include a speech delivered by Mr. ZELENKO.

Mr. BROOKS of Louisiana and include extraneous matter.

Mr. REUSS (at the request of Mr. RABAUT) and to include extraneous matter.

ADJOURNMENT

Mr. RABAUT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 21 minutes p. m.) the House adjourned until tomorrow, Thursday, February 6, 1958, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1577. A letter from the Under Secretary of the Interior, transmitting a draft of proposed legislation entitled "A bill to consolidate, revise, and reenact the public land townsite laws"; to the Committee on Interior and Insular Affairs.

1578. A letter from the Administrator, General Services Administration, transmitting a report on positions compensated under authority of Public Law 623, 84th Congress, during calendar year 1957, pursuant to Public Law 854, 84th Congress; to the Committee on Post Office and Civil Service.

1579. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in cases of certain aliens who have been found admissible into the United States, pursuant to the provisions of section 212 (a) (28) (I) (ii) of the Immi-

gration and Nationality Act; to the Committee on the Judiciary.

1580. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in cases where the authority contained in section 212 (d) (3) of the Immigration and Nationality Act was exercised pursuant to the provisions of section 212 (d) (6) of the Immigration and Nationality Act; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. VINSON: Committee of conference. H. R. 9739. A bill to authorize the Secretary of the Air Force to establish and develop certain installations for the national security, and for other purposes (Rept. No. 1329). Ordered to be printed.

Mr. SMITH of Virginia: Committee of conference. S. 969. An act to prescribe the weight to be given to evidence of tests of alcohol in the blood or urine of persons tried in the District of Columbia for operating vehicles while under the influence of intoxicating liquor (Rept. No. 1330). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HARRIS:

H. R. 10527. A bill to amend the Federal Trade Commission Act, as amended, so as to equalize rights in the distribution of identified merchandise; to the Committee on Interstate and Foreign Commerce.

By Mr. ANDREWS:

H. R. 10528. A bill to amend Public Law No. 177, 62d Congress, approved June 4, 1912; to the Committee on Interior and Insular Affairs.

By Mr. BATES:

H. R. 10529. A bill to provide a 5-year program of assistance to enable depressed segments of the fishing industry in the United States to regain a favorable economic status, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. BECKER:

H. R. 10530. A bill to prohibit private employment agencies from recruiting minors for out-of-State employment without making certain findings; to the Committee on Education and Labor.

By Mr. CLARK:

H. R. 10531. A bill to amend the Federal-Aid Highway Act of 1956 to increase the mileage of the National System of Interstate and Defense Highways, and for other purposes; to the Committee on Public Works.

By Mr. DELLAY:

H. R. 10532. A bill to amend the Social Security Act and the Internal Revenue Code so as to increase the benefits payable under the Federal old-age, survivors, and disability insurance program, to provide insurance against the costs of hospital, nursing home, and surgical service for persons eligible for old-age and survivors insurance benefits, and for other purposes; to the Committee on Ways and Means.

H. R. 10533. A bill to authorize the construction and sale by the Federal Maritime Board of a superliner passenger vessel equivalent to the steamship *United States*; to the Committee on Merchant Marine and Fisheries.

H. R. 10534. A bill to authorize the construction and sale by the Federal Maritime Board of a passenger vessel for operation in the Pacific Ocean; to the Committee on Merchant Marine and Fisheries.

By Mr. DEROUNIAN:

H. R. 10535. A bill to prohibit private employment agencies from recruiting minors for out-of-State employment without making certain findings; to the Committee on Education and Labor.

By Mr. DINGELL:

H. R. 10536. A bill to amend the Communications Act of 1934 so as to prohibit the granting of authority to broadcast subscription television programs; to the Committee on Interstate and Foreign Commerce.

H. R. 10537. A bill to clarify existing law with respect to subscription television operations; to the Committee on Interstate and Foreign Commerce.

By Mr. FINO:

H. R. 10538. A bill to amend the Internal Revenue Code of 1954 to provide an additional $2,400 exemption from income tax for certain amounts received as retirement annuities or pensions; to the Committee on Ways and Means.

By Mr. FORAND:

H. R. 10539. A bill to provide certain benefits for Government employees employed as fire fighters; to the Committee on Post Office and Civil Service.

By Mr. GEORGE:

H. R. 10540. A bill to amend the Federal-Aid Highway Act of 1956 to increase the mileage of the National System of Interstate and Defense Highways, and for other purposes; to the Committee on Public Works:

By Mr. HEMPHILL:

H. R. 10541. A bill to enable the Secretary of Agriculture to release cotton acreage from the acreage reserve for the 1958 crop year, to establish a substitute for the acreage-reserve program for cotton, and for other purposes; to the Committee on Agriculture.

By Mr. KEARNS:

H. R. 10542. A bill to prescribe the official version, and the manner of rendition, of The Star-Spangled Banner; to the Committee on the Judiciary.

By Mr. MAY:

H R. 10543. A bill to amend the Internal Revenue Code of 1954 to allow a taxpayer a deduction from gross income for the expenses of tuition and certain other fees and charges (within specified limits) paid by him for his education or the education of his spouse or any of his dependents; to the Committee on Ways and Means.

By Mr. MORRISON:

H. R. 10544. A bill to prohibit the charging of a fee to view telecasts in private homes; to the Committee on Interstate and Foreign Commerce.

By Mr. MULTER:

H. R. 10545. A bill to amend section 70, title 5, United States Code (18 Stat. 109), and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. SIKES:

H. R. 10546. A bill to repeal the act requiring the inspection and certification of certain vessels carrying passengers; to the Committee on Merchant Marine and Fisheries.

By Mr. WHITTEN:

H. R. 10547. A bill to provide separate medical facilities for veterans; to the Committee on Veterans' Affairs.

By Mr. WILLIAMS of Mississippi:

H R. 10548. A bill to alleviate the critical shortage of high quality cotton and to protect farm income and for other purposes; to the Committee on Agriculture.

By Mr. LESINSKI:

H. Con. Res. 261. Concurrent resolution expressing the sense of the Congress with respect to the utilization of Post Office Department vehicles and personnel for first-aid and other emergency purposes in the event of enemy attack or other emergency; to the Committee on Post Office and Civil Service.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Mississippi, memorializing the President and the Congress of the United States to immediately make available sufficient funds to carry out the soil-bank program and to permit the farmers of this State to qualify for benefits and be permitted to sign applications for soil-bank benefit payment; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BUCKLEY:

H. R. 10549. A bill for the relief of Anna Maria Rossomondo; to the Committee on the Judiciary.

H. R. 10550. A bill for the relief of Irene E. T. Hamilton and Patricia Hamilton; to the Committee on the Judiciary.

By Mr. GUBSER:

H. R. 10551. A bill for the relief of Walter Vali; to the Committee on the Judiciary.

By Mr. JOHANSEN:

H. R. 10552. A bill for the relief of Hinako Ishii; to the Committee on the Judiciary.

By Mr. KEATING:

H. R. 10553. A bill for the relief of Wilbur R. Dameron, Sr.; to the Committee on the Judiciary.

H. R. 10554. A bill for the relief of Katherine Cunningham; to the Committee on the Judiciary.

By Mr. LIPSCOMB:

H. R. 10555. A bill for the relief of Haroutune Sarkis Hadigian (also known as Artine Hadigian and Harry Hadigian); to the Committee on the Judiciary.

By Mr. LONG:

H. R. 10556. A bill for the relief of John M. Aaron; to the Committee on the Judiciary.

By Mr. MORRISON:

H. R. 10557. A bill for the relief of Abraham Sutton; to the Committee on the Judiciary.

H. R. 10558. A bill for the relief of Stephen A. Cowen, Sr.; to the Committee on the Judiciary.

By Mr. PRESTON:

H. R. 10559. A bill for the relief of Thomas Forman Screven, Julia Screven Daniels, and May Bond Screven Rhodes; to the Committee on the Judiciary.

By Mr. ROOSEVELT:

H. R. 10560. A bill for the relief of Yaser Lalib Hishmeh; to the Committee on the Judiciary.

By Mr. TAYLOR:

H. R. 10561. A bill for the relief of Giuseppa Coelli; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

376. The SPEAKER presented a petition of Hon. Leo Berg, mayor, Akron, Ohio, relative to opposition to the enactment of any such legislation as proposed in H. R. 6790 and H. R. 6791; to the Committee on Interstate and Foreign Commerce.

EXTENSIONS OF REMARKS

Need for Positive Programs in Atomic-Space Age

EXTENSION OF REMARKS
OF
HON. STUART SYMINGTON
OF MISSOURI
IN THE SENATE OF THE UNITED STATES
Wednesday, February 5, 1958

Mr. SYMINGTON. Mr. President, Missouri was most honored last Saturday night by the presence of the distinguished junior Senator from Oklahoma, Senator MONRONEY, when he made a challenging address at a banquet sponsored by the Jackson County Democratic Committee.

With rare clarity, Senator MONRONEY emphasized the need for positive programs in order to meet the problems of the atomic-space age.

His suggestions are worthy of the consideration of every Member of this body, and therefore I ask unanimous consent that the story on his speech, published in the Kansas City Star of February 2, be printed in the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

URGES A PLAN TO TAME ATOM—SENATOR MONRONEY TELLS DEMOCRATIC DINERS WE NEED A PEACE FUND—AS KIND FACE FOR UNITED STATES—NUCLEAR POWER CAN HOLD KEY TO MANY WORLD TROUBLES, HE SAYS

A billion-dollar atoms-for-peace program to march along with the Nation's $40 billion defense program so America can show its kind face as well as its tough face to the world was advocated here last night by Senator MIKE MONRONEY, of Oklahoma.

He spoke to a sell-out crowd of 650 Democrats at a fund-raising dinner at the Hotel Muehlebach. Especially honored at the event was Senator STUART SYMINGTON, of Missouri, who is seeking reelection, and Harry S Truman, former President.

WILL CATCH UP

"We are going to catch up with Russia in the missile race," Senator MONRONEY assured his listeners. "We will do it by putting a balanced defense ahead of a balanced budget. The trick is to get the commander in chief to take back the power he has surrendered to the Bureau of the Budget.

The Senator predicted that with Russia and the free world on equal terms in military power there would be no third world war.

He warned that our defense must not be permitted to go soft. He said that at this point there would still be the problem of winning the confidence of the 1 billion uncommitted people of the world, scattered in Africa, Asia, and the Near East. These people, he said, are seeking a way of life.

"They will not turn to a nation that can show only how many millions of persons it can cremate with its missiles," he said. "They will turn to the nation that is able to produce a better way of life."

BOON FROM ATOM

Turning to his atoms for peace suggestion, the Senator said that within a year there will be atomic reactors capable of the economic production of irrigation and drinking water from sea water.

In areas where cheap fuels are not available $1 million reactors can turn out enough power to light and heat a city of 10,000 on a pack of enriched uranium that could be sent in by air mail.

The Senator said there is much to be done in the field of medical and agricultural research.

"And we are not even across the threshold of the use of atomic power in transportation," he added.

Senator MONRONEY also aimed some barbs at John Foster Dulles, Secretary of State, and Ezra Taft Benson, Secretary of Agriculture.

The Senator accused the Republicans of lack of imagination and lack of initiative in the field of foreign affairs. He said their program consisted of one part massive rigidity and the other part "a retread of all 4 Democratic tries."

CHANGE THE TIRES

"While we appreciate the flattery of imitation, I am sure that President Truman would never expect to use the same worn tires over a period of 10 years. A football coach who would play the same plays in the same conference for 10 years would insure his team of a cellar position. I'm afraid the Russians are on to the Democratic Statue of Liberty play after all these years—yet Dulles is still calling all of the old ones.

"We need a foreign policy that has inspiration and imagination. We're being asked for billions in aid but not 1 cent for new ideas that can win the hearts and minds of the uncommitted billions of people around the world.

"While Russia is moving aggressively around the world with new programs, Dulles warms over and waters down the Truman ideas which he inherited 6 years ago."

HITS AT BENSON

The speaker paused to aim another harpoon at Secretary Benson and has farm program. The Senator said his statistics indicate that farm income is still dipping, while costs to the consumer of farm products rises.

"To sock the producer and the consumer with the same rock, 2 birds with 1 stone, is quite a feat," the speaker continued. "But under Benson's richochet romance farm policy he's able to do it not once but with monotonous regularity."

Senator MONRONEY said Benson programs have reduced the farm population, according to the latest census figures, by 1¾ million persons in the last year. Since 1950 the exodus has totaled 4,800,000 persons, the speaker said, adding: "Benson's target seems to be 10 million off the farms by 1960."

BLASTS FISCAL POLICY

A third target was the Republican fiscal policy. He said the increase in carrying the public debt from 1955 to 1958 totals more than $2.8 billion. MONRONEY said that sum was enough to finance the entire missile program, yet a Government-sponsored high-interest rate policy has added that sum to the Government's budget.

"Now at long last, the Federal Reserve bank, undoubtedly under Government pressure, has recognized the danger of this tight-money policy and has launched timid action to bring the interest charges, both for Uncle Sam and John Q. Public, back toward Democratic levels," he continued. "This wasted charge for extra interest costs could have provided for the school construction program, scientific scholarships and far more constructive uses. Instead it has given us a record-breaking number of business failures, the ending of business expansion.

DEMOCRATS FOR PEOPLE

"The major difference between the two parties becomes thus apparent. The Republicans believe in high wages for money—and the Democratic Party, high wages for people.

"I do not accuse the Republicans of bringing on a depression. But like the safety engineers say about workers who have repeated accidents, that they are 'accident prone'—I do charge that the Republicans are depression prone."

MONRONEY was introduced by former President Harry S Truman, who presented the Senator as "an old friend who knows what he's doing and where he's going; and who never talks idly on any subject."

The dinner was opened by James L. Williams, Jackson County Democratic chairman, who introduced Representative Richard Bolling, Kansas City; Representative George H. Christopher, Butler; Edward V. Long, lieutenant governor; John M. Dalton, attorney general; Haskell Holman, State auditor; M. E. Morris, State treasurer; Walter Toberman, secretary of state; Wilbur F. Daniels, Fayette, State Democratic chairman; Mark Holloran, St. Louis, Missouri's National Democratic committeeman; county officials and members of the Missouri General Assembly.

A Few Samples of So-Called Small Struggling Farmer Co-ops

EXTENSION OF REMARKS
OF
HON. NOAH M. MASON
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 5, 1958

Mr. MASON. Mr. Speaker, the Farmers' Union Grain Terminal Association, of St. Paul, Minn., has had a startling growth. It now handles more than 100 million bushels of grain a year. It has about 650 affiliated local elevators, and through a subsidiary operates 107 coal-yards and lumberyards. On its 1956 earnings of $3,200,000 an ordinary corporation would have paid Federal income taxes of $1,650,000. This corporation paid none. Would you say the Farmers' Union Grain Terminal Association is a small struggling farmer co-op?

The Consumers Cooperative Association, of North Kansas City, Mo., drills oil wells, refines petroleum, and operates more than 900 miles of pipeline. In addition, it sells tires, tubes, paints, spray, feed, machinery, lumber, groceries, and many other products through approximately 1,700 local cooperative retail stores. It also sells petroleum and petroleum products to cooperatives in several foreign countries. In 1956, its income amounted to $5,818,000 on total sales of $97,622,000. Although it pays some Federal income tax, the amount paid falls far short of the amount a regular competing corporation would pay. Would you say the Consumers Cooperative Association is a small struggling farmer co-op?

The Southern States Cooperative, Inc., of Richmond, Va., is made up of several subsidiary cooperatives primarily engaged in feed and fertilizer manufacturing. It does business in six States. It does business through 206 local affiliated

cooperatives and 524 private dealers. In 1956 it did a $101 million business. Its profits of $5,151,000 were untouched by the Federal income-tax collector. Would you say the Southern States Cooperative, Inc., is a small struggling farmer co-op?

The Dairymen's League Cooperative Association, operating in the New York milkshed, controls the complete process of milk marketing from farmer to consumer. Over the past few years it has absorbed many taxpaying businesses. Its net worth has increased from $4,651,000 at the close of 1946 to $26,314,000 at the close of 1956. It has never paid Federal income taxes. Would you say the Dairymen's League Cooperative is a small struggling farmer co-op?

The Cotton Producers Association, of Atlanta, Ga., owns several modern fertilizer manufacturing plants, seed cleaning and processing plants, feed mills, poultry processing plants, pecan shelling and processing plants, grain elevators, and other miscellaneous manufacturing plants. Its net worth has increased from $1,183,000 at the close of its 1946 fiscal year to nearly $8 million at the close of the 1956 fiscal year. It has used its tax-free income to add to its facilities through the purchase of taxpaying enterprise. Would you say the Cotton Producers Association is a small struggling farmer co-op?

Mr. Speaker, this growth means that, increasingly, taxpaying businesses have been absorbed by those which are tax-exempt.

And every time a taxpaying private enterprise is absorbed by a cooperative—

Says Senator JOHN J. WILLIAMS of Delaware—

those remaining in private industry must make up the deficit.

As a consequence of present tax inequality between business competitors, co-ops and the various so-called mutuals are able to use the major part of their profits for expansion, for buying up taxpaying businesses that are in competition with them. Thus they keep on expanding year after year—increasing in size and momentum like a huge snowball rolling down a mountainside—from a $1 billion business in 1930 to over $20 billion in 1956.

Speech Delivered by Congressman Overton Brooks, December 6, 1957, in New Orleans, La., on the Occasion of Presentation to Him of the Distinguished Service Citation by the Reserve Officers Association of the United States

EXTENSION OF REMARKS
OF
HON. CARL VINSON
OF GEORGIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 5, 1958

Mr. VINSON. Mr. Speaker, on December 6, 1957, our colleague, Hon. OVERTON BROOKS, was honored by the Reserve Officers Association of the United States when he was presented with its highest award, the distinguished service citation for valued service to the Reserve components.

During his more than 21 years in Congress OVERTON BROOKS has become one of the Nation's most stalwart champions of the cause of the citizen soldier.

Under leave to extend my remarks in the RECORD, I include Congressman BROOKS' speech made on that occasion:

Brigadier General Morrison, Colonel Carlton, members of the Reserve Officers Association of the United States, I am humbly grateful to all of you for this occasion. I am especially grateful to General Morrison, president of the Reserve Officers Association of the United States for his eloquent remarks on this occasion. I am especially appreciative of the wonderful award presented to me by my friend, General Morrison, on behalf of the ROA, and I shall ever remain proud of this fine tribute. This is an event which will remain with me as an outstanding one.

General Morrison has been for many years a most ardent worker on behalf of the ROA. He has shown his interest in promoting the welfare of our military Reserves, and in doing so has shown an outstanding interest in our Government and its people. I congratulate him for the fine job which he is performing as president of the Reserve Officers Association of the United States.

This beautiful plaque is being given to me in recognition of what I earnestly tried to do for our Reserve forces. For many years in the Congress I have labored upon legislation to promote the organization of our Reserves and build up a more efficient Reserve program for our Nation. It has not been an easy task. In one short moment here today all of the trials, worries, and heartaches of many years' fighting for this program seem as nothing and are forgotten in the realization of the present.

The Reserve program is nothing new to the United States. As a matter of fact, our Reserve program predates the existence of our Government by several hundred years. Our forefathers placed references to our military reserves in the Constitution when they referred to a well-organized and efficient colonial militia. George Washington, the first President of the United States, mentioned the need of a reasonably small regular establishment, backed up with the well-organized military reserve. Even before this, our Thirteen Original Colonies possessed an organized, and, although untrained in regimental warfare, a most efficient militia.

The years have passed and Congress did little to pass legislation to build up our Reserve program. It was not until 1903 that the first act was passed which was specifically intended by Congress to organize our Reserve program. Since 1941 the Congress has enacted numerous laws: to provide for Reserve retirement, Reserve promotion, Reserve duty pay for field training of the Reserves, and for a far more efficient Reserve training program. Eighteen years ago I began to work on a Reserve program in the United States Congress, and since this time I have sponsored in one way or another practically every piece of Reserve legislation which the United States Congress passed and has become law.

The Reserve program is in somewhat of a difficulty now. The leaders in the Pentagon have seen fit to issue a directive reducing the size of our Reserve Establishment and withholding some of the funds which Congress had previously appropriated for this purpose. As chairman of the Subcommittee on Reserves in the House, I wish to say that I intend, working in full cooperation with my able chairman, CARL VINSON of Georgia, to sponsor hearings on the Reserve program as soon as Congress reconvenes in Washington January 7. At that time we will dig deeply into the reasons for this change in our program calling for a reduction rather than a further increase in our military Reserve program. I promise you this day that I will bend every effort to work out this program, and when this is solved our program of giving the Nation the most efficient, well organized military Reserve program any country or any nation has ever maintained, will move forward rapidly to completion.

General Morrison, Colonel Carlton, and friends, I want to thank you for this opportunity. I want to thank you for this occasion, and I especially want to thank you for this beautiful plaque and this fine award, which I promise you I will always cherish deeply.

Address at Dedication of the Jewish Synagogue at Ciudad Trujillo, Dominican Republic

EXTENSION OF REMARKS
OF
HON. HERBERT ZELENKO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 5, 1958

Mr. ZELENKO. Mr. Speaker, it was my privilege to attend the dedication of the Jewish Synagogue and Center at Ciudad Trujillo, in the Dominican Republic, on December 27, 1957. Following are the remarks I made upon that occasion:

We are all together sharing a deeply moving, religious experience—the dedication of a house within which the spirit of God is invited to dwell, is always such, whether the proposed abode be a humble chapel, a magnificent cathedral, or a modern inspiring edifice such as this.

But there is a tremendously rich collateral significance to this dedication ceremony. This is something special—historically and sociologically, not only to those Jews here assembled but to their friends of other religions and faiths in this great Dominican Republic.

I am therefore deeply honored and moved that the privilege of being heard on this momentous occasion has been granted to me.

As I stand here in this holy place and look upon the faces of my Jewish brethren my thoughts are compelled to our history—your history and the history of this island—now somehow through divine providence symbolically linked at this very time and place.

Our Jewish ancestors were dispersed from Europe 465 years ago—in 1492, and began a search for a home and refuge in the same year that Christopher Columbus found this beautiful island and cherished it.

Who but a loving God could have planned or even dreamed that there would come a time when the wheel of life would so turn that some of our Jewish brethren would later be forced to seek and find refuge from religious persecution on the very island that was discovered in the same year that they were originally dispersed.

But the miraculous coincidence did occur. Eighteen years ago they discovered their own new world here. They were apprehensive, poorly equipped, grateful for just the right to live without fear and probably fearful as to whether they could enjoy even that right here.

They had no way of knowing then how secure they were in truth for they had received only a promise from the leader of this

great country, Generalissimo Trujillo, that they would receive sanctuary and the right to worship God in their own tradition.

This promise was fulfilled to the letter and beyond, with an abundantly generous spirit so that by word, deed and money, the Generalissimo has ever been a primary moving force in the erection of this structure.

I can well understand the affection and prayerful thanks that the members of this congregation will forever associate with Generalissimo Trujillo's name and person.

Beautiful though this structure is, it can never compare with the precious spiritual beauty for which it is a setting. Beyond the clean and graceful architectural lines there gleams and sparkles the beauty of your collective spirits which cherished the ideals and traditions of Judaism in your hearts and minds through the years in Europe, of oppression, hiding and running. Then, here, through the developmental years of toil and struggle in Sosua. This I perceive to be priceless beauty.

The Ner Tomid—our eternal light, is now lit for all to see.

It is plain that it was never extinguished in the hearts of the Sosuans.

This Jewish house of worship must therefore be maintained as a symbol of the word of God, of tolerance, of understanding, and of faith. As such, it becomes another outpost in the struggle against Godless communism, and you, I am sure, can maintain the trust and confidence placed in you many years ago by the Generalissimo, by utilizing this structure to the utmost, for its divine religious purposes and by being good citizens.

Let me close, echoing that ageless Hebrew prayer composed thousands of years ago and yet so apt to this occasion that it must be in the heart of each of us here:

"Blessed art thou, O Lord, our God, King of the Universe who has guided us, maintained us, and preserved us to this very day. Amen."

Address by Hon. Herman E. Talmadge, of Georgia, Before the General Assembly of Georgia

---

EXTENSION OF REMARKS
OF

HON. HERMAN E. TALMADGE

OF GEORGIA

IN THE SENATE OF THE UNITED STATES

Wednesday, February 5, 1958

Mr. TALMADGE. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD the text of my remarks in addressing a joint session of the General Assembly of Georgia on February 3, 1958.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS OF UNITED STATES SENATOR HERMAN E. TALMADGE BEFORE A JOINT SESSION OF THE GENERAL ASSEMBLY OF GEORGIA

Governor Griffin, Lieutenant Governor Vandiver, Speaker Moate, members of the General Assembly of Georgia and my friends, it is a heart-warming experience for me to be back here this morning with you members of the general assembly and other friends.

It's good to be in Georgia.

There are few other places that stimulate for me as many fond memories as does this hallowed chamber.

Seeing old friends here recalls to mind the happy experiences which we have shared together in years past.

My first words must be to acknowledge the generosity of your kind and courteous invitation to address you again this year.

I think it is but fair to tell you that anytime you invite me I will be here, since I consider an invitation from the sovereign General Assembly of the State of Georgia a command which I cannot refuse.

And nowhere, except in my own house and fireside, do I feel more at home than here on this rostrum speaking to men that I know, speaking to men that I respect, speaking to men whose friendship I cherish and speaking to men whom I honor as true Georgians and real Americans.

To Gov. Marvin Griffin, I extend cordial greetings and my respects for his unwavering stand in defense of Georgia's institutions.

To Lt. Gov. Ernest Vandiver, I extend similar cordial greetings and respects for his consistent, firm, and resolute stand to maintain the sovereignty of the States.

To Speaker Moate, to members of the general assembly, to the attorney general and his legal staff, to all of the elective and appointive State and local officials, to the press of the State, to the radio, to the television, and to the great and overwhelming masses of the people of the State of Georgia, I salute you. I salute you for your resolution in being ready at all times to resist at all costs any attacks that may be hurled against our homes, our families, and our children.

Last year, when I spoke to you, my service in the Senate had just begun.

Frankly, I do not mind telling you, that I was a little bit homesick when I went to Washington.

I said to you then that whenever any of you were in Washington that you had better not miss coming by to see us and visiting with me, my staff and my family—making my office while you are in Washington, your office and making my home while you are in Washington, your home.

I renew that invitation today.

Your visits have made it a lot easier for me to be away from home and to carry on my duties as I would wish to do and that you would have me to do.

Being in frequent touch with the sentiment of the people back home is vitally necessary to any Senator or Congressman who would maintain a proper perspective in Washington's hectic and chaotic atmosphere.

Let me remind you, and let me remind the people of Georgia, though HERMAN TALMADGE is in Washington in attendance upon the Senate, that he is as near to you as your mailbox or your telephone.

I would be remiss if I did not tell you how pleasant has been my service with the Members of the Georgia delegation in Congress.

They form a great team.

I am proud to be one of its Members.

I take this occasion to pay each and every member of the Georgia delegation in the House the highest tribute for their long and effective service to the people of Georgia and to thank them for their valuable help and cooperation they have extended me in my initial year's service as a freshman Senator.

No words can adequately describe my feeling of gratitude for the wise advice and helpful counsel given me by my distinguished senior colleague, Senator RICHARD B. RUSSELL.

Under his sagacious leadership the South has been spared many inequities—inequities which would have been forced upon us had it not been for his statesmanship and resourcefulness in the leadership of many gallant fights which have turned back the tide. This leadership is an inspiration for all who love their country. It is without reservation that I say to you I am honored to be fighting at his side and under his able direction.

At this time, I feel that I must recall the rewarding association which all of us on the Georgia delegation had with one of its members, Judge Henderson Lanham, of the Seventh District, who has passed from among us.

Judge Lanham, who won his spurs as a champion of the people in this very hall, was one of the Nation's best Congressmen. He was devoted to his people and, significantly, was going to attend a public meeting when a tragic and untimely accident ended his life. My memory is warm for him, just as are the memories of his constituents whom he served so well. All of us miss him very much.

Gentlemen of the general assembly, never before in the annals of this country have we seen a time like this in our Nation's history.

It is a time of frustration, a time of uncertainty, a time of anger, and a time when there is a growing lack of confidence.

It is a time of danger, both from within and from without.

This situation has been caused in varying degrees by a lack of leadership, by a refusal to adhere to constitutional processes, by the lag in our defenses despite the billions we have spent, by the unconstitutional armed invasion of a sovereign State, by the present decline in our economy, by the farm depression, and by a host of other factors.

It was on October 4 that Soviet Russia, a nation considered backward and a third-rate power 25 years ago, launched a missile containing in its head a satellite which was placed in an orbit around this earth at a speed of 18,000 miles per hour.

That accomplishment shocked the world.

It told the American people that we have been asleep.

It told the American people that many of our leaders have been more interested in selfish political considerations than they have been in defending the country.

Even though past failures and shortcomings in maintaining our defenses must be laid at the doors of both political parties, these failures and shortcomings are not in any instance—that I know of—the fault of Congress.

Congress consistently has been ahead of the Executive in recognizing and acting to meet the peril to our country. Our trouble has been purely and simply the result of maladministration, lack of leadership and, indeed, even indifference on the part of the executive branch. In no instance has Congress failed to heed the requests and recommendations of the Executive in any major defense area.

Congress can appropriate money and can make the laws but the major responsibility must be fulfilled by the Executive and this it has not done.

The sad truth is that our defense effort has become mired in its own sprawling bureaucracy.

Senator RUSSELL, chairman of the Senate Armed Services Committee, has moved promptly.

Prior to the session of Congress he designated a Special Preparedness Committee, under the leadership of the resourceful Senator LYNDON B. JOHNSON, of Texas, to inquire into the state of our defenses.

What that committee has found is alarming, indeed. The findings have demonstrated that the Congress must step in to insure the safety and security of this Nation.

Let us examine for a moment some of the testimony which this Nation's top scientists and top military men gave to the Johnson committee.

Gen. James B. Gavin, Chief of Army Research and Development, swore that the Army could have put up a satellite a year or more ahead of the Russians. That they had the missile to do the job—the Jupiter-C. Further that request after request was made for permission to put up an American satellite, the first request as early as the spring of 1956. But that all of these requests were denied. Instead of approving

Army's project Orbiter, the responsibility was assigned to the Navy for a new and separate project Vanguard, in spite of the fact that the Navy then had no missile in being or in prospect to raise the satellite.

This faulty decision, of which General Gavin spoke, resulted in an immense loss of prestige to this Nation at a crucial time in world history.

It is no wonder then that he retired from the Army in apparent disgust with the assertion that he could do more for the Army speaking for it as a free and unfettered citizen than he could do in uniform.

Witness after witness cited other shortsighted and disastrous mistakes which have been costly beyond measure to the defense posture of this country. And to cap the climax, the outspoken, widely respected, and admired Gen. Curtis E. LeMay, Vice Chief of Staff of the Air Force and former Chief of the Strategic Air Command, had some most interesting testimony for the Johnson committee. He said that the mighty Strategic Air Command bombers were grounded for 5 weeks in mid-1957 because of a failure of the Budget Bureau to provide funds for gasoline.

I ask you, in the name of reason and in the name of commonsense, what kind of leadership do we have which squanders millions of dollars on an arrogant, illegal, and unconstitutional airborne invasion of the sovereign State of Arkansas, yet, does not have one red cent to spend for gasoline to power our mighty bombers?

What kind of leadership do we have which takes such drastic measures against our own people at a time when arrogant dictators of a godless power are brandishing their mighty weapons and threatening to blow every one of us off the face of the earth?

There have been a series of reports on the state of our defenses which have been equally as alarming as the testimony before the Johnson committee.

Some months ago, the President appointed a distinguished committee of eminent and qualified Americans to study our defenses and to make a report to the National Security Council.

This report, based upon America's long-range prospects, found our position to be one of cataclysmic peril.

That report has been suppressed by the White House, but a few of its details have leaked out to the press.

Other reports such as the Rockefeller report and the top-secret Johns Hopkins report are startling in their revelations. Summing up, they say the position of our country is deteriorating and that time is running against us.

These are the dismal facts which confronted Senators and Members of Congress as they returned to Washington on January 7, this year.

The Soviets have a disturbing lead over us in other areas:

They have almost as many army divisions as all of the nations of the free world combined and they are highly mechanized.

Soviet submarines now number 600 or more while we have only 110.

They have hundreds of long-range bombers.

They are expected to have an intercontinental ballistic missile by July of this year.

Top experts, now conducting secret studies for the Army, say that Russia has a force in being capable of throwing several hundred atomic bombers and perhaps 50 or more submarines with missile-launching equipment at us in a surprise attack. They would be more than adequate to kill 20 or 30 million people in this country, it is said, and knock out more than 10 percent of our economy—perhaps 20 percent.

Soviet Russia with its avowed dedication to conquer the world is not building this great military force as a defensive establishment.

The budget proposed by the President to meet this grave situation contains $4 billion in additional funds for defense over fiscal 1957. Most of this increase will be spent on missiles and for the maintenance and superiority of the Strategic Air Command.

Out of the highest peacetime budget ever submitted to Congress—$73.9 billion—the President asked for $39.8 billion for the Defense Department.

If this monstrous amount of money proposed for defense is expended prudently, we will have nothing to fear.

Even more funds can be found for needed weapons within the Defense Department itself by eliminating appalling waste and needless duplication of effort.

The overall budget proposed by the President is faulty in several respects.

It seeks to make cuts where reductions are undesirable.

It seeks to make increases in nondefense spending where increases are undesirable.

The proposed budget would further cripple the farmers of this Nation; it would double interest rates on REA loans; it would leave our farmers to shift for themselves in case of disaster; it would bring an end to support for vocational education by 1960; it would reduce assistance for our old people, our dependent children, our needy blind, and our totally disabled; it would terminate grants to local governments for operation of schools in federally impacted areas; it would shift to States and localities the responsibility for public housing; it would curtail hospital construction to meet only urgent needs and expected in a special supplementary message later is a proposal to reduce veterans' compensations and pensions.

Now, I ask you what kind of a philosophy is it that has millions and billions for foreign potentates and Communist dictators but has no compassion for our veterans, their widows, our elder citizens, the farmers, and others who work to sustain this Nation?

What kind of a philosophy is it that demands billions more for outright gifts to seventy-odd foreign nations of the earth and in the same message demands that Congress raise the present debt limit of $275 billion by another $5 billion?

What kind of a philosophy is it which demands an extension of trade and tariff policies that have caused dumping of slave-wage goods on American markets to the harm and detriment of many American industries and their workers?

What kind of a philosophy is it where the Federal Reserve Board with its tight-money policy attempts to keep the lid on top of the economic chimney while the budget makers are feeding the flames of inflation at the bottom of the chimney?

What kind of a philosophy is it that pursues a policy of scarce dollars and inflated dollars at one and the same time?

What kind of a philosophy is it that pursues a policy of hard money for the people and easy money for the bureaucrats?

What kind of a philosophy is it that pursues a course of more and more inflation further endangering the insurance policies, the savings, the retirement programs of all our people and all of those other benefits which are based upon value of a sound currency?

What kind of a philosophy is it that has already robbed our people of more than 50 percent of their savings and pension rights by deficit financing in 1939?

What kind of a philosophy is it that would let the farmers of this Nation fall by the wayside to shift for themselves when billions of dollars in Federal Government subsidies are parceled out annually to industry and to other lines of endeavor?

The administration in Washington cannot answer these questions.

It is time the American people demanded satisfactory answers to all of them.

Of particular concern to those who are interested in the economic welfare of this Nation is the plight of the American farmer.

In a special message to Congress in mid-January, the President made several recommendations which, if adopted, would deliver the final destructive blow to agriculture in this Nation.

He would cut parity to 60 percent.

He would repeal the law requiring that tobacco be supported at 90 percent of parity when marketing quotas are in effect, regardless of supply.

Secretary Benson's policies have driven many farmers off the land. They have plunged most of those who have remained into depression. They have kept our farmers under constant threat of bankruptcy.

We have had enough.

We want no more of Benson's starvation.

I am fighting it all the way.

As a farmer, as a Member of the Senate, and as a member of the Senate Agriculture Committee, I will oppose these thoughtless and indifferent proposals as vigorously and as effectively as I know how.

It takes no expert to see that current national farm policies are planned depression for the farmer.

One does not have to be an economist to see that this starving to death of one major group in our economy is spreading to other groups, as it inevitably does, and is now doing.

His loss of income and buying power is drying up vital markets for industrial products.

Nothing less than a bold, new effective approach to this problem will suffice. Such a new farm program must be forthcoming soon if the present farm crisis is to be solved and if the agricultural depression is to be prevented from wreaking further havoc on other segments of our economy.

This program must be devised to: (1) Let the farmer farm; (2) assure him prices for what he produces commensurate with those of manufactured products; (3) assure him and his family a fair and equitable share of the national income based upon the labor he expends in his work.

The farmers of this Nation must look to an overwhelmingly democratic Congress and a new Democratic administration dedicated to old-fashion Jeffersonian democracy to right these wrongs, to resolve these inequities, and to really do something for the farmer and the American people.

And, in conclusion, a word to our veterans, their widows, and their dependent children.

All of those administration proposals which have been made or which may hereafter be made at this session of Congress to trim veterans benefits, to lower existing compensation benefits for their widows or for their children, face certain defeat in Congress.

Not only are we going to have to look for new concepts of administration in our Government at home but also we are going to have to look for new concepts in the conduct of our foreign affairs.

The cost of the cold war rises year by year.

We see vast armed forces arrayed against each other in Europe, in the Middle East, in Africa, and in Asia.

A careless shot could detonate a power that could destroy civilization itself.

Time will soon be at hand when we will have to recognize conditions as they are.

Though the future may now look dark, I know that you share with me an abiding faith in the inherent greatness of our beloved country and in the sturdy fiber and resolute character of her sons and daughters.

You ask how can we insure America's future strength and safety?

The answer is clear.

Now is the time to anchor our destiny to those tenets of Americanism that have stood the test of time and have been tried in the crucible of experience—tenets which have never failed us in time of need.

Now is the time for leaders and for leadership.

We—the masses of the American people—are steadfastly determined to press into the fray every sinew of our beings and every resource at our disposal to guarantee our country's continued role as the acknowledged leader of the free nations of the world and the true champion of right and justice for all men.

As we prepare ourselves to meet that sacred obligation we do so, as Americans have done since they first set foot on this homeland of ours.

We do so humbly and with prayer to Almighty God for His benevolence and guidance.

We do so with a solemn resolution on our part to make the sacrifices and to do the work that needs to be done.

Doing that, Americans and all free peoples everywhere can look to the horizons of tomorrow with the assurance that peace and security under God will continue to be their heritage.

Secretary Benson, Meet Budget Director Brundage

EXTENSION OF REMARKS
OF
HON. HENRY S. REUSS
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 5, 1958

Mr. REUSS. Mr. Speaker, the Secretary of Agriculture, Mr. Benson, and the Director of the Budget, Mr. Brundage, apparently are not speaking to one another these days.

I say this because Mr. Brundage has recently made a statement that is in agreement with my criticism of our farm program and Congress' criticism of our farm program, and in opposition to Mr. Benson's views.

On the NBC television program Youth Wants To Know of January 26, 1958, Mr. Brundage was asked why the farmers are antagonistic toward Mr. Benson's program, Mr. Brundage replied that not all farmers were antagonistic, then added:

> But the trouble is that our present [farm] program benefits the large commercial farm as against the individual farmer.

I think Mr. Brundage summed it up nicely. Many of us in the Congress have complained long and loud that Secretary Benson's programs do not help the farmer who needs help—the family-sized farmer—but give as much as $278,000 in taxpayers' money to the big-business farm producer who does not need help.

That is why the Congress last year put a limit of $3,000 on acreage reserve soil bank payments "to any one producer," as the law reads. Secretary Benson has changed the meaning of the $3,000 limitation to apply to any one farm, so that one farm producer who owns 20 or 30 farms can still be paid $60,000 or $90,000. I trust that the Secretary eventually will be called to account for this.

It is interesting to note that Secretary Benson last year opposed a per producer acreage reserve limitation of even $5,000. In a letter to the chairman of the Committee on Agriculture [Mr. COOLEY], Secretary Benson contended that "such a rigid limitation" would discourage farmers from participating in the soil bank program.

Secretary Benson has again been shown to be a poor prophet. With the rigid $3,000 limitation on the books, the Department of Agriculture is having to ration the $500 million available for the acreage reserve program. There is no lack of participation. Farmers are complaining that they can't participate, even if they want to bank small acreage. An official of the Department of Agriculture recently told me that there will be offerings of land to take up the full $500 million, and then some.

Secretary Benson is going to have to answer some questions if the soil bank is oversubscribed and farmers are denied participation. How many big business farm producers—multiple farm owners—are going to get more than their $3,000 maximum per producer? How many family-sized farmers are going to be denied participation in the acreage reserve, to the extent of perhaps $500 or $1,000, because Secretary Benson is going to pay $60,000 to one producer who owns 20 farms? Isn't Mr. Benson's $3,000 per farm interpretation of the acreage reserve limitation one reason why there isn't enough soil bank money to go around? Despite Congress' clear intent to halt huge payments to big business farmers, isn't Secretary Benson doing everything he can to continue those payments, even to twisting the law?

I hope we can get the answers quickly. And I hope that Mr. Brundage, who seems to agree that our farm programs aren't helping the individual family farmer, will be able to make an appointment with Mr. Benson and impress upon him the folly of his ways.

John Nicholas Sandlin

EXTENSION OF REMARKS
OF
HON. OVERTON BROOKS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 5, 1958

Mr. BROOKS of Louisiana. Mr. Speaker, John Nicholas Sandlin, for 16 years a Member of this House of Representatives and a great American, died last Christmas Day at his home in Minden, La. A large number of the present Members of the House served with Judge Sandlin and knew him well. It is with a heavy heart that I report his passing to the House.

Words are wholly inadequate to express our true feelings when death takes from our midst such a devoted servant of the people.

I knew Congressman Sandlin well and considered him one of my best friends. I did not have the privilege of serving with him in the House of Representatives as I succeeded the judge as Representative of the people of the Fourth Congressional District of Louisiana when in 1936, after serving 16 active years in the House of Representatives, he chose not to run for reelection to this high post.

At the time of his death, Judge Sandlin was 85 years old. Up to the time of his retirement 20 years ago, he had devoted over 40 years of his life to public service to the people of Louisiana and the Nation. Even in his so-called retirement, Judge Sandlin continued his active efforts to be of service to our people.

John Sandlin was born in the small community to McIntyre, not far from his home in the city of Minden, La., on February 23, 1872. He attended the public schools of Webster Parish. Later he began the study of law and in 1896 was admitted to practice law at the bar of the State of Louisiana. He began practicing law in Minden and later that same year was elected to his first public office—that of alderman of the city of Minden. He was later appointed postmaster of Minden and served in this capacity for 7 years.

In 1904 this great American was elected prosecuting attorney for the Second District of Louisiana. He served in this post until 1910 when he was elected judge of the Second Judicial District of Louisiana. It was at this time my late friend acquired the title of judge and he was effectionately so-called this until the date of his death.

Judge Sandlin served on the bench until 1920, a period of 10 years. It was while serving in this capacity that he was selected a delegate to the Democratic National Convention at St. Louis.

The judge was elected to the 77th Congress and arrived in Washington the year President Harding took office. He diligently served his people and the Nation through the seven succeeding Congresses and retired from Congress on January 3, 1937.

Never one to shirk public service and always ready, when his health permitted, to champion the rights of his people, John Sandlin, after his retirement, offered himself as a candidate for the democratic nomination for United States Senator and later served as a presidential elector from Louisiana in 1944.

Although in the later years of his life our former colleague's health began to fail him, he yet continued to exert a profound influence in State and local affairs.

Yes, Mr. Speaker, I am proud and deem it a privilege to have been counted among the many close friends of John Sandlin and I, along with the countless thousands of his friends and admirers, mourn his passing. His devotion to his people, his sincerity in handling their problems, and his steadying influence as a member of the Appropriations Committee of the House during years of severe economic strife in this country, are some of the numerous attributes which endeared him to the people.

During my first years in the Congress I received counsel and advise often from my good friend and he honored me with

his confidence and patience. John Sandlin on numerous occasions expressed himself on local, State, and national problems and his clear logic, deep thinking, and helpful solutions were respected and appreciated by all who knew Judge Sandlin.

We are living in urgent times. Times in which men search their minds and hearts for answers to tremendous and grevious problems. We now, more than ever before, have a distinct need for such great minds as had our devoted friend, John N. Sandlin.

He will be sorely missed and we mourn this loss. Death has taken a heavy toll here. It is a long, dark road we all must travel. For those of us who keep the faith, as did this great man, the journey should hold no fear. He had a most fruitful life; he carved his niche in the hall of fame; he contributed unselfishly to the stability of our Nation during chaotic economic years; and he served well the great people of his district, State, and Nation. At last, he became a victim of the terrific strain of his tireless and self-sacrificing labors in behalf of his people.

Now he is gone. His passing will be keenly felt. Our country has lost one of its truly great Americans.

Legislation To Encourage Basic Scientific Research Activity

EXTENSION OF REMARKS
OF
HON. THOMAS B. CURTIS
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 5, 1958

Mr. CURTIS of Missouri. Mr. Speaker, my distinguished colleague on the Committee on Ways and Means, the gentleman from Pennsylvania [Mr. SIMPSON], and I have today joined in cosponsoring legislation to encourage basic scientific research activity in the United States. In joining together in the sponsorship of this legislation we have issued a press release briefly describing the bill and setting forth its essential purpose. I will include at this point as a part of my remarks a copy of that press release:

The Honorable RICHARD M. SIMPSON, Republican, of Pennsylvania, and the Honorable THOMAS B. CURTIS, Republican, of Missouri, members of the taxwriting House Committee on Ways and Means, today announced the joint sponsorship and introduction of identical bills to amend the Internal Revenue Code so as to encourage basic research activity in the United States and thereby enhance scientific knowledge.

The bill would provide a tax concession with respect to contributions to universities and nonprofit organizations for basic research in science as well as a tax concession to industries for basic research in science. The tax concession in the case of contributions to universities and nonprofit organizations would take the form of a credit against tax to the extent of 90 percent of the contributions made with a further limitation that the credit shall not exceed 5 percent of the tax. In the case of basic research activity by industry the credit would be limited to 75 percent of the expenditures with a further limitation that the credit shall not exceed 3 percent of the tax.

It will be recalled that the report to the President on basic research by the National Science Foundation, dated October 15, 1957, indicated that the Nation's basic research effort must be substantially increased. The cosponsors of this legislation indicated that the proposed amendments to the Internal Revenue Code would give effect to the recommendation made by the National Science Foundation by providing increased financial resources for basic science research on the part of universities and other nonprofit organizations as well as providing a positive encouragement to similar efforts on the part of industry.

Expressing the view that encouragement of basic research by inducing contributions to organizations covered under the bill and by encouraging industrial expenditures for such purposes is preferable to a system of Governmental grants, the cosponsors stated that under the provisions of the bill interference in the research programs by the Federal Government would be kept to a minimum. In the case of contributions to universities and nonprofit institutions there will be no interference in that under the bill a determination of what constitutes basic research in science would be left to the conducting institution. In the case of expenditures by industry the bill would provide for the establishment of a certifying authority consisting of a board of eminent scientists appointed by the President on the recommendation of the National Science Foundation. Thus, there will be preserved in the Federal participation in the program the point of view of the active scientific researcher rather than the point of view of an administrator of a Government agency.

The cosponsors of the legislation stated their conviction that favorable action on this legislation designed to enhance basic scientific research in the United States would do much to assure the maintenance of our country's scientific and industrial world preeminence in the interest of fostering the improvement of humanity and the cause of peace.

The Individual in the Age of Space

EXTENSION OF REMARKS
OF
HON. ROMAN L. HRUSKA
OF NEBRASKA
IN THE SENATE OF THE UNITED STATES
Wednesday, February 5, 1958

Mr. HRUSKA. Mr. President, my colleague, the junior Senator from Nebraska [Mr. CURTIS], has a long and distinguished record in the Congress. He served in the House for 16 years, in 10 of which he was a member of the Ways and Means Committee.

My colleagues in the Senate are aware of his splendid service in this body. However, I should like to call their attention to the fact that the junior Senator from Nebraska has many other activities and attainments, among them his membership on the board of trustees of the Nebraska Wesleyan University, where he is making a very worthwhile contribution to the advance of that splendid institution of higher learning.

On January 30 he addressed a convocation of the university on the occasion of their founders day.

I ask unanimous consent that this splendid address be printed in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE INDIVIDUAL IN THE AGE OF SPACE

(Convocation address delivered by Senator CARL T. CURTIS, at Nebraska Wesleyan University, Thursday, January 30, 1958)

At this founders day convocation, it is appropriate that we turn our thoughts to the beginning of Nebraska Wesleyan University. It was on January 20, 1887, that the action was taken to bring this institution into being. The history of Nebraska Wesleyan has been a history of service rendered. Year after year those who enrolled were given an opportunity for an education and an enrichment of their lives to the end that they might leave to serve. As time goes on our gratitude to those pioneering Methodists of faith and vision increases.

Twenty-three years before this founding, Abraham Lincoln stated in a speech at Baltimore, Md., on April 18, 1864, "It is no fault in others that the Methodist Church sends more soldiers to the field, more nurses to the hospital, and more prayers to heaven than any. God bless the Methodist Church. Bless all churches, and blessed be God, who, in our great trial, giveth us the churches."

In my lifetime man has witnessed the greatest technological advance ever encompassed in the span of 50 years. We have come to accept the great changes in transportation and communications as routine living; the marvel of television, and the speed of jet transportation are ordinary. One of the most significant accomplishments of this period, and one which occurred during your lives was the splitting of the atom.

The world was awed by the military potential of atomic energy. It filled men with both doubt and fear. Individuals of faith and vision rejected the idea that atomic power had been perfected to destroy all the monuments of civilization and culture, and all the evidences of God's love and grace. As a result great strides have been made toward the peaceful use of atomic energy.

A highly important aspect of the peacetime atom is the great source of electric power. Our own State of Nebraska is having a part in that development. Our country's first atomic powered submarine, the *Nautilus*, not only makes almost limitless runs without refueling but it can travel under ice. Our railroads are becoming deeply interested in atomic powered locomotives.

Since World War II ended we have shipped tens of thousands of shipments of radio isotopes from Oak Ridge, Tenn., for use here and abroad. These isotopes used as tracers, have been particularly of benefit in the fields of medicine and agricultural chemistry. By the use of this tracer technique we have learned how milk is formed in the cow, how much nutrition corn derives from applied fertilizer, and how the release of noxious substance from lake bottoms kills fish, and many other important facts.

Our shipments of isotopes have enabled English doctors to provide better treatment for blood diseases and thyroid disorders. Danish physicians have patients gather at one central location to be treated when phosphorous and iron radio isotopes arrive from the United States. In Latin America, noteworthy progress has been made in the treatment of chronic leukemia, thyroid disorders, tumors and other tropical diseases. In Japan, where atomic bombs were dropped only 12 years ago, shipments of our isotopes have vastly improved pearl culture by illustrating how calcium is deposited in oyster shells and pearls. The future will hold many, many advances which will be for the benefit of mankind.

Now we enter the age of space. From the very birth of reason in mankind, man has had an interest in space. Egyptian astronomers charted the paths of the major planets. Babylonian astronomers developed a remarkably accurate calendar from the stars. Phoenician sailors steered the courses of their venturesome ships from the heavens. If further proof of the universal interest in space held by the ancients is needed, look to their gods and goddesses. How many of them were sun gods and moon goddesses? It is no accident that names such as Mars, Venus, and Neptune are applied, even today, to the earth's companions.

According to legend, the Greeks even embarked on the actual conquest of space. Of course, that legend was imaginative. Yet, the possibilities of flight into space were never entirely forgotten. Galileo made lasting contributions to aerodynamics. Leonardo da Vinci constructed a model airplane. The alchemist, Nostradamus, prophesied that man would some day fly. There were successful balloon ascensions while Louis XVI sat on the throne of France. Our own Benjamin Franklin flew a kite during a storm and proved the existence of electricity. During the Civil War the South used a balloon as an observation post. All this—years before the Wright brothers made the first sustained heavier than air flight some half-century ago. Man has had the conquest of space in mind almost since the time when man first existed.

Willie Ley, scientist and author, describes this new age, Man Invades Space. He says, in part: "It was noon in Asia, early morning in Europe, and late evening in the Western Hemisphere on October 4, 1957, when shortwave sets, for the first time in history, received manmade signals from space. The planet earth had just acquired another satellite."

Since the first manmade satellite began to orbit many people have been prone to view the future with pessimism, to predict calamity, and to feel that man and civilization were headed for oblivion. They wondered if materialistic communism was proving to be superior to Christianity.

Let us reject all such feelings of gloom and distrust. Let it be asked: In whose hands does the future rest and what being has dominion over the limitless space?

The answers to those questions are the same today as they were prior to October 4. He who views the age of space with fear and trembling doubts God.

These days of rapid development and the fast changes are a time of testing. Our faith is being tested. It is time that we asked ourselves some elementary and basic questions. Is God's domain limited? Is this earth His creation and the recipient of His love, and is all of outer space beyond His realm?

A recent article in Life magazine discusses the frontier of space. It speaks of the number of planets as being in the hundreds of billions. The vastness of the universe is beyond our comprehension. It invites the curiosity of all and raises doubts for some.

A few days before Daniel Webster died he wrote these lines which have been carved on his tombstone:

"Philosophical argument, especially that drawn from the vastness of the universe, in comparison with the apparent insignificance of this globe, has sometimes shaken my reason for the faith that is in me; but my heart has always assured and reassured me that the Gospel of Jesus Christ must be divine reality. The Sermon on the Mount cannot be a mere human production. The belief enters into the very depth of my conscience. The whole history of man proves it."

The basic needs of man have not changed since the ancient Egyptian astronomers charted the paths of the major planets or since our shortwave radio sets received the first manmade signals from outer space. The individual still needs a power beyond himself to guide him and to help him overcome his bent for evil. The individual still needs faith and confidence. He still needs forgiveness and he needs the love and friendship of his fellow man. He still needs an anchor. He has need of all the wisdom of the ages.

The accomplishments of the Communists in launching two satellites is a matter of serious importance. It does call for a reappraisal of our program for national defense. In no sense does it prove that a Communist economy is superior. Neither does it prove that America's educational system has failed. Had our Government realized in 1947 that the Communists were going to place a prime effort upon the satellite race in their missile program, America, if it had so chosen, could have won that race. We did not lose the race because our institutions of learning were inferior. Our Nation did not fully avail herself of the scientists that our institutions of learning had produced.

Certainly our educational system at all levels should constantly be reappraised. We should always examine our program to determine where new emphasis should be added. The tremendous problems of our time demand that we increase our contributions to education and prayerfully consider our responsibilities. When educational institutions or individuals cease to strive for improvement they deteriorate.

Education that is based solely upon materialistic science, in a society that rejects a belief in God, is dangerous and destructive. Knowledge is power and the use of knowledge without commitment to and guidance from God is like the mightiest engine rushing forward without controls or pilot.

What does it profit a nation if it excels in materialistic science and loses its own soul? If America loses its soul, what is there left to defend?

As man's knowledge of the physical becomes greater, the need for his total education becomes infinitely greater. He must have an education that not only enables him to split the atom and to build a satellite, but to understand his neighbor, and to love and respect his fellow man. To accomplish this he must be trained in the literature, the art, and the music that has stood the test of time. He must know the history of mankind and understand the theory of the law. He must know himself. Above all, he must be educated in the Christian faith.

The need was never greater for highly trained individuals, whose wills are the will of the infinite One, and who possess a passion for service akin to Him who said: "He that would be greatest among you, let him be the servant of all."

Nebraska Wesleyan has many outstanding departments that have made records worthy of wide recognition. A dedicated man, Dr. John Christian Jensen, spent long years in the science department. He was in truth and in fact an incarnation of the school's theme of great teaching. The biographies of the science graduates of Nebraska Wesleyan would constitute an important miniature who's who. Their work has contributed much to the health and well-being of our Nation and to the security and defense of our Republic.

These great contributions in science did not come about by reason of a narrowed materialistic view and approach to science. They did not come about because this institution was better equipped or possessed superior facilities. Rather, they are an illustration that educational institutions as individuals can profit most by putting first things first and all the other will be added.

The aim of our Nation's schools has been, and should be, the education of the masses. Yet it should never be by mass education—rather, it should be the education of each individual in our society. Our schools should never be an assembly line production, with each pupil being an inanimate part of the State. We should teach them as individuals and help them to be, in the words of Herbert Hoover, "uncommon men and women." Their individual gifts and talents must be found, encouraged, and brought to full realization. So long as America is a land of individuals of faith, capable of thinking for themselves, liberty and our way of life are secure.

We should never undervalue the individual. When the Master teacher came to earth, one of the principle themes of His teaching was the great worth of the individual personality. Our Founding Fathers devised a form of government based on the rights of the individual. Our most treasured documents, the Declaration of Independence and the Constitution of the United States, are a recitation of the rights and responsibilities of individuals.

Man is God's finest creation. The individual personality is most precious. Space, like the Sabbath, was made for man.

The age of space is the age of the individual. Let us enter it with faith and vision.

I like the lines of John Greenleaf Whittier's poem The Eternal Goodness, which read:

"I know not where His islands lift
Their fronded palms in air;
I only know I cannot drift
Beyond His love and care."

Those familiar lines could well be rewritten to read:

"When satellites and rockets wing their way
Into the limitless something called outer space,
I know the whole universe belongs to God
And men cannot escape His love and grace."

The Mallory Case

EXTENSION OF REMARKS
OF
HON. EDWIN E. WILLIS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1958

Mr. WILLIS. Mr. Speaker, the ruling of the Supreme Court in the Mallory case has aroused wholesome public interest. It has been the subject of thoughtful study and searching analysis. An outstanding example is the editorial which appeared in the Times Picayune, of New Orleans, on January 22, 1958, which I ask leave to make part of my brief remarks.

Last year a special subcommittee of the House Committee on the Judiciary was created to study questions raised by the recent Supreme Court decisions, including the Mallory case, and I have the privilege to serve as chairman of that subcommittee. After rather extensive hearings, the subcommittee unanimously decided to make legislative recommendations in connection with the Mallory case. We are in process of formulating our recommendations to the full committee, but in the meantime I think it would be appropriate for me to review the facts in the Mallory case and express my personal opinion on the far-reaching effects of the ruling of the Supreme Court, and

at the same time make an effort to answer some of the questions posed by the Times Picayune and other thought-provoking editorials.

In order to appreciate the significance of the Mallory decision, we must remember that crimes involving heat of passion, such as fist fights, assault and battery, and manslaughter usually occur wherever a provocation arises and in the presence of whatever witnesses happen to be at the scene. But the most serious of all crimes, those that are carefully planned in advance, such as premeditated murder, robbery, rape, espionage, and sabotage are never committed in the open. In such cases the police have to employ the time-honored and heretofore well recognized process of interrogation and elimination, because under our system of justice it is as important not to charge the innocent with crime as it is to prosecute the guilty.

Mallory raped a woman in the basement of her own home. As usual, there were no witnesses to the criminal attack, and Mallory took the further precaution to disguise himself. And so, following the heretofore usual and accepted practice, the police questioned him. Seven hours went by between his arrest and arraignment. During that time, he was fed, talked freely, and confessed his crime.

The confession was free and voluntary, and what is more, it was truthful. He was given a speedy and public trial and was found guilty by a jury of his own peers.

The Supreme Court, however, invalidated the confession, not because it was induced by threat or violence, or involuntary for any other reason, but solely because of the delay between arrest and arraignment. Moreover, for all intents and purposes in all Federal cases the process of interrogation between arrest and formal arraignment, if not prohibited, is now certainly ineffective and practically useless.

The ruling of the Supreme Court in the Mallory case does serious damage to an old and fundamental rule of evidence regarding the admissibility of a confession. Prior to the Mallory decision, a confession was admissible if it was trustworthy as testimony, and this rule was applied both in the State and Federal courts as well as under the common law. In order to determine whether a confession was admissible or inadmissible, practical tests were applied over the years. If there was sufficient inducement to elicit an untrue confession of guilt, or if a confession was induced by a threat or a promise, by fear or hope, the confession was not regarded as being trustworthy as testimony and was therefore inadmissible. But if a confession was freely and voluntarily made, then it was deemed to be trustworthy and therefore admissible.

As indicated, under the Mallory ruling the mere fact that the confession was made between arrest and formal arraignment invalidated it. Timing rather than trustworthiness becomes the test.

Prior to Mallory, if delay between arrest and arraignment was taken advantage of as an occasion for pressure or coercion in order to obtain a confession, then delay, of course, was a factor to be considered in determining whether or not the confession was admissible, and no one should want to change this rule. But it is difficult for me to see how mere delay between arrest and arraignment, in and of itself, can invalidate a free, voluntary, truthful, and otherwise admissible confession.

To apply time alone as the test is unsound and can well result in not only freeing the guilty but in doing grievous wrong to the innocent.

Thus both an honest charge, based on mistaken identity, and a false tip, believed by the police to be true, constitute probable cause to arrest the person mistakenly identified or falsely charged with serious crime. Again, a person arrested on probable cause, may contend that he was not at the scene of the crime or was even out of the city when the crime was committed. This is what is called an alibi. An honest alibi is the most perfect defense known to law, while a false alibi is a reprehensible plea. The person who can establish the whereabouts of the accused at the time of the crime may not be readily available and the police cannot always take the word of the accused in the face of his arrest made on what appears to be solid evidence making out a case of probable cause. Law enforcement officers are thus faced with a hopeless dilemma as the result of the ruling of the Supreme Court in the Mallory case. It can be readily seen, therefore, that if the police are not given time, through the process of interrogation and elimination, to verify the truth or falsity of an identification, a tip or an alibi, innocent persons can and will be unjustly charged with shocking crimes.

And similarly, to apply the test of time alone can and will result in freeing the guilty. There can be no better illustration of this than the Mallory case itself. Mallory confessed his crime freely and voluntarily. He told the truth. He was and is guilty. But as the result of the decision of the Supreme Court, he was set free and footloose.

Following his release, Mallory was befriended with a job, but he assaulted his benefactor and then fled from justice. And so, roaming the streets, highways and byways somewhere in the United States today is a confessed rapist and a fugitive from justice. When and where he will strike again no one knows.

This decision, of course, applies in all Federal courts. The Federal courts in the several States and outside of the District of Columbia have jurisdiction of Federal crimes or crimes defined by Congress only, while the Federal courts in the District of Columbia have jurisdiction over all common law crimes committed within the District as well as Federal crimes. For that reason, while the decision will have greater impact on law enforcement within the District of Columbia, it must be remembered that the ruling has universal application in all Federal courts in the country.

The Times Picayune editorial follows:

CONFESSIONS CURB

In the fervor of destroying or weakening trial by jury, Congress last year failed to get around to (among other things) any emergency correction of the startling United States Supreme Court decision of last June relative to voluntary confessions of crime—the Mallory case.

Congressman KEATING, who did his part toward establishing contempt-procedure as a sure way to conviction, did find time to urge a House judiciary subcommittee to report his bill to restore the admissibility of nondures confessions, regardless of delay between arrest and arraignment. A report from the Justice Department, which at the time expressed great concern over the Mallory decision, seems still lacking. Congressman WILLIS, as chairman of this subcommittee, undoubtedly will do his best to speed action, as Mr. KEATING again urges.

One helpful step would be introduction in the CONGRESSIONAL RECORD of the text of the decision.

It has been said that the appellate court at Washington previously went further than any other circuit in throwing out confessions; and that the High Court made the matter a national rather than District of Columbia problem; also, that the latter's new rule was actually or in effect made earlier in what is called the McNabb case.

Congressman POFF defended the particular interpretation of what constitutes unnecessary delay between arrest and arraignment but was unable to see why it affected validity of the confession.

Others say that in addition to invalidating confessions, the decision prohibits arrests on suspicion; and any questioning at headquarters which lends itself to eliciting damaging statements or making a case or establishing better than probable cause, following arrest. Police can abstain from arrest, they say, in hope of getting a confession—taking the risk of an escape. The possibility of confusion in interpretations seems sorrowfully present here, as in too many other decisions.

Imports of Wheat at Substandard Duty Rates

EXTENSION OF REMARKS

OF

HON. ROBERT J. McINTOSH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1958

Mr. McINTOSH. Mr. Speaker, American farmers are being forced to take losses on their production of seed wheat because of an increasing flood of imports into the United States which are entering at duty rates applicable to wheat fit only for animal feeds and purposes other than human consumption.

To prohibit such imports at substandard duty rates, I have introduced H. R. 10205, which is designed to give American farmers a reasonable price for the seed wheat they produce.

The record regarding seed wheat imports shows clearly that foreign seed wheat producers are driving American growers out of their own domestic market. By taking unfair advantage of the existing law and regulations and distorting the clear meaning and intent, imported seed wheat enters the American market at a price which makes it difficult, if not impossible, for American farmers to realize their costs of production.

Under laws, Executive orders, and regulations regarding wheat imports in effect in the early 1940's, import duty schedules call for the payment of a reasonable duty of 21 cents per bushel of wheat of standard commercial quality. Since seed wheat is a quality of grain at least equal to or, most often, superior to the standard commercial grades, it was scheduled for classification with the great volume of wheat imports at the 21 cents per bushel import duty rate. This was done even though seed wheat always commands a premium price at the market.

In addition to the standard duty rate of 21 cents per bushel, there was a special classification for substandard quality grains which were unfit for human consumption and which could be used only for animal feeds or for nonfood commercial purposes. The duty rate specified for this low-quality grade is 5 percent ad valorem.

For many years, wheat imports have been classified in these two categories on the basis of the quality of grain. In years past, American seed-wheat producers have supplied almost entirely the high quality grains needed for domestic seed purposes. The annual imports were only a fraction of the seed-wheat requirements of the United States. American seed-wheat growers were able to realize a sufficient premium price for their seed wheat, as compared with other grades, to cover the extra costs of production of this premium quality grain. Imports competed in the free market with American production.

Beginning in fiscal year 1954, foreign importers began to color their seed gram or treat it with chemicals in such a way as not to impair the premium quality for seed-wheat purposes and insisted on the classification of such grain as being unfit for human consumption because of its color or chemical treatment. By this method of classification, seed-wheat exporters were able to send into the United States increasing volumes of seed-wheat qualifying for the 5 percent ad valorem duty and escape the 21 cents per bushel tariff rate.

The important advantage of using this classification is clearly evident from the import figures, showing the rapid jump in volume of such wheat imports. From 1953, seed wheat imports jumped from 6,297,000 pounds to 13,456,000 pounds in 1954. During 1955, imports nearly trebled to 38,105,000 pounds. In 1956, imports more than trebled again to 135,383,000 pounds. Imports dropped slightly in volume in 1957. But for the first 5 months of the 1958 fiscal year, imports were nearly trebled again over the figures for the corresponding months for the previous year.

The clear language of the laws and regulations and the long practice and custom in connection with the grading and classification of wheat indicates beyond question that seed wheat could never be classified as being of a quality unfit for human consumption. The artificial color or chemical treatment making it unfit for human consumption, is merely a way of escaping the provisions of law. This practice is a method of getting past the customs collector and avoiding the payment of legitimate duty charges. Any pretense that the Federal Government intended any special concessions on seed wheat so that it could be imported at reduced duty rates is without any foundation. Anyone familiar with import practices and customs regulations recognizes this fact.

From time to time, the executive branches of the Government and the Congress find it necessary to amend laws and regulations to accomplish the intended purposes. If tax laws or other Federal statutes are being avoided or evaded by our own citizens, the Congress and the executive agencies usually move rapidly to close any loopholes. Such action is needed in this case. Allowing the practice to continue loses customs revenues to the United States and forces unfavorable prices upon our own wheat producers.

American seed-wheat producers have substantial additional production costs over and above the cost for the production of commercial quality wheat. These costs may vary from State to State depending upon the requirements of growing seed wheat, but in general, these additional costs run up to around 50 cents per bushel. The farmer must meet certain requirements as to previous land usage before he may plant his crop. He must purchase certified seed on which he pays a premium price. During the growth of the crop he must pay fees for inspection of the wheat stand. The harvest and handling must be given special care. The seed grain must be tested and certified before he may properly sell it on the American market as seed grain.

The device of classifying seed wheat as substandard in order to qualify for the minimum duty rates, combined with low production costs have hit the American seed-wheat grower very hard. Numerous farmers in the Seventh District of Michigan have, in the past, grown seed wheat successfully and enjoyed a reasonably good market for their production. Tuscola and Huron County farmers were the heaviest producers. In recent years, some farmers have been forced to discontinue such production while others have found it to be a marginal crop. They want and should be given, in all fairness, an opportunity to realize a reasonable price. As long as existing customs classifications are permitted as a result of the torturing of the language applying to the wheat imports, such an opportunity is not possible.

The effect of H. R. 10205 will be that all seed wheat imports will again be classified for entry under the 21 cents per bushel duty payment, according to the practice for many years past. Such action will not be unfair to our good neighbor to the north, but will restore the good relationship which existed for many years and which was the clear understanding and intent of both nations.

The Department of Agriculture is alerted to this problem and believes that the issue should be resolved on a proper basis. I trust that favorable recommendations on my bill may be made by the executive branch of the House Committee on Agriculture.

To fail to deal forthrightly with this distortion of our import regulations can result only in further disregard of the laws and regulations of this Nation. I am sure that wheat farmers, generally, throughout the Nation will join in asking favorable consideration of such legislation by the Congress.

Antitrust Subcommittee Meets Foreign Mission

EXTENSION OF REMARKS

OF

HON. KENNETH B. KEATING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1958

Mr. KEATING. Mr. Speaker, today the Antitrust Subcommittee of the House Judiciary Committee was host to a group of European and Japanese officials touring this country under the auspices of the International Cooperation Administration.

This group is studying antitrust legislation in the United States and the competitive economy it generates. It is expected that upon completion of their mission, the group will recommend government policies and new legislation on restrictive business practices in their own countries.

I know I speak for all of the members of the Antitrust Subcommittee in saying that it was a real pleasure to exchange ideas with these officials. Projects of this kind will provide them with a much fuller understanding of the United States experience in this area and the extent to which it is relevant to conditions in their own countries.

Mr. Speaker, under unanimous consent, I include in the RECORD the remarks which Chairman CELLER and myself made to this group:

REMARKS OF CHAIRMAN CELLER

As chairman of the House of Representatives' Committee on the Judiciary and of its Antitrust Subcommittee, I am pleased to welcome the distinguished representatives of this mission sponsored by the European Productivity Agency of the Organization for European Economic Cooperation. I am sure that my colleague, Mr. KEATING, ranking minority member of the Judiciary Committee and of the Antitrust Subcommittee, joins me in my welcome to you. We are also pleased to have with us representatives of the Japanese Restrictive Business Practices Study Team who are visiting the United States in a sponsored program of the International Cooperation Administration.

Since both of these missions include Government officials directly responsible for important programs that are designed to curtail restrictive business practices in their respective countries, I am sure that our discussions will be mutually beneficial.

This morning Mr. KEATING and I propose to discuss with you policies that underlie decisions to establish the so-called regulated industries. That is, the industries which, for a number of reasons, have been withdrawn from the free play of competitive forces and subjected, in varying degrees, to direct supervision by Government officials. Our discussion will include some of the antitrust problems that arise in these industries and in other areas of the economy where exemptions from our basic antitrust legislation have been granted.

Traditionally, the economic policy of the United States has been directed to the promotion and preservation of competition in free markets. To this end Congress repeatedly has declared its reliance on a private competitive economic system as the primary method by which essential energies are released for increased industrial productivity and for technological development. In addition to the economic benefits afforded by competition, we in the United States have come to recognize that our political freedoms under a representative of Government require the solid foundation of a free economy. We believe that for a democracy to be strong, adaptable, and progressive, it must be secure in its economic liberties.

These conclusions are bipartisan. Both of our major political parties for many years have proclaimed the necessity to assure economic opportunity and to limit aggregation of economic power which is incompatible with the maintenance of competitive industrial conditions.

Despite this universal agreement as to the values to be derived from a competitively organized economy, in a number of our important industries we have found it necessary to restrict the role of private competitive enterprise and to substitute controls exercised by Government officials. Where this has occurred, it should be noted that concurrently with the withdrawal of an industry or a segment of an industry from the free play of competitive forces, Government officials have been given responsibility for business direction. In no instance has a commercial activity been relieved from the necessity to comply with the provisions of our general business law, the antitrust laws, unless at the same time supervisory powers were lodged in Government officials in order for them to accomplish the results that otherwise competition would be relied upon to provide.

There are several reasons that underlie the decision to remove a particular business activity from the forces of competition. First, there are some fields of economic endeavor—the so-called natural monopoly situations—where competition either will not work, or at best will work only in a wasteful manner. If you have one waterfall, for example you generally can have but one hydroelectric plant. Since it is impossible to have competitive hydroelectric plants at that location some other device must be created to assure that prices are reasonable and services adequate. Other examples of natural monopolies of this nature are found in the public utilities for distribution of water, gas, and electricity to the residences in a particular community.

Closely related are those industries where regulation came in response to abuses of economic power by private operators in businesses that have the characteristics of natural monopolies. As early as 1887, Congress established regulation over the railroad industry as a result of investigations which demonstrated widespread abuses of private economic power. In some railroad operations, competition, in the sense of numerous rival offers of the same service, was recognized as wasteful, duplicatory, and that physical factors sharply limited the number of possible operators.

In other instances, Congress has imposed positive Government supervision at the request of industry in order to meet problems that developed during periods of economic crisis and to assist in the development of new and weak industries. It was found, for example, in the depression of the 1930's that the problems of railroads were aggravated by competition from motor carriers. Consequently, the demand for motor carrier regulation came not from shippers as in the case of the railroads, but from representatives of the railroads themselves, who urged that the virtually unregulated motor carriers jeopardized their financial stability. Similarly, in the case of the newly developing field of commercial aviation, representatives of the airlines and officers of their trade association, took a preeminent role in advocating the institution of Government controls over the infant industry.

Since our regulatory legislation in general has developed to prevent unfair and discriminatory practices in natural monopoly situations, or has developed during periods when the competitive system was experiencing an economic crisis, it is not surprising that the role of competition within the regulatory framework has been subordinated. The basic techniques of regulatory bodies are anticompetitive in nature. Once regulation has been imposed upon a given sector of the economy, it is customary that (1) freedom of entry is severely restricted; (2) expansion is restrained; (3) merger and consolidations are encouraged; and (4) agreements anticompetitive in nature may be approved by Government officials.

It is customary, for example, to require that a certificate or a license be obtained from the regulatory body before commencing operations in an industry that is subject to regulation. Once a company has gained entrance to a regulated industry, the statutes generally require that any extension of facilities or enlargement of operations must be approved by the regulatory body prior to their going into effect.

Usually, the regulatory statutes also establish procedures that enable companies in the industry to enter into agreements which otherwise would be prohibited by the antitrust laws. Although price fixing clearly is illegal per se under the antitrust laws, for example, ratemaking agreements among railroads and among motor carriers may be approved by the Interstate Commerce Commission. Similar agreements among water carriers may be approved by the Maritime Commission. The Civil Aeronautics Board has specific authority to approve price-fixing agreements, pooling arrangements, and agreements for divisions of earnings and traffic service. The Board's general powers include authority to approve agreements among air carriers "for controlling, regulating, preventing, or otherwise eliminating destructive, oppressive, or wasteful competition" and to approve "other cooperative working arrangements."

In addition to the subordination of the role of competition in regulated industries by the exercise of direct supervision by Government officials, the regulatory statutes also provide methods by which exemptions may be made from the requirements of the antitrust laws. The Interstate Commerce Act, for example, provides that "* * * any carriers * * * participating in a transaction approved or authorized * * * are relieved from the operation of the antitrust laws." Similarly, the Shipping Act states that "* * * every agreement * * * lawful under this section shall be excepted from the provisions * * *" of the antitrust laws. The Civil Aeronautics Act provides that "any person affected by any order * * * shall be * * * relieved from the operations of the antitrust laws * * * insofar as may be necessary to enable such person to do anything authorized, approved, or required."

Although the role of competition has been subordinated in regulated industries and exemptions from the antitrust laws are authorized to be granted in enacting this body of regulatory legislation Congress has not departed from the general national policy in favor of a competitive economy. On the contrary, Congress, in the regulatory statutes, has required the administrative bodies to exercise their authority so as to accommodate their particular regulatory responsibilities with the national policy favoring competition.

An example of this concern for competition in the regulated field is found in the Civil Aeronautics Act of 1938. In section 2 (d) of that act, Congress provided specifically that competition, to the extent necessary to assure the sound development of a national air transportation system, is in the public interest and in accordance with public convenience and necessity. The act itself contains an express declaration of Congressional intent that competition is to go hand in hand with administrative regulation.

In regulating the radio and television industries, Congress made no provision for exemptions from the antitrust laws, and affirmatively required the Federal Communications Commission to develop a competitive system of broadcasting within the framework of the antitrust laws. In addition to making antitrust legislation fully applicable to the radio and television broadcasting industries, the act also provides that, as an additional form of relief, a court may direct the revocation of station licenses held by a party found guilty of antitrust violations. Further, the Communications Act directs the Commission to refuse further station licenses to any person whose license has been so revoked.

From this general background, it is apparent that competitive problems of two types arise in regulated industries: First, there is always present the question of the appropriate weight to be afforded to competitive considerations when administrative determinations are made. Under the statutes the various commissions and boards have been given considerable latitude as to the determination of the public interest in any particular factual situation. In a case where all other factors neutralize one another, a regulatory body should resolve an issue in favor of competition rather than monopoly, in order that the standard of public interest gives effect to antitrust policy.

Second, in regulated industries, there are certain industry activities for which the statute has granted no antitrust exemption. For these activities, difficult jurisdictional questions may arise as to initial enforcement responsibility. In certain cases, it is appropriate for the administrative body to proceed and to take action under the regulatory statute. In other cases, antitrust enforcement officials may proceed directly against industry behavior which has not been subjected to affirmative supervision by the regulatory body and has not been specifically exempted from the antitrust laws.

During the 84th Congress, the Antitrust Subcommittee conducted extensive investigations into monopoly problems in regulated industries, particularly the television industry and the airlines industry. The subcommittee's reports on these investigations are available for those of you who want copies. These reports contain detailed information, with respect to the competitive problems that are present in these two industries, which you may find helpful in your studies.

You will note that the committee in each of these reports was critical of many activities in the television and airlines industries. I should point out, however, that in both of these industries, although the committee found much to criticize, the system of regulation apparently has been successful.

Both industries are strong and flourishing. Under the system of regulation that has been established, our commercial air transport has experienced a phenomenal growth and technological development. The industry, for example, had increased from 345 airplanes in service in 1938 (when it was first subjected to regulation), to 1,454 airplanes in 1955, the date of our investigation. This was a gain of 321 percent. Similarly, in 1938 the entire industry flew a total of but 533 million passenger miles whereas in 1955 the industry accounted for a total of 21.9 billion passenger miles. This amounted to an increase of more than 4,000 percent.

The television industry in the United States also has demonstrated great vitality under the system of regulation that has been established. In the short space of 10 years television has become a profound social force in the United States. Now 90 percent of the Nation's population has access to television broadcasting and there are more than 39 million television sets in American homes, representing an investment that exceeds $15 billion.

In its investigations, the Antitrust Subcommittee selected the airlines industry because in many respects airline regulation exemplifies administrative control of industrial enterprise as it exists in this country. Control of prices, regulation of entry, supervision of consolidations, administrative inspection of records—all of these supervisory powers exist over the entire field of commercial air transport. Since such authority generally is conferred where there is a public utility or a quasi-public utility type of industry to be subjected to regulation, application of these principles to the new and emerging air transport industry presented an excellent case study.

In its investigation of the airlines industry, the subcommittee studied in great detail the Board's activities with respect to airline rates and fares. This phase of the committee's investigation related directly to the policy issue of whether the public interest is better served by a system of regulated competition under an independent agency rather than by competition within the confines of the antitrust laws. In its report the subcommittee found that one of the most significant failures of the Civil Aeronautics Board to justify the presumption for its creation had been in the realm of passenger fares.

Although rate regulation is one of the primary reasons for Government supervision of the industry, the Civil Aeronautics Board in its entire existence had never been able to conclude a formal investigation of passenger fares. Since the Board had never concluded an investigation of the general level of passenger fares, the subcommittee found that it had not developed the standards that are essential to enable the Board to determine whether the fares and charges in use by the airlines were unjust or unreasonable, discriminatory, unduly preferential, unduly prejudicial, or otherwise unlawful. Absent the formulation of standards, which could only be determined by an overall investigation into the structure and characteristics of the airline passenger fares, the Civil Aeronautics Board was not in a position to answer any of those questions. This failure was particularly significant in view of the fact that more than 80 percent of all the revenues received by our domestic trunkline carriers had been derived from the transportation passengers.

The subcommittee's experience with the Board with respect to rates and fares illustrates the type of problem that must be carefully watched by a legislature when it delegates responsibility for an industry to a regulatory body. Without the adjustments that are automatically determined in competitive markets, extreme vigilance must be maintained to assure that the regulatory body in fact accomplishes what otherwise competition would provide.

Another type of antitrust problem encountered in our investigation of the airline industry concerns the activities of the trade association. Here the committee found that the trade association, the Air Transport Association of America (ATA), had been used by its members to unite the industry in joint programs that appeared questionable under the antitrust laws. Many of the trade association's activities involved agreements among the carriers to participate in concerted efforts that were designed to exclude either a particular competitor or a group of competitors from access to the industry.

The trade association also was used by its members to conduct extensive publicity campaigns that were designed either to influence the Board's decision in pending cases or to destroy public confidence in the operations of competitors to the members of the association. Even though these activities occur in a regulated industry, they could be elements of a conspiracy to restrain competition that would violate the Sherman Act.

Activities of this nature in the motor carrier field, for example, recently have been held by a United States court to constitute violation of the antitrust laws. In that case, *Pennsylvania Truckers Association* v. *American Association of Railroads*, the trade association and other elements of the railroad industry had used similar techniques to discredit motor carriers in the public eye and to obstruct decisions favorable to motor carriers in State legislative and administrative bodies.

It was ascertained in our investigation that many of the trade association's activities involved agreements and joint actions that affected air transportation which never had been submitted to the Board for its approval and accordingly had not received exemption from the antitrust laws. As a result, the subcommittee concluded that a substantial number of the trade association's activities for its members presented serious antitrust problems. The subcommittee recommended that the Department of Justice take further action as appropriate.

This phase of our investigation demonstrates that although extensive authority is given to a regulatory body, vigilance is required in regulated industries both by the legislature and by antitrust enforcement officials to insure that industry conduct accords with the provisions of the antitrust legislation.

REMARKS OF REPRESENTATIVE KEATING

First of all, I want to join in welcoming all of you here.

This kind of visit, I believe, can do much to promote mutual understanding and solution of the problems of the free world. We are glad to attempt to assist you in your effort to understand the American system, and I know that people such as you have done much to increase American understanding of European and Japanese problems and policies.

The subject of your present missions, restrictive business practices, is one upon which you will find a large degree of unanimity among the American people. It is almost an American article of faith that the aims of political and economic democracy can be best achieved by fostering a competitive order. And restrictive business practices inimical to competition are viewed as a threat to our political as well as our economic well-being.

The Sherman Act, the Clayton Act, and the Federal Trade Commission Act reflect the desire of Congress to maintain and perpetuate a system of private competition. These acts set forth in unmistakable terms the principle that in a free market, enterprise, and initiative shall have opportunity to compete without fear of restraint by combination and without fear of reprisal by monopoly methods. From this standpoint, the Sherman Act is both a Magna Carta for business and a guaranty to the public that the competitive system will not be circumvented by the devices of collusion or concentration of control.

The policy of the Sherman Act had wide bipartisan support in its inception, and with the exception of some attempts in the 1930's to adopt industry codes of competition such as the NRA, has had bipartisan support in its implementation.

The act itself was a direct outgrowth of the abuses of certain large business trusts during the 1800's. The public's alarm at the growing concentration of economic power in that period led both the Republican and Democratic Parties to affirm their faith in a competitive economy and their determination to safeguard it. The Republicans in their 1888 platform declared their opposition to all combinations of capital, organized in trusts or otherwise, to control arbitrarily the condition of trade and recommended such legislation as will prevent the execution of all schemes to oppress the people by undue charges on their supplies, or by unjust rates for the transportation of their products to market. The Democrats also spoke out during this period. Their platform declared that the interests of the people are betrayed when * * * trusts and combinations are permitted to exist, for they rob the body of our citizens by depriving them of the benefits of natural competition.

The bill which evolved out of these platforms (S. 1, 51st Cong., 1st sess., 1899) was originally introduced by Senator Sherman, of Ohio, and was passed with only 1 dissenting vote in the Senate and no dissenting votes in the House.

The antitrust laws should not be conceived of as antibusiness laws or even anti-big-business laws. At the same time, it must be recognized that there is an instinctive hostility among the American people to large concentrations of economic power. This feeling makes the people suspicious of large corporate mergers, acquisitions, and similar combinations of industry. I think that the ideal economic system to most Americans, practicalities aside, is that symbolized by the independent small-business man.

Despite these feelings, the antitrust laws were not designed and have not been applied against bigness as such. In the Steel case, for example, it was held by the Supreme Court that the United States Steel Co. was not an unlawful monopoly even though at the time it was manufacturing 45 percent of the domestic pig iron, 66 percent of the steel ingots and castings, 66 percent of the steel rails, 60 percent of the steel plates and sheets, and about 72 percent of the wire rods produced in the United States. The Court said that these facts alone did not establish a violation because the law did not make mere size an offense.

Senator Sherman, the author of the bill which became the Sherman Act, expressed like sentiments when he said:

"The bill does not seek to cripple combinations of capital and labor, the formation of partnerships and corporations, but only to prevent and control combinations made with a view to prevent competition, or for the restraint of trade, or to increase the profits of the producer at the cost of the consumer. * * * If their business is lawful, they can combine in any way and enjoy the advantage of their united skill and capital, provided they do not combine to prevent competition."

Bigness is not equated with badness. Large corporate enterprises are essential for the development of such devices as missiles and rockets, for the furnishing of such utilities as electricity, and for the manufacture of such consumer products as automobiles. While it is true that concentrations of economic power are carefully watched, the antitrust laws are more concerned with the abuses of economic power than with the extent of economic power. The question under the law always is whether the acquisition of economic power is made with an intent to monopolize and restrain competition or whether it is a natural response to the economic demands of society.

I would like to comment briefly on two additional exemptions from the antitrust laws relating to labor and agriculture.

Labor's status under the Sherman Act was unclear until the Supreme Court decision in *Loewe* v. *Lawlor*, the *Danbury Hatters* case. That case involved a nationwide boycott organized by the Hatters Union against the

hats of a nonunion manufacturer. The Sherman Act was held to apply and the Hat Co. was able to recover treble damages from the members of the Danbury local of the union.

As a result of this decision and the growing use of court injunctions to interfere with union activities, organized labor turned to Congress for relief from what it regarded as judicial oppression.

Congress first responded in 1914 by enacting section 6 of the Clayton Act. This section stated that "nothing contained in the antitrust laws shall be construed to forbid the existence and operation of labor * * * organiaztions * * * or to forbid or restrain individual members of such organizations from lawfully carrying out the legitimate objects thereof * * *."

Labor leaders hailed this section thinking that it exempted them completely from the antitrust laws. However, the Supreme Court in a series of decisions made it clear that the Clayton Act did not give labor the relief it expected. In the Duplex Printing Press case, for example, the Supreme Court held that the antitrust laws still prohibited secondary boycotts by labor unions. In the Coronado Coal case, the Court held that the antitrust laws applied to an attempt by a coalworkers' union to prevent the shipment of nonunion coal to other States where it would compete with union-mined coal.

As a result of these cases, Congress in 1932 enacted the Norris-La Guardia Act which specifically barred court injunction of enumerated union organizational and economic activities. In the case of *United States* v. *Hutcheson*, which involved a strike by one union against an employer who had assigned work to a competing union's members (a jurisdictional strike) the Supreme Court held finally that such labor activities were exempt from the antitrust laws. While there are still some disputed questions as to the scope of this exemption where labor and management jointly accomplish some direct market restraint, the general exemption of labor from the antitrust laws is not well settled.

The exemption of agricultural cooperatives is contained in several statutes. The so-called Capper-Volstead Act provides that agricultural producers may "act together in associations, corporate or otherwise, with or without capital stock" for the purpose of "collectively processing, * * * handling, and marketing [their] products." Under the Cooperative Marketing Act of 1926, agricultural producers and their associations may acquire and exchange "past, present, and prospective" pricing, production and marketing data. And the Robinson-Patman Act provides that limitations on price discriminations shall not prevent "a cooperative association from returning to its members * * * net earnings on surplus * * * in proportion to their purchases or sales from, to, or through the association."

These exemptions from the antitrust laws demonstrate two facts about legislation in this field. The first is that economic theory and public policy do not always coincide; the second is that the antitrust laws while vital are not the sole means of preserving our democratic society.

From the point of view of economic purists, such considerations are irrelevant. They argue that the public interest is jeopardized no less by monopoly power in the hands of organized labor or restrictive practices by small farmers than it is by such powers and practices on the part of business. In their view, the interference with the workings of a free competitive economy is the same.

But legislation is never framed within such narrow and coldly logical limits. As Congressmen we frankly are concerned with more than just economic theory. We are also concerned with the social value, the popular sentiment, and similar factors, in determining the wisdom and utility of any particular enactment.

This is well illustrated by the agricultural and labor exemptions. In the case of agriculture, the exemption is based on a desire to preserve the family farm as the primary unit of agricultural production. We know that without the right to join together small farmers would be at the mercy of the large purchasers and processors with whom they must deal. The cooperative movement, whatever its antitrust implications to the theorist, is a matter of survival to the farmer. And because Congress wants the small farm to survive as a part of the American way of life, it sanctions this departure from the antitrust laws.

The situation with respect to labor is more complex but is based on similar assumptions. The attitude here is not so much that organized labor should be outside the antitrust laws as it is that labor-management relations should be considered in tailormade legislation. And in framing such legislation Congress has given greater weight to the value of collective bargaining in preventing labor disputes than it has to the harm to unfettered competition which may result from concerted employee activities.

Apart from these direct exemptions, other policies of the Government obviously have an important bearing on the competitive system. The monetary and fiscal policies of the Government are an example. Violent changes in the general price level and in the level of national income such as occur in periods of inflation or depression are incompatible with the orderly functioning of a competitive economy. The success of the Government in checking these ruinous phenomena, therefore, directly affects the vitality of private enterprise.

The Government's trade policy is another example. Competition thrives in an environment characterized by widening markets, advancing technology, and increasing investment. An economy whose growth is retarded by various trade barriers generally is inhospitable to competition. Sales and investments abroad and a reciprocal flow of imports give strength to the competitive forces of the whole world.

These and similar indirect influences on the economic order do not deal directly with restrictive business practices. They really are measures to promote a political and economic climate in which competition is fostered. In a sense, they are the preventive medicine for warding off economic ills.

The antitrust laws are always in readiness, however, to strike down maladies threatening free competition. I hope that you will take back to your countries our faith in the general utility of and necessity for these statutes.

SENATE

THURSDAY, FEBRUARY 6, 1958

Rev. Robert W. Olewiler, minister, Grace Reformed Church, Washington, D. C., offered the following prayer:

Most gracious God, in whom we live and move and have our being, we thank Thee for life and love, for the mystery and majesty of existence, and for the miracle of our conscious life by which we behold the wonders of the universe.

We confess that we are not worthy of all Thy goodness to us, and ask Thy mercy, so that we may prove our repentance by lives dedicated more fully to Thee and to the common good.

We beseech Thee, our Father, to bestow Thy spirit upon all the nations of the earth. We pray Thee especially to bless our land, its people, and all who are in authority. May Thy presence always abide with the Members of this, our Senate of the United States. Grant that they may serve to the end that mercy and truth, righteousness and peace will everywhere prevail; and may all that we are and all that we do reflect Thy holy will, now and forever. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, February 5, 1958, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

FINAL REPORT OF ADVISORY COMMITTEE ON WEATHER CONTROL—MESSAGE FROM THE PRESIDENT

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which, with the accompanying report, was referred to the Committee on Interstate and Foreign Commerce:

To the Congress of the United States:

Pursuant to the provisions of section 10 of the act of August 13, 1953 (Public Law 256, 83d Cong.), as amended, I hereby transmit the Final Report of the Advisory Committee on Weather Control.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *February 6, 1958.*

REPORT OF ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 326)

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was referred to the Committee on Public Works:

To the Congress of the United States:

Pursuant to the provisions of section 10 of Public Law 358, 83d Congress, I transmit herewith for the information of the Congress the report of the St. Lawrence Seaway Development Corporation, covering its activities for the year ended December 31, 1957.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *February 6, 1958.*

(NOTE.—Actual report transmitted to the House of Representatives.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the joint resolution (S. J. Res. 39) to authorize the construction of certain water conservation projects to provide for a more adequate supply of water for irrigation purposes in the Pecos River Basin, N. Mex. and Tex., with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9739) to authorize the Secretary of the Air Force to establish and develop certain installations for the national security, and to confer certain authority on the Secretary of Defense, and for other purposes.

The message further announced that the House had agreed to the amendments of the Senate to the bill (H. R. 10146) making supplemental appropriations for the Department of Defense for the fiscal year ending June 30, 1958, and for other purposes.

The message also announced that the House had passed a bill (H. R. 4215) amending sections 22 and 24 of the Organic Act of Guam, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 1908. An act to amend the District of Columbia Hospital Center Act in order to extend the time and increase the authorization for appropriations for the purposes of such act, and to provide that grants under such act may be made to certain organizations organized to construct and operate hospital facilities in the District of Columbia; and

H. R. 10146. An act making supplemental appropriations for the Department of Defense for the fiscal year ending June 30, 1958, and for other purposes.

HOUSE BILL REFERRED

The bill (H. R. 4215) amending sections 22 and 24 of the Organic Act of Guam was read twice by its title and referred to the Committee on Interior and Insular Affairs.

CALL OF THE ROLL

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

ESTABLISHMENT OF SPECIAL COMMITTEE ON ASTRONAUTICAL AND SPACE EXPLORATION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1297, Senate Resolution 256.

The motion was agreed to; and the Senate proceeded to consider the resolution (S. 256) establishing a Special Committee on Astronautical and Space Exploration, which had been reported from the Committee on Rules and Administration with an amendment, on page 2, line 1, after the word "thereafter", to insert "but not later than January 31, 1959", so as to make the resolution read:

Resolved, That there is hereby established a special committee which is authorized and directed to conduct a thorough and complete study and investigation with respect to all aspects and problems relating to the exploration of outer space and the control, development, and use of astronautical resources, personnel, equipment, and facilities. All bills and resolutions introduced in the Senate, and all bills and resolutions from the House of Representatives, proposing legislation in the field of astronautics and space exploration shall be referred, and if necessary rereferred, to the special committee. The special committee is authorized and directed to report to the Senate by June 1, 1958, or the earliest practical date thereafter, but not later than January 31, 1959, by bill or otherwise, with recommendations upon any matters covered by this resolution.

SEC. 2. (a) The special committee shall consist of 13 members, 7 from the majority and 6 from the minority Members of the Senate, to be appointed by the Vice President from the Committees on Appropriations, Foreign Relations, Armed Services, Interstate and Foreign Commerce, Government Operations, and the Joint Committee on Atomic Energy. At its first meeting, to be called by the Vice President, the special committee shall select a chairman.

(b) Any vacancies shall be filled in the same manner as the original appointments.

SEC. 3. For the purposes of this resolution the special committee is authorized as it may deem necessary and appropriate to (1) make such expenditures from the contingent fund of the Senate; (2) hold such hearings; (3) sit and act at such times and places during the sessions, recesses, and adjournment periods of the Senate; (4) require by subpena or otherwise the attendance of such witnesses and production of such correspondence, books, papers, and documents; (5) administer such oaths; (6) take such testimony, either orally or by deposition; (7) employ on a temporary basis such technical, clerical, and other assistants and consultants; and (8) with the prior consent of the executive department or agency concerned and the Committee on Rules and Administration, employ on a reimbursable basis such executive branch personnel as it deems advisable; and further with the consent of other committees or subcommittees, to work in conjunction with and utilize their staffs, as it shall be deemed necessary and appropriate in the judgment of the chairman of the special committee.

SEC. 4. Upon the filing of its final report, the special committee shall cease to exist.

SEC. 5. The expenditures authorized by this resolution shall not exceed $50,000 and shall be paid upon vouchers signed by the chairman of the special committee.

Mr. JOHNSON of Texas. Mr. President, I have asked for the immediate consideration of Senate Resolution 256, a resolution to establish a special committee for the consideration of a national policy toward the age of space.

As a nation, we are presented with an unusual opportunity. We have some time to lay plans for the best approach to a revolutionary new age which is advancing rapidly upon us, but which is not yet here.

At the present moment, we are in a transition stage. We have a few fingers probing the area that lies beyond the earth's atmosphere. But our knowledge is still very slight.

We can be certain only of the fact that science advances at an ever-increasing rate of speed, and that the physical presence of men in outer space is only a matter of time.

We have been pushed into outer space by a combination of two forces—the curiosity of scientists and the drive for new weapons. But it is apparent to thoughtful men that there is much more before us than scientific tomes and military hardware.

The exploration of outer space will dominate the affairs of mankind, just as the exploration of the Western Hemisphere dominated the affairs of mankind in the 16th and 17th centuries.

This resolution has been presented on behalf of the entire membership of the Senate Preparedness Subcommittee. It is a natural outgrowth of the hearings, which we have concluded on the Nation's satellite and ballistic missiles program.

In the course of those hearings, it quickly became apparent that we were being led into fields beyond our proper jurisdiction. It also became apparent that there could be no real answers to the Nation's security problems unless those fields were explored.

The ballistic missile is merely the rear guard of the age in which earth-bound men throw weapons at each other. The satellite is merely the advance guard of the space age.

They cannot be considered adequately unless they are put into the context of America's national policy.

Mr. President, we must have the views of men skilled in our foreign policy. We must have the views of men skilled in military policy. We must have the views of men skilled in commercial policy. We must have the views of men skilled in the new sources of atomic power. And all of these views must be tied into the structure of our present Government and our present society.

This need is apparent already. It is reflected in views which have been advanced by thoughtful men and in bills which have been introduced in this Congress.

The resolution before the Senate does not seek to advance any of those views, to reject any of those views, or to supplant any of those views. It is simply an effort to provide an adequate forum where they can be considered fairly, prudently, and adequately, in the Nation's interest, without regard to parties.

It is my hope that during this session we can resolve some of the basic issues. To resolve those issues, however, we must have a committee with sufficient

jurisdiction to consider the proposals together and to weigh their merits.

Bills on this subject have been introduced already. The President has indicated his intention to send Congress his recommendations. We must be ready to consider them promptly, if we are to discharge our obligations.

For the time being, our efforts to explore outer space can remain where they are—in the Defense Department. But I believe all of us are aware that this is not a policy, but is merely an expediency while we determine a policy.

I have no hard and firm conclusions as to the policy that should be adopted. But I do know there is an urgent need to lodge specific responsibility somewhere, and that the decision must be faced up to, and should not be postponed.

Mr. President, I ask unanimous consent to have printed at the conclusion of my remarks on the joint resolution a very excellent editorial entitled "Responsibility for Space," published in the Washington Daily News of today.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

RESPONSIBILITY FOR SPACE

Nothing could be worse for the United States than a prolonged cat-and-dog fight over who is to run the American space program. We are far behind in this field. We have no well-defined program—not even a decision yet on how and by whom such a program will be created.

The pulling and hauling for control has started—among the three branches of the armed services and agencies of Government, among the committees of Congress, between the advocates of military and civilian control. This should stop, pending a Presidential recommendation on how to proceed.

Senate Democratic Leader LYNDON JOHNSON, on behalf of Democrats and Republicans on his Preparedness Committee, took the first step to this end. He proposed creation of a special Senate committee to consider the President's space proposals, when ready, and to help establish a national policy. The Senate Rules Committee unanimously approved, and the Senate should follow through quickly.

"The task is far too big to be left to scattered efforts," Mr. JOHNSON said. "Somewhere there must be lodged specific responsibility for America's effort in outer space."

The moves by the President and Senate should—but probably won't—stop the efforts of many vested interests to carve out for themselves a space empire.

This controversy over a space program—when we get one—is another indication of failure to cope with first things first. Only a few of our officials and legislators seem to realize that the real answers to today's problems are complex and difficult—not just appropriation of billions and grabbing blindly for jurisdiction in a new field.

The top problem that confronts us in space is how, whatever we do, our efforts are going to be organized and directed. A wrong or timid decision on how to proceed could be disastrous.

Our failure to keep abreast of the Soviets in space comes not from lack of money, lack of ability or lack of resources. Allen W. Dulles, Director of the Central Intelligence Agency, put his finger on the causes when he said:

"Achievements (such as Soviet sputniks) depend on the goals and priorities set, the promptness and correctness of the decisions reached, and the energy applied in terms of man-hours with the proper tools and equipment."

So far in space projects our goals and priorities have been too low, our decisions have been bad and too late, and too much of our energy has been diverted to areas unimportant for survival.

The VICE PRESIDENT. The question is on agreeing to the committee amendment.

The amendment was agreed to.

Mr. KNOWLAND. Mr. President, I support the resolution. As I mentioned when it was submitted, I think it is a constructive approach to the problem confronting us. The resolution comes to the Senate with the approval of a bipartisan group of the Preparedness Investigating Subcommittee and under their sponsorship. Its purpose is to prevent needless duplication of effort, and perhaps even jurisdictional controversies which might arise among the several standing committees of the Senate, which otherwise might properly handle legislation dealing with this very important subject matter.

It is a resolution which is timely. The special committee will be in being not only to consider proposed legislation which has been or which may be introduced in this body, and any future proposed legislation which may come to the Senate from the House of Representatives, but also will be able to accept recommendations which may come from the President of the United States during this session, after studies which are under way have been completed by the President and the executive branch of the Government.

Mr. President, for these reasons I shall support the resolution.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield to the Senator from New York.

Mr. JAVITS. I was not present yesterday when the Committee on Rules and Administration acted on the resolution of the Senator from Texas. Throughout the country much has been made of the question whether we in the Congress are looking forward and taking account of the new concepts which our times are thrusting upon us. I think the presentation of this resolution is evidence to the contrary that, under good leadership, Congress wants from every echelon of the Government, from the executive as well as the legislative, constructive advice. I say to the Senator from Texas that many people do not understand that leadership can come from a body like this. I am glad my committee approved the resolution.

I should like to record myself as joining in approval of the resolution. It stamps this body as one which is able, in an epochal stage, of providing the leadership that is required, and demonstrating that we in this body, which is composed of a substantial number of persons, can take events into account and act promptly when the times so require.

I thank my leader, the Senator from California, for yielding to me.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hickenlooper	Murray
Allott	Hill	Neuberger
Anderson	Holland	O'Mahoney
Barrett	Hruska	Pastore
Beall	Humphrey	Payne
Bible	Ives	Potter
Bridges	Jackson	Proxmire
Bush	Javits	Purtell
Byrd	Jenner	Revercomb
Carroll	Johnson, Tex.	Robertson
Case, N. J.	Johnston, S. C.	Russell
Case, S. Dak.	Kefauver	Schoeppel
Chavez	Kennedy	Scott
Clark	Kerr	Smathers
Cotton	Knowland	Smith, Maine
Dirksen	Kuchel	Smith, N. J.
Douglas	Langer	Sparkman
Dworshak	Long	Stennis
Eastland	Malone	Symington
Ellender	Mansfield	Talmadge
Ervin	Martin, Iowa	Thurmond
Frear	Martin, Pa.	Watkins
Fulbright	McClellan	Wiley
Gore	McNamara	Yarborough
Green	Monroney	Young
Hayden	Morton	
Hennings	Mundt	

Mr. MANSFIELD. I announce that the Senator from Idaho [Mr. CHURCH], the Senator from Ohio [Mr. LAUSCHE], the Senator from Washington [Mr. MAGNUSON], and the Senator from Oregon [Mr. MORSE] are absent on official business.

Mr. DIRKSEN. I announce that the Senator from Utah [Mr. BENNETT], the Senator from Ohio [Mr. BRICKER], the Senator from Maryland [Mr. BUTLER], the Senator from Kansas [Mr. CARLSON], the Senator from Nebraska [Mr. CURTIS], the Senator from Arizona [Mr. GOLDWATER], and the Senator from West Virginia [Mr. HOBLITZELL] are detained on official business.

The Senator from Indiana [Mr. CAPEHART], the Senator from Kentucky [Mr. COOPER], and the Senator from Minnesota [Mr. THYE] are absent on official business.

The Senator from Vermont [Mr. FLANDERS], the Senator from Massachusetts [Mr. SALTONSTALL], and the Senator from Delaware [Mr. WILLIAMS] are necessarily absent.

The VICE PRESIDENT. A quorum is present.

The question is on agreeing to Senate Resolution 256, as amended.

Mr. JOHNSON of Texas. Mr. President, may we have the yeas and nays on the resolution?

The yeas and nays were ordered.

The VICE PRESIDENT. The question is on agreeing to the resolution, as amended. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Idaho [Mr. CHURCH], the Senator from Idaho [Mr. LAUSCHE], the Senator from Washington [Mr. MAGNUSON], and the Senator from Oregon [Mr. MORSE] are absent on official business.

I further announce that if present and voting, the Senator from Idaho [Mr. CHURCH], the Senator from Ohio [Mr. LAUSCHE], the Senator from Washington [Mr. MAGNUSON], and the Senator from

Oregon [Mr. MORSE] would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from Utah [Mr. BENNETT], the Senator from Ohio [Mr. BRICKER], the Senator from Maryland [Mr. BUTLER], the Senator from Kansas [Mr. CARLSON], the Senator from Nebraska [Mr. CURTIS], the Senator from Arizona [Mr. GOLDWATER], and the Senator from West Virginia [Mr. HOBLITZELL], are detained on official business.

The Senator from Indiana [Mr. CAPEHART], the Senator from Kentucky [Mr. COOPER], and the Senator from Minnesota [Mr. THYE], are absent on official business.

The Senator from Vermont [Mr. FLANDERS], the Senator from Massachusetts [Mr. SALTONSTALL], and the Senator from Delaware [Mr. WILLIAMS], are necessarily absent.

If present and voting, the Senator from Utah [Mr. BENNETT], the Senator from Ohio [Mr. BRICKER], the Senator from Maryland [Mr. BUTLER], the Senator from Indiana [Mr. CAPEHART], the Senator from Kansas [Mr. CARLSON], the Senator from Kentucky [Mr. COOPER], the Senator from Nebraska [Mr. CURTIS], the Senator from Vermont [Mr. FLANDERS], the Senator from Arizona [Mr. GOLDWATER], the Senator from West Virginia [Mr. HOBLITZELL], the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from Minnesota [Mr. THYE], and the Senator from Delaware [Mr. WILLIAMS], would each vote "yea."

The result was announced—yeas 78, nays 1, as follows:

YEAS—78

Aiken	Hickenlooper	Mundt
Allott	Hill	Murray
Anderson	Holland	Neuberger
Barrett	Hruska	O'Mahoney
Beall	Humphrey	Pastore
Bible	Ives	Payne
Bridges	Jackson	Potter
Bush	Javits	Proxmire
Byrd	Jenner	Purtell
Carroll	Johnson, Tex.	Revercomb
Case, N. J.	Johnston, S. C.	Robertson
Case, S. Dak.	Kefauver	Russell
Chavez	Kennedy	Schoeppel
Clark	Kerr	Scott
Cotton	Knowland	Smathers
Dirksen	Kuchel	Smith, Maine
Douglas	Langer	Smith, N. J.
Dworshak	Long	Sparkman
Eastland	Malone	Stennis
Ervin	Mansfield	Symington
Frear	Martin, Iowa	Talmadge
Fulbright	Martin, Pa.	Thurmond
Gore	McClellan	Watkins
Green	McNamara	Wiley
Hayden	Monroney	Yarborough
Hennings	Morton	Young

NAYS—1

Ellender

NOT VOTING—17

Bennett	Cooper	Magnuson
Bricker	Curtis	Morse
Butler	Flanders	Saltonstall
Capehart	Goldwater	Thye
Carlson	Hoblitzell	Williams
Church	Lausche	

So Senate Resolution 256, as amended, was agreed to.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate reconsider the vote by which the resolution was agreed to.

Mr. KNOWLAND. Mr. President, I move to lay that motion on the table.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from California.

The motion to lay on the table was agreed to.

COMMITTEE SERVICE

Mr. JOHNSON of Texas. Mr. President, I send an order to the desk and ask for its present consideration.

The VICE PRESIDENT. The order will be read.

The order was read, as follows:

Ordered, That Mr. BIBLE be, and he is hereby, appointed chairman of the Committee on the District of Columbia to fill the existing vacancy.

And that the Senator from Wisconsin (Mr. PROXMIRE) be assigned to service on the Committee on the District of Columbia.

The VICE PRESIDENT. Without objection, the order is entered.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that, under the rule, there be the usual morning hour, with statements limited to 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

AUTHORIZATION FOR CERTAIN CIVILIAN PERSONNEL TO CARRY FIREARMS

A letter from the Secretary of Defense, transmitting a draft of proposed legislation to authorize civilian personnel of the Department of Defense and certain personnel of the National Advisory Committee for Aeronautics to carry firearms (with an accompanying paper); to the Committee on Armed Services.

REPORT ON AVAILABILITY OF CERTAIN PERSONAL AND REAL PROPERTY

A letter from the Secretary, Department of Health, Education, and Welfare, transmitting, pursuant to law, a report covering personal property made available for distribution to public health and educational institutions and civil defense organizations, and all real property disposed of to public health and educational institutions, during the period October 1 through December 31, 1957 (with an accompanying report); to the Committee on Government Operations.

REPORT ON FOREIGN EXCESS PERSONAL PROPERTY DISPOSALS

A letter from the Director for Supply Management Policy, Department of Defense, transmitting, pursuant to law, a report relative to the disposition of foreign excess personal property located in areas outside the continental United States, Alaska, Hawaii, Puerto Rico, and the Virgin Islands, for the fiscal year 1957 (with an accompanying report); to the Committee on Government Operations.

GRANTING ADMISSION INTO THE UNITED STATES OF CERTAIN DEFECTOR ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders entered granting admission into the United States of certain defector aliens (with accompanying papers); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A resolution adopted by the Board of Commissioners of the City of Covington, Ky., protesting against the enactment of House bill 8525, to relieve the producers of natural gases of any regulation at the wellhead or source; to the Committee on Interstate and Foreign Commerce.

A resolution adopted by the Knights of Columbus of the 45th District of Orange County, Calif., protesting against the extradition of Dr. Andrija Artukovic to Yugoslavia; to the Committee on the Judiciary.

PROPOSED ESTABLISHMENT OF A PORT OF ENTRY AT CARIBOU, MINN.

Mr. HUMPHREY. Mr. President, a number of northern Minnesota residents have called my attention to the need for the establishment of a port of entry to be located at Caribou, Minn.

There is indeed a great need for additional port facilities between ourselves and our great neighbors to the north, along the Minnesota border, and I have asked the Customs and Immigration Services to give careful consideration to this proposal.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD, and appropriately referred, the petition signed by more than 200 northern Minnesota residents, urging the construction of an additional facility at Caribou, Minn.

There being no objection, the petition was referred to the Committee on Finance, and ordered to be printed in the RECORD, without the signatures attached, as follows:

To the Honorable Members of the House of Representatives and the United States Senate:

It is our belief that there is a definite need for the establishment of a port of entry to be located at Caribou, Minn. Our friends in Canada have for many years recognized this fact and the Canadian Government has recently constructed a connecting highway down to the border at Caribou. It has also agreed to effect a customs and immigration port at this point.

We, the undersigned residents of northern Minnesota, urge your consideration and cooperation in providing facilities at Caribou, so that a port of entry may be established for the mutual benefit of Canadian and American citizens of this area.

I, Donald Wicklund, president of the Association of Commerce of Greenbush, Minn., wish to state that the above is a copy of the petition held in our files.

(Signed) DON WICKLUND.

Subscribed and sworn to before me a notary public in and for Rosseau County, State of Minnesota, this 29th day of January 1958.

K. B. TRANGSRUD.

RESOLUTIONS FROM NEW YORK STATE

Mr. JAVITS. Mr. President, I ask unanimous consent to have printed in the RECORD, and appropriately referred, certain resolutions and petitions coming out of the State of New York, from civic, community, and specialized organizations.

There being no objection, the resolutions were appropriately referred, and ordered to be printed in the RECORD, as follows:

To the Committee on Agriculture and Forestry:

"Whereas we believe that increased industrial use of agricultural products offers a long-range solution to agricultural surpluses; and

"Whereas this grange has long urged that more money be spent on research: Therefore be it

"Resolved, That we, the members of Red Creek Valley Grange, Cooperstown, N. Y., request our Senators and Congressman to support S. 2306, a bill to carry out the recommendations of the Commission on Increased Industrial Uses of Agricultural Products."

To the Committee on Finance:

"Whereas payments made under the Social Security Act are inadequate to meet the needs of retired persons, especially during failing health: Therefore be it

"Resolved, That we, the members of the Red Creek Valley Grange, Cooperstown, N. Y., urge our Senators and Congressman to support H. R. 7141, a bill to amend the Social Security Act to remove the limitations upon the amount of outside income which an individual may earn while receiving benefits thereunder."

"Whereas much ado has been made over the necessity to increase taxes to provide adequate defense and to overtake the lead Russia has achieved over the United States in some fields; and

"Whereas, while we are willing to support all necessary defense spending, we are definitely opposed to the present waste and inefficiency in Government spending: Therefore be it

"Resolved, That we, the members of Red Creek Valley Grange, Cooperstown, N. Y., ask our Senators and Congressman to work for the adoption of the savings pointed out in the Hoover Commission report and for elimination of flagrant waste in foreign-aid programs; and be it further

"Resolved, That we oppose bringing new acres into production by irrigation and paying out money to retire other land from production."

To the Committee on Foreign Relations:

"Resolution passed by the board of directors of the Rochester Association for the United Nations at a regular meeting held on January 13, 1958, at the chamber of commerce:

" 'In this time of searching inquiry in regard to our national security, we would like to remind our fellow citizens of the importance of the United Nations in the appraisal of our situation.

" 'While the U. N. cannot help us in our immediate problems of defense against nuclear and missile attack, there are very clear areas in which it can help in the long-range effort for a lasting peace. Such a peace is, of course, our greatest security.

" 'First, the moderating and conciliating influence of a world meeting and a speaking place should not be underestimated. The constant reiteration of the world's hope for peace does have influence and effect.

" 'Second, the United Nations offers a mechanism whereby a common police force can be established to guard troubled areas. Such a force was hurriedly put together in the Suez crisis and the idea could be extended for use in other areas. As a nation the United States has the agonizing problem of preparedness for both massive attack and so-called local wars. A United Nations police force might greatly reduce the hazard of local wars and, if they did break out, help to keep them local.

" 'Third, the United Nations offers a mechanism for economic aid and development which can keep us out of a contest in this field with the Russians. The betterment of living conditions in poor countries is a help in preventing Communist infiltration and assumption of power. It is a help in keeping countries free and independent. Our Nation recognized this some years ago when we realized we had a third kind of attack to fear—that of the obscure or concealed war which was manifested by the internal takeover. Recently the Russians have used economic aid to help them in luring nations into their orbit. Small nations have found they can play one of us against the other. The more we use the United Nations to give technical and economic aid, the more do we demonstrate our constructive and peaceful intentions and the less do we fall into the trap of seeming to think we can buy favor.

" 'We commend President Eisenhower for his consistent support of the U. N. in the fields of disarmament, atomic energy, and other programs for peace.

" 'Our country's concern at this time over the dangers ahead should not make us lose sight of the necessity for constructive action through the United Nations to help solve some of our problems. Because our security is inseparably bound up in the security of the world as well as that of the world in ours.' "

To the Committee on Government Operations:

"Motion made, seconded, and unanimously carried by members of Red Creek Valley Grange, Cooperstown, N. Y., the following:

" 'Protesting the seizure of the National Grange Building by the General Services Administration.

" 'Requesting their support of legislation requiring the title to the property be restored to the National Grange.' "

To the Committee on Labor and Public Welfare:

"Whereas the provisions of the United States Servicemen's Readjustment Act of 1944, by its terms, expires on July 1, 1958; and

"Whereas a large number of servicemen entitled to secure for themselves the benefits thereof, have not heretofore made application for such benefits, and may or will require such assistance in the future; and

"Whereas such servicemen may desire to purchase homes for themselves after the expiration of such act, and to facilitate their ability to do so, and to secure such benefits: Be it

"Resolved, That the Elmer E. Bennett, Jr., Post, No. 725, for and on behalf of such servicemen, does hereby request the Congress of the United States of America, at its forthcoming session in the year of 1958, to further extend the provision of such act for a further period of 2 years from July 1, 1958, or a longer term, if deemed advisable by such Congress, as it may determine.

"Respectfully submitted.

"ELMER E. BENNETT, JR., POST.
"OAKLEY JOYNER, *Adjutant*."

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. YOUNG:

S. 3241. A bill for the relief of Lottie Skovgaard; to the Committee on the Judiciary.

By Mr. YOUNG (for himself and Mr. LANGER):

S. 3242. A bill to change the name of the reservoir above Garrison Dam and known as Garrison Reservoir or Garrison Lake to Lake Sakakawea; to the Committee on Public Works.

By Mr. CLARK:

S. 3243. A bill to permit certain foreign students to attend the District of Columbia Teachers College on the same basis as a resident of the District of Columbia; to the Committee on the District of Columbia.

By Mr. KENNEDY (for himself, Mr. CLARK, Mr. MCNAMARA, Mr. MANSFIELD, Mr. MURRAY, Mr. PROXMIRE, Mr. DOUGLAS, Mr. GREEN, Mr. NEUBERGER, Mr. HUMPHREY, Mr. MORSE, Mr. JACKSON, Mr. CHAVEZ, Mr. PAYNE, Mr. PASTORE, and Mr. KEFAUVER):

S. 3244. A bill to provide for unemployment reinsurance grants to the States, to revise, extend, and improve the unemployment insurance program, and for other purposes; to the Committee on Finance.

(See the remarks of Mr. KENNEDY when he introduced the above bill, which appear under a separate heading.)

By Mr. JAVITS:

S. 3245. A bill to amend the Bankruptcy Act with respect to the priority of debts owed by a bankrupt to workmen, servants, clerks, and certain salesmen; to the Committee on the Judiciary.

(See the remarks of Mr. JAVITS when he introduced the above bill, which appear under a separate heading.)

By Mr. MORTON:

S. 3246. A bill to provide for the disposal of federally owned property at an obsolescent canalized waterway, and for other purposes; to the Committee on Government Operations.

By Mr. NEUBERGER (for himself, Mrs. SMITH of Maine, Mr. MORSE, Mr. MANSFIELD, Mr. HUMPHREY, Mr. CARROLL, Mr. DOUGLAS, Mr. CLARK, and Mr. PROXMIRE):

S. 3247. A bill relating to mining claims on lands within the national forests; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. NEUBERGER when he introduced the above bill, which appear under a separate heading.)

By Mr. WATKINS:

S. 3248. A bill to authorize the Secretary of Agriculture to exchange lands comprising the Pleasant Grove Administrative Site, Uinta National Forest, Utah, and for other purposes; and

S. 3249. A bill to better adapt the price support program to the needs of farmers by providing more latitude for increasing acreage allotments, establishing price supports, continuing authority for the disposititon of surpluses, and for other purposes; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. WATKINS when he introduced the last above-mentioned bill, which appear under a separate heading.)

By Mr. YOUNG (for himself and Mr. MUNDT):

S. 3250. A bill to provide for the use of the same base period in computing parity prices for agricultural commodities as is used by the Bureau of Labor Statistics in computing the consumer price index; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. YOUNG when he introduced the above bill, which appear under a separate heading.)

By Mr. BEALL:

S. 3251. A bill to preserve rates of compensation of wage board employees whose positions are reduced in grade; to the Committee on Post Office and Civil Service.

By Mr. MUNDT (for himself, Mr. YOUNG, Mr. CARLSON, Mr. CURTIS, Mr. HRUSKA, Mr. CASE of South Dakota, Mr. THYE, Mr. SCHOEPPEL, and Mr. DWORSHAK):

S. 3252. A bill to provide a support level for the 1958 crop of wheat of not less than $2 per bushel; to the Committee on Agriculture and Forestry.

By Mr. CURTIS (for himself, Mr. MCCLELLAN, Mr. MUNDT, Mr. GOLDWATER, and Mr. ALLOTT):

S. 3253. A bill to amend title 18 of the United States Code so as to prohibit certain interference with Federal construction projects; to the Committee on the Judiciary.

(See the remarks of Mr. CURTIS when he introduced the above bill, which appear under a separate heading.)

ACTIVITIES OF THE INTERNATIONAL CIVIL AVIATION ORGANIZATION IN THE FIELD OF AIRPORT ECONOMICS

Mr. HUMPHREY. Mr. President, on behalf of the Senator from California [Mr. KNOWLAND], the Senator from Massachusetts [Mr. KENNEDY], and myself, I submit, for appropriate reference, a resolution expressing the grave concern of the United States Senate as to the activities of the International Civil Aviation Organization in the field of airport economics and airport-use charges.

This is a matter of the utmost importance to the operators of the airports in the United States and its possessions.

American airports, with the exception of Washington National Airport, are owned and operated by the States, Commonwealths, and Territories, or their municipal and other agencies. All necessary capital and operating funds for these airports, other than Federal-aid funds for capital improvements, must be obtained as revenues derived from charges for the use of the airport or from the local taxpayers. Our American airport operators have been striving to operate these airports on a self-sustaining basis, without imposing unnecessary burdens on the taxpayers. They are now faced with a very real threat to their ability to continue toward the goal of ultimate self-support, because their right to establish such charges as they deem necessary to achieve that end has been placed in jeopardy.

This basic right has been placed in jeopardy by the activities of an international organization which, although it has never been granted any power to fix or regulate airport-use charges at American airports, has nonetheless undertaken to promulgate and distribute throughout the world a statement purporting to establish principles governing all aspects of airport economics.

The organization to which I refer, the International Civil Aviation Organization, was created by the treaty known as the Convention on International Civil Aviation, popularly referred to as the Chicago Convention. This treaty was opened for signature by the nations of the world in 1944, and was ratified by the United States in August 1946, the consent of this body to such ratification having been granted late in July, after full and complete hearings before the Foreign Relations Committee, and after extensive debate.

The powers of the international organization created by it are fully set forth in the treaty. There is only one provision which specifically grants any power as to airport-use charges. That provision is article 15, which requires that airport-use charges imposed or permitted to be imposed by a contracting state be nondiscriminatory as between its national aircraft and the aircraft of other contracting states engaged in similar service. By way of implementation of this international pledge of nondiscrimination, the article then provides that upon representation by an interested contracting state, airport-use charges shall be subject to review by the organization's council, and that in such cases the council shall report and make recommendations thereon for the consideration of the states concerned. Other than that one provision, the treaty is silent as to regulatory powers in the field of airport economics or airport-use charges.

In the record made before the Foreign Relations Committee or in the debate here in the Senate, prior to our consent to ratification, there is not the slightest suggestion that any provision of the treaty was intended to, or would, authorize recommendations or pronouncements by this international organization in the field of charges for the use of American airports, or that the treaty authorized it to establish uniform principles governing airport charges. If it had even been suggested that any such activities in the field of our American airport charges and revenues were to be engaged in under the treaty, a proposal of such grievous significance to the states and municipalities, which had billions of state and local tax moneys invested in airport development, would have been very carefully examined, I am sure, and the record would show that examination.

Yet, on June 18, 1957, the International Civil Aviation Organization, acting through its council, adopted, for worldwide distribution to member nations, a statement on airport charges which purports to establish principles governing the making and collection of such charges. The establishment of such international principles, portending, as it does, further actions to require uniform application of the principles at the airports of all nations which are parties to the treaty, could have most serious repercussions on the public financing of American airports and would jeopardize their continued progress toward self-support. Discussions I have had with persons directly responsible for airport financing have led me to the conclusion that continued unchallenged attempts to require world acceptance of principles governing airport economics, revenues, and charges will tend to create substantial doubt as to the right of American airport operators to impose such charges as are necessary to meet the costs of their operations and their financial commitments, and thus would result in still further burdens on the taxpayers of the cities and States. They have created the American airport system, at a cost of approximately $4 billion. The establishment of such limitations or principles would be a setback to the continued efforts of the cities and the States to maintain our American airports with the revenues earned through self-supporting charges.

The resolution I now submit expresses the concern of the Senate with regard to this situation which now confronts our airport operations. The resolution requests the President to initiate a reevaluation of the United States participation in these activities, which our airport operators believe will undermine their credit, and to cause that reevaluation to be conducted in the light of the provisions of the Convention on International Civil Aviation, which is the source of such powers as the International Civil Aviation Organization may have. The resolution requests that the President direct each of the executive departments and agencies concerned to reconsider its own actions and decisions relating to United States participation in these activities, having in mind the potential adverse effects of the activities on the financing of airports by the States, Territories, and Commonwealths of the United States and their agencies.

Mr. President, I ask unanimous consent that the resolution be printed in the RECORD, and I send the resolution to the desk and ask that it be held there until the close of Senate business on Wednesday, February 12, so that additional Senators may cosponsor it if they so desire. I do this because of the interest which has been expressed by a number of Senators in the resolution.

The VICE PRESIDENT. The resolution will be received and appropriately referred, and, under the rule, will be printed in the RECORD; and without objection, the resolution will be held at the desk until February 12, as the Senator from Minnesota has requested.

The resolution (S. Res. 258), submitted by Mr. HUMPHREY (for himself, Mr. KNOWLAND, and Mr. KENNEDY), was referred to the Committee on Interstate and Foreign Commerce, as follows:

Whereas the airports in the United States and its possessions, with the exception of Washington National Airport, are owned, operated and controlled by the States, Commonwealths, or Territories and their municipal and other agencies, and have been developed and financed by them out of their own revenues, and by extension of their own credit; and

Whereas the States, Commonwealths, and Territories and their municipal and other agencies are endeavoring to operate and develop the American airport system on a self-supporting basis through the imposition of such charges and collection of such revenues as they as airport operators deem necessary; and

Whereas in addition to an estimated $4 billion already invested in the development of our American airport system, the States, Commonwealths, and Territories, and their municipal and other agencies, with such Federal assistance as can be afforded them, are now being called upon to make further extensive investments in expanded and improved facilities at said airports to meet the requirements of the forthcoming jet planes: Now, therefore, it is

Resolved, That the Senate—

(a) Expresses its concern over United States' participation in the activities of the International Civil Aviation Organization in the field of airport economics, use charges (other than discriminatory use charges) and revenues which culminated in the recently promulgated "Statement by the Council to Contracting States on Airport Charges" (ICAO Doc. 7806-C/899) by reason of the potential adverse effect of these activities on the ability of the States, Territories, and Commonwealths of the United States and their municipal and other agencies to con-

tinue to finance and develop their airports on a self-supporting basis.

(b) Requests the President to initiate reevaluations in appropriate executive departments and agencies, to determine whether or not United States participation in the activities of the International Civil Aviation Organization in this field constitutes participation in activities not within the scope of the authority delegated to that Organization by the Convention on International Civil Aviation dated December 7, 1944, and ratified by the United States on August 9, 1946.

(c) Requests the President, upon completion of the reevaluation hereinabove requested and in view of the potential adverse effect of the activities of the International Civil Aviation Organization in this field in impairing the credit of the States, Territories, and Commonwealths and their agencies in airport financing, to direct each of the executive departments and agencies concerned to review and reconsider its decisions and actions in connection with United States participation in the activities of the International Civil Aviation Organization in the field of airport economics, use charges, and revenues.

IMPROVEMENT OF FEDERAL-STATE UNEMPLOYMENT INSURANCE PROGRAM

Mr. KENNEDY. Mr. President, I introduce, for appropriate reference, a bill to improve and strengthen our Federal-State unemployment insurance program, and to establish nationwide standards for benefit amounts—50 percent of a worker's lost earnings, up to a maximum of two-thirds of the State's average earnings—duration of the benefit period—39 weeks' coverage—employers of one or more—and other necessary improvements. This bill is co-sponsored by my colleagues, Senators CLARK, MCNAMARA, MANSFIELD, MURRAY, PROXMIRE, DOUGLAS, GREEN, NEUBERGER, HUMPHREY, MORSE, JACKSON, CARROLL, CHAVEZ, PAYNE, PASTORE, KEFAUVER, and MAGNUSON.

Five years ago, President Eisenhower urged the States to enact promptly the minimum standards necessary to bolster this program, which he called a valuable first line of defense against economic recession. The President has repeated that plea each year, in messages addressed to the States. In 1956 I offered amendments which would have brought about the changes recommended by the President. But the States have failed to act—though a major effort has been made in such States as Michigan—in part because no State wishes to take action that may make its competitive tax position more difficult, without some guaranty that all other States will follow suit. Not one State legislature has met the standards requested by the President. Congress must act now.

UNEMPLOYMENT AND PURCHASING POWER TODAY

Today the economic dangers this program was originally intended to alleviate are upon us. Unemployment has passed the 4 million mark and may well reach 5 million in the near future. One-third of the Nation's major industrial centers are officially classified as areas of substantial labor surplus, signifying that unemployment in those areas is already over 6 percent and rising. There are increasing numbers of unemployed auto workers in Michigan, steel workers in Ohio, aircraft workers in California, textile workers in Massachusetts, apparel workers in the Carolinas, coal miners in West Virginia, oil workers in Texas, farm equipment workers in Illinois, machinery workers everywhere—in every kind of industry in every part of the country, wage payments are declining by several billion dollars a year.

The Federal-State jobless insurance program was designed to meet this loss of purchasing power by providing benefits to workers sufficient in amount and duration to enable them to maintain decent living standards and pay their necessary bills until new work could be found. This protected not only the worker but his grocer, his landlord and the other merchants dependent upon him for their own livelihood. Today this restoration of purchasing power in the local business community is a key to meeting effectively the recession that threatens our economy. Since last September, the number of jobless insurance checks paid to unemployed workers each week has more than doubled. Nearly 3 million workers—more than 1 of every 15 covered by this program—are now drawing benefits

But the tragic fact of the matter is that those benefits are wholly inadequate to offset more than a small fraction of the current loss in wage payments. The jobless insurance program, it is estimated, replaces less than 20 percent of the wages lost to the workers and their communities—in some hard-hit areas, where benefit rights have been exhausted, as little as 10 percent. Benefits to those nearly 3 million able to receive them average only one-third of the workers' previous earnings.

Hundreds of thousands of other workers now without employment are drawing no benefits at all—either they have been disqualified by the patchwork of harsh and inconsistent State eligibility requirements, or they have never been covered by the program, or they have exhausted their benefit rights.

As the direct result of these shocking inadequacies in the program, relief rolls will grow still larger at the taxpayers' expense; living standards will decline in our depressed cities; more layoffs and shutdowns will follow. We are constantly reassured that there will never be another depression in this country because of the antidepression weapons passed in the 1930's—but that is an empty reassurance when our chief defense against the drop in purchasing power caused by mass unemployment is too weak and outmoded to be useful.

BENEFIT STANDARDS

As the President has pointed out, the original intent of this program was to provide payments equal to at least 50 percent of the worker's lost earnings. In 1939, the maximum weekly benefit in every single State was 50 percent of the worker's average weekly wages or higher, with the great majority being over two-thirds. But these benefit levels have not kept pace with the rising level of the American economy, as a result of Congressional and State inaction. Today, with most workers limited by these now outmoded maximums, benefits average only one-third of lost wages, and the ratio of that maximum to the average wage has declined in every State, in some States to as low as 31 percent. Administration spokesmen have pointed out that the maximum must be raised to a level equal to two-thirds of the State's average weekly wage in order to enable most unemployed workers to draw a benefit equal to at least 50 percent of their own regular earnings. This is what the law originally intended and once provided—this is what the President requested the States to do—this is what they have been unwilling or unable to do—and this is what our bill now provides.

OTHER STANDARD: COVERAGE, DURATION, ELIGIBILITY

An even more serious problem than inadequate benefits are those without work who are not drawing any benefits at all. Some of these workers are not covered by the program because their State legislatures have not adopted the President's request to cover all employers of one or more, in keeping with other social-insurance programs. Others have been unemployed since last fall—particularly in the areas of substantial labor surplus—and have exhausted their rights to draw benefits, inasmuch as their States have not adopted the President's request for a uniform 26-week benefit period. Still others, as I have indicated, have been disqualified or declared ineligible, not because they are not genuinely unemployed and seeking suitable work, but because of some tax-saving device written into the State law without regard to the original Congressional objective, or the administration's request that these provisions be liberalized. These hundreds of thousands of unemployed receive no benefits today whatsoever to enable them—and their families and communities—to get by until jobs are available. They must exhaust their inflation-eaten savings, depend upon their relatives, or turn to private charity and public assistance.

THE BILL

The bill introduced today carries out the President's recommendations and the program's original objective in each of these areas, recognizing that a nationwide problem must be met with nationwide standards. In one major departure from the President's request, the bill provides for a benefit period of 39 weeks instead of 26. The President originally suggested the latter figure as being adequate for only a minor down-turn; and subsequent experience in those States presently providing a 26-week duration demonstrated that this period is not long enough to meet the President's desire that most workers would remain protected by the program until they could find other jobs.

Other provisions of the bill introduced today would establish a reinsurance fund and contingency administrative expense fund to aid those States most hard hit, authority for supplemental unemployment benefit plans established by private employers, and certain other technical amendments relating to the veterans program and existing Federal

standards regarding suitability of employment and disqualifications. No increase in the present unemployment tax maximum would be required in order to finance these improvements.

The standards provided in the bill are to be effective July 1, 1959, allowing a sufficient period for all State legislatures to meet and enact necessary amendments to State laws. In order to meet the immediate unemployment situation, however, benefits will be paid, for the period from 60 days after passage to July 1, 1959, at levels up to the benefit standards with the Federal Government bearing the cost of such excess benefits.

I am hopeful, Mr. President, that the Congress will take prompt action on this measure. We cannot expect those nearly 3 million unemployed fortunate enough to be at least drawing some compensation to get by on benefits averaging less than $33 a week—and we cannot expect more than a million others to get by without any insurance benefits at all. We cannot prevent a serious recession with a program that replaces less than 20 percent of lost wages, that in some hard-hit areas will soon be putting less than 10 percent of the wage loss back into the community. We can no longer permit the original intent of the Congress, and the more recent request of the President, to be frustrated by State inaction. Some revisions may be necessary in the bill introduced today—some may prefer even more extensive changes—but whatever the final result, Congress can no longer ignore the crying need to strengthen our vital unemployment-insurance program.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3244) to provide for unemployment reinsurance grants to the States, to revise, extend, and improve the unemployment insurance program, and for other purposes, introduced by Mr. KENNEDY (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Finance.

AMENDMENT OF BANKRUPTCY ACT, RELATING TO PRIORITY OF CERTAIN DEBTS

Mr. JAVITS. Mr. President, I introduce, for appropriate reference, a bill to amend the Bankruptcy Act with respect to the priority of debts owed by a bankrupt to workmen, servants, clerks, and certain salesmen.

I have developed the bill at the request of the National Salesmen's Association. Let me point out that our rules in bankruptcy for priority to wage earners are completely archaic. My bill proposes to raise the figure to $1,500 to each claimant and bring it more in line with current needs and current economic conditions.

Mr. President, I ask unanimous consent that the bill may lie upon the desk for a day, so that other Members who wish to join in sponsorship of it may do so.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will lie on the desk, as requested by the Senator from New York.

The bill (S. 3245) to amend the Bankruptcy Act with respect to the priority of debts owed by a bankrupt to workmen, servants, clerks, and certain salesmen, introduced by Mr. JAVITS, was received, read twice by its title, and referred to the Committee on the Judiciary.

CLOSING OF LOOPHOLES WHICH THREATEN FEDERAL TIMBER GROWING ON MINING CLAIMS AND PATENTS

Mr. NEUBERGER. Mr. President, in 1955, soon after I first came to the Senate, Congress enacted Public Law 167, which initiated certain reforms in the management for multiple use of the surface resources of public lands on which mining claims are pending. Worked out over a considerable period of consultation among the parties concerned, including the executive agencies and industry groups, this legislation was a step in the right direction, so far as it went.

It did not, however, go far enough. It left unchanged the longstanding law which gives to a successful locator of minerals on Federal public lands a fee-simple patent to the land in question—irrespective of its surface resources which may have nothing to do with minerals or mining, irrespective of its significance for the watershed, for wildlife, for recreation, or for conservation values which may be intimately dependent on continued management of that land as part of the larger area in which it is located. As a member of the Committee on Interior and Insular Affairs, I supported this legislation, but I expressed in concurrent individual views in the committee report my own opinion that further legislation was needed. Let me read this concurring report of 1955:

INDIVIDUAL VIEWS OF SENATOR RICHARD L. NEUBERGER, OF OREGON

I have joined in the committee's report on S. 1713, which I believe makes some long-needed improvements in public-land administration in areas where prospecting is prevalent. I want to make it clear, however, that in my own view the bill fails to go far enough and should not be mistaken for a permanent solution to the problems of the multiple use of the surface and subsurface of the public lands.

This bill fails to correct one glaring defect in the mining laws. It will still be legal, by proving a mining patent to public land, to convert to commercial gain the timber growing on that land—even though the timber has no relation to the mineral deposits, the discovery and development of which are the justification of the patent.

The committee report recognizes that this practice is against the public interest and deters sound conservation practices, and that in a number of national forests the separation of surface rights from mineral rights has by law been extended to mining patents as well as mining claims. I believe this loophole should be closed by general legislation for all federally owned timberlands.

Mr. President, the situation which I think calls for legislative change is particularly important within the national forests of the United States. More than may be the case on other public lands, the surface resources of the national forests need to be held and managed as a unit for all their multiple beneficial purposes. Their timber stands are of immense worth and must be held together for sustained-yield management; they are the greatest recreational resource of our Nation; in many areas they are the watersheds of large cities; in short, many of our most important national conservation policies center around the national forests.

The significance of these facts for our national policies toward mining patents has been recognized in a series of acts passed over the past 25 years, by which half a dozen national forests have one by one been taken out of the scope of the laws under which mining patents convey title to surface as well as minerals. These special acts of Congress now apply to the Prescott, Mount Hood, Lincoln, Coronado, Coconino, and Kaibab National Forests, and I believe there are others under similar laws. Today, I introduce for appropriate reference, a bill which would make applicable to all national forests the protective provisions which are already in effect for these individual national forests. This bill is cosponsored by the senior Senator from Maine [Mrs. SMITH]; my senior colleague from Oregon [Mr. MORSE]; the junior Senator from Montana [Mr. MANSFIELD]; the junior Senator from Minnesota [Mr. HUMPHREY]; the junior Senator from Colorado [Mr. CARROLL]; the senior Senator from Illinois [Mr. DOUGLAS]; the junior Senator from Pennsylvania [Mr. CLARK], and the junior Senator from Wisconsin [Mr. PROXMIRE]. I ask unanimous consent that the text of the bill may be printed in the RECORD at this point.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 3247) relating to mining claims on lands within the national forests, introduced by Mr. NEUBERGER (for himself and other Senators), was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That mining locations made after January 1, 1959, under the mining laws of the United States within the national forests shall confer on the locator the right to occupy and use so much of the surface of the land covered by the location as may be reasonably necessary to carry on prospecting, mining, and beneficiation of ores, including the taking of mineral deposits and timber required by or in the mining and ore-reducing operations, and no permit shall be required or charge made for such use or occupancy. Except where clearing is necessary in connection with mining operations or to provide space for buildings or structures used in connection with mining operations, the cutting and removal of timber from the surface of the claim shall be conducted in accordance with the rules for timber cutting on adjoining national-forest land. The use of such surface or the resources therefrom, when not reasonably required for carrying on mining and prospecting, shall not be allowed except under the national-forest rules and regulations, and the locator shall not prevent or obstruct other occupancy of the surface or use of sur-

face resources under authority of national-forest regulations, or permits issued thereunder, if such occupancy or use is not in conflict with mineral development.

SEC. 2. All patents issued after January 1, 1959, under the mining laws of the United States affecting lands within the national forests shall convey title to the mineral deposits within the claim, together with the right to cut and remove so much of the mature timber therefrom as may be needed in the extraction, removal, and beneficiation of the mineral deposits, if the timber is cut under sound principles of forest management as defined by the national-forest rules and regulations. Each such patent shall reserve to the United States all title in or to the surface of the lands and products thereof, and no use of the surface of the claim or the resources therefrom not reasonably required for carrying on mining or prospecting shall be allowed except under the rules and regulations of the Department of Agriculture.

SEC. 3. Any valid mining claim existing on January 1, 1959, within a national forest and maintained thereafter in compliance with the laws under which it was initiated and the laws of the State in which such claim is located, may be perfected under this act, or under the laws under which it was initiated, as the claimant may desire.

SEC. 4. Nothing in this act shall affect existing provisions of law which relate to mining locations made under the mining laws of the United States on lands within particular national forests, or designated parts thereof, to patents issued under such laws affecting such lands, or to the perfection of mining claims existing on such lands.

Mr. NEUBERGER. Mr. President, the provisions of this bill—which, as I have said, have been in effect in various national forests for many years—leave ample opportunity for all legitimate mining operations. Persons who locate mineral deposits on national-forest land may occupy and use the surface to the extent necessary to carry on prospecting and developmental work. Timber may be cut and used for actual mining operations. If a claim is patentable under the mining laws, a patent will still issue. But it conveys only title to the mineral deposits within the claim and the right to use the surface and timber to the extent essential to actual mining. Title to the surface remains with the United States. The timber belongs to our Government.

Thus, Mr. President, subject to the full privileges necessary for actual mining operations, the United States Forest Service would retain control over surface resources and surface management for all the other multiple purposes of the national forests. Yet it would be difficult to claim that mining activities were not fully protected and given every opportunity to succeed. And, provided that legitimate mining operations are given all the rights and privileges necessary for carrying on actual mining operations, I do not see how any direct defense can be offered for giving to mineral patentees, along with the minerals they have located, valuable timber stands and other important resources and surface rights necessary for conservation and multiple-use policies in our national forests.

Mr. President, it is bad enough that, under present law, the United States has to convey with a mining patent a fee-simple title that goes beyond the actual needs of even a sound, legitimate mining operation, and conveys timber, other resources, and control permanently beyond the policies of the Forest Service. But implicit in this situation is, of course, the much more outrageous result that such a complete title to national-forest land may be conveyed—land and trees worth many thousands of dollars, and perhaps very important to some Forest Service objective or policy—and then no mining may actually be carried on for years, or even ever. These patents, once legally granted, are not accompanied by any condition subsequent which would cause the land to revert to the United States unless mining is carried on. If the patentee, or someone to whom he sells the patented former national-forest acres, wants to cut off all the trees, or build a lodge, or a whole subdivision, I suppose it is then his business. It is private land.

This outrageous result has recently been illustrated by the well-known Al Sarena case, which was investigated by two committees of the 84th Congress. As those committees found, the Al Sarena patents in Oregon's Rogue River National Forest need not even have been issued under existing law; so I shall not refer to the particular details of that case except to illustrate the effect of the present full-title-or-nothing approach to patents on national forest land.

Next week, February 15, will mark the 4th anniversary of the granting of 23 mining patents to 475 acres of the Rogue River National Forest to Al Sarena Mines, Inc. This was timberland, and with these patents went title to standing timber adding up to a total of many millions of board-feet of lumber. In those 4 years since 1954, when the patents were granted, Mr. President, no mining has been carried on within that former national forest land, which was patented to these claimants for mining purposes. But last autumn, when I was at home in Oregon, I requested information from the Forest Service on activities on the Al Sarena claims. On October 30, 1957, I received a report which stated, in effect, that the total volume of timber which was then logged off these so-called mining claims now stands at almost 3 million board-feet. I ask unanimous consent, Mr. President, to have printed in the RECORD the entire letter which I received from the Forest Service.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES
DEPARTMENT OF AGRICULTURE,
FOREST SERVICE,
Portland, Oreg., October 30, 1957.

Hon. RICHARD L. NEUBERGER,
United States Senator,
Portland, Oreg.

DEAR SENATOR NEUBERGER: In response to your letter of October 10 to Forest Supervisor Carroll Brown, we submit the following information on the Al Sarena mining claims:

1. Total volume logged off the claims since patent issued amounts to about 2,961,000 board-feet through October 1957.

2. No attempt has been made to determine stumpage values for the removed timber through a current analytical appraisal. At the end of 1955 it was estimated that some 1,658,000 board-feet had been removed. An appraisal was made in July 1956, covering the 1,658,000 board-feet cut. The appraisal was based on ocular observations made in 1950 which indicated the composition of the stand to be about 85 percent Douglas-fir and 15 percent sugar pine and associated species. Average selling prices and costs for the 1954–55 period were used. This appraisal indicated a stumpage value of $26.70 per thousand for Douglas fir and $66.18 per thousand for sugar pine and associated species.

3. To our knowledge there has been no appreciable mining activity since 1955.

Please let us know if we can be of further service.

Very truly yours,

J. HERBERT STONE,
Regional Forester.
By EARL D. SANDVIG.

Mr. NEUBERGER. Mr. President, in passing, I might point out that the statement in the letter that "there has been no appreciable mining activity since 1955" merely brings up to date earlier information that there had been no appreciable mining activity in preceding years, either.

Mr. President, as I have said, the Al Sarena case has been only a particularly horrible example. It seems especially contrary to sound public policy to give a full title to land, timber, and surface resources to a mining patentee who then exploits these instead of the minerals which occasioned this grant of national property to him. But the same policy reasons cover also the grant of unneeded and often extremely valuable surface rights to mining patentees who do engage in legitimate mining operations. Because I think the policy is particularly important for the national forests, and there are precedents for it there, I am introducing this bill today. I have asked the Forest Service for information on the effect which these precedents have had on mining activity on the individual national forests where the restrictions of this bill already apply. I ask unanimous consent that the reply I have just received be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES DEPARTMENT
OF AGRICULTURE,
FOREST SERVICE,
Washington, D. C., February 3, 1958.

Hon. RICHARD L. NEUBERGER,
United States Senate.

DEAR SENATOR NEUBERGER: This is in further reply to Mr. Linde's letter of December 10, 1957, requesting information on our experience with mining claims and patents on national-forest lands subject to the special mining acts specified in title 16, United States Code, sections 482a–482q.

We have received reports from the regional foresters on the areas covered by these acts and the similar acts of May 26, 1934 (48 Stat. 808) and June 24, 1948 (62 Stat. 580). Summarized information is shown on the attached tabulation.

The figures showing numbers and areas of mining locations are necessarily rough estimates, because of the numerous abandonments, relocations, and overlaps. Information on patents is quite reliable.

You will note that mining locations made under the provisions of the various acts, while fewer than prior to passage of the acts, were still numerous. The extent to which locations made under these acts are

maintained seems to depend primarily upon the extent of mineralization. The only patents issued under any of these acts were on the Salt Lake watershed area, subject to the act of May 26, 1934. However, the large majority of the patents issued on locations made prior to these acts were issued in the early 1900's and the number of mining patents has decreased generally in most national-forest areas during the last 20 or 30 years.

If you desire further information please call on us.

Very truly yours,

RICHARD E. MCARDLE, *Chief.*
By EDWARD P. CLIFF.

Act and national forest	Area covered by act	Mining locations prior to act		Claims patented prior to act		Mining locations made under the act		Patents made under the act	
		Number	Area	Number	Area	Number	Area	Number	Area
June 24, 1948 (62 Stat. 580), Oct. 6, 1949 (63 Stat. 708), Harney	37,730	200	4,000	40	1,366	350	7,000		
Jan. 19, 1933 (16 U. S. C. 482a), Prescott	3,600	500	2,000	12	259	50	300		
June 13, 1939 (16 U. S. C. 482e-g), Lincoln	23,620	1,000	1,200	16	528	20	400		
Mar. 15, 1940 (16 U. S. C. 482h), Coronado	2,416	100	500			10	100		
June 11, 1946 (16 U. S. C. 482h-1-3), Coronado	14,880	1,000	1,000	3	149	20	300		
June 10, 1949 (16 U. S. C. 482j-1), Santa Fe	10,103	400	1,500			20	200		
May 24, 1949 (16 U. S. C. 482n-n2), Coconino	21,280	200	2,000			20	1,280		
May 19, 1955 (16 U. S. C. 482n-3), Coconino	76,451	500	4,500			20	1,280		
July 12, 1951 (16 U. S. C. 482o-q), Kaibab	28,480	100	1,920			10	800		
May 26, 1934 (48 Stat. 808), Wasatch	74,170	2,100	30,000	757	11,640	100	1,500	5	94
May 11, 1934 (16 U. S. C. 482b-d), Mount Hood	1,075,989	200	4,100			225	4,640		
Total	1,368,719	6,300	52,720	823	13,942	845	17,800	5	94

Mr. NEUBERGER. Mr. President, in conclusion, I also ask unanimous consent to have printed in the RECORD a pertinent editorial from the Sunday Oregonian, of Portland, of December 22, 1957, entitled "Plug for Loophole"; and an article on this theme from the Medford Mail-Tribune of the same date.

There being no objection, the editorial and article were ordered to be printed in the RECORD, as follows:

[From the Portland Oregonian of December 22, 1957]

PLUG FOR LOOPHOLE

Legislation to protect the public interest in timber on mining properties, such as that which will be introduced in Congress by Senator RICHARD L. NEUBERGER, is long overdue. A part of the job was done in 1955, when Federal law was amended to make available to the Government marketable timber on mining claims, but that legislation has no application to land passing into private hands by the patent process.

The traditional right of the exploiters of mineral resources to the timber stands on their public land claims was not in serious conflict with the public interest as long as timber prices were at relatively low levels. But with the boom in stumpage values, there can be no doubt that in some instances mining claimants have been more interested in trees than in ore.

The celebrated Al Sarena case, stripped of all its political camouflage, is a good case in point. Despite several announcements of intent to conduct mining operations on its block of claims in the Rogue River National Forest, the Al Sarena Co. has done no appreciable mining there since obtaining the controversial patents in 1954. But it has been busy above ground. A Forest Service report indicates that nearly 3 million board-feet of timber have been removed from the claims. Stumpage values ranged from $26.70 per thousand (Douglas fir) to $66.18 per thousand (sugar pine).

The mining company has done only what comes naturally. But the precedent is not an admirable one from the viewpoint of the public interest. As was observed in these columns in March 1954, a few weeks after granting of the Al Sarena patent, a repetition can be prevented only by a change in the mining laws reserving to the Government the timber resources of patented land except for the limited amount used in mining. This, as we understand it, is the intent of the Neuberger bill.

[From the Medford (Oreg.) Mail Tribune of December 22, 1957]

STILL MINING TIMBER AT AL SARENA, BUT NO MINERALS BEING TAKEN

(By Senator RICHARD NEUBERGER)

PORTLAND.—Just before the 1956 election, a political gold rush was reported in southern Oregon. Men with hard hats, drills, and picks were allegedly swarming over the Al Sarena claims—the 475 wooded acres in the Rogue River National Forest patented by the Interior Department for mining under a special, unprecedented procedure which had become a cause celebre of irresponsible handling of national resources. More than 13 months have passed, but apparently no colors are showing yet in the pan.

"Core drilling, a preliminary step to mining operations, began this week on the controversial Al Sarena mining property," the press reported on October 26, 1956. Visual evidence was offered, 2 days later, in press photos over the caption: "Robert MacCorkle, left, and H. P. MacDonald, Jr., handle a drilling machine as a preliminary step to block out bodies of ore on the Al Sarena mine area in southern Oregon."

PRESS WAS PLANTED

These stories, planted in the press by the Al Sarena operators and their political allies just prior to the 1956 elections, went on to speak of blocking out vast masses of ore on Elk Creek, estimated at as much as 190 million tons of ore, and spoke of good mineralization of gold and valuable base metals.

It is more than 13 months since these representations were made, with great hullaballoo, by the Al Sarena interests, and used by the political defenders of the 1954 Al Sarena patents to offset the Congressional committee findings that National Forest timber, rather than minerals, had been the real object of the Interior Department's unusual and special Al Sarena patenting procedures. I think it is significant that in more than a year since the 1956 election we have heard no more of mining on the Al Sarena patents. We have, however, additional evidence concerning logging.

I have received a letter from the Regional Forester of the United States Forest Service which declares: "To our knowledge there has been no appreciable mining activity since 1955."

The Forest Service letter also reports: "Total volume logged off the claims since patent issued amounts to about 2,961,000 board feet through October 1957."

SOMETHING NEW

The Congressional committee report established that what had happened in the case of the Al Sarena patents, as it was handled by the then heads of the Department of Interior, was certainly not required by existing law. This was clearly shown also by the fact that no such case has been known to happen before or since Al Sarena, under the identical mining laws.

Beyond the specific problem of maladministration in the Al Sarena instance, however, there has always been the overall question of the policy of granting fee-simple patents to timber-covered mining claims in our national forests—a question which Al Sarena brought to wide public attention.

In 1955, when Congress adopted Public Law 167 to clarify surface rights on mining claims, I stated in my individual views appended to the Interior Committee report that this statute still left untouched the issue of granting surface rights with mining patents. I wrote:

"The committee report recognizes that this practice is against the public interest and deters sound conservation practices, and that in a number of national forests the separation of surface rights from mineral rights has by law been extended to mining patents as well as mining claims. I believe this loophole should be closed by general legislation for all federally owned timberlands."

NEW LAW OFFERED

In the coming session, I intend to introduce a bill to carry out this view. This will provide that mining patents within the national forests will convey title only to the mineral deposits on which the patent is based, along with adequate rights to use the surface and timber located on the patent so far as needed for mining operations themselves. However, the United States will retain title to the surface and to all surface resources, such as timber, beyond the actual reasonable needs of the mining operation.

My proposal is patterned on legislation which has long been in effect for specific individual national forests. For example, such legislation has applied to the Mount Hood National Forest since 1934.

Nevertheless, I fully expect that the proposal to limit mining patents on national forests to subsurface rights will meet much opposition, and that its enactment will involve a long, hard effort. I would invite, of course the support both of the Department of Agriculture, which has responsibility for the national forests and the Forest Service, and of Secretary of the Interior Seaton, who on the occasion of the Al Sarena case expressed the view that Congressional legislation was appropriate for solving the problems of protecting national timber resources which grow above subsoil mineral deposits.

THE ADMINISTRATION FARM PROGRAM

Mr. WATKINS. Mr. President, I intend to take a few minutes today for the purpose of explaining why I am supporting the administration's new agricultural policy proposals. In so doing, I do not intend to argue details with anyone. For that reason, I prefer to continue uninterrupted until I have completed my remarks.

Since coming to the Senate in 1947, I have listened to many agricultural policy debates, involving some of the best informed men in the Senate. The following observations I am about to make are based upon facts and impressions I have gleaned from those debates, experience gained as a farmer in my own right, and the study of the laws of economics.

Personally, I believe passage of the Agricultural Act of 1954, with its provision for a support range of 75 to 90 percent on the so-called basic commodities, has been good for the long-run best interests of agriculture, as well as the country in general. There is no doubt but what lowered supports initiated under this authority on some of these commodities has resulted in some economic hardships for some people. However, I am certain of one thing and that is: If we had not begun at that time to shift our price-support programs to a direction that is more consistent with the laws of economics, the day would not have been far off when the economic consequences involved would have been much more severe for these people, and a great number of other farmers as well.

Our experience with price-support legislation since pre-World War II convinces me that it is now time to take another legislative step toward conformity with sound economic principles. This is why I favor the proposal to provide for price supports within a range of 60 to 90 percent of parity on the so-called basic commodities, although I never could see what was so basic to agriculture's welfare about peanuts, since they provide less than 1 percent of farm income. If we are ever to bring about adjustments on the production side which will bring supplies of several of these crops—wheat, cotton, and corn especially—into balance with demand, then inducements in the form of price supports higher than those necessary to prevent violent seasonal declines in prices received by farmers, must be discontinued.

Consider these facts. The parity ratio stood at only 77 percent in 1939. However, with the expansion of the war in most places in Europe by 1940 and our entry into the war in 1941, the demand for agricultural commodities rose at a great rate, so that by 1942, the parity ratio stood at 105. During the war years—1941-45—there was an insatiable worldwide demand for agricultural commodities among our allies. As a result, the Commodity Credit Corporation was able to dispose of the surpluses which it had acquired during the 1930's at a profit. For example, in 1942 it realized net earnings of $69 million, followed by $49 million in 1943 and $5 million in 1944 on its nonrecourse loan, purchase, and payment programs. During this period the parity ratio rose from 105 to 113. So as to assist farmers to adjust production downward once the war demand subsided, Congress in 1942 guaranteed 90 percent price support for a 2-year period after the end of the war. It is obvious, however, since the parity ratio was well above 100 during the entire war period, that the 90 percent program was not responsible for the tremendous increase in production and the high prices which farmers received during World War II.

In 1946, the year I was elected to the United States Senate, farmers received 113 percent of parity, and the net income of persons on farms from agricultural sources amounted to $16.7 billion, a new record up to that time. That same year the Commodity Credit Corporation, through disposal of commodities it had acquired under price-suport operations, made a net profit of over $30 million on its loan and purchase operations.

Once again, however, it was not a rigid 90-percent price program which maintained farm prices above parity and incomes at new record levels, but rather the tremendous demand our European allies, and former enemies as well, had for food after the war. It took 2 or 3 years for their agricultural economy to even begin to get back into production again. During this period we, by and large, supplied them with food. However, as their agricultural output increased, and with a 90-percent rigid price-support program in operation to encourage production in excess of demand, the Commodity Credit Corporation began to accumulate and to sustain losses on its price-support operations. The period 1947 through 1949 saw the parity ratio decline from 115 to 100 as farmers continued production in response to 90-percent price supports. The Government was again in the food marketing business.

My first opportunity to help return our support program to one of flexibility as to the support range, came with the Republican 80th Congress. I voted at that time for the Agricultural Act of 1948 which would have enacted a flexible price-support program, beginning in 1950. Before this legislation could become effective, however, the 81st Congress in enacting the Agricultural Act of 1949 nullified this legislation and again provided for 90 percent supports on the basic commodities. Shortly thereafter, we were plunged into the Korean war, and again American agriculture responded productionwise, as it always does to increasing prices to meet a greater wartime demand for food.

In 1951, as a result of another wartime demand, the parity ratio increased to 107 percent and net income of persons on farms from agricultural sources at $18 billion was the second greatest ever recorded. Prices received by farmers once again rose in response to an abnormal wartime demand for food and fiber products. They were not the result of the rigid 90 percent price support program then in effect.

In spite of the election of a Republican administration in 1952, flexible price supports were not enacted until 1954, and the 90 percent price-support program remained in effect for most crops through 1954. With the end of the Korean War in 1952, the parity ratio tumbled from 100 that year to 89 by the end of 1954. Because I believe that 90 percent supports in part were responsible for this decline, I voted that year for the Agricultural Act of 1954, with its system of flexible supports on the basic commodities.

During the past 4 years, the present administration has used every tool at its command to dispose of the growing price depressing surpluses, which in part must be attributed initially to a 90 percent support program, and in part also to the fact that the present law does not give the Secretary of Agriculture sufficient leeway so that he may use price supports to encourage needed production adjustments. It must be noted in all fairness, however, that near ideal weather conditions, for the most part, over the past few years have enabled farmers to obtain higher yields than otherwise would have been the case under both the 90 percent support and flexible support programs.

Since 1953, surplus commodities—mainly wheat, cotton, and corn—with a cost value of $11.6 billion have been moved out of CCC inventory. CCC realized losses in connection with all its programs for stabilizing farm prices and incomes increased from $122.8 million in 1953 to $1.7 billion in fiscal 1957. All told, during this period CCC realized losses amounting to $4.6 billion. In spite of this tremendous disposal program, however, it is expected that by June 30, 1958, CCC's investment in loans and commodities owned will total $6.8 billion.

Is this not evidence enough that price supports set at too high a level present badly needed production adjustments in agriculture? On the other hand, is there any evidence to support the thesis that lower supports can improve prices received by farmers? I submit that such evidence does exist. In 1957, prices received by farmers were up 3 percent over those which prevailed in 1956.

So that I will not be misunderstood, let me say that although I consider this to be marked progress, it has not come fast enough to be very effective.

Although farm prices were up 3 percent last year, why was there a slight decline in farm income in 1957? Simply because costs paid by farmers rose faster than the prices they received. Although many people seem prone to blame the Secretary of Agriculture for this, I am sure a little reflection will make it clear that such cannot possibly be construed to be the case.

Simply stated, farm income fell as a result of a combination of policies pursued by individuals in the nonfarm sectors of the economy. For one thing, the rate of nonagricultural productivity did not keep up with the rate of increase in wage rates. Also, in part, many price increases represented efforts by some businessmen to reclaim their investment outlays over too short a period of time. The inflation which resulted, from these and other actions, robbed farmers of an increase in income during 1957—not the actions of the Secretary of Agriculture.

Even if 1958 is an election year, Mr. President, we must begin, as I stated at the outset, to shift our price-support programs to a direction that is more consistent with the economic law of supply and demand. Now what does that law say? Namely this: That consumers will take larger amounts of a commodity only at lower price schedules, and that producers will supply more of a commodity only at higher price schedules.

High rigid price supports, therefore, as CCC surpluses indicate, have seemed to price commodities out of the market, with the result that they end up in Government warehouses. It is costly to farmers to produce them, it is costly to the taxpayer to acquire and dispose of them through the Commodity Credit Corporation.

For these reasons, Mr. President, I intend to support the new price support proposals of the administration, and I send to the desk for proper referral a bill which embodies these recommendations.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3249) to better adapt the price support program to the needs of farmers by providing more latitude for increasing acreage allotments, establishing price supports, continuing authority for the disposition of surpluses, and for other purposes, introduced by Mr. WATKINS, was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

BASE PERIOD FOR COMPUTING PARITY PRICES FOR AGRICULTURAL COMMODITIES

Mr. YOUNG. Mr. President, on behalf of myself, and the Senator from South Dakota [Mr. MUNDT], I introduce, for appropriate reference, a bill to provide for the use of the same base period in computing parity prices for agricultural commodities as is used by the Bureau of Labor Statistics in computing the Consumer Price Index.

I ask unanimous consent that the bill, together with a statement showing the changes which the bill would bring about in our present method of determining parity for farm commodities be printed in their entirety as a part of my remarks. Under the present system of determining parity we use a 10-year moving average. The only change this bill would make would be to use the 1947–49 base period, the same as that now being used by industry and labor in their indexes.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill and table will be printed in the RECORD.

The bill (S. 3250) to provide for the use of the same base period in computing parity prices for agricultural commodities as is used by the Bureau of Labor Statistics in computing the Consumer Price Index, introduced by Mr. YOUNG (for himself and Mr. MUNDT), was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That, in order to provide for use of the same base period in computing parity prices for agricultural commodities as is used in computing the Consumer Price Index, section 301 (a) (1) (B) and (C) of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1301 (a) (1) (B) and (C)), is amended by deleting "January 1910 to December 1914, inclusive" wherever it appears and inserting in lieu thereof "January 1947 to December 1949, inclusive."

The table presented by Mr. YOUNG is as follows:

TABLE 1.—*Alternative parity prices for selected farm products, United States, Jan. 15, 1957, under specified formulas*

Commodity	Unit	Old formula	Parity prices, 1910–14 base period [1]		New parity prices, 1947–49	New parity prices, 1947–56 base period [2]	New parity prices (seed, feed, and livestock omitted), 1947–56 base period
			Effective	New			
Basic commodities:							
Cotton, American upland, per pound	Cent	0.3670	36.56	36.56	39.40	35.82	37.48
Wheat, per bushel	Dollar	2.62	[3] 2.49	2.30	2.49	2.26	2.38
Rice, per hundredweight	do	5.36	5.69	5.69	6.14	5.58	5.84
Corn, per bushel	do	1.90	[3] 1.80	1.70	1.83	1.66	1.74
Peanuts, per pound	Cent	.142	[3] 13.5	12.1	13.1	11.9	12.4
Tobacco, per pound:							
Flue-cured, types 11–14	do	.545	55.8	55.8	60.1	54.6	57.2
Burley, type 31	do	.528	56.6	56.6	61.2	55.6	58.2
Maryland, type 32	do	.547	52.6	52.6	56.5	51.4	53.8
Dark air-cured, types 35–36	do	.203	32.7	32.7	35.2	32.0	33.4
Designated nonbasic commodities:							
Tung nuts, per ton	Dollar		79.10	79.10	85.14	77.40	81.00
Butterfat, in crates, per pound	Cent		73.0	73.0	78.8	71.6	74.9
All milk, wholesale, per hundredweight	Dollar		4.76	4.76	5.15	4.68	4.89
Honey, wholesale, comb, per pound	Cent		33.3	33.3	35.9	32.6	34.1
Wool and mohair:							
Wool, per pound	do		64.5	64.5	69.6	63.3	66.2
Mohair, per pound	do		84.1	84.1	90.5	82.3	86.1
Other nonbasic commodities:							
Barley, per bushel	Dollar		1.34	1.34	1.45	1.32	1.38
Beans, dry-edible, per hundredweight	do		9.29	9.29	10.00	9.09	9.51
Cottonseed, per ton	do		71.00	71.00	76.67	69.70	72.90
Flaxseed, per bushel	do		4.50	4.50	4.84	4.40	4.60
Oats, per bushel	do		.864	.864	.933	.848	.887
Potatoes, per hundredweight	do		2.42	2.42	2.62	2.38	2.49
Rye, per bushel	do		1.65	1.65	1.78	1.62	1.70
Sorghum, grain, per hundredweight	do		2.62	2.62	2.83	2.57	2.69
Soybeans, per bushel	do		2.98	2.98	3.21	2.92	3.05
Sweetpotatoes, per hundredweight	do		5.17	5.17	5.59	5.08	5.31
Grapefruit, per box [4]	do	2.32	[3] 1.39	.847	.912	.829	.868
Lemons, per box [4]	do		2.73	2.73	2.95	2.68	2.80
Limes, per box	do		6.02	6.02	6.48	5.89	6.16
Oranges, per box [4]	do	4.26	[3] 2.56	1.70	1.83	1.66	1.74
Apples, for fresh use, per bushel	do		2.85	2.85	3.08	2.80	2.93
Beef cattle, per hundredweight	do		22.10	22.10	23.87	21.70	22.70
Calves, per hundredweight	do		24.40	24.40	26.29	23.90	25.00
All chickens, live, per pound	Cent		28.2	28.2	30.4	27.6	28.9
Eggs, per dozen	do		47.3	47.3	50.8	46.2	48.4
Hogs, per hundredweight	Dollar		21.60	21.60	23.32	21.20	22.10
Lambs, per hundredweight	do		24.60	24.60	26.51	24.10	25.20
Sheep, per hundredweight	do		9.99	9.99	10.76	9.78	10.20
Turkeys, live, per pound	Cent		36.8	36.8	39.7	36.1	37.7

[1] Parity prices computed by multiplying adjusted base prices 1910–14 by the parity index (292), except as otherwise noted.
[2] Parity prices computed by multiplying adjusted base prices 1947–56 by the index of prices paid, including interest, taxes, and farm wage rates, 1947–56=100 (108).
[3] Transitional parity, basic commodities 95 percent and nonbasic commodities 60 percent of parity price computed under formula in use prior to Jan. 1, 1950.
[4] Equivalent on-tree returns for all methods of sale.

AMENDMENT OF CODE RELATING TO PROHIBITION OF CERTAIN INTERFERENCE WITH FEDERAL CONSTRUCTION PROJECTS

Mr. CURTIS. Mr. President, I introduce, for appropriate reference, a bill to amend title 18 of the United States Code so as to prohibit certain interference with Federal construction projects.

In the introduction of this bill, I am joined by the distinguished and able Senator from Arkansas [Mr. MCCLELLAN], the Senator from South Dakota [Mr. MUNDT], and the Senator from Arizona [Mr. GOLDWATER].

The bill is short, Mr. President, and I ask unanimous consent that it be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 3253) to amend title 18 of the United States Code so as to prohibit certain interference with Federal construction projects, introduced by Mr. CURTIS (for himself and other Senators), was received, read twice by its title, re-

ferred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That (a) chapter 95 of title 18 of the United States Code, as amended, is amended by adding to the analysis at the beginning of such chapter the following item:

"1952. Interference with Federal construction projects."

(b) Such chapter is further amended by adding at the end thereof a new section as follows:

"SEC. 1952. Interference with Federal construction projects.

"(a) Whoever knowingly and willfully damages or destroys (1) any property of the United States or of any State which is used in connection with, or is a part of, any Federal construction project, or (2) any machinery, equipment, or other property of a contractor under a contract for the construction of any Federal construction project, which is used or intended for use in connection with such project, or (3) any materials, supplies, or parts used or intended for use on or in connection with such project, including work completed or in progress, shall be fined not more than $10,000 or be imprisoned not more than 20 years, or both.

"(b) As used in this section—

"(1) The term 'Federal construction project' means a project for the construction of a building, bridge, highway, dam, canal, airfield, or other public works project, and includes the preparation or landscaping of a site for any such project, if at least 50 percent of the costs of such project are paid from funds made available by or pursuant to a Federal statute.

"(2) The term 'contractor' includes a subcontractor."

USE OF HUMANE METHODS IN THE SLAUGHTER OF LIVESTOCK AND POULTRY—AMENDMENT

Mr. HUMPHREY submitted an amendment, intended to be proposed by him, to the bill (S. 1497) to require the use of humane methods in the slaughter of livestock and poultry in interstate or foreign commerce, and for other purposes, which was referred to the Committee on Agriculture and Forestry and ordered to be printed.

FEDERAL ASSISTANCE IN EXPANDED SCHOOL CONSTRUCTION PROGRAM—ADDITIONAL COSPONSOR OF BILL

Mr. JAVITS. Mr. President, I ask unanimous consent that the name of the Senator from Illinois [Mr. DOUGLAS] may be added as a cosponsor of the bill (S. 3216) to authorize Federal assistance to the States and local communities in financing an expanded program of school construction so as to eliminate the national shortage of classrooms, introduced by me on February 3, 1958.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I point out in this regard that the Senator from Illinois is pursuing the same course which he has heretofore pursued with respect to the elementary rights of our people to equality of opportunity and education and with respect to the integrity of an education itself.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, February 6, 1958, he presented to the President of the United States the enrolled bill (S. 1908) to amend the District of Columbia Hospital Center Act in order to extend the time and increase the authorization for appropriations for the purposes of such act, and to provide that grants under such act may be made to certain organizations organized to construct and operate hospital facilities in the District of Columbia.

NOTICE CONCERNING CERTAIN NOMINATIONS BEFORE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

William B. Butler, of Texas, to be United States attorney for the southern district of Texas for a term of 4 years.

George M. Yeager, of Alaska, to be United States attorney for the term of 4 years for division No. 4, district of Alaska, vice Theodore F. Stevens, resigned.

Herbert Barnes, of Delaware, to be United States marshal for the district of Delaware for the term of 4 years, vice Clarence H. Spence, term expired.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Thursday, February 13, 1958, any representations or objections they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearings which may be scheduled.

NOTICE OF HEARING ON NOMINATION OF AXEL T. BECK, TO BE UNITED STATES DISTRICT JUDGE, DISTRICT OF SOUTH DAKOTA

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Thursday, February 20, 1958, at 10:30 a. m., in room 424 Senate Office Building, upon the nomination of Axel J. Beck, of South Dakota, to be United States district judge for the district of South Dakota.

At the indicated time and place persons interested in the above nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from South Carolina [Mr. JOHNSTON], the Senator from Indiana [Mr. JENNER], and myself, chairman.

CONSTRUCTION OF CERTAIN WATER CONSERVATION PROJECTS IN PECOS RIVER BASIN, N. MEX. AND TEX.

The PRESIDING OFFICER (Mr. PROXMIRE in the chair) laid before the Senate the amendments of the House of Representatives to the joint resolution (S. J. Res. 39) entitled "Joint resolution to authorize the construction of certain water conservation projects to provide for a more adequate supply of water for irrigation purposes in the Pecos River Basin, N. Mex. and Tex.," which were, on page 3, lines 3 and 4, strike out all after "construct" down through and including "basis," in line 4; on page 4, line 14, strike out "and"; and on page 4, line 19, after "section" insert "; and (3) he has adequate assurance in the form of contracts with the Carlsbad Irrigation District, New Mexico, and the Red Bluff Water Power Control District, Texas, that they will return to the United States each year during a 50-year period from the date of completion of the works authorized by this section, under terms and conditions satisfactory to the Secretary, such portion of the cost of constructing those works as is within their repayment ability to be determined by the Secretary from time to time, but not more often than every 5 years, after consultation with said districts."

Mr. JOHNSON of Texas. Mr. President, the House of Representatives has passed, with amendments and without a dissenting vote, Senate Joint Resolution 39, authorizing the construction of certain water conservation projects to provide for a more adequate supply of water for irrigation purposes in the Pecos River Basin, N. Mex., and Tex.

I am advised by both the Carlsbad Irrigation District of New Mexico, and the Red Bluff Irrigation District of Texas, that they do not object to the House amendments. I find no objection to these amendments, and move that the Senate accept the amendments of the House, thus clearing the bill for the President.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to.

PROPOSED INTERNATIONAL ASSEMBLY OF CULTURE

Mr. WILEY. Mr. President, man does not live by bread alone. He does not live alone for the dollar or the ruble or the pound sterling. He does not live by or for machines, or physical comforts, and conveniences alone.

Man lives by things of the spirit. He lives by appreciation of the good and the beautiful and the enduring in life; by interest in great music, great art, great sculpture, great dance, great writing.

These are facts which it has been my pleasure to point out in many occasions on the floor of the Senate.

This is why I contacted last year most of the Ambassadors accredited here in our Nation's Capital—to help cement the bonds of culture between our friends and ourselves. My correspondence with them may be found within the pages of the CONGRESSIONAL RECORD.

This, too, is why this past week, I welcomed the signature of the United States-U. S. S. R. agreement on cultural exchange.

GOVERNOR ADAMS' WORTHY SUGGESTION

I was most pleased to read, therefore, of the significant address delivered last night by the Assistant to the President the Honorable Sherman Adams, at a dinner of the national alumni of Dartmouth

College. The dinner honored the president emeritus of that great institution, Dr. Ernest Martin Hopkins.

In the course of his comments last night, the Assistant to the President made this very worthy comment:

In a reference to international tensions and the arms race with Russia, Governor Adams suggested that it should be the duty of scholars to conduct a "race to win the trust, respect, confidence, and regard of the people of the rest of the world, no matter where they live."

Who can say—

He asked—

that a convocation in this country of scholars, historians, artisans, theologians, educators, sociologists, philosophers, artists, and musicians could not suggest new and better ways for human beings to exist peaceably together and to reap the greatest rewards from man's scientific discoveries? To use them he will have to survive them.

Mr. President, I believe that there are tremendous possibilities for good in this suggestion. I am delighted that consideration is being given to it by President Eisenhower and his staff in the White House.

Of course, as everyone realizes, this idea, like any other ideas of great proportions, will require a great deal of additional thought and preparation.

PREFERABLY INDEPENDENT AUSPICES

A principle is the matter of the appropriate auspices—preferably independent auspices—for such a conference, such as the universities of our country, as hosts.

I feel sure that the University of Wisconsin would be among the first eagerly to contribute to such an assembly.

The United Nations Educational, Scientific, and Cultural Organization—UNESCO—has already done very important work in the cultural field. Naturally, its expert services should be called upon.

But, naturally, too, we, of the United States, want to exercise the initiative.

We are proud of American culture, and we are proud of our cultural ties with the peoples of the world. We want the world to know much more about our heritage, and we want to know more about the world's cultural heritage.

TWO PAINTERS: CHURCHILL AND EISENHOWER

It is no mere coincidence that two great statesmen of peace, Messrs. Winston Spencer Churchill and Dwight D. Eisenhower both enjoy the easel and the brush. Both men far prefer those instruments to the instruments of war.

Looking abroad, we recall, "Music hath charms to quell the savage beast." Let us hear symphonies of peace rather than the terrible roar of nuclear war.

Let the great energies of the Russian people express themselves, for example, in cultural interchange, and never in angry exchange of missiles.

Let us create and not destroy.

But let us remember, too, that we must "build bridges," so to speak between not only ourselves and Russia, but ourselves and the peoples of the East—of Asia and the Middle East. Their cultures are ancient, but relatively too little known by us. And in too many of their eyes, we are thought and misinterpreted as "materialists," living by the dollar sign alone.

So, let work on such a conference proceed.

Many specific questions still confront us on the assembly.

SHOULD SCIENCE AND CULTURE BE SEPARATED

There is the question as to time and place, as to how large a conference, with what representation. There is a question as to whether scientific fields should have their own independent conference; separate and apart from culture, the exact sciences, so to speak, separated from the field of esthetics.

At this early stage, we cannot hazard any final judgment on any of these important phases and details.

Suffice it to say that a very important, indeed a most historic, recommendation has been made. It has been made, appropriately enough, under the auspices of a university, a center of truth. We hope that it will bear great fruit.

Whatever can help relax international tensions, whatever can increase understanding and good will, whatever can eliminate misconceptions and distortions, whatever can tie people closer to one another as human beings interested in common pursuits; whatever can accomplish this—is more than worthy of our intense thought and effort.

Let us hope, therefore, that Governor Adams' comment, like Adm. Lewis Strauss' previous comment on a proposed conference of humanists, is but a prelude to good things to come.

Mr. President, I now desire to refer to another subject.

The PRESIDING OFFICER. The Senator from Wisconsin has the floor.

THE NEED FOR CONTINUED CHECKS AND BALANCES IN THE UNITED STATES CONSTITUTION

Mr. WILEY. Mr. President, on many occasions I have spoken on the floor of the Senate on what I regard as the central principle in the United States Constitution. I refer to the principle of checks and balances.

In no country of the world is this system so highly and so well developed—not simply in our legal affairs, but in our economic system, our politics, and in virtually every walk of life.

Why is it so important? Because liberty may be endangered from almost any quarter at some time or another.

Time after time, we have seen the pendulum of history swing back and forth. We have seen passions run high in one direction or another.

We have seen the pendulum swing from the right to the left. We have seen a time when the executive branch has become all-powerful, and there have been times when the legislative branch has become all-powerful.

No one knows from what source the forces of tyranny may, in the future, spring. No one knows what group may some day become so powerful as to endanger the rights of ordinary people; a group within industry, or within labor, or within the executive branch of government, or, yes, even within the Congress.

None of us is perfect or infallible. None of us can presume to be all-wise. And none of us should be allowed to be all-powerful.

In my judgment, one of the great cornerstones of the check-and-balance system is the process of judicial review.

In my judgment, the Supreme Court must continue to have that power intact. I do not want the system which has developed so well since September 1787 to be chipped away, or to be altered, or to be undermined—intentionally or unintentionally.

I do not want Congressional committees to be denied their rights, nor do I want them ever to deny the rights of any ordinary citizen.

I do not want a Congressional law misinterpreted, nor do I want a Supreme Court decision misinterpreted.

I believe in the forces of reason and logic. I believe in the Congress perfecting its own laws, so that they will be sustained and validated by the courts. I do not believe in undermining the prestige of the courts or the authority of the courts.

Like everyone else, I have differed on many occasions with particular decisions of the highest tribunal. But I respect the highest tribunal of this land.

I want it to help maintain this country as the Union, one and indivisible, with liberty and justice for all.

Ours is a Federal Government. We are a Union of 48 States. I do not want this country to disintegrate or to have the different appellate courts of the United States attempting to offer different so-called final interpretations, as to the law.

Let us go extremely slow in any legislation which would impair the constitutional process.

Let there be the most thorough and exhaustive hearings on the variety of bills now pending before the Senate Judiciary Committee. Let the greatest legal scholars and constitutional minds of this Nation be called upon. Let them be asked to present their comprehensive briefs as to any bill which would chip away at the rights of the Supreme Court. Let us not proceed with ill-considered haste, because of the passions of the moment, and because the pendulum has temporarily swung one way or another.

I send to the desk now a most interesting column by Mr. Arthur Krock, as published in this morning's New York Times. He comments upon the worthy efforts of my colleague, the junior Senator from Missouri [Mr. HENNINGS], and upon a most significant address by Judge Learned Hand.

Men may disagree with Judge Hand's interpretations, but there should be no one who would deny to him, or to his views, the great respect which this outstanding jurist so well merits.

I ask unanimous consent that the text of the column be printed in the body of the RECORD at this point, and that it be preceded by an editorial from the September 28, 1957, Christian Science Monitor. This editorial was entitled "Don't Shoot the Umpire," meaning do not deny the highest tribunal its right to prepare its decisions in its own way on all matters rightfully in its preview—I emphasize—all matters.

There being no objection, the editorial and article were ordered to be printed in the RECORD, as follows:

[From the Christian Science Monitor of September 28, 1957]

DON'T SHOOT THE UMPIRE

A familiar phenomenon of American life is the shout that goes up when a baseball crowd becomes dissatisfied with the ruling of an umpire: "Kill the ump." No one takes this really seriously, for underneath nearly everyone realizes that decisions cannot be left to the passions of players or to the decibel production of partisan spectators.

Most Americans are similarly aware that the Supreme Court plays an equally indispensable role in their system of government. This awareness was strongly expressed 20 years ago to halt the famous Court-packing plan. In the previous 3 years the Court had thrown out 12 major pieces of legislation desired by Congress and the President. Popular annoyance with the umpire was sharp. But wise counsel rejected a plan that would not have killed the ump but would have allowed the executive and legislative departments to curtail his independence.

We trust that similar considerations will bring rejection of the spate of bills recently offered by various Congressmen to curtail the Court's authority. Some of these would limit the Justices' terms to 4 years; others would restrict the Court's jurisdiction to certain types of cases; others would set up new qualifications for judges; and others would require adherence to the legal principle of prior decisions.

The authors of most of these proposals know they have no chance of becoming law; they are taking this way of letting off steam or satisfying constituents. (Like the baseball fan shouting at the umpire.) These new attacks on the Court arise out of a series of decisions, beginning with the school desegregation ruling and including recent decisions touching the FBI files and setting up other safeguards for individuals against reckless methods used by some officials in Communist hunting.

Congress has already taken action to modify the Court's ruling on FBI files. * * * This record upsets the charge too often heard these days that the Supreme Court is a dictatorship, irresponsible and uncontrollable by the people. Jefferson is quoted in support of this view. The great author of the Declaration (who, incidentally, would have had each generation write a new Constitution for itself) may at the time have been irked with the federalizing work of his famous cousin, Chief Justice Marshall. But history has belied his concern.

For it discloses that the Court has never for long thwarted the will of the people when this has been clearly determined and expressed. Indeed there is greater danger that the Court will be too quick to "read the election returns" as Mr. Dooley put it. If it responded to every wind of popular feeling its basic function would be destroyed. Constitutionalism means restraint on public passion and official oppression. In the Reconstruction period the Supreme Court stood as a barrier to those who sought vengeance on the South.

The Court is not above criticism and should have help in improving itself. We believe it could win respect by fewer reversals and less indulgence in split opinions, split not merely 2 ways but sometimes 4 or 5. Disagreement with specific decisions is definitely in the democratic tradition and may be clarifying and corrective. But attempts to destroy respect for the Court, personal attacks on Justices, reckless suggestions that communism rules them, attribution of partisan motives, and moves to curb the Court's independence—these if successful would "shoot the umpire," the indispensable arbiter and guardian of the Constitution.

[From the New York Times of February 6, 1958]

EFFORT TO LIMIT IMPORTED JUDICIAL POWER

(By Arthur Krock)

WASHINGTON, February 5.—When Senator HENNINGS, of Missouri, moved this week to defer action by the Judiciary Committee on the bill to eliminate five legal areas from those in which the Supreme Court has the last word, he could not have known that almost simultaneously one of the most respected of judicial voices would be raised in his support. But it happened that Judge Learned Hand did this last night in the first of three Oliver Wendell Holmes lectures at the Harvard Law School.

After only one day of hearings, a Judiciary subcommittee had favorably reported to the full Senator JENNER'S committee S. 2646 which would forbid the High Court to pass on the validity of any Congressional committee activity, any Executive security measures, any State or educational body's antisubversive regulation, and any State regulation of admissions to the bar. In addition to making (and winning) his point that the gravity of the proposal requires much more study before action of any kind should even be considered by the parent committee group, HENNINGS submitted to his colleagues the reasons for his view that its ultimate action should be unfavorable. Among these reasons, he said, was that, if the lower courts are given final jurisdiction in the five areas, "the Constitution would mean one thing in one part of the country and something else in another."

This was the point strongly made by Judge Hand in justifying as necessary the final power of the Supreme Court to exercise what lawyers prefer to call judicial review but what, with few exceptions, is actually judicial supremacy over the other two Federal departments. With the candor usual in him but rare among other members of the judiciary, Judge Hand conceded that this power was imported into the Constitution and is neither granted nor implied in the text.

TO AVOID COLLAPSE

"When the Constitution emerged from the Convention in September 1787," he told his Harvard Law School audience, "the structure of the proposed Government, if one looked to the text, gave no ground for inferring that the decisions of the Supreme Court * * * were to be authoritative upon the executive and the legislature. Each of the three departments was an agency of a sovereign, the people of the United States. Each was responsible to that sovereign, but not to one another; indeed, their separation was still regarded as a condition of free government, whatever we may think of that notion now."

Had judicial supremacy been proposed to the Convention, he said, there is no telling what the vote would have been. And the arguments deducting the [Supreme] Court's authority from the structure of the new Government, or from the implications of any Government, were not valid in spite of the deservedly revered names of their authors (John Marshall in particular). But, he continued:

* * * it was probable, if indeed it was not certain, that without some arbiter whose decision should be final the whole system would have collapsed, for it was extremely unlikely that the executive or the legislature, having once decided, would yield to the contrary holding of another department, even of the courts. * * * By the independence of their tenure [the courts] were least likely to be influenced by diverting pressure It was not a lawless act to import into the Constitution such a grant of power.

That contention invites the reply that the lawful method of importing the power was to acquire it by the consent of the people as an amendment to the Constitution. But in a period when denunciation is the lot of those who have attacked certain Supreme Court decisions as invasions of the explicit constitutional provinces assigned to Congress and the Executive, it is at any rate refreshing to have the concession of an eminent jurist that judicial supremacy was engrafted upon the text of the charter and has no direct warrant there.

Some of these decisions—and not only the one which declared that enforced racial segregation in the public school system, which the same Court long upheld as valid, violates the 14th amendment—provided the impetus for S. 2646. As Senator HENNINGS pointed out, this measure would not per se affect these decisions, but it would create great temptations for the lower courts to disregard them by denying to the Supreme Court future jurisdiction in the legal areas the decisions occupy.

The right of Congress to alter or reduce the High Court's jurisdiction is well established in law and legislative action, though with some of the findings of the current Supreme Court in mind no one can be sure this also would not be subject to adverse review. HENNINGS gave the committee the history of legislative efforts in this respect, but effectively noted that only once has Congress approved such a measure (in 1867, amid the emotions of Reconstruction and over President Johnson's veto). This took from the Supreme Court its jurisdiction to pass on denials of writs of habeas corpus by lower tribunals.

SALARY INCREASES AND RELATED IMPROVEMENTS FOR FOREIGN SERVICE PERSONNEL

Mr. SMITH of New Jersey. Mr. President, on January 27, 1958, the distinguished senior Senator from Rhode Island [Mr. GREEN], chairman of the Foreign Relations Committee, introduced S. 3134, a bill to amend the Foreign Service Act of 1946, as amended, to provide salary increases and certain related improvements for Foreign Service personnel. I regret that I was absent from the Senate on official business that day and was unable to be present when the Senator made his remarks.

The bill not only provides salary increases comparable with those recommended for other Federal Government employees, but it also effects changes in the pay classification scales for Foreign Service personnel and staff. The ever-growing duties of our diplomatic personnel make it imperative that we give careful consideration to their needs, and I congratulate the able Senator on his effort in this respect.

Today I wish to refer to another aspect in the carrying out of our international relations, the matter of representation allowances.

Despite the fact that our international responsibilities have increased enormously in the past 10 years and our ambassadorial and Foreign Service Officer Corps have likewise expanded, there has not been a significant proportional increase in representational allowances.

Too often we learn with shock that our Foreign Service officers, as well as our ambassadors, are forced to resort to salaries and savings in order to be able to carry out their duties capably and well. We have insisted, and wisely so, in broadening the membership of our Foreign Service, and then we have refused to provide our representatives with sufficient entertainment allowances to enable

them to serve their Nation to the best of their abilities. Instead, we force them, out of feelings of duty for their country, to resort to private funds, or to curtail their necessary entertaining.

Mr. President, failing to provide our diplomatic representatives, our first line of defense, with adequate representation allowances, is the same as sending out our highly trained soldiers armed with slingshots.

Mr. C. L. Sulzberger has written a very illuminating article on this problem which appeared in the New York Times of February 3, 1958. I ask unanimous consent that it be printed in the body of the RECORD as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CAVIAR TO THE STRIPED-PANTS BOYS

(By C. L. Sulzberger)

CHANTILLY, FRANCE, February 2.—The usual row about care and feeding of ambassadors has started between Congress and the State Department. State wants $1 million, or, 0.00135 percent, of the total annual budget to pay representation expenses of its envoys. Since diplomatists are less complicated machines than guided missiles, this request provokes legislative sarcasms about the sybaritic tastes of the gentlemen in striped pants.

There are two species of envoy, career and political. The former is selected on the basis of survival capacities of brain and liver. The latter is chosen on the basis of bank account—and how much of it is made available to the administration currently in office.

Robert McClintock, our new chief of : ission in Beirut, and a veteran Foreign Service officer, has made an earnest investigation of both categories. He observes: What makes ambassadors? is the question heard almost as frequently as Who makes ambassadors? Why are ambassadors made? is a question to which each chargé d'affaires ad interim thinks he has the answer.

"It will suffice for the purpose of this general study to say that by and large professional ambassadors get that way after a much longer period of gestation (accompanied at times by violent prenatal movements and kicks) than political ambassadors, who occasionally step full-fledged from the forehead of the President. During this period the former are usually handled with less care than the latter but need less care later."

However, one respect in which careerists certainly need more care is that of expense accounts. A well-heeled individual whose ambitious wife has induced him to finance his party's national committee and thereby qualify as a diplomatist is likely to feel generous enough to accept with pleasure that occupation's entertainment obligations. Such, unfortunately, is not always the case with the professional, who has no money of his own. Congress is stingy in making up the deficit.

The United States is the world's wealthiest country. Its citizens are proud of their reputation for generous hospitality. Business executives and even lesser employees are encouraged to charge on expense accounts all manner of representation on the name of better contacts. And the United States Treasury permits this.

The State Department would like to be equally generous. After all, as long ago as 1713, François de Callieres, private secretary to France's Louis XIV, wrote in a handbook on diplomacy:

A GREAT CONCILIATOR

"It is in the nature of things that good cheer is a great conciliator, that it fosters familiarity and promotes freedom of exchange between the guests, while the warmth of wine will often lead to the discovery of important secrets."

But not, alas, in many of the Embassies, Legations, and Consulates of Uncle Sam. The last Congress approved only $600,000 for diplomatic entertaining this fiscal year. Dulles wants to boost that now to $1 million. Surely, considering the amount of whisky consumed by junketing Congressmen in the home of all diplomatists, the request is not unreasonable.

Our professional, as distinct from political envoys, are no longer a prosperous group. This is a result of the democratization of our Foreign Service. Rich politicos are necessary because the American Ambassador in Paris, for example, pays half his household maintenance and two-thirds of his hospitality costs from his own pocket.

From all over the globe American career diplomats complain they are going broke while colleagues from poorer lands outdo them in splendid entertainment. Allowances, carefully rationed by the State Department after the Congressional hatchet has descended, usually vanish after a few months. Then our agent must choose between personal destitution or temporary disappearance from the social scene.

It is thus not infrequent that some envoys devise penny-pinching means regarded as odd by colleagues. McClintock has studied one of these methods. He says: "Cases of precocious aridity, or ambassadorial siccation, have been described which have shown what painful effects can be associated with this phenomenon.

"Usually the eyeballs of guests at the table become covered with a glaucous glaze, and an anhydrous effect is present, conversation wanes and an acute attack of spoonfoggles is diagnosed."

(Spoonfoggles is an early Mississippi word characterizing intense desire for drink.)

"On one occasion in one of the larger Embassies where the Ambassador served only ice water, an Italian diplomat whispered while the Ambassador was saying grace: 'I hope he is praying for the miracle of turning water into wine.' "

A more practical prayer could have been addressed to the United States Legislature.

It is time Congress awakened to the need for our social self-respect. The State Department is frequently kicked by Capitol Hill. But there is no sense starving it—or at least its foreign guests.

PROPOSED COTTON ACREAGE LEGISLATION

Mr. STENNIS. Mr. President, I have a deep interest in and concern for our entire agricultural program. But I speak today regarding the urgent need for legislation for cotton, the principal agricultural commodity of my area of the Nation, and the phase of our agricultural program about which I know the most.

Any sound, long-range cotton program must provide for meeting competition, and at the same time protect farm income. Such a program cannot be worked out quickly or overnight. But there is one phase of the problem, a most serious phase indeed, which can be promptly met with legislation within the next 2 or 3 weeks. This is the acreage problem, and it is the problem of cotton acreage for the year 1958 and for the year 1959 to which I shall address myself today, a problem affecting more than 13 million people who earn their livelihood, directly or indirectly, from the growing, handling, and processing of cotton.

Legislation on cotton acreage for the year 1959 is imperative. We are now considering and have before us the subject of cotton acreage for 1958. I feel the 2 years should be considered together, with one bill covering these two subjects.

In 1956 there were three acreage amendments included in the general farm bill applicable only to the crop years 1957 and 1958. These amendments held the national cotton acreage allotment to at least the 1956 level, provided additional acres for small farmers of 4 acres or less, and prevented any one State from losing more than 1 percent of its allotment in any 1 year.

I ask unanimous consent to have printed at this place in the RECORD a table which shows the benefits derived by each State from the operation of these three amendments.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

1958 benefits from 3 acreage allotment amendments included in 1956 Agricultural Adjustment Act

State	Total 1958 allotment for cotton	Effect of Stennis amendments, acreage saved or gained			Number of farms affected by 3d amendment
		1st amendment	2d amendment	3d amendment	
Alabama	1,035,463	164,741		13,146	44,159
Arizona	367,572	59,199		206	403
Arkansas	1,411,984	226,602		5,786	13,724
California	812,487	130,853		468	1,215
Florida	38,662	6,028		1,257	4,339
Georgia	905,387	144,303		9,904	25,851
Louisiana	609,922	97,542		4,619	14,597
Mississippi	1,060,110	255,437		12,914	41,200
Missouri	377,819	60,706		1,104	3,286
New Mexico	184,247	29,658		202	669
North Carolina	494,093	77,312		14,316	51,036
Oklahoma	827,162	128,706	23,300	5,162	
South Carolina	739,957	117,870		8,503	29,715
Tennessee	582,523	92,781		6,761	24,551
Texas	7,474,661	1,195,909	39,844	13,497	27,430
Virginia	18,161	2,802		777	4,991

NOTES

1st amendment—Holds 1958 allotment for United States same as 1956 national allotment.

2d amendment—Provides for about 63,224 additional acres for 1958 to be distributed among the States to prevent losses resulting from shifts in history between States. In effect, this amendment prevents any State from losing more than 1 percent of its allotment from the previous year.

3d amendment—Adds 100,000 acres to the national allotment to be used exclusively to give each cotton farm the smaller of 4 acres or the highest planted in the 3 previous years.

Mr. STENNIS. Mr. President, these provisions do not apply beyond the 1958 crop year. If there is no new cotton acreage legislation and if marketing quotas are reduced to the 10-million-bale minimum, the national allotment will most probably drop to as low as 13.5 million to 14 million acres for the year 1959, as compared with 17.5 million acres in 1958.

Our cotton farmers—small, medium or large—cannot stand such a severe and drastic acreage reduction. Our 1956 allotment reflected a reduction of 37 percent from 1953. It was agreed in 1956 that we could not stand further acreage reduction, and it was for this reason acreage was pegged at the 1956 level, with the special provision protecting the very small farmer and the provision preventing any State's losing over 1 percent of its acreage.

Acreage and price reductions, plus increased costs, have driven many, many thousands of our people from the farm, forcing many landowners from their land. These conditions have had a severely adverse effect on our local economy. Our cotton producers and processors represent a major part of our economy. Let me repeat, more than 13 million people earn their livelihood, directly or indirectly, from the growing, handling, and processing of this commodity.

Our farmers cannot stand further acreage cuts in 1959 or in future years. We must have affirmative legislation during this session of the Congress to prevent further reductions. Last year I introduced Senate bill 267, which would provide permanent legislation necessary to avoid further acreage cuts in 1959 and future years. Again I urge the Senate Committee on Agriculture to favorably consider this urgent measure.

There is also a special problem confronting us for the 1958 crop year. Continued heavy rainfall during 1957 reduced cotton production drastically, with heavy deterioration in grade and staple. The soil bank acreage reserve is in effect for the 1958 crop, and many growers have already acquired contractual rights therein. Informed and competent sources predict there will not be enough quality cotton to meet domestic and export demands for 1958 and 1959. Estimates are that 11 million bales of strict low-middling grade or better will be required, with the further indication that we will have a carryover of only 1.7 million bales of the types needed at the end of the current market season. If these figures are correct, it is estimated we will fall short of fulfilling requirements in 1958 by 4.4 million bales.

This question of supply is of national import, not a problem confined merely to the cotton area or the cotton producer. It is a national problem.

This problem can be met by giving an across-the-board increase in acreage for the year 1958. But under present law this method would force on all farmers a reduction in support price. The best chance to get more acres for 1958 appears to be the proposal to give each individual farmer a choice of first planting within his 1958 acreage allotment and receiving the price support announced by the Secretary under present law; or, second, exceeding his allotment by as much as 30 percent, being eligible for a price support of only 75 percent of parity, and surrendering his rights to participate in the acreage reserve. Under this latter proposal, increased acreage would not be considered historically in fixing future allotments. Another practical advantage of this latter proposal would be the surrender of soil bank funds, for reallocation to other farms. At the same time, the additional acres would stimulate the local economy which has been so hard pressed by continued acreage reductions.

My preference would be the across-the-board acreage increase for 1958, but I will certainly support the latter proposal, as this is perhaps the only proposal for 1958 that can be enacted within the time limit.

The facts in support of acreage adjustment for 1959 are so clear cut and compelling that this proposal should certainly be considered along with any proposal for acreage for 1958, with the two problems disposed of in the same bill. The facts are simple and easily understood. Action with reasonable dispatch is certainly possible.

Then, with more deliberate study, we can legislate for a sound, long-range program that will permit the cotton industry to survive in competition with synthetics at home and foreign production abroad. Such a program is already long overdue.

We can possibly obtain a consistent annual domestic market of 13 or 14 million bales, with a 6 or 7 million bale foreign market annually, by fully meeting competition. This would permit a national allotment in the neighborhood of 27 million acres. Such a strong demand for cotton would take care of the surplus problem.

One additional special word about our small farmers. Recent figures published by the Department of Agriculture show that in 1956, 73 percent of the cotton farms in the United States had allotments of less than 15 acres. In Mississippi, over 84.6 percent of the total cotton farms had allotments of less than 15 acres, and over 93 percent had allotments of less than 30 acres. I ask unanimous consent to have printed at this point in the RECORD a table which gives data on this subject for other Cotton Belt States.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 2.—*Upland cotton: Estimated percent of total farms with allotments according to size groups, 1956* [1]

State	Total number of farms	Percent of farms receiving allotments of—							
		0 to 4.9 acres	5.0 to 14.9 acres	15.0 to 29.9 acres	30.0 to 49.9 acres	50.0 to 99.9 acres	100.0 to 499.9 acres	500.0 to 999.9 acres [2]	1,000 acres and over [2]
Alabama	117,726	46.4	42.5	7.4	2.1	1.2	0.4	0	
Arizona	3,634	4.6	18.1	17.8	15.1	18.1	24.5	1.6	0.2
Arkansas	61,830	23.6	44.5	16.9	6.1	4.8	3.7	.4	
California	14,416	6.5	31.4	32.7	9.0	10.4	8.8	.9	.3
Florida	8,324	72.9	24.6	1.6	.8	.1			
Georgia	85,203	41.5	42.1	10.5	3.3	1.9	.7		
Illinois	457	63.0	30.4	4.4	2.2				
Kansas	4	50.0	50.0						
Kentucky	1,078	81.6	11.9	2.8	3.7				
Louisiana	46,626	39.2	44.4	9.7	3.0	2.0	1.6	.1	
Maryland	1			100.0					
Mississippi	112,128	47.8	36.8	8.5	2.6	2.0	2.2	.1	0
Missouri	16,222	24.4	36.1	21.5	8.2	6.7	2.9	.1	.1
Nevada	17			50.0				50.0	
New Mexico	5,617	14.6	32.3	21.8	12.9	13.6	4.8		
North Carolina	87,110	70.6	23.2	4.4	1.2	.5	.1		
Oklahoma	45,107	15.2	46.3	21.1	10.6	6.0	.8		
South Carolina	72,787	51.5	34.4	8.6	3.0	1.8	.7		
Tennessee	64,252	51.9	34.1	9.0	2.8	1.5	.7		
Texas	198,887	10.1	29.4	24.6	14.4	14.2	7.1	.2	0
Virginia	6,637	90.7	8.2	1.1					
United States total	948,063	37.4	35.6	13.4	5.9	5.0	2.6	.1	0

[1] Estimated number of farms in each size group based on a tabulation of a 10-percent sample of old cotton farms for which 1956 allotments were originally established prepared in accordance with specific instructions issued by the Cotton Division, CSS (Notice CN–108). The sample does not take into account subsequent changes in farm allotments due to corrections, reconstitution of farms, etc.

[2] Because of the small number of farms in these size groups, a 10-percent sample of farms may not provide a basis for determining a reliable estimate for the State of the number of farms in these 2 groups.

Mr. STENNIS. Mr. President, it was primarily the small farmer our original agricultural act was designed to help. Any program which fails to recognize this group and assist them is doomed to failure.

Mr. President, I have before me a factual statement made by a competent authority, and I ask that it be printed at this point in the RECORD, as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

SUPPLY AND DISTRIBUTION OF QUALITIES OF UNITED STATES COTTON GRADING STRICT LOW MIDDLING AND BETTER

The United States production of cotton grading Strict Low Middling (SLM) and better has accounted for about three-fourths of the total production in most years since the war. In the large crop of 1955–56, however, SLM and above dropped to 66 percent. Last year it climbed back to 73 percent, which was about the average. This year the USDA report on the classification of ginnings through January 16, just released January 23, indicates SLM and better will be only 56 percent of the small crop now estimated at 10¾ million running bales of upland cotton.

The demand of our customers both at home and abroad for cottons of higher quality has been rising steadily during recent years. The percentage of SLM and better in the annual offtake has risen from about 71 percent 5 years ago to 86 percent last year and for the last 5 years has averaged 77 percent, or 4 percent above the portion of these qualities in the crop.

This shift to the higher quality cottons by both the domestic and foreign mills is the result of an increase in consumer demand for better quality textiles all over the world and a loss of markets in coarse cotton goods to paper, jute, and synthetics.

The physical offtake of SLM and better cotton exceeded production of these qualities by 4.6 million bales in 1956–57, resulting in cutting the carryover of these same qualities practically in half, from 10 million bales on August 1, 1956, to 5.4 million bales on August 1, 1957.

In the current season, it is estimated offtake will again exceed production by at least 3.7 million bales, which will reduce the carryover of these qualities to 1.7 million bales.

If the qualities were available and premiums were normal, in all probability the total sales of SLM and better grades to domestic and foreign mills for this year would be much higher than is being estimated. Applying last year's disappearance factor of 86 percent to the current estimated offtake would indicate a demand for 11.9 million bales, some 2.1 million bales higher than the current estimate. Mills at home and abroad are being forced to reduce their purchases of these better qualities because they cannot get them or because the scarcity has run the price so high.

The offtake of SLM and better qualities this year will be limited by the scarcity. The lowest percentage disappearance of these qualities in the past 18 years (except 1 year immediately after World War II when we shipped large quantities of very low grades overseas under the aid programs) was 71 percent. If the SLM drops again to 71 percent this would be 17 percent below last year's offtake of these qualities and 7 percent below the 5-year average. A 71-percent offtake would require the substitution of 2.1 million bales of low grade cotton for cottons grading SLM and better over and above what was used last year. Actually this is further than many people in the industry think substitution can conceivably go. Even this is expected to result in mills turning away from cotton to other materials, particularly to rayon, which does not present the problems in manufacturing that low-grade cotton presents.

In 1958 the United States crop is expected to yield only 11.6 million bales. This assumes that the allotment, participation in the soil bank, abandonment, and underplanting will be the same as last year, and assumes the yield will equal the average of the past 3 years (405 pounds).

If the 1958 crop of 11.5 million bales is average in grade, 73 percent or 8.4 million bales would be SLM and better. Adding the 1.7 million bale carryover expected on August 1, 1958, the supply for the 1958–59 season would be 10.1 million bales.

The offtake in 1958–59 will depend very greatly on the availability of the qualities of cotton the customers want. With only the indicated supply of qualities SLM and better of 10.1 million bales and the high prices that will inevitably result from such a scarcity, offtake will likely be curtailed to only 13 million bales and certainly not more than 13.5 million bales.

If the needed qualities are available and hence the premiums on them not excessive, the expected total offtake would be 14.5 million bales in 1958–59.

However, a total offtake of 14.5 million bales that followed the 5-year average quality pattern would require 11.2 million bales grading SLM and better. This is 1.1 million bales more than the anticipated supply of 10.1 million bales of this kind of cotton.

But this makes no allowance for any carryover of cotton grading SLM and better on August 1, 1959.

The normal carryover as defined by law is 30 percent of offtake. Applying this to SLM and better on the basis of the average percentage disappearance indicates the need for 3.4 million bales of this quality for carryover. Most people in the industry feel this 30-percent carryover allowance is much too low in consideration of the fact that the United States is the principal stockholder for the world.

The total deficit in the amount needed next season for offtake is 1.1 million bales and for stocks is 3.4 million bales, or a total deficit of 4.5 million bales in SLM and better grades.

To make up this deficit of SLM and better cotton, the 1958 crop would have to be increased at least 50 percent, or about 6 million bales above the 11.5 million bales presently indicated.

United States supply and distribution of qualities of United States cotton grading Strict Low Middling and better

	Million bales
1956–57:	
Aug. 1 carryover	10.0
Crop	9.5
Supply	19.5
Offtake	14.1
1957–58: [1]	
Aug. 1 carryover	5.4
Crop	6.1
Supply	11.5
Offtake	9.8
1958–59: [1]	
Aug. 1 carryover	1.7
Crop	8.4
Supply	10.1
Offtake	11.2
1959–60: [1]	
Aug. 1 carryover	—1.1
Needed carryover at 30 percent of offtake	—3.4
Deficit	—4.5

[1] Estimated.

ROOSEVELT DAY ADDRESS BY GOV. G. MENNEN WILLIAMS

Mr. HUMPHREY. Mr. President, last Saturday night, February 1, 1958, the Roosevelt Day dinner in Washington, D. C., sponsored by the Americans for Democratic Action, heard the Governor of Michigan, the Honorable G. Mennen Williams.

Governor Williams addressed himself to the subject of international affairs and to the meaning of peace. I ask unanimous consent that the text of his remarks be printed at this point in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY GOV. G. MENNEN WILLIAMS AT THE AMERICANS FOR DEMOCRATIC ACTION DINNER, WASHINGTON, D. C., FEBRUARY 1, 1958

It is a privilege indeed to be with this group that has so clearly recognized the great challenges of our times, and has had the dedication and zeal as well as the wisdom to formulate and fight for policies and programs which provide us the opportunity of achieving America's vast promise. You have had warm hearts for the aspirations of men. You have recognized man as a creature of dignity, worthy of freedom. You have had the courage of your convictions. With a fixed beacon of humanity, justice, and freedom, and, necessarily sometimes with trial and error, you have fought the good fight.

It is not without a real degree of awe that I am mindful of those who have occupied this rostrum in the past, and I see about me those who are not only dearly known to me but held in respect throughout this great Nation. To be asked to exchange some thoughts in this company is not only an agreeable honor but a provocative experience.

What I shall speak on is the greatest challenge we, the people, have ever faced—the challenge to wage peace with the same skill, determination, and daring that we, as a nation in times past, waged military war against tyranny, and economic war against a great depression. We must fully mobilize our spiritual and physical resources for total peace as we did for total war.

It is certainly appropriate that we honor Franklin D. Roosevelt here tonight. We know his goal was a world community, free and at peace, a world in which every human being could develop his talents in freedom, and fulfill the God-given dignity of his nature through the expression of his unalienable rights—without fear and without prejudice. President Roosevelt considered his primary mission to be a just and lasting peace. It must also be ours.

Tonight, therefore, I propose to tell you what I think peace is not, and then to suggest what should be some elements of a positive content for peace, and also, to compare, as I go along, what should be, and can be, with what is, in the sterile, unimaginative Republican leadership of the administration now in power in Washington.

The Eisenhower administration tells time by the clocks in the Budget Bureau. It doesn't know what time it really is by the clock of history. Worse than that, it has tried to conceal the clock of history from the American people by covering the face of events with slogans and pretty phrases, and fraudulent claims.

If peace were merely the temporary absence of military war, then the claim of the Eisenhower administration that it had achieved peace might by interpretation largely be true. But peace is not merely the absence of military war. So long as nations and peoples live in fear of war, and are forced by that fear to devote huge quantities of their material wealth to armaments and the preparations against war, it is a twisting of facts to claim—as this Republican national administration tries to claim—that it has achieved a real peace.

Lester Pearson, winner of the Nobel peace prize, describes our present condition as a peace "balanced uneasily on terror." And he continues: "Peace, however, must surely be more than this trembling rejection of universal suicide," and he then concludes: "* * * the best defense of peace is not power, but the removal of the causes of war, and international agreements which will put peace on a stronger foundation than the terror of destruction."

Peace must be more than a stalemate between two gigantic powers, each possessing the means of utter destruction of each other, and of the nations between in the process.

Yet the Eisenhower policy of massive retaliation is nothing but a policy of stalemate. And under this policy, we developed a rigid and uncreative diplomacy which allowed the Soviet Union to penetrate world opinion by peace propaganda, against which we have moved feebly, carrying the heavy weight of indecision and inertia.

The Soviet sputnik jarred the military balance of stalemate, and brought a justified fear that the national administration's laxity on missile developments was endangering our security as a nation.

As do all Americans, I recognize that we must move rapidly on missile programs. The American people want no price put on security. But the present spurt of emphasis on a missiles budget by this administration is

merely an attempt to restore the stalemate. Beyond that, in the remainder of the budget proposals, there is a shameful bankruptcy of understanding of the peril and the promise of the events of our time.

Nor is peace found in servility or servitude in the relationship of nations. The nations behind the Iron Curtain are in servitude, but they do not dwell in peace. The emergent nations in the uncommitted areas of the world have not found peace because they have not yet developed the ways and means to move from the old order into the new in concord with their neighbors, or their previous rulers.

Peace, therefore, is not merely the negative absence of war, nor the sterility of stalemate, nor the impotence of servitude under the heel of a tyrant.

The structure of peace—as that after the Congress of Vienna—as Dean Acheson has so ably pointed out, is based upon a common or mutually tolerable concept and philosophy of life and order, whether it be laissez-faire and empire, or any other.

Today our world, on the contrary, is a ferment of conflicting ideologies, of revolting nationalism and anticolonialism, and of demands to be free of want, of aspirations for the good things in life enjoyed by others.

The American mission of peace must have a positive content if we are to awaken the people of this Nation and the world to the sense of a great calling, and inflame their hearts and minds and spirits with single-purposed dedication to the achievement of peace for all mankind.

Franklin D. Roosevelt understood the appeal peace can have. In 1944 he said: "Peace, peace no less than war, must offer a spirit of comradeship, a spirit of achievement, a spirit of unselfishness, and indomitable will to victory." And earlier he envisaged a world "founded upon four essential human freedoms"—freedom of speech, freedom of worship, freedom from want, and freedom from fear.

A positive, affirmative content for peace, which would give real meaning to the concept of waging peace, must, I believe, begin with a fervent belief in the dignity of man, in his unalienable rights, and a firm resolve to eliminate the evil and ugly sin of discrimination, first at home and then in nothing less than the whole world.

Were the Eisenhower administration imbued with such motives, the events of Little Rock would have been prevented. The responsibility of the White House began when the Supreme Court decision was handed down, many months before events in Little Rock forced a reluctant administration to act to uphold the law.

We should be determined—in concert with our allies—to be preeminent in military strength, not as a shield or a containment behind which free people dwell in apathy and complacency, but as an umbrella under which free people vigorously develop their economies and their social order.

By this process, I believe we could achieve a subtle and significant change in the political climate of the Free World. Our allies and the uncommitted nations could emerge from fear of being crushed between two giants into a sense of security under which they advance their individual economies, social orders, and national cultures.

Of course we must have power and we must have it preeminently for a long time to come. We must have it in all aspects—for thermonuclear war and for brush fighting. But the purpose of our power should be made clear to the world. It is power for peace, and we will always use it so.

In this area we could begin—now—unilaterally, without prior agreement or even request, by saying clearly to the world a simple thing. It's something which every American knows—which Soviet intelligence knows—but which we have not said clearly to the world.

We need to say—unmistakably—that we will never drop or launch an atomic or hydrogen bomb except in retaliation for one dropped on or launched against our soil, or a soil we have pledged ourselves to protect.

In the battle of ideas, the first to make such a clear statement can gain enormously in penetration of worldwide public opinion. With such a unilateral pledge on record, we should then urge the Soviets to do likewise, and thereby put them on the defensive in the eyes of the world.

Underlying all our activities, it seems to me, should be the development of order in the economic, social, and legal areas, and I would like tonight to speak briefly on these concepts.

First the economic order. We should have as our purpose the elimination of want—freedom from want—everywhere in the world and the advancement of internal prosperity in every nation. We should strive to help other peoples achieve economies of stability and satisfaction.

Our purpose would be the development of economic order as a basis of peace. We would be mindful that economically stable countries offer little opportunity for Communist exploitation. Our motive should be good neighborliness, as well as realization of real security through peace. We should certainly have no idea that we were buying friends. We can afford and should be warmhearted but not softheaded.

In this great area of activity, we need a vast increase in technical aid programs, in private and public development loans, in TVA-like projects throughout the world similar in potential to the Jordan River development proposal—I saw with my own eyes the promise of this idea.

All-out efforts to develop both fission and fusion reactors should be given high priority in order to provide this tool and this symbol to the power-starved nations of the world.

Our reciprocal trade programs should be extended and enlarged—indeed we should seek a world free of artificial barriers as rapidly as can be done. Free nations cannot develop with unfree trade. What's more this is as good an example as any that foreign affairs like charity, begin right at home.

At the same time that we pursue power for peace, we should seek to develop our economy at home for the purpose of helping the world to peace. Were we so motivated, we would be seeking a vastly expanded domestic economy not merely to raise our own material standard of living. We would be expanding at home in order to create a prodigious abundance of food, and fibre, and skills, and capital, and machinery, and power to export to any place ready to use them to advance the welfare of their people.

We have barely touched the potentials for economic growth of this Nation in the second half of the 20th century. Through automation to raise production to inconceivable quantities of goods, and through basic research to find undreamed of uses of raw materials, we can expand our gross national product many, many times over—if we have a compelling reason to do so.

This compelling reason, I submit, is found in the concept that economic order is one basis of a just and lasting peace.

The second major area of activities leading to an ordered world at peace can be found in social order, a respect, if you please, for people as people—a concern for their individual human dignity and the rights that flow from that dignity.

We cannot have real peace if we do not develop a knowledge of—and a deep respect for—the culture, language, religious and social traditions of other nations.

We have been told by Chester Bowles, and countless others, of the dedication and training which Kremlin agents bring to their tasks in foreign fields. They are trained to become as nearly native to the country as it is possible for them to be.

In many instances, Americans must work through interpreters. There is a tendency to colonize in quarters separate from the local citizens, quarters whose appointments are beyond the dreams of the average inhabitant of the foreign land.

We should be training the thousands of Americans, who, I know, would welcome the opportunity to dedicate their knowledge and skills to the works of peace. These individuals would have to be provided with the support necessary to permit them to lay down their present duties and to prepare for these assignments. I suggest a continuous, well-financed Federal recruitment program to find these individuals and to train them to a comprehensive knowledge of language and social customs of other lands.

Seemingly small devices like student exchange programs have deep and long-lasting effects in building the sense of friendship between the people of our Nation and the peoples of foreign lands.

In Michigan, as one example of many, we invite all the foreign students in our colleges and universities to our State capital to be the guest of our State government and its citizens. We not only go into all the governmental phases but tell them of our agriculture, industry, and our social patterns as well.

How far this relatively small pebble of action casts its ripple in a new understanding between diverse cultures no one can say. It will probably not of itself, of course, transform the world. But it does show one of the many ways we can be about the work of friendship and social understanding. Surely, business and labor can do much in this field. In South America, I saw how much good American businessmen can do, and how much harm if they are arrogant and overbearing. I would like particularly to report the tremendously fine reaction to George Meany's trip in all quarters, American and local, high and low. I am sure that labor unions, which have done a tremendous work in helping foreign unions understand the American democratic labor movement, can and will continue this work for the common benefit of free labor at home and abroad.

Our good neighbor policy today needs reinvigoration because the Eisenhower administration has so sadly neglected this great force for world peace. Official representatives unworthy of America have been sent to good neighbor countries to our detriment in their eyes. What's more South Americans feel we're soft on dictators.

And thirdly, we need to work toward a sense of legal order in international affairs. Freedom under law can be as meaningful among nations in their relationships as it is to individual relationships.

This is an old, old dream of men. We have made only a feeble beginning in these days. But an international rule of law must have a place in the positive content for peace, and we should never cease to explore ways and means to make it a reality.

As we look back to history to gain guidance for today, it seems to me that we find in the Pax Romana a lesson for our times. I do not propose that sense of order—backed by Roman legions—as a thing to be copied. But it is significant that one of the underlying factors that gave the Pax Romana a stability now lacking in the world was the development of common juridical processes. This was a kind of cement which gave the structure its durability.

Certainly in our times, this means that we give full and effective suport to the United Nations. This organization has already a distinguished record of service to the cause of peace. There is no more hopeful sign that world peace is a possibility than that shining tower on Manhatten Island—where representatives of all nations live and work in freedom and exchange ideas without fear.

The procedures for judicial action provided for in the United Nations Charter have been too little used. They at least are a starting point to bring the rule of reason and of law into international disputes.

NATO may offer a pathway to a common legal framework. But unless we are minded to explore any such possible path, it will always be covered with an underbrush of doubt as to whether a pathway is really there, and to what it might lead.

While we seek to advance the cause of peace by bold and vigorous action in the economic, social, and legal order or relationships, let us concurrently press for disarmament—and for negotiations of areas of tension with the U. S. S. R.

Disarmament is not of itself a magic touchstone to peace. The peace between the United States and Canada is not a consequence of an unarmed border. It is the consequence of historical developments which make armaments unnecessary.

But disarmament must be in our policies in order to make an accidental conflagration less likely, and to remove the heavy cost-burden of armaments from the backs of people everywhere.

We will never get disarmament by the Dullesian flavor that nothing good can come from talking to the Kremlin leaders at any time on any subject. This is a bankruptcy of diplomacy. Of course we should negotiate with the Soviet Union.

From the days of the Yankee traders to the present hard collective bargaining of labor and industry, we have always been a Nation of tough, shrewd and thorough negotiators. These talents have not died in our people, but the initiative to use them seems to have died in the approach of this Republican national administration to our foreign policy.

Why don't we have a steady stream of proposals for negotiations bombarding the Kremlin, and world opinion at the same time? Are the Soviet negotiators supermen that we fear a negotiating table between us?

Surely we can send negotiators as tough minded as the Communists. If twelve such conferences fail, let's have the endurance for a 13th, or a 14th, or a 50th, or a 60th. They understand endurance and toughness and strength. I am sure that we have this in our character too.

Somewhere along the line, gains will be made in easing the tensions of the world, tensions which harass the Communist orbit as well as the Free World.

We fall short of a grand purpose in America today because our national administration is narrow in outlook, shallow in substance, and thinks more of hard money than of hard negotiations for peace, and of budgets than of bold thinking in domestic and foreign programs and policies.

It seems at times that these Republicans have become America's "hollow men," fitting in each detail T. S. Eliot's description:

"Shape without form, shade without color,
Paralyzed force, gesture without motion."

But we must face the fact that this administration will be with us for 3 more years. It is our task then to supply the direction which we do not get from these men.

It is my hope that every group in America will raise its collective voice for new programs for peace, for budgets adequate to the challenge before us, for expansions of our economy at home and our activities abroad, for preeminent strength and the use of that strength in good deeds.

Out of our great labor unions and our assemblies of businessmen, out of our social and civic clubs, out of our political parties, out of our farm organizations, out of our churches and synagogues, out of our educators and scientists and artists—let there arise a concert of voices saying the American dream of equality and justice and freedom under law is not dead * * * it is alive, and vibrant, and willing to roll up its sleeves and go to work.

Then I think we can find again the freshness of spirit which this administration dulled by its Madison Avenue slogans and its "chins up" talks to the Nation.

Then, I believe, we would see the meaning of Little Rock in perspective as a burden we could not afford to carry, because it violates American principles and undermines the confidence in our moral integrity abroad. Unemployment would be seen both as an unnecessary personal and family tragedy, and as a blow at the prestige of competitive capitalism throughout the world. We would see that the way to absolve the censure of Hiroshima is to develop a fusion reactor and make it available to power-starved nations.

When Franklin D. Roosevelt died, eulogies from all parts of a saddened world poured into Washington. All praised his great courage and his great dedication to victory in war and victory in peace. Among the tributes was one from a Senator from Michigan, Arthur Vandenberg, who concluded with this sentence:

"A successful peace must be his monument."

This is the challenge still before us. Truly we can say as he did that this Nation has a rendezvous with destiny. Let us keep that rendezvous and emerge from it with the dream of all mankind securely realized—a just and lasting peace for all men and women everywhere on earth. This is the mission of America, and America is equal to the task.

PLANNED RECESSION TAKES HEAVY TOLL OUT OF WORKERS

Mr. HUMPHREY. Mr. President, a recent issue of the excellent weekly paper Labor, published by the railroad brotherhoods, contains a lead article which I recommend as must reading to anyone concerned over the present economic decline and mounting unemployment.

The article, which is headed "Planned Recession Takes Heavy Toll Out of Workers," points out that the current recession is a direct result of the tight-money policies which the administration has so vigorously encouraged.

The only answer which the administration has come up with, to curb rising prices, is greater unemployment. The fact that such a policy is directly contrary to the will of the Congress, as expressed in the Employment Act of 1946, does not seem to bother administration leaders. I call attention to the language contained in that act:

It is the continuing policy and responsibility of the Federal Government to use all practical means * * * for the purpose of creating and maintaining, in a manner calculated to foster and promote free competitive enterprise and the general welfare, conditions under which there will be afforded useful employment opportunities, including self-employment, for those able, willing, and seeking to work, and to promote maximum employment, production, and purchasing power.

The tragic aspect, Mr. President, of the current recession is that it came about as a result of the sterile and unimaginative policies of the administration. If the best solution the administration can offer is more unemployment and declining production, I say, most emphatically, that the American people are being led down a dangerous and rocky road.

I ask unanimous consent that the article from Labor be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PLANNED RECESSION TAKES HEAVY TOLL OUT OF WORKERS—BUSINESS SEES VIRTUE IN EMPLOYMENT SLASH—HALT SLUMP, MEANY URGES—RAILS ORDER MORE LAYOFFS—SLICHTER SEES PERIL TO SECURITY

(By Michael Marsh)

Alarmed warnings about the Nation's economic slide multiplied this week as one industry after another reported new layoffs of workers. AFL–CIO Chief George Meany declared: "The combination of a faltering domestic economy and Russian scientific advances poses for the United States in 1958 a situation as crucial, in its own way, as Pearl Harbor."

Business leaders also, in their New Year forecasts, were notably less optimistic than in previous years. However, as Time magazine reported, "Many businessmen received the dip at year's end without alarm because they regarded it as a 'recession as planned.'"

The planned recession, Time indicated, grew out of the "tight money" policies of the Federal Reserve Board which "worked with grim determination to keep the economy from growing too big, too fast."

"Thoughtful businessmen," said Time's probusiness editors, support this policy as a curb on inflation. And the news magazine added: "Though no one wants unemployment, coldly statistical economists can find some virtue in it, expect the United States to benefit through increased productivity. * * * Moreover, as jobs grow scarcer, wages will flatten out."

JEOPARDY TO SECURITY

A far different view came from one of the Nation's leading economists, Prof. Sumner Slichter of Harvard University. The administration, through its tight money policy, Slichter said, actually showed a "willingness * * * to jeopardize the security of the country."

Assailing the blunders in basic defense and economic policy, Slichter declared: "Had the administration been willing to place more emphasis on production and less emphasis on attempts to bring creeping inflation completely to a halt, the danger of future bottlenecks in (defense) production would have been avoided."

As far back as last summer, both the AFL–CIO executive council and news stories in Labor were warning of these administration-big business plans to hasten a planned recession, with all its human toll. That planned cutback is now backfiring. Meanwhile, here are the latest developments:

1. Heavy furloughs continued to spread through the railroad industry, the latest announced one being the Baltimore & Ohio's indefinite layoff of 2,800 employees on Wednesday. This follows an earlier B. & O. layoff of 2,500 on November 1.

BIG AUTO LAYOFFS

Many other industries such as steel, machine tools, and autos were hard hit also by lower orders. Ford and Chrysler laid off scores of thousands of workers over the 2 holidays weeks.

An unemployment roundup by Business Week magazine showed this picture: "New England—Unemployment claims are running 63 percent above last year. New York—Insured unemployment is 50 percent higher than last year. Pennsylvania—Insured joblessness is up about 40 percent from last year. Ohio—New unemployment claims are running almost double the year-ago rate. Michigan—Unemployment was the highest for any November since 1949. Illinois—Insured unemployment is about 40 percent higher than in 1956. Utah—About 40 percent more workers

are drawing unemployment benefits this year. Washington—Unemployment now running 52 percent ahead of a year ago. California—About 66 percent more workers are drawing jobless benefits than in 1956."

2. Harlow Curtice, president of General Motors, predicted lower car sales in 1958 and denounced the idea of higher wages. Other business spokesmen generally conceded also, like Curtice, that the first half of 1958 is apt to see a further downturn. But they suggested the latter part of the year may bring a reversal, spurred by higher defense spending.

3. George Meany, warning that "the American economy is not healthy," declared: "Increased governmental defense expenditures can relieve the situation temporarily. But the basic solution will not come until the administration recognizes that the long-run good health of our economy depends upon consumer spending and consumer buying power.

"Only improvements in wages and progress in building a better standard of living for all Americans can provide our economic system with the broad base that it must have for widespread prosperity," the AFL–CIO chief emphasized.

FEW PRICE CUTS

There was little doubt, however, that this labor view will be sharply opposed both by big-business men like Curtice and by conservatives in Congress in the months ahead.

4. If America's economy were truly competitive, according to economists, companies hit by falling business would lower their prices and thereby stimulate more buying, thus reviving production and employment. Actually, Time magazine reported, "Few industries, as demand eased, were talking of price cuts. Instead, they were hastily chopping production * * * while they waited for business to improve."

ANNUAL PAYMENTS ON THE FEDERAL DEBT

Mr. HUMPHREY. Mr. President, a recent column by Sylvia Porter called attention to the fact that 11 percent of our Federal taxes are being used to pay interest on the national debt. Such payments this year come to the staggering total of almost $8 billion.

It has always amused me to note that the critics of Federal spending and unbalanced budgets so seldom call attention to the mounting interest payments on the national debt. Yet such debt payments take a slice of the budget second only to national defense.

It should be noted, Mr. President, that annual-debt payments have risen by $1.6 billion since 1952. The cause of this tremendous increase is the higher interest rates brought about by the tight-money policy of the Republican administration.

I ask unanimous consent that the article, which is entitled "National Debt Burden," be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Star of February 2, 1958]

YOUR MONEY'S WORTH

(By Sylvia Porter)

NATIONAL DEBT BURDEN

Of every dollar you will pay in Federal taxes this year, 11 cents will go to pay interest to the owners of United States Government securities.

From the money the Treasury will collect in taxes in 1958, it will take almost $8 billion and use it just to meet the interest the Government owes on the public debt during this 1 year.

Of all the staggering spending estimates in the budget, this interest estimate is one of the most staggering—and it is astounding that it has received so little attention. For consider it:

Debt interest takes a slice of our budget billions second only to national defense. In the 1958–59 year, the Treasury will shell out in interest $2.9 billion more than the President proposes to spend on all veterans' services and benefits, $4.3 billion more than the President proposes to spend on all farm programs. The interest bite is more than double the total for all labor and welfare programs. It dwarfs into insignificance the amounts the President proposes to spend on international affairs and finance, or on general Government, or on commerce and housing, or on conservation of natural resources.

COST DRAMATIZED

It is truly a massive chunk of the budget, dramatizing the cost of carrying a national debt nudging $275 billion.

It is a heavy load on all taxpayers, and the only direct beneficiaries are the owners of Government securities—financial institutions, corporations, pension funds and the individuals who own savings bonds or other types of Treasury obligations.

And it is an absolutely rigid part of the budget which Congress cannot touch. Once the United States Treasury pledges to pay a specific amount of interest on a Government security, the burden is fixed. It is unthinkable that the Treasury would default on an IOU, break its word in any way.

Yet, staggering as the interest load already is, I'm positive it will become even greater as the years roll on, for two basic reasons.

First, after a fairly prolonged period of stability, the debt of our Federal Government is on the rise again.

The $275 billion debt ceiling has been pierced and Congress is letting the Treasury temporarily increase the debt.

REDUCTION UNLIKELY

But it is increasingly improbable that the Treasury will be able to slash the debt back to the $275 billion ceiling by the mid-1959 deadline—no matter what officials promise and say publicly.

As you are fully aware, the trend of spending for defense and for nondefense programs too is strongly upward. When Congress gets finished with the President's 1958–59 budget, it'll be billions bigger than his recent estimates. The chance that the Government will collect enough in taxes to cover its expenses is shrinking by the day.

This means we may not soon see a $275 billion debt ceiling again. Maybe we'll never see it again.

In his budget message, the President admitted that "the only sound long-run method of reducing this (interest) cost is to balance the budget, economic conditions permitting, and apply the surplus revenues to reducing the debt."

He is so right. But reduction of the debt and its cost is not what is on the horizon. Increase of the debt and its costs is what's ahead.

THE PROPOSED REDUCTION OF STRENGTH OF THE NATIONAL GUARD

Mr. TALMADGE. Mr. President, the disclosure by the Assistant Secretary of the Army for Personnel of plans to cut the strength of the National Guard by 44,000 men during the fiscal year 1959 is alarming to those concerned with the state of our Nation's defenses.

At a time when our military superiority hangs in the balance and when Congress is laboring to buttress our lagging military position, such a proposal is incomprehensible. Facts and circumstances dictate the urgent need of strengthening, not reducing, our National Guard and Ready Reserve.

It is both inconsistent and unrealistic for Pentagon planners to undertake at this crucial time to amputate a vital portion of the backbone of our Defense Establishment.

One of my constituents, J. B. Duncan, Jr., of Augusta, Ga., well expressed the situation to me in a recent letter:

Our Founding Fathers established the excellent arrangement of a small standing Army and a large well-trained reserve force. This setup has proved itself time and again in national emergencies; but, if the National Guard is continually reduced, this basic principle will be destroyed.

Two excellent summations of the grave threat to our national military posture posed by the proposed reduction in the strength of the National Guard have been received by me from Hon. Marvin Griffin, Governor of Georgia, and Brig. Gen. Charles L. Davis, of the National Guard, at Savannah, Ga. I ask unanimous consent, Mr. President, that the telegram from Governor Griffin and the letter from General Davis be printed in the RECORD as a portion of my remarks.

There being no objection, the telegram and letter were ordered to be printed in the RECORD, as follows:

ATLANTA, GA., *February 4, 1958.*

HON. HERMAN E. TALMADGE,
United States Senate,
Senate Office Building,
Washington, D. C.

DEAR SENATOR TALMADGE: I am gravely concerned over reports which have reached me on the efforts being made by the President and the Department of Defense to reduce the Army National Guard both in strength and units. The President's budget provides funds to support a strength of only 360,000. If this reduced funding is imposed it will cause the loss of 40,000 trained and ready guardsmen, and ultimately approximately 1,200 equipped, trained, and operational units. This loss together with previous losses due to lack of funds will mean a loss of approximately 75,000 officers and men since March 1957, who have been recruited, equipped, and trained at great expense to the States and Federal Government. This attack on our largest trained Reserve component has serious implication on the States, the communities which support these units, and the Nation. I urgently solicit your support in defeating any measure to reduce National Guard appropriation. During these crucial times our defense must be strengthened, not reduced.

MARVIN GRIFFIN,
Governor.

SAVANNAH, GA., *January 31, 1958.*

HON. HERMAN TALMADGE,
United States Senate,
Washington, D. C.

DEAR SENATOR TALMADGE: I am sure that you have seen during the past several weeks articles in the press concerning proposed reductions in strength and expenditures for the Reserves of the Armed Forces. This, of course, includes the National Guard.

The president of the National Guard Association, Maj. Gen. William H. Harrison, of Massachusetts, has recently informed me

that the recent budget submitted by the President of the United States includes only sufficient funds to support an Army National Guard strength of 360,000 for fiscal year 1959. Fiscal year 1958 was started with an Army National Guard strength of 435,000 and this number was to be reduced to 400,000 by June 30, 1958. If the President's budget is accepted as recommended, this will have the effect of reducing the Army National Guard an additional 40,000 or a total of 75,000 over that strength authorized in the fiscal year 1958 budget.

In addition to the above, there is a movement underway to completely revise the Army National Guard troop basis, which if put into effect, certainly will have an unfavorable effect on not only our Georgia National Guard, but that of the entire United States. We have not yet been advised of the mechanics of these reductions, but if the policies of the Department of the Air Force recently used in dealing with the Air National Guard are any criteria, the results will be disastrous.

As a former governor, whom I have always felt understood our problems, I am urgently requesting your help in this matter. Our Georgia National Guard units are among the oldest in the country. Here in Savannah our Chatham Artillery dates its history from 1786 and the Savannah Volunteer Guard from 1802. The same is true of the Atlanta and Macon units, and they have always had an outstanding record in every war in which our country has been involved.

While I am well aware that changing times require changes in methods and organization for warfare, it would seem that the emphasis should be on a stronger National Guard and other Reserve Forces, rather than reducing them, considering world affairs.

In view of the above, I urgently request you to do everything in your power to see that the following policy in regards to the Army National Guard is adhered to:

1. The present strength of 400,000 is kept as a goal and not reduced to 360,000.

2. The existing 27 divisions in the National Guard be retained.

3. If modifications within the troop structure are deemed necessary, this be accomplished by reorganization, redesignation or conversion of existing divisional and nondivisional units.

Sincerely,

CHARLES L. DAVIS,
Brigadier General, National Guard.

Mr. TALMADGE. Mr. President, technological advances and the changing concept of warfare make it all the more essential that the compact striking forces of the pentomic Army be backed by thoroughly trained, fully equipped, and combat-ready National Guard and Ready Reserve units. Only in that way can the United States hope to be prepared to cope immediately with any emergency, small or large, which may arise to threaten our national security.

To this compelling reason for maintaining the strength of the National Guard and Ready Reserve units be added the practical reason that in no other way can we make our defense dollars go as far. As many as 8 soldiers can be trained in the guard or Reserve for the same amount required to train 1 man in the Regular Army.

A further factor to be considered is that through an energetic and well-supported National Guard and Ready Reserve program, the bulk of the young men of the Nation can discharge their military obligation with the least possible disruption to their personal lives, their education and careers, and the economy of their communities.

The citizen soldier is the bulwark of our national defense; and to attempt to economize at his expense would be disastrously shortsighted, and would constitute the most false of false economies.

Mr. President, I hope with all my being that Congress will not countenance this ill-conceived scheme to weaken our National Guard and Ready Reserve.

Mr. President, the security of our homes and firesides demands that Congress not only not countenance it, but, rather, act quickly and decisively to reverse it.

THE INTERIM REPORT OF THE SENATE ARMED SERVICES PREPAREDNESS INVESTIGATING SUBCOMMITTEE

Mr. MANSFIELD. Mr. President, the interim report of the Senate Armed Services Preparedness Investigating Subcommittee issued at the conclusion of its recent series of hearings on this country's satellite and missile programs has been hailed by newspaper editorialists throughout the country.

In the words of an editorial writer for the Wichita Falls, Tex., Daily Times:

Senator JOHNSON, personally, and his committee, individually and collectively, have earned the gratitude of fellow Americans for their integrity and their patriotism, their devotion to the task which has been displayed and their able handling of it.

Mr. President, I know the distinguished chairman of the subcommittee has felt particular gratification regarding the commendation voiced by many newspapers in his own State of Texas.

I ask unanimous consent that editorials from the Austin Statesman, the Bryan Daily Eagle, the Corpus Christi Caller-Times, the Houston Post, the Houston Press, the Marshall News Messenger, and the Wichita Falls Daily Times be printed in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Austin Statesman of January 11, 1958]

JOHNSON'S FIVE POINTS

Senator LYNDON B. JOHNSON, Senate majority leader and chairman of the Preparedness Subcommittee investigating progress or lack of it in the missile and satellite fields, has outlined a five-point program to speed the United States into accomplishments required by the space age.

While Soviet scientific achievements in recent years cannot be underrated, JOHNSON said they are not depressing. He regards them as a challenge spurring the Nation on to achievement.

With the secret information his committee has adduced from civilian and military chiefs of the Armed Forces some degree of optimism seems well based. His program, which partially parallels proposals made by the President in his addresses to the Nation on science and survival, looks beyond to American leadership in space. JOHNSON, however, has expressed himself repeatedly as believing the President and his administration still has not reflected a strong sense of urgency.

JOHNSON's five-point program would:

1. Step up the development of weapons which will insure our survival.

2. Revise our methods of teaching and our curriculum so that science and technology will be given a higher rating.

3. Mobilize our population to face the challenge—tapping the unused reservoirs of talent and ability among those who are retired.

4. Step up research into the physical and biological problems of outer space, perhaps through a space academy.

5. Place specific responsibility for the physical, economic and legal problems of exploring outer space either in a new or existing agency.

The problem will not be met if our only reaction is the construction of weapons. There must be a wide public understanding that the United States has been outstripped in a field in which we thought we were supreme, and by a nation we thought was lagging far behind—that of adequate numbers of engineers, scientists and mathematicians.

[From the Marshall News Messenger of January 23, 1958]

KNOCKING HEADS

Senate Democratic Leader LYNDON JOHNSON has come to the seemingly practical conclusion that this Nation might get more missiles faster if a few heads were knocked together at the Pentagon than if a new reorganization of the Defense Department is undertaken. The Texan made this observation after his preparedness subcommittee had received testimony on why the United States is trailing the Soviet Union in the development of certain weapons.

JOHNSON, a practical politician, probably is taking note of opposition to streamlining the United States military such as declared by Representative CARL VINSON, chairman of the House Armed Services Committee. VINSON has made it clear that a military reorganization plan, whether inspired by the Republican administration or the Democratic Senate leadership, will have rough going in the House.

"There is considerable evidence to indicate that organizational forms have been stumbling blocks to achievement (or interservice cooperation)," JOHNSON said. "On the other hand, it may be that what is needed, is a determined effort to knock some heads together rather than new organizational charts."

With VINSON's House Committee just getting started with its investigation of American defense deficiencies, it would seem that the Johnson "knock heads" suggestion is about the only way the President can get quick action on his state of the Union pledge to remedy whatever is causing the major delays in the Pentagon.

[From the Houston Post of January 25, 1958]

JOHNSON SUBCOMMITTEE REPORT ASKS ACTION TO MEET RED THREAT

The unanimous report of the Senate Preparedness Subcommittee on its investigation of the United States satellite and missile programs is a blueprint for action with which it would be difficult to disagree.

It called for speedy modernization of our defense establishment up and down the line. It lists 17 recommendations designed to achieve this end which were made to the subcommittee during its hearings and said decisive action must be taken on them.

Senator LYNDON B. JOHNSON, Democrat of Texas, subcommittee chairman, read the report on the Senate floor Thursday. This country, he said, "is entering a new period of history in which the total resources of America must be brought to their greatest development. * * * A full national effort is required and this can be achieved only by people working together."

The report itself was thoroughly nonpartisan. It conceded that things might have been different, if things had been done differently in the past, but it did not look back and it pointed no finger of blame. It talked only of the future and what must be done to preserve American freedom.

Recent technological progress of the Soviet Union, it said, "do not give cause for comfort. But we do not consider them a cause for despair or hopelessness. We regard them as a challenge to all America. There is nothing in the record to indicate that America has lost its vitality or its capacity to produce in time whatever we need to retain our present power to strike devastating blows—blows of almost total destruction—at any aggressor."

The subcommittee investigation, which produced some 7,000 pages of testimony, was a result of the successful Russian launching of the sputniks. Their chief implications, the report said, were that they demonstrated the Soviet Union's ability to hurl a missile from one continent to another and they enabled the Soviet Union to gather basic information about outer space.

The report listed various recent actions of the Defense Department to meet the Soviet challenge, but added "they are only a beginning."

The 17 recommendations listed in the report, a number of which tie in with projects already underway, will receive careful, prudent, and thorough study, the report continued. It ended on a lofty, almost poetic, note.

"The immediate objective is to defend ourselves. But the equally important objective is to reach the hearts and minds of men everywhere so that the day will come when the ballistic missile will be merely a dusty relic in the museums of mankind and men everywhere will work together in understanding."

The Preparedness Subcommittee has done the nation a fine service. The objective it sets forth are well worth the effort needed to achieve them.

[From the Bryan Daily Eagle of Jan. 26, 1958]

STATEMENT ON PREPAREDNESS NOT PRETTY

One of the most important and chilling statements to come out of Washington in a long time is the one just made—by the Senate Preparedness Subcommittee—on our defense position as compared with the Soviet Union.

It is not pretty. It says the Russians are ahead in missiles and submarines; are catching up in airpower, and, at the rate they're going, will forge ahead; can develop new weapons faster; and are producing scientists and engineers at a greater rate.

This statement, presented to the Senate late yesterday, puts the picture in focus. It is as informed, impartial, authoritative, and nonpolitical as such a document can be hoped to be. It's significant for three reasons:

1. The subcommittee drew its conclusions after 101 days of investigation in which it heard 70 witnesses, interviewed over 200 experts, and took more than 7,000 pages of testimony.

2. The subcommittee is made up of Democrats and Republicans. All agreed on what the statement contained. This unanimity makes it impartial and nonpolitical. The members were talking as Senators and not as Democrats or Republicans.

3. Because of the impartial nature of the statement it will be the background for judging what President Eisenhower proposes, and Congress does, in the days ahead to catch up with and get in front of the Russians.

The statement was grim. It showed beyond question this country has been dragging its feet and has been asleep although it did not attempt to blame either the Truman or Eisenhower administration.

It deliberately avoided blame. It had to. Otherwise, there would have been no unanimity on this statement which limited itself to saying where we've lost and what we need to do.

But Senator LYNDON JOHNSON, of Texas, Senate Democratic leader and chairman of the subcommittee, in reading the statement to the Senate, did not paint an entirely black picture. He said about Soviet superiority:

"These facts do not give cause for comfort. But we do not consider them a cause for despair or hopefulness. We regard them as a challenge. * * *

"There is nothing in the record to indicate that America has lost its vitality or its capacity to produce in time whatever we need to retain our present power to strike devastating blows * * * at any aggressor.

"While the future is very close—extremely close—it is still under our control."

[From the Corpus Christi Caller-Times of January 26, 1958]

JOHNSON'S REPORT

True to the original purpose stated by its chairman, Senator LYNDON B. JOHNSON, the Senate Preparedness Subcommittee made no attempt to fix partisan blame for the United States missiles lag in its report released Thursday. Looking to the future rather than the past the subcommittee made 17 broad recommendations in the defense field.

The recommendations ranged from modernizing and strengthening the strategic air arm, ground forces, and Navy to accelerated missile and antimissile programs and reorganization of the Defense Department. The subcommittee's proposals for improving the defense posture of the country did not vary greatly from those already advanced or initiated by the administration in recent weeks.

Democrats who expected the subcommittee to supply them with an almost ready-made campaign plan probably will be disappointed. Many of them hoped that some good old-fashioned name calling would improve their chances in an election year.

Those who expected a stinging indictment of Republican ineptness in defense matters overlooked two vital points: (1) That the defense of this Nation cuts across all party lines, and (2) that the Senate Preparedness Subcommittee has for a number of years been dominated by Democrats. The two became inseparable. Democrats could hardly throw the first stone when they could be charged with failure to anticipate the very crisis that now faces us. Neither the Democratic Party nor the people of the United States can profit from partisanship on such a vital issue as the security of the Nation.

[From the Wichita Falls Times of January 26, 1958]

JOHNSON REPORT MEETS CHALLENGE

Last November 25 Chairman LYNDON B. JOHNSON of the Senate Preparedness Investigating Subcommittee opened the hearings on this country's satellite and missile programs with a statement which outlined these objectives: "A clear definition of the present threat to our security * * * and what is to be done, without traveling up the blind alleys of partisanship."

Two months later the Senate majority leader's subcommittee report is completed. The series of hearings is over. And the results are a blueprint of indicated weaknesses of the Nation's defenses, where the Soviet Union is showing strength, and a blueprint of action which the United States must follow if it is to retain and regain defensive might.

The threat of the Soviet Union is defined in a six-point area. What to do is outlined in 17 recommendations. These are two of the goals which the Texan leader in Congress had set for his committee. The third and remaining objective was to work in a bipartisan manner, to avoid pinpointing blame for deficiencies, to develop accord and unanimity.

Here, too, success has crowned the magnificent efforts of Senator JOHNSON. The report of the subcommittee is submitted unanimously by all seven members. It goes even further in this regard by bringing out that on at least 10 points of the 17-point program of action the Government has already made a start—a bipartisan admission in the loftiest realm—and specifically commends Secretary of Defense Neil McElroy for the steps he has taken to strengthen the military position of the United States.

Senator JOHNSON, personally, and his committee, individually and collectively, have earned the gratitude of fellow Americans for their integrity and their patriotism, their devotion to the task which has been displayed, and their able handling of it.

The committee's report is broader in scope than anything yet compiled. It ranges beyond the Rockefeller report; it is public, whereas the Gaither report reposes in confidential files of the executive department beyond reach even of Members of Congress; and it offers in one package what has not been available from any other source or combination of sources.

We can confidently predict that in the future, when any attempt is made to evaluate the progress that is being made to meet the challenges of the space age, it will be the Johnson report which provides the checklist against which advances can be measured.

Congress can be expected to follow the recommendations, not only because they are valid and worthy, but because the committee leader, Senator JOHNSON, is also in the powerful position of Congressional leadership as head of majority party in the Senate.

Circumstance has again placed Senator JOHNSON in a role at a time of great challenge, and he is again measuring up to time, place, and circumstance.

[From the Houston Press of January 28, 1958]

GET ON WITH THE JOB

White House Assistant Sherman Adams, addressing a Republican rally recently, petulantly charged that Democrats were politicking with defense.

It's true some minor Democratic politicians have tried to make political capital out of the Eisenhower administration's failure to put a satellite into space ahead of Russia's sputnik, just as some small-bore Republicans have been caterwauling that the blame dates back to the Truman regime.

An effective and heartening answer to such picayunish charges is found in the unanimous report of the Senate Preparedness Subcommittee submitted by Chairman LYNDON JOHNSON.

The unanimity and composition of this subcommittee are as impressive as the substance of this remarkable report.

For the Democrats: Senate party leader JOHNSON; Senator SYMINGTON, former Air Force Secretary; Senator KEFAUVER, the party's former vice presidential nominee, and that respected Southern Democrat, Senator STENNIS.

For the Republicans: Senator BRIDGES, chairman of his party's policy committee; Senator SALTONSTALL, chairman of the Republican conference; and Senator FLANDERS of rock-ribbed Vermont.

And they speak in one voice.

It is not a voice of petty politics, nor of alarm and despair, nor of wishful thinking. It is a voice of patriotism and challenge.

These responsible elective officials, after 110 days of grubbing inquiry into America's defense posture, submit realistic findings that the Soviet Union has a threatening lead

in many aspects of science and military power.

They list the imposing accomplishments of our Defense Establishment in straightening out missile and satellite programs since the sputnik crisis highlighted our military disarray. For what has been done, they give credit to the Defense Department—although obviously many of the steps taken have been at the subcommittee's prodding.

And last, they enumerate important things that yet must be done to put our defenses in order—in our striking airpower, in missile and antimissile development, in building antisubmarine strength, in education, discipline and unity of purpose. And they vote their confidence that the new Defense Secretary, Neil McElroy, will do his part in meeting those challenges.

Here is bipartisan American leadership of the highest order. The country owes the subcommittee a vote of thanks. And more than that—a resolve to follow their lead, put aside shameful bickering, and get on with the job.

DOMESTIC AND FOREIGN MERCURY INDUSTRIES

Mr. BIBLE. Mr. President, I have today forwarded a letter to my good friend and colleague, the Senator from Virginia [Mr. BYRD], chairman of the Senate Finance Committee, relative to the state of the domestic mercury industry. The letter is signed jointly by Senators KUCHEL, MURRAY, WATKINS, BARRETT, CHURCH, NEUBERGER, MALONE, Senate Minority Leader WILLIAM KNOWLAND, and myself, all of us from mercury-producing States or interested in the welfare of the domestic mining industry.

The letter asks specifically that the Senate Finance Committee adopt a resolution, instructing the United States Tariff Commission to make a comparative study of the domestic and foreign mercury industries. It asks further that special attention be paid to the factors of competition and the effect of the present Government purchase program authorized under title III of the Defense Production Act of 1950 on the overall mercury picture.

As I have pointed out before to the Members of the Senate, the domestic mining industry is in a perilous state. During the past year, mines all over the country, producing minerals and metals essential to our defense efforts and national welfare, have been forced to close or seriously curtail their operations. These closings have not been brought about by a decrease in demand for the metal or mineral produced, nor have they been forced to close because they have run out of paying ore bodies. These mines have been forced to close because of violent drops in world prices of minerals and metals. The prices they can obtain for their product will no longer pay the cost of labor and materials used to produce the product. In other words, these mines necessary to our national well-being have been forced to close because they cannot compete with low-cost foreign-produced minerals and metals.

Mercury prices have followed the pattern set by other metals, and have suffered steady declines in value. From an average price of $295 per 70-pound flask in 1955, the price slipped to an average of $266 in 1956. In 1957 the price dropped from $255 to $225 in December, and during the past month the price has leveled off at $220–$225 per flask. The mercury industry, however, is more fortunate than the other segments of the mining industry in that the support price of $225 per flask, established by the Government purchase program, has prevented the price from dropping any further. This price of $225 per flask is just about the break-even point for domestic producers, and they fear the day the Government purchase program is scheduled to terminate, December 31 of this year. There seems to be little doubt that once the Government purchase program is terminated, the world market price will drop to such a level that domestic producers will be forced out of business.

It is with this eventuality in mind that my colleagues and I ask that an investigation of the mercury industry be made by the United States Tariff Commission.

Mr. President, I ask unanimous consent that the body of the letter and resolution addressed to Chairman Byrd of the Senate Finance Committee, be included in the RECORD at this point in my remarks.

There being no objection, the letter and resolution were ordered to be printed in the RECORD, as follows:

Hon. HARRY F. BYRD,
Chairman, Senate Committee on Finance, United States Senate.

DEAR CHAIRMAN BYRD: During the past year the domestic mining industry of our country has suffered a series of reverses that seriously threaten the very existence of that industry, and indirectly the well-being of our country. Among the mining industries that suffered these reverses is the domestic mercury (quicksilver) industry.

During 1957 prices dropped from $255 to $257 per flask to $225 to $230 per flask. During that same period, domestic mines produced and estimated 31,500 flasks, while imports from foreign countries amounted to an estimated 45,000 flasks. Domestic producers feel strongly that the only reason the price has remained at the $225 level is because of a Government purchase program authorized under title III of the Defense Production Act of 1950. The program, established in July 1954, set a floor price of $225 per flask of domestically produced mercury. This purchase program is scheduled to terminate on December 31, 1958.

It has long been alleged that world mercury prices are controlled by an international cartel of which United States producers are not members. Cheap labor and substandard working conditions, coupled with the existence of high-grade deposits, in these foreign countries, enable the members of the cartel to fix world prices far below the break-even point for domestic producers.

Domestic producers point out that the present price of $225 per flask is very close to the break-even point for most of the domestic operations. They feel, and understandably so, that with the expiration of the present purchase program, the world price will fall rapidly to such a level that none of the domestic producers can stay in business.

To prepare for such an eventuality, the undersigned Senators from mercury-producing areas feel that an investigation by the United States Tariff Commission, pursuant to section 332 of the Tariff Act of 1930, into the conditions of competition between domestic and foreign producers of mercury, is advisable at this time. The investigation should pay particular heed to the impact of the present purchase program on world and domestic prices, and the probable effect of the termination of the program on the competitive position of domestic producers.

We have, therefore, attached hereto a resolution asking for such an investigation, which we hope your committee will find possible to adopt.

Sincerely,

ALAN BIBLE, THOMAS H. KUCHEL, JAMES E. MURRAY, FRANK BARRETT, ARTHUR V. WATKINS, FRANK CHURCH, DICK NEUBERGER, WILLIAM F. KNOWLAND, GEORGE W. MALONE.

Resolved, That the United States Tariff Commission is hereby directed, pursuant to section 332 of the Tariff Act of 1930, to make an investigation of the conditions of competition in the United States between mercury (quicksilver) produced in the United States and in foreign countries, and to report to the Senate Finance Committee the results of the investigation on or before December 1, 1958.

The report of the Commission shall set forth a summary of the facts obtained in the investigation, including a description of the domestic industry, domestic production, foreign production, comparative costs of domestic and foreign production including labor costs, imports, consumption, channels and methods of distribution, prices including comparative London and New York prices quoted by foreign producers, United States exports, United States customs treatment since 1930, the impact of the Government purchase program authorized under title III of the Defense Production Act of 1950 on domestic production and the possible effect of the termination of that program on world prices and domestic production, and other factors affecting the competition between domestic and imported mercury. In the course of the investigation the Commission shall hold hearings, giving adequate opportunity to interested parties to appear and be heard.

CONSTRUCTION OF BRIDGES ACROSS THE POTOMAC RIVER

Mr. BIBLE. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives pertaining to H. R. 6306, to amend the act entitled "An act authorizing and directing the Commissioners of the District of Columbia to construct two four-lane bridges to replace the existing 14th Street or Highway Bridge across the Potomac River, and for other purposes."

Mr. PAYNE. Mr. President, reserving the right to object, and I may not object, I should like to inquire whether or not this matter has been cleared.

Mr. BIBLE. I will advise my good friend and colleague from the State of Maine this matter has been cleared with both the minority and majority leaders.

Mr. PAYNE. I thank the Senator. I have no objection.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H. R. 6306) to amend the act entitled "An act authorizing and directing the Commissioners of the District of Columbia to construct two 4-lane bridges to replace the existing 14th Street or Highway Bridge across the Potomac River, and for other purposes," and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. BIBLE. I move that the Senate insist upon its amendment, agree to the

request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. BIBLE, Mr. FREAR, and Mr. BEALL conferees on the part of the Senate.

LABOR LAW PROPOSALS

Mr. PURTELL. Mr. President, the President's program for legislation to curb union abuses and protect the rights of individuals in labor-management relations deserves the highest praise. It calls for effective, thorough, and equitable legislation, which, I believe, should get the immediate attention of Congress and be enacted as quickly as possible.

I ask unanimous consent to have printed in the RECORD at this point an editorial from the New York Times of January 25, which is an excellent analysis of the President's proposals.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

LABOR LAW PROPOSALS

The proposals of Secretary of Labor Mitchell for Federal legislation in the labor-management field—made those of the entire administration by President Eisenhower in his message to Congress—add up to a statesman-like program that must command respect, if not agreement, from labor, management and the public. It is especially notable that, at a time when unions are on the defensive owing largely to the exposures of the McClellan committee, the program gives no comfort to the enemies of organized labor.

On the contrary, most of the proposals would strengthen democratic and responsible trade unionism by making far more hazardous than now the corrupt practices which have weakened it and by making more difficult the domination of would-be union dictators. All this, of course, serves the public interest because, as the President has said, the "effective right to organize and bargain collectively is an essential part of this Nation's free and democratic society."

Sound also is the political philosophy that animates the whole administration program. It avoids direct Government control, or even supervision, of the affairs of labor unions—something that would be violently opposed by labor and would also be repugnant to American ideals. The program calls for no army of inspectors invading labor union meetings or thumbing through union books. It would be largely self-enforcing. It sets up clear standards of operation and relies mainly on full disclosure to assure their being lived up to—but with severe penalties for their violation. Such reporting, would not, of course, wipe out wrongdoing, but it would certainly be a most powerful deterrent.

These general principles would be applied, through the Department of Labor, to all health and other welfare funds, as provided in bills already before Congress, and also—even more importantly—to the financial operations of the unions themselves. They would also have to give evidence that their officers were democratically elected and at not more than 4-year intervals. Both unions and employer representatives would have to report all financial dealings with each other, with specific prohibitions against those that impair free collective bargaining.

Two other features of the program are, of course, essential: the administrative setup and the punitive sanctions. A Commissioner of Labor Reports, appointed by the President and responsible to the Secretary of Labor, would be in charge of the full disclosure activities. He would have wide powers of investigation, subpena and the seeking of injunctions against those who violate the laws. Not only would failure to report properly bring revocation of a union's collective bargaining certification, as now under more limited reporting, but forfeiture of its privilege of tax exemption under the Internal Revenue Act. In addition, misuse of union funds, false entries and the destruction of records would be made felonies under Federal law, lesser offenses such as doctoring reports would be misdemeanors, and payments by either side to influence labor-management relations would become bribery under the Criminal Code.

Officials of the AFL–CIO have raised doubts as to the need for more legislation, beyond that proposed in the administration program for welfare funds—especially in view of the federation's vigorous efforts to root out corruption in its ranks. There is also strong opposition to some of the proposals to amend the Taft-Hartley law so as to limit certain boycott activities and some forms of organizational picketing. President Meany has publicly voiced his fear that the powers proposed for the Labor Department would go too deep into the internal affairs of unions and that they might even lead to licensing laws which would be anathema.

Organized labor might have good grounds to oppose any greater Government intervention than the administration has proposed—at least until its program has been given a fair trial. But the AFL–CIO would do well not to fight the full disclosure of those union operations which the Government has indicated, and severe penalties for improper activities. Both are clearly in the public interest and, we believe, in the interest of labor as well.

LEGISLATIVE PROGRAM

Mr. MANSFIELD. Mr. President, is the morning business concluded?

The PRESIDING OFFICER (Mr. CLARK in the chair). Is there further morning business? If not, morning business is closed.

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MANSFIELD. What is the pending business?

The PRESIDING OFFICER. The pending business is a call of the calendar.

Mr. McNAMARA. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Michigan?

Mr. MANSFIELD. I yield.

Mr. PAYNE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. PAYNE. It is my understanding that under the unanimous-consent agreement which was obtained by the majority leader, following the morning hour a call of the calendar was to be had.

The PRESIDING OFFICER. Yes.

Mr. PAYNE. Has the morning hour been declared closed?

The PRESIDING OFFICER. Morning business has been concluded.

Mr. PAYNE. Is it proper that the Senate proceed to the call of the calendar, under the order?

The PRESIDING OFFICER. That is the regular order.

Mr. MANSFIELD. Mr. President, I yield to the Senator from Michigan. How much time does the Senator desire?

Mr. McNAMARA. About 30 minutes.

Mr. PURTELL. Is that the regular order?

Mr. MANSFIELD. Mr. President, I ask unanimous consent that despite the unanimous consent agreement previously entered into, the Senator from Michigan [Mr. McNAMARA] be allowed to proceed for 40 minutes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? Without objection, it is so ordered, and the Senator from Michigan is recognized for not in excess of 40 minutes.

FULL EMPLOYMENT AND PROSPERITY

Mr. McNAMARA. Mr. President, a few days ago, America gave its answer to the latest challenge facing it. From a Florida beach this Nation's first earth satellite, the Explorer, rose successfully into outer space—announcing to the world that while sometimes we are a little slow, we are persistent.

Meeting new challenges forthrightly is a characteristic of this great country. It has been so since we grew from a collection of rebellious colonies nearly 2 centuries ago. But America is only as strong as its economy. And today, through no fault of their own, the people of this country are in serious economic trouble.

It is generally accepted that the condition in which we find ourselves today can be called a recession.

We do not hear the word used by the Eisenhower administration, however. To the President, it is a "period of consolidating the gains of recent years." Or, he says, the "economy is catching its breath for a new advance."

Mr. NEUBERGER. Mr. President, will the Senator yield?

Mr. McNAMARA. I am glad to yield to my colleague and good friend, the Senator from Oregon.

Mr. NEUBERGER. I wish to express my appreciation to the Senator from Michigan for bringing this matter to the attention of the Senate. The Senator from Michigan and I entered the Senate together. It has been my impression that few Members of the Senate, if any, have been so diligent in bringing up pertinent problems which affect employment and payrolls and the general economic well-being of our people. The Senator from Michigan is alert to such questions.

I want to emphasize to the Senator why I particularly, as one of the Senators from Oregon, feel a sense of gratitude that the Senator is raising this issue. If I am not mistaken, the State of Oregon today has the highest unemployment rate in the Nation, with respect to insured employment coverage. I have just seen the latest figures, and the three States in the Union which have the highest unemployment ratio in this country are those of the Pacific Northwest.

The highest in this tragic and unenviable category is the State of Oregon, where I was born and raised. The figure for that State is 12.8 percent. The next

highest is the State of Montana, with 12.3 percent, and the third State in this category is the State of Washington, with 11.4 percent.

These States are three major lumber-producing States. All of them have been affected by the tight money policy which has so diminished housing construction in this country. As interest rates went up, housing starts were discouraged.

I know that the Senator from Michigan is particularly well informed, because, if I am not mistaken, he himself, was engaged in the construction industry, and he has many personal contacts with the building-trades unions and with the operators of construction companies which build houses. The Senator from Michigan is personally acquainted with what is taking place.

I should like to ask him one question, and then I shall not interrupt his speech further. Does the able Senator from Michigan, in light of his observations as to unemployment in his own State and other areas nearby, believe that the situation is now so serious and so grave and has reached such proportions that we need emergency measures, such as the proposed public works program, and similar undertakings?

Mr. McNAMARA. I certainly do; and later in my address I shall make reference to that question.

Mr. NEUBERGER. I notice that the Senator from Tennessee [Mr. GORE], who is now present in the Chamber, introduced specific legislation to this end yesterday; and I shall certainly support it to the best of my ability. I think both the Senator from Michigan and I, as members of the Public Works Committee, will have an opportunity to assist the able Senator from Tennessee in advancing the purposes of his bill.

Mr. McNAMARA. I am sure of it.

Mr. GORE. Mr. President, will the Senator yield?

Mr. McNAMARA. I yield.

The PRESIDING OFFICER. The chair points out that the time consumed in yielding will be charged against the 40 minutes of the Senator from Michigan.

Mr. GORE. Mr. President, I express gratitude to my distinguished friends, the junior Senator from Oregon and the senior Senator from Michigan for their generous references.

Some people may close their eyes and turn a deaf ear and a cold heart to the millions of people who are unemployed, and the many more millions who are partially employed, and who are in distress.

The distinguished junior Senator from Michigan will never be found among that group. He has a big heart, open eyes, and clear hearing.

In the exercise of his own powers of perception he has just stated that the country is in serious economic trouble. I hope it will not develop into a serious depression; and I am sure the able Senator from Michigan joins me in that hope.

As I stated yesterday, the Nation has powers, resources, programs, and experience which it can use to avert such a tragedy. But "a stitch in time saves nine." When we see these danger signals, some of which the Senator has already pointed out, does not the Senator believe it is time for the Government of the United States to act?

Mr. McNAMARA. I certainly think it is time to act. I believe that acting now will save a much greater disaster later than we now face.

I thank the Senator from Tennessee, who has never failed to recognize the things which he gives me credit for recognizing.

In his state of the Union message, the President sought to explain the economic distress with the fatuous statement that "growth typically moves forward unevenly."

Such phrases are nothing but economic doubletalk. They are an insult to the intelligence of the American people.

This administration has many faults—and one of them is the refusal to call this situation exactly what it is—a recession rapidly growing into a full-fledged depression.

To acknowledge this, I admit, the administration would be forced to confess failure of its domestic economic policies.

But everyone now knows that these policies have brought us into a recession—so the administration might now have the courage to attack the monster it has created.

Perhaps I do the President an injustice. Perhaps he really doesn't know of the serious danger that faces this country today.

His economic report expresses a certain childish and naive amazement that everything isn't going well. It does so in such statements as this:

> Developments in 1957 illustrate how rapidly changes can occur in the problem of maintaining growth with reasonable stability of prices in a dynamic, free enterprise economy.

More economic doubletalk.

Whether he knows of the danger or not, there are indications that the recession may not be too unwelcome in some business circles.

A few weeks ago a national magazine, noted for its guardianship of the Eisenhower administration and big business interests, made this revealing statement:

> Many businessmen received the dip at year's end without alarm—because they regarded it as a "recession as planned."

If this is a "recession as planned," then someone is guilty of treason.

That someone is guilty of literally taking the food out of the mouths of millions of American working people who are helpless pawns in this economic chess game.

In my State of Michigan today there are 320,000 persons out of work. This is 11.2 percent of our work force.

Is Michigan somehow standing alone in this economic plight?

Hardly. I understand that—high as it is—Michigan's unemployment puts the State 10th or 11th on the list.

And according to recent figures, 26 of the 48 States have unemployment of over 6.9 percent.

And more than 30 have unemployment of over 6 percent—the level at which an area, by definition, is supposed to have a labor surplus.

This labor surplus designation is another matter that I must sharply criticize.

Mr. CLARK. Mr. President——

The PRESIDING OFFICER (Mr. SCOTT in the chair). Does the Senator from Michigan yield to the Senator from Pennsylvania?

Mr. McNAMARA. I am glad to yield to my distinguished colleague from Pennsylvania.

Mr. CLARK. I should like to commend my friend from Michigan for calling this critically important problem of unemployment to the attention of the Senate. I noticed with great interest the figures which he has just given for unemployment in the State of Michigan. In my Commonwealth of Pennsylvania there were on January 15, 435,000 unemployed, 9.4 percent of the entire labor force.

According to the Bureau of Labor Statistics, there are 14 areas in Pennsylvania in which chronic and current unemployment exists, and where the rate is in excess of 6 percent, including the three largest cities in the Commonwealth, namely, Pittsburgh, Philadelphia, and Erie.

Many of the other areas in my State have unfortunately been surplus-labor areas for a long time. It occurs to me that some action, at both the executive and legislative levels, is clearly indicated to deal with this problem quickly, before it gets out of hand.

For that reason, I was happy to see the Senator from Michigan cosponsor with me and a number of other Senators the bill introduced today by the distinguished Senator from Massachusetts [Mr. KENNEDY], which would place our unemployment compensation laws on the kind of decent and reasonable basis upon which they should have been placed long ago. I am happy that the Senator from Michigan has joined the Senator from Illinois, myself, and other Senators, in an effort to get, out of committee and on the floor of the Senate, a bill for area redevelopment programs which will bring some new industries into areas of chronic unemployment.

I thank my friend for yielding to me. I know that his time is limited. I commend him for his valuable public service in bringing this critical problem to the attention of the Senate.

Mr. McNAMARA. I thank the Senator from Pennsylvania for his assistance in this connection.

Mr. GORE. Mr. President, will the Senator yield in order that I may ask the junior Senator from Pennsylvania a question?

Mr. McNAMARA. I am happy to yield for that purpose.

Mr. GORE. I have listened to the eloquent remarks of the junior Senator from Pennsylvania. I am grateful for his interest, activity, and able advocacy in this field.

I am sure the able Senator from Pennsylvania has heard many pleas for the "right to work." Some people have adopted that phrase as a slogan, and have misapplied it, in my opinion. Does not the able Senator from Pennsylvania believe that in this society of freemen, every man should have the right to earn

his living by the sweat of his brow and the toil of his hands?

Mr. CLARK. It is my understanding that that is our national policy, as set forth in the Employment Act of 1946, which the present administration does not seem to be taking particularly serious.

Mr. GORE. When there are millions of people unemployed, and millions more partially employed, does not the Senator think it is time to bring into play and effectiveness the full Employment Act?

Mr. CLARK. I agree completely with my friend from Tennessee.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. McNAMARA. I yield.

Mr. MORSE. I wish to say that I am very glad the Senator from Michigan is making his speech. I have already scanned his manuscript, and I have been listening to the Senator's remarks with great interest. I share the view of the Senator from Pennsylvania [Mr. CLARK] and of the Senator from Tennessee [Mr. GORE], as well as that of the Senator from Michigan, that we ought to put into application the Employment Act of 1946. I was one of the cosponsors of that act, along with the great Senator from Montana [Mr. MURRAY], who put up the historic fight to get that bill passed in the Senate.

It is very interesting to review the debate on that bill in the Senate, as I did the other evening. Many of us in those speeches forewarned of the conditions which exist in the States at the present time.

We made very clear that our purpose and intent was to pass an act which could go into immediate operation when such conditions as the Senator from Michigan is pointing out today arose in connection with the employment problem. The Senator has pointed out the position of the State of Michigan on the unemployment ladder, and of course it is a very sad one.

However, I rise to say that the greatest unemployment, percentagewise, in America today is in the State of Oregon, because of the inexcusable and unconscionable policy of the President of the United States—and I always put the responsibility where it rests, and it squarely rests on his shoulders—which he has followed in the economic field since he came into office, when, within a few days after he was inaugurated, his administration announced the hard money, tight credit policy.

I was sitting in a meeting of the Small Business Committee at the time, when my administrative assistant brought me the ticker announcement of that policy. The RECORD shows that I left the committee meeting immediately and came to the floor of the Senate, and that I was the first in the Senate to speak out against that policy and forewarn then what that policy, which was a banker's policy and a big-business man's policy, would do to the so-called little people, the common people, the working people of America. I predicted in that speech that great unemployment would result.

We are greatly indebted to the Senator from Michigan for the forewarnings he is giving the American people today. I share his view that time for action has come. I will be very much interested in watching how many Senators on the other side of the aisle will stand up and be counted this time for greater protection of the employment rights of the workers of this country.

Mr. McNAMARA. I appreciate the contribution of the Senator from Oregon, and his persistence in this matter. I am speaking on limited time, and I must now ask that I be allowed to continue uninterrupted to the end of my prepared speech.

Under Defense Department policy, areas which are designated by the Labor Department as having greater than 6 percent unemployment supposedly receive preferential treatment in the placement of defense contracts.

In discussions of this policy with Defense Department officials, I have come to the conclusion that it is almost totally unworkable.

Department officials admit that, for all practical purposes, the contract will go to the low bidder, whether or not he is in a labor surplus area.

I have had officials of Michigan cities write me—almost begging to be put on the labor surplus list of the Labor Department.

Once this is done—they expect the defense work to appear like magic.

The preferential treatment policy is only a cruel joke on the cities, their unemployed workers, and their business people.

It need not be, however. I have asked the Defense Department to discuss ways of better integrating the defense dollar into the entire economy.

This is essential, especially in an economy where defense spending accounts for more than half the entire annual budget.

The administration spokesmen treat unemployment simply as a matter of statistics.

We are told that the national figure will rise to 4½ million next month—which I believe is a very low estimate.

But these are people—not statistics. Statistics do not have to eat. Statistics do not have to buy shoes for their children.

But these human problems are not considered by the economic pawnbrokers who trade on other peoples' misery.

We are told that the economy will recover by midyear, or some such arbitrary point obtained from a crystal ball.

How consoling that is. And how reminiscent of the battlecry of a past era: "Prosperity is just around the corner."

In 1953, when Harry Truman left the White House, the Republican administration inherited a sound and expanding economy.

Five years of crude manipulation by this administration has severely damaged this proud inheritance.

Instead of a genuinely progressive economy, we have today a one-step-forward-and-two-steps-back policy by the Eisenhower administration.

Today we do not have real government by the President and the Congress, as called for by our Constitution.

We have government by the Budget Bureau and the Federal Reserve System.

Both these organizations may be helpful in running an orderly and efficient economy, but I fear they have taken over far more control of this Government than was ever intended.

They tell the President what to do, and they tell us, too.

I think it is time that both the President and the Congress retrieve and utilize the powers they have to correct this recession, and restore economic confidence.

We in Congress have the means to do do this.

Nearly 12 years ago the Congress adopted a law entitled the "Employment Act of 1946."

This act set the goals of the national economic policy, and it described the role of the Federal Government in achieving these goals.

The Employment Act of 1946 firmly made economic security the responsibility of the Government in these words:

> It is the continuing policy and responsibility of the Federal Government to use all practicable means * * * to coordinate and utilize all its plans, functions and resources for the purpose of creating and maintaining * * * conditions under which there will be afforded useful employment opportunities * * * for those able, willing and seeking to work, and to promote maximum employment, production, and purchasing power.

I do not believe that the responsibility of the Federal Government in promoting full employment and a prosperous economy could be made any plainer than that.

And never was there a better time to implement the Employment Act of 1946 than right now.

I have mentioned the widespread unemployment, truly the most wicked product of any economic downturn.

This downturn took its greatest strides during the final quarter of 1957, when the gross national product fell 1.5 percent below the preceding quarter. But the signs of the recession were evident long before that.

I remember, in 1956, calling attention to the unemployment in Michigan and elsewhere. But these indicators were scorned by the administration. They were brushed off as "pockets" of unemployment and "soft spots" in the economy.

According to the President's own figures, the annual rate of economic growth during all of 1957 was only eight-tenths percent, compared with the average yearly growth of 3.5 percent since 1946.

In terms of 1947 dollars, from 1955 to 1956 the gross national product rose $9 billion.

From 1956 to 1957, it rose only $2.5 billion.

The President's economic advisers say, with fantastic understatement, that a continuation of the "low current rate would clearly be unsatisfactory."

Further, we have seen a continuous decline in total personal income since August, a decline in the annual rate of at least $4 billion.

Farm income between 1952 and 1957 dropped nearly $4 billion—or 33 percent.

But the administration was more interested in inflation than these basic

signs of a weakening economy. The administration sought to deal with inflation as if this were the 19th century, instead of the 20th century.

Its efforts, through the tight money policy, actually made matters worse, thus increasing the economic stranglehold on the public.

The ineffectiveness of high interest rates in fighting inflation should by now need no further proof. High interest rates are no handicap to those who need money the least—the giant corporations. They can afford it, and charge the excess interest off on their taxes.

But the independent businessman, the farmer, the prospective homebuyer—all of these can find no money, even if they could afford the exorbitant interest rates.

By the end of 1957, the rate of business failures reached the highest rates since the depression of the thirties.

Housing starts, plunging rapidly since 1955, went down to less than a million in 1957, a drop of 10 percent in 1 year.

Wages and salaries rose approximately 30 percent between 1952 and 1957.

But those who deal in money certainly suffered no hardship. During this period personal interest income and dividends rose more than $10 billion, or 49.5 percent. And between April 1956 and November 1957, the cost of living went up 6 percent.

Obviously, the administration's fight against inflation was a total failure. And, as I suggested earlier, there is good reason to believe that it did more harm than good.

Meanwhile, the Federal Reserve System came along with its solutions to the recession. As does the administration, this agency attacks the problems from the top, instead of at the roots. On two occasions it lowered the discount rates, which helps no one but the money lenders. In a major effort to come to grips with the recession it cut the margin requirements for stock-market investors.

I am sure that the more than 3,500,000 unemployed in this country were overjoyed at this tender concern being shown for them. I imagine they all rushed right down to their brokers' offices to buy stock.

This problem will not be beaten on the bond market or on the stock market. It will not be beaten until we get to the very root of the problem—and that is the purchasing power of the millions of American men and women who are the backbone of the economy.

I do not really blame the Federal Reserve System for its approach. Perhaps, in the never-never land of high finance, cutting the discount rate and the margin requirements may seem proper.

But it does not give jobs to our unemployed. It does not give them the purchasing power to buy food and clothes, much less another share of A. T. & T.

The Federal Reserve System may not feel the responsibility for living up to the Employment Act of 1946.

But the administration has that responsibility. And so do we in Congress. It is not only our responsibility; it is our duty under the law. Therefore, I suggest that Congress initiate immediate steps to implement the Employment Act of 1946.

There are 11 steps I believe we must take as soon as possible as a minimum attack on the recession.

First. The most important move is to increase the purchasing power of the American people, so that the consumer capacity can catch up with productive capacity.

The best way to accomplish this quickly is to give income-tax relief to the lower- and middle-income groups. I believe the most equitable method of reducing the income-tax burden on these citizens would be to increase the personal exemption from $600 to $800.

This move, of course, would initially reduce tax revenues. But that loss of income could be compensated for by closing the loopholes; by cutting into the tax laws for the benefit of the wealthy.

Second. We must halt the alarming growth in small-business failures.

Corporate tax relief for the independent businessman is essential. Further, the Small Business Administration must relax its restrictions, which keep loans from those who need them most.

Third. A program of Federal aid to school construction would serve two valuable purposes. It would assist the Nation in overcoming the serious shortage of classrooms, while at the same time providing needed stimulus in the building industry.

Fourth. The Nation is spending billions of dollars each year on defense measures, and the amount is increasing because of the new emphasis on missiles and space.

It is imperative that the administration and the Defense Department take a realistic view of the need for integrating these billions more evenly in the economy.

The program of allegedly giving preferential contract treatment to areas of so-called labor surplus is a failure. It falsely raises the hopes of our unemployed, and stigmatizes areas with the labor surplus designation.

The Defense Department may soon undergo a reorganization. In such an overhaul, I suggest that a policy of defense spending integration be included, with the responsibility for administering the policy firmly fixed.

Fifth. A program of public works is essential to provide employment, put money into circulation, and to construct many needed public buildings, dams, and other facilities.

Sixth. The area-redevelopment bill, known as the depressed-areas bill, must be passed quickly by Congress. This bill has been pending far too long. Had it been enacted, perhaps the aid it provides to depressed areas might already have had beneficial effects on the recession.

Seventh. Our farmers are receiving only about 80 percent of parity. We cannot permit this unjust treatment to continue or to become worse, as the Secretary of Agriculture proposes. We must restore at least 90 percent of parity to the farmer.

Eighth. The discriminatory high-interest policy of the administration must be rescinded. This policy was of little, if any, help in preventing inflation. It is very harmful to recovery from the recession.

Ninth. Housing starts have dropped dangerously. Direct GI home loans and lower FHA interest rates would do much to bolster this important segment of the economy.

Further, public housing, which has lagged during the Eisenhower administration, must be pushed forward.

Tenth. Unemployment insurance adopted by the States has had two major benefits.

First, it provides the unemployed worker with certain benefits, however small and however short the period, which he otherwise would not have to support himself and his family.

Second, the millions of dollars this insurance has introduced into the economy has acted as a major brake on the recession's becoming a depression.

The Federal Government should adopt minimum standards of unemployment insurance, so that unemployed workers in backward States will have more adequate protection.

Eleventh. Extension of the $1 an hour minimum wage to millions of American workers not now covered will do much to bolster the economy by providing increased purchasing power. Such a bill is pending in Congress. It must be passed as soon as possible.

As I say, this is but a minimum program that we can use as a basis for returning prosperity to the Nation.

Until now, the administration has taken just the opposite approach from what is necessary to pump new blood into the economy.

In his budget message, the President made his desire plain to cut back drastically on domestic programs that, in their way, are as vital to a strong America as are missiles.

The New Republic magazine aptly summarized the President's budget with the title: "Something for Nobody."

The economy of America is basically sound, but it is not immune to maltreatment such as it has been receiving.

With the proper leadership from the administration and from Congress, this Nation can continue to pay the price of survival and still make the necessary progress on the domestic front.

It is no good thinking only of building better bombs and better missiles for our defense.

Without a high standard of living, full employment, more-than-adequate education, and proper concern for the ill and elderly, perhaps we will have nothing worth defending.

Mr. MORSE. Mr. President, will the Senator from Michigan yield?

The PRESIDING OFFICER (Mr. SCOTT in the chair). Does the Senator from Michigan yield to the Senator from Oregon?

Mr. McNAMARA. I am glad to yield.

Mr. MORSE. Again, I wish to commend the Senator from Michigan for his very able speech. I should like to have the RECORD show that I associate myself with the observations he has made. I believe that one of the greatest defense needs of America in this hour of crisis is a strong domestic economy, and I be-

lieve the Eisenhower domestic program has greatly weakened that defense need of this country.

I hope that somehow, in some way, enlightenment will penetrate the White House, and that the President will take enough time at least to find out what are the facts in regard to the terrible economic slump into which this country has fallen.

In behalf of the people of my State, I wish to say today, from the floor of the Senate, I warned you in 1952, and I have warned you ever since this administration has been in power, that it will not follow a program which will seek to strengthen the economic interests of the great mass of the people of the country, but that it will play constantly into the hands of the big boys—as, for example, in the case of its fiscal policy that permits the bankers to make more money, but results in having the great mass of the people make less.

So, Mr. President, the Senator from Michigan has done well to point out the great injury that the President and his associates have done to the domestic economy.

Mr. McNAMARA. I thank the Senator from Oregon.

Mr. MANSFIELD. Mr. President, will the Senator from Michigan yield to me?

Mr. McNAMARA. I shall be glad to yield in just a moment. First, I ask unanimous consent to have printed at this point in the RECORD a news item entitled "Recession Warning Given United States," which was published in the Detroit Times on February 3. It is a report on a speech which was made before the Detroit Economic Club by Elliott V. Bell, publisher of Business Week magazine, and a former economic adviser to President Eisenhower. I assure my colleagues that this news article indicates that that former economic adviser of the President agrees with the things I have said today in the Senate.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RECESSION WARNING GIVEN UNITED STATES

Washington must be ready to provide immediate and forceful action if the current recession is to be kept within bounds, Elliott V. Bell, publisher of Business Week magazine and chairman of the executive committee of McGraw-Hill Publishing Co., said in Detroit today.

Bell, Dewey-appointed superintendent of New York State banks in 1943–44 and an economic adviser to Dwight D. Eisenhower when the President ran for the first time, told the Economic Club of Detroit that the United States "cannot afford, especially in the present state of the world, to let this recession pursue its 'normal' course into a downward spiral of deflation."

Developing his subject, The 1948 Recession—How Wide and How Deep? the New York publisher said it presents "all symptoms of a classical downtrend," which is also enveloping our allies.

The important thing, according to Bell, who sits on the boards of Chase Manhattan Bank, New York Telephone Co., New York Life Insurance Co., and other big corporate enterprises, "is not to permit the contraction to gather force and cumulate.

"Once a spiral of deflation gets momentum it is well-nigh impossible to halt, even with measures far more extreme than anyone is presently contemplating.

"It would be better to run the risk of doing more than is needed than to take the chance of being too little and too late."

Eisenhower's one-time adviser found encouragement in "the philosophy revealed in recent statements of the President and Secretary of the Treasury Anderson" but none in the Eisenhower budget.

Bell, however, added that he "was hoping the administration will at once perfect plans for reduced taxes and stepped-up spending so as to be ready for fast action not later than next April—unless the signs improve by then."

But the new Eisenhower budget showing a projected increase of only $1.1 billion certainly falls short of what seems to be called for in the light of the two Soviet sputniks.

As matters stand, the modest projected increase in the Federal budget will not begin to offset the aggregate cutback in reduced business inventories, reduced business capital spending, reduced consumer spending, and reduced exports.

"A time of recession," Bell added, "could be the God-given moment for getting started" on a program of fallout shelters.

The Gaither report, among other things, suggests that a program of fallout shelters, costing a good many billions of dollars, deserves most serious consideration.

The Rockefeller reports says such shelters are essential.

Large as this project is, it could represent very modest per capita cost in terms of number of lives that could be saved in the event of thermonuclear work.

Why spend countless billions for massive retaliation if only a handful are going to survive to know the retaliation has occurred.

"Another positive program in the fight against recession could be public-works construction," Bell declared.

"We all know of the Nation's desperate need for new schools and new roads. Now may be the time to press ahead with aid and encouragement for these needed works."

Mr. MANSFIELD. Mr. President, will the Senator from Michigan yield to me?

Mr. McNAMARA. I am glad to yield.

Mr. MANSFIELD. I wish to commend the distinguished Senator from Michigan, and to agree with him when he states that it is not to the advantage of our country to emphasize the military or the defense end of the economy at the expense of our domestic well-being. If we do not treat both alike, the result will be, of course, that both will fail, because we cannot sacrifice either one or the other and expect both to survive.

I wish to compliment the distinguished Senator from Michigan for the speech he has made this afternoon, in laying the facts on the table.

Mr. McNAMARA. I thank the Senator from Montana.

Mr. President, I yield the floor.

ADDRESS ON FOREIGN POLICY BY ADLAI E. STEVENSON

Mr. HUMPHREY. Mr. President, I understand that Monday last the distinguished Senator from Wisconsin [Mr. PROXMIRE] submitted for printing in the RECORD an address delivered last Friday night, January 31, in New York City, by the distinguished former Governor of Illinois, Adlai Stevenson, when he proposed a new kind of United Nations effort to end the East-West deadlock over disarmament.

Inasmuch as the Senator from Wisconsin has already had Governor Stevenson's address printed in the RECORD, at this time I merely wish to state that in that major address, which was delivered at the National Roosevelt Day dinner, sponsored by the Americans for Democratic Action, Mr. Stevenson suggested that the Secretary General of the United Nations select a worldwide group of private citizens to evaluate the present disarmament recommendations. The group would be composed of private citizens, top men of affairs and science, acceptable to the nuclear powers. It would work in private, and would render an advisory report.

I agree with Mr. Stevenson, Mr. President, when he said that such a commission effort would help take the great life-or-death issue of our age out of the realm of competing propaganda. It would also provide the means of giving countries not possessing nuclear weapons some degree of responsibility for breaking the vicious circle.

VOTING RECORD OF SENATOR MORSE

Mr. MORSE. Mr. President, I wish to discuss two matters.

In my last campaign, my opposition tried the smear technique of misrepresenting my attendance record in the Senate. Last year, I said that whenever I was absent or missed a vote, I would help my opposition in 1962 get its facts straight by keeping the record straight.

Mr. President, last Monday I missed a vote, because many months ago I had accepted an invitation to go to Denver, Colo., and, before a convention of the farmers' union, discuss the betrayal of the duty this administration owes to the farmers of America. So let the RECORD show that the reason for my absence last Monday and my missing that rollcall vote was that I was discussing the very sorry farm record of the Eisenhower administration before the farmers' union convention in Denver, Colo.

Mr. President, I missed the rollcall early this afternoon because I had no previous notice that there was any intention to bring up a matter that would call for a yea-and-nay vote so early in the day, and I happened to be a guest of honor at a luncheon in the Supreme Court Building given by the Supreme Court clerks.

Let the RECORD show the reason for those two absences.

THE GREATEST KILLER OF AMERICAN CHILDREN

Mr. MORSE. Mr. President, in my judgment, my colleague the junior Senator from Oregon [Mr. NEUBERGER] is one of the most able writers in America today. In the last issue of the Progressive magazine, he has written one of the most moving articles I have read for some time entitled "The Greatest Killer of Kids."

I ask unanimous consent that there be published at the appropriate place in the body of the RECORD, associated with the remarks I am now making, this brilliant and able article by the junior Senator from Oregon. Every Senator ought to read it. In the article the

junior Senator from Oregon speaks about cancer. He points out what I am sure at least some Senators do not know, and what the American people do not know, that the greatest killer of American children, so far as disease is concerned, is cancer. The greatest killer outside of disease is accidents; and next to accidents, the greatest killer is cancer.

This is a moving article. A reading bit will make clear to every Senator the great obligation we have in this session of Congress to see that much more money is appropriated for cancer research, so that at some future date we may bring to an end the scourge which is the greatest killer of children, as my colleague has pointed out in the article.

The PRESIDING OFFICER (Mr. JAVITS in the chair). Is there objection to the unanimous-consent request of the Senator from Oregon?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE GREATEST KILLER OF KIDS

(By RICHARD L. NEUBERGER)

My wife and I have trudged up lofty mountains together, but the walk we shall never forget lasted for only a few paces. It was along the corridor of a modern brick building in Boston. Children played in the corridor—some with blocks and scooters, some with dolls. Other children read books in a little library, and we could see through the doorway that Mickey Mouse and Paul Bunyan of the north woods had been painted decoratively on the walls. In another room, small boys were fascinated by a miniature electric train with signals and bridges. Off the hall, in little cubicles, adults with grim faces sat in comfortable leather chairs and watched the children at play. Some of the children were gaunt and pale, while others had cheeks which seemed abnormally swollen.

The reason this episode will endure forever in our memories can be explained with terrible terseness. All the children had some form of cancer. Comparatively few of them had long to live. Probably none was destined to grow to manhood or womanhood. The adults in the waiting room were their fathers and mothers, braced for the news which would confirm the dreaded diagnosis.

This was the Jimmy Fund Building of Boston's famous Children's Hospital, where more youngsters are under treatment for cancer than at any other place in the world. It originally was dedicated to a little boy named "Jimmy" whose luck ran out on him early in life. Now there are many bedrooms donated by parents or grandparents and which bear bronze plaques perpetuating remembrance of some adored boy or girl whose career was cut short by cancer.

I always had thought of cancer as a disease of the elderly. This did not make its ravages any less frightful, but at least its victims, so I thought, had experienced a fair share of life's bounty and enjoyments. But on the day my wife and I spent at the Jimmy Fund Building, I was shocked to learn that more children die of cancer than of any other single cause except accidents. Dr. Sidney Farber, the gentle and soft-spoken director of the Children's Cancer Research Foundation, had observed that cancer as exclusively an affliction of old age was a misconception. And then Dr. Farber showed us statistics revealing that, while 579 American children died of polio in the last year before development of the Salk vaccine, more than six times this number had succumbed to cancer: 3,761.

Suddenly, all that I could think of was the $44 billion which our Government invests annually in various weapons of war. Why, I wondered, were we not likewise investing practically unlimited sums in an all-out, unrelenting war against the terrible disease that was about to claim the life of the winsome 5-year-old girl with dark braids, whose face was puffy from the effects of injections she was receiving in a desperate effort to stem the lethal onslaught of leukemia? The injections had produced some remission, but only temporarily. Science, thus far, had failed to find a lasting remedy. Soon the breakdown of blood and bone marrow would snuff out her little life.

Yet, I thought, what if there had been spent during past years as much on the compound being thrust into her veins as on aircraft carriers or jet fighter planes? Was it possible that then the conquest of the sinister cancer of the blood called leukemia might be not fleetingly transient, but perhaps enduring enough to enable the 5-year-old girl at the Jimmy Fund Building to live out her normal span? And if such a possibility could be even remotely within grasp, dare we deny any resource or any dollar to its attainment?

This is why I am sponsoring in the United States Senate a bill to provide for a crash program in cancer research. It would have about it the same urgency which characterized the prodigious Manhattan project during World War II, after Dr. Albert Einstein had told President Roosevelt that vast experimentation with the ore known as pitchblende might produce a chain reaction resulting in a mighty new source of explosive energy. The outcome, of course, was the first atomic bomb—developed through initial expenditures of $2 billion. Cancer, I believe, must be fought with the same unrestrained feeling of emergency and crisis.

My bill calls for $500 million for special projects in cancer research, to be spent under the direction of the National Cancer Institute at Bethesda, Md. This is half a billion dollars, which means it amounts to one-fourth of what the country spent to manufacture the original atomic bomb and only one eighty-eighth of what the Treasury will spend in the present fiscal year for armaments and military projects of all kinds.

Yet can any war compare in importance with the war against cancer? Almost 2½ times as many Americans died of cancer during World War II as were killed in action on all our worldwide battlefronts. In 1 year cancer claimed nearly 10 times the number of Americans who perished in 3 years of the fighting in Korea. Unless some new cures or preventive measures are discovered through research, 26 million people now alive in the United States are doomed to die from cancer.

The legislation I have introduced is no reckless giveaway scheme. Advisory panels of the National Cancer Institute, consisting of the country's leading cancer specialists, would not have to disburse the total sum within a single year unless promising avenues of research seemed open. Some of us in the Senate plan a special enabling act to authorize this procedure. At present, funds appropriated by Congress must be allocated by the end of the fiscal year, which is June 30. We believe the perils of cancer involve such extraordinary circumstances that funds should always be on hand for its study and analysis. After all, the rampant growth of human cells commonly described as cancer never waits for the end of either fiscal or calendar years.

No partisan politics is involved in the proposal for half a billion dollars to be spent on cancer research, because this withering disease does not respect party lines, either. Two of the most active advocates of more generous Federal disbursements for medical research are Senator LISTER HILL, Alabama Democrat, and Senator MARGARET CHASE SMITH, Maine Republican. Senator SMITH has often emphasized America's large expenditures for frivolities and amusements, as contrasted with the relatively puny sums spent for probing into the causes of cancer and other grim maladies. Senator HILL frequently has warned that ample Federal funds must constantly be available so that the most skilled medical researchers will not be lured away into private practice.

Under the leadership of Senator HILL and Senator SMITH, some of us have succeeded during recent years in nearly tripling the appropriations for the National Cancer Institute. The allotment for the Institute in fiscal 1955 was $21.7 million. But for fiscal 1958 it will total $56.4 million, and not one dissenting voice was raised when this sum gained Senate approval.

The instrument for achieving progress in medical research is a stately red-brick building of modern design in the green Maryland countryside, surrounded by clusters of smaller structures. This is the scene of the National Institutes of Health, which form the stronghold of the United States Public Health Service.

Its National Cancer Institute is attacking the problem of cancer on many fronts. It has inaugurated, for example, a national cancer chemotherapy program, which seeks to discover compounds and drugs that may enable human cells to resist the depredations of cancer. Is this too faint a hope? Eminent doctors do not think so. Dr. G. P. Rhoads, director of the Sloan-Kettering Institute of Cancer Research in New York City, has declared:

"We have far more information now about how to restrict selectively the growth of cancer by drugs than we had in 1936 about restraint of bacteria. At that time streptococcus blood poisoning was often fatal. I had a streptococcus infection in that year and almost died when my best friend was on his way back from England with the first sulfonilamide in his pocket. * * * If medical history repeats itself, a chemical may suddenly show up that will, for no explainable reason, be a 'magic bullet' that destroys cancer."

But this cannot be left to legerdemain or magic. Mankind must mobilize all its resources of wealth and ingenuity to assist in the struggle. Many great doctors believe that the principal chance for conquering cancer lies in chemicals and compounds—in chemotherapy. One of these men is Dr. Isidor S. Ravdin, chairman of the board of regents of the American College of Surgeons and a member of the team which operated on President Eisenhower for ileitis in June of 1956. Although Dr. Ravdin is, himself, a skilled surgeon, he candidly told Senator HILL's Committee on Health Appropriations last May that surgery had reached its ceiling in the treatment of cancer. He confessed to skepticism over any further appreciable gain which may be expected from surgery or X-rays alone.

Dr. Ravdin spoke hopefully of a wide variety of chemical agents, now available, which retard the growth of malignant tumors in animals and, in certain instances, lead to the complete disappearance of these tumors. And he discussed an untold number of compounds that hold some promise of even greater discoveries in this realm. It is toward such a goal that I believe the National Cancer Institute should have an opportunity to spend practically unrestricted sums of money. Somewhere, perhaps just beyond the horizon of present medical knowledge, lurks a chemical or combination of chemicals which could mean a longer and happier life to 26 million Americans—to say nothing of even more millions in the other nations of the globe.

Some may wonder why private contributions cannot accomplish the job. The vol-

untary agencies perform magnificiently in this field. Yet, of approximately $25 million collected by the American Cancer Relief Society, only about 40 percent of the total has been assigned to research and study. The rest has gone for treatment of agonizing cases of cancer in households lacking the ability to pay for proper medical care. In addition, doctors like Ravdin and Farber believe this is only a tiny fraction of the amount really needed to isolate some property which will successfully eliminate cancerous growths in human beings. After all, no city ever would risk trying to maintain its municipal fire department with voluntary donations. Yet, which do you regard as the greater menace to you and your family—fire or cancer?

Furthermore, it is essential to emphasize that a major share of the allotments for research made by the National Cancer Institute go to private organizations of one kind or another, such as medical schools, clinics, hospitals, and the laboratories operated by the drug manufacturers.

When Dr. Farber signed his personal note for $54,000 to found the Jimmy fund section of Children's Hospital in 1947, children stricken with leukemia survived only from 4 weeks to 2 months after they came under treatment. There were virtually no exceptions to this. Today, 50 percent of the children are alive after 14 months and 10 percent are alive after 2 years. One boy is playing softball after 8 years of care for leukemia and does not know the true nature of his affliction. Yet tests of the marrow in his chestbone indicate that he still has leukemia. Eventually it may kill him. But such agents as nitrogen mustard and antimetabolites like amethopterin have produced temporary retreat of the disease. This is the practical application of chemotherapy.

So near and yet so far—the fearful malady has been repulsed, but it will strike again and this time probably with lethal consequences. It is the proximity to success which makes doctors like Ravdin and Farber feel that an all-out effort is imperative. Dr. Ravdin told Senator HILL'S committee that "we do need a large sum of money, which can be looked upon as venture money that can be used rapidly to implement contracts with industry when breakthroughs are made." And then this surgeon who is one of the President's doctors went on to emphasize that the money should not be budgeted for a year, but should be available for these purposes until it is expended.

Sidney Farber has said that "there are many, many people with advanced cancer who have had better lives, relief of pain, and prolongation of life, in some cases up to 7 or 8 years, because of discoveries in the last decade in the chemotherapy of cancer." Nearly all of this traces back to the program begun by the National Cancer Institute. It has meant only relief so far, and not a permanent cure. But what if the program during the past decade had been multiplied many times in dimensions and in scope? What if not 30,000 but 300,000 anticancer properties and compounds had been screened and tested annually? Such tests, of course, require immense sums of money.

We look back now with pity upon the era when people perished in huge numbers from smallpox, scarlet fever, and diphtheria. In the western State where I was born and raised, smallpox once ravaged Indians and whites alike on the old frontier. We shake our heads dolefully that mass production of Dr. Edward Jenner's serum came too late to have these unfortunates. Yet the destructive fury of cancer dwarfs even such plagues. Cancer kills 1 man, woman, or child every 2 minutes in the United States. Cancer eventually strikes 2 out of 3 American families. Unless some cure is found, 16 people in every 100 born are destined to perish of cancer.

As a Member of the Senate, I help to vote billions of dollars in appropriations for all kinds of purposes—for armaments, for support of six basic farm crops, for public works projects, for courts and prisons, for roads and highways. But I would rather vote half a billion dollars to the National Cancer Institute than for any other undertaking of which I know. And, as these words are written, a letter arrives in the mail which confirms my feelings. Although I am a Democratic Senator, it comes from a prominent Republican on the campus of Oregon State College, who describes the agony of standing by helplessly while his 18-year-old son died of cancer. And the letter from Prof. Fred M. Shideler, head of the department of journalism, closes with this plea: "Anything less than the maximum effort to stamp out cancer, as the great killer it is, should be considered as inexcusable."

When Maurine and I were at the Jimmy Fund Building, we saw a little boy of about 8 being led into one of the small surgeries where his bone marrow would be tapped under anesthesia for suspected leukemia. As I stared at him I wondered if I, as a United States Senator, had done all that I could and should. Had I placed in the hands of medical researchers and other scientists all the tools with which to combat this awful disease? Had my timidity and penuriousness and that of my colleagues, perhaps cost this 8-year-old his faint chance for life?

I looked at the little boy in fear and awe and some sense of shame. But he looked at us with the characteristic courage of youth, and I remember that his shock of tawny hair stood up like a plume.

THE CALENDAR

The PRESIDING OFFICER. The call of the calendar is now in order.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PAYNE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The call of the calendar is now in order.

Mr. TALMADGE. Mr. President, I ask unanimous consent that the call of the calendar begin with Calendar 1230, House Joint Resolution 417, on page 8 of the calendar, and that all the bills and other measures prior thereto be passed over.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The clerk will proceed with the call of the calendar.

MRS. SABASTIANO POLETTO, HIDEO KONYA, EDWARD H. TURRI, AND MARIO GUIFFRE

The Senate proceeded to consider the joint resolution (H. J. Res. 417) for the relief of Mrs. Sabastiano Poletto, Hideo Konya, Edward H. Turri, and Mario Guiffre, which had been reported from the Committee on the Judiciary, with amendments, on page 1, after the enacting clause, to strike out "That Mrs. Sabastiano Poletto, who lost United States citizenship under the provisions of section 401 (e) of the Nationality Act of 1940, may be naturalized by taking, prior to 1 year after the date of the enactment of this act before any court referred to in subsection (a) of section 310 of the Immigration and Nationality Act or before any diplomatic or consular officer abroad, the oaths prescribed by section 337 of the Immigration and Nationality Act. From and after naturalization under this act, the said Mrs. Sabastiano Poletto shall have the same citizenship status as that which existed immediately prior to its loss.

"SEC. 2. Hideo Konya, who lost his United States citizenship under the provisions of section 401 (e) of the Nationality Act of 1940, may be naturalized by taking, prior to 1 year after the effective date of this act, before any court referred to in subsection (a) of section 310 of the Immigration and Nationality Act or before any diplomatic or consular officer of the United States abroad, the oaths prescribed by section 337 of the said act. From and after naturalization under this act, the said Hideo Konya shall have the same citizenship status as that which existed immediately prior to its loss.

"SEC. 3. Notwithstanding" and insert "That notwithstanding," and, on page 2, at the beginning of line 22, to change the section number from "4" to "2."

The amendments were agreed to.

The amendments were ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

The title was amended, so as to read: "Joint resolution for the relief of Edward H. Turri and Mario Guiffre."

ADMISSION OF CERTAIN ALIENS

The Senate proceeded to consider the joint resolution (H. J. Res. 429) to facilitate the admission into the United States of certain aliens, which had been reported from the Committee on the Judicairy, with amendments, on page 2, line 16, after the word "act", to strike out "the minor child,", and, in line 18, after the word "natural-born", to insert "minor".

The amendments were agreed to.

The amendments were ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

RELIEF OF CERTAIN ALIENS

The Senate proceeded to consider joint resolution (H. J. Res. 435) for the relief of certain aliens, which had been reported from the Committee on the Judiciary with amendments, on page 1, at the beginning of line 12, to strike out:

SEC. 2. The Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bonds, which may have issued in the cases of Joseph (Josip) Torbar, Ludmilla Jungbauer, and Albert Charles Jolly. From and after the date of the enactment of this act, the said persons shall not again be subject to deportation by reason of the

same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued: *Provided*, That unless Ludmilla Jungbauer is entitled to care under the Dependents' Medical Care Act, a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act, and the provisions of this section of this act shall be applicable in her case upon compliance with such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose.

And insert:

SEC. 2. The Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrant of arrest, and bonds, which may have issued in the case of Joseph (Josip) Torbar. From and after the date of the enactment of this act, the said Joseph (Josip) Torbar shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued.

On page 3, line 5, after the word "act", to insert "Ludmilla Jungbauer"; and, in line 16, after the word "available", to insert a colon and:

Provided, That unless Ludmilla Jungbauer is entitled to care under the Dependents' Medical Care Act, a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act, and the provisions of this section of this act shall be applicable in her case upon compliance with such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose.

The amendments were agreed to.

The amendments were ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

ADMISSION OF CERTAIN ALIENS INTO THE UNITED STATES

The Senate proceeded to consider the joint resolution (H. J. Res. 436) to facilitate the admission into the United States of certain aliens, which had been reported from the Committee on the Judiciary, with amendments, on page 2, at the beginning of line 1, to strike out:

SEC. 3. Notwithstanding the provision of section 202 (c) of the Immigration and Nationality Act, Carolyn Foster shall be held to be chargeable to the quota of Great Britain: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

And insert:

SEC. 3. In the administration of the Immigration and Nationality Act, section 202 (c) (1) shall not be applicable in connection with the application for an immigrant visa by Carolyn Foster: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

After line 17, to strike out:

SEC. 5. For the purposes of the Immigration and Nationality Act, Mrs. Toy Shee Moy (Choy Sen Yuct) shall be deemed to be a nonquota immigrant.

At the beginning of line 21, to change the section number from "6" to "5"; on page 3, at the beginning of line 1, to strike out:

SEC. 7. For the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Javier Rojo Barcena, shall be held and considered to be the natural born alien child of William Bruce Sutherland, a citizen of the United States.

At the beginning of line 6, to change the section number from "8" to "6"; at the beginning of line 11, to change the section number from "9" to "7"; and, after line 15, to strike out:

SEC. 10. For the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Lilian Magdalena Morris, shall be held and considered to be the natural-born alien child of Robert W. Morris, a citizen of the United States.

The amendments were agreed to.

The amendments were ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

WAIVER OF CERTAIN PROVISIONS OF THE IMMIGRATION AND NATIONALITY ACT FOR CERTAIN ALIENS

The Senate proceeded to consider the joint resolution (H. J. Res. 437) to waive certain provisions of sec. 212 (a) of the Immigration and Nationality Act in behalf of certain aliens, which had been reported from the Committee on the Judiciary, with amendments, on page 1, after the enacting clause, to strike out:

That, notwithstanding the provisions of section 212 (a) (9) and (19) of the Immigration and Nationality Act, Mrs. Maria Concepcion Delgado Mendez, Pedro Diaz (Ramirez) and Adolphe C. Verheyn may be issued visas and admitted to the United States for permanent residence if they are found to be otherwise admissible under the provisions of that act.

SEC. 2. Notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Filippo Vitale, Joseph Juda Teuchberg, Eleonore Maria Elizabeth Rambo, Rosario Polilna, Mirca Bruna Gesiotto Gordon, and Francesco DeMarco, may be issued visas and admitted to the United States for permanent residence if they are found to be otherwise admissible under the provisions of that act.

SEC. 3. Notwithstanding the provision of section 212 (a) (19) of the Immigration and Nationality Act, Manuel Sanches Miranda may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act.

SEC. 4. Notwithstanding the provisions of section 212 (a) (19) and (17) of the Immigration and Nationality Act, Ciro (Jerry) Barile may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act.

SEC. 5. Notwithstanding the provisions of section 212 (a) (9) and (12) of the Immigration and Nationality Act, Marie Fratoni Zimmerman may be issued a visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act.

SEC. 6. Notwithstanding the provision of section 212 (a) (6) of the Immigration and Nationality Act, Maria Domenica D'Angelo Padovani may be issued a visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act, under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare may deem necessary to impose: *Provided*, That, unless the beneficiary is entitled to care under the Dependents' Medical Care Act, a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act.

And insert:

That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Joseph Juda Teuchberg may be issued a visa and be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act.

On page 3, at the beginning of line 16, to change the section number from "7" to "2"; at the beginning of line 24, to change the section number from "8" to "3", and, in the same line, after the word "the", to strike out "provisions" and insert "provision"; in line 25, after the numeral "(4)", to strike out "and (9)"; on page 4, at the beginning of line 7, to change the section number from "9" to "4"; at the beginning of line 15, to change the section number from "10" to "5"; on page 5, after line 16, to strike out:

SEC. 11. Notwithstanding the provision of section 212 (a) (10) of the Immigration and Nationality Act, Colin Noyes Clinch Jones may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act.

And, at the beginning of line 22, to change the section number from "12" to "6."

The amendments were agreed to.

The amendments were ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

MARTHA A. CALVERT

The bill (S. 1249) for the relief of Martha A. Calvert was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That Martha A. Calvert, who lost United States citizenship under the provisions of section 401 (e) of the Nationality Act of 1940, may be naturalized by taking, prior to 1 year after the date of the enactment of this act, before any court referred to in subsection (a) of section 310 of the Immigration and Nationality Act or before any diplomatic or consular officer of the United States abroad, an oath as prescribed by section 337 of such act. From and after naturalization under this act, the said Martha A. Calvert shall have the same citizenship status as that which existed immediately prior to its loss.

BELA KIRALY—BILL RECOMMITTED

The bill (S. 1942) for the relief of Bela Kiraly was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. EASTLAND. Mr. President, on January 27, 1958, the bill, S. 1942, was reported favorably by the Committee on the Judiciary and was placed on the Senate Calendar. Subsequent to that action, information was received which requires further investigation by the committee.

I ask unanimous consent that the bill, S. 1942, be recommitted to the Committee on the Judiciary.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the bill will be recommitted to the Committee on the Judiciary.

NORMA JOSEPHINE HODGES DOWD

The bill (S. 1943) for the relief of Norma Josephine Hodges Dowd was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Norma Josephine Hodges Dowd shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

MARIA VAN ARENDONK

The bill (S. 1961) for the relief of Maria Van Arendonk was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Maria Van Arendonk shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

ELIZABETH BIRO

The bill (S. 2060) for the relief of Elizabeth Biro was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Elizabeth Biro, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Mancill E. Clayton, citizens of the United States.

MARIE ETHEL PAVLOVITCH AND HER DAUGHTER, DOLLY HESTER PAVLOVITCH

The bill (S. 2064) for the relief of Marie Ethel Pavlovitch and her daughter, Dolly Hester Pavlovitch, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Marie Ethel Pavlovitch and her daughter, Dolly Hester Pavlovitch, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

CHONG SOOK RHEE

The bill (S. 2147) for the relief of Chong Sook Rhee was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Chong Sook Rhee, shall be held and considered to be the natural-born alien child of Stanley F. Wilson, a citizen of the United States.

GENEVIEVE M. SCOTT BELL

The bill (S. 2301) for the relief of Genevieve M. Scott Bell was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of section 301 (a) (7) of the Immigration and Nationality Act (66 Stat. 236), Genevieve M. Scott Bell, daughter of Albert W. Scott, a retired member of the Foreign Service of the United States, and Mrs. Scott, shall be held and considered to have been residing in the United States during all the time she was residing abroad with her parents when her father was serving on active duty in the Foreign Service of the United States.

HOVHANNES H. HAIDOSTIAN

The Senate proceeded to consider the bill (S. 1578) for the relief of Hovhannes H. Haidostian, which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That, for the purposes of the Immigration and Nationality Act, Hovhannes H. Haidostian shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EVA LICHTFUSS

The Senate proceeded to consider the bill (S. 2087) for the relief of Eva Lichtfuss, which had been reported from the Committee on the Judiciary, with an amendment to strike out all after the enacting clause and insert:

That, for the purposes of sections 203 (a) (3) and 205 of the Immigration and Nationality Act, and section 5 of Public Law 316, 85th Congress, Eva Lichtfuss shall be held and considered to be the minor alien child of Mr. and Mrs. Johann Lichtfuss, lawful permanent residents of the United States.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

LUZ POBLETE AND ROBERT POBLETE BROADDUS, JR.

The Senate proceeded to consider the bill (S. 2256) for the relief of Luz Poblete and Robert Poblete Broaddus, Jr., which had been reported from the Committee on the Judiciary, with an amendment, on page 2, line 3, after the word "occur", to strike out "within 3 months after the entry of the said Luz Poblete, the said Luz Poblete and her minor child, Robert Poblete Broaddus, Jr., shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Luz Poblete, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Luz Poblete as of the date of the payment by her of the required visa fee" and insert "within 3 months after the entry of the said Luz Poblete and her minor child, Robert Poblete Broaddus, Jr., they shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Luz Poblete and her minor child, Robert Poblete Broaddus, Jr., the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Luz Poblete and her minor child, Robert Poblete Broaddus, Jr., as of the date of the payment by them of the required visa fees," so as to make the bill read:

Be it enacted etc., That, in the administration of the Immigration and Nationality Act, Luz Poblete, the fiancée of Robert L. Broaddus, a citizen of the United States, and her minor child, Robert Poblete Broaddus, Jr., shall be eligible for visas as nonimmigrant temporary visitors for a period of 3 months, if the administrative authorities find (1) that the said Luz Poblete is coming to the United States with a bona fide intention of being married to the said Robert L. Broaddus and (2) that they are otherwise admissible under the Immigration and Nationality Act. In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Luz Poblete and her minor child, Robert Poblete Broaddus, Jr., they shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Luz

Poblete and her minor child, Robert Poblete Broaddus, Jr., the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Luz Poblete and her minor child, Robert Poblete Broaddus, Jr., as of the date of the payment by them of the required visa fees.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

LUCY HEDWIG SCHULTZ

The Senate proceeded to consider the bill (S. 2346) for the relief of Lucy Hedwig Schultz, which had been reported from the Committee on the Judiciary, with an amendment to strike out all after the enacting clause and insert:

That, for the purposes of section 203 (a) (3) and 205 of the Immigration and Nationality Act, Lucy Hedwig Schultz shall be held and considered to be the minor alien child of Artur Schultz, a lawful permanent resident of the United States.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BARBARA HOLLINGER

The Senate proceeded to consider the bill (S. 1979) for the relief of Barbara Hollinger, which had been reported from the Committee on the Judiciary, with amendments, on page 1, line 7, after the word "residence", to insert "if she is found to be otherwise admissible under the provisions of that act", and, on page 2, line 4, after the word "act", to insert a colon and *"And provided further,* That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.", so as to make the bill read:

Be it enacted, etc., That, notwithstanding the provisions of section 212 (a) (6) of the Immigration and Nationality Act, Barbara Hollinger may, if found to be otherwise admissible under the provisions of that act, be issued a visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act under such conditions and controls as the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided,* That suitable and proper bond or undertakings, approved by the Attorney General, be deposited as prescribed by section 213 of the said act: *And provided further,* That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JOSEF WINTER

The Senate proceeded to consider the bill (S. 2187) for the relief of Josef Winter, which had been reported from the Committee on the Judiciary, with amendments on page 1, line 6, after the word "act", to insert "be issued a visa and", and, in line 10, after the word "States", to insert "Public Health Service, Department of Health, Education, and Welfare,", so as to make the bill read:

Be it enacted etc., That notwithstanding the provisions of paragraph (6) of section 212 (a) of the Immigration and Nationality Act, Josef Winter may, if he is found to be otherwise admissible under the provisions of such act, be issued a visa and be admitted to the United States for permanent residence, under such conditions and controls as the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, deems necessary to impose. A suitable or proper bond or undertaking, approved by the Attorney General, shall be given by or on behalf of the said Josef Winter in the same manner and subject to the same conditions as bonds or undertakings given under section 213 of such act. This act shall apply only to grounds for exclusion under paragraph (6) of section 212 (a) of such act known to the Secretary of State or the Attorney General prior to the date of the enactment of this act.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ANNADORE E. D. HAUBOLD

The Senate proceeded to consider the bill (S. 2196) for the relief of Annadore E. D. Haubold, which had been reported from the Committee on the Judiciary, with amendments, to strike out all after the enacting clause and insert:

That, in the administration of the Immigration and Nationality Act, Annadore E. D. Haubold and Cynthia Edna Haubold, the fiancée and minor child of Sfc. George H. Posey, a citizen of the United States, shall be eligible for visas as nonimmigrant temporary visitors for a period of 3 months: *Provided,* That the administrative authorities find that the said Annadore E. D. Haubold is coming to the United States with a bona fide intention of being married to the said Sfc. George H. Posey and that they are found otherwise admissible under the provisions of that act, except that section 212 (a) (9) of that act shall not be applicable in the case of the said Annadore E. D. Haubold: *And provided further,* That this exemption shall apply only to grounds for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act. In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Annadore E. D. Haubold and their minor child, Cynthia Edna Haubold, they shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Annadore E. D. Haubold and her minor child, Cynthia Edna Haubold, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Annadore E. D. Haubold and her minor child, Cynthia Edna Haubold, as of the payment by them of the required visa fees.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill for the relief of Annadore E. D. Haubold and Cynthia Edna Haubold."

COMMEMORATION OF THE FIRST FLIGHT OF AN AIRPLANE ON AN ARMY INSTALLATION

The bill (H. R. 6078) to provide for the erection of suitable markers at Fort Myer, Va., to commemorate the first flight of an airplane on an Army installation, and for other purposes, was announced as next in order.

The PRESIDING OFFICER. The Chair understands the bill just announced is the unfinished business. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

BILL AND RESOLUTION PASSED OVER

The bill (H. R. 5809) to authorize construction of a U. S. S. *Arizona* memorial at Pearl Harbor, was announced as next in order.

Mr. TALMADGE. Over, Mr. President, by request.

The PRESIDING OFFICER. The bill will be passed over.

The resolution (S. Res. 253) authorizing the Committee on Labor and Public Welfare to employ certain temporary staff members and assistants, was announced as next in order.

Mr. CLARK. Over, Mr. President.

The PRESIDING OFFICER. The resolution will be passed over.

JOHN J. GRIFFIN

The bill (S. 2166) for the relief of John J. Griffin was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of Labor is authorized and directed (1) to consider any claim filed within 60 days after the date of enactment of this act by John J. Griffin, of Charlestown, Mass., for compensation under section 5 (a) (21) of the Federal Employees' Compensation Act for facial disfigurement resulting from an injury sustained by him on August 15, 1941, while he was employed by the Department of the Navy as a laborer in the Boston Navy Yard, Boston, Mass.; and (2) to award to the said John J. Griffin any compensation to which he would have been entitled had he elected to make application for such compensation within the time provided therefor in section 303 (d) (1) of the Federal Employees' Compensation Act Amendments of 1949.

LEONARD C. FINK

The bill (S. 2132) for the relief of Leonard C. Fink was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That notwithstanding the provisions of the act entitled "An act providing for the barring of claims against the United States," approved October 9, 1940 (54 Stat. 1061), the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Leonard C. Fink, of Kenmare, N. Dak., the sum of $125, representing

the amount the United States Army failed to withhold from his Army pay for class E family allotment payments made to his parents from January 1944 through May 1944, which amount the said Leonard C. Fink paid on September 29, 1944, after such amount had previously been collected from his parents by the Department of the Army: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

KARL L. LARSON

The bill (H. R. 1392) for the relief of Karl L. Larson was considered, ordered to a third reading, read the third time, and passed.

ALFRED HANZAL

The bill (H. R. 1495) for the relief of Alfred Hanzal was considered, ordered to a third reading, read the third time, and passed.

LT. PERCY HAMILTON HEBERT

The bill (H. R. 1638) for the relief of Lt. Percy Hamilton Hebert was considered, ordered to a third reading, read the third time, and passed.

DR. ROYAL W. WILLIAMS

The bill (H. R. 1792) for the relief of Dr. Royal W. Williams was considered, ordered to a third reading, read the third time, and passed.

WILLIAM F. KEMPE

The bill (H. R. 2705) for the relief of William F. Kempe was considered, ordered to a third reading, read the third time, and passed.

MADELEINE A. WORK

The bill (H. R. 5161) for the relief of Madeleine A. Work was considered, ordered to a third reading, read the third time, and passed.

COL. JACK C. JEFFREY

The bill (H. R. 6069) for the relief of Col. Jack C. Jeffrey was considered, ordered to a third reading, read the third time, and passed.

ESTATE OF ISA HAJIME

The bill (H. R. 7200) for the relief of the estate of Isa Hajime was considered, ordered to a third reading, read the third time, and passed.

ANTON NYERGES

The bill (H. R. 7591) for the relief of Anton Nyerges was considered, ordered to a third reading, read the third time, and passed.

MARGIE C. STEWART

The bill (H. R. 8038) for the relief of Margie C. Stewart was considered, ordered to a third reading, read the third time, and passed.

HENRY M. LEDNICKY

The bill (H. R. 8618) for the relief of Henry M. Lednicky was considered, ordered to a third reading, read the third time, and passed.

LLOYD C. KING

The Senate proceeded to consider the bill (S. 1657) for the relief of Lloyd C. King, which had been reported from the Committee on the Judiciary with an amendment on page 1, line 6, after the word "of," where it appears the first time, to strike out "$2,788" and insert "$1,000", so as to make the bill read:

Be it enacted etc, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lloyd C. King, of East Braintree, Mass., the sum of $1,000. The payment of such sum shall be in full satisfaction of all claims of the said Lloyd C. King against the United States for compensation for personal injuries and loss of earnings sustained by him, and reimbursement of hospital, medical, and other expenses incurred by him, as a result of his being struck by a United States Navy vehicle in Boston, Mass., on March 18, 1949: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MRS. MARGOT M. DRAUGHON

The Senate proceeded to consider the bill (H. R. 1692) for the relief of Mrs. Margot M. Draughon, which had been reported from the Committee on the Judiciary with an amendment on page 1, line 3, after the name "Draughon", to insert "of Denver, Colorado."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

RALPH H. WEEKS

The Senate proceeded to consider the bill (H. R. 2901) for the relief of Ralph H. Weeks, which had been reported from the Committee on the Judiciary with an amendment on page 2, line 2, after the word "Act", to strike out "in excess of 10 per centum thereof".

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

LESLIE A. BATDORF

The Senate proceeded to consider the bill (H. R. 4541) for the relief of Leslie A. Batdorf, which had been reported from the Committee on the Judiciary with an amendment on page 1, line 10, after the word "act," to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

FOREST H. BYROADE

The Senate proceeded to consider the bill (H. R. 5163) for the relief of Forest H. Byroade, which had been reported from the Committee on the Judiciary with an amendment on page 2, line 5, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

CHAMBERLAIN WATER CO.

The Senate proceeded to consider the bill (S. 228) for the relief of the Chamberlain Water Co., Chamberlain, S. Dak., which had been reported from the Committee on the Judiciary with amendments on page 1, line 8, after the word "of," to strike out "$4,066.40" and insert "$3,116.40," and, on page 2, line 2, after the word "project," to insert a colon and "*Provided*, That no part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.", so as to make the bill read:

Be it enacted etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Chamberlain Water Co., of Chamberlain, S. Dak. (doing business as the Pepsi-Cola Bottling Co., of Chamberlain, S. Dak.), the sum of $3,116.40, representing expenses necessarily incurred by such company in moving to a new location after the acquisition on May 15, 1952, of the land and buildings formerly occupied by such company, by the United States for use in connection with the Fort Randall Dam and Reservoir project: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

GEORGE AND EMMA CLIFFORD

The Senate proceeded to consider the bill (S. 2004) for the relief of George and Emma Clifford, which had been reported from the Committee on the Judiciary with amendments on page 1, line 5, after the word "of", to strike out "$3,500" and insert "$2,350", and, on page 2, line 3, after the word "act", to strike out "in excess of 10 per centum thereof", so as to make the bill read:

Be it enacted etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $2,350 to George and Emma Clifford, of Pine Ridge, S. Dak. The payment of such sum shall be in full satisfaction of the claims of the said George and Emma Clifford for damages suffered by them in 1942 when they were forced to move from their home and forced to move their place of business as a result of the taking by the United States Army, for use as an aerial gunnery range, the land upon which their home and business were located: *Provided*, That no part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

TRADE-IN OF OLD VESSELS

The bill (H. R. 3210) to amend section 510 (a) (1) of the Merchant Marine Act, 1936, as amended, to accelerate the trade-in of old vessels with replacement by modern vessels was announced as next in order.

Mr. HRUSKA. Mr. President, may we have an explanation of the bill, please?

Mr. CLARK. Mr. President, it is my understanding that the distinguished Senator from Washington [Mr. MAGNUSON] is prepared to give an explanation of the bill.

Mr. MAGNUSON. Mr. President, this is a bill which would extend the authority which is currently in the hands of the Maritime Administration, which would expire June 30, to accept as a trade-in vessels considered technically obsolete if they are 12 years old or older.

If the bill is not passed, all vessels will have to be in service for 20 years in order to be considered obsolete for the purposes of trade-in for new construction.

The real reason behind the bill is that there will not be much involved with regard to the 12-year obsolescence, but most of our shipping was built during a 5-year period and we are running into what we call block obsolescence of the fleet. Passage of the bill would give the Maritime Administration an opportunity to phase in the new construction over a period of years, which would provide a better and more sensible way to keep the fleet in shape, coincident with the shipbuilding program. There is not much activity in the shipbuilding program now.

The bill would merely extend the authority which the Maritime Administration has had, because most of our merchant marine fleet was built, as I stated, during a 5-year period. This would allow, within the discretion granted, the vessel to be declared technically obsolete—which many of the vessels really are—in the period between the 12 years and 20 years.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. HRUSKA. It is the understanding of the Senator from Nebraska that the bill provides for an extension of similar legislation. Is that understanding correct?

Mr. MAGNUSON. Yes; that is correct.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

The PRESIDING OFFICER. The question is on the third reading and passage of the bill.

The bill (H. R. 3210) was ordered to a third reading, read the third time, and passed.

APPOINTMENT OF CADETS IN THE MERCHANT MARINE

The bill (H. R. 7052) to amend section 216 (b) of the Merchant Marine Act, 1936, as amended, to provide for appointments of cadets from the District of Columbia, Guam, American Samoa, Virgin Islands, and the Canal Zone was considered, ordered to a third reading, read the third time, and passed.

MAUD CLAER WAHL

The bill (S. 1062) for the relief of Maud Claer Wahl was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Maud Claer Wahl shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

CONSTANTINOS N. ALIVANTISTOS

The bill (S. 1999) for the relief of Constantinos N. Alivantistos was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Constantinos N. Alivantistos shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

MANLEY FRANCIS BURTON

The bill (S. 2251) for the relief of Manley Francis Burton was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Manley Francis Burton, shall be held and considered to be the natural-born alien child of Edwin P. Burton and Esther Philpotts Burton, citizens of the United States.

MARIO LAZZAROTTO

The bill (S. 2274) for the relief of Mario Lazzarotto was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Mario Lazzarotto shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

MARIA H. AGUAS AND BUENA M. CASTRO

The bill (S. 2503) for the relief of Maria H. Aguas and Buena M. Castro, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Maria H. Aguas and Buena M. Castro shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

MOY TONG POY

The Senate proceeded to consider the bill (S. 2245) for the relief of Moy Tong Poy, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and insert:

That, in the administration of the Immigration and Nationality Act, Moy Tong Poy shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act upon payment of the required visa fee: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CARLOS OLMOS CHANG AND HIS WIFE

The Senate proceeded to consider the bill (S. 2430) for the relief of Carlos Olmos Chang and his wife, Maria Luisa Chin de Chang, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and insert:

That, in the administration of the Immigration and Nationality Act, sections 201 (a) and 202 (b) shall be held not to be applicable in the cases of Carlos Olmos Chang and his wife, Maria Luisa Chin de Chang.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ARMAS EDWIN JANSSON

The Senate proceeded to consider the bill (S. 2168) for the relief of Armas Edwin Jansson, which had been reported from the Committee on the Judiciary with an amendment in line 4, after the word "Act", to strike out "Armas Edwin Jansson" and insert "Armas Edvin Jansson-Viik", so as to make the bill read:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Armas Edvin Jansson-Viik shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read "A bill for the relief of Armas Edvin Jansson-Viik."

INCREASE IN LENDING AUTHORITY OF THE EXPORT-IMPORT BANK OF WASHINGTON—BILL PASSED OVER

The bill (S. 3149) to increase the lending authority of the Export-Import Bank of Washington, and for other purposes, was announced as next in order.

Mr. CLARK. Over, Mr. President.

The PRESIDING OFFICER. The bill will be passed over.

RENAMING OF STRAWN DAM AND RESERVOIR PROJECT, KANSAS

The bill (H. R. 3770) to rename the Strawn Dam and Reservoir project, Kansas, was considered, ordered to a third reading, read the third time, and passed.

RENAMING OF TUSCALOOSA LOCK AND DAM, ALABAMA

The bill (H. R. 6660) to provide that the lock and dam referred to as the Tuscaloosa lock and dam on the Black Warrior River, Ala., shall hereafter be known and designated as the William Bacon Oliver lock and dam, was considered, ordered to a third reading, read the third time, and passed.

Mr. TALMADGE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT TO MONDAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate concludes its business today it stand in adjournment until 12 o'clock noon on Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STAFF MEMBERS FOR COMMITTEE ON LABOR AND PUBLIC WELFARE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Senate Resolution 253.

The PRESIDING OFFICER. The resolution will be stated by title.

The CHIEF CLERK. A resolution (S. Res. 253) authorizing the Committee on Labor and Public Welfare to employ certain temporary staff members and assistants.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution, which had been reported from the Committee on Rules and Administration with an amendment, in line 2, after the word "from", to strike out "March 1" and insert "February 1", so as to make the resolution read:

Resolved, That the Committee on Labor and Public Welfare is authorized, from February 1, 1958, through January 31, 1959, to employ four additional professional staff members and two additional clerical assistants, to be paid from the contingent fund of the Senate at rates of compensation to be fixed by the chairman in accordance with section 202 (e), as amended, of the Legislative Reorganization Act of 1946, and the provisions of Public Law 4, 80th Congress, approved February 19, 1947, as amended.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

SUPPLEMENTARY MILITARY CONSTRUCTION AUTHORIZATION ACT—CONFERENCE REPORT

Mr. STENNIS. Mr. President, I move that the Senate proceed to the consideration of the conference report on H. R. 9739, to authorize the Secretary of the Air Force to establish and develop certain installations for the national security, and to confer certain authority on the Secretary of Defense, and for other purposes.

The papers and report are now at the desk.

The PRESIDING OFFICER (Mr. PROXMIRE in the chair). The question is on agreeing to the motion of the Senator from Mississippi.

The motion was agreed to and the Senate proceeded to consider the conference report.

(For conference report, see House proceedings of February 6, 1958, pp. 1853–1855, CONGRESSIONAL RECORD.)

Mr. STENNIS. I assume that the matter has been cleared with the leadership on both sides.

Mr. KNOWLAND. We have no objection to taking up the conference report. The Senator from South Dakota [Mr. CASE], who is on the floor, wished to be present when the report was taken up.

Mr. STENNIS. Mr. President, at page 1728 of the RECORD for yesterday I made a brief report on the substantive changes agreed to by the Senate conferees, which are reflected in the present form of the bill and the present form of the report. I do not believe it is necessary for me to repeat those remarks now. I see the Senator from South Dakota [Mr. CASE] in the Chamber. He is one of the conferees on the part of the Senate.

Mr. CASE of South Dakota. Mr. President, so far as I know, there is no controversy on the conference report. The statement which the distinguished Senator from Mississippi placed in the RECORD yesterday makes it clear, I believe, that in the compromise language adopted by the conferees a basis was established under which the Secretary of Defense could proceed with the responsibilities he has within the Department for the development of missile systems and weapons systems, and, for a period of 1 year, to carry on such projects as might be assigned to him by the President of the United States for research in outer space.

The action which the Senate took earlier this afternoon in passing a joint resolution to create a special committee which would have jurisdiction over bills which either will be introduced in the Senate or will come over to the Senate from the House of Representatives, when they deal with matters of this sort, indicates, I think, the concurrence of the Senate in the spirit of the action of the conferees.

We have passed no permanent legislation dealing with space projects. We have, however, provided a method of operation under which the Secretary of Defense can meet his responsibilities, and he can go forward to meet whatever challenges present themselves in the mind of the President at this time.

Mr. STENNIS. There was absolute unanimity among all the conferees. No interpretation of the language agreed upon could mean that we were agreeing to establish any additional agency having power over space projects or space developments.

As the Senator from South Dakota has pointed out, this is a temporary matter. It will not interrupt anything which is in progress. Certain powers were granted for a period of 1 year.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. KNOWLAND. Because of the importance of this matter, I have joined with the distinguished majority leader and with other Senators on both sides of the aisle in sponsoring and approving the joint resolution which was passed, with one dissenting vote, today. The resolution would set up a special committee to study permanent legislation relating to outer space questions, and to prevent a problem from arising whereby jurisdictional disputes might arise between committees and thus impair, ultimately, the passage of legislation on this subject.

None of us at this time can tell what the ultimate judgment of Congress may be or what legislation finally will be enacted and signed into law. As I understand, however, there is no question that at the present time the work will be carried on in the Department of Defense, so that there will not be a hiatus and a stoppage of work, development, and progress in this field.

There is nothing in the CONGRESSIONAL RECORD or in Congressional intent which would in any way impair the progress of this country in that field. Am I correct?

Mr. STENNIS. The Senator from California is eminently correct. What he says applies to all military weapons. In addition to the authority granted in the field of what might be called military weapons, express authority is granted under the various terms of the act in the following words:

> For a period of 1 year from the effective date of this act, the Secretary of Defense or his designee is further authorized to engage in such advanced space projects as may be designated by the President.

This leaves the field wide open for the President and the Secretary of Defense or their designees.

Mr. KNOWLAND. The Senator from Mississippi may recall that the development of the atomic program was on a crash basis during the period of World War II, and was placed in the hands of the Army, under the direct supervision of the Army engineers. Gen. Leslie Groves was in charge of the Manhattan project. When the war ended, Congress considered the matter and appointed a committee to study it further.

I do not believe the Senator was here at the beginning of that discussion, but he may recall, from his reading of the newspapers, what occurred at that time. I am sure other Senators will recall that discussion.

In the judgment of Congress, the matter of atomic energy was placed in a civilian agency, the Atomic Energy Commission. But even when that was done, the defense aspects of atomic energy were coordinated, of necessity, very closely with the Department of Defense; and, of necessity, the Department of Defense always will be interested in this problem because of the impact which atomic energy has on the defense of our Nation.

I assume that even though the civilian aspects of outer space may properly be placed elsewhere, the Department of Defense will not be foreclosed from a consideration of those matters which relate to the defense needs of the Nation.

Mr. STENNIS. I agree with the sentiments expressed by the Senator from California and with his conclusions relative to the development of the subject matter under consideration.

Mr. President, after the conference report shall be agreed to, I will have an additional observation to make about the title.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

Mr. STENNIS. Mr. President, the agreement made by the Senate conferees did not make it necessary further to amend the title as the House bill was passed. Therefore, I move that the Senate now recede from its amendment to the title.

The motion was agreed to.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

DEPARTMENT OF THE INTERIOR

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nomination on the Executive Calendar.

The legislative clerk read the nomination of Royce Aller Hardy, Jr., of Nevada, to be an Assistant Secretary of the Interior.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. MANSFIELD. I ask that the President be immediately notified of the confirmation of the nomination.

The PRESIDING OFFICER. The President will be notified forthwith.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

Mr. KNOWLAND. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. PROXMIRE in the chair). Without objection, it is so ordered.

THE VITAL ROLE OF SECRETARY OF STATE DULLES IN PRESERVING WORLD PEACE

Mr. BRIDGES. Mr. President, there is rising in this country and in the world a clamor for a summit conference. This situation today is very like that of the spring and summer of 1955, which culminated in a heads of government meeting in Geneva.

In those days, President Eisenhower repeatedly cautioned against the pitfalls inherent in meetings with the Communists. Time and again he emphasized that what was needed was not more conversations but Soviet demonstrations of their professed desire for peace.

Nevertheless, the hue and cry for a summit meeting, aided by Communist propaganda, continued to mount. President Eisenhower agreed to meet, so as to leave no stone unturned in the effort to settle international disputes.

Those too impatient to wait for Soviet demonstrations of peaceful intent were loudest in their demands for a summit meeting.

The meeting was held. Understandings were arrived at—which the Russians did not honor. And those who urged most strongly for the meeting were the first to paint a label of failure on the Geneva conference.

Today, pressures are building up in an identical manner for a summit meeting—without waiting for the preliminary steps which President Eisenhower, Secretary of State Dulles, and our allies have agreed upon.

The Russians are engaged in another intensive campaign to have us once again abandon our prerequisites. The Soviets refuse to permit a meeting of foreign ministers, because they dislike dealing with Mr. Dulles—the man who was appointed by the President, with the concurrence of the Senate, to represent the United States in international affairs.

Mr. President, I am unwilling to surrender the selection of our Secretary of State to Bulganin and Khrushchev.

Likewise, I am unwilling to bypass the procedures laying the proper groundwork for a summit meeting. I strongly support Mr. Eisenhower and Mr. Dulles in their insistence on adequate preparation and agreement at working diplomatic levels before the heads of government meet in conference.

For this firm resolve, however, this administration is called inflexible and unimaginative. From all sides there are assaults from those who demand an immediate meeting at the summit.

Mr. President, the word appeasement went out of favor with Munich. Today, instead of appeasement, the cry is for flexibility and imagination. Our Secretary of State is accused of inflexibility, because he insists upon peace with honor, rather than peace at any price; because he insists upon workable agreements, rather than meaningless scraps of paper.

Our Secretary of State is accused of lack of imagination, because he insists on safeguards that will protect this Nation's survival, and because he refuses to be caught in any Russian beartraps.

The critics of our foreign policy who cry most loudly for imagination and flexibility on our part, make no such demands on the Russians. It does not trouble them that Bulganin continues writing the same tedious letters, proposing the same stale plans, and reiterating

the same terms and conditions—all of which, if we agreed to them, would spell the surrender of the Free World.

Mr. Khrushchev is calling for another Teheran, another Yalta, another Potsdam, another Geneva. What a dreary round of memories those names evoke. I think it is fair to say that United States interests have been advanced very little in any negotiation with the Soviet Union—whether at the summit or in the valleys. Mr. Khrushchev has chosen to be inflexible and rigid about his desire for a meeting with President Eisenhower. We may ask why his persistence? Does he need a diplomatic victory for purposes of domestic consumption? Is the situation in the satellites growing more difficult? Does he need the reassurance of a friendly meeting with the President of the United States in his own troubled domain? We know that Khrushchev made good propaganda use of the photographs showing him in smiling conversation with the President at Geneva. He made good use of these in the uncommitted countries of Asia and Africa. Is this all that he seeks to gain, or are there more sinister motivations?

If Mr. Khrushchev seriously wishes to allay tension and to arrive at accommodation with the Western Powers, no lack of diplomatic machinery stands in his way. Never before in human history has communication been so easy between governments. The resources of diplomacy are various.

If Khrushchev were in good faith, he could carry on serious exploratory conversations at the ambassadorial level and through a foreign ministers conference, to the end that when the supreme statesmen foregather, they have at least some solid ground upon which they agree. But no. Mr. Khrushchev is quite arbitrary. The letter of his current Prime Minister, dated February 3, rejected the proposal for a foreign ministers conference in terms little short of insulting. Seldom, if ever, has a chief of government dared so to reflect upon the foreign minister of the government he is addressing.

Bulganin's references to Mr. Dulles suggest a certain impatience on Mr. Khrushchev's part. Perhaps he wishes he could summon his Presidium and banish Mr. Dulles to Outer Mongolia, as he did his own foreign minister. It must be a source of considerable annoyance that the ruthless Mr. Khrushchev cannot dispose of his opponents in America as readily as he can in his own country. And all this is not merely bad manners, nor is Bulganin's resentment of Dulles merely a matter of pique. The Kremlin's intent is much more devious. Mr. Khrushchev was supplying the leftwing parties of our allies and certain partisans in our own country with new ammunition to weaken the authority and determination of Mr. Dulles. The purpose was again to present Mr. Dulles as the obstacle to peace.

There is no mystery about Mr. Dulles' reluctance to deal with the Kremlin's rulers. It is a common principle of human relations that men are wary of those who prove unreliable.

Time and time again we have found that we cannot rely upon any promises by the Communists which depend merely upon future good faith. It took 2 years and 575 meetings to negotiate the agreement which ended the Korean fighting. Then the Communists soon violated many of the armistice provisions. They kept only the provisions which served their interest.

We had a similar experience in negotiating for the Austrian treaty. That took some 400 meetings and 8 years to negotiate. Three years were required to get an agreement for the International Atomic Energy Agency. Our recent cultural treaty with Russia required talks extending over 2½ years. Our efforts to get the release of American captives in China have been going on for over 2 years, and the agreement we had is not yet completely honored.

In the past quarter century, the Soviet Union has violated 50 out of 52 agreements with nations of the world.

Our own Nation's experience bears out the same dismal story. According to the January 17, 1958, issue of the U. S. News & World Report, three American Presidents traveled 40,454 miles and spent 36 days talking with Soviet Premiers. Six American Secretaries of State have traveled 113,268 miles and spent 426 days talking with Soviet Foreign Ministers.

The sum total result of these efforts is that after 19 top-level conferences, 40 agreements were made, and only 3 agreements were kept by the Soviet Government.

In the light of this experience, Mr. Dulles, in my judgment, is well advised to use care before entering upon new negotiations. If he did not learn from this experience, we would have real cause to doubt his intelligence.

I have not always agreed with Mr. Dulles in the past, and I may not always agree with him in the future. But I believe he has represented American interest with distinction and conviction. He is the chief protagonist of the West against Khrushchev and the Russian imperium. His defeat would be considered a signal victory by world communism. In striking at Mr. Dulles, Khrushchev seeks to remove the most principled and resolved statesman of the West. This would be an unthinkable calamity.

President Eisenhower and Mr. Dulles, as spokesmen for the United States, are the principal voices upholding human freedom and liberty against Soviet leadership that is the literal embodiment of human slavery.

Other free governments have joined us in collective alliances to resist Communist encroachment. It is a cardinal plank in the Communist program to dissolve these alliances and divide the Free World.

If the free states are not to be undone by the skilled maneuverings of Moscow, they must exhibit the same unity of purpose and action in the cause of freedom that the Soviets show in their drive to dominate the world. This requires responsible leadership by the parties in control of each of the free governments. It requires responsible action on the part of the political parties out of office. No matter how tempting it may be, from a partisan viewpoint, for the opposition to try to discredit the party in the seat of government, it should be apparent that, in international affairs, the only real gainer is Moscow.

A case in point is the recent NATO meeting. The Allied leaders agreed upon procedures leading up to a summit conference. Thereupon, the leftwing elements and partisan attackers brought pressures upon their government leadership to force easier terms. Only the Soviets can benefit by such tactics.

To disparage Mr. Dulles weakens our ability to deal with Communist diplomatic maneuvering. The Communists are shrewd at probing out weak spots. They are experts at divisive tactics. If the Russians can discredit Mr. Dulles, their most effective adversary, and cause his political downfall, that would be another cold-war victory.

I do not preclude, and do not wish to preclude, the necessity for intelligent and responsible debate. This is the essence of democracy. But honest debate is different from irresponsible carping.

What is this inflexibility with which the Secretary is charged? In what way is he rigid? He is rigid in matters of principle. He is inflexible concerning the interests of the United States. To him the question of a meeting at the summit is far more than a procedural question. Mr. Dulles takes a deeply moral view of the struggle between East and West, because the struggle is at bottom a moral problem.

Mr. Dulles has observed as we all have, the great conflicts of the 20th century. What are those conflicts but assaults upon our deepest values, freedom under God to realize ourselves? These are assaults on the very essence of our culture. Mr. Dulles saw that challenge come in the 1920's and 1930's from Mussolini and Hitler and now sees it pressed by an even vaster aggregation of power. In Mr. Dulles' view there can be no real security in the West until this challenge is met. In my view and, as I understand Mr. Dulles' position in his view also, the real values of the West cannot be preserved by compromise, weak evasion, and yielding to Soviet insistence.

For years we have acted on the principle that we must negotiate from strength—the strength that comes from moral and spiritual unity backed by utmost military power. This principle still holds good today, and we must not yield to any moments of intellectual weakness or moral flabbiness in the name of flexibility and imagination.

The use of those words has been initiated, may I say, by certain persons in this country and abroad who cringe at the use of the word "appeasement." This label has been so correctly applied that we see, not only in our country, but in other key sections of the world, where certain persons have had to invent the use of a term which would do away with the word "appeasement." They do not like to be labeled "appeasers." As we read the press, listen to the radio, watch television, we learn that they are adopting this new technique. They say that Mr. Dulles and this administration are not flexible enough; they are too inflexible; they have no imagination; and so

on. That is the line that these people are following. We see it in the way that these terms have been applied time after time in recent weeks.

The world knows the United States will not engage in military expansion. The world—and particularly the Soviet—should also know that we are prepared to defend our honor and our vital interests against any encroachment whenever the need arises.

Mr. Dulles made this amply clear at a news conference October 16, 1957, when he warned that a Russian attack on Turkey would bring an American retaliation against the territory of the Soviet Union. With the Korean war in mind, he said, this "would not mean a purely defensive operation by the United States, with the Soviet Union a privileged sanctuary from which to attack Turkey."

Is there anything wrong with this kind of inflexibility?

Why do Mr. Dulles' detractors fail to accuse Khrushchev of inflexibility? Why must all the concessions come from the Free World, our side? Certainly the Russians have never withdrawn from a single fixed position.

What essentially are their proposals? They have insisted from the beginning that we abandon nuclear weapons tests without inspection. They have insisted that any conversations must not involve the political questions of East and West Germany and of Eastern Europe. Their basic position is that they will not negotiate about anything that is already theirs. They will negotiate only when they cannot lose.

We understand the hard realism of Mr. Khrushchev. There can be no doubt, and he leaves us with no doubt, about what he interprets as Russia's real interests. But the opponents of Mr. Dulles seem to be terribly confused and vague about what our interests are. In effect, these critics of Mr. Dulles deny us the right vigorously to pursue and defend our own interests.

Actually what Mr. Khrushchev is demanding of us is that we confirm the Soviet Union's post-World War II conquest of Eastern Europe. He insists that we recognize the status quo, which means endorsing his domination of the satellite people. In return for that confirmation of title to his slave empire in Eastern Europe he is willing to negotiate with us over our withdrawal from Western Europe. To do what he asks would be a denial of our consistent policy. It would be a betrayal of our moral commitments to the victims of Communist aggression. We would be participants in extinguishing the last hope for liberation to which these people passionately cling.

Make no mistake about it, the fear that their captive peoples will some day seek liberation is the real nightmare to their Communist masters. The Kremlin rulers know it would bring about the collapse of their slave empire. They can never rest in peace as long as they fear that another Hungarian revolt and another Polish disaffection are not only possible but probable. For us now to accede to Khrushchev would be to remove his fears and underwrite the brutal Communist conquest of Eastern Europe.

Mr. KNOWLAND. Mr. President, will the Senator yield at that point?

Mr. BRIDGES. I am glad to yield to the distinguished minority leader.

Mr. KNOWLAND. The remarks the distinguished Senator from New Hampshire is making are very important. In fact, by the effort of the Soviets to get us to recognize the status quo are they not seeking to get from the United States and the people of the Free World both a legal and a moral approval of their enslavement of the people of Czechoslovakia, Poland, Hungary, Rumania, Bulgaria, and Eastern Germany? Is that not substantially what the Soviet Union is seeking in its inflexibility?

Mr. BRIDGES. As one analyzes their moves, that is clearly one of the major objectives which they seek. I want the American people and the people of the other nations which are supposedly our allies in the Free World to realize that.

A close examination of the most recent Bulganin letter reveals that it is a tedious reiteration of Russia's demands since the first ill-fated attempt to agree on outlawing atomic weapons.

First, the theory of a buffer zone in Europe from which both armies would withdraw. Clearly this requirement is designed for the advantage of Russia. This is the policy which Mr. Kennan, Ambassador to Russia under the Truman administration, calls by the persuasive title of disengagement. It involves the creation of a vast neutral cordon in central Europe. The proposal is that we withdraw our Army from West Germany, we abandon our bases, and, in effect, dissolve NATO.

In simple language, we go back home across the Atlantic for good and all. We are asked to give up our alliance with Western Europe which was forged by the necessity to resist Communist aggression. We are asked to give up bases painstakingly established to defend the West. We are asked to open Western Europe to any military adventure which the Russians may decide is to their interest.

In return for that the Russians will take their armies out of central Europe and retire to their adjacent frontiers. I can conceive of no policy more disastrous to the west, the Free World and the United States. At best it is difficult for me to see how a sensible man could be persuaded to give up our armies and our bases even if we had no experience with the disaster which such an action could provoke.

But we did try just this tactic in Korea and China. In Korea we actually disengaged. We tried what Mr. Kennan now proposes as a new solution. What was the result? We suffered a cruel and disastrous war with 140,000 casualties, a war which is still not really terminated. It is very interesting that where we withdrew and disengaged in Korea and China, the Communists immediately moved in. In Europe where we stood guard with armed forces, we have at least accomplished armed peace.

If we were to give in to this demand for withdrawal, we would completely disillusion the oppressed people of Russia and the satellite countries. We would frighten and neutralize our western allies, France, Belgium, Holland, Spain, Norway, Denmark, West Germany. West Germany would be open to any Soviet advance and would be forced to come to terms with triumphant Soviet imperialism.

I want to make this abundantly clear. Disengagement means our withdrawal, the liquidation of everything we have built to defend Western Europe. To the Russians it means a short withdrawal. On Russia's borders are satellite countries dominated by Communist parties which in themselves have the power of aggression. These satellite regimes are instruments of Russian foreign policy. Russia would be making no sacrifice by withdrawing. But we could be eliminated as a world power. Even Mr. Acheson recognizes this and has repudiated his former colleague, Mr. Kennan.

But the case should be made more clear. The Russians demand that we not only dissolve NATO and withdraw from our bases in Europe, they also demand that we withdraw from our bases everywhere—from Japan, from Formosa, the Middle East. What they are asking is a retreat from all of our forward positions in the Free World. They want us to go home. They want to force isolation upon us.

In the second major area in which they are willing to negotiate, they are also willing to negotiate only to their advantage and to our obvious disadvantage. The second demand is for an agreement to cease the testing of new atomic weapons. Up to now they have resisted any attempt to place a serious curb on the manufacture of atomic weapons. Since the very beginning they have rejected all proposals for inspection and control. From the very outset the Soviet Union has frustrated all endeavors to eliminate this fearful danger to mankind, while the United States has stood ready at all times to make reasonable and sincere agreements.

In the immediate postwar months when the United States had a monopoly of atomic weapons, we made a gesture of generosity that is unequalled in all previous history. Under the terms of the Baruch formula we offered to surrender our monopoly and to internationalize the manufacture and control of atomic weapons. We pressed this matter to the utmost. Mr. Baruch made an eloquent and impassioned appeal at Lake Success. Every nation except the Soviet Union accepted this great venture in international good will and security.

We have never ceased attempting to find a solution. At Geneva the President came forth with his open-skies proposal.

The Soviet Union, whether under Stalin, the collective dictatorship, or Khrushchev, has resisted every attempt to solve this problem. We are again told that they are willing to negotiate but as usual only on their terms.

I repeat it is significant that the Russian proposal to negotiate on nuclear weapons involves testing and not manufacture. Why are they so insistent that the agreement concern itself largely with testing?

The answer is they object to foolproof inspection and adequate safeguards.

When we have firm assurance that a ban on atomic testing will extend to inspection and safeguards, we will sit down and talk with the Russians. We have had enough of propaganda games.

The plain fact is that continued testing of nuclear processes is to the general benefit of mankind, not to its harm. Our Eniwetok tests of 1956 demonstrated that the radio-active peril could be virtually eliminated. That is very important. That is a significant forward move. It means that in the dread event of a hydrogen attack the damage could be limited to the target area and not spread wholesale through the air currents. We have reason to believe that this year's tests will greatly advance the development of an antimissile nuclear weapon.

What a happy day for mankind if we found the means for frustrating and neutralizing the holocaust incident to hydrogen attack by way of guided missiles. Yet, the Soviet Union has been able to influence large sections of our population toward the belief that testing in itself is immoral.

We are driven to the conclusion that the Soviet insists on limiting nuclear agreement to the question of testing only because they are convinced that we have the lead in this area and they would like to freeze the nuclear capacities at this level so that our advantage might not become continuously more pronounced.

As we have seen, the Soviet Union consistently refuses to debate its own positions of strength and its illegal possession of its satellite empire. It is willing to negotiate only about those positions which we have of necessity taken to defend the Free World.

Stripped of all verbiage, this is the situation with which Mr. Dulles is confronted. He is an experienced, determined, resolved man who realizes that negotiation based on these premises and limited to these areas can only result in frustration, disappointment, nullity, or disaster.

Let us be equally blunt with the adversaries of the Dulles policies. What do they hope to accomplish by driving Mr. Dulles or the administration into negotiation with the Russians under terms which the Russians impose?

There are those critics who are not adverse to assisting the Soviet Union in imposing a great defeat on the West. But many, many more are motivated by partisanship and short-range advantage. There are others driven by fear that unless we come to an accommodation with Moscow on any terms we may be ravaged by war.

To these people I say it would be fatal on our part to be blackmailed into any negotiation by the fear of war. That is the dismal road to appeasement. We know now that appeasement does not avoid war or guarantee survival.

We should be willing to negotiate at any time whenever there is a real promise of making progress on the road to peace. As Mr. Dulles said in his recent Press Club speech:

> President Eisenhower's letter to Chairman Bulganin should dissipate once and for all any impression that the United States does not want to negotiate, or is afraid to negotiate with the Soviet rulers.

But we do not want another summit meeting as another episode in the cold war. There are too many dangers to the Free World in that kind of negotiation.

From past experience, we learn that the real basis for negotiation is, first, preparation through normal diplomatic channels; second, meetings at the foreign-minister level; and third, if the occasion is important, a meeting of the heads of states to make final decisions.

By those methods we may get many agreements at several levels which will be honored because quiet negotiation has made certain that they serve the mutual interests of all parties. By such methods we will avoid spectacular meetings and agreements which too often result in tragic disillusionment for the Free World.

If the Kremlin rulers are sincere in their desire to relieve the tensions of mankind, as they repeatedly say they are, let them join us in negotiations that have a fair chance to guarantee fruitful results.

This is the stand Mr. Dulles has taken. It is sensible, calm, and firm. He does not propose to sacrifice our security for a mess of propaganda. He is entitled to the full support of our people and of those abroad with whom we are allied in common cause. We may have to wait for the Kremlin to catch up with us on this road to genuine peace. Meanwhile, let us double rivet our defensive shield and improve our striking power so that any enemy will hold the price too high to try to conquer us.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield to the distinguished minority leader.

Mr. KNOWLAND. I wish to commend the distinguished Senator from New Hampshire, who is our ranking member on the Committee on Appropriations, and is the senior Senator on this side of the aisle.

Long before I came to this body the distinguished Senator, on occasion after occasion, raised his voice in warning of the dangers of appeasement, and what it would lead to.

The Senator from New Hampshire has always sought to find grounds and areas of agreement among the nations of the world, and has been willing, as is our Government, including the President and the Secretary of State, to open and carry on honorable negotiations with honorable nations who will live up to their agreements.

Prior to the Nazi action in Europe, the Senator from New Hampshire was raising his voice on the floor of the United States Senate emphasizing the importance of our Nation keeping itself strong.

Before the attacks which took place in the Pacific, his was one of the few voices raised in this Chamber to point out the importance of keeping America strong, so that we might acquit ourselves with honor and reputation in the field of international affairs.

The Senator from New Hampshire has rendered a great service to the Senate and to the country in the address he has made today, and in pointing out a very thinly veiled paragraph in the Soviet note. When the Soviets say that there is no need for carrying on a foreign ministers' meeting, when they know that there has been a very strong feeling on the part of the Government of the United States in support of such a conference, that is a very thinly veiled way of saying, "You had better get rid of your Secretary of State."

That is what I believe the background of the Soviet notes was. It should be very clear to the men in the Kremlin, as well as to the people around the world, that the American people and the American Government will make their own selection of their Secretary of State and will not be guided by advice from abroad, least of all from out of the walls of the Kremlin.

Mr. BUTLER, Mr. MANSFIELD, and Mr. MARTIN of Pennsylvania addressed the Chair.

Mr. BRIDGES. I yield first to the distinguished Senator from Maryland.

Mr. BUTLER. Mr. President, I, too, wish to congratulate the distinguished Senator from New Hampshire for his excellent remarks this afternoon. I believe if we look into the record we will find that we have had 3,400 meetings with the masters of the Kremlin, that as a result of those 3,400 meetings we have arrived at but 52 agreements, and that of the 52 agreements arrived at, the Soviets have violated, absolutely, 50 of those agreements, and, in part, the other 2 agreements also.

I should also like to point out that we must, as a Nation, take a firm stand insofar as the satellite nations are concerned, wherever we can do it. We should do everything within the power of our Government to undermine the Soviet oppressors of the free people, and we must do it economically, politically, and in every other way in which we can do it.

It is also my unqualified opinion that we must, as a Nation, constantly keep in mind that the policy of the Kremlin is unchanging and unchangeable, and that policy is the total destruction of the free world; and that if we lose sight of that one cardinal principle, we, as a people, will not long exist and enjoy the freedoms that we now enjoy.

Mr. BRIDGES. I thank the Senator. I now yield to the distinguished Senator from Montana.

Mr. MANSFIELD. Mr. President, I wish to commend the distinguished Senator from New Hampshire on his position in relation to meetings held at the summit. I believe he is absolutely right. We should have learned something from the Geneva meeting in 1955, which was a good publicity show and which exposed our statesmen in a goldfish bowl and did not give them a chance to accomplish much. It is not that they did not try to accomplish a great deal, but the fact is that there was no preparation and no groundwork, and, therefore, no possibility of success on that high plateau, that summit basis.

The Senator from New Hampshire is correct when he says that we must work through the lower echelons, such as the Ambassadors who are accredited to those countries, who will have to do the hard work, the silent work, and the work behind the scenes.

As a matter of fact, I believe that the letters that are being sent in such great number by Premier Bulganin in a certain sense are becoming quite ridiculous. I do not know whether he is putting them out with a mimeograph machine. Perhaps, as someone has said, he is trying to develop a set of pen pals. It is really hard to tell what he has in mind.

On the question of the Secretary of State, I have disagreed with him as has the Senator from New Hampshire, but I hope we can always do so on a constructive basis. I certainly agree with the minority leader when he says that no one will tell us who is to represent us in any meeting. We will make that decision for ourselves.

I should also like to point out that Mr. Dulles is not a Republican Secretary of State; he is the Secretary of State of the United States of America. We must keep that in mind.

Again I wish to commend the distinguished senior Senator from New Hampshire for making known without any doubt at all his position, and I believe, the position of this country with respect to summit meetings at this time.

Mr. BUTLER. Mr. President, will the Senator yield on a point which occurs to me at this time?

Mr. BRIDGES. I yield to the distinguished senior Senator from Maryland.

Mr. BUTLER. Secretary of State Dulles has been in the service of this Nation for a period of more than 50 years. I believe as long as 50 years ago he served in the Embassy at Paris. As a result, he has had wide experience in the diplomatic field. He is a man whom the country can trust and whom the world can trust.

Mr. BRIDGES. I thank the Senator from Maryland. I now yield to the distinguished senior Senator from New Jersey.

Mr. SMITH of New Jersey. Mr. President, I wish to commend the distinguished Senator from New Hampshire on his remarks this afternoon. I am sorry that I did not hear all of them. When I heard he was speaking, I came to the Chamber as quickly as I could.

With reference to summit meetings, we have found that we cannot deal with the Russian leaders until we have gone through careful preparations at the lower echelons to define the subjects for constructive negotiation. We should also keep in mind the inadvisability of rushing into any further top-level meetings with the Soviets until they begin to live up to the promises they made at previous summit meetings. We have not yet seen any plebiscite held in East Germany on the question of uniting with West Germany. Neither have we seen the Russians keep other agreements.

I join the Senator from New Hampshire in his defense of Secretary Dulles. Possibly I have been one of his strongest supporters in the Senate, although I have not always agreed with him. Fundamentally, however, Secretary Dulles is a great leader of American foreign policy, and it is certainly right for us to stand solidly behind him at a time when certain elements are sniping at him.

I am so glad that the Senator from Montana [Mr. MANSFIELD] has joined in commending the Senator from New Hampshire, even though he admits that he has differed with Mr. Dulles at times. I again thank the Senator from New Hampshire for what he has said.

Mr. BRIDGES. I thank the Senator from New Jersey for his comments.

I now yield to the Senator from Pennsylvania.

Mr. MARTIN of Pennsylvania. Mr. President, I wish to commend the distinguished Senator from New Hampshire for his very able defense of a man whom I consider to be a great Secretary of State. I, too, have disagreed with Secretary Dulles on many occasions. He was in the Senate with us, and we disagreed with him on many occasions at that time, particularly on questions relating to foreign policy.

However, I feel that Foster Dulles is a dedicated man. As the distinguished Senator from Maryland [Mr. BUTLER] has said, he has been in the diplomatic work of our country for more than a half century, and he probably knows more people in foreign countries than any other American, with the possible exception of the President of the United States.

I ask the Senator from New Hampshire whether it is not true that it is absolutely necessary for us to keep in close contact with our allies in Europe, not only in a diplomatic way, but also in a military way. I am asking that question of the Senator from New Hampshire particularly because he is the ranking minority member of the Committee on Armed Services.

Mr. BRIDGES. The distinguishcd Senator is absolutely correct.

Mr. MARTIN. If we lose that contact, we lose a great moral force. It must be remembered that morale in military matters is worth more, probably, than the greatest missiles or bombs that can be invented.

Mr. BRIDGES. The Senator is completely right. We must maintain our moral position, and we must not deviate from that position.

Mr. MARTIN. If we do, we are the loser. It is absolutely necessary that we not lose that position.

I wish to commend also the able Senator from Montana [Mr. MANSFIELD]. We must be united here in the United States. I vote for many things, as the Senator does, I say to the Senator from New Hampshire, and personally I would rather not do it in some cases. However, we must show unanimity.

The freedom of the individual in the world is at stake right now. We are very fortunate in having a man like Foster Dulles to lead us on the diplomatic side. As far as the military side is concerned, I have every confidence in him. I hope the people of the United States will not be stampeded into doing certain things relative to criticism of our Secretary of State and the position our country is taking.

Again I wish to commend the distinguished Senator.

Mr. BRIDGES. I now yield to the distinguished Senator from Connecticut.

Mr. PURTELL. Mr. President, I wish to add my commendation to the commendations expressed by other Senators for the heart-stirring and most important speech of the distinguished Senator from New Hampshire. It is a marvelous thing that we have been able to hear the Senator's defense of the Secretary of State. More important than that is the fact that the Senator took the time in such an able way to alert the American people to what might be a very easy victory for Russia and communism in general unless we are alert to what is going on.

I can think of nothing which will make more victories in their cause than to have the American people lose their confidence in the administrators of this country, particularly our Secretary of State. I can think of nothing today which is more important, as the Senator from Pennsylvania has said, than that we have unity. The speech by the Senator from New Hampshire has added much to the unity which we need very badly.

Mr. BRIDGES. I thank the Senator from Connecticut.

I yield to my colleague, the distinguished junior Senator from New Hampshire.

Mr. COTTON. Mr. President, as the junior Senator from New Hampshire, I take particular pleasure and special pride in expressing my admiration for the speech which the senior Senator from New Hampshire has delivered this afternoon in his review of the work of our Secretary of State.

No one could have delivered this speech more fittingly than Senator BRIDGES because of the years that he has stood as a firm, forceful, fearless, and, at the same time, fair exponent for a strong policy of not allowing the United States to be deceived or duped by our adversaries.

The other evening I read a new attack on Secretary Dulles by a columnist. The same columnist had attacked Secretary Dulles when he was preparing for the 1955 Geneva Conference. At that time the columnist accused Secretary Dulles of being an appeaser, and compared him with Chamberlain, even suggesting that Secretary Dulles should carry an umbrella because he was seeking, in a spirit of complete sincerity, to deal in the summit conference with the Soviet Union in the interests of world order and world peace.

Today Secretary Dulles stands firm, as he always has stood. Today he points out the insincerity and the weakness of the invitations which are being extended.

I think the distinguished Senator will agree that if Secretary Dulles were not taking this firm position, some of the people who criticise him now would be the first to brand him as a weakling and his policies as being weak kneed.

Mr. BRIDGES. I agree with my colleague.

Mr. COTTON. As a citizen of New Hampshire, and as his colleague, I am proud of the speech the Senator has delivered this afternoon.

Mr. BRIDGES. I thank my distinguished colleague. I now yield to the distinguished Senator from New York.

Mr. JAVITS. Mr. President, I join with my colleagues from so many States and with the deputy majority leader in

commending the senior Senator from New Hampshire for his speech today.

I am greatly impressed with two points which, very interestingly, are almost the same as the points at least implied by our colleague from Minnesota [Mr. HUMPHREY], who made quite a speech on the same subject earlier in the week, and who in many ways stands on another side of the political spectrum from the distinguished Senator who has just spoken. I think this is especially impressive.

I think the Senator from New Hampshire has put the country in his debt for two reasons. First, he has shown very clearly that when we have divisions of opinion in our country about a Government official or a policy of Government, this is not our weakness; it is our strength. For when any effort is made to exploit that difference of opinion by those who would use it against us, we rally as one man to the side of the person in authority and say, "He is our man." We can argue about it; no one else can. That is tremendously impressive, especially coming from the Senator from New Hampshire.

Second, as the Senator has pointed out in his great wisdom and wide experience, this is a long, hard pull, and involves many elements which will take the very best thought the country has. No quick solutions are possible. Painstaking, difficult work, and sacrifice over a very long period of time will be needed. A quick solution could lead to world war III. It is the slow solution we want, because we want a peaceful solution.

The Senator from New Hampshire has made an outstanding contribution to the discussion of this question, and I thank him.

Mr. BRIDGES. I thank the distinguished Senator from New York.

I yield to the distinguished Senator from Kentucky.

Mr. MORTON. Mr. President, I join with my colleagues in commending and congratulating the distinguished senior Senator from New Hampshire for his very able speech. As he knows, I feel particularly grateful to him for this statement since I, for 3 years in this administration, was very closely associated with John Foster Dulles, our Secretary of State.

I think the reluctance or antipathy of Mr. Bulganin and Mr. Khrushchev to sit down in a conference at which Mr. Dulles is the chairman of the United States delegation deserves a little further analysis.

The world recognizes Mr. Dulles, among other things, as a tough, hard-boiled, sophisticated diplomat having a half century experience at the conference table. But I do not think this would cause the Russians to have any concern about sitting down with him as the chief negotiator for the United States. After all, Molotov was a pretty tough customer at the conference table. Other able diplomats have represented Russia at conferences, including those who represent Russia today, now that Molotov has gone.

The real thing that concerns the Russians is that Mr. Dulles, more than any other Western statesman, is not going to be taken in by their wiles. Mr. Dulles recognizes the facts of life as they are, and he will stand up and point out to the Western World what is the right way, even though it be the hard way.

Much has been made of the fact that Mr. Dulles ought to resign because he is unpopular. I have talked to hundreds of persons, as I am sure all other Senators have, who say, "Regardless of what you think of him, I think Mr. Dulles ought to resign. He is too unpopular in the world."

Obviously he is unpopular behind the Iron Curtain. It is a fact that he is unpopular among our allies. Why? The United States is a leader. It is up to our Secretary of State to point out the hard, right way. It is not easy. It is not the way they want to follow. They are tired of carrying this burden. Already Western Europe has much of the spirit it had when Chamberlain visited Munich. That visit was not decried by most people; it was hailed, "Peace in our time." The people rejoiced. Yet Western Europe was in the very shadow of war. The same spirit pervades the world today.

Somebody—and it has to be the representative of the leading country of the free world—has to take the unpopular position. He must constantly remind the world that the only way open is the hard way, not the cheap or expedient way. The only way open is the hard way of sacrifice. Secretary Dulles does that, but it does not win him popularity.

Again I commend the Senator from New Hampshire.

Mr. BRIDGES. I thank the distinguished Senator from Kentucky.

I now yield to the distinguished Senator from Connecticut.

Mr. BUSH. Mr. President, I am very sorry I did not hear all the Senator's speech, but I join with my other colleagues in commending him for the stand he has taken concerning John Foster Dulles.

I have known John Foster Dulles personally for more than 25 years. I was one of his clients in private life. I thought even then that he was one of the wisest and finest men I had ever seen. I have watched his public career with admiration and great satisfaction, especially in the last 5 years since I have been a Member of the Senate, and he has been the Secretary of State.

Critics have criticized John Foster Dulles a great many times in recent years, but almost without exception their criticisms have been general and not specific. No one who has analyzed the record of his foreign policy in the last 5 years, or who has made an appraisal of the whole record of the past 5 years, would suggest that it has not been a very satisfactory one from the standpoint of the people of the United States.

The purpose of foreign policy, as the Senator from New Hampshire knows better than I, is to serve the people of the country, and not someone else. That is the basic purpose of foreign policy. I believe that any objective review of the foreign policy of the past 5 years will show that it has been designed for that purpose and has actually served that purpose.

A few weeks ago the President, at a press conference, made a very stirring defense of John Foster Dulles. I happened to hear it played back over an amplifier. It was a very stirring defense.

I believe it is very significant to us of the Republican Party that our leader in the Senate, the chairman of the Republican policy committee, now has taken the floor to do the same thing. It makes me proud of the Republican Party today that the Senator from New Hampshire [Mr. BRIDGES] has taken the floor to applaud and defend the great Secretary of State, of whom I think all of us should be very proud. I congratulate the Senator from New Hampshire.

Mr. BRIDGES. I thank the distinguished Senator from Connecticut.

Mr. HICKENLOOPER. Mr. President, will the Senator from New Hampshire yield to me?

Mr. BRIDGES. I yield to the distinguished Senator from Iowa.

Mr. HICKENLOOPER. In the first place, I wish to say to the Senator from New Hampshire that I am sorry I missed the first part of his speech. I was attending a meeting which was called for 2 o'clock. I arrived in the Chamber some time after the Senator from New Hampshire began his speech.

I desire to compliment the Senator from New Hampshire on his splendid and timely remarks, which contain strong elements of truth, in a period of great confusion in our foreign policy, especially confusion in regard to the great role that John Foster Dulles has played during the last few years in maintaining stability in a troubled world.

There may be some who will disagree with me; but I have had some occasion—especially in the last few months—to visit a great many foreign countries. The loudest chorus of allegation that John Foster Dulles is disliked abroad comes from Washington, D. C. I did not find it in foreign fields. In most foreign countries, I find great respect for John Foster Dulles; I find there no foundation in fact—at least, not in broad degree—for the alleged dislike and hatred of John Foster Dulles that we read about so often in publications in this particular area.

It is true that in some foreign countries there are those who have been unable to wheedle the United States into positions of specialized assistance for them—positions which they want selfishly—and who raise their voices in criticism of our foreign policy.

But fundamentally, by and large, when we sit down and talk to persons of prominence in foreign countries, aside from the few in one or two countries which in the past have seemed to have had more influence with our foreign policies than they have had during the time when John Foster Dulles has been our Secretary of State, I find, in private conversations, off the record, with the large majority of those who are responsible for the governments abroad, that they have great respect for the integrity which they know John Foster Dulles has, and for his evident determination to walk a road of peace and equality as between all nations. So many of them realize that.

At this time I wish to state for the record that although in this particular area I have heard many statements to the effect that John Foster Dulles is disliked by the nations abroad—in fact, I have seen statements to the effect that he is the most hated man in the world—yet I have probably been in as many foreign countries as have any of the authors of those statements, both within comparatively recent times and at other times, and I have not found that sentiment sustained as a general rule.

As I said a moment ago, I can find, and I have found, a few occasions when selfish politicians in a few countries have been unable to hoodwink Mr. Dulles into doing something that would be detrimental to the United States, although perhaps beneficial to those other countries. I find a few who complain a little; but I find a great many more who, fundamentally, know that Mr. Dulles is doing one of the best jobs, as Secretary of State of the United States, that has ever been done for our country; and John Foster Dulles has served in one of the most troublous times.

I congratulate the Senator from New Hampshire on his magnificent speech, and on putting the record straight, and on putting things in the order in which they should be.

At a later date, I shall have more to say about this matter.

Mr. BRIDGES. I thank the distinguished Senator from Iowa.

Mr. HRUSKA. Mr. President, will the Senator from New Hampshire yield to me?

Mr. BRIDGES. I yield.

Mr. HRUSKA. Mr. President, a good speech is its own best commendation; but I should like to join my colleagues in congratulating the Senator from New Hampshire on the splendid speech he has made.

Ever since last fall, when the many letters began to pass between Bulganin and other Russian authorities and the heads of our own Government, there have, of course, been a great many criticisms of our State Department and our national policies, and particularly of our Secretary of State. Even if we have great faith in the levelheadedness of our officials and their ability to analyze those criticisms and to put them into proper perspective, unfortunately if those criticisms are repeated with sufficient frequency, sometimes they are regarded as factual, and sometimes they prevail by default.

Many of the things the Senator from New Hampshire has called to our attention occur to us and, I am sure, to most of the rest of the American people, by way of answer to the critics.

However, to gather them, in the way the Senator from New Hampshire has done, into one logical and fine collection, and to do so in the concise fashion in which he has done it, is a very splendid thing.

Therefore, Mr. President, I desire to congratulate the Senator from New Hampshire for having done so, and for having served so well, in that connection, the cause of our national policy in the conduct of foreign affairs.

Mr. BRIDGES. I thank the distinguished Senator from Nebraska.

Mr. CURTIS. Mr. President, will the Senator from New Hampshire yield to me?

Mr. BRIDGES. I yield.

Mr. CURTIS. I commend the Senator from New Hampshire for his statement; and in it I concur.

Mr. BRIDGES. I thank the distinguished Senator from Nebraska.

Mr. JENNER. Mr. President, will the Senator from New Hampshire yield to me?

Mr. BRIDGES. I yield.

Mr. JENNER. I am sorry I did not have the opportunity to hear the speech which has been made today by the senior Senator from New Hampshire. However, from the tenor of the remarks I have heard since I entered the Chamber, I take it that in his speech he defended our Secretary of State, Mr. John Foster Dulles, in the position he is taking now in regard to a proposed summit conference between this country and Russia.

Mr. BRIDGES. That is correct.

Mr. JENNER. Let me add that I shall read with great interest the remarks of the Senator from New Hampshire, as they will appear in the CONGRESSIONAL RECORD.

At this time, let me state that I believe that our great Secretary of State, while serving in that position, not only has done this country a great service, but also has done the world a great service.

However, he is paying the price that every man in public life—be he either in the executive branch or in the legislative branch—has to pay when he stands up against communism and the Communist governments. Every man I have ever known who took a firm stand against them—as Mr. Dulles has done, in the position he occupies—has had to pay a terrific price because of the vilification, the smears, the innuendos, and slanders. However, all that Mr. Dulles or anyone else who finds himself in such a position has to do is read the history books, and thus he will know that it is impossible to sit down and do business with gangsters, thieves, liars, and murderers.

Mr. Dulles realizes that. Until something more tangible comes out, his position is 100 percent right.

Mr. BRIDGES. I thank the distinguished Senator from Indiana.

Mr. KNOWLAND. Mr. President, will the Senator from New Hampshire yield to me?

Mr. BRIDGES. I yield.

Mr. KNOWLAND. Mr. President, following the magnificent speech which has been made by the distinguished Senator from New Hampshire [Mr. BRIDGES]—and let me say that a few minutes ago I commented on it, before I had to leave the floor temporarily—and following the comments which have been made on it by a number of his colleagues, on both sides of the aisle, I think it will be well for some of our friends abroad, who have been advocating such discussions with the Soviet Union and who have proposed reliance on the agreements of the Soviet Union without adequate safeguards and without preliminaries, to recall the counsel to be found in II Corinthians, wherein it is said:

> Be ye not unequally yoked together with unbelievers: for what fellowship hath righteousness with unrighteousness? And what communion hath light with darkness?

Mr. BRIDGES. Mr. President, I think that is a very apt conclusion of these remarks. I thank the distinguished Senator from California.

AUTHORIZATION FOR THE SECRETARY TO RECEIVE MESSAGES AND FOR THE VICE PRESIDENT OR PRESIDENT PRO TEMPORE TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that, during the adjournment following the session of the Senate today, the Secretary of the Senate be authorized to receive messages from the House of Representatives, and the Vice President or the President pro tempore be authorized to sign enrolled bills and joint resolutions passed by the two Houses and found to be truly enrolled.

The PRESIDING OFFICER. Without objection, it is so ordered.

NEBRASKA'S OPPOSITION TO FEDERAL AID TO EDUCATION

Mr. HRUSKA. Mr. President, at this session the Congress has before it a different type of Federal aid to education proposal than it did last year.

The new approach is supposed to be based on an emergency situation created by the launching of the earth satellites by Russia, last October.

To some people, this event brought to realization for the first time that the Russians were not a backward nation, but, on the contrary, were quite advanced in the development and application of science for military objectives.

To other people, it meant a confirmation of a grim fact of which they were conscious for a long time: That the Russians are a capable, resourceful, and formidable enemy, and that they are against the Free World and against our country all the time.

To a third class of people, the sputniks came as a godsend. Such folks as these saw in the launching thereof, the rocketry whereby there could also be generated and launched a hysteria and a panic which would serve admirably to advance the cause of further centralization, nationalization, and socialization of this country on many fronts. In other words, here was a readymade and fancy version of another emergency, the like of which has been used for similar roles so often—and I am sorry to observe, only too successfully—in the past quarter century.

So was the situation appraised by many advocates of Federal aid to education. They are off to the races in a big way, and at what they hope is a fast speed.

Now, Mr. President, separate and apart from earth satellites, it has been

realized for some time by all citizens who accorded the subject serious thought that the American educational system is in need of a reevaluation, a revision, and a rebuilding. That system did not collapse overnight. Its present deficiencies were a long time in the making. They have been as evident for many years to those who advocate Federal management of schools as they have been to those who oppose Federal management.

Let me say most emphatically also that, propaganda to the contrary notwithstanding, proponents of Federal management of schools do not have a monopoly of concern for education; they are not necessarily the chosen and only people to advance its cause.

Those who oppose Federal management are as fully dedicated to the wholesome, proper, and effective advancement and improvement of schools and education as any Americans have ever been.

The pertinent question is: How should America go about rebuilding educational processes to serve the expanding needs and new demands of the day and of the future?

There are those who seek to go about this by enlisting heavy and direct participation of the Federal Government in money, in manpower, and in management.

Inherent in their current proposals of Federal aid to education are all of the dangers and evils of previous ones, plus some new ones.

First, there is still the fallacious talk about a temporary emergency program. It is neither.

It is not an emergency program. An emergency is defined in the dictionary as a sudden condition calling for immediate action.

What is that sudden condition in the present picture? It cannot be the sputniks, because if it were the success of the Explorer erases that condition. That sudden condition cannot be the realization that deficiencies exist in our schools and schooling. They have not arisen overnight, nor has their advent escaped notice as it has occurred. All of thoughtful America, proponents and foes of Federal aid alike, have known for a considerable time about this condition and its implications.

Some have done more about it than others. Some have gone into a concerted effort at bawling loudly for Federal aid and Federal management of schools. Others have done yeoman service, on the contrary, by actually engaging in renovation of soft spots in curricula, in buildings and equipment, in teaching staffs, and elsewhere in their schools.

Dr. Harry Burke, superintendent of Omaha Schools, recently commented on this. He stated that schools find themselves "literally engulfed in a flood of unverified statements by individuals who suddenly have become experts on public education; and by those who see in the present situation an opportunity to promote their special projects, many of which bear little relation to education."

I ask unanimous consent that an account of this report by Dr. Burke, as it appears in the Hastings (Nebr.) Tribune for January 17, 1958, be printed in the CONGRESSIONAL RECORD, at this point in my remarks.

There being no objection, the news article was ordered to be printed in the RECORD, as follows:

[From the Hastings (Nebr.) Tribune of January 17, 1958]

OVERNIGHT EXPERTS ON EDUCATION HIT

OMAHA.—Omaha Superintendent of Schools Dr. Harry Burke said Monday night that "overnight experts" who charge the schools with being the "scapegoat" in alleged scientific shortcomings of the Nation cannot back up their charges.

Dr. Burke took his stand in a report given to the Omaha Board of Education.

Dr. Burke said the schools "find themselves literally engulfed in a flood of unverified statements by individuals who suddenly have become experts on public education; and by those who see in the present situation an opportunity to promote their special projects, many of which bear little relation to education."

In 1946, he said a complete renovation of the Omaha science and mathematics program was started with the result that Omaha's elementary-school children "test well above the national norms in basic science understanding."

Dr. Burke said that at Central High a class of "superior students" is being taught the application of calculus to physics, usually a college mathematics course.

He concluded that the basic situation "is not the fault of the schools, but the refusal on the part of the country to face the situation in which an autocratic country challenges the world."

Mr. HRUSKA. Second, the present proposals would not be temporary if they were approved. Those who propose and advocate them will not flatly say that the program will terminate in the 4 designated years. The long-time advocates of Federal management of schools have already created a loud din about the pending proposals being "too little, too late, and too short." They contend for more ambitious, more elaborate, and more permanent plans.

Third. Hand in hand with talk of a temporary program is the avowal that the law would not bring Federal control. "The Federal role is to assist, not to control," it is said.

An old, old story indeed. And a discredited one. Appropriate disposal of it was tersely stated in a recent—January 29, 1958—Omaha World-Herald article, which stated that such a claim would be bolstered somewhat by citation, first, of a single instance of a temporary Federal grant-in-aid, and second, of a single instance of a Federal handout which was not federally controlled.

I ask unanimous consent that the editorial in its entirety be set out at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Omaha (Nebr.) World-Herald of January 29, 1958]

AID WITHOUT CONTROL

In a recent article in Christian Economics, publication of the Christian Freedom Foundation, C. R. Petticrew, vice president of the College Life Insurance Company of America, noted that Congress passed the Smith-Hughes Act in 1916 to the accompaniment of assurances that the law would never bring Federal controls. The Smith-Hughes Act provides Federal financial aid to local vocational educational systems.

Today, Mr. Petticrew observed, Federal regulations pertinent to this one law fill a 108-page book, Administration of Vocational Education. And the core of Federal control is a single sentence:

"Each State is required to submit a plan which must meet with the approval of the Federal Office of Education."

On Monday, when President Eisenhower sent to Congress the Folsom $1.6 billion plan for Federal aid to education, he emphasized that (1) this would be a temporary measure, and (2) the Federal role would be to assist—not control.

The President might have bolstered that part of his case if he had cited: (1) An example of a temporary Federal grant-in-aid, and (2) an example of a Federal handout which was not federally controlled.

Mr. HRUSKA. Fourth, it really is Federal management, not control, which would come about. We recall the former defense against the charge that Federal aid to classroom construction would lead to Federal control. This charge was denied on the ground that Federal participation was for bricks and mortar only, and that these would be in place and Federal agencies withdrawn from the scene long before the school doors opened to admit teachers and pupils. Hence, it was said, there could be no trace of Federal interference with the teaching, the curriculums, the methods, the content, and so forth.

Such defense is completely swept aside now. It stands for naught. Under pending proposals, the materials and areas with which Federal agencies would work, actually start with the teacher, with the type of courses, the contents of the courses of study, and the fashion in which moneys alloted for same would be spent. They start on a State plan, only if that plan contains certain specified provisions, and only if that plan is approved by the Federal Commissioner of Education.

In short, aid to build classrooms was referred to as an entering wedge for total, all-encompassing Federal management of schools and schooling the Nation over.

The current bills go far beyond that. They are a full development and a high realization of such management idea in solid bone and flesh, and its moving bodily into educational activities. It is proposed that this idea go into the heart of those things which were so strongly denied in debates which were heard during previous Congressional sessions.

Fifth, Federal management to many folks is terrifying. Why should it not be? An arrangement which can command emphasis on mathematics, physics, and chemistry today on a nationwide, school-to-school basis, can tomorrow or in future years compel even more stringent emphasis on any subject. What will it be: One-world government, nationalizing industries, abolishing the capitalistic system, outlawing profits and private ownership?

Whatever the subject, the fountainhead of compulsion and of inexorable command will be found in the Nation's Capital, and in the corps of administrators of the Federal school management system.

Sixth, Financing is still a nightmare. Present talk ranges from a 4-year program of $1 billion to a 6-year program of $3 billion. On the outside of Congress—thank goodness they are outside—we hear frantic, shrill, and insistent voices demanding financing as high as $10 to $12 billions a year.

This at a time when armaments and military needs will assert themselves to even more than their present two-thirds of our current budget. This at a time when we are already faced with deficit financing, and the grim specter of runaway inflation and fiscal disaster.

Seventh, The amounts just cited are only the Federal portion, which citizens of the several States will be called upon to raise by foregoing decreases in present burdensome taxes, and very likely incurring even higher Federal taxes than those which now exist.

But over and above such amounts, the States and localities will be called upon to raise their own taxes in order to produce the matching portion of allotments made for these proposed federally managed schools.

The foregoing are only general considerations. As the hearings on proposed pending Federal aid to school bills progress, we should bear them in mind, however, in order to fully appraise the situation. There should be constantly borne in mind also the recognition that the burden of proof is on the proponents of federally managed schools. It is they who must demonstrate that their proposals will result in more qualified students attending schools than are now attending, and that in general the declared objectives will be attained.

The primary purpose of my addressing the Senate at this time, however, Mr. President, is to call its attention to the reaction and response of a vast, and I think predominant, part of Nebraskans to this entire proposition.

It is clear they are strongly opposed to Federal management of schools. They have consistently and for a long time expressed fear and opposition to it.

They have not been negative about it. They know that education is a dynamic field, not only in need for facilities, but as to curricula, teaching methods, substance, emphasis, and totally new areas and vistas of learning.

They have shown and are showing an understanding and willingness and ability to cope with these things.

In the last 2 years for which I have been able to get complete figures they have authorized about 45 school building bond issues totalling $46.5 million. This means an addition of about 1,600 classrooms. They have made rapid and substantial progress in reducing the number of school districts in recent years, a cut of over 2,200 in the past 7 years.

Nebraska school districts are aware that this is good progress, even though the battle is a constant one and must be continued at all times, on all fronts. They are acting accordingly. They are determined to keep up the necessary fight, but are as equally determined to do it their own way.

This is graphically borne out by their response to the current drive to improve and firm up our educational standards. They are not sitting by, wailing at the mistakes made in the past, and waiting impatiently for the Great White Father to dip once more into their own pockets for money to redistribute to them for the declared purpose of getting the job done.

On the contrary, they are doing the job themselves, and much better. In addition to the money they put up, they also furnish incentive and encouragement of a kind which money by itself is incapable of producing. There is no better recognition and inspiration for students than the personal interest and approbation of their neighbors and friends. It is true on the athletic fields. It can be as effectively applied in scholastic fields.

Here are only two examples which have come to my attention:

The Cozad plan: The people of Cozad, Dawson County, Nebr.—about 3,000 of them—have decided that the job of improving educational standards in their school is their own problem, they have organized the Cozad Scholastic Association, which will be financed by memberships sold to Cozad citizens. The revenue will be devoted to improving incentives for students gifted in science and mathematics. Awards, to help pay later college expenses, will be made to top students in science and mathematics classes. A loan fund, also to further college education, is planned.

The University of Nebraska will cooperate with the association in giving special examinations to determine the winners of the awards.

Dr. Milo Bail, president of the University of Omaha, called my attention to this feat of the Cozad folks in a letter. He wrote:

> It occurs to me that the enclosed clipping is a significant one. If this can be done in Cozad, is there any reason why it can't be done in hundreds of towns and cities all over the United States?
>
> Isn't it possible that this might trigger a chain reaction in local communities for the improvement of mathematics and science learning and teaching, so that the high schools might not need Federal aid to this area?

One of the finest of many letters which have come to me on this subject is from my good and loyal friend, Harvey A. Collins, of Sarpy County, Nebr. For 41 years he has been a general practitioner in the law, for long years a judge; and is affectionately referred to by many of his friends as "Mr. Sarpy County." He wrote me a letter in forwarding to me a news account of the Cozad plan. I ask unanimous consent, Mr. President, that the text of this letter and the news article be set out at this point in my remarks.

There being no objection, the letter and article were ordered to be printed in the RECORD, as follows:

COLLINS & COLLINS,
Omaha, Nebr., January 16, 1958.

Hon. ROMAN HRUSKA,
United States Senate,
Washington, D. C.

DEAR SENATOR: I am enclosing an article from the Herald that shows the independent spirit of Americans as free patriots when a call is made by the head of the Nation.

Ike should know that he does not need to hire Americans to do a job for the protection of their country. We are not like the foreign allies, and his acts are a reflection upon the independence of our people, their patriotism, and their honor.

The teachers of Bellevue have organized and are following a course in the sciences. Schools are arranging their courses to meet the needs of the times. States are preparing courses to submit to high schools. This, because it is a patriotic duty.

State universities, like our own, will meet the requirements of the times without being hired to do it.

When we socialize our educational system, we have killed the initiative and enthusiasm of a free and independent people. Why teach the American youth that they have to be hired. All they need is a call to duty. They have had it and are responding. Those who freely enter upon this course, will make able scientists. Leave out the drones that have to be hired. They will be a burden.

I still think there are too many Communists woven into the fabric of the Government at Washington. If they can supervise the education of our youth, their job has been fully accomplished.

Yours very truly,

H. A. COLLINS.

[From the Omaha (Nebr.) World-Herald of January 16, 1958]

COZAD TO GIVE CASH PRIZES FOR SCIENCES—TEN IN EACH GRADE IN HIGH TO GET HONOR

COZAD, NEBR.—A program to encourage Cozad High School students to work harder in mathematics and science by offering cash prizes and other recognition for their achievements was announced Wednesday.

The program will be the primary function of a group to be known as the Cozad Scholastic Association.

The organization has been assured cooperation of the school board, Superintendent of Schools L. L. Patterson, Principal Clifford Bosely, the University of Nebraska, and a large group of civic leaders who have fostered the idea.

FORTY TO GET AWARDS

A spokesman said the project will encompass virtually every resident of the community.

The program is designed to assist and encourage all students. Recognition will be given to more than just the top student in each department.

Actually, the spokesman said, the top 10 freshmen, sophomores, juniors, and seniors will get awards at a special ceremony each year.

The activities will be financed through two classes of memberships sold to residents of the area: a voting membership costing $10 and a general membership costing $5.

TO HAVE EXAMS

Those with voting memberships will have a voice in establishing the scholarship fund.

Under tentative plans, mathematics and science students in all high-school grades will be given a special examination by Dr. James Rutledge, associate professor of secondary education at the University of Nebraska, and his assisting staff.

Students will be eligible for awards on the basis of this exam and other special tests. The winners, their parents, and teachers will be honored at an awards ceremony. The awards for the most part will be cash to help students in higher education.

PRAISE FROM GENERAL ELECTRIC

Neil B. Reynolds, General Electric official at Schenectady, N. Y., gave this praise to the Cozad group:

"At a time when everybody is exhorting everyone else to do something to encourage young people to prepare themselves for the age of science, you are taking action."

The program has received the endorsement of other national industrial leaders, the spokesman said.

Most important, he added, is the fact that it will be another community project.

The field may be enlarged later to cover other students, he said.

FORT KEARNEY CONFERENCE PLAN

Mr. HRUSKA. Mr. President, another project to improve student incentive has been established on an interschool basis in Nebraska recently. This is the Fort Kearney Conference plan, which is similar to the plan I have described in the case of the Cozad plan. Nine member schools of the Fort Kearney, Nebr., Conference have voted to sponsor scholastic competition among the schools. Individual and school awards will be presented for scholastic achievement on the basis of examinations to be given by Kearney State Teachers College on March 21.

Participant schools in this fine program are Hildreth, Axtell, Amherst, Sumner, Loomis, Wilcox, Pleasanton, Overton, and Elm Creek.

Mr. President, I ask unanimous consent that three newspaper articles concerning these two programs be printed at this point in my remarks.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Grand Island (Nebr.) Independent of January 17, 1958]

CITY SCHOLARSHIP PLAN—COZAD TAKES SCIENCE STUDY INITIATIVE

COZAD, NEBR.—Cozad has developed its own plan for engaging high-school students to work harder on mathematics and science.

"Lots of recognition has been given athletes," one of the sponsors of this new program said, "but we felt it was about time to do something for somebody who had the potential for being a scholar."

A civic group known as the Cozad Scholastic Association is being formed to give recognition to these potentially strong students.

One phase of this recognition will be the presentation of cash awards to the top 20 students in each of the 4 high-school classes—the 10 top science students and the top 10 mathematics students.

TRUST FUND

This money probably will be held in trust to help defray expenses of their college educations, and it will be possible for such students to win more than one award. Beyond that plans call for a bonus award for these students during each of their college years provided they continue to progress.

Under tentative plans mathematics and science students in all high-school grades will be given a special examination and their progress evaluated by Dr. James Rutledge, associate professor of secondary education at the University of Nebraska, and his staff.

The plan has received the cooperation of the board of education, Supt. L. L. Patterson, Principal Clifford Bosely, and the University of Nebraska. Mrs. Dave Stevens, Jr., a former instructor at the University of Denver, has been working on the tentative plan for more than 2 years. She has been tutoring students in science and mathematics and has devoted considerable time to development of the plan for recognition of scholars.

SEPARATE LOAN FUND

In addition to the cash awards, tentative plans call for establishment of a loan fund which would be entirely separate from scholarships. Dave Stevens, Jr., who also has been interested in the plan, said many details remain to be worked out and the amounts of cash awards cannot be determined until the fund raising progresses further. The communitywide association will be financed through membership fees of $5 and $10. The $10 membership is to be a voting membership and will give the holder a voice in the establishment of the scholarship fund.

Neil B. Reynolds, General Electric official at Schenectady, N. Y., praised this effort saying: "At a time when everybody is exhorting everybody else to do something to encourage these young people to prepare themselves for the age of science, you are taking action."

Stevens said the program has received endorsement of other national industrial leaders.

[From the Omaha (Nebr.) World-Herald of January 17, 1958]

COZAD'S FINE EXAMPLE

One of the brightest pieces of news in the paper recently was the story from Cozad, Nebr., detailing the plans of that outstanding community's citizens to provide special rewards for their top students in mathematics and science.

What the Cozad people are doing is really very simple. They've formed the Cozad Scholastic Association, and they're selling memberships. The money raised will be used to supply cash awards to the 10 top mathematics and science students in each of the four high-school grades. The awards, it is expected, will help the winning students finish their education after high school.

Here, certainly, is effective rebuttal to the argument that the people in local communities lack interest in education.

Here, also, is the answer to the contention that the Federal Government must step in and help local communities run their schools.

Cozad is exceptionally progressive. So is the rural community which surrounds it. But we imagine there's scarcely a community in Nebraska or Iowa or in the whole Nation that couldn't do the same sort of thing, if it set its mind to it.

[From the Kearney (Nebr.) Hub of January 18, 1958]

SCHOLASTIC CONTEST IS PLANNED

Members of the Fort Kearney Conference have voted to sponsor a scholastic contest between member schools.

Purpose of the contest is to give more recognition to students for scholastic achievement; stimulate good students to greater effort; improve quality of instruction; round out Fort Kearney Conference program, and focus more attention on academic programs in the member schools.

Winners in each of the test subjects will be determined by the results of the Kearney State Teachers College inter-high-school contest, to be held on March 21.

Subjects to be included are: Elementary algebra, biology, bookkeeping, clothing and textiles, chemistry, driver education, English usage, standard food test, geometry, general science, world history, American history, literature, music, general mathematics, physics, novice shorthand, beginning typewriting, novice woodworking, and world geography.

Individual ribbons will be given the first five places in each contest. Plaques will be awarded to the winner and runner-up schools which have the highest team averages.

Members of the conference include Hildreth, Axtell, Amherst, Sumner, Loomis, Wilcox, Pleasanton, Overton, and Elm Creek. Members of the contest committee are Howard Glenn, Hildreth; Ronald Landstrom, Axtell; Alex Johnson, Amherst; Carl Aten, Sumner; Lyle Whitesel, Loomis; John Hendrix, Wilcox; Melvin Wattle, Pleasanton; Jack Rueger, Overton; and Floyd Peterson, Elm Creek.

Mr. HRUSKA. Mr. President, during my travels in Nebraska this past fall following adjournment of Congress, and in my mail since my return to Washington, I have noted a confirmation by people of my State of their opposition to Federal interference with their school systems.

Professional educators, farm organization leaders, business and civic leaders, labor leaders, and newspaper editors have been forthright in expressing their opposition to the currently proposed measures. I am confident that this opposition exists as strongly or more so in many other States.

But in order to set out what I believe is a typical cross section of opinion from my State, and which reflects the thinking of the greater majority of Nebraska folks, I ask unanimous consent to have printed in the RECORD at this point in my remarks the Nebraska newspaper reports and editorials from the Omaha World-Herald, January 1, 1958; Scottsbluff Star Herald, January 2, 1958; Omaha World-Herald, January 8, 1958; Sidney Telegraph, January 8, 1958; Alliance Times Herald, January 8, 1958; York News Times, January 9, 1958; Blair Pilot Tribune, January 11, 1958; Omaha World-Herald, January 13, 1958; Columbus Daily Telegram, January 17, 1958; and Nebraska City News-Press, January 28, 1958.

There being no objection, the articles and editorials were ordered to be printed in the RECORD, as follows:

[From the Omaha (Nebr.) World-Herald of January 1, 1958]

A TWO-WORD PROGRAM

The President's aid-to-education program can be summed up in two words—"Federal money."

Federal grants-in-aid to the States to be matched on a 50–50 basis.

Federal scholarships to 10,000 college students annually.

The program is planned to last 4 years and to cost approximately $1 billion, four-fifths of it in grants to the States.

This is the whole of the answer as seen by Mr. Eisenhower and his Cabinet adviser on educational matters, Mr. Folsom. They would spend the Nation into an education.

What kind of education?

Scientific, says Mr. Eisenhower. But not too scientific, says Mr. Folsom.

What about the quality of the education? The administration spokesmen do not even discuss the point. It is taken for granted that more money will provide better education. Learning is regarded as a purchasable commodity to be stuffed by currently fashionable educational methods into young American heads at so much per head.

But if money is the answer, why isn't the United States already far out ahead in education? According to a United Nations survey, America now spends far more on education than does any other country.

The word "Federal" sounds an alarm in the minds of many Americans when they think of their school systems. By long experience they know that where the Federal dollar goes, the controlling hand of the Federal Government eventually goes also.

The immediate response of Omaha's superintendent of schools, Dr. Harry Burke, gave a warning on this point. "The President's program," said he, "definitely introduces the

factor of Federal interest in our public-school systems." And so it does, all the disclaimers of Secretary Folsom to the contrary notwithstanding.

Once Washington starts funneling tax dollars back to the States, for any purpose—highways, old-age benefits, or education—it acquires an interest in how those dollars are used. Right now the Federal bureaucratic interest is chiefly in the field of science and science instruction. Tomorrow it may be in the field of socialist economics or one-world politics. Dr. Burke is not the only one who sees the danger of school systems revolving around the Federal scholarship program, with the Federal tail wagging the local dog.

What the matching arrangement might do to local school systems is an even more appalling prospect.

In Nebraska the principle of major State-aid for the schools has never been accepted. Under the President's program the State would suddenly become a full partner in dispensing aid, and the pressures for new and heavier taxes to match the Federal dollars would become irresistible. The breakdown of local school district financial responsibility and control would be likely to follow.

Not only would such a program be tremendously costly for Nebraska—and other States as well—but no benefits are discernible that could justify the destruction of the State's local school systems.

All in all, the President's proposal would substitute more spending for the needed reforms in educational methods and would plant the Federal foot squarely in the doorway of the local schools. It does not point the way to the higher standards of education the country needs.

[From the Scottsbluff (Nebr.) Star-Herald of January 2, 1958]

FOUR-YEAR EDUCATION PLAN WILL BECOME PERMANENT, EXPANDING FEDERAL PROGRAM

"This responsibility can't be passed on by the people to Washington."

That was Vice President NIXON speaking about 6 weeks ago in New York. He was commenting on the country's educational problems, the need to improve scientific education and to provide more facilities and teachers for the Nation's youth.

Monday, Washington decided to assume the responsibility which the Vice President rightly declared was not and should not become the Federal Government's.

The bureaucrats who came to the farmer's rescue, who masterminded the missile program, who laid out the Interstate Highway System, and whose record is blotched with similar accomplishments are now going to come to the aid of education.

As the old saying goes, when you have friends like those, you don't need enemies.

The administration plan for education was described as a 4-year, billion-dollar "shot in the arm" for scientific education. But even as the announcement was being made officials were pointing out that the program wouldn't be limited to science, that it didn't call for school construction but might later be expanded and that the main support of schools would continue to come from State and local governments.

This is the same pitch used to launch every other grant-in-aid program.

What it means is that those who believe in a federally directed, controlled, and administered school system from kindergarten on figure this is the opening wedge they need.

Even as the proposal was made, some Congressmen and educators were complaining that it wasn't nearly enough.

Make no mistake. If this 4-year plan is approved as submitted, it will become a permanent, constantly expanding program just as every other grant-in-aid project has.

This newspaper has consistently opposed Federal school aid for two major reasons.

First, Government assistance means Government control. Money from Washington is accompanied by orders on how, when, and where to spend it.

Second, in the long run Federal aid costs too much. A community may gain temporary relief, but what is provided for it must also be provided for other cities. Scottsbluff, for example, might receive cash to improve its science department but local taxpayers also would help foot the bill for departments in every high school in the Nation. Long before everyone is satisfied, Scottsbluff would need more and the circle would begin again.

[From the Omaha (Nebr.) World-Herald of January 8, 1958]

AN OASIS

Dr. Harry Burke, the superintendent of the Omaha public schools, is somewhat put out by those who blame the schools for the Nation's scientific shortcomings.

He is particularly displeased, and we think with reason, at those who include the Omaha school system in the general indictment.

Dr. Burke cites facts to show that the local schools have not been blighted by the influences which have lowered standards elsewhere. Omaha grade-school children, he says, test "well above the national norm in basic science understanding." And he is proud of the fact that Omaha high-school students have won the highest places in competition for the best science and math scholarships offered in the United States.

There is no question about the general excellence of the Omaha school system. Dr. Burke and the Omaha teachers have every right to be proud of their high standards and of the fact that they have maintained them in the face of pressures to travel the easier road. This newspaper has said that in the past and hopes to have many occasions to say it in the future.

But to except the Omaha school system does not affect the comments which have been made in these columns and elsewhere concerning the general quality of America's schools.

The oases in the educational desert are few and far between. The watered-down curricula, tens of thousands of college freshmen who have to take noncredit courses in English and math to learn what they should have learned in high school, give evidence of that truth. The need for remedial reading courses at almost all levels, and the general decline of the art of spelling, provide further evidence.

That these shortcomings either do not apply to graduates of the Omaha school system or apply in lesser degree than elsewhere, is a comforting thought for the people of this community. If standards were as high throughout the country as in Omaha, the American people would not be so greatly concerned about their schools.

The truth is that national educational standards have been lowered. In pulling them down, in promoting almost all students regardless of effort or achievement, in adjusting the curriculum to the lowest level of ability, America has made a mistake of which only now it is becoming aware.

Some schoolmen have replied that they have been providing the kind of education the people wanted in this age of ease, and there may be considerable truth in that statement. But these schoolmen erred in assuring the people that a softer curriculum would still produce well-educated youngsters. This was manifestly not true.

[From the Sidney (Nebr.) Telegraph of January 8, 1958]

THERE'S STILL TIME

President Eisenhower, having failed to push through Federal aid to education during past Congressional sessions, now is seizing on Russia's sputnik success to attack the problem from another angle.

The President and his advisers think that Federal Government should get into the education subsidy business, at least to the extent of paying the freight for outstanding students and instructors in the various fields of science. This, of course, is what is known as getting their foot in the door. Once the Federal planners enforce this wedge, there will be no stopping them until Uncle Sam is running the schools, just as he controls everything else where he is the main Santa Claus.

This newspaper has held out irrevocably against Federal aid to education. We are encouraged in this stand by the knowledge many of the men and women whom we respect most in the field of education take the very same stand. Education is a local responsibility and should not be turned over to the bureaucrats.

The contrary argument, of course, is that Russia has proven that to get things done the state must take over the control of all essential industries, all schools, and the private lives of all citizens. This, say the Federal aid enthusiasts, is why Russia sent a sputnik into outer space while America is still floundering.

Maybe so. But we like it our way. Those who think Russia is going to take over the world still have time to book passage and crawl behind the Iron Curtain before it is too late.

[From the Alliance (Nebr.) Times-Herald of January 8, 1958]

MORRISON VIEW DIM OF UNITED STATES AID TO EDUCATION

"When local schools get Federal aid, they're likely to lose the basic American ideal of initiative and imaginative action."

That's the opinion expression by Public School Superintendent L. E. Morrison, when he spoke to the Kiwanis Club Tuesday night.

"I am a great believer in local control of schools," he said. "I've always been afraid of Federal control with Federal aid to education."

Morrison drew this conclusion after devoting most of this talk to describing the Russian education system which recently has achieved world attention—thanks to sputniks.

RED QUALITY DOUBTED

Russia is turning out some impressive quantities of students, said Morrison, but the quality remains in doubt. He noted that of Russia's 900 higher schools of all types, only 30 are classed as universities. The rest are technical institutes. There are no liberal arts colleges.

Starting at the elementary levels, there is only one curriculum—the state prescribes it—and Russian students have few choices of subjects. Not many of them go far in school, and if they can't "cut the mustard," as the Yankee slang goes, they are sent to trade schools or state farms—or maybe Siberia, who knows?

Students who survive Russian colleges, have a job guaranteed. In fact, they go where the state sends them, like it or not, and they get various privileges denied the common folk.

Top students get Government subsidies, but it's for one purpose—so the student will serve the Soviet motherland.

"Our American educational purpose," said Morrison, "is to give every child equal opportunity."

SALK VERSUS SPUTNIKS

"If we had thought in the years from 1945 to 1957 that putting a satellite into space was most important, I'm convinced America could have done it first. Instead, we developed Salk vaccine and a lot of other wonder drugs."

He said there is cause for concern in the fact Russia spends twice as much of its national income for education than America does.

But Morrison still put his faith in the American system of education—without Federal aid or controls.

[From the York (Nebr.) News-Times of January 9, 1958]

AID TO EDUCATION

The year 1958 will not see a tiresome rerun of the old battles over Federal aid to education. The Eisenhower administration this time has come up with a different proposal which attempts to cover a much wider area.

Russia's lead into science leadership is responsible. It shocked many Americans into sudden awareness of our shortcomings in the field of science.

Some educators, of course, will not be satisfied with the President's $1-billion program, which also calls for $600 million from the States. These will undoubtedly feel that the program is not large enough in scope and does not provide a sufficient amount of money.

The proposal to provide money for some 10,000 scholarships is intended to strike at what many term one of our most pressing dilemmas, the failure of thousands of well-qualified young men and women to go on to college to complete such training. They say that lack of funds appears to be the prime reason.

What they don't seem to understand is that today more people are attending a college or university than at any time in the history of the United States. From one end of the Nation to the other, our universities are bulging at the seams, unable to construct new buildings fast enough to adequately provide the necessary space for these increasing numbers.

It has always been our contention that any student can attend a college or university if he or she sincerely has the desire to further his education. If this is the case, then money is of secondary importance. Many young people today are attending colleges without receiving one cent of help from their parents back home.

True, they are forced to hold jobs during the afternoons, evenings, and on weekends, but it has been our experience that those people who must work to provide the expenses for their education most times take their studies in a more serious light and are more responsible citizens when they receive their diploma.

Charles Marshall, president of the Nebraska Farm Bureau, says he has always favored strong, locally controlled schools. "Federal aid disguised under wholesale scholarships will eventually destroy this control of education. Acceptance of this idea is another gain for centralized government.

"While this proposal is supposedly temporary and involves a minimum of Federal control, experience with such programs would indicate that it would do neither. This country cannot afford to let its educational problems get in the position of being solved by political expediency or indoctrination by a centralized government."

Marshall suggested that if additional Federal money is necessary to achieve the level of intellectual ability required in this country, the relationship of the Government to a recipient of Federal money should be one of business. "Maintenance of the principle that the Government and the recipient are separate free entities is essential."

The Nebraska Farm Bureau president says that a self-help program in which those who need and desire assistance could borrow money and later repay the loan with interest provides a far better arrangement than an outright gift of Federal funds. Under such an arrangement, the money used would be returned to the Government but, more than that, it would strengthen rather than weaken the character of the recipients.

The Nation's foreign-aid program has proved that money alone cannot buy friendship abroad. The same theory is true in this country also. The Government cannot give a youngster a pocketful of money for his education and expect a fully qualified scientist in the end. Money can never solve all the Government's problems.

[From the Blair (Nebr.) Pilot-Tribune of January 11, 1958]

BLAIRITES EXPRESS OPINION—GOVERNMENT PLAN TO SPEND BILLION DOLLARS IN 4 YEARS OPPOSED—KEEP GOVERNMENT OUT OF EDUCATION

Blairites recently surveyed on the matter, have expressed disfavor to the Government's plan calling for a billion-dollar Federal expenditure over 4 years to strengthen education, mainly in the fields of science and mathematics.

The Pilot-Tribune, upon questioning 25 Blairites, including businessmen, day laborers, clerks, and professional men and others on their views, found that—24 opposed and 1 favored the plan.

One part of the program provides for 910,000 college scholarships each year, to be paid entirely by the Federal Government.

The other part, for which the bulk of the money would be spent, would be to improve education on the high-school level. Federal money spent on this project would be matched by the States.

Here are some of the statements made by those interviewed: "Very much opposed," "against anything that goes to Washington and comes back," "absolutely no," "lousy with a capital L."

Another one stated, "The Red sputnik caused a lot of comment. Immediately someone started finding fault with this and that. I think there are many outstanding scientists in America, and many employed by the Government. We have heard very little about the seemingly poor organization within the Government in the handling of our outstanding scientists."

Many expressed the opinion that the States and local school officials could handle the educational problems at a lower cost and much more efficiently.

Many Blair High School graduates, who have attended colleges and universities, have obtained good grades in science and mathematics. One college instructor voiced the opinion that "many Blair graduates are well drilled in the fundamentals of science and mathematics."

Last spring the members of the 1957 Blair graduating class had an outstanding record in tests taken, including the Nebraska Regents test.

[From the Omaha (Nebr.) World-Herald of January 13, 1958]

AN UNCONVINCING CASE

Those who prescribe a billion Federal dollars to remedy the science deficiencies of the Nation's schools are getting less than enthusiastic support from most American taxpayers.

And in spite of the whoops and hurrahs from the National Education Association, a good many teachers and school administrators are outspoken in their doubts and their opposition.

Let's look at the $200 million which under the administration program would be used for Federal scholarships for bright young people, mostly of scientific bent, who supposedly can't get a college education now.

Many educators say this contention is demonstrably false, that there are scholarships and aid programs in abundance to take care of the 10,000 who would qualify for Federal scholarships. Other educators argue that support of the colleges in the traditional way, by industry, foundations, and private individuals is much to be preferred. And that once the people realize the need, these private funds will be forthcoming and in the needed quantity.

And what about Federal grants-in-aid to school systems, which is the bigger part of Secretary Folsom's proposal?

Two chief objections have been raised.

First, it's foolish to believe the ills of America's school system can be cured by taxing the people, sending the money to Washington, removing part of it for administrative expenses, and then sending it back to the communities from which the money came. And, second, it's dangerous to believe that Washington will keep its hands off local systems, once it begins to send money their way. Experience and logic point in the opposite direction.

These are some of the objections to Federal aid to education. And we have not even touched here upon the serious question of whether another billion should be added to the Federal budget at a time when America's military costs are on a rising curve, the end of which no man can see.

[From the Columbus (Nebr.) Daily Telegram of January 17, 1958]

COMMENTS

(By Mrs. Svea C. Loomis)

Federal aid to education? No, we for one, want to go on record as being opposed to Federal aid to education as proposed by President Eisenhower.

The President has asked Congress to appropriate $145½ million in the year starting July 1 as an aid to education. He has said that because of existing conditions, he now is substituting the aid program, largely for science education, instead of for school construction that he advocated a year ago.

Part of the program already disclosed provides for 10,000 scholarships a year, and 1,000 or more graduate fellowships a year and an extensive program of matching grants to States to select, guide and train outstanding students, to improve the teaching facilities of science and mathematics and of promoting foreign languages.

We certainly believe in education and more education, but it takes more than money to make an educated boy or girl. In the first place they must have a bent for science or math, as has been proven by some of these young scholars in high schools and in the lower grades, who have had very little training up to date in either subject, and who are building and launching rockets and missiles of their own making.

Just recently, a 15-year-old boy with two of his classmates launched four different missiles in Wyoming. His "master," or biggest rocket, climbed to a height of 5,776 feet; the others were fired to heights of 1,254 feet and 1,294 feet. Evidently the missiles were figments of his own imagination—he may have had some help from a laboratory supervisor, but it shows he was interested in science and would make good along that line. Even some of our outstanding older men who have had little or no formal education along scientific lines seem to be successful scientists.

Yes, we feel scholarships should be given to outstanding students, but they should come from individuals, businesses, and by

big manufacturing concerns and not by Government. The trend now is for banks, businessmen and manufacturers to give scholarships to worthy students in their hometowns. We are sure the Service clubs would get behind a project like this, as well as others.

Let's try out this system first, then if we fall behind, or it doesn't go over, then, and only then, in our opinion, should we call on our Uncle Samuel to help out.

[From the Nebraska City (Nebr.) News-Press of January 28, 1958]

AS TO EDUCATION

"Taking things easy has become part of the American philosophy of life," says Bishop Fulton J. Sheen in one of his recent columns. "But such apathy does not make for greatness. Sixteen out of nineteen civilizations which have disappeared from history have decayed from within. Our country is not in danger only from the active barbarism of the Soviet's ICBM; it is also in danger from the passivity of America's apathy to discipline."

In a recent newspaper column, Dorothy Thompson made this disturbing but probably truthful assertion: "Most American parents do not want their children to be educated. They want them trained for a specific function. They despise 'useless knowledge.' So our high schools are forced to teach everything under the sun, typing, home economics, mechanics, parenthood, and many other things young people once learned at home, in specialized schools, or as apprentices. But a real educational institution is not a job factory."

Cozad, Nebr., has embarked on a useful and unique plan of encouraging young people in mathematics, a subject which even some high school teachers have discouraged. Some of the people of the town have formed an association of citizens and are selling memberships. The money raised will be used to give cash awards to the top 10 mathematics and science students in each of the four high school grades. The money is expected to help the winning students finish their education after high school.

It is pretty good proof that in at least one Nebraska community people are interested in their schools and its students and that it isn't necessary for the Federal Government to do that which is purely a local responsibility and duty.—J. H. S.

Mr. CURTIS. Mr. President, will the distinguished Senator yield?

Mr. HRUSKA. I yield to my colleague.

Mr. CURTIS. I wish to congratulate and commend my distinguished colleague, the senior Senator from Nebraska, for a viewpoint well spoken and certainly one which is sound. The distinguished Senator has rendered a fine service to this body and to our State.

ADJOURNMENT TO MONDAY

Mr. MANSFIELD. Mr. President, pursuant to the order previously entered, I move that the Senate adjourn until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 4 o'clock and 22 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until Monday, February 10, 1958, at 12 o'clock meridian.

CONFIRMATION

Executive nomination confirmed by the Senate February 6, 1958:

DEPARTMENT OF THE INTERIOR

Royce Aller Hardy, Jr., of Nevada, to be an Assistant Secretary of the Interior.

HOUSE OF REPRESENTATIVES

THURSDAY, FEBRUARY 6, 1958

The House met at 12 o'clock noon.

Rev. W. J. Spicer, Charleston Methodist Church, Charleston, Ark., offered the following prayer:

O God, our Heavenly Father, who art the creator of all things, the ruler of all life, we give thanks to Thee for all Thy blessings. We are thankful for the rich heritage that is ours.

We pray that Thy blessings will continue to be upon us and our great country because of its peculiar position among nations, that the influence of our Government may be for peace and righteousness among the governments of the world.

We ask divine guidance and direction for those who make our laws, that they may be just and give opportunities to all people.

Grant that each according to his ability and faithfulness may be a coworker with Thee in the building of a fuller and richer life for everyone. Free each one from selfishness and pride that would hinder the leadership of Thy spirit.

Hear us, we pray, in the name of our Master, Teacher, and Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Ratchford, one of his secretaries.

TWO HUNDRED AND TWENTY-FIFTH ANNIVERSARY OF THE PERMANENT SETTLEMENT OF GEORGIA

The SPEAKER. The Chair recognizes the gentleman from Georgia [Mr. PRESTON].

Mr. PRESTON. Mr. Speaker, I rise to invite the attention of this body to a great event in American history which took place just 225 years ago.

On February 12, 1733, Gen. James Edward Oglethorpe and a band of 120 courageous followers landed at Yamacraw Bluff on the Savannah River to establish a permanent settlement which marked the beginning of the great State of Georgia and the thriving port city of Savannah.

Georgia, you will recall, prospered under God's divine hand to become the youngest of the Thirteen Original Colonies and has since developed into truly the Empire State of the South.

Time does not permit a detailed recital of the great contributions that Georgia has made to this Union but everyone who has read American history knows that from the time of Oglethorpe, Georgia's sons and daughters have contributed mightily to the development and growth of our country.

Gen. Lachlan McIntosh served with Washington at Valley Forge and among the signers of the Declaration of Independence were three Georgia delegates: Button Gwinnett, Lyman Hall, and George Walton. William H. Crawford of Georgia served in the early Congresses and was Secretary of the Treasury under both President Madison and President Monroe.

Alexander H. Stephens, who incidentally was a close personal friend of Abraham Lincoln whose birthday is this month, was an outstanding Member of this body for many years, and became Vice President of the Confederacy when war breached the Union in 1861.

Benjamin Harvey Hill distinguished himself by service in both the House and Senate in the troubled times that followed the War Between the States. James Moore Wayne, a native of Savannah, once represented in this House the same district which it is my honor to serve, and later achieved distinction as a member of the Supreme Court of the United States.

Indeed, the list of Georgia statesmen is too lengthy to recall at this time. But all of you remember the gifted pen and golden voice of Henry W. Grady, who was called the spokesman for the new South in the years following the War Between the States.

A Georgia physician, Dr. Crawford W. Long, was the discoverer of the anesthesia that has eased the suffering of so many millions of mankind.

Georgia was the first State to charter a State university, and my State gave to the world in Wesleyan College the first institution of higher learning for women.

It was from the port of Savannah that the first steamship, appropriately named *Savannah*, sailed the Atlantic Ocean and in that city was founded by Juliette Gordon Low the Girl Scouts of America which organization has left its blessed imprint on the lives of millions of young American women.

Mr. Speaker, I will not trespass further upon the valued time of this body, but I did want to recall to you a few brief highlights of my State on this, the 225th anniversary of the day that Oglethorpe and his brave followers landed on the bank of the Savannah River to establish the settlement which was destined to become the Sovereign State of Georgia.

FINAL REPORT OF THE ADVISORY COMMITTEE ON WEATHER CONTROL — MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Committee on Interstate and Foreign Commerce:

To the Congress of the United States:

Pursuant to the provisions of section 10 of the act of August 13, 1953 (Public Law 256, 83d Cong.), as amended, I hereby transmit the final report of the Advisory Committee on Weather Control.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *February 6, 1958.*

REPORT OF ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION FOR 1957—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 326)

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Committee on Public Works and ordered to be printed, with illustrations:

To the Congress of the United States:

Pursuant to the provisions of section 10 of Public Law 358, 83d Congress, I transmit herewith for the information of the Congress the report of the St. Lawrence Seaway Development Corporation, covering its activities for the year ended December 31, 1957.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *February 6, 1958.*

SUPPLEMENTAL MILITARY CONSTRUCTION AUTHORIZATION ACT

Mr. VINSON. Mr. Speaker, I call up the conference report on the bill (H. R. 9739) to authorize the Secretary of the Air Force to establish and develop certain installations for the national security, and to confer certain authority on the Secretary of Defense, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

Mr. GROSS. Mr. Speaker, reserving the right to object, the gentleman will take some time to explain the conference report?

Mr. VINSON. I shall, with pleasure.

Mr. GROSS. Mr. Speaker, I withdraw my reservation.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. VINSON. Mr. Speaker, I ask unanimous consent that we may dispense with the reading of the statement.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1329)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 9739) to authorize the Secretary of the Air Force to establish and develop certain installations for the national security, and to confer certain authority on the Secretary of Defense, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That the Secretary of the Air Force may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including site preparation, appurtenances, utilities, and equipment, for the following projects: *Provided*, That with respect to the authorizations pertaining to the dispersal of the Strategic Air Command Forces, no authorization for any individual location shall be utilized unless the Secretary of the Air Force or his designee has first obtained, from the Secretary of Defense and the Joint Chiefs of Staff, approval of such location for dispersal purposes.

"SEMIAUTOMATIC GROUND ENVIRONMENT SYSTEM (SAGE)

"Grand Forks Air Force Base, Grand Forks, North Dakota: Administrative facilities, $270,000.

"K. I. Sawyer Airport, Marquette, Michigan: Administrative facilities, $277,000.

"Larson Air Force Base, Moses Lake, Washington: Utilities, $50,000.

"Luke Air Force Base, Phoenix, Arizona: Operational and training facilities, and utilities, $11,582,000.

"Malmstrom Air Force Base, Great Falls, Montana: Operational and training facilities, and utilities, $6,901,000.

"Minot Air Force Base, Minot, North Dakota: Operational and training facilities, and utilities, $10,338,000.

"Norton Air Force Base, San Bernardino, California: Utilities, $172,000.

"Syracuse Air Force Station, Syracuse, New York: Troop housing facilities, $80,000.

"BALLISTIC MISSILE DETECTION SYSTEM

"Various locations: Operational and training facilities, maintenance and production facilities, research, development, and test facilities, supply facilities, hospital and medical facilities, administrative facilities, housing and community facilities, utilities, land acquisition, and ground improvements, $189,000,000.

"BALLISTIC MISSILES

"Various locations: Operational and training facilities, maintenance and production facilities, research, development, and test facilities, supply facilities, hospital and medical facilities, administrative facilities, housing and community facilities, utilities, land acquisition, and ground improvements, $112,400,000.

"ALERT AND DISPERSAL OF STRATEGIC AIR COMMAND FORCES

"Ellsworth Air Force Base, Rapid City, South Dakota: Operational and training facilities, $3,194,000.

"Fairchild Air Force Base, Spokane, Washington: Operational and training facilities, $1,461,000.

"Grand Forks Air Force Base, Grand Forks, North Dakota: Operational and training facilities, and utilities, $895,000.

"Griffiss Air Force Base, Rome, New York: Operational and training facilities, and utilities, $664,000.

"Larson Air Force Base, Moses Lake, Washington: Operational and training facilities, $2,603,000.

"Lockbourne Air Force Base, Columbus, Ohio: Operational and training facilities, and utilities, $1,089,000.

"Loring Air Force Base, Limestone, Maine: Operational and training facilities, $1,524,000.

"Malmstrom Air Force Base, Great Falls, Montana: Operational and training facilities, $872,000.

"Minot Air Force Base, Minot, North Dakota: Operational and training facilities, and utilities, $367,000.

"Mountain Home Air Force Base, Mountain Home, Idaho: Operational and training facilities, and utilities, $4,380,000.

"Offutt Air Force Base, Omaha, Nebraska: Operational and training facilities, and utilities, $690,000.

"Peace Air Force Base, Portsmouth, New Hampshire: Operational and training facilities, and utilities, $1,668,000.

"Plattsburg Air Force Base, Plattsburg, New York: Operational and training facilities, and utilities, $1,116,000.

"Westover Air Force Base, Chicopee Falls, Massachusetts: Operational and training facilities, and utilities, $2,368,000.

"Eglin Air Force Base, Valparaiso, Florida: Operational and training facilities, maintenance and production facilities, supply facilities, and utilities and ground improvements, $8,958,000.

"Glasgow Air Force Base, Glasgow, Montana: Operational and training facilities, maintenance and production facilities, supply facilities, housing and community facilities, and utilities, $29,644,000.

"Kinross Air Force Base, Sault Sainte Marie, Michigan: Operational and training facilities, supply facilities, housing and community facilities, and utilities, $23,762,000.

"K. I. Sawyer Airport, Marquette, Michigan: Operational and training facilities, supply facilities, housing and community facilities, and utilities, $27,233,000.

"Robins Air Force Base, Macon, Georgia: Operational and training facilities, maintenance and production facilities, supply facilities, and utilities, $3,667,000.

"Wright-Patterson Air Force Base, Dayton, Ohio: Operational and training facilities, maintenance and production facilities, supply facilities, utilities, and ground improvements, $22,632,000.

"Wurtsmith Air Force Base, Oscoda, Michigan: Operational and training facilities, maintenance and production facilities, supply facilities, housing and community facilities, and utilities, $22,349,000.

"Clinton County Air Force Base, Wilmington, Ohio: Operational and training facilities, maintenance and production facilities, supply facilities, housing and community facilities, and utilities, $8,776,000.

"Dover Air Force Base, Dover, Delaware: Operational and training facilities, maintenance and production facilities, supply facilities, and utilities, $4,715,000.

"Ernest Harmon Air Force Base, Stephenville, Newfoundland: Operational and training facilities, and maintenance and production facilities, $2,217,000.

"Goose Air Base, Labrador: Operational and training facilities, and maintenance and production facilities, $2,007,000.

"McChord Air Force Base, Tacoma, Washington: Operational and training facilities, supply facilities, and utilities, $4,995,000.

"McGuire Air Force Base, Wrightstown, New Jersey: Operational and training facilities, maintenance and production facilities, supply facilities, housing and community facilities, and utilities, $6,979,000.

"Otis Air Force Base, Falmouth, Massachusetts: Operational and training facilities, maintenance and production facilities, and utilities, $7,079,000.

"Selfridge Air Force Base, Mount Clemens, Michigan: Operational and training facilities, maintenance and production facilities, supply facilities, and utilities, $17,487,000.

"Various locations: Land acquisition as required for the stations listed above, $2,709,000.

"SEC. 2. The Secretary of the Air Force may proceed to establish or develop installations and facilities under this Act without regard to sections 3648 and 3734 of the Revised Statutes, as amended, and sections 4774 (d) and 9774 (d) of title 10, United States Code. The authority to place permanent or temporary improvements on land includes authority for surveys, administration, overhead, planning and supervision incident to construction. That authority may be exercised before title to the land is approved under section 355 of the Revised Statutes, as amended, and even though the land is held temporarily. The authority to acquire real estate or land includes authority to make surveys and to acquire land, and interests in land (including temporary use), by gift, purchase, exchange of Government-owned land, or otherwise.

"SEC. 3. There are authorized to be appropriated such sums as may be necessary for the purposes of sections 1 and 2 of this Act but appropriations for public works projects authorized by those sections may not exceed $549,670,000.

"SEC. 4. Whenever—

"(1) the President determines that compliance with section 2313 (b) of title 10, United States Code, for contracts made under this Act for the establishment or development of military installations and facilities in foreign countries would interfere with the carrying out of this Act; and

"(2) the Secretary of Defense and the Comptroller General have agreed upon alternative methods for adequately auditing those contracts; the President may exempt those contracts from the requirements of that section.

"SEC. 5. Contracts made by the United States under this Act shall be awarded, insofar as practicable, on a competitive basis to the lowest responsible bidder, if the national security will not be impaired and the award is consistent with chapter 137 of title 10, United States Code, and section 15 of the Act of August 9, 1955 (69 Stat. 547, 551). The Secretary of the Air Force shall report semi-annually to the President of the Senate and the Speaker of the House of Representatives with respect to all contracts awarded on other than a competitive basis to the lowest responsible bidder.

"SEC. 6. Any of the amounts named in section 1 of this Act may, in the discretion of the Secretary of the Air Force, be increased by 15 per centum. However, the total cost of all projects may not be more than the total amount authorized to be appropriated by section 3 of this Act.

"SEC. 7. The Secretary of Defense or his designee is authorized to engage in such advanced projects essential to the Defense Department's responsibilities in the field of basic and applied research and development which pertain to weapons systems and military requirements as the Secretary of Defense may determine after consultation with the Joint Chiefs of Staff; and for a period of one year from the effective date of this act, the Secretary of Defense or his designee is further authorized to engage in such advanced space projects as may be designated by the President.

"Nothing in this provision of law shall preclude the Secretary of Defense from assigning to the military departments the duty of engaging in research and development of weapons systems necessary to fulfill the combatant functions assigned by law to such military departments.

"The Secretary or his designee is authorized to perform assigned research and development projects: by contract with private business entities, educational or research institutions, or other agencies of the Government, through one or more of the military departments, or by utilizing employees and consultants of the Department of Defense.

"The Secretary of Defense shall assign any weapons systems developed to such military department or departments for production and operational control as he may determine."

And the Senate agree to the same.

CARL VINSON,
OVERTON BROOKS,
PAUL J. KILDAY,
CARL T. DURHAM,
LESLIE C. ARENDS,
L. H. GAVIN,
Managers on the Part of the House.

RICHARD B. RUSSELL,
JOHN STENNIS,
HENRY M. JACKSON,
LEVERETT SALTONSTALL,
FRANCIS CASE,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 9739) to authorize certain construction at military installations, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

On January 15, 1958, the House of Representatives passed H. R. 9739, which was a supplement to the fiscal year 1958 military construction and authorization for the Department of the Air Force. On January 30, 1958, the Senate passed H. R. 9739, amended.

The differences and the action agreed upon by the conferees are as follows:

ACTION BY THE SENATE

The Senate Armed Services Committee struck all language after the enacting clause of the House bill and substituted its own language.

This action by the Senate did not affect any of the line items of the House bill; they remain in identical form. The Senate did, however, vary in important respects the language introductory to the line items. As the bill passed the House, the introductory language in section 1 was similar to language contained in each of the first three titles of the military construction bill each year. This language always has application to all of the line items which follow it.

The change made by the Senate to the House language was made applicable to all of the line items following it excepting those relating to "the dispersal of the Strategic Air Command forces." With respect to these particular line items, the Senate language required that, prior to the use of the authorization granted for these items, the Secretary of the Air Force or his designee should first obtain from the Secretary of Defense and the Joint Chiefs of Staff approval of the locations which would be used for such dispersal. The language further provided that if such approval were not forthcoming, the Secretary of the Air Force with the approval of the Secretary of Defense and the Joint Chiefs of Staff might utilize any "heretofore authorized base or location" and should have "the authority to reprogram available authorizations" to these other bases.

PRIOR STUDY

During the conference, the House conferees argued that since the selection of the dispersal bases had been made only after extended study, these bases, and only these, should be the ones utilized for dispersal. The House conferees in support of this position stated that any other course, that is a restudy of the dispersal bases, would remove from the legislation the high element of emergency which had been stressed by the Department of Defense from the time the bill was submitted to the Congress. The House conferees further felt that the use of any bases other than currently active ones would involve very large additional expenditures in order to place them in a condition adequate to support the heavy bombers to be placed on these bases. The House position, therefore, was based on these two important elements: Speed and economy.

The conferees agreed that only the first of the two steps contemplated by the Senate amendment should be taken. That is to say, that latitude should be provided for a review of the bases selected for SAC (bomber) dispersal. The conferees, however, also agreed that should the approval of the Secretary of Defense and the Joint Chiefs of Staff not be obtained with respect to one or more of these bases, the authorities granted in the bill could not be utilized at any other base, whether "heretofore authorized" or not.

The action taken to effect this change was to strike from the bill the following language:

"In the event dispersal locations other than those indicated in this act are considered to be in the best interest of the Nation's overall strategic dispersal plan, the Secretary of the Air Force with the approval of the Secretary of Defense and the Joint Chiefs of Staff may utilize any heretofore authorized base or location and shall have the authority to reprogram available authorizations and acquire such adjoining lands as are required to establish the essential facilities."

The paragraph immediately preceding the above-quoted portion also was modified in such fashion as to clarify the intent of the Senate amendment.

SECTION 7

The bill as it passed the House contained a section 7 which authorized the Secretary of Defense to establish within the Department of Defense the Advanced Research Projects Agency. The Senate version of the bill contains no reference whatsoever to the Advanced Research Projects Agency.

It should be pointed out that the House committee had no knowledge of the intention of the Secretary of Defense to establish the Advanced Research Projects Agency until he appeared before the committee in connection with a defense investigation which the House committee has been carrying on but which does not relate directly to H. R. 9739. During Mr. McElroy's appearance before the committee, he presented a statement, a portion of which read as follows:

"Such long-range programs as the anti-missile-missile and the military-satellite programs are in the research and exploratory development stages. They are important and must be pursued, but they must not distract us from the speedy development of our other missile systems. To handle them, I am establishing within the Department of Defense an Advanced Research Projects Agency, which will be responsible to the Secretary of Defense for the unified direction and management of the anti-missile-missile program and for outer-space projects. I would expect to assign other special projects of this nature to this Agency from time to time in the future."

The statement went on to indicate in general terms the manner in which the Agency would function. The House committee expressed the doubt that the Secretary of Defense had authority for the establishment of this Agency. The House committee felt, however, that an agency such as that described by the Secretary could perform an important function and, therefore, the committee proceeded to write into the bill language which would grant specific authority to the Secretary of Defense to establish the Agency.

The importance of providing such authority was rendered even more evident by the fact that the House version of the appropriation bill (H. R. 10146) provided for the granting of funds to this Agency on the apparent supposition that the House authorizing language would remain in the construction bill (H. R. 9739).

The differences between the House and Senate versions were resolved through the insertion of language which would grant the authorities needed by the Secretary of Defense to perform the important research and development functions relating to antimissile-missile, satellite, and outer-space projects without, however, and the committee wishes to render this entirely clear, establishing an agency within the Department of

Defense or in the Office of the Secretary of Defense.

The language agreed upon at the conference is as follows:

"The Secretary of Defense or his designee is authorized to engag- in such advanced projects essential to the Defense Department's responsibilities in the field of basic and applied research and development which pertain to weapons systems and military requirements as the Secretary of Defense may determine after consultation with the Joint Chiefs of Staff; and for a period of 1 year from the effective date of this act, the Secretary of Defense or his designee is further authorized to engage in such advanced space projects as may be designated by the President.

"Nothing in this provision of law shall preclude the Secretary of Defense from assigning to the military departments the duty of engaging in research and development of weapons systems necessary to fulfill the combatant functions assigned by law to such military departments.

"The Secretary or his designee is authorized to perform assigned research and development projects: by contract with private business entities educational or research institutions, or other agencies of the Government, through one or more of the military departments, or by utilizing employees and consultants of the Department of Defense.

"The Secretary of Defense shall assign any weapons systems developed to such military department or departments for production and operational control as he may determine."

In this connection, the conferees also felt that the position taken by the General Counsel of the Department of Defense that the Secretary of Defense had authority to establish the Advanced Research Projects Agency was subject to question, as were some of the collateral views which he expressed in this same general connection. It should be understood, of course, that, were it the desire of the Congress, such an agency could be created within the Department by enactment of appropriate legislation.

It is pointed out that the foregoing references to antimissile missile, satellite, and outer-space projects refer to, and are intended to be restricted to, weapons systems and military requirements generally considered essential to the overall mission of the Department of Defense. It is pointed out also that there is an exception to the requirement that the activities of the Secretary of Defense in this respect be restricted to weapons systems and military requirements, and that is that portion of the agreed language which reads as follows: "and for a period of 1 year from the effective date of this act, the Secretary of Defense or his designee is further authorized to engage in such advanced space projects as may be designated by the President."

This added temporary authorization is included in order to insure that such projects as the Vanguard may continue uninterrupted for the time being.

COMPETITIVE BIDS

While not a matter of disagreement between the House and Senate versions of the bill, the House conferees want to give their wholehearted endorsement to that portion of the Senate report which in referring to the competitive bid procedure for contracting reads as follows:

"It is the intent of the committee that unless the national security will be impaired, the award of contracts for construction of ballistic missile detection sites on the North American Continent shall be made on a competitive bid basis to the lowest responsible bidder."

Both the House and Senate conferees feel that the competitive-bid procedure cannot be too strictly adhered to notwithstanding the fact that in the field of military construction, generally, there is less cause for complaint than in any of the other procurement fields.

CARL VINSON,
OVERTON BROOKS,
PAUL J. KILDAY,
CARL T. DURHAM,
LESLIE C. ARENDS,
L. H. GAVIN,
Managers on the Part of the House.

Mr. VINSON. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, the House passed H. R. 9739, the supplementary construction bill for the Air Force, on January 15. The Senate passed this bill on January 30.

There were two major areas of difference between the two bills and I would like to describe these and the results of the conference held between the House and the Senate.

The first area of difference related to the dispersal of the heavy bombers of the Strategic Air Command. In the House version of the bill, the particular bases—seven of them—were specifically named. I would like to point out that these bases were not pinpointed when the bill was first presented to the committee, but we made the Air Force rewrite the bill so as to show the exact bases at which the construction was to be performed.

In the Senate version of the bill, the bases were also specifically named. But the Senate language provided that these particular seven bases should receive another review by the Secretary of Defense and the Joint Chiefs of Staff. If the Secretary of Defense and the Joint Chiefs did not agree that these were the proper bases on which to disperse our B–52's, then the Air Force, with the approval of the Secretary and the Joint Chiefs, could disperse these bombers to any other base in the United States.

The Armed Services Committee knew that these bases had been selected only after an extended study by the Air Force and felt that any further study was not only unnecessary but would remove from the legislation the overriding element of emergency which the Department of Defense and the Air Force stressed so strongly when the bill was presented.

In the conference, the House conferees adhered most strongly to the House position and removed the language which would have permitted the selection of bases other than the named ones. The House conferees did allow language to remain in the bill which will require the Secretary of Defense and the Joint Chiefs to take another look at the bases chosen, but there is no authority in the agreed language which will permit any base other than the named ones to be used.

I would like to read the language agreed upon at this point:

That the Secretary of the Air Force may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including site preparation, appurtenances, utilities, and equipment, for the following projects: *Provided*, That with respect to the authorizations pertaining to the dispersal of the Strategic Air Command forces, no authorization for any individual location shall be utilized unless the Secretary of the Air Force or his designee has first obtained, from the Secretary of Defense and the Joint Chiefs of Staff, approval of such location for dispersal purposes.

The other area of disagreement related to the establishment of the Advanced Research Projects Agency by the Secretary of Defense.

A little background on this portion of the bill is necessary, I think. When Secretary McElroy appeared before the Armed Services Committee in connection with the investigation which the committee is now carrying on, he said that he intended to set up an Advanced Research Projects Agency which would deal with research in the field of advanced space projects and other related matters.

At that time, the House version of the appropriations bill contained language which appropriated money to that Agency.

The Armed Services Committee expressed some doubt as to whether the Secretary of Defense could establish an agency within his office which would have the authority to make contracts and engage generally in procurement. The Secretary was relying on the opinion of his General Counsel that he did have the authority to establish this Agency with such powers.

The House committee felt that the idea of such an agency was a sound one notwithstanding its doubt as to whether proper authority existed for the Secretary to set it up with the powers I have described. On this basis, the committee wrote in language authorizing the Secretary to establish the Agency and defining the powers which could be exercised by the Secretary in connection with it. The Senate version of the bill deleted all reference to the Agency.

The language agreed to by the conferees grants the Secretary of Defense all the authority he requires to carry on functions relating to basic and applied research and development pertaining to weapons systems and military requirements in this area. The language of this section of the bill is printed in the RECORD for today. You will find it as section 7 at the end of the bill printed in the RECORD.

Let me read section 7:

The Secretary of Defense or his designee is authorized to engage in such advanced projects essential to the Defense Department's responsibilities in the field of basic and applied research and development which pertain to weapons systems and military requirements as the Secretary of Defense may determine after consultation with the Joint Chiefs of Staff; and for a period of 1 year from the effective date of this act, the Secretary of Defense or his designee is further authorized to engage in such advanced space projects as may be designated by the President.

Nothing in this provision of law shall preclude the Secretary of Defense from assigning to the military departments the duty of engaging in research and development of weapons systems necessary to fulfill the combatant functions assigned by law to such military departments.

The Secretary or his designee is authorized to perform assigned research and development projects: By contract with private business entities, educational or research institutions, or other agencies of the Government, through one or more of the military departments, or by utilizing employees and consultants of the Department of Defense.

The Secretary of Defense shall assign any weapons systems developed to such military department or departments for production and operational control as he may determine.

Now, it is clear from the reading of this section that the principle of the House language has been maintained. It is equally clear that the language in section 7 does not create a statutory office. It merely gives the Secretary of Defense certain powers. If he wants to exercise these powers within the framework of an Advanced Research Projects Agency or any other agency, he has the administrative authority to do it, now that we, by law, have given him the authority to contract "with private business entities, educational or research institutions," and so forth.

His establishment of an agency would not increase his powers one bit. The powers are the picture, and an agency is merely the frame. In fact, the Secretary told me yesterday that he proposed to set up an agency, and I think this is an efficient way to get the job done.

The following is a letter dated February 4, 1958, from the Secretary of Defense and its attachment, a directive proposed to be issued by him:

THE SECRETARY OF DEFENSE,
Washington, February 4, 1958.

Hon. CARL VINSON,
Chairman, House Armed Services Committee, Washington, D. C.

DEAR MR. CHAIRMAN: Pursuant to section 202 (c) (5) of the National Security Act of 1947, as amended, I report the proposed issuance of a directive, attached as tab A, relating to the organization of the Department of Defense.

The directive establishes the Advanced Research Projects Agency within the Department of Defense, reporting to the Secretary of Defense, with responsibility for the unified direction and management of certain advanced research and development projects. Upon the appointment of the Director, it is proposed to transfer to the Agency the direction of the antimissile missile project and certain outer space projects. It is expected that in the future other special projects of this nature would be assigned to this Agency.

The Agency will not be expected to take over research and development of weapons systems which fall clearly within the mission of any one of the military departments. It is contemplated that programs assigned to the Agency will be developed in full coordination with the military departments to the point where they are approaching operational capability so that they may be phased into the operation of one or more of the military services with no loss of time or interruption of development and production.

Sincerely,

NEIL H. MCELROY.

DEPARTMENT OF DEFENSE DIRECTIVE—DEPARTMENT OF DEFENSE ADVANCED RESEARCH PROJECTS AGENCY

I. PURPOSE

The purpose of this directive is to provide within the Department of Defense an agency for the direction and performance of certain advanced research and development projects.

II. RESPONSIBILITY AND AUTHORITY

A. Establishment: In accordance with the provisions of the National Securty Act of 1947, as amended, and Reorganization Plan No. 6 of 1953, there is established in the Office of the Secretary of Defense the Department of Defense Advanced Research Projects Agency. The Agency will be under the direction of the Director of Advanced Research Projects.

B. Responsibility: The Agency shall be responsible for the direction or performance of such advanced projects in the field of research and development as the Secretary of Defense shall, from time to time, designate by individual project or by category.

C. Authority: Subject to the direction and control of the Director:

1. The Agency is authorized to direct such research and development projects being performed within the Department of Defense as the Secretary of Defense may designate.

2. The Agency is authorized to arrange for the performance of research and development work by other agencies of Government, including the military departments, as may be necessary to accomplish its mission in relation to projects assigned.

3. The Agency is authorized to enter into contracts and agreements with individuals, private business entities, educational, research, or scientific institutions including Federal or State institutions.

4. The Agency is authorized to acquire or construct such research, development and test facilities and equipment as may be approved by the Secretary of Defense, in accordance with applicable statutes. However, existing facilities of the Department of Defense shall be utilized to the maximum extent practicable.

III. ORGANIZATION

A. The Director of Advance Research Projects shall report to the Secretary of Defense.

B. The Department of Defense Advanced Research Projects Agency shall be provided such personnel and administrative support as may be approved by the Secretary of Defense.

C. Other officers and agencies of the Office of the Secretary of Defense within their respective areas of responsibility shall provide support to the Director of the Advanced Research Projects Agency as may be necessary for him to carry out his assigned functions.

IV. EFFECTIVE DATE

This directive is effective immediately.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield to the gentleman with pleasure.

Mr. GROSS. I want to commend the gentleman from Georgia and the conferees on the part of the House and the other body for not creating a new statutory agency at this time.

Mr. VINSON. I thank the gentleman.

Mr. GROSS. If the reorganization at the Pentagon, about which we hear so much, means anything, it should bring about the abolition of some agencies. I hope the gentleman's committee will give close attention to that.

Mr. VINSON. I want to say to the gentleman and to the House that, as you know, the Committee on Armed Services now is conducting an investigation of the entire Department of Defense under authority granted House Resolution 67.

The full committee has been broken down into six subcommittees and I have designated one subcommittee to be known as the Subcommittee on Reorganization. I have selected our distinguished colleague from Texas [Mr. KILDAY] as chairman of that subcommittee, and I think when we make our report to the House, everyone will conclude that we have done an outstanding job in trying to eliminate bottlenecks and to streamline the Department for efficient management.

Mr. GROSS. Mr. Speaker, will the gentleman yield further?

Mr. VINSON. With pleasure.

Mr. GROSS. I think the gentleman will agree with me that we are being overridden with agencies, advisory boards, advisory committees, advisory commissions and so on and so forth. I hope the gentleman's committee will do what it can to eliminate some of them in the Defense Establishment.

Mr. HARDY. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield.

Mr. HARDY. Mr. Speaker, I wish our distinguished chairman would comment whether there is any construction of this language in the conference report which might give to the Secretary of Defense authority to contract with reference to any matter which is not specifically spelled out.

Mr. VINSON. The contracting authority, as I interpret the language, has relation to basic and applied research and development that fall within the provisions of section 7.

Mr. HARDY. We specifically give him authority in this language to enter into contracts for these purposes and these purposes only; is that not correct?

Mr. VINSON. If I may repeat this statement, which I have prepared with great care because I want the record to be clear on it:

It is equally clear that the language in section 7 does not create a statutory office. It merely gives the Secretary of Defense certain powers. If he wants to exercise these powers within the framework of an Advanced Research Projects Agency or any other agency, he has the administrative authority to do it, that we, by law, have given him the authority to contract with private business entities, education, or research institutions.

Mr. HARDY. Mr. Speaker, then there is only this specific authority and there is no authority elsewhere for the Secretary of Defense to enter into contracts for other purposes; is that not correct?

Mr. VINSON. That is the construction I put upon section 7.

Mr. HARDY. I did want that to be clearly understood that that was the intent of the committee, and I hope the intent of the Congress. I thank the distinguished chairman.

Mr. VINSON. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

Mr. VINSON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include a letter.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

EXTENSION OF PUBLIC LAW 480—REINSTATEMENT OF THE BARTER PROGRAM

Mr. COOLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. COOLEY. Mr. Speaker, I take this occasion to call to the attention of the House a bill (H. R. 10487) extending and expanding the operations under Public Law 480, which I introduced on Tuesday last and which is now available either from the document room or from the Committee on Agriculture. Section 1 of this bill extends title I and title II of Public Law 480 for an additional year. It also authorizes the sale of an additional $1,500,000,000 worth of surpluses under the provisions of title I. These provisions are the same as the recommendations made by the administration and are also the same as the bill introduced at the opening of this session of Congress by the gentleman from Mississippi, Congressman ABERNETHY, a member of the Committee on Agriculture.

Section 2 of the bill is the part to which I specifically invite the attention of the House. This section would direct the Secretary of Agriculture to reinstate the barter program for surplus commodities on substantially the basis that Congress had in mind when the augmented authority and directive for this barter program was enacted as part of Public Law 480 in 1954.

As a result of that legislation, the Department of Agriculture has exported almost $880 million worth of agricultural surplus in the period between July 1, 1954, and May of 1957. This compares to an average of only about $20 million worth of commodities a year which had been bartered in the 5 years previous to the enactment of this provision in the 1954 law.

It is important to remember that these $880 millions worth of agricultural commodities have not been given away. They have not been sold for foreign currency. They have not been sold at bargain prices nor on credit. These commodities have been disposed of at the going world market price for agricultural commodities and in return for them we have received not credit nor foreign currencies but materials such as chrome, manganese, industrial diamonds, and other materials which are not only of strategic importance to this country but which will retain or even increase their value as they are kept in our national stockpile.

In May of 1957 the Department of Agriculture revised its barter program and policies. The effect of that revision was to put an end to this highly successful barter program and it was intended for that purpose. This change in policy has effectively killed the barter program. Since the revision of policy in May 1957 the total amount of barter contracts entered into is only about $3 million.

The only reason given by the Department of Agriculture for the arbitrary decision to terminate a highly successful program directed by the Congress was that it felt that it was interfering with cash sales of agricultural surpluses. The Department has persisted in this attitude in spite of the fact that in the course of rather extensive hearings conducted by the committee on this subject and in the course of discussions with members of the committee and the committee staff since that time, Department officials have not been able to point to one single instance anywhere in the world where they can say that a barter sale has displaced cash sales of these surplus commodities.

FOREIGN AID

Mr. PASSMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. PASSMAN. Mr. Speaker, there is going to be an unusual program in Washington on February 25. There will be representatives of 300 different organziations here, lobbying for foreign aid. It will be the day of brotherly love. President Dwight Eisenhower, former President Harry Truman, the Honorable Dean Acheson, the Honorable Adlai Stevenson, Secretary John Foster Dulles, and other distinguished public figures will speak on the program and, no doubt, will be sipping from the same cup. I regret that I do not have about 10 minutes in which to talk on that program. If the foreign-aid program has deteriorated to the point where it is necessary to lobby to such an extent and to bring in representatives of 300 different organizations to attempt to justify it, then in all probability it would be better to suspend it entirely for a year and permit more Members of Congress to make investigations similar to the one I made last year. I have no doubt that the majority of the Members' conclusions, following such investigations, would closely correspond to those which I have reached. In my remarks on the foreign-aid program from the floor of the House next Tuesday, I shall ask the question as to who is underwriting the expenses for the appearance here of these lobbyists from some 300 organizations, most of whom are not nearly so well informed concerning the subject for discussion as are the majority of my listeners here today.

SUPPLEMENTAL APPROPRIATION FOR THE DEPARTMENT OF DEFENSE

Mr. MAHON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 10146) making supplemental appropriations for the Department of Defense for the fiscal year ending June 30, 1958, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, strike out line 3.

Page 2, strike out all after line 3 down to and including "Defense" in line 10, and insert:

"SALARIES AND EXPENSES

"The Secretary of Defense is authorized to transfer not exceeding $10 million, to remain available until expended from any appropriation available to the Department of Defense for the current fiscal year for such advanced research projects as he may designate and determine."

Page 2, line 19, strike out "this Agency" and insert "advanced research."

Page 5, lines 5 and 6, strike out "within the Advanced Research Projects Agency."

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. MAHON]?

Mr. WIGGLESWORTH. Mr. Speaker, reserving the right to object, and I shall not object, will the gentleman explain briefly just what these amendments do?

Mr. MAHON. Mr. Speaker, in agreeing to the Senate amendments on this bill, the Committee on Appropriations is following the action of the House in agreeing to the conference report on the authorization bill that has just been presented by the gentleman from Georgia, chairman of the Committee on Armed Services.

The Senate language relating to the so-called advanced projects research activities is in keeping with the language in the conference report just adopted. The language recommended and carried in the House version of this bill (H. R. 10146), was based upon the language for the Advanced Research Project Agency wording in H. R. 9739 as it passed the House. Since this language has been changed, the Committee on Appropriations has no alternative but to follow the lead of the House in agreeing to the language in the authorization act as now approved.

A further word. It must be clearly understood by the Department of Defense, however, that in agreeing to the Senate language as contained in H. R. 10146 the Committee on Appropriations will insist that the so-called supergrades and professional personnel authorized by this act be placed in positions directly concerned with the advanced research and space program activities authorized by H. R. 9739. The committee will expect the Secretary of Defense to submit a report in connection with the assignment of these super grades and positions in connection with the hearings on the 1959 budget estimate for the advanced research projects activities.

Mr. Speaker, to go further with reference to this problem of the conquest of space I should say it appears that there is considerable confusion in the Government as to just who is going to handle our growing and urgent programs for the conquest of space. The supplemental budget estimate submitted by the President on January 7, 1958, was based on the Department of Defense being responsible for these programs, specifically those programs having to do with defense. Now we find that the President

is having a special study made to determine "the type of structure we may need to set up in the field of outer space—as to where it will be in the overall structure of the Government."

This seems to be contradictory to the programs that were in operation at the time the supplemental appropriation bill was approved by the House. Never have the words of the House committee report accompanying the bill and submitted on January 21, 1958, been more appropriate.

The need for clear-cut and coordinated programs in the research and development phases of advanced science programs has been obvious for some time. The lack of effective direction and coordination has undoubtedly contributed to the inability of the Department to go forward as rapidly as necessary in these important areas. These same deficiencies have contributed to the inefficient use of funds.

Clear-cut and coordinated programs in this field must be formulated and implemented at once if slowdowns in vital areas of defense are to be averted.

This is no time for slowdowns in the contest for the weapons of the future, particularly in view of the fact that we are behind in these areas. As has been stated many times in the past this committee offers its fullest cooperation.

I hope that somewhere, somebody in the Government will decide what is needed so that we can cut out the red-tape and confusion and get on with the work.

I also hope that we will not attempt to so divorce space projects from our necessary military efforts that we will lag behind as we did in the space satellite program.

I do not underestimate the magnitude of the decisions that are required or the difficulties involved. Our weakness in the past has often been a result of lack of decisions. Now is the time to watch our step if we are to avoid a repetition of recent mistakes.

Mr. WIGGLESWORTH. Mr. Speaker, all that is before the House at this time is a change in language between the two versions of this appropriation bill. I am not going to discuss any other aspect at this time, except to state that I am confident that every effort will be made to alleviate the programs referred to as rapidly as possible and to avoid the repetition of mistakes made shortly after World War II. I withdraw my reservation of objection.

Mr. GROSS. Mr. Speaker, if the gentleman from Texas will yield, with respect to the additional professional and super grades in the bill; they were provided, did the gentleman say, for the purpose of staffing an agency which has now been eliminated?

Mr. MAHON. They would be used only for this new effort in this field of research and new weapons.

Mr. GROSS. But they were originally provided for for the purpose of staffing a brand new agency, were they not?

Mr. MAHON. Yes; but the language of the Senate bill and the language in the conference report on the authorizing legislation, previously adopted, has changed that picture somewhat.

Mr. GROSS. That is exactly right, but they are still carried in this legislation.

Mr. MAHON. They are still carried in there for the purpose of carrying out these programs.

Mr. GROSS. So we only eliminated the statutory agency in name; the personnel continues to grow and grow.

Mr. MAHON. The gentleman is correct.

Mr. GROSS. Yes.

Mr. MAHON. Mr. Speaker, I move the previous question.

The previous question was ordered.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

CAN WE LEARN ANYTHING FROM "OLD" EUROPE?

Mr. DAVIS of Georgia. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. DAVIS of Georgia. Mr. Speaker, this morning's papers carry a news story which has a lesson for this country. The West German Government has offered Great Britain what amounts to a loan of $280 million. The Bonn government offers to place on deposit in the Bank of Great Britain 100 million pounds sterling which the British Government can draw against for armaments to be supplied by Germany. Britain has recently been forced to cut down her military commitments under NATO for the defense of western Europe because of her precarious financial condition.

This is a paradox almost without precedent in history. In the summer of 1945 Germany lay prostrate in ruins and total defeat. Great Britain, allied with the United States and other countries was the victor. Her troops strutted proudly through occupied Germany as conquerors. The Germans were cowed, abject, and bewildered by the enormity of their defeat. Their country was cut up into uneconomic wedges between four allied nations. Russia carted off most of the industrial machinery which had miraculously escaped our saturation bombing. Most of Germany's great cities and industrial areas were heaps of rubble as far as the eye could see.

Twelve short years later West Germany is in a financial position to offer a $280 million loan to her erstwhile conqueror. There is—of course—an answer to this amazing reversal of fortunes. Great Britain ousted her Conservative government and decided to try socialism. Germany, ruined and hopeless, decided to stick by old-fashioned and much-maligned capitalism. England nationalized and socialized as far as she dared or was able and went broke in the process. The defeated Germans rolled up their sleeves and with bare hands first cleared away the rubble. Even women and old men worked at the rebuilding of their country. They worked, worked, and worked.

Their financial structure was the most conservative in socialistic or near socialistic Europe. True that Western Germany received roughly $3,890,000,000 of aid or loans from the United States. Great Britain during the same period had received twice as much. According to the Office of Business Economics of the Department of Commerce Great Britain has received a total of grants amounting to $3,798,179,000 and loans totaling $4,412,033,000 in loans or roughly $8,210,000,000.

One country, totally bankrupt and ruined tried capitalism and today is in excellent economic shape. The other tried the booze of socialism and today is not doing so good. Let this be a dire warning to those secret Socialists in our own country who have been steadily and insidiously trying to steer us down the same road as Great Britain.

FEDERAL UNEMPLOYMENT COMPENSATION STANDARDS BILL

Mr. McCARTHY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. McCARTHY. Mr. Speaker, the Federal unemployment compensation standards bill which I have introduced is not meant to replace the present Federal-State unemployment compensation system, but rather to supplement it and to strengthen it.

There is growing evidence that the unemployment compensation systems now existing and administered throughout several States are failing to make any real progress towards the stabilization of employment and the achievement of greater security against unemployment, the principal objective of the Social Security Act when passed in 1935.

There remain today many workers and employees who, although they need the protection afforded by unemployment compensation, are not included in the program. Over 1 out of 4 employed today are not covered by unemployment compensation. The amounts of unemployment compensation payable to unemployed people who are included in the program are, in most cases, inadequate to provide the worker and his family with the basic necessities of life. Less than one-fifth of the total wage loss is being replaced through unemployment compensation.

In some States unreasonable terms and conditions are imposed in determining eligibility for unemployment compensation. Many unemployed workers and their families are consequently deprived of the benefits of unemployment compensation. There are wide differences among the States with respect to the terms and conditions under which workers may become eligible for compensation and differences also with respect to the

amount of compensation and the length of time for which it is paid.

Today only 18 States provide coverage in establishments of one or more employees. Only 7 States have a 26-week duration period for benefit payments. Maximum benefit levels relative to average weekly wages have declined in 28 States during the last 2 years and in every State since 1939. In some States there have been excessive tax reductions and excessive benefit curtailments. In attempting to attract industries, differential treatment has been offered and granted in some States.

My bill proposes to correct the inadequacies and to remove inequities by establishing additional standards to be met by States, by establishing a system of reinsurance to aid depleted State reserves. The bill includes the following principal provisions:

First. That the maximum primary benefit payable under State law shall be not less than 66⅔ percent of the State's average weekly wage. Subject to this maximum, each individual's primary benefit shall be not less than 50 percent of his weekly wages.

Second. Benefits shall be payable to all unemployed insured individuals for a period of not less than 39 weeks.

Third. The basis upon which an individual can be disqualified for unemployment compensation are restated and clarified and liberalized.

Fourth. The bill provides for coverage virtually coextensive with the coverage of the old-age and survivors insurance program.

Fifth. The bill provides that in the financing of the program, States will be permitted to provide for uniform rate reductions to all employers as well as individual experience rate reductions and further, that the proceeds of the Federal Unemployment Tax Act will be earmarked in a Federal unemployment account in the Federal Treasury. Such account will be used for paying the Federal-State administrative expenses including the establishment of a contingency fund and be reinsurance credit to those States who are in financial difficulty because of the high rates of unemployment.

It is my opinion that the adoption of a program similar to that which is proposed in this bill would have many desirable effects.

It would, of course, give a greater measure of security to the workingman and to his family.

It would provide incentives to management to better schedule its workload so as to provide year-around, or nearly year-around, employment to its workers.

It would help to sustain the national income in periods of recession by providing for uniform standards and higher payments over a longer period of time.

It would help to discourage the growing practice of shifting industry from one region to another, or from one State to another, in order to take advantage of differences in State laws affecting labor unemployment compensation, taxes, and other considerations affecting the cost of conducting business.

I am including a list of Members who wish to be listed as supporters of this bill. This is not intended to be a complete list: HUGH J. ADDONIZIO, THOMAS L. ASHLEY, WAYNE N. ASPINALL, CLEVELAND M. BAILEY, WILLIAM A. BARRETT, JOHN BLATNIK, EDWARD B. BOLAND, ROBERT C. BYRD, JAMES A. BYRNE, EMANUEL CELLER, FRANK CLARK, JOHN J. DEMPSEY, JOHN H. DENT, ISIDORE DOLLINGER, HAROLD D. DONOHUE, HERMAN P. EBERHARTER, MICHAEL A. FEIGHAN, JOHN FOGARTY, SAMUEL N. FRIEDEL, EDWARD A. GARMATZ, THOMAS S. GORDON, WILLIAM J. GREEN, LESTER HOLTZMAN, LESTER JOHNSON, FRANK KARSTEN, ELIZABETH KEE, EUGENE J. KEOGH, CECIL R. KING, COYA KNUTSON, THOMAS J. LANE, JOHN LESINSKI, JR., GEORGE S. LONG, TORBERT MACDONALD, THADDEUS M. MACHROWICZ, PETER F. MACK, JR., RAY J. MADDEN, DON MAGNUSON, LEE METCALF, GEORGE P. MILLER, KATHRYN E. GRANAHAN, THOMAS E. MORGAN, ABRAHAM J. MULTER, THOMAS P. O'NEILL, JAMES G. POLK, ADAM CLAYTON POWELL, MELVIN PRICE, LOUIS C. RABAUT, GEORGE M. RHODES, PETER W. RODINO, JAMES ROOSEVELT, ALFRED E. SANTANGELO, LEONOR K. SULLIVAN, ROY WIER, CLEMENT ZABLOCKI.

FEDERAL UNEMPLOYMENT COMPENSATION BILL

Mr. ASHLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. ASHLEY. Mr. Speaker, I am pleased today to join with my eminent colleague from Minnesota [Mr. MCCARTHY], in presenting a Federal unemployment compensation bill. The measure which I have just introduced in most respects is similar to that of the gentleman from Minnesota—certainly our purposes are identical.

The necessity of this legislation is to be found in the clear inadequacies of State unemployment compensation laws. The bill which I have introduced seeks to correct these inadequacies by establishing additional standards to be met by States as a condition of employers getting credit against the Federal unemployment tax and by establishing a system of reinsurance to aid depleted State reserves.

Of principal import in these days of growing unemployment and continued high prices are the provisions relating to amount and duration of benefits.

My bill provides that an individual's primary benefit shall be at least 50 percent of his weekly wages and not less than two-thirds of the State's average weekly wage.

With respect to duration, my bill provides that benefits shall be payable to all unemployed insured individuals for 39 weeks.

Because the ugly consequences of unemployment beset all jobless persons alike—regardless of previous employment—coverage under this bill is made virtually coextensive with the coverage of the old-age and survivors' insurance program. It will include employers having one or more individuals in their employ at any time during the taxable year, and it will apply to employees of the Federal Government, including Armed Forces personnel.

The act sets up a Federal unemployment account in the Federal Treasury and proceeds from the Federal Unemployment Tax Act are earmarked for this account. The account will be used for paying Federal and State administrative expenses and for reinsurance grants to States in financial difficulty because of high rates of unemployment.

Mr. Speaker, I realize full well that this measure will be highly controversial. I call it to the attention of my colleagues because I believe that the difficult economic times in which we find ourselves cry aloud for an honest and thorough reappraisal of the present Federal-State unemployment compensation system and the extent to which this system is meeting today's demands. I wish to make it clear that my purpose is no different than the purpose behind the original legislation establishing the Federal-State unemployment compensation setup. It was to provide a safeguard and buffer against unemployment and the economic calamity which accompanies it.

I am sure we all agree, Mr. Speaker, that this purpose is still valid. It remains the responsibility of this body to see that it is met by timely revision of the law to meet changing economic and social facts of life.

SOIL BANK PROGRAM

Mr. JONES of Missouri. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. JONES of Missouri. Mr. Speaker, the soil bank program is really in a mess, and it is time that the Department of Agriculture takes some steps to correct the policy which it has announced. I do not know how it is in other States, but in my State of Missouri we have a situation where the soil bank was oversubscribed, in some counties many times.

I want to read just one brief excerpt to show the inequity of the policy which has been announced by the State committee that the funds will be administered on a first-come-first-served basis. This farmer says:

On the first day the farmers were permitted to sign their soil bank contracts here in Dunklin County, our ASC office manager had the local radio station broadcast a plea to farmers "not to come in, the office was swamped," that there would be "plenty of funds." Now, the more polite men are out in the cold. I was in the office early that day. Each of the several girls who was helping in signing of the contracts by the farmers, were given forms numbered, say from 1 to 50, 51 to 100, etc. My neighbor and I who walked in together were given numbers and told to return on a certain date to complete the contract. There was a difference of over a 100 in our numbers. With such a variance, which all depended on the

table you happened to go to, you can see how some will be eligible and others not, who came into the office at the same time.

It just shows that we cannot administer this program equitably if we follow a policy of first come first served. Furthermore, there is considerable question in the minds of many that the Secretary of Agriculture is not administering the program according to the law which states among other things that it should be administered on a basis that would provide a fair and equitable opportunity to all farmers to participate in the acreage reserve program.

Despite the fact that the Department of Agriculture states it has instructed each State ASC committee to determine the policy to be followed, it would appear that the policy should not be approved if it violates either the law or intent of Congress; and certainly the policy should be based on equity.

STATEMENT OF DEPUTY CHIEF OF NAVAL OPERATIONS FOR LOGISTICS BEFORE HOUSE COMMITTEE ON MERCHANT MARINE AND FISHERIES

Mr. BONNER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to include a statement made before the Committee on Merchant Marine and Fisheries by Admiral Wilson, Chief of Naval Operations for Logistics.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. BONNER. Mr. Speaker, the following is a statement made by the Deputy Chief of Naval Operations for Logistics, Adm. Ralph E. Wilson, before the Committee on Merchant Marine and Fisheries:

Mr. Chairman, I am Vice Adm. Ralph E. Wilson, Deputy Chief of Naval Operations for Logistics. I appear today as a witness for both the Navy Department and the Department of Defense.

I welcome this opportunity to discuss the emergency passenger ship requirements of the Department of Defense. Our interest in passenger ship construction is based on the need for modern, high-speed ships capable of being used as troop transports in times of national emergency.

Bills H. R. 9342 and H. R. 9432, introduced by the Chairman, and similar bills authorize the construction of a superliner to replace the steamship *America* and the construction of a passenger vessel for operation in the Pacific. Both of these new ships will significantly reduce our qualitative deficiency in troop transport potential. Their earliest completion will, therefore, make an important contribution to improving our national defense posture.

In the event of a national emergency, the military would have an immediate need for a number of troop transports. Depending on the gravity of the situation and the time factors involved, this need might not be met by ships now available to us. It is easy to visualize situations, even short of general war, where demands for the rapid mass movement of people would exceed our present military capability. This could well become a race against time to evacuate nationals, to redeploy forces, or to augment existing forces overseas. For such purposes a significant increase in our limited reserve capability in high-speed passenger ships under the American flag will be of great value.

There will be an urgent need for merchant shipping even in the event of an initial devastating nuclear exchange. Shipping active on the high seas would stand a good chance of surviving the initial onslaught. Many vitally important tasks will remain to be done. These may include military occupation of enemy territory, continued support of allies, and transportation for our own economic rehabilitation. Heavy damage to our industry and lack of time would prevent the construction of sorely needed shipping. We would have to carry on with what we have on hand.

The question may arise as to whether our calculations of shipping needs for general war have taken into consideration the capabilities of our allies and the magnitude of multilateral commitments to the NATO pooling concept. The answer is a qualified "yes." The United States has entered in all sincerity into NATO planning for the pooling of merchant shipping. We intend to abide by our commitments in the event of a NATO war. It appears most probable that the national requirements of other NATO nations would exceed their combined shipping capabilities. Additionally, many foreign flag passenger ships have marginal endurance under heavy loading conditions. It must be pointed out, too, that the NATO Defense Shipping Authority is not expected to become fully operational until 2 or 3 months after the outbreak of war. Meanwhile, our immediate need for efficient transports must be filled from United States flag shipping.

Of utmost significance in this connection is that the United States must be prepared for emergencies other than all-out war and a NATO war. We have interests in many areas of the world that fall outside the NATO sphere of planning. We must also recognize that under various circumstances which might arise, the policies and views of the United States would not necessarily coincide with those of our many allies in each and every crisis. The lessons of history have taught us that, as a matter of fundamental policy, our primary reliance must continue to be placed on capabilities under our direct control.

Present planning indicates that by a combination of employing active passenger-type vessels and activating additional ships from the national defense Reserve fleet, we could meet our minimum needs for troop transport in the event of general war. We have enough ship space to provide the required initial lift. This determination is valid, however, only on a quantitative basis. Unfortunately, the majority of our ships are old. Most of them are deficient in speed and lacking in other features that are important in minimizing the hazards of moving troops by sea. The use of many of them under modern war conditions would involve a high degree of risk which can be significantly reduced by the construction of modern, high-speed ships.

America's active and Reserve inventories of passenger-type vessels add up to a total of 156 actual ships, ranging in age from 5 to 30 years. Of these, 56 ships are limited to a top-speed range of 15½ to 16½ knots, have an average age of 14 years, and represent a combined emergency capacity for about 56,000 troops. Sixty-one ships have a top-speed range of 17 to 17½ knots, average age of 15 years, and a combined emergency capacity for about 163,000 troops. There are 3 ships of 18 knots that are 30 years old and have a combined emergency capacity for about 4,000 troops. We have 24 ships in the 19-knot bracket, including 16 MSTS transports which can do 20 knots in a pinch. However, to call them 20-knot ships would be stretching a point. They have an average age of 13 years and a combined emergency capacity for about 81,000 troops.

Deduction leaves 12 actual passenger-type ships that are capable of 20 knots or more. They represent a combined emergency capacity for about 33,000 troops, but 5 of these ships are over 25 years old and are lacking in several defense features. In fact, our existent, fully modern trooplift potential amounts to only 6 ships—3 converted 20-knot Mariners, the 25-knot *Constitution* and *Independence*, and the 33-knot *United States*, which add up to a total emergency capacity for about 14,000 troops—enough for 1 streamlined division.

Ships under construction include two passenger vessels for Grace Lines and two for Moore-McCormack Lines. As with the converted mariners, they meet the minimum-speed requirements for modern-troop transport. The four ships will provide a total emergency capacity for about 5,000 troops. These ships do include many improved-designed features, and they will contribute appreciably to the quality of our total-troop lift potential.

World Wars I and II proved that the submarine is a deadly enemy of merchant-type ships. The Soviet submarine force has reached a strength of over 450 submarines, which is greater than the rest of the world navies combined, and the largest submarine force in world history in peace or war. Because of a concentrated building program commencing in about 1950, the greater percentage of these are new, long-range units of modern design. By contrast, the Germans had only 57 submarines in operation at the beginning of World War II. The impact of this numerical comparison is ominous. With a few notable exceptions, a steadily growing submarine menace is compounded by a relative stagnation in merchant-ship development and the consequent increase in the vulnerability of our shipping.

The vulnerability of merchant ships to submarine attack can be reduced in some measure by certain built-in national defense features. The more important of these are:

(a) Speed.

(b) Compartmentation for damage control.

(c) Increased fire- and shock-resistance.

(d) Extra endurance and cruising range.

(e) Defensive armament and equipment.

Each of these defense features is valuable. The importance of speed cannot be overemphasized. Speed is the best passive defense that merchant-type ships can employ against hostile submarines. The faster the target, the more difficult it is to hit with submarine torpedoes, and the more difficult it is for a submarine to get into position for launching a torpedo attack. These are simple derivations from the laws of probability.

An added advantage of high speed is the flexibility in routing. Fast ships can be operated independently over more devious routes than is possible in convoy operations. This permits them to avoid known concentrations of submarines without undue loss of voyage time.

In the past war it was standard doctrine among naval shipping control authorities that a ship capable of 16 knots or more should normally be employed as an independent, rather than in convoy. This speed criterion is no longer valid, due to developments in submarine performance and the over-all magnitude of the submarine menace. Today it is not considered prudent to permit independent routing of any ship not capable of a sustained speed of at least 20 knots. Even at this minimum speed there is considerable risk involved.

Detailed studies indicate that ships capable of speeds up to 24 knots are, in certain situations, as susceptible to attack by submarines capable of sustained high speed submerged as was a 13-knot ship during World War II. There is no magic speed figure that guarantees complete immunity to submarine attack. In transiting known or probable focal points of submarine menace,

even the fastest ships would require additional protection, but this does not reduce the value of high speed as an effective passive means of protection.

Our studies show that with increases in speed above 25 knots the proportionate reduction in vulnerability definitely pays off. High speed design is expensive, but it will prove of great value in time of war. The importance of speed will increase as submarine development advances.

In emphasizing the value of speed, the importance and value of other built-in national defense features should not be obscured. Many of them also serve to improve the commercial quality of a vessel, especially as regards safety and reliability. High standards of compartmentation reduce the vulnerability to enemy hazards by localizing damage; the spread of flooding into undamaged compartments is prevented, and a substantial margin of buoyancy is thus assured. Special preservative coatings, minimum use of wood, and other preventative measures increase a ship's resistance to fire damage. Carefully designed shock mountings reduce the possibility of breakdown of essential machinery under enemy attack. Certain preparatory structural work is accomplished, such as foundations and adaptations, with a view to wartime installation of armament and other defensive equipment.

Endurance adequate to fulfill a ship's primary mission is a vital factor in wartime. Maximum endurance is required in ships whose mission entails long extended periods of steaming at sea. All types of major warships and submarines fall in this category. Transports and those logistic support-type ships whose mission involves point-to-point transportation should possess sufficient endurance to make round-trip voyages at maximum sustained speed. Many of our available transports do not possess sufficient endurance to fulfill their mission.

The requirements of endurance include the additional fuel capacity requisite to extended cruising range at high speed. The size of distilling plants, the storage space for dry and refrigerated provisions, the capacity of electrical distribution systems, and many other features are also important considerations in regard to endurance.

The development of nuclear power represents a great advance in ship propulsion, particularly because of unlimited endurance. Nuclear propulsion in a man-of-war is of inestimable value as it insures a comparatively unlimited cruising range and enables a major warship or submarine to remain in its operating area for extremely protracted periods of time. As you know, the Navy has undertaken a long-range program for the application of nuclear power to surface ships, as well as submarines. To date, 19 nuclear-powered submarines and 2 nuclear-powered surface ships have been approved and funds appropriated for their construction.

Not only is nuclear propulsion presently very expensive to construct; it is also costly to operate. Navy experience and estimates show that the operating fuel cost of nuclear-powered ships is considerably greater than that of similar ships fitted with conventional propulsion.

It is noted that bill H. R. 9654 would incorporate nuclear propulsion in the replacement for the steamship *America*. We do not believe that this action would improve either the commercial or defense utility value of this vessel by sufficient margin to warrant the disproportionate increase in the initial cost and the operating costs.

A passenger ship, even when used as a transport, is essentially a point-to-point carrier. For such employment, adequate endurance can be achieved without resort to the high premium cost of nuclear power. For example, the cruising range of the steamship *United States* is fully adequate for emergency purposes. The high pressure, high temperature steam powerplants originally proposed represent the most efficient and most modern design of steam propulsion, and can be installed in the minimum of construction time. The incorporation of nuclear propulsion would most likely necessitate considerable extensions in the design and building periods. Until further developments make nuclear-powerplant costs competitive with oil, we do not recommend the application of nuclear propulsion to ships of this type.

I have given you only a brief résumé of national defense features. Basically they are improvements and refinements in design, above normal commercial standards, that make a ship more sturdy, more capable, and more reliable, particularly under wartime conditions. These features not only improve a ship's performance and her ability to evade attack; they also enhance a ship's capacity to absorb an enemy attack and survive. They reduce her requirements for logistic support.

The replacement for the steamship *America* and the passenger vessel for the Pacific will have designed speeds of about 33 knots and 28 knots respectively. As in the case of the steamship *United States*, the design of both ships will include speed above commercial requirements built in for defense purposes. These new ships will incorporate the maximum in safety and reflect the most modern national defense features. Their comfortable cabin spaces, designed for approximately 2,000 and 1,500 passengers respectively, will be convertible to troop accommodations with utmost ease and a minimum of delay.

Even without any conversion, these new ships could respond quickly and effectively to an urgent demand in the event of emergency. Under such conditions the two ships would have the capability to evacuate a combined total of 7,000 mixed civilians and dependents or to redeploy a combined total of 9,500 troops. By relatively rapid conversion, their capacities could be increased to ultimate totals of 14,000 and 10,000 troops respectively.

The prosecution of war utilizes all the resources of our Nation. Our entire industrial potential is intermeshed into our overall national defense posture. To project our military power overseas and support sustained combat operations, our Armed Forces would rely heavily upon American industry—and the maritime industry, as in the past, would play a key role.

We are fortunate that we have laws and policies that are designed to both encourage and develop a strong maritime industry. It is most opportune for national defense that these two superior ships are proposed for construction under the logical policies of existing law for the primary purpose of furthering our maritime commerce and maintaining the prestige of our American merchant marine.

While I have stressed the need for these ships in emergencies, there is an advantage in having additional United States flag passenger capability to provide for peacetime military requirements. Many of the transports operated by the Military Sea Transportation Service are poorly appointed for peacetime troop movements. Additional commercial passenger capability would make it possible for MSTS to utilize its better transports more effectively and inactivate the less desirable ships. Such action would effect a more economical operation and, at the same time, provide additional support for the privately owned merchant marine. At present, United States commercial lines can only make an appreciable amount of space available to MSTS in the so-called off season. Because of this, MSTS is compelled to operate a greater number of ships than would otherwise be necessary.

In summary, for reasons set forth above, the Department of Defense desires to emphasize the urgent need for the construction of modern passenger ships. These two ships have been under discussion for about 2 years and will require about another 3 years to build, once approved. The financial and contractual details of the various proposed bills are matters of Department of Commerce cognizance. While deferring to the Department of Commerce in regards to such business aspects, the Department of Defense fully endorses the enactment of legislation which will authorize the prompt construction of these modern passenger ships.

PAYMENTS IN KIND UNDER THE SOIL BANK ACT

Mr. COAD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. COAD. Mr. Speaker, I have today introduced a bill which would amend the Soil Bank Act to direct the Secretary of Agriculture to make payments in kind to producers who agree to take basic commodity acres out of production under the provisions of the act.

I should like to point out that soil-bank funds in many areas have been completely depleted and that this program will be stopped from further expansion if this condition continues to exist.

The purpose of the bill that I have offered is to make two provisions possible for the 1958 crop year. First of all it would offer a further incentive to the farmers to reduce the production on the basic grains and, secondly, it would help reduce the stocks of these commodities presently held by the Government in storage.

The present provision in the Soil Bank Act, authorizing payment in kind for grains, is extremely vague and couched in such evasive language that it is difficult to understand, let alone administer.

This amendment which I have proposed would clarify the formula under which payment in kind could be made and would make the program effective immediately and attractive to the farmers. Passage of this bill would allow the Secretary of Agriculture to contract for more acreage than at present, as the payment in kind would not be limited to the dollar restrictions under existing law.

NATION APPLAUDS THE BOY SCOUTS OF AMERICA

Mr. LANE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, we have much to learn from the Boy Scouts of America in self-reliance; in healthy, wholesome living; in helpfulness to others.

These youngsters have a sense of community spirit far greater than many of their elders.

Their many acts of kindness and their unfailing courtesy are a constant surprise to us and a reminder of the consideration that we should show to others less fortunate than ourselves.

The Boy Scouts of America provide a constructive outlet for the energies and the idealism of youth, and in the process they prepare our boys for the responsibilities of manhood.

It is more than coincidence that Boy Scout troops are often associated with and supported by the churches of all denominations. For the character of a growing boy is strengthened by his devotion to the truths of his religion.

Home and school and church and country and wonderful adventures in the outdoors where they learn the secrets of nature—all these good influences bring out the best in a boy.

They teach him self-respect and respect for others.

There would be no juvenile delinquency in our country if all of our youngsters had the benefit of scout training.

That is why, during Boy Scout Anniversary Week, we urge them to join this fine organization. As Boy Scouts they will experience wholesome fun and genuine fulfillment in the healthy atmosphere of a real boy's world, where they learn the pride and satisfaction that comes with unselfish service.

We congratulate the Boy Scouts of America for their spirit and their accomplishments.

WHO ARE MR. STASSEN'S SPONSORS?

Mr. GAVIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GAVIN. Mr. Speaker, from newspaper reports we read that Mr. Harold Stassen has many admirable traits that qualify him to become a candidate for Governor of Pennsylvania.

I suppose these traits would qualify him for the candidacy in his home State of Minnesota equally as well.

Why he selects Pennsylvania instead of Minnesota I am unable to understand as we have many potential candidates in Pennsylvania with equally admirable traits—potential candidates eminently qualified to serve as Governor of Pennsylvania and who are Pennsylvanians with a vast knowledge of our industrial and economic life.

I might say that because of the contradictory position he has taken on some matters pertaining to the Republican Party, he has outlived his usefulness in the party.

Evidently he is on the way out of the White House and he knows it. I can see no reason why he should adopt Pennsylvania to further his political ambitions.

I understand he claims to have a number of Pennsylvania sponsors. If so, why does he not name them? If he does have any, I have never heard of them.

It is about time Mr. Stassen speaks out and says who his sponsors are as we who represent the great State of Pennsylvania would like to know who they are.

ACTION TO REPEAL FEDERAL EXCISE TAX ON AUTOMOTIVE VEHICLES

Mr. CHAMBERLAIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CHAMBERLAIN. Mr. Speaker, I think it is significant to note that yesterday the President, at his regular news conference, indicated that a tax cut could be a reserve weapon in fighting a more prolonged recession if, in his opinion, it becomes necessary. The same view has been expressed earlier by Secretary of the Treasury Anderson. If such a principle has merit, it should be put into practice now, before the symptoms of economic illness become more acute. An ounce of prevention is worth a pound of cure!

One of the most critical spots today in our economy is the automotive industry. Why not help this industry now, before it has a greater adverse effect on our general economy? To me, an effective remedy is readily at hand.

Yesterday, I wrote to the Chairman of the House Committee on Ways and Means to request that early hearings be scheduled on a bill I introduced last year to repeal the Federal excise tax on automotive vehicles.

Repeal of this tax would provide an immediate impetus to a vital segment of our economy and meet the growing unemployment in the automotive and many related industries. Now, Mr. Speaker, it is true that the drop in automobile production affects Michigan more acutely than anywhere else—and especially in my District because we have more automobile workers than in any other single Congressional District.

But the bellwether effect of the automotive industry on the rest of the national economy has been demonstrated time and time again. When the economic weather in Michigan turns cold, the entire Nation shivers. It should be remembered that one out of every seven employed persons in the United States works in the manufacture, distribution, service or commercial use of motor vehicles.

We cannot afford to wait until the entire economy feels the full effect of the automotive slump. We should take action immediately to grant such tax relief. To me, the automotive worker up my way would rather have a job than an increase in his personal exemption which would be meaningless if he had no job at all.

I want the record to be clear that I am not advocating a general tax cut at the present time—but that I am simply urging that the principle of tax relief to stimulate our economy be put to use on a selective basis in one of our most important industries, before it is too late.

Mr. Speaker, it is interesting to examine the history of the automotive excise tax. In 1932, rates of 2 percent were imposed on trucks and on parts and accessories, and 3 percent on passenger cars and buses—all being, in theory, temporary taxes prompted by the depths of the depression in which the Nation then found itself. World War II first added one-half of 1 percent to each of these rates in 1940, and then in 1941 boosted passenger car rates to 7 percent and others to 5 percent. It imposed the new 5 percent on truck trailers too, for the first time. It is well remembered that the Federal Government took various steps in World War II to help divert raw materials to the stream of defense production and away from use of civilian products.

Following outbreak of the Korean affair in 1951, the automotive excise taxes were boosted once again from the previous high plateau on which they had been placed by World War II increases. All categories were increased to 8 percent with the exception of passenger cars, which were assigned a new excise tax rate of 10 percent.

With the advent of the Federal Aid Highway Act of 1956, the excise tax rate became 10 percent across the board, except for retention of the 8 percent rate on parts and accessories.

Thus, we see a continual progression upward in automotive excise taxes. Although these rates were temporary in theory each time they were imposed, in practice they tend to become more and more built into our Federal tax structure.

But the unfairness of this series of taxes is shown by the fact that, of all forms of transportation, only the automotive industry must shoulder the burden of excise taxes of this magnitude. There is no doubt but that this places that industry at a competitive disadvantake due wholly to taxes. It is estimated that $146 in Federal excise tax must be paid on an automobile sold to the ultimate user for about $2,000. Altogether, over $500 of that purchase price consists of taxes. Exclusive of Federal excises, motor vehicles bear more than 40 different taxes. According to 1955 statistics, owners and operators of motor vehicles paid Federal, State and local automotive taxes of more than $7 billion. So it is apparent that the automobile carries a tax load heavy in comparative rates and total amounts.

The impact of the automotive industry on our national economy must be considered. Until recently, it had been employing directly nearly 1 million workers; and 9 million more employed in highway transportation depend for their livelihood on an economically healthy automotive industry. Makers of motor vehicles and parts purchase 72 percent of all upholstery leather, 69 percent of all plate glass, 41 percent of all lead, 29 percent of all zinc, 23 percent of all steel, and 10 percent of all copper sold in the United States. Retrenchment within the auto industry on purchases and employment

therefore has an adverse effect on our whole national economy, resulting in an accompanying decrease in tax take for the Government. It is this widespread effect of a decline in the automotive industry that should be kept in mind in considering the need for repeal of excise rates. The net effect of any such repeal on tax income cannot be simply stated to be a loss of the amount previously raised from automotive excises. Keeping the wartime rates in effect may cause a loss of tax revenue from other sources. Conversely, reducing the excise rates may encourage the production of taxable income elsewhere, with a corresponding increase in tax income from those sources.

We have already noted that these taxes discriminate against the automotive industry as compared with other forms of transportation. The same type of discrimination appears upon comparing automotive excises with the tax status of other consumer goods competing with automotive vehicles for the customer's dollar. Following the end of hostilities in Korea, nearly all excise rates were lowered. Golf clubs and other sporting goods enjoyed reduced tax rates of 10 percent instead of 15 percent. The excise tax rate on cameras declined from 20 percent to 10 percent, as did also the rate on perfumes, cosmetics, and toilet preparations. The excise rate on such luxury items as fur coats and jewelry was halved. Motorcycle taxes dropped from 10 percent to zero.

I am certain it will be conceded that the automobile and the truck are far more essential than many of the items listed above. Yet, the automotive excise rates have been maintained at their high wartime levels.

Traffic surveys have shown that over 90 percent of the automobiles in the United States are used either wholly or in part for essential purposes each week. Surveys also show over half of all passenger car mileage is in the category of necessary, and 65 percent of all auto trips are directly connected with earning a livelihood or with other basic, vital activity. Especially in these days of suburban living, the automobile becomes an essential item of transportation.

Farmers constitute the largest class of truck owners, operating almost one-third of all trucks in existence in the United States.

These automotive excises bear heaviest on lower-income groups. According to late 1956 statistics, it is indicated that nearly 44 percent of the owners of passenger cars in the United States earn less than $4,000 a year. Representing about 15½ million families, these owners feel the pinch of automotive excise taxes even when they purchase used cars having a residual of excises in the sales price, as well as whenever they buy new cars. In either event, they are also hit hard by the excise on automotive replacement parts and accessories.

To summarize, we should have an early look at legislation to reduce automotive excise rates for the following reasons. Most importantly, it will provide an immediate method of helping to restore vitality to our lagging economy. Repeal of these taxes would help to increase employment in the automotive and related industries. It would stimulate purchases of materials by the automotive manufacturing industry. It would induce the creation of other sources of taxable income, thereby offsetting to a considerable degree, the attendant reduction in Federal revenues.

I believe this is an immediate, justifiable method of aiding in turning the tide of a national economic downtrend. For that reason, I urge that early and favorable consideration be given to H. R. 3022, a bill I introduced last year, that is now pending in the House Ways and Means Committee.

DEPARTMENT OF DEFENSE

Mr. TEAGUE of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. TEAGUE of California. Mr. Speaker, I call to the attention of the Members of the House a bill I introduced earlier this week. Today we are dealing again with military appropriations, so this is a particularly appropriate time, I think, to speak of it. The bill would provide authorization for the Secretary of Defense to pay cash awards to members of the military who come forward with practical inventions or suggestions which will result in a more efficient and a more economical operation of our Defense Department. This program would be similar to the one now in effect for civilian employees of the Government. Certainly, our military people should have an equal opportunity to earn monetary rewards. I invite the support of the Members of the House on this very meritorious legislation.

THE LATE BERTRAND H. SNELL

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I cannot let this time go by without expressing my deep sorrow at the passing of a former colleague of ours, the late Bertrand H. Snell. He and his lovely wife Sara were in Washington when I first came to Congress. My late husband, John Jacob Rogers, and I were happy to count them great friends. I never shall forget his patience and his helpfulness at that time. An able and brilliant legislator, he was a great power in the House, and chairman of the Committee on Rules at one time. But he was never too busy to take over our responsibility in government. I have seen the House in operation for a good many years from the gallery and had talked over with my husband the legislative processes, but it was a very different thing to come to the floor of the House and as one of the new and untried Members have the responsibility for the passing of legislation.

Bertrand Snell was a great American, a great statesman, a great Republican. He believed in the two-party system, but he had complete faith in the Republican Party, and all that he dealt with and stood for was in the Republican way of doing in our democracy, with freedom for everything that he believed right. I have never seen a more courageous or devoted public servant than Bertrand Snell. He will long be remembered in this country and I believe in other countries.

UNITED STATES ARMY BUDGET

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FLOOD. Mr. Speaker, I hear that the distinguished gentleman from Georgia [Mr. VINSON] declares that he will oppose cuts in the United States Army as asked for in the President's budget this year. As a member of the Committee on Appropriations Subcommittee for the Department of Defense I have been opposing all cuts in the Armed Forces, and especially the Army for the past several years. I will introduce amendments this year in the committee, and in the subcommittee, and if I do not prevail there, then I will introduce them on the floor, to restore the cuts asked for in the budget this year in the National Guard Reserve components and the United States Army with additional amendments to make the Department of Defense meet the needs of the peace and security of this Nation and the world. They are now woefully inadequate.

LEGISLATIVE PROGRAM

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ARENDS. Mr. Speaker, I asked for this time in order to interrogate the majority leader as to what he may advise us concerning the legislative program.

Mr. McCORMACK. Mr. Speaker, on Monday there will be the general Government matters appropriation bill for 1959 and the urgent deficiency appropriation bill for 1958. You will remember the chairman of the Committee on Appropriations, the gentleman from Missouri [Mr. CANNON], stated yesterday there were two items relating to unemployment compensation for veterans and also for unemployment compensation in other categories.

On Monday, District Day business will be considered. There are four bills: H. R. 9271, a bill relating to the National

Society of the Sons of the American Revolution; S. 1040, revising the Life Insurance Act; H. R. 7300, amending the Alcoholic Beverage Control Act; H. R. 9304, relating to the Policemen's and Firemen's Retirement and Disability Act.

There is no other business scheduled for the rest of the week, unless some emergency matter arises which, of course, is not expected. If any such matter should arise, it would be one of those matters that would not compel the Members to come back. I can promise the membership that since they will be away in connection with the activities next week, the Members can be assured of complete protection in that respect except for the business programed for Monday, of course. I have been asked by various Members whether there will be a rollcall on Monday. The leadership is not going to ask for a rollcall, and the gentleman from Missouri [Mr. CANNON], I believe, yesterday said that it was not his intention to ask for a rollcall. But, of course, Members realize that the leadership on either side of the aisle cannot speak for each and every Member on their respective sides, but I would think the chances are overwhelmingly in favor of acting on these matters on Monday without a rollcall vote. I cannot guarantee that, but am only guaranteeing my own action.

Mr. ARENDS. I thank the gentleman for that information.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. ARENDS. I yield.

Mr. GROSS. Somehow I have lost track of the famous freedom wall. I wonder where it went. It was supposed to come up yesterday.

Mr. McCORMACK. It was taken off the program yesterday. I frankly advised the gentleman from Virginia [Mr. SMITH] of the situation—that was after consultation with the gentleman from Colorado [Mr. ASPINALL].

Mr. GROSS. Would there be any possibility of that bill coming up next week?

Mr. McCORMACK. There is no possibility in the world that that bill might come up next week and that, of course, is not said in derogation of the bill and, of course, is not a reflection on the merits of the bill. But, it is not going to come up next week and the gentleman knows that I would never under any circumstances pull a surprise on the Members of this body.

Mr. Speaker, as I have previously stated, after Monday there is no further legislation programed unless it is something of an emergency nature, and further of a nature where there will be no necessity to call the Members back.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. ARENDS. I will yield for a question.

Mrs. ROGERS of Massachusetts. My understanding is that there was no opposition at all to the money in this deficiency bill for the Veterans' Unemployment Insurance. Is that correct?

Mr. McCORMACK. That is my understanding.

Mrs. ROGERS of Massachusetts. So there is no controversy about the bill in any way?

Mr. McCORMACK. That is my understanding.

Mrs. ROGERS of Massachusetts. I rejoice in that.

AUTHORIZING THE SPEAKER TO SIGN ENROLLED BILLS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House until Monday next the Clerk be authorized to receive messages from the Senate, and that the Speaker be authorized to sign any enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The SPEAKER. Is there objection?

There was no objection.

ADJOURNMENT UNTIL MONDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection?

There was no objection.

SEVENTEEN MUSTS FOR SURVIVAL

The SPEAKER. Under previous order of the House, the gentleman from Florida [Mr. MATTHEWS] is recognized for 45 minutes.

Mr. MATTHEWS. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. MATTHEWS. Mr. Speaker, for the past several months the newspapers of America have been filled with suggestions by our citizens as to what we must do if we are to survive. In more recent days, a very distinguished committee from the other body suggested that there are 17 musts for the Nation's defense. These musts were what we might consider defense points and were listed as follows:

First. Modernize and strengthen the Strategic Air Force.

Second. Step up the dispersal of SAC bases.

Third. Put more effort into developing antimissile missiles.

Fourth. Improve our early warning system for manned aircraft and accelerate the development of an early warning detection system for ballistics missiles.

Fifth. Modernize and strengthen ground and naval forces.

Sixth. Provide an adequate airlift for ground troops.

Seventh. Pour more effort into our antisubmarine programs.

Eighth. Step up production schedules of Atlas, Thor, Jupiter, and accelerate the development of Titan.

Ninth. Reduce lead time in the development of weapon systems by cutting down on decision time and by simplifying procurement procedures.

Tenth. Provide for a freer exchange of scientific and technical information between the nations of the Free World.

Eleventh. Start work at once on the development of a rocket motor with a million pounds thrust.

Twelfth. Give serious attention to the question of shelters and stockpiles for civil defense.

Thirteenth. Reorganize the structure of the Defense Establishment.

Fourteenth. Provide increased incentives for the retention of trained personnel in the military services.

Fifteenth. Accelerate and expand research and development programs, provide funding on a long-term basis, and improve control and administration within the Department of Defense or through the establishment of an independent agency.

Sixteenth. Put more effort in the development of manned missiles.

Seventeenth. Accelerate the development of the Polaris missile system.

Now, Mr. Speaker, I certainly agree with the findings of this distinguished committee and what I have to say is certainly not intended to be a criticism of these important musts. However, I am going to suggest seven musts for the survival of our Nation and not a single one of them will cost any money. I think upon reflection we shall discover that most of the 17 musts that I have enumerated and which were so well evaluated by the distinguished committee from the other body will cost money—a tremendous amount of money. It is interesting, then, to note that the seven musts that I propose to the American people for our survival will not cost the expenditure of an extra thin dime.

The first must that I would suggest is this: We must realize that money cannot solve all of our problems.

I have been somewhat fearful since we began the present session of Congress to note a feeling that I think is too general that all we have to do now to win this fight for survival, and that is what it is, Mr. Speaker, is just to spend more money. We have different techniques offered to us as, for example, that employed in the appropriations bill that we passed several days ago amounting to approximately $1.4 billion when we were told that this is really an advance appropriation for spending money in next year's budget. Then we increased the debt ceiling from $275 billion to $280 billion so that we could spend more money and not have to raise taxes or ask any sacrifices from the American people to meet this extra obligation. I voted against raising the debt limit. I am conscious of the fact that one reason we have had to increase the debt limit is not because of sputnik but because of the increased interest rates that we are paying on the national debt, which now amount to approximately a billion dollars more a year than they did when I first came to Congress 5 years ago. I voted against raising the debt limit because I thought it was not giving all the facts to the American people. I was fearful that our people would think that we can now go ahead and spend more money for defense preparations, and not have it cost us anything. I have become

tremendously discouraged during the past few days to realize that it seems as though we are convinced now that whether we have war or peace we must always have a tremendous national debt and that we can never pay it off, but must continue paying nearly $8 billion a year interest on this debt, and, of course, within a very short time that amount will be compounded.

Again and again throughout this beloved Republic of ours, I have seen evidences of the fact that too many of our citizens feel that the answer to all of our problems is money, and tragically enough, so many of us seem to think that it is not our money, but it is the money of someone else more fortunate than we are. Certainly any thinking citizen must realize that to have an adequate defense we must spend money. But the must upon which I am insisting again is the realization that money cannot solve all of our problems.

As an amateur student in the field of history, I remember one tragic fact about the decline of all the great civilizations of the past. They have all fallen because among other things they have put greater faith in the material things of life than they have in the spiritual things. Now there are many people in America today who feel that we ought not to teach the Bible or any kind of religion in our public schools. Many of these same people would be driven out of America, would be imprisoned and would be treated with the utmost of contempt if it were not for the teachings of the Old and New Testaments in the Bible. In the Old Testament the emphasis in the whole instruction is on the necessity of a people if they are to survive of following the principles of the spiritual rather than the principles of the material. Several days ago we all received an interesting magazine published by Doubleday & Co., Inc., and entitled "The Challenge of the Sputniks." Immediately after receiving this interesting publication I read it and I quote now from page 96 of this publication an article written by Bertrand Russell. In speaking of a possibility of unparalleled happiness for the human race if it decides to pursue its collective welfare rather than damage to some hated group, Russell says, "This demands a morality which will be new only in the sense of being acted upon. As an ideal, it is not new, but very old. It has been preached for countless centuries by sages and religious leaders, who have been highly honored after being put to death. I hope, though not with complete confidence, that men may learn to permit themselves to be happy, even at the cost of enduring the happiness of those whom they have hitherto hated. If this lesson can be learnt in time, science can lay the foundation of a new golden age. If it cannot be learnt, every increase of knowledge will be only a step toward ultimate and complete disaster."

The plea here is for the acceptance of all members of the human race to lean on a morality of love. Surely, we in America would do well to abide by that philosophy and the interesting fact about it is that it does not cost a dime of money.

The second must I want to suggest if we expect to survive is the fact that: The words "our responsibilities" must assume equal status in our thinking as do the words "our rights."

One of the most outstanding facts, of course, about the Constitution of the United States is the first 10 amendments to the Constitution which are the so-called Bill of Rights. Let us enumerate these rights:

First. Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or the right of the people peaceably to assemble, and to petition the Government for a redress of grievances.

Second. A well regulated militia, being necessary to the security of a free state, the right of the people to keep and bear arms, shall not be infringed.

Third. No soldier shall, in time of peace be quartered in any house, without the consent of the owner, nor in time of war, but in a manner to be prescribed by law.

Fourth. The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures, shall not be violated, and no warrants shall issue, but upon probable cause, supported by oath or affirmation, and particularly describing the place to be searched, and the persons or things to be seized.

Fifth. No person shall be held to answer for a capital, or otherwise infamous crime, unless on a presentment or indictment of a grand jury, except in cases arising in the land or naval forces, or in the militia, when in actual service in time of war or public danger; nor shall any person be subject for the same offense to be twice put in jeopardy of life or limb; nor shall be compelled in any criminal case to be a witness against himself, nor be deprived of life, liberty, or property, without due process of law; nor shall private property be taken for public use, without just compensation.

In passing, it should be noted that in this particular right we have the guaranty that no person shall be compelled in any criminal case to be a witness against himself. It is interesting to note that traitors, crooks, and other infamous people have hidden behind this guaranty which is so precious for the preservation of a free America.

Sixth. In all criminal prosecutions, the accused shall enjoy the right to a speedy and public trial, by an impartial jury of the State and district wherein the crime shall have been committed, which district shall have been previously ascertained by law, and to be informed of the nature and cause of the accusation; to be confronted with the witnesses against him; to have compulsory process for obtaining witnesses in his favor, and to have the assistance of counsel for his defense.

Seventh. In suits at common law, where the value in controversy shall exceed $20, the right of trial by jury shall be preserved, and no fact tried by a jury, shall be otherwise reexamined in any court of the United States, than according to the rules of the common law.

Eighth. Excessive bail shall not be required, nor excessive fines imposed, nor cruel and unusual punishments inflicted.

Ninth. The enumeration in the Constitution of certain rights, shall not be construed to deny or disparage others retained by the people.

Tenth. The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people.

These glorious rights have long been a part of the fabric of our constitutional government. Many thinking citizens today feel that in upholding these rights, the Supreme Court of the land has gone to the extreme. These citizens hold that many times there is a conflict between the so-called rights of the individual and the rights of a sovereign nation, and that if great care is not taken, we give the individual such extreme rights that the Nation cannot survive. I am not a lawyer and I do not pretend to have any great knowledge of constitutional government. I do know, however, that the whole judicial system of our country is in a very strained position. Too often we find the crook, the murderer, the rapist, released—and we must constantly be on our safeguard to realize the maximum of justice for all of our people.

Just several days ago I heard one of our colleagues—and I do not mean to be critical—comment to the effect that in Russia young people were taught to serve the state, whereas in America the purpose of our Government is to liberate the individual. I do not believe we can survive as a Nation if that is the only thought we have about our Government. If, in other words, we think about nothing but our privileges and our rights and our opportunities for material fund and happiness, and we are not willing to accept the responsibilities that go with American citizenship, our form of government is doomed.

Look about you, if you will, in the well of the House. Here are words that are carved on this woodwork, and surely they are immortal aspirations of our people. They ought to be. They have a place here. Here are the words "union, justice, tolerance, liberty, peace." I think it is tragic that we do not have the word "responsibility." We have a responsibility to vote, we have a responsibility to vote intelligently, we have a responsibility to consider our neighbor, we have the responsibility to practice the Golden Rule—it cannot be enforced, it is not perhaps what we might call a fundamental legal requirement of American citizenship, but it is a moral obligation that we must assume if our democracy is to survive. Communism can survive without the practice of the Golden Rule, but our democracy cannot. I repeat again, then, that the second must for survival is the words "our responsibilities" must assume equal status in our thinking with the words "our rights."

Next, and the third must is: We must evaluate properly the statement "All men are created equal," which thought is so foremost in so many of our political orations of the day and in many addresses that are made by citizens in

varying walks of life. In the immortal Declaration of Independence, which was largely the handiwork of Thomas Jefferson, we read this powerful statement:

> We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness.

Now, so often political orators do not say that all men are created equal, but they will use the words "All men are equal."

They use that statement as a great fact of our democracy. Jefferson of course, certainly did not intend that interpretation of his statement. Mind you, after the phrase "That all men are created equal," we have this restrictive thought, "That they are endowed by their Creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness." In other words, I hold that Jefferson meant by the phrase that all men are created equal that they are created equally in the love of God, and that God gives them the right of life, liberty, and the pursuit of their happiness. I am inclined to believe along with many scholars of Jefferson that the great author of the Declaration of Independence was deeply indebted to the Honorable George Mason of Virginia, although Jefferson would never admit his indebtedness. On May 25, 1776, George Mason sent his famous declaration of rights to the Virginia Delegation in the Continental Congress. A few days after the receipt of these rights, Jefferson began writing his famous Declaration of Independence. Now in Mason's Declaration of Rights, we find these great statements:

> That all men are born equally free and independent and have certain inherent natural rights—among which are the enjoyment of life and liberty with the means of acquiring and possessing property and pursuing and obtaining happiness and safety.

To prove, I think, Jefferson's indebtedness to Mason, it is well to note that in Jefferson's first draft of the Declaration of Independence we find this statement:

> That all men are created equal and independent, that from that equal creation they derive rights inherent, and unalienable, among which are the preservation of life, liberty, and the pursuit of happiness.

In other words, Jefferson most probably derived not only his inspiration from John Locke, who was such an excellent expositor of the natural rights of man, but also from George Mason. And the whole idea of this phrase "all men are created equal" is the fact that men are born equally free and independent and that as a result of that free and independent birth, they have rights including the enjoyment of life, liberty, and the pursuit of happiness.

I am shocked, however, to note the number of times that we find this phrase distorted and the orator uses the words "all men are equal." You see, to distort the thought means, then, that all of us have the same ability. I would certainly grant that every citizen has a right to rise as high in life as his ability or her ability enables him or her to rise. But to accept the fallacious thought that all of our citizens are equal is, I think, to promote the end of the Republic. The acceptance of this thought of equal ability has, I think, much to do with the problem we have in the classrooms. Too many times the slow student holds back the student of more ability because the people demand that all children be taught the same subjects. A course of study, in other words, must be prescribed to take care of the slow child. And if it is too slow for the fast learner, too often nothing is done to correct the problem.

This great country of ours ought to give every citizen a right to earn his proper place in life. But that place in life must be earned. Whatever place he occupies will have to depend upon his natural ability. If we depart from that standard, and I fear we have departed from it, in many instances, we cannot hope to match the threat of Soviet Russia.

Much criticism has been directed of late toward the curriculum in our public schools. I think some of this criticism is well founded, but I think we must never overlook the fact that the community itself is responsible for the curriculum. We have been told that in Russia students of outstanding ability have been separated at an early stage in their educational career from those of lesser abilities. The children of lesser abilities are thus stratified in a state or class that keeps them from attaining the dignity and community stature of those students who are more gifted. We are told, further, that in the public schools of Russia, students go to school 6 days a week and sometimes there are 3 shifts a day in each classroom. We are told further that students in the higher grades of the elementary schools must take science and mathematics, and if they are not able to accept the mental disciplines of these subjects, why then they are relegated down the educational ladder. One great mistake that we must not make in America is to copy the Russian system of education. That does not mean to say, however, that we ought not earnestly to analyze our curriculum to see how we can improve it. I surely think we can stand tremendous improvement without a single extra expenditure of money to make it possible within our educational system to give greater opportunities to students of greater abilities, to recognize the fact that these gifted students ought to be treated with at least as much special attention and concern as those students who are less gifted. I find the use of the word "exceptional" very repugnant to me as it applies to educational philosophy. We use that word to designate the student of potential genius, as well as the student of low ability. Surely without being cruel and unconcerned about human personality, we can devise some other means of classifying students so as to avoid at least the inherent suggestion that in our democracy we value inferior ability as much as we do exceptional ability. I wish it were possible in this talk to explore further possibilities of improving the educational opportunities of our students. I want to stress again that I think great improvement can be made without the expenditure of a single dime. I do not deny the fact that we need to spend more money, but I think enough emphasis has been given to that aspect of the problem. I would suggest, for example, that we use television and other modern media of communication to a far greater advantage in the classroom. I would suggest that we check very thoroughly the programs of counseling and guidance and admit the fact that this problem is a family problem, and that there is a limitation of the ability of the schools to accept responsibilities for guidance. We need to explore subjects in the classroom that are offered merely for the sake of getting credits to get a high school diploma. We should evaluate the opportunities for mental discipline in our classrooms and make these opportunities for mental discipline more available. At this point I would like to insert a timely article by Felix Morley which appeared in the January 1958 issue of Nations' Business:

[From Nation's Business for January 1958]

THE STATE OF THE NATION

(By Felix Morley)

SCIENTIFIC TRIUMPH OF RUSSIA SHOWS A PARADOX IN EDUCATION

A disturbing paradox in comparative education is revealed by Russia's triumph with the sputniks. How is it that the Communists, who decry competition, emphasize it so strongly in their schools while we, claiming to believe in free enterprise, have gone so far to eliminate the competitive spirit from the classrooms?

Of the facts involved there is, unfortunately, no longer any question. Official publications belatedly tell us that in the Soviet schools there is no promotion until the pupil has passed examinations specifically designed to weed out the unfit. The Secretary of Health, Education, and Welfare, Mr. Marion B. Folsom, says that our entire public school curriculum must be reexamined, "if we are to hold our own with Russia." It is now freely admitted that in Russian elementary education there is "a pace of schoolwork far more rigorous than any encountered in the United States," to quote a warning that went ignored when made by a competent American observer nearly 20 years ago.

By contrast, thoughtful parents in this country are well aware that in many of our public schools annual promotion is now all but automatic, with no relation to individual effort. The basic subjects, even those as fundamental as the three R's, are subordinated to social activities agreeably labeled "life adjustment" or "group awareness." Intellectual competition is viewed with mistrust and anything more than perfunctory discipline is frowned upon as frustrating. The net result, shattering to our national self-esteem, is that the Russians have forged ahead of us in those resources of scientific manpower where we once thought ourselves particularly competent.

The redeeming feature of our scholastic deficiency is that Americans are clearly in revolt against the system that produced it. In November a Gallup poll disclosed that 89 percent of those interviewed favor making mathematics a required subject throughout high school, as do the Russians. About the same time the headmaster of a hard-driving and expensive Washington private school revealed that applications there have soared to 1,000 for every 75 boys the school can take. The other day a small college with national reputation announced that it will henceforth admit no student who cannot

pass a test in algebra, "which should have been accomplished in secondary school." There is no lack of demand for competitive education in the United States. The failure is in the supply.

Several factors have combined to create this anomalous situation. Perhaps the most influential is the extreme to which the plausible theory of progressive education has been carried. Starting from the reasonable thesis that schooling should be enjoyable, the trend in public education has gone on to eliminate all coercion, all taskwork and almost all sharply competitive training. Unfortunately this misguided kindness has altogether failed to make the lives of teachers, pupils, or parents happier. We do not need psychologists to tell us that the child whose will is never crossed is the one who makes himself and others miserable.

Extreme progressivism has done much to make the high school diploma virtually meaningless as a measure of individual achievement. But material prosperity has also played an important part in the subtle degradation of the public schools. When even elementary education was a privilege, obtainable by few, real sacrifices were made to attain it and value rose accordingly. As a right, available and even compulsory for all, there is no such appreciation. Although we have long outgrown the little red schoolhouse it is no mere nostalgia to say that those who trudged there in all sorts of weather gained values not provided by door-to-door bus delivery. Nor is there any architect skillful enough to build a love of learning into the country club accommodations currently deemed desirable as an educational setting.

Still a third source of depreciation is found in the current philosophy of teacher training. The emphasis has shifted from knowledge of subject matter to deftness in presentation. The whole public school system is topheavy with educationists who know how but not what to teach. Talent is no longer as important as the mere number of credits which teachers achieve in mandatory courses concerned with procedures rather than with content. Undoubtedly techniques are useful, but they do not of themselves make teachers any more than typing ability of itself creates authors. In the assembly line production of mechanically qualified educationists is found one of the primary reasons for the malaise in our public schools.

The American educational deterioration, now painfully focused by Russia's scientific achievement, is thus in no major respect due to any lack of funds. Some of the decline in standards, on the contrary, is probably a result of too lavish, or at least too careless, expenditure. It follows that the problem will not be solved, and could even be intensified, by merely pouring more money into public education.

Yet the naive belief that money alone can cure what is wrong with our schools is widespread, and is contantly promoted by a powerful and well organized lobby. Undoubtedly there will be concerted effort to obtain more Federal aid for education from the session of Congress now convening. At the grassroots there is a healthy skepticism about the educational frills which money can provide. Many a local bond issue, for more luxurious school facilities, has been turned down by community plebiscites in recent months. But this revolt in the localities has merely strengthened the demand that Washington take over financing which voters see no need to impose directly upon themselves.

Federal aid in this field, of course, runs counter to that faith in local self-government on which our Federal system is based. Nevertheless, intervention by Washington must be expected if the incompetence of our public education, by contrast with that of Soviet Russia, is as pronounced as evidence indicates. For this means that the problem is no longer local, but is becoming one of national defense.

There is, however, a procedure—wholly consistent with American traditions—whereby Washington could do much to improve the schools without any additional budgetary charge. And it is a method which would be welcomed by parents and teachers alike.

All that is necessary is for the Department of Health, Education, and Welfare first to define, and then promote, the minimum curriculum deemed necessary for schooling worthy of that name. Secretary Folsom points out that every Russian schoolchild must take 5 years of mathematics beyond arithmetic, and is relegated to a vocational school if he cannot make the grade. But he stops short of advocating any method for restoring the competitive spirit for American youngsters. Yet it is really a duty, rather than merely proper, for the presumably expert Office of Education to do just this.

Once a standard, hard-hitting curriculum is recommended it would be up to the localities to decide how much of it, if any, they would adopt. But they would at least have an index for guidance. They would have a basis for constructive reform more substantial than the wholly fallacious idea that good education can be built into expensive buildings. And public attention would be focused on methods, which are the heart of the problem.

To get results in this field the incoming Congress need only ask two simple questions, but should insist that schoolmen now on the Federal payroll provide unequivocal answers: Why is it that the spirit of competition has been so sharply and disastrously curtailed in an institution as fundamental as the American public school? Why is it that the better colleges and universities, instead of welcoming graduates of the public shools, are coming to regard them, by and large, as inferior material for every type of professional training?

Both questions need to be asked—and answered.

The President has suggested a program of Federal aid to education involving the granting of scholarships to gifted students. Now, I have an open mind on this problem, but as I recall, even during the depression days when I was graduated from college, I do not know of a single gifted student of genuine ability who wanted to go to college who was not able to get to college. My alma mater, the University of Florida, is still an institution that boasts of the fact that many hundreds of its students are able to obtain part-time jobs and actually pay all of their expenses in college. Now there may be gifted students who have the genuine will for more education and who cannot obtain it because of their lack of financial ability. I know in certain special fields, such as in the field of medicine, that this may be true. But I want to repeat again that in my experience as a former university student, as a director of student activities, and as a director of alumni affairs, all at the University of Florida, I do not know of one single instance of a gifted student, irrespective of his financial condition, who wanted to get a higher education who was not able to get this education. One thing we must surely do in our public schools is to avoid the use of Federal troops to enforce integration, and to insist on a discipline in schools where the little gangs and adolescent criminals make a mockery of the wholesome environment so necessary for education. Little Rock and the New York City public schools have emphasized to the Nation that money is no substitute for constitutional government or the insistence of moral standards in the classrooms.

Again, the third must that I have in mind is the fact that we must evaluate properly the statement "all men are created equal" and we must, I think, come to the conclusion that by this phrase we mean that no citizen in America has a right to expect anything except that which he earns, that we are not equal as far as ability is concerned, but we are equal in the divine creation of God and in the love of providence, and we are equal insofar as we ought to have the right to rise just as high in life in our democratic society as our abilities enable us to rise.

The fourth must that is essential if we are to survive is the simple fact that: We must be honest with ourselves and the world.

I do not think we in America are more dishonest than the people in any other nation, but I do know that we need to stress first of all just the simple word "honesty." The crook in labor, in business, or in public life must be ferreted out. The community must not take the position, no matter how crooked the individual is if he serves selfish aims, he is entitled to friendship and loyalty. Whether or not we can survive will depend on whether or not there are enough people who put the interest of the Republic before they place their own selfish interest. Surely the interest of the Republic is to demand strict honesty on the part of our leaders in all fields of endeavor. I am shocked to think that despite overwhelming evidence on the part of the dishonesty of a labor leader, that he can still command enough allegiance and respect on the part of the overwhelming rank and file of the labor organization so that he can thumb his nose at decency and be elected president of a powerful labor union that has, in turn, the power of life and death over many hundreds of independent and honest businessmen and likewise has the power of life and death over hundreds and thousands of honest men and women in organized labor. I am appalled to note the increase in embezzlements in the respectable business circles of America, where men and women steal literally hundreds of millions of dollars each year in America, and this tragic trace of corruption is on the increase. In fact, one of our colleagues several days ago in a very interesting talk, pointed out that, in his opinion, there were about $20 billion in income each year that the American people did not even report. There does not take much logic, I think, to deduce the fact that with all of the greatness of America that fundamentally when we have such a great problem of dishonesty, that the time has come to realize that we cannot, with the almighty dollar, buy this moral virtue of honesty. It is an aspiration that should be a national aspiration. It is a goal that does not cost a dime of Federal expenditure.

I think this idea of being honest with the world is of paramount importance. For example, I think the time has come

when we must say very frankly that America does not have the resources to solve all of the problems of the world. What we can do is to help other nations to help themselves. I am proud of the idealism of America, which has made possible a tremendous amount of help to nations all over the world. Critics of America would say that this help has been given largely because of the self-interest of America. I do not deny the fact that, in my opinion, much of the aid we have given has been because of self-interest, but I am also convinced that we have been prompted to an equal extent by the spirit of idealism and by the feeling that we have a responsibility to help men and women of good will throughout the whole world. For example, tell me, if you will, of the history of any other great nation that has been largely responsible for winning two world wars, and yet as a result of these wars, has not demanded one extra foot of territory. Tell me, if you please, the example of another nation that fought a war such as the Korean conflict, and poured forth the precious blood of our youth and the material resources of our Nation to stop the onroad of the fatal philosophy of communism. Then, after the struggle ceased, mind you, once again we did not ask for any material compensation. I do not believe the remainder of the world has been told eloquently enough of this sincere expression of American idealism. But again and again we must be honest and realize that we cannot solve all of the problems of another nation. Each nation's problems must be largely solved by the people of that nation.

A fifth must is the fact that: We must solve our fiscal problems.

How tragic it is that in this period of high income we have still not made any progress at all toward reducing the huge national debt that faces us seemingly now forever in the future. The interest on this national debt is closely approximating $8 billion a year. If the people of the sovereign States did not have to pour this vast amount of money into the Federal coffers, think, if you please, how many schools they could build. Consider the better salaries they could pay school teachers. Ponder the new hospitals and new public buildings that could dot the landscape of almost every county in the Union. Yet, I think, because we are afraid to suggest that there must be some sacrifice, we go on postponing the inevitable day when in my opinion we shall collapse in economic ruin. Now, I think we can make great progress in reducing this debt by not spending more money but by doing such simple things as demanding that we get more defense out of each dollar that we already spend. Consider, if you please, how much money we are spending now for defense. Spending for military functions of the Department of Defense—what we might call direct expenditures—has amounted to about $45 billion for the last 2 years and that amount will be increased by about another billion this year. Then in addition to that, let's consider the billions for military assistance and defense support of our allies, let us consider the expenditure of billions under Public Law 480, and particularly let us keep in mind the program through which we trade our agricultural surplus for foreign currencies. Let us consider many other expenditures for the defense of this Nation, such as the cultural exchange of students, the Voice of America, and I am compelled to believe that we have appropriated adequate sums. I am not convinced that we are getting a dollar's worth of defense out of each dollar spent. The President in his annual state of the Union message told us of his firm resolve to do something immediately about conflicting authorities within the Department of Defense. The lack of cooperation among the departments, the rivalry, the tremendous paperwork which is so unessential, have come almost to the point of a national scandal. When are we going to have real unity in the Defense Department? When are we going to have a better method of procurement which year after year we are told would save billions of dollars a year? When are we going to realize that if we should ever have another world war—and God forbid—we cannot fight it on the same basis that we fought World War II? When are we going to do these things that don't cost the money, that admittedly are not dramatic, and that admittedly will cause a lot of heartache and a lot of difficulty? When are we going to do these things that are essential if we are to survive? Let me stress that I shall certainly vote for every appropriation for defense that I believe is necessary. I am suggesting here a must, however, that is supplemental and will not cost a dime, but would rather save money. And that must again is the fact that we must solve our fiscal problems. We must get a dollar's worth of defense out of each dollar we spend.

Now, a sixth must is: We must preserve our form of government.

When our forefathers came to these pilgrim shores they had the advantages of the mistakes of the great civilizations of the past. They devised a form of government that is indigenous, I think, to the United States of America. This form of government embodied a separation of the powers of the Federal Government into three great branches—the executive, the legislative and the judicial. I have seen the development just during the few years I have been in Congress of a type of government that I think is entirely different from what our forefathers envisoned. I have heard those who seemingly think that the only way in the world to get things done is to have the Federal Government at Washington to do it. They have forgotten the fact that with the divisions of the Federal Government our forefathers devised a powerful State government system, and specifically set forth in the 10th amendment to the Constitution that the rights not given to the Federal Government are reserved to the States or to the people. Every dollar of taxation we get comes from the sovereign citizens of America. The philosophy that the States are incapable of solving their problems to me is one of the most dangerous philosophies prevalent in America today. On the Federal level we find the Supreme Court in many decisions taking away from the States certain responsibilities and privileges which should belong to the States. I do not intend to dwell upon this tremendous problem at length, but in my humble opinion, we must realize that our form of government is different, that it is indigenous to our own beloved country, and for our form of government to continue we must have on the Federal level a clear division of powers as among the executive, the legislative and judicial, and then insofar as the relations between the Federal Government and the States are concerned, we must never fail to realize that this is a sovereign Nation composed of sovereign States. The only powers given to the Nation are those powers that the States, themselves, delegated to the Federal Government.

The seventh must is that: Each of us must sacrifice.

Plato said that when the citizens of a Republic had rather serve the Republic with their money than with themselves, the Republic is not far from its fall. We need to have in America today more than ever before a sense of service to the people of this Nation. I think the American people will respond to the challenge of sacrifice. They do not want sacrifice to be a one-way street on the part of some of our people and not on others. Surely the man with a small income cannot be expected to sacrifice as much materially as the man of larger income. Once we are given the goals, I am sure that the American people will respond to the challenge. We need to be told, however, I think, that we cannot expect to have our cake and eat it too. To be specific, we cannot expect to have the same number of televisions, automobiles and other luxuries of life that demand the talents and energies of most of our creative thought and produce the new pioneers in science to match the achievements of Russia. One tragic fact as far as scientists in Russia are concerned is that their efforts have been directed entirely toward a war potential. Someone has said that if we had as much engineering effort toward the development of the sputnik in America as we have had in the development of the new fins on automobiles, that we could long since have launched our sputnik. I realize these are generalities. These statements do not hand out a bill of particulars. What I am pleading for is for the clear establishment of goals, and then the calm statement of the facts to the American people. And I repeat once again that I believe our American people will meet the challenge.

Bernard Baruch, in the Doubleday publication to which I referred before, states the problem, I think, eloquently:

> The basic problems confronting us today are not new—they only appear in new guises to each generation. And as I see these problems arise again and again in my lifetime, I feel like a battered old veteran coming back from the wars who, if he cannot point out the road to victory, can at least show how to avoid the path which leads to defeat.
>
> Sometimes, it seems to me, this path is widening into a superhighway, along which we speed, apparently unconcerned with our destination as long as we get there on foam-rubber seats and pushbutton drive. If America ever crashes, it will be in a two-tone convertible.

While we devote our industrial and technological power to producing new model automobiles and more gadgets, the Soviet Union is conquering space. While America grumbles over taxes and cuts the cloak of its defense to the cloth of its budget, Russia is launching intercontinental missiles. Suddenly, rudely, we are awakened to the fact that the Russians have outdistanced us in a race which we thought we were winning. It is Russia, not the United States, who has had the imagination to hitch its wagon to the stars and the skill to reach for the moon and all but grasp it.

America is worried. It should be. We have been set back severely, not only in matters of defense and security but in the contest for the support and confidence of peoples throughout the world.

Still there is no reason to panic. What human folly commits, human ingenuity can overcome. We can overcome our mistakes, our delays, our incompetence, but this requires hard work and sacrifices and putting first things first.

I have no patience with those who claim that our economy cannot stand the strain of meeting the Soviet challenge and complain that taxes are too burdensome. There are worse burdens than taxes. The cost of preserving the peace is infinitely less than the cost of fighting a war. I, for one, will never concede that we cannot do as much in the defense of our freedoms as any potential enemy may be doing to destroy those freedoms.

Sputnik is more than a satellite hurtling through space, more than a warning of leadership jeopardized and security imperiled. Sputnik represents the test of democracy. Do we meet this challenge—regain our leadership, assure our security? Do we discipline ourselves to protect our freedoms? If we do not, we will bear the far harsher disciplines which our enemies will impose on us.

Those are simple, sobering facts. I realize in all humility that there are many other musts that one might contemplate as we think of this struggle for survival. But I repeat once again, Mr. Speaker, that the seven musts which I have enumerated are important and of special significance. I do not believe that these musts will cost a dime of extra money. They will cost sacrifice. They will cost a renewed dedication to country. They will cause a reorientation of effort. They will challenge each of us to do our particular part in the best manner possible to make our contribution—however great or small—in the race for survival that confronts us.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. MATTHEWS. I yield to the distinguished gentleman from Texas.

Mr. PATMAN. I believe the budget figures show that it is $2 billion more than 1952. In fact, I am confident of that.

Mr. MATTHEWS. I appreciate the gentleman from Texas giving me these more accurate figures. Is that not tragic to contemplate that in just a little over 5 years, it is nearly $2 billion more a year just to pay the interest on the national debt. Will the gentleman not say that is correct?

Mr. PATMAN. That is correct and further remember that is the amount of the increase in the interest charge on the national debt. In other words, we are paying $2 billion more for approximately the same amount of money as we paid 5 years ago in 1952.

Mr. MATTHEWS. I thank the gentleman. In fact, I think this year the total interest payment on the national debt would be about $7.9 billion or nearly $8 billion.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. MATTHEWS. I yield.

Mr. PATMAN. Mr. William Tyler Page was the author of the American Creed which has been adopted by the Congress. In that creed is a phrase which I think is a beautiful one and expresses the kind of Government we have: "A democracy in a republic."

Mr. MATTHEWS. I thank the gentleman for that statement. I understand that Mr. Page before he wrote that wonderful creed examined all the great documents of American history. He put in that creed the most precious thought to me that could be found in any of those memorable documents.

Mr. BASS of New Hampshire. Mr. Speaker, will the gentleman yield?

Mr. MATTHEWS. I yield to the gentleman from New Hampshire.

Mr. BASS of New Hampshire. I have listened with a great deal of interest to the statement of my friend and distinguished colleague from Florida. I want to congratulate him on his thoughtful remarks.

There were two points he made that I felt were particularly well taken—first, that the mere expenditure of money alone is not going to solve the present crisis in which we in the Free World find ourselves. How true that is.

Second, he touched a point on which I feel most strongly when he pointed out the urgent necessity for reorganization in our Defense Department. This interservice rivalry just does not make sense to me. If I run a business, for instance, I do not have three research departments. I have one. It seems to me that the waste and duplication, the difficulty of getting any clear decisions and the lack of clear authority among the many commissions, boards, and the 50 or more assistant secretaries in the Department, all this is so apparent that something must be done and done quickly. The gentleman is so right when he says we are not getting the most out of our tax dollar for defense purposes.

Mr. MATTHEWS. I thank the gentleman very much. I appreciate the gentleman's comment.

ECONOMY IN GOVERNMENT

Mr. BASS of New Hampshire. Mr. Speaker, I ask unanimous consent that the gentleman from Indiana [Mr. WILSON] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

Mr. WILSON of Indiana. Mr. Speaker, the greatest practitioner of false economy the world has ever known is the United States Government itself. One need only reflect briefly on existing conditions to see the truth of that indictment. It is shameful. If a householder conducted his family affairs and handled his family budget in the same manner, he would be hustled off to a booby hatch faster than he could say Jack Robinson.

As I see our Federal budget makers unquestionably shoving astronomical billions into the bottomless pit of the so-called defense effort and simultaneously squeezing the domestic economy to death, I am dismayed. It brings to mind the Biblical quotation: "Ye blind guides, which strain at a gnat, and swallow a camel."

The Federal budget for fiscal 1959 proposes $45.8 billion for "major national security" and $27.5 billion for everything else, including $7.9 billion as interest on the national debt. Any saving that is to be made, we are told, must come from the lesser items—the defense collossus to remain inviolate and supreme.

Mr. Speaker, no one in this Chamber or in this country wants a strong and invulnerable America more than I want it. But I submit, Mr. Speaker, that we need not spend ourselves into bankruptcy to be invulnerable. Such is precisely what the Kremlin wants us to do. I am sure we can reshuffle the billions presently going into the defense effort—reshuffle them in a way to allow all the money needed for rocketry and nuclear development, research and education. No one can convince me that billions cannot be saved by cutting out frills and deadwood in the present defense setup—these billions to be diverted to the nuclear effort.

I get letters every day from businessmen, small industries and individuals who are being forced to their knees by the intolerable imbalance of the Federal spending and taxing structure. I am sure every other Member of this body receives similar complaints. We all have heard of ailing businesses calling in efficiency experts to reshape, streamline, and retool their organizations so as to put them back on the right track. If ever any business needed an efficiency expert, it is the United States Government.

I am impelled to this outburst today, Mr. Speaker, by a Federal "penny wise and pound foolish" situation which is worse than I thought. It is false economy of the first order, degrading to the prestige of America, discouraging to our own people, and very costly, in the long run.

Throughout our country's history a source of great national pride has been the beauty, the dignity, the impressiveness, and the permanency of United States Government buildings, monuments, parks, and other properties. Our National Capital is among the most beautiful and inspiring cities in the world. The architecture of Washington's public buildings, the materials and the workmanship in these buildings seem to symbolize the courage and the virility of America.

Throughout the land, in most towns and cities, our Federal Government has erected thousands of post offices and other public buildings. Into these buildings have gone thoughtful and beautiful architecture and materials of the finest quality. These buildings have served as symbols of strength and stability of the Nation. Local communities point with pride to these structures. The high standards of Federal construction have

been an incentive to owners and builders of private property.

Any foreign visitor traveling through America cannot but be impressed by these symbolic and beautiful buildings, atop of which the American flag so proudly flies.

These things, Mr. Speaker, have become an integral part of the American tradition. They have been honored, admired, and respected by the entire world. Our prideful people never tire of sending out postcard pictures of their local national structures which show how wonderful it is to live in America.

Suddenly, now, we have stopped all this—except in Washington itself. And even here we find a downgrading of quality in public buildings, a tendency to substitute inferior materials where they will not be noticed.

As our rapidly expanding communities outgrow their old post offices and public buildings, we find these structures are being replaced by shoddy and flimsy structures of a standard design and resembling warehouses. The Government's General Services Administration has a public-buildings branch which has charge of these projects. It seems to be the current attitude of GSA that Federal buildings are basically workshops and should look the part—that the values which previously guided design, construction, and the selection of materials are no longer to prevail.

Today's plan of public buildings is obviously a complete reversal of the American tradition under which we have operated for more than 100 years.

Except in Washington, Federal buildings are constructed under regulations of the Lease Purchase Act whereby a private builder produces a building and then leases it to the Government for, usually, a 20-year period during which time he would amortize his original outlay.

Life of the Lease Purchase Act extended only to July 1, 1957, because the Congress felt that the scheme was not doing the job expected of it. However, the cost limitations set up by GSA and the Bureau of the Budget still prevail and public structures are still going up under private financing.

Architects and engineers who have been granted design allocations from the Government under the Lease Purchase Act find restrictions are so severe that the use of quality materials or originality in design is impossible.

It is my conviction, Mr. Speaker, that this policy will ultimately cost the taxpayers more, rather than less. These makeshift buildings, of inferior materials and so hastily constructed, will be falling to pieces in a few years, and by the time the Government's 20-year lease has expired they will be rubbish.

This is false economy of the first order.

And let us not forget that construction of these warehouse-type buildings is a terrific letdown for the local people who always have felt pride in Federal properties of their communities. You can imagine a citizen taking a visitor past a flimsy stuccoed structure and pointing with pride to his town's new post office.

Our granite, marble and limestone quarries and manufacturers of pressed brick have been hard hit. Their products, no matter how long in use, have withstood the ravages of weather throughout the years. They have proven that quality in materials is sound economy and much cheaper in the long run. Because of GSA, these natural stone and brick industries are having bitter times and thousands of workers in the industries have seen their jobs disappear.

Many producers of quality materials and a number of architects have protested the GSA policy. They point out that quality materials dominate the better class of private construction throughout the country. They find it is far easier to sell privately than it is to sell to Governments buildings.

Now we witness the odd spectacle of private industry, rather than the Government, advocating the use of materials with proven long and useful life in lieu of unproven materials and materials known to be inferior, of slight longevity and high maintenance cost. Certainly if a private builder who has to put out his own dollars, finds quality material to be the cheapest, then it must be a sound procedure. Private builders are not likely to be throwing money away.

It is my hope, Mr. Speaker, that this matter will be investigated. I want economy in Government—but I simply do not think our present public buildings program represents economy.

TO THINE OWN FUELS BE TRUE

The SPEAKER pro tempore. Under previous order of the House, the gentleman from West Virginia [Mr. BAILEY] is recognized for 20 minutes.

Mr. BAILEY. Mr. Speaker, I was pleased to note that the gentleman from Pennsylvania [Mr. SAYLOR] has again taken up the subject of importation of natural gas. Although it may be some time before the Federal Power Commission makes its decision on the applications to import natural gas from Canada, Congress must be ready to rectify any decision that might be counter to the welfare of the American people. We hope that the FPC will flatly refuse to permit Canadian gas to come in here and displace our own fuel; yet we must realize that there is no predicting what these Government agencies will do.

I said that I was happy to learn of the gentleman's bringing the Canadian gas issue before this session of Congress. He has always been with me in the fight to protect America from the economic catastrophe that would result if we were to go along with the administration's foreign trade proposals.

I am happy to note also that more and more other Members of Congress are coming into our camp. They have been back home in recent months, and they realize more than ever what can happen to American workers when foreign producers are permitted to usurp our markets.

We need all the help that we can get. We must keep a lookout on the stern of our Ship of State as well as on the bow. Then, of course, we must always have someone to watch from the portside and someone for the starboard, because the Executive Department is willing to open all of our ocean ports to the cheap manufactured goods of Europe and Asia. It insists that we accept as much residual oil as our friends in South America want to ship to us.

Perhaps I should amend that last sentence to give the subject more latitude, for I have not yet been informed by our diplomats whether Marcos Perez Jimenez is our friend or not. Our State Department throughout his reign was willing to echo his sentiments about Venezuelan oil shipments to the United States; the State Department's present attitude toward him and his successors may not have yet been determined. It has been customary in recent years to find out first whether a foreign government is willing to accept cash gifts from us.

Mr. FLOOD. Mr. Speaker, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. The gentleman, who has always been in the forefront in this matter of dumping residual fuel oil from Venezuela, of course, will recall that the present Secretary of State before Congressional committees here and in the other body praised at some length ex-Dictator Jimenez, of Venezuela, and pointed to his dictatorship as a fine example of our friends to the south when we were discussing this matter of residual fuel oil.

Mr. BAILEY. I am inclined to agree with the distinguished gentleman from Pennsylvania.

As for Jimenez himself, as he looks back from his refuge in the Dominican Republic, he possibly wonders whether he would not have exhibited more wisdom by keeping some of his petroleum and converting it into explosives to be used in the defense of his Government rather than to have poured so much of his country's oil into United States markets.

Well, we have been subjected to these irresponsibilities of the State Department for a long time, so there has been a deluge of foreign commodities coming at us from the south and the east and the west. We have also been very generous in our trade arrangements with Canada, but the new threat that faces us since the discovery of natural gas up there is something else again. This gas would, based on applications now being studied by the Federal Power Commission, enter Midwest markets that coal and lignite actually built. Repeat: These markets were literally built by American coal and lignite industries. They never would have been established in those areas had not domestic fuels been available. Many of the railroad lines entering these markets would not have been laid down at all had it not been for the prospective freight business from the mining regions.

Now we are confronted with an attempt to bring in an alien fuel to displace our own coal and lignite in the furnaces and boilers of those market areas. Some governors and Senators from the States which would get this foreign fuel have had the temerity to

insist that the FPC rush through with its approval of the project. I have not yet heard them come down here to Congress to ask for a revision of the section in the Agricultural Adjustment Act which practically prohibits all Canadian wheat and dairy products from crossing the border. They have not raised their voices against tariffs that keep out Canadian lumber and processed materials that compete with those made in the Midwest.

Looking at the issue from a vantage point to the north, we find the Canadians themselves are most respectful of their own industries. They do not permit importation of commodities destructive of their economy. As a matter of fact, there is even a tariff of 50 cents per ton on the coal that moves from the United States into Canada.

The dairy farmers of Wisconsin and the wheatgrowers of Minnesota cannot be censured for wanting to protect their own bread and butter. People of Canada are exhibiting rational tendencies when they seek to safeguard their own jobs.

Mr. Speaker, let us go on record as the Congress respectful of the Constitution and with the courage and patriotism to draw the line against policies which sacrifice American jobs at the altar of internationalism. Our work is cut out for us. As a start, we must be ready to take these three steps:

First. Defeat any attempt by the State Department to bring the United States into the Organization for Trade Cooperation.

Second. Amend the Reciprocal Trade Agreements Act to give Congress, instead of the White House, the power of review in Tariff Commission recommendations.

Third. Be ready to pass a law in case the FPC slips on the Canadian gas cases safeguarding domestic fuel producers who ship to the Midwest.

If you look closely at the gauntlet which the State Department has thrown down, you will find that it was not made in the United States of America. I am throwing it back, and I am hopeful that my colleagues will stand behind me when the State Department opens fire on us with its big shots in the Cabinet and in other executive offices. I also include such invited guests and payroll participants as Eric Johnston, and even a former President of the United States who are going to take part in a huge gathering here in Washington to tell the American people that we should go ahead with this foreign aid program and extend these trade agreements.

Mr. Speaker, I have said repeatedly on the floor of this House that as long as the President of the United States and the State Department control the final decisions in matters of our trade policies, every industry in the United States is a pawn in the game of international politics, with Mr. Dulles playing our hand at the poker table in Geneva. This is no time to sell America short. We could not buy their friendship with dollars appropriated out of the United States Treasury, and I submit, Mr. Speaker, that we cannot buy their friendship at the expense of the sacrifice of jobs of American men and women.

You have heard the phrase, "More trade and less aid." Do not fall for it. Right now our economic situation is such that we should be, and I will say that I am more concerned with the growing unemployment problem in this country than I am with sputnik and satellites and what have you. If it develops that we have 6 or 7 million men and women out of work next June, you will forget about satellites and many other things you are talking so lightly about at the present time.

FEDERAL RESERVE BANKING SYSTEM

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 45 minutes.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include certain extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

FALLACIES CONCERNING FEDERAL RESERVE SYSTEM EXPOSED

Mr. PATMAN. Mr. Speaker, I do not have a prepared speech. I have information which I expect to insert in connection with my remarks in explanation of the remarks I shall make.

THE 12 FEDERAL RESERVE BANKS NOT OWNED BY MEMBER BANKS

I am going to talk about certain policies concerning the Federal Reserve banking system. For instance, you often hear it said that the Federal Reserve banks are owned by the commercial banks. That is a fallacy. It is not true. The Federal Reserve banks belong to the Government of the United States. They are an agency of this Government. That I shall prove and document in the statement that I make here this afternoon.

RESERVES OF MEMBER BANKS NOT USED BY THE FEDERAL RESERVE BANKS

Another statement that is often made that is fallacious is that the reserves the 12 Federal Reserve banks have of the commercial banks are used to buy Government bonds and the interest received on these Government bonds is retained by the Federal Reserve banks and not passed on to the commercial banks, that the commercial banks that own stock in the Federal Reserve banks should have these earnings. That is a fallacy, too. The reserves of the member banks are not used by the Federal Reserve banks for any purpose.

Under our fractional reserve system, which I believe in, and I only ask that it be operated in the public interest, each bank must retain on deposit a certain amount of money in order to make sure that the demands of the depositors can be met.

The goldsmith of old soon discovered that when gold was deposited with him and he gave a receipt for the gold that was deposited with him for safekeeping this receipt was used as money, and very seldom did anyone ever come to him and ask for the actual gold. They did not need it. The receipt was good enough to use in the channels of trade and commerce, and it was unnecessary to have the gold. Experience taught the old goldsmiths that if they had as much as $1 for every $10 in loans that were outstanding that $1 would be sufficient; in other words, a 10-percent reserve. So they commence to lend $10 and draw interest on $10 for every $1 in gold in reserve.

Here in the United States we have adopted what is tantamount to the goldsmith theory of a fractional reserve system, having from 6 to 10 percent of money on reserve to pay the demands of depositors. That money prior to the Federal Reserve Act in 1913 had to be kept in the banks. It could not be used for any other purpose; it must be in the vaults of the banks at all times. But when the Federal Reserve Act was passed, the law said that a bank instead of keeping the money in its own vault could put its reserves with the Federal Reserve bank in that district and it would be just as good as keeping it in its own vaults. That is the reason the Federal Reserve banks now have about $19 billion of reserves of member banks because the Federal Reserve banks are keeping these reserves as a matter of accommodation and convenience for the member banks. Nobody can use those reserves. If they were to be used, they would be doing double duty. They must remain there intact and cannot be used. So the statement that the Federal Reserve banks use those reserves of the member banks is a fallacy that I shall show by quoting competent witnesses before I get through.

DOES STOCK IN FEDERAL BANKS CONSTITUTE OWNERSHIP?

Another statement is that since the stock of the Federal Reserve System of the 12 banks is all owned by member banks, why does it not convince anyone that the member banks own the Federal Reserve System. I shall prove here by quoting competent witnesses this afternoon that this stock is not stock at all. The word "stock" is a misnomer. It is not stock. I think Mr. Martin who is Chairman of the Federal Reserve Board in a recent statement used a correct phrase when he said that the commercial banks have a "nonproprietary interest" in the Federal Reserve banks. That is correct. It is not stock at all. You can just put that down. The bank that holds this so-called stock cannot sell it. It cannot hypothecate it. It cannot vote it according to the amount of stock that it holds. If the bank goes out of the System, it just gets its money back. The investment in so-called stock is 3 percent of a banks capital and surplus. Its investment in so-called stock goes up or down according to the amount of the capital and surplus of each member bank. That is all there is to it. It carries with it no proprietary interest in the Federal Reserve System. That I shall show and document. What is the stock used for? The 12 Federal Reserve banks, the member banks, have deposited with them about $325 million at the end of 1956 in this so-called stock which is not stock at all since that is a misnomer. That $325 million is not used for any purpose. It is not needed

for any purpose. The Federal Reserve banks do not use this money. It is idle and unused and I shall show by proof of competent witnesses that it should be returned to the commercial banks so that the Government would be saved about $19 million a year, paying 6 percent interest on something that is not needed and is not used and there is no reason for it being there. The taxpayers are obligated to pay and do pay 6 percent on this $19 million a year for its use when it is not used at all. We can certainly save that $19 million a year.

FEDERAL RESERVE NO INDEPENDENT AGENCY

Another fallacy is that the Federal Reserve Board and System is an independent agency of our Government. Of course, it is not. It is an agency of the Congress. The Congress created it. It is not like the legislative, executive or judicial branch. It is not like that at all. It is an agency of this Congress. We can do anything with them that we want to by law. We can do whatever we want to do with the system.

INTEREST FIXING BOARDS

Another question arises. Should bankers be on these monetary boards like the Open Market Committee and others where there is decisionmaking power? In other words, on the Open Market Committee there are 5 representatives of the Federal Reserve banks selected by the private bankers and the other 7 are public members, members of the Federal Reserve Board.

Now, should they be allowed to be on that Board, with such tremendous power? Of course, President Woodrow Wilson, when that question came up in 1913, said "Certainly they must not be on the policymaking board. To permit them to be on a board fixing interest rates and determining the supply and availability of money would be just like the railroad owners being on the Interstate Commerce Commission and determining freight rates and passenger rates."

CENTRAL BANK CREATED IN 1935

President Woodrow Wilson was so determined that the 1913 act kept the bankers off of any board connected with the Federal Reserve System. But in 1935 the Federal Reserve Act was substantially changed. That word, as all-inclusive as it is, is not sufficient to define exactly what happened in 1935 to the Federal Reserve System. It caused the Federal Reserve System, by act of Congress, to take an about-face and to go in an exactly different direction. From 1913 to 1935 the 12 regional banks had some power. Each bank was autonomous. The Board of Directors had some power. They had an open market of their own in each of the 12 Federal Reserve banks. But the 1935 act took all the power away from the 12 banks and placed that power in the Federal Reserve Board here in Washington. For instance, there is no important power that remains with the directors of the regional banks. No important power.

When I made that statement a few days ago a Member challenged me and said, "Oh, you are mistaken. The power to fix discount rates still remains with the regional banks. In Philadelphia they lowered the rates, and others have followed and some have not followed." I said, "Yes, I noticed that. But I still insist that the law is that the Federal Reserve Board has that power. The regional bank has the power to recommend but the Federal Reserve Board does not have to accept its recommendation, and the Federal Reserve Board, under the law, has the power to determine the rate itself." That is written into the law on purpose. So that power is not left to the local Federal Reserve banks. There is no important power that is left that cannot be conducted from Washington by the Board of Governors of the Federal Reserve System.

LEGAL OPINION OF FEDERAL RESERVE STATUS

Now, I have a statement about the status of the Federal Reserve System with the United States Government. It was given to me when I was in another body conducting an examination of Federal Reserve officials. I asked for an opinion of the Board of Governors of the Federal Reserve System on the status of the System and the banks. This statement given to me at that time is conclusive evidence that these Federal Reserve banks are agencies or instrumentalities of the Federal Government—so held by the courts of this country also.

STATUS OF FEDERAL RESERVE SYSTEM WITH UNITED STATES GOVERNMENT

April 14, 1952, the Board of Governors addressed a letter to me, as chairman of the Subcommittee on General Credit Control and Debt Management of the Joint Committee on the Economic Report, in reply to my letter requesting information, in which the Chairman of the Board stated that he was enclosing a memorandum prepared by the Counsel of the Federal Reserve Board concerning the legal status of the Board and the Federal Reserve banks. Of course, this opinion was also the opinion of the Board of Governors.

Excerpts from the statement are as follows:

STATUS OF THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM AND OF THE FEDERAL RESERVE BANKS

The Board of Governors was created by Congress and is a part of the Government of the United States. Its members are appointed by the President, with the advice and consent of the Senate, and it has been held by the Attorney General to be a Government establishment (30 Op. Atty. Gen. 308 (1914)).

* * * * *

The 12 Federal Reserve banks are corporations set up by Federal law to operate for public purposes under Government supervision.

* * * * *

The Federal Reserve banks derive their existence and powers from statutes passed by Congress, and in this practical sense may be looked upon as agencies of Congress.

* * * * *

In view of the public nature of their functions, the courts have held the Federal Reserve banks to be agencies or instrumentalities of the Federal Government.

One of the wisest men whom I have ever had the privilege of knowing in connection with the Federal Reserve System was Dr. E. Goldenweiser. Dr. Goldenweiser had a lot to do with the System from its very beginning. Over the many years that I have appeared before committees of Congress, like the Ways and Means Committee, the Committee on Banking and Currency, and similar committees of the Senate, when the Federal Reserve System was involved, Dr. Goldenweiser was always right there at the elbow of the people who answered the questions about the Federal Reserve System and about the banks.

Dr. Emanuel A. Goldenweiser went to the Federal Reserve Board in 1919 as assistant statistician and became Director of Research and Statistics in 1926, when he left to join the Institute of Advanced Study, Princeton University.

By virtue of his long experience with the Board of Governors from the end of World War I through the policy-shaping days of the 1920's, 1930's, and through World War II, Dr. Goldenweiser became one of the world's recognized authorities on central banking. Few men were as well qualified to make the contribution which he did through his numerous books and his regular appearances here before Congressional committees, where he often appeared in his own right and, even more often, as the supporting staff member sitting by the side of official witnesses testifying as spokesmen for the Federal Reserve System.

Marriner S. Eccles who was Chairman of the Board of Governors for so long went out of his way in his autobiography to remark: "As for Dr. Goldenweiser, the Reserve System had in him a man of great imagination and independence of thought. He was highly respected and his influence was felt not only within the Reserve System but in all other quarters."

The recognition which he received in other quarters is testified to by the fact that the professional societies in his own fields chose him as president of the American Statistical Association in 1943 and in 1946 as president of the American Economic Association.

While Mr. Goldenweiser played an important role in the establishment of the International Monetary Fund and the International Bank for Reconstruction and Development, as well as the current Federal Reserve System, three of his colleagues in a memorial—American Economic Review, September 1953—said that it was largely "through unsigned articles in the Federal Reserve Bulletin, through unpublished memorandums, that Mr. Goldenweiser made his greatest contributions to knowledge and understanding."

He was considered to be about the wisest man around Washington or in the United States on the Federal Reserve System. Dr. Goldenweiser said that the stock in the Federal Reserve banks was what he would consider an appendix, absolutely useless, not needed, and that when the system is revised the appendix should be removed. In other words, the stock should be paid back to the member banks because it serves no purpose. His exact statement is as follows:

STOCK NOT IMPORTANT

Mr. GOLDENWEISER. Now, the ownership of the stock, as everyone here seems to agree, has become a very minor matter. It is not a source of funds. I do not remember what the

capital is now, but it is in the minor hundreds of millions, whereas the resources of the Federal Reserve are in the tens of billions, so that you can see that the ratio is negligible.

I think that it is of no particular consequence in that respect, and I think that if one were revising the banking system, that stock ought to be abolished, because I think it stands for the wrong principle, but, as I said at some length, I think it has lost all practical importance. (From hearings on Monetary Policy and Management of Public Debt before the Subcommittee on General Credit Control and Debt Management of the Joint Committee on the Economic Report, p. 775.)

REMOVE THE APPENDIX

The technical fact that the banks are legally owned by member banks has been referred to by several of the speakers, and it seems to me very properly it has been indicated that that is a piece of atavistic remnant of the philosophy of the Federal Reserve Act when it was enacted and that it has lost any important significance.

It is essentially a compulsory contribution to the capital of the Federal Reserve banks.

If in the course of time a thorough revision of our whole banking legislation were undertaken, I would think that this appendix might be removed, and it could be done simply by having the Federal Reserve banks repay to the member banks the capital which is no longer necessary and which constitutes a very small part of the resources of the System.

If that were done, it would be done both because of logic and because of the appearance of political implications that are often attached to this. Practical importance it does not have. (From hearings on Monetary Policy and Management of Public Debt before the Subcommittee on General Credit Control and Debt Management of the Joint Committee on the Economic Report, pp. 761–762.)

M. S. ECCLES STATEMENTS QUOTED

The next witness I will call in connection with what I have said concerning the ownership and activities of the Federal Reserve System is Marriner S. Eccles. Mr. Eccles came to Washington in 1934, after a career in finance in the State of Utah, including the ownership and operation as president and chairman of banks in Utah, Idaho and Wyoming, and as chairman and director of varied industrial projects, lumber, real estate, sugar and construction. He became a member of the Board of Governors—then the Federal Reserve Board—in 1934 and served on that Board until 1951. He was chairman of the Board of Governors from 1936 until 1948. In this service as chairman and in his service as a member of the Board I believe he served longer than any other person. During that period he took a leading part in solving the problems of the post-bank-holiday period, and in shaping monetary and fiscal policies to meet the overwhelming problems of World War II. His career in this respect began with the hearings before the Committee on Finance—72d Congress, 2d session—when he testified in February 1933. From that time on he was a regular witness, always admired and listened to before Congressional committees of both the House and Senate. The lifetime experience and intimate knowledge of central banking operations has made him much sought after as a witness, even since his return to Utah where he resumed an active position in the operation of commercial banks and industrial concerns.

Governor Eccles also wrote a book, the name of which was Beckoning Frontiers. I shall quote from that book. I quote what Mr. Eccles said about the object and purposes of the Federal Reserve System which bear out the points and corroborates the statements I have made:

That matters of national credit and monetary policy should be under public control has been recognized since the System was first proposed. For example, in the report of the House Committee on Banking and Currency in 1913 on the original Federal Reserve legislation there is a statement to this effect:

"The function of the Federal Reserve Board in supervising the banking system is a Government function in which private persons or private interests have no right of representation except through the Government itself. The precedent of all civilized governments is against such a contention."

The statement of President Woodrow Wilson before the Congress in joint session on June 23, 1913, is even more decisive. On that occasion President Wilson said:

"The control of the system of banking and of issue which our new laws are to set up must be public, not private; must be vested in the Government itself, so that the banks may be instruments, not the masters, of business and of individual enterprise and initiative."

The necessity of placing the regulation of monetary policy under Government control, which was clearly recognized by the proponents of the Federal Reserve Act in 1913, is the guiding principle of the legislation which is now under consideration by your committee. (Beckoning Frontiers, by M. S. Eccles, pp. 212–213.)

There could be no arguing with him on that word in the report. But the message of Woodrow Wilson before Congress was a counterweight to what Glass said. The colloquy continued:

"Governor ECCLES. The reading of the statement of Woodrow Wilson here (reading):

" 'The control of the system of banking and of issue which our new laws are to set up must be public, not private——'

"Senator COUZENS. Did you write that, Senator?

"Senator GLASS. What?

"Senator COUZENS. Did you write that, too?

"Senator GLASS. No. Woodrow Wilson wrote that. Nobody ever wrote anything for him that I know of. Nobody ever wrote anything for me."

Governor ECCLES (continuing reading): "Must be vested in the Government itself, so that the banks may be the instruments, not the master, of business and of individual initiative and enterprise."

The authority of Wilson's statement on the concept of "control" brought the colloquy to an end, with Glass saying: "I agree to all of that. Pardon me for the interruption, go ahead" (p. 214).

You, as bankers, know very well that individually you have little or nothing to do either with the amount of deposits your customers leave with you and with the use that is made of those deposits. All you can do individually is to try to make as large and as profitable loans and investments as you can with due regard to safety. You are by profession retail or wholesale merchants dealing in credit, and money: you create as much money as your opportunities for lending will permit. You have no power individually to influence the volume of money that is created. Your function is a private business function; but the regulation of changes in the total volume of money is a public function.

You are told that since the Reserve banks deal with your money you should have some say in its investments. But this argument will not stand examination. When the Reserve banks buy securities they do not do so with existing money; they create new money for the purpose, and this increases your reserves and your deposits. When they sell securities, you lose deposits and reserve funds. The Reserve banks, in other words, are not agencies for the investment of member-bank funds; they actually create and destroy money. Neither are open-market operations a regional or local matter. Their effect cannot be confined to a single district, but is nationwide and affects all classes (pp. 210–211).

Though the House version in this respect ran closer to what I felt was desirable than did the final bill that emerged from the conference committee, the new law at least established the principle that open-market operations would henceforth be initiated in Washington (p. 225).

Again and again in these pages I have noted that additions to the supply of money are provided only by the banking system. This happens when banks increase their total loans and investments either to the Government or to the public. This in turn increases bank deposits by a like amount. Under present conditions it is therefore imperative to stop the overall growth of loans and investments, including Government securities, at both commercial and Federal Reserve banks if further price increases are to be prevented.

There is no limit to the amount of money that can be created by the banking system, but there are limits to our productive facilities and our labor supply, which can be only slowly increased and which at present are being used to near capacity (p. 467).

Mr. Eccles says on page 225 of that book that when the 1935 act passed here in Congress the new law at least established a principle that open market operations would henceforth be initiated in Washington.

But Mr. Eccles was clearly wrong in assuming the law would be correctly administered because the open market operations went right straight to New York City. There one official, who is not selected by the Board of Governors—the public members—he is selected by the New York Federal Reserve Bank—has charge of what is known as the open market account. That open market account buys and sells Government bonds and securities in the billions of dollars sometimes every month—15 to 20 billion dollars a year. That 1 person operates the account for all 12 of the Federal Reserve banks. He is not selected by the Federal Reserve Board; he is selected by the 9 directors of the Federal Reserve Bank of New York, 6 of whom are selected directly by the commercial banks themselves. So that he is operating this huge open market account that often determines the availability of money, that often determines interest rates. Anyone who has knowledge of what the open market account is going to do could make a million dollars overnight. Just the slightest leak would cause speculators to profit greatly from it. Although it is operated there by those who are selected by the private commercial banking system there are no laws and no regulations that would prohibit the people connected with it from

giving out leaks or information to their friends, or even speculating themselves in the market in Government bonds. Imagine that.

There is no protection that the people have—none whatever.

MR. MARTIN PRESENT CHAIRMAN

Mr. Martin was on the witness stand one time when I interrogated him about this stock. His testimony was as follows:

Representative PATMAN. You do not mean to say that the small amount of stock that the banks hold, 6 percent of their capital, 3 percent paid up, I believe it is—6 percent capital and 3 percent paid—that is not enough to where you would say that the banks own the Federal Reserve System, do you?

Mr. MARTIN. No, sir; I would not say that. I think that the Federal Reserve banks are quasi-public institutions, and I think that this stock ownership is a means of providing for member-bank participation. It is a part of the democratic process to provide for participation by the member banks in determining who some of the directors of the Reserve banks will be.

While I do not think it is a vital thing, it seems to me that the advantages of retaining that ownership for the purpose of obtaining this participation on a democratic basis in the individual Federal Reserve banks more than outweighs any disadvantages.

Representative PATMAN. It is more of a token subscription, is it not?

Mr. MARTIN. It is more of a token; yes, sir.

Representative PATMAN. It does not really amount to anything so far as——

Mr. MARTIN. It does not amount to a great deal in terms of stockholders' control, but it does give them a participation and interest in the system that I think they would not have without it. (Hearings, Subcommittee on General Credit Control and Debt Management of Joint Committee on the Economic Report, March 1952, p. 122.)

PRESIDENT OF AMERICAN BANKERS ASSOCIATION TESTIFIES

In another hearing Mr. Hemingway, president, American Bankers Association, testified. Mr. Hemingway is from St. Louis. He corroborates what I have said about the stock being just a token subscription that does not amount to anything and does not give the banks any ownership interest in the Federal Reserve banks.

STATEMENT OF W. L. HEMINGWAY, AMERICAN BANKERS ASSOCIATION

TOKEN SUBSCRIPTION

Representative PATMAN. As the head of your bank in St. Louis do you feel like your bank has any financial responsibility to the Federal Reserve System?

Mr. HEMINGWAY. I do not believe I understand that question, Mr. Chairman.

Representative PATMAN. Well, is there any danger of your having any financial loss by reason of your membership?

Mr. HEMINGWAY. The only possible loss we could have would be for us to be required to pay in the balance due on our subscription.

Representative PATMAN. That is 3 percent?

Mr. HEMINGWAY. That is 3 percent.

Representative PATMAN. That is the limit that could be asked of you to pay?

Mr. HEMINGWAY. Yes, sir.

Representative PATMAN. And you have no other financial obligations or responsibility that you can think of at this time or know of? In fact, I am quite sure that is it.

Mr. HEMINGWAY. No; we have none.

Representative PATMAN. Three percent—I wonder why that other 3 percent was never paid in? Of course, it is really not needed, I guess, is the reason.

Mr. HEMINGWAY. Well, you may remember at that time the capital stock was paid in in gold.

Representative PATMAN. Yes; I remember reading about it.

Mr. HEMINGWAY. I do not know that this is a fact, but I imagine that they got about all the gold they wanted, and so did not call for more.

Representative PATMAN. As a matter of fact, the stock does not mean much in the Federal Reserve System, does it, Mr. Hemingway?

Mr. HEMINGWAY. Well, it means this to us: That we have a voice in the operation of the bank; it is not a very loud voice, but still we belong.

Representative PATMAN. But, as you said here, the banker should not have a controlling interest in it.

Mr. HEMINGWAY. That is correct.

Representative PATMAN. And that stock—some of the witnesses have testified, at least I got this from their testimony, this inference, that it was more of a token subscription, and did not enter into the solvency of the institution in any substantial way.

Mr. HEMINGWAY. That is right.

Representative PATMAN. It is very small compared to the tremendous amount of business that these banks are doing.

Mr. HEMINGWAY. That is right; yes.

Representative PATMAN. In fact, the last year, I do not know what the total business was, but I imagine they ran up to between $1 trillion and $2 trillion.

Mr. HEMINGWAY. A very large volume of business.

Representative PATMAN. Yes.

There is no liability then, financial responsibility, that you know of except to pay in that other 3 percent, if called upon?

Mr. HEMINGWAY. That is correct.

MEMBER OF PRESIDENT'S CABINET TESTIFIES

Then I have the testimony of Mr. Folsom when he appeared. Of course, Mr. Folsom was Chairman of the Committee on Economic Development. He is a public-spirited gentleman who has held many important official positions, industrial and other positions throughout the United States. He is highly regarded and highly respected and is at this time a member of President Eisenhower's Cabinet. I interrogated him about this stock and about its value, and he corroborates what I have said.

STATEMENT OF MARION B. FOLSOM, CHAIRMAN, BOARD OF TRUSTEES, COMMITTEE FOR ECONOMIC DEVELOPMENT

Representative PATMAN. Do you consider the Federal Revenue System a public institution, Mr. Folsom.

Mr. FOLSOM. Yes, sir.

Representative PATMAN. And do you agree with that, Mr. Folsom?

Mr. FOLSOM. Well, an unusual public institution.

Representative PATMAN. Do you believe that the amount of stock that the commercial banks hold in the Federal Reserve banks which I believe aggregates about $241 million, do you believe that that gives the bankers a right to say that they are the owners of the Federal Reserve System?

Mr. FOLSOM. It is a very limited ownership and actually it works out in practice that the relationship is quite different from the relationship in the ordinary stock company.

Representative PATMAN. It is not intended to be ownership.

Mr. FOLSOM. No.

Representative PATMAN. Mr. Wiggins made the suggestion the other day in I think a most reasonable and logical argument for continuance of that stock ownership that because of that the bankers would be more interested in that System and the System would get the benefit of their counsel and advice and experience and their services.

Mr. FOLSOM. Yes, there is no question about that.

Representative PATMAN. But as far as controlling and having an effect in the capital structure, it does not mean anything.

Mr. FOLSOM. No.

Representative PATMAN. Because it is too small. (From hearings on Monetary Policy and Management of Public Debt before the Subcommittee on General Credit Control and Debt Management of the Joint Committee on the Economic Report, p. 332.)

UNDER SECRETARY OF UNITED STATES TREASURY

Then I have another witness from the great State of South Carolina. His name is A. L. Wiggins. He is as fine a man as I ever knew. He has held important positions in Government. While he was Under Secretary of the Treasury he was before a Congressional committee and I interrogated him about these questions that I have raised here. Mr. Wiggins very promptly replied and corroborated what I said concerning the ownership of this stock; that it does not give the banks any proprietary interest.

Mr. WIGGINS. My name is A. L. Wiggins, of Hartsville, S. C. I am chairman of the boards of directors of the Atlantic Coast Line Railroad Co., the Louisville & Nashville Railroad Co., and several smaller associated railroads. I am also chairman of the board of directors of the Bank of Hartsville, Hartsville, S. C., capital stock $100,000, and president of a small nonbanking trust company.

For the larger part of my business career I have been a director and manager of a number of small-business institutions engaged in finance, merchandising, agriculture, and manufacturing, and newspaper publishing.

From January 1947 to July 1948 I was Under Secretary of the Treasury. In this capacity, one of my duties was to assist the Secretary of the Treasury in the management of the public debt and, in particular, to maintain liaison with the Board of Governors of the Federal Reserve System, and other representatives of the open-market committee. (From hearings on monetary policy and the management of the public debt before the Subcommittee on General Credit Control and Debt Management of the Joint Committee on the Economic Report—March 14, 1952. p. 220.)

Representative PATMAN. I want to ask you one or two questions on that point, Mr. Wiggins.

Do you consider the Federal Reserve System is a public institution?

Mr. WIGGINS. So far as the—yes; it is a public institution.

Representative PATMAN. A public institution? You do not consider the amount of stock owned by the commercial banks as sufficient to give them control of the institution?

Mr. WIGGINS. The stock ownership, in my opinion, has nothing to do with the control. It is a peculiar type of stock that earns only 6 percent. The owners of the stock have no interest in the earnings of the bank beyond the 6 percent dividend they get.

Representative PATMAN. And they have only paid in 3 percent.

Mr. WIGGINS. Well, they get 6 percent on the amount paid in.

Representative PATMAN. Yes, they get 6 percent.

Mr. WIGGINS. Six percent on the amount paid in. They have paid in only half of the par amount of the stock.

Representative PATMAN. In other countries of the world, do you know of another country where the central bank is not owned by the government?

Mr. WIGGINS. At the moment, I do not.

Representative PATMAN. I think the fact is, Mr. Wiggins, that in all countries the central bank is owned by the government, and in this country I do not consider that the commercial banks own the Federal Reserve Banking System because they have that token amount of stock, which is so small and insignificant compared to the business done by these institutions; you agree with that, do you not?

Mr. WIGGINS. That is right.

Representative PATMAN. It is too small to consider that they would have any supervisory power by reason of the ownership of that small amount of stock which gives them a 6 percent dividend each year?

Mr. WIGGINS. That is correct, sirs (p. 221).

RECENT TESTIMONY

Then next I have testimony of a more recent date. It was in December 1956, a year ago last December, I was presiding as chairman of a Joint Subcommittee on Economic Stabilization of the Joint Economic Committee, and we had before us at that time Mr. Martin, who was Chairman of the Board of Governors of the Federal Reserve System and Mr. Alfred Hayes, president of the Federal Reserve Bank of New York, and Mr. Rouse, the first time he had ever been before a Congressional committee and several others who are named. Mr. Rouse was and is manager of the System's open market account in New York. Now, may I invite your attention to one thing that I think is important, that although the 12 members of the Open Market Committee are the most important 12 people in the United States of America, I venture to say that there are not 3 Members of the United States Congress who can name the 12 members or even half of them. I doubt that I could name them right now if called on. They are isolated from the Government. We never hear anything about them. Yet we have delegated to those men more power than the Congress itself has. They have more power over the economy of this country than the United States Congress. Yet we never have any contact with them. We never have them before Congressional committees. We never interrogate them. We just let them go footloose and fancy free. They use the Federal Reserve notes—printed at the Bureau of Engraving and Printing—to buy Government bonds, keep the bonds and collect interest to the tune of $600 million a year and spend the money any way they choose without having to go through an Appropriations Committee or any other committee of the Congress, without having to make any financial accounting. Since 1913 neither the Federal Reserve Board nor any of the 12 Federal Reserve banks have ever been audited by a Government auditor; not one time. The only audits that they had were internal audits, where they selected the auditors, told them what they should do, and had their reports made to themselves. That is the only kind of audit that has been made since the Federal Reserve System was adopted in 1913.

I asked some very important questions, I believe, of these members of the Federal Reserve Board, and the person in charge of the open market account, and I hope you read these answers, and I am sure that you will agree with me that we have delegated too much power to too few people who are interested in higher interest rates and scarcer money and who have every incentive to operate in a way and manner that is not in the public interest.

MONETARY POLICY: 1955–56—HEARINGS BEFORE THE SUBCOMMITTEE ON ECONOMIC STABILIZATION OF THE JOINT ECONOMIC COMMITTEE, CONGRESS OF THE UNITED STATES, 84TH CONGRESS, 2D SESSION, PURSUANT TO SEC. 5 (a) OF PUBLIC LAW 304 (79TH CONG.), DECEMBER 10 AND 11, 1956

Chairman PATMAN. The committee will please come to order.

Is the manager of the open market account available now?

Mr. ROUSE. Yes, sir.

STATEMENT OF WILLIAM M'CHESNEY MARTIN, JR., CHAIRMAN, BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM; ACCOMPANIED BY ALFRED HAYES, C. CANBY BALDERSTON, J. A. ERICKSON, W. D. FULTON, DELOS C. JOHNS, A. L. MILLS, JR., OLIVER S. POWELL, J. L. ROBERTSON, CHARLES N. SHEPARDSON, AND M. S. SZYMCZAK, MEMBERS OF THE FEDERAL OPEN MARKET COMMITTEE; AND ROBERT G. ROUSE, MANAGER, SYSTEM OPEN MARKET ACCOUNT—Resumed

Chairman PATMAN. Give your name to the reporter, if you please.

Mr. ROUSE. Robert G. Rouse.

The CHAIRMAN. Is Mr. Robert V. Roosa in your office?

Mr. ROUSE. He is a vice president of the Federal Reserve Bank of New York, and presently in charge of research and statistics. He was associated with me in the open market function until comparatively recently.

The CHAIRMAN. You are acquainted with his book?

Mr. ROUSE. Yes.

The CHAIRMAN. I think it was written on Federal Reserve Operations in the Money and Government Securities Markets. He was with the Open Market Committee quite a long time, was he not?

Mr. ROUSE. Yes, he was with the function for approximately 3 years. He is still interested in it, of course, as an economist.

The CHAIRMAN. You have complete charge of what you call the open market account for the New York Federal Reserve Bank?

Mr. ROUSE. Yes, sir; I am manager of the account.

The CHAIRMAN. And you were selected by Mr. Hayes of the New York Federal Reserve Bank, or by the Board of Directors?

Mr. ROUSE. I was selected originally by Governor Harrison and Allan Sproul in November 1939, approved by the directors of the bank, and approved by the Federal Open Market Committee.

That was an annual process thereafter, and it has been carried out through March of this year, when I was last selected and approved by the committee.

The CHAIRMAN. You are employed by the bank?

Mr. ROUSE. I am a vice president of the bank.

The CHAIRMAN. And approved by the Open Market Committee?

Mr. ROUSE. Correct, sir.

The CHAIRMAN. Including the Federal Reserve Board?

Mr. ROUSE. Yes, sir.

The CHAIRMAN. Where do you get your pay?

Mr. ROUSE. From the Federal Reserve Bank of New York.

The CHAIRMAN. From the Federal Reserve Bank of New York. You are hired and paid by the Federal Reserve Bank of New York?

Mr. ROUSE. That is right, sir.

The CHAIRMAN. In your operations in connection with the open market, you buy and sell Government securities for all the 12 Federal Reserve banks?

Mr. ROUSE. That is correct.

The CHAIRMAN. Under the 1935 act, no other bank has any right to buy or sell securities, but each bank is obligated to carry out instructions from you?

Mr. ROUSE. They are obliged to sell or buy as the account sells or buys.

The CHAIRMAN. When you buy, say, a million dollars worth of Government securities, you give a check on some bank, do you not?

Mr. ROUSE. We give our own check.

The CHAIRMAN. You give a check on the Federal Reserve Bank of New York?

Mr. ROUSE. Yes, sir.

The CHAIRMAN. How do you allocate that million dollars among the 12 Federal Reserve banks?

Mr. ROUSE. It is in accordance with the daily averages of the total resources of each bank, pro rata.

The CHAIRMAN. In other words, you will determine the daily average of the resources, value of the resources, of each bank, and then that million dollars will be allocated to each bank in proportion?

Mr. ROUSE. That formula was adopted by the Federal Open Market Committee. This is done annually. As of February 28, or some such date, we each year allocate the securities if, by reason of the application of that formula each day, or each day that a transaction takes place, some variance has developed during the year; and the Committee, has the opportunity to reassess the propriety of that formula at any time that it sees fit.

The CHAIRMAN. If there is any—in other words, if it is not properly balanced, you make the adjustment at the end of the year?

Mr. ROUSE. The Committee authorizes an adjustment in the formula.

The CHAIRMAN. If it is necessary for New York banks to transfer bonds to, say, Dallas, Tex., Dallas, Tex., will send you Federal Reserve notes to pay you for them?

Mr. ROUSE. It is done through the interdistrict settlement fund.

The CHAIRMAN. Now then, suppose you should buy a million dollars worth of bonds from the Dallas bank, and the Dallas bank said, "I want Federal Reserve notes in payment of these bonds, a million dollars," how would you go about getting those notes delivered to the Dallas bank?

Mr. ROUSE. We have never had that question come up, Mr. PATMAN.

The CHAIRMAN. I beg your pardon?

Mr. ROUSE. That is a new—I don't think I understand your question.

The CHAIRMAN. Well, you see, these Federal Reserve notes, of course, are printed by the Bureau of Engraving and Printing here in Washington. In some way you get that million dollars worth of Federal Reserve notes to pay that Dallas bank. How would you get those notes? How would you get them away from the Bureau of Engraving and Printing?

How would you get them delivered to the New York Federal Reserve Bank for that purpose?

Mr. ROUSE. It is a bookkeeping transaction through the interdistrict settlement fund, I believe, which is carried out at the Board of Governors' office.

The CHAIRMAN. In practice, it is a bookkeeping operation. But the truth is, all the bonds that you have—and you have about $25 billion worth of bonds, do you not?

Mr. ROUSE. Something less than that; yes, sir.

The CHAIRMAN. About 24 or 25?

Mr. ROUSE. About 24.

The CHAIRMAN. Every one of those bonds have been bought, not on the resources of the Federal Reserve banks, but on the credit of the Nation by exchanging Federal Reserve notes for them, have they not?

Mr. ROUSE. Yes; they are bought by the—out of Federal Reserve funds.

The CHAIRMAN. No; you are mistaken there, are you not? You do not say that they are bought with Federal Reserve funds.

The money is created by those bonds. Do you not understand that?

Mr. HOUSE. It is created—yes, indirectly.

The CHAIRMAN. Well, directly.

In other words, if you buy bonds, you must pay for them, and those $24 billion worth of bonds were paid for, but not by Federal Reserve bank funds; they were paid for by Federal Reserve notes.

Now, I will not insist on your answering that. I will ask Mr. Martin to answer that.

Is that not correct, Mr. Martin?

Mr. MARTIN. It would be the same thing, sir.

The CHAIRMAN. In other words, that is where the power to create money comes in, through the Federal Reserve.

Mr. MARTIN. Yes.

The CHAIRMAN. You create the money. In other words, the money is printed, it is paid for the bonds, the $24 billion worth of bonds.

Mr. MARTIN. We have the power to create money.

The CHAIRMAN. And you did do it to buy these bonds?

Mr. MARTIN. In the purchase of bonds, we ease the money market; in sales of bonds——

The CHAIRMAN. I am not talking about the reasons or arguments. I am just asking.

Mr. MARTIN. I was just talking about the process. The purchase of bonds would ease the money market, and the sale of bonds would contract it.

The CHAIRMAN. Let's divorce it from any argument about any market, easy or hard, and confine it to the bonds that you already have.

You have $24 billion worth of bonds. Now, those bonds were bought by giving of Federal Reserve notes in exchange for the bonds, were they not?

Mr. MARTIN. Well, Federal Reserve credit.

The CHAIRMAN. What is that?

Mr. MARTIN. Federal Reserve credit. They were not specific——

The CHAIRMAN. That is what I mean. But every one of them is an obligation of the United States Government; is it not?

Mr. MARTIN. That is correct.

The CHAIRMAN. And every one of those notes that you trade for those bonds of the Government says on its face that it is an obligation of the United States Government?

Mr. MARTIN. That is correct.

The CHAIRMAN. And that is what makes it good.

Mr. MARTIN. That is right.

The CHAIRMAN. Now then, whenever you take that Government obligation from the Bureau of Engraving and Printing and you trade it for $24 billion worth of bonds which you have, and you have those bonds now, you draw interest on those bonds, do you not?

Mr. MARTIN. We do.

The CHAIRMAN. About $600 million a year; and, although you traded one Government obligation for it, you keep the bonds and you do not cancel them. They pay interest, and you use that $600 million in any way that is allowed by law, for administrative purposes in the operation of the Reserve banks. And then, of course, after all the deductions have been made, why, you pay 90 percent of the remainder into the Treasury of the United States?

Mr. MARTIN. That is correct.

The CHAIRMAN. The point I am trying to make, Mr. Martin, is, I am trying to answer a fallacious argument that is going over the country: No. 1, that these reserves that the member banks have in their Federal Reserve banks are used to buy these bonds. That is a fallacy, is it not?

Mr. MARTIN. That is a fallacy.

The CHAIRMAN. That is a fallacy; it is not true.

Mr. MARTIN. That is right.

The CHAIRMAN. All right.

No. 2 is that the banks own the Federal Reserve Banking System, and it is run by the banks; it is operated for their benefit.

That is a fallacy, is it not?

Mr. MARTIN. That is a fallacy.

The CHAIRMAN. Now, the reason it is a fallacy is because the stock in the bank does not mean anything to the operation of that bank, does it? In other words, it is not used.

Mr. MARTIN. The stock in the bank is not proprietorship.

The CHAIRMAN. It is not used at all, is it? There is no use that that stock is put to?

Mr. MARTIN. Well, the——

The CHAIRMAN. The member banks.

Mr. MARTIN. There is a use put to it in the sense that it provides participation in the vote.

The CHAIRMAN. That is kind of psychological, to make them feel they are part of the System.

Mr. MARTIN. No. It creates the power to vote.

The CHAIRMAN. The what?

Mr. MARTIN. It creates the power to vote.

The CHAIRMAN. The power to vote for——

Mr. MARTIN. It is not proprietorship.

The CHAIRMAN. The power to vote for directors to run the bank.

Mr. MARTIN. Yes.

The CHAIRMAN. Well, that is easy. That is nice. [Laughter.] I was wondering what they did.

But they paid in about $300 million?

Mr. MARTIN. That is right.

The CHAIRMAN. In stock. And that stock now is there, but it is really useless to the banking system except make them believe, "Now you have got an interest in this thing, and that determines your participation in electing directors."

But do they vote according to the amount of stock they have?

Mr. MARTIN. No; not precisely.

The CHAIRMAN. Well, you see, that is knocked in the head, too, is it not? What I mean is, it is not used for that purpose.

All right.

So it is used to give the bankers a feeling that they have an interest in the Federal Reserve System when they don't have any interest except they get 6 percent interest on that stock, 6 percent dividend; is it not?

Now, is it not a fact, and we have gone over this before, that the Federal Reserve System and the Federal Reserve banks are Government institutions operated for the Government?

Mr. MARTIN. The Federal Reserve Board is clearly Government. The Federal Reserve banks, under our setup, are quasi-Government.

The CHAIRMAN. Are quasi-what?

Mr. MARTIN. Quasi-Government; they have an independent board of directors.

The CHAIRMAN. All right, let's examine that.

That stock, or that word "stock" is a misnomer, is it not?

Mr. MARTIN. If you are talking about stock in terms of proprietorship—ownership—yes.

The CHAIRMAN. Well, of course that is what stock is; yes. Normally that is what stock is; when you say "stock," you mean a proprietary interest of some kind, do you not?

Mr. MARTIN. In the ordinary sense, yes.

The CHAIRMAN. That is right, in the ordinary sense.

Mr. MARTIN. You and I are in agreement that it is not proprietary interest.

The CHAIRMAN. Yes.

Therefore, this does not convey any proprietary interest at all, and the word "stock" is a misnomer. It is not a correct word at all. It is just an involuntary assessment that has been made on the banks as long as they are members.

Now, they go out, the money is refunded to them. But as long as they are members, they get 6 percent annually on that.

And as evidence of the fact that they do not have any proprietary interest, which you admit, is the fact that this so-called stock cannot be sold, it cannot be hypothecated, and as a convincing and unanswerable argument that the banks have no interest in the Federal Reserve System as such, financial or proprietary interest, the law specifically provides that in the event of the liquidation of a Federal Reserve bank, that after they get their $300 million stock back, the Government gets everything else. That is right; is it not?

Mr. MARTIN. That is right.

The CHAIRMAN. Now, if the banks had any proprietary interest in that, they would get what was left after liquidation, would they not?

Mr. MARTIN. Well, you and I are in agreement it is not proprietary interest.

The CHAIRMAN. Yes.

Therefore, the statement that the banks own the Federal Reserve System is not a correct statement, is it?

Mr. MARTIN. The banks do not own the Federal Reserve System.

The CHAIRMAN. That is right.

Mr. MARTIN. But the banks do participate in the management.

The CHAIRMAN. It is an agency operated in the Government's interest by public members, seven members of the Federal Reserve Board, each one selected for a term of 14 years, and he cannot succeed himself after he fills out the whole term.

Of course, he can fill out 2 or 3 part-terms and make it 25 years. That would be all right. And they are selected by the President and confirmed by the Senate.

Mr. MARTIN. That is correct.

The CHAIRMAN. Now, you state—I am about to get off of this gentleman over here, and I will go back and ask him another question.

Senator O'MAHONEY. You are going to let him up? [Laughter.]

The CHAIRMAN. I think I had better ask Mr. Martin this instead of this gentleman.

I believe you have stated repeatedly, Mr. Martin, that the Treasury, in sizing up what kind of interest rate should be charged—and Mr. Humphrey has testified a number of times before this committee, I know, to that effect—that the Treasury will call in people who are dealers and people who have something to do with the sale of Government securities, and that they talk to the Treasury, and then they talk to you.

Almost invariably they go from the Treasury to your shop, do they not?

Mr. MARTIN. They frequently do; yes, sir.

The CHAIRMAN. They frequently do, and they are the ones that are consulted for the purpose of determining the interest rate that should be paid on Government bonds; I mean they are the ones that the Treasury uses. And you, of course, either say "yes" or "no."

Mr. MARTIN. We consult with the Treasury. We don't say "yes" or "no" on their interest rate. We are glad to give them the best advice that we have about what we think the market is.

The CHAIRMAN. Do you really believe we have a free market in Government bonds, Mr. Martin?

Mr. MARTIN. Well, all freedom is relative, but I say there are forces in the market place, as I have repeatedly said to you, that are stronger than both the Federal Reserve and the Treasury together. Some people question that, but I think that is where the law of supply and demand comes in.

The CHAIRMAN. You would not positively and without reservation say that there is a free market at all times in Government bonds?

Mr. MARTIN. I would say that there is some intervention, as was provided in the Federal Reserve Act, in the market, but that generally speaking, the market forces are permitted to operate.

And since the Treasury-Federal Reserve accord in 1951, the market forces, the market has been relatively free.

Now, that does not mean that we step completely aside and let the market become the law of the jungle. We are there as a guardian. We are trying to develop a climate and a general situation in which the players on the field have the best conditions to operate in.

But we do not make the market.

The CHAIRMAN. I am not going to pursue that accord further, but you have dug up a real snake that I want to help you kill on that.

Senator O'MAHONEY. Mr. Chairman, may I ask a question on that point?

The CHAIRMAN. Yes, sir.

Senator O'MAHONEY. Your answer is a qualified one, is it not, Mr. Martin?

Mr. MARTIN. Yes; it is qualified.

Senator O'MAHONEY. You do not want this committee or anybody who reads or hears this testimony to believe that you are saying that there is a free market in Government securities. There is not, is there? Am I not right?

Mr. MARTIN. There is not a completely free market in Government securities. We are watching over it from time to time.

HOW FEDERAL RESERVE BOARD OPERATES

Let us see for a moment how the Federal Reserve Board operates. We have a Board of seven members appointed by the President, each one for a term of 14 years, and confirmed by the United States Senate. Those seven members are to represent the people, they are to represent Congress. They are to carry out the constitutional duty that Congress has of coining money and regulating its value. We have delegated the power to them. Let us see how they operate. In every decision they make concerning open market operations, for instance, where they can make money scarce or make it plentiful, make interest rates high or make interest rates low, they are assisted by 12 presidents of the 12 Federal Reserve banks each of whom has been selected by representatives of the private banks of that Federal Reserve district. So they have 12 people to help these 7 public members perform their duties, right in there with them, voting, if you please—not all 12 of them vote, but 5 vote, but all participating in the discussions and helping to evaluate the problems and issues before the Open Market Committee.

Not only that, Mr. Speaker, but Congress has also permitted each Federal Reserve district to have one advisory committee member selected by the banks directly. That means 12 bankers on the advisory committee who also help these 7 perform their duties.

So I say that Congress has placed our seven public members in an almost impossible position to make decisions that are always in the public interest. I am not charging any corruption against the Federal Reserve Board. I have a very high regard for the members of the Federal Reserve Board, whom I have come in contact with. And I am sure that they have not intended to violate the law. But Congress has placed them in an almost impossible position to perform their services honestly in the public interest. That is something I think we should look into. We should have the General Accounting Office audit and investigate the entire system in addition to a full investigation by a Congressional committee. I hope the Members will read what these witnesses, whom I have quoted here, testified concerning these points; that the Federal Reserve banks are not owned by the private banks; they are owned by the United States Government; that the so-called stock in the Federal Reserve banks is not stock at all. It is a hoax, as far as actual stock is concerned. The word "stock" is a misnomer and is meaningless. The so-called stock in the form of investment is not used by the Federal Reserve banks at all, and is not needed by the Federal Reserve banks at all. The Federal Reserve System is an agency of Government, and bankers should not be on boards that have the power to fix interest rates.

We have had some sad examples in what has happened in recent years. Interest rates have gone away up for no reason on earth. They could have been kept down just as they were over a period of 10 or 15 years; long term at 2½ percent held longer than 12 years, I know. They could have held on, but the people who have helped make our monetary policy have not felt that way about it. They have run interest rates up high, they have run them down low; they have run interest on bonds high and have run them down low. During one year, 1954—they bought bonds in 1953 during that depression period when they ran the price of Government bonds down so low—so many of them bought Government bonds low in 1953 and in 1954 sold them that they made 966 percent more profit than the preceding year in the sale of Government securities in that one year. The report of the FDIC discloses what I have said. So I think we should bring this thing to an end of permitting a few people, many of them selfishly interested with axes to grind themselves, having the power to make interest rates high and Government bonds low, and manipulate the monetary system of our Nation in a way that speculators are more enriched and fare better than the honest people who work for a living.

VOCATIONAL EDUCATION

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Kentucky [Mr. PERKINS] is recognized for 15 minutes.

Mr. PERKINS. Mr. Speaker, as this House is well aware, our American educational system—because of an interplay of forces and events best left without debate at the moment—is at this time deemed inadequate to insure this Nation's defense, or survival. However, the real alarm that prompts my addressing you today is aroused by the administration's plea for more scientific brains as a defense measure, and its subsequent suggestion that would surely defeat exactly what it proposes to do.

President Eisenhower, in his budget message to Congress this year, startled most of us by urging that the Federal Government abandon its sponsorship of vocational education beginning in 1960.

We find on page M28 of the budget for the fiscal year ending June 30, 1959, the following statement:

The initial progress report of this committee, made last month, recommends complete transfer of two programs to the States. These programs are vocational education and the construction of waste treatment facilities. Legislative proposals to carry out these and future recommendations of the committee will be transmitted to the Congress. An orderly readjustment requires time for action by both the Congress and the State legislatures. Consequently, the effect of the proposed transfers on expenditures and revenues of the Federal Government will occur beginning in 1960.

As you know, Mr. Speaker, our vocational program—established in 1917 with the enactment of the Smith-Hughes Act—provided the system which trained 11 million war workers in little better than 3 years during World War II. As a result, our unprepared Nation and other allied nations were armed almost overnight to win the greatest battles in history.

Mr. MATTHEWS. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield.

Mr. MATTHEWS. Mr. Speaker, I would like to associate myself with the views so ably expressed by our distinguished colleague from Kentucky. I think my colleague from Kentucky would permit me that it might be well to point out that the distinguished gentleman from Georgia, Hon. PHIL LANDRUM is now occupying the Speaker's chair. He has talked to me so much of his great interest in vocational education and about the great programs that he has in his District. In my own District, the Eighth District of Florida, this great program has meant so much that I cannot adequately express just what it does mean to our people. I certainly hope it will be continued in full force. I want to help the gentleman in every way that I can. I would like to ask the gentleman this question, which he has already brought out. Does it not seem a little bit inconsistent to ask for a billion dollars for some brandnew program and then they want to take away these few little million dollars from a program that all of us have been able to accept no matter what our views are on States rights and so forth.

Mr. PERKINS. I want to say to the gentleman from Florida [Mr. MATTHEWS] that the recommendation of the President in his budget message and the statement of the Secretary of Health, Education, and Welfare, Mr. Folsom, is completely inconsistent with what they propose to advocate at the present time. I want to thank the gentleman for his contribution.

Mr. BROWN of Georgia. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield.

Mr. BROWN of Georgia. I congratulate the gentleman for the fine statement that he is making. The gentleman knows that I will go down the line with him on this question. Vocational education has been a great factor in improving the economy of our Nation and making it possible for our people to better contribute toward the defense of our

country. I certainly hope that this splendid vocational educational program will not be hampered in any way. I thank the gentleman for yielding.

Mr. PERKINS. I want to thank the gentleman from Georgia [Mr. BROWN]. I think we should all keep a lookout for any legislation to implement this proposal and to let the whole country know the true effect of the recommendation.

Mr. DENTON. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield.

Mr. DENTON. I, too, want to congratulate the gentleman from Kentucky for the statement he has made, and concur in the position he has taken.

I am a member of the subcommittee of the Committee on Appropriations which deals with the appropriation for the Department of Health, Education, and Welfare. About 2 years ago, I think it was, our committee was able to have appropriated the full amount that was authorized by law for this program. Since that time we have added the training in fishery work and practical nursing. While we have extended the program, I thought it should have been extended a great deal further.

I am very disappointed to hear that the President has recommended we curtail this effort. We find that a great majority of the boys and girls in this country who go to high school do not go on to college.

This vocational training program offers them practical training for their work in later life. There are agriculture, homemaking, and the training in the mechanical arts included in it.

Our country is proud of our industrial know-how. I think we lead the world in that field, but we have been set back recently by the fact that Russia has launched its two sputniks. But I think we can still take pride in the fact that America leads the world in industrial ability. We have the artisans and skilled workmen in this country. I certainly think that at this time when Russia is trying to gain the advantage, that we cannot afford to curtail this program in any respect.

It is a partnership program between the Federal Government and the States.

This program simply encourages training. I think the people of the country want it. I remember several years ago we cut the appropriation for this work a half million dollars. I have received more criticism for this than for anything that has happened since I have been a Member. I found the retail merchants were especially put out about it. They were interested in what is called distributive education to the businessmen. The laboring people were disappointed. The Congress restored that appropriation the next year.

I am certain the American people do not want this program curtailed. I think it is for the best interests of the Nation to continue it. Any nation that can spend $70 billion can spend $40 million under the Smith-Hughes Act to carry out this program. I again commend the gentleman.

Mr. PERKINS. I want to thank the gentleman from Indiana [Mr. DENTON] and to say that I do not know if any program where this Congress appropriates money that the taxpayers get full value received more so than in this particular program. We are appropriating under both the Smith-Hughes Act and the George-Barden Act $33,179,000. Under the practical nurse training program we appropriated $4 million. Under their proposal the practical nurse training would be eliminated after the life of the present authorization. The fishery trade funds would be interfered with. So, it just cripples the whole vocational educational program, and it was for this reason I took time to call it to the attention of the Members of the House. I felt that a majority of the Members of the House would vigorously oppose it.

Mrs. GREEN of Oregon. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the gentlewoman from Oregon.

Mrs. GREEN of Oregon. Mr. Speaker, I would like to associate myself with the remarks of the gentleman from Kentucky in regard to the importance of this program. May I also commend the gentleman from Kentucky for his very fine leadership as one of the members of the Committee on Education and Labor of the House. The gentleman has made a very valuable contribution to this matter.

Mr. PERKINS. I thank, the gentlewoman from Oregon. I feel that the membership appreciate your invaluable assistance and contributions on all educational proposals coming before this body since you have been a member of the committee.

Mr. PILCHER. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from Georgia.

Mr. PILCHER. Mr. Speaker, I want to associate myself with the gentleman from Kentucky and the rest of my colleagues who are so interested in this vocational program. I do not know of any program in my district that we have come nearer getting a dollar's worth for every dollar spent than the vocational program and I will do everything I can to see that it is not crippled.

Mr. PERKINS. I agree with the gentleman that we get full value from this appropriation.

Mr. MADDEN. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from Indiana.

Mr. MADDEN. I was very much interested in the remarks of the gentleman from Kentucky and I was happy to see him take the floor and discuss this important matter of vocational educational training, especially due to the fact that the gentleman from Kentucky is a hard-working member of the Committee on Education and Labor. I am hoping that the members of the Committee on Education and Labor will follow through in this session of Congress to see that there is not any curtailment of that great practical program that so many millions over our country have been benefited by, and I refer to the vocational training program. The Calumet region, which is in my district in Indiana, is a great industrial section and I know I have in my district alone tens of thousands back over the years who have benefited by the vocational education that they secured through this program.

A couple of weeks ago I made a speech on the floor of the House cautioning the Congress this year to avoid any steps that would cut down on programs that really are so beneficial to the people, and not be carried away by a frenzy of spending billions of dollars on satellite explorations and neglect the programs that really benefit and are so essential to the welfare of the people of our country. This program is certainly one of them and I do hope that the gentleman from Kentucky, as a member of that great Committee on Education and Labor, will see that his committee follows through and protects essential and beneficial programs of this kind.

Mr. PERKINS. I certainly thank the distinguished gentleman from Indiana [Mr. MADDEN] for his remarks.

The vocational schools of our Nation for 40 years have produced these forces. But they will not, they cannot, continue if the ridiculous suggestion to withdraw Federal funds should become law.

The only way I can interpret the administration's fantastic inconsistency is to wonder if the right hand pays any heed to what the left hand is doing.

Let us look at what has happened.

Some time ago a group known as the Joint Federal-State Action Committee was appointed to study the matter of Federal grant-in-aid programs.

The members of this committee are as follows:

Appointed by the President: Cochairman, Robert B. Anderson, Secretary of the Treasury; members, James P. Mitchell, Secretary of Labor; Marion B. Folsom, Secretary of Health, Education, and Welfare; Percival F. Brundage, Director of the Bureau of the Budget; Meyer Kestnbaum, special assistant to the President; John S. Bragdon, special assistant to the President; Howard Pyle, deputy assistant to the President.

Appointed by the chairman, Governors' Conference: Cochairman Gov. Lane Dwinell, New Hampshire; members, Gov. Victor E. Anderson, Nebraska; Gov. James P. Coleman, Mississippi—resigned and replaced by Governor of Florida; Gov. Price Daniel, Texas; Gov. George Docking, Kansas; Gov. George M. Leader, Pennsylvania; Gov. Theodore R. McKeldin, Maryland; Gov. Dennis J. Roberts, Rhode Island; Gov. Robert E. Smylie, Idaho; Gov. William G. Stratton, Illinois, ex officio.

In reading through this list of committee members, it was rather disconcerting to me to find the name of our Secretary of Labor, James P. Mitchell. I have always admired the work of his department in stimulating our apprenticeship program and in encouraging training to upgrade the work force of the Nation. It therefore alarms me to see that Mr. Mitchell—in agreeing to the elimination of Federal funds for vocational education—would cut the very heart out of the program that provides the type of training his department promotes.

The committee recommended the following:

The President requests the Congress to repeal, as soon as practicable, the laws authorizing grants for the older programs of vocational education and that the governors and the legislative bodies of the several States develop necessary means for providing the additional funds to replace the Federal grants.

In addition to the program of vocational education, there is nothing more important in the maintenance of a healthy nation than the proper treatment of sewage disposal and the welfare of those in need at the time of national disaster.

It is my understanding that the recommendations of this joint committee are to be presented for consideration and action to the National Governors' Conference to be held next May.

Six months ahead of any final action, however, you will find them as specific proposals in the President's budget message for fiscal 1960.

The extent to which this is out of line with the thinking of our governors' organization and the State officials can be more easily judged when we consider a news story from the December 7 issue of the Memphis Commercial Appeal. Here we find a motion for immediate approval of the very proposal I have just outlined to you was defeated 35 to 7 by the Board of Managers of the Council of State Governments in meeting in Hot Springs, Ark., on December 6.

Gentlemen, I am proud to tell you we have in operation in Kentucky a system of vocational education that is known to be the most economical and effective way to provide vocational training opportunities for our people. It includes a carefully developed, efficiently operating network of 13 area vocational schools. Through this type of program, offerings are not limited to the relatively few people for a single community. Instead they stretch out and reach the larger number of citizens who are included in a complete geographical area.

In the district that I represent, we have three of the finest vocational schools in Hazard, Ashland, and Paintsville. I am told by reliable authorities they may be compared with many of the leading vocational schools in the Nation. Many courses in these schools have long waiting lists for students who want to attend. Various companies and other employers often hire graduates as soon as they are available. And, in many cases, students are lured away from school even before their courses are completed.

In the Commonwealth of Kentucky we have one of the outstanding leaders in vocational education, Mr. James L. Patton, State director of vocational education. Mr. Patton is doing a wonderful job. Prior to becoming State director he served as head of the Mayo Vocational School in Paintsville, Ky. Mr. Patton has informed me that through the stimulation of Federal funds our enrollment in vocational education has increased from 30,694 in 1944–45 to 64,239 for the 1956–57 school year—a 109-percent increase. Projected needs, based on a 1956 survey, indicate our enrollment will increase up to 140,465 for 1959–60—provided we can pay the teachers and provide adequate facilities.

We in Kentucky must provide this training if we are to continue to contribute to the defense efforts and the further economic development of our State and our Nation.

Today it is possible for Kentucky to train for useful employment large numbers of boys and girls—men and women—who can profit from it. But I am quick to admit that without the stimulated incentive we have had from Federal funds we would not have reached this high-point service to the people. And, more important, the withdrawal of more than $2 million in Kentucky from our financial resources would not only cripple our program—it would eventually lead to the complete elimination in most communities.

This would also be the case in almost 40 States which are now far from rich and heavily taxed to boot. These States, too, would have drastic cuts in available money for the many projects they must maintain.

It is quite apparent that people from States impoverished by lack of funds would migrate to large industrial areas away from their home communities—creating a tremendous problem for the States where they settle. As untrained new citizens they would not be qualified to contribute to production in the industrial world. The industrial States would, as a result, be responsible for training and upgrading them in order that they might find useful employment.

As I see it, the President and his Health, Education, and Welfare Cabinet officer, Mr. Folsom, would be concerned only in training what they term the "abilities" to plan our defenses but they would leave to the 48 different States the development of skills and crafts that would, as I have said before, put into actual operation the missiles, planes, guns, and ships necessary for the defense of our Nation.

This would be paradox enough without further complexity.

It is the specific recommendation of taking away from the program that trains for the crafts, the skills, and the techniques so necessary not only to our survival and defense but to life itself that leaves me, at the least, in a state of utter confusion.

On Monday of this week I sat in a committee hearing and heard our Secretary of Health, Education, and Welfare stress the utter necessity of helping our families, communities, and States train young people.

In the next breath, Mr. Folsom admitted voting in council against further Federal aid for vocational education.

Mr. Speaker, I have always believed and fought for legislation that would provide better teachers, better buildings, and better equipment for teaching. To my way of thinking, there is no way of separating vocational education as a necessity for improving the knowledge and skills of our people and preparing them for later life. This phase of education is just as important as any other phase and to my way of thinking all of them are important.

This proposal also gravely endangers our defense—our very survival—and for this, if for no other reason it must not even face consideration. Gentlemen, I say we must continue to back the vocational program that for 40 years has so faithfully served us.

Through it more than 67 million youth and adults have learned to earn while they have been trained for vital roles in society.

Through it the masses of our youth—not just a small percentage—are and will be trained for good citizenship and productive work.

Mr. PERKINS. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

OUR EDUCATIONAL SYSTEM

Mrs. GREEN of Oregon. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentlewoman from Oregon?

There was no objection.

Mrs. GREEN of Oregon. Mr. Speaker, an important issue before America today is the strengthening of our educational system to provide the scientists, technologists, and skilled manpower the Nation needs to meet the challenge of Soviet Russia and keep pace in the scientific revolution.

At the same time, the Nation must not concentrate on science education to the impairment of the general educational system which is the strength of our democracy.

At Yale University on February 3–4 President Eisenhower's Committee on Scientists and Engineers sponsored a conference on America's human resources to meet the scientific challenge. The conference brought together some 125 participants from science, education, industry, government, and the Nation's mass communications media. The conference was asked to examine the competitive position of the United States in world science and technology, and to suggest steps that should be taken to improve scientific education, strengthen basic research, and interest more young people in scientific careers.

Dr. James R. Killian, Jr., science adviser to the President, made the opening conference address on Toward a New Level of Excellence. Mr. Allen Dulles, Director of the Central Intelligency Agency, described the Soviet challenge to the United States. Other speakers are Dr. Alan T. Waterman, director of the National Science Foundation; Dr. Lee DuBridge, president of the California Institute of Technology; and Mr. William Benton.

Participants included Mr. Thomas K. Finletter; Mr. Eric Johnston; Mr. Alfred C. Neal, president of the Committee on Economic Development; Dr. Harrison

Brown, professor of geochemistry, California Institute of Technology; Dr. Jerrold Zacharias; Dr. Katherine McBride, president of Bryn Mawr College; Dr. Clarence H. Faust, of the Ford Foundation; Dr. Paul Gross, vice president of Duke University; Mr. William C. Foster, vice president, Olin-Mathieson Chemical Corp.; Mr. T. H. Chilton, the Du Pont Co.; Mr. Walker Cisler, president, Detroit Edison Co.; and many others outstanding in American education, science and industry.

The conference at Yale was sponsored jointly by the President's Committee and the William Benton Foundation.

The mobilization of some of America's top intellectual resources to examine United States science programs originated with Mr. Benton, former Connecticut Senator and former Assistant Secretary of State. Mr. Benton was among the first to recognize the real nature of the Russian threat to the United States in science and technology. His first-hand observations during a trip through Russia convinced him 2 years ago that the Russian upsurge in science would soon challenge the United States, and that the intensive Russian system of science education would outstrip United States production of scientists and engineers.

As we know, these events have now taken place.

In announcing the conference, Dr. Howard L. Bevis, chairman, declared:

> The times demand far more than narrow application of American scientific effort to purely military needs. We must mobilize our intellectual resources to meet the total challenge of the scientific revolution that is reshaping the world.

In the Yale conference, we saw government joining with private citizens to attack a national problem, and through the public communications media, to carry the facts to the American people.

I ask unanimous consent, Mr. Speaker, to include in the RECORD the address made by that outstanding educational leader Dr. Lee DuBridge, president of the California Institute of Technology.

The address follows:

When I was asked to speak at this conference on the subject of Education in the Age of Science, my first reaction was that this topic should be assigned to a historian rather than a physicist. For the age of science did not dawn on October 4, 1957 (sputnik day). It dawned about the year 1700 when the brilliantly perceptive experiments of Galileo had led the mind of Isaac Newton to the enunciation of the first and most fundamental of the laws of physics. Galileo and Newton ended the era of speculative philosophizing and opened the age of scientific discovery.

Needless to say, education has never been the same since.

For when it became evident that all knowledge was not to be found in the writings of ancient authorities, that new knowledge could be obtained by asking questions of nature, then education took on a new purpose and a new meaning. It meant teacher and student could now turn from the dull tasks of memorizing to the exciting venture of inquiring. Now, at last, old ideas could be put to the test of new discovery. The truth about the physical world was to be found not by reading musty books, but by doing experiments. Some of the ideas in the musty books were, of course, proved to be true. But others, even some written by the greatest authorities, were demonstrably false.

In the dawning age of science, then, learning took on a new meaning; education became an expedition into the great unknown.

Yet here we are, 250 years later, asking ourselves what should education be in an age of science.

The fact is, of course, if this were only an age of science there would be no difficulty. If we all could unstintingly devote ourselves to the pursuit of knowledge and its fruitful application, our schools, colleges, and universities could be great centers of intellectual learning. And those not interested could amuse themselves some other way.

The difficulty is that this is not only an age of science, it is also an age of human beings. And most human beings have the exasperating property of possessing instincts, desires, emotions, ambitions, prejudices, ideas, and ideals which are wholly and completely unscientific. There is, for example, no scientific basis for the tendency of human beings always to be fighting each other. Any scientist knows we would all be better off if we could work together. But the fact is that this is the age of human conflict as well as the age of science. And so human beings are put in the ridiculous position of devoting half their time to using the knowledge of science to make themselves and their neighbors happier and more comfortable—and the other half inventing methods of wiping their neighbors off the face of the earth, or of preventing the neighbor from wiping them off the earth. So the challenge is not how to educate in an age of science, but how to educate in an age when the fruits of science are simultaneously being employed to the ends of human conflict and of human comfort.

Now there are various schools of thought as to how to approach this problem. One school says that all we have to do is to stop the development of science and its applications, and then the tools of human conflict would be less deadly and the conflict would cease. This school ignores the fact that human conflicts were just as intense in the days before science as they are now.

Another school of thought suggests that we should devote all our efforts to making the tools of conflict even more powerful than they are today. Then no one will ever dare use the tools—and conflicts will then cease. The danger with this theory is that if it is ever proved wrong, the results will be so disastrous that there will be no chance of discovering or adopting a theory that is right.

A third school of thought asserts that the answer is just to eliminate the human conflicts and then everything will be fine. This theory, of course, is unassailable. But it runs up against the discouraging fact that no one has the faintest idea how to avoid human conflicts. No courses in human relations or life adjustment seem to have helped much. No Isaac Newton has ever been able to elucidate a theory of the forces between nations or peoples so we can divert such forces to constructive ends. One educator recently asserted that the prime problem of the schools was to teach people to get along with each other. But he did not name a single living human being who was qualified to teach such a course. And he also ignores the fact that individual Americans and individual Russians now get along fine with each other whenever they have the chance. It's just that the aims and ideals of the two nations are in moral conflict. And the possibility of open warfare will remain until one nation, or both, changes its aims or ambitions, or suppresses them, to the extent that a peaceful agreement can be attained. And we should all give support to every attempt to achieve that end.

In the meantime, the best course would appear to be to keep strong enough to protect ourselves and seek to extend international collaboration in those fields where fruitful results are in sight and where international agreements are readily achieved.

And what are those areas?

Why, the areas of pure and applied science, of course.

Russians and Americans do not disagree on the laws of mechanics or of nuclear physics; on the structure of molecules, the design of a bridge or a dam or a dynamo. They even have the same ideas about the design of hydrogen bombs—for the simple reason that nuclear forces behave the same way on both sides of the Iron Curtain. It might be useful if more American children—and more Russians too—became aware of this oneness of science by becoming more familiar with science itself.

My suggestion, then, is that it might be well to introduce the age of science into our school system. Powerful forces will resist this intrusion, but there are powerful reasons for it:

1. It will help us protect ourselves.
2. It will help us improve our own internal health and welfare.
3. It will help us lead the world to the conclusion that a free democratic society is better than communism.
4. It will expand the area of human understanding and agreement, constrict the area, and hence the possibility, of major conflicts.

As you are all well aware, the mechanisms for bringing our educational system into tune with the facts of the 20th and 21st centuries are complex, difficult, and possibly expensive.

Our basic difficulty, of course, is that the proper study of mathematics, science and engineering is intellectually demanding; hence, the untoughened mind gets quickly discouraged and frustrated. Such a mind, then, automatically sinks to easier studies—thus accelerating its own softening process. There seems to be a kind of law in high school and college courses—namely, that the soft ones drive out the tough ones. And in certain places this softening, degenerating process appears to have gone to extreme limits.

A general toughening-up process is clearly in order—a lifting of intellectual standards not only in mathematics and science, but in all intellectual fields. This means vigorous elimination, or relegation to nonacademic status, of the nonintellectual courses in basket weaving, automobile driving, and a host of other diversions.

How do we achieve all this?

I do not have time for a thesis on education today. Some aspects of the problem have already been discussed by the participants in this conference program. But since we are largely representatives of American universities—meeting on the campus of one of America's oldest and greatest universities—I would like to suggest a few things that universities can do.

1. We can elevate our own intellectual standards—and let it be known that we will not accept students who have neither the talents nor preparation to meet such standards. The rising flood of young people coming of college age gives us a fine chance now to announce that we will open our facilities only to those students who take the trouble to prepare themselves properly and thoroughly for university-type work.

2. We can elevate especially the quality of work in our teacher-training curricula. We can insist that the prospective teacher of math or science shall undertake a thorough preparation in those subjects—not waste endless time in empty courses in methodology—courses which now do much to repel many able students from teaching careers.

3. We can redouble our efforts to increase teachers' salaries—aiming to double them within the next few years as the President's commission has proposed. Retaining better minds in the teaching profession is the surest road to lifting intellectual standards all along the line. No one pretends that teachers are attracted solely by money, but nobody denies that money helps. And the other things needed the university can readily supply.

4. As one little contribution to elevating the status of the teacher, of attracting more able men into it and giving them some practical teaching experience, I propose that we improve the position of the graduate student-teacher. At present, the graduate assistant is an impecunious young man who is charitably given some teaching chores to do at $2 an hour so he won't have to go off and work in a filling station for $3 to keep from starving. No wonder so many graduate students promptly acquire a contempt for the whole teaching profession. I suggest that the graduate assistant be treated as a junior faculty member, that he be selected with great care, that he be paid subsantially more than the graduate fellows get who do nothing, that he be given supervised teacher-training experience, and as he qualifies he be given more responsible instructional duties. He would be a better student and a better teacher for this experience, a more likely recruit to the profession. And many of them would provide some pretty keen competition to some of the old faculty members who may be going to sleep.

So much for suggestions to my university colleagues. But I do not wish to imply that the main problems in our educational system lie in the universities—nor that they have the sole responsibility for fixing things. In fact, this conference is addressed very largely to the group that is responsible for both the strengths and the weaknesses of our educational system—and who can really do something about it: the general public. And so here are my suggestions to John Q. Citizen.

1. Mr. Citizen: Remember that the present educational crisis did not begin with Sputnik I, nor will it end when we have more and bigger satellites in their orbits than the Russians have. Our educational crisis arises because we in America—to maintain our political and economic system—must educate more people to higher levels than any society ever before attempted in all history. Unfortunately, as we have struggled with the problems of numbers we have let our intellectual standards slip—and it is now time to "pull up our socks" and restore intellectual quality in our school system from top to bottom.

2. However, Mr. Citizen, we do not do this by copying the Russians. They have built an efficient system to serve the technical needs of the state. We have built a system well adapted to free the minds of 170 million people. And 170 million free and well-trained minds in a democratic society need not fear any challenge. All we need to do is make sure our educational system really aids and encourages its students to use their minds to full capacity.

3. Finally, Mr. Citizen, you have too long gone under the misapprehension that you could get a good educational system for practically nothing. You thought that paying a few dollars school tax on your house, supporting your boy in a good fraternity at college, and sending in a $10 check to your alumni fund every year was all you had to do. You thought that the Government and Mr. Rockefeller would somehow do the rest. You were wrong. When the Ford Foundation made a magnificent gift of over a quarter of a billion dollars in endowment to the private colleges of the country last year, the Nation suddenly learned that what these colleges needed was not a quarter of a billion, but over six billion dollars—or a quarter of a billion dollars every year. Nobody but you, Mr. Citizen, can pay that bill. And you can do it quite readily by just lifting your total contribution to education, through taxes and gifts, from $2 out of every $100 of total personal income to $3—and keeping at that level, or higher, as the gross national product rises. So far, Mr. Citizen, your local and State taxes and gifts have not been enough. So now Uncle Sam is about to come along and lift a few more dollars from your purse to help out. But if you'll run home and vote quickly for a higher school tax—and send twice as much to alma mater next year, you can keep Uncle Sam from getting into the educational business any deeper. If you don't—then Uncle Sam will do the job for you because Uncle Sam can't afford for America not to have a first class educational system.

FOREIGN-AID PROGRAM

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Ohio [Mr. FEIGHAN] is recognized for 10 minutes.

Mr. FEIGHAN. Mr. Speaker, in my announcement of candidacy for reelection, among other things, I called for Congress to act upon all foreign-aid appropriation programs on a country-by-country basis rather than by the present grab-bag method used by the Department of State in presenting foreign-aid programs to the Congress for appropriation.

I took this position because I was an original supporter of the foreign-aid programs then necessary for the reconstruction of devastated Europe and the prevention of Russian takeover of all of Europe.

There is no doubt in my mind that the United States security interests are served by carefully worked out, practical programs of foreign assistance made on a loan basis under conditions which give assurance that the receiving country will be able to meet its obligations.

Unfortunately our foreign-aid program has degenerated into a giveaway contest in which unfriendly regimes in many countries are dipping their hands into the pockets of the American taxpayers under the guise that unless they are allowed to do so they will hurry off to Moscow for help.

Under the prevailing grab-bag arrangement Members of Congress are required to gulp down give-away programs to Communist regimes such as that headed by the dictator Tito, even if they favor assistance only to countries which have proven their friendship and are making a real fight to keep free of Russian economic tentacles.

Members of Congress are compelled to take everything the State Department advocates or approve nothing in the field of foreign economic and military assistance.

It is high time Congress took time to evaluate each and every proposal for economic assistance to foreign countries on the individual merits of each country's program.

We cannot win steadfast friends with money. Fairweather allies are worse than no allies at all. Bismarck had this to say on the subject many years ago: "No one will ever be rich enough to buy his enemies with concessions." I would add this, no country will ever be rich enough to pay the price of blackmail, which the Russians are tempting many countries to seek from us today.

The Cleveland News has featured articles by Jack Kennon on United States foreign aid policy and performance. The record as Mr. Kennon presents it shows a very sad case for the American taxpayer and an urgent need for Congress to assume its constitutional responsibilities. Mr. Kennon, associate editor of the Cleveland News, is an outstanding newspaperman whose views are respected by the people of my district and all Ohio. Mr. Kennon has made a careful study of American foreign aid and his articles are certain to provoke many questions in the minds of Members of Congress before President Eisenhower's request for $2,140,000,000 for economic assistance is acted upon by Congress.

Under unanimous consent granted me, I include two articles by Mr. Jack Kennon, associate editor of the Cleveland News:

MAZE OF FOREIGN AID BEFUDDLES WASHINGTON

(By Jack Kennon)

Nearly everybody in Washington is confused about our foreign economic aid programs year after year without letup—including Members of Congress who vote the funds.

You get conflicting and vague answers—even from Congressmen—to questions where the money goes, how it's spent and, especially, what stipulations are set up by our Government to insure repayment of loans to foreign countries.

"Don't ask me," is the stock answer from most Washington officials.

You can't find the answers in the official publications by various Government agencies created to supervise our economic and technical aid abroad.

The main emphasis is placed on our obligations to foreign countries to keep them out of the clutches of the Russian Bear.

As one Member of Congress told us about the philosophy behind our foreign-aid programs (and his statements were echoed by correspondents covering the Washington scene):

"When you boil it all down, it's chiefly giveaway. The idea is that if the United States doesn't provide foreign economic aid, if our money and technological help is unavailable or inadequate, these countries will become dependent upon the Soviets. That's what the United States is trying to stop."

Virtually alone, we might add.

We're the only country on the face of the globe that pours out its funds by the billions annually in an economic effort to contain communism all around the world.

Uncle Sam is a Midas, in the eyes of most foreign countries, some in the remotest areas of the world—some so small you can barely find them on a world atlas.

The "ifs" mentioned above admittedly excuse a great degree of slipshod methods in distributing economic and technical aid, how the benefiting countries' quotas are established, what the American dollars are to be spent for, and how to be repaid, if repaid it shall be.

TWO THOUSAND EIGHT HUNDRED AND FIFTY-NINE TECHNICIANS

At the present time, the United States has some 2,859 Government employees overseas—they're called technicians—telling foreign countries how our foreign aid should be spent and how to supervise various United States-financed projects.

Most of these United States technicians are in the Near East and south Asia.

In recent years, the emphasis in our foreign economic aid program has been centered in the Near East and south Asia. The Far East comes next, Latin America next, Africa next, and Europe last, although a $400 million new loan to France this week may push the European aid total this year beyond that of Africa.

HELPING 50 COUNTRIES

Incidentally, there are more than 5,000 European nationals now in the United States—at our expense—for training in connection with foreign aid projects sponsored by the International Cooperation Administration.

Financing economic development abroad has become an integral and, perhaps, permanent part of our annual Federal budget.

We're now financially helping more than 50 foreign countries in some form of aid. As we said, the average American would be hard put to locate many of the countries on the map.

What struck us in our study of our foreign economic and technical aid programs is the unbelievable extent to which this Nation now is obviously committed—in billions of dollars annually—to help foreign countries stave off communism, ostensibly by helping them economically.

SOLD BILL OF GOODS

We certainly appear to have been sold the bill of goods that, if we don't fork over vast sums of money each year to large and small countries, the Kremlin soon—and this is timeless—will have these countries in its clutches.

However, great sums of American money go to countries already in the Communist orbit. We keep on giving or loaning these countries millions in the hope that, some day, somehow, they will extricate themselves from the arms of the Russian dictators.

Congress this spring may slash another substantial sum from the foreign aid budget submitted by President Eisenhower. But the cut will be negligible when compared with our total foreign aid outlays. It would require a small volume merely to enumerate how many are the ways the various agencies created to supervise this assistance overseas can find to operate the spending.

Death and taxes are generally considered positive certainties in this life. United States foreign aid might be added. It's permanent. It's gargantuan. It's highly controversial. It's vague. And, mostly, it's unbusinesslike. But there it is—something new in our time in the American way.

UNITED STATES AID USED TO FIGHT FREE ENTERPRISE

(By Jack Kennon)

More than $16 billion in United States free enterprise money has been given to large foreign nations since World War II to help them nationalize their industry and commerce contrary to the American way.

Ironically, one of the chief beneficiaries—to the amount of $465 million still owed us—is Russia.

The $16 billion plus expenditure comes under the highly controversial United States foreign economic and technical aid which this Government is passing out around the world.

You learn this amazing, and startling, fact in combing through the operations reports of the International Cooperation Administration in Washington, which supervises distribution of American foreign aid.

These tremendous expenditures by a supergenerous Uncle Sam are buried in thick volumes of charts and statistics published annually by the ICA.

To give you some idea of the difficulty in detecting these:

The 1957 operations report of the ICA alone requires 84 pages of charts and fine-print statistics, the latter so small that a magnifying glass is needed to read the figures—in millions of dollars.

DECLARES AID HELPS RESIST COMMUNISTS

How our Government can keep track of our foreign aid disbursements—giveaways, loans, surplus agricultural commodities, machinery, materiel, etc.—stretches one's belief.

The argument advanced by the International Cooperation Administration in support of our foreign economic and technical aid policies is that they help to strengthen the economies of various countries and keeps them strong enough to resist Communist military aggression.

Right here with this statement starts the argument as to how to fight a cold war to hold back communism.

The purpose of military aid abroad is understandable. But the purpose and concrete results of our foreign economic and technical aid outlays are obviously fertile ground for bitter debate and differences of opinion in Washington and throughout the country.

It appears to rankle many Americans and their representatives in Washington that this free-enterprise country should go on indefinitely, and at stratospheric levels, to bolster the economies of foreign nations, some of whom are with us in the struggle to block the Soviets and some of whom are not, and to help nationalize their industry and commerce.

CHARGES IT SPEEDS TRENDS

There is the widespread charge, difficult to deny, that our foreign economic aid has, in many countries, merely accelerated the trend toward nationalization of business and commerce, and has done little to halt Russian expansion moves, which is the purpose of our foreign economic aid dollar expenditures.

Hitting only 15 spots around the world as to how nationalization stands the world over today—aided by American "free enterprise" money—we find:

We have given Brazil postwar foreign-aid grants totaling exactly $26,900,000. In Brazil, the government operates the banks, utility services, railroads, and coastwise navigation, and is a stockholder in companies in the iron and steel, automobile, and other industries.

THREE BILLION SEVEN HUNDRED MILLION TO BRITAIN

Our postwar foreign-aid grants to Great Britain total $3,763,000,000. England probably is our most important military ally. But it goes in for nationalization of industry—even if somewhat limited. The government is in telephone and telegraph, broadcasting, gas, electricity, railroads, trucking, canals and coal mining. England has socialized medicine, which our foreign-aid money, obviously, has helped to finance.

TWO BILLION FIVE HUNDRED MILLION FOR ITALY

We have given France in postwar foreign-aid grants a total of $4,333 million. The French Government owns the Renault plants, which produce the major share of that country's private automobiles. Electricity, gas, railroads, air transport, broadcasting, and the insurance business are nationalized. The banks are almost entirely government-owned. The government owns newspapers and controls a large press association.

Our postwar foreign-aid grants to Italy total $2,574 million, whose government owns the railways, the telephone and telegraph systems. It is in the banking business, and government-controlled companies produce 85 percent of Italy's coal, 80 percent of the pig iron, 65 percent of the steel, 80 percent of the shipbuilding and 73 percent of rail transportation.

Other large foreign countries whose governments are also in big business in a big way and the amounts they have received in the last 12 years include: Norway, $236 million; Sweden, $87 million; Austria, $1,061 million; Turkey, $495 million; "neutral" India, $216 million; Czechoslovakia, $186 million; Indonesia, $118 million; Hungary, $5.8 million; Poland, almost $365 million; Yugoslavia, $734 million; Bolivia, $10,361,000 (in the last 2 years alone.)

This United States foreign aid, pushing along the trend toward these countries' nationalization, wasn't given to the people or to the businessmen of these countries; it was given to the governments and the governments can use the funds to start government-owned enterprises.

INDUSTRIAL USE OF AGRICULTURAL PRODUCTS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Georgia [Mr. BROWN] is recognized for 10 minutes.

Mr. BROWN of Georgia. Mr. Speaker, I am glad to note that there are several recent reports which indicate both a desire and a determination to provide solutions to farm problems.

Since I have frequently referred to both the need and the possibilities of utilization research, I would like to commend the Commission on Increased Industrial Use of Agricultural Products for a worthwhile contribution in its study in the field of utilization research. The study of utilization research for agricultural commodities was authorized under Public Law 480 of the 84th Congress. The Commission obtained the assistance of 188 of the country's outstanding leaders in agriculture, industry, science, and private and public agencies.

The factual report of this Commission deserves consideration and study by each Member of the Congress and all others who are interested in agriculture and its relationship to the American economy. The observation is made that both Federal and State Governments spend not more than $18 million per year on utilization research for agricultural commodities. The further observation was made that most of the money spent for research goes to improve and increase production.

I recently stated that agriculture cannot be isolated from the remainder of the economy. This applies to utilization research just as it applies to the cost-price squeeze which has resulted from the high prices farmers pay in comparison with those they receive for farm commodities. The Commission proposes an expanded program of utilization research and development which would enable agriculture to do what industry, with its larger resources of money and men, has long been doing. Industry is currently investing at least $3 billion a year in research, which amounts to 3 percent of gross sales. In comparison, it is obvious that the $18 million expenditure for agricultural utilization research is grossly inadequate.

The result of this study by the Commission brought forth a definite conclusion that something should be done and could be done in this field. The Commission found that to make possible and encourage such a development there are four main needs. The first need is the realization of the importance, the pos-

sibilities, and the urgency of the industrial utilization approach to farm-surplus problems. The second need was found to be a greatly expanded program of fundamental and applied research to learn more about the nature of agricultural raw materials and to determine what existing or new industrial products and processes may profitably use them. This work would not end in the laboratory, but in promising cases would go through the development stages of pilot-plant experiments and trial commercialization preceding full commercial use. In this agricultural research and development program the Commission recommends the mobilization of the efforts of many scientific institutions—private, public, State, Federal, and, in some cases, the Government would share the cost of the research with private industries. The Commission found the third need to be to insure that more scientific talent is trained for the neglected field of farm-product research and development through fellowships, scholarships, grants, and by other means. The Commission found the fourth need to be to provide in certain cases suitable financial incentives during a temporary trial or development period. It was stated in the report that the initial step in launching such a program is sound legislative action by the Congress.

This study points to the fact that raw materials produced by farmers contain the same chemical components as are found in many nonagricultural materials used to make products. Reference is made to the fact that both coal and petroleum were plants long ago. The Commission stated that farm-produced materials can be modified, tailored to particular needs, taken apart and recombined to make new products with new properties.

The Commission's report outlines 106 broad fields of research and development, including hundreds of product uses, that seem to promise fruitful results.

The amount now available for industrial utilization research in the United States Department of Agriculture is reported to be only $16,145,000. The Commission on Industrial Use of Agricultural Products has recommended that this be increased at least threefold, with additional sums for new crops, development and trial commercialization, and incentives.

I urge that the Congress give immediate consideration to the needs of utilization research for agricultural commodities, that the recommendation of the Commission that Congress declare as a matter of policy the obligation to foster basic research in agricultural products and their uses be enacted into legislation, and that the other recommendations of the Commission be given early consideration.

Let us not view this needed program in utilization research as one solely in the interest of agriculture. The ever-increasing needs of the population, and the corresponding decrease in natural resources, require that this program start immediately in the overall national interest. Let us not forget that the quantities of materials found in the earth are fixed, but wherever products may be developed from agricultural commodities the quantities of the raw materials which may be produced are unlimited.

The Commission on Increased Industrial Use of Agricultural Products has made two alternative recommendations for the administration of this utilization research program. The first alternative is to establish a five-member, nonpartison agricultural research and industrial board to be appointed by the President with the advice and consent of the Senate. This board would allocate funds, make contracts with research institutions, and direct and coordinate the program, but would not itself engage in research. The second alternative would place the responsibility for the program in the Department of Agriculture under an Assistant Secretary.

Whichever administrative approach is taken, the Commission emphasized the need of achieving effective results as promptly as possible.

The existence of some surplus agricultural commodities represents an increase in productivity unequaled by any other segment of the economy. Yet there is every indication that such surpluses would represent small quantities under an American economy having adequately developed programs for farm commodity utilization. Research in the production area has played a large part in providing adequate quantities of agricultural commodities. I have no doubt that adequate research in the utilization area would prove to be even more successful. The farmers, the consumers, business and industry, as well as the Government, would benefit from these successful developments. The success of such a research program would substantially strengthen our preparedness efforts and contribute greatly to the economic well-being of the country.

Let us appropriately consider agricultural resources as our most basic assets and not as liabilities. The existence of surplus agricultural commodities should serve to point the way to the vast opportunities which lie ahead in this field rather than highlighted as presenting problems.

There have been numerous instances when programs were desired by the Government when industry did not feel that such programs could go forward without Government incentives. For example, the incentives of the Government aided the synthetic-rubber industry, the aluminum industry, the Cuban nickel development, the development of titanium, and numerous other similar industries. Private funds were not available. Necessity and Government incentives have in the past provided the research and development required to achieve the desired end results.

Our people are now giving much thought to training programs for educating scientists. Many educational recommendations have been made to insure that America be in the forefront of technological development. There can be no doubt America does not want a second-rate defense. It would appear that the scientists who would be trained in utilization research for agriculture would be possessed of knowledge which would materially strengthen our overall preparedness. Our reserve of scientsits would be thereby increased, and our overall preparedness would benefit. The products developed through agricultural utilization research might well increase the availability of many items now essential for defense purposes through substitution of newly developed products.

The Government is now in the process of studying the essential survival items for an emergency. Agriculture must play an increasingly important role in mobilization for defense. This program could prove to be of great assistance in this field.

I have repeatedly stated that agriculture must be viewed over the long period, for increases in production require a long lead time. A temporary surplus of today should not bring about recommendations for the removal of the farmers from the land, but should provide the incentive to utilize these benefits to the fullest. A recent study of the Joint Economic Committee states that a number of agricultural economists estimate that farm output will have to expand between 25 and 40 percent in less than 20 years, and that this required expansion in production will exceed any expansion in a comparable period of time since 1870. It is further stated that it appears that getting the necessary expansion in production beyond the next 10 years will require positive effort. Utilization research could serve to stabilize the requirements of the present with those of future years.

It is in the interest of the Nation to provide a balanced program for agriculture. Until the means is found to provide a fair share of the total national income for the farmer, the markets of the manufacturers in the farm areas will be limited. The farmers have been caught in a cost-price squeeze. The farmers cannot be separated from the overall inflated economy under which they must pay high prices for farm supplies and family expenditures and receive low prices for farm commodities. The cost of manufactured supplies purchased on the farm, whether the result of freight increases, wage increases, or duties, is passed on to the farmer. The farmer has been unable to pass on the increased cost of producing farm commodities, and the high prices of our economy are out of balance with foreign markets. Unemployment in manufacturing results in part from the cost-price squeeze borne by the farmer.

The recent study of the Joint Economic Committee states that there was a decrease of 584,000 in farm numbers in the Southeast in 1954 as compared to 1935. The attention of all who are interested in the national economy should be given to the existing situation on the farm, for in the Southeast in 1954 the average farm operator was 50 years of age. Only 15 percent of the farm operators were under 35 years of age, while 61 percent were 45 years of age or over. The greatest contribution the farmers can make to the American economy is

by remaining on the farm. The adoption of recommendations similar to those of the Commission on Increased Industrial Use of Agricultural Products could do much in accomplishing this result. After studying several reports on this subject, I remain convinced that a properly balanced long-range program for agriculture will provide the means for the farmers to remain on the farm and to make substantial contributions to our overall economy.

On January 28, 1958, the Special Stockpile Advisory Committee made a report to the Director of the Office of Defense Mobilization on its study of the national stockpile. This committee recommended the stockpiling of finished items and vital supplies for survival, relief, and rehabilitation. In recommendation No. 10, the Special Stockpile Advisory Committee further stated that consideration should also be given to acquiring survival and relief items in exchange for agricultural surpluses. The further recommendation was made that metals and minerals be acquired beyond the quantities considered essential for defense purposes when obtainable in exchange for United States stocks of agricultural surpluses. These recommendations afford opportunities of trading surplus agricultural commodities in the early stages of the utilization-research program. Once the research program goes forward there is good reason to believe that surplus stocks would be in demand.

A question also arises as to what constitutes a surplus of an agricultural commodity. The defenses of this country are reportedly geared to two types of conflict, including limited-scale war or an attack on the United States. Large sums of money are being expended to achieve preparedness for either emergency. Adequate quantities of food and various agricultural commodities are necessary for survival and preparedness. The Department of Agriculture has been assigned mobilization responsibilities relating to this subject. It would appear that if agriculture is to share its proper role in mobilization for preparedness, any definition of "surplus" would apply only to those stocks in excess of our defense needs. Yet, on July 17, 1957, a House Subcommittee on Agriculture reported that in the event of nuclear war the United States is utterly without a plan to immediately feed its population. It was further stated that this constitutes perhaps the weakest link in the chain of defense planning.

PERMANENT DISABILITY PAYMENTS TO DISABLED CITIZENS

Mr. BROWN of Georgia. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. DINGELL] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. DINGELL. Mr. Speaker, when Congress passed the 1956 amendments to the Social Security Act providing for permanent disability payments to our crippled and disabled citizens we thought that we were offering a wonderful new protection to a very substantial number of people. This protection has since been narrowed by administrative action.

Congress was advised by the Social Security Administration that disability payments would be payable to some 400,000 individuals, and the actuarial studies for this particular change contemplated that many people would be recipients of this particular section. That amendment reads as follows:

> The term "disability" means inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or to be of long-continued or indefinite duration.

We found, however, that only around 100,000 severely disabled workers were able to receive their first checks under the provisions of this particular 1956 amendment, and that number had grown to only 140,500 as of November 1957, since the enactment of the disability provisions. The administration has simply administered this section in such a way that only the most severe and total disabilities qualify, and many deserving cases are held off the benefit rolls.

I have had people in my office seeking help with this section who had hardening of the arteries to such a degree that they were barely able to walk, but who were unable to qualify. I have seen other cases involving severe heart conditions who were willing to work but unable to do so and who were unable to qualify under this particular section. I have seen a number of cases where the individual concerned was classed as permanently and totally disabled by other Federal agencies, so much so that he was drawing veteran's benefits as being permanently and totally disabled, or was laid off of a Federal job as being incapable of work, and yet was unable to qualify under the provisions of this section.

To my mind, Mr. Speaker, this is a very sad commentary on the administrative handling of this section. For this reason I have introduced legislation today to ease the provisions of this administrative interpretation, and which will make it easier for persons who are so disabled as to be unable to continue working on their jobs or similar employment to secure the benefits of the provisions of this section.

To show how bad the administration's policies have been, I want to quote what Ray Henry, a well-known syndicated columnist on social security affairs, recently wrote in his column entitled "Security for You."

> How disabled does a person have to be to draw social security disability payments? Trying to get a concise answer to this from the Social Security Administration is like chasing butterflies. * * * Probably the best advice a disabled person can follow if he thinks he is eligible for social security payments is: File your application and wait for a decision.

One bill I introduced today makes a more liberal and fair interpretation of "disability," so that a person who is unable to engage in substantial gainful activity by reason of medically determinable physical or mental impairment which can be expected to result in death or be of long or indefinite duration shall be deemed unable to engage in any substantial activity, if, solely by reason of having such impairment he is unable, as a practical matter, either to obtain employment or to continue in his present employment.

The other bill provides that a person shall also be considered to be totally disabled and eligible for the benefits of this section if he has been declared to be totally and permanently disabled within the meaning of any other Federal or State legislation either for purposes of hiring or for purposes of drawing benefits.

I hope these bills get speedy and favorable treatment.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. SCHERER for February 10, 11, and 12, 1958, on account of hearings of the Committee on Un-American Activities at Gary, Ind.

To Mr. MILLER of Maryland (at the request of Mr. MARTIN) for the remainder of the week on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. PASSMAN on Tuesday next, for 30 minutes.

Mr. FEIGHAN, for 10 minutes, on today, to revise and extend his remarks and to include five articles.

Mr. SCUDDER, for 60 minutes, on February 24.

Mr. WILSON of Indiana, for 5 minutes, today and to revise and extend his remarks.

Mr. POWELL (at the request of Mr. MCCORMACK) today, for 15 minutes.

Mr. BROWN of Georgia (at the request of Mr. MCCORMACK) today, for 20 minutes.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. TEAGUE of Texas (at the request of Mr. COOLEY) and to include extraneous matter.

Mr. REUSS and to include extraneous matter.

Mr. MAY.

Mr. SCHWENGEL.

Mr. BYRNE of Illinois (at the request of Mr. FRELINGHUYSEN).

Mr. BOGGS.

Mr. ENGLE and include extraneous matter.

Mr. BREEDING.

Mr. JOHANSEN (at the request of Mr. BASS of New Hampshire) and to include extraneous matter.

ENROLLED BILL SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 10146. An act making supplemental appropriations for the Department of Defense for the fiscal year ending June 30, 1958, and for other purposes.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1908. An act to amend the District of Columbia Hospital Center Act in order to extend the time and increase the authorization for appropriations for the purpose of such act, and to provide that grants under such act may be made to certain organizations organized to construct and operate hospital facilities in the District of Columbia.

ADJOURNMENT

Mr. BROWN of Georgia. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 36 minutes p. m.), under its previous order, the House adjourned until Monday, February 10, 1958, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1581. A letter from the Secretary of Defense, transmitting a draft of proposed legislation entitled "A bill to authorize civilian personnel of the Department of Defense and certain personnel of the National Advisory Committee for Aeronautics to carry firearms"; to the Committee on Armed Services.

1582. A letter from the Assistant Secretary of Defense (Director for Supply Management Policy), transmitting the annual report of the Department of Defense relative to the disposition of foreign excess personal property located in areas outside the continental United States, Alaska, Hawaii, Puerto Rico, and the Virgin Islands for the fiscal year 1957, pursuant to Public Law 152, 81st Congress; to the Committee on Government Operations.

1583. A letter from the Secretary of Health, Education, and Welfare, transmitting a report covering personal property made available for distribution to public health and educational institutions and civil defense organizations, pursuant to section 203 (o) of the Federal Property and Administrative Services Act of 1949; to the Committee on Government Operations.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BRAY:

H. R. 10562. A bill to amend the Communications Act of 1934, so as to prohibit the granting of authority to broadcast subscription television programs; to the Committee on Interstate and Foreign Commerce.

By Mr. CHRISTOPHER:

H. R. 10563. A bill to provide that the price support level for basic agricultural commodities and dairy products in effect for 1958 shall not be less than those in effect for 1957; to the Committee on Agriculture.

By Mr. COAD:

H. R. 10564. A bill to provide for making payments in kind under the acreage reserve program of the Soil Bank Act; to the Committee on Agriculture.

By Mr. DAWSON of Illinois (by request):

H. R. 10565. A bill to improve opportunities for small-business concerns to obtain a fair proportion of Government purchases and contracts, to facilitate procurement of property and services by the Government, and for other purposes; to the Committee on Government Operations.

By Mr. HAGEN:

H. R. 10566. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income for certain amounts paid by a teacher for his further education; to the Committee on Ways and Means.

H. R. 10567. A bill to extend for an additional 4-year period the provisions of the National Wool Act of 1954; to the Committee on Agriculture.

By Mr. HAYS of Ohio:

H. R. 10568. A bill to authorize the Secretary of State to evaluate in dollars certain financial assistance loans expressed in foreign currencies arising as a result of World War II, and for other purposes; to the Committee on Foreign Affairs.

By Mr. JONES of Alabama:

H. R. 10569. A bill to authorize the use of additional funds for the 1958 cotton acreage-reserve program; to the Committee on Agriculture.

By Mr. McCARTHY:

H. R. 10570. A bill to provide for unemployment reinsurance grants to the States, to revise, extend, and improve the unemployment insurance program, and for other purposes; to the Committee on Ways and Means.

By Mr. MOORE:

H. R. 10571. A bill to protect the right of the blind to self-expression through organizations of the blind; to the Committee on Education and Labor.

By Mr. MULTER:

H. R. 10572. A bill to permit certain foreign students to attend the District of Columbia Teachers College on the same basis as a resident of the District of Columbia; to the Committee on the District of Columbia.

By Mr. NIMTZ:

H. R. 10573. A bill to define parts of certain types of footwear; to the Committee on Ways and Means.

By Mr. O'KONSKI:

H. R. 10574. A bill to provide for unemployment reinsurance grants to the States, to revise, extend, and improve the unemployment insurance program, and for other purposes; to the Committee on Ways and Means.

By Mr. SMITH of Mississippi:

H. R. 10575. A bill to alleviate the critical shortage of high quality cotton and to protect farm income, and for other purposes; to the Committee on Agriculture.

By Mr. ALLEN of Illinois:

H. R. 10576. A bill to provide for the issuance of a postage stamp in commemoration of the 100th anniversary of the Lincoln-Douglas joint debates; to the Committee on Post Office and Civil Service.

By Mr. ASHLEY:

H. R. 10577. A bill to provide for unemployment reinsurance grants to the States, to revise, extend, and improve the unemployment insurance program, and for other purposes; to the Committee on Ways and Means.

By Mr. DINGELL:

H. R. 10578. A bill to amend title II of the Social Security Act to provide a more liberal definition of the term "disability" for purposes of entitlement to disability insurance benefits and the disability freeze; to the Committee on Ways and Means.

By Mr. JUDD:

H. R. 10579. A bill to provide for the naturalization of certain alien children adopted by United States citizens who are missionaries stationed abroad; to the Committee on the Judiciary.

By Mr. KILGORE:

H. R. 10580. A bill to alleviate the critical shortage of high quality cotton and to protect farm income, and for other purposes; to the Committee on Agriculture.

By Mr. MOULDER:

H. R. 10581. A bill to amend section 1461 of title 18 of the United States Code with respect to the mailing of obscene matter, and for other purposes; to the Committee on the Judiciary.

H. R. 10582. A bill to amend sections 1461 and 1462 of title 18 of the United States Code to make applicable with respect thereto the venue provisions of section 3237 of such title; to the Committee on the Judiciary.

By Mr. DINGELL:

H. R. 10583. A bill to amend title II of the Social Security Act to provide that certain determinations of permanent and total disability made by other Federal or State agencies shall be accepted by the Secretary of Health, Education, and Welfare as proof of disability for purposes of such title; to the Committee on Ways and Means.

By Mr. BYRNE of Illinois:

H. J. Res. 530. Joint resolution designating October 31 of each year as Youth Honor Day; to the Committee on the Judiciary.

By Mrs. CHURCH:

H. J. Res. 531. Joint resolution designating October 31 of each year as Youth Honor Day; to the Committee on the Judiciary.

By Mr. PRICE:

H. J. Res. 532. Joint resolution designating October 31 of each year as Youth Honor Day; to the Committee on the Judiciary.

By Mr. BROYHILL:

H. Con. Res. 262. Concurrent resolution expressing the sense of Congress that the Commissioners of the District of Columbia should proceed at once with the construction of the bridge over the Potomac River as authorized and directed by the act of August 30, 1954; to the Committee on the District of Columbia.

By Mr. HERLONG:

H. Con. Res. 263. Concurrent resolution to request the President to designate the year 1960 as "Visit U. S. A. Year"; to the Committee on the Judiciary.

By Mr. COAD:

H. Res. 473. Resolution establishing a Special Committee on Astronautics and Space Exploration; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. HÉBERT:

H. R. 10584. A bill for the relief of Kuzma Murina; to the Committee on the Judiciary.

By Mr. HOLTZMAN:

H. R. 10585. A bill for the relief of Chaskel Fichtenbaum; to the Committee on the Judiciary.

By Mr. HUDDLESTON:

H. R. 10586. A bill for the relief of Levada Burgess Avery; to the Committee on the Judiciary.

By Mr. ROGERS of Colorado:

H. R. 10587. A bill for the relief of Homer G. Preston; to the Committee on the Judiciary.

By Mr. FARBSTEIN:

H. R. 10588. A bill for the relief of Everet Rosenqvist; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

377. By Mr. BEAMER: Petition of Mrs. J. E. Hester and others of Anderson, Ind., protesting the advertising of alcoholic beverages in interstate commerce; to the Committee on Interstate and Foreign Commerce.

378. Also, petition of Russell E. Bainbridge and others of Marion, Ind., protesting the advertising of alcoholic beverages in interstate commerce; to the Committee on Interstate and Foreign Commerce.

379. Also, petition of Mrs. J. Lee Boller and others of the Fifth Congressional District of Indiana, protesting the advertising of alcoholic beverages in interstate commerce; to the Committee on Interstate and Foreign Commerce.

380. Also, petition of the Main Street Methodist Church in Kokomo, Ind., protesting the advertising of alcoholic beverages in interstate commerce; to the Committee on Interstate and Foreign Commerce.

381. Also, petition of Mrs. William H. Harrison and others, of the Fifth Congressional District of Indiana, protesting the advertising of alcoholic beverages in interstate commerce; to the Committee on Interstate and Foreign Commerce.

382. Also, petition of Mrs. Alda Nall and others, of Portland, Ind., protesting the advertising of alcoholic beverages in interstate commerce; to the Committee on Interstate and Foreign Commerce.

383. Also, petition of Mrs. L. C. Loder and others, of the Fifth Congressional District of Indiana, protesting the advertising of alcoholic beverages in interstate commerce; to the Committee on Interstate and Foreign Commerce.

384. Also, petition of Miss Eugenia M. Nunemaker, of the Fifth Congressional District of Indiana, protesting the advertising of alcoholic beverages in interstate commerce; to the Committee on Interstate and Foreign Commerce.

385. Also, petition of Mrs. Will Kemper and others, of the Fifth Congressional District of Indiana, protesting the advertising of alcoholic beverages in interstate commerce; to the Committee on Interstate and Foreign Commerce.

386. Also, petition of Miss Chloe E. Lacy and others, of Anderson, Ind., protesting the advertising of alcoholic beverages in interstate commerce; to the Committee on Interstate and Foreign Commerce.

387. Also, petition of Mr. and Mrs. Paul Brock and others, of the Fifth Congressional District of Indiana, protesting the advertising of alcoholic beverages in interstate commerce; to the Committee on Interstate and Foreign Commerce.

388. Also, petition of Walter L. Thomas and others, of the Fifth Congressional District of Indiana, protesting the advertising of alcoholic beverages in interstate commerce; to the Committee on Interstate and Foreign Commerce.

389. Also, petition of Mrs. Frank Aldrich and others, of Marion, Ind., protesting the advertising of alcoholic beverages in interstate commerce; to the Committee on Interstate and Foreign Commerce.

390. Also, petition of the members of the South Marion Friends Church, Marion, Ind., protesting the advertising of alcoholic beverages in interstate commerce; to the Committee on Interstate and Foreign Commerce.

391. Also, petition of the Indian Heights Home Owners Association of Kokomo, Ind., protesting the attempts to establish pay television; to the Committee on Interstate and Foreign Commerce.

EXTENSIONS OF REMARKS

Anniversary of Lithuania's Proclamation of Independence

EXTENSION OF REMARKS
OF
HON. EMMET F. BYRNE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 6, 1958

Mr. BYRNE of Illinois. Mr. Speaker, I would appreciate permission to extend my remarks in the RECORD regarding an important anniversary on February 16, when the Lithuanians of the Free World will commemorate Lithuania's proclamation of independence 40 years ago.

The Lithuanians who are still free and living in different parts of the world should not forget the land of their forefathers who gave them freedom long ago. Particularly those Lithuanians who have come to America should keep in mind and heart one thought: The love of freedom for the individual exists in America and this common concept creates enduring friendships between peoples and nations.

During the span of Lithuania's independence, her people made remarkable progress in all fields of human endeavor. In achieving her independence she had overthrown a yoke which had been on her shoulders for almost one hundred and twenty years. This yoke was Russian misrule. Lithuania was truly a member of the family of free nations.

Once again Lithuania became the subject of Russian tyranny which extends to every area and facet of life. The peasants who were the pride of their country became serfs in the homeland. The farms no longer flourished.

The enslaved Lithuanians are living in truly dark days. They experience deportations under all kinds of guises. Families are separated. The people are "invited" to go to Siberia for "voluntary" labor. The people are told that this "invitation" is extended them by the Russian Government because the Russians want the families reunited. The Lithuanians are silent these days but they know well the methods employed by the Russians and they are living for the day when they will again proclaim their independence to the whole world. This is their dream which keeps them going with heads low but hearts and spirits undaunted. Such thoughts as this cannot be enslaved or enslave the peoples of a country but on the contrary it will enable them to one day shed the yoke of tyranny again.

In encouraging the Lithuanian Americans and by setting an example for them, we are helping to speed the day when we can join them in celebrating the achievement of another proclamation of independence in Lithuania.

Salvation by Appropriation

EXTENSION OF REMARKS
OF
HON. AUGUST E. JOHANSEN
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 6, 1958

Mr. JOHANSEN. Mr. Speaker, we have developed, in this country, an almost fanatical faith in salvation by appropriation.

Especially, I should add, faith in salvation by Federal appropriation.

An earlier generation expressed a somewhat related viewpoint in the crude saying that money talks.

Fortunately, there were always those who pointed out that while money may talk, it doesn't necessarily talk sense, or sound values, or character and integrity, or good judgment, or desirable results.

Today we desperately need similar reminders that blind faith in the power and beneficial effects of governmental appropriations can be equally misleading, shortsighted and disastrous.

Especially do those of us in Government need these reminders.

Otherwise, as a Nation, we may utterly fail to achieve urgently needed results and, at the same time, go completely broke in our fumbling and foolish efforts to achieve these results by reliance on more and more spending.

Blind faith in salvation by appropriation can be totally disastrous in the area of military defense.

We court disaster, militarily, if we forget for a single moment that the mere act of voting and spending more and more billions is no guaranty of, or substitute for, sound strategic concepts, effective and efficient defense organization, or wise military planning and execution.

One sound idea may not only be worth billions, defensewise, but may be the only thing that gives the billions either worth or sense.

Blind faith in salvation by appropriation explains, in my judgment, the abysmal blunders and failures of so-called foreign aid. It also explains our frantic and even irrational efforts to offset and repair those failures by appropriation of still further billions of tax dollars for the same purposes.

Today we are laughed at, and in some instances openly despised, by those in other lands who nonetheless still accept our largesse, just because of our global efforts to prove that "money talks."

Finally, blind faith in salvation by appropriation jeopardizes, and may destroy, needed efforts to improve education in the United States.

Of course, education requires money—but money does not always educate. Higher standards, imposed both from

within and without the student, are essential to improved education.

So far as the externally imposed higher standards are concerned, they cannot come from the Federal Government without creating a form of Federal control fatal to freedom both in education and in the Nation. And neither in tax-supported nor privately endowed schools is education something that is merely bought.

Money—even the billions of your tax dollars spent by Government—can and often does talk nonsense, folly, and dismal failure.

Tuition-Tax Exemption for Parents of College Students

EXTENSION OF REMARKS
OF
HON. EDWIN H. MAY, JR.
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 6, 1958

Mr. MAY. Mr. Speaker, I wish to bring attention to H. R. 10543, a bill which I introduced yesterday. This bill, in effect, would provide a tax deduction up to $800 from gross income for any single year for parents who are financing the higher education of their children and for self-supporting individuals who are pursuing college-level work. Expenses for which such deduction would be allowed would include tuition payments and entrance fees.

If the Congress should see fit to pass this bill, I believe that it will be a significant accomplishment in our overall purpose to see that those who are capable of doing college-level work have the opportunity to do so. Too often in the past have talented young people had to forego a college education because their parents have not been able to afford the costs involved. This bill will greatly relieve the financial strain on parents and will give added insurance that we do not waste the talents of our more capable young people.

It is a known fact that a high percentage of those in the upper half of their high school graduating classes do not go on to college. It is also known that a considerable number of them have the proper motivation but find that they are unable to go on because of financial reasons. When a person has the ability and desire to go on to college, it is a national disgrace that ways are not found to make it possible for that person to develop to his full potentiality. Not to find such ways is to waste a natural resource, the utilization of which may very well determine the final outcome of the struggle between the forces of communism and freedom. On the other hand, even did this struggle not exist, it is high time that we made some effort to minimize the financial burden to parents at all income levels whose children are in college.

Although this is only one area requiring remedy in the field of education, it is, nevertheless, a most significant area. You will recall, Mr. Speaker, that early in 1957, during the 1st session of the 85th Congress, I introduced H. R. 7037, which would grant to teachers a tax deduction up to $600 from gross income for any single year for expenses incurred in the pursuit of graduate studies. That bill, and the one I now propose, are two very important steps we can take toward rectifying the many inequities in our system of education.

You are aware of my interest in education from my activity during the debate on the school-construction bill last year, at which time I offered an amendment. The bills herein mentioned are the result of a continuing study that I am making of the American education problem. I shall propose further legislative remedies in the near future.

Presenting an Iowa Physicist—James Van Allen

EXTENSION OF REMARKS
OF
HON. FRED SCHWENGEL
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 6, 1958

Mr. SCHWENGEL. Mr. Speaker, as the Free World exults in flight of the Explorer, I feel that we should recognize some of the outstanding young scientists who made this exploit possible. In Iowa we beam with the satisfaction of knowing that Iowans contributed to the development of the satellite and that "made in Iowa" instruments orbit with it. In these remarks, I wish to give credit to Dr. James Van Allen of the State University of Iowa. In other insertions, I plan to call your attention to the contributions of George Ludwig, also of the university staff, who made some of the delicate instruments which are recording valuable scientific data in outer space. In these presentations due credit should go to the News and Information Service of the State University of Iowa and especially James Jordan, Gordon Strayer and James Wells.

Front pages of newspapers and television stations all over the Nation last weekend carried a picture of three scientists holding above their heads a duplicate of the first earth satellite to be launched in this country. As almost every American knows and deeply appreciates, the three men were rocket and satellite scientists—Wernher von Braun of Huntsville, Ala.; William H. Pickering of Pasadena, Calif., and James Van Allen of Iowa City, Iowa. Leaders of major phases of the Jupiter-C and Explorer achievement, they became overnight heroic figures to an anxious Nation. They were leaders in reassuring an America which had faced second-class-power status in the new age of space.

That picture, like the tremendous event which it celebrated and reported, shows American teamwork at its best, merging a variety of uncommon skills and talents in a common cause. And the backgrounds and careers of these three men themselves also serve to illustrate what can be done when individual interests are subordinated to common needs and goals. Take, for example, some of the events and facts of the career of James Van Allen, Iowa-born and Iowa-educated scientist who has been head of the State University of Iowa Department of Physics since 1951.

On the evening of April 5, 1950—to backtrack a few years—Professor Van Allen was host to several fellow scientists at this home in Silver Spring, Md. The Iowa physicist was then supervisor of high-altitude research in the Applied Physics Laboratory of Johns Hopkins University. Honored guest that evening was Sydney Chapman, Oxford University professor known as the world's most distinguished geophysicist.

As the men talked shop about the physics of the upper atmosphere and space, they deplored the lack of organized scientific information about earth's environment in the universe. Out of this discussion came the idea for International Geophysical Year, the current collective enterprise involving scientists of 67 nations. Although the launchings of the two Russian sputniks and the United States Explorer are the most spectacular IGY achievements to date, the huge enterprise has brought together more than 10,000 scientists and technicians in knowledge-advancing projects all over the globe.

Thus it can be said that the modest home of an Iowan then living in Maryland was the birthplace of International Geophysical Year, one of whose major achievements America has been celebrating for the past several days. The honored guest of that occasion, British geophysicist, Sydney Chapman, went on to become chairman of the international committee for organizing and planning IGY. Dr. Chapman still holds that post under a different title, president of the Special Committee for IGY, with the Committee composed of an American, a Belgian, a Russian, and a Frenchman.

Dr. Van Allen and Dr. Chapman, the other guests of that now scientifically historic evening, and their associates in research kept in touch with one another in the following years as they worked to unite the scientists of the world in common enterprise. The British scientist retired at age 65 in 1953 from teaching at Oxford University to devote full time to the IGY cause. But in the midst of preparations for 1957–58 he spent a full semester in the fall and winter of 1953–54 at the University of Iowa as a visiting professor in the department headed by Professor Van Allen.

With these associations added to his demonstrated prowess as a rocket and cosmic ray expert, the Iowa physicist grew increasingly influential in IGY planning. The United States national committee for IGY accepted his proposal for a gigantic, integrated attack on upper-air mysteries all over the globe. The Van Allen plan called for balloon, rocket, rockoon, and satellite vehicles for extending research in cosmic rays, electrical currents in the ionosphere, the particles responsible for the auroras—northern and southern lights—the

earth's magnetic field, and other phenomena to be explored at high altitudes.

Other universities and scientific agencies joined in the pursuit of knowledge in these areas. But it is notable that Iowa physicists alone sent up a total of 71 high-altitude research vehicles during the first 6 months of International Geophysical Year, starting July 1, 1957. Iowa research instruments rode 54 "rockoons," balloon-lifted rockets fired from as far north as Thule, Greenland, to as far south as Cape Adare in Antarctica. Made-in-Iowa apparatus was suspended beneath 14 small skyhook balloons to collect more than 200 hours of round-the-clock cosmic ray data at the IGY base of Fort Churchill on Hudson Bay. Also at Hudson Bay two Nike-Cajun—27-foot, 2-stage—rockets were fired last August in auroral experiments. Four more such rockets are to be fired this month by Graduate Student Carl McIlwain at Fort Churchill. In another important Iowa experiment Prof. Frank McDonald sent up a giant skyhook balloon last fall at Minneapolis. McDonald hopes to repeat this experiment again this month.

Following the announcement 2 years ago that the United States would attempt to launch earth satellites during International Geophysical Year, Professor Van Allen was named to the eight-man technical panel for the artificial moon under the chairmanship of Richard W. Porter, rocket engineer for the General Electric Co. Van Allen had been the first to launch a scientific experiment aboard a German V–2 rocket in 1946 at White Sands, N. Mex., a project under Porter's general direction. In 1948–49 Van Allen directed the development of the Aerobee research rocket, a higher altitude outgrowth of the V–2, and in 1951–52 the Iowan developed the "rockoon" technique, a device about one-fiftieth as expensive as the Aerobee. The technique uses a small balloon to lift a small rocket through the densest 15 miles of the atmosphere before firing it, so that it climbs another 50 to 70 miles through the diffused rim of the atmosphere.

Since 1947 Van Allen has been chairman of the rocket and satellite research panel, an independent group of research leaders who started their organization in 1946 at White Sands, N. Mex., with the name of upper atmospheric rocket research panel, changing the name in 1956. The proposed Commission pinpoints scientific efforts to intensify research in outer space for long-range objectives, independent of as well as allied to military programs.

With a background of this scope and depth it is not surprising perhaps that in January 1956, Van Allen was given a heavy new responsibility by the technical panel for the earth satellite program of the National Academy of Science. He was named chairman of the working group on internal instrumentation, to survey all proposed experiments to be carried within the "moons" and to make recommendations on the most practical design of the satellites.

Late in 1956 this group had examined numerous proposals for scientific cargoes for the satellites, and Van Allen brought 33 of the suggested experiments together in a book, Scientific Uses of Earth Satellites, which he edited and the University of Michigan Press published. Experimental proposals were screened for the book and later for a program of four Vanguard satellites on bases of first, scientific importance; second, technical feasibility; third, the record of the scientist making the proposal; and fourth, the suitability of the satellite vehicle for the observing equipment.

It was in his role as chairman of the instrumentation group for 2 years now, as well as being responsible for Iowa cosmic ray apparatus within the Explorer, that Van Allen was selected last weekend, along with Von Braun and Pickering, to make the public presentation of satellite facts and estimates after the successful launching.

The son of the late Alfred M. Van Allen, an attorney, and Alma Van Allen, who is still living, James Van Allen was born 43 years ago in Mount Pleasant, Iowa. His mother credits C. A. Cottrell, now city superintendent of schools in Mount Pleasant and then a science instructor in the high school, as stimulating the boy's interest in science. He developed parallel interests in wood and metal crafts under the tutelage of Glen Hoffman, who is still teaching in the Mount Pleasant school system. He also did well in his other high-school subjects, as witnessed by his becoming valedictorian of his graduating class.

In my opinion this is one of the great strengths of the American educational system. Dedicated teachers whose interest goes beyond the confines of a prescribed curriculum to seek out and encourage the exceptional student in the areas where he is outstanding, practice true pedagogy, and America is the benefactor.

In paying tribute to James Van Allen, we should also give credit and pay tribute to C. A. Cottrell and the hundreds of school administrators like him who did yeoman service in the teaching ranks and then rose to positions which enable them to guide the same type of instruction through our entire school systems.

At Iowa Wesleyan College in Mount Pleasant the young Van Allen majored in physics, graduating with highest honors in 1935. There he studied the physical science under Thomas P. Poulter, who encouraged individual and original experimentation by his students. Van Allen continued to dig deeper into physics, particularly nuclear studies, during his graduate work at the State University of Iowa, where he earned his master of science degree in 1936 and his doctor of philosophy degree in 1939. Then research and war work took him outside Iowa until 1951.

From 1939 to 1942 he was a research fellow and physicist with the Carnegie Institution of Washington, D. C. During World War II he was an officer in the Navy Bureau of Ordnance, rising from the rank of lieutenant, junior grade, to lieutenant commander. He worked on such projects as proximity fuses for naval artillery shells and won four combat stars and other citations in the Pacific Theater.

From 1946 to 1950 he served as supervisor of high-altitude research in the Applied Physics Laboratory of Johns Hopkins University, winning in 1948 the C. N. Hickman award of the American Rocket Society for his scientific work with the German V–2 rockets and for his leadership in developing the Aerobee rocket for probing the upper atmosphere.

When the position of head of the State University of Iowa Physics Department became vacant in 1950, three of Van Allen's former teachers at SUI—Profs. George W. Stewart, E. P. T. Tyndall and John Eldridge—sought out their onetime student and proposed his selection. They had been impressed by the young Van Allen as a student and even more impressed by his scientific achievements after leaving the university. He was appointed to his present post January 1, 1951.

During the summer of 1953 the Royal Society of London chose the Iowa physicist to be coorganizer of an international conference on upper atmospheric research held at Oxford University. At this conference he also presented three research reports: The Inexpensive Attainment of High Altitudes With Balloon-Launched Rockets, Atmospheric Ozone at High Altitudes, and The Primary Cosmic Ray Spectrum and the Energy Balance in the Atmosphere.

On leave of absence from the University of Iowa during 1953–54 he was in charge of experimental instrumentation for Project Sherwood at the James Forrestal Laboratories in Princeton, N. J. The project is an Atomic Energy Commission program to tame the forces of the hydrogen bomb for peace.

Besides editing the 1956 book, Scientific Uses of Earth Satellites, he contributed a chapter, The Nature and Intensity of the Cosmic Radiation, to the book, Physics and Medicine of the Upper Atmosphere. He is the author of approximately 50 articles on cosmic rays, nuclear physics, atmospheric physics and the use of rockets in high altitude research, one of the most popular being The Artificial Satellite as a Research Instrument in the November 1956 issue of Scientific American magazine.

The Iowa physicist married the former Abigail Halsey in 1945. The couple has four children—Cynthia, 11; Margo, 8; Sarah, 5; and Thomas, 2.

New Legislation Seeks To End Price Discrimination Against Independent Merchants

---

EXTENSION OF REMARKS
OF
HON. HENRY S. REUSS
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 6, 1958

Mr. REUSS, Mr. Speaker, a unique type of price discrimination is harassing many of our already suffering small-business men. Here is an example of the way it operates.

A drug manufacturer sells aspirin directly to a chain of drug stores at the same price he charges wholesalers—the historic middlemen for small and independent merchants. After the wholesaler adds his markup, the independent druggist pays more for aspirin than does his chainstore competitor.

The Robinson-Patman Act intended to prevent this type of price discrimination by letting a manufacturer give wholesalers a functional discount, enabling the wholesaler to take his price markup and still sell to the small stores at the price paid by the chain stores dealing directly with the manufacturer.

This sound provision of the Robinson-Patman Act has become a dead letter. It has never been used to prevent such price discrimination. I feel it is high time to give force to this clause and put an end to the existing price discrimination.

To that end, I have introduced a bill today, February 10, that requires a seller who sells his product directly to some retail stores but not to others, to give the wholesale suppliers of small merchants a functional discount. This will help the independent businessman to compete more effectively with his chainstore operator.

This bill is a clarification of the Robinson-Patman Act. I respectfully urge my colleagues to consider this legislation carefully. It is important to the welfare of small business, and required if the Robinson-Patman Act is to serve the original intent of Congress.

Remarks of Senator Albert Gore Before the Mississippi Valley World Trade Conference

EXTENSION OF REMARKS
OF
HON. HALE BOGGS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 6, 1958

Mr. BOGGS. Mr. Speaker, under leave to extend my remarks in the RECORD, I commend to all of the Members of both bodies the following splendid address by Senator GORE:

REMARKS OF SENATOR ALBERT GORE BEFORE THE MISSISSIPPI VALLEY WORLD TRADE CONFERENCE

It should be clear to everyone now that the nations of the Free World face a serious challenge from Soviet communism. Recent events have brought into sharp focus Russian progress in the field of scientific and military technology.

The challenge we face, however, is not limited to the threat of military aggression. Mr. Khrushchev has openly boasted that the communistic economic system is superior to our own, and that, in time, the uncommitted nations of the world will see that this is so. While the economic challenge has not been dramatized, as by the launching of a sputnik, it is, nevertheless, real.

Inquiries are under way in Washington to determine just how we do stand in the race for development of ballistic missiles and what should be done about it. These inquiries are of great importance, and I am sure the American people, given adequate leadership, are willing to do what needs to be done to insure adequate military strength for national security. But we must not neglect other matters equally important in the struggle for survival of free civilizations.

National security and public welfare require that we do those things which will promote our economic strength here at home and which will contribute to improved economic conditions in other nations who are allied with us in the struggle.

One of the things we must do is to take steps to preserve and promote mutually beneficial trade between free nations. Our principal means of doing this is the reciprocal trade program. This program, one of the outstanding achievements of my fellow Tennessean, Cordell Hull, stands in danger. It will expire altogether this year unless the Congress acts to extend it. It has passed the test of time, serving the country well during the administration of two Democratic Presidents and one Republican President. It is just as important, if not more important, today than when it was started in the mid-1930's. I understand that some of the organizations which sponsor this conference, the New Orleans Chamber of Commerce and International House, for example, have very strongly favored an extension of the Reciprocal Trade Agreements Act. But before getting to the question of why it should be extended, let's take just a few moments to consider what the program is—and what it is not.

The Trade Agreements Act of 1934, as originally enacted and in the form in which it has been extended upon several occasions, authorizes the President to enter into agreements with other nations under which we agree to eliminate certain specific trade barriers in return for a commitment by the other nations participating in the agreement to eliminate or reduce their own trade restrictions. In other words, we say to country A, "We will make it easier for you to sell to us if you will make it easier for our businessmen to sell to you." That is where the word "reciprocal" comes in.

The law has always contained strict limits on the extent to which the President may go in reducing tariffs by such agreements and has always directed that any agreement contain an escape clause under which we may abrogate the agreement if any American industry is unduly injured thereby. A great deal of misinformation has been disseminated about this program. Some would have us believe that it is a sort of giveaway deal under which we eliminate all of our tariffs unilaterally, for the benefit of other countries—a sort of sly method of transferring the jobs of American men and women to foreign countries. Nothing could be further from the truth. The real purpose of the program is to increase mutually advantageous trade among the nations of the world by reducing artificial trade barriers. Insofar as we ourselves are concerned, it has meant the promotion of increased trade, exports as well as imports.

Since passage of this act, our Government has taken the lead in trying to bring about conditions leading to more international trade. The issue is whether or not we should continue these efforts. Is increased trade good or is it bad? To me, the evidence is overwhelming that we profit in many ways from increased trade with other countries.

Some of the countries friendly to us must trade to live. If they can't trade with us, they will trade elsewhere. Moscow is always eager to send trade missions to any country which will receive them. The Masters in the Kremlin think nothing of denying their own people various types of consumer goods in order that these items may be available for shipment in foreign trade. They know that political ties follow the trade routes. The pattern of their operations is all too familiar. Trade missions are followed by economic technicians who are, in turn, followed by military advisers and military aid. Sooner or later, there is another Communist satellite country. I do not wish to minimize in any way whatsoever this important aspect of an enlightened foreign trade program.

But even if security and such foreign policy considerations were not present—if we consider only the impact upon our own economy—we find that we have a tremendous stake from a dollar and cents standpoint in a further expansion of foreign trade.

A look at the record will demonstrate what has happened since our reciprocal trade program started. In 1935, when it was just getting under way, our imports of merchandise were valued at $2 billion. By 1956 they had increased to $12.6 billion. But while we were experiencing an increase in imports of about 515 percent, our exports of merchandise had climbed from 2.3 billion to about $19 billion, an increase of about 730 percent.

Critics of foreign trade are always talking about jobs in industry which are allegedly lost because of imports. They neglect to mention all of the jobs which are made possible by our exports. There is one simple rule in any consideration of foreign trade that cannot be avoided: if we sell, we must buy. We were able, in 1956, to sell about $19 billion worth of merchandise abroad, while receiving $12.6 billion in imports. We must face the fact that we cannot expect to continue to export in this volume, much less expect to expand our exports, unless we are willing to permit imports.

Now, just how important is foreign trade to our economy? Last year our gross national product was about $414 billion. We disposed of 4.5 percent of that total in the markets of the world. Now, 4.5 percent doesn't sound like a very large figure, but when compared with other items which make up the gross national product, some appreciation of the magnitude of our export trade may be established. For example, in 1956 the value of all nonfarm residential construction in the United States was $15.3 billion, approximately $4 billion less than the value of our exports. In 1956, our total income from corporate dividends was $12 billion, less than two-thirds the value of our exports. Exports make up 9 percent by value of our production of movable goods, 8 percent of manufactured goods, 11 percent of agricultural products, 26 percent of construction and mining equipment, 19 percent of trucks, 11 percent of machine tools, 14 percent of our coal production, and 20 to 40 percent of our cotton, rice, and tobacco.

We must place in proper perspective the enormous stake we have in export trade. This past year we have experienced a slight decline in residential construction which has had a serious impact upon the lumber industry and many others which are dependent in part upon the construction of homes. And make no mistake about it—those affected have let their situations be known, as they should. You have noticed that when the announced dividends of large corporations are somewhat less than anticipated, the repercussions in the stock market are sharp and immediate. But, for some reason, few seem to realize that there is any threat to our economy in a decline of our export markets. The fact is that our exports can mean the difference between prosperity and recession. They can mean the difference between a high level of employment for American workers, and unemployment. Our farmers are in enough difficulty as it is. It would be much worse if we suddenly lost our foreign markets. Everyone agrees that we must find some way to increase the markets for our agricultural commodities. We simply can't do it unless we are willing to trade with our neighbors.

Altogether, on the basis of statistics on file with the Department of Commerce in Washington, it is estimated that the jobs of about

4½ million Americans depend upon our export-import trade.

Now, you may say, how does all of this affect the people of the Mississippi Valley, a large part of whose foreign trade is channeled through the great port of New Orleans? A look at the economy of the region will give us the answer. The Mississippi Valley produces industrial and agricultural commodities for export to a larger degree than many realize. Then, too, some of our manufacturing industries depend upon imported raw materials, and our foreign trade is of tremendous benefit to the area's financial and commercial interests.

Let us take a look at some specific industries and their products and see how foreign trade affects them. Exact figures on exports of products made in the Mississippi Valley area are not available, but figures are available on exports through this great port of New Orleans and we can use those figures as a guide.

For example, in 1956 we exported over $1 billion worth of iron and steel mill products, and about 11 percent was exported through New Orleans, or more than $100 million worth. A great many of the more than one million workers engaged in producing iron and steel owe their jobs to this export volume.

A great many chemicals, both organic and inorganic, and allied products are exported through New Orleans. Just to give one example, 38 percent of all the sulfur exported from this country goes through New Orleans. A great many of the 835,000 people who work in chemical and allied industries owe their jobs to exports of this type of merchandise from the Mississippi Valley area.

Nearly all of our industries benefits greatly from exports. We must remember, too, that our export business creates jobs in addition to those directly concerned with the products being exported. Banks, railroads, truck lines, barging and shipping companies, warehouses, insurance companies, brokers and dozens of other enterprises benefit from this export trade.

For example, the American merchant marine, although it is relatively small, contributes an estimated $5.3 billion per year to the economy and creates jobs for 225,000 workers.

What about our farmers? Again, figures are not available which show the value of all farm products exported from farms in the Mississippi Valley area, but we do have figures for exports out of New Orleans.

The farm products shipped out of New Orleans make up an impressive list. For example, 41 percent of all the soybeans exported from the United States goes through New Orleans, as does 26 percent of the cotton, 21 percent of the corn, and 8 percent of the wheat and wheat flour. Without this large quantity of exports, the farmers of the Mississippi Valley would be in an even worse economic plight than they are.

Very few people would fail to recognize the value to the economy of our export trade. Those who are inclined to question the value of foreign trade usually complain of the competition which imports offer our own products.

Some products which are imported are necessary to our economy. Imports such as coffee, tea and bananas enrich our diet, and, although we could do without them, we would find them difficult to replace. These imports create many jobs in their processing, transportation, and distribution. If we tried to produce these items under conditions existing here at home the cost to the consumer would be prohibitive.

We have come to depend on imports for such vital materials as asbestos, chromite, industrial diamonds, manganese, nickel, and tungsten. All together, we import about one-tenth of our raw material requirements. Such vast imports certainly create many jobs. Indeed, without some of them, our whole industrial structure would have to be changed. Imports certainly figure prominently and constructively in the overall balance of the economy. Imports, like exports, create many jobs.

Among the more prominent imports coming through New Orleans are coffee, sugar, bananas, burlap and jute bagging, and crude rubber. Through New Orleans we import 19 percent of our coffee, 27 percent of our sugar, 23 percent of our bananas, 26 percent of our burlap and jute bagging, and 8 percent of our crude rubber.

The problems of world trade cannot be judged in finality on the basis of their local or regional effect. The national interest must be the real yardstick. Nevertheless, since foreign trade is so important to the people of the Mississippi Valley region, including the citizens of my own State of Tennessee, I must confess that even though the advantages to our Nation as a whole impel me to support expansion of foreign trade, I do so much more enthusiastically because of the benefits from such trade which will flow to the people of our region.

Veterans Should Participate in State Department's Exchange Program

EXTENSION OF REMARKS
OF
HON. OLIN E. TEAGUE
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 6, 1958

Mr. TEAGUE of Texas. Mr. Speaker, I am inserting in the RECORD a letter which I have written to the Secretary of State recommending that provision be made in the exchange of persons agreement negotiated with the Soviet Union for veterans and veterans groups to be represented. This suggestion has been advanced by the State Directors of Veterans' Affairs through Col. Waldron Leonard, Director, Veterans' Affairs for the District of Columbia.

I have asked Secretary Dulles to consider this proposal and I hope that it will be favorably received by the Department of State.

The letter follows:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON VETERANS' AFFAIRS,
Washington, D. C., January 31, 1958.

Hon. JOHN FOSTER DULLES,
Secretary of State,
Department of State,
Washington, D. C.

DEAR MR. SECRETARY: This has reference to the agreement which has been negotiated with the Soviet Union, referred to in the press as a comprehensive exchange of persons agreement. Press reports indicated that delegations in a wide range of fields and small groups of writers, composers, painters, scientists, and sports teams may be exchanged.

Press reports which I have seen made no mention of an exchange of veteran groups and there is no indication that an individual's service in the Armed Forces, particularly during World War II or Korea, may be given special consideration in the selection of persons to participate in the exchange.

I am of the opinion that definite provisions should be made to include veteran groups and, where possible, wartime military service on the part of the individual should be considered in the selection of persons participating in the exchange. There is no group in our country better qualified to interpret the things they see while in Russia and properly evaluate the responsibilities which confront them as individuals in the exchange, than our former servicemen who served this Nation during a time of war. Many of these individuals have had the opportunity to visit foreign countries and develop an appreciation for the problems of other nations. Probably most important of all, these individuals, through their wartime service for the security of this Nation, are in a better position to contribute to accomplishing the desired objectives of the proposed exchange. One method which has been proposed that would guarantee at least minimum veteran participation in this field would be to permit the Governor of each State to designate a veteran to represent the State in one of the chosen fields.

I sincerely hope that this proposal can be given serious consideration. I will appreciate receiving your views on this subject.

Sincerely yours,

OLIN E. TEAGUE,
Chairman.

Statement in Support of H. R. 9814

EXTENSION OF REMARKS
OF
HON. J. FLOYD BREEDING
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 6, 1958

Mr. BREEDING. Mr. Speaker, under leave to extend my remarks, I should like to call to the attention of the Members of the House a statement which I presented to the Wheat Subcommittee of the House Committee on Agriculture on February 6, 1958:

STATEMENT BY REPRESENTATIVE J. FLOYD BREEDING, DEMOCRAT, OF KANSAS, IN SUPPORT OF H. R. 9814 BEFORE THE WHEAT SUBCOMMITTEE, HOUSE COMMITTEE ON AGRICULTURE

Mr. Chairman, members of the committee, first I should like to express my appreciation for this opportunity to be heard on the bill, H. R. 9814, which I introduced on January 8, 1958.

The bill simply provides for an amendment to the Agricultural Adjustment Act of 1938 to allow acreage planted to the 1958 crop of winter wheat in excess of wheat acreage allotments to be considered in establishing future wheat acreage allotments.

I should like to make clear, Mr. Chairman, that neither this bill, H. R. 9814, nor I, at the present time, contemplate any material revision of the wheat program as it is constituted presently.

What I am attempting to do, in simple justice and fairness, is to exempt from that penalty the wheat producer who planted in 1957 for harvest in 1958 without knowledge or notice of the penalty—until after he had completed seeding.

I am merely proposing that the 1957 winter wheat planter, who planted in excess of allotment for harvest in 1958, without knowledge of additional possible penalties to be suffered under Secretary of Agriculture Benson's interpretation of section 2 of public law 85-203, the so-called feed-wheat legislation be freed from that penalty; namely, losing a portion of his base acreage allotment in punishment for overseeding.

Subsection (h) of section 334 of Public Law 85-203 states that "notwithstanding any other provision of law, no acreage in the commercial wheat-producing area seeded to wheat for harvest as grain in 1958 or thereafter in excess of acreage allotments shall be

considered in establishing future State, county, and farm acreage allotments."

It has been determined, that either by law or by United States Department of Agriculture ruling—and apparently there is some controversy over this point—that the operation of the above-cited section would cause the wheat farmer who plants in excess of allotment to suffer the loss of a portion of his base acreage allotment. At the moment, Mr. Chairman, I am not disputing the law, the ruling, or the penalty.

Mr. Earl W. Chapman, acting State administrative officer for the Kansas State ASC Committee, in a letter, dated October 29, 1957, to Mr. Raymond J. Pollock, director of the grain division of the United States Department of Agriculture sets forth the time-date sequence of USDA notification to the Kansas State ASC Committee, relative to Public Law 85–203:

"We are aware of the fact that the act was passed on August 28, 1957. On September 3, 1957, we received a telegram dated in Washington, D. C., August 30, 1957, signed by H. L. Manwaring, deputy administrator for production adjustment relating to the feed wheat law signed by the President on August 28. The information typed at the top of the telegram indicates that it left Washington at 4 p. m. on August 30. Included as the last statement in this telegram was the following: 'Law also provides that for 1958 and thereafter any wheat acreage in excess of the farm allotment will not be considered in establishing future State, county and farm allotments.' On September 3, 1957, in a memorandum to all county ASC officers we quoted the above referred telegram in its entirety.

"On or about September 4, 1957, we also received a United States Department of Agriculture release dated August 30, 1957, on the subject USDA Outlines 30-Acre Farm-Use Wheat Production Provisions. Included in this 2-page release as the second paragraph was the following: 'Another provision contained in this law provides that no acreage seeded to wheat for harvest as grain in 1958 or thereafter in excess of the wheat-acreage allotment on any farm regardless of the size of the wheat allotment shall be considered in establishing future State, county or farm acreage allotments.' In a memorandum dated September 4, 1957, to all county ASC offices we quoted this press release in its entirety.

"On or after September 14, 1957, we received notice GR–400 containing instructions and forms to be used in operating the feed-wheat program. An advance draft of section 24 to be inserted in Wheat Marketing Quota Handbook 3—Wheat was attached to notice GR–400 and in paragraph 115 therein quoted the provisions of Public Law 85–203. These instructions were issued to all county ASC offices on September 17, 1957, in a memorandum on the subject Instructions and Forms to be Used in Operating Feed Wheat Program.

"Notice GR–404 dated September 26, 1957, on the subject Information With Respect to 1958 Excess Wheat Farms was received in this office on October 3, 1957, and a copy of this memorandum was issued to all county ASC offices in a letter from this office dated October 4, 1957."

Notice, Mr. Chairman, that not until October 3, 1957, did the Kansas State ASC Committee receive USDA information which spelled out specifically the operation of Public Law 85–203 as it applies to excess-wheat farms—particularly, the penalties involved for planting wheat in excess of allotment. USDA notifications prior to notice GR–404, dated September 26, 1957, and received at the Kansas State ASC Committee on October 3, 1957, from my observation simply restate subsection (h) of the law: "That no acreage seeded to wheat for harvest as grain in 1958 or thereafter in excess of the wheat acreage allotment on any farm regardless of the size of the wheat allotment shall be considered in establishing future State, county, or farm-acreage allotments."

Although information received by the Kansas State ASC Committee prior to October 3, 1957, was made public by the committee, presumably that information was not sufficient for a clear interpretation of the law and its consequences, for none was made. That is, prior to Kansas State ASC Committee receipt of notice GR–404 on October 3, 1957.

Mr. Chairman, I have been a wheat farmer all my life, and for almost 30 years in the district which I represent; and I know that winter wheat operators in my area begin planting as early as August 15. Under the revised law, there just was not sufficient time for the farmer to be on notice that he could be penalized for overseeding through the loss of some of his base-acreage allotment. In fact, many of the people in my immediate area were finished seeding before October 4, 1957. I am proposing that the 1957 winter wheat farmer be excused for 1958 from the penalties of the game because he was not made aware of the rules of the game before he started to play.

I have been informed that my bill, as written, would also free from the base-acreage-loss penalty for 1958 the so-called 30-acre wheat farmer, thereby causing a considerable amount of wheat-acreage allotment to be shifted from western commercial wheat producing areas. In order to avoid that eventuality, I have prepared an amendment to H. R. 9814 to exclude the 30-acre farmer from the provisions of the bill. I submit that amendment for your consideration.

Mr. Chairman, with your permission, I should also like to submit for inclusion in the record several typical letters I have received pertaining to this subject from wheat farmers in my area of Kansas.

Thank you, Mr. Chairman and members of the committee, for this opportunity to be heard.

Proposed amendment to H. R. 9814: That the first sentence of subsection (h) of section 334 of the Agricultural Adjustment Act of 1938 is amended by inserting after "1958" the following: "(other than acreage seeded to wheat in 1957 for harvest in 1958 except acreage exempt from marketing quota provisions pursuant to subsection (f) above)."

Legislation To Supplement Salt-Water-Conversion Program

EXTENSION OF REMARKS
OF
HON. CLAIR ENGLE
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 6, 1958

Mr. ENGLE. Mr. Speaker, I am introducing a bill to supplement the Saline Water Act of 1952 by providing for construction of a large-scale demonstration plant for the production of fresh water from salt water or saline water. I authored the Saline Water Act of 1952 and the amendment to the act in 1955. The purpose of the basic act and the amendment thereto was to provide for study and research with the objective of finding ways and means of economically converting salt or saline water to fresh water for municipal, industrial, and agricultural uses. Progress has been made under this program, although the results have not been as favorable as we had hoped. It has become pretty clear that conversion of salt or saline water for agricultural purposes will not be feasible for a long time. On the other hand, with respect to municipal and industrial water, it appears that in water-short areas conversion may be competitive with other means of acquiring water in the not too distant future.

Since there is no indication of any major breakthrough or sudden advances in technology which might bring about large reductions in cost of conversion, I believe that the time has come in our research and development program to select one of the more promising processes for large-scale salt-water conversion and construct a demonstration plant of some magnitude. In this way we can look to gradual cost reductions through improvement in efficiency, reductions in capital and operating costs, and so forth.

My State of California has a greater interest in this matter at the present time than other areas of the country because the water situation there is more critical and because the State's future economy depends on the availability of an adequate supply of water. For this reason, I am proposing that the construction of this demonstration plant and the testing program be a joint venture between the Federal Government and the State. I believe that the State of California is able and willing to join in this undertaking. I expect complementary legislation to be introduced in the State Legislature.

The bill provides that the demonstration plant could be constructed in combination with either a steam electric powerplant or a nuclear reactor, if it is determined that such addition will result in the reduction of conversion costs. The provision in the legislation authorizing the joint agreement is broad enough to include other parties in addition to the Federal Government and the State. I have in mind that a public or private supplier of water or electricity, or both, might well be the constructing and operating agency and get the benefit of the byproducts resulting from the testing program. As a means of assisting the Secretary of the Interior and the State of California in determining and selecting the process to be demonstrated, the bill also provides for contracts with leading equipment manufacturers in this field for the purpose of conducting feasibility studies and preparing proposals. The location of the plant and the details of constructing, operating, and testing, as well as the cost to be borne by each party would be subject to negotiations. However, the bill provides that the cost to the Federal Government and to the State will be equal.

With the tremendous and continuing increase in water needs in this country and the growing dependence in many areas on the availability of water to maintain the economy, it seems to me that this program of finding ways of economically converting salt or saline water is an urgent one. Critical water shortages already can be foreseen in some areas. It will take several years to construct and complete the testing of one of these processes as proposed in this bill. We cannot afford to wait longer in getting started.

SENATE

MONDAY, FEBRUARY 10, 1958

Rev. Albert J. Kondy, D. D., pastor of the University Hills Baptist Church, of Denver, Colo., offered the following prayer:

Dear God and Father of all mankind, we come to Thee this day to thank Thee for the blessings given to us as a people and a nation—blessings perhaps out of proportion to the contributions which we have made to Thee and Thy kingdom.

We pray that Thou wilt forgive us the mistakes of the past and wilt give to us a new vision of a world made smaller through given wisdom. Let us know the spiritual counterattack that will cause men to take God seriously, for we know that science and technology are not enough. Cause us to know that the destiny of the world is in the hands of those statesmen who can interpret faithfully the commands of an Almighty God.

This place, this day, where cross the crowded ways of life, we invoke Thy blessing upon the Senate. We pray for guidance of all its Members as they face the tasks assigned to them.

This place, this day, wilt Thou place Thy hand of strength, wisdom, and guidance upon Vice President NIXON. Give to him health, dignity, and poise to lead in the deliberations of the day.

For the President of our United States, we pray for health, strength, wisdom, and Thy ever-present guidance in both his private and social life and in leadership of a nation undivided under God.

In the quietness of this moment, let there be peace in the lives of all men. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of Thursday, February 6, 1958, was dispensed with.

ENROLLED BILL SIGNED DURING ADJOURNMENT

Under authority of the order of the Senate of February 6, 1958,

The PRESIDENT pro tempore, on February 7, 1958, signed the enrolled bill (H. R. 9739) to authorize the Secretary of the Air Force to establish and develop certain installations for the national security, and to confer certain authority on the Secretary of Defense, and for other purposes, which had been previously signed by the Speaker of the House of Representatives.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting nominations was communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGE REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate a message from the President of the United States submitting sundry nominations, which were referred to the appropriate committee.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 2920) to provide for small-business disaster loans in areas affected by excessive rainfall.

The message also announced that the House had passed a joint resolution (H. J. Res. 533) making supplemental appropriations for the Department of Labor for the fiscal year 1958, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

H. R. 1392. An act for the relief of Karl L. Larson;

H. R. 1495. An act for the relief of Alfred Hanzal;

H. R. 1638. An act for the relief of Lt. Percy Hamilton Hebart;

H. R. 1792. An act for the relief of Dr. Royal W. Williams;

H. R. 2705. An act for the relief of William F. Kempe;

H. R. 3210. An act to amend section 510 (a) (1) of the Merchant Marine Act, 1936, as amended, to accelerate the trade-in of old vessels with replacement by modern vessels;

H. R. 3770. An act to rename the Strawn Dam and Reservoir project in the State of Kansas as the John Redmond Dam and Reservoir;

H. R. 5161. An act for the relief of Mrs. Madeleine A. Work;

H. R. 6069. An act for the relief of Col. Jack C. Jeffrey;

H. R. 607 . An act to provide for the erection of suitable markers at Fort Myer, Va., to commemorate the first flight of an airplane on an Army installation, and for other purposes;

H. R. 6660. An act to provide that the lock and dam referred to as the Tuscaloosa lock and dam on the Black Warrior River, Ala., shall hereafter be known and designated as the William Bacon Oliver lock and dam;

H. R. 7052. An act to amend section 216 (b) of the Merchant Marine Act, 1936, as amended, to provide for appointments of cadets from the District of Columbia, Guam, American Samoa, Virgin Islands, and the Canal Zone;

H. R. 7200. An act for the relief of the estate of Isa Hajime;

H. R. 7591. An act for the relief of Anton N. Nyerges;

H. R. 8038. An act for the relief of Margie C. Stewart;

H. R. 8618. An act for the relief of Henry M. Lednicky; and

S. J. Res. 39. Joint resolution to authorize the construction of certain water conservation projects to provide for a more adequate supply of water for irrigation purposes in the Pecos River Basin, N. Mex. and Tex.

HOUSE JOINT RESOLUTION REFERRED

The joint resolution (H. J. Res. 533) making supplemental appropriations for the Department of Labor for the fiscal year 1958, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the Subcommittee on Antitrust and Monopoly Legislation of the Committee on the Judiciary was authorized to meet during the session of the Senate today.

ORDER FOR RECESS UNTIL THURSDAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate concludes its session today, it stand in recess until Thursday, at 12 o'clock noon.

The VICE PRESIDENT. Without objection, it is so ordered.

APPOINTMENTS TO SPECIAL COMMITTEE ON ASTRONAUTICAL AND SPACE EXPLORATION

The VICE PRESIDENT. The Chair makes the following appointments to the Special Committee on Astronautical and Space Exploration, which the clerk will read.

The legislative clerk read, as follows:

From the Committee on Appropriations: Mr. JOHNSON of Texas and Mr. BRIDGES.

From the Committee on Foreign Relations: Mr. GREEN and Mr. WILEY.

From the Committee on Armed Services: Mr. RUSSELL and Mr. SALTONSTALL.

From the Committee on Interstate and Foreign Commerce: Mr. MAGNUSON and Mr. BRICKER.

From the Committee on Government Operations: Mr. MCCLELLAN and Mr. MUNDT.

From the Joint Committee on Atomic Energy: Mr. ANDERSON and Mr. HICKENLOOPER.

From the Committees on Armed Services and Government Operations, ex officio, Committee on Appropriations, Mr. SYMINGTON.

READING OF WASHINGTON'S FAREWELL ADDRESS

On motion of Mr. MANSFIELD, and by unanimous consent, it was

Ordered, That the reading of Washington's Farewell Address in the Senate this year, pursuant to order of the Senate of January 24, 1901, be on Friday, February 21.

The VICE PRESIDENT. Under authority of the order of the Senate of

January 24, 1901, as modified with respect to this year by the order just agreed to, the Chair designates the Senator from Idaho [Mr. CHURCH] to read Washington's Farewell Address on Friday, February 21, 1958.

CALL OF THE CALENDAR DISPENSED WITH

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the call of the calendar under the rule be dispensed with.

The VICE PRESIDENT. Without objection, it is so ordered.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. MANSFIELD. Mr. President, under the rule, there will be the usual morning hour for the introduction of bills and the transaction of other routine business. I ask unanimous consent that statements made in connection therewith be limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT OF FEDERAL CROP INSURANCE CORPORATION

A letter from the Secretary of Agriculture, transmitting, pursuant to law, a report of the Federal Crop Insurance Corporation, for the year 1957 (with an accompanying report); to the Committee on Agriculture and Forestry.

AUTHORIZATION OF CERTAIN ACTIVITIES BY THE ARMED FORCES

A letter from the Deputy Secretary of Defense, transmitting a draft of proposed legislation to authorize certain activities by the Armed Forces in support of the VIII Olympic winter games, and for other purposes (with an accompanying paper); to the Committee on Armed Services.

PROPOSED TRANSFER BY NAVY DEPARTMENT OF MOTOR LAUNCH TO JAMESTOWN CORPORATION

A letter from the Assistant Secretary of the Navy (Material), reporting, pursuant to law, that the Navy Department proposes to transfer a 40-foot motor launch, with engine, to the Jamestown Corporation; to the Committee on Armed Services.

REPORT ON RESERVATION OF CERTAIN LANDS WITHIN INDIAN RESERVATIONS

A letter from the Assistant Secretary of the Interior, reporting, pursuant to law, that during the calendar year 1957, no reservations were made from appropriations for lands within Indian reservations valuable for power or reservoir sites or necessary for use in connection with irrigation projects; to the Committee on Interior and Insular Affairs.

CERTIFICATION OF ADEQUATE SOIL SURVEY AND LAND CLASSIFICATION, COURTLAND UNIT, BOSTWICK DIVISION, MISSOURI RIVER BASIN PROJECT, KANSAS

A letter from the Assistant Secretary of the Interior, reporting, pursuant to law, that an adequate soil survey and land classification has been made of the lands to be benefited by the Courtland unit, Bostwick division, Missouri River Basin project, Kansas, and that the lands to be irrigated are susceptible to the production of agricultural crops by means of irrigation (with an accompanying paper); to the Committee on Interior and Insular Affairs.

LAWS ENACTED BY GUAM LEGISLATURE

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, copies of laws enacted by the Fourth Guam Legislature, 1957 (with accompanying papers); to the Committee on Interior and Insular Affairs.

AMENDMENT OF NATIONAL SCIENCE FOUNDATION ACT OF 1950

A letter from the Director, National Science Foundation, Washington, D. C., transmitting a draft of proposed legislation to amend the National Science Foundation Act of 1950, as amended, and for other purposes (with an accompanying paper); to the Committee on Labor and Public Welfare.

REPORT OF JOINT COMMISSION ON MENTAL ILLNESS AND HEALTH

A letter from the Director, Joint Commission on Mental Illness and Health, Cambridge, Mass., transmitting, pursuant to law, a report of that Joint Commission, for the year 1957 (with an accompanying report); to the Committee on Labor and Public Welfare.

REPORT ON POSITIONS FILLED IN CERTAIN GRADES OF CLASSIFICATION ACT OF 1949

A letter from the Chairman, United States Civil Service Commission, Washington, D. C., reporting, pursuant to law, on positions filled under the Classification Act of 1949, in grades GS-16, 17, and 18 (with accompanying papers); to the Committee on Post Office and Civil Service.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. JOHNSTON of South Carolina and Mr. CARLSON members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A resolution of the House of Delegates of the State of West Virginia; to the Committee on Interstate and Foreign Commerce:

"House Resolution 10

"Resolution memorializing the Congress of the United States not to allow the passage of any legislation authorizing pay-as-you-go television.

"Whereas appearing before Congress at this time are persons interested in passing pay-as-you-go television legislation; and

"Whereas the passage of such legislation would result in unwarranted control of all television broadcasts, untold harm to certain advertising businesses, and most of all, a cost of billions of dollars a year to the American taxpayer; and

"Whereas on February 6, 1958, a hearing is taking place before a committee of the House of Representatives and said hearing has as its members certain Congressmen from West Virginia: Therefore be it

"Resolved by the house of delegates, That the Congress of the United States should be urged to reject legislation which will result in untold expenditures to the people of West Virginia and the United States and that the legislation for pay-as-you-go television be defeated as an attempt to control the airways of our country and to profit unjustly at the expense of the average taxpayer; and be it further

"Resolved, That the clerk of the house of delegates send attested copies of this resolution to the President of the United States Senate, the Speaker of the House of Representatives, and to each member of the West Virginia delegation in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Agriculture and Forestry:

"Senate Joint Resolution 1

"Joint resolution relative to milk price supports

"Whereas Secretary Benson of the United States Department of Agriculture has announced his intention on April 1, 1958, to lower the dairy price support to 75 percent of parity; and

"Whereas such action will result in a reduction of income to our Nation's dairy farmers of $250 million at a time when many are already facing grave economic conditions; and

"Whereas California dairy farmers receive 40 percent of their income from milk on the basis of factory milk prices and the proposed lowering of supports will reduce dairy farm income in California by more than $7 million in 1958 with the reduction affecting 40 percent of the milk supply produced in California; and

"Whereas 70 percent of dairy producers in the State would be directly affected by such a change and the resultant consequences would also seriously affect the other 30 percent of the producers in this State; and

"Whereas since 1954 dairy farmers at their own expense have greatly increased programs of research for new outlets and engaged in trade promotion of dairy products and the dairy industry and allied organizations have worked out a program of self-help for the dairy farmer; and

"Whereas legislation is now being proposed for consideration by Congress which would to a large extent eliminate the dairy farmers' problems: Now, therefore be it

"Resolved by the Senate and Assembly of the State of California (jointly), That Secretary Benson of the United States Department of Agriculture be respectfully memorialized to withhold putting into effect any change in the existing dairy price supports until such time as the United States Congress has had an opportunity to study the problems of the dairy farmers and to consider and act upon proposed legislation to solve these problems; and be it further

"Resolved, That the secretary of the senate be directed to transmit copies of this resolution to the President and Vice President of the United States, the Secretary of the United States Department of Agriculture, and to each Member of Congress representing the State of California."

A resolution adopted by the City Council of the City of Glendora, Calif., favoring the enactment of legislation to provide funds to improve the Walnut Creek system for the control and conservation of flood waters for Los Angeles County; to the Committee on Appropriations.

The petition of R. K. Little, of Danville, Ill., relating to deficit spending; to the Committee on Appropriations.

Resolutions adopted by the convention of the Utility Co-Workers' Association, of New York, N. Y., relating to income-tax revision, and so forth; to the Committee on Finance.

A resolution adopted by the Board of Supervisors of the City and County of Honolulu, T. H., favoring the enactment of legislation to amend the Hawaiian Organic Act to increase the amount of total indebtedness that may be incurred by the Territory of Hawaii, in order to facilitate issuance of bonds for the acquisition of real property for public-school purposes and for construction and replacement of public-school buildings in the city and county of Honolulu; to the Committee on Interior and Insular Affairs.

A letter in the nature of a petition from the American College of Chest Physicians, of Chicago, Ill., signed by Murray Kornfeld, executive director, relating to Presidential disability; to the Committee on the Judiciary.

By Mr. THURMOND (for himself and Mr. JOHNSTON of South Carolina):

A concurrent resolution of the Legislature of the State of South Carolina; to the Committee on Banking and Currency:

"Concurrent resolution memorializing Congress to amend the Financial Institutions Act of 1957 so as to allow the State's supervisory agencies to approve or disapprove proposed mergers of State chartered banks

"Whereas the Financial Institutions Act of 1957, known as Senate bill 1451, has already passed the United States Senate and now is being considered by the House Banking Committee of the United States Congress, which bill would amend the Federal Deposit Insurance Corporation Act pertaining to State chartered banks, so as to place control over mergers of such banks in the Federal Reserve Board for State member banks and in the Federal Deposit Insurance Corporation for State nonmember banks; and

"Whereas the power to approve or disapprove mergers of State chartered banks has historically been with the State banking supervisory agencies of the respective States; and

"Whereas the passage by Congress of the Financial Institutions Act of 1957, as is now proposed, would result in further deterioration of the powers of State banking supervisory agencies by the encroachment of Federal agencies in administering supervision over State chartered banks; and the dual banking system will be another step along toward completely federalizing and centralizing the banking system as we know it today; and

"Whereas there has been no proof submitted that the State banking supervisory agencies in the various States are not capable and fully qualified to pass judgment on proposed merging of State chartered banks; and

"Whereas the State board of bank control has done an outstanding job of regulating State chartered banks in South Carolina and the passage of said bill would seriously limit their authority and further restrict States rights: Now, therefore, be it

"Resolved by the senate (the house of representative concurring), That the Congress of the United States be memorialized to amend section 23 of the Financial Institutions Act of 1957 so as to allow the State supervisory agencies in the respective States to retain the authority and power to approve or disapprove the merger of any State chartered banks; be it further

"Resolved, That the Members of Congress from the State of South Carolina be requested to do all within their powers to achieve the amendment of section 23 of the act so as to leave the merging authority of State chartered banks in the control of the respective State banking supervisory agencies; be it further

Resolved, That copies of this resolution be forwarded to the Members of the House of Representatives and to each Senator of the United States Congress from South Carolina."

THE SO-CALLED INDIAN POINT 4 PROGRAM—LETTERS

Mr. DOUGLAS. Mr. President, I have recently received two letters from citizens of Austria, Germany, Switzerland, and Holland, urging that our Government adopt a program for the American Indians which may permit them to retain and develop their reservations, if that is their desire, and not compel them to relocate elsewhere, which may result in unfortunate worsening of their living conditions.

Each letter advocates the adoption of the so-called Indian point 4 program, elaborated by the National Congress of American Indians. These letters have been sent to me by the Reverend Father Peter John Powell, chairman of Indian work of the Episcopal diocese of Chicago, who felt that they reveal the international concern over our American policy in respect to Indians. I believe it will be of interest to the appropriate committees of Congress that for many years there have been circulated in Europe adventure stories by Karl May concerning American Indians, which have no doubt had their part in developing this familiarity and sympathy with the plight of American Indians.

I therefore ask unanimous consent that these letters may be printed in the RECORD and referred to the appropriate committee.

There being no objection, the letters were referred to the Committee on Interior and Insular Affairs and ordered to be printed in the RECORD, as follows:

GRAZ, AUSTRIA, *December 28, 1957.*

To a Senator or a Representative of the Nation of the United States of America.

DEAR SIR: With your permission some Europeans write a letter to you. It is not of personal character, but it concerns an American people—the natives of America, the Indians.

We know that in January 1958 the American Congress will decide about the adoption of a program which is very important for the future of the Indians of the United States of America. We mean that the Indian point 4 program, elaborated by the National Congress of the American Indians, intends to maintain the last homelands of the American natives, their so-called reservations. We know that the Indian reservations in many cases are the most neglected districts of the United States. We are informed about the fact that the Indian Bureau tries to better the fate of the Indians by the relocation program, that is through giving to the poor inhabitants of the reservations the opportunity to emigrate to the American cities. But for our feeling this is not sufficient. It would not be sufficient for a foreign people, but not at all for the oldest inhabitants of the Americas. There are many peoples round the world, who need relief for the bettering of their neglected countries, and America has developed a wide-spreading help program, and gives relief to these countries that they can develop themselves and nourish their native inhabitants.

Perhaps you may be surprised and astonished that Europeans come to you to beg for the Indians. We—i. e., Austrians and also Swiss—know what your Nation has done for us. We know that without the American relief in the last years our country would not have been able to overcome the consequences of the last devastating war. We are very thankful to America and to her citizens, who offered so much to unknown citizens of other countries. But we feel all the more sensitive that the natives of America should receive less from helpful citizens of the United States of America. Today after the end of the colonial period of the world it is a matter of honor of the great powers to treat the oldest inhabitants of their countries honorably, and to respect their native rights, and also the rights guaranteed to small groups by the international rights, above all their self-determination, and it is the will of the Indians themselves, expressed by their representation, their National Congress, to keep their reservations, and to develop them.

Although the press in all countries is silent, and no daily or monthly reports on the silent struggle of the American Indians for their existence, many peoples in many countries are aware of it. And these peoples appeal to the magnanimity and the honor of the Americans, and beg now the Members of the American Congress to adopt the Indian point 4 program, and to give the Indians—these famous and all over the world well-known peoples—the requested relief for developing their reservations.

For: Heidy Schenk; Ludwig Patsch, Dipl.-Ing.; Josef Höck; Anton Haider; Rudolf Zilli; Hans Slama; Gottfried Schwarz.

Yours respectfully.

List of the signed: Dr. Gertrude Hafner, Schillerstrasse 46, Graz, Austria; Dr. Karl Hermann, Ruckerlberggasse 22, Graz, Austria; Dr. Hans Käfer, Schillerstrasse 46, Graz, Austria; Dr. Josefine Doswald, Glacisstrasse 5, Graz, Austria; Dr. Erich Moerth, Elisabethstrasse 12, Graz, Austria; Gottfried Schwarz, Eggenberg-Allee 46, Graz, Austria; Heidy Schenk, Roseneggweg 6, Lucerne 2, Switzerland; Ludwig Patsch, Dipl.-Ing., Taborstrasse 11 B, Vienna II/27, Austria; Josef Höck, parson, Itter, Tyrole, Austria; Anton Haider, Pettnau 42, Tyrole, Austria; Rudolf Zilli, Bergmanngasse 22, Graz, Austria; Hans Slama, Cand. Chem., Körblergasse 61, Graz, Austria.

INTERESSENGEMEINSCHAFT DEUTSCHSPRECHENDER INDIANERFREUNDE,
Frankfurt/M., December 21, 1957.

The Congress of the United States of America, Washington, U. S. A.

GENTLEMEN: Many Europeans, being very much interested in the fate of the North American Indians, are alarmed by the Public Law 280 and the "termination bills" (H. Con. Res. 108) by which all special services to Indians, granted to them in solemn treaties, will be terminated. This also concerns, we learn, the reservations, the last land left to the Indians from their whole continent.

We know that in this case, termination means extermination. As the Indians know, so also do we: When their land is lost the Indian race will disappear. Shall we have to feel ashamed again of what the white is doing to the Indian? The Indian, after having been robbed of his country, has been pushed on to the reservation, and now the white, envious of what the ground might hold, has started to push the Indian out of his reservations, calling it termination.

We are afraid for the Indians on the reservations who have no means of support and insufficient education to get a job that will pay today's living wage, and we are also afraid for the Indians who by the relocation plan come into industrial centers without sufficient knowledge of the white man's ways.

We know that the Indians, living in one of the richest countries of the world with the

highest standard of life, are a neglected minority, the worst fed, the worst housed, the poorest of all Americans, as poverty stricken as the poor of Asia and Africa.

We learned that the National Congress of American Indians has issued the Indian point 9 program which has been called a plan of positive action to alleviate the present poverty, lack of education, and the present ill health, but it has been shelved.

Now the Indians have elaborated a point 4 program which will remove many evils from which the Indians are suffering today, Senate Concurrent Resolution 3, that will be presented to Congress in January 1958.

All the undersigned persons, members of our society in Germany, Austria, Switzerland, and Holland, are soliciting in the name of Christianity, of humanity, and of justice to accept, in accordance with the laws of the U. N., this American Indian point 4 program.

Yours very respectfully,

M. Müller-Fricken, A. and W. Khale, K. and H. Engel, H. and A. Kitz, W. and L. Bertsch, G. and H. Dönges, W. and F. Weissenseel, W. and M. Bischof, A. and G. Eckel, L. and M. Plöger, W. Diehl, Hartmut Jungius, Karl-Heinz Tauscher, Dr. Gertrude Hafner, Dr. Josefine Doswald, Prof. Dr. Karl Hermann, Dr. Hans Käfer, Inka Burhenne, Herbert Klanert, Adolf Kurzweil, Eduard Englieder, Manfred Sprintz, Ingrid Wiedenhöfer, Marianne Dürr, Werner.

(The original signatures are in the office in Frankfurt am Main.)

YOUTH HONOR DAY—RESOLUTION

Mr. DOUGLAS. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the Illinois Moose Association in behalf of its 154,000 members, urging that October 31 of each year be designated as Youth Honor Day. I hope that this proposal may be given consideration by the appropriate committee.

There being no objection, the resolution was referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

JOLIET, ILL.

Whereas the Honorable PAUL H. DOUGLAS, United States Senator from Illinois, has indicated his interest in the Moose Youth Honor Day plan; and

Whereas it is desired that the benefits of the Youth Honor Day plan be made available to all youth and communities in America, through Congressional designation of October 31 of each year as Youth Honor Day: Now, therefore, be it

Resolved, That the Illinois Moose Association, representing the 154,000 members of the Loyal Order of Moose in this State, expresses its appreciation to Senator DOUGLAS for his interest in this youth service plan of proved effectiveness; and be it further

Resolved, That Senator DOUGLAS be respectfully requested to lend his fullest support and initiative in securing formal adoption by the United States Congress of a resolution designating October 31 of each year as Youth Honor Day throughout the length and breadth of our Nation.

Adopted by unanimous vote of the executive committee of the Illinois Moose Association in regular meeting on January 25, 1958.

WARREN H. NORTH,
President.

Attest:

ALBERT J. KUMFERT,
Secretary.

INCREASED SOCIAL SECURITY BENEFITS—RESOLUTION

Mr. PAYNE. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by Local 1802, United Textile Workers of America, of Sanford, Maine, relating to increased social-security benefits.

There being no objection, the resolution was referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

The membership of Local 1802, United Textile Workers of America, 202 Main Street, Sanford, Maine, adopted the following resolution at a recent meeting:

"Whereas a very serious condition now exists for all recipients of social security benefits. The actual value of their payments is decreasing, due to the constantly increasing cost of living, to a point when it becomes impossible for them to purchase the most modest of necessities to enjoy a decent living standard without going into debt; and

"Whereas due to the rapid increase of unemployment amongst older workers, due to automation, factory liquidations and the refusal of many employers to hire older personnel who have been forced to leave their former occupations through no fault of their own: Therefore be it

"*Resolved*, That this union do everything possible to help correct these abuses and make a request of Congress, through our duly elected representatives, to consider and approve changes in the present social security program that will provide the following:

"1. An increase of 10 percent on all payments currently being made.

"2. Hospital and surgical care for retired persons.

"3. Changing of retirement age to 55 years for women and 60 years for men."

ECONOMIC CONDITIONS IN AGRICULTURE—RESOLUTION

Mr. THYE. Mr. President, I have received a copy of a resolution adopted by the City Council of the City of Minneapolis, at their meeting held January 31 of this year. I feel this resolution should be called to the attention of my colleagues here in the Senate, because the city council requests that Congress adopt legislation designed to improve the economic conditions in agriculture.

This resolution, adopted by the city council of the largest city in the State of Minnesota, certainly indicates that the economic welfare of our Nation's farmers is reflected in the economic status of our larger cities.

I ask unanimous consent, Mr. President, that this resolution be printed in the RECORD, and be referred to the Committee on Agriculture and Forestry for consideration.

There being no objection, the resolution was referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Resolution relating to the unemployment situation in the Minneapolis area as affected by the difficulties in the field of agriculture

Whereas unemployment in railroad shops, farm equipment factories, and other industries in Minneapolis is seriously affecting the welfare of its citizens and the economy of the area; and

Whereas to some extent the unemployment is related to the difficulties being experienced in the field of agriculture: Now, therefore, be it

Resolved by the City Council of the City of Minneapolis, That we request the Representatives and Senators in the Congress from Minnesota to exert their best efforts to secure expeditious legislation designed to alleviate and improve the agricultural situation, thereby reflecting improvement in other economic areas;

Further, that the city clerk be directed to transmit a copy of this resolution to each Member of the House and Senate in the Congress from the State of Minnesota.

Passed January 31, 1958.

GEO. W. MARTENS,
President of the Council.

Approved February 4, 1958.

P. KENNETH PETERSON, *Mayor.*

Attest:

LEONARD A. JOHNSON,
City Clerk.

RESOLUTION OF BOARD OF COUNTY COMMISSIONERS OF CLAY COUNTY, MINN.

Mr. THYE. Mr. President, I ask unanimous consent that a resolution adopted by the Board of County Commissioners of Clay County, Minn., relating to flood control, may be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas we the board of county commissioners have examined the attached data; and

Whereas flood conditions in the area outlined are causing severe damage to property and crops; and

Whereas we have numerous requests from property owners and residents of the area for aid in solving drainage problems; and

Whereas we have observed that such conditions are increasing due possibly to the increase of lands under cultivation and the use of modern equipment for constructing private drainage projects; and

Whereas as a result of the aggravated conditions, drainage ditches in the various drainage systems have become inadequate and flood waters are without sufficient outlets; and

Whereas drainage systems Nos. 56, 14, 45, 4, 5, 6, 8, and 10 were constructed at various intervals over a period of many years, each as a separate drainage project, and apparently without consideration for future developments; and

Whereas it is now apparent that all of the above numbered systems should be coordinated and combined into one system; and

Whereas the county of Clay, State of Minnesota, is without means, financial or legal, to undertake such a project: Now, therefore, be it

Resolved by the Board of County Commissioners of Clay County, That we do hereby request the proper governmental agency be designated to proceed with a study and survey of the area involved, in order to ascertain the needs and to provide recommendation for the solution to the problem and that thereafter proper funds be immediately made available for a project to coordinate all of the above systems as one project; be it further

Resolved by the Board of County Commissioners of Clay County, Minn., That a copy of this resolution be immediately forwarded to the Honorable EDWARD J. THYE, United States Senator from Minnesota; Hon. HUBERT H. HUMPHREY, United States Senator from Minnesota; and Hon. COYA KNUTSON,

United States Representative in Congress from the Ninth District of Minnesota.

Passed at Moorhead, Minn., this 4th day of February 1958.

C. A. McEVERS,
Chairman, Board of County Commissioners, Clay County, Minn.

Attest:

WINTON D. JOHNSON,
County Auditor.

RESOLUTION OF COMMON COUNCIL OF CITY OF ST. JOSEPH, MO.

Mr. HENNINGS. Mr. President, I have recently received a resolution from the Common Council of the City of St. Joseph recording its opposition to the enactment of H. R. 8525, the Harris-O'Hara natural gas bill.

I think I speak for the majority of the people not only in St. Joseph but all over Missouri in opposing this bill. I fought against a similar bill in the past and will continue to do so to the extent of my ability.

On behalf of my colleague, the junior Senator from Missouri [Mr. SYMINGTON], and myself, I present the resolution and ask unanimous consent that it be printed in the RECORD and appropriately referred.

There being no objection, the resolution was referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

Resolution 47169

Resolution of the Common Council of the City of St. Joseph recording its opposition to the enactment of H. R. 8525, commonly known as the Harris-O'Hara bill, and urging the Congress of the United States to defeat said legislation

Whereas there has been introduced in the Congress of the United States of America a bill entitled "H. R. 8525," commonly known as the Harris-O'Hara bill; and

Whereas this bill for all intents and purposes exempts the natural-gas producers from regulation by the Federal Power Commission; and

Whereas if said bill were to be passed, the natural-gas consumers could expect an increase in their rates; and

Whereas the enactment of this bill would cause an overall increase in natural-gas rates of $500 million per year; and

Whereas such an increase in natural-gas rates to the consumer would be detrimental to the residents of the city of St. Joseph: Now, therefore, be it

Resolved, That the Common Council of the City of St. Joseph, Mo., does hereby go on record in opposition to the enactment of H. R. 8525, commonly known as the Harris-O'Hara bill, and urges the Congress of the United States to defeat said legislation.

Approved:

STANLEY I. DALE,
Mayor.

Adopted February 3, 1958.

GARTH LANDIS,
President of the Common Council.

Attest:

WALTER T. WELSH,
City Clerk.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. THURMOND, from the Committee on Government Operations, without amendment:

S. 5. A bill to amend the Federal Property and Administrative Services Act of 1949, as amended, to prevent the allocation of procurement contracts to certain designated geographical areas, and for other purposes (Rept. No. 1275).

By Mr. THURMOND, from the Committee on Government Operations, with an amendment:

S. 6. A bill to eliminate claims of immunity from State and local taxes based on contracts with the United States or its agencies or instrumentalities (Rept. No. 1276).

By Mr. HAYDEN, from the Committee on Appropriations, without amendment:

H. J. Res. 533. Joint resolution making supplemental appropriations for the Department of Labor for the fiscal year 1958, and for other purposes.

(See the remarks of Mr. HAYDEN when he reported the above joint resolution, which appear under a separate heading.)

By Mr. McCLELLAN, from the Committee on Government Operations, without amendment:

S. 2752. A bill to amend section 207 of the Federal Property and Administrative Services Act of 1949 so as to modify and improve the procedure for submission to the Attorney General of certain proposed surplus property disposals for his advice as to whether such disposals would be inconsistent with the antitrust laws (Rept. No. 1277);

H. R. 6182. A bill to provide for the conveyance of certain real property of the United States to the former owners thereof (Rept. No. 1279);

H. R. 6623. A bill to provide for the conveyance of certain real property of the United States in Massachusetts to the Woods Hole Yacht Club (Rept. No. 1280); and

H. R. 8795. A bill to amend section 507 and subsection 602 (a) of the Federal Property and Administrative Services Act of 1949, as amended (Rept. No. 1281).

By Mr. McCLELLAN, from the Committee on Government Operations, with amendments:

S. 1538. A bill to provide for the adjustment of the legislative jurisdiction exercised by the United States over land in the several States used for Federal purposes (Rept. No. 1278).

By Mr. BYRD, from the Committee on Finance, with amendments:

H. R. 8794. A bill to provide an exemption from the tax imposed on admissions for admissions to certain musical performances (Rept. No. 1283).

REPORT OF SELECT COMMITTEE ON SMALL BUSINESS (S. REPT. NO. 1282)

Mr. SPARKMAN. Mr. President, on behalf of the Senate Select Committee on Small Business, I submit the committee's eighth annual report to the Senate. As has been the case in all preceding years, this summary of our activities has the unanimous endorsement of all members of the committee.

The VICE PRESIDENT. The report will be received and printed.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MURRAY:

S. 3254. A bill to amend the Internal Revenue Code of 1954 to increase the amount of the charitable contributions made by a corporation which may be allowed as a deduction where all or part of such contributions are made to educational institutions; to the Committee on Finance.

(See the remarks of Mr. MURRAY when he introduced the above bill, which appear under a separate heading.)

By Mr. SMITH of New Jersey:

S. 3255. A bill for the relief of Dr. Bong Oh Kim; to the Committee on the Judiciary.

By Mr. HICKENLOOPER:

S. 3256. A bill for the relief of Taufic Deoud Gebran (also known as Taufic G. Dawd) and his wife, Hanne Elias Wehby Deoud; to the Committee on the Judiciary.

By Mr. DOUGLAS (for himself, Mr. HUMPHREY, Mr. IVES, Mr. HENNINGS, Mr. CASE of New Jersey, Mr. NEUBERGER, Mr. ALLOTT, Mr. MCNAMARA, Mr. DIRKSEN, Mr. MORSE, Mr. JAVITS, Mr. CLARK, Mr. PROXMIRE, Mr. CARROLL, Mr. BEALL, and Mr. PASTORE):

S. 3257. A bill to effectuate and enforce the constitutional right to the equal protection of the laws, and for other purposes; to the Committee on the Judiciary.

(See the remarks of Mr. DOUGLAS when he introduced the above bill, which appear under a separate heading.)

By Mr. SPARKMAN (for himself, Mr. CAPEHART, Mr. MONRONEY, and Mr. KERR):

S. 3258. A bill to amend section 305 (f) of the National Housing Act; to the Committee on Banking and Currency.

By Mr. MORSE:

S. 3259. A bill to further amend the act of August 7, 1946 (60 Stat. 896), as amended by the act of October 25, 1951 (65 Stat. 657), as the same are amended, to provide for an increase in the authorization for funds to be granted for the construction of hospital facilities in the District of Columbia; to the Committee on the District of Columbia.

(See the remarks of Mr. MORSE when he introduced the above bill, which appear under a separate heading.)

By Mr. BEALL:

S. 3260. A bill to amend subparagraph (c) of paragraph 31 of section 7 of the act of July 1, 1902, to provide that the license tax imposed by such subparagraph on owners of passenger vehicles for hire in the District of Columbia shall apply in future license years to vehicles with a seating capacity of nine passengers or more; to the Committee on the District of Columbia.

By Mr. HILL (for himself and Mr. SPARKMAN):

S. 3261. A bill to authorize the use of additional funds for the 1958 cotton acreage reserve program; to the Committee on Agriculture and Forestry.

By Mr. KNOWLAND (for himself, Mr. KUCHEL, Mr. MALONE, Mr. CARLSON, Mr. BIBLE, Mr. SMATHERS, Mr. BRIDGES, Mr. SALTONSTALL, and Mr. KENNEDY):

S. 3262. A bill to authorize certain activities by the Armed Forces in support of the VIII Olympic Winter Games, and for other purposes; to the Committee on Armed Services.

By Mr. DOUGLAS (for himself, Mr. MORSE, and Mr. CARROLL):

S. 3263. A bill to amend the Internal Revenue Code of 1954 so as to reduce the rate applicable to the first $1,000 of taxable income for taxable year 1958 and to repeal or reduce certain excise taxes; and

S. 3264. A bill to amend the Internal Revenue Code of 1954 so as to increase the amount of the personal exemption for taxable year 1958 and to repeal or reduce certain excise taxes; to the Committee on Finance.

(See the remarks of Mr. DOUGLAS when he introduced the above bills, which appear under a separate heading.)

CHARITABLE CONTRIBUTIONS BY CORPORATIONS

Mr. MURRAY. Mr. President, I introduce, for appropriate reference, a bill

to amend the Internal Revenue Code of 1954, so as to increase the amount of the charitable contributions made by a corporation which may be allowed as a deduction, when all or part of such contributions are made to educational institutions.

The objective of this measure is to encourage large corporations to do their part in helping rescue American education from the present financial crisis so dramatically brought to the Nation's attention by recent activities of the U. S. S. R.

While most corporations have not taken advantage of the present provision which permits them to disburse up to 5 percent of their net income to eleemosynary institutions, a few have done so. These would be willing to give more, if the law were amended, as this measure proposes, to allow contributions up to 10 percent.

According to Treasury Department statistics published in 1956, the net income of all corporations for 1953 was $39 billion, with gifts amounting to $494 million, or 1.25 percent. Five percent of that figure is nearly $2 billion; and 10 percent, as proposed in my new bill, would be $3.9 billion. This is a vastly greater sum than anything contemplated in the administration's education bill; and I feel this plan should be given every support, along with other Federal education programs.

In giving corporations and private business this greater opportunity to contribute to the solution of our educational problems, the bill also presents a challenge to those who have not yet taken advantage of the present provisions of the Internal Revenue Code in this respect. If those in this segment of our American economy fail to come forward with generous contributions for educational purposes, they will have no further cause to resist the expansion of Federal grants-in-aid for education in the future.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3254) to amend the Internal Revenue Code of 1954 to increase the amount of the charitable contributions made by a corporation which may be allowed as a deduction where all or part of such contributions are made to educational institutions, introduced by Mr. MURRAY, was received, read twice by its title, and referred to the Committee on Finance.

INCREASED AUTHORIZATION OF FUNDS FOR CONSTRUCTION OF HOSPITAL FACILITIES IN DISTRICT OF COLUMBIA

Mr. MORSE. Mr. President, I introduce, for appropriate reference, a bill designed to help two of the great private philanthropic institutions of Washington, D. C., the Georgetown University Medical Center and the Columbia Hospital for Women, in meeting increased construction costs.

These two organizations, Mr. President, come under the provisions of the Hospital Center Act, and by its terms they match, on a 50–50 basis, funds provided by public sources for capital construction. When the original estimates were made, no one could foresee the extent to which the inflationary pressures of the past few years would raise the cost of the building programs contemplated.

The invitation for bids for the alteration and additions and improvements of the Columbia Hospital for Women and Lying-in Asylum were $1,140,166 above the amount available under the present approved project. $570,083 is required to increase the Government's grant, 50 percent of the cost of making such alterations and additions. This amount completes the alterations and additions for Columbia Hospital. The revised grant base will be $2,857,165. The present grant base is $1,717,000. To accelerate construction, the Columbia Hospital for Women and Lying-in Asylum advanced from its funds an additional $271,000 to make possible the installation of air conditioning and elevator modernization, making a total construction cost now underway of $1,988,000.

The Georgetown University Medical Center alterations, additions, and betterments to bring this hospital constructed under wartime conditions under the Lanham Act, requires an additional sum of $401,200. This completes the project. The present estimated cost of the Georgetown University Medical Center is $5,737,000, of which amount $1,720,000 has been supplied by funds granted under the District of Columbia grant-in-aid program, authorized by the act of August 7, 1946, as amended. The additional sum to complete the alterations and additions to the Medical Center at Georgetown University, is $802,400, 50 percent of which would be provided by the funds authorized by this amendment.

The total amount authorized for both Columbia Hospital for Women and Lying-in-Asylum and Georgetown Medical Center makes possible the completion of medical and teaching facilities at these institutions as presently planned.

Mr. President, I ask unanimous consent that the bill, together with a joint letter dated February 7 addressed to me by the Reverend T. Byron Collins, S. J., plant administrator of the Georgetown University Medical Center, and Dr. A. W. Kenner, medical director of Columbia Hospital, be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill and letter will be printed in the RECORD.

The bill (S. 3259) to further amend the act of August 7, 1946 (60 Stat. 896), as amended by the act of October 25, 1951 (65 Stat. 657), as the same are amended, to provide for an increase in the authorization for funds to be granted for the construction of hospital facilities in the District of Columbia, introduced by Mr. MORSE, was received, read twice by its title, referred to the Committee on the District of Columbia, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That section 6 of the act entitled "An act to provide for the establishment of a modern, adequate, and efficient hospital center in the District of Columbia, to authorize the making of grants for hospital facilities to private agencies in the District of Columbia, to provide a basis for repayment to the Government by the Commissioners of the District of Columbia, and for other purposes," approved August 7, 1946 (60 Stat. 896), as amended, is amended by striking out "$39,710,000" and inserting in lieu thereof "$40,730,000."

The letter presented by Mr. MORSE is as follows:

FEBRUARY 7, 1958.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

HONORABLE SENATOR: Herewith the legislative draft proposed for additional funds for Georgetown University Medical Center, $450,000, and Columbia Hospital, $570,000; a total of $1,020,000. These funds are needed to complete the construction projects of both Georgetown University and Columbia Hospital presently filed with General Services Administration and approved by them as meeting the eligibility requirements of the Hospital Center Act.

The justification of the specific amounts requested is filed with General Services Administration and will be available to support this application for additional funds. We do not believe the District Commissioners will object since both projects increase medical service to the District.

T. BYRON COLLINS, S. J.,
Georgetown University Medical Center Plant Administrator.
A. W. KENNER, M. D.,
Medical Director, Columbia Hospital for Women.

PROBLEMS OF SMALL BUSINESS—ADDITIONAL COSPONSORS OF BILL

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the names of Senators CARROLL, CHURCH, CLARK, COOPER, FULBRIGHT, HILL, JACKSON, KENNEDY, O'MAHONEY, SCOTT, SMITH of New Jersey, and THURMOND be added as additional cosponsors of the bill (S. 3194) to amend the Internal Revenue Code of 1954 so as to establish an initial program of tax adjustment for small and independent business and for persons engaged in small and independent business, introduced by me, on behalf of myself and other Senators, on January 30, 1958. I hope more Senators will wish to join in cosponsoring this legislation.

The VICE PRESIDENT. Without objection, it is so ordered.

PROPOSED SPACE ACT OF 1958—ADDITIONAL COSPONSOR OF BILL

Under authority of the order of the Senate of February 5, 1958,

The name of Mr. PROXMIRE was added as an additional cosponsor of the bill (S. 3233) to provide for the initiation and support of an inner and outer space study, research, and development program for peaceful uses in commerce and industry which shall include, but shall not be limited to the assimilation, gathering, correlation, and dispersal of information and knowledge relating to, among other fields, weather and communications obtained from rocket ships, satellites, space vehicles and other such

media, introduced by Mr. YARBOROUGH on February 5, 1958 (for himself and Senators MANSFIELD, HILL, SPARKMAN, CARROLL, HUMPHREY, and MORSE).

DESIGNATION OF YEAR 1960 AS "VISIT U. S. A. YEAR"—ADDITIONAL COSPONSORS OF CONCURRENT RESOLUTION

Mr. JAVITS. Mr. President, the next time it is printed, I ask unanimous consent that the names of the Senator from Washington [Mr. JACKSON] and the Senator from Oregon [Mr. NEUBERGER] be added as consponsors of the concurrent resolution (S. Con. Res. 59) to request the President to designate the year 1960 as "Visit U. S. A. Year," introduced by me, for myself and other Senators, on January 30, 1958.

The VICE PRESIDENT. Without objection, it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. STENNIS:

Address delivered by Senator FULBRIGHT before Reserve Officers Association, in Washington, D. C., on February 8, 1958.

By Mr. THYE:

Address delivered by him on subject The Crossroads for Agriculture, delivered before 21st annual meeting of the Minnesota-Iowa Swine Institute at Austin, Minn., on February 6, 1958.

By Mr. CASE of New Jersey:

Address entitled "Prospects for Peace," delivered by Senator SMITH of New Jersey before the New Jersey Farm Bureau in Trenton, N. J., on January 27, 1958.

By Mr. GREEN:

Award for distinguished State service given to Senator PASTORE by the American Traffic League, and statement made by Senator PASTORE upon his acceptance of the award.

By Mr. KEFAUVER:

Correspondence between himself and President Eisenhower on recalling and reassigning Col. John C. Nickerson, Jr., to duty in the missile program.

NOTICE OF HEARINGS ON PROPOSED HOUSING LEGISLATION

Mr. SPARKMAN. Mr. President, I wish to announce that as chairman of the Housing Subcommittee of the Senate Banking and Currency Committee I plan to begin hearings early in March on all housing legislation referred to the subcommittee. At this time it is impossible to announce the exact date of the hearings, but such announcement will be made as soon as the exact date can be determined.

All interested persons who wish to appear or to present statements for the record should request such an opportunity from the staff director of the housing subcommittee, Mr. Jack Carter, room 15–A, Senate Office Building, telephone number: Capital 4–3121, extension 6348.

NOTICE OF HEARING BY COMMITTEES ON INTERIOR AND INSULAR AFFAIRS AND PUBLIC WORKS ON RELATIONSHIP OF RIVER AND OTHER WATER RESOURCE DEVELOPMENT PROGRAMS OF UNITED STATES, SOVIET RUSSIA, AND RED CHINA

Mr. O'MAHONEY. Mr. President, I desire to give notice that at 10 a. m., Monday, February 17, the Senate Committee on Interior and Insular Affairs and the Committee on Public Works will hold a hearing in room 224 of the Senate Office Building dealing with the relationship of river and other water resource development programs of the United States, Soviet Russia, and Red China.

A committee print of a memorandum of the chairman to the members of the committee was published on December 20, 1957, copies of which I think are still available from the chief clerk of the committee.

Arrangements have been made to have witnesses who are familiar with water developments appear at this hearing. Among the principal witnesses will be the senior Senator from Louisiana [Mr. ELLENDER] and Maj. Gen. Emerson C. Itschner, Chief of Engineers of the Department of the Army. The Senator from Louisiana will report his eyewitness observations of irrigation, flood control, hydroelectric power, and other public-works developments which were made during his recent tour of Soviet Russia, including Siberia.

The Senator has already made an address upon the floor of the Senate dealing with this subject. His tour through Soviet Russia, including Siberia, is undoubtedly the most extensive one that has been made by any Member of Congress, and he will come to the committee equipped with the knowledge gained from personal observation of the conservation of water programs which are being carried on there.

As I have said, it will be a joint hearing of the two committees, and all members of both committees are invited to attend and to send suggestions to me, if they care to do so, with respect to any witnesses they would like to have called.

I am making arrangements to invite the Federal Power Commission, the Secretary of State, the Secretary of the Army, the Secretary of Agriculture, and the Secretary of Commerce, so that they all may attend as observers or as participants, as the case may be.

The feeling is that the hearing, which we hope to conclude in 2 days, will be most informative and rather important.

Mr. President, I ask unanimous consent that there may be printed in the RECORD a copy of a letter addressed to me by the chairman of the Committee on Public Works and the chairman of the Committee on Interior and Insular Affairs designating me as chairman for the conduct of the joint hearing.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON INTERIOR
AND INSULAR AFFAIRS,
January 31, 1958.

Hon. JOSEPH C. O'MAHONEY,
United States Senate,
Washington, D. C.

MY DEAR SENATOR O'MAHONEY: We have before us Senate Resolution 248 under which the Senate on January 23 instructs "that the Committee on Interior and Insular Affairs and the Committee on Public Works hold joint hearings on the facts and circumstances * * *" as to the relationships of certain water developments. As a sponsor of this resolution, along with ourselves and others, we know you are quite familiar with this matter on which there has been previous correspondence and which our committees desire to pursue.

It is our belief that we might promptly discharge our responsibility under the resolution by holding the joint hearings in February under your experienced guidance. This is, therefore, a request that you accept the chairmanship of these joint committee hearings, arrange for and convene them as you deem best, and also see that "the report of their findings to the Senate during the current session," as called for in the resolution, is available. We earnestly hope we may have early confirmation of your acceptance of this responsibility.

Consider the facilities of the committees at your disposal in discharging this task. Let us also report that Senator KERR, along with ourselves a sponsor of the resolution, has expressed continuing interest and is, therefore, designated as a specific representative of the Public Works Committee to serve in these hearings. Chairman HAYDEN, prior to the passage of the resolution, reported that the interest of the Appropriations Committee would be represented by Senator ELLENDER.

Senator ANDERSON, also a sponsor of the resolution, reports continuing interest, and regrets his activities on the Joint Committee on Atomic Energy preclude his presiding, but not his attendance, at hearings under Senate Resolution 248. Senator JACKSON has also expressed his desire to assist in developing this matter. We feel all members of both committees will assist in this joint task under your skilled chairmanship.

Sincerely,

JAMES E. MURRAY,
Chairman, Committee on Interior and Insular Affairs.

DENNIS CHAVEZ,
Chairman, Committee on Public Works.

DISTRESS IN THE MINING INDUSTRY

Mr. MURRAY. Mr. President, one of the more vital segments of the Nation's economy is in serious trouble. I refer to the mining industry, in which unemployment is rampant, due to foreign competition which is threatening not only the economy of the Nation, but also the national security.

As has been pointed out on this floor upon numerous occasions recently, domestic tungsten mining is at a complete standstill. Scores of lead and zinc mines have shut down, and those still operating are on a short workweek.

Copper mining is rapidly reaching the same dire situation because of foreign-produced copper being sold in the United States at a price several cents a pound under the cost of production in our domestic mines. An article appearing in the Wall Street Journal on January 4 sharply pinpoints the situation facing our domestic copper-mining industry. I ask unanimous consent that the article be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal of January 24, 1958]

BELGIAN CONGO COPPER PRODUCER CUTS PRICES; QUOTES FALL AT LONDON—DEALERS OFFER METAL IN UNITED STATES AT 23⅛ TO 23¼ CENTS A POUND; SCRAP REDUCED ONE-FOURTH CENT

The price of copper in world markets continues to sag.

Yesterday, the large Belgian Congo copper producer, Union Minere du Haut Katanga, cut its price by 1.15 cents a pound to 21.55 cents a pound at New York and Antwerp, the lowest in many years. The Belgian Congo producer last cut its price by 0.225 cents a pound to 22.70 cents on January 9. The current price for Katanga's output reflected previous declines in the metal's price in London.

But copper quotations on the London Metal Exchange yesterday slumped almost three-eighths of a cent a pound to the equivalent of 20⅝ cents, another new low since free trading was resumed in August 1953. The British price is now 4⅜ cents below the United States producer price of 25 cents, and 3⅜ cents a pound under the 24-cent United States custom smelter price.

Copper trade sources figure that copper can be bought in London and shipped to the United States at a delivered Connecticut Valley price of about 22½ cents a pound, after including such costs as freight, insurance, commission, and a premium for refined wire bar shapes that would be purchased; that is roughtly 2½ cents lower than the United States producer price and 1½ cents under the custom smelter quotation.

Dealers were reported to be offering refined copper at prices ranging from 23⅛ to 23¼ cents a pound.

The price of scrap copper was reduced by one-fourth cent a pound to 17¾ cents for No. 2 copper wire scrap. This is equivalent to about 23¼ cents a pound for the refined copper processed from the scrap that will be available for delivery about 3 months from now.

In Chile, workers at the copper mines are exerting pressure against the 10 percent production cut recommended recently by the government's copper department. They said they fear that despite assurances given both by the big American-owned Chilean mining companies and Chilean authorities the cut will lead to layoffs.

From Santiago, Chile, comes word that Chile's President Ibanez and Mine Minister Emilio Ganzalez met with the protesting copper mine workers. A statement issued after the meeting said that the workers had asked for a revision of the 10 percent production cutback policy and that the president and the mine minister had assured them all-steps would be taken to avoid feared unemployment.

The Chilean workers contend Chile, with low-cost production, can weather the current continued decline in copper's price. They also allege that many foreign companies have been increasing their production capacity during the last two years.

REGISTRATION BY THE HOLDERS OF GERMAN BONDS

Mr. WILEY. Mr. President, somewhere in the United States there exists a large part of $15 million to $20 million, waiting to be claimed by its rightful owners. I am referring to money which is invested in German dollar bonds issued by 92 companies during the late 1920's.

During the days of the Nazi government in Germany, these bonds were defaulted, and were declared valueless. However, under a 1953 agreement between the Federal Republic of Germany and the United States, the bonds are now being registered and validated. Holders of these bonds are now able to get cash or new securities. However, the bonds must be registered before August 31, 1958.

Mr. President, I hold in my hand a group of these bonds, as samples. Now that the bonds have been validated, they are good.

The cash settlements, in a number of cases, have netted the holders of the $1,000 bonds, including their coupons back to 1933, as much as $2,100. The settlements generally yield to the holders of these validated old bonds between $1,500 and $2,100, either in cash or in the form of new securities.

The reason why I call this matter to the attention of the Senate is that a large part of the $15 million or $20 million worth of unredeemed bonds is held by American citizens, who either have forgotten that they hold the bonds, or have not as yet become aware of the fact that the issuers are now settling.

After the bonds were defaulted in the mid-1930's, most holders forgot about their existence. Many of the original holders have, of course, long since passed on; and the bonds have undoubtedly become part of estates. After 1941, the bonds were recorded in estate accountings as worthless. Where heirs have held on to the bonds, and remember that they have them in their possession, they are now in the happy position of receiving money or new securities, if they take prompt action in registering and validating the bonds.

Since registration of these securities for validation started, on September 1, 1953, the Validation Board has received $144,079,400 principal amount of the bonds, of which it has validated close to 99 percent. Bonds which were held within Germany or certain other western European countries were accepted as valid by the Finance Ministry or were validated by German examining agencies and courts. Thus far, a total of approximately $250 million principal amount of the bonds has been accounted for, since the London agreements were signed.

Since August 31, 1956, under the terms of the validation agreement, holders of the securities have been required to explain their failure to register the bonds, and to satisfy the Validation Board that they are not grossly negligent in their failure to register before August 31, 1956. According to the Validation Board's last annual report, some 800 registrations were received between August 31, 1956, and August 31, 1957, accompanied by explanations concerning the failure to file on time.

The German estimates, which are now believed to be quite accurate, indicate that there were in legitimate circulation approximately $267 million, more or less, in principal amount. Consequently, we may say that between $15 million and $20 million principal amount of these bonds are still to be accounted for.

Last Friday, the Department of State, cooperating with the Validation Board in New York, sent a letter and announcement for bulletin boards in all banks in the country, using the mailing list of the Federal Reserve Board. The notices call attention to the urgent necessity for registration.

I ask unanimous consent that the notice be printed in the RECORD as part of my remarks.

There being no objection, the notice was ordered to be printed in the RECORD, as follows:

IMPORTANT ANNOUNCEMENT TO HOLDERS OF GERMAN DOLLAR BONDS—VALIDATION PROCEDURE WILL TERMINATE ON AUGUST 31, 1958

Holders of German dollar bonds of the issues listed below, who have not yet registered them for validation, are urged to do so before the deadline, August 31, 1958. While more than 90 percent of these bonds have been registered, quite a number are still held by persons who have forgotten them or who have not learned that such securities are now valuable when validated.

A careful search is urged of old files, trunks, estate papers, envelopes labeled "worthless securities," wherever there is reason to believe that the person who used such files or receptacles may have invested in foreign bonds. These bonds were issued in the United States between 1924 and 1931, are printed in the English language and were issued in $1,000, $500, and some $100 denominations.

HOW TO REGISTER YOUR BONDS FOR VALIDATION

1. Get a registration form from your bank, broker, or dealer in securities or from the validation board for German dollar bonds, 30 Broad Street, New York, N. Y. Use a separate registration form for each issue of bonds you are registering.

2. Submit a sworn statement explaining why the bonds were not registered before September 1, 1956.

3. Fill out the registration form and forward it with your bonds to the depositary named below.

Send or present bonds of the following issues with registration form to J. P. Morgan & Co., Inc., 23 Wall Street, New York, N. Y.:

1. German external loan 1924 (Dawes loan), 7-percent gold bonds, due October 15, 1949.

2. German Government international loan 1930 (Young loan), 5½-percent gold bonds, due June 1, 1965.

3. Prussia, Free State of, external loan of 1926, 6½-percent sinking fund gold bonds, due September 15, 1951.

4. Prussia, Free State of, external loan of 1927, 6-percent sinking fund gold bonds, due October 15, 1952.

Send or present bonds of the following issues with registration form to the First National City Bank of New York, Corporate

Trust Department, 2 Wall Street, New York 15, N. Y.:

5. Baden, consolidated municipalities of, 7 percent external sinking fund gold bonds, due January 1, 1951.

6. Bavaria, free state of, 6½ percent serial gold bonds, external loan of 1925.

7. Bavaria, free state of, 6½ percent external 20-year sinking fund gold bonds, due August 1, 1945.

8. Bavarian Palatinate Consolidated Cities, Germany 7 percent external serial gold bonds.

9. Berlin, city of, 6½ percent 25-year sinking fund gold bonds, municipal external loan of 1925, due April 1, 1950.

10. Berlin, city of, 6 percent 30-year external sinking fund gold bonds, due June 15, 1958.

11. Berlin City Electric Co., Inc., 6½ percent 25-year sinking fund debentures, due December 1, 1951.

12. Berlin City Electric Co., Inc., 6½ percent 30-year sinking fund debentures, due February 1, 1959.

13. Berlin City Electric Co., Inc., 6 percent 25-year debentures, due April 1, 1955.

14. Berlin Electric Elevated and Underground Railways Co., 6½ percent 30-year first mortgage sinking fund gold bonds, due October 1, 1956.

15. Bremen, state of (free Hanseatic city of Bremen), 7 percent 10-year external loan gold bonds, due September 1, 1935.

16. Brown Coal Industrial Corp. "Zukunft" 6½ percent sinking fund mortgage gold bonds, series A, due April 1, 1953.

17. Central Bank of German State & Provincial Banks, Inc., 6 percent first mortgage secured gold sinking fund bonds, series A, due August 1, 1952.

18. Central Bank of German State & Provincial Banks, Inc., 6 percent mortgage secur d gold sinking fund bonds, series B, due October 1, 1951.

19. Central Bank of German State & Provincial Banks, Inc. (German provincial and communal banks consolidated agricultural loan), 6½ percent secured sinking fund gold bonds, series A, due June 1, 1958.

20. Cologne, city of, 6½ percent 25-year sinking fund gold bonds—due March 15, 1950.

21. Consolidated Hydro-Electric Works of Upper Wurttemburg, 7 percent first mortgage 30-year sinking fund gold bonds, due January 15, 1956.

22. Conversion Office for German Foreign Debts (Konversionskasse), 3 percent dollar bonds dated July 1, 1936, due January 1, 1946.

23. Conversion Office for German Foreign Debts (Konversionskasse), 3 percent dollar bonds dated June 1, 1937; no fixed maturity date.

24. Dortmund Municipal Utilities, 6½ percent 20-year sinking fund mortgage gold bonds, due October 1, 1948.

25. Duisburg, city of, 7 percent serial gold bonds, due November 1, 1945.

26. Dusseldorf, city of, 7 percent external serial gold bonds.

27. Electric Power Corporation 6½ percent first mortgage sinking fund gold bonds, series due March 1, 1950.

28. Electric Power Corporation 6½ percent first mortgage sinking fund gold bonds, series due April 1, 1953.

29. Frankfort-am-Main, city of, 7 percent serial gold bonds external loan of 1925.

30. Frankfort-am-Main, city of, 6½ percent 25-year sinking fund gold bonds municipal external loan of 1928, due May 1, 1953.

31. General Electric Company, Germany (AEG) 7 percent 20-year sinking fund gold debentures, due January 15, 1945.

32. General Electric Company, Germany (AEG) 6½ percent 15-year gold sinking fund debentures, due December 1, 1940.

33. General Electric Company, Germany (AEG) 6 percent 20-year gold sinking fund debentures, due May 1, 1948.

34. German Atlantic Cable Company 7 percent first mortgage 20-year sinking fund gold dollar bonds, due April 1, 1945.

35. German Central Bank for Agriculture (Rentenbank) 7 percent first lien gold farm loan sinking fund bonds, due September 15, 1950.

36. German Central Bank for Agriculture (Rentenbank) 6 percent farm loan secured gold sinking fund bonds, due July 15, 1960.

37. German Central Bank for Agriculture (Rentenbank) 6 percent farm loan secured gold sinking fund bonds, second series of 1927, due October 15, 1960.

38. German Central Bank for Agriculture (Rentenbank) 6 per cent farm loan secured gold sinking fund bonds, series A of 1928, due April 15, 1938.

39. German Consolidated Municipal Loan of German Savings Banks & Clearing Association 7 percent sinking fund secured gold bonds, series of 1926, due February 1, 1947.

40. German Consolidated Municipal Loan of German Savings Banks & Clearing Association, 6 percent sinking fund secured gold bonds, series due June 1, 1947.

41. Gesfurel 6 percent sinking fund gold debentures, due June 1, 1953.

42. Good Hope Steel & Iron Works 7 percent 20-year sinking fund mortgage gold bonds, due October 15, 1945.

43. Hamburg Elevated, Underground, & Street Railways Co. 5½ percent 10-year gold loan, due June 1, 1938.

44. Hamburg, state of (free and Hanseatic city of Hamburg), 6 percent 20-year gold bonds, due October 1, 1946.

45. Hanover, city of, 7 percent 10-year external convertible gold bonds, due November 1, 1939.

46. Hanover, city of, 7 percent external sinking fund gold bonds, due November 1, 1959.

47. Hanover, province of, Harz Water Works 6 percent first series gold bonds, due August 1, 1957.

48. Hanover, province of, Harz Water Works 6½ percent sinking fund gold bonds, second series, due February 1, 1949.

49. Harpen Mining Corp., 6 percent gold mortgage bonds, series of 1929, due January 1, 1949.

50. Heidelberg, city of, 7½ percent external 25-year sinking fund gold bonds, due July 1, 1950.

51. Housing & Realty Improvement Co., Berlin 7 percent first (closed) mortgage 20-year sinking fund gold bonds, due November 15, 1946.

52. Ilseder Steel Corp., 6 percent gold mortgage bonds, series of 1928, due August 1, 1948.

53. Karstadt (Rudolph), Inc., 6 percent first mortgage collateral sinking fund bonds, due November 1, 1943.

54. Koholyt Corp., 6½ percent first (closed) mortgage sinking fund gold bonds, due March 31, 1943.

55. Luneburg Power, Light & Waterworks, Ltd., 7 percent first mortgage 20-year sinking fund gold bonds, due May 1, 1948.

56. Mannheim & Palatinate Electric Cos., 7 percent 15-year sinking fund mortgage gold bonds, due June 1, 1941.

57. Mansfeld Mining & Smelting Co., 7 percent 15-year (closed) mortgage sinking fund gold bonds, due May 1, 1941.

58. Miag Mill Machinery Co., 7 percent (closed) first mortgage 30-year sinking fund gold bonds, due June 1, 1956.

59. Munich, city of, 7 percent serial gold bonds of 1925, due August 1, 1935.

60. Municipal Bank of the state of Hesse, 7 percent guaranteed serial gold bonds of 1925.

61. Municipal Gas & Electric Corp. of Recklinghausen, 7 percent first mortgage 20-year sinking fund gold bonds, due December 1, 1947.

62. North German Lloyd (Bremen), 6 percent 20-year sinking fund gold bonds, due December 1, 1947.

63. North German Lloyd (Bremen), 4 percent sinking fund bonds of 1933, due November 1, 1947.

64. Nuremberg, city of, 6 percent external 25-year sinking fund gold bonds, due August 1, 1952.

65. Oberpfalz Electric Power Corp., 7 percent first mortgage sinking fund gold bonds, due June 1, 1946.

66. Oldenburg, free state of, 7 percent external serial gold bonds.

67. Protestant Church in Germany Welfare Institution Loan, 7 percent 20-year secured sinking fund gold bonds, due October 1, 1946.

68. Prussian Electric Co., 6 percent sinking fund gold debentures, due February 1, 1954.

69. Rheinelbe Union, 7 percent 20-year sinking fund mortgage gold bonds, due January 1, 1946.

70. Rhine-Main-Danube Corp., 7 percent sinking fund gold debentures, series A, due September 1, 1950.

71. Rhine-Ruhr Water Service, 6 percent 25-year sinking fund external gold debentures, due January 1, 1953.

72. Rhine-Westphalia Electric Power Corp. 7-percent direct mortgage gold bonds series, due November 1, 1950.

73. Rhine-Westphalia Electric Power Corp. 6-percent direct mortgage gold bonds series, due May 1, 1952.

74. Rhine-Westphalia Electric Power Corp. 6-percent consolidated mortgage gold bonds, series of 1928, due August 1, 1953.

75. Rhine-Westphalia Electric Power Corp. 6-percent consolidated mortgage gold bonds, series of 1930, due April 1, 1955.

76. Roman Catholic Church in Bavaria 6½-percent 20-year sinking fund gold bonds, series A, due March 1, 1946.

77. Roman Catholic Church Welfare Institution in Germany 7-percent 20-year secured sinking fund gold bonds, due June 1, 1946.

78. Ruhr Chemical Corp. 6-percent sinking fund mortgage bonds, series A, due April 1, 1948.

79. Ruhr Gas Corp. 6½-percent secured sinking fund bonds, series A, due October 1, 1953.

80. Ruhr Housing Corp. 6½-percent first mortgage sinking fund bonds, due November 1, 1958.

81. Siemens & Halske Stock Corp.; Siemens-Schuckertwerke Co., Ltd., 6½-percent 25-year sinking fund gold debentures, due September 1, 1951.

82. Siemens & Halske Stock Corp. 6-percent participating debentures, series A, due January 15, 1930.

83. Tietz, Leonhard, Inc., 7½-percent 20-year mortgage gold bonds, due January 1, 1946.

84. United Industrial Corp. (Viag) 6-percent hydroelectric first (closed) mortgage sinking fund gold bonds, due December 1, 1945.

85. United Industrial Corp. (Viag) 6½-percent sinking fund gold debentures, due November 1, 1941.

86. United Steel Works Corp. 6½-percent 25-year sinking fund mortgage gold bonds, series A, due June 1, 1951.

87. United Steel Works Corp. 6½-percent 25-year sinking fund mortgage gold bonds, series C, due June 1, 1951.

88. United Steel Works Corp. 6½-percent 20-year sinking fund debentures, series A, due July 1, 1947.

89. Unterelbe Power & Light Co. 6-percent 25-year sinking fund mortgage gold bonds, series A, due April 1, 1953.

90. Vesten Electric Railways Corp. 7-percent first mortgage 20-year sinking fund gold bonds, due December 1, 1947.

91. Westphalia United Electric Power Corp. 6-percent first mortgage sinking fund gold bonds, series A, due January 1, 1953.

92. Wurttemberg, state of, consolidated municipal external loan of 1925, 7-percent serial gold bonds.

Other dollar bonds of West German issuers are considered as valid and do not need to be registered for validation. Bonds of East German issuers are not eligible for validation at this time.

German bonds denominated in a non-German currency other than dollars must be validated in the country of offering.

For detailed instructions see the explanatory pamphlet, also obtainable from the Validation Board or your bank, broker, or dealer in securities.

WHY VALIDATION IS NECESSARY

Validation is necessary to prevent the sale or payment of German dollar bonds which had been purchased for retirement, and disappeared after the Soviet armed forces occupied Berlin in 1945. The procedure for validating dollar bonds in the United States has been established by agreements between the United States and German Governments.

SCOPE OF VALIDATION

The Board will validate only dollar bonds which are shown to have been held outside of Germany and certain neighboring territories on January 1, 1945. Application for validation of dollar bonds which cannot be shown to have been held outside of Germany on that date may be made through the board to an agency in Germany. For informtion on this procedure consult the explanatory pamphlet.

MARK OR REICHSMARK SECURITIES

German bonds issued prior to 1925 and denominated in old marks are generally without any tangible value; they are not included in any validation or debt settlement program. For securities issued after 1924 and denominated in reichsmarks, a special validation procedure is still applicable. If you have not already had such reichsmark securities validated, please communicate with the Securities Settlement Advisory Agency of the German Federal Republic, 30 Broad Street, Suite 3601, New York 4, N. Y.

VALIDATION BOARD FOR GERMAN DOLLAR BONDS,
30 Broad Street, New York 4, N. Y.
DOUGLAS W. HARTMAN,
United States Member.
Dr. WALTHER SKAUPY,
German Member.

FEBRUARY 1958.

Mr. WILEY. Mr. President, a good many people in the United States have these bonds. Perhaps all of them did not buy them; perhaps some have inherited them. At any event, it is obvious that a number of them are put away in one place or another—perhaps in boxes or in bank or in socks. My purpose at this time is to call attention to the fact that at present approximately $20 million or more can be recovered by those who own the bonds, even though heretofore the owners had thought the bonds had become worthless.

The Validation Board is doing all it can, with very limited sums, to bring this situation to the attention of bondholders and banks who have failed to learn that these bonds now have value when validated. A very substantial amount of paid advertising has been done all over the country. I am told that during the past 4 years the best part of $100,000 has been spent on newspaper advertising to bring this matter to the public's attention. However, it appears that most of the publicity concerning this activity enters the financial pages of newspapers, and little or none of it gets into the general news columns. The Validation Board's experience indicates that most of the late filers are those who rarely read the financial pages of newspapers.

A further comment which I should like to make is that all the bonds involved are printed in the English language, and appear in denominations of $1000, $500, or, in a few instances, $100.

The Board's annual report for the year ended August 31, 1956, and its current reports, include a section on challenged registrations. The material interestingly describes quite a number of efforts which have been made to slip through the validation procedure bonds allegedly looted during the Russian occupation.

The German records, which in large part were also looted or destroyed during and after the last World War, have been reconstructed by the issuers of the securities to such an extent that most of the serial numbers of the missing bonds are known. The Board informs me that it has not had from any German issuer a single complaint that it has thus far validated a looted bond.

Mr. Douglas W. Hartman, the American member of the Validation Board, told me quite confidently that the Board anticipated little difficulty in detecting any effort which might be made before the end of validation to have looted bonds validated.

At this time I should also like to call attention to the fine job being done by this Board for validation of German dollar bonds. The United States member, Mr. Hartman, and the German member, Dr. Walther Skaupy, have given a wonderful demonstration of what dedicated representatives of two nations can do in endeavoring to achieve a common goal.

I also take this opportunity to commend the German issuers of these bonds and the Federal Republic of Germany for the highly commendable way in which they are trying to honor these securities.

In conclusion, I call attention to the specimens of German dollar bonds which I hold in my hand. I ask that the Members of the Senate study them, in order that they may recognize them should any of their constituents have questions regarding this matter.

Mr. President, I trust that the press will see to it that sufficient notice is given of this situation, so that those who own bonds can locate them. It is most desirable that the remainder of the bonds be located.

SPEED NEEDED ON DAIRY-PRICE-SUPPORT LEGISLATION

Mr. WILEY. Mr. President, as we know, the Congress has less than 60 days in which to act upon an approaching deadline in dairy-price-support legislation.

If appropriate action is not taken, there will be a disastrous drop in the level of price supports on dairy products. According to an announcement made by the Secretary of Agriculture, the drop is scheduled, as we are aware, for April 1—the beginning of the new marketing year.

To avoid slashing an already-too-low farm income, the Congress, therefore, must act with all possible speed on proposed legislation to maintain at least the present level of price supports for dairy products.

I am pleased that the House Agriculture Committee has been taking action on proposed legislation to cancel the attempt to slash support prices. Also, it is greatly encouraging that the Senate Agriculture Committee reports that it will soon be getting its hearings under way. Again, I respectfully stress the need for immediate action, since the deadline is only a few weeks away.

As we know, I have cosponsored proposed legislation—S. 2924 and S. 2912—which would cancel the attempt to slash price supports to 75 percent of parity. I am happy to reemphasize that these bills have broad bipartisan support. Since the introduction of these measures, I have received a great many communications in support of them.

Naturally, all of us can appreciate the farmers' interest in seeking to maintain the very modest minimum income which they now receive. This is, of course, a basic consideration.

Besides hearing from a great many individual farmers, I have also heard from a number of farm organizations. Among these are the Pure Milk Products Cooperative, the Milwaukee Cooperative Milk Producers, and the Consolidated Badger Cooperative.

But I should like to stress the additional fact that this proposed legislation has gained support from many other segments of the general economy. These include implement dealers, private and cooperative creameries, electrical associations, and others.

I request unanimous consent to have printed at this point in the RECORD a few of these messages from a cross-section of our Wisconsin economy.

There being no objection, the telegrams and letters were ordered to be printed in the RECORD, as follows:

FOND DU LAC, WIS., *January 16, 1958.*
Senator ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.,

Our State board of directors, in session today, January 16, 1958, were stunned by President Eisenhower's message on agriculture wherein he recommends that dairy support minimums be lowered to 60 percent of parity and wherein he considers dairying along with peanuts, tobacco, and the other basic commodities. At present parity figures, the President's proposal would permit the lowering of 3.95 percent milk to about $2.40 per hundredweight. This could cost Wisconsin dairy farmers another $95 million per year in dairy income in addition to the $45 million cut Benson has announced for the next production year.

We urge that you use every possible means to institute a $3.50 per hundredweight mandatory minimum dairy support price.

WILLIAM C. ECKLES,
General Manager, Pure Milk Products Cooperative.

MILWAUKEE COOPERATIVE
MILK PRODUCERS,
Milwaukee, Wis., January 3, 1958.

The Honorable ALEXANDER WILEY,
United States Senate,
Washington, D. C.

MY DEAR SENATOR WILEY: The Milwaukee Cooperative Milk Producers believes that Secretary of Agriculture Benson's plan to cut price supports to 75 percent of parity is wrong and should not be put into effect.

We believe that farmers are in no condition to accept a cut of from 22 to 25 cents per hundredweight for milk, because their costs are going up instead of becoming lower.

Particularly dairy farmers are the hardest working people in the Nation and receive the lowest return for their effort and investment.

We trust that you will do what is necessary to keep price supports on dairy products where they are now, at least for all of the year 1958.

Thanking you, we are,
Sincerely yours,
CHARLES DINEEN, *Secretary.*

[From a Merrill, Wis., implement dealer]

JANUARY 29, 1958.

Hon. Senator WILEY,
Washington, D. C.

DEAR SENATOR WILEY: It has been called to my attention numerous times of late by farmers in our locality about the Benson proposed cut in dairy-support program. I know that there is a surplus production of dairy supplies and that something different from what has been done will have to be planned out and put into practice to get us out of a mess.

After considerable discussion with farmers in the community, small-business men that are directly affected by farmers' change in income, and also in talking with some manufacturers, I believe that for the present at least we should not let the supports be cut and something should be done about the surplus that is coming on the market from the Eastern States fluid-milk producers.

I know that if our farmers here will have to take a cut in their dairy income that I and many other small businesses will also feel the hurt of the small incomes.

May I ask that you as our representative give this serious consideration and work toward a goal of helping our Wisconsin farmer.

Yours very truly,

———.

SHAWANO, WIS.,
January 23, 1958.

ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.:

We believe every effort should be put forth immediately on your bill S. 2924 and then self-help bill H. R. 10043 or Laird's bill will be the best for permanent legislation for the Wisconsin dairy farmer.

GEO. W. RUPPLE,
Consolidated Badger Co-Op.

RICHLAND COOPERATIVE
ELECTRIC ASSOCIATION,
Richland Center, Wis., January 16, 1958.

Hon. ALEXANDER WILEY,
United States Senator,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: The Richland Cooperative Elcctric board, at its last meeting, directed me as secretary to write to you and ask for your assistance in reversing the order of Secretary of Agriculture Benson, under which dairy price supports will be cut to the minimum level under present law. Wisconsin farmers are already eating into their depreciation and other reserves to keep going, and the action of the Secretary in pulling the rug out from under them will result in complete bankruptcy for many of the hard pressed farmers.

National Milk Producers Federation has estimated that dairymen will lose about $250 million in income next year as a result of the Benson cut. Experience has plainly demonstrated that previous cuts by Secretary Benson have not resulted in any decrease in surpluses, and have not improved the prices of milk and dairy products in the market place. At a time when reliable reports indicate that Wisconsin dairy farmers are earning an average of only 43 cents an hour, for working time last year, we cannot find language strong enough to condemn this unfortunate action in further depressing farm income.

We call upon you to give us every assistance possible in securing a reversal of this unfair order.

Very truly yours,
THERON M. JANNEY,
Secretary.

ST. PAUL, MINN., *January 31, 1958.*

Hon. ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.:

I am a large dairy farmer in Wisconsin, also president of Falls Dairy Co., Jim Falls, Wis., where we receive milk direct from approximately 1,500 farmers as well as purchasing milk from small cooperative and private creameries. I am also executive vice president of Western Dairy Cooperative at Clarkfield, Minn., where we receive milk from 16 cooperative creameries and 1 private creamery representing approximately 3,000 farmer producers. The drop in the support price will not hurt the creameries as the reduction in price will be passed on to the farmer. This drop in price, however, will be a very serious blow to the dairy farmer. It is beyond us to comprehend the justification for continually reducing the prices paid to farmers while nearly all other segments of our economy continue to raise prices. The labor costs are being increased yearly. In many cases these increases are automatic, having been negotiated from 1 to 3 years ahead with the result that everything the farmer purchases is costing him more money. This price squeeze on one of the most important segments of our economy is not, in our opinion, justified. The lowering of price supports will not reduce the production but will increase it as these farmers must have a minimum cash income to pay their obligations. We request that you use every effort and means possible to prevent the Secretary of Agriculture from reducing the support price April 1. In our opinion the least that can be done is to maintain the present support level.

———.

PIRA FARM, WIS., *January 31, 1958.*

Senator WILEY: A word to let you know I am with you to stop any further cut in price supports.

From a dairy farmer.

———.

DEAR SENATOR WILEY: As a farmer in Barron County I hope you are doing everything you can to stop Benson from lowering the rate of parity.

If not I'll just have to milk more cows to make ends meet and that won't help the so-called overproduction.

Sincerely,

———.

EDUCATION LEGISLATION

Mr. THYE. Mr. President, I have received a very fine letter from Mr. Charles Cummer asking support for the King-Jenkins bill, H. R. 4662. The Senator from Michigan [Mr. POTTER] and I have introduced an identical measure in the Senate because of our interest in the educational system and the need to correct an unjust situation. Our bill would permit teachers to deduct amounts up to $600 a year from gross income for their expenses for tuition, books, and other equipment, travel and living expenses while away from home, to the extent that they exceed their normal living expenses, in connection with their enrollment in a course or courses of education at an institution of higher education accredited by the accrediting agency of a State or Territory or by a regional accrediting agency. Most schools and States now require that teachers return to college for further training during the summer months or at night school during the school year so as to maintain professional status. This should be considered a business expense, and in other businesses can be deducted from gross income.

I ask unanimous consent to have the text of Mr. Cummer's letter printed in the body of the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

Hon. ED THYE:

I am a schoolteacher at the junior high school here in Moorhead, Minn. I have been teaching for 8 years.

I spent the summer of 1954, 1955, and 1956 doing graduate work at St. Cloud State College. Ordinarily I would have done carpentry work to supplement my income. I have never figured the exact dollar cost of attaining my master's degree. I spent money for tuition, and so forth, and lost out on additional income because I felt I could become a better teacher by taking further training.

If the King-Jenkins bill, H. R. 4662, is passed to enable teachers to deduct from taxable income the cost of further education it will be too late for me to benefit financially. However, I urge you to vote favorably on this issue.

It is inexcusable and a rank injustice that a businessman can deduct such things as entertaining customers and a teacher cannot deduct educational expenses.

I know men teachers who put in a full day of teaching and then attend a 3-hour evening class once or twice a week. Maybe their basic reason is to get a better salary but he probably needs that extra dollar more than the businessman.

I respectfully urge you to vote favorably toward the King-Jenkins bill and to urge others to do likewise.

Sincerely,

CHARLES CUMMER.

A CHEMICAL ENGINEER VISITS THE U. S. S. R.

Mr. THYE. Mr. President, in the fall of 1957, a group of Russian engineers were permitted to visit Minnesota and see our mining industry. At the same time, a five-man technical mission studied the peat industry of Russia for 3 weeks. Included in this group was Dr. Edward L. Piret, of the department of chamical engineering at the University of Minnesota. His trip was sponsored by the Iron Range Resources and Rehabilitation Commission, State of Minnesota. Dr. Piret wrote of his experience in the December issue of Chemical Engineering Progress. Because of its inter-

esting content, I ask unanimous consent that the article be printed in the body of the RECORD, so that every Member of the Senate will have an opportunity to benefit from his findings.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A CHEMICAL ENGINEER VISITS THE U. S. S. R.

(By Edgar L. Piret, Department of Chemical Engineering, University of Minnesota, Minneapolis, Minn.)

Recently, as a member of a 5-man technical mission [1] arranged by the United States State Department, I had an opportunity to visit and study for a 3-week period the large peat industry of the U. S. S. R. It was also possible to visit Soviet institutions of education and research, including several devoted specifically to chemical engineering. This paper will serve as background for a later report on chemical engineering in the U. S. S. R.

Soviet engineers and professors were always cordial, open, and informative in their discussions. The officials place no restrictions on the taking of pictures and several requests to see laboratories and special items of interest were granted. As a consequence, the trip proved most interesting and informative. The fact that we were official guests of the Ministry of Fuel and Power undoubtedly eased these visits greatly.

A visitor to Russia will frequently and most forcefully be struck by the seemingly sudden Soviet scientific development, and by the sharp contrasts in advancement which he sees. He will find it difficult to draw conclusions, because at one moment he may see a modern laboratory or apparatus of advanced design, yet in the next moment he will see equipment, a design, or working methods of several decades ago.

Perhaps a more startling experience is to discuss a right up-to-the-minute engineering subject with a Soviet engineer thoroughly familiar and up to date in his field, and then a few minutes later suddenly discover that despite his obvious good will, intelligence and high education, this same engineer's knowledge of the true economic, social, and political conditions in the United States is highly inaccurate and out of date by 25 or more years.

In several laboratories, I noticed very recent issues of American chemical engineering and chemical journals and it was easy to talk with Soviet chemical engineers and other technical men about modern engineering problems—for example, a theoretical or experimental aspect of the unit operations. They were well informed, talkative, and described their interests and problems in education and research in an open, stimulating manner.

In almost terrifying contrast because of its significance, I saw not a single American or, for that matter, English or other West European newspaper or popular magazine on sale in any hotel lobby, railroad station, department store, bookstore, or bookstand.

One sees many such American items even in the lesser cities of France, Finland, Germany, Italy, Sweden, etc. Lack of interest in the United States or inability to read English [2] most certainly is not the cause of this conspicuous absence of information. Time and again in the U. S. S. R. I (and others of our group) was asked by people in the streets, by students, and others, for any American book, magazine, or even scrap of newspaper that might have wrapped a package in our luggage.

When I speak of English language and Western European publications, I am of course excluding such newspapers as the French Communist Humanité, Moscow News (published in Moscow), copies in libraries, books by James Fenimore Cooper and other classics of years ago, and especially what to me were obviously carefully selected volumes of highly unrepresentative Western writers. These publications unfortunately leave the Soviet man with the erroneous impression that he is well informed about the outside world. He does not even know that he doesn't know.

Thus, on one hand we see that the Soviet engineer has ready access to, and uses, the latest technical literature of the West. On the other hand, the same man has no effective access to our newspapers, or even to our most popular magazines or representative contemporary literature. Most tragically, what I did hear on every hand about our country and its people was highly inaccurate and warped. It recalled to me the parallel situation I met in Germany in 1936.

The need for a broad and early flow of information and understanding is all too clear.

Certainly, the people I came in contact with professionally in the Soviet Union are intellectually capable of better understanding us and our way of life, given more information. So there is a chance that efforts in that direction would result in substantial gains.

It is generally known that the U. S. S. R. is now, in a highly planned and vigorous manner, concentrating much effort on the technology and mechanization of its basic industries. Also, it appeared to me that Soviet Government policy is to give the highest priorities—and to support on a scale unprecedented in world history—to its scientific, engineering, and industrial research and development personnel and laboratories. Still more significant, because of the certainty of the effects within 10 to 15 years, is that this expansion of industry and of basic and of applied research is now being supported with a vigorous modernization and expansion of the educational centers for the training of engineers and scientists. Automatic control and the use of recording instruments seems to be particularly emphasized in the chemical engineering educational program.

The present status of Soviet science and engineering, as related to that of the Western World, is of course difficult to assess accurately in a short visit to the country. But it was evident to me after having seen several laboratories—and particularly after observing in detail the methods and the scale with which they are carrying on the peat industrial research program—that the Soviets have, in that field at least, advanced to where they are using modern engineering techniques, modern methods of industrial product and process development, and modern managerial techniques.

For example, we were shown an extensive laboratory program in which comprehensive and accurately taken data were being used to calculate economic optimum for projected processes. For other similar projects several pilot units were testing the laboratory results. Surprisingly, several large-scale semiworks operations were also being run in parallel to decide, under essentially full-scale conditions, the costs of competing processes. Within a single ministry and program the Soviet system allows for the evolution of more than one process all the way up to and including full-scale production. Each stage is evaluated in terms of rubles/ton, including such items as raw materials, labor, transportation, amortization of plant, amortization of equipment, safety clothing, etc. The only items I have found missing were interest on capital and social security.

The concentration of effort and of funds on technical education, research, and development for heavy industry and for the military is inevitably taking place at the expense of the living standards of the people.

Certainly the people of Moscow, Leningrad, and of the smaller towns and villages I saw have a Spartan or less existence. They see few, if any, luxuries. The living standards of the Russians are far below our own, but as far as I could tell, these standards were not so low as to provoke violent discontent. Most Russian people simply have no knowledge of the conditions in the outside world. Their basis of comparison is their past. After all, the history of Russia has always been an unhappy one, with oppression and grinding poverty the lot for nearly everyone.

The Russian people I saw in the cities were adequately, if only roughly clothed and seemed adequately nourished. It was stated that a great improvement in clothing had occurred in the past 3 years.

The accompanying table shows that the lot of the young Russian engineer is today poor when compared with his American counterpart. For example, about 10 percent of a young Soviet engineer's monthly salary is gone when he buys a single pair of very ordinary quality shoes. A similar pair of shoes would cost a young American less than 2 percent of his monthly salary of $475. A good pair of shoes is practically unobtainable for the young Russian since he would have to pay nearly 2 weeks salary for them. A small Volga car, whose equivalent here would cost the young American about 4 months' salary, represents so many months of work (15) for the Russian that it is clearly out of reach.

The table appears to show that as far as his monthly earnings are concerned, the starting salary of the young Russian engineer is only a little above that of other workers in the country. However, special privileges of many kinds typically reserved for select groups in the Soviet system, status, and earnings potential as indicated in the table make the young engineer's situation an enviable one when compared to others in Russia. He is also at a decided advantage relative to highly trained professionals in nontechnical fields.

Then, too, if he, for example, manages to become a staff member and ultimately a professor at an institute of engineering education, he achieves not only one of the most remunerative positions, but one held in highest honor in the community.

The Russian of the cities must be particularly conscious of the educational and technical advancements of his country which are displayed before him in the form of elaborate, permanent educational exhibitions intended to excite him with their implied promises for the future. High buildings, ornate subways, and immense stadiums also feed emotional hungers. Amusement parks are lined with posters showing industrial production curves, with increasing slopes for the future, and slogans inciting the Russian to greater efforts (much like our own wartime posters). There are no advertisements increasing his appetites and urging him to buy. Nor is knowledge of the outside world, or of what he does not have, available to disturb him from his tasks. The Russian citizen is apparently expected to feel that he has considerable economic freedom since he can within his organization criticize work methods, foremen, etc. Political freedom he has never had and probably does not miss. Morality is identified with the good of the party, and religion is mere superstition.

The decision to concentrate much effort on education for science and engineering, on research and development, etc., at the expense of other facets of national life, is, of course, a result of policy decisions which can

[1] Sponsored by the Iron Range Resources and Rehabilitation Commission, State of Minnesota.

[2] Sixty-five percent of the students in the Soviet institutions of higher learning study English, according to the recently released report on Soviet education by the United States Office of Education.

most easily be imposed on a nation by decisive authority from above.

The new buildings of the University of Moscow represent one recent peak result of such a policy. This large group of structures located on the Lenin Hills overlooking Moscow cost $300 million to build. This is a recent project, built in 1949–53, and consists of a main 32-story building and 36 other buildings situated in a parklike area of some 800 acres. With its 43 elevators, marble halls, and corridors, it is impressive. Its design, however, leaves much to be desired from the viewpoint of efficiency. The main point to be noted is that this new University of Moscow, with its 23,000 students, trains scientists exclusively—chemists, physicists, mathematicians, geographers, geologists, etc. The literary and other less favored faculties are still located in the antiquated, crowded buildings of the old university in downtown Moscow. This new palace of education-for-science on Lenin Hills, the many well-supported institutes for engineering, education, and research, and the incentive of the high rewards are clear indexes of the great value which the Soviet Government attaches to the advancement of science and engineering and to education for these fields.

All this concentration on technology of course fits in with the materialistic philosophy of the Communists. However, it should not be inferred that there is no cultural activity. A visit to the ballet at the Bolshoi Theater or to an outdoor performance at the Kyrov Stadium, or a recalling of modern Soviet composers will quickly show that this is not so. I was told that there has been a most extensive development over the whole country of many schools of music and that there is a strong interest in poetry. The paintings that I did see, however, appeared completely unimaginative and stagnant. The multitude of crowded bookstores and bookstalls lining the main streets of Moscow, of Leningrad, and other towns we saw is indicative of a wide interest in reading.

One sees in city parks, along highways, in the subway stations, and also in small towns, statues and posters showing a young man or girl studying a book. These apparently are ideals to which the Soviet youth is exposed. The presence and significance of such statues is less surprising when one is informed that in the last 40 years the Soviets have raised themselves by their own bootstraps to increase the number of students in their schools from less than 10 million to more than 34 million today and that universal secondary education is planned by 1960. Illiteracy has been essentially eradicated. A new nation has taught itself within two generations—young and old alike—to read and to write and has produced in 1955 young scientists and engineers at double the rate of our United States of America—the most advanced and powerful industrial nation of the world. Today Russia is reported to have 70,000 or so Ph. D.'s in science and engineering.

There are now 33 Soviet universities and a multiplicity of technical institutes and research organizations which inevitably have affected and will continue to raise the scientific and technical skills of the Russian.

A visitor naturally searches to find the incentives used to promote so much advanced study and research in the U. S. S. R. The answer came quickly. Money and prestige, as might be expected, are the incentives used even in Russia today. They are a measure of the value of the individual's contribution to the state.

A Soviet student enters a higher technical school through severe competitive examinations and is considered to be working for the state as he would in an industrial plant. There are no tuition fees since last year, and all successful students have substantial scholarships. Retention of these scholarships (as well as their amounts and privileges) is related to scholastic performance, as is the job to which the graduating student has access. As has been pointed out, the rewards available to the engineering graduate—and particularly to the engineering educator—are considerable.

The directions in which the best talent tends to flow under such circumstances are obvious, and the effect upon the quality and number of high-grade engineers and scientists available to the nation follows.

Our own industrial experience has demonstrated, in no uncertain terms, that it is essential for a corporation to have a strong research and development program if it is to maintain its position relative to competition. Our earnest competition for the future is no longer largely between corporations: it is between our Nation and the U. S. S. R. It is a challenge to each one of us.

The effects of the Russian policy for education and research on the development of the Soviet state are already clear. If the United States invests heavily in better education and basic research it can be certain of a high return in a few years in the welfare and material wealth of the American people. It is a good investment even without considerations of national security. Its achievement, however, will take more than investment.

IMPRESSIONS THAT REMAIN

The high personal qualities and drive of the men who received us in their laboratories and plants.

The burdens evident in the faces of the people we saw in the villages—a reminder of our common humanity, problems, and hopes, and the need for justice and for peace in the world.

SALARIES IN THE U. S. S. R., AS TOLD BY SEVERAL DIFFERENT PERSONS TO E. L. PIRET IN RUSSIA IN JULY 1957

Nonqualified labor, 500 rubles per month.

Women sod pickers, 700 to 800 rubles per month.

Taxi drivers, 800 to 900 rubles per month.

Women on construction jobs, 600 to 1,000 rubles per month.

Women guides, university graduates, 800 rubles per month.

Tractor drivers in peat fields, 900 rubles per month.

Peat field supervisors, 2,700 rubles per month.

Engineers just out of school, 1,000 rubles per month.

Engineers with 15 years experience, 3,000 to 4,000 rubles per month.

Coal miners, 3,000 to 4,000 rubles per month. (Recognizing essential and dangerous work.)

Machinists (48 hours per week), 1,000 to 2,000 rubles per month.

High-school teachers, 1,200 to 1,500 rubles per month.

Medical doctor or lawyer, 1,500 to 1,800 rubles per month.

Chemists (with 4 years training): After 10 to 15 years' experience, 1,500 rubles per month; with a kandidat, 2,800 rubles per month; with a doktor, 4,500 rubles per month.

Engineering assistant to a deputy minister of the government, 2,500 rubles per month.

Manager of a 500-man plant, 3,500 rubles per month plus additional facilities (car, apartment, etc.).

Professors at a university, 6,000 to 11,000 rubles per month plus additional facilities (car, etc.).

President of the Academy of Science is the highest salaried individual in the U. S. S. R.

Artists' salaries are very, very high; e. g., a top dramatist, 20,000 rubles per month.

A party member receives no pay for his political work (I was told).

PRICES

Moscovite sedan, 15,000 rubles.

Volga sedan (comparable to a very small European Ford), 30,000 rubles.

Ordinary quality dress shoes, 100 rubles.

Good quality shoes, 300 to 400 rubles.

One kilogram butter, 28 rubles.

One kilogram white bread, 1 ruble.

One kilogram good meat, 10 rubles.

EXCHANGE RATES

Commercial, 1 ruble equals 25 cents United States..

Tourist, 1 ruble equals 10 cents United States.

INCREASED EQUIPMENT ALLOWANCE FOR RURAL MAIL CARRIERS

Mr. NEUBERGER. Mr. President, every one of us knows from personal experience that operating our automobiles becomes more expensive with each succeeding year. Whenever individuals are reimbursed for the use of their cars in business, the rate per mile has steadily increased.

Among those who must operate their automobiles in the line of duty are the rural letter carriers of the country. It has been their experience that the expense has outrun the size of the reimbursement. In response to this situation, S. 3050 was introduced January 16, 1958, by the junior Senator from Texas [Mr. YARBOROUGH] and the junior Senator from Wisconsin [Mr. PROXMIRE]. This measure proposes to increase the equipment-maintenance allowance for rural carriers in the postal service to 11 cents for each mile or fraction thereof or $4.50 per day, whichever is greater. The rate is now 9 cents. There is a provision, too, for an additional allowance of $2.50 per day for carriers serving heavily patronized routes.

Hearings on this bill were recently conducted by the Senate Post Office and Civil Service Committee. Included in the record of the hearing, Mr. President, is my statement in support of S. 3050. Because my statement contained some significant figures provided by rural carriers from my own State, I ask unanimous consent to have it included in the body of the CONGRESSIONAL RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR RICHARD L. NEUBERGER BEFORE SENATE POST OFFICE AND CIVIL SERVICE COMMITTEE, FEBRUARY 7, 1958, HEARING OF SUBCOMMITTEE ON S. 3050, EQUIPMENT MAINTENANCE ALLOWANCE FOR RURAL CARRIERS

Mr. Chairman, I had the privilege of meeting in Portland with a delegation of rural carriers from my home State of Oregon on October 28, 1957. We met in my Portland office and we discussed the situation that confronts every rural carrier in the country. That situation may be stated simply as one in which expenses are consistently outrunning income. Just as the farmer has to buy his equipment at inflated prices out of income that has not risen proportionately, so the rural mail carrier finds himself paying higher prices for his cars each time he replaces his old one. He also finds that the price of gasoline and oil have climbed to new highs. His equipment allowance has

not kept pace. The result is that the rural carrier is digging deeper every year to cover his expense deficit from his salary. Mr. Chairman, I submit that in effect the rural carriers, to the extent of that deficit, are endowing rural delivery service.

I am sure it wasn't conceived that such should be the case when the Grange battled successfully in behalf of the inauguration of rural free delivery in the last century.

I told the rural carriers who placed before me the imperative need of adjustment of the mileage equipment allowance that I wanted them to provide me with copies of their worksheets so that I could present the undisputable facts to my colleagues on the Senate Post Office and Civil Service Committee. This they have done and the figures fully support their claims. I have gone over a score of these expense sheets which I will leave with the professional staff members of this committee for further analysis. Let me point out a few figures gleaned from these reports which emphasize the extreme need for enacting S. 3050. The deficit reported in these 20 reports ran as high as $781.97. There were 3 of the 20 rural carriers reporting whose deficits were under $100. There were three who had deficits of more than $500. The average deficit of the 20 who reported was $256 annually. This is a substantial contribution, I am sure you will agree, that each of these rural carriers is making to the postal service. True, it is deductible expense which is subtracted from their salary on line 5, page 1, of form 1040. But it is unjust and inequitable, and as far as the families of the individual carriers are concerned, it is in effect a cut in salary.

This year these rural carriers in Oregon are faced with the prospect of an even greater deficit if measures to increase the mileage equipment allowance fail of enactment. Their liability and collision insurance, for one thing, has jumped 30 percent. Those who will replace their automobiles will do so at a far higher figure than the old car cost when it was new. Mr. Chairman, these figures lead me to concur with Mr. Kenneth D. Fendall, president of our Oregon Rural Letter Carriers' Association when he says "We carriers feel it is unfair to ask us to dip into our salary to pay costs of equipment that we have to have to properly serve our routes." There would seem to be only one reply that could properly or fairly be given Mr. Fendall. That would be enactment of S. 3050.

I have assured the president of the Oregon rural carriers that I will vigorously support and work for such a measure.

Thank you, Mr. Chairman.

FORTIETH ANNIVERSARY OF PROCLAMATION OF INDEPENDENCE BY REPUBLIC OF LITHUANIA

Mr. MARTIN of Pennsylvania. Mr. President, I ask unanimous consent to have printed in the body of the RECORD, as part of my remarks, a brief statement relating to the 40th anniversary of the proclamation of independence by the Republic of Lithuania.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MARTIN

The 40th anniversary of Lithuanian Independence Day, which occurs Sunday, February 16, should be honored by every American who holds sacred the ideals upon which our liberty and independence were established.

This anniversary commemorates a historic event in the world struggle for freedom and justice. It brings to our attention once more the heroism of the Lithuanian people and their courageous determination to keep uppermost in their hearts and minds their goal of national independence.

Held captive by a foreign invader and robbed of their sovereignty by the armed might of Soviet aggression, these valiant people have never surrendered to despair. Subjected to savage persecution under the iron heel of Communist tyranny and terrorism, they have never lost hope of ultimate victory. Their spirit of independence has not been crushed but lives on to inspire new hope that the day of liberation is close at hand.

It is important, therefore, on this memorable anniversary, to make known to the people of Lithuania that we are dedicated to the noble cause of Lithuanian independence and join them in prayer that their land may soon again be restored to her rightful and honored place among the free nations of the world.

ALASKAN AND HAWAIIAN STATEHOOD

Mr. MURRAY. Mr. President, as the Members of the Senate know, S. 49, the bill to enable the strategic and richly endowed American Territory of Alaska to become a State, was reported favorably by the Senate Committee on Interior and Insular Affairs during the first session of this 85th Congress, and is now pending on the Senate Calendar. It is Calendar No. 1197.

In connection with this pending legislation, the New York Times and the Washington Post and Times Herald both have published recently highly pertinent editorials—the New York Times this morning and the Post on last Friday, February 7. I ask unanimous consent that these most timely and carefully considered editorials appear in the body of the RECORD at this point.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the New York Times of February 10, 1958]

STATEHOOD SHENANIGANS

We don't believe President Eisenhower was being disingenuous when he came out at his press conference last week for bringing the Alaska and Hawaii statehood bills up simultaneously. But the overwhelming probability is that if the attempt to tie the Alaska and Hawaii statehood bills together succeeds neither one will get through.

Such a failure would be a new breach of the promises made by both major parties in 1952 and again in 1956. The Republican platform of 1952 pledged "immediate statehood" for Hawaii and "statehood under an equitable enabling act" for Alaska. In 1956 the platform called for "immediate statehood" for both Territories. The Democratic platforms in 1952 and again in 1956 likewise pledged "immediate statehood" for the two. If platform promises were like other kinds of promises Alaska and Hawaii would now be States.

But the promises have been evaded: first, in 1953, when Hawaii was killed off by tagging Alaska to the same bill; now, in 1958, when Alaska's cause is likely to be ruined by linking it, in the same bill or an immediately following bill, with the now more difficult cause of Hawaii. Senate Minority Leader KNOWLAND has given warning to this effect, and since he could rally some race-conscious Democrats the effect may be fatal to both Territories. There has been a shift in the statehood situation since 1953 as Alaska's political strength has grown and as Hawaii's leftwing elements have frightened off some former friends of Hawaiian statehood.

There is no quarrel between the Hawaiian statehood advocates and the Alaskans. If Alaska gets through at this session Hawaii's chances at the next session will be improved. But the parliamentary attempt to tie the two together comes—let there be no mistake about that—from those who don't want either Territory to enjoy self-government that prevails in other parts of the Union.

[From the Washington Post and Times Herald of February 7, 1958]

TAKE ALASKA FIRST

Senator KNOWLAND has muddied the water over consideration of statehood for Alaska by insisting that Hawaiian statehood also be considered immediately. We hope that this is an inadvertence, and not a deliberate maneuver to thwart statehood for either Territory. Republicans would take upon themselves an ugly responsibility if they were to resurrect the cynical device that was used to kill statehood several years ago when the two bills were tied together.

Until Mr. KNOWLAND's statement, or at least until President Eisenhower's news conference on Wednesday, the chances for Alaskan statehood seemed brighter than in a long time. Speaker RAYBURN had given the bill his personal endorsement and promised to bring it to a vote in the House. There were similar grounds for optimism in the Senate, with tacit agreement that the Alaska bill would pave the way for later consideration of Hawaii. Both Republicans and Democrats seemed to have concluded not only that Alaska's cause is just, but also that both parties would benefit from early passage of enabling legislation. Interior Secretary Seaton has been a consistent supporter of statehood and last year suggested a sensible plan for protection of the Federal interest in Alaska that has become the basis of the present bill.

On Wednesday, however, Mr. Eisenhower advocated the simultaneous admission of both Alaska and Hawaii; and now comes Mr. KNOWLAND's statement. This has an ominous ring, for it is not the way to help Hawaii. Champions of statehood for both Territories know that there is more controversy over Hawaii. Therefore the most promising course is to concentrate on passing the Alaska bill now, in full confidence that when Alaska finally assumes her privileges and responsibilities as a regular member of the Union, Hawaii will not be far behind.

Mr. MURRAY. Mr. President, my own record in the Senate as a supporter of statehood for Hawaii speaks for itself. I took an active part in the hearings held by the Interior and Insular Affairs Committee in the 81st Congress which led to our favorable report on H. R. 49, the Hawaii Statehood Enabling Act of that Congress. This was the first Hawaii statehood bill ever to be reported out of committee in the Senate.

In the 82d Congress I was a sponsor of the Hawaii bill; and again in the 83d Congress, I not only was a sponsor, but also took an active part here on the floor of the Senate for passage of the statehood bill. In the 84th Congress, as Chairman of the Interior and Insular Affairs Committee, I introduced the Hawaii statehood bill and helped hold the hearings on the measure. So, too, in this Congress, I introduced S. 50, statehood for Hawaii, and helped with our committee's favorable action on the measure.

Today, Mr. President, I am as firm a supporter of statehood for Hawaii as I have been all through the years. But I am also a realist. In the other body,

the Alaska bill, H. R. 7999, has been reported favorably by the House Committee on Interior and Insular Affairs. The Hawaii bill has not even been acted on by the Territories Subcommittee.

It is obvious that the Alaska bill has an excellent chance of enactment this session; the Hawaii bill has relatively little. Together, neither of them would have much chance, in my considered opinion.

Therefore, all friends of statehood should unite in permitting Alaska to go forward alone this year.

Incidentally, with respect to Alaska, I might mention that our measure, S. 49, does not provide that the two so-called Tennessee plan Senators should be recognized and seated forthwith in this body. On the contrary, specific provision is made for primary and general elections to be held in the Territory next year for the purpose of nominating and electing representatives to Congress after the State has been admitted. Thus, each political party again would have equal opportunity of electing Senators and a Member of the House for the 86th Congress.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. MURRAY. I yield to the Senator from California.

Mr. KNOWLAND. Mr. President, I want to say as one who has also supported statehood for both Hawaii and Alaska, ever since I came to the Senate, and as one who has been vitally interested in the subject, believing both of these great Territories will gain statehood, that I hope very much the leadership in the Senate and the majority policy committee will not only schedule for consideration by the Senate the bill to grant statehood to Alaska, but, when the Senate has acted upon that bill, I hope they will immediately thereafter schedule for consideration the bill to grant statehood to Hawaii, for action by the Senate, to at least give the Senate of the United States an opportunity to again pass upon these great public policy questions relating to statehood for both Alaska and Hawaii.

Mr. MURRAY. I appreciate the Senator's statement and pay tribute to him for his genuine statesmanship in behalf of both Alaska and Hawaii. I am in thorough agreement with the Senator that both Territories should become States. As stated, I have sponsored and supported bills for that purpose throughout the years.

I intend to go forward with support of statehood for Hawaii after we succeed in securing passage of the Alaska bill. I am sure the Senator will agree with me that the likelihood of getting a bill through for Hawaiian statehood immediately is not very favorable. As soon as the circumstances are propitious, I am willing to support it.

Mr. KNOWLAND. Mr. President, will the Senator yield further?

Mr. MURRAY. I yield.

Mr. KNOWLAND. I want to compliment the distinguished Senator for getting both bills on the calendar, where they follow in sequence, one behind the other. I notice Calendar No. 1197 is Senate bill 49, a bill to provide for the admission of the State of Alaska into the Union, and immediately following that is Calendar No. 1198, Senate bill 50, a bill to provide for the admission of the State of Hawaii into the Union.

I know that the committee would not have reported the bills to the Senate unless the committee members felt both Territories were qualified for statehood. All I am suggesting to the distinguished Senator is that once the bill to provide statehood for Alaska has been taken up and has been acted upon, immediately following that, as appears on the Senate Calendar, the bill to provide statehood for Hawaii should be taken up, so that at least the Senate of the United States will have an opportunity to vote on the question immediately following consideration of statehood for Alaska.

Mr. MURRAY. I appreciate that statement by the distinguished and able Senator from California.

Mr. KNOWLAND. I hope the distinguished Senator will be able to join with us on both sides of the aisle in getting a vote on both of these measures at this session.

Mr. MURRAY. The Senator may be sure I will. I have always supported statehood for both Territories, and I shall continue to work for statehood for Hawaii.

FIGHT FOR WORLD HEALTH

Mr. NEUBERGER. Mr. President, the eminent medical authority, Dr. Howard A. Rusk, M. D., who specializes in that subject for the New York Times, has written a persuasive column entitled "Fight for World Health." Dr. Rusk seeks further support of the various branches of the National Institutes of Health and he pays deserved tribute to our colleague, the distinguished senior Senator from Alabama [Mr. HILL], as the "dean of American health legislation." Dr. Rusk emphasizes the fight against cancer and heart disease.

I ask unanimous consent that this salient article by Dr. Howard Rusk, from the New York Times of February 2, 1958, appear in the body of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FIGHT FOR WORLD HEALTH—AN ANALYSIS OF MONEY NEEDED TO MOUNT OFFENSIVE ON CANCER AND HEART DISEASE

(By Howard A. Rusk, M. D.)

In his state of the Union message earlier this month, President Eisenhower invited the Soviet Union to join in the current global plan for the eradication of malaria from the world in the next 5 years.

He then suggested that as a first step toward his "Science for Peace" plan that the Soviet Union and the United States pool their efforts in research against the two great killers and cripplers, cancer and heart disease.

Senator LISTER HILL, Democrat of Alabama, long the "dean" of American health legislation, has now proposed immediate implementation of the President's suggestion by a dynamic program of "health for peace."

Speaking on the Senate floor, Mr. HILL deplored what he termed "the unfortunate contrast between word and deed."

He cited the President's proposal in his state of the Union message, but then added, "yet in his budget message he proposed that we cut back our own domestic fight against these dread killers of mankind."

In his budget message, the President recommended that the overall appropriation for the National Institutes of Health remain in the next fiscal year at the current $211,183,000.

Reallocation of funds within the National Institutes of Health would reduce funds from the National Cancer Institute from $56,402,000 to $55,923,000 and the National Heart Institute from $35,936,000 to $34,712,000.

Once again the President also plans to ask Congress to increase the overhead or indirect cost allocation to medical schools and other research institutions from the present 15 percent to 25 percent. Congress refused to do this last year.

OTHER BUDGET REQUESTS

The President's other budget proposals relating to the health activities of the Department of Health, Education and Welfare, would:

Reduce the $121 million available for Federal grants for hospital construction to $75 million.

Increase funds available to the Food and Drug Administration by 1 percent.

Decrease tuberculosis control funds by 50 percent.

Increase funds for radiological health activities by 50 percent.

Appropriate another $30 million for Federal grants for construction of medical research facilities.

Reduce funds for venereal disease and communicable disease control.

As the first step toward health for peace, Senator HILL urged that the President submit to Congress a substantial supplemental budget increase for research against cancer and heart disease and a long range research program against these diseases.

The remainder of his program would:

Expand United States participation in existing international programs against cancer and heart disease.

Have the United States take the initiative in planning international research attacks on cancer and heart disease.

Provide for an official exchange between Russian and American scientists engaged in research on cancer and heart disease.

Provide that the United States initiate plans for an international clearinghouse on medical research information not only on cancer and heart disease but on all the major illnesses which plague humanity.

BIPARTISAN SUPPORT NOTED

The question of increased funds for medical research has long had bipartisan support. Two years ago, for example, Senator MARGARET CHASE SMITH, Republican of Maine, introduced a bill calling for a $1 billion expenditure by the Federal Government over a 5-year period for medical research, Federal grants for medical research facilities, and Federal aid to medical education.

Congress has regularly appropriated more funds for the research programs of the National Institutes of Health than recommended in the President's budget. Congress recognizes that the people of the United States firmly believe in tax-supported medical research.

Nor can the contribution which Senator HILL's proposals to international understanding be questioned. Most people agree that while we and the rest of the world are spending billions of dollars for research for instruments of death and destruction in our struggle for survival, we should spend a few million on promoting health, happiness, human understanding, and dignity in our struggle for peace.

But if we are to take advantage of the opportunity within our reach of uniting the people of the world in the common cause against diseases which know no geographical or ideological boundaries, we must follow Senator HILL's advice that we must act and act boldly, now.

PAY TELEVISION

Mr. LONG. Mr. President, I ask unanimous consent to have printed in the RECORD the text of a letter I wrote to the Chairman of the Federal Communications Commission regarding the alleged propaganda campaign by the television networks to prevent the public from viewing pay television.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
Washington, D. C., February 10, 1958.

The Honorable JOHN C. DOERFER,
Chairman, Federal Communications Commission, Washington, D. C.

DEAR MR. CHAIRMAN: I read a statement by E. F. McDonald, Jr., president of Zenith Radio Corp., in the city edition of the Washington Daily News dated Wednesday, February 5, 1958, at pages 20–21, a copy of which is enclosed.

The allegation is made by Mr. McDonald that certain television stations in the country, pursuant to urging by their network, are employing their facilities to make false charges against subscription television, all of which, it is alleged, is a part of a propaganda campaign to induce members of the public to write letters in opposition to subscription television to Members of Congress.

It was my understanding that the law imposes upon television station licensees the duty of fair and objective presentation of all controversial issues to the public. It is my further understanding that they cannot use their facilities for one-sided and unfair propaganda campaigns in which they or anyone with whom they associate have an interest.

If my understanding of the law is correct and if the charges are factual, then it would be true that certain television licensees have improperly used their facilities and have violated their duties as licensees.

I have taken no position on subscription television, although I cannot understand why the American people are not capable of deciding for themselves whether they like pay television after they have seen it.

I take no position with respect to the allegations made by Mr. McDonald. I am concerned with determining the truth or falsity of the allegations. If Zenith's charges are not true, then this fact should be exposed to the public. If they are true, then it is highly important that we determine whether such licensees have violated the law or whether the law should be strengthened to avoid such tremendous unrestrained concentrations of propaganda power.

I would appreciate your determining the treatment that television stations have given to subscription television since October of 1957, particularly with regard to the fairness of their presentation of the subject. I would appreciate a report from you at your earliest convenience.

I am aware that your Commission is presently under fire in connection with other matters. However, inferences that you have been unduly influenced by the networks are inconsistent with the fact that you did not yield to the pressures which are presently being brought to bear on the Congress in connection with this matter. It may well be that the fundamental soundness of our democratic form of government may be in for a serious testing. It is in that light that I believe everyone having any connection with this problem should carefully examine his conscience at the present time.

Sincerely yours,

RUSSELL B. LONG.

Mr. LONG. Mr. President, I also ask unanimous consent to have printed in the RECORD the advertisement by the Zenith Corp., to which my letter makes reference.

There being no objection, the advertisement was ordered to be printed in the RECORD, as follows:

THEY'RE ALL SCARED TO DEATH OF YOU, THE PUBLIC

Yes; they are running scared as cats. They are afraid to give you the freedom to choose on your own behalf the television programs you might want to see. They say that you must be compelled to watch the programs they select for you or nothing at all.

Who is so afraid? The president of CBS and the president of NBC and the president of ABC and the president of the National Association of Broadcasters, and a number of other very powerful people who run television networks and are so afraid to trust you that they are operating a nationwide propaganda and lobbying campaign, hoping to high pressure you and Congress.

What are they so afraid of? These men know better than anyone else that your TV set is technically capable of receiving the finest new motion pictures, hit Broadway plays, and other attractions which you can now see only by leaving your home and going out to the theater or stadium.

They know you would like to be able to see these programs in your own living room at a cost to the whole family of less than one ticket to the movies. No babysitters—no traffic, no parking fees—and no commercials in the program.

They are afraid that even the limited trial run of subscription TV, recently authorized by the FCC, would prove a public demand for really great programs and be a huge success.

This is what wakes them up shaking in the middle of the night. They are afraid you will find out how good TV can really be. This is why they are flooding the public and Congress with the phony charges that subscription TV will make every set owner pay for the programs he now sees free. They know this is not true and that it cannot ever be true.

At Zenith, we have time and time again pointed out that it would be plain business stupidity to ask you to pay to see a program you are now receiving free. The FCC has stated that it does not intend to permit, during the tests or after them, any practices that will impair the availability of advertising supported or so-called free programs. But despite all this—the phony charge continues being dinned into the ears of millions of Americans, accompanied with the request that people object to subscription television in letters to Congressmen.

The campaign is paying off handsomely. Thousands of letters from people rebelling against the idea of having to pay for present television programs are pouring into Congressmen's offices.

Actually, these thousands of letters prove what we have always known; namely, that the public would be outraged if asked to pay for television programs now received through advertising sponsorship. It has always been our position that subscription television can only succeed if it offers vastly superior programing for which people are willing to pay.

This all-out network campaign raises a frightening specter of network power over the public mind. If it is successful, it will confirm the three networks as the most powerful and dangerous lobby the country has ever known. Between them, they will have an ironclad grip over what shall be seen and what shall not be seen on the Nation's 40 million television sets. This power is now being used to prevent you from even sampling the wares of a new competitor, subscription television. It can also be used for many purposes, political as well as economic. Where will it stop?

If anyone has any doubt about the matter in which this power is being used today, here are a few of the facts:

Last January 13, on the eve of Congressional hearings regarding subscription television and proposed action to loosen the stranglehold networks now have on their dependents, the affiliated stations, the Columbia Broadcasting System threw an enormous banquet in Washington. There was provided a lavish star-studded program of entertainment which CBS would have charged an advertiser a quarter of a million dollars to televise. It was specifically designed to attract Members of Congress. What these guests had not anticipated was the presence of scores of executives of affiliated stations, well briefed beforehand, and strategically seated in the hope that the captive audience of Senators and Congressmen could be indoctrinated against subscription television.

Stations were urged to go on the air at home to repeat the charge that subscription TV would take over all TV, and to urge their listeners to write opposing letters to their Congressmen.

One station, a CBS affiliate, went so far as to tell the kids listening to a children's program that it would be killed off by pay-TV and to be sure to get mother and dad to write their Congressman and Senator.

Others bought space in local newspapers to publish the same phony charges.

Still others scurried through the Halls of Congress, urging their representatives to vote for legislation that would ban even the FCC-authorized trial of subscription TV.

NBC, another network, asked its affiliated stations to contribute money to an organization formed solely for the purpose of fighting subscription TV.

Washington has rarely, if ever, seen such a display of high-pressure lobbying from entrenched and vested interests.

All this has just one purpose—they want to pressure Congress into thinking that the people are against subscription television. The networks and the movie theaters don't really believe you are against it—on the contrary, they are so afraid you will support it during the course of the trial run proposed by the FCC that they are frantic in their efforts to prevent you from having that chance. If they really believed you were against paying a small fee for better, commercial-free programs, or that we won't be able to bring such programs to you, then they should welcome a public test. They know as well as anyone that we must have your support, earned by giving you the top-notch programs you really want, because without your support, even a limited test would be a crashing flop.

It is astounding enough that the networks dare undertake such an unprecedented thing as the outlawing of a new competitor at birth. It is shocking enough that their cynicism toward governmental processes has reached the point where they insult Congress by seeking to use lavish entertainment, pressure from special interests, and letters obviously induced by unfair propaganda to obtain legislation to protect their own pocketbooks. It is amazing enough that they can take in hundreds of millions of dollars each year out of the public's airwaves, for which they pay nothing, and then use those public airwaves to conduct unfair propaganda campaigns. But the most astounding, shocking, and amazing thing of all is that three organizations in New York City could have amassed such terrible power. The

question is no longer whether subscription television will benefit the public. The question is whether our democratic institutions and processes can coexist with such tremendous concentrations of unbridled and irresponsible power.

E. F. McDONALD, Jr.,
President, Zenith Radio Corp.

[From the Tulsa Tribune of January 23, 1958]

WHAT ABOUT PAY TV?

Presidents of America's three major radio-TV networks have been busy this week warning a Congressional committee that pay TV would ruin free TV.

The argument is intriguing. Here, say the gentlemen, are magnificent television programs free to the American people at a mere twist of the fingers. Yet if the Federal Communications Commission approves a 3-year test of pay TV, say these network presidents in unison, practically all the good shows and talent would gravitate to the pay circuits, leaving free TV nothing.

Let's examine this:

Why should a man pay for product A when a similar product B is offered free? There is only one answer. He must prefer product D enough to make up for the price.

How could pay TV survive in the face of competition from free TV? Only if pay TV offered programs that appealed to X number of people so much more than the free TV fare that these people would be willing to fork over enough to make pay TV a paying proposition.

Is there any reason why Americans should not have a choice between free entertainment and paid entertainment? They always have. You can go to the symphony, or you can play a record on your phonograph. You can take a bus ride, or you can walk your girl through the park. You can go to a movie, or you can flip on the TV.

Ah, as Hamlet said, there's the rub.

What the TV tycoons are really saying is that if you want to see good shows without commercials you cannot see them in your home—no, not even if you are willing to pay for the privilege. You must load the kids in the car and drive to the nearest theater. Your home entertainment is to be reserved exclusively for what the presidents of NBC, CBS, and ABC choose to give you.

If these gentlemen choose to give you grade B movies, interrupted every few minutes with lengthy sales talks, you must take it. You cannot subscribe to something else for your living room. In short unless you are willing to go to the inconvenience of leaving your house you must leave your entertainment in the hands of the commercial networks.

So much for these crocodile tears about pay TV "depriving the American people of free entertainment." If the American people choose not to pay the commercial circuits will lose no viewers. And unless the pay circuits offer better fare than TV does at present they will have no business.

We have here a very fundamental issue. Do the electronic screens in America's living rooms belong to NBC, CBS, and ABC or do they belong to the people who have bought them? Is it in the interests of free enterprise to give the three networks dictatorial power over what one shall see in his home, or shall the homeowner be allowed to buy a program if he thinks it's worth the price?

We hope Congress isn't fooled by these anguished gentlemen.

PRICE SUPPORTS FOR MILK

Mr. JAVITS. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution from 800 members of the Dairymen's League Cooperative Association of Madison and Onondaga Counties of New York with reference to the determinations of the Secretary of Agriculture as to the support price for milk.

There being no objection, the petition was ordered to be printed in the RECORD, as follows:

DAIRYMEN'S LEAGUE COOPERATIVE ASSOCIATION, INC., DISTRICT 11

We, the delegates of district No. 11, Dairymen's League Cooperative Association, representing 800 members in Madison and Onondaga Counties, in regular session on December 27, 1957, after discussion, passed the following resolution:

"Whereas the action of Secretary of Agriculture Benson in reducing dairy support prices to 75 percent of parity will cost the dairy farmers of the Nation $300 million in the marketing year beginning April 1, 1958; and

"Whereas this will be reflected by a drop of 12 to 25 cents per hundredweight in the blend price paid to farmers under Federal Order No. 27; and

"Whereas farmers under Federal Order No. 27 have won substantially improved prices under the new order which became effective August 1, 1957; and

"Whereas the move of the Secretary offsets much of the advantage that producers will continue to receive under the new order; and

"Whereas the Secretary took ill-advised action in announcing his decision by promising reduction in the retail price of fluid milk which promise has no basis in economic fact due to the increasingly high cost of labor in handling and processing milk: Therefore be it

"*Resolved*, That we support the action of President Benham and our board of directors in calling upon the Congress of the United States to take direct legislative action to protect the income of dairy farmers; and be it further

"*Resolved*, That the board of directors urge Congress to pass enabling legislation for a producer-financed self-help program; and we further

"*Resolve*, That the Dairymen's League board of directors call upon all other farm organizations to join in bringing this matter to the attention of their members and urge them to support Congressional action to protect the income of dairy farmers."

R. M. AUSTIN.
LAURENCE DAMON.
MARSHALL H. HIGLEY.

THE CORDINER COMMITTEE RECOMMENDATIONS

Mr. JAVITS. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution from the Board of Supervisors of Essex County, endorsing the recommendations of the so-called Cordiner Committee for compensation of members of the armed services.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Resolution 25, Cordiner Committee report

Whereas the United States Air Force has stated that its No. 1 problem is retention of skilled personnel and this same problem exists in the other services; and

Whereas a committee headed by Mr. Ralph J. Cordiner, president of General Electric, has proposed a modernized military-pay system based upon accepted methods of American industry and designed to aid the military services to reward and retain skilled individuals in critical jobs; and

Whereas it has been estimated that if adopted the Cordiner Committee's recommendations would eventually save $5 billion annually in training costs and at the same time substantially increase the striking power of our military forces: Therefore, be it

Resolved, That the Essex County Board of Supervisors does unanimously urge the Congress of the United States to adopt legislation containing the recommendations of the Cordiner Committee; Be it further

Resolved, That a copy of this resolution be sent to the Honorable IRVING S. IVES, United States Senator; to the Honorable JACOB JAVITS, United States Senator; and to the Honorable DEAN TAYLOR, Member of the House of Representatives; and that a copy of this resolution be sent to all county boards of supervisors of New York State and that the Essex County Board of Supervisors does urge all organizations and individuals to contact their Representatives in Congress and ask them to support the Cordiner Committee report.

ZELMA A. COOK,
Clerk of the Board of Supervisors of Essex County.

PETITIONS RELATING TO PRACTICES OF ELECTRIC LIGHT AND POWER INDUSTRY

Mr. JAVITS. Mr. President, I ask unanimous consent to have printed in the RECORD two petitions; one from Delaware County, N. Y., and one from Clinton County, signed by various citizens interested in electric power furnished to consumers by electric cooperatives, who protest against what they call an advertising campaign by the electric light and power industry.

There being no objection, the petitions were ordered to be printed in the RECORD, as follows:

Whereas many of the Government controlled and regulated electric light and power companies are expending vast sums of money in false and misleading advertising campaigns in national magazines; and

Whereas the ads complain that whereas taxes allegedly constitute 23 cents of every revenue dollar paid to private utility companies, people who get electricity from Federal Government electric systems—are privileged people. They pay a far smaller tax—only a fraction of the tax you and most other people pay because, the ad concludes, a strange twist in Federal law exempts them from paying most of the taxes in electric bills * * * because they get their electricity from Federal electric systems; and

Whereas these statements are false and misleading in two particulars:

First, the Federal wholesale power agencies are not electric systems in the usual sense. They do not anywhere sell power at retail. Some Federal power is purchased and resold at retail by nonprofit cooperative electric systems, which, in general, pay all taxes except the Federal income tax. This they do not pay because they operate on a nonprofit basis. And any other business organization is afforded the same privilege by law.

Second, despite the claims of the advertisement, there is no law which exempts anyone from paying taxes merely because he is a purchaser of Federal power; and

Whereas these advertisements are designed, not to build good will, not to sell electricity, not to render a public service, but solely and exclusively to destroy whatever small competitive influence exists in the electric utility business. Their motivation is

the destruction of the Federal power program which in many areas has made possible rural electrification; and

Whereas we believe advertising of this sort is an unfair and deceptive practice; contrary to the public interest because it is designed to eliminate even a modicum of competition from the electric-power industry. It is doubly reprehensible coming from a group of companies, each of which enjoys an absolute monopoly.

Now, therefore, we, the undersigned, petition our United States Senators, IRVING IVES and JACOB K. JAVITS and our Congressman, WILLIAM R. WILLIAMS, and our State senators, Wheeler Milmoe and Fred Rath, and our assemblymen, Paul Talbot and William S. Calli, to (1) sponsor and promote legislation to prohibit this reprehensible practice of false propaganda at the expense of the electric consumer.

Anna Maxwell, director, Joseph Marshal, Richard Ford, Emma A. Sanders, Clinton, N. Y.; Fred Moreley, Charles Record, Cazenovia, N. Y.; Lawrence R. Cary, Canastota, N. Y.; Payne J. Hart, Eaton, N. Y.; Gordon H. Roberts, Madison, N. Y.; Stewart Schindler, Oriskany Falls, N. Y.; David J. Jones, W. C. Brown, Erieville, N. Y.; M. D. Lyon, Jr., Eugene Lyon, William H. Lucas, Cazenovia, N. Y.

Whereas many of the Government controlled and regulated electric light and power companies are expending vast sums of money in false and misleading advertising campaigns in national magazines; and

Whereas the ads complain that whereas taxes allegedly constitute 23 cents of every revenue dollar paid to private utility companies, "People who get electricity from Federal Government electric systems" * * * "are privileged people." They "pay a far smaller tax—only a fraction of the tax you and most people pay," because, the ad concludes, "A strange twist in Federal law exempts them from paying most of the taxes in electric bills * * * because they get their electricity from Federal electric systems"; and

Whereas these statements are false and misleading in two particulars: First, the Federal wholesale power agencies are not electric systems in the usual sense. They do not anywhere sell power at retail. Some Federal power is purchased and resold at retail by nonprofit cooperative electric systems, which, in general, pay all taxes except the Federal income tax. This they do not pay because they operate on a nonprofit basis. And any other business organization is afforded the same privilege by law.

Second, despite the claims of the advertisement, there is no law which exempts anyone from paying taxes merely because he is a purchaser of Federal power; and

Whereas these advertisements are designed, not to build good will, not to sell electricity, not to render a public service, but solely and exclusively to destroy whatever small competitive influence exists in the electric utility business. Their motivation is the destruction of the Federal power program which in many areas had made possible rural electrification; and

Whereas we believe advertising of this sort is an unfair and deceptive practice; contrary to the public interest because it is designed to eliminate even a modicum of competition from the electric power industry. It is doubly reprehensible coming from a group of companies, each of which enjoys an absolute monopoly;

Now, therefore, we the undersigned, petition our United States Senators, our Congressmen, our State senators, and our assemblymen to (1) sponsor and promote legislation to prohibit this reprehensible practice of false propaganda at the expense of the electric consumer:

J. William Bouw, Helen Bouw, Alonzo Van Bromer, Lucy Van Bromer, Isaac Jacobson, Dorothy Jacobson, Arthur Harens, Grayce Harens, David Jacobson, Margaret Jacobson, Albert Bouw, Joyce Bouw, John Shaver, Margaret Shaver, Carlton ———, Georgiana ———, Zorys Pocepma, Helen Pocepma, Roscoe, N. Y.

Whereas many of the Government-controlled and regulated electric light and power companies are expending vast sums of money in false and misleading advertising campaigns in national magazines; and

Whereas the ads complain that whereas taxes allegedly constitute 23 cents of every revenue dollar paid to private utility companies, "People who get electricity from Federal Government electric systems * * * are privileged people." They "pay a far smaller tax—only a fraction of the tax you and most people pay" because, the ad concludes, "A strange twist in Federal law exempts them from paying most of the taxes in electric bills * * * because they get their electricity from Federal electric systems"; and

Whereas these statements are false and misleading in two particulars:

First, the Federal wholesale power agencies are not electric systems in the usual sense. They do not anywhere sell power at retail. Some Federal power is purchased and resold at retail by nonprofit cooperative electric systems, which, in general, pay all taxes except the Federal income tax. This they do not pay because they operate on a nonprofit basis. And any other business organization is afforded the same privilege by law.

Second, despite the claims of the advertisement, there is no law which exempts anyone from paying taxes merely because he is a purchaser of Federal power; and

Whereas these advertisements are designed, not to build good will, not to sell electricity, not to render a public service, but solely and exclusively to destroy whatever small competitive influence exists in the electric utility business. Their motivation is the destruction of the Federal power program which in many areas had made possible rural electrification; and

Whereas we believe advertising of this sort is an unfair and deceptive practice; contrary to the public interest because it is designed to eliminate even a modicum of competition from the electric power industry. It is doubly reprehensible coming from a group of companies, each of which enjoys an absolute monopoly;

Now therefore, we the undersigned, petition our United States Senators, our Congressmen, our State senators, and our assemblymen to (1) sponsor and promote legislation to prohibit this reprehensible practice of false propaganda at the expense of the electric consumer.

Walter G. Hoyt, Norman F. Hoyt, Joseph L. Hoyt, Walton, N. Y.; Harold Moody, Delhi, N. Y.; Walter Tweedi, Walton, N. Y.; Charles A. Davidson, Eston Davidson, Charles R. Davidson, Delhi, N. Y.; Carroll A. Tweedie, Mrs. Walter G. Hoyt, Mrs. J. L. Hoyt, Walton, N. Y.; Mrs. Charles Davidson, Delhi, N. Y.; Clifton Hunt, Elizabeth Anderson, Lloyd Hunt, Lyle Hunt, Florence Tweedie, Elma Barnes, Bruce D. Hoyt, Horton Tweedie, Millard Kilpatrick, Jr., William A. Tweedie, Van Blackman, Letha Blackman, Pearl Tweedie, Elma Barnes, Prince D. Hoyt, Walton, N. Y.

Whereas many of the Government controlled and regulated electric light and power companies are expending vast sums of money in false and misleading advertising campaigns in national magazines; and

Whereas the ads complain that whereas taxes allegedly constitute 23 cents of every revenue dollar paid to private utility companies, "people who get electricity from Federal Government electric systems" * * * "are privileged people." They "pay a far smaller tax—only a fraction of the tax you and most people pay" because, the ad concludes "a strange twist in Federal law exempts them from paying most of the taxes in electric bills * * * because they get their electricity from Federal electric systems"; and

Whereas these statements are false and misleading in two particulars:

First, the Federal wholesale power agencies are not electric systems in the usual sense. They do not anywhere sell power at retail. Some Federal power is purchased and resold at retail by nonprofit cooperative electric systems, which, in general, pay all taxes except the Federal income tax. This they do not pay because they operate on a nonprofit basis. And any other business organization is afforded the same privileges by law.

Second, despite the claims of the advertisement, there is no law which exempts anyone from paying taxes merely because he is a purchaser of Federal power; and

Whereas these advertisements are designed, not to build good will, not to sell electricity, not to render a public service, but solely and exclusively to destroy whatever small competitive influence exists in the electric utility business. Their motivation is the destruction of the Federal power program which in many areas had made possible rural electrification; and

Whereas we believe advertising of this sort is an unfair and deceptive practice; contrary to the public interest because it is designed to eliminate even a modicum of competition from the electric power industry. It is doubly reprehensible coming from a group of companies, each of which enjoys an absolute monopoly.

Now therefore, we the undersigned, petition our United States Senators, our Congressmen, our State senators, and our assemblymen to (1) sponsor and promote legislation to prohibit this reprehensible practice of false propaganda at the expense of the electric consumer.

Peter Svegel, John S. Hinkley, Sr., Ray Olsen, Valentine Oblinski; Bloomville, N. Y.; John Dovman, East Meredith; W. B. Fuller, Leonard Scofield, Clarence M. Buel, Bloomville, N. Y.; George Skog, East Meredith, N. Y.; Sydney G. Oxberry, Bloomville, N. Y.

Whereas many of the Government controlled and regulated electric light and power companies are expending vast sums of money in false and misleading advertising campaigns in national magazines; and

Whereas the ads complain that whereas taxes allegedly constitute 23 cents of every revenue dollar paid to private utility companies, "People who get electricity from Federal Government electric systems" * * * "are privileged people." They "pay a far smaller tax—only a fraction of the tax you and most people pay" because, the ad concludes "A strange twist in Federal law exempts them from paying most of the taxes in electric bills * * * because they get their electricity from Federal electric systems"; and

Whereas these statements are false and misleading in two particulars:

First, the Federal wholesale power agencies are not electric systems in the usual sense. They do not anywhere sell power at retail. Some Federal power is purchased and resold at retail by nonprofit cooperative electric systems, which, in general, pay all taxes except the Federal income tax. This they do not pay because they operate on a nonprofit basis. And any other business organization is afforded the same privilege by law.

Second, despite the claims of the advertisement, there is no law which exempts anyone from paying taxes merely because he is a purchaser of Federal power; and

Whereas these advertisements are designed, not to build good will, not to sell electricity, not to render a public service, but solely and exclusively to destroy whatever small competitive influence exists in the electric-utility business. Their motivation is the destruction of the Federal power program which in many areas has made possible rural electrification; and

Whereas we believe advertising of this sort is an unfair and deceptive practice; contrary to the public interest because it is designed to eliminate even a modicum of competition from the electric-power industry. It is doubly reprehensible coming from a group of companies, each of which enjoys an absolute monopoly.

Now, therefore, we the undersigned, petition our United States Senators, our Congressmen, our State senators, and our assemblymen to (1) sponsor and promote legislation to prohibit this reprehensible practice of false propaganda at the expense of the electric consumer.

Warren Weaver, Roderick Butler, Anger Norris, George F. Hoag, Willie Yurnpu, Alfred Harmisch, Edna Gustafson, Aitley Gustafson, Andes, N. Y.; Gregg Little, De Lancey, N. Y.; Christine Ruchar, Fred Ruchar, Stanley Reed, Howard Rose, George Larr, Virginia Reed, Andes, N. Y.

Whereas many of the Government controlled and regulated electric light and power companies are expending vast sums of money in false and misleading advertising campaigns in national magazines; and

Whereas the ads complain that whereas taxes allegedly constitute 23 cents of every revenue dollar paid to private utility companies, people who get electricity from Federal Government electric systems—are privileged people. They pay a far smaller tax—only a fraction of the tax you and most people pay because, the ad concludes, a strange twist in Federal law exempts them from paying most of the taxes in electric bills because they get their electricity from Federal electric systems; and

Whereas these statements are false and misleading in two particulars:

First, the Federal wholesale power agencies are not electric systems in the usual sense. They do not anywhere sell power at retail. Some Federal power is purchased and resold at retail by nonprofit cooperative electric systems, which, in general, pay all taxes except the Federal income tax. This they do not pay because they operate on a nonprofit basis; and any other business organization is afforded the same privilege by law.

Second, despite the claims of the advertisement, there is no law which exempts anyone from paying taxes merely because he is a purchaser of Federal power; and

Whereas these advertisements are designed, not to build goodwill, not to sell electricity, not to render a public service, but solely and exclusively to destroy whatever small competitive influence exists in the electric utility business. Their motivation is the destruction of the Federal power program which in many areas had made possible rural electrification; and

Whereas we believe advertising of this sort is an unfair and deceptive practice, contrary to the public interest because it is designed to eliminate even a modicum of competition from the electric power industry. It is doubly reprehensible coming from a group of companies, each of which enjoys an absolute monopoly.

Now, therefore, we, the undersigned, petition our United States Senators, our Congressmen, our State senators, and our assemblymen to (1) sponsor and promote legislation to prohibit this reprehensible practice of false propaganda at the expense of the electric consumer.

Harry Hedman, Rorig Avedela, Frank Winston, J. Johnsen, W. B. Mason, Clarence Palmer, Mary J. Palmer, H. F. Sleyler, Walter A. Clayton, Jefferson, N. Y.; Henry McCulley, Davenport, N. Y.; Marjorie Hedman, Jefferson, N. Y.; Don McCulley, Grace McCulley, Davenport, N. Y.

The PRESIDING OFFICER (Mr. THURMOND in the chair). Is there further morning business? If not, morning business is concluded.

ADDITIONAL STAFF MEMBERS FOR COMMITTEE ON LABOR AND PUBLIC WELFARE

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the resolution (S. Res. 253) authorizing the Committee on Labor and Public Welfare to employ certain temporary staff members and assistants.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, which will be stated.

The LEGISLATIVE CLERK. On page 1, line 2, after the word "from", it is proposed to strike out "March 1" and insert "February 1."

The amendment was agreed to.

Mr. SMITH of New Jersey. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from New Jersey will be stated.

The LEGISLATIVE CLERK. On page 1, line 10, after the word "amended", it is proposed to insert the following:

Provided, That the minority is authorized to select one person for appointment, and the person so selected shall be appointed and his compensation shall be so fixed that his gross rate shall not be less by more than $1,200 than the highest gross rate paid to any other employee.

Mr. SMITH of New Jersey. Mr. President, the amendment which I offer has been agreed upon by the chairman of the Labor and Public Welfare Committee. Further it has the unanimous consent of all the minority members of the committee.

This amendment provides for a minority staff member to be included among the four additional staff members provided for by Senate Resolution 253. This amendment—sometimes referred to as the "Curtiss amendment"—has come to be a standard proviso in all resolutions dealing with committee appropriations and I offer this amendment to bring it in line with the other requests for committee appropriations.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Jersey [Mr. SMITH].

The amendment was agreed to.

The resolution, as amended, was agreed to, as follows:

Resolved, That the Committee on Labor and Public Welfare is authorized, from February 1, 1958, through January 31, 1959, to employ four additional professional staff members and two additional clerical assistants to be paid from the contingent fund of the Senate at rates of compensation to be fixed by the chairman in accordance with section 202 (e), as amended, of the Legislative Reorganization Act of 1946, and the provisions of Public Law 4, 80th Congress, approved February 19, 1947, as amended: *Provided*, That the minority is authorized to select one person for appoint-

ment, and the person so selected shall be appointed and his compensation shall be so fixed that his gross rate shall not be less by more than $1,200 than the highest gross rate paid to any other employee.

CONSTRUCTION OF U. S. S. "ARIZONA" MEMORIAL AT PEARL HARBOR

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1253, House bill 5809.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 5809) to authorize construction of a U. S. S. *Arizona* Memorial at Pearl Harbor.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, for the information of the Senate, I wish to announce that there is no intention on the part of the leadership to take action this week upon the unfinished business.

STATEMENT BY SENATOR GOLDWATER IN TRIBUTE TO SENATOR HAYDEN

Mr. KUCHEL. Mr. President, the junior Senator from Arizona [Mr. GOLDWATER] is necessarily absent from the Senate today. Previously he had prepared some comments on the distinguished senior Senator from Arizona [Mr. HAYDEN].

They detail some of the history of this beloved Member of the United States Senate.

They indicate that CARL HAYDEN will surpass the record set by Representative Joe Cannon for the number of consecutive years spent in the Congress.

I am sure that my colleagues on both sides of the aisle will join in wishing Godspeed for many happy years ahead for the distinguished senior Senator from Arizona, dean of the Senate.

I ask unanimous consent that the comments which the junior Senator from Arizona had previously prepared be printed in the RECORD at this point as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

SENATOR CARL HAYDEN—STATEMENT BY SENATOR GOLDWATER

On the 19th of February, my senior colleague, the distinguished Senator CARL HAYDEN, will surpass the record set by Representative JOE CANNON for the number of consecutive years spent in the Congress. Because it now appears highly probable that I will be called to active duty with the Air Force during the week on which that day falls, I want to speak briefly this morning on the occasion of this approaching record and about the remarkable man who is establishing it.

The name of HAYDEN in the State of Arizona is synonymous with the history of white men in that area. His family is one of the oldest families to live in the State and as an indication of the impact the family name has had on our history, there is a Hayden Mountain, in the Grand Canyon, Hayden Peak, Hayden's Butte and Hayden's Ferry, which later became the town of Tempe, where Senator HAYDEN was born. I might add that there is also a high school in Phoenix named the Carl Hayden High School. It has been my rare privilege to have known him and his charming wife all of my life, and I have enjoyed also a close friendship with his sisters.

As he has been to so many new Senators, he has been of extreme help to me as I have progressed through my 5 years in this body. His advice is always freely given, and to work with him on legislation is truly an educational experience.

In politics in Arizona, CARL HAYDEN's popularity oversteps party lines and there can be found for him universal support among members of both parties. He is not looked upon as a Democrat Senator, but as a Senator of whom all Arizona is justly proud.

In order that my colleagues might have a better insight into the devoted history of this man, I ask unanimous consent that a very short biography and history of his record be inserted in the RECORD at this point in my remarks.

Since its admission to the Union in 1912, Arizona has repeatedly elected to the House of Representatives, and later to the Senate, CARL HAYDEN, who is now serving his sixth term as a Senator.

The town of Tempe, Ariz., in which CARL HAYDEN was born October 2, 1877, was originally called Hayden's Ferry, in honor of his father, a descendent of settlers who had come to Connecticut from England in 1630. His parents were Charles Trumbull and Sallie Calver (Davis) Hayden. Graduated from the Normal School of Arizona at Tempe in 1896, CARL HAYDEN next attended Stanford University for 4 years. There, by a narrow margin, he lost an election to the presidency of the student body which he had considered certain. The Arizona statesman's practice has since been to seem anxious of an election outcome so as to stir his supporters to greater campaign activity. Relating the early incident to a reporter in 1950, he observed, "It taught me a lesson. I've been running scared ever since."

From 1902 to 1904 HAYDEN was a member of the Tempe Town Council, at the same time engaging in the flour-milling business; and for the succeding 2 years, was treasurer of Maricopa County. In 1904 he was a delegate to the Democratic National Convention at St. Louis. Maricopa County elected him its sheriff in 1907, retaining him in that post until 1912 when he entered Congress. During World War I, HAYDEN, who had been a member of the 1st Arizona National Guard from 1903 to 1913, served in the United States National Army. He was detailed to duty at Camp Lewis (Wash.), and was made a major of infantry in 1918.

When Arizona was admitted to the Union in 1912, CARL HAYDEN was elected to the United States House of Representatives as the Congressman at Large; he held that office from the 62d to the 69th Congress. As a Representative from an arid State, he demonstrated repeatedly his interest in irrigation and water rights, becoming known as one of the foremost proponents of such legislation. The committees on which he served in the House were Indian Affairs, Irrigation of Arid Lands, Public Lands, Mines and Mining, and World War Veterans Legislation.

In the course of 15 years in the House, HAYDEN voted in favor of the establishment of the United States Children's Bureau and for the revision and codification of laws concerning Federal courts; for the passage of a bill limiting immigration, over the Presidential veto; and for one to provide a more autonomous government for the Philippines. He also approved of the publication of information about contributions and expenditures in election campaigns. During World War I he favored the furnishing of defensive arms to merchant vessels; the naval and fortifications appropriations; the declaration of war against Germany and Austria-Hungary, and the Victory loan bill. His approval was given as well to the passage of the bill for Near Eastern relief; the passage of the woman suffrage amendment; the Federal farm loan; the relief of the starving in Germany; the prohibition of child labor; and the authorization of the construction of aircraft for the Navy and Marine Corps.

HAYDEN was elected in 1926 to the United States Senate, to which he was to obtain reelection in 1932, 1938, 1944, 1950, and 1956, with the last-named term to end in 1963. His initial year in the Senate was notable for the 6-weeks-long filibuster he and Senator Ashurst maintained against certain aspects of the Boulder Dam proposal.

As a Senator he continued his fight for irrigation and good roads. Prior to World War II HAYDEN voted for Federal aid for rural post road construction; for the establishment of the Federal Farm Board; for the establishment of a National Employment Service; for the passage over the President's veto of the Muscle Shoals project; for the passage of the Reconstruction Finance Corporation bill; for the repeal of the 18th amendment; for the establishment of a 5-day workweek; for the passage of the Social Security Act; for the stabilization of the bituminous coal industry; for appropriation for the proposed Passamaquoddy project; and for the appointment of additional judges to the Federal judiciary. He was against the immediate payment of the veterans' bonus; the return of relief fund administration to the States; the amendment of the cash and carry provisions of the Embargo Act and the amendment to the Neutrality Act.

With the defeat for renomination of Senator Henry F. Ashurst by Ernest W. McFarland in 1940, HAYDEN became senior Senator from Arizona. Immediately preceding and at the beginning of World War II, HAYDEN approved the loan to Finland; the establishment of the Women's Army Corps; the amended bill providing for the end of discrimination against Negroes in the Army; for deferment of men in certain draft categories, particularly of agricultural workers. Toward the end of the war, he advocated the restoration of funds previously withdrawn from the Office of War Information, as a necessary part of occupation policy.

In 1947 HAYDEN was 1 of the 4 Democratic Senators who joined 2 Republicans on the Senate Rules Committee to seek amendment of the rule pertaining to filibusters. The year preceding, when HAYDEN voted against elimination of the poll tax, he explained that he considered a constitutional amendment the proper method of eliminating such voting disabilities. With other western Senators, concerned for the shutdown of mines in that area because foreign imports of metal were underselling the domestic, Senator HAYDEN joined the 1949 effort to reimpose a tariff on imported copper.

Early in 1950 HAYDEN was responsible for a rider to the successfully passed equal rights amendment, which provided for the retention of existing legislation assuring rights, benefits, and privileges to women. That April he also expressed his opposition to blanket appropriation measures, such as the Wherry resolution for an overall budget estimate, "until Congress has had experience with a one-package appropriation bill," said the New York Herald Tribune. As chairman of the Rules Committee, HAYDEN in 1951 appointed a subcommittee to consider rules relating to telegrams sent by Senators at Government expense, an investigation which led to the establishment of a maximum amount available for such a purpose.

From the 80th Congress on, the Arizona Democrat supported the Marshall plan, Federal aid to education, the Military Assistance Act, the amendments to the Southwestern Power Administration appropriations, and the confirmation of Dean Acheson as Secretary of State. He was not in favor of the passage of the Taft-Hartley bill, the Reed-Bulwinkle amendment to the Interstate Commerce Commission Act, or the ratification of certain amendments to the North Atlantic Security Pact. One of the major issues with which he has been concerned in recent years is the Central Arizona project, providing water from the Colorado River, a measure which achieved passage in the Senate in 1950 and 1951.

Besides the Appropriations Committee, of which he is chairman, HAYDEN serves on the Rules and Administration Committee and on the Joint Committee on Printing. He has also been a member of the Joint Committee on the Legislative Budget, the Interoceanic Canals Committee, the Mines and Mining Committee, the Post Office and Post Roads Committee, and the Territories and Insular Affairs Committee. In 1949 he was chairman of the Joint Committee to Arrange for the Inauguration of the President-elect.

The Arizona Senator is a Mason. He was awarded an honorary LL. D. by the University of Arizona in 1948. On February 14, 1908, he married Nan Downing of Los Angeles. "The highly respected HAYDEN," the Washington Post once said, "works hard, speaks little, generally votes for the little fellow." Once, when asked by President Roosevelt why he insisted upon talking about roads each time he visited the White House, recounted Pathfinder, HAYDEN replied: "Because Arizona has two things people will drive thousands of miles to see—the Grand Canyon and the Petrified Forest. They can't get there without roads."

On October 21, 1957, Senator HAYDEN set a record for continuous service in Congress when he surpassed the 45-year, 8-month service record held by Adolph J. Sabath, a Representative from Illinois.

He was chosen President pro tempore in 1957. Senator HAYDEN has served longer in the Senate than any other sitting Member. The honorary post of President pro tempore makes the Senator third in line of Presidential succession.

On February 19, 1958, when he begins his 47th year in Congress, the Senator will establish a new record for longest service in Congress. This record was previously held by Joseph G. (Uncle Joe) Cannon, a Representative from Illinois.

THE CIVIL RIGHTS ACT OF 1958

Mr. DOUGLAS. Mr. President, on behalf of the junior Senator from Minnesota [Mr. HUMPHREY], the senior Senator from New York [Mr. IVES], the senior Senator from Missouri [Mr. HENNINGS], the junior Senator from New Jersey [Mr. CASE], the senior Senator from Oregon [Mr. MORSE], the senior Senator from Colorado [Mr. ALLOTT], the junior Senator from Oregon [Mr. NEUBERGER], the junior Senator from Illinois [Mr. DIRKSEN], the junior Senator from Michigan [Mr. MCNAMARA], the junior Senator from New York [Mr. JAVITS], the junior Senator from Pennsylvania [Mr. CLARK], the junior Senator from Rhode Island [Mr. PASTORE], the junior Senator from Maryland [Mr. BEALL], the junior Senator from Colorado [Mr. CARROLL], the junior Senator from Wisconsin [Mr. PROXMIRE], and myself, I introduce, for appropriate reference, a bill entitled "Civil Rights Act of 1958," and I ask that it may be printed in the body of the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD, as requested by the Senator from Illinois.

(See exhibit No. 1.)

The bill (S. 3257) to effectuate and enforce the constitutional right to the equal protection of the laws, and for other purposes, introduced by Mr. DOUGLAS (for himself and other Senators), was received, read twice by its title, and referred to the Committee on the Judiciary.

Mr. DOUGLAS. Mr. President, I ask unanimous consent that there may be printed at the conclusion of the printing of the bill an article from the Christian Century for February 5, 1958, entitled "Protestantism Speaks on Justice and Integration."

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

(See exhibit No. 2.)

Mr. DOUGLAS. Mr. President, the measure which a group of my colleagues and I have just introduced is a bill to give effect to the constitutional guaranties, under the 14th amendment, of equal protection of the laws.

We should never forget that the 14th amendment provided that all persons who were either born or naturalized in the United States were citizens both of the United States and of the State in which they live. No differentiation was provided between these citizens—all were presumed to be of equal value and to possess equal rights. No categories of first- and second-class citizenship were set up.

This amendment also went on to declare that no State shall deny to any person within its jurisdiction the equal protection of the laws. These provisions are an organic part of the fundamental law of the land.

The Supreme Court is the body which under the Constitution is charged with the interpretation of that document. It has done so in the case of the 14th amendment.

While I shall not question the good faith of anyone, I had always thought that citizens should seek to obey the Constitution and laws as thus interpreted, even as they might seek to change them. If individuals can assume the right to decide for themselves which laws they will obey and which they will disobey, utter chaos is introduced into our lives. Sections and groups will feel justified in disregarding laws which clash with their interests, and the Union as we know it will break up.

Most of us do not want to see this happen. With charity toward all and malice toward none, should we not push on to put substance behind this amendment and not permit it to be nullified or violated?

That is the purpose of this proposed legislation, to extend full first-class citizenship and equality of opportunity to all of our Negro and Spanish-speaking citizens.

Twice in the past 2 years the House of Representatives by large majorities has adopted provisions to protect these basic rights under the 14th amendment. Forty-one Members of the Senate in 1957 voted or announced their position against stripping that section from the civil rights bill. Other Senators expressed their deep interest in the rights involved, though opposing the specific provisions to protect them in part III of that bill. Clearly this is a major item in the unfinished business of the country and the Congress.

The sponsors of this legislation believe they have greatly improved and clarified the proposed methods for giving effect to these rights. We offer the bill now in order that Congress and the executive branch may take their rightful places alongside the Supreme Court to help end the denials of equal justice on account of race, color, religion, or national origin.

A CONSTRUCTIVE NEW APPROACH TO SCHOOL DESEGREGATION

In the area of public education, where the rights of Negro citizens, and in the Southwest of Spanish-speaking citizens, are being most stoutly contested today, this measure embodies a new approach to the safeguarding of their constitutional rights.

It provides for technical assistance—at a cost of $2.5 million a year for 5 years—financial grants—in the amount of $40 million a year for 5 years—and administrative procedures to help local governments to put into successful operation plans for desegregation.

Thus, it would foster compliance with the Constitution and the historic decisions of the Supreme Court by offering the best available technical information, conciliation, encouragement, financial aid, and desegregation planning, with due regard for the court's orders concerning deliberate speed.

It recognizes the responsibility of the Federal Government for the impact which the Court's decisions have on local educational policies which were based on a different concept of the law. It would hold out the helping hand of the National Government, therefore, to those communities in all sections of the country which are trying or will try to end racial segregation in their public school systems.

We believe this is a constructive approach to one of our most basic and complex national issues. By enacting it, we believe the Congress can help to broaden the emphasis from a succession of hotly contested legal battles—essential as they are—to a new succession of cooperative and effective community efforts to remove the barriers to equal treatment in our public schools.

It is there in the communities in the last analysis that these problems must be worked out. If we can thus help to bring the finest educational, social and moral—as well as legal—insights to bear upon the issue in one locality after another, it should immeasurably strengthen the Nation's foundation of law and order, respect for human dignity, and active good will.

ENLARGED PREVENTIVE REMEDIES

At the same time this bill provides authority for the Attorney General to bring preventive actions in equal protection

cases generally, as well as in public-school cases. The legal remedies against violations of important constitutional rights would thus be enlarged, as was attempted in part III which was stricken from last year's civil rights bill, only by provisions this time which are much clearer.

The mounting difficulties under some State laws for private individuals to receive the required help as they seek legal protection for their rights, we believe, make this Government assistance essential. Our system of law and justice requires that the door to the courts shall not be barred against the redress of unlawful grievances and the settlement of controversies over constitutional rights.

If anyone be in doubt as to the laws I am referring to, these remarks are pointed at the so-called antibarratry laws of a growing group of States in the South, which tend to make it a penal offense for anyone to offer money or legal assistance for court actions to the interested parties, such as the parent of a child whose constitutional rights, in the opinion of the parent, are being violated.

Here again it should be emphasized that the primary aim of these provisions in the proposed legislation is preventive, not punitive.

COMPLIANCE WITH THE CONSTITUTION AND THE DESEGREGATION DECISIONS

The preambles to the bill include, among their important findings, that the antisegregation decisions of the Supreme Court express the moral ideals of the Nation and point the way to a Nation enhanced in strength and dignity at home and enhanced in honor and prestige throughout the world.

We stand firmly behind the Supreme Court, and we believe that the attempts to disparage the Court because of its decisions in this and certain other matters are not founded upon a full understanding of American principles. We believe it is proper for Congress and for the public opinion of the Nation to stand behind the Supreme Court in these matters.

The findings likewise point out the importance of our recognizing more generally that "the Constitution, as declared by the antisegregation decisions, is the supreme law of the land."

Upon these clear principles and the express power given to Congress in the 5th section of the 14th amendment, the positive provisions of the bill to foster compliance with the Constitution and the Court's desegregation decisions are based.

In a notable speech to the patent bar in New York last year, Chief Judge John J. Parker of the United States Court of Appeals for the Fourth Circuit, a native of North Carolina and a distinguished southerner, expressed something of the spirit in which we hope this measure may be considered and approved. He said, in part:

> What is it that really makes America great—greater than any other nation that has ever existed? It is not the strength of the Army or Navy or Air Force. It is not the wealth of field or forest or mine or factory. It is not the splendor of her cities or the culture of her colleges and universities. It is that in her heart of hearts she believes in the sovereignty of the individual soul and the open door of opportunity for every man without regard to race or creed or color or any other circumstance. * * *
>
> At the head of the judicial system stands the Supreme Court of the United States, and the decisions of that Court must be accepted as to the meaning of the Constitution. You can't have even a baseball game without an umpire to interpret and apply the rules, and you can't have constitutional government without the authority somewhere to interpret and apply the Constitution. Final authority to do this is vested in the Supreme Court, whose duty it is to apply the great general principles of government which the Constitution embodies to the changing conditions of the times, with power on its part to overrule even its own prior decisions, when in the light of better understanding or changed conditions they are deemed by it to be erroneous.
>
> If liberty is to continue to live in America, these constitutional principles must be preserved. * * *
>
> And no man must be prejudiced by reason of race or color or creed in his standing before the law or in his enjoyment of benefits conferred by the State.

I think it was 28 years ago that Judge Parker was nominated for membership on the Supreme Court of the United States. The confirmation of his appointment was defeated by the so-called liberal bloc in the Senate. Had I been a member of that liberal bloc then, I probably would have voted as they did. But with the passage of time, I think it has now become apparent that the defeat of Judge Parker was a great mistake, and that Judge Parker has gone on to a distinguished career in the 4th Circuit, which entitles him to the respect and admiration of the people everywhere.

I think that is a caution, probably, to those of us who may be tempted upon occasion to reject nominations, to reflect that the passage of time reveals qualities of which we may not be fully aware at the moment.

THE URGENT NEED FOR POSITIVE ACTION

Both national and international developments give a new urgency to the need for this legislation.

It is over 3½ years since the Supreme Court decided that segregation in public schools is a denial of equal opportunity and violates the 14th amendment. It is over 2½ years since the final order of the Court was entered in those cases, providing that the principles be applied with practical flexibility, but with all deliberate speed. And earlier decisions ordering the admission of Negroes to State universities had foreshadowed these decisions of 1954 and 1955 for a number of years.

Substantial progress toward compliance has been made since then in a number of border States. Token progress has been made in the elementary and high schools of some other States and in universities and colleges of most States.

But strong resistance is still effective in a group of at least seven so-called hard-core Southern States.

The Southern School News estimated in January that there is desegregation in only 762 out of 3,008 biracial districts in the 17 Southern and border States.

That publication also noted that more than 140 State legislative measures have been enacted since 1954 in an effort to preserve segregation. Outright nullification statutes, pupil placement schemes, provisions to close or withdraw all State funds from any school which is desegregated, support for a "private school" system if necessary, criminal penalties for spending tax moneys on desegregated schools, loss of retirement benefits for failure by State officials to enforce State laws requiring segregation, power to suspend compulsory attendance laws, and interposition statutes are some of the devices adopted.

Such restrictive statutes have not been confined to the field of education. They have also been passed to preserve racial segregation in transportation and recreational facilities, to restrict Negro registration and voting, to harass the National Association for the Advancement of Colored People and other organizations active in this field. And new proposals are reported frequently in the daily press.

Mr. J. Francis Polhaus, formerly on the staff of the Department of Justice, and now counsel for the Washington bureau of the NAACP, has compiled from responsible southern sources a brief summary and comment on more than 100 of the laws, resolutions, ordinances, and State administrative policies being used to thwart the Court's decisions. To demonstrate the nature and seriousness of this problem, I ask unanimous consent that the compilation be printed in the RECORD at the conclusion of my remarks. These State actions should be carefully studied, for I believe they indicate the necessity for affirmative action.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit No. 3.)

PROBLEM IS NATIONAL, NOT SECTIONAL

Mr. DOUGLAS. Mr. President, it is not the Southern and border States alone that have desegregation problems. We in the North must frankly concede, as I have previously in the Senate, that while our education laws are rather uniformly in accord with the Constitution, some communities in our States also err. De facto segregation based on school districting and discrimination against Negro teachers are reported in many northern areas; and the transition to desegregation is not always orderly or peaceful there, either.

The problem is truly national in scope, although it is most severe in the South, where the Negro population is a greater proportion of the total and where old educational patterns are more deeply set. The Court has spoken to all sections of our Nation, including the States we represent.

REASONED, AFFIRMATIVE ACTION WILL FOSTER COMPLIANCE AND LAW AND ORDER

The rate of the extension of desegregation has now perceptibly slowed. Although this is understandable as the areas of easier adjustment to the law complete their action, an embittered resistance can lead—and, indeed, already has led—to tragic outbreaks and lawlessness, unless wise, reasonable, and affirmative leadership is offered.

With the filing of new school suits to end racial segregation in Georgia, the

New York Times southern correspondent, John N. Popham, reported 3 weeks ago:

"The immediate short-run impact is certain to be one of turbulence, new tensions, oratory, and proposals for new and more stringent resistance legislation.

The United States District Court which recently knocked out three laws aimed at the NAACP, referred to "the situation in Virginia, where the attitude of the public authorities openly encourages opposition to the law of the land, which may easily find expression in disturbances of public peace."

Those who have a deep regard for human justice, for law and order, and for our national strength therefore cannot remain passive in the face of these active threats to orderly government and to America's prestige abroad. While the forces of resistance are heating up, and also are seeking to stifle all opposition, it is no time for those who would maintain law and order to lapse into the inertia of a cooling off period.

There is surely a better way to approach the problems of desegregation than the way used last fall in Arkansas. A sensitive report of that situation, made by a Little Rock pastor, Rev. Robert S. Cartwright, as published in the Christian Century of October 9, 1957, points to some of the helpful lessons to be learned from their regrettable experience, as contrasted with the orderly transition in Louisville, where the community marshaled its resources with great care and foresight. I ask unanimous consent that the article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Christian Century for October 9, 1957]

LESSON FROM LITTLE ROCK

(By Colbert S. Cartwright)

(NOTE CONCERNING AUTHOR.—Colbert S. Cartwright has been pastor of the Pulaski Heights Christian Church in Little Rock, Ark., since 1954. Before that he served a 4-year pastorate in Lynchburg, Va. A son of Editor Lin D. Cartwright of the Christian Evangelist, he grew up in the South, graduated from Washington University and Yale University divinity school. Mr. Cartwright is president of the Arkansas council on human relations, a member of the board of the Southern Regional Council, and chairman of the social education and action committee of the Arkansas Christian Missionary Society.)

On the day that Arkansas National Guardsmen first formed a cordon around Little Rock's Central High School to block the entry of nine Negro students, a Lutheran pastor had occasion to make a sick call at a house across from the school. As he walked past a rocket launcher partially blocking the street, he asked one of the guardsmen if he thought such heavy weapons were necessary.

"If you'll pardon the expression, sir," was the reply, "I feel like a damned fool—protecting 2,000 white high-school students from 9 colored students."

There are many aspects of the Little Rock school crisis which can only be termed foolish—regardless of one's choice of theological modifiers. However, behind Gov. Orval E. Faubus' action lie facets of the Little Rock school problem which are in danger of being overlooked. It will be tragic if the Nation sees nothing more at Little Rock than a picture of Faubus' folly.

OTHERS SHARE RESPONSIBILITY

The Little Rock school board and Superintendent Virgil Blossom must share responsibility for the Little Rock debacle. Their whole approach to the task of making a transition from a dual to an integrated school system unwittingly invited the drastic action which Governor Faubus took on September 2 when he called out the National Guard.

It has been Faubus' contention that the Little Rock community "is not in the condition to have integration at the moment." This is a judgment impossible to prove or disprove. Many observers are convinced that the transition would have been made with a minimum of trouble if the Governor had not interfered. There are other persons of both races who have watched with growing alarm the school board's development of an approach to the problem which disregarded everything experience has taught about human nature.

The Arkansas Gazette summarized that approach accurately: "(1) The Little Rock plan of integration was voluntarily evolved by the Little Rock School Board over a period of 3 years. It was a legal design intended to accomplish the minimum integration over the longest period of time permissible under the Supreme Court ruling. (2) The plan was presented to the people of Little Rock in these terms and fully explained. School Superintendent Virgil Blossom himself made an estimated 200 speeches in this 3-year period setting forth the plan in detail to interested white and colored parent groups."

The general attitude of Dr. Blossom in explaining the plans for integration to white groups was that the prospect was as distasteful to him and the school board as to anyone else. His argument rested solely on the fact that the school board knew no way to get around the Supreme Court decision. He emphasized the wisdom of the school board's designing its own deliberate program to avoid having to take a faster route if a Federal district court should delineate a plan. The superintendent explained the plan to anyone who would listen. He asked help from no one.

This approach to preparing the community for the mingling of the races in public schools revealed no awareness of the lessons taught by troublesome Clinton, Tenn., or peaceful Louisville, Ky. Superintendent Omer Carmichael, of Louisville, has said that one thing was plain to him from the beginning: Preparation for so radical a change has little hope of success unless it is a communitywide program. In the Louisville story he explains the manner in which he sought to involve the whole community in a discussion of desegregation. He solicited help from parent-teacher associations, the Kentucky Council on Human Relations, churches and church-related groups, women's clubs, civic groups, and other organizations. He secured the cooperation of radio stations and disseminated literature on race relations. As the whole Louisville community became involved in thinking about race relations, the problem was seen not only from the legal but from the moral, social, and psychological points of view.

It is significant that the hindsight of the people of Clinton points to the wisdom of the Louisville approach. Looking backward, Mayor W. E. Lewallen said: "We thought we had done enough when we set up a sort of committee and talked the situation over with some of the civic clubs and leaders. We were wrong." He observed that events have scuttled the old southern maxim that the less said about race relations the better.

NO CONSULTATION ON THE PROPOSAL

In relationship to the community, the Little Rock School Board has consistently taken an autocratic approach. Carefully avoiding consultation with either Negro or white patrons, the board on May 24, 1955, announced to the public a plan of gradual integration under which high-school-level grades would be desegregated probably in September 1957. If all went well, integration would follow in the other grades over a period of approximately 6 years. Since no one had been consulted, many persons questioned the plan. Many Negroes wanted a faster plan; many white persons wanted no plan at all. Interested citizens, both Negro and white, went to Dr. Blossom with questions. When any point of the plan was questioned there was only one reaction—a defensive bristling.

Five months after the plan was announced the Arkansas Council on Human Relations convened a meeting at Little Rock at which Dr. Blossom explained his plan. Irene Osborne, who had been working in Washington, D. C., to marshal community support for the school desegregation program there, spoke on the importance of community relations in making the transition. Dr. Blossom exhibited open hostility toward the approach she suggested.

In December 1955, the Interdenominational Ministerial Alliance of Greater Little Rock, composed of Negro ministers, asked the school board to appoint an advisory committee, which would include Negroes, to work in the direction of racial integration in the schools. The board not only declined, but refused to suggest any alternate way in which the Little Rock community might help in paving the way to a smoother transition. At about the same time, Dr. Blossom presented the plan of gradual integration to the Greater Little Rock Ministerial Alliance, composed of white ministers. The plan was received with general enthusiasm. But when the alliance suggested that it endorse the plan officially and publicly, Dr. Blossom urged it not to do so. To the present time he has not sought the help of ministers of either race in preparing the community for the board's plan of integration.

During the 1955–56 school year professional educators in Little Rock became concerned because no preparation was being given high-school teachers for the new problems they would face when integration came. They suggested to Dr. Blossom that informal meetings of teachers be arranged to discuss such problems. He did not think well of the suggestion, and at no time has he sought to help teachers face their own prejudices or to provide them with guidance in dealing with problems of group dynamics.

At a luncheon meeting on October 12, 1956, Robert Snyder, for 3 years chairman of the St. Louis Council on Human Relations, explained to a number of Little Rock civic leaders the way in which 85 organizations in his city worked to help the schools meet the problem of school desegregation. Dr. Blossom was present, but indicated no interest in gaining such support from Little Rock agencies. On March 11, 1957, he explained the school board's plan to the community council, a group made up of representatives from all metropolitan area organizations and agencies concerned for civil betterment. Although he did not emphasize the need for preparing the community for school integration, he did state for the first time publicly that he would call on the various groups to help prepare the community. He did not say when. To date their help has not been requested.

INCREASING UNEASINESS

During the past summer the Negro community grew uneasy as it saw the Little Rock School Board doing all within its power to discourage Negro pupils from entering the previously all-white high school. A group of concerned Negroes went to Dr. Blossom with a complaint. He admitted that screening had been taking place, but defended it as being in the best interests of all. The Negroes suggested that it might be well if some channel of communication could be established between him and the Negro community. He readily agreed that it would be a

good idea to have a committee which could help interpret to the Negro community what the school board was trying to do, and said he would call on the group the next week to work out details. But he never called. Throughout the summer months persons of both races, deeply concerned for the problems of human relations, became increasingly disturbed as they realized that the social forces of Little Rock were not being marshaled to aid in a smooth transition to integration. No one knew what might happen. There might be trouble, for which no one was ready.

Had the school board developed adequate plans with law enforcement officials for every eventuality? Several prominent Little Rock citizens investigated the possibility of bringing to the city a law-enforcement official nationally known as an expert in the field of police-community relations to counsel quietly with local officials. When Dr. Blossom was approached on the possibility, he replied that he had adequately studied the problem and needed no outside help.

THE GOVERNOR TO THE RESCUE

Governor Faubus' decision on September 2 to call out the troops and to block integration was the natural outcome of every step the Little Rock School Board had taken. It had insisted all along that the only reason the schools were being integrated was that the Federal Government was forcing it to do so. It had consistently refused to seek the help of the community in gaining moral support for its reluctant step. Then the Governor in shining armor came to the rescue. He said the school board did not need to integrate, that since the community was not prepared for integration there would be violence. He would call out the militia as the "preservator of the peace."

Dr. Blossom, the school board and Little Rock's leading citizens were stunned by Faubus' unprecedented actions. They did not want the Governor to interfere. Knowing that some racial mixing in the public schools is inevitable, they would prefer to have it come about peacefully and on their own terms. What they failed to consider was that their whole approach had played directly into the hands of the members of white citizens councils. Having sought to prepare the community solely upon a legalistic basis, they had no defense when the Governor, prompted by rabid segregationists in Little Rock, insisted he had found the needed loophole.

Three days after the Governor ordered his troops to prevent integration in the name of States rights, the school board found itself in the position of being on the Governor's side. It went to Federal court and petitioned the judge to suspend temporarily the plan of integration. This was exactly what the Governor and his white citizens council cohorts were pleading for. The school board's house of cards had fully collapsed. Citizens who had agreed to compliance if there was no other way out now took fresh hope in the Governor's action and the school board's acquiescence. Little Rock became sharply divided.

Arguments among Little Rock citizens will continue for years as to whether Governor Faubus got a square deal in Federal court. Few will question why the problem arose in the first place. Fewer still will be aware of the responsibility the school board must share for the ridiculous situation which arose.

The experiences of Washington, Louisville, and Clinton all point to the fact that transition, difficult at best, can come about only if all the resources of the community are marshaled to help. They have taught that the moral and social psychological aspects of the problem must be adequately considered. Little Rock tried a different path. On September 2 it was confronted with a "dead end" sign. It is still a question whether the school board can read the sign.

Mr. DOUGLAS. Mr. President, we know that these outbreaks, whether in Illinois or Arkansas, in Pennsylvania or Alabama, are blazoned around the globe.

We can, perhaps, repair some of the damage done by them to our standing in the free world—and especially in the eyes of the uncommitted colored peoples of other continents—if we now move with wisdom, understanding, and assurance to foster equality of opportunity. That is the aim of this bill, and will be its effect, I believe, if and when it is enacted.

BRIEF SUMMARY OF BILL'S PROVISIONS

A. CONSTRUCTIVE STEPS FOR EQUAL TREATMENT IN PUBLIC SCHOOLS

Through authority conferred upon the Secretary of Health, Education, and Welfare, the bill will furnish to the officials and private citizens of good will in all parts of the country the tools with which to accelerate in our public schools the growth of equal treatment for all of our citizens, without regard to race.

TITLE II

This title authorizes the Secretary to assist, through the compilation and distribution of data, the making of surveys, the arrangement of conferences, the appointment of advisory councils, the provision of specialists' services, and the development of community understanding for desegregation programs that are in harmony with the Constitution. Appropriations up to $2.5 million a year for 5 years are authorized for these purposes.

TITLE III

This title authorizes the Secretary to make grants for school facilities in areas where the chief problem preventing or hindering effective compliance is the lack of adequate buildings or other physical equipment.

It also authorizes grants for employing additional teachers, in-service teacher training, employment of specialists, short-term training courses, and other additional educational measures undertaken to eliminate segregation, while at the same time assuring that existing educational standards will not be lowered.

Funds would also be available to local communities that wish to comply with the Court's decisions, but where, as in Georgia and Virginia, the State threatens to cut off funds or close the schools.

Appropriations of not more than $40 million a year for 5 years are authorized to cover the costs of the grant programs.

TITLE IV

The bill further provides in title IV that when other methods fail, the executive branch of Government, acting through the Secretary of Health, Education, and Welfare, shall assume responsibility for initiating the development of desegregation plans to accomplish the objectives of the Court's decisions. In the development of both the tentative and approved plans, however, there are express provisions for the fullest possible local consultation and participation.

The responsibility to go forward in a situation in which officials are hostile is now almost entirely in the hands of private individuals and organizations. Experience has shown that this problem will not become any less troublesome if we countenance the resulting delay.

B. FEDERAL ASSISTANCE IN LEGAL REMEDIES, TITLES V AND VI

The bill also provides for Federal assistance in legal remedies under titles V and VI.

In the history of America's advance toward equal justice, court proceedings have been the means of making many of our greatest forward steps. They are still an indispensable part of our protections against racial discriminations.

A growing group of States, however, have passed so-called antibarratry laws which make it much more difficult for civil-rights groups or others to assist persons in bringing or maintaining lawsuits for the vindication of their civil rights. Other forms of pressure—such as organized boycotts, threats, and intimidation—have also been used to deter such legal actions.

Since the persons who are denied their rights to equal protection are more often than not poor persons, unable alone to sustain the heavy costs of litigation, and more subject than others to hostile pressures, these laws and pressures will increasingly padlock out of court the Negroes and also the Spanish-speaking Americans of the Southwest in their efforts to maintain suits to carry out the law of the land.

To meet this situation, the proposed legislation would authorize the Attorney General of the United States to start civil actions for preventive relief against those who deprive persons of their rights to equal protection of the laws, on account of race, color, religion, or national origin.

This authority is much like that provided in part III of last year's bill H. R. 6127, and in the 1956 measure, H. R. 627. As I have said, on two occasions it was overwhelmingly approved by the House. The authority is more explicitly and clearly set forth here, however, in titles V and VI.

Title V confers the power to file compliance actions in school cases in connection with approved desegregation plans, when the Secretary certifies that all efforts to secure compliance by conciliation, assistance, and otherwise have failed.

Title VI first authorizes preventive action against those State and local officials and others acting under color of State law in cases involving denial of equal protection generally, including school cases, by reason of race, color, religion, or national origin; but it provides that the Attorney General may sue only upon a signed complaint, and when, in his judgment, the person aggrieved is unable to seek effective legal protection for himself—section 601.

Suits are also authorized by the Attorney General against those who attempt to prevent local officials from according persons equal protection of the laws, or who act to hinder the execution of court orders for equal protection—section 602. Action to deprive persons of their rights under the 14th amendment because such persons are opposing

denial of the rights of others, is also made a basis for legal action by the Attorney General—section 603. In addition, the Attorney General is explicitly authorized to intervene in cases brought by others for relief against the denial of equal protection of the laws, because of race, color, religion, or national origin—section 604.

Thus, in the field of legal remedies, also, this measure would extend a significant helping hand of the National Government to the safeguarding of constitutional rights.

FURTHER LEGISLATION IS ESSENTIAL

Mr. President, in 1957, Congress ended a stalemate of over 80 years, and passed a civil-rights bill primarily designed to protect the right to vote. This is a substantial advance, and can lead to others, as citizens previously barred exercise this basic right to choose their representatives and officials in Government.

Some urge this as a reason for delaying the proposal or consideration of additional legislation now.

But the indignities of racial segregation and discrimination still continue and cannot be ignored. We know that in schools, on buses, in public recreation areas, and in many other places, our Negro and Spanish-speaking citizens find themselves barred from equal opportunity.

We know that these incidents in our schools are not only personal affronts and tragedies for those excluded, checking their full individual development and handicapping them in the race of life. We know that the exclusions also deprive the Nation of their full contribution to society, at a time when we are belatedly discovering that maximum educational effort is essential to national security.

We know too that these failures gravely damage our moral position before the world.

In a situation where such basic human rights are involved and in a world contest in which freedom itself is at stake, we cannot afford the luxury of indifference or inaction. To drift in the uncertain currents of skillfully promoted resistance to the lawful decisions of the highest court in the land, is to run the risk of defeat of all we hold dear.

Without self-righteousness, men of good will in communities across the country and in Congress are called to resume the forward march begun last year. By doing so, we shall add moral authority to material strength. We shall better pass the inspection of our own consciences and of the watching eyes of a world of men determined to have and to enjoy freedom and equality of opportunity. We are mindful of the problems which we face, and no one should underestimate them, but they are less than those created by our failure to act.

These are some of the reasons why the sponsors of this legislation urge that it be given careful study, prompt hearings and early approval by Congress.

The period of time for which appropriations are authorized for the new powers given to the Secretary of Health, Education, and Welfare in this bill is 5 years. Within that time will occur the 100th anniversary of the Emancipation Proclamation. If we can set in motion now the procedures that will take this country far along the road to equal justice for all its citizens, that centennial can mark another historic milestone in the progress of freedom.

The bill (S. 3257) to effectuate and enforce the constitutional right to the equal protection of the laws, and for other purposes, introduced by Mr. DOUGLAS (for himself and other Senators) is as follows:

EXHIBIT 1

Be it enacted, etc.,

TITLE I. SHORT TITLE AND FINDINGS

SECTION 101. This act may be cited as the "Civil Rights Act of 1958".

SEC. 102. (a) The Congress hereby finds that:

(1) recent decisions of the Supreme Court of the United States holding racial segregation unlawful in public education, public transportation, and public recreational facilities (hereinafter referred to as the antisegregation decisions) as a denial of the constitutional right to the equal protection of the laws express the moral ideals of the Nation and the world and point the way to a Nation enhanced in strength and dignity at home and enhanced in honor and prestige throughout the world,

(2) these antisegregation decisions are being resisted in many areas of the Nation most directly affected by them and indirectly evaded in other areas, thereby denying to millions of Americans within our borders the constitutional right to the equal protection of the laws,

(3) many States, municipalities, school districts, and other local governmental units have failed to make a prompt and reasonable start toward full compliance with the Supreme Court's decisions in the field of public education despite the substantial time which has already elapsed since the promulgation of those decisions in 1954 and 1955,

(4) the constitutional right to the equal protection of the laws is being denied to many persons because of race, color, religion, or national origin in fields other than education, transportation, and recreation,

(5) these denials of the constitutional right to the equal protection of the laws restrict millions of Americans to second-class citizenship and deprive the Nation of the maximum development and maximum benefits that can be contributed by such persons, and

(6) legislative and executive action (A) is necessary to safeguard and guarantee to all Americans the constitutional right to equal protection of the laws and (B) will aid in expediting universal compliance with the antisegregation decisions of the Supreme Court.

(b) The Congress further finds that the rights protected by the Constitution, as declared by the antisegregation decisions, will be more widely accepted and more fully enjoyed in all areas of the Nation, and particularly in those areas of the Nation most directly affected by the decisions, when it is generally recognized and understood that—

(1) the Constitution, as declared by the antisegregation decisions, is the supreme law of the land,

(2) all Federal and State officials are bound by their oaths or affirmations to support the Constitution, and

(3) the legislative and executive branches of the Federal Government are acting and will continue to act, with such Federal authority as is found necessary, to protect the constitutional rights upheld by those decisions of the judicial branch of the Government.

(c) The Congress further finds that:

(1) The present system whereby individual plaintiffs in the Federal courts bear the burden of protecting constitutional rights, as declared by the antisegregation decisions, is neither the exclusive nor the most effective means of protecting those constitutional rights and the public interest in safeguarding those constitutional rights, and has resulted in local restrictive and punitive measures against the individuals and organizations engaging in, and supporting, efforts in the courts to assert those contitutional rights; and

(2) Specific authorization to the executive branch of the Federal Government to act in support of the constitutional rights upheld by the antisegregation decisions (A) will provide a more rational, uniform, just, and effective system of protecting constitutional rights than the present procedure under which the safeguarding of constitutional rights is determined by the varying resources and courage of individuals and organizations and by the varying State statutory restrictions placed upon them, and (B) will render less effective, and hence tend to reduce, hostile community pressures upon individuals and organizations seeking to safeguard constitutional rights.

(d) The Congress hereby recognizes it to be the initial responsibility of all States, municipalities, school districts, and other local governmental units to safeguard the constitutional right to the equal protection of the laws as declared by the antisegregation decisions of the Supreme Court and to administer their systems of public education, public transportation, and public recreational facilities in accordance with the Constitution of the United States, but the Federal Government, to maintain a more perfect union, to extend justice, to promote the common defense, and to secure the blessings of liberty to all persons, has a coordinate responsibility to guarantee the constitutional right to the equal protection of the laws, to prevent denials of the right when State or local authorities cannot or will not do so, and thus to enhance the Nation's internal strength and its position throughout the world.

(e) Recognizing its authority and responsibility under the 5th section of the 14th amendment to the Constitution of the United States and its obligation to uphold the coordinate authority and responsibility of the judicial branch of the Government, the Congress hereby declares its intention that the right to the equal protection of the laws guaranteed by the Constitution against deprivation by reason of race, color, religion, or national origin and affirmed by the antisegregation decisions of the Supreme Court, shall be protected by all due and reasonable means, and to that end enacts the following provisions of this act.

TITLE II. TECHNICAL ASSISTANCE BY SECRETARY OF HEALTH, EDUCATION, AND WELFARE

SEC. 201. The Secretary of Health, Education, and Welfare (hereafter in this act referred to as the "Secretary") is hereby authorized to render technical assistance to States, municipalities, school districts, and other local governmental units to eliminate denials of constitutional rights in the field of public education by reason of race, color, religion, or national origin and to come into compliance with the decisions of the Supreme Court in the field of public education by—

(a) assembling, publishing, and distributing information which, in his judgment, will prove helpful in obtaining public understanding of, and compliance with, the Constitution and decisions of the Supreme Court in the field of public education;

(b) surveying the progress made in eliminating segregation in public education in various parts of the country and making available to public agencies, private organi-

zations, private individuals, and the general public the results of such surveys, including wherever possible successful case histories of desegregation and the ways and means utilized to bring about desegregation in such instances;

(c) planning, calling, and holding local, State, regional, and national conferences attended by State and local officials, representatives of private organizations, and private citizens, to discuss ways and means of eliminating segregation in public education generally or in any particular State, municipality, school district, or other local governmental unit;

(d) appointing local, State, regional and national advisory councils to assist the Secretary in carrying out his duties under this act and to offer their assistance to any State, municipality, school district, or other local governmental unit to come into compliance with the Constitution and the decisions of the Supreme Court in the field of public education;

(e) reporting to the Congress, at least semiannually, concerning the progress being made in eliminating segregation in public education in various parts of the country; and

(f) assisting, by such other related means as he deems appropriate, States, municipalities, school districts, and other local governmental units to eliminate segregation in public education.

SEC. 202. The Secretary shall recruit, employ, and train specialists in preparing, putting into effect, and carrying out plans for eliminating segregation in public education and shall offer the services of the specialists to States, municipalities, school districts, and other local governmental units. Upon request of any State, municipality, school district, or other local governmental unit, the Secretary shall make available to the requesting governmental unit the services of one or more specialists for such periods of time and in such numbers as the Secretary deems necessary and appropriate in the light of the particular needs of the requesting governmental unit.

SEC. 203. (a) The Secretary is authorized to reimburse any State or local official, representative of a private organization, or private citizen who is invited by him to attend any local, State, regional, or national conference held under the authority of section 201 (c), and any member of an advisory council appointed under the authority of section 201 (d) who is carrying out authorized functions, for travel expenses incurred, and to pay to any such person per diem in lieu of subsistence, in the same amounts as authorized by law (5 U. S. C. 73b–2) for persons in the Government service serving without compensation.

(b) The Secretary is authorized to reimburse any State or local official who, with the approval of the Secretary, is invited to confer with one or more specialists employed by the Secretary under section 202 for travel expenses incurred in attending such conference, and to pay to any such official per diem in lieu of subsistence, in the same amounts as authorized by law (5 U. S. C. 73b–2) for persons in the Government service serving without compensation.

SEC. 204. There are hereby authorized to be appropriated for the fiscal year beginning July 1, 1958, and for each of the four succeeding fiscal years, such amounts not to exceed $2,500 000 in any fiscal year as may be necessary for carrying out the purposes of this title.

TITLE III. GRANTS TO AREAS WHERE DESEGREGATION IN PUBLIC EDUCATION IS BEING CARRIED OUT

SEC. 301. (a) The Secretary is authorized to make grants to States, municipalities, school districts, and other local governmental units which maintained racial segregation in their public schools on May 17, 1954, and which make application for such grants, to assist in meeting the costs of additional educational measures undertaken or to be undertaken to further the process of eliminating segregation in the public schools of the applicant State, municipality, school district, or local governmental unit, while at the same time assuring that existing educational standards will not be lowered.

(b) Grants may be made under this section for—

(1) the cost of employing additional schoolteacher;

(2) the cost of giving to teachers and other school personnel inservice training in dealing with problems incident to desegregation;

(3) the cost of employing specialists in problems incident to desegregation and of providing other assistance to develop understanding by parents, schoolchildren, and the general public of plans and efforts for eliminating segregation in the schools in order to reduce the possibility of community hostility or unlawful resistance to such plans and efforts; and

(4) other costs directly related to the process of eliminating segregation in public schools, including the replacement of State payments to a school district or other political subdivision withdrawn because the applicant district or subdivision is eliminating, or is starting to eliminate, segregation.

(c) Grants may also be made under this section for the construction, enlargement, or alteration of school facilities when the Secretary finds that lack or inadequacy of existing facilities makes the carrying out of any reasonable plan for desegregation without lowering existing educational standards impracticable or materially more difficult.

(d) Each application made for a grant under this section shall provide such detailed breakdown of the additional educational measures for which financial assistance is sought as the Secretary may by regulations prescribe.

(e) Each grant under this section shall be made in such amounts and on such terms and conditions as the Secretary shall prescribe, which may include a condition that the applicant expend funds in specified amounts for the purpose for which the grant is made. In determining whether to make a grant, and in fixing the amount thereof and the terms and conditions on which it will be made, the Secretary shall take into consideration—

(1) the amount available for grants under this section and the other applications which are pending before him;

(2) the financial condition of the applicant and the other resources available to it;

(3) the nature, extent, and gravity of its problems incident to desegregation;

(4) whether the additional educational measures undertaken or to be undertaken are reasonably and effectively designed to further the process of eliminating racial segregation, while at the same time assuring that existing educational standards will not be lowered; and

(5) such other factors as he finds relevant.

SEC. 302. The Secretary is further authorized to make grants to public or other nonprofit educational institutions of higher learning to meet or assist in meeting the cost of short-term training courses or institutes, not to exceed 4 weeks in duration, for personnel of public schools or of educational agencies engaged in or about to undertake desegregation, designed to enable such personnel to deal more effectively with problems incident to desegregation. Such grants may also be used by such institutions to establish and maintain fellowships for such training courses or institutes, covering tuition, fees, and such stipends and allowances (including travel and subsistence expenses) as may be determined by the Secretary.

SEC. 303. Payments of grants under sections 301 and 302 may be made in advance or by way of reimbursement, and at such intervals and on such conditions as the Secretary may determine.

SEC. 304. (a) There are hereby authorized to be appropriated for the fiscal year beginning July 1, 1958, and for each of the 4 suceeding fiscal years, such sums, not exceeding $40 million for any fiscal year, as may be necessary to carry out the provisions of this title.

(b) In making grants from funds appropriated for any fiscal year for the purposes specified in section 301 (b), the Secretary may disregard applications received after August 31 in that fiscal year, or may subordinate such applications to applications recei ed before that date. In the event that he receives, either before or after that date, applications which he considers would materially contribute to carrying out the purposes of this title, but which he cannot grant because of lack or inadequacy of available funds, he shall forthwith report this fact to the Congress and to the President, together with his recommendation with respect to the appropriation of additional funds.

(c) In the event that the Secretary receives applications for grants for the purpose specified in section 301 (c) which he considers would materially contribute to carrying out the purposes of this title, but which he cannot grant because of lack or inadequacy of available funds, he shall forthwith report this fact to the Congress and to the President, together with his recommendation with respect to the appropriation of additional funds.

TITLE IV. ADMINISTRATIVE ACTION DIRECTED TOWARD ELIMINATING SEGREGATION IN PUBLIC EDUCATION

SEC. 401. The Secretary shall make every effort to persuade States, municipalities, school districts, and other local governmental units to make a start toward eliminating segregation in public education and to carry out in full such programs as they may start, and to this end he shall utilize the authority provided in titles II and III.

SEC. 402. Whenever the Secretary shall find that all efforts under titles II and III and under section 401 of this title have failed, and continue to fail, in bringing about a start toward the elimination of segregation in public education in any State, municipality, school district, or other local governmental unit, the Secretary is authorized to prepare a tentative plan for the elimination of segregation in public education in such State, municipality, school district, or other local governmental unit. In preparing such a tentative plan, the Secretary shall seek the advice and assistance of public officials, private organizations, and private citizens in the area and of any local, State, regional, or national advisory council appointed pursuant to section 201 (d) and he shall carefully consider such advice and assistance wherever available. Tentative plans prepared by the Secretary under the authority of this section shall take into account the need of the particular area for time to make an orderly adjustment and transition from segregated to desegregated schools.

SEC. 403. (a) Whenever the Secretary has prepared a tentative plan for the elimination of segregation in public education in any State, municipality, school district, or other local governmental unit, he shall forward the plan to the governor, mayor, or other appropriate official, as the case may be. If the State, municipality, school district, or other local governmental unit agrees to put into effect the tentative plan as proposed by the Secretary or as modified by the State, municipality, school district, or other local governmental unit with the consent of the Secretary, the Secretary shall utilize the authority granted in titles II and III to assist

the State, municipality, school district, or other local governmental unit in putting into effect the tentative plan.

(b) If the State, municipality, school district, or other local governmental unit (1) does not agree to put into effect the tentative plan as proposed by the Secretary or as modified with his consent, or (2) after agreeing to the tentative plan as so proposed or modified, does not, in the judgment of the Secretary, carry out such tentative plan, the Secretary shall hold a public hearing upon the tentative plan. Notice of such hearing shall be given to the local authorities concerned by registered mail and notice shall be given to private organizations and private citizens within the area by publication in one or more newspapers. Local authorities, private organizations, and private citizens shall be permitted to participate in the hearing and present evidence and argument in favor of the tentative plan, in favor of amendments to the tentative plan, or in opposition to the plan or to any plan, but cumulative evidence may be excluded in the discretion of the Secretary. Anyone shall be permitted to file a written statement with the Secretary in addition to, or in lieu of, personal appearance at the public hearing.

(c) After the hearing provided in subsection (b) has been concluded, the Secretary shall prepare and issue an approved plan for eliminating segregation in public education in the State, municipality, school district, or other local governmental unit. He shall publish the approved plan in the Federal Register and in one or more newspapers in the area affected thereby and shall transmit a certified copy thereof to the appropriate official of the State, municipality, school district, or other local governmental unit involved.

(d) In order that the proceedings under this title shall expedite the elimination of segregation in any State, municipality, school district, or other local governmental unit, the Secretary shall handle all proceedings under this title as expeditiously as possible. The Secretary shall complete any proceedings hereunder within 1 year from the time that a tentative plan is forwarded to the governor, mayor, or other appropriate official under section 403 (a), or, in case a State, municipality, school district, or other local governmental unit agrees to a tentative plan but does not carry it out, within 6 months from the time that the Secretary determines that such State, municipality, school district, or other local governmental unit is not carrying out such tentative plan.

SEC. 404. There are hereby authorized to be appropriated for the fiscal year beginning July 1, 1958, and for each of the 4 succeeding fiscal years, such amounts as may be necessary for carrying out the purposes of this title.

SEC. 405. The Secretary is authorized to carry out his responsibilities and exercise his authority under this title and under titles II and III through designated personnel in his own office or through any existing bureau, division, or agency of the Department of Health, Education, and Welfare or through a new office created by him for the special purpose of exercising the Secretary's responsibilities hereunder, except that the Secretary shall personally review and sign any approved plan issued under section 403 (c).

TITLE V. AUTHORIZATION TO THE ATTORNEY GENERAL IN THE FIELD OF PUBLIC EDUCATION

SEC. 501. (a) Whenever (1) the Secretary has published in the Federal Register an approved plan for the elimination of segregation in public education in any State, municipality, school district, or other local governmental unit pursuant to section 403 (c), (2) the State, municipality, school district, or other local governmental unit has rejected the plan or has refused or failed to act in accordance therewith, and (3) the Secretary has certified to the Attorney General that all efforts to secure compliance with the Constitution and the Supreme Court's decisions by conciliation, persuasion, education, and assistance under titles II, III, and IV have failed, the Attorney General of the United States is authorized to institute for or in the name of the United States a civil action or other proceeding for preventive relief, including an application for an injunction or other order, against the appropriate officials of the State, municipality, school district, or other local governmental unit and any individual or individuals acting in concert with such officials to enforce compliance with the approved plan.

(b) The Attorney General is authorized to move to dismiss or discontinue any action brought under subsection (a), or to propose or to agree to a decree adopting a plan for elimination of segregation in public education which is different from the approved plan, whenever he determines that the State, municipality, school district, or other local governmental unit is making, or is prepared to make, a prompt and reasonable start toward full compliance with the Constitution and the Supreme Court's decisions in the field of education and to work toward full compliance with all deliberate speed.

(c) Any interested party may, with the leave of the court, intervene in any action brought under subsection (a), and the court shall consider any proposals by the intervenors, as well as by the defendant or defendants, in determining its final decree.

TITLE VI. OTHER AUTHORIZATIONS TO THE ATTORNEY GENERAL

SEC. 601. (a) Whenever the Attorney General receives a signed complaint that any person or group of persons is being deprived of, or is being threatened with the loss of, the right to the equal protection of the laws by reason of race, color, religion, or national origin and whenever the Attorney General certifies that, in his judgment, such person or group of persons is unable for any reason to seek effective legal protection for the right to the equal protection of the laws, the Attorney General is authorized to institute for or in the name of the United States a civil action or other proceeding for preventive relief, including an application for an injunction or other order, against any individual or individuals who, under color of any statute, ordinance, regulation, custom, or usage, of any State or Territory or subdivision or instrumentality thereof, deprives or threatens to deprive such person or group of persons of the right to equal protection of the laws by reason of race, color, religion, or national origin and against any individual or individuals acting in concert with them.

(b) A person or group of persons shall be deemed unable to seek effective legal protection for the right to the equal protection of the laws within the meaning of subsection (a) not only when such person or group of persons is financially unable to bear the expenses of the litigation, but also when there is reason to believe that the institution of such litigation would jeopardize the employment or other economic activity of, or might result in physical harm or economic damage to, such person or group of persons or their families.

(c) Nothing contained in titles IV and V shall limit the authority of the Attorney General to institute and maintain an action under subsection (a).

SEC. 602. The Attorney General is authorized to institute for or in the name of the United States a civil action or other proceeding, for preventive relief, including an application for injunction or other order, (1) against any person or persons preventing or hindering, or threatening to prevent or hinder, or conspiring to prevent or hinder, any Federal, State, or local official from according any person or group of persons the right to the equal protection of the laws without regard to race, color, religion, or national origin, or (2) against any person or persons preventing or hindering, or threatening to prevent or hinder, or conspiring to prevent or hinder the execution of any court order protecting the right to the equal protection of the laws without regard to race, color, religion, or national origin.

SEC. 603. The Attorney General is authorized, upon receipt of a signed complaint, to institute for or in the name of the United States, a civil action or other proceeding for preventive relief, including an application for injunction or other order, against any individual or individuals who, under color of any statute, ordinance, regulation, custom, or usage, of any State or Territory or subdivision or instrumentality thereof, deprives or threatens to deprive any person or group of persons or associations of persons of any right guaranteed by the 14th amendment of the Constitution, because such person or group of persons or association of persons has opposed or opposes the denial of the equal protection of the laws to others because of race, color, religion, or national origin.

SEC. 604. Whenever a suit is brought in any district court of the United States seeking relief from the deprivation of the right of equal protection of the laws because of race, color, religion, or national origin, the Attorney General is authorized to intervene in such action with all the rights of a party thereto and to seek compliance with any lawful order issued by such district court.

TITLE VII. MISCELLANEOUS PROVISIONS

SEC. 701. The district courts of the United States shall have jurisdiction of proceedings instituted under sections 501, 601, 602, and 603 of this act and shall exercise the same without regard to whether any administrative or other remedies that may be provided by law shall have been exhausted and, in the case of proceedings instituted under sections 601 and 602, without regard to whether any administrative proceeding is pending or contemplated under tilte IV, it being the purpose of title IV to expedite not delay the elimination of segregation in public education throughout the Nation. In any proceeding hereunder, the United States shall be liable for costs the same as a private person.

SEC. 702. Nothing in this act or in any administrative proceeding hereunder shall be construed to impair any right guaranteed by the Constitution or laws of the United States or any remedies already existing for their protection or enforcement, nor to prevent any private individual or organization from acting to enforce or safeguard any constitutional right in any manner now permitted by law.

SEC. 703. If any provision of this act or the application of such provision to any person or circumstance is held invalid, the remainder of this act or the application of such provision to persons or circumstances other than those to which it is held invalid, shall not be affected thereby.

EXHIBIT 2

[From the Christian Century of February 5, 1958]

PROTESTANTISM SPEAKS ON JUSTICE AND INTEGRATION

(In anticipation of the churches' observance on February 9 of Race Relations Sunday, we present a compilation made by the National Council of Churches at our request of the latest official statements on racial justice and good will issued by Protestant denominations and responsible organizations. These statements prove that evangelical Christianity in America is deeply cognizant of its obligation to offer to the Nation Christian answers to its major problem in human relations. They show that the churches,

working independently, have been led to achieve a remarkable unanimity since the Supreme Court, on May 17, 1954, handed down its historic decision calling for an end to racial segregation in the Nation's public schools.—The Editors.)

[We] commend the Supreme Court for this far-reaching decision, and urge the support and cooperation of our entire constituency in its implementation. (African Methodist Episcopal Connectional Council, June 1954.)

Thanking God for the Supreme Court decision and reaffirming our confidence in the inevitable fulfillment of American democracy under the Constitution; recommending to our farflung constituency * * * active cooperation with local school boards in implementing the program of immediate desegregation and urging our pastors, presiding elders, and people to contribute to the morale-building principles employed to create the climate of public opinion favorable to desegregation in every form of American life * * * we authorize, empower, and urge our secondary schools and junior colleges to amend their charters and/or their rules and regulations, if necessary, so as to provide for integrated faculties and student bodies. (African Methodist Episcopal Zion Board of Christian Education—School and College, August 1954.)

We recognize that during the past 10 years great strides have been made in race relations in America and that it was a logical next step for the Supreme Court to declare * * * that our public schools must be integrated to assure equality of educational opportunity. We fully support the Supreme Court decision and deplore the resistance to this decision in certain States where integration of public education has met organized opposition (American Baptist Convention, 1956).

Wherever and whenever the churches help to foster race or class distinctions between people, and wherever and whenever they support attitudes of superiority or inferiority between persons, groups or classes, they violate God's pattern. * * * Christian churches unfailingly, therefore, must condemn segregation and stratification as the evil fruit of natural man's pride and his arrogant assumption of superiority over those who appear to be different from him (American Lutheran Church, 1954).

We urge our members to use their influence in the securing of full rights of citizenship for all, and in discouraging any activity in their communities which would seek to circumvent orderly judicial procedure in the implementation of the Supreme Court decision on segregation (Augustana Evangelical Lutheran Church, June 1956).

The unanimous decision of the Supreme Court * * * that racial segregation in public education in our country violates the 14th amendment to the Constitution marks a new historic milestone in the progress of our Nation toward the goal of full and true democracy (Christian Methodist Episcopal Church, 1955).

We note with appreciation all recent steps made in the direction of elimination of segregation, including the decision of the Supreme Court interpreting the Constitution as opposing segregation in the public schools. We appeal to our brethren to lead out in effecting these social changes in every area of life * * * [and] to consider appearing at local and State hearings on the issue of integrating the public schools and to give testimony in support of the Supreme Court decision (Church of the Brethren, 1954).

We call upon all Americans to undertake timely and tolerant implementation of the Supreme Court decision, and [ask] that our department of race relations and the Council for Social Action carry forward such activities as will develop public support for the Supreme Court decision (Congregational Christian General Council, June 1954).

We urge Christians to practice and seek to spread equality of opportunity for all people; equal pay for equal work; equal protection by law; equality of suffrage; equal recognition of persons as persons without respect to religion, class or race. (Cumberland Presbyterian Church, June 1955).

We approve and commend the decision of the Supreme Court concerning segregation in the public schools, and * * * call upon our churches, our agencies and our institutions to reexamine themselves in light of the implications of Christ's gospel, and to initiate and encourage voluntary, racially inclusive community groups to plan for full compliance with the gospel of Christ, as well as definite techniques for implementation within their own bodies (International Convention of Disciples of Christ, 1954).

We must say plainly that to attempt to evade integration in the public schools by actions which would weaken or undermine the public schools is wrong. No doubt, integration in public schools will proceed at different rates. There are situations in which wisdom and discretion are needed as well as situations in which the complacent need to be stirred to effective and constructive action. The decision of the Supreme Court outlawing racial segregation in the schools provides the occasion for the members of Christian congregations to bear witness to the truth in love and to the love of truth; to support with their sympathy and prayers those who are devoted to constructive efforts toward a greater degree of justice; and to encourage consultation between white and colored persons in the local community in the interest of common understanding and planning (Evangelical and Reformed General Synod, 1956).

We express our gratitude for the unanimous decision of the U. S. Supreme Court that segregation in the public schools is unconstitutional. We urge our church members to assist in preparing their communities psychologically and spiritually for implementing the Supreme Court's decision. * * * We call upon our local churches, annual conferences, colleges and theological seminaries, boards and institutions to implement this decision so that men everywhere may be lifted to new levels of social responsibility and new dimensions of human brotherhood (Evangelical United Brethren Church, November 1954).

The decisions of the Supreme Court * * * relative to segregation make necessary far-reaching and often difficult readjustments throughout the Nation. We call upon our people to effect these adjustments in all good faith, with brotherliness and patience. In doing this all racial groups must be willing to admit their imperfections and seek to correct them. Let these things, however, be done in love lest the cause of Christ suffer at our hands (Methodist General Conference, 1956).

According to Christ and Paul there can be no question of race relations, because there is only one race, the human race. Man himself has divided the race on the basis of color. If man would only stop worrying about petty differences and concentrate on likenesses, there would be no race problem. The problem is not really race relations, but human relations. Segregation in the Church of God is the ugliest thing in the religious world, and a disgrace to a Christian nation (National Baptist Convention, U. S. A., Inc., 1954).

The assembly commends the principle of the decision and urges all members of our churches to consider thoughtfully and prayerfully the complete solution of the problem involved. It also urges all our people to lend their assistance to those charged with the duty of implementing the decision, and to remember that appeals to racial prejudice will not help but hinder the accomplishment of this aim (Presbyterian, United States, General Assembly, 1954).

We receive with humility and thanksgiving the recent decision of our Supreme Court * * * with humility because action by our highest Court was necessary to make effective that for which our church has stood in principle; with thanksgiving because the decision has been rendered with wisdom and unanimity. We urge all Christians to assist in preparing their communities psychologically and spiritually for carrying out the full implications of the Supreme Court decision. We call upon the members of our churches to cooperate with civic organizations, neighborhood clubs, and community councils as effective means for the accomplishment of racial integration in the public school system (Presbyterian, United States of America, General Assembly, 1954).

The 58th General Convention of the Protestant Episcopal Church in the United States of America now commends to all the clergy and people of this church that they accept and support this ruling of the Supreme Court, and that by opening channels of Christian conference and communication between the races concerned in each diocese and community, they anticipate constructively the local implementation of this ruling as the law of the land (Protestant Episcopal General Convention, 1955).

We recognize the fact that this Supreme Court decision is in harmony with the constitutional guaranty of equal freedom to all citizens, and with the Christian principles of equal justice and love for all men. We urge our people and all Christians to conduct themselves in this period of adjustment in the spirit of Christ; we pray that God may guide us in our thinking and our attitudes to the end that we may help and not hinder the progress of justice and brotherly love; [let us] exercise patience and good will in the discussions that must take place, and give a good testimony to the meaning of Christian faith and discipleship. We express our belief in the public school system of our Nation as one of the greatest factors in American history for the maintenance of democracy and our common culture, and we express the hope that in the working out of necessary adjustments, its place in our educational program shall not be impaired (Southern Baptist Convention, June 1954).

We believe that Christians have special responsibilities to keep open the channels of communication and understanding among the different groups in this controversy. Our congregations are encouraged to contribute to the solution of the problem by demonstrating in their own corporate lives the possibility of integration (United Lutheran Church in America, 1956).

We believe the United Presbyterian Church has always believed in the integration of the races. Therefore, in these days when this issue is astride the conscience of the nation we love, we reaffirm our first principles: That God hath made of one blood all nations for to dwell upon the face of the earth; that He is no respecter of persons; that men are created equal and meant to live together in a love that means equality of opportunity and privilege. In the light of these principles we thank God that the laws of the land have made segregation illegal in education (United Presbyterian Church of North America, June 1956).

Be it resolved, That * * * the Florida Council of Churches go on record as favoring this decision of the Supreme Court of the United States which provides equity and justice to all the citizens of this great Nation regardless of color. Urging the people of this State of Florida to remember their obligations as a people under God and to act in charity, tolerance, and wisdom in bringing this State into conformity with the

will of the conscience of the Nation as expressed through the supreme judicial body of the United States. Calling all the people represented by the member bodies of this council of churches to prayer and prayerful study of the problem that Christian principles and not worldly prejudices may prevail in the solution of this difficult social problem now confronting the people of the State of Florida (Florida Council of Churches, October 1954).

We approve and commend the decision of the Supreme Court concerning segregation in the public schools, and * * * we call upon our churches, our agencies, and our institutions to reexamine themselves in light of the implications of Christ's gospel and to initiate and encourage voluntary, racially inclusive community groups to plan for full compliance with the gospel of Christ, as well as definite techniques for implementation within their own bodies (Kentucky Council of Churches, April 1955).

We believe that this decision is consistent with the spirit and teachings of Jesus Christ, and we further affirm that this decision is in keeping with what has been through many years the official position of the Christian church, as it has understood the teaching and spirit of Jesus Christ. * * * We call upon the members of our State legislature to find just ways of implementing in our State the decision of the United States Supreme Court. We ask that in every circumstance they exercise clear and calm judgment and Christian good will in all their attitudes and actions concerning this vital matter in accordance with the ideals of our Christian faith (New Orleans Council of Churches, July 1954).

Now that the Supreme Court has spoken * * * we urge that the churches as represented in the council accept the decision of the Court as the law of the land and endeavor as fully as possible, in the spirit of Christ, to realize an integrated public school system (North Carolina Council of Churches, January 1956).

We call upon the churches of Virginia and their people to face with resolution the enormous task of helping the citizens of this Commonwealth to make the necessary adjustments to the Supreme Court's decision which is in accord with Christian principles. We urge all Christians to move with Christian patience and hope upon a course of good faith and wisdom in order that they may not become the victims of despair (Virginia Council of Churches, January 1956).

We firmly believe that the Supreme Court of the United States has acted in keeping with the basic principles of our American democracy and in keeping with the teachings of the Christian church when it declared segregation in the schools unconstitutional (Washington, D. C., Federation of Churches, October 1954).

The unanimous decision of the Supreme Court that segregation in the public schools is unconstitutional gives a clear status in law to a fundamental Christian and American principle. The decision will have far-reaching effects in the whole Nation and the world. * * * In the period of transition from one pattern to another (whatever the length of the period to be prescribed by the Court), we know that the churches and individual Christians will continue to exert their influence and leadership to help the authorized agencies in the several communities to bring about a complete compliance with the decision of the Supreme Court. The law of neighborliness is the great guide available to Christians as they deal with this situation in their local communities. "Thou shalt love they neighbor as thyself." The second part of the great commandment contains the potential for lifting men to a new level of social responsibility and for creating new dimensions of human brotherhood (National Council of Churches General Board, May 1954).

EXHIBIT 3

COMPILATION OF RECENT STATE AND LOCAL LAWS, RESOLUTIONS, ORDINANCES, AND ADMINISTRATIVE POLICIES, WITH COMMENTS BY MR. J. FRANCIS POLHAUS, COUNSEL, WASHINGTON BUREAU, NATIONAL ASSOCIATION FOR THE ADVANCEMENT OF COLORED PEOPLE

ALABAMA

Alabama, in an attempt to evade the Supreme Court's school decisions, has adopted a pupil placement law.

This plan gives local boards of education "full and final authority and responsibility for the assignment, transfer, and continuance of all pupils." It provides that there shall be no reallocation of pupils "according to any rigid rule of proximity of residence." The board of education shall consider, among other factors, "the psychological qualification of the pupil"; "the psychological effect upon the pupil of attendance at a particular school"; "the possibility or threat of friction, or disorder among pupils or others"; the possibility of breaches of the peace or ill will or economic retaliation within the community" (Act No. 201, regular session, Alabama, 1955: I Race Relations Law Reporter [1] 235).

In this act the legislature is authorizing the local boards to, in effect, surrender their authority to those persons in the community who will promote mob action.

In an attempt to make school officials immune from legal action to enforce constitutional rights, Alabama has amended its constitution to allow the legislature to designate as judicial officers members of State school boards, State boards of education, county school boards, city school boards or commissions, and all superintendents of schools, school officials and employees (Act No. 82, Alabama, first special session, 1956; I R. R. L. R. 417).

In defiance of the Supreme Court, the legislature adopted an interposition resolution declaring the Court's segregation decision "null, void, and of no effect" (Southern School News,[2] vol. II, No. 8, p. 6, Act No. 42, Alabama, first special session, 1956).

Alabama reaffirmed its unconstitutional school policy of segregation by adopting an amendment to its school laws providing for school boards to conduct "separate schools for white and colored children whose parents * * * voluntarily elect that such children attend schools with members of their own race" (Act No. 117, Alabama, second special session, 1956; I R. R. L. R. 717).

In a series of amendments to its constitution, Alabama granted to the legislature authority to close, withdraw State aid from, or even dispose of, public schools threatened with integration, and to donate funds and property to private schools (S. S. N., vol. III, No. 3, page 3; Act No. 82, Alabama, first special session, 1956).

Also authorized is a so-called private school plan whereby a local school board, on petition of a majority of school patrons, may close a school and lease the property for "private, nonprofit, educational purposes" and use public funds to pay pupils' tuition in private schools. Teachers transferred to these private schools would continue to be eligible for State benefits (S. S. N., vol. IV, No. 3, p. 5).

In addition to the above noted legislation of a statewide effect, both the State legislature and local governing bodies have passed legislation to thwart the enjoyment of civil rights.

The legislature passed two bills, applying to Macon and Marengo Counties, which would allow the county school boards to discharge any teacher "at any time such action is deemed necessary to promote the best interest of the schools" (Acts No. 40 and 41, first special session, Alabama, 1956).

A local act applicable to Wilcox County requires any organization soliciting membership or funds in the county to pay a $200 license fee, a $50 fee for each solicitor and $5 for each member signed up (Act No. 238, regular session, Alabama, 1955).

This act would, of course, apply to organizations other than those advocating integration. Labor unions would, for instance, be similarly affected. It is doubtful, however, that it will be invoked against segregation organizations or other groups seeking to stifle civil rights and civil liberties.

The city of Huntsville, Ala., in an attempt to perpetuate the separate but equal doctrine, has adopted a resolution making the local golf courses available 1 day a week to Negro patrons (I R. R. L. R. 589).

The city of Montgomery has made it a misdemeanor for white and colored to engage in athletic contests together, or for any owner or operator of a public establishment to allow interracial athletic contests (Montgomery Ordinance No. 15–57, March 19, 1957; II R. R. L. R. 714).

On November 13, 1956, the Supreme Court in the case of *Gayle* v. *Browder* (77 Sup. Ct. 165), affirmed a district court decision that enforcement of State and city laws requiring segregation on public carriers was unconstitutional. Nevertheless, on March 12, 1957, the Birmingham City Commission reaffirmed its policy of segregation on public buses, adopting an ordinance which reaffirmed, reenacted, and continued in full force and effect its existing law requiring segregation in the transit system (Ordinance No. 1342–F, II R. R. L. R. 457).

Because of the growing importance of the vote of colored citizens in the town of Tuskegee, the State legislature enacted a statute redefining the city limits of the town, removing from the municipality almost all colored voters (Act No. 140, Alabama, 1957 sess.; II R. R. L. R. 856).

Not content with this attempt to deny Negro citizens a voice in their government, the legislature went a step beyond and passed an amendment to the State constitution authorizing the legislature to abolish Macon County, the county in which Tuskegee is located. The purpose of this is to dilute the potential high percentage of colored voters (Macon County's colored population is 85 percent) by dividing these voters among neighboring counties. This amendment was approved on December 17, 1957 (Washington Post, December 18, 1957, p. 1).

The background of this amazing perversion of the democratic process is set out in a press conference of officers of the Tuskegee Civic Association, participated in by Senator DOUGLAS and other Senators, on July 30, 1957. A transcript of the testimony of this conference appeared in the CONGRESSIONAL RECORD of August 8, 1957.

ARKANSAS

On November 6, 1956, the voters of Arkansas voted on and approved three measures designed to maintain segregation in the public-school system. All three measures were to become effective on December 6, 1957.

The first of these measures was an amendment to the constitution of Arkansas designed to nullify the United States Supreme Court's decision in the school segregation cases. This amendment directed the general assembly to "take appropriate action and pass laws opposing in every constitutional manner the unconstitutional desegregation decisions of May 17, 1954, and May 31, 1955, of the United States Supreme Court, including interposing the sovereignty of the State

---

[1] Hereinafter referred to as R. R. L. R.

[2] Hereinafter referred to as S. S. N.

of Arkansas to the end of nullification of these" (amendment No. 47, Arkansas constitution; I R. R. L. R., 1117).

An initiated petition of interposition was also approved which reads, in part:

"The people of Arkansas assert that the power to operate public schools in the State on a racially separate but substantially equal basis was granted by the people of Arkansas; any and all decisions of the Federal courts or any other department of the Federal Government to the contrary notwithstanding" (I R. R. L. R. 591).

The third of the measures adopted at this time was a school assignment plan, intended to evade the Supreme Court's decisions on school segregation. The chief means to be used in this evasion is apparently a provision that one of the factors to be considered is the "possibility or threat of friction or disorder among pupils or others" (I R. R. L. R. 579); Arkansas Stat., 80–1519 et seq.).

This provision is obviously an invitation to mob action of the Little Rock type.

State Commissioner of Education Ford said the law would help districts which want to keep their segregated schools (S. S. N., vol. III, No. 6, p. 8).

Arkansas' compulsory school attendance law has been amended so that students are relieved of the necessity of attending school if classes are racially mixed (Act No. 84, Arkansas Legislature, 1957 session, II R. R. L. R. 453).

The legislature has created a State agency to assist in preserving segregation. This State sovereignty commission has been granted the right to examine "all records, books, documents, and other papers touching upon or concerning the matters and things about which the commission is authorized to conduct an investigation." Subpena power is granted to the commission with punishment for refusal to obey or a fine up to $1,000 and 6 months' imprisonment (Act No. 83, Arkansas Legislature, 1957 session, II R. R. L. R. 491).

In an attempt to intimidate those seeking to promote desegregation, Arkansas has enacted legislation requiring "persons and organizations promoting school desegregation by legislation or litigation" to register and submit reports to the State sovereignty commission (Act No. 85, Arkansas Legislature, 1957 session, II R. R. L. R. 495).

Upon the recommendation of State Attorney General Bruce Bennett, Little Rock and 11 other communities in the State have adopted local ordinances requiring any organization, upon request of local authorities, to file specified information about finances, officers, and members within a city. These ordinances are under legal attack by the NAACP (S. S. N., vol. IV, No. 6, p. 3).

In the meantime, these statutes are being used to harass the NAACP. Mrs. Daisy Bates, State president of the NAACP, and Rev. J. B. Crenshaw, president of the Little Rock branch, have been arrested and fined for failing to reveal the membership list of the Little Rock branch.

FLORIDA

Florida has also enacted a pupil placement bill. Its author, Senator Johne, says of it: "Counties that want to keep segregated schools can do so under this bill" (S. S. N., vol. II, No. 1, p. 5).

This act sets up the county board of education as the authority to assign children to the school "as shall be determined by the board to be best adapted or qualified to serve the best interests of the child and of the public school system." The authority of the board is "full and complete and its decision as to the enrollment of any pupil in any such school shall be final" (ch. 29746, Laws, Florida, 1955; I R. R. L. R. 237).

Further legislation on the assignment of pupils established vague criteria for assignment, such as the "psychological, moral, ethical, and cultural backgrounds of the pupil." The board is directed to take into account "sociological, psychological, and like intangible social scientific factors as will prevent, as nearly as practicable, any condition of socioeconomic class consciousness among pupils attending any given school." There is no provision requiring members of the boards to have any specific training in any of the social sciences (ch. 31380, Laws, Florida, 1956; I R. R. L. R. 924).

At the same time, school authorities were authorized to ignore continuing contracts and tenure in assigning teachers. Chapter 31391, Laws, Florida, 1956. "This is designed to permit the dropping of Negro teachers regardless of their qualifications" (S. S. N., vol. III, No. 2, p. 10). It would, of course, also subject white teachers to lack of job security and make them subject to pressures from local boards.

Florida, as other States refusing to comply with the Supreme Court's decision, has passed a resolution of nullification and interposition denouncing "the usurpation of power by the Supreme Court of the United States" (Senate Concurrent Resolution No. 17–XX, 1956 special session; I R. R. L. R. 948).

The Governor of the State has been granted what amounts to dictatorial powers under the guise of emergency authority to quell violence. The statute granting such authority reads in part:

"In all such cases when the Governor of the State of Florida shall issue his proclamation (of emergency) as herein provided he shall be and is hereby further authorized and empowered, to cope with said threats and danger, to order and direct any individual person, corporation, association or group of persons to do any act which would in his opinion prevent danger to life, limb or property, prevent a breach of peace or * * * to refrain from doing any act or thing * * * and shall have full power by appropriate means to enforce such order or proclamation" (ch. 31390, Laws, Florida, 1956; I R. R. L. R. 955).

The only limitation on the Governor's use of this grant of power is that it shall be used "when, in his opinion, the facts warrant."

In an effort to harass those supporting the Federal Constitution, the legislature set up a committee to investigate the NAACP. The committee was granted a $50,000 appropriation and given broad subpena powers (S. S. N., vol. III, No. 3, p. 13).

In addition to State action, the battle against integration has been carried on on a local level.

The legislature passed a bill for Jefferson County, forbidding teachers of one race to instruct pupils of another, and forbidding pupils to engage in or attend athletic contests or use school cafeterias with children of another race (S. S. N., vol. IV, No. 3, p. 2).

Not only the school-segregation cases, but decisions of the Federal court relating to public beaches have been the objects of defiance by local authorities.

The city of Delray Beach has passed an ordinance providing: "No member of the Negro race shall go upon the Delray Beach municipal beach or the Delray Beach municipal pool" (Emergency Ordinance No. 236, 1956; I R. R. L. R. 733).

The city of Sarasota has likewise attempted by statute to deny colored citizens the right to use the public beaches. It adopted an ordinance requiring the clearing of public beaches whenever persons of different races shall enter on the beach at the same time (Ordinance No. 913, 1956; I R. R. L. R. 945).

Of recent enactment by the State legislature is a bill (H. B. 794, 1957) calling for "automatic closing and suspension of operation of any public school in this State upon the employ of Federal troops in the vicinity of said school for certain purposes." The Governor signed this into law in October 1957.

GEORGIA

Georgia has reacted strongly to the Supreme Court's decisions protecting the rights of minority citizens. The legislative reaction has taken various forms, among them a resolution of interposition and nullification, a call for impeachment of Supreme Court Justices, a memorial to declare the 14th and 15th amendments invalid, and a statute requiring State officers, under penalty of loss of pension rights, to continue enforcing unconstitutional State laws.

The nullification resolution declares:

"That said decisions and orders of the Supreme Court of the United States relating to separation of the races in the public institutions of a State as announced and promulgated by said Court on May 17, 1954, and May 31, 1955, are null, void, and of no force or effect" (H. Res. 185, 1956 sess.; I R. R. L. R. 438).

The legislature adopted a resolution on February 27, 1957, calling on the United States Representatives from Georgia to introduce a resolution of impeachment against Chief Justice Warren and Justices Black, Douglas, Reed, Frankfurter, and Clark because of certain decisions in which they participated (H. Res. 174, 1957 sess.; II R. R. L. R. 485).

As yet, no Georgia Congressman has introduced such a resolution.

On March 8, 1957, the legislature passed a resolution memorializing the United States Congress to declare the 14th and 15th amendments "null and void and of no effect" (S. Res. 39, 1957 sess.; II R. R. L. R. 483).

The statute relating to enforcement of segregation laws provides:

"Any peace officer * * * who knowingly refuses or fails to attempt to enforce any law of this State requiring segregation or separation of the white and colored races in any manner or activity * * * shall forfeit all retirement benefits, all disability benefits, and all death benefits" (Act No. 197, Georgia Laws, 1956; I R. R. L. R. 450).

Even before the Supreme Court's decision in the school cases, Georgia had begun its plan to avoid the possible consequences of such a decision.

In 1954, a constitutional amendment was ratified to allow the legislature to provide for grants of public funds to citizens for educational purposes (art. VIII, sec. XIII, Georgia Constitution).

Following the Court's ruling in the segregation cases, the State adopted a battery of laws intended to evade compliance with the Constitution as applied by the Court.

A group of laws approved February 6, 1956, laid the groundwork for the closing of public schools and the operation of a State-sponsored private school system.

The first of these provides for the closing of public schools by the Governor whenever a school becomes ineligible for State funds (i. e., when integrated). The students of such a closed school become eligible for an "education grant" from public funds (Act No. 11, Georgia Laws, 1956; I R. R. L. R. 418).

Acts No. 13 and 14 of the 1956 session of the legislature authorize the State and local boards of education to lease and sublease public school property for "private school purposes" (I R. R. L. R. 420).

Supplementing the above acts is a law to bring within the State teachers' retirement system teachers who would teach in these "private" schools (Act No. 15, Georgia Laws, 1956; I R. R. L. R. 424).

The Governor has been granted authority to suspend the compulsory school laws throughout the State or in any part of the State (Act No. 139, Georgia Laws, 1957; II R. R. L. R. 453).

In order to insure conformity by the teachers of the State, the State Board of Education has adopted a resolution to revoke "forever" the license of any teacher who "supports, encourages, condones, or agrees to teach mixed classes" (S. S. N., vol. II, No. 2, p. 4).[3]

In a further effort to block any possible integration, the legislature has dried up any funds to support a possibly integrated school.

It has been made a felony, punishable by 2 years' imprisonment, for any school official of the State or municipal or county system to spend tax money for public schools in which the races are mixed (Act No. 82, Georgia Laws, 1955).

The appropriations act of 1957 contains a provision that prohibits funds to be used for any public educational facility in which white and Negro races are not separated (House Resolution 243, Georgia, 1956; I R. R. L. R. 421).

Following an attack on the segregated system of the University of Georgia, School of Law (*Ward* v. *Regents* (II R. R. L. R. 369, 599)) the State board of regents announced it would enforce admission requirements that would make it a practical impossibility for a colored person to apply, because of the social and political pressures on those sponsoring him.

These requirements would be: (1) Signature of two alumni that the applicant is of good character, (2) a testimonial from the ordinary or clerk of superior court of the applicant's county that he "bears a good reputation in the community," (3) a recommendation that he is a "fit and suitable person" for admission from the judge of the superior court in his county of residence (S. S. N., vol. III, No. 11, p. 6).

In areas other than public-school segregation, Georgia has also acted to render ineffective decisions of the Federal courts.

In the field of public transportation, the State has adopted a law requiring segregation of intrastate passengers in waiting rooms of public carriers. Any carrier failing to comply is subject to penalty for a misdemeanor for each day it so fails (Act No. 413, Georgia Laws, 1956; I. R. R. L. R. 428).

Also passengers who fail to use the waiting rooms designated for their race under the above noted statute are subject to criminal prosecution; officers who enforce this law are exempted from suit for false arrest, false imprisonment or other legal action (Act No. 405, Georgia Laws, 1956).

To avoid allowing colored citizens to exercise their constitutional right to use public parks and other places of public recreation, Georgia has authorized the State or its political subdivisions to sell, lease, or otherwise dispose of such property (Act No. 20, Georgia Laws, 1956; I R. R. L. R. 427).

Pursuant to this authority nine State parks were leased to private operators. Average rental of these leases was $2,000 for 12 months. Most of the parks were leased to former park superintendents (S. S. N., vol. II, No. 11, p. 9).

Under the guise of emergency powers, and in a bill practically identical with Florida's on the same subject, the Governor is granted the same absolute power referred to in the above discussion of Florida's emergency statute. This includes the authority to order anyone "to do any act" or "refrain from doing any act" (Act No. 60, Georgia Laws, 1957; II R. R. L. R. 505).

Also, the State Patrol and Bureau of Investigation has been charged with the duty of entering any county or municipality "for the purpose of making arrests and otherwise enforcing any law of this State requiring segregation or separation of the white and colored races in any manner or activity" (Act No. 384, Georgia Laws, 1956).

LOUISIANA

Shortly after the Supreme Court's decision in the school segregation cases, Louisiana amended its constitution to continue segregation under its police power. The amendment provided:

"All public elementary and secondary schools in the State of Louisiana shall be operated separately for white and colored children. This provision is made in the exercise of the State police power" (Act No. 752, Louisiana, 1954, I R. R. L. R. 239).

Supplementing this amendment, the legislature passed a law providing: (1) segregation in all elementary and secondary public schools; (2) withdrawal of State certification for any noncomplying school; (3) withdrawal of State support, including funds for free books and school lunch program from any noncomplying school; (4) criminal penalties ($500 to $1,000 fine or 90 days to 6 months imprisonment) for any violating the provisions of the law (Act No. 555, Louisiana, 1954, I R. R. L. R. 239).

It also enacted a pupil placement plan which gave each parish superintendent of schools authority to assign students. No criteria were provided for making such assignments (Act No. 556, Louisiana, 1954).

As soon as these legislative provisions were legally attacked, they were declared unconstitutional. *Bush* v. *Orleans Parish School Board* (138 F. Supp. 336 (1956)).

In the field of higher education, Louisiana had for several years admitted colored students to its State supported colleges. This was done pursuant to court cases predating the Supreme Court decision of May 17, 1954.

Following the decision of May 17, the State not only attempted to thwart that decision, but to reverse its policy with respect to higher education as well.

It did this by adopting a law requiring all students and applicants at tax supported colleges to have a certificate of good character signed by their high school principals and district superintendents (Act No. 15, Louisiana, 1956).

At the same time it passed an act making it a grounds for dismissal from employment for any teacher to perform "any act toward bringing about the integration of the races within the public school system or any public institution of higher learning" (Act No. 249, Louisiana, 1956; I R. R. L. R. 941).

Taken together, these laws made it impossible for colored students to obtain the required certification. It was so recognized by the Federal Court and the scheme was declared unconstitutional. *Ludley* v. *Board of Supervisors of L. S. U.* (150 F. Supp 900).

Act 249, referred to above, also provided for dismissal of teachers for advocating racial integration or for belonging to or contributing to an organization enjoined from operating in Louisiana. At the time, the NAACP was under injunction prohibiting it from doing business in that State.

Similar restrictive legislation was applied to public school bus operators, teachers and employees of the Orleans parish public school system (Acts 248, 250 and 252, Louisiana, 1956; I R. R. L. R. 943, et seq.).

An act affecting the city of New Orleans provides "Those public schools being utilized in the education of children of the Negro race through the twelfth grade of school shall * * * be utilized solely and exclusively in the education of children of the Negro race unless otherwise classified by the legislature."

A similar provision was made with respect to "white" schools and a provision was likewise made that all new schools would be designated "white" or "Negro."

The law also requires that white and colored students will be taught only by teachers of their own race.

It further attempts to deny legal attack on the law by providing that the act may be contested only with the consent of the legislature (Act No. 319, Louisiana, 1956; I R. R. L. R. 927).

The State has suspended its compulsory school attendance laws in any school system which is ordered integrated (Act No. 28, Louisiana, 1956; I R. R. L. R. 728. This has been interpreted as applying to the parochial school system (S. S. N., vol. II, No. 12, p. 3).

In attempting to prevent lawsuits from being brought against segregation in the school and park systems, Louisiana has amended its constitution and designated the governing boards of these institutions special agencies of the State. It has withdrawn permission for suits to be brought against special agencies except with the consent of the legislature (Act No. 613, Louisiana, 1956; I R. R. L. R. 776).

Louisiana has, of course, adopted a resolution of interposition. Therein it declares the May 17, 1954, decision of the Supreme Court and any similar decision to be in violation of the United States Constitution "insofar as such decisions may affect or apply to the sovereign State of Louisiana" (House Concurrent Resolution No. 10, Louisiana, 1956; I R. R. L. R. 753).

The attack on desegregation has not been confined to the public-school system.

A particular retreat into reaction was taken when the State outlawed interracial athletic events and established forced segregated seating at all athletic events (Act No. 579, Louisiana, 1956; I R. R. L. R. 953).

Prior to the enactment of this legislation, colored athletes had been participating before unsegregated audiences for several years. Shreveport was represented in baseball in the Texas League, where colored players were active. The United States Naval Academy and the University of Pittsburgh had participated in the Sugar Bowl football game on an unsegregated basis. Because of this reversal of State policy, the United States Military Academy was forced to transfer its 1957 football game with Tulane, scheduled for New Orleans, to West Point, in order to comply with the policy of the National Government. Again in defiance of a Supreme Court ruling, Louisiana has enacted a law requiring racially segregated waiting rooms for intrastate passengers of public carriers, with criminal penalties of $100 to $300 fine and 30 days to 6 months imprisonment for any violation (Act No. 27, Louisiana, 1956; I R. R. L. R. 741).

Employers are required, under criminal penalty, to provide separate sanitary facilities, eating places and drinking facilities (Act 395, Louisiana, 1956; I R. R. L. R. 947).

This last requirement appears to contravene Executive Order No. 10479 which prohibits discrimination by employers holding Government contracts. Logically, it would bar the issuance of Government contracts to any Louisiana industry.

MISSISSIPPI

In Mississippi, the State has thrown its full power into the effort to render null and void the school segregation decisions of the Supreme Court.

In a resolution of interposition and nullification, Mississippi's legislature has declared:

"the decisions and order of the Supreme Court of the United States of May 17, 1954, and May 31, 1955, to be a usurpation of power reserved to the several States and do declare, as a matter of right, that said decisions are in violation of the Constitutions of the United States and the State of Mis-

[3] Later rescinded on the advice of the State attorney general as unnecessary. The teachers' oath to uphold the laws of the State was sufficient to prevent membership in the NAACP, he added.

sissippi, and therefore, are considered unconstitutional, invalid and of no effect within the confines of the State of Mississippi." (Senate Concurrent Resolution No. 125, Mississippi, 1956; I R. R. L. R. 442).

Implementing this resolution is an act which directs all officers of the executive branch of the State government to prohibit "the implementation of or the compliance with, the Integration Decisions of the United States Supreme Court," and to prohibit the "mixing or integration of the white and Negro races in public schools, public parks, public waiting rooms, public places of amusement, recreation or assembly."

Any law officers acting in compliance with this act is granted "a full and complete defense to any suit" brought against him by "any person * * * or by the Federal Government of the United States" (ch. 254, General Laws of Mississippi, 1956; II R. R. L. R. 480).

As a further means of resisting the 14th amendment to the Constitution, the State set up a "legal educational advisory committee." This committee was granted authority to command the appearance of witnesses. The testimony of such witness "would be used in support of the State using its police power to maintain segregation for 'peace and order'" (S. S. N., vol. I, No. 6, p. 9).

At about the same time the Governor appointed 1,100 lawyers as special assistant attorneys general to act in defense of school officials against whom suits might be brought (S. S. N., vol. I, No. 6, p. 9).

Later the State created a "State sovereignty commission" with the duty "to do and perform any and all acts necessary and proper to protect the sovereignty of the State of Mississippi, and her sister States, from encroachment thereon by the Federal Government."

The commission was granted subpena power to require examination of witnesses and production of books, records, etc. Failure to respond to the subpena of the commission was made punishable by "fine or imprisonment in the discretion of the commission" (ch. 365, General Laws of Mississippi, 1956; I R. R. L. R. 592).

The legislature appropriated $250,000 to finance the activities of the Sovereignty Commission. Out of these funds, the commission decided to employ secret investigators and informants (S. S. N., vol. II, No. 12, p. 5).

In the field of public school education, Mississippi acted early to attempt to frustrate the Supreme Court's decisions

In December 1954, it adopted an amendment to its constitution which would authorize the legislature to abolish public schools through the State and allow the legislature to authorize counties or separate school districts to abolish their schools (ch. 132, General Laws of Mississippi, 1955).

Also there was enacted a statute prohibiting "persons of the white or Caucasian race from attending schools of high school level and lower, wholly or partially supported with State funds, which are also attended by a member or members of the colored or Negro race." Violations of this law are made punishable by a fine up to $25 or 6 months imprisonment (ch. 43, General Laws of Mississippi, 1955).

The State has also abolished its compulsory school attendance law in order to avoid possible integration (ch. 288, General Laws of Mississippi, 1956; I R. R. L. R. 422).

In a series of bills to preserve segregated travel, Mississippi requires public carriers to provide and designate racially separate waiting rooms and toilet facilities for intrastate travelers. Failure to use such facilities as designated is made punishable by penalties up to $1,000 in fine and 1 year imprisonment (chs. 258, 259, and 260, General Laws of Mississippi, 1956; I R. R. L. R. 430 et seq.).

As a means of insuring these and all other of its illegal and unconstitutional laws are obeyed, Mississippi has made it a criminal offense to conspire to violate the State's segregation laws by force, violence, threats, intimidation or "otherwise" (ch. 20, General Laws of Mississippi, 1954).

Realizing that the structure of enforced segregation is built on the denial of the franchise, Mississippi amended its constitution in order to further restrict the voting rights of its colored citizens. By this means, colored voters were reduced from 22,000 in 1954 to 7,000 in 1955, according to testimony given by Governor Coleman to the House Judiciary Committee. This 7,000 voters is out of a colored population in the State of 900,000 (House hearings, H. R. 140 et al., 85th Congress, 1st sess., p. 730).

NORTH CAROLINA

North Carolina is another State which has constructed an elaborate scheme to deny colored children their right to attend public schools without racial discrimination.

One measure in this scheme is the transfer of authority from enrollment and assignment of pupils from the State Board of Education to local city and county boards (ch. 1372, session Laws of North Carolina, 1955).

The purpose of this transfer, as explained by its segregationist proponents, was to require that each of the 172 school administrative units must be sued in any complete legal attack on segregation on a statewide basis (S. S. N., vol. I, No. 9, p. 10).

Another, and perhaps the principal, measure devised to block integration is a school-placement plan. This plan, as amended and in effect, grants to each local board of education "full and complete" authority to assign and reassign students to the public schools. In making assignments, the boards are "to provide for the orderly and efficient administration of the public schools, and provide for the effective instruction, health, safety, and general welfare of the pupils." Each board of education is authorized to adopt "reasonable rules and regulations as in the opinion of the board are necessary in the administration of this article" (ch. 7, extra session Laws, North Carolina, 1956; I R. R. L. R. 939).

Other parts of this scheme of evasion are:

An amendment to the State constitution to authorize expenditure of public funds for tuition grants "for the private education of any child for whom no public school is available or for the private education of a child who is assigned against the wishes of his parent * * * to a public school attended by a child of another race." This amendment also authorizes the legislature to provide "local option" whereby local educational units may be allowed to close their public schools (ch. 1, extra session Laws, North Carolina, 1956; I R. R. L. R. 928).

An act, adopted pursuant to the authority granted in the amendment noted above, which provides tuition grants as authorized in the amendment, for use for education in private, nonsectarian schools, (ch. 3, extra session Laws, North Carolina, 1956; I R. R. L. R. 930).

An act, adopted pursuant to the authority granted in the amendment note above, authorizing each local education unit "to suspend the operation of one or more or all of the public schools under its jurisdiction." It provides the machinery for such suspension and for the reopening of any closed school (ch. 4, extra session Laws, North Carolina, 1956; I R. R. L. R. 934).

An act providing for the suspension of the compulsory school attendance law where public schools are integrated and it is "not practicable for such child to attend a private nonsectarian school" (ch. 5, extra session Laws, North Carolina, 1956; I R. R. L. R. 938).

SOUTH CAROLINA

South Carolina began its drive to avoid the effects of the Supreme Court school decision before the decision was handed down by the Court.

It repealed that provision of its constitution requiring the State to provide a system of free public schools (Act (47) 2223, South Carolina, 1952, and Act (48) 1695, 1954). Later it provided that State funds shall cease "for any school from which, and for any school to which, any pupil may transfer pursuant to, or in consequence of, an order of any court" (Act (49) 329, South Carolina, 1955; I R. R. L. R. 241).

Another series of laws was enacted to avoid integration, if necessary by the elimination of the public school system. Among these were the repeal of the compulsory school attendance law (Act (49) 85, South Carolina, 1955); increased administrative grants of authority, including assignment of students, to local school authorities and the granting of authority to local school boards to operate or close public schools (Code, title 21, section 230); authorization for the sale or lease of public school property (Code, title 21, section 238).

School officials have been granted the authority to have children removed from a school and transferred to another by the sheriff or other law-enforcement officer where the enrollment of such children may threaten to result in riot, civil commotion or may in any way disturb the peace of the citizens of the community (Act No. 712, South Carolina, 1956).

Higher education has likewise come under attack in South Carolina. In its general appropriations act of 1956, the State provided that all appropriations for colleges and institutions of higher learning were made on the basis of racial segregation. The colleges given State aid are to be closed upon any pupil being ordered admitted immediately to it by the order of any court. In such an event, the South Carolina State College shall be closed also (Act No. 813, South Carolina, 1956). South Carolina State College is the institution serving colored college students in the State.

A similar appropriation bill provision granted funds for racially separate schools and parks and directed school authorities to close any institution to which a student is ordered admitted by court order (Act No. 49 (329) South Carolina, 1955).

South Carolina has joined those States voicing defiance of the Supreme Court by resolutions of nullification and interposition. Its resolution reads in part:

"The State of South Carolina * * * will exercise the powers reserved to it under the Constitution to judge for itself of the infractions and to take such other legal measures as it may deem appropriate to protect its sovereignty and the rights of its people" (Act No. 914, South Carolina, 1956; I R. R. L. R. 443).

South Carolina, realizing the importance of the NAACP in the fight against its unlawful and unconstitutional legislation, has attempted to coerce the association by legislation aimed specifically at it.

It set up a special committee to investigate the activities of the NAACP at South Carolina State College to "determine what individuals at the college are members and sympathizers with" the association and to "further determine the extent of participation of the faculty and students in the activities of the association" (Act No. 920, South Carolina, 1956).

In order to further embarrass the NAACP, South Carolina enacted legislation prohibiting public employment of members of the association. It was made "unlawful for any member of the National Association for the Advancement of Colored People to be employed by the State, school district, county, or any municipality thereof."

The authorities of any school were authorized to demand an oath of "any teacher or other employee * * * who is suspected of being a member" of the association. Any person who refused to submit to such interrogation would be "summarily dismissed" (Act No. 741, South Carolina, 1956).

This act was repealed when it was attacked in the courts (*Bryan* v. *Austin* (354 U. S. 933)), in order to avoid a ruling on its constitutionality. It was replaced by a law requiring all applicants for employment with State or local governmental bodies to give "information as to active or honorary membership in or application with all membership associations and organizations" (Act No. 223, South Carolina, 1957; II R. R. L. R. 852).

South Carolina also used the "avoidance" method of having its law declared unconstitutional in connection with the operation of State recreational facilities.

While a suit was pending in Federal court involving racial exclusion at Edisto Beach State Park, the State closed the park under a legislative mandate (Act No. 917, South Carolina, 1956; I R. R. L. R. 590).

In order to continue racial segregation in other State parks, the "State commission of forestry is vested with the authority to operate and supervise only racially separate parks and to admit to the facilities of the State parks only persons having the express permission of the State to use such facilities." Permission was granted in the law to "citizens of the State to use the facilities at the parks for their own race." Persons not complying could be found guilty of trespass and sentenced to $5,000 fine or 2 years imprisonment (Act No. 813, South Carolina, 1956; I R. R. L. R. 738).

South Carolina has enacted an "emergency" law, almost identical in language with those of Florida and Georgia. The language of these bills compels a conclusion that they had a common origin. The Governor, as he is in Florida and Georgia, is granted authority to "order and direct any person to do any act which would in his opinion prevent or minimize danger" or "to refrain from doing any act" (Act No. 349, South Carolina, 1957; I R. R. L. R. 855).

The laws noted above are those enacted since May 17, 1954. South Carolina, of course, continues to enforce its segregation laws enacted previous to that date. Among these is section 1272 of the labor laws of South Carolina, which prohibits laborers of different races from working together in the same room in any textile shop.

This State-imposed policy of discrimination, if complied with by textile manufacturers, violates Executive Order No. 10479. Accordingly, Government agencies, if they abide by the Executive order, would not contract for textiles manufactured in South Carolina.

TENNESSEE

Tennessee's house of representatives, not content with 1 resolution of defiance of the Supreme Court, has passed 2 such resolutions, denouncing the Court's "tyrannical usurpation of power" and "illegal encroachments upon the powers reserved to the State of Tennessee" (House Resolutions 1 and 9, Tennessee, 1957; II R. R. L. R. 228 and 481).

In order to implement its defiance of the Court, Tennessee has enacted a series of laws relating to its public-school system.

It has authorized boards of education to provide separate schools for white and Negro children whose parents or guardians voluntarily elect that such children attend school with children of their own race (ch. 11, Public Acts of Tennessee, 1957; II R. R. L. R. 215).

It has given local boards of education authority to assign students on the basis of a long list of intangible and unascertainable factors. Some of these are: "the effect of the enrollment on the welfare and best interests of such pupil and all other pupils"; "the psychological effect upon the pupil attendance at a particular school"; "the sociological, psychological, and like intangible social scientific factors as will prevent, as nearly as possible, a condition of socio-economic class consciousness among the pupils"; "the possibility or threat of friction or disorder among pupils or others," etc. (ch. 13, Public Acts of Tennessee, 1957; II R. R. L. R. 215).

In order to avoid the possible effects of integration, transfer of students between school systems of different counties, cities, and school districts has been authorized (ch. 9, Public Acts of Tennessee, 1957; II R. R. L. R. 220).

Also authorized is the establishment and operation of joint schools by two or more boards of education (ch. 12, Public Acts of Tennessee, 1957; II R. R. L. R. 220). The law granting this authority is to permit "two counties, neither of which has a large enough Negro student population to make it economically feasible to maintain a separate Negro school, to operate a school or schools for students of both counties" (S. S. N., vol. III, No. 10, p. 12).

In order to impede the legal attack on segregation by the NAACP and other civil-rights organizations, Tennessee seeks to prohibit any person or organization from soliciting funds to "commence or prosecute further any litigation or other legal proceeding" unless the solicitor is a party or has a pecuniary right in the litigation. It also prohibits the expenditure of funds "from whatever source received" by one not a party until it (if a corporation) files a copy of its charter, bylaws, etc.; a list of members, directors, officers, etc.; a statement of its sources of membership fees, contributions, and other sources of revenue; a statement of all its financial transactions, etc. (ch. 152, Public Acts of Tennessee, 1957).

The State seeks also to coerce organizations working in the field of interracial relations. In order "to promote interracial harmony and tranquility," it demands the registration of all persons and organizations "engaged in promoting or opposing legislation in behalf of or in opposition to a race or color" or those engaging "in raising or expending funds for the employment of counsel or payment of costs in connection with litigation in behalf of any race or color." It also requires the listing of membership, financial sources, etc., as does the previously mentioned statute on litigation (ch. No. 151, Public Acts of Tennessee, 1957; II R. R. L. R. 498).

TEXAS

Texas, in adopting a pupil placement law, has, as some other States seeking to avoid integration, encouraged coercion of local school boards by providing that among the criteria the boards shall use in assigning students shall be included "the possibility or threat of friction or disorder among pupils or others; the possibility of breaches of the peace or ill-will or economic retaliation within the community."

Its placement law allows parents to withdraw students from racially integrated schools (ch. 287, Texas Session Laws, 1957; II R. R. L. R. 693).

Texas seeks to prevent further integration by requiring that no school district shall abolish its dual (segregated) school system unless the voters of the school district have voted to do so. It seeks to abolish integrated systems now existing by allowing the voters of a school district to vote to return to a segregated system (ch. 283, Texas Session Laws, 1957; II R. R. L. R. 695).

The State has provided for the closing of schools where "violence or the danger thereof cannot be prevented except by resort to military force (Senate bill 1, Texas, special session, 1957; S. S. N., vol. IV, No. 6, p. 5).

Texas has joined those States adopting statutes labeled "anti-NAACP" laws. In an act allegedly aimed at the association, it requires "any organization that seeks to hinder or interfere with the operation of a public school to make public its roster of members on order of the county judge" (New York Times, December 8, 1957).

VIRGINIA

Virginia's program of massive resistance to the implementation of the 14th amendment began with the adoption of a resolution of interposition directed against the Supreme Court's decision in the school cases. It pledged the State "to resist this illegal encroachment on our sovereign powers" (Senate Joint Resolution 3, Virginia, 1956; I R. R. L. R. 445).

In special session the legislature in 1956 adopted a series of laws designed to alter the operation of Virginia public schools in such a way that the State could continue to operate under its unconstitutional segregation policy. These laws, approved on September 29, extend from chapter 56 through chapter 71 of the acts of the 1956 extra session of the General Assembly (I R. R. L. R. 1091 et seq.).

The first of these laws would make available State funds to governmental subdivisions of the State to replace the funds which will be withheld if schools are integrated. These funds will be available "for grants to pupils attending nonsectarian private schools" (ch. 56).

Another statute authorizes local governments to levy a property tax to raise money for such "private" school grants (ch. 57).

Other parts of this legislative plan authorize local school boards to make grants for "private" education out of school funds (ch. 62); provide administrative procedures for the expenditure of such funds (ch. 58); amend the budget laws to provide for such grants (ch. 67); and allow teachers in "private" schools to be included in the teacher retirement system (ch. 64).

The compulsory school attendance law was amended to provide that "no child shall be required to enroll in or attend any school wherein both white and colored children are enrolled" (ch. 59).

It is declared the public policy of the State that the efficient administration of the schools requires the segregation of white and colored students. Where such "efficient" school system cannot be maintained, local authorities are divested of control of the school and the school is closed. The Governor is given the authority and duty to take over the school and administer it in such a way as to prevent integration (ch. 68).

Where local authorities cannot operate an efficient public-school system, the State is authorized to take over and administer, through the governor, such efficient system. In such case the State shall operate its system in the unused school buildings and related facilities now or hereafter owned, constructed, and maintained by the school boards of the several counties, cities, and towns (ch. 69).

The keystone of the whole plan was the pupil placement plan which vested all power of enrollment or placement of pupils in a pupil-placement board. The board was to administer the law, taking into account in assigning students various factors, including the efficiency of the operation of the school. Inasmuch as an efficient school by definition is a segregated one, the board had no authority to place any student in an integrated situation (ch. 70).

The placement law has been declared unconstitutional on its face (*Adkins* v. *School Board of Newport News* (148 F. Supp. 430)).

On September 29, 1956, the legislature also passed a series of laws which have come to be known as the anti-NAACP laws. The purpose of this legislation is to close the courts to legal attacks on the constitutionality of Virginia's segregation policy. They attempt to impede the activities of the

NAACP and other civil-rights organizations in the following manner:

Prohibiting the solicitation of funds for legal proceedings except by a party to a suit and requiring the filing of membership lists, financial statements, sources of dues, and contributions, etc., by any organization contributing funds for legal proceedings (ch. 31, Virginia Extra Session, 1956).

Requiring the registration of any person or organization "who or which engages as one of its principal functions or activities in the promoting or opposing in any manner the passage of legislation by the general assembly in behalf of any race or color, or who or which has as one of its principal functions or activities the advocating of racial integration or segregation * * * or who or which * * * engages in raising or expanding funds for the employment of counsel * * * in behalf of any race or color." In addition to registering an organization is required to list its members, contributors, financial information, etc. Such information shall be public records (ch. 32, Virginia extra session, 1956).

By making criminal the giving, receiving, solicitation, etc., of funds for any legal action against the State, its political subdivisions, or officials thereof, except by a party to such suit or one having a direct interest therein. Also made illegal is the advising or instigating of such suit (ch. 36, extra session, Virginia, 1956).

At the same time that the above legislation was enacted, the legislature created two legislative investigating committees, the Committee on Offenses Against the Administration of Justice and a committee to investigate organizations promoting "litigation relating to racial activities" (chs. 34 and 37, extra session, Virginia, 1956).

These committees have spent most of their time in harassing litigants and attorneys in civil-rights suits and other proponents of constitutional rights.

They have, in secret sessions, inquired into the political and religious beliefs of witnesses and have conducted their investigations in the style of the secret police.

On the local level in Virginia, the county of Halifax has taken upon itself the regulation of solicitation of memberships by organizations, unions, or societies. No such solicitation shall be allowed without a permit. In passing on the permit, the board of supervisors shall consider "the character of the applicant, the nature of the business of the organization * * * and its effect upon the general welfare of citizens of said county" (I R. R. L. R. 958).

During the delivery of Mr. DOUGLAS' speech,

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. DOUGLAS. I will yield, with the understanding that I do not lose my right to the floor and that the observations of the Senator from New York may be printed at the conclusion of my remarks.

Mr. JAVITS. I ask unanimous consent that that be done.

The PRESIDING OFFICER. Without objection, the Senator may proceed.

Mr. JAVITS. I have interrupted my good friend, the Senator from Illinois, only because I have a luncheon to attend at 1 o'clock, at which I am a co-host. I do wish to state, in deference to the monumental task which has been performed so magnificently by the Senator from Illinois in drafting the bill, my appreciation for being included as a cosponsor of the bill.

I believe that I bespeak the appreciation of my other colleagues on the Republican side of the aisle who have similarly been included.

It has been characteristic of the civil rights struggle that people in both great parties have realized that the way in which to get results is by working together. I believe we have given a rather model performance in terms of how a bipartisan group can work together effectively, keeping in closest touch, even though differing, without shattering the forces that have joined together.

I am very happy that we are continuing to work together. The Senator from Illinois has joined me on a bill of mine, and I am very glad to join him on his bill. I should like merely to make one observation, which to me is a very important one.

We are constantly being told that this kind of legislation should not be pressed; that we should not press legislation in the civil rights field. We are constantly being told that we will prosper best if the subject is let alone; that the natural forces of education will cause the moral position of the country under the Constitution with respect to equal opportunity to be asserted.

There are two answers to that assertion, Mr. President. First, we do not have that much time; secondly, history shows that it does not happen.

We do not have that much time, particularly at a time when our national morality is being tested as never before. We do not have that much time when a billion people, two-thirds of the free world, have us under the most concentrated attention as to whether we mean what we say in terms of world leadership, which will recognize them, although their skins may be yellow or black, as fully equal with us in every respect, including entitlement to their full development.

We have also found that it takes the sanction of law to make real progress.

I point out that the Senator from Illinois has very wisely drafted a bill, notwithstanding what may be said against it—and it will be said, and therefore I speak to it today—which in no way seeks to coerce anyone or drive anyone into a corner, or force anyone to do everything immediately. On the contrary, every help and technical assistance and money is being offered. Incidentally, that is the first time, as the Senator from Illinois has so properly said, that the financial grant factor has been introduced.

It also relies on the processes of the courts, which have shown every earnest desire to give time accommodation and terms to the proposal that the law requires conformance to the Constitution.

I say that because it is said of us on the civil-rights side that we are trying to force people to do something, to hit them over the head, and to coerce them. In the first place, Mr. President, what we propose ought to be done; in the second place, the most temperate and considerate course is contemplated, with the greatest amount of aid and the greatest amount of understanding by the American people of the social patterns in certain Southern States. I say that from the standpoint of those of us, including myself in New York, who seek to do something about these problems wherever they may be found.

Again, we are honorbound to proceed as diligently in self-criticism and self-evaluation as we proceed in respect to sections where this is not a popular idea.

I appreciate the opportunity to join with the Senator from Illinois, who is a real champion and a thoughtful champion in this field. I have uttered these words because we respect other people of good will, who we believe to be just as sincere as we are—as Americans who have very different points of view. However, by pressing forward in this field, as the Senator from Illinois proposes we do, we act not in derogation of that respect, but in a greater upbuilding of it.

I thank the Senator from Illinois.

Mr. DOUGLAS. Mr. President, I thank the Senator from New York, not merely for the remarks which he has just made, but for his constant vigilance in this matter. No one understands the law of this subject better than does the Senator from New York. No one is more ardent in behalf of the cause. No one is more tactful in his methods of procedure. It is a great pleasure for us to be able to work with him and with the many other fine believers in this cause on the other side of the aisle.

I can promise the Senator from New York that we shall make every effort to have this a bipartisan venture. There will be no attempt to score any party advantage, and we will gladly move together for what we believe to be the best interests of the American people.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. MORSE. I am pleased to be one of the cosponsors of the bill which the Senator from Illinois has introduced. I am glad he has introduced it. I happen to be one who thinks the civil-rights issue is one that has to be drawn in America. The sooner the better. The bill introduced by the Senator from Illinois should be effective in many respects in furthering civil rights.

I want the record to be perfectly clear that in sponsoring the bill I reserve the right either to offer amendments to the bill or introduce a supplementary bill which I think will provide for some other procedures that are needed in civil-rights legislation. However, the bill is a good bill, and in my opinion it represents a step we should take. I am very proud, therefore, to give my support to it. I think we need on the books legislation with teeth. When we get such legislation on the books, then, in my opinion, for the first time will we have effective civil-rights legislation.

Mr. DOUGLAS. I thank the Senator from Oregon for his remarks.

SUPPLEMENTAL APPROPRIATIONS FOR THE DEPARTMENT OF LABOR

Mr. MANSFIELD obtained the floor.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield to the Senator from Arizona with the understanding that I will not lose my right to the floor.

Mr. HAYDEN. Mr. President, the Committee on Appropriations, to which was referred House Joint Resolution 533, making additional appropriations for the Department of Labor for the fiscal year 1958, and for other purposes, reports the same to the Senate without amendment and with the recommendation that the joint resolution be passed.

I ask unanimous consent that the pending business be temporarily laid aside and that immediate consideration be given to House Joint Resolution 533.

The PRESIDING OFFICER. The joint resolution will be stated by title.

The joint resolution was read the first time by title, and the second time at length, as follows:

Resolved, etc., That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of Labor for the fiscal year ending June 30, 1958, namely:

DEPARTMENT OF LABOR

Bureau of Employment Security

Unemployment Compensation for Veterans

For an additional amount for unemployment compensation for veterans, $25 million.

Unemployment Compensation for Federal Employees

For an additional amount for unemployment compensation for Federal employees, $18,400,000.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Arizona?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. HAYDEN. Mr. President, the resolution provides $25 million additional for unemployment compensation for veterans and $18,400,000 additional for unemployment compensation for Federal employees. The committee was informed that funds are or will be in a few days completely exhausted and additional funds are required to pay these statutory obligations. As a matter of fact, the funds for unemployment compensation for Federal employees were exhausted on the 7th of this month. It is estimated that the funds for veterans will be exhausted in 5 more days. So passage of the joint resolution is urgently needed, and prompt action on it is requested.

The only thing I can add to what I have just stated is that in the regular appropriation bill of last year, the amount requested by the Bureau of the Budget for unemployment compensation for veterans was $42 million. Congress appropriated $36.8 million, which represented a cut of $5.2 million under the budget estimate, based on the best available data at the time. Now a request is being made for $25 million additional. Even though a cut in the request had not been made, a later estimate for an additional appropriation would have been made.

The same is true with respect to the other item. The budget estimate for the unemployment compensation funds for Federal employees was $32 million. The appropriation made was $25 million, which represented a decrease of $7 million. Now the Department has requested $18,400,000 in additional money.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. KNOWLAND. The joint resolution was reported from the Appropriations Committee unanimously. Both the Senator from Arizona and I sat in the committee during the hearings, and the joint resolution represents the unanimous recommendation of the Appropriations Committee.

Mr. HAYDEN. And as chairman of the committee, I was instructed to bring the joint resolution before the Senate at the earliest possible moment, which I am trying to do.

Mr. KNOWLAND. In view of the urgency of the matter, I think the joint resolution should be promptly passed.

The PRESIDING OFFICER. The joint resolution is open to amendment.

If there be no amendment to be offered, the question is on the third reading of the joint resolution.

The joint resolution was ordered to a third reading, read the third time, and passed.

THE NEEDS OF THE HOUR

Mr. MANSFIELD. Mr. President, I had prepared these remarks for delivery in the Senate prior to the launching of our earth satellite. In the light of that development, I went over the statement to see where the views which I intended to express should be revised.

In rereading the text, it occurred to me that too often, Mr. President, we tend to be carried away by the events of the moment. Too often, in the narrow perspective of this Capital City, we wax hot and cold on the basis of good news or bad. Too often we go from the extremes of excessive assurance to excessive despair.

At the time I prepared these remarks, Mr. President, I tried to view the international situation in broader perspective. Even as other Members of the Senate had been away from this city during the recess, so had I. Even as some had traveled through the country, to home States, to other States, so had I. Even as some had been abroad, in Europe, in Asia, Latin America, and elsewhere, I had gone to Europe and north Africa. Even as they did, I was happy to rediscover that the sun still rises and sets, not only in Washington but throughout the Nation and the world.

I found it useful to see what was going on elsewhere, and to explore the interests and sentiments of those who are not immersed in the day-to-day doings of government. I found it helpful to examine my own thoughts in the light of the hopes and the fears of others.

FOREIGN POLICY AND THE DOMESTIC SITUATION

These remarks, then, were prepared in that context, in the context of the time for reflection which the recess permitted. For that reason, I do not feel that the launching of the satellite compels any significant revision in them. On the contrary, that event tends to make it more imperative than ever that we look at our situation not as it may be at the moment, but in a long perspective. That event happened to be, so to speak, one of our ups. There will be others, I am sure, just as I am sure that we shall have our downs.

If I dwell at length on foreign policy in these remarks, it is not because that is the only question confronting the Nation. I do so because as Senators realize, foreign policy is among the most compelling, difficult, and continuing questions with which we must deal. On the other hand, if I turn first in these remarks to matters other than foreign policy, it is because I do not assume that all of our troubles begin abroad and end at the water's edge or, perhaps I should say, at the stratosphere's limits. The eyes of Washington may be glued to the earth satellites and their hypnotic, symbolic, orbiting of the earth. That is not necessarily the case with citizens elsewhere in the Nation. There is an awareness, a growing awareness, that our national problems are larger than a mere matching of some particular Soviet achievement in the realm of science or military techniques. There is increasing concern not only with this one aspect of our affairs but with the total state of the Union.

I have spoken many times in the Senate in the past on foreign policy. In those discussions, however, I have often prefixed my remarks with this observation: We cannot, in an absorption with what goes on abroad, lose sight of what is going on at home.

The point bears repeating at this time. It bears repeating because there are domestic difficulties which adversely affect millions of citizens and they cannot be covered with a gloss of official optimism. It bears repeating because these difficulties, in turn, have a great influence on the position of the United States in the world. They affect our capacity to defend the Nation and they affect our capacity to bring about a durable peace.

These domestic difficulties have an international meaning because foreign policy is not unrelated to other aspects of our national life. It is not a thing apart. If we sink at home, sooner or later we shall sink abroad. If the Union is strong, cohesive and dynamic, there is at least a chance that foreign policy will be able to safeguard the Nation's security, to advance the welfare of our people and to further the hope of peace. If the Union is weak, divided and fearful, foreign policy can do little to uphold our position as a nation among many nations. In short, to the extent that we face the difficulties within our borders and deal with them, we shall be able to act on the much more complex difficulties that beset us abroad.

DOMESTIC ECONOMIC SITUATION

Let me turn first, then, in these remarks on foreign policy to the domestic situation. I suggest that we shift our eyes for a moment from the distant reaches of space and glance around us, first, at the economic situation. Look at the State of Michigan, at Pennsylvania, the State of Montana, at Maine or Alabama. Look at the mining industry, the steel industry, the aircraft, automobile and farm equipment industries, the textile industry. Look at the unemployment figures. Look at the condition of small enterprise, at the decline

of business profits and take-home pay, and look at the level of prices. It does not require a 100-inch telescope for this exploration. It does not require a high-speed electronic computer to discover that the economic map of the United States is pockmarked with craters of distress.

These are times, however, in which it is regarded as somewhat vulgar to see situations that have not first been tinted by the reassuring techniques of the administration's press agents. It is not pleasant political manners to mention unpleasant economic facts. It is much more acceptable to accent the positive and, after all, 1957 was the best year of our history. One can hear reputable economists assure us that 6 months hence all will be well, and the economy will once again be riding the beam or the boom. As for unemployment, moving now toward the 5 million mark, these same economists will tell you that that is an inevitable part of the rolling readjustment. Distress in particular areas and industries? These are merely temporary phenomena connected with the leveling off of the boom.

These terms have a kind of painless, inoffensive, almost pleasant, sound. But ask the miner of copper in Butte, unemployed for months, what they mean. Ask the men who manage these mines. Ask a steelworker in Pittsburgh, the timberjack in western Montana, or a weaver in New England. Ask the man who runs a small business, in these and other places. They may very well use that unmentionable word "depression" and speak of their fears of it.

The term may be too strong to describe the situation in which we now find ourselves. Nevertheless, we ought not to ignore the damage which this situation is already doing to millions of citizens. We ought not to underestimate the present and potential impact of this situation, whatever it is called, on our position in the world.

Here in Washington, it may seem logical to give a high priority to foreign-policy matters. These are indeed urgent matters. Is it unreasonable, however, for those who have been adversely affected by the economic decline at home to ask why foreign aid takes precedence over their own very real difficulties? Is it unreasonable for those who have been adversely affected by the reciprocal trade program to raise questions as to the value of the program?

It is all very well to talk in abstract terms of long-range national benefits from these and other foreign policies. They can, indeed, provide such benefits. Individual citizens, however, do not live on abstractions. When their personal and immediate problems are overlooked by government, they are not likely to appreciate abstractions. Sooner or later, this lack of public appreciation will be reflected in legislative action and foreign policy may well suffer in consequence.

In a similar vein, the stability of many other free countries is tied closely to the economic stability of the United States. This nation is at the center of the international financial and trade complex of the non-Communist world. Nations heavily dependent on foreign commerce will prosper and falter as this Nation prospers or falters. A prolonged lull in economic activity in the United States can only have disastrous repercussions throughout the entire non-Communist world.

We may not now be in a period of general economic crisis. It is irresponsible, however, to dismiss the possibility that we might be headed in that direction. It is irresponsible to ignore the plight of those Americans who have already been rolled aside by the rolling readjustment. It is irresponsible to expect human beings to appreciate long-range national problems of government when their immediate and personal plight is overlooked by the Government.

We had better not wait too long and come forth with too little to reverse present economic trends. We had better make certain that the legal remedies for this type of situation, most of which were set up in the 1930's, are still adequate in this new era of automation.

Let us take the first step now by sweeping aside the cozy optimism that oozes about us and by recognizing honestly and openly that our economic house is not in order. The Russians did not make this situation. The satellites in the sky have nothing to do with it. We made this situation ourselves, and it is up to us to correct it.

SOCIAL PROBLEMS

If there are economic difficulties which should concern us, there are also social problems which continue to confront the Nation. I remind the Senate that we still have a long way to go before the ideal of equal human opportunity is fully realized in this country.

I remind the Senate of the appalling crime rate, 315 major crimes per hour during 1957, the highest in the Nation's history.

I remind the Senate that millions of older people are still without adequate income to live out their years in decency, and without adequate opportunities to use their talents, skills, and willingness in a constructive fashion.

I remind the Senate that too many households in this country still live in legitimate fear of catastrophic illness with its ruinous medical and hospital costs.

I remind the Senate that the price of higher education is going beyond the reach of most families.

I remind the Senate of the disturbing situation in general health conditions, in physical and mental fitness. There are now some 16 million Americans—1 out of every 11—suffering from some form of mental illness; and few of these are receiving adequate care and treatment.

Mr. President, these are not new problems, nor are they problems peculiar to this country. In some cases, they may be more acute in other nations than they are here at home. In others, we have the dubious distinction of holding first place among the principal nations of the world.

There are any number of conscientious people, in private life and in Federal, State, and municipal governments, giving of themselves with great dedication in an effort to combat these and similar social ills. Nevertheless, the continued existence of these problems, in their present magnitude, approaches the dimensions of a national disgrace that cries out for corrective action. It is an indictment, not against free institutions, but against their neglect and misuse by those who profess to support them. It is a reflection of a social irresponsibility which freedom never licensed.

The Russians did not make these problems. The satellites in the sky have nothing to do with them. We made these problems ourselves or, at any rate, we have permitted them to accumulate through neglect. Their continued existence saps the strength of the Nation. It weakens us at home, and hence undercuts our position in the world. Let us take the first step now, not by boasting of our achievements in this area, even though they may be many, but by recognizing that our social house is still a long way from being in order, and that it is up to us to put it in order.

THE PROBLEM OF EDUCATION

Turning specifically to education as one of these social problems, here, too, the difficulties lie not with the Russians or the earth satellites, but with ourselves. The Russians do not operate our schools. We operate them. Those who are dedicated to education in this country, on the whole, do an admirable and, in a financial sense, a thankless job.

The shortcomings in education, highlighted in recent months by Soviet scientific achievements, were discussed a short time ago on the floor in an illuminating and penetrating fashion by the able Senator from Arkansas [Mr. FULBRIGHT]. As I understand the problem, the basic difficulty does not lie primarily in the methods of education, although they can stand much in the way of refinement. It does not even lie in the educational plant, although that, too, is in great need of improvement.

The more fundamental problem, I believe, lies in our concept of education—or perhaps, I should say, in the debasing of these concepts. We have lost sight of the ultimate purpose of the education of freemen. That purpose, as I see it, Mr. President, is to open minds to the pursuit of truth. We have lost sight of free educations' highest ideal, which is to enrich the spirit of mankind by pushing back the frontiers of his understanding.

Education, in its finest sense, is not for the filling of the pocket, for the production of ever more fantastic military weapons, or even for the service of the State and industry. In the age in which we live these may be byproducts of education. They are not, however, the ends which will inspire the few men of genius which this or any other society has in its midst.

For too long we have alternately ignored, ridiculed or hounded those few who think in terms of the finest purposes of learning and have something to give in those terms. For too long we have neglected to search out and encourage young people who might contribute groundbreaking thought and new ideas, not only in the realm of physics and engineering, but in all aspects of human

endeavor. I tell the Senate that if the well-springs of creativity dry up in this Nation, we shall have no one to blame but ourselves.

A billion-dollar or ten-billion-dollar crash program in education may produce new schools and better pay for teachers, both of which are needed, but it will not produce an Einstein, an Edison or a Shakespeare. An understanding and an appreciative society and government, however, may help to bring them forth to pour their unusual talents into the progress of the Nation and mankind. A rethinking of the ends and methods of education at all levels may encourage the development of the self-discipline and the talents and skills that are necessary for a life in freedom in the second half of the 20th century. Let us take the first step now by recognizing that our educational house is not in order and that it is up to us to put it in order.

THE NEEDS OF DEFENSE

Mr. President, I turn next to the question of defense. As it presents itself today, this question arises in connection with the Soviet military menace. In my opinion, matters of defense would be a major source of national difficulty even if the Soviet menace were considerably less potent than it is. The difficulty was with us before we launched our earth satellite. It was with us before the Soviet sputniks indicated the potential dimensions of Russian military power. It may well be with us even if that power should be neutralized or should decline.

We have seen reports from time to time, in the press and elsewhere, that all is not well with the policies and organization of the defense services. Distinguished Members of the Senate, the Senator from Missouri [Mr. SYMINGTON] and the Senator from Washington [Mr. JACKSON], for example, have stressed the seriousness of this matter. A step has been taken here and a step there in the direction of improving the services. Yet in all these years we have followed a policy of inertia, compounded of military and civilian smugness which I trust will not be fed even further by our recent and belated achievement in the penetration of space.

The heart of the difficulty, I believe, is to be found in the fact that we have gone on year after year handling matters of defense in patterns that were developed largely during World War II and immediately thereafter. Here in Congress, we have in the postwar years appropriated funds approaching 500 billions of dollars for defense. In some years we have appropriated more funds and in some years less. But, despite these vast financial commitments, we have failed heretofore to reexamine defense policies in the light of the rapid advances in science. We have failed to rethink these policies in the context of those fundamental questions which arise in connection with the military in any free society. We have not asked ourselves what part of the total security of the Nation we expect the regular military forces of the Nation to provide. We have not asked ourselves whether the Military Establishment is now organized to play that part and to play it effectively.

We have had a limited introduction to these neglected questions from the President in his state of the Union message. We have heard a brilliant exposition of the ultimate significance of these questions in a statement by the distinguished majority leader, the Senator from Texas [Mr. JOHNSON], at the outset of the session. The unanimous report of his Subcommittee on Preparedness has thrown additional light on the subject and I have no doubt that we shall hear more from that source during this session.

I want to add only a general comment to the issue at this time. It seems to me that our security as a nation depends upon multiple sources of strength, not merely organized military power. That is as true today in the age of missiles as it was in the age of muskets. If history teaches us anything, it is this: The extinction of freedom and then of the Nation may well lie at the end of an obsessive search for absolute security through the Military Establishment.

I want to say, too, that, in my opinion, the military in this country functions best when it maintains a high degree of inner discipline and responds unquestioningly to the control of the President, his civilian agents, and the acts of Congress. If this control is inept, it is for the people to change it, not for the military to bypass it.

I want to say, further, that in my opinion the military makes its most dedicated contribution to the Nation when it concerns itself essentially and quietly with the problems of warfare. The Defense Establishment and its military commanders do not belong in politics, domestic or international. It is improper for civilian officials to project these commanders into politics and it is improper for these commanders to project themselves into politics while they are still in uniform.

In matters of advanced scientific and technological research, the Defense Establishment may play a distinguished part, and research of this kind may have military applicability. Generally speaking, however, it is not the best site for the control and direction of creative scientific research.

I want to say, finally, without prejudging requests for funds, that I am doubtful that the problems of our Defense Establishment will be corrected by billions more in appropriations. We may find it necessary to vote larger appropriations as an interim measure. However, I shall continue to entertain serious questions as to the efficacy of expenditures until we understand more clearly the role of the military in the total security of the Nation, until civilian control is once again firmly and clearly established over the Defense Department, and until the undisciplined and unmilitary disorder in the Pentagon is ended.

THE DOMESTIC SITUATION—NEGLECTED DIMENSION OF FOREIGN POLICY

Mr. President, I have gone on at some length discussing what are essentially domestic issues. There are others of a similar nature which might be considered at this time. I do not raise them because they lack importance. I do not do so because, as I noted earlier, my statement today is directed primarily to foreign policy.

My purpose in beginning these remarks as I have was not only to call attention to the persistence of domestic difficulties which have importance in themselves to the people of this country but also to emphasize their significance as a factor in our relations with other nations. These domestic difficulties are in a very real sense the neglected dimension of foreign policy. We have looked without and above for the danger signals, and well we should. At the same time, we have overlooked the warning signs within. These inner difficulties do not disappear simply because there may be more complex difficulties confronting us from outside. Internal difficulties cannot be swept out of sight by sweeping the skies with a radar screen. If we are free men, in spirit as well as words, we shall not put them aside. We shall face them and do the best we can to deal with them. We shall recognize them in all humility, for what they are, measurements of our own national shortcomings as a free society. We shall see them, as they are, limitations on our total national unity and strength and, therefore, on our position in the world.

This country shall not survive in recognizable form in the world of today and tomorrow, much less lead it, if we build Maginot lines out of alliances and bases around the world and stud the sky with artificial stars, only to permit disunity, inertia and fear to produce decay at the core. We will survive and we may lead if we face honestly our economic, moral, intellectual, and military shortcomings at home and act with determination to meet them.

That is the first requisite for the survival and growth of the United States. It is not the only requisite. We shall not remain a nation with hope for future generations of Americans and with a message for the world unless, at the same time, we face the responsibilities and the difficulties of living on this earth of many nations, unless we face these responsibilities and difficulties with quiet courage, with wisdom and with deep human understanding. We will survive, grow, and perhaps lead, in short, only if we keep alive the meaning, the creative and the compassionate meaning, of a free America both at home and in the world.

THE NEED FOR PEACE

That, Mr. President, is the scope of the total problem which confronts us as a nation at the beginning of 1958. I have already tried to illustrate the domestic aspect of this problem. In the remainder of these remarks I should like to explore some of its international implications.

There is action we must take and which we have not taken in our relations with other nations and in the policies and programs through which we conduct these relations. There is a need for clearsighted action based on an awareness of the world as it is and not as we

would like it to be or as some may imagine it to be.

What is needed is action that stems neither from a bloated and stupid arrogance or a hesitant timidity. It must be honest action and courageous action. It must be action that seeks in a positive fashion to meet the greatest challenge of these years in which we live. The challenge, Mr. President, is to develop and to strengthen the one common interest of all peoples which outweighs their national differences, discords, and doctrines. That interest, Mr. President, is the preservation of the human species in a recognizable form of civilization. That interest, in short, is peace, not a peace of conquest or a peace of surrender but a peace with which decent men and women the world over, in Russia no less than in the United States, can live.

THE MISLEADING CONCEPT OF SITUATIONS OF STRENGTH

Let me say that we shall not get that kind of peace unless the Russian leaders as well as our own recognize its urgency for all mankind. Let me say further, however, that we shall not get it in any event unless we ourselves also rethink the basic premises of our foreign policy.

We have operated through the years—through two administrations—on the theory that we might best seek peace by building situations of strength. The premise is valid enough, for weakness will not gain a meaningful peace. Where we have gone astray, however, is in our concept of what constitutes strength in an international sense. Strength is more than military equipment and alliances. It is more than the loud words, the Pyrrhic victories of the propaganda war; it is more than breast beating. It is more than money for aid programs.

Strength is, perhaps, more than these tangible things, an understanding of the world and its complexities. It is an understanding of what moves not only the lips of political leaders elsewhere but the hearts of peoples throughout the world. Above all else, it is an ability to apply our total national strength in the light of this understanding for ends that serve both ourselves and the rest of the decent mankind.

Through the years, we have had the military strength and the bases and we have had the propaganda and the breast-beating. We have spent lavishly abroad on military and economic aid. Yet what has happened in these years? Once we had a monopoly of the A-bomb, and now it is gone. Once we had a monopoly of the H-bomb, and now it is gone. These presumably were positions of strength, and they are no more. Once earth satellites, with their implications of advanced military technology elsewhere, did not swing across our horizons. That, if not a position of strength, was at least not one of weakness. Two devices from elsewhere sped above us before ours finally left the ground.

There was a time when Soviet influence was remote from the vast arc of underdeveloped nations that stretches from Africa to the Pacific, and that, too, presumably was a situation of strength. Although we have spent billions of dollars for aid, and we have propagandized and we have had our breast-beaters in that region, Communist totalitarianism is now much in evidence throughout the area. Once the ties of the North Atlantic Alliance were close and intimate, and that, too, was a situation of strength. Now the alliance founders on rocks of aimlessness and narrow, short-sighted national interest.

We may well ask ourselves, Mr. President, what are the implications of these developments of recent years? Have they not reduced the concept of situations of strength to a catchphrase, to a will-o'-the-wisp? Does the continued pursuit of this concept by the same methods, by the same slogans, suggest the existence of a sound policy? Or does this pursuit merely serve to cover an unwillingness of our national leadership to face the realities of the world and as an excuse for doing today what we did yesterday and what we will do tomorrow because we know not what else to do?

I suggest, Mr. President, that we have lost sight of the fact that strength is a many-sided thing; that it has not only international aspects but domestic elements as well; that it has military and nonmilitary facets; that it is not only money but methods. I suggest, Mr. President, that in our international relations we have failed in great measure to realize that if men do not live by bread alone, much less do they live by aid, propaganda, or missiles alone. I suggest that the desperate but narrow search for situations of strength by ourselves as well as the Russians is leading civilized mankind ever closer to the moment of extinction.

I suggest, finally, that this concept as it is now being pursued is self-defeating. It has left us, in a real sense, weaker than we were ten years ago, although the arsenals are filled with new and more powerful weapons, although the number of alliances and bases have multiplied, although we now have a satellite in the heavens. Ironically, it has also had the same effect on the Russians whose arsenals are also filled with new weapons, who have also managed to make new converts in various parts of the world, and who also have satellites in the skies. I say this because 10 years ago it would have been possible for the United States to reduce much of the Soviet Union to fire and ruin by military action. And 10 years ago the Russians could have spread great damage in the Western World if not in the United States by military action. But it is doubtful that either side, 10 years ago, could have completely obliterated the other, for all practical purposes, as a nation. Today, it is possible for each side to end the civilized existence of the other and to bring down the rest of the world in the process.

Who is stronger in these circumstances? Who has gained from this competition? The truth is that neither has become stronger in the sense of its capacity for national survival. The truth is that both countries in the search for situations of power and strength have ended in situations of profound weakness.

The concept of seeking situations of strength, on our part at least, began as a positive device for building a durable peace. It is ending as a last-ditch hope of staying alive or at least not dying under a rain of missiles unless our enemies also go into oblivion with us. Today, we, no less than the Russians, are clinging to civilized life by our fingertips.

A NEW CONCEPT OF POLICY: POSITIONS OF PEACE

It is time to ask ourselves, Mr. President, whether that is enough for ourselves and mankind. Is it time, perhaps, to move on to a positive concept, to the concept of a policy that seeks to put together not only situations of strength but positions of peace? Let me illustrate, Mr. President, with one highly significant incident, the fundamental difference that this latter concept implies, the difference between what we are now doing and what we ought to be doing in foreign policy. I refer to the NATO conference last December. That was indeed a time, Mr. President, for greatness. It was a time when not only the Europeans, but also the peoples of the world awaited a clear reaffirmation of the meaning of a free America. It was a time when our own people looked for a clarification of the doubts that have grown in recent years as to the value of close ties with other nations. Perhaps these expectations were too high. But it was a summit conference, Mr. President, called on our initiative, and great things are expected of summit conferences.

At this point I wish to express my respect for President Eisenhower's dedication to duty in going to the NATO conference. His insistence upon undertaking the mission in spite of the illness that he had suffered just prior to the meeting warrants the gratitude of the Nation.

It was fortunate that he went, because the President's appearance at the conference was a contribution to foreign policy that could have been obtained in no other way, by no other man in the administration. His attendance—rekindling, as it did, the remembrances of the close cooperation and the mutual dedication of the war years—served to gain time for constructive action to hold together the North Atlantic Alliance.

Let us not underestimate the importance of that contribution. But, by the same token, let us keep it in perspective. What was obtained by this personal act of the President, I repeat, was time for action, not the necessary action itself.

I ask the Senate to recall for a moment the circumstances of the NATO Conference and its results. The western nations met at a moment when the Soviet Union had put into the international equation a new and radical factor, by launching the two earth satellites. That demonstration had a profound effect on existing evaluations of Soviet scientific and military progress. It revealed, as never before, the degree of distortion on which many of our defense and foreign policies had been based. The demonstration, moreover, was coupled by new appeals for peace from the Soviet bloc and by new ideas for achieving it. That

UNIVERSITY OF MICHIGAN LIBRARIES

we may have regarded these appeals as bogus is beside the point. The fact is that these two acts which linked scientific progress with peace had an enormous appeal to the peoples of the world who are weary of the constant threat of war.

In these circumstances, what came out of the NATO Conference? The only tangible achievement was a somewhat reluctant reendorsement of the doctrine of building situations of strength in its narrowest sense. This time, it took the form of approval of American proposals to place missile bases in those western European countries willing to accept them. All else was a repetition, in well-known platitudes, of general hopes of cooperation.

Mr. President, agreement on the placing of missiles in advantageous defense positions was an important achievement. It was not, however, a cure for the ills of the western alliance. It did not begin to fill the urgent requirement for constructive and creative leadership. It did not meet the needs of the hour. It did not meet the challenge of the new age, over the threshold of which the Soviet earth satellites had already passed, and which we now have passed.

It may still not be too late, Mr. President, to take the action which might have been taken at the NATO Conference, but was not taken. In the light of our own recent achievement, the present moment may be even more propitious. It may be now or never, if we are to move from the negative doctrine of building situations of strength to a positive policy of seeking positions of peace. Nowhere is the necessity for this change more clearly indicated than in dealing with the problems of the rapid advance of science and technology, and, most especially, with the exploration of space.

As a minimum, Mr. President, this country might well have proposed at the NATO meeting, and may still propose, the extension of the International Geophysical Year, in which both the Soviet nations and ourselves are participating, into a decade of worldwide scientific cooperation.

That is only the beginning, Mr. President. This country—indeed, all countries—must face the fact that the universe unfolding beyond the earth presents problems of such vast and challenging dimensions that they call, not for competition, but for the cooperation of all mankind.

The need of the hour, as I see it, Mr. President, is for a sharing of the genius, the labor, and the cost of the exploration of space. The need is not for platitudes on cooperation, while the race for advantage goes on beneath the platitudes. The need is to have men and women of many nations work together in the same laboratories, on the same proving grounds, and on the same scientific devices.

It is time for this common effort to begin. It is an effort which might well start among the NATO members, but no nation willing to participate in good faith ought to be excluded from this great venture.

I realize, Mr. President, that there are immense problems in the way of negotiating agreements for an undertaking of this kind. There are deep fears and suspicions to be overcome. There are dangers of the loss of military or commercial advantages—real or illusory—for us and for others. Yet, Mr. President, are these difficulties of any greater complexity than those in the case of the difficulties which surely will confront all nations within a few years if action along these lines is not taken, but if, instead, a pell-mell rush for national advantage moves into outer space?

A COOPERATIVE EXPLORATION OF SPACE

Mr. President, I do not know whether the Russians will rise to the challenge of this moment in human history. I, for one, hope that they will. There is every reason to believe, however, that if our Nation acts with the boldness and the positive leadership that the hour demands, other NATO nations at least will be with us. The cost, the effort, and the sacrifices will be less to all if we join with them in this great endeavor. And the achievement will belong to all. I believe that this country, no less than any other free nation, would prefer to have the scientific devices which from now on in increasing numbers will carry mankind beyond the confines of the earth, bear the label, not of one nation, but of all nations willing to contribute to the effort.

THE BASIC NEED

Mr. President, I have cited this one example of a positive policy of building positions of peace. There are others in connection with every other aspect of foreign policy in which a similar revision of thinking seems to me to be essential. In subsequent remarks, I may turn to some of these questions—to the question of the divided countries of Asia and Europe, to the question of Eastern Europe, to the question of the Middle East, to the question of negotiations with the Russians.

However, the first need—the basic need, as I see it—was well put by President Theodor Heuss, of West Germany, a few weeks ago, when he said: "The main thing is to get sober and disentangle oneself from the web of slogans and ideologies." That advice applies to us with no less urgency than it does to other nations. It applies to the scientific field, above all others, because the advance in this field has made most of the slogans obsolete, and is compelling a revision of the ideologies. Unless we see the world as it is at this hour, and as it is likely to be tomorrow, unless the Russians and others help to make it free from self-generated and propaganda-imposed delusions, we shall not make the choices that must be made if human history is not to come to an end. We are faced with choices that involve the life or death of civilization. Each act in foreign relations by every nation adds to one side or the other of the balance. In these acts, we are deciding more than immediate questions. In the last analysis, we are deciding, Mr. President, whether the world is to be a dead planet, spinning in swift silence through the endless time and space of the universe; or whether this noble, but brief, human experience on earth shall be carried to the stars.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 1040) to amend the acts known as the Life Insurance Act, approved June 19, 1934, and the Fire and Casualty Act, approved October 9, 1940.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 969) to prescribe the weight to be given to evidence of tests of alcohol in the blood of urine of persons tried in the District of Columbia for operating vehicles while under the influence of intoxicating liquor.

ENROLLED JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled joint resolution (H. J. Res. 533) making supplemental appropriations for the Department of Labor, for the fiscal year 1958, and for other purposes, and it was signed by the Vice President.

THE FRENCH ATTACK UPON SAKIET-SIDI-YOUSSEF

Mr. KNOWLAND. Mr. President, it was with a sense of shock and disappointment that we learned of the attack by French forces upon the Tunisian town of Sakiet-Sidi-Youssef.

Tunisia is an independent nation, and is a member of the United Nations.

The United Nations, as I have pointed out on earlier occasions, cannot have one rule for small aggressors and another for the large ones.

It was for this reason that, as a delegate to the United Nations and as a United States Senator, I expressed disappointment when, during the Hungarian revolt, Tunisia and most of the other Arab States, on December 5, 1956, voted against or abstained from voting on the resolutions to condemn the Soviet aggression at that time.

I pointed out that the small nations had even more of a stake than the large ones, for they were more likely to be victims.

Even though Tunisia may have been blind to the need of United Nations effective action during the Hungarian crisis, nonetheless we cannot condone this French action against an independent Tunisia. France, by such shortsighted action, will likely not only rally the Arabs of Africa and the Middle East against her, but will also alienate public opinion around the world.

The friends of France around the world will hope that such incidents will not be repeated.

Mr. MORSE subsequently said: Mr. President, if the Senator from California

will permit me to associate myself with his remarks on the Tunisian incident, I should like to add this statement: The news ticker has just carried the news story that the State Department has authorized Ambassador G. Lewis Jones to investigate first-hand and report on the French bombing of a Tunisian village Saturday.

I ask unanimous consent that two news items be included in the body of the RECORD as a part of my remarks.

There being no objection, the news items were ordered to be printed in the RECORD, as follows:

WASHINGTON.—The State Department has authorized Ambassador G. Lewis Jones to investigate firsthand and report on the French bombing of a Tunisian village Saturday.

A State Department spokesman said Jones will visit the village of Sakiet-Sidi-Youssef near the Algerian frontier, at the invitation of President Habib Bourguiba.

Bourguiba invited all chiefs of diplomatic missions in Tunisia to visit the scene.

The announcement followed a new conference today between President Eisenhower and Secretary of State Dulles on the situation in Tunisia. The United States already has termed the episode profoundly disturbing.

White said, in answering questions, the Department had insufficient information at present to determine whether the French planes which bombed the village were given to France as American military aid for defense of the Atlantic Pact area.

He noted that France also has bought with its own funds American defense supplies, including planes.

Jones' mission will be to advise the Department of the accuracy of French reports that the planes concentrated their fire on military objectives from which Algerian rebels allegedly fired on French planes.

White said Dulles would meet at 4 p. m. with Tunisian Ambassador Mongi Slim. This appointment was arranged at the mutual request of both parties to discuss the incident.

White declined to spell out the Government's position on the French view that they have the right to exercise hot pursuit of Algerian rebels who flee across the border into Tunisia.

Mr. MORSE. It is certainly reassuring that the minority leader, in his characteristic manner, as a member of the Foreign Relations Committee, where I have the privilege to serve as a colleague, once again has spoken out against aggression, as he has so many times in the past.

We must wait until all the facts are before us, and I am willing to do so, but on the surface what happened appears to be an unconscionable act of aggression on the part of the French, which rightly disturbs all of us who love peace.

I shall devote a rather considerable part of this afternoon to a speech on American military policy. In the course of my remarks I shall have something to say about the Tunisian incident. Let us not forget that up until now the Tunisians have been among the most loyal allies of the United States in all Africa. What disturbs me is what I consider to be the misuse of American military equipment by the French. Attempts will be made by lying Communists to read into the act of the French some sort of collusive action on the part of the United States. I am glad the minority leader has stood up and made his position very clear, because the Tunisians are going to discover, I am sure, that the American people hold no brief for this course of aggressive action on the part of France.

Mr. KNOWLAND. I thank the Senator.

NATIONAL WOOL ACT EXTENSION BILL—STATEMENT BY SENATOR WATKINS

Mr. BARRETT. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a statement by the senior Senator from Utah [Mr. WATKINS] before the Senate Committee on Agriculture and Forestry last week.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WATKINS IN SUPPORT OF S. 2861, NATIONAL WOOL ACT EXTENSION BILL, SENATE COMMITTEE ON AGRICULTURE AND FORESTRY, FEBRUARY 6, 1958

Mr. Chairman, I appear here this morning in support of S. 2861. Because the committee must hear a good many witnesses this morning, I shall keep my remarks brief and to the point.

In section 702 of the National Wool Act of 1954, Congress declared:

"It is hereby recognized that wool is an essential and strategic commodity which is not produced in quantities and grades in the United States to meet the domestic needs and that the desired domestic production of wool is impaired by the depressing effects of wide fluctuations in the price of wool in the world markets."

The same provisions of law declared it "* * * to be the policy of Congress, as a measure of national security and in promotion of the general economic welfare to encourage the annual domestic production of approximately 300 million pounds of shorn wool, grease basis, at prices fair to both producers and consumers in a manner which will have the least effect upon foreign trade."

Sections 703 and 704 authorize the Secretary of Agriculture, through the Commodity Credit Corporation, to obtain this level of domestic production by use of incentive payments. The payments, when added to the national average price received by producers, are to provide producers a national average return equal to the support level set by the Secretary.

Congress thus recognized that certain impediments, which are inherent in the nature of the wool industry, interfere with the natural price mechanism to such an extent, that the market alone cannot be relied upon to guarantee an annual domestic clip of 300 million pounds. For example, an incentive must be provided during the period of expansion of this industry, if producers are to be able to incur increased costs of (1) acquiring additional rangeland, (2) carrying out range improvements on presently held lands so as to increase forage yields, and (3) obtain competent herders at wages comparable to what these people can get in other occupations.

All these things must be done and growers cannot, over the relatively long period of time it takes to increase sheep numbers and thereby wool production, by themselves finance such an undertaking without at least a guaranty of receiving 100 percent of parity.

For this reason, during the 1955 and 1956 marketing years, the actual payment rates were set at levels (19.2 cents per pound and 17.7 cents per pound, respectively) which when added to the national average prices received in the market place (42.8 cents and 44.3 cents respectively) would give growers a total return of 62 cents per pound, or 106 percent of parity. Preliminary data provided by the USDA indicates that the total return for the 1957 clip probably will be between 100 and 101 percent of parity.

I think it is appropriate for the committee to evaluate the progress which the industry has made during the past 3 years toward expanding production upward so as to provide an annual domestic clip of 300 million pounds of shorn wool. In this connection, I think it well to call to the committee's attention the last paragraph of the Department of Agriculture's favorable report on S. 2861, which reads as follows:

"With regard to the progress being made toward increased production of wool in accord with the intent of the act, sheep numbers and wool production continue at low levels. Shorn wool production in 1957 is estimated at 226 million pounds compared with the 300-million-pound goal under the act. The net decline in wool production the last few years has been primarily due to reductions in sheep numbers in Texas and several of the Western States where severe drought conditions prevailed. Due to the nature of the enterprise, year-to-year increases in wool production can be expected to be only gradual even under most favorable conditions."

Concerning the effect of the drought, I would point out to the committee that wool production in the Western States for the years 1955, 1956, and 1957, at 112.2, 111.0, and 107.3 million pounds, respectively, was well below the 10-year average (1946–55) for the Western States of 112.8 million pounds.

Other factors not mentioned in the USDA favorable report on the bill now before the committee, which served to mitigate the effect an incentive payment program normally would have upon productions, include these: First, when the Wool Act of 1954 became effective, the Commodity Credit Corporation had some 150 million pounds of wool in its inventories. This served to depress market prices which made growers move cautiously in the direction of increasing sheep numbers. Second, this effect upon domestic production was reinforced by the then low prevailing world price for wool.

On the other hand, several things have occurred recently which in my opinion point to much better prospects for gradually increasing domestic wool production to an annual clip of 300 million pounds. That is, of the incentives provided by the National Wool Act are extended to growers.

First, the drought has been broken, and western range conditions are the best in several years. Second, there is some indication that a buildup of flock and herd numbers is beginning to take place and that shorn-wool production, although sheep and lamb prices in 1958 may not average much differently than those in 1957, will be up somewhat in 1958. Third, only a few weeks ago the Commodity Credit Corporation disposed of the last pound of its wool stocks, which were acquired under the nonrecourse loan program prior to passage of the National Wool Act of 1954.

There are, however, several problems which may prevent realization of the Congressionally expressed goal of getting an annual domestic clip of 300 million pounds, unless the Congress takes appropriate steps to remedy them. First is the need to insure that adequate funds will be available to make incentive payments to growers.

There is some doubt that the present method of providing these funds will be sufficient in the years immediately ahead, as the following portion of the USDA's report on the bill before you implies:

"Under the act, the total payments are limited to 70 percent of the specific duties collected on wool and wool manufacturers since January 1, 1953. These amounts have ranged from 25 to 35 million dollars a year—$28 million last year. Through March 1957,

UNIVERSITY OF MICHIGAN LIBRARIES

which includes the years 1953 and 1954 plus the first 2 years of the new program, the total was $128 million. Payments totaled approximately $58 million the first year and around $53 million the second. Deducting these $111 million in payments from the amounts available for payments, leaves a $17 million balance for the current and later years to cover payments in excess of duty collections."

For this reason, I suggest that the committee consider amending the bill before it, so as to make 70 percent of the ad valorem duties, as well as the specific duties on wool imports and manufacturers, which have been collected since January 1, 1953, available for use in making the incentive payments. If this were done, I have been informed, that it would increase the size of the fund by nearly 60 percent.

I realize there has been some objection to the self-help promotional program authorized by section 708 of the National Wool Act. This criticism seems to come mainly from those people who prefer a program of publicity, research, and information conducted on a national basis for all meat products by one organization. The sheep industry, however, seems to feel that such an approach, as far as it is concerned, is and would be inadequate, since sheep are dual purpose animals, whose major products, wool and lamb, require an entirely different promotional effort than do other forms of livestock.

In this connection, also, I want to point out that the American Sheep Producers Council, the promotion organization authorized to carry out the approved program, has been handicapped in its efforts to increase wool and lamb consumption at better prices to growers by the drought, which caused heavy marketing of cattle, as well as sheep and lambs, and resulted in lower returns to growers. To date the administrative costs incurred by the council have been modest. Through December 1957, they amounted to only 4.7 percent of total disbursements of nearly $3 million. As of the same date, receipts in excess of disbursements are slightly in excess of $3 million as well. In my opinion section 708 should remain as part of the National Wool Act.

Mr. Chairman, I ask that a copy of a letter to me, urging extension of the National Wool Act, from the Governor of the State of Utah, George D. Clyde, as well as a similar one to me from the Utah State department of agriculture be printed in the hearing record.

I conclude my remarks with an expressed hope that the Committee on Agriculture and Forestry shortly will be able to report S. 2861 to the Senate. I thank you for your courtesy.

EXHIBIT 1

STATE OF UTAH,
Salt Lake City, January 17, 1958.

Hon. ARTHUR V. WATKINS,
Member of Congress,
Senate Office Building,
Washington, D.C.

DEAR SENATOR WATKINS: I have recently reviewed the report to Congress from the American sheep industry. I have long been aware of the problems of the sheepmen in Utah and have watched with interest the effect of the incentive payment program provided by the National Wool Act. I am sure it has been helpful to the sheep and wool industry. It has brought stability to the industry and in many cases prevented the liquidation of longtime sheep operators. The sheep and wool industry is not entirely out of the woods, but it is improving. I believe an extension of the National Wool Act is essential to continued improvement and stability of this industry.

Sincerely,

GEORGE D. CLYDE,
Governor.

EXHIBIT 2

THE STATE OF UTAH,
DEPARTMENT OF AGRICULTURE,
Salt Lake City, January 29, 1958.

Hon. ARTHUR V. WATKINS,
United States Senator, Senate Office Building, Washington, D.C.

DEAR SENATOR WATKINS: We, the Utah State Department of Agriculture, would like to be placed on record at the hearings to be held February 6 and 7, as very much in favor of the continuation of the 1954 Wool Act.

The sheep industry was very much in favor of a protective tariff that would protect the industry from imports of wool coming into this country and sold below the cost of production in the United States.

Inasmuch as it was impossible to get a tariff high enough to protect the industry, the 1954 Wool Act was passed. We feel that the act has saved the sheep industry from bankruptcy.

When foreign wool is allowed to be purchased in this country at prices lower than the cost of production, the sheep industry would be in jeopardy and would result in sheep numbers being reduced to a point where we may find ourselves in a bad position so far as national defense is concerned. We all know that wool is a very important product in times of war; in clothing our soldiers as well as our people at home.

The sheep industry plays an important part in our agricultural economy in the Western States. The crop can be harvested from many millions of acres of mountain ranges and desert lands by sheep that would otherwise go to waste.

Anything you can do to secure the passage of this bill will be greatly appreciated, as the future of the sheep industry is dependent upon such legislation.

With very best regards.

Yours sincerely,

ALDEN K. BARTON,
Livestock Commissioner.

VISIT TO THE SENATE OF HON. SAYYID HASSAN TAQIZADEH, MEMBER OF SENATE OF IRAN

Mr. KNOWLAND. Mr. President, the Senate is honored to have as its guest today the Honorable Sayyid Hassan Taqizadeh, a distinguished member of the Senate of Iran.

Senator Taqizadeh is known as the elder statesman of Iran, and served as the former president of the Iranian Senate from 1949 to 1957. He also represented his country as Ambassador to the Court of St. James's from 1941 to 1947. He was elected as a member of the first Iranian House of Representatives in 1906, and served throughout the years to 1949. He is an authority on Iranian literature and constitutional theory, and assisted in drafting the Iranian Bill of Rights.

Senator Taqizadeh is a guest of the Department of State under the Smith-Mundt Act.

[Applause, Senators rising.]

The PRESIDING OFFICER (Mr. CHURCH in the chair). The present occupant of the chair extends the greetings of the Senate to our distinguished visitor, and welcomes him.

INVESTIGATION OF FEDERAL COMMUNICATIONS COMMISSION

Mr. MORSE obtained the floor.

Mr. MANSFIELD. Mr. President, I should like to ask the Senator from Oregon if I may suggest the absence of a quorum.

Mr. MORSE. I prefer not to have a quorum call. As the Senator from Montana knows, I never ask for an audience.

Mr. MANSFIELD. I wish to make it clear that the Senator from Oregon did not ask for a quorum call; it was my suggestion. I thought, in view of the speech about to be made, there ought to be more Senators present to hear it.

Mr. MORSE. They can read it in the RECORD. I thank the Senator for his courtesy.

Mr. O'MAHONEY. Mr. President, will the Senator yield to me, so that I may make a remark?

Mr. MORSE. I shall be happy to yield, if I do not lose my right to the floor.

Mr. O'MAHONEY. I am sure the Senator will not lose his right to the floor, if he will yield to me in order to protect his right.

Mr. MORSE. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. I merely want to make it a matter of record, sir, that I am leaving the Chamber at this moment not because I do not wish to listen to the remarks of the Senator from Oregon, for I know they will be valuable and well worth listening to. As the Senator has noted, the Senate has given consent to the Subcommittee on Antitrust and Monopoly to continue this afternoon the hearings it has been holding. I am a member of that subcommittee, and I have been called to the meeting of the subcommittee.

Mr. MORSE. I am glad to be able to say to my friend from Wyoming that I can always count on him to do his bookwork. He reads. I do not have any doubt that if the Senator finds anything of merit in anything I say this afternoon, he will give it his usual very fair consideration.

Mr. O'MAHONEY. I shall, indeed.

Mr. MORSE. Mr. President, before I proceed with the first of a series of foreign policy speeches which I shall deliver during this session of Congress, as I seek in my humble way to direct the attention of the American people to what I consider to be some dangerous shortcomings and trends in American foreign policy, I desire to address myself for a few minutes to another subject matter.

I am very much concerned, Mr. President, about what we read in the papers concerning the investigation, on the House side, of the Federal Communications Commission.

I wish to make it very clear, Mr. President, that I do not speak critically of individuals in the House of Representatives. I recognize that there is a long established rule of courtesy by which Members of one House do not discuss the other, although the rule has been frequently violated by some.

As a Senator, Mr. President, I have a duty, as I view my position, to express my concern when either the House of Representatives or the Senate follows a course of action which I believe is not in the public interest.

Let me make very clear at the outset of my remarks in regard to the Federal

Communications Commission problem that I do not know the facts about the counsel for the House committee, but if he is guilty of any irregularity whatsoever, Mr. President, then there is no doubt, in my judgment, that a new counsel should be obtained. But I do not intend to be diverted from consideration of the real issue by any conflict or contest which may have developed over on the House side of the Capitol with regard to a counsel.

What I propose to ask, Mr. President, is: What are the facts about the operations of the Federal Communications Commission? Do we find here a Commission which has on it some members who are guilty of a conflict of interest? If so, the situation is perfectly clear; they should have been removed before now.

I should like to know what the White House has been doing about this matter. I should like to know what evidence can be presented as to any White House investigation. It seems to me that there has already been enough documentation in the newspapers of the country to raise the eyebrows of anyone who, in a political campaign made reference to the expression "clean as a hound's tooth." I think the American people have the right to say, "Mr. President, what are you doing about it?"

I recognize, Mr. President, that one of the greatest muckrakers of all times is Mr. Drew Pearson. To me, the term "muckraking" as it is used in American journalism is not a bad term, because American journalism has the duty to muckrake when there is muck to be raked. Mr. Drew Pearson has been riding herd, so to speak, on this particular matter. Although I know he is fair game for many politicians, and although I know that it is a common practice for politicians, when some disclosure has been made by Mr. Pearson, to reply to it with name calling, I wish to stand on the floor of the Senate today and thank Mr. Pearson for his muckraking in regard to this matter, because I have a hunch that if he had not stirred it up it would have been whitewashed before now.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. CLARK. I should like to ask my good friend from Oregon, who has had far greater legislative experience than I, and who is perhaps a little better accustomed to some of the rather peculiar methods for conducting both legislative and executive business in the Capital City of Washington than I, whether he shares my view that it was probably a good thing for the other body to institute an investigation of the relationships of the so-called executive agencies—although in fact many of them are, as the Senator knows, legislative agencies, despite the fact that their members are appointed by the President—for the purpose of determining whether those agencies were in fact carrying out the spirit as well as the letter of the laws which they were set up to administer.

Mr. MORSE. My answer is that I think it was the clear duty of Members of the House of Representatives to do so. I am glad they started the inquiry. I wish they would give clear assurance that they are going to finish it, although I intend to say something about what I think is now the duty of the Senate with regard to this matter.

I want it clearly understood that I think the House was following a very wise course in starting the investigation in the first place.

Mr. CLARK. If the Senator will yield further, I, too, am aware of the salutary rule of both Houses of Congress which requires Senators and Representatives to refrain from criticizing the other body or any Member thereof, and I do not want my remarks to be considered either expressly or by implication as a criticism of any Member or any committee of the other body. With that necessary qualification, I ask the Senator whether it is not his view that that type of investigation should be pressed without fear or favor in order to develop all the pertinent facts, regardless of where the dust may fall, until the American people have been given an opportunity to read in our free press just what kind of a job those regulative agencies are doing, and whether those who have been appointed to serve thereon, all of whose appointments must be confirmed by our body, are in fact doing their duty to the public.

Mr. MORSE. I completely agree with all the implications of the remarks of the Senator from Pennsylvania.

Mr. CLARK. I shall be happy to hear my friend from Oregon develop the alternative which he indicated a moment or two ago, as to what should be done if, in its sound judgment—which I do not criticize—the other body should perhaps determine not to go as deeply into this subject as some of us originally hoped it would.

Mr. MORSE. I shall be glad to discuss that question later. I wish to return to the remarks I was making with regard to the work which Mr. Drew Pearson has been doing in connection with this subject. It is similar to work he has done in connection with other subjects, when he has disclosed malfeasance in Government.

In my judgment, he is carrying out the journalistic tradition at the highest level. I look upon the newspapers of the country as the most effective policemen for clean government. I think the journalistic profession owes a great obligation to the American people to see to it that, under the great guaranty of a free press, which is precious to the rights not only of journalists, but of every American citizen, the journalistic profession will never hesitate to disclose corruption in Government.

I shall discuss this question in greater detail in a few minutes. I believe that what Mr. Pearson has done in this instance, as in other instances in which he has disclosed corruption in Government, is a great public service.

I hold no brief for Mr. Pearson. Like the rest of us, he makes his mistakes. I think he would be the first to admit it if what he thought to be a fact proved to be fiction. I have noticed also his inherent fairness when he finds that the lead he has been following does not prove to be factual. When that is the case, he has been fair enough to say so in his column.

I know the piercing point of his pen, because he has stuck it in my veins more than once, and written with my blood. However, that is a journalist's duty. I believe that in the disclosures he has already made in his columns which have been published, and in one which has not been published, but has been censored, he has given clear notice to the White House and the Department of Justice that they should have been on the job in connection with the present charges. I shall refer to this censored column before I conclude my remarks.

We should not forget that it falls within the duty of the Department of Justice to act as the President's legal adviser. When malfeasance creeps into the Government, the Department of Justice should go to work in connection with such questions.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. SPARKMAN. I know none of the facts relating to the charges which the Senator from Oregon has been discussing, except as I have read them in the press. However, is it not true that the Comptroller General, the head of the General Accounting Office, has indicated that there have been some misdeeds in connection with the administration of the affairs of the Federal Communications Commission?

Mr. MORSE. I have not read the transcript of his testimony before the House committee. My judgment is based entirely upon what has appeared in the press. However, the press has published stories to that effect.

Mr. SPARKMAN. The thing which disturbs me, not alone in connection with the present instance, but in connection with many things which have happened during this administration, has been the apparent lack of interest on the part of the press as a whole, and sometimes, I think, a complacent feeling on the part of the American people. What a contrast with the situation which existed only a few years ago, when charges much less serious than those of the present were played up in great headline streamers.

Mr. MORSE. There was talk about impeaching the President. Does the Senator remember that?

Mr. SPARKMAN. Yes; I remember it. There is another difference. I can remember that it was Democrats who exposed certain conditions during a Democratic administration. I can remember, as the campaign progressed back in 1952, that the present President of the United States, while he was a candidate, said that there was only one issue in the campaign, and that was corruption. That is what he put his finger upon. He said that was the sole issue. As the Senator has said, in that campaign the present President of the United States said that anyone associated with him or

his administration had to be "as clean as a hound's tooth."

I have often thought what a fine thing it would be if the recollection of the people of the United States could be refreshed from time to time with regard to what was originally meant by the old saying "clean as a hound's tooth."

Mr. MORSE. Let me say to the Senator from Alabama that I should like to advise the President that taking tartar off a tooth is sometimes a painful process, but there is a great deal of tartar on the teeth of this administration, which had better be cleaned off; and the sooner the better.

Mr. CLARK. Mr. President, will the Senator from Oregon yield to me for a brief observation?

Mr. MORSE. I yield.

Mr. CLARK. I recall with the greatest pleasure the magnificent campaign which our distinguished colleague from Alabama made in 1952, when he was a candidate on our party's ticket for the office of Vice President of the United States. I am sure he will remember that in the course of the campaign, during which he followed very actively the comments and speeches made in the campaign by his opponents as well as by his colleague and himself, at Rock Island, Ill., on the 17th of September 1952, the present President of the United States, then a candidate for office, said:

> They say, "Why can't we have a Government of which we can be proud?" And we can have. In fact, we are going to have it. It is merely a matter of establishing integrity right in Washington through which we will draw into that Capital and into all of the Federal Government the finest brains and the finest men of the highest standing that there are in all this broad land.

I am sure my friend from Alabama remembers that speech, as well as many others, in which there was talk about the charge that the standard of performance in Washington was somewhat less than the highest, and in which our friends across the aisle promised to restore a high sense of integrity.

Let me say to my friend from Oregon that I hope that in the effort to determine the standards of the independent agencies and of the individuals appointed by the President, whose nominations are confirmed by the Senate, and who are now engaged in administering those agencies, the executive arm of the Government will follow the same high standards which it laid down on the political hustings before it was elected to office.

Mr. MORSE. Mr. President, there has been some reference to the hullabaloo which was stirred up during the Truman administration, with regard to mink coats—not beaver, but mink coats—deep freezes, and, if true, other forms of corruption.

I have never told this story publicly before, but I believe that, as a matter of history, it should be told here and now. I refer to the reaction of the then President of the United States to the charges which I have referred. I made a certain statement during a lecture at the University of California at Los Angeles, in the fall of 1951, at the time when President Truman was proposing to appoint Judge Murphy, of New York, to come to Washington and head a special investigation commission within the Department of Justice to look into the charges of alleged corruption in his administration.

In the course of my lecture at the University of California at Los Angeles I said that if the problem was to be handled in that way, I could not think of a better man to do the job than Judge Murphy, but I said, "that is all I can say for it, because in my judgment this is not the procedure that ought to be followed." I said that in my judgment a matter such as that should be cleaned up by the Attorney General of the United States; that under the Constitution of the United States it is the Department of Justice which has the obligation to see to it that clean government is maintained under any administration.

I came back to Washington, and a few days later I took part in a radio discussion—which some might call a debate—with the Senator from Wyoming [Mr. O'MAHONEY] and the then Senator from Michigan, a very dear friend of mine, now deceased, Blair Moody. Mr. WALTER JUDD, of Minnesota, was my associate in that discussion. In the course of the discussion, I kept pressing my opposition in the debate with the question: "Don't you think it ought to be done by the Department of Justice?" I say good naturedly that I never got a satisfactory answer to my question. However, it was an interesting discussion.

A few nights later, while I was sitting in my living room at home, around 9 o'clock, my telephone rang. I went to the phone, and the person at the other end said, "The President wishes to speak to you." The President came on the phone, and he asked me if I would come down to his office the next afternoon at 3 o'clock. I told him that, of course, I was at his command. He suggested that I come in through the southwest gate of the White House and park my car outside his office and come in through the back door, because he wanted to talk to me prior to his discussion with the press. As I came in and sat down, and after the salutations, he said, "You are right, WAYNE. That is why I called you. I offer you the appointment of Attorney General of the United States, because if there is any corruption in my administration, I want an independent man to ferret it out."

I spent a long time with the President, trying to get him to see that it would be a great mistake to do that; that it should be done within his administration by an administration man, not by someone from the outside. He refused to take "no" for an answer, and he asked me to think it over and give him a written answer the next day. I did that. I have from him a handwritten reply which someday I think will be a great historic document, after both of us have left the scene.

President Truman impressed me on that occasion, as he has on all occasions, as a man so dedicated to clean government that when it became clear to him there were those who might be betraying a trust they owed his administration, he was for bringing someone from outside his party to clean it up. I shall never forget the great lesson President Truman taught me by that incident. I think it is quite clear what his attitude was in regard to those charges. As he said on that occasion—and I feel he was right:

> I am satisfied that 99⅗ percent of the people working in my administration are law-abiding, wonderful public servants.

He added:

> We may have a bad apple or two in the barrel, and I am for getting those apples out.

I remember the particular phrase he used:

> I am for letting the chips fall where they may.

That is the kind of President Harry S. Truman was.

I wish to say that in this administration the time is long overdue for someone to "let the chips fall where they may." I have said before and I repeat, when history writes up the Eisenhower administration, one of its judgments will be that it made an honest administration out of Harding's.

As I turn to a further discussion of the Federal Communications Commission investigation on the House side, I should like to make this further statement. The Senator from Pennsylvania [Mr. CLARK] has said that he would await with interest the suggestion that I might make in regard to what I think ought to be done. Ordinarily when one body of Congress starts an investigation, I believe it ought to be allowed to pursue it to the end. However, unless what we read in the papers can be cleared up very quickly on the House side, I do not believe the Senate of the United States can justify a further delay in conducting its own investigation. Such an investigation could be carried on by either the Committee on Interstate and Foreign Commerce or a subcommittee of the Committee on the Judiciary. Although both could conceivably have jurisdiction, I believe it should be the Committee on Interstate and Foreign Commerce.

However, if the matter cannot be cleared up quickly on the House side, the Senate has the duty to proceed with an investigation of its own.

It seems to me that the situation in the regulatory agencies, including the Federal Communications Commission, very much resembles one which confronted this body some years ago during the administration of another Republican President, Mr. Hoover. I refer to the Federal Power Commission and its investigation.

At that time, members of the Federal Power Commission were imbued with the idea that they were working only for the electric-power companies. Power sites had been handed out all over the Nation to Andrew Mellon's Aluminum Corporation of America, to the Insulls, to the entrenched utilities. Finally, the Hearst newspapers exposed these giveaways and almost simultaneously, Senator George Norris, of Nebraska, a Republican, with help from many Republican and Democratic Senators, initiated an investigation of the electric-utility lobby.

This disclosed the fact that not only were the waterpower sites in the Nation

being given away on long-term leases without any real consideration of the best interests of the public, but it also revealed that the schoolbooks of the Nation and even the university textbooks of the Nation had been in some cases subsidized by the utility lobby.

This investigation also showed that certain newspapers had been heavily influenced—in fact, had been purchased by the lobby.

It seems to me that the present situation is quite similar. The television licenses which are being handed out by the Federal Communications Commission are limited, just as the waterpower sites of this Nation are limited. There are only so many to go around. Those who get these licenses can profit immensely. We know that some of these stations have been resold at tremendous profit. Just recently, a station in Philadelphia, WCAU, I believe, owned by the Philadelphia Bulletin, was sold to the Columbia Broadcasting Co. for a reported $20 million. Apparently, the FCC has intended for these grants to run indefinitely. Apparently, the FCC intends that these grants shall be bartered back and forth regardless of the fact that they belong to the people of the United States.

In some ways, I think that the television and radio licenses which are handed out by the FCC are more valuable and more fundamental than the waterpower sites of the Nation. They go to the very heart of America—namely, the right of the American people to know. They go to the heart of one of the basic freedoms of this Nation, a freedom which is guaranteed in the Bill of Rights, namely, the freedom of the press, to which I have already referred.

I regret to say that of late this freedom has come to mean, in the minds of some people, a freedom not to inform the public, but a freedom to make money. That is why I have been heard to say on the floor of the Senate and on the platforms of America that, with some great exceptions, by and large the press of America has done a Pravda job for the Eisenhower administration; it has done a coverup job for the Eisenhower administration, just as effectively as the Russian Tass. I happen to believe that if freedom of the press is to be the great guaranty it ought to be, the press ought to give the American people the facts. The press should not assume to decide, upon a sort of self-imposed censorship basis, what it will give the people and what it will not give the people.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. CLARK. I should like to recall to the attention of my distinguished colleague, the Senator from Oregon, some comments he made about the Federal Power Commission. It is my understanding that the original intent of the investigating committee of the other body was to take a look at all the regulatory agencies, of which the Federal Power Commission would be one. I stress my hope, which I trust my colleague shares, that they will take a very good and careful look at the policies, the relationships, the sociological attitudes, and the political philosophy, of the Federal Power Commission today, particularly with respect to what in my judgment is one of the most iniquitous pieces of legislation ever passed by Congress, but vetoed by that great President, Harry S. Truman, and which is apparently about to come before Congress with, at least judging by what one reads in the newspapers, the implied backing of that very Power Commission which is supposed to protect the interests of the consumers.

As my good friend from Oregon knows, I am referring to the iniquitous proposed natural gas legislation. In my humble judgment, having been the mayor of a great city, the consumers of gas would have been gouged had such legislation been signed and placed on the statute books. The Federal Power Commission in that instance was certainly not carrying out its statutory duties to protect the consumers of the country against a great monopoly.

I wonder if my friend would not agree that perhaps, if it becomes necessary, our committee should take a good and careful look at the present Federal Power Commission and its policies which, I suggest, have not changed a great deal since the days to which my distinguished colleague has referred.

Mr. MORSE. I am at present engaging in what one would call self-inhibition, because if I really got started on the issue the Senator from Pennsylvania has raised, I am certain I would delay for hours the major speech on foreign policy I intend to deliver before the day is over.

I want the Senator from Pennsylvania to know that when we get into the natural gas fight this year, I will be there under his banner and leadership, because I look to him and to the present Presiding Officer of the Senate, the Senator from Illinois [Mr. DOUGLAS], and to the Senator from Michigan [Mr. MCNAMARA], and other Members of the Senate as my leaders in a fight, once again, to protect the consumer interests of the country.

I know this will be a very vigorous and historic debate when we get to it; but we ought to prepare here for it. This is a case in which I have no doubt that there ought to be dual investigations, because the matter is so vital to the welfare of the people of the country. I think there should be a House investigation and a Senate investigation, and that the Members of both Houses ought to be on their way with them.

I think this is a raid on the pocketbooks of the consumers of America. I have a duty, as I see it, to stand up and fight as long and as hard as I can in supporting the hands of my colleagues who will take the leadership in this great battle.

Mr. McNAMARA. Mr. President, will the Senator yield for a question?

Mr. MORSE. I yield.

Mr. McNAMARA. Before asking the question, I wish to commend the able and distinguished Senator from Oregon for the great contribution he is making by this speech today. I thoroughly agree with him.

Since the Senator from Oregon has mentioned the possibility of asking for a Senate investigation, I wonder if he has considered whether this might be a proper area in which the Committee on Government Operations should take action.

The attention of the public has been spotlighted on the investigations being conducted by the so-called McClellan Special Committee to Investigate the Labor or Management Field. That committee is composed 50 percent of members from the Committee on Government Operations and 50 percent of members from the Committee on Labor and Public Welfare.

It seems to me that consideration might be given to asking the special committee to examine into this subject, because it is in a position to do a good investigative job. Has the Senator from Oregon given that matter any thought?

Mr. MORSE. No, I have not given it any thought; but to give a curbstone opinion, which a lawyer really should not do, I think there may be a basis for believing that that committee would have jurisdiction.

In matters of jurisdiction, I always check, first, with the Parliamentarian of the Senate. The remarks I have already made are parliamentarily sound, because either the Committee on Interstate and Foreign Commerce or one of the subcommittees of the Committee on the Judiciary unquestionably has jurisdiction, if it wants to press for an investigation. Offhand, it seems to me the Committee on Government Operations also would have a basis for the exercise of jurisdiction.

Mr. McNAMARA. It is certainly involved in the matter. I thank the Senator from Oregon.

Mr. MORSE. Mr. President, in the days when freedom of the press was inserted in the Bill of Rights, we had many small and courageous newspapers, printed in the Thirteen Colonies, some of them no bigger than one sheet of paper. They were turned out on a hand press by courageous men who dared stand up and fight for what they stood for. They dared disagree. They dared take the offensive against the Government. This was the reason why they were given a special freedom and why that freedom was written into the Constitution of the United States. It was not a freedom merely to make money for themselves.

The other day there was a newspaperman in my office. He was a Nieman fellow, believe it or not, from Harvard. He said, "I simply do not understand your criticism of the press. I do not understand why you are so critical of the press. Do you have any idea what is involved financially in operating a newspaper today?"

That Nieman fellow did not know what he was saying to me, unfortunately. He sought to argue in support of the fallacies I have been criticizing. He based his argument on the idea that newspapers have become big business. And so they have.

But I think we had better reflect on the original purpose of the profection and guaranty in the Bill of Rights, so

far as freedom of the press is concerned. Unless the press is willing to make whatever financial sacrifices are necessary to run a free press, if that is what really is entailed—and I do not accept that premise of the Nieman fellow; but let us assume it for the sake of argument—unless journalists and publishers throughout the country are willing to make financial sacrifices by way of repayment to a free people for the guaranty of freedom of the press, they should stay out of the newspaper business in the first place.

There is a great need for the journalistic profession of the country to return to the obligations clearly imposed upon them and vested in them when our forefathers gave them in the Bill of Rights the guaranty of a free press.

I am afraid that as of today that freedom has been forgotten by a great many publishers in the newspaper business, when it comes to the publishing of the truth.

On the floor of the Senate earlier today, as I criticized a newspaper in my State for deliberately falsifying in an editorial, I said, that in my opinion old Fighting Bob La Follette summarized the whole code of journalistic ethics in the Biblical quotation which he always ran at the masthead of the Progressive magazine. It is still run there by the successor editors. It reads:

Ye shall know the truth, and the truth shall make ye free.

I think it is important that the journalistic profession of the country return to that maxim of ethics.

There are outstanding exceptions, of course. There are men who still realize that they have an obligation to inform, an obligation to disagree. But when we see the tremendous pyramiding of power that comes to the dissemination of information through not merely newspapers but radio and television, then it is a matter for this body to note and to worry about.

We also see magazines of tremendous circulation, such as Time and Life and Fortune, which have also gone into the television business. They have acquired stations throughout the country in order to pyramid the information they give to the public. In many cases, I regret to say, they give distorted and warped information. That is why I so frequently refer to the Luce publications as "loose" publications. I have come to recognize them as loose propaganda, and also as publications which are steadily trying to cover up the black deeds of this administration with an allegedly white journalism. But it is very tinted and tainted journalism, for the most part.

Perhaps no magazines in this Nation have given a more distorted picture of the political scene than have Life and Time. Yet at the same time they have been given by this Republican administration, which they have rewarded, great benefits in the form of television licenses.

We have also seen quite recently that certain industries have gone in for television. National Airlines, which cannot operate without a license from the Civil Aeronautics Board, has also received a license from the Federal Communications Commission. The railroads are not permitted to go into the bus industry or the steamship industry; but an airline has now been permitted to go into the television industry, although this grant is entirely dependent upon the Government. The manner in which National Airlines received this channel in Miami, Fla., is one which is under investigation by the House Legislative Oversight Committee, and I understand that the investigation has revealed very damning evidence regarding one Commissioner. I understand that the evidence shows that the President's brother-in-law, Col. Gordon Moore, also may have been involved in swinging this TV license to National Airlines.

We have also seen that the Crosley Co., which is a subsidiary of American Aviation, received a TV license in Indianapolis. Mr. George E. Allen, a close friend of President Eisenhower, and a copartner with him in farming at Gettysburg, as well as cobridging with him over the bridge table, is a director of this vast industrial combine, which now has been benefited not merely by a TV license in Indianapolis, but also with licenses in Cincinnati and Dayton. Are we therefore drifting toward a situation in which big industry more and more helps to control the minds of America?

I have also been concerned about the situation existing in many cities where only one newspaper supplies news to the people, and where in some cases that newspaper also owns a television station, and perhaps a radio station. In Rochester, N. Y., the Gannett newspapers control the news dissemination; yet at the same time they were given a TV license under circumstances which were under investigation at the time when Dr. Schwartz found his tenure of office so difficult in the Legislative Oversight Committee.

When a TV station must occasionally apply to the Federal Communications Commission for permission to have its transmitter enlarged or its location moved, naturally the station owner is sensitive to Government control. He wants to please the FCC. Therefore, he tends to favor the Government in power and the members of the FCC.

This may explain why last week there was such biased and one-sided coverage of news regarding the very important revelations made by the House Oversight Committee. Some of the news accounts I saw indicated that Commissioner Doerfer was a hero, rather than being guilty, not only of accepting fees from the TV industry, but also of charging the same expenses to the Government at the same time. A man in that position is not a hero. The American public knows he is not a hero. Yet very few radio or TV newscasts put Mr. Doerfer in the proper perspective. I have also been informed that some networks deliberately censored the news regarding the investigation of last week involving Chairman Doerfer. I have one notable and very important illustration—that of WTOP, in Washington. This station is owned by the Washington Post and Times Herald, a very fine newspaper, which, however, is in a position where it can dominate a considerable amount of news because it also owns a powerful radio station, as well. I should think that a paper in that position would lean over backward to protect the sacred position given to it, to keep the public informed; that it would do its utmost to report news, even when critical of its own policies, of its own personnel, or of its own family. However, I was surprised to find that an eminent broadcaster on WTOP, Mr. Drew Pearson, to whom I have already referred as one of the outstanding muckrakers in American journalism, had his program last Saturday cut. I have asked Mr. Pearson for copies of his program and I find that all references to the Federal Communications Commission were censored from his broadcast. I shall read some excerpts from the television broadcast which he would have given if it had not been cut. It seems to me that it is not only important but is fundamental that the American people know about these deletions. Of course, under provisions of rule XIX of the rules of the Senate, I shall eliminate from my report on the broadcast any reference to any Member of Congress which would have been made by Mr. Pearson in his broadcast.

Mr. Pearson's broadcast which was cut and censored read in part as follows:

Now ladies and gentleman, the Congress of the United States is only as good as the men who are in it. And I want to call the roll of the men who want honesty in Government and who don't seem to want honesty in Government. Last week, Chairman John Doerfer of the Federal Communications Commission, supposed to be honest and impartial in protecting the public's interest, admitted after much breast-beating that he had received $1,060.87 for a 5-day trip to Oklahoma City and Spokane, then turned round and collected a good part of this from the Government. He also admitted, between breast-beating, that he had taken one trip to White Sulphur Springs and St. Simons, Ga., expenses for himself and wife paid for by the TV industry, then turned around and collected from you and me the taxpayers; also that he had taken trips to Pinehurst, N. C., and had spent 6 days being wined and dined on the British Bahamas by a big TV owner, then flown in the latter's private plane to Salt Lake City. This is the man supposed to represent the public, not the big telecasters.

Elsewhere in his proposed telecast, Mr. Pearson had included the following:

I would like to ask the new Attorney General, William Rogers, what he intends to do about this double-charging of Uncle Sam. Are you, Mr. Attorney General, going to set up one law for Chairman Doerfer, the Republican, and another law for Lamar Caudle, Democrat, or are you going to apply the laws equally and impartially as your contribution to making democracy live.

Mr. President, I believe it is unfortunate if, in connection with the dissemination of public information, we have reached a point where freedom of the press would be violated by having a telecast cut in that manner.

When I turn on my television or radio set, I should like to know whether I am listening to censored news or whether I am listening to an expression of freedom of the press, as guaranteed in the bill

of rights, a vital part of the Constitution of the United States.

I should like to suggest to our very fine colleague from California, Mr. JOHN MOSS, that he investigate the influence which certain publishers are exerting on the press. I should like to have him investigate particularly what influence the Federal Communications Commission is having on newspapers which own either radio or TV stations. It would be especially appropriate if Mr. Moss and his committee would investigate the news coverage given to the Legislative Oversight Committee and its revelations. The newspaper publishers of the Nation, and particularly their editors—of whom some very fine ones have testified regarding censorship by the Government—should also be concerned about their own censorship.

Just last week, I noticed that Mr. Russell Wiggins, of the American Society of Newspaper Editors, and executive editor of the Washington Post and Times Herald, testified before the Moss committee regarding censorship by Government. Mr. Wiggins is one of the finest editors in the Nation, and he has done an excellent job of campaigning against censorship.

Mr. President, I wish to add that I think Mr. Wiggins in the last many months, as he started what was almost a one-man crusade against Government by secrecy and against governmental censorship, is owed the gratitude of the American people for his journalistic courage. That is the journalistic courage of old; it is the journalistic courage that characterized some of the newspaper editors in our colonial days, when with just a hand press they turned out one-sheet newspapers pointing out derelictions in the administration of a democratic government.

Mr. President, I wish to say that the leadership that Mr. Wiggins has given in opposition to government by secrecy will stand everlastingly to his credit. However, I am disappointed to find that within his own jurisdiction there is the evidence, as I have been told today, of censorship. I am disappointed that such censorship has taken place, so I am informed—and I believe I am reliably informed—in connection with Mr. Wiggins' own television station. If so, his own television station was grossly and flagrantly guilty of censorship. Whether that censorship was indirectly influenced by the FCC, whether it was a whim of the television station manager, or whether it was the policy of the Washington Post and Times Herald, I do not know. But this is something which I think it is appropriate for the Moss committee to investigate, and about which it should properly inform the Congress and the American people.

Mr. President, I do know that an American audience which turns on its television sets is not treated fairly if the programs are censored and if the audience is not informed of that fact. That is what the television stations owe to their listeners. But, Mr. President, they do not get that. To the contrary, they are getting the impression that they are receiving accurate, entirely uncensored information.

So, Mr. President, in closing my remarks on this matter, I wish to say that the Congress of the United States cannot condone such action. The Congress must measure up to its responsibility in connection with this matter. In my judgment, the situation has now become one of such great public concern that committees in both Houses of Congress should proceed with a thorough investigation of these charges. Let us sift the facts from the fiction. Let us find out what the evidence is.

If in many of the Government agencies there are men who have been betraying their public trust, then I believe it is incumbent upon the Eisenhower administration to get the tartar off the hound's tooth.

I shall turn now, Mr. President, to the speech that I had intended to make first today. When a group of us met this morning and listened to allegations in regard to what is going on in connection with the Federal Communications Commission investigation, I considered it my duty to say what I have said in the speech which I just delivered.

Mr. President——

The PRESIDING OFFICER. The Senator from Oregon has the floor.

IS THE SENATE HEEDING THE FINDINGS AND RECOMMENDATIONS OF ITS OWN SPECIAL STUDIES ON FOREIGN AID?

Mr. MORSE. Mr. President, I turn now to the subject, Is the Senate Heeding the Findings and Recommendations of its Own Special Studies on Foreign Aid?

In July of 1956, the Senate created a Special Committee To Study the Foreign Aid Program, consisting of the entire Foreign Relations Committee and ranking members of the Armed Services and Appropriations Committees. The purpose of the special committee was to study exhaustively the entire foreign assistance program and ways in which it does or does not serve the national interest, so that the Congress may have a clearer picture in forming a realistic and useful foreign aid program.

Specific assignments were made to private research organizations on a contract basis. They included academic centers, like the center for international studies at MIT; the research center in economic development and cultural change at the University of Chicago; management specialists like Jerome Jacobson Associates and Louis J. Kraeger & Associates; and private research organizations such as the American Enterprise Association, Inc., and the National Planning Association. A total of 12 contracts were entered into, at a cost to the Senate of $143,000.

In addition, 10 private citizens were asked to conduct surveys all over the world to find the strengths and weaknesses of American foreign aid, and extensive hearings were held in Washington by the special committee itself. Altogether, the taxpayers spent about $275,000 just to evaluate foreign aid and recommend changes in management or policy. Another useful study available to Members of Congress is a monograph published by the Princeton Center of International Studies, Some Perceptives on American Military Assistance, by Edgar S. Furniss, Jr., a professor at Princeton University.

Yet the careful work of these objective, nongovernmental groups has had little impact to date on America's foreign aid program. The general conclusion of the committee's studies was that military and economic assistance to foreign nations is in our national interest; but also that it requires clarification of purpose and revision of its organization if it is to continue to be in our national interest. The Senate paid little heed to these studies last year in approving the Mutual Security Act of 1957. It cannot justify repeating that mistake again this year. My opposition to the committee bill last year was because it did not apply the findings and recommendations of these special studies and the committee gave no good reason for not doing so.

Critical to the effectiveness of foreign aid is the role it plays in helping our military allies keep up the strength and vitality of their armed forces. Military aid and accompanying defense support have made up the bulk of foreign aid since the Korean war. Military aid consists of the weapons of war; and defense support is a short-hand term for the additional money for army pay, clothing, construction of roads, communication facilities, and so forth, it takes for some of these countries to maintain a military force beyond their existing financial capacity. In the words of the law, defense support consists of the commodities, services, financial, and other aid specifically designated to sustain and increase military effort. Like military aid, this aid goes only to the nations with which we share a mutual-defense treaty. Thus, defense support may be economic, but it is necessitated by the military force, and exists to maintain that force rather than to develop the resources of the recipient nation.

I want to discuss today some of the findings and warnings about the future contained in these studies. In particular, I shall refer to the two on military assistance prepared at the request of the Special Committee on Foreign Aid by Columbia University's institute of war and peace studies, and the systems analysis corporation.

I want to say first, as a lawyer, that I am talking about evidence prepared by experts. I have a great deal of respect for my colleagues in the Senate. They have a considerable amount of expert knowledge on foreign affairs. But I do not speak disrespectfully of my colleagues in the Senate, Mr. President, when I say they are not the best qualified experts on the subject. At best, we all can be best described as sincere students of the subject, and as students of the subject I think we should turn to the true experts on the subject. Unless Senators can advance good reasons why the experts are in error, I think we owe it to the American people to follow the recommendation of experts.

Here, to the tune of $275,000 of the taxpayers' money, we had conducted a series of studies by the experts, who

UNIVERSITY OF MICHIGAN LIBRARY

came forth with a series of recommendations as to what is needed to improve our military- and economic-aid programs. The sad fact is that in the bill passed by the Congress last year, for the most part we gave little or no heed to the recommendations of experts. Thus the title of my speech today, as I challenge Senators once again at least to find out, before they vote here in the Senate, what the experts have recommended, and the evidence on which the recommendations of the experts have been based.

What I shall present is not the whole picture of what these various organizations found out about foreign aid, or even about military aid. It will not constitute a conclusion of general findings, and will not deal at all with the advantages that may be gained by the United States even in the same areas and countries where its bad effects are discussed.

In short, what I shall attempt to do today will be to present a compilation of the defects and shortcomings of military aid, as found by well-qualified students of foreign policy. It will be an abstract of warnings about it, and not a general summary of findings. In addition to the studies prepared at the request of the Foreign Relations Committee, I shall refer to the Princeton monograph, and to the reports by the Comptroller General of the United States to the House Government Operations Committee, which reviewed the efficiency of the military assistance program.

NONMILITARY PURPOSES OF ARMS AID: ARE THEY JUSTIFIED?

The general purpose of military aid is to strengthen non-Communist nations against Soviet attack. This heading was broken down into three variants by Edgar S. Furniss in his monograph published by the Princeton Center of International Studies. First, Furniss lists aid which would enable a nation to repulse Communist aggression. Second, aid to enable a nation to hold out against Communist aggression until other military forces can come to its assistance. Third, aid to supplement American forces stationed in the recipient nation to ward off a Communist attack.

With the exception of the military aid we send to the countries of Western Europe, there is no realistic basis for aid with the understanding that the recipient can thereby stand off Soviet aggression alone. Secretary Dulles said as much in the course of the hearings on mutual security in 1956. In discussing the Far East he said:

> Of course, we recognize the armed forces of these allies are not alone sufficient to withstand the full might of Chinese Communist military power backed by the Soviet Union. But we also maintain in the general area of the Western Pacific United States mobile striking power to back up local forces. The cost of this force is in our defense budget * * * the two costs complement each other. Neither would be sufficient without the other.

Aid that serves this purpose of strengthening a combined resistance to aggression is considered by the American people to be the only reasonable basis for it, judging from my mail and my conversations. But let me point out that it should logically be confined to the nations near the Soviet Union and its satellites. Surely no military aid to South America—and it amounts to about $40 millions a year—can be justified under this purpose. Nor can aid to Spain, Indonesia, or to Tunisia.

But there are other reasons for military aid that do explain why we send military equipment to these nations, having no effective part in the military resistance that might be offered in the event of a Communist act of aggression.

One is that it is supposed to prepare the way for American influence. To quote from Professor Furniss:

> A prime example of the provision of aid in order to acquire military influence is, of course, Spain. In return for the right to construct both naval and air bases on Spanish soil, a program of military as well as economic aid was instituted.

The 1955 report to Congress on the mutual-security program contained this statement:

> The United States continued to furnish Spain's army with tanks, antiaircraft and antitank weapons, and various types of communication equipment. Spain's Navy received a net tender in addition to mine harbor defense.

In exchange for these weapons, we were given permission to construct air and naval bases on Spanish soil.

On February 4 of this year, there was released a report from the General Accounting Office to the House Government Operations Committee on the efficacy of those bases in Spain. Its report makes clear that the taxpayers are not getting their money's worth.

The Comptroller General deserves the great tribute which I wish to pay to him. He, incidentally, is really an officer of the Congress. He is one of the most courageous men in public service in America today. This man of great daring and great dedication to the trust of his job is worthy of our praise, in my judgment.

The present Presiding Officer of the Senate, the Senator from Montana [Mr. MANSFIELD] knows very well that in the recent past this man has been willing to stand up and warn the Congress, and through the Congress the American people, of the great waste in this administration. He is the kind of public servant other public servants should emulate.

What did the Comptroller General say to the House committee? He declared that the base being built at San Pablo, "has no operational value." Had the Air Force not insisted on construction, said the Comptroller General, nearly $6 million would have been saved.

I remember that last year in the foreign aid debate I stood on the floor of the Senate and decried the millions of dollars of waste in the American military aid program. I received bitter, castigating letters from those who want to wrap the flag around themselves but do not want to face the facts as to what is going on in America's military aid program.

I am referring now to the Comptroller General of the United States pointing out to the American people that at one base, which has no operational value, we are wasting $6 million of the taxpayers' money.

We have to get the facts out to the people, first, because the press has done such a "snow job" on American public opinion that the people have been inclined to accept as true the propaganda of this administration. Every time this administration is about to raid the Treasury of the United States for military funds, they plant a scarecrow on every front lawn in America, figuratively speaking. They frighten the American people into believing they are about to be destroyed. The result is this kind of waste.

I digress further to say, Mr. President, that we see this same result in the whole nuclear program. Surely; I am receiving criticism because I have been saying across America—and I repeat here on the floor of the Senate today—that we ought to turn the program over to the scientists and have the scientists give the instructions to the military men, instead of the military men giving the orders to the scientists. Thereby we would save for the American people hundreds of millions of dollars.

We did that, thank God, on the Manhattan project. As a result we were successful on the project. We ought to do the same with the missile project, because the scientists and not the military men happen to be our experts in this field. And we do not have too much time.

Once again I say, Mr. President, it is simply good government to have the expert job done by the expert. I give the military men their due, but the military job is to carry out orders and instructions of a civilian government, not to give the orders and instructions to a civilian government. That is why I would turn the program over to the scientists. Then we would start to eliminate the kind of waste the Comptroller General of the United States pointed out in his testimony to the House Committee on Military Aid.

Another base, at Torrejon, is near Madrid and was constructed "largely on the initiative of Spanish authorities who wanted a base near the national capital for air defense purposes and as a show place for at least one jet fighter squadron."

Those are not my words; those are the words of the Comptroller General.

As a member of the Committee on Foreign Relations of the United States Senate, on which committee the present Presiding Officer of the Senate, the Senator from Louisiana [Mr. LONG] is one of my able colleagues, I know—and I have warned the people of this country for months—about the horrendous waste of millions of dollars in the military-aid program. The Senator from Louisiana is also aware of those facts.

I shall have something to say before I finish this speech about some of the amendments which the Senator from Louisiana [Mr. LONG] offered last year. I stood shoulder to shoulder with him because the Senator from Louisiana, who was my chairman in 1952 when we investigated the operation of NATO and saw great waste so far as our military

bases were concerned—and so stated to the Senate when we returned—knows whereof I speak this afternoon. But there are not many voices being raised in America in opposition to the military junta which has come to dominate the economic and military-aid program of our country. It is time that the power and control of this American military junta be brought to an end, and in this session of Congress we who are trusted with the high obligations of our office take out of the budget the millions and millions of dollars of great waste under the flag-waving slogan, "Security of our country."

I yield to no one in this body in defense of the security of my country, but we are not going to make this country secure if we permit the Eisenhower administration to continue to mismanage the financial resources of this country. The greatest defense weapon we have happens to be a strong economy.

Mr. President, I will take the testimony of the Comptroller General any time over the statements of the President of the United States on this subject, because the President has demonstrated time and time again he simply does not know the facts, and that he doesn't make the effort to find them out.

I am not interested in making a politician's statement. I am interested in facts. The facts are so against the President of the United States in regard to this matter that it is shocking to me that Congress is not doing something about squeezing out the water from the military and economic aid program.

All told, the cost of these Spanish bases will reach $483 million when completed. Is it worth that price to have even influence with Franco?

And if influence is what we are buying, one might question that we are getting our money's worth even in that. On October 7, 3 days after Sputnik I was put into the sky, Franco's loyalty if it can be called that, underwent a notable revision. In a speech he said, "We cannot ignore the political importance of the fact that a nation has succeeded in launching the first satellite. This could not have happened in the old Russia; it was bound to happen in the new Russia. The achievement of great exploits requires political unity and discipline. Whether we like it or not, this could not have happened in countries which are divided and without order.

"We must not let ourselves be blinded by passion," said Franco. "We must distinguish between what is evil and what has real and effective value. I say that what has effective value is political unity, continuity, authority, and discipline."

We know the kind of discipline Franco is talking about. It is not the discipline of a democracy, not the discipline that goes along with a free society under democratic processes, but a dictator's discipline.

If Franco is not to be blinded by passion, apparently he is willing to be blinded by cash. Let us never forget that friendship that is bought will not stay bought because sooner or later there will be a higher bidder. Russian achievement with missiles may well have outbid us with Franco.

Much the same can be said for Tito's Yugoslavia, which since sputnik has moved closer into the Soviet orbit by recognizing the puppet rulers of East Germany. We should remember that the only reliable allies are those who believe in freedom and will fight for it; it is with them that we should arrange our mutual defenses.

I think it is time to reassess the value of our bases in Spain. Does the age of missiles and the basing of missiles in the British Isles and possibly elsewhere in Europe reduce the need for bases in Spain?

Let us be frank. We proceeded with the Spanish handout, first, over the open opposition of the British, and then in the face of their forced silence. They have never been happy about it, because they recognize who are the allies upon whom we can count when the chips are down. I happen to be one who believes that when the chips are down we cannot count on any dictatorship in the great contest between freedom and totalitarianism.

Are the Spanish bases worth the price we pay of arming a dictator with weapons that probably will never be used against a Communist aggressor?

A second example is Saudi Arabia. In the House hearings last summer, William Roundtree, the Acting Assistant Secretary for Near Eastern affairs stated:

> • • • We agreed with the Saudi Arabia Government in 1951, at the time the agreement for the use of the airfield at Dhahran was negotiated, that we would provide on a reimbursable basis military items required by Saudi Arabia for its armed forces.

That was in 1951. Since then, under the Eisenhower doctrine, Saudi Arabia has become eligible for grants of military aid, as well as its purchase. What do Senators think the appraised value of oil in Saudi Arabia is? Only billions. Here we are, living under an administration which is pouring out, by way of gifts to that completely totalitarian state, millions of dollars of the American taxpayers' money to maintain the military forces of a dictatorship. We ought to have our heads examined. It is pure fantasy. It does not make common horsesense. I have a mare that knows how to open farm gates. She has more sense than this policy reflects. There is no commonsense to our policy. Saudi Arabia has billions to support its own military machine.

Oh, it is said that if we do not do it, the Russians will come in. It is said that if we do not give, or at least sell, weapons to these dictators, the Russians will. Who is being kidded? Not the dictators of oil states in the Middle East. They know that such arguments help them to obtain handouts. But they also know that if we were to let them swim in their own oil for a couple of years, and really devise a mutual-security program—if that is what they want—a program under which they would pay their own way, they would jump at the chance, for the simple reason that they know that if the Russians move in, they move out.

All the talk to the effect that if we do not arm Arab dictator States they will make some deal with Russia is but another form of international blackmail; and I use language which I think can be understood. What the Baghdad-pact countries did to Secretary Dulles the other day was but another form of international blackmail. Such a policy ought to be stopped.

In short, we are arming the totalitarian government of Saudi Arabia in exchange for military bases on its territory. We need a reassessment of the need for those bases and of the price being paid for them not just by us but by their own people, too. Frankly, it is my personal conviction that the price is too high. The United States has never been a country to trade human freedom for military power, yet that is exactly what we are doing, in my opinion, in Spain and Saudi Arabia.

Another painful example of our military aid being put to uses having nothing to do with communism is the French campaign in Algeria. In the hearings on the Mutual Security Act of last spring, the following discussion took place between Senator Fulbright and General Guthrie, Director of the European Region of the Office for International Security Affairs:

> Senator FULBRIGHT. How much of the aid for France goes to Algeria?
>
> General GUTHRIE. It would be difficult for me to say. You mean the equipment? The hardware?
>
> Senator FULBRIGHT. Yes.
>
> General GUTHRIE. Everyone knows that a good deal of the hardware we have delivered in the past has gone to Algeria, and even France reports that it cannot determine exactly which rifle or truck it acquired as a result of the aid program, but I am safe in saying it is a substantial portion of the equipment in Africa.

That policy is costing us friends in Asia and Africa. I sat in a parliamentary conference in India, as chairman of the American delegation, in December. It is tough going when we try to answer the criticisms of the African and Asian delegates about the American military aid program, which places the aid in the hands of countries which use it to keep down freedom We had better take a long, hard look at these criticisms. We had better get it out of our heads, and quickly, that our professions are accepted as facts. In that parliamentary conference I found great criticism of American military aid programs.

I had conference and conversation after conference and conversation with delegates from Asia and Africa. As I said earlier this afternoon, this weekend brought a shocking example of misuse of American military aid. The use of American planes by the French in their attack upon a Tunisian village points up the fact that our military aid is often being used for purposes that do not serve American defense interests. I quote from the New York Times of February 9, yesterday:

> French spokesmen in Paris and Algiers acknowledged that a raid had been made by 11 United States-built B–26 medium bombers and 14 jet and piston engine fighters, including 6 United States-made aircraft, in reprisal for the shooting down of a French

reconnaissance plane over Algeria by anti-aircraft fire from Tunisia earlier today.

A special correspondent for the Times, Thomas F. Brady, reported in the same newspaper that at least 67 persons were left dead or dying from the raid, and 90 wounded were in the hospitals of the area. I submit that the substance of the American people can and must be put to more useful purpose than the suppression of Algerian rebels, and raids of the kind that occurred in Tunisia.

I pointed out earlier this afternoon that people of Tunisia area have been among our best friends in Africa. We have a job of foreign relations to do with regard to this incident, unless I completely misread the attitude of our associates at the parliamentary conference in December. I say that because in many parts of Asia and Africa people are greatly concerned about the uses to which American military aid is being put under one pretext or another. The use that disturbs them the most is the fact that in places it is being used to suppress freedom. Once before I commented upon the reply I received from the Secretary of State at a hearing befor the Committee on Foreign Relations, when I tried to elicit from him his rationale for the foreign aid program to countries which use it to keep down freedom. He said, in effect, "Well, one reason for it is to help a government keep down dissident groups."

That is an interesting phrase. Mr. President, we must watch these fellows for the semantics they use. That phrase would give the impression, by implication, that he means Communist groups.

The fact is that the fight for freedom in many nations of the world is a fight put on by dissident groups who are as opposed to communism as we are.

So I said in substance, "Mr. Secretary, if I understand you correctly, and were I a citizen of one of those countries, with my deep convictions in and dedication to human rights and the dignity of the individual, might I not find myself in a position where the United States of America, the greatest democracy on the face of the earth, would be sending in weapons for use against me?"

That is what we are told. That is why again this year, as a member of the Committee on Foreign Relations, I make a plea for a reappraisal of the military foreign aid program.

We had the announcement not long ago that the Secretary of State—the announcement was somewhat garbled, but this was the best meaning we could finally get out of it—will follow a policy of arming at least some American bombers with nuclear warheads.

Mr. Nehru had something to say on this subject, in our debate in India, when he pointed out that as Russia and the Western Powers engage in the international game of armament leapfrog, he did not know whether Russia was ahead or the United States was ahead. He thought probably the truth was that on some things Russia was ahead, and on other things the United States, but that on all things pertaining to armaments, the Western Powers and Russia are engaged in a game of international leapfrog with today the United States and our allies ahead, and tomorrow Russia ahead, but that eventually the game will lead to the brink, with the last leap taking us all over the brink of oblivion.

Then he pointed out the great concern of his people with respect to the statement of policy that we are going to have circling in various trouble spots of the world American bombers loaded with nuclear warheads.

There is still a great deal of controversy as to whether such bombs can go off by accident. Certainly they can go off by design. Certainly they can go off if some people in a military junta believe, after they have stirred up an emotionally tense situation—that this is the time to make the great sacrifice.

It may very well be that we are dealing with just that kind of situation in Tunisia today. I do not know what the facts are. I am certainly glad that the State Department will investigate the situation. However, it is possible that some triggerhappy officer followed a course of action which was not a course of action wanted by his government. The danger is that when such persons are put in that position, and can, in a triggerhappy hysteria, create this kind of unfortunate, international incident, the peace of the world is threatened. If it is bad enough, a large part of the world, so far as its inhabitants are concerned, will pass into oblivion because, as Nehru pointed out, the leap will be over the brink.

A second nonmilitary purpose of military aid is to protect our lines of communication and our access to raw materials. The best example of this purpose is in South America. It was put forth in 1954 by Assistant Secretary of State Henry Holland before the Senate Appropriations Committee:

> This program [military aid to South America] has very limited and specific objectives. In time of war we would rely heavily on Latin American raw materials to maintain our economy in full production, and the Latin Americans would, in turn, rely on us for imports which they would require to maintain the stability of their economies. The maintenance of this vital trade in time of war will be dependent on protection of the inter-American sea and air routes of communication and certain strategic installations. The purpose of this program, then, is to provide Latin American countries with the type of equipment and training they will need in order to assume a part of the burden of safeguarding such lines of communication and installations.

One might well ask, safeguard from what and whom? As Professor Furniss points out, there is a gap resembling a chasm between the stated purposes of the Latin American military programs and the ends they actually serve. Says Professor Furniss:

> The geography of the area and the strength of the 20 American Republics make fantastic the supposition that an annual commitment by the United States of from thirty to forty million dollars, even for an indefinite period of time, could bring the individual Latin American military establishments to a point where they could resist any (equally fantastic) Communist aggression by themselves, with United States help after a timelag, or even with whatever United States forces were actually on the spot.

I have quoted from page 29 of the monograph by Professor Furniss.

I have not heard anyone to date—certainly not on the Committee on Foreign Relations or in the Senate—question the expertness of the Princeton study, any more than I have heard anyone, in committee or in the Senate, question the expertness of the studies conducted by the University of Chicago, the Massachusetts Institute of Technology, or Columbia University.

As I reach the conclusion of my speech, I am basing my case—until someone can show me it has holes in it—on the evidence of experts, not on the opinion of politicians.

South America is in no danger of external Soviet aggression; internal subversion has not been eliminated by military aid, as we saw in Guatemala; in some South American countries our military aid has been used in struggles between rival "juntas" having nothing to do with communism. Yet from 1949 to 1957 we spent $175 million to arm Latin American countries, in addition to the arms they have purchased from us. I suggest that it is time we re-study the question of military aid to South American countries, perhaps with a view of shifting to more economic assistance through the Organization of American States.

Another discernible purpose of American military aid is to build military strength to preserve internal order. This is a purpose hard to bring out explicitly from administration spokesmen, probably because of the onus that attaches to the kind of order our aid is promoting in many parts of the world. The prime object of strengthening nations against external aggression sometimes carries over as an argument for its continuance in countries far from Russian borders on the ground that the country is threatened by internal seizure. This purpose for aid has been applied to Latin America, and to countries in both the Near and Far East. As George V. Allen put it in the 1956 mutual security hearings:

> We desire sufficient military strength in the area [the Near East] to insure stability. We don't want situations where the Soviets or anyone else can capitalize on turmoil or chaos.

So stability—not freedom, not progress, not opportunity, but merely stability—is the professed object of much of American military aid.

I quote in part from the Columbia Institute study:

> It may be of little importance whether local rebel groups are Communist led or even avowed Communists. Unfulfilled nationalist aspirations and demands made in the name of social justice can, whether or not exploited by the Communists, create turmoil, disorganize national life, and undermine the stability of governments, thereby serving Soviet, whether Russian or Chinese, purposes. For this reason, military assistance policies in many Asian countries have emphasized the creation of internal-security forces. Even where the armed strength developed is no match for the Chinese or Soviet Russian military power that could be

pitted against it, these forces are helping to meet a local threat which is real and imminent.

To get stability often requires that we seek and preserve cooperation with local ruling organizations; that we buy cooperation and friendship, even if it means upholding the hand of a military or aristocratic junta. That this has been the case in the Near East is obvious from many examples. It has been true in Latin America, where the government has done some monumental juggling to keep "friendly" governments in power—governments friendly to us, anyway, regardless of how friendly they are to the liberties of their own people.

Professor Furniss cites the interesting case of Colombia. The Colombian army helped to restore order on behalf of a conservative government when the leader of the rival liberal party was murdered in 1948. Subsequently, the army seized control by a coup from the Conservatives it had put in power. Later, another army faction seized control from the first. Colombia has been eligible for American arms, both by grant and purchase, since 1952. Yet communism, either foreign or indigenous, has not been involved in this struggle for power.

To sum up the purposes of military aid which are unrelated to defense against overt Soviet aggression, I quote again from the Columbia Institute of War and Peace Studies:

In Latin America, for example, the military forces that are trained and equipped through the United States aid program are conceived to have strategic value in Western Hemisphere defense. In the event of general war, they could relieve United States forces, which would almost certainly be hard pressed on other fronts, of the task of patrolling sealanes and guarding airbases and other critically important facilities. In both peace and war, they have important internal security functions. The recent history of Guatemala clearly illustrates that Soviet-directed Communist challenges are possible in the Western Hemisphere; and this being true, the granting of arms aid to some Latin American countries may be important in enabling them to combat the threat of subversion. Some of these countries may wish to build and maintain their armed forces for other reasons as well: to maintain a dictator in power; to be adequately defended against a neighboring country with which there is a longstanding border dispute; or for prestige reasons (or possibly only vanity reasons), to have a few pieces of shiny modern equipment to parade on national independence day.

These nonmilitary purposes of our aid I respectfully suggest should be reexamined this year along the lines of the Columbia University study.

REASSESSMENT OF DEFENSE ROLE OF ALLIES

One of the major findings of the special Senate committee studies was that military aid has made it possible for the United States to enjoy the addition of Canada and our allies in Western Europe to the American defense system. The addition of the military forces of Great Britain, France, and West Germany, to mention the major powers, to our American forces is an addition the Nation could not possibly replace with American forces over a long period of time. Moreover, the geographic advantage we have in the use of advanced bases in Europe is irreplaceable at present, lacking as we do the advanced ballistics missiles apparently in the possession of the Communist world.

To paraphrase the words of Columbia University's Institute of War and Peace Studies, the coalition of our military forces with those of Western Europe gives the United States a striking power that an exclusively American investment could not produce.

But the recent NATO summit conference and its conflict over missile bases on European soil accented the primary recommendation of the special committee last year that the role of our allies in the total defense pattern be reassessed. It was the principal recommendation of the special committee regarding military aid that there be a new study by military experts and by the appropriate Congressional committees of the new demands upon western defenses imposed by the nuclear-missile age.

Let me quote the exact words of the committee report:

With respect to legislative authorizations for military aid, the committee believes that the need for this program stems from the needs of national defense which in turn are governed in large measure by the state of weapons development and the general international situation. There is no doubt that a program of military aid is now needed. As already noted, however, it is not clear to the committee whether military aid is well adjusted to our total strategy of defense.

And again:

The committee further recommends that the appropriate standing committees of the Senate make a broad inquiry into the relationship of military aid to the strategic concept of the defense of the United States in order to determine the effectiveness of the interrelationship and to make recommendations on permanent policy with respect to military aid.

It was because of the recommendation of the special Senate committee, based in part on this Columbia University study, that I joined with my colleagues in the Committee on Foreign Relations this year, particularly with the Senator from Montana [Mr. MANSFIELD], who is on the floor at this time, in offering a substitute resolution, calling for what we termed a high-level review of the foreign policy of the United States, including, of course, a review of the economic and military aid program, to seek the facts.

As my two colleagues from the Committee on Foreign Relations who are at present in the Chamber will testify, upon their insistence and encouragement a resolution was unanimously approved by the committee, and we are now conducting that review. It is a review which, I think, augurs well for sound legislation at this session of Congress in respect to the problems I am raising this afternoon.

It is my judgment that as a result of that review, the Senate will be in a better position this year to implement some of the recommendations it ignored last year, after it spent $275,000 of the taxpayers' money for special studies by the experts who were assigned to the job of evaluating the operations of American military and economic programs.

The committee applied that same recommendation to defense support, which, together with military aid, constitutes the great bulk of foreign aid. We should note that this was a presputnik recommendation. Even before sputnik, the special committee found inadequate the adjustment of our defense strategy to new weapons.

Before another mutual security bill is acted on, I believe the Foreign Relations or Armed Services Committees, or both together, should make this reevaluation and should call upon the Department of Defense for its assistance and advice. The new request for the military and supporting-aid parts of the foreign aid bill is $2,665,000,000, out of a total program of $3.9 billions. That is too much money, in my judgment, to ask the American people to spend, without being able to justify it as money spent in the best interest of American security. At least, Mr. President, we who are Members of the Senate have the duty of telling the American people how we justify the taking of any action which is contrary to the recommendations of the experts we have hired to study the operation and effects of the program.

ADDITIONAL WARNINGS OF SPECIAL COMMITTEE

In addition to a new assessment of the relationship to our American defense forces and those of our allies, the Congress should examine the specific findings of the special committee and its task-force groups on military aid and defense support. I am particularly concerned by their findings on arms aid to non-NATO countries. Columbia University's Institute of War and Peace Studies compared military aid to NATO countries with our aid to Asian and Near East countries. It found great differences: The NATO countries have worked out a comparatively integrated command for common defense; there is almost no likelihood that our weapons will be turned on other NATO members; their defense efforts are based on established systems of production which no longer need additional support from us; Western nations have long military traditions, and have largely succeeded in harmonizing their military establishments with democratic institutions.

According to this study, none of these characteristics are found in the nations of the Near East and Asia which we are assisting.

Based on this Columbia University study and one by the Systems Analysis Corp., the special committee of the Senate warned of three problems already evident in military assistance; and I point out that they apply primarily to nations outside NATO.

WASTE IN ILL-SUITED EQUIPMENT

The first problem is the suitability of the level of military aid and the types of arms being provided to less developed countries. The committee's studies found that in many cases military aid is ill adjusted to the requirements and capabilities of some recipient countries, particularly the less-developed ones. In

these studies there is evidence that the types of equipment supplied to some nations are poorly suited to the terrain, and that in some of these countries the forces supported by military aid may be excessive.

In addition to the studies to which I have been referring, the House Government Operations Committee has released a report, dated January 16, 1958, on the review by the General Accounting Office of the military-assistance program. The key committee finding dealt with this point, and I quote from it in full:

> The Comptroller General concluded that the military-force objectives approved for United States support in certain countries are not realistic in terms of the country's manpower and financial capabilities; that these objectives are not always mutually acceptable to the country concerned, and are not always motivated by military considerations.
>
> This is a serious indictment of the fundamental policies under which this important program is administered. It leads to the logical questions: How well have the objectives of the mutual-security legislation been accomplished? How much of the $24 billion appropriated by Congress for this program has been wasted?
>
> To leave these questions unanswered with no corrective action would be scandalous at any time, but particularly now when the President is requesting increased appropriations for the mutual-security program which he says is one of the major weapons in the fight of the Free World for survival. Obviously, a complete review is called for by the appropriate Legislative committees and the Executive. The Congress and the people of this country must be assured that there is a sound and proper basis upon which the Executive expends billions of dollars in behalf of our mutual security. Many studies have been made dealing with the overall objectives of the mutual-security program, but this is the first time a comprehensive, independent audit of the program has been made.
>
> This committee does not in this report evaluate the merits or demerits of the objectives of the mutual-security program.
>
> The conclusions of the Comptroller General mean that the United States has given military end items to some countries to equip a total force which is either beyond (1) the manpower capabilities of the country to raise; (2) the technical manpower capability to maintain; (3) the economic capability of the country to sustain, even if such a force could be raised; or (4) the desire or willingness of the recipient country to fulfill or comply with the military objectives assigned for it. It means further that the maximum military effectiveness of the countries involved could have been developed with less United States aid than that which has been furnished, or which will be furnished in the future so long as such an unrealistic basis is used for programing military assistance.

Mr. President, this excerpt is from House Report No. 1281, of the 2d session of the 85th Congress, which includes the text of the conclusions and recommendations of the General Accounting Office on our military-assistance program.

In my opinion the committee is entirely correct in calling for some answers to these critical conclusions before Congress enacts another mutual-security program.

NATIONALISM FED BY AMERICAN ARMS

The second question raised by our Special Senate Committee To Study the Foreign Aid Program was as to the possibility that competition for arms aid among recipients is adding to the cost of the program to the American taxpayers. There is no question that aid intended for defense against communism is stimulating among recipients and their neighbors nationalistic rivalries which have nothing to do with communism.

I cite as perhaps the worst example our military aid to Pakistan. The issue between India and Pakistan over Kashmir has been fed by American military assistance to Pakistan. It has caused that country to use its meager economic resources to support a top-heavy military structure, and has forced India in turn to match Pakistan's force with its own, as the two dispute control of Kashmir. Thus, two nations who urgently need to raise the living standards of their people are, instead, diverting resources to military establishments directed against each other; and this has occurred in part as a result of American policy.

In 1956 the Senator from Kentucky [Mr. COOPER], then Ambassador to India told the Senate Foreign Relations Committee:

> It is true that the difficulties between India and the United States grew chiefly out of United States military aid to Pakistan. As you know, there were grave difficulties between India and Pakistan after partition. There were riots and bloodshed during the transfers of population, and since then there has been the dispute over Kashmir—from India's point of view, a cease-fire had been obtained between Pakistan and India in Kashmir, and India considers it an unfriendly act that the United States placed military supplies in the hands of a country with whom they had actually engaged in warfare and when a cease-fire had only been secured. India also believes that to the extent of our military aid to Pakistan, they must increase their own defenses. They must take the limited resources which they want to devote to economic progress, and put it into defense. This they resent very much.

Here I wish to say, parenthetically, that I fully appreciate Pakistan's fear of the superior manpower and military potential of her neighbor, India, and her feeling that unless she is supplied by us with modern military equipment, such as jet bombers, to offset India's inherent supremacy, her security is threatened.

However, it would be more in keeping with America's dedication to peaceful procedures for maintaining peace if we had exercised greater leadership in seeking to get the leaders of India and Pakistan to pledge themselves to a nonviolence policy, so much in keeping with the Indian philosophy, with the definite assurance by the United States of our assistance in case one nation were militarily attacked by the other.

It is my opinion that the exercise of American leadership in such an approach to Pakistan's problems would have produced less tension in that part of the world than a program of military aid.

SECRECY VEIL OVER MILITARY AID

One of the shocking results of this military-aid program has been the secrecy surrounding it. The problems I have discussed so far are directly responsible for this extreme secrecy, which violates, in my opinion, the vital tenet of democracy that a people must be informed in order to make sound judgments.

In the course of the committee hearings last year, I made an issue of the secrecy stamp on information concerning our military aid to individual countries, information that is available to Members of Congress upon request, but which is not to be made public. The result was a memorandum from the International Cooperation Administration explaining why country-by-country military aid is kept secret. Four major reasons were given: First, that the disposition of this military power is a part of American national defense and information about it would be of great value to the Communist world; second, the Communist bloc conceals its own military assistance while emphasizing its economic aid, and information on the amount of United States military aid would be of great propaganda value to them; third, jealousies and resentments arise among recipient nations and knowledge of a greater amount of aid to a neighbor would lead to competition among them; fourth, advance revelation of proposed aid figures would reduce the negotiating power of the United States in agreeing on the final assistance we will provide.

Two statements by mission chiefs in support of secrecy were included as follows:

> One Ambassador, for example, stated that the government to which he is accredited was already aware of greater United States military assistance efforts in neighboring countries but that any publication of official figures in this regard would encourage it to increase pressure on the United States for greatly increased assistance without regard to the country's absorptive capacity. * * * An Ambassador in another region, to give another example, felt that the release of figures in any category would be very prejudicial to American interests by giving impetus to a competitive armament race in his region. He felt that it would also create untold problems for the future if we tried to explain the differences in aid levels among countries in his area.

I ask consent to have printed at this point the full text of the ICA memorandum, which appeared on pages 510–512 of the Senate hearings on the Mutual Security Act of 1957.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

WHY CERTAIN MUTUAL SECURITY PROGRAM FIGURES ARE CLASSIFIED

The executive branch believes that, whenever possible, figures on the mutual security program should be unclassified and fully available for public discussion. With this in mind, the executive branch periodically reviews its classification policy with a view to declassification of as much mutual security program data as possible.

Nevertheless there are a number of reasons for the continued classification of certain individual country figures. Somewhat different reasons obtain for the classification of military assistance figures and of nonmilitary assistance figures. The two categories will be considered separately.

The reasons for the continued classification of a number of military assistance country figures are obvious. Military assistance to foreign countries is designed to contribute directly to our own national security. For

the same reasons that we are not willing to reveal the planned disposition around the world of our own forces and of arms and equipment to be provided them, we believe it is in the national interest not to show in detail the disposition of our contributions to the military forces of our friends and allies. This is a clear security consideration.

There is also a consideration relating to Soviet propaganda beamed to the Free World. The official release of military assistance figures for all recipient countries would provide the Communist bloc with an authenticated basis for propaganda contrasting their "peaceful" economic assistance with our military assistance. It is obvious that the Communist bloc itself carefully conceals the magnitude and character of its military assistance to its allies and satellites and will continue to do so. It does not seem to this Government to be wise to furnish the Communists with propaganda material, however false its basis may be. Communist bloc representatives on the armistice commissions in the Far East could make particularly effective use of official United States data.

There is also a sound psychological reason for continuing to classify country military program figures. However ill-founded and unreasonable they may be, jealousies and resentments do exist among recipient nations as to the comparative amounts of assistance they receive. Revelation of country figures in a form which would permit comparison among the recipients would probably promote acrimonious discussion which would not be in the national interest of the United States. The disclosure of proposed (illustrative) program figures, before they are approved by the Congress, would create in the minds of the people of the recipient countries a presumption of a commitment by the Government of the United States. Subsequent reductions in the programs by the Congress, or later by the executive branch, would create resentment which this Government would prefer, if possible, to avoid.

Some of the same considerations which have been cited above with regard to the classification of military assistance figures also apply to the classification of certain nonmilitary assistance figures. The executive branch wishes to avoid invidious comparisons among recipients of nonmilitary assistance. With regard to proposed (illustrative) nonmilitary programs, this Government wishes to avoid the possibility of resentment occurring in the event the final programs approved are less than those initially proposed.

A further consideration relating to both the military and nonmilitary programs is that revelation of proposed program figures would reduce the negotiating strength of our representatives abroad in agreeing with foreign governments on the magnitude and nature of the assistance we will provide. In virtually every country program and project, it is our policy to obtain contributions in cash, goods, or services from the host government. Knowledge of the level of aid contemplated by the United States Government would give the host-country negotiators a considerable advantage.

The executive branch position with respect to the classification of figures in the mutual security program for fiscal year 1958 was reached after careful consideration of all pertinent factors. Earlier this spring, the Department of State asked all chiefs of diplomatic missions accredited to countries to which we give military assistance for their opinion on the subject of classification of military assistance figures. Some chiefs of missions stated that as far as their countries were concerned, there would be no objection to the declassification of past program figures or delivery figures. A number of chiefs of missions felt strongly, however, that even past programs and delivery figures should continue to be classified. One Ambassador, for example, stated that the government to which he is accredited was already aware of greater United States military assistance efforts in neighboring countries but that any publication of official figures in this regard would encourage it to increase pressure on the United States for greatly increased assistance without regard to the country's absorptive capacity. He felt that invidious comparisons and acrimonious discussions, would probably also result from publication of the figures. An Ambassador in another region, to give another example, felt that the release of figures in any category would be very prejudicial to American interests by giving impetus to a competitive armament race in his region. He felt that it would also create untold problems for the future as we tried to explain the differences in aid levels among countries in his area.

The overwhelming majority of chiefs of missions who were consulted on this subject felt very strongly that figures on proposed military assistance programs should continue to be classified for the reasons that have been given above.

The executive branch will continue to declassify mutual security program figures whenever it is possible to do so. It believes very strongly, however, that for the reasons given above, a number of individual country figures should continue to be classified.

Mr. MORSE. Mr. President, these first objections to publication are rendered meaningless by the admission that most nations already know what everyone else is getting in way of military equipment. If they do, it is more than likely that the Communists know, too. The fact is that only the American people are ignorant of the use to which their money is being put. Moreover, if competition is likely to result from information on military aid, it would result from information on country-by-country economic aid, which is already public. If it is true that competition for military aid among the recipient nations is building up, or likely to, that is warning in itself that the program must be kept in close check. I believe the American people should exercise that check, and to do so, they must have the facts and the information. The purpose of military aid is to strengthen the common defense, and we must see to it that our substance is not used for any other purpose. The recipient nations surely realize that fact but if they do not, it should be impressed upon them.

IMPACT OF MILITARY AID ON ECONOMIC PROGRESS

The third question concerning military aid raised by both the committee and by Professor Furniss' monograph—and unanswered by Congress to date—is the extent to which insufficient consideration is given to the impact of arms aid as a factor in generating increased needs for supporting aid. The creation of a military establishment with American military aid beyond the capacity of a country to maintain out of its own resources creates a demand for supporting aid from this Nation in addition to the hardware itself. Thus, the decision to send military equipment may be only the first stage; the equipment itself may necessitate additional commodities or cash to sustain it, and may retard the development of the recipient country's economic resources.

The most disturbing factor of all to me is the degree to which a concentration on military power robs these nations of the economic and social gains they must make if they are ever to become independent and self-sufficient.

Let me quote a paragraph of the analysis by the Columbia University Institute:

The situation in much of Asia differs sharply in degree if not in kind (from that in Europe). The margin separating current levels of living from bare subsistence is narrower. A country's own contribution to its military buildup, manpower, food, and clothing, has less relation to capital accumulation and economic development than to current consumption levels. Asian manpower may appear abundant, but in nonindustrial areas the techniques of production require such a large labor input that the "huge pools of manpower" not gainfully employed are largely fictional. The transfer of substantial numbers of the most able-bodied citizens to the Armed Forces might simply result in a failure to produce enough food. The total impact of military assistance on economic life, far from relieving pressure on the economy, can in fact be such as to require additional economic (defense support) aid from the United States. This latter form of aid would probably be needed to counter the inflationary effects of military aid. So used, it would do little to promote longer-run economic development. Thus, the underdeveloped countries of Asia, to a much greater degree than those of NATO Europe, may have to postpone greatly valued economic advancement to achieve higher levels of military strength. Generally speaking, American military assistance to Asia does not tend to promote both objectives at the same time, as to some extent it has in Europe.

The case of Turkey is especially well documented. Turkey is often cited as a kind of showcase for military aid, on the ground that one Turkish soldier is much cheaper to put in the field than one American soldier. Statistically speaking, that is true, and I have favored helping Turkey maintain adequate military forces as a part of NATO, and to prevent active aggression. As a matter of fact, I was the first Member of the Senate to endorse and uphold the Truman Doctrine of aid to Greece and Turkey in 1947, when those two nations appeared to be threatened by Communist aggression.

But what is the prospect for the future in Turkey? Unlike the other members of NATO, there has been no phasing out of defense support to Turkey, as was anticipated in 1953. The other nations of NATO have developed economically to the point where they are able to maintain their military contribution to NATO out of their own productive capacity, permitting a closing out of American defense support. Those who subscribe to the theory that our foreign-aid program is a success in Turkey because of the relatively cheap price for arming a Turkish soldier overlook what her outsized military establishment has done to her economy over the years.

I quote in full the record of Turkey cited by Professor Furniss:

A second, admitted, deleterious effect stemming from military aid is, of course, economic dislocation. Perhaps the most obvious case is found in Turkey. "In 4 years Turkey can maintain that kind of armed force (desired by the United States and Turkey) without economic aid," said Harold Stassen in 1953. A year later Stassen was

still hopeful: "The Republic of Turkey continued to show exceptional progress in its economic strength, and in its military capability." The time when Turkey would not need economic help was no nearer, however, said Norman S. Paul, Regional Director, Near East, South Asia, and Africa, of the Economic Cooperation Administration: "We hope that the aid can be reduced over a period of years and that within 4 or 5 years the Turkish economy will be able to support this large military effort." By 1956, however, all optimism concerning either the soundness of Turkey's economy or the date of the advent of future economic stability had vanished. John B. Hollister was forced to inform the House Foreign Affairs Committee that the combination of the demands of the defense establishment and the costs of accelerated development have brought about serious economic strain.

So, to compensate for that strain, we send Turkey defense support, another name for the economic aid needed to maintain a topheavy armed force. I do not belittle Turkey's contribution to NATO; she is a firm opponent of Soviet aggression or subversion; her army is relatively well organized. She is a great ally. Yet her ability to withstand aggression is very limited, and to the extent it exists at all, it is causing severe strain to her economy, and potentially an additional expense to the United States.

In his report for the Special Committee To Study the Foreign-Aid Program, Norman Armour had this to say about Turkey and I quote excerpts from it:

Turkey's economic situation today is an extremely difficult one. Its combined internal and external debts total about $2 billion and credit with other countries is shrinking. Its currency is grossly overvalued and there is a serious shortage of foreign exchange. * * *

One stated objective of United States military aid is to help Turkey in the defense of the Middle East. Frankly, it is difficult to understand fully what this really means and to what extent this objective differs from the stated objective of deterring Soviet aggression. Turkey is the southern flank of NATO. Beyond Turkey lies Iran. As a member of both NATO and the Baghdad Pacts, Turkey is supposedly a link between Europe and Asia. It is, in a sense, a United States military objective to strengthen this link. But, up to the present, there is little evidence available that would indicate that this link strategy has developed very far. One important question, is, for example, what plans exist for NATO to provide assistance to Turkey if Turkey goes to the defense of Iran or any Baghdad neighbor, not having herself been attacked? Or, for that matter, to what extent would Turkey be militarily prepared to give such assistance?

It will not be easy to bring this link strategy into actuality until agreement is reached, and more coordinated action is taken by the United States, by NATO, and by the Baghdad countries themselves. * * *

Turkey's own defense budget is about 23 percent of its total budget. There can be little doubt that these large outlays for defense have been a contributing factor to the nation's present economic instability. * * *

I submit that Congress should get convincing answers to these questions before approving more military aid to Turkey. Because military aid was necessary and desirable to meet a Russian threat 10 years ago does not mean it is necessary and desirable in perpetuity. These studies indicate that Turkey is slipping back economically, and there is little evidence that she can support her armed forces without ever-growing American defense support.

The same is true of Thailand. To quote Professor Furniss:

Thailand, the firmest, most friendly ally of the United States in Southeast Asia, was as early as December 1954 admitted by American mutual security authorities to be in difficulties. Pointing out that the Thai military budget had more than doubled between 1950 and 1954, the Report to Congress on the Mutual Security Program of December 31, 1954, stated: "Continuous expenditures for defense purposes not only have siphoned off resources which would otherwise have gone into the country's development, but also have put added strains on an economy weakened in the last 2 years by declining export receipts from rice, rubber, and tin."

Mr. LONG. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. LONG. I wonder if the thought has occurred to the Senator that when the strongest allies we have—countries like England, France, and West Germany—make the decision that they simply cannot afford a certain level of defense expenditure, they cut down to the level they think they can afford, but so long as this country takes the initiative and we say a certain level of defense is desirable in such countries, no matter what it costs and no matter what the burden is, the only answer is for the United States to go in and pick up the check.

With respect to some of these things—for example, such things as troop pay, helping to build roads, and helping to build the economy of a country, so that the country will be able to better support troops—looking at the worldwide picture, there is no end to how much money could be spent. If we try to arrive at some particular level that the friendly nations of the world should have, we are presented with such a problem that we might as well pick a figure out of the air. There is hardly any beginning point or ending point.

Mr. MORSE. The Senator is correct. The Senator has brought out these points in the committee meetings. I am sure the Senator will permit me to say that he has pointed out the fact that some of the allies he has mentioned—particularly the British—have reevaluated the military potentials of possible enemies, and have also reevaluated the need for changing military practices. As the Senator from Louisiana has pointed out, we are pretty slow in doing that in this country. We are still continuing a great many programs, particularly with other nations, which are now obsolete.

The British months ago proceeded to cut their budget, because they found it possible to do so by cutting some obsolete military procedures also. I think the Senator from Louisiana is quite correct in the position he has been taking in our committee, that at least we ought to offer some answers to the Chicago University study, to the Massachusetts Institute of Technology study, to the Columbia University study, to the Princeton University study, and to these other studies, on the basis of which I have made the speech this afternoon.

Mr. LONG. If the Senator will yield further, he has not yet touched upon the fact that in the field of defense support this country uses a practice of sending commodities rather than sending dollars, but we permit the country which receives those commodities in effect to sell those commodities for the local currency. In doing so we permit them to appraise the commodities at the so-called fixed exchange rate, which invariably places the local currency far above the position it should have in relation to the American currency.

The result is that certain local merchants oftentimes wind up receiving a great portion of the funds intended to go for the benefit of the public in general in those nations.

The Senator knows that the committee investigated that subject. I signed the so-called report on the foreign-aid program because it was agreed, among other things, that such practice should be stopped.

Mr. MORSE. Everyone on the committee signed it.

Mr. LONG. After the committee members unanimously agreed that such procedure should be stopped, the committee refused to do anything about it.

Mr. MORSE. If the Senator will tarry with me 5 or 6 minutes longer, I shall discuss some of the positions that the Senator took last year in the committee as he offered his amendments on the subject. I certainly hope that his defeat of last year has not in any way dampened the Senator's ardor for another fight this year.

I want to say to the Senator from Louisiana that I think there are many more with us this year, because in the intervening months many more of our colleagues have had the time to go into these special studies, and many of our colleagues realize now that the positions the Senator from Louisiana and the Senator from Oregon took last year were positions of great merit. Unless we can supply the American taxpayers with the answers to the criticisms of these expert studies, we cannot justify the continuation of what I consider to be a very wasteful program that was so inherent in the foreign-aid program the Congress adopted last year.

As the Senator knows, I opposed that program all the way through, offering amendment after amendment based upon these expert studies, until the last step in the parliamentary procedure. After we got the final conference report from the House and it became clear that it was the best we could do for that year, the Senator from Oregon voted for the final conference report. I served notice then that this year I would do my best to be more successful in accomplishing some economies in this program than the Senator from Louisiana and I were last year.

Mr. LONG. The Senator must know it is a rather distressing thing to have

the committee members unanimously agree, "Here is where a lot of money is being wasted," and then, when the committee is urged to do something about it, to have the committee decline to do so, after the committee unanimously agreed the practice should be stopped.

Mr. MORSE. I think it is most unfortunate.

Mr. President, on my recent trip around the world I spent some time in Thailand. A short time before I arrived the Government was seized by a military coup d'etat, made possible, in part, by economic instability.

As Professor Furniss puts it, the question is whether the economic damage of military aid outruns its benefits. "From Turkey around to Japan," he states, "the determination to remain aloof from international communism must ultimately rest on the constructive alternatives that are offered to the peoples concerned."

I now raise the question, How constructive is military aid? Except in Western Europe, it is not proving to be progressively cheaper. As we contribute weapons to a nation economically incapable of supporting the military establishment we think it should have, we find we must add defense support to shore up the military establishment. We may increasingly find, too, that the stability of governments under this condition is weakened, not strengthened, by a siphoning off of its economy to support armed forces. We are often running the risk, too, that our arms may be used against a neighbor friendly to the United States.

Instead of a reevaluation taking into account these factors, the administration has presented Congress with increased requests for military aid. The total new-money request in the administration budget is $3.9 billion ($1.8 billion of which would be for straight military aid, the rest for defense support, economic aid, and technical assistance), compared to the $2.7 billion for the current fiscal year, divided $1.3 billion for military and $1.4 billion for the other aspects. Without any reevaluation, without providing any answers to the questions raised by these studies, the administration is asking Congress for half a billion more in military aid than it got last year.

In order that Members of Congress may know some of the findings of these special studies on the effects and goals of military aid, I ask to have printed at this point "Part VIII. Conclusion" of the Princeton Monograph; Section X. Characteristics of an Effective Military Assistance Program by the Institute of War and Peace Studies of Columbia University; and "A. Conclusions" from the military assistance study by the Systems Analysis Corp.

There being no objection, the documents were ordered to be printed in the RECORD, as follows:

VII. CONCLUSIONS

The foregoing examination of the present configurations of American military aid programs suggests the following conclusions:

(1) The argument by both military and civilian leaders that military aid is part of the defense cost of the United States should logically be carried further, into an analysis of the political and economic costs of the program. Except for a few isolated instances, there have been no critical appraisals of past or suggested programs by either the executive or the legislative branch. Suggestions that military aid be separated from economic aid, placed directly and solely in the hands of the Defense Department, and justified before the Armed Forces Committees of the House and Senate might very well worsen rather than improve the existing administrative situation. Because military aid is such a small portion of total national defense costs, it would quite naturally fail to receive the attention it deserved if it were controlled entirely by the Department of Defense. Specifically, it would be even more difficult than at present to ascertain whether the programs, when added to the national defense budget, were marginal or even submarginal in the increment they brought to national security. As a corollary to this, it would seem that the executive unit for political control, the International Cooperation Administration, is badly in need of strengthening. An important step toward that goal would be to accept the need for policy guidance in foreign aid matters at the highest level of the State Department and to cease regarding the Agency as an unwanted stepchild.

(2) There is a gap between the annually avowed purposes of military aid and the actual uses for which that aid is designed and to which it is put. With Western Europe now only a partial exception, and in a few years probably no exception at all, American military aid has a definite internal, national focus so far as the recipient countries are concerned. Aid also serves as a channel for the entrance and preservation of direct American influence. These uses contrast sharply with public platitudes concerning collective strength. The collective strength in which the United States plays a part is political, economic, and even at rare times moral. The military power which American aid has engendered in our allies may have served as an ingredient in the general strategy of deterrence. Not to be overlooked, however, are its use and abuse for internal political purposes. Perhaps, as the short era of bipolarity passes, military aid may become a counter, as ally threatens and even fights ally, but such eventualities can hardly be part of the American grand design. In other words, there would seem to be serious danger in self-deception. However important it may be to pretend for the sake of international diplomatic etiquette that American aid bolsters collective military power, leaders of the United States should not attempt to deceive either themselves or American public opinion on the end results of aid programs.

(3) Despite the accomplishments of military aid, such programs will have a deleterious influence if the economic cost either to the purveyor or to the recipient is felt to be too high. A factor common to the receivers of American largesse, whether in Europe, the Near East, or Southeast Asia, is that the price of large military establishments is rapidly exceeding their economic capacities. There is, then, a consistent disparity between the so-called force levels that American military leadership feels are essential for the successful accomplishment of the internal and external missions of these countries and what America's allies feel able to maintain. The governments concerned are confronted with the uncomfortable choice of seeking more American aid, with all that this implies in the way of augmented American influence, or of reducing their own armament burdens even at the expense of important political support. Adoption of the first course is now complicated by the rising opinion in the United States that the total of foreign aid is far too large. Seekers after more assistance may therefore be offered either more military help or economic aid in the form of loans which, by demanding economic improvement to provide the wherewithal to repay, in effect will force the recipients to adopt the second course of action open to them at the outset: Domestic economic concentration and reduction of military expenditures.

(4) The shift in Communist and American attention to the underdeveloped countries compounds the problem just presented. With only a very few exceptions, the struggle between the two antagonists is an economic, a political, even a psychological, but not primarily a military one. For military defense, internal security forces are certainly needed, but no feasible expansion of them could endow these countries with the capability of resisting external invasion either alone or even until direct American power appeared on the scene. Furthermore, on the mainland of Asia the countries surrounding the Communist hinterland that are seeking strength to perform this difficult feat are paying an increasingly heavy price in the lack of progressiveness in their internal economies. From Turkey around to Japan, the determination to remain aloof from international communism must ultimately rest on the constructive alternatives that are offered to the peoples concerned. The choice must be made by the national governments; it cannot be made for them by the United States, however benevolent our intentions, however well-stocked our cornucopia. Lip-service paid to this obvious proposition has tended to make of it a first-class cliché—like all clichés, a substitute for thought, not a guide to national policy.

(5) With new weapons and a logically derived defense strategy, the United States will in coming years have decreased need for the military power of our allies. The factor which holds out most promise for transcending the negative effects of past military policy is the rapid development of new weapons systems. As these become operational, the structure of deterrence will come to rest on fewer foreign bases farther away from the centers of Communist power. There is danger that consequent American statecraft will be viewed abroad as a return to fortress America, an abandonment of countries deeply committed to the anti-Communist coalition. Such concern is already evident in Western Europe. Skillfully presented and properly negotiated, however, American policy may to foreign eyes have the noninconsiderable asset of diminished direct intrusion in the form of defense sites. The concurrent development by the Soviet Union of comparable weapons systems may work in the same direction, to increase the utility of American bases far removed from the Communist periphery as those nearby come under pinpoint threats. These enforced military postures would thus produce a highly desirable separation of the two antagonists, so that they would not clash at points all over the globe with the risk of accident-provoked conflict. Indeed, the military forces of our allies may ultimately not be required for even so-called brushfire wars. With the exception of Great Britain, therefore, their mission may finally be recognized, as has been suggested above, as being the police function of maintaining internal security.

(6) The increasing problem of American statecraft is to ease the transformation from the bipolar world of the cold war to a world in which both neutralism and nationalism are significant and accepted forces. The import of the foregoing is to deny with respect to much of the world the prevalent military view that total commitment by as many countries in the world as possible is a viable

ingredient of national statecraft. The result of such a demand, when applied to non-European countries, may be either superficial acceptance subject to repudiation in a crisis, or outright rejection in favor of an uncommitted, neutralist course of national action. In the past, the effect of military aid has frequently been viewed as the prevention of either of these results. But the technique utilized in Western Europe does not appear to be applicable to other, underdeveloped areas. Furthermore, events of the past year should have increased doubts as to the depth of operational commitment even on the part of America's allies in Europe. At the rise of nationalism and neutralism the United States need not take alarm, if the civilian leadership bears in mind the basic, most fundamental reason behind the abandonment of our own isolation: Concern for the freedom of the rest of the world—concern, that is, for the ideals and ideas developed by other civilizations, even though they be profoundly different from our own and only partially understandable by us. The only commitment the United States requires is that other cultures be allowed to work out their own development in their own way.

X. Characteristics of an Effective Military Assistance Program

The role of the military assistance program has been described in terms of its major immediate objectives, the military strengthening of our allies; and of its overriding objective, the improvement of the United States own national security and of the benefits which accrue from fully integrating military aid into the weapons system of foreign and military policy. Its role has also been examined negatively, in terms of ways in which it is unsuitable to use military aid.

There has thus been an implicit if not an explicit characterization of an ideal program. Of course, the need for aid may be too urgent to withhold any particular grants until all criteria of efficiency have been perfectly satisfied. After all, one of the requirements of an effective program is that the aid arrive in time. Some of the other characteristics listed below, when stated in general terms, are little more than truisms.

1. Whatever level of sacrifice the United States accepts for the maintenance and promotion of national security, allocation between expenditures on our own forces and on foreign aid should be such that the last dollar spent on each purchases a comparable amount of benefit to our foreign and military policy objectives.

This is not always an easy principle to apply. So long, however, as the foreign aid program remains at about one-tenth that of the defense budget, an extra percent or two added to or subtracted from the defense budget could, if a corresponding sum were taken out of or put into the foreign aid program, have very significant effects. At whatever point the overall ceiling for security-oriented expenditure is set, from then on the object should be to get the best bargain for the defense dollar. Executive presentation and Congressional consideration should be in a form that continually promotes a comparative analysis of the increments to our national security which would flow from small transfers back and forth between the two types of expenditures.

2. To be effective, the program must be logically related to United States national policy and military strategy.

It must be based on the same assumptions regarding the probable enemies, their intentions and capabilities, as those which underlie the size, composition, and character of our own Armed Forces. Where the creation of deterrents and the possible fighting of less-than-total wars is a joint operation with allies, there is an obvious need to relate the kind of forces we are helping other countries build to our own plans for the use of United States forces under various contingencies. If, for example, the armed forces of a distant ally were being scaled up only to the point where they could delay but not stop the aggressor, yet the organization, deployment, and mobility of our own forces were such that our help could not conceivably arrive in time to make a difference, there would be an obvious disjunction between the military aid program and our own strategic planning.

To take a less abstract example, if there is American reluctance to be the first to embark on direct atomic air strikes on the centers of the enemy's power, a strategy which assigned only a trip-wire function to NATO forces in Europe would be ill conceived. So would any plan which fell short of defending Europe in Europe. On the other hand, if we have resolved, and made clear our resolve, to protect Europe primarily by strategic airpower, though this involves even an added risk of atomic retaliation by Soviet airpower on our continental homeland, any effort more than necessary for the trip wire might conceivably yield greater security if applied elsewhere. Presumably, we ought to avoid an in-between level of preparedness which is logically related, neither to a plan to defend Europe in Europe nor to a plan to defend it by hitting the octopus in the eye.

A less dramatic application of this principle might occur in a decision as to whose forces are to have the newest equipment or as to whether equipment especially developed for the military aid program should be supplied. If there is some real prospect that an ally manning our frontline defense against the Soviet world could do a larger share of the job if he had newer or special equipment, we should be careful not to be niggardly in supplying him.

3. An effective program must make political and economic, as well as military, sense.

Military assistance and other means being used to support foreign policy objectives ought to be mutually supporting and ought to be fully coordinated both in Washington and in the field. This is especially important in the case of the military assistance effort because of the economic, political, and social problems that follow in its wake. A military aid program oriented and managed as though the only consideration were the achievement of short-run military ends would be self-defeating. This applies with respect to all geographical areas, but is particularly important in the case of the underdeveloped countries in Asia.

4. The program must involve as little improvisation as possible and therefore should be forward-planned on a 3- to 5-year basis.

Because rearmament in peacetime is inevitably a slow process, it is desirable to plan the operation over a 3- to 5-year period in advance. Dependence on annual authorizations and appropriations is to some degree inhibiting in any instance where the "product" has little utility until it is completed. In the case of military assistance, what is being "constructed" is a situation of strength and, much as in the case of a large carrier being built by the Navy, little effect can be realized against an already prepared opponent (or even one who is just one jump ahead) until all the essential pieces are put together.

The plans for rebuilding the defense of Western Europe, projected after the passage in 1949 of the Mutual Defense Assistance Act and particularly after the Korean aggression, were made on the 3- to 5-year basis. The possibility existed that a semi-prepared Europe would actually increase the danger of attack from the Soviet Union, which might not want to sit idly by while the military balance was being swung against it. The several-year basis of United States planning increased the willingness of the countries of Europe to risk this interim danger.

For reasons set forth previously, equally long-range planning for Asia is highly desirable, but we have also seen that it is much more difficult and that successive crises in Asia have so far made it practically impossible.

5. For the program to continue to be effective, the interallied consensus has to be continuously maintained; and the instrument of military assistance itself should be used toward that end.

Especially with the NATO countries, military assistance can achieve its results only on the basis of a broad consensus as to overall policy, strategic principles, and burden sharing. As a general proposition, there is nothing illogical or unsuitable in using military aid as a bargaining device to maintain and extend the consensus. It is especially appropriate where pressure must be exerted to assure that our allies make fully effective use of the equipment we have provided. The United States key role as the primary source of military aid has in fact given our Government an effective bargaining base even in dealing with our European allies whose degree of dependence on American aid is by now so much less than that of several of the Asiatic recipients.

One caveat is in order: The indispensable condition of any bargaining with military aid is that the assistance be withholdable. If, in reality, the suspension or termination of aid would be unimaginable, then this instrument is of limited bargaining use. But if the balance between prospective gain and loss is such that we could apply this extreme sanction, as we can where, for example, we are negotiating for base rights in a country whose armed forces we are not placing great reliance upon, then there is every reason to bargain forcefully with military aid. One ought not, however, to dissipate this power on objectives with tenuous relation to basic security interests or of relatively low priority.

6. Public judgment concerning military assistance must be made more sensitive to underlying trends that increase or reduce the need for aid, and less dependent on fortuitously timed crises or dramatic Executive presentations.

One clue to the difficulty which the average Member of Congress experiences in voting military-assistance funds is the great difference between the practically unanimous vote in favor of the defense budget (as it finally emerges on the floors of the Senate and House) and the much more divided vote on military-aid funds. Since both are to achieve security objectives, the disparity in the vote strongly suggests some misunderstanding either at Congressional levels or back home among those whom the Members of Congress represent.

Stalin helpfully dramatized the Soviet threat in 1948 and 1950 by the Czech coup and the North Korean aggression. His successors may not repeat this error.

The willingness of the American public to sustain the military-aid program over the long haul will probably depend on public perception of the relationship this effort bears to national security. A well-informed and discriminating public opinion concerning military aid would make it politically feasible for the executive and legislative branches to be equally discriminating in their judgments. This would provide protection against public opinion overreacting in the face of sudden crisis or, and this is even more pertinent with respect to military assistance, withdrawing essential support for military aid during periods when tensions are apparently, but only apparently, easing. A greater effort in public education might

in the end contribute more to the long-run success of the military-aid program than any other investment of effort or funds of corresponding size.

Although, to be effective, the military-aid program needs to be insulated against day-to-day changes in the world political scene, it must at the same time respond to slower, more permanent changes. The situation is one where some short-term inflexibility is not only inevitable but necessary, yet where long-term rigidity would be self-defeating. This, too, requires a discriminating and informed public opinion.

MILITARY-AID PROGRAMS—I. SUMMARY

The mutual defense assistance program has proved a valuable deterrent to Communist expansion. Military aid, perhaps more than any other expenditure, has strengthened the free nations against immediate external aggression or internal subversion and has thus prevented further attrition of the free world.

Since inception of the program in 1949, the Congress has appropriated about $24 billion for military aid of which less than $16 billion were actually expended. In the same period, more than $226 billion were spent in support of the Armed Forces of the United States. This comparatively small outlay in military aid has further stimulated the will to resist of our free world allies, who now spend about $6 of their own for every military aid dollar spent by the United States.

Built and partially supported by military aid appropriations, there now exist free world air and naval forces nearly equal in size to those of the United States and ground forces 10 times larger than the United States Army. In addition, the program has helped to provide the United States with a network of friendly bases from which to strike immediate retaliatory blows against an aggressor.

Any similar expenditure for United States defense could not have provided the same increment in military force capabilities as that provided by the mutual defense assistance program.

This positive effect, however, should not be construed to mean that the military aid program has worked perfectly. This is not the case. Errors have been made and funds have not always been spent wisely. In fact, a great part of this report is devoted to an examination of areas for improvement.

On the other hand, considering the very magnitude and urgency of the military aid effort and the many limitations placed upon the small number of personnel charged with program implementation, our military aid program has achieved creditable results to date.

Detailed conclusions and recommendations are included at the beginning of sections III through XI of this report. The major conclusions and recommendations reached in this study are outlined briefly below:

A. CONCLUSIONS

1. Military aid has achieved its original objectives by strengthening significantly the defensive capabilities of the nations throughout the free world.

2. If free world security is to be maintained, military aid must be continued until the danger from militant communism subsides.

3. Extension of military aid without the adoption of a long-range program will perpetuate the many present limitations in program effectiveness.

4. To date, the military-aid program has not been accepted on a level of equality with other measures designed to meet national security objectives.

5. Because of the lack of permanency in the program, no general solution has been found to the problem of adjusting military aid to the fact that most of the equipment delivered in the early stages of the program is now either obsolescent or worn out.

6. Present mutual-security legislation appears too detailed in many points, and some of its provisions hamper the application of the act in world areas where it would be most effective in stemming Communist infiltration.

7. Interagency coordination in planning is complex and time consuming. Recent changes have been undertaken to improve the situation, and there presently is some evidence that a favorable trend is developing. There is also some indication that closer association with Congress at an earlier point in the planning cycle may be desirable and may result in less reprograming at a later stage.

8. In some instances the length and complexity of the programing cycle appears to have delayed the timely delivery of military aid.

9. In the past, the pricing policy of the armed services resulted in a reduced number of equipment items delivered to the recipient countries from the funds allotted to the program by the Congress. The overcharge on military-aid items may have exceeded $1 billion. A new pricing policy, enacted by the Congress in July 1956 is now being implemented. However, its effects will not be felt for at least 2 years.

Mr. MORSE. Mr. President, it was with the warnings contained in these studies in mind that I voted as I did on the 1957 Mutual Security Act and the appropriations under it.

As a result of the findings of these groups, our special committee has recommended to Congress, for example, that authorization continue on a yearly basis, at least until the administration and Congress have more clearly in mind the objectives of foreign aid.

Because the Senate Foreign Relations Committee ignored that recommendation, I voted:

First, for the Long amendment deleting a second-year authorization for defense support;

Second, for the Morse amendment deleting second- and third-year authorizations for the development loan fund until it could be set up through separate legislation.

Although the Senate defeated these amendments, the House version of the bill included them, in large part, and the final act became law with single-year authorizations for military aid and defense support and a 2-year authorization for the loan fund.

Because the special committee further recommended as a result of these studies that continuous review of arms aid be made with a view to reducing it, a recommendation ignored in the sums proposed by the Foreign Relations Committee, I voted:

First, for the Ellender amendment reducing the authorization for military aid by a half billion, from $1,800,000,000 to $1,300,000,000;

Second, for the Senator Long amendment reducing it from $1,800,000,000 to $1,700,000,000;

Third, for the Senator Long amendment reducing the defense support authorization for fiscal 1958 by $90 million, from $800 million to $710 million.

On the subsequent appropriation bill, I voted against an Appropriations Committee amendment raising the House figures for military aid by $225 million, from $1,788,800,000 to $2,013,800,000. Again, the House largely prevailed, and the final agreement was for $1,878,800,000.

Apparently the House of Representatives gave more weight to the work of this special Senate committee than did the Senate itself.

I am making this speech today so this material will be before Congress as a part of the CONGRESSIONAL RECORD, in the devout hope that it will not again be ignored by the Senate and by the administration.

Within a few days, I shall address the Senate again on another phase of foreign aid—economic aid for long-range development. I shall again set forth some of the criticisms and suggestions made by these same groups for the kind of economic assistance that we should emphasize. There will be a suggestion or two of my own, as well.

Apparently, the administration is concerned—belatedly—that the Soviet Union is making more friends than we are among the underdeveloped nations of the world by recognizing ahead of us that these people want and need a better standard of living more than they want or need guns and jet aircraft.

That is why I took the position before the Parliamentary Conference in India that our policy should be one of sending bread and not bullets, to use a figure of speech to describe the kind of economic aid which I think should characterize the American program.

If the administration has, in fact, finally realized that those people want economic assistance and not bullets, it has done a totally inadequate job in proposing ways of providing it in its recommendations to the Congress this year.

The administration's chief complaint has been that so long as our expenditures on military forces remain high, money cannot be spent in adequate amounts for economic development.

There is contained in the material which I have just presented much that suggests that great savings can be made in military aid. It is time for the Congress and the American people to take heed of the warnings about waste in military aid brought out in these studies. The administration plainly has not done so.

In closing, let me make one thing perfectly clear, if it is possible to make it clear. I realize that when one speaks out critically about any phase of military and economic aid he will be misrepresented by those who seek to be demagogic about his position. I wish to make it clear that I am for military and economic aid, but I want it to be effective aid. I am for strong defenses for my country. I yield to no one in the determination to do what I can to keep my country so strong that Russia will always understand that she has nothing to gain but everything to lose by following an aggressive course of action.

I am convinced that within the military and economic aid program of the United States there is millions of dollars

of waste. There is much water to be squeezed out of the program, after which I think we shall have a stronger defense against communism. We shall be able to promote a stronger economy in the underdeveloped areas of the world if we take the course of action necessary to eliminate waste.

My plea to the Senate is to study the recommendations and findings of the experts. I ask Senators to analyze their findings, and if it can be shown that they are wrong or their criticisms outweighed by other factors, vote against their recommendations. But if their evidence stands up under analysis, as I think it will, then we in the Senate have the duty this year to see to it that we take the water of waste out of the Eisenhower administration's foreign-aid recommendations to the Senate.

Mr. LONG. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. LONG. The Senator did not discuss one other phase of economic aid, which is indirect, but involves a large amount of aid in many respects. I refer to the enormous payrolls and dollar expenditures in foreign countries as the result of the presence there of American troops. I have heard it estimated that the amount of American money going into the economies of some of our allies might reach as high as an additional $5 billion, on top of the approximately $5 billion a year which we are spending in foreign aid for those countries.

We were told in years gone by that we had to give money to those countries to help build them up, under the Marshall plan and other plans of that nature, in order that they might have a dollar balance with us.

Some people have completely overlooked the tremendous advantage and benefit to the economies of the countries involved in having United States troops stationed within those countries and those troops spending large amounts of money.

Mr. MORSE. The Senator from Louisiana is correct. I did not cover that point in my speech, but I stated I would in a future speech discuss the various studies made by certain institutions, for which studies we paid $275,000 of hard-earned taxpayer money. I said I would discuss, in a future speech, the shortcomings of the economic aid program. In the course of that speech I will deal with the section of one of the studies which comments upon the very point the Senator from Louisiana has raised.

Mr. DOUGLAS obtained the floor.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield, with the understanding that I do not lose my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

INVESTIGATION OF REGULATORY AGENCIES

Mr. KEFAUVER. Mr. President, it is with great hesitance and reluctance that I would make any criticism in this Chamber of what goes on in the work of the House of Representatives. Yet what has been happening in the investigative program of the House Subcommittee on Legislative Oversight has deeply concerned me.

I wish generally to associate myself with the remarks in that connection made by the Senator from Oregon [Mr. MORSE] and the Senator from Pennsylvania [Mr. CLARK] earlier today.

There has long been needed a thorough investigation of the very important regulatory agencies of our Government. In that connection, the Select Committee on Small Business of the House of Representatives, on December 24, 1956, filed a very interesting and objective report, which has not been given as much attention as it should have received. The subcommittee was headed by Congressman EVINS from my own State of Tennessee. He went into some of the things that have been happening in some of the regulatory agencies, particularly with respect to the way they have not worked, in many cases, in the public interest, and the delays which small-business men have experienced in getting consideration from some of the regulatory agencies. The report itself indicates that a thorough investigation such as has been planned by the Subcommittee on Legislative Oversight is greatly needed. I recommend the subcommittee report to the attention of all Members of the Senate and the public.

Many Members of the Congress have been disturbed by the question of whether these agencies which wield such vast economic power and influence have been exercising that power with fairness and equality and without pressure or favors. There have been disturbing indications that some of these agencies, which are supposed to be beyond such pressures, have come under undue and improper influence of the White House and other parts of the executive branch of the Government.

Beyond this, for several years there have been rumors around Washington suggesting that improper influences have been exercised on some of these agencies by the industries they are set up to regulate and control. There have been rumors of improper and nonjudicial acts and associations on the part of some individual Commissioners.

It was for this reason that many of us greeted the formation of the House Subcommittee on Legislative Oversight with enthusiasm. We hoped that it would do a thorough job without fear or favor.

It is a pity that conflicts in personalities and—if I may say it—politics, have now done so much to torpedo the work of that committee.

It had seemed to me that the investigation was at last beginning to tear away some of the secrecy which had surrounded some of the activities of these Commissions. It had seemed to me that, although bad judgments and dubious practices and, in some cases, evil and illegal practices and conditions might be revealed, that it was necesary to cut away the cancerous tissues to the extent to which they exist, in order to restore these Commissions to health and bring them back into public confidence, and to the confidence and respect of the Congress.

I am deeply sorry that Dr. Schwartz and the committee have been having so much difficulty getting down to the essential facts. Doubtless, the counsel made some mistakes. But I think that there can be little doubt that he has planned toward an investigation which would be extremely useful and effective. I think his purpose is good. Public morality will be the loser if there is now any interruption to the progress of this subcommittee's work.

I must say that the matter cannot be allowed to stand where it is. Too much has been stirred up, too many questions raised in the minds of the public and of Congress, to allow this investigation to become one in which a premium is to be placed on sweetness and light. There is a job to be done, and it must be done.

I hope that an appropriate Senate committee may also look into the actions of the FCC and other regulatory agencies.

I believe there is a great deal of work to be done by both Houses of Congress.

Mr. CARROLL. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. CLARK in the chair). The Senator from Illinois has the floor.

Mr. DOUGLAS. Of course, I yield to the Senator from Colorado.

Mr. CARROLL. Mr. President, I wish to commend the able Senator from Tennessee for his very excellent statement, and desire to associate myself with it, with one qualification. I am sure the Senator from Tennessee has not violated the rule of comity which exists between the House and the Senate. I wish to say that the very points that have been mentioned by the able Senator from Tennessee appear in the RECORD of some months ago during the last session of Congress, when the Senator from Tennessee specifically pointed out the influence running from the White House to a regulatory body in connection with a hearing that was under way in the Dixon-Yates case.

I myself resisted the appointment of Mr. Kuykendall to the Federal Power Commission, because I believed there was loose handling by the FPC Commissioners of a gas-rate case in Colorado, involving some $40 million. An ethical question arose in connection with an ex parte hearing before one of the Commissioners after a trial examiner had heard evidence in the case and had ruled against a certain gas company. All of that, to my mind, emphasizes the necessity for a full-scale investigation of the regulatory bodies of this Government.

I took the liberty, I will say to the distinguished Senator from Oregon [Mr. MORSE], of going into the official reporters' office and reading his statement and the colloquy which followed his statement. As I recall the gist of that statement, it is that the White House had responsibility here, too.

I recall that in the campaign in 1952, when President Eisenhower was a candidate, he said:

> Integrity in Government means bringing into the Federal Government by every channel that there is—

And I assume he meant more than a TV channel—

> both the elective and the appointive channels, the finest men and women of whatever race, color, or creed this country affords. Bringing in people who are so incorruptible themselves that we do not have to spend our time constantly searching for crookedness and venality in Government. It will not get there because they won't allow it to get there.

That speech was made at Winston-Salem, N. C., on September 26, 1952.

And let us examine what the candidate said a few days later in Bozeman, Mont., and then let us reflect on those words and relate them with the conditions which exist right now under the Eisenhower administration.

At Bozeman, Mont., on October 5, 1952, Candidate Eisenhower said:

> The things that have happened to us because we have had poor leadership are obvious. We have no peace abroad; we have great expenditure programs here; we have deficits in our budget; and we have shameful crookedness in high places and in low places in the Federal Government. All of that we must eliminate. That is what we want men and women to come to Washington to do; to be themselves so incorruptible that there cannot be corruption in Government.

I do not profess to pass judgment on the committee of another body or their problems, so ably described by the distinguished Senator from Tennessee [Mr. KEFAUVER], but in view of the press reports, it seems to me that when in the regulatory bodies there is so much smoke, there must be some fire, whether it be in the field of power or communications. We find it running through most of the regulatory bodies.

A great columnist, Thomas Stokes, who has had 25 years' experience studying these matters, said some months ago that this is an area in government that needs investigation.

Coming to the field of monopoly, we find that FCC hearings on radio and television network operations will start on March 3. The basic purpose of the hearings is to determine whether a monopoly exists in the communications field.

A bill was introduced in the last session by the Senator from Ohio [Mr. BRICKER] relating to monopolistic practices by radio and television networks. The Bricker bill, S. 376, is intended to correct the condition and put networks under FCC regulation. I hold in my hand a valuable report on this subject prepared by Senator BRICKER and published in 1956 by the Senate Committee on Interstate and Foreign Commerce. And I emphasize that this is not a report by a Democratic Senator.

If there is special influence being applied in the Nation against the public interest, it seems to me that an investigation should be held to determine what those influences are and whether they may further retard competition.

If it is true—I do not say that it is—that the Commissions or their employees, whether they be the FCC or the FPC, are collaborating with the varied groups which they are supposed to regulate, it is time that the executive department, on the one hand, and Congress, on the other, began to investigate.

I commend the distinguished Senator from Tennessee [Mr. KEFAUVER] for the position he has taken and the distinguished Senator from Oregon [Mr. MORSE] for his forthright utterances on this matter.

Mr. KEFAUVER. I thank the Senator from Colorado for his observations. I fully agree with him about the monopoly aspects he has described. This is a matter of tremendous importance to the Nation.

Mr. NEUBERGER. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield.

Mr. NEUBERGER. I wish to comment briefly on the fine addresses made by the Senator from Tennessee [Mr. KEFAUVER] and the Senator from Colorado [Mr. CARROLL], and on their references to the earlier able address delivered by my colleague, the senior Senator from Oregon [Mr. MORSE].

It is my feeling that we are confronted with a genuine crisis regarding ethics and morality in government. Unless I am mistaken, this is a matter which has plagued government on this continent for almost two centuries. Any person who reads the history of the United States can know that under all sorts of administrations, those of the two existing major parties and of the parties now defunct, the question of corruption, favoritism, and influence in government has racked and disturbed the American pepole.

It is my opinion that government as a whole is a living organism. I believe one branch of the Government cannot be isolated from another branch of the Government. I believe there should be a code of ethics in Government which will apply to the regulatory agencies, to the executive departments, to the White House itself, and to both branches of Congress. The code should demand the highest ethics, the highest impartiality, and the highest freedom from influence of every single one of us.

I have long thought that we in Congress cannot demand of those in the regulatory agencies, or in the executive departments, any higher level of conduct than we will insist upon for ourselves in both branches of Congress.

I thank the Senator from Tennessee and his able collaborator, the Senator from Colorado, for highlighting this question so vividly and so cogently.

I thank the Senator from Illinois for yielding to us. I believe it is particularly pertinent that the Senator from Illinois has yielded to us on this occasion because, unless I am mistaken, he has written, in a series of lectures he delivered at one of the colleges, one of the finest books on the subject of ethics in government.

The Senator from Illinois is also a distinguished teacher, and many of his own ideas in this field I have plagiarized, as it were, from his able volume in this realm.

Mr. KEFAUVER. I think the observations of the Senator from Oregon are very pertinent to this subject. I certainly echo what he said about the distinguished Senator from Illinois.

I think it needs to be pointed out again that this is not a partisan matter in any sense of the word. It should not be a question of one party on one side, and the other party on the other side. This should be the effort, as I am sure it will be, of all Members of Congress, regardless of whether they are Republicans or Democrats, to try to work toward disposing of any wrongdoing in the executive departments or commissions, and of insisting that there be the highest type of responsibility in the performance of their work.

Democratic wrongdoings were investigated by Democratic Senators and Representatives who were chairmen of various committees. The distinguished Senator from Arkansas [Mr. FULBRIGHT] headed an investigation of matters relating to the Reconstruction Finance Corporation. All of us remember the work of the late Senator Hoey as the head of the Government Investigations Committee of the Senate. We remember the work of Representative KING and Representative CHELF concerning the Bureau of Internal Revenue. Democratic Senators have investigated, pointed out, and exposed such wrongdoing, even though it might have been committed by Democrats in the executive branch of the Government.

I hope the same spirit will prevail now, wherever it is found that regulatory agencies need to be investigated. This is a matter of great public concern, and party differences should not play any part.

Mr. CARROLL. Mr. President, will the Senator further yield?

Mr. DOUGLAS. I yield.

Mr. CARROLL. I might remind the Senator from Tennessee that we must not forget the great service rendered by the distinguished Senator from Illinois in this very field many years ago. I agree with the statement of the Senator that such investigations should be nonpartisan; but let us remember that the mink coats and deep freezes were really very small fry.

Some of the things about which we read today run into the millions of dollars. We know the fruits of the giveaway programs. But, more important, when we consider the question of regulatory bodies, which are supposed to function in the public interest as arms of Congress, we see that the appointments come from the executive branch. The question is fundamentally this: Do the appointees serve the public interest, or are they serving the interests which they are supposed to regulate?

Mr. DOUGLAS. Mr. President, Secretary Weeks announced yesterday on the program, College Press Conference, that the figures for January will show 4.5 million unemployed.

I understand that today when the staff of the Joint Economic Committee called the Department of Commerce to verify that statement, it was denied that Secretary Weeks made such a statement but that he had said that employment for February might rise to 5 million. In order to make certain whether he said what we thought he said, I had a tape recording of his interview played back, and a verbatim transcript of the questions asked and the answers he gave was made. I wish to read a transcription of the record of the questions and answers on this particular point:

Question. Secretary Mitchell has pointed out there are now some 4½ million people unemployed. How much more unemployment do you expect before an upturn in employment?

The answer, by Secretary Weeks, was:

I should imagine the way the cycle goes in unemployment—you see during January you always have a rise because of people temporarily employed over the Christmas season—we will have in the neighborhood of 4½ million in January and I expect it will go a little higher than that. I don't think much.

Assuming that that statement by Secretary Weeks of 4.5 million full-time unemployed in January is correct—and who should be in a better position to know, inasmuch as he has the Census Bureau under his charge; and the Census Bureau makes the investigations, and tomorrow morning it will announce what its findings show, and presumably Secretary Weeks was briefed in advance about them—the figure 4.5 million for the number of unemployed in January constitutes an increase of more than 1 million over the unemployment figure for December, and amounts to almost 7 percent of the available working force. In addition, an extremely large number of persons are working part time, and the figures in that connection should be taken into account, inasmuch as 2 men who work half time are the equivalent of 1 man who is completely out of work.

I have been making private computations of the equivalent numbers of full-time unemployed from this source, for several years. For December, they amounted to approximately 1 million workers, or 1.3 percent of the working force. Taking into account the number of those who, involuntarily, were employed only part time, we find that the total number unemployed is increased by over a million, or from 4.5 to 5.5 million. Thus, even if we estimate that for January the number of those who were employed only part time was the equivaient of 1 million persons entirely unemployed, we arrive at an unemployment figure of 8 percent.

I may say that I would expect the figure for involuntary part-time employment for January to be higher than the corresponding figure for December. However, I always try to be conservative in the estimates and computations I make.

I have always considered that when unemployment is between 6 and 8 percent, the warning signals have gone up and the situation must be watched very closely, indeed. When unemployment reaches 8 percent, there should be no question; it is then time to act. From the figures stated by Secretary Weeks and from a conservative estimate of the number of those employed part time and the equivalent in terms of the number wholly unemployed, not only are we in the danger zone, but the time to act has arrived.

I base this judgment not only on the amount of unemployment, but also on the fact that the industrial production index has dropped from 145, in August, to 136, in December; and the new figures for January will, no doubt, show a further decline. In addition, the surveys of expenditures for new plans and equipment show that some months ago industry and business intended to reduce these expenditures rather sharply during the first quarter of 1958, or by about $2 billion. These are now being still further cut down. Many of the more particular indexes, such as those for auto production and carloadings, are down from a year ago by 25 percent and 15 percent, respectively.

Because of the increase in unemployment, the decline in industrial production, and the rather sharp decline in expenditures for new plants and equipment, the present recession differs in nature from the 1948–49 and the 1953–54 recessions, which were essentially inventory recessions. The present recession gives every appearance of being primarily a capital goods or investment recession. This means that although we do not have too much plant and equipment for long-run, total expansion, we do have an excess of plant and equipment in relation to the goods and services which consumers are now prepared and able to buy. Although I do not believe that we are yet in, or need to have, a depression, we are nonetheless in a recession which, because of its nature, is potentially more dangerous than the two postwar inventory recessions. The reason for this is that a capital goods or investment recession potentially can snowball faster than can a recession caused merely by a decline in inventories. A cumulative breakdown in employment, production, and purchasing power is a danger that should not be ignored.

Mr. President, in this connection let me say that once these forces gather impetus, they behave in a manner very similar to that of a forest fire. Some of us have had the experience of fighting forest fires. When I was a boy, and was living in the State of Maine, I used to fight forest fires; and thus I became very well acquainted with their behavior. When a fire starts, it heats the surrounding atmosphere. That results in the creation of a partial vacuum. The partial vacuum causes a wind to blow, as more air moves into the area. That movement creates more hot air, which, in turn, creates more fire, which, in turn, creates a larger vacuum, which, in turn, creates more wind, which, in turn, creates more fire, and so forth. In short, from a slight initial blaze, a conflagration ultimately results. Under such circumstances, an irresistible force develops; slight changes during the initial stages give rise to great changes in the later stages.

In the case of the employment situation, once people become unemployed, they begin to purchase less. As a result, the stores sell less. As a result, they order less from the factories. The factories, in their turn, sell less; thus they begin to produce less. Thus they employ a smaller working force. As a result, the number of unemployed persons increases. In such circumstances, few plants install new machinery, inasmuch as they already have a large amount of unused machinery. Because of this there is always present a possibility during a recession of a cumulative breakdown. However, this is something that the present administration does not seem to understand.

Mr. CARROLL. Mr. President, at this point will the Senator from Illinois yield?

The PRESIDING OFFICER (Mr. LONG in the chair). Does the Senator from Illinois yield to the Senator from Colorado?

Mr. DOUGLAS. I am glad to yield.

Mr. CARROLL. In the last few days our Antimonopoly Subcommittee, of the Senate Committee on the Judiciary, has received testimony which bears out in every detail what the able Senator from Illinois has so aptly described, namely—and such testimony has been given by representatives of the so-called automotive Big Three—in the automobile industry dealers are selling fewer automobiles, because there is less consumer demand. Inasmuch as the demand has decreased, the dealers are ordering from the factories smaller quantities of automobiles. Consequently, the manufacturers are reducing production. Today the steel industry is operating at about 55 percent of capacity.

We have found that when dealers fail to sell automobiles, and when the manufacturers reduce production, there is an adverse effect on the rubber, steel, and textile industries. As the Senator from Illinois has so aptly described, that development is similar to the condition he described, in the case of a forest fire: the small initial fire heats the surrounding air, which rises, and more air moves toward the fire, as a result of the creation of the partial vacuum, and thus there is a snowball effect.

In the case of industry, more and more persons become unemployed, and thus are not able to make the purchases they normally would make; and that causes inventories to increase.

Mr. DOUGLAS. The Senator from Colorado is correct.

When so large a proportion of their plants and machinery is not utilized, the companies themselves do not wish either to invest their profits or to borrow money, in order to increase the size of their plants or to install new machinery, because they say that they have idle equipment, and that when business picks up, they can use the equipment which now is idle. As a result, the demand for

capital goods is reduced, and that helps create an even worse condition.

Mr. CARROLL. Mr. President, will the Senator from Illinois yield further to me?

Mr. DOUGLAS. I yield.

Mr. CARROLL. I may say that the only explanation given by the economists employed by the giant corporations—and I must say in all fairness to them that they seem to believe this—is that the consumers have in their hands enough money to enable them to purchase the products of the giant corporations, and that the only trouble is that at this time the consumers are more cautious.

But the other day I read on the financial page of the Washington Post, I believe, an article to the effect that Mr. Martin, of the Federal Reserve Board, had stated that the recession was deeper and sharper than they had anticipated.

In connection with that statement, I am very much interested in what the Senator from Illinois has been informing the Senate. He has made a point which I do not believe has previously been called to the attention of the Senate, namely, that the figures in regard to part-time employment have not previously been considered in connection with the 4.5 million unemployment figure. I believe the Senator from Illinois said that the full-time unemployment equivalent of those in part-time employment was 1.3 percent of the American workers.

Mr. DOUGLAS. We have had the estimates made; and I shall state later, for the record, the method by means of which the computations have been made. They show that in December, the number employed part-time were the equivalent of 1 million workers completely unemployed, and constituted 1.3 percent of the working force. Assuming that the figure did not increase from December to January, 1 million would be added to the 4½ million persons totally unemployed, thus making an equivalent of a total of 5½ million persons totally unemployed. But I believe that the amounts of part-time unemployment have increased from December to January. In my opinion, when the final computations are obtained—and we should obtain them in a day or two—I believe we shall find that in all probability the number of part-time employed has reached the equivalent of more than 1 million persons entirely unemployed, and that means that in January more than 1.3 percent of the working force was then employed only part time.

However, when the two are taken together, we find that the combined percentage is approximately 8. In my judgment, that means that the zone of possible danger has been passed, and that we are now at the point of actual danger.

Mr. CARROLL. As I read the press, I am reminded that the President of the United States seems to have changed his position. A while ago he said there would be no reduction in taxes. But, as I understand, the President now says there may be a tax cut, if one becomes necessary.

It seems to me that it was significant that the other day Mr. Harlow Curtice of General Motors, testified that he was advocating a tax cut. So evidently the recession is far more serious than appeared on the surface, and evidently it is far more serious than the administration has been willing to admit.

Mr. DOUGLAS. I think that is true.

Because of all of these facts, and particularly because of the high unemployment figure, which is now either at or in excess of 8 percent, and because there appear to be no signs in the most up-to-date figures of a turnaround in the major economic indicators, I believe that the time has come to act.

I am therefore proposing that we cut taxes, and cut them now. I propose, first, that we either raise the individual exemption from $600 to $700 immediately, or alternatively, that we split the lowest tax bracket—which is now taxed at 20 percent—into two parts and tax the first $1,000 of taxable income at the rate of 15 percent, instead of 20 percent. This would mean a decrease in taxes on the first $2,000 of taxable income from the present $400 to $350. It would thus amount to a cut of $50 per person, or perhaps I should say, per person who pays income taxes.

These measures would give tax relief of approximately $3 billion and would give it almost immediatly, whichever of the two methods were used.

Second, I further propose that we eliminate the excises on a whole variety of consumer goods, such as electric, gas, and oil appliances, electric light bulbs, radio and television sets, phonographs, records, musical instruments, mechanical refrigerators, air conditioners, business and store machines, photographic equipment, matches, playing cards, toilet goods, luggage, handbags, wallets, sporting goods, pistols and revolvers, admission taxes—this would include the present tax on music—leases on safe-deposit boxes, and so on, as well as one-half of the excises on telephone, telegraph, radio and cable services, one-half of the local telephone service excise, and one-half of the excise taxes on transportation of persons and property.

Further, Mr. President, if it could be guaranteed—but only if it could be guaranteed—that the automobile manufacturers would pass on the cut in the form of lower prices to the purchasers of cars, I am ready to propose that the manufacturer's excise on passenger automobiles be cut in half.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am very glad to yield to the Senator from Oregon.

Mr. MORSE. I recall very distinctly the leadership the Senator from Illinois gave to the Senate when, earlier in this administration, we were faced with another recession. It was at that time that the Senator from Illinois was characterized as being one of the prophets of gloom and doom.

Mr. DOUGLAS. And as one of the four horsemen of the Apocalypse.

Mr. MORSE. I remember that. The Senator was as sound in his economics then as I think he is today, and the Senator will recall that we had some specific proposals then.

Mr. DOUGLAS. Yes.

Mr. MORSE. The George amendment was one, in support of which I remember the Senator from Illinois made a brilliant speech.

Mr. DOUGLAS. And which the Senator from Oregon supported very vigorously, as did the Senator from Louisiana [Mr. LONG], who is now present on the floor.

Mr. MORSE. This is where we all came in. There is nothing new about this. It is the old story over again about an administration that follows a do-nothing policy, and the people suffer.

The Senator will recall that we took the position we did on exemptions and on excise taxes. It is my recollection that the Senator from Illinois joined me in the effort to bring about what was a recommendation on the exise tax matter which was made by the Committee for Economic Development in 1947. The committee was far seeing enough to warn of this oncoming trouble as far back as then.

I rise only to say to the Senator from Illinois I think there is no answer to the position he has taken. He has been so sound on the economic approach to this matter all through the years that I am proud to stand and speak this word of commendation and take this opportunity—I have scanned the entire remarks of the Senator in mimeographed form—to answer the old, bewhiskered clichés that are going to be thrown at him as brickbats: "Where are you going to get the money to run the Government?"

I had a conversation over the weekend with another fiscal expert. I follow his advice, too, although, as I have said many times, I am influenced by the economic leadership of the Senator from Illinois. The expert told me over the weekend that one of the great holes in the Eisenhower economic analysis these days is that the Government is not going to get the money it is planning on by way of Government revenues this year, because the policies of the Government itself are freezing out those sources of income.

I should like to raise the question, What is the answer to the argument that will be made that the Senator from Illinois would reduce taxes, which in turn would reduce the amount of money that would go into the Treasury of the United States? If we can get the American people to see the fallacy of that argument right now, we can win the fight which has to be won.

Mr. DOUGLAS. May I say there is nothing that will diminish tax revenues any more than would a full-fledged recession, because it would reduce the tax liability of the Nation, decrease corporate income taxes, and decrease individual income taxes. It would decrease the excise taxes, particularly those on liquor and tobacco, which I am proposing to retain. So I would say the best

way to keep revenue up is to keep production and income up.

Let me go further and say that in a pronounced recession or depression—and I emphasize those words—I am not afraid of deficit financing. During such a period the Government can borrow from the banks. The banks will create monetary purchasing power. That is what they do. That is commercial credit. They will lend this additionally created monetary purchasing power to the Government—and incidentally do quite well on it themselves—and it means that there will be a net addition to the total monetary purchasing power of the Nation. Because the amount of taxes will be rebated back to individuals, their expenditures will increase, and governmental expenditures in turn will not be reduced. The net result is expansion in the total monetary demand for goods of both the Government and individuals which helps to make good the immediate shrinkage in demand for goods and may, indeed, totally make good the shrinkage which results from the recession or depression itself.

Mr. MORSE. Mr. President, will the Senator permit me one more interruption?

Mr. DOUGLAS. Yes.

Mr. MORSE. I do not like to interrupt the Senator to present what the Senator knows is a very elementary rule of economics, but we have an educational job to do. The Senator will remember that when we fought for a similar program before, we pointed out—and I ask the Senator from Illinois if he does not think it is still true—that the tax savings which will flow from the Senator's proposals will flow right into the cash register tills of American businessmen on the main streets of America, and help increase the purchasing power which is going to be needed to help keep on the job people who otherwise would be unemployed.

Mr. DOUGLAS. Yes; and that money would flow also into the pockets of the middle- and low-income people of the country, too.

Mr. President, I do not wish to pin roses on myself, but may I say in a period when inflation was the problem, I tried to have Government expenditures cut back and have either a balanced budget or a surplus. I believe that in periods of full economic activity the Government should not only balance its budget but have a surplus. But, during a period of pronounced recession and high unemployment, I think the Government should not remain neutral, but should throw itself into the breach by one or both of two methods: first, by a reduction in taxes to benefit consumers, or, second, by needed and necessary public works.

Mr. LONG. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield to the Senator from Louisiana.

Mr. LONG. With regard to the problem of a balanced budget, is it not true that, when a country is sliding into a depression, it is completely impossible to balance a budget?

Mr. DOUGLAS. I think that is true.

Mr. LONG. If the Government fails to take corrective action in terms of stimulating the economy by additional spending, then the economy will continue to go down and the tax revenues will decrease so rapidly that it will be totally impossible to balance the budget, no matter how much one tries to cut down.

Mr. DOUGLAS. Yes.

Mr. LONG. I believe that was somewhat the experience of the Hoover administration, at the time the country was falling off into a depression and the administration kept trying to balance the budget.

Mr. DOUGLAS. That is correct.

Mr. LONG. By reducing expenditures they were only contributing to an even more pronounced depression.

Mr. DOUGLAS. The Senator from Louisiana is completely correct. I hope we will not make the same mistake again.

In addition, Mr. President, I propose that the cut on the income tax be retroactive to January 1, 1958, and that it be subject to renewal on January 1, 1959; that is, that it run for only a year. I believe we should do this so that if the economy turns up and there is any danger of inflation by January 1, 1959, the cut could be suspended so that revenues would once again be increased. In other words, I do not propose to make this necessarily a permanent affair. It is intended as a stimulus.

It is not practical, however, to make the excise-tax cuts retroactive or to suspend them a year from now. I think that should be frankly admitted.

Mr. President, such action as this needs to happen now. The danger point in the recession has been reached. The administration and Congress, of course, should not rely exclusively on a tax cut to turn this recession around. In addition, we should increase unemployment benefits, which are at present scandalously low.

I had some share in the early campaign to adopt unemployment insurance in this country, which I was advocating in the 1920's. I had a modest share in writing a number of the State acts, and in the revision of the Federal act. I can say it was our intention that the unemployment benefits were to protect approximately half of the wages. Instead of that, by imposing maximum limits and other restrictive provisions, various States have cut down the average proportion of benefits paid to approximately one-third of the wages, so that there is not now provided as great a stabilizing force as we had hoped and planned would be provided.

I hope very much that the bill which was introduced by the Senator from Massachusetts [Mr. KENNEDY] and cosponsored by several other Senators a few days ago—I think a number of the Senators now present in the Chamber are cosponsors of that measure—will be speedily pushed, because this is something which will directly help the people who are out of work, and not merely those who are employed and in receipt of incomes.

Furthermore, Mr. President, if the recession should deepen, and if things get much worse, we should develop a public works program and provide all-out relief. No one should be allowed to starve in the United States. I state that as a basic principle.

In the meantime, of course, the Federal Reserve Board should pursue a vigorous monetary policy to ease credit, lower interest rates, and increase bank reserves.

The Federal Reserve can increase bank reserves of course, by purchasing bonds in the open market, and by crediting such purchases as deposits in the Federal Reserve System, which in turn will act as reserves based upon which the member banks can expand their loans, so that for every dollar of added reserves created by the purchase of bonds by the Federal Reserve, the banking system as a whole can create approximately $5.50 of additional credit.

Mr. LONG. Mr. President, will the Senator yield at that point?

Mr. DOUGLAS. I yield.

Mr. LONG. The Senator has been cited by the former Secretary of the Treasury, Mr. George Humphrey, and by the former Assistant Secretary of the Treasury, who played a major part in putting into effect the so-called tight money policy, as being one of the principal authorities whom they were following, or at least as being one of those who stated they were acting in consonance with what the Senator from Illinois had advocated on occasion.

Mr. DOUGLAS. In the recent past they somewhat embarrassed me with the fulsomeness of their praise. They tend either to praise me or to condemn me as it happens to suit their particular purposes.

Mr. LONG. The fact of the matter is that while from time to time they relied upon certain excerpts from speeches made by the Senator from Illinois to support their position, I believe the Senator is in a position to say, as of this time, there is no longer any basis whatever for or any reason whatever to continue the tight money, high interest rate policy.

Mr. DOUGLAS. I quite agree. What the situation now calls for is a reduction in interest rates, the purchase by the Federal Reserve of Government bonds in the open market, and the consequent making available to the banks of larger lending capacity.

There are a great many details in the creation of monetary purchasing power which must be considered. The Constitution gives to Congress the power to coin money and regulate the value thereof. We have delegated that power to the private banking systems, and I am not proposing to change that.

What has happened under the Federal Reserve System is that the Federal Reserve now gets 18 cents out of every dollar which the banks create. This is the Government's share, so to speak. Then the extra amount is created by the banks.

I am not going into the question of whether this monetary purchasing power should be created by the banks or by the

Government. Like Margaret Fuller, "I accept the universe." I am not proposing to change it. I simply say, first, I think the Government should get its 18 cents out of each additional dollar created. And I think that now is the time for the Federal Reserve System, instead of selling Government bonds, to buy Government bonds, and it should buy the bonds by crediting additional deposits of member banks on the books of the Federal Reserve. I think they should write up their deposits, so to speak.

That is the trick in banking which is commonly obscured and hidden from the public gaze, but that is how the credit is created.

Mr. LONG. If the Senator will yield further, last summer and even during the early fall we were being told that the tight-money policy was being used to more or less temper a boom.

Mr. DOUGLAS. Yes.

Mr. LONG. To level off the boom, it was said.

Mr. DOUGLAS. Yes.

Mr. LONG. And to prevent inflation. It is now clear, however, that as of recent months the tight-money policy and the high-interest-rate policy have had the effect of actually driving us more and more into a recession, which the administration apparently is willing to concede is a recession, as of this time.

Mr. DOUGLAS. I think in retrospect that the interest rates were probably raised too high for too long a period of time. I did not condemn the Federal Reserve Board at the time. I personally have no right to criticize the Board, therefore. Like the Board, I did not want inflation. But in retrospect I think it is clear that as related to the spring of last year and from then on, the statement of the Senator from Louisiana is correct.

Mr. LONG. I thank the Senator. Certainly, as of now, however, there really is no basis for any further argument.

Mr. DOUGLAS. There should be no argument now.

Mr. LONG. Yes.

Mr. DOUGLAS. There should be no argument now.

Mr. LONG. I thank the Senator.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield to the Senator from Colorado.

Mr. CARROLL. There has been one question which has bothered me a great deal, and that is a question which I asked during the Antitrust Subcommittee hearings of Mr. Harlow Curtice, the president of General Motors.

I should like to try to sum up his viewpoint on the problem. I asked Mr. Curtice whether, since his cars were not selling as well as expected, they had priced themselves out of the market.

Mr. DOUGLAS. Yes.

Mr. CARROLL. Mr. Curtice's reply, as I recall, was along the line that consumer purchasing power or personal income, according to the records and statistics, appeared to be adequate. He felt that there were tremendous sums in the hands of the consumers, but that there was caution, or perhaps selective buying, or perhaps a lack of confidence.

Does the Senator from Illinois believe there is that amount of money at the purchasing level?

Mr. DOUGLAS. Of course, there are large savings deposits which could be drawn upon to finance current expenditures, just as there were immediately after the conclusion of the war. The Senator is getting me into deep water, but I am perfectly willing to enter.

Mr. CARROLL. The question disturbs me greatly.

Mr. DOUGLAS. I think the primary cause of this recession—and it is the same as the primary cause of the great depression of 1929—is the fact that during the previous period business made large investments in plant and equipment, and therefore had a tremendous capacity to turn out goods. But for the total quantity of such goods to be sold, it would be necessary for prices to be reduced. However, American industry was and is so cartelized and so subject to control, in given lines, by 1 firm, 2 firms, 4 firms, or 6 firms, that they did not want to reduce their prices. Therefore we had a situation in which the capacity of industry to produce goods was greater than the ability of consumers to buy at the prices charged. I emphasize that last phrase—"at the prices charged." The goods could have been disposed of if the prices had been cut. But we did not have a competitive system. We had a quasi-monopolisitc system over large areas of the economy and prices were maintained. At those prices, the producing power of industry was greater than the monetary consuming power.

I think the situation has been a little more aggravated this time than it was in 1928 and 1929 although we do not yet have or need to have a general situation like 1929. I am talking of a particular aspect of the economy. At that time business maintained its prices in the face of falling costs and increasing investment. At this time business has been increasing its prices in the face of increasing capacity, which has, I think, aggravated the situation.

Mr. CARROLL. I appreciate very much the explanation of the able Senator from Illinois.

Mr. DOUGLAS. Of course, there will be some who will disagree with it. I offer it as my explanation. It seems to me to be substantially sound.

Mr. CARROLL. Mr. President, will the Senator further yield?

Mr. DOUGLAS. I yield.

Mr. CARROLL. As I have previously indicated, Mr. Curtice, notwithstanding his statement about the amount of money available, nevertheless recommended a tax cut. It seems to me, from the colloquy between the able Senator from Oregon and the distinguished Senator from Illinois, that the purpose of the proposed tax cut is really to create purchasing power. In a sense, this is the "trickle-up" theory; is it not?

Mr. DOUGLAS. Exactly so. This is the historic policy, I think, of our party. We believe in building purchasing power from the bottom up. The Republicans believe in pouring purchasing power in from the top, and letting a little of it trickle down.

I think the administration will come forward after a while with a tax bill. I do not want to prejudge it, but I rather suspect that the administration will come forward with a tax bill which will favor the upper income groups, corporations, and so forth, with the argument that what we need is to stimulate investment. Over a long period of time we probably need more plant and equipment, but at the moment we certainly do not need more plant and equipment, because, according to the business indexes, in January only about 75 percent of capacity was utilized, and production had fallen from some 82 percent of capacity earlier in the year, and from 90 percent 18 months before that. With such a large proportion of unused equipment, I cannot picture American industry immediately pouring in large quantities of additional capital for further machinery and buildings. I think industry will say, "Let us utilize more fully the productive capacity we already have."

I therefore believe that in the immediate situation the more important need is to build up purchasing power from the bottom, and through the middle layers. That would make the masses of the American people more prosperous. As the Senator from Oregon has said, that would help the small-business man, and even the big-business man.

Mr. CARROLL. With the small contribution we might make by means of a tax cut, we would really open channels of trade. The benefit would move upward, as has been the case historically.

Mr. DOUGLAS. The Senator is correct. I do not believe that my proposal is the sole remedy. I do not guarantee that a tax cut would stop the recession. I do not wish to overstate my case. It seems to me that it is the most immediate and practical form of action for us to take, and it is the quickest action to become effective.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. MORSE. I believe this is a good place in the debate to point out the position which the Senator from Illinois and others of us took some time ago, when we were confronted with the problem of a series of steel price increases. The steel industry was not operating at full capacity. The steel industry was seeking to use a wage increase as a basis for an exceptionally large increase in steel prices. The record will speak for itself. It discloses the protests which we made at the time.

The Senator from Illinois will recall that we were calling for the adoption of a resolution for an investigation of steel prices, and we could not get it. I recall that on one of those occasions, the Senator from Illinois discussed the economic theory which he has advanced

this afternoon, and which I happen to think is unanswerable. The Senator from Illinois pointed out, when he and others of us were dubbed prophets of gloom and doom, that we could not continue price increases, not using the capacity for production of consumer goods, without sooner or later running into trouble. We are in such trouble right now.

I wish this economic lecture—because that is what it is—on the A B C's of economic phenomena, which produce recessions and finally depressions—could be heard in every neighborhood and community in the country at the consumer level. If the people could understand it, we would get some action.

Mr. DOUGLAS. I thank my colleague from Oregon for his over-generous comments. I have been accused, on occasion, of lecturing to my colleagues. I hope the Senator will not label this address as a lecture. I do not intend to lecture to my colleagues in these matters. I have attempted only to discuss very frankly with my equals and superiors the problem as I see it. I do not believe that we can longer postpone dealing with it.

I know that there is a natural tendency on the part of any group which is in power to deny that conditions are other than rosy. However, in the long run we cannot escape the truth, and we cannot escape the facts. We cannot cover things up with adjectives. Therefore, I hope that we may go into this question realistically.

I am somewhat surprised that the Commerce Department should deny that Secretary Weeks said what we have heard with our own ears—a statement which was taken down.

Mr. President, I send to the desk for appropriate reference two bills to carry out the proposals which I have made.

The PRESIDING OFFICER. The bills will be received and appropriately referred.

The bills, introduced by Mr. DOUGLAS, for himself, Mr. MORSE, and Mr. CARROLL, were received, read twice by their titles, and referred to the Committee on Finance, as follows:

S. 3263. A bill to amend the Internal Revenue Code of 1954 so as to reduce the rate applicable to the first $1,000 of taxable income for taxable year 1958 and to repeal or reduce certain excise taxes; and

S. 3264. A bill to amend the Internal Revenue Code of 1954 so as to increase the amount of the personal exemption for taxable year 1958 and to repeal or reduce certain excise taxes.

Mr. DOUGLAS. Mr. President, I ask unanimous consent to have printed in the RECORD an analysis of the provisions of the two bills, indicating the probable revenue loss from each proposal.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Provision: Increase the personal exemption from $600 to $700, including the exemption for the aged, blind, etc., and increase the amount which a dependent may earn and remain a dependent; or split the first tax bracket of $2,000, now taxed at 20 percent, into two parts under which the first $1,000, of taxable income would be taxed at a 15 percent rate and the second $1,000 at the present 20 percent rate. The effect would be to reduce the tax on the first $2,000 of taxable income from $400 to $350.

Revenue loss—estimate: $3 billion.

In addition, both bills would repeal or lower certain of the existing excises. The provisions and the estimated revenue losses under existing legislation for fiscal year 1958 would be as follows:

Provision and estimated fiscal year 1958 revenue losses

(Source: The budget for fiscal year 1959, pp. 885–886.)

Repeal excises on:	*In millions*
1. Radio and television sets, phonographs, records, and musical instruments	$179.0
2. Mechanical refrigerators, quick-freeze units, and air-conditioners	44.0
3. Electric, gas and oil appliances	75.0
4. Electric light bulbs	28.0
5. Toilet preparations	102.0
6. Luggage, handbags, wallets	60.0
7. Admission taxes, including music	100.0
8. Business and store machines	93.0
9. Photographic equipment	22.0
10. Playing cards	6.9
11. Matches	6.0
12. Sporting goods, exclusive of fishing rods (estimate)	10.0
13. Pistols and revolvers	2.0
14. Leases of safe deposit boxes	6.0
15. Fountain and ball-point pens	10.0
16. Other	1.0
Total	744.9
Reduce present excises by 50 percent on:	
1. Telephone, telegraph, radio and cable services, leased wires, etc	142.5
2. Local telephone service	187.5
3. Transportation of persons	107.5
4. Transportation of property	238.0
Total	675.5
Total revenue loss estimated for excise reductions	1,420.4

Total revenue losses including excise reductions and personal exemption or splitting first bracket provision: $4.4 billion.

In addition, if it could be reasonably guaranteed that the automobile manufacturers would pass on a decrease in the excise on passenger cars to the consumer, I am ready to propose that the present manufacturers' excise tax on passenger automobiles be reduced from 10 percent to 5 percent.

The estimated revenues from this provision for fiscal years 1958 and 1959 were estimated at $1.3 billion and $980 million, respectively. Therefore, cutting this tax by half would be a revenue loss to the Government and a decrease in the price of automobiles if it were passed on to consumers of approximately $500 million.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am very glad to yield to the distinguished Senator from California.

Mr. KNOWLAND. Apropos the remarks made by the Senator from Louisiana [Mr. LONG], and in the interest of some historical accuracy, at least, I should like to read into the RECORD at this point the following language:

We believe that a party platform is a covenant with the people to the faithfully kept by the party when intrusted with power, and that the people are entitled to know in plain words the terms of the contract to which they are asked to subscribe. We hereby declare this to be the platform of the Democratic Party.

The Democratic Party solemnly promises by appropriate action to put into effect the principles, policies, and reforms herein advocated, and to eradicate the policies, methods, and practices herein condemned. We advocate an immediate and drastic reduction of governmental expenditures by abolishing useless commissions and offices, consolidating departments and bureaus, and eliminating extravagance, to accomplish a saving of not less than 25 percent in the cost of Federal Government, and we call upon the Democratic Party in the States to make a zealous effort to achieve a proportionate result.

We favor maintenance of the national credit by a Federal budget annually balanced on the basis of accurate executive estimates within revenues, raised by a system of taxation levied on the principle of ability to pay.

As the Senator probably knows, I have read from the Democratic Party platform of 1932.

Mr. DOUGLAS. The Senator is correct.

Mr. KNOWLAND. Apparently at that time the Democrats felt that it was not quite so sound to go on a spending orgy to solve the problems that were then confronting the Nation. I thought that in the interest of historical accuracy we might point that out.

Mr. DOUGLAS. The Senator is correct. The language the Senator has read was contained in the Democratic platform of 1932. That turned out to be a mistake. When confronted with 15 or 16 million unemployed, who had been bequeathed to the Democratic administration by our Republican friends, the Democratic administration had the good sense to go back on the false promise the Democrats had made in 1932 and to operate under a deficit.

Mr. KNOWLAND. Mr. President, will the Senator yield further?

Mr. DOUGLAS. I yield.

Mr. KNOWLAND. I did not realize that the distinguished Senator was going to make a speech, although I am always interested in listening to him. Perhaps the Senator has readily available certain figures on that subject. I have sent for some material on it. Perhaps the Senator will recollect that after a considerable period of deficit financing, which occurred following the 1933 period, certain conditions obtained. Does the Senator have any figures as to the number of unemployed in 1938, 1939 and 1940, before we got into World War II, and what proportion that figure was to the total working force at that time, and how that squares with the theory that that is the solution to this problem?

Mr. DOUGLAS. I have no absolute figures, but the total amount of the unemployed varied from 15 million appreciably downward. In 1937 and 1938 the number of unemployed increased, and rose to approximately 12 million, and by

1940 it had fallen to between 8 million and 9 million, or approximately one-half the figure of the original period. Therefore, it certainly was not a complete remedy, and the program that I am advocating was adopted only halfheartedly, I might say. Further it should have been done much earlier and had it been done earlier the worst effects of the depression might have been avoided. Nevertheless, an appreciable improvement in conditions was put into practice. We do not claim to have a corner on all intelligence, or claim to be completely correct at all times. I simply say we have the ability to learn.

Mr. KNOWLAND. For the sake of the RECORD, I should like to have placed in the RECORD what the deficits were under which the Government operated from 1933 through 1940, prior to World War II. Those figures will at least raise some warning signals that the mere expenditure of funds does not necessarily solve the problem, and, as the Senator has so frankly admitted, was contrary, to the doctrine for which his party was criticizing the prior Republican administration.

Mr. DOUGLAS. The Senator from California is correct in his reference to the platform of 1932. However, I should like to point out that unless we had carried out the expenditures, unless we had provided the relief, and unless we had provided public works, the depression would have been still more intense than it was, and that very dark and very unhappy things would have happened to democratic Government in this country. I wish to say that the Roosevelt administration helped to pull us out of the depression. I do not say that it pulled us out of the depression, but that it helped to pull us out of it, and that it prevented a revolution in this country.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. MORSE. I wish to stress the last point. I happen to believe that what the Roosevelt administration did was to save the Republic. I happen to believe, also, that if we had not reversed the trend of the Hoover administration there would have been such disturbances in the country that the Republic itself would have been threatened. To point out how long it took, even the figures of the Senator from California show that such a crisis ensued that it took years and years, with ups and downs, to recover from the great errors which the Republican depression had caused.

I should like to ask a personal question of the Senator from Illinois. I am not alone in asking this question. It goes without saying that not one of us would wish to join with the Senator from Illinois in cosponsoring these bills, if the Senator from Illinois wished to introduce them without cosponsors. I recognize that there are times when a Senator may wish to do that. However, I have just talked with the Senator from Colorado [Mr. CARROLL] on this point. The bills are so in keeping with the philosophy of so many of us in the Senate, I wonder whether the Senator from Illinois would object if some of us asked him to permit us to cosponsor the bills with him.

Mr. DOUGLAS. I would be delighted to have such good cosponsors as the Senator from Oregon and the Senator from Colorado, as well as any other Senators on either side of the aisle, who wish to join me in sponsoring the bills. This is not a private monopoly.

Mr. MORSE. The Senator from Illinois has been my leader on this subject for many years. He states economic views which I have espoused in and out of the Senate for some years, and I would be honored to be listed as a cosponsor on both bills.

Mr. DOUGLAS. I am honored to have the Senator from Oregon and the Senator from Colorado cosponsor the bills with me. I may say that in advocating this program, we propose that we do not want to have a great number of unemployed in the future. It is easier to do it now than later, when it is too late.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. CARROLL. I, too, wish to cosponsor the bills. I am confident that the Republicans, after 25 years, have learned a lesson. I am confident that the Republican leadership and the Republican administration will not let this Nation slip, as they did in the 1920's, into economic chaos. We have statements from the President and from the former Secretary of the Treasury. They have pledged that they will come forward with a tax program. I merely wish to support this type of tax program, which I think will best serve the interests of the country, in raising the purchasing power to where it ought to be. In other words, I am endorsing the trickle-up theory, which the able Senator from Illinois has so lucidly described.

Mr. DOUGLAS. I am so anxious to get as many sponsors for the measures that I invite the distinguished minority leader, the Senator from California, to join us. We worked together last year on the civil rights bill. I believe that at first he was a little suspicious of me, and I was a little suspicious of him. However we did work together for a month and I have great admiration for his patriotism and ability, and I would be very happy indeed to have the great Senator from California join us in cosponsoring the bills. I now extend this invitation to him and to any other Senators on the other side of the aisle who wish to join us.

The PRESIDING OFFICER (Mr. LONG in the chair). The Chair might interject that the present occupant of the chair believes this might be a good time to pass the natural gas bill.

Mr. DOUGLAS. Why introduce a discordant note into this apparent harmony?

Mr. President, I ask unanimous consent that my bills may lie at the desk until the next session of the Senate, which I believe will be next Thursday.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOUGLAS. I make that request so that other Senators who may wish to do so, may join as cosponsors of the bills.

Mr. KNOWLAND. Mr. President, at a subsequent date I shall have a complete set of figures to introduce; but because I think this question raises some issues of importance to the country and to the Senate, I point out that in 1938, after some 3 years of deficit financing, the number of employed was approximately 44,200,000. The unemployed numbered 10,400,000. The percentage of unemployed to the total work force was 19 percent.

In 1939 the total number employed was 45,800,000. The number of unemployed was 9,500,000. The percentage of unemployed to the total work force was 17.2 percent.

In 1940, the year before Pearl Harbor, when the United States became involved in World War II, the total number employed was 47,500,000. The number of unemployed was 8,100,000. The percentage of unemployed to the total work force was 14.6 percent.

The total work force of 47,500,000 in 1940 compares with a total work force now of, roughly, 65 million.

Mr. DOUGLAS. Those are, substantially, the figures I gave out of my head.

I may say that we have a long way to go before we would reach the very depth of the depression into which we were plunged at the end of 1932 and the beginning of 1933. I hope that never again may this country experience what it had to go through during that 10-year period.

Mr. CARROLL. Mr. President, I wonder if the distinguished minority leader would find it possible to include in these figures the national income of 1930, 1932, and the later years for which he gave the figures of employment and unemployment.

Mr. KNOWLAND. I do not have them here. I have no doubt that those figures will be placed in the RECORD over the period of the next few months.

Mr. CARROLL. Do I understand that the Senator from California will place in the RECORD the figures of unemployment during those years?

Mr. KNOWLAND. I have given the figures for the 3 years for which I had information. Subsequently, I hope to get the figures for the entire period of years.

Mr. CARROLL. If my memory serves me correctly, the national income in 1932—it might have been 1933—was approximately $40 billion.

Mr. DOUGLAS. That figure is approximately correct and I ask unanimous consent that I may subsequently introduce at this point in the RECORD a number of tables taken from the January 1958 Economic Report of the President concerning the figures about which we have been talking. We should have the facts.

The PRESIDING OFFICER. Without objection it is so ordered.

TABLE 1.—*Employment and wages—Noninstitutional population and the labor force, 1929–57*

Period	Noninstitutional population [1]	Total labor force (including Armed Forces) [1]	Armed Forces [1]	Civilian labor force				Total labor force as percent of noninstitutional population	Unemployment as percent of civilian labor force	
				Total	Employment [2]		Unemployment [2]		Unadjusted	Seasonally adjusted
					Total	Agricultural	Nonagricultural			
	Thousands of persons 14 years of age and over							Percent		
Old definitions: [3]										
1929	(3)	49,440	260	49,180	47,630	10,450	37,180	1,550	(3)	3.2	
1930	(3)	50,080	260	49,820	45,480	10,340	35,140	4,340	(3)	8.7	
1931	(3)	50,680	260	50,420	42,400	10,290	32,110	8,020	(3)	15.9	
1932	(3)	51,250	250	51,000	38,940	10,170	28,770	12,060	(3)	23.6	
1933	(3)	51,840	250	51,590	38,760	10,090	28,670	12,830	(3)	24.9	
1934	(3)	52,490	260	52,230	40,890	9,900	30,990	11,340	(3)	21.7	
1935	(3)	53,140	270	52,870	42,260	10,110	32,150	10,610	(3)	20.1	
1936	(3)	53,740	300	53,440	44,410	10,000	34,410	9,030	(3)	16.9	
1937	(3)	54,320	320	54,000	46,300	9,820	36,480	7,700	(3)	14.3	
1938	(3)	54,950	340	54,610	44,220	9,620	34,530	10,390	(3)	19.0	
1939	(3)	55,600	370	55,230	45,750	9,610	36,140	9,480	(3)	17.2	
1940	100,380	56,180	540	55,640	47,520	9,540	37,980	8,120	56.0	14.6	
1941	101,520	57,530	1,620	55,910	50,350	9,100	41,250	5,560	56.7	9.9	
1942	102,610	60,380	3,970	56,410	53,750	9,250	44,500	2,660	58.8	4.7	
1943	103,660	64,560	9,020	55,540	54,470	9,080	45,390	1,070	62.3	1.9	
1944	104,630	66,040	11,410	54,630	53,960	8,950	45,010	670	63.1	1.2	
1945	105,520	65,290	11,430	53,860	52,820	8,580	44,240	1,040	61.9	1.9	
1946	106,520	60,970	3,450	57,520	55,250	8,320	46,930	2,270	57.2	3.9	
1947	107,608	61,758	1,590	60,168	58,027	8,266	49,761	2,142	57.4	3.6	
1948	108,632	62,898	1,456	61,442	59,378	7,973	51,405	2,064	57.9	3.4	
1949	109,773	63,721	1,616	62,105	58,710	8,026	50,684	3,395	58.0	5.5	
1950	110,929	64,749	1,650	63,099	59,957	7,507	52,450	3,142	58.4	5.0	
1951	112,075	65,983	3,098	62,884	61,005	7,054	53,951	1,879	58.9	3.0	
1952	113,270	66,560	3,594	62,966	61,293	6,805	54,488	1,673	58.8	2.7	
1953	115,094	67,362	3,547	63,815	62,213	6,562	55,651	1,602	58.5	2.5	
1954	116,220	67,818	3,350	64,468	61,238	6,504	54,734	3,230	58.4	5.0	
1955	117,388	68,896	3,048	65,847	63,193	6,730	56,464	2,654	58.7	4.0	
1956	118,734	70,387	2,857	67,530	64,979	6,585	58,394	2,551	59.3	3.8	
1957	120,445	70,761	2,797	67,964	65,272	6,229	59,043	2,693	58.7	4.0	
New definitions: [3]										
1947	107,608	61,758	1,590	60,168	57,812	8,256	49,557	2,356	57.4	3.9	
1948	108,632	62,898	1,456	61,442	59,117	7,960	51,156	2,325	57.9	3.8	
1949	109,773	63,721	1,616	62,105	58,423	8,017	50,406	3,682	58.0	5.9	
1950	110,929	64,749	1,650	63,099	59,748	7,497	52,251	3,351	58.4	5.3	
1951	112,075	65,983	3,098	62,884	60,784	7,048	53,736	2,099	58.9	3.3	
1952	113,270	66,560	3,594	62,966	61,035	6,792	54,243	1,932	58.8	3.1	
1953	115,094	67,362	3,547	63,815	61,945	6,555	55,390	1,870	58.5	2.9	
1954	116,220	67,818	3,350	64,468	60,890	6,495	54,395	3,578	58.4	5.6	
1955	117,388	68,896	3,048	65,848	62,944	6,718	56,225	2,904	58.7	4.4	
1956	118,734	70,387	2,857	67,530	64,708	6,572	58,135	2,822	59.3	4.2	
1957	120,445	70,744	2,797	67,946	65,011	6,222	58,789	2,936	58.7	4.3	
Old definitions: [3]										
1956: January	118,080	68,691	2,916	65,775	62,891	5,635	57,256	2,885	58.2	4.4	3.7
February	118,180	68,396	2,906	65,490	62,576	5,469	57,107	2,914	57.9	4.4	3.7
March	118,293	68,806	2,893	65,913	63,078	5,678	57,400	2,834	58.2	4.3	3.8
April	118,367	69,434	2,879	66,555	63,990	6,387	57,603	2,564	58.7	3.9	3.7
May	118,537	70,711	2,865	67,846	65,238	7,146	58,092	2,608	59.7	3.8	4.1
June	118,632	72,274	2,844	69,430	66,503	7,876	58,627	2,927	60.9	4.2	4.1
July	118,762	72,325	2,836	69,489	66,655	7,700	58,955	2,833	60.9	4.1	4.0
August	118,891	71,787	2,840	68,947	66,752	7,265	59,487	2,195	60.4	3.2	3.6
September	119,047	70,896	2,827	68,069	66,071	7,388	58,683	1,998	59.6	2.9	3.4
October	119,198	70,905	2,823	68,082	66,174	7,173	59,000	1,909	59.5	2.8	3.5
November	119,344	70,560	2,828	67,732	65,269	6,192	59,076	2,463	59.1	3.6	4.0
December	119,481	69,855	2,826	67,029	64,550	5,110	59,440	2,479	58.5	3.7	3.8
Old definitions: [3]										
1957: January	119,614	68,647	2,817	65,830	62,890	4,943	57,947	2,940	57.4	4.5	3.8
February	119,745	69,130	2,817	66,313	63,434	5,199	58,235	2,881	57.7	4.3	3.6
March	119,899	69,565	2,816	66,749	64,049	5,442	58,607	2,700	58.0	4.0	3.6
April	120,057	69,773	2,820	66,953	64,472	5,758	58,714	2,481	58.1	3.7	3.6
May	120,199	70,777	2,821	67,956	65,467	6,663	58,804	2,489	58.9	3.7	3.9
June	120,383	72,742	2,819	69,923	66,892	7,547	59,345	3,030	60.4	4.3	4.2
July	120,579	73,056	2,823	70,233	67,546	7,804	59,742	2,687	60.6	3.8	3.8
August	120,713	71,838	2,839	68,999	66,619	6,827	59,792	2,380	59.5	3.4	3.9
September	120,842	71,056	2,819	68,237	65,921	6,519	59,402	2,317	58.8	3.4	4.0
October	120,983	71,303	2,786	68,517	66,240	6,838	59,402	2,277	58.9	3.3	4.2
November	121,109	70,796	2,729	68,067	65,078	5,817	59,262	2,989	58.5	4.4	4.8
December	121,221	70,480	2,688	67,792	64,652	5,391	59,262	3,140	58.1	4.6	4.8
New definitions: [3]										
1956: January	118,080	68,691	2,916	65,775	62,684	5,625	57,059	3,092	58.1	4.7	4.0
February	118,180	68,397	2,906	65,491	62,354	5,463	56,891	3,136	57.9	4.8	4.0
March	118,293	68,806	2,893	65,913	62,787	5,662	57,124	3,125	58.2	4.7	4.2
April	118,367	69,434	2,879	66,555	63,799	6,386	57,410	2,755	58.7	4.1	4.0
May	118,537	70,711	2,865	67,846	64,950	7,120	57,830	2,896	59.7	4.3	4.5
June	118,632	72,274	2,844	69,430	66,027	7,859	58,166	3,403	60.9	4.9	4.6
July	118,762	72,325	2,836	69,489	66,354	7,674	58,680	3,134	60.9	4.5	4.4
August	118,891	71,787	2,840	68,947	66,420	7,237	59,184	2,527	60.4	3.7	4.1

[1] Data for 1940–52 revised to include about 150,000 members of the Armed Force who were outside the continental United States in 1940 and who were, therefore, not enumerated in the 1940 Census and were excluded from the 1940–52 estimates.

[2] See note.

[3] Not available.

NOTE.—Civilian labor force data beginning with May 1956 are based on a 330-area sample. For January 1954–April 1956 they are based on a 230-area sample; for 1946–53 on a 68-area sample; for 1940–45 on a smaller sample; and for 1929–39 on sources other than direct enumeration.

Effective January 1957, persons on layoff with definite instructions to return to work within 30 days of layoff and persons waiting to start new wage and salary jobs within the following 30 days are classified as unemployed. Such persons had previously been classified as employed (with a job but not at work). The combined total of the groups changing classification has averaged about 200,000 to 300,000 a month in recent years. The small number of persons in school during the survey week and waiting to start new jobs are classified as not in the labor force instead of employed as formerly. Persons waiting to open new businesses or start new farms within 30 days will continue to be classified as employed. (New definitions series for periods prior to January 1957 are Census Bureau estimates under the old definition adjusted by Council of Economic Advisers to the new definitions.)

Beginning July 1955, labor force data are for the calendar week containing the 12th of the month; previously, for week containing the 8th.

Annual population data are as of July 1; monthly data are as of the 1st of the month.

For the years 1940–52, estimating procedures made use of 1 940 Census data; for subsequent years, 1950 Census data were used. For the effects of this change on the historical comparability of the data, see Annual Report on the Labor Force, 1954, Series P–50, No. 50, April 1955, p. 12.

Detail will not necessarily add to totals because of rounding.

Sources: Department of Commerce, Department of Labor (labor force, 1929–39), and Council of Economic Advisers.

TABLE 1.—*Employment and wages—Noninstitutional population and the labor force, 1929–57*—Continued

Period	Noninstitutional population [1]	Total labor force (including Armed Forces) [2]	Armed Forces [1]	Civilian labor force					Total labor force as percent of noninstitutional population	Unemployment as percent of civilian labor force	
				Total	Employment [2]			Unemployment [3]		Unadjusted	Seasonally adjusted
					Total	Agricultural	Nonagricultural				
	Thousands of persons 14 years of age and over								Percent		
New definitions—Continued											
1956: September	119,047	70,896	2,827	68,069	65,774	7,376	58,395	2,295	59.6	3.4	3.9
October	119,198	70,905	2,823	68,082	65,955	7,168	58,785	2,127	59.5	3.1	3.9
November	119,344	70,560	2,828	67,732	65,084	6,190	58,893	2,648	59.1	3.9	4.3
December	119,481	69,855	2,826	67,029	64,306	5,105	59,199	2,723	58.5	4.1	4.2
1957: January	119,614	68,638	2,817	65,821	62,578	4,935	57,643	3,244	57.4	4.9	4.2
February	119,745	69,128	2,817	66,311	63,190	5,195	57,996	3,121	57.7	4.7	4.0
March	119,899	69,562	2,816	66,746	63,865	5,434	58,431	2,882	58.0	4.3	3.9
April	120,057	69,771	2,820	66,951	64,261	5,755	58,506	2,690	58.1	4.0	3.9
May	120,199	70,714	2,821	67,893	65,178	6,659	58,519	2,715	58.9	4.0	4.2
June	120,383	72,661	2,819	69,842	66,504	7,534	58,970	3,337	60.4	4.8	4.5
July	120,579	73,051	2,823	70,228	67,221	7,772	59,449	3,007	60.6	4.3	4.2
August	120,713	71,833	2,839	68,994	66,385	6,823	59,562	2,609	59.5	3.8	4.2
September	120,842	71,045	2,819	68,226	65,674	6,518	59,156	2,552	58.8	3.7	4.3
October	120,983	71,299	2,786	68,513	66,005	6,837	59,168	2,508	58.9	3.7	4.6
November	121,109	70,790	2,729	68,061	64,873	5,817	59,057	3,188	58.5	4.7	5.1
December	121,221	70,458	2,688	67,770	64,396	5,385	59,012	3,374	58.1	5.0	5.2

TABLE 2.—*Relation of gross national product and national income, 1929–57*

[Billions of dollars]

Period	Gross national product	Less: Capital consumption allowances			Equals: Net national product	Plus: Subsidies less current surplus of government enterprises	Less:					Equals: National income
		Total	Depreciation charges	Other [1]			Indirect business tax			Business transfer payments	Statistical discrepancy	
							Total	Federal	State and local			
1929	104.4	8.6	7.7	0.9	95.8	−0.1	7.0	1.2	5.8	0.6	0.3	87.8
1930	91.1	8.5	7.7	.8	82.6	−.1	7.2	1.0	6.1	.5	−1.0	75.7
1931	76.3	8.2	7.6	.6	68.1	(2)	6.9	.9	6.0	.6	.8	59.7
1932	58.5	7.6	7.0	.6	50.9	(2)	6.8	.9	5.8	.7	.8	42.5
1933	56.0	7.2	6.7	.5	48.8	(2)	7.1	1.6	5.4	.7	.9	40.2
1934	65.0	7.1	6.6	.5	57.9	.3	7.8	2.2	5.6	.6	.7	49.0
1935	72.5	7.2	6.7	.6	65.3	.4	8.2	2.2	6.0	.6	−.2	57.1
1936	82.7	7.5	6.7	.8	75.2	(2)	8.7	2.3	6.4	.6	1.1	64.9
1937	90.8	7.7	6.9	.8	83.0	.1	9.2	2.4	6.8	.6	−.2	73.6
1938	85.2	7.8	6.9	.8	77.4	.2	9.2	2.2	6.9	.4	.5	67.6
1939	91.1	7.8	7.1	.7	83.3	.5	9.4	2.3	7.0	.5	1.2	72.8
1940	100.6	8.1	7.3	.8	92.5	.4	10.0	2.6	7.4	.4	.8	81.6
1941	125.8	9.0	8.1	1.0	116.8	.1	11.3	3.6	7.7	.5	.4	104.7
1942	159.1	10.2	9.2	1.0	149.0	.2	11.8	4.0	7.7	.5	−.8	137.7
1943	192.5	10.9	9.9	1.0	181.6	.2	12.7	4.9	7.8	.5	−1.7	170.3
1944	211.4	12.0	10.8	1.2	199.4	.7	14.1	6.2	8.0	.5	2.8	182.6
1945	213.6	12.5	11.2	1.3	201.0	.8	15.5	7.1	8.4	.5	4.5	181.2
1946	209.2	11.7	10.0	1.7	197.6	.8	17.3	7.9	9.5	.6	.9	179.6
1947	232.2	14.1	12.2	2.0	218.1	−.2	18.7	7.9	10.8	.7	1.4	197.2
1948	257.3	16.5	14.3	2.2	240.8	−.2	20.4	8.1	12.3	.7	−2.1	221.6
1949	257.3	18.4	16.4	2.1	238.9	−.2	21.6	8.2	13.5	.8	.1	216.2
1950	285.1	20.5	18.0	2.5	264.6	.2	23.7	9.0	14.7	.8	.2	240.0
1951	328.2	23.5	20.3	3.1	304.8	.2	25.6	9.5	16.1	1.0	1.3	277.0
1952	345.4	23.9	21.0	2.9	321.6	−.1	28.1	10.5	17.6	1.2	2.0	290.2
1953	363.2	26.5	23.3	3.2	336.7	−.4	30.2	11.2	19.0	1.4	2.6	302.1
1954	361.2	28.9	25.6	3.3	332.2	−.2	30.1	10.1	20.1	1.3	1.7	299.0
1955	391.7	31.6	28.1	3.5	360.1	.2	32.9	11.0	21.8	1.3	2.1	324.1
1956	414.7	34.3	30.6	3.7	380.4	1.1	35.0	11.6	23.4	1.3	1.6	343.6
1957 [3]	433.9	37.1	33.3	3.8	398.8	1.6	36.9	12.3	24.6	1.3	1.7	358.5
	Seasonally adjusted annual rates											
1955:												
1st quarter	379.0	30.6	(4)	(4)	348.4	0.1	31.5	10.6	20.9	1.3	4.4	311.4
2d quarter	387.7	31.4	(4)	(4)	356.3	.7	32.8	11.3	21.5	1.3	1.4	321.5
3d quarter	397.0	32.0	(4)	(4)	365.0	0	33.2	11.0	22.2	1.3	2.3	328.3
4th quarter	402.8	32.6	(4)	(4)	370.2	.1	34.0	11.3	22.7	1.3	.1	334.9
1956:												
1st quarter	405.2	33.3	(4)	(4)	371.9	.8	34.1	11.1	23.0	1.3	1.5	335.8
2d quarter	410.8	33.9	(4)	(4)	376.9	1.0	34.7	11.3	23.4	1.3	1.3	340.6
3d quarter	416.7	34.6	(4)	(4)	382.1	1.1	35.1	11.5	23.6	1.3	2.3	344.5
4th quarter	426.0	35.3	(4)	(4)	390.7	1.6	36.1	12.3	23.8	1.3	1.6	353.3
1957:												
1st quarter	429.1	36.1	(4)	(4)	393.0	1.4	36.4	12.2	24.2	1.3	1.6	355.1
2d quarter	434.3	36.6	(4)	(4)	397.7	1.6	36.6	12.1	24.5	1.3	3.3	358.1
3d quarter	439.0	37.4	(4)	(4)	401.6	1.7	37.1	12.3	24.8	1.3	2.7	362.2
4th quarter [3]	433.0	38.2	(4)	(4)	394.8	1.7	37.4	12.3	25.1	1.3	(4)	(4)

[1] Accidental damage to fixed capital and capital outlays charged to current account.
[2] Less than $50,000,000.
[3] Preliminary; fourth quarter by Council of Economic Advisers.
[4] Not available.

NOTE.—Detail will not necessarily add to totals because of rounding.
Source: Department of Commerce (except as noted).

TABLE 3.—*Federal budget receipts and expenditures and the public debt, 1929–59*

[Millions of dollars]

Year	Net budget receipts [1]	Budget expenditures	Surplus or deficit (—)	Public debt at end of year [2]
Fiscal year:				
1929	3,861	3,127	734	16,931
1930	4,058	3,320	738	16,185
1931	3,116	3,577	—462	16,801
1932	1,924	4,659	—2,735	19,487
1933	2,021	4,623	—2,602	22,539
1934	3,064	6,694	—3,630	27,053
1935	3,730	6,521	—2,791	28,701
1936	4,069	8,493	—4,425	33,779
1937	4,979	7,756	—2,777	36,425
1938	5,615	6,792	—1,177	37,165
1939	4,996	8,858	—3,862	40,440
1940	5,144	9,062	—3,918	42,968
1941	7,103	13,262	—6,159	48,961
1942	12,555	34,046	—21,490	72,422
1943	21,987	79,407	—57,420	136,696
1944	43,635	95,059	—51,423	201,003
1945	44,475	98,416	—53,941	258,682
1946	39,771	60,448	—20,676	269,422
1947	39,786	39,032	754	258,286
1948	41,488	33,069	8,419	252,292
1949	37,696	39,507	—1,811	252,770
1950	36,495	39,617	—3,122	257,357
1951	47,568	44,058	3,510	255,222
1952	61,391	65,408	—4,017	259,105
1953	64,825	74,274	—9,449	266,071
1954	64,655	67,772	—3,117	271,260
1955	60,390	64,570	—4,180	274,374
1956	68,165	66,540	1,626	272,751
1957 [3]	71,029	69,433	1,596	270,527
1958 [4]	72,400	72,788	—388	271,200
1959 [4]	74,400	73,934	466	271,200
Calendar year:				
1946	38,568	71,080	—2,512	259,149
1947	40,389	37,955	2,434	256,900
1948	40,864	35,623	5,241	252,800
1949	37,514	41,106	—3,592	257,130
1950	37,306	37,728	—422	256,708
1951	52,979	56,337	—3,358	259,419
1952	64,840	70,682	—5,842	267,391
1953	63,841	72,997	—9,157	275,168
1954	61,171	64,854	—3,683	278,750
1955	63,358	66,129	—2,771	280,769
1956	70,994	67,216	3,779	276,628
1957 [5]	72,400	71,800	600	274,898

[1] Gross receipts less refunds of receipts and transfers of tax receipts to the Federal old-age and survivors insurance trust fund, the Federal disability insurance trust fund, the railroad retirement account, and the highway trust fund.

[2] Excludes guaranteed obligations. The change in the public debt from year to year reflects not only the budget surplus or deficit but also changes in the Treasury's cash balances, the effect of certain trust fund transactions, and direct borrowing from the public by certain Government enterprises.

[3] Preliminary.

[4] Estimate.

[5] Estimated by Council of Economic Advisers from data through Jan. 15, 1958. May therefore differ from figures in Treasury Department monthly statement of receipts and expenditures to be released about Jan. 20, 1958.

NOTE.—Detail will not necessarily add to totals because of rounding.

Sources: Treasury Department and Bureau of the Budget (except as noted).

Mr. CARROLL. I remember a speech by the late President Franklin D. Roosevelt in which he made some optimistic predictions for 1938, or it might have been 1939. But even he, with his great vision and great intellect, was mistaken. He had hoped that the United States would have a national income, in that period, of $80 billion, as I recall.

I think this comparison demonstrates, in terms of deficit spending and in terms of the national debt, that we must take a look at where we have been and where we are now. We must compare a national income of $40 billion then, as distinguished from a national income of $400 billion today. Is that not correct?

Mr. DOUGLAS. The gross national product is today around $433 billion, and the national income is probably $350 billion.

Mr. KNOWLAND. I am certain that the figures will all speak for themselves. An additional figure will be one relating to the dollar and its purchasing power with the necessary adjustments. But I have no doubt that as among the Senator from Illinois and other Senators on both sides of the aisle, all the figures will be made available to the Senate.

Mr. CARROLL. I had hoped that we would have so clear a picture that it would be binding from now on as to what the facts are.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, February 10, 1958, he presented to the President of the United States the enrolled joint resolution (S. J. Res. 39) to authorize the construction of certain water-conservation projects to provide for a more adequate supply of water for irrigation purposes in the Pecos River Basin, N. Mex. and Tex.

RECESS TO THURSDAY

Mr. DOUGLAS. Mr. President, in accordance with the order previously entered, I now move that the Senate stand in recess until 12 o'clock noon on Thursday next.

The motion was agreed to; and (at 5 o'clock and 54 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, until Thursday, February 13, 1958, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate February 10, 1958:

The following-named persons to be chief warrant officers, W–4, in the United States Coast Guard:

Richard F. Eiden
Everett J. Mooring
William C. Thornes
Francis S. Lamb
Cassius M. Fish
Roger F. Erdmann
Edgar C. Hill
Cyrus Gray
Harry A. Vaughan
John E. Cavanaugh
Carlyle J. Dennis
John J. Gibbs, Jr.
Warren H. Wilmot
William H. McBride
William G. Kincaide
Earl F. Wallace
William H. Keel
Elmer F. Nelson
Arthur H. Scarborough
John J. Harbart
Ernest B. Gall
Stephen P. Bunting
Michael Herko
Robert F. Rittenhouse
Richard C. Van Hine
Raymond V. Herron
Burton Y. Frymire
Edgar S. Klock
Christy R. Mathewson
John A. Williamson
Ralph F. Barnes
Harold W. Anderson

The following-named persons to be chief warrant officers, W–3, in the United States Coast Guard:

John S. Cameron, Jr.
William A. Mauch
Clavis W. Baum
Frank J. Recely
Ralph N. Larson
John T. Dailey
Allen M. Wilson
Howard H. Istock
William R. Claborn
Martin J. Ruebens
Carl L. Weaver
Raymond L. Barnett
John C. Tappen
Lynn I. Decker
Daniel S. Bishop
John W. Stamback
George G. Twambly
Charles S. Rhodes
Edgar G. Riggs
John Sacco
Robert P. Stalcup
Jesse Fowler
Eugene H. Midgett
Elton W. Grafton
Homer E. S. Williams
Jack K. Ridley
Marion G. Rubado
Fletcher R. Peele
Manuel L. Bent
Leon A. Anderson
Walter P. Stipcich
George B. Schack
Paul A. Woodard
Moses McNure
Woodrow F. Clookie
Albert DeCosta
Albert J. Bates
Malcolm Versaw
Michael Kabaczy
William R. Gaither
Benjamin Dollinger
William H. A. Herbst
John W. Colby
Joseph L. St. Pierre
Bernard A. Koebbe
Irving T. Bloxom
Gilbert Ortiz
Henry T. Peele
Melvin F. Cramer
Ulmer C. Wilson
Lennith L. Groves
Ernest L. Killiam
James F. Beaumont
Charles R. Ellington, Jr.
Robert H. Burn
Leonest L. Tillett
Leroy H. Harmon
Gilbert W. Coughlan
Joseph J. Dobrow, Jr.
Henry A. Cook
Alfred M. Livingston
John Chartuck
John P. Ryan
Elmer C. Knudson
William E. White, Jr.
Suell R. Grimm
Roland R. Davis
James W. Freeman
Charles E. Christman
Edward E. Lewis
Oliver F. Rossin
Louis M. Piermattei
James W. Lockhart
Andrew Hauswirth
Russell M. Young
Ellis M. Moore
Kenneth E. Payson
Thomas A. Smith
Homer E. McCullough
Martin J. Connolly, Jr.
Edward J. Ard
Alfred F. Crose
Harvey J. Hardy
Michael R. Kassin
Cyril D. Kring
Gene D. Vecchione
James A. Somers
Harry V. Hardy
Carl M. Mortensen
Leonard W. Arnold
Hobert E. Sadler
Robert H. Kollmeyer
Gordon B. Sworthout
Henry L. Cotton
Roy L. Singleton
Andrew Kirkpatrick
Alexander M. Grant
Oliver T. Henry, Jr.
William F. Winslow
John Senik
Foister E. Blair
Kenneth G. Fields
William Keokosky
Nevette A. Gardebled
John E. Giles
George A. J. Michaud
Edward Petroski
Meredith D. Hazzard
Joseph A. Nartonis
Earlie W. Shelton
Ernest R. Stacy
Clemens F. Knox
Elmer J. Nolan
Roy Huffstetler
Frank Jakelsky
Robert H. Wiggins
Lawrence E. Wagner
Roy I. Anderson
Barney M. Thomason
Henry E. Ask, Jr.
John Kinnunen
Carl K. Scarborough
Roy V. Sogaard
Phillip M. Griebel
Norris D. Hickman
James T. Mead
Robert P. Ellard
Philip E. Barnard
Harold H. Rohr
Kenneth G. Sherwood
Elwood S. Hudson
Rudolph E. Anderson
Harold Eveld
Clarence H. Checklin
Kenneth L. Drake
Walter R. Terry
Herbert N. Litchfield
Lloyd L. Franklin
Donald H. R. Fraser
William K. Cooper
Christian A. Weitzel
Donald Cobaugh
Walter R. Goldhammer
Gerald M. Davis
Fred M. Guild, Jr.
Luther C. Knight
Harold W. Woolley
Ellis P. Ward
John A. McCullough, Jr.
Charles C. Colmer
Benjamin F. Weems
Edward E. Walker
Norman J. Wirsching
Donald A. Nystrom
LeRoy F. Lander
Seymour Alexander
Charles U. Stastka
Herbert L. Johnson
Robert J. Hanson
Edgar W. Thomas
Stanley J. Salabor
David D. McCormick
Sterling Fulcher
Byron A. Barr
Marion O. Hulbert
William I. Janicke
John A. Dearden

The following-named persons to be chief warrant officers, W–2, in the United States Coast Guard:

George A. Knapp
Mark Fitton, Jr.
William H. Fraser
Ervin L. Keel
Robert E. Mooring
Donald O. Nelson
Talmadge F. Youmans
Eugene D. H. H. Willett
Daryl D. Paul
Richard G. Thompson
George Solometo
Edmond E. Hainstock
Hugh B. Houston
George E. Carriveau
Donald E. Phillips
Maurice T. Hedgecock
James F. McLaughlin
Bob Nelson
Edward B. Eaton
Ralph E. LaMott
Frommhold K. Holtz
Harold R. Margrave
Arthur L. Midgette
Francis W. Sullivan
Leo Frey
Gordon W. Ault
Charles R. Lee
Horace F. Hey

HOUSE OF REPRESENTATIVES

MONDAY, FEBRUARY 10, 1958

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Philippians 4: 19: *My God shall supply all your needs according to His riches in glory by Christ Jesus.*

Almighty God, grant that we may now be drawn together in unity of spirit and in one solemn and lofty aspiration to heed Thy voice of gentle stillness calling us to renew our faith and courage.

We know that without Thee our life ebbs out its little day in weakness and weariness, in futility and frustration.

Teach us the great secret of life learned by all whose hearts are filled with joy and peace that we must surrender our wills to Thine in complete obedience.

Hear us in Christ's name. Amen.

The Journal of the proceedings of Thursday, February 6, 1958, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 1392. An act for the relief of Karl L. Larson;

H. R. 1495. An act for the relief of Alfred Hanzal;

H. R. 1638. An act for the relief of Lt. Percy Hamilton Hebert;

H. R. 1792. An act for the relief of Dr. Royal W. Williams;

H. R. 2705. An act for the relief of William F. Kempe;

H. R. 3210. An act to amend section 510 (a) (1) of the Merchant Marine Act, 1936, as amended, to accelerate the trade-in of old vessels with replacement by modern vessels;

H. R. 3770. An act to rename the Strawn Dam and Reservoir project in the State of Kansas as the John Redmond Dam and Reservoir;

H. R. 5161. An act for the relief of Mrs. Madeleine A. Work;

H. R. 6069. An act for the relief of Col. Jack C. Jeffrey;

H. R. 6078. An act to provide for the erection of suitable markers at Fort Myer, Va., to commemorate the first flight of an airplane on an Army installation, and for other purposes;

H. R. 6660. An act to provide that the lock and dam referred to as the Tuscaloosa lock and dam on the Black Warrior River, Ala., shall hereafter be known and designated as the William Bacon Oliver lock and dam;

H. R. 7052. An act to amend section 216 (b) of the Merchant Marine Act, 1936, as amended, to provide for appointments of cadets from the District of Columbia, Guam, American Samoa, Virgin Islands, and the Canal Zone;

H. R. 7200. An act for the relief of the estate of Isa Hajime;

H. R. 7591. An act for the relief of Anton N. Nyerges;

H. R. 8038. An act for the relief of Margie C. Stewart; and

H. R. 8618. An act for the relief of Henry M. Lednicky.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills and joint resolutions of the House of the following titles:

H. R. 1692. An act for the relief of Mrs. Margot M. Draughon;

H. R. 2901. An act for the relief of Ralph H. Weeks;

H. R. 4541. An act for the relief of Leslie A. Batdorf;

H. R. 5163. An act for the relief of Forest H. Byroade;

H. J. Res. 417. Joint resolution for the relief of Mrs. Sabastiano Poletto, Hideo Konya, Edward H. Turri, and Mario Guiffre;

H. J. Res. 429. Joint resolution to facilitate the admission into the United States of certain aliens;

H. J. Res. 435. Joint resolution for the relief of certain aliens;

H. J. Res. 436. Joint resolution to facilitate the admission into the United States of certain aliens; and

H. J. Res. 437. Joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 228. An act for the relief of the Chamberlain Water Co., of Chamberlain, S. Dak.;

S. 1062. An act for the relief of Maud Claer Wahl;

S. 1249. An act for the relief of Martha A. Calvert;

S. 1578. An act for the relief of Hovhannes H. Haidostian;

S. 1657. An act for the relief of Lloyd C. King;

S. 1943. An act for the relief of Norma Josephine Hodges Dowd;

S. 1961. An act for the relief of Maria Van Arendonk;

S. 1979. An act for the relief of Barbara Hollinger;

S. 1999. An act for the relief of Constantinos N. Alivantistos;

S. 2004. An act for the relief of George and Emma Clifford;

S. 2060. An act for the relief of Elizabeth Biro;

S. 2064. An act for the relief of Marie Ethel Pavlovitch and her daughter, Dolly Hester Pavlovitch;

S. 2087. An act for the relief of Eva Lichtfuss;

S. 2132. An act for the relief of Leonard C. Fink;

S. 2147. An act for the relief of Chong Sook Rhee;

S. 2166. An act for the relief of John J. Griffin;

S. 2168. An act for the relief of Armas Edvin Jansson-Viik;

S. 2187. An act for the relief of Josef Winter;

S. 2196. An act for the relief of Annadore E. D. Haubold and Cynthia Edna Haubold;

S. 2245. An act for the relief of Moy Tong Poy;

S. 2251. An act for the relief of Manley Francis Burton;

S. 2256. An act for the relief of Luz Poblete and Robert Poblete Broaddus, Jr.;

S. 2274. An act for the relief of Mario Lazzarotto;

S. 2301. An act for the relief of Genevieve M. Scott Bell;

S. 2346. An act for the relief of Lucy Hedwig Schultz;

S. 2430. An act for the relief of Carlos Olmos Chang and his wife, Maria Luisa Chin de Chang; and

S. 2503. An act for the relief of Maria H. Aguas and Buena M. Castro.

The message also announced that the Senate agrees to the amendments of the House to a joint resolution of the Senate of the following title:

S. J. Res. 39. Joint resolution to authorize the construction of certain water-conservation projects to provide for a more adequate supply of water for irrigation purposes in the Pecos River Basin, N. Mex. and Tex.

The message also announced that the Senate insists upon its amendment to the bill (H. R. 6306) entitled "An act to amend the act entitled 'An act authorizing and directing the Commissioners of the District of Columbia to construct two 4-lane bridges to replace the existing 14th Street or Highway Bridge across the Potomac River, and for other purposes.'" disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BIBLE, Mr. FREAR, and Mr. BEALL to be the conferees on the part of the Senate.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

FEBRUARY 10, 1958.

The honorable the SPEAKER,
House of Representatives.

SIR: Pursuant to authority granted on February 6, 1958, the Clerk received from the Secretary of the Senate on Friday, February 7, 1958, the following message:

That the Senate agree to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9739) entitled "An act to authorize the Secretary of the Air Force to establish and develop certain installations for the national security, and to confer certain authority on the Secretary of Defense, and for other purposes"; and

That the Senate recede from its amendment to the title of the above-entitled bill.

Respectfully yours,

RALPH R. ROBERTS,
Clerk, United States House of Representatives.

HOUSE BILL ENROLLED

Mr. BURLESON, from the Committee on House Administration, reported that on February 7, 1958, that committee had examined and found truly enrolled a bill of the House of the following title:

H. R. 9739. An act to authorize the Secretary of the Air Force to establish and develop certain installations for the national security, and to confer certain authority on the Secretary of Defense, and for other purposes.

The SPEAKER. The Chair desires to announce that pursuant to the authority granted him on Thursday, February 6, 1958, he did on February 7, 1958, sign the following enrolled bill of the House:

H. R. 9739. An act to authorize the Secretary of the Air Force to establish and develop certain installations for the national security, and to confer certain authority on the Secretary of Defense, and for other purposes.

SWEARING IN OF MEMBER

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

FEBRUARY 7, 1958.

The honorable the SPEAKER,
House of Representatives.

SIR: A certificate of election in due form of law for the Honorable ROBERT A. EVERETT as a Representative-elect to the 85th Congress from the 8th Congressional District of Tennessee, to fill the vacancy caused by the death of the Honorable Jere Cooper, has been received from the secretary of state of Tennessee, and is on file in this office.

Respectfully yours,
RALPH R. ROBERTS,
Clerk, United States House of Representatives.

Mr. EVERETT appeared at the bar of the House and took the oath of office.

SMALL-BUSINESS DISASTER LOANS

Mr. SPENCE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2920) to provide for small-business disaster loans in areas affected by excessive rainfall.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 207 (b) (1) of the Small Business Act of 1953, as amended, is amended (1) by deleting the words "where a drought is occurring" and inserting in lieu thereof the words "affected by a drought or excessive rainfall," and (2) by inserting after the word "drought" where it occurs elsewhere the words "or excessive rainfall."

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. HENDERSON. Mr. Speaker, the House Banking and Currency Committee has unanimously approved a bill, S. 2920, which will extend the disaster-loan program of the Small Business Administration to small businesses in areas affected by excessive rainfall. This bill is a logical amplification of the amendment to the Small Business Act which provided loan eligibility to small businesses in areas suffering from drought.

The district which I represent and nearly every other area of the country have at one time or another felt the brunt of both drought and excessive rainfall. Fields have been parched in the hot sun and crops have failed. In another year the heavens were too generous and those same fields were barren because crops could not be planted, cultivated, or harvested because of excessive rainfall or had been inundated by rainfall which sluggish streams could not carry away. It is my understanding that excessive rainfall contemplates all such situations of crop loss and failure.

The temporary impact of such natural disasters is often devastating to an area's commerce and trade. The small businesses serving communities which suffer such catastrophes are oftentimes unable to withstand the blow they are dealt. If accounts cannot be paid by the people of a community, many businesses have no other choice but to close their doors. Obviously, the people who have lost their homes in floods are usually unable to meet their financial obligations until they can restore some kind of stability to their lives and their communities.

This bill would provide the broadened credit standards, terms of repayment, and low interest rates to these small-business victims in disaster areas. It is generally viewed here as a noncontroversial measure since it would provide some means for the economic rehabilitation of areas struck by the catastrophe of floods. Such loans would insure, in many cases, that local commerce and trade affected by such devastation would be preserved where otherwise the existence of the small-business elements in its composition would be threatened by disasters, however temporary their nature.

Mr. SMITH of Mississippi. Mr. Speaker, as sponsor of this bill in the House of Representatives, I want to express my appreciation to the House Banking and Currency Committee for their prompt action in bringing this emergency legislation to the floor. It will eliminate a major flaw in the Small Business Administration Act which makes it impossible for that agency to make loans to businesses which have suffered economic losses because of excessive rainfall.

Rainfall in my district last year averaged approximately twice the normal amount. The resulting crop loss has been estimated at $100 million. Mississippi cotton production for 1957 was the lowest in 33 years. Between September 1, 1957, and January 1, 1958, the normal cotton-harvesting season, farmers were able to work in the fields an average of only 12 days. Similar conditions prevail in many other States of the Union.

This bill will accomplish nothing toward eliminating the major hardships which resulted from the 1957 disaster. That economic condition can be eased only by broad-scale long-term credit to farmers to cover their 1957 losses.

The bill before us will, however, keep a number of small businesses from going into bankruptcy through no fault of their own. They will be able to carry delinquent accounts only through some type of loan such as can be handled by the Small Business Administration. I hope the House will act on this bill without controversy.

Now that the Congress is enacting this change in the law, I certainly hope that the Small Business Administration will feel an obligation to administer this new authority with the sense of urgency and need that is necessary if economic disaster is not to be felt throughout many parts of the country.

Mr. GATHINGS. Mr. Speaker, it is most necessary to extend the Small Business Act to encompass the authority for making loans to business establishments in areas adversely affected by excessive rainfall.

At the present time disaster loans may be made through the Small Business Administration in areas adversely affected by drought. It is hoped that the SBA may see fit to liberalize their policies to the end that small businesses which now face bankruptcy and liquidation may be given a lease on life and permitted to continue to operate.

The best example of the situation in which small business finds itself in the rain-drenched areas of eastern Arkansas is a telephone call I received a few nights ago. This businessman was unable to meet his obligations because of the fact that he had on his books quite a number of open accounts of farmers who had made only a part crop in 1957 and were unable to pay him the past-due accounts. This man has the know-how; he has been in business for many years and has been a successful operator of a mercantile establishment. He is faced, however, with having to close his doors if relief is not obtained in the legislation which is now before the House. He wants a loan that would accord him some few years to pay off in annual installments. This businessman has consistently earned a profit and expanded his business up until the most disastrous year of 1957.

Other small business is affected in the same manner as the general merchant; that is, implement dealers, feed, seed, and fertilizer dealers, as well as fuel and oil dealers and various other firms which sell to the farmer.

I trust, Mr. Speaker, that the Administrator of the Small Business Administration will transmit to the field offices new instructions and policies which will make available loans to business enterprises which are so adversely hit in the area which suffered from heavy rainfall, low yield, and crop losses in 1957.

PERSONAL ANNOUNCEMENT

Mr. POLK. Mr. Speaker, on rollcall No. 8, the vote on H. R. 2151, a bill to suspend import duties on certain coarse wool, recorded on pages 1689–1690 of the RECORD, I was unavoidably absent. Had I been present when H. R. 2151 was approved, I would have voted "no."

PROTECTION AGAINST JURISDICTIONAL EXCESSES OF TRIAL COURTS

Mr. PORTER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. PORTER. Mr. Speaker, I have today introduced, by request, a bill to remove the present provision of law which permits Federal courts to issue writs only in aid of their respective jurisdictions. It would amend section 1651 (a)

of title 28 of the United States Code to read as follows:

(a) The Supreme Court and all courts established by act of Congress may issue all necessary or appropriate writs where agreeable to the usages and principles of law.

I have been engaged in intermittent research and study of this matter since it was first brought to my attention early in January of last year by a constituent, Mr. Hugh B. Collins, attorney at law of Medford, Oreg.

In a letter to me on the subject Mr. Collins said last July:

The appellate courts hold that title 28, United States Code Annotated, section 1651 (a), prevent the appellate courts from supervising the district courts unless the latter are invading the jurisdiction of the appellate courts.

It is conceded that if it were not for the statute in its present form, the appellate courts could issue the writ to restrain a jurisdictional excess by a district court even though the district court were not invading the jurisdiction of the appellate court.

The purpose of the proposed statutory change is to give the appellate courts the power to keep the district courts within their proper jurisdictional boundaries regardless of whether or not the district courts happen to step on the toes of the appellate court instead of just stepping on the toes of a citizen. In the States where prohibition is used, the appellate court is given the power to protect the litigant from jurisdictional excesses of the trial courts. I can see no reason why the appellate courts of the United States should not to the same extent be open to the citizens.

I believe this is a matter which deserves careful consideration by the Congress and I have introduced the proposed legislation to this end.

UNEMPLOYMENT IN MINNEAPOLIS AREA

Mr. WIER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. WIER. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I include a resolution adopted by the City Council of Minneapolis, Minn., relating to the unemployment situation in the Minneapolis area as affected by the difficulties in the field of agriculture, and requesting legislation to improve this situation.

The resolution follows:

RESOLUTION BY ALDERMEN YOUNGDAHL, MCCRADY, WOLINSKI, ANDERSON, HALLORAN, CHRISTENSEN, EARL JOHNSON, NELSON, STEWART, AND PRESIDENT MARTENS RELATING TO THE UNEMPLOYMENT SITUATION IN THE MINNEAPOLIS AREA AS AFFECTED BY THE DIFFICULTIES IN THE FIELD OF AGRICULTURE

Whereas unemployment in railroad shops, farm equipment factories and other industries in Minneapolis is seriously affecting the welfare of its citizens and the economy of the area; and

Whereas to some extent, the unemployment is related to the difficulties being experienced in the field of agriculture: Now, therefore, be it

Resolved by the City Council of the City of Minneapolis, That we request the Representatives and Senators in the Congress from Minnesota to exert their best efforts to secure expeditious legislation designed to alleviate and improve the agricultural situation, thereby reflecting improvement in other economic areas.

Further, that the city clerk be directed to transmit a copy of this resolution to each Member of the House and Senate in the Congress from the State of Minnesota.

Passed January 31, 1958.

GEO. W. MARTENS,
President of the Council.

Approved February 4, 1958.

P. KENNETH PETERSON,
Mayor.

Attest:

LEONARD A. JOHNSON,
City Clerk.

PERSONAL ANNOUNCEMENT

Mr. DOYLE. Mr. Speaker, I would like to have the RECORD show that on rollcall No. 8, on the coarse-wool bill, if I had been present, I would have voted "yea." I was unavoidably absent from the District of Columbia on that day.

TAX CUT

Mr. CHAMBERLAIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CHAMBERLAIN. Mr. Speaker, last Thursday a Washington columnist, Fletcher Knebel, humorously said in 34 words what I recently tried to say in several hundred words. I quote:

Ike says maybe he'll urge a tax cut if business doesn't get better. This is like giving a lawnmower to a guy who has just lost his house and lot in an earthquake.

If a tax cut is considered to relieve the whole economy, if things get bad enough, it should seriously be considered right now for the relief of the automotive industry. On behalf of thousands of the unemployed automobile workers in Michigan, and the thousands more indirectly affected, I urge that early and thorough consideration be given to my suggestion that the excise tax on automobiles be repealed. This would provide equitable tax relief throughout our entire economy, an economy that actually rolls on the wheels of our automotive industry.

The press has also carried news about bills recently introduced in the other body to increase unemployment benefits. This may be part of the answer, but, to me, emphasis should be placed on constructive efforts to put the unemployed to work. You cannot put a band-aid on cancer and call the patient cured. Let us do something constructive to stimulate business instead of having the Government buy off this human and economic misery with dollars from the Treasury.

LIMIT ON FISCAL EXPENDITURES

Mr. RAY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RAY. Mr. Speaker, the President has wisely emphasized that the obvious need for larger appropriations for national security imposes upon both the Executive and the Congress the duty to do everything possible to eliminate unnecessary expenditures in other fields. We cannot put a price tag on what is to be done for national security. That we must have, and we must pay whatever is necessary for that purpose. At the same time we must economize where economy can be effected.

To emphasize this point, I am introducing today a simple resolution to add the following paragraph, lettered (c) to section 138 of the rules of the House:

(c) It is the sense of the House that appropriations and other budget authorizations for the fiscal year commencing July 1, 1958, shall be so limited as to assure total expenditures of not to exceed $68 billion; that such increases as are necessary for the national defense shall be offset by economies in other less essential areas; and that the Appropriations Committee in its reports shall provide data pertinent to attainment of these objectives.

On the basis of information I have received from people I consider expert in their fields, $68 billion is a very reasonable target at which to shoot. I am confident that when hearings are held, the evidence will more than justify a reduction to that amount.

SUPPLEMENTAL DEPARTMENT OF LABOR APPROPRIATIONS, 1958

Mr. FOGARTY. Mr. Speaker, pursuant to the unanimous-consent request granted on Wednesday last, I call up House Joint Resolution 533, making supplemental appropriations for the Department of Labor for the fiscal year 1958, and for other purposes, and I ask for its immediate consideration; and I also ask unanimous consent that it be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the joint resolution, as follows:

Resolved, etc., That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of Labor for the fiscal year ending June 30, 1958, namely:

DEPARTMENT OF LABOR

Bureau of Employment Security

Unemployment Compensation for Veterans

For an additional amount for "Unemployment compensation for veterans," $25 million.

Unemployment Compensation for Federal Employees

For an additional amount for "Unemployment compensation for Federal employees," $18,400,000.

Mr. FOGARTY. Mr. Speaker, I move to strike out the last word.

I shall take only 2 or 3 minutes to explain to the House that this is emergency legislation. The funds for

paying unemployed veterans and Federal employees who have lost their positions will run out by the middle of this month. That is why we are taking this up now. The President in his budget message January 13 of this year, estimated an additional $8 million would be needed this year for unemployment compensation for veterans. The actual request sent to Congress on January 22 was for $25 million.

The same thing applies for unemployment compensation for Federal employees. The President estimated $14,500,000 on January 13 and then requested $18,400,000 9 days later. So the total of these requests was twice the amount suggested by the President in his budget in the second week of January.

This legislation is needed; we must pass it immediately if we are to keep our word with these veterans and Federal employees. These sums will have to be appropriated so they can be paid at the middle of the month.

Mr. BALDWIN. Mr. Speaker, will the gentleman yield?

Mr. FOGARTY. I yield.

Mr. BALDWIN. Mr. Speaker, I understand that a supplemental appropriation request will be along for additional funds for construction work under Public Law 815, the school construction program in federally impacted areas. Can the gentleman give me any idea when the supplemental appropriation bill will be before the House?

Mr. FOGARTY. Hearings have been held on that item, but I understand there is one subcommittee which has not finished its hearings. As soon as they are finished we will be ready to bring the bill before the House. I am informed that it should be before the House in about 2 weeks.

Mr. TABER. Mr. Speaker, I rise in opposition to the pro forma amendment.

Mr. Speaker, this bill calls for $25 million for unemployment compensation for veterans, and $18,400,000 for the same item for Federal employees. Frankly I do not see any possible way of appropriating these funds.

Mr. FLOOD. Mr. Speaker, I move to strike out the last word and ask unanimous consent to proceed out of order.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FLOOD. Mr. Speaker, today I introduced in the House the bill introduced in the other body by the distinguished Senator from Tennessee [Mr. GORE], having to do with the public works program.

Mr. Speaker, unless immediate action is taken by the Federal Government this country faces a downhill toboggan ride, one that will make more than the former Secretary of the Treasury's hair curl.

I am introducing this legislation to check the growth of unemployment by providing for Federal assistance to States and local governments for the construction of needed public works and public improvements. This bill is the same legislation that Senator GORE of Tennessee recently introduced in the Senate, and is now known as the Gore-Flood bill.

I have lived with this problem in my district for many years and to those of you who have just recently begun to experience this depressing economic situation in your districts, I extend my condolences.

There have developed two schools of thought on this increasing unemployment situation throughout the country, which has reached 4 million and may go as high as 5 million. One takes the position that the employment picture will improve in about 6 months, and there is no consequent need for affirmative action by the Federal Establishment. The other school is that the economic situation will not improve until the Federal Government steps in to halt the increasing unemployment figures.

May I point out that the rapid increase in the numbers of unemployed is seriously draining the funds available for unemployment insurance.

Consequently, the Committee on Appropriations of the House today reported out to the full House membership a special supplementary appropriations bill to provide funds for the possible eventuality that unemployment insurance funds may become exhausted.

I urge that the supplementary appropriations bill be favorably acted upon so that those who are unemployed will not have to face the further suffering of being without unemployment compensation. This would come under the heading of double jeopardy.

With reference to my district of Luzerne County, Pa., we need help at once, not 6 months or a year from now—but now; last night was late. There are presently some 20,000 men out of work in Luzerne County with no possibility of obtaining employment because there is simply no employment to be had. This has been our economic fate for years and it will not improve unless this body in its wisdom, along with a sympathetic ear from the administration, comes to our aid.

The legislation which I propose is not a leaf raking program, but, is a program which would enable municipalities, many of whom are bankrupt and insolvent at the present time, to undertake necessary and worthwhile public works which have been delayed because of the lack of funds over the past number of years.

In my district, many of the municipalities at one time were in fair financial shape, but the constant decrease in anthracite coal production has made extremely serious inroads on their respective tax incomes. Just recently, you may have read or heard, the giant Glen Alden Corp., the biggest producer of anthracite coal in the world, has drastically cut back its operations and this development threatens to almost decimate the coal production in my area. This is a catastrophic situation, as you well may imagine.

I read with more than passing interest the stories which recently appeared in the press concerning what was termed "bread lines and soup kitchens" that were set up in certain cities because of the unemployment in those localities.

I do not wish to bore you with a recital of the problems in my district alone, but the unvarnished truth is that in my district of Luzerne County we have had a surplus food program in operation for a long time, and according to the latest tabulations 1 person in every 12 qualifies for this surplus food program so that they can keep body and soul together. It is hard to believe that this county would tolerate such a condition, but there it is for anyone who is interested to see. Call them by any name you will, but the truth is these are the bread lines of 1958.

I could enumerate some of the most pressing needs which are generally lacking throughout the Nation, but these you know as well as I.

I point out that enactment of this legislation would enable municipalities to build new schools and improve the old ones; construct, repair and improve streets and sidewalks; improve public parks and public recreational facilities; build rehabilitation and health centers, hospitals, water and sewer facilities; airports; river and harbor improvements, and flood control, navigation and hydroelectric power facilities.

Under this proposed program, when the administrator approves an application for Federal assistance, funds would be allotted to the appropriate State or local agency having responsibility for the project in a ratio of 90–10—90 Federal and 10 State.

In conclusion, if this country is to remain economically strong it will be necessary right now to take action to combat the mushrooming unemployment rolls. We have been giving missiles, satellites, rockets and other equally impressive scientific developments a great deal of our time because of their vital roles in the defense of this country and the free world. Now, as important as all those things are, I strongly urge that we give equal time and consideration to another segment of our civilization, namely, people who are badly in need of employment.

Mr. FOGARTY. Mr. Speaker, I move the previous question on the joint resolution.

The previous question was ordered.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL GOVERNMENT MATTERS APPROPRIATION BILL, 1959

Mr. ANDREWS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 10589) making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1959, and for other purposes.

Pending that, Mr. Speaker, I ask unanimous consent that general debate on the bill be limited to not to exceed 2 hours, to be equally divided and controlled by the gentleman from Pennsylvania [Mr. FENTON] and one-half by myself.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

CALL OF THE HOUSE

Mr. YATES. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Evidently a quorum is not present. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 9]

Adair	Engle	May
Addonizio	Evins	Merrow
Albert	Fallon	Michel
Alger	Farbstein	Miller, Nebr.
Anfuso	Fino	Moore
Arends	Forand	Morano
Auchincloss	Ford	Morgan
Ayres	Forrester	Morrison
Baker	Frelinghuysen	Multer
Barden	Fulton	Mumma
Barrett	Garmatz	Neal
Bass, N. H.	Gavin	Nicholson
Baumhart	George	Nimtz
Beamer	Glenn	Norblad
Becker	Gordon	O'Konski
Bentley	Granahan	O'Neill
Berry	Green, Pa.	Osmers
Betts	Griffin	Patterson
Boland	Gubser	Pfost
Bosch	Hagen	Philbin
Bow	Halleck	Pilcher
Boykin	Harden	Poage
Bray	Harrison, Nebr.	Preston
Breeding	Harvey	Price
Broomfield	Hays, Ohio	Prouty
Brown, Ohio	Healey	Radwan
Brownson	Hébert	Rhodes, Ariz.
Buckley	Hess	Riehlman
Budge	Hillings	Robeson, Va.
Burdick	Hoffman	Robison, N. Y.
Byrne, Ill.	Holland	Rodino
Byrnes, Wis.	Jackson	Rogers, Mass.
Canfield	James	Rogers, Tex.
Carnahan	Jarman	Sadlak
Cederberg	Jenkins	Santangelo
Chelf	Jennings	Saylor
Chenoweth	Johansen	Scherer
Chiperfield	Kee	Scott, N. C.
Christopher	Kilday	Scudder
Clark	Kluczynski	Seely-Brown
Corbett	Knox	Sheehan
Coudert	Knutson	Sieminski
Cramer	Krueger	Siler
Curtis, Mo.	Lafore	Simpson, Ill.
Dawson, Utah	Laird	Smith, Miss.
Dempsey	Landrum	Stauffer
Dennison	Lankford	Teller
Derounian	Latham	Tewes
Devereux	Lesinski	Thomson, Wyo.
Dies	McCulloch	Utt
Dingell	McDonough	Van Pelt
Dollinger	McGovern	Van Zandt
Donohue	McGregor	Wainwright
Dooley	Macdonald	Walter
Dorn, N. Y.	Mack, Wash.	Williams, N. Y.
Durham	Magnuson	Wilson, Ind.
Edmondson	Mason	Withrow

The SPEAKER. On this rollcall, 255 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

GENERAL GOVERNMENT MATTERS APPROPRIATIONS FOR 1959

The SPEAKER. The question is on the motion of the gentleman from Alabama [Mr. ANDREWS].

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 10589, with Mr. BOLLING in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous consent agreement, the gentleman from Alabama [Mr. ANDREWS] will be recognized for 1 hour and the gentleman from Pennsylvania [Mr. FENTON] will be recognized for 1 hour. The Chair recognizes the gentleman from Alabama [Mr. ANDREWS].

Mr. ANDREWS. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, this is the first appropriation bill for the fiscal year 1959 and the smallest. This bill provides funds for 16 Government agencies. The total budget request before the committee was for $15,064,870. Last year, the bill provided $16,010,370. The committee recommends in this bill $14,808,870, which is $1,201,500 below the 1958 bill, and $256,000 below the budget request. Among other agencies provided for in this bill is the Battle Monuments Commission. That Commission constructs and maintains American cemeteries overseas for both World War I and World War II men who were killed in action. One of the finest administrators in Government that I have ever known is the executive secretary of that Commission, Maj. Gen. Thomas North. I think he has done a wonderful job with the construction program. He started out 12 years ago to construct 14 World War II cemeteries. At that time he estimated that the total construction cost would be approximately $38 million. The job has been completed at a cost of approximately $34 million, or $4 million less than originally estimated.

The Commission is now in the process of making aerial photographs of the World War II cemeteries. Within the next 2 or 3 months those pictures will be available, through Members of Congress, to the next of kin of those men who lie buried in those World War II cemeteries. On the picture will be a little individual inset of the headstone of the veteran who lies buried there.

Mr. Chairman, this bill provides funds for the maintenance and operation of the White House. You will find there are 72 employees at the White House. Several days ago some columnist had a story pointing up the fact that there are 72 employees at the White House. The inference you gathered from that story was that the White House employment was too high. As a matter of fact, the number of employees there is at the same level today that it has been for many years. After all, it takes a great many people to maintain and care for the White House.

The report shows that last year over 960,000 visitors passed through the White House.

I do not know of anything controversial in this bill, Mr. Chairman, unless it could possibly affect a new Commission of Government which, when organized, will be known as the Civil Rights Commission. There are no funds in this bill for that Commission. The reason for that was that the President allocated $200,000 out of his emergency fund sometime since the 1st of September of last year for the operation of that Commission. The clerk of our committee called the White House today and was told that as of this date the obligations for the Commission are approximately $5,000. The Commission has not been organized. Commissioners have been appointed but have not been confirmed by the Senate. No staff director has been appointed. No employees have been hired.

The White House notified the staff director of our committee within the hour that there are no employees, except three or four persons on detail from other departments. How on earth could this committee appropriate money for an agency that is not in existence?

There was a budget request for $750,000. We do not know what it is needed for; we do not know that they will ever get a staff director. My information is that that position has been offered to at least six men but that they have all refused to accept the employment.

If this House were to make appropriations without justification to agencies that are not in existence, then I say to you it is a sad day for the taxpayers of America.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS. I yield.

Mr. CELLER. As one whose name appears on the bill that set up this Commission, I am naturally interested, and I ask these questions, shall I say, in all kindliness. I think what the gentleman has indicated seems very cogent, and I think I would have done the same thing were I in his place with reference to this Civil Rights Commission appropriation.

May I, however, ask: In view of the justification that is presented to the gentleman's subcommittee as the gentleman has outlined it should be, the Bureau of the Budget justifying an appropriation of a proper amount, a Director is appointed and the members of the Commission shall have been confirmed, is it the gentleman's intention then to make the recommendations for the proper appropriations?

Mr. ANDREWS. I will answer the gentleman in the same way the gentleman answered me last year when I asked him a question. I wish the gentleman would quote again that old Chinese proverb that he called my attention to. It had to do with crossing a stream when we get to it. Does the gentleman remember the quotation?

Mr. CELLER. Yes; I remember the quotation. It was not Chinese, it was a Russian proverb.

Mr. ANDREWS. I wish the gentleman would quote it for me again.

Mr. CELLER. "You don't roll up your pants until you come to the stream."

Mr. ANDREWS. That is it. I thank the gentleman.

Mr. CELLER. I think, nonetheless, it is necessary and appropriate that we get some intimation that the course which I have indicated would be followed, because Members who are interested in the setting up of this Commission and who are interested in seeing

the appropriation made would like to have some assurance somewhere from somebody. That very well could come from the chairman of the Appropriations Committee or other members of the committee so that we will not be indulging in mere shadowboxing and that there will be forthcoming actual appropriations. Otherwise, I take it, a motion will be made by somebody this afternoon to appropriate the money. We will have then come to the stream and we will have to roll up our pants. So I hope the gentleman will take the time to reassure us.

Mr. ANDREWS. I do not think I can do anything.

Mr. CELLER. We have reached the stream and I want to roll up my pants.

Mr. ANDREWS. I do not think we have reached the stream. We do not have the Commission; no Commissioner has been confirmed by the Senate.

Mr. CELLER. But the names of the Commissioners have been submitted to the Senate.

Mr. ANDREWS. But not confirmed.

Mr. CELLER. I simply asked whether or not in the gentleman's opinion we should not have some assurance. Otherwise we will be confronted with a fact and not a condition. We feel it might be ill advised to offer such an amendment at this time, but we would be constrained to have such an amendment offered if we do not get some assurance such as I have just suggested. Will the gentleman tell me that we can get what we expect in the way of appropriations in accordance with the wish of this body and the other body in pursuance of the bill that was passed?

Mr. ANDREWS. Mr. Chairman, I yield 2 minutes to the gentleman from Missouri [Mr. CANNON].

Mr. CANNON. Of course, the distinguished gentleman from New York understands that this appropriation was not denied, it was merely deferred, and as soon as conditions permit, as soon as the administration, belatedly, gives the matter some attention, as soon as a chairman is provided and a secretary appointed and a staff mobilized and justifications are submitted, the item will receive every consideration.

Mr. FENTON. Mr. Chairman, I yield myself such time as I may require.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. FENTON. I yield to the gentleman from New York.

Mr. KEATING. In connection with the colloquy between the gentleman from Alabama and the gentleman from New York, it should be added that it is my information from reliable sources in the White House that at the same time when this call was made to the staff member of the subcommittee it was stated to him that Dr. Hannah, Chairman of this Commission, would be available at any time to testify in substantiation of the request which had been made; and that a few days ago this same staff member called back and told the one who had sought to make this arrangement that it would not be necessary for Dr. Hannah to appear. Therefore, there appears to have been no opportunity given to the members of this Commission or to their Chairman to appear before this subcommittee in substantiation of their request.

Mr. YATES. Is that correct?

Mr. FENTON. I know nothing about that. I have not been consulted in the matter at all.

Mr. YATES. May I ask the gentleman whether or not to his knowledge the statement that was made by the gentleman from New York is correct?

Mr. FENTON. I do not know.

Mr. YATES. The gentleman does not know anything about that?

Mr. FENTON. No.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. FENTON. I yield to the gentleman from Michigan.

Mr. RABAUT. I understand that the call was made to the White House and they said there was nobody to testify to it, there was no staff director appointed.

Mr. FENTON. I know nothing about it. I was not called up. It is news to me here this morning.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. FENTON. I yield to the gentleman from New York.

Mr. TABER. I understand that a member of the White House staff called Mr. Michaels, the staff member of this subcommittee, and stated that Mr. Hannah would be available at any time they wanted him; that later on Mr. Michaels stated that the chairman had said it would not be necessary for Dr. Hannah to come up here. That was the end of the story until the bill was marked up.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. FENTON. I yield to the gentleman from Virginia.

Mr. GARY. That call was not made by the White House staff, but the staff assistant of our subcommittee called the White House and asked them if they had someone who could testify as to the needs of the Commission. They said no, that no staff secretary had been appointed, but that Mr. Hannah would be available to outline the plans of the Commission at an appropriate time. No request was ever made of the committee for anyone to appear before it.

Mr. TABER. I know of no record of how the call was made beyond what I said.

Mr. ANDREWS. Mr. Chairman, will the gentleman yield?

Mr. FENTON. I yield to the gentleman from Alabama.

Mr. ANDREWS. Somebody—I do not know who it was—called our staff assistant here, Mr. Michaels, who relayed the message to me, that Dr. Hannah was in Michigan but would come down here and appear before the committee. Mr. Michaels told me we needed a staff member, and I agreed with him. Now, we do not go out looking for witnesses, and we do not want anybody before the committee who does not know the makeup of the Commission and what the needs are. That was 6 weeks ago.

Mr. TABER. That part of it occurred 6 weeks ago, but I thought that the whole picture should be put in the open. Frankly, in my opinion, the bill ought to be taken off the floor at the conclusion of general debate and the committee go ahead and hear the witnesses that can be produced on the subject so that they will have something to work on and the House will have the information as to what the need might be.

Mr. FENTON. Mr. Chairman, the gentleman from Alabama [Mr. ANDREWS], the chairman of this subcommittee, has explained H. R. 10589. Generally speaking, the membership of the committee is in accord. This is the smallest amount of money asked for by any regular supply bill of a subcommittee of the House Committee on Appropriations and reflects the money necessary for the Executive Office of the President. I regret that hearings were going on in both the Subcommittee of the Interior and this particular subcommittee at the same time. Being a member of both subcommittees, naturally it was impossible for me to be present at all the hearings of either subcommittee.

Mr. Chairman, out of a request for appropriations for general Government matters of $15,814,870 the subcommittee allowed $14,808,870 for fiscal 1959.

This is a reduction of $1,006,000 itemized as follows:

Office of Defense Mobilization, $206,000.

Foreign Claims Settlement Commission, $50,000.

Commission on Civil Rights, $750,000.

The latter—$750,000 for civil rights—was disapproved mainly because no one came from the Commission to justify that amount. The committee therefore thought it better to hold off on this item until there was some effort to justify same.

The Office of Defense Mobilization was cut back to the same amount of money that was given them for the current fiscal year, $2,214,000.

They had asked for $206,000 more than the current year, of which $135,000 was to cover continued regional representation for the ODM.

They had planned for 8 regional offices, each of which would support an executive officer and 1 secretary. They now have 10 regions staffed by an executive officer and a secretary which are supplied by other departments and agencies.

We were told that under this arrangement the other departments and agencies were becoming restive and they thought it wise to request funds—specifically—for the support of these regional committees in a single budget and not rely on the other agencies to supply personnel. However, the committee held to the amount given in the current fiscal year.

It was also brought out in the committee that in addition to the request for $2,420,000 for ODM that certain functions of the ODM have been delegated to other agencies to finance civil defense and mobilization functions of Federal agencies.

These agencies are listed on pages 52 and 53 of the hearings.

It was thought by the committee that hereafter those agencies should be represented at the hearings to justify their estimates for appropriations in this bill.

The committee went into the possible termination of certain programs of ODM such as stockpiling and rapid amortization. The rapid-amortization program is supposed to terminate December 1959 but there is a lot of work to be done in the field of postcertification action—either amending the certificates for an increase or a decrease in the amount of the certificate—as experience determines what the cost of construction will be.

As for stockpiling, we were told that as far as most items in the strategic and critical categories were concerned the objectives had been met.

However, there were still a few items—such as mica and beryl that would have to be continued until June 1962 although they have shifted from 5- to 3-year programs in most instances—thereby having their objectives reduced.

It is interesting to note that there will be an unobligated balance in the revolving fund of $59,499,000 as of June 30, 1959. There is language in this bill rescinding the unobligated balance in the revolving fund as of that date.

The budget estimates for the compensation of the President, the White House Office, special projects, Executive Mansion and grounds, Bureau of the Budget, Council of Economic Advisers, National Security Council, the President's Advisory Committee on Government Organization, and the emergency fund for the President—national defense—were granted in full by the subcommittee.

As previously stated, the only cut made in the Executive Office of the President was the Office of Defense Mobilization in the amount of $206,000.

On the other hand, the Bureau of the Budget's estimate of $1,500,000 for special projects reflects an increase of $125,000 over fiscal 1958.

It also estimates an increase of $15,000 in appropriations for the Executive Mansion and grounds on the current year—$415,000 for fiscal 1959 as against $400,000 for 1958.

We also allowed the President's Advisory Committee on Government Organization $57,500, the budget estimate, which is an increase of $7,500 over the $50,000 appropriated for fiscal 1958.

These increases for those 3 Executive Office items amount to $147,500 over fiscal year 1958.

As we understand it, the special projects fund is used by the President for staff assistance on special problems which arise from time to time but cannot be considered the responsibility of an existing agency. Examples of the type of assistance provided during the current year are projects on the coordination of the Nation's scientific effort, disarmament, and coordination of public-works planning.

The increase of $15,000 for the Executive Mansion and grounds reflects the cost of conversion of those employees occupying positions in the trades and crafts from an annual rate of pay to an hourly rate of pay consistent with rates prevailing in this area.

It is interesting to note that there is an estimated 964,544 visitors to the Executive Mansion in this fiscal year.

The increase of $7,500 for the President's Advisory Committee on Government Organization is due to the fact that one of the full-time employees returned to the Committee after being away the first half of fiscal 1958.

I want to join with the chairman of this subcommittee and the other members of the committee in congratulating Maj. Gen. Thomas North and his staff for the fine work they have accomplished in our American cemeteries.

This program was started in 1948 at an estimated cost of $36,700,000, plus overhead.

Today, General North computes that the program will be completed for $32,319,000, which amount includes several other items not originally considered—such as repairing the monument at Brest, the memorials at Hawaii, the west coast and the east coast—plus the overhead.

There will be an estimated unobligated balance on June 30, 1958, of $3,373,512 for construction. Hence no new construction money is being asked for fiscal 1959.

The budget request for $1,250,000 for salaries and expenses was allowed by the subcommittee.

The Commission expects to complete the work assigned it by 1960, with the possible exception of the Hawaii and the east coast projects, which should take them into 1960.

As to the emergency fund for the President (national defense), the status of the present fiscal year's emergency fund as of January 6, 1958, is a balance of $725,000.

Out of the $1 million appropriated for fiscal year 1958, the following allocations were made:

Office of Defense Mobilization (July 11, 1957)	$25,000
General Services Administration (Sept. 28, 1957)	50,000
Commission on Civil Rights, Jan. 6, 1958	200,000
Total	275,000

The subcommittee disallowed the budget request of $750,000 for the Commission on Civil Rights because no one representing the Commission appeared before us to justify the request.

The chairman of our committee, the gentleman from Alabama [Mr. ANDREWS], asked the Bureau of the Budget representative, Mr. Merriam, who appeared before us, "Why could not the funds required for the Civil Rights Commission have been obtained through the usual channels of a supplemental appropriation bill?"

The explanation was that the civil-rights bill was enacted into law and signed by the President after the close of Congress and that there was no opportunity at the time either to request or to have the Congress act upon a request for appropriations.

There is a requirement in the law that a report be prepared and submitted to the Congress 2 years from the enactment of the law. That would be September 9, 1959.

It was therefore felt by the Commission that in order to meet the deadline which Congress required they would have to get their staff work underway immediately. It was on this basis that the request was made and granted by the President on January 6, 1958, for $200,000 from his emergency fund to get them started.

The $25,000 item for the Office of Defense Mobilization was for the completion of the project dealing with the study of military and nonmilitary defense, known as the Gaither report of the Gaither study.

The $50,000 to the General Services Administration was for the expense of representing the Government agencies in rate proceedings before Federal, State, and local regulatory bodies in connection with communication services required for the SAGE system.

With reference to the Subversive Activities Control Board, the committee recommends an appropriation of $375,000, the budget estimate, and the same amount for the current fiscal year. The status of the future of this Board is dependent upon the ultimate decision to be made in the Communist Party case. Hearings in this case were started in April 1951. In April 1953 the Board issued the first order. After that, it was sent to the circuit court, and finally it went to the Supreme Court. It was remanded to the circuit court by the Supreme Court because of three witnesses—Matusow, Johnson, and Crouch whose credibility had come under attack. The circuit court remanded it back to the Board to do one of two things, to either reopen the case and let the Communist Party of the United States impeach those three people or to expunge their testimony and then reevaluate the case and see if the Board could reach the same decision. The Board did expunge the testimony of the three witnesses in question, and sent their modified opinion back to the court of appeals. It remains in the court of appeals because of a subsequent decision of the Supreme Court in the Jencks case and a statute which relates to the production of Government documents. All the decisions are now stopped on account of the last remand, especially 2 or 3 other important cases. There are, I believe, seven additional cases, front cases, up in the circuit court—all awaiting the ultimate decision of the Communist Party case as to whether the Board will be upheld in its original findings and its constitutionality by the Supreme Court.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. FENTON. I yield.

Mr. GROSS. Do I understand there is to be $375,000 appropriated for this Subversive Control Board?

Mr. FENTON. That is correct.

Mr. GROSS. What about the caseload of this Board? Do I understand that they anticipate only 6 to 10 new cases will be handled next year?

Mr. FENTON. For the current year and the next fiscal year, that is right.

Mr. GROSS. Is that not a rather large appropriation for a caseload of 6 to 10 cases?

Mr. FENTON. I suppose that the Board is doing a great deal of preliminary work on cases, but their decisions are tied up until this case of the Communists is finished.

Mr. GROSS. It seems to me that $375,000 is a lot of money for the workload that they have.

Mr. ANDREWS. Mr. Chairman, will the gentleman yield?

Mr. FENTON. I yield.

Mr. ANDREWS. I would point out to the gentleman that these cases are very, very complicated and very lengthy. Hearings are held all over the country. The purpose of these hearings, as the gentleman knows, is to determine whether or not an organization is a Communist-front organization.

Mr. GROSS. Yes, I understand the purpose of it.

Mr. ANDREWS. The Commission, of course, has no control over the volume of its work. Cases are referred to the Commission by the Attorney General.

Mr. GROSS. I would like to ask the gentleman another question, if I may.

Mr. FENTON. Of course, the gentleman can find the details with reference to the question he asks on page 80 and page 85 in the hearings.

Mr. GROSS. Mr. Chairman, will the gentleman yield for a further question?

Mr. FENTON. I yield.

Mr. GROSS. As I understand it, the Office of Defense Mobilization asked for 41 more employees; is that correct?

Mr. FENTON. That is correct.

Mr. GROSS. Did the committee approve more money for this personnel increase?

Mr. FENTON. No, they got the same amount of money and what they do with the money is up to them.

Mr. GROSS. I am glad to hear the gentleman say that. The committee did not authorize an increase in personnel. Now if I may ask the gentleman another question. The Science Advisory Committee, as I understand it, has been in the Office of Defense Mobilization; is that correct?

Mr. FENTON. That is right.

Mr. GROSS. And has been moved out during the last year; is that right?

Mr. FENTON. That is right.

Mr. GROSS. How does the appropriation for the Science Advisory Committee stack up with the appropriation of last year? The Office of Defense Mobilization performed housekeeping chores for the Science Advisory Committee and I am just wondering whether there was a reduction or an increase when they moved out on the part of the ODM or any increase in the Science Advisory Committee?

Mr. FENTON. Of course this had nothing to do with that, except the housekeeping part of it.

Mr. GROSS. Of course ODM had to furnish certain employees; did it not?

Mr. FENTON. The gentleman is referring to their Gaither report?

Mr. GROSS. I am referring to the Science Advisory Committee.

Mr. FENTON. Yes.

Mr. GROSS. They produced the Gaither report, of which we have heard practically nothing. Is that correct?

Mr. FENTON. That is correct.

Mr. ANDREWS. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois [Mr. YATES].

Mr. YATES. Mr. Chairman, this week marks a special occasion. This week we celebrate the anniversary of the birth of Abraham Lincoln, the Great Emancipator. During this week the members of the Republican Party will gather throughout the length and breadth of our Nation and boast about the gains that have been made in the field of civil rights because of their activities. They will declare themselves the great champions of civil rights and they will denounce the Democrats for having hindered the program. In their own party counsels such contentions will be well received, because there will be no opposition party to present the true facts and to set the record straight. But in the discussion on this bill, the opportunity is presented to put forward the situation as it actually exists and the record of the Republican Party is a sorry one indeed.

Last year, for the first time in 85 years, a civil-rights bill was enacted. An integral part of that bill was the creation of a Commission on Civil Rights which was to investigate violations of the civil rights of American citizens and to report on the same. Under the terms of the bill, the life of the Commission was to be 2 years. Inasmuch as the bill was signed into law on September 9, 1957, the date of expiration is September 9, 1959, plus a period of grace of 60 days thereafter during which time the Commission was to present its final report.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield.

Mr. GARY. You mean the Republicans will be making those speeches in the North. They will not make any of them in the South.

Mr. YATES. I am pleased to have the gentleman's correction and of course he is right. The Republicans make much of the fact that the Democratic Party opposes legislation in the field of civil rights. It is true that the Democrats from the South have consistently voted against civil-rights measures. It is equally true that the Republicans from the South have voted and vote against all civil-rights measures, and if the gentlemen on the Republican side of the aisle who continue to make such assertions will examine the voting records, they will learn that which I am sure they already know, namely, that Republican Members from Virginia, from Texas, from Florida—from all States where a Republican has broken through the longstanding southern tradition of electing Democrats—such Republicans invariably will vote in the same way as their Democratic colleagues from the same State. Members from the South do not vote on the basis of party—they vote on the basis of the mores and customs of their particular community.

The subcommittee of the Committee on Appropriations which has jurisdiction of this bill has already been criticized because it has made no money available for the Commission on Civil Rights. The report shows that the committee deferred action on this appropriations item. It deferred action because the executive branch did not even present the slightest justification for the appropriation and this Appropriations Subcommittee believed that it had no alternative except to deny the budget request. Had I been a member of the subcommittee, I probably would have come to a different conclusion. In all probability, I would have voted to make money available or in the alternative, would have insisted that the executive branch take steps immediately to implement the civil-rights bill which the Congress passed last year.

That bill was enacted into law on September 9, 1957. Four months have already gone by and yet the Commission on Civil Rights has not been organized. This is a sorry mess. The Commission has not hired a single employee and I know of no reason why the Commissioners who have been appointed could not have taken the first steps to activate the Commission, even though they have not yet been confirmed by the Senate in accordance with the law. The White House has done nothing to push the matter.

In an effort to learn what was going on, I called the Commission this morning and learned that it has no employees of its own. There have been 2 employees allocated to it from other departments, 1 from the State Department and 1 from Treasury. Commissioners who have been nominated by the President will appear before the appropriate Senate committee on February 24.

I was referred to a Mr. Price, one of the assistants in the White House, who is supposed to be in charge of the Commission. Mr. Price told me there is no Director and that the Commission has no employees of its own. He said that he had spoken to Mr. Michael, who is the clerk for the Appropriations Subcommittee having jurisdiction of this bill, and Mr. Michael asked him to send someone to the committee to justify the appropriations request. Mr. Price told the committee clerk that he had no one with direct knowledge of the operation of the Commission, but that Acting Chairman Hannah could be called, if need be. The clerk replied that the committee would prefer someone who could give the organizational details about the committee. Mr. Hannah, made no appearance. As of this time, no testimony has been given to the committee as to what funds are needed and why. In the absence of any kind of a showing, would the committee be well advised to approve the President's request of $750,000? If it did so, it would be the first time to my knowledge that an Appropriations Committee has so acted.

The contention has been made that Mr. Hannah was not invited to testify and that he should have been invited. If Mr. Hannah is the strongest witness that the administration has who knows about the operation of this Commission, obviously he should have testified and the administration should have brought

him in. The fact is that there was a hearing on this appropriation, if one can call what transpired a hearing, and it appears on page 103 of the published hearings. If you examine that page you will see that Mr. Robert Merriam, Assistant to the Director of the Budget Bureau, attempted to justify the appropriation but it was most incomplete. A perusal of this testimony must lead to the conclusion that he was not sufficiently acquainted with the proposed operation of the Commission to warrant the committee approving the request.

In the supplemental report which was sent down to the Congress by the White House on January 2, the following appears, on page 8, under Commission on Civil Rights. The Commission on Civil Rights was established by Public Law 85–315, approved September 9, 1957.

Its final report to the President and to the Congress is due not later than September 9, 1959, and the Commission ceases to exist 60 days thereafter.

In view of the present time limitation it was necessary that the Commission begin its operation at the earliest possible date, and an allocation from the Emergency Fund of the President was made available to the Commission until an appropriation could be provided. This proposed appropriation is to cover expenses of the Commission for the fiscal year 1958 including repayment of the Emergency Fund of the President for the initial financing.

You will note that in this budget message, the President points out that time is of the essence with respect to the functioning of the Commission on Civil Rights; and yet, even today, the White House has not organized the Commission on Civil Rights. The White House is apparently not as much persuaded of the urgency of the situation as its message would indicate.

The President's budget contains a most general table of organization for the expenditure of $750,000 for the Commission on Civil Rights. There are not sufficient details presented upon which the Appropriations Committee can act. Those of us who favor civil-rights legislation and want to see the Civil Rights Commission operating promptly and effectively want to vote funds for the purpose, but we are being hamstrung by the inaction of the Executive. Even if we voted funds for the operation of the Commission, it is apparent that the Executive is in no position to utilize the funds. It has no director, it has no staff. There is not even a skeleton, let alone a commission. The White House is guilty of almost complete default in this matter.

And yet the While House will continue to pose as the great champion of civil rights. Even though gross inaction has marked the attitude of the White House toward the Civil Rights Commission, a flood of oratory will flow through the country this week presenting the Republicans as paladins of those deprived of their civil rights and castigating the Democrats for their opposition. A few weeks ago the Vice President of the United States declared to a Republican gathering that the Republican Party had been instrumental in bringing a civil-rights program to fruition. Words—nothing more. The facts show that the White House has been derelict in failing to press for continued implementation of civil rights in our Nation. Once again we have a repetition of the classic White House "fire and fall back" tactics.

Mr. Chairman, it appears that the administration is leaving its job to be performed by the Congress. If necessary, we will perform it, but certainly the people should know how inadequate and dilatory have been the White House efforts in this field.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from New York.

Mr. CELLER. I thoroughly am in accord with the gentleman, that the White House is dragging its feet on this matter, but I would like to gain some enlightenment on the following, and I refer to the bill, page 6, lines 15 to 23:

Provided, That no part of this appropriation shall be available for allocation to finance a function or project for which function or project a budget estimate of appropriation was transmitted pursuant to law during the 85th Congress, 2d sess., and 86th Congress, 1st sess., and such appropriation denied after consideration thereof by the Senate, or House of Representatives, or by the Committee on Appropriations of either body.

Now, it was considered by the Committee on Appropriations of this body, and it was apparently denied; at least no appropriaton was recommended.

Mr. YATES. Will the gentleman permit me to reply to that statement?

Mr. CELLER. Certainly.

Mr. YATES. The gentleman will recall the statement made by the Chairman of the Committee on Appropriations, Mr. CANNON, a few moments ago to the effect that it had not been denied. He said the appropriation had been deferred only, deferred until the executive branch presented a proper justification for the appropriation.

Mr. CELLER. I am asking for enlightenment. I know that on page 4 of the report there are words to the effect that the appropriation has been deferred. Now, what is meant by "deferred"? Is that a word of the art? Has it been interpreted in any way? Can the committee do anything to approve or disapprove? What can the committee do? I never heard of a deferral in law. What does it mean?

Mr. YATES. Let me point out this very important fact: The appropriation to which the gentleman refers is the emergency fund for the President. The emergency fund for the President is not the same as the appropriation for the Commission on Civil Rights. Thus, even in the event that the word "deferred" were interpreted to mean "denied," it would apply only to an appropriation for the emergency fund of the President.

It would not apply to an appropriation for the Commission on Civil Rights.

Mr. CELLER. Does not that appropriation refer to the general appellation "funds appropriated to the President"?

Mr. YATES. Unless I am in error—and I wish the chairman of the committee would correct me if I am wrong—this appropriation is not applicable to the Commission on Civil Rights.

Mr. ANDREWS. I did not get the question.

Mr. YATES. The question is whether or not an appropriation for the Commission on Civil Rights would be a separate appropriation than one which comes under the emergency fund for the President?

Mr. ANDREWS. It would be a separate appropriation.

Mr. YATES. It would be a separate appropriation, so that the proviso that appears in lines 15 to 23 would not be applicable to an appropriation for the Commission on Civil Rights?

Mr. GARY. That is correct. The language has not been changed since 1943. It was placed in the bill in 1943 and has been in there ever since. This is not new language.

Mr. YATES. I thank the gentleman. I was a little startled when I saw that language in the bill and I checked the public laws for Government agency appropriation bills for the last 5 years. This proviso has always been in the bill. It is not a special proviso inserted in this bill for the specific purpose of preventing funds from being appropriated to the Commission on Civil Rights.

Mr. GARY. It was put in the law in 1943.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. ANDREWS. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. THOMPSON of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from New Jersey.

Mr. THOMPSON of New Jersey. Is it not a fact that whatever action, little as has been taken by the White House, has been taken under the President's emergency fund?

Mr. YATES. That is correct. The President has allocated $200,000 for this purpose, of which only $5,000 has been spent to date. Most of this has been spent for the traveling expenses of the Commission on Civil Rights for their meetings. There has been no allocation of funds for the employment or any staff or staff director.

Mr. THOMPSON of New Jersey. Assuming that there is no separate appropriation achieved here today for the Civil Rights Commission, this language would preclude for the moment at least, the President using further funds from his emergency fund?

Mr. YATES. I don't believe so. This is an appropriation bill for fiscal 1959. Therefore, I would assume that the President can continue to use these funds during fiscal 1958. It is important that the House provide funds for fiscal 1959. The fact that the committee has not done so is due to White House inaction. I regret very much that the White House has delayed and not presented the justification. We should be approving an appropriation for the Commission today.

Mr. GARY. If this language would bar the President from using those funds it would have barred the use of the $200,000 he has already used.

Mr. YATES. Presumably that item had not yet been considered by either the

House or Senate or by the Appropriations Committee of the House or Senate.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Iowa.

Mr. GROSS. I, too, am curious about the use of the word "defer." I notice it is being used with increasing frequency in connection with countries which do not want to pay their debts to the United States.

Mr. YATES. I thank the gentleman for that information.

Mr. McCARTHY. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Minnesota.

Mr. McCARTHY. As I read the language on page 6, I find the statement: "during the 85th Congress, 2d session," which is the present session of this Congress?

Mr. YATES. That is right.

Mr. McCARTHY. If such appropriation is denied, the President would then be precluded from using his emergency fund. It would seem to me this would apply to any emergency fund he might wish to use from this time. The only proper construction is since this request has been submitted to the Appropriations Committee, the failure of the House to specifically put in any money for this Commission would constitute the denial of a request for funds?

Mr. YATES. I would not think so, in view of the language in the committee report that action on the appropriation is being deferred. I do not construe this to be a denial. But it is most unfortunate that the executive branch provoked this confusion by failing to present a proper budget justification.

An adequate justification should be made promptly so that sufficient funds can be appropriated to permit the Commission to perform an effective job.

Mr. FENTON. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. KEATING].

Mr. KEATING. Mr. Chairman, it is not my purpose to engage in a political debate with the gentleman from Illinois about the civil rights bill or what members of what parties voted for it or what members voted against it. The record of that is very clear and speaks for itself as to how that bill was supported and opposed.

I do think it is desirable to get this debate in a little clearer perspective and to bring out one or two points regarding the failure to make any appropriations for the Civil Rights Commission. The names of the members of this commission, all of them outstanding men drawn geographically from all sections of the country, were sent up some time ago to the other body for action, and, as has been pointed out here, there will not even be a hearing on their confirmation until the 24th of February.

Now, in the first place, normally a new commission of this kind cannot do anything very constructive until it has been confirmed and the appointees know that they are going to be the members. I anticipate that there may be prolonged debate over whether these men will be selected or not. But, despite that general practice, this commission has had meetings; it is trying to organize; a number of people have been interviewed for the staff, and with the understanding that they were not fully organized, it was represented to this subcommittee that the chairman of the commission, Dr. Hannah, would be available at any time to testify as to the plans of the commission and as to the need for the funds amounting to $750,000 which had been requested. The answer was, according to the gentleman from Alabama, that it was necessary to have a staff member come up; that they did not care to hear the chairman of the commission but wanted to hear a staff member.

I call your attention, Mr. Chairman, and the members of this body, to the fact that this appropriation bill covers many commissions. It covers the Bureau of the Budget, the American Battle Monuments Commission, the Subversive Activities Control Board, Foreign Claims Settlement Commission, and many others, and I apprehend that the RECORD will indicate that in all of those cases members of those bodies were the principal witnesses. True, they may have been attended by the staff, but the thing that the Committee on Appropriations is interested in and should be interested in is that the responsible people in charge of the particular activity shall testify and make themselves heard as to the need for the funds. And, on that basis the chairman of this commission held himself available to be heard, whereupon a few days ago a call came in that it would not be necessary for him to come up to be heard. It does not seem to me too much for him to have assumed that there would be no question about this appropriation, or he would have been called as a witness.

Let no member of the Committee on Appropriations, let no one of them avoid the responsibility for the failure to provide the funds by saying that a staff member had to be called. That is contrary to the normal practice in such matters.

It has a hollow ring. Now, I agree that hearings should be held. I think, therefore, that the gentleman from New York [Mr. TABER] has made the only sensible suggestion for a solution here, that at the end of general debate the committee rise and that hearings be immediately held on this request. I am authorized to say, Mr. Chairman, that a member of the Commission with a staff adviser will appear at any time before this subcommittee to outline as best he can, as an unconfirmed public servant, just how this commission plans to function, what they plan to do with the funds, what their plans are for staff, for quarters and any other details regarding which this committee would like information. They have already been allocated some 30-odd offices and they are ready to be heard at any time the committee desires to hear them.

Mr. ANDREWS. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. SHELLEY].

Mr. SHELLEY. Mr. Chairman, it so happens that I am a member of this subcommittee but unfortunately was down with a severe cold and laryngitis and at the Naval Hospital in Bethesda at the time. I found myself in that situation in which no Member of Congress should ever find himself—I could not talk. I spent about 10 days absolutely unable to speak. I am glad that the attention I received out there restored my voice. They always do a good job.

Mr. Chairman, I did not participate in the meetings of this subcommittee when this matter was up. I found when I came back from the hospital that the bill had been marked up the day preceding. The full committee met on the bill the other day. With reference to the colloquy had a few moments ago between the gentleman from Illinois [Mr. YATES] and the gentleman from New York [Mr. CELLER], as to the general provisions of the bill, an amendment was offered in the full Committee on Appropriations by the gentleman from Illinois [Mr. BOYLE] to restore the $750,000. That amendment was defeated in the committee because there were perhaps no more than half of the membership of the full Committee on Appropriations in attendance. Some members voted for it.

Mr. Chairman, I have this comment to make. I want to say, frankly, I think somebody has been derelict in his duty, on the executive or administrative side, in failing to see that justifications and explanations were sent to the committee. I do not know who it is. I do not know whether it was just a slipup or an intentional oversight or whether it was just carelessness. But someone should have been there from the executive side. It is somewhat difficult from the appropriations angle for any committee to recommend an appropriation of money, a request for which has not been justified and no case made.

Mr. Chairman, let us look a little further here. In this particular matter, a commission has been appointed. The Commission can function without regard to the fact that they have not yet been confirmed by the other body. They can function up until the point where someone has been refused confirmation and that individual whose confirmation has been refused may no longer act. But the Commission can function.

They are attempting to hire a staff director, and as the gentleman from Alabama [Mr. ANDREWS] said, it was offered to several persons and turned down. They are still trying to get a director. This is still no reason to deny funds—perhaps the reason the Commission cannot get a director is the fact no man will take the job until he knows the Commission has the money to pay him.

Mr. Chairman, I think since we passed the law a year ago the responsibility rests with the Congress of the United States to provide the money so they may go ahead with the work of this Commission. Without trying to place the blame, without trying to say that the White House slipped up or that the White House did not see to it that supporting evidence was submitted to the committee, without regard to how it happened, we would be short-circuiting that law which we passed last year if we

did not give them the money now with which to function.

Mr. Chairman, I have an amendment here which I am prepared to offer. I would much rather see this House keep its record clear and if the suggestion made by the gentleman from New York [Mr. KEATING] were carried out, that immediately upon the close of general debate the committee would rise and, since it is up to the minority to make a motion to recommit, to offer a motion to recommit with instructions to hold hearings forthwith on this matter, we could bring it back within a week or 10 days after the hearings and have a sensible solution of this problem.

Mr. FENTON. Mr. Chairman, I yield to the gentleman from New York [Mr. TABER] such time as he may desire.

Mr. TABER. Mr. Chairman, this is the situation in which the committee finds itself: The language of the appropriation that was passed last year provided:

> That no part of this appropriation shall be available for allocation to finance a function or project for which function or project a budget estimate of appropriation was transmitted pursuant to law during the 85th Congress, and such appropriation denied after consideration thereof by the Senate or House of Representatives or by the Committee on Appropriations of either body.

What does that mean? That language, with the statement that the money shall not be available on a project that has been rejected by the Committee on Appropriations of either body, mean that the $200,000 which has been allocated cannot be provided.

Mr. THOMPSON of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. THOMPSON of New Jersey. It is the gentleman's opinion, I take it, that the $200,000 which has been appropriated may not be used?

Mr. TABER. That has been allotted.

Mr. THOMPSON of New Jersey. That has been allotted; and that the impediment created by this language goes so far as to go through the 86th Congress?

Mr. TABER. The language that is here before the House at the moment goes so far as to include the 86th Congress, first session. On the other hand, let me say to the gentleman that right after the words "Eighty-fifth Congress" in the new bill the words "second session, and Eighty-sixth Congress, first session," are inserted in the bill that is presented before the House. Those words were not in the current fiscal year's operations. The gentleman understands that situation.

Mr. THOMPSON of New Jersey. So that this does definitely make impossible further operation without an appropriation if this language is accepted?

Mr. TABER. That is right. Under those circumstances I should like to see the committee do what I suggested a while back.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Illinois.

Mr. YATES. With respect to the answer the gentleman gave the gentleman from New Jersey, is the gentleman of the opinion that the President could not allocate funds during this fiscal year from his emergency fund for carrying out the purposes of the Commission on Civil Rights because of the language that is in the bill for the fiscal year 1959?

Mr. TABER. Because of the operation of the Committee on Appropriations in rejecting this item last Friday.

Mr. YATES. The Committee on Appropriations rejected the item insofar as it appertained to the appropriations bill for the next fiscal year. Therefore, it would not be applicable to the funds for this fiscal year, would it?

Mr. TABER. Certainly it would, because the allocation was made out of the funds for this fiscal year and that law was in effect, and it already has been accomplished by the rejection of the language relating to this situation in the motion that was made last Friday.

Mr. YATES. May I point out to the gentleman that this bill will not become a law before some months to come. Therefore, until it becomes a law, certainly the President may use his funds for this year.

Mr. TABER. He may use them, but not for an item that has been rejected by the Committee on Appropriations. I think that is clearly correct.

Mr. SHELLEY. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. SHELLEY. In view of the fact that the full committee rejected the motion, that has already been accomplished; is that not correct?

Mr. TABER. That has already been accomplished, and that is the law that is enforced at the present time.

Mr. THOMPSON of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. THOMPSON of New Jersey. The use of the word "defer" is merely a play on words; is it not? Essentially what happened was a denial.

Mr. TABER. The thing that happened that was the denial, was the rejection of the motion to put the thing into the bill.

Mr. THOMPSON of New Jersey. Precisely.

Mr. TABER. That is the situation which was created or rather that is what created the situation. The language in the report about the deferment would have no effect whatever.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. GROSS. In connection with the use of the so-called emergency funds of the President, would the language as presently set out here prohibit the President from using any of the funds contained therein for the purpose of financing the meeting, to be held on February 25 by Eric Johnston and some 600 stooges, to organize and sell the American public on foreign aid?

Mr. TABER. I do not know anything about any estimate for the purpose of spending that money that has been presented to the Congress. I do not know of any action by the Committee on Appropriations or the Congress that would fit into the gathering that the gentleman suggests.

Mr. GROSS. May I say to the gentleman that we have the Dworshak amendment to the Mutual Security Act which prohibits the use of funds appropriated for that purpose, for the propagandizing or publicizing the foreign aid programs. Does the gentleman think, if the President used money for that purpose, that he would be flying in the face of the clear intent of the Congress or does he not think so?

Mr. TABER. I would want to see the language involved. But that is another item that is not under consideration by the House at this time.

Mr. GROSS. No funds are specified here, I will say to the gentleman.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. YATES. The gentleman states that the Committee on Appropriations having denied the motion for funds for the Commission on Civil Rights last Friday that that acts as a barrier to further action by the President this year because of the provision of this language. I will cite to the gentleman what the language says. It says:

> That no part of this appropriation shall be available for allocation to finance a function or project—

And so forth.

Mr. TABER. I read the language a little while ago that is in effect at the present time with reference to this $1 million appropriation.

Mr. YATES. But I suggest to the gentleman that the motion which was made was a motion to allocate funds for the next fiscal year and not the funds that the gentleman was speaking about.

Mr. TABER. That was an appropriation request which was submitted to the Congress for the particular purpose for which these funds have been allocated and, therefore, it applies.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. RABAUT. The amount of the President's funds for this purpose is $200,000.

Mr. TABER. Yes.

Mr. RABAUT. Of that they have spent about $5,000; is that not correct?

Mr. TABER. Yes.

Mr. RABAUT. Is the gentleman from New York of the opinion that the balance remaining in the amount roughly of $195,000 is not to be touched any further for this purpose?

Mr. TABER. That would be my understanding.

Mr. RABAUT. Does it not refer to this appropriation, which is an appropriation into the future?

Mr. TABER. It refers to any function or project for which function or project the budget estimate of appropriation was transmitted, pursuant to law, during the 85th Congress, and such appropriation denied after consideration by the Senate or the House of Representatives or by the Committee on Appropriations of either House.

Mr. RABAUT. But what about the language in the proposition before us last Friday, that refers to this appropriation.

Mr. TABER. That is correct. That is when that happened on Friday. That

action results in the end of the authority to use funds from that particular source for the operation of this Commission.

Mr. ANDREWS. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. ANDREWS. I think that the Commission could use the remaining $195,000 of the $200,000 that the President has already allocated to the Commission. That money is now in the hands of the Commission.

Mr. TABER. Well, I doubt that.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. GARY. The money was also for immediate use. The amount involved in this bill is for the fiscal year 1959. That amount has not yet been denied or rejected, but the House committee has deferred action according to the report of the committee until they could get additional justification.

Mr. TABER. The fact is that the committee rejected the request for the appropriation. That is the thing we have got to consider. That is what we are up against.

Mr. GARY. The report of the committee does not say so.

Mr. TABER. I know what the report of the committee says, but the action of the committee was simply a rejection of the motion that was offered by the gentleman from Chicago.

Mr. RABAUT. Will the gentleman yield further?

Mr. TABER. I yield.

Mr. RABAUT. The action of the committee is expressed in the report. We use the report to convince every section of the Government. We say, "Put this in the report." In the report we say, "Not acted upon but deferred."

Mr. TABER. But it was acted upon. It was rejected.

Mr. RABAUT. But what we want to be certain of here is this: I think it would be very, very necessary for the Congress to be informed about the balance of this $200,000 from the President's fund; whether or not that is denied from now on, or whether that is still usable for the purposes of this Commission.

Mr. TABER. The only thing I can say is that the gentleman read the language that was in the bill last year, because that is what governs.

Mr. RABAUT. Downstairs the committee was in executive session.

Mr. TABER. Yes.

Mr. RABAUT. Here is the report of their executive action. It reads, on page 4:

> The committee has deferred action on the estimate of $750,000 for salaries and expenses of the Commission.

Mr. TABER. But the record of the committee will show that that motion to insert the item in the bill was rejected. That is what would govern.

Mr. RABAUT. It was the executive action of the committee at that time. The special committee presented it, but that is what the committee had before it.

Mr. TABER. Frankly, I did not vote for the bill which carries the authority for this Commission, but I have this feeling, that we have got to provide for the operation of that Commission and provide funds for it. I am in hopes that that Commission will come with some recommendations that may smooth out some of the difficulties that the Congress and the country are facing in that situation. I would like to see the thing put in shape so that we could face the country and say, "We have done what we could to straighten out that situation." For that reason I feel that what we ought to do is to go back, after you get through with the general debate on this bill—go back into committee and have a hearing on this item right away and bring back a report on it, if they make out a case for it. I do not like to see this matter acted upon here and adopted or rejected without any hearing whatsoever; I think it is a great mistake and a very bad practice for the Appropriations Committee to get into a situation where it allows the House to come to a decision on a thing of this kind without any hearings whatsoever and without any justification as to what the money is going to be used for. For that reason and in the interest of orderly procedure I hope the Committee of the Whole will rise and that a hearing on this will be had immediately.

Mr. POWELL. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. POWELL. I would just like to ask one question: This motion that was defeated in the Committee on Appropriations on Friday was not a motion pertaining to that section on page 6, funds appropriated to the President; it was a motion by the gentleman from Illinois to set up a separate section entitled "Civil Rights Commission" and appropriate to that Commission $750,000. Was it not, sir?

Mr. TABER. That is correct.

Mr. POWELL. If that be true, sir, how can that in any way affect page 6, a separate section entitled "Funds Appropriated to the President for Emergencies and National Defense."

Mr. TABER. Because it says in the language of the bill——

Mr. POWELL. I am familiar with that language.

Mr. TABER. That no part of the appropriation shall be available for allocation to finance a function or project for which function or project a budget estimate of appropriation was transmitted pursuant to law during the 85th Congress. I am leaving out a little—"And such appropriation denied after consideration thereof by the Senate or House of Representatives or by the Committee on Appropriations of either body."

Mr. POWELL. Mr. Chairman, will the gentleman yield further?

Mr. TABER. I yield.

Mr. POWELL. The motion offered by our colleague the gentleman from Illinois [Mr. BOYLE] was not to that section at all.

Mr. TABER. I appreciate that.

Mr. POWELL. It was to set up a separate section.

Mr. TABER. I appreciate that, but I was just stating what the situation was with reference to the allocation of $200,000 that has been attempted to be made.

Mr. POWELL. Does the gentleman take the position that if any motion were denied in any part of this bill for any new section, it would pertain only to page 6 funds appropriated to the President?

Mr. TABER. It would, insofar as the allocation of money out of the emergency fund is concerned.

Mr. POWELL. I do not follow the gentleman's reasoning.

Mr. TABER. I am sorry.

Mr. POWELL. I take the position that the gentleman from Illinois introduced an amendment to set up a separate section, a Civil Rights Commission, I think it was on page 8, and that was defeated. That does not apply to the President's emergency fund, because it was not an amendment to the President's emergency fund.

Mr. TABER. That is true; it was no amendment to the emergency fund, but it was an operation upon a budget estimate that had been submitted to the 85th Congress.

Mr. THOMPSON of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. THOMPSON of New Jersey. Is the purpose of the language on page 6, lines 15 through 23, not intended to prohibit the use of the emergency fund for any section of the bill in order that if the committee in its judgment denies one of these subsequent items this money can be used to overcome the denial by the committee?

Mr. TABER. That is correct, but it also refers to any estimate that is turned down during the 85th Congress.

Mr. THOMPSON of New Jersey. I understand that, but the effect of this is not only to prohibit the use of the moneys appropriated in this section for civil-rights purposes but also it would go to the matter covered by the gentleman from Illinois [Mr. BOYLE]. It covered both of them?

Mr. TABER. Yes; it would.

Mr. ROOSEVELT. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from California.

Mr. ROOSEVELT. In line with the gentleman's suggestion, does he feel that there is any assurance that in the meantime the Commission can function while we are waiting for the committee to meet and the committee to act, or is it more or less out of existence on account of lack of funds at the present time?

Mr. TABER. I am afraid that is the situation.

Mr. ROOSEVELT. I thank the gentleman.

Mr. ANDREWS. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Alabama.

Mr. ANDREWS. They have $195,000 to do business up until the 1st of July.

Mr. ROOSEVELT. I asked the gentleman from New York and I think he stated that in his opinion that is not so, that the $195,000 will be stopped as of now due to the committee action.

Mr. TABER. That is correct.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Michigan.

Mr. RABAUT. I very seldom differ with the gentleman from New York, I have a tremendous respect for him, but, in my opinion, the gentleman from New York is assuming that the minutes of the full committee are a matter of public record and take precedence over the committee report. The committee report is the evidence that is given out and the committee report distinctly uses the word "deferred." The full committee in voting upon this amendment either had to vote it up or down, so it was rejected, as I assume, by the full committee. The report uses a word that cannot be misinterpreted and that word is "deferred." It is on that that I base my claim and I am in opposition to the thoughts expressed by the gentleman, my very distinguished colleague, from New York.

Mr. TABER. The committees of this House are required to keep records. That record is the thing that would govern in this particular case. I believe that record will show just what I indicated, that is that the motion was offered and was rejected.

Mr. RABAUT. What do we take into consideration when we want to find out what was the intent of the action of the committee and what instructions are given, in everything referred to in this body? The first word that would come from the gentleman would be "bring me the report." The report uses the word "deferred."

Mr. TABER. I would go back of the report to the action of the committee.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Iowa.

Mr. JENSEN. The report which the gentleman from Michigan refers to does not express the final action of the Appropriations Committee. If the action of the Appropriations Committee which was taken last Friday were reported in a committee report at this time, it would show that the amendment offered by the gentleman from Illinois was defeated; hence the report in its finality would show exactly what had transpired. But the report which the gentleman reads from was written before the action of the committee taken on last Friday. That committee action was taken and it is necessary to have committee approval on this item. So the gentleman from New York is absolutely right in the position he takes.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Virginia.

Mr. GARY. I am sorry I cannot agree with my friend from New York as to his interpretation of the action of the committee. It seems to me that the report of the committee as to what went on in the committee is the only official account of what took place. But even assuming that the gentleman is right, may I call attention to the fact the language under discussion in the bill says:

Provided, That no part of this appropriation shall be available for allocation to finance a function or project.

Now, the allocation of $200,000 has already been made, so it does not have to be reallocated. That has been made; it is out of the way. And, I cannot see by any stretch of the imagination how that language could possibly prevent the use of the $200,000 that has already been allocated to this project.

Mr. FENTON. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Pennsylvania.

Mr. FENTON. Mr. Chairman, I have listened to this discussion with a great deal of interest. I happen to be the ranking minority member on this subcommittee. I think this report reads just as my colleague, the gentleman from Michigan [Mr. RABAUT] says it does, that in the opinion of the subcommittee this $750,000 item was simply deferred until we could hear from the Commission itself. Now, there has been a lot of talk here today, and I think the Members are stretching the issue pretty far. As far as the action of the full committee was concerned on last Friday, it was simply on a voice vote, and very few voices that I heard responded to the question. Personally I am of the opinion that we should reconsider this request for $750,000. It is certainly the intent that the law at least be applied to this Commission, and if we are going to take into consideration the laws we passed setting up the Commission and try to defeat the will of the Congress, well, then, of course, that is up to this body.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from New York.

Mr. KEATING. It seems to me that this very discussion as to the legal effect of what has taken place and the difference of opinion which exists here between the distinguished Members of this Committee points up the essential sensibleness of the proposition made by the gentleman from New York that at the conclusion of general debate we rise and send this matter back to the committee to iron this out and make clear just what they do propose to do. If they see fit to deny any appropriation for this Commission, then we can fight it out on the floor, but certainly we should know and therefore should be in agreement before the bill is here as to exactly what the Committee on Appropriations intended to do. I hope that the Members will agree that we should, at the close of general debate, send this back.

Mr. SHELLEY. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from California.

Mr. SHELLEY. I want to commend the gentleman from New York [Mr. KEATING]. I think what is going on is an illustration of what makes the law business intriguing; a lot of different interpretations by different lawyers as to what the language means. I have my own opinion, and I agree with the gentleman from New York [Mr. TABER]. As of now or as of last Friday morning, the President of the United States is estopped from using any further funds for this Commission. I do not think that is a situation that any of us want to see exist. I know if I offer the amendment when the bill is being read and debated, that it will be defeated, and it just simply solidifies that situation more. I think in view of the differences of interpretation that certainly the ordinary way to handle this would be to have it go back to the committee. Let us have a hearing right away. The proceedings before the Senate next week certainly will be available.

I would like to ask this question, Mr. Chairman: Is the gentleman from New York [Mr. TABER] going to make that motion?

Mr. TABER. It is my intention to do so.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. ANDREWS. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. RABAUT].

Mr. SHELLEY. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from California.

Mr. SHELLEY. Mr. Chairman, continuing the thought which I was expressing when the Committee rose informally a moment ago, I understand now that the gentleman from New York [Mr. TABER] will offer a motion, immediately upon the conclusion of general debate, that the Committee rise. Will the gentleman from Alabama, the chairman of the subcommittee, since that will put the bill back into the committee, call a meeting of our committee within the next several days so that we can resolve this matter and bring it back to the House in an orderly way? I would like to see if we can get action on that. I put the question.

Mr. RABAUT. Mr. Chairman, I should like to ask the gentleman from New York [Mr. TABER] one more question. I sat on this committee. I thought that the Commission was going to have its turn and be treated properly. We brought up the subject of the President's Emergency Fund Allotment, of $200,000, and learned that only $5,000 of that amount had been used, although the Commission had been in existence for about 6 months.

Incidentally, there is a bill before the committee to return that money to the President's fund. No one has been before us to justify returning it. But the point that I want to make with the gentleman from New York is this. The debate on this report of the committee is now taking place in the House. There was no debate in the full committee on the language of the bill. This report was approved by the full committee and this report carries the word deferred. That word deferred was approved by the full committee last Friday. That is the point that I am making. This report is the record of the action of the committee. The report was approved by the committee and I say that the money is in there at this time. In am referring to the balance in the President's Fund, which is $5,000 less than $200,000. All they have used for the period thus far is $5,000. The balance of the money, $195,000, is in there still available for use.

The other item, the $750,000, will come to us in a supplemental request as soon as the Commission acts, as soon as they get their feet off the ground and decide what they want. They are dragging their feet. They have dragged their feet and the House will fall into a trap if they do anything other than stand by the action of this committee.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from New York.

Mr. TABER. The gentleman asked me a question. The language of the report does not cover the action of the committee.

Mr. ANDREWS. Mr. Chairman, I yield such time as he may desire to the gentleman from Florida [Mr. SIKES].

Mr. SIKES. Mr. Chairman, I anticipate that the budget request for the Civil Rights Commission will be granted. I shall not vote for it and I consider it a waste of money. Nevertheless, I know that a majority of those in the House now feel bound to support almost anything that comes to us under the guise of civil rights. The evil which lurks underneath that broad term will some day be more fully exposed. But, until then, it will not be possible to consider civil rights legislation on its true merits.

I know personally but two members of the new Commission. They are former Gov. John Battle, of Virginia, and former Gov. Doyle Carlton, of Florida. These are men of highest caliber and of sterling character. They will give freely of their talents in an effort to make the Commission's work fair and honorable. They will not be party to a Board which operates on any other basis. Therefore, I do not know how long the atmosphere will be such that they will find it possible to continue to serve on the Commission. These men are in the minority and all of us know that in some quarters this Board is expected to conduct a witchhunt; that some of its sponsors had nothing else in mind; and that it will be mercilessly hounded by the radical elements of the press if it does less.

In other words I question that the Civil Rights Commission, in view of the prejudicial situation under which it was created, can justify its existence. I question that it can properly and profitably spend the amount of money requested for it by the Bureau of the Budget. I can see no earthly reason for the amount which is asked by the administration. Unfortunately, the facts are the Congress probably would vote twice as much or 10 times as much in the name of civil rights with as little expectation of a realistic return for the money to be spent.

Mr. ANDREWS. Mr. Chairman, I yield 2 minutes to the gentleman from Louisiana [Mr. BROOKS].

Mr. BROOKS of Louisiana. Mr. Chairman, I ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BROOKS of Louisiana. Mr. Chairman, the Air Force informs me that Brig. Gen. Charles D. Jones has been officially declared to be presumed dead. General Jones has been serving as assistant in charge of legislative liaison for the House and Senate of the United States Congress. News of the loss of this able officer, who has served so well the needs of Congress in providing liaison and legislative help to the Members of Congress, comes to us with a real shock and deep sadness.

Tragedy has indeed struck close to the Halls of Congress. Brig. Gen. Charles D. Jones went down in the Chesapeake Bay presumably in his B–57 jet bomber while returning to Washington for legislative liaison duties.

From his birthplace, Jackson, Miss., Charles D. Jones went to the University of Notre Dame and graduated in 1932. His love of flying led him into the Air Corps in 1934 as a flying cadet, and in 1935, as a second lieutenant, he began a career which was to take him to many parts of the world, to try and to prove his strength, his courage and his devotion to his ideals.

In the early stages of our invasion of North Africa, General Jones went ashore with the Army troops to establish liaison between Gen. John K. Cannon's tactical air force and Gen. George S. Patton's ground forces. While flying a B–17 bomber in a raid over Tunis, he was wounded and hospitalized for a long period of time. Back in combat again, this time on a B–25 mission over Rome, Italy, General Jones was shot down and made a prisoner of war. His liberation came more than a year later, in May 1945.

It so happened that the first duty assignment Gen. Charles D. Jones had was at Barksdale Air Force Base near Shreveport, La. This is my home. It was while serving at this base that he met, fell in love with and married Dorthea Erickson, a native of my home of Shreveport, La. Together they moved from this first assignment to positions of great responsibility for General Jones. Just prior to coming to Washington he served as Chief of Staff, Allied Air Forces in Northern Europe.

I pay tribute now to a gallant airman. He will long be remembered by the people of Mississippi and Louisiana, the Air Force and the country he so nobly served. To his little wife and two children in this dark hour of their lives we of the Congress who knew and loved General Jones extend our sincere and abiding sympathy.

Mr. ANDREWS. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois [Mr. BOYLE].

Mr. BOYLE. Mr. Chairman, for the RECORD, permit me to submit the alleged noncontroversial and easily understood amendment introduced by me before the Appropriations Committee last Friday morning. Please refer to page 8. After line 7, this is the wording I propose as a new section:

COMMISSION ON CIVIL RIGHTS

Salaries and expenses: For necessary expenses of the Commission on Civil Rights established by the Civil Rights Act of 1957, including services as authorized by section 15 of the act of August 2, 1946——

Mr. RABAUT. If the gentleman will yield, has the gentleman put the amendment in the right place in his announcement now? In what line did he have the amendment?

Mr. BOYLE. I had a new section, and I asked to have it incorporated just before section 210. That is actually where I had it inserted.

Mr. RABAUT. The gentleman's amendment offered the other day was on page 14, just before section 210.

Mr. BOYLE. That is correct.

Mr. RABAUT. The gentleman did not say that a few minutes ago. That is why I asked him about it. I thought the gentleman had mentioned the wrong section.

Mr. BOYLE. I thought I was reporting the language haec verba I employed at the time and place in question. I may have said that I inserted it at that point last Friday but today propose to insert it after line 7 on page 8, because it appears to be a better arrangement. In the hustle and hurry of last Friday, when I had not even had an opportunity to inspect the bill or read the report or even to look into the hearings, in a split second it was difficult to determine where would be the best place to insert that amendment.

Mr. RABAUT. You are going to put it now on page 8, after line 7?

Mr. BOYLE. If I have the opportunity of again introducing the amendment that I introduced before the full committee, I propose to put it after line 7 on page 8. If I may conclude the amendment, it reads further, as follows:

As authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 558), at rates not to exceed $50 per diem for individuals: $750,000.

I would prefar to transmit the question of whether the language on page 6, after line 15, after $100,000 and starting with the word "Provided" actually is legislation within an appropriation bill; or constitutes a mere limitation on the right of spending the funds appropriated to the President; or, urged by the gentleman from New York, whether my introduction of the amendment to the committee restoring the budget request of $750,000 which was voted down, constituted a rejection.

This was in fact a denial and came within the language on page 6 which precluded further consideration during the 85th Congress, 2d session, and the 86th Congress, 1st session.

Further, for the purpose of debate, I would respectfully request that controversies regarding the significance of the word "defer" be set aside for the present. To evaluate properly the question of whether the word "deferred" in the light of the action by the committee is synonymous with "reject" does not need to be resolved at this time.

Let us take all of these intangibles out of the deliberations today and let us talk about the Congress that thinks of itself as being the most deliberative and the most representative and responsible branch of Government on earth. We find ourselves after long, long, years—the first time in 82 years—putting on the statute books and enacting into law a civil-rights bill. Almost in

the first section of that civil-rights bill there is set out a provision creating a Civil Rights Commission. Now, how in the name of heaven can you justify legislating a bill into existence and almost in the same breath denying any money to implement or to call into existence the Commission that obviously represents efforts in one of the most tender and one of the most difficult and one of the most emotional areas in any bill that has ever come before the Congress.

Permit me, without taking any undue pride, to make the observation that as I sat there last Friday morning and urged my amendment, I was pretty much in the minority. So little interest was displayed in support of the amendment that I did not ask for a rollcall. Due to the fact that the Commission established under the act has a life of only 2 years and 60 days after enactment of the law, which was September 9, 1957, we should do everything we can to implement this law and give and make available the necessary money to fulfill the Congressional intent.

Mr. YOUNGER. Mr. Chairman, will the gentleman yield?

Mr. BOYLE. I yield.

Mr. YOUNGER. Did the full committee vote and approve the committee report which appears to be in question?

Mr. BOYLE. I would rather let the secretary read the record of the proceedings, as it speaks for itself. Mr. Clerk, what does the record of the full committee show?

Mr. GARY. The committee was in executive session, and its records are not open to the public.

Mr. YOUNGER. I am talking about the full committee.

Mr. GARY. The records of the full committee and the action of the full committee were in executive session and are not open to the public. The committee has set up the report of what has transpired, and the gentleman from Illinois [Mr. BOYLE] cannot say that that was not the reason the committee took the action that it did.

Mr. BOYLE. I carefully said, "Let us transmit either one of these three suppositions that might have anything to do with it, since I have an amendment at the Clerk's desk that I am prepared to introduce in the event that our deliberations reach that stage today.

Mr. YOUNGER. Will the gentleman yield again?

Mr. BOYLE. Gladly.

Mr. YOUNGER. To clear this up—I am talking about the full committee. Did it approve the report that is before the Committee at that time?

Mr. GARY. They did.

Mr. YOUNGER. According to the minority ranking member, there was no action taken on the committee report itself.

Mr. GARY. It is the report of the Appropriations Committee, and it states what the committee did. That is the only official report of the committee.

Mr. YOUNGER. But there is no record that that report was approved by the committee?

Mr. GARY. It does not have to be. It was reported to this floor as the report of the committee.

Mr. YOUNGER. So that anybody can bring in a report without the approval of the committee? Is that the way you operate?

Mr. GARY. The committee itself brought the report in.

Mr. YOUNGER. They did not, because the committee never approved it.

Mr. GARY. The committee took a vote in committee, and the bill and the report was approved by the committee.

Mr. YOUNGER. No. The report was not in the motion.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. BOYLE] has expired.

Mr. ANDREWS. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. POWELL].

Mr. POWELL. Mr. Chairman, I am in favor of the tactics of the gentleman from New York [Mr. TABER] of trying to bring some order out of this confusion by a move that the Committee rise at the proper time.

As we now look at the situation, we now have a Civil Rights Commission, not confirmed, without a staff, and with no funds. That is a deplorable situation for our country.

I have talked to the chairman of the full Committee on Appropriations, the gentleman from Missouri [Mr. CANNON]. He says that the minute the White House sends over a request for funds and the Commission is confirmed, then it will be mandatory for hearings to be held, and the appropriation to be presented to this body. Am I correct?

Mr. CANNON. Approximately; I will be glad to explain the usual procedure in a moment.

Mr. POWELL. I believe that we have confusion, the denial or deferment of rights, and the question of whether or not the President has $200,000 allocated to the Civil Rights Commission or not; with a Commission not formed; with a staff that has not been appointed, and I believe the only thing to do is to rise and adjourn and wait until we have something tangible to really present here. The next move, as I see it, is for the White House to send to the committee a representative to testify on how much money they need and how it should be spent.

I will support the motion to rise.

Mr. SHELLEY. Mr. Chairman, will the gentleman yield?

Mr. POWELL. I yield to the gentleman from California.

Mr. SHELLEY. If the motion to which the gentleman refers is offered by the gentleman from New York, the ranking Republican member of the Committee on Appropriations, that would be a motion at the conclusion of general debate that the Committee of the Whole do now rise. We would go back in the House and the bill would be left resting on the Clerk's desk where it could stay ad infinitum until it is taken up again on the calendar or rescheduled; and nothing is done unless at the same time the chairman of the full committee or the chairman of the subcommittee calls such a meeting. Is that not so?

Mr. POWELL. That is correct.

Mr. SHELLEY. In view of the fact that we have had no response to the question I addressed to the chairman of the subcommittee, my very good friend the gentleman from Alabama, with whom I enjoy serving on the subcommittee—and I think that is a very vital factor in this connection, may I suggest to the gentleman from New York that it might be very appropriate since he has the floor that he address the question again to the chairman of the full committee.

Mr. POWELL. I would like to address the question to the chairman of the full Committee on Appropriations, the gentleman from Missouri, first: If the Committee does rise, and if there is a message from the White House that Dr. Hannah, Chairman of the Commission, is available for testimony, will you, as chairman of the full committee, say that there will be hearings on an appropriation for the Civil Rights Commission?

Mr. CANNON. Mr. Chairman, in response to the inquiry of the gentleman from New York, may I say that when such a request is received from the executive department, the regular routine invariably followed is to refer the request to the Committee on Appropriations. It is then, in turn, referred to the subcommittee.

In the event that an estimate was received from the executive department it would, of course, come to the Committee on Appropriations, since it could go nowhere else; and when it came to me I would, as I have always done, refer it to the proper subcommittee for consideration.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. ANDREWS. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. ROOSEVELT].

Mr. ROOSEVELT. May I then, Mr. Chairman, ask this question of the chairman of the subcommittee to whom the chairman of the full committee says the request would be referred? Would the chairman of the subcommittee call his subcommittee together immediately and act upon the request for appropriation and bring it back to the floor of the House?

Mr. ANDREWS. That would depend on the majority vote of the subcommittee.

Mr. ROOSEVELT. But you would call the committee together so it might vote?

Mr. ANDREWS. I would.

Mr. ROOSEVELT. I thank the gentleman.

Mr. Chairman, it seems to me unfortunate that we ever got into a position in the House where we had to have this kind of debate. It cannot be clear to anyone, I think, exactly what the law is. We have distinguished gentlemen on both sides of the aisle differing as to the exact effect of the action the committee has already taken. I think it may be summed up by saying that in the opinion of sound people the Civil Rights Commission as of today cannot act. It is in effect helpless if the President agrees with the gentleman from New York [Mr. TABER]. It, therefore,

seems very clear to me that we must demand that the executive branch of the Government with all speed do something to rectify the situation in the immediate future. This is a sorry, yes, a shameful, record which we have had brought before us. Five months after the law became effective the Civil Rights Commission is not organized, has no Director and not even the chairman could take the time to be sure his Commission would have the necessary funds to do the vital job assigned to it. Where is the leadership of the Republican Party? Where has the President been? One must wonder Is there a deal to destroy the effectiveness of the Commission? I hope not, but the record is just plain bad.

I personally am very sorry even to see the makeup of the Commission itself with the 3 of its 6 members avowedly opposed to desegregation. But that is beside the point at this particular time. I want to simply say that if the motion of the gentleman from Michigan is carried, I sincerely hope that the matter will be brought back to the House at the earliest possible opportunity, that this country may not be put in the position of having a Civil Rights Commission unable to act in this important election year. It would be taken all around the world, as we know, as a lack of interest in what is probably one of the decisive factors in our battle against communism today. So, upon the word of the gentleman who heads the subcommittee, I personally hope and believe we will get the earliest possible action and the full $750,000 given to the Commission so that it may go ahead.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. ROOSEVELT. I yield to the gentleman from New York who has led us in our fight for civil rights.

Mr. CELLER. Mr. Chairman, let it be noted that the members of the Civil Rights Commission were appointed on November 7, 1957, with the exception of Doyle E. Carlton, who was appointed on December 23, 1957. Let it also be remembered that the life of the Commission extends for 2 years plus 60 days. Since the final report must be submitted to the President and Congress not later than 2 years from the enactment of the act and 60 days thereafter to permit them to wind up its affairs, time is running out. I can safely say I am sure from the facts elucidated today that the administration has been stalling. I cannot find any other word to characterize it. All of these months have gone by and this Commission has not been functioning. That does not mean that we should not carry out our duties in this matter. Our duty is to appropriate where there has been an authorization. There has been an authorization in the civil-rights bill and I think we would be derelict if we did not appropriate here certain sums. We have the assurance given to us that those appropriations will be made. We have the assurance of the chairman of the Appropriations Committee, the distinguished gentleman from Missouri, that I think we can rely on. We have the assurance of responsible members of that great committee that we can rely upon. It is for that reason I am willing to vote for a motion that the Committee rise so that the Appropriations Committee can hear from the Bureau of the Budget. I hope that this debate will act as a sort of a prod to spur the Bureau of the Budget and the administration to do what is necessary in the premises.

Mr. ANDREWS. Mr. Chairman, I yield such time as he may desire to the gentleman from Alabama [Mr. GRANT].

Mr. GRANT. Mr. Chairman, I am surprised that the action of the Appropriations Committee has stirred up this opposition. If the action taken by the committee had been on any other subject, you would have heard very little.

By this amendment you are asking this House to approve the expenditure of a sizable amount of money without any justification by the Commission. But be that as it may, it is "water over the dam"—so to speak—for Congress has already spoken and written into law the very things that it set up a Commission to find out what should be done in the first place. In other words, this very Congress passed a measure taking away the right of trial by jury and seeking to penalize the South. And may I prophesy that this may some day come back to haunt those who voted for it. You cannot through malice, hate, and prejudice penalize one great section of this Nation without doing violence to all other sections.

For the first time in nearly a century you were able to get legislation passed covering so-called civil rights. In the same legislation, you set up a Commission—a Commission for what?—listen, a Commission to investigate and find out what kind of legislation they should recommend to the Congress.

Now, since you already have the legislation, what is the Commission to do? You simply have the "cart before the horse." In my opinion there is only one thing that they can do and that would be to recommend the repeal of the legislation already enacted. However, I know that the proponents of this legislation do not think this will be done.

As you will recall, this legislation originally provided that the Commission be given a free hand to appoint thousands upon thousands of investigators, snoopers, and harassers—the sky was the limit—to poke their noses into citizens' business and homes; however, the motive was so obvious that we were enabled to cut this down to only a small number.

Let the Commission come before the Appropriations Committee and justify their needs; other agencies, departments, and commissions do this; why should this one be treated differently.

Mr. ANDREWS. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey [Mr. THOMPSON].

Mr. THOMPSON of New Jersey. Mr. Chairman, the situation here today is caused, I think it is perfectly obvious now, by the fact that the White House has not taken enough interest in civil rights since the legislation passed, and in the money needed to take action. The Commissioners were given interim appointments and under the law can act, and should have acted before this time. Notwithstanding this, we run into a situation where the House Appropriations Committee has decided that because no case was made by the White House, it should not have acted. I disagree with the action of the Appropriations subcommittee. I would much prefer, from my own point of view, to stay here today, notwithstanding the deficiencies which the Appropriations Committee finds, and appropriate this money. It is obvious, however, that this cannot be done, that there is some confusion, and we can only hope that the committee will hold hearings. But it cannot possibly hold hearings until the administration comes up with witnesses. We are going to leave this matter in a state of suspension, as it has been since the law was enacted. I think it is too bad but I do not know what else can be done about it.

As a result of this debate, the situation has become clearer. Alert action by the Democrats in the Committee of the Whole House has prevented this legislation from passing without funds for the Civil Rights Commission. In so doing, we have saved the White House from its own folly. But, more important, we have made possible subsequent action by the Appropriations Committee which will enable the civil-rights law to be implemented.

The matter is now to be placed where it belongs—on the President's doorstep. We Democrats will do everything possible to see that funds are appropriated for the Civil Rights Commission. Before we can do this, however, the White House must request funds and have someone go before the Appropriations Committee to ask for them. Now we shall see whether or not we have revived General Eisenhower's interest in civil rights. If we have, he will ask for the moneys and a Democratic Congress will appropriate the funds required.

Mr. ANDREWS. Mr. Chairman, I yield 1 minute to the gentleman from Michigan [Mr. RABAUT].

Mr. RABAUT. Mr. Chairman, I move that the Committee do now rise.

Mr. ANDREWS. Mr. Chairman, on that I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. ANDREWS and Mr. RABAUT.

The Committee divided; and the tellers reported that there were—ayes, 85, noes 67.

So the motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BOLLING, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 10589) making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1959, and for other purposes, had come to no resolution thereon.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed

without amendment a joint resolution of the House of the following title:

H. J. Res. 583. Joint resolution making supplemental appropriations for the Department of Labor for the fiscal year 1958, and for other purposes.

BLOOD, BREATH, AND URINE TESTS AS EVIDENCE OF INTOXICATION IN DISTRICT OF COLUMBIA COURTS

Mr. McMILLAN. Mr. Speaker, I call up the conference report on the bill (S. 969) to prescribe the weight to be given to evidence of tests of alcohol in the blood or urine of persons tried in the District of Columbia for operating vehicles while under the influence of intoxicating liquor, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1330)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 969) to prescribe the weight to be given to evidence of tests of alcohol in the blood or urine of persons tried in the District of Columbia for operating vehicles while under the influence of intoxicating liquor, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: "That (a) if as a result of the operation of a vehicle, any person is tried in any court of competent jurisdiction within the District of Columbia for (1) operating such vehicle while under the influence of any intoxicating liquor in violation of section 10 (b) of the District of Columbia Traffic Act, 1925, approved March 3, 1925, as amended (D. C. Code, title 40, sec. 609), (2) negligent homicide in violation of section 802 (a) of the Act entitled 'An Act to establish a code of law for the District of Columbia,' approved March 3, 1901, as amended (D. C. Code, title 40, sec. 606), or (3) manslaughter committed in the operation of such vehicle in violation of section 802 of such Act approved March 3, 1901 (D. C. Code, title 22, sec. 2405), and in the course of such trial there is received in evidence, based upon a chemical test, competent proof to the effect that at the time of such operation—

"(1) defendant's blood contained five one-hundredths of 1 per centum or less, by weight, of alcohol, or that an equivalent quantity of alcohol was contained in two thousand cubic centimeters of his breath (true breath or alveolar air having 5½ per centum of carbon dioxide), or that defendant's urine contained eight one-hundredths of 1 per centum or less, by weight, of alcohol, such proof shall be deemed prima facie proof that defendant at such time was not under the influence of any intoxicating liquor;

"(2) defendant's blood contained more than five one-hundredths of 1 per centum, but less than fifteen one-hundredths of 1 per centum, by weight, of alcohol, or that an equivalent quantity of alcohol was contained in two thousand cubic centimeters of his breath (true breath or alveolar air having 5½ per centum of carbon dioxide), or that defendant's urine contained more than eight one-hundredths of 1 per centum, but less than twenty one-hundredths of 1 per centum, by weight, of alcohol, such proof shall constitute relevant evidence, but shall not constitute prima facie proof that defendant was or was not at such time under the influence of any intoxicating liquor; and

"(3) defendant's blood contained fifteen one-hundredths of 1 per centum or more, by weight, of alcohol, or that an equivalent quantity of alcohol was contained in two thousand cubic centimeters of his breath (true breath or alveolar air having 5½ per centum of carbon dioxide), or that defendant's urine contained twenty one-hundredths of 1 per centum or more, by weight, of alcohol, such proof shall constitute prima facie proof that defendant at such time was under the influence of intoxicating liquor.

"(b) Upon the request of the person who was tested, the results of such test shall be made available to him.

"(c) Only a physician acting at the request of a police officer can withdraw blood for the purpose of determining the alcoholic content therein. This limitation shall not apply to the taking of a urine specimen or the breath test.

"(d) The person tested shall be permitted to have a physician of his own choosing administer a chemical test in addition to the one administered at the direction of the police officer.

"SEC. 2. Nothing in this Act shall be construed to require any person to submit to the withdrawal of blood, the taking of a urine specimen from him, or to a breath test."

And the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House to the title and agree to the same.

HOWARD W. SMITH,
JOHN DOWDY,
SID SIMPSON,
Managers on the Part of the House.

JOSEPH S. CLARK,
ALAN BIBLE,
J. K. JAVITS,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 969) to prescribe the weight to be given to evidence of tests of alcohol in the blood or urine of persons tried in the District of Columbia for operating vehicles while under the influence of intoxicating liquor, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House amendment strikes out all of the Senate bill after the enacting clause and inserts a substitute. The Senate recedes from its disagreement to the amendment of the House, with an amendment which is a substitute for both the Senate bill and the House amendment. The differences between the House amendment and the substitute agreed to in conference are noted in the following outline except for minor clerical changes.

Paragraph (1) of subsection (a) of the first section of the Senate bill provides that if competent proof, based on a chemical test, is received in evidence in a court of competent jurisdiction within the District of Columbia that the defendant's urine contained eight one-hundredths of 1 percent or less, by weight, of alcohol, at the time of the alleged violation of law, such proof would be deemed prima facie proof the defendant was not at that time under the influence of intoxicating liquor. The House amendment provides that if the chemical test shows the defendant's urine contained five one-hundredths of 1 percent or less, by weight, of alcohol, at the time of the alleged violation of law, such proof would be deemed prima facie proof that the defendant was not at that time under the influence of intoxicating liquor. The conference substitute adopts the percentage provided in the Senate bill.

Paragraph (2) of subsection (a) of the first section of the Senate bill provides that where such a chemical test shows the defendant's urine contained more than eight one-hundredths of 1 percent but less than twenty one-hundredths of 1 per cent by weight, of alcohol, at the time of the alleged violation of law, such proof would constitute relevant evidence, but not prima facie proof, that the defendant was or was not at that time under the influence of intoxicating liquor. The House amendment provides that where such a test shows the defendant's urine contained more than five one-hundredths of 1 percent but less than fifteen one-hundredths of 1 percent, by weight, of alcohol, at the time of the alleged violation of law, such proof would constitute relevant evidence but not prima facie proof that the defendant was or was not at that time under the influence of intoxicating liquor. The conference substitute adopts the percentages provided in the Senate bill.

Paragraph (3) of subsection (a) of the first section of the Senate bill provides that where such a chemical test shows the defendant's urine contained twenty one-hundredths of 1 percent or more, by weight, of alcohol, at the time of the alleged violation of law, such proof would constitute prima facie evidence that the defendant was at that time under the influence of intoxicating liquor. The House amendment provides that where such a test shows the defendant's urine contained fifteen one-hundredths of 1 percent or more, by weight, of alcohol, at the time of the alleged violation of law, such proof would constitute prima facie proof that the defendant was at that time under the influence of intoxicating liquor. The conference substitute adopts the percentage provided in the Senate bill.

HOWARD W. SMITH,
JOHN DOWDY,
SID SIMPSON,
Managers on the Part of the House.

Mr. McMILLAN. Mr. Speaker, S. 969, as it passed the Senate, provided for the use in evidence of the results of tests of alcohol in the blood or urine of persons tried in the District of Columbia for operating a vehicle while under the influence of intoxicating liquors.

The bill, S. 969, was referred to the House District Committee, and at the time the committee considered the bill on August 19, 1957, the House District Committee struck all after the enacting clause and inserted the provisions of a bill, which had been before the committee, H. R. 2206, which provided that the evidence of tests in the blood or urine be permitted in evidence and in addition included also a breath test. The House bill further provided that the evidence be permissible not only while operating a vehicle under the influence of intoxicating liquors but in the case of negligent homicide or manslaughter.

The House also wrote an amendment to the bill that would guarantee that no person would be forced to submit to such test against his will.

In the Senate and House bills there were differences in the formula as laid down in these tests. At the time the conferees considered the bills in conference a medical expert was brought before the conferees and after hearing from

this expert the conferees agreed unanimously that the formula as provided in the Senate bill should be adopted. The Senate agreed to accept the amendments as provided in the House bill which would provide that such evidence be admissible when a person was operating a vehicle while under the influence of intoxicating liquors, negligent homicide and manslaughter.

The conferees further agreed that section 2, which was written into the bill, which would guarantee that no person would be required to submit to such test against his will should be accepted.

The conferees agreed unanimously to these changes.

Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

AMENDING THE ACTS KNOWN AS THE LIFE INSURANCE ACT AND THE FIRE AND CASUALTY ACT

Mr. TEAGUE of Texas. Mr. Speaker, I call up the bill (S. 1040) to amend the acts known as the Life Insurance Act, approved June 19, 1934, and the Fire and Casualty Act, approved October 9, 1940, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 5 of chapter II of the Life Insurance Act (sec. 35–404, District of Columbia Code, 1951 edition), is amended to read as follows:

"SEC. 5. It shall be the duty of the Superintendent to issue a certificate of authority to a company when it shall have complied with the requirements of the laws of the District so as to be entitled to do business therein. The Superintendent may, however, satisfy himself by such investigation as he may deem proper or necessary that such company is duly qualified under the laws of the District to transact business therein, and may refuse to issue or renew any such certificate to a company if the issuance or renewal of such certificate would adversely affect the public interest. In each case the certificate shall be issued under the seal of the Superintendent, authorizing and empowering the company to transact the kind or kinds of business specified in the certificate, and each such certificate shall be made to expire on the 30th day of April next succeeding the date of its issuance. No company shall transact any business of insurance in or from the District until it shall have received a certificate of authority as authorized by this section and no company shall transact any business of insurance not specified in such certificate of authority."

SEC. 2. That section 6 of chapter II of the Life Insurance Act (sec. 35–405, District of Columbia Code, 1951 edition) is amended to read as follows:

"SEC. 6. The Superintendent shall have power to revoke or suspend the certificate of authority to transact business in the District of any company which has failed or refused to comply with any provision or requirement of this act, or which—

"(a) is impaired in capital or surplus;

"(b) is insolvent;

"(c) is in such a condition that its further transaction of business in the District would be hazardous to its policyholders or creditors or to the public;

"(d) has refused or neglected to pay a valid final judgment against such company within 30 days after such judgment shall have become final either by expiration without appeal within the time when such appeal might have been perfected, or by final affirmance on appeal;

"(e) has violated any law of the District or has in the District violated its charter or exceeded its corporate powers;

"(f) has refused to submit its books, papers, accounts, records, or affairs to the reasonable inspection or examination of the Superintendent, his deputies, or duly appointed examiners;

"(g) has an officer who has refused upon reasonable demand to be examined under oath touching its affairs;

"(h) fails to file with the Superintendent a copy of an amendment to its charter or articles of association within 30 days after the effective date of such amendment;

"(i) has had its corporate existence dissolved or its certificate of authority revoked in the State in which it was organized;

"(j) has had all its risks reinsured in their entirety in another company, without prior approval of the Superintendent; or

"(k) has made, issued, circulated, or caused to be issued or circulated any estimate, illustration, circular, or statement of any sort misrepresenting either its status or the terms of any policy issued or to be issued by it, or the benefits or advantages promised thereby, or the dividends or shares of the surplus to be received thereon, or has used any name or title of any policy or class of policies misrepresenting the true nature thereof.

"The Superintendent shall not revoke or suspend the certificate of authority of any company until he has given the company not less than 30 days' notice of the proposed revocation or suspension and of the grounds alleged therefor, and has afforded the company an opportunity for a full hearing: *Provided*, That if the Superintendent shall find upon examination that the further transaction of business by the company would be hazardous to the public or to the policyholders or creditors of the company in the District, he may suspend such authority without giving notice as herein required: *Provided further*, That in lieu of revoking or suspending the certificate of authority of any company for causes enumerated in this section, after hearing as herein provided, the Superintendent may subject such company to a penalty of not more than $200 when in his judgment he finds that the public interest would be best served by the continued operation of the company. The amount of any such penalty shall be paid by the company through the Office of the Superintendent to the Collector of Taxes of the District of Columbia. At any hearing provided by this section, the Superintendent shall have authority to administer oaths to witnesses. Anyone testifying falsely after having been administered such an oath shall be subject to the penalties of perjury."

SEC. 3. That section 27 of chapter II of the Life Insurance Act (sec. 35–426, D. C. Code, 1951 edition) is amended to read as follows:

"SEC. 27. The Superintendent of Insurance may suspend or revoke the license of any life insurance general agent, agent, solicitor, or broker when and if, after investigation, it appears to the Superintendent that any license issued to such person was obtained by fraud or misrepresentation; or that the general agent, agent, solicitor, or broker has violated any insurance law of the District; or has made any misleading representations or incomplete or fraudulent comparison of any policies or companies or concerning any companies to any person for the purpose or with the intention of inducing such person to lapse, forfeit, surrender, or exchange his insurance then in force; or has made any misleading estimate of the dividends or share of surplus to be received on a policy; or has failed or refused to pay or to deliver to the company or to its principal any money or other property in the hands of said general agent, agent, solicitor, or broker belonging to such company or principal when requested so to do; or has violated any lawful ruling of the insurance department; or has been convicted of a felony; or has otherwise shown himself untrustworthy or incompetent to act as a life insurance general agent, agent, solicitor, or broker. Before the Superintendent of Insurance shall revoke or suspend the license of any such person he shall give to such person an opportunity to be fully heard, and to introduce evidence in his behalf. Within 30 days after the revocation or suspension of license or the refusal of the Superintendent to grant a license, the general agent, agent, solicitor, or broker, or applicant aggrieved may appeal from the ruling of the Superintendent of Insurance to the court of competent jurisdiction designated in section 28. Appeals may be taken from the judgment of said court as prescribed in section 28. At any hearing provided by this section, the Superintendent shall have authority to administer oaths to witnesses. Anyone testifying falsely after having been administered such an oath shall be subject to the penalties of perjury.

"No individual whose license as a general agent, agent, solicitor, or broker is revoked shall be entitled to any license under this act for a period of 1 year after revocation.

"Any person who violates any provision of this section upon conviction shall be fined not exceeding $100 for each and every violation: *Provided*, That in lieu of revoking or suspending the license of any such general agent, agent, solicitor, or broker for causes enumerated in this section after hearing as herein provided, the Superintendent may subject such person to a penalty of not more than $200 when in his judgment he finds that the public interest would be best served by the continuation of the license of such person. The amount of any such penalty shall be paid by such person through the office of the Superintendent to the Collector of Taxes of the District of Columbia."

SEC. 4. That section 3 of chapter II of the Fire and Casualty Act (sec. 35–1306, D. C. Code, 1951 edition) is amended to read as follows:

"SEC. 3. The Superintendent shall have power to revoke or suspend the certificate of authority to transact business in the District of any company which has failed or refused to comply with any provision or requirement of this act, or which—

"(a) is impaired in capital or surplus;

"(b) is insolvent;

"(c) is in such a condition that its further transaction of business in the District would be hazardous to its policyholders or creditors, or to the public;

"(d) has refused or negelcted to pay a valid final judgment against such company within 30 days after such judgment shall have become final either by expiration without appeal within the time when such appeal might have been perfected, or by final affirmance on appeal;

"(e) has violated any law of the District or has in the District violated its charter or exceeded its corporate powers;

"(f) has refused to submit its books, papers, accounts, records, or affairs to the reasonable inspection or examination of the Superintendent, his deputies, or duly appointed examiners;

"(g) has an officer who has refused upon reasonable demand to be examined under oath touching its affairs;

"(h) fails to file with the Superintendent a copy of an amendment to its charter or

articles of association within 30 days after the effective date of such amendment;

"(i) has had its corporate existence dissolved or its certificate of authority revoked in the State in which it was organized;

"(j) has had all its risks reinsured in their entirety in another company, without prior approval of the Superintendent; or

"(k) has made, issued, circulated, or caused to be issued or circulated any estimate, illustration, circular, or statement of any sort misrepresenting either its status or the terms of any policy issued or to be issued by it, or the benefits or advantages promised thereby, or the dividends or shares of the surplus to be received thereon, or has used any name or title of any policy or class of policies misrepresenting the true nature thereof.

"The Superintendent shall not revoke or suspend the certificate of authority of any company until he has given the company not less than 30 days' notice of the proposed revocation or suspension and of the grounds alleged therefor, and has afforded the company an opportunity for a full hearing: *Provided,* That if the Superintendent shall find upon examination that the further transaction of business by the company would be hazardous to the public or to the policyholders or creditors of the company in the District, he may suspend such authority without giving notice as herein required: *Provided further,* That in lieu of revoking or suspending the certificate of authority of any company for causes enumerated in this section after hearing as herein provided, the Superintendent may subject such company to a penalty of not more than $200 when in his judgment he finds that public interest would be best served by the continued operation of the company. The amount of any such penalty shall be paid by the company through the office of the Superintendent to the Collector of Taxes, District of Columbia. At any hearing provided by this section, the Superintendent shall have authority to administer oaths to witnesses. Anyone testifying falsely after having been administered such an oath shall be subject to the penalties of perjury."

SEC. 5. That section 30 of chapter II of the Fire and Casualty Act (sec. 35–1334, D. C. Code, 1951 edition) is amended to read as follows:

"SEC. 30. No company authorized to do business in the District shall, by its representatives or otherwise, make, write, issue, or deliver any contract of insurance, surety, or indemnity, except title and ocean marine insurance, on any person, property, business activity, or insurable interest within the District except through regularly constituted policy-writing agents or authorized salaried employees licensed in the District as provided in this act.

"No such contract covering persons, property, business activities, or insurable interests in the District, except contracts of title and ocean marine insurance, shall be written, issued, or delivered by any authorized company or by any of its representatives unless such contract is duly countersigned in writing by a person who is licensed as provided in this act to countersign such contracts, and no salaried officer, manager, or other salaried employee of any authorized company, unless he be licensed as provided in this act, shall write, issue, or countersign any such contract.

"No company, agent, or salaried company employee shall make any agreement as to a policy other than that which is plainly expressed in the policy issued.

"No company, agent, salaried company employee, or broker shall pay or offer to pay or allow as an inducement to any person to insure any rebate of premium or any special favor or advantage whatever in the dividends to accrue thereon, or any inducement whatever not specified in the policy.

"Every company authorized by this act to do business in the District shall file annually with the Superintendent on or before the 15th day of April, and at such other times as they may be appointed, a list of agents and salaried employees of said company who are authorized to solicit, write, effect, issue, or deliver policies for such company in the District, except that the names of soliciting agents may be filed either by the company or by the policy-writing agent.

"Any policy-writing agent or salaried company employee authorized by any company to solicit, negotiate, bind, write, or issue policies or applications therefor shall, in any controversy between the insured or his representative and the said company, be held to be the agent of the company which issued or affected the policy solicited or so applied for, anything in the application or policy to the contrary notwithstanding.

"Any payment made by or on behalf of the insured to any broker for policies issued to such broker for delivery to the insured or issued directly to the insured on the order of such broker, shall, in controversies between the insured and the company, be deemed to have been paid to the company.

"No soliciting agent shall have any authority to countersign any policy."

SEC. 6. That section 32 of chapter II of the Fire and Casualty Act (sec. 35–1336, District of Columbia Code, 1951 edition) is amended to read as follows:

"SEC. 32. Any person hereafter desiring to engage in business in the District as a policy-writing agent, soliciting agent, broker, or salaried company employee, as defined by this act shall, before engaging in such business, secure from the Superintendent a license authorizing him to engage in such business. The person to whom the license may be issued shall file sworn answers to such interrogatories as the Superintendent may require. Before the Superintendent shall issue or renew a license to any policy-writing agent, soliciting agent, or salaried company employee, he shall require the company or policy-writing agent desiring the appointment of such person to certify—

"(a) that the person to be appointed, if not a salaried company employee, is a resident of this District, or that his principal office for the conduct of such business is in or will be maintained in the District;

"(b) that he is personally known to the person making the certification;

"(c) that he has had experience or instructions necessary to the proper conduct of the kind or kinds of business to which the license is to extend;

"(d) that he has a good business reputation, is trustworthy, and is worthy of a license.

"Resident and nonresident brokers shall, as a prerequisite to the issuance of a license, file with the Superintendent a corporate surety bond in an amount not less than $1,000 for the benefit of any person who may suffer loss resulting from fraud or dishonesty on the part of said resident or nonresident broker. Before the Superintendent shall issue a license to any policy-writing agent, soliciting agent, salaried company employee, or resident broker, who has not previously been licensed under this act, he shall personally, or through his deputy or any person regularly employed in the department, within a reasonable time, and in a designated place within the District, subject each such person to a personal written examination relating to such person's knowledge of the kind or kinds of business to which the license may extend and his competency to act as such policy-writing agent, soliciting agent, broker, or salaried company employee. The Superintendent may in his discretion limit the scope of such examination to such particular kind or kinds of business in which the person to be licensed is to be principally engaged. The Superintendent shall issue or renew such license as may be applied for when he is satisfied that the person to be licensed is (a) competent and trustworthy and intends to act in good faith in the capacity involved by the license applied for, and that not more than 25 percent of his commission income from business to which the license applies will result from policies the premiums on which are paid or are to be paid in the manner set forth in paragraph (f) of section 36 and (b) that he has a good business reputation and has had experience, training, or education, or is otherwise qualified in the line or lines of business in which the license would entitle him to engage, and, except in the case of a nonresident broker or salaried company employee, is a resident of the District, or maintains his principal office for the conduct of such business in the District; and (c) is reasonably familiar with the insurance laws of the District, and with the provisions, terms, and conditions of the policies he is proposing to solicit, negotiate, or effect, and is worthy of a license. In the case of a nonresident applying for a broker's license, the Superintendent may waive the examination requirement and accept in lieu thereof evidence that the applicant holds a license as broker or agent in the State where his principal business is conducted. The Superintendent may also waive the examination requirement in the case of any person who has been licensed in the District prior to the effective date of this act. The examination requirement shall be waived in the case of any applicant for a license under this section who holds a license under section 26 of the Life Insurance Act (D. C. Code., sec. 35–425), if the company desiring the appointment of such applicant certifies in writing to the Superintendent that such applicant will solicit only accident and health insurance on its behalf. Licenses may be issued in the names of individuals, or in the names of firms, partnerships, or corporations, including banks, trust companies, real-estate offices, and building and loan associations: *Provided,* That on such licenses, in addition to the name of the applicant, there shall be listed the name of every member or officer of such firm, partnership, or corporation who solicits insurance or who countersigns policies: *Provided further,* That such named persons as well as the licensee shall be subject to all requirements of this act, and that the Superintendent shall have authority at any time to require the applicant fully to disclose the identity of all stockholders, partners, officers, and employees, and he may in his discretion refuse to issue or renew a license in the name of any firm, partnership, or corporation if he is not satisfied that any officer, employee, stockholder, or partner thereof who may materially influence the applicant's conduct, meet the standards of this section applicable to persons applying as individuals. No person shall be licensed as agent, broker, or salaried company employee when it appears to the Superintendent that said license is sought primarily for the purpose of obtaining commissions on policies on which he on his own account pays or is to pay the premiums, or on which the premiums are paid or are to be paid by any person who receives or is to receive any benefit, direct or indirect, from the commissions obtained, or on which the premiums are paid or are to be paid by any partnership, association, or corporation of which he is a member."

SEC. 7. That section 35 of chapter II of the Fire and Casualty Act (sec. 35–1339, District of Columbia Code, 1951 edition) is amended to read as follows:

"SEC. 35. Upon application for renewal of an expiring license and the payment of the applicable fee prescribed in section 41, the

Superintendent shall issue the license applied for when he is satisfied that the applicant therefor meets the conditions set forth in sections 32 and 36. Before the Superintendent shall refuse to renew any such license he shall give to the applicant an opportunity to be fully heard and to introduce evidence in his behalf. If the Superintendent shall refuse to renew any such license he shall give the applicant written notice thereof and he shall not, for a period of 10 days from the date of that notice, take any action to stop the applicant from continuing in business, within which period the applicant may apply to any court as provided in section 45 hereof, for leave, in the discretion of the court, to continue in business until an appeal from such refusal is decided."

SEC. 8. That section 36 of chapter II of the Fire and Casualty Act (sec. 35–1340, District of Columbia Code, 1951 edition) is amended to read as follows:

"SEC. 36. The Superintendent may revoke or suspend the license of any policy-writing agent, soliciting agent, broker, or salaried company employee when and if, after investigation, it appears to the Superintendent that any license issued to such person was obtained by fraud or misrepresentation, or that such person has otherwise shown himself untrustworthy or incompetent to act in any of the foregoing capacities, or that such person has—

"(a) violated any of the provisions of the insurance laws of the District; or

"(b) has failed within a reasonable time to remit to any company all moneys which he has collected, and to which the company is entitled; or

"(c) has been guilty of rebating or has misrepresented the provisions of the policies which he is selling, or the policies of other companies; or

"(d) has countersigned policies in blank; or that

"(e) more than 25 percent of his commission income from business to which the license applies results from policies the premiums on which are paid or are to be paid in the manner set forth in paragraph (f) of this section; or that

"(f) said license is being used primarily for the purpose of obtaining commissions on policies on which he, on his own account, pays or is to pay the premiums, or on which the premiums are paid or are to be paid by any person who receives or is to receive any benefit, direct or indirect, from the commissions obtained, or on which the premiums are paid or are to be paid by any partnership, association, or corporation of which he is a member.

"Before the Superintendent shall revoke or suspend the license of any such person he shall give to such person an opportunity to be fully heard, and to introduce evidence in his behalf: *Provided*, That in lieu of revoking or suspending the license of any policy-writing agent, soliciting agent, broker, or salaried company employee for causes enumerated in this section after hearing as herein provided, the Superintendent may subject such person to a penalty of not more than $200 when in his judgment he finds that public interest would be best served by the continued operation of such person. The amount of any such penalty shall be paid by such person through the office of the Superintendent to the Collector of Taxes, District of Columbia. At any hearing provided by this section, the Superintendent shall have authority to administer oaths to witnesses. Anyone testifying falsely after having been administered such an oath shall be subject to the penalties of perjury."

SEC. 9. That section 38 of chapter II of the Fire and Casualty Act (sec. 35–1342, District of Columbia Code, 1951 edition) is amended to read as follows:

"SEC. 38. The provisions of this act relating to the licensing of policy-writing agents, soliciting agents, salaried company employees, and brokers shall not apply to the sale of personal accident insurance in the ticket offices of railroad companies or other common carriers, or in the offices of travel bureaus, nor to the business of ocean marine insurance, nor to insurance covering the property of railroad companies and other common carriers engaged in interstate commerce."

SEC. 10. That section 39 of chapter II of the Fire and Casualty Act (sec. 35–1343, District of Columbia Code, 1951 edition) is amended to read as follows:

"SEC. 39. Except as provided in section 40, no person shall act as agent in the District for any company which is not authorized to do business in the District, nor shall any person directly or indirectly negotiate for or solicit applications for policies of, or for membership in, any company which is not authorized to do business in the District. The term 'company' as used in this section shall include any association, society, company, corporation, joint-stock company, individual, partnership, trustee, or receiver engaged in the business of assuming risks of insurance, surety, or indemnity, and any Lloyd's organization, assessment, or cooperative fire company, or any reciprocal or interinsurance exchange, and any company, association, or society, whether organized for profit or not, conducting a business, including any of the principles or features of insurance, surety, or indemnity. Any person who violates any provision of this section upon conviction shall be fined not less than $100 nor more than $1,000 for each offense, or be imprisoned for not more than 12 months, or both, and any such person shall be personally liable to any resident of the District having claim against any such unauthorized company under any policy which said person has solicited or negotiated, or has aided in soliciting or negotiating: *Provided*, That the provisions of this section shall not apply to any person who negotiates with an unauthorized company for policies covering his own property or interests, nor shall the provisions of this section apply to the officers, agents, or representatives of any company which is in process of organization under the laws of the District, and which is authorized temporarily to solicit or secure memberships or applications for policies for the purpose of completing such organization. Prosecutions for violations of this section shall be upon information filed in the municipal court for the District of Columbia by the corporation counsel or any of his assistants."

SEC. 11. Where any provision of this act or any amendment made by this act refers to an office or agency abolished by Reorganization Plan No. 5 of 1952 (66 Stat. 824), such provision or amendment shall be deemed to refer to the Commissioners of the District of Columbia or to the office, officer, or agency which the Commissioners have heretofore designated or may hereafter designate to perform the functions of the office or agency so abolished.

Mr. TEAGUE of Texas. Mr. Speaker, the purpose of the bill is, first, to correct a situation arising from a recent decision of the United States Court of Appeals in the case known as Atlantic Insurance Agency, Inc., a Corporation, et al. against Albert F. Jordan, Superintendent of Insurance; and secondly, to bring related sections of law applicable to the business of life insurance into conformity with corresponding sections applicable to the business of fire and casualty insurance.

In the opinion of the majority of the court in the above-mentioned case, it was stated that—

> However desirable it may be for the Superintendent to be empowered to act at all times in the public interest in the insurance field, neither the Superintendent nor the courts may supply powers which the Congress has never conferred.

The court also said:

> The Superintendent really has asked us to read the statute as though it authorizes him to deny renewal to a corporation which in every respect has originally been found by him to be qualified under and to have complied with the statutes, if it should later develop that an ownership interest in the corporation shall have been acquired by a person deemed by the Superintendent to be untrustworthy. Perhaps Congress should have said that much; the plain fact is that it did not do so. The Superintendent must be held to his statutory authority.

As a result of the court of appeals decision, the renewal of certain licenses cannot be denied because of the untrustworthiness of the applicant or because of violation of any law by the applicant other than an insurance law.

For example, if, when such a person applies for the renewal of his license, it is found that he has committed larceny, forgery, fraud, or any other similar offense, his license must, nevertheless, be renewed so long as there is no conclusive finding that he has violated an insurance law.

Other sections of the bill deal with related problems pertaining to the issuance and revocation of insurance licenses. The primary purpose of the bill, therefore, is to permit the Department of Insurance of the District of Columbia to continue to protect the public by issuing or revoking licenses in accordance with standards previously established by Congress.

The provisions which are added to the insurance acts by the amendments contained in the bill are comparable to provisions usually found in State laws. The bill is designed to protect the public interest involved in the insurance business.

The individual sections of the bill provide as follows:

Sections 1, 2, and 3 merely bring the provisions of the Life Insurance Act relating to the issuance and revocation of agents and companies' licenses into conformity with corresponding sections of the Fire and Casualty Act. In addition, an existing prohibition of false advertising is given greater emphasis, and there is also included a provision for the swearing of witnesses and the testimony given by such witnesses to be subject to the penalties of perjury.

Section 4 makes applicable to fire and casualty companies the prohibition against false advertising now applicable to life-insurance companies under the Life Insurance Act of 1934, and also provides for the swearing of witnesses at hearings and the testimony given by such witnesses to be subject to the penalties of perjury.

Section 5 takes out of a presently existing section of the Fire and Casualty Act references to life insurance in order to make the section consistent with the ap-

plication section of that act, which provides that it shall not affect the business of life insurance.

Section 6 corrects the defect in the law found by the court in the case referred to above by making it plain that the section applies to renewal as well as to original licenses. This section adds to present law and would give the Superintendent the authority to not only ask the names of the members of the firm, partnership, or corporation who solicit insurance or who countersign policies, but would as well authorize him to require the applicant, at any time, to disclose the identity of all stockholders, partners, officers and employees, and he may, in his discretion, refuse to issue or renew a license in the name of such firm, partnership or corporation if he is not satisfied that such named officers, stockholders, partners and employees, who may influence the company's conduct, meet the standards of this section applicable to persons applying as individuals.

Section 7, for the purpose of clarification and emphasis, states again that applicants for renewal licenses shall be subject to conditions of the law relating to trustworthiness and competency and, in the event the Superintendent refuses to renew the applicant's license, the applicant has a right to a hearing and an appeal. Also the applicant may appeal to the courts for leave to continue in the insurance business pending litigation.

Section 8 eliminates the present necessity for conclusive findings and provides for the swearing of witnesses.

Sections 9 and 10 eliminate references to life insurance and fraternal benefit societies in order to make those sections consistent with the application section of the Fire and Casualty Act, from which it will be seen that that act was not intended to apply to life insurance or to fraternal benefit societies.

This legislation has the approval of the Board of Commissioners of the District of Columbia, and its enactment will not involve any additional cost to the government of the District of Columbia.

Mr. TALLE. Mr. Speaker, will the gentleman yield?

Mr. TEAGUE of Texas. I yield to the gentleman from Iowa.

Mr. TALLE. It is my opinion, and I believe it is the opinion of every member of the subcommittee and of the full committee, too, that the enactment of this bill is in the public interest. Under the law as it is now interpreted, it is possible for a person to get renewal of his license to operate, even if he is guilty of larceny, forgery, fraud, or any other similar offense—so long as there is no conclusive finding that he has violated an insurance law.

This is corrective legislation that should be enacted promptly to protect the public, and it has the wholehearted support of the insurance fraternity.

Mr. TEAGUE of Texas. The gentleman is exactly correct. This bill is supported by the entire insurance industry of the District of Columbia and by the District Commissioners. It was reported unanimously by the subcommittee and unanimously by the full committee.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

NATIONAL SOCIETY OF THE SONS OF THE AMERICAN REVOLUTION

Mr. McMILLAN. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H. R. 9271) to authorize the National Society of the Sons of the American Revolution to use certain real estate in the District of Columbia as the national headquarters of such society, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the National Society of the Sons of the American Revolution, incorporated by the act entitled "An act to incorporate the National Society of the Sons of the American Revolution," approved June 9, 1906 (34 Stat. 227), is authorized to use the real estate described as lots 806, 807, 808, 809, 810, 811, and 816, in square numbered 2507, situated in the city of Washington, D. C., as the national headquarters of such society.

Mr. McMILLAN. Mr. Speaker, the purpose of this legislation is to permit the National Society of the Sons of the American Revolution to occupy the residence at 2412 Massachusetts Avenue NW. as a national headquarters of the society.

The Society of the Sons of the American Revolution was incorporated under an act of Congress on June 9, 1906. Under existing law the area in which the association wishes to buy the residence is zoned residential. Because of the fact that the National Society of the Sons of the American Revolution wishes to occupy the house in this location it will be necessary for the Congress to enact this legislation to permit a variance in the zoning laws.

The Commissioners of the District of Columbia, in a letter addressed to the chairman of this committee, stated, "The Commissioners, having previously opposed special zoning treatment by legislation, cannot recommend favorable action on H. R. 9271. However, since the Commissioners believe the contemplated use of the property as authorized by the bill will have no adverse effect on neighboring property, they do not offer objection to passage of the bill."

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent that the gentlewoman from Georgia [Mrs. BLITCH] may include the following statements in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

STATEMENT OF WADE H. COOPER BEFORE THE CONGRESSIONAL DISTRICT COMMITTEE JANUARY 29, 1958, ON S. 2798, H. R. 9271, AND H. R. 9359, RE SONS OF THE AMERICAN REVOLUTION

I am 100 percent opposed to the passage of any of these bills for the reasons following:

(a) Because the property is too remote and too distant to be of any service to the Sons of the American Revolution except as a workshop and might be its death knell; and its purchase means a dissipation and waste of around $150,000, as other buildings could be and can be purchased for $75,000 or less, more suitable as to location and as to structure and ready for immediate occupancy.

(b) Because the record shows that the members of our organization know nothing of the real facts which have been withheld and never revealed to them; and that this attempt to purchase the property involved has been fixed almost from the beginning, to pay the owner $165,000 plus $25,000 for rearrangement or two or three times what we should pay for the property involved. When I urged and made the motion for the sale of our old home for $305,000 cash I expected to save $200,000, which can be done if permitted, as there are buildings all around 2412 Massachusetts Avenue for sale are one-third to one-half the price which we are to pay (over my protest), viz, 2408 Massachusetts Avenue (next door to 2412) at $60,000, 1525 Rhode Island Avenue (Scott Circle, one block from our old home) at $75,000, 2100 S Street NW., a gorgeous building with an elevator for $58,000 (less than a third of 2412 Massachusetts) and 2346 Massachusetts Avenue, also a gorgeous building with an elevator, for $100,000 or less.

(c) Because the Adjustment Zoning Board, a creature of the Congress, has already refused a Permit of Occupancy for 2412 Massachusetts Avenue and the matter is now res judicata. Therefore, the Congress is without any lawful authority to intervene and its action would be ultra vires and void as an appeal to the courts is a proper remedy if there be any complaint. The Congress cannot approbate and reprobate at the same time.

(d) Because our membership is now at a standstill and some of us want to start a forward movement by offering modest club privileges. It is a natural law that anything that ceases to grow must die. This property is too remote for a club, and we could not possibly get a permit for a club.

(e) Because I firmly doubt that any man, financially able, would pay $75,000 for 2412 Massachusetts Avenue because of its interior structure. I do not believe that the owner of the house would deny that his own wife refused to live in the house and is not living in it now. For several years I resided at 1722 Massachusetts Avenue and I know generally the property values all along that avenue.

(f) Because a meeting or a half meeting of the National Congress of the Sons of the American Revolution has been called for February 8. I earnestly urge the rejection of all of these bills for the foregoing reasons, or that no action be taken until this so-called meeting of February 8.

FACTS

I think that every fact which I have stated is correct, but I will gladly correct any mistake.

LAW

Our Supreme Court, in my opinion, has been shattering constitutional cases and legal precedents, perhaps, by the abuse and misuse of rule 61, but there is nothing the Congress can do about this except to make rules and regulations as to the future. With perfect courtesy, I would like to point out that the same situation seems to exist here.

The Zoning Board is a creature of Congress, and the Congress cannot approbate and reprobate at the same time, as stated above.

UNIVERSITY CLUB,
Washington, D. C., January 27, 1958.

Gen. GEORGE E. TARBOX, Jr.,
President, Denver, Colo.

DEAR GENERAL TARBOX: Your letter to me of January 7 is of doubtful wisdom as it automatically prevents the National S. A. R. Congress from reconsidering the building matter prior to the action of the Congress on the pending bills. Delegates will not respond to such an indefinite call. May I suggest that you immediately address a letter to each delegate stating that the matter of the building will be considered in the afternoon of February 8, 1958 (naming the place), regardless of the disposition of the pending bills.

"Good intentions," "failure to investigate" (as here), or "breach of fiduciary duty" by officers or directors, resulting in the impairment of assets, renders offending officers and directors liable to make full restitution. See Corpus Juris Secundum, page 117, volume 19 (and other pages), an eminent authority. This may mean that I am forced to the unpleasant necessity of taking legal action in order to protect myself as I personally cannot allow any such condition to confront me. I must do my best to prevent a waste of $150,000. You and all other officers, trustees, directors, and delegates have the same responsibility under the law that I have. There are buildings all around the Hurley House, and elsewhere, that can be had for one-half and one-third the Hurley House, more suitable as to location and as to structure for our purpose.

Yours truly,

WADE H. COOPER,
Past President, D. C. State Society.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RETIREMENT OF POLICEMEN AND FIREMEN

Mr. DAVIS of Georgia. Mr. Speaker, by direction of the Committee on the District of Columbia I call up the bill (H. R. 9304) to amend section 12 of the act approved September 1, 1916, as amended, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That paragraph (1) of subsection (d) of section 12 of the act approved September 1, 1916, as amended, is amended to read as follows:

"(d) (1) On and after the first day of the first pay period which begins on or after the date of approval of the Policemen and Firemen's Retirement and Disability Act Amendments of 1957 there shall be deducted and withheld from each member's basic salary an amount equal to 6½ percent of such basic salary. Such deductions and withholdings shall be paid to the Collector of Taxes of the District of Columbia, and shall be deposited in the Treasury to the credit of the District of Columbia."

SEC. 2. This act shall be effective as of the date of approval of the Policemen and Firemen's Retirement and Disability Act Amendments of 1957.

Mr. DAVIS of Georgia. Mr. Speaker, the Policemen and Firemen's Retirement and Disability Act Amendments of 1957, approved August 21, 1957 (Public Law 85–157; 71 Stat. 391), provides that deductions from salaries of policemen and firemen be increased from 5 to 6½ percent on and after October 1, 1956.

The purpose of the bill is to change the effective date for the increased rate of deduction to the first day of the pay period which began on or after the approval of the act rather than make this date retroactive to October 1, 1956.

At the time the law was enacted amending the act for the retirement of public-school teachers in the District of Columbia, approved June 4, 1957 (Public Law 85–46; 71 Stat. 46), it was provided that deductions at the increased rate should begin on the first day of the second month following the enactment of such act, and the effective date of such act for all other purposes was October 1, 1956. It was the opinion of the Commissioners of the District of Columbia that it would be inequitable to require policemen and firemen to pay the increase in deductions from salary retroactively since teachers were not required to pay the increase retroactively.

The Commissioners strongly recommended the passage of this legislation and agreed to withhold deductions from salaries of police, firemen, and so forth, until the Congress had acted on this legislation.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING SECTION 15, DISTRICT OF COLUMBIA ALCOHOLIC BEVERAGE CONTROL ACT

Mr. McMILLAN. Mr. Speaker, by direction of the Committee on the District of Columbia I call up the bill (H. R. 7300) to amend section 15 of the District of Columbia Alcoholic Beverage Control Act and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 15 of the District of Columbia Alcoholic Beverage Control Act, as amended (sec. 25–116, District of Columbia Code, 1951 edition), is amended by inserting "(a)" immediately after "SEC. 15."; by inserting "(b)" immediately before the second paragraph; and by adding thereto the following new subsections:

"(c) The provisions of subsection (a) of this section shall not apply in any case where an application is made for the issuance or transfer of a retailer's license for a place of business conducted in a residential-use district as defined in the zoning regulations and shown in the official atlases of the Zoning Commission if the zoning of such place of business was changed from a less restricted use to such residential use during a period when a license of the same class for which application is made was in effect at such place of business: *Provided*, That a license of the same class at such place of business is in effect on the date the application for the new license, or transfer, is filed.

"(d) The provisions of subsection (b) of this section shall not apply in any case where an application is made for the issuance or transfer of a wholesaler's or manufacturer's license for a place of business conducted in a residential- or first commercial-use district as defined in the zoning regulations and shown in the official atlases of the Zoning Commission if the zoning of such place of business was changed from a less restricted use to such residential- or first-commercial-use during a period when a license of the same class for which application is made was in effect at such place of business: *Provided*, That a license of the same class at such place of business is in effect on the date the application for the new license, or transfer, is filed.

"(e) In any case where an application is made pursuant to this section for the issuance or transfer of a retailer's license for a place of business conducted in a residential-use district, or for the issuance or transfer of a wholesaler's or manufacturer's license for a place of business conducted in a residential- or first-commercial-use district, as such districts are defined in the zoning regulations and shown in the official atlases of the Zoning Commission, and the applicant for the issuance or transfer of any of the said licenses is the holder of a similar license for any of the said places of business in effect on the date the application for the new license, or transfer, is filed, nothing contained in this section shall be construed as entitling such licensee to any preferential treatment or be construed as making inapplicable any provision in any other section of this act."

With the following committee amendment:

On page 3, line 9, strike "filed, nothing" and insert in lieu thereof "filed. Nothing."

The committee amendment was agreed to.

Mr. McMILLAN. Mr. Speaker, section 15 of the Alcoholic Beverage Control Act as presently written prohibits the issuance of retailers' licenses, except of classes B or E, for any business conducted in a residential-use district as defined in the zoning regulations and shown in the official atlases of the Zoning Commission as well as wholesalers' licenses in residential and manufacturers' licenses in residential- or first-commercial-use districts. Since by section 13 of the act "every annual license shall date from the 1st day of February in each year and expire on the 31st day of January next after its issuance," the act presently prohibits the reissuance of a license and for all practical purposes the transfer of a license for the same place of business where the zoning of the premises in which the business operates is changed in the case of a retailer or wholesaler to residential and in the case of a manufacturer to a commercial- or residential-use during the life of the license.

At the present time the number of places to which a license may be transferred is exceedingly limited, with the result in many cases a business possessing an ancoholic beverage control license will be destroyed by the change of zoning, a result which was not believed contemplated by either the Alcoholic Beverage Control Act or the Zoning Act.

The purpose of the bill is to overcome the effect of section 15 of the act in those cases where the zoning of a property where a license is in effect is changed to a more restricted zoning classification

than the former zoning classification and thus permit the continued operation of a licensed business.

This proposed legislation has the approval of the Alcoholic Beverage Control Board and the Commissioners of the District of Columbia.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Thursday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was objection.

LET'S MAINTAIN OUR WATERFOWL BREEDING GROUNDS, NOT DRAIN THEM

Mr. REUSS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. REUSS. Mr. Speaker, I have today introduced for appropriate reference H. R. 10641, a bill to amend the Soil Conservation and Domestic Allotment Act and the Soil Bank Act so as to end Federal cost sharing and technical assistance in farm drainage harmful to wildlife, and to create corresponding incentives for maintaining wet lands in the conservation reserve program. A companion bill, H. R. 10642, has been introduced by that distinguished conservationist, the gentleman from South Dakota [Mr. McGOVERN].

Our national policy should be to encourage the highest and best use of the Nation's land and water resources. Instead, the Federal Government has been paying out millions of taxpayers' dollars to encourage farmers to drain wet lands, particularly in Minnesota and the Dakotas. Such drainage brings into existence new surplus crops of corn, wheat, and other grains. Additional millions of tax dollars are then spent for Government purchases of surplus corn and wheat, and for the soil-bank program to take corn and wheat land out of production. Further illustrating the inconsistencies, conservation reserve payments are now being made in some instances to restore marshlands previously drained with ACP assistance. The drainage program, by hastening runoff from the land, often causes harmful erosion and depletes our water reservoirs. It has already destroyed almost one-third of the Nation's finest breeding grounds for migratory waterfowl.

Secretary of Agriculture Benson has been urged time and again to put a stop to the wasteful and destructive phases of this program. He has refused to do so. H. R. 10641 is designed to meet this situation before the last waterfowl breeding ground has been blotted from the continental United States.

The basic authority for the Department of Agriculture's payments to farmers for draining wet lands is contained in the Soil Conservation and Domestic Allotment Act of 1936, Public Law 461, 74th Congress. Under this act, the Secretary of Agriculture has designated drainage as an eligible conservation practice, thereby permitting the Federal Government to pay farmers 50 percent of the cost of drainage work on their land, and the entire cost of technical assistance through the Soil Conservation Service.

Federal cost-sharing for farm drainage was initiated in the North Central, Western, and Southern States in 1942. Spurred on by World War II, by 1944 Federal payments were being made in 37 States. The program received an additional impetus during the Korean conflict.

THREE HUNDRED AND FIFTY THOUSAND POTHOLES DRAINED

This drainage of potholes, water-holding depressions varying in size from small potholes to shallow lakes covering hundreds of acres, has been most marked and destructive in the so-called prairie pothole region of the Middle West. This consists of 39 counties of eastern North Dakota, 44 counties of eastern South Dakota, and 57 counties of western Minnesota. Of the 1,350,000 potholes in the area at the start of the subsidized drainage program, more than 350,000 have been drained through Federal subsidies. In addition, an unknown number have been drained by farmers acting without the benefit of Federal subsidy.

The Intergovernmental Relations Subcommittee of the House Committee on Government Operations, of which the Honorable L. H. FOUNTAIN, of North Carolina, is chairman, held a hearing on August 15, 1957, on the question of farm drainage. The testimony of Daniel H. Janzen, Director of the Bureau of Sport Fisheries and Wildlife of the Department of Interior, sums up the danger to our shrinking wildlife resources presented by Secretary Benson's activities:

1. The end of unlimited water resources for industry and agriculture is in sight. Our shortage of wet lands valuable for waterfowl habitat is nationwide. Our expanded population has far more time to spend in recreational activities and is constantly increasing its demands on our shinking waterfowl resources. Additional losses in waterfowl habitat will seriously jeopardize our waterfowl resource base. We must preserve and develop the remaining waterfowl habitat in the United States.

AN INTERNATIONAL RESPONSIBILITY

2. The protection of migratory waterfowl and its habitat is more than a domestic responsibility. It is an international obligation of the Federal Government under treaties concluded with Great Britain and Mexico and a number of laws enacted by the Congress to implement those treaties. We believe that wholesale destruction of vital waterfowl production habitat by agencies of the Federal Government—or as a result of their programs—is clearly inconsistent with the obligations of the United States under these international conventions.

3. We want to emphasize here that we are not opposed to all drainage of wet lands. Neither are we opposed to Federal subsidy and technical assistance for all drainage. We are, however, greatly concerned about the continuance of Federal technical assistance for drainage of wet lands which are vital to the maintenance of our waterfowl resources.

4. The three-State area of Minnesota, North Dakota, and South Dakota has produced an average of 4 to 5 million ducks annually during the past 7 years. Nearly three-fourth of the ducks produced in the United States are hatched here. Waterfowl banded in the 3-State pothole region and northeastern Montana during the nesting season have been shot in 42 States, Canada, and Latin America.

Breeding ground studies conducted by the Service in cooperation with State fish and game departments and Canadian wildlife agencies show conclusively that the prairie pothole region, including the 3-State area and adjacent Canada, is the preferred breeding habitat on the North American Continent. In 1956, these potholes furnished production habitat for 67 percent of the continental breeding population.

It is sometimes suggested that drainage of prairie potholes may not necessarily be a serious factor in duck production because breeding birds can find nesting sites farther north in Canada. Breeding ground censuses during past years show conclusively that such a northward shift of breeding birds does occur when water is not abundant in the prairie region, but this shift causes a significant reduction in duck production. When there is an abundance of water farther south the birds will shift back to the preferred breeding habitat of the prairie pothole region to breed and nest.

The prairie potholes thus represent the most productive natural duck-breeding habitat on the continent and any reduction in this habitat by drainage must necessarily result in a lower production potential for our waterfowl.

5. Destructive soil erosion due to cloudbursts and floods in Minnesota in August, 1957, could have been prevented on two bases; first, if there had been less drainage more of the water would have been stored temporarily in these depressions, but because of the drainage it rushed off rapidly; second, had there been more assistance by th Department of Agriculture to stabilize the soil on the hillsides, there would have been less damage done to the farms. One of the reasons that there was not more assistance to farmers was because funds were not available. It has been my feeling for many years that if the engineering-technical assistance and the funds made available for this drainage were made available to farmers to stabilize soil on the hillsides, that problem would have been more nearly solved.

SAVING MILLIONS

6. For at least 8 years the United States Fish and Wildlife Service has negotiated with agricultural agencies to find a cooperative solution to the curtailment of drainage damaging to waterfowl. After all, this is a problem that can be solved only by the interests that are presently responsible for that drainage.

7. In keeping with current economy policies in Government, substantial savings of somewhat more than a million dollars annually could be achieved by abolishing subsidies for drainage in the three pothole States.

8. The position of the United States Fish and Wildlife Service on this problem is that the Federal Government should not offer subsidies for drainage in the prairie pothole region of the Dakotas and Minnesota, because of the national interest in the 4 million acres of waterfowl wet lands there. We do not, of course, object to a farmer draining his land on his own initiative at his own expense. This is his right as a private property owner.

9. The handwriting is on the wall for the waterfowl resource of this Nation unless destruction of its breeding habitat is halted. Prompt action is called for to maintain this resource, and the recreation it supports, as we know them today.

Another witness was H. R. Morgan, of Bismarck, N. Dak., former North Dakota game and fish commissioner. Mr. Morgan, who is also chairman of the soil-bank committee of the International Association of Game, Fish, and Conservation Commissioners, testified on behalf of the North Dakota Wildlife Federation. He said:

DRAINAGE INCONSISTENT WITH SOIL BANK

I should like to point out the inconsistency of spending public funds to encourage drainage of noncroplands which are to be placed in future crop production at a time when surpluses of certain crops are a problem.

On the one hand, we have the modern Soil Bank Act, designed to meet the surplus problem which is the result of too much production of certain commodities.

On the other hand, we have public funds being expended to convert more land into crop production. I believe this to be inefficient administration.

Still another witness was Thomas A. Schrader, director, Department of Game Fish and Parks, State of South Dakota, who testified:

DESTROYS UPLAND, TOO

Mr. REUSS. Based upon your years of experience in this prairie pothole area, both in the Fish and Wildlife Service and as director of the South Dakota Game Commission, do you have an opinion as to whether the federally subsidized drainage program has had an effect on wildlife production?

Mr. SCHRADER. It has had a tremendous adverse effect on wildlife, not only on waterfowl, which is primarily the interest of the Fish and Wildlife Service, but biologists in the South Dakota Game and Fish Department are of the opinion that this drainage does more harm to the upland game, primarily pheasant, than it does to the waterfowl. We have lost tremendous acreages of very valuable upland game habitat in addition to the waterfowl production that has been lost.

Mr. REUSS. Do you have an opinion, based on your actual observation, as to whether the effect of the federally subsidized farm drainage program in the pothole area has been primarily one of bringing new land into production as opposed to some other purpose?

Mr. SCHRADER. Well, all of it brings new land into production. In fact, it got its start during the war. This program was first accelerated by the effort during the war to put new land into production. It was listed as one of the early places which would increase production badly needed during the war. I have never been able to find a place, from my experience, where drainage would not increase production. Now there may be places where that is the case. But in the pothole country I have never seen a drainage project that did not have as its ultimate end result an increase in production. It is primarily for the production of corn and flax, which we have too much of already.

Mr. REUSS. When you say that you have never seen a pothole drainage project which has had any other result than increasing the area devoted to producing crops, how many potholes, or former potholes, have you looked at in the last 12 years?

Mr. SCHRADER. I suppose that I have seen 10,000 of them personally. I have been employed in this work to the extent that I have seen thousands and thousands of drained potholes. I have taken a good many of the photographs that we have in our files in the office.

DRAINAGE VASTLY EXCEEDS ACQUISITION

A comparison between federally assisted wet lands drainage programs and federally acquired waterfowl habitat in the three prairie pothole States for the period 1951–55 shows devastatingly how much faster we are moving to destroy duck habitat than to acquire it:

	ACP drainage		FWS acquisition	
	Funds spent [1]	Duck habitat removed (acres)[2]	Funds spent [1]	Duck habitat acquired (acres)[3]
1951	$871,380	40,700	$6,731	647
1952	1,089,851	63,700	50	57
1953	1,077,639	61,100	13,025	785
1954	1,117,976	40,300	1,179	282
1955	1,482,877	50,900	46,628	1,691
Total	5,639,723	256,700	67,613	3,462

[1] Source: Annual summaries of ACPS.
[2] Source: FWS estimates based on 25 percent of total ACP drainage in the 140 counties where duck production is important. These estimates represent 19.3 percent of all reported drainage for the 3 States.
[3] Annual reports of the Migratory Bird Conservation Commission.

As the above table shows, the agriculture conservation program was spending 83 times as much to destroy waterfowl habitat as the Fish and Wildlife Service was spending to acquire it. In terms of acres, ACP was removing 74 times as many acres of wetlands as FWS acquired.

Faced with this indictment of the farm drainage program in the prairie pothole States, the Department of Agriculture spokesman at the August 15, 1957, hearing sought to justify the Department's activities by insisting that the program was good conservation. When pressed how a program that was wasteful of water, destructive of wildlife habitat, and inconsistent with soil-bank objectives could be called conservation, Deputy Administrator Gladwyn E. Young of the Soil Conservation Service testified that by draining their marshy areas farmers can shift crop production to lowlands that are less subject to soil erosion than their uplands. It seems to me a more sensible approach would be for the Soil Conservation Service and the agriculture conservation program service to attempt to save the uplands from erosion by vigorously promoting practices such as terracing, contouring, and strip cropping, rather than let the uplands go to pot and then attempt to recoup needed land by draining wetlands. This is not the first time that true conservation has been trespassed against in the name of conservation.

CONSERVATIONISTS PROTEST

True conservationists have protested for many years the Department of Agriculture's farm drainage activities in the prairie pothole States. From time to time, the Department of Agriculture has thrown a crumb to its critics by adding a word here or a phrase there to its farm drainage regulations. In 1952 language was added requiring due consideration to the maintenance of wildlife resources. Starting in 1955 language was added prohibiting drainage assistance for the primary purpose of bringing new land into crop production. Apparently the Department of Agriculture made no serious effort to enforce even these loose limitations. An inspector for the Fish and Wildlife Service conducted a survey of ACP drainage activities in North Dakota in 1955 and 1956. Of the acreage drained during these 2 years in North Dakota, he reported, 48.1 percent—13.4 percent of the total number of potholes drained—was in direct violation of the Department of Agriculture's regulations. This high percentage of violations of even the Department's loose rules appears to be the result of leaving the drainage program to such a large extent in the hands of county agricultural stabilization conservation committees.

On August 9, 1957, the Agriculture Conservation Program Service issued still a new regulation on drainage subsidies, as follows:

1101.976. Practice C–9: Constructing permanent open drainage systems to dispose of excess water. Federal cost-sharing may be authorized for clearing the necessary minimum width right-of-way. Federal cost-sharing may be authorized for the spreading of spoil banks where this is necessary for the effective utilization of the drainage system. No Federal cost-sharing will be allowed for ditches, the primary purpose of which is to bring new land into agricultural production. This practice is not applicable to land other than that devoted to the production of cultivated crops or crops normally seeded to hay or pasture during at least 2 of the 5 years preceding that in which the practice is applied; provided, however, that upon a showing by a farmer applicant for this practice that the land on which the practice is to be applied was in cultivated crops, tame hay, or seeded pasture 2 years out of 10 years preceding the application applied for, he may be allowed cost-shares as to such land. The installation of this practice on eligible land shall not be ineligible for cost-shares because its use results in incidental drainage on ineligible land. No Federal cost-shares are allowable for cleaning a ditch, installing crossing structures, or for other structures primarily for the convenience of the farm operator. In the installation of drainage systems, due consideration shall be given to the maintenance of wildlife habitat.

FEDERAL GOBBLEDYGOOK

This regulation was aptly characterized in the September 1, 1957, issue of Conservation News, published by the National Wildlife Federation, as—

A classic example of Federal gobbledygook. The loopholes are plenty big enough to drive a bulldozer or a dragline through at any point. * * * The phrase "primary purpose" in the third sentence above permits local committees in charge of ACP payments to say that bringing new land into production is merely incidental to another purpose, say the drying-up of wet fringes of a pothole that have been farmed in years of subnormal rainfall. The effect of the long, involved fourth sentence is 2 in 10 years; the 2 in 5 proposal is meaningless. If despite the foregoing loopholes it still bothers the conscience of a county committee to approve the drainage of a pothole, the fifth sentence clearly opens the way for ditches passing incidentally through permanent potholes to reach adjacent eligible land.

The Bureau of Sport Fisheries and Wildlife of the Department of Interior on August 27, 1957, had the following

discouraging comment to make on the new ACP regulation:

The 1958 ACPS program regulations for drainage assistance under practices C–9 and C–10 have been carefully studied. In our review of these regulations particular attention was given to the new language they contain which purportedly was included to clarify the policies and objectives of the Department of Agriculture in administering the program. Our conclusion is that the 1958 regulations provide more encouragement through Federal assistance for drainage of farm wetlands than comparable regulations of the past several years.

Under practice C–9, the wording of the first two sentences authorizing cost-sharing for clearing rights-of-way and for the spreading of spoil banks is the same as in 1957. The third sentence which states that Federal cost-sharing will not be allowed for ditches, the primary purpose of which is to bring new land into production, likewise is the same as last year. Experience has shown that the term "primary purpose" is widely used as a justification for assisting drainage which does bring substantial acreages of new land into production.

The fourth sentence apparently is a new attempt to define land eligible for drainage assistance. Although the first portion of this sentence states that the practice is not applicable to land other than that devoted to the production of cultivated crops, seeded hay or pasture during 2 of the preceding 5 years, a following proviso nullifies this restriction by stating that cost-sharing will be allowed for lands shown to be in production of such crops 2 out of the preceeding 10 years. Thus, under this portion of the regulation, lands which are considered as unfit for cultivation, tame hay, or seeded pasture 80 percent of the time are now eligible for drainage cost-sharing. Drainage of such lands obviously destroys much waterfowl habitat and increases the acreage of land under cultivation.

The fifth sentence authorizes cost-sharing for drainage of eligible lands which cannot be drained without also draining ineligible lands. This is a new provision in the regulations, although the practice of allowing such cost-sharing is not new. In past years, ineligible wetlands have been drained with Federal funds and technical assistance when they were located between an eligible area and the terminal point of the ditch necessary to drain this eligible area. Situations of this type comprised some of the more flagrant deviations from the stated policy of the agricultural agencies assisting drainage. Inclusion of this new language apparently is intended to provide outright policy authorization, at the national level, for such cases, which in the past have been justified on the basis of local interpretation. In effect, this provision in the 1958 regulations will make all potholes susceptible to legal drainage.

The last two sentences in the regulations for practice C–9 contain no new provisions over those included in the 1957 docket.

The regulations for practice C–10 in the 1958 docket include provisions identical with those in practice C–9. Our comments on these provisions apply to the regulations for both practices.

On the whole, the 1958 regulations for ACPS practices C–9 and C–10 do not reflect cooperative or sympathetic consideration of the views of the Bureau of Sport Fisheries and Wildlife on the impact of drainage on waterfowl habitat. We also wish to point out that the Bureau of Sport Fisheries and Wildlife was not provided an opportunity to review these regulations prior to their acceptance by the Secretary of Agriculture.

FRUSTRATED BY SECRETARY BENSON

The frustration of any conservationist who has tried to stem Secretary Benson's farm-drainage program is well described in an article by Harold Titus, Big Man From a Little Town, in the February 1958 issue of Field and Stream. Mr. Titus tells of the trip to Washington of Dr. J. H. Shaeffer, of Parker, S. Dak., president of the South Dakota Wildlife Federation:

Another encounter that the doctor characterizes as his greatest hour of frustration was staged in Washington, when he appeared with others before Secretary of Agriculture Ezra Benson to protest the drainage program. After a long talk about the situation with South Dakota's Senator CASE, Shaeffer got an appointment with high brass of SCS and ACP, "certainly figured that was a break," confesses Jim. "I was sure that if I could sit down with key officials I could make them understand how we feel, and why. But when I got there, here were these two highups and each had two assistants at his elbow. Every time I made a statement or asked a question they turned on an avalanche of statistics and citations that just smothered me." If they couldn't stop me dead with the data they had with them, they sent out for another big batch. I knew from living on the land that the water was disappearing because of the drainage program administered by those men. My own tax dollars were being shelled out to hurry water off the land, in direct contradiction to one of the original concepts of conservation as proclaimed by the Soil Conservation Service. More of my tax dollars were being used to pay farmers for raising more surpluses on those drained acres. I knew that the water table in my State was dropping and that, if history supplies any precedent, another drought would come and the Great Plains would need every natural wet spot to survive it.

"But I couldn't get to first base," he says. "I was just a little fellow from a little town and trying to mix with the big time."

THE GRANGE'S POSITION

H. R. 10641 is designed to end Federal aid for farm drainage where wildlife interests are adversely affected, and at the same time see to it that farmers in the area affected become eligible to receive incentive payments for maintaining their wetlands roughly equivalent to what they would have received for draining them. The bill is, therefore, an attempt to deal fairly with farmers in the prairie pothole area, and to see that they are not put at a financial disadvantage with farmers in other areas who may receive help for drainage. This is in substantial accordance with the comments of Mr. Gordon K. Zimmerman, research, director, the National Grange, in his letter of August 16, 1957, to the Honorable L. H. FOUNTAIN, chairman, Intergovernmental Relations Subcommittee of the House Committee on Government Operations. Mr. Zimmerman's letter states:

Under the circumstances, the Grange believes:

1. That the prairie potholes have a unique value as breeding grounds for waterfowl production;

2. That the chief beneficiaries of pothole maintenance are sportsmen living in sections of the country at some distance from the potholes;

3. That farmers owning the potholes cannot in justice and fairness be deprived, for the benefit of sportsmen, of income opportunities and Government program assistance available to other farmers; and

4. That a program should be devised and put into operation whereby sportsmen and hunters benefiting from pothole maintenance will compensate pothole owners for such maintenance. This might be accomplished, for example, by an increase in the duck-stamp fee or some other license fee arrangement for hunters."

TEXT OF BILL

The text of H. R. 10641 follows:

Be it enacted, etc., That section 7 of the Soil Conservation and Domestic Allotment Act (16 U. S. C., sec. 590g) is amended by adding at the end thereof the following new subsection:

"(h) No assistance shall be furnished for draining wetlands, either through grants or by technical assistance, unless advance notice of the proposed assistance has been given the Secretary of the Interior; and such assistance shall be furnished only upon concurrence of the Secretary of the Interior upon a finding that wildlife preservation will not be materially harmed by the proposed drainage. The Secretary of the Interior and the Secretary of Agriculture shall jointly develop rules and regulations for the expeditious administration of this subsection."

SEC. 2. (a) Section 107 (a) (1) of the Soil Bank Act (7 U. S. C. sec. 1831 (a)) is amended by inserting immediately before the period at the end thereof the following: "or to maintain for the contract period a specifically designated acreage of wetlands on the farm."

(b) Section 107 (a) (7) of such act is amended by inserting immediately before the period at the end thereof the following: "and to wildlife management of wetlands acreages."

(c) Section 107 (b) (2) of such act is amended by inserting immediately after the second sentence thereof the following new sentences: "In establishing such rates in the case of contracts for the maintenance of wetlands, the Secretary shall also take into consideration the value of such wetlands for wildlife and water conservation purposes and the incentive necessary to prevent their drainage. The aggregate of the annual payments made to producers in any State in a year for maintaining wetlands shall not exceed the sum of the amounts paid producers in that State under this subtitle for maintaining wetlands and the amounts granted or expended in such State under the Soil Conservation and Domestic Allotment Act for draining wetlands, in that 1 of the 3 preceding years in which such sums was the largest."

(d) Section 107 of such act is amended by adding at the end thereof the following new subsections:

"(e) In determining the lands in any acreage to be covered by contractors for the maintenance of wetlands, the Secretary shall give priority to lands for which drainage aid under the Soil Conservation and Domestic Allotment Act has been requested.

"(f) The Secretary, in agreement with the Secretary of the Interior, may delegate to the Secretary of the Interior such of his duties hereunder relating to the maintenance of wetlands and to wildlife management thereof as he deems can best be carried out by such a delegation."

DETAILED ANALYSIS

There follows a detailed analysis of H. R. 10641.

Section 1: This cuts off assistance for farm drainage under the Soil Conservation and Domestic Allotment Act of 1936 where the Secretary of the Interior finds that wildlife preservation will be materially harmed by the proposed drainage. It should be noted that this provision merely cuts off Federal assistance and, of course, does not prevent a farmer from going ahead on his own. By providing that the Secretaries of Agriculture and Interior shall develop regulations for carrying out the Secretary of

Interior's wildlife protective power, the section makes possible speedy administration. For example, the Secretaries might well decide to concentrate on proposed drainages in Minnesota and the Dakotas, where the problem of wildlife preservation is acute, and to refrain from interfering with the drainage program elsewhere.

Section 2: (a) This subsection amends the Soil Bank Act of 1956 by specifically including in the conservation-reserve program the maintenance of wetlands. According to the Secretary of Agriculture, maintenance of wetlands is not included in the act as it now stands.

(b) This subsection allows the Secretary of Agriculture to require not only that wetlands be maintained but that wildlife-management practices be performed, if the applicant is to receive conservation-reserve annual payments.

(c) This subsection does two things. First, it directs the Secretary of Agriculture to "take into consideration the value of such wetlands for wildlife and water-conservation purposes and the incentive necessary to prevent their drainage" in establishing conservation reserve payments. Second, it sets a ceiling on what may be paid to farmers in any one year. This ceiling seems necessary because otherwise there would be nothing to stop farmers from all over the country applying for conservation-reserve payments for whatever wetlands they happen to have on their farm. The ceiling set up by this subsection is the sum of the highest amounts paid in that State in the 3 prior years under a combination of the existing farm-drainage program and the proposed wetlands-maintenance program of the conservation reserve. For example, in order to determine the ceiling under this subsection for Minnesota for conservation-reserve wetlands-maintenance payments for the year 1956, reference should be made to Federal drainage expenditures for Minnesota for 1955, 1954, and 1953, which come to $333,000, $182,000, and $302,000, respectively (since the conservation-reserve program was not in existence, no expenditures for maintaining wetlands were made in these years). Since the highest amount is $333,000, the limit to be spent in Minnesota for 1956 would have been $333,000.

(d) This subsection does two things. First, it gives priority for obtaining conservation-reserve payments for wetlands maintenance to farmers who have applied for Federal aid in draining their wetlands, and have been turned down. The purpose, obviously, is to avoid hardship toward and discrimination against farmers in the Minnesota-Dakotas area.

Second, it permits delegation of functions having to do with wetlands maintenance and management from the Secretary of Agriculture to the Secretary of Interior. This provision is included because the Fish and Wildlife Service of the Department of Interior is already vested with many wetlands-management functions, mostly on the Federal wildlife refuges. It may well be thought economical and efficient to have this portion of the soil bank farmed out to the Department of the Interior.

Mr. Speaker, H. R. 10641 will compensate farmers for doing what is best for their land, not for doing what is worst for their land. I hope that it becomes law.

ANNIVERSARY OF BIRTHDAY OF HON. ABRAHAM LINCOLN, FORMER MEMBER OF THE UNITED STATES CONGRESS

Mr. DOYLE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DOYLE. Mr. Speaker, on this, another anniversary of the birth of Abraham Lincoln on February 12, I again find particular pleasure and inspiration by reading as much as possible of the more recent available facts about him, as well as reviewing some of my own personal files and library of him. Abraham Lincoln, as you know, was a Member of the United States House of Representatives during the 30th Congress, from March 4, 1847, to March 3, 1849.

And, in passing, I recall that annually on the occurrence of this significant birthday of a great American statesman and great American President, I did begin in 1949 taking occasion to make some remarks similar to those I now make.

When Mrs. Doyle and I again visited Lincoln's birthplace at Hodgenville, Ky., and again viewed the original Lincoln cabin there in the national park at Hodgenville, which was during our following of the Lincoln Trail from Washington, D. C., where he was assassinated at Ford's Theater, to his magnificent tomb at Springfield, Ill., we included in that trail trip by auto en route to our home in southern California, at least a short stop and visit to each and every of the spots and place where history records for public information where Abraham Lincoln himself lived, or worked, or practiced law, or forded a stream, and also included those places of public pronouncement where the father and mother of Abraham Lincoln stopped for a bit, or crossed a river, or built a cabin en route from Kentucky to Indiana and Illinois. This was a very enriching experience to my wife and me and I recommend that those of you who possibly can do so and have a similar thrilling experience.

I remember that at the place of record at Hodgenville we saw an original document in the handwriting of Bersheba Lincoln, widow of Thomas Lincoln—who was the father of Abraham Lincoln—which said:

> Sir, you will please give a license for Wm. Brumfield to marry Anne Lincoln, my daughter. Given under my hand this 3d of February 1801.

And again we saw on the cornerstone of the original Lincoln birthplace cabin the following:

> This is on the original farm site of 200 acres owned by Thomas Lincoln, father of Abraham, for which he paid $230 and a few other costs.

It has been my pleasure to participate and cooperate in the very worthy and educational functions, as a member of the Lincoln Group of the District of Columbia, in their presentation of and promulgation of the life and death of President Lincoln.

I have another recommendation which is that every member of this great legislative body who has not already done so go to the Lincoln Museum located in the Ford's Theater building where our former colleague was shot by the assassin John Wilkes Booth on the night of April 14, 1865, and by all means take all the members of your own family with you. Amongst other historic exhibits you will there be able to see and to read and to appreciate some of the original quotations by Abraham Lincoln which are exhibited on certain panels. Some of the favorites of mine I reread whenever I can are as follows:

> I was born and have ever remained in the most humble walks of life. I have no wealthy or popular relations or friends to recommend me. (Lincoln's first public address, New Salem, Ill., March 9, 1932.)
>
> I am not an accomplished lawyer; I find quite as much material for a lecture in those points wherein I have failed, as in those wherein I have been moderately successful. (Notes for a law lecture, July 1, 1950 (?). The Life and Writings of Abraham Lincoln, Philip Van Doren Stern.)
>
> As I would not be a slave, I would not be a master—this expresses my idea of democracy. (Written about August 1858; Lincoln: His Life in Photographs, Stefan Lorant.)
>
> I am glad I made the late race. * * * I believe I have made some marks which will tell for the cause of civil liberty long after I am gone. (Letter to A. G. Henry, November 19, 1858.)
>
> You can vote for me if your neighbors will let you. (Letter to Nathaniel Grigsby, September 20, 1860.)
>
> If you know of any other men who think they are bigger than I am, let me know. I want to put them all in my Cabinet. (Said to a friend in Springfield; The Life and Writings of Abraham Lincoln, Philip Van Doren Stern.)
>
> I would rather have Democrats I know than Republicans I don't know. (Said to Judge Joseph Gillespie; Abraham Lincoln: The Prairie Years, Carl Sandburg.)
>
> My * * * object * * * is to save the Union, and not either to save or to destroy slavery. (Letter to Horace Greeley, August 22, 1862.)
>
> Upon this act, * * * I invoke the considerate judgment of mankind and the gracious favor of Almighty God. (Emancipation Proclamation, January 1, 1863.)
>
> This Nation, under God, shall have a new birth of freedom. (Gettysburg Address, November 19, 1863.)
>
> Let us strive on to finish the work we are in. (Second inauguration, March 4, 1865.)
>
> To bind up the Nation's wounds. (Lincoln's Second Inaugural Address, March 4, 1865.)
>
> If I were to try to read, much less answer, all the attacks made on me, this shop might as well be closed for any other business. I do the very best I know how—the very best I can; and I mean to keep doing so until the end. If the end brings me out all right, what is said against me won't amount to anything. If the end brings me out wrong, 10 angels swearing I was right would make no difference. (Conversation at the White House, reported by Frank B. Carpenter; source: Familiar Quotations, Christopher Morley, ed., Little, Brown & Co., Boston, 1948, p. 458.)

In my personal records and files in the life of Abraham Lincoln, a Member of Congress from Illinois, one of the most interesting itemized records I have of any Member of Congress is that of "Hon. Abraham Lincoln, 30th Congress, 2d session, for December 1848 through March 1849."

When I spoke of his life on February 12, 1951, to this august body on the anniversary of his 142d birthday, I called attention to the fact that while here in Washington he generally lived at Mrs. Spriggs' boarding house here on the Hill where at the present time the Library

of Congress is situated, and that he was appointed to the Post Office and Post Roads Committee and also the Committee on Appropriations for the War Department. It appears the principal issues of those days were the War with Mexico, the extension of slavery, the Wilmot proviso, western migration, discovery of gold in California and our relations with the Indians.

The recognized authority on the life and doings of Abraham Lincoln, Carl Sandburg, says of him as follows:

To understand the humor of this merry, serious, sad man, one must remember his sympathy and understanding for men and his deep faith in God. He moved without the slightest jar from telling a funny story to a decision on some serious problem of Government or to a declaration of his faith in the providence of Almighty God.

And historian Sandburg also writes that Lincoln was paid a visit by members of the Baltimore Presbyterian Synod, and that, when they voiced their confidence in him as President, Lincoln made to them an avowal of religious faith, as follows:

I have often wished that I was a more devout man than I am. Nevertheless amid the greatest difficulties of my administration, when I could see no other resort, I would place my whole reliance in God, knowing that all would go well, and then He would decide for the right.

In these brief remarks by me on this anniversary of he who is affectionately called "citizen of the ages," I wish to again very earnestly urge each of you, my distinguished colleagues—regardless of political party registration or philosophy to become very much more acquainted with and to apply the philosophy of this great martyr to the best there was and still is in the life of our beloved Nation.

And, while the text of the famous Gettysburg Address of November 19, 1863, is no doubt at least as well known as the text of any speech in American history, I close my remarks by again including it for your refreshment and inspiration. He having been a Member of this great legislative forum, and having been the 16th President of the United States, set a pattern of habitually practicing justice, fairness, wholesomeness, patriotism, and dedication to his public duties and responsibilities which should always be a beacon light to our own daily paths and practices and attitudes.

Four score and seven years ago our fathers brought forth upon this continent, a new Nation, conceived in liberty, and dedicated to the proposition that all men are created equal.

Now we are engaged in a great Civil War, testing whether that Nation, or any nation so conceived, and so dedicated, can long endure. We are met on a great battlefield of that war. We have come to dedicate a portion of it, as a final resting place for those who died here, that the Nation might live. This we may, in all propriety, do. But, in a larger sense, we cannot dedicate—we cannot consecrate—we cannot hallow, this ground. The brave men, living and dead, who struggled here, have hallowed it far above our poor power to add or detract. The world will little note, nor long remember, what we say here; while it can never forget what they did here.

It is for us, the living, rather, to be dedicated here to the unfinished work which they who fought here have thus far so nobly advanced. It is rather for us to be here dedicated to the great task remaining before us—that, from these honored dead we take increased devotion to that cause for which they here gave the last full measure of devotion—that we here highly resolve these dead shall not have died in vain; that the Nation shall have a new birth of freedom, and that government of the people, by the people, for the people, shall not perish from the earth.

ALEXANDER HAMILTON STEPHENS

Mr. DAVIS of Georgia. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. DAVIS of Georgia. Mr. Speaker, tomorrow marks the 146th anniversary of the birth of a great American and one of Georgia's immortals—Alexander Hamilton Stephens. Puny, sickly, and and orphan at 14 Alexander Stephens rose from a poor plowboy to the vice presidency of the Confederate States and Governor of my State. Affectionately known as Little Ellick, Mr. Stephens made up in towering intellect and an unquenchable spirit what nature had denied him in physique and health. Ill health and infirmity followed him all the days of his life.

Little Ellick's father was a small-scale farmer in what was then Wilkes County, Ga. Alexander Stephens received little in the way of formal schooling before the age of 15. Yet he graduated at the head of his class at the University of Georgia in 1832. He was admitted to the bar 2 years later. Mr. Stephens was elected to his first term in Congress in 1843. He retired because of ill health 16 years later as the clouds of war lowered over this country.

Alexander Stephens revered the Constitution. He opposed the Mexican War on strictly constitutional grounds. He opposed nullification and secession for the same reason. When Georgia voted 208 to 89 to follow South Carolina in secession. Alexander Stephens was 1 of the 89. Indeed, many northern leaders including Mr. Lincoln had firmly believed that Mr. Stephens would be able by sheer oratory and influence to prevent Georgia from joining the broad movement of secession. He bowed to the will of the majority and thereafter supported the cause of the South with a zeal and devotion matched by few others. He became vice president of the Confederate States of America in February 1861 when the fatal die had been cast.

After the end of the war Alexander Stephens served in the 43d, 44th, 45th, and 46th Congresses as Representative from my State. He became Governor of Georgia in 1882 but died the following year in the 72d year of his life. He was revered throughout the South and highly respected by many northern leaders who knew him personally.

In a speech he made in Augusta, Ga., which brought a great audience to its feet, Little Ellick urged his listeners to stand by the Constitution in any and every event. A counsel which I may say is even more cogent and necessary today.

AIRCRAFT MAINTENANCE

Mr. SHEPPARD. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. SHEPPARD. Mr. Speaker, I wish at this time to bring to the attention of my colleagues in Congress a growing situation which I view with alarm and this has to do with a rapidly deteriorating professional aircraft maintenance and overhaul industry in face of the greatest workloads since World War II.

This situation is due largely to the constantly increasing Government workshops which have grown to the point of employing over 140,000 technicians while private enterprise is laying off thousands of highly skilled personnel which can accomplish this work at considerably less cost than the Government workshops.

It has been and still is our first duty in Congress to provide the new weaponry that our military needs to defend our Nation. But while our main attention has been on these complicated problems I am afraid the military has run off with the ball in another direction—that is, setting up a large business in our Nation in competition with private enterprise. Such a policy is contrary to the intent of Congress and certainly the often pronounced policy of the administration of getting Government out of business.

Unfortunately, when appropriation requests come before us for this important phase of our military activities I find the figures are widely scattered and buried within operations to the extent that it has been difficult to ferret out what is actually going on.

My information indicates that of the $1.5 billion which we approve for the Navy and Air Force for aircraft maintenance, overhaul, and modification, only approximately 3 percent goes out to competitive bid which is the only measuring stick we have of knowing if the cost is right. Over 36 percent or $565 million is retained by the military to operate their own shops while industry which has not one Government dollar of the total $100 million investment in plant facilities is now operating at only 50-percent capacity.

The whole subject of maintenance is now taking a $7 billion bite out of our military budget and as we stockpile more hardware it will be even greater. This brings me to the point of urging Congress to investigate this situation, set up or suggest a policy to be followed, and require corrective action. This subject is important to our economy as well as reducing costs to the taxpayer, and maintaining proper procurement policies within our Defense Establishment.

Just last week Congress approved a multi-million-dollar supplemental appropriation to provide dispersal facilities

for SAC. It is proper that SAC be dispersed but before we plow millions more into new facilities, I urge this House to take a look and find out why we cannot turn into SAC bases our present huge investment in the extensive workshop airports which are ready made for dispersal now. This would free those present technicians which SAC says it must have because they are unable to get more than 12 percent of their fleet in the air at one time without these technicians. This industrial type of aircraft maintenance running into many hundreds of millions of dollars could then be turned over to private enterprise at a great saving in cost and badly needed first-line defense technicians. The way it is now the amount of competitive business offered industry will hardly fill 5 plants of the 20 companies which our country encouraged and used in our Korean emergency.

Mr. Speaker, I urge that the Congress and the Office of the Secretary of Defense give specific attention to this problem. Thank you.

SOCIAL SECURITY COVERAGE PROPOSED FOR FEDERAL WORKERS—A NEW APPROACH

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. TELLER] may extend his remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. TELLER. Mr. Speaker, I am introducing a bill today which will repeal the discriminatory provision in the Social Security Act which now denies coverage to about 2 million members of the civil service retirement system and certain other retirement systems of the Federal Government or its instrumentalities. I should like to make it perfectly clear that this bill will not affect, in any manner, the benefit rights that Federal employees now have under their existing retirement systems. And it should also be made perfectly clear that each employee presently within the purview of my bill will have the right to decide whether or not he wishes the additional protection of the social security system.

We have prided ourselves in this country on the growth of our social security system. When the act was first passed, only 6 out of every 10 workers were covered. Now 9 out of 10 workers are covered, and, if my bill is enacted, we could truly say that we have a universal system.

Today over 15 million Americans enjoy substantial security for themselves and for their families because they have the protection of both social security and a private pension plan. Likewise, over a million and a half working men and women are covered under social security and also under a State or local retirement system. And over 2½ million servicemen are accruing credits toward benefits under their respective military retirement systems and under social security.

The general exclusions from coverage of Federal employees that my bill would repeal have been amended in a piecemeal fashion over the years. In a sense, so many exceptions have been made that the exceptions are now the rule. One of the provisions my bill would repeal is a coverage exclusion in section 210 (A) (5) which, as far as anybody has been able to find out, really does not apply to anybody.

Here is the confusing story of the patchwork way in which social security affects employees of Federal, State, and local governments today. It begins in 1950 because, prior to that time, no Federal, State, or local employees received social-security credit on the basis of their government service. The 1950 amendments, however, brought in approximately 100,000 Federal employees who were not included in a Federal retirement system, and also covered employees of such Federal instrumentalities as the Federal credit union, the Federal Reserve banks, national banks, national farm-loan associations, and other instrumentalities, even though they might have a retirement system of their own. Similarly, coverage was authorized in 1950 for State and local employees who were not under retirement systems, but this latter exclusion of retirement-system members was removed in 1954 so that almost all State and local employees are now potentially eligible for social-security protection. The 1954 amendments also rary employees in the field service of the Federal Government, including temporary employees in the field service of the post office and temporary census takers of the Bureau of the Census. Finally, in 1956, coverage was extended to members of the Armed Forces, members of the retirement system of the Tennessee Valley Authority, and other State and local employees under retirement systems who had previously been excluded by various technicalities of the law.

The bill I have introduced today will provide coverage, on an elective basis, to all officers and employees of the United States and its instrumentalities not previously under the social-security system. This means that members of the civil-service retirement system, including Members of the Congress and employees of the legislative branch, will have the opportunity to obtain the additional protection provided by social security. Coverage will also be available for members of the Foreign Service retirement system, of the retirement system for the policemen and firemen of the District of Columbia, as well as for the members of various retirement systems of the Federal judiciary and those of such Federal instrumentalities as the Federal home-loan banks and the Board of Governors of the Federal Reserve System. Moreover, the bill will repeal certain other exclusions from coverage relating to certain temporary employees and even the President and Vice President. In reality my bill means that all Federal employees will be getting social-security credits if they earn $50 or more within a 3-month calendar quarter of the year.

The method of adding social-security protection on top without change in the status of the benefit structure of an employee's existing retirement system is not at all unique. It is a little known fact that the great majority of the State and local retirement systems which have voted to come under social security have done so in just this manner. Congress also adopted precisely this approach when it extended coverage to members of the Armed Forces under the Servicemen's and Veterans' Survivor Benefits Act of 1956.

Moreover, my bill would use the so-called two-division approach, which Congress instituted when it authorized coverage for certain State and local employees, including those of my own State of New York, in the 1956 amendments. According to this plan members of retirement systems would be separated into two divisions: One division to be composed of members who desire social-security coverage and the other of members who do not want it. Like the two division State and local legislation, my bill also provides that individuals who are employed by the Federal Government after the date of enactment will be put in the division which is under social security. This is a precautionary measure to avoid adverse selection of risks and preserve the financial integrity of the social security trust fund.

I believe that the enactment of my bill is necessary for a number of reasons. First of all, as I have said previously, this legislation will terminate the discriminatory exclusions from social security—which do not apply to workers in private industry or to employees of State and local government—and give all Federal workers the opportunity for social-security coverage even though they are under another retirement system.

Secondly, it will eliminate the great inequities which arise when employees go into Federal service from private industry or any other covered employment. Take the case of a young secretary who has been employed 8 years in an insurance company and then enters Government service as a career employee. She stands to lose all of the money she has paid into the social-security fund, without hope of benefit or refund, because she does not have the 10 years normally required for fully insured status under social security. And even if she had worked for the required 10 years, the amount of the benefit she will receive when she retires will suffer corrosion because she is not covered by social security in her Government job. Or to give a case of even more blatant inequity, consider the young father of three children who enters Government service but dies before he has the requisite 5 years of coverage under the civil-service system, and is also unfortunate enough to have lost his insured status under social security. His family is indeed in desperate straits because he died while he was in this coverage vacuum.

Finally, my bill will be of particular value to the short-term Federal worker who, for one reason or another, leaves Government service. If he has less than 5 years in Government he will have no benefit entitlement at all and, even if he has this minimum entitlement, his payment will be extremely low inasmuch

as Civil Service benefits are heavily weighted on the basis of length of service.

These are just a few examples of the compelling need for the kind of legislation I am proposing. I recognize that, in the past, there have been objections on the part of Federal workers to proposals which would integrate Federal retirement systems with social security, because they were convinced that they would lose some of their existing benefit rights. My plan meets this objection with a new approach. It makes no change whatsoever in either existing system, except to make it possible for those people who wish the additional protection of social security, to take full advantage of both.

A CONFERENCE TO DISCUSS WAYS AND MEANS OF COMBATING UNEMPLOYMENT

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. HOLTZMAN] may extend his remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOLTZMAN. Mr. Speaker, I am today offering a concurrent resolution expressing the sense of the Congress that the President should call an immediate conference of the leaders of industry, labor and Government with a view toward setting up a long-range program leading to full employment in the United States.

Since 1954 I have been urging the President to call a nationwide conference to discuss ways and means of combating the problem of unemployment. In response to a letter I wrote to the President on October 9, 1957, with particular reference at that time to the layoffs in the aircraft industry on Long Island, I received a reply from Secretary of Labor James P. Mitchell, to whom my letter had been referred, which was in my opinion just a slough off. Mr. Mitchell stated in his reply to me of October 30, 1957, that a "survey of conditions in all major labor market areas indicated that defense curtailment had not affected the overall manpower situation significantly in most areas". The letter avoided the question of what to do about defense lay-offs, and about the unemployment situation in general, and demonstrated a lack of vision and imagination in coping with the problem.

A reply from the White House to my most recent letter of January 13, 1958, reflects that my suggestion is being examined.

In the meantime we read in the papers today that Secretary of Commerce Sinclair Weeks expects unemployment to go as high as 5 million this month, the highest figure since 1941. This figure did not take into consideration at all those who may be working 1 or 2 days a week, so that the actual figure looks fairly close to 10 percent of the entire working force. In my own home county of Queens in New York unemployment has increased 38 percent since last year, and in Nassau and Suffolk Counties it has increased 53 percent.

Incidents of history are repeating themselves. Nero fiddled while Rome burned. And, while we may not be able to pinpoint the blame for the 1929 depression on President Hoover, we certainly can find fault with the fact that he sat back and took no constructive action, even when the breadlines became longer and longer. This administration is showing its usual dynamic inertia with respect to anything that affects so closely the lives and livelihood of the people. However, we cannot afford to wait until we are in a full scale depression. A healthy expanding economy in this country is important to the stability and prosperity of the entire free world. Now is the time to act, before it is too late.

We must not listen to the prophets of prosperity, in spite of Secretary Weeks' calm statement that he expects everything to work out by June. I wish I knew where he got his crystal ball, because I see no evidence available that the business slump will be terminated in a few months. This in spite of a tremendous amount of money being spent for defense. If there are any secret weapons we can fashion or utilize to combat the specter of unemployment we must use them now. With bold and imaginative leadership we can meet this challenge, keep pace with developments, and keep our economy on firm footing.

I respectfully urge the Members of the House and the Senate to concur in my resolution suggesting the calling of such a conference.

IMPLEMENT CIVIL RIGHTS

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, it is a privilege and an honor to join today with the Honorable PAUL DOUGLAS and his distinguished colleagues on both sides of the aisle in introducing in the House Mr. DOUGLAS' civil-rights bill of 1958.

Mr. Speaker, this bill provides no new rights. It suggests no changes in the statute passed in the last session nor does it confirm the desegregation decisions of the Supreme Court which need no confirmation by this body. The bill does one thing—it provides explicit conditions and machinery for implementation of the decisions of the Supreme Court. It does this by providing a system of Federal grants and technical or professional assistance to school districts and local units which are working out plans for desegregation of their public schools. In those communities which are unable to implement the Supreme Court decisions themselves or undesirous of doing so, the Department of Health, Education, and Welfare is authorized to assist the community by suggesting such a plan, holding hearings, and in every way furthering the purposes of the decision of the Court with deliberate speed and at the same time accomplishing these purposes with every opportunity for community cooperation and support. Title III of the 1957 act is restored in this bill as a final measure to guarantee equal protection of the law.

Mr. Speaker, even as cosponsor of this bill and believing as I do that the need for its passage cannot be denied, I nonetheless do not believe that it should have been necessary for this body to do the job that this bill does. Essentially, the provisions of the bill are administrative provisions which could and should have been set in operation long before this by the executive branch. Since the Civil Rights Act was passed in the last session and a Civil Rights Commission was established, Little Rock focused the attention of the world on us. A handful of children, who asked nothing but that which the highest Court of the land had proclaimed as their right, triggered a town, a State and part of a nation into hysteria by taking what was their right. Little Rock could happen again. No steps have been taken to prevent its happening again.

Attorney General Rogers' call for a cooling-off period in the area of civil rights and the delay in the appointment of a staff director of the Civil Rights Commission are omens of inactivity which we cannot afford; nor did the President's recent messages indicate any plan of action to end denial of constitutional rights. This is the time for action. We have waited long enough for positive action from the administration. It has not come and there is no evidence that it will in the near future. If Congress must take this function over, then I urge my colleagues to act with speed and with assurance by passage of this bill.

COLUMNS OF THE YEAR 1957

Mr. SCHENCK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SCHENCK. Mr. Speaker, it will be recalled that on July 16, 1957, it was my sad duty to inform the House of the death of the Honorable James M. Cox, a former distinguished Member of Congress from the Third Congressional District of Ohio and one who had distinguished himself in many other ways in the fields of politics, business, and human services.

Fitting tributes were paid that day, Mr. Speaker, to the memory of this great man by yourself, myself, and many other Members of Congress who had had the privilege of knowing him personally and serving with him.

Recently, Mr. Speaker, I learned that Mr. John S. Knight, editor and publisher of the Miami Herald, Miami, Fla., for himself and for his late father paid glowing tribute in memory of the work and life of James M. Cox. His tribute appeared in his column, the Editor's Notebook, in the Miami Herald of July 21, 1957.

The Honorable Hubert F. Lee, editor and founder of Dixie Business—The Voice of Southern Progress, a magazine he started in November 1929, and which is published in Decatur, Ga., selected this column written by John S. Knight in honor of the memory of the Governor as the Dixie Business Column of the Year 1957. In view of this recognition of Mr. Knight's column by the editor of Dixie Business and in view of the very fitting tributes it pays to the memory of a great American, the Honorable James M. Cox, and also so that this splendid column may be preserved as a historic document, I include it with these remarks in the body of the CONGRESSIONAL RECORD of this date.

THE GOVERNOR ROSE FAR ABOVE TYPICAL SUCCESS

(By John S. Knight)

The telephone rang insistently, as only telephones can, demanding to be answered. Half awake, I lifted the receiver and glanced at the clock. It was 1:30 in the morning.

"This is the Associated Press. Governor Cox has died. May we have a quote?"

My comment was brief, and I fear, totally inadequate.

For James Middleton Cox, though not a familiar name to the modern generation, was one of the truly great men of the first half of this century.

HIS CAREER BEGAN ON A NEWSPAPER

The Governor, as he was best known to his friends and associates, began his career on a newspaper in Middletown, Ohio.

Then came several years in Washington as secretary to a Congressman. Upon returning to Ohio, Cox bought the languishing Evening News of Dayton for $26,000. The purchase was financed through personal loans and stock subscriptions.

As Walter Locke, Cox' distinguished and faithful editor, has said: "It was journalism on a shoestring, a common sort in those days when newspapers were born and died with easy facility."

THREE TIMES OHIOANS CHOSE HIM AS GOVERNOR

After 10 years of lusty newspapering, Cox turned again to politics. He served two terms in Congress and was first elected Governor of Ohio in 1912.

The progressive young governor brought into being a modern State government. His reforms were bitterly resisted by the vested interests and they managed to defeat him for reelection.

But as the people had time to evaluate and appreciate his accomplishments, the governor was returned to the statehouse in 1916 and again in 1918 to become the first three-time chief executive in Ohio's history, and probably its greatest.

DEFEAT IS DIFFERENT FROM SURRENDER

In 1920 Governor Cox was nominated for the Presidency at San Francisco, with Franklin D. Roosevelt as his running mate.

His campaign against a fellow Ohio newspaper publisher, Senator Warren G. Harding, boldly and vigorously advocated membership in the League of Nations.

It was doomed to defeat. The Republicans had straddled the League issue in their platform but Harding later declared: "The League is dead."

The Nation, disillusioned about "saving the world for democracy" and resentful against Woodrow Wilson, voted overwhelmingly for Harding and isolation.

But even in defeat, Cox never waivered in his convictions. He said: "I am as proud as when the fight started. I would not retrace a step nor yield a single jot in principle. * * * There is a distinct difference between defeat and surrender."

Without a trace of bitterness or disappointment, the Governor turned back to newspapers, his first love. In the years that followed, he acquired other newspapers in Ohio and Florida. At 70 years of age, when most men have retired, Cox bought the Atlanta Journal and later took over the venerable Atlanta Constitution.

He lived to see them prosper and extend their influence.

OHIO'S GOOD GOVERNMENT RESTS ON HIS REFORMS

The career of this Ohio farm boy, in business, in journalism and politics, has been called a typical success story. The description is wanting. It was far more than that.

Many other men have tasted the rewards of material success. Few, however, could match the Governor's accomplishments in so many fields.

Cox was a newspaperman who knew every facet of his profession, a master of details. Still, he never permitted the day-to-day problems to obscure his broader vision of leadership and public service.

He had a rare zest for politics, but he was no ordinary politician.

Cox was a true progressive when the breed was scarce. In a State long dominated by the most reactionary interests, Governor Cox provided the forward-looking leadership that has been the basis for good government in Ohio for nearly half a century.

Modernization of the State's fiscal policy, passage of the first workmen's compensation law, welfare, and prison reform, higher safety standards in the mines, and the outlawing of child labor are numbered among his major accomplishments.

Today, such measures are taken for granted.

In Cox' time, they were denounced as visionary and radical.

WHERE OTHERS FALTERED, HE HAD COURAGE

Governor Cox had courage where others faltered. When his advisers told him in 1920 that his advocacy of the League of Nations would cost him the election, the Governor replied: "This is the supreme test. * * * We must say in language that the world can understand whether we shall participate in the advancement of a cause which has in it the hope of peace and world reconstruction, or whether we propose to follow the old paths which always led to fields of blood.

"I am in favor of going in."

SWORN POLITICAL FOES LIKED ONE ANOTHER

In the bitter and acrimonious League of Nations fight, my father, the late Charles Landon Knight, and Governor Cox were on opposite sides.

In fact, they were sworn political enemies. "C. L.," who wrote with a pen dipped in vitriol, sarcastically referred to the Governor as "jimcox," always with a lowercase J. Nevertheless, they remained good personal friends despite their differences.

The measure of Cox' political courage was shown during the First World War. My father had been under severe attack as being pro-German because he opposed our entrance into the war. Still, Cox appointed his long-time political foe to take charge of food conservation because he knew the job would be well done.

Honoring my father's memory in Ohio State's Journalism Hall of Fame, the governor wrote: "C. L. Knight was recognized for his power of expression and his independence of thought and action. He never wrote an editorial to please either an individual or class.

"As a Member of the American Congress, he was as unsparing, when occasion demanded, in criticism of his own party as of the opposition.

"His promptings came not only from patriotism, but from a sense of the dignity and duty of the press."

FRIENDSHIP SPANNED FOUR DECADES

Many, many years later, in urging me to do a book, the Governor said: "You have an opportunity to put into enduring print many things about your father that should be given to the public."

But in 1946, when the Governor's own autobiography, Journey Through My Years, was published, he gave me better counsel. Under date of November 19 of that year, he wrote: "Take my advice, old fellow, don't ever write a book."

Our friendship, which began with a visit to the governor's office in 1917, when inexperience compelled me to decline his offer of a military commission, endured until the night the AP told me the Governor had died.

HE HOLDS A SPECIAL PLACE OF HONOR

In paying tribute to a gallant old warrior, I like to remember James Middleton Cox as a formidable competitor, unafraid of a fight but never resorting to petty sniping; a politician who worked for the public good; a statesman who refused to compromise his principles and a wise counselor who, next to my father, holds a special place of honor on my hero list.

TRADE AGREEMENTS ACT

The SPEAKER. Under special order of the House, the gentleman from West Virginia [Mr. BAILEY] is recognized for 20 minutes.

Mr. BAILEY. Mr. Speaker, in recent days, the President has forwarded to the Congress his special message urging the renewal of the present Trade Agreements Act for a 5-year period, and would give the President the right to raid annually the present thin screen of protection from excessive foreign imports.

What the President is asking here is that the Congress give him dictatorial powers to use every industry in the Nation as a pawn in the game of international politics. He has by recent Executive order—for which I can find no law or justification—set up a Policy Committee that will, through the State and Commerce Departments, own the show and play our hand at the poker game in Geneva, Switzerland, with the economic future of America as the stakes.

His message was to be expected, but it must be a shock to my colleagues in the House to see him drag into his arguments the new so-called war emergency. Congress has in recent days given him all the funds he requested for this defense buildup. Now, he wants to place in jeopardy the very basis of our economy—American industry.

The President, Mr. Speaker, would revise the slogan, "more trade and less aid." I repeat what I have said on numerous occasions from the well of this House, that we have failed to buy friendship abroad by direct grants from the Treasury. Does President Eisenhower think we can win back our pestige abroad by selling short our economy and in doing so placing in jeopardy the jobs of American workmen and the profits of American industry?

The President makes a point of the American jobs created as a result of our export business. The State and Commerce Departments are now busily engaged in a crash program at the taxpayers' expense to determine just how many jobs are involved in our export business. It is strange indeed that he

fails to mention, and the Commerce and State Departments likewise fail to report to the American people, the number of jobs that have been lost over the past several years due to imports of foreign-made goods on wage levels and working conditions far below that of the American standards.

The President also fails to give the American people any idea of how many more American workmen would be displaced should the Congress grant him authority to further reduce tariffs a total of 25 percent over the next 5 years.

We talk about stockpiling critical materials. We of the Congress act hastily in granting additional funds to put our defense efforts at the peak. What America needs to do most of all today is stockpile jobs for American workmen. Our economy is geared to purchasing power. Now we have more than 4 million unemployed. I submit that our economy is basically weak and in no condition to meet the drain of financing the free world unless every American is fully employed at high wage levels.

What is happening to our textile economy is best illustrated in a letter I have just received from one of the employees of the Abbott Worsted Mills, of Wilton, N. H.

The letter follows:

Hon. CLEVELAND M. BAILEY,
House of Representatives,
Washington, D. C.

DEAR SIR: A rapidly approaching loss of work by 19—? and a sincere interest in my chosen career field has prompted me to write this letter. It is my hope that after reading it you will be prompted to action concerning our plight and will in some way acknowledge this letter for the 600 employees of the Abbott Worsted Mills, Wilton, N. H. I am neither a mill owner or stockholder but am merely one who is intensely interested in the future of our great industry. Our great newspapers and news magazines being my only source of information, I have become increasingly alarmed in the following facts published in the last 2 years:

1. Our Government maintains cotton and wool prices to United States mills above the world levels.

2. American taxpayers spent a billion dollars in the past year on cotton alone to subsidize foreign manufacturers.

3. The International Cooperation Administration, part of the United States State Department, has purchased $44 million worth of textiles from Japan and only $5 million from the United States mills in fiscal 1957.

4. Since the end of the war, our Government has furnished over $130 million worth of textile machinery to foreign manufacturers with which to compete with us.

5. Since 1947, approximately 281 mills, employing over 100,000 workers, have been permanently closed. One hundred and twenty-five of these mills, employing 75,000 workers, were located right here in New England.

6. Tariff rates were cut in 1934, 1945, and again in 1955.

7. Japan now has almost twice as many woolen and worsted looms as the United States.

8. In the last 10 years total imports of low-wage foreign fabrics have increased by 650 percent. Japan alone has increased by 800 percent.

9. Average textile employee earnings are $55 a week for 40 hours.

10. Thirty-five percent of all Japan exports are in the textile field.

The age of high living standards and keen competition have made it impossible for a mill in the United States to compete with any foreign textile mill paying wages of less than 15 cents an hour in eastern countries and below 40 cents an hour in Western Europe. I do not deem it unreasonable to ask the following questions:

(a) Will tariffs remain the same or be lowered to an even more ridiculous low in 1958?

(b) Has the textile industry any position in the line of our industrial giants such as automobiles, steel, and petroleum products?

(c) Did 407,828 of our men give their lives in World War II so that the countries they fought against could, with the help of our Government, put their parents and friends out of work 10 years later?

(d) With 15 million people indirectly and directly associated with the textile industry in this United States, is it necessary to place this great industry on the expendable list in order to further our economic standing in the unsettled world?

(e) Can I as a textile worker look forward to remaining at $50 to $60 a week as wages in other industries go higher and higher with the cost of living? Or—

(f) Can I as a textile worker look forward to relocating my family, learning a new trade, starting at minimum wages again, in 5 years? This will most certainly happen should our present textile situation continue.

(g) Has the United States, should another war start, the production capability left within its boundaries to clothe our military services and our populace? It is possible that we would not be able to import our needs in wartime. In World War II all our mills were operating at full capability to meet our needs.

(h) How will you vote on the tariff issue? If you are voting for lower tariffs, why?

It is my sincere hope that in 1958 our Government, with the support of your vote, will in some way equalize through tariffs the strong competition our United States textiles are receiving from imported fabrics. If imports are absolutely necessary to maintain the world peace, I only ask the United States textile workers be given the opportunity to utilize their talent and years of experience on the United States cloth market. Talent, desire, and years of experience cannot begin to off-set the existing wage gap between our great Nation and other nations of the world. This will be accomplished only by equalizing through tariffs.

Sincerely,

FRANCIS GROS LOUIS,
Abbott Worsted Mills, Wilton, N. H.

Five years ago Japanese imports of cotton cloth was 15 million square yards annually. One year after the Japanese Trade Agreement Act was approved in 1955 their imports of this type of textile had risen to 270 million yards annually. The 40 million yards "cut back" which the Japanese reluctantly agreed to make was a clever effort to stop the clamoring of Congressmen from districts where textiles are produced so that the administration could force down their throats a 3-year renewal of the Trade Agreements Act in 1955.

They are still trying to use this same propaganda with another of the Nation's major industries. This interesting bulletin was clipped from the Richmond Times-Dispatch of last Saturday:

WASHINGTON, February 8.—Secretary of Commerce Sinclair Weeks, in an unusual weekend statement, indicated today the Government will consider taking new steps in the immediate future to curb oil imports.

The great Sinclair needs to be briefed on this matter. He seems to have forgotten, if he ever knew, that the President some 2 years ago named a Commission to work out a voluntary agreement with the large oil importing companies. After months of delay, the Commission announced that these large companies, that are American capital invested in Venezuela, had agreed to reduce these shipments of crude oil by 3,000 barrels daily. When you learn that daily shipments of crude oil are in excess of a half million barrels, you get an idea of what is meant by the expression, "oil tanker diplomacy."

The foxy Secretary fails to tell the coal industry that this new move will affect shipments of residual oil that have taken a large share of the American soft-coal markets. The old agreement included only crude oil shipments. Daily shipments of residual oil were not included. They now exceed 750,000 barrels daily.

The long-haired internationalists who are behind this move to put across a 5-year extension of our Trade Agreements Act are having plenty of trouble. While they are engaged in selling the American public that our export business is flourishing and creating many new jobs for American workmen, it suddenly happens that our export trade is on a steep decline. Exports for the last quarter of 1957 were off $1.8 billion from the level for the first quarter of 1957.

I have said repeatedly over the past several years, from the well of this House, that you cannot justify reciprocal trade relations in instances where we give tariff concessions to another nation unless that nation pays its workers wages that allow them to exist and have added purchasing power to buy American exports.

Secretary Weeks, in a letter addressed to me some days ago, attempts to justify a renewal of our trade agreements in order to combat the new common market set up by six Western European nations. When this idea was being developed last year, Mr. Dulles and the State Department gave it their blessing. Here is one more instance where this bluenosed aristocrat from up Boston way needs a briefing on the facts of life as they apply to our trade policies.

The remainder of the Secretary's letter was devoted to a justification of the misleading and false propaganda contained in a State Department booklet, "Together We are Strong," which you will recall, I denounced in a speech some days ago.

The great Secretary has evidently fallen for the State Department bait. He, too, wants to shed crocodile tears over the American public's being deprived of the pleasure of reading their favorite morning paper if the Trade Agreements Act is not extended. He evidently has not learned that newsprint is on the free list and is not affected by the agreements.

The time is now the Congress must—

First. Keep our Nation out of the Organization for Trade Cooperation.

Second. Continue to refuse recognition to the General Agreements on Tariffs and Trade.

Third. Restore the control and regulation of commerce to the Congress.

Fourth. Stop further cuts in import duties and lay down regulations for the

United States Tariff Commission so that domestic industries can survive the onrush of foreign imports.

A BILL TO PROMOTE ETHICS IN GOVERNMENT

The SPEAKER. Under previous order of the House, the gentleman from Washington [Mr. PELLY] is recognized for 10 minutes.

Mr. PELLY. Mr. Speaker, publicity in connection with recent hearings of a special subcommittee of the House Interstate and Foreign Commerce Committee has brought to national notice the issue of honoraria and expense reimbursement of Government officials, and the matter of standards of ethics of Members of Congress as well as high ranking officials of the executive branch of the Government is under wide discussion.

The time is ripe for the legislative branch to review the entire subject of a code of conduct for public service and especially is it appropriate that we establish rules and requirements to strengthen the faith and confidence of the American people in their Government.

Accordingly, Mr. Speaker, I am introducing today a bill to amend the Administrative Procedure Act and the Legislative Reorganization Act of 1946 by setting up codes of official conduct for the executive and legislative branches of Government.

This bill, Mr. Speaker, would require all Members of Congress and Government officials paid $10,000 a year or more to make full disclosure of outside sources of income, investments, and business dealings by themselves or in their behalf. Members, under this code, would be banned from accepting fees for speeches from any individuals or organizations sponsoring legislation or registered under the Federal Lobbying Act. Nor could Government officials receive honoraria where their travel and subsistence was at Federal expense.

This bill follows previous proposals to eliminate influence peddling, favors and unethical and dishonest conduct from both branches of Government.

Under my bill, each Member of Congress, each employee of the Federal Government, and each member of the Armed Forces paid $10,000 a year or more, and also members of the national committees of political parties would be required to file annual financial reports of income and assets with the Comptroller General of the United States with criminal penalties for evasion of false information, and available for public scrutiny.

The restrictions on Congressmen and legislative employees in the bill cover direct or indirect personal arrangements for profit based on official position. Gifts, favors, services, or compensations from individuals or organizations interested in legislation are prohibited. Also, the bill amplifies the procedure covering conflicts of interest in voting on measures when under consideration in the House or Senate. The measure covers and restrains employment offers, divulging confidential information, accepting entertainment and direct or indirect attempts to influence decisions, including gifts or gratuities.

If Congress will pass this bill or some similar legislation to set up a basis of good ethics, public confidence in our system of Government will be strengthened. I believe it is an appropriate time for the passage of such a measure to prescribe a high standard of conduct for Federal officials and legislators. In the latter case, the rules have been conspicuous by their absence.

Mr. TEAGUE of California. Mr. Speaker, will the gentleman yield?

Mr. PELLY. I yield to the gentleman from California.

Mr. TEAGUE of California. Mr. Speaker, first I should like to commend the gentleman on what seems to me to be a very high principle which he seeks to put into effect by legislation. I should like to ask the gentleman this question, however. Does his bill propose to set up any commission, agency, or bureau of any sort?

Mr. PELLY. Mr. Speaker, I thank the gentleman from California for his very kind remarks. I would say to him that my bill does not make any provision for a Commission on Ethics. I realize the gentleman must have in mind that proposals have been made in the past for a commission, but it is my opinion that we already have too many commissions and that it would be unnecessary if we enacted my bill into law and if information as to the finances of officials was available for public inspection.

Mr. TEAGUE of California. In which opinion the gentleman from California heartily concurs.

Mr. PELLY. I thank the gentleman.

Mr. KEATING. Mr. Speaker, will the gentleman yield?

Mr. PELLY. I yield to the gentleman from New York.

Mr. KEATING. Mr. Speaker, I want to commend the gentleman on bringing this matter to the attention of the House.

It seems to me that these hearings in Congressional committees constantly bring out the fact that we should have the same standards of ethics governing the actions of those in the legislative branch as govern those in the executive branch. I hope the proposal which the gentleman is making today will have an early hearing before the committee of which I am a member. I assure him that I shall urge that hearings be held to give attention to this very important subject.

Mr. PELLY. I thank the gentleman from New York. As I said before, this bill does not provide for any commission, as I think we already have too many commissions. But I agree with the gentleman that we should have as high standards for ourselves as we set up for the executive branch of the Government. As it is now it seems to me that we do not have as high standards.

My bill has two titles. One provides for a code of ethics for the executive branch and amplifies the present situation there. But it also provides for a code of ethics for the legislative branch which I feel is greatly needed.

A HOUSE COMMITTEE ON OUTER SPACE

Mr. KEATING. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEATING. Mr. Speaker, it has been my feeling that the problems of outer space—including military, scientific, and jurisdictional matters—should come under the aegis of a joint Congressional committee. The magnificent and efficient service rendered by the Joint Committee on Atomic Energy provides ample precedent for this approach.

Therefore, on the first day of this session I introduced a bill providing for the establishment of a Joint Committee on Outer Space. Unfortunately, no action has been taken on that proposal.

Last week, the other body chose to go ahead on its own and set up a special committee to consider policy problems involved in our approach to outer space. Meanwhile, the House remains dormant.

Already, serious questions have arisen due to the failure of this body to take action. Various bills have been introduced concerning the multitude of unresolved questions deriving from man's venture into space. No single committee is now constituted to deal comprehensively and in a coordinated fashion with these measures. In many instances, a single bill cuts across the lines of interest of a number of our standing committees.

The result already is that a number of committees may want to duplicate hearings on a single issue or series of issues. We may witness the unappetizing sight of committee chairmen fighting for the first crack at a bill. And department and agency heads could well spend all their working hours trudging up to the Hill to appear before the plethora of committees considering outer-space problems.

We must frame a coordinated House approach to these issues by establishing a standing House Committee on Outer Space. It is undesirable to make this a temporary committee, in my view. After all, the problems of outer space are going to last a lot longer than this session or the next. And they are going to be of increasing importance as time goes on.

Mr. Speaker, I am presently drafting an amendment to the rules of the House to establish a House Outer Space Committee. By setting up this committee we can bring order out of the chaos which is bound to grow until we take action.

Such a group can work effectively with the Senate group and with the Government agencies and departments concerned to shape America's role in the space age. I still feel that the best way to proceed is by a joint committee. But in view of the other body's action, we must act with dispatch now and provide our own committee. To tarry longer is to invite confusion and manufacture jurisdictional problems.

I hope the speedy action demanded by the times will be forthcoming soon.

SMALL BUSINESS CAPITAL BANKS WOULD NOT COMPETE WITH EXISTING PRIVATE BANKS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include additional material.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, on January 29, 1958, I introduced H. R. 10345 to create a Small Business Capital Bank System to make available to small business a source of equity and long-term loan capital where such capital is not available on reasonable terms from existing private sources; to transfer to such system all funds which are presently available under section 13b of the Federal Reserve Act for loans to industrial and commercial firms, together with certain other funds out of the surplus accounts of the Federal Reserve banks; and for other purposes.

It is pleasing that there has appeared a widespread, favorable reaction to the proposals contained in H. R. 10345 for the creation of a Small Business Capital Bank System. Identical bills have been introduced in the House by our colleagues. Also, the majority leader of the Senate, the distinguished senior Senator from Texas [Mr. JOHNSON], introduced an identical companion bill in the Senate—S. 3191. Other Members of the House and the Senate have expressed interest in also joining and associating themselves with the proposals to create a Small Business Capital Bank System. Therefore, I urge all of our colleagues to study these proposals and consider joining in this worthy cause for small business.

The proposals we are making to establish a Small Business Capital Bank System were drafted only after we had consulted with experts who had studied the problems of small business financing for a long period of time. Indeed, we received the testimony from a number of them in an extensive hearing before the House Small Business Committee. We have tried to take advantage of the factual information they gave us and the advice they stated in their views about what ought to be done to solve the problems of small-business financing.

As I have stated previously, the proposals we are making for the establishment of a Small Business Capital Bank System will not impose new burdens on the Federal Government or add to its budgetary problems. Our proposals will require—

First. No appropriations.

Second. No increases in taxes.

Third. No borrowing of funds by the Federal Government and, therefore, will in nowise add to the debt of the Federal Government.

The bills we have introduced would create a new privately owned system of small business capital banks. Therefore, the very segment of our economy which would benefit through the creation and operation of such a bank system would be required to invest in it, own it, and eventually direct its affairs—subject, of course, to Federal Government supervision and regulation.

Another important aspect of our proposals is that they would not provide a new system to compete with existing private banks. The Small Business Capital Bank System we propose would provide equity and long-term loan capital where such capital is not available on reasonable terms from existing private sources.

Recently, Mr. William F. Kelly, president of the First Pennsylvania Banking & Trust Co., of Philadelphia, and chairman of the credit policy commission of the American Bankers Association, testified before the House Small Business Committee on the problems of small business financing. He testified at length regarding small business lack of adequate capital to support short-term credit and added:

> The proper and adequate financing of small business will continue to be a major concern of the Nation's banks.

He emphasized that:

> The banks, as this committee knows, are not set up, they are not capitalized, they are not organized for the purpose of providing equity capital, and they are certainly not organized for the purpose of providing long-term loans.

The spokesman for the American Bankers Association, Mr. Kelly, also testified about the plans which were being suggested to the House Small Business Committee for solving the problems of small business financing. It had been suggested that a system of small-business capital banks be established somewhat along the lines of the Federal land banks. Regarding those suggestions, Mr. Kelly stated:

> Certainly as far as our approach to this problem is concerned, I think that there are a great many suggestions which have been made to this committee with respect to how the Government may introduce their assistance in raising capital for small business. I think it is perfectly apparent that the commercial banking system should not necessarily be made a part of that.
>
> I think our approach to that problem in the past, the policy of the association has been to insist that whatever the Government does in that direction, that it adhere to two principles. First, that it actually lend its support only to a new field of credit or a new field of finance and, second, that at the time it is set up that a realistic and a practical process be developed so that eventually that field can find its way into private hands and out of Government hands. I think that has been the testimony that has been submitted here in the past and before other committees.

An examination of the bill I have introduced to create a system of small-business capital banks, H. R. 10345, will demonstrate that what we are proposing squarely and completely meets the suggestions and the standards of the principles outlined by Mr. Kelly, the spokesman for the American Bankers Association, for a system of small-business financing.

Despite the care utilized in the drafting of a bill that would accomplish all of these things and in the manner we have pointed out, a misunderstanding has developed in the minds of some regarding this proposed legislation. For example, I have just received a letter from the assistant director, economics and statistics division, of the Continental Oil Co., Houston, Tex., in which it was stated that in his opinion the proposed system of Small Business Capital Banks would compete with private banking and other financial institutions. Of course, that would not be the case. As has been pointed out, the spokesman for the American Bankers Association, Mr. Kelly, emphasized that the banks are not set up and are not organized for the purpose of providing equity capital and they certainly are not organized for the purpose of providing long-term loans and he has, as a representative of the American Bankers Association, stated his objection to any plan that would provide for the commercial banking system to participate in such activities. Therefore, I have replied to the Continental Oil Co., explaining why it is that the small-business capital banks would not compete with existing private banks.

Mr. Speaker, I would like to insert at this point a copy of my letter to Dr. Robert G. James, assistant director, economics and statistics division, Continental Oil Co., regarding that matter. It is as follows:

FEBRUARY 6, 1958.

Dr. ROBERT G. JAMES,
Assistant Director, Economics and Statistics Division, Continental Oil Co., Houston, Tex.

DEAR DR. JAMES: I acknowledge and thank you for your letter of January 20, 1958, in which you refer to proposals for forming certain capital banks to provide financing for small business.

It is noted that you object to the establishment of a Small Business Capital Bank System along the lines of the Federal land bank system and the Home Loan Bank System. It appears that you base your objection on the thought that a Small Business Capital Bank System would compete in the same markets that private banking institutions are able to adequately service.

The House Small Business Committee, of which I am chairman, has been and is continuing an intensive study into the problems of small business financing. Much time and money has been spent by many organizations and agencies in and out of the Government over a period of several years in studying these problems. The problems have been stated in various ways by many who have testified about them and a number of proposals have been made for alleviating the problems.

On one point, almost all of the witnesses and those who have studied this problem are in agreement. It is that small business is without adequate opportunity for securing needed long-term risk capital—equity capital and long-term debt capital.

On another point, representatives of the American Bankers Association and other experts in the field of financing were in agreement in testimony presented to the House Small Business Committee and that point is that the needs of small business for risk capital—equity and long-term debt capital—is not and cannot be met through the existing facilities of banks, insurance companies, and other sources. In fact, representatives of the American Bankers Association went further in their testimony. They emphasized that banks should not be permitted to engage in the business of taking the risks that would be incident to the investment of the funds of their depositors directly into small business enterprises.

Since the committee is probing all wells containing information regarding this subject, you are invited to submit to me any information you have which would prove of

help to the committee in its further consideration of the problems of small business financing. Particularly, we would like to have from you any information which would tend to show any inaccuracies in the testimony given to our committee by the representatives of the American Bankers Association to the effect that the banks do not provide risk capital to small business; that they are not equipped to provide such financing; and that nothing should be done which would require banks to provide such financing.

Likewise, you are invited to submit to us for our consideration any plan which you have in mind with any likelihood of approval by the Congress which would propose the establishment of a system for providing small-business men with facilities for securing the capital they need.

Allow me to use this opportunity to thank you again for your interest in this matter.

Sincerely,

WRIGHT PATMAN,
Chairman.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. GORDON (at the request of Mr. O'BRIEN of Illinois), for an indefinite period, on account of illness.

Mr. COUDERT (at the request of Mr. KEATING), indefinitely, on account of illness.

Mr. LATHAM (at the request of Mr. KEATING), for 2 weeks, on account of naval duty.

Mr. WALTER (at the request of Mr. FLOOD), for today and tomorrow, on account of official business.

Mr. SCHWENGEL (at the request of Mr. CUNNINGHAM of Iowa), for today on account of absence from city.

SPECIAL ORDERS GRANTED

By unanimous consent permission to address the House following the legislative program and any special orders heretofore entered, was granted to:

Mr. PATMAN, to transfer his special order obtained for today to Thursday next for 45 minutes.

Mr. PELLY, for 10 minutes, today.

Mr. BROOKS of Louisiana, for 45 minutes, on Thursday next.

Mr. ULLMAN (at the request of Mr. LIBONATI), for 30 minutes, on Thursday next.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. ANFUSO (at the request of Mr. ROOSEVELT) in two instances and to include extraneous matter.

Mr. HOFFMAN (at the request of Mr. KEATING) to extend his remarks and to include extraneous matter.

Mr. TOLLEFSON.

Mr. KEATING.

Mr. HILL and include an address by the Secretary of Agriculture before the Washington Press Club.

Mr. LECOMPTE on the soil-bank program.

Mr. REES of Kansas and include extraneous matter.

Mr. CHAMBERLAIN in two instances.

Mr. FORAND (at the request of Mr. MCCORMACK).

Mr. RAY and include extraneous matter.

Mr. JUDD and to include extraneous matter.

Mr. ALLEN of California and to include extraneous matter.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 228. An act for the relief of the Chamberlain Water Co., of Chamberlain, S. Dak.; to the Committee on the Judiciary.

S. 1062. An act for the relief of Maud Claer Wahl; to the Committee on the Judiciary.

S. 1249. An act for the relief of Martha A. Calvert; to the Committee on the Judiciary.

S. 1578. An act for the relief of Hovhannes H. Haidostian; to the Committee on the Judiciary.

S. 1657. An act for the relief of Lloyd C. King; to the Committee on the Judiciary.

S. 1943. An act for the relief of Norma Josephine Hodges Dowd; to the Committee on the Judiciary.

S. 1961. An act for the relief of Maria Van Arendonk; to the Committee on the Judiciary.

S. 1979. An act for the relief of Barbara Hollinger; to the Committee on the Judiciary.

S. 1999. An act for the relief of Constantinos N. Alivantistos; to the Committee on the Judiciary.

S. 2004. An act for the relief of George and Emma Clifford; to the Committee on the Judiciary.

S. 2060. An act for the relief of Elizabeth Biro; to the Committee on the Judiciary.

S. 2064. An act for the relief of Marie Ethel Pavlovitch and her daughter, Dolly Hester Pavlovitch; to the Committee on the Judiciary.

S. 2087. An act for the relief of Eva Lichtfuss; to the Committee on the Judiciary.

S. 2132. An act for the relief of Leonard C. Fink; to the Committee on the Judiciary.

S. 2147. An act for the relief of Chong Sook Rhee; to the Committee on the Judiciary.

S. 2166. An act for the relief of John J. Griffin; to the Committee on the Judiciary.

S. 2168. An act for the relief of Armas Edvin Jansson-Vilk; to the Committee on the Judiciary.

S. 2187. An act for the relief of Josef Winter; to the Committee on the Judiciary.

S. 2196. An act for the relief of Annadore E. D. Haubold and Cynthia Edna Haubold; to the Committee on the Judiciary.

S. 2245. An act for the relief of Moy Tong Poy; to the Committee on the Judiciary.

S. 2251. An act for the relief of Manley Francis Burton; to the Committee on the Judiciary.

S. 2256. An act for the relief of Luz Poblete and Robert Poblete Broaddus, Jr.; to the Committee on the Judiciary.

S. 2274. An act for the relief of Mario Lazzarotto; to the Committee on the Judiciary.

S. 2301. An act for the relief of Genevieve M. Scott Bell; to the Committee on the Judiciary.

S. 2346. An act for the relief of Lucy Hedwig Schultz; to the Committee on the Judiciary.

S. 2430. An act for the relief of Carlos Olmos Chang and his wife, Maria Luisa Chin de Chang; to the Committee on the Judiciary.

S. 2503. An act for the relief of Maria H. Aguas and Buena M. Castro; to the Committee on the Judiciary.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 1392. An act for the relief of Karl L. Larson;

H. R. 1495. An act for the relief of Alfred Hanzal;

H. R. 1638. An act for the relief of Lt. Percy Hamilton Hebert;

H. R. 1792. An act for the relief of Dr. Royal W. Williams;

H. R. 2705. An act for the relief of William F. Kempe;

H. R. 3210. An act to amend section 510 (a) (1) of the Merchant Marine Act, 1936, as amended, to accelerate the trade-in of old vessels with replacement by modern vessels;

H. R. 3770. An act to rename the Strawn Dam and Reservoir project in the State of Kansas as the John Redmond Dam and Reservoir;

H. R. 5161. An act for the relief of Mrs. Madeleine A. Work;

H. R. 6069. An act for the relief of Col. Jack C. Jeffrey;

H. R. 6078. An act to provide for the erection of suitable markers at Fort Myer, Va., to commemorate the first flight of an airplane on an Army installation, and for other purposes;

H. R. 6660. An act to provide that the lock and dam referred to as the Tuscaloosa lock and dam on the Black Warrior River, Ala., shall hereafter be known and designated as the William Bacon Oliver lock and dam.

H. R. 7052. An act to amend section 216 (b) of the Merchant Marine Act, 1936, as amended, to provide for appointments of cadets from the District of Columbia, Guam, American Samoa, Virgin Islands, and the Canal Zone;

H. R. 7200. An act for the relief of the estate of Isa Hajime;

H. R. 7591. An act for the relief of Anton N. Nyerges;

H. R. 8038. An act for the relief of Margie C. Stewart;

H. R. 8618. An act for the relief of Henry M. Lednicky; and

H. J. Res. 533. Joint resolution making supplemental appropriations for the Department of Labor, for the fiscal year 1958, and for other purposes.

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S. J. Res. 39. Joint resolution to authorize the construction of certain water conservation projects to provide for a more adequate supply of water for irrigation purposes in the Pecos River Basin, N. Mex. and Tex.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on the following dates present to the President, for his approval, bills of the House of the following titles:

On February 7, 1958:

H. R. 10146. An act making supplemental appropriations for the Department of Defense for the fiscal year ending June 30, 1958, and for other purposes; and

H. R. 9739. An act to authorize the Secretary of the Air Force to establish and develop certain installations for the national security, and to confer certain authority on the Secretary of Defense, and for other purposes.

On February 10, 1958:

H. R. 1392. An act for the relief of Karl L. Larson;

H. R. 1495. An act for the relief of Alfred Hanzal;

H. R. 1638. An act for the relief of Lt. Percy Hamilton Hebert;

H. R. 1792. An act for the relief of Dr. Royal W. Williams;

H. R. 2705. An act for the relief of William F. Kempe;

H. R. 3210. An act to amend section 510 (a) (1) of the Merchant Marine Act, 1936, as amended, to accelerate the trade-in of old vessels with replacement by modern vessels;

H. R. 3770. An act to rename the Strawn Dam and Reservoir project in the State of Kansas as the John Redmond Dam and Reservoir;

H. R. 5161. An act for the relief of Mrs. Madeleine A. Work;

H. R. 6069. An act for the relief of Col. Jack C. Jeffrey;

H. R. 6078. An act to provide for the erection of suitable markers at Fort Meyer, Va., to commemorate the first flight of an airplane on an Army installation, and for other purposes;

H. R. 6660. An act to provide that the lock and dam referred to as the Tuscaloosa lock and dam on the Black Warrior River, Ala., shall hereafter be known and designated as the William Bacon Oliver lock and dam;

H. R. 7052. An act to amend section 216 (b) of the Merchant Marine Act, 1936, as amended, to provide for the appointments of cadets from the District of Columbia, Guam, American Samoa, Virgin Islands, and the Canal Zone;

H. R. 7200. An act for the relief of the estate of Isa Najime;

H. R. 7591. An act for the relief of Anton N. Nyerges;

H. R. 8038. An act for the relief of Margie C. Stewart; and

H. R. 8618. An act for the relief of Henry M. Lednicky.

ADJOURNMENT

Mr. LIBONATI. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 31 minutes p. m.), under its previous order, the House adjourned until Thursday, February 13, 1958, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1584. A letter from the Secretary of Agriculture, transmitting a report of the Federal Crop Insurance Corporation for 1957, pursuant to the Federal Crop Insurance Act; to the Committee on Agriculture.

1585. A letter from the Assistant Secretary of the Interior, relative to stating that an adequate soil survey and land classification of the lands to be benefited by the Courtland unit, Bostwick division, Missouri River Basin project, Kansas, was completed as a part of the investigations required in the formulation of a plan for the project development, pursuant to Public Law 172, 83d Congress; to the Committee on Appropriations.

1586. A letter from the Assistant Secretary of the Navy (Material), relative to a proposal by the Department of the Navy to transfer a 40-foot motor launch (hull No. 19472), with engine, to the Jamestown Corp., pursuant to title 10, United States Code, section 7308; to the Committee on Armed Services.

1587. A letter from the Archivist of the United States, transmitting a report on lists or schedules covering records proposed for disposal by certain Government agencies, pursuant to the act approved July 6, 1945 (59 Stat. 434); to the Committee on House Administration.

1588. A letter from the Director, National Science Foundation, transmitting a draft of proposed legislation entitled "A bill to amend the National Science Foundation Act of 1950, as amended, and for other purposes"; to the Committee on Interstate and Foreign Commerce.

1589. A letter from the Director, Joint Commission on Mental Illness and Health, transmitting the Second Annual Report of the Joint Commission on Mental Illness and Health, pursuant to Public Law 182, 84th Congress; to the Committee on Interstate and Foreign Commerce.

1590. A letter from the Assistant Secretary of the Interior, transmitting one copy each of laws enacted by the Fourth Guam Legislature, 1957, pursuant to section 19 of the Organic Act of Guam; to the Committee on Interior and Insular Affairs.

1591. A letter from the Assistant Secretary of the Interior, transmitting a report of all reservations made relating to lands within Indian reservations valuable for power or reservoir sites or necessary for use in connection with irrigation projects, pursuant to the act of June 25, 1910 (36 Stat. 858); to the Committee on Interior and Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, pursuant to the order of the House of February 5, 1958, the following joint resolution and bill were reported on February 7, 1958:

Mr. FOGARTY: Committee on Appropriations. House Joint Resolution 533. Joint resolution making supplemental appropriations for the Department of Labor for the fiscal year 1958, and for other purposes; without amendment (Rept. No. 1331). Referred to the Committee of the Whole House on the State of the Union.

Mr. ANDREWS: Committee on Appropriations. H. R. 10589. A bill making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1959, and for other purposes; without amendment (Rept. No. 1332). Referred to the Committee of the Whole House on the State of the Union.

[*Submitted February 10, 1958*]

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SPENCE: Committee on Banking and Currency. S. 2920. An act to provide for small-business disaster loans in areas affected by excessive rainfall; without amendment (Rept. No. 1333). Referred to the Committee of the Whole House on the State of the Union.

Mr. HAYS of Ohio: From the delegation of the United States House of Representatives to the third NATO Parliamentarians' Conference. Report on the third NATO Parliamentarians' Conference, pursuant to Public Law 689, 84th Congress (Rept. No. 1334). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 8544. A bill to provide for the restoration to tribal ownership of all vacant and undisposed-of ceded lands on certain Indian reservations, and for other purposes; without amendment (Rept. No. 1336). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 8958. A bill authorizing the Secretary of the Interior to convey certain Indian land to St. Anthony's Parish; with amendment (Rept. No. 1337). Referred to the Committee of the Whole House on the State of the Union.

Mr. HEMPHILL: Committee on Post Office and Civil Service. H. R. 10320. A bill to provide for additional charges to reflect certain costs in the acceptance of business reply cards, letters in business reply envelopes, and other matter under business reply labels for transmission in the mails without prepayment of postage, and for other purposes; without amendment (Rept. No. 1338). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLS: Committee on Ways and Means. H. R. 5005. A bill to suspend for 2 years the duty on crude chicory and to amend the Tariff Act of 1930 as it relates to chicory; without amendment (Rept. No. 1339). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLS: Committee on Ways and Means. H. R. 10242. A bill to permit articles imported from foreign countries for the purpose of exhibition at the Chicago International Fair and Exposition, to be held in July 1959 at Chicago, Ill., to be admitted without payment of tariff, and for other purposes; with amendment (Rept. No. 1340). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 5624. A bill to clear the title to certain Indian land; with amendment (Rept. No. 1335). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, pursuant to the order of the House of February 5, 1958, the following bill and joint resolution were introduced on February 7, 1958:

By Mr. ANDREWS:

H. R. 10589. A bill making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1959, and for other purposes.

By Mr. FOGARTY:

H. J. Res. 533. Joint resolution making supplemental appropriations for the Department of Labor for the fiscal year 1958, and for other purposes.

[*Introduced and referred February 10, 1958*]

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDREWS:

H. R. 10590. A bill relating to acreage allotments for the 1959 and 1960 crops of upland cotton; to the Committee on Agriculture.

By Mr. BAILEY:

H. R. 10591. A bill to check the growth of unemployment by providing for Federal assistance to States and local governments for the construction of needed public works and public improvements; to the Committee on Public Works.

By Mr. BARRETT:

H. R. 10592. A bill to amend the National Housing Act to authorize the Federal Housing Commissioner to purchase certain insured mortgages for the purpose of avoiding foreclosure in cases where the mortgagor is in financial straits for reasons beyond his

control and could not otherwise retain his property; to the Committee on Banking and Currency.

By Mr. BENNETT of Michigan:

H. R. 10593. A bill to provide an adequate, balanced, and orderly flow of milk and dairy products in interstate and foreign commerce and for other purposes; to the Committee on Agriculture.

H. R. 10594. A bill to prohibit discrimination because of age in the hiring and employment of persons by Government contractors; to the Committee on the Judiciary.

By Mr. BOYKIN:

H. R. 10595. A bill relating to acreage allotments for the 1959 and 1960 crops of upland cotton; to the Committee on Agriculture.

By Mr. BURNS of Hawaii:

H. R. 10596. A bill to provide that banks in the Territories may be designated as depositaries of public moneys only if they are national banks or their deposits are insured under the Federal Deposit Insurance Corporation Act; to the Committee on Banking and Currency.

H. R. 10597. A bill to amend the Federal Deposit Insurance Act to require that the deposits of every national bank be insured thereunder whether or not such bank is a member of the Federal Reserve System; to the Committee on Banking and Currency.

By Mr. CARRIGG:

H. R. 10598. A bill to amend title IV of the Housing Act of 1950 to authorize loans under the college housing loan program for the construction of science buildings and libraries at educational institutions; to the Committee on Banking and Currency.

By Mr. CELLER:

H. R. 10599. A bill to amend section 152, title 18, United States Code, with respect to the concealment of assets in contemplation of bankruptcy; to the Committee on the Judiciary.

By Mr. DENTON:

H. R. 10600. A bill to provide that certain cities in the United States having a population of 50,000 or more persons shall, upon application therefor, be connected with the National System of Interstate and Defense Highways, and for other purposes; to the Committee on Public Works.

By Mr. DIGGS:

H. R. 10601. A bill to effectuate and enforce the constitutional right to the equal protection of the laws, and for other purposes; to the Committee on the Judiciary.

By Mr. DOYLE:

H. R. 10602. A bill to amend title X of the Social Security Act to enable the States to provide more adequate financial assistance to needy individuals who are blind and to encourage and stimulate needy blind individuals to become self-supporting; to the Committee on Ways and Means.

By Mr. EBERHARTER:

H. R. 10603. A bill to amend section 170 of the Internal Revenue Code of 1954 to increase the amount of the charitable contributions made by corporations and individuals which may be deducted from gross income, where such contributions are for basic research; to the Committee on Ways and Means.

By Mr. ELLIOTT:

H. R. 10604. A bill relating to acreage allotments for the 1959 and 1960 crops of upland cotton; to the Committee on Agriculture.

H. R. 10605. A bill to authorize the use of additional funds for the 1958 cotton acreage reserve program; to the Committee on Agriculture.

By Mr. ENGLE:

H. R. 10606. A bill to supplement the Saline Water Act of 1952 by providing for construction of a large-scale demonstration plant for the production of fresh water from salt water; to the Committee on Interior and Insular Affairs.

By Mr. FLOOD:

H. R. 10607. A bill to check the growth of unemployment by providing for Federal assistance to States and local governments for the construction of needed public works and public improvements; to the Committee on Public Works.

By Mr. FOGARTY:

H. R. 10608. A bill to provide evaluation of rehabilitation potentials and rehabilitation services to handicapped individuals who as a result thereof can achieve such ability of independent living as to dispense with the need for expensive institutional care or who can dispense with or largely dispense with the need of an attendant at home; to assist in the establishment of public and private nonprofit workshops and rehabilitation facilities, and for other purposes; to the Committee on Education and Labor.

By Mr. GRANT:

H. R. 10609. A bill relating to acreage allotments for the 1959 and 1960 crops of upland cotton; to the Committee on Agriculture.

By Mr. GREGORY:

H. R. 10610. A bill to amend the Housing Act of 1956 to extend the period during which loans and grants may be made for the construction of hospitals under the Defense Housing and Community Facilities and Services Act of 1951, and to make additional funds available for that purpose; to the Committee on Banking and Currency.

By Mr. HÉBERT:

H. R. 10611. A bill to protect the right of the blind to self-expression through organizations of the blind; to the Committee on Education and Labor.

By Mr. HERLONG:

H. R. 10612. A bill to amend section 512 of the Internal Revenue Code of 1954; to the Committee on Ways and Means.

H. R. 10613. A bill to amend the Internal Revenue Code of 1954 with respect to the income-tax treatment of dividends paid by certain corporations which hold the obligations of States and local governments; to the Committee on Ways and Means.

H. R. 10614. A bill to provide for the conveyance of certain real property in the State of Florida to Sumter County, Fla.; to the Committee on Agriculture.

By Mr. HUDDLESTON:

H. R. 10615. A bill relating to acreage allotments for the 1959 and 1960 crops of upland cotton; to the Committee on Agriculture.

By Mr. JONES of Alabama:

H. R. 10616. A bill relating to acreage allotments for the 1959 and 1960 crops of upland cotton; to the Committee on Agriculture.

By Mr. JUDD:

H. R. 10617. A bill to amend the Internal Revenue Code of 1954 so as to establish an initial program of tax adjustment for small and independent business and for persons engaged in small and independent business; to the Committee on Ways and Means.

By Mrs. KELLY of New York:

H. R. 10618. A bill to prohibit the introduction, or manufacture for introduction, into interstate commerce of switchblade knives, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mrs. KNUTSON:

H. R. 10619. A bill to provide for small-business disaster loans in areas affected by excessive rainfall; to the Committee on Banking and Currency.

H. R. 10620. A bill to enable the Federal intermediate credit banks to limit endorsers' liability on loans in disaster areas; to the Committee on Agriculture.

By Mr. LANE:

H. R. 10621. A bill to provide for unemployment reinsurance grants to the States, to revise, extend, and improve the unemployment insurance program, and for other purposes; to the Committee on Ways and Means.

By Mr. McCORMACK:

H. R. 10622. A bill to further amend the act of August 7, 1946 (60 Stat. 896), as amended by the act of October 25, 1951 (65 Stat. 657), as the same are amended, to provide for an increase in the authorization for funds to be granted for the construction of hospital facilities in the District of Columbia; to the Committee on the District of Columbia.

By Mr. McINTIRE:

H. R. 10623. A bill to authorize the Secretary of the Interior to establish a fishery extension service in the Fish and Wildlife Service of the Department of the Interior for the purpose of carrying out cooperative fishery extension work with the States, Territories, and possessions; to the Committee on Merchant Marine and Fisheries.

H. R. 10624. A bill to provide that a portion of all surplus cotton sold or exchanged for export by the Commodity Credit Corporation pursuant to authority in the Commodity Credit Corporation Charter Act, as amended, or the Agricultural Trade Development and Assistance Act of 1954, as amended, shall be processed cotton; to the Committee on Agriculture.

By Mr. McMILLAN (by request):

H. R. 10625. A bill to amend the District of Columbia Unemployment Compensation Act, as amended; to the Committee on the District of Columbia.

By Mr. MADDEN:

H. R. 10626. A bill to check the growth of unemployment by providing for Federal assistance to States and local governments for the construction of needed public works and public improvements; to the Committee on Public Works.

By Mr. MARSHALL:

H. R. 10627. A bill to exempt milk checks and accompanying materials conveyed outside the mails from creameries to milk producers from certain provisions of law prohibiting the transportation of mail by private express; to the Committee on Post Office and Civil Service.

By Mr. MASON:

H. R. 10628. A bill to provide for increased custom duties on fluorspar under certain conditions; to the Committee on Ways and Means.

By Mr. MORGAN (by request):

H. R. 10629. A bill to amend the Foreign Service Act of 1946, as amended, to provide salary increases for Foreign Service personnel equitable to those being otherwise provided for civil service and other officers and employees of the Federal Government; to the Committee on Foreign Affairs.

By Mr. O'HARA of Illinois:

H. R. 10630. A bill to effectuate and enforce the constitutional right to the equal protection of the laws, and for other purposes; to the Committee on the Judiciary.

By Mr. PELLY:

H. R. 10631. A bill to promote ethics in Government; to the Committee on Post Office and Civil Service.

By Mr. PORTER:

H. R. 10632. A bill to check the growth of unemployment by providing for Federal assistance to States and local governments for the construction of needed public works and public improvements; to the Committee on Public Works.

H. R. 10633. A bill relating to mining claims on lands within the national forests; to the Committee on Interior and Insular Affairs.

By Mr. PORTER (by request):

H. R. 10634. A bill to remove the present provision of law which permits Federal courts to issue writs only in aid of their respective jurisdictions; to the Committee on the Judiciary.

By Mr. RADWAN:

H. R. 10635. A bill to provide for the establishment of a United States Science Academy; to the Committee on Armed Services.

By Mr. RAINS:

H. R. 10636. A bill relating to acreage allotments for the 1959 and 1960 crops of

upland cotton; to the Committee on Agriculture.

H. R. 10637. A bill creating the Home Loan Guarantee Corporation; to the Committee on Banking and Currency.

By Mr. RAY:

H. R. 10638. A bill to authorize the construction and sale by the Secretary of Commerce of two transatlantic superliners; to the Committee on Merchant Marine and Fisheries.

By Mr. REUSS:

H. R. 10639. A bill to provide that certain Hungarian escapees paroled into the United States may upon application be admitted to the United States for permanent residence; to the Committee on the Judiciary.

H. R. 10640. A bill to reaffirm the national public policy and the purposes of Congress in enacting the Robinson-Patman Anti-Price Discrimination Act entitled "An act to amend section 2 of the act entitled 'An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes,' approved October 15, 1914, as amended (U. S. C. title 15, sec. 13), and for other purposes," and to clarify the intent and meaning of the aforesaid law by providing for the mandatory nature of functional discounts under certain circumstances; to the Committee on the Judiciary.

H. R. 10641. A bill to amend the Soil Conservation and Domestic Allotment Act and the Soil Bank Act so as to end Federal cost-sharing and technical assistance in farm drainage harmful to wildlife, and to create corresponding incentives for maintaining wet lands in the conservation reserve program; to the Committee on Agriculture.

By Mr. McGOVERN:

H. R. 10642. A bill to amend the Soil Conservation and Domestic Allotment Act and the Soil Bank Act so as to end Federal cost-sharing and technical assistance in farm drainage harmful to wildlife, and to create corresponding incentives for maintaining wet lands in the conservation reserve program; to the Committee on Agriculture.

By Mr. ROBERTS:

H. R. 10643. A bill relating to acreage allotments for the 1959 and 1960 crops of upland cotton; to the Committee on Agriculture.

By Mr. ROOSEVELT:

H. R. 10644. A bill to provide for unemployment reinsurance grants to the States to revise, extend, and improve the unemployment-insurance program, and for other purposes; to the Committee on Ways and Means.

H. R. 10645. A bill to effectuate and enforce the constitutional right to the equal protection of the laws, and for other purposes; to the Committee on the Judiciary.

By Mr. SELDEN:

H. R. 10646. A bill relating to acreage allotments for the 1959 and 1960 crops of upland cotton; to the Committee on Agriculture.

H. R. 10647. A bill to authorize the use of additional funds for the 1958 cotton acreage reserve program; to the Committee on Agriculture.

By Mr. SIEMINSKI:

H. R. 10648. A bill to check the growth of unemployment by providing for Federal assistance to States and local governments for the construction of needed public works and public improvements; to the Committee on Public Works.

By Mr. SPRINGER:

H. R. 10649. A bill to provide that certain cities in the United States having a population of 50,000 or more persons shall, upon application therefor, be connected with the National System of Interstate and Defense Highways, and for other purposes; to the Committee on Public Works.

By Mr. TELLER:

H. R. 10650. A bill to provide coverage under the old-age, survivors, and disability insurance system (subject to an election in the case of those currently serving) for all officers and employees of the United States and its instrumentalities; to the Committee on Ways and Means.

By Mr. THOMSON of Wyoming:

H. R. 10651. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income for amounts paid by a teacher for his further education; to the Committee on Ways and Means.

By Mr. WESTLAND:

H. R. 10652. A bill to provide a 5-year program of assistance to enable depressed segments of the fishing industry in the United States to regain a favorable economic status, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. WIER:

H. R. 10653. A bill to check the growth of unemployment by providing for Federal assistance to States and local governments for the construction of needed public works and public improvements; to the Committee on Public Works.

By Mr. WILSON of California:

H. R. 10654. A bill to authorize certain activities by the Armed Forces in support of the VIII Olympic winter games, and for other purposes; to the Committee on Armed Services.

By Mr. WRIGHT:

H. R. 10655. A bill to amend section 161 of the Revised Statutes with respect to the authority of Federal officers and agencies to withhold information and limit the availability of records; to the Committee on Government Operations.

By Mr. YOUNG:

H. R. 10656. A bill to alleviate the critical shortage of high quality cotton and to protect farm income and for other purposes; to the Committee on Agriculture.

By Mr. ALLEN of Illinois:

H. J. Res. 534. Joint resolution designating October 31 of each year as Youth Honor Day; to the Committee on the Judiciary.

By Mr. GRAY:

H. J. Res. 535. Joint resolution designating October 31 of each year as Youth Honor Day; to the Committee on the Judiciary.

By Mr. LONG:

H. J. Res. 536. Joint resolution proposing an amendment to the Constitution to provide for the popular election of judges of the Supreme Court; to the Committee on the Judiciary.

By Mr. MACK of Illinois:

H. J. Res. 537. Joint resolution designating October 31 of each year as Youth Honor Day; to the Committee on the Judiciary.

By Mr. MARSHALL:

H. J. Res. 538. Joint resolution to designate the 1st day of May of each year as Loyalty Day; to the Committee on the Judiciary.

By Mr. O'HARA of Illinois:

H. J. Res. 539. Joint resolution designating October 31 of each year as Youth Honor Day; to the Committee on the Judiciary.

By Mr. O'HARA of Minnesota:

H. J. Res. 540. Joint resolution to designate the 1st day of May of each year as Loyalty Day; to the Committee on the Judiciary.

By Mr. WILSON of California:

H. J. Res. 541. Joint resolution providing for the construction by the Department of the Interior of a full-scale demonstration plant at San Diego, Calif., for the production, from sea water, of water suitable for agricultural, industrial, municipal, and other beneficial consumptive uses; to the Committee on Interior and Insular Affairs.

By Mr. HOLTZMAN:

H. Con. Res. 264. Concurrent resolution expressing the sense of the Congress that the President should call a conference of leaders of labor, industry, and Government with a view to the formulation of a long-range program to bring about full employment in the United States; to the Committee on Education and Labor.

By Mr. KEATING:

H. Con. Res. 265. Concurrent resolution to express the sense of Congress that the United States take the lead in efforts to gain international agreement that outer space be devoted to peaceful purposes; to the Committee on Foreign Affairs.

By Mr. BROOKS of Louisiana:

H. Res. 474. Resolution establishing a Special Committee on Astronautics and Space Exploration; to the Committee on Rules.

By Mr. HIESTAND:

H. Res. 475. Resolution creating a select committee to conduct an investigation and study of the scope of and justification for activities of the United States that compete with private enterprise; to the Committee on Rules.

By Mr. RAY:

H. Res. 476. Resolution to amend the rules of the House to limit expenditures for fiscal year 1959; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of West Virginia, memorializing the President and the Congress of the United States not to allow the passage of any legislation authorizing pay-as-you-go television; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CRETELLA:

H. R. 10657. A bill for the relief of Domenico Galli; to the Committee on the Judiciary.

By Mr. HOLIFIELD:

H. R. 10658. A bill for the relief of Nicholas Afonin; to the Committee on the Judiciary.

By Mr. KEATING:

H. R. 10659. A bill for the relief of Miss Assunta Ristagno; to the Committee on the Judiciary.

By Mrs. KELLY of New York:

H. R. 10660. A bill for the relief of Gwendolyn Taylor; to the Committee on the Judiciary.

By Mr. UTT:

H. R. 10661. A bill to authorize the revestment of certain interests in land at the United States Naval Ammunition and Net Depot, Seal Beach, Calif.; to the Committee on Interior and Insular Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

392. By the SPEAKER: Petition of E. N. Cobb and others, Longview, Tex., relative to stating opposition to the proposed pay television, and being for continued free television the same as radio; to the Committee on Interstate and Foreign Commerce.

393. Also, petition of Ophelia Beard, Chicago, Ill., relative to requesting admission to citizenship; to the Committee on the Judiciary.

394. Also, petition of Ohio Bell, Chicago, Ill., relative to requesting admission to citizenship; to the Committee on the Judiciary.

395. Also, petition of the city and county clerk, Honolulu, T. H., relative to requesting that favorable action be given to the consideration of H. R. 9499, proposing to amend the Hawaiian Organic Act; to the Committee on Interior and Insular Affairs.

EXTENSIONS OF REMARKS

Address by Hon. J. W. Fulbright, of Arkansas, Before Reserve Officers Association

EXTENSION OF REMARKS
OF
HON. JOHN STENNIS
OF MISSISSIPPI
IN THE SENATE OF THE UNITED STATES
Monday, February 10, 1958

Mr. STENNIS. Mr. President, the address delivered by the distinguished Senator from Arkansas [Mr. FULBRIGHT] before the Reserve Officers Association in the city of Washington on Saturday evening, February 8, is a challenge to all Americans as we face and seek solutions to the serious problems of the future. I ask unanimous consent to have this outstanding speech printed in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

SPEECH BY SENATOR J. W. FULBRIGHT BEFORE THE RESERVE OFFICERS ASSOCIATION, FEBRUARY 8, 1958

General Morrison, General Sarnoff, officers of the Reserve Officers Association, distinguished guests, ladies and gentlemen, I am particularly pleased and honored to be present on this occasion when your awards have been given to General Sarnoff and to the late Chaplain Peter Boi. The remarks during the presentation ceremonies are a fitting introduction to what I should like to say—for we are indeed engaged in a cold war. I may say there are more Senators here tonight than the last time I spoke in the Senate.

It has been nearly 3 years since General Sarnoff wrote his now famous memorandum—his plan of battle, so to speak—and offered it as a formula for victory in the fight for ideas—a fight which now is being waged throughout the universe. It is a fine tribute to a great American—whose greatness you have recognized tonight—to note that he has every right to be discouraged, but that he reveals no inclination whatsoever to stop fighting for his conviction.

The tragic death of Chaplain Peter Boi, who was en route to Washington to attend this meeting, saddens all of us. We can take pride in the fact that Chaplain Boi measured up to the highest traditions of his calling. The manner in which he gave spiritual sustenance to the men in the lonely and bleak surroundings of Little America should encourage us to persevere no matter what adversity we should face.

You who serve in the footsteps and the spiritual likeness of the citizen soldiers who founded this Nation, also understand the meaning of Chaplain Boi's contribution to mankind. So, in the confidence that we understand each other, I wish to talk to you tonight about our country's destiny.

In 1858 the United States faced a crisis not unlike today. The Nation was fast drifting toward the abyss of a tragic and disastrous war. Lincoln sensed that a policy of Presidential firmness and candor might foster a national self-awareness—the indispensable preliminary to any saving act of government. But President James Buchanan, a tired and amiable man with tired policies, continued to spread the contagion of his own confusion over the land.

It was then that Lincoln, in his House-divided speech, gave us a maxim which I believe should be applied to our current crisis. Lincoln's key words were: "If we could first know where we are, and whither we are tending, we could better judge what to do and how to do it."

The issue in 1958 is not slavery; rather it is the global conflict of cold war; a war in which military strength or weakness is a consequence rather than a cause of how things stand on the economic, political, educational, and cultural sectors of the battlefront. Meanwhile, one unnerving similarity to the America of a century ago remains in being: It is that the Nation is unaware of the nature and of the seriousness of the danger which confronts it. Let us consider for a moment two questions:

How strong is the Soviet Union today?

How strong is it likely to be tomorrow?

Sputnik I and II brought to America sharp, and alarming wakefulness from a dreamworld in which propaganda tranquilizers had laid us. A bland diet of sugar-coated half-truths could have carried us, in the belief communism was defeating itself, into extinction. But the Soviets dramatically brought us back to the harsh realization that Soviet strength, and Soviet advancement, had far exceeded anything we had suspected. We are indebted to the Kremlin for having made their warning so dramatic.

It is neither pleasant nor popular to make this admission. The one who does so risks every manner of false charge. Inevitably, it will be said of him that he has lost faith in America; that he is an apologist for the Soviet way of doing things. Nevertheless, precisely because I feel that the stuff of greatness has not gone out of the bones of America; precisely because I feel that our democratic society is equal to the emergency it faces, provided it knows what it is dealing with, let me here try to sketch the nature of Soviet strength, and the specific areas of weakness in the American community, for the tests ahead.

I assert straight off that the Soviet system may, in fact, have to be altered. In the long run, it may even collapse. But, as the saying goes, in the long run too, all of us shall be dead. Anyway, what counts most of all in the life of nations, is the pace and timing of events. And right now, when the world all around us is being hammered into new shapes, nothing on the line of vision points to a collapse of the Soviet system. True, the Soviet ideology has been, can be, and may be further repudiated by events. But the Soviet power system is something else again.

For one thing, the Soviet Union itself represents a land mass three times as large as the United States, with enormous natural resources of every kind, and with a population of more than 200 million inhabitants. Moreover, in recent decades, its natural resources have been increasingly exploited at a rapid pace; and its industry—especially its heavy industry—has been developed enormously.

Secondly, it is true enough to say that the people of the Soviet Union lack consumer goods: automobiles, refrigerators, television, and fine clothes. But it does not follow from this, that they are without enough to eat, or that they are lacking in warm clothes and shelter. What actually has happened is that the Soviets have devoted the materials and efforts, which might have made automobiles and other luxuries, to the development of rockets, satellites, jet planes, basic research, and education. And, as it happens, the latter activities have a far greater meaning in terms of national strength, than does the availability of luxurious consumer goods.

The relatively bleak internal conditions of Russia may, in fact, have the effect of inducing the people of the Soviet Union to work all the harder. In the case of the young, especially, it may induce them to exert every effort to achieve an excellent education—this, because they know that if they remain uneducated, they are doomed to live at a bare subsistence level. In the words of Edward Teller the Russians have excelled because they work harder.

It is, in fact, precisely in the field of education and basic research that the Russians have apparently made their greatest progress. Why should this be so? How is it that they recognized some years ago that trained minds were indispensable to modern technology, modern weapons, and modern methods of subversion? How is it that they had the vision to upgrade the pay and status of educators and scientists to a level just below that of the ruling hierarchy itself?

The question intrudes itself, and we can answer, in part, that the Soviets inherited from the old czarist government a tradition of intellectual excellence and scientific curiosity going back to Peter the Great and the founding of the Academy of Sciences at a time when America was still a wilderness inhabited by savages. Yet the greater part of the answer, so it seems to me, lies elsewhere. It lies in the fact that the principal rulers of Russia are professionals who have spent their entire lives in governmental affairs. Their past and their future, their personal fortunes as well as their political positions, are identified with the strength and success of the government of Soviet Russia. These rulers take the long view of events, because they expect to be around a long time.

It may be argued that as the numbers of Russian scientists and technicians increase, they will impose their humanizing demands on the power group in control of the Soviet apparatus; and by forcing changes in their policies, bring the cold war to an end. Maybe so; and indeed, let us fervently hope so. Yet there are two answers to this argument.

One is that the prospect it holds forth is not an immediate prospect. If it materializes at all, it will be at some point in the distant future—which leaves unanswered the immediate problem of how the rest of the world is to survive until the so-called contradictions in the Soviet system exert their full force.

The second answer is that the analogy of what happened in Germany on two occasions undercuts the assumption that the increase in the number of scientists and technicians within a country necessarily means that the country in question will be directed into the paths of peace. On two occasions in the 20th century, German scientists and technicians—certainly among the best in the world—did not stay the aggressive march of Kaiser Wilhelm or Adolph Hitler.

It does not seem, therefore, that we ought to count on any easy salvation such as might be produced by Russian internal developments. If we are to survive as a nation and as a democratic society—and if the West is to survive with us—it will be through what we do, and therefore force the Russians to do, and not through what the Russians on their own do or fail to do.

Where, then, do we now stand?

Fat, rich nations—like fat, rich old men—are prone to overestimate their powers. They tend to believe that they are entitled to the admiration and respect of others because of their wealth, or, at least, that money will purchase the subservience of less fortunate people. The employees of the rich man can scarcely be expected to tell their employer

the truth about his public relations, and thereby put their own jobs in jeopardy. So, in a democracy, elected officials dependent upon the approval of their constituents for political life, are equally unlikely to draw comparisons with foreign powers which are unpleasant to the voters. Self-criticism is not the most popular platform upon which to run for office.

There are many important aspects of our national policies which need strengthening, such as the organization of the Military Establishment, our tariff or reciprocal trade program, our mutual assistance effort, but all of these over the long pull are secondary in importance to our educational program. The the heart of the contest with the Soviet Union is in the field of education.

As things now stand in America, there is no particular incentive for young people to exert themselves to achieve excellence in intellectual attainment. Our students can leave school with a minimum of learning and still be reasonably sure of a life of relative ease and luxury. Truckdrivers, bricklayers, and factory workers often receive a higher income than professors; an Elvis Presley makes more than the President of the United States. Of a piece with this, there is no particular prestige attached to intellectual attainment in America. A man's success or status is measured, not so much by the ideas he may have developed or his service to the community. It is measured, rather, by the size of his house, the number and the vintage of the cars he owns, and where he spends his vacation.

Indeed, during the recent McCarthy era, the prestige of educators and intellectuals generally sank to an all-time low. The free discussion of ideas, the basis for our strength since the days of the Revolutionary War, was stifled. Security was substituted for scientific research. Discoveries which were made were locked in safes instead of becoming available as stimuli for new discoveries. Some of the best minds in the land were expelled from Government service, and a suspicion of educated people was spread throughout the land as if they were enemy aliens. The big doubt came to full flower in an orgy of flamboyant newspaper and television spectacles. Yet the McCarthy era was but the culmination of the long period of neglect of education, going back for many decades. It was the result, not the cause, of our anti-intellectualism—an outlook that was the very opposite of the highly educated men who were the Founding Fathers of America.

There will be those among us who will say: "But education takes too long, and we do not have the time; our efforts must be devoted to missiles and outer space." This is truly the counsel of despair and disaster. The start toward improvement in education must be now; it should have been yesterday. Our most pressing short-range objestive should be to start now on our long-range programs.

Not only should we provide more money for education as a whole, but we should also reform our basic ideas about elementary and secondary education. We must emphasize the rigorous training of the intellect rather than the gentle cultivation of the personality which has been so popular in recent years.

Mathematics, languages, the natural sciences, and history must once again become the core of the curriculum, and a way must be found to induce the students to study, preferably by inducing a desire to learn. Intellectual discipline is essential to our national purposes.

None of these observations, I hope, need lead to the conclusion that the Soviet system is necessarily superior to our own, nor that we must emulate the Soviet Union in order to maintain our superiority. On the contrary, if we lose our liberties, by imitation or by conquest, we have lost all worth striving for.

We have failed, as a people, to educate ourselves to discriminate between that which is true and that which is false, to develop within ourselves that sense of direction and of values which a self-governing people must have to choose wisely among leaders and policies.

If we are to do the things upon which our future depends, we must understand better than in the past our relationship to our Government. We must view the Nation, its problems and resources, as one great whole. And in this view of things, we must understand that it is only as we are ready to sacrifice portions of our personal egoisms for the sake of the Nation—years in and year out—that we have a chance of surviving as a society, not by luck but by our own efforts.

The Government is not "they." The Government is "us", all of us.

Mobilizing and focusing power in a democracy is surely difficult, and some may say impossible in this type of crisis. But we can never know it is impossible unless we try it, and it is a fact that we have not tried.

In this room tonight are the men and women who can favorably affect the course of this Nation in meeting the challenge before us.

I am told that the term "citizen-soldier" has a traditionally significant meaning to the Reserve officers, and particularly to you who are leaders in the Reserve Officers Association. Its significance is in the linking of the two terms, but of great importance is the placing of citizen first.

Your military service is an obligation; your citizenship service consists of opportunities, privileges, and responsibilities.

During the past few weeks, I have been encouraged by statements of two fine officers of our Armed Forces. A few days ago in an executive hearing before the Foreign Relations Committee, I asked Gen. Nathan Twining, Chairman of the Joint Chiefs of Staff, if he thought a substantial effort directed to increasing the quality of our educational system would improve our military posture relative to the Soviet Union. The general replied as follows:

"I think that is probably the most important thing this country can do."

In this morning's paper, Gen. A. W. Betts, military executive assistant to the Department's director of guided missiles, said:

"Only a dynamic change in the national attitude toward education can take care of the more serious long-term problem."

The lesson of sputnik, to me, is not merely that we have fallen behind in a significant scientific field, important as that may be. What is more significant is that we have failed to appraise honestly and dispassionately the strength of our adversary and the weakness of ourselves. Either we have failed in this appraisal, or, if not, we have been so blind and satiated with our luxury and our slogans that we are unwilling to admit that which reason tells us must be true.

Whether it is a failure of knowledge, or of will, it has, so far, been a failure to cultivate properly the very element on which our society fundamentally rests—the proper education of its people.

I do not minimize the importance of maintaining, at the least, parity with the Russians in missiles and nuclear weapons. Our country has demonstrated on various occasions its willingness and its ability to wage war effectively. Our efforts in the nonmilitary aspects of international relations and especially in the struggle with the Communists, have been less successful. It is in this area, sometimes called competitive coexistence, that education is of vital importance. And it is in this area that we are suffering an erosion of our influence and face the prospect of a disastrous defeat without the firing of a shot, or even a missile.

Where are we? We are in serious trouble. Whither are we tending? We are tending toward national disaster—unless important and drastic changes of policy in many aspects of our domestic and foreign affairs, make a true revival of learning the wheel that makes all the other wheels turn.

A Tribute to Guy Lombardo and All the Lombardos

EXTENSION OF REMARKS
OF
HON. VICTOR L. ANFUSO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Monday, February 10, 1958

Mr. ANFUSO. Mr. Speaker, in this satellite era when our nerves are rattled and fear grips our hearts by talks of weapons of destruction, permit me to speak of a family whose musical talents help to steady us and make life worth living.

The enduring popularity of Guy Lombardo's Royal Canadians is a well-known phenomenon. Year after year, the Royal Canadians' playing of Auld Lang Syne has been the magic wand which waved in the New Year for millions of listeners all over the country. Equally impressive in the annals of success, but less publicized, is the durability of the marriages of the two brothers, Guy and Carmen Lombardo. Guy and Lilliebell were married September 9, 1926, and Carmen and Florence were married May 13, 1926. Both couples celebrated their 25th anniversary in 1951, a year which also marked the golden anniversary of their parents, Gaetano and Lena Lombardo. With their gracious wives, Guy and Carmen have enjoyed over 30 years of happy matrimony.

This is particularly remarkable since the rate of divorce and remarriage is notoriously high among show people. Entertainers' lives are beset with irregularities and temptations. Demanding schedules with much time spent away from the family; vanity, cynicism, mercurial temperaments, and all the fabrications of a glittering existence take their toll. These encouragements to inconstancy and emotional inconsistency produce a tragic amount of what Leo C. Rosten once termed "libidinal hoopla." Therefore, it is most satisfying to take stock of the people in the entertainment world whose personal lives refute the first Mrs. Lawrence Tibbett's remark that "fame and family happiness are not consistent."

Indeed, the Lombardo brothers seem to prove that the qualities that contribute to a successful career or a successful marriage need not be so contradictory after all. The emphasis on close-knit family ties has carried over into their careers. A top band for some 30 years, it has remained a family enterprise. Guy Lombardo has had at least two violins broken over his head, but happily his wife, Lilliebell, was not involved in these incidents. On the contrary, Guy still calls her after nearly every broadcast to get her impressions, for he highly values the opinions of one of his earliest and most avid fans.

The qualities that characterize Lombardo marriages are also found in their musical performances. Predictability and affection for the audience are two trademarks of Guy Lombardo's Royal Canadians. Practically every year since 1929, they have returned to play at the Roosevelt Grill. There they have become one of the exceptional and fondly regarded fixtures of a place which the band has now for many years regarded as its home. Parlaying romance and nostalagia into tasteful merrymaking, they delight their fans with new and old favorites. Children of old fans esteem the grill as the place where "Dad courted Mom." The Roosevelt has a Lombardo suite which is saved for honeymooners, and the grill's wine list even offers a drink called a Lombardo smile cocktail. Guy Lombardo makes no bones about his preference for songs with a happy or hopeful air, such as Powder Your Face With Sunshine, with lyrics written by his brother, Carmen.

Harmony is another trademark of the band which lets musical fads pass it by. The Royal Canadians make sure that the dreamy melodies they play are relaxing and pleasant for dancing. One of their most steadfast admirers, Louis Armstrong, has rapturously praised the band's perfection of style. And even a critical jazz columnist, who has been quoted in the New Yorker, once confessed with some mortification that "occasionally we have to forcibly resist our impulse to throw ourselves on the nearest floor and let the soft clouds of an age of wonderful innocence sweep over us again."

These qualities speak for themselves and tell us much about the men who possess them. Therefore, Mr. Speaker, and my colleagues in the Congress, I should like to take this occasion to congratulate Carmen and Florence, and Guy and Lilliebell Lombardo, who are now in their 32d year of marriage. It is deeply gratifying to call attention to the men and women in our country who place a high value on happy, loyal marriages, for I sometimes feel that happy marriages and normal lives receive less publicity than they deserve. May the Lombardos' felicity attain the cherished day which their fine parents have already celebrated—their golden anniversary.

Questionnaire

EXTENSION OF REMARKS

OF

HON. CHARLES E. CHAMBERLAIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 10, 1958

Mr. CHAMBERLAIN. Mr. Speaker, again this year I am asking the opinion of residents of the Sixth District on a number of the important issues confronting Congress this session. Through such polls, residents of the district are given opportunity to express their views more directly on the legislative issues pending before the Congress. The response last year was so encouraging and helpful that I have attempted to reach a much larger number of residents in this year's poll. I ask unanimous consent to have my questionnaire reprinted in the RECORD. The results will made available at a later date.

The questions are as follows:

Questionnaire	Yes	No	No opinion
1. In your opinion, does the world situation demand that we forgo a balanced budget for reasons of national security?			
2. Do you feel that Federal taxes should be reduced now?			
3. Do you favor continuance of the mutual-security program of military and economic aid to friendly nations?			
4. Do you favor the extension of the Reciprocal Trade Agreements Act?			
5. Should a separate Department of Science (with a Secretary of Cabinet rank) be created to promote and coordinate scientific research?			
6. Do you feel a need exists for some form of Federal assistance to encourage scientific education?			
7. Should college education be encouraged by allowing income-tax deductions to parents?			
8. Are you in favor of the Federal Government retaining its present regulatory control over prices which producers can charge for natural gas?			
9. Do you favor Secretary Benson's proposal for a flexible program of Federal price supports for basic farm products, ranging from 60 to 90 percent? (Answer only if engaged actively in farming, please.)			
10. Do you favor, at this time, a Federal flood-control project for the Flint River (cost, $2.5 million) and Grand River (cost, $13 million)?			
11. Do you approve of the proposal to establish pay television on a trial basis?			
12. Do you favor the President's labor-management program? (1) Filing public reports of welfare and pension funds; (2) financial reports by labor unions; (3) secret ballots for union elections; (4) employer reports of financial dealings with unions; (5) establish Office of Labor Reports; (6) make misuse of union funds a Federal offense; (7) amend secondary boycott provisions.			
13. Do you feel that a nationwide civil-defense atomic shelter program is needed now?			
14. Do you favor increasing social-security benefits with corresponding increases in individual and employer contributions?			
15. Do you favor a summit conference between President Eisenhower and Soviet leaders on current East-West differences?			
16. In general, do you approve of the manner in which President Eisenhower is doing his job?			

Transatlantic Superliners

EXTENSION OF REMARKS

OF

HON. JOHN H. RAY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 10, 1958

Mr. RAY. Mr. Speaker, under leave previously granted, I place in the CONGRESSIONAL RECORD the following statement regarding the bill which I have introduced today to provide for the construction of two transatlantic superliners by the Secretary of Commerce and their sale at a fixed price to the company which will operate them. Under the bill the construction of the vessels and their sale to the operating company cannot be undertaken until the Maritime Board and the Maritime Administrator have first approved the economic feasibility of the project and the qualifications of the operating company under titles V and XI of the Merchant Marine Act, 1936, as amended, and the regulations promulgated thereunder, to the same extent as if the operating company were the applicant for construction subsidy under that act. National defense features, principally speed and size, would require Department of Defense approval and certification.

Justification for the Government subsidy in this, as in other cases, lies in the national defense features of the project. I have introduced this bill in order to place those questions before the proper authorities and to help the operating company get a hearing and decision on those questions. Certainly its plans are bold and imaginative, and I hope the bill will receive an early hearing.

The vessels would be among the world's largest and it is expected they will provide ocean transportation at a $50 fare to Europe. They will be operated as floating commercial hotels rather than as luxury liners. The emphasis of the service provided will be focused upon the middle and lower income groups comprising people whose opportunities of sailing to Europe are almost nonexistent at present passenger rates.

As for the physical characteristics of the ships, each will be 90,000 tons and 1,152 feet long. Each vessel will carry 6,000 passengers and a crew of 1,350. They will be constructed with 20 airtight compartments, a safety feature designed to make them unsinkable. The cruising speed will be 34 knots and ocean crossings will be made in four days. In time of war or national emergency, the ships can be readily converted to aircraft carriers or to troopships. Emphasis will be placed upon operating the ships on a motel policy, eliminating the frills and luxury items, yet providing every facility for complete oceangoing comfort.

Funds for the Soil-Bank Program

EXTENSION OF REMARKS

OF

HON. KARL M. LeCOMPTE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 10, 1958

Mr. LeCOMPTE. Mr. Speaker, under leave to extend my remarks in the RECORD I express hope that we will be given an opportunity to provide additional funds for the soil-bank program this year. Farmers everywhere are expressing great disappointment in their inability to participate in the acreage reserve this year. Funds were exhausted so quickly, at least in counties of the

Fourth Congressional District of Iowa, due to the large number of applicants, that a great many who are eligible were turned away.

From a letter I received from Elmer Broders of Malcom, Iowa, and from a news story in a recent issue of the Grinnell Herald Register, I learned that in Poweshiek County, Iowa, all the soil-bank funds were used on 185 farms. Yet there are about 1,800 farms in the county. Thus the door was closed to its other 1,615 farms.

It has been recommended that in order to have effective production control this year, either funds not needed for other crops should be transferred to the soil bank or legislation should be enacted to provide supplementary funds and authority to fully implement the acreage reserve this year.

Col. John C. Nickerson, Jr.

EXTENSION OF REMARKS
OF
HON. ESTES KEFAUVER
OF TENNESSEE
IN THE SENATE OF THE UNITED STATES
Monday, February 10, 1958

Mr. KEFAUVER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an exchange of correspondence I have had with President Eisenhower on recalling and reassigning Col. John C. Nickerson, Jr., to duty on the missile program. The successful launching of the Explorer, our first satellite, indicates that Colonel Nickerson was right in his basic views.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

JANUARY 25, 1958.

Hon. DWIGHT EISENHOWER,
The President of the United States,
Washington.

DEAR MR. PRESIDENT: I wanted to personally urge you to review the court-martial record of Col. John C. Nickerson, Jr., with a view to returning him to duty in the United States and reassigning him to the missile program.

Certainly our country desperately needs this man who is an acknowledged expert in the rocket field, a man of much experience and foresight. No doubt Colonel Nickerson made some mistake in judgment in the manner he so forcefully brought the lag in the missile program to the attention of the country. However, I think placing the welfare of the country above his own welfare took much courage, and time has justified that courage.

I believe that a review of the record of Colonel Nickerson would confirm his great abilities and the desirability of having him again in the program.

Yours sincerely,

ESTES KEFAUVER,
United States Senator.

THE WHITE HOUSE,
Washington, January 28, 1958.

The Honorable ESTES KEFAUVER,
United States Senate,
Washington, D. C.

DEAR SENATOR KEFAUVER: On behalf of the President, I am pleased to acknowledge your January 25 letter respecting Colonel Nickerson. The Army advises that he was charged with the commission of certain security violations punishable under the Uniform Code of Military Justice. Following his plea of guilty he was duly convicted and sentenced, the record of his trial was examined according to law, and it was determined to be legally sufficient to support the findings and the sentence. The result is that the case is not subject to further legal review. As you know, there is no Presidential review of sentences of court-martial except where a general officer is involved or where the sentence is death.

The matters mentioned in your letter, along with other aspects of the situation, have been carefully considered. The Army reports that it would be inadvisable to change Colonel Nickerson's present assignment.

With kind regard,

Sincerely,

BRYCE N. HARLOW,
Administrative Assistant to the President.

The Small Business Tax Adjustment Act of 1958

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Monday, February 10, 1958

Mr. JUDD. Mr. Speaker, I am today introducing a bill identical to S. 3914, the Small Business Tax Adjustment Act of 1958, which was recently introduced in the Senate after lengthy hearings on the part of its Select Committee on Small Business. In my opinion this measure to accomplish certain tax adjustments in order to give small business a better chance to survive, is long overdue.

We are all forcefully aware of the added expenditures necessary to finance a needed expansion and speedup of our defense program. Yet there is urgent need to enact tax adjustments which will stimulate the expansion and growth of small business if we are to increase Federal revenue. Small business is the cornerstone of our free enterprise system. It is my belief that the needed tax adjustments contained in this bill can be made consistent with current revenue needs. If subsequent evidence brought out in committee strongly indicate that a substantial revenue loss will result from this legislation, I recognize that action may have to be deferred on the measure.

The bill contains four major tax adjustments.

First. It provides for a reinvestment allowance or deducion up to a maximum of $10,000 in any one year for profits reinvested in the business. This reinvestment deduction will provide sorely needed funds for small business to reinvest. It will expand the tax base. The immediate revenue loss therefrom will be offset to some extent by deduction in the depreciation which will be permitted on assets against which the allowance has been applied. Thus this reinvestment deduction should result more in a deferral than a loss of revenue.

Second. The bill provides a means by which individuals and partnerships may establish a retirement deposit along the lines now available to corporations under the present tax laws. The bill will permit a taxpayer to deduct each year an amount up to 10 percent of his taxable income or $1,000, whichever is the lesser, to set aside for retirement purposes. The retirement deposit would be placed in a special restricted account or on deposit with a life insurance company and the benefits from the said retirement account when received by the taxpayer would be taxable. The deposit would provide a rather simple and workable plan whereby the taxpayer would be relieved of taxes on a reasonable sum set aside for his own retirement, but the taxpayer would be required to pay taxes on all amounts received by way of benefits after retirement.

Third. The provisions of section 167 of the Internal Revenue Code of 1954 concerning alternative methods of depreciation would be extended to the purchasers of used property for use in a trade or business similar to the alternatives which are now available to purchasers of new property.

Fourth. Estate taxes could be paid in installments over a period up to 10 years and a further extension to 20 years where hardship can be shown in cases where an estate has more than 50 percent of its assets tied up in a closely held business. Interest would be charged on the unpaid balance of the estate tax in the case of estates electing to pay by installment and thus no revenue loss would result. This type of legislation is sorely needed in order to permit family-type businesses to remain intact after the death of the owner and operator rather than be liquidated to pay estate taxes. It will go a long way to reduce the prevalent trend toward merger and sale of small business to larger firms.

The measure would also permit a corporation to elect to be taxed as a partnership similar to the election which is now available to a partnership to be taxed as a corporation. Further measure provides for procedural steps to simplify and bring some finality to tax litigation.

In summary it is my belief that the tax adjustments for small business contained in this measure will greatly stimulate the expansion of small business, thereby broadening the tax base; will eliminate unfair and inequitable discriminations in existing tax laws; and will tend to slow down the trend toward merger and consolidation of business enterprise.

Milestones of Eagle Progress

EXTENSION OF REMARKS
OF
HON. THOR C. TOLLEFSON
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Monday, February 10, 1958

Mr. TOLLEFSON. Mr. Speaker, on February 6, 1958, the Fraternal Order of Eagles observed the 60th anniversary

of its founding. The order also celebrated 60 years of service. Eagles have established a distinguished record of civic, humanitarian, and fraternal service of which every individual member can be justly and genuinely proud. Contributions to the betterment of the community and to the Nation are too numerous to enumerate in detail. But there are some milestones of Eagle progress which deserve special mention, and I am pleased to list them here. They are as follows:

Eighteen hundred and ninety-eight: Order was founded in Seattle on February 6.

Nineteen hundred and eight: Sponsored America's first workmen's compensation laws.

Nineteen hundred and ten: Sponsored America's first mothers pension law.

Nineteen hundred and twenty-three: Sponsored America's first old-age pension law.

Nineteen hundred and thirty-five: Supported enactment of social security law.

Nineteen hundred and forty-two: Built Eagle dormitory at Boys Town, Nebr.

Nineteen hundred and forty-four: Established the Eagles memorial foundation.

Nineteen hundred and fifty: Completed the Chapel of the Four Chaplains.

Nineteen hundred and fifty-three: Founded Eagle Haus in free Berlin, Germany.

Nineteen hundred and fifty-seven: Inaugurated nationwide jobs after 40 program.

The last mentioned jobs after 40 program merits the support of every citizen whether he is an Eagle or not. Congress also would do well to support it.

Cuts in the Coast Guard Reserve Program

EXTENSION OF REMARKS
OF
HON. CHARLES E. CHAMBERLAIN
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, February 10, 1958

Mr. CHAMBERLAIN. Mr. Speaker, it is with the deepest concern that I take note of the drastic cuts in the Coast Guard Reserve program ordered by the Treasury Department. As some of my colleagues may know, I have the honor to be a member of the Coast Guard Reserve, and I take considerable pride in having served in an organization which has had such a distinguished record, both in peace and war.

Violating what appeared to me to be the clear intent of Congress, the Treasury Department reduced the $15 million appropriation of the Coast Guard Reserve for the current fiscal year through a forced savings of $3½ million. Next the Treasury ordered that no agency could request more money for fiscal 1959 than it had been permitted to spend in fiscal 1958. The Coast Guard, trying desperately to meet the 1960 ready-for-mobilization date of all of the other services, reportedly had planned to ask for more than $15 million in 1959. Under this Treasury order, however, it can request only $11½ million. In simplest terms, this means that the Coast Guard will not meet its mobilization goal until 1964 or later. It means that the planned, phased buildup outlined in last year's budget, for which we appropriated sufficient funds, has been abandoned. Already, the program for enlisting additional reservists and establishing new reserve units has been severely impaired.

Mr. Speaker, I cannot believe that this is the time for any cutbacks in any fields directly related to our national security. The United States is heavily dependent upon the Reserve units of our Armed Forces, and must rely largely on combat-ready units. I cannot believe further that the decision as to the size and purpose of the Coast Guard should be made by the Treasury Department, after such a policy decision has, in fact, been made by the Congress.

Congress has indicated that it wants a strong, ready Coast Guard Reserve, able to carry out its mission to defend our ports and shores.

In the interest of the defense of our country and the Coast Guard Reserve, I urge the Secretary of the Treasury to restore the funds which have been cut from the Coast Guard Reserve program. In the absence of such favorable action by the Secretary of the Treasury I respectfully urge the appropriate committees of the House to review this situation carefully in that the intent of Congress, as heretofore expressed, will not be circumvented.

Thaddeus Kosciusko

EXTENSION OF REMARKS
OF
HON. AIME J. FORAND
OF RHODE ISLAND
IN THE HOUSE OF REPRESENTATIVES
Monday, February 10, 1958

Mr. FORAND. Mr. Speaker, now that we are thinking in terms of the international aspects of the freedom of man, it may be hard for us to realize that almost 200 years ago the fight for freedom was also international. One of the best examples of this is a man whose birthplace was Poland, but whose vibrant patriotism and humanity have given him world renown.

Thaddeus Kosciusko was born in the Grand Duchy of Lithuania, an integrated part of Poland, on February 12, 1746. From then until his death in Switzerland on October 15, 1817, this remarkable man was to gain international fame as an outstanding patriot. Kosciusko was to be ranked highly in the history of a century that boasted such outstanding fighters for freedom and human rights as George Washington, Thomas Jefferson, and the Marquis de Lafayette.

His story begins as an American success story often does. Raised by his mother and an elderly uncle, educated at home, he early gained notice for his unusual ability and energy. His military education begun at a cadet school in Warsaw was completed with the aid of the state in Germany, Italy, and France. It was fine training for one who was to impress his ability upon the American people and the world as a master strategist.

He returned to Poland in 1774, now with the rank of captain of the artillery. It is likely that he would have remained there except for the fact that he fell in love with a pupil of his named Ludwika. Her father intervened as they attempted to elope and Kosciusko fled to Paris in 1776.

It was fortunate for America that he did. Silas Deane was in Paris promoting the cause of American independence. To Kosciusko a trip to the new Republic was a great opportunity to put some of his personal ideas about human liberty into practice. If this American venture would succeed, would it not be easier to make liberal reforms on the continent and especially in his beloved Poland?

The American experiment was successful and so was Kosciusko. From his first major task, fortifications on the Delaware, George Washington embarked to defeat the Hessians on Christmas Eve. His second job involved him in the strategy for the Battle of Saratoga. The American victory there was the turning point in the war and Kosciusko received his due praise. He was assigned next to West Point, where he worked until 1780; then he participated brilliantly in the final battle at Yorktown.

A grateful America bestowed upon this unassuming man her highest honors: American citizenship, membership in the Order of Cincinnati, a grant of land, and the rank of brigadier general. But, although he said, "I regard the United States of America as my second country," the cause of freedom was calling him from his homeland.

Poland was already advanced compared to some European countries. Kosciusko wanted to see it resemble American patterns yet more closely. The remainder of his life he spent on this mission of freedom. In everything he attempted, America was the model. When he was asked to lead a revolution after the second partition of Poland in 1793, he based his organization and his strategy on experience gleaned from America. Like Washington he could have become a dictator. Unlike Napoleon he refused to take advantage of this opportunity.

Like so many Poles of today, he also knew Russia as his enemy. He suffered defeat at Russian hands and 2 years of captivity inside an earlier version of the Iron Curtain.

When he was released in 1796, disillusioned, he returned to the United States by the way of Paris. The new Republic of France hailed him as a fellow reformer and gave him French citizenship. He was now a citizen of three countries.

His American sojourn until May 1798 was welcome respite from Europe. Here he could see freedom in practice, liberty in operation. He and Tom Jefferson

could discuss their common interests in France, the rights of man, art, and gardening. Jefferson said of him:

He is the purest son of liberty that I have ever known, the kind of liberty which extends to all.

But he could not forget Poland. Again he went to France to plead Napoleon's aid for restoration of Poland, but the ambitious First Consul would not commit himself to a free Poland. Neither, in later years, would the Congress of Vienna hear his pleas.

Kosciusko could not believe that Poland and the cause of freedom were dead. He continued to hope and work for that end until his death and his words and deeds helped countless others not to give up hope. In this time of darkness in Poland, his voice must still remind us that Poland is not dead and will never be, so long as the people have freedom in their hearts. The sons of Poland who know the taste of freedom and her other friends must not rest until Kosciusko's dream comes true, in Poland and throughout the world.

Prospects for Peace

EXTENSION OF REMARKS
OF
HON. CLIFFORD P. CASE
OF NEW JERSEY
IN THE SENATE OF THE UNITED STATES

Monday, February 10, 1958

Mr. CASE of New Jersey. Mr. President, a few days ago the senior Senator from New Jersey [Mr. SMITH] spoke to the New Jersey Farm Bureau in Trenton, N. J. Entitled "Prospects for Peace," his speech shows the thoughtful, statesmanlike approach we always associate with the distinguished Senator. In the light of his long experience as a member of the Foreign Relations Committee, his analysis is particularly valuable. Especially noteworthy is his estimate of the potentialities of the exchange program recently agreed to with the U. S. S. R.

I ask unanimous consent that his address be printed in the RECORD at this point.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

PROSPECTS FOR PEACE

(Address by Senator H. ALEXANDER SMITH before the New Jersey Farm Bureau in Trenton, N. J., on Monday, January 27, 1958)

I. THE CHALLENGE TO PEACE

The Russian moon placed in the sky last fall had shed a great deal of light on the status of American security. As sudden as its appearance was the change sputnik wrought in our thinking, both in Washington and throughout the country. Almost overnight, talk of budget cuts and tax deductions was drowned out by the demand for more missile money and a speedup in the race to outer space.

In a way, sputnik turned our world upside down. Across the Nation, Americans were shaken out of their lethargy of confidence as the orbiting satellites provoked humiliating questions: How did we fall behind the Russians? How far behind are we? What must we do to catch up?

Congress is now seeking the answers to these questions. They must all be answered for they are all aspects of the one supreme question: What are the prospects for peace in this new space age? This is the question which I would now like to discuss, for it concerns all of us deeply, and we must dedicate ourselves to its solution.

Sputnik, of course, did more than prove the superiority of the Russians in the field of missiles. It also provided unsettling evidence that they have made stupendous strides in broad areas of science. But greater than either of these was the demonstration to the rest of the world that Russia's military and scientific position is now equal to that of the United States.

At the same time, the Russians have greatly stepped up their economic offensive in the underdeveloped areas of the world. Instead of seeking control by arms or threat of arms, they have begun to extend their political influence by economic means. They have started competing with our own foreign-aid program: In fact, they have recently been quite successful in outbidding us in offering aid to these countries.

This is indeed an ominous threat, for the Russian offers are not intended, as ours are, to help the underdeveloped countries gain economic strength and independence. The whole object is, rather, to bring these countries behind the Iron Curtain by making them increasingly dependent on Communist aid.

The intensification of this economic offensive has been accompanied by insidious propaganda campaign calculated to weaken the NATO alliance and make the United States appear to be opposed to peace and unwilling to negotiate.

All these related developments of recent months have had a tremendous impact throughout the world, particularly in the uncommitted countries. They have shaken world faith in American leadership and placed the security of the free nations in doubt. This, then, is the grave nature of the challenge: Can we rebuild our strength and reestablish our security to meet the Russian challenge, and still maintain the peace?

II. THE RESPONSE TO THE CHALLENGE

It will take years to fully meet this challenge, which, we must admit, caught us all by surprise. Even so, however, it did not take us long to respond: under United States leadership, the free world quickly began to develop a program to meet and counter the challenge.

The initial response produced an important and much-needed strengthening of our alliances at the NATO Conference last December. It had been President Eisenhower's idea, just before his last illness, that a special meeting of the NATO members should be called to restore confidence in the organization. The success of the meeting seemed in jeopardy for a while when, after he suffered his slight stroke, it seemed that he would be unable to attend and exert his personal leadership.

But our President was not to be deterred, even at the risk of his health and his life. As NATO's first commander when it was established 9 years ago in response to earlier Russian threats of aggression, he knew better than anyone that NATO must be maintained in strength as a central pillar of our security system. Acting on this deep personal knowledge and conviction, he went to Paris to successfully instill new unity and purpose among the 15 member nations.

Some 3 weeks after the NATO Conference, in his brilliant state of the Union address of January 9, the President outlined the main features of his program for action to meet the Communist challenge. This, to my mind, was one of the greatest, most forthright statements of American policy which I have witnessed in my 14 years in the Senate. The eight-point program he formulated in this address provided the American people with a blueprint for future peace and security.

Then, in his January 12 reply to Premier Bulganin's letter, the President further spelled out his program. Additional details were enunciated by Secretary Dulles in his fine speech to the National Press Club on January 16. These 3 documents, appearing within a period of 7 days, give inspiring proof that our leadership has fully comprehended the nature of the Communist threat and has developed a positive, effective policy to meet it. I would now like to discuss some aspects of this policy in more detail.

III. THE EISENHOWER EIGHT POINTS

First, the President's program as outlined in his state of the Union speech. At the outset of the address, he frankly reviewed the extent of the present danger and issued a clear call for action. Then he put forward his 8 points, of which the first 7 constitute a detailed plan to strengthen American security, both at home and abroad.

On the home front, this is to be accomplished by an accelerated defense effort, a thorough reorganization of our military structure, Federal support for education and scientific research, and maintenance of a strong economy.

Overseas, the program would be carried out primarily by increasing our mutual and and trade projects to develop the military and economic strength of friendly nations and to build the economic foundations of the underdeveloped countries so that they can resist Russian penetration. We would also share scientific information with our allies for effective technical progress.

These steps will enable us to match the Communist efforts. Action in each of these areas is, as the President declared, not only desirable but imperative. At the same time, he emphasized, the seven points in themselves cannot lead to lasting peace unless we place equal stress on the eighth point of the program, which calls for works of peace.

It is this eighth point, this concept of works of peace, which gives inspiration to the whole program. It captures the imagination in visualizing an exhaustive, determined exploration of all possible means for greater communication and understanding between the peoples of the world, and particularly with the people of Russia. Constructive, worldwide cooperation in programs for human betterment, at the person-to-person level, would make great progress toward that mutual confidence which is the only basis for peaceful solution of the present stalemate.

Together, the eight points give us a positive plan of action to promote the cause of peace and security, not only by strengthening our military position, but by mobilizing our total resources to wage total peace. Just as Winston Churchill told the people of England in their hour of crisis that blood, toil, tears, and sweat were required to save their country, so President Eisenhower has called on all of us to work together in sacrifice and high understanding to meet the threat of Communist imperialism.

IV. THE BULGANIN EXCHANGE AND THE CALL FOR NEGOTIATION

"Of all the works of peace," President Eisenhower concluded, "none is more needed now than a real first step toward disarmament." But even as he explained our country's desire and eagerness for negotiation of any disarmament proposals which offer reliable means to insure compliance, the Russians made a calculated bid to neutralize the effect of his words on world opinion.

Premier Bulganin's second letter to the President, released to the international press on the same day with the clear intention of overshadowing the state of the Union message, once again sought to cast doubt on

America's desire for peace. Wide attention was focused on Bulganin's request for an early summit meeting, which was coupled with a repetition of previous Soviet proposals for an East-West nonaggression pact and a ban on nuclear weapons—both previously rejected by the West because of Russian refusal to include adequate safeguards.

In his reply to the Bulganin notes, President Eisenhower exposed the weaknesses of the warmed-over Russian proposals and took a major step toward establishing a concrete basis for renewed negotiations. He asked the Soviets to join in strengthening the United Nations by modifying the power of veto in the Security Council, and he urged them to restore world confidence in their pledged word by taking immediate action to unify Germany and to guarantee free elections to the people of Eastern Europe.

On the central issue of disarmament, the President proposed a joint agreement on the peaceful use of outer space, the end of nuclear testing and the controlled reduction of conventional weapons and military manpower. He further affirmed his willingness to meet with the Russian leaders, but he insisted that a summit conference be preceded by lower level negotiations.

The United States position on this issue was further clarified by Mr. Dulles in his National Press Club speech which warned of the dangers in an inadequately prepared summit meeting, yet gave positive expression to the possibilities of such top-level talks when based on sufficient preparation to assure a prospect of significant agreement. This, in effect, was an elaboration of the state of the Union declaration that works of peace, not mere words of peace, must be required.

V. CONCLUSIONS

This, then, is our program and our policy for action. We must diligently strengthen our military preparations, develop our missiles, expand our Strategic Air Command. But at the same time, we must earnestly pursue the search for a basis of understanding, a basis for negotiation. We must seek to replace international distrust with international confidence.

Today's announcement that the United States and Russia have signed an agreement on exchanges is a step in just this direction. This represents a new approach, and one of the most significant developments in all these years of cold war. We are beginning to explore avenues of greater communication between peoples—not the leaders, but the people. We are beginning to move in a direction which goes beyond the exchange of diplomatic formalities to the exchange of people, seeing each other's countries and customs, breaking down the manmade barriers which have prevented the peoples of the world from getting to know and understand each other.

This is to be a broad program of exchange in the fields of industry, agriculture, science, and the arts. I would suggest that the most promising area in which to start would be that of science. If there is any place where Americans and Russians can meet in mutual confidence, it should be in the research laboratory. In the realm of pure science there are few secrets to be guarded, and the objectives of dedicated scientists are the same.

Cooperative scientific projects for peace could produce major benefits for humanity, and set an example for every other program of cultural exchange. The results could be stupendous in terms of human relations and human progress. I may be going too far in this hope, but I think we are on the trail of something which holds great promise for the future, something which may give us the ultimate solution to world disorder.

In the long run, after all, we may very well be grateful for sputnik. It has already done a wonderful service in awakening us to the full extent of our present danger and evoking a fully developed program from our leadership.

It now remains for us to make the all-encompassing national effort which the President's program demands. In his state of the Union address, he concluded: "I am fully confident that the response of the Congress and of the American people will make this time of test a time of honor. Mankind then will see more clearly than ever that the future belongs, not to the concept of the regimented atheistic state, but to the people—the God-fearing, peace-loving people of the world."

In these few words, it seems to me, are summed up both the opportunity and the responsibility which we face.

The Crossroads for Agriculture

EXTENSION OF REMARKS
OF

HON. EDWARD J. THYE

OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

Monday, February 10, 1958

Mr. THYE. Mr. President, last week, on February 6, I was privileged to address the 21st annual meeting of the Minnesota-Iowa Swine Institute. I ask unanimous consent that the address be printed in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE CROSSROADS FOR AGRICULTURE

(An address by the Honorable EDWARD J. THYE, United States Senator from Minnesota, before the 21st annual meeting of the Minnesota-Iowa Swine Institute, Austin, Minn., February 6, 1958)

Mr. Chairman and delegates to the 21st annual Minnesota-Iowa Swine Institute, you are meeting in Austin, Minn., as active participants in a vital and important part of America's agricultural economy—namely, as swine producers. Although your primary interests rest in this specific field—you by necessity are interested in the welfare and prosperity of our entire agricultural industry.

We have now reached a crossroads when the future of American agriculture has reached a momentous point of decision. In the years ahead agriculture will either reach up to new horizons of accomplishment, strength, and prosperity, or it will turn to a path of sectional strife, disintegration, and capture for the benefit of a few and to the detriment of many.

PROBLEMS IN AGRICULTURE

I intend to be quite frank and candid in my remarks today. I speak to you as one who is completely devoted to the proposition that American agriculture can enjoy a prosperous future never before dreamed of and a future which will tax the imagination of every farm producer in the United States.

Agriculture has been weakened in the past 10 years since the end of World War II. It has not moved forward with industry and labor in the sharing of our unprecedented prosperity. It is unbelievable that the American farmer today should be caught in the clutches of a vicious cost-price squeeze which everyone recognizes and which to this date has not been solved.

It does the farmer little good to see Government officials, Congressional leaders, the major farm organizations, and the consuming public at odds over the solutions to such problems as agricultural surpluses, falling farm prices, increased costs of operations, ever increasing price increases to the public. If ever there was fiddling while "Rome burns" it is going on at the present time in regard to agriculture.

THYE ACTS

I want to make my position very plain during the next few minutes. I am completely committed to the proposition that immediate action must be taken to bolster the agricultural economy. That is why I took these problems to the President of the United States last week. That is why I have differed with the Secretary of Agriculture over the matter of price supports during the past 4 years. That is why during December of 1956 I called the major farm leaders of Minnesota into conference in my office in St. Paul to attempt to iron out differences and to see if we could not agree on a general approach to the farm problems. That is why I have introduced what I believe to be sound legislation in the Senate of the United States. I have done this without regard to partisan political thought.

These problems are not going to be solved through political fighting and bickering. I do not want the future of American farming to be sacrificed upon the altar of political advantage and partisanship.

In the past session of Congress we witnessed the disintegration of the farm bloc. We saw the corn farmer, the wheat farmer, the livestock and swine breeders, the cotton, rice, peanut, tobacco—interests working for their proposals without a genuine united effort for constructive overall legislation. We have also seen in many places the farmer pitted against the consumer.

There has been distortion of fact in the many arguments which have been presented.

This type of activity must be eliminated if we are to move forward to the new horizons which lie ahead.

The first task is to search out the planks in a farm program which can be agreed upon by the many parties in interest. There are such common areas of agreement.

AREAS OF AGREEMENT

Let me name a few. There is little or no disagreement today to the extension of Public Law 480 which seeks to reduce surplus commodities through the channels of trade, barter, and relief. Most people agree that the conservation part of the soil bank should be extended. There is no argument over the need for immediate and searching research into new uses for agriculture products and new markets. The goal of all of these measures is a more prosperous agriculture in tune with our general prosperity.

PUBLIC LAW 480

Let us examine these areas of agreement more carefully. I cosponsored Public Law 480 and have introduced a bill for its extension because it places American surplus into the hands of people who need it—because it has become an effective supplement to our foreign-aid program—and because it places our surpluses in a position to play a vital role in our destinty as a world leader for the cause of freedom and decency. Under the provisions of this law up to September of 1957 the United States had actually shipped 10,800,000 pounds of butter and butter oil valued at $4,776,000 in trade with other nations. We have shipped over 14 million pounds of powdered milk at a value of nearly $2 million. We have shipped 183,638,000 pounds of lard at a value of over $23 million. This helps to explain why the price of pork has held more firm than in past years. We have also disposed of cottonseed oil, powdered milk, and peanuts for oil under the barter provision of Public Law 480. In the area of international donations, we have shipped out over 325,400,000 pounds of butter and butter oil in an amount of over $225,500,000. Over

1 billion pounds of powdered milk in the amount of $220,400,000 has been disposed of through the donation provision. In addition, we have donated 71,400,000 pounds of cottonseed oil valued at over $17 million. This record demonstrates surplus products are being disposed of to the benefit of American agriculture and to the benefit of those who have received these products.

Yesterday morning I participated in a hearing of the Senate Agriculture Committee where we heard an up-to-date report on Public Law 480 by officials of the Department of Agriculture. Let me give you some figures about agreements under Public Law 480 which were released at that hearing. These figures related to agreements whereas the figures I gave you before pertained to actual shipments.

The agreements already signed provide for the shipment of 550 million bushels of wheat, 3 million bales of cotton, 25 million bags of rice, 1.8 billion pounds of vegetable oils, 133 million bushels of feed grains, 175 million pounds of tobacco, 150 million pounds of meat, 225 million pounds of lard, 162 million pounds of dairy products, 197 million pounds of fruit and vegetables, as well as other commodities.

In 1955–56, the first full year of operation of title I, foreign currency shipments totaled $427 million at export market value, or 12 percent of total United States agricultural exports. During 1956–57 title I shipments amounted to $900 million, nearly 20 percent of the record breaking $4.7 billion total achieved.

Agreements signed to date will result in foreign currency payments of more than $2.5 billion. About 60 percent of the total will be used for economic development purposes in importing countries, about 10 percent will be used to support the defense forces of our allies and the remaining 30 percent is planned for meeting United States expenses overseas and expanding certain United States programs.

The bulk of the commodities included in these agreements has already been exported and the increase in title I shipments from year to year has been one of the major factors leading to the rise in our total agricultural exports. In 1954–55 our agricultural exports had a market value of $3.1 billion. Title I shipments were small that year accounting for 3 percent of the total. In 1955–56 our agricultural exports rose to $3.5 billion. Title I accounted for 12 percent of the total. In 1956–57, the year ending last June 30, agricultural exports rose to an all-time high of $4.7 billion. Title I shipments made up almost 20 percent of the total, or about $900 million.

The rise in total exports was the principal reason that last year the direction of surplus accumulations was reversed. During 1956–57, CCC investment in price-support commodities declined almost $1 billion with the principal reductions being in wheat, cotton, and rice, commodities for which there were heavy movements under the title I program.

Public Law 480 is the type of program which permits this Nation to use its surpluses in three ways: (1) As an export commodity; (2) as a humane program for the relief of hunger; and (3) as a defense asset.

In Spain we took monetary earnings from our grain exports and used them to pay for air base construction. We have taken prefabricated housing and labor from Finland to bolster our NATO allies in return for grain shipments.

It is a program which is winning friends for the United States through a benevolent approach. It is more effective than all of the armaments we could parade before hungry people in a troubled world. I ask your support for the efforts of myself and others in both political parties who call for its extension.

SOIL BANK

The conservation reserve section of the soil bank is designed not only to reduce surpluses, but also to reforestrate our land. This type of reforestration and conservation program has met with enthusiastic support and the extension of this part of the soil bank should receive bipartisan support in the Congress.

RESEARCH—THE KEY TO PROSPERITY

There is a crying need today for the most concentrated research program into new uses and markets for agriculture products that this Nation has even seen.

On March 31, 1956, I cosponsored S. 3503, which is designed to provide scientific study and research programs for the purpose of developing increased and additional industrial uses of agricultural products. Through research we can develop these new uses and cut down our surpluses.

We can and we must inspire research to increase the industrial uses of agricultural products, and, thus, increase the income of agriculture. We have the facilities. We have both public and private laboratories. We have our land-grant colleges, universities, and the extension services. They should be utilized night and day to develop new uses for our products. We have already developed synthetics from oil and coal. But these are resources which can and will be depleted over the years ahead.

But the productive capacity and output of America's farm land is increasing—not decreasing. This fact alone dictates action into vast and far-reaching research programs. It is no credit to American ingenuity that industry today spends from 3 to 10 percent of its sales income in the development of new products—while agriculture spends less than 1 percent of its sales income for the same purpose. This disparity cannot be allowed to continue if agriculture is to share in our prosperity. In terms of dollars and cents industry spent about $3 billion in research activity during 1956. During the same period agricultural research totaled about $375 million.

If anyone doubts the value of research consider the following programs involving livestock. I can recall in 1946 the outbreak of foot-and-mouth disease in Mexico and Texas. This outbreak threatened the entire livestock industry in the United States.

Shortly after I came to the Senate in 1947 I was asked to serve as a special subcommittee chairman to go to Mexico and investigate the spread of disease and to propose a solution. At the time I reached Mexico the United States was engaged in slaughtering the cattle and oxen of the Mexican farmers. I saw the resentment which was spreading in the minds and hearts of the Mexican people. I immediately proposed the development of a vaccine and the inauguration of an innoculation program.

There were those who scoffed at this suggestion. However, with the cooperation of the Department of Agriculture we were able to develop the vaccine, innoculation became a common practice, and today the threat of foot-and-mouth disease has been erased. This is a striking example of how a little money spent in research can save millions of dollars and thereby protect the prosperity of the farmer.

Later, I introduced legislation providing for an extensive research laboratory for animal diseases in the United States. Today the Plum Island Research Laboratory in New York under the supervision of the Department of Agriculture stands as a monument to what scientific research can accomplish.

Right now the Agricultural Research Laboratory at Ames, Iowa, is under construction. When this laboratory is completed, we will have another great research development which can eliminate such threats to domestic animals as rabies. The Ames laboratory will be of great assistance to you as producers in the care and management of your animals.

The same type of forward-looking programs must be developed for all of our products.

PRODUCTION RECORD

It is ironic today that achievement in production has worked to the detriment of our farmers. The farmers have developed and advanced faster in the expansion of production than any other phase of our national economy. Industry has increased its production by about 3.2 percent per year during the past 10 years. Agriculture has advanced in production at a rate of 6 percent per year. In terms of total productive output this means that agricultural production is 60 percent higher today than it was 10 years ago.

This accomplishment must be converted into an advantage rather than a disadvantage. It must be approached from the standpoint of reaping a higher income for agriculture rather than to be made a liability in the form of forced Treasury payments.

Let's take a look at this production record so that we can get a true understanding of what it means in terms of the various products. Corn production the past 4 years has ranged from a 3.1 percent estimate to a high of 7.3 percent as a carryover to the subsequent year. The result of this rather low percentage of surplus has, however, forced a ruinous low price upon the feed grain price structure of the Nation.

RESULT OF SURPLUS

This surplus threatens to increase your pork production in 1958 to a dangerous point which might well depress the market in spite of the efforts made to dispose of the surplus. We already know that poultry and turkeys have risen to a dangerous high level of production. We also know that the surplus in grains is threatening an increase in dairy production even though the cow population is at a low level. In 1953, for example, the number of milk cows was 21,691,000. In 1956 that number was down to 20,927,000. However, because of better breeding methods and the presence of low-priced feeds the production per animal has risen.

In the case of wheat we find that during the past 4 years production declined. In 1954, 983.9 million bushels were produced while in 1957, 947 million bushels were produced. In the past 3 years our domestic disappearance of wheat has been 62.6 percent of our production. Our exports have accounted for 42.2 percent of production. This has effected a 4.8 percent withdrawal from existing surplus stocks. In the calendar year 1954, the withdrawal from annual production was 93.9 percent—with the balance going into surplus. During 1955, 1956, and 1957 the situation changed. We have recorded a withdrawal from surpluses during those years.

Wisdom dictates that this relatively small percentage of surplus must be processed into industrial channels. These products are storable, nonperishable, and can be drawn on the same as you now draw upon strategic military stockpiles. You and I can recall when rationing was imposed upon grains. These grain products found their way into the manufacture of industrial alcohol which was in turn used to develop synthetic rubber. Alcohol was used in the manufacture of ammunition for defense needs. You can also recall when the fibers from the cotton plant as well as wool had to be rationed to the civilian population. Our memories are not so short but what we cannot recall those facts. Certainly the same type of ingenuity can be applied to surplus agricultural products today.

Wheat and corn can be stored in various parts of the Nation. The storage costs to

preserve a fighting reserve could be administered at a minimum cost if natural storage places were used.

ACTION NEEDED NOW

I have already called to your attention the bills now before Congress which would establish the machinery to utilize surplus crops. These bills are sponsored by Democrats and Republicans alike. These bills, if passed, would unshackle the agriculture economy and take it off dead center. It would lead to unrestricted planting, the curtailment of controls, and would allow the market to reflect the strength of the national economy for agriculture as it does for steel and its byproducts. Why will not the Congress or its committees act? Why does the Agriculture Department concern itself more with the issue of price supports than with progressive research action to develop a new prosperity for agriculture? These are the questions which must be answered in the near future if agriculture is to grow and prosper.

If we do not solve the dilemma entailed in increased production and a shrinking use of products produced in the near future—we may awaken in the next quarter of a century to find that we will have a completely corporate type of farm and the destruction of the family farm and free ownership of our agricultural land. We have already lost too much time arguing over the issues of support factors rather than addressing our efforts to the broad phase of technical development of new uses for our production. Today we have acres of land producing 100 bushels of corn. Our fathers would have been grateful if they could have harvested half of that amount per acre. Can we be so blind to the need of matching this increased production with new and vital uses for these products?

NEW CHAPTERS MUST BE WRITTEN

There are new chapters to be written in agriculture which challenge the imagination and ingenuity of all of us. It is utterly inconceivable that we can project a satellite into outer space and have it circle the earth in regular orbit every 100 minutes—and still not be able to discover a way to put food and fiber to new uses.

As I see it—research should be made the key to open the door to new and exciting frontiers in agriculture. Such a program is not installed overnight. I am talking about a program which must begin today and continue so long as we have an agricultural economy. I propose the following plan of action which can and must work:

1. The Congress must enact legislation to establish a sweeping program of research into industrial uses of agricultural products. Executive power must be granted by the Congress wherever necessary to establish the necessary machinery to carry on this research.

2. The executive branch of the Government should immediately use every means at its disposal to take advantage of research facilities. The Secretary of Agriculture can begin by giving a favorable report to existing bills in the Congress or by coming before the Congress with what he considers to be a better plan.

3. The extension of Public Law 480 to dispose of surplus products through trade, barter, or donation.

4. The extension of the conservation reserve portion of the Soil Bank Act.

5. Temporary acreage allotments until such time as controlled acreage is no longer necessary.

6. Added concentration on the development of the rural development program which seeks to assist the farmers and residents of rural communities throughout the United States.

7. The maintenance of higher price supports until such time as they are no longer needed.

I should like to elaborate on the last point for a few moments. I cannot and will not support the continued attempts to lower present support prices at a time when we have not solved the deeper problems of agriculture and at a time when the farmer is already caught in a cost-price squeeze. I shall continue to oppose this type of approach to the farmer's problems. The recent action of the Secretary of Agriculture to lower dairy supports is the latest chapter in this controversy. Many who supported previous attempts to lower supports on other products joined in opposition when the proposal to lower dairy supports was made.

8. Establishment of a strategic stockpile of surplus products.

Rural America is still the formulation for future prosperity in this Nation. We have a clear choice. Reject progress in the development of programs for agriculture which will amount to the destruction of a free agricultural economy—or take immediate action to open up new horizons and frontiers through a far reaching program of new uses of farm products.

This is a monumental task which demands the cooperative spirit of all concerned. We must strip ourselves of prejudices, partisan politics, shortsightedness, and the willingness to let the other fellow worry about the problems of the American farmer.

You—men of the Swine Producers Association have used your initiative to develop better animals, to provide Americans with better meat—and to keep up with consumer demand. You are to be commended. You have helped to raise the standards of our agricultural economy. Now we need you and thousands of others like you to pick American agriculture up by the bootstraps, and point the way to new progress and prosperity in rural America.

Distinguished State Service Award to Senator Pastore

EXTENSION OF REMARKS

OF

HON. THEODORE FRANCIS GREEN

OF RHODE ISLAND

IN THE SENATE OF THE UNITED STATES

Monday, February 10, 1958

Mr. GREEN. Mr. President, I request unanimous consent to have printed in the CONGRESSIONAL RECORD, a copy of the award for distinguished State service given to my colleague, Senator JOHN O. PASTORE, by the American Tariff League, Inc.

I also ask permission to have printed in the RECORD the statement made by Senator PASTORE upon the occasion of his acceptance of the award.

There being no objection, the award and statement were ordered to be printed in the RECORD, as follows:

AWARD FOR DISTINGUISHED STATE SERVICE TO SENATOR JOHN O. PASTORE

The American Tariff League, Inc., at its 72d annual meeting, expresses to the Honorable JOHN O. PASTORE, United States Senator from the State of Rhode Island, its admiration and gratitude for the outstanding service he has rendered to the people of Rhode Island, the Congress of the United States, and our Nation.

Senator PASTORE has served his State as assistant attorney general, Lieutenant Governor, Governor, and United States Senator. His understanding of the complex problems currently facing this country is unsurpassed. He has consistently pursued a progressive legislative program dedicated both to the welfare of his constituency and the vital interests of the United States. As a highly respected member of the Senate Interstate and Foreign Commerce Committee, Senator PASTORE has worked toward the objective that our internal and foreign trade policies be so administered that our national security shall be the common responsibility of us all, and not the special burden of any particular State, or industry, or group. His activities as a member of the Joint Committee on Atomic Energy have steadfastly furthered the adoption of a sane, forward-looking program for American development of nuclear power. In addition to a penetrating intellect and admirable legal judgment, he brings to his senatorial duties an impressive forensic talent.

With best wishes for his continued career, the American Tariff League, Inc., on October 30, 1957, in New York City, unanimously resolves that this award for distinguished State service be presented to Senator PASTORE.

ADDRESS BY SENATOR J. PASTORE IN ACCEPTING THE AMERICAN TARIFF LEAGUE'S AWARD FOR DISTINGUISHED STATE SERVICE, AT THE LEAGUE'S 72D ANNUAL DINNER, THE PLAZA, NEW YORK CITY, OCTOBER 30, 1957

I deeply appreciate the invitation of your organization to come here on this occasion. Especially I value the emphasis you have placed—in the day's work—on our State of Rhode Island. It is a small State—but we love it. Its problems may be minor in the sweeping world picture—but both its triumphs and its troubles are close to our hearts. Perhaps it is because it is a small State and we all live and labor close to one another that we develop friendships more intimate than you of the bigger States can enjoy.

One of my most valued friendships through all the days of my public service has been that with Ted Walker, and I was happy to respond to his urging to be here on my return from Europe. I see many friends in the gathering.

So this is a very pleasurable personal experience—and I am certain, also, that I will have many helpful ideas as I come to review the contributions that your list of excellent participants have made to the success of this entire day.

It is the duty of a public official to be ready at all times and under all circumstances to discuss the problems of industry and the individual. I feel that the trials and tribulations of any segment of our economy cannot be dismissed in cavalier fashion.

I do not believe that a sentence of execution upon an industry should be summarily handed down from high places.

There are two sides to every question. In the field of economic foreign policy—in the matter of trade between nations—on the subject of tariffs and controls—there seem to have been developed through the years—sides and angles beyond all count.

So, when either side—or any side—or any angle—pauses to applaud a public servant—if anybody admits that he has done a reasonably good job, that public servant should feel flattered indeed.

In all sincerity, therefore, I value this award, the honor you have seen fit to bestow upon me.

I am both pleasantly surprised and gratified by your action.

My conduct will continue to be guided by my conscience. I will always steer my course for what I believe to be the best interests of America—having in mind my special respon-

sibility to that part of America which I represent.

I will not seek to embarrass our economy for the sake of unfair advantage.

But I will not hesitate to speak out when I feel that an overall policy is riding roughshod over an industry whose only fault is that it is small—and that its voice is weak amid the uproar of the giants.

If the theories of commerce must be divided into two camps, then I must say that I am neither an out-and-out protectionist nor a fanatic free trader.

I have never believed that the United States is sufficient unto itself. Self-interest and self-preservation do not and cannot stop at our shoreline. Our security and prosperity cannot be separated from the well-being of the free world.

As you know, I have just returned from my assignment to the International Conference on the Peaceful Uses of Atomic Energy at Vienna. I have made a brief but intensely directed journey to other points of our alliances and friendships overseas.

Every day I am more and more impressed that, as a vital part of our military and political alliances we must consider the economy of the countries we would possess as our friends.

What we do about our foreign trade policy fundamentally affects our ability to have and hold them as friends. Their chance of prosperity and their choice of friends can be the key to world peace.

Foreign trade is not altogether a one-way street. For our own industrial progress and our own military security we have a great dependence on imports of critical materials. In some fields we have a total dependence. International trade is supremely important to us as well as to the rest of the world. We would not be serving our country if we permitted that trade to contract unduly.

We would be in peril if our foreign trade were to shrink in the fact of our necessities and in face of the constant, competitive, communistic threat to the free world.

This does not mean, however, that we have to accept the very easy suggestion—and yet the very questionable extreme of free trade.

Certainly there are certain industries which would promote this. Many kinds of products, including automobiles, can be exported to all parts of the world at a profit. But the balance sheets of such industries do not help other industries in a less fortunate economic position to stand up against foreign competition.

Take for example, the textile industry so important to our New England area. The New England governors, individually and collectively, have for years been worried about the present and the future of textiles. Five years ago the governors joined in a caution to the administration to make no trade concessions in textiles in the immediate future. We were all deeply disappointed that tariffs on textiles were cut just the same.

This year the New England governors join again in repeating their warning that the United States should not increase foreign competition in textiles by making trade concessions.

The textile industry and the New England governors are aware of the dollar gap abroad. We are all aware of the shortage of dollars that prevents other nations from buying as much as they would like in our markets. That dollar shortage, of course, is the problem that tariff reduction seeks to solve. But we feel that the dollar shortage problem is a concern of the whole Nation. We do not feel that the solution lies in the excessive sacrifice of one segment of the national economy.

Now this is not the offhand complaint of an individual. It is not a mere surface, partisan protest. What the New England governors had before them was a deep study of the textile industry's problems.

These problems are summarized in some 180 pages of an excellent report. This nonpartisan effort—and I mean nonpartisan—sees much to criticize in various attitudes of the administration.

It dwells upon the policies of Federal credit and investment and recounts its subsidies at home to other elements of the economy.

It deals with generous selling policies abroad and its current high money rates which hit such vulnerable industries as textiles. Having been hit by all these other Government policies, we question the justice of further hurting textiles with unfair foreign-trade policies.

We have a great disliking to be paid off in lame explanations and lamer accusations. It is small comfort for a mill owner who sees his machinery being auctioned off and his lifetime efforts disappearing in thin air—to be told that the trouble with him is that he is not flexible enough—or there isn't really any serious import competition—or that he is too small—or that he is not essential for the war effort—whenever that war is to be expected.

It isn't any comfort to the head of a family, to a man who has spent all his years developing his textile skills, to be told, after all, there are only a few of you, and the world is ever so big.

What if there are only 1,600 people in an industry—only 1,200—or perhaps only 200. It is no part of a Government policy to disregard the few—to tell them, because they are so few, they are going to be sacrificed—that they can't be given a little protection—for the very reason that they are so little in the big measure of international trade.

If you have ever had a caller whose job is gone because the mill is gone—the humble head of a family to whom that mill was neighbor, friend, and future from his boyhood days—if you have ever had so discouraged a man knock at your door to tell you his future is a blank wall—please don't try to tell him that a hundred jobless men or women are not important—don't try to tell him that he and his family are expendable so that we can make life a little sweeter for the same number of people in some unnamed country the world around.

Both narrow protectionism and extravagant free trade are in error in the consideration of modern economic and political realism.

It is strange indeed when we can think of nothing more original than continue to make across-the-board tariff cuts.

One of the great weaknesses of our present policy is that by cutting tariffs on an across-the-board basis, and by extending concessions to all countries by way of the unconditional most-favored-nation policy, we are making it profitable for some countries to concentrate on products that are most damaging to our own economy. For instance, in the case of Japan this would be certain kinds of textiles, pottery and hardwood plywood.

It is natural—without restriction or inducement of some kind—that countries with low wage standards will send us such goods in the production of which they have the greatest comparative advantage.

Isn't there some means by which we can induce those countries to concentrate upon goods other than these—goods in the production of which they have considerable advantage—but not an overwhelming edge.

Take Japan. Japan has excellent workmen who can produce at competitive cost in many varied specialized fields. Would there be advantage in guaranteeing to Japanese manufacturers in these fields—exemption from the escape clause on a limited quantity of imports.

It might be that other nations—for the same purpose of maintaining friendly relations—would also cooperate.

They would send us fewer of the exports that are damaging to our economy. They would find their increased sales in the new fields much more profitable. When these items had reached the agreed-upon limits, the escape clause could be invoked, as it is now, if serious damage threatened our American producers.

Such a limited sharing plan might do more to build up genuine good will between Japan and the United States and the other countries of the free world than has all of our talk about token reductions of tariffs and membership in the OTC.

To encourage trade along those lines, it seems to me, might be more effective with self-respecting countries than millions of dollars poured out in direct financial aid.

We have been very generous with our tariff cutting and today we are one of the low tariff countries of the world. The protective effect of our tariffs is down 75 percent from its average level 22 years ago. Twenty years ago it stood at 50 percent on our dutiable items. Today it is a little over 12 percent.

Our tariff policies certainly have not been perfect—not by a long shot. In 1 day the newspapers tell us of the complaints from clothespins to copper while Japan takes another look at her plywood activities and Brazil takes a second look at automobile imports.

This is no time to be complacent. But when we are critical we intend to be constructively critical. We see nothing un-American in taking a good look at our foreign-trade policies any more than we hesitate to survey our foreign policies in general.

There is nothing un-American in saying that the Dulles flights of fancy have been something less than 100 percent correct. There is nothing un-American in declining to accept the White House verdicts on our economy as being infallible. The White House itself often declines to follow the recommendations of its own Tariff Commission.

We yield to no one in our loyalty to America—to these United States and to its efforts to strengthen the free world in history's most critical hour. We can make sacrifices where they are sanely required. But we will not and cannot surrender our consciences. We shall be conscious of our duty to remain strong in every segment of our economy. For in that strength alone lies the security of mankind—the one guaranty that the world will have a tomorrow worth sharing.

Resolution Backing Peaceful Use of Outer Space

EXTENSION OF REMARKS

OF

HON. KENNETH B. KEATING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 10, 1958

Mr. KEATING. Mr. Speaker, the gentleman from California [Mr. HILLINGS] and I have introduced a resolution expressing the sense of Congress that the United States should take the initiative in efforts to devote outer space to peaceful uses. Prompt and firm Congressional approval of such a resolution would show the world that the American people stand squarely behind their leaders as they attempt to gain international agreement on the use of the solar regions for nonmilitary purposes.

The imminent invasion of space by man-made machines presents very real

problems which must be faced up to by Congress, by the American people, and by all the nations of the world Specifically these enigmas are military, legal, and jurisdictional in nature

The military dangers involved in the development of outer space are very real. The prospect of reconnaissance from satellites, or of rockets armed with nuclear weapons is clearly a reasonable probability. This extension of the tools of war into space heightens tremendously chances for the total destruction of earth civilization. At least, it seems plain that the nation which controls outer space could easily dominate the earth from this vantage point.

It follows that to avoid turning down a road of sure global suicide, the nations of the world must devise means for preventing the use of outer space for military purposes. And in a more positive vein, we must make every effort to achieve cooperation and sharing of solar information in order to stimulate peaceful advances.

The United States has already taken the lead in pressing for international cooperation on the peaceful utilization of outer space. President Eisenhower, Secretary of State Dulles and other leaders have proposed that immediate steps be taken to insure that space will not be used for warlike purposes.

The timing of such steps are of the essence. Now, while the patterns and precedents concerning space exploration, use and control are being established, is the time to reach agreement that solar areas will not be used for military purposes. It is far wiser to control the infant now than to attempt to chain the giant later.

A ringing vote of approval by Congress, speaking for the American people, would strongly back up our leaders in their quest for agreements. It would reaffirm in the eyes of the world our dedication to the cause of peace.

In this great endeavor, America must lead the way. We must pioneer with boldness, imagination, and resourcefulness. We must continue to take the initiative, fully aware of the promises as well as the perils that lie ahead.

And in the end, if our efforts for peaceful use and control of outer space are successful, we may have opened a new era for all mankind. Perhaps man, freed from the ties of his earthbound existence by the common challenge of space, might even shake free from some of the jealousies and differences which beset human affairs and place peace on earth on such a precarious footing.

Passage of this resolution by Congress will show the world that the people of America are ready, willing, and able to accept the future with vision, not vexation. It will demonstrate to the world that we choose the path to greatness—not to oblivion.

The resolution follows:

Whereas the paramount aim of United States foreign policy is to promote peace by all possible means; and

Whereas recent developments have demonstrated that outer space will be used increasingly by the nations of the world; and

Whereas the use of outer space poses great military dangers to the world but also promises untold treasures for peaceful uses: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress of the United States express in strongest terms its desire that the regions of outer space be devoted to peaceful purposes. It is further the sense of Congress that the United States should continue to take the initiative and to press for devotion of outer space to peaceful purposes through the United Nations or by such other means as may be most appropriate. Such means may relate to, but need not be limited to—

(1) an international agreement barring the use of outer space for any military purpose;

(2) an international agreement that outer space and all outer space planetary and subplanetary masses are not subject to appropriation by any Nation;

(3) adaption of an existing international organization or agency or formation of a new one for the joint exploration of outer space; and

(4) efforts to gain international agreement and cooperation on legal, jurisdictional, communications, navigation, and other problems concerning the use and control of outer space.

Danes Score United States Shipping Policies

EXTENSION OF REMARKS

OF

HON. JOHN J. ALLEN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 10, 1958

Mr. ALLEN of California. Mr. Speaker, an article recently appeared in the Journal of Commerce stating that Danish shipowners will tell the United States Government that they resent the idea of new subsidies to American shipping as outlined by President Eisenhower in his budget message. The article states that the shipowners consider it dangerous to Danish shipping if Congress grants the President's request and that they have asked the Foreign Ministry and the Ministry of Commerce to convey their views to our Government.

This may be a good time to briefly review our program which involves budget requests for the fiscal year ending June 30, 1959, for $160 million for the construction differential subsidy and $120 million for the operating differential subsidy. Quite possibly the Danish shipowners who do not know what our program is nor why it is necessary to us.

We usually have about 1,200 ships in operation under the American flag. They carry about 20 percent of the cargoes and passengers moving in our trade with foreign countries. About 300 of these vessels are involved in our subsidized operations and are restricted by contract as to their operations, their availability to the Government in case of emergency, and to the amount of profit that they may earn without completely repaying our Government for any subsidy involved. The other American-flag ships are in unrestricted trade and can go and come as they please.

Two wars and more have taught us that we must have a shipbuilding and repair industry. Our subsidized operators compete with foreign flag ships. Our operators are required to buy ships built in the United States. American standards of living and wages are higher than foreign standards and our costs of building in United States yards are about 80 percent higher than foreign costs. To keep an industry essential in wartime, in an operating condition during peacetime, we require that the American operator should buy his ship in an American yard. We provide, however, that he shall contribute only an amount equal to the price that he would pay a foreign yard at which his foreign competitor might buy a similar ship and our Government makes up the difference in cost under our construction differential subsidy program.

The same wars taught us that we could not depend on foreign shipping during wartime. World War I and II were lengthened and almost lost for want of ships. We know from bitter experience that we must have a substantial fleet of passenger and cargo vessels owned, operated and sailed by Americans for our own security and for the preservation of our peacetime trade. All other ships failed us during those two wars as they were withdrawn from our use by their own governments or were lost in action.

Our subsidized ships are required to run on designated routes with American crews. American sailors require American wages and standards of living. If they cannot get them at sea, they will stay ashore to get them. Our Government required that our operators use American sailors and to pay that portion of the wages and labor costs which equals those of his foreign competitor with our operating differential subsidy making up the difference.

In other words, our American operator gets his ship at the price that his foreign competitor pays for the foreign-built ship and our American operator hires an American crew at the same rate that a Danish competitor might hire his. From that point on, the American operator is on his own and must compete for what he gets.

Without the participation of our Government in our shipping industry, American operators would be run off the sea by their low-cost foreign competitors. With that participation our operators stay in business and we preserve in healthy condition two industries essential to our security and trade. In every recent war the American-flag merchant marine has been an essential arm of our Defense Establishment and has contributed equally to the preservation of our freedom, and, incidentally, to the freedom of the rest of the free world, including that part in which we find our Danish critics.

The article to which I refer which appeared in the Journal of Commerce of Friday, January 24, 1958, reads as follows:

DANES SCORE UNITED STATES SHIP SUBSIDY

COPENHAGEN, DENMARK.—Danish shipowners will tell the United States Government they resent the idea of new subsidies to American shipping as outlined by President Eisenhower in his budget message.

The Merchant Shipping Press Office said Danish shipowners asked the Foreign Ministry and the Ministry of Commerce to convey their views to the United States. The shipowners consider it dangerous to Danish shipping if Congress grants the President's request.

"These giant subsidies will enable American shipowners to give uneven competition, on an increasing scale, to shipowners in other countries who operate on their own," the shipowners said. "And * * * (this will be) detrimental to the ability of Danish shipping to earn dollars for the Danish society."

Aid to Dependent Children for Educational Purposes

EXTENSION OF REMARKS
OF
HON. VICTOR L. ANFUSO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, February 10, 1958

Mr. ANFUSO. Mr. Speaker, I am introducing a bill to amend title IV of the Social Security Act to authorize Federal assistance under the act to certain dependent children who are over the age of 18, just as long as they are attending school.

Title IV of the Social Security Act deals with grants by the Federal Government to the States for aid to dependent children. The purpose of this program is to encourage the care of dependent children in their own homes, or in the homes of relatives, by enabling each State to furnish financial assistance to needy children in order to help maintain family life and to afford them parental care.

According to this program, the State submits its plan for aid to dependent children. If the State program meets the specifications listed in title IV of the Social Security Act, then the Federal Government provides an amount up to certain prescribed limitations, and the State contributes the balance.

When the Social Security Act was originally enacted in 1935, a dependent child under this program was defined as a child under the age of 16. Under Public Law 880, adopted by the 84th Congress in 1956, the age maximum for dependent children was raised to 18. Thus, when such dependent child becomes 18 years of age, the Federal Government withdraws its share of the aid, regardless of the child's circumstances or conditions. Of course, the individual State may choose to retain the child on its aid rolls, and many do so.

I believe that this is a shortsighted step, certainly in such instances where a child desires to continue his education but is prevented from doing so because upon reaching his 18th birthday he finds that this assistance has been stopped. In 1954, the income-tax law was amended to provide that so long as a child, regardless of age, was a student and the parent furnished half of his support he could be counted as dependent entitled to an exemption.

Why not apply the same logic to dependent children who need aid? Why not give such children an opportunity to acquire an education? We talk about the shortage of scientists and engineers; we hear a great deal about the shortage of teachers. We seek means to eliminate these shortages at great costs. Yet, here we have needy children who desire to continue their education, but because of a quirk in the law which says that upon reaching their 18th birthday they cannot be aided we stand to lose future scientists and engineers and teachers.

For this reason, I am introducing my amendment to the Social Security Act to strike out the age limit in this program and to continue its aid to dependent children, even if they are over the age of 18, so long as they continue their education. This is a reasonable step. It is one from which the country will gain much more in the long run than the current outlay of funds to maintain this program.

Mr. Speaker, I urge the Congress to give this matter early consideration and to make the necessary change in the Social Security Act. This is a correction of the law which everyone can readily understand and which deserves general support.

Remarks by Secretary of Agriculture Ezra Taft Benson at National Press Club Luncheon, Thursday, February 6, 1958

EXTENSION OF REMARKS
OF
HON. WILLIAM S. HILL
OF COLORADO
IN THE HOUSE OF REPRESENTATIVES
Monday, February 10, 1958

Mr. HILL. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address:

It is always an honor and a pleasure to appear before this group. I see many familiar faces, many old friends. I have seen enough of the world to know that the American press is the fairest and most objective press on earth. You report the facts—honestly, responsibly. You do a fine job and I am glad to say that our relationship has always been frank and most pleasant.

This opportunity to meet you on your home grounds is a privilege all its own—and a challenge, too. Previous experience has taught me that a guest at your board is treated with objectivity only slightly tinged with mercy when the question-and-answer period arrives.

One thing especially appeals to me, however. At these Press Club luncheons a speaker is granted the opportunity to make his statement in full before he is called upon to square away for the questions. I therefore approach this discussion with some assurance that I will get through to the end and not be interrupted in midsentence—I like the ground rules here.

I am not going to open my remarks here today with a long list of what has been done for farmers in recent years, or with impressively documented proof of the Nation's prosperity.

We all know that individual farmers, like individual newsmen, may be economic islands in a sea of national prosperity. We know, too, that in spite of any recital of progress made in meeting agricultural problems we must face up to a few unpleasant facts about the farmers' situation today.

It is a fact that in the past 7 years realized gross farm income has gone up $2.7 billion—but farm costs of operation have gone up $3.7 billion.

It is a fact that farmers are not responding to the old prosperity pills the Government has been giving them and it is high time we made further changes in the prescription.

It is a fact that the old price-support program, written to cope with a depression, changed to help fight a war, and revised again in an effort to meet the needs of peace, has been an expensive effort but it has not solved farmers' problems.

It is a fact that many of those operating very small farms have found that they must increase the size of their units or supplement their incomes from other sources.

It is a fact that, despite heroic efforts in moving our surplus farm commodities, we still hold disturbing quantities of price-depressing surplus stocks.

It is a fact that since 1950 the cost of programs primarily for stabilization of farm prices and income has totaled close to $10 billion. As I have often said before, this would have been money well spent if it had solved the problem. But it has not.

These are some of the unpleasant facts our farmers are facing today. And if we are going to help them in making necessary adjustments we must face these facts too.

Let me assure you that I shall continue to do everything in my power that is economically sound and fair to improve the conditions of our farmers.

This is no time to point the political finger of blame. It is a time for action. Farmers have had about all the political panaceas they can stand. What farmers really want is more freedom.

If the voices of 22 million farm people in America could be crystallized into one voice, it would, I feel sure, demand Four Freedoms for Farmers.

That voice would say:

Give us more freedom to plant—so that we can run our farms efficiently.

Give us more freedom to market—so that we can increase our incomes.

Give us more freedom to meet our competition—so that we can expand our markets.

Give us more freedom from government interference—so that we may again be independent and self-reliant.

This Nation will never reach its full strength until our farmers have more freedom to plant, to market, to compete and to make their own decisions.

Farmers want government at their side, not on their backs.

One of the largest national farm magazines has just released the results of a nation-wide poll of farm people who were invited to express their opinions on whether farmers needed more or fewer government programs. In that poll, over 50 percent said that the government "should get clear out of farming." Another 11 percent said farmers needed less government help than they now have, and 12 percent wanted help "about the same as now." Only 27 percent wanted more government programs.

The mail received at the Department of Agriculture indicates much the same sentiment. My personal mail is now running about 8 to 1 in support of the farm program changes proposed by the President last month. I might say that while I find the "eights" encouraging, some of the "ones" are dandies.

Most of these unfavorable letters are sincere expressions from farmers who see no solution to their problems except bigger government checks. A few give evidence that a ditto machine has been used overtime.

In the main, however, I am impressed with the clear thinking our farmers are demonstrating.

This is a time of adjustment for agriculture. Most farmers know that. Since early 1951 when farm prices started to fall even in the midst of the Korean war, farmers have been groping for a satisfactory adjustment to three basic conditions.

First, they have been trying to adjust to peacetime markets. Peacetime demands are smaller than wartime demands. We saw that in foreign markets especially back in 1952–53 when our agricultural exports dropped by nearly one-third in one year's time.

Second, they have been trying to adjust to the technological revolution in agriculture. In the past decade, output per man-hour of farm work has gone up more than 50 percent.

Third, they have been trying to adjust to ever-changing legislative restrictions. Outdated farm laws, laws designed to meet problems long past, were carried forward into a new era.

Farmers, I repeat, have been striving to adjust to these three conditions. Our goal is to help them make the adjustment in the most efficient and satisfactory way possible. That is important not only to farmers but to every person in this room; yes, to every person in this land.

I am convinced that the old road for agriculture, the road of the economic straightjacket and the political blind alley, can only bring results that are distasteful to real farm people.

Economic and technological progress cannot be stopped with legislative blockades. The day will no doubt come when the rapid growth of our economy and population will call for all available farm production. When that day comes, our farmers must be free and strong and ready.

Meanwhile, neither the vigor of farm families nor the march of modern science should be impeded. That is why we have been building markets, not curtailing them. That is why we have helped producers promote and sell farm commodities. That is why appropriations for agricultural research have been doubled since 1953, with special emphasis on market expansion and new uses for farm commodities. That is why we've been trying to move toward more freedom for farmers.

In the past 5 years we have had some significant gains—gains even during the transition from war to peace—an adjustment always difficult for agriculture.

Here are some of the gains:

Income per person on farms last year—including income from all sources—was up 4 percent over 1953. It was the second highest income per person on record. It was exceeded only in 1951.

The level of living on farms is higher today than ever before.

Productivity per man-hour of farm work is up 14 percent over 1953.

Farm exports in fiscal 1957 set a new record of $4.7 billion—68 percent higher than in fiscal 1953.

The abundant production of American farms has been used to meet the needs of hungry people at home and abroad.

The downtrend in prices has been stopped. Prices received by farmers in January were 4 percent above a year ago and 10 percent above 2 years ago.

The build-up of surpluses has been reversed. Government investment in surplus farm products owned and under loan has dropped about one-sixth in the past year and a half.

Those are some of the gains. Our critics are strangely silent about them, but they are there. This is not the time, however, for resting on past laurels. We must continue to push forward, and the blueprint for this further forward push is the new farm food and fiber program presented to Congress last month by the President of the United States.

The adoption of this program will mean progress in three general areas:

First. The program will develop bigger markets. We have asked that the surplus disposal program be extended and expanded and that research into new uses for farm products be increased.

We need to drive hard for further expansion of markets. There are no satisfactory substitutes for markets and a Government warehouse is not a market. Forty percent of our record agricultural exports in fiscal 1957 moved under Government programs. The biggest factor in these programs was the Agricultural Trade Development and Assistance Act, or Public Law 480. As you know, this law provides for movement of surplus farm commodities through sales for foreign currencies, barter, donation, and other means. We must push to the limit sales through commercial markets.

Three-fourths of the surplus farm product disposals by CCC in the past fiscal year were made through export channels. More than 60 percent of all our grain exports moved under Government programs.

I wish I could help you visualize how our exports are helping the Free World meet the challenge of communism by raising living standards abroad—building good will—laying the ground work for future markets.

We also need increased agricultural research for market expansion. Only about 7 percent of the products of our total farm acreage now go into industrial outlets. Surely we can do better than this. Research can develop new uses and new markets—and there are few things wrong with commercial agriculture that new and expanded markets won't cure.

Second: The recommended program will allow more freedom for farmers. We are seeking revision of the acreage control and price-support programs to permit farmers more freedom to plan and to widen markets.

The program changes proposed by the President would give farmers more freedom to plan by increasing acreage allotments. Some of these allotments have become so small as to cripple efficiency. Do you know that seven out of nine cotton allotments are less than 15 acres—and that the average burley tobacco allotment is 1 acre?

The program we have proposed would make price supports more realistic by widening the range of supports. The present range of 75 to 90 percent of parity on the basic crops and dairy products does not permit sufficient market growth. These commodities are being priced out of potential markets. Increased allotments and a wider range of price support logically go together.

The program would eliminate the so-called escalator clauses.

These are formulas which provide that the level of price support shall rise as the surpluses decline. So long as this basic law is unchanged farm people can expect to be kept continually under the shadow of price-depressing surpluses.

Farmers do not want that. Nor do other taxpayers want it, and remember it is taxpayers who get the bill for the heavy charges of storing surplus commodities, and farmers are taxpayers, too.

To melt down one economic iceberg just to make room for another is foolhardy. It runs counter to the better judgment of almost every thinking person.

Third: We must help the forgotten segment of agriculture—those people on small, low-income farms. We have urged that the rural-development program, which was started in 1955 and is now operating in 30 States, should be given increased emphasis.

The program changes recommended look to the needs of small farmers who have been passed over all too long. More than half our farms—the small farms—produce only 9 percent of farm products marketed. There is a crying need for an expansion of industry and education in underdeveloped areas—for new opportunities that will help rural people improve their level of living.

The greatest resource this country possesses is its people—especially our youth.

I'd like to mention right here another important product of the farm that goes largely unnoticed.

Approximately one-half of the rural boys and girls, reared and educated at the expense of farm families, will spend their productive years off the farms. They will move into positions of leadership and service in the cities. And were it not for this annual transfusion of new blood our cities would be sorely crippled. This is a real contribution—substantial in size and important in character—which farmers and rural people make to the Nation as a whole. No development in agricultural policy in recent years, I believe, holds greater long-term importance for our rural youth than the Rural Development Program.

We must move forward by adopting the President's recommendations, so we can consolidate and add to the progress that has been made these past few years.

Bigger markets—more freedom for farmers—special help for the small low-income farms—these are some of the steps which would be taken under the Farm Food and Fiber Act of 1958 to help farmers make the adjustments they must make. We feel certain they are sound, effective and reasonable, and they will work to provide the freedoms farmers want: Freedom to plant, freedom to market, freedom to meet competition, freedom from Government interference.

Unfortunately, however, the progress toward enactment of this needed legislative program is being impeded by an unbelievable accumulation of untruths.

Gathered here today is the world's greatest aggregation of information specialists. You are successful defenders, judges, and disseminators of truth. No one knows better than you the difference between fact and fiction—between truth and untruth. That's a basic prerequisite for a cub reporter as well as a bureau chief.

This is one of the reasons I was pleased to be able to accept your invitation today. I can think of no better way to serve the farmers of this Nation at this moment than to expose a few of the vicious untruths which have been plaguing agriculture. It is time to separate the fact from the fiction.

Fiction No. 1: That the Secretary of Agriculture is trying to scrap all price supports. This is untrue. The fact is, and I want to make myself perfectly clear, we have never proposed—and we do not now propose—that we should scrap price supports.

There is nothing wrong with the idea of providing more orderly marketing and much needed stability to agriculture through a sound and realistic storage and loan price-support program. What is wrong today—and what has been wrong for several years—is the attempt to supply price support and acreage control by rigid formula—to fix prices and acreage allotments by Government mandate. We have tried that now for many years. Instead of helping agriculture it has made the farmers' position increasingly insecure. The farms and ranches of America cannot be run from a desk in Washington, D. C.

Fiction No. 2: That the higher farm incomes in the past were due to rigid price supports. This is untrue. The fact is that it was war—the insatiable demands of war and wartime inflation—and not price supports—that forced prices up. Farmers sold all they produced at well above support levels. In fact, their prices would have been higher yet had it not been for Government-imposed price ceilings.

Fiction No. 3: That high rigid price supports can hold up farm income even though

surpluses accumulate. This is untrue and the fact is that there was just 1 year between 1947 and 1955 that farm income did not decline. In all these years until mid-1955, high rigid price supports were in effect. Our present farm problem developed under such price supports. If high rigid price supports were the answer, we would have no problem.

Fiction No. 4: That the old support program helps the small farmer. It does not. The fact is that more than half of our farms market only 9 percent of agricultural production. Obviously most of the Government dollars are routed in the direction of the bigger producers.

Fiction No. 5: That most farm prices and incomes today are Government supported and on an artificial basis. This is false. The truth is that most farm products are being sold competitively and on free markets.

Only 19 crops, plus dairy products are being supported—out of 250 commodities that farmers produce.

More than four-fifths, 82.2 percent, of our costs for price stabilization in fiscal 1956 and 1957 were for four commodities. Wheat and cotton alone accounted for more than 48 percent of the total cost of our price stabilization programs.

Fiction No. 6: That agricultural production can be successfully controlled by Government action. It cannot.

The fact is that since 1940, the per acre yield of corn has risen 56 percent—wheat 40 percent—cotton 67 percent. Last year's yields of all major crops averaged 27 percent above the 1947–1949 level. To control crops effectively so as to maintain price at 90 percent of parity would mean setting allotments impossibly low. Congress would never vote such controls. No Secretary of Agriculture could effectively enforce them. And American farmers just wouldn't stand for such regimentation.

Fiction No. 7: That farm programs of this administration are driving people off the farms and undermining the family farm. This is not only false—it's ridiculous. The family farm has been, is now and always will be the backbone of American agriculture—operated by the most efficient farmers in all the world.

The size of the family farm is changing, but fortunately for America, there is no weakening of its moral or economic foundations. Today, some 96 percent of our agricultural units are family farms—the same percentage as 30 years ago. And the family farm of today—like the family farm of yesterday and tomorrow—simply means a farm on which most of the labor, capital and management are supplied by the farmer and his family.

The farm part of our population has been declining for many years. But the truth is that families were leaving farms and shifting to nonfarm jobs more rapidly just before I came to Washington than ever before or since.

There are some who would like to see the tales of fiction I have mentioned on the national best seller list. But I am sure the vigilant, objective American press will never allow this to happen.

I sincerely believe that, in spite of these obstacles, we are making marked progress in helping farmers make necessary adjustments. I want to emphasize, however, that no one is more concerned than I about the cost-price squeeze which still confronts agriculture.

From 1939 to 1952, the index of prices paid by farmers more than doubled. Since then, this index has risen 3 percent. But the damage was already done. These higher prices—higher costs—have hardened into the farm-cost structure.

I have always believed in good farm prices, good wages, and just profits. I also believe that the three go together; that when any of these gets out of line, it adversely affects the others. There is not any question that farm prices today are out of line with profits and wages.

It is not for me to say what labor or industry should do, but as a spokesman for agriculture, I will say that I am deeply disturbed by any action which adds 1 penny to the production costs of farmers at this time.

Let me say again how much I appreciate the privilege of being here with you. I am deeply impressed with the efficient job you people of the press, radio, and television corps are doing. Your work is vital, because after all, the best tool for solving our farm problems is an informed public. I believe that with all my heart.

We all want an agriculture that is dynamic, forward-looking, prosperous, and free—where there is continuing opportunity to live on the land—and live well.

We in the Department want to help, but we all know that Government cannot assume and solve all our farm problems.

Farms have to be run, decisions have to be made, and responsibilities have to be borne, by the families on the farms. There are many ways in which Government can help to promote stability without limiting opportunity.

May God in his infinite wisdom grant us the ability to meet these great challenges of our time. May we all recognize the basic truth that freedom and responsibility are inseparable.

Mr. Chairman, it was a pleasure to have been heard—without interruption. Thank you, and thanks to the membership of this wonderful group.

Our Independence—Is It Not in Danger?

EXTENSION OF REMARKS

OF

HON. CLARE E. HOFFMAN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 10, 1958

Mr. HOFFMAN. Mr. Speaker, our very able and distinguished colleague, the Honorable WINT SMITH, of Kansas, on Saturday morning, February 1, here in Washington before the Women's Patriotic Conference on National Defense, Inc., delivered an address which is not only helpful, but a warning to every citizen who believes in our form of government, values his personal liberty.

While our colleague is one of the ablest and most effective Members of the House, he seldom speaks from the well of the House, and one seeking information from him as to his record hits a very dry well.

Few of our colleagues know that WINT SMITH has a long record of law enforcement in Kansas, that he was appointed by the governor of that great State to head a special detail which quickly ran down bank robbers who were terrorizing the Midwest in the late twenties and early thirties.

He carries combat wounds received in both world wars, one of which came in hand-to-hand bayonet fighting in World War I. Three Purple Hearts are among his decorations. Immediately after cessation of hostilities in World War II, he was given charge of the prisoner-of-war camp in Lambach, Austria; later, the one in New Ulm, Germany.

He has rendered distinguished service from the first day he came here.

His timely warning, to which reference was made, reads as follows:

SPEECH OF THE HONORABLE WINT SMITH, OF KANSAS, BEFORE THE 32D WOMEN'S PATRIOTIC CONFERENCE ON NATIONAL DEFENSE, INC., FEBRUARY 1, 1958

Just 168 years ago today—February 1, 1790—the first session of the United States Supreme Court was held in New York City. Up until some 15 years ago the Supreme Court was held in the highest respect by the citizens of this country.

There probably were some convulsions among the people beginning in the 1850's over the slavery question, but these harsh feelings and criticisms subsided and the Court was again in favor, until a president, for his own selfish motives, in order to carry out his theories of an all paternalistic Federal Government, sought to pack the Supreme Court with Justices who were in sympathy with his views. This packing scheme failed because the Congress refused to go along, but, unfortunately, through the passage of time and death, new members were appointed to the Court who were proclaimed to be in sympathy with the "mores of the times" rather than their knowledge of the law or judicial experience. These New Deal appointments were garbed in the dignity of black robes. They held the scales of justice on high for all to see, but apparently their ears were not closed to the siren music and the ensnaring voices of the false, pink, intellectual liberals, whose theme song always started and ended with the heroics of international socialism.

During this revolutionary period of the Supreme Court's history great changes were made. The Court upheld collective bargaining for unions, a cheap dollar, minimum wages, shorter work hours, social security, and control of farmers' crops if tied onto soil conservation. Many of these measures, many people felt, did great violence to our original concepts of the Federal Constitution. Many critics of these decisions frankly admitted, however, that new pressures, new problems, and new men, gave impetus to these decisions.

Those who read history objectively and try to understand its meaning, generally, will agree that just a few centuries ago the king with his shining sword and the holders of the cross were allies. They defended each other—one lived on taxes, the other on alms. The kings made the laws and the high men of the church made the creeds and dogmas.

There has been a growing tendency in the past few years among many strong groups that the executive department must become stronger and all dominant in our Government.

The Executive no longer needs to use the sword or the fist. Nine willful men in black robes can be the chief adjunct of the Executive and his policies, because, never forget, the Executive names these men to this highest Court.

It is not a pleasant duty to come before this patriotic conference, made up of patriots from throughout the breadth of this land, and speak—to some it may seem disrespectful of the United States Supreme Court. I do not speak disrespectfully of the Court, but point out some very obvious failures of individual members.

But, I am reminded that in Genesis, 37th chapter, 5th verse, we find these words: "And Joseph dreamed a dream and he told it to his brothers and they hated him yet the more." And I also know full well that Joseph ended up in Egypt as a slave, and I also know that conditions in Egypt today are somewhat in the shadow of the Middle East doctrine.

I believe it to be my duty to point out the dangers and not be carried away or to glorify the social theories of the social planners, the

sociological experts, the blueprint society boys, even though the above theories are held valid in some of the opinions of the United States Supreme Court.

I believe I have not only a right but a duty to question the wisdom of the Supreme Court, citing sociological treatises of Gunnar Myrdal and Theodore Brameld in the recent school-segregation case. Many know that these two individuals are not only avowed Socialists, but could easily be classed as "pinkish" leftists.

I believe the citizens of this Republic should be warned as to the direction the Warren Court seems to be traveling. We had better be talking and concerned about the direction of travel today, rather than wring our hands and cry out tomorrow that another nail has been driven into the coffin of the Constitution.

Public opinion was keenly aroused, beginning with the Korean war, in regards to the dangers of communism in the United States. Loyalty and security laws were strengthened. Billions of tax dollars were appropriated under the theory United States tax dollars scattered around the world will stop Russian communism. The late patriot, Senator Joseph McCarthy, was also instrumental in pointing out the dangers of the Communist conspiracy infiltrating our Government.

The people's resistance to communism was developed and Congress became more fully aware of the necessity for more adequate laws to deal with international communism. The people—the Congress—through its various committees reacted patriotically to this communistic menace.

Communists were exposed both in and out of Government. Communists were sent to jail and prison. But during the past year our Supreme Court, disregarding their own previous views and judicial precedent, seem to, by these decisions, throw away and destroy all legal barriers that had been erected to protect the Government, the States, and the people from the subversion and infiltration of avowed Communists.

Time will not permit me to go fully into—or mention—the cases that have been decided by the Warren Court in favor of the Communists. But it can be safely said without fear of contradiction that on every decision day of the Court since last June some Communist has been turned loose, his sentence nullified or sentence lightened.

In other words, since June the decisions of the Warren Court seem bent on rescuing some Communist Party members from punishment.

The Warren Court seems to declare that its basic reason for holding anticommunism laws unconstitutional is that the individual must be protected from his own Government, even though this individual would destroy our own Constitution in favor of a foreign ideology.

This seems to be what Khrushchev was talking about when he described the cult of the individual and accused the dead Stalin as being the exponent of individualism.

Several members of the present Court seem to be lost in a fog of unrealities. These Justices—and they have many adherents—seem to regard communism as no danger to the individual. Some point out that if communism presents any real danger it is to the established governments of nations, and not to the people.

This is simply not true. It shows how far from the true nature of communism they can get.

Europe has had many wars for the past centuries. The Germans and French have long been bitter foes. The Alsace-Lorraine question is very familiar to all of us. It changed hands three times—the government was changed—but the individual and property were protected. The official language might be changed in Alsace-Lorraine, and a new flag might fly overhead, but through these changes in government the citizen of this country was not deprived of his house, his garden, or his land, his religion, or his God.

The Communists' basic theory is not to wage war on nations and their governments. The Communists' ultimate objective is the abolishment of private property on a worldwide basis. Karl Marx wrote in his manifesto, basic objective "abolition of private property." This means your private property—not just your neighbors.

These Communists also state in their books and pamphlets "The middle-class owner of property must be swept out of the way * * * and made impossible." It is self-evident the present rulers of international communism adopt this theory—they wage war on you and me—but the men in black robes on the Supreme Court don't know this.

These Communists would deprive us of all property rights, all religious blessings, and all freedoms.

International communism doesn't wage war and oppress the Polish or Hungarian Governments. They wage war against individuals to deprive them of basic human freedoms.

That is where the Supreme Court is in fatal error. Some Justices even say on street corners—and on the high mountain peaks of Asia—"The United States Government is in no danger from communism." But these same Justices seem to forget what communism does to individuals when communism gains control.

Most people have always believed that the Government exists to protect the well-being of the whole society. It seems a bit strange and unrealistic for our Supreme Court now to say that there is no present danger from communism—when the record shows that the United States Federal Government has spent 40 billion tax dollars to stop communism from spreading throughout the world.

And again we wonder at these words in a Supreme Court edict a few years ago, "It—communism—is a clear and present danger."

The average American citizen is fully aware—notwithstanding the recent decisions of the Warren Court—that he, under communism will have only two alternatives, either a number in a slave camp, or just a corpse, and that this same average American believes it is just as much a duty of the Supreme Court to protect his basic rights as an American citizen as it is to write decisions favoring the theoretical rights of known Communists bent upon the destruction of the United States.

Many Americans are deeply concerned by the recent decisions of the Supreme Court. The mail to Congressmen from people in all walks of life bitterly resent these recent decisions.

Too many people—including a lot of lawyers and students of the Constitution—do not remember the exact phrasing of the Constitution in regard to the creation of the Supreme Court and its power. The creators of the Constitution put restrictions and limitations on this Court. They did not intend for it to be supreme. The Constitution says—"The Supreme Court shall have appellate jurisdiction both as to law and fact * * * with such exceptions and under such regulations as the Congress shall make." No clearer language was ever written.

Congress can divide up the judicial power as it sees fit. This Supreme Court has no right to change the Constitution by even a single word, either by implication, interpretation or pure subterfuge. For the Court to attempt to usurp any unconstitutional power should be resisted by all citizens. The Court has no right to commit an illegal act just because they wear the black judicial robes.

There is no easier way for the Constitution to be destroyed than by the termite decisions of a bad Court. This danger is ever present because when a President, Senator, or Representative goes bad he can be gotten rid of at the next election. But members of the Supreme Court are appointed for life and hence not subjected to the checks on their conduct as the other two branches of Government.

It is interesting to note that the first 10 amendments to the Constitution were adopted for the sole purpose of protecting the citizen from his Government.

It would be a tragedy to our system of government under a written Constitution if men in black robes can destroy the purposes of the first 10 amendments.

Most of these Warren Court decisions simply add emphasis to the power of those who believe in compulsory civil rights with bayonets at the backs, internationalism and pro-Communist policies, foreign aid to Communist satellite countries, and unrestricted immigration.

This resentment doesn't come from the so-called laymen. Listen to what Charles A. Walsh, a foremost ex-judge in Kansas has to say:

"The Court has departed from its customary function, and has become revolutionary. It has abandoned the accepted norms of constitutional interpretation and has ventured into political and social areas beyond its competence. It has become the most important oracle of Fabien Socialism in our midst. It has turned upside down the legal concepts of constitutional law. It has upset the balance between the Congress and the Executive. It has upset the balance between the States and Federal Government. It has destroyed our defense against subversives. It has, in effect, rewritten the Constitution of the United States. Its absurd rulings in reference to desegregation have created tensions and provoked riots. All this has come about by overruling previous decisions of the Supreme Court itself, and the decisions of the highest courts of many of the States. Racial bigotry is not abated by informing the bigot that his bigotry is unconstitutional. A bayonet is hardly a proper instrument to inspire racial cooperation and mutual respect among Negroes and whites. An armed soldier is not a proper classroom personage."

Another judge had something to say about these recent decisions of the Warren Court. Justice M. T. Phelps of the Arizona Supreme Court recently said:

"I say to you in all candor, it is my honest conviction that it is the design and purpose of the Court (the Supreme Court of the United States) to usurp the policymaking powers of the Nation. By its own unconstitutional pronouncements it would create an all-powerful, centralized Government in Washington and subsequent destruction of every vestige of States' rights expressly and clearly reserved to the States under the 10th amendment of the Constitution.

"I know there are those here today who heartily disagree with what I have said. In your minds you place me as an old fogey and a reactionary—that such a thing can't happen here.

"Well, it is happening here right now under our noses and we refuse to recognize it."

Chief Justice Stone said before the American Bar Association in 1928 when speaking about the Supreme Court being criticized:

"Those [Members of the Court] who bear its responsibilities now and in the future will do well * * * to recall that in the course of its long history the only wounds from which it has suffered have been those which in the words of Justice Charles Evans Hughes were self-inflicted."

A great many Americans feel that they too have suffered wounds and have been

betrayed by this Warren Court in regard to these soft decisions on communism.

Since the ratification of the Constitution in 1787 most lawyers have always been in agreement, "Only Congress can pass a law that is the 'law of the land,'" but the present Warren Court has arrogated to itself this right to make laws by judicial decree.

It has always been assumed that the President and Congress made the basic policies in all matters concerning the welfare of the people of the United States. Hence, these policymaking decisions in regard to the control of communism by the Warren Court came as quite a shock to many people. It was a great shock because most thinking Americans have believed for a long time that their heavy tax load, with American soldiers stationed in 69 countries of the world, 30,000 dead American soldiers in Korea, the continued draft of their own sons and relatives, was all due solely to the dangers of worldwide communism.

Not only does the rank and file American know what communism means but students of history—both amateur and professional—realize the methods used by the Communists and intellectual fellow travelers has always been the Trojan horse approach. Everyone seems to know of this except the black-robed men on the Warren Court.

There is no other conclusion that can be reached except that this Warren Court has now thrown its protective cloak around the fellow travelers and Communists. The Court is simply blind to the reality of our times.

These decisions grant an absolute immunity and aid to known Communists and fellow travelers. They place individual Communist rights above national security.

Very few people seem to realize that these June decisions of the Warren Court wiped out not only Federal legislation but State legislation. And again the field of States rights was invaded not by the President, not by the Congress, but by the Court.

When you wipe out another States-rights concept that States can't pass their own sedition laws, you just put one more nail in the coffin they are constructing to destroy all States rights.

Jefferson once said, "There is no danger I apprehend so much as the consolidation of our Government by the noiseless and, therefore, unalarming instrumentality of the Supreme Court."

We should also remember that ancient Rome existed for 800 years under the classic maxim that the safety of the nation was the supreme law. There are some who seem to think that the Warren Court's attitude toward communism can best be summed up by saying, it seems more concerned about protecting the big bad wolf of communism than of Little Red Riding-hood.

Perhaps some will doubt the propriety of a Member of Congress pointing out some of the anticipated effects of these decisions. Justice Clark, a member of this Supreme Court in a dissenting opinion in the Watkins case put it this way, "The Court has become the grand inquisitor and supervisor of Congressional investigations."

But why has the Court suddenly become so enamored with its position and why seek so much power? The answer to this question is not hard to find if one only remembers, reads, listens, and looks at the mores of the times. The attitude of the Court and its decisions is nothing more nor less than the natural product of 20 years of New Deal-Fair Deal, and now modern Republicanism concepts.

There is a famous motto cut in the marble canopy in letters 3 feet high above the entrance of the Supreme Court Building, it reads: "Equal Justice Under Law."

The general American public wants the Supreme Court to follow this motto and forget the theory that they should write sociological decisions to achieve their false ideas of social justice for enemies of this Republic.

This Warren Court seemingly is determined to build up the doctrine that the idea of a limited government must give way to the ideal of totalitarianism.

Congress still has the power to change this direction of travel, but it cannot do it by sitting idly by and letting these decisions go unnoticed. Congress has still not been completely captured by the leftwingers and the internationalists.

Congress still controls the purse strings and can create such inferior courts as it deems advisable, and designate the duties and procedures of these courts.

Congress has always had—and still has—the power to curb a bad court because the Congress gets its power from the people and the courts get theirs from the Congress.

It is my most fervent hope that the Members of this patriotic Congress, as they think about this topic Tyranny in Black Robes will remember as you have on many other subjects these simple words: "The past is our heritage and the future our responsibility."

Benjamin F. Fairless Receives Silver Quill Award of National Business Publications, Inc.

EXTENSION OF REMARKS
OF
HON. EDWARD H. REES
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES

Monday, February 10, 1958

Mr. REES of Kansas. Mr. Speaker, under leave to extend my remarks in the RECORD, I include excerpts from the proceedings of the state of the Nation dinner of National Business Publications, Inc., at the Sheraton-Park Hotel in Washington, D. C., on January 31, at which Vice President RICHARD M. NIXON presented the 1957 Silver Quill Award of National Business Publications—highest tribute of the business press—to Benjamin F. Fairless, longtime head of United States Steel and now president of American Iron and Steel Institute, for distinguished service to the progress of Government and industry through unparalleled business leadership. In keeping with Silver Quill tradition, Senator HARRY F. BYRD, who was last year's recipient, served as chairman of the selection committee which unanimously named Mr. Fairless to receive the 1957 award.

The excerpts follow:

INTRODUCTORY REMARKS BY MASTER OF CEREMONIES RUSSELL C. JAENKE, EXECUTIVE VICE PRESIDENT, PENTON PUBLISHING CO., AND CHAIRMAN OF THE BOARD, NATIONAL BUSINESS PUBLICATIONS, INC.

It is always our hope that the state-of-the-Nation dinner may serve as a forecast of good things to come. At our head table there are leaders from government and industry who have graciously consented to briefly answer one specific question related to our future security. All have agreed to operate under a tight 3-minute rule.

We are also privileged by the presence of a group of distinguished journalists. They have likewise graciously agreed to ask the questions which are to be answered. I have the high honor of introducing this question-and-answer sequence which is themed "What Price Security?"

Inquiry by Roscoe Drummond, Washington columnist, New York Herald Tribune: Secretary Seaton, I believe all of us agree that supplies of water and electric power are indispensable to national security. At the same time, I believe all of us realize that, within recent memory, in various parts of the United States, there have been shortages of both and that the demands for both are continuing to grow at a terrific rate. Now, this is my question: Can you tell us what is being done to assure that we shall have plenty of water and power to meet all of our future needs?

Response by Fred A. Seaton, Secretary of the Interior: That is a very good question—maybe I better say a series of questions. The question of whether America will have just enough plain, ordinary water, in the next 25 years, could quite likely be the No. 1 domestic problem of this country. And, of course, whenever you talk about water you're talking about its corollary, which is electric power.

Now, I think that the Government of the United States is thoroughly aware of the twin problems. We recognize the fact that, by 1980 at the latest, the combined electrical industries of America—private, public, and Federal—will have to expend somewhere in the magnitude of hundreds of billions of dollars, in order to satisfy the electrical needs of the country. Translating that another way, it means that we shall have to triple the kilowatt production of America, at least by 1980, if not by 1975.

When you talk about water you have to realize that, in 1957, the industrial requirements for water equaled the agricultural requirements for water and that's the first time, in our history, that that has happened. We expect that, by no later than 1980, two-thirds of all the water requirements of the country will be soaked up by industrial appetite. In the last 4 years, the Government of the United States has increased the reservoir capacity of water in the United States by some millions of acre-feet. We realize that that is only a start on the problem. I should like to hazard the guess tonight that the real and eventual answer to it is the successful solution of the problem of making saline and brackish water into potable water—in other words, taking the waters of the oceans and taking the brackish waters of the Middle West, the West, and some places in the East, and converting them so that, not only industry, but also human beings can use it.

That latter involves a very fascinating story. I think that scientists who are versed in the field will all admit that the world has come further in the direction of solving that problem, since 1953, than it has in the previous 150 years of human existence. We now have laboratory experiments in the Office of Saline Water of the Department of the Interior that indicate that we can convert sea water to human use for a cost of about 60 cents a thousand gallons. We are testing that out this next year in two pilot plants. If that is successful, we will have solved at least two-thirds of the problem of conversion, in the ratio of economical cost to human and to industrial use.

When we were in school, Roscoe, you and I, we were taught and we worried about the fact that it took 67,000 gallons of water to produce a ton of steel. Today, when you think in terms of the rayon industry, the synthetics in clothing and synthetic rubber, you are talking in terms of water used per ton that makes the 67,000 tons for steel look like something that came out of elementary school, which indeed it did.

I don't think there's any question but what the Government of the United States is on top of the job and I don't think there's any question but what the nations of the free world are all conversant with the problem and are all working together. And I

should hazard the guess that, in the next 15 or 25 years, we shall have solved this problem of the saline and brackish water reduction. If that should happen, I should like to remind the ladies and gentlemen here tonight that that probably will become one of the greatest revolutions in all the history of industry in the world—from the time when history was first recorded—because you can almost dream forever about it.

If you could make all of Australia fruitful, if you could return the Middle East to the days of Babylon and Carthage before they were destroyed, and if you could make all of the land expanse of the United States and its possessions and Territories fruitful, you would stop a lot of the problems of the world. The people wouldn't be hungry and you could move industry almost where you wanted to.

Today, the limit on the decentralization of industry is not so much the corporate investments that people have but the question whether industry can even have water. And that's perfectly true, if you realize that 1,200 communities in this country had a water shortage last year, and, particularly when you realize that some of our industrial concentrations in the East have run out of water. They can't find it in the streams; they can't find it in the ground. If we don't solve that problem, it doesn't make any difference what industry wants to do or what technology finds out it can do. Then you are concentrated to the areas where water is available.

Inquiry by Ned Brooks, news commentator, Three-Star Extra, NBC: Senator McCLELLAN, throughout the Nation, people are shocked by recent disclosures of unethical practices by certain labor organizations and among certain union officials. From testimony before your select committee; from your own private store of related information—do you feel that such unbridled activities constitute a contributing factor to our present security predicament? In other words, Senator, have we concentrated too much on meeting the demands of labor for its individual worker, but not enough on labor meeting the demands of our economy in its expanding role as world leader?

Response by JOHN L. MCCLELLAN of Arkansas, chairman, Senate Select Committee on Labor Activities: I believe you have asked two questions, or at least, you have asked one question in two parts. First, you asked: Do I feel that the improper labor practices revealed by this committee's investigations constitute a contributing factor to our present security predicament?

Well, now, our present security predicament involves many phases and many aspects. My answer, with proper qualifications, is in the affirmative. I do not see and I seriously doubt that such improper practices, as have been revealed, are a direct or, necessarily, a major contributing factor to what you term our security predicament. They could be, and they very likely are, an indirect factor, in that any practice in labor-management relations that tends to pollute the economic stream or to, in any way, weaken our economy would, in my judgment, definitely have some adverse impact upon our national strength and security.

With respect to your second question—I do not necessarily think that we have concentrated too much on meeting the demands of labor for its individual workers, but rather that we have done entirely too little toward the prescribing of standards of conduct and of ethics needed for the protection of the rights of the workingman and of management and of the general public. Also, we have done too little to prevent the exploitation by some criminal and disreputable elements that have infiltrated the labor movement. So far as I know, labor has met the demands of our economy in its expanding role as world leader. We have not experienced, so far as I can tell, any appreciable shortage in the personnel required to meet our production demands.

Inquiry by Robert T. Hartmann, chief, Washington Bureau, Los Angeles Times: Mr. Douglas, when I was a very small boy, I used to ride my bicycle out to Clover Field in Santa Monica to watch some of your first Douglas airplanes being flown. You have just come back, I believe, from watching your Thor intermediate rocket test flown in Cape Canaveral. As a pioneer, both in the air age and the space age, would you give us your views on two very controversial questions of the day. First, do you believe that we should rely on Government to spark our missile program or should the role of private enterprise be increased in the research, as well as the production end? And second, has your company ever been hampered by contracting with the various military services on a competitive basis and is this now slowing up our progress? Do you think that a single centralized Defense Department agency would be more efficient and economical?

Response by Donald W. Douglas, Sr., chairman, Douglas Aircraft Co.: You have touched on a subject very close to my heart. America was built on the foundation of free competitive private enterprise.

I do, indeed, believe that private enterprise should be encouraged in essential research of development and production for national defense. Our strength stems from our industrial, self-supporting enterprises, and not from official oligarchies. Private enterprise and individual initiative—the people, the dreamers and the doers—are the very essence of our resources.

We have the broad base of our entire industrial establishment, with all of its technological skill, management experience, and manufacturing plant capacity to anticipate and fulfill the requirements of our Armed Forces.

Private industry, as exemplified by the Nike and Thor projects, with which I am familiar, has demonstrated its ability to coordinate effectively the skill and resources of many different companies toward a common goal. This technique has given us some of our most important missile systems. Currently, it is being applied to some of the most advanced concepts, such as the Nike-Zeus antimissile system.

Private enterprise, in short, can do the job if it is given timely, clear-cut and firm decisions by the military, with the necessary, but only the necessary, amount of supervision by governmental agencies. Here, I am happy to add, I have been greatly encouraged, in recent weeks and days, by the fact that Congressional climate and signals being called from the Pentagon on matters of defense reflect a refreshing climate of private enterprise philosophy.

This brings me to another part of your question. I do not believe that our company's proper functioning has been hampered by contracting with the military services on an independent, competitive basis. I believe that a certain amount of rivalry between the services is constructive.

It seems to me that the last part of your question concerns the current subject of reorganization of the Defense Department. Personally, I should like to see the Defense Department return to the size and system as it was in the days of Mr. Forrestal, the first Defense Secretary. Then, it was a small policymaking and coordinating agency over the three services. The Army, Navy, and Air Force developed and procured their own weapons under the policy guidance only of the Defense Department.

If you give the existing departments authority to make the proper decisions, in the first place, and have the right men at their heads, many of our troubles will vanish.

A pyramid of committees and agencies is no substitute for men of vision, courage, and ability. We have such men in America. Let us give these men an opportunity to do the job. We've done it before and we can do it again.

Inquiry by Albert Clark, chief, Washington bureau, Wall Street Journal: Senator KNOWLAND, you have recently introduced legislation to amend existing labor laws for the purpose of providing additional protection for rank-and-file union members. Will you elaborate on the provisions of your proposal and how they could assist the Nation in securing its leadership in technology and productivity?

Response by WILLIAM F. KNOWLAND, of California, Senate minority leader: The workers' bill of rights I have introduced in the Senate provides the following:

1. The election of union officials by secret ballot.

2. A recall provision so that members may replace union officials who misuse their positions of trust and responsibility.

3. Procedures for approval by a majority of union members on the question of calling or continuing strikes.

4. Registration and public disclosure requirements of union welfare funds.

5. Safeguards for members against unauthorized use of union funds or dues.

6. Protection for members against arbitrary or cohesive actions by union officials.

7. Limitation on trusteeships by national and international unions over local unions to not exceeding 1 year.

8. Penalties for cases involving management collusion with union officials against the interests of the union members and the public.

In my judgment, these provisions will help safeguard basic human rights of union members and give them a representative voice in the management of the affairs to which their salaries are contributed.

Our bill of rights for the working man and woman does not and should not constitute an indictment against all labor officials. Many of these individuals, past and present, have labored unceasingly in the best interests of their fellow man and the Nation. Unions have played in the past and will assume in the future an important role in the strengthening of our national economy. Unions will continue to grow in membership and importance. They must also grow, I believe, in responsibility to their members and to the American public.

The American way of life had its foundation fixed on maintaining the God-given dignity of man and the noble aspirations of free men in a free society. In order to assure the success of our purpose, we must always insist that with power must go responsibility. This concept cannot help but strengthen our leadership and our productivity.

Inquiry by Leslie E. Carpenter, Washington correspondent, Arkansas Gazette, Houston Post, Tulsa Tribune: Dr. Waterman, in our efforts for scientific supremacy in the space age, are we placing too much emphsis on an all-out numbers game? By that I mean would the national interest be better served if the Federal effort—the spending effort—were directed at quality rather than quantity? I wonder, for example, if an intensified effort to interest high-school students in science would produce more geniuses, or if it would only add to the total number of scientists without enriching the quality? Does it really matter that Russia is graduating a larger number of scientists than we, or is it the quality of a graduate that means the most? And, also, would national security benefit more by providing our scientists already qualified with larger research and development opportunities, rather than placing so great an emphasis on training more new scientists?

Response by Dr. Alan T. Waterman, director, National Science Foundation: Your question brings out essential elements in the

situation. It would certainly be a great mistake to consider this an all-out numbers game. However, many of our boys and girls with high aptitude for science or other professional careers are not developing these talents adequately for this modern age. Thus, from among the top 25 percent of young high-school graduates, only about 6 of every 10 go on to college. It is, of course, true that, by intensified effort, one cannot produce high natural aptitude, but, by intensive training, one can develop such aptitudes to the fullest. Merely to increase the numbers of scientists and engineers will not only fail to solve the problem—it will complicate it.

Our emphasis must be on quality—quality in native ability, quality in training and quality in performance.

Quality in native ability we have in abundance, latent among our youth, from all walks of life. But, we must identify these young people early, give them every encouragement and opportunity to develop their aptitudes to the fullest—whatever these may be—for their own future and that of our society.

Quality in training for these young people we must insist upon. This means superior teaching and superior teachers, together with the equipment and materials they should have.

Quality in performance, in science and technology requires that we push forward the frontiers of science with all the vigor at our command. This means full support, both financial and moral, to our competent basic research scientists and engineers for their needs. This includes, especially, the construction of costly capital installations, such as those required for nuclear physics, astronomy and the exploration of outer space.

These goals are clear. But, above all, we must have the determination to achieve them. This will not be easy. In this, every organization, every citizen, every parent must realize his responsibilities and play an active role.

Inquiry by Marquis W. Childs, Washington correspondent, St. Louis Post-Dispatch: Mr. Moss, as you so well know—much has been said, both pro and con, about the adequacy of public information regarding the needs and developments of our Defense Establishment. You have been forceful in your statements about the withholding of news and my question is directed to that vital area of security. How realistic is the price we are forced to pay for a dubious security based on withholding information from the public, which must be partner to any effort to secure our future and the necessary financing? Also, Mr. Moss, is it not damaging to the unity of knowledge and action so essential to adequate preparedness to withhold information—then use it as a scare technique when appropriations are sought from Congress by the military?

Response by JOHN E. MOSS, of California, chairman, House Subcommittee on Government Information: You've correctly identified the article we buy when we withhold facts from the people—dubious security. The truth is, of course, that real security cannot possibly result from our being misinformed, or uninformed. The only result is dangerous ignorance, or worse—complacency.

The key to this question goes to the heart of our democratic process. Our system of self-government requires the people, through their representatives, to make the important policy decisions which guide our Nation's actions. To make such decisions intelligently, the people must know the facts, must be aware of the alternatives and must not be stampeded by misleading or incomplete information.

When the people don't know the truth, they cannot possible make the correct decisions. When that happens, it is only too easy for Government leaders to claim that only those on the inside can deal with the important problems of the day. The result of that situation is clearly spelled out in history—recent history, I might add. Whenever the people lose control over decision making, there are many only too willing to take over and run things.

That's the importance of full and complete information in a democracy, as I see it. Obviously, we pay a price that is too high—a price that destroys the market place—when the vital information needed to live and act intelligently in this modern world is withheld from the people.

Years ago, we used to be able to talk about long-range and short-range effects, but modern technology has compressed both time and effect into terribly short moments. Take your example—raising funds for defense appropriations. In the past years, an uninformed Congress and a complacent people—lulled into dubious security by suppression of facts—could talk economy and slash defense budgets without permanent damage. The next budget, the next Congress could act to restore the situation and the harm would be repaired.

But this is 1958, the era of sputnik and intercontinental missiles with atomic warheads. A wrong decision now could be fatal. We can no longer afford the luxury of mistakes. Our Nation must make its decisions promptly and correctly, because there may be no time tomorrow to recover from today's mistake. Instead, we are being spoon fed a few facts here, a few facts there, each accompanied by a request for money.

The people must know the truth—whether it is good or bad. The people must have the facts, must be told the whole story, to be prepared for the crucial decisions of this day. A leadership that fails to discharge this responsibility to its people—a responsibility to tell the full truth—is committing a tragic blunder that could well destroy everything we believe in.

Inquiry by William McGaffin, Washington correspondent, Chicago Daily News: Secretary Brucker, for hundreds of years, armies have traveled thousands of miles to fight for liberty at home and abroad. Now we are told that ours is a landlocked army; that the American Army has hardly a modicum of mobility with which to meet and master space-age attack. We also hear that any future war is going to be a pushbutton affair. So—Mr. Secretary—what we would like to know from you is: Who's going to guard the pushbuttons?

Response by Wilber M. Brucker, Secretary of the Army: I welcome that question. Two years ago, on this same occasion, my question was: "Is the Army obsolete?" Last year, my question was: "Is the Army outmoded in the atomic age?" This year: "Is the Army landlocked?" Well, we're making progress. Or, I might say, by Jupiter, we're holding our ground.

And now about mobility and the integrity of our national defense. I realize that I represent the Army, but it isn't fair for me to forget that there are others in this great national defense team of ours—the Navy, the Marines, and the Air Force, along with the Army, with which I am particularly familiar. What a great team it is. And how powerful and mighty that team is, working together. With respect to this matter of the team, your Army is, of course, an indispensable part of it, but, together, it's an indestructible team. And the person who perhaps knows that best tonight is crafty Khrushchev. The deterrent strength that the United States has at this time is great. Without boastfulness, may I say to you that, with over 2½ million dedicated men and women under arms, and with over another million civilians in the services, it is a great force for our country.

Now, with respect to this business that you ask about—mobility—may I be pardoned to answer that just directly. What you mean is, Can we move and get there in a hurry? Yes; in either a global or a limited war. Some think that the most likely is an atomic war with atomic equilibrium. That is not likely any more so than national suicide. So, the Russian effort will undoubtedly be to nibble away country by country by subversion or otherwise in order to take over.

The question comes, Are we ready to demonstrate our mobility to the world? Two examples quickly come to my mind.

We put on an operation a year and a half ago called Operation Firm Link. You know that in Asia, at that time, the Chinese Communists and the Russians had been talking about Uncle Sam as the "paper tiger." You remember that phrase, certainly. Well what happened? It was necessary to demonstrate to the people of the area that we could do something; that we were not just a paper tiger but, at the same time, would not brandish the sword. We had to demonstrate quietly that the United States had the power. So, in the country of Thailand—at Bangkok, to be particular—this exercise called Operation Firm Link was conducted. Inside of a very few days, the Navy had its great power concentrated on Bangkok Harbor; the Air Force had its great planes flying in, the Marines came with the Navy, and our Army sent two battle groups from far-off Japan, by way of the Philippines, and flew them to Thailand. In the vicinity of the Bangkok Airport, the Army parachuted to earth. Then they marched through the city of Bangkok, dissipating forever the words "paper tiger" attached to the United States. The cheering tens of thousands who lined the streets were enough to carry the word around all of that part of the Asiatic world.

Again, quickly, as to operational mobility—over 2 years ago, by plane, we carried a regimental combat team located at Fort Campbell, Ky., and we flew them over to Tokyo. Using those same planes, we picked up a regimental combat team that had been on duty there and brought them back to Fort Bragg, N. C., in 10 short days. And we're going to do better than that.

So, when they talk about the Middle East and are we ready, or when they talk about some other place in the world—and I would not mention names, because that's not perhaps the thing to do—all I can say to good Americans is, here are two examples of what you can expect, if that occurs.

Now, I am mindful of the fact that the Army has a lot of other missions. The Army has the mission of ground defense against air attack. Involved in this is the antimissile missile that Mr. Douglas just spoke about. What a great trust that is at this moment, in addition to all the rest, to develop a weapon which will destroy the incoming missiles going over 10,000 miles an hour before they hit. We're in the midst of that. We've been working 18 months on that development and we're now getting some of it in the hardware state. We're pushing fast. It will be the third generation of the Nike family along with the Nike Ajax and the Nike Hercules—the Nike Zeus. We're very proud to have this air-defense role.

But, ladies and gentlemen, it's not missiles and it isn't the antimissile missile that's the ultimate weapon. Please don't misunderstand it. I listened carefully to the last part of that question. Ours will never be a pushbutton defense. No responsible military man will ever support that, because he knows that, in the last analysis, the ultimate weapon is man himself. It's dedicated young men like these who are up here tonight who will live for their country and fight and die for it if necessary. That's the quality plus that will keep America and the Free World free.

Inquiry by Charles O. Herb, president, Society of Business Magazine Editors: Mr. Brundage, it is recalled that the President, in one of his 1952 speeches, is quoted as saying "The facts must be given to the American people; they must know our aims, the reasons for them, and the cost of attaining them." Therefore, if we are really getting set to engage the Nation in a total venture to assure our security, should the people not feel some concern regarding their ability to pay for the program, within the framework of our existing economic system?

Response by Percival F. Brundage, Director, Bureau of the Budget.—My answer is definitely yes. The people are showing that concern and they are more interested than I think they have been for years that they are getting what they need—the value for what we are spending. The President has already set forth, in the state of the Union the budget and the economic messages—a description of his programs, their purposes and what they will cost.

We must maintain a strong economic system to support the necessary programs—whatever programs are necessary, at home and abroad, which will contribute to our defense and that of the free world and continue to advance our standard of living. These programs take into account our total resources and they are many and varied and are well balanced in their aims and distributions. I am confident that the Congress and the people of the United States will support them.

ADDITIONAL REMARKS OF MASTER OF CEREMONIES RUSSELL C. JAENKE

We come now to another proud moment for the business press—the presentation of its silver quill award. You may be assured that there were numerous candidates of high degree recommended to the selection committee. But—in the ever-challenging area of business statesmanship—there could finally be but one name above all others.

It belongs to one whose deeds are already legend as a leader of industry. His is a rich record of no uncertain proportions and accomplishments. Let it therefore be clearly understood that it is we who are honored—beyond measure—in having the privilege of honoring him.

In truth—ladies and gentlemen—we are doubly honored and twice privileged. To make the quill presentation—we have back with us a man of conviction and action—a man beloved by all of us as a great patriot and good friend—a man who himself received our 1953 award.

Mr. Vice President, the business press is and always will be honored by your presence. We believe your annual return to our rostrum indicates a sincerity of interest and friendship which we intend to cherish and serve to our fullest ability.

We are delighted to have you here again to make the presentation—at this time—to another great American known to you and all of us simply as Ben.

REMARKS OF RICHARD M. NIXON, VICE PRESIDENT OF THE UNITED STATES, IN PRESENTING THE 1957 SILVER QUILL AWARD OF NATIONAL BUSINESS PUBLICATIONS, INC., TO MR. BENJAMIN F. FAIRLESS

Mr. President, distinguished guests, ladies and gentlemen—I have appeared many times in this room but never when the audience was one that had more influence. I have been talking to the man on my right and the man on my left and I learn more about this group, which is represented here, each time I come. But, when I realize that, represented in the Business Publications of America, there are 2,000 publications with a circulation of 40 million, I realize that this is the most powerful audience that has ever gathered in Washington, D. C.—and we are happy to be here with you tonight.

Now, your president said, very appropriately, I think, that this Silver Quill award could not have been made to a man who deserved it more. As a matter of fact, there is only one thing inappropriate about the award and that is that it is 300 ounces of silver rather than gold—because the man we honor tonight is one who has had, as you know, a fabulous career and everything he's touched has turned to gold—almost everything, with one exception—which I will mention in a moment.

When the first song played was about Ohio, I suppose some of you wondered why. This man was born in Pigeon Run, Ohio, and all Ohio is proud of him, as is all of America—because he is the son of a coal miner and became the head of the largest corporation in the United States. He is a man who proved that it can happen in the United Staes of America and his whole life is one that makes us proud of the country we live in and of the American dream which we hope will always be with us. As a matter of fact, I was looking over his background. I have 4 pages here indicating the various organizations of which he is either president or trustee or director—17 major ones, each successful. As I said a moment ago, everything he has touched has turned to gold—except one. I notice that he is a director of the Pittsburgh Pirates. And may I say, Mr. Fairless, if you have any success with the Pittsburgh Pirates, come down to Washington—we need somebody for the Washington Senators.

Now, may I turn to a serious note, before making the presentation. When I was thinking tonight, as you were, about this man and his career and, as I listened to the various questions and the answers which were given to them here, I thought, as you must have thought, of the characteristics of our economy; of our society. And I thought, as you must have thought, that we have many problems today. Many of us, I suppose, might wish that we didn't have the problem of information about Government activities; the problem of an economy that, instead of always running level, goes up and down—although, in the long run, it goes up, as I will point out, in a moment. We perhaps wish that we didn't have the problems between labor and management in various segments of our society. And I think, perhaps, that all of us would recognize the truth of Thomas Jefferson's statement, when he said that there are those who prefer the calm and orderly processes of despotism to the boisterous turmoil of freedom. There are those who do, but there are not many of those of that type in the United States.

We have had problems and we have them today, but as we consider the past 50 years—the span of the working life, I should say, of our honored guest—I think we can realize the dynamism of our economy and the validity of our basic political and economic philosophy. In the industry which he proudly represents—50 years ago—the steelworker worked approximately 80 hours a week for approximately $20 a week. Today, he works one-half as long for 5 times as much, and in that 50 years we have had 3 wars; we have had several recessions and, depending upon whether you call it depression or recession, 2 or 3 depressions. But, overall, as we look at the broad picture, we see that America has progressed, always forward, always upward, with a better standard of living for our people. As we think of that progress, I think we recognize that it is due to a number of factors—to our form of government and the leadership we have had in Government; to our people: also to the leaders of management; the leaders of labor—to those in our economy who, working sometimes in competition with each other and sometimes cooperatively, have together produced the economic might of the United States. Mr. Fairless, of course, is one of those who has been in the forefront of that group.

We heard the song, Around the World in 80 Days. Mr. Fairless went around the world in 50 days and conducted an investigation for the President of the United States in the field of economic assistance to countries abroad.

Secretary Brucker said, a few moments ago, very properly, that, in the event of war, the ultimate decisive factor would probably not be missiles, but the man. He is certainly correct, if he talks of a hot war—a war that we may not have to fight. But our honored guest, today, in his 50 days around the world, reached another conclusion which we must also have in mind. We are engaged today in another type of war—one that has always been launched against us. It is a war in which the economy of the slave world has been pitted against the economy of the free world; one in which millions of people all over the world are trying to determine which way to turn—toward freedom or toward slavery. It is a war in which the leadership the United States enjoys is tremendously important because, if we show, in this country, that our system is an effective one and provides the good things of life for our own people; if we show, in our attitude toward other countries, that their best hope is in working with us—with what assistance we are able to give them—rather than working with the slave world; if this happens—then the hot war will never have to be fought, in order for the objective of world domination to be gained by those who oppose everything that we stand for.

Tonight, then, as we honor Ben Fairless, may I say we think of him as we should—as a leader of business, but we also—those of us who are here from Government—deeply appreciate, as all Americans do, the fact that he has given so much of his time and his energy for his Government and, particularly, in this service most recently rendered. I can think of no term with which to describe him more appropriately or more succinctly than to say that the man who receives the Silver Quill award tonight is a statesman—a statesman of industry.

REMARKS OF MR. BENJAMIN F. FAIRLESS, LONG-TIME HEAD OF UNITED STATES STEEL AND NOW PRESIDENT OF AMERICAN IRON AND STEEL INSTITUTE, IN RECEIVING THE 1957 SILVER QUILL AWARD OF NATIONAL BUSINESS PUBLICATIONS, INC., JANUARY 30, 1958, WASHINGTON, D. C.

Thank you, Mr. Vice President.

Distinguished guests, ladies and gentlemen, your kindness to me has been so overwhelming that I hardly know what to say.

To be selected to receive the Silver Quill award is one of the highest and most welcome honors that has come to me in my professional life. And, to receive it from the hands of our country's capable and distinguished Vice President—a man for whom I have the highest personal regard—makes me feel very, very proud.

When Bob Harper wrote to tell me that I had been chosen by your award committee, I was naturally delighted. But, at the same time, I have to admit that I was also perplexed by certain doubts and misgivings which stubbornly persist.

Of course, I know that the award committee does a thorough job and checks on a thing like this pretty carefully. But, I can't help wondering if, when their ballots were counted, a clerical error didn't creep in somehow. The Silver Quill, after all, is a mighty big award for someone like myself who was frustrated in his life's ambition.

As some of you may know, I just got into the steel business by accident. What I really started out to be was a baseball player. And, as a matter of fact, some people apparently believe that I still am a baseball player. The other night, at a dinner in New York, a fellow referred to me as "that Pittsburgh

Pirate"—with what degree of affection or confusion, I cannot say.

Unfortunately, I never got very far out of the sandlot league in our great American pastime. So, you can easily see how it would occur to me that, perhaps, somebody slipped up on tonight's award somewhere.

And, if that's how it happened, then I feel I should say a word of consolation to the conscientious members of the award committee. Gentlemen, I know and you know that there are many, many others far more worthy to receive the Silver Quill. But, I assure you that among all those you might have selected, you could not find anyone, anywhere, who appreciates it more. So, in the reassuring light of that rationalizing, I accept—with pleasure, with pride and with heartfelt gratitude—this very distinguished honor.

Tonight, I sincerely wish that I could turn the tables on you editors and publishers of the Nation's business press. If I could do so I would present to each one of you an award that I feel you deserve.

Each of you, to my mind, deserves recognition for the important work you perform in your 200 trade, technical and scientific journals. With clarity, judgment and deep insight you help those of us in business to understand better the complex issues that we face.

But, even more important than that, you help the American people to achieve a better understanding of business—its problems, its legitimate needs and hopes and the way in which our free enterprise system works to serve the best interests of our society.

Obviously, this is the kind of job that never ends. Just as obviously there is no other group that I know of that is more qualified to do it. And, I believe that this work for better understanding of our own system is one of the most compelling and challenging responsibilities of our time.

We face today a divided world. We have seen it stained by blood over the bitter issue that divides us. Two powerful forces—freedom and slavery—repel each other. Both have now split and fused the little world of the atom but, thus far, the larger world we both live in remains only split and confused.

Clearly, at such a time in such a world, we must not be and cannot be divided among ourselves. Lincoln warned us that a house in that shape cannot stand. We know that at present one of the foundations of the free structure of the world is the economic strength of America. And, our Nation's economic strength grows by a system of free enterprise as free men and women understand, support, and conduct it.

That strength thus far has been great enough to rally the Western nations of the world to the virtues of resistance and the values of freedom. We have been and, hopefully, will continue to be the encouragement not only of the West, but the entire world.

We do so, fundamentally, by offering the finest example of freedom's great practical as well as ethical worth. We may not have as yet a successful space satellite. But, we do have, in action, for all the world to see, a successful society of free people—who save, risk, and profit under an economic system which provides material and spiritual values and individual lives of dignity, opportunity, and unequaled comfort.

If that were not so one might wonder, then, why millions come to our side each year, and why millions more risk death to escape from the East to the free world. If it were not true we might believe that the barbed wire borders, the check points, guns, guards, and dogs were there to keep us out instead of doing what, in fact, they are doing—keeping the slaves in.

Thus, it seems to me that surely one of our greatest challenges—yours, mine, and every American's—is here in our own house. We should stand together to keep it strong. And, we should be working together to keep it growing not only for ourselves and our children but to help keep steadfast this great faith in freedom.

Not of our choice but by our very progress as a society, we have been thrust into leadership of the free nations. As leaders, we cannot permit confusion and division to misguide us. And, that is why you gentlemen, with your skill and wisdom in ways of making clear to the American people how our free enterprise system works and how it can continue to grow, do such an important and award-deserving job.

In recent months we have been split and confused over the temporary—and I emphasize temporary—dip in our rate of progress. We hear again of a cure for it that, strangely, sounds exactly like the treatment prescribed for a boom. It involves one of the discredited and bewhiskered economic arguments of Lord Keynes. And, it seems to me, that it is based on a serious lack of understanding of our system and the sound way true progress has been and can be achieved. The debate is now at that dangerous stage in which more heat than light is shed.

Certain labor leaders declare that the reason key industries are now operating below capacity is because of a lack of consumer purchasing power. This reason sounds so simple and the cure, bigger and bigger wage increases, so appealing that I suspect many persons want it to be true. But neither the simple sound nor the natural wish for more make it a valid reason.

If it were true, of course, then we would have a dandy remedy for any temporary downturn and a pat formula for all future progress. All we would have to do would be to double everyone's wages and then, under this concept, we would all be twice as well off. But, unfortunately, even in theory it doesn't work out that way.

I suppose that this isn't precisely the way an economist would look at it, but I think of our national wealth as being stored in a gigantic warehouse. Packed inside are all the goods, services, foods, and fiber we produce. The money we use is merely a receipt for what we produce and bring to this national warehouse.

At the other end—the shipping side—we bring our receipts, or money to exchange for other things we require. Now, if we double the amount of receipts and do nothing about the amount of goods, we have not added one bit to our national wealth. All that happens is that now we have twice as much money to buy the same amount of things. And, of course, in short order we pay twice as much as before.

Many Americans recognize and have experienced the truth of this very simple illustration. In labor's camp there are wise leaders today who understand perfectly that we cannot take out of our national warehouse more than we put in. They know, too, that it is what we can actually buy with our pay rather than the number of dollars we get that really counts.

Still, the consumer purchasing power theme is played, again and again, very cleverly and apparently very carefully timed in relation to forthcoming bargaining sessions. It is a beguiling as well as confusing melody and, I suppose, on the rank and file of labor it has the same lulling effect that the songs of sirens have on sailors. The results are the same, too.

Now, the minute anyone says something like this in a speech—as I have tonight—he is immediately accused of being against wage increases and the labor unions. I wish to make it very clear that I am not opposed to either. In fact, I am emphatically for both. As to unionism, I could hardly feel otherwise. My father held a union card; my brother held one, also. I signed the first corporation-wide contract in the steel industry with the United Steelworkers of America. The late Phil Murray and I shook hands on it.

I am not, nor have I ever been against wage gains. And when I say "wage gains" I mean ones that will buy more. I think everybody should get more as it becomes possible to create more. But increases in general wage-rate levels to make real dollars and sense (spelled s-e-n-s-e) must bear a fair relationship to advances in national productivity. And, in the last 10 years they haven't. A 26-percent gain in industrial productivity has been more than absorbed by a 61-percent rise in wage rates.

Consumer purchasing power, reflecting the real income and the confidence of spenders, is one of the vital parts of a prosperous America. But it is a power that has to be earned to be effective. It cannot be assumed by attempting to take a share at the expense of somebody else. The difference between the 26-percent gain in output and the 61-percent gain in wages is illusion. It is a phony as far as increasing consumer purchasing power because, of course, it represents inflation.

While it sounds perfectly delightful to stuff more money into pay envelopes, it must be understood that, if new wealth or efficiency is not created, that money must come out of someone else's pocket, who is also a consumer. Total purchasing power in the market place is not raised by as much as a fraction in this way.

What any man earns in our system stems from the value of what he produces; and, therefore, a real increase in his earning power comes about as he increases his productive power. So the really puzzling question is how can a man become more productive?

Now, a human being is truly a marvel and at the same time something of a mess. He has the mind of a giant but the muscles of a pygmy. With his mind, his imagination and wondrous creative powers, he can write a book, paint a picture, or sculpt a statue. He may search and find in science the secrets of the universe. But when he had to depend solely on his muscles for his basic needs—his clothing, food, shelter, and comforts—he was a sorry specimen and lived a primitive life.

Of course, he no longer has to depend on his muscles. Over the years we have developed a great army of inanimate slaves which add productive power to each workingman. These are the machines and tools which, in our national warehouse, are the capital goods, the product of savings invested. They permit each man to turn out many times more than he could if he depended only on his muscles.

So the next question is, then, how do we get more of these aids to productive power? And the answer is, bluntly, from profits. Profits under our free system are not something we need apologize for because with profits we have the real key to more productive power and thus earning power and thus progress.

The new machinery and tools which enable a workingman to increase his output and which equip the new workers joining the labor force each year would not be available without profits. Whether they are used directly by being plowed back into the business or indirectly as an incentive to investors, profits start our forward motion in providing rising living standards.

The corollary argument to the consumer-purchasing-power theme is that wage increases can be subtracted from profits without price increases. In answer to this notion, the Saturday Evening Post recently carried a pertinent editorial using the steel industry as an example:

"Suppose the 1946 level of steel prices had been maintained through 1956. And suppose the industry had shipped what it actually did ship during that decade. Assume further that wage rates and other costs

rose as they actually did during this 10-year period. Where would the steel industry stand today?

"Well, on the basis of official, published figures, it would be more than $21 billion in the red.

"The steel industry would have operated in the red in 9 out of the 10 years. Its losses in 1955 and 1956, taken together, would have been at least equal to the entire sum spent by the industry for its postwar expansion.

"Of course, none of this could have actually happened, since the whole industry would have been bankrupt long before it could have accumulated a deficit of this size. The shipments could never have been made since the plants which made the shipments possible could never have been built. Failure to recover costs would have prevented expansion.

"Steel prices, like any other prices, must reflect increases in the cost of doing business, including wages—or you go out of business."

To show up the absurdity of any significant wage increase coming out of profits you need only compare the size of a 5-percent increase in wages with total corporate profits. In the highest year on record, 1950, such a wage increase would take about 20 percent of all corporate profits before taxes.

A squeeze like that on profits would have three inevitable effects: It would stop investment cold, lower productivity, and increase unemployment. And that, I submit, is hardly the pattern of progress or the way to strengthen our economy.

The mystery is why anyone would think wages should come out of profits in the first place. The result is to pinch off a principal source of additions to productive power. And, since the only way we can hope to live better is if we produce more for our national warehouse, then the minute we take from profits we are, in effect, subtracting from living standards.

So, I think it is time we replace confusion with understanding of the real source of our economic strength. And the time is overripe for us to end the squabble over dividing what we have and get on about the business of multiplying more for the greatest number of our people.

For one thing, we can cease trying to get more by taking it from someone else. In particular, I mean trying to take from profits to put into wage envelopes. No one really gains in that attempt—least of all the workingman. As unemployment increases, production drops and progress halts. Instead of raising costs, prices, and the cost of living, let us rather raise productivity, progress, and the standard of living.

That is what we all want. A balanced overall movement forward with wages, profits, and productivity going up in and not out of step. And I am confident that this is well within our abilities, despite the marking time we may have to do this year as inventories are pared down.

Ahead of us is a new era—a space age as some call it. It will be a time of tremendous technological change. In my opinion we are just now at the doorstep of a new warehouse for America. One that can be filled with greater wealth, more new things from more new processes in the next 5 years than we have ever seen before in our history.

As the result of research and development financed by American industry because profits made it possible to do so, there is a great backlog of new ideas, theories, and principles building up in our Nation's laboratories. To translate them into new jobs, factories, mach'nes, and finished products will require tremendous new investments.

Those investments, however, will not be forthcoming unless a real incentive—a prospect of profit—entices investment. And, unless those investments are made we will, indeed, slip behind the Russians. Not just in single, spectacular scientific achievements, but in the real race we are running and in which our free system far excels their slave system. I mean our success in providing better living standards and an opportunity for a better life for more people.

Let us admit and have done with it that the Russians have impressed the world. But, let us also recognize that they have done so with a policy of fear and an instrument of terror. I think we would much rather be what we are, the encouragement of a world yearning for freedom and for a better life in peace to enjoy useful progress.

Lincoln said it for us a long time ago. Speaking on Washington's birthday in 1861 at Independence Hall, he referred to the inner meaning of the Declaration of Independence as "giving liberty not alone to the people of this country but hope to the world for all future time."

That hope was never needed more than in the year 1958. We provide it as we stand together, adhere to and apply those economic principles which can make America stronger than ever in a greater age of progress than any so far known. For that goal and to keep alive that hope of all men for a free, undivided world at peace, we stand together—or fall.

Thank you.

SENATE

THURSDAY, FEBRUARY 13, 1958

(Legislative day of Monday, February 10, 1958)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Bishop V. J. Brizgys, auxiliary of Kaunas, Chicago, Ill., offered the following prayer:

Almighty God, the common father of all people, we praise Thee and give thanks for the dignity bestowed on men created in Thy likeness and who call themselves Thy children and each other's brothers.

We pray for all those who, understanding this dignity, were and are harbingers of culture, peace, mutual love, and respect among people and nations. Today we wish to pay tribute to all those who, having understood the dignity of man, were and are pioneers of freedom for people and nations.

Today, too, we remember a nation whose name has been mentioned among European nations from days beyond recall, and which time and again has served Europe's Christianity and civilization by crushing dangerous forces that threatened to destroyed it. We remember Lithuania, which in her long history has tasted of glory and misfortune, and which today has lost her freedom. She hopes and strives to regain this freedom. In her sufferings, she has not been left alone. A whole world of good will sympathizes with Lithuania and other unfortunate nations. Lithuania thanks Thee, O Lord, especially for the friendship of the United States of America, whose motto is In God We Trust, whose way of life is freedom, and who, being the most progressive and dynamic nation, is at the same time a pioneer of true peace and freedom for other nations. Almighty God, we beseech Thee to bless and protect this Nation, that it might be a servant of Thy divine providence in establishing in the world an order worthy of the dignity which Thou hast bestowed on man.

We pray to Thee for the Lithuanian nation, which for centuries has held dear and has protected Thy greatest gift—freedom; and which today, bowed under the yoke of bondage, cries to Thee and to all people of good will for help. She wishes to live and work in a family of free nations for her own and mankind's welfare.

O Lord, bless America, bless Lithuania, and bless all other nations who trust in Thee and strive to create life in Thy name. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of Monday, February 10, 1958, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on February 12, 1958, the President had approved and signed the act (S. 1408) to provide allowances for transportation of house trailers to civilian employees of the United States who are transferred from one official station to another.

REPORT OF COMMODITY CREDIT CORPORATION—MESSAGE FROM THE PRESIDENT

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which, with the accompanying report, was referred to the Committee on Agriculture and Forestry:

To the Congress of the United States:

In accordance with the provisions of section 13, Public Law 806, 80th Congress, I transmit herewith for the information of the Congress the report of the Commodity Credit Corporation for the fiscal year ended June 30, 1957.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *February 13, 1958.*

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 7300. An act to amend section 15 of the District of Columbia Alcoholic Beverage Control Act;

H. R. 9271. An act to authorize the National Society of the Sons of the American Revolution to use certain real estate in the

District of Columbia as the national headquarters of such society; and

H. R. 9304. An act to amend section 12 of the act approved September 1, 1916, as amended.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred to the Committee on the District of Columbia:

H. R. 7300. An act to amend section 15 of the District of Columbia Alcoholic Beverage Control Act;

H. R. 9271. An act to authorize the National Society of the Sons of the American Revolution to use certain real estate in the District of Columbia as the national headquarters of such society; and

H. R. 9304. An act to amend section 12 of the act approved September 1, 1916, as amended.

TRANSACTION OF ROUTINE BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there may be the usual morning hour, for the introduction of bills and the transaction of other routine business, with statements in connection therewith limited to 3 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

Conservation of Water Resources

A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to facilitate the insurance of loans under title I of the Bankhead-Jones Farm Tenant Act, as amended, and the act of August 28, 1937, as amended (relating to the conservation of water resources), and for other purposes (with an accompanying paper); to the Committee on Agriculture and Forestry.

Report of Cooperative Extension Service

A letter from the Secretary of Agriculture, transmitting, pursuant to law, a report of the Cooperative Extension Service, for the fiscal year ended June 30, 1957 (with an accompanying report); to the Committee on Agriculture and Forestry.

Report on Reserve Forces

A letter from the Secretary of Defense, transmitting, pursuant to law, a report on the status of training of each Reserve component of the Armed Forces and the progress made in strengthening of the Reserve components during the fiscal year 1957 (with an accompanying report); to the Committee on Armed Services.

Report on Flight Training Program

A letter from the Secretary of the Army, transmitting, pursuant to law, a report on the progress of the Army Reserve Officers' Training Corps flight training program, covering the period August 1, 1956 to January 1, 1958 (with an accompanying report); to the Committee on Armed Services.

Extension of Defense Production Act of 1950

A letter from the Director, Office of Defense Mobilization, Executive Office of the President, transmitting a draft of proposed legislation to extend the Defense Production Act of 1950, as amended (with an accompanying paper); to the Committee on Banking and Currency.

Report on Reconstruction Finance Corporation Liquidation Fund

A letter from the Secretary of the Treasury, transmitting, pursuant to law, a report on the Reconstruction Finance Corporation liquidation fund, for the period ended September 30, 1957 (with an accompanying report); to the Committee on Banking and Currency.

Report of Attorney General

A letter from the Attorney General, transmitting, pursuant to law, a report on the effects of defense expansion of machine tool supply upon the competitive status of the machine tool industry, dated February 10, 1958 (with an accompanying report); to the Committee on Banking and Currency.

Audit Report on Reconstruction Finance Corporation (in Liquidation) and Defense Lending Division

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Reconstruction Finance Corporation (in liquidation) and Defense Lending Division, Office of Production and Defense Lending, Treasury Department, for the fiscal year ended June 30, 1957 (with an accompanying report); to the Committee on Government Operations.

Audit Report on Federal Prison Industries, Inc.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on Federal Prison Industries, Inc., Department of Justice, for the fiscal year ended June 30, 1957 (with an accompanying report); to the Committee on Government Operations.

Reports Relating to Restoration of Balances of Appropriations

A letter from the Administrative Assistant Secretary of the Interior, transmitting, pursuant to law, a report prior to restoration of balances, Department of Interior, Bureau of Indian Affairs, as of January 14, 1958 (with an accompanying report); to the Committee on Government Operations.

A letter from the Acting Secretary of Agriculture, transmitting, pursuant to law, four reports prior to restoration of balances under the appropriation and fund accounts "Salaries and expenses, Commodity Exchange Authority, 1957", "Salaries and expenses, Farmers' Home Administration, 1957", "Salaries and expenses, Farmers' Home Administration, 1956", and "Salaries and expenses, Farmers' Home Administration, prior years" (with accompanying papers); to the Committee on Government Operations.

A letter from the Chairman, National Labor Relations Board, Washington, D. C., transmitting, pursuant to law, a report prior to restoration of balances requesting restoration of funds to the appropriation "Salaries and Expenses" (with an accompanying report); to the Committee on Government Operations.

Amendment of Certain Statutes Under the Navigation and Vessel Inspection Laws

A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to repeal and amend certain statutes fixing or prohibiting the collection of fees for certain services under the navigation and vessel inspection laws (with accompanying papers); to the Committee on Interstate and Foreign Commerce.

Report of Federal Maritime Board and Maritime Administration

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report of the Federal Maritime Board and Maritime Administration, for the fiscal year 1957 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

Report on Tort Claims Paid by National Advisory Committee for Aeronautics

A letter from the Executive Officer, National Advisory Committee for Aeronautics, Washington, D. C., transmitting, pursuant to law, a report on tort claims paid by that committee, for the period January 1–December 31, 1957 (with an accompanying report); to the Committee on the Judiciary.

Amendment of Longshoremen's and Harbor Workers' Compensation Act

A letter from the Under Secretary of Labor, transmitting a draft of proposed legislation to amend section 41 of the Longshoremen's and Harbor Workers' Compensation Act, so as to provide a system of safety rules, regulations, and safety inspection and training, and for other purposes (with accompanying papers); to the Committee on Labor and Public Welfare.

Appropriation of Funds for 1961 Meeting of Permanent International Association of Navigation Congresses

A letter from the Secretary of the Army, transmitting a draft of proposed legislation to authorize the appropriation of funds to finance the 1961 meeting of the Permanent International Association of Navigation Congresses (with an accompanying paper); to the Committee on Public Works.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A joint resolution of the Legislature of the State of California; to the Committee on Armed Services:

"Assembly Joint Resolution 1

"Relating to memorializing the Congress of the United States to undertake immediate action to make upward adjustments in the pay scales of key personnel in the Armed Forces in the interest of national defense

"Whereas the events of recent months and particularly those involving the extraordinary advances, by the potential enemies of our country and of the Free World, in the development of the most terrifying of military destructive weapons including thermonuclear bombs, intercontinental ballistic missiles, and other devices, clearly point up the need for immediate action to increase the efficiency and effectiveness of our military defense forces; and

"Whereas it is a matter of common knowledge that the inability of the various branches of the Armed Forces to retain highly trained personnel in the services has for many years been a key factor in reducing the effectiveness of such forces in providing both the United States of America and the Free World with efficient and effective defensive forces; and

"Whereas the inability of the Armed Forces of the United States to operate to provide an efficient defense where highly trained personnel are not given the remunerative incentive to remain in the service for a period beyond that of their original enlistment is illustrated by published statistical data including the fact that in 1955 the Air Force lost men who cost $2 billion to train; that the cost of training an electronics expert is $20,000, that the time needed to train him is 3 years, and that 90 percent of these individuals leave the service after their 4-year enlistments, having given the Government but 1 year of expert service during their enlistment; and the fact that such turnover has resulted in a disproportionate expenditure of available moneys on the training of a continuous stream of newly recruited personnel at the expense of having to

forgo concentration on the development of new weapons and techniques; and

"Whereas the need for increased efficiency in the Armed Forces and the peril created by deficiencies in that regard is particularly apparent to the people of the State of California, which is the most vulnerable of all the States of the Union, with its great population centers bottled up by natural barriers, where prompt escape is virtually impossible; and

"Whereas this State is the cradle of the electronics, missile, and airframe industries; and

"Whereas it is common knowledge that the greatest potential enemy of this Nation now possesses at least 400 missile-launching submarines capable of completely annihilating this State in the matter of a few minutes; and

"Whereas the legislature of this State deems the matter of such importance and urgency that no further delay of any kind can be countenanced; and

"Whereas the legislature is informed that the military establishment is in desperate need of a means to attract and retain scientific, professional, combat leadership, and management to maintain its deterrent power, and cannot presently compete for trained personnel, and that these deficiencies can best be removed by the passage of Federal legislation such as that proposed by S. 2014 and H. R. 7475, introduced at the first session of the 85th Congress, and H. R. 9979 which has been introduced at the second session of the 85th Congress: Now, therefore, be it

"Resolved, by the Assembly and Senate of the State of California, jointly, That because of the gross vulnerability of the State of California and the fact that time is of the essence, that the President and the Congress of the United States make consideration of the necessary steps to increase the salaries of servicemen a matter of top priority and bring about the necessary changes at the earliest possible time; and be it further

"Resolved, That the chief clerk of the assembly is hereby directed to prepare and transmit suitably prepared copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A resolution of the Senate of the State of California; to the Committee on Agriculture and Forestry:

"Senate Resolution 20

"Memorializing Congress concerning establishment in California of a soil and water conservation laboratory

"Whereas the Congress of the United States will be considering the establishment of soil and water conservation laboratories in the irrigated areas of the United States; and

"Whereas there is a great interest throughout California's extensive agricultural community in research into problems relating to soil and water management and conservation; and

"Whereas an excellent location for such a conservation laboratory exists at the Davis Campus of the University of California: Now, therefere, be it

"Resolved, by the Senate of the State of California, That Congress is again respectfully memorialised to consider the great need for such laboratories; and be it further

"Resolved, That Congress and the Secretary of Agriculture are urged to provide necessary land at or near the Davis Campus of the University of California upon which a conservation laboratory may be established and maintained; and be it further

"Resolved, That the secretary of the senate is hereby directed to transmit copies of this resolution to the President of the United States, to the President of the Senate in the Congress of the United States, to the Speaker of the House of Representatives in the Congress of the United States, to each Senator and Representative from California in the Congress of the United States, and to the Secretary of Agriculture."

A resolution of the House of Representatives of the State of California; to the Committee on Agriculture and Forestry:

"House Resolution 19

"Resolution memorializing Congress concerning establishment in California of a soil and water conservation laboratory

"Whereas the Congress of the United States will be considering the establishment of soil and water conservation laboratories in the irrigated areas of the United States; and

"Whereas there is a great interest throughout California's extensive agricultural community in research into problems relating to soil and water management and conservation; and

"Whereas, an excellent location for such a conservation laboratory exists at the Davis Campus of the University of California: Now, therefore, be it

"Resolved, by the Assembly of the State of California, That Congress is again respectfully memorialized to consider the great need for such laboratories; and be it further

"Resolved, That Congress and the Secretary of Agriculture are urged to provide necessary land at or near the Davis Campus of the University of California upon which a conservation laboratory may be established and maintained; and be it further

"Resolved, That the chief clerk of the assembly is hereby directed to transmit copies of this resolution to the President of the United States, to the President of the Senate in the Congress of the United States, to the Speaker of the House of Representatives in the Congress of the United States, to each Senator and Representative from California in the Congress of the United States, and to the Secretary of Agriculture."

A concurrent resolution of the General Assembly of the Commonwealth of Kentucky; to the Committee on Public Works.

"House Resolution 30

"Concurrent resolution memorializing Congress to expedite plans for a flood-control program along the Big Sandy River

"Whereas January 29, 1958, marks the anniversary of the most disastrous flood along the Big Sandy River within recorded history;

"Whereas the frequent recurrence of devastating floods along said river over a period of years has caused abject and inexpressible misery and despair to citizens of the area;

"Whereas such floods have occasioned not only physical suffering and deprivation but have resulted in loss of or damage to inestimable millions of dollars worth of property;

"Whereas the health, safety, and general welfare of many citizens of the Commonwealth of Kentucky and adjacent States are in constant danger from future depredation of said river and the economic welfare of every citizen of the surrounding area is affected by such depredations; and

"Whereas the damage to be expected from future floods can only be averted or mitigated by a coordinated comprehensive program of flood control along said river: Now, therefore, be it

"Resolved, by the House of Representatives of the Commonwealth of Kentucky (the Senate concurring therein)—

"SECTION 1. That the Congress of the United States is urged to act in the exercise of its broad legislative powers to provide a means of flood control along the Big Sandy River and to cause such a program to be put into effect at the earliest possible time.

"SEC. 2. That the Congress act in this regard by making provision for a system of dams and floodwalls along said river and the utilization of any other measures which it deems necessary to accomplish the desired end.

"SEC. 3. That the clerk of the senate be and is hereby directed to send copies of this memorial, duly authenticated to the President of the Senate of the United States, the Speaker of the House of Representatives of the United States, to each of the Senators and Representatives from the Commonwealth now serving in the Congress, and to the Secretary of the Interior."

The petition of Samuel A. Levy, of Buffalo, N. Y., praying for the enactment of the bill (H. R. 7141) to amend title 2 of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Finance.

A resolution adopted by the Long Island General Assembly, Fourth Degree (Patriotic), Knights of Columbus, Kings County, Brooklyn, N. Y., favoring the enactment of the so-called Bricker amendment, relating to the treaty-making power; to the Committee on the Judiciary.

A resolution adopted by the DAV-Philians Social Security Organization, Rizal, Philippine Islands, relating to House bills 8029 and 8167, to provide for the payment of claims for supplies and services furnished the irregular, or guerrilla forces of the former Commonwealth of the Philippines during World War II; to the Committee on the Judiciary.

A resolution adopted by the Livermore Elementary Teachers Association, Livermore, Calif., favoring the extension of Public Laws 815 and 874, relating to Federal aid to impacted school districts; to the Committee on Labor and Public Welfare.

A resolution adopted by the Board of Supervisors, County of Maui, T. H., relating to the erection and maintenance of a post office at Hoolehua, T. H.; to the Committee on Public Works.

A resolution adopted by the District of Columbia Federation of Civic Associations, Inc., Washington, D. C., relating to the death of the late Senator Matthew M. Neely, of West Virginia; ordered to lie on the table.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HUMPHREY, from the Committee on Government Operations, without amendment:

S. 2283. A bill to further amend the Federal Property and Administrative Services Act of 1949, as amended, and for other purposes (Rept. No. 1285).

By Mr. HUMPHREY, from the Committee on Government Operations, with an amendment:

S. 2224. A bill to amend the Federal Property and Administrative Services Act of 1949, as amended, regarding advertised and negotiated disposals of surplus property (Rept. No. 1284); and

S. 2231. A bill to amend section 203 (c) of the Federal Property and Administrative Services Act of 1949 to permit the exercise of options contained in certain leases of Government property (Rept. No. 1286).

ASSISTANCE TO SENATORS IN CONNECTION WITH VISITING FOREIGN DIGNITARIES

Mr. GREEN, from the Committee on Foreign Relations, reported an original

resolution (S. Res. 259), and submitted a report (No. 1287) thereon, which resolution was referred to the Committee on Rules and Administration, as follows:

Resolved, That in order to assist the Senate properly to discharge and coordinate its activities and responsibilities in connection with participation in various interparliamentary institutions and to facilitate the interchange and reception in the United States of members of foreign legislative bodies and prominent officials of foreign governments, the Committee on Foreign Relations is authorized from February 1, 1958, through January 31, 1959, to employ one additional professional staff member to be paid from the contingent fund of the Senate at rates of compensation to be fixed by the chairman in accordance with the provisions of section 202 (e) of the Legislative Reorganization Act of 1946, as amended, and Public Law 4, 80th Congress, approved February 19, 1947, as amended.

SEC. 2. The Secretary of the Senate is authorized and directed to pay the actual and necessary expenses incurred by Senators and the aforementioned employee in connection with activities authorized by this resolution and approved in advance by the chairman of the Committee on Foreign Relations, which shall not exceed $5,000 from February 1, 1958, through January 31, 1959, from the contingent fund of the Senate upon vouchers certified by the Senator incurring such expenses and approved by the chairman of the Committee on Foreign Relations.

REPORT ENTITLED "INCREASED COST OF ISSUING AND RENEWING PASSPORTS" (S. REPT. NO. 1288)

Mr. HUMPHREY. Mr. President, from the Committee on Government Operations I submit a report entitled "Increased Cost of Issuing and Renewing Passports," and ask that it be printed. I believe the report will be of great interest to every Member of this body.

This report, based upon a year's study conducted by the Comptroller General of the United States at the request of the committee, recommends that the appropriate jurisdictional committees of the Congress reevaluate the existing fee schedules relating to passports. The report shows that the total unit cost for passport issuance and renewal is estimated at $8.20—$3.75 for costs incurred in the United States and $4.49 for costs incurred at foreign service ports.

As Senators will note, the Comptroller General makes several suggestions for improving the issuance of passports. Major recommendations are: First, that passports issued to Federal employees at foreign service posts be for the entire tour of duty, thereby obviating the need for renewals, which would result in savings in costs of issuing passports; second, that the duration of passports be related more directly to the actual length of time travelers expect to be overseas, rather than to a fixed period of time, as at present.

In connection with the latter recommendation, the Comptroller General suggests three time categories: First, 6 months to 1 year with no renewal; second, 3 years on issuance and renewal for 2 years; third, 5 years on issuance with no renewal.

Separate fees would be fixed for each of the above categories, which amounts would relate to the duration and renewal privilege of the passport.

The Comptroller General points out that the fee for the issuance of a passport, of $9, exceeds the cost thereof, $8.20, by 80 cents, whereas the fee for renewal, of $5, is $3.20 less than the cost—the cost of issuance and renewal being considered equal.

He also points out that the question of whether the fee for a passport is a source of revenue, and thus not necessarily related to cost, or a charge for a Government service, for which the fee should be set at an amount sufficient to recover costs, is a matter of policy to be determined by the Congress.

Mr. President, I recommend this report to the attention of every Member of Congress. As Members are aware, the issuance of passports has been a subject of lengthy examination by the Committee on Government Operations for the past 3 years.

As a result of extensive staff studies in the 84th Congress, the Passport Office was completely reorganized to provide improved service to the public. The matter of an adjustment in fees and other recommendations made by the Comptroller General in his report to the committee should be given consideration by the appropriate jurisdictional committees.

The PRESIDENT pro tempore. The report will be received and printed, as requested by the Senator from Minnesota.

REPORT ENTITLED "ACTION BY THE CONGRESS AND THE EXECUTIVE BRANCH OF THE GOVERNMENT ON THE SECOND HOOVER COMMISSION REPORTS, 1955–57" (S. REPT. NO. 1289)

Mr. HUMPHREY. Mr. President, from the Committee on Government Operations, I submit a report made by its Subcommittee on Reorganization, entitled "Action by the Congress and the Executive Branch of the Government on the Second Hoover Commission Reports, 1955–57."

This report, prepared at my direction by the staff of the Subcommittee on Reorganization, of which I have the privilege of serving as chairman, is a factual compilation of all action taken to date upon the recommendations of the Second Commission on Organization of the Executive Branch of the Government, of which former President Herbert Hoover was Chairman, and two distinguished Members of this body, Senator JOHN L. MCCLELLAN, of Arkansas, and Senator STYLES BRIDGES, of New Hampshire, were members.

A full measure of credit for the achievement made so far in implementation of the Hoover Commission's recommendations, as indicated hereafter in my remarks, should go to my illustrious colleague, Senator JOHN F. KENNEDY, of Massachusetts, who served as chairman of the Subcommittee on Reorganization during the 84th Congress. Also, I pay the highest tribute to the distinguished senior Senator from Maine, the ranking Republican member of the Subcommittee on Reorganization, Senator MARGARET CHASE SMITH, who, along with the other members of the subcommittee, worked in true bipartisan spirit to enact good reorganization legislation into law.

And, finally, Mr. President, I cannot speak too highly of the splendid cooperation given the Subcommittee on Reorganization by the chairman of the main Government Operations Committee, the senior Senator from Arkansas, Senator MCCLELLAN, who for years has been a bulwark of support at every step along the rocky reorganization road.

In my opinion, Mr. President, this report will prove of inestimable value to Members of the Congress, the general public, and historians because it contains, to my knowledge, the first published tabulation of action upon each of the Hoover Commission's 519 recommendations, showing those recommendations implemented, those partially implemented, and those upon which no action has been taken. To my knowledge, nowhere else in the Government does this information exist in its present form.

For the information of Senators, I would like to briefly summarize the subcommittee's findings upon the 519 Hoover Commission's recommendations. Two hundred seventy-four, or 53 percent, have been implemented, or partially implemented, or are in the process of being implemented at this time. Forty-four recommendations, or an additional 8 percent, have been accepted by the executive branch of the Government, but implementation has not begun upon them. Thus, of the 519 recommendations, 318, or 61 percent, either have been implemented or accepted for implementation—a record of some substance in the relatively short period of time since the Hoover Commission reports were filed in 1955. Two hundred and one recommendations are still under review by the Congress or the executive branch or have been rejected for various reasons.

As may be noted, through perusal of this document, many proposals of the Second Hoover Commission which would provide for revolutionary changes in many important Government programs, such as Federal lending rates, public power development, the civil-service system, military procurement and legal procedures, among others, are still under consideration by the executive branch of the Government and appropriate Congressional committees. The 53 percent implementation figure, therefore, does not mean, substantively speaking, that from the viewpoint of major changes in the Government's operations, 53 percent of the Hoover Commission's overall product has been implemented. The bulk of the action taken to date has been in the administrative or organizational areas rather than in the controversial policy-making areas which would alter basically major Government programs, to which reference is made above.

Mr. President, I recognize full well the limitations upon all of us, particularly in these times of stress and strain; but, I commend this report to each Senator's attention, even if only during his infrequent moments of leisure he can give a

UNIVERSITY OF MINNESOTA LIBRARIES

few minutes to it. I am sure each Member of this body will find valuable information relating to the Hoover Commission reports with which he can respond to the many inquiries from constituents which I know he receives daily, as do I. A limited number of copies will be available in the subcommittee office for distribution by Senators as they may see fit.

The report I now send to the desk is divided into three sections. I would like at this point in my remarks to include a brief summary of each section for the convenience of Senators in studying it.

Section I; status of the Second Hoover Commission reports: Section I contains an overall summary, report by report, together with a separate analysis of each of the 20 Hoover Commission reports, showing action taken, recommendation by recommendation.

Section II, action by the 85th Congress, 1st session, to implement the recommendations of the second Hoover Commission: Section II contains a detailed analysis tracing the legislative history of each of the 297 bills introduced in the 85th Congress, 1st session, to implement the Hoover Commission's recommendations. This section is a supplement to Senate Report No. 95, 85th Congress, 1st session, published February 21, 1957, which traces the legislative history of the more than 500 Hoover Commission bills introduced in the 84th Congress.

Section III, action on reorganization plans submitted to the Congress under the Reorganization Act of 1949: Section III contains a brief history of the Reorganization Act of 1949, plus a statistical tabulation of each of the 56 reorganization plans submitted to the Congress under the authority of that act, beginning with Reorganization Plan No. 1 of 1949 and concluding with Reorganization Plan No. 1 of 1957.

Mr. President, I submit the report, and ask that it be printed as an official Senate report.

The PRESIDENT pro tempore. The report will be received and printed, as requested by the Senator from Minnesota.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. GREEN, from the Committee on Foreign Relations:

Walter K. Scott, of Maryland, to be an Assistant Secretary of State, vice Isaac W. Carpenter, Jr., resigned;

Everett F. Drumright, of Oklahoma, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary to China, vice Karl L. Rankin;

Philip D. Reed, of New York, to be a member of the United States Advisory Commission on Information; and

Erwin D. Canham, of Massachusetts, to be a member of the United States Advisory Commission on Information.

By Mr. FREAR, from the Committee on Banking and Currency:

Abbot L. Mills, Jr., of Oregon, to be a member of the Board of Governors of the Federal Reserve System.

BILLS AND JOINT RESOLUTIONS

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BIBLE:

S. 3265. A bill for the relief of Juan Jose Elorriaga; to the Committee on the Judiciary.

By Mr. BARRETT:

S. 3266. A bill to suspend the requirement for the performance of annual labor on mining claims heretofore located for the development and production of fissionable source material; to the Committee on Interior and Insular Affairs.

By Mr. GREEN (by request):

S. 3267. A bill for the relief of the Government of the Republic of Iceland; to the Committee on Foreign Relations.

(See the remarks of Mr. GREEN when he introduced the above bill, which appear under a separate heading.)

By Mr. HILL (for himself and Mr. SMITH of New Jersey):

S. 3268. A bill to amend the National Science Foundation Act of 1950, as amended, and for other purposes; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. HILL when he introduced the above bill, which appear under a separate heading.)

By Mr. LAUSCHE:

S. 3269. A bill for the relief of Mildred (Milka Krivec) Chester;

S. 3270. A bill for the relief of Nick Tsaliks;

S. 3271. A bill for the relief of Souhail Massad;

S. 3272. A bill for the relief of Janez (Garantini) Bradek and Francizka (Garantini) Bradek; and

S. 3273. A bill for the relief of Irene Korponay and Rita Korponay; to the Committee on the Judiciary.

By Mr. KEFAUVER:

S. 3274. A bill for the relief of Claude S. Reeder; to the Committee on the Judiciary.

By Mr. JAVITS (for himself and Mr. KEFAUVER):

S. 3275. A bill to provide for the representation of indigent defendants in criminal cases in the district courts of the United States; to the Committee on the Judiciary.

(See the remarks of Mr. JAVITS when he introduced the above bill, which appear under a separate heading.)

By Mr. SMITH of New Jersey:

S. 3276. A bill for the relief of Carl Ebert and his wife, Gertrude Ebert; to the Committee on the Judiciary.

S. 3277. A bill to amend section 41 of the Longshoremen's and Harbor Workers' Compensation Act so as to provide a system of safety rules, regulations, and safety inspection and training, and for other purposes; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. SMITH of New Jersey when he introduced the last above-mentioned bill, which appear under a separate heading.)

By Mr. FLANDERS:

S. 3278. A bill to amend the National Security Act of 1947, as amended, by providing for the correlation of diplomatic action and defense preparation and action in the National Security Council; to the Committee on Armed Services.

(See the remarks of Mr. FLANDERS when he introduced the above bill, which appear under a separate heading.)

By Mrs. SMITH of Maine:

S. 3279. A bill for the relief of Charles P. Childs; to the Committee on the Judiciary.

By Mr. AIKEN (for Mr. COOPER):

S. 3280. A bill to authorize the full acreage reserve program for the 1958 crops provided for by section 105 (c) of the Soil Bank Act; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. AIKEN when he introduced the above bill, which appear under a separate heading.)

By Mr. HUMPHREY (for himself and Mr. AIKEN):

S. J. Res. 149. Joint resolution to stay any reduction in support prices for dairy products until Congress can make appropriate provision for such support prices; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. HUMPHREY when he introduced the above joint resolution, which appear under a separate heading.)

By Mr. HUMPHREY (for himself and Mr. SYMINGTON):

S. J. Res. 150. Joint resolution to stay any reduction in support prices or acreage allotments until Congress can make appropriate changes in the price-support and acreage-allotment laws; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. HUMPHREY when he introduced the above joint resolution, which appear under a separate heading.)

GREATER COOPERATION AMONG NATO NATIONS

Mr. GREEN. Mr. President, on behalf of myself, the senior Senator from Massachusetts [Mr. SALTONSTALL], the senior Senator from Tennessee [Mr. KEFAUVER], the junior Senator from Washington [Mr. JACKSON], and the junior Senator from New York [Mr. JAVITS], I submit a concurrent resolution bringing to the attention of the President of the United States a resolution adopted at the NATO Parliamentarians' Conference held last November in Paris.

The concurrent resolution requests the President to use his best efforts to bring about a meeting of representative citizens from all the NATO nations to examine ways in which greater cooperation among the Atlantic nations may be promoted.

It was my privilege to serve as chairman of the United States Congressional delegation to the NATO Parliamentarians' Conference, and it is in that capacity that I introduce this Senate concurrent resolution.

Several other Members of the Senate indicated that they desired to join in the submission of this concurrent resolution. It was my feeling, however, that I should speak only for members of the Senate delegation to the Paris conference.

So that others may join, Mr. President, I ask unanimous consent that before this concurrent resolution is referred to the appropriate committee it be held at the desk until the next session of the Senate.

The PRESIDENT pro tempore. The concurrent resolution will be received and appropriately referred; and, without objection, the concurrent resolution will lie on the desk, as requested by the Senator from Rhode Island.

The concurrent resolution (S. Con. Res. 62) to request the President to use his best efforts to bring about a meeting of representative citizens from all the North Atlantic Treaty Organization nations to examine ways to promote greater cooperation among those nations, submitted by Mr. GREEN (for himself and other Senators), was referred

to the Committee on Foreign Relations, as follows:

Whereas the NATO Parliamentarians' Conference, at the third annual conference held in Paris, in November 1957, adopted unanimously a resolution, part of which required implementation by the governments of the North Atlantic Treaty Organization; and

Whereas that portion of the resolution containing such recommendation and disposal for action, reads as follows:

"This Third Annual Conference of NATO Parliamentarians—

"Recommends that their governments, in consultation with the Standing Committee and Political Committee of the Conference, bring about, in accordance with the constitutional and governmental processes of their countries, a conference composed of leading representative citizens selected on a nonpartisan basis and directed to convene as often as necessary in order to examine exhaustively and to recommend how greater cooperation and unity of purpose, as envisioned by the North Atlantic Treaty, within the Atlantic community may best be developed,

"Proposes that to fulfill this purpose the members of the conference should, as far as possible, be officially appointed but should act in accordance with their individual convictions and that the findings and recommendations * * * of the conference proposed be reported to the appropriate committees of the NATO Parliamentarians' Conference, to the North Atlantic Council and to member governments for consideration and appropriate action in accordance with the constitutional processes of each member country": Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the President is requested to use his best efforts to implement, in cooperation with other governments of the North Atlantic Treaty Organization, the recommendation and proposal of the NATO Parliamentarians' Conference, as set forth in the above resolution adopted at the third annual conference in Paris on November 16, 1957.

RESOLUTIONS

Mr. GREEN, from the Committee on Foreign Relations, reported an original resolution (S. Res. 259), relating to assistance to Senators in connection with visiting dignitaries, which was referred to the Committee on Rules and Administration.

(See the above resolution printed in full where it appears under the heading "Reports of Committees.")

Mr. HAYDEN submitted Senate Resolution 260, printing as a Senate Document and additional copies of report entitled "A Review of United States Foreign Policy and Operations," submitted by Senator ELLENDER to the Committee on Appropriations.

(See above resolution printed in full when submitted by Mr. HAYDEN, which appears under a separate heading.)

SELECT COMMITTEE TO INVESTIGATE CERTAIN FEDERAL AGENCIES

Mr. MORSE. Mr. President, a thorough investigation into the operation of Federal agencies is long overdue, in my opinion.

Recent events underline the urgency of making such an investigation, and serving to focus attention upon mounting misgivings of several years regarding these agencies.

As I announced yesterday, I now submit a resolution to establish a select committee "to determine whether the independent agencies of the Government have been carrying out their functions in a manner which accords with the public interest."

The resolution itself best describes the problems which require investigation and analysis. The resolution states:

Such inquiry shall seek to establish, among other things—

(1) whether such agencies have been improperly influenced by industries with respect to which they exercise regulatory or other functions;

(2) whether ethical standards consistent with the duties vested in such agencies have been maintained in the execution of those duties;

(3) whether such agencies have exercised the powers delegated to them by the Congress in conformity with Congressional policy;

(4) whether the independence of such agencies has been impaired by Executive interference; and

(5) whether the laws relating to conflicts of interest are adequate to protect the public interest in those areas of governmental activity which are under the jurisdiction of such agencies;

(6) whether agency procedures and existing law are adequate to safeguard the public, the parties, and to prevent favoritism.

Mr. President, it is my belief that the Senate has an independent obligation to undertake such an investigation. Regardless of what may be done by the other body, the Senate can be fully advised as to the need for remedial legislation, if any, only by an inquiry of its own. The resolution does not duplicate the mandate which the Moulder subcommittee, now the Harris subcommittee, received. There may be an area of overlap. All the indications are, however, that there is more than enough for committees of both bodies to do.

As I said yesterday, I believe the Congress should make a two-barreled approach to this matter, so as to be able to shoot to the American people the facts regarding the actual situation in the case of the conduct of these administrative agencies.

So far as the Senate is concerned, it should be observed that the agencies and problems involved come within the jurisdiction of several different committees. In order to have a unified, across-the-board inquiry, a select committee will be required, in my judgment; the job would be fragmented if it were parcelled out along the jurisdictional lines of the standing committees.

There is only one answer to the growing public distrust of the supposedly independent Federal agencies: a thorough inquiry conducted in accordance with rules of fair procedure. Whatever others may do, the Senate should set up a select committee to do the job.

I am fully aware of the fact that there may be those who think my proposal violates some rule of comity with the House, but I have looked into this matter sufficiently to satisfy myself that it is the clear public duty of the Senate of the United States to proceed on its own, independently, with an investigation of conditions in the Federal agencies. I am satisfied that many of the allegations we have been reading about in the press make a prima facie case to support such an investigation. I am satisfied that with regard to other allegations there is sufficient evidence to make it a matter of public trust, owed the people of the United States, that the Senate pursue such an investigation, without fear or favor, and let the chips fall where they may.

Mr. President, I ask unanimous consent that the resolution be received and that the resolution be appropriately referred.

The PRESIDENT pro tempore. The resolution will be received and appropriately referred; and, under the rule, will be printed in the RECORD.

The resolution (S. Res. 261), submitted by Mr. MORSE, was referred to the Committee on Interstate and Foreign Commerce, as follows:

Resolved, That there is hereby established a select committee to be composed of 7 Members of the Senate to be appointed by the President of the Senate, of whom 3 shall be members of the minority party.

SEC. 2 (a) The committee shall conduct a full inquiry and investigation to determine whether the independent agencies of the Government have been carrying out their functions in a manner which accords with the public interest. Such inquiry shall seek to establish, among other things—

(1) whether such agencies have been improperly influenced by industries or other interests with respect to which they exercise regulatory or other functions;

(2) whether ethical standards consistent with the duties vested in such agencies have been maintained in the execution of those duties;

(3) whether such agencies have exercised the powers delegated to them by the Congress in conformity with Congressional policy;

(4) whether the independence of such agencies has been impaired by Executive interference; and

(5) whether the laws relating to conflicts of interest are adequate to protect the public interest in those areas of governmental activity which are under the jurisdiction of such agencies.

(6) whether agency procedures and existing law are adequate to safeguard the public, the parties and to prevent favoritism.

(b) The committee shall, at its first meeting, to be called by the President of the Senate, select a chairman and vice chairman from among its members. Any vacancy in the committee shall be filled in the same manner as the original appointment.

(c) As used in this section, the term "independent agencies of the Government" means those agencies in the executive branch of the Government which were established by act of Congress and vested with functions, regulatory or otherwise, to be exercised independently of the regularly constituted departments of the Government.

SEC. 3. (a) For the purposes of this resolution the committee is authorized to (1) hold such hearings; (2) sit and act at such times and places during the sessions, recesses, and adjourned periods of the Senate; (3) require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents; (4) administer such oaths; (5) take such testimony either orally or by deposition; (6) employ on a temporary basis such technical, clerical, and other assistants

and consultants, and, with the prior consent of the executive department or agency concerned and the Committee on Rules and Administration, employ on a reimbursable basis such executive branch personnel, as it deems advisable.

(b) A quorum of the committee shall consist of 4 members, except that the committee may provide that, for the purpose of taking testimony, 2 members, 1 from the majority party and 1 from the minority party, shall constitute a quorum.

SEC. 4. The expenses of the committee, which shall not exceed $250,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

SEC. 5. (a) The committee shall report the results of its study and investigation, together with such recommendations for legislation or other action as it may deem advisable, to the Senate not later than January 31, 1959.

(b) Upon the filing of its report, the committee shall cease to exist.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. MORSE. For what purpose?

Mr. HUMPHREY. For a comment on the Senator's statement.

Mr. MORSE. I do not think I can. I think the Senator from Vermont is waiting to take the floor in his own right. I want the Senator from Minnesota to know that I appreciate very much his desire to make a comment on my statement. I hope he will make it after the morning hour.

GOVERNMENT OF THE REPUBLIC OF ICELAND

Mr. GREEN. Mr. President, by request, I introduce, for appropriate reference a bill to provide for payment to the Government of the Republic of Iceland, the sum of $5,402.09, and such additional sum as may be necessary because of increases in exchange rates, in settlement of claims against the United States amounting to 88,000 kronur. Payment of the amount contemplated in the bill will constitute a final settlement of claims arising out of acts involving United States Armed Forces during their presence in Iceland from 1941 to 1947.

The obligation which the United States seeks to discharge under the bill, Mr. President, arises under an agreement concluded between the United States and Iceland on July 1, 1941. Paragraph 5 of that agreement provided:

[The] United States [will] undertake defense of the country without expense to Iceland [and] promise compensation for all damage occasioned to the inhabitants by their military activities.

When the United States withdrew from Iceland there were outstanding approximately 374 accident claims of 2 Icelandic insurance companies which could not be settled due to restrictive provisions of the Foreign Claims Act. A number of claims against policyholders also remained unpaid. An agreement negotiated between the 2 governments on November 23, 1956, provided that Iceland would accept the dollar equivalent of 88,000 kronur in final settlement of all these claims. At the exchange rate of 16.29 to the dollar, the amounts to be paid to Iceland under the bill now being introduced, amounts to approximately $5,402.09.

As I have already indicated, Mr. President, I am introducing this bill at the request of the executive branch. In so doing, I reserve my right to oppose or to support it later, as well as any amendments that might be proposed. I ask unanimous consent that the bill and the letter of transmittal from the Secretary of the Army, Wilber M. Brucker, be printed at this point in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and letter will be printed in the RECORD.

The bill (S. 3267) for the relief of the Government of the Republic of Iceland, introduced by Mr. GREEN, by request, was received, read twice by its title, referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the Secretary of the Treasury shall pay, out of any money in the Treasury not otherwise appropriated, to the Government of the Republic of Iceland, the sum of $5,402.09, and such additional sum due to increases in rates of exchange as may be necessary to pay this claim in foreign currency, in full satisfaction and final settlement of its claim against the United States in the amount of 88,000 Icelandic kronur, arising out of accidents involving United States Armed Forces during their presence in Iceland from July 7, 1941, to April 5, 1947, under the terms of the agreements between the Government of the United States of America and the Government of the Republic of Iceland, respecting the defense of Iceland, dated July 1, 1941 (55 Stat. 1547), and regarding the settlement of claims of Icelandic insurance companies, dated November 23, 1956.

The letter presented by Mr. GREEN is as follows:

SEPTEMBER 11, 1957.

Hon. RICHARD M. NIXON,
President of the Senate.

DEAR MR. PRESIDENT: There is inclosed herewith a draft of a proposed bill for the relief of the Government of the Republic of Iceland.

The submission of this legislation is in accordance with procedures approved by the Secretary of Defense. The Bureau of the Budget has advised that it has no objection to the submission of this proposal for the consideration of the Congress, and the Department of the Army recommends its enactment.

The purpose of this proposed bill is to effect final settlement of claims of the Government of the Republic of Iceland in the amount of 88,000 kronur, arising out of accidents involving United States Armed Forces during their presence in Iceland from 1941 to 1947 under the terms of the agreement between the United States and Iceland dated July 1, 1941.

The agreement between the United States of America and Iceland respecting the defense of Iceland by United States forces, effected July 1, 1951; ratified by the Icelandic Regent in Council July 10, 1941 (55 Stat. 1547), specifically states:

"5. United States undertake defense of the country without expense to Iceland and promise compensation for all damage occasioned to the inhabitants by their military activities."

During the period July 7, 1941, to April 5, 1947, units of the Armed Forces of the United States were present in Iceland by virtue of the terms of the above agreement. When the Armed Forces of the United States departed Iceland there remained outstanding approximately 374 accident claims of two Icelandic insurance companies, Sjovatryggingarfelag Islands h. f. and Trolle and Rothe h. f., which were not satisfied. These claims, in most part, remained unsettled because of the excluding provisions of the Foreign Claims Act (55 Stat. 880 and 57 Stat. 66). There were also a number of claims against policyholders of the two Icelandic insurance companies in favor of the United States which were unpaid. The Icelandic Government, through diplomatic channels requested action on these claims.

On June 9, 1953, this Department notified the Department of State:

"It appears that no funds are available to the Department of the Army under present claims statutes for payment of the proposed settlement and that it will be necessary to request the introduction of a private relief bill to the Congress when agreement has been reached with the Republic of Iceland.

"A settlement covering the claims under consideration, and any other claims of these same insurance companies which may have arisen out of the agreement, dated July 1, 1941, between the United States and Iceland, as you suggest, will be satisfactory. A proposed agreement is inclosed. When negotiations with the Republic of Iceland in this matter have been concluded this Department will request the necessary legislation."

In order to arrive at a possible satisfactory conclusion on the matter, the following agreement was reached:

"AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE REPUBLIC OF ICELAND REGARDING THE SETTLEMENT OF CLAIMS OF ICELANDIC INSURANCE COMPANIES

"The Government of the United States of America and the Government of the Republic of Iceland have reached agreement as set forth below regarding final settlement of certain claims of the Icelandic insurance companies, Sjovatryggingarfelag Islands h. f. and Trolle and Rothe h. f. (agent for Baltica, a Danish company), against the Government of the United States; and similar claims, or counterclaims, of the Government of the United States of America against these same insurance companies.

"Article I

"The two Governments agree that the claim of Sjovatryggingarfelag Islands h. f. is meritorious in the sum of 84,703.19 kronur. Claims of the United States against policyholders of that company are meritorious in the sum of 27,982.58 kronur, which latter amount is set off against the former. There remains a net amount of 56,720.61 kronur due Sjovatryggingarfelag Islands h. f.

"The two Governments agree that the claim of Trolle and Rothe h. f. (Baltica) is meritorious in the sum of 60,291.36 kronur. Claims of the United States against policyholders of that company are meritorious in the sum of 29,011.97 kronur, which latter amount is set off against the former. There remains a net amount of 31,279.39 kronur due Trolle and Rothe h. f. (Baltica).

"The sum of the net amounts due is 88,000 kronur.

"Article II

"The Congress of the United States will be requested to appropriate the necessary funds to effect payment of this settlement.

"Article III

"During the course of negotiations leading to this agreement, representatives of the two Governments have considered claims of the aforementioned insurance companies which grew out of accidents or incidents involving military personnel and equipment of the Armed Forces of the United States, and policyholders, and vehicles owned by policyholders, of the two Icelandic insurance companies, during the period July 7, 1941, to

April 5, 1947, when United States Armed Forces were present in Iceland under the terms of the agreement between the United States and Iceland, dated July 1, 1941 (55 Stat. 1547).

"Claims of the Government of the United States of America against policyholders of these same insurance companies which resulted from the same or similar incidents, have been evaluated, and set off, as shown in article I of this agreement.

"Article IV

"During the course of negotiations leading to this agreement, the representatives of the two Governments considered, but excluded from the setoff, those claims of the United States against policyholders of these insurance companies for expenses incurred relating to medical expenses, loss of services, burial expenses, and gratuity payment in cases involving injury or death of military personnel; which claims are to be regarded as having been taken into account, but waived, under the terms of this agreement.

"Claims of the insurance companies arising out of the agreement dated July 1, 1941, between the United States and Iceland, supra, which have not hitherto been presented and included in this settlement are to be regarded as having been waived.

"Article V

"Upon payment of the amount heretofore agreed upon in settlement of the claims described herein, the Government of the Republic of Iceland discharges and agrees to save harmless the Government of the United States of America, its officials, employees, or agencies and instrumentalities, its nationals or other individuals and organizations, for these and all other claims of these same claimants, which may have arisen out of the agreement dated July 1, 1941, between the United States and Iceland, supra.

"In witness whereof, the undersigned representatives duly authorized thereto by their respective governments have signed this agreement.

"Done at Washington, in duplicate, this 23d day of November 1956.

"For the Government of the United States of America:

"C. BURKE ELBRICK,
"*[Department of State]*.

"For the Government of the Republic of Iceland:

"THOR THORS."

The cost of this proposal, if enacted, will be the dollar equivalent of 88,000 Icelandic kronur, which, at the rate of exchange of 16.29 kronur to 1 dollar, is $5,402.09.

Sincerely yours,

WILBER M. BRUCKER,
Secretary of the Army.

AMENDMENT OF NATIONAL SCIENCE FOUNDATION ACT OF 1950

Mr. HILL. Mr. President, the National Science Foundation has now been operating under the National Science Foundation Act of 1950—Public Law 507, 81st Congress, 2d session—for almost 7 years with only 2 minor amendments. During this time, it has grown from an organization with an operating budget of $3.5 million to one with a budget request for $140 million. This growth has been paralleled by a growing realization of the importance of science and the full dissemination of new knowledge uncovered by research.

While the National Science Foundation Act of 1950, as amended, has served the Foundation well in carrying out its responsibilities, we are today keenly aware of the importance to the furtherance of our own scientific progress of closer cooperation between scientists in this country and those of other nations. This bill, which I am introducing on behalf of myself and the Senator from New Jersey [Mr. SMITH], to amend the National Science Foundation Act of 1950, will, therefore, authorize the Foundation, with the approval of the Secretary of State, to award scholarships and fellowships to foreign nationals and to facilitate such scientific activities abroad as may be deemed to be in the interest of the United States. We must not isolate our scientific activities but must work ever closer with appropriate scientists elsewhere who are extending the frontiers of knowledge.

In addition to this amendment, the bill would make various minor amendments in the National Science Foundation Act of 1950 which the past 7 years have proved necessary and desirable.

The particular changes included in the bill are described in the analysis which I ask unanimous consent to have printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the analysis will be printed in the RECORD.

The bill (S. 3268) to amend the National Science Foundation Act of 1950, as amended, and for other purposes, introduced by Mr. HILL (for himself and Mr. SMITH of New Jersey), was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

The analysis presented by Mr. HILL is as follows:

ANALYSIS OF BILL TO AMEND THE NATIONAL SCIENCE FOUNDATION ACT OF 1950, AS AMENDED

There is set forth below an analysis of each section of the proposed legislation to amend the National Science Foundation Act of 1950:

Section 1: The changes proposed for section 4 (d) and section 4 (e) of the National Science Foundation Act of 1950 relates to the annual meeting of the Board and are requested because of the fact that at the present time elections of officers of the Board for 2 years must take place at the annual meeting in December, whereas the terms of one-third of the members of the Board expire every second year on May 10. Accordingly, elections must presently be held 5 months before there is a change in the Board membership and, among the candidates for office, there often are those whose terms are expiring in the subsequent May. It would be desirable, therefore, to have the annual meeting after the new members are appointed and confirmed by the Senate so that the Board may elect its officers with knowledge of its composition for the ensuing 2 years. The latitude in setting the actual date is to permit the accommodation of as many members as possible in order to assure the fullest possible attendance at the annual meeting.

Section 2 and section 3: The changes proposed for section 5 (b), section 6 (a) and section 6 (b) of the National Science Foundation Act of 1950 are related to the same purpose. At the present time, the Board must approve the award of each fellowship and each grant or contract for basic research. This rigid requirement has posed serious problems for efficient operation in several instances. For example, when grants were being made for supplies for the scientific expedition to Antarctica in connection with the International Geophysical Year, time was of the essence. The lack of a Board meeting at which a contract or grant could be approved at the proper moment was an obstacle to assuring the timely arrival of equipment for the scientists. Under the proposed change, it is contemplated that the Board might delegate specific authority to its executive committee or to the Director to approve grants for contracts between meetings of the Board in certain situations. The change in the required size of the executive committee is suggested for the purpose of giving the Board authority to constitute a smaller executive committee which could more easily be assembled for emergency action. In any event, the Board would still retain complete power to grant such authority or not as the whole Board saw fit.

Section 4: The deletion of the words "accredited" and "of higher education" in section 10 of the National Science Foundation Act of 1950 is intended to take care of the relatively rare situation where the successful competitor for a fellowship wishes to study or work at a research institution in his field which is not an educational institution, for instance, at one of the National Institutes of Health. It is felt that, where the scientists judging the merit of the prospective fellow and his course of study or work believe that the applicant's proposal is sound, it is undesirable to limit his choice of institution in every case to an educational institution. The addition of the words "demonstrated and potential" in section 10 is for purposes of clarification.

Section 5: The changes proposed in section 11 (c) and section 11 (d) of the National Science Foundation Act of 1950 are technical and are intended to bring these sections in accord with the changes proposed for section 13. The change proposed in section 11 (e) is for purposes of clarification. At the present time, the law does not, for instance, specifically authorize the acquisition of property by condemnation or disposition of property, such as a scientific facility, by grant. These powers, however, seem to be inherent in the act so that the Foundation would have authority to support the conduct of basic research by acquiring property through condemnation or through assisting an institution to acquire a necessary facility held by the Foundation. It is, however, suggested that this section be clarified to make the authority explicit.

Section 6, section 7, and section 8: The changes proposed in section 13 of the National Science Foundation Act of 1950 are intended to permit the Foundation, with the approval of the Secretary of State, to support or to facilitate international scientific activities rather than merely to cooperate in research activities, and to award scholarships and fellowships or make other arrangements with foreign nationals for scientific study or scientific work. At the present time, the Foundation cannot grant scholarships or fellowships to foreign nationals and this amendment would remove this disability. The new section 13 (b) is designed to give the Foundation statutory authority to carry out scientific activities abroad in the interest not only of sicence but of our foreign relations. This authority would only be exercised where such undertakings are deemed to be in the interest of the United States, and with the approval of the Secretary of State. In the present era, no one country can have any monopoly of scientific talent and it is essential that we place ourselves in a position to cooperate more effectively with scientists abroad.

Section 9: The new section 14 (j) proposed to be added to the National Science Foundation Act of 1950 is designed to make it possible for the staff of the Foundation to keep up with the latest developments in their fields. At times, additional training or attendance at meetings may be required to assure that the Foundation's employees can maintain the highest competence and knowledge in their fields.

REPRESENTATION OF CERTAIN INDIGENT DEFENDANTS IN DISTRICT COURTS OF THE UNITED STATES

Mr. JAVITS. Mr. President, on behalf of myself, and the Senator from Tennessee [Mr. KEFAUVER], I introduce, for appropriate reference, a bill to provide for a nationwide system of public defenders for indigent defendants in criminal court cases, with provision for grants to bar associations, legal aid societies, and similar voluntary organizations providing free legal services to indigent defendants.

One of our basic constitutional guaranties is that in all criminal prosecutions in the Federal courts the accused shall have the assistance of counsel in his defense. Long study has convinced me of the need for Federal legislation in this area to supplement the work being done by private organizations and to provide this legal service in cases where there is no private organization undertaking the task.

As attorney general of New York State, I developed a program to provide public defenders, initially for youths under 21 but later to be expanded to everyone needing the service. Research both into the need for such a program within my own New York State and also throughout the Nation disclosed that there is substantial lack in many regions of adequate legal counsel for indigent defendants. In introducing this bill, we are seeking to fill the existing gap.

The true administration of justice requires that the rich and the powerful and the poor and the weak hold equal claims in the eyes of the law. When an indigent person, without counsel, is charged with crime and left to fend for himself against the organized authority of our whole society—the police departments, the district attorney's offices and the courts—the possibility of the miscarriage of justice is ever present.

The duty of a district attorney or United States attorney is to prosecute the guilty but also to save the innocent from conviction. In practice, zeal in the prosecutor's job—which is in the public interest—often makes the public prosecutor an advocate and justice requires an opposition as effective as the prosecution. A public defender is a public official, paid out of the public treasury, serving as counsel for a defendant financially unable to employ private counsel. He is, in effect, the counterpart of the prosecutor and like him serves the cause of justice in our society. Injustice breeds divisiveness and constitutes a continuing threat to a free society. When people lose their faith in the impartiality of the machinery of justice, they also lose faith in their government. We should ask ourselves whether we can afford the consequences of maintaining a system which purports to guarantee the equal protection of the laws to rich and poor alike, but in actual practice places a premium upon the financial ability of a person to defend himself in a criminal prosecution.

The scope of the problem can be seen in the fact that 6 out of every 10 persons cannot afford to engage counsel of their own choosing. In metropolitan areas the proportion is higher. As many as 8 out of 10 require public or voluntary legal aid. And in New York State alone, criminal courts each year dispose of cases involving almost 250,000 defendants accused of all manner of crime, not including traffic and local ordinance violations.

A recent survey showed that of indigent defendants accused of crime, 40 percent received no form of legal aid whatsoever. Of the remaining 60 percent who did get legal aid—by public defenders, voluntary defender organizations such as the legal-aid societies, or counsel assigned by the courts—no more than 25 percent had been given an effective defense.

The idea of a private defender has its origins in antiquity, but the idea of a public defender is relatively new. It was suggested by a woman lawyer from San Francisco at the Chicago World's Fair in 1893. It was not until 1913, however, that any community in this country established a public defender office, the honor going to Los Angeles.

The public defender concept is no longer a novelty. Nine States: California, Connecticut, Illinois, Indiana, Minnesota, Nebraska, Oklahoma, Rhode Island, and Virginia—as well as Puerto Rico and the Canal Zone have adopted the system. In addition, public defenders exist in some municipalities: in Columbus, Ohio; Memphis, Tenn.; and St. Louis, Mo. In many other cities private organizations, such as the National Legal Aid Association, the Philadelphia Voluntary Defender Association, bar associations, and others, furnish representation to indigent defendants in criminal cases. In some places, as in Rochester, N. Y., limited public funds are available.

The bill provides that each United States District Court may appoint a public defender to be paid out of Federal funds. Whenever the district court decides that a defendant is financially unable to employ counsel, the court assigns the public defender. The bill also retains the present power of the court to assign counsel other than the public defender; in that case the bill provides that such special counsel shall be paid by Federal funds on a case-by-case basis. The bill further provides that:

> Upon the recommendation of the Judicial Conference of the United States, the Director of the Administrative Office of the United States Courts may make grants to legal-aid societies, bar associations, or other similar groups providing free legal services to indigent defendants.

Maximum salary for the public defenders is set by the bill at $16,000, based upon the service to be performed, which shall be fixed by the Judicial Conference. In instances where grants are made to legal-aid societies or bar associations, the aggregate amount of any such grants made annually in any judicial district shall not exceed $30,000.

Legislation providing a public defender was recommended to this Congress by the United States Attorney General, who said in part:

> There is a community responsibility, consonant with the constitutional requirement, to provide full-time paid counsel, trained in the techniques of criminal law, to represent the poor who are charged with crime. It is the business of all of us who are charged with maintaining our form of government within the framework of the Constitution to provide an adequate means of assuring every person of the assistance of counsel for his defense without regard to whether he has the means to pay for such counsel.

The general program also has the support of the American Bar Association.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3275) to provide for the representation of indigent defendants in criminal cases in the district courts of the United States, introduced by Mr. JAVITS (for himself and Mr. KEFAUVER), was received, read twice by its title, and referred to the Committee on the Judiciary.

AMENDMENT OF THE LONGSHOREMEN'S AND HARBOR WORKERS' COMPENSATION ACT—INTRODUCTION OF A BILL

Mr. SMITH of New Jersey. Mr. President, I introduce, for appropriate reference, a bill to amend the Longshoremen's and Harbor Workers' Compensation Act, so as to provide a system of safety rules, regulations, and safety inspection and training which will provide the means for reducing the high accident rate of this employment.

It is not generally realized that the accident rate of the stevedoring industry is the highest of all our industries, and results in great suffering and hardship to the workers and their families, and necessitates an annual expenditure of nearly $9 million, exclusive of medical costs. This intolerable situation clearly calls for a preventive program to reduce this shameful waste of human life and assets.

The Department of Labor, in keeping with the Eisenhower administration's legislative program to protect the interests and welfare of the workingmen of this country, has developed such a plan. It is proposed that the Secretary of Labor be given authority to issue and enforce safety standards in the longshore and ship-repair industry. Furthermore, there would be placed on the contractors a definite obligation to cooperate with the Department of Labor in furnishing safe employment in this industry.

Mr. President, I ask unanimous consent that a letter on this subject, addressed to me by the Honorable James T. O'Connell, Under Secretary of Labor, and an explanatory statement from the Labor Department, which accompanied the bill, be printed in the RECORD, at the conclusion of these remarks.

There being no objection, the letter and statement were ordered to be printed in the RECORD, as follows:

> UNITED STATES DEPARTMENT OF LABOR,
> OFFICE OF THE UNDER SECRETARY,
> *Washington, D. C., February 5, 1958.*
>
> The Honorable H. ALEXANDER SMITH,
> *United States Senate,*
> *Washington, D. C.*
>
> DEAR SENATOR SMITH: I am transmitting copies of a draft bill to amend section 41 of the Longshoremen's and Harbor Workers' Compensation Act, so as to provide a system of safety rules, regulations, and safety inspection and training and for other pur-

poses. I am also enclosing copies of a summary statement explaining the need for the legislation and the purpose and effect of the bill.

This proposal is a part of the legislative program of the Department of Labor. The Bureau of the Budget advises that there is no objection to the presentation of this bill for the consideration of the Congress, and that its enactment would be in accord with the program of the President.

Your cooperation and assistance are appreciated.

Yours sincerely,

JAMES T. O'CONNELL,
Under Secretary of Labor.

STATEMENT IN EXPLANATION OF A BILL TO PROVIDE EFFECTIVE SAFETY STANDARDS IN EMPLOYMENT COVERED BY THE LONGSHOREMEN'S AND HARBOR WORKERS' COMPENSATION ACT

PURPOSE

This bill would amend the Longshoremen's and Harbor Workers' Compensation Act, which relates to private longshore and ship repair operations within the Federal jurisdiction, to establish means for reducing the high accident rate in this employment. It would impose an obligation on stevedoring and ship-repair contractors to furnish safe employment and would authorize the Secretary of Labor to issue and enforce safety standards pertaining to their operations aboard ships and in drydocks.

The Secretary of Labor in connection with his supervision of the compensation provisions of the Longshore Act is presently authorized to make studies and investigations of the cause of injuries in employment covered by the act, and he may make recommendations to Congress and to interested employers and employees of means for reducing accidents. No authority exists, however, to issue or to enforce safety standards pertaining expressly to such employment. The proposal would give the Secretary such authority, but it would not extend to matters within the scope of statutes administered by the Coast Guard or regulations issued pursuant to such statutes.

The extremely hazardous nature of longshore employment is reflected in the latest figures compiled by the Bureau of Labor Statistics. The data which is available, while incomplete in scope, show an injury frequency rate in the stevedoring industry of 88.5 disabling injuries per million manhours worked in 1956 (the last year for which safety information is available). In comparison, the average injury frequency rate in manufacturing was 12 in that year. The accident frequency rate in logging had for a number of years been the highest for any industry included in reports by the Bureau of Labor Statistics. In 1956, however, the stevedoring rate of 88.5 substantially exceeded the 65 figure for logging. In operations under the Longshore Act in fiscal year 1957 (not reflecting operations under State compensation laws) 79,826 injuries were reported, 122 of which were fatal. In that year compensation expenditures under the act, which did not include medical costs, were $8,780,437.

The varying conditions of safety which exist in stevedoring operations aboard ship in the numerous ports and with different employers can be effectively improved only through the medium of a Federal law.

Provisions of proposed legislation

An affirmative obligation would be placed on employers covered by the act to furnish safe employment. The Secretary of Labor would be authorized to establish regulations specifying measures essential to conditions of safety after interested persons had been given an opportunity to express their views on the proposed regulations.

The Secretary also would be authorized to:

1. Grant variations from prescribed safety standards, in his discretion, upon a showing of practical difficulties or unnecessary hardship if the safety of the employees concerned would be secured by such variation;

2. Provide for the establishment and supervision of safety training programs and consult with and advise employers regarding injury prevention;

3. Inspect places of employment and equipment and interview employees to ascertain whether the safety regulations adopted and published in accordance with the proposal are being applied;

4. Hold hearings and make decisions, based upon findings of fact, and for such purposes he and the district courts would have the authority and jurisdiction provided by section 5 of the Walsh-Healey Act (this section provides, in part, that the Secretary's findings shall be conclusive in any court of the United States if supported by a preponderance of the evidence);

5. Seek injunctions against continuing violations by employers; when violations of an employer are willful or when any person willfully hinders the administration of the act, the penalty of a fine through criminal action my be imposed.

The proposed safety authority would be inapplicable to private employees in the District of Columbia and to employees of Government contractors on defense bases and in foreign areas to which the provisions of the Longshoremen's and Harbor Workers' Compensation Act have been generally extended. The District of Columbia has its own safety law.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3277) to amend section 41 of the Longshoremen's and Harbor Workers' Compensation Act so as to provide a system of safety rules, regulations, and safety inspection and training and for other purposes, introduced by Mr. SMITH of New Jersey, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

AMENDMENT OF NATIONAL SECURITY ACT OF 1947

Mr. FLANDERS. Mr. President, I introduce, for appropriate reference, a bill to amend the National Security Act of 1947, as amended, by providing for the correlation of diplomatic action and defense preparation and action in the National Security Council.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3278) to amend the National Security Act of 1947, as amended, by providing for the correlation of diplomatic action and defense preparation and action in the National Security Council, introduced by Mr. FLANDERS, was received, read twice by its title, and referred to the Committee on Armed Services.

Mr. FLANDERS. Mr. President, there has been, over the years, an immense amount of discussion of the subject of the reorganization of the Department of Defense. That discussion has been heightened by the interest in the development of missiles and satellites and by the knowledge that interservice rivalries have played some part in slowing up developments in these advanced fields.

The administration has had reports on this problem from private sources. It has received the Gaither report which is classified so that its recommendations are not publicly known. It has received the Rockefeller Brothers Foundation report produced by private enterprise and publicly distributed. This report was likewise set forth by Mr. Nelson Rockefeller at one of the hearings of the Preparedness Subcommittee of the Armed Services Committee.

Many other suggestions were made to the Preparedness Subcommittee in those hearings. Mr. President, none of those suggestions appealed so strongly to me as did those of Admiral Nimitz.

Remembering that the President has taken on the responsibility for developing plans of reorganization and remembering that he has deputed this responsibility to Secretary McElroy, it might seem unwise and unnecessary for anyone to make suggestions during the interim. Nevertheless I feel that special attention should be drawn to certain of the proposals made by Admiral Nimitz.

There are two of his proposals that I feel may well be left for the consideration and recommendation of the Secretary of Defense. One of these is that the position of a separate nonvoting Chairman of the Joint Chiefs of Staff be abolished and that the chairmanship should rotate successively through the Chiefs of Staff of the three services. A second suggestion of his is that the structure of the Defense Department should be simplified by doing away with the multitude of new Assistant Secretaries, removing them from the chain of command and reassigning them to the Secretary of Defense as advisers.

Mr. President, these are internal measures completely within the jurisdiction of the Secretary of Defense, and I do not feel disposed to do anything more than to bring them to the attention of the Secretary through such means as this brief mention of them on the floor of the Senate.

There is, however, another of the admiral's suggestions which is not in the same category and which, I strongly believe, warrants discussion on the Senate floor. More than that, I believe it needs to be brought to the attention of the Congress and of the administration by such effective means as the introduction of a bill amending the National Security Act of 1947. Such amendments I am proposing.

The purpose of these amendments is to concentrate the President's authority for overall strategy in the National Security Council. The admiral makes a very proper distinction between strategic and tactical decisions. The latter he would leave with the services. The former he would put with the National Security Council under the chairmanship of the President. He said on page 3073 of the transcript of the proceedings:

> The decisions that are made in the field are tactical. The fundamental difference between strategy and tactics is that tactics is what you do after you are in contact with the enemy. Strategy is what you do before you come in contact with the enemy or even before you come into a war with him.

Now, the tactical matters are settled very promptly by a single source of decision. Strategical matters involve such things as the preparation of great forces, the planning of bases overseas, the aid to allies or even it goes to the point of strategic decision to a recommendation to the President might be 'We had better do something about Spain and get them in on our side as allies' and then it passes out of the hands of the military planner.

Strategical decisions are the principal ones that are made in Washington, and those are—they are of such a nature that time is not so important.

Admiral Nimitz' most definite assignment of strategy to the National Security Council was in answer to a question of mine. I now quote from page 3085 of the transcript.

Senator FLANDERS. Admiral, you have made a very clear distinction, it seemed clear to me, between tactical questions or problems and strategic problems, and you have, as I have understood you, made a clear case for leaving the tactical problems in the hands of the Joint Chiefs of Staff.

Do I understand that strategic problems would, in general, be within the area of the Secretary of Defense and the President?

Where doca the responsibility for the solution of strategic problems rest?

Admiral NIMITZ. Senator, I think you have put your finger on a very important point that was foreseen in the writing of the National Security Act of 1947.

Strategical problems affect not only the military services, but the people of the country as a whole. They affect the Treasury, they affect the industry generally, they affect labor.

It was for that purpose to consider those problems that the National Security Act wrote as one of its first instruments, the National Security Council which was to be presided over by the President as frequently as he could, and—or by the Vice President, and it was to be composed of the Secretary of Defense, the chiefs of the armed services, the Secretary of the Treasury, the Secretary of the Security Resources, National Security Resources Board.

Now that has disappeared from our act.

The National Security Resources Board was set up to associate all of the alphabetical agencies that existed during World War II engaged in the production of material, in the production of food, in the distribution of manpower, and all of that.

Those are—that man would be a very important person but it was never—that Security Council for the National Resources was never used.

But the strategic problems that you have in mind should be settled by discussion in the National Security Council with the Treasury represented, and any other Cabinet head whose business is affected so that strategic decisions affect every part of the country.

Mr. President, at the time I heard those words of the Admiral it seemed to me that we here had the basic clue to reorganizing the Department of Defense. That conviction has grown with the intervening weeks. It is for that reason that I am here offering amendments to assign to the Council definitely the function of determining strategy under the President's direction, leaving tactical matters in the hands of the Chiefs of Staff of the three services with their interrelations coordinated by the Joint Chiefs. These tactical programs would be worked out in strict agreement with the strategic decisions handed down from the President through the National Security Council to the Secretary of Defense.

Before referring to the amendments in detail let me say that when I came to investigate Public Law 253, which was the National Security Act of 1947, I was astonished to find how little change was needed to effect this reorganization. In fact, it was almost as if that had been the intent of the act, which intent had failed simply by not having it expressed clearly enough. Let me now proceed to go over the proposed amendments point by point so as to show how little needs to be done if we accept the plans offered by Admiral Nimitz in his testimony before the Preparedness Subcommittee.

First of all, there needs to be an addition to the duties assigned the National Security Council. The proposed amendment adds the Council should "determine defense strategy in its widest sense whether for cold war or active military operations, and whether in the military, political, or economic field of action, and to make recommendations to the President in connection therewith."

The next change suggested is in the membership of the National Security Council which sets up the Assistant Secretary of State for Policy Planning as an aid to the Secretary of State in his duties as a member of the Council. Since the major matters of strategy combine those of diplomacy and defense, the responsibility for diplomatic planning must be represented directly in the Council meetings.

Similarly, with the Secretary of Defense is included the Chairman of the Joint Chiefs of Staff as aide. This is to bring the military experience and point of view directly into the same consultations.

There is added to the duties of the Chairman of the Joint Chiefs of Staff, the requirement that he shall represent the Chiefs of Staff as aide to the Secretary of Defense in meetings of the National Security Council.

Mr. President, that seems to be the end of the changes required in the National Security Act. Each one of them is minor. But the accumulated effect of these minor changes makes a major change in the responsibilities for determining and carrying out national strategic policies. The National Security Council becomes the President's instrument for that purpose. The responsibility is located nowhere else. There is further added the responsibility in the Council for seeing to it that diplomacy and defense work to the same end.

Personally I feel exceedingly grateful to Admiral Nimitz for having brought this possibility to the attention of the Preparedness Subcommittee and thus to the Congress and to the administration. In presenting this amendment I am glad to play my individual part in assuring that it shall have considered attention.

FULL ACREAGE RESERVE PROGRAM FOR 1958 CROPS

Mr. AIKEN. Mr. President, on behalf of the senior Senator from Kentucky [Mr. COOPER], I introduce, for appropriate reference, a bill to authorize the full acreage reserve program for the 1958 crops provided for by section 105 (c) of the Soil Bank Act.

I ask unanimous consent that a statement, prepared by the Senator from Kentucky, relating to the bill, be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The bill (S. 3280) to authorize the full acreage reserve program for the 1958 crops provided for by section 105 (c) of the Soil Bank Act, introduced by Mr. AIKEN (for Mr. COOPER), was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

The statement presented by Mr. AIKEN is as follows:

STATEMENT OF SENATOR JOHN SHERMAN COOPER, IN CONNECTION WITH HIS BILL TO AUTHORIZE THE FULL ACREAGE RESERVE PROGRAM OF THE SOIL BANK FOR 1958

Mr. President, briefly, the purpose of my bill is to restore the full acreage-reserve program of the soil bank for 1958 crops. It would do so by removing the limitation imposed last year, thereby authorizing the full amount of $750 million provided in the basic act establishing the soil bank.

In the last session of Congress, a limitation of $500 million was placed on the funds that the Secretary of Agriculture may use in carrying out the acreage reserve program of the soil bank for 1958 crops. I recall that this came about after the House of Representatives had voted to eliminate the acreage reserve program altogether, and to allow it no funds for the 1958 crop year. I believe it was at the insistence of the Senate that the program was continued, and that $500 million—although less than the $750 million that Congress authorized in the Soil Bank Act of 1956 for each of the following 4 years—was made available for 1958. I recall that on the evening the Senate passed the Agricultural Appropriations Act for 1958, I spoke on the floor of the Senate in support of the soil bank and adequate funds for it.

I believe neither the Department of Agriculture nor the Congress anticipated the widespread interest among farmers wishing to take part in the acreage reserve program this year—or the extent to which thousands of farmers would sign up for the soil bank. The Department of Agriculture can well be gratified by this enthusiastic, if unexpected, response. And it is my impression that, given adequate funds, the acreage reserve program may well show this year what it can accomplish toward fulfilling the hopes originally held for it by the Secretary of Agriculture and by the Congress.

It is already clear that in my own State and in many other States, for corn as well as for several other basic crops to which this program applies, the demand for soil-bank funds will far exceed the amount now available.

In recent weeks I have been in close touch with farm leaders, with the officials in my State and in the Department of Agriculture charged with the operation of this program, and with a great many farmers themselves, concerning this matter. I believe the problem is a serious one requiring immediate action by the Congress if the best interests of farmers and of our agricultural economy are to be safeguarded—and if thousands of farmers who have already signed up for this program, but for whom funds are not now available, are to be treated fairly and equitably under this major effort of our total farm program.

UNIVERSITY OF MONTANA LIBRARY

I hope that the Congress will act quickly to provide the additional funds which it is now apparent are needed.

More than half of Kentucky is in the commercial corn area, and farmers in 52 central and western Kentucky counties are entitled under the act to participate in the corn soil bank. I know that thousands of farmers expected to sign up for the corn soil bank this year and especially wish to do so in view of last year's crop failures and excessive rains which drowned out many of their crops and which in many cases resulted in soft or wet corn for which price support is not available.

I understand that hundreds of farmers lined up at county offices beginning at midnight on January 13, but many others believed that adequate funds were available and that they would have 8 weeks in which to sign up their cornlands for the soil bank. However, the signup had to be closed rather abruptly after only 1 week because of lack of funds.

Even so, nearly $11 million would be required to fulfill the contracts already offered Kentucky farmers in these few days. But the State allocation for corn in Kentucky is now only a little more than $6 million. I know that a similar situation exists in a great many other States and in some to an even more serious degree.

Unless the Congress acts, thousands of farmers will be unable to take advantage of this helpful program. Furthermore, I am concerned that many of them will fail to understand why their neighbors' contracts have been accepted, whereas their own cannot be.

It is natural that a new program of this scope would take a year or two to become generally accepted and that it would need to pass its shakedown trials. It may be that this year will show the real value of the acreage reserve, particularly in view of the fact that the great majority of participating farmers are now soil banking their entire allotment. I believe this new approach will go far toward significantly reducing overproduction. In previous years the farmer often could put only part of his allotment into the soil bank and yields on the remaining portions may have turned out favorably. I suggest that the Congress may wish to look closely at the success of the acreage reserve this year before coming to any final decision as to how long it should be continued.

We know that a sound agricultural economy is essential to a growing and prosperous national economy. In connection with the President's economic statement yesterday, I suggest that the soil bank may also be a good place for additional efforts at this time, both in support of farmers' income and their long-range interests and in the interest of the Nation as a whole. An additional $250 million in soil-bank funds this year might well have an important effect in combating the cost-price squeeze with which farmers are faced and in supporting our whole economy, which is still so closely related to a healthy agricultural economy.

In any event, I believe it is important that all our farmers be treated equitably under this and every farm program, and that all have a fair chance to participate in it.

SUPPORT PRICES FOR DAIRY PRODUCTS

Mr. HUMPHREY. Mr. President, I introduce, for appropriate reference, two joint resolutions. One of them is on behalf of the Senator from Vermont [Mr. AIKEN] and myself, to prevent reduction in support prices of dairy products prior to consideration by Congress of such changes in price support laws as may be necessary at this time.

Mr. President, the Nation's dairy farmers are crying out to Congress to prevent Secretary Benson from further cutting dairy support prices April 1, under the misleading and unfounded pretext that it would lower milk prices to city consumers.

I want the record to show that the concern is nationwide, not just from great dairy States like Minnesota and Wisconsin. It is likewise bipartisan. Deep concern along the eastern seaboard has been reflected in statements of the senior Senator from Vermont [Mr. AIKEN] opposing the cuts. Similar evidence of concern now comes from the west coast.

California's Legislature opened its session on Monday, February 3. The first order of business was Senate Resolution No. 1—sponsored by 39 senators, calling upon Congress to block the dairy price cut. That resolution passed the California State Senate unanimously, and was concurred in by the assembly with only six dissenting votes. That is a tremendous mobilization of bipartisan sentiment from a great State. I hope Congress heeds its appeal.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the text of the California Senate Joint Resolution 1, as sent to me by John S. Watson of Petaluma, president of the Consolidated Milk Producers Association for San Francisco.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

SENATE JOINT RESOLUTION 1, RELATIVE TO MILK PRICE SUPPORTS

Whereas Secretary Benson of the United States Department of Agriculture has announced his intention on April 1, 1958, to lower the dairy price support to 75 percent of parity; and

Whereas such action will result in a reduction of income to our Nation's dairy farmers of $250 million at a time when many are already facing grave economic conditions; and

Whereas California dairy farmers receive 40 percent of their income from milk on the basis of factory milk prices and the proposed lowering of supports will reduce dairy farm income in California by more than $7 million in 1958 with the reduction affecting 40 percent of the milk supply produced in California; and

Whereas 70 percent of dairy producers in the State would be directly affected by such a change and the resultant consequences would also seriously affect the other 30 percent of the producers in this State; and

Whereas since 1954, dairy farmers at their own expense have greatly increased programs of research for new outlets and engaged in trade promotion of dairy products and the dairy industry and allied organizations have worked out a program of self-help for the dairy farmer; and

Whereas legislation is now being proposed for consideration by Congress which would to a large extent eliminate the dairy farmers' problems: Now, therefore, be it

Resolved by the Senate and Assembly of the State of California (jointly), That Secretary Benson of the United States Department of Agriculture be respectfully memorialized to withhold putting into effect any change in the existing dairy price supports until such time as the United States Congress has had an opportunity to study the problems of the dairy farmers and to consider and act upon proposed legislation to solve these problems; and be it further

Resolved, That the secretary of the senate be directed to transmit copies of this resolution to the President and Vice President of the United States, the Secretary of the United States Department of Agriculture, and to each Member of Congress representing the State of California.

Mr. HUMPHREY. Mr. President, as an indication of the feelings in the Midwest, I also ask unanimous consent to have printed in the RECORD a letter from Gov. Orville Freeman, of Minnesota, voicing a similar appeal.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STATE OF MINNESOTA,
St. Paul, Minn., January 31, 1958.

Hon. HUBERT H. HUMPHREY,
United States Senate,
Washington, D. C.

DEAR HUBERT: I have been deeply disturbed by two recent developments in the field of dairy farming and earnestly hope that the Congress will see fit to take remedial action concerning these developments. On December 18, 1957, Secretary of Agriculture Ezra Taft Benson announced that dairy price supports for the marketing year beginning April 1, 1958, would be at 75 percent of parity. This reduction of support prices to 75 percent of parity would mean a decrease in price for milk of 25 cents per hundredweight, or a decrease in dairy income for Minnesota farmers during the next marketing year of approximately $20 million. In addition to the fact of a direct market cut on next April 1, the Secretary's announcement at a date more than 4 months in advance of the proposed effective date for the support cut has had a depressing effect on current prices for milk and dairy products.

On January 16, 1958, the President of the United States in his message to the Congress on agricultural programs recommended that the dairy price support should be set by the Secretary of Agriculture through administrative order at a price level between 60 and 90 percent of parity. This recommended minimum of 60 percent of parity would result in a price cut of about 75 cents per hundredweight for Minnesota milk, or a total reduction in dairy income in the State of Minnesota during the next marketing year of $48 million.

In 1954 the Secretary of Agriculture made his first reduction in dairy support prices. This reduction was justified by Mr. Benson on the grounds that a lower price level would reduce total production of milk and increase income to the dairy farmer. The experience of the past 4 years demonstrates conclusively the bankruptcy of this policy. In the intervening period, production has increased every successive year and income to the dairy farmer has not improved. I believe we must have a new program for the dairy farmers of the Nation. I believe further that while Congress is working out this program, cuts in dairy price supports such as proposed by Secretary Benson and President Eisenhower should not be made. We must, at the very least, hold the line on dairy price supports until a new program to stabilize the dairy industry is worked out.

Therefore, I urge each of you to work for the enactment of legislation to hold dairy price supports at their current level until such time as a new program for dairy farmers has been adopted by the Congress and signed into law by the President of the United States.

Sincerely yours,

ORVILLE L. FREEMAN,
Governor.

The PRESIDENT pro tempore. The joint resolution will be received and appropriately referred.

The joint resolution (S. J. Res. 149) to stay any reduction in support prices for dairy products until Congress can make appropriate provision for such support prices, introduced by Mr. HUMPHREY (for himself and Mr. AIKEN), was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

STAY OF REDUCTION IN SUPPORT PRICES OR ACREAGE ALLOTMENTS

Mr. HUMPHREY. Mr. President, the second joint resolution, introduced on behalf of the Senator from Missouri [Mr. SYMINGTON] and myself, would prevent:

Reductions in support prices or acreage allotments prior to consideration by Congress of such changes in the price support and acreage allotment laws as may be necessary as this time:

1. The support price (in terms of dollars and cents) for any commodity shall not be less than that available for such commodity during the marketing year or season which began in 1957; and

2. The total acreage allotted for any commodity shall not be less than that allotted for the 1957 crop of such commodity.

This joint resolution shall be effective only until such time as Congress shall make other provision for price supports and acreage allotments and provide for the repeal of this resolution.

This is the kind of action needed to stem the tide of recession, along with other proposals mentioned today by the Senator from Tennessee [Mr. GORE] and the Senator from Oregon [Mr. MORSE]. The purpose of the joint resolution is to give the Committee on Agriculture and Forestry time that may be required for long-term legislative action in the field of agricultural policy.

The PRESIDENT pro tempore. The joint resolution will be received and appropriately referred.

The joint resolution (S. J. Res. 150) to stay any reduction in support prices or acreage allotments until Congress can make appropriate changes in the price support and acreage allotment laws, introduced by Mr. HUMPHREY (for himself and Mr. SYMINGTON), was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

AMENDMENT OF INTERNAL REVENUE CODE—AMENDMENTS

Mr. HAYDEN submitted amendments, intended to be proposed by him, to the bill (H. R. 8381) to amend the Internal Revenue Code of 1954 to correct unintended benefits and hardships and to make technical amendments, and for other purposes, which were referred to the Committee on Finance and ordered to be printed.

AMENDMENT OF INTERNAL REVENUE CODE RELATING TO CERTAIN UNINTENDED BENEFITS—AMENDMENT

Mr. WILLIAMS. Mr. President, on July 23, 1957, I called the attention of the Senate to a Treasury Department ruling wherein American corporations in computing their income-tax returns were being permitted to deduct as legitimate business expenses the payments of bribes or kickbacks to officials or employees of foreign governments when doing business in their countries.

The particular case which was called to my attention to illustrate this practice is as follows:

The Lock Joint Pipe Co., 150 Rutledge Avenue, East Orange, N. J., had bid on several contracts for construction work in the Dominican Republic. Their bids were recognized as satisfactory and the company was approved for the work; however, before being awarded the contracts they were requested to and acquiesced in the payment of bribes or kickbacks to officials of that Government amounting in the aggregate to approximately $1,800,000.

These bribes or kickbacks were added to the original bids submitted, and presumably upon being paid by the Dominican Republic for the work, the company converted this extra payment into cash and turned it over to an agent for distribution to the officials. All of these kickbacks or bribes were turned over to a Mr. Rogers in the form of cash with the exception of one check for $100,000 which was paid to him in New York City.

For example, in one instance the Lock Joint Pipe Co. submitted a proposed bid of $11,775,000 for a certain contract. A representative of the Dominican Republic, Mr. William Rogers—a British subject—who at that time was Chief of the Division of Aqueducts in the Dominican Republic, advised the company that their bid was acceptable provided that they included in the figure an additional $100,000, which was to be paid over to him. Accordingly, the figure of the contract was revised to $11,875,000.

Shortly thereafter Mr. Rogers stated that their bid as revised was acceptable but instructed the company to add another $600,000 to the bid, bringing the total to $12,475,000, with the understanding that the additional $600,000 was also to be rebated to Mr. Rogers, who said that the additional item was being collected for the benefit of the dictatorship, and that $500,000 of this amount was being paid over for the generalissimo. This left Mr. Rogers' take on this contract $200,000.

Altogether, during the life of this particular contract a total of $700,000 was distributed in kickbacks and bribes over the 4-year period 1949–52.

Again, in 1951, the company was advised that further installations were contemplated by the Dominican Republic, and this time the company offered to do the work for $5,920,000, but, again, upon the suggestion of the same Mr. Rogers, they revised their contract price to $6,030,000 with the understanding that the additional $110,000 was to be collected and paid over to Mr. Rogers. Presumably after Mr. Rogers took the matter up with the generalissimo he returned to the company and instructed them to add another $250,000, which he described as being for Trujillo.

This brought the revised contract price to $6,280,000, with the bid including $360,000 for kickbacks.

Later additional work on the project was proposed, and the contract was extended. The company's bid on this extension was $7,162,000, and this time they were instructed to include two additional amounts: (1) $500,000, and (2) $150,000; bringing the revised bid to $7,812,000, again with the understanding that the $650,000 would be used as kickbacks to officials of the dictatorship. Mr. Rogers told the company that this $650,000 was to be distributed, $500,000 for the chief—$100,000 for his own benefit, and $50,000 for special purposes.

The payment of $1,710,000 in kickbacks and bribes was apparently made in the Dominican Republic which added to another $100,000 paid to Mr. Rogers in New York City in 1952 brought the total paid by the company in bribes or kickbacks to officials of the Dominican Republic to $1,810,000.

It is interesting to note that the United States Government allowed all of these kickbacks and bribes as ordinary and necessary business expenses, and thereby deductible for Federal income tax purposes, with the exception of 1 payment of $100,000 to Mr. Rogers in the State of New York, and disallowance of this item was based on the fact that bribery, even in commercial transactions among private persons, is unlawful in the State of New York.

The United States Government reasoned that "the payment of $100,000 to Mr. Rogers in New York in 1952 violated that law and to allow a deduction for that payment would frustrate the policy of that State as evidenced by its laws."

It has always been my understanding that the payment of a bribe or kickback under any circumstances is wrong and that under no circumstances can its recognition as a legitimate expense of doing business be justified.

The actual distribution of the bribes and kickbacks as recognized by the Treasury Department as having been paid by this company to Mr. Rogers for his own personal use and for distribution to the dictatorship is as follows:

First contract:	
1949	$436,000
1950	136,000
1951	28,000
1952	100,000
Total	700,000
Second contract and extension:	
1951	$275,000
1952	544,000
1953	121,000
1954	148,000
1955	21,000
Total	1,109,000

Unquestionably the overwhelming majority of American corporations doing business abroad would refuse to cooperate in such holdup practices even if the demands were made of them.

Nevertheless, as in the instance outlined here, the situation does exist in which this practice has been followed, and we are advised that as the courts place interpretation upon the existing law such payments, either as kickbacks or bribes, can be deducted for income-

tax purposes as ordinary and necessary expenses of doing business.

Therefore, the burden now comes back to the Congress and the Treasury Department to support the necessary corrective legislation, thereby definitely both rejecting the principle and correcting the law.

All of the above referred to amounts were allowed by the Treasury Department as "ordinary and necessary" business expenses and thereby deductible for income tax purposes.

In the Treasury Department's letter, as incorporated in the RECORD on July 23, 1957, they stated:

> Where * * * it is the foreign government itself which demands or acquiesces in the payment, so that legal recourse is not available to the taxpayer in the operation of his legal business, the Service would find it difficult to sustain the position that the expenses were not ordinary and necessary to the taxpayer's business.

In subsequent conversations with the Department and with the staff of the Joint Committee on Internal Revenue Taxation it has been agreed that in order to stop this practice additional legislation is required.

I am therefore today proposing an amendment to H. R. 8381, the purpose of which amendment is to prohibit the allowance as legitimate business deductions the payment of any bribe or kickback to officials or employees of foreign governments. There is already a law which prohibits such allowances on bribes or kickbacks paid to anyone within our country.

I ask that the amendment be appropriately referred and printed in the RECORD.

There being no objection, the amendment was referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

On page 6 after line 9 insert the following new section:

"That section 162 of the Internal Revenue Code of 1954 (relating to trade or business expenses) is amended by redesignating subsection (c) as subsection (d), and by inserting after subsection (b) the following new subsection:

"'(c) Improper payments to officials or employees of foreign countries: No deduction shall be allowed under subsection (a) for any expense paid or incurred if the payment thereof is made, directly or indirectly, to an official or employee of a foreign country, and if the receipt of the payment would be unlawful under the laws of the United States if such laws were applicable to such payment and to such official or employee.'

"SEC. 2. The amendment made by this act shall be applicable only with respect to expenses paid or incurred after the date of the enactment of this act. The determination as to whether any expense paid or incurred prior to the date of the enactment of this act shall be deductible shall be made as if this act had not been enacted and without inference drawn from the fact that this section is not expressly made applicable with respect to expenses paid or incurred prior to the date of the enactment of this act."

Mr. WILLIAMS. Mr. President, to recognize these bribes or kickbacks as legitimate business deductions under the guise of ordinary and necessary business expenses is in effect to condone the practice.

As a member of the Senate Finance Committee I shall urge the prompt adoption and acceptance of this amendment by Congress. Certainly our Government cannot afford to be on record as recognizing under any circumstances the legitimacy or the propriety of an American corporation or individual bribing an official or employee of a foreign government when soliciting contracts with that country.

It is my understanding that the Dominican Republic officials referred to as having received the bribes or kickbacks have upon inquiry denied the payments; however, company officials insist that the payments were made and describe them as being for the officials as outlined.

This contradiction further emphasizes my contention that under no circumstances should the United States Government ever recognize or condone the payment of bribes or kickbacks since obviously even if the moral character of the transaction were ignored, no company or individual can certify or prove the payment of cash bribes. No one would be fool enough to give receipts for bribery which was paid in cash.

Certainly, to say the least, the allowance of such cash bribes as legitimate business expenses for income-tax purposes is a far cry from the recent Treasury announcement demanding from the average taxpayer a complete itemized breakdown of every expense item.

AMENDMENT OF INTERNAL REVENUE CODE OF 1954—ADDITIONAL COSPONSOR OF BILL

Mr. PASTORE. Mr. President, I ask unanimous consent that my name be added as cosponsor of the bill (S. 3194) to amend the Internal Revenue Code of 1954 so as to establish an initial program of tax adjustment for small and independent business and for persons engaged in small and independent business, which bill was introduced by the Senator from Alabama [Mr. SPARKMAN] in behalf of himself and other Senators on January 30, 1958.

First of all, let me congratulate the distinguished chairman of the Select Committee on Small Business for this excellent bill which in its 49 pages makes a frontal attack on some pressing problems of small business.

The bill, as its sponsors indicate, is not intended as a comprehensive and complete solution of all the difficulties of small business which should be the concern of the Congress.

I say it is our concern because with bipartisan accord we have promised in our party platforms to study and solve the handicaps of new and small business.

I say it is our concern because the Congress, through its studies, is impressed with the compelling reasons for adjustment of tax burdens on new and small business.

And now the committee under the able chairmanship of the Senator from Alabama [Mr. SPARKMAN], from its travels of thousands of miles and its consultation with hundreds and hundreds of small-business men in their home areas in every part of our land, has adduced the evidence and information which serves as the basis for this practical and profitable legislation.

The bill is practical because it helps to meet the need of small business to retain some part of its earnings to insure stability and growth. The bill is profitable to our country because this help to small business is truly an investment in our economy—strengthening our communities in peace—improving our ability to meet the demands of defense.

If I enumerate, in brief, some of the factors of this bill, it is not in explanation but in appreciation of the workmanship of the distinguished Senator from Alabama [Mr. SPARKMAN].

The bill permits an exemption from Federal income tax of a specific amount of net income before taxes, which exemption will be plowed back into the business for stability and expansion.

It extends retirement provisions to persons not now included.

It permits installment payments on Federal estate taxes so that the resources of a small business would not be drained in a single year.

It extends to used equipment the depreciation rates now applicable to new equipment; it being considered that small business with its limited capital cannot buy high-priced new equipment.

It permits corporations an election to be taxed as partnerships avoiding the inequity of double income taxation.

It increases the minimum accumulated earnings credit from $60,000 to $100,000 which is a recognition of inflation. And it avoids conflicting decisions in tax cases by making the findings of the Tax Court of the United States or the United States courts of appeals binding upon the Secretary of the Treasury unless the Treasury chose to appeal.

Perfection is not claimed for this bill nor is the small-business job completed, but surely a major and a master step has been taken and it is a privilege to be permitted to be a cosponsor of the most praiseworthy product of the work of the Senator from Alabama [Mr. SPARKMAN].

I thank my colleagues.

The PRESIDENT pro tempore. Without objection, it is so ordered.

PROPOSED TAX REDUCTION ACT OF 1958—ADDITIONAL COSPONSORS OF BILLS

Under authority of the order of the Senate of February 10, 1958, the names of Mr. PROXMIRE, Mr. HUMPHREY, and Mr. NEUBERGER were added as additional cosponsors of the bill (S. 3263) to amend the Internal Revenue Code of 1954 so as to reduce the rate applicable to the first $1,000 of taxable income for taxable year 1958 and to repeal or reduce certain excise taxes, introduced by Mr. DOUGLAS (for himself, Mr. MORSE, and Mr. CARROLL), on February 10, 1958.

Under authority of the order of the Senate of February 10, 1958, the names of Mr. PROXMIRE, Mr. HUMPHREY, and Mr. NEUBERGER were added as additional cosponsors of the bill (S. 3264) to amend

the Internal Revenue Code of 1954 so as to increase the amount of the personal exemption for taxable year 1958 and to repeal or reduce certain excise taxes, introduced on February 10, 1958, by Mr. DOUGLAS (for himself, Mr. MORSE, and Mr. CARROLL).

ACTIVITIES OF INTERNATIONAL CIVIL AVIATION ORGANIZATION IN FIELD OF AIRPORT ECONOMICS—ADDITIONAL COSPONSORS OF RESOLUTION

Under authority of the order of the Senate of February 6, 1958, the names of Mr. LONG, Mr. SMATHERS, Mr. BUTLER, Mr. DOUGLAS, and Mr. MAGNUSON were added as additional cosponsors of the resolution (S. Res. 258) relating to the participation of the United States in the activities of the International Civil Aviation Organization in the field of airport economics, submitted by Mr. HUMPHREY (for himself, Mr. KNOWLAND, and Mr. KENNEDY) on February 6, 1958.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. KNOWLAND:

Lincoln Day address delivered by him at Los Angeles, Calif., on February 12, 1958.

By Mr. BEALL:

Address delivered by him on January 23, 1958, upon receipt of the first Distinguished Service Award of the Washington Junior Chamber of Commerce.

By Mr. SMITH of New Jersey:

Address by Senator CASE of New Jersey, delivered at dedication of a new building at Union Junior College, Cranford, N. J., on February 9, 1958.

By Mr. HUMPHREY:

Address entitled "America's Abundance and World Needs," by Senator PROXMIRE before the Church World Service luncheon, Statler Hotel, December 5, 1957.

By Mr. CARLSON:

Transcript of proceedings of Dedicatory Prayer Breakfast at the Mayflower Hotel, Washington, D. C., on February 6, 1958.

NOTICE OF HEARINGS ON CONFESSIONS AND POLICE DETENTION BY CONSTITUTIONAL RIGHTS SUBCOMMITTEE

Mr. MANSFIELD. Mr. President, the senior Senator from Missouri [Mr. HENNINGS], chairman of the Senate Judiciary Subcommittee on Constitutional Rights, has to be out of the city this week on other official Senate business, but has requested that an announcement be made at this time on forthcoming public hearings by the subcommittee.

The Senate Constitutional Rights Subcommittee will conduct public hearings on the subject, Confessions and Police Detention, on Friday, March 7, 1958, and Tuesday, March 11, 1958, beginning at 10:30 a. m., in room 457, Senate Office Building, Washington, D. C. This subject has been studied for some time by the subcommittee, as noted in Senate Report No. 23 last year and Senate Report No. 1203 this year, and these are the first practicable dates for holding hearings.

NOTICE OF RESCHEDULING OF HEARINGS ON S. 1870, RELATING TO THE RENDITION OF MUSICAL COMPOSITIONS ON COIN-OPERATED MACHINES

Mr. O'MAHONEY. Mr. President, on behalf of the standing Subcommittee on Patents, Trademarks, and Copyrights of the Committee on the Judiciary, I desire to give notice that the hearings previously scheduled to commence on Wednesday, February 19, and to continue through Friday, February 21, 1958, on S. 1870, a bill to amend section 1 (e) of title 17 of the United States Code with regard to the rendition of musical compositions on coin-operated machines, have been rescheduled to commence at 10 a. m., in room 424, Senate Office Building, on Wednesday, April 9, and to continue through Friday, April 11, 1958.

The necessity for the rescheduling of these hearings is occasioned by a conflict in dates. The Subcommittee on Antitrust and Monopoly of the Committee on the Judiciary, of which I am a member, has already commenced hearings which are now scheduled to run into the time when the Subcommittee on Patents, Trademarks, and Copyrights was to have held hearings on S. 1870. It is believed, therefore, that the hearings already commenced should be concluded prior to entering upon hearings not actually begun.

At the hearings on S. 1870 all persons interested in the proposed legislation may make such representations as may be pertinent. The subcommittee consists of the Senator from South Carolina [Mr. JOHNSTON], the Senator from Wisconsin [Mr. WILEY], and myself, chairman.

THE FRENCH ATTACK UPON SAKIET-SIDI-YOUSSEF

Mr. MANSFIELD. Mr. President, the bombing attack on the Tunisian village of Sakiet-Sidi-Youssef was shocking. It was wholly unworthy of the great traditions of France. I cannot believe that it was an act of the French people, a people whose sense of humanity and decency is as high as that of any other people in the world. I cannot believe that it was a responsible act of the present French Republic. For all its difficulties, French officials in Paris cannot have lost their awareness of right and wrong. They cannot have so forgotten their righteous wrath at the reprisals taken against France during World War II as now to sanction the use of the same methods against others.

This attack on the helpless in a Tunisian village was not an act of France and the French people. It was an act of madness perpetrated by a handful of irresponsible men who have splattered the very flag they purport to represent, the very uniform they wear.

No matter what is done now, it will not restore the innocent dead in Tunisia. To be sure, we can and should deplore the incident. To be sure, this country can and should express deep regrets, the more so since some of the planes that carried out the attack were of American manufacture.

Even more, however, we can act. We can adjust our policies in a manner which will help to move the situation in north Africa from the brink of chaos to a position of peace. The question now is to find a means out of the impasse in which this grave incident has placed France and Tunisia, the North Atlantic Treaty Organization, and the whole Western World in its relations with Arab peoples, especially with those of north Africa who are closest to the West in outlook.

The key to the difficulty, and the basic cause of the present incident, is Algeria. Recent statements issued by the Algerian national liberation front show a growing hostility to the United States. The front now demands that our bases be reassessed—in other words, be removed from north Africa. This means, of course, the bases in Libya and Morocco. If this demand were to be fulfilled, it would mean that NATO would be in grave danger of encirclement; it would mean that Cairo would become the dominant Arab base in north Africa; and it would mean that the way for further intensive Soviet penetration would be paved.

In these circumstances, we cannot divorce ourselves from what is occurring in north Africa. So long as the dispute in that region involved only France and the Algerian nationalists, that might have been possible. It is no longer possible. The bombing incident in Tunisia has turned the dispute into a situation with worldwide implications which involve us and our policies in many ways.

Mr. President, it seems to me that the United States must aline its policies on north Africa, not with the policies of those who have committed this act in Tunisia, but with the finest sentiments of the French people and those of other free people throughout the world. In the case of the immediate incident, this means that if the matter is referred to the United Nations, and once the facts are established: First, this country should support, in the United Nations, and by diplomacy, the claims of the innocent against those who bombed, for damages to property and persons, as a result of the raid on Sakiet-Sidi-Youssef, as well as other appropriate remedies; second, this country should support the establishment along both the Tunisian-Algerian and the Moroccan-Algerian border of limited nations emergency patrols, similar to those which have functioned so effectively on the Israeli-Egyptian frontier.

These are, at best, suggestions designed to prevent a further deterioration of the situation in north Africa. The need is deeper. The need still is for peace in Algeria—a peace that satisfies the decent people of that region and of France, even if it does not please those who rain death with the terrorist grenade or the bombing plane. Such a settlement could be based on acceptance of the principle that all who live permanently in Algeria have equal rights and equal obligations. At this late date, it may well be that it will take more than the French and the Al-

UNIVERSITY OF MICHIGAN LIBRARIES

gerians to work out that kind of solution in Algeria. It may well take the good offices of those who, disinterested in the immediate situation, desire the friendship of both, and whose friendship is sought by both.

If this can be done, I express the hope that the Franco-Tunisian affair and the question of Algeria can be settled outside the United Nations, by the interested parties themselves. If this hope can become a fact, it will be in the best interests of those immediately concerned, as well as the best interests of those at a distance who are concerned. Time is of the essence.

Mr. HUMPHREY. Mr. President, tragedy befell Tunisia and the cause of freedom last Saturday. In a single act of idiocy, the Tunisian market town of Sakiet-Sidi-Youssef was the victim of a premeditated attack by French fliers using American-made planes, raining death and destruction on the town hall, the post office, a school, 84 shops, and 2 Red Cross trucks carrying Swiss license plates. A total of 68 persons dead, including women and children, and a hundred wounded were left when the B–26's and Corsairs retired across the border into that other scene of terror and death, Algeria.

We have been wringing our hands over French colonial policies for years. We wrung our hands over them during the bloody holocaust of Indochina, and there proved to be no solution for that problem until the French themselves gradually tired of the accumulation of bitterness and bloodshed, tears, and treasure, which that fruitless holding operation cost.

But the lessons of Indochina apparently have not been learned in north Africa. Many of us for months have hoped against hope that a decent basis of close and enduring relations could be forged by the French and her former north African possessions. The natural interests of Morocco and Tunisia still lie in a close association with France. The chances of salvaging anything constructive from the Algerian crisis also lie, or lay until last weekend, with enlightened compromise from Paris.

The quagmire of Algeria has seemed unending enough. Against increasing pressure of world opinion, including liberal opinion in France itself, the French Government has insisted on treating Algeria as a domestic matter. But the desperate and hotheaded action of the French Air Force last Saturday is almost a transparent indication that the French are determined to act against their own best interests.

The Tunisian market day bombing has done more than anything before to internationalize the Algerian problem, precisely the thing Paris has been trying to avoid.

Like a stone dropped into a huge pond, the ever-widening ripples from the Sakiet-Sidi-Youssef bombing are spreading out to ever greater catastrophe for the entire western position and to ever greater possibilities for Soviet diplomacy.

The President of Tunisia, Habib Bourguiba, has been desperately trying to maintain his friendship for the West in recent months. A week ago, before the bombing, he said that he needed something more than the pretty eyes of Mr. Dulles to maintain that relationship. Tuesday, Mr. Bourguiba's Destour Party newspaper said:

> Hard reality is teaching us each day that to hang on to the West only produces a harvest of rebuffs and humiliations and, between gestures of charity, bombs. For the B–26's and Corsairs which sowed death Saturday morning were American as much as they were French. One thing is clear. To be respected in 1958 means one must no longer be a friend of the West.

We cannot wring our hands on such matters forever, disagreeable as it always is to talk man to man with one of our closest allies about a problem as explosive and sensitive as this one. Nevertheless, it is time for such a man-to-man talk with our French friends. What we must tell them is also, I think, quite clear:

It is always a cruel process to relinquish an empire, but some ways of doing it are better than others. Indochina proved a tragic military holocaust. Algeria has already become another.

France is not the only western power which has an interest in the development of stable, peaceful governments in north Africa. The interests of NATO, and more than that, the interests of the Free World, demand positive, constructive steps to solve the north African colonial controversy. We in the United States, and the other good friends of France in the West, do not intend to allow ourselves to be drawn along with French policy into a descending spiral of hatred and hopelessness in north Africa. That is what needs to be said to our French allies.

A famous Frenchman, Clemenceau, once said that war was too serious an affair to be entrusted to generals. French generals have just proved this once more.

The strategic, political, and moral position of the West is far too important to be tied to the kite of French military decisions for which even the French Foreign Office disclaims responsibility. We are not prepared to sacrifice the friendship of a Bourguiba at the whim of a handful of French pilots with lethal weapons in their hands.

The world is not interested in explanations from Paris at the moment. It is interested in amends.

The United States, in its own best interests and in the interests of the Free World, will no longer pull French chestnuts out of the fire at the United Nations on the Algerian question.

Mr. President, just as we are interested in amends for the Tunisian attack, so we are interested in a fair and constructive settlement of the Algerian issue. We should support inclusion of this item on the United Nations agenda, and redouble our efforts to conciliate and mediate.

I would go further. Under our NATO arrangements with France, France has no right to use equipment furnished for NATO defense in the manner in which the planes were used last Saturday. I have checked at the State Department, only to learn that the B–26's used in the attack were apparently purchased by France, without any strings attached. The F4U7 Corsairs, however, were apparently donated to France under our mutual defense assistance program, which provides that the equipment shall be used for NATO purposes.

I am one of those who feel we should have raised with the French long ago this question of the use of NATO equipment in Algeria. The French have always claimed that Algeria was within the NATO sphere, however, and for that reason the State Department has never protested. But Tunisia is not in the NATO area, and I think the question should now be raised.

Under section 511 (c) of the Mutual Security Act of 1954, the United States has reserved the right to request the return of NATO equipment donated by us when it is no longer needed for the purpose intended. The use of the Corsairs in the Tunisian attack is prima facie evidence, as far as I am concerned, that this equipment is not considered by the French to be needed for NATO purposes. I respectfully suggest that the President, through the Secretary of State, inform the French Government that the NATO equipment used in last Saturday's attack be returned to the United States for disposition elsewhere in conformance with NATO objectives.

I also hope, Mr. President, we have conveyed our heartfelt sympathy to the people of Tunisia, and, may I say, renewed our bonds of friendship to the President of Tunisia.

Mr. JAVITS. Mr. President, I have listened with the greatest interest, because of my own concern with our Nation's foreign policy, to the remarks this morning of the Senator from Montana [Mr. MANSFIELD] and the Senator from Minnesota [Mr. HUMPHREY], on the subject of the French bombing of a village in Tunisia.

I believe we must be very precise on this subject, as my colleagues have tried to be. We must be precise in this way, namely, that we need a specific policy for our country.

There appeared in the New York Herald Tribune, on February 11, an editorial entitled "A Sad Error," which I ask unanimous consent to have made a part of my remarks in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A SAD ERROR

The whole Free World will agree with French Foreign Minister Pineau that the bombing of a Tunisian village was a "sad error." It is an error that cost the lives of 74 civilians and injured 102 others. Moreover, the Foreign Minister himself now concedes that General Salan's communique—claiming that only military objectives were hit—"does not correspond to the facts."

"There is no doubt, I'm afraid," Mr. Pineau told Joseph Alsop, "that almost the whole village was destroyed."

President Eisenhower and Secretary Dulles have expressed the deep concern that all Americans feel over this tragedy, particularly since United States-built planes were used in the raids. Senator KNOWLAND, noting that Tunisia is a member of the U. N., spoke the feeling of many in saying: "The U. N. cannot have one rule for small aggressors and another for the large ones."

The one cheering note in what is otherwise a ghastly mess is that the French Government itself was apparently not aware of the planned operation. It may seem unlikely that this could happen, but actually it did occur in a situation as confused as the Tunisian war.

Because French forces are frequently attacked by rebels who flee into Tunisia as a "protected sanctuary," the French some time ago authorized "hot pursuit" in Tunisian border areas. A French patrol was shot up 3 weeks ago near Sakiet-Sidi-Youssef with 15 dead and 4 kidnaped. An electrified barbed wire fence was set up at the border; in the past 10 days 3 planes patrolling it have been struck, over Algeria, by heavy machinegun fire from inside Tunisia. What may have happened is that a mission was authorized to wipe out the machinegun nest, but that the men who carried it out exceeded their orders. It must be borne in mind that some of them have been fighting for 10 years, have bitter memories of the Chinese "sanctuary" which protected Ho Chi Minh's forces in Indochina, and also have an understandable hatred toward those who have killed so many of their comrades. This, of course, does not justify what was done; it does help explain it.

The wisest thing for the French Government to do now is to admit its error, to make public apologies for it, and to take swift action to pay damages to Tunisia and to provide other relief for the survivors. By the same token President Bourguiba should police his own borders more effectively, halt the shooting at French planes, and stop giving sanctuary to rebels.

The President has already dispatched our Ambassador to Tunisia, G. Lewis Jones, to inspect the bombed village. He and Secretary Dulles have discussed, among other things, a U. N. observation team to police this troubled border. Something of this sort certainly ought to be attempted, and soon.

The most tragic aspect of this business is the free ride it gives to Nasser and all other hate-the-west propagandists being manipulated by Soviet experts.

Because of this it would be well for the United States to do everything in its power to help the stricken people of Sakiet-Sidi-Youssef. We urge the President to send planes with food, clothing and medical supplies, and treat it as a disaster area. For what happened there was certainly a disaster—for the people of the village, and for the whole Free World.

Mr. JAVITS. As the editorial states, we should at least show our sympathy by direct aid to the people who have been bereaved.

The other way to do it is this—and again I say we must be precise in this regard: Whatever the American policy has been in the past, it must now be changed to provide that we use every organization of Government to bring about mediation of this dispute in the United Nations.

I still think the United Nations, which was effective in Indonesia, which was effective in Palestine, and which was effective in other areas of the world, can be effective in this Tunisian situation here.

At one time we voted against the consideration of this issue by the General Assembly. We have to be foursquare about it. We have to make as a major item of Government policy the fact that every organ of the United Nations should be used to bring about the end of this dispute.

This is a clear and precise precedent, and demands an orderly policy on the part of the United States. Nothing else will do. There seems to be, in my opinion, no quicker or better method of approach.

FORTIETH ANNIVERSARY OF INDEPENDENCE PROCLAMATION OF LITHUANIA

Mr. IVES. Mr. President, nearly 18 years have passed since the barbaric hordes of Soviet Russia swept through Lithuania, a small but significant land of freedom, and reduced it to a slave state incorporated into the Communist empire. At this time, however, let us note a happier occasion in the history of Lithuania, for it was 40 years ago that her freedom-loving peoples proclaimed their independence.

There is a tie between these two events, a most important tie. For the spirit which prompted the event of 40 years ago, the proclamation of independence, daily threatens the more recent development, that of enslavement by Russia. Sooner or later, that spirit will again prevail, and Lithuanians will once again know liberty's blessings.

The United States has never recognized the illegal seizure of the Baltic States by the Soviet Union. Thus, as we pause to commemorate the 40th anniversary of Lithuania's independence declaration, let us remind the world that this great Nation continues to regard the Baltic States as sovereign nations, looking to the day when they will again be as independent in fact as they are today in the hearts of their peoples.

Mr. PASTORE. Mr. President, on the 16th of February millions of American hearts will turn with a longing toward Lithuania. That date will be an anniversary of independence of a country no longer free, but of a people who, having known suffering and subjugation through dark pages of history, have faith and hope that the justice of a brighter hour will return again.

The same history proves the Lithuanians a race of character, culture, and courage. They cling to the glories of their language and they maintain the traditions that have been theirs since before the Christian era.

Americans of every race share both the sorrow and the aspirations of the people of Lithuania. For America is grateful for the contributions that men and women of Lithuanian blood have made to our common strength.

In the first and succeeding generations, in our schools and sports, our professions and our Armed Forces, every State has a proud record of the boys and girls who have achieved fame for themselves and for America.

We salute Lithuania, which became an independent land four centuries before America was discovered. We sympathize with Lithuania, which lost its independence in 1795, even as these United States started on their journey. We look back to February 16, 1918, when Lithuania stood forth an independent nation once again. And again we sorrow in the distress of these past 18 years, when the heel of the conqueror and the broken promises of great nations bring oppression to a great people.

They have a faith that the Soviet can never destroy. They have a courage that the Soviet can never vanquish. Lithuania has a character that will survive when all the fraud and force and fear of Godless tyrants will have vanished from the face of the earth. Loyal Lithuania, we salute you on your independence day, and we pray for the day when you shall truly be free.

Mr. FREAR. Mr. President, the year 1918 gave birth to a large number of new national states. Many of these were subdued long ago and were submerged within large and inclusive empires, and for centuries they had ceased to be independent and sovereign nations. In Europe alone there were half of a dozen such national groups: the Czechs, Poles, and Ukrainians, Estonians, Latvians, and Lithuanians were among these. And, as the First World War was drawing to its close, many of these national groups proclaimed their independence, attained their freedom, and became sovereign states. Among them was the Republic of Lithuania.

Prior to that date, for more than a hundred years, Lithuanians were brought under the rule of Russia, and as subjects of autocratic czars they suffered all sorts of hardships, yet under most oppressive conditions they managed to preserve many of their national traditions and clung steadfastly to the idea of national freedom and independence. In 1918, when that autocratic regime was shattered, they proclaimed their independence on February 16.

Today, we paid tribute to Lithuania and the 40th anniversary of that great historic event. Even though, and most unfortunately, that independence is no more and liberty-loving Lithuanians have been suffering, for more than 17 years, under totalitarian tyranny, yet that day remains as a living symbol for all Lithuanians, particularly for those living under Communist bondage in their native land. Under tyranny and indescribable hardships they cannot observe this memorable day, but they all pray for the regaining of their freedom. In observing this day, the Lithuanian Independence Day, we echo their genuine sentiments and ardently hope that some day and soon they will celebrate their independence day in their beloved homeland.

Mr. JAVITS. Mr. President, I should like to add my comments to those of other Senators in paying tribute to the 40th anniversary of Lithuanian independence, an independence relatively short lived in fact, but long lived and living forever in the hearts of those who cherish liberty above enslavement, and freedom above the tyranny imposed by imperialistic masters. Those who, like my colleague, the senior Senator from New York [Mr. IVES], and my other colleagues, who commemorate this event in the United States are performing a dual service—they keep fresh in the memory of Americans a small country whose liberty was forfeited through agreement between Nazi and Communist totalitarian powers, and they remind the world

UNIVERSITY OF MICHIGAN LIBRARIES

that Lithuanian independence is a real expectation for the future more than a mere memory of the past.

Mr. SMITH of New Jersey. Mr. President, Sunday, February 16, is the 40th anniversary of the proclamation of independence by the people of Lithuania. We in America are proud to join with free Lithuanians everywhere in the celebration of this glorious day. Although their nation was treacherously seized by Russia, the courageous Lithuanian people have not conceded that the Soviet tyranny is anything more than a temporary phenomenon.

To these brave people, who made such magnificent strides as a free nation, we extend our deepest sympathy and friendship; and we hope with all of them that the day when once again they will be welcomed into the family of free nations will soon dawn.

Mr. BUSH. Mr. President, February 16, 1958, marks the 40th anniversary of Lithuanian independence. It is a sad day of commemoration, for the light of liberty, rekindled just 40 years ago, and shining so brightly, was extinguished once more on June 15, 1940. It was then that brave Lithuania was occupied by Soviet Russian forces. This was in direct violation of the treaty of 1926. This was in direct violation of all treaties—the peace pact, the nonaggression pact, and the mutual assistance pact with Russia with a guarantee of Lithuanian independence and of Russian noninterference in the domestic, social, and economic order of that country—a treaty which is still in force between Lithuania and Soviet Russia.

Since that dark day of June in 1940, literally hundreds of thousands of innocent men, women, and children have been either brutally deported to Soviet labor camps or have been annihilated. The population of Lithuania, through these inhuman methods, has been reduced from around 3,000,000 to half of that number.

Lithuanian statehood dates back to the year 1200 A. D. It has a magnificent historical record of tolerance, of individual and cultural liberty. Throughout the centuries the heroic sacrifices of the Lithuanian people have been made for basic human rights, for human dignity, for freedom of the press and religion.

First under Nazi domination and then under Soviet oppression, the light of liberty has been dimmed. It still flickers, however, and will some day flare into brilliance as it has in the past. Lithuanian history is rife with a constant war for freedom. During the Middle Ages Lithuania was a powerful state. She successfully defended herself against the Germans, the Mongols, and the Tartars. Finally in 1795, Lithuania lost her freedom to czarist Russia. From that date until 1918 Lithuania was at constant war with Russia and Germany to regain her lost liberty and freedom.

On February 16, 1918, the United States, Russia, Germany, and other nations recognized the independence of Lithuania, with Russia giving up all claims to that nation.

It was during these few short years of freedom that Lithuania contributed so much of culture and industry to the world. Today her industries have been depleted and ravaged. Her culture lies prostrate under the heel of a cruel dictatorship which hopes to stamp out her national life forever. Her young people are forced into Communist schools. Her young men are impressed into the Russian armed forces. Her religious life is all but extinct.

But despite this sad and shocking picture, all hope is not lost for these brave people. History has shown that any regime built on a foundation of the murder, pillage, and misery of innocent people cannot and will not endure.

As we join today with all Lithuanian-Americans in commemorating this 40th anniversary of Lithuanian independence, we give thanks for the enrichment of our own beloved country by the fierce love for liberty each has inherited and by the skills which they have so generously contributed to our own welfare.

May all of us join our prayers to their own that the day of deliverance for Lithuania will soon be realized and that the light of freedom will glow once more over that land.

Mr. LAUSCHE. Mr. President, Sunday, February 16, will mark the 40th anniversary of the formation of a free and independent government in Lithuania. This liberty-loving nation is now under Soviet domination and its people are unable to observe this anniversary, and it is fitting that the Congress of the United States should remind the Free World nations of the bravery and courage of the Lithuanian people.

The free government of the Republic of Lithuania was established February 16, 1918, as a direct result of President Woodrow Wilson's famous Declaration of 14 Points, which expressed the principle of national self-determination.

The establishment of the republic marked the end of 123 years of Lithuanian servitude to Imperial Russian rule. However, the republic enjoyed only 22 years of free national creative expression, and then was cruelly invaded by the Soviet Army, bringing a new Russian imperialism and Communist tyranny to this struggling nation.

As freedom-loving people, we Americans have an obligation to insist that Soviet Russia restore the independence and national sovereignty of the Republic, and I urge that the Department of State remain steadfast in refusing recognition to the Soviet annexation of Lithuania.

Also, here in America we are proud of the high cultural attainments and contributions to the Nation's welfare by Lithuanian Americans and their preservation of the cultural heritage of Lithuania, whose language and literature are among the oldest in the Western World. We extend to them and to Lithuanians everywhere our sincere best wishes and hopes that once again the Republic of Lithuania will take its rightful place in the ranks of the free nations of the world.

Mr. PAYNE. Mr. President, I ask unanimous consent that a statement I have prepared commemorating the 40th anniversary of Lithuanian independence be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR PAYNE

Sunday, February 16, will mark the 40th anniversary of the declaration of independence of Lithuania. This anniversary serves to focus our attention once again on the fact that since 1940 Lithuania has been unable to enjoy the rights and privileges of a free nation.

Lithuania's tragedy is representative of the great plight of our time—the sinister domination of small and independent nations by an imperialistic Soviet conspiracy, a conspiracy which is subtle because it is masked by the perverted ideals of international communism, but a conspiracy which is also all too overt, as was demonstrated over a year ago in Hungary.

May we never forget that the Lithuanian people were once free. To forget would be inviting disaster. To forget would be preparing the way for a similar tragedy of our own. Instead, let us in America always remember that the spirit of liberty continues to live in the hearts of these valiant people.

It is only fitting that we join with the million Americans of Lithuanian descent in commemorating this anniversary of their independence. It is with heavy heart that we take cognizance of the present plight of their homeland, but it is with hope and determination that we dedicate ourselves to a future which will witness the rebirth of independence in Lithuania and the other enslaved nations of the world.

Mr. GREEN. Mr. President, it is with a heavy but also a hopeful heart that I rise today to call the attention of the Senate to the fact that Sunday, February 16, will mark the 40th anniversary of Lithuanian independence.

My heart is heavy, because the independence of that gallant nation was so short lived. But at the same time, my heart is hopeful, because history teaches us that slavery will not endure forever.

History also teaches us, Mr. President, that freedom is indivisible. So long as any part of the human race is denied its freedom, the rest of the human race will not be entirely secure in its freedom.

The spirit is stronger than the sword. Although the Lithuanian nation is today in the grip of a foreign tyrant, the Lithuanian spirit is as undaunted and untrammeled as ever.

So long as this spirit survives, so long as faith lasts, there will be grounds for hope, regardless of how distant the day of liberation may be.

Mr. KENNEDY. Mr. President, it is felicitous that Bishop Brizgys, of the Lithuanian Church, should have been with us this morning to open the Senate session with prayer.

This week marks the 40th anniversary of Lithuanian independence. Though the Lithuanian people have not known freedom for 18 years, their claim to independence has never been broken by the long interval of Russian oppression. The United States has never accorded diplomatic acknowledgment to the Russian annexation of this Baltic State. Through the Voice of America and our refugee programs, we have continued to recognize the distinctive national heritage and existence of Lithuania. Long as have been the years of Lithuanian submergence, we cannot slacken in our determination that the national and cultural ideals of Lithuania be reinforced

by a political restoration. On February 16, 1918, more than one century of Russian domination came to an end. Forty years later we must once again remember that the vital spark of freedom has not been extinguished among Lithuanians. Their cause remains our cause and their hopes more than ever remain our responsibility.

Mr. President, I ask unanimous consent that there be inserted at this point the text of a letter recently delivered to President Eisenhower on behalf of the national Lithuanian-American student and youth organizations.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEBRUARY 16, 1958.

The PRESIDENT OF THE
UNITED STATES OF AMERICA,
Washington, D. C.

SIR: On the occasion of the 40th anniversary of the restoration of the Lithuanian independence we wish respectfully to point out the lesson of the experience of the Baltic States in general and of Lithuania in particular in their relations with the Soviet Union during the interwar period. This experience conclusively shows the vain hopes of the possibility of peaceful coexistence with the Soviet Union. It gives incontrovertible evidence of the continuous disregard by the Soviet Union of its solemn international commitments and agreements. Despite the treaties of peace and friendship and of nonaggression concluded with the Baltic States and solemn assurances of noninterference in their domestic affairs, the Soviet Union, in flagrant violation of these treaties, obligations, and pledges invaded the Baltic countries and forcibly incorporated them into the U. S. S. R.

Neither the United States nor any other free country has ever recognized this act of violence. On the contrary they denounced it for what it actually was—and act of brutal aggression in complete disregard of international law and Soviet commitments. The policy of nonrecognition by the leaders of the Free World of these illegal acts of the Soviet Union continues to give a ray of hope to all of the Soviet enslaved nations and maintains their spirit of resistance to the Soviet oppression.

On our part we clearly see the close relationship which exists between the United States policy not to recognize the effects of these acts of aggression committed by the Soviet Union in the Baltic States and the possibility of the restoration of their independence. We hold that any recognition of the present status quo in the Baltic countries by the United States could imply the recognition of the results of a flagrant violation of international law and justice. This should not be done inasmuch as the length of oppression does not change the illegal nature of the Soviet crime, nor make it acceptable to the enslaved peoples, nor finally provide any legal or moral grounds to justify an act of violence.

There is no doubt in our minds that the United States, as the leading power in the Free World is not going to change its longstanding position in regard to the perfidious actions of the Soviet Union in the Baltic area. To the contrary we firmly believe that the United States as the moral leader of the Free World will support by all possible means the struggle of many millions of the enslaved peoples for freedom and for the righting of the international wrongs done by the Soviet Union.

It is also our firm conviction that the present position of leadership of the United States would be best strengthened through an unequivocal, clear, and positive restatement of the principles of freedom and of the longstanding policy of nonrecognition of the Soviet domination in Eastern Europe in general and the occupation of the Baltic States in particular. The U. S. S. R. furthermore should be induced to withdraw its occupying forces and agents from the Baltic States and permit free elections under international control.

One of the effective ways to counteract the newest Soviet cold war offensive would be the intensification of a consistent, positive, and courageous policy of support of the struggle for freedom of the captive countries by the United States. Such policy should expose the real motives of the present Soviet peace offensive, reveal the true objectives of communism in the uncommitted countries, and remind the members of NATO the fate of the countries whose relations with the Soviet Union were not based on the position of strength and unity, backed by a well-organized collective defense. But most of all such United States policy would keep alive the hope and aspirations of the captive nations to regain their independence thereby weakening the political and economic power of the Soviet empire.

The 40th anniversary of the restoration of the Lithuanian independence and stanch fights of the Lithuanian people for their survival are important reminders to everyone that despite the foreign oppression liberty and justice under law are the most cherished principles and moral values. It is an excellent opportunity to all peoples to review their belief and struggle for the immediate implementation of human rights and freedom and due respect for treaties concluded under the international law. We hope that these principles would continue to be uncompromisingly adhered to by the governments of the Free World and established everywhere through the efforts of the free nations under the leadership of the United States.

We wholeheartedly support, Mr. President, your attitude toward the present situation in Eastern Europe, as expressed in your letter of January 12, 1958, to the Soviet Government. We respectfully ask you, Mr. President, to stand firmly on your proposals as stated in this letter, and to refuse to participate in a conference with the Soviet leaders, unless they agree to place on the conference agenda and to discuss the question of the independence of the Soviet captured countries of Eastern Europe, and particularly of the Baltic States.

Most respectfully yours,

THE REPRESENTATIVES OF THE NATIONAL LITHUANIAN-AMERICAN STUDENT AND YOUTH ORGANIZATIONS.

Mr. McNAMARA. Mr. President, after more than a century of Russian occupation and three unsuccessful attempts at insurrection against the alien occupiers, the Republic of Lithuania proclaimed its independence at Vilna on February 16, 1918—40 short years ago.

The life of Lithuania as a free republic was uncommonly short. In the wake of the infamous Nazi-Soviet pact, Lithuania was engulfed by the Red tide of Communist power.

The United States has steadfastly refused to recognize the cowardly usurpation of the sovereignty of the Lithuanian Republic by the Soviet Union; thus, officially, Lithuania lives on in spite of its fate at the hands of a brutal oppressor.

In a historical sense, it would be difficult to match Lithuania's tribulations with those of any other country on earth. Yet, despite all the suffering and misery, the Lithuanian spirit remained unbroken. Even today, under the tyranny of the most cruel of all oppressors, the Lithuanian nation manages to keep the precious light of liberty aflame in the bosoms of her sons and daughters.

It is only fitting that the people of United States join free Lithuanians everywhere in commemorating the 40th anniversary of the proclamation of the Lithuanian Republic. I believe I express the conviction of us all that the tribulations of the Lithuanian people will soon come to an end and that an independent and sovereign Republic of Lithuania will again be able to take its rightful position among the free nations of this world.

Mr. CASE of New Jersey. Mr. President, I am happy to join with the million Americans of Lithuanian descent and, indeed, with freedom-loving peoples throughout the world, in paying tribute to the 40th anniversary of Lithuanian independence. We who enjoy the priceless gift of freedom must speak on this occasion for a nation which has been silenced by tyranny.

A tragic twist of history has made Lithuanian independence short-lived. In the 13th century a dozen or so principalities were united into a small nation which, in the following centuries, endured the almost constant encroachments of other, far larger countries. Throughout this dark period the hope of eventual independence burned brightly, and finally, on February 16, 1918, Lithuania's dream of a free independent state came true.

For a period of some 22 years Lithuania proudly occupied a place of honor among the free nations of the world. For the first time, her political, social, economic and cultural institutions were permitted to flower without interference or subjection. Lithuania's land reform law of 1922 was the first in all Europe. Universal compulsory education reduced illiteracy, the ally of all oppressors, from 64 to 15 percent.

Her standards of commerce, agriculture and industry rose. The arts flourished in an atmosphere of peace and liberty.

And then, in 1940, Soviet Russia annexed Lithuania and her neighboring Baltic States. Rigid censorship has blacked out the struggles of Lithuania against oppression. But we know that since the incorporation of this tiny nation within the U. S. S. R., more than half a million Lithuanians have become the victims of Soviet mass murder, and thousands more go each month into exile or slave labor camps. These grim statistics point to the determination of Lithuanians to resist oppression and to their indomitable courage in the face of terrible odds. The 3 million silent Lithuanians still in their homeland may not hear us directly today. But perhaps some, through the broadcasts of a free world, will know that we fervently hope that one day Lithuanians everywhere may live again under a system of humanity and justice.

Mr. HUMPHREY. Mr. President, February 16 will mark the 40th anniversary of the proclamation of independence by the people of Lithuania. Since that memorable event we have seen this brave

UNIVERSITY OF MICHIGAN LIBRARIES

country enslaved and the dream of its people of a free and independent republic crushed by the Soviets. In these dark and cynical times many fail to appreciate the effect that the continuing struggle of the Lithuanian people has on the world and, indeed, it may appear that they are struggling against insuperable odds. However, dictators may come and go but where the love of freedom exists in the hearts of men it is the dictator that must eventually fall. It is essential to the preservation of our free society that we do not overlook the suffering and privations of the Lithuanian people.

The illegal seizure of the Baltic States by the Soviets can never be condoned and that black page in history can never be made clean unless and until those states are made free again. We fervently pray that that day will come soon.

PROPOSED EXTENSION OF THE CENTRAL PORTION OF THE CAPITOL

Mr. SMITH of New Jersey. Mr. President, I have been very much encouraged by the shafts of light which recently have been focused on the little-known plans which would substantially alter the most outstanding architectural structure in this country—the original Capitol Building. I am constantly amazed at the number of people who are completely ignorant of the proposed project. I may add that they include a goodly number of the Members of Congress. For this reason, I am particularly pleased when the citizenry are alerted to the fact that the historic east front of the Capitol is in jeopardy; and I am very glad that on February 17, the distinguished Senator from Michigan [Mr. McNAMARA] is to hold hearings which will enable some of our outstanding architects and citizens to outline for us the nature of the jeopardy.

Because of my concern over this matter, I introduced on August 29, 1957, a bill (S. 2883) to amend the Legislative Appropriations Act of 1956, to eliminate the requirement that the extension, reconstruction, and replacement of the central portion of the Capitol be in substantial accord with scheme B of the architectural plan of March 3, 1905. Cosponsoring this bill with me was my colleague, the junior Senator from New Jersey [Mr. CASE], the distinguished Senator from Pennsylvania [Mr. CLARK], and the distinguished Senator from Minnesota [Mr. HUMPHREY].

Therefore, I wish to call to the attention of the Senate a letter, which appeared in the New York Times on February 10, 1958, written by one of this country's most distinguished architects, Mr. Lorimer Rich, F. A. I. A., architect of the Tomb of the Unknown Soldier and the monumental approaches to the Amphitheater in Arlington National Cemetery. Because it is my feeling that my colleagues in the Senate, the Members of the House of Representatives, and the citizens in general would oppose any scheme which would destroy the east front of the Capitol, if they were aware of the plans to do so, I ask unanimous consent that the letter be printed in the body of the RECORD, in connection with my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

[From the New York Times of February 10, 1958]

TO PRESERVE THE CAPITOL—NEW LEGISLATION TO SAVE FACADE OF EAST FRONT IS BACKED

To the EDITOR OF THE NEW YORK TIMES:

One hundred and sixty-five years ago George Washington laid the foundation stone for our National Capitol. General Washington said "It has grandeur, simplicity, and beauty." It was completed in 1829, the result of the genius of three of our early architects. Thornton, Latrobe, and Bulfinch. This central building stands today as approved by the Founders of the Republic.

This facade has looked down upon history. These stones have been the background for the inauguration of every President since Andrew Jackson. These steps have known the footprints of our early great—Webster, Clay, Calhoun. This portico has received the remains of our martyred Presidents—Lincoln, Garfield, McKinley. These are the walls viewed by our grandfathers as they assembled in the great plaza for the stirring Grand Army review of 1865. Surely, this setting should be preserved.

Today this symbol of our past is in danger of destruction. The Architect of the Capitol, who is not an architect, has recommended that the east front of the old Capitol be destroyed and a reproduction, in a different material, be built out from the present location. The reason given is that the Congress needed more space for committee rooms and dining halls.

ALTERNATE PLAN

Architects have devised a plan which provides for practically all the new requirements without moving out and destroying the east front. They propose to put the dining halls, committee rooms, and such, on the west side. However, the legislation as passed forbids this as the only new work to be done. It is a directive to provide space by the destruction of this historic memento.

The report of the consultants states that they were unable, because of the legislation, to do other than destroy the east front. They say it is "our considered belief that: the present beauty of the Capitol can be kept only by moving out the whole east front, wings and all, and not the central part alone." Unless the Congress can be persuaded to do otherwise, we will witness the destruction of the finest portion of this venerated building.

The legislation just mentioned was introduced and passed surreptitiously, without hearings. Authorization and appropriation were in the same bill. The American Institute of Architects has repeatedly protested this desecration.

Senators H. ALEXANDER SMITH, CLIFFORD P. CASE, HUBERT HUMPHREY, and JOSEPH CLARK have introduced a bill, S. 2883, which will free the architects from the requirement that they destroy these walls.

S. 2883 has been referred to the Subcommittee on Public Buildings of the Senate Committee on Public Works. Senator PAT MCNAMARA is chairman of the subcommittee. Public hearings on this vital bill will be held on February 17.

The east front of the Capitol is historic. The first architectural structure of this Nation, it is a milestone in our history. The American people cherish it and wish it to be preserved.

LORIMER RICH, F. A. I. A.,
The Committee to Preserve the National Capitol.
WASHINGTON, *February 5, 1958.*

COMMEMORATION OF BIRTHDAY OF GEN. THADDEUS KOSCIUSKO, FEBRUARY 12

Mr. PASTORE. Mr. President, in Lafayette Park in this city of Washington stands the statue of Gen. Thaddeus Kosciusko.

In that single sentence we do honor to three great comrades of our War for Independence. In that single sentence we tell of the challenge that the word "freedom" has for all men. And in that single sentence we begin to tell something of the debt that our America owes to the many races which gave their very lives for her freedom's cause.

Washington, Lafayette, and Kosciusko became comrades when the Declaration of Independence meant a declaration of war. Lafayette was only 19 years of age when he heard both declarations. Kosciusko was 28. Washington was 44. Lafayette brought the enthusiasm of youth. Kosciusko brought the fighting experience of a soldier and an engineer. Under the leadership of Washington the talents of the three reached a climax in the Battle of Monmouth, the turning point of the Revolution.

Kosciusko had something in common with another great American—Abraham Lincoln. Yesterday we marked the birthday of both.

The day does not lose any of its reverence for the Emancipator if we praise the Polish warrior for freedom. Kosciusko served throughout the Revolution. Then he returned to his native land to fight against Russia. Wounded, captured, imprisoned, and liberated, he returned to America in 1797 and the Congress acknowledged our debt with a pension and a grant of land. Upon his death he found an honored resting place in the Cathedral of Cracow. But the many memorials in America will constantly remind us how this son of Poland and the sons and daughters of Poland throughout all the years have done so much to prove these United States the land of the free and the home of the brave.

TRIBUTES TO SENATOR HARRY F. BYRD

Mr. BUSH. Mr. President, I have noticed in the newspapers, having just returned to Washington today, that the distinguished senior Senator from Virginia [HARRY F. BYRD], is to retire from the Senate, and will not seek reelection this year. We shall have an opportunity later, I am sure, to express our appreciation of HARRY BYRD; to state what a monument he has been and what an ornament he has been in the Senate of the United States, as well as what an example he has set for all of us in the way of public service. At this moment I only express my personal feeling of great admiration and affection for this great Senator and great statesman, and express my regret that we are nearing the end of the line so far as his service in the Senate of the United States is concerned.

Mr. THURMOND. Mr. President, it was with a sense of profound sadness

that I learned yesterday that the distinguished senior Senator from Virginia [Mr. BYRD] had reached a decision to retire from the Senate at the end of this year.

During the brief time I have been privileged to serve in this body, I have had many occasions to observe the brilliance of his intellect, the wisdom of his counsel, and his great devotion to our constitutional form of government.

It has been my good fortune to have had a close personal relationship with the Senator. His philosophy of government is a sound one, based on the fundamental principles that have guided this Nation since its earliest days. He has always been dedicated to clean, honest government, and his career stands as a monument to the highest principles of good government.

I fully appreciate the reasons why the Senator feels impelled to retire from public life. He has had a full career of public service and is surely entitled to a period of rest. Nevertheless, I cannot help hoping that the Senator will reconsider his decision. We do not have enough men like him in public life.

Assuming that his decision is irrevocable, I think I may also assume that he will continue to maintain his keen interest in public affairs and that, from time to time, he will give the country the benefit of his views.

History will record that the Senator was one of the greatest of 20th century Americans. Certainly he is second to none in his grasp of the intricate economics of government, the field which he has chosen to make his primary specialty. It is even more impressive, in my opinion, that he has become such a notable specialist while remaining so well informed in all areas of government.

The retirement of the Senator will leave a gap in the Senate that will be exceedingly hard to fill.

Former President Truman once remarked that there were "too many Byrds" on Capitol Hill. I am convinced that the country would be better off with more Byrds in the Senate and in other positions of high public responsibility.

Mr. KNOWLAND. Mr. President, as the minority leader, I would not want this occasion to pass without saying that I read with great regret the announcement by the senior Senator from Virginia [Mr. BYRD] that he would retire from the Senate at the end of his term.

Senator HARRY BYRD has had a long and distinguished career in the interest of his State of Virgina and of the Nation.

He is at present the chairman of the very important and powerful Committee on Finance of the Senate, and for many years he has been one of the senior members of the Committee on Armed Services.

Senator BYRD has commanded the respect of Senators on both sides of the aisle, who have recognized him as a devoted public servant, a man of high personal integrity, and a man of great patriotism.

I know that Senator BYRD, when his term has finally been concluded, will be missed by all of his colleagues in the United States Senate.

Mr. WILLIAMS. Mr. President, I ask unanimous consent to have printed at this point in the RECORD the text of a letter written by the Senator from Colorado [Mr. ALLOTT] to the Senator from Virginia [Mr. BYRD], expressing regret upon the announcement by Senator BYRD of his retirement from the United States Senate. The Senator from Colorado who is out of town, asked that his letter be included in the RECORD.

In placing this letter in the RECORD I join with the Senator from Colorado and other Senators in expressing regret that the Senator from Virginia will be retiring after this year.

Senator BYRD is recognized as the Senate's leading authority on Government finance. His integrity and high principles are examples for all of us to follow. Senator BYRD's retirement from the Senate represents a great loss to the Senate Finance Committee, of which he is chairman, as well as a loss to the Senate, his State, and our country. He will go down in history as one of America's great men.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEBRUARY 13, 1958.

The Honorable HARRY FLOOD BYRD,
United States Senate,
Washington, D. C.

DEAR SENATOR BYRD: I have just read the announcement of your plan to retire and find it difficult to imagine the days ahead in the Senate without our most eminent colleague. It is unfair, of course, for any of us to begrudge you and your family a more leisurely life after so many, many years of dedicated public service.

I shall always count it among my greatest privileges to have served with you. I shall long remember your courage and integrity.

Best wishes for good health, happiness, and enjoyment of the years ahead for you and Mrs. Byrd.

Sincerely,

GORDON ALLOTT,
United States Senate.

MORALE IN THE ARMED FORCES

Mr. SYMINGTON. Mr. President, many of us remember that, of all the men who wore the American uniform in World War II, one managed more than any other to convey how our servicemen really felt. I refer to Bill Mauldin, the great GI cartoonist.

This week Bill Mauldin is back with a cartoon about our servicemen of today. It appears on the cover of Newsweek magazine; and it is a picture which, with the story, should disturb us all.

We remember Willie and Joe, the dirty, often discouraged, soldiers of Bill Mauldin's war cartoons. Well, Willie and Joe are not in this picture. Instead, there is simply a rifle stuck in the ground and on the rifle there is a sign that says: "Fed Up". Willie and Joe have finally just walked off the job; and so have most of their successors.

Morale in our Armed Forces has seldom, if ever, been lower; and the facts and figures prove it.

Fully one-third of our servicemen turn their backs on the service every year. Unless we act quickly, so many more will quit that we will face a crisis unparalleled in our history.

We will have missiles, planes, submarines, and other complicated war equipment, but nowhere near enough trained men to operate these machines.

We have forgotten the men behind our modern weapons. They have been turned into neglected citizens.

The time has come for us to ask ourselves whether we are wise, let alone have the right, to permit our servicemen to put up with conditions as they now exist in the Armed Forces.

All too often we are prone to look at this problem in terms of budgets and statistics. We know, for instance, that each day the Air Force and the Navy lose $2 million in accidents, many of which can only result in unnecessary deaths.

Now I ask Senators to turn to the detailed worldwide survey of service morale in the current issue of Newsweek, and see these statistics as we should see them: in terms of men, American boys, our sons, and the sons of our friends and neighbors.

A fighter pilot talked about the mechanic working on his plane: "At $160 a month he is not going to give it his best. He can kill me."

A radarman supports his family by driving a bulldozer from 7:30 a. m. to 4 p. m.; and then goes on his radar watch from 4:30 p. m. to 1 a. m.

In this article are documented examples of housing where rats chew buttons off the uniforms; of skilled mechanics pleading for heat in their hangars so they can continue vital maintenance work on planes without freezing their fingers; of men surrounded by so much untrained personnel, and so much skimping, they know they can never do their job if this country is attacked.

These are not men of any foreign legion. These are our own, the ones who carry the shield of deterrence against possible Communist aggression. They are underpaid, undertrained, and underequipped. We take these young men from our farms, our towns, and our cities. We expect them to defend us, but ask them to do the job with, in effect, one hand tied behind their backs.

If they have the duty to do the job—one of the most important in the world today—we have the duty to see that they have the best training and the best equipment so as in turn to have the best chance of returning home.

COMMUNICATIONS AND THE MASS-PRODUCED MIND—ADDRESS BY LOUIS P. LOCHNER

Mr. WILEY. Mr. President, it will be recalled that on January 29 I mentioned on the Senate floor the establishment of the mass communications history center by the Wisconsin State Historical Society—the very first such center in the Nation.

I have been pleased now to receive from Dr. Clifford Lord, the society's president, the text of the address which was delivered by one of America's most distinguished correspondents, Mr. Louis P. Lochner, on the occasion of the formal opening of the center.

Mr. Lochner, it will be recalled, was from 1928 to 1942 chief of the Berlin

UNIVERSITY OF WISCONSIN LIBRARIES

and Central European Bureau of the Associated Press.

His news dispatches, during the National Socialist regime in Germany, constituted some of the most remarkable contributions to the understanding of that evil period in history.

Mr. Lochner, now retired, was a graduate of the University of Wisconsin in 1909. He began his journalistic career as an editor of the Wisconsin Alumni Magazine. Thereafter, he became a foreign correspondent, winning a great many honors for his articles, as well as his books.

His comments on January 25 upon the effect of mass communications—newspapers, radio, and television—on the minds of the people constitute very fine food for thought, whether or not one agrees with him completely.

What he has to say, moreover, about the tremendous importance of freedom of the press will, I am sure, strike a respondent chord in the minds and in the hearts of readers. Of all the great bulwarks of freedom, our right to read these conflicting viewpoints in information media is one of the greatest of all pillars of liberty. The commentator plays an indispensable role in this process. May the commentator's basic freedom always be protected.

I ask unanimous consent that Mr. Lochner's frank and helpful address be printed at this point in the body of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

COMMUNICATIONS AND THE MASS-PRODUCED MIND

(By Louis P. Lochner)

When Clifford Lord and Donald McNeil suggested some weeks ago that I speak to you tonight on the subject of Communications and the Mass Produced Mind, I was instantly reminded of a talk I had back in 1953 with that wise sage of central Europe and staunch friend of the United States, venerable Chancellor Konrad Adenauer of the Federal Republic of Germany.

His greatest concern, he said, was the fact that we were living in an age in which what he called die Vermassung des Menschen is progressing so alarmingly that individualism is in danger of being submerged. Now, there is no single word in the English language, as far as I know, that will express Vermassung accurately. It is difficult to translate concisely as Gemuetlichkeit or Weltschmerz.

Ever since that 1953 chat I have been groping for an adequate English equivalent of the German Chancellor's phrase, only to find now that the directors of the Wisconsin State Historical Society have served it to me on a platter, as it were: by Vermassung des Menschen, Dr. Adenauer obviously means the tendency of our time in the direction of a mass-produced mind.

We are living in an age of mass production and consumption, of this there can be no doubt. The supermarket is gradually making the modest grocery store and butcher shop a thing of the past. The country doctor or the city general practitioner is disappearing and the patient instead has passed into the hands of a whole mass of specialists. The drugstore has become not only a dispensary of pharmaceutical products but also a sales emporium for toys, paperback books, articles of clothing, sweets, alarm clocks, bathing costumes, and space helmets. The registered pharmacist occupies only a small niche in his establishment. Filling a prescription no longer is accompanied by the soothing sound of a pestle grinding a healing herb to powder in an old-fashioned mortar, or the gentle thud, thud of a gelatine capsule that is being filled by hand of the apothecary. Almost everything a doctor prescribes nowadays has been mass produced.

Motion picture directors seem proudest if they can advertise that literally thousands of humans and animals will be shown in their gigantic, super-duper mass scenes. Our universities and colleges, in which in my day 50 years ago we knew a large percentage of our fellow students, have virtually become intellectual factories. Only a very limited number of collegians today know each other.

Beautiful radio transmissions of symphonies and operas are rudely interrupted by commercials advertising some mass-produced article that will allegedly make housework a pushbutton affair. Need I continue my illustrations of the supplementation of individual by mass production?

From the mass production of things it is but a step to the mass-produced mind. It is an open secret in the theatrical profession that two New York critics whose names I won't mention can make or unmake a show. Apparently the theatergoing mass no longer thinks individually; it accepts the judgment of two men whose syndicated columns reach millions.

My hobby is music. When attending a premiere of a symphony or an opera or pieces for the piano, a string instrument, or voice, I make it a point to ask friends and acquaintances what they think of the composition. Usually I receive the noncommittal reply, "very interesting." I then know that the listener has ceased to do his own evaluation and is waiting for his favorite critic's review. Surely enough, when next I meet this person who dared not go beyond "very interesting" because he feared he might be out of step with the mass-mind-producing critic, I find he has indeed meanwhile arrived at an opinion; namely, that of the critic whose word is law to him.

There was a time, not so long ago, when one of the finest things about a dinner invitation to a cultured home was the joyful anticipation of soul-refreshing conversation which would already begin at the table under the inspiration of its artistic decor, its delicious, individually prepared food, its masterfully selected liquid concomitants, and one's stimulating table companion, but which would reach its full fruition only later in the salon or parlor or living room, when the conversation became general and divergent views, frankly but politely expressed, added to its spiciness.

Today it is by no means uncommon for the hostess anxiously to watch the clock to make sure that everybody will have finished eating and drinking the mass-produced canned foods and libations in time to follow her to a TV set for viewing a program that in her belief is made to order for her company. She thereby merely exemplifies that the mass-produced mind threatens to dominate our social life quite as much as it does every other phase of human living-together.

Now, one main reason for this growing ascendency of the mass-produced mind (to which we must adjust ourselves, whether we like it or not) is the fact that the communications mediums have been perfected to a degree that the world is now brought pictorially right into our living room, that every event of importance, even if it transpires in a remote corner of the earth, almost immediately becomes known everywhere, that every major speech delivered by a person of prominence resounds throughout the homes of millions. Gigantic radio and TV networks with international exchange arrangements, world-embracing news associations with facilities for moving story and illustrative newsphoto simultaneously, and feature services which supply the intellectual product of famed columnists to an international clientele—all these have, in one sense, made one world of this planet of ours and have, indeed, produced a mass curiosity as to what other planets may be like.

It is, I believe, no exaggeration to say that the mass-produced mind, whose existence no one can deny, owes its being chiefly to the phenomenal development of communications and communications mediums.

The mass-produced mind is most quickly brought into being and most easily manipulated in the countries in which only such information is imparted, only such ideological discussion is tolerated, and only such facts or alleged facts may be published as will serve to tighten the grip of the tyrant or ruling clique.

Now, it is thinkable that the colossal dictatorships of our time could so quickly have remolded the thinking processes of populous and culturally advanced nations except for the modern mediums of communications? And why is it that in wartime one of the first targets of an invading enemy force is the communications centers—the radio and TV stations, the news association headquarters, the telephone and telegraph and wireless installations? Why is every effort made to seize these communications centers intact, if not because of their importance in influencing—yes, changing—the existing mass-produced mind?

Had Hitler or Stalin or Peron lived a century earlier, could they possibly have taken such a complete hold so quickly of the peoples whom they set out to bring under their sway, and could they in such an astonishingly short time, as human history goes, have so completely remade the thinking processes of millions of their subjects? Were not the modern mediums of communications their most powerful instruments for the quick subjugation of their satellites?

How docile the mass-produced mind can become in a powerful dictatorship was patently illustrated the other day in connection with President Eisenhower's appeal to Bulganin. Four days elapsed without the Russian people's even being told that the American Chief of State had replied to the Soviet Premier's two letters. The masters of the Kremlin evidently knew that nobody in Russia would complain at this withholding of information.

Only after the Politbureau had been goaded by the worldwide discussion of the exchange of letters into making a grudging public acknowledgment of the receipt of the American reply did the Soviet regime deem it necessary to reveal to its captive people in a distorted and eminently unfair manner, a vague intimation of the contents of the Eisenhower missive. Not a word was said about the President's earnest plea to the Soviets to share in concrete labors of peace, not a syllable about his readiness to go the last mile if necessary to avert international carnage.

The Reporter magazine on October 17 last carried an interesting article, Complacency, Conformity, and a Moskovich in Every Garage, by Hans Rogge, who traveled far and wide in the Soviet Union. "There was among most of the people I talked to an acceptance of the basic assumption on which (Soviet) state and society rest," he wrote. Then, as an example of how uncritical the Russian people have become he gave this illustration: The much-decorated army captain who asked me on the train going to Odessa why our newspapers constantly slandered the Soviet Union had, of course, never read one, but he was absolutely convinced that foreign papers could be obtained at any newsstand. In other words, so conditioned is the mass-produced mind of Russia that this army captain did not even have

UNIVERSITY OF MICHIGAN LIBRARIES

the curiosity to find out whether he might freely buy a foreign newspaper.

One day early in his campaign for the domination of the German mind Adolf Hitler's wily minister of propaganda, diminutive Dr. Joseph Goebbels, made an interesting experiment in duping his conationals. The official German news bureau, D. N. B., was ordered to release a Goebbels-inspired story to the effect that two foreign unidentified planes, flying over Berlin at an altitude of 5,000 yards, had dropped leaflets which were so insulting to "der Fuehrer" that they were immediately seized by the police. The news release stated that this was an obvious attempt by some foreign power to sow dissension within Germany and thus to rob the Reich, which at last was growing strong under the leadership of Adolf Hitler, of the fruits of unity.

Publication of the dramatic account of this alleged sneaking flight was made mandatory for all German newspapers. Moreover, the press was instructed to publish the story on the first page with smash headlines. The D. N. B. secret directives added, however—and please keep this in mind for the next few minutes—that it would be preferable for each paper to write the introductory paragraph, or lead, in its own style and as though your editor had seen the planes.

The rather amazing situation developed that, listen as I would among people in every walk of life in the German capital, I found nobody who thought of challenging the story. Already the German mind, as mass-produced by Goebbels, had been so conditioned as to accept the story unquestioningly.

There was one vital mistake which the kleine Doktor made and which he was clever enough not to repeat later: he issued his instruction to the German press to describe the incident as though your editor had seen the planes, in the general service distributed to foreign correspondents and services as well as to German. This order should have gone out as a secret instruction to the German communications media.

Even before noticing this directive, which came at the end of the long press release, we had thought it unusual, to say the least, that the flight of the planes should have taken place during the very hour when the entire foreign press had for the first time been invited to a tea party given by Hitler's leader of the foreign-political section of the Nazi Party, Alfred Rosenberg, in the course of which our host—so the invitation read—was to give us a survey of Nazi foreign policy.

After reading the order to our German colleagues, we naturally went after the story in a big way. The first thing we did in our Associated Press office was to consult an aeronautic expert, who took into account the probable speed and altitude of the alleged planes, as well as the direction and velocity of the wind at the stated time of the flight. His verdict was: the leaflets could not possibly have landed in Berlin, but would have descended in Magdeburg, some 90 miles to the south.

Next we inquired at the Propaganda Ministry exactly where the leaflets had been dropped. We were told in the Wilhelmstrasse and on the Alexanderplatz, in other words, in the two places, of all Berlin, where either the propaganda and foreign office personnel or the police, whose central headquarters was on the Alexanderplatz, could hastily seize them before anybody could pick up a copy!

Our aeronautics expert assured us that it was simply impossible to drop leaflets with such precision.

We asked to be shown a copy. "Its wording is so insulting to our 'fuehrer' that we do not propose to show it to anybody," was the reply.

"But how did the leaflets look?" I persisted. "You might at least give us an inkling of their appearance."

"Well, they were pretty poorly printed by hand, with one of those rubber stamp outfits where you put the letters together yourself."

As though a foreign government would send two planes with amateurish hand-made instead of press-printed leaflets.

I stated some minutes ago that the mass-produced mind is most quickly brought into being and most easily manipulated in dictatorships. Also I asserted that this double feat could be accomplished chiefly because of the phenomenal development of communications. That, however, is not the exclusive reason. There is the added and tremendously important one of withholding from a people every means for checking the accuracy of the information imparted by tyrannical governments.

Only those who have lived within a dictatorship and have experienced what is means to be cut off from all information and news except that which the government spoonfeeds to its subjects can grasp how such a condition soon warps one's judgment. Only they will understand fully why tyrannies make listening to foreign radio stations or TV channels punishable, why they forbid the importation of foreign newspapers which are critical of their regime, and why they go to outrageous lengths to prevent any corrective information from penetrating their country. With these counterweights of truth suppressed, a regime can manipulate the mass-produced mind effortlessly.

That brings us to the vital difference between a mass-produced mind in a dictatorship and in a democracy: granted that the impact of our modern media of communications upon the masses of our people is terrific to the point of endangering individualism; granted further that this impact will increase rather than diminish with the expansion of technological development, as is indicated, for instance, by that latest engineering device known as the phantom plug or hidden commercial which a New York Times writer defines as "a sales message pitched so fast by a projector onto a TV or movie screen that it is not consciously seen by the viewers" yet "subconsciously * * * works on lowering the sales resistance of the moviegoers" and the TV viewers.

Granted all this. Even so there remains the corrective of the inherent right of every American to know—a right which, thank God, he keeps on asserting. There remains the possibility of comparing conflicting claims and weighing them judiciously. There remains the availability of proven facts to demolish untruthful asseverations. Those who manipulate a dictatorship cannot afford to be proven in error; we in a democracy proudly claim our right to be wrong as one of our dearest and most priceless privileges.

In the challenging task of making the mass-produced mind an asset to our national life and of preventing it from becoming a danger rather than a blessing, it is imperative that just as much as is humanly possible should be known and studied that will throw light upon the effect of modern mass communications upon society.

The Wisconsin State Historical Society has done an outstanding job of pioneering by launching its Mass Communications History Center. I extend my heartfelt congratulations.

The skeptic may ask: of what value can the papers and documents possibly be which men and women in communications are invited to contribute? What can they reveal that has not already been told in their news stories and newscasts? What can they add toward our understanding of the impact of mass communications upon the human mind? What light can they throw upon the phenomenon itself which your directors aptly call the mass-produced mind?

When one speaks, say of the Kaltenborn papers, one must remember that my friend "H. V.," like all of us who were or are on the constant lookout for news and to proper clues for its proper evaluation, in reality produced far, far more than ever reaches the public. Even if an Associated Press, United Press, International News Service, or major network correspondent were to present to this center of yours a complete collection of clippings or transcripts of every story that was printed or went out over the air waves or was mailed in one of the feature services, these items would reflect only a fraction of his productivity and impart only a small percentage of the information, often of historical importance, which came to his knowledge.

Speaking as a news association man and foreign correspondent, I can assure you that our Berlin Associated Press staff of 9 men, 7 of whom were Americans, consciously sent much more to our headquarters in New York, especially in the way of mail stories, than we expected to see published. We wanted to offer our editors variety from which to choose whatever seemed most interesting to our fellow Americans. The desk editor was able to gage that interest; not we living abroad.

Let me explain some of the factors that enter into the situation:

1. A story which seemed decidedly newsworthy at the time we cabled it and which on an ordinary day might even have made the first pages of many metropolitan papers, might happen to reach the foreign editor's desk in the home office at the very moment when the first news was flashed of some major catastrophe, such as a sudden volcanic eruption or a tricky tornado, accompained by wholesale loss of lives, spread of pestilential diseases, and awesome material destruction. The Berlin story obviously could not compete with such major news. Not only our item, but countless others from other localities in such a situation would go into the wastebasket.

2. Again, news association and network reporters as well as correspondents for individual papers often send in advance of a scheduled or likely event, valuable information known as background material. This under-the-dash material, as it is also known because it is usually separated from the news item proper by a dash, usually deals with the locale of the event, gives a description of the personalities involved, presents historical facts leading up to the anticipated occasion. It is regarded as manna from heaven by the busy news editor or the network commentator who would like to embellish the bare news item somewhat.

But what if the event is suddenly called off? What if the locale is unexpectedly changed or the leading figures do not show up? What if other important news competes with the event and only the most salient facts as embodied in the news dispatch can be used? All the careful preparatory work would seem to have been done in vain.

3. Often a good story fails to reach the home desk and, of course, the reading or listening public because people in public life altogether too often won't stand by what they said and as an afterthought demand that this or that statement be stricken from their interview.

Somewhere among the papers which I had the honor to present to this center there is a revealing text of an utterance concerning the Jewish question which Adolf Hitler made in the course of an interview I had with him. It was never published because Hitler had made it a condition for receiving me, that I would submit the text for his clearance.

The burden of his pontification was that the Jew must be eliminated from the German

scene because, as he put it, "wir koennen als Volk ihn nicht verdauen" ("we cannot as a people digest him"). The Italians, for instance, he said, could assimilate or digest the Jew, ditto the British, but not so the Germans.

I could not but chuckle inwardly at this statement, for Hitler had only a few minutes previously extolled the superman qualities of the Nordic race of which, incidentally, he was a most unrepresentative specimen. It seemed like a tremendous confession of weakness on Hitler's part to admit that a nation made up of 99 percent of alleged supermen could not assimilate or, if you please, coexist with the 1 percent of its population that was non-Aryan.

The Nazi dictator must have noted himself what a fatal admission he had made, for with an angry gesture he crossed the whole passage out as he read my script. Incidentally, when I started him on the Jewish question, white saliva exuded from both sides of his mouth.

It is only a tiny episode as history goes, yet the question still intrigues many historians, "why was Hitler so anti-Semitic?" Here is one answer: an obvious inferiority complex.

4. Very often a member of our craft writes confidential memorandums to his boss, revealing facts and incidents which for some reason or other are not intended for publication. Also, he often communicates characterizations about figures in the public eye which, though truthful, are not exactly fit to print. I am sure carbon copies of many such memorandums will find their way into the Mass Communications History Center.

We in Berlin during the Nazi regime frequently requested unsuspected fellow nationals, such as prominent businessmen, on their return to America to take with them confidential letters to our home office. Their discovery by ardent Hitlerites might well have led to our expulsion.

I feel confident that those who are in the domestic communications service also often fill in their superiors on situations that cannot for the present be exploited newswise. Such memorandums might well be helpful to the historian.

5. Another fact about the communications professional is the enormous correspondence that he carries on with men and women in all walks of life. He exchanges letters with statesmen, scientists, literary men, financial experts, economists, labor leaders, and so forth. Thousands of these letters, as they reach this new center, will no doubt have to be eliminated because they really contain nothing of possible historical significance. But I dare equally to prophesy that the historian will here and there dig out from among the papers permanently filed what to his researcher's heart will seem like nuggets of gold.

May I be so bold as again to cite an example from the papers which I was privileged to deliver? I do it because they are the only ones with which I am acquainted; other collections are probably much more valuable and would yield better illustrations, but my ignorance of them is complete.

When I reached Berlin with the very first American occupation troops in July of 1945, one of Germany's best known lawyers came to see me. He was a former president of the German Bar Association and one of the small number of German attorneys free from Nazi taint whom the International Military Tribunal at Nuremberg admitted as defense counsel for the accused Nazi leaders. We had known each other for years and had last seen each other at the 60th birthday party of Fritz Kreisler, the world-famed violinist and composer, who had soon thereafter been compelled to leave Germany and the playing of whose inimitable music was forbidden by the Nazi regime.

This noted barrister was in a soul-searching mood. "How could it happen that this nation of a Goethe and a Schiller, of a Beethoven and a Richard Strauss could succumb to an Adolf Hitler?" he asked me, and the next moment began such a brilliant analysis that I interrupted him with the suggestion that he really ought to put his thoughts down on paper.

The result was a series of at least half a dozen letters which to me seemed most revealing. He was not the only one to write me. All such letters were kept by me and have been or will yet be added to my modest contributions to this center, for I know that the question, "How could Hitler happen?" is still a very live one with people interested in nazism and its implications.

6. A sixth fact to remember about workers in the communications mediums is that many of them build up confidential relationships with persons in high or influential positions and thus are often told facts which they must keep to themselves until a much later period, either to protect their source or for other cogent reasons. Washington and United Nations correspondents probably lead in this category.

A few days ago I chanced to come across a memorandum drafted on February 21, 1947, when I was a member of the 6-man team which, headed by former President Herbert Hoover, was appointed by President Harry Truman to make a survey of conditions in Germany and Austria. On our way back from Germany, Mr. Hoover called upon Prime Minister Clement Attlee in London to brief him on what the mission had done and what recommendation, based upon our findings, the former President was about to make.

While Mr. Hoover was closeted with Premier Attlee, I was introduced to a man, now an important laborite member of Parliament, who had been engaged in psychological warfare work through World War II. He took me aside and made these points which I now feel at liberty to quote from my memorandum:

"The attempt on Hitler's life on July 20, 1944, was believed by the psychological warfare chiefs to be genuine, and they thought it would open a possibility of ending the war by supporting the revolutionists. Brendan Bracken (the British Information Minister), however, ruled that this was 'a Goebbels propaganda trick' and refused to do anything about it. C—believes the war might have been shortened by 7 months had the allies supported the July 20 people.

"The psychological warfare people next tried to persuade Eisenhower to issue a sort of soldier-to-soldier or officer-to-officer appeal to the German generals. According to C—, Roosevelt messaged Eisenhower to 'keep his hands off politics.'

"When the Allies approached the Saar Valley, the psychological warfare people urged that the Saar miners be assured their jobs and wages were secure and that they should continue to mine. The suggestion was turned down by Washington on the grounds that under unconditional surrender no promises of any kind must be made to any Germans.

"Eisenhower finally agreed to a project of psychological warfare for urging the German population to keep off the streets as the (Allied) armies proceeded, the thought being that then our forces could advance the more quickly. Unfortunately Churchill came to Paris on the day this policy was approved and, learning of it, insisted that the Germans should be given a dose of their own medicine, as applied by them when they overran France, and the population be induced to clutter the roads."

It goes without saying that I shall turn this memorandum over to Dr. Lord. Whether it has any historical value is up to the professionals in the field to decide.

One more closing thought: paradoxical though it seems, it is an indubitable fact that the very men and women who, with the aid of our modern mediums of communications are bringing into being a mass-produced mind which often tends to endanger individualism—these very men and women are themselves about the most individualistic creatures God ever made. If you don't believe it, try to preside, as I have, over a meeting of the Overseas Press Club, all of whose members have seen foreign lands and have been in journalistic service both within and outside the United States. It is often claimed that our 1,500 members have at least 1,600 opinions. Personally I believe that is an understatement of the year. If anywhere in the world there is a fraternity of individualists, it is to be found in the communications profession.

PROPOSED PLAN FOR 10-NATION CONTROL OF ANTARCTICA

Mr. WILEY. Mr. President, this morning's Washington Post contains an interesting dispatch from the Chicago Daily News Service, but one which gives me considerable concern. The article is entitled "British Seek Polar Rule by Group of 10 Nations."

The substance of the article is that Great Britain is prepared to recommend internationalizing of the South Pole land mass under a 10-nation commission, including both the United States and the Soviet Union.

Mr. President, as the author of the Wiley bill for the Byrd Antarctic Commission, I am all for a conference by the interested nations. But I am opposed to any internationalization of Antarctica. I am opposed to it for several reasons.

WE HAVE DONE MOST OF EXPLORATION

(a) In the first place, it is the United States which has made the overwhelming share of sacrifices—commitments of manpower, time, energy, and money for the exploration of the "Unknown Continent."

We, alone, have done more work in Antarctica than all the rest of the world combined.

For us to agree to become simply 1 member of a 10-nation commission, where we could be outvoted 9 to 1, or 7 to 3, or by any other combination, would be to forget the overwhelming amount of American sacrifices in the region.

WHO KNOWS FUTURE VALUE OF ANTARCTICA?

(b) Next, I want to point out that the significance of Antarctica to the United States from a military, economic, political, or weather standpoint can hardly be ascertained at the present time.

No one knows right now how important this vast region of 5 million square miles will be in terms, for example, of man's penetration of outer space, man's future control of the weather, man's hunt for raw materials and minerals.

How can we, therefore, in the present uncertain state of knowledge, take a step which might lead to deeding away territory which might be of infinite importance to us in time to come?

(c) I do not believe that we should waive rights directly, or indirectly, to so much as an inch of Antarctica. That does not mean that we should claim 1 inch of more than is our due.

Many nations have filed their claims in the area. It will take a great amount of international negotiations in order to iron out the conflicting claims.

But I say that I do not want us to act so that future generations rise up and bemoan what might perhaps prove to be our folly in giving up a resource which, one day, may be very precious, indeed.

In 1958, we look back to past decades of American history. We give praise to the men of vision and judgment who bought Louisiana in 1803. We praise those who bought Alaska for the United States and those who acquired other territory. Why should we think of waiving so much as an inch of territory which may, someday, be as valuable to us as are Alaska, Louisiana, California, New Mexico?

To be sure, Antarctica is a long way from us geographically; but it is very close to us in the age of air, in the age of travel in outer space.

TRIBUTE TO OTHER NATIONS' VALOR

I want to make it clear that my comments are not directed against any nation. My comments are not aimed, as such against the British, the Australians, the New Zealanders, the French, the Norwegians, Argentinians, Chileans, or the South Africans; all of whom claim some part of Antarctica.

On the contrary, I am delighted at the cooperation which we have shown to them and which they have shown to us in the International Geophysical Year, and on many other occasions.

Many brave men—Englishmen, Norwegians, and heroes of many other nations—have just about frozen; and, yes, often died in order to unlock the secrets of Antarctica. I pay tribute to all of them. The American people have nothing but admiration for valor; no matter under what flag it is demonstrated.

LET US CONFER BUT NOT LOSE OUR RIGHTS

Of course, we must sit around the conference table and talk over problems like Antarctica with our friends. But talk is one thing, internationalization another.

MY INTEREST IS UNITED STATES FLAG

I am a Senator of the United States, and my interest is the sovereignty and the flag of the United States, and the future of the United States.

I do not want the Soviet Union casting a veto in any 10-nation or 81-nation commission in Antarctica. I do not want the Soviet Union, if it can possibly be avoided, building a submarine base, or a guided-missile base, or anything else of that kind in the unknown continent.

I say that very frankly and openly, because I think the time is long overdue for the United States to wake up to the protection of its own national interests in that region.

I welcome British steps toward talks, as such. My earnest hope is that the conflicting claims may be worked out in a manner agreeable to all.

But past history of the United Nations, and other multilateral organizations, shows that when you are dealing, not with the free world alone, but with the Soviet Union, you are dealing with a very tough bargainer, indeed. And you had better keep your eyes wide open.

I urge that we, of the United States, maintain permanent bases in Antarctica and I urge that we take no step which might remotely suggest that we are prepared to waive anything which is our lawful due.

Most of all, I urge that the Senate Education and Labor Committee and the House Interior Committee hold hearings at the earliest possible date on the Wiley-Byrd antarctic bill which I have cosponsored.

I ask unanimous consent that the Post article be printed in the body of the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BRITISH SEEK POLAR RULE BY GROUP OF 10 NATIONS

LONDON, February 12.—The British are preparing to propose internationalizing the South Pole land mass under a 10-nation commission.

The United States and the Soviet Union would be included on the commission.

Conflicting claims for great chunks of Antarctica would be solved, it is pointed out, and the area would be open for scientific experiment.

The plan would keep the area free of military installations.

The British recognize themselves, the Australians, the New Zealanders, the French and the Norwegians as major claimants to Antarctica.

Argentina, Chile, and South Africa also claim sovereignty over parts of the area. The first two say that much of the recognized British sector belongs to them. South Africa claims part of the Norwegian sector.

The Americans and the Russians recognize nobody's claims and have gone ahead installing permanent bases.

The United States base on the South Pole laps over into the British, Australian, and New Zealand sectors.

The Russian base is in the sector long claimed by Australia.

The commission would have some tieup with the United Nations, but would not depend upon the world peace organization for its authority.

Throughout the Geophysical Year there has been agreement to keep claims and counterclaims in the background, but with its close, friction over who owns what is bound to recur.

DEFENSE OF SECRETARY OF STATE DULLES BY SENATOR BRIDGES

Mr. PAYNE. Mr. President, last week our distinguished colleague, the senior Senator from New Hampshire [Mr. BRIDGES] delivered a spirited defense of Secretary of State John Foster Dulles here on the Senate floor. The February 11 issue of the Portland Press-Herald contains a fine editorial on Senator BRIDGES speech.

All of the Members of the Senate may no be aware of the fact that the senior Senator from New Hampshire is a native of the State of Maine and a graduate of the University of Maine. His mother still lives in West Pembroke, Maine, which is "way down east." I am delighted to have an opportunity to join the Portland Press-Herald in saluting a distinguished native son of Maine who now represents our neighboring State of New Hampshire in the United States Senate.

I ask unanimous consent that the editorial from the Portland Press-Herald may be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Portland (Maine) Press Herald of February 11, 1958]

SENATOR STYLES BRIDGES DEFENDS SECRETARY DULLES

Senator STYLES BRIDGES had something to say, last week, to the many who attack, even vilify, Secretary of State Dulles. What he had to say is something to be noted by many critics of the Secretary, many of them really ignorant of what he has done, is doing, and trying to do in one of the most difficult eras that any Secretary of State ever faced. It has been quite the fashion to deride Mr. Dulles, to demand that President Eisenhower fire him.

It is perhaps relatively unimportant when private citizens turn thumbs down on him. Senator BRIDGES thinks it vitally important when Members of the Congress do it; and he cautioned his fellow Senators that Mr. Dulles' attackers are only aiding the Russians; that to disparage our Secretary of State is to aid the Communists. And he said that he, for his part, is unwilling "to surrender the selection of our Secretary of State to Bulganin and Khrushchev."

That sounds like good sense, and so not a few Senators, Democrats among them, thought by signifying their approval of Mr. BRIDGES' position.

SIXTIETH ANNIVERSARY OF THE SINKING OF THE "MAINE"

Mr. PAYNE. Mr. President, Saturday, February 15, will mark the 60th anniversary of a most significant event in American history. On the night of February 15, 1898, an explosion took place in Habana Harbor which reverberated around the world, and which wrote a new chapter in the history of our Nation; an explosion which caused the death of the pride of our Navy, as well as the death of a great overseas empire. On that night the U. S. S. *Maine* was torn apart by a force of flame and fragments the cause of which is yet a mystery.

There is little need to describe the repercussions of this event. The story is known to all Americans. The sinking of this great battleship was the signal which aroused a youthful Republic against an old empire, and the motto it bred, "Remember the *Maine*" served to lead our Nation to victory.

The loss of the U. S. S. *Maine* was a serious one, for when this great 6,682-ton ship sank she carried with her to the bottom of Habana Harbor 266 American lives. Only 88 of the crew survived. It was a great tragedy, and one which in its day was highly comparable to the events of that fateful day, December 7, 1941.

The battleship *Maine*, although corroded by the elements of time, is immortal. She represents not only a significant chapter in the annals of the United States Navy and in the history of our Nation, but she bears the name of a great State whose past is inextricably tied to all the great moments of our Nation's history since the voyage of the Norsemen, and whose future will continue to follow in the path of this great heritage. As the State of Maine has always been proud to have lent its name to our Nation's most historic battleship,

UNIVERSITY OF MICHIGAN LIBRARIES

so the U. S. S. *Maine* was honored to bear the name of a great State.

I request unanimous consent that an article describing the sinking of the *Maine* which appeared in the Portland Sunday Telegram of February 9, 1958, be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

REMEMBER THE "MAINE"?—IT HAPPENED IN HABANA HARBOR 60 YEARS AGO

(By John Fuller)

The gas lights glowed on early that winter's evening of 1898.

A cold wind whined across Casco Bay and snow—just as the weatherman had predicted—was commencing to fall. It was a likely night to remain at home, although there were those in Portland with plans that would take them out into the weather.

There was, for example, a firemen's ball at Red Men's Hall, Deering. The Odd Fellows were meeting in South Portland. And the Rentz-Santley burlesque company expected their usual appreciative audience at the Portland Theater.

Doctors were on the alert this bitter, gloomy night since Maine's younger generation was fevered by a measles epidemic. At the Maine School for the Deaf in Portland there were 10 cases.

In Maine, as elsewhere in the United States, anyone who could read a newspaper knew that relations with Spain were deteriorating over the question of Cuba, where insurgents cried, "Independence or Death."

Their voice was growing ever louder.

The date was Tuesday, February 15, the day after St. Valentine's Day.

Far down the Atlantic coast, in the harbor of Habana, Cuba, the evening had arrived in marked contrast to that in Portland. It was sultry, oppressive. In the air was a miasma of waterfront odors of a pungency and texture that only a tropical port could produce.

From the infestation of sailor cafes emanated sounds of laughter and guitar music to drift across the narrow inner harbor. In fact, almost every sound ashore could be heard on the ships.

One of these vessels was the United States Navy's pride, the 6,682-ton battleship *Maine*. Bristling with a main battery of 10-inchers and 6-inchers, she was illuminated this evening like a Christmas tree with the intent of making even myopic Cubans—and Spaniards—aware of her bulldog presence.

President McKinley had dispatched the 3-year-old warship just 3 weeks before to this trouble spot in the Western Hemisphere. He reasoned, as did Consul Gen. Fitzhugh Lee in Habana, that the *Maine* would not only generate respect for American citizens and property in Cuba but might even play a passive mailed dove of peace.

The commander of the *Maine*, Capt. Charles Dwight Sigsbee, was the antithesis of the consul general. Slim, quiet, and correct, he could be counted on to do nothing inflammatory while in this Caribbean powder keg.

He and his mighty command had been recent, popular visitors in Portland Harbor. There he had spelled out the name of his battleship in giant letters above the bridge illuminated with electric lights.

About 9:30 o'clock this Tuesday evening the wind shifted to the northwest, and the *Maine* swung slowly at her anchorage. She did not stop until she had changed heading almost 180° and her bow was pointing toward the Spanish naval station, no more than 600 yards distant.

POSITION SHIFTED

It was the first time the easterly trades had shifted since the *Maine* had tied on to the Government mooring. It was as well the first time the battleship had changed position.

Among those who noticed it was Captain Sigsbee himself. To him, it signified a weather alteration. He observed to his executive officer, Lt. Comdr. Richard Wainwright, that rain would probably follow.

Then he went below to his spacious, comfortable cabin.

A tall, 19-year-old signalman, Gustav Dressler, on watch on the bridge, also made mental note of the wind shift. Next, he became aware of the running lights of a large steamer sweeping into the harbor. When he identified it as the Ward liner *City of Washington*, now gliding under the guns of the fort Casa Blanca, he resolved to go aft and report the arrival to Lt. John Blandon, officer of the deck.

Dressler marveled anew at the crowded anchorage. The two-masted Spanish cruiser *Alfonso XII* was so close that he could almost have thrown a ball onto her decks. The Spanish naval transport *Legaspi* rode at anchor nearly as close.

And winding between the vessels was the ferry from Regla, her passengers noisy, drunk, as usual. Dressler continued aft, vaguely disquieted by the profusion of ships, virtually on top of his own.

Captain Sigsbee had fed his pup dog, Peggie, which was now curled up on her master's settee. Sigsbee himself was commencing a letter to his wife. It was a note of apology for forgetting to mail a letter she had handed him nearly a year ago. He had just discovered it in the pocket of his lounging robe.

TAPS SOUNDED

Then he paused in his writing as he heard the notes of a bugle, singularly beautiful in the oppressive stillness of the night. Taps were being sounded forward.

Dressler had paused on his way to the stern to have a cigarette with his buddies.

In Sigsbee's cabin, the overhead fan whirred and Peggie slept. He soon finished his note and placed it in an envelope.

Then, the lights, without warning, flicked off. The floor quaked beneath his feet and he was deafened by a roaring explosion.

He was hurled from his chair onto the deck. In seconds, seawater was over his hands and legs.

To Dressler, the signalman, it happened as if in a dream. In one moment he had been smoking and talking. In the next, he was sprawled in netting around a 6-pounder, on the gun platform above where he had been standing.

Water was swishing around his ankles. The strange thing: He had seen or heard nothing.

Lieutenant Blandon, the officer of the deck whom Dressler had never reached, heard a dull, sullen roar * * * followed by a sharper explosion.

Somehow he kept his footing on the deck even though shipmates around him had jumped into the harbor in fright or had been blown off the stern like paper dolls.

AWESOME SIGHT

The explosion was an awesome sight as seen from the decks of the *City of Washington*—a fountain of red flame, followed by billowing, black clouds of smoke, then a rain of falling debris that sent the vessel's passengers scurrying below decks.

One large concrete-like block crashed through the promenade deck of the Ward liner and plummeted on down to the saloon below.

As Sigsbee, still shocked, groped his way along a semidarkened, smoke-filled passageway toward the deck he met Pvt. William Anthony, of the Marine Guard. The latter, saluting, advised:

"Sir, the *Maine* has been blown up."

Reading in his library in Habana, Consul Lee saw a great column of fire go up in the air. Even before he leaped to the window he seemed to know it was the death eruptions of his Nation's battleship.

He ran outside and off toward the offices of Spain's Governor General, Ramon Blanco. For a man of his age and corpulence, he went fast.

"I moved forward of the superstructure a few feet," Sigsbee was to report later, "and saw in front of me and high overhead a great black mass, dimly outlined against the western sky. On my left was a long, heavy object lying flat and on my right was another.

"These were the smokestacks of the ship, blown far aft, although I could not identify them at the moment * * * the silence on board was ominous, but the great loss of life was not yet realized."

A few moments later, "fire broke out in the great mass of debris amidships, and illuminated the ship."

Not many officers survived. Wainwright, the executive officer, however, was among the fortunate.

"Flood the forward magazines," Sigsbee ordered his executive officer. He was somewhat stunned at the latter's quick reply that nothing forward remained to be flooded.

It became obvious that the forward magazines, containing some 16 tons of black, as well as the less stable brown powder, had exploded.

Sigsbee's command was fast disintegrating in an inferno of smoke and flame. He ordered those remaining with him on the stern to abandon ship.

Only the captain's gig and one whaleboat were left in the battleship's lifesaving equipment. The lifeboats had been blown to bits in the original blast, or blasts.

RESCUE MADE

However, Wainwright decided personally to take one last look around the doomed *Maine* before be obeyed his captain. In doing so he discovered Dressler, who had been joined by two other sailors in their precarious netting perch, sprayed by flames and hot shrapnel.

By now, however, a launch from the *Alfonso XII* was beside the *Maine*, having braved the pyrotechnics about it. Wainwright helped the three sailors into the Spanish craft.

Lifeboats from the *City of Washington* and a motley assortment of harbor craft—from ferries to fishing smacks—were nosing toward the stricken *Maine* as Sigsbee pushed off from the poop deck. There wasn't much left above water of his battleship.

The captain himself was taken aboard the *City of Washington* where he commenced an historic telegram to Secretary of the Navy John D. Long, in Washington:

"*Maine* blown up in Habana Harbor at 9:40 tonight, and destroyed. Many wounded and doubtless more killed or drowned * * *."

Wednesday, February 16, had arrived. In Portland, people paused in shoveling snow to listen to the newsboys' cry of extra. The headlines of the papers they hawked proclaimed: "Disaster Most Dreadful."

The subhead of the Express explained further, "Mysterious Explosion Destroys Battleship *Maine* in Habana Harbor."

It was indeed a "disaster most dreadful" and every protestation of innocence and offer of amends (including deeding to the United States in perpetuity an Habana cemetery plot) seemed too late for calling off the dogs of war. Through the length and breadth of America they were already baying.

On April 25 Congress formally declared war on Spain.

The *Maine*, like Concord Bridge, like the Alamo, like Bull Run or John Brown's Body, was to be remembered—and immortalized.

ONLY 88 LIVED

Of the *Maine's* complement of 354 officers and men, but 88 survived. In the 3½-month war which ensued only 290 soldiers died in battle. It was, the more cynical declared, a

cheap price to pay for the Pacific and Caribbean empires America won from Spain.

Yet the question persisted: What did blow up the beautiful *Maine*? Congress had declared war because, among other sources of friction, it believed the Spaniards had destroyed the battleship.

In 1911 United States Army engineers finally raised the wreckage from the mud of Habana Harbor. The remains of the shattered warship were so twisted, barnacled and rusted that she still clung to her secret with the tenacity of a widow and her memories.

In ensuing years, however, ordnance experts have come to the conclusion that the *Maine* probably blew herself up. Her brown powder was highly unstable, had destroyed or damaged war vessels of other nations. There was also the likelihood of spontaneous combustion in her paint locker or her coal bunkers, or of a dynamo explosion.

One glaring bit of evidence could not be overlooked—how could the *Maine* in busy, traffic-filled Habana Harbor be mined in the first place without someone aboard some ship noticing?

In 60 years no one—in a deathbed confession for example—has come forward with one shred of proof that the *Maine* was destroyed deliberately.

She was, however, a ship that started a war—and wrote a new chapter in American history.

A new *Maine* was launched in 1902. Her career was uneventful. She was hardly more suited to the scientific demands of the 20th century than her forebear, finally was scrapped well before World War II.

But the memories which persisted from the tragedy of Habana Harbor inspired Congress in 1940 to authorize yet another battleship *Maine*. Officially listed as the *BB–69*, she was contracted for with the New York Naval Shipyard, Brooklyn—singularly enough, the birthplace of her predecessor.

Preliminary blueprints were drawn and plans accelerated for her construction as World War II embroiled the United States.

By mid-1943, however, as the battleship was being unmistakably supplanted by the aircraft carrier, the Navy revamped its building program. The contract was canceled for the ship whose keel was yet to be laid.

But somewhere in the vaults of the Brooklyn Navy Yard the blueprinted ghost of a U. S. S. *Maine* that was stillborn remains to haunt a file marked "Dead."

AMERICAN PARTICIPATION IN THE BRUSSELS WORLD'S FAIR

Mr. KENNEDY. Mr. President, Members of this body have consistently supported in full American participation in the Brussels World's Fair. All funds for this event requested by the administration during the past year have been promptly approved, and many Senators, including most recently the Senator from Minnesota [Mr. HUMPHREY], have called attention to the urgent need for putting our best foot forward at this tremendous international exhibition.

For 6 months, before more than 50 million people from all over the world, the United States will in effect be "on trial" at the Brussels Fair. Our achievements, our ideals and our way of life will be judged at least in part by our representation at the fair, and, whether we wish it or not, we will be compared either favorably or unfavorably with the Soviet exhibition now going up immediately adjacent to our own.

It is already apparent that the United States is going to suffer by comparison with the Soviets, that we will be outspent, outmanned and outshone in this competition for international prestige and good will. There is no point now in detailing once again the contrast between Russia's $60 million effort and the performance we will present for less than $15 million; nor in attempting to fix the blame for the delay and inadequacies of our own World's Fair budget. The final budget item of $2,054,000 still awaits action by the other House before this body can act on it. An amendment to this appropriation which simply requested additional funds—for which no plans have been made or budgets devised—would at this late date be of little value; and to insist that the small budget and space already allocated be revamped in order to include some new project would not be helpful in the long run.

In short, the only way in which the Congress can improve our Brussels Fair showing, beyond approving the budget already requested and allocated, is to provide additional funds for our fair participation specifically earmarked for an additional project that can be completed before the fair is half over and that can add real impact to our presentation.

A NEW PROPOSAL

It is my intention to offer such an amendment when the measure containing this latest supplemental fair appropriation comes to the Senate floor. The subject of the additional exhibit I propose is one so basic to our way of life and so high among our greatest feats that I do not see how we can think of omitting it. I refer to the subject of public health.

It is my understanding that the Department of Health, Education, and Welfare is capable of fitting an outstanding public health exhibit into our present plans, within the time remaining, for as little as $600,000. Here is an opportunity to demonstrate to the world what American science and research have accomplished, not in missiles and weapons, but in vaccines and sanitation. Let us demonstrate what we have done in our Nation, and stand ready to do cooperatively all over the world, as the President indicated in his state of the Union message, not in the way of snuffing out lives, but saving them, not maiming the bodies of men, but reclaiming them.

Particularly impressive, in my opinion, would be a visual presentation of our efforts and accomplishments in rehabilitating disabled workers—showing to the rest of the world that their crippled and handicapped, too, can become useful assets, not burdens. Perhaps, as Ed Sullivan has suggested on television and in a letter to me, our top medical men like Jonas Salk and Howard Rusk could actually go to Brussels, to demonstrate what we can do, and what Americans are really like.

No such exhibit—no health exhibit of any kind—is planned today for our underfinanced, overcrowded American pavilion. But the U. S. S. R., according to a recent article in the Soviet journal, Medical Worker, will have a tremendous public health exhibit displaying Communist knowledge and activity in this field.

If we act quickly and effectively, we can still show to the world that America seeks nothing more outside her shores than the eradication in all countries of disease, poverty, and degrading standards of living. I hope that the final fair appropriation measure will come before the Senate before it is too late to act, and that at that time other Members will join with me in this effort to demonstrate to a wondering world that our chief concern is not with wars or material things but the helping of all mankind.

REUTHERIAN ECONOMICS

Mr. BUTLER. Mr. President, Walter Reuther's strange brand of "Reutherian Economics" has been discussed at length before the Subcommittee on Antitrust and Monopoly of the Senate Judiciary Committee. Mr. Reuther on January 28 presented a prepared statement of 110 pages accompanied by 29 technical tables. Regardless of the number of words, the economics behind them is still faulty. His theories are designed to lead us only in one direction, namely, toward state socialism.

The distinguished columnist, Raymond Moley, in the Waterbury Republican of January 22, 1958, analyzes Mr. Reuther's economics. His comments should be of interest to all Members of the Congress. Therefore I ask unanimous consent to have them printed in the body of the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

REUTHERIAN ECONOMICS

(By Raymond Moley)

Among Walter Reuther's assorted talents is the capacity to propose absurd economic theories to which he attributes solutions to complicated problems of our society. A few days ago the United Auto Workers' political economist—accent on political—came out with one of his more fantastic schemes. Boldy he proposed a two-level collective bargaining program calling for a profit-sharing plan which would take in consumers and employees as well as the auto companies and a wage hike in the industry amounting to at least 10 cents an hour.

This package, he claims, would not be inflationary and would pump purchasing power into the economy. Here, he would have it appear, is an answer to our "ailing economy," here is something for everybody.

The fact that Mr. Reuther's demands smack of genuine socialism is too clear to require elaboration. Facts which should be set straight involve the trickiness of Reuther's economic thinking and his apparent desire to take over the functions of running the entire automobile industry through control of profits, compensation and prices, as well as to control the Government through determination of just what profits in the industry may be taxed by Congress.

Mr. Reuther proposes that profits before taxes up to 10 percent on investment be handled as they are now. He is saying 10 percent before taxes is a fair return. Yet Federal corporate income tax is 52 percent, which leaves for the industry and its stockholders a 4.8 percent profit, certainly not enough either to provide incentive to assume the risks in such a competitive field or to assure necessary reserves for emergencies the future may hold. Profits over 10 percent would be divided—half to the industry and its stockholders, one-fourth to workers and one-fourth to purchasers of automobiles in the form of a rebate at the end of the year.

UNIVERSITY OF MICHIGAN LIBRARIES

Since the 1,300,000 members of Mr. Reuther's union pay far lower taxes compared to the high corporate income tax, revenue loss to the Federal Government would be substantial. The rebates would represent a total loss. Together, these items would cost the Government close to $300 million in taxes from General Motors alone, taking 1956 figures as a yardstick.

Should Reuther's scheme be applied to all industry, tax loss would mount into the billions. In his letter to local unions Mr. Reuther mentioned the demands on our economy imposed by our position in the world. But how would this tax loss be made up? Here Mr. Reuther's economic daydream disintegrates. His increased purchasing power would be nullified by higher taxes on personal incomes. And perhaps corporate taxes would go up, undercutting even further the possibility for reserves for plant expansion and future exigencies.

Again, Mr. Reuther has revealed himself as a remarkably ambitious man, for he would take it upon himself to control a mighty industry and through manipulations remove from the field of corporate taxation an enormous amount of money.

This plan is further proof of what John L. Lewis recently said, "Well, Reuther is an earnest Marxist."

THE POST OFFICE MODERNIZATION PROGRAM, UNEMPLOYMENT, AND TVA

Mr. KEFAUVEP.. Mr. President, I am interested to learn that Postmaster General Summerfield has proposed a gigantic post-office-modernization program—on a lease-purchase basis, of course—as his partial answer to growing unemployment.

The President says that if things are not better next month he will have a program, too.

The reason for these statements, of course, is the latest unemployment figures—1.1 million rise in January, to a present figure of 4.5 million.

I have a suggestion for the President and the administration, as they look around for things to do. My proposal concerns the Tennessee Valley. Over in the House of Representatives is a bill, passed by the Senate last year, which would provide a method for the TVA to finance its own needed expansions.

The President ought to get behind that bill, and help line up some Republican support for it. If it passes, new steam plants will be built in the valley. They will provide jobs now—and they will be a continuing stimulus to the economy of an entire region of the country. The things that go into these plants will be bought all over the country.

And it will not cost the Federal Government 1 cent—nothing will be added to the national debt—for all we ask for is the opportunity to finance this needed construction ourselves.

The President says he is for this program. He mentions it year after year in his budget messages to Congress. His Budget Bureau, however, has yet to be convinced that he is really for a workable program; they consistently gum it up with unworkable financial provisions.

We managed to provide for the program in the Senate in a workable way over the opposition of the Budget Bureau. That was last year. This is a new year—with new unemployment harassing the Nation—and a new opportunity for President Eisenhower to deliver a few votes to go along with his good wishes to the Tennessee Valley region.

CONTRIBUTIONS TO REPUBLICAN CAMPAIGN COMMITTEES

Mr. KEFAUVER. Mr. President, moral indignation has apparently become too expensive a virtue for the Republican Party.

Day before yesterday we read in the papers that Chairman Alcorn, of the Republican National Committee, would not permit the lily-white hands of his committee to be soiled by touching the $100,000 raised at the Houston oil and gas dinner for JOE MARTIN. At the same time we learned that Chairman Alcorn's scruples in the matter were fully endorsed by President Eisenhower.

Those Republican moral scruples lasted about 48 hours. This morning we learn that the chairman of the Republican House campaign committee will be glad to have the money. This morning we learn that the chairman of the Republican senatorial campaign committee says that he will be glad to have the money.

We have not heard today from Jack Porter, the Republican national committeeman from Texas, who now has the money. Doubtless he will be happy now. The money will be going precisely where he intended it to go in the first place.

That money, the Republican national committeeman suggested, in his letter, was needed as a stimulus to help the Republican leader in the House to help persuade votes from Congressmen whose constituents think the gas bill will hurt their interests.

All the bill does is to remove natural gas from price regulation by the Federal Power Commission. All the burden it places on the consumer is a billion-dollar addition to his gas bill every year.

One can understand the anxiety of the natural-gas interests to get this bill passed. If it passes the Congress and is signed by the President, the stroke of his pen will add $12 billion to the value of gas reserves in the United States. In that one stroke of the pen a fairly small segment of Americans will be made $12 billion richer. No wonder there is so much effort to get the gas bill passed.

The $100,000 kitty is now marked money. Voters are going to be mighty curious as to where the money came from and what was done to get it. I am afraid that the sheep will be counted along with the goats.

PHONY PUBLIC WORKS PROGRAM

Mr. McNAMARA. Mr. President, the announcement by the White House and the Postmaster General of a $2 billion public-works program is a product of the political mind at work.

I doubt if there is a more expert political mind around than that of the present Postmaster General. This so-called public-works program is one of his finer efforts. It has the outward appearance of a forthright administration step to combat the recession; but internally, it is loaded with booby traps. In short, it is about as useless as an antirecession weapon as one of Mr. Summerfield's canceled postage stamps.

This mirage of a public-works program is divided into two parts. Part 1 commits the Government to spend the princely sum of $175 million a year to modernize the Post Office Department.

Even $175 million pumped into the economy now might be somewhat beneficial. But Mr. Summerfield and the White House intend to finance this $175 million by taking it out of the pockets of the American public in higher first-class postage.

Giving this modernization program an antirecession coloration is simply a crude effort to blackmail Congress into raising postal rates on first-class mail.

The second part of Mr. Summerfield's dead letter mentions $1½ billion for new or remodeled post office buildings. This, in terms of money, appears to be more like a genuine effort to come to grips with the recession. But it, too, will blow up in our hands if we look under the surface.

In the first place, it sounds like a new program. But Mr. Summerfield admits it has been going on for the past 4 years.

Secondly, it would obtain new buildings through the least advantageous and most expensive method for the Government—by leasing.

The program is supposed to cover a period of 3 to 5 years, and would cost from $400 million to $667 million a year. This is grossly inadequate to fight the recession. Considering the lead time necessary in such a program, it would be many months before the expenditure of even these piddling sums would be felt.

As I suggested on the Senate floor last week, there are many realistic ways to bring back prosperity, including income tax cuts and a genuine public-works program. But the Summerfield-White House method is simply political trickery.

The PRESIDENT pro tempore. Is there further morning business? If not, morning business is concluded.

REINVESTMENT BY AIR CARRIERS OF PROCEEDS FROM SALE OF CERTAIN OPERATING EQUIPMENT

Mr. MANSFIELD. Mr. President, I announce that on Monday, February 17, the leadership expects to move the consideration of Calendar No. 1178, H. R. 5822, to amend section 406 (b) of the Civil Aeronautics Act of 1938, with respect to the investment by air carriers of the proceeds from the sale or other disposition of certain operating property and equipment.

It is requested that the attachés notify Senators on both sides of the aisle of this proposal.

ORDER FOR ADJOURNMENT TO MONDAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate adjourns today, it adjourn until 12 o'clock noon on Monday next.

The PRESIDENT pro tempore. Without objection, it is so ordered.

PROPOSED PROGRAM FOR MODERNIZATION OF THE POSTAL SERVICE

Mr. MORTON. Mr. President, I call the attention of the Senate to an announcement by the President requesting Congress to approve a modernization program for the entire postal service of the United States.

I am informed the program will involve rehabilitating, enlarging, or replacing 2,500 Government-owned post offices, and replacing or remodeling 12,000 leased postal buildings and providing modern mail handling equipment for all postal facilities in the United States.

In my judgment, this affords Congress an opportunity to provide a program which many Members have long desired. The Senator from Kansas [Mr. CARLSON] will propose an amendment to the postal rate bill establishing a fund for this modernization program. Each Member of this body will have an opportunity to vote favorably for a program which will, in my judgment, have advantages for every community in our Nation.

I ask unanimous consent to have printed, following my statement, the text of the President's statement, which was published in full in the New York Times of Wednesday, February 12, as well as the statement of the Postmaster General, Arthur E. Summerfield, outlining the administration's program for modernization of the postal service which he made yesterday, February 12, before the Senate Post Office and Civil Service Committee.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

[From the New York Times of February 12, 1958]

STATEMENT ON POST OFFICE

WASHINGTON, February 11.—Following is the text of a White House statement today on post office modernization:

"The President today directed Postmaster General Summerfield to present promptly to the Congress a $2 billion program to modernize the obsolete physical plant of the Post Office Department over the next 3 to 5 years. The program will involve rehabilitating, enlarging, or replacing 2,500 Government-owned post-office buildings, replacing or remodeling 12,000 leased buildings, and providing modern mail-handling equipment for all postal facilities.

"Under the new program, developed by the Postmaster General, the funds from private investors for construction of new post offices to be occupied under lease would approximate $1,500 million.

"The capital investment to be made by the Government is estimated at $175 million a year for the period of the program, and would be for mail-handling devices and other equipment for these new leased buildings, and for the costs of rehabilitating and expanding some of the federally owned post offices. The total postal modernization program would therefore involve more than $2 billion, and would affect every section of the country.

"The Government's portion of these expenditures would be financed by revenues from increased postage rates proposed by the administration and now before the Congress. The budget message has proposed a 5-cent letter rate on out-of-town letters, a 4-cent rate on local letters, and increases in other classes of mail."

POSTAGE TO PAY FOR PLAN

"The plan contemplates that the postage above 4 cents on first-class mail—namely, the 1 cent on out-of-town letters, which will amount to $175 million a year—will be used to pay the modernization costs. The remaining increases would provide about $500 million a year to reduce the postal deficit, estimated at $850 million annually, including pending wage increases for postal employees proposed in the budget. When the program is completed, the added revenues, the improved and more efficient operations which can then be expected, should permit further reduction in the remaining deficit.

"During the past 4 years the Post Office Department has gained valuable experience from its leasing program whereby about 2,000 new postal buildings have been built to its specifications by private investors and leased to the Department. These postal buildings pay local taxes, are sound investments for their owners, eliminate the need for Government capital, and are economical in that they are more efficient for modern mail-handling methods. The new buildings to date have been leased at less cost per foot than older, unsatisfactory space."

RESEARCH ON HANDLING

"During this same period of time the Post Office Department has had a research and engineering program underway whereby modern, mechanical, and electronic mail-handling equipment has been developed to the stage it can now be introduced in new postal facilities. This equipment will speed mail deliveries and help to reduce postal costs.

"Necessary appropriations will be requested for the fiscal years 1958 and 1959 to start immediately the postal facilities modernization program as soon as postal-rate increases have been enacted.

"Unless prompt steps are taken to build and equip the thousands of new post offices needed throughout the country and remodel and refurbish many others, postal service will deteriorate.

"This must not happen.

"The President urges the Congress to approve the plans to modernize the postal establishment as they will be presented by the Postmaster General."

STATEMENT OF POSTMASTER GENERAL ARTHUR E. SUMMERFIELD OUTLINING THE ADMINISTRATION'S PROGRAM FOR MODERNIZATION OF THE POSTAL SERVICE

Mr. Chairman and the members of this committee, at your invitation I have returned to your committee today for further discussion of the amendment to H. R. 5836, which would establish a 5-cent rate on each ounce of nonlocal letter mail, as proposed by the administration in the 1959 Federal budget.

The time of my appearance is especially timely. Yesterday the President announced that he had directed me to present to the Congress a program for modernization of the postal plant, including the replacement, or rehabilitation and expansion, of many of its buildings, and the procurement of newly developed modern mail-handling equipment.

In many respects, the proposal that I am here to present corresponds with the one outlined by a member of this committee, Senator CARLSON, on the floor of the Senate a few days ago. It contemplates the expenditure of approximately $2 billion over a period of 3 to 5 years to provide improvements in the postal facilities in every section of the country.

This plan has the dual benefit at this time of not only providing for the needs of the postal service, but of giving the economy a timely stimulus. Fortunately, the progress of our research and development programs of the last 4 years has brought us to the point of technological knowledge where we can promptly and effectively proceed with the modernization of our mail-handling methods. We are prepared to begin to introduce entirely new mechanical and electronic devices to handle mail.

A large part of the cost of this program will be financed by private investors. Our leasing activities of the last 4 years have provided 2,000 new post offices planned and built under our specifications. We now propose to rehabilitate, enlarge, or replace 2,500 Government-owned post-office buildings, replace or remodel 12,000 leased buildings, and provide modern mail-handling equipment for all postal facilities.

The Government's expenditures will be those necessary to equip these buildings with modern machines and devices, and to rehabilitate and enlarge, as well as equip, some of the federally owned post offices.

The Government's share of this cost will be planned for expenditures at the rate of $175 million a year. It is proposed that this will be financed by the extra cent above the 4 cents that we are asking the Congress to add to each ounce of nonlocal mail, which will likewise amount to approximately $175 million a year.

I would like to urge upon this committee the fact that these new facilities and the improved service that will result are necessary to make meaningful to the public the increases in postage that we need to reduce the fantastically large postal deficits.

I would like to review again our financial predicament.

As you will recall, in my last appearance before your committee on January 24, 1958, I outlined our current fiscal situation and pointed out that the aggregate of our postal deficit since 1945 to the end of this fiscal year will amount to $6 billion.

For fiscal year 1959, we anticipate a minimum operating deficit of $700 million, exclusive of other possible increases such as contemplated in the various pay bills now before the Congress.

The facts were presented by me which show beyond the question of a doubt that the 5-cent letter rate is equitable, necessary, and in the public interest. These facts included:

(1) Letter mail-cost coverage is now far below the historic average.

(2) Letter mail no longer pays a fair share of total costs of operating the Post Office Department.

(3) Letter mail is the only service that has made no contribution whatsoever, in terms of rate adjustments in the last 25 years to help defray operating cost increases.

(4) Considering the decrease in the purchasing power of the dollar, a letter taking a 3-cent stamp in 1932 would cost 6 cents today.

(5) The Senate action in 1951 in voting a 4-cent rate underscored the reasonableness of the 5-cent letter rate today.

(6) Thirty-four postal systems in foreign countries charge approximately 5 cents for letter mail, even though their labor costs average one-third to one-half of our own postal employees.

(7) Out-of-town letters cost more to handle.

(8) A 5-cent letter rate conforms with policy provisions of H. R. 5836.

(9) The proposed increases in letter rates are still less than recent increases in the telegraph and telephone industries.

Senator FRANK CARLSON'S speech on the floor of the Senate on Friday, January 21, 1958, served to point up the serious dilemma that your postal service is now facing. On the one hand, we have huge mounting deficits with an urgent need for rate adjustments to help defray operating cost increases and remove the burden from the general taxpayer of financing these huge growing deficits. On the other hand, we have the serious problem of obsolescence of our out-

UNIVERSITY OF MICHIGAN LIBRARIES

dated postal facilities all over the United States.

Federal public works funds have not been appropriated for new United States post office buildings since 1938. During this period of 20 years our national population has increased from 130 million to 170 million—a gain of 31 percent—and the mail volume handled in our post offices has increased from 26 billion to 61 billion pieces—a gain of 135 percent.

Marked changes have taken place in the transportation pattern of common carriers during this 20-year period. For instance, in 1938 there were approximately 6,600 trains carrying mails and today there are about 2,400 mail-carrying passenger trains—a reduction of 63 percent. This means that we must relocate many post offices once built for railroad service but now served by other transportation means. It means that we need a different type of structure—one with land areas required for driveways, and with platform space and docks for truck dispatches and deliveries.

Every city in the Nation has experienced a large-scale movement to the suburbs. There have been over 16 million new nonfarm residential units built, each a new stop for the mailman.

The physical plant of the Department has not kept pace with the Nation's growth. More than half of the post office space is concentrated in 3,300 Federal buildings, all located in key gateway cities. These buildings, built in the late thirties or earlier, some over 50 years old, are mostly monumental in character and completely unsuited for today's mail-handling problems. They are multistory with narrow bays, poor lighting, inadequate trucking facilities, and cannot be easily remodeled for mechanization.

During this period of rising costs basic postal rates have remained at the 1932 level and the Post Office Department has operated at ever-increasing huge deficits. The Department has had to depend upon small amounts in its annual appropriations to attack the huge problem of an obsolete plant, instead of through a long-range building program.

The Department has been making progress in improved service by encouraging private enterprise to build some buildings for lease to the Department. This program, as far as it has gone, has proved successful, economical, and highly desirable. To date, however, we have been unable to replace our obsolete large Federal buildings, or provide modern equipment, because of inadequate funds.

Our research and development program has now produced a breakthrough in new concepts of mechanized mail handling. With the first results of this program now available, the Department is now in a position to enter into a planned capital improvement program which will combine modern, one-story, functional post offices, and the newest and most efficient mail-handling equipment with better working conditions. This program, when completed, will substantially reduce our costs to counteract the ever-increasing volume of mail.

While the Congress at this time is considering giving the Department the help it needs to overcome its fiscal plight, it is important for it also to provide the Post Office Department with the means to modernize its obsolete post offices. The increase in the first-class rate on out-of-town mail to 5 cents per ounce will go far to accomplish this objective.

A substantial part of the Federal buildings and also the privately owned buildings which are leased to the Post Office Department are badly in need of modernization or replacement. To modernize or replace these several thousand buildings will cost about $1.5 billion and this entire investment would be financed by private capital. The only Government funds necessary would be for the purchase of equipment to be installed in these new or modernized facilities and for rehabilitation and enlargement of some Government-owned buildings. This program, already underway on a very small scale, should be rapidly accelerated with the objective of completion within 3 to 5 years.

To summarize, this program would offer the following advantages:

(1) It would give us a modernized postal service that will take care of the present volume, as well as the anticipated 75 billion pieces of mail by 1970.

(2) It will make possible an important reduction in the costs of handling the increased volume of mail through modernization and the elimination of obsolete equipment.

(3) The poor working conditions existing in most offices will be immeasurably improved for our more than 500,000 dedicated employees.

(4) The morale improvement will be reflected in greatly improved service.

(5) The major portion of the capital expenditure necessary for the program will be provided by private capital rather than a direct appropriation by the Congress and a further demand upon the Treasury of the United States.

CONCLUSION

Mr. Chairman and gentlemen of the committee, our postal service affects every family in the United States and it is absolutely necessary that this greatest system of communication on earth be maintained in keeping pace with the growth of our country.

Today the postal service of our country is truly at the crossroads.

One road leads to fiscal responsibility and better mail service.

The other leads to still heavier tax burdens on the general public, increased postal subsidies to the large mail users, and unavoidable deterioration of mail service.

The Post Office cannot stand still.

The choice, Mr. Chairman and members of the committee, is yours.

PROPOSED CURTAILMENT OF THE NATIONAL GUARD

Mr. BEALL. Mr. President, by now I am sure that all of our colleagues in this Chamber have been alerted by the patriots of their respective States to the latest Pentagon plan to curtail our Nation's militia.

Our National Guard, historically the first and last line of America's defense, faces another cut to keep the Regular Army within its 1959 budget.

Last spring, 35,000 volunteers were lopped from the guard rolls to pare them to a mere 400,000 citizen soldiers. Now come reports of another 40,000 slash.

This comes as grave news to a Nation already disturbed about other phases of its survival—at a time when our original satellite failure has betrayed a vacillating loyalty on the part of some of our allies abroad, and at a time when many of us are not too sure that we will win a future war by pushbuttons alone.

In my own State of Maryland, the Army's proposal would strip our historic militia by 2,000 men. Indeed, it threatens the very existence of our beloved 29th Infantry Division of World War II fame.

I am sure that this kind of news shocks not only the Members of this Chamber, but all good Americans everywhere, for our history books have bred in all of us a deep respect for the heroic patriots who have always been there—ready, willing and able—to shoulder arms in our Nation's defense.

Our militia tradition predates the republican democracy it made possible. Our citizen soldiers stood at Bunker Hill before there was an American Army; our Dandy Fifth Regiment routed the tyrant at Cowpens before there was a United States.

The 175th Infantry, once the Dandy Fifth and now part of our 29th Division, has fought with glory and distinction in every war our Nation has waged.

Our 115th Infantry Regiment—in fact, all of our Maryland units, which I mention specifically because I am so well acquainted with them—are responsible for some of the most inspiring chapters of our Nation's history—chapters written in sweat and blood.

Similar contributions have been made by the guard units of other States, too, of course, and the annals of heroism are filled with their proud achievements.

From generation to generation, our militia has handed down the great traditions of a people willing to face any sacrifice to keep our Nation free—free not only from an alien foe, but free also from internal disorder or dictatorship.

Currently, of course, we fear no possibility of a dictator. There are no Hitlers or Perons rising at this time who might convert our Pentagon into a citadel of oppression.

But when we look to certain other lands and see military rulers corrupting governments fashioned in our image, when we see the wretched plight of whole peoples ruled by bayonet in alleged democracies, then we must all realize that but for certain safeguards, it could happen here.

That is not a new thought. Those wise and able men who established our Government feared the military tyrant. And they charged us—the Members of the Congress—to see that no man on horseback ever subjugates our free land.

Mr. President, I cite only as a reminder article 15, section 8, of our sacred Constitution. Here our forebears charged the Congress specifically with the duty "to provide for calling forth the militia." And in article 16, the duty is imposed on us "to provide for organizing, arming and disciplining the militia."

I fail, Mr. President, to see how we can relegate these solemn duties to the Pentagon.

It has always been a matter of wondrous amazement to me to watch history unfold and realize how our Founding Fathers foresaw and provided safeguards for almost every emergency our Nation has faced in almost 200 years.

In this matter, too, they showed the same rare wisdom. They considered the militia of such importance to a free people they took even further steps to keep our citizens armed.

Mr. President, I now quote from article 11 of history's most magnificent afterthought—our hallowed Bill of Rights. It says:

A well regulated militia being necessary to the security of a free state, the right of

a people to keep and bear arms shall not be infringed.

Those are not my words, Mr. President, I wish they were. They were the words of our forebears, protecting us from shortsighted expediences.

They considered this provision so vital, so inherent to our liberty, that they told why they did it—to defend the security of a free state. It is the only measure in the entire Constitution, Mr. President, which bears an explanation of why it is there.

So I take the floor, today, to remind the Congress, and the Pentagon, that our Constitution says the right of the people to bear arms shall not be infringed.

It shall not be infringed by manpower cuts that reduce it to an impotent corporal's guard.

Nor shall it be infringed by appropriation cuts that reduce the proportions of our Minutemen too far below those of our professional soldiery.

Mr. President, I remind the Congress that with a "well regulated militia being necessary to the security of a free state," we must justify the trust reposed in us by the Founders and see that it is just that—well regulated—with enough officers and men and material to insure that security.

To do otherwise is to betray our free heritage—to pave the way for a future and more successful Aaron Burr.

I am sure you will recall, Mr. President, that our initial military draft of 1941 fed most of its manpower levies directly into our mobilized guard units. The Regular Army was not prepared to handle them any other way.

True, the guard was undertrained, undermanned, understaffed. But the guard—along with the Army—was our salvation.

As a peaceful nation without aims of conquest, this Nation has until our current crisis always depended on a small standing army, backed up by its militia.

Mr. President, I close with a thought from the Baltimore Sun on this grave situation. In an editorial which deplores, as many of us do, this hamstringing of our citizen soldiers, the Sun remarks:

It is questionable whether, in a country where many men try to get out of military duty, those who want to serve should be discouraged or denied this opportunity.

I am sure the American answer is "No."

WITHDRAWALS OF LANDS FOR CERTAIN PURPOSES — CONFERENCE REPORT

Mr. BIBLE. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5538) to provide that withdrawals, reservations, or restrictions of more than 5,000 acres of public lands of the United States for certain purposes shall not become effective until approved by act of Congress, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. MORTON in the chair). The report will be read for the information of the Senate.

The legislative clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5538) to provide that withdrawals, reservations, or restrictions of more than 5,000 acres of public lands of the United States for certain purposes shall not become effective until approved by act of Congress, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows: That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

At page 2, strike out all after line 19 down to and including line 4 on page 3, and insert the following:

"(4) nothing in sections 1, 2, or 3 of this act shall be deemed to be applicable either to those reservations or withdrawals which expired due to the ending of the unlimited national emergency of May 27, 1941, and which subsequent to such expiration have been and are now used by the military departments with the concurrence of the Department of the Interior, or to the withdrawal of public domain lands of the Marine Corps Training Center, Twentynine Palms, California, and the naval gunnery ranges in the State of Nevada designated as Basic Black Rock and Basic Sahwave Mountain."

CLINTON P. ANDERSON,
ALAN BIBLE,
FRANK CHURCH,
GEORGE W. MALONE,
GORDON ALLOTT,
Managers on the Part of the Senate.

CLAIR ENGLE,
WAYNE N. ASPINALL,
WALTER S. BARING,
JOHN P. SAYLOR,
WILLIAM A. DAWSON,
Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the report was considered and agreed to.

ACCELERATION OF THE HIGHWAY PROGRAM

Mr. GORE. Mr. President, in 1956, the Congress enacted a far-reaching highway-construction program. Of particular significance in the Act of 1956 was the specific recognition of the importance of, and Federal responsibility for, the early completion of a national system of interstate and defense highways. The Act of 1956 contained this specific declaration:

It is hereby declared to be essential to the national interest to provide for the early completion of the "National System of Interstate Highways," as authorized and designated in accordance with section 7 of the Federal-Aid Highway Act of 1944 (58 Stat. 838). It is the intent of the Congress that the Interstate System be completed as nearly as practicable over a 13-year period and that the entire System in all the States be brought to simultaneous completion.

Under this act, the Federal Government undertook to pay 90 percent of the cost of this segment of our highway system. The act contained authorizations for Federal expenditures for the years 1957 through 1969, inclusive, totaling $25 billion. This amount, added to contributions to be made by the States, was estimated to be sufficient to provide for completing the then designated Interstate Highway System within the 13-year period, with construction standards adequate to accommodate types and volumes of traffic forecast for the year 1975.

In making authorizations for a 13-year period, the Congress departed from its prior practice of authorizing highway expenditures for only two years at a time. This action was taken in order to assure the States of the Federal Government's determination to provide adequate funds to complete the system within a definite period of time. This multiple-year authorization also provided needed assurance to the construction equipment, cement, asphalt and aggregate industries, highway contractors, and others associated with highway building, so that they might safely make their plans and might program their activities in such ways as to permit timely completion of this gigantic construction program. It provided assurance, too, to the 48 States.

Under the act of 1956, funds authorized for the fiscal years 1957, 1958, and 1959, totaling $4,875,000,000, as the Federal contribution for the Interstate System for those years, have been apportioned to the States, and are available for obligation by the States, for engineering, the purchase of rights-of-way, and the award of construction contracts. The several States are now proceeding with their plans involving the expenditure of these sums.

Quite frankly, the progress made in getting actual construction under way is not as rapid as I should like to see it. We must recognize that the problems involved in reaching the construction stage are formidable. Though somewhat tardy, several States are only now in a position to proceed with the actual award of construction contracts involving substantial sums of money.

I call to the attention of the Senate that this very necessary program, now in its early stages, stands in danger. Unless appropriate action is taken by the administration and the Congress, the program will have to be so curtailed as to make it impossible to meet the objectives set forth in the act and to make meaningless the declaration of policy which I have quoted.

If the rate of actual apportionment, as now estimated and recommended by the administration's budget, remains unchanged, construction of the 41,000-mile Interstate System will be stretched out to approximately 24 years.

New estimates submitted by the Secretary of Commerce indicate that the cost of the originally designated 40,000-mile Interstate System will be $37.5 billion, an increase of about 37 percent, or $10 billion, over the estimates submitted in 1955. Assuming that the most recent estimates submitted by the Secretary of Commerce are accurate, unless positive action is taken, actual construction of the highway system which the Congress declared should be built by 1969, will

UNIVERSITY OF MICHIGAN LIBRARIES

not be finished until 1980, or later. In such event, this grand system of highways will be obsolete even before it is finished.

The President of the United States, in his message to Congress on February 2, 1955, proposed that the Interstate System be built in 10 years, at an estimated average annual outlay of Federal funds in the amount of $2.5 billion. Specifically, the recommended construction schedule accompanying the President's message provided for the expenditure of $2.9 billion in the fiscal year 1960. This compares with $1.6 billion available for obligation under present recommendations.

In his message of 1955, the President pointed out that while one in every seven Americans makes his livelihood and support for his family out of our highway system, the existing network is, in large part, inadequate for the Nation's growing needs.

The economic benefits flowing from an adequate highway network are in themselves ample justification for maintaining the construction schedules set forth in the Highway Act. The need for doing so is even more urgent in view of the current state of our economy. The Labor Department announced this week that in January, 4.5 million persons were actively seeking jobs which were not available. This represented an increase of more than 1 million over the unemployment figure for December, and is 41 percent larger than the figure for January of last year. Everyone predicts that unemployment will be even higher this month.

Some segments of our economy, notably the farmers, have been in a depressed state for several years. Until comparatively recently, other segments of the economy have experienced reasonable levels of activity which, from the standpoint of overall statistics, have tended to obscure the soft spots. One of the more serious aspects of the current recession, however, is that most major segments of the economy are on the downturn simultaneously. Plant expansion has been sharply curtailed; business inventories are being reduced; consumer purchasing shows increased signs of weakness; the home-building industry still suffers from nonavailability of mortgage funds; and the farm economy shows no signs whatsoever of improvement.

I should like to make it clear that I do not consider that we are in a depression, although I admit it might be hard to convince the 4½ million unemployed and other millions who are only partially employed that such is not the case. It is my view that governmental action is necessary to avoid a much more serious situation than that we now face.

It is encouraging that President Eisenhower has recognized the Nation's present economic plight. That is a prerequisite to adequate action. The President did not propose adequate action, however.

One of the most effective means of stimulating our economy is by accelerating a sound public-works program. There is no better place to start than with the highway program. As a result of the policy declarations in the 1956 act, the highway-construction industry is prepared for a construction program at a higher level than that now in effect. Preliminary planning has been accomplished, and detailed planning for additional projects could be completed in a very short time if availability of funds is assured. The administrative machinery for the program is already in existence and is functioning.

Section 209 of the act contains a policy declaration that it is the intent of the Congress that if total receipts in the Highway Trust Fund are insufficient to meet necessary expenditures, the Congress shall enact such legislation as may be necessary. It is obvious that the time for such action has now arrived. We simply cannot permit the program for construction of an interstate system of highways to be slowed down and stretched out, as it inevitably will be unless action is taken.

Thus far, the only administration proposal affecting the highway trust fund is a recommendation that approximately $68 million be diverted annually from the fund and be used for purposes other than those of the Federal-aid highway program. I vigorously oppose these proposals to raid the fund. It is abundantly clear that, instead of talking about diverting funds now earmarked for the highway program, we must take necessary action to increase available funds. As a very minimum, we must take action to place in the highway trust fund sufficient funds to permit the apportionment of the full amounts authorized for the interstate system.

Our highway program is aptly described as one for which the users of the highways pay. I have always had serious reservations about earmarking funds in the General Treasury. Such action generally tends toward inflexibility in Government fiscal operations.

Furthermore, it is obvious that good highways benefit everyone, not just those who travel on them. Every business activity in an area served by a new highway benefits from it. I have no hesitation whatsoever in recommending that general revenues be appropriated to the trust fund as required. However that may be, if the Congress decides that only highway-user taxes should be spent for highway construction, I believe the receipts from such taxes will be fully adequate to meet the needs.

In its report on the highway bill in 1956, the Senate Finance Committee estimated that the receipts from the highway-user taxes which, in the aggregate, through 1972 would total $55,460,000,000. In setting up the highway trust fund, however, not all of these taxes were appropriated to the fund. Only the highway-user taxes which, in the aggregate, were estimated to yield about $38 billion during this period were earmarked for the fund. If the remainder of these excise taxes paid by highway users were likewise earmarked for the trust fund, the receipts would be adequate to permit apportionment of the full amounts authorized in the act and, in addition, would be sufficient to permit increasing those authorizations sufficiently to enable them to take care of the increased cost of the interstate system, as well as the needed increases in authorizations for our primary, secondary, and urban Federal-aid systems.

In 1955, President Eisenhower recommended construction of the Interstate Highway System over a 10-year period. He recommended the program as being necessary from the standpoint of national defense, highway safety, and economic progress.

After lengthy and careful consideration, the Congress concurred in the view regarding the necessity for a vigorous highway improvement program, not only with respect to the Interstate and Defense Highways, but also with respect to the primary, secondary, and urban highway systems. The conditions and facts upon which the President and the Congress reached these conclusions in 1956 are still present, and today they are even more pressing.

For instance, more than 37,000 people were killed in highway accidents last year. More than 1 million others were maimed and crippled. The measurable economic losses from highway wrecks exceeded $4 billion.

Moreover, it is estimated that the additional cost to highway traffic from inadequate highways amounts to approximately 1 cent a mile, which, when measured against the current volume of traffic, amounts to an economic drain of approximately $5 billion a year on our economy.

These facts are arresting. They dramatically illustrate the severe economic losses which we suffer from inadequate highways. The situation promises to grow progressively worse unless we pursue a vigorous highway-improvement program.

In addition to these facts, which led a Democratic Congress and a Republican President to agree upon a vigorous highway program in 1956, and which today are present and even more pressing, we have the urgent need to stimulate our national economy.

In the face of these impelling conditions and facts, we have a proposed 24-year stretchout of a 13-year program upon which agreement was reached only 2 years ago. This we must not permit. The national interest requires acceleration of its highway program rather a stretchout.

PRESIDENT'S PROPOSAL FOR IMPROVEMENT OF POST OFFICE FACILITIES—A SHAM PROGRAM

Mr. MORSE. Mr. President, the President of the United States made a statement yesterday that purported to be offering the American people a public-works program of some $2 billion. It is the characteristic type of sham the President of the United States has been presenting to the people of the United States. In my judgment, it is not a true public-works program at all. It represents another shakedown by the bankers. It represents another example of favoritism for big business in this country. It represents another fraud upon the taxpayers of the country.

We ought to have the type of program in support of which the Senator from Tennessee [Mr. GORE] has just raised his voice in the Senate, a public-roads program that would do something toward bringing to an end highway murder of some 36,000 or 37,000 Americans a year. Experts point out that there is little we can do about the large number of fatalities on the highways until the roads engineeringly can accommodate the number of automobiles on the highways. Our present roads cannot take such a large amount of traffic.

What does the President propose to do about that? He says not a word with regard to getting the road schedule back on time. He proposes once again, as he did earlier in this administration, another handout to the bankers of this country.

This matter of lease-purchase has been before the Senate of the United States before. I shall insert in the RECORD a part of the debate we had when the Senator from Washington [Mr. MAGNUSON], chairman of the Committee on Interstate and Foreign Commerce of the Senate, pointed out to this country how much more the President's giveaway program to the bankers would cost the taxpayers, and how much less they would be getting than what they would be paying.

It is no understatement to say it amounts to taking away from the taxpayers at least one-third of the cost of construction, in addition to what the Government could build the post offices for, if it built them itself. I am in favor of building post offices, but I am for the Government building them, without a third handout to the bankers and the construction people of this country over and above what the Government itself could build the post offices for.

There is no saving under the President's plan. Whether the money is raised by conventional Federal financing or by lease-purchase, a form of installment plan, the taxpayers will foot the whole bill over a period of time. But, lease-purchase makes the buildings far more expensive than conventional Government financing.

Mr. President, I ask unanimous consent that there may be printed at this point in the RECORD certain paragraphs from the debate we had on this matter on April 20, 1954. What a group of us said on that date is as true and applicable today to this latest representation on the part of the President of the United States—that he is not really proposing a public-works program, when all it is is a shakedown of the taxpayers of the country.

There being no objection, the extracts were ordered to be printed in the RECORD, as follows:

[From the CONGRESSIONAL RECORD of April 20, 1954]

Mr. MAGNUSON. I should first like to conclude my statement; then I shall be happy to yield.

If the Federal Government needs a building, it should come to Congress and ask it to appropriate the money for it. That is the cheapest way to do it. If we cannot afford to do it that way, why enact a bill like this and pile up the costs to which I am about to refer under this method, which the committee itself says is more costly than the old method?

The committee has provided no estimate as to what the program will cost. I was curious on that point. I thought the Senate should have some information to guide it in its deliberations on this measure. Therefore I asked the Library of Congress to provide me with some figures. To me they are most interesting. Let me demonstrate what I mean.

We are talking about saving money. Yet we are presented with a program which will be much more costly than any other program.

Estimates as to the amount of construction which would take place under this bill vary. Some have quoted a figure as high as $3 billion. For purposes of illustration, I have assumed that $900 million worth of construction would take place under this program.

All of us know that a builder will not construct a Federal building without making a profit. I am assuming that he would make a profit of approximately 10 percent, which is the average profit on construction. Under the proposed lease-purchase program the builders—and I ask Senators to mark this point—would go to their bankers to borrow the money. Naturally, they would borrow enough to cover their estimated costs, or $900 million, plus a legitimate profit. For easy figuring, let us assume the builders borrow $1 billion. This amount would cover the cost of construction, plus the profit. Collectively, the mortgage total would be $1 billion.

I doubt that the interest rate on these mortgages would be less than 4½ percent. That is the normal, average rate of interest on money lent for construction purposes. Let us assume that the rate is 4½ percent, and that the lease-purchase contract runs for 25 years. The total cost of these buildings to Uncle Sam would be $1,686,000,000, in round figures, as compared to $900 million under the straight appropriation method. The amount of $686 million is the amount of interest the taxpayers will pay on a program of the magnitude I am discussing.

The annual payment to amortize the cost of the buildings, plus interest over a 25-year period, would be $67,439,000.

Let us assume that the Federal Government were to finance the same building program by appropriations, which is the honest way to do it. The cost of the money to the Government would be not more than 2½ percent. It would be in the ratio of whatever the deficit of the Federal Government was for the fiscal year. It would be less than that, but let us assume it would be 2½ percent. Over a 25-year period the interest charge would be $357 million in round figures.

In other words, it would cost Uncle Sam, at the highest figure we could assume, $329 million more in interest alone to finance a $1 billion construction program under this proposed legislation than it would cost if Congress made the appropriations directly.

That is quite a tribute to pay to the moneylenders, particularly at a time when we hear so much talk about economizing. In addition, it is an extremely high price to pay in the name of a balanced budget for the sake of a balanced budget.

Let us assume that the money costs the builder 5 percent. In that case the total interest the Federal Government would ultimately pay on a $1 billion construction program would amount to $774,855,000. In that case the buildings would cost the taxpayers $418 million more in interest than they would cost if Congress appropriated the funds.

If builders had to pay 5½ percent for their money, the difference in cost would be $507 million. The total interest would be $864 million, in round figures.

This, however, is not the full story. We still have to consider taxes. Under this bill the title would not pass to the Federal Government until final payment is made.

In consequence, the builder would pay local taxes on the property. The property with improvements would remain on the tax rolls.

This may be a desirable provision. Many of us in the Senate have thought the Federal Government should make some payments in lieu of taxes to States and municipalities. Under the Constitution, however, States and political subdivisions may not impose a tax on the Federal Government. This bill provides a backdoor method for permitting the Federal Government—through annual installments on lease-purchase buildings—to pay the taxes.

I am not arguing the merits or demerits of the proposition. I now merely want to demonstrate the additional cost to the Federal Government of acquiring buildings under this legislation attributable to local taxes.

For illustrative purposes, I have taken two cities—Seattle and Baltimore—on opposite sides of the country. I realize, of course, that the Federal Government is not going to acquire a billion dollars worth of construction in Baltimore or in Seattle. The property tax rates in those two cities, however, will demonstrate the point I am making.

In the State of Washington we have a constitutional limitation on real estate taxes of 40 mills. Assessment valuations are made at 50 percent of true value. On a billion dollars worth of construction, therefore, the annual real estate tax will amount to $20 million. Over a 25-year period these taxes would add $500 million to the cost of these buildings.

In addition, there are local levies. In Seattle they amounted to $6.60 per thousand in 1953. Assuming this rate will continue, this would add another $165 million, or a total of $665 million in taxes over 25 years.

Mr. President, that is probably more than the cost of the buildings themselves.

In Baltimore, the rate is $20.80 per thousand. Assessments are supposed to be made at 75 percent of value. The annual taxes on a billion dollars' worth of contruction would be $21,600,000. Over a 25-year period taxes would increase the cost to the Federal Government by $540 million.

Let us go back and figure out what the total additional cost of a billion dollars' worth of construction would be, taking into consideration the additional interest charge and the additional tax bill.

Assuming that builders acquired their money at 4½ percent, it will be remembered that the additional cost was $329 million in round numbers.

If the construction took place in Seattle, or in a comparable city, the increase in cost under this proposed legislation would be—in taxes plus interest—$329 million plus $665 million, or $994 million.

If the construction took place in Baltimore, or in a city of comparable circumstances, the total additional cost would be $329 million, plus $540 million, or $869 million.

If the money cost the builders 5 percent, an additional $89 million, in round figures, would have to be added. If money cost 5½ percent, $168 million would be added.

It is apparent from the figures I have cited that construction under this program is going to cost the taxpayers almost double what it would cost them if Congress appropriated the funds—figuring interest and taxes alone. The committee was certainly correct when it said in its report that the appropriation method of constructing Federal buildings is the cheaper.

Over and above the costs I have mentioned, there are other hidden costs which

UNIVERSITY OF MICHIGAN LIBRARIES

I think will increase Uncle Sam's outlay under this program.

Personally, I think there will be a strong inclination on the part of the Postmaster General and the General Services Administrator, to acquire by lease-purchase buildings which will incorporate more frills and furbelows than will be necessary to meet an agency's needs. There would be strong incentive to add features that really are not necessary.

It is like buying an automobile or a refrigerator or a gas or electric stove on time. The customer tends to purchase something more expensive than he can actually afford. All of us do that when we purchase on the installment plan. It is simply human nature. There is no way of estimating the cost that would be added from this source. In my judgment, however, it would be substantial.

Furthermore, I find nothing in this bill which requires General Services Administration or the Post Office Department to prepare its own designs. The bill and report speak of competitive bidding, but actually the only way we can have competitive bidding is if all the parties are preparing their estimates on the same set of plans.

Under this program a 25-year contract can be entered into by negotiation. Since the individual builder will be submitting his own set of plans, there is in reality no competitive bidding in the true sense of the word. The Federal agencies will be merely checking on the estimates the builder and his architect have prepared.

Let us assume that three contractors bid on a post office in Seattle. As this bill is drawn, the Postmaster General or Administrator of General Services could decide that the contractor with the fanciest set of plans should get the award. As I said before, there would be an actual incentive to do that because the day of reckoning would be postponed and because Congress would not have the check on the executive branch that it would have if the appropriations were made directly.

I raise these questions:

Does the Senate of the United States want to authorize payment of taxes to States and their political subdivisions by way of this lease-purchase bill?

Second. Do we need these buildings so badly that we are willing to pay tribute in the magnitude I have already mentioned—namely, $329 million in additional interest over a 25-year period on a billion-dollar construction program?

There is still one other thing I want to mention. The committee reports say that "the General Services Administrator would make use of this legislation when (1) there is no suitable Government-owned space available, (2) there is no prospect of direct Federal construction within a reasonable period of time."

Mr. President, the General Services Administrator has to be a crystal ball gazer to figure that one out. Supposedly he will look into his crystal ball and decide that "there is no prospect of direct Federal appropriation." He will go into a seance with himself and decide that Congress is in no mood to appropriate money or that the President and his Bureau of Budget are pennypinchers, and, hence, that he should construct buildings under this proposed legislation.

Mr. MORSE. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. Let me finish one paragraph, and then I shall be glad to yield.

Mr. President, the executive branch is deciding what the Congress will or will not do. The only way to ascertain what the Congress will do is to come before Congress with a sensible program and talk to us about it. If the need is great, Congress will appropriate—provided, of course, the executive branch is not more interested in claiming a balanced budget than in achieving real economy.

Mr. President, I wish to digress at this point. The only purpose of a bill in which the Government will get $900 million worth of buildings in 25 years, while the taxpayers will have paid more than $2 billion for the buildings, is merely to show that it is not necessary for the executive departments to come before Congress and to ask to have the money appropriated. That is the only purpose of the bill. I could say some other things about the bill, just as the Senator from Virginia [Mr. BYRD] has done on several occasions.

There is now in progress an investigation with respect to Federal housing. Unless I am wrong, if the building program is started under the provisions of the bill, future investigations of abuses and costs to the taxpayers will make the Federal Housing Administration investigation look like a Sunday-school picnic.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. MORSE. I share the viewpoint expressed by the Senator from Washington. In my judgment, not only is this a form of unnecessary subsidy, but really, in the long run, it will prove to be a form of extortion, so far as the taxpayers are concerned.

SPUTNIK AND AMERICAN EDUCATION

Mr. MORSE. Mr. President, I ask unanimous consent to have published as a part of my remarks a very penetrating and able article by Dr. Earl McGrath, former United States Commissioner of Education, entitled "Sputnik and American Education." I read only the first paragraph, and then call attention to one other item, as I am speaking within a time limit.

The first paragraph of the article reads:

Every thoughtful American is properly concerned about the meaning of the Russian dramatic success in putting a satellite in orbit 560 miles from the surface of the earth. Many are worried about the military significance of this epoch-making feat. They foresee hydrogen bombs being dropped from a similar instrument into the midst of our cities and the devastation and death of Hiroshima multiplied a thousand times. They also share a common humiliation when they realize that our Nation, which has boasted the greatest wealth, the most education, and the largest force of skilled workmen, has been forced into second place in at least one very important area of scientific and technological development.

Later in the article he points out:

Scientists must be free to investigate. The Federal Government can also increase scientific production by adopting policies consistent with the nature of science and congenial to the scientists' methods of working.

In this article he bears out what a great physicist from the Massachusetts Institute of Technology said at a luncheon a few days ago as he briefed a group of us. He pointed out that security relations we have imposed on scientists have already cost us one generation of scientists, on the basis of education of nuclear physicists.

I ask unanimous consent that the entire article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SPUTNIK AND AMERICAN EDUCATION

(By Dr. Earl McGrath)

Every thoughtful American is properly concerned about the meaning of the Russian dramatic success in putting a satellite in orbit 560 miles from the surface of the earth. Many are worried about the military significance of this epoch-making feat. They foresee hydrogen bombs being dropped from a similar instrument into the midst of our cities and the devastation and death of Hiroshima multiplied a thousand times. They also share a common humiliation when they realize that our Nation, which has boasted the greatest wealth, the most education, and the largest force of skilled workmen, has been forced into second place in at least one very important area of scientific and technological development.

There is no question that being outstripped by the Russians in these scientific developments has placed us in a weakened military position. The Gaither Committee says that the Nation is in the gravest danger in its history exposed as it is to an almost immediate threat from the missile-bristling Soviet Union.

Perhaps an even more serious loss is the almost irreparable damage to our prestige in the family of nations. In terms of status and the ability to gain the support of other nations through admiration or intimidation, the Russians have made a grand slam.

But viewed from another position, Russia's launching of sputnik may be a real boon to the United States. The only constructive attitude to take is to view it as a challenge rather than a disaster. It should make us realize that in one realm of creative intellectual endeavor at least one nation has surpassed us. It should warn us that the present dramatic success of the Russians in the science of space is probably only the forerunner of many others equally impressive. The Russian intention to surpass us in other scientific fields is made abundantly clear in the recent statement of Alexander N. Nesmeyanov, chairman of the Soviet Academy of Science, when he said that "great efforts are still needed to beat the United States on all scientific fronts." It should make us realize, therefore, that no crash program in the intellectual realm will quickly reestablish our scientific supremacy, for the Russians are doubtless already husbanding a large stockpile of new ideas and plans to be used in accelerating their scientific advance.

As is our custom as a people, we think immediately of a crash program, an intensive and arresting effort to deal swiftly with a serious problem. Our Government must, of course, give prompt attention to plans for reestablishing our competitive advantage in the military arena. We must exploit quickly all the scientific knowledge and skills available in the production of weapons of offense and defense.

Fortunately, however, our people are exhibiting an immense amount of understanding in recognizing that the solution of our present difficulties related to sputnik calls for something more than larger funds for the military to build bigger and better satellites. Even though not in possession of all the facts, our citizens intuitively realize that the causes of our inadequacy must be fathomed in more complex social forces. While making every effort to defend ourselves militarily, it is with matters of social values, political institutions, and educational practices that we must be primarily concerned if the gap between our own scientific developments and those of Russia is to be closed. Only thus can we be certain that the next generation now in our schools and colleges will not find itself more embarrassed on the international scene and more insecure at home than our own.

UNIVERSITY OF MICHIGAN LIBRARIES

WE CANNOT USE RUSSIAN METHODS TO OVERTAKE THEM

In dealing with the present situation the first major fact to be considered is that we cannot match the Russians in science and technology, or in any other endeavor, by adopting their own practices. To the extent that we ape them we will be losing the cold war by turning our own democratic state into a totalitarian society as we began to do under McCarthyism. The spectacular speed with which the Russians have been able to outstrip us in some areas of science can be explained in large part by the power Soviet leaders have over the private lives of the Russian people. Unlimited money can be poured into salaries, buildings, libraries, and equipment. Individuals can be tested, classified, and ordered into any program of studies deemed by the leaders to be of use to the state.

We can do none of these things. To the extent that we adopt such measures we do become a totalitarian society. In the present situation, therefore, we cannot through the powers of the state dragoon scientists into Government research and the production of satellites. We cannot arbitrarily restrict the production of consumer goods in the interest of a military buildup. We cannot commandeer students into classes in science or engineering, without regard to their personal occupational choice. To do these things even in the emergency we now face would be to abandon our most cherished personal freedoms while embracing the most repugnant controls of the totalitarian state. Reason and persuasion, not coercion and control, must be our methods. Hence, the success of our efforts will depend upon the promptness and effectiveness with which our officers of Government make known to the public generally the exact situation in which we now find ourselves, and the sacrifices of luxuries, comforts, and treasure required to meet this emergency. To this kind of candid appeal our people will, as they have in the past, respond with unselfish dedication to the problem at hand.

Within the context of our pattern of living what can be done to meet the present challenge? More importantly, what can we do to guarantee an adequate future supply of intellectually elite in all the phases of our national life? There are many answers to these two questions. Since education is basic to most, I will concentrate on changes in our educational enterprise best calculated to regain for us a position of intellectual leadership in the world.

THERE CAN BE NO CRASH PROGRAM IN EDUCATION

First, with regard to the immediate future. It must be recognized at the outset that there can be no such thing as a crash program in education. Education is a slow process at best, and regrettably we have not been operating our educational system at its potential best. Within limits, learning can be speeded up by exceptional teaching, increased motivation, and wise guidance, and students can be saturated with facts in a relatively brief time. But this process does not cultivate the powers of reflection, imagination, and reasoning without which one can hardly be called educated. Moreover, the latter attributes of mind are the very qualities needed in the kind of scientific research which has given the Russians their present lead.

The best one can hope for in the form of a crash program then is limited to the shifting of persons with the necessary abilities from activities of relatively low value in the present emergency to those of top priority. These efforts can be accompanied by the acceleration of the education of those who are near the end of their advanced formal education. The great benefits which would automatically flow from an improvement of education at the lower levels must be scheduled in terms of 10 to 20 years. The recent drastic proposals for changes in the content and the methods of education in our elementary and secondary schools, even if they had merit, and many have none, would not help in the near future. Some, for example, are proposing more science and mathematics from the early grades through high school, heavier assignments in school and out, more rigorous discipline throughout the system, required instruction for all in science and mathematics through the college years, an elimination of vocational studies, and a host of other panaceas. None of these suggestions will help at all in the present emergency.

The men and women who contributed most to the recent startling scientific accomplishments in Russia were not school boys or even recent graduates of the universities. They were scientists ripe in learning, mature scholars capable of doing and understanding the most advanced research. Though a few may have been relatively young, the educational programs they had completed beyond the elementary school would cover not less and usually much more than 12 years, to which years of further education in research were doubtless added. It is obvious, therefore, that proposals, however meritorious, relating to the early years of schooling can be of little help in offsetting the initial advantage which Russian scientists now apparently hold.

WE MUST SHIFT SCIENTISTS FROM NONESSENTIAL ACTIVITIES

The only way to increase the quantity and quality of basic research in the immediate future is to make better use of the scientists already capable of adding to the store of theoretical knowledge. This plan would involve identifying the persons who have already had the essential formal education and moving them into research work related more closely to the national welfare than their present activities.

There has been much talk since World War II of the shortage of engineers and scientists. No doubt there are such shortages in some branches of business, industry, government, and the universities. Yet there is considerable evidence to show that if engineers and scientists were more effectively used these shortages would markedly shrink. Even though shortages do exist, the figures provided by the National Research Council for the years 1945 to 1955 inclusive show that 1,762 persons received the doctor of philosophy degree in mathematics, 4,175 in physics, and 9,027 in chemistry in the universities of the United States. In the same period, several hundred thousand degrees were awarded in engineering. There is no way to determine the intellectual quality of these persons, nor to compare it with the quality of Russian scientists. How many of our scientists are capable of genuinely original research no one can say. It is certain, however, that a large percentage of very high-grade scientists have trained for research and are now employed in some branch of our economy.

The significant fact, however, is that too few qualified scientists have been engaged in research even remotely related to the chemical, physical, or mathematical problems involved in satellite development, or in any other efforts to advance theoretical knowledge. Indeed, most of them are not engaged in any investigations which could conceivably result in a major breakthrough in theory. Many are devoting their intellectual energies to perfecting new computing machines, discovering more effective detergents, or developing a more resilient automobile spring. Russian scientists, on the other hand, have been driven into pure research by the authority of the state or lured into it by large financial rewards and high social status. In this country the salaries paid to scholars and the relatively low prestige of the intellectual have forced many of our best minds in science into industry. There the financial reward is from two to five times that of university teachers and research workers, and there they can disguise their intellectualism. The first critical factor in our present inferior position is clearly a matter of values, the things we prize enough to pay for and to honor. When we consider sputniks and all the other potential products of theoretical science as valuable as new automobiles and improved nylon stockings, when we respect intellectual accomplishment, then we will be able, with our enormous wealth and educated manpower, again to gain the lead in the world of science, and other cultural enterprises.

Until a well-planned, long-range educational program has redressed our present weaknesses, drastic decisions will have to be made by our Government and by our people regarding the place and the use of scientists in our society. For years there has been a roster of scientific personnel in this country. The amount and kind of their education, their present place of employment, the type of work they are engaged in, and a host of other relevant facts are available. If, as Dr. Teller says, we are 10 years behind the Russians, the Government ought at once to canvass our needs for scientists and establish procedures for shifting them from activities with relatively low social value to those which could restore our scientific supremacy.

Unlike the Russians, we cannot order scientists to leave industrial, teaching, or governmental research of certain types and to enter upon others closely related to the national welfare. We can, however, publicize the need, exhort industries to release such persons as are qualified and required, and provide salaries and working conditions which will attract the most imaginative minds and the most dedicated scholars. A mustering of the large corps of talented scientists already available will carry us through this trying period until a larger group of promising young scholars can be recruited and trained. The strongest argument with industries should be that the practical problems with which they deal can only be solved and new processes and products developed on the basis of pure research which at the outset may appear to have no immediate value or purpose. In a nation as wealthy as the United States there is, of course, no reason why the supply of scientists and all other highly educated personnel cannot be adequate to all the needs of industry, government, and the universities. But even with clarity of purpose and energetic efforts, this goal cannot be reached for 10 or 15 years because of the time required in the process of education.

THE GRADUATE STUDENT MUST BE BETTER PAID

A second effort to produce an early increase in scientific personnel relates to the salaries of graduate students and professors. Through the National Science Foundation and some corporations a considerable number of well-paying fellowships have been provided for graduate students of small means. Those granted by the many corporations, however, are frequently restricted to use in research projects connected with the production processes in specific industries. Hence, the type of investigation needed for the expansion of theoretical knowledge in mathematics and science, the new body of knowledge from which satellites are born, has not been sufficiently supported. For the same reason, it would be unwise to focus too sharply on our scientific needs related to satellites. It is important to remember that the Russians are, as Dr. Nesmeyanov says, working as diligently in other scientific fields, such as biology and nuclear physics, as in astronautics. Since we do not know the areas in which new scientific developments may occur in Russia, both industry and government must contemplate large-

scale support of a well-rounded research program.

Fortunately the fellowship program of the National Science Foundation and some of the military research programs have had this broad objective in view. The stipends awarded to graduate students, most of whom are married and have families, must be the equivalent of full-time salaries so that the student will neither be delayed in his education by outside work nor harassed by privation and insecurity. The salaries of fellows of demonstrated promise should be from five to ten thousand dollars a year for a period of 3 or even 5 years if a particular research project requires a longer period to be brought to completion.

PROFESSORS' SALARIES MUST BE DOUBLED

The low financial reward for those who teach and do research is another real bottleneck in scientific developments in the United States. Indeed, this factor is the basic cause of the crippled condition of our educational system from the first grade through the graduate and professional schools. But in the fields of mathematics and science the situation is particularly acute because the competition for the ablest scholars is intensified by opportunities in government, business, and industry. Most college or university presidents have had the experience of having a science teacher come into his office to say that he had had an offer in industry. Since the salary is twice or three times as large as his academic compensation, he feels he cannot turn the opportunity down. He generally adds that he likes academic life, but that he has to consider the welfare of his family. On an academic salary he finds it impossible to buy a suitable house, carry adequate insurance to protect his loved ones, take a vacation, or send his sons and daughters to college.

Seductive financial appeals from industry where the higher salaries can merely be added to the cost of production and passed on to the consumer, or deducted from taxes, have resulted in the educational world's continuous loss of many of the most able, imaginative, and dynamic scholars. That so many able persons remain in academic work in spite of low salaries is testimony to their high-mindedness and their dedication to youth and to the Nation. Until the professors who must produce the scientists the country so desperately needs receive salaries of from $25,000 to $30,000, roughly comparable to the compensation of their peers in the business world, the supply of topflight scientists able to teach their successor and able to do research will simply not be available. The proposal that academic people ought to have larger salaries is neither new nor radical. Now, however, since the scientific achievements of the Russians have shocked our people into an awareness of the present danger, it may be hoped that concern for the national welfare will galvanize public leaders inside and outside the Government into action to correct the present inequities.

FEDERAL GRANTS FOR SALARIES AND FOR PHYSICAL FACILITIES

In this connection it might be instructive to study the salaries and the social status of scholars in Russia to determine the possible influence of these rewards on the size and the quality of the academic guild. It is reported that Russian professors receive from 5 to 10 times as much salary as ordinary workmen. In our country there is little difference between the two groups except in the cases of the most accomplished men and women in the world of learning. Since many universities are incapable of meeting their current financial obligations without large deficit spending no spectacular increases in salaries can be expected without large additional resources. The Federal Government will have to provide a large part of these funds if the Russian lead in science is to be nullified.

Other policies of the Government can be equally effective in holding fledgling or mature scientists in basic research. In addition to supplying funds for satisfactory salaries for research workers, the Government ought to develop long-range programs for the support of higher education involving substantial grants to universities for science buildings and equipment. Universities cannot be expected to bring into their faculties highly paid professors and to supply the needed expensive facilities on the basis of uncertain commitments renewable from year to year. The Congress has the power and the responsibility to make large sums available to institutions of higher education over a 5- to 10-year period. If this were done the income from Government sources could be foreseen with reasonable accuracy and the financial obligations of these institutions stabilized.

SCIENTISTS MUST BE FREE TO INVESTIGATE

The Federal Government can also increase scientific production by adopting policies consistent with the nature of science and congenial to the scientists' methods of working. Science flowers under conditions of unrestricted investigation and freedom of communication. Actions of government or of citizens generally which restrain the individual scientist's freedom of inquiry or the interchange of his ideas with other scientists impairs the total scientific enterprise. In the present situation, such practices actually undermine the national welfare.

Some practices of Congressional committees and of the executive branch of the Government have, in recent years, violated the basic principles of scientific inquiry. The motives and the patriotism of scholars have been impugned, their characters maligned, and their livelihood endangered by governmental bodies. Personal injury and the abridgment of constitutional freedoms have been accompanied by damage to our scientific efforts. These activities have driven out of essential scientific investigation many capable scholars. Nobody can possibly measure the damage to our national defense effort and to the well-being of our scientific enterprise caused by Senator McCarthy and his supporters. That it was considerable, however, no objective analyst of our present weakened position can doubt. Scholars must be freed from interference in their work and we need to reappraise the place of the intellectual in our society. The so-called egghead ought to be honored rather than lampooned. It is now literally true that only he can lead us out of our present dangerous situation.

WHERE HAVE 20TH-CENTURY LEADERS IN SCIENCE COME FROM?

These proposals for immediate action related to the parts industry, government, and citizens generally can play in strengthening the scientific enterprise should be paralleled by changes within the educational system itself. One such action is concerned with the graduate schools of universities, the institutions which produce scholars in all fields of learning, including the sciences and mathematics.

Since the beginning of this century our universities have produced many renowned scientists. The names of Michelson, Millikin, Compton, Lawrence, and others amply prove the point. But in terms of the percentage of our people who have had the advantages of higher education, the record compared to that of other countries is disappointing. When one reviews the major scientific advances since 1901, the names of Lorentz, Becquerel, Curie, Planck, Einstein, Bohr, Heisenberg, Schrodinger, and Fermi make it obvious that the products of foreign education have occupied the center of the stage. Even some of our most distinguished scientists like Millikin received their advanced education in foreign universities. Our failure to produce enough highly imaginative, inventive research scholars must in considerable part be the result of defects in our educational system.

AMERICAN UNIVERSITY EDUCATION NEEDS TO BE OVERHAULED

Weaknesses in the lower schools deserve serious attention. But the element of time demands that the shortcomings of graduate education be given first consideration. The plain fact is that graduate education in the United States has not sufficiently encouraged creative intellectual achievement. A significant percentage of those who obtain the Ph. D. degree are neither seriously interested in adding to human knowledge nor capable of doing so. The practices and policies of graduate education encourage routine intellectual processes. As they enter upon their first test of creative intellectual ability many are given a problem closely related to a professor's own research. The techniques, apparatus, and library resources required to explore the problem are suggested by a senior research worker. Often the dissertation is to a large extent written by the sponsor.

A few years ago the longtime head of a physics department in a prominent State university was asked what percentage of those who had received the doctor of philosophy degree in his time had had the imagination to find a problem worthy of study and had then carried their research project through to completion with a minimum of direction from a senior colleague. His estimate was 1 in 10. That this may have been a general situation is suggested by studies of the scholarly production of mathematicians and historians which showed that only 15 to 20 percent of those who receive doctor of philosophy degrees in these fields thereafter ever do any significant research. For too many, their professional education as scholars is not an exciting, intellectual experience. It is not one in which the individual loses himself in a work of consuming interest. It is not viewed as it may well now be, as an effort which could determine the future destiny of the Nation and of the world.

The processes of graduate education are burdened with traditional and meaningless requirements. They include a given number of years of study in residence, the superficial study of foreign languages which almost none can then use, and a system of academic bookkeeping in which the number of hours of work completed in the classroom or laboratory rather than measures of genuine intellectual growth and power determine the outcome. These requirements, extraneous to true scholarship, dampen intellectual enthusiasm and standardize scholarly accomplishment. Additional handicaps are imposed by the student's needs to make a living through outside work.

As Dean Barzun, of Columbia University, has pointed out, these encumbrances and interruptions often extend the graduate experience to 5 or even 10 years. And more importantly, the total impact of this experience which should excite the intellect, quicken perception, and embolden the spirit of inquiry, actually often leaves the finished product weary in mind, body, and spirit.

The entire program of graduate education needs immediate reappraisal. Those of superior intellectual gifts should be admitted earlier, unburdened of meaningless rules and regulations, freed from monetary worries, and charged with a passionate devotion to the search for truth. Though the immediate purpose in these changes may necessarily be the preservation of the Nation, as I believe, the long-range objective should be to create a more vital system of higher education. To gain this end will require, however, an overhauling of the entire structure and practice of graduate education in the United States, with the national interest taking precedence over vested academic interests. Tinkering

will not do. To change the residence requirements from 60 to 55 credits, to permit graduate students to satisfy the language requirement by studying Russian instead of German, to raise graduate stipends from $2,500 to $3,000, and to make other trivial alterations wil be to proceed in the laborious manner customary in academic life. The times urgently require a more critical assessment of present practice and a more dynamic program for its improvement.

The actions thus far proposed can be taken immediately to meet the Soviet challenge. In a period of from 5 to 10 years they could result in a rapid acceleration of basic scientific discovery. Whether these changes can be speeded up in time to avoid a disastrous attack on the United States is a question which only history can answer.

Only a long-range program, however, extending over a period of several generations, can vouchsafe a world in which our children and their children can enjoy the freedoms which we have known. The crucial element in any such program to strengthen the position of the Nation in science, and in many other aspects of our common life, is the quality of our entire educational system. The people of the United States from the very beginning have had an abiding faith in the value of education. The constant extension of the opportunity for education to larger and larger numbers of youth is tangible evidence of this deep-seated conviction.

But our present embarrassment stems partly from the fact that this idealistic conception has not been matched by a willingness to pay for its realization. The actual dollars spent for education of all kinds have increased from 6 billion in 1940 to 16 billion in 1955. In the same period, however, the number of children to be served and the cost of operation have skyrocketed. The supply of teachers and buildings has not kept pace. A gradual deterioration of education for millions of children has been the result. In many communities half-day sessions, classes of 40 or more pupils, unqualified teachers on emergency certificates, classes in stores, factories, and church basements have been the order of the day. This educational privation is found primarily in the poorer States and communities. But in the past 10 years, the press has carried many stories of wealthy communities in which school taxes and bond issues have been voted down, communities in which the 2-car family, the well-filled wine cellar, and the summer home at the shore are typical rather than exceptional. The financial plight of many colleges and universities both public and private presents a similarly disheartening picture.

In attempting to place our scientific enterprise on a level with the Russians, to say nothing of improving the other essential social services which require advanced education, our first decision will have to be our willingness to pay the bill. The Russians some years ago recognized that world supremacy in science could only be achieved by sacrificing other satisfactions in favor of more and better education. Comparable figures are not easy to obtain, but informed persons believe that the Russians are putting a much larger percentage of their available national resources into education than we are. In any event, our unwillingness to spend more than 3 or 4 percent of the gross national product of over $400 billion dollars for all forms of education is the seat of many of our present difficulties.

We will not come abreast of the Russians—indeed, we will continuously fall further behind them—until the educational budget is materially raised. When teachers' salaries attract the most capable of our young people into the profession, when the school plant is modernized and equipped with tested teaching materials, when American children attend school for a full day under skilled teachers, when the majority of our colleges and universities are no longer limping along on large deficits, when all young people of college age are able to get a higher education suited to their abilities, then we can expect the educational system adequately to serve our needs in the domestic and international spheres.

In recent years there have been loud voices criticizing American education. Sputnik has joined these voices in a chorus of lamentation. The main theme is that, because of modern educational theory, pupils in our schools have been encouraged not to study such difficult studies as mathematics and the sciences. Statistics have been cited to show the falling enrollments in these subjects in our high schools. The most impressive and also the most misleading of these presentations appeared in U. S. News & World Report in an interview with Prof. Arthur E. Bestor of the University of Illinois. The statistics cited purport to show a shocking drop since the turn of the century in the percentage of high-school students studying science and mathematics. Prof. Harold C. Hand of the same university has shown, however, that, contrary to the figures of Dr. Bestor, the percentage of students taking science in high school has not dropped from 84 in 1900 to 54 in 1950, and in mathematics from 86 to 55. On the contrary, the percentages have risen from 84 to 98 in science, and from 86 to 90 in mathematics. Moreover, the high-school population has increased from 519,251 in 1900 to 5,399,452 in 1950. A percentage of over 90 in each subject in 1950, therefore, means a tremendous increase in the number of students studying these subjects. Even after eliminating those who have no special aptitude for, or interest in, a scientific career, this is a large reservoir from which to draw 10,000 potential doctors of philosophy in physics, chemistry, and mathematics; more than the total of doctor of philosophy degrees granted in these fields from 1945 to 1955.

The number could and should be larger. There are several obstacles to the attainment of this goal. The first is the size of our high schools. In 1952, 824 high schools had fewer than 25 students. Thirty percent had enrollments under 100. When these students are distributed over a 4-year period, and the dropouts from the freshman to the senior year are taken into consideration, it is apparent that a large percentage of American high schools simply do not have enough students to offer instruction in the sciences, especially those requiring a laboratory. Even in advanced mathematics, the demand does not warrant such instruction in many of the small school districts.

Furthermore, in small high schools it is not possible to have specialized teachers in all subjects such as chemistry, mathematics, physics, English, history, foreign languages, vocational courses, and the other subjects usually provided in a large, comprehensive high school in an urban center. Consequently, teachers whose main interest and training is in literature or social studies may be required to teach science. This instruction is sometimes inferior. The National Science Foundation has launched a number of programs to upgrade these teachers, as well as those originally qualified in science but whose training needs to be brought up to date on the latest recent scientific developments.

For many years educators have earnestly urged the establishment of larger school units. They have tried to persuade school boards to consolidate ineffective small school districts to make possible larger class groups with special teachers in the various high-school subjects. Many States have offered leadership and financial assistance to districts wishing to consolidate. The foregoing figures show that, because such consolidations have not been effected, many American youth have inferior or no instruction. If a full complement of subject matter is desired, the establishment of larger high-school units should be pressed with all vigor.

A major difficulty in providing good instruction in science, especially in small schools, is the cost of equipment. Many colleges and high schools are deprived of such equipment by its high cost. Here the Federal Government could do something concrete to help in the present emergency. Much teaching equipment in the sciences can be purchased in European countries for a fraction of its cost in the United States. Because of high tariff rates, however, these materials cannot be acquired at the lower price. Import tariff rates are set as high as 50 percent. Educators have stated that one of the major obstacles to effective and interesting teaching in science in high schools and colleges is the lack of suitable technical equipment.

Efforts by a committee of the American Association for the Advancement of Science to get Government action to reduce import duties on these articles indispensable in good teaching have been abortive. In spite of the fact that the total value of such materials constitutes only a negligible percentage of the annual volume of business of the American firms concerned, they have vigorously fought and lobbied against any change in the tariff on these articles. Here again, it may be hoped that the urgent needs of the Nation, dramatized by sputnik, may effectuate what reason and importunity could not. If the United States Government is serious about its desire to advance the cause of science quickly and materially a reduction in the tariff on scientific apparatus is an easy and inexpensive way to do so.

Even in the high schools where mathematics and science are now being taught, the number of students taking such courses can be significantly increased, and the quality of learning improved. Certain policies and practices have militated against a full enlistment of the interests of students who are capable of higher education, especially in the subjects with which we are now concerned. The preparatory basic instruction in some elementary schools has not been as effective as it could be. Hence, some students come unprepared for and afraid of courses in the sciences and mathematics. Moreover, the reputation which these courses have in many high schools and colleges, because of uninspired and uninspiring teaching, causes many students to avoid them. The guidance programs in some schools fail to identify and guide promising students into the proper courses. The schools can do much to improve science teaching.

One of the most significant factors in this—the failure of students to elect science courses—is totally beyond the control of the schools. That is the attitudes of parents. The fact is that many students, when possible, avoid subjects which require hard work and long hours of study. Many members of the teaching profession have been more tolerant of this attitude than is good for the student or for the country. Often, however, the basic factor in the student's desire to take an easy course is the attitude of the parents who do not want their children to do more than the minimum of study to get through. Many are more interested in having their children get a diploma or a degree than an education. This point of view has been more influential in undermining standards of accomplishment and discipline in the schools than the philosophy of John Dewey. Dewey was an ardent advocate of self-discipline and the exertion of effort toward well-defined goals, as his own life so abundantly illustrated. He was opposed to dull routine, memorization of facts, and the authoritarian discipline imposed

UNIVERSITY OF MICHIGAN LIBRARIES

without reason. He rightly believed that learning was most effective when self-motivated.

Parents can inspire an interest in learning by valuing it as an indispensable element in a good life and a necessary factor in a healthy society. When parents are as proud of their son's grades in academic subjects as they are of his throwing the pass that won the game on Saturday or of his playing the trombone in the high-school band, more students will study science with more interest and more success. With full cooperation between teachers and parents many more students of appropriate abilities and interests will find their way into courses in science and mathematics and all the other fields of study of equal value in a vital and growing democratic society.

One proposal of increasing popularity to meet the shortages in the sciences involves requirements for all students in certain subject-matter fields. In its most extreme form, the several States are asked to pass laws requiring all students to study science and mathematics. This suggestion is ill-advised. In the first place, it is a modified form of the Russian system of regimentation and of coercion which is repugnant to Americans. Second, many students by disposition and vocational interest are unable to profit as much from such instruction as they could from others. Third, there is great danger that in the hysteria of the moment we will impose policies and practices which will make intellectual and emotional misfits of a considerable number of our people. We can also create a lopsided society in which science overbalances all the humane and social disciplines of equal if not greater value in the resolution of our domestic and international problems.

The alternative to a universal requirement is a sensitive testing of all pupils in the early years of schooling to discover the student's abilities and interests. This program needs to be coupled with an efficient guidance and counseling service to get students into a type of advanced education congenial to their abilities and conducive to satisfying achievement. Such a program will produce more and better scientists than compulsory study in fields for which the student has little aptitude or interest. It will also produce a balanced supply of satisfied workers in all other fields which are equally essential in a dynamic and well-rounded society.

To provide the maximum number of superior high school students for higher education in the minimum time consistent with their abilities and their health, these students should be identified earlier than is now uniformly the practice. They should be guided into the courses needed for college admission, and speeded on their way to an even tentatively established educational goal. A mistaken notion concerning the nature of a democratic school system has operated to prevent the application of these conceptions in the everyday program of the schools. Whether we like it or not there are wide differences among students in ability, interests, and the desire to excel in intellectual achievement. No euthenic or eugenic program is likely to erase these human variations in the visible future. Some teachers and school administrators have adopted or condoned practices which seem to recognize these individual differences only at the lower end of the ability scale. They favor individual attention and special treatment for those of below average ability and many programs have been established for this purpose. They have been less aggressive in recognizing students of unusual talents and providing special treatment for those who have potentially the greatest contribution to make to American society. I believe that our people are ready for such developments. The quicker we identify the most capable students in all intellectual spheres and provide for them an accelerated and enriched program, the sooner the urgent national need for talented scientists will be met. Higher standards of accomplishment for the most capable will change education from a dull series of intellectual routines into an exciting adventure. I believe that many parents will accept this type of educational program at this time, if its plan and purpose are made clear.

Applied to educational policies, this concept of requiring the best efforts of students in terms of their capacity means that those of ability should be moved forward intellectually toward an educational goal as rapidly as possible. They should be guided into as difficult studies as they are capable of mastering, and they should avoid subject matter which needlessly dissipates their time and energy. Specifically in the case of a boy or girl who expects to enter a scientific field, the high school program should include 4 years of English, mathematics through trigonometry, 3 years of one foreign language, at least 2 years of science, and 2 years of social studies. This program would still leave two or three units for other electives. Most youth of college ability can complete such a program without harm to mind or body. Indeed, many would be better adjusted emotionally if they had a more demanding program of studies. A false notion has prevailed in the past two decades that exacting intellectual work leads to social and emotional maladjustment. There is no scientific basis for this belief. The difficulty of studies must be adjusted to the ability of students. Too easy a program is just as likely to cause maladjustment and unhappiness for superior students as too hard a program for those of limited intellectual abilities.

All the foregoing proposals, though they would provide a larger pool of qualified scientists, really leave the major long-range problem untouched. The crucial factor in the shortage of trained manpower of all types which stems from deficiencies in our educational system is our failure to support education adequately. Considered as a group, the education of our children has been deteriorating since the beginning of World War II. There are, to be sure, many school systems in the United States in which fully certified, highly competent, enthusiastic teachers conduct their classes in up-to-date, light, and fireproof schools with the best teaching materials available. As a result of the dedicated and patriotic efforts of Mr. Roy Larsen and his associates in the National Citizens' Commission for the Public Schools, many children have had better teachers in more modern schools than they would otherwise have had.

But in terms of the growing need for new classrooms and teachers, the national picture of inadequate support remains about as depressing as it was 10 years ago. The story has been told so often in the press and on the air that it need not be repeated. It is enough to say that in September 1957 the United States Commissioner of Education reported the shortage of elementary and secondary-school teachers to be 135,000. According to the figures supplied by educational authorities in the States, in the fall of 1956 there was a national shortage of 159,000 classrooms. If the fact that some classrooms now in use were built before 1900 is taken into consideration, this figure ought to be raised to 250,000, and the process of obsolescence continues apace. Since hundreds of school districts have reached their legal debt limit, the school plant cannot be improved without outside financial aid in the visible future. As a consequence of these shortages, 800,000 students attended school only a half day and 17.9 percent of the elementary-school classes in 1956 (the most recent figure available) had more than 35 children. In the cities of 500,000, over 8 percent of the classes had 40 or more children. Moreover, thousands of teachers were on temporary emergency certificates, which means that they were unqualified in terms of accepted professional standards.

The consequences of our failure to provide the funds needed merely to bring the schools of the Nation up to normal operating efficiency, with every child receiving instruction in an acceptably modern school plant under a properly certified and adequately paid teacher, are now becoming blatantly apparent. It is in these shocking facts and figures that we should look for the causes of our weakening scientific position on the international stage. How can we expect pupils to learn as much basic arithmetic and science in half-day classes as in a full school day? How can high-school students learn the fundamentals of science when it is taught in classes of 40 or 50 by teachers whose primary intellectual interests are in other fields, in rooms not designed as laboratories and not equipped with the necessary teaching materials? How can teachers devote their undivided time, energy, and enthusiasm to their students when they must bring their income up to a living wage by driving taxicabs, selling insurance, or testing prisoners at odd hours in the local jail? It is just as foolish to expect children attending school half a day in classes of 35 or 40 under unqualified teachers to be educated for life in today's world as it would be to expect the Ford Co. to produce the Edsel in the plant of 1920 with engineers educated in 1900 with the materials of construction used in the Model T. Yet, this is the miracle some of our citizens expect school officials to perform.

Many informed and patriotic educators and laymen have been aware of the deterioration that has been occurring in the school enterprise. They pointed out a decade ago that a child's education could not be put in a deep freeze for a period of years. Their exhortations have fallen on too many deaf ears among their fellow citizens. The saddest aspect of our educational inadequacy is not yet apparent to most citizens. The children whose early education was neglected in years passed are only now beginning to show that they do not have the essential basic education for their further intellectual development. It is a national tragedy and a national scandal that little can now be done to repair these deficiencies. A considerable amount of the precious talent we need so badly in this hour has been lost forever by a callous disregard of the condition of our educational system. This situation is in strange contrast with the efforts the Russians have made to strengthen education by depriving themselves of many of the comforts not to mention the luxuries we take for granted. The disparity between our own efforts to provide basic education for all and the Russians will doubtless increase until a new generation of children passes through a strengthened and enriched educational program.

This objective can only be reached with the leadership and the resources of the Federal Government. Some local school districts and some States have adequate resources to raise teachers' salaries by 50 percent and to erect the additional classrooms to accommodate the increased school population and to replace obsolete school plants. It is their patriotic duty to do so without delay. Their best efforts, however, will leave an enormous gap between the national need for improved education and our ability to provide it on a national scale. There is no necessity to recapitulate all the irrefutable arguments for Federal aid for education. We have the necessary funds as an impartial review of the economy conclusively shows. We lack only the will of the people at large to take this step through their representatives in Washington. Both Democratic and Republican administrations have advocated various forms of Federal aid for a number

of years. These efforts have been frustrated largely by skillful and powerful lobbyists, and by the dissemination of false information among the people. As events now prove, these organizations and their richly supported lobbyists have been toying cavalierly with the welfare of the Nation. It is to be hoped that if they are not shamed by the melancholy international events of recent months into a withdrawal of their opposition to Federal aid, the people generally whose lives and welfare are in jeopardy will undoubtedly express their disapproval at the polls in November 1958.

There is no way to calculate the exact amount of Federal aid required to bring the school system of the Nation to a level of effective operation. There is also no way to determine exactly how many missiles or other forms of weapons are needed to defend the Nation against attack. This does not mean that we will delay missile programs until the last facts are available, because in a fluid situation they will never be available. Likewise, the national need for highly trained manpower can never be precisely determined. A beginning must nevertheless be made at once on the Federal level to meet the need that exists.

A modest program in terms of our national resources would be a billion dollars a year for 5 years. Testimony over the past 10 years in committees of the Congress shows conclusively that a half billion dollars a year of Federal subsidy of education within the States for current operating expenses would go far to bring teachers' salaries up to a level that would attract and hold competent and dedicated teachers. Testimony before the House Subcommittee on Education and Labor under Congressman CLEVELAND BAILEY'S chairmanship in 1957 revealed that $500 million a year of Federal funds, matched by varying contributions of States according to their financial ability would in a few years erase a large part of the deficit in schoolhouse construction. If legislation could be passed in the next session of Congress, as it should be, embodying an aid program of this magnitude, the continuing process of erosion of our educational standards would be retarded and eventually brought to a stop. With this assistance, local schools can restore their programs to a level of effectiveness consistent with our national status and honor, and with our declared purpose of providing full educational opportunity to all children regardless of their social status or their geographical location.

Another effort to increase the pool of educated manpower can be made by the Federal Government through a substantial program of undergraduate scholarships. Numerous studies in the various States have shown that many of the upper 25 percent of high school graduates do not continue their formal education. The majority discontinue because of lack of funds. Colleges and universities in a recent year used over $50 million of their own much-needed resources for scholarships. Some corporations and private individuals also provide large resources to assist worthy students. But there are still at least 100,000 high school graduates of high quality each year who would attend an institution of higher education if they had the funds.

In view of the national emergency the Federal Government should establish a program offering between 30,000 to 50,000 scholarships each year to students of ability. Grants under the scholarship should be at least $1,000 a year. These funds should be distributed through State education authorities on the basis of the respective State's economic condition and the number of high school graduates. The total number of scholarships involved over a 4-year period would thus be between 120,000 and 200,000, with an eventual annual cost of between $120 million to $200 million, about half the cost of one aircraft carrier.

These scholarships should be awarded to any qualifying student regardless of his intellectual interests. If, however, it is necessary to use a large proportion of the funds available for science education for a period of years a provision could be written into the law empowering the President to reserve a certain number of scholarships for students in scientific fields, including engineering. Since student fees do not cover the cost of education, and since colleges and universities are already in serious financial trouble, the institutions accepting these Federal scholarship students should receive a substantial grant as well. The total funds involved should be about 50 percent of the scholarship fund, or when it is in full operation, $50 million annually.

In all the efforts to strengthen our position in science vis-a-vis the Russians, one concept should dominate our planning. There is a great danger that in our eagerness to move forward rapidly in science and technology we will neglect the other branches of learning that are no less important in a democratic society. There is reason to believe that the Russians are using a disproportionate share of their national resources for education in science with a consequent impoverishment of the humane disciplines which constitute the enduring basis of our culture. Such policies involve less danger in a totalitarian society in which large social policies are laid down by a small directive class. In a nation like our own, however, which from the beginning has depended upon the general enlightenment of the people for wise decisions on social and political matters, a broad education in all the major branches of knowledge is indispensable to the health of the Nation. Moreover, the enrichment of life for the individual depends no less upon his acquaintance with the literary, artistic, and philosophic heritage of western and other civilizations. Though it may be necessary in the present emergency to attract more students into scientific fields and to spend an excessive proportion of our resources for scholarships, teachers, buildings, and equipment related to science, the ongoing educational program must maintain a proper balance of learning for all enlightened citizens.

DISARMAMENT TALKS

Mr. HUMPHREY. Mr. President, I wish to invite the attention of the Senate to an editorial which appeared in the Michigan Daily of the University of Michigan Sunday, February 9, 1958, entitled "Tit-for-Tat in Disarmament Talks."

This editorial was written by Mr. Peter Eckstein, editor of the Michigan Daily. It is a thoughtful, constructive discussion of the difficult and perplexing problems surrounding disarmament negotiations. I congratulate Editor Eckstein and welcome his thoughtful study and analysis.

I ask unanimous consent that the editorial be printed in the body of the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TIT-FOR-TAT IN DISARMAMENT TALKS

What with the maze of conflicting views on disarmament being offered by Dulles, Stassen, and the Soviets, and with Adlai Stevenson proposing a world conference of respected men to formulate other views, any further suggestions may seem superfluous. But the American and Russian proposals are taking some sort of form and may contain within them the seeds of a limited agreement.

Stassen unofficially and the Soviets officially both appear to favor separating the issue of hydrogen testing from the question of general disarmament, Stassen because he is anxious for any sort of agreement, the Russians because they realize the propaganda value of test suspension among the uncommitted peoples. The United States seems to fear test suspension will allow the Soviets to overcome our slim lead in hydrogen weapons.

Secretary Dulles in his press club speech, while sticking to an insistence on a link between the issue of nuclear weapons and general disarmament, advocated a separate agreement on control of outer space, in which the Russians have a lead. But the Russian reply has been to link space control with the issue of general disarmament.

After so many years of futile negotiations and exchanges of letters, there is no question but what there is no better way for either side to kill any idea than to insist that it only come as a part of a general agreement. Modern technology has provided small enough weapons of complete destruction and effective enough means of underground production and storage to make any system of inspection—the key to a foolproof agreement—unthinkable.

Thus while each side wants an agreement to check weapons development in the area in which the other is ahead, each side attempts to prevent an agreement which would check its progress in the area in which it is behind. This may or may not be rational: It seems to be predicated on the assumption that one can overcome the other's lead, be it in satellites or hydrogen bombs, or nullify it if only both sides stop testing. It assumes there is no advantage in freezing one's own lead in the area in which one has gained preeminence.

And both positions assume some ability to inspect, undoubtedly from some distance, the experiments of the other, which is possibly not justified for the testing of small nuclear weapons and undoubtedly not justified for the construction of space platforms or other militarily valuable outer-space devices.

But there still might be advantages—for propaganda, for economy, and even for peace—in agreements to check space and nuclear testing, especially if both sides approached such agreements with equal amounts of skepticism and credulity. And the current impasse may be the only optimistic note on the whole disarmament front, since the ideal time—if not the only time—for an effective agreement on anything is when both sides have approximately equal amounts to gain and to lose, or, more accurately, when they think they do. The Russian de facto rejection of control of outer space and the American de facto rejection of a ban on nuclear tests may eventually become the basis of a tit-for-tat bargain linking bans on nuclear tests and space weapons with each other, and not with the whole hopeless question of total disarmament.

THE ISSUES OF PEACE AND SECURITY

Mr. HUMPHREY. Mr. President, there are two great issues before the American people today. One is the issue of peace and security. The other is the growing economic decline, the recession which has begun to make itself felt in long lines of unemployed, in reduced paychecks, and in genuine hardship throughout our country.

Yesterday I released to the press a statement commenting on the President's proposal to build postoffices as an

UNIVERSITY OF MICHIGAN LIBRARIES

antirecession measure. I must say, Mr. President, that is at best but a token of recognition of the troubles facing the Nation. Mr. President, I ask unanimous consent to have printed at this point in the RECORD this statement, entitled "Senator HUMPHREY Urges Tax Cut, School and Home Construction as Key Anti-Depression Measures."

I should add, an effective agricultural program which will at least stabilize and I trust stimulate and expand agricultural consuming power.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

SENATOR HUMPHREY URGES TAX CUT, SCHOOL AND HOME CONSTRUCTION AS KEY ANTI-DEPRESSION MEASURES

Senator HUBERT H. HUMPHREY, Democrat, of Minnesota, today urged the administration to "put first things first" and to set an urgent priority on a "tax cut for 1 year to stimulate purchasing power, massive school construction and slum clearance program, and income-producing public works rather than pinning all its hopes on a post-office construction program as the answer to the growing recession."

"A tax cut may temporarily reduce government revenues," Senator HUMPHREY said, "but the drop in production and jobs in the current recession will be even more costly to the Government and indeed to the people. It is better to have an unbalanced budget than an unbalanced economy; by firming up jobs, production, and construction, the budget will eventually be balanced."

The Minnesota Democrat, who introduced a school construction bill at the beginning of the 85th Congress last year, pointed out that a school construction program would provide a "very large number of individual construction projects with a minimum time delay in getting actual construction started." He urged that President Eisenhower lend his early support to the school construction legislation now pending before the Congress.

Commenting that at least the post-office construction proposal is recognition by the administration of the principle that essential public works can and should be used to stimulate the economy, Senator HUMPHREY said that the President nevertheless has ignored the two most urgent public works needs: school construction and slum clearance.

"Our people need jobs and they need tax relief to restore purchasing power," Senator HUMPHREY declared. "And at the same time we badly need more classrooms, more public housing and a strong and resolute attack on our city slums and blighted areas."

"Post offices are needed," he said, "but the administration should recognize what every parent and school child knows—that we are slipping further and further back in classroom facilities and low-income housing. It is a little hard to swallow the implication that new post offices are more important than new schools and slum clearance."

"Priority should not only be given to schools and public housing and at least a $20 per capita cut in the personal income tax," Senator HUMPHREY declared, "but there is a broad field of income-producing public works which are also needed."

"For instance," he said, "the administration should take the brakes off rivers and harbors development for navigation improvement and public power facilities. And it should move to accelerate the highway program, which has been proceeding at a snail's pace."

"These income-producing public works will have a double effect on the economy, providing not only a 'shot in the arm' to the construction industry, and transportation and commerce, but also to the long-range revenue base of the Government," Senator HUMPHREY pointed out.

"Post office construction should be fitted into a priority of public-works projects," Senator HUMPHREY urged. "It is one of several ways that the Federal Government can move to check the growing recession."

Mr. HUMPHREY. Mr. President, in addition to a tax cut, and a sound program of public works, there are many other activities of the Federal Government whose direction should be changed. I am referring to the high-interest, tight-money policies of the Federal Reserve System, and of all the Federal agencies with loan programs. We need expanded direct credit programs—for farmers, for homebuyers, and for businessmen. And we need lower interest rates. These are critically needed, and it will not take special legislation to achieve them. The administration can, within the framework of existing law, loosen up the money situation and permit the wheels of the economy to roll smoother.

Mr. President, I have noted a number of very pertinent comments in the public press during the last few days dealing with the growing recession. They discuss not only public works and the tight-money situation, but they also discuss the role of an expanded trade program in restoring our economy to equilibrium.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD an article which appeared in the Washington Post and Times Herald of February 12 written by Mr. Roscoe Drummond, entitled "Facing the Recession."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FACING THE RECESSION—IT SHOULD NOT BE TREATED AS AN INDELICATE SUBJECT

(By Roscoe Drummond)

The present recession is not something which will go away by pretending it doesn't exist. We ought not to treat it as an indelicate subject.

Conceivably the upturn is already in the making and will shortly be visible. But there is no guaranty that this is the case.

It confronts the Eisenhower administration with a hard and uncomfortable dilemma. The dilemma is: Whether to undertake a large public works program, initiate a tax cut and accept a sharply unbalanced budget, or to delay vigorous action in the hope that the recession will right itself without going into a long downward spiral of deflation.

My information is that the President is disposed to act vigorously the moment he believes it is needed. The issue is one of timing. With a man like Robert Anderson at the Treasury, backed by Presidential advisers Gabriel Hague and Raymond Saulnier, chairman of the Council of Economic Advisers, timidity is less likely to prevail than under Anderson's predecessor.

The stakes are high. There is, first of all, the human misery of large-scale unemployment. Secondly, for the United States to accept—and to accept unnecessarily—a serious depression in the present state of the world would have devastating repercussions. We would simply be giving the game to the Kremlin.

There is also a political stake. There is no doubt in my mind that if the administration falters or fumbles in dealing with the recession, it will be a long time before another Republican President is given the opportunity.

There are adverse elements in the current downturn which were not present in the mild recessions of 1949 and 1953–54. At this point unemployment is running about the same as before, but unlike the earlier recessions, the major sectors of the economy are nearly all ailing at the same time—consumer buying is down, inventories are still being reduced, capital expansion is sharply declining.

There is another adverse factor. In 1949 and 1954 Western Europe's economy was moving up when ours began to move down. This helped to arrest our own recession. Not so today. Economic difficulties in Western Europe are forcing a cut in the purchase of American exports.

On the encouraging side is the fact that housing activity is showing signs of rising. State and local governments are sustaining employment by major school and road construction and larger defense buying is beginning to flow.

I am not bespeaking a mood of gloom and doom. I am only saying that it is not sensible and it is not safe to take this recession lightly, for, as Elliott V. Bell, editor and publisher of Business Week magazine, pointed out in a recent talk to the Detroit Economic Club, once a spiral of deflation gets momentum, it is well nigh impossible to halt it.

It does seem to me that Mr. Bell makes sense when he says that since there are alternative risks, let's take the risk of doing more than is needed than the chance of being too little and too late.

There is no doubt that this is the most closely watched recession in American history. Mr. Eisenhower has lately created something near to a national economic council. Under his chairmanship its participants are Treasury Secretary Anderson, Federal Reserve Board Chairman Martin and Hauge and Saulnier.

There are good reasons to believe that Mr. Eisenhower will act boldly and energetically if the economy does not soon show signs of starting another period of growth. It would help, I believe, if the President made his intentions much more explicit than he has thus far.

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed at this point in the RECORD the lead editorial of the Washington Post for February 12, 1958, entitled "To End Stagnation."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TO END STAGNATION

The new figures on unemployment strongly suggest that the time has come for more drastic measures to reshape and reinvigorate the national productive effort. Conferences among top administration officials at the White House indicate that some such measures are being formulated. But if there is to be a genuine rebirth of confidence, without which the slump cannot be arrested, whatever program is being formulated must have some real substance. Mere restatements of the Presidential optimism, it is now plain, will not suffice.

At the same time, it needs to be kept constantly in mind that powerful forces of expansion are still present which, unrestrained, could again lead quickly to unacceptable inflation. The capacity to build homes, for example, and the need for more housing are as strong as ever and will grow stronger in the decade ahead. The same is true in many other fields. What is required is just enough new incentive to get the ball rolling; what is to be avoided is a slam-bang, crash program that would in a short time require severe new restraints to prevent a price runaway.

UNIVERSITY OF MICHIGAN LIBRARIES

If a tax cut should become necessary to trigger a resumption of growth, most assuredly it should contain an automatic repeal provision. Federal spending needs to be increased by several billions annually if urgent defense and domestic needs are to be met. An increase in the 1959 budget goals would also have a considerable tonic effect on the economy. If, later on, it appeared that higher spending was having an inflationary effect, the budget could be restored to balance by a tax increase. For this year and perhaps for the next, however, a deficit would certainly be no cause for alarm.

As for monetary controls, the Federal Reserve Board ought to encourage further cuts in the rediscount rate at once. Very soon it should ease bank reserve requirements if the situation does not improve. These actions are easily reversible. The very fact that the financial community knows this—and knows that reversal would come swiftly if required—means that fairly vigorous actions to ease credit restraint are required to induce an actual credit expansion. The two cuts in the "Fed" rediscount rate made since the current recession began last fall have not been strong enough medicine.

An immediate and determined administration drive for long-term renewal of the Trade Agreements Act and for a real expansion of foreign economic development aid also would have a useful effect in restoring confidence. The slump in exports is serious and cannot be altogether offset by any foreseeable expansion of Government or private spending in this country. If the Nation does not act to insure a steadily growing market for its goods overseas, it will inevitably and critically stunt its economic growth. Significantly, those countries which in recent years have outstripped the rate of American economic growth have been nations which, like Germany, the Netherlands, and Japan, have been pushing foreign trade to the hilt.

Finally, a redefinition of American economic objectives probably would do more to promote expansion than any other single step. There is a growing feeling of unease that preoccupation with consumer spending leads to growth that requires some artificial—and therefore undependable—stimulants and props. There is a yearning for validity in the national economic effort, a yearning that we suspect will not be satisfied until there has been a substantial diversion of that effort to neglected fundamentals like research, education, and improved patterns of urban living.

Most of what needs to be done is not compatible with an 1890 view of free enterprise. But the same spirit which threw railroads across a continent and created the mightiest industrial plant on earth can serve today's needs too. It needs only a leadership and a direction that comprehend the radically changed nature of the challenges we now face. At bottom, the provision of that leadership is the real key which alone can unlock an economic future bright with promise.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the editorial in the New York Times of February 11, 1958, entitled "A Little Recession," be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A LITTLE RECESSION

Former President Truman, in a statement to the North American Newspaper Alliance published in this newspaper yesterday, expresses the opinion that the present slowdown of the American economy reflects a "lapse of confidence by our people in what we have been doing and where we are going." And he adds: "There are those who have been saying that a little recession is a good thing for the health of our economy. * * * This kind of thinking is like believing a little bit of war might be beneficial."

Mr. Truman is particularly critical of our monetary policies, which he sees as "the most dangerous form of Government manipulation." There is nothing more damaging, he observes, "than the clamping down of sudden brakes on an expanding economy, which, without adequate preparation, is jolted again by a reversal of momentum."

We do not know anyone in the administration who has gone on record to the effect that a little recession is a good thing. We know many persons, in and out of the administration, who believe that a little recession is infinitely preferable to a major recession. And a temporary slow-down of the economy is one of the calculated risks that is always present when the authorities set out to head off runaway inflation—which is to say a serious and prolonged deterioration in the value of the Nation's currency.

It might be possible to make a case to show that the Federal Reserve authorities were slow in abandoning their easy money policy when they did, and that when they did adopt a restrictionist policy they pursued it too cautiously. But when the raising of the rediscount rate from 1½ to 3½ percent is carried out gradually over a period of more than 2½ years—or from early 1955 until late in 1957, it is a little difficult to conceive of it as clamping down of sudden brakes on an expanding economy.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that an article which appeared in the February 11 edition of the New York Times written by Mr. Edwin L. Dale, Jr., entitled "Economists Doubt Fall Prosperity," be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ECONOMISTS DOUBT FALL PROSPERITY—BUT PANEL OF FIVE TELLS CONGRESS THE NATION MAY THEN BE IN A RECOVERY PHASE

(By Edwin L. Dale, Jr.)

WASHINGTON, February 10.—A panel of five economists was unanimous today in the opinion that the Nation would not return to a state of prosperity by November unless the Government took further antirecession action.

The economists testified before the Joint Congressional Economic Committee. Several said they felt the downward movement would be over by late fall or before that time, even without Government action. But they did not foresee a pickup that would return the Nation to prosperity.

DOUGLAS ASKS TAX CUT

The economists had been asked whether they agreed that by election we'll have prosperity. Senator JOSEPH C. O'MAHONEY, Democrat, of Wyoming, attributed that view to the Secretary of Commerce, Sinclair Weeks, on the basis of remarks by Mr. Weeks on a television program yesterday.

The group generally agreed that the Government must be ready to move in case the situation grew worse, though they disagreed on what should be done.

One indicated a preference for more defense spending, 1 for more domestic spending, and 2 for a tax cut. The fifth did not propose any remedies but stressed the importance of lower trade barriers.

Meanwhile, Senator PAUL H. DOUGLAS became the first member of the Joint Committee to advocate an antirecession tax cut. In a Senate speech the Illinois Democrat, an economist in private life, said "the time to act has arrived." He based his view mainly on the rise in unemployment.

He urged that the rate on the first $1,000 of taxable income be reduced from the present 20 percent to 15 percent, with a resulting tax cut of a maximum of $50 a person. He also asked for reduction or elimination in a wide variety of consumer taxes. The total cost of his proposal would be $4,400,000,000 in revenues, of which $3 billion would result from the income-tax cut.

In another development President Eisenhower conferred again with his special economic advisory group. Its members are Robert B. Anderson, the Secretary of the Treasury; William McChesney Martin, Jr., Chairman of the Federal Reserve Board; Raymond J. Saulnier, chairman of the Council of Economic Advisors, and Gabriel Hauge, White House economic assistant. As usual, no announcement was made after the meeting.

DATA ON PROJECTS ASKED

Also today Representative WRIGHT PATMAN, Democrat of Texas and chairman of the Joint Economic Committee, announced he had requested a special report on Federal public works projects that might be started quickly if needed. The request was sent to Maj. Gen. John S. Bragdon, the President's special public works assistant.

Today's comments by the five economists came at hearings on the President's economic message.

John Kenneth Galbraith of Harvard University urged a further substantial easing of monetary policy, an increase in unemployment compensation and an increase in spending for domestic programs.

He opposed a tax cut as hard to reverse and said it might not produce so quick an effect as higher spending. He said "we now have many things that need doing," in the fields of education, research, health, rental housing, urban redevelopment, and resource development.

ASKS DEFENSE INCREASE

Lester V. Chandler of Princeton University said that without Government action "the decline may well continue through the end of the year." He recommended "an immediate and rapid increase" in defense spending. He also opposed a tax cut.

Ralph J. Watkins of the Brookings Institution saw "a good prospect that recovery will be underway before another 6 to 7 months have gone by."

However, he urged that plans be made for a tax cut if needed and for "a prompt request to the Congress for repeal of the debt ceiling."

Yale Brozen of the University of Chicago argued that a lowering of United States trade barriers would help stimulate exports and therefore help industries that have suffered most.

Roy Blough of Columbia University said the "present recession should be taken more seriously" than those of 1949 and 1953. He said the "outlook for major expansion to be initiated in the near future in the private sector seems rather dim."

He called for a "temporary reduction of individual income taxes" if the economy "declines much further or if there has been no considerable upturn by the time Congress approaches adjournment."

Mr. HUMPHREY. Mr. President, each of these thoughtful and incisive editorials and reports deserves the study of my colleagues. They express the growing concern among informed and intelligent Americans not only that we are moving headlong into economic difficulties, but that the Administration is not grasping the many opportunities available for checking this slip into the economic pit.

RISING BANK PROFITS

Mr. President, we are now witnessing the results of the administration's fiscal and monetary policies. Unemployment

is mounting, industrial production is dropping, retail sales are declining and business failures are at an 18-year high. For many, many months, Mr. President, I have spoken out on the inherent danger to our economy in the economic policies and programs of the administration. I have in particular called attention to the fallacies of the tight-money program which has sent interest rates to 25-year highs and hampered economic growth.

I wish to call attention to the fact, however, that the administration's tight-money policies have proved beneficial to at least one group, namely the investment and commercial banks. The Board of Governors of the Federal Reserve System recently announced that the earnings of member banks for 1957 were the highest in history. Bank profits after taxes last year amounted to $1,169 million—an increase of 14 percent over 1956. While bank profits last year rose by 14 percent, per capita personal income after taxes rose only 2.5 percent. In the past 5 years while bank profits after taxes climbed 41 percent, per capita personal income increased 16 percent.

As I have said many times, the Republican Party takes care of its friends. Tight money might not help consumers, farmers, small-business men, and wage earners, but it has proven a bonanza for the bankers.

I ask unanimous consent, Mr. President, to have printed at this point in the RECORD, a table showing net profits of member banks from 1952 through 1957.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Profits after taxes of Federal Reserve member banks

[In millions]

1952	$829
1953	865
1954	1,096
1955	985
1956	1,027
1957	1,169

Source: Board of Governors of the Federal Reserve System.

SUBSIDIZING CONSUMERS

Mr. HUMPHREY. Mr. President, if as much space were given in the city press and national periodicals about how American farmers are subsidizing consumers as is devoted to attacks on supposed subsidies to farmers, there would be far less misunderstanding about the need for a strong agriculture.

If farm commodity prices had gone up at the same rate as other cost-of-living items since the Korean war, food and clothing would now be about 15 percent higher. Food and clothing during the 1951–57 period would have cost consumers many billions more than consumers actually paid. For consumers and taxpayers, other than farmers, this has been a fabulous bargain.

Farmers, in effect, have been, and still are, subsidizing consumers of America. They are taking the losses, so consumers can have a bargain. Food absorbs a smaller proportion of the consumer's spendable dollar than anywhere else in the world.

In view of these facts, it appears rather ungrateful for city residents and consumers to object to efforts toward seeking some economic justice for the producers making such food bargains possible. Of course, it is not the consumers who are to blame. They are not getting the real story; they are continually being given a distorted version.

We need to see that consumers get the real facts. Herschel D. Newsom, master of the National Grange, very effectively pointed this out in an editorial entitled "No Time To Lose" published in the February issue of the National Grange Monthly. Every city Senator and Representative should read this editorial.

Mr. President, I ask unanimous consent to have portions of the editorial referred to printed at this point in the RECORD.

There being no objection, the portions of the editorial were ordered to be printed in the RECORD, as follows:

NO TIME TO LOSE

We in agriculture need to give more thought and attention to our reputation. What other people think of us is mighty important, and what many city people are thinking about us is downright alarming.

Today 150 million people live in small towns and big cities, but only 21 million live on farms. Farmers are a steadily diminishing minority, both in actual numbers and percentage of the total population.

In a democracy what the majority thinks is, sometimes, even more important than the facts. City people form their opinion about farming and farmers on what they hear and read. Few of them have little direct contact with farmers.

Industry and labor spend billions of dollars a year to influence public opinion. Their annual budget for public relations, advertising, and promotion exceeds the net income of all farmers combined. I doubt that agriculture spends as much as $100,000 a year for that purpose.

BIGGEST BARGAIN

We've got a selling job to do, and that includes a great deal more than persuading consumers to buy more of our good products. We need to convince them that food and clothing are their biggest bargains today.

City consumers hear a lot about high food prices, and many of them, if not most, think what they hear is true. They are told that Government programs which restrict production and support prices are responsible. They read and hear that they must pay 2 prices for their food—1 at the grocery store and "another through taxes to support a $5 billion a year subsidy to farmers."

I don't blame them for believing as they do. We have done too little to provide them with the facts. We can never earn their friendship and understanding just with a hard-luck story. That would be the wrong way to go about it. We do have more than our share of troubles, incomewise, but we have no monopoly on troubles.

Possibly most food consumers are not greatly interested in our troubles, but the vast majority of them are fairminded individuals when they know the facts. What they have been getting are half-truths and distortions. Some of the facts are:

Food is the biggest bargain in America today.

Retail food prices average only 1 percent above 1951.

Prices received by farmers have gone down 20 percent since 1951.

Farmers' operating costs have gone up 15 percent since 1951.

Weekly factory wage rates have gone up 23 percent since 1951.

Per capita farm income is about half the urban rate—even with reasonable allowances for farm produced and consumed items to make the figures really meaningful.

The plain facts of the matter are that food absorbs—in this country—a smaller proportion of the consumer's spendable dollar than anywhere else in the world. Eight minutes of labor will buy a quart of milk. In France it requires 16 minutes, and in Russia 42 minutes.

If farm commodity prices had gone up at the same rate as other cost-of-living items since the Korean war, food and clothing would now be about 15 percent higher. Food and clothing during the 1951–57 period would have cost consumers many billions more than they actually paid. For consumers and taxpayers—other than farmers—this has been a fabulous bargain.

Farmers, in short, have been—and are—subsidizing the consumers of America.

The story of today's food bargain is one that we need to tell over and over. Much of the current resentment against farmers is based on the false assumption that food prices are high and that farmers are reaping the benefits. This is the challenge agriculture, and in fact the entire food industry, faces today.

* * * * *

It would seem, then, that if we are to make income progress for agriculture, it is time to acquaint consumers with the fact that today's food bargain is a result of inadequate income for the producers of food.

NEED FOR PRODUCTION RESEARCH

Mr. HUMPHREY. Mr. President, a convincing case for continued support of agricultural production research, at a time when many will be clamoring to cut back such activities, is contained in an editorial appearing in the January issue of the Farmer, published in St. Paul, Minn., and serving 260,000 subscribers in the Midwest.

As chairman of the Subcommittee on Agricultural Research and General Legislation of the Senate Committee on Agriculture and Forestry, I am impressed by this effective presentation. I urge that it be carefully read by my colleagues on the Appropriations Committees.

Mr. President, I ask unanimous consent that the editorial, entitled "Let's Not Skimp on Production Research," be printed in the body of the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

LET'S NOT SKIMP ON PRODUCTION RESEARCH

Something you ate today was on your table because a scientist in a laboratory or in a field somewhere 10, 15, or 20 years ago made a discovery. Something you grew last season * * * Hard Red Spring wheat, for example * * * came through the summer and produced a reasonable yield because of efforts of a plant breeder in St. Paul or Fargo or Brookings or somewhere else a dozen or more years ago.

Reflect on this basic fact as this session of the Congress gets underway. During the coming months you will be reading excerpts from persuasive speeches on the floor of the House and Senate. These will come from the lips of men and women representing agricultural States as well as States with very large urban populations. They will argue that since so much money is needed for missile development, and development of other defense tools, there must be a cut

in Government costs, and what more logical area, they will argue, than in research aimed at increasing agricultural production.

"Why keep these scientists at work producing better wheat varieties when we've got wheat enough for the next 2 years?" The same argument will be applied to corn and cotton, to increasing production from our milk cows, to the production of more pork and beef, to development of better grasses and legumes, and to research aimed at protecting our crops and our herds and flocks against diseases and parasites. And there will be a vast majority of America's urban population who will agree. And some farmers, too.

Forseeing these efforts to withdraw funds from production research has been a matter of deep concern lately to many thoughtful persons. One of them, S. L. Nevins, vice president of Olin Mathieson Chemical Corp., and a member of the national committee on boys and girls club work, speaking in Chicago recently, declared: "I am certain that agriculture is the next area in which we will be challenged by the Russians. And if Russia ever beats us in the cornfield, we'll be poor indeed. We will have lost our most significant race."

There is reason for Mr. Nevins' prediction. Russia is graduating two and a half times more agricultural students than are now being graduated from American universities, despite the fact it has only half as many enrolled in colleges and universities. This stepped-up emphasis on agricultural science is comparatively new to Russia. The number of agricultural students being graduated from Russian universities was stepped up 80 percent in the years between 1948, when that country started its all-out strength-building program, through 1954. During the same period there was a decline of 30 percent in the number of agricultural students being graduated from United States colleges.

Looking from another angle at this picture of deemphasizing production research on the one hand, and on the other emphasizing the so-called pure sciences, such as chemistry and physics, Dr. Theodore C. Byerly, Deputy Administrator of Research in USDA, told us while we were in his office a while back: "Government budgetmakers don't even regard the natural scientist as a scientist anymore. If he is thought about at all, it is with contempt or accusation * * * contempt for the work he has done, accusation that he has already done too much."

The legislator who argues that we have so far outdistanced potential enemies in food production that they will be a long time catching up, so we can afford to drop a large part of production research program for awhile, overlooks the constant danger to our crops. Certainly he overlooked a most dramatic example in the past year. That was the invasion of white leaf (Hoja Blanca disease) of rice found in a field near Belle Glade, Fla., last August. It threatens our $200 million rice crop. But because plant breeders have pulled out of our world collection of 4,000 strains and varieties of rice, 289 that are resistant to the disease, there isn't much worry. There'll be one or a dozen that can be combined with our good varieties to make new kinds of the quality and with the capacity for yield which rice growers need.

We don't need to think of a crop as unimportant as rice is to us in the upper Midwest to find an example of the importance of production research. The wheat we mentioned at the outset of this editorial is as good an example. We would point out to the legislator arguing against funds for production research that had it not been for Thatcher Hard Red Spring wheat that replaced Ceres in 1935, and Mida, Rival, and Pilot that replaced Thatcher in about 1940, and Selkirk that replaced wheats susceptible to rust race 15B in the early 1950's, there would not be a sufficient supply of good bread wheat at the moment. And certainly we'd not be making friends at home and abroad with our fine durum had it not been for having had varieties ready to replace those susceptible to rust. We believe it is better to have a surplus of these wheats than to be worried about a shortage.

Just consider what a terrible blow it would be to our livestock industry, and therefore to all of our citizenry, if it became impossible to grow alfalfa. Alfalfa was threatened by the alfalfa aphid. First discovered in California in 1954, it spread across 31 States and caused $80 million damage in the following 3 years. And the stem nematode of alfalfa, now a plague of the Southwest may one day reach us. But there is a strong line of defense against these threats to alfalfa. It just happened that some money appropriated for alfalfa research was earmarked for use by Dr. Oliver Smith, a USDA plant breeder working at the University of Nevada experiment station. He observed plants from crosses he had made are resistant to both the aphid and the nematode. Unfortunately, the varieties are not winter-hardy enough to grow here, but the resistant characteristic is being combined with the winter-hardy and other characteristics of our better varieties to tailor-make one for our climate.

When and if your city friends complain about the use of tax money for agricultural production research, you might counter their argument with examples already given in this editorial, and with others, that they are getting more for their dollar in production research than anywhere else that government spends and/or invests tax dollars. One most excellent example is how well investment in research on poultry nutrition has paid off. (Much better for the urban dweller just now than for the farmer.) But suggest that your friend consider this: A few years ago a broiler consumed about 4½ pounds of feed to make a pound of gain. Now broilers are being produced at a feed conversion rate of 2.4 pounds and down to 2 pounds of feed per pound of gain, and so ready-to-cook broilers can be bought for 40 cents or less a pound in the retail meat market now while a few years ago, when the food dollar was much more valuable, they cost 65 cents a pound or more. Discussing this, Dr. Ervin L. Peterson, Under Secretary of Agriculture, recently reminisced: "In 1925 I worked in a Los Angeles poultry market. I remember selling live, tough old tom turkeys for 65 cents a pound, live old hens for 65 cents a pound as a Saturday special, and live broilers that a woman had to take home and pick, gut, and dress for 45 cents a pound."

And Dr. Byerly, to whom we previously referred, doesn't think that scientists have made the feed conversion rate down as far as is possible. "Just think," he says. "When you are putting feed containing 90 percent dry matter into a broiler containing 25 percent dry matter, the feed conversion rate isn't 2 pounds per pound of gain. In terms of dry matter it figures out to be 7.2 pounds of feed per pound of gain, and that leaves the scientists with quite a challenge on their hands."

It is altogether likely that some scientist working somewhere at the moment you read this is on the threshold of a discovery that in peace or war will be of immense value. We cannot afford to take chances by cutting down on the appropriations he and his colleagues need to carry on their work.

FACILITATION OF TRAVEL AND COMMUNICATION BETWEEN MINNESOTA AND CANADIAN PROVINCES OF ONTARIO AND MANITOBA

Mr. HUMPHREY. Mr. President, one of the most engaging and interesting international relationships exists along the northern border of our country with our good friend and neighbor to the north, Canada. My own State of Minnesota borders on the Canadian Provinces of Ontario and Manitoba, and quietly, year in and year out, efforts are made by both Americans and Canadians to facilitate travel and communication back and forth between our two countries. Currently our Minnesotans are engaged in a friendly discussion and effort with the Manitobians to develop a port of entry at Caribou, Minn.

The reasons for this effort are set forth very clearly in a letter which I recently received from the president of the Greenbush Association of Commerce, Mr. Don Wicklund.

Mr. President, I ask unanimous consent at this time to have printed at this point in the RECORD the letter from Mr. Wicklund, dated January 27, 1958.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

ASSOCIATION OF COMMERCE,
Greenbush, Minn., January 27, 1958.

Re port of entry, Caribou, Kittson County, Minn.

Senator HUBERT HUMPHREY,
United States Senate,
Washington, D.C.

DEAR SENATOR HUMPHREY: We, the Association of Commerce, Greenbush, Minn., at the request of and in behalf of the other civic organizations of our community, and the people located here, respectfully urge that a port of entry be established at Caribou, Minn. We feel that this port of entry should first be started on a trial or test basis and that this test should commence about May 1, 1958. We hereby submit our reasons for thinking that a port of entry should be established as above explained.

There is a continual and definite demand for the establishment of this port of entry by the peoples in our area. A copy of a petition as held in our files, and herewith attached, at least shows the interest taken by some 200 individuals of our community as it pertains to this Caribou port. The towns and communities to the south of us, including Strathcona, Middle River, Holt, and Thief River Falls, are likewise vitally concerned and are urging the establishment of this port of entry. Our Canadian neighbors to the north of us have for many years worked for the establishment of this port. This was especially demonstrated to us on August 17, 1957, when the Honorable Premier Douglas Campbell, of Manitoba, made a special trip to Greenbush, Minn., for the purpose of eliminating obstacles so that a port of entry could be established at an early date at Caribou.

A borderline survey indicates that there is a greater distance between ports in our area than in any other area in this district.

The obstacle of an inadequate road on the Canadian side from the border toward Vita has now been eliminated by the recent construction of a gravel-surfaced highway; further road improvement is anticipated on both sides of the border if a port is established. Roseau County officials have informed us that the construction of a black top highway from Greenbush, north, toward Caribou for a distance of, at least, 8 miles is in the calendar for 1958. The long-term goal is that Minnesota State Highway No. 32, which now ends at Greenbush, will be extended up to Caribou, Minn., where it would link with the Canadian Highway No. 32 from the border to Vita, Manitoba, and thence to Canadian Highway No. 12, 12 miles north of Vita and thence to Winnipeg.

UNIVERSITY OF MICHIGAN LIBRARIES

The tourist business is fast becoming an important part of our economy and shows promise of being more so. The natural tourist attractions on both sides of the border, such as lakes, Roseau River Refuge, etc. will be greatly improved by the establishment of this port.

We also believe that a port of entry at Caribou, Minn.-Arbakka, Man., would greatly help to perpetuate the friendly relations which now exist between the United States and Canada. It is a matter of record from past history, that Canada has at times, in cooperation with the United States, established customs and immigration facilities where the stronger desire for the port of entry was from the United States side of the boundary.

Now the Canadians, themselves, have initiated the drive to establish a port of entry in the Caribou-Arbakka area; they have proved their good intentions by the construction of the new highway to the border; they have labored long and hard to impress their own government with their needs; they have made numerous visits to this area to encourage our cooperation and to prod us into action when we have lagged. The establish of the port should be regarded as a move of cooperation with these friendly neighbors and would in effect be a maintenance of good foreign relations which is of such great importance today.

We know that you are well acquainted with existing conditions in our area, which has been somewhat retarded the latter years by adverse weather and crop conditions, but which has, in the past and will again in the future, be regarded as a prosperous agricultural area supporting active towns such as Vita, Stuartberg, Steinbeck, etc.

We again respectfully urge that our application for a port of entry at Caribou, Minn., be presented to the Bureau of Customs and that full support and all possible effort and consideration be given the matter.

Very truly yours,

GREENBUSH ASSOCIATION OF COMMERCE.
DON WICKLUND, *President*.
C. G. CARTWRIGHT, *Secretary*.

Mr. HUMPHREY. Mr. President, I have asked the Immigration and Naturalization Service and the Customs Service to study this proposal and to give me a report as to its feasibility. In the meantime, I wish my colleagues to know that an exchange of ideas and cooperation is proceeding very fruitfully indeed along our northern borders.

Mr. President——

The PRESIDING OFFICER. The Senator from Minnesota.

INVESTIGATION OF ACTIVITIES OF REGULATORY BODIES

Mr. HUMPHREY. Mr. President, I should like to say most respectfully to my friend, the Senator from Oregon [Mr. MORSE], that I wish to commend him for his courageous efforts in seeking to have the regulatory bodies of Government, which are the creatures of the Congress of the United States, periodically examined and placed under the watchful eye of Congressional scrutiny.

These executive agencies, Mr. President, are independent agencies. They depend for their continuity upon Congressional enactment. They therefore have a particular responsibility to the Congress, as the Congress has to them.

I am happy to notify the Senate and the other body, Mr. President, that on November 28, 1955, I directed a letter to the Senate Committee on Government Operations, addressed to the staff director, Mr. Walter Reynolds, and asked that a study be made of the activities and procedures of five regulatory agencies; the Civil Aeronautics Board, the Federal Power Commission, the Federal Communications Commission, the Federal Trade Commission, and the Interstate Commerce Commission.

I am happy to report, Mr. President, that in response to such request of the staff, the Comptroller General assigned a member of the Comptroller General's staff, one Mr. Arch Brown, to assist in the development of information relating to the delays and irregularities that were allegedly existing at that time in the agencies which I mentioned.

Mr. President, those reports were turned over to the so-called Moulder subcommittee. They are in the possession both of the Senate Committee on Government Operations and the Office of the Comptroller General, as well as the Committee on Interstate and Foreign Commerce of the other body.

I wish to say to whatever committee may be established in the Senate, or whatever work may be done by the Committee on Government Operations, that a substantial body of evidence is in our possession already. In fact, much of the work which was done in the House subcommittee was the result of the preparatory investigations or the preliminary investigations made by the staff of the Senate Committee on Government Operations.

I wish to add, Mr. President, that the only reason why this inquiry was not carried further was that the field had been preempted, so to speak, by the House Committee on Interstate and Foreign Commerce. The former counsel of that committee, one Mr. Bernard Schwartz, whose name has been most prominently mentioned in recent days, received these reports as preliminary guidelines for his investigative activities.

I invite the attention of Senators, Mr. President, in this regard, to pages 65 to 67 of Senate Report No. 1 of the 85th Congress, which sets forth the details concerning the staff study and points out that the committee discontinued its studies at the request of the House Committee on Interstate and Foreign Commerce.

I hope that the Senate will make it its business to go into whatever inquiry the situation may require, methodically, carefully, and with painstaking effort. I associate myself with that endeavor.

BOARD OF VISITORS TO AIR FORCE ACADEMY

The PRESIDING OFFICER (Mr. LAUSCHE in the chair). At the request of the Vice President, the Chair announces the appointment by the Vice President of the following members on the part of the Senate to the Board of Visitors to the United States Air Force Academy: The Senator from New Mexico [Mr. CHAVEZ], the Senator from Idaho [Mr. DWORSHAK], and the Senator from California [Mr. KUCHEL].

PRINTING AS A SENATE DOCUMENT AND ADDITIONAL COPIES OF REPORT ENTITLED "A REVIEW OF UNITED STATES FOREIGN POLICY AND OPERATIONS," SUBMITTED BY SENATOR ELLENDER TO APPROPRIATIONS COMMITTEE, JANUARY 24, 1958

Mr. HAYDEN. Mr. President, I bring to the attention of the Senate a resolution which I submit at this time, in behalf of the Senator from Louisiana [Mr. ELLENDER], and I ask unanimous consent for its present consideration.

The PRESIDING OFFICER. The resolution will be read for the information of the Senate.

The resolution (S. Res. 260) was read, as follows:

Resolved, That there be printed with illustrations as a Senate document the report entitled "A Review of United States Foreign Policy and Operations," submitted by Senator ALLEN J. ELLENDER to the Senate Committee on Appropriations on January 24, 1958; and that 3,000 additional copies be printed for the use of that committee.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. HAYDEN. The senior Senator from Louisiana made a very extensive tour throughout the world, and his report was printed by the Senate Committee on Appropriations, of which I am chairman.

There has been a great demand for the report. The Senator submitted a resolution, which was referred to the Committee on Rules and Administration, of which I am also a member, providing for the printing of 7,500 additional copies. However, upon examination of the cost of printing, it was discovered that the printing could not be taken care of through a Senate resolution. It would require a concurrent resolution.

I have, therefore, reduced the number to 3,000 copies, which could be printed under the limitation of $1,200 as provided by law.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had agreed to a concurrent resolution (H. Con. Res. 266) requesting the return of the enrollment of H. R. 8038 by the President to the House of Representatives for the purposes of reenrollment, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 1040. An act to amend the acts known as the Life Insurance Act approved June 19, 1934, and the Fire and Casualty Act, approved October 9, 1940; and

S. 2920. An act to provide for small-business disaster loans in areas affected by excessive rainfall.

PUBLIC WORKS AND THE RECESSION

Mr. O'MAHONEY. Mr. President, when I read the newspapers yesterday morning and saw the headlines to the effect that a $2 billion program had been announced by the President for the purpose of stemming the recession, I had the feeling that the executive branch of the Government was about to take positive steps immediately to turn back the recession from which the country has been suffering.

THERE IS NO $2 BILLION PROGRAM PLANNED

I was amazed, however, upon learning the details of the statement made at the White House, and the description made therein, to find that there was really no basis whatsoever for the implication which was made by the announcement of the $2 billion program. It is not a $2 billion program at all. It is a $175 million program, and is based wholly upon the willingness of Congress to pass new legislation, amending the suggestion which has already come from the Post Office Department, with the blessing of the President, to increase the postage rate on first class mail to 5 cents outside local communities, and to increase the rate to 4 cents for local mail.

Of the $2 billion mentioned in the press yesterday morning, $1½ billion is wholly dependent upon the so-called pay and purchase program, and it would take probably 5 years to carry out that program.

SUGGESTED PROGRAM IS BASED ON PRIVATE INVESTMENT

In order to make clear precisely what is meant by the so-called $2 billion program, I think I should read into the RECORD portions of the release from the White House dated February 11, for which credit is claimed by Mr. James C. Hagerty, press secretary to the President:

> The President today directed Postmaster Summerfield to present promptly to Congress a $2 billion program to modernize the obsolete physical plant of the Post Office Department over the next 3 to 5 years.

This is not a proposal for immediate action, Mr. President. That should be made clear. I continue:

> The program will involve rehabilitating, enlarging, or replacing 2,500 Government-owned post office buildings, replacing or remodeling 12,000 leased buildings, and providing modern mail-handling equipment for all postal facilities.
>
> Under the new program developed by the Postmaster General, the funds from private investors for construction of new post offices to be occupied under lease would approximate $1,500,000.

RECESSION STEMS FROM HOLD-BACKS IN PRIVATE INVESTMENT

Mr. President, one of the causes of the recession from which we are suffering is the failure of the owners of capital to invest. They have been holding back from investment. I know of no testimony which has been presented as yet which indicates that there is any real possibility that investment in the degree of $1,500 million may be expected to carry out the proposal to fight the current recession.

THE RECESSION IS HERE NOW

This is a current recession. The budget was prepared last November and December. It is very difficult for the Bureau of the Budget to prepare the document because it must look forward for some 18 months, at least, to determine what the receipts of the Government will be and what the expenditures are likely to be.

ADVANCE WARNINGS OF RECESSION WERE IGNORED

The sad fact is that when the budget was being prepared, any person, either in public life or out of public life, who even hinted that the reductions in the expenditures of the Government for national defense were themselves helping to produce unemployment was called a prophet of doom and of gloom. Those who wished to issue a warning that economic things were not going along all right were urged not to open their mouths; they were told that to make such statements would be to undermine public confidence.

Mr. President, I think all of us must agree that if the signs of an economic downturn are apparent, they ought to be made clear, both to the public and, particularly, to those who are in charge of the activities of the Government. Certainly they should be made known to the Members of Congress, who are called upon to pass the legislation which may be necessary.

JANUARY PREDICTIONS OF INCOME INCREASE WERE UNWARRANTED

The budget which was submitted to the Congress in January actually predicted that in 1959, personal incomes would be $9 billion larger than they were in the previous year. In the President's budget message it was stated that instead of the $343 billion total of personal incomes in 1958, the personal incomes of the people of the United States in 1959 would be $352 billion. I hope I have stated the figures correctly. If not, I shall see that they are corrected from the documents in the record.

That was a prediction that there would be a $9 billion increase in personal income. But at the same time, and in the same document, it was predicted that corporate incomes would remain stationary, at approximately $40 billion. When Mr. Anderson, the Secretary of the Treasury, appeared before the Joint Committee on the Economic Report, I directed his attention to that statement in the budget message; and I asked him for an explanation of how it was possible to expect personal incomes to increase by $9 billion when there would be no increase at all in corporate incomes.

CABINET CHANGED TUNE ABOUT A MARCH UPTURN

All of us know that a very large segment of employment is by the great corporations. We know that unemployment is increasing. At the time when the budget was being prepared for presentation to the Congress, members of the President's Cabinet were saying there would be an upturn in March. But when we held the hearings before the Joint Economic Committee and when we asked those members of the Cabinet—the representatives of the Bureau of the Budget, the Treasury Department, and other branches of the Government—to state their views about unemployment, they no longer held to the prediction that the upturn would come in March. Instead, they predicted that it would not come until much later.

LEADING ECONOMISTS DO NOT BELIEVE UPTURN WILL COME SO SOON

The last hearing of the Joint Economic Committee was held on last Monday. At that time five economists testified. They were not chosen by hand, to represent a particular doctrine; instead, they were chosen because throughout the country they are recognized as being men of ability, patriotism, and keen understanding of the economics of the Nation. Not one of those men looked for any improvement by March. All of them agreed that the upturn could not come speedily.

When I selected from Barron's Weekly of February 10, last Monday, a brief quotation, which I read into the RECORD, quoting the views of the Chase Manhattan Bank—certainly not a prophet of doom and of gloom, but one of the largest banks in the world, and one which should know something about the economic situation—and when in that way I showed to them the position taken by the Chase Manhattan Bank, namely, that the crux of this recession would not come until 1959, not one of those gentlemen challenged that statement.

OTHERS DO NOT SHARE THE PRESIDENT'S OPTIMISM

Mr. President, imagine my surprise when I found the President quoted as saying that he expects the upturn to come next month, in March.

Unemployment has been increasing; and men of unassailable ability have testified that the unemployment will reach 5 million.

The committee could call before it any witnesses, without regard to partisanship. None of the witnesses who appeared before the committee wore the rosy glasses which have been presented to the President, for him to use in looking at the situation which now exists in the Nation's economy.

The Senator from Alabama [Mr. SPARKMAN] was present at the hearings. I remember his presence in the joint committee, when it heard the testimony of the Secretary of the Treasury, Mr. Anderson—a very able and capable man, who has reversed the policy of the preceding Secretary of the Treasury, Mr. Humphrey. Even Mr. Anderson said—in response to my question—that he expected that things would grow worse before they grew better.

Mr. SPARKMAN. Mr. President, will the Senator from Wyoming yield to me?

The PRESIDING OFFICER (Mr. MORTON in the chair). Does the Senator from Wyoming yield to the Senator from Alabama?

Mr. O'MAHONEY. I yield.

Mr. SPARKMAN. What the Senator from Wyoming has just said reminds me

UNIVERSITY OF MICHIGAN LIBRARIES

of the fact that, according to the press and radio reports, the Secretary of Commerce last night made a speech in the course of which he condemned the brigade of gloom and doom forecasters among the Democrats. However, is it not true that the Secretary of Commerce himself, in announcing the unemployment figures last month, predicted that the unemployment figures for next month would be even larger?

Mr. O'MAHONEY. Of course he did.

Mr. SPARKMAN. Yet when any of us dare say something about that, we are said to be prophets of gloom and doom, according to the terminology used by those to whom I have just referred. Is not that true?

Mr. O'MAHONEY. Precisely; that is exactly what the situation is.

Mr. SPARKMAN. Mr. President, will the Senator from Wyoming yield for a further question?

Mr. O'MAHONEY. I yield.

Mr. SPARKMAN. I am sure the Senator from Wyoming read carefully the President's presentation, on yesterday, of economic facts of life, and his predictions, and so forth. Did the Senator from Wyoming find in the President's pronouncement a new thought or a new program? Was not it simply a recapitulation of his budget message and his economic message, with the sole exception of the reference he made to a proposed post-office building program?

Mr. O'MAHONEY. Yes; the only new proposal was the suggestion of a change in the use of the funds proposed to be derived by increasing the price of postage stamps.

Mr. SPARKMAN. Yes, by increasing the price of the postage stamps which must be placed on the mail which the mass of the people send or receive.

Mr. O'MAHONEY. Just before the Senator came to the floor, I was reading a press statement that came from the White House, under date of February 11, and credited to Mr. James C. Hagerty, to show the facts as he presents them belie the impression that was carried in the headlines, of a $2 billion program to fight the recession. So I attempted to prove, by what Mr. Hagerty says, that this is a program without substance, and not calculated to have any beneficial effect upon the recession from which the country is suffering.

Let me read this from Mr. Hagerty's statement. He said first, so that the context may be clear, that of the $2 billion, $1½ billion would come from private investment. We all know that private investment is one of the categories that has been going down, and one of the reasons why we have a recession.

Mr. Hagerty states:

> The capital investment to be made by the Government is estimated at $175 million a year for the period of the program.

And the program, of course, is for the next 3 to 5 years. The trouble is now, not 3 to 5 years from now.

Mr. SPARKMAN. Mr. President, will the Senator yield at that point?

Mr. O'MAHONEY. Certainly.

Mr. SPARKMAN. Does the Senator know or does he have a good idea as to whether or not plans are ready on a single one of those buildings?

Mr. O'MAHONEY. I have no idea. I know the President speaks of taking them off the shelf. Before I get through, I shall point out how the Bureau of the Budget has required the Department of the Interior to put on the shelf public works projects for which Congress has appropriated and authorized all the money needed for the present.

Mr. SPARKMAN. Are they not still on the shelf?

Mr. O'MAHONEY. They are still on the shelf, and I am hoping they will be taken off the shelf.

Mr. SPARKMAN. Those projects are ready to go now, are they not?

Mr. O'MAHONEY. One of them was actually going.

I say to the Senator that, for example, the appropriation bill which Congress passed last year for public works provided $1½ million for the building of the Navaho Dam in the State of New Mexico for the benefit of the Indians.

That money was to have been expended during the fiscal year 1958, of which 7½ months are now behind us. Not a penny of that $1½ million has been expended for Navaho. Because some of us representing Wyoming, Colorado, and Utah complained about the action of the Bureau of the Budget compelling the Department of the Interior to cut back, that $1½ million has been switched from the Navaho project in New Mexico to the Flaming Gorge project in Utah and Wyoming.

As one of the Senators representing the State of Wyoming, I say the public officials of my State do not want to take that money away from Navaho. The Navaho project ought to be worked on immediately.

Mr. SPARKMAN. I am sure the Senator from Wyoming could multiply instances of that kind many times over, examples of projects that have been placed on the shelf, and that could easily be taken off the shelf and used to put people to work.

Mr. O'MAHONEY. The program announced by the administration is that there shall be no new starts in the construction of reservoirs to store water. Next Monday, at the request of the chairman of the Committee on Public Works and the chairman of the Committee on Interior and Insular Affairs, I shall open a hearing in the Senate Office Building to review the work which has been done behind the Iron Curtain to conserve the waters of Soviet Russia, both in Europe and in Siberia. I shall point out the expenditures that were made behind the Iron Curtain, under the instruction and guidance of American engineers, sometimes by big American corporations like the General Electric Co., which sent its men to those countries to do the work on building some Russian reservoirs. We shall show how the waters of Russia and Siberia are being conserved, while the policy of this administration is no new starts.

Mr. SPARKMAN. Mr. President, if the Senator will yield further, he may recall that about 2 weeks ago, or perhaps a little less, I delivered a talk here on the Senate floor in which I discussed the housing program in the light of the President's economic report and budget message, and also some of the potentials of home building to help pull up the sagging economy.

If the Senator noticed, in the President's statement of yesterday he referred to housing as his first program. May I say to the Senator I read the statement carefully, and there is not one single new proposal in the statement. There is nothing in it to challenge the sagging economy of this country or to give even a psychological lift in the fight against the present recession.

Mr. O'MAHONEY. May I ask the Senator how that housing program began?

Mr. SPARKMAN. Does the Senator mean how it began years ago?

Mr. O'MAHONEY. No. I referred to the liberalization provisions of August 1957.

Mr. SPARKMAN. The White House told of the few things that had been done.

Mr. O'MAHONEY. How did that program begin? Who took the initiative?

Mr. SPARKMAN. We in the Congress have been prodding for action. Last year we passed a better housing program than the administration would endorse. We passed it over the administration's opposition.

Mr. O'MAHONEY. Let me make my question specific. Who passed the provision for a sharply liberalized schedule of minimum required downpayments?

Mr. SPARKMAN. The Congress passed it last year, over the opposition of the administration.

Mr. O'MAHONEY. Let me read the paragraph I have before me, because someone is fooling the President, and I resent it. I do not believe the President of the United States should be put in the position of claiming for himself acts that were taken by Congress. Let me read. This is very, very cleverly written. The hand of Madison Avenue guides the pen in the White House.

Mr. SPARKMAN. Of course, we all know this administration has the cleverest writers of any administration in history.

Mr. O'MAHONEY. That is why I say the mind of Madison Avenue guides the hand holding the pen in the White House.

I shall now quote from the Fact Paper on Certain Programs and Proposals Bearing on the Current Economic Situation, issued from the White House at the same time the President made his statement on the economic situation:

> The Federal Government has taken a number of steps, going back over a period of months, to help promote an increase in home construction.
>
> In August 1957, a sharply liberalized schedule of minimum required downpayments was put into effect for FHA-insured home loans. On a $12,000 house, for example, the minimum required downpayment was reduced from $1,200 to $600.

Not a word was said about the action of Congress.

Mr. SPARKMAN. The Senator is right. A little further on in the statement he laments the fact that Congress

did not do all he asked it to do, the principal point being to raise interest rates. Is it not a little contradictory that right at this time he should make such a statement, when interest rates are coming down? As a matter of fact, if he did not make reference to it in this message, at other times he has talked about the credit charge. That is another way of saying interest rates.

Mr. O'MAHONEY. Let us get this point in the CONGRESSIONAL RECORD in the same spot, so that everybody who reads the RECORD may understand what is going on by way of publicity. It is important that the people should know how they are being deceived by publicity statements.

In the first set of indented paragraphs of things that have been done "to help promote an increase in home construction" there is not a word about any participation by Congress, which leaves the impression in the mind of any reader who does not know better that these things were all done by the Executive—whereas they were not. They could not have been done by the Executive if Congress had not acted.

Then we come to the new set of steps to be taken, and it opens this way:

Prompt action by the Congress on several matters already before it would help to promote a higher level of home construction.

There is the assumption now that if it were not for the Congress something would be done.

The Congress should act promptly on the request of the Federal Housing Administration for a supplemental authorization which would permit FHA to accelerate the processing of home loan insurance applications.

The interest rate limitation on GI home loans should be eliminated, to permit veterans of World War II to enjoy their benefits under this program.

Mr. SPARKMAN. May I interpolate? That means the interest rates should be raised.

Mr. O'MAHONEY. It would have been very accurate and very illustrative of the fact if the author of this press release had added there, "The policy of Secretary Humphrey has been abandoned."

Mr. SPARKMAN. May I say that it could have been greatly shortened if they had simply stated, "Congress ought to raise interest rates on loans to GI's"? That is what it means, but they used the language the Senator has quoted.

Will the Senator look at that language again, to see how far around they went without mentioning interest rates? That is what the statement means. It means interest rates should have been raised on loans to GI's.

Mr. LONG. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from Louisiana.

Mr. LONG. I assume the Senator knows that an increase of 1 percent in the interest rate that the veteran has to pay for one of these long-term mortgages represents an increase of 10 percent in his monthly payment and an increase of 10 percent in the final cost of the house to the veteran. If the President really wants to help those veterans, might I suggest that he should use his influence to bring interest rates down, because I am convinced that the administration has used its influence to get them up where they are.

Mr. O'MAHONEY. I may say to the Senator from Louisiana that the paper from which I am reading was not written for the purpose of persuading Congress to do anything. This paper was written for the sole purpose of convincing the writers of headlines in the newspapers that the administration has made a complete turnabout in its policy.

Mr. SPARKMAN. Mr. President, will the Senator yield at that point?

Mr. O'MAHONEY. I yield.

Mr. SPARKMAN. I think the Senator is absolutely right. Did the Senator notice what the Wall Street reaction was after this message went out?

Mr. O'MAHONEY. I heard about it on a television program last night.

Mr. SPARKMAN. Those who are on Wall Street apparently saw through it.

Mr. O'MAHONEY. Well, somebody ought to see through it. Somebody certainly ought to see through it.

Mr. SPARKMAN. May I interpolate one other thought in connection with what the Senator from Louisiana [Mr. LONG] said?

I am speaking now from memory, but I think my memory is correct when I state that increasing the interest rate 1 percent over the time for the payment of the mortgage has the effect of increasing the amount which the person has to pay by $6.50 per thousand per year. In other words, on a 10-year mortgage that would represent approximately $6 a month of additional payment that the veteran would have to make. For some of these fellows who buy houses with $10,000 mortgages—which is about the cheapest house one can buy today—the $6 per month additional payment is quite an item. In effect, that is about what is being stated in the circumlocution which the Senator from Wyoming read to us.

Mr. LONG. If the Senator will yield further, an increase of an interest rate on a housing mortgage works out to a higher percentage of increase on the payment, depending upon the period of the mortgage.

For example, on a 25-year mortgage, an increase of 1 percent in the interest rate will work out to an increase of somewhat more than 10 percent on the monthly payment and the total cost. If we talk about a 30-year mortgage, the increase of 1 percent in the interest rate works out to more than a 10-percent increase in the payments and total cost.

I believe most veterans' mortgages, Mr. President, are about 25-year mortgages. If the veterans want to know what Mr. Eisenhower is asking Congress to help the veteran do, it is to add 10 percent to whatever monthly payment is involved. If it is a $60 monthly payment, the President is urging us to help the veteran pay $66. If it is a $70 monthly payment, the President is urging us to help the veteran pay $77. If it is a $100 monthly payment, he is urging us to help the veteran increase it to about $110.

Those of us on this side of the aisle would like to see this administration use its efforts to bring these interest rates down, so that there would be plenty of money available to finance these veterans' houses at a lower cost.

Mr. O'MAHONEY. Mr. President, I am glad that the Senator has made his comment, but I want to avoid turning these few remarks of mine into a discussion of housing. I am trying to discuss public works.

Mr. SPARKMAN. Will the Senator yield one more time?

Mr. O'MAHONEY. I yield to the Senator.

Mr. SPARKMAN. The Senator knows, of course, my close identification with housing.

Mr. O'MAHONEY. I do, indeed.

Mr. SPARKMAN. It happens that housing was the No. 1 measure discussed on the fact sheet.

Mr. O'MAHONEY. That is correct. On the Madison Avenue fact sheet.

Mr. SPARKMAN. Yes. I think the Senator will agree that home construction could easily be one of the most effective and one of the quickest methods to use to get into action on any program which could be devised to help pull up the sagging economy.

May I say to the distinguished Senator from Wyoming that there is not one thing in the proposal of the President related to housing—and I believe this probably applies to all the other subjects——

Mr. O'MAHONEY. There is not a thing in this proposal that can be effective, even if carried out before the 1st of July, to fight a present recession.

Mr. SPARKMAN. Furthermore, let me say that when the President refers to a housing program which he has submitted to Congress, he is talking about some of the programs he submitted last year. The committee is waiting right now about holding hearings on a new housing program for this year until the administration presents its proposals to us for consideration. We have served notice that we are going to hold those hearings in March, whether the administration has its proposals ready or not.

I want to say to the distinguished Senator from Wyoming and to the other Members of the Senate that we are going to propose a housing program which will be challenging. We are going to propose a housing program which will help pull us out of this sagging economy or this recession that we are presently in. I hope that the administration, without any of its Madison Avenue phrases and phraseology and techniques, will simply put its shoulder to the wheel and help us put that program across. I believe that if the administration will do that, and will do it with these other potential programs, we can stop this recession and we can start things up again.

Mr. O'MAHONEY. I thank the Senator from Alabama.

I was trying to support my statements by quotations from the Hagerty docu-

UNIVERSITY OF MICHIGAN LIBRARIES

ment. Let me proceed along that line for just a minute.

The Government's portions of these expenditures—

I know now that would be $175 million for a year for the program, and could not possibly exceed $500,000 in addition.

Mr. Hagerty proceeds:

The Government's portion of these expenditures would be financed by revenues from increased postage rates proposed by the administration and now before the Congress. The budget message has proposed a 5-cent letter rate on out-of-town letters, a 4-cent rate on local letters, and increases in other classes of mail.

The plan contemplates that the postage above 4 cents on first-class mail—namely, the fifth cent on out-of-town letters, which will amount to $175 million a year—will be used to pay the modernization costs.

The remaining increases would provide about $500 million a year to reduce the postal deficit, estimated at $850 million annually, including pending wage increases for postal employees proposed in the budget.

It is clear from that statement that if the proposed increase is granted, the fifth cent of the postage rate on first-class mail will be taken away from financing the Post Office budget or contributing to the payment of the salaries of the postal workers, whose wages are not sufficient to keep pace with the rising cost of living; it will be devoted to the rehabilitation and repair of post office buildings in various parts of the country.

BUILDING POST OFFICES WILL NOT ADD TO REVENUE; RECLAMATION PROJECTS WILL

What I wish to point out is that such expenditures on post offices will not be productive expenditures. They will not add to the revenue of the United States. On the other hand, I invite the attention of Senators to the appropriation bill which was reported by the Appropriations Committee, for public works, on July 12, 1957. This appropriation bill was accompanied by a report. On page 36 of the report, I find this reference to the Colorado River storage project:

Appropriations, fiscal year 1957, $13 million.

That means that for the fiscal year 1957, $13 million had been appropriated for this project. The budget estimate for the fiscal year 1958 was $25,142,000. The House allowance was $25,142,000. The committee recommendation was $25,142,000.

BUDGET RECOMMENDATIONS FOR COLORADO RIVER PROJECT ENDORSED

So it will be seen from the record that at the last session the Appropriations Committees endorsed the recommendation of the Bureau of the Budget.

Then there was this statement:

The committee recommends concurrence in the House allowance of the budget estimate of $25,142,000 for the Colorado River storage project. The funds recommended are for the following units of the project:

Flaming Gorge unit, Utah, $4,800,000.

Glen Canyon unit, Arizona-Utah, $17,300,000.

Navaho unit, New Mexico, $1,800,000.

Transmission division, $100,000.

Advance planning, $1,142,000.

The total of those items was the fund appropriated, namely, $25,142,000.

Then comes this paragraph—and I call particular attention to it:

SIMULTANEOUS CONSTRUCTION OF THREE UNITS PROMISED

The committee recommends the allowances of these funds with the understanding that construction will proceed simultaneously on the Flaming Gorge, Glen Canyon, and Navaho units of this project.

There, Mr. President, was the understanding of the Congress and the agreement of the Reclamation Bureau. The Department of the Interior made no criticism of that understanding. No change was made until after sputnik appeared in the sky, and then immediately the Bureau of the Budget sent out word that the time had come to cut back on the conservation of water in the arid land States of the West.

HOOVER DAM ALLOWED COLORADO'S WATER TO BE CONSERVED FOR LOWER BASIN

There are three great rivers in this country, namely, the Missouri-Mississippi, the Columbia, and the Colorado Rivers. All three of those streams have been pouring water down since long before the white man inhabited the western part of the United States. In the Colorado River those waters tumbling down to the sea have worn away a great canyon. The waters have gone to waste in the sea, and have not been utilized on the way down, until, under the Presidency of President Hoover, the Hoover Dam was constructed on the lower portion of the Colorado River Basin. The construction of that dam has worked wonders for California and the lower basin. The population of the city of Los Angeles has been multiplied over and over because this great engineering concept of conserving the water instead of letting it go to waste was followed.

UPPER COLORADO RIVER PROJECT APPROVED BY CONGRESS

States of the upper basin did not reach an agreement as to the division of the waters until several years ago, long after the Hoover Dam had been constructed. Then began efforts to provide for the planning to build the project. I well remember it, because I was a member of the Appropriations Committee at that time, and I was fortunate enough to be able to persuade my colleagues on the committee to appropriate the funds to enable the Bureau of Reclamation to make the studies and draw the plans by which the upper Colorado River storage project could be started.

ADMINISTRATION SHELVED 2 OF 3 PROJECTS

Here was the appropriation for the fiscal year 1958, following one which had been made for 1957, of $4,800,000, under an understanding that the construction would proceed with Glen Canyon, Navaho, and Flaming Gorge. But Navaho and Flaming Gorge had been effectively placed upon the shelf by the Department.

I am calling attention to the fact that no legislation by Congress is needed. The legislation has already been passed. The authorization bill was passed by the previous Congress. Nothing is needed but Executive action.

The Governors of all four of the upper basin States are supporting this project. Some of the $4,800,000 which was appropriated for Flaming Gorge has been expended in the construction of preliminary work, such as access roads and the like; and the promise was made that out of the fund appropriated and still available, the Bureau of Reclamation would be permitted, in December 1957 or January 1958, to call for bids for beginning the construction of the dam.

PROMISE TO CONGRESS NOT KEPT

That promise has been violated. Bids were not called for. No word came in December. I called upon the Bureau of the Budget for some explanation, and received in reply only the old-fashioned notice that my suggestions would "receive careful consideration."

I knew what was going on. I knew that the public works which had been authorized by the Congress, with the agreement of the Bureau of the Budget and the administration, and for which appropriations had already been made, some of which had been expended, were being carefully put back on the shelf.

WHITE HOUSE ACTUALLY HAS STOPPED PUBLIC WORKS PROGRAM

I cannot sit here silent and hear the claim go out from the White House that the White House is launching a public-works program, when the plain facts are that the White House has stopped the public works program.

Mr. President, we have a recession. The best information the Joint Economic Committee could get is to the effect that unemployment will not begin to turn up in March, and that it will be long after the middle of the year before an upturn may be anticipated.

The Bureau of the Budget has very graciously allowed the Bureau of Reclamation to take the unobligated balance of fiscal year 1958 on the Navaho unit, and $2½ million of the unexpended funds from the Flaming Gorge appropriations, making a total of $4 million. However, the only action that has been taken was reported to me on January 8, in a release by the Secretary of the Interior. It was to the effect that the Bureau of Reclamation had renegotiated a contract with the Witt Construction Co., whereby 30 units of 80 units of construction on a housing job had been canceled. That is public works in reverse. That is not public works to develop natural resources or an effort to fight unemployment.

I have no hesitation in saying that if this program does not go forward as originally planned and agreed to by the Department of the Interior and Congress, this administration cannot claim that it is a supporter of a public-works program which means anything. The storage of the waters in the Upper Colorado River Basin will mean new wealth for the country. The storage will make it possible to develop the natural resources of that area. I wish to tell Senators, as I told Dr. Saulnier, when he testified on the opening day of the hearings before the Joint Economic Committee, that in two States of the Upper Colorado River Basin, New Mexico and Wyoming, from which public works appropriations are

being withdrawn, there exist the two largest known deposits of uranium anywhere in the United States.

New Mexico, on the basis of presently discovered reserves, stands first. Wyoming stands second. The miners and the engineers who work in Wyoming tell me that the additional operations there will make Wyoming rival New Mexico as a source of uranium.

COLORADO RIVER PROJECT WILL DEVELOP NATURAL RESOURCES

I say the storage of water in this area in New Mexico and in Utah and in Wyoming and in Colorado will all help to develop the natural resources. We need the development. The Nation needs the development. All of us need the development of those natural resources because we are in the depths of a cold economic war with Soviet Russia.

We know that the interest upon the national debt is increasing by every month during the present administration. The interest on the national debt will be over $7½ billion this year. That is a greater expenditure than for any other item on the President's budget, save only defense and mutual security. It is $7½ billion. We are cutting back the appropriation for agriculture. We are cutting back the appropriation for the veterans. They were registered last year for $5 billion.

Mr. LONG. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. LONG. I am sure the Senator does not wish to be inaccurate in his statement. The interest charge on the national debt is the second largest item in the budget. It is larger than mutual security or defense.

Mr. O'MAHONEY. The Senator from Louisiana misunderstood me, I believe. I joined together national defense and mutual security as the only item which is greater than the interest on the national debt.

Mr. LONG. I am sorry that I misunderstood the Senator. I thought he meant to say that the interest charge on the national debt was not as large as the mutual security appropriations. Of course the Senator knows it is larger.

Mr. O'MAHONEY. Oh, yes. The appropriations to the President, to be expended at his discretion for foreign military aid and foreign economic aid, and other appropriations of that kind, amount to more than $4 billion. That is the request which is made in the budget before us.

I was making the comparison between the interest on the national debt and all the other activities of Government, save only national defense and mutual security. The interest on the national debt is more than $7.5 billion, and that amount is next in line to those two items I mentioned, added together.

Mr. President, I ask unanimous consent that I may have published in the RECORD at this point the release which I received from the Bureau of Reclamation, showing the facts which I have recited. I ask that the release be printed in the RECORD at this point so that there may be no challenge of what I have said.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

BUREAU OF RECLAMATION, FISCAL YEAR 1959 CONSTRUCTION PROGRAM, COLORADO RIVER STORAGE PROJECT, FLAMING GORGE UNIT, UTAH

Fiscal year 1958 program	$4,831,899
Funds provided in fiscal year 1959 budget	2,500,000
Unobligated balance, fiscal year 1958, Navaho unit transferred to Flaming Gorge	1,500,000
Total, fiscal year 1959 program	4,000,000

The $4 million program in fiscal year 1959 will finance the excavation and lining of the single river-diversion tunnel at the dam site. Funds are also programed for the construction of an access road from the Flaming Gorge Government camp to the dam site and a second road from the camp to the river level at the powerplant location.

Construction of service facilities will be completed in fiscal year 1959, including permanent and temporary housing, utilities and streets, and water-supply system, all of which were started in fiscal year 1958.

Amount estimated last year by Bureau of Reclamation for 1959 work in Flaming Gorge, $12,135,000.

A STRETCHOUT WILL ADD TO THE INTEREST TO BE PAID BY WATER USERS

Mr. O'MAHONEY. Mr. President, let me add that it is obvious from what I have already put in the RECORD that Flaming Gorge is not a new start. The first appropriation for the actual work leading to the construction was made for fiscal year 1957. The next one was made for fiscal year 1958. It was planned that the work would be finished in 1963, the engineering program advancing with the need in the appropriation bill and declining as it reached completion.

This was reported to me by the engineers of the Bureau of Reclamation: For fiscal 1958 and fiscal 1959, $12,135,000; fiscal 1960, $11,770,000; fiscal 1961, $11,402,000; fiscal 1962, $10,892,000; fiscal 1963, $5,207,000.

To build a big project of this kind takes a series of years, with every step of the way carefully outlined and carefully planned.

Congress, in attempting to make sure that this was an economically feasible project, provided that the users should pay interest on the amount of money that was spent during the period of construction. Therefore by the stretchout, the amount of this interest would be increased to a far larger sum than was anticipated. I ask that the Department of the Interior, with the consent of the White House and the Bureau of the Budget, now take up where it left off last December, and begin the work with the money it has. Unless that is done, the burden of repayment upon the users and settlers will be greater than was planned.

ADMINISTRATION DELAY THREATENS COMPLETION OF PROJECT

Indeed, I think it is not too much to say that the stretchout is such that it will threaten the ultimate completion of the project. If that is true, then the people of Colorado, Wyoming, Utah, and New Mexico, who would benefit from the utilization of the water that flows through their boundaries, will be the sufferers because of the failure of the administration to carry through to completion a public works program to which it was committed. I hope there will be an immediate change of attitude. I have already sent to the Department of the Interior my request that this shall be done, and I have also sent a message to the Chairman and the Council of Economic Advisers.

I ask unanimous consent that the text of these communications be printed at this point in the RECORD.

There being no objection, the communications were ordered to be printed in the RECORD, as follows:

FEBRUARY 12, 1958.

The Honorable FRED A. SEATON,
Secretary of the Interior,
Department of the Interior,
Washington, D. C.

DEAR FRED: On receiving word of the President's announcement of a $2 billion public-works program to stop the recession, I wired Chairman Saulnier, of the President's Council of Economic Advisers, expressing the hope that the authorized call for bids on Flaming Gorge may be immediately made.

The Director of the Bureau of the Budget, Council of Economic Advisers, the Secretary of the Treasury, and Chairman Martin, of the Federal Reserve Board, in their testimoney given last week before the Joint Economic Committee all adhered to the budgetary program devised in November and December last and presented to Congress in January. Today's announcement reverses all that, and since the appropriation has already been made for the development of the upper Colorado River project there is every reason to hope that the cutbacks in the upper Colorado River project ordered at that time will now be canceled. The development of natural resources, including the construction of reservoirs to store volumes of water now being wasted, will not only stimulate the economy of the areas affected but will result in the production of revenue for the Government.

When the Senate Committee on Interior and Insular Affairs met on January 23, I reviewed this whole matter and announced that I would ask the committee formally to condemn the policy of the Bureau of the Budget. The President has done that more effectively than I could have done it by announcing the $2 billion project.

I am enclosing for your information a copy of my wire to Mr. Saulnier.

Sincerely yours,

JOSEPH C. O'MAHONEY.

FEBRUARY 12, 1958.

Dr. RAYMOND J. SAULNIER,
Chairman, Council of Economic Advisers,
Executive Office Building,
Washington, D. C.:

Mindful of our colloquy when you were testifying before the Joint Economic Committee on January 27, I now make the suggestion that, since President Eisenhower, after conference with you, the Council of Economic Advisers, and other top economic officials from Government agencies, has reversed the administration view of the gravity of the recession, it may now be possible to reverse the policy of the Bureau of the Budget which has resulted in a decision not to award a contract on Flaming Gorge for which funds appropriated last year are now available. Four days ago, in pursuance of the Budget Bureau policy, Secretary of the Interior Fred A. Seaton announced that the Bureau of Reclamation had eliminated the

UNIVERSITY OF MICHIGAN LIBRARIES

construction of 30 of the 80 housing units at Flaming Gorge for which a contract had already been made. This elimination was due to the failure of the Bureau of Reclamation, under Budget orders, to ask for bids for initial construction on the dam, although the funds were available and Congress had been assured that the contract would be let. This cutback of the authorized program for the development of the conservation project in the Upper Colorado River Basin was formally announced by the Bureau of Reclamation on January 15. Now that a broad program of public works is being announced to stop the recession, I confidently hope that immediate steps will be taken to proceed with Flaming Gorge. No action by Congress is necessary for the resumption of the program on this public work. It requires only action by the Executive.

JOSEPH C. O'MAHONEY,
United States Senator.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. CARROLL. I commend the distinguished Senator from Wyoming for a very clear presentation of the conditions with which the people of Colorado are confronted. The program he has outlined and his comments about the necessity for a public works program—or merely the reestablishment of the program which had been approved by Congress—will be a great step forward. I desire to associate myself with the remarks of the able Senator.

Mr. O'MAHONEY. I thank the Senator from Colorado.

RELIEF OF MARGIE C. STEWART

Mr. MANSFIELD. Mr. President, I move that the unfinished business be temporarily laid aside and the Senate proceed to the consideration of a concurrent resolution coming over from the House.

The PRESIDING OFFICER. The resolution will be read for the information of the Senate.

The LEGISLATIVE CLERK. A concurrent resolution (H. Con. Res. 266) requesting the return by the President of the United States of the enrolled bill (H. R. 8038) for the relief of Margie C. Stewart to the House of Representatives for the purpose of reenrolling.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the concurrent resolution?

There being no objection, the concurrent resolution (H. Con. Res. 266) was considered and agreed to, as follows:

Resolved by the House of Representatives (the Senate concurring), That the President of the United States is hereby requested to return to the House of Representatives the enrolled bill (H. R. 8038), for the relief of Margie C. Stewart; that if and when such bill is returned by the President, the action of the Speaker of the House of Representatives and of the President of the Senate in signing such bill is hereby rescinded; and that the Clerk of the House of Representatives is hereby authorized and directed, in the reenrollment of such bill, to make the following changes: On page 1, line 9 of the House engrossed bill, strike out ", such compensation to be paid at the rate received on the date of removal less any amounts earned by her through other employment during such period or paid to her as unemployment compensation."

OPPOSITION TO INCREASED INTEREST RATE ON LOANS TO RURAL ELECTRIC COOPERATIVES—RESOLUTION

Mr. CARROLL. Mr. President, I recently received from the San Luis Valley Rural Electrification Cooperative a resolution which typifies the feelings of rural Colorado families toward the threats which are presently being directed toward the operation of the REA. I shall ask unanimous consent to have this resolution printed in the RECORD at the conclusion of my remarks.

Mr. President, it has been clear for some time that the policy of this administration has been to throttle and to discourage the REA. At present there is pending another assault upon this worthwhile program. The administration has given notice that it intends to raise the interest rates on REA loans for the expansion and improvement of rural power and telephone systems. It also wishes to force the rural electrification co-ops to depend on private lending for their capital requirements.

All of us are aware of the situation which prevailed upon our farms before the inauguration of this program. Eighty-nine percent of our farm families did without the blessings of electricity. Whole areas of our Nation were condemned to darkness because the private power companies could not or did not wish to bring light and power. The inauguration and development of the REA and the rural electrification co-op's has brought the number of electrified farms to more than 90 percent. I would think that a program which has enjoyed such astounding success and which has won the unwavering support of farm and rural people—both Democrats and Republicans—would be loyally supported by both political parties.

The fact is, however, that the latest administration moves in reducing the budget for the rural electrification and telephone program and in attempting to increase the interest rate paid on REA loans, are actions hostile to the program and are intended to destroy the vitality of the REA. A year ago, Mr. President, the administration seriously impaired the capacity of the Director of the REA by requiring him to submit for approval loans of more than $500,000. That action, plus the consistent reduction of budget funds, plus the attempt to increase interest rates, equals a planned and consistent policy of subversion toward the REA which will be bitterly resented and resisted by adherents of the great REA program.

I for one will do everything in my power to prevent an increase in interest rates for rural electrification co-ops and to protect this magnificent program which has more than paid for itself over the last 20 years. Apart from the fact that the co-ops are well in advance of their repayment schedule, this program has accounted for the great intangible benefits found in the health, welfare, and productivity of the American farmer and of American rural people. Moreover, the tax receipts resulting from greater productivity created by electrified farms have richly rewarded the Federal Treasury for the investment which we have made. Such a program deserves a vote of confidence and the continued support of the Nation.

I now ask that the resolution I have received be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

The following resolution was presented to the annual meeting of the members of San Luis Valley Rural Electric Cooperative, Inc., held at Monte Vista, Colo., on February 1, 1958, its adoption regularly moved and seconded and upon being put to a vote was unanimously adopted:

"Whereas the income of the farmers has been steadily decreasing for the past several years; and

"Whereas the cost of items purchased by farmers in the production of their crops has been steadily increasing, which has contributed to the serious financial situation of the farmers at this time; and

"Whereas electricity purchased from rural electric cooperatives is a substantial item in the production costs of farmers: Now, therefore, be it

"*Resolved*, That the members of San Luis Valley Rural Electric Cooperative in annual meeting assembled, go on record as being opposed to the Capehart bill or to any other legislation which would increase the interest rate on loans to rural electric cooperatives, therefore increasing the cost of electricity to farmers; be it further,

"*Resolved*, That a copy of this resolution be sent to each member of the Colorado Congressional delegation and to the chairman of the House and Senate Agricultural Committees."

I, John R. Wright, do hereby certify that the above and foregoing is a true, full, and correct copy of a resolution adopted at the regular meeting of the members of said association held at Monte Vista, Colo., on February 1, 1958.

Witness my hand and seal of said cooperative this 6th day of February 1958.

JOHN A. WRIGHT,
Secretary.

THE PRESIDENT'S MESSAGE ON THE ECONOMY

Mr. LONG. Mr. President, there are three things which are not surprising about the President's statement on the economy yesterday.

First, the stock market, showing considerable sophistication, went down upon learning about the statement; second, the statement tried to breathe vigor into the economy merely by talking about "confidence," thus raising the shade of Andrew Mellon and projecting the shadow of Herbert Hoover; and third, the statement did not face the facts.

While none of these three things about the President's statement is surprising, all of them are serious; and the failure to face the plain fact is, of course, the most serious. The President said:

It is my conviction that the underlying forces of growth remain strong and undiminished.

What forces of growth?

In a comprehensive speech in the Senate on last August 30, I centered attention upon the fact that the forces of growth in our economy have been languishing seriously for a number of years under the misguided economic policies

of the current administration. Let us now bring this record up to date.

Our economy needs to grow about 4½ percent a year—at the very least, 3½ percent a year—to keep up with the increasing number of people, the increasing number of workers, and the rising productivity per worker; but the actual growth in our total national production, measured in uniform dollars, was only 2.3 percent on the average for the 5 years 1953 to 1957, and only about eight-tenths of 1 percent from 1956 to 1957. Our total national production actually went down 1.7 percent from the fourth quarter of 1956 to the fourth quarter of 1957, measured in uniform dollars. From the third to the fourth quarter of 1957, our total national production went down more than 6½ percent at an annual rate, measured in uniform dollars.

At the base of our economy is consumption by the people. This also needs to grow by about 4½ percent a year. But it grew only 3½ percent on the average during the 5-year period of 1953 to 1957, only 1.7 percent from 1956 to 1957, and less than 1 percent from the fourth quarter of 1956 to the fourth quarter of 1957.

An increasingly higher level of business investment is also essential to our economy. But gross private domestic investments declined by 7.7 percent from 1956 to 1957, and declined by 14.4 percent from the fourth quarter of 1956 to the fourth quarter of 1957.

The industrial production index, according to the most recent figures, is now 7½ percent lower than a year ago.

The incomes of the people have also been tumbling. Farm operators' net income, measured in uniform dollars, was more than 5 percent lower in the fourth quarter of 1957 than in the fourth quarter of 1956. The average per capita income of all the people after taxes, measured in uniform dollars, was 1½ percent lower in the fourth quarter of 1957 than in the third quarter of 1957.

All of these downward trends are becoming worse month by month. The net result is more and more unemployment.

The President's statement of yesterday sheds some crocodile tears about the hardships of unemployment, but it does not even set forth the figures. The census count of unemployment was 4½ million, according to a survey in the middle of January, contrasted with an average of 3 million for the fourth quarter of 1957. But it is now the middle of February, and everybody knows that unemployment has been rising at an accelerating rate. Allowing also for the temporary and part-time unemployment which is not included in the census count, it is very conservative to state that we now have a minimum of 5½ million unemployed, and perhaps close to 6 million.

Practically every expert who has appeared before Congressional committees in recent weeks has estimated a considerable further rise in unemployment. And certainly much more in March than in February.

Practically no expert before any of these Congressional committees has expected an upturn of any kind before much later this year, and most of these experts are now putting the date of the upturn further and further ahead of us.

So upon what foundation does the President rest his cheerful confidence that March "should mark the beginning of the end of the downturn in our economy"?

The second basis given by the President for his cheerful confidence is that "the firm policy of the Government is to foster this recovery in every sound way."

But the President proposes no vigorous or comprehensive new steps to foster recovery. The so-called fact paper attached to his statement, which I shall not here review in detail, is mostly a review of relatively trivial actions taken by the administration in the past, or mostly a restatement of intended actions already revealed in the weak messages which the President sent to the Congress last month.

So this so-called fact paper really does not introduce a new factor into the situation. In effect, it informs the public that the President and his advisers are hewing stubbornly to the line of their previous belief that all is fundamentally well. But because the economic community knows full well that all is not well, the only real consequence of the President's statement of yesterday is to make things worse, by revealing further the astigmatism of the administration about the whole economic situation.

A telling example of the confusion and stubbornness of the administration is contained in the part of the President's statement dealing with monetary policy and interest rates. In one breath he refers to the "dramatic results already achieved" by some slight modifications of the tight-money policy. But in the very next breath, he censures the Congress for not authorizing higher interest rates—which means still tighter money—on home mortgages.

On several occasions last year, before Congressional committees, on the floor of the Senate, and in other ways, I set forth the terribly damaging consequences of the tight-money policy, based as it is, upon faulty economic analysis, economic injustice, and plain lack of understanding of how our economy really works.

I wish that I might now say that I have been wrong, for the prosperity of our country is far more important than the vindication of any personal views. But month by month and day by day the sad deterioration of the economy has more than justified the action of those of us who early fought this tight-money, high-interest-rate policy, and will continue to fight it until it is abandoned.

At some future time, Mr. President, I hope to avail myself of a fuller opportunity to discuss the whole economic situation, to examine more comprehensively the economic failures of the administration, and to present some details of a specific program for the restoration of our economic health and the resumption of economic progress.

Mr. President, as I said last August 30, the first recommendation I shall make is that the administration abandon its tight-money, high-interest-rate policy.

THE IMPORTANCE OF REDUCING THE RATES ON COAL SHIPPED TO FLORIDA

Mr. MORTON. Mr. President, I am hopeful that the Interstate Commerce Commission will speedily approve reduced rates on coal shipped to Florida. These rates from Appalachian to Florida points are now in effect, but only on a temporary basis, subject to further ICC action. Hearings on this question are to be held in Tampa, Florida, on March 11, 1958.

A brief review of the events which led to these hearings may be helpful to an understanding of the issues involved.

The Florida utilities depend in the main on oil as a source-of-energy fuel. In January, 1957, as a result of the Suez crisis, the price of fuel oil, both foreign and domestic, advanced rather sharply. This price advance threatened higher costs for the production of electrical energy among the private utility companies operating in Florida. Because of this situation, the executives of the Florida utilities were willing to explore the possibility of alternate fuels, including coal.

Since Kentucky coal would get its share of any expanded market in Florida, I became interested in this matter. I knew that the price of coal at the face of the mine in Kentucky had changed very little since 1948. I knew also that the energy requirements in the State of Florida were increasing at a more rapid rate than the national average. It seemed to me that the situation presented an opportunity to help the Florida electrical consumer, to help the coal industry in Kentucky, Tennessee, Virginia, and West Virginia, and to help the railroads serving the Southeast.

In cooperation with Mr. Joseph E. Moody, President of the Southern Coal Producers' Association, I invited the interested parties to a meeting in Washington. As a result of the meeting, engineering studies were made to determine just what needed to be done to expand the coal market in Florida. Subsequent meetings were held, and were attended by representatives of the coal producers, the Florida utilities, the interested railroads, and coal sales agencies.

It soon developed that in order to give the Florida utilities an alternate fuel source and to establish a coal market in Florida, three conditions would have to be met: First, a stable price for coal would have to be assured. Second, freight rates from the coalfields to Florida would have to be lowered. Third, considerable capital investment would be necessary, so that the generating plants in Florida could be equipped to handle and to burn coal as a source of fuel.

The stable coal price did not seem to be any great barrier. It was clearly demonstrated that coal reserves were adequate, and that increased productivity in the coal mines had kept pace with rising wages for the coal miner. Condition

UNIVERSITY OF MICHIGAN LIBRARIES

No. 3 did not offer any major barrier, even though sizable investments were necessary. The utilities were willing to make these expenditures, provided fuel costs could be lowered sufficiently to justify them. Some of the existing facilities were already equipped to burn coal. Of those under construction, many were designed for the possible use of coal. The crux of the matter seemed to be condition No. 2—namely, freight rates.

Late last summer, to my gratification and that of others interested in expanding coal's markets, the Southern Railway System, joined by other railroads operating in the South, including the Louisville & Nashville Railroad, proposed rates that would make coal competitive in Florida. It appeared that our efforts had been successful.

The Interstate Commerce Commission at first approved the rates, but they were suspended on October 25, 1957. Later, because of the protest of the railroads and the coal interests, the suspension was vacated, and the rates were put into effect. But the ICC did not let go; the cloud of uncertainty continued to be held over the rates, as the ICC decided to continue to investigate, and now has announced the hearing to which I have referred. This, of course, could continue for a long time.

Obviously, in the present atmosphere of uncertainty, the utilities in Florida are unwilling to invest several millions of dollars in coal-handling facilities. It would be a misuse of their stockholders' funds if they made these investments without being sure that coal would be available to them at a competitive price. Today, they do not have this assurance, because the freight rate is under review. Until the ICC makes a final determination in this matter, it is impossible to develop the movement of coal to Florida to its full potential. Only the plants which now are equipped to handle coal are possible users, so long as uncertainty hangs over the freight rate.

Mr. President, it is generally recognized that the railroads of the Nation face a serious crisis. The relationship between costs and revenues is growing worse from day to day. Only bold steps can save the American railroads. In testifying before the Smathers subcommittee, prominent railroad executives pointed out that many of their troubles stemmed from excessive regulation and legal restriction. In this instance, we certainly have a case in point.

The railroads in this case took a bold and imaginative step which would increase their operating revenue, would protect the interests of the Florida consumer, and would put extra money in the pocket of the coal miner. The welfare of the miner and his family is of great concern to me. Coal is Kentucky's largest industry. The standard of living of hundreds of thousands of Kentuckians is geared directly to coal. My concern about the ICC hearings and the final disposition of this matter under review is therefore understandable.

I am informed that protest was filed against the new coal rate. The members of the ICC undoubtedly felt that an investigation should be made in accordance with the statutory responsibilities of the Commission. I feel sure that the evidence will conclusively show that the new rate should be approved. I hope the proceedings will be expedited to the fullest, in view of the many benefits that will accrue from the coal-to-Florida program.

INVESTIGATION OF FEDERAL REGULATORY AGENCIES

Mr. MORSE. Mr. President, from some conversations I have held since I submitted my resolution earlier today, I recognize that there are those who believe that an investigation of the so-called independent agencies should not be conducted by the Senate, in view of the fact that such an investigation is now being conducted by the House of Representatives.

The submission of my resolution today has nothing to do with the fact that there has been a reorganization of the investigation on the House side and that the investigation there now will proceed under the direction of Representative HARRIS, of Arkansas. Yesterday I had a reassuring conversation with Representative HARRIS on this point, but it occurred subsequent to the announcement I made yesterday morning that I would press for a Senate investigation.

I wish to say that from what Representative HARRIS told me, I am satisfied that the House committee will make a thorough investigation and will endeavor to bring order into what I believe all would admit was a considerable amount of confusion in respect to the progress which was being made there in the investigation.

However, Mr. President, I believe that an investigation on the Senate side will prove to be of mutual assistance to the House, just as I believe that an investigation on the House side will prove to be of mutual assistance to the Senate. I am of that belief because of the many phases of the problem which need to be investigated. Therefore, I believe that independent investigations should be conducted by both Houses of the Congress.

It is my understanding that, under the able leadership of the Senator from Arkansas [Mr. MCCLELLAN], last year a considerable amount of preliminary work was done with respect to a "look-see" investigation into the independent agencies. It is my further understanding, subject to correction if I am in error, that while our Senate committee was in the process of looking into the independent agencies, the House formally decided upon the investigation that became known as the Moulder investigation, and now the Harris investigation.

I think it is correct to say that a considerable amount of material that had already been collected on the Senate side was turned over to the House. At that time, it would appear, the position taken in this body was that the House investigation would be sufficient; and that may be, Mr. President, except perhaps for this one controlling fact which I believe places upon the Senate the obligation to go forward with an investigation. It is that my telegrams and mail and telephone calls the last few days leave no room for doubt in my mind that the country is greatly concerned about what is happening in the administrative offices of this Government. I think the country is entitled to a dual investigation, and it is for that purpose that I propose to press for action on the part of the Senate and the leadership of the Senate in regard to this matter.

Mr. President, under circumstances that were not of my making, it happened that there came into my possession around midnight last Monday, certain papers that turned out to be Government papers within the jurisdiction, as I believed upon inspection, of the House of Representatives.

Those papers were delivered to my possession around midnight. I made very clear to those delivering them, after I conversed with them a few minutes, that those papers would have to go back to the House of Representatives. They were welcome to leave them in my apartment for safekeeping, and I would take jurisdiction over them, but I wanted it understood that those papers would go back to the House of Representatives. They were left at my apartment with that clear understanding.

Next morning, Tuesday morning, about 10:45 a. m., when I reached my office, I notified the office of the Speaker of the House that I had possession of such papers and that they were available to the House. Yesterday morning I had a conversation with the Speaker. Arrangements were made for the papers to be turned over to Representative HARRIS and Representative FLYNT at the noon hour. I think the papers actually left my apartment sometime after 1 p. m. Tuesday. I turned over to the two Representatives all the papers that Dr. Schwartz and his newspaper companions had left with me in the neighborhood of midnight Monday night.

When Mrs. Morse and I were not home on Tuesday, Mrs. Schwartz delivered to my apartment and turned over to our maid an envelope containing papers that I understood and believed were her personal papers. They were never put by the maid with the other papers, and I did not check those papers until a recent hour. Those papers have also been returned to Mr. HARRIS. When I got to the office this morning I told him those papers had been delivered to me in a separate envelope on Tuesday and that they were being sent to his office.

I want to comment on the contents of that envelope in one particular. I do it without criticism of anyone, but I do it for the RECORD. It is not for me to sit in judgment of anyone involved in this investigation, but in this separate delivery there were not only papers, but there was a wire recording. Mr. President, if my participation in this matter produced nothing else but proof, for my use, as to a practice that I abhor, then I shall always be pleased that I was used as a conduit in this very interesting instance, which I may say, as I have said to some of my colleagues, was

so fantastic that, if it had appeared in a Hollywood movie, no one would have believed it. But the record speaks for itself.

I am not, in these remarks, Mr. President, passing criticisms upon any individuals. I shall be very much surprised if any proof is ever offered that any member of the House committee was aware of this technique. I shall be very much surprised if this was not the idea of some individual staff member.

I want to serve notice that in the next few days I shall offer a bill which will make it completely clear that no investigator for any Congressional committee, at any time, under any circumstances, in regard to any matter, will ever be authorized to interview anyone, in or out of Government, and at the time of interview have concealed on him a recorder that is taking down the conversation unknown to the person being interviewed.

I simply cannot imagine, in a democracy, a situation of such a nature that can possibly justify the use of such a technique.

As the Senate knows, the practice violates all my convictions in regard to the doctrine of privacy. I do not believe the use of such a technique is ever necessary to get the facts, or is ever justified in getting the facts if that is the only way they can be obtained, because I happen to hold to the view that there are things worse than not being able to get the facts, and one of them is to adopt techniques that in my judgment violate personal privacy. I want the record to show that this is all I need to know. If it could happen once, it could happen many times in the future if something is not done to stop it. If it has happened once, who knows how many times it has happened heretofore?

That is all I am going to say about it, Mr. President. I sent the envelope that was delivered to my maid on Tuesday, with all of its contents, including this wire recording, to the House committee. I want to say that I hope that whatever the contents of that recording may prove to be, they will not be used in connection with any hearing involving the particular Government official who was thus tapped and his privacy thus invaded. I am against the invasion of anyone's privacy by any form of tapping.

I wanted to say that, because I think this is a clear illustration now to the Congress of the soundness of the position the senior Senator from Oregon has taken for some years in the Senate in opposition to all forms of wiretapping. I said once that what we needed was legislation which clearly made illegal all forms of wiretapping, and I was told we could not get such legislation passed. We are going to find out this session, Mr. President, because the Senate is going to have an opportunity to go all the way. I think now is the time for legislation to be introduced which will make it illegal for any form of wiretapping to be used in the administration of any phase of the Government of the United States. I shall never accept the theory that we have to use police-state methods in order to catch certain people about whom we can get the facts in no other way.

Mr. CARROLL. Mr. President——

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). Does the Senator from Oregon yield to the Senator from Colorado?

Mr. MORSE. I yield.

Mr. CARROLL. I should like to commend the Senator from Oregon for his observation that his desire to see the investigation continue is not meant in any way to interfere with or to cast any aspersion or insinuation upon the other body. The Members of the other body have a responsibility and an obligation, and they are going to assume it. The Senator from Oregon has been explicit on that point.

Mr. MORSE. May I interrupt the Senator at that point to say that I am satisfied the Members of the other body had no knowledge of the recording, because I read from the news ticker this comment:

> Representative WILLIAMS, Democrat, of Mississippi, demanded to know why the committee had not been told previously of the existence of the recording.

That certainly makes clear in my mind that the members of the committee knew nothing about the recording.

Mr. CARROLL. I must say to the distinguished Senator from Oregon that I had reference to the entire investigation with which they are going to proceed.

May I say to my friend, the Senator from Oregon, that yesterday, before I knew the Senator was going to offer a resolution providing for a select Senate committee for investigation of this matter, I spent a considerable time with lawbooks to determine what, if any, jurisdiction the Senate Committee on the Judiciary had in this matter. I did not do so in a desire to interfere, to delay, to hinder, or to obstruct what the other body was doing in its investigation, but I desired to learn what might be done in the entire field of correcting some of the unethical practices which we have been hearing about for many years with reference to regulatory agencies. I wanted to study these agencies and the administrative law and administrative procedures under which they functioned.

I have come up with certain conclusions, but I certainly do not desire to interfere with the consideration of the resolution introduced by the Senator if the Senate desires to proceed independently on its own investigation.

Mr. MORSE. May I interrupt the Senator at that point?

Mr. CARROLL. Yes.

Mr. MORSE. I want to make perfectly clear that if the Committee on the Judiciary, the Committee on Government Operations, and the Committee on Interstate and Foreign Commerce agree among themselves as to which of these committees ought to go ahead with an investigation as a standing committee, I am perfectly willing to modify my resolution accordingly.

I am very frank to say to the Senator from Colorado that I introduced the resolution to provide for a select committee because I think that is an excellent vehicle for such an investigation and, secondly, because I have been in the Senate long enough to know that it is rather difficult to get agreement among committees on jurisdictional matters. There is always a reticency or hesitation on the part of committees to give up what they consider may likely be their jurisdiction, because of the argument, "We cannot establish a bad precedent."

Of course, no bad precedent is established when the Senate as a body decides that because several committees have jurisdiction it is going to create what is known as a special or select committee.

May I say, while I am on this point, that there is one thing about the resolution which I want the press to understand. This resolution does not provide for one of the 50–50 committees. I am not a Member of the Senate who supports the policy of having committees where membership is equally divided between the parties.

I believe that whatever party is in the majority in the Senate has the majority responsibility. The majority party ought to insist upon having a majority of members on an investigating committee. My proposed select committee would not be a 50–50 committee. It would be a committee with a majority of Democrats on it, because I think the Democratic Party has a responsibility to the American people to conduct an investigation of alleged wrongdoing in the Eisenhower administration.

I have a sense of humor about it, although I see the tragedy of it, too. It was not so many years ago that a Democratic administration was being thoroughly pummeled by the other side of the aisle when the evidence was minute with regard to wrongdoing, compared with what I am satisfied is the wrongdoing of the present administration.

I think my party has an obligation to conduct a thorough investigation, with a committee on which there is a majority of Democrats, with all the minority rights reserved to Republicans, including their right to minority staff members to assist them. I think it is that kind of investigation which usually does the job. It is the kind of investigation which throughout our history has produced great cleanups in Government.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. CARROLL. The Senator from Oregon is absolutely correct. There are standing committees with overlapping functions and overlapping jurisdictions. For example, it might be argued that the Committee on Interstate and Foreign Commerce has jurisdiction over the approval of certain commissioners of regulatory agencies who are nominated by the President. It might be argued that the Government Operations Committee has jurisdiction, because it has to do with the economy and efficiency of the Government.

By the same token, the Judiciary Committee—and I offer this example only to stimulate the thinking not only of the Senator from Oregon, but of other

UNIVERSITY OF MICHIGAN LIBRARIES

Senators who may read the RECORD—has complete jurisdiction in all judicial proceedings, civil and criminal, and jurisdiction over the Federal courts and judges. Among other matters over which it has jurisdiction are the revision and codification of statutes of the United States.

The question is, Does the Judiciary Committee have jurisdiction over quasi-judicial bodies? I contend that it does.

Twenty years ago, in 1939, Franklin Roosevelt created a commission to study the administrative procedures of a great and growing Nation. Since that time our economy has expanded from an $80 billion national income to a national income of some $360 billion. The Government has become the biggest business in the country.

I know that the distinguished senior Senator from Oregon is not only an outstanding Senator, but an able lawyer. I had not intended to participate in this discussion until my attention was drawn by the mention of wiretapping.

Mr. MORSE. I am glad the Senator has participated.

Mr. CARROLL. What would happen if wiretapping occurred in the case of a Federal judge, or a judge of a State court, or a Supreme Court judge?

Mr. MORSE. Let me add to what the Senator says that the Administrative Procedures Act was the product of the commission appointed by President Roosevelt. My recollection is that that subject was under the jurisdiction of the Judiciary Committee in the Senate.

Mr. CARROLL. Exactly.

Mr. MORSE. So, in one sense, it could be said that the Judiciary Committee has a certain jurisdictional interest in any investigation which might be conducted wth respect to the administrative bodies to which the Administrative Procedures Act applies.

Mr. CARROLL. Only recently the American Bar Association requested additional procedural rules and administrative law, and it is my understanding that a bill for that purpose now reposes in the Senate Judiciary Committee.

The real point upon which I wish to comment has been emphasized by the distinguished Senator from Oregon. It is one thing to conduct an investigation into the question of malfeasance on the part of a particular individual. It is quite another thing to conduct an investigation into the appointment of individuals who are not passing upon small claims, as is very often done in State courts, but passing upon claims involving many millions of dollars. Such claims may involve not only individuals or industries, but sometimes entire communities.

For example, in the State of Colorado, we now have before the Federal Power Commission a case which has been decided against the company by an FPC trial examiner. The case involves some $50 million. That case will be passed upon by the Commissioners. The Commissioners are appointed by the President.

The real point, which I do not believe has been sufficiently emphasized, is the fact that State courts, municipal courts, and Federal courts are manned by lawyers, and the conduct of these lawyers, who have become judges, is regulated by statute in a very limited sense. A cursory examination of Federal laws discloses that, with respect to Federal judges, there is a law applying to bias and prejudice. Another statute applies to a judge who has a financial interest in a case. Still another statute deals with nepotism. However, through hundreds of years of tradition in the courts, there has developed a code of conduct which the judges must follow. For example, they must not confer privately with litigants in their chambers.

I agree with the distinguished Senator from Oregon that apart from the specific acts of malfeasance, there is another category of offenses called misfeasance, or acts of omission. Acts of commission may be subject to investigation, but it seems ot me that if we are to strike at the heart of the problem, we must begin to establish by statutory law standards for the conduct of the men who administer our laws.

Without criticism of Republicans, let me say that Democrats have been subjected to some criticism, too.

This question goes to the crux of the matter. That is why I am hopeful that the select committee, or the Judiciary Committee—which could very easily set up a new subcommittee—will go into the question of how to restore morality and good government and codes of ethical practices in the regulatory agencies which should be representing the people instead of some of the industries which they are supposed to regulate.

Mr. MORSE. Mr. President, I could not possibly agree more completely with the Senator from Colorado on any matter than I agree with the observations he has just made. I am glad he made them, because they bear directly upon a recommendation which I shall be making to the Senate in the not too distant future.

The other night, in a long conference which I was conducting with Mr. Berg, my administrative assistant, and Mr. Bernstein, who is counsel to a subcommittee of which I am chairman, we discussed exactly this point.

What is happening in our so-called independent agencies or administrative bodies is that they rely upon their separate rules and regulations, which they themselves have devised for governing their so-called professional conduct. That is fine. It is a good thing for them to do so. However, that does not relieve the Congress of the United States of the very responsibility which the Senator from Colorado has just pointed out.

In my opinion, long before this time we should have enacted a code of conduct binding upon the behavior of quasi-judicial officers serving in administrative tribunals. It is the old question of Caesar's wife being above suspicion. After all, the public judges Government agencies in no small measure by the extent to which they are free from suspicion.

There is much suspicion. This becomes a matter of cumulative effect. I am inclined to believe—at least I wish to believe, and I pray that this is the worst that can be shown—that the so-called conflict of interest or misbehavior that may be developed by any investigation would be limited to rather minor affairs, which in and of themselves do not seem to be very important, but when they are repeated and repeated, over and over again, by various special interests in relationship to quasi-judicial officers, they place the officer and the agency under a cloud of suspicion. For example, Administrator X, serving on a regulatory body, speaks at a convention of a segment of the industry which is regulated by that body; the persons holding the convention pay his fare and the fare of his wife; they pay his hotel bill and the hotel bill of his wife, including the orchids; they give him wonderful hospitality, and expensive hospitality. Mr. President, that official can sit on that administrative tribunal, with that industry before him, and give an impartial judgment. I am satisfied of that. However, if there is an accumulation in the record of instances in which he engages in that kind of relationship with the people in an industry subject to the regulation of the body on which he sits, are we going to be shortsighted enough to think that he is going to meet the Caesar's wife maxim, that he can hope to keep himself above suspicion? I say that the public will become suspicious.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. CARROLL. As the Senator from Oregon knows, I have been a Member of the Senate for only 1 year. However I have had some experience in and around Washington, both by way of service in the House and in the executive branch of the Government.

I believe that if the President of the American Bar Association or if any member of the American Bar Association were asked today whether he could have a private conference in behalf of a litigant before one of the Commissioners of these important regulatory agencies, the answer would be yes. In other words, a custom and practice has grown up in regard to these agencies which I believe is detrimental to the public interest and to the private rights of a man. I believe something ought to be done about it. This is not a matter that has grown up only during the past year. It has been growing up over a period of years. That is why I say, no matter how desirable the House investigation may be, and no matter how desirable a special investigating committee may be for the time being, or for 6 months or 2 months, if we do not strike at the really cancerous condition beneath the surface, by promulgating some rules of conduct or a code of conduct which will call these people to account, something will happen again in a year or two.

We use the term quasi-judicial. The Commissioners of these regulatory agencies function in a judicial capacity, but they also function in a legislative capacity, because they promulgate rules and regulations. These positions call for a high type of individual who will know when he may talk about legislative business and when he must not talk to anybody about judicial decisions.

I am not sufficiently informed on this subject to say just what must be done. I have not had an opportunity to investigate this matter thoroughly. I worked on it yesterday, and have reached back into the books, trying to find precedents, to learn what is the jurisdiction of the various committees.

It must be remembered lawyers are not the only persons who have a high sense of ethics, or a high sense of morals in conduct of their profession. However, traditionally they have a great obligation placed upon them. Many times a technician sitting in a regulatory agency job does not understand the effect of years of litigation, and what a judge or a quasi-judge must or must not do.

Therefore, I believe an investigation into the conduct of quasi-judicial Commissioners would be helpful, even though it might not be as newsworthy as other investigations which are being conducted at the present time, valuable as they are.

Mr. MORSE. Mr. President, I believe it would be helpful. I thank the Senator for his comment. It relates to the point that I was making, because we in Congress owe an obligation to these administrators which we have not fulfilled.

It is very easy to take the position that these administrators are doing what they want to do, or what they would prefer to do, in regard to the area we are discussing and in regard to their contracts with representatives of the industries they are regulating.

I have a hunch that they would throw their hats up in the air and figuratively shout "hurrah" if Congress were to pass legislation which left no room for doubt that, as the Senator has said, they could not have a personal conference with a lawyer and a litigant in regard to a case before the Commission; that they could not, for example, accept any form of hospitality of the representatives of any group that is going to be regulated; that we have laid down a rather strict code of professional conduct binding upon those administrative agencies; that when they received their confirmation from the Senate of the United States they knew that they automatically became bound by the code. I have a feeling that they would enthusiastically welcome such action.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. CARROLL. Would the Senator from Oregon not say that they would welcome it, and that it might be good for Congress itself to be aware of such a code?

Mr. MORSE. I am coming to that in a moment. I have some suggestions to make with regard to Congressional behavior. I have felt this way for a good many years, and I will press my proposed legislation again.

However, I am talking now about people who hold quasi-judicial positions, who are not elected by ballot box voting; who are not elected officials but are appointed officials. I believe that we in Congress have the duty of providing them with legislation which will give them the direction in these matters they ought to have from us.

By singling out a specific incident, the situation takes on the appearance of being petty, minimus, and inconsequential; to wit: Who among us will say, if a member of a Commission accepts a couple of tickets for himself and his wife to My Fair Lady, and goes to the theater with the attorney, who may be a former bar acquaintance of the administrative officer, that there is any real justification for being suspicious as to whether any case that may be pending before the Commission within a short time will be voted upon by that Commissioner in any other manner than an impartial manner?

I am not going to be one who would say that the Commissioner could not do that and still be impartial. However, I will say that, outside of what the Senator from Colorado and I, as lawyers, know are the formal programs of a bar association meeting, where we come in contact with judges during those programs, and have the social relationships that go along with a convention dance or a convention banquet, or go along with other entertainment features of the convention itself, at which we move and have our being in the full view of all the other members of the convention, except for situations such as that, the out-of-the-court-room and the out-of-the-administrative-hearing-room relationship between an official and representatives of litigants and the litigants themselves should be one of arms' length.

I think it has to be that way if we expect to keep our Commissions, like Caesar's wife, above suspicion.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. CARROLL. Is it not true that a practice has grown up—perhaps it is not true in Oregon, and perhaps not in Colorado—in which special pleading is conducted before the regulatory bodies, and Senators or Representatives are expected by certain constituents to attempt to influence the decision? Does the Senator from Oregon desire to comment on that situation?

Mr. MORSE. I have had a few—and I am proud to say only a few—constituents in 13 years whom I have had to help to educate along that line. But it is interesting that the Senator from Colorado should mention it today, because only yesterday morning I spent more than an hour in the office of the Assistant Secretary of Defense for Supply and Logistics with a constituent, with my administrative assistant, and with a member of the staff of the Select Committee on Small Business. We were there to discuss whether or not in the Pacific Northwest the Military Establishment was following a course of action which could be justified in view of the allegations which are being presented to the Oregon delegation that the States of Oregon and Washington are being discriminated against.

I asked for that appointment. In my 13 years in the Senate, I have never asked an administrative officer of the Government to come to my office, I may say in passing, because I used to sit in the executive branch of the Government and get telephone calls from irate Senators and Representatives who, not too politely, said, "Get yourself up here." I would come to their offices, sit down, and listen to their complaints about what they considered to be the injustices of the War Labor Board.

I learned some very valuable lessons from those experiences. On the basis of those lessons, I resolved, when I came to the Senate, that when I had business with executive officials involving the interests of my State, I would go to them. The people in the administrative offices are just as busy as I am, and merely because I am a Senator I have no right, as we say, to drag them up by the heels. I resolved that I would go and talk to them entirely on one major premise, namely, the merits of my case.

I have always made it clear, as I did yesterday morning, that unless the evidence as presented by my constituents stands up on its merits, they are not entitled to a favorable decision; and I am just as much interested in the welfare of my country as a whole as I am in the welfare of my State. I made it clear yesterday morning that Oregon is not entitled to a thing that it cannot justify, on the merits, in regard to this matter under the jurisdiction of the Defense Department. We presented our case on that basis.

I mention this because the Senator from Colorado and I, and all the other Members of the Senate, too, have an obligation to make clear to our constituents that they have a stake in good government. We have no right, when they let a selfish interest of theirs blind themselves to the practice of good government, to support them in that myopia.

I may say, in behalf of the administrative agencies and departments of the Government, that I have found that when a person has a case on the merits, he can be pretty certain that he will win. It is very easy for people to get the notion that in the various administrative departments and agencies of the Government, such as the Department of Labor, the Department of Justice, the Interstate Commerce Commission, and others, someone is constantly at work to see how much injustice he can do. Mistakes in judgment may be made; but, by and large, I am perfectly willing to testify that most of the time I feel the decisions I have received on Oregon problems have been decisions made on the merits. It has sometimes taken me longer than I had hoped to produce sufficient evidence to convince the particular body which had the right to make the decision that our case was meritorious; but this illustrates the very point which the Senator from Colorado is making.

I agree with him that we in Congress have no right to use what amounts, in common parlance, to political pressure in order to get something for our States, if on the merits our States do not deserve it.

Mr. CARROLL. I can understand, sometimes, the political pressure brought to bear on economic questions; but my question was really directed to what affects the property rights of the individuals, some of which may serve our own areas. But when we violate that

UNIVERSITY OF MICHIGAN LIBRARIES

rule, we deprive someone else of those rights.

Mr. MORSE. That is correct.

Mr. CARROLL. They would no more think of asking a Member of Congress to go into a court in Washington to influence a judge than they would back home.

The quasi-judicial bodies, in an expanding population and an expanding economy, need competent persons, with high mental ability and complete integrity, persons who will draw the line as to what people can do and what they must not do to influence litigation.

I know that the Senator from Oregon wishes to proceed with his speech. He is making an excellent presentation. I say only this in conclusion: I do not profess to know about wire recording or wiretapping, but 20 years ago when I was district attorney in Denver, there was such a case. A microphone had been placed in the executive chambers of the Governor of Colorado. The persons who were involved were well intentioned. They thought they were going to save the community. But by their action they did more harm to themselves and to the community because all of them were later convicted in a court of law.

Wiretapping is not the proper way to expose misconduct. The way to do it is to continue to throw the spotlight of Congressional and law-enforcing agencies on misconduct in such a way that all persons can understand what is happening.

I commend the distinguished Senator from Oregon for expressing his faith and confidence in Speaker RAYBURN, under whom I served for two terms. Speaker RAYBURN is the father of many of the regulatory bodies. I know personally how he feels. He wants them to be staffed by persons of integrity. He has watched these agencies grow, and I know he wants them administered according to the highest code of ethics.

However, I feel the time has come to have a full-blown investigation to strengthen the procedures followed in quasi-judicial agencies, to clarify and strengthen the policy of the Government, and to inform fully those who pass judgment on issues of vital interest to the Nation what is the code of ethics to be observed in quasi-judicial proceedings.

Mr. MORSE. I support the last statement of the Senator from Colorado. I am satisfied that both Speaker RAYBURN and Representative HARRIS have become rightfully concerned about, shall I say, the mess that has developed in connection with the investigation of the independent agencies. As they have said to the press, they are determined to see to it that on the House side a thorough investigation is made of the problem.

I think that similar proceedings should be instituted by the Senate, because I think we have a joint responsibility in the matter.

The Senator from Colorado made reference to the obligation of Members of Congress, also, to follow a code of professional conduct which will remove Congress from unjustifiable suspicion. I quite agree. My colleague, the junior Senator from Oregon [Mr. NEUBERGER], has discussed this question on many occasions. I find myself in complete agreement with him that there is need for some legislation. For many years I have introduced in the Senate at each session, and shall press for it again at this session, proposed legislation which would require that there be a public disclosure of the source of income and the amount of income of all Members of Congress and of all members of Government agencies who receive a salary of $10,000 or more. I believe there is no substitute for full public disclosure. The voters are entitled to be the judges as to whether there is any relationship, direct or indirect, between the record of a Member of Congress in respect to issues and the sources of his income.

They should be allowed to be the judges of whether there is any relationship, either direct or indirect, between the decisions made by one sitting on one of the regulatory bodies and the sources and amounts of his income.

Anyone who does not want such public information about his income to exist should not run for office. If he does not want to live in a glass house, so to speak, he should stay back home. I believe such a reform would be very helpful.

Congress should enact legislation along other lines of reform. Today there is not on the statute books adequate legislation to protect the people in the case of campaign contributions. That is another point which my colleague from Oregon [Mr. NEUBERGER] has discussed frequently. Just recently he did so, in a speech he made in Washington. I hope that at this session the Congress will pass some of the proposed legislation—which still is pending in committee—which seeks at least to improve that situation.

Mr. MORTON. Mr. President, will the Senator from Oregon yield to me?

The PRESIDING OFFICER (Mr. CARROLL in the chair). Does the Senator from Oregon yield to the Senator from Kentucky?

Mr. MORSE. I yield.

Mr. MORTON. I have been very much interested in the Senator's remarks. I am particularly anxious, as he is, to have the Congress enact legislation setting up codes, so to speak, to be applicable to the quasi-judicial, independent agencies, as well as to all other departments of the Government.

I had some experience with travel and travel pay, when I served as an officer of the State Department. In the State Department, the numerous Presidential appointees were not permitted to travel to make speeches, unless they traveled at Government expense. For instance, if Under Secretary of State Murphy or if one of the Assistant Secretaries of State was requested to address the National Council of Churches at Cleveland, Ohio, or at Los Angeles, Calif., if he made the speech as an officer of the State Department, despite the fact that during some of those years the Department had a very limited budget to be used for travel expenses, the trip had to be made at Government expense, and the officer had to travel on a per diem allowance. That was a matter of State Department rule, not a matter of law. I believe that rule has existed in the State Department for some time.

So I believe we are faced with a challenge in connection with this matter. I hope the Congress will enact legislation which will remove any question as to whether it will be proper or correct for a Member of Congress to be paid to make a speech. I hope that determination will be made by law.

I commend the Senator from Oregon for his discussion of this subject.

Mr. MORSE. I thank the Senator very much.

Mr. President, the Senator from Kentucky and I had an interesting experience, this fall, in connection with this subject. Since that time I have not discussed the matter with him. However, I made a report on it to the Foreign Relations Committee. He and I, together with the Senator from Kansas [Mr. CARLSON], made a trip to India. In the course of that trip, there were placed upon me some responsibilities rather different from those which were placed upon my very able colleague, the Senator from Kentucky, and my very able colleague, the Senator from Kansas. As I said at the breakfast yesterday morning, at the conference both the Senator from Kentucky and the Senator from Kansas made fine records, which I think were of great credit to our country.

As chairman of the group, I had the responsibility of signing the vouchers. As the Senator from Kentucky knows, we traveled most economically. However, I encountered one problem which will be of interest to both the Senator from Kentucky and to the Senate as a whole: I was surprised to find that some of our embassies and some of our consulates were so short of representation funds that the ambassadors or consuls general would pay from their own pockets the expenses of what actually were official representation functions or affairs. As one of them said to me, it would have been a matter of comment if such affairs had not been held. I said to the Foreign Relations Committee that I did not think a consul general or an ambassador should be called upon to pay from his own pocket for such functions.

One of them provided the necessary funds to the subordinates on his staff, because he said, his salary was larger than theirs. So when the agricultural attaché, for instance, had to go to a village, to participate in a function there, if our program was to be successful, the consul general paid the expenses out of his own pocket.

In the course of our trip, we participated in some affairs which I knew would otherwise be paid for out of the pockets of our embassy or consulate officials. However, I had authority to draw upon counterpart funds, in order to pay the bill; and that is exactly what I did. I am glad I did so. I reported the matter to the Foreign Relations Committee. It would have been most improper in my judgment, for the bill to be paid in that instance by the consul general.

Furthermore, as some Senators have heard me say on the floor of the Senate, I believe we should put the counterpart

funds to use, anyway, in the case of particular governmental activities. So that is what I did.

But as the Senator from Kentucky has stated, this matter relates to the need for a complete review of the entire question of expense allowances and per diem allowances—which, I believe, are far too small in some instances—and the entire question, as the Senator from Kentucky has pointed out, of the making of speeches for honoraria. In a moment I shall have something to say about that, in the case of Members of Congress.

It seems to me there is a need at this session of Congress to make a complete review of the entire field of so-called professional conduct on the part of Government officials.

Mr. MORTON. Mr. President, will the Senator from Oregon yield further to me?

Mr. MORSE. I yield.

Mr. MORTON. On the subject of representation allowances, I hope we shall take a more realistic approach to that matter, in connection with our handling of the State Department appropriation this year. As the Senator from Oregon knows, the Senate has considerable trouble with the other body on that appropriation. The Senate has traditionally allowed a larger amount of funds for that purpose, but in conference the conferees on the part of the Senate have had to yield to the conferees on the part of the House.

I can state that when the time came for the big Fourth of July party to be given, one of the military attachés—for either the Air Force, the Navy, or the Army—often volunteered to pay the check, or a major portion of it, for the Ambassador's party.

Just think of a situation in which our ambassador, the official representative of the United States in a country—has to accept from one of our service attachés the stipend with which to pay for the Fourth of July reception for the American nationals who reside in that particular country.

Mr. MORSE. I am glad to hear that statement by the Senator from Kentucky. When that matter comes up this year, I shall be able to present some testimony to the Foreign Relations Committee; and I know the Senator from Kentucky will join me in the presentation.

Mr. CHAVEZ. Mr. President, will the Senator from Oregon yield to me?

Mr. MORSE. I yield.

Mr. CHAVEZ. I believe I understand the position of the Senator from Oregon and my good friend, the Senator from Kentucky, on this matter.

I happen to be a member of the Foreign Relations Committee. I am sure the Congress does not provide sufficient amounts of representation money in order to allow our official representatives to carry out this function. I am one of those who take that view. Our Foreign Service is a good one. One has to travel in the field to realize that best.

In Buenos Aires our country was represented by a man who could afford to pay the entertainment expenses. However, in the majority of cases either the consul general, the Ambassador, or whatever other official represents the United States, cannot afford to pay the bills. Generally he is a career man who has risen from the ranks.

At Buenos Aires the British had $100,000 for representation money. But, although for years the United States has been sending money to the British, our Ambassador to Great Britain had, for representation purpose, only $5,000.

I have seen the late Josephus Daniels entertain possibly 1,500 American citizens at the United States Embassy in Mexico City. Someone had to pay the bill, but I know it could not have been paid with the representation money our Government was allowing. So I agree fully with both Senators.

Incidentally, I agree completely with what the Senator from Oregon has in mind at the moment. I shall join him in voting for the resolution.

Mr. MORSE. I thank the Senator from New Mexico.

Speaking now as a member of the Foreign Relations Committee, Mr. President, I wish to say that the Senator from New Mexico [Mr. CHAVEZ], as a member of the Appropriations Committee, has always been of great help to the members of the Foreign Relations Committee when they have appeared before his committee to present this representation problem. I thank him for his assistance.

Mr. President——

The PRESIDING OFFICER. The Senator from Oregon has the floor.

FULL PUBLIC DISCLOSURE OF SOURCES AND AMOUNTS OF INCOME OF MEMBERS OF CONGRESS AND CERTAIN OTHER OFFICIALS OF GOVERNMENT

Mr. MORSE. Mr. President, there is one other phase of this subject I had not intended to discuss this afternoon but it was raised by the distinguished Senator from Colorado. In the interest of a rounded discussion, I should discuss it. I have already said I think there should be full public disclosure of the sources and amounts of income of Members of Congress, as well as of other officials of Government who receive salaries of $10,000 or more.

In some of the radiocasts and televisioncasts and news comments of recent days, there has been a discussion of the propriety of quasi-judicial officers accepting honoraria for speeches they make while serving on the bench, and speeches before conventions of groups that may be subject to the regulations of the particular commission concerned. Say these radio commentators, "What about Senators and what about Representatives?" Well, I think that my public-disclosure bill would certainly put the public in a position so that it could answer the question, "What about them?"

But I do wish to point out that there is a great deal of difference between holding an elective office and holding an appointive office. When one is appointed to an office, he is appointed to that position as his full-time occupation. That is his job. The salary designated is the one that goes with the position. I think it can be said quite correctly that under those circumstances he should confine himself to the office to which he has been appointed; and it should be recognized, so far as the use of his time is concerned, as his full-time job in respect to income. A man elected to an elective office in the Congress of the United States has never in our history been understood to be one who was elected to a so-called full-time job in the sense that he is not free, within his ability in performing the obligations of his office, to supplement his income from other sources.

Many Members of the House of Representatives and the Senate maintain their positions in law offices, subject only to the rule of ethics of our profession that they shall not participate in any case involving a Federal question which might involve a so-called conflict of interest with their position in the Congress. Some of us in the legal profession who are in the Congress have taken the position that we would not maintain any financial connection with our law offices while we sat in Congress, but would become, if we were to maintain any connection with the law office, counsel to that office, which means there would be no participation at all in the economic activities and there would be no participation in the cases of the office. That was the position I took for some years here in the Senate, until I finally decided that I would go even a step further and resign from my law firm, which I did.

But, Mr. President, this particular job in the Congress carries with it a great many obligations, including the obligation of political education. I look upon my position pretty much as a teaching job. As an elected officer of the people of my State, it seems to me I have an obligation to inform the people in regard to the problems of Government as I see those problems. Therefore I, like a good many other of my colleagues, from time to time give lectures before universities, union conventions, employer conventions, service clubs, chambers of commerce, and other organizations, in which instances on some occasions an honorarium is received, which is, of course, a matter of public knowledge. If the law I propose should be enacted, everyone in my State will be the judge as to whether or not the supplementing of my income, by lectures or by articles, which some of us from time to time write, in any way gives rise to conflict with my duties here in the Senate.

As the present Presiding Officer of the Senate [Mr. CARROLL] well knows, many of us here are, by and large, men without other sources of income than our Congressional salaries. The books are perfectly clear. We could not do what we should try to do if we did not supplement our incomes to some extent, unless we were willing to cut down on our senatorial work, which would mean cutting down some of the expenses in connection with our telegraph and telephone bills, and the like. I opposed a salary increase for Members of Congress because it has been my opinion that there should be legislation enacted so that it would not be necessary for Members of Congress to use out-of-pocket money for carrying on

UNIVERSITY OF MICHIGAN LIBRARIES

the duties of one's office, but that there should be a publicly disclosed expense account sufficiently high to cover the actual expenses of serving as a Member of Congress, so that one would not have to do extra work in order to pay for the cost of performing his service as a Member of Congress.

I have discussed this question at other times in the Senate, but I wanted to bring it up at this time because of an editorial which appeared in the Grants Pass Courier. That is not a Morse paper, as most of the papers in Oregon are not, but that paper contained a scurrilous editorial which commented on the fact that I had been out to Oregon recently and had spoken at a Democratic rally in Portland, Oreg. The question was raised, "Did the Government pay his expenses?"

Of course, I pointed out the Government had never paid my expenses on any trip that was not an official Government trip. If I took a trip that was an official Government trip, which this last one was, but did not limit myself entirely to Government business, then I paid my own expenses, as I did on this last occasion. On this last trip to Oregon, I carried out a pledge made last fall to inspect, with the Army engineers, the Reedsport Harbor at Reedsport, Oreg. It was impossible for me to do it in December because I was in India with my friend from Kansas [Mr. CARLSON], who has arrived on the floor, and about whom I made remarks a few minutes ago with respect to the magnificent work which he and the Senator from Kentucky performed at the Inter-Parliamentary Conference at New Delhi. My trip to Reedsport had to be postponed, and I went to Oregon a while ago to keep that commitment. But I did not make it an official Government trip, as I could have, because I had accepted invitations to speak, while in Oregon, before three Democratic meetings. I did not feel I could ethically justify collecting any money from the Federal Government for a trip devoted in part to political activities.

For the benefit of this anti-Morse editor at Grants Pass, Oreg., I told him I wanted him to know where I did get the money, because he seemed to think I was doing right well, if the Government did not pay my expenses, if I could take such a costly aircraft trip back home.

May I say the reactionary forces in Oregon hope I will stay broke, because they feel that is the best way to keep me in Washington so every time I do fly back to mend the fences, as we say, some anti-Morse editor raises the question, "Where did he get the money?"

So I satisfied the curiosity of this editor in a letter yesterday by pointing out that my ticket was paid for, along with reasonable travel expenses, by the Democratic Party of Long Beach, Calif., which I addressed on my way back from Oregon. I was told that was the largest Democratic banquet ever held in Long Beach, Calif., which I thought was pretty good, in view of the fact that the banquet was a fund-raising banquet at a cost of $10 a plate.

I felt somewhat in this rather facetious mood because of the trend this discussion has taken, but now, in all dead seriousness, I say, Mr. President, I do hope that in this session of Congress we shall pass legislation which will make the financial activities of Members of Congress and other Government officials who receive $10,000 or more a year a matter of public disclosure.

Mr. President, I now desire to address myself to another subject.

The PRESIDING OFFICER. The Senator from Oregon has the floor.

OIL FOR EDUCATION

Mr. MORSE. Mr. President, I wish to discuss now oil for education. This is not a new subject for me on the floor of the Senate. I remember that I discussed it once for 22 hours and 26 minutes. The Press Gallery may relax. I expect to discuss the subject now only about 20 minutes.

Certain happenings in Texas of recent days have intensified my interest in this subject. We have not solved the problem of oil for education yet in regard to the Continental Shelf.

Perhaps the single, most outstanding issue which has earned for the Eisenhower administration the title of a "giveaway" administration has been the issue of the submerged lands, the jurisdiction over lands off our shores beyond the mark of lowest tides.

This historic fight will be remembered from its relationship to the education of our boys and girls. When oil, sulfur, and other minerals were discovered under the sea off California and in the Gulf of Mexico it was proposed that the money from the rents, royalties, and bonuses payable to the Government under development leases be used for the improvement of the Nation's schools.

This was the famous oil-for-education amendment, and I have been proud to be one of its sponsors and among its most vigorous advocates. Devoting this revenue from the wealth in our public lands to education would have been in line with the Land Ordinance of 1785, which reserved one lot in every township in the Northwest Territory for support of the schools within the township and it would have been in keeping with the Morrill Act of 1862, whereby institutions of higher learning received areas of public land to manage, together with whatever proceeds the land brought in, to improve and expand their facilities. These became the great land-grant colleges and universities of today.

The oil-for-education proposal would have continued this principle of using the public lands for support of education.

It was a proposal that bore the name of the great Senator from Alabama [Mr. HILL], and is commonly referred to as the Hill amendment.

I digress to pay tribute to the great Senator from Alabama, who during his years in the Senate has been one of the finest educational statesmen of America, because in the field of education we have pressed, and pressed hard, for legislation which would bring to the boys and girls of America those educational opportunities they must have if America is to carry out that great tenet of Thomas Jefferson, namely, that a democracy can be no stronger than the enlightenment of its people, and their enlightenment in no small measure is determined by the quality of their education system. That is why the great giveaway that occurred when the Eisenhower administration sided with the States in their claim to ownership out to the 3-mile limit was a severe blow to our education system.

As a matter of fact, the giveaway pledge was given before Eisenhower ever took office. It was given while Eisenhower and the late Senator Taft were still the major candidates for the Republican nomination. Shortly before the convention, General Eisenhower sent a wire to one of his leading Texas supporters, Houston oilman H. J. Porter. In it he said:

> I see no conflict in this responsibility [for national resources essential to the national security] which interferes with the vesting of title of tidelands in the States.

As President, Eisenhower followed up that campaign promise to the Texas oilman by backing legislation recognizing State jurisdiction out to what they claim as their boundaries, thus overriding the Supreme Court decision which had declared the Federal interest there to be paramount.

However, those of us who wanted to reaffirm the Federal supremacy in the submerged lands and use the income for education felt we had scored a partial victory when the Senate passed the oil-for-education amendment as applied to lands beyond the State claims. But the administration still was not satisfied. It put great pressure on Republican Senators to change their stand and oppose oil-for-education so the bill as passed by the House omitting this feature would be approved.

So it was that the schoolchildren of America were not permitted to benefit even from the oil in the outer Continental Shelf, because the bill that came back from the House did not include the Hill amendment applied to the outer Continental Shelf; and, as is well known now, the conference report was adopted in the Senate by a bare majority vote of two. That majority vote was represented by two Republican votes, which were changed after White House pressure was put upon those Republicans.

When the bill was before the Senate, those Senators made perfectly clear that they were for the oil-for-education amendment, but they subsequently publicly acknowledged—or one of them, on behalf of the two, publicly acknowledged—that they had changed their position after the White House had put telephonic pressure upon them. In other words, they voted contrary to what they said were their expressed convictions.

These royalties, rents, and bonuses from mineral leases in the outer continental shelf have totaled $294,305,090. That is the sum that our education system could have been using to teach physics, math, and history, for example, to our boys and girls, had not the White House gone to special trouble to prevent final adoption of the Hill amendment.

Recently, another chapter in the giveaway has been opened. Part of the Federal income under the Outer Continental Shelf Act has been impounded, pending the outcome of a new court case in which the States have renewed their efforts to gain control out to 10½ miles. The States bordering the Gulf of Mexico have again laid claim to submerged land out to what they called their historic boundaries, even though the Supreme Court ruled against them in 1948 and 1950. The money from leases already granted in this disputed region amounts to $113,460,587. The future income from leases in this area will amount to many times that.

The Justice Department has asked the Supreme Court to rule once more on these State claims and put an end to the issue once and for all. Initially, it asked the Court to restate its earlier decisions that no State, or even national, boundaries can extend more than 3 miles from land.

But the President has now reversed his Justice Department. Once again he stated his view in a communication to his Texas oil friend, Mr. Porter. He wrote him a letter in December, saying that it has been and still is my considered view that Texas should have the right to explore and exploit those submerged lands which extend seaward of her coastline into the Gulf of Mexico for a distance of 3 marine leagues or 10½ miles.

It is astonishing to me that Mr. Eisenhower can continue to disregard, and in fact, oppose, a ruling on this matter by the Supreme Court of the United States not only as a candidate but as President. As President, as Chief Executive, he has no higher duty than to protect and defend the interest of the American people. In fact, his Solicitor General had already appeared before the court to claim for the United States exclusive possession of and full dominion and power over the lands, minerals and other things underlying the Gulf of Mexico lying more than 3 miles from land. Yet, in a letter to his Texas oil friend and supporter H. J. Porter, the President says he is willing to have the United States Government forgo that claim. With it, the United States Government would also forgo the future income from the wealth in those lands, wealth which still might be put to the critical needs of our educational system.

Thanks to the administration's opposition to the oil-for-education amendment, $180,844,503 out of oil revenues that might have gone into the school system have instead gone into general Treasury funds. Now, with the remaining $113,460,587 still held in a special fund as a result of the State-Federal lawsuit, Mr. Eisenhower is taking a position that puts this amount in jeopardy of being lost entirely to the American public. What he is in fact asking the Supreme Court to do is to find different seaward boundaries for different States; he is suggesting that the court should fix the boundary of Texas at 10½ miles even though the Federal boundary is only 3 miles from land. Of course, the Supreme Court has already refused to do this.

In addition to the unreasonableness of such a determination, and in addition to his failure to press the interest of the American people, the President is demonstrating a failure to understand the importance of education in today's world.

America can no longer afford to take the position that elementary and secondary education is solely the responsibility of State and local governments. The advances in science and engineering by the Soviet Union, surpassing in many fields what we are able to accomplish, put education right up at the head of the list with all defense expenditures. Financial aid to the States from the Federal Government is, in my opinion, among the most urgent defense measures we must take.

This administration has many failures for which it must account to the people, and to the judgment of history. But none is more serious in its implications than the administration's failure to understand that the Russian sputniks are but the culmination of an education program in Russia that has been going on for at least 10 years, but which we have tried to ignore. I am deeply concerned by the administration's failure even now to understand that education in America should be supported financially by the Federal Government as a measure of national defense.

The Eisenhower record on education and oil revenues for its support which I have outlined demonstrates that these are regarded instead as points for political bargaining. Oil and money belonging to the American people have been traded for political support. That is the blunt truth of the situation.

We know how this Texas oilman, Mr. Porter, works. He made it very clear in the letter which was published in the Washington Post the other morning when he sought Republican participation in a dinner down in Texas at $100 a plate, in order to do honor to a Republican leader he felt had been of great help to Texas.

Any Republican or Democrat has my respect when, as a matter of conviction, he takes the position which this great Republican leader has taken on the gas-and-oil question. I wish to make that perfectly clear in these remarks. However, I have no respect for the H. J. Porters. It is people like them who seek to bring undue influence to bear upon the democratic process in America for their selfish economic advantage.

It is they who, in my judgment, by what they consider to be their operations within the law, represent what amounts in fact to a course of action which can best be described as political immorality.

I happen to hold to the opinion that the activity of the President's Texas oil friend, Mr. H. J. Porter, in regard to the $100-a-plate dinner in Texas the other night has killed the gas bill. I pray that that is true. I pray that this year, on both sides of the aisle, Republicans and Democrats alike will say, "This is just too stinking for us." There is a stench, Mr. President. The odor will not be removed by passing the $100,000 around from one Republican campaign organization to another. The odor will not be removed if the national committee refuses to take it, but a committee to elect Congressional candidates does take it.

We now know the kind of political game H. J. Porter plays. He had his hand deep in the mire in connection with the oil-for-education program. He has his hand deep in the mire in regard to the question of the gas bill. I am perfectly satisfied as to what the overwhelming majority of the American people will say about the situation. There is something that tells me that Members of Congress will take note of that public resentment.

Let me say, in conclusion, that this is not a thing of the past, as evidenced by the communication of the President with his Texas oil friend. It is still going on. At a time when our education needs are the greatest, the President is still intent upon giving away our best means of meeting them.

I shall continue to raise my voice against this cynical political bargaining. I shall continue to support the oil-for-education proposal, and in fact, I shall continue to work for Federal grants to the States for education. A higher standard in education is a critical defense and foreign policy need of the Nation.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CARLSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CARLSON. Mr. President, if there is nothing further to come before the Senate——

Mr. CARROLL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CARROLL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. MORSE in the chair). Without objection, it is so ordered.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, February 13, 1958, he presented to the President of the United States the following enrolled bills:

S. 1040. An act to amend the acts known as the Life Insurance Act, approved June 19, 1934, and the Fire and Casualty Act, approved October 9, 1940; and

S. 2920. An act to provide for small-business disaster loans in areas affected by excessive rainfall.

ADJOURNMENT TO MONDAY

Mr. CARROLL. Mr. President, if there is no further business to be transacted, I move that the Senate stand in adjournment, under the previous order, until 12 o'clock noon on Monday next.

UNIVERSITY OF MICHIGAN LIBRARIES

The motion was agreed to; and (at 4 o'clock and 43 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until Monday, February 17, 1958, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate February 13 (legislative day of February 10), 1958:

UNITED STATES ATTORNEYS

Donald E. Kelley, of Colorado, to be United States attorney for the district of Colorado for the term of 4 years. He is now serving in this office under an appointment which expires March 31, 1958.

Don A. Tabbert, of Indiana, to be United States attorney for the southern district of Indiana for the term of 4 years, vice Jack Chapler Brown, resigned.

UNITED STATES MARSHALS

Archie M. Meyer, of Arizona, to be United States marshal for the district of Arizona for the term of 4 years. He is now serving in this office under an appointment which expires April 2, 1958.

Tom Kimball, of Colorado, to be United States marshal for the district of Colorado for the term of 4 years. He is now serving in this office under an appointment which expires March 6, 1958.

Vernon Woods, of Illinois, to be United States marshal for the eastern district of Illinois for the term of 4 years. He is now serving in this office under an appointment which expires March 6, 1958.

Roy McKinney Amos, of Indiana, to be United States marshal for the northern district of Indiana for a term of 4 years. He is now serving in this office under an appointment which expired July 31, 1957.

IN THE AIR FORCE

The following-named officers for appointment in the Regular Air Force to the grades indicated, under the provisions of sections 8306 and 8307, title 10, of the United States Code:

To be major generals

Maj. Gen. Archie J. Old, Jr., 605A (brigadier general, Regular Air Force), United States Air Force.

Maj. Gen. Edward H. Underhill, 421A (brigadier general, Regular Air Force), United States Air Force.

Maj. Gen. Daniel F. Callahan, 579A (brigadier general, Regular Air Force), United States Air Force.

Maj. Gen. John P. McConnell, 611A (brigadier general, Regular Air Force), United States Air Force.

Maj. Gen. Hunter Harris, Jr., 624A (brigadier general, Regular Air Force), United States Air Force.

Maj. Gen. William O. Senter, 648A (brigadier general, Regular Air Force), United States Air Force.

Maj. Gen. William T. Hefley, 353A (brigadier general, Regular Air Force), United States Air Force.

Maj. Gen. George E. Price, 475A (brigadier general, Regular Air Force), United States Air Force.

Maj. Gen. Donald N. Yates, 584A (brigadier general, Regular Air Force), United States Air Force.

Maj. Gen. Frank A Bogart, 585A (brigadier general, Regular Air Force), United States Air Force.

Maj. Gen. Ernest Moore, 586A (brigadier general, Regular Air Force), United States Air Force.

Maj. Gen. Jacob E. Smart, 592A (brigadier general, Regular Air Force), United States Air Force.

Maj. Gen. Joe W. Kelly, 612A (brigadier general, Regular Air Force), United States Air Force.

Maj. Gen. Robert H. Terrill, 628A (brigadier general, Regular Air Force), United States Air Force.

Maj. Gen. Gabriel P. Disosway, 654A (brigadier general, Regular Air Force), United States Air Force.

To be brigadier generals

Brig. Gen. Donald P. Graul, 455A (colonel, Regular Air Force), United States Air Force.

Maj. Gen. Donald J. Keirn, 462A (colonel, Regular Air Force), United States Air Force.

Maj. Gen. Troup Miller, Jr., 559A (colonel, Regular Air Force), United States Air Force.

Maj. Gen. Alfred F. Kalberer, 607A (colonel, Regular Air Force), United States Air Force.

Maj. Gen. Romulus W. Puryear, 637A (colonel, Regular Air Force), United States Air Force.

Maj. Gen. Thomas S. Moorman, Jr., 644A (colonel, Regular Air Force), United States Air Force.

Maj. Gen. Charles W. Schott, 949A (colonel, Regular Air Force), United States Air Force.

Maj. Gen. Benjamin J. Webster, 974A (colonel, Regular Air Force), United States Air Force.

Maj. Gen. William T. Thurman, 1034A (colonel, Regular Air Force), United States Air Force.

Maj. Gen. John B. Cary, 1055A (colonel, Regular Air Force), United States Air Force.

Maj. Gen. William M. Canterbury, 1071A (colonel, Regular Air Force), United States Air Force.

Maj. Gen. Leighton I. Davis, 1111A (colonel, Regular Air Force), United States Air Force.

Maj. Gen. James H. Walsh, 1120A (colonel, Regular Air Force), United States Air Force.

Maj. Gen. Thomas C. Musgrave, Jr., 1129A (colonel, Regular Air Force), United States Air Force.

Maj. Gen. William T. Hudnell, 1171A (colonel, Regular Air Force), United States Air Force.

Brig. Gen. Moody R. Tidwell, Jr., 1553A (colonel, Regular Air Force), United States Air Force.

Maj. Gen. Howell M. Estes, Jr., 1211A (colonel, Regular Air Force), United States Air Force.

Maj. Gen. Richard H. Carmichael, 1214A (colonel, Regular Air Force), United States Air Force.

Maj. Gen. Joseph J. Nazzaro, 1241A (colonel, Regular Air Force), United States Air Force.

Maj. Gen. John D. Stevenson, 1320A (colonel, Regular Air Force), United States Air Force.

Maj. Gen. Bruce K. Holloway, 1336A (colonel, Regular Air Force), United States Air Force.

Maj. Gen. Maurice A. Preston, 1337A (colonel, Regular Air Force), United States Air Force.

Maj. Gen. John D. Ryan, 1418A (colonel, Regular Air Force), United States Air Force.

Maj. Gen. William H. Blanchard, 1445A (colonel, Regular Air Force), United States Air Force.

Maj. Gen. Henry R. Spicer, 1487A (colonel, Regular Air Force), United States Air Force.

Maj. Gen. John S. Hardy, 1502A (colonel, Regular Air Force), United States Air Force.

Maj. Gen. T. Alan Bennett, 1513A (colonel, Regular Air Force), United States Air Force.

Maj. Gen. James Ferguson, 1530A (colonel, Regular Air Force), United States Air Force.

Maj. Gen. David Wade, 1582A (colonel, Regular Air Force), United States Air Force.

Maj. Gen. Thomas P. Gerrity, 1613A (colonel, Regular Air Force), United States Air Force.

The following-named officers for temporary appointment in the United States Air Force under the provisions of chapter 839, title 10, of the United States Code:

To be major generals

Brig. Gen. Clyde H. Mitchell, A0263935, Air Force Reserve.

Brig. Gen. Wilford F. Hall, 19026A, Regular Air Force, Medical.

Brig. Gen. William L. Kennedy, 517A, Regular Air Force.

Brig. Gen. James H. Wallace, 442A (colonel, Regular Air Force), United States Air Force.

Brig. Gen. Daniel C. Doubleday, 471A (colonel, Regular Air Force), United States Air Force.

Brig. Gen. Charles B. Dougher, 600A (colonel, Regular Air Force), United States Air Force.

Brig. Gen. Stanley T. Wray, 608A (colonel Regular Air Force), United States Air Force.

Brig. Gen. John R. Sutherland, 617A (colonel, Regular Air Force), United States Air Force.

Brig. Gen. Albert T. Wilson, Jr., 1086A (colonel, Regular Air Force), United States Air Force.

Brig. Gen. Dolf E. Muehleisen, 1144A (colonel, Regular Air Force), United States Air Force.

Brig. Gen. Charles M. McCorkle, 1224A (colonel, Regular Air Force), United States Air Force.

Brig. Gen. Don O. Darrow, 1270A (colonel, Regular Air Force), United States Air Force.

Brig. Gen. Victor R. Haugen, 1292A (colonel, Regular Air Force), United States Air Force.

Brig. Gen. Sam W. Agee, 1346A (colonel, Regular Air Force), United States Air Force.

Brig. Gen. Edwin B. Broadhurst, 1350A (colonel, Regular Air Force), United States Air Force.

Brig. Gen. Charles B. Westover, 1351A (colonel, Regular Air Force), United States Air Force.

Brig. Gen. Don R. Ostrander, 1343A (colonel), Regular Air Force), United States Air Force.

Brig. Gen. Ben I. Funk, 1500A (colonel, Regular Air Force), United States Air Force.

Brig. Gen. Harold E. Watson, 1520A (colonel, Regular Air Force), United States Air Force.

Brig. Gen. Marvin C. Demler, 1550A (colonel, Regular Air Force), United States Air Force.

Brig. Gen. Henry Viccellio, 1728A (colonel, Regular Air Force), United States Air Force.

Brig. Gen. James V. Edmundson, 1863A (colonel, Regular Air Force), United States Air Force.

To be brigadier generals

Col. Charles A. Piddock, 625A, Regular Air Force.

Col. Robert J. Goewey, 910A, Regular Air Force.

Col. Joseph F. Delaney, 998A, Regular Air Force.

Col. Lee W. Fulton, 1107A, Regular Air Force.

Col. L. Render Braswell, 19065A, Regular Air Force, Medical.

Col. Gordon H. Austin, 1207A, Regular Air Force.

Col. William S. Steele, 1229A, Regular Air Force.

Col. John H. Jeffus, 1289A, Regular Air Force.

Col. Ivan W. McElroy, 1338A, Regular Air Force.

Col. Ernest H. Beverly, 1590A, Regular Air Force.

Col. Robert B. Miller, 1646A, Regular Air Force.

Col. John A. McDavid, 1652A, Regular Air Force.

Col. Robert E. Greer, 1672A, Regular Air Force.

Col. Perry M. Hoisington 2d, 1694A, Regular Air Force.

Col. Melvin F. McNickle, 1891A, Regular Air Force.

Col. William R. Large, Jr., 1919A, Regular Air Force.

UNIVERSITY OF MICHIGAN LIBRARIES

POSTMASTERS

The following-named persons to be postmasters:

ALABAMA

Foster B. Jones, Ashville, Ala., in place of I. E. Hodges, retired.

Aaron Glinnie Weaver, Bay Minette, Ala., in place of C. T. Smith, retired.

Bionnie R. Parker, Chase, Ala., in place of T. W. Naugher, retired.

John C. Justice, Jr., Childersburg, Ala., in place of F. G. Rowland, retired.

George S. Thomas, Eufaula, Ala., in place of L. J. Clayton, Jr., transferred.

James E. Hughes, Jr., Geneva, Ala., in place of L. P. Adair, resigned.

David L. Capps, Luverne, Ala., in place of W. M. Moore, retired.

Gertrude J. McClurkin, Mount Meigs, Ala., in place of T. F. Raoul, resigned.

Harold E. Carroll, Mulga, Ala., in place of T. W. Brock, removed.

Woodward E. Davis, Selma, Ala., in place of C. S. Robbins, retired.

Robert N. White, Valley Head, Ala., in place of E. A. Tatum, retired.

John T. Davidson, Vinegar Bend, Ala., in place of J. T. Baxter, retired.

William L. Glenn, Wetumpka, Ala., in place of Frank Poole, transferred.

Gatewood M. Hatcher, York, Ala., in place of Maggie Winningham, retired.

ALASKA

Irene A. Begin, Aniak, Alaska, in place of Ernest Krinby, deceased.

ARKANSAS

William McKinley Huddleston, Batesville, Ark., in place of E. F. Crutchfield, transferred.

Donald H. Travis, Judsonia, Ark., in place of W. H. Hembree, retired.

Ruby R. Ryan, Magazine, Ark., in place of G. O. Thomasson, deceased.

James R. McClure, Nashville, Ark., in place of J. B. Hill, deceased.

James H. Creed, Rison, Ark., in place of J. G. Mosley, retired.

Chester A. Garrett, State Hospital, Ark., in place of E. R. Moss, retired.

Norman L. Wilson, Stephens, Ark., in place of F. H. Bond, retired.

CALIFORNIA

Muriel A. Graham, Bayside, Calif., in place of N. E. Johnson, retired.

Claude B. Hetherington, Calexico, Calif., in place of J. G. Carroll, retired.

Ellis H. Litynsky, Campbell, Calif., in place of I. H. Grim, retired.

Fred G. Strong, Carmel, Calif., in place of F. J. Mylar, deceased.

Darrel Lawrence Burgan, Claremont, Calif., in place of Jerome Beatty, retired.

Robert H. Kingham, Felton, Calif., in place of O. W. Parkison, retired.

Beulah M. Clark, Hercules, Calif., in place of A. Y. Brown, retired.

Philip W. Holmes, Littleriver, Calif., in place of E. F. Marks, retired.

Wilbur H. Hartwell, Loyalton, Calif., in place of L. M. Hartwell, removed.

Donald E. Rothrock, Mira Loma, Calif., in place of F. E. Watson, resigned.

Robert T. Sheldon, Paradise, Calif., in place of B. L. Hunt, retired.

Grace E. Shilling, Planada, Calif., in place of F. A. Osterhout, deceased.

Freda H. Burgess, Rio Dell, Calif., in place of L. A. Ingraham, removed.

Jack O. Starnes, Romoland, Calif., in place of B. E. Colahan, deceased.

Alice E. Kitselman, Running Springs, Calif., in place of A. M. Robertson, resigned.

John H. Brass, Santa Maria, Calif., in place of Louis Sibilio, retired.

Marion R. Hobbs, Soquel, Calif., in place of J. J. Mollinet, removed.

Joseph R. Stanich, Sunnyvale, Calif., in place of H. E. Van Cleve, removed.

Silas A. Schellenger, Sutter, Calif., in place of S. R. McLean, retired.

Robert J. Bloodgood, Twentynine Palms, Calif., in place of R. A. McWaid, resigned.

Earl H. Chamberlain, Vacaville, Calif., in place of H. M. Talbot, retired.

Fred W. Linneman, Watsonville, Calif., in place of F. H. Jenkins, deceased.

COLORADO

Ivan K. Clarke, Dupont, Colo., in place of S. M. Kinsall, resigned.

Leon V. Beck, Fleming, Colo., in place of A. C. Bledsoe, transferred.

Franklin B. Sample, New Castle, Colo., in place of C. M. Burrell, deceased.

Clarence M. Godfrey, Walsh, Colo., in place of C. E. Raney, deceased.

Harry B. Casten, Windsor, Colo., in place of G. A. May, retired.

CONNECTICUT

Horace Edward Leonard, Durham, Conn., in place of J. A. Jackson, removed.

Charles W. Lindsay, Fairfield, Conn., in place of W. M. O'Dwyer, retired.

Elsie H. Hatfield, Bear, Del., in place of H. E. Burris, deceased.

DELAWARE

Aubrey W. Pugh, Hockessin, Del., in place of C. J. Gormley, deceased.

FLORIDA

J. B. Benson, Chipley, Fla., in place of T. M. Love, resigned.

GEORGIA

James P. Burroughs, Colbert, Ga., in place of M. R. Leard, deceased.

George T. Holloway, Midville, Ga., in place of R. H. Smith, resigned.

IDAHO

Robert H. Braithwaite, Arco, Idaho, in place of W. O. Putnam, retired.

Edward L. Moberly, Middleton, Idaho, in place of G. E. West, retired.

Boyd R. Moore, New Meadows, Idaho, in place of L. H. Witherspoon, retired.

Melvin J. Snook, Orofino, Idaho, in place of Arthur Dinnison, retired.

Floyd K. Libey, Potlatch, Idaho, in place of G. E. Van Buskirk, retired.

ILLINOIS

William F. Dettmers, Bethalto, Ill., in place of Kenneth Henkhaus, deceased.

Ethel F. Hierman, Bluffs, Ill., in place of T. B. Meehan, removed.

Wilbur C. Schwark, Bonfield, Ill., in place of O. C. Stehr, resigned.

Gerard A. Marquardt, Bristol, Ill., in place of A. M. Coomes, retired.

Leslie E. Smith, Colusa, Ill., in place of B. G. Jacobs, resigned.

Harold G. Miller, Compton, Ill., in place of F. F. Donagh, retired.

Roy Guy Yates, Flora, Ill., in place of J. P. McGannon, removed.

Alice G. Woessner, Franklin Grove, Ill., in place of M. A. Howard, removed.

Harold J. Larey, Galena, Ill., in place of W. A. Homrich, retired.

Arnold E. Lewellen, Gilman, Ill., in place of E. P. Malone, retired.

Walter W. Steinmann, Hamel, Ill. Office established April 1, 1956.

Floyd S. Rollinson, Keil, Ill., in place of Lorraine Riley, transferred.

Forest D. Slick, Kent, Ill., in place of J. E. Fox, transferred.

John M. Allbright, La Grange, Ill., in place of C. W. Farley, retired.

Arthur Funk Lee, McLean, Ill., in place of S. A. Withrow, retired.

Dale V. Cline, Mulberry Grove, Ill., in place of H. L. Roberts, retired.

Cecil Moore, New Canton, Ill., in place of C. T. Gilbert, retired.

Homer C. Lynn, Oakford, Ill., in place of Earl Allen, retired.

Maxine S. Hayward, Olivet, Ill., in place of G. L. Hamer, removed.

Chester C. Scott, Osco, Ill., in place of G. W. Scott, retired.

William L. Early, Penfield, Ill., in place of J. P. Early, retired.

Arthur L. Erickson, St. Charles, Ill., in place of H. G. McCarthy, retired.

Randall D. Page, Sesser, Ill., in place of Winsor Brayfield, deceased.

Angus Keith Phillips, Shawneetown, Ill., in place of Basil Bennett, retired.

Randall F. Tevis, Smithboro, Ill., in place of T. J. Marti, resigned.

Delbert Hood, Jr., South Elgin, Ill., in place of M. L. Reinert, removed.

Larry E. Myers, Tampico, Ill., in place of W. H. Darby, deceased.

John A. Theodore, Urbana, Ill., in place of H. E. Bigler, resigned.

James C. Thompson, Warsaw, Ill., in place of Esper Ziegler, retired.

William R. Lashmet, Winchester, Ill., in place of Herbert Shibe, deceased.

Ardelle H. Hanski, Worth, Ill., in place of D. T. Hanski, deceased.

Thomas B. Malone, Wyoming, Ill., in place of K. L. Colwell, retired.

Russell C. Spice, Zion, Ill., in place of H. G. Ingram, retired.

INDIANA

Charles E. Sweany, Crothersville, Ind., in place of H. B. Fultz, retired.

Charles L. Oxley, Evansville, Ind., in place of J. E. Sachs, deceased.

Twanette S. Coleman, Forest, Ind., in place of V. F. Webster, retired.

Don Hubert Neff, Goshen, Ind., in place of L. Y. Cripe, retired.

Gerald B. Eitnier, Hillsboro, Ind., in place of A. E. Lighty, Jr., removed.

Paul H. Miller, Macy, Ind., in place of S. S. Foor, retired.

Russell F. Berkheiser, Ossian, Ind., in place of S. C. Hilsmier, retired.

Max I. Ward, Spencerville, Ind., in place of Golden High, retired.

IOWA

Lloyd L. Giltner, Agency, Iowa, in place of T. J. Leinhauser, retired.

Bernard H. Richter, Ashton, Iowa, in place of H. S. King, retired.

Paul E. Sanderson, Beaman, Iowa, in place of B. H. Rowe, retired.

Roger M. Galloway, Cedar Falls, Iowa, in place of L. H. Hughes, retired.

Paul E. Garthwaite, Charles City, Iowa, in place of B. F. Welsh, deceased.

Paul F. Hoyt, Cherokee, Iowa, in place of W. H. Fishman, retired.

John R. Johnson, Mallard, Iowa, in place of Sophia Hood, retired.

John H. Pazour, Marion, Iowa, in place of C. D. Burns, retired.

Thelma C. Voss, Marne, Iowa, in place of William North, deceased.

James C. Houle, Mechanicsville, Iowa, in place of F. G. Ferguson, retired.

Benjamin P. Flack, Jr., Osage, Iowa, in place of L. P. McGrane, retired.

James L. Brown, Peterson, Iowa, in place of R. W. Reed, transferred.

Helen T. Kernen, Ralston, Iowa, in place of M. S. Copenhaver, retired.

Eugene F. Watters, Sanborn, Iowa, in place of E. W. Mayne, deceased.

Norman O. Walk, South English, Iowa, in place of J. F. White, retired.

KANSAS

Thomas L. Kauble, Arcadia, Kans., in place of G. J. Roeback, retired.

Francis W. Johnson, Argonia, Kans., in place of Etta Le Ford, retired.

Gene C. Montgomery, Barnard, Kans., in place of E. A. King, transferred.

William L. Pool, Bronson, Kans., in place of L. W. Love, resigned.

Harold T. Stodard, Burlingame, Kans., in place of H. M. McCauley, retired.

Emmett E. Sutherland, Galena, Kans., in place of J. O. Derfelt, retired.

Melvin H. Besancon, Lancaster, Kans., in place of E. N. Coleman, resigned.
Ray D. Wiley, Lyndon, Kans., in place of W. J. Gray, transferred.
Chalmers A. Hawks, Nickerson, Kans., in place of F. J. Lehman, retired.
Harlin L. Hornbostel, Palmer, Kans., in place of F. M. Martin, deceased.
Samuel P. Bell, Scranton, Kans., in place of Elizabeth Brackman, retired.
Edward A. Fink, Stilwell, Kans., in place of H. C. Cave, resigned.

KENTUCKY

William H. Burgess, Arlington, Ky., in place of Z. G. Neville, retired.
Lissa H. Tarter, Campbellsville, Ky., in place of R. L. Kerr, resigned.
William D. Gorman, Hazard, Ky., in place of A. M. Moore, retired.
Jacob H. Weller, Owensboro, Ky., in place of S. B. Smith, retired.
Charles B. Neville, Park City, Ky., in place of R. E. Doyle, removed.
Garrett L. Robey, Stamping Ground, Ky., in place H. H. Clark, transferred.
D. Hess Vest, Walton, Ky., in place of C. F. Cleek, resigned.
Julian B. Hays, Woodburn, Ky., in place of L. W. Hobbs, retired.

LOUISIANA

Doris L. Hebert, Baldwin, La., in place of E. B. Martin, resigned.
Samuel D. Castleberry, Ferriday, La., in place of N. J. Browne, resigned.
Louise M. Townsend, Gilbert, La., in place of A. B. Griffin, retired.
Olive J. DeJean, Hodge, La., in place of E. A. McDowell, retired.
Johnie H. Mitcham, Leesville, La., in place of LeRoy Ford, retired.
Andrew H. Ferguson, Marion, La., in place of M. K. Roark, retired.
Wanza G. Keaton, Tangipahoa, La., in place of V. C. Kent, retired.

MAINE

Frances C. Sands, Bar Mills, Maine, in place of L. G. Sands, retired.
Gerald B. Guay, Bingham, Maine, in place of H. C. Collins, deceased.
Eleanor B. Foster, China, Maine, in place of J. H. Wentworth, retired.
Marshall F. Holmes, Jefferson, Maine, in place of H. G. Hoffses, retired.
Hubert A. Cowan, Newcastle, Maine, in place of L. L. Guptill, retired.
Richard A. Smith, Northeast Harbor, Maine, in place of E. C. Davis, deceased.
Ralph A. MacDonald, South Windham, Maine, in place of L. H. Bromley, retired.

MARYLAND

Hester S. Duff, Earleville, Md., in place of E. D. Loller, retired.
Robert Joseph Sellner, Jessup, Md., in place of G. C. Kirn, deceased.
Reba C. Warner, Lisbon, Md., in place of J. L. Donovan, removed.
Eliot W. Sperry, Lutherville-Timonium, Md., in place of G. H. Johnston, resigned.

MASSACHUSETTS

Althea M. F. Staples, Brant Rock, Mass., in place of M. L. Fletcher, deceased.
Ernest A. Whitman, Centerville, Mass., in place of J. J. Pendergast, resigned.
Arthur Edison Coakley, East Brewster, Mass., in place of M. L. Foster, retired.
James J. Gallagher, Lowell, Mass., in place of C. H. Slowey, retired.
Edward H. Morse, Mansfield, Mass., in place of J. E. Bellew, retired.
Frank E. Dudley, Mendon, Mass., in place of Mabel Griffin, deceased.
Margaret T. Bander, North Bellingham, Mass., in place of E. T. Camp, retired.
Burton S. Young, Orleans, Mass., in place of J. D. Anthony, retired.
William T. Bowden, Wales, Mass., in place of R. H. Lancaster, retired.
Samuel James Currie, Whitinsville, Mass., in place of W. F. McDonald, retired.

MICHIGAN

William Z. Todd, Allen, Mich., in place of Emma Keating, retired.
Jack D. Dickhout, Boyne City, Mich., in place of Roy Winegarden, retired.
Victor J. Haughey, Camden, Mich., in place of F. J. Brown, deceased.
Olen O. Smith, Crystal, Mich., in place of J. D. George, retired.
George A. Martin, Dearborn, Mich., in place of J. A. Yagley, retired.
Thomas J. Butler, Emmett, Mich., in place of Elmer Brogan, retired.
Elizabeth E. Ospring, Grand Junction, Mich., in place of P. E. Bolin, retired.
Sayre H. Ostrander, Grand Marais, Mich., in place of E. L. Mulligan, retired.
Neil G. Kalmbach, Grass Lake, Mich., in place of Olaf Christensen, retired.
Frank E. Kline, Jones, Mich., in place of J. B. Seidl, resigned.
Frank M. Townsend, Marcellus, Mich., in place of H. D. Sweet, retired.
Harold L. Hande, Mattawan, Mich., in place of Marguerite Ryan, resigned.
James L. Collins, Milan, Mich., in place of L. A. Butler, retired.
Robert G. Brown, Monroe, Mich., in place of A. C. Maurer, retired.
Leonard L. Swanson, Muir, Mich., in place of Coral Estep, deceased.
Edmund B. Sulski, Napoleon, Mich., in place of Blanche McGraw, retired.
Leo G. Smith, Newberry, Mich., in place of Joseph Villemure, retired.
Ernest R. Steen, Shelby, Mich., in place of R. R. Royal, retired.
Stewart E. Walter, Smiths Creek, Mich., in place of A. F. Lenart, retired.
Orrin B. Powell, Stockbridge, Mich., in place of E. E. Lehman, transferred.
Edward O. Perkett, Traverse City, Mich., in place of H. B. Whitson, retired.

MINNESOTA

Norton M. Sorenson, Amboy, Minn., in place of A. R. Wilder, retired.
Orvind P. Nichols, Borup, Minn., in place of E. O. Benthagen, retired.
Donna J. Gross, Calumet, Minn., in place of P. F. Preice, retired.
Dorothy R. Johnson, Gheen, Minn., in place of S. E. Brooker, retired.
Howard C. Eichhorn, Hill City, Minn., in place of Zelphia Taylor, retired.
Delmer J. Larson, Hills, Minn., in place of E. M. Schellhouse, retired.
Herbert M. Koster, Pequot Lakes, Minn., in place of H. E. Bye, deceased.

MISSISSIPPI

Bester L. Files, Ackerman, Miss., in place of E. M. Commander, retired.
Andy J. Becker, Bay St. Louis, Miss., in place of F. L. Herlihy, retired.
Calvin J. Meaders, Hickory, Miss., in place of E. M. Henton, retired.
Dan C. McNeill, McNeill, Miss., in place of J. G. Dexter, retired.
John T. Miller, Myrtle, Miss., in place of H. P. Megginson, transferred.
Fred D. Rogers, Nettleton, Miss., in place of J. C. Young, transferred.
Ola L. McMath, Sidon, Miss., in place of J. S. Defoore, retired.

MISSOURI

Russell E. Ray, Adrian, Mo., in place of D. L. Davis, transferred.
Doyle L. Scott, Armstrong, Mo., in place of E. W. Mott, retired.
Stanley H. Jarvis, Belgrade, Mo., in place of Belva Maxwell, retired.
Bernice W. Holloway, Bragg City, Mo., in place of R. H. Hogue, Sr., retired.
James R. McKnight, Calhoun, Mo., in place of M. R. Fewel, retired.
Charles A. Barron, Clarksville, Mo., in place of K. C. Patton, retired.
Donnell E. Carey, Dawn, Mo., in place of Mabel Cunningham, retired.
Don M. Anderson, Dixon, Mo., in place of J. D. Elkins, deceased.
Harry L. Hibbard, Gilliam, Mo., in place of J. P. Payne, retired.
Everette A. Westfall, Higbee, Mo., in place of G. M. Lenhart, resigned.
Robert H. Horine, Norborne, Mo., in place of M. G. Kenton, retired.
Robert L. Moseley, Rothville, Mo., in place of M. E. Vassar, resigned.
Genoa E. Williams, Seligman, Mo., in place of B. P. Mitchell, retired.
Harry H. Forman, Shelbyville, Mo., in place of L. A. Kaylor, deceased.
Sylvester H. Brinker, Villa Ridge, Mo., in place of R. W. Disharoon, retired.
Hobert W. Hunt, Wheatland, Mo., in place of C. E. Kleck, retired.

MONTANA

Willard W. Wilde, Bainville, Mont., in place of A. C. Coulston, deceased.
Amelia E. Gerdts, Garrison, Mont., in place of W. W. Welch, removed.
Walter R. Richards, Hall, Mont., in place of F. M. Morse, retired.
Frank F. Pisk, Terry, Mont., in place of G. L. Buckingham, deceased.

NEBRASKA

Ralph E. Skillman, Ainsworth, Nebr., in place of Salem Abraham, retired.
Mildred M. Heikes, Dakota City, Nebr., in place of H. C. Paquin, retired.
George A. Fenske, Jr., Dunbar, Nebr., in place of H. H. Ottens, transferred.
Bryce E. Heckman, Hickman, Nebr., in place of Samuel Broekema, retired.
Wilmer G. Tollefsen, Kearney, Nebr., in place of J. W. Boyd, resigned.
Sheldon B. Mitchell, Nehawka, Nebr., in place of D. E. Waldo, resigned.
Quintin L. Nicholas, Palmer, Nebr., in place of Lafe Simonson, retired.
Donald C. Gillham, Sidney, Nebr., in place of D. R. Shipman, removed.

NEW HAMPSHIRE

Edwin F. Locke, Amherst, N. H., in place of V. P. Brine, retired.
David R. Elder, Dublin, N. H., in place of W. E. French, retired.
Philip M. Clark, Marlboro, N. H., in place of A. A. Croteau, retired.
Allan H. MacDougall, Milan, N. H., in place of T. N. Taylor, retired.
Josephine B. Larson, Newbury, N. H., in place of G. T. Berglund, resigned.
Arthur J. Denault, Plaistow, N. H., in place of H. W. Ladd, retired.
Leroy F. Barnhart, Wentworth, N. H., in place of B. W. Ray, resigned.
William F. Haskell, Wilmot Flat, N. H., in place of F. R. Cutler, resigned.

NEW JERSEY

George M. Durso, Fort Lee, N. J., in place of D. A. Skelley, retired.
Leslie J. Sherwood, Haworth, N. J., in place of B. W. Shaw, resigned.
Timothy J. Flynn, Livingston, N. J., in place of W. M. Carner, retired.
Guido V. Marsocci, Osbornsville, N. J., in place of G. T. Osborn, retired.
Frank Magill, Jr., Pompton Lakes, N. J., in place of J. V. R. Nichol, retired.

NEW MEXICO

Clyde B. Lee, Gallup, N. Mex., in place of Dominic Rolle, deceased.
Sibyl S. Griffin, Reserve, N. Mex., in place of Irene Graham, resigned.

NEW YORK

Leighton C. Austin, Alfred Station, N. Y., in place of L. W. Palmiter, transferred.
Merritt Pember Newberry, Canastota, N. Y., in place of L. J. Williams, deceased.
Ralph Seaman Lansing, Castleton on Hudson, N. Y., in place of R. C. Kilmer, resigned.

Clarence H. Taber, Cato, N. Y., in place of D. J. Herrington, retired.
Frederick L. Gifford, Clifton Springs, N. Y., in place of K. G. Bement, retired.
Hampton B. Scofield, Cold Spring, N. Y., in place of B. W. Schatzle, resigned.
Clifford S. Kloos, Crown Point, N. Y., in place of H. S. Peck, retired.
Paul E. Wamp, Jr., Dansville, N. Y., in place of C. C. Curry, retired.
Wallace M. Whitley, Ellisburg, N. Y., in place of James Dick, removed.
Gordon Raymond Shepardson, Elmira, N. Y., in place of C. J. O'Connell, retired.
James George Dougall, Evans Mills, N. Y., in place of I. H. Crysler, retired.
Heber Ashley, Jr., Grand Island, N. Y., in place of E. T. Sheehan, resigned.
Ella B. Siemerling, Granite Springs, N. Y., in place of C. F. Klingenstein, deceased.
Lillian E. Call, Great Bend, N. Y., in place of M. M. Humes, retired.
Anthony J. Wirmusky, Hoosick Falls, N. Y., in place of H. V. Allen, retired.
Joseph F. Clark, Hughsonville, N. Y., in place of Fred Churchill, retired.
Harriet M. Cole, Hurleyville, N. Y., in place of W. H. Toohey, deceased.
Everett W. Mussen, Keeseville, N. Y., in place of E. A. Laundree, deceased.
Nicholas W. Toborg, Leeds, N. Y., in place of J. G. Winans, retired.
Daniel J. Millicker, Mahopac Falls, N. Y., in place of G. W. Millicker, deceased.
Ronald T. Murphy, Napanoch, N. Y., in place of F. D. Hurd, retired.
Anna L. Butcher, North Chili, N. Y., in place of M. L. McNees, resigned.
Frank LaVigne, Ogdensburg, N. Y., in place of A. G. McLellan, removed.
James Norton Engleson, Ontario, N. Y., in place of E. E. Casey, retired.
Harrison M. Fairbanks, Portville, N. Y., in place of J. F. Cronin, retired.
George A. Gutterson, Rensselaer Falls, N. Y., in place of M. L. Jenkins, retired.
Florence R. Buckley, Rosendale, N. Y., in place of Marie Lamb, resigned.
James Joseph Barry, St. James, N. Y., in place of T. V. Sullivan, removed.
Robert L. Bower, Sanborn, N. Y., in place of W. H. Kline, resigned.
George J. F. Secor, Scarborough, N. Y., in place of G. O. Fountain, retired.
Nina B. Dickerson, Shelter Island, N. Y., in place of A. A. Sherman, retired.
Roy G. Peterson, Southampton, N. Y., in place of E. W. Wolf, retired.
Harvie Coleman, Summitville, N. Y., in place of W. C. Budd, retired.

NORTH CAROLINA

Carlyle P. Matheson, Andrews, N. C., in place of Galusha Pullium, removed.
James R. Frady, Candler, N. C., in place of B. E. Brenton, resigned.
John H. Hufton, Creswell, N. C., in place of E. S. Woodley, deceased.
Clifton W. Crispe, Cullowhee, N. C., in place of B. B. Long, retired.
William B. Mayhew, Davidson, N. C., in place of S. T. Stough, deceased.
Clemmie E. Norris, East Spencer, N. C., in place of M. T. Mason, retired.
John L. Pippin, Fremont, N. C., in place of C. G. Pike, deceased.
James E. Stack, Harmony, N. C., in place of Ovid Pullen, retired.
Ruth T. Smith, Havelock, N. C. Office established January 1, 1957.
Junius W. Rogers, Jr., Henderson, N. C., in place of W. C. Stainback, retired.
Carl L. Talley, Highlands, N. C., in place of C. C. Potts, retired.
Frank Conder, Jr., Indian Trail, N. C., in place of H. M. Orr, retired.
James F. Inman, Laurinburg, N. C., in place of H. M. McArn, retired.
Norman A. Randall, Leicester, N. C., in place of M. H. Current, retired.
Franklin R. Frisby, Marshall, N. C., in place of Grace Freeman, retired.
Azer Dow Baucom, Sr., Monroe, N. C., in place of S. H. Lee, resigned.
Robert Kelly Montague, Newport, N. C., in place of L. A. Mann, retired.
Charles C. Small, Sophia, N. C., in place of D. R. Bulla, retired.
Lloyd J. Parrish, Swansboro, N. C., in place of R. E. Stanley, removed.

NORTH DAKOTA

Donald G. Paul, Arthur, N. Dak., in place of E. B. Scott, retired.
Edward J. Ziman, Dodge, N. Dak., in place of M. E. Goetz, deceased.

OHIO

Robert N. Croskey, Amsterdam, Ohio, in place of L. M. Helphinstine, retired.
Paul R. Day, Atwater, Ohio, in place of E. C. Hillyer, retired.
Arthur E. Hill, Batavia, Ohio, in place of C. S. Coyle, deceased.
James F. Braig, Buckeye Lake, Ohio, in place of K. W. Lowrey, removed.
Carl I. Moser, Cridersville, Ohio, in place of Fred Reichelderfer, retired.
John W. Watson, Deshler, Ohio, in place of T. B. King, retired.
Paul L. Burkholder, Edon, Ohio, in place of P. W. Burkhardt, retired.
Martin Marshall Miller, Franklin, Ohio, in place of H. E. Mills, transferred.
Ralph J. Huff, Fredericktown, Ohio, in place of W. M. Doll, retired.
Paul L. Sailor, Jackson Center, Ohio, in place of R. E. Elliott, transferred.
Ralph Eugene Bresbach, Kingston, Ohio, in place of A. D. Etter, transferred.
Edward Seymour Ullum, Lebanon, Ohio, in place of C. S. Earnhart, retired.
Luster M. Barlow, Liberty Center, Ohio, in place of P. L. Seitz, deceased.
Howard M. Lawrence, Long Bottom, Ohio, in place of C. C. Marcinko, transferred.
Frances M. DeFosset, Loveland, Ohio, in place of R. V. Tracy, resigned.
Harold Ralph Thompson, McDermott, Ohio, in place of W. R. Shaw, deceased.
John B. Gibbs, Midvale, Ohio, in place of D. F. Dinger, deceased.
John B. Carr, Jr., Monclova, Ohio, in place of C. F. Metzger, retired.
S. Eleanor N. Cope, Neffs, Ohio, in place of R. E. Jackson, deceased.
Estella E. Ford, New Weston, Ohio, in place of J. E. Singleman, transferred.
Lilla M. McAfee, Owensville, Ohio, in place of C. A. Fetter, retired.
Luther L. Burnett, Patriot, Ohio, in place of Alice Clark, retired.
Raymond L. Brooks, Plymouth, Ohio, in place of C. E. Sourwine, retired.
Margaret A. Stanford, Randolph, Ohio, in place of M. F. North, removed.
Philip Milton Tozzer, Ross, Ohio, in place of J. C. Guard, retired.
Dale L. McDonald, Rushville, Ohio, in place of H. E. Morehead, retired.
John L. Zimmerman, Seaman, Ohio, in place of T. F. Short, retired.
Lester L. Stearns, Sherrodsville, Ohio, in place of C. A. Belknap, transferred.
Ray D. Hall, St. Clairsville, Ohio, in place of D. S. Shia, resigned.
Thomas A. Brayshaw, Tipp City, Ohio, in place of C. N. Wenzlau, retired.
Kathryn B. Thomas, Valley City, Ohio, in place of E. E. Arick, retired.
Helen L. Pratt, Woodstock, Ohio, in place of P. B. Hildreth, retired.

OKLAHOMA

Thomas H. Henderson, Fort Cobb, Okla., in place of W. S. Bird, transferred.
Walter G. Enfield, Jefferson, Okla., in place of L. M. Amick, retired.
James G. Maddox, Ponca City, Okla., in place of P. S. Badami, deceased.

OREGON

Ivan A. Olsen, Madras, Oreg., in place of G. W. Dee, removed.
Harley D. Naas, Myrtle Creek, Oreg., in place of Bryan Dieckman, transferred.
Irvin Lewis Wence, North Plains, Oreg., in place of G. R. Sandford, removed.
Bernice I. White, Parkdale, Oreg., in place of A. L. Boe, retired.
Joseph D. McKay, St. Paul, Oreg., in place of G. P. Connor, Jr., resigned.
Ruby A. Keller, Vida, Oreg., in place of W. C. Keller, deceased.
John L. Shetterly, Willamina, Oreg., in place of Esther Fawk, retired.

PENNSYLVANIA

Eugene Linton Sohn, Ambridge, Pa., in place of C. W. Goerman, deceased.
Francis C. Uffleman, Bakerstown, Pa., in place of C. W. Heckert, retired.
Walter H. Grier, Sr., Beaver Brook, Pa., in place of J. D. McNelis, retired.
Thomas G. Nestor, Brownfield, Pa., in place of R. G. Shaw, resigned.
Don A. Ducoeur, Charleroi, Pa., in place of G. H. Smith, retired.
Vida C. Rodham, Chinchilla, Pa., in place of J. J. Habeeb, resigned.
John G. Davidson, Christiana, Pa., in place of W. E. Russell, retired.
Albert Thomas, Clarksburg, Pa., in place of D. M. Henry, removed.
James George Lindsay, Cochranville, Pa., in place of T. C. Ferron, retired.
George D. Headrick, Colver, Pa., in place of D. C. Feighner, retired.
Ethel J. Nelson, Cooperstown, Pa., in place of E. K. McDaniel, deceased.
James H. Hulak, Danboro, Pa., in place of S. S. Myers, resigned.
Walter J. Alphin, Douglassville, Pa., in place of M. R. Becker, retired.
Mae A. Kester, East Texas, Pa., in place of G. V. Butz, deceased.
Robert A. Bushyeager, Girard, Pa., in place of R. F. Rick, retired.
French Cason, Sr., Greensburg, Pa., in place of M. M. Hughes, removed.
Robert L. Allen, Grove City, Pa., in place of G. C. Bower, deceased.
Victor R. Alderfer, Harleysville, Pa., in place of W. E. Schissler, resigned.
William J. Stivison, Homer City, Pa., in place of J. L. Kinter, retired.
Edmund B. Hebrank, Jeannette, Pa., in place of R. M. Hoffman, resigned.
John W. Aungst, Jr., Landisville, Pa., in place of J. H. Grube, deceased.
Bertye A. Boorse, Montgomeryville, Pa., in place of J. E. Chapman, retired.
Nellie A. Fish, Nelson, Pa., in place of N. M. Leonard, retired.
Marion J. Brown, Oxford, Pa., in place of R. C. Moore, resigned.
Everett Willard Anderson, Port Allegany, Pa., in place of M. C. Teater, retired.
Orpha G. Leitzel, Richfield, Pa., in place of J. H. Snyder, resigned.
George F. Yedlicka, Rillton, Pa., in place of D. H. Baughman, retired.
John M. Fox, Shanksville, Pa., in place of G. J. Allen, removed.
Reno Lincoln Mosier, Jr., Smock, Pa., in place of Bessie Havlichek, retired.
James W. Sullivan, Snow Shoe, Pa., in place of J. M. Gilliland, retired.
Horace S. Glover, Starrucca, Pa., in place of G. E. Carpenter, resigned.
Paul Eugene Ribble, Stillwater, Pa., in place of H. M. Smith, resigned.
Edgar S. Babp, Tatamy, Pa., in place of E. S. Happel, retired.
Charles W. Snyder, Thomasville, Pa., in place of C. D. Witman, retired.
Sophie D. Scipione, Tire Hill, Pa., in place of Pauline Strozak, resigned.

UNIVERSITY OF MIAMI LIBRARIES

Richard Edwin Snell, Towanda, Pa., in place of Rosanna McGee, retired.
Noah W. Nase, Tylersport, Pa., in place of M. K. Leister, resigned.
Richard E. Sayres, Willow Street, Pa., in place of Florence Layman, deceased.

PUERTO RICO

Oscar Rios Santiago, Corozal, P. R., in place of A. M. Bou, retired.

SOUTH CAROLINA

Charles A. Evans, Anderson, S. C., in place of R. H. Gaines, retired.
Sallie M. Hollins, Beaufort, S. C., in place of L. A. Hall, retired.
Daniel M. McCaskill, Camden, S. C., in place of Benton Sheorn, deceased.
Joe H. Giltner, Jr., Chester, S. C., in place of C. C. Wilkes, retired.
James B. Miles, Coward, S. C., in place of T. J. Lynch, deceased.
Lou Ann Wilder, Hemingway, S. C., in place of W. T. Hemingway, retired.
Robert Morris Clayton, Laurens, S. C., in place of M. J. Simpson, retired.
Robert W. Rutland, Rion, S. C., in place of A. M. Blair, retired.

SOUTH DAKOTA

Milton H. Collmann, Isabel, S. Dak., in place of M. J. Matthews, retired.
Fred H. Knudsen, Viborg, S. Dak., in place of C. A. Hattervig, transferred.

TENNESSEE

Charles B. Gray, Afton, Tenn., in place of R. V. Earnest, retired.
Harold N. Tidwell, Bon Aqua, Tenn., in place of A. J. Frazier, resigned.
Elmer J. Atkinson, Clarkrange, Tenn., in place of E. M. Peters, retired.
Opal B. Wilkinson, Fayetteville, Tenn., in place of R. F. Buchanan, retired.
Keith L. Patterson, Friendsville, Tenn., in place of C. K. McDowell, resigned.
Eugene S. Mitchell, Limestone, Tenn., in place of H. B. Gillespie, retired.
Thomas Harold Wilson, Madison, Tenn., in place of D. I. Huggins, resigned.
William Hal Redmond, Maury City, Tenn., in place of H. B. Riddick, retired.
Erma J. Hall, Mayland, Tenn., in place of E. L. Phillips, resigned.
John C. Hamilton, Pikeville, Tenn., in place of Cecil Hitchcox, transferred.

TEXAS

Jake Fortenberry, Adrian, Tex., in place of A. J. Witt, resigned.
Gwynn A. Boswell, Athens, Tex., in place of E. M. Jackson, transferred.
Jean M. Barnhart, Cactus, Tex., in place of L. G. Cleveland, resigned.
Thomas D. McManus, Channelview, Tex., in place of L. L. Bradley, Sr., deceased.
James Ray Moore, Clarendon, Tex., in place of J. C. Estlack, retired.
D. L. Stoker, Jr., Crowley, Tex., in place of R. H. Chapman, retired.
Frances M. Harvey, Fort Davis, Tex., in place of J. W. Kemp, removed.
Etta L. Chamberlain, Goree, Tex., in place of C. R. Chamberlain, deceased.
Lloyd V. Keller, Lacoste, Tex., in place of A. E. Jungmann, retired.
Darrell R. Sherman, Leander, Tex., in place of J. S. Cluck, resigned.
Billy Wayne Newman, Moody, Tex., in place of C. C. Canuteson, retired.
James M. Sullins, Oglesby, Tex., in place of James Everett, Jr., transferred.
Homer B. Copeland, Palmer, Tex., in place of H. M. Culpepper, retired.
Helen R. Biggerstaff, Pierce, Tex., in place of E. D. Farmer, retired.
Carl F. Baumgartner, Refugio, Tex., in place of G. E. Warren, deceased.
William A. Farek, Schulenburg, Tex., in place of F. L. Herzik, retired.
Jake R. Demere, Sierra Blanca, Tex., in place of G. C. Stephens, retired.
Ila B. Hulme, Stowell, Tex., in place of Ethel Miller, retired.
Vivian L. McElligott, Terminal, Tex., in place of B. J. Beene, resigned.
William H. Summers, Trenton, Tex., in place of W. J. Huff, retired.
Horace M. Camp, Whitney, Tex., in place of M. E. Herrington, transferred.

UTAH

Rulon S. Wood, Cedar City, Utah, in place of G. L. Janson, retired.

VERMONT

James M. McCabe, Arlington, Vt., in place of I. M. Vaughn, retired.
Sadie R. Hamilton, Cuttingsville, Vt., in place of D. M. Stewart, deceased.
Raymond A. Petelle, Derby Line, Vt., in place of A. A. LaFrance, deceased.
Lawrence H. Riggs, Hinesburg, Vt., in place of M. C. McKenzie, retired.

VIRGINIA

James R. McLearen, Herndon, Va., in place of S. F. Hutchinson, retired.
James L. Kinzie, Troutville, Va., in place of E. L. Boone, deceased.

WASHINGTON

Harrison H. Holmes, Cosmopolis, Wash., in place of E. M. Davis, retired.
Lawrence B. Howe, Enumclaw, Wash., in place of W. A. Gross, retired.
Ione M. Jurgens, Kahlotus, Wash., in place of A. E. Buchanan, retired.
Hazel L. Buckingham, Mansfield, Wash., in place of M. M. Ward, retired.
Lawrence A. Winn, Oakesdale, Wash., in place of W. L. McClure, retired.
Randall L. Stroud, Puyallup, Wash., in place of Andrew Hunter, retired.
Joseph Everett Reed, Selah, Wash., in place of L. H. Saur, retired.
Harvey L. Jones, Tacoma, Wash., in place of G. P. Fishburne, retired.
Leslie J. Marsh, Wilkeson, Wash., in place of D. B. Hreha, resigned.

WEST VIRGINIA

Rex A. Pygman, Huntington, W. Va., in place of Roy Lewis, resigned.
Thomas C. Booth, Littleton, W. Va., in place of Arthur Jackson, retired.

WISCONSIN

Francis H. Sumnicht, Appleton, Wis., in place of S. D. Balliet, retired.
Golden M. Barritt, Barron, Wis., in place of C. R. Lawton, deceased.
Arthur E. Reid, Boscobel, Wis., in place of M. P. Tierney, deceased.
Robert E. Dietrich, Cassville, Wis., in place of F. H. Kartman, transferred.
Lucille M. Radtke, Embarrass, Wis., in place of K. F. Baker, deceased.
Donald C. Swanson, Lakewood, Wis., in place of L. H. Hardebeck, retired.
Elmer E. Bressler, Menomonie, Wis., in place of C. V. Porter, retired.
Carl F. John, Montello, Wis., in place of C. J. McAfee, removed.
Arthur E. Rafferty, Mountain, Wis., in place of A. L. Olson, retired.
Ellen M. Schmidt, Newton, Wis., in place of H. H. Eberhardt, retired.
Harold A. Wendt, Owen, Wis., in place of R. C. Graham, retired.
Ruben G. Duchow, Potter, Wis., in place of O. A. Kasper, deceased.
Valentine H. Habel, Ripon, Wis., in place of W. J. Amend, deceased.
Vaughn W. Biles, Stockholm, Wis., in place of M. E. Johnson, deceased.
Leroy H. Graves, Sullivan, Wis., in place of K. G. Lynch, retired.
Marcella M. Wilke, Zachow, Wis., in place of W. J. Krell, failed to return from military duty.

HOUSE OF REPRESENTATIVES

THURSDAY, FEBRUARY 13, 1958

The House met at 12 o'clock noon.

Rev. John C. Jutt, director, Lithuanian affairs, Knights of Lithuania, Worcester, Mass., offered the following prayer:

In the name of the Father and of the Son and of the Holy Ghost. Amen.

O Almighty and Eternal God, ever present before us, we adore Thee as our creator and sovereign master and we give Thee thanks for the innumerable blessings of freedom which Thou hast given us.

O Heavenly Father, source of all authority, we humbly beg Thee to look down with paternal solicitude upon these Thy servants, the Members of this august body, the House of Representatives of the United States. Grant them, in whom Thou hast placed Thy authority, the wisdom by which, fortified in their deliberations by the inspirations of the Holy Spirit, they may be the constructive influences for the preservation of peace among those whom they represent and for the attainment of peace by those who unjustly are being denied it.

O Eternal Father, source of all freedom, regard with benign favor the sufferings and the hardships of the people of Lithuania. Please hear our prayer that precious freedom, to which all nations have an inalienable right and which comes to nations living in harmony and friendliness, may soon come once again to her. Through Christ, our Lord. Amen.

The Journal of the proceedings of Monday, February 10, 1958, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Ratchford, one of his secretaries, who also informed the House that, on the following dates, the President approved and signed bills and a joint resolution of the House of the following titles:

On February 11, 1958:

H. R. 5938. An act to amend section 812 (e) (1) (D) of the Internal Revenue Code of 1939 with respect to certain decedents who were adjudged incompetent before April 2, 1948;

H. R. 7762. An act to amend section 223 of the Revenue Act of 1950 so that it will apply to taxable years ending in 1954 to which the Internal Revenue Code of 1939 applies;

H. R. 8216. An act to amend the Internal Revenue Code of 1954 to prevent unjust enrichment by precluding refunds of alcohol and tobacco taxes to persons who have not borne the ultimate burden of the tax;

H. R. 8865. An act relating to the administration of certain collected taxes;

H. R. 9035. An act to amend the Internal Revenue Code of 1954 with respect to the basis of stock acquired by the exercise of restricted stock options after the death of the employee; and

H. R. 10146. An act making supplemental appropriations for the Department of Defense for the fiscal year ending June 30, 1958, and for other purposes.

On February 12, 1958:

H. R. 9739. An act to authorize the Secretary of the Air Force to establish and develop certain installations for the national security, and to confer certain authority on the Secretary of Defense, and for other purposes; and

H. J. Res. 533. Joint resolution making supplemental appropriations for the Department of Labor for the fiscal year 1958, and for other purposes.

DEPARTMENT OF THE INTERIOR APPROPRIATION, 1959

Mr. KIRWAN. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight Friday, February 14, to file a report on the Interior Department appropriation bill for the fiscal year 1959.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. JENSEN reserved all points of order on the bill.

MARGIE C. STEWART

Mr. FORRESTER. Mr. Speaker, I offer a concurrent resolution (H. Con. Res. 266) for the relief of Margie C. Stewart, and ask unanimous consent for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That the President of the United States is hereby requested to return to the House of Representatives the enrolled bill (H. R. 8038), for the relief of Margie C. Stewart; that if and when such bill is returned by the President, the action of the Speaker of the House of Representatives and of the President of the Senate in signing such bill is hereby rescinded; and that the Clerk of the House of Representatives is hereby authorized and directed, in the reenrollment of such bill to make the following changes: On page 1, line 9 of the House engrossed bill, strike out ", such compensation to be paid at the rate received on the date of removal less any amounts earned by her through other employment during such period or paid to her as unemployment compensation."

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

REPORT OF THE COMMODITY CREDIT CORPORATION, FISCAL YEAR ENDING JUNE 30, 1957—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read, together with the accompanying papers, and referred to the Committee on Banking and Currency:

To the Congress of the United States:

In accordance with the provisions of section 13, Public Law 806, 80th Congress, I transmit herewith for the information of the Congress the report of the Commodity Credit Corporation for the fiscal year ended June 30, 1957.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *February 13, 1958.*

AMENDING THE NATURAL GAS ACT

Mr. SCHENCK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include certain resolutions regarding H. R. 6790 and H. R. 6791, amending the Natural Gas Act, and that the Speaker refer these resolutions to the proper committee.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SCHENCK. Mr. Speaker, in recent days, I have received a great deal of mail in opposition to the bills, H. R. 6790 and H. R. 6791, which proposes to amend the Natural Gas Act.

Included in the opposition to this proposed legislation are three resolutions from cities in my district.

One is Resolution 9236, adopted by the Council of the City of Hamilton, Ohio, on February 5, 1958.

The second is an informal resolution adopted by the City Commission of the City of Dayton, Ohio, on January 29, 1958.

The third is Resolution 635, adopted by the Council of the City or Miamisburg, Ohio, on February 4, 1958.

I ask that you receive these resolutions and refer them to the proper committee.

THE WITNESS OF THE PAST, THE INSTRUCTOR OF THE PRESENT, AND THE MONITOR TO THE FUTURE

Mr. PORTER. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. ROOSEVELT] may address the House for 1 minute and revise and extend his remarks.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, it is a privilege for me to bring to the attention of my colleagues the fact that February 9 through the 16th is Negro History Week. The second week of February has been observed as such in many communities throughout the United States since 1926 when the late historian, Carter G. Woodson, persuaded the Nation that the significant accomplishments of the Negro in all areas of our American culture should be more widely recognized.

Observance of Negro History Week is not designed to lend assistance to those who would rip the national social structure apart in slivers of ethnic groups, each competing with the other in worship of its own heroes. Its purpose is to serve as a device to inform all Americans of far too little known contributions of American Negroes to the Nation's past.

These contributions are not solely represented by famous names now a part of the great American characteristic of accomplishment in spite of handicaps—Benjamin Banneker, Frederick Douglass, Booker T. Washington, George Washington Carver—names with which all of us are familiar. Just as important are the more subtle contributions which have been so interwoven into the fabric of our national patterns that they are identified the world over as "American," such as our music, our dance.

During Negro History Week this year, February 14 has been set aside as Proud American Day, so designated by the Association for the Study of Negro Life and History. The association has set two goals for this day: First, it hopes to stimulate pride in the great American heritage of all our people; and, secondly, to reiterate the examples of American Negroes of history who overcome far greater difficulties than exist today to make their considerable contributions. The emphasis here is on responsibilities of citizenship and the enlightenment of all our youth toward understanding their heritage. Knowledge is needed to replace ignorance and prejudice, and the Association for the Study of Negro Life and History is to be commended for its role as "the witness of the past, the instructor of the present, and the monitor to the future."

HISTORY OF THE ANTHRACITE COAL INDUSTRY

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

Mr. SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FLOOD. Mr. Speaker, on Tuesday of this week we celebrated the 150th birthday of the anthracite coal industry to the first burning of anthracite coal in a grate. All of the wonders of our modern technological age could never have been achieved without coal, and for many, many years, it was anthracite coal that was king.

There is a tradition that between 1750 and 1755 there were a few Indians near Nazareth, Pa., who knew that anthracite or stone coal would burn.

It was in the Wyoming region that white men first discovered anthracite in 1762. In that year, Parshall Terry and a company of Connecticut pioneers found coal on the banks of the Susquehanna River, near the present city of Wilkes-Barre. At that time anthracite was called stone coal because of the difficulty of igniting it and maintaining a fire. It was not generally considered of much value.

Judge Jesse Fell, of Wilkes-Barre, employed stone coal in his nailery as long ago as 1788. But it was 150 years ago today, on February 11, 1808, that Judge Fell demonstrated that anthracite could be burned in an open grate without the aid of a forced draft. He carried on his experiment during the dead of night to avoid ridicule of his less enterprising neighbors who had laughed at his persistent efforts on behalf of stone coal. Judge Fell jotted down the following memorandum:

Made an experiment of burning the common stone coal of the valley in a common fireplace in my house, and find it will answer

the purpose of fuel, making a clearer and better fire at less expense than burning wood in the common way.

And that fire kindled the glow of anthracite throughout the world.

Just 2 years before Judge Fell's demonstration with stone coal, two pioneering brothers, Abijah and John Smith left their home in Connecticut and purchased land with coal beds below Wilkes-Barre. They staked their fortune on a dream. But anthracite was finding use in blacksmiths' forges and as a domestic fuel. Their dream was coming true. Following Judge Fell's success with stone coal, the Smith brothers sent several loads of anthracite down the Susquehanna to Columbia. This coal was shipped in arks—strange looking barges with diamond-shaped bow and stern. By 1812, the Smith brothers found a market for stone coal as far away as New York City.

Anthracite was becoming more widely known and accepted and shortly its use in the industrial sphere was broadened beyond the blacksmith's shop. For in 1812, anthracite was used as fuel in the iron wire works of White and Hazard at the Falls of Schuylkill and about the same time in the rolling mill of Mellon and Bishop.

It was in the smelting of iron ore, that anthracite developed into an indispensable factor in the industrialization of America. Can you imagine American civilization without iron? Iron for engines, stoves, and rails for the miles and miles of railways. But most important of all, in the making of steel for machinery and equipment, girders in buildings, ships, bridges, tools, instruments.

Let us go back to the year 1833, when a Mr. F. W. Geisenheimer took out a patent for smelting iron ore with anthracite. He experimented with anthracite at the Valley Furnace near Pottsville in Schuylkill County—not too successfully. However, in the following year, the hot-air blast was adopted in this country and it became possible to use anthracite in blast furnaces. Two years later, the first really successful smelting of iron ore with anthracite in the United States was achieved by Baughman, Guiteau & Co. near Mauch Chunk in 1838, 120 years ago.

The iron industry was revolutionized by the substitution of anthracite for charcoal. As long as charcoal was used, iron furnaces were limited in size, producing 2 to 4 tons a day. By utilizing anthracite, large and larger furnaces were possible. By 1860, a run of more than 50 tons of pig iron a day was recorded. In 1880, more than a million tons of pig iron were made entirely with anthracite coal as fuel. The center of the iron industry was eastern Pennsylvania.

Today, with airplanes, railroads, and busses, we take for granted swift transportation and travel. But 150 years ago, roads were little better than trails, unimproved, rutty, muddy, impassable during the winter and in the thaws of the spring. The horse, oxcart, and stagecoach were the accepted modes of transportation.

Of what value are natural resources unless they can be marketed? In those days to haul a ton of merchandise from Philadelphia to Pittsburgh via turnpike cost $125. Again, anthracite coal played a stellar role in the economic development of America. The first attempts at providing a system of inland navigation originated in building canals in this very anthracite region to ship stone-coal to market. These waterways marked the first great revolution in our means of transportation.

The building of the Schuylkill Canal was one of the earliest such projects agitated in this country. Although the canal was not completed until 1825, part of it was in use as early as 1818. The first shipments of coal were made in 1822. In that year, 1,480 tons were poled down the river. There were as yet no towpaths.

By the end of 1824, boats were making the complete trip from Pottsville to Philadelphia, a distance of 108 miles. In 1827, 2 years after the completion of the canal, the tolls from shipments of coal amounted to $33,317, of a total of $58,149.

The largest private enterprise undertaken in America up to that time was the Delaware and Hudson Canal. On January 7, 1825, the subscription books for stock of the company were opened and all the stock was taken up on that day. The purpose of this canal was to ship anthracite from the Northern Wyoming field to tidewater at New York. On December 5, 1828, the first boats carrying coal arrived at Rondout from Honesdale. Anthracite from Pennsylvania transported via the Delaware and Hudson Canal to New York and New England was one of the underlying factors in establishing the industrial supremacy those centers enjoyed for many years.

Many canals were built in the 1820's and 1830's. The North Branch Canal connected Wilkes-Barre with other towns along the Pennsylvania system of canals. The first boat to be used on the canal was built in 1831 and hauled anthracite. The second one, the Luzerne, named after the Luzerne coal region, was launched in 1834 and made a complete trip from Wilkes-Barre to Philadelphia and back again. Anthracite coal canals soon gave way to the "iron monsters" of the new machine age. In actual fact, locomotive engines were the result and anthracite coal the cause; locomotives were first used to move coal.

Our story now takes us to England. It was there in 1825 that George Stephenson, an engineer, invented the steam locomotive. The Delaware & Hudson Canal Co. sent one of its engineers, Mr. Horatio Allen, to England to purchase four locomotives for use in moving coal on its extensive mining properties. There he met and was hospitably received by George Stephenson. Allen purchased 1 locomotive from Robert Stephenson & Co., of Newcastle, and 3 from Foster, Rastrick & Co., of Stourbridge. The Stourbridge Lion arrived first in the United States in 1829. It cost the company $2,914. On August 8, 1829, Mr. Allen, alone, made the trial run from Honesdale to the present site of Seeleyville and back.

Many years later, Mr. Allen said, in speaking of this historical event, "The impression was very general that the iron monster would break down the road or that it would leave the track at the curve and plunge into the creek. My reply was, that it was too late to consider the probability of such occurrences. As I placed my hand on the throttle-valve handle, I was undecided whether I would move slowly or with a fair degree of speed; but believing the road would prove safe, and preferring that, if we did go down, to go down handsomely—I started with considerably velocity, passed the curve in safety and was soon out of hearing of the cheers of the large assemblage present."

And that was the first operation of any railroad locomotive in the Western Hemisphere. I need not underscore the significance of this feat in the annals of the development of our country. In a few years, the sound of locomotives, "apuffing, asnorting, and awhistling," were heard throughout the entire anthracite region, and then way beyond, to form the vast network of railroads which we know today.

Meanwhile, in 1835 anthracite coal began to be used for the generating of steam on ferryboats plying the Hudson River, displacing wood. Also, in the rising railroad industry, anthracite was burned instead of wood in the fireboxes of the huge steam locomotives. By the middle of the 19th century, the United States attained second place among the nations of the world in coal production, with an annual output of 7 million tons, two-thirds of which was anthracite.

The Civil War gave great impetus to coal mining and in 1864, the market for the first time absorbed 10 million tons. Production kept climbing higher and higher, and by 1873 had reached 21 million tons.

The steady westward march of the American economy meant tremendous growth—expansion in railroads, factories, shipbuilding. The increase in the population itself was enormous. Coal, and anthracite in particular, was becoming constantly more important as a source of the Nation's power. It was truly an underlying factor in American industrial achievement. Economic developments plummeted the United States in 1899 into first place as a coal producer, even surpassing Great Britain.

From 1890 to 1917 anthracite coal was in its heyday. These were boom years. During these 27 years 2 billion tons in all were dug out of the mines. True, bituminous coal and coke had already challenge anthracite in the smelting of iron, and as a source of power in industrial plants. But anthracite was unsurpassed as a heating fuel in homes, offices, and factories. Production advanced steadily. In 1890, almost 46½ million tons, valued at more than $66 million, were mined; in 1913, more than twice that amount, 92 million tons, with a value of $195 million, were extracted from the mines.

Then came World War I. Anthracite coal miners, working shoulder to shoulder on the home front, joined the ranks of those fighting for democracy. More coal was needed for heating homes and offices, for power, for our allies abroad. The peak output of 100 million tons was

reached in 1917. In that year, 154,000 men were employed in the hard-coal mines.

During those war years, exports to our needy allies abroad mounted. In 1914 more than 4.2 million tons were shipped overseas. The 1917 total—more than 6 million tons—scored a record up to that time.

The patriotic call to duty was no novelty to anthracite. Before talk of the possibilities of successful commercialization of hard coal was hardly more than a whisper, anthracite had played a part in the War for Independence. In 1776 the first shipments of anthracite or stone coal was made from what is now the hard-coal region to the arsenal at Carlisle, Pa. This coal was then used as fuel in the manufacture of arms for the Continental Army and legend tells us that at Valley Forge, famous for the winter of 1776, stone coal or anthracite was burned in the forge.

Following the lush war period, anthracite production fell off during the twenties although in 1923 more than 93 million tons were mined. Value wise, the inflation of the twenties meant good returns. The best year, 1923, saw the value of anthracite soar to an all time high of almost $507 million. During the thirties anthracite mining really slumped.

Some of the biggest headlines in coal news were made during the 1920's and 1930's by mechanization. Since then use of machinery has gone on at a great pace. In 1890, 1 miner with his own 2 arms turned out 1¾ tons of coal a day. Today, with the aid of a third arm, machinery, 1 miner produces 4¼ tons. More and more coal is being recovered from coal seams near the surface. These are called strip mines. Naturally, machinery can be utilized far more easily than in deep mines. In strip mining coal, power shovels or bulldozers are used to remove surface soil. Coal is recovered from the exposed layers by drilling and blasting, and may then be mechanically loaded. The most recent estimates available indicate that almost 36 percent of anthracite was mined in this way from strip pits. In 1925 only 3 percent of production of hard coal came from these surface mines.

The story of mechanical loading of coal is much the same. Almost one-half of all anthracite mined today is mechanically loaded. In 1927, 31 years ago, 3 percent was loaded by machines and all the rest, by arduous hand labor.

High productivity is among several factors which have combined to achieve high wages. Pay of the anthracite coal miners ranks very favorably among American industries.

It would be unrealistic for us not to realize that anthracite mining has become a so-called mature industry. Throughout the century and a half of its existence, the anthracite industry has met with ups and downs. World War II breathed new life into the anthracite industry. The top production year was 1944 when almost 64 million tons were mined. Because of postwar demands, 1947 and 1948 were good years, too. Since then, output has fallen off. Last year, anthracite production was valued at $212 millions. But surely such an industry has a future.

Much effort is being directed toward finding new uses for anthracite. One company is producing coke by mixing anthracite with some bituminous. This could mean that anthracite may stage a comeback in blast furnaces and foundries. In the chemical field, anthracite can be used to produce ammonia and certain alcohols. Also, synthetic gasoline from anthracite is another possibility.

But most important of all is the battle for our natural resources. With no thought of posterity, we have exploited our natural wealth, source of power, heat and light, lavishly and wastefully. Prophetic voices of authority now warn us that at the rate at which we are utilizing natural gas, for instance, we have enough to last only 23 years. And the situation regarding oil is even worse. Furthermore, it will be many years before atomic energy can become a source of cheap, plentiful power. It is also expected that our future demands for energy will be many times greater than present-day requirements.

What is the answer? Coal. There are about 6½ billion tons of recoverable reserves of anthracite coal still untapped in the ground—enough to last from 240 to 1,200 years. Thus, it may well be that as we are celebrating the 150th anniversary of the anthracite-mining industry anthracite will be on the road toward assuming a new importance in our economy.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection?

There was no objection.

COMMONSENSE DICTATES USE OF AMERICA'S UNEMPLOYED MANPOWER

Mr. ANDERSON of Montana. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. ANDERSON of Montana. Mr. Speaker, commonsense dictates use of America's unemployed manpower. In the 1st session of the 85th Congress, I introduced a distressed-areas bill and we who are members of the House Committee on Banking and Currency soon will consider this step to relieve areas of severe economic distress.

As a member of the Committee on Banking and Currency, I propose to do everything possible to overcome the critical results of the tight-money policy and to achieve a more humane economic condition for the great masses of people in the United States. I am considering a number of such measures, among them a bill to reestablish the Reconstruction Finance Corporation, which will aid our fast-ailing American economy.

Today, I am introducing a bill to check the growth of unemployment by providing for Federal assistance to States and local governments for the construction of needed public works and public improvements—an act that may be cited as the Public Works Act of 1958. This is companion legislation to that instituted by two of my distinguished Congressional colleagues, Senators GORE and SPARKMAN. Together we recognize the symptoms of our ailing economy—widespread unemployment. Nationwide it is becoming more and more serious, and in my home State it already has exceeded more than 12 percent of the total insured labor force.

Government action is plainly indicated as necessary at this time to deal with the slump, recession, or whatever you want to label this severe economic decline. These warnings of economic danger of the United States are becoming increasingly clear, and we must take action now to curb that fearful giant of depression before his weight bows the shoulders of millions of Americans. Once this spiral of recession or deflation gets rolling in its ponderous fashion, it could take years to halt the mighty trend. It could, indeed, cause our defeat in the cold war. So, immediate action is called for. The Public Works Act of 1958, as I propose in my bill, is the action which will provide the economic medicine to allow the recovery of our ailing employment system.

SALUTE TO HONORABLE EMANUEL CELLER

Mr. LIBONATI. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. LIBONATI. Mr. Speaker, the House has long known of the forensic abilities of our distinguished colleague from New York, the Honorable EMANUEL CELLER. It is with hesitant feelings that I comment upon the enlightening speech that was given by our versatile colleague on the 6th day of February, dealing with his impressions of Italy and its needs; together with a true analysis of Italian characteristics; and its ambitions to establish a strong republic patterned after our constitutional government.

He depicts Italian life and personality with a philosophical thoroughness that astounded his Italo-American friends. I have never heard any person who, in criticism or eulogy of the Italian or Italo-American type of citizen, is so understanding of their attitudes and emotional character. In a measure, to praise one's own panegyrist is to reflect upon one's ego a feeling of superiority and acceptance of the eulogies heaped upon him. But it would be ungracious not to comment upon his fine efforts to bring about, through his words of praise, the solidarity of all extractions comprising our American peoples. His sincere and

munificent compliments are accepted with the same humility as a student, being instructed by a Master, is stimulated by his words of approbation for the tasks accomplished; thus stimulating greater attainment in the future.

The report of the distinguished chairman of the Judiciary Committee, on his travels in Italy this past summer, are informative and factual; and instills in one an acceptance that the gentleman from New York [Mr. CELLER] enjoys qualities of sincere understanding. This can only be realized by one who loves people and lives in reality. One is impressed by his complete acceptance of the persons he singles out for approbation as to their works and characters. He is without equal as a man of choice statements and superlative character description. He has a life of experiences that give him great insight in understanding the common man and his problems. He can determine by judging the backgrounds of men, their reactions to unfairness and oppression. He is a deep thinker in solving the problems that confront mankind. He is a man without prejudice and believes that men, as individuals, want to be respected and loved; that men who make mistakes want to be forgiven; that both gentle and rough men want to believe in God. He is a man who respects the pioneer who built the solid social foundation for the development of a free land. Mr. CELLER understands the term freedom, and knows that it cannot be bought; that it is earned by people in living with and respecting the rights of others.

Sometimes greatness glitters through the words of men—his report was written in plain and understandable language, grammatically faultless, almost the work of a literary genius. And it did carry a needed message to all Americans for his stand on the right to admire and give a "pat on the back" to those who seldom feel the sensation of gratitude or plaudits from their fellow men, in recognition of their humble accomplishments.

Congressman CELLER has put us all in his debt, for it was a fine message to all Americans, touching upon the critical problems of a sister republic that believes in our way of life. His histrionic presentation of what Italy has contributed to the world, as in its development of the arts through the ages, is called by those who are cultured the true cradle of civilization.

I am certain that the fine effect his report will have upon all our citizens, and especially upon the Italo-Americans, will reward him for the many laborious hours and extensive research that he spent in preparing the data for the purposes intended.

In conclusion, it could be said that a fertile brain never conceived a barren idea or thought. Congressman CELLER, we, your colleagues, salute you, for what more can a man ask of life after he has met a true and understanding friend. God bless you.

FISCAL PROBLEMS

Mr. WILLIS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. WILLIS. Mr. Speaker, all things being equal, which should have priority on the public purse, development of our own water resources and other civilian programs or development of similar programs in foreign countries under the guise of foreign aid? In the light of increasing population and rising unemployment, should we postpone or curtail these domestic projects when there is clear evidence that the Russians are developing theirs at an accelerated pace?

And after Congress takes the initiative and appropriates money for civilian programs, military construction and national defense, does the Bureau of the Budget have the power to freeze the funds and prohibit the agencies from spending them?

The answers to these questions appear to be self-evident on the surface but they go far beyond first impressions. For example, I am satisfied that the average American citizen expects us to provide for a strong national defense. But what most of them do not know is that more and more pressure is being exerted to have purely civilian programs abroad considered as an essential part of our own national defense, and this at the expense of needed similar domestic projects. And carrying out this theory one step further, very few people realize that the Bureau of the Budget in placing a ceiling on the expenditure of funds appropriated by the Congress is exercising a function which is fundamentally a Congressional prerogative.

At the beginning of his state of the Union message, President Eisenhower said that we must not become so preoccupied with our desire for military strength that we neglect areas of economic development and other related improvements upon which the foundations of real peace must be laid. Later on, however, he placed unusual emphasis on the foreign-aid program, and concluded by saying that if all the desirable goals he discussed could not be achieved within a balanced budget, then civilian programs must be postponed, transferred in part to the States, or curtailed or eliminated. Now if the latter comes to pass we can anticipate what programs will probably be the first to suffer. I refer to our water resources development programs which all must admit have contributed greatly to our strength through freedom from floods and the provision of industrial increases along our watercourses. This migration to our watercourses by industry contemplated an even greater impetus to our construction effort for resource development—not a decrease ultimately resulting in a reduction of our industrial potential wherein lies a preponderance of our strength.

In any event, a special plea is being made this year for a stronger foreign-aid program. Mr. Eric Johnston, the former head of the United States Chamber of Commerce and more recently connected with the motion-picture industry, has been appointed to spearhead the movement. It was recently announced that representatives of some 300 organizations are coming to Washington the latter part of this month to advocate and dramatize foreign aid. And the President's state of the Union speech is apparently being construed to mean that larger sums must be provided by American taxpayers to build such things as hydroelectric dams and to develop the inland waterway systems in foreign countries and that if we cannot do all of these things within a balanced budget, then we will have to do without similar and badly needed local projects.

Whatever may be the advantages or disadvantages of a foreign-aid program, I personally think that this sort of philosophy puts the cart before the horse. I think the shoe should be on the other foot and I think that the vast majority of the people in this country feel that we should have a reasonable program of development of our own water resources and that only what is left within a balanced budget should be utilized for similar purposes abroad.

I am sure some of my colleagues little realize how much has been, is being, and can be accomplished in our national resource development at small cost compared to the human and economic security that comes as a byproduct. With reference to the civil functions of the Army engineers I note that the President's budget for fiscal year 1959 carries the amount of approximately $628 million for all features of their program for construction, maintenance, and all of their other work on rivers and harbors and flood control. This amount of money represents less than 1 percent of the overall budget and is proposed for improvements in our own country which will benefit our people directly on a nonpartisan and nonsectional basis and in addition continue to contribute to our economic strength which is so necessary in the attainment of peace. I ask you: Are our military needs so far behind that we must curtail or eliminate some of these works which are also vital to our status in the world? I say that both our military needs and water resource needs properly should proceed together. Russia is doing just this and is making great strides in both.

I am apprehensive that unless these water resource programs proceed at other than a curtailed rate we stand an excellent chance of being eclipsed by Russia, and some of her satellites, in the water resource field as we have been temporarily eclipsed in the race in space. Last December it was my privilege to hear General Itschner, Chief of Army Engineers, imply the possibility of eclipse in his New Orleans speech before the Mississippi Valley Flood Control Association—of which I am president. It was alarming to me, and many in his audience, to hear that Russia could progress so rapidly in water resource development while at the same time progress in the missile field to the extent that they could launch an earth satellite.

Since the general made his speech there has been published a memorandum by the chairman, Committee on Interior

and Insular Affairs of the other body which sets forth in detail the strides being made by the Soviets and Red China in river and related water resources development. The ambitious program of work already in being and planned for accomplishment a few years hence is immense and undoubtedly will continue to go forward along with other ambitious programs not aimed entirely at peaceful pursuits.

I would like to quote statements from that memorandum credited to the chief of the Communist Party, Mr. Khrushchev:

> The Soviet Union can in the next 15 years not only catch up with the United States in the production of basic items but also outstrip it.

In connection with this statement the memorandum points out that this prophecy relative to power, irrigation, water transportation, and flood control presupposes firsthand knowledge of not only what the Soviets will do in the next 15 years, but also what this Congress is going to do—or is not going to do—for the development of America in the same period of time.

Mr. Khrushchev also says:

> We declare war on the United States in peaceful production—we declare that war. We will win over the United States. The threat to the United States is not the intercontinental missile. We are relentless.

I want to emphasize that those words come from a man who sounds determined. They are strong words and the memorandum gives detailed information on progress in water resource development which indicates that the threat is not an idle one.

I do not find in the memorandum a comparison of the Soviet budget for resource development with their overall budget. It may well be that the data assembled for preparation of the memorandum contains that information. It would be interesting to know how they compare and I feel that the progress to date and works planned must certainly require a larger proportion than do those of our country.

I am particularly disturbed about the item in the annual civil functions appropriation bill known as the Mississippi River and tributaries. The Engineers submit to the Bureau of the Budget each year an estimate of their money requirements for this item. The Bureau of the Budget invariably uses the blue pencil and reduces the figure; and the President's budget submitted to Congress each year usually adopts the lower amount. In the last few years the Bureau of the Budget figures have been so far out of line that Congress has been forced to provide funds over and above the budget recommendations. But then what happens? The Bureau of the Budget turns right around and imposes a ceiling on the expenditure of such funds. They simply tell the engineers, "Never mind what the legislative branch did; we order you not to spend more than so much of the funds appropriated by Congress."

But this practice, which has been developed over the years, is not limited by any means to civil functions or civilian programs. It is applied across the board—and especially in connection with military construction and expenditure of funds for national defense.

Application of these expenditure ceilings has resulted in an economic loss difficult to calculate; work stoppages, delays and the uncertainties which result are costly beyond measure. In some instances where local matching funds have been involved, bond issues have been clouded and a shadow cast on Federal-level relationships which seriously threatens the future success of the partnership arrangement which the President has so vigorously advocated. Contractors are learning that their Federal contracts no longer mean exactly what they say—rather than having funds available to pay him for his work, the Federal agency must say, "Work for nothing until the Bureau of the Budget releases the funds, or stop altogether."

It seems to me that in arrogating unto itself the power to place a limit on expenditure of funds, the executive branch is treading on extremely thin constitutional grounds. The Constitution says that Congress and Congress alone can appropriate money. In view of this constitutional provision, the President admittedly cannot veto a single item in an appropriation bill; he must either approve or disapprove the bill as a whole. And, admittedly, the President cannot any more reduce than he can strike out a total single item. How then can the executive department accomplish the same thing indirectly by simply forbidding the expenditure of a portion of the money appropriated for a particular item?

Bills have been introduced from time to time proposing an amendment to the Constitution of the United States relative to disapproval of items in general appropriation bills. Just last year a subcommittee, of which I am chairman, conducted hearings on this very question.

The strange thing is that the present Director of the Bureau of the Budget, Mr. Percival F. Brundage, asked for specific language which would authorize the President not only to veto but to reduce an item of appropriation and thereby apparently admits that the practice which he and his predecessors have followed in prohibiting expenditure of a portion of funds appropriated by Congress violates the spirit if not the letter of the Constitution. In a carefully prepared statement presented to the subcommittee on May 27, 1957, in support of House Joint Resolution 47 and other bills, whose purpose is to amend the Constitution to authorize the President to veto individual items in appropriation bills, Mr. Brundage said:

> I think it ought to be made clear in whatever bill is reported that authority would be granted to veto legislative provisions as well as appropriation items, and that the authority to veto an appropriation item would include authority to reduce an appropriation—but only to the extent necessary to permit the disapproval of amounts added by the Congress for unbudgeted programs or projects, or of increases by Congress of amounts included in the budget.

Why should the Director of the Bureau of the Budget appear before a committee of Congress to plead for constitutional authority to reduce an appropriation to the extent of increases by Congress of amounts included in the budget, if he already has that authority?

The principle involved in these ceilings is extremely serious and one I believe should be thoroughly explored by the Committee on Appropriations. If carried to the extreme, such an impoundment of funds by the Executive could be used to make the Congress impotent and to defeat the purposes of our democratic form of government.

Is it not possible, for instance, to virtually abolish any function of our Federal system, no matter the wishes of the people as expressed by Congress, simply by refusing to spend the moneys provided? The power of the purse is compelling and should be treated with extreme caution in a government such as ours if we are to maintain its cardinal purposes.

SOIL-BANK PROGRAM

Mr. DORN of South Carolina. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. DORN of South Carolina. Mr. Speaker, the cotton farmers in the District it is my honor to represent, and farmers throughut the entire southeast, are hoping that the Department of Agriculture will recommend sufficient appropriations to take care of all applicants for the soil-bank program. We hope the Department of Agriculture will do this immediately after the closing date of February 21. We realize that some States will not use all of their allotted funds and the Department can allot these funds to South Carolina and the other Southeastern States.

Our farmers realize that even after this transfer there will be insufficient funds and that additional appropriations will be necessary. We also realize that unless the Department of Agriculture recommends this appropriation, the President would be forced to veto any appropriation initiated by the Congress alone. I believe this House will overwhelmingly pass an appropriation if recommended by the Agriculture Department. It is the only fair thing to do and I, for one, will most certainly vote and work for an appropriation to take care of all cotton farmers desiring to participate.

Mr. Speaker, the first come, first served method of signing up is unworkable and is not fair. If the Department is not going to recommend sufficient funds for the soil-bank program, it is hoped that they will strongly recommend a pro rata apportionment of the money so that all farmers wishing to participate can do so. Mr. Speaker, as I have pointed out on the floor of this House before, it is unhumane and unthinkable that elderly people and those afflicted with physical infirmities are required to

stand in line all night in the cold and rail to have their applications considered. Mind you, Mr. Speaker, these applications are scheduled in the dead of winter. In many cases the people needing soil bank payments the most are eliminated from receiving soil bank benefits because of this practice of first come first served. There is much confusion in this program that can only be eliminated by a forthright policy on the part of the Department of Agriculture.

DAVID AARON MILLER

Mr. WALTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALTER. Mr. Speaker, Panther Valley, Lehigh County, my Congressional District and, indeed, the State of Pennsylvania, have sustained an irreparable loss in the demise of David A. Miller, founder of the Morning Call of Allentown, Pa., and the president of the Call-Chronicle newspapers.

Mr. Miller, who would have observed his 89th birthday anniversary next April 7, was an alumnus of the famous Muhlenberg College named after General Muhlenberg, first Speaker of the House of Representatives. He took up newspaperwork immediately upon his graduation, in 1894, and a few months later became the cofounder of the Allentown Morning Call. While building up this great newspaper, which serves my constituents so well, Mr. Miller assumed and consistently, until his death, maintained leadership in community life, devoting his time unsparingly to church work, enlightened community projects and spent his time and efforts most generously in the field of education of our youth.

Under leave to extend my remarks, I wish to include two editorials eulogizing Mr. Miller:

[From the Allentown (Pa.) Morning Call of January 23, 1958]

DAVID A. MILLER

(By Percy B. Ruhe)

"Lord now lettest thou Thy servant depart in peace, according to Thy word."

From the Book of Books come the aptest words to sum up the emotions of this community as it learns today, in deep sorrow, of the passing of David A. Miller to eternal rest.

It is fitting that this, his requiem, should be taken from the Book of which Mr. Miller, with the Psalmist of old, could say: "Thy word is a lamp unto my feet and a light unto my path."

It was by the light of that word that both his private and his public life was lived during years, all too short in number for all the service that he strove to give to his God and to his fellowman.

This community will mourn the passing of David A. Miller as it has mourned very few others. And it will mourn the more as today it reviews the life of this good and just man, a very paragon of excellence in human virtues.

Shakespeare has such a manner of man in mind when he makes Hamlet say: "What a piece of work is a man. How noble in reason. How infinite in faculty; in form and moving how express and admirable; in action how like an angel; in apprehension how like a god."

Here was a man whom it could be said that, during 63 years of active life here in this community, he never willfully harmed anyone but had aided and encouraged everyone with whom he had come in contact during those years. And like the beloved Will Rogers he could have said, and in effect was saying: "I never met a man I didn't like."

It can be said without fear of contradiction that he devoted his life to this community and used all the forces he could muster to the advantage of our people and our institutions. It will require columns elsewhere in our papers to specify those institutions and how his voice, time, and purse until his very last days were at their disposal. And it is to be noted that his was not lipservice to the many institutions whose cause he espoused. To them he gave active aid and wise counsel.

There were some strange contradictions in his life. Some had important part in the development of this man who, despite intimate acquaintanceship with and deep faith in a religion of ancient foundations, had an entirely modern outlook upon the people of our times and the development of our western civilization.

Throughout all his life he was a person of frail physique. Illness was well known to him. Often his family and friends despaired of his life. Yet he came within a few months of attaining his 89th birthday and it was not until recent weeks that anything like serious illness had afflicted him. This physical frailty as well as the economic struggle in which he engaged during his teenage years militated against participation in and enjoyment of sports. Yet those masculine qualities which make a man's man were his in abundance.

Then too he was a man soft of speech and slow to anger. Profanity was unthinkable for his lips. Violent speech always was eschewed. Yet he had a will as strong as iron and he held inflexibly to deep purpose and firm convictions.

He was, as one can know from these qualities, the humblest of men although his achievements, his prestige and power were such as could have made a vain man, an abomination to his fellows.

Although he was naturally humble and self-effacing, it could have been said of him as was said by a wise man of old: "Seest thou a man diligent in his business? He shall stand before kings." In fact, as destiny shaped his ends, he did stand in all human dignity before kings, political, intellectual and spiritual.

Here was a man endowed with the soundest albeit not the showiest virtues. He was a quiet man, yet his was the quality of fearlessness in the performance of what he regarded as his duty to God and man. Although he himself at times despaired of his own health and sought to live a life of retirement and escape from the rigors of business, destiny, it now can be seen, directed his steps to return to the nurture of his brain child—The Morning Call—and to enhance his helpfulness to his people by direction of the paper along the way that he always believed it should go.

If there was one regret in Mr. Miller's life, as his newspaper enterprise waxed and grew mightily, it was that the intimate relationships and understanding that existed between employer and employee in his early days of newspaper publication could not be developed as rapidly as the staff during its growth to nearly half a thousand full-time employees and many times that number of part-time employees.

Despite this, and to the marvel of our people, it was amazing how he got around to sickbeds and how he turned up, instinctively as it were, when someone needed his help and consolation.

Calmly, with firm and determined strides, he walked through a long life and with surefooted judgment avoided most of the pitfalls that beset man on all sides.

With mighty willpower he fanned the often faint spark of life into flame and extended his years far beyond the traditional threescore and ten.

With strength of character that was in sharp contrast with physical frailty he gave everything that he had to the performance of his duties as he saw them, even to the sacrifice of his own comfort and the sapping of his strength.

Weak himself, he relied upon a higher power, upon the highest power. He long since had followed the injunction of the Apostle: "Set your affections on things above, not on things on the earth."

Those who in even small part share his deep religious faith believe that the souls of the righteous are in the hands of the Lord.

At best we of the Fourth Estate can but feebly engrave our tribute to a godly man with whom it was permitted us to walk through many years. His life and work constitute an imperishable page in our history.

With all who knew and loved him as husband, father, friend, we can say:

His life was gentle, and the elements so mixed in him that Nature might stand up and say to all the world, "This was a man."

[From the Allentown (Pa.) Evening Chronicle of January 25, 1958]

THIS WEEK: NOTES AND COMMENTS

(By W. D. Reimert)

To those of us who knew David Miller over the years through the intimacy of the Call-Chronicle newspaper organization, the things which set him apart from other men were these:

His utter simplicity.

His uncanny ability to lead an uncluttered life by refusing to permit the extraneous, the tawdry, the wasteful to consume his time and means and strength.

One did not normally consider David A. Miller efficiently energetic as measured by today's standards. Yet there was about him a magnificent orderliness and capacity to get things done, both of which were belied by the appalling disorder of his desk, his slow, swinging gait, the softness of his speech, his refusal to become visibly excited or angry or hurried. He always seemed to have time for everything because he had an infallible sense of the importance of things.

He had no consciousness of things insofar as they would add to his own convenience or gratification. He had no patience with frivolous activities which dissipate men's days and energy because it was his nature to put first things first, and in many cases the things he put first were the simplest—such as friendship and loyalty, religion and the obligations of publishing a newspaper with interests other than making money.

Because of the simplicity of his nature, David A. Miller's approach was invariably the direct one. In him there was no deviousness.

If he got a letter, he answered it immediately, usually on a penny post card or with the shortest of handwritten notes. Only in later years, when failing eyesight made it necessary, did he employ a secretary. If he got a story, he wrote it forthwith and gave it to the city desk. The result was he was habitually caught up with his correspondence and his work. While the rest of us were putting things off, and chafing over the fleetness of the hours he always seemed to have hours to spare.

If he heard someone was angry because of something that had been published in his newspapers or for any other reason involving

him personally, he paid the offended individual a visit. "Never telephone an angry man," he used to say, "go and see him."

That is why David A. Miller had no enemies. He could ask as did the Roman Emperor Sigismund, "Do I not destroy my enemies by making them my friends?

Toward friendship his approach was also simple and direct. If someone he knew was sick, he didn't send a card; he went to the hospital. If a friend died, he didn't send flowers; he attended the funeral. If someone was in trouble, he didn't stand by for a call; he offered help. If someone needed money, he did not wait to be solicited; he sent a check.

So it was with religion. It was David Miller's nature to be religious. He believed religion an intensely personal thing and he dealt directly with his God without show or affectation. He did not think a Christian's duty fulfilled with the writing of a check, large as it might be. No meal was served in his home without prayer; no day passed without a careful reading of the Scripture. Few men knew the Bible more intimately than he, yet even in his later years he was constantly finding in it something new and exciting. He attended church as naturally as most men sit down to breakfast. It never occurred to him to be intolerant of another's beliefs.

David A. Miller knew in his unerring way that change and progress are inevitable, and unlike so many of his generation he did not bemoan the passing of the good old days or yearn for their return. On the contrary, his interest in and his curiosity about the new were insatiable. He flew in airplanes with delight and enthusiasm well into his eighties. If the latest model printing machine was brought into the plant, he did not refer to it as one of those newfangled things he used to get along without; he wanted to know how it worked, and in short order he did.

He did not dwell in the past, but out of the yesterdays he had retained a simple distillation of that which brought him deep pleasure. Part of this distillation was a love of the good earth and a profound respect for the men who bring forth its fruits. He never ceased to thrill over the miracle of growing things. Even in his late seventies he tilled the soil of his home garden with his own hands and planted trees on his Lowhill Township farm. To David A. Miller a bowl of June berries, a platter of July corn on the cob or a dish of red October apples were not just something good to eat; they were an exciting manifestation of Nature's mysterious and ceaseless cycles. He accorded them fitting respect, and so he derived from them exceptional satisfaction. He found a mystic poetry in a field of ripening grain and the ultimate in fragrance in a meadow's new-mown hay. Some of his happiest hours were spent on the porch of a summer home in his boyhood town of Saegersville where the song of the cicada made the music he loved the most.

As a newspaperman, David A. Miller had to be interested in the world and what went on from day to day in its farflung corners. But the most important place was always the little section of the world encompassed by the Lehigh Valley. To its growth and development, its institutions and its people he gave of himself and his funds and his understanding and his boundless love, unstintingly and without thought of reward because it was his nature so to do.

One looks around, now that he is gone, and finds on every hand monuments to this man who lived his uncluttered life in a forceful but uniquely simple way. Monuments of brick and stone in school buildings and churches, in hospitals and old-folks homes, in charitable institutions, and business establishments, and newspapers dedicated to public service because they were molded to his own special pattern. And other less tangible memorials, too, in the lives he touched and the characters he helped form and the great surge of affection and grief in the wake of his passing.

On the occasion of Mr. Miller's 80th birthday on April 7, 1949, we wrote in these columns:

"Unlike so many men his age, David Miller does not live in the yesterday of his life. Having done his best in the past, he puts it aside and looks with the vision and energy of a young man toward the bright tomorrow. For 80 years this tomorrow has been unfolding itself to him in an endless succession of wonders, encompassing every phase of man's existence. Unafraid of change, he looks forward, as his ninth decade of life begins, to new landmarks of progress in the march of civilization and his beloved Lehigh Valley with the calm philosophy of one who, having served his fellow men well, is at peace with himself and his God, treasuring in his heart that most precious of all possessions—the respect and abiding love of all who know him."

These lines could also be his epitaph.

USE OF UNITED STATES PLANES IN BOMBING TUNISIA

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Mr. Speaker, the American people and the Members of Congress are entitled to know by what authority French military forces used United States warplanes to bomb and strafe a Tunisian village causing some 200 casualties, including women and children.

Were these warplanes made available to the French for the common defense of Western Europe or for the purpose for which they were used? Did the French pay for them or were these planes in the nature of gifts under the so-called mutual security program?

The American people are entitled to an immediate and crystal clear statement from Secretary of State Dulles as to how these United States warplanes were obtained by the French and what restrictions, if any, were placed upon their use.

If Secretary of State Dulles does not provide a full and clear statement, I insist, Mr. Speaker, that Congress proceed immediately to summon the Secretary to explain in a public hearing his dereliction to the people by whom he is employed and to whom he is responsible.

It is not sufficient for this administration to be merely disturbed by this deliberate use of United States planes for the killing of virtually defenseless people.

THADDEUS KOSCIUSKO

Mr. KEATING. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include related matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEATING. Mr. Speaker, some men drift with the times. Others inscribe their names in the pages of history as martyrs to a cause, a cause unpopular at the time but destined in future times to become a rallying cry for men in all walks of life around the world. Knowing the futility of their efforts, they choose not to turn and drift, but to be found by the wall when the victors storm the gates.

It is men such as these that epitomize progress. It is men such as these that shape the history of the human race. Such a man was Thaddeus Kosciusko. Born in tyranny, this man had within him the spark of greatness so many possess but so often is left to die in frustration and disappointment. This man fanned that spark and while not successful in his own native land of Poland, he helped give another land, another people, the freedom he could not give his own.

Thaddeus Kosciusko's name is not a familiar one in our classrooms today. Yet the contribution he made to this Nation's independence was no small one. He borrowed money to come to our shores; he gave of his genius to drive the British troops from our soil; and then, the battle won, he returned to Poland to lead the struggle against despotism there.

For most, it would have been more than enough to have helped one people to freedom. It would have been easy to rest on the laurels so well earned, to enjoy the plaudits of a grateful people. But the driving spirit of Thaddeus Kosciusko could brook no pause. While tyranny existed, he had to fight it. Where he lived, there he had to go.

In 1784 he left this country to return to his native Poland, there to wage an unceasing, but unfortunately, unrewarded, crusade for freedom. He left behind him the memory of a man—a foreigner some might call him—who built the defenses on the Delaware River, who designed the fortification for the battle at Saratoga, a major turning point in the War of the Revolution. But, more than this, he left behind a heritage that belongs to no one country but to mankind.

Love of freedom, friendship for his fellow man, a willingness to sacrifice—these are the legacies of Thaddeus Kosciusko and others like him. They remind us, as we face the threat of a latter-day despotism, that freedom is not easily held, that the price required is high. It is no easy road they blazed. To travel it takes courage and endurance, and those that do not have them will soon find their road leads to slavery.

Today we honor the 212th anniversary of Thaddeus Kosciusko's birth, not only for the great contributions he made to this Nation, but for the ideals he lived by. Today we face the choice he faced—drift or decision. May history judge us as it has judged him, as men who spurned the easy way, who declined to drift and boldly chose the high road of decision. May we never forget his example as we move forward in the everlasting battle for democracy in which he gave his life.

RECIPROCAL TRADE

Mr. DAWSON of Utah. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. DAWSON of Utah. Mr. Speaker, predictions have been made freely during recent weeks that the Trade Agreements Act is in mortal danger at this session of Congress. The reason for the growing unpopularity of this legislation is self-evident: too many sections of our country and too many segments of our economy have been hit too hard by foreign competitors wielding an unfair trade advantage.

I speak as one who has voted for each extension of the Reciprocal Trade Act during my tenure in Congress, but I also speak as one who has cast his vote more reluctantly each time as the defects of the legislation became more and more evident.

Mr. Speaker, today I am introducing a bill which I believe will dissolve much of the opposition to the Trade Agreements Act while retaining provisions of the administration's proposal for a 5-year extension. It will permit sound and vigorous development of world trade but with more adequate assurance that our own economy received fair and equal consideration.

This would be accomplished by strengthening the hand of Congress in those instances where a domestic industry has proved to the Tariff Commission's satisfaction that it is being injured seriously by trade concessions.

Briefly, my bill provides that the Tariff Commission recommendations in escape-clause proceedings shall go to Congress instead of to the President as is now the case. Either House of Congress could overrule the Commission, but in the absence of a majority vote against these recommendations by either House, the recommendations would become effective in 60 days.

As we all know, the escape-clause provision came into the Trade Agreements Act in 1951 as a recognition by Congress that in the balance between foreign relations and domestic well-being, the scales were being tipped too consistently by the heavy hand of diplomacy.

But under the present mechanics of the escape-clause procedure, we still hear the frequent charge that Congress has delegated its tariff-making powers to the State Department.

Since June 1951, the Tariff Commission has completed 71 escape-clause investigations. In 23 of those cases, the Commission found the domestic industry undergoing sufficient injury to recommend escape-clause action; in 5 others, the Commission was evenly divided. But of those 28 cases, the President has invoked the escape clause in only 9. Two are still pending.

I do not suggest that all, or any set ratio, of Tariff Commission recommendations should be adopted. But this low proportion of escape-clause actions certainly suggests that we are still leaning over backwards in our concessions to foreign competitors.

As an example, I shall cite the domestic lead and zinc industry, because that is the proceeding with which I am most familiar.

In 1953, the lead and zinc industry went before the Tariff Commission to complain that it was being seriously crippled by the existing trade agreement on its products. Volumes of expert testimony, pro and con, were submitted and from the record the Commission, with the services of an expert staff, reported unanimously to the President that the domestic lead and zinc industry was being seriously injured by foreign imports.

However, the State Department's opposing viewpoint—to the effect, it seems, that the industry's troubles were only temporary—prevailed. An alternative stockpiling program offered only slight relief, and last year foreign imports again swamped the market.

Today, our lead and zinc mines are in sorrier shape than ever. Deep mine shafts have been abandoned and flooded; thousands of miners are out of work. The industry has been forced to come again before the Tariff Commission, where the case is still under investigation.

But even if help is now forthcoming, our domestic lead and zinc industry—important to our economy and essential to our defense—will never be the same as it was before. It has become only too clear how right the Tariff Commission was in the first place.

My bill does not take away from the President the power to negotiate new trade agreements and to reduce tariffs. But it does give American industries and American workers the opportunity—when they can show the Tariff Commission that they are being injured by an existing trade agreement—to have their case finally determined by someone other than the person who drew up that agreement.

What other body of Government is more qualified to make this final determination than the Congress, in which rests the constitutional power to set tariffs?

WHAT THE NEW BILL DOES

The bill which I have introduced gives the President everything he requested in his trade message. It incorporates all of H. R. 10368, the legislation embodying the President's trade recommendations.

However, my bill makes substantial changes in the theory and procedures under the peril-point and escape-clause provisions. These changes are made by the addition of four new sections to H. R. 10368.

Section 5 of the bill modifies peril-point and escape-clause investigations and procedures.

Section 6 increases the membership of the Tariff Commission from 6 to 7 and the length of their terms from 6 years to 7 years.

Section 7 sets up the machinery whereby the Tariff Commission reports its findings on peril-point and escape-clause hearings and specifies how these reports are handled after being transmitted to Congress.

Section 8 provides how pending cases now awaiting action by the President shall be handled.

Following is a section-by-section analysis in more detail of the material which, in addition to the provisions of H. R. 10368, this legislation would incorporate into the Reciprocal Trade Act.

SECTION 5

The explanation of section 5 is divided into two parts, dealing separately with its effect upon peril-point and escape-clause procedures.

PERIL POINT—PRESENT LAW

Under the present law, the President is required to furnish the Tariff Commission with a list of all articles upon which the duties would be changed by a proposed trade agreement. This list must be presented to the Commission before negotiations begin. The Commission is then required to hold public hearings and report back to the President within 120 days on the extent to which the duties can be changed without causing serious injury to domestic industry. The President cannot act until after this 120-day period.

PROPOSED CHANGES

All of the above provisions of the present peril-point law are retained. The Tariff Commission, in addition, is required to send a copy of its recommendations to both Houses of Congress. This report is for information purposes only.

PURPOSE

The purpose of this amendment is to keep Congress informed as to the effect of proposed reciprocal trade agreements before they are entered into by the President. This is only consistent with the delegation to Congress by the Constitution of the power "to lay and collect taxes, duties, imports, and excises." The present law only requires notification to Congress after an agreement has been entered into.

ESCAPE CLAUSE—PRESENT LAW

The President, either House of Congress, the Senate Finance Committee, or the House Ways and Means Committee, or an "injured party" can require the Tariff Commission to make an investigation to determine whether domestic industry is being threatened by trade concessions. This investigation must be made within 9 months; then the Commission's findings are reported to the President in the form of a recommendation and, within 60 days or sooner if the President takes action on the recommendation, an identical report is sent to the Senate Finance Committee and the House Ways and Means Committee. If the President declines to follow the recommendation, he must report his reasons to the Senate and House Committees within 60 days after receiving the Commission report.

PROPOSED CHANGES

The major change is to require the Tariff Commission to make a definite recommendation to Congress rather than to the President. This recommendation must be delivered to both Houses of Congress on the same day, and must be delivered while Congress is in session.

The findings must be specific and may include any of the following or a combination of them:

First. Permanent withdrawal of the trade concession.

Second. Modification of the trade concession.

Third. Suspension of the concession in whole or in part.

Fourth. Limitation of the quantity of the product which may be entered or withdrawn from warehouse for consumption.

In the event the Tariff Commission finds that any or all of the above actions are necessary to protect a domestic industry, this finding goes into effect—unless vetoed by a majority of the Members of either House—after the first period of 60 calendar days of continuous session of the Congress following receipt of the finding. "Continuous session" is defined as one unbroken by an adjournment sine die. Excluded from the 60-day period are any days in which there has been an adjournment of either House for more than 3 days.

PURPOSE

This section gives to Congress the power to decide what action, if any, should be taken after the Tariff Commission by a majority vote finds that a trade agreement is injuring domestic industry. Either House, by a majority vote of its membership, has the power to overrule the Tariff Commission.

One of the major difficulties we now face is that Congress has delegated to the President the power to set tariffs and quotas. This measure does not take away that power, but it does take away the power of deciding what action, if any, should be taken after the Tariff Commission finds that a domestic industry is being injured by a trade agreement set by the President. In effect, Congress would become the final judge of whether a trade agreement is a mistake, ending the situation whereby the President, by inaction, nullifies a finding of the Tariff Commission.

SECTION 6—PRESENT LAW

The Tariff Commission now has 6 members appointed for 6-year terms by the President with the consent of the Senate.

PROPOSED CHANGE

The membership would be increased to 7 and the terms lengthened to 7 years. The bill provides for a smooth transfer from the 6-year to the 7-year tenure.

PURPOSE

If Congress is to have the final decision on escape-clause recommendations, these recommendations must be definite and have the backing of a majority of the Tariff Commission. It would be impossible for either House to act if the Commission divided 3–3 as it has done in 5 cases in the past. The law still reserves to the President the power of appointment—with consent of the Senate.

SECTION 7—NEW LEGISLATION

This section sets up the procedure by which the Tariff Commission's recommendations are handled in Congress. It provides that the Commission findings shall be referred to the Finance Committee in the Senate and to the Ways and Means Committee in the House. Provision is made to discharge the recommendation from committee if the committee has not reported the resolution within 10 days after receipt. Priorities of motion are defined and debate limits set in this section.

PURPOSE

Special rules must apply for legislation which becomes effective in the absence of action by Congress. The language in this section is necessary for the law to be constitutional. Amendments to the Tariff Commission's specific report are forbidden because the amendment would require signature of the President and thus the plan would be defeated. The automatic discharge is to insure Members of a chance to reject the Commission recommendation.

SECTION 8—NEW LEGISLATION

Provides that the new procedure of transferring decision on "escape clause" from President to Congress shall become effective simultaneous with approval of the act. All pending cases upon which the President has neither made a decision nor reported to Congress would be submitted to Congress as provided above.

1960 OLYMPIC WINTER GAMES

Mr. MILLER of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MILLER of California. Mr. Speaker, I have today introduced a bill that would permit the Department of Defense to cooperate with the 1960 Olympic Games Committee with respect to the winter games to be held in Squaw Valley, Calif.

Holding of the 1960 winter Olympic games in the United States will mark a new approach in our international relations and center in this country at that time the eyes of the world, just as was the case when these games were held in Germany and Italy.

The VIII Olympic winter games will focus the eyes of the world on us.

LEGISLATIVE PROGRAM FOR NEXT WEEK

Mr. KEATING. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEATING. Mr. Speaker, may I inquire of the majority leader regarding the program for next week?

Mr. McCORMACK. Mr. Speaker, on Monday bills on the Consent Calendar will be called and there is one suspension to be considered on H. R. 9700, the Veterans Benefit Act.

On Tuesday bills on the Private Calendar will be called.

The Department of Interior appropriation bill for 1959 will be called up for consideration on Tuesday, Wednesday or Thursday; thereafter House Joint Resolution 2, which has to do with the Yellowtail Dam and Reservoir, will be considered.

There is the usual reservation that any further program will be announced later; and conference reports, if any, may be brought up at any time.

Mr. KEATING. May I inquire of the majority leader in light of inquiries I have had, it is not the intention to program next week the appropriation bill which we had up for consideration on Monday of this week?

Mr. McCORMACK. No. I consider the action of the Committee of the Whole as an instruction to withhold the matter pending further consideration of the bill by the Subcommittee on Appropriations and, I suppose, the full committee.

Mr. KEATING. I thank the gentleman.

DISPENSING WITH CALENDAR WEDNESDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday of next week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

WASHINGTON'S FAREWELL ADDRESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that on Thursday, February 20, 1958, Washington's Farewell Address may be read by a Member to be designated by the Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER. Pursuant to a special order agreed to today the Chair designates the gentleman from Oregon [Mr. ULLMAN] to read Washington's Farewell Address immediately following the reading of the Journal on February 20, 1958.

THE PLIGHT OF FLUE-CURED TOBACCO FARMERS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentlewoman from Georgia [Mrs. BLITCH] may extend her remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mrs. BLITCH. Mr. Speaker, thousands of flue-cured tobacco farmers are being forced off the American farms each year, due to the continued reduction of acreage allotments. In my home district, the Eighth Congressional District of Georgia, as well as in all the other flue-cured tobacco farming areas, the reduction of this acreage combined with the rising costs of living have cre-

ated desperate financial burdens, unable to be sustained, by the small farmer.

What is so often overlooked, except by those in the actual operation, is that the cost of machinery and equipment needed for the growing of tobacco does not decrease with the acreage reductions. A barn to cure the tobacco costs the same whether you grow 1 acre or 5 acres. A truck to haul equipment and carry the tobacco to the warehouse will not be one-half the sale price merely because the allotment has been sliced by that amount. It can readily be seen that, as the amount of tobacco a farmer can grow is cut, his chances for financial survival are dwindled.

One of the greatest harms to these small farmers has been the practice in recent years of our American tobacco companies buying and importing flue-cured tobacco from Canada. This, at first impression, seems to be almost harmless. But when you realize the lack of restrictions on Canadian tobacco growers, it becomes fully evident that there is an almost irreparable injury being done to the American tobacco farmer by this practice.

It is a stab in the back to the small tobacco-growing farmer when American cigarette manufacturers import these tobaccos from abroad. The manufacturers have been made rich and are growing richer because the American farmer has been the chief source of supply. If they continue the practice of imports, they will not only wipe out the American tobacco farmer, but they will put themselves at the mercy of foreign growers, who will be able to charge whatever the traffic will bear, just as Canadian paper manufacturers have had a stranglehold on the newsprint industry of America for many years.

Hundreds of farmers in my own district who no longer have enough acreage to farm their own land have to go to Canada during the tobacco season to process the Canadian crop for weekly wages. These farmers are forced to take these jobs in Canada because they are deprived of the opportunity of using their skill to farm their own farms. Although Canadians have no acreage controls on growing tobacco, they are not yet growing it as extensively as they will, once they have learned the process of growing and curing from the American farmer. The sad plight of the tobacco farmer is further aggravated by the fact that our foreign markets for American tobaccos are being taken away from us by giant farm corporations, who move from the United States to Mexico and to countries in Africa with American machinery and know-how and no acreage controls. They sell in foreign countries just below the price within the United States.

We have tried for years to get relief from this deplorable situation from the State Department, but our State Department is not interested in the plight of suffering humanity in the United States—only in that in other countries—where it uses the program of foreign aid to destroy our own producers.

Buying American tobacco is as much a matter of self-preservation to the American tobacco companies as it is a matter of preservation to the American tobacco farmer.

I have written letters to all of the American cigarette manufacturers, warning them of the dangerous situation, and urging revision of their buying policy.

PROCLAMATION OF INDEPENDENCE BY THE LITHUANIAN PEOPLE

Mrs. CHURCH. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentlewoman from Illinois?

There was no objection.

Mrs. CHURCH. Mr. Speaker, today we join with Lithuanians everywhere in commemorating the 40th anniversary of the proclamation of independence by the Lithuanian people on February 16, 1918.

The history of this brave people is marked by a never-ending struggle for and devotion to liberty. Although Lithuania has enjoyed self-government only at intervals, her people have not ceased to fight against the dominance of the Russian rulers. Yes; those who have known freedom will not quickly let the flame die in their hearts.

Forty years ago, after more than 100 years of keeping their ideal of national independence alive, the Lithuanian people reached their goal and proclaimed their independence. In the following twenty-some years they clearly demonstrated their ability to progress under self-government. Their achievements in the fields of education, culture, economy, and social welfare are well-known and widely recognized. But soon after the outbreak of World War II, Lithuania again felt the crush of the tyrant's heel.

We know that the historical battle for freedom goes on, though the voices of the Lithuanian people are silent. We who are free must speak for them and rededicate ourselves to the cause of freedom for all mankind.

Mr. KEATING. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. MARTIN] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MARTIN. Mr. Speaker, 40 years ago, the people of the little nation of Lithuania proclaimed their independence. Only people of Lithuanian blood who are fortunate enough to live in the Free World can openly commemorate this anniversary because this small country, against the will of its fine people, are victims of Soviet aggression and oppression.

While Lithuania is enslaved by its Communist masters, the sad plight of her people is not forgotten—nor has it ever been condoned—by the people of America. On this occasion the great heart of America is extended in sympathetic understanding to Lithuanians and to all those other peoples who have been imprisoned by the whiplash of Soviet police state methods. These people are kept in subjection at the point of the bayonet and the gun. Everyone with commonsense knows what would happen if a free election could be held in Lithuania and her sister states. They would throw out their Communist masters within 60 seconds.

I do not believe that a government which is based entirely upon fear and force can endure perpetually. As long as the spark of freedom burns in human souls, as it does with the people of Lithuania, the hope of liberation will live and it must eventually prevail. Freedom is the God-given right of every man and woman. This sacred right must at length succeed.

The Government of the United States has never recognized the Soviet annexation of Lithuania. I cannot conceive of it ever doing so. The people of this little nation should realize, on this anniversary of their lost independence, that the friendship and the moral support of the American people is theirs. Their prayers for freedom will someday be answered.

FORTIETH ANNIVERSARY OF THE INDEPENDENCE OF THE LITHUANIAN PEOPLE

The SPEAKER. Under previous order of the House, the gentleman from Pennsylvania [Mr. FLOOD] is recognized for 60 minutes.

Mr. FLOOD. Mr. Speaker, today I have the honor and the privilege of bringing to the attention of the Members of the House, the Nation, and the world a commemorative exercise paying tribute to a brave nation and a great people of the Republic of Lithuania I would have you know that the United States of America has never, does not now, and never shall recognize the annexation by Soviet Russia of the Baltic Provinces of Lithuania, Latvia, and Estonia.

We here know full well of the great contribution made down through the years by American citizens in whose veins flows the proud blood of Lithuanian ancestry, and so in this Hall, this precise Hall, where for 100 years Americans, on the spot on which I now stand, have held forth in this greatest tribunal of democracy in the history of the world, it is fitting and proper that we pay this tribute to the Republic of Lithuania.

Mr. Speaker, national independence is the most cherished, the most highly prized and sometimes the most difficult of all political goals to be attained by a people. Some people attain it as the result of long and costly struggles. Others, who are more fortunate, are presented with it as a gift from the gods. Still others inherit it from dim and distant past and take it for granted. Those who have struggled and made untold sacrifices for their independence and freedom have the greater satisfaction from the attainment of their national goal.

In contrast to those who have attained independence, there is another group of peoples to whom national freedom and independence have been persistently denied. Because of some historic freak; because of certain turns and twists of

unforeseen and always predictable events, national independence has almost always eluded them even when they had thought it was within their reach. Regardless of the means employed in its attainment, all national groups consider national independence as their ultimate political goal. For that reason they would not hesitate to stake their all, their worldly and spiritual possessions, for its attainment and for its defense. Such has been the course of many national histories, including the history of the Lithuanians.

The birth of modern Lithuanian state goes back to the year 1253. In that year the country was united under the rule of a single monarch. Since that date, for more than 700 years, Lithuania's turbulent and uneven history has had its ups and downs. That history is marked by greatness and glory during the first few centuries, while misery and misfortune claim a large share in the lives of the Lithuanians during the greater part of the last 200 years. During the 14th and 15th centuries Lithuania became one of the most powerful and great states in all eastern and northern Europe. In the 16th century Poland and Lithuania were united under a Lithuanian king. From then on the fate of Lithuania was determined by the fate of Poland. Late in the 18th century, when Poland lost her independence and most of that country was incorporated in czarist Russia, Lithuania shared the same fate.

For almost a century and a half the stalwart and stout-hearted Lithuanians suffered under the harsh and inefficient Russian regime. During that unhappy time, however, the Lithuanians did not lose sight of their national objective, the attainment of their national independence. In 1918, as the result of the Russian Revolution, when the czarist regime crumbled these brave and proud Lithuanians who had weathered many severe storms in their national history, who had quietly maintained their sturdy national characteristics under adversity and had successfully kept alive their love for freedom, proclaimed their national independence on February 16, 40 years ago today.

For the next 22 years, prior to the tragic events of 1940, all friends of freedom followed the steady progress made by the Lithuanians in their newly-created independent country. All Lithuanians were justly proud of the splendid record of performance during those two peaceful decades. Lithuania's political, economic, cultural, and social life had developed along broad and progressive democratic lines. During that relatively short time Lithuania became a model democracy in northeastern Europe.

Early in the last war independent Lithuania became a tragic casualty. First, it was brought by brute force under the heel of the Red army. It was made part of the Soviet Union. Then, when the Nazi and Communist tyrannies began to wage their life-and-death struggle in 1941, Lithuania came under the Nazi yoke. Finally, toward the end of the war, Red forces came in once more as liberators, and they have been there as conquerors ever since. This liberation, Soviet style, has been so complete that since 1945 Lithuania has been hermetically sealed off from the free world. Soviet propaganda and oppressive measures have been at work trying to uproot the spirit of independence and freedom among Lithuanians. These liberty-loving people have either been silenced, incarcerated or carted off in freight cars to distant and desolate parts of the Soviet Union. They have been evicted by tens of thousands from their homes on the Baltic shores and their place is being colonized by Communist Russians from Asiatic Russia. In these tragic circumstances, there can hardly be a celebration of national independence day there.

In this country we join all Americans of Lithuanian descent today, on the 40th anniversary of Lithuanian Independence Day. To these people who did so much in the regeneration and rebuilding of independent Lithuania, who gladly made sacrifices for the well-being and happiness of unfortunate Lithuanians, we join in the commemoration of this historic event, and express the hope that in the not too distant future, Lithuanians will also be celebrating their independence day in their own homeland.

We hope that these words and these ceremonies will be projected by the Voice of America to every place in Lithuania, where the torch of liberty still is held high this day, that this message to the Lithuanian people and the underground "forest men" may be clear: "We here in America have not forgotten you and we never shall. We say to you in that most ancient and beautiful tongues, Kaz bas! Kas bas! reprazus Oh Lietuva, Lietuva!

Mr. WALTER. Mr. Speaker, will the gentleman yield?

Mr. FLOOD. I yield to the gentleman from Pennsylvania.

Mr. WALTER. Mr. Speaker, I trust and hope that the voice of the gentleman will be heard all over the world and particularly in enslaved Lithuania, where Soviet Russia has embarked on a policy of extermination of that brave, small nation. It seems tragic to me that when we are appraising the effects of the efforts of the Russian imperialists toward world domination and colonization of large areas of Europe and Asia, too few people remember the plight of the subjected and brutally exploited peoples of the Baltic, particularly those in Lithuania. I congratulate the gentleman on his timely and splendid reminder.

Mr. FLOOD. I thank the gentleman and, Mr. Speaker, you know, of course, the gentleman who has just addressed us is the distinguished gentleman from Pennsylvania [Mr. WALTER], chairman of the House Committee on Un-American Activities. We in the House know that he perhaps more than any speaks with knowledge and wisdom of these facts that I recite.

Mr. O'HARA of Illinois. Mr. Speaker, will the gentleman yield?

Mr. FLOOD. I yield to the gentleman from Illinois.

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, it is with deep emotion that I join with the distinguished gentleman from Pennsylvania [Mr. FLOOD] and others of my colleagues in expression of our stout friendship for the brave people of Lithuania on this, the 40th anniversary of Lithuanian independence.

There are many fine and outstanding men and women of Lithuanian blood in the district that I have the honor to represent. In the city of Chicago in every activity, in the cultural arts and in the professions, in religion, business, and in the trades, the Lithuanian-Americans have made a rich contribution. My association with many of them in the folds of a warm personal friendship has extended through several decades.

Stanley Kodis, wrested from his home in Lithuania and thrown into the torture camps of Siberia, finally escaping to Chicago to renew the battle for a free Lithuania, was my friend, and with him it was my privilege to plead the cause of Lithuania before many mass meetings in Chicago. This was several decades ago. Stanley Kodis has been gone many years, but the battle of the proud people of Lithuania for freedom and human dignity continues in this day as always it will until Lithuania is a free and sovereign nation with a government chosen by the people and dedicated to the service of the people.

President Harding was a friend of the cause of Lithuania, and when he died a national delegation of Lithuanian-Americans attended his funeral. I was honored by invitation to accompany the delegation and when we passed in the line of mourners we noticed with an appreciating sentiment that the floral offering, expression of the grief of Lithuanian-Americans, had been placed at the head of the casket. Since then we have had the Presidencies of Coolidge, Hoover, Roosevelt, Truman, and Eisenhower—five Presidents—and the battle of a proud people for freedom and dignity goes on with undiminished spirit. So it will continue until Lithuania again is free with a government chosen by the people and dedicated to the service of the people.

In the dreadful years of the depression, when all but courage and faith had been swept away, it was a young woman, daughter of emigrants from Lithuania, who abandoned a musical career that might have carried her to the heights to render her unselfish service to alleviating the suffering of a generation crushed in the debris of an atomized economy. Hers was the spirit of Lithuania, the spirit of a proud people that no tyrant can crush nor any power of evil long imprison, the spirit of a humane and proud people that will never be quieted until Lithuania again is free with a government chosen by the people and dedicated to the service of the people.

Lithuanians constitute only 1 of some 200 nationalities in the Soviet prison-house. For two decades Lithuania prospered as an independent republic. Con-

stitutional difficulties were well on the way to being resolved before the Soviet intervention in autumn 1939. Economically, the state provided for the general welfare of the people; and in the interwar period Lithuanian culture achieved a new level of achievement.

Soviet domination, however, brought to an end Lithuanian independence. In one of the most brutal acts of aggression in our time, the Soviet Union invaded peaceful Lithuania in open defiance of internationally recognized treaties which were designed to preserve Lithuanian independence and territorial integrity. Mass deportations, executions, forcible collectivization of agriculture, nationalization of industry, general religious and cultural suppression in every form—all instruments of Communist imperialism—have been employed by the Soviets during the years of their domination over Lithuania. Thus, by sheer force Lithuanians have become a part of the Soviet prisonhouse of nationalities.

This 40th anniversary of Lithuanian independence calls the attention of the world to Soviet imperialism and colonialism at its worst. I join with my colleagues in the prayer that soon will come the happy day of liberation when Lithuania again will be free with a government chosen by the people and dedicated to the service of the people.

Mr. MADDEN. Mr. Speaker, will the gentleman yield?

Mr. FLOOD. I yield to the gentleman from Indiana.

Mr. MADDEN. Mr. Speaker, I wish to commend the gentleman from Pennsylvania [Mr. FLOOD] for reserving this hour to commemorate this day as a milestone in the fight for freedom of a great people.

February 16, 1958, marks the 40th anniversary of the independence of Lithuania. It is very fitting that the Congress of the United States devote time to commend the Lithuanian people and to remind the world that Lithuania and its people are fighting and will still continue to fight for the reestablishment of complete independence and self-government.

Lithuania's valiant fight for liberty and independence is not of recent origin but the pages of her history are emblazoned with heroic battles for liberty since the 12th century. During the 16th century, Lithuania battled against the same Russian tyranny which envelops it today. In the 18th century, this valiant country suffered a decline which brought about complete Russian domination. This tyrannical yoke was inflicted for 120 years, but during that period 5 major revolts took place against its conqueror.

The people of this nation during intervals of time in the 19th century enjoyed the opportunity to exist as a free and independent people. World War I brought about an international situation which gave Lithuania a long-awaited opportunity to proclaim to the world that it is a free and independent nation. For more than 20 years as a free country, no nation has ever demonstrated its capacity and ability for self-government more than Lithuania. Its civic leaders brought about long-needed land reformation, created and expanded industry, established an adequate transportation system, and enacted social legislation and an educational policy which could well be copied by other nations throughout the world. This great progress by a free nation continued up until World War II when Lithuania again became the victim of a powerful aggressor nation who succeeded in enslaving its people.

I have on former occasions spoken on the floor of this House outlining the infiltration duplicity and force used by the Communists to submerge Lithuania and I shall not repeat these sordid facts today. I can only say that the people of Lithuania will not be alone in their fight for freedom against the Soviet tyrants. Millions of others are today temporarily held under the yoke of Communist tyranny. They, along with the free nations of the world, including the United States, must keep up the fight not only to curtail the expanse of communism but to wipe its tyranny from the face of the earth and restore liberty and independence to the valiant and heroic people of Lithuania.

Mr. FLOOD. I thank the gentleman from Indiana.

Mr. Speaker, as you know, the gentleman from Indiana [Mr. MADDEN] was chairman of the Special House Committee on the Investigation of the Katyn massacre. I had the privilege of serving with him and later serving upon the House committee investigating Communist activities among other satellite nations in Europe. His words carry great weight with us today.

Mr. Speaker, I now yield to the gentleman from Pennsylvania [Mr. FENTON].

Mr. FENTON. Mr. Speaker and my colleagues, I have a great many people in my district who were born in Lithuania and many of Lithuanian extraction. I certainly want to congratulate the gentleman from Pennsylvania for the fine discourse he is giving us here today. I join with him in extending congratulations to the Lithuanian people for their persistence in trying to unloose the shackles of tyrants and in trying to reestablish their independence. I know that, like the Polish people, the Lithuanian people, too, will rise again to the place where they will enjoy independence.

Mr. FLOOD. I thank the gentleman from Pennsylvania. Mr. Speaker, the gentleman from Pennsylvania is an old coal miner from a district adjacent to mine in the great State of Pennsylvania. You know that in his district, as in mine, there are many Americans of Lithuanian ancestry. As a doctor of medicine, the gentleman from Pennsylvania [Mr. FENTON] stands high in the esteem of his constituents, as he does in his capacity as their Representative in this body.

Mr. Speaker, I now yield to the gentleman from New York [Mr. KEARNEY].

Mr. KEARNEY. Mr. Speaker, along with the distinguished gentleman from Pennsylvania [Mr. FLOOD] and my other colleagues in the House, I, too, wish to extend my congratulations on the 40th anniversary of Lithuanian Independence Day.

Mr. Speaker, I want to take this occasion to extend to the people of Lithuania on the 40th anniversary of their independence, February 16, greetings and our hope that the outstanding courage and gallantry they have so long exhibited will soon be rewarded. What should be a glorious national holiday for the people of the nation of Lithuania once again will be celebrated in secret in the shadow of the Russian military machine.

Seventeen years have intervened since the tragic events of June 1941, which saw thousands of Lithuanian patriots wrested from their homeland and exiled to Russian slave labor camps. Families were separated, executions, starvation, and hunger were commonplace and took their terrible toll. It was the sort of brutal action brought against the people of an unoffending nation which it is hard to imagine being initiated by any world power other than the Soviet Union. It is this sort of history which makes the Free World slow to accept the talk of Russian leaders in recent weeks as anything more than skillful propaganda.

We feel the deepest sympathy for the people of Lithuania. Though we are unable to give them anything more than our moral support in their political martyrdom, we will continue to support the principles daily being violated by the Soviets in their treatment of these people—the principles of national sovereignty and independence and the avoidance of force and violence as a means of settling international disputes. We hope and pray that these principles soon will triumph.

Mr. FLOOD. I thank the gentleman from New York. As you know, Mr. Speaker, he is a retired general of the Armed Forces of the United States. Through the service of himself and his comrades, our liberties were preserved, and I hope the liberty and freedom of Lithuania will be nearer as a result.

Mr. Speaker, I yield to the distinguished gentleman from Massachusetts, the majority leader [Mr. MCCORMACK].

Mr. McCORMACK. Mr. Speaker, I congratulate my friend the gentleman from Pennsylvania [Mr. FLOOD] for getting this time today so that we might pause to conduct these exercises in celebration of Lithuanian Independence Day.

History shows that the Lithuanian people are one of the stanchiest and stoutest fighters for freedom and independence. They have always championed the elementary rights of the individual, and throughout their modern history they have fought hard and ceaselessly for those fine democratic ideals against the forces of oppression and tyranny. In fact most of their modern history may be written in terms of unending struggles against their oppressors. For centuries they fought against Russia's autocratic regime. Their unyielding and uncompromising spirit, their firm resolve to cling to certain cherished ideals, and their steadfast belief in basic principles of Indo-Christian civilization have served them well in times of distress and despondency. During all that time they waited for

the chance to liberate themselves, and in 1918 they had that chance.

On February 16 of that year, 40 years ago today, even before the end of the First World War, they proclaimed their national political independence. In their historic homeland, they established a truly democratic government. That government lasted for more than two decades, and the people of Lithuania enjoyed for the first time in more than a hundred years the blessings of freedom. Unfortunately, soon after the outbreak of the last war the Lithuanians, through no fault of their own, once more found themselves in a desperate predicament, and their independence became one of the first casualties of that war. In mid-1940 the Red army moved into Lithuania and soon the country was annexed to the Soviet Union. Ever since then Lithuanians have been denied in their homeland both personal and national freedom.

Today, while we all gladly join Americans of Lithuanian descent in the celebration of this holiday, the 40th anniversary of Lithuanian Independence Day, the millions of Lithuanians in their homeland are not permitted to celebrate it, or even to talk or write about it. There they suffer under the tyrannical Communist dictatorship imposed upon them by the ruling international gangsters in Moscow. They live in dread of the secret police and they have been exiled by the thousands to the far and desolate corners of the Soviet Union. On this day, in commemorating Lithuanian Independence Day, it is a privilege to join with Lithuanians and with their descendants in the United States in a common prayer that Lithuanians in their homeland as well as in this land of liberty may quickly breathe the fresh air of freedom again.

May I say, Mr. Speaker, that communism is going to be defeated by people who are willing to fight and die for liberty. Communism, as constituted, is going to be defeated in the minds of people who believe in God and his word and his law, as a result of which develops the way of life that we have here, and that every man and every woman, everywhere want, under their own law. Communism is going to be defeated, as evidenced by the brave people of Hungary, in those lands behind the Iron Curtain dominated by the Soviet Union, where countless millions of persons are longing for the day of freedom, and they are looking with hope to America to bring that freedom to them as quickly as possible.

Lithuania is one of those great countries where the people are imbued with that intense love of God, from which comes the intense desire for freedom. Communist dictators can never destroy that desire, because that desire was not created by man, and what man did not create man cannot destroy. Man may temporarily suppress but man can never destroy the inherent rights that we all possess as individuals, which come from God himself through his natural law. That is the great reservoir we have to capitalize. Our foreign policy should be connected up with that inherent desire that we know exists in the minds of countless of millions of persons. What policy have we got if another Hungary happens? Suppose there is an uprising tomorrow in Lithuania, what is our policy? Suppose there is an uprising in Poland tomorrow, what is our policy? Suppose there is an uprising in East Germany, where there is contiguous territory between East Germany and West Germany of several hundred kilometers, and where the spark might happen that would bring about a conflagration for the restoration of liberty.

In the event of an uprising, suppose several hundred thousands of the Germans in Western Germany, the Bonn government, should cross the dividing line that exists now, cross as volunteers, what is the policy of our Government? Have we profited as a result of what happened in Hungary? And if it happened sooner or later in Lithuania, Estonia, Latvia, Poland, East Germany, or any other Soviet-dominated country, have we a policy to capitalize on the situation which flows as a result of the inherent desire of men and women to possess what God has given to them, liberty and independence?

So, Mr. Speaker, while Lithuania and other countries are under the heel of the ruthless Communist dictator, the most ruthless type of dictatorship recorded in the known history of man, it is, in my opinion, only a matter of time until the people of Lithuania and other Communist-dominated countries will regain their liberty. But we must always be strong, not only militarily, but also we must be strong morally, because it is our moral strength that is going to enable us to engage in affirmative action that will defeat communism; and it is moral strength that is keeping the people of Lithuania and other Soviet-dominated countries alive today, their belief in God and their hope for early restoration of independence and liberty. They are looking to America for leadership, and America should not fail when that day comes.

Mr. FENTON. Mr. Speaker, will the gentleman yield?

Mr. FLOOD. I yield to the gentleman from Pennsylvania.

Mr. FENTON. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made on this subject.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. FLOOD. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I wish to commend the gentleman for his extremely fine statement in appreciation of Lithuania. I have very few Lithuanians in my district, but there are many in the great Commonwealth of Massachusetts; they make very wonderful citizens in this country. I have the greatest admiration for them.

Mr. Speaker, it behooves us to see that there is no effort in this great country of ours, made up as we are from many different foreign strains, to take away our freedom of religion, to take away our freedom of action, to take away other freedoms we enjoy today in our own country. I have recently seen some signs of trying to set brother against brother in the United States. This, I think, is communistically inspired. That is one reason why I think the gentleman's speech commending Lithuania's continuing fight for freedom and independence is particularly timely.

Mr. FLOOD. I thank the gentlewoman from Massachusetts.

We have over 2 million Americans of Lithuanian ancestry who served in the Second World War and in Korea. No one in this assembly has done more for the American veterans than the distinguished gentlewoman from Massachusetts [Mrs. ROGERS].

Mr. RABAUT. Mr. Speaker, will the gentleman yield?

Mr. FLOOD. I yield to the gentleman from Michigan.

Mr. RABAUT. I thank the gentleman from Pennsylvania. I would like to associate myself with my colleagues in this House in commemorating the 40th anniversary of the independence of Lithuania.

Mr. Speaker, proud people never forget their independence day, and they always celebrate it with due solemnity. Perhaps no other day in the history of a people is as deeply venerated as is the day of their national independence. Just as the birthday is of distinct significance to the individual, so independence day is of utmost significance to free and independent nations.

Yet many free and independent nations celebrate their independence day as a matter of course because they live in freedom and take their independence for granted. But this is not so with peoples who have won their independence after centuries of stress and strife, after long and sacrificial efforts, and after suffering almost endless miseries and hardships. To such peoples the celebration of independence day means the reviving of old historic memories, retelling of episodes and events which led to the culmination of their independence and freedom. And if such people had the misfortune to lose their regained and fondly cherished independence, then its commemoration takes an additional meaning. It becomes the standard, the goal toward which they vow to work, even though it may mean sacrifice. Such is the significance of the commemoration of the Lithuanian Independence Day.

The Lithuanians were for centuries a sovereign, independent people in their historic homeland. Late in the 18th century they lost their independence, and their country became part of the Russian Empire. For more than 100 years they endured the harsh and oppressive regime of autocratic Czars, but they never relinquished their right to freedom, nor for a moment did they forget their goal-national independence. They dreamed of it, they planned their work in its attainment, and often they plotted against the Czarist regime. Their only real chance for freedom came only after the Russian Revolution of 1917. Then the Czar's regime collapsed, and the Lith-

uanians, feeling free, proclaimed their national independence in February of 1918.

From that historic day on, for more than 20 years, hard-working and patriotic Lithuanians labored lovingly and diligently to make their homeland one of the most prosperous, progressive and orderly democracies in Europe. All free peoples watched the industrious Lithuanians build their war-torn country as a model; they were glad and overjoyed to see Lithuanians succeed so well in their task. Not so, however, were the feelings of dictators and powerful oppressors in some neighboring countries. They seemed to be envious of Lithuanian freedom and prosperity, and were determined to put an end to that democratic show. The Soviet Union was Lithuania's most-feared neighbor. Unfortunately her grave apprehensions were justified, when early in World War II Lithuania was overrun by Soviet forces and annexed to the Soviet Union.

Since then, for more than 17 years, Lithuanians have been suffering under totalitarian dictatorship. They endured the oppressive Nazi overlords during part of World War II, but during most of the last 17 years they have suffered under Communist tyranny. Their once free country has been turned into a large prison house where everyone is in Communist bondage. Under these oppressive conditions they still retain their hope for freedom and liberty. Though they cannot celebrate their independence day openly, yet we all know that they cannot forget it. To them, even more than to those in the free world, it brings hope and fortifies their faith in their eventual freedom. We in the free world in celebrating the 40th anniversary of Lithuanian Independence Day, echo their genuine and irrepressible feelings and ardently hope that soon Lithuanians attain their goal—genuine freedom in their own homeland.

GENERAL LEAVE TO EXTEND

Mr. FLOOD. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to extend their remarks on this subject.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

THE MISSILE AND THE MIND

Mr. KEATING. Mr. Speaker, many have said that this session of Congress should be concerned with missiles, space, and atomic submarines. All these questions, and others like them, are of the greatest importance to the survival of this Nation as a free and independent entity.

It would be wrong, however, to equate these materials of war with permanent peace. They can prevent new aggression, but they cannot destroy the effects of past oppression. The missile can never replace the mind, for it is in the minds of men, and only there, that everlasting peace can become a reality.

Yesterday marked the 40th anniversary of the independence of a people. It is not an anniversary we can celebrate without a good deal of regret.

The people of Lithuania are proud and vigorous. For centuries they have struck back at overwhelming odds in a gallant, and oftentimes futile, fight for freedom. Since 1253 when Mindaugus the Great was crowned first king of Lithuania this small but vital country has waged a never-ceasing battle in defense of its sovereign rights.

Today 3 million Lithuanians live, or perhaps I should say exist, under the hobnailed boot of Communist dictatorship. For the brief space of 22 years the previous century-long rule of terror by Russia was lifted. Then in 1940, in abrogation of all the rules of international law and universal morality, the new rulers of Russia, to protect themselves, smashed this tiny nation—a giant crushing a delicate vase.

At a time when the conflict between the free and Communist worlds has reached a new stage, the experience of these oppressed peoples is particularly significant. To the so-called uncommitted nations of the world, I say, "Look to Lithuania—look at her citizens, look at her laws, look at her slaves. Look, and say this is not naked, unashamed Communist imperialism."

We are engaged in a great struggle. In that struggle missiles are important. The deterrent effect of ICBM's and IRBM's of hydrogen bombs and pestilence bombs are of great value. For what, after all, guides these men in the Kremlin? Fear and a never-satisfied thirst for power—a thirst only briefly slaked by the blood of their victims. So long as we can balance that thirst with fear of devastating power held by free men, they will not drink again.

But these are negative weapons to hold off new rapes of nationhood. They cannot, in themselves, do more than maintain the status quo. For this is a struggle not basically of missiles, but of minds. To win we must gain the allegiance of freedom-loving men and women around the globe.

The hard, the brutal, difference between the two ways of life is illuminated in the cold reality of Lithuania today. The stark terror, the murders, the concentration camps all scream their message. The many Lithuanians living in this country today attest to the kind of nation Lithuania could be. The blood of barbarism testifies to what it is.

In our country many Americans of Lithuanian origin have proved able and conscientious citizens, contributing much of their heritage and culture to their communities. Through such people as these is America growing, enriched by new customs and new ideas.

As free men and women we are bound by laws, not only of self-preservation, but of morality, to strive to the end that all peoples everywhere will enjoy the dignity of democracy. Abraham Lincon said:

In giving freedom to the slaves we assure freedom to the free.

So long as the lamp of liberty is dark anywhere, our own light is in peril.

Security is not won by missiles alone. It is won by a steadfast determination that the minds of men must and will be free. Lithuania today wears the collar of communism, but it no less capable of the contributing to freedom's cause.

The example of a proud people, jealous of their rights, shackled to the iron maiden of the Communist conspiracy carries a message of great impact for the minds of those uncommitted nations. The reality of present Communist imperialism, as epitomized in Lithuania should constitute a major weapon in the arsenal of democracy. Past colonialism may be a thorn pricking the memories of these peoples, but today's threat to freedom from the Kremlin is a sword of Damocles hanging over their heads, over their newfound independence.

As we celebrate the anniversary of that day in 1918 when this tiny nation declared its independence, we celebrate by renewed resolve; that these people and their enslaved compatriots behind the Iron Curtain shall know freedom once again, that their lamps of liberty shall once again be lighted and the darkness of despotism shall haunt their homes no more.

Mr. FORAND. Mr. Speaker, Sunday will be Lithuanian Independence Day. To the people of Lithuanian descent it is both a day of joy and a day of extreme sadness. It is a day of joy, because history recalls that it was on February 16, 40 years ago, that started an era of happiness and freedom for Lithuania, an era of more than a score of years of independence to a little country that has been under Russian rule since 1795. It is a day of sadness, because the independence of their fatherland does not exist any more. The Soviet fist is today clenched tighter than ever over their country.

On this 40th anniversary of Lithuania's independence, we who live in liberty and freedom extend to the people of Lithuania our assurance that we shall continue to support them in their fight for liberation so that they may once again be free to enjoy freedom and peace.

We assure them that we have not forgotten their valiant fights of the past against tyranny and dictatorship, and we feel confident that the day will come again, as it did in 1918, when the people of Lithuania will rise in their wrath and break the yoke which the Soviets have placed around their necks. We know that the present Government of Lithuania is not one of the will of the people but one that has been imposed on them by brute force.

The history of Lithuania is one of struggle by a freedom-loving people to get along with their neighbors. She was ever ready to take upon herself even more than her just share; thus when the Nazi persecution of Jews began in Germany, and many Jews were looking for refuge, Lithuania, in response to an international appeal, admitted almost double the number of her legitimate quota. Then again, in the darkest hour of recent Polish history, when the German and Soviet armies were tearing Poland to pieces, Lithuania, albeit deeply wronged by Polish occupation of her capital, which Poland never returned to Lithuania, wholeheartedly offered asylum to

thousands of her adversaries, the Polish refugees fleeing now before the German and Soviet invaders. The history of Lithuania is also the story of a people that has been subjected to persecution at the hands of greedy nations who not only took control of its Government but also stifled religion by closing its churches, raided its library, expelled thousands from the country, drove thousands into slave labor and armed services, and chased into the forests other thousands of men and boys who refused to fight under the Germans and later under the Russians. These holdouts preferred to become guerrillas and to suffer undue hardships in order to carry on the harassment of the invaders.

The Lithuanians are fine people—industrious, conscientious, peace-loving, and loyal. These fine qualities are evident in the nearly 1 million Americans of Lithuanian descent who are in this country, as well as in the 26,000 Lithuanian displaced persons who have found a haven in the United States.

I am happy that our Government adheres to its statement made on July 23, 1940, in which the United States protested against the annihilation of the 3 Baltic Republics by Soviet Russia.

To the people of Lithuania, and to their many friends and relatives, we say: Have faith; your country will again gain prominence and position in the world with the aid of your many friends here in the United States.

Mr. CANFIELD. Mr. Speaker, it is fitting, that in this week that marks the birthday of the Great Emancipator, and in this Chamber where once his voice was heard, we join in homage and recognition of the 40th anniversary of Lithuanian independence.

For the slavery that Lincoln abhored so much was not one whit more evil than the slavery that has been forced upon the brave people of that little land.

The ideals of freedom for which Lincoln lived and died are the same ideals that burn fiercely in the breasts of Lithuanians everywhere, those fortunate enough to be breathing the free air of America and those now oppressed by the stifling bonds of communism.

Even a brief glance at the history of this tiny nation makes one feel humble, deeply respectful and greatly amazed at the courage and bravery of her people.

A victim of wars and oppression over the centuries; battered by Napoleon's retreating army and again by advancing Cossack hordes; tossed like a shuttlecock from Russian to German to Russian; her fertile acres stripped and unproductive; her literature and language supplanted by the godless mouthings of the Kremlin; her families torn apart and her people deported by the thousands.

One stands in awe and wonder, that this tiny country has been able to hold on to its identity, its people able to keep the torch of freedom still flaming brightly in their hearts.

In deep humility and with reverent hopes we salute Lithuania, her sons and daughters who walk proudly and unafraid in their adopted homeland, and those still writhing under communism's yoke. May we be inspired by their courage and dedication, and as we stand today to honor their brief but glorious day of freedom—so may we stand tomorrow in mutual rejoicing over their final deliverance from the bonds of tyranny.

Mrs. GRIFFITHS. Mr. Speaker, on February 16, 1918, Lithuania was proclaimed an independent kingdom after 123 years of Russian rule. In November of 1918 the country became an independent republic. Lithuania overcame insurmountable difficulties in throwing off the yoke of over 120 years of Russian rule. As a member of the family of free nations she made remarkable progress in all fields of endeavor. But after World War II Russia incorporated Lithuania into the U. S. S. R. and, for 12 years, she has been hidden behind the Iron Curtain. Here today is the world's largest concentration camp whose frontiers are sealed off even with its neighbors and no contact with the outside world.

For centuries Lithuanians have had a reputation for successfully resisting amalgamation with the nationalities which have overrun their country. They have clung obstinately to their culture, religion, and ethnical entity. For 12 years now they have been completely blacked out. Even the pipeline running from the Roman Catholic Lithuania through Poland to the Vatican, which functioned through the 1939–40 Soviet invasion and the subsequent German occupation has become clogged.

Today only the peoples of the free world can commemorate this important anniversary and speak for these silenced people. And we must continue to speak for them until their independence is regained and they can once again speak for themselves.

Mr. CRETELLA. Mr. Speaker, February 16 marks the 40th anniversary of the proclamation of independence by the people of Lithuania.

This nation is not a new one but dates back to many centuries as an outstanding military, political and cultural power in the eastern section of Europe.

The Soviet dictators have done their best to obliterate all traces of Lithuanian nationality and culture, but I believe the sparks of freedom still exist in the hearts of the Lithuanian people. They look to the United States as the leader of the free world to provide them the moral and spiritual support on which they rely for the perpetuation of their crusade for freedom. In the interests of freedom and independence we cannot fail them.

This is why Congress should speak up continually against the cruel Soviet terror tactics and colonization until every nation beyond the Iron Curtain is freed from the Soviet grasp and allowed to live without fear.

I am most gratified and honored to be among those Members of this body who speak against Russian attempts to communize Lithuania permanently. History is against the Soviets, as it has proven to us that the enslavement of people is doomed so long as the will for freedom and independence exists.

Lithuanian Americans have taken a very active part in speaking against the capture of their nation. The Lithuanian American Council is the spokesman for nearly one million Lithuanian Americans here, and the council is to be commended for keeping alive the crusade for freedom in asking their many friends in Congress to pay tribute to Lithuanian independence. They have not forgotten the country of their birth.

May we hope that one day in the not too distant future, through the efforts of us in the free world, that Lithuania will once again be returned to her now silenced people.

Mr. BECKER. Mr. Speaker, the 40th anniversary of the proclamation of independence by the people of Lithuania will be observed by freedom loving people everywhere on February 16 this year.

Because those of us who live in the United States hold so dear the blessings of freedom, we take this time in the House today to recall that little nation whose struggle continues, and I know I am joined by my colleagues in Congress in wishing her well today and always in the future, hoping she, too, may before too long enjoy those blessings of liberty and freedom with which we here are so richly endowed.

Mr. BENTLEY. Mr. Speaker, I wish to associate myself with the many friends of Lithuania in Congress who are acknowledging the 40th anniversary of her independence which falls on Sunday next, February 16.

Lithuania, together with her Baltic neighbors, Estonia and Latvia, was one of the early victims of imperialistic Communist aggression in 1940 when the Soviet Union tore up the pacts of nonaggression and friendship she had signed with these three small countries and forcibly incorporated them as Soviet socialist republics in as naked a display of ruthless aggression as the modern world has ever seen. Be it to the credit of the United States Government, under both Democrat and Republican administrations, that this international rape has never been recognized and that we still maintain diplomatic relations with the representatives of the Baltic nations here in our own country.

I wish to pay particular tribute, Mr. Speaker, to the Lithuanian American Information Center and the Lithuanian American Council, Inc., which has labored tirelessly to keep the course of Lithuanian independence before the conscience of the free world. I likewise call attention to the fact that our Government has still evidenced its concern in the fate of the captive peoples and has reiterated its belief in their right of freedom and self-determination. The recognition of occasions such as the 40th anniversary should help to convince the people of occupied Lithuania that they are not forgotten and that our people believe that one day this anniversary will again be celebrated in freedom by the people of Lithuania itself.

Mr. RODINO. Mr. Speaker, throughout their long and turbulent history Lithuanians have always struggled for their freedom. They have prized both personal and national freedom so highly that they have always been prepared to sacrifice all their worldly possessions and their lives in fighting for its attainment

and preservation. Their history has been one continuous and strenuous struggle for this common goal; the attainment of personal as well as national freedom. However, even when they were prepared to defend their cherished freedoms with all physical and moral power they were able to muster, at times they were no match to forces infinitely larger and far more powerful. And because of this they lost their freedom in the late 18th century; by sheer power and strength of numbers they were overpowered, overwhelmed, and subdued by the Russians. Then for more than 100 years, until 1918, they were held down by the callous officials of their careless overlords. The Russians imposed their inefficient but stern and unrelenting regime upon the Lithuanians and they tried every means at their disposal to curb, stifle, and choke the Lithuanian spirit of nationalism, of freedom, and of liberty. But fortunately they were unsuccessful in their evil efforts. The unbending and unwavering Lithuanians withstood all oppressive measures and preserved their independent spirit and their love of freedom. In the end when they had the opportunity of freeing themselves from foreign yoke, they seized upon it and proclaimed their independence in February of 1918.

The independence thus regained was acclaimed everywhere as the just reward of a people richly deserving this long cherished prize. Thenceforth for more than 2 decades the Lithuanians in their historic homeland labored diligently, joyfully, and ceaselessly, and succeeded in making Lithuania one of the most prosperous and progressive democracies in Europe. Unfortunately, however, this happy situation was not to last long. The evil eyes of Lithuanian's powerful neighbors seem to have watched life in free Lithuania with envy and jealousy. They were not disposed to tolerate a free Lithuania. They were determined to destroy it. This they did in 1940. In June of that year the Red Army of the Soviet Union marched into Lithuania, overran it, and then the country was annexed to the Soviet Union. Since those evil days unhappy Lithuanians have not known freedom; they have suffered, and are still suffering under Communist tyranny.

In the past while Lithuanians were enduring the oppressive foreign yoke in their homeland, many of them crossed the ocean and found themselves on these hospitable shores. Here they found refuge in freedom. Here they found the freedom for which their forefathers had fought for centuries in Europe. And in full freedom here they gave an excellent record of themselves in every field of endeavor. In business and industry, in the artistic, academic, and scientific fields, in the laboring forces, and in the fighting forces of this country, they have distinguished themselves and thus have contributed immensely toward the enrichment of our American civilization. They are noted for their loyalty to the institutions of this country and for their readiness to fight for the preservation of these institutions. In short they have become model citizens of this great Republic. We are indeed proud of them, of their record, and accomplishments.

Today we are glad to join these Lithuanian-Americans in the celebration of the 40th anniversary of this independence day, the Lithuanian Independence Day. We know that many Lithuanians are not free to do this. The Lithuanians in their homeland are not permitted to celebrate it. But we also know that as long as those stouthearted and brave Lithuanians live in the hope of attaining their freedom, then the day may not be far off when they will enjoy it in their beloved homeland.

Mr. LANE. Mr. Speaker, Moscow is irritated when we speak up for Lithuania.

It would like to have us forget, but that is impossible.

There is nothing in the Soviet bag of tricks that can silence the voice of the world's conscience.

Every year on this date we celebrate the anniversary of Lithuania's independence.

Paying tribute to the spirit of her people; the spirit that can never be conquered by the atheistic materialism of communism. The Reds have occupied the physical area of Lithuania, but they can never take over its mind and heart.

The spontaneous uprising of the Hungarian people, and their tremendous courage against impossible odds, was a clear warning to Communists everywhere that they have failed. In every captive nation, this pressure for freedom is a force that cannot be held in check forever. Inevitably it will erupt and like a chain reaction, it will vaporize all tyrants and their evil works.

Year after year, on February 16, we rededicate ourselves to the cause of Lithuanian independence.

And there is nothing that the Communists can do to stop it.

Inexorably, the fundamental yearnings of people must be satisfied.

With increasing power, the tyrants become increasingly worried.

That is the paradox of communism.

The more material power they acquire, the less sure they become.

Where, in their record of cruelty and enslavement, is the answer to their fears?

Being soulless, communism has no eternal truths to sustain it.

On every February 16, the freedom bell reminds all men of the vindication that is coming.

But, to the uneasy overlords in the Kremlin, the bell does not have a happy ring. It tolls the warning of their doom, of the retribution from which there is no escape.

For communism is the most monstrous crime in the annals of history.

It has murdered millions.

It has tortured many more.

And the tragic irony is that the bloodbrothers of Russian and Chinese communism have vented their hate and fury upon their own people first.

But when they reach out to destroy the soul and the mind of humanity that is the threat to all true life on earth.

In the tiny country of Lithuania, bordering on the vast land-mass of Soviet Russia, and presently occupied and overpowered by Red troops, secret police, and a few traitors, there lives a people who can never be conquered.

Patiently they endure, strengthened by their faith in God, and by their love for the culture and the traditions of their land.

Encouraged by the fact that we have not forgotten them.

In every Lithuanian home, they think of their relatives, friends, and countrymen who have become American citizens living in a country whose example inspires everyone who yearns for freedom.

Because they have placed their trust and confidence in us, we cannot fail them.

In the Congress of the United States, on this day set apart to honor Lithuanian Independence Day we reaffirm our determination to work for the liberation of Lithuania and every captive country.

Knowing that our words will reach them, in spite of every Communist effort to keep us apart.

Lithuanians, we admire your spirit; we believe in your cause. We shall not rest until you are free.

Mr. KEOGH. Mr. Speaker, freedom speaks in many tongues. The great tragedy of our era is that she now must speak in a whisper in so many lands and languages. It is a testimonial to the deathless vigor of freedom, however, that her voice never has been silenced, even under the particularly cunning and cruel repression of Soviet communism.

As leaders of the Free World, it is important that we not forget where the spirit of liberty must live in hopeful hiding, as, for example, in Lithuania. This homeland of a people who have fought repeatedly for freedom, and stand ready to do so again when history provides a new opportunity of promise, no longer is an independent nation. It is fitting that we honor this people and this nation as the 40th anniversary of the proclamation of its independence approaches.

To those not of Lithuanian extraction, it is easy to forget that there was a free Lithuania. The Soviets pretend that it enjoys a certain autonomy within the U. S. S. R., but it has been swallowed, although not digested, by the Russian Bear.

In that land that was and is Lithuania, however, many hearts are buoyed by the conviction that there will be another day to match the day now being recalled, February 16, 1918, when a sturdy people again found independence—the status of an entity in the community of nations which Lithuania had known as early as the 13th century.

There was a free Lithuania for two decades—two decades of substantial progress which reflected the energy and inherent capacity of the Lithuanian people. This was to come to an end with World War II. The Red Army extinguished the main flame of Lithuanian independence, but the pilot light remained aglow—an inspiration to those of Lithuanian blood wherever they might find themselves in the world.

Now, another anniversary approaches, and Lithuania remains enslaved. It is an unfortunate fact that we cannot offer, even from our position as leader of the

free peoples, a promise of early liberation. We can recall with some satisfaction, however, that the United States never has recognized the Soviet annexation, and we can resolve anew to make no compromise with tyranny, to the end that the smaller nations now in captivity behind the Iron Curtain once again shall rise in independent dignity.

Mr. FALLON. Mr. Speaker, one of the factors that makes our country great is the blending of foreign cultures into the multicolored stream of American life. The reasons that have encouraged immigration to our free land are many: Perhaps the most tragic has been the loss of freedom and human dignity in the Old World. This was true of Lithuania.

When Lithuania was overrun by the Czars many Lithuanians, finding religious liberty and freedom more precious than home ties, fled to America. The ones who remained behind continued to fight for a free Lithuania. Their work was not to be in vain; for independence was finally achieved on February 16, 1918. Although their homeland was once again free, many Lithuanians decided to stay here in their adopted land.

Lithuania's loss was America's gain. Ever grateful for the freedom and opportunity the country provided, the Lithuanian immigrants became outstanding American citizens.

America has been grateful for the contributions. In all parts of the country American Lithuanians have provided leaders in their chosen field of endeavor. The list of outstanding Americans of Lithuanian descent is long. Mikas Petraukas, Anna Kaska and Shirley White are familiar names to theater lovers. Jack Sharkey, Jack Goodman, Vito Tamulis were prominent sports personalities. Many more have, and are serving faithfully in, public office throughout the country. All these and many more have enriched and enobled American life.

Although Americans first, they have a natural concern for the land of their forebears. Once again their native land is not free. Today, on the 40th anniversary of the independence, Lithuanian hearts are sad. They know that today will be one of sad memories and unfulfilled hopes in their homeland.

All Americans join with their Lithuanian friends in commemorating the anniversary of Lithuanian Independence. They take this opportunity to express with them sympathetic concern for their countrymen in the enslaved homeland, and to join them in their prayers for genuine freedom and peace.

Mr. KLUCZYNSKI. Mr. Speaker, February 16 is the 40th anniversary of Lithuania's Independence.

We the peoples of the United Nations, determined to save succeeding generations from the scourge of war, which twice in our lifetime has brought untold sorrow to mankind, and to reaffirm faith in fundamental human rights, in the dignity and worth of the human person, the equal rights of men and women and of nations large and small, and to establish conditions under which justice and respect for the obligations arising from treaties and other sources of international law can be maintained, and to promote social progress and better standards of life in larger freedom, and for these ends to practice tolerance and live together in peace with one another as good neighbors, and to unite our strength to maintain international peace and security, and to ensure, by the acceptance of principles and the institution of methods, that armed force shall not be used, save in the common interest, and to employ international machinery for the promotion of the economic and social advancement of all peoples, have resolved to combine our efforts to accomplish these aims.

Thus, a new chapter of truly sincere words of good will in the spirit of Christian doctrine had been added in the field of international relations. This beautiful document was signed on the 26th day of June in 1945. Since then, time and again it has been quoted, commented, and a new generation of children, from all walks of life and from all over the world, have studied these words and many of them have left their schools with the thought to better international relations along the lines of the above United Nations Charter. Generations from now mankind will study the above quoted lines but only a very few of them will ever learn the true historical aspect that was the background which led the signatories to affirm their signatures to this document.

Whoever has read the preamble of the U. N. Charter undoubtedly will be under the impression that it was written by men who believed in the good of the human race. They will firmly believe that those who signed the document were idealists of good human nature, excellent standing, and beyond reproach. This, unfortunately, was not the fact. And today most of us know so. We know that one delegate to the San Francisco Conference came there like the Trojan Horse men in 1195 B. C., and that he and his successors have obstructed the work of the U. N. ever since. And we do know also, that as long as the "distinguished gentlemen" from the Soviet Union remain participating members of the U. N., no good will ever come out of it.

Our great Woodrow Wilson, in an address to the United States Senate on a World League of Peace, had said:

I am proposing government by the consent of the governed.

When we formed the United Nations, did we ask the people of the Soviet Union whether their representatives sent to San Francisco came there by consent of the 200 million people comprising Soviet Russia? No, we know that these representatives were sent merely to represent the henchmen known as Stalin and company. Wilson's ideals embodied in the League of Nations have gone forgotten. And yet the entire conception of the U. N. was nothing but a replica of Wilson's League of Nations. Are we that shortsighted not to see this?

Following Wilson's idea of "the recognized right of nations to self-determination," as laid down in his famous 14 Points, Lithuania's Declaration of Independence was signed on February 16, 1918. She enjoyed her freedom until Soviet troops marched into that country at the outbreak of World War II. Since that time Lithuania, with its gallant people, has become a doomed country, just as doomed as Latvia and Estonia.

None of the members of the U. N. first conference in San Francisco had courage enough to demand the full independence and sovereignty of that little state that came into existence in the year 1200 A. D. During the Middle Ages Lithuanians had established a powerful and independent state in Europe. For centuries they succeeded in opposing a German drive to the east and vice versa they protected Europe from Mongolian and Tartar hordes. They furnished a power and a government behind which the eastern Slavs could live in peace and safety with a freedom that was unknown in Russia. They encouraged education and tolerance and the part they played in the general development of European civilization was great. But they were forgotten when the first chapter, "We the peoples of the United Nations," was drafted.

It is a shame to think of it when we witness how new countries come into existence. Countries that one has never heard of. Countries in the Middle East with no historical background, and countries that had no more than 15 college graduates when the U. N. declared their independence. Should there not be some priority? Should the blood spilled through centuries in the fight for freedom by the Lithuanian people not be vindicated, at least by some encouragement?

Mr. Speaker, for years I have been pleading to do something about the sealed fate of the Baltic States. Let us not lose our face as we have lost it on many occasions in the past. Today on the 40th anniversary of Lithuanian Independence let us once again think about that little nation with its proud history and ask Mr. Khrushchev: "How long do you intend to keep these people enslaved?"

Mr. ZELENKO. Mr. Speaker, the 40th anniversary of the proclamation of independence of the people of Lithuania occurs on the 16th day of February, 1958. The United States recognized the sovereignty of Lithuania in 1922. Since that day Lithuania has been the victim of Soviet occupation and annexation. If this dreadful occurrence had not taken place, the United States would have had a free, democratic and friendly ally in the Government of Lithuania. Here in the United States one needs but to know his neighbor of Lithuanian descent to realize that had Lithuania not been the victim of Communist aggression it would have been among the leaders of the world in social, economic, cultural, and political progress in the interest not only of its own citizens but of all people.

We can only hope and pray that in the not too distant future the shackles of the Communists will be broken and Lithuania will take its rightful place among the free nations of the world.

Mr. CURTIS of Massachusetts. Mr. Speaker, February 16 marks the 40th anniversary of the Lithuanian declaration of independence. I am glad to join with the nearly one million Lithuanian-Americans in celebration of this anniversary—which cannot be observed by the peoples of Lithuania, who have been silenced and subjected to the tyrannical rule of Soviet Russia. Our Nation, for

which the concepts of freedom and humanity have been a guiding light, views with sadness the present plight of the Lithuanian people, and looks to the time when their independence day will celebrate a vibrant living freedom.

Mr. BYRNE of Pennsylvania. Mr. Speaker, 40 years ago, on February 16, 1918, the independence of Lithuania was declared, after a great many years of forced annexation to the Russian Empire, and this independence was recognized by several free countries, including the United States. But this situation was comparatively short lived, and because of its geographical location, unfortunately, close to the Soviet Union, Lithuania was among the first victims of the tentacles of communism.

The Soviet Union, by various vicious means, placed and held its yoke of oppression upon the heroically rebellious and frustrated people of Lithuania. Then in the farcical so-called free election held in 1940 the citizens of Lithuania were compelled to go to the polls and forced under Communist-controlled circumstances to vote for a single list of candidates—this during a time when the Soviet secret police and the Red army were terrorizing the freedom-loving people of Lithuania. The result of this election was a Soviet-dominated Parliament, which promptly met and passed a resolution humbly requesting that Lithuania be admitted into the Soviet Union. The Supreme Soviet feverishly granted this request and announced on August 3, 1940, that Lithuania was declared to be a part of the Soviet Union. The United States has held fast to its refusal to recognize this absurd and fiendish annexation, and we continue to give the gallant people of Lithuania our moral support in hopes and prayers that the day will not be long coming when peace, freedom, and independence will again be restored to Lithuania and other oppressed territories behind the Iron Curtain. Our best wishes go out to them today.

Mr. VANIK. Mr. Speaker, February 16 marks the 40th anniversary of the proclamation of independence by the people of Lithuania.

Today, all of the friends of free Lithuania pause to pay tribute to the freedom-loving Lithuanian people behind the Iron Curtain who are not free. These 3 million enslaved Lithuanians are daily denied liberties and freedoms which we in America often take for granted.

We in Cleveland are proud of the large segment of our population who are of Lithuanian extraction. They have made a tremendous contribution to the civic life of our community. In their diligent work and provident thrift, in their respect for the Constitution and the laws of our community, they are exemplary citizens. They have every right to be proud of their culture and heritage. It is well that we share their concern for the welfare of their less fortunate relatives and friends who remain in Lithuania.

On Sunday, February 16, over 1,000 Americans of Lithuanian descent will attend a program in the WHK Auditorium in Cleveland to further commemorate this 40th anniversary of Lithuanian Independence under the auspices of the American Lithuanian Council in Cleveland.

In this way each year, much is done to keep alive the spirit of Lithuanian Independence until the restoration of freedom and democracy in their homeland is finally achieved.

Mr. AUCHINCLOSS. Mr. Speaker, during most of their modern history Lithuanians have suffered under various alien regimes. All of these regimes have been oppressive, but the Russians, who ruled over Lithuanians since late 18th century, were intolerable and totally unbearable. In February of 1918 that heavy yoke was overthrown and the Lithuanians regained their national political independence. For almost 150 years prior to that date, Lithuanians had dreamed and planned, and worked for the realization of that goal, and now that they had attained it, they were determined to maintain it, and defend it against all comers. For two decades they were a united people and with the help and encouragement of friends abroad, they rebuilt their country, and shaped their democratic government to suit their modest needs. In the course of two decades Lithuania became a respected member of the European family of nations.

But the rise of the totalitarian dictators proved to be fatal to small independent nations and Soviet Communists would not allow little Lithuania to enjoy the luxury of freedom and other amenities of democratic rule. Early in the course of World War II Lithuania was overrun by the Red army and the country was annexed to the Soviet Union. In mid-1940 Lithuanians lost their national independence which they had treasured for 40 years and today they still suffer under the unbearable rule of Communist Russia. They are forced to endure this tyranny but they live in the hope that some day their country will again be free from the Soviet tyranny. In commemorating the 40th anniversary of their independence day we all ardently hope that that day will not be too far off, for the love of liberty which is characteristic of these great people cannot be quenched. It is something that is dear to their hearts and it is their tradition, handed down from generation to generation, that no sacrifice is too great to be made on the altar of freedom.

The Lithuanians will continue their struggle for liberty and they will continue to receive the support of the citizens of all freedom-loving nations. The example which they have set the world in the past has been an inspiration to everyone and it will be cherished by this nation which is mighty in soul and which is indestructible. It is a privilege to praise the courage of such people and offer them the hand of friendship.

Mr. GORDON. Mr. Speaker, 40 years ago the Lithuanian people threw off the yoke of oppression after 120 years of Czarist rule. Thereafter the citizens of Lithuania worked industriously and successfully to create a modern democracy. All of these hopes and all of this hard work was brought to naught a short 20 years later by the cruel heel of Soviet and Nazi aggression. Although the Lithuanian State has been extinguished for the time being, Lithuanian devotion to liberty and to freedom serves as a beacon light to all of us in these troubled times.

It is indeed tragic that a people who for hundreds of years have been devoted to the causes of freedom and to Christianity have been so cruelly subjected to oppression and hardship. Our hearts go out to this brave people, and we only hope that the time will soon arrive when once more the Lithuanian State will take its place among the free democracies of the world.

A lesson can be learned from Lithuania by all those who think that they can do business with the Russians. Only 18 short years ago Soviet Russia in the Treaty of Moscow recognized the sovereignty and independence of Lithuania without reserve and renounced all sovereign rights ever possessed by Russia over the Lithuanian people and territory. This treaty was not even as good as the paper on which it was written. This was only one more instance of Russian perfidy, and yet the Russians still protest against Western imperialism and Western colonialism.

We can only fervently hope and pray that this great people will soon be able to throw off its shackles.

Mr. ANFUSO. Mr. Speaker, just 40 years ago, on February 16, 1918, the independent Baltic Republic of Lithuania was founded as a democratic and sovereign state. Its independence, however, was shortlived. It lasted a little more than two decades until the beginning of World War II when Lithuania was occupied by Soviet Russia. It still remains an occupied country suffering under the brutal yoke of communism.

The Kremlin leaders are constantly denouncing colonialism and are posing as ardent champions of the oppressed and downtrodden small nations. At the same time, Moscow has subjugated more small nations than all the colonial powers ever did and certainly in more brutal ways. One need only look at Lithuania as an example of Russian tyranny practiced against a small people. Ruthless suppression of freedom, liquidation of its national independence, destruction of culture and religion, deportation of many thousands of Lithuanians to slave labor camps, severance of all contacts with the Free World and their kinsmen living there—these are some of the cruel achievements of Lithuania's Russian overlords.

Notwithstanding all of this suffering and enslavement, the people of Lithuania continue to strive for freedom and to hope for liberation of their country. Each year on the occasion of their glorious but not forgotten day of independence, they wait for a word of spiritual and moral encouragement from the freedom-loving people of America. It is to us that their eyes and their hearts turn for expressions of friendship, for signs of sympathetic understanding. Let us give them this desired encouragement in the fullest possible measure.

On this occasion we express our solidarity with the Lithuanian people. We pledge ourselves not to forget them in

their tragic plight during these dark days. We hope and pray for their early liberation. We send our greetings and our wishes that they may live to see their nation restored to full independence and to its rightful place among the free nations of the world.

Mr. BARRETT. Mr. Speaker, all men unite in praise of courage. It is proper therefore to celebrate the courage of the Lithuanian people on this the 40th anniversary of the independence of the Republic of Lithuania.

The first information about Lithuania comes from the 10th century. Many tribes and independent groups of the Baltic area had been welded into the single state of Lithuania. From this beginning Lithuania advanced, during the Middle Ages, until its boundaries extended from the Baltic to the Black Sea. It became one of the great nations of Europe. It is hardly an exaggeration to say that it was of considerable importance in the history of western civilization that the courageous Lithuanian rulers were able to withstand the pounding waves of the Tartar hordes which threatened to overrun Europe.

Although the power of Lithuania declined rapidly until the state was absorbed first by Poland and later by Russia, the people clung valiantly to their traditions, language, and religion. Even the harsh Czarist efforts to stamp out the language and the cruel deportation of large numbers of the people to Siberia failed to destroy the tenacious spirit of freedom.

None but the brave deserve the fair.

And the fair was liberty. Finally on February 16, 1918, during the German occupation Lithuania proclaimed her independence from Russia. For a period of 20 years the wine of freedom invigorated the people, and substantial progress was made in political, economic, and cultural fields. Lithuania assumed her rightful place in the family of nations.

The independence of Lithuania came to an end during the Second World War with the invasion of the Germans in 1941, and in 1944 the country was incorporated into the Soviet Union. The chains of Russian bondage are heavy, but the Lithuanians have not ceased to hold their heads high.

We join today with the million American citizens of Lithuanian descent to celebrate this anniversary and to express our hope and faith in their eventual deliverance.

Mr. FINO. Mr. Speaker, today is a historic and memorable day for the people of Lithuania. Forty years ago, on February 16, 2 million Lithuanians, who had for generations clung to their ancient traditional tenets, to the high ideals of democracy, freedom and independence, proclaimed their national independence. Ever since this small people had been forced to accept the Russian rule and acquiesce to the annexation of their country by Russia, they had thought, planned, and even plotted against the government of their overlords in Lithuania, but they simply did not have the physical power to do it Toward the end of the First World War, when that decrepit regime collapsed, the Lithuanians, along with a large number of other national groups of Russian empire, felt themselves free and asserted their independence.

Today's celebration of that event, the 40th anniversary of Lithuanian Independence Day, is marked with mixed feelings; it is charged with mixed emotions. It brings forth memories of joy and glad tidings which accompanied the proclamation of independence and signalized happier days. This celebration also brings grief and sorrow when we think of the fate of millions of unfortunate Lithuanians who once more find themselves under the harshest and most brutal of tyrannical forces, heartless Communist totalitarianism. While we on this memorable day celebrate that event, we remain fully and keenly conscious of the sad lot that has fallen to Lithuanians in their country. And on this day we once more express our heartfelt desire that soon they will regain their freedom and enjoy it in their homeland.

Mr. ZABLOCKI. Mr. Speaker, Sunday, February 16, will mark the 40th anniversary of the declaration of independence by the Republic of Lithuania. Since the House will not be in session on that day, I would like to join today with my colleagues in calling attention to that important anniversary.

Human values and desires have always played a vital role in shaping the course of history. While technological inventions and material progress may influence the shape and form of human institutions, it is the human spirit which sparks the destiny of man.

In an age when our attention is preoccupied with scientific achievement, when new and terrifying weapons appear to be the only determinants of the future of man, we must not forget the age-old lesson. The human spirit is still the ultimate weapon in any global conflict. Men, rather than the mechanical weapons developed by them, will decide who shall be the winner in the struggle between freedom and totalitarianism.

For this reason, it is proper that we pause today in our legislative deliberations to pay tribute to the indomitable spirit of the people of Lithuania, whose courageous deeds give ample testimony of their devotion to freedom. The people of Lithuania have bravely resisted all Soviet attempts to convert them to the Communist outlook and way of life. They continue to long for the day when liberty and national independence will be restored to them.

On this the 40th anniversary of their declaration of independence, let us join the people of Lithuania in their hope that their nation will soon again take its rightful place in the ranks of the free nations of the world.

Mr. RADWAN. Mr. Speaker, the celebration of Lithuania's 40th anniversary of independence is an occasion of such significance in the annals of human endeavor that I am proud to share in it. The spirit of Lithuania has survived vicissitudes of such magnitude that a people of lesser fortitude, of lesser moral stamina, of lesser attachment for the ideals which we hold most high would have succumbed long since. For the Lithuanians, however, not only survival but an inspiring example of an epic tradition has been their contribution to an admiring world; and this throughout adversity extreme and prolonged.

The sustained story of Lithuania's spirit of independence, which has endured despite innumerable unfortunate ramifications of history, stands as a beacon to all oppressed peoples. The anniversary we celebrate, dating as it does from the reestablishment of this doughty Baltic Republic after World War I, marks not only the birth of this freedom-loving, rightfully proud, and spiritually undivided nation in 1918. It marks too the rebirth of a liberty which, though lost as a nation for centuries, was never dead in the hearts, the annals, and the vision of the Lithuanian people. Their rightful heritage was but restored to them—as we unfailingly trust that it will be once again restored.

After nearly 800 years of domination by rich, powerful, envious, and belligerent neighbors, this ancient race was able to maintain its identity, preserving throughout its distinct language and literature, its ideals. Indomitable of soul, unconquerable of faith in its restoration, these people whose realm once extended from the Baltic to the Black Sea, became once again a sovereign and united country, 40 years ago today.

What has transpired since the gloom of World War II descended upon humanity is but another shadow across the page of history. Nonrecognition by the United States of the Soviet Union's attempt at absorption of this fortitudinous people is evidence in itself of the faith which the Lithuanians have inspired, the honor which they have earned.

With such a history as theirs for a foundation, Lithuanians today, despite temporary control of a Goliath, may face the future with the inspiration and the confidence of a David. We applaud their tenacity, their vigor, and their steadfast belief in the ultimate triumph of the right.

Mr. OSTERTAG. Mr. Speaker, it is my wish to mark the forthcoming 40th anniversary of the proclamation of independence by the Lithuanian people of February 16, 1918. At this time I join with the many friends of this once-free nation who have pledged their faith and efforts for the restoration of its independence.

Lithuania flowered in freedom for 22 years after World War I until 1940, when the Soviet Union overran the little Baltic country and commenced ruthless efforts to stamp out its identity. The friends of Lithuania, by their efforts, are keeping before the world this reminder of Soviet brutality and imperialism and are keeping alive the desire of millions of Lithuanian peoples for freedom.

In this age when freedoms constantly are under pressure, we are grateful for this inspiring example of resistance and determination. The cause of Lithuania is the cause of all captive peoples behind the Iron Curtain who have not surrendered their desire for freedom and liberty to the tyranny of communism.

Mr. MACHROWICZ. Mr. Speaker, I wish to join my colleagues in paying trib-

ute today, on the 40th anniversary of Lithuania's Independence, to a gallant Lithuanian nation which is today enslaved, but not defeated.

Those of us who had the privilege of serving on the House Committee on Communist Aggression had the opportunity to hear firsthand the authentic accounts of the brutality of the Communist forces which invaded and occupied Lithuania—and of the courage, patriotism, and spirit of the Lithuanian people in resisting the forcing upon them of Communist ideology and domination.

The lesson that is to be derived from those tragic days should never be forgotten by us or by the Free World. It teaches us the treachery and duplicity of the Communists and the futility of reliance upon their word. The example which the Lithuanian people gave the world in their resistance to tyranny and in their loyalty to the ideals of freedom and democracy certainly needs to be emulated by all of us who work and dedicate ourselves to the cause of a just and lasting peace.

I join in extending my congratulations to this fine and brave nation and in wishing for them the freedom and independence which they seek and which must, undoubtedly, be restored to them if the Free World is to survive.

Mr. FRIEDEL. Mr. Speaker, two score years ago, on February 16, after more than 120 years of foreign domination, Lithuania proclaimed its independence. For 23 happy years until the Nazi occupation of 1941 Lithuania prospered under her democratic form of government and became a respected member of the world community. Then in 1944, Soviet Russia swallowed up the Baltic Republics.

The terror tactics employed by the Soviets to enslave the Lithuanian people shocked the American people. However, despite these methods of persecution and deportation, the Reds have failed to extinguish the desire for freedom in the brave country. The Communists themselves were first to admit that after the Hungarian revolution in late 1956, repercussions were felt in Lithuania. Once again the nationalists were a cause for concern for the Red regime.

Today, on the 40th anniversary of Lithuanian independence, the American people have an opportunity to denounce anew the inhumane methods of Soviet tyranny and to express their sympathy for the brave and long-suffering Lithuania. All freedom-loving Americans are confident that Soviet despotism will one day come to an end and we hope and pray that that day may be soon.

Mr. PRICE. Mr. Speaker, it was 40 years ago this week that Lithuania joined the family of free nations as an independent, democratic state. The reestablishment of the Lithuanian state came after nearly two centuries of bondage that began when Russian legions swarmed over the country in 1795.

Not a people to grovel before any conqueror, the Lithuanians revolted three times in the 19th century and again early in the 20th century against the might of the czars. This same people earlier in their history had demonstrated their unquenchable love of liberty by battling against the Tartars and Huns.

Imbued with this centuries-old tradition of devotion to freedom, Lithuania was able on February 16, 1918, to proclaim its independence from Russia. This Baltic nation began taking giant strides in industry, in farming, in education, and in the arts.

Then, in June, 1940, the Soviet Union, following the pattern of conquest laid down by the czars, broke its peace treaty of 1920 with its Lithuanian neighbor and once again the yoke of Russian tyranny was clamped down on the proud state of Lithuania.

Remembering the fierceness with which the Lithuanians had fought against past enslavement, the Soviet invaders deported hundreds of thousands of Lithuanians from their homes and farms to the vast darkness of Siberia.

And so for 18 years, Lithuania has been a nation in chains, a nation where freedom is only an unextinguishable spark in the national soul.

But as long as this ember of freedom glows, there is hope for Lithuania and the other nations in the shackles of Soviet imperialism. I would tell the Lithuanian people today that they are not forgotten. One day, the chains forged by the conqueror will melt before the torch of liberty.

Mr. MAY. Mr. Speaker, do we not hear the desperate cries of the subjugated people of Lithuania? Have we forgotten what crimes have been perpetrated against this martyred people by the Soviet Union? Do we not see in the fate of Lithuania a manifestation of the complete evil of atheistic communism? Mass deportation, slavery, and liquidation have taken place in an effort by the Soviet Union to eliminate the Lithuanian state, its culture, and its religion. We can only imagine what sufferings and what humiliations must have been endured, and are still being endured, by this valiant people.

No, we and the entire Free World have not forgotten. We cannot forget. We work and we pray for the eventual glorious liberation of Lithuania and all other enslaved peoples.

On February 16 we celebrate the 40th anniversary of Lithuanian Independence. After more than a century of domination by Czarist Russia, Lithuania assumed her rightful role in the ranks of the free nations of the world, in 1918. Yet even as we celebrate the anniversary of its independence, we note sadly the 18th anniversary of its enslavement by the Soviet Union. In having endured 18 years of oppression we might sympathetically understand if their hope had been replaced by despair, and their faith had been replaced by bitterness. Yet, we know that this is not the case. The light of their hope and the strength of their faith has never diminished. The danger is rather that the rest of the world might forget, might despair, or might lose faith.

For this reason, on February 16 and on every day of the year, we should have some reminder of our responsibility to the tortured peoples behind the Iron Curtain.

I propose that every time we read a newspaper born of our free press—every time we vote in our free elections—and every time we speak with complete freedom expressing either approval or disapproval of any phase of our society, we do so in full awareness of the terrible fact of our time—that millions of our fellow human beings are denied these basic freedoms of expression.

We cannot rest, we cannot cease to work, and we cannot cease to pray that soon Lithuania—and all other enslaved peoples, including the subjugated people of Russia—will find the strength to throw off the terrible weight and brutality of communism and return to the family of free nations.

Mr. McVEY. I deem it an honor to join with my colleagues in paying tribute to the gallant nation of Lithuania, which, after more than 100 years of subjugation by Russia, proclaimed its independence on February 16, 1918. Her status as a free country was of short duration, but during that period her progress in all fields of endeavor was outstanding. The independence for which her people fought so hard and long came to an end in 1940 when Russia, in violation of its treaties with Lithuania, seized and occupied that country again. Since that time there has been no freedom in Lithuania, and the 40th anniversary of independence will not be celebrated in the homeland.

We Americans have not forgotten the Lithuanians. We are mindful of the tragic events that brought about the enslavement of their peaceful nation, and we will never approve of its occupation by the Russians. We salute the courageous people of Lithuania and assure them of our continued interest in their welfare. It is my fervent hope and prayer that Lithuania will soon throw off the yoke of Communist aggression and once again rejoin the family of free nations.

Mr. McDONOUGH. Mr. Speaker, February 16 marks the 40th anniversary of the proclamation of independence by the people of Lithuania. Upon gaining independence, Lithuania maintained it for 22 years until that country was occupied by the Soviet armed forces which have kept the freedom-loving people of Lithuania in bondage to the present day.

There can be no public celebration of this 40th anniversary of the proclamation of independence in present-day Lithuania where the Soviet Communists are the masters. But the people of Lithuania and of the other Baltic States, Latvia and Estonia, have not given up hope that their prayers for freedom will be answered and that liberation will come.

Today, life in the Baltic States is hard and difficult, testing the courage and resourcefulness of every man, woman, and child who must live under Communist tyranny. The following letter from a factory worker of Riga, Latvia, presents a factual account of life in the Baltic States under Communist oppression:

You wish to know how we live? Well, the upper class, i. e., Russian officials and officers of the armed forces, as well as Latvian Communists in high positions, live very well.

But the majority of the people, including factory workers, do not really live, but struggle like nudes in a nettle bush. Wages are very low, amounting to 600 rubles per month in average for the majority of skilled workers, while beginners and unskilled workers make not more than 250 rubles a month. Hospital aids are paid 300–350, steno-typists 400, and nurses 450 rubles a month. Workers with exceptional skill may earn as much as 1,000 rubles, but their number is not great. Prices are still exorbitant.

Then follows a lengthy quotation of prices for foodstuffs and commodities, and descriptions of the various hardships to which consumers are subjected in their daily struggle for physical survival.

A man's suit of very low quality costs 465 to 520 rubles. Such a suit, containing hardly any wool, wears out in no time. The upper crust, such as executive officers, factory bosses, and functionaries of the party, are being served in secret by men's-wear cooperatives where their clothes are made to order by skillful tailors for 1,800 to 2,500 rubles per unit. They also can afford to buy woolen cloth of good quality on the black market for up to 500 rubles per meter.

To live comfortably, one needs an income of 2,000 rubles per month. But such earnings are accessible only to members of the Communist upper class. There are some who earn even much more than that. Kalnberzins (first secretary of the Latvian Communist Party) for instance, derives a monthly income of 6,000 rubles, in excess of his basic salary, and other income from various sources. In contrast, the average Latvian worker must balance the family budget, as far as that is possible, by making everybody in the family—wife, children, and grandparents—seek some gainful occupation. Apart from honest work, pilfering of factory property and produce, which we workers call fending, has become an inevitable and important source of income. Stealing is everybody's business in Soviet society, being practiced by high executives as well as simple workers. The stolen goods we sell on the black market, to complement our meagre diet. And why not, since we ourselves are dependent on the black market for acquiring indispensable goods at exorbitant prices? Pilfering and black market operations do not cause us any pangs of conscience, for we say to ourselves: Since the Communists exploit us without mercy, there is no obligation to hold their property sacred.

If a worker is caught stealing, he will be sentenced to hard labor for a number of years. As for the sleek bureaucrats, they know how to get away with murder. The Latvian workers are filled with hatred against their exploiters, and their devices for imposing unbearable production norms and socialist competitions. These norms are being raised constantly, leading in actual fact to lowering of wages. The trade unions of Mr. Voltmanis (boss of Latvian trade unions) are nothing but yellow organizations, subservient to their superiors and afraid to do anything for the benefit of the workers. The Latvian workers hold them in dire contempt, just as they despise the accursed Russian overlordship, and the arbitrary regime of the Communist Party.

NEPIEJANS.

This letter was published in the November issue of the Stockholm Latvian Socialist periodical paper Briviba.

The American people join with the people of Lithuania and those of Lithuanian ancestry on this 40th anniversary of the proclamation of independence by the people of Lithuania, in the hope that the Lithuanian people shall soon be liberated from their oppressors and once again gain their rightful place in the Free World as independent citizens of an independent Lithuania.

Mr. DINGELL. Mr. Speaker, in the course of their long history, particularly during the last several hundred years, Lithuanians have seldom had the privilege of enjoying the blessings of peace and liberty in their homeland. They have done their best to live in peace and to maintain their freedom, but their more powerful, envious, and aggressive neighbors often had evil and expansionist designs on Lithuania. This desire for expansion on the part of Lithuania's neighbors has been and remains the principal cause of her woes. In the midst of long periods of subjugation and servitude, Lithuanians enjoyed freedom and independence, for a short period during the interwar years, a period long enough to prove to the Free World that they were fully deserving of national independence, but hardly long enough to make their small country a bastion against the darkness of communism.

On February 16, 1918, after suffering under Czarist autocracy for more than 100 years, Lithuanians proclaimed their national independence. That act, the fact of proclaiming their freedom, caused great joy not only to liberated Lithuanians but also to their friends everywhere. Those friends helped Lithuanians in the difficult task of rebuilding and remolding their country and its institution to suit their modest tastes and desires. And in the short time allotted to them they were eminently successful in this great task. In 1940, however, soon after the outbreak of World War II, their independence was fatally endangered. Soon it was swallowed in the Communist flood. Their country was overrun by the Red army in June of 1940 and then incorporated into the Soviet Union.

Since then, unfortunate Lithuanians have neither national or individual freedom; and under the almost unbearable yoke of unrelenting Communist regime, they do not even have the freedom to lead a decent life. Under such abominable circumstances it is of course impossible for them to celebrate their sacred national holiday, their independence day. We in the Free World and in this country celebrate it in due solemnity and give a resounding echo to their genuine patriotic sentiments.

Mr. SCOTT of Pennsylvania. Mr. Speaker, it has become the custom in Congress each year to pay tribute to the people of Lithuania. February 16, 1958, will mark the 40th anniversary of Lithuania's Independence.

Unfortunately only Lithuanians now residing in the Free World can commemorate this anniversary and speak for a silenced people. Let it be known that all Americans, whether of Lithuanian descent or not, have not forgotten them in their present plight.

Lithuania overcame insurmountable obstacles in throwing off the yoke of nearly 120 years of Russian domination. For a period she took her place among the free nations of the world and made remarkable progress. During the years 1918–40 Lithuania received the recognition of the other free nations for her cultural, educational, and economic growth.

We all hope that within the near future Lithuania will once again be able to take her rightful place among the nations of the world.

Mr. EBERHARTER. Mr. Speaker, I am glad to have this opportunity to join with my colleagues in the commemoration of the 40th anniversary of Lithuanian Independence Day, which will fall on Sunday, February 16.

In past years we have felt the deepest sympathy for the plight of Lithuania. A small and peaceful nation, it fought valiantly for freedom, and—having achieved it—worked hard to gain great progress in land reform and education during the few short years before it was once again enslaved by the ruthless Soviet military machine; an occupation so harsh that only a handful of Lithuanians have been allowed to travel out of the country since 1939 and only the briefest reports concerning conditions within Lithuania are available.

All of our Christian teachings, our principles of democracy, our deepest conviction of human worth, are outraged by the Lithuanian story, and we are always more appreciative of our own freedom and good fortune after remembering Lithuanian Independence Day.

But this February, after the appearance of the Russian sputnik, the plight of Lithuania has a new and ominous meaning. The Russians' "stars" in the night sky serve, as nothing else could, to announce the tremendous power and driving ambition of the Soviet; and while we hail the remarkable progress of Russia—her great strides forward in industry, in education, and particularly in science—the memory of Lithuania does nothing to reassure us about the ambitions and aims of this military colossus. Rather it suggests plainly what may be the fate of any peaceful, prosperous nation if the real significance of Lithuanian Independence Day is forgotten.

Mr. SEELY-BROWN. Mr. Speaker, under unanimous consent granted me to revise and extend my remarks, I rise to join with many of my colleagues in this House, to take notice of the significance to free people everywhere of Lithuanian Independence Day, which will be observed on February 16, to mark the 40th anniversary of Lithuania winning her independence from Russia.

This year, although Lithuania today is not free, it seems to me that this anniversary has greater significance than ever before.

It is symbolic of the eternal flame, the yearning for freedom, that burns in the breasts of all men, that although Lithuania's status as a free and independent republic was comparatively short lived, enduring only a short 22 years until the dictators of Soviet imperialism by subversion and military coercion swallowed up free Lithuania, it is the anniversary of Lithuanian Independence that the Free World notices and not any anniversary of Lithuania's so-called voluntary amalgamation as a bogus "republic" of oppressed people.

The rulers of Soviet imperialism may count the 3 million souls who comprise Lithuania's present population as among the military and economic assets of Soviet Russia, but the thousands of Americans of Lithuanian stock who live in my own State and in the other States of the United States of America know that in the homeland they merely are hiding their time. The fires that feed the torch of freedom burn as brightly as they ever have through Lithuania's long history.

The Kremlin propagandists talk much of their peaceful aims. They seek disarmament of the Free World.

Our country and our friends wisely have insisted that before Soviet Russia can expect any concessions from the Free World, Russia must give satisfactory guaranties of peaceful intentions.

Such guaranties have not been forthcoming; but in the swiftly changing panorama of world politics and economics, the time is near when the dictators, to save themselves, must give heed to what the conscience of the whole world demands. When this time comes, and it may be even before that, the people of Lithuania will speak, without obstruction. When they do, Lithuania again will be a free and independent state.

Mr. FOGARTY. Mr. Speaker, it is a privilege to join with my colleagues here in the United States House of Representatives and pay tribute to a valiant nation which on February 16 celebrates the 40th anniversary of its independence. Lithuania, with great traditions of national sovereignty going far back in time, proclaimed its independence on February 16, 1918, ending generations of oppression by the Russian czars. Today after another World War against tyranny and in defense of freedom, Lithuania again finds herself under the iron heel of the oppressor.

It is a sobering thought to realize that for the people of Lithuania, this day cannot be other than a day of sadness. We, in America, who so rightly cherish our own Independence Day can well understand the feeling of sorrow that all Americans of Lithuanian ancestry must have at the realization that that great nation has been denied the very right to exist as an independent nation under a government of its own choosing.

The regime imposed on Lithuania by communistic Russia has violated every man's individual freedom. It has persecuted religion, enslaved labor, and destroyed every democratic principle. It has endeavored to instill hatred in the hearts of the Lithuanian people toward the Western democracies. That they have not been successful is due only to the strong inborn love the Lithuanian people have for the cherished principles of freedom and liberty.

It is a good number of years since tragedy struck Lithuania but history will assuredly show that this valiant nation cannot long remain in subjection. Tyrants can destroy men and institutions, but they can never destroy the love of liberty which springs eternally in men's hearts. The Lithuanian cause is a matter of concern for freedom-loving people throughout the world.

The future freedom of the Lithuanian people will surely come. We know it because we know something of the spirit of Lithuania and we know it will not be trampled underfoot forever. We know that Lithuania will one day be free—if only she can survive this terrible enslavement—and we know that she will survive it for we know her will to survive it. We must, however, let her know that she does not fight alone. We, in America, must pray for her and incessantly work for her eventual freedom.

Let men who cry "peace" also cry "justice"—the two are inseparable. Let the voices of honest men everywhere shout their loyalty to the cause of brave Lithuania and we can have justice. Those who pay lip service to peace, yet ignore the plight of our sister country in distress, do a disservice to that goal which they claim to seek.

Our honor must be maintained. It can be maintained by remembering Lithuania.

Mr. ROONEY. Mr. Speaker, this Sunday, February 16, marks the 40th anniversary of the proclamation of independence by the people of Lithuania. I join my colleagues here in the House today to commemorate this occasion.

It is my sincere hope that soon again February 16 may be observed as Lithuanian Independence Day not only here in the United States and in the free world but within the confines of Lithuania. We in this country have every reason to admire the people of Lithuania for their display of extraordinary courage during their years of enslavement by the tyrants of the Kremlin. With their resolute determination to restore their nation to freedom, I am confident that it won't be long before they regain their independence and again occupy their rightful place among the freedom-loving nations of the world.

Mr. ROOSEVELT. Mr. Speaker, on July 4 each year American citizens celebrate their Independence Day with gay abandon. They give little thought to the struggles of their forefathers. This is understandable, because we take freedom and independence for granted. It seems as natural and free as the air we breathe.

But the celebration of independence day for a people who have no independence and no freedom is quite another matter. To peoples chafing under a foreign yoke, the memory of a historic day of deliverance is painful. If it is celebrated at all, it must be celebrated in a mood of tragic irony, like prisoners commemorating a brief interlude of freedom between two periods behind bars.

Sunday we recall the plight of the heroic Lithuanian people. We honor them for their fortitude. But instead of looking back to the past we look toward a more hopeful future—a future that we must face with courage and without wishful thinking. Everyone knows that the fate of the captive peoples in Eastern Europe is tied up with the future of the great struggle between Communist totalitarian and Western democracy. The best tribute we can pay to Lithuania today is to rededicate ourselves to the cause of genuine democracy at home and to express our willingness to pay the high price of American responsibility in the present international crisis.

Mr. BOYLE. Mr. Speaker, by observing today the 40th anniversary of Lithuanian Independence do we merely salute a ghost of the past? Is the tragic picture of a helplessly subjugated country, stripped of her liberty, her people oppressed and persecuted, an authentic one?—I think not.

The real Lithuania lives in the minds and hearts of its brave people. Today these people are a captive nation of the Soviet Union, subjugated and enslaved under the brutal yoke of communism. But despite their suffering and isolation from the rest of the world, they have kept alive their burning desire for freedom and independence. Communist oppression has failed to destroy their indomitable spirit.

The people of Lithuania are dedicated to the principles of individual liberty and national independence, and they have maintained their national identity during their long term of enslavement. A look at Lithuania's history is eloquent testimony of the character of her people and the promise of their future. Their courage was tested and proved as early as the 12th century, when they accepted martyrdom as the penalty for conversion to Christianity. In the centuries that followed, Lithuania was to suffer the steady encroachments of Teutonic knights, Polish overlords, and the Russian czars, who for more than a hundred years meted out harsh and relentless treatment.

In the 13th century Lithuania became united under one king, but enjoyed independence and self-government only at intervals between invasions by the Russians and Teutons, seeking world conquest and domination. But through centuries of conquest, occupation, insurrection, expansion, partition, and dispersion the Lithuanian people have retained their identity and patriotism.

Finally in 1918, when the Lithuanians earned their freedom, they and the friends of freedom all over the world thought the misery of foreign rule had come to an end for Lithuania. At last the chains of their involuntary servitude had been broken. A new day had dawned and a new promising life began for them as a free nation.

For more than two decades Lithuanians enjoyed their newly won independence by setting up a democratic republic and enacting social and economic measures that would revive their country. During this period Lithuanians earned and held an honorable place in the League of Nations, and, by their dedication to democratic principles and their remarkable economic and social achievements, the people of Lithuania proved their capacity for self-rule. But this glorious renaissance was doomed to a very brief life.

In 1940 the Communists after agreeing with Hitler on a division of Europe, cynically marched into Lithuania to "protect" its independence. On July 21, 1940, Lithuania was incorporated into the Soviet Union—clearly a violation of international law and a crime against humanity. During the war the country was under Nazi occupation for 2 years;

then, in 1944, the dreaded Red Army returned with its political commissars and secret police. That was 14 years ago—the Red Army is still there.

The tragic story of Lithuania since 1944 has included torture, enslavement, murder, rebellion, and deportation. But in this tragedy lies a lesson to the world. Freedom must be guarded jealously and defended stoutly, otherwise it will be lost.

These valiant people of Lithuania have never forgotten the sweet taste of freedom. Despite the torture and oppression the Lithuanian people suffer today, we know that their love for liberty has never dimmed and that they have never given up the fight to regain the freedom that was once theirs. The Communist oppressors can prevent the Lithuanian people from exercising their natural right of freedom, but they cannot force these brave people to accept and believe in the tyranny imposed on them.

The people of Lithuania must know that their countrymen throughout the world, and we in the United States, have not forgotten their plight. In marking this day, we do not merely recall the dead past. But rather, we reaffirm our faith in this brave country's devotion to liberty and independence and express the hope that the day may soon come when Lithuanians may breath the air of freedom again. These people look to us as the leader of the Free World to provide them with both moral and spiritual support which they need for the perpetuation of their noble crusade for freedom. We cannot fail them. Freedom is indivisible and is diminished everywhere when it is lost anywhere.

In Lithuania, on this the 40th anniversary of their lost independence, there are no celebrations—only silent prayer that Soviet despotism will one day disappear so freedom may reign again. Our prayers join with theirs that on a future February 16 there will be great celebrations of Lithuanian Independence Day not only in the United States, but in that little country which stubbornly refused to surrender.

Mr. FEIGHAN. Mr. Speaker, I join with all my fellow Americans in commemorating the 40th anniversary of Lithuanian national independence, and take this occasion to extend my personal greetings to all of our fellow citizens of Lithuanian descent.

The case of Lithuania stands as a symbol of the right of every nation, large or small, to be free and independent. It also carries with it a great human story, of a heroic people who struggled over the centuries for their independence—a struggle carried on by an entire nation against the Russian despots. The Lithuanian nation, after winning its independence, demonstrated its real friendship for the United States and its unfaltering allegiance to the same free institutions which we so cherish. We Americans have always been proud of the support we gave to the Lithuanian nation in its struggle against the Russians and in building their democratic way of life which characterized Lithuania during the period between the great wars.

There is an unbreakable bond between the United States and Lithuania which has been solidly forged upon the anvil of time and experience.

All men of good will are saddened by the plight of Lithuania today, as it stands occupied by the Russian despots. Lithuania has an alien government imposed by the Kremlin which has proclaimed its bitter enmity for the United States and our free way of life, but the Lithuanian people have kept faith with us in their determined adherence to the cause of human freedom—despite the terrible penalties they must continue to pay for that position.

Lithuania, like the other non-Russian nations occupied by the Kremlin, sees in the United States the last great hope for civilization. We as a Nation stand as a bright symbol to the certainty that Lithuania will once again be free and independent.

There are strange voices in the world today calling for a recognition of the status quo, a deal with the Russians whereby Russia would keep intact its vast empire of slavery in exchange for which we would be spared the Russian hatchet for a few fleeting, humiliating years.

The modern-day Russian czar, Khrushchev, in a speech delivered from Minsk, stated that the only problem to be negotiated between the Russians and the Free World was acceptance of a status quo. He stated in unmistakable words that unless the United States and our allies are prepared to accept this first condition, negotiation of such other problems as there might be would not be considered by the Russians. In other words Khrushchev told the world that the Russians were prepared to grant a temporary peace if the Free World would recognize the present day Russian empire and undertake a nonaggression pact which would announce to the world that all the people behind the Iron Curtain were doomed to everlasting slavery.

But the voice of Khrushchev is not the only voice being heard in the world advocating this proposal. The misguided and naive George Kennan, who has been posed as a Russian expert, is the spokesman in the Free World for this plan of silent surrender. But there are other such voices, most fearing to speak out publicly, but nevertheless actively working behind the scenes for this sellout. With each passing day the devious effort to force the United States Government into recognizing the status quo takes on added intensity. This maneuver does violence to the hopes and aspirations of all the American people. The American people do not seek a few fleeting and humiliating years during which they cringe awaiting the final death blow from the Russians to our free way of life. But these voices, alien to the United States and the wishes of the American people, are gaining strength in the high councils of the Government.

There is greater need today than ever before in our history for the American people to be vigilant in the defense of our individual liberties and the advocacy of the right of every nation to be free and independent. We know that the best guaranty for our own liberty and safety is a world in which every nation is free and all empires are dissolved.

On this 40th anniversary of Lithuanian national independence, I urge that the foreign policy of the United States be brought under critical review by the American people. In this respect the Congress of the United States can and will perform its part. The American people will, in the end, however, determine how soon we will drive these strange voices advocating a silent surrender to the Russians out into the open where they can be properly dealt with. I shall continue to do all I possibly can to hasten the day when Lithuania will be restored to its independence and its rightful position among the nations of the world.

Mr. REUSS. Mr. Speaker, a small but gallant nation which is today enslaved celebrates its anniversary day on Sunday, February 16. It is proper that we should note this day—the 40th anniversary of Lithuanian Independence—because all Americans of all national origins share a common belief that Lithuania should once again be free, and a common faith that once again she will be free.

The pages of history are filled with accounts of political systems based on oppressing the inherent rights of people and crushing the spirit of other nations. Lithuania suffered this all-too-familiar fate. Nevertheless, Lithuania has continued to strive for independence and freedom. The undying dedication of her people to democratic principles and their equally undying passion for the convictions and beliefs that make those democratic principles possible have nurtured the Lithuanian desire for national survival. All of us admire this great determination to survive.

The United States has never recognized the so-called annexation of Lithuania by the Soviet Union. Today we reaffirm our confidence that the many years of struggling and suffering which the people of Lithuania have endured will not be in vain.

Mr. DOLLINGER. Mr. Speaker, I am pleased to have the opportunity to join with the friends of Lithuania in commemorating the 40th anniversary of the proclamation of Lithuania's independence.

At great sacrifice, and after triumphing over insurmountable difficulties, Lithuania finally, in February of 1918, declared her independence and freedom from the yoke of Russian misrule. As a free nation, she proudly took her place in the world's family of free nations. She made great strides in industry, education, self-government, commerce, and in all other fields of endeavor open to her. She gained the respect of all democratic nations.

Her joy was short-lived, for in 1940 she was occupied by the Soviets and proclaimed part of the U. S. S. R. Her people have put up a fierce struggle against her oppressors; a freedom and independence-loving nation, Lithuania will continue to repulse the Communist ideology and to work toward the day when freedom will be restored to it.

The people of Lithuania have our sympathy and prayers. It is to be hoped that their prayers for freedom will be answered; that their efforts and courage will be rewarded.

Mr. WIGGLESWORTH. Mr. Speaker, I am glad to join once again in a word of tribute to Lithuania and its sons and daughters on the anniversary of the declaration of independence of Lithuania on February 16.

I have been fortunate, Mr. Speaker, in having many friends and neighbors of Lithuanian descent and in learning through them and their activities how much they and others like them in this country have contributed to America, and how much we are indebted to the land of their forebears.

We know the fine contribution which Lithuania made to the world while free.

We realize how greatly the people of Lithuania have suffered under the heel of the Communist Government of Russia.

Our hearts go out to them in their tribulations.

We join once again, Mr. Speaker, in proclaiming the hope that Lithuania may once again enjoy the freedom for which it yearns and occupy its rightful place among the nations of the Free World.

Mr. FARBSTEIN. Mr. Speaker, I join with my colleagues and with the friends of Lithuania in paying tribute to the peoples of that country today.

Any nation born of a fight for freedom would respond quickly to the Lithuanian's love of liberty which is almost synonymous with their history. Although for centuries they had been subjugated by their more powerful neighbors, the Lithuanians have refused to give up their past and allow themselves to be absorbed in the Slavonic culture. Even the intense Russification policy of 19th century Czarist rule, with the prohibitions against printing or teaching the Lithuanian language, failed in its purpose. The short period of freedom from 1918 to 1941 taught the Lithuanian people after centuries of slavery the invigorating influence of liberty and independence.

The Lithuanian people have persistently preserved their cultural heritage and their sense of racial identity from prehistoric times. The continuity of their traditions is illustrated remarkably in the Lithuanian language which, of all living European speech today, shows most closely the derivation from ancient Sanskrit, the source of all the Indo-European languages.

We must reaffirm on this occasion of the 40th anniversary of the establishment of the Republic of Lithuania that the Lithuanian people are not forgotten and that we, along with their countrymen in the United States, look forward to their release from the Soviet tyranny.

Mr. HILLINGS. Mr. Speaker, the indomitable spirit of a free Lithuania lives with the more than a million Americans of Lithuanian descent, and we join with our fellow citizens in praying and hoping that this gallant country will soon break off the chains of Communist slavery that has temporarily choked off her freedom and liberty.

On February 16, 1958, Lithuanian Americans will mark the 40th anniversary of the declaration of independence of the Republic of Lithuania. Moreover, February 15, 1958, marks the 705th anniversary of the establishment of the Lithuanian state in 1253 when Mindaugas the Great was crowned the first king of Lithuania.

Communism has crushed the freedom and liberty of Lithuania, but not her spirit.

Americans of Lithuanian descent have made a major contribution to the social, economic, cultural, and political growth of the free society we enjoy in the United States.

The desire for freedom still burns fiercely in Lithuania, where only a handful of Communists, aided and abetted by the godless kings of the Kremlin, have imposed their arbitrary, cruel will on the vast majority of Lithuanians.

The United States can well be proud of our fellow citizens of Lithuanian descent. With them, we pause to rejoice in the knowledge that one day Lithuania will be free again when Communist tyranny bows and dies before the inexorable forces of freedom.

We cannot and must not forget that communism has enslaved the people of Lithuania. It was not and is not their choice, and the day is coming when a free and independent Lithuania will rise again.

Mr. CELLER. Mr. Speaker, the world does not forget, as these tragic years go by, that the people of Lithuania proclaimed their independence on February 16, 40 years ago. It is a poignant reminder to all their peoples everywhere that liberty itself can never be taken for granted. How much more poignant then is this day to the oppressed people of Lithuania, who fought so valiantly for liberty and then lost it to the ruthless, iron grip of the Soviet Union's insatiable ambition.

The history of man proves again and again that tyranny carries within itself the seeds of its own destruction; the thirst for liberty is unquenchable. Lithuania again will be free. From this belief we must never waver. Lithuania's independence reaches back to the 11th century. We can therefore, readily understand how profoundly tragic it is for the people within Lithuania to find themselves unable to express for themselves the meaning of February 16. The Free World must then speak for them in their sorrow, in their secret dedication, and for their hope.

Mr. DIGGS. Mr. Speaker, I wish to join my colleagues in extending to the people of Lithuania my warm tribute on the occasion of the 40th anniversary of Lithuania's proclamation of independence.

One hundred and twenty-three years of Russian rule came to a close when Lithuania was proclaimed an independent country on February 16, 1918, pursuant to the principle of national self-determination enumerated in President Woodrow Wilson's 14 Points. Following its invasion by Russian troops in 1940, the Republic of Lithuania again became subject to Russian control. The Soviet Union would have us believe that its annexation of Lithuania was in accord with the wishes of the people of this brave Republic, but it has been the consistent policy of the Government of the United States not to accord diplomatic recognition to the Russian annexation and I hope we will continue to insist upon restoration of its independence.

Lithuanian Americans can well be proud of the rich cultural heritage their forefathers shared with the world. The language and literature of this country are among the oldest in Western civilization. It is our fervent hope and prayer that these silenced people will once again—and soon—join the ranks of the free nations of the world and lift up their own voices in freedom.

Mr. HOLTZMAN. Mr. Speaker, the House of Representatives will not be in session on Sunday, February 16, 1958, the day on which we would ordinarily observe the anniversary of the independence of Lithuania. In view of that fact, I would like to take the liberty of joining with the other Members of the House today in paying tribute to this brave country and her people.

Forty years ago on February 16, 1918, Lithuania proclaimed her independence. Although her existence as a free nation was short lived, and was smothered once again by Russian domination in 1940, the courage of the Lithuanians in the face of adversity and tribulation, and their loyalty to the principles of freedom and justice, are most admirable.

February 16 is a day of significance; it is a day on which we honor those who have experienced terrible hardships and persecutions at the hands of the Communists, and yet still look forward to the day when their country will once again enjoy her freedom.

We do not acknowledge the annexation of Lithuania by the Soviet Union, but anticipate the day when the cause of liberty will triumph throughout the world.

Resistance to communism continues within the borders of Lithuania itself, at great personal sacrifice to her people, and we here in the United States must continue to encourage them in their dedication to democratic principles, and in their fight to regain their independence. Our prayers are with them, and with God's help, the day will come when Lithuania is once again free to choose her own destiny.

Mr. HESELTON. Mr. Speaker, I would like to pay tribute to the Lithuanian people upon the 40th anniversary of their lost independence.

We recall with great admiration the undying spirit of these brave people who struggled for centuries to break the chains of enforced servitude. In 1918 the Lithuanians won this precious freedom and demonstrated to the world a capacity for self-government, and social and economic progress. Since 1940, however, these valiant people have been suppressed by Communist tyranny. Yet they cling steadfastly to their love of liberty and patriotism.

Today, in Lithuania, this occasion cannot be celebrated except in the minds and hearts of these brave people. Nevertheless, we as free Americans express our admiration of them and our conviction that they will soon once again enjoy the freedom and peace they so justly deserve.

Mr. PATTERSON. Mr. Speaker and my other distinguished colleagues, once again we are about to commemorate Lithuanian Independence Day, and each year this to me is an inspiring occasion. In my Congressional District, some of the finest citizens are of Lithuanian descent, and we of Connecticut are proud that these great individuals number among us.

Now Mr. Speaker, the sturdy and stouthearted Lithuanians always ready to defend their long cherished ideals of freedom, enjoyed national independence centuries before the discovery of America. At times they formed one of the most powerful and the largest kingdoms in Europe. For hundreds of years they defended their country and its independence against all comers, but in the late 18th century they were overwhelmed and overrun by the superior and larger forces of an expanding Russia. From then on Lithuania became part of the Czarist empire, and Lithuanians its unwilling subjects who were accorded second-class citizenship.

They resented deeply the presence of foreigners on their soil, they detested their oppressive regime, and they suffered immeasurably for more than a hundred years under Russian autocracy, yet they never wavered in their devotion of the idea of national independence, nor did they entertain any doubt about the rightness of their yearning for freedom. In 1918, with the collapse of the Czarist regime, they freed themselves and proclaimed their independence on February 16 of that year.

This period of independence was to last for only two decades. Then they were caught in the grip of World War II, and their independence became one of the first casualties of that war. Since those days, for more than 17 years, Lithuanians have been suffering under the brutal agents of the Communist regime. Long ago they were forced to exchange their freedom for totalitarian tyranny, and they are groaning under it today. There they have no opportunity or freedom to observe their most sacred national holiday, their Independence Day. Here in this land of liberty we observe that anniversary, the 40th anniversary of that memorable event, and rightly echo their sentiments, and we hope that soon they also have the privilege of celebrating their Independence Day in a free Lithuania.

Mr. FULTON. Mr. Speaker, on February 16, 1958, Americans of Lithuanian ancestry will be remembering a once joyous occasion of 40 years ago when a group of patriots proclaimed the declaration of independence of Lithuania. This once-known freedom did not come easy. Only through struggle, hardship, and bloodshed did Lithuania regain its right to live as a free nation. Truly this was a repetition of the history made by our own Colonies which culminated with the Declaration of Independence of the United States.

For more than two decades Lithuania grew in stature. Major progress was made in agriculture and industry. In March 1939 this hard-fought freedom came to an end. Today Lithuania is an enslaved nation ruled by a puppet government. Her people are scattered throughout slave-labor camps of Europe and the wastes of Siberia.

The United States has not recognized the absorption of Lithuania, and the Voice of America broadcasts inform the people of Lithuania of the fact that their brothers and sisters in the United States are continuing their fight through the many American Lithuanian organizations.

On this the 40th anniversary of the Lithuanian declaration of independence the freedom-loving Americans of Lithuanian descent and American friends of Lithuania renew our pledge to the peoples of Lithuania. We assure them of our hope for the restoration of freedom to Lithuania and the day that all Lithuanian nationals will be returned to their native land.

Mr. KEAN. Mr. Speaker, yesterday was the day when Lithuanians celebrate their independence day—the day in 1918 when at the end of World War I freedom was again restored to that troubled land.

But, alas, it was to be short lived. For after only a comparatively few years of liberty, the Russian colossus, in 1940, swept down upon the little country and, contrary to her solemn pledge, eliminated all vestiges of freedom and by decree absorbed Lithuania into the Soviet empire.

But no decree can wipe out the love of liberty in the hearts of the Lithuanian people. Those who live in that land and those here and abroad who take pride in their Lithuanian descent pray for that day when tyranny will be wiped out and the flag of freedom will again wave high.

Mrs. DWYER. Mr. Speaker, on February 16, 1918, the people of Lithuania proclaimed their independence as a nation.

Today, 40 years later, the people of Lithuania once again are living under the rule of foreign tyrants—the same Russian tyrants who for so long have held this small but proud nation in bondage.

It is a tragic fact that only outside Lithuania—in the countries of the Free World to whom Lithuanians have brought their great cultural heritage—can the memory of Lithuanian freedom be celebrated. Only in the Free World can Lithuanians speak for their brethren in the silenced homeland of their unceasing struggle for freedom.

It is to the eternal credit of our American neighbors of Lithuanian descent that they have been true to their heritage, that they have faithfully rededicated themselves each year on this anniversary occasion to the great cause of freedom.

In doing so, they serve not only the cause of independence for their own homeland, but the greater cause of freedom and justice for all mankind.

As Americans, they join with others of our neighbors whose roots go back across the sea—to Poland and Scotland, Italy and Ireland, Czechoslovakia and Greece, Israel and England—to native lands whose histories recount the never-ending fight of the free man to secure this birthright for all his fellows. Together, we have made America the bastion of the Free World.

Let us, then, on this occasion, join with our Lithuanian friends everywhere in reasserting our firm opposition to Soviet aggression, in pledging never to forget our obligations to the people of Lithuania and other captive nations, and in making our own freedom here at home real and true and effective for all our people.

Mr. Speaker, I urge our colleagues in the Congress to take renewed inspiration from the devotion to these goals of our American citizens of Lithuanian descent.

As evidence of this resolution, I ask that the following resolutions, unanimously adopted by the Linden (N. J.) branch of the Lithuanian-American Council, be printed in the RECORD as a part of my remarks:

RESOLUTIONS UNANIMOUSLY ADOPTED ON FEBRUARY 2, 1958, BY THE LITHUANIAN AMERICANS OF LINDEN, N. J., GATHERED UNDER AUSPICES OF LITHUANIAN AMERICAN COUNCIL, LINDEN BRANCH, FOR COMMEMORATION OF THE 40TH ANNIVERSARY OF THE DECLARATION OF LITHUANIA'S INDEPENDENCE

Whereas Lithuania was formally declared a free and independent Republic by the Council of Lithuania in Vilnius on February 16, 1918; and

Whereas Americans of Lithuanian descent commemorate this year the 40th anniversary of the establishment of the Republic of Lithuania as a free and independent state, and hope it may again regain the liberties and rights of a sovereign nation; and

Whereas the worldwide problems confronting the United States have grown in number and magnitude to an extent unequaled in our Nation's history; and

Whereas no nation, large or small, is today secure from the perils of international communism supported by the destructive weapons of modern science: Therefore be it

Resolved, That we, Americans of Lithuanian descent, shall continue to support the efforts of the Lithuanian people to regain their liberation; and

Resolved, That the Government of the United States enter into no agreements which would in any way acknowledge the fruits of any past, present, or future Soviet aggression; and

Resolved, That we record our appreciation of the United States policy of nonrecognition of the forcible incorporation of Lithuania into the Soviet Union; and

Resolved, That it is our hope this policy will be firmly maintained by representatives of our Government at any forthcoming deliberations concerning the status of subjugated nations; and

Resolved, That copies of these resolutions be forwarded to the President of the United States, His Excellency Dwight D. Eisenhower; to the Secretary of State, the Honorable John Foster Dulles; to the United States Permanent Representative to the United Nations, the Honorable Henry Cabot Lodge, Jr.; to the United States Senators of New Jersey, the Honorable H. Alexander Smith and the Honorable Clifford P. Case; and to the Representative of the Sixth Congressional District of New Jersey, the Honorable Florence P. Dwyer.

JOHN LIUDVINAITIS,
President.

VLADAS TURSA,
Secretary.

Mr. VAN ZANDT. Mr. Speaker, wars are always destructive. They cause irreparable physical damage and leave scars in human relationships that are seldom erased. Sometimes they set back the clock of advancement and progress in human affairs by decades and centuries. And sometimes it takes generations for certain countries to recover from severe war losses.

In spite of the fact that war is hell, people sometimes willingly enter war for the attainment of certain high goals, such as liberty, justice, independence, and other inalienable human rights. National independence is one of these rights. To some people political freedom is the most noble of ideals.

The First World War caused indescribable horrors and unheard-of-misery in all parts of Europe, but it also ushered in a new era, to many submerged and suppressed nationalities. Herein many people found some justification for that war. Many of these peoples emerged, even before the end of that war, as independent and sovereign states. In due time they became respected and respectable members of the family of nations. Lithuanians formed one of these old but newly formed, reemerged, rehabilitated and reborn nations.

These brave and courageous people had their national independence and enjoyed full freedom in their historic homeland on the eastern shore of the Baltic Sea long before the birth of the Russian state, but late in the 18th century Russia conquered Lithuania and annexed it. For more than one hundred years Lithuanians endured Russia's autocratic regime. Several times they tried to shake it off, but it was not possible for a people of a few millions to shake off the rule of a gigantic colossus. In 1917, however, the Russian autocracy was over thrown in the revolution. Then Lithuanians felt free and proclaimed their independence on February 16, 1918.

It is that day, the 40th anniversary of that historic event, which is being celebrated today by all Lithuanians and their friends in all free countries. It is of course most appropriate that it should be celebrated by Lithuanians in Lithuania, but by a tragic irony of fate that supreme privilege is denied to them by their stern and unbending Communist masters. Their friends and descendants in the Free World today solemnly commemorate Lithuanian Independence Day, by adding their prayers to the supplications of the suffering Lithuanian people that their day of delivery from under the heel of their cruel oppressors may be speeded so that they may emerge from behind the infamous Iron Curtain of Soviet tyranny, that is holding a courageous, God-fearing, and peace-loving nation in abject slavery.

Mr. MULTER. Mr. Speaker, once again we take occasion to commemorate with our Lithuanian-American friends a day of dedication in the place of what would be, under more auspicious circumstances, a day of festivities: Lithuanian Independence Day, February 16.

To these friends of ours this day will be a day of dedication to the past, to the memory of the brave people of Lithuania who have remained unsubdued in spirit even though imprisoned by Soviet tyranny.

But even more, it should be a day of dedication to the future. This we in the Free World can express in a number of ways. In the first place, we can continue to share with the Lithuanian and other peoples of the captive European nations, insofar as we are able, our faith and hope in their eventual freedom. Modern weapons have, it is true, added a new dimension to the ancient struggle against tyranny. These weapons in the possession of despots provide a powerful deterrent to the forces of freedom. But over the long course of years the sword has never been mightier than the spirit. In captive Europe the human heart, the human will, the human mind will yet prevail over the might of the overlords.

In the second place, we can promote the concept of a free Lithuania as part of a free Europe. European integration has been making rapid strides in the past few years. Our plans, our faith in the eventual dissolution of Soviet imperialism should take into account that the Europe of the future should not be patterned too closely on prewar Europe, many of whose small and disunited states became easy preys to aggression. Indeed, the assembly of captive European nations, in which Lithuania is represented, has gone on record as favoring the integration of Eastern Europe into a United Europe.

And, finally, we can strive to promote by every means, in our own country, in Europe, those human rights without which no man is truly free. The objective of a free Lithuania as part of a free Europe must include as its most vital element the concept of a Europe where the individual is free. A powerful and united Europe imbued with doctrines alien to the freedom of the individual, such as communism or fascism, would be a curse and not a blessing.

May the friends of the subjugated Lithuanian people find ways of keeping alive their faith in eventual liberation; of contributing toward the integration of Europe, which could lead to peace; and of helping to maintain and promote those individual freedoms upon which the Atlantic community could build for the security and welfare of mankind.

Mr. ADDONIZIO. Mr. Speaker, the First World War sounded the death knell of a number of autocratic empires. That war also ushered in a new era of independence and freedom for a large number of suppressed and submerged nationalities in Europe. In that sense World War I, destructive and devastating though it was, produced something on the credit side in the form of the newly formed numerous independent democratic states. One of these states was Lithuania.

The history of modern Lithuania goes back to mid-13th century. The Lithuanian state came into being as an independent entity in the year 1253, more than 700 years ago. Since those days Lithuania's long and turbulent history has followed a rather uneven course; it has had its ups and downs. That history is marked by greatness and glory during the first few centuries, while misfortune and misery claim a large role in the lives of the Lithuanians during most of the last 200 years.

During the 14th and 15th centuries Lithuania became one of the most powerful and great states in all eastern and northern Europe. In the 16th century it was united with Poland, under a Lithuanian king, and from then on the fate of the two countries was bound together. Late in the 18th century, when Poland lost her independence and most of that country was incorporated in Czarist Russia, Lithuania shared the same fate. Then for almost a century and a half the stalwart and stout-hearted Lithuanians suffered under the unrelenting Russian regime, though not for a moment did they lose sight of the prime objective they had as their common goal—the attainment of their national political independence.

At the end of the First World War, when Russia's Czarist regime was overthrown, and the new Communist regime had not yet shown its ugly nature, the Lithuanians proclaimed their independence. They set up a republic, and a truly democratic form of government was instituted which ruled the new state for two decades. For a score of years Lithuanians made significant progress in the task of rebuilding their country. In reshaping their destiny the Lithuanians were helped by their friends everywhere, especially by Americans of Lithuanian descent. Then came the Second World War and Lithuania's woes began to multiply. This small country was one of the earliest victims of that war. In 1940 the country was swallowed up by the Soviet Union. In mid-1941 Nazi forces came, expelled the heartless Communists, and stayed there almost to the end of the war. Then the Communists returned once more with insensate fury and insolence, and there they remain today. No wonder the Lithuanians cannot celebrate this day, the 40th anniversary of their Independence Day, in their homeland. Freedom and democracy have been stamped out there by their ruthless oppressors. We in this country by availing ourselves of the opportunity presented by the observance of this memorable day, hope to encourage the idea of freedom which still burns brightly in the minds and hearts of all Lithuanians.

Mr. DELLAY. Mr. Speaker, 40 years ago the people of Lithuania declared their independence. For the next 22 years, the young republic surged with joyous effort, and the liberated people accomplished more during that time than at any other generation in their history.

Then the darkness came, first from one side and then from the other, until Lithuania was forcibly taken over by the Soviet Union. Since then, more than 50 percent of the Catholic clergy has been annihilated by the ruthless conquerors.

There are holes in the Iron Curtain—tiny though they may be. Even though Russia has launched a satellite, it cannot stifle the religious zeal and sturdy independence of the Lithuanian people. They have outlived other tyrannies and their spirit will finally prevail over those who now oppress them.

The news that leaks through to us tells us of brave resistance. The one thing that the Communists fear above all else is the truth. They realize that if people get to know each other as fellow human beings, the fabric of lies upon which communism is built will topple like a house built on sand.

The intercontinental ballistic missile, carrying a hydrogen bomb, could kill millions of people, but it is the truth that will finally win. And the truth put to work now could immobilize this hideous weapon of destruction and all others like it.

Eventually, the free peoples of the world will get their message through the Iron Curtain, even to the people of Russia, and then they too will rise up against those who keep them in bondage.

The light is dim in Lithuania—but it is still glowing. It glows in every Lithuanian heart where the Communists cannot reach it. It glows in their resistance. It glows as they think of the day when freedom will again be theirs.

I extend congratulations to the Lithuanian people on this anniversary of their Independence Day. Let us also join them in more than words in their efforts to unloose the shackles of tyrants and reestablish their independence.

Mr. LIPSCOMB. Mr. Speaker, freedom in the world today is a very dear and precious thing. The people of Lithuania know just how dear it can be, for they are living in a world of terror, actually faced with the prospect of annihilation as a people.

It is with great pride that they may look upon February 16, 1958, the 40th anniversary of their declaration of independence. Of course, no Lithuanian under the Communist Government is allowed to celebrate his National Independence Day. Although we of the Free World do not share his lot, we do share his hopes and dreams. It is with great sympathy that we of the United States of America extend our greetings to a beleaguered people.

In recognition of their stanch patriotism, the friends of Lithuania join with those of Lithuanian descent in hoping that this day of national celebration may again be a joyful holiday for a free Lithuania.

Mr. PHILBIN. Mr. Speaker, I am honored and proud today to join my colleagues in the House in celebrating the 40th anniversary of Lithuanian Independence.

Even the Iron Curtain has been unable to dim the fervor of the Lithuanian people for independence and freedom.

I am convinced that the Lithuanian nation will continue to fight for liberty until it is won; for there is no appeasement in Lithuania, and its noble people will never bow under the yoke of Soviet oppression and persecution.

Nor will their compatriots and countrymen in America abate their interest or cease their efforts until sovereignty and independence is secured for this unhappy land which has been stripped of its political rights and dragged into the orbit of Communist slavery.

Lithuania has a proud and inspiring heritage, and the people of Lithuanian descent in this country are among our best citizens. I have many Lithuanian people in my district, and I am proud of their contributions. They are God fearing and liberty loving. They are honest, industrious, loyal citizens devoted to our free way of life. They have demonstrated by their actions and by exemplary loyalty that they are willing to make every sacrifice to sustain American institutions.

Such a nation and such a people is entitled, not only to our sympathy and our moral support, but to our active, effective assistance in forwarding their high aims for the recapture of their liberties and the reestablishment of their sovereignty.

Our own great Nation must make it abundantly clear to all other nations that we stand for liberation from tyranny and oppression and for self-determination and freedom of choice for all peoples to ordain and to establish their own form of government under democratic processes.

All hail to Lithuania on the anniversary of its 40th birthday. May her courageous people soon regain their precious liberties.

THADDEUS KOSCIUSKO, HERO OF THE AMERICAN REVOLUTION (1746–1817)

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. DINGELL] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. DINGELL. Mr. Speaker, Thaddeus Kosciusko was one of those rare and brave soldiers of fortune, so abundant in Poland, who was willing to go anywhere and serve under any banner for the cause of liberty and freedom. This gifted and gallant son of an impoverished Polish gentry was destined to be a soldier of distinction. He received his military education on scholarships, first in Poland and then in France. At the time he found few opportunities for his talents in Poland. In 1776 he was in Paris, where his imagination was deeply stirred by the news of the American Revolution. Right there and then he decided to come to America. He did this on borrowed money and arrived in Philadelphia in August of 1776.

On his arrival he immediately applied for military service. First he was employed to draw up plans for the fortifications of the Delaware River. In 3 months the successful completion of these plans earned him a commission as colonel of engineers in the Continental Army. In the spring of 1777 he joined the northern army at Ticonderoga, and there he advised on the fortifications of Mount Defiance. During the next 2 years he was placed in charge of the erection of fortifications at West Point. Subsequently, he saw service at Charleston, S. C., and was one of the first Continentals to enter that city after its evacuation by the British.

In recognition of his signal services for the cause of the Revolution, Congress made him a brigadier general on October 13, 1783. A year later he returned to Poland, hoping to serve there in her struggle for freedom. In 1789 he was made major general in the Polish Army, and for many years he continued to lead the unfortunate Poles in their hopeless struggle. He was disappointed in his gallant attempts, and he died in exile in 1817 in Switzerland.

On February 12 we honor his memory on the 212th anniversary of his birth, the birth of this noble soul of Poland who served courageously and bravely in the service of our Fight for Independence.

THE SPANISH-AMERICAN WAR

The SPEAKER pro tempore (Mr. WRIGHT). Under previous order of the House, the gentleman from Illinois [Mr. O'HARA] is recognized for 1 hour.

Mr. O'HARA of Illinois. Mr. Speaker, on February 15 the Nation will observe the 60th anniversary of the diabolical sinking of the battleship *Maine* in Habana Harbor, the frightful tragedy that led to our war with Spain and a chain of world-reshaping events that brought the United States to her present position of world responsibility. As the House will not be in session on February 15, nor on February 14, I am taking advantage of this opportunity, unanimously accorded me in the graciousness of my colleagues, to pay my tribute, and I trust that of the entire membership of this body, to the memory of the brave men who perished with the Maine. Their names are unknown to most of this generation, but to them all mankind forever will be indebted. By their untimely deaths, and the response of the American people to the circumstances of their taking, our United States was started on the road of her destiny.

When I read the history of our country, written by men and women who were not born when 60 years ago the 15th of February the battleship *Maine* was sunk, I wonder how people can grow up and be so unmindful and unheeding of what transpired and what stirred the spirit of people who lived and breathed and died in the remote period before they were born. Reading of these events that transpired in my own life, and in which in a very small way I was a participant, I get to wondering how much truth there is in any written history. I wonder if, in the history of centuries ago, we read that someone was a great servitor that he might not have been the greatest villain of his time, but he had a good press. I wonder if someone that history tells us was a great villain might not have been the greatest servitor of the people of his time, but he had a bad press. So much in the public addresses of the present is written by ghostwriters, how can those who follow make proper appraisement of the virtues and the faults, the intelligent grasp, or the stupidity of those whose part is merely the reading of the lines and the pose that he who reads must necessarily be he who thinks out and writes the lines? Researchers in the future can pursue with fidelity and integrity the record of past

times, but always that which has escaped the ravishes of time is that implanted in the record by those who had the sagacity or the means to employ or to inspire that which we call a good press.

Some years ago the woman who is now my administrative assistant came to me. I was then talking over the air. It was at the time President Roosevelt's court reform was under wide public discussion. She said, "Mr. O'HARA, who are the men who wrote the Constitution?" And I started rattling off the names that we all know, and then I stopped. And she said, "Go on." And I said, "I get your point, I know but a few, the others are unknown to me." There were 55 delegates to the Constitutional Convention, 39 who signed that priceless document. Few persons know the names of more than a dozen. I did not, and I wished to know more about them, these men who wrote the Constitution of our country. She started the task of research and reported back that at that time there was not a single book that contained a biographical sketch of all the men who had made our Constitution. And then this woman a scholar and a skilled researcher, started going into the forgotten tones of history to find something about some of these men that history had passed over entirely. With some there was nothing to be found. On the sands of time they had left no footprints, and were it not for Major Pierce, a delegate who wrote pen sketches of his colleagues, the present generation would know nothing at all of some of that immortal band of 55 that gave to the world in the Constitution of the United States the framework of democratic government.

Now why am I speaking about this? Because only a handful of Spanish War veterans will note that February 15 is the 60th anniversary of the sinking of the *Maine*. Only a handful of Spanish War veterans, with members of their families, and with a scattering of representatives from patriotic and veterans' organizations, will meet in memorial exercises to note the sacrifice of those lives in Habana Harbor 60 years ago. Yet when the news of the sinking of the *Maine* reached the ears of the American people in February of 1898 the emotions and the indignation of the American people were stirred as never before in our history. There followed a war fought by sea and on land in the Atlantic and the Pacific; fought by an Army and a Navy composed entirely of volunteers; fought against terrific odds and under every conceivable hardship, and brilliantly won in the shortest period of time of any war of nations in all recorded history.

Maj. Gen. William R. Shafter, commander in chief of the American Expeditionary Force in Cuba, said in a speech in Los Angeles:

> There is no use thinking that men can go into that climate at that season of the year and escape diseases than there is that you can put your hand in the fire and escape burning it. That army, I believe, was the best that ever stood up in America. I won't except even the gallant fellows of the northern and southern armies.

Shafter was a Civil War veteran.

> The armies of the North and South excelled my men in only one thing—they knew what fatigue meant. In every other respect, the army in Cuba has never been excelled by any army we ever had in this country.

Brig. Gen. S. D. Rockenbach, who served as a second lieutenant with the 10th United States Cavalry in Cuba in 1898 and later as a line officer in France in World War I, said:

> My observation of the Santiago and Puerto Rico campaigns, in the light of the World War, is that the energy per man exerted and the hardships endured were many times that of 1918 and on half the food. The success was miraculous.

Every year since I have been in the Congress, on the day closest to the 15th of February I have been in this well speaking on the Spanish-American War and remembering the heroes who went down in the *Maine* 60 years ago. Every year that I shall remain in this Congress I shall be here, and my hope is that after I am gone some younger man will take up so that never shall the 15th of February pass that the anniversary of the sinking of the *Maine* is not here being given mention.

I hope that in the years to come when the researchers are digging and digging that they may get an appraisement for the record of history of the things that have happened in the growth of our Republic they will come across some of the things, reflective of the spirit of 1898, that I in my humble and ineloquent way have said on these occasions.

The United States of America has a destiny in the service of mankind. The sinking of the *Maine* and the resultant war with Spain started her on the road to that destiny. Every individual and every nation has a mission. Make no mistake on that. We are not put here as individuals or as groups of individuals banded into States, just haphazardly. For every individual and every State there is a mission. I do not care whether you approach an understanding of this through a religious faith or whether you approach understanding by the realization that the laws of nature that control everything are much more powerful than the laws of man and thus that which is responsible for them is of a higher intelligence than our own. So these United States of ours have had a mission and a destiny. In the earlier years of our national history people always talked about the destiny of our country. They believed in it.

Let me digress here for a moment. I found that same thing, that blind faith in a destiny, recently when I went to Africa and the Near East. I found everywhere many people who may not have had much schooling, if any, but they felt the beckoning of destiny, they felt they were serving a purpose, that there was a future in the making of which they were to have a part. I found it all over Africa. I found it all over the Near East. I would see it in the faces of people and read it in their conduct. I thought back to the earlier days of our country when we did not have much in strength or in material things, but there was faith and in every American mind was the beckoning of a vision and the sounding call of destiny.

In 1898 something happened in Habana Harbor. The *Maine* was blown up. Nobody has ever fixed the cause, and I do not want to convict anybody on suspicion or upon hearsay. Until the cause for the sinking of the *Maine* is definitely fixed, and I do not suppose it ever will be, I am not going to accuse anyone of that dastardly act. But it happened, and the *Maine*, in a peaceful harbor, was blown up and many brave Americans were killed.

All over the country went up the cry, "Remember the *Maine*."

Of course, the American people responded. The call went out for volunteers. We had then an Army of only 25,000 men. Everybody in our country thought, with the close of the War Between the States, we had for all time left the field of Mars. So we were not prepared for war—but it came. The conditions were such that today it is hard for anyone in this generation to believe that such things could have come to pass. There were no records. There were no medicines. There was no organization. In Cuba, in the Tropics and in the dead of summer, we were clothed with winter clothing. We were living on sowbelly—grease—and the meat that was sent down there was all putrid. The campaign in Cuba was fought and gloriously won. The accomplishment of our soldiers justified the highest of plaudits. Then, when the fighting was over, and the victory won over superior numbers and in record time, the condition of our soldiers due to the lack of care and to the lack of medicine and the lack of food was such that if the Army had remained 1 month longer in Cuba, there perhaps would not have been a single person left. They were dying like flies. On the transport on which I left Santiago for Montauk Point, I was the only soldier able to keep on my feet, and that was only because of an earlier experience in my boyhood in the Tropics. Many of the soldiers on that transport died at sea and were buried at sea. Then, when those who survived returned home, many more died from diseases that they had contracted in Cuba.

I know that when future historians, if we leave enough of a record so that researchers can dig it up, write the history of the rise to world responsibility of the United States, they will call it all a 50-year war. It started in 1898. Then there was a period of peace. Then World War I, with practically the same alinement; it was the same war. Then another period of peace. Then World War II. Future historians will call it a 50-year war that carried the United States to her position of world responsibility.

The historian will see in this 50-year war, starting with the sinking of the *Maine* in Habana Harbor on February 15, 1898, the ushering in of the ascendancy of the United States of America as a dominating world power. Then will come the golden centuries of American influence in carrying all mankind to ever higher plateaus of contentment, dignity, and brotherhood. But it is our mission,

while we are here, to give our contribution to making this period of American responsibility in the world one that will forever be remembered in history as the golden years, when in no home in any land was left the bite and sting of poverty. There is no place in a world, rich with all the gifts of God, where 1 child should go to bed at night hungry; where 1 woman or 1 man should want for that which a bountiful God has made available.

Mr. MADDEN. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Illinois. I yield.

Mr. MADDEN. I want to commend the gentleman from Illinois for the statement he is making commemorating years of American history, and especially pertaining to the Spanish-American War. The gentleman from Illinois [Mr. O'HARA] is the only Spanish-American War veteran serving in the Congress of the United States. Each year I have heard the gentleman take the floor and remind the people of our country, and Congress, of some of the factual history of that great conflict.

I was particularly interested in his statement that one of the failures of our historical writers is the fact that so much of our history is not preserved and recorded—for posterity.

As a member of the special Congressional committee that was appointed by the Speaker of the House a year ago last September to represent the Congress at the unveiling of a monument to Commodore John Barry, the father of the American Navy, I made an effort to go into the historical archives at the Library of Congress. I wanted to get some facts regarding some of our Revolutionary heroes. It was astounding to find that on some of our outstanding Revolutionary heroes there was very little to be found.

Commodore John Barry was the father of the American Navy, but for some reason or other facts concerning his great accomplishments and the work he did were not in existence. A few remnants of some of his great work were recorded, but there was very little.

I also was very much impressed with the remarks the gentleman from Illinois made as to the conditions the soldiers had to endure and suffer in the Spanish-American War, conditions which as he afterward stated, were brought about by lack of preparation and preparedness on the part of our Government in those days. But we did not learn any lesson from the experience the gentleman from Illinois and his comrades endured during the days of the Spanish-American War. Within less than 20 years, we were in World War I, and tens of thousands of American boys were drafted to fight with no military preparation whatsoever. Friends of mine, and comrades, were taken in 1917 and within 6 weeks they were fighting in the trenches, some of them in overalls, not even equipped with uniforms. This great Nation of ours lost sight of the fact that preparation and attention should be given to emergencies which are liable to arise at any time.

Nor did our nation learn a lesson from World War I, because not so many years afterward we were in World War II. We were in the same situation, as far as preparedness was concerned, that we found ourselves in when World War I broke out.

Remember Pearl Harbor? I do not need to reiterate to the Members of Congress how poorly prepared we were at the time of Pearl Harbor.

So I think it is fitting and proper that on more occasions Members of Congress should take the interest the gentleman from Illinois [Mr. O'HARA] has always taken, to remind the American people and the Members of Congress that we should be more alert in the matter of national defense in the future than we have been in the past.

Mr. O'HARA of Illinois. I thank the gentleman from Indiana for his fine contribution.

Mr. LONG. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Illinois. I yield to the gentleman from Louisiana.

Mr. LONG. I want to compliment the gentleman from Illinois for the splendid statement he has made. I think it is very significant that we remember the suffering those soldiers endured. One of our colleagues a moment ago spoke about the soldiers being unprepared in World War I. I sometimes think we are shortsighted, and I am happy that the gentleman from Illinois is bringing this question at this time to the attention of the Congress. We are facing a situation that might be bad. We are losing sight of the fact that all the wars that have ever been fought have been fought by men on the battlefield.

Today, at this particular hour, we have not learned very much. After World War II, we tore down the forts. We discharged the soldiers. We quit making guns. Then we called the soldiers into the conflict in Korea without guns and ammunition with which to fight and protect themselves and our great country.

Today, at this hour, we are about to cut the Army below the danger point. Some of the best authorities in America, those who have fought the wars, those who are in on the know-how, the Secretary of the Army and others, say that if we cut below 929,000 men we will be below the danger point. We are discharging soldiers that may be needed in a few days or a few weeks. Unless the Congress wakes up to the fact and stops the proposed cut, if war should come, we will be found wanting again. We are cutting the Army this year to 900,000; next year to 870,000—may I repeat, this is far below what many of our officers in the Army think is the danger point.

Let us not repeat this mistake again.

I am not opposed to the missile program. I have and will continue to vote for that program. But the missile program is in its experimental stage. The Army is the old tried and proven. I vote for defense, but I do not wish to be foolish enough to stand idly by and see the Army cut below what many of us think is, and I repeat, below the danger point. Be sure if trouble does come, we will have to have sufficient troops with which to defend this great country of ours, and we cannot defend it on an experimental basis.

I have introduced legislation this day for the Army strength to remain at not less than 929,000 troops. I have written a letter to every Representative and Senator and have received more than 200 replies, all agreeing we should not cut the Army at this time.

Mr. O'HARA of Illinois. The gentleman from Illinois wishes to say to the gentleman from Louisiana that as a member of the Committee on Veterans' Affairs he won the love of every Spanish War veteran and of every Spanish War veteran's widow. He was a real friend of the Spanish veterans and their widows. I hope that as this body has acted on the bill to increase the pension of our Spanish War widows, so will the other body act.

At times during the night I find it difficult to sleep. During the day I have received letters from these old women. They have not any social security, nothing was left them by their husbands, these men who when they were boys were my comrades. They are struggling along on something like $52 a month. They are old women, all of them past 70. I would say most of them are past 80. They have not money with which to buy medicine. In this House unanimously three times did the membership vote to increase the pension of these widows to $75 a month, but the bill has never been acted on in the other body. Oh, yes, the Bureau of the Budget sent a letter in which it said that there is no need of our doing anything for these widows now because their condition is static. Imagine, saying the condition of a person 80 years of age is static; in other words, having lived to be 80 years old she is going to live on forever and can do it on $52 a month. What the Bureau of the Budget most needs is an exchange of ice water for red blood. How static is ice?

The Bureau of the Budget unleashed its classic on women of 80 being static at a time when the administration was saying we ought to up the pensions for retired generals and their widows. It wondered how a woman with position could get along with less than $12,000. But the Bureau of the Budget said, "Oh, we cannot afford to give these Spanish War widows any more maney; it would bankrupt our country." My colleagues, if we follow that philosophy, that the widow in high social position cannot be asked to live beneath her rank but another widow, whose husband has served faithfully and well but in the ranks, can starve, we do not deserve our place in history. We are not going to follow that philosophy.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Illinois. I yield to one whom every veteran in America loves, the gentlewoman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. I want to thank the gentleman for his very wonderful speech in appreciation of the Spanish-American War veterans and the veterans of all the wars. The Spanish-American War veterans are very fortunate to have the gentleman from

Illinois [Mr. O'HARA] in the House to fight their battles. It should not be necessary. And, I am just as sure and certain as I am alive that if the other body for once would pass the Spanish-American War widows bill, the President would sign it. He signed the so-called pension bill, as the gentleman will remember, some years ago. He has never vetoed but one bill, and that was a loan bill. So, I have faith in saying to you, using a slang expression, President Eisenhower's bite is worse than his bark. I do not believe that he analyzes his statements. I would like to say to the gentleman that the Spanish-American War veterans made very great contributions toward medicine. The veterans of World War I had very much better medical and surgical care; very much better food. The veterans of World War II had very much better medical care and very much better food. During the Korean war it is true that supplies did not reach the veterans, but those that did were better than those of the other wars. I do not think the gentleman spoke of the fact that every veteran, every soldier who fought in the Spanish-American War, was a volunteer. The Spanish-American War united the United States, as the gentleman knows, as I believe no other single thing could have done. The contribution was tremendous. The example of our people fighting on foreign shores for another nation, with nothing to be gained for ourselves, was not lost on the world, although sometimes it seems as though it were. All honor and praise to you, sir, and to your great Spanish-American War veterans. May you be very successful this year. You deserve success for your Spanish-American War veterans and for your great contribution.

Mr. O'HARA of Illinois. I thank the gentlewoman from Massachusetts. No one is closer to the hearts of veterans, the veterans of all wars. No one has worked harder or longer or with fuller heart for the veterans, their widows, their dependents, their cause. When the other body passes the Spanish War widows bill, and the gentlewoman from Massachusetts takes it to the President I am sure he will not find it in his heart to deny her plea. It is most heartening to hear from Mrs. ROGERS the good news that the President will sign the bill once the other body has passed it.

I am going to close with a reference to something said by the gentlewoman from Massachusetts. She referred to the part that the Spanish-American War played in reuniting our country. I grew up in the North in the period following the War Between the States, and when I was growing up there were boys growing up in the South and the war had not been too far away, and there were wounds on both sides. In the Spanish-American War I was in a Michigan regiment. Most of the boys came from the high schools of Michigan. I was a sophomore in high school. We were in a camp near Washington for a month before we sailed for Cuba. It was called Camp Alger. One day the report came to us that a regiment was coming in from Tennessee. We lined up to greet the boys from Tennessee. The boys from Michigan threw their hats in the air and shouted; here at long last we were brothers in arms again, the boys from Michigan in the same army with the boys from Tennessee. Those who are not familiar with that period may not understand. The Spanish-American War did more to heal the wounds of the Civil War than anything else that happened or could have happened.

WHAT CAN BE DONE ABOUT THE RECESSION-DEPRESSION — HON. HOWARD SMITH ANSWERED ON FEDERAL RESERVE QUESTIONS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 45 minutes.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, there has been a good deal said about what should be done to prevent the recession getting worse. There are several things that can be done.

The monetary authorities have been fighting inflation for the last 2 years or longer. I think they fought inflation too long. They were fighting inflation after we were suffering from a deflationary condition. In fact, for many months we have been in a bad recession and some parts of our economy have been suffering from a depression. I refer particularly to the farmers, the small-business people, the home builders; and now even those engaged in the production and sale of automobiles are likewise in a depression. And so are the railroads. It is getting worse day by day. Even if the administration were to make an aggressive start right now, using the many tools at their disposal, in cooperation with the Federal Reserve System, I doubt that we would be on our way back to recovery before September or October. It takes a long time for money to travel. It takes a long time for credit to go into the channels of trade and commerce in a way to help the entire economy.

The Federal Reserve Board I think made a serious mistake when they were fighting inflation by raising interest rates. The policy of raising interest rates, of course, met with the approval of the administration in power. To raise interest rates to fight inflation to me is very much like pouring gasoline on a fire to fight the fire. It just adds to the fire. Whenever you increase interest rates you increase the cost of production, you increase the cost of everything that people, the consumers, buy, you increase taxes. There is not another action that could possibly be taken that would so automatically and arbitrarily and immediately increase the budget of every person in America and every government in America. It is one action that increases the cost of the Federal Government, the State, the political subdivisions of States and cities. It raises taxes everywhere. It increases prices everywhere.

SIXTY DOLLARS PER CAPITA INTEREST RATE INCREASE

We are paying now approximately $10 billion more in interest charges per year than we paid 5 years ago for approximately the same amount of debt, both public and private, because of increased interest rates. That means that every man, woman, and child is paying approximately $60 a year increase just on interest rates. That does not mean that only those who buy something on the installment plan or purchase something on credit pay their part of this $60. It is in their tax bill, it is in their food bill, it is in everything that they buy, this $10 billion excess that we are paying today because of the increased price of interest.

FOR PROFITABLE BANKING SYSTEM

As the Federal Reserve Board would increase the rediscount rate one-quarter of 1 percent commencing April 15, 1955, when the last hard-money high-interest policy really started, that meant an arbitrary increase of interest rates clear across the board to every person, firm, or corporation. That meant that the bankers would make more money. I am not opposed to the bankers making money. I am in favor of the banks making money. I believe in a profitable banking system because our commercial banking system, one of the finest in the world, should certainly be protected and we should allow them to make a good profit. That is all right. I do not object to it. I believe in the Federal Reserve System if it is operated in the public interest and if it is operated by people charged with performing a public service. But I do not think the present Federal Reserve System is operating in a manner that is calculated to serve the public in the best way. I understand why. My belief is that it is almost impossible for the Board members who are charged with performing a public service to perform that service freely and voluntarily in the manner and way I am sure they would like to. We have seven members on the Board of Governors of the Federal Reserve System. Those 7 members are surrounded by 24 representatives of the private banks, who are helping them perform their service in the public interest. In a case like that you know that the pressure is bound to be terrific on those charged with the duty of protecting the public interest to see the viewpoint of those who naturally see the selfish-interest viewpoint having an ax to grind. It is understandable how it is so difficult for our public members to perform their public service. In fact, I sympathize with them. I am bringing no charge of corruption against them. Certainly, they are doing the best they can under the circumstances and under the handicaps and limitations under which they must perform their duties. But Congress should get them away from that embarrassing situation and should take the bankers off of these boards determining monetary policy. We should

not permit bankers to be on a Government board where decisions are made that affect our interest rates and that cause interest rates to be high or low; that cause the money supply to be plentiful or scarce. That is where Congress comes in. Congress should do something about it.

WHAT FED CAN DO ABOUT THE RECESSION-DEPRESSION

There are three ways that the Federal Reserve can do something to aid us in this depressed condition. One way is that the Open Market Committee could go into the open market and buy Government bonds and pay Federal Reserve notes for those bonds just as they normally do and just as they do all during the year. That puts money out into circulation. It provides reserves for the banks, the commercial banks, upon which they can expand $6 to every $1. That helps business generally. It helps the country. That is No. 1. I think they should first use the open-market operations.

REDUCE DISCOUNT RATE

No. 2, I think they should at the same time reduce the discount rates of the Federal Reserve banks. Now they have been reduced to 2¾ percent from 3½ percent. But, in view of the depressed situation, they should reduce that and cut it to at least 2 percent and maybe less than that.

AS LAST RESORT REDUCE RESERVE REQUIREMENTS

As a last resort, of course, they could change the reserve requirements of banks. That is weapon No. 3. But there is the weapon that would be used if you want to make sure to guarantee that the banks profit above everybody else. The banks do not need these extra profits. They are making good money. I think the Federal Reserve Board and the Open Market Committee should look at this problem from the standpoint of the public interest, and the public interest only. They should not be taking action such as they have taken in fighting inflation to take the only course that meant more profit and greater profit to the commercial banking system. I think they should stop that and look to the public interest and use weapon No. 3 to reduce the reserve requirements of the banks as a last resort; since the Fed has been selecting the method in the past that would help the banks the most do not be surprised if the reserve requirements are reduced ahead of open-market operations.

BANKERS GOBBLEDYGOOK

The other day you saw a headline that a certain prominent person says he is going to spearhead the fight in the Congress to reduce the reserve requirements of banks to the level advocated by the American Bankers Association. Now, that does not have any bad meaning. It does not seem to indicate anything that is wrong. There is nothing there to attract your attention. But, if you evaluate it and analyze it to see what the American Bankers' Association recommendation means, this is what you will find. It is to reduce the reserve requirements of the banks—all banks—clear across the board to 10 percent. They are now 12 to 24 percent depending upon whether central city, reserve city or country banks. The American Bankers Association says that we should reduce them to 10 percent for all three categories. How would that affect the banks? The Federal Reserve banks have about $19 billion in reserves of the commercial banks. The commercial banks have made loans aggregating six times that much and they are receiving interest on it because they have that reserve of an average of 1 to 6, which is all right, under our fractional reserve system, which I do not oppose. But, if you change the present reserve requirements and say that we will only have 10 percent reserves that means that there will be $6,300,000,000 released to the banks and where the banks did not have that money yesterday, if that is done today, they will have $6,300,000,000 more today. That means that they have that much free money given to them without charge. That means the banks can issue $63 billion in money by making loans and discounts, in addition to what they have today, without paying out one extra penny; if they can get the reserves reduced to 10 percent. That is what that headline means. Nobody would notice it unless they had given some particular thought and attention to this question.

CAMPAIGN ON NOW

But the truth is that means that a campaign is on right now in the United States, in broad daylight, trying to get Congress to reduce the reserve requirements so that banks will have $6,300,000,000 handed to them on a silver platter, upon which they can issue $63 million of new money. Nobody denies that. It is here in the papers in the language I quoted. We know it. They are trying to get Congress to do it.

That is not the right way to stop the recession-depression. There are places all over the United States where banks could be used. They are needed. But the tendency and the trend, which is a bad one, is to reduce the number of banks and to permit the concentration of banking resources. Today they are dangerously concentrated.

During the last 4½ years, up to June 30 of last year, the end of the last fiscal year, there were 860 banks during this 4½-year period that were absorbed by other banks or discontinued. There were only 427 new banks established during that period. How long will it take us to have a very few banks doing all the banking business in the hands of a few people if this trend continues as it has during the past 4½ years? We only have 13,000 commercial banks now compared to 30,000 25 years ago. So I say that instead of reducing the reserve requirements and giving a bonus, you might say, to existing banking institutions of $6,300,000,000, which do not need that bonus—they are getting along all right now and making good profits—we should permit the establishment of other banks and let those other banks expand and serve communities that are not now served with adequate banking facilities. But certainly that method of reducing reserve requirements should not be used first in the recovery program.

MORE DEBT

Next, I do not like the idea of causing people to go into debt all the time for public buildings, like post-office buildings. There is a continuing clamor for more and more debt paper. We are being asked to endorse a program to build public buildings all over the country. I am for it, but it ought to be done by direct appropriations by Congress, because by the time we build the buildings through the lease-purchase arrangement and we get them paid for, the taxpayers will have paid as much in interest as the buildings cost. So that we will be paying for them twice. That should not be done. Certainly it is not very helpful in fighting the recession-depression.

JUDGE SMITH ANSWERED

A few days ago I was before the Rules Committee of the House of Representatives. During the discussion about the granting of a rule, my good friend, the Honorable HOWARD SMITH, who is chairman of the great Committee on Rules, made a statement about the Federal Reserve banking system and its relationship to commercial banks, which he had made one time before and which I did not say anything about. But this time I said to him, "Please do not make that statement any more, because that is just not the way it is, and I hope you do not say it again." So I let it go at that. But soon after the meeting was over, the judge wrote me a letter, and he said:

> You remember the other day in the Rules Committee you made the statement that I was wrong in saying that the Federal Reserve banks invested their money in Government bonds. I was contending that the Federal Reserve banks were making a lot of money through the use of the funds of member banks held as reserves, and instead of paying the profits to the stockholders, which are member banks, the profits were paid to the Federal Treasury.

Then he writes me fully about his views on it.

Of course, I cannot ignore the letter, and I have answered the letter. I am placing his letter and my reply in the CONGRESSIONAL RECORD of this date in connection with these remarks. I sent my reply to Judge SMITH, and I penciled a note and advised him that I was going to speak today, that I had a special order, and I expected to mention our correspondence, since it had been brought out in open session in the Rules Committee anyway, and if he wanted to be present I would be very glad to yield to him. I shall be very glad to know what the judge has to say about my answer to his letter.

The facts are these: The Federal Reserve banks hold the reserves of the member banks. That is true. But Judge SMITH is just mistaken, and the reason I am anxious to answer Judge SMITH is because many bankers hold this same view. Before our Committee on Banking and Currency it is not unusual for a banker to say: "Why, the banks own the Federal Reserve System." Of course, that is not true; there is not a word of

truth in it; they do not own the Federal Reserve System.

It is not unusual for a banker to speak out and say, "The Federal Reserve banks use our reserves to buy Government bonds, and they keep the interest on those bonds; they do not pay us any of it." That is Judge SMITH's statement, but it is wrong; it is not correct; it does not happen that way at all, and I am showing why in my reply to him.

A week ago, last Thursday, I made a speech here in the House in regard to the ownership of the Federal Reserve banks, and I think I showed conclusively that they are not owned by the banks at all; they are owned by the Government. The speech may be found in the CONGRESSIONAL RECORD of February 6, 1958, pages 1871–1877. I think I showed conclusively there that the reserves mentioned by Judge SMITH are not used by the Federal Reserve banking system at all. They must be kept intact, not invested.

You know the fractional reserve system came from the old goldsmiths. The goldsmiths used to accept gold and give a receipt for it. They would keep that gold so that when the owner wanted the gold he could come there and the goldsmith would give him the gold back. But in the course of business they did not want to carry gold around with them. They would take the gold to the goldsmith and get a receipt from him that it was worth a certain amount of money. They would take that receipt and buy what they wanted with it. It passed from hand to hand as money, because it was money. The goldsmiths soon discovered that people very seldom came back to ask for their gold, so they began to put out more certificates than they had gold, for they found that as long as they had 10 percent of the gold on hand they could pay off anybody who asked for their gold. That is how there was established the custom of letting the goldsmith lend 10 times as much money as he had gold. The gold would be the reserve in the country.

We have a similar situation; we do the same thing, but that reserve cannot be lent out again. If that were done it would be doing double duty. It must be there when needed. It cannot be invested in anything; it cannot be used for any purpose, but the Federal Reserve banks keep it for the member banks. It is a real valuable service to the member banks; otherwise, the member banks would have to keep it in their own vaults or hire a place to keep it. It has got to be kept intact. The banks, by having the $1 in reserve, make loans and investments on an average of $6.

So it is absolutely wrong to say that the member banks are entitled to compensation for the use of their reserves, because the reserves are not used.

I am going to expand on my remarks and bring out some questions about this that I believe the Members will be interested in. A better way of explaining about the goldsmiths, the reserves, and our fractional reserve system is as follows:

RESERVES AGAINST DEPOSITS

A modern commercial bank, like the first national, in any city is required by law and by necessity to maintain reserves against its deposits so that it will be in a position to pay out cash on demand of the depositors. The best way to understand the function of reserves in our modern banking system is to look back into banking history and see how the concept developed.

The medieval goldsmith was the forerunner of the modern banker and assumed this position through the safeguarding of funds. Before the invention of deposit money, gold, and other precious metals were the accepted medium of exchange. Throughout much of the history of civilization, it was necessary for persons transacting business to keep a supply of coin or bullion on hand. This was hazardous, as well as inconvenient. In the later Middle Ages it became common practice for persons owning gold and other precious metals to deposit them with the local goldsmiths for safekeeping. The goldsmith, of course, gave the depositor a receipt for his gold.

GOOD AS GOLD

It was not long before the depositors found that it was unnecessary to draw out the gold each time they had a payment to make. It became customary for buyers and sellers to consider the gold receipts to be as good as gold, and the receipts became a primitive form of paper money.

In time, the goldsmiths discovered that normally they might expect withdrawals of gold by the owners to amount to only a small fraction of the total gold on deposit with them. It was possible for the goldsmith, then, to lend out a substantial proportion of the deposited gold, which he did not own, but for which he could get interest, keeping on hand enough gold reserve to cover the demands that he might normally expect the owners of the gold to make on him.

In practice, the goldsmiths usually did not lend the gold itself. By this time, their receipts were widely accepted as the equivalent of gold; so they simply wrote out or printed additional gold certificates and issued these extra receipts over and above the amount of gold actually deposited.

In this way a system of money based on fractional reserves came into being—that is, gold reserves amounting to only a fraction of the note issue based on them. The goldsmith, in return for a small interest charge, was providing the community with a medium of exchange and a place for the safekeeping of deposits.

FROM GOLDSMITH TO BANKER

The modern bank developed slowly. Up to the War Between the States, American banks in general received deposits in coin or bullion—or their equivalent in paper—and issued notes of their own based on this reserve. This was essentially the same system as that of the early goldsmiths. The quantity of banknotes, issued as loans to customers, was several times as large as the reserve.

Loans of this sort were a transfer of credit. The borrower, whose personal credit was not generally known or accepted in trade, could go to the bank, establish his credit with it and, in return for the payment of an interest charge, exchange his generally unknown credit for the generally accepted credit of the bank.

During the past century, with the growth of communication and trade, and with the establishment of better systems for the protection of the creditor, the credit of individuals has come to be more widely accepted for transactions in their own communities. This is evidenced by the tremendously increased use in recent years of the open-book account, or charge account.

In banking, the growth of individual credit has been evidenced by the greatly increased use of the demand deposit, or checkbook money, in place of banknotes.

Today the role of paper money has been largely taken over by demand deposits.

Thus the fractional reserve system of banking developed to its modern stature.

CHECKBOOK MONEY

Demand deposits are in effect created by commercial banks and are based on debt. The new debt may be either public or private. If, for example, a commercial bank buys a Government bond, the Government's bank account is increased, but no individual's bank account is decreased. But this is not true of a savings bank. There has been a net addition to demand deposits and hence to the money supply.

In precisely the same fashion, if a bank makes a loan to a private borrower, it does so by giving the borrower a checking account. No other depositor's bank account is diminished thereby and hence, by making the loan, the bank has created a net addition to the money supply of the country in the shape of a demand deposit.

Just as the creation of public and private debt through the banking system increases the money supply, so net decreases in debt owed to banks bring about reductions in the money supply, such a contraction being an important factor in the downdrag of a recession or depression.

Mr. BROOKS of Louisiana. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I shall be glad to yield to my good friend, the distinguished gentleman from Louisiana.

Mr. BROOKS of Louisiana. I have been reluctant to ask the gentleman to yield, realizing that he was following logic in the course of his discussion of the financial affairs of the Federal Reserve System and of the Nation, and I do not want to interrupt the train of his thought. I think, however, my distinguished colleague is correct in giving real thought to the matter of what is going to happen in the future and what we must do to bring this country back to a normal state of business operation. If the gentleman will yield, I would like to present this thought to him. I was down home in the last 10 days and while down there I discovered the tremendous amount of unemployment that has built up in my State of Louisiana. In fact, I was greatly worried and concerned about the situation that I found developing.

The employment office, which is financed by the United States, was far

behind in its work of handling unemployment benefits. In fact, I found the State office was 3 weeks behind in the handling of these benefits. As a result, I called, long distance, the State headquarters at Baton Rogue, which handles unemployment benefits, and asked what the trouble was. I was told by the manager of that office that the unemployment-benefit applications had built up so rapidly it was impossible to keep up with them, in spite of the increased number of persons that were employed in that office to handle the situation.

I say the situation the gentleman is concerned with is real. It is something right before the Congress and the country and we should give our thought, like the gentleman from Texas is doing, to the proper handling of our financial affairs so that we may work out something without having a serious, devastating depression.

Mr. PATMAN. I thank the gentleman from Louisiana. We happen to represent adjoining districts. My district, of course, is in the northeast part of Texas and adjoins Louisiana. I have received information from the district I have the honor to represent very much like the information the gentleman has just given the House. It is a serious situation, there is lots of unemployment, and I believe the situation is much worse than the administration realizes. I am impressed that the President does not have the correct information or he does not realize the real seriousness of the situation today.

There are plenty of ways to stop an inflation, there are all kinds of weapons the Federal Reserve can use, but there is no weapon the Federal Reserve can use to start the country back quickly in a depression. They have never discovered one. You can try, but it is like pulling a string; you can pull but you cannot push a string.

Mr. BROOKS of Louisiana. Upon my return, I want to tell the gentleman that I appealed to the social security organization in Washington for assistance in Louisiana. They sent a man down there to investigate to see whether or not my report was correct. Day before yesterday the representative returned and stated that my report was correct and that they were authorizing additional help to be given to the Louisiana State office for unemployment benefits to try to bring them down to date so that the unemployed people in great distress would not have to wait 2 or 3 weeks before they would get the checks that were due them for unemployment benefits.

Mr. PATMAN. I wonder if the bill we have up now providing $32 million is for that purpose? Is it to relieve distressed States?

Mr. BROOKS of Louisiana. I think that is one of the purposes of the bill.

Mr. PATMAN. I understand efforts are being made to expedite the passage of that bill and I hope it is quickly enacted. The situation is very serious.

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from West Virginia.

Mr. BAILEY. I took note of the gentleman's remarks that there was not a word that could be used to reverse a depression and start back on the road to prosperity.

Mr. PATMAN. No monetary action.

Mr. BAILEY. I would like to call the gentleman's attention to the fact that there is one word that does that exactly and that is the word "jobs." That is what this country needs.

Mr. PATMAN. You cannot do it quickly. It takes time, it takes planning. The Appropriations Committee, I understand, has knowledge of the fact that there are about 190 post offices ready to go, that the plans have already been drawn. The architects have made their recommendations, and if we were to appropriate the money right now, they could commence immediately and give jobs. But, if we go off on the theory that we are going to have local people furnish the money and then have a lease-purchase agreement to last 20, 30, or 40 years, that is going to take a lot of time and it will not be done quickly. I am talking about monetary weapons. There are plenty of monetary weapons that we can use to stop inflation, but there is no monetary weapon that you can use that you can be sure will start the country back from the depths of a depression. Even if you were to agree to furnish people money at a negative rate of interest or no interest at all, who would borrow that kind of money in a depression when they could not make any money by borrowing it? They just will not borrow it. So, there is no monetary means that you can use to force the country back like there are monetary means to use to hold down inflation, if we have inflation. So, I think we can afford to take the risk. We should be aggressive; we should be able to do something drastic, do it fast, do it quickly, and if we were to make a mistake, there are plenty of ways you can pull it back, plenty of weapons to stop the inflation. But, when our economy gets down too low, there is no means of quickly getting it back by monetary weapons.

Mr. BAILEY. Mr. Speaker, will the gentleman yield further?

Mr. PATMAN. I yield.

Mr. BAILEY. I would like to remind the distinguished gentleman from Texas that on Monday of this week I introduced a modified version of what is known as the Gore bill, which would set up a public works administration and provide an additional appropriation of half a billion dollars for public works construction.

Mr. PATMAN. That is fine; anything along that line is good, wonderful, and we ought to do more of it.

Now, down in the area represented by my friend, the gentleman from Louisiana [Mr. BROOKS], and myself, I was called by a constituent the other day who said, "I hope Congress is not worrying about a tax reduction." He said, "We are not worried about a tax reduction; we do not want a tax reduction; we want jobs for people; we want something done that will give people an opportunity to work." And, he told me how many people were out of jobs in that particular area and how many people were working just 1 day a week or 3 days a week. They could not even pay their food bills. He said, "We do not care about taxes; it is not going to hurt us to continue to pay as much taxes as we are paying, and certainly saving $50 per capita in taxes is not going to recover the country or cause the country to enjoy prosperity again, but jobs do help the country. So, what we need is not a tax reduction so much as it is job opportunities for people so they can work and earn a living, pay their debts, and buy the comforts and necessities, even the luxuries, of life."

Mr. BAILEY. One more question. I am greatly surprised that the statistics supplied by the Bureau of Labor Statistics of the Department of Labor are not adequate and they are not all-inclusive. I find that in instances where railroad workers have been furloughed they are not even counted in the list of unemployed. They are subject to a call back to work on, say, 24-hour notice. They are not even listed. I would like to remind you that 1 major railroad in the State of West Virginia has furloughed 7,400 conductors, firemen, and engineers because there is no transportation of coal. We have 4 of those major east-west roads in West Virginia with 25,000 or 30,000 unemployed that are not counted in the list as being unemployed; they are just furloughed.

Mr. PATMAN. That is correct.

Mr. GRAY. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Illinois.

Mr. GRAY. I would like to associate myself with the remarks of the distinguished gentleman from Texas and to compliment him on bringing this important matter to light. I will say that the district I represent in southern Illinois has about 15 percent of its work force unemployed, and I believe drastic action should be taken to relieve this critical unemployment situation. I again congratulate the gentleman for his splendid remarks.

Mr. PATMAN. I thank the gentleman.

I want to say this about Judge SMITH. I have the highest regard for Judge SMITH, and there is nothing personal in this between us. He believes one way and I believe the other. He is a very fine, able, conscientious Member of the Congress and he serves his Congressional District and his country well. So it is just a question of difference of opinion here and nothing personal at all. I want to call on the Federal Reserve to do something to relieve this situation, to do something drastic, if necessary; go into the market first, the quickest way. The quickest way is for the Federal Reserve to go into the open market and buy Government bonds. That puts money into the hands of people and that money will put people to work. The money will be put to work. It will mean something right now, quickly, immediately. Not only that, it will mean reserves in the Federal Reserve banks so that the local bank can expand an average of $6 to every one. It will do something right

now. I hope the Federal Reserve will do something like that.

In addition, I want to ask the President to consider calling on the Federal Reserve to take action.

They talk about the Federal Reserve being independent. The Federal Reserve is not independent of the President of the United States. The Federal Reserve is not independent of Congress. It is not independent of the Government. If that were true we would have four branches of Government. We would have the legislative, the executive, the judicial, and the Federal Reserve. That is not so at all. The Federal Reserve is constituted by law. It is the duty of the President of the United States under the Constitution to see that the laws are faithfully executed and the Federal Reserve Board would not think of turning down a reasonable request of the President of the United States.

The letters are as follows:

HOUSE OF REPRESENTATIVES,
Washington, D. C., February 7, 1958.

Hon. WRIGHT PATMAN,
House of Representatives,
Washington, D. C.

MY DEAR WRIGHT: You remember the other day in the Rules Committee you made the statement that I was wrong in saying that the Federal Reserve banks invested their money in Government bonds. I was contending that the Federal Reserve banks were making a lot of money through the use of the funds of member banks held as reserves, and instead of paying the profits to the stockholders which are the member banks, the profits were paid to the Federal Treasury.

I want to call your attention to a letter I have just received from the president of the Alexandria National Bank on the same subject, in which he sends me a statement of the Federal Reserve Bank of Richmond indicating its holdings in Federal securities and its earnings, and showing that of the $37 million profit made by the Richmond bank, 87 percent was paid into the United States Treasury.

I was seeking to obtain your sympathetic consideration of the situation of the member banks of the Federal Reserve System. One, member banks are required to keep reserves of 12 percent of their checking accounts and 5 percent savings accounts on deposit with the Federal Reserve without interest, but should the member bank need temporary funds and borrow from the Federal Reserve, it would be, in effect, borrowing its own money back at interest. No such requirements exist with respect to State banks, which presents a strong temptation for members of the Federal Reserve System to get out of it.

Again, national banks are required to pay to the FDIC premiums not only for the deposits that are actually insured, but also for their municipal and government deposits that are fully secured by collateral and in no wise dependent upon the FDIC for security.

With a 52-percent income tax and the other handicaps mentioned above, national banks are finding it difficult to pay reasonable dividends to their stockholders and build up their capital accounts to the extent that conservative banking requires.

While all of this is going on, Congress puts national banks into a position of unfair competition with mutual institutions and building associations by virtually exempting the latter from taxation.

Sound banking institutions are of such primary importance to all of our people that I would hope your committee would give some serious thought to the matters mentioned above.

Please return to me the enclosed letter from Mr. Dudley and the statement which accompanies it.

With best regards, I am,

Sincerely yours,

HOWARD W. SMITH.

FEBRUARY 10, 1958.

Hon. HOWARD WORTH SMITH,
House of Representatives,
Washington, D. C.

DEAR JUDGE: I am delighted to have your letter of February 7 concerning what you believe to be the ownership of the Federal Reserve banks and the source of the funds which the Federal Reserve System invests in Government securities. This gives me an opportunity to correct a misunderstanding of yours which I should have corrected long ago.

It is now plain that you are holding certain misconceptions which are shared by many other well-informed people, including experienced and practical bankers. These misconceptions are (1) that the reserves of the member banks of the Federal Reserve System are the source of the funds used by the System to acquire the Government securities which it holds, and (2) that the member banks are the owners of the Federal Reserve banks.

I can see how your holding these premises has put us at odds over the years with reference to many of the proposals I have made about the Federal Reserve System. And I now believe that if you had understood that (1) the Government securities held by the Federal Reserve System have been purchased by money created by the System, which is a liability on the United States, and (2) that the System is owned by the Government, not by the member banks, you would not have been opposed to the amendment which I wanted to offer to the debt increase bill which was, as I explained to the Rules Committee, to require the Federal Reserve System to purchase directly from the Treasury any or all Federal securities issued under the additional $5 billion debt authority. Had you had a correct understanding of these matters I think you would not have opposed my resolutions for a monetary investigation (H. Res. 210 in the 84th Cong. and H. Res. 85 in the present Congress).

In your letter to me you state:

"You remember the other day in the Rules Committee you made the statement that I was wrong in saying that the Federal Reserve banks invested their money in Government bonds. I was contending that the Federal Reserve banks were making a lot of money through the use of the funds of member banks held as reserves, and instead of paying the profits to the stockholders, which are the member banks, the profits were paid to the Federal Treasury."

Let me take up first two facts on which we agree, namely (1) that the Federal Reserve System, if not the individual Federal Reserve banks, invests a lot of money in Government bonds (and other Government securities) and, (2) that the banks make a lot of money from interest payments on these securities, most of which is paid into the Treasury.

SOURCE AND DISPOSITION OF FEDERAL RESERVE INCOME

Certainly, the Federal Reserve System has purchased and holds tremendous amounts of Government securities. At the end of 1956, it held $24.9 billion in Federal securities. Furthermore, substantially all of the income reported by the 12 Reserve banks comes from interest paid by the Treasury on these securities. Again in 1956 (because this is the last year for which we have a complete report) the total earnings of the 12 banks was $595.6 million, of which $571.8 million, or 96 percent, came from interest payments from the Treasury. Gross earnings from the activities of the 12 Reserve banks—including their loans and advances to member banks and others—amounted to only 4 percent of the total income reported for the 12 banks. In other words, the income of the 12 banks resulting from any and all operations carried on by these banks ($23.9 million) was very small indeed, and a great deal less than their actual expenses which, net of reimbursements, totaled $121.2 million.

Now, where are these Government securities and what services do the Federal Reserve banks perform to earn the interest which the Treasury pays on these securities?

The fact is that all of these securities are retained in one bank—the Federal Reserve Bank of New York. The Government securities for all the 12 banks are bought and sold, when they are sold, by the Open Market Account, which is located in the New York bank; these securities are held in New York and the interest is collected on them there, and the interest income is then divided—it is really just a bookkeeping transfer—among the 12 banks on a pro rata basis, in proportion to the resources of the 12 banks. The separate banks never see these securities, and they do not make the decisions to buy or sell them, or when to buy or sell them. All such decisions are made by the Open Market Committee.

Now on the question of the System paying its "profits" into the Treasury: Prior to 1933, the Federal Reserve Act specified that the Reserve banks were to pay 90 percent of their net income, each year, into the Treasury. The other 10 percent could be added to surplus reserves, which reserves were required to be not less than the amount of the so-called stock paid in by the member banks. In 1933 the law was changed in connection with the setting up of the Federal Deposit Insurance Corporation. In that year a substantial portion of the surpluses of the Reserve banks—which were by then well in excess of the "stock" liabilities—were transferred to the F. D. I. C., to provide the initial reserves against insured deposits. Accordingly, the requirement that Reserve banks pay a specified percentage of their net earnings to the Treasury was removed from the law, with the understanding that this was for the purpose of allowing those banks to build up their surplus reserves again. Those reserves have long since been rebuilt, and more, however, and the System has been paying approximately 90 percent of its net earnings into the Treasury. For example, in 1956 the System paid 89 percent of its net earnings to the Treasury for what the Board's annual report calls "interest on Federal Reserve notes outstanding" (the reason for so describing this payment will shortly become clear).

The financial institutions bill (S. 1451) which has passed the Senate and is now before the House Committee on Banking and Currency contains in it, among other things, a provision which would write the 90 percent requirement back into the law. The Federal Reserve Board has recommended this, although they have been unable to give any answer as to what they can do with, or what possible need might arise for, the surpluses continually accumulated by holding back the other 10 percent.

So much then for the fact that the Federal Reserve System buys, holds, and collects interest on large amounts of Federal securities. Comes now the question of where the System obtained the funds used to purchase these securities.

THE FEDERAL RESERVE USES THE CREDIT OF THE NATION TO INVEST IN SECURITIES, NOT MEMBER BANK RESERVES

Individual bankers have from time to time gotten the impression that member bank

reserves are used by the Reserve banks to purchase securities, or that these reserves are otherwise invested, but that is not true. I could quote you many authorities on this, but I will quote just a few.

In 1951 Marriner S. Eccles, who was then Chairman of the Board of Governors of the Federal Reserve System, wrote an article for the Federal Reserve Bulletin in which he said: "I want to say in passing that, contrary to a persistent popular fallacy, the Reserve System does not use reserves deposited with it by member banks to buy Government securities. As a matter of fact the System creates the funds used in open-market operations. These funds are in no way dependent upon such reserves as member banks carry with the Reserve banks." (Federal Reserve Bulletin January 1941, p. 15.)

In December 1956, William McC. Martin, Jr., the present Chairman of the Board of Governors was before the Joint Economic Committee, along with several other Reserve officials. As Chairman of this session, I questioned Mr. Martin closely on this point and got the same answer Mr. Eccles had given. I quote a portion of this record:

"The CHAIRMAN. The point I am trying to make, Mr. Martin, is, I am trying to answer a fallacious argument that is going over the country; No. 1, that these reserves that the member banks have in their Federal Reserve banks are used to buy these bonds, that is a fallacy, is it not?

"Mr. MARTIN. That is a fallacy.

"The CHAIRMAN. That is a fallacy; it is not true.

"Mr. MARTIN. That is right. (Hearings, Subcommittee on Economic Stabilization of the Joint Economic Committee, 84th Cong., 2d sess., on Monetary Policy, 1955–56, p. 118.)

Now let's see what the American Bankers Association says on the subject. Early in 1955 a spokesman for that association was before the House Committee on Banking and Currency and, in passing, made a statement which repeated the mistaken notion that member bank reserves are used by the Federal Reserve System. I called upon the American Bankers Association to examine into this matter further and let me know what its position on the question is. I received a letter dated May 11, 1955, signed by Mr. George R. Boyles, chairman of the committee on Federal legislation of the American Bankers Association, which reads in part as follows:

"The association as a body has never issued an official resolution or policy statement on this point. Since solely a question of fact is involved, it is not to be expected that the association would have been officially recorded in its proceedings as affirming or denying that the Federal Reserve banks invest member bank reserves.

"It is generally recognized, however, that Federal Reserve bank operations and functions are distinct in that they do not use their deposit liabilities, which are the reserves of member banks, to purchase United States Government securities. Individual bankers and others have had the opposite impression from time to time, and it has been necessary for us, as well as the Federal Reserve banks, to correct such misunderstanding when the occasion has arisen. The accompanying memorandum, which was prepared by the economic research staff of the association, explains the subject in greater detail.

"We trust that this will clarify the point you raised, since it is never the intention of the association to create false impressions or to misconstrue facts."

The fact is that the Federal Reserve System has the power to create money, just as does the private commercial banking system; and the Government securities which the System holds have been purchased with such money created on the credit of the Government. This money has been created principally through the issuance of Federal Reserve notes which the System obtains from the Bureau of Printing and Engraving only by paying the printing cost. At the end of 1956, the 12 banks together had among their assets $24.9 billion in Government securities, and they had among their liabilities $27.5 billion for Federal Reserve notes, including both those outstanding and those in their vaults.

Allow me to quote again from the 1956 testimony of Chairman Martin:

"The CHAIRMAN. You have $24 billion worth of bonds. Now, those bonds were bought by giving of Federal Reserve notes in exchange for the bonds, were they not?

"Mr. MARTIN. Well, Federal Reserve credit.

"The CHAIRMAN. What is that?

"Mr. MARTIN. Federal Reserve credit. They were not specific——

"The CHAIRMAN. That is what I mean. But every one of them is an obligation of the United States Government; is it not?

"Mr. MARTIN. That is correct.

"The CHAIRMAN. And that is what makes it good.

"Mr. MARTIN. That is right." (Hearings, ibid., p. 118.)

Now I think we have established this crucial point: the Federal Reserve banks do not invest the reserves which the member banks deposit with them. Let me make, then, an added point: by buying Government securities, not only is the Reserve System not using reserves which, it might be argued, would otherwise be available for use by the member banks, but the System's purchase of these securities actually increases the reserves available for use by the member banks. The Federal Reserve Bulletin for February 1941 put this matter very simply, as follows:

"Not only do the Reserve banks not depend for their lending power on member banks, but they are themselves in a position to increase or decrease the lending power of these banks. When the Reserve banks buy United States Government securities or make advances, they put reserve funds at the disposal of member banks, and thereby increase their lending power. And, contrariwise, when the Reserve banks sell securities or reduce advances, they withdraw funds from other banks and thereby reduce their power to extend credit. By these means the Federal Reserve banks, as creators and extinguishers of reserve funds, are in a position to exert an influence on the cost and volume of bank credit. This is, in fact, their principal function as a monetary authority, and the policies pursued in performing this function are determined, not on the basis of the reserves available to the Reserve banks, but with reference to the economic needs of the country."

WHY MEMBER BANKS MUST DEPOSIT RESERVES WITH THE FEDERAL RESERVE BANKS

Since the Federal Reserve banks do not use, or invest, the reserves deposited with them by the member banks, then we might review the reasons why the member banks are required to make such deposits. There are two reasons. First, it is easier for the supervising authority to police these reserves, to see that they are actually kept, by requiring them to be deposited rather than seeing to it that each member bank keeps the proper amount in its own vaults. Second, depositing the reserves with the Federal Reserve banks involves an important convenience and service to the member banks themselves. Since the first reason is self-explanatory, I will elaborate only on the second, and for this let me quote from the Federal Reserve Bulletin again:

"Federal Reserve deposits are required reserves of member banks and are also the most convenient medium for settling balances between member banks in the same Federal Reserve district and between Federal Reserve districts; consequently, deposits held with the Federal Reserve banks, even above legal requirements, are rarely withdrawn by the banks. Individual member banks find it a great convenience to be able to draw checks on their balances with the Federal Reserve banks, but this results merely in shifts from the account of one member bank to those of others, without change in the aggregate."

THE MEMBER BANKS DO NOT OWN THE FEDERAL RESERVE BANKS

I come now to another important misunderstanding expressed in your letter to me. This is found in your suggestion that the profits of the Federal Reserve System ought to be paid to the stockholders, which are the member banks.

If the member banks were really the owners of the Federal Reserve System they would have a most fabulous investment. They would own a system which operates on the Federal Government's power to create money and which has in fact created sufficient money to purchase and hold $25 billion worth of interest-bearing securities of the United States Government, plus another $27 billion of other kinds of assets.

The financial contribution of all the member banks—through purchase of the so-called stocks—amounts to about $325 million. Thus in 1956 the stockholders' return on investment, if we can imagine that the banks own the System, would have been $596 million in net profits, plus, of course, all of the free services which the banks received from the System, the total cost of which came to $121 million. In other words, on the theory that the private banks own the Federal Reserve System, their return on the investment would have been about 220 percent in 1 year.

This so-called stock in the Federal Reserve Banks which the member banks hold does not, however, constitute ownership, and never has. The term stock is a misnomer. If it is compared to a stock at all, it can at best be likened to a nonvoting preferred stock drawing a specified rate of interest, and a very high one at that—6 percent. Yet this stock has certain highly distinctive features which prevent its being characterized even as a preferred stock. Let me quote from the record on these, and call your attention particularly to Chairman Martin's replies to my questions:

"The CHAIRMAN. All right.

"No. 2 is that the banks own the Federal Reserve Banking System, and it is run by the banks; it is operated for their benefit.

"That is a fallacy, is it not?

"Mr. MARTIN. That is a fallacy.

* * * * * *

"The CHAIRMAN. That stock, or that word "stock," is a misnomer, is it not?

"Mr. MARTIN. If you are talking about stock in terms of proprietorship, ownership—yes.

"The CHAIRMAN. Well, of course, that is what stock is; yes. Normally that is what stock is; when you say "stock," you mean a proprietary interest of some kind, do you not?

"Mr. MARTIN. In the ordinary sense, yes.

"The CHAIRMAN. That is right, in the ordinary sense.

"Mr. MARTIN. You and I are in agreement that it is not proprietary interest.

"The CHAIRMAN. Yes.

"Therefore, this does not convey any proprietary interest at all, and the word "stock" is a misnomer. It is not a correct word at all. It is just an involuntary assessment that has been made on the banks as long as they are members.

"Now, if they go out, the money is refunded to them. But as long as they are members, they get 6 percent annually on that.

"And as evidence of the fact that they do not have any proprietary interest, which you admit, is the fact that this so-called stock cannot be sold, it cannot be hypothecated, and as a convincing and unanswerable argument that the banks have no interest in the Federal Reserve System as such, financial or proprietary interest, the law specifically provides that in the event of the liquidation of a Federal Reserve bank, that after they get their $300 million stock back, the Government gets everything else. That is right; is it not?

"Mr. MARTIN. That is right.

"The CHAIRMAN. Now, if the banks had any proprietary interest in that, they would get what was left after liquidation, would they not?

"Mr. MARTIN. Well, you and I are in agreement it is not proprietary interest.

"The CHAIRMAN. Yes.

"Therefore, the statement that the banks own the Federal Reserve System is not a correct statement, is it?

"Mr. MARTIN. The banks do not own the Federal Reserve System." (Hearings before a joint Subcommittee on Economic Stabilization of the Joint Economic Committee, 84th Cong., 2d sess., December 1956, pp. 119–120.)

The history of this unique stock shows that when the Federal Reserve System was set up, the member banks were required to make a small, nonvoluntary interest-bearing contribution to the System, which was to serve merely as a psychological device. It was intended to make the bankers feel that they had some direct financial stake in the success of the new System. The law provided that each member bank could be called upon to contribute an amount up to 6 percent of its paid-in capital and surplus. Actually the banks were called upon to contribute only 3 percent, and this is the figure which still prevails.

I have frequently questioned Federal Reserve officials about the use of the funds derived from sales of this stock and the answers I have received are that their use, if any, is still psychological; the funds are not invested. Obviously the System does not need them, and it is my own belief that the psychological effects, if any, are no longer needed. Consequently, I have frequently made the point that the funds should be returned, so as to save the 6 percent interest, which amounts to about $19 million per year.

SUMMARY

Judge, this has been a long letter, but I believe it will prove to be worth your time if it succeeds in clearing up the following points:

1. Although private bankers in very large degree manage the Federal Reserve System, the System is owned by the United States Government.

2. Since most of the yearly cost of operating the Federal Reserve System—about $121 million—goes for check clearance and other free services for the private banks, this yearly cost is a direct subsidy to the private banking system, although the general public benefits indirectly, by having an effective banking system.

3. The Federal Reserve System does not use the reserves of the member banks to buy Government securities.

4. Purchases of Government securities by the Federal Reserve System, instead of denying the private banks use of reserves, actually increase the amount of reserves available to the banks for loans and investment, which means that the Federal Reserve System can and does increase the money supply in either of two ways—by buying Government securities or by reducing required reserves and thus allowing the private banks to create the new money.

I am,

Sincerely yours,

WRIGHT PATMAN.

RIVER NAVIGATION IN 1958

The SPEAKER. Under previous order of the House, the gentleman from Louisiana [Mr. BROOKS] is recognized for 45 minutes.

Mr. BROOKS of Louisiana. Mr. Speaker, I have listened with a great deal of interest to the remarks of my colleague, the gentleman from Texas [Mr. PATMAN], who preceded me. I am very much impressed by a great many of the ideas that he presented in his statement to the House in reference to the financial situation of the country. Over many years he has made a study of the finances of the Nation and his remarks, of course, should be given the consideration that we would give to someone who has made a lifetime study of finances and who is recognized as an able scholar in government and in domestic finances.

However, I am not here today to talk to you about finances. On the contrary, I want to talk to you about river navigation. There is a great deal of loose talk going around the country at this time to the effect that the United States cannot afford to launch satellites if it continues to develop its water resources. Such ideas are, in my opinion, the product of hysterical and immature thinking.

In all of this current discussion of sputniks and missiles and outer space, there are many earthbound problems of great importance that still abide with us. One of these problems is the development of our inland waterways.

Speaking as the ranking majority member of the House Armed Services Committee which is directly concerned with the sputnik-missile problem, I am deeply disturbed, and, speaking as president of the National Rivers and Harbors Congress, which is directly concerned with the orderly development of the Nation's water resources, I am equally disturbed. These are formidable problems that the new space age has thrust upon us.

It is especially important at this time to keep our wits about us and view both problems—the sputnik program and the waterway development program—in proper balance and perspective.

It is my conviction that the American people can face up to both problems at the same time and solve both of them successfully. We must solve them both in the twin interest of our defense and economic well-being.

Defense and economic development walk hand in hand. We have had relatively recent proof of how the two are intimately related. I speak of the role that inland waterways played during World War II and the Korean conflict.

During World War II the waterways of the United States demonstrated their essentiality in any sound system of national defense. While ships were being sunk by the German submarines off the coast of Florida, people on the Atlantic seaboard were saved from freezing by oil that was transported by the waterways to Pittsburgh and thence distributed through railroads, tanks, trucks, etc. As a result of this crisis, a special session of the National Rivers and Harbors Congress was held in Chicago. This resulted in the passage of the Rivers and Harbors Act of 1942, which authorized the construction of the cross-Florida barge canal.

In any war of the future the inland waterway system may have to meet greater emergency demands than ever before. What if problems like these arose? What if the Panama Canal were knocked out by an atomic missile from an enemy submarine? What if enemy missiles hit and paralyze the great rail centers of the Nation? In such emergencies the inland waterways would have to carry much of the bulk cargo that must be hauled from place to place to keep the Nation alive.

When World War II and the Korean conflict occurred, our inland waterway system admirably served the purposes of national survival. In future wars, when our own soil may become a target and battleground, our waterway system may very well enable us to survive and win again.

An interesting question arises at this point, How much traffic is our waterway system carrying today? The answer is that the system is operating at record capacity.

The latest figures for 1956 show that United States waterborne commerce reached a new all-time high. For the second time in history waterborne commerce exceeded a billion tons.

Figures compiled by the Army Corps of Engineers for 1956 equaled 1.93 billion tons, as compared with 1.16 billion in 1955, the previous record year.

Tonnage for the Gulf ports was very impressive during 1956. The figures show the following tonnage for the leading Gulf ports:

New Orleans, La	50,700,000
Houston, Tex	52,300,000
Beaumont, Tex	25,700,000
Mobile, Ala	17,500,000

Figures for other leading ports in the Nation are:

	Tonnage
Boston, Mass	21,000,000
New York, N. Y	154,700,000
Philadelphia, Pa	55,700,000
Baltimore, Md	51,600,000
Norfolk, Va	44,600,000
Los Angeles, Calif	19,600,000
Richmond, Calif	14,800,000
Portland, Oreg	13,800,000
Seattle, Wash	13,700,000

Coastal areas having a concentration of harbors include the following, with total 1956 tons: Delaware River, from Trenton, N. J., to the sea, 109,200,000; Hampton Roads, Va., 71,700,000; San Francisco Bay, Calif., 44,200,000; Columbia and lower Willamette Rivers, Oreg. and Wash., 20,900,000.

Among the leading Great Lakes ports in the 8 States bordering the lakes were the following, with 1956 tonnage:

Duluth-Superior, Minn. and Wis.	59,400,000
Two Harbors (Agate Bay), Minn.	16,000,000
Milwaukee, Wis	8,600,000
Chicago, Ill	44,600,000
Indiana Harbor, Ind	19,400,000
Detroit, Mich	27,100,000
Toledo, Ohio	36,000,000
Erie, Pa	6,500,000
Buffalo, N. Y	22,200,000

Following is a breakdown of the 220 billion ton-miles of freight carried on the inland waterways in 1956:

Gulf Coast waterways	15,021,000,000
Mississippi River system	56,786,000,000
Great Lakes system	110,665,000,000
Atlantic coast waterways	32,302,000,000
Pacific coast waterways	5,199,000,000
Other waterways	3,000,000

As impressive as are the figures with regard to the wartime and postwar use of our inland waterways, I am afraid that we have lagged behind the Russians in the development of our water resources. The National Rivers and Harbors Congress was the first to call public attention to the size and scope of the Russian waterway program.

In the process of building their satellites and missiles, the Russians have not been so shortsighted as to suspend their activities in the field of water development.

Even while the finishing touches were being put on the two sputniks, a Russian delegation was telling an International Navigation Congress in London about Russia's rather expansive plans and projects to improve her system of water transportation.

This information was brought back from London by Clarence R. Tull, harbor engineer at Baltimore and a national director of the Rivers and Harbors Congress, who was an official United States delegate to the International Navigation Congress held in England last July.

At that meeting, Prof. V. V. Zvonkov, of the U. S. S. R. Academy of Sciences in Moscow, and others of the Russian delegation, read papers disclosing quite frankly—the Russians sometimes surprise us with their unexpected frankness—these hitherto-unreported facts.

First. Cargo ships driven by atomic energy are being designed and worked on.

Second. Under the current 5-year plan, 19 big new ports will be started at undisclosed locations, according to Professor Zvonkov.

Third. Seven reconstructed ports will soon be commissioned on the Volga, and 2 in Siberia at Omsk and Osetrov.

Fourth. Twenty-five or 30 new rail-water terminals are planned before 1970.

Fifth. Automation and electrification of the whole inland waterway system is being pushed.

Another Russian project that Mr. Tull reported back to the National Rivers and Harbors Congress last summer was the construction of an atomic-powered icebreaker. This icebreaker was launched only a few weeks ago, and photographs were run in newspapers here and throughout the world. These pictures were impressive evidence that the Russians are doing exactly what they predicted they would do last July.

Upon his return from London last summer, Mr. Tull made this observation, based upon his study of the Russian reports:

> The Russians have been applying their best scientific brains to the problem of unlocking the seas that surround them on every side. They are developing long-range ice forecasting; they are blasting and bombing ice formations from the air, and are developing new techniques in Arctic navigation. They are experimenting with thermite explosions and are talking about the use of atomic energy (which produces even more heat than thermite) to blast away ice barriers.

These and other reliable reports indicate that the Soviets are continuing their basic water development program, along with their sputnik-missile program— side by side—hand in hand. The evidence is also plain that they are continuing their basic economic development program without diminution. They are carrying out concurrent programs to develop sputniks and waterways, all at the same time.

My thought is that if the Russians can afford to push both these programs side by side, so can the American people.

I suppose that some of our more composed, comfortable and complacent editorial writers would denounce Russia's imposing waterway program as "so much pork barrel." Some of our editorial writers have used the phrase, "pork barrel" to oppose many worthy projects in the American water development program.

But, with reference to these editorial writers, we must remember that they speak from rather sheltered ivory towers. The chances are that they have never seen the Mississippi or the Volga in flood. And so they can talk rather glibly about developments and disasters that they have never seen.

Many people ask what are the prospects for appropriations for civil works during the next fiscal year 1958. In a speech which I delivered before the Inland Empire Waterways Association at Longview, Wash., on October 29, 1957, I predicted that there would be a fierce scramble in Washington for the crumbs that will drop from the appropriations table after defense demands are satisfied.

The next budget has cut construction by as much as 7 percent over last year and will provide no money for starting new projects. The National Rivers and Harbors Congress is strenuously opposed to any such curtailment of the civil works program.

Friends of the waterway development program will have to rally in opposition to such drastic cuts. They must also rally to put through Congress the omnibus authorization bill, which is so badly needed and which is slated for strong opposition.

The suggestion that the water resources development program be tossed out the window is the product of hysterical thinking. It is not the product of a well-thought-out program. It is a haphazard proposition that is intended to create the impression that we are doing something when there is no evidence that this is the thing that must or should be done to attain the goal.

Keep these things in mind in the months that lie ahead as we strive to strike a sensible balance in the allocation of appropriated funds:

The launching of an American satellite will not protect a single city, plant or farm from floods; it will not reduce the crest of the country's next disastrous flood by 1 foot.

The development of rockets and missiles will not make waterways, railroads and highways obsolete—at least not in our time. They will not transport the vast tonnages of freight that must be moved from place to place in our complex, interdependent 20th century civilization.

And also keep this in mind before jumping off into the wild blue yonder—no rocket or missile or satellite has yet been devised that will stop the flow of the Volga or the Mississippi.

We must use our resources and our wisdom in these times of great decisions to see that the Mississippi, the Red River, and other great streams of this country are not neglected or allowed to run wild and unrestrained in times of raging floods.

In a speech in New Orleans on December 5, 1957, Maj. Gen. E. C. Itschner, Chief of the Army Engineers, made a detailed report on Russia's program in developing her waterways. He observed that in revitalizing our own military defense program, "there will be increased competition for the taxpayers' dollars"—an observation that I had previously made. Then he made this additional comment which should be noted carefully when we consider the proper balance and relationship between the military program and the development of our water resources. He said:

> We would be very negligent if we did not build up our national economy so as to be in a better position to support a greater national military effort in advance of the possible initiation of war.
>
> It follows that now, more than ever before, as part of our national improvement program, we should develop our water resources and protect our industries, farms and homes from flood damage and destruction.
>
> Thus, to my mind, the new era of military preparedness encompasses a new natural resource development age which is an integral part of what must be our broad program to meet the severe demands of national preservation.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. BROOKS of Louisiana. I yield to my colleague from Texas.

Mr. PATMAN. Mr. Speaker, I am very much interested in what the gentleman says about navigation and water conservation, because we have those problems in our own area. The gentleman is president of one of the fine organizations in the United States, the National Rivers and Harbors Congress. It is a powerful organization. I hope he gets his organization behind these many projects that are so badly needed in our section of the country.

I notice that they are going to have a convention soon in Washington, D. C. I know that he will make every effort to get back of these projects. I want to commend him for the fine fight he has made over the years for water conservation and navigation and I should be very glad indeed to work shoulder-to-shoulder with him in that effort.

Mr. BROOKS of Louisiana. I certainly thank my colleague. I want to say that we are going to have a convention in Washington, D. C., in the middle

of the month of May, a convention of the National Rivers and Harbors Congress. At that time we wish to take up the problems of internal navigation in the United States and try to put our shoulder to the wheel, so to speak, to help out on this program.

The gentleman from Texas [Mr. PATMAN], who has just spoken, lives in the valley of one of our great waterways in the Southwest; it is the Red River Valley. I also live in that Red River Valley. My people live in the heart of that valley. We are deeply interested in the development of the Red River Valley. But today, generally, I am not speaking about the development of the Red River Valley any more than I am speaking about the development of any other river valley in the United States that needs development and is capable of that development.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. BROOKS of Louisiana. I yield.

Mrs. ROGERS of Massachusetts. Does not flood control come into the gentleman's deliberations?

Mr. BROOKS of Louisiana. Certainly, flood control is foremost in my thought and mind when I discuss river development.

Mrs. ROGERS of Massachusetts. The head of the Army Engineers stated that the Merrimack River was a No. 1 project in New England today for action. We are hoping to get more money in the next bill for that flood control, because if we have a flood, if we have high water both in the Concord and Merrimack Rivers, Lowell might very well be wiped out.

Mr. BROOKS of Louisiana. The Merrimack River in New England is very important. In fact, the National Rivers and Harbors Congress, of which I am president, has passed resolutions in support of some of the developments along that great waterway in New England.

Mrs. ROGERS of Massachusetts. It is industrialized. The gentleman knows how much I appreciate what his Rivers and Harbors Congress has accomplished.

Mr. BROOKS of Louisiana. We are trying to do a job for the people of the United States. I am firmly convinced that the Nation if it is going to be sound and strong economically must continue to develop itself internally, that you cannot reach a static condition as far as your internal economy is concerned and expect to go on and continue to develop militarily as the most potent and powerful nation the world has ever seen. I think the two are linked together and that you must develop yourself internally as you develop yourself externally. That is my philosophy. So I want to thank the gentlewoman very much for her very able observation.

I am not going to cover all the figures I have here today. I have many of them. The latest figures for 1956 show that the United States waterborne commerce reached a new all-time high for the second time in history. Waterborne commerce exceeded 1 billion tons in 1956. The figures of the Army Corps of Engineers for 1956—the 1957 figures are not yet out—equal 1,093,000,000 tons, compared with 1,016,000,000 tons in the year 1955, which has the previous record year.

Tonnage for the gulf ports reached an impressive figure during the year 1956. These figures show the following tonnages for the leading gulf ports: New Orleans, 50,700,000 tons; Houston, Tex., 52,300,000 tons; Beaumont, Tex., 25,700,000; and Mobile, Ala., 17,500,000 tons.

The figures for the leading ports throughout the Nation generally show Boston, Mass., with 21 million tons; New York, N. Y., with 154 million tons; Philadelphia, Pa., with 55,700,000 tons; and Baltimore, Md., with 51,600,000 tons.

Mr. Speaker, these figures, together with other figures which I have here prepared and which I want to present to the Congress of the United States, are not only very persuasive, they are extremely impressive. They indicate very clearly that even in normal times of peace, the waterways of the Nation are vital to sustaining our economy and that if we are going to continue to improve our position financially, strengthen our position domestically, and continue our march of progress as a world power, we must continue our program of internal development of our waterways throughout the length and breadth of the United States.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. BROOKS of Louisiana. I yield to my distinguished colleague.

Mr. PATMAN. It is my understanding, and I am sure the gentleman knows about it, too, that the Bureau of the Budget is slowing up some projects involving flood control and water conservation by not permitting the contracts to be let at this time. Does the gentleman not think in view of the recession which is now admitted by the administration that the Bureau of the Budget should immediately and quickly release these funds so as to give people more jobs and as many jobs as possible as quickly as possible.

Mr. BROOKS of Louisiana. I know of no better way to invest the money of the Nation, and at the same time provide jobs quickly than to do just exactly what the gentleman has suggested. I would go further, too, and I would ask the Bureau of the Budget to release a program of new starts because the Bureau of the Budget has announced the policy of "no new starts" in our inland waterway development. We should release a program of "new starts" approved by the Congress already and a part of our law at this time, and with these recommendations for new starts before the Congress, we can affirmatively put into law by appropriations the money we need which is necessary to go ahead with our inland waterway development.

Mr. PATMAN. It is generally known, I believe, that in Soviet Russia they are not neglecting their internal improvements. Why should we neglect our internal improvements? Does the gentleman not think that we should pay just as much attention to the development of our country internally through navigation, water conservation, flood control, and soil conservation projects as any other country in the world? That should be a challenge to us not to let Russia get ahead of us in internal improvements.

Mr. BROOKS of Louisiana. Certainly that is so. While the Soviets have committed many blunders, and I do not hold them up as an example, I do want to say that they are moving forward in their internal waterway development. I want to point out that Maj. Gen. E. C. Itschner is Chief of the Army Engineers. He is a great soldier and he had a great record as an engineer in World War II. He had a great record for waterway development prior to World War II when he held the position of colonel, lieutenant colonel, and major. Maj. Gen. E. C. Itschner, Chief of the Army Engineers, observed in the city of New Orleans on December 5, 1957, that there will be increased competition for the taxpayers' dollars. He said that that was an observation that he had previously made. Then he made this additional comment. It should be carefully noted when we consider the proper balance in the relationship between military programs and the development of our water resources:

> We would be very negligent if we did not build up our national economy so as to be in a better position to support a greater national military effort in advance of possible initiation of war.

And continuing the quotation, he said further:

> It follows that now more than ever as a part of our national improvement program, we should develop our water resources and protect our industries, farms and homes from flood damage and from devastation.

In conclusion, I want to say, Mr. Speaker, that in the course of the general's remarks, he gave certain data and figures regarding the use of the waterways and the development of the waterways of Soviet Russia, that amazes anyone to learn of the vitality which those people are placing behind the internal development of their domestic waterways.

Mr. ULLMAN. Mr. Speaker, will the gentleman yield?

Mr. BROOKS of Louisiana. I yield.

Mr. ULLMAN. I want to commend the gentleman for the very strong position he has taken on this important matter of river development, and in his position of responsibility he can do a great deal to keep this program moving. We in the Pacific Northwest are vitally concerned with the river-development program, because we have our great Columbia River system. We are also concerned with great public works, because unfortunately we are the really distressed area of the Nation. My own State has 13.6 percent unemployment. The State of Washington and the State of Montana are right behind us. We also have on the river a great project known as the John Day Dam. The administration has cut this program way back. If we cut the program back to the point they recommend, we will lose a great deal of money. So I commend the gentleman for his excellent remarks.

Mr. BROOKS of Louisiana. I thank the gentleman.

May I say in reply to that I had the privilege of journeying out to the Columbia Basin during the intermission. I had the privilege of addressing the Inland Empire Waterway Association in the State of Washington. I saw a very fine group of people, sincerely and enthusiastically interested in the development of that great waterway out in the Pacific Northwest. We ought to give them the support in that area which a great area is entitled to receive, in helping them with that program.

Mr. ULLMAN. May I say to the gentleman I am very happy he was able to come out to the Pacific Northwest. I hope he was well treated.

Mr. BROOKS of Louisiana. I was wonderfully treated by your people. They are fine and hospitable and patriotic. The Inland Waterway Association is doing a great job and its executive vice president is an able leader.

Mr. ULLMAN. That is fine. The Inland Waterway Association is an excellent association, having high ideals.

Mr. BROOKS of Louisiana. I thank the gentleman.

Mr. PASSMAN. Mr. Speaker, will the gentleman yield?

Mr. BROOKS of Louisiana. I yield.

Mr. PASSMAN. I would like to associate myself with the views of the distinguished gentleman from Louisiana, the dean of our delegation, and commend him for the great work he is doing for rivers and harbors and flood control; and also commend the gentleman for the great job he is doing as president of the National Rivers and Harbors Congress, and assure him that the members of the Louisiana delegation stand behind him.

Mr. BROOKS of Louisiana. I thank the gentleman very much. I want to express pleasure in having our colleague, the gentleman from Louisiana [Mr. PASSMAN], back on the floor, working actively with us again, doing a great job for the people of the Nation and for the people of his own district in Louisiana.

Mr. PASSMAN. I thank the gentleman.

Mr. SISK. Mr. Speaker, will the gentleman yield?

Mr. BROOKS of Louisiana. I yield.

Mr. SISK. I want to commend the gentleman also on the great work he is doing heading up this Rivers and Harbors Congress. I have been very much concerned about what I understand to be certain cutbacks in the program of the Corps of Army Engineers. The particular field which I am going to mention—I do not know whether the gentleman is familiar with it or not, but it has to do with a certain program on four projects regarding recreation. It was my understanding that the Corps of Engineers has asked originally for something over $1 million to do some very much needed work along that line. The Bureau of the Budget has denied every penny of it. People generally throughout the Nation are concerned over the fact that apparently they are going to be denied money even for maintenance—for taking care of those projects which the corps has heretofore been maintaining. I wonder if the gentleman has any comment on that or whether he is familiar with that part of the program.

Mr. BROOKS of Louisiana. I am not familiar with that part of the program, but generally speaking my position is that the Bureau of the Budget now completely controls the waterway development program of the Nation. We in the Congress can ask, we can provide funds, we authorize a program to proceed, but we have no assurance whatsoever that it is going to proceed even after all the studies the Engineers make, and the people at home make. For instance, in the Red River Valley we can have our Red River Valley Association. They can study a program. They submit it to the State of Louisiana, the State of Texas, or the State of Arkansas or Oklahoma. Then the States study the program. They approve it. The Engineers get hold of the program, study it and approve it as a program, and it is finally submitted as a well-thought-out program to the United States Congress. The Congress then authorizes it and subsequently appropriates funds for it.

The program, after all of that thought, study, effort, and investigation is turned over to the Bureau of the Budget where one or two men decide whether or not that project after all that preparation is worthy of consideration by the Nation in its program of internal development.

That is all wrong.

Mr. SISK. That is exactly the point I was concerned with, because the point, as I brought out, has to do with programs that all the people of the country are concerned with, not one particular locality. These are being denied by the Budget even to the extent of denying operation and maintenance charges, or even allowing the digging of a well or the repair of sanitary facilities. I think it is something that should cause Congress concern, that the Bureau of the Budget steps in and denies completely funds for projects of this kind which are so essential and which are so needed by the American people.

Mr. BROOKS of Louisiana. I thank the gentleman very much.

Mr. Speaker, I yield back the balance of my time.

THE BENSON FARM PROGRAM

The SPEAKER. Under the previous order of the House, the gentleman from Oregon [Mr. ULLMAN] is recognized for 30 minutes.

Mr. ULLMAN. Mr. Speaker, I have introduced today for appropriate reference legislation which I believe offers a sound approach to the farm problem.

Secretary Benson's failure during the past 5 years has been not so much that he has scuttled the old support program, but that he has failed to provide an alternative plan of action for the farmers. He has dedicated himself to a campaign of knocking the props out from under the program of the previous Democratic administration and has offered the farmer nothing in its place. Benson's program has been one of backing the old car down the road and, as the ruts get deeper, throwing the seat and all the accessories overboard in order to keep the old rig going backward. Well, it is a stripped car now and we have a lot of stripped farmers to prove it.

The only consistent program in these past 5 years is a determined effort to push lower and lower the price supports and the earning power of the farmers. The only consistent theory of Mr. Benson and his associates has been that there are too many farmers and that more and more should get out of the business.

Let us compare briefly the farm situatiton as between 1947 and 1956. In 1947 gross farm income was $34 billion, which was 14.6 percent of the gross national product. In 1956, gross farm income was still about $34 billion, but the rest of the economy had moved ahead to the point that farm income was only 8.2 percent of the total national product.

In 1947, Americans had a total personal income of $197.2 billion. The farm share was $17.1 billion, or 8.6 percent. In 1956, total personal income had risen to $342 billion, out of which the farmer received $11.5 billion, or only 3.3 percent. The farm population is 13 percent of the total, yet farmers receive only 3.3 percent of the national income. Last year the average family spent $1,500 for food, but only $465 went to the farmers and $940 went to the processors and the handlers.

Yes, we have a sick agricultural economy and yet all we get from this administration is statistical platitudes attempting to hoodwink the farmers into the belief that they are really prosperous, that all of the struggle and hardships and red ink are only some kind of dream.

Let us turn to the crux of the farm problem. In our present economy manufacturers operate within a system of administered prices. Operations are premised on the rule that the sale price shall cover the cost of producing goods plus a reasonable profit. In order to prevent adverse market conditions, such producers generally can control production to prevent burdensome surpluses. Farmers, however, discounting the price support system, operate in a free market and depend upon the law of supply and demand. They take what they get without regard to production costs or profit. They are the only large segment of our economy devoid of a system which passes the costs along to the consumer. This fact is really the crux of the farmer's problem.

I think it well to look at another segment of our producing economy that some years ago faced the same basic problem as that now confronting agriculture—labor. In the great depression of the thirties, the problems of labor and the problems of the farmer were at the forefront. In both instances Federal legislation was enacted. Labor, however, asked for and got Federal protection for the right to seek its economic goals through industrial organization, thereby creating an effective bargaining position. Agriculture, on the other hand, turned to direct Government participation, with prices supported by law and direct Federal purchases through the Commodity Credit Corporation. Nothing was done then to improve the farmer's bargaining

power beyond allowing him to sell to the Government in the event the market was weak.

This is not to say that the program did not fill a great need. I can think of nothing that has done more to remove the shackles from the farm segment of our economy than the organization of commodity credit loans. In addition, our REA and Farm Credit Administration programs and our soil-conservation measures have been landmarks of progress for the American farmer.

However, it did not correct the glaring weakness in the Nation's agricultural economy—its completely inadequate bargaining position in the market place.

Dr. Kenneth Galbraith, professor of economics at Harvard University, sums up the problem in these words:

> The large corporation has a built-in bargaining advantage, based on its size and its position in the market. As a result, it is able to keep its prices in reasonable relation to its costs. Thus, it can minimize its market risks.
>
> The position of the workingman was no better than that of the farmer until he changed it by organizing trade unions. These have enabled him to bargain effectively on the price of his labor.
>
> Only the farmer has remained essentially unorganized.

What is the answer to this problem? Some might say it is in voluntary cooperatives. Certainly farm cooperatives have made a great contribution to agriculture and will always have an important role to play in any farm program.

But, in all frankness, I fear that, if we rely on farm cooperatives alone, the family farmer will have become a thing of the past before we solve the problem.

And so we come to the point where we must propose a solution. There are many roads we can take. There are conflicting philosophies and many opposed methods.

Putting it very simply, I feel that there is a real awakening today to the fundamental belief that the farmers will not improve their position until they organize on a nationwide basis to protect their interests. And I am firmly convinced that such organization must be on a commodity-by-commodity basis.

With this in mind, I took a long look at the structure of existing agricultural law. It soon became obvious to me that the logical vehicle to implement this objective was the Agricultural Marketing Agreement Act of 1937 which provides the framework for voluntary organization and the machinery for establishing marketing agreements and marketing orders. In this act, the following policies and objectives are set forth:

First, to establish and maintain such orderly marketing conditions for agricultural commodities in interstate commerce as will establish, as the prices to farmers, parity prices;

Second, to establish and maintain such minimum standards of quality and maturity and such grading and inspection requirements for agricultural commodities as will effectuate such orderly marketing of such agricultural commodities as will be in the public interest; and

Third, to establish and maintain an orderly flow of the supply thereof to market throughout its normal marketing season to avoid unreasonable fluctuations in supplies and prices.

Consumer protection is achieved by prohibiting "the maintenance of prices to farmers above the level which it is declared to be the policy of Congress to establish in subsection 1 of this section." Such a level is defined as the parity level of prices—in other words, a price level that would give the farmer full parity in the market place.

These are sound objectives—essentially what we have been striving for in farm programs for many years.

The act further provides that marketing orders shall contain, as terms or conditions, methods for the limitation of the total quantity of any such commodity or product or of any grade, size, or quality thereof, produced during any specified period or periods which may be marketed in or transported to any or all markets in the current of interstate or foreign commerce. The method used to achieve these goals is control over the amount which can be purchased or marketed in interstate or foreign commerce by handlers of the affected commodities.

During the years since the enactment of the Agricultural Marketing Agreement Act, the Department of Agriculture has gained widespread experience in the negotiation of commodity agreements and in the issuance of commodity orders. However, the act itself has had a very limited application because of certain provisions which make the scope of orders applicable only "to the smallest regional production areas or regional marketing areas," which the Secretary finds practicable.

What I am proposing in my legislation, is to change the intent of the act so as to realize national commodity marketing agreements and marketing orders which are, I believe, the only kind which will have any real effect on the bargaining position of the farmers in the market place.

I have also taken the necessary step of expanding the coverage of the act to include all field and seed crops, with the exception of wheat, corn, cotton, rice, and peanuts. Those basics are the subject of much complex legislation which it is not our intention to disturb. There is, of course, no reason why these basic commodities could not be brought under the umbrella of this type of legislation if producers should wish to do so. But I think this should only be done at the specific request of such groups and with a full understanding of the implications of such a move.

The existing law provides that the Secretary shall utilize agencies or committees made up of members of the commodity producing and marketing groups to administer the order. My bill provides that this shall be done on a national scale when a national order comes into effect. It also provides that national orders shall recognize the differences in production and marketing of commodities in the various production areas. This is obviously a practical necessity in a program of this kind.

The legislation I have introduced provides the following machinery for formulating and issuing a national marketing order:

> Whenever more than 50 percent of the estimated total annual quantity handled in the United States of any commodity, other than milk or its products, is regulated by one or more orders, and the agencies administering the orders covering more than two-thirds of the regulated quantities of the commodity so propose and recommend, the Secretary shall give due notice of and an opportunity for a hearing upon a proposed order applicable to the entire United States or all production and marketing areas.

If a national order is then found practicable, the Secretary shall issue such an order.

Essentially, this legislation says to the farmer: Whatever the commodity you raise, you can now band together on a national basis. This is a means whereby you can free yourself from the arbitrary caprice of the speculators; whereby you can control the flow of your own commodity to the market places of America; whereby you can return to the farming industry a measure of self-respect, security, and adequate income.

I am well aware that any legislative proposal in the area of agriculture raises certain problems due to the complexity of the subject under consideration. But the problems of agriculture are not going to be solved until we tackle head on those complexities. I have great faith that the farmers of this country, given the opportunity and the machinery, will roll up their sleeves, sit down at the bargaining table with each other and resolve their differences into a workable national plan.

The farmers of America are at the crossroads. If they do not get together, if they do not organize to protect themselves, the farmer that we have known will disappear and in his place will be the contractor under vertical integration or the manager under some form of corporate organization.

The purpose of this legislation is to give the farmers the incentive whereby they can organize to protect themselves and to preserve those great institutions of private initiative and enterprise that have been so fundamental to the family farmer of this Nation.

Mr. SISK. Mr. Speaker, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman from California.

Mr. SISK. I certainly want to compliment the gentleman from Oregon on the great amount of work and thought he has given to the legislation he is introducing. Coming from an area very similar in many ways to the area represented by the gentleman, I am much interested and particularly concerned about marketing orders. We have found in the great Central Valley in California that marketing orders have done more to improve and stabilize the income of the farmers in that area than any other single thing that we have ever been able to accomplish. I have been also concerned about legislation that would provide for national marketing orders in every commodity field, because I believe that in that way and through

the self-help method we can gain the support, support essentially of the consuming groups, because I think that is all-important. Today we must be able to protect not only the farmer in any program that we come out with, but we must be able to protect the consumer. A stabilized price, certainly I believe the gentleman will agree with me, will do that.

Mr. ULLMAN. That is correct. That is the purpose of this legislation.

Mr. SISK. In other words, it would assure the farmer a reasonable price and at the same time it would assure and protect the consumer from an extremely high price. I have recently introduced enabling legislation to provide for a national marketing order for the turkey industry. I feel that every segment of America today probably could be fitted into various types of marketing orders administered by people in that particular segment of the agricultural industry. We have, for example, a national marketing order for raisins in my district which has done an outstanding job.

SELF-HELP FARM PROGRAM

Mr. Speaker, many Members of Congress are deeply concerned and disturbed by the tragic failures of our farm program. They are convinced we must completely reevaluate the farm problem and arrive at sound, long-range principles which will assure hardworking farmers a fair income and consumers a fair price.

This is a complex problem and we certainly do not know all the answers. I am convinced we can make great progress toward a solution by improving and extending the self-help programs authorized under Federal marketing orders. These programs in essence are managed and directed by farmers themselves, without tax support or subsidies in the sense now used in our basic crop programs. They make good sense in many ways and have demonstrated that agricultural industries can be stabilized at price levels fair to producers and consumers.

Unfortunately, the laws authorizing Federal marketing orders contain defects which are currently interfering with the carrying out of these self-help programs and which are preventing more widespread use of them. These defects are ably and thoughtfully discussed in a letter I recently received from Mr. James H. Bryce, general manager of Diamond Walnut Growers, Inc., one of our successful and respected cooperative industries. While Mr. Bryce illustrates his discussion by references to problems of the walnut grower and other California specialty crops, his ideas and recommendations apply with equal force and logic to nonbasic crops produced throughout the United States which in the aggregate constitute a very large share of our agricultural economy. I am inserting herewith Mr. Bryce's letter and an accompanying table. I would like to commend it to the thoughtful attention of all those who share my concern with arriving at sound and workable solutions for our farm problems.

May I add one thought to those expressed by Mr. Bryce—I am completely convinced that the parity formula as presently applied in the basic crop program must be modified or revised in the case of specialty and other nonsupported crops, but this does not mean we can disregard the interests of consumers. If farmers are to have prices they receive stabilized at a reasonable level consistent with the economy of the country, they owe consumers a fair break too, and these programs must have provisions guaranteeing against skyrocketing of consumer prices in times of scarcity. If the farmer is to have assurances of a fair income, he must accept and agree to forgo his remote chance to make unreasonable profits at the expense of the public. It is a two-way street. I would like particularly to call the attention of my city colleagues to their opportunity to serve the housewife while they are helping the farmer.

Mr. Bryce's letter follows:

DIAMOND WALNUT GROWERS, INC.,
Stockton, Calif., January 8, 1958.

Congressman BERNIE F. SISK,
House Office Building,
Washington, D. C.

DEAR MR. SISK: As Congress reconvenes for its second session, it is most important that all members of the California delegation be keenly aware of the manner in which existing legislation penalizes certain important California specialty crop groups from the standpoint of parity. Mr. Anthony J. Tarlock, assistant manager of the Walnut Control Board, recently discussed this matter with a member of your staff in Fresno, but I regard it as of such great importance that I wish to recapitulate the information directly to you. I am writing to all members of the California House and Senate delegations along this same line.

Before going on, I should like to take the liberty of suggesting that your staff obtain a copy of a study entitled, "The Parity Limitation in Federal Marketing Orders," which was issued recently by the Giannini Foundation of Agricultural Economics in Berkeley. I believe this study will bring home to you the great importance of marketing orders to our California economy, since it shows how many of our agricultural industries depend upon such programs for market stabilization and quality improvement. Furthermore, it contains a wealth of statistical data and descriptive information concerning the whole parity question.

Marketing orders were originally conceived to permit farmers, through collective action with the assistance of the United States Department of Agriculture, to increase and stabilize their returns by means of volume and quality controls. The parity concept was formulated to establish goals for price improvement under such marketing orders. Thus, marketing orders are essentially self-help programs under which farmers really regulate themselves in order to improve their economic positions. In other segments of the agricultural economy, namely, those in which the Government expends money for price supports, the parity prices or percentages thereof have become floors above certain percentages of which the Government will not expend funds to advance growers' returns. Therefore, when a single formula is applied to determine parity prices which are goals for improved grower returns, as well as to determine parity prices which form floors, we get obvious conflicts because the goals are dragged down toward the floors. Because of the manner in which present parity legislation is written, it has the effect of establishing parity prices at the level of recent average prices, whereas the real objective of any marketing order is to increase and stabilize grower-returns above an average level. Therefore, the present parity legislation really runs at cross purposes with the legislation authorizing the use of marketing-agreement programs to increase grower returns. For example, the parity price for walnuts has declined from $676 per ton in 1949 to $478 per ton at the present time. This is completely incongruous, in view of the present cost-price squeeze on our producers.

One of the most unfair features of the current parity formula is that the parity prices for specialty crops operating under self-help marketing-order programs are affected by operations that the Government carries out on the basic commodities. To quote from the aforementioned Giannini study: "Price support and other Government measures which raise the prices of certain commodities raise the prices-received index also, thereby lowering the adjusted base prices and parity prices of unsupported commodities" (p. 26). It seems to us completely unfair to have our parity price for walnuts affected by the amount of money the Government decides to spend or not to spend in supporting prices on commodities like wheat, cotton, corn, tobacco, etc. This is especially so since the Congress has taken great care in protecting the parity prices of the basic commodities. For example, where a new parity is lower than an old parity, in the case of a nonbasic commodity such as walnuts, the transitional parity (a 5-percent change per year from the old to the new parity) commenced in 1950, whereas the annual 5-percent reduction in similar cases on basic commodities was postponed by Congress until January 1, 1956.

Attached is a special table which has been prepared to show various parity prices for basic and nonbasic commodities. This table definitely proves how well the basic commodities have been take care of and how the nonbasic commodities, many of which operate under marketing agreements, have been slighted.

In the case of walnuts, existing parity legislation prevents us from utilising the volume control features of our program unless the season average return to growers is less than $478 per ton, which is an uneconomic level for the average walnut producer. Secondly, unless the volume control features of our marketing order program are in effect, it is not possible to go to the United States Tariff Commission and obtain a quota or fee on imports to prevent them from upsetting our domestic price structure. Finally, the present parity price means that our average grower return would have to swing to a very low level before we could obtain section 32 assistance in removing surplus quantities.

I regret that the technical nature of this problem requires a letter of this length, but I am sure you will agree that the importance of this matter to California specialty crop producers cannot be overestimated. Together with representatives of other specialty crop producers and with the assistance of research experts at the University of California, I hope to be able to work out a new concept for establishing price goals under marketing agreement programs. Until this new approach is formulated, I trust this letter will post you on the difficulties we are in, thereby giving you an opportunity to have a thorough grasp of this difficult matter when appropriate legislation is introduced to correct it. Should you require further information on this subject please do not hesitate to write me directly, or to contact our Washington counsel, Mr. Karl D. Loos, who is connected with the law firm of Pope, Ballard, and Loos, with offices in the Munsey Building.

Sincerely yours,

JAMES H. BRYCE,
General Manager.

Comparative parity prices

Indicated parity prices "old," "transitional," and "new" for basic commodities and for nonbasic commodities for which the effective parity price was the transitional parity price on Dec. 15, 1956, and effective parity prices, United States, Jan. 15, 1957.

Commodity	Unit	Old formula	Transitional parity price [1]	New formula	Effective parity prices Jan. 15, 1957
Basic commodities:					
Cotton, American upland	Pound	$0.3670	$0.3486	$0.3656	$0.3656
Extra long staple	do			.785	.785
Wheat	Bushel	2.62	2.49	2.39	2.49
Rice	Hundredweight	5.36	5.09	5.69	5.69
Corn	Bushel	1.90	1.80	1.70	1.80
Peanuts	Pound	.142	.135	.121	.135
Tobacco:					
Flue-cured, types 11-14	do	.545	.518	.558	.558
Burley, type 31	do	.528	.502	.566	.566
Maryland, type 32	do	.547	.520	.526	.526
Dark Air-Cured, types 35-36	do	.203	.193	.327	.327
Puerto Rican Filler, type 46	do	.376	.357	.304	.357
Nonbasic commodities:					
Grapefruit	Box	2.32	1.39	.847	1.39
Oranges	do	4.26	2.56	1.70	2.56
Avocados	Ton	1,030.00	618.00	333.00	618.00
Dates	do	594.00	356.00	128.00	356.00
Filberts	do	676.00	406.00	382.00	406.00
Walnuts	do	789.00	473.00	458.00	473.00

[1] For basic commodities 95 percent and nonbasic commodities 60 percent of the old formula.

NOTE.—Of the 164 commodities for which USDA computes parity, on Jan. 15, 1957, only 6—grapefruit, oranges, avocados, dates, filberts, and walnuts—had not yet reached the bottom of the transition, even though the old parity has already been reduced by 60 percent.

(Excluding the basic crops—of which as can be noted upland cotton has shifted to the new formula with only $0.0014 drop from the old formula, rice with only a 33-cents-per-hundredweight drop; corn and peanuts will shift next year, and most of the tobaccos actually have a higher parity under the new formula.)

Mr. SISK. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

COMMUNISM IN THE NAACP

The SPEAKER. Under previous order of the House, the gentleman from Georgia [Mr. DAVIS] is recognized for 10 minutes.

Mr. DAVIS of Georgia. Mr. Speaker, until a few years ago the National Association for the Advancement of Colored People was comparatively unknown and its activities received little national attention. Of late it has stepped up its nefarious activities to such an extent that it has now become almost as controversial an organization as the Communist Party itself. Indeed, most of the activities and general direction of the NAACP were all laid down years ago in Communist Party directives designed to divide our people and create suspicions, hatreds, and antagonisms which did not exist before.

The NAACP strenuously denies that it has any pro-Communist leanings, intent, or affiliations. So does every Communist-front and other periphery organizations. Some organizations which carry on activities which in the main parallel or support the Communist Party line possibly do so innocently and unwittingly. They either do not know what the main line of the Communist Party is, or, if they do, they do not care that it happens to coincide with their own policies and activities. Most organizations whose activities and policies parallel or indirectly support that of the Communists know exactly what they are doing and they were set up for that very purpose.

On March 26, 1947, J. Edgar Hoover, Director of the FBI, testified before the House Committee on Un-American Activities as follows on the nature and purpose of Communist-front organizations:

> The first requisite for front organizations is an idealistic sounding title. * * * Literally hundreds of groups and organizations have either been infiltrated or organized primarily to accomplish the purposes of promoting the interests of the Soviet Union in the United States, the promotion of Soviet war and peace aims, the exploitation of Negroes in the United States, work among foreign-language groups, and to secure a favorable viewpoint toward the Communists in domestic, political, social, and economic issues.

Mr. Hoover then laid down 14 easy tests to establish whether or not an organization was in fact a Communist front or had been infiltrated to such a degree that it might be considered as carrying out Communist policy to some extent. One of these tests was "Does the organization feature as speakers at its meetings known Communists, sympathizers, or fellow travelers?"

The CONGRESSIONAL RECORD for February 23, 1956, carries a long documentation compiled by the House Committee on Un-American Activities on the Communist front records of some 78 officers, staff members and others officially connected with the NAACP. This represented 44.1 percent of the NAACP's 177 officers and officials in 1954, amounting as it does to nearly half of its top officialdom.

If the NAACP is not a Communist-front organization in the narrow definition that it was specifically set up by the Communist Party then it certainly has an extraordinarily high percentage of top officers and officials with a curious predilection for Communist-front affiliations.

The Metropolitan Herald is a splendid and lively paper published in my district in Atlanta. Its February 5 issue carried the following two-column news item on its front page. I consider this such an excellent yet brief summary of the current status and activities of the NAACP that I insert it in the RECORD at this point:

WALL STREET JOURNAL REVEALS NAACP, URBAN LEAGUE WORK FOR SAME GOALS; SAYS NAACP LOST MEMBERS IN 1957

Of interest to many southerners last week was an article appearing in the Wall Street Journal, telling of some of the trials and tribulations being encountered by the NAACP, leading agitation group whom most people blame with having stirred up racial discord in this area.

Especially interesting was one quotation having to do with the activities of the Urban League, which organization has been most controversial in recent community chest drives in the South.

Said the Wall Street Journal article, "Even organizations which share most of the NAACP's goals generally shun its militant means. 'We're trying to achieve the same end as the NAACP,' says an official of the National Urban League, an interracial group, 'but we prefer using the slower methods of education and community cooperation'."

This is most enlightening to those who have steadfastly charged the Urban League with being a pressure group, unworthy of community chest support.

Interesting too, in the Wall Street Journal article were the following statements: "The 48 directors of the combative, interracial National Association for the Advancement of Colored People met in Manhattan one recent morning to take stock of their battle scarred organization."

The article set out that membership in the NAACP dropped 14 percent last year for a loss in members of 48,000 and that the organization operated with a $52,000 deficit for 1957. However, they still have slightly over $200,000 in its reserve funds for use in creating incidents and filing lawsuits, etc.

The Wall Street Journal article said that Roy Wilkins, the 55-year-old executive secretary, claimed it would not slow down their efforts and that they still have 302,000 members.

The counteroffensives launched by many Southern States, notably Georgia, Alabama, Virginia and others, have tended to give the NAACP bushels of headaches and occupied their legal department with more than just the job of filing integration suits as Alabama, Virginia and others pass laws barring them from operation without payment of corporation taxes, making it mandatory to file membership lists and barring state employees from being members, etc.

While, according to the Journal, "since the violence in Little Rock, many friends of the NAACP'ers from the North and the South have been begging for a cooling-off period, to allow emotions to settle,"—"to an association founded in the abolitionist spirit, such strategy is unthinkable."

They quote Negro Attorney Thurgood Marshall as saying, "Two-thirds of the times that phone rings, it's some friend begging or cajoling me to slow down"—"why if I slow down any more, I'll be running backwards."

And speaking of Secretary Wilkins, they say he tells them, "If we let up now that we have the Supreme Court decision we'd lose a lot of Negro membership, a lot of liberal Northern support. Besides, we'd give Southern extremists more of a green light." (Any one opposing integration is an extremist in the eyes of the NAACP.)

"Rank-and-file members comprise most of the present board along with a generous sprinkling of such prestige people as Walter Reuther, United Auto Workers' president; Eleanor Roosevelt, wife of the former President; and former Senator Herbert Lehman, of New York."

Continuing, the article said, "Such name board members naturally help the association raise money and political support. About 85 percent of the NAACP's $700,000 annual operating budget comes from members' dues of $2 to $10, with the rest rounded out by contributions. Reserve funds of $246,644 last year came from donations and bequests. In addition, the branches collect over $400,000 in local dues, and donations to a separate national legal fund exceed $300,000 annually."

Among the immediate goals, according to Secretary Wilkins is to bring total Negro registration in Dixie to 3 million voters—45 percent more than is now registered in the 11 Southern States.

The entire article is most enlightening and should prove of interest to all those interested in preserving segregation. It furthermore makes the amount of money being spent by a few Southern States in the effort to prevent integration look like small potato spending.

Of equal interest is the fact that the conservative Wall Street Journal for January 30, saw fit to assign a special feature writer to do a special article on the NAACP. Normally the Wall Street Journal confines its front page to top financial, economic, or news of world importance. I regard it as highly significant that this conservative financial journal featured an exposé of the NAACP as column one, front page news.

Note carefully that Wall Street Journal focuses attention on a fact not generally known that this divisive organization was not founded by Negroes at all but by white radicals in New York. The current president of the NAACP, a New York attorney is white, as have been all of his predecessors. I commend this article in the Wall Street Journal to every fairminded Member of this body seeking a quick briefing on the history, purpose, and present status of this highly controversial agitational organization. The NAACP has done more than any other organization in this country to divide our heretofore unified people and to sow the seeds of hatred and dissension the end results of which no man can foresee. The article in the Wall Street Journal reads as follows:

NAACP SETBACKS—GROUP LOSES MEMBERS, RUNS DEFICITS, FIGHTS FOES' MOVES TO CURB IT—BUT LEADERS PLAN NO LETUP IN AGGRESSIVE TACTICS TO SPEED RACIAL INTEGRATION—PORTRAIT OF A PRESSURE GROUP

(By Louis Kraar)

NEW YORK.—The 48 directors of the combative, interracial National Association for the Advancement of Colored People met in Manhattan one recent morning to take stock of their battle-scarred organization.

The directors—from Atlanta educator Benjamin E. Mayes to former Brooklyn baseball star Jackie Robinson—counted some scars that are more than skin deep. A series of Southern State actions aimed at curbing the NAACP has contributed to these results:

Membership has dropped 48,000 or 14 percent, during the past year—the first decline since 1949. The association's operating budget shows a $52,000 deficit for 1957. And the association faces long court fights defending itself against suits filed by Alabama and Virginia.

This stocktaking is of significance to a great many more Americans than those militantly engaged in promoting Negro interests. The NAACP has been a central figure in the race relations battles that have grown in intensity in the United States in recent months. It has been the most aggressive leader in the fights to speed integration of schools, to increase the hiring of Negroes in northern and southern factories and to eradicate other evidence of what it considers discrimination against the colored race. Its strength and its strategy will have much to do with the intensity—and perhaps the success—of such efforts in the months ahead.

TIME IS LONG OVERDUE

The NAACP setbacks the board heard about at its recent meeting were described to the directors by the association's lean, impeccably dressed executive secretary, Roy Wilkins. The 55-year-old official, in his most rotund voice, added some words for those who wish the NAACP would slow down its integration efforts: "Our reply is that we're already going slowly, according to law and order, that 93 years have passed since emancipation and that we think the time is long overdue for us and our children to enjoy those rights."

This bit of oratory simply means the association, despite its setbacks, has no intention of becoming any less aggressive. Its strength remains considerable. It still counts 302,000 members. Its Washington lobby is influential. Its reserve fund now totals nearly $250,000. To date its legal department has won practically every Supreme Court case it has undertaken.

The NAACP employs the same vigorous tactics today as it has used throughout its peppery 49-year history. It wages court battles up to the final appeal, eagerly solicits political support from both parties, maintains a constant, heavy public-relations barrage—and raises money to back all its sundry activities.

Through its local chapters, the organization manages to keep an astonishing number of irons in the fire. Recently, for example, the NAACP was simultaneously engaged in a school desegregation suit in Atlanta, a campaign for an antidiscrimination law for private housing in New York City (the law was passed), a voter registration drive throughout the South, and a campaign to bar blackface skits in northern schools—among other activities. While the NAACP now has begun to foster some career guidance programs for Negro youths, it still functions mainly as a pressure group rather than a social agency.

SEGREGATION SPUR

The power and importance of this militant group has grown with the national significance of the segregation issue. The NAACP's legal arm handled the original school cases that resulted in the Supreme Court's 1954 desegregation edict, and it has helped in nearly all the hundred-odd legal fights to implement that decision.

Thus, the current Southern State attacks on the association, if successful, could well shift the balance of power in the desegregation controversy. Many Deep South areas would make no moves to integrate without continued court pressure.

The varied judicial and legislative moves against the NAACP are designed to counter its legal, political, and other pressures for mixing the races. The southern attacks include bans on State employee membership in antisegregation groups, laws requiring publication of membership lists, rigid registration rules for NAACP chapters, and laws limiting organized support of legal action against segregation.

In the Supreme Court this month NAACP attorneys argued against ouster of the association by Alabama. "If we lose this case, we're as good as half dead in the South," confides one official. Alabama is trying to keep the NAACP from operating within its borders; State courts have enjoined the association from doing business there because it didn't register as an out-of-State corporation and have levied a $100,000 fine against the group for refusing to furnish membership lists.

DECISION IN RICHMOND

A group of Virginia measures that, in effect, limited NAACP activities was struck down last week, however, by a special Federal court in Richmond. The association has been fighting the laws for some time, and this decision represents a major victory. The voided Virginia laws required disclosure of membership lists and funds and registration with the State, along with a prohibition on barratry—stirring up litigation.

"Whatever the result of the Alabama case, it seems clear that the NAACP itself must face and fight a series of legal maneuvers designed to so occupy the time of our lawyers that they will be unable to push ahead on the desegregation front," declares Robert L. Carter, the association's general counsel, who now works full time on cases against the NAACP.

Threats and attacks against the association, of course, aren't new. Senator TALMADGE, Democrat, Georgia, has called the NAACP leaders "the most accomplished and professional race baiters in the world." And the moderate businessman-governor of North Carolina, Luther Hodges, calls it a "militant and selfish organization." Attorney General Eugene Cook, of Georgia, insists the association is dominated by "subversive elements"—a charge refuted by FBI Chief J. Edgar Hoover.

But, as one temperate Southern observer puts it: "The undermining of the social tradition of racial segregation is, in the eyes of some Southerners, subversive. The fact this undermining has been done by legal means does not alter that judgment." Other Southern moderates question the use of legal pressure to achieve such a vast social change so quickly.

Even organizations which share most of the NAACP's goals generally shun its militant means. "We're trying to achieve the same end as the NAACP," says an official of the National Urban League, an interracial group, "but we prefer using the slower methods of education and community cooperation."

COOLING-OFF PERIOD

And since the violence of Little Rock, many friends of the NAACP from the North and South have been begging for a cooling-off period, to allow emotions to settle. But to an association founded in the abolitionist spirit, such strategy is unthinkable.

"Two-thirds of the times that phone rings, it is some friend begging or cajoling me to slow down," reports chief counsel Thurgood Marshall. "Why, if I slow down any more, I'll be running backwards."

Sitting in the association's national headquarters with his long legs crossed, Mr. Wilkins says: "If we let up now that we have the Supreme Court decision, we'd lose a lot of Negro membership, a lot of liberal northern support. Besides, we'd give southern extremists more of a green light."

From his fifth-floor office in the mid-Manhattan Willkie Memorial Building, Mr. Wilkins plans to keep his staff of 70 pushing. His goal for 1963: An end to State and local laws which the NAACP thinks discriminate against Negroes in voting, housing, jobs, transportation, and public accommodations.

This ambitious goal was set several years back by a membership convention, which in theory makes NAACP policy. Actually, the association is largely a staff headquarters operation, with Mr. Wilkins as boss and an elected board of directors monitoring major decisions. The 1,346 local chapters are more or less autonomous, but they must follow association goals and their success often depends on strong support from the national office for any major action.

PRESTIGE PEOPLE

Rank-and-file members comprise most of the present board along with a generous sprinkling of such "prestige people" as Walter

Reuther, United Auto Workers president; Eleanor Roosevelt, wife of the former President; and former Senator Herbert Lehman, of New York.

Such "name" board members naturally help the association raise money and political support. About 85 percent of the NAACP's $700,000 annual operating budget comes from members' dues of $2 to $10, with the rest rounded out by contributions. Reserve funds of $246,664 last year came from donations and bequests. In addition, the branches collect over $400,000 in local dues, and donations to a separate national legal fund exceed $300,000 annually.

Much of the NAACP's cash will go into political action during the next three years. With the passage of the new civil rights law, the association plans to stress voter registration in the South. "The realistic immediate goal" for 1960, according to Mr. Wilkins, is to bring total Negro registration in Dixie to 3 million voters—45 percent more than now are registered in the 11 Southern States.

VOTING RECORDS

The NAACP makes a practice of specifying which candidates it regards as "friends" or "foes" of the Negro, and indirectly suggesting that voters support the "friends" at the polls. The association distributes voting records of Congress, for example, on issues it believes are important.

"Of course, we can't afford to ignore many issues, even if they're not strictly racial ones, because our people are concerned with rent control, minimum wage laws, and public housing," says Mr. Wilkins.

No one knows just how much influence the NAACP exerts over Negro votes. Mr. Wilkins, of course, rates the association's influence pretty highly.

Speaking expansively of the NAACP's power, Clarence Mitchell, head of the organization's Washington lobby, argues: "The civil rights bill passed because we made it clear to Congress the only way to get back in office was to get a bill on the books." By 1960, he predicts, "We shall see colored Congressmen elected from the South."

This militant attitude on politics and other matters dates back to the association's founding—an event largely credited to a white Southern writer's indignation at a Northern race riot. Kentucky-born William English Walling wrote an angry article about a riot in Springfield, Ill. in 1903. After seeing the piece in a liberal weekly, the Independent, a New York social worker, Mary White Ovington, and a leader of immigrant groups, Henry Moskowitz, began forming the NAACP.

DOMINATED BY WHITES

From the beginning, the association was dominated by whites and assumed the militant philosophy of the abolitionist movement. In more recent years, both the control and membership have shifted mainly to Negroes. However, current president, New York Attorney Arthur B. Spingarn, like all his predecessors, is white.

Another change, according to Mr. Wilkins: "We've shifted from just a slugging outfit to one with a broader program." Few observers notice any letup of NAACP slugging, but the association has broadened its activities among young people and in the fields of labor and housing.

A program for career guidance, political education, and training for future NAACP leadership is conducted by the association's youth and college division. Some 34,000 members, ranging from 10 years to 25 years of age, belong to this division, including white students from all-white southern colleges as Duke University in Durham, N. C., and Vanderbilt in Nashville, Tenn.

"The white kids in the South take attitudes very different from their parents. That's a real hope for us," declares lanky Herbert L. Wright, the young head of the youth division. "Of course, not all these white students come around all the way to our view," he adds.

CAREER GUIDANCE

The soft-speaking Mr. Wright talks enthusiastically of the career guidance programs the NAACP charters in many communities are running. "Most of our Negro kids have been brain washed because they see little incentive for doing well. We're trying to tell them of the many opportunities that are open so they won't be discouraged," he says.

A more controversial activity conducted by youths on the local level is sponsorship of economic boycotts to combat alleged discrimination. "We don't encourage boycotts, but they're free to use them," reports Mr. Wright.

Perhaps one of the hidden lines of NAACP strength lies in this youth division, many association officials indicate. At Harvard, the NAACP chapter claims to be the second largest student group on campus. And one of the largest chapters in the country (nearly 400 members) is at Oberlin College in Ohio, although most of the college's 2,100 students are white.

The housing department has gained new attention since New York City passed the first law outlawing discrimination in privately owned housing recently. "We don't try to lead Negroes by the hand. All we're trying to do is create a situation in which a man can live where he wants, according to his economic means," says Madison S. Jones, special assistant for housing.

HOUSING BOOKLET

A housing booklet the NAACP distributes to local leaders, however, suggests the association may lead some Negroes by the hand. The publication suggests that Negroes should apply to segregated public-housing projects, and adds: "Notify the national office of such action and results. We will carry on from there."

"We work on discrimination in housing through public support. Even if it's private housing, that segment often has support from the Federal Housing Administration and Veterans' Administration loans," says Mr. Jones. Both these Government agencies, the Negro official concedes, decline to do much about NAACP discrimination charges in private housing.

"FHA has agreed to encourage developers who build integrated projects. And when there are repossessions, these buildings are sold without regard to race," claims Mr. Jones.

Whether this can be accomplished without disturbance depends a lot on the area—and the emotional climate at the time. Negroes moved into Levittown, Long Island, with few objections from white residents. But when, shortly after Little Rock, a Negro bought a home in Levittown, Pa.—and took over the existing VA mortgage—stones were thrown and protest demonstrations were staged. The Negro, William Myers, Jr., still lives in the big development, but so far no other Negro families have moved in.

SEGREGATION AGAIN

Mr. Jones says the association doesn't want "to flood areas with Negroes. That would be segregation again." To charges that Negroes in all-white communities tend to drive property values down, Mr. Jones counters;

"Naturally, values will depreciate if some Negroes move in and all the whites move out. This practice has been aided and abetted by some real-estate brokers." Most banks will not finance Negro homes in predominantly white communities, he adds.

Many proponents of racial integration in general question the NAACP's wisdom in trying to control or regulate the sale of private property.

The association's labor department, headed by a former united steelworkers official, works toward removing racial barriers in industry and unions. NAACP Labor Secretary Herbert Hill approaches companies mainly through the nondiscrimination clause in Government contracts. With unions, he uses moral suasion and appeals to the top command.

"George Meany's own union, the plumbers, refuses to admit Negroes in most parts of the country, North as well as South. The right to belong to a building trades union is usually a necessary condition for employment as part of the collective bargaining agreement," declares Mr. Hill, one of the comparatively few non-Negroes on the NAACP staff.

In New York's Coliseum Building, uptown from the main association offices, are the new quarters of the NAACP Legal Defense and Educational Fund, Inc.

STACK OF BOOKS

Counsel Thurgood Marshall, flanked by many of his weighty law books stacked on the waxed floor of his new office, explains the position of this legal arm. "We were set up in 1940 as a separate group. We became even more divorced from the association itself in 1956 after the United States Internal Revenue Department began studying our tax situation."

Though closely allied in goals, the legal group functions separately from the NAACP. Contributions to the legal body are tax deductible, unlike those which go to the association itself. The association is denied tax-exempt status because it seeks to influence legislation.

The legal fund functions as a legal aid society for Negroes. "We don't take a case unless the man comes to us" says Mr. Marshall, a hardy, graying Negro.

Laughing vigorously when a reporter asks what the legal arm's strategy and long-range battle plans are Mr. Marshall replies: "There's no master plan. Naturally the first segregation suits we filed were soft belly ones. We had to pick those that would get to the core of the problem. Now the cases come to us as they crop up locally. Ha. I wish sometimes we could hand-pick them. Perhaps it would be easier."

GIVE NEW POULTRY INSPECTION LAW A FAIR CHANCE

The SPEAKER. Under previous order of the House, the gentlewoman from Missouri [Mrs. SULLIVAN] is recognized for 15 minutes.

Mrs. SULLIVAN. Mr. Speaker, last year we in the Congress took a momentous step for the protection of the consumers of this country by passing the Poultry Products Inspection Act to provide for compulsory inspection for sanitation and wholesomeness of all poultry moving in interstate commerce and also in certain designated major consuming areas in intrastate commerce.

The act which we passed, and which became Public Law 85–172 on August 28, 1957, was by no means the perfect measure in that it did not go as far as some of us would have preferred from the consumer standpoint. It was a compromise measure. Most legislation has to reflect compromise in order to reach enactment.

But on the whole it was a good bill, and, as I said, a remarkable forward step in view of the fact that we have never up to this time had any really effective machinery for preventing unwholesome poultry and poultry products from reaching the consumer. Now we do have a law—and on the whole a pretty good law—and it has teeth in it.

REGULATIONS APPEAR TO PROVIDE FOR EFFECTIVE ENFORCEMENT

Just this week, the regulations covering the administration of this act were distributed by the Department of Agriculture's Agricultural Marketing Service, after having been published in the Federal Register on February 5. I have not yet had a full opportunity to go over those regulations in the detailed manner I intend to, but a quick reading gives me the impression these regulations can provide generally effective enforcement.

It is my intention to follow up on a few items in the regulations to determine why certain things which had earlier appeared in drafts of the proposed regulations have not been included in the final set of rules. I might say in passing, however, that I am particularly pleased that the Department retained in the final regulations a requirement that kidneys must be removed for inspection of ready-to-cook poultry despite some opposition to this from sections of the processing industry. We have the impressive word of specialists in this field, as reported by the Department last November, that such a step is necessary to carry out the law's mandate that inspection must assure the wholesomeness of the poultry which bears the official stamp of approval.

The regulations which have now been issued take effect May 1, 1958, in establishments which are accepted on a voluntary basis into the program on or after that date. Mandatory inspection begins next January.

LEGISLATIVE PROPOSALS TO WEAKEN NEW ACT

My purpose in discussing the Poultry Products Inspection Act today is not to take up the new regulations, but rather to point to the dangers inherent in legislative proposals which have already been made to weaken the new act even before it takes effect—to pass amendments desired by some segments of the processing industry which seem to want to have their cake and eat it too. Another way of putting it might be that they want to have their cake at the expense of the poultry-eating public and at the expense of the United States Treasury.

I am sure I do not have to tell the House in any detail at this point of my long association with the issues involved in this new law. I was one of the first sponsors in the Congress of an effective poultry inspection law, and have been working on the technical phases of such a law since early in 1954, having earlier taken up with the Food and Drug Administration the need for more effective controls in what had then been a neglected area of consumer protection.

The new law represents a compromise between the proposals of my original bill for a poultry inspection program directly and completely paralleling the meat inspection program for the red meats, and the desires of the poultry processing industry and the Department of Agriculture for a separate program related exclusively to poultry, and conducted within the Agricultural Marketing Service rather than in the Agricultural Research Service which has jurisdiction over meat inspection.

COMPROMISE BILL GENERALLY SATISFACTORY TO ALL GROUPS

One cannot praise too highly the effective work done by our colleague, Representative JOHN C. WATTS of Kentucky, chairman of the Poultry Subcommittee of the House Committee on Agriculture, in guiding the way to the generally satisfactory compromise which finally emerged. His contribution was truly an outstanding one and a demonstration of real statesmanship.

All of us felt, after this law was enacted last August, that it deserved a fair chance to show its effectiveness in meeting a serious consumer problem. I have felt, myself, that the Agricultural Marketing Service, which has jurisdiction over the program—and which primarily has the function of promoting the sale of poultry—should have every opportunity to show that it could do as well in this field of consumer protection as the Agricultural Research Service's Meat Inspection Division has done with the red meats.

However, Mr. Speaker, I am very much disturbed by legislative proposals introduced already this year to amend the new law—before it even takes effect on a permissive basis—to permit some poultry plants to process both inspected and uninspected poultry at the same time. True, these proposed amendments would apply only during the permissive period of the act's operation between May 1 and next January 1, when the mandatory program goes into effect. But we all know from past experience that weakening provisions put into a law presumably for temporary periods to meet real or supposed problems of transition often have a tendency to become permanent changes. And this possibility is one which I seriously fear.

ALLOWING INSPECTED AND NONINSPECTED PROCESSING IN SAME PLANTS

Under the proposed amendments which certain segments of the poultry processing industry are supporting, a plant could handle inspected poultry on one line and uninspected poultry on another; or they could process inspected poultry on one day and uninspected on another, on the same lines.

The purpose of such a change would be to enable some plants which cannot comply, or desire not to comply, immediately and fully with all of the requirements of the new law to begin May 1 to enjoy its benefits nevertheless, for this law provides significant benefits to the industry.

Let me explain the stakes involved:

Up to now, in order to obtain Federal inspection of poultry and a stamp or other official United States Government designation attesting to the purity and wholesomeness of their product under the long-standing voluntary inspection program, poultry processors have had to comply with certain sanitation requirements—as the new law also provides—and also have had to pay for the actual inspection work.

INSPECTION LABEL STIMULATES SALES TO CONSUMERS

Many poultry plants have chosen to do so, and have found it was good business. Obviously, it would have to be so, since the budget shows that industry has been paying more than $6 million a year for this Federal service under the existing voluntary-inspection program.

It is good business for the processors because consumers were being educated to seek out and to purchase that poultry in the stores which carried the United States label or stamp showing it was Federal inspected and approved. This has been particularly true after some of us in the Congress, along with consumer, public health, labor, and other groups have emphasized to the public the danger inherent in diseased poultry products heretofore sold in interstate commerce.

The public, for instance, has learned of epidemics of serious illnesses resulting in many tragic deaths among poultry workers processing diseased poultry in uninspected plants. I was able to report here in the House 4 years ago from evidence obtained from the Public Health Service and the Food and Drug Administration that at least 26 diseases of poultry could be communicated to humans.

Consequently, processing companies which recognized increased consumer demand for inspected and wholesome poultry could see the advantages of coming in under the voluntary program then in effect, and many did so, and paid for the inspection service. But others did not. They continued to process poultry without Federal inspection and without the stamp of approval, and were content to take their chances in the market place, meantime saving the cost of the inspection process.

NEW LAW PUTS INSPECTION COSTS ON UNITED STATES

Under the new law which we passed last year, however, we specified that the inspection should not only eventually be compulsory but that it should be provided to the processor without cost. Uncle Sam will hereafter pay for poultry inspection under the new law, just as the Federal Government has been paying for meat inspection in interstate commerce.

But if the United States Government—all of the taxpayers and all of the consumers—are going to pay for this inspection, I think they are entitled to full protection under the law. I think they are entitled to expect that firms which want to take advantage of the law's benefits—especially between May 1, 1958, and January 1, 1959, when plants can have the choice of coming in under the program or not—they have a right to expect, I repeat, that plants desiring to share in the benefits of the act during that period should comply completely with the act.

Beginning January 1 they will have no choice in the matter. They will have to comply, except under certain specified conditions. Even the bills which have been introduced to permit the processing of inspected and uninspected poultry in the same plants specify they are to be effective only until January 1, 1959.

PROCESSORS CAN STILL PAY FOR PARTIAL INSPECTION

But why permit that at all? The firms which cannot or will not comply fully with the new Poultry Products Inspection Act between May 1, 1958, and

January 1, 1959, but feel they should be allowed to enter the program on a transitional basis—half in and half out—could still qualify for the existing voluntary inspection program during that period just by paying the cost of the inspection work. And under the voluntary program which has been in effect for years, both inspected and uninspected poultry can be processed in the same plants. That has been one of the major faults—one of the major shortcomings—of the voluntary program, and one of the reasons the new compulsory program was enacted last year.

Why, then, Mr. Speaker, should we—the taxpayers—pay the cost of half-inspection in plants which are perfectly free to purchase that kind of partial inspection between May 1 and next January? If they want an inspection seal on their poultry, they can either comply with the full requirements of the new act, and thus obtain their inspection without charge, or they can pay for the kind of limited production inspection they seem to want.

There is no reason in the world why they should share the advantages of free inspection while at the same time delaying taking the necessary steps which other firms have had to take in order to comply with the new law.

STRENGTHENING AMENDMENTS WOULD BE IN ORDER

Mr. Speaker, if a serious effort is made to revise and weaken this law even before it takes effect, then there would be a duty upon those of us who sought an even stronger law to begin with to counter-attack with the strengthening amendments we were persuaded to forego last year in favor of compromise.

Strengthening amendments may eventually prove a necessity. But I had not intended to push for them at this time—at least until the present law was given a fair chance to show its effectiveness in operation. That was the attitude of all of us who took a direct hand in this legislation last year—to reach an effective compromise and give it a chance to operate. But I am afraid that if the attempt is now made to weaken the compromise, merely in order to provide a handout—and that's what it would be—to plants not ready or willing to comply with the law as written during the permissive period before it becomes mandatory, we are inviting a battle-royal which might well have the effect of destroying much of the good we have accomplished by compromise.

I know that is not the intention of those Members who have, in good faith, introduced bills to amend the act for the permissive period between May 1 and January 1. I am sure also it is not the intention either of those officials of the Department of Agriculture who have apparently not seen too much danger in these proposals.

CONFUSION FOR CONSUMERS

But I say this: The Department of Agriculture will have all it can handle between now and May 1 in gearing up its program and getting the qualified people needed to administer the law in just those plants which are now fully able and fully willing to comply with all of the provisions of the new law. There is a shortage of qualified people for inspection work. Many will have to be trained. This condition will continue probably right up to January 1 when the mandatory program goes into effect. It sounds silly to open up the program, during this permissive period, to plants wanting only part-time service when it will be so difficult to take care of those needing and entitled to full-time service.

There is a very important aspect of this problem as it affects the consumer. If the same plant can distribute poultry under the same brand name and with the same wrappers whether the poultry is inspected or uninspected—the only difference being the inspection seal on part of their output—the consumer can be very easily confused or misled. If one day she buys a brand of poultry which she notices bears the inspected seal, she will be inclined to identify the brand name as being always on inspected poultry.

I would hate to think that a housewife seeking inspected poultry could not depend on a particular brand from day to day but would perhaps have to go behind the butcher's counter each time or into the storage room to study the fine print on the container in which it was shipped to be sure she was getting inspected poultry. Yet I foresee that happening if firms can process both inspected and uninspected poultry in the same plants and ship them out in similar containers or wrappers, some shipments bearing the inspection seal and some not.

SOLUTION FOR SMALL PLANTS SEEKING TO COMPLY

Mr. Speaker, if the operation of the new law beginning May 1 on a permissive basis and January 1 on a mandatory basis provides problems for firms actively seeking to comply, but perhaps running into certain difficulties, let us see what we can do to help them in some way other than by weakening the law itself. Why can we not encourage Small Business Administration loans to such firms to help them get fully in compliance? There are many things we can do to help them comply by January 1, when compliance is mandatory in any event. If the individual case is a worthy one and it is only a question of funds or equipment, let us encourage them to obtain loans from the variety of sources now available.

But let us not, Mr. Speaker, shove onto Uncle Sam the cost of inspecting part of a firm's output while that firm is not ready to have all of its output inspected. Let us not shove onto the consumer the necessity to search out the shipping containers to know from day to day what part of a shipment is inspected. And let us not put the seal of the United States Government approval on products coming from plants where poultry workers work part of the time on certified wholesome products and part of the time on uninspected products which could perhaps infect them with the kind of illnesses we are trying to stamp out under the new law.

If we are going to have a wholesome poultry products law in operation, with the Federal Government paying the cost of inspection, let us make sure all of the poultry from an inspected plant—and I mean all of it—is wholesome and safe under the terms of that law; that is, that none of it is half safe.

RIGHT TO BENEFITS OF ACT MUST BE EARNED

I hope the proponents of these proposed changes in the law will have the patience to wait with the rest of us to see how the law actually operates beginning May 1 before seeking premature changes or precipitating the kind of battle which might delay further the time when the marginal plants might be able to qualify and can be brought in under the program.

Our first obligation has to be to the consumer. Next, our obligation should be to those plants which have brought their operations into compliance—or will very shortly—including firms which over the years have spent many thousands of dollars to help build the prestige of the United States seal of approval on poultry. Inspection service during the period between May 1, 1958, and January 1, 1959, will be a valuable asset for those firms which comply. All firms which wish to benefit from this opportunity should certainly be willing to do what is required under the reasonable provisions of the new law.

A GRANDIOSE FOREIGN AID SALES PITCH

The SPEAKER. Under previous order of the House, the gentleman from Louisiana [Mr. PASSMAN] is recognized for 40 minutes.

Mr. PASSMAN. Mr. Speaker, I hold here in my hand a copy of the printed program for a most unusual function to be held in Washington on February 25. This program is titled "National Conference on the Foreign Aspects of United States National Security." The Associated Press, however, has accurately labeled the affair for what it actually is—a grandiose foreign aid sales pitch. I quote from an AP report as published by the Washington Post and Times Herald for Thursday, February 6:

> President Eisenhower will make a speech February 25 in behalf of the administration's proposed $4 billion foreign-aid program. He will address the concluding session of a foreign-aid conference here to be attended by representatives of about 300 organizations.

This program in the Nation's Capital, which will constitute perhaps the largest and most distinguished single lobbying effort ever undertaken in an attempt to sell the American people and the Congress on any matter at all, will mark the grand opening of Mr. Eisenhower's all-out move to whip up support for his administration's vast and, in many instances, wasteful and basically ineffective foreign spending policy.

The list of speakers for this mammoth lobbying job is a most impressive one, but certainly an amazing one. With the head of the Motion Picture Association of America, Mr. Eric Johnston, as the program chief, the foreign-aid lobby is featuring not only President Eisenhower, but former President Truman; not only

Secretary of State Dulles, but former Secretary Dean Acheson; not only Vice President NIXON, but former presidential candidate Adlai Stevenson—all on the same day's printed program, of which I hold a copy in my hand.

Three distinguished clergymen, Protestant, Catholic, and Jewish—the Reverend Edwin T. Dahlberg, Bishop Fulton J. Sheen, and Rabbi Theodore L. Adams—have also been brought into the sales campaign. So have numerous other top officials in the Government, including the Secretary of Defense and the Assistant Secretary of Defense, the Deputy Under Secretary of State, the Director of the Central Intelligence Agency, the Director of the International Cooperation Administration, and the manager of the foreign-aid program development loan fund, as well as others. And there will be hundreds, possibly many hundreds, of representatives of some 300 organizations from all parts of our Nation, whipping up more support for foreign aid, although doubtless a great majority of them are without basic facts as to what the program has accomplished or is likely to accomplish.

This will indeed be a lobbying lineup of such proportions that I have never before encountered during my 11 years in the Congress. Certainly, Mr. Speaker, the people involved are great and good and patriotic Americans—but going all the way now in a cleverly conceived attempt to sell the people and the Congress another bill of goods for foreign aid.

While I surely do not doubt the sincerity of purpose of the distinguished leaders who will be participating in this foreign-aid promotion, the very fact that such a pressure meeting is being arranged at all raises some relevant questions: Do these people consider the foreign-aid program of such dubious value as to require this sort of unheard-of supersalesmanship in order to keep it alive? Do they regard the American people as so ignorant as to have been unable to determine basic facts about the program through a period of 10 years? Is the intelligence or the judgment of the Members of Congress believed so doubtful that this distinguished group must converge on Washington with this great lobbying effort in order to set us straight?

I am seriously concerned that the results of this foreign-aid promotion may most likely be a public disservice, and not a service—no matter the probable worthy motives and intent of many of the participants. For, among other doubts, I respectfully wonder just how well informed some of these people really are concerning the hard facts of foreign aid, and not merely with the hopes and ideals and broad generalities of the program.

Will these foreign-aid lobbyists, in good conscience, try to convince the American people and the Congress that the program is assuring our safety through strength? Will they contend, seriously, that the program is accomplishing a significant role in building a genuine peace? Will they claim, with foundation of fact, that foreign aid has been a major instrument in moving American and free world policy forward—if, in truth, it has really moved forward at all?

I submit, Mr. Speaker, that the public interest could be better served if these super salesmen for foreign aid were to concentrate on learning more of the real facts of the program—as many Members of the Congress, and especially a majority of the Members handling the money bill for foreign aid, including myself, have earnestly endeavored to do—and would then take that information to the people. If such a course were followed, this Nation's foreign spending program would assuredly be gradually but consistently reduced. And America would be the better, the stronger, because of such a condition coming about.

But, unfortunately, there has probably never been devised in our Nation a more actively functioning propaganda machine than the one which is operated by the advocates of free-spending foreign aid, with powerful pressure groups pushing the program, seeking spending far in excess of the needs justifiable by the facts. Large numbers of our highest paid bureaucrats and their subordinates are working without letup to convince the American people and the Members of Congress that the foreign-aid program is indispensable, and that ever more funds are required to support it. Further, representatives of numerous foreign nations are exerting extreme efforts to influence larger contributions for their particular countries. And, disappointing as it certainly is, many of our Nation's big business firms—manufacturers, bankers, shippers, brokers, and others—with profitable contracts through the program, are strong advocates of everlasting, bigger spending foreign aid.

A favorite foreign-aid gambit during the past several years has been the appointment of committees and commissions. There were, for example, the Gray Commission, Eric Johnston's committee, Nelson Rockefeller's group, the Fairless Commission, and others instructed to report on foreign aid.

It has become obvious that these commissions are taken in hand and into camp by the bureaucrats. It amounts to about this: These businessmen are brainwashed and sent around the world. When they get to the foreign countries, they are assailed by our other bureaucrats abroad, who are getting automobiles, homes, servants, and all manner of luxuries, such as the vast majority of them, if actually any of them, never enjoyed before. Some of these bureaucrats are Socialists and some of them are worse. They have a common talent, though, and that is being able to hoodwink so-called investigating committees before, during, and after these much-heralded tours.

With this big foreign-aid snow job falling here on February 25, it is well that not only the visiting organization representatives should be cautioned, and the American people as a whole, but also Members of the Congress. Talk, such as the foreign-aid lobby has been dispensing, and is now about to increase, concerning dedication to common ideals, free-world unity, and similar remarks, is pleasing to hear; but it is not so potent as facts.

There are 87 nations in the world; and so great has been the propaganda and pressure, now being stepped up far beyond even past proportions, for a more widespread, complex and confusing program of foreign aid on the part of the United States, there are now in the program, past and present, funds for 70 members of the world of nations. Expressed another way, with the United States as the donor, only 16 nations in all the world are not receiving, or have not received, some type of aid under the program. And the total of aid which the United States has given since the end of World War II is $67 billion—give or take a few billion, according to the statistics used.

Remember, this program is built from the bottom up, not from the top down. Under the mode of operation, the majority of the nations receiving this aid will have military groups plugging for more funds. And, in the same nations, there are civilian groups handling the economic and technical aid programs, and they are also constantly beating the drums for increases for the particular nation in which they are stationed. The heads of these missions, both military and civilian, have created little empires of their own, thousands of miles from home. If they can in any manner avoid it, they have no intention of losing this fancy living and prestige.

Furthermore, and the facts are of record, vast sums of this money have been going to Communist governments, to dictatorships, and to other nations we cannot rely upon as friends. And even among the friendly nations which have been given huge amounts of American taxpayers' aid, the actual value of the program in the defense of this Nation—which after all is the major function of our Government—is extremely doubtful, to say the most for it.

But, Mr. Speaker, even if the program were accomplishing the goals and fulfilling the purposes its proponents claim for it, I still could not give validity to the current requests and claims. Secretary Dulles himself less than a year ago was conceding that this year's and future annual expenditures for the foreign aid program should be smaller than in previous years. I should like to quote here from an exchange with Mr. Dulles to that effect, when he appeared before our Foreign Operations Appropriations Subcommittee.

I commented:

The policy is well established. There have been many years' experience with the program, and the large annual expenditures are in the past. Would you agree that this statement is correct?

Secretary Dulles replied:

Yes; I think that is correct. I do not have the figures in front of me, but I think that is the trend of the figures.

Also, I wish to present excerpts from an exchange in the same period of hearings, during last April, May, June, and July, with Mr. Hollister, then the ICA Administrator, to the effect that more funds than needed were appropriated the previous year, and that no damage whatsoever resulted to the program from the reduction in the appropriation. Nevertheless, I might note that the same sort of hue and cry had been sounded

then as was heard last year and is now being renewed, but even more vigorously than before.

Here are the excerpts:

Mr. PASSMAN. Will you agree with me that we actually appropirated too much money for these agencies last year?

Mr. HOLLISTER. More than they were able to obligate.

Mr. PASSMAN. More than you were able to obligate?

Mr. HOLLISTER. Yes, sir.

Mr. PASSMAN. Is the record clear that we did not damage the program by reducing the appropriation last year?

Mr. HOLLISTER. The record speaks for itself.

Mr. PASSMAN. I shall accept that as an affirmative answer.

Yet, on Tuesday, February 25, 12 days from today, the first-team foreign-aid lobby swings into full action here in Washington with Mr. Dulles as the opening speaker. Will he then repudiate his testimony of less than a year ago?

The assertions of these lobbyists, or others, notwithstanding, I urgently suggest that—with the peace and security of this Nation as the matter for prime concern on the part of every person in public life, both in and out of government—the facts as they are, with the needs of the program, and not bureaucratic wishes, should continue to serve as the guide for the conclusions reached by the Members of the Congress and the Nation's citizens.

Unfortunately—and no amount of idealistic lobbying or political coverup or seeking for advantage can prove it differently—our foreign-aid program has to a large extent degenerated into a miserable mess in which, for example, the United States is paying glorified blackmail to unfriendly regimes in many countries, to deter them from running off to Russia for help. But in most instances Russian help is limited to promises. It has not been successfully refuted what Russia's Lenin taught, loosely translated, "Give the United States sufficient time and it will spend itself into bankruptcy."

Furthermore, we keep on giving great sums of United States taxpayers' money to governments already in the Communist orbit—wishfully hoping that someday they will somehow free themselves from the clutches of the dictators in the Kremlin. And to practically all of the governments, friendly and unfriendly, huge sums of the foreign aid money from free-enterprise America are given, and accepted and used, for the purpose of socializing their industry and commerce and agriculture.

During an inspection of foreign aid program operations last year I observed on the spot in many nations the evidences and results of wasteful spending, lack of cooperation and coordination, and actually found many of the people in charge with scant knowledge of the real purposes of their missions.

I studied the program in France and Italy, in Greece and Turkey, in Lebanon and Pakistan, in Thailand, and in other nations.

In Thailand, a 200-mile asphalt road was undertaken as a $6.5 million demonstration of United States efficiency in peaceful pursuits. After 2½ years, the cost has skyrocketed to $18 million for the first 100 miles.

About $3 billion of our money has been used by the recipients to reduce their national debts—while our own debt spirals up to disastrous proportions. In fact, so great has been our spending that our own public debt now exceeds the consolidated public debts of all other nations of the world by $68 billion.

I wish to quote here from a statement of the former Peruvian Ambassador to Washington, Pedro Beltran, for some years owner of La Prensa, a great newspaper in his country, who said:

If a nation relies on handouts to live, its future is doomed. As time goes on, it finds it harder and harder to get on its feet and forge its own future. It ends by making no effort to develop its own resources or be self-supporting. As long as such a state of affairs prevails, such a country will never come of age, but will continue to be dependent on others without prospects for the future.

It should be realized that private capital can achieve what no public treasury can do. When confidence has been established, the amount of private capital that may flow into a country is practically unlimited. Private investors will compete with one another and seek out the opportunities. But government money cannot do this, since risk venture is beyond its province. Private capital will flow if the investor feels that he can operate in a free economy.

Mr. Speaker, I returned from my 5-week around-the-world investigations last year more firmly convinced than I had ever been that we must put some sense into the foreign-aid program, by tapering off the present rate of spending and halting further poorly founded commitments. I was literally sickened by much of what I saw for myself, and learned otherwise.

I visited one nation where the strong man of the country, which we are substantially subsidizing, is suspected of being a full-fledged partner in an illegal opium operation. This same strong man owns some 30 different businesses, and practically everything purchased for his government, military, and other purchases, must be requisitioned through one of his companies.

Has there been successful refutation that Lebanon, with a relatively healthy economy, is being subsidized with United States aid merely to guard against offense being taken by the Lebanese Government because of aid being given to some of the other countries in the area?

Or that Oman—or Muscat—refused a United States offer of $2 million in aid because this was not as much as had been given to another country in the vicinity?

Or, Mr. Speaker, have the reports of other giveaways such as these been successfully refuted:

Shiploads of foreign-aid farm tractors and other machinery rusting and falling apart on the docks in certain Middle Eastern countries?

The providing of public baths for camel drivers?

Free airplane transportation for thousands of Arabs to visit Mecca, their religious shrine?

Five million dollars in subsidies for wealthy Iranians to complete college?

A supply depot in Laos, with a total population of about a million and a half, crammed with drugs and other expensive medical material in sufficient quantities to care for much of the whole of Southeast Asia?

And, lest I forget, dress suits for Grecian undertakers?

These are, of course, a few of the extreme examples reported. But they are examples of a type which are not likely to be mentioned by the foreign-aid lobbyists here on February 25—or, for that matter, at other times, either.

Nor are these reports, of which I do not know of successful refutation:

The sending of "Satchmo" Armstrong and "Dizzy" Gillespie and their bands as ambassadors of American culture to foreign lands, at thousands of dollars weekly in costs.

The giving of Afghanistan, where the populace rides camels and the main requisite is to teach the people how to read and write, of $14.5 million to start 5 airports and provide electronic equipment for another.

The granting to India in 1954 of $1.5 million of prefabricated steel to erect grain silos and warehouses, with most of the material sitting unused last fall. And then, 2 years later, approving an additional $4 million for several hundred more warehouses, notwithstanding the fact that nothing had been done about using the materials already sent.

Can these statements be successfully refuted?

This policy of government-to-government handouts is losing friends for the United States. There has been tremendous growth over the last few years in geographical area and number of Communist countries, millions of square miles added to their territory, with hundreds of millions of people. There has also been a similar growth over the same period of the number of so-called uncommitted or neutral countries.

How can we make friends by such measures as we have been following? India gets mad because we give grants to Pakistan. Pakistan gets mad because we give grants to India. Others get mad because we give grants to either one or both of them. Still others get mad because we do not give them big enough grants. Pakistan and Iraq were mad because we offered Egypt the Aswan Dam, which never should have been offered in the first place. Others quite frankly prefer the Soviet or Chinese Communist loans to our gifts. They are opposed to us; they vote against us in the United Nations, while nationalizing everything in their countries and creating socialistic states.

But, Mr. Speaker, aside from these and countless other examples of record—of poor judgment and waste and inefficiency on the part of administrators of the foreign-aid program and possible trickery and bribery and fraud on the part of some of the recipients, have the constructive features of foreign aid been worth the staggering cost to this Nation of more than $67 billion since the end of World War II? Has the program served significantly to strengthen the peace and security of the United States and the free world?

To the open-minded person who will read the RECORD well, the answers are: They have not. Is it not true that the United States has permitted this complex, confusing, worldwide spending program to get completely out from under control?

Russian Communist world influence has spread and strengthened, while American prestige throughout the world has weakened—and we, not the Communists, have been the practitioners of the prolific and terrific worldwide spending.

No matter that the program has proved to be the most expensive folly in which this country has ever engaged, the foreign-aid lobbyists boldly continue to seek more American dollars as the cure for the ills—notwithstanding the abundance of the facts to the contrary.

We have been putting foreign aid to the test—with more than $67 billion spent in 70 of the other 86 nations of the world, since the end of World War II—and it has woefully fallen short of securing the desired results. But it has not failed to entangle this Nation with many questionable commitments in 70 other countries.

Mr. Speaker, we have been appropriating too much, and not too little, for the program, year after year.

The distinguished foreign-aid lobbyists will claim differently here on February 25. But their saying otherwise will not make it so. The facts are, after all, more potent than even their tremendous sales campaign—irrespective of how illustrious the identities of the public lobbyists, and no matter how much White House or ICA staff and funds and office space and stamps and stationery and telephone calls and telegrams and other expense items, paid for by the overburdened taxpayer, may be employed to promote the effort. It is unlikely that any scheme they may dream up for spending more and more of the people's money will have any more merit than those of the past.

Doubtless we will continue to have a foreign-aid program for many years. But it should be a more sensible foreign-aid program, and certainly not one costing billions of dollars for questionable friends around the globe.

ARSENALS FOR NATIONAL DEFENSE

The SPEAKER. Under previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 15 minutes.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I asked for this time in order to talk about arsenals all over the United States and the Watertown Arsenal in particular. But before I begin those remarks I would like to speak for 5 minutes and to insert in the RECORD a letter from Mr. William F. Sullivan of the Northern Textile Association, addressed to the Honorable Sinclair Weeks, Secretary of Commerce, and have this carried at this point in the RECORD under a separate heading. The great velveteen industry in the United States should be saved, Mr. Speaker.

As the Speaker may remember, a year ago we thought we had saved by voluntary Japanese agreement the velveteen industry and certain other cotton industries from too much Japanese competition. But the Japanese have not, we find, according to the Census Bureau figures, lived up to their agreement, and in Lowell, Mass., if relief is not given by the Japanese and by the United States, our great Merrimack mills will close their doors. It is the oldest large cotton textile manufacturing plant in the United States. It has a great history of accomplishment with wonderful workers. It would be a tragedy too awful to think of if this administration and everybody in the Congress does not put his or her shoulder to the wheel and save that great textile industry. The Japanese should be told that they must do their part in helping us or they will not fare well. That is not a threat, Mr. Speaker; it is just trying to show the Japanese that they had much better help us if they expect help from us. I feel sure they will see the justice in that. We have a right to keep our industries in operation.

We must not allow any other country to trample on our industry. The letter from Mr. Sullivan's unit, with figures from the Census Bureau, is as follows:

FEBRUARY 11, 1958.

The Honorable SINCLAIR WEEKS,
Secretary of Commerce,
Washington, D. C.

DEAR SECRETARY WEEKS: At our meeting last week I stated that the Japanese had violated the velveteen quota. Mr. Kearns indicated that his information was to the contrary.

VELVETEENS

The Japanese velveteen quota was set at 2.5 million yards of exports. Between January 1 and November 30, 1957, the Japanese actually landed in this country 3,209,902 square yards.

Even if we deduct the 4,765 yards of Japanese velveteens landed in January 1957 on the theory that this yardage was exported in December 1956, we find that the Japanese must have exported to this country in excess of 3.2 million yards in 11 months of 1957. When the December 1957 figures are available we will know the full extent of this violation. Some of the 3.2 million yards landed in this country were warehoused, but at the same time the Japanese withdrew during the course of the year velveteens which had already been put in the warehouses. The net result was that 3,030,137 square yards were actually put on the American market during 1957. This information has been supplied to us by the Bureau of the Census, Report No. FT5019. I enclose a more detailed breakdown of the velveteen imports from Japan and from Italy.

You will recall that the Japanese also violated their velveteen commitment in 1956, having brought in more than 1 million yards in excess of their 5-million-yard quota.

HANDKERCHIEFS

Our information also indicates a violation of the handkerchief quota by the Japanese. The quota was 1,200,000 dozen. Imports for consumption through November 1957 amounted to 1,529,343 dozen.

We do not have the breakdown on handkerchiefs.

GINGHAMS

There is also a possibility of a violation of the 35 million square yard quota of ginghams; 39,333,154 square yards of Japanese ginghams and related fabrics (commodity No. 3062) were imported during the first 11 months of 1957.

From the Bureau of Census data we are not able to separate ginghams from related fabrics. Therefore, we are unable to prove, on the basis of present information, that there is a violation, as we can in the case of velveteens where accurate information is available.

If we were to deduct from the 1957 Japanese velveteen quota the amounts by which the Japanese exceeded their 1956 and 1957 commitments, they would not be entitled to bring in any velveteens during 1958. As you know, the Merrimack Manufacturing Co. in Lowell, the largest maker of velveteens, is shut down.

We would greatly appreciate your personal attention in connection with this matter, and particularly in view of the discussions which I understand are being currently held with the Japanese on cotton goods imports.

Sincerely,

WILLIAM F. SULLIVAN.

United States imports of velveteens from Japan, November 1957

[Square yards]

	Landed and not warehoused (col. 1)	Landed and warehoused (col. 2)	Withdrawn from warehouse (col. 3)
1957—November	34,769	99,938	38,357
January–November	2,522,076	687,826	508,061

	Total placed on market (cols. 1 and 3)	Total landed (cols. 1 and 2)
1957—November	73,126	134,707
January–November	3,030,137	3,209,902

ESTIMATE OF MINIMUM QUANTITY IN WAREHOUSES

	Square yards
1956—Oct. 31	1,103,419
Nov. 30	799,064
Dec. 31	244,564
1957—Jan. 31	196,380
Feb. 28	190,319
Mar. 31	155,147
Apr. 30	150,890
May 31	146,335
June 30	156,637
July 31	197,954
Aug. 31	282,493
Sept. 30	259,463
Oct. 31	365,698
Nov. 30	427,279

Source: Bureau of the Census, U. S. Department of Commerce, Northern Textile Association, Jan. 27, 1958.

United States imports of velveteens from Italy, November 1957

[Square yards]

	Landed and not warehoused (col. 1)	Landed and warehoused (col. 2)	Withdrawn from warehouse (col. 3)
1957—November	42,100	7,826	22,938
January–November	684,897	332,961	270,366

	Total placed on market (cols. 1 and 3)	Total landed (cols. 1 and 2)
1957—November	65,038	49,926
January–November	955,263	1,017,858

Source: Bureau of the Census, U. S. Department of Commerce, Northern Textile Association, Jan. 27, 1958.

Mr. Speaker, on Saturday the 8th of February I attended, as did the gentleman from Massachusets [Mr. O'NEILL], who represents the adjoining district to mine, a very fine dinner given by Arsenal Post No. 5 of the Federal Employees Veterans Association at Watertown. The Speaker may remember that about a year ago the Watertown Arsenal was saved and given work. The former Speaker of the House [Mr. MARTIN] and the majority floor leader [Mr. MCCORMACK] and the entire Massachusetts delegation join me in hoping to save work for our great arsenal. I have here a speech given at that dinner on last Saturday by Colonel Hurst. That great Watertown Arsenal is 135 years old; the oldest arsenal, I understand, in the entire United States.

As you all remember, the great Jupiter missile, called the Explorer, which is today winging its way all over the world, is proof of what this great ordnance plant at Huntsville, Ala., under General Medaris has accomplished. The Watertown Arsenal and other arsenals have made magnificent contributions toward the building of that very fine missile.

Colonel Hurst said:

TALK BY COL. R. M. HURST, COMMANDER OF WATERTOWN ARSENAL, AT A DINNER MEETING OF WATERTOWN ARSENAL POST NO. 5, FEVA, ON FEBRUARY 8, 1958

As many of you know, I recently returned from a visit to the Army Ballistic Missile Agency at Huntsville, Ala. Certain contacts which I had during this visit have prompted a desire to comment briefly this evening on a subject which has been a topic of discussion with members of my staff on frequent occasions and with a greater portion of the arsenal work force on more limited occasions.

You have read much in the press about the team of German scientists at ABMA. I have seen them in action. They are an extremely capable, sincere, hard-working group whose accomplishments under the technical direction of Dr. von Braun and under the general guidance and supervision of an outstanding ordnance officer, Maj. Gen. J. B. Medaris, are well known to you. This team has demonstrated a unanimity of purpose, a level of competence, and a persistence which have paid off in an outstanding achievement—the launching of our first satellite.

We at Watertown Arsenal also have a team—not so highly specialized as the ABMA team, but possessing an equal measure of competence, of sincerity, of purpose, of persistence, and of determination. This team is comprised of some 2,000 scientists, engineers, technicians, craftsmen, and administrative personnel included in our work force. We have at Watertown Arsenal a fully integrated capability, embracing the fields of basic and applied research; design and development engineering; product, maintenance, and process engineering; and manufacturing. This is not a newborn capability, but one based on almost a century and a half of steady development, and one which reflects the individual capabilities of dedicated employees with 2, 3, and 4 decades of contribution to the defense of our country.

In the ordnance materials research office and the Watertown Arsenal laboratories we have almost 350 scientists, engineers, and technicians whose work in materials and related research is of the highest quality and enjoys national and international recognition. These laboratories compare favorably with those of any of our larger corporations.

In the engineering field we have individuals with years and years of experience in designing and developing those munitions vital to our defense, and in setting them up for limited production in the arsenal or for volume production in the plants of our great industrial enterprises.

In Rodman Laboratory we have engineers, technicians, and craftsmen constantly exploring techniques of manufacturing so that we can have the most advanced methods available, not only for our own purposes, but for the use of industry as well. For example, in fields such as the application of ceramics to machine tools and in the use of investment casting techniques, we are in the forefront. In the February issue of Foundry appears an outstanding article on investment casting written by two of our employees.

Then we have out in our shops hundreds and hundreds of craftsmen who can convert the ideas of scientists and the designs of engineers into the hard goods required by our combat forces in the defense of our country. These craftsmen have levels of skill which permit them to hold their own with their fellow craftsmen in industry any place, bar none. They are turning out of our shops major pieces of work which are a challenge to anyone to produce.

We also have several hundred employees who play a supporting role—accountants, clerks, typists, guards, maintenance men, warehousemen, and many others—all of them playing important parts in facilitating the accomplishment of our organizational objectives. Not only must there be a production of goods and services of high quality, in proper quantity, and at the proper time, but it must be of proper cost as well. Of particular significance in holding our costs down to levels that are equal to or below those of others performing similar work within or without Government circles is the close control exercised by our people within the support areas.

Of course, our arsenal team is not operating alone. It is part of an ordnance family which is mutually supporting, and which for many decades has been participating as a member of an ordnance-industry-science team in producing the ordnance munitions which our country requires. The arsenal is also part of an industrial community of this New England area, and as such enjoys the wholehearted, active, and aggressive support of Congressional representatives such as your distinguished guests, Mrs. Rogers and Mr. O'Neill; of civic leaders such as your national commander, Mr. Kenneth Lyons; and of representatives of the press such as Mr. Tom Winship of the Boston Globe.

Our team may have its ups and downs, but it will continue in the future, as in the past, to make its very significant contributions to the defense of our country.

Mr. Speaker, I have spoken many times on the floor of the extreme importance of keeping our arsenals open. Our country has reason to be very proud of the accomplishments of those great arsenals and we must keep them if we are to be thoroughly protected in this day of the missiles, this day of danger from without. We cannot scrap or weaken our arsenals.

As the Army's ballistic missiles roar into space from the launching sites at Cape Canaveral and White Sands Proving Ground, their progress is watched with particular interest by Army ordnance scientists, engineers and craftsmen within the Army arsenal system.

The successful development of each of the Army's missiles and rockets is the result of highly integrated and coordinated teamwork among American scientific and industrial concerns and the Army's arsenals.

Army arsenals have met the challenge of every national emergency. The successful launching of the Jupiter C rocket carrying the Explorer satellite is further evidence that Army arsenals are meeting the challenges of the new technological age.

While Army arsenals for generations have developed fine weapons, they have regeared their organization and capabilities to the era of atomics, electronics, and supersonic rockets and missiles.

While the Army Ballistic Missile Agency, Huntsville, Ala., has the weapon system responsibility for developing the Jupiter, nonprofit research organizations, American industry and other Army arsenals have contributed directly to the outstanding success of this program. Likewise, Army arsenals have assisted Redstone Arsenal in developing and fielding other weapons in the Army's versatile family of guided missiles and rockets.

Specific areas of responsibility and contributions by ordnance installations follow:

Redstone Arsenal, Huntsville, Ala., is responsible for the development, procurement, production, industrial engineering and mobilization, maintenance and repair parts supply and stock control of guided missiles and rockets.

Army Ballistic Missile Agency, Huntsville, Ala., was established in February 1956 and assigned the full responsibility for the Redstone and Jupiter Missiles program. It also has responsibility for the new Pershing missile.

Industrial engineering and manufacture of solid propellants for rockets, jatos and guided missiles, fuses and warheads for rockets and guided missiles are done by Picatinny Arsenal, Dover, N. J.

Frankford Arsenal, Philadelphia, Pa., is responsible for the development and manufacture of mechanical arming mechanisms for guided missiles and rockets. Diamond Ordnance Fuze Laboratory, Washington, D. C., also has responsibility for the development and manufacture of fuses and arming mechanism for rockets and guided missiles.

Special purpose vehicles for launchers, rockets and guided missiles are developed at the Ordnance Tank Automotive Command, Detroit, Mich.

Basic research in the field of liquid and solid propellants and rocket composition principals are carried on at the Office of Ordnance Research, Durham, N. C.

Contributions by Watertown Arsenal, Watertown, Mass., in the guided missile and rocket field include research, development and engineering in the fabrication of launcher prototypes, models, experimental equipment and related equipment.

Mr. Speaker, relative to the missile work at Watertown, on the 8th of February, at Watertown Arsenal, I made the following statement:

As the Army's ballistic missiles roar into space from the launching sites at Cape Canaveral, their progress is watched with particular interest by a group of New England scientists, engineers, and craftsmen. These are the people of Watertown Arsenal, located within the metropolitan Boston area in the town of Watertown, Mass. This Army Ordnance Corps arsenal is currently engaged in several activities relating to the missile program. For several years it has been making significant contributions to the Army Ballistic Missile Agency and to Redstone Arsenal, at Huntsville, Ala., in support of their programs. These contributions are in the field of research, development and engineering, and in the manufacture of launcher prototypes, models, experimental equipment, fixtures, and related equipment.

For almost a century and a half, Watertown Arsenal has been making important contributions to the growth and development of our country. For over 130 years it has operated laboratories which have performed pioneering research in the field of ferrous metallurgy, and more recently this program has been expanded to include titanium and other transitional metals, and to give special attention to high temperature, high strength alloy steels. Its development and engineering staffs have recorded outstanding achievements recently in the fulfillment of system responsibilities for the designing, development, and manufacture of the 280 millimeter atomic cannon and the 75 millimeter Skysweeper. The arsenal's investigation into methods for improvement of manufacturing techniques has resulted in outstanding advancement in the application of ceramic materials to cutting metals, in the use of investment castings, in the cold forming of materials by swaging, and in other processes as well.

Recent years have seen a marked shifting of the attention of arsenal personnel from the conventional heavy artillery and antiaircraft weapons to the newer devices of modern warfare. Ballistic missiles and rockets are commanding ever-increasing amounts of attention.

The Watertown Arsenal Laboratories are currently engaged in a number of studies relating to research and development in the missile field. Just recently an extensive survey of special thermal properties of several commercial plastics was completed, these particular materials having unusual and versatile characteristics of great current interest in the missile program because of their extreme chemical inertness to fuels, lubricants, and acids, as well as their toughness and resiliency over a wide range of temperatures. Currently, under investigation is the design of the bulkhead of one of the missiles. This bulkhead or partition divides the primary structural components of the midsection of the missile, and separates the liquid oxygen from the fuel. If this bulkhead is not properly designed, it can rupture and thus lead to possible premature self-destruction of the missile. It is the purpose of the investigation to provide principles and data which will lead to improvement of the design.

The laboratories are also engaged in mathematical studies for the purpose of determining stress conditions in the skin or outer covering of missiles. These studies, likewise, will lead to improved design and also provide safeguards against buckling failures. Still other studies are concerned with the finding of alternate structural materials which may be substituted for critical metals and alloys so that these may be conserved during possible periods of emergency.

Engineers at Watertown Arsenal have provided substantial assistance to their associates at the Army Ballistic Missile Agency in the development and improvement of launching tables for both the Redstone and Jupiter missiles. They have also recently completed the design and development of a lightweight launcher for the Honest John rocket. All of these launchers require the most careful selection of materials and the precise determination of design characteristics so that they will hold up under the conditions of stress and of temperature which are imposed upon them.

Watertown Arsenal has the heavy machine tools and craftsmanship which are required to convert the designs of the engineers into "hardware". This close support which the shops provide for the research and development program, provides for the delivery of new items of materiel at the earliest possible time. The arsenal's craftsmen are highly skilled in their respective trades, and bring to the missile program decades of experience in the casting, machining, fabrication, and assembly of heavy structures.

These skills and facilities have permitted the arsenal to move rapidly into the essential production of heavy assemblies which are a part of or related to modern munitions. Included among such items, manufactured at Watertown Arsenal, are the launchers for the Redstone and Jupiter missiles, and the transportable launcher for the Honest John rocket. Also included are such things as missile assembly fixtures, nose cones, and heavy wind tunnel components. In a field related to the missile program is the manufacture and assembly of antenna systems for heavy radar equipment.

The craftsmanship at Watertown Arsenal is not confined to application of heavy structures alone. The high levels of skill among the work force permit manufacture of items which require processing to most precise tolerances. So, in addition to the heavy structures already referred to, the arsenal also provides to the missile program items requiring extremely precise surface finishes, such as supersonic nozzles for wind tunnels, and missile models for experimental use in such wind tunnels. These high levels of skill also find application in the machining of other items such as air bearing test fixtures, inclinometer assemblies, and chuck assembly components for ABMA. The use of these skills, based upon Watertown Arsenal's many years in this and related fields, is particularly important during this period when expediting development is so vital.

Although the missile program is but one part of Watertown Arsenal's total program, it is nevertheless becoming a more and more significant part as the months go by. This work is of such a nature that it is particularly fitted to the skills and facilities which are available; and the people of the arsenal are most enthusiastic about making their full contribution to the defense of our country.

Mr. Speaker, I plead with the Members of the House not to weaken in any way our great arsenals. If you weaken them you will lose the men—the great majority of them are veterans—who have the know-how and they will get other jobs. Then when an emergency arises, our arsenals will not be able to produce. In many instances it takes a long time to teach the workers in civilian industry how to make these great projects which are so necessary for our national defense.

We hear a good deal about helping small business. We want to help small business, but we certainly do not want to help small business if it is going to mean in the end annihilation not only of small business but of the United States.

I pray with all the strength in my being that we may keep our arsenals in full production.

SPLENDID ACTION OF JOHN D. HERTZ

The SPEAKER. Under previous order of the House, the gentleman from Massachusetts [Mr. McCormack] is recognized for 15 minutes.

Mr. McCORMACK. Mr. Speaker, recently Mr. John D. Hertz announced that he was establishing a foundation for the education of young men and women in engineering. This fund is being made available at a time when the increased costs of education are making it difficult and often impossible for our most talented youth to complete their training, and at a time when there is increasing need for trained people in the engineering field. Many more will be needed, as the years pass, to keep up with the rapidly developing technical age in which we live. Mr. Hertz is conscious of this need and through financing the education of some of our youth hopes to contribute to the well-being of the country which he says has given him so many opportunities.

Mr. Hertz was born in Vrutsky, Czechoslovakia, and was brought to this country at the age of five. Unable to continue schooling beyond the elementary grades, he worked as a newsboy, a reporter for the Chicago Record, then an automobile salesman and finally went into business for himself with the founding of the Yellow Cab Co. in Chicago in 1915. Succeeding years brought great success in the motor transportation business and the founding of another company, the Hertz U-Drive-It System, based on an entirely new idea by Mr. Hertz. The company has since expanded to include the renting of trucks and trailers as well as automobiles for people to drive themselves. It is now becoming a worldwide organization. Mr. Hertz has expanded his business interests and has moved into new fields. A vigorous man of 78, he is an active partner in the investment banking firm of Lehman Bros.

This outstanding business success for the once poor immigrant boy went along with a wide range of activity on behalf of his beloved adopted country and his fellow citizens. Mr. Hertz has used his knowledge and experience to good advantage in his country's service. During World War I he served as an adviser to the Secretary of War, receiving a decoration for distinguished service for his work in this position. Mr. Hertz has also found time for community affairs, is a trustee for the Lovelace Foundation for Medical Education and Research, and a director for an arthritis and rheumatism foundation. His concern for the defense of the country gave direction to his plans to share his fortune in a way which would contribute most and eventuated in the establishment of the Hertz Education Foundation to stimulate and assist in

the training of young men and women in the engineering profession.

Mr. Hertz will name the foundation the Fanny K. Hertz Educational Fund for Engineers, in honor of his wife, to whom he has been married 54 years. Sufficient funds are being made available immediately to subsidize more than 100 students per year. After the death of Mrs. Hertz and the 3 children, for whom life provision has been made, the entire fortune of Mr. Hertz and that of his wife will be devoted to the scholarship fund.

The foundation is noteworthy for the simplicity of its organization. There are few rules or regulations and an effort has been made to avoid all complications and exclude the redtape. The trustees are authorized to use the funds as they see fit except for one or two conditions which again reveal the breadth of the philosophy and humanity of Mr. Hertz. These are that there shall be no discrimination with respect to sex, religion, or race in awarding the scholarships and that everyone who receives a scholarship complete a course in American history as part of his studies and pledge himself also to serve the United States Government, at its request, in time of emergency.

Two features of this scholarship plan merit special attention. First, a departure from the usual provisions of scholarship funds, the Hertz Foundation may make grants for sustenance as well as for tuition and the usual school expenses. The significance of this feature of the plan is apparent when we recall the many promising young students of past years who have won scholarships but have been unable to utilize them for lack of funds to cover living expenses while they continued their studies. A second provision, also differing from most scholarship programs, allows the directors, at their discretion, to make grants to cover expenses for high school as well as for college study. Recognition is thus given to the fact that funds might be more useful at some other stage of education than college, in some instances. Aid may be furnished at either or both stages of schooling.

The career of Mr. Hertz is another example of America as the land of opportunity and of personal success accompanied by a deep interest in the highest welfare of our country. In devoting the fruits of his success to creating further educational opportunities for the youth of America in the engineering field Mr. Hertz has also shown a fine awareness of our future needs. In providing for the education of future engineers, Mr. Hertz is not only creating opportunities for many individuals but is making, through them, a very great contribution to the future welfare of the Nation. It is hoped that every success will attend the efforts of this foundation. We echo the expressed hope of Mr. Hertz, whom I have never had the pleasure of meeting, that his scholarship venture will inspire others to establish similar programs, and above all, we applaud his splendid example.

It is fitting that men like Mr. Hertz receive public commendation.

I include in my remarks an article written by Judith Crist and appearing in a recent issue of a newspaper.

HERTZ GIVING FORTUNE TO TRAIN ENGINEERS

(By Judith Crist)

John D. Hertz, 78, founder of the Yellow Cab Co. and the Hertz U-Drive-It System, announced yesterday that he is devoting his fortune, totaling many millions of dollars, to the establishment of the Hertz Education Foundation to train American engineers.

Mr. Hertz, who came to this country from Austria at the age of 5 and followed the fictional tradition of rising from ragged newsboy to wealthy investment banker (he is an active partner in the banking firm of Lehman Bros.), hopes to provide scholarships for more than 100 young men and women a year to train as mechanical and electrical engineers.

"I simply want to contribute in the interest of defense, the fortune the United States has allowed me to accumulate," Mr. Hertz said. "I also hope that this scholarship venture might inspire others who have succeeded in America to come to the aid of their country by establishing their own such scholarship funds."

He decided to set up a scholarship fund to train engineers "after reading in the newspapers that Russia is producing 100 percent more engineers than this country," he explained.

Mr. Hertz said he would make available at once enough money to subsidize more than 100 students a year. Eventually, after the death of his wife and three children, for whom he has provided on a lifetime basis, his entire fortune and that of his wife will be devoted to the scholarship fund. He hopes, he said, to name the fund "The Fanny K. Hertz Educational Fund for Engineers" in honor of his wife, whom he married in 1903.

BARS DISCRIMINATION

To the board of trustees, composed of personal friends as well as Mr. and Mrs. Hertz, Mr. Hertz has given full discretion on the disbursement of funds. He stipulated only that there shall be no discrimination with respect to race, religion, or sex in giving scholarships and that all receiving aid from the fund take a course of study in American history and pledge themselves to serve the United States Government at the Government's request in time of national emergency.

FRIENDS ON BOARD

"I hope that this venture will not be a complicated operation wrapped up in redtape or complicated rules," Mr. Hertz said, "and for this reason I have selected my personal friends to direct its application and accepted their recommendations to include trusted experts with knowledge of what other countries might be doing."

To the board of trustees, which will be authorized to use both the principal and the income as it sees fit, and which met for the first time yesterday, Mr. Hertz named Flody B. Odlum, president of Atlas Corp., who will be president of the fund; Dr. Edward Teller, atomic scientist; J. Edgar Hoover, Director of the FBI; Robert Lehman, head of Lehman Bros.; Victor Emanuel, chairman of the board of Avco Manufacturing Corp.; Leonard Florsheim, Chicago industrialist; Allan Hunter, investment analyst for Lehman Bros.; Edward L. Weisl, parter Simpson, Thatcher & Bartlett, attorneys; Harry Wyatt, personal attorney for Mr. Hertz; Arthur Hancock, outstanding Kentuckian and successful breeder and agriculturist; Joseph Rosenberg, Los Angeles branch of Lehman Bros.; and Joe Copps, senior vice president of Hill and Knowlton, Inc.

The administrating officers, besides Mr. Odlum, will be Mr. Weisl, chairman of the board; Mr. Hunter, treasurer; A. N. Huttel, assistant treasurer, and Mr. Wyatt, secretary.

WIDE LATITUDE

"The trustees of the fund may use their own good judgment as to how the scholarships may be applied," Mr. Hertz said, "and at what stage of education the application of these funds would be most useful—whether high school or college or both—and whether the moneys should be extended to sustenance as well as their education."

Mr. Hertz himself never went past the sixth grade. He began as a newsboy, became a reporter for the Chicago Record and then, after a stint as an automobile salesman, founded the Yellow Cab Co. in Chicago in 1915.

During World War I he served as an adviser to the Secretary of War on transport reorganization, and during World War II was a Special Assistant Secretary of War, receiving a decoration for distinguished service.

He and his wife own and breed thoroughbred horses. They have homes in Gary, Ill., and at 880 Fifth Avenue. His children are Mrs. J. M. Saks, Mrs. Paul L. Hexter and John D. Hertz, Jr.

POST OFFICE AT MARTINSBURG, W. VA.

The SPEAKER. Under previous order of the House, the gentleman from West Virginia [Mr. STAGGERS] is recognized for 5 minutes.

Mr. STAGGERS. Mr. Speaker, today I have written to the General Services Administration calling attention again to the Martinsburg post office situation, pointing out the unemployment increase in that area and in the State of West Virginia.

Eighteen years ago, legislation was passed authorizing the construction of this building as it was badly needed at that time. The war came along and stopped construction. After I came to Congress, construction was again authorized but the Korean war developed and the project was stopped. I have had a bill put through Congress authorizing the beginning of construction. Certainly, if the building was needed 18 years ago, it is desperately needed now.

Construction should be started at once. This job would help the community and the unemployment situation. The building is badly needed, not only by the Post Office Department, but by all the Federal agencies in that area. I am hoping this can be included in the present plans, for a public works program to stop the recession, which the President announced February 12.

I know this construction at Martinsburg, W. Va., is fully justified on its own merits.

FLUORSPAR INDUSTRY

Mr. LIBONATI. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. GRAY] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. GRAY. Mr. Speaker, I am today introducing in the House of Representatives a bill to provide for increased custom duties on fluorspar under certain conditions. This will enable Congress to decide whether we shall have a domestic fluorspar industry or permit it to become another casualty from imports.

The fluorspar industry is a small one, but extremely important. Fluorspar is necessary for the production of steel, aluminum, hydrofluoric acid, freon gas, and fluorocarbon componnds. It is essential to the production of atomic energy, and the fluorine derived from it is being tested as a propellant in the missile and rocket field and has been called the most promising oxidizing agent we have.

Today domestic consumption of fluorspar is at an all-time high. Consumption is increasing at a greater rate than any other mineral and will continue to do so. Yet today the domestic industry is subsisting entirely from Government purchase programs which end this year. The domestic producers share of the market has dropped from 95 percent to practically nothing. Imports have increased from less than 10 percent of the market to about 90 percent. Imports of one grade of this mineral this year exceeded domestic consumption by considerable tonnage.

Consumers can obtain imports at prices domestic producers cannot meet. Foreign production can easily be expanded and will be in order to take all of the increases in consumption which we see in the future.

Mr. Speaker, my bill will not prevent imports. I think it is an extremely reasonable one. It would save about 50 percent of the domestic market for the domestic producers. It would enable the importers to bring in about 50 percent of the consumptive requirements at the present rate of duty which has been no deterrent to imports, and would divide future increases in consumption equally with them.

My bill would enable us to maintain a domestic industry upon which we could rely in time of emergency. In other past emergencies our domestic industry has provided all of our requirements. It will enable the miners to remain employed, the local communities to continue to collect taxes and carry out their governmental functions.

No relief is available under the escape clause which would save this industry. Only by the enactment of this legislation can we provide a means whereby it can continue to operate.

Failure to enact this bill will result in the closing of the fluorspar mines in Illinois, Kentucky, Colorado, Montana, and Utah. More unemployment will be created. We will then have requests for relief funds, requests for funds to support the schools and other public activities.

I respectfully urge my colleagues in the House to give this grave problem their serious consideration and to enact this legislation which will bring about some much needed relief for this vital industry.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5538) entitled "An act to provide that withdrawals, reservations, or restrictions of more than 5,000 acres of public lands of the United States for certain purposes shall not become effective until approved by act of Congress, and for other purposes."

The message also announced that the Vice President has appointed Mr. JOHNSTON of South Carolina and Mr. CARLSON members of the Joint Select Committee on the part of the Senate as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 58–8.

The message further announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 266. Concurrent resolution requesting the return of the enrollment of (H. R. 8038) by the President to the House of Representatives for the purposes of reenrollment.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. DAVIS of Georgia, for 10 minutes, today.

Mr. DAVIS of Georgia, on February 24, for 90 minutes.

Mr. PATMAN, on Monday next, for 30 minutes, and revise and extend his remarks and include extraneous material.

Mr. PASSMAN, today, for 40 minutes.

Mrs. SULLIVAN, for 15 minutes, today.

Mrs. ROGERS of Massachusetts, for 15 minutes, today.

Mr. BAILEY, for 30 minutes, on Monday next.

Mr. MCCORMACK, for 15 minutes today, and to revise and extend his remarks and include an article appearing in a newspaper.

Mr. STAGGERS, for 5 minutes, today.

Mr. CHRISTOPHER, for 30 minutes, on Tuesday next.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. ASPINALL and to include extraneous matter.

Mr. REUSS and to include extraneous matter.

Mr. O'HARA of Illinois and to include related matter.

Mr. WALTER and to include editorials.

Mr. PELLY in two instances.

Mr. ZABLOCKI.

Mr. BOGGS (at the request of Mr. MCCORMACK) and to include extraneous matter.

Mr. ASHLEY (at the request of Mr. MCCORMACK) and to include extraneous matter.

Mr. MULTER (at the request of Mr. MCCORMACK) and to include extraneous matter.

Mr. BREEDING (at the request of Mr. MCCORMACK) and to include extraneous matter.

Mr. METCALF.

Mr. BAILEY.

Mr. SIKES (at the request of Mr. MCCORMACK) and to include extraneous matter.

Mr. FLYNT and to include extraneous matter.

Mr. THOMPSON of New Jersey.

Mr. WRIGHT.

Mr. BLATNIK (at the request of Mr. LIBONATI) in two instances and to include extraneous matter.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 1040. An act to amend the acts known as the Life Insurance Act, approved June 19, 1934, and the Fire and Casualty Act, approved October 9, 1940; and

S. 2920. An act to provide for small-business disaster loans in areas affected by excessive rainfall.

JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on February 10, 1958, present to the President, for his approval, a joint resolution of the House of the following titles:

H. J. Res. 533. Joint resolution making supplemental appropriations for the Department of Labor for the fiscal year 1958, and for other purposes.

ADJOURNMENT

Mr. LIBONATI. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 32 minutes p. m.), under its previous order, the House adjourned until Monday, February 17, 1958, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1592. A letter from the Comptroller General of the United States, transmitting a report of the audit of Reconstruction Finance Corporation (in liquidation) and Defense Lending Division, Office of Production and Defense Lending, Treasury Department, for

the fiscal year ended June 30, 1957, pursuant to the Government Corporation Control Act (31 U. S. C. 841) (H. Doc. No. 330); to the Committee on Government Operations and ordered to be printed.

1593. A letter from the Comptroller General of the United States, transmitting a report on the audit of Federal Prison Industries, Inc., for the fiscal year ended June 30, 1957, pursuant to the Government Corporation Control Act (31 U. S. C. 841) (H. Doc. No. 331); to the Committee on Government Operations and ordered to be printed.

1594. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated September 9, 1957, submitting a report, together with accompanying papers and illustrations, on a review of report on the cooperative beach erosion control study of the shore of New Jersey from Sandy Hook to Barnegat Inlet, prepared under the provisions of section 2 of the River and Harbor Act approved July 3, 1930, as amended and supplemented (H. Doc. No. 332); to the Committee on Public Works and ordered to be printed with 12 illustrations.

1595. A letter from the Secretary of Agriculture, transmitting the Annual Report of the Cooperative Extension Service for the fiscal year ended June 30, 1957, pursuant to Public Law 83, 83d Congress; to the Committee on Agriculture.

1596. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation entitled "A bill to facilitate the insurance of loans under title I of the Bankhead-Jones Farm Tenant Act, as amended, and the act of August 28, 1937, as amended (relating to the conservation of water resources), and for other purposes"; to the Committee on Agriculture.

1597. A letter from the Secretary of the Army, transmitting a report on the progress of the Army Reserve Officers' Training Corps flight training program covering the period August 1, 1956 to January 1, 1958, pursuant to section 6 of Public Law 879, 84th Congress; to the Committee on Armed Services.

1598. A letter from the Deputy Secretary of Defense, transmitting a draft of proposed legislation entitled "A bill to authorize certain activities by the Armed Forces in support of the VIII Olympic winter games, and for other purposes"; to the Committee on Armed Services.

1599. A letter from the Secretary of Defense, transmitting the annual report on the status of training of each Reserve component of the Armed Forces and the progress made in strengthening of the Reserve components during fiscal year 1957, pursuant to subsection 260 (b) of the Armed Forces Reserve Act of 1952; to the Committee on Armed Services.

1600. A letter from the Administrator, Small Business Administration, transmitting a report reflecting estimated obligations by principal activities of the Small Business Administration for the period July 1 through December 31, 1957, pursuant to section 215 of the Small Business Act of 1955; to the Committee on Banking and Currency.

1601. A letter from the Director, Office of Defense Mobilization, Executive Office of the President, transmitting a draft of proposed legislation entitled "A bill to extend the Defense Production Act of 1950, as amended"; to the Committee on Banking and Currency.

1602. A letter from the Attorney General, transmitting a report which surveys the effects of defense expansion of machine tool supply upon the competitive status of the machine tool industry, and also containing the results of our continuing review of the outstanding voluntary agreements and programs established under section 708 (b) of the act, pursuant to section 708 (e) of the Defense Production Act of 1950; to the Committee on Banking and Currency.

1603. A letter from the Secretary of the Treasury, transmitting copies of the Quarterly Report on the Reconstruction Finance Corporation Liquidation Fund-Treasury Department Activities for the period ended September 30, 1957, pursuant to the Reconstruction Finance Corporation Liquidation Act, as amended (67 Stat. 230) and Reorganization Plan No. 1 of 1957 (22 F. R. 4633); to the Committee on Banking and Currency.

1604. A letter from the Acting Secretary of Agriculture, transmitting four reports prior to restoration of balances pertaining to certain appropriation and fund accounts, pursuant to title 31, United States Code, sections 701–708, and the requirements set forth in Bureau of the Budget Circular No. A–23, dated June 21, 1957; to the Committee on Government Operations.

1605. A letter from the Administrative Assistant, Secretary of the Interior, transmitting a report requesting the restoration of $54.63 to the appropriation, "14X2271, Payment to Tillamooks and Other Indians of Oregon," to cover payment of outstanding obligations, pursuant to title 31, United States Code, sections 701–708, and Bureau of the Budget Circular A–23, dated June 21, 1957; to the Committee on Government Operations.

1606. A letter from the Chairman, National Labor Relations Board, transmitting a report prior to restoration of balances requesting restoration of funds to appropriation "Salaries and expenses, 6360100," pursuant to Public Law 798, 84th Congress; to the Committee on Government Operations.

1607. A letter from the executive officer, National Advisory Committee for Aeronautics, transmitting a report on all tort claims paid by the National Advisory Committee for Aeronautics for the period January 1 to December 31, 1957, pursuant to Public Law 773, 80th Congress; to the Committee on the Judiciary.

1608. A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation entitled "A bill to repeal and amend certain statutes fixing or prohibiting the collection of fees for certain services under the navigation and vessel-inspection laws"; to the Committee on Merchant Marine and Fisheries.

1609. A letter from the Secretary of the Army, transmitting a draft of proposed legislation entitled "A bill to authorize the appropriation of funds to finance the 1961 meeting of the Permanent International Association of Navigation Congresses"; to the Committee on Public Works.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MILLS: Committee on Ways and Means. H. R. 6745. A bill to amend Public Law 587 by permitting the withholding by the Federal Government from wages of employees of certain taxes imposed by municipalities; with amendment (Rept. No. 1341). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLS: Committee on Ways and Means. H. R. 7454. A bill to amend the Tariff Act of 1930 to provide for the free importation by colleges and universities of sound recordings and film to be used by them in certain nonprofit radio and television broadcasts; with amendment (Rept. No. 1342). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLS: Committee on Ways and Means. H. R. 776. A bill to permit temporary free importation of automobiles and parts of automobiles when intended solely for show purposes; without amendment (Rept. No. 1343). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLS: Committee on Ways and Means. H. R. 5411. A bill to amend title II of the Social Security Act to provide that a widow or former wife divorced, who loses mother's insurance benefits by remarriage, may again become entitled if her husband dies within 1 year of such remarriage; with amendment (Rept. No. 1344). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. S. 1828. An act to retrocede to the State of Montana concurrent police jurisdiction over the Blackfeet Highway and its connections with the Glacier National Park road system, and for other purposes; without amendment (Rept. No. 1345). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN of California:

H. R. 10662. A bill to authorize certain activities by the Armed Forces in support of the VIII Olympic winter games, and for other purposes; to the Committee on Armed Services.

By Mr. ANDERSON of Montana:

H. R. 10663. A bill to check the growth of unemployment by providing for Federal assistance to States and local governments for the construction of needed public works and public improvements; to the Committee on Public Works.

By Mr. ASHLEY:

H. R. 10664. A bill to amend the Social Security Act and the Internal Revenue Code so as to increase the benefits payable under the Federal old-age, survivors, and disability insurance program, to provide insurance against the costs of hospital, nursing home, and surgical service for persons eligible for old-age and survivors insurance benefits, and for other purposes; to the Committee on Ways and Means.

H. R. 10665. A bill to amend the National Housing Act to authorize the Federal Housing Commissioner to purchase certain insured mortgages for the purpose of avoiding foreclosure in cases where the mortgagor is in financial straits for reasons beyond his control and could not otherwise retain his property; to the Committee on Banking and Currency.

By Mr. BAILEY:

H. R. 10666. A bill to amend the Federal Coal Mine Safety Act so as to provide further for the prevention of accidents in coal mines; to the Committee on Education and Labor.

By Mr. BARTLETT:

H. R. 10667. A bill to amend the act of July 26, 1946 (Public Law 551, 79th Cong.), as amended, relating to the issuance of general obligation bonds by the city of Anchorage, Alaska; to the Committee on Interior and Insular Affairs.

By Mr. BOGGS:

H. R. 10668. A bill authorizing maintenance of an adequate navigation channel in the Parish Line Canal, La., and for other purposes; to the Committee on Public Works.

By Mr. BOW:

H. R. 10669. A bill to provide minimum price-support levels for whole milk and butterfat during the 1-year period beginning April 1, 1958; to the Committee on Agriculture.

H. R. 10670. A bill to provide an adequate, balanced, and orderly flow of milk and dairy products in interstate and foreign commerce and for other purposes; to the Committee on Agriculture.

H. R. 10671. A bill to provide a method for computing parity prices for manufacturing milk; to the Committee on Agriculture.

By Mr. CELLER:

H. R. 10672. A bill to effectuate and enforce the constitutional right to the equal protection of the laws, and for other purposes; to the Committee on the Judiciary.

By Mr. CUNNINGHAM of Nebraska:

H. R. 10673. A bill to protect the right of the blind to self-expression through organizations of the blind; to the Committee on Education and Labor.

By Mr. DAVIS of Georgia:

H. R. 10674. A bill to allow credit under the Civil Service Retirement Act for certain service in the employment of a State, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. DAWSON of Utah:

H. R. 10675. A bill to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes; to the Committee on Ways and Means.

By Mr. DELLAY:

H. R. 10676. A bill to provide for unemployment reinsurance grants to the States to revise, extend, and improve the unemployment insurance program, and for other purposes; to the Committee on Ways and Means.

By Mr. DENTON:

H. R. 10677. A bill to check the growth of unemployment by providing for Federal assistance to States and local governments for the construction of needed public works and public improvements; to the Committee on Public Works.

H. R. 10678. A bill to provide for unemployment reinsurance grants to States, to revise, extend, and improve the unemployment insurance program, and for other purposes; to the Committee on Ways and Means.

By Mr. DINGELL:

H. R. 10679. A bill to amend the Migratory Bird Hunting Stamp Act of March 16, 1934, as amended; to the Committee on Merchant Marine and Fisheries.

By Mr. DONOHUE:

H. R. 10680. A bill to check the growth of unemployment by providing for Federal assistance to States and local governments for the construction of needed public works and public improvements; to the Committee on Public Works.

By Mr. ELLIOTT:

H. R. 10681. A bill to protect the right of the blind to self-expression through organizations of the blind; to the Committee on Education and Labor.

By Mr. EVINS:

H. R. 10682. A bill to provide for small-business disaster loans in areas affected by excessive rainfall; to the Committee on Banking and Currency.

H. R. 10683. A bill to create a Small Business Capital Bank System to make available to small business a source of equity and long-term loan capital where such capital is not available on reasonable terms from existing private sources; to transfer to such system all funds which are presently available under section 13b of the Federal Reserve Act for loans to industrial and commercial firms, together with certain other funds out of the surplus accounts of the Federal Reserve banks; and for other purposes; to the Committee on Banking and Currency.

By Mr. FINO:

H. R. 10684. A bill to increase the income limitations governing the payment of pension to widows of World War I, World War II, and the Korean conflict; to the Committee on Veterans' Affairs.

By Mr. FLOOD:

H. R. 10685. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income for certain amounts paid by a teacher for his further education; to the Committee on Ways and Means.

By Mr. HEMPHILL:

H. R. 10686. A bill to authorize the use of additional funds for the 1958 cotton acreage reserve program; to the Committee on Agriculture.

By Mr. HILLINGS:

H. R. 10687. A bill to authorize certain activities by the Armed Forces in support of the VIII Olympic winter games, and for other purposes; to the Committee on Armed Services.

By Mr. HOSMER:

H. R. 10688. A bill to require that commercial samples be classified as first-class mail; to the Committee on Post Office and Civil Service.

By Mr. LATHAM:

H. R. 10689. A bill to amend title II of the Social Security Act to increase minimum benefits, to provide full retirement benefits for both men and women at age 60, and to remove the limitation on the outside income which an individual may earn while receiving such benefits; to the Committee on Ways and Means.

H. R. 10690. A bill to increase from $1,200 to $2,500 the amount which may be taken into account in computing the retirement income credit under section 37 of the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mr. LONG:

H. R. 10691. A bill to provide that the Army shall be maintained at a minimum strength of 929,000 members; to the Committee on Armed Services.

By Mr. McCORMACK:

H. R. 10692. A bill to authorize the construction and sale by the Secretary of Commerce of two transatlantic superliners; to the Committee on Merchant Marine and Fisheries.

By Mr. McFALL:

H. R. 10693. A bill to validate the conveyance of certain land in the State of California by the Central Pacific Railway Co. and the Southern Pacific Co.; to the Committee on Interior and Insular Affairs.

H. R. 10694. A bill to authorize the withholding from the salaries of Government employees of amounts for the payment of premiums on accident and health insurance contracts; to the Committee on Post Office and Civil Service.

By Mr. MILLER of California:

H. R. 10695. A bill to authorize certain activities by the Armed Forces in support of the VIII Olympic winter games, and for other purposes; to the Committee on Armed Services.

By Mr. MITCHELL:

H. R. 10696. A bill to extend and liberalise the direct home-loan program for veterans, to extend the guaranteed home-loan program, to provide special assistance to paraplegic veterans under the direct home-loan program, to stimulate the making of direct farm-housing loans, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. MONTOYA:

H. R. 10697. A bill to amend Public Law 874, 81st Congress, relating to assistance for the maintenance and operation of schools in federally impacted areas, to extend its effectiveness for 3 additional years; to the Committee on Education and Labor.

By Mr. MULTER:

H. R. 10698. A bill to provide a residence for pages of the Senate and of the House of Representatives, under the supervision of a Capitol Pages' Residence Board; to the Committee on House Administration.

By Mr. PORTER:

H. R. 10699. A bill to effectuate and enforce the constitutional right to the equal protection of the laws, and for other purposes; to the Committee on the Judiciary.

H. R. 10700. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. RABAUT:

H. R. 10701. A bill to provide for grants to States and local governments to enable them to construct needed public works and improvements and thus to provide employment for persons who are unemployed; to the Committee on Public Works.

H. R. 10702. A bill to amend the Internal Revenue Code of 1954 to provide an additional income tax exemption for a taxpayer or spouse who has attained the age of 50 and is permanently and totally disabled; to the Committee on Ways and Means.

By Mr. RAINS:

H. R. 10703. A bill to amend title IV of the Housing Act of 1950 to increase the amount available under the college housing program for loans to provide housing for student nurses and interns at nonprofit hospitals; to the Committee on Banking and Currency.

By Mr. REUSS:

H. R. 10704. A bill to effectuate and enforce the constitutional right to the equal protection of the laws, and for other purposes; to the Committee on the Judiciary.

By Mr. ROBERTS:

H. R. 10705. A bill to provide separate medical facilities for veterans; to the Committee on Veterans' Affairs.

H. R. 10706. A bill to amend the Housing Act of 1956 to extend the period during which loans and grants may be made for the construction of hospitals under the Defense Housing and Community Facilities and Services Act of 1951, and to make additional funds available for that purpose; to the Committee on Banking and Currency.

H. R. 10707. A bill to amend section 224 of the Social Security Act to provide that there shall be no offset against social security benefits for disabled persons on account of disability retirement pay for members of the uniformed services; to the Committee on Ways and Means.

H. R. 10708. A bill to amend section 224 of the Social Security Act to provide that there shall be no offset against social security benefits for disabled persons on account of death benefits paid under laws administered by the Veterans' Administration; to the Committee on Ways and Means.

H. R. 10709. A bill to authorize the use of additional funds for the 1958 cotton acreage reserve program; to the Committee on Agriculture.

H. R. 10710. A bill to amend section 332 of title 10 of the United States Code to limit the use of the Armed Forces to enforce Federal laws or the orders of Federal courts; to the Committee on Armed Services.

By Mr. ROBSION of Kentucky:

H. R. 10711. A bill to extend veteran benefits to persons serving in the Armed Forces

between November 12, 1918 and July 2, 1921; to the Committee on Veterans' Affairs.

By Mr. SHELLEY:

H. R. 10712. A bill to effectuate and enforce the constitutional right to the equal protection of the laws, and for other purposes; to the Committee on the Judiciary.

H. R. 10713. A bill to authorize certain activities by the Armed Forces in support of the VIII Olympic winter games, and for other purposes; to the Committee on Armed Services.

By Mrs. SULLIVAN:

H. R. 10714. A bill to amend the National Housing Act to authorize the Federal Housing Commissioner to purchase certain insured mortgages for the purpose of avoiding foreclosure in cases where the mortgagor is in financial straits for reasons beyond his control and could not otherwise retain his property; to the Committee on Banking and Currency.

By Mr. TEAGUE of Texas:

H. R. 10715. A bill to alleviate the critical shortage of high quality cotton and to protect farm income, and for other purposes; to the Committee on Agriculture.

By Mr. THOMPSON of New Jersey:

H. R. 10716. A bill to effectuate and enforce the constitutional right to the equal protection of the laws, and for other purposes; to the Committee on the Judiciary.

By Mr. UDALL:

H. R. 10717. A bill to effectuate and enforce the constitutional right to the equal protection of the laws, and for other purposes; to the Committee on the Judiciary.

By Mr. ULLMAN:

H. R. 10718. A bill to amend certain sections of the Agricultural Adjustment Act (of 1933), as amended, and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, so as to extend the applicability and coverage of marketing agreements and orders; to the Committee on Agriculture.

By Mr. VANIK:

H. R. 10719. A bill to effectuate and enforce the constitutional right to the equal protection of the laws, and for other purposes; to the Committee on the Judiciary.

By Mr. WOLVERTON:

H. R. 10720. A bill to authorize the Secretary of Commerce to enter into contracts for the conduct of research in the field of meteorology and to authorize installation of Government telephones in certain private residences; to the Committee on Interstate and Foreign Commerce.

H. R. 10721. A bill to provide for the issuance of dealers' aircraft registration certificates; to the Committee on Interstate and Foreign Commerce.

By Mr. ZABLOCKI:

H. R. 10722. A bill to protect the right of the blind to self-expression; to the Committee on Education and Labor.

By Mr. ZELENKO:

H. R. 10723. A bill to authorize the construction and sale by the Federal Maritime Board of a superliner passenger vessel equivalent to the steamship *United States;* to the Committee on Merchant Marine and Fisheries.

H. R. 10724. A bill to authorize the construction and sale by the Federal Maritime Board of a passenger vessel for operation in the Pacific Ocean; to the Committee on Merchant Marine and Fisheries.

By Mr. BURNS of Hawaii:

H. R. 10725. A bill to authorize the President to issue posthumously in the name of John Paul Jones a commission as an admiral in the United States Navy; to the Committee on Armed Services.

By Mr. GRAY:

H. R. 10726. A bill to provide for increased custom duties on fluorspar under certain conditions; to the Committee on Ways and Means.

H. R. 10727. A bill to check the growth of unemployment by providing for Federal assistance to States and local governments for the construction of needed public works and public improvements; to the Committee on Public Works.

By Mr. KITCHIN:

H. R. 10728. A bill to authorize the use of additional funds for the 1958 cotton acreage reserve program; to the Committee on Agriculture.

By Mr. McDONOUGH:

H. R. 10729. A bill to authorize certain activities by the Armed Forces in support of the VIII Olympic winter games, and for other purposes; to the Committee on Armed Services.

By Mr. SHEPPARD:

H. R. 10730. A bill to amend the public-assistance provisions of the Social Security Act to provide increased payments, eliminate certain inequities and restrictions, and permit a more effective distribution of Federal funds; to the Committee on Ways and Means.

By Mr. MAGNUSON:

H. R. 10731. A bill to increase the equipment maintenance allowance for rural carriers, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. HAYS of Ohio:

H. Con. Res. 267. Concurrent resolution to request the President to use his best efforts to bring about a meeting of representative citizens from all North Atlantic Treaty Organization nations to examine ways to promote greater cooperation among those nations; to the Committee on Foreign Affairs.

By Mr. McMILLAN:

H. Res. 477. Resolution to exclude from the commercial corn-producing area 38 counties in the United States during 1958; to the Committee on Agriculture.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States concerning the establishment in California of a soil and water conservation laboratory; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of Montana:

H. R. 10732. A bill for the relief of the Crum-McKinnon Building Co., of Billings, Mont.; to the Committee on Government Operations.

By Mr. BOW:

H. R. 10733. A bill for the relief of Magnolia Airport, Inc.; to the Committee on the Judiciary.

By Mrs. CHURCH:

H. R. 10734. A bill for the relief of Mr. Wie Hwa Lee; to the Committee on the Judiciary.

By Mrs. GRIFFITHS:

H. R. 10735. A bill for the relief of Tomko Drohomerecki (Thomas Demray); to the Committee on the Judiciary.

By Mr. HOLIFIELD:

H. R. 10736. A bill to authorize the revestment of certain interests in land at the United States Naval Ammunition and Net Depot, Seal Beach, Calif.; to the Committee on Interior and Insular Affairs.

By Mr. HUDDLESTON:

H. R. 10737. A bill for the relief of Capt. Edward L. Hopper; to the Committee on the Judiciary.

By Mr. LANE:

H. R. 10738. A bill for the relief of Lora Kudera; to the Committee on the Judiciary.

By Mr. MORRISON:

H. R. 10739. A bill for the relief of Huang Hsin Lung; to the Committee on the Judiciary.

By Mr. SHELLEY:

H. R. 10740. A bill for the relief of Yen-An Kwan; to the Committee on the Judiciary.

By Mr. SISK:

H. R. 10741. A bill for the relief of Blanca G. Hidalgo; to the Committee on the Judiciary.

By Mr. TALLE:

H. R. 10742. A bill for the relief of Taufic Deoud Gebran (also known as Taufic G. Dawd) and his wife, Hanne Elias Wehby Deoud; to the Committee on the Judiciary.

By Mr. VANIK:

H. R. 10743. A bill for the relief of Nick Tsalikis; to the Committee on the Judiciary.

By Mr. WALTER:

H. R. 10744. A bill for the relief of Cyril D. Djangalosoff; to the Committee on the Judiciary.

By Mr. BOW:

H. R. 10745. A bill for the relief of Wayne E. Kimball; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

396. By Mr. MARSHALL: Petition of Mrs. Florence Shutter, and others, of Burtrum, Minn., in support of legislation to prohibit the advertising of alcoholic beverages in interstate commerce; to the Committee on Interstate and Foreign Commerce.

397. By Mr. REUSS: Petition of Mr. and Mrs. Herbert Warnke and Edward C. Warnke of Milwaukee, Wis., that Congress enact legislation amending the National Firearms Act and the Federal Firearms Act by providing that no regulations promulgated under the statute shall take effect without the express approval of the Congress; and that Congress consider evidence from all interested parties with the intention of revising, amending, or repealing the National Firearms Act and the Federal Firearms Act, as the Congress shall deem in the best public interest; to the Committee on Ways and Means.

398. By Mr. SCHENCK: Petition of Council of the city of Hamilton, Ohio, urging defeat of the natural gas bill; to the Committee on Interstate and Foreign Commerce.

399. Also, petition of the commission of the city of Dayton, Ohio, urging defeat of the natural gas bill; to the Committee on Interstate and Foreign Commerce.

400. Also, petition of the Council of Miamisburg, Ohio, urging defeat of the natural gas bill; to the Committee on Interstate and Foreign Commerce.

401. By the SPEAKER: Petition of the county clerk, Wailuku, Maui, T. H., relative to the erection and maintenance of a post office at Hoolehua, island and district of Molokai, county of Maui, T. H., to the Committee on Interior and Insular Affairs.

REGULATION OF LOBBYING ACT

In compliance with Public Law 601, 79th Congress, title III, Regulation of Lobbying Act, section 308 (b), which provides as follows:

(b) All information required to be filed under the provisions of this section with the Clerk of the House of Representatives and the Secretary of the Senate shall be compiled by said Clerk and Secretary, acting jointly, as soon as practicable after the close of the calendar quarter with respect to which such information is filed and shall be printed in the CONGRESSIONAL RECORD.

The Clerk of the House of Representatives and the Secretary of the Senate jointly submit their report of the compilation required by said law and have included all registrations and quarterly reports received.

QUARTERLY REPORT

The following reports for the third calendar quarter of 1957 were received after October 20, 1957, too late too be included in the published reports for that quarter:

A. Active-Retired Lighthouse Service Employees' Association, Post Office Box 2169, South Portland, Maine.
D. (6) $324. E. (9) $464.02.

A. American Cancer Society, 521 West 57th Street, New York, N. Y.
E. (9) $6,934.95.

A. American Civil Liberties Union, Inc., 170 Fifth Avenue, New York, N. Y.
D. (6) $1,438.85. E. (9) $1,438.85.

A. American Hospital Association, 18 East Division Street, Chicago, Ill.
D. (6) $12,494.28. E. (9) $11,194.28.

A. American Legion National Headquarters, Post Office Box 1055, Indianapolis, Ind.
D. (6) $2,115.43. E. (9) $23,135.50.

A. American Library Association, 50 East Huron Street, Chicago, Ill.
D. (6) $148.24. E. (9) $4,594.99.

A. American Nurses' Association, Inc., 2 Park Avenue, New York, N. Y.
D. (6) $52,769.47. E. (9) $2,661.45.

A. American Merchant Marine Institute, Inc., 11 Broadway, New York, N. Y.
E. (9) $5,982.30.

A. AMVETS (American Veterans of World War II), 1710 Rhode Island Avenue NW., Washington, D. C.
E. (9) $1,562.50.

A. American Veterinary Medical Association, 600 South Michigan Avenue, Chicago, Ill.
E. (9) $471.05.

A. Arthritis and Rheumatism Foundation, 23 West 45th Street, New York, N. Y.
E. (9) $1,203.29.

A. Baker, McKenzie & Hightower, 901 Barr Building, Washington, D. C.
B. Club Managers Association of America, 1028 Connecticut Avenue, Washington, D. C.
E. (9) $14.35.

A. Baker, McKenzie & Hightower, 901 Barr Building, Washington, D. C.
B. Roberts Dairy Co., 4469 Farnam Street, Omaha, Nebr.
D. (6) $780. E. (9) $21.86.

A. J. A. Beirne, 1808 Adams Mill Road NW., Washington, D. C.
B. Communications Workers of America, 1808 Adams Mill Road NW., Washington, D. C.

A. Carl H. Berglund, 1306 Washington Building, Tacoma, Wash.
E. (9) $6.10.

A. Helen Berthelot, 1808 Adams Mill Road NW., Washington, D. C.
B. Communications Workers of America, 1808 Adams Mill Road NW., Washington, D. C.
D. (6) $3,089.06. E. (9) $3,089.06.

A. Hudson Biery, 4517 Carew Tower, Cincinnati, Ohio.
B. Ohio Valley Improvement Association, Inc., 4517 Carew Tower, Cincinnati, Ohio.
D. (6) $3,498. E. (9) $231.66.

A. Charles B. Blankenship, 1808 Adams Mill Road NW., Washington, D. C.
B. Communications Workers of America, 1808 Adams Mill Road NW., Washington, D. C.
D. (6) $2,782.34. E. (9) $2,782.34.

A. Roland Boyd, 202 Central National Bank, McKinney, Tex.
B. Hub Hill, 2121 North Field Street, Dallas, Tex., and Don Elliott, Elliott Construction Co., Sherman, Tex.
D. (6) $2,575. E. (9) $370.09.

A. Roland Boyd, 202 Central National Bank Building, McKinney, Tex.
B. North Texas Municipal Water District, Wylie, Tex.
D. (6) $700. E. (9) $17.48.

A. Roland Boyd, 202 Central National Bank Building, McKinney, Tex.
B. Wherry Housing Association, 1737 H Street NW., Washington, D. C.
D. (6) $1,500. E. (9) $35.

A. Boykin & DeFrancis, Shoreham Building, Washington, D. C.
B. Mrs. Claire Hugo Stinnes, Grossenbaumerstrasse 253, Mulheim-Ruhr, Germany.
E. (9) $729.05.

A. Boykin & DeFrancis, Shoreham Building, Washington, D. C.
B. Studiengesellschaft fur Privatrechtliche Auslandsinteressen, e. V. Contrescarpe 46, Germany.
E. (9) $1,301.53.

A. Mrs. Rollin Brown, 700 North Rush Street, Chicago, Ill.

A. Thomas Burke, 1126 16th Street NW., Washington, D. C.
B. United Automobile, Aircraft, Agricultural Implement Workers of America Solidarity House, 8000 East Jefferson Avenue, Detroit, Mich.
D. (6) $1,091. E. (9) $395.

A. George B. Burnham, 132 Third Street NE., Washington, D. C.
B. Numerous stockholders of the Burnham Chemical Co., 132 Third Street SE., Washington, D. C.
D. (6) $204. E. (9) $204.

A. Bernard N. Burnstine, 900 F Street NW., Washington, D. C.
B. Jewelry Industry Tax Committee, Inc., 50 Broadway, New York, N. Y.

A. Butler & McKinney, 1624 I Street NW., Washington, D. C.
B. Richard Haster and wife, and A. E. Arnold, 2435 West First Street, Santa Ana, Calif.
D. (6) $519.47. E. (9) $75.

A. Wallace J. Campbell, 1025 Vermont Avenue NW., Washington, D. C.
B. Cooperative League of the U. S. A., 343 South Dearborn Street, Chicago, Ill.

A. Cliff D. Carpenter, 59 East Madison Street, Chicago, Ill.
B. Institute of American Poultry Industries, 59 East Madison Street, Chicago, Ill.
D. (6) $625.

A. Carpet Institute, Inc., 350 Fifth Avenue, New York, N. Y.
E. (9) $3,234.

A. Albert E. Carter, 1026 16th Street NW., Washington, D. C.
B. Pacific Gas & Electric Co., 248 Market Street, San Francisco, Calif.
D. (6) $3,000. E. (9) $1,989.55.

A. Citizens Committee on Natural Resources, 2140 P Street NW., Washington, D. C.
D. (6) $1,560. E. (9) $3,014.17.

A. Classroom Periodical Publishers Association, 38 West Fifth Street, D..yton, Ohio.

A. Arthur D. Condon, 1000 Vermont Avenue NW., Washington, D. C.
B. Amana Refrigeration, Inc., Amana, Iowa.

A. Arthur D. Condon, 1000 Vermont Avenue NW., Washington, D. C.
B. General counsel for Independent Advisory Committee to the Trucking Industry, Inc.

A. Arthur D. Condon, 1000 Vermont Avenue NW., Washington, D. C.
B. Salt Producers Association, 726 La Salle-Wacker Building, Chicago, Ill.

A. Conference of American Small Business Organizations, 407 South Dearborn Street, Chicago, Ill.
D. (6) $15,867. E.(9) $7,001.49.

A. Communications Workers of America, 1806 Adams Mill Road NW., Washington, D. C.
D. (6) $1,143,765.90. E. (9) $5,871.40.

A. Council of State Chambers of Commerce, 1025 Connecticut Avenue, Washington, D. C.
D. (6) $1,014.91. E. (9) $1,014.91.

A. Donald M. Counihan, 1000 Connecticut Avenue NW., Washington, D. C.
B. American Corn Millers' Federation, 140 South Dearborn Street, Chicago, Ill.

A. Donald M. Counihan, 1000 Connecticut Avenue NW., Washington, D. C.
B. Classroom Periodical Publishers' Association, 38 West Fifth Street, Dayton, Ohio.

A. Gilbert Cox, Elliston, Va.
B. National Association of Soil Conservation Districts, League City, Tex.

A. Robert W. Coyne, 1501 Broadway, New York, N. Y.

B. Council of Motion Picture Organizations, Inc., 1501 Broadway, New York, N. Y.
D. (6) $623.29. E. (9) $434.74.

A. Edward B. Crosland, 195 Broadway, New York, N. Y., and 1001 Connecticut Avenue NW., Washington, D. C.
B. American Telephone and Telegraph Co., 195 Broadway, New York, N. Y.
D. (6) $4,999.99.

A. John L. Crull, 1806 Adams Mill Road NW., Washington, D. C.
B. Communications Workers of America, 1806 Adams Mill Road NW., Washington, D. C.

A. John T. Curran, 815 16th Street NW., Washington, D. C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D. C.
D. (6) $2,600. E. (9) $408.

A. Joan David, 4737 36th Street NW., Washington, D C.
B. National Counsel Associates, 211 Wyatt Building, Washington, D. C.
D. (6) $250.

A. Joffre C. David, 4401 East Colonial Drive, Orlando, Fla.
B. Florida Fruit and Vegetable Association, 4401 East Colonial Drive, Orlando, Fla.
D. (6) $444.39. E. (9) $436.18.

A. Charles W. Davis, 1 North La Salle Street, Chicago, Ill.
B. Ontario Land Co., 807 Lonsdale Building, Duluth, Minn.
D. (6) $5,000.

A. S. P. Deas, 520 National Bank of Commerce Building, New Orleans, La.
B. Southern Pine Industry Committee.

A. John D. deButts, 195 Broadway, New York, N. Y., and 1001 Connecticut Avenue NW., Washington, D. C.
B. American Telephone & Telegraph Co., 195 Broadway, New York, N. Y.
D. (6) $3,125.01.

A. Richard A. Dell, 2000 Florida Avenue NW., Washington, D. C.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D. C.
D. (6) $906.27.

A. Ralph B. Dewey, 1625 K Street NW., Washington, D. C.
B. Pacific American Steamship Association, 16 California Street, San Francisco, Calif.
D. (6) $750. E. (9) $766.38.

A. John M. Dickerman, 1625 L Street NW., Washington, D. C.
B. National Association of Home Builders of the United States, 1625 L Street NW., Washington, D. C.
D. (6) $937.50. E. (9) $451.02.

A. District of Columbia Petroleum Industries Committee, 1625 K Street NW., Washington, D. C.
B. Petroleum Industry Trade Association.
D. (6) $300. E. (9) $300.

A. Robert E. Dougherty, 1145 19th Street NW., Washington, D. C.
B. Hardwood Plywood Manufacturers Committee, 1145 19th Street NW., Washington, D. C.
D. (6) $2,499.96. E. (9) $286.40.

A. Carlyle M. Dunaway, 1800 H Street NW., Washington, D. C.
B. The National Association of Life Underwriters, 1800 H Street NW., Washington, D. C.
D. (6) $328. E. (9) $86.37.

A. Wm. M. Dunn, 1808 Adams Mill Road NW., Washington, D. C.
B. Communications Workers of America, 1808 Adams Mill Road NW., Washington, D. C.

A. Dwight, Royall, Harris, Koegel & Caskey, 500 Wire Building, Washington, D. C.
B. Rayon Staple Fiber Producers Association, Room 7319, Empire State Building, New York, N. Y.
D. (6) $19,889.25. E. (9) $1,566.60.

A. Joseph L. Dwyer, 5863 Chevy Chase Parkway, Washington, D. C.
B. Contract Carriers Conference, American Trucking Association, 1424 16th Street NW., Washington, D. C.
D. (6) $750. E. (9) $166.12.

A. John Doyle Elliott, 808 North Capitol Street, Washington, D. C.
B. Townsend Plan, Inc., 808 North Capitol Street, Washington, D. C.
D. (6) $1,205. E. (9) $10.56.

A. John W. Emeigh, 1040 Warner Building, Washington, D. C.
B. The National Rural Letter Carriers' Association, 1040 Warner Building, Washington, D. C.
D. (6) $501.03. E. (9) $19.

A. Mrs. Albert E. Farwell, Box 188, Route 1, Vienna, Va.
B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill.

A. Florida Fruit and Vegetable Association, 4401 East Colonial Drive, Orlando, Fla.
D. (6) $3,622.80. E. (9) $3,622.80.

A. W. Robert Fokes, 400 Midyette-Moor Building, Tallahassee, Fla.
B. Florida Railroad Association, 400 Midyette-Moor Building, Tallahassee, Fla.

A. E. F. Forbes, 604 Mission Street, San Francisco, Calif.,
B. Western States Meat Packers Association, Inc., 604 Mission Street, Suite 1001-3, San Francisco, Calif.
D. (6) $7,500.

A. Ronald J. Foulis, 195 Broadway, New York, N. Y., and 1001 Connecticut Avenue NW., Washington D. C.
B. American Telephone & Telegraph Co., 195 Broadway, New York, N. Y.
D. (6) $2,250.

A. Nolen J. Fuqua, Duncan, Okla.
B. National Association of Soil Conservation Districts, League City, Tex.
D. (6.) $423.41. E. (9) $423.41.

A. General Federation of Women's Clubs, 1734 N Street NW., Washington, D. C.

A. Cassius B. Gravitt, Jr., 1110 F Street NW., Washington, D. C.
B. National League of Postmasters of the United States, 1110 F Street NW., Washington, D. C.
D. (6.) $1,000. E. (9.) $200.

A. Group Health Federation of America, 343 South Dearborn Street, Chicago, Ill.
D. (6) $300. E. (9) $217.

A. William A. Hanscom, 1126 16th Street NW., Washington, D. C.
B. Oil, Chemical, and Atomic Workers International Union, AFL-CIO, 1840 California Street, Denver, Colo.
D. (6) $1,287.50. E. (9) $225.

A. Murray Hanson, 425 13th Street NW., Washington, D. C.
B. Investment Bankers Association of America, 425 13th Street NW., Washington, D. C.
D. (6) $600. E. (9) $804.86.

A. Conrad P. Harness, Suite 1117, Barr Bldg., Washington, D. C.
B. Prefabricated Home Manufacturers' Institute, Suite 1117, Barr Building, Washington, D. C.
D. (6) $1,250.

A. Robert E. Harper, 1413 K Street NW., Washington, D. C.
B. National Business Publications, Inc., 1413 K Street NW., Washington, D. C.

A. L. S. Hitchner, Associations Building, 1145 19th Street NW., Washington, D. C.
B. National Agricultural Chemicals Association, Associations Building, 1145 19th Street NW., Washington, D. C.

A. John R. Holden, 1710 Rhode Island Avenue NW., Washington, D. C.
B. AMVETS (American Veterans of World War II), 1710 Rhode Island Avenue NW., Washington, D. C.
D. (6) $1,000. E. (9) $75.

A. Mrs. Jency Price Houser, 1420 New York Avenue NW., Washington, D. C.
D. (6) $985. E. (9) $985.

A. Housewives United, 2915 Foxhall Road NW., Washington, D. C.
D. (6) $19.

A. Ray L. Hulick, 1040 Warner Building Washington, D. C.
B. The National Rural Letter Carriers' Association, 1040 Warner Building, Washington, D. C.
D. (6) $501.03. E. (9) $25.

A. W. J. Hynes, 611 Idaho Building, Boise, Idaho.
B. Union Pacific Railroad Co., 1416 Dodge Street, Omaha, Nebr.
E. (9) $521.84.

A. Independent Advisory Committee to the Trucking Industry Inc., 1000 Vermont Avenue NW., Washington, D. C.

A. Institute of American Poultry Industries, 59 East Madison Street, Chicago, Ill.
D. (6) $1,985.16. E. (9) $1,985.16.

A. International Union of Electrical, Radio and Machine Workers, AFL-CIO, 1126 16th Street NW., Washington, D. C.
E. (9) $1,031.

A. Jewelry Industry Tax Committee, Inc., 820 Highland Avenue, Newark, N. J.
D. (6) $10. E. (9) $2,750.16.

A. William T. Jobe, 810 18th Street NW., Washington, D. C.
B. National Association of Ice Industries, 810 18th Street NW., Washington, D. C.

A. John E. Kane, 1625 K Street NW., Washington, D. C.
B. American Petroleum Institute, 50 West 50th Street, New York, N. Y.
D. (6) $3,240. E. (9) $814.65.

A. John E. Kane, 1625 K Street NW., Washington, D. C.
B. District of Columbia Petroleum Industries Committee.
D. (6) $300.

A. Kenneth L. Kimble, 1701 K Street NW., Washington, D. C.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
D. (6) $131.25. E. (9) $1.30.

A. J. M. DeW. (Jack) Kyle 2d, Post Office Box 1520, Washington, D. C.
B. Dav-Philians Social Security Organization, Inc., San Dionisio, Paranaque, Rizal, Republic of the Philippines.
E. (9) $193.52.

A. John M. Littlepage, 840 Investment Building, 15th and K Streets NW., Washington, D. C.
B. The American Tobacco Co., Inc., 150 East 42d Street, New York, N. Y.

A. Powers Luse, North Baltimore, Ohio.
B. Pennsylvania-Ohio-New Committee on Low Cost Niagara-St. Lawrence Power, Box 187, North Baltimore, Ohio.
D. (6) $832.22. E. (9) $915.79.

A. LeRoy E. Lyon, Jr., 530 West Sixth Street, Los Angeles, Calif.
B. California Railroad Association, 215 Market Street, San Francisco, Calif.
D. (6) $875. E. (9) $637.08.

A. Charlton H. Lyons, Sr., 1500 Beck Building, Shreveport, La.
E. (9) $8070.01.

A. J. A. McCallam, 1507 M Street NW., Washington, D. C.
B. American Veterinary Medical Association, 1507 M Street NW., Washington, D. C.
E. (9) $471.05.

A. Charles B. McCarthy, 1501 Broadway, New York, N. Y.
B. Council of Motion Picture Organizations, Inc., 1501 Broadway, New York, N. Y.
D. (6) $390. E. (9) $152.57.

A. Robert S. McClelland, Duncan, Okla.
B. National Association of Soil Conservation Districts, League City, Tex.

A. William A. McClintock, Jr., 7447 Skokie Boulevard, Skokie, Ill.
B. The National Committee for Insurance Taxation, the Hay-Adams House, Washington, D. C.

A. Clarence A. McGillen, Jr., 1424 K Street NW., Washington, D. C.
B. Parcel Post Association, 925 15th Street NW., Washington, D. C.
D. (6) $1,000. E. (9) $1,200.

A. Joseph B. McGrath, 1625 L Street NW., Washington, D. C.
B. National Association of Home Builders of the United States, 1625 L Street NW., Washington, D. C.
D. (6) $1,750. E. (9) $161.45.

A. Ralph J. McNair, 1701 K Street NW., Washington, D. C.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
D. (6) $450. E. (9) $9.38.

A. Francis J. McNamara, 610 Wire Building, 1000 Vermont Avenue NW., Washington, D. C.
B. Veterans of Foreign Wars of the United States.
D. (6) $2,062.50. E. (9) $25.80.

A. MacLeigh, Spray, Price & Underwood, 134 South La Salle Street, Chicago, Ill.
B. National Committee for Insurance Taxation, 221 North La Salle Street, Chicago, Ill.
D. (6) $5,545. E. (9) $364.96.

A. Harry B. Madsen, 1559 North McKinley Road, Lake Forest, Ill.
B. The National Committee for Insurance Taxation, the Hay-Adams House, Washington, D. C.
D. (6) $1,365. E. (9) $320.98.

A. James D. Mann, 714 Sheraton Building, Washington, D. C.
B. Private Truck Council of America, Inc., 714 Sheraton Building, Washington, D. C.

A. James Mark, Jr., 1435 K Street NW., Washington, D. C.
B. United Mine Workers of America, 900 15th Street NW., Washington, D. C.
D. (6) $3,802.

A. Marks & Trowbridge, Ring Building, Washington, D. C.
B. Basic Industries Power Committee, 400 Erie County Savings Bank Building, Buffalo, N. Y.
D. (6) $1,355. E. (9) $211.02.

A. Arnold Mayer, 100 Indiana Avenue NW., Room 409, Washington, D. C.
B. Amalgamated Meat Cutters and Butcher Workmen of North America, AFL–CIO, 2800 North Sheridan Road, Chicago, Ill.
D. (6) $1,040. E. (9) $2,298.18.

A. Kenneth A. Meiklejohn, 1908 Q Street NW., Washington, D. C.
B. International Ladies' Garment Workers' Union, AFL–CIO, 1710 Broadway, New York, N. Y.
D. (6) $1,344. E. (9) $93.45.

A. Kenneth A. Meiklejohn, 1908 Q Street NW., Washington, D. C.
B. Retail, Wholesale & Department Store Union, AFL–CIO, 132 West 43d Street, New York, N. Y.
D. (6) $675. E. (9) $118.50.

A. Joseph L. Miller, 1025 Connecticut Avenue NW., Washington, D. C.
B. Northern Textile Association, Maytag Co., and Quinebaug-French Rivers Manufacturers Association.
D. (6) $2,650. E. (9) $551.83.

A. Marion S. Monk, Jr., Batchelor, La.
B. National Association of Soil Conservation Districts, League City, Tex.

A. Moot, Sprague, Marcy & Quick, 400 Erie County Savings Bank Building, Buffalo, N. Y.
B. Basic Industries Power Committee, 400 Erie County Savings Bank Bldg., Buffalo, N. Y.
D. (6) $1,700. E. (9) $1,679.88.

A. Kenneth R. Morefield, 4401 East Colonial Drive, Orlando, Fla.
B. Florida Fruit & Vegetable Association, 4401 East Colonial Drive, Orlando, Fla.
D. (6) $20.83. E. (9) $66.88.

A. Silas A. Morehouse, Post Office Box 4085, Jefferson Manor, Alexandria, Va.
B. F. W. Clarke, 112 North St. Asaph Street, Alexandria, Va.

A. Silas A. Morehouse, Post Office Box 4085, Jefferson Manor, Alexandria, Va.
B. Silok, Inc., Post Office Box 4085, Jefferson Manor, Alexandria, Va.

A. Andrew P. Murphy, 1625 L Street NW., Washington, D. C.
B. National Association of Home Builders of the United States, 1625 L Street NW., Washington, D. C.
D. (6) $1,500. E. (9) $203.91.

A. John H. Myers, 1224 Cleveland Street, Wilmette, Ill.
B. The National Committee for Insurance Taxation, Hay-Adams House, Washington, D. C.

A. National Associated Businessmen, Inc., 910 17th Street NW., Washington, D. C.
D. (6) $1,243.30. E. (9) $892.18.

A. National Association of Home Builders of the United States, 1625 L Street NW, Washington, D. C.
D. (6) $10,213.94. E. (9) $15,136.32.

A. National Association of Life Underwriters, 1800 H Street NW., Washington, D. C.
D. (6) $3,424.55. E. (9) $3,424.55.

A. National Association of Refrigerated Warehouses, Inc., 1219 Tower Building, Washington, D. C.

A. National Association of Wheat Growers, Imperial, Nebr.
D. (6) $847.90. E. (9) $847.90.

A. National Business Publications, Inc., 1413 K Street NW., Washington, D. C.

A. National Committee for Insurance Taxation, the Hay-Adams House, Washington, D. C.
E. (9) $6,615.51.

A. National Congress of Petroleum Retailers, Inc., 325 Farwell Building, Detroit, Mich.
D. (6) $1,947.54. E. (9) $1,000.43.

A. National Counsel Associates, 211 Wyatt Building, Washington, D. C.
B. Independent Airlines Association, Washington, D. C., City of Philadelphia, Philadelphia, Pa., and Association of First Class Mailers, New York, N. Y.
D. (6) $6,166. E. (9) $5,345.

A. National Federation of Business and Professional Women's Clubs, Inc., 2012 Massachusetts Avenue NW., Washington, D. C.
D. (6) $317,481.60. E. (9) $2,101.23.

A. National Federation of Independent Business, Inc., 740 Washington Building, Washington, D. C.
D. (6) $9,303.68. E. (9) $9,303.68.

A. National Multiple Sclerosis Society, 257 Fourth Avenue, New York, N. Y.
E. (9) $802.21.

A. National Postal Committee for Books, 24 West 40th Street, New York, N. Y.

A. National Reclamation Association, 897 National Press Building, Washington, D. C.
D. (6) $11,500.17. E. (9) $11,805.39.

A. National Rehabilitation Association, Inc., 1025 Vermont Avenue NW., Washington, D. C.
D. (6) $862.92. E. (9) $610.

A. National Rural Letter Carriers' Association, 1040 Warner Building, Washington, D. C.
D. (6) $10,262.38. E. (9) $8,006.49.

A. National Tax Equality Association, 231 South La Salle Street, Chicago, Ill.
D. (6) $4,013.68. E. (9) $4,897.26.

A. National Woman's Christian Temperance Union, 1730 Chicago Avenue, Evanston, Ill.
D. (6) $1,597.43. E. (9) $2,046.35.

A. John W. Nerlinger, Jr., 325 Farwell Building, Detroit, Mich.
B. National Congress of Petroleum Retailers, Inc., 325 Farwell Building, Detroit, Mich.
D. (6) $187.50.

A. Northern Hemlock & Hardwood Manufacturers' Association, Washington Boulevard, Oshkosh, Wis.
D. (6) $100.

A. Robert J. O'Connell, Interstate Circuit, Majestic Theater Building, Dallas, Tex.
B. Council of Motion Picture Organizations, Inc., 1501 Broadway, New York, N. Y.

A. Charles A. Parker, Room 714, 1346 Connecticut Avenue NW., Washington, D. C.
B. National Aviation Trades Association, 1346 Connecticut Avenue NW., Washington, D. C.

A. Joseph O. Parker, 531 Washington Building, Washington, D. C.
B. Florida Fruit & Vegetable Association, 4401 East Colonial Drive, Orlando, Fla.
D. (6) $2,500. E. (9) $51.52.

A. Joseph O. Parker, 531 Washington Building, Washington, D. C.
B. Institute of American Poultry Industries, 59 East Madison Street, Chicago, Ill.
D. (6) $562.50. E. (9) $64.55.

A. Joseph O. Parker, 531 Washington Building, Washington, D. C.
B. The National Grange, 744 Jackson Place NW., Washington, D. C.
E. (9) $24.80.

A. Iris Peterson, 4201 Massachusets Avenue NW., Washington, D. C.
B. Air Line Stewards & Stewardesses Association, International, 55th and Cicero Avenue, Chicago, Ill.

A. Kenneth Peterson, 1126 16th Street NW., Washington, D. C.
B. International Union of Electrical, Radio, and Machine Workers, AFL–CIO, 1126 16th Street NW., Washington, D. C.
D. (6) $1,031.

A. Andrew A. Pettis, Room 301, Bond Building, 1404 New York Avenue NW., Washington, D. C.
B. Industrial Union of Marine & Shipbuilding Workers of America affiliated with American Federation of Labor-Congress of Industrial Organizations, 534 Cooper Street, Camden, N. J.
D. (6) $2,538.42. E. (9) $1,906.47.

A. Philco Corp., Tioga and C Streets, Philadelphila, Pa.

A. Albert Pike, Jr., 488 Madison Avenue, New York, N. Y.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
D. (6) $65.

A. Prefabricated Home Manufacturers' Institute, Suite 1117, Barr Building, 910 17th Street NW., Washington, D. C.

A. Mrs. R. I. C. Prout, General Federation of Women's Clubs, 1734 N Street NW., Washington, D. C.

A. Gordon M. Quarnstrom, 7447 Skokie Boulevard, Skokie, Ill.
B. The National Committee for Insurance Taxation, The Hay-Adams House, Washington, D. C.

A. Luke C. Quinn, Jr., Room 607, 1001 Connecticut Avenue NW., Washington, D. C.
B. American Cancer Society, Arthritis and Rheumatism Foundation, United Cerebral Palsy Associations, National Multiple Sclerosis Society, and National Committee for Research in Neurological Disorders, New York, N. Y.
D. (6) $7,749.97. E. (9) $4,671.98.

A. Mrs. Richard G. Radue, 3406 Quebec Street NW., Washington, D. C.
B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill.

A. Donald J. Ramsey, 1612 I Street NW., Washington, D. C.
B. Silver Users Association, 1612 I Street NW., Washington, D. C.
D. (6) $4,250. E. (9) $642.88.

A. Otie M. Reed, 1107 19th Street NW., Washington, D. C.
B. National Creameries Association, 817 New York Building, St. Paul, Minn.
D. (6) $1,875. E. (9) $1,209.10.

A. George L. Reid, Jr., 1010 Vermont Avenue NW., Washington, D. C.
B. National Association of Wheat Growers, Imperial, Nebr.
D. (6) $750. E. (9) $97.90.

A. John Arthur Reynolds, 653 Cortland Avenue, Fresno, Calif.
B. Western Cotton Growers Association of California, 2201 F Street, Bakersfield, Calif.
D. (6) $3,150. E. (9) $579.46.

A. Arthur Rhorer, 301–303 Peoples Building, Middlesborough, Ky.
B. Miss Marie B. Kraus, 2500 Calvert Street NW., Washington, D. C.
D. (6) $4,000.

A. Bill Richards, Orleans, Nebr.
B. National Association of Soil Conservation Districts, League City, Tex.

A. Harry H. Rieck, Preston, Md.
B. National Association of Soil Conservation Districts, League City, Tex.

A. George D. Riley, 815 16th Street NW., Washington, D. C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D. C.
D. (6) $2,899. E. (9) $478.15.

A. Maurice Rosenblatt, 316 A Street NE., Washington, D. C.
B. National Counsel Associates, 211 Wyatt Building, Washington, D. C.
D. (6) $2,100.

A. Francis J. Ryley, 519 Title and Trust Building, Phoenix, Ariz.
B. General Petroleum Corp., Los Angeles; Richfield Oil Corp., Los Angeles; Shell Oil Co., San Francisco; Standard Oil Company of California, San Francisco; Tidewater Oil Co., San Francisco; Union Oil Co., Los Angeles.
D. (6) $600.

A. Selvage & Lee, Inc., 1625 I Street NW., Washington, D. C.
B. Carpet Institute, Empire State Building, New York, N. Y.
D. (6) $3,000. E. (9) $200.34.

A. Selvage & Lee, Inc., 1625 I Street NW., Washington, D. C.
B. Chicago Mercantile Exchange, 110 North Franklin Street, Chicago, Ill.
D. (6) $5,000. E. (9) $1,042.

A. Selvage & Lee, Inc., 1625 I Street NW., Washington, D. C.
B. Mobile Homes Manufacturers Association, 20 North Wacker Drive, Chicago, Ill.
D.(6) $1,249.98. E. (9) $55.12.

A. Selvage & Lee, Inc., 1625 I Street NW., Washington, D. C.
B. New York Coffee and Sugar Exchange, 113 Pearl Street, New York, N. Y.
D. (6) $1,200. E. (9)$42.15.

A. Donald H. Sharp, 195 Broadway, New York, N. Y., and 1001 Connecticut Avenue NW., Washington, D. C.
B. American Telephone & Telegraph Co., 195 Broadway, New York, N. Y.
D. (6) $2,250.

A. Paul Sifton, 1126 16th Street NW., Washington, D. C.
B. United Automobile, Aircraft, Agricultural Implement Workers of America, 8000 East Jefferson Avenue, Detroit, Mich.
D. (6) $2,418. E. (9) $2,442.13.

A. Silver Users Association, 1612 I Street NW., Washington, D. C.
D. (6) $2,459. E. (9) $8,394.99.

A. John A. Smith, Post Office Box 9063, Denver, Colo.
B. Continental Air Lines, Inc., Post Office Box 9063, Denver, Colo.
E. (9) $1,629.50.

A. Lucius S. Smith III, 1025 Connecticut Avenue, Washington, D. C.
B. American Thrift Assembly, Inc., 1025 Connecticut Avenue, Washingon, D. C.
D. (6) $3,600. E. (9) $132.69.

A. Dr. Spencer M. Smith, Jr., 1709 North Glebe Road, Arlington, Va.
B. Citizens Committee on Natural Resources, 2140 P Street NW., Washington, D. C.
D. (6) $1,061.35.

A. Society for Animal Protective Legislation, Room 812, 745 Fifth Avenue, New York, N. Y.
D. (6) $3,597. E. (9) $857.31.

A. Southern Pine Industry Committee, 520 National Bank of Commerce Building, New Orleans, La.
D. (6) $3,912.61. E. (9) $3,220.32.

A. Mrs. Ada B. Stough, 132 Third Street SE., Washington, D. C.
B. American Parents Committee, Inc., 132 Third Street SE., Washington, D. C.
D. (6) $42.83. E. (9) $42.83.

A. Francis W. Stover, 610 Wire Building, Washington, D. C.
B. Veterans of Foreign Wars of the United States.
D. (6) $1,437.50. E. (9) $53.20.

A. William A. Stringfellow, 6004 Roosevelt Street, Bethesda, Md.
B. National Association of Mutual Insurance Agents, 829 Investment Building, Washington, D. C.

A. William L. Sturdevant, Jr., 8300 Burdette Road, Bethesda, Md.
B. National Counsel Associates, 211 Wyatt Building, Washington, D. C.
D. (6) $2,100.

A. Texas Committee of Correspondence, Post Office Box 912, Austin, Tex.

A. Julia C. Thompson, 711 14th Street NW., Washington, D. C.
B. American Nurses' Association, Inc., 2 Park Avenue, New York, N. Y.
D. (6) $1,817.27.

A. Eugene M. Thore, 1701 K Street NW., Washington, D. C.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
D. (6) $2,062.50. E. (9) $34.34.

A. Richard A. Tilden, 441 Lexington Avenue, New York, N. Y.

B. R. E. Schanzer, Inc., 608-12, South Peters Street, New Orleans, La.
D. (6) $156.25. E. (9) $2.91.

A. Clarence D. Todd, 1825 Jefferson Place NW., Washington, D. C.
B. Contract Carrier Conference, American Trucking Association, 1424 16th Street NW., Washington, D. C.
D. (6) $5,000.

A. Townsend Plan, Inc., and Townsend National Weekly, Inc., 808 North Capitol Street NW., Washington, D. C.

A. Paul T. Truitt, 1700 K Street NW., Washington, D. C.
B. National Plant Food Institute, 1700 K Street NW., Washington, D. C.

A. Hugh C. Tuttle, Dover, N. H.
B. National Association of Soil Conservation Districts, League City, Tex.

A. United Cerebral Palsy Associations, Inc., 369 Lexington Avenue, New York, N. Y.
E. (9) $1,336.99.

A. Universal Research and Consultants, Inc., 221 Dupont Circle Building, Washington, D. C.
B. The Republic of Cuba, Post Office Box 1383, Habana, Cuba; the Republic of Venezuela, 2445 Massachusetts Avenue NW., Washington, D. C.; and Arab States Delegation Office, 120 East 56th Street, New York, N. Y.
D. (6) $1,250. E. (9) $1,808.90.

A. Paul H. Walker, 1701 K Street NW., Washington, D. C.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
D. (6) $75.83.

A. Herbert P. Walton, 7447 Skokie Boulevard, Skokie, Ill.
B. The National Committee for Insurance Taxation, the Hay-Adams House, Washington, D. C.

A. Weaver & Glassie, 1225 19th Street NW., Washington, D. C.
B. National Electrical Contractors Association and the Council of Mechanical Specialty Contracting Industries, Inc., Ring Building, Washington, D. C.
D. (6) $12,000. E. (9) $385.69.

A. Weaver & Glassie, 1225 19th Street NW., Washington, D. C.
B. Philco Corp., Tioga and C Streets, Philadelphia, Pa.

A. Weaver & Glassie, 1225 19th Street NW., Washington, D. C.
B. Eastern Meat Packers Association, Inc., Statler Hotel, New York, N. Y.
E. (9) $55.28.

A. Weaver & Glassie, 1225 19th Street NW., Washington, D. C.
B. The National Independent Meat Packers Association, 740 11th Street NW., Washington, D. C.
D. (6) $3,000. E. (9) $118.92.

A. William E. Welsh, 897 National Press Building, Washington, D. C.
B. National Reclamation Association, 897 National Press Building, Washington, D. C.
D. (6) $3,750. E. (9) $126.

A. West Coast Inland Navigation District, Courthouse, Bradenton, Fla.
E. (9) $626.72.

A. Western States Meat Packers Association, Inc., 604 Mission Street, San Francisco, Calif.
D. (6) $17,276.51. E. (9) $918.07.

A. John C. White, 838 Transportation Building, Washington, D. C.
E. (9) $18.49.

A. John J. Wicker, Jr., 501 Mutual Building, Richmond, Va.
B. Mutual Insurance Committee on Federal Taxation, 20 North Wacker Drive, Chicago, Ill.
D. (6) $1,977.08. E. (9) $1,977.08.

A. Claude C. Wild, Jr., 1625 K Street NW., Washington, D. C.
B. Mid-Continent Oil & Gas Association, 300 Tulsa Building, Tulsa, Okla.
D. (6) $450. E. (9) $25.

A. Kenneth Williamson, Mills Building, Washington, D. C.
B. American Hospital Association, 18 East Division Street, Chicago, Ill.
D. (6) $2,568.87. E. (9) $382.66.

A. Frank G. Wolfney, 59 East Madison Street, Chicago, Ill.
B. Institute of American Poultry Industries, 59 East Madison Street, Chicago, Ill.
D. (6) $225. E. (9) $83.80.

A. Burton C. Wood, 1625 L Street NW., Washington, D. C.
B. National Association of Home Builders of the United States, 1625 L Street NW., Washington, D. C.
D. (6) $1,375. E. (9) $39.

QUARTERLY REPORTS

The following quarterly reports were submitted for the fourth calendar quarter 1957:

(NOTE.—The form used for reports is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective letter and number.)

FILE TWO COPIES WITH THE SECRETARY OF THE SENATE AND FILE THREE COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19------

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names or agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302 (e).

(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (a) Description; (b) quantity distributed; (c) date of distribution; (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

AFFIDAVIT

[Omitted in printing]

PAGE 1

NOTE ON ITEM "D."—(*a*) *In General.* The term "contribution" includes *anything of value.* When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—Section 302 (a) of the Lobbying Act.

(*b*) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In General.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in accordance with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multipurpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(*c*) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In General.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this Report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS):

Fill in every blank. If the answer to any numbered item is "None," write "None" in the space following the number.

Receipts (other than loans)

1. $_____Dues and assessments
2. $_____Gifts of money or anything of value
3. $_____Printed or duplicated matter received as a gift
4. $_____Receipts from sale of printed or duplicated matter

5. $_____Received for services (e. g., salary, fee, etc.)
6. $_____TOTAL for this Quarter (Add items "1" through "5")

7. $_____Received during previous Quarters of calendar year
8. $_____TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received

"The term 'contribution' includes a . . . *loan* . . ."—Sec. 302 (a).

9. $_____TOTAL now owed to others on account of loans
10. $_____Borrowed from others during this Quarter
11. $_____Repaid to others during this Quarter

12. $_____"Expense money" and Reimbursements received this Quarter

Contributors of $500 or more
(from Jan. 1 through this Quarter)

13. Have there been such contributors?
Please answer "yes" or "no": _____

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last days of this Quarter total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor*
	(*"Period"* from Jan. 1 through _____, 19____)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N. Y.
$1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE ON ITEM "E".—(*a*) *In General.* "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—Section 302 (b) of the Lobbying Act.

(*b*) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "None" in the spaces following the number.

Expenditures (other than loans)

1. $_____Public relations and advertising services
2. $_____Wages, salaries, fees, commissions (other than item "1")
3. $_____Gifts or contributions made during Quarter
4. $_____Printed or duplicated matter, including distribution cost
5. $_____Office overhead (rent, supplies, utilities, etc.)
6. $_____Telephone and telegraph
7. $_____Travel, food, lodging, and entertainment
8. $_____All other expenditures

9. $_____TOTAL for this Quarter (Add "1" through "8")

10. $_____Expended during previous Quarters of calendar year

11. $_____TOTAL from January 1 through this Quarter (Add "9" and "10")

Loans Made to Others

"The term 'expenditure' includes a . . . *loan* . . ."—Sec. 302 (b).

12. $_____TOTAL now owed to person filing
13. $_____Lent to others during this Quarter
14. $_____Repayment received during this Quarter

15. Recipients of Expenditures of $10 or More
In the case of expenditures made during this Quarter by, or on behalf of the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7–11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7–15, 8–15, 9–15: Britten & Blatten, 3127 Gremlin Bldg., Washington, D. C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

A. Claris Adams, 1701 K Street NW., Washington, D. C.
B. American Life Convention, 230 North Michigan Avenue, Chicago, Ill.
D. (6) $87.20.

A. J. Carson Adkerson, 976 National Press Building, Washington, D. C.
E. (9) $2.45.

A. Arthur F. Aebersold, 900 F Street NW., Washington, D. C.
B. Retirement Federation of Civil Service Employees of the United States Government, 900 F Street NW., Washington, D. C.
D. (6) $1,442.55.

A. AFL–CIO Maritime Committee, 132 Third Street SE., Washington, D. C.
D. (6) $5,085. E. (9) $6,124.01.

A. Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C.
D. (6) $4,235.80. E. (9) $4,235.80.

A. Louis J. Allen, 1121 Nashville Trust Building, Nashville, Tenn.
B. Class I railroads in Tennessee.

A. W. L. Allen, 8605 Cameron Street, Silver Spring, Md.
B. The Commercial Telegraphers' Union, International, 8605 Cameron Street, Silver Spring, Md.

A. William B. Allen, 917 15th Street NW., Washington, D. C.
B. United Rubber, Cork, Linoleum, and Plastic Workers of America, High at Mill Street, Akron, Ohio.
D. (6) $2,080. E. (9) $336.70.

A. Thomas H. Alphin, M. D., 1523 L Street NW., Washington, D. C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
9. (6) $925. E. (9) $433.93.

A. Amalgamated Association of Street, Electric Railway, and Motor Coach Employees of America, 5025 Wisconsin Avenue NW., Washington, D. C.

A. American Bottlers of Carbonated Beverages, 1128 16th Street NW., Washington, D. C.

A. American Cotton Manufacturers Institute, Inc., 1501 Johnston Building, Charlotte, N. C.
D. (6) $6,568.43. E. (9) $6,568.43.

A. American Dental Association, 222 East Superior Street, Chicago, Ill.
D. (6) $7,418.31. E. (9) $7,418.31.

A. American Farm Bureau Federation, Merchandise Mart Plaza, Chicago, Ill., and 425 13th Street NW., Washington, D. C.
D. (6) $21,877. E. (9) $21,877.

A. American Federation of Labor and Congress of Industrial Organizations, AFL–CIO Building, Washington, D. C.
E. (9) $34,626.77.

A. American Federation of Musicians, 425 Park Avenue, New York, N. Y.
D. (6) $7,063.79. E. (9) $6,510.36.

A. American Federation of the Physically Handicapped, 1370 National Press Building, Washington, D. C.

A. American Heritage Publishing Co., Inc., 551 Fifth Avenue, New York, N. Y.
E. (9) $378.81.

A. American Hotel Association, 221 West 57th Street, New York, N. Y.
D. (6) $156,893.99.

A. American Hull Insurance Syndicate, 99 John Street, New York, N. Y.
E. (9) $400.

A. American Humane Association, 896 Pennsylvania Street, Denver, Colo.
E. (9) $1,249.98.

A. American Institute of Marine Underwriters, 99 John Street, New York, N. Y.
E. (9) $400.

A. American Life Convention, 230 North Michigan Avenue, Chicago, Ill.
D. (6) $469.99. E. (9) $380.51.

A. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $15,000. E. (9) $12,745.58.

A. American National Cattlemen's Association, 801 East 17th Avenue, Denver, Colo.
D. (7) $104,645.58. E. (9) $3,000.

A. American Optometric Association, Inc. (Development Fund-Legislature), care of Dr. H. Ward Ewalt, Jr., 8001 Jenkins Arcade, Pittsburgh, Pa.

A. American Osteopathic Association, 212 East Ohio Street, Chicago, Ill.
D. (6) $454.79. E. (9) $454.79.

A. American Paper and Pulp Association, 122 East 42d Street, New York, N. Y.

A. American Parents Committee, Inc., 132 Third Street SE., Washington, D. C., and 52 Vanderbilt Avenue, New York, N. Y.
D. (6) $14,960.47. E. (9) $446.89.

A. American Petroleum Institute, 50 West 50th Street, New York, N. Y.
D. (6) $84. E. (9) $10,271.

A. American Pulpwood Association, 220 East 42d Street, New York, N. Y.

A. American Retail Federation, 1145 19th Street NW., Washington, D. C.
D. (6) $39,851.88. E. (9) $9,428.22.

A. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D. C.
D. (6) $4,757.23. E. (9) $4,757.23.

A. American Tariff League, Inc., 19 West 44th Street, New York, N. Y.

A. American Textile Machinery Association, 60 Batterymarch Street, Boston, Mass.
D. (6) $1.20.

A. American Tramp Shipowners Association, Inc., 11 Broadway, New York, N. Y.,
E. (9) $4,573.11.

A. AMVETS (American Veterans of World War II), 1710 Rhode Island Avenue NW., Washington, D. C.
E. (9) $1,562.50.

A. American Veterinary Medical Association, 600 South Michigan Avenue, Chicago, Ill.
E. (9) $482.61.

A. American Warehousemen's Association, Merchandise Division, 222 West Adams Street, Chicago, Ill.

A. American Zionist Committee for Public Affairs, 1737 H Street NW., Washington, D. C.

A. America's Wage Earners' Protective Conference, 815 15th Street NW., Washington, D. C.
D. (6) $1,585. E. (9) $1,675.82.

A. Samuel W. Anderson, 1700 K Street NW., Washington, D. C.
B. American Watch Association, Inc., 1700 K Street NW., Washington, D. C.
D. (6) $6,249.99.

A. Walter M. Anderson, Jr., Montgomery, Ala.
B. Alabama Railroad Association, 1002 First National Bank Building, Montgomery, Ala.

A. Area Employment Expansion Committee, 1144 Pennsylvania Building, Washington, D. C.

A. Arkansas Railroad Committee, 1115 Boyle Building, Little Rock, Ark.
B. Class 1 railroads operating in the State of Arkansas.

A. W. C. Arnold, 200 Colman Building, Seattle, Wash.
B. Alaska Salmon Industry, Inc., 200 Colman Building, Seattle, Wash.

A. Arthritis and Rheumatism Foundation, 10 Columbus Circle, New York, N. Y.
E. (9) $1,125.04.

A. Associated General Contractors of America, Inc., Munsey Building, Washington, D. C.

A. Associated Third Class Mail Users, 1406 G Street NW., Washington, D. C.
D. (6) $4,745.

A. Association of American Physicians and Surgeons, Inc., 185 North Wabash Avenue, Chicago, Ill.
D. (6) $1,500. E. (9) $1,500.

A. Association of American Railroads, 929 Transportation Building, Washington, D. C.
D. (6) $7,089.27. E. (9) $7,089.27.

A. Association of American Ship Owners, 76 Beaver Street, New York, N. Y.

A. Association of Casualty & Surety Companies, 60 John Street, New York, N. Y.
D. (6) $2,076.96. E. (9) $2,076.96.

A. Association of Western Railways, 224 Union Station Building, Chicago, Ill.

A. Edward Atkins, 51 East 42d Street, New York, N. Y.
B. National Association of Shoe Chain Stores, Inc., 51 East 42d Street, New York, N. Y.
D. (6) $250. E. (9) $250.

A. Charles E. Babcock, Route 2, Box 406, Vienna, Va.
B. National Council, Junior Order United American Mechanics, 3027 North Broad Street, Philadelphia, Pa.
D. (6) $150. E. (9) $2.25.

A. George P. Baker, Soldiers Field Post Office, Boston, Mass.
B. Transportation Association of America, 6 North Michigan Avenue, Chicago, Ill.

A. John A. Baker.
B. Farmers' Educational and Co-Operative Union of America (National Farmers Union), 1404 New York Avenue NW., Washington, D. C.
D. (6) $3,015.49. E. (9) $688.06.

A. J. H. Ballew, 1103 Stahlman Building, Nashville, Tenn.
B. Southern States Industrial Council, Nashville, Tenn.
D. (6) $2,600.

A. N. C. Banfield, 110 Seward Street, Juneau, Alaska.
B. Klukwan Iron Ore Corp., 110 Seward Street, Juneau, Alaska.

A. Hartman Barber, Room 301, 401 Third Street NW., Washington, D. C.
B. Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employes, 1015 Vine Street, Cincinnati, Ohio.
D. (6) $2,184.07. E. (9) $683.45.

A. Barnes, Dechert, Price, Myers & Rhoads, 1600 Three Penn Center Plaza, Philadelphia, Pa.
B. Association of American Railroads, Transportation Building, Washington, D. C.
E. (9) $303.33.

A. James M. Barnes, 1025 Connecticut Avenue NW., Washington, D. C.
B. Reciprocal Inter-Insurers Federal Tax Committee, United Artists Building, Detroit, Mich.
E. (9) $170.68.

A. Arthur R. Barnett, 1200 18th Street NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
D. (6) $595.85. E. (9) $62.54.

A. Irvin L. Barney, Room 303, 401 Third Street NW., Washington, D. C.
B. Brotherhood of Railway Carmen of America, 4929 Main Street, Kansas City, Mo.
D. (6) $2,625.

A. William G. Barr, 711 14th Street NW., Washington, D. C.
B. National Parking Association, Inc., 711 14th Street NW., Washington, D. C.

A. Harry S. Beer, Jr., 1115 17th Street NW., Washington, D. C.
B. Aeronautical Training Society, 1115 17th Street NW., Washington, D. C.
D. (6) $2,000. E. (9) $34.

A. Bert Bell, 1 Bala Avenue, Bala-Cynwyd, Pa.
B. National Football League, 1 Bala Avenue, Bala-Cynwyd, Pa.
E. (9) $3,612.57.

A. Julia D. Bennett, Hotel Congressional, Washington, D. C.
B. American Library Association, 50 East Huron Street, Chicago, Ill.

A. Ernest H. Benson, 401 Third Street NW., Washington, D. C.
B. Brotherhood of Maintenance of Way Employees, 12050 Woodward Avenue, Detroit, Mich.
D. (6) $4,500.

A. Carl H. Berglund, 1306 Washington Building, Tacoma, Wash.

A. Bergson & Borkland, 918 16th Street NW., Washington, D. C.
B. Freeport Sulphur Co., 161 East 42d Street, New York, N. Y.
E. (9) $1.25.

A. Andrew J. Biemiller, 815 16th Street NW., Washington, D. C.,
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D. C.
D. (6) $3,556. E. (9) $248.

A. Walter J. Bierwagen, 900 F Street NW., Washington, D. C.
B. Division 689, Amalgamated Association of Street, Electric Railway and Motor Coach Employees of America, AFL–CIO, 900 F Street NW., Washington, D. C.

A. Hudson Biery, 4517 Carew Tower, Cincinnati, Ohio.
B. Ohio Valley Improvement Association, Inc., 4517 Carew Tower, Cincinnati, Ohio.

A. Bigham, Englar, Jones & Houston, 99 John Street, New York, N. Y., and 839 Shoreham Building, Washington, D. C.
B. The American Institute of Marine Underwriters, The Association of Marine Underwriters of the United States, American Cargo War Risk Reinsurance Exchange, American Hull Insurance Syndicate.
D. (6) $800. E. (9) $60.

A. Robert J. Bird, 731 Washington Building, Washington, D. C.
B. Massachusetts Protective Association, Worcester, Mass.

A. John H. Bivins, 50 West 50th Street, New York, N. Y.
B. American Petroleum Institute, 50 West 50th Street, New York, N. Y.
D. (6) $487.50.

A. James C. Black, 1625 K Street NW., Washington, D. C.
B. Republic Steel Corp., Republic Building, Cleveland, Ohio.
D. (6) $600. E. (9) $500.

A. Wm. Rhea Blake, 1918 North Parkway, Memphis, Tenn.
B. National Cotton Council of America, P. O. Box 9905, Memphis, Tenn.

A. Mrs. Paul Blanshard, 408 A Street NE., Washington, D. C.
B. Unitarian Fellowship for Social Justice, Educational Organizations.
D. (6) $300. E. (9) $120.

A. Blum, Lindsey & Powell, 1741 K Street NW., Washington, D. C.
B. Committee for Study of Revenue Bond Financing, 9 South William Street, New York, N. Y.
D. (6) $2,250. E. (9) $74.75.

A. Eugene F. Bogan, 1108 16th Street NW., Washington, D. C.
B. National Association of Investment Companies, 61 Broadway, New York, N. Y.

A. Paul H. Bolton, 1001 Connecticut Avenue NW., Washington, D. C.
B. International Association of Wholesalers, Inc., 1001 Connecticut Avenue NW., Washington, D. C.

A. Hyman Bookbinder, 815 16th Street NW., Washington, D. C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D. C.
D. (6) $3,122. E. (9) $663.35.

A. Joseph L. Borda, 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers, 918 16th Street NW., Washington, D. C.

A. Lyle H. Boren, Seminole, Okla.
B. The Association of Western Railways, 224 Union Station Building, Chicago, Ill.

A. Robert T. Borth, 777 14th Street NW., Washington, D. C.
B. General Electric Co., 570 Lexington Avenue, New York, N. Y.
D. (6) $375. E. (9) $356.91.

A. G. Stewart Boswell, Room 502, Ring Building, 1200 18th Street NW., Washington, D. C.
B. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.
D. (6) $90.

A. R. B. Bowden, 600 Folger Building, Washington, D. C.
B. Grain & Feed Dealers National Association, 600 Folger Building, Washington, D. C.

A. Joseph E. Brady, 2347 Vine Street, Cincinnati, Ohio.
B. International Union of United Brewery, Flour, Cereal, Soft Drink and Distillery Workers of America, 2347 Vine Street, Cincinnati, Ohio.

A. Harold P. Braman, 907 Ring Building, 18th and M Streets NW., Washington, D. C.
B. National Savings & Loan League, 907 Ring Building, 18th and M Streets NW., Washington, D. C.
D. (6) $525.

A. Harry R. Brashear, 610 Shoreham Building, Washington, D. C.
B. Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C.

A. Frank P. Brennan, Avoca, Iowa.
B. Iowa Power & Light Co., Des Moines, Iowa.

A. Homer L. Brinkley.
B. National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C.

A. W. S. Bromley, 220 East 42d Street, New York, N. Y.
B. American Pulpwood Association, 220 East 42d Street, New York, N. Y.

A. Milton E. Brooding, 215 Fremont Street, San Francisco, Calif.
B. California Packing Corp., 215 Fremont Street, San Francisco, Calif.

A. Derek Brooks, 1028 Connecticut Avenue NW., Washington, D. C.
B. National Retail Furniture Association, 666 Lake Shore Drive, Chicago, Ill.
D. (6) $600. E. (9) $541.23.

A. Brotherhood of Locomotive Engineers, 1122 Engineers Building, Cleveland, Ohio.

A. Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees, 1015 Vine Street, Cincinnati, Ohio.
D. (6) $3,238.12. E. (9) $3,238.12.

A. J. Olney Brott, 730 15th Street NW., Washington, D. C.
B. American Bankers Association, 12 East 36th Street, New York, N. Y.
D. (6) $512.50.

A. J. D. Brown, 1025 Connecticut Avenue NW., Washington, D. C.
B. American Public Power Association, 1025 Connecticut Avenue NW., Washington, D. C.

A. Brown, Lund & Fitzgerald, 1625 I Street NW., Washington, D. C.
B. National Association of Electric Companies, Ring Building, 1200 18th Street NW., Washington, D. C.
D. (6) $356.25. E. (9) $408.27.

A. Mrs. Rollin Brown, 700 North Rush Street, Chicago, Ill.

A. Lyman L. Bryan, 270 Madison Avenue, New York, N. Y.
B. American Institute of Certified Public Accountants, 270 Madison Avenue, New York, N. Y.
D. (6) $150. E. (9) $50.

A. Henry H. Buckman, 54 Buckman Building, Jacksonville, Fla.

B. Florida Inland Navigation District, Citizens Bank Building, Bunnell, Fla.
D. (6) $1,429.63. E. (9) $79.63.

A. Henry H. Buckman, 54 Buckman Building, Jacksonville, Fla.
B. The Florida Ship Canal Navigation District, 720 Florida Title Building, Jacksonville, Fla.
D. (6) $1,350. E. (9) $242.65.

A. George S. Buck, Jr., 1918 N. Parkway, Memphis, Tenn.
B. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.

A. George J. Burger, 250 West 57th Street, New York, N. Y., and 740 Washington Building, Washington, D. C.
B. Burger Tire Consultant Service, 250 West 57th Street, New York, N. Y., and National Federation of Independent Business, 740 Washington Building, Washington, D. C.

A. John J. Burke, 1062 West Platinum, Butte, Mont.
B. Pacific Northwest Power Co., Post Office Box 1445, Spokane, Wash.
E. (9) $200.

A. Thomas Burke, 1126 16th Street NW., Washington, D. C.
B. United Automobile, Aircraft, Agricultural Implement Workers of America, Solidarity House, 8000 East Jefferson Avenue, Detroit, Mich.
D. (6) $1091. E. (9) $395.

A. Burley & Dark Leaf Tobacco Export Association, Post Office Box 860, Lexington, Ky.
D. (6) $11,175.

A. Robert M. Burr, 101 Park Avenue, New York, N. Y.
B. Mica Industry Tariff Committee, Spruce Pine, N. C.
D. (6) $2,305.80. E. (9) $35.50.

A. Robert M. Burr, 101 Park Avenue, New York, N. Y.
B. National Electrical Manufacturers Association, 155 East 44th Street, New York, N. Y.
D. (6) $58. E. (9) $108.98.

A. Orrin A. Burrows, 1200 15th Street NW., Washington, D. C.
B. International Brotherhood of Electrical Workers, 1200 15th Street NW., Washington, D. C.
D. (6) $2,874.99.

A. Charles C. Butler, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $270. E. (9) $1.91.

A. George P. Byrne, Jr., 53 Park Place, New York, N. Y.
B. United States Wood Screw Service Bureau, 53 Park Place, New York, N. Y.

A. Lawrence V. Byrnes, 401 3d Street NW., Washington, D. C.
B. Brotherhood of Locomotive Engineers, B. of L. E. Building, Cleveland, Ohio.
D. (6) $3,313.50.

A. C. G. Caffrey, Suite 504, 1145 19th Street NW., Washington, D. C.
B. Cotton Manufacturers Institute, Inc., 1501 Johnston Building, Charlotte, N. C.
D. (6) $760.20. E. (9) $18.

A. Leonard J. Calhoun, 411 Washington Building, Washington, D. C.
B. Public Information Committee of the Cotton Industries, 304 Empire Bank Building, Dallas, Tex.
D. (6) $1,500.

A. Gordon L. Calvert, 425 13th Street NW., Washington, D. C.
B. Investment Bankers Association of America, 425 13th Street NW., Washington, D. C.
D. (6) $300. E. (9) $388.21.

A. Campaign for the 48 States, Cotton Exchange Building, Memphis, Tenn.
D. (6) $7,013.23. E. (9) $8,613.07.

A. Carl C. Campbell, Room 502, Ring Building, 1200 18th Street NW., Washington, D. C.
B. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.

A. James A. Campbell, 900 F Street NW., Washington, D. C.
B. American Federation of Government Employees, 900 F Street NW., Washington, D. C.
D. (6) $2,961.48. E. (9) $296.15.

A. Wallace J. Campbell, 1025 Vermont Avenue NW., Washington, D. C.
B. Cooperative League of the U. S. A., 343 South Dearborn Street, Chicago, Ill.

A. John L. Carey, 270 Madison Avenue, New York, N. Y.
B. American Institute of Certified Public Accountants, 270 Madison Avenue, New York, N. Y.
D. (6) $1,000.

A. John T. Carlton, 2517 Connecticut Avenue NW., Washington, D. C.
B. Reserve Officers Association of the United States, 2517 Connecticut Avenue NW., Washington, D. C.

A. Cliff D. Carpenter, 59 East Madison Street, Chicago, Ill.
B. Institute of American Poultry Industries, 59 East Madison Street, Chicago, Ill.

A. T. C. Carroll, 12050 Woodward Avenue, Detroit, Mich.

A. Henderson H. Carson, 600 First National Bank Building, Canton, Ohio, and 744 Pennsylvania Building, Washington, D. C.
B. East Ohio Gas Co., 1405 East Sixth Street, Cleveland, Ohio.
D. (6) $1,000. E. (9) $168.

A. Albert E. Carter, 1026 16th Street NW., Washington, D. C.
B. Pacific Gas & Electric Co., 245 Market Street, San Francisco, Calif.
D. (6) $3,000. E (9) $2,242.73.

A. William L. Carter, 1105 Barr Building, Washington, D. C.
B. International Association of Ice Cream Manufacturers.

A. Benjamin F. Castle, 1145 19th Street NW., Washington, D. C.
B. Milk Industry Foundation, 1145 19th Street NW., Washington, D. C.

A. Larry Cates, 1143 National Press Building, Washington, D. C.
B. Air Line Pilots Association, 55th Street and Cicero Avenue, Chicago, Ill.
D. (6) $3,181.72.

A. Francis R. Cawley, Room 1005, 1101 Vermont Avenue NW., Washington, D. C.
B. Magazine Publishers Association, Inc., 232 Madison Avenue, New York, N. Y.
D. (6) $735. E. (9) $286.42.

A. Justice M. Chambers, 2521 Connecticut Avenue NW., Washington, D. C.
B. M. Golodetz & Co., 120 Wall Street, New York, N. Y.
D. (6) $2,500.

A. Justice M. Chambers, 2521 Connecticut Avenue NW., Washington, D. C.
B. The Great Eastern Shipping Co., Ltd., 14 Jamshedji Tata Road, Bombay, India.
D. (6) $600.

A. Christian Amendment Movement, 804 Penn Avenue, Pittsburgh, Pa.
D. (6) $3,282.68. E. (9) $4,695.35.

A. Earl W. Clark, 132 Third Street SE., Washington, D. C.
B. Labor-Management Maritime Committee, 132 Third Street SE., Washington, D. C.
D. (6) $900. E. (9) $151.54.

A. Omer W. Clark, 1701 18th Street NW., Washington, D. C.
B. Disabled American Veterans, 5555 Ridge Avenue, Cincinnati, Ohio.
E. (9) $2,919.72.

A. Robert M. Clark, 525 Shoreham Building, Washington, D. C.
B. The Atchison, Topeka & Santa Fe Railway Co., 80 East Jackson Boulevard, Chicago, Ill.

A. Clear Channel Broadcasting Service (CCBS), 532 Shoreham Building, Washington, D. C.

A. Clarence E. Cleveland, Montpelier, Vt.
B. Vermont State Railroads Association, Montpelier, Vt.

A. Herman Clott, 711 14th Street NW. (room 600), Washington, D. C.
B. International Union of Mine, Mill & Smelter Workers, Suite 412, Tabor Building, Denver, Colo.
D. (6) $1,540.50. E. (9) $257.18.

A. Coles & Goertner, 1000 Connecticut Avenue, Washington, D. C.
B. The American Tramp Shipowners Association, Inc., 11 Broadway, New York, N. Y.
E. (9) $128.66.

A. Don C. Collins, Kit Carson, Colo.
B. American National Cattlemen's Association, 801 East 17th Avenue, Denver, Colo.

A. Committee for Collective Security, 90 John Street, New York, N. Y.
D. (6) $30. E. (9) $282.37.

A. Committee on Foreign Policy Legislation, 300 Independence Avenue SE., Washington, D. C.
D. (6) $2,847. E. (9) $1,109.37.

A. Committee for Oil Pipe Lines, 418 Munsey Building, Washington, D. C.
E. (9) $325.

A. Committee for Study of Revenue Bond Financing, 149 Broadway, New York, N. Y.
D. (6) $21,600. E. (9) $17,389.55.

A. Lawrence R. Condon, 165 Broadway, New York, N. Y.
B. Estate of Mary Clark deBrabant and Mrs. Katherine C. Williams, care of Mr. Rodney W. Williams, 120 Broadway, New York, N. Y.
D. (6) $13,120.

A. John C. Cone, 815 15th Street NW., Washington, D. C.
B. Pan American World Airways System, 815 15th Street NW., Washington, D. C.

A. Conference on State Defense, 111 Eighth Avenue, New York City, N. Y.

A. Julian D. Conover, Ring Building, Washington, D. C.
B. American Mining Congress, Ring Building, Washington, D. C.
D. (6) $2,500.

A. Bernard J. Conway, 222 East Superior Street, Chicago, Ill.
B. American Dental Association, 222 East Superior Street, Chicago, Ill.
D. (6) $3,000.

A. Orval R. Cook, 610 Shoreham Building, Washington, D. C.
B. Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C.

A. Raymond A. Cook, 2200 Gulf Building, Houston, Tex.
B. Hughes Tool Co., Houston, Tex.

A. J. Milton Cooper, 1100 Bowen Building, Washington, D. C.
B. New York Stock Exchange, 11 Wall Street, New York, N. Y.

A. J. Milton Cooper, 1100 Bowen Building, Washington, D. C.
B. R. J. Reynolds Tobacco Co., Winston-Salem, N. C.

A. Cooper & Silverstein, 1100 Bowen Building, Washington, D. C.
B. Fountain Pen & Mechanical Pencil Manufacturers' Association, Inc., 1426 G Street NW., Washington, D. C.

A. Cooper & Silverstein, 1100 Bowen Building, Washington, D. C.
B. National Coal Association, Southern Building, 15th and H Streets NW., Washington, D. C.

A. Wilmer A. Cooper, 104 C Street NE., Washington, D. C.
B. Friends Committee on National Legislation, 104 C Street NE., Washington, D. C.
D. (6) $155.77.

A. Cordage Legislative Committee, 350 Madison Avenue, New York, N. Y.
D. (6) $150. E. (9) $2,538.79.

A. Edward J. Coughlin, 900 F Street NW., Room 901, Washington, D. C.
B. American Federation of Technical Engineers, 900 F Street NW., Room 901, Washington, D. C.
D. (6) $195. E. (9) $20.

A. Council of Conservationists, 588 Fifth Avenue, New York, N. Y.
B. Fred Smith & Co., Inc., 588 Fifth Avenue, New York, N. Y.

A. Council of Mechanical Specialty Contracting Industries, Inc., 610 Ring Building, Washington, D. C.
B. The Council of Mechanical Specialty Contracting Industries, Inc., 610 Ring Building, Washington, D. C.
D. (6) $350. E. (9) $3,888.37.

A. Council of State Chambers of Commerce, 1025 Connecticut Avenue, Washington, D. C.
D. (6) $259.70. E. (9) $259.70.

A. Edsall Lee Couplin, 441 East Jefferson Avenue, Detroit, Mich.
B. Michigan Hospital Service, 441 East Jefferson Avenue, Detroit, Mich.
D. (6) $1,200. E. (9) $57.

A. Covington & Burling, 701 Union Trust Building, Washington, D. C.
B. Chicago and North Western Railway System, 400 West Madison Street, Chicago, Ill.

A. Covington & Burling, 701 Union Trust Building, Washington, D. C.
B. Committee on Joint Resolution 1955 Legislature, P. O. Box 3170, Honolulu, Hawaii, U. S. A.

A. Covington & Burling, 701 Union Trust Building, Washington, D. C.
B. Embassy of Denmark, 2374 Massachusetts Avenue NW., Washington, D. C.
E. (9) $1.66.

A. Covington & Burling, 701 Union Trust Building, Washington, D. C.
B. International Nickel Co., Inc., 67 Wall Street, New York, N. Y.

A. Covington & Burling, 701 Union Trust Building, Washington, D. C.
B. National Machine Tool Builders' Association, 2071 East 102d Street, Cleveland, Ohio.

A. Edward B. Crosland, 195 Broadway, New York, N. Y., and 1001 Connecticut Avenue NW., Washington, D. C.
B. American Telephone & Telegraph Co., 195 Broadway, New York, N. Y.
D. (6) $4,999.99.

A. John W. Cross, 920 Southern Building, Washington, D. C.
B. Deutsche Amerikakohlen-Transportgesellschaft (American German Coal Transport Co.), 17 Grabenstrasse, Dusseldorf, Germany.

A. Paul Cunningham, 575 Madison Avenue, New York, N. Y.
B. American Society of Composers, Authors and Publishers, 575 Madison Avenue, New York, N. Y.

A. John T. Curran, 815 16th Street NW., Washington, D. C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D. C.
D. (6) $2,736.80. E. (9) $306.

A. Ralph E. Curtis, 917 15th Street NW., Washington, D. C.
B. National Licensed Beverage Association, 420 Seventh Street, Racine, Wis.
D. (6) $675.

A. Bernard Cushman, 1001 Connecticut Avenue NW., Washington, D. C.
B. O. David Zimring, 1001 Connecticut Avenue NW., Washington, D. C.

A. Charles L. Cusumano, 42 Broadway, New York, N. Y.
B. Vincenzo Buttaro, 64 Nelson Street, Brooklyn, N. Y., and Miss Domenica Buttaro, Via Zuccarino No. 76, Mola di Bari, Province of Bari, Italy.
E. (9) $32.

A. John C. Datt, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $1,062.50. E. (9) $17.93.

A. Bertram G. Davis, 1608 K Street NW., Washington, D. C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $1,710.

A. Charles W. Davis, 1 North La Salle Street, Chicago, Ill.
B. Ontario Land Co., 807 Lonsdale Building, Duluth, Minn.

A. Charles W. Davis, 1 North La Salle Street, Chicago, Ill.
B. Sears, Roebuck & Co., 925 South Homan Avenue, Chicago, Ill.

A. Charles W. Davis, 1 North La Salle Street, Chicago, Ill.
B. The Singer Manufacturing Co., 149 Broadway, New York, N. Y.
E. (9) $337.32.

A. Joseph B. Davis, M. D., 1523 L Street NW., Washington, D. C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $600. E. (9) $75.43.

A. Donald S. Dawson, 731 Washington Building, Washington, D. C.
B. Schenley Industries, Inc., Empire State Building, New York, N. Y.

A. Donald S. Dawson and Robert J. Bird, 731 Washington Building, Washington, D. C.
B. Hilton Hotels Corp., 720 South Michigan Avenue, Chicago, Ill.

A. Michael B. Deane, 1700 K Street NW., Washington, D. C.
B. American Watch Association, Inc., 1700 K Street NW., Washington, D. C.
D. (6) $4,250.22.

A. John D. deButts, 195 Broadway, New York, N. Y., and 1001 Connecticut Avenue NW., Washington, D. C.
B. American Telephone & Telegraph Co., 195 Broadway, New York, N. Y.
D. (6) $3,125.01.

A. Tony T. Dechant.
B. The Farmers' Educational and Co-Operative Union of America, 1404 New York Avenue NW., Washington, D. C., and 1575 Sherman Street, Denver, Colo.

A. Richard A. Dell, 2000 Florida Avenue NW., Washington, D. C.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D. C.
D. (6) $57.50.

A. Mary S. Deuel, 3026 Cambridge Place NW., Washington, D. C.
B. Washington Home Rule Committee, Inc., 924 14th Street NW., Washington, D. C.

A. Philip M. DeVany, 1102 Ring Building Washington, D. C.
B. American Mining Congress, Ring Building, Washington, D. C.
D. (6) $1,250.

A. R. T. DeVany, 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers, 918 16th Street NW., Washington, D. C.

A. Cecil B. Dickson, 1600 I Street NW., Washington, D. C.
B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D. C.
D. (6) $3,900. E. (9) $1,900.

A. George J. Dietz, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $900. E. (9) $24.12.

A. Timothy V. A. Dillon, 1001 15th Street NW., Washington, D. C.
B. Sacramento-Yolo Port District, California Fruit Building, Sacramento, Calif.
D. (6) $2,662.85. E. (9) $37.85.

A. Timothy V. A. Dillon, 1001 15th Street NW., Washington, D. C.

B. Westlands Water District, Post Office Box 2006, Fresno, Calif.
D. (6) $1,847.67. E. (9) $97.67.

A. Disabled American Veterans, National Headquarters, 5555 Ridge Avenue, Cincinnati, Ohio.
E. (9) $4,507.22.

A. Disabled Officers Association, 1604 K Street NW., Washington, D. C.
E. (9) $3,125.

A. District of Columbia Petroleum Industries Committee, 1625 K Street NW., Washington, D. C.
B. Petroleum Industry Trade Association.
D. (6) $459.50. E. (9) $459.50.

A. District Lodge No. 44, International Association of Machinists, 303 Medical Science Building, Washington, D. C.
D. (6) $17,310.08. E. (9) $17,690.93.

A. Division 689, Amalgamated Association of Street, Electric Railway, and Motor Coach Employees of America, 900 F Street NW., Washington, D. C.

A. Division of Legislation and Federal Relations of the National Education Association of the United States, 1201 16th Street NW., Washington, D. C.
E. (9) $18,104.51.

A. Paul R. M. Donelan, 1523 L Street NW., Washington, D. C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $462.50. E. (9) $49.04.

A. James L. Donnelly, 39 South La Salle Street, Chicago, Ill.
B. Illinois Manufacturers' Association, 39 South La Salle Street, Chicago, Ill.

A. Robert F. Donoghue, 239 Wyatt Building, Washington, D. C.
B. Pacific American Tankship Association, 25 California Street, San Francisco, Calif.
D. (6) $1,624.99.

A. Thomas J. Donovan, 155 East 44th Street, New York, N. Y.

A. J. Dewey Dorsett, 60 John Street, New York, N. Y.
B. Association of Casualty and Surety Companies, 60 John Street, New York, N. Y.
D. (6) $118.75.

A. C. L. Dorson, 900 F Street NW., Room 906, Washington, D. C.
B. Retirement Federation of Civil Service Employees of the United States Government, 900 F Street NW., Room 906, Washington, D. C.
D. (6) $1,474.39.

A. Robert E. Dougherty, 1145 19th Street NW., Washington, D. C.
B. Hardwood Plywood Manufacturers Committee, 1145 19th Street NW., Washington, D. C.
D. (6) $2,500.10. E. (9) $195.95.

A. W. A. Dozier, Jr., 17 Molton Building, Montgomery, Ala.
B. The Medical Association of the State of Alabama, 17 Molton Building, Montgomery, Ala.
D. (6) $2,500. E. (9) $225.

A. Ben DuBois.
B. Independent Bankers Association, Sauk Centre, Minn.
D. (6) $3,300.

A. Stephen M. DuBrul, 11-134 General Motors Building, Detroit, Mich.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich.

A. J. R. Dunkerley, 12 East 36th Street, New York, N. Y.
B. American Bankers Association, 12 East 36th Street, New York, N. Y.
D. (6) $500. E. (9) $650.

A. Read P. Dunn, Jr., 502 Ring Building, Washington, D. C.
B. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.

A. Stephen F. Dunn, 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers, 918 16th Street NW., Washington, D. C.

A. William E. Dunn, Munsey Building, Washington, D. C.
B. The Associated General Contractors of America, Inc., Munsey Building, Washington, D. C.

A. Dwight, Royall, Harris, Koegel & Caskey, Wire Building, Washington, D. C.
B. Lockheed Aircraft Corp., Burbank, Calif.
D. (6) $10,000.

A. Henry I. Dworshak, 1102 Ring Building, Washington, D. C.
B. American Mining Congress, Ring Building, Washington, D. C.
D. (6) $1,250.

A. Eastern Meat Packers Association, Inc., Statler Hotel, New York, N. Y., and 740 11th Street NW., Washington, D. C.
D. (6) $3.40. E. (9) $57.09.

A. Herman Edelsberg, 1640 Rhode Island Avenue NW., Washington, D. C.
B. Anti-Defamation League of B'nai B'rith, 515 Madison Avenue, New York, N. Y.
D. (6) $140. E. (9) $15.

A. John Doyle Elliott, 808 North Capitol Street, Washington, D. C.
B. Townsend Plan, Inc., 808 North Capitol Street, Washington, D. C.
D. (6) $1,235.

A. John M. Elliott, 5025 Wisconsin Avenue NW., Washington, D. C.
B. Amalgamated Association of Street, Electric Railway and Motor Coach Employes of America, 5025 Wisconsin Avenue NW., Washington, D. C.

A. Otis H. Ellis, Suite 1128, 1001 Connecticut Avenue NW., Washington, D. C.
B. National Oil Jobbers Council, Suite 1135, 1001 Connecticut Avenue NW., Washington, D. C.
D. (6) $4,000.

A. John H. Else, 302 Ring Building, Washington, D. C.
B. National Retail Lumber Dealers Association, 302 Ring Building, Washingon, D. C.
D. (6) $3,550. E. (9) $175.

A. Ely, McCarty & Duncan, 1200 Tower Building, Washington, D. C.
B. American Public Power Association, 1025 Connecticut Avenue NW., Washington, D. C.
D. (6) $2,000.

A. Ely, McCarty & Duncan, 1200 Tower Building, Washington, D. C.
B. Department of Water and Power of the City of Los Angeles, 207 South Broadway, Los Angeles, Calif.
D. (6) $1,500.

A. Ely, McCarty & Duncan, 1200 Tower Building, Washington, D. C.
B. Department of Water Resources, State of California, Sacramento, Calif.
D. (6) $12.50.

A. Ely, McCarty & Duncan, 1200 Tower Building, Washington, D. C.
B. East Bay Municipal Utility District, 2130 Adeline Street, Oakland, Calif.
D. (6) $1,200.

A. Ely, McCarty & Duncan, 1200 Tower Building, Washington, D. C.
B. Imperial Irrigation District, El Centro, Calif.
D. (6) $2,100.

A. Ely, McCarty & Duncan, 1200 Tower Building, Washington, D. C.
B. Six Agency Committee and Colorado River Board of California, 909 South Broadway, Los Angeles, Calif.
D. (6) $6,900.

A. Kenneth G. Heisler, 907 Ring Building, Washington, D. C.
B. National Savings and Loan League, 907 Ring Building, Washington, D. C.
D. (6) $325.

A. Myles W. English, 966 National Press Building, Washington, D. C.
B. National Highway Users Conference, Inc., 966 National Press Building, Washington, D. C.

A. Lawrence E. Ernst, 301 East Capitol Street, Washington, D. C.
B. National Star Route Mail Carriers Association, 301 East Capitol Street, Washington, D. C.
E. (9) $10.20.

A. Family Tax Association, 1616 Walnut Street, Philadelphia, Pa.
D. (6) $9,300.

A. The Farmers Educational and Co-Operative Union of America, 1575 Sherman Street, Denver, Colo., and 1404 New York Avenue NW., Washington, D. C.
D. (6) $24,485.32. E. (9) $19,914.41.

A. Harold E. Fellows, 1771 N Street NW., Washington, D. C.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D. C.

A. John A. Ferguson, 918 16th Street NW., Suite 501, Washington, D. C.
B. Independent Natural Gas Association of America, 918 16th Street NW., Suite 501, Washington, D. C.

A. Josiah Ferris, 510 Union Trust Building, Washington, D. C.
B. Okeelanta Sugar Refinery, Inc., South Bay, Fla.; American Sugar Cane League of the U. S. A., New Orleans, La.; United States Sugar Corp., Clewiston, Fla.; Fellsmere Sugar Producers Association, Fellsmere, Fla.
D. (6) $5,850.

A. Financial General Corp., 103 Park Avenue, New York, N. Y.

A. Joel H. Fisher, 1001 Connecticut Avenue NW., Washington, D. C.
B. Civil Aviation Medical Association, 150 East 71st Street, New York, N. Y.
D. (6) $225.

A. John B. Fisher, Pennsylvania Building, Washington, D. C.
B. American Coal Shipping, Inc., 17 State Street, New York, N. Y.
D. (6) $3,750.

A. John B. Fisher, Pennsylvania Building, Washington, D. C.
B. Bangor & Aroostook Railroad, 84 Harlow Street, Bangor, Maine.
D. (6) $3,750.

A. John B. Fisher, Pennsylvania Building, Washington, D. C.
B. C. H. Sprague & Son Co., 10 Post Office Square, Boston, Mass.
D. (6) $3,333.33.

A. Norman A. Flaningam, 425 13th Street NW., Washington, D. C.
B. Consolidated Natural Gas Co., 30 Rockefeller Plaza, New York, N. Y.

A. Roger Fleming, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $1,250. E. (9) $3.95.

A. Donald G. Fletcher, 820 Midland Bank Building, Minneapolis, Minn.
B. Rust Prevention Association, 820 Midland Bank Building, Minneapolis, Minn.
D. (6) $2,499.99. E. (9) $229.76.

A. Florida Citrus Mutual (Legislative Fund), Lakeland, Fla.
E. (9) $1,841.50.

A. Florida Inland Navigation District, Citizens Bank Building, Bunnell, Fla.
E. (9) $1,429.63.

A. Florida Railroad Association, 404 Midyette-Moor Building, Tallahassee, Fla.
D. (6) $12,313.75. E. (9) $6,608.86.

A. Florida Ship Canal Navigation District, 720 Florida Title Building, Jacksonville, Fla.
E. (9) $1,592.31.

A. W. Robert Fokes, 400 Midyette-Moor Building, Tallahassee, Fla.
B. Florida Railroad Association, 400 Midyette-Moor Building, Tallahassee, Fla.

A. Mrs. J. A. Ford, 808 North Capitol Street, Washington, D. C.
B. Townsend Plan, Inc., 808 North Capitol Street, Washington, D. C.

A. Forest Farmers Association, Post Office Box 7284, Station C, Atlanta, Ga.

A. James W. Foristel, 1523 L Street NW., Washington, D. C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $725. E. (9) $177.86.

A. James F. Fort, 1424 16th Street NW., Washington, D. C.
B. American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $300. E. (9) $34.20.

A. Ronald J. Foulis, 195 Broadway, New York, N. Y., and 1001 Connecticut Avenue NW., Washington, D. C.
B. American Telephone & Telegraph Co., 195 Broadway, New York, N. Y.
D. (6) $2,250.

A. Fowler, Leva, Hawes & Symington, 1701 K Street NW., Washington, D. C.
B. Bulova Watch Co., Inc., Bulova Park, Flushing, N. Y.
D. (6) $410.

A. Fowler, Leva, Hawes & Symington, 1701 K Street NW., Washington, D. C.
B. Waterways Council Opposed to Regulation Extension, 21 West Street, New York, N. Y.

A. George H. Frates, 1163 National Press Building, Washington, D. C.
B. National Association of Retail Druggists.
D. (6) $3,900. E. (9) $1,124.

A. Walter Freedman, 1000 Connecticut Avenue, Washington, D. C.
B. Patchogue-Plymouth Corp., 261 Madison Avenue, New York, N. Y.
E. (9) $11.95.

A. Elmer M. Freudenberger, 1701 18th Street NW., Washington, D. C.
B. Disabled American Veterans, 5555 Ridge Avenue, Cincinnati, Ohio.
E. (9) $1,587.50.

A. Philip P. Friedlander, Jr., 1012 14th Street NW., Washington, D. C.
B. National Tire Dealers and Retreaders Association, Inc., 1012 14th Street NW., Washington, D. C.

A. Friends Committee on National Legislation, 104 C Street NE., Washington, D. C.
D. (6) $22,164.34. E. (9) $5,475.02.

A. George Miller Fuller, 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers, 918 16th Street NW., Washington, D. C.

A. Wallace H. Fulton, 1625 K Street NW., Washington, D. C.
B. National Association of Securities Dealers, Inc., 1625 K Street NW., Washington, D. C.

A. Henry T. Gage, 1100 National Press Building, Washington, D. C.
B. Wine Institute, 717 Market Street, San Francisco, Calif.

A. Lawrence H. Gall, 918 16th Street NW., Washington, D. C.
B. Independent Natural Gas Association of America, 918 16th Street NW., Washington, D. C.

A. M. J. Galvin, 207 Union Depot Building, St. Paul, Minn.
B. Minnesota Railroads.
D. (6) $500.

A. Earl H. Gammons, 1735 DeSales Street NW., Washington, D. C.

A. Marion R. Garstang, 1731 I Street NW., Washington, D. C.
B. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.
D. (6) $10.

A. Gas Appliance Manufacturers Association, Inc., 60 East 42d Street, New York, N. Y.

A. Gus P. Geissler, 1575 Sherman Street, Denver, Colo.
B. The Farmers' Educational and Co-Operative Union of America (National Farmers Union), 1404 New York Avenue NW., Washington, D. C., and 1575 Sherman Street, Denver, Colo.

A. General Gas Committee, 1625 K Street NW., Washington, D. C.
E. (9) $194.82.

A. J. M. George, 165 Center Street, Winona, Minn.
B. The Inter-State Manufacturers Association, 163–165 Center Street, Winona, Minn.
D. (6) $1,500.

A. J. M. George, 165 Center Street, Winona, Minn.
B. National Association of Direct Selling Companies, 163–165 Center Street, Winona, Minn.
D. (6) $3,000.

A. Ernest Giddings, 1201 16th Street NW., Washington, D. C.
B. Division of Legislation and Federal Relations of the National Education Association of the United States, 1201 16th Street NW., Washington, D. C.
D. (6) $1,177.50. E. (9) $27.70.

A. Joseph S. Gill, 16 East Broad Street, Columbus, Ohio.
B. The Ohio Railroad Association, 16 East Broad Street, Columbus, Ohio.

A. Leif Gilstad, 1000 Connecticut Avenue NW., Washington, D. C.
B. Transportation Association of America, 1000 Connecticut Avenue NW., Washington, D. C.

A. Henry W. Goodall, 28 East Jackson Boulevard, Chicago, Ill.
B. Mississippi Valley Association, 1978 Railway Exchange Building, St. Louis, Mo.
D. (6) $1,875.

A. Nathaniel H. Goodrich, 1625 I Street NW., Washington, D. C.
B. American Jewish Committee, 386 Fourth Avenue, New York, N. Y.

A. John A. Gosnell, 801 19th Street NW., Washington, D. C.
B. National Small Business Men's Association, 801 19th Street NW., Washington, D. C.
D. (6) $500.

A. Lawrence L. Gourley, 1757 K Street NW., Washington, D. C.
B. American Osteopathic Association, 212 East Ohio Street, Chicago, Ill.
D. (6) $375.

A. Government Employees' Council, AFL-CIO, 100 Indiana Avenue NW., Washington, D. C.
D. (6) $6,299.60. E. (9) $6,154.90.

A. Government Relations Committee of the Office Equipment Manufacturers Institute, 777 14th Street NW., Washington, D. C.

A. James L. Grahl, 1025 Connecticut Avenue NW., Washington, D. C.
B. American Public Power Association, 1025 Connecticut Avenue NW., Washington, D. C.

A. Grain and Feed Dealers National Association, 600 Folger Building, Washington, D. C.
E. (9) $11.36.

A. Grand Lodge of the Brotherhood of Locomotive Firemen and Enginemen, 318–418 Keith Building, Cleveland, Ohio.
D. (6) $19,386.90. E. (9) $10,021.46.

A. Mrs. Edward R. Gray, 3501 Williamsburg Lane NW., Washington, D. C.
B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill.

A. Mrs. Virginia M. Gray, 3501 Williamsburg Lane NW., Washington, D. C.
B. Citizens Committee for UNICEF, 132 Third Street SE., Washington, D. C.
D. (6) $60. E. (9) $1.50.

A. Richard D. Green, 515 Investment Building, Washington, D. C.
B. National Editorial Association, 608 South Dearborn Street, Chicago, Ill.

A. Jerry N. Griffin, 731 Washington Building, Washington, D. C.

B. National Coal Association, Southern Building, 15th and H Streets NW., Washington, D. C.
D. (6) $1,875.

A. Weston B. Grimes, 1001 Bowen Building, Washington, D. C.
B. Cargill, Inc., 200 Grain Exchange, Minneapolis, Minn.
D. (6) $6,000.

A. I. J. Gromfine, 1001 Connecticut Avenue NW., Washington, D. C.
B. O. David Zimring, 1001 Connecticut Avenue NW., Washington, D. C., and 11 South La Salle Street, Chicago, Ill.

A. Carl O. Gustafson, 588 Fifth Avenue, New York, N. Y.
B. Council of Conservationists, 588 Fifth Avenue, New York, N. Y.
E. (9) $11,901.66.

A. Frank E. Haas, 280 Union Station Building, Chicago, Ill.
B. The Association of Western Railways, 224 Union Station Building, Chicago, Ill.

A. Hoyt S. Haddock, 132 Third Street SE., Washington, D. C.
B. AFL–CIO Maritime Committee, 132 Third Street SE., Washington, D. C.
D. (6) $1,560. E. (9) $507.88.

A. Hoyt S. Haddock, 132 Third Street SE., Washington, D. C.
B. Labor-Management Maritime Committee, 132 Third Street SE., Washington, D. C.
D. (6) $900. E. (9) $238.60.

A. Hal H. Hale, 423 Transportation Building, Washington, D. C.
B. Association of American Railroads, Transportation Building, Washington, D. C.

A. Harold T. Halfpenny, 111 West Washington Street, Chicago, Ill.

A. Radford Hall, 801 East 17th Avenue, Denver, Colo.
B. American National Cattlemen's Association, 801 East 17th Avenue, Denver, Colo.
D. (6) $3,000.

A. Hugh F. Hall, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $725. E. (9) $7.16.

A. E. C. Hallbeck, 711 14th Street NW., Washington, D. C.
B. National Federation of Post Office Clerks, 711 14th Street NW., Washington, D. C.
D. (6) $2,874.96. E. (9) $374.28.

A. Harold F. Hammond, 1000 Connecticut Avenue NW., Washington, D. C.
B. Transportation Association of America, 1000 Connecticut Avenue NW., Washington, D. C.

A. Murray Hanson, 425 13th Street NW., Washington, D. C.
B. Investment Bankers Association of America, 425 13th Street NW., Washington, D. C.
D. (6) $600. E. (9) $835.76.

A. Hardwood Plywood Manufacturers Committee, 1145 19th Street NW., Suite 601, Washington, D. C.
D. (6) $2,250. E. (9) $13,034.50.

A. Eugene J. Hardy, 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers, 918 16th Street NW., Washington, D. C.

A. L. James Harmanson, Jr.
B. National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C.

A. Conrad P. Harness, Suite 1117, Barr Building, Washington, D. C.
D. (6) $1,250.

A. Herbert E. Harris II, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $666.66. E. (9) $8.90.

A. Winder R. Harris, 441 Washington Building, Washington, D. C.
B. Shipbuilders Council of America, 21 West Street, New York, N. Y.

A. Merwin K. Hart, 7501 Empire State Building, New York, N. Y.
B. National Economic Council, 7501 Empire State Building, New York, N. Y.

A. Stephen H. Hart, 520 Equitable Building, Denver, Colo.
B. National Live Stock Tax Committee, 801 East 17th Avenue, Denver, Colo.
D. (6) $1,805.

A. Robert N. Hawes, 1145 19th Street NW., Washington, D. C.
B. Hardwood Plywood Manufacturers Committee, 1145 19th Street NW., Washington, D. C.
D. (6) $2,133.35. E. (9) $3,312.64.

A. Paul M. Hawkins, 1701 K Street NW., Washington, D. C.
B. Health Insurance Association of America, 1701 K Street NW., Washington, D. C.; 60 John Street, New York, N. Y.; and 208 South La Salle Street, Chicago, Ill.

A. Kit H. Haynes.
B. National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C.

A. Joseph H. Hays, 280 Union Station Building, Chicago, Ill.
B. The Association of Western Railways, 224 Union Station Building, Chicago, Ill.

A. John C. Hazen, Suite 801, 711 14th Street NW., Washington, D. C.
B. National Retail Dry Goods Association, 100 West 31st Street, New York, N. Y.
E. (9) $7.15.

A. Health Insurance Association of America, 1701 K Street NW., Washington, D. C.

A. Patrick B. Healy, 1731 I Street NW., Washington, D. C.
B. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.
D. (6) $150.

A. George J. Hecht, 52 Vanderbilt Avenue, New York, N. Y., and 132 Third Street SE., Washington, D. C.
B. American Parents Committee, Inc., 132 Third Street SE., Washington, D. C.

A. Robert B. Heiney, 1133 20th Street NW., Washington, D. C.
B. National Canners Association, 1133 20th Street NW., Washington, D. C.
D. (6) $75. E. (9) $595.17.

A. Kenneth G. Heisler, 18th and M Streets NW., Washington, D. C.
B. National Savings & Loan League, 18th and M Streets NW., Washington, D. C.
D. (6) $325.

A. Chas. H. Heltzel, 1700 K Street NW., Washington, D. C.
B. Pacific Power & Light Co., Public Service Building, Portland, Oreg.

A. Joseph D. Henderson, 431 Balter Building, New Orleans, La.
B. American Association of Small Business, Inc., 431 Balter Building, New Orleans, La.
D. (6) $1,500.

A. Willon A. Henderson, 612 South Flower Street, Los Angeles, Calif.
B. General Petroleum Corp., 612 South Flower Street, Los Angeles, Calif.

A. William B. Henderson, 925 15th Street NW., Washington, D. C.
B. Parcel Post Association, 925 15th Street NW., Washington, D. C.
D. (6) $3,601. E. (9) $3,601.

A. Edmund P. Hennelly, 150 East 42d Street, New York, N. Y.
B. Socony Mobil Oil Co., Inc., 150 East 42d Street, New York, N. Y.
D. (6) $1,489.91. E. (9) $364.91.

A. Maurice G. Herndon, 1002 Washington Loan & Trust Building, Washington, D. C.
B. National Association of Insurance Agents, 96 Fulton Street, New York, N. Y., and 1002 Washington Loan & Trust Building, Washington, D. C.
D. (6) $116.90. E. (9) $116.90.

A. Clinton M. Hester, 432 Shoreham Building, Washington, D. C.
B. Boston Wool Trade Association, 263 Summer Street, Boston, Mass.
D. (6) $600. E. (9) $41.70.

A. Clinton M. Hester, 432 Shoreham Building, Washington, D. C.
B. National Association of Hot House Vegetable Growers, Post Office Box 659, Terre Haute, Ind.

A. Clinton M. Hester, 432 Shoreham Building, Washington, D. C.
B. National Football League, 1 Bala Avenue, Bala Cynwyd, Pa.
E. (9) $249.85.

A. Clinton M. Hester, 432 Shoreham Building, Washington, D. C.
B. United States Brewers Foundation, 535 Fifth Avenue, New York, N. Y.
D. (6) $5,000. E. (9) $53.40.

A. Ray C. Hinman, 150 East 42d Street, New York, N. Y.
B. Socony Mobil Oil Co., Inc., 150 East 42d Street, New York, N. Y.
D. (6) $1,250.

A. W. J. Hickey, 2000 Massachusetts Avenue NW., Washington, D. C.
B. The American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D. C.
D. (6) $196.88.

A. M. F. Hicklin, 507 Bankers Trust Building, Des Moines, Iowa.
B. Iowa Railway Committee, 507 Bankers Trust Building, Des Moines, Iowa.
E. (9) $1,114.75.

A. L. S. Hitchner, 1145 19th Street NW., Washington, D. C.
B. National Agricultural Chemicals Association, 1145 19th Street NW., Washington, D. C.

A. Claude E. Hobbs, Room 204, 1625 I Street NW., Washington, D. C.
B. Manufacturing Chemists Association, Inc., 1625 I Street NW., Washington, D. C.
D. (6) $1,250.

A. John R. Holden, 1710 Rhode Island Avenue NW., Washington, D. C.
B. AMVETS (American Veterans of World War II), 1710 Rhode Island Avenue NW., Washington, D. C.
D. (6) $1,000.

A. Fuller Holloway, 1000 Shoreham Building, Washington, D. C.
B. The Toilet Goods Association, Inc., 1270 Avenue of the Americas, New York, N. Y.

A. Richard C. Holmquist, 777 14th Street NW., Washington, D. C.
B. General Electric Co., 570 Lexington Avenue, New York, N. Y.
D. (6) $920. E. (9) $446.03.

A. Winfield M. Homer, 1001 Connecticut Avenue NW., Washington, D. C.
B. O. David Zimring, 1001 Connecticut Avenue NW., Washington, D. C.

A. J. M. Hood, 2000 Massachusetts Avenue NW., Washington, D. C.
B. The American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D. C.
D. (6) $300.

A. Samuel H. Horne, Munsey Building, Washington, D. C.
B. The Singer Manufacturing Co., 149 Broadway, New York, N. Y.
E. (9) $337.32.

A. Lawrence W. Horning, 1010 Pennsylvania Building, Washington, D. C.
B. New York Central Railroad Co., 466 Lexington Avenue, New York, N. Y.

A. Donald E. Horton, 222 West Adams Street, Chicago, Ill.
B. American Warehousemen's Association, 222 West Adams Street, Chicago, Ill.

A. J. Cline House, 711 14th Street NW., Washington, D. C.
B. National Federation of Post Office Clerks, 711 14th Street NW., Washington, D. C.
D. (6) $3,000.

A. Harold A. Houser, 1616 I Street NW., Washington, D. C.
B. Retired Officers Association, 1616 I Street NW., Washington, D. C.
D. (6) $1,725.

A. Vernon F. Hovey, 101 Nott Terrace, Schenectady, N. Y.
B. National Dairy Products Corp., 260 Madison Avenue, New York, N. Y.
D. (6) $3,000. E. (9) $1,059.41.

A. Harold K. Howe, Mills Building, Washington, D C.
B. American Institute of Laundering, Box 1187, Joliet, Ill.
D. (6) $2,649.99. E. (9) $1,297.97.

A. Harold K. Howe, 307 Mills Building, Washington, D. C.
B. The Lawn Mower Institute, Inc., 307 Mills Building, Washington, D. C.
D. (6) $2,400.

A. Erma D. Hubbard, Route 4, Box 235, Annapolis, Md.
B. Military Survivors, Inc., Route 4, Box 235, Annapolis, Md.

A. B. A. Hungerford, 53 Park Place, New York, N. Y.
B. George P. Byrne, 53 Park Place, New York, N. Y.

A. C. E. Huntley, 2000 Massachusetts Avenue NW., Washington, D. C.
B. The American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D. C.
D. (6) $275.

A. Illinois Railroad Association, Room 1526, 33 South Clark Street, Chicago, Ill.
E. (9) $925.17.

A. Bernard J. Imming, 777 14th Street NW., Washington, D. C.
B. United Fresh Fruit and Vegetable Association, 777 14th Street NW., Washington, D. C.

A. Independent Natural Gas Association of America, 918 16th Street NW., Suite 501, Washington, D. C.
D. (6) $32,365.91.

A. Institute of American Poultry Industries, 59 East Madison Street, Chicago, Ill.

A. Institute of Scrap Iron & Steel, Inc., 1729 H Street NW., Washington, D. C.
D. (6) $300. E. (9) $1.25.

A. International Association of Machinists, Machinists Building, Washington, D. C.
E. (9) $1,797.

A. International Council for Exceptional Children, 1201 16th Street NW., Washington, D. C.
D. (6) $50. E. (9) $165.

A. The Inter-State Manufacturers Association, 163–165 Center Street, Winona, Minn.
D. (6) $3,000.

A. Iron Ore Lessors Association, Inc., W–1481 First National Bank Building, St. Paul, Minn.
E. (9) $1,769.58.

A. Nelson P. Jackson, 777 14th Street NW., Washington, D. C.
B. Atomic Products Division, General Electric Co., Schenectady, N. Y.

A. Robert C. Jackson, Suite 504, 1145 19th Street NW., Washington, D. C.
B. American Cotton Manufacturers Institute, Inc., 1501 Johnston Building, Charlotte, N. C.
D. (6) $1,925. E. (9) $158.17.

A. Japanese American Citizens League, 1759 Sutter Street, San Francisco, Calif.

A. Daniel Jaspan, Post Office Box 2013, Washington, D. C.
B. National Association of Postal Supervisors, Post Office Box 2013, Washington, D. C.
D. (6) $2,487.50. E. (9) $16.

A. William T. Jobe, 810 18th Street NW., Washington, D. C.
B. National Association of Ice Industries, 810 18th Street NW., Washington, D. C.

A. Peter D. Joers, Dierks Forests, Inc., 810 Whittington Avenue, Hot Springs, Ark.

A. Gilbert R. Johnson, 1208 Terminal Tower, Cleveland, Ohio.
B. Lake Carriers' Association, 305 Rockefeller Building, Cleveland, Ohio.

A. Reuben L. Johnson.
B. The Farmers' Educational and Cooperative Union of America, 1404 New York Avenue NW., Washington, D. C.
D. (6) $1,979.04. E. (9) $268.26.

A. W. D. Johnson, 401 Third Street NW., Washington, D. C.
B. Order of Railway Conductors and Brakemen, O. R. C. & B. Building, Cedar Rapids, Iowa.

A. George Bliss Jones, Montgomery, Ala.
B. Alabama Railroad Association, 1002 First National Bank Building, Montgomery, Ala.

A. L. Dan Jones, 1110 Ring Building, Washington, D. C.
B. Independent Petroleum Association of America, 1110 Ring Building, Washington, D. C.
E. (9) $20.60.

A. Lyle W. Jones, 705 Warner Building, 501 13th Street NW., Washington, D. C.
B. The United States Potters Association, East Liverpool, Ohio.
D. (6) $2,500. E. (9) $630.76.

A. Rowland Jones, Jr., 1145 19th Street NW., Washington, D. C.
B. American Retail Federation, 1145 19th Street NW., Washington, D. C.
D. (6) $3,750. E. (9) $218.73.

A. Max M. Kampelman, 1700 K Street NW., Washington, D. C.
B. Lipschultz, Altman, Geraghty & Mulally, Esq., 530 Minnesota Building, St. Paul, Minn.

A. John E. Kane, 1625 K Street NW., Washington, D. C.
B. American Petroleum Institute, 50 West 50th Street, New York, N. Y.
D. (6) $3,240. E. (9) $695.35.

A. John E. Kane, 1625 K Street NW., Washington, D. C.
B. District of Columbia Petroleum Industries Committee.
D. (6) $300. E. (9) $159.50.

A. James C. Kelley, 1900 Arch Street, Philadelphia, Pa.
B. American Machine Tool Distributors' Association, 1900 Arch Street, Philadelphia, Pa.

A. William Edward Kelly, 9532 Justine Drive, Falls Church, Va.
B. The Mosaic Tile Co., Zanesville, Ohio.

A. James P. Kem, 1625 K Street NW., Washington, D. C.
B. Estate of Mary Clark deBrabant and Mrs. Katherine C. Williams, in care of Rodney W. Williams, 120 Broadway, New York, N. Y.
D. (6) $31,875.

A. James P. Kem, 1625 K Street NW., Washington, D. C.
B. Mrs. M. Veronica Depataky, 7965 Pareholm Drive, Los Angeles, Calif.
D. (6) $750.

A. I. L. Kenen, 1737 H Street NW., Washington, D. C.
B. American Zionist Committee for Public Affairs, 1737 H Street NW., Washington, D. C.

A. William J. Kennard, M. D., 1523 L Street NW., Washington, D. C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $687.50. E. (9) $225.88.

A. Harold L. Kennedy, 420 Cafritz Building, Washington, D. C.
B. The Ohio Oil Co., Findlay, Ohio.
D. (6) $500. E. (9) $319.75.

A. Miles D. Kennedy, 1608 K Street NW., Washington, D. C.

B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $3,375. E. (9) $394.53.

A. Ronald M. Ketcham, Post Office Box 351, Los Angeles, Calif.
B. Southern California Edison Co., Post Office Box 351, Los Angeles, Calif.

A. Omar B. Ketchum, 610 Wire Building, 1000 Vermont Avenue NW., Washington, D. C.
B. Veterans of Foreign Wars of the United States.
D. (6) $9,825. E. (9) $245.

A. Jeff Kibre, 1341 G Street NW., Washington, D. C.
B. International Longshoremen's and Warehousemen's Union, 150 Golden Gate Avenue, San Francisco, Calif.
D. (6) $1,432.60. E. (9) $1,257.38.

A. John A. Killick, Eastern Meat Packers Association, Inc., 740 11th Street NW., Washington, D. C.
B. Eastern Meat Packers Association, Inc., Statler Hotel, New York, N. Y., and 740 11th Street NW., Washington, D. C.
D. (6) $12.50. E. (9) $1.50.

A. John A. Killick, 740 11th Street NW., Washington, D. C.
B. National Independent Meat Packers Association, 740 11th Street NW., Washington, D. C.
D. (6) $221.25. E. (9) $92.50.

A. H. Cecil Kilpatrick, 912 American Security Building, Washington, D. C.
B. Minot, DeBlois & Maddison, 298 Washington Street, Boston, Mass.
D. (6) $1,000. E. (9) $97.62.

A. Kenneth L. Kimble, 1701 K Street NW., Washington, D. C.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
D. (6) $43.75.

A. Ludlow King, 2071 East 102d Street, Cleveland, Ohio.
B. National Machine Tool Builders Association, 2071 East 102d Street, Cleveland, Ohio.

A. King & Noble, 1028 Connecticut Avenue NW., Washington, D. C.
B. Associated Equipment Distributors, 30 East Cedar Street, Chicago, Ill., et al.
E. (9) $918.92.

A. T. Bert King, 812 Pennsylvania Building, Washington, D. C.
B. United States Savings and Loan League, 221 North La Salle Street, Chicago, Ill.
D. (6) $1,200. E. (9) $1.75.

A. Clifton Kirkpatrick, 1918 North Parkway, Memphis, Tenn.
B. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.
D. (6) $390. E. (9) $29.60.

A. C. W. Kitchen, 777 14th Street NW., Washington, D. C.
B. United Fresh Fruit & Vegetable Association, 777 14th Street NW., Washington, D. C.

A. Klukwan Iron Ore Corp., 110 Seward Street, Juneau, Alaska.

A. James F. Kmetz, 1435 K Street NW., Washington, D. C.
B. United Mine Workers of America, 900 15th Street NW., Washington, D. C.
D. (6) $2,052.

A. Burt L. Knowles, Munsey Building, Washington, D. C.
B. The Associated General Contractors of America, Inc., Munsey Building, Washington, D. C.

A. Robert M. Koch, 1015 12th Street NW., Washington, D. C.
B. National Agricultural Limestone Inst., Inc., 1015 12th Street NW., Washington, D. C.
E. (9) $27.

A. Robert M. Koch, 1015 12th Street NW., Washington, D. C.
B. National Crushed Limestone Inst., Inc., 1015 12th Street NW., Washington, D. C.
E. (9) $10.

A. Germaine Krettek, Hotel Congressional, Washington, D. C.
B. American Library Association, 50 East Huron Street, Chicago, Ill.
E. (9) $2,169.71.

A. Herman C. Kruse, 245 Market Street, San Francisco, Calif.
B. Pacific Gas & Electric Co., 245 Market Street, San Francisco, Calif.

A. Frank W. Kuehl, 1523 L Street NW., Washington, D. C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $575. E. (9) $40.92.

A. J. M. DeW. (Jack) Kyle 2d, Post Office Box 1520, Washington, D. C.
B. Dav-Philians Social Security Organization, Inc., San Dionisio, Paranaque, Rizal, Republic of the Philippines.
D. (6) $525. E. (9) $483.11.

A. Labor-Management Maritime Committee, 132 3d Street SE., Washington, D. C.
D. (6) $2,719.16. E. (9) $4,122.80.

A. Lake Carriers' Association, Cleveland, Ohio.

A. A. M. Lampley, 401 Third Street NW., Washington, D. C.
B. Brotherhood of Locomotive Firemen and Enginemen, 318 Keith Building, Cleveland, Ohio.
D. (6) $2,750.

A. Fritz G. Lanham, 2737 Devonshire Place NW., Washington, D. C.
D. (6) $260.12.

A. Fritz G. Lanham, 2737 Devonshire Place NW., Washington, D. C.
B. National Patent Council, Inc., 1434 West 11th Avenue, Gary, Ind.
D. (6) $1,000.12.

A. Fritz G. Lanham, 2737 Devonshire Place NW., Washington, D. C.
B. Trinity Improvement Association, Inc., 718 Insurance Building, Fort Worth, Tex.
D. (6) $1,275.

A. Dillard B. Lasseter, 1424 16th Street NW., Washington, D. C.
B. American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $1,200. E. (9) $416.63.

A. J. Austin Latimer, Suite 1138, 1001 Connecticut Avenue NW., Washington, D. C.
D. (6) $450.

A. John Lawler, 270 Madison Avenue, New York, N. Y.
B. American Institute of Certified Public Accountants, 270 Madison Avenue, New York, N. Y.
D. (6) $250. E. (9) $175.

A. John V. Lawrence, 1424 16th Street NW., Washington, D. C.
B. American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $301.15.

A. Ivy Lee and T. J. Ross, 405 Lexington Avenue, New York, N. Y.
D. (6) $4,500. E. (9) $4,013.10.

A. G. E. Leighty, Railway Labor Executives' Association, 401 Third Street NW., Washington, D. C.

A. Hal Leyshon, 122 East 42d Street, New York, N. Y.
B. American Federation of Musicians, 425 Park Avenue, New York, N. Y.
D. (6) $4,999.98. E. (9) $2,121.04.

A. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y., and 1701 K Street NW., Washington, D. C.
D. (6) $6,413.12. E. (9) $6,413.12.

A. Arthur Y. Lloyd, 1025 Connecticut Avenue NW., Washington, D. C.
B. Burley and Dark Leaf Tobacco Exports Association, Inc., Post Office Box 860, Lexington, Ky.

A. Lester W. Lindow, 1735 DeSales Street NW., Washington, D. C.
D. (6) $3.

A. John W. Lindsay, 1625 K Street NW., Washington, D. C.
B. National Association of Securities Dealers, Inc.

A. Robert G. Litschert, 1200 18th Street NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
D. (6) $500.01. E. (9) $50.42.

A. Walter J. Little, 944 Transportation Building, Washington, D. C.
B. Association of American Railroads, 944 Transportation Building, Washington, D. C.
D. (6) $247.92. E. (9) $35.

A. John M. Littlepage, 840 Investment Building, Washington, D. C.
B. The American Tobacco Co., Inc., 150 East 42d Street, New York, N. Y.

A. Gordon C. Locke, 418 Munsey Building, Washington, D. C.
B. Committee for Oil Pipe Lines, 418 Munsey Building, Washington, D. C.
E. (9) $325.

A. Leonard Lopez, Room 303, 1029 Vermont Avenue NW., Washington, D. C.
B. District Lodge No. 44, International Association of Machinists, Room 303, 1029 Vermont Avenue NW., Washington, D. C.
D. (6) $1,750.21. E. (9) $15.

A. Joe T. Lovett, 1145 19th Street NW., Washington, D. C.
B. American Retail Federation, 1145 19th Street NW., Washington, D. C.

A. Harold O. Lovre, 1424 16th Street NW., Washington, D. C.
B. American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $1,200. E. (9) $98.

A. Harold O. Lovre, Bowen Building, Washington, D. C.
B. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.
D. (6) $100.

A. Otto Lowe, Cape Charles, Va.
B. National Canners Association, 1133 20th Street, Washington, D. C.
D. (6) $750.

A. Lowenstein, Pitcher, Spence, Hotchkiss, Amann & Parr, 25 Broad Street, New York, N. Y.
B. Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C.

A. Scott W. Lucas, 1025 Connecticut Avenue NW., Washington, D. C.
B. American Finance Conference, 176 West Adams Street, Chicago, Ill.
D. (6) $1,250.

A. Scott W. Lucas, 1025 Connecticut Avenue NW., Washington, D. C.
B. Bicycle Manufacturers Association of America, 122 East 42d Street, New York, N. Y.
D. (6) $750.

A. Scott W. Lucas, 1025 Connecticut Avenue NW., Washington, D. C.
B. Emmco Insurance Co., South Bend, Ind.
D. (6) $500.

A. Scott W. Lucas, 1025 Connecticut Avenue NW., Washington, D. C.
B. Mobile Homes Manufacturers Association, 20 North Wacker Drive, Chicago, Ill.
D. (6) $1,000.

A. Scott W. Lucas, 1025 Connecticut Avenue NW., Washington, D. C.
B. Regular Common Carrier Conference, 1424 16th Street NW., Washington, D. C.
D. (6) $1,250.

A. Scott W. Lucas, 1025 Connecticut Avenue NW., Washington, D. C.
B. Republic of Panama, Panama, Panama.
D. (6) $500.

A. Scott W. Lucas, 1025 Connecticut Avenue NW., Washington, D. C.
B. Roadside Business Association, 646 North Michigan Avenue, Chicago, Ill.
D. (6) $500.

A. Scott W. Lucas, 1025 Connecticut Avenue NW., Washington, D. C.
B. Joseph E. Seagram & Sons, Inc., 375 Park Avenue, New York, N. Y.
D. (6) $1,250.

A. Scott W. Lucas, 1025 Connecticut Avenue NW., Washington, D. C.
B. Western Medical Corporation, 415–423 West Pershing Road, Chicago, Ill.
D. (6) $1,000.

A. Lucas & Thomas, 1025 Connecticut Avenue, Washington, D. C.
B. Adolph von Zedlitz, 60 Sutton Place, South, New York, N. Y.

A. Milton P. Lunch, 2029 K Street NW., Washington, D. C.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D. C.
D. (6) $750.

A. John C. Lynn, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $1,962.50. E. (9) $12.25.

A. A. E. Lyon, 401 Third Street NW., Washington, D. C.
B. Railway Labor Executives' Association.
D. (6) $900.

A. LeRoy E. Lyon, Jr., 530 West Sixth Street, Los Angeles, Calif.
B. California Railroad Association, 215 Market Street, San Francisco, Calif.
D. (6) $541.67.

A. Charlton H. Lyons, Sr., Suite 1500 Beck Building, Shreveport, La.
E. (9) $4,516.08.

A. Robert J. McBride, 1424 16th Street NW., Washington, D. C.
B. Regular Common Carrier Conference of American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.

A. J. A. McCallam, 1507 M Street NW., Washington, D. C.
E. (9) $482.61.

A. William C. McCamant, 1145 19th Street NW., Washington, D. C.
B. American Retail Federation, 1145 19th Street NW., Washington, D. C.
D. (6) $1,000.

A. John A. McCart, Room 716, 900 F Street NW., Washington, D. C.
B. American Federation of Government Employees, 900 F Street NW., Washington, D. C.
D. (6) $2,055.55. E. (9) $4.80.

A. J. L. McCaskill, 1201 16th Street NW., Washington, D. C.
B. Division of Legislation and Federal Relations of the National Education Association of the United States, 1201 16th Street NW., Washington, D. C.
D. (6) $799.80. E. (9) 152.32.

A. Angus McDonald.
B. The Farmers Educational and Cooperative Union of America, 1404 New York Avenue NW., Washington, D. C.
D. (6) $1,899.96. E. (9) $240.25.

A. Joseph T. McDonnell, 423 13th Street NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.

A. Robert P. McElroy, 801 Sheraton Building, Washington, D. C.
B. National Retail Dry Goods Association, 100 West 31st Street, New York, N. Y.
E. (9) $81.85.

A. A. J. McFarland, 126 North Eighth Street, Sterling, Kans.
B. Christian Amendment Movement.
D. (6) $1,000.

A. Thomas Edward McGrath, 4012 14th Street NW., Washington, D. C.
B. Taxpayers, U. S. A., 4012 14th Street NW., Washington, D. C.

A. William H. McLin, 1201 16th Street NW., Washington, D. C.
B. Division of Legislation and Federal Relations of the National Education Association of the United States, 1201 16th Street NW., Washington, D. C.
D. (6) $648.60. E. (9) $35.72.

A. W. H. McMains, 1132 Pennsylvania Building, Washington, D. C.
B. Distilled Spirits Institute, 1132 Pennsylvania Building, Washington, D. C.

A. Clarence M. McMillan, 1424 K Street NW., Washington, D. C.
B. National Candy Wholesalers Association, Inc., 1424 K Street NW., Washington, D. C.

A. Ralph J. McNair, 1701 K Street NW., Washington, D. C.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
D. (6) $373.50. E. (9) $3.86.

A. Francis J. McNamara, 610 Wire Building, Washington, D. C.
B. Veterans of Foreign Wars of the United States.
D. (6) $2,250. E. (9) $14.80.

A. Charles R. McNeill, 730 15th Street NW., Washington, D. C.
B. American Bankers Association, 12 East 36th Street, New York, N. Y.
D. (6) $425.

A. William P. MacCracken, Jr., 1000 Connecticut Avenue, Washington, D. C.
B. American Optometric Association, Inc., Development Fund (Legislative), 8001 Jenkins Arcade, Pittsburgh, Pa.

A. William P. MacCracken, Jr., 1000 Connecticut Avenue, Washington, D. C.
B. Frankel Brothers, 521 Fifth Avenue, New York, N. Y.

A. John G. Macfarlan, 1503 H Street NW., Washington, D. C.
B. Railway Express Agency, Inc., 1503 H Street NW., Washington, D. C.
D. (6) 1181.25. E. (9) $756.11.

A. Maclay, Morgan & Williams, 76 Beaver Street, New York, N. Y.
B. Association of American Ship Owners, 76 Beaver Street, New York, N. Y.

A. Don Mahon, Box 959, Ben Franklin Station, Washington, D. C.
E. (9) $307.61.

A. William J. Mahon, 1 Broadway, New York, N. Y.
B. Associated Railroads of New York State.

A. John H. Mahoney, 80 Broad Street, New York, N. Y.
B. Seaboard & Western Airlines, Inc., 80 Broad Street, New York, N. Y.

A. Carter Manasco, 4201 Chesterbrook Road, Falls Church, Va.
B. National Business Publications, Inc., 1413 K Street NW., Washington, D. C.
D. (6) $600.

A. Carter Manasco, 4201 Chesterbrook Road, Falls Church, Va.
B. National Coal Association, Southern Building, Washington, D. C.
D. (6) $3,000. E. (9) $188.60.

A. Manufacturing Chemists' Association, Inc., 1625 I Street NW., Washington, D. C.
D. (6) $2,375. E. (9) $2,375.

A. Olya Margolin, 1637 Massachusetts Avenue NW., Washington, D. C.
B. National Council of Jewish Women, Inc., 1 West 47th Street, New York, N. Y.
D. (6) $1,625.78. E. (9) $64.70.

A. James Mark, Jr., 1435 K Street NW., Washington, D. C.
B. United Mine Workers of America, 900 15th Street NW., Washington, D. C.
D. (6) $3,802.

A. Rodney W. Markley, Jr., Wyatt Building, Washington, D. C.
B. Ford Motor Co., Dearborn, Mich.

A. Edwin E. Marsh, 414 Crandall Building, Salt Lake City, Utah.
B. National Wool Growers Association, 414 Crandall Building, Salt Lake City, Utah.
D. (6) $2,499.99. E. (9) $465.82.

A. Winston W. Marsh, 1012 14th Street NW., Washington, D. C.
B. National Tire Dealers & Retreaders Association, Inc., 1012 14th Street NW., Washington, D. C.

A. Fred T. Marshall, 1112–18 19th Street NW., Washington, D. C.
B. The B. F. Goodrich Co., 500 South Main Street, Akron, Ohio.

A. J. Paull Marshall, 944 Transportation Building, Washington, D. C.
B. Association of American Railroads, Transportation Building, Washington, D. C.
D. (6) $79.33. E. (9) $8.

A. Mike M. Masaoka, 1217 Hurley-Wright Building, Washington, D. C.
B. Japanese American Citizens League, 1759 Sutter Street, San Francisco, Calif.
D. (6) $200.

A. Walter J. Mason, 815 16th Street NW., Washington, D. C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D. C.
D. (6) $2,676. E. (9) $1,006.

A. David Mathews, Jr., 345 Fourth Avenue, Pittsburgh, Pa.
B. The Pittsburgh Coal Exchange, 345 Fourth Avenue, Pittsburgh, Pa.

A. P. H. Mathews, 926 Transportation Building, Washington, D. C.
B. Association of American Railroads, Transportation Building, Washington, D. C.
D. (6) $279. E. (9) $85.

A. C. V. and R. V. Maudlin, 1111 E Street NW., Washington, D. C.
B. National Association of Waste Material Dealers, Inc., 271 Madison Avenue, New York, N. Y.

A. Cyrus H. Maxwell, M. D., 1523 L Street NW., Washington, D. C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $700. E. (9) $79.29.

A. The Medical Association of the State of Alabama, 17 Molton Building, Montgomery, Ala.
D. (6) $1,300. E. (9) $2,725.

A. The Medical Society of the District of Columbia, 1718 M Street NW., Washington, D. C.

A. Ellis E. Meredith, 635 Southern Building, Washington, D. C.
B. American Association of Nurserymen, 635 Southern Building, Washington, D. C.

A. Ross A. Messer, Post Office Box 1611, Washington, D. C.
B. National Association of Post Office and General Services Maintenance Employees, Post Office Box 1611, Washington, D. C.
D. (6) $700. E. (9) $97.48.

A. J. T. Metcalf, 1002 L. & N. Building, Louisville, Ky.
E. (9) $437.75.

A. James G. Michaux, 1145 19th Street NW., Washington, D. C.
B. American Retail Federation, 1145 19th Street NW., Washington, D. C.
D. (6) $2,000. E. (9) $237.75.

A. Michigan Hospital Service, 441 East Jefferson Avenue, Detroit, Mich.
E. (9) $1,272.79.

A. Louis J. Michot, 1000 Connecticut Avenue NW., Washington, D. C.
B. Air Transport Association of America, 1000 Connecticut Avenue NW., Washington, D. C.
D. (6) $1,000. E. (9) $39.

A. Clarence R. Miles, 1615 H Street NW., Washington, D. C.
B. Chamber of Commerce of the U. S. A., 1615 H Street NW., Washington, D. C.

A. John R. Miles, 1615 H Street NW., Washington, D. C.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D. C.

A. Military Survivors, Inc., Route 4, Box 235, Annapolis, Md.
D. (6) $211. E. (9) $426.89.

A. Milk Industry Foundation, 1145 19th Street NW., Washington, D. C.

A. Miller & Chevalier, 1001 Connecticut Avenue NW., Washington, D. C.
B. Blue Cross Association, 55 East 34th Street, New York, N. Y.
D. (6) $3,000. E. (9) $20.91.

A. Miller & Chevalier, 1001 Connecticut Avenue NW., Washington, D. C.
B. Blue Shield Medical Care Plans, 425 North Michigan Avenue, Chicago, Ill.
D. (6) $1,500. E. (9) $157.62.

A. Miller & Chevalier, 1001 Connecticut Avenue NW., Washington, D. C.
B. Cornelia S. Roberts.
D. (6) $175. E. (9) $7.83.

A. Dale Miller, Mayflower Hotel, Washington, D. C.
B. Dallas (Tex.) Chamber of Commerce.
D. (6) $2,200.

A. Dale Miller, Mayflower Hotel, Washington, D. C.
B. Intracoastal Canal Association of Louisiana and Texas, 1028 Electric Building, Houston, Tex.
D. (6) $2,250.

A. Dale Miller, Mayflower Hotel, Washington, D. C.
B. Texas Gulf Sulphur Co., Newgulf, Tex., and New York, N. Y.
D. (6) $2,250.

A. Edwin Reid Miller, 1004 Farnam Street, Omaha, Nebr.
B. Nebraska Railroads Legislative Committee, 1004 Farnam Street, Omaha, Nebr.
D. (6) $2,337. E. (9) $89.98.

A. Harold C. Miller, 1001 Connecticut Avenue NW., Washington, D. C.
B. American Society of Composers, Authors, and Publishers, 575 Madison Avenue, New York, N. Y.
D. (6) $1,800. E. (9) $283.64.

A. Claude Minard, 215 Market Street, San Francisco, Calif.
B. California Railroad Association, 215 Market Street, San Francisco, Calif.

A. Seymour S. Mintz, 810 Colorado Building, Washington, D. C.
B. Republic Steel Corp., Cleveland, Ohio.

A. Seymour S. Mintz, 810 Colorado Building, Washington, D. C.
B. Tennessee Products and Chemical Corp., Nashville, Tenn.

A. Seymour S. Mintz, William T. Plumb, Jr., Robert K. Eifler, and Richard A. Mullens (Rogan & Hartson), 810 Colorado Building, Washington, D. C.
B. Hughes Tool Co., Houston, Tex.

A. Clarence Mitchell, 100 Massachusetts Avenue NW., Washington, D. C.
B. National Association for the Advancement of Colored People, 20 West 40th Street, New York, N. Y.
D. (6) $2,000.

A. Mobilehome Dealers National Association, 39 South La Salle Street, Chicago, Ill.
E. (9) $1,559.19.

A. M. D. Mobley, 1010 Vermont Avenue NW., Washington, D. C.
B. American Vocational Association, Inc.

A. Harry L. Moffett, 1102 Ring Building, Washington, D. C.
B. American Mining Congress, Ring Building, Washington, D. C.
D. (6) $1,650.

A. Albert H. Monacelli, 161 East 42d Street, New York, N. Y.
B. National Committee for Municipal Bonds, Inc., 161 East 42d Street, New York, N. Y.
D. (6) $4,850. E. (9) $1,794.88.

A. Donald Montgomery, 777 14th Street NW., Washington, D. C.
B. American Hotel Association, 221 West 57th Street, New York, N. Y.
D. (6) $400. E. (9) $125.35.

A. Walter H. Moorman, 4650 East-West Highway, Bethesda, Md.
B. Maryland Railroad Associations, care of E. H. Burgess, Charles Street, Baltimore, Md.
D. (6) $2,500. E. (9) $116.79.

A. Silas A. Morehouse, Post Office Box 4085, Jefferson Manor, Alexandria, Va.
B. F. W. Clarke, 112 North St. Asaph Street, Alexandria, Va.

A. Jo V. Morgan, Jr., 815 15th Street NW., Washington, D. C.
B. Whiteford, Hart, Carmody & Wilson, 815 15th Street NW., Washington, D. C.
D. (6) $1,249.98. E. (9) $281.94.

A. Morison, Murphy, Clapp & Abrams, 1144 Pennsylvania Building, Washington, D. C.

A. Morison, Murphy, Clapp & Abrams, 1144 Pennsylvania Building, Washington, D. C.
B. Area Employment Expansion Committee, 1144 Pennsylvania Building, Washington, D. C.

A. Morison, Murphy, Clapp & Abrams, 1144 Pennsylvania Building, Washington, D. C.
B. Brewers' Association of America, 188 West Randolph Street, Chicago, Ill.

A. Morison, Murphy, Clapp & Abrams, The Pennsylvania Building, Washington, D. C.
B. Ford Motor Co., 3000 Schaefer Road, Dearborn, Mich.

A. Morison, Murphy, Clapp & Abrams, The Pennsylvania Building, Washington, D. C.
B. Lewis, Field, DeGoff & Stein, Penthouse, DeYoung Building, San Francisco, Calif.

A. Morison, Murphy, Clapp & Abrams, The Pennsylvania Building, Washington, D. C.
B. Salyer Water District, Post Office Box 488, Corcoran, Calif.

A. Morison, Murphy, Clapp & Abrams, 1144 Pennsylvania Building, Washington, D. C.
B. The Sperry & Hutchinson Co., 114 Fifth Avenue, New York, N. Y.

A. Morison, Murphy, Clapp & Abrams, The Pennsylvania Building, Washington, D. C.
B. West Coast Pipeline Co., Mercantile Bank Building, Dallas, Tex.

A. Giles Morrow, President and General Counsel, Freight Forwarders Institute, 1111 E Street NW., Washington, D. C.
D. (6) $4,999.98. E. (9) $81.70.

A. H. S. Mosebrook, 220 East 42d Street, New York, N. Y.
B. American Pulpwood Association, 220 East 42d Street, New York, N. Y.

A. Harold G. Mosier, 610 Shoreham Building, Washington, D. C.
B. Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C.
D. (6) $3,756. E. (9) $401.30.

A. William J. Mougey, Washington, D. C.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich.

A. T. H. Mullen, 711 14th Street NW., Washington, D. C.
B. American Paper and Pulp Association, 122 East 42d Street, New York, N. Y.

A. T. H. Mullen, 711 14th Street NW., Washington, D. C.
B. American Pulpwood Association, 220 East 42d Street, New York, N. Y.

A. Walter J. Munro, Hotel Washington, Washington, D. C.
B. Brotherhood of Railroad Trainmen.

A. Dr. Emmett J. Murphy, 5737 13th Street NW., Washington, D. C.
B. National Chiropractic Insurance Co., National Building, Webster City, Iowa.
D. (6) $300. E. (9) $300.

A. Ray Murphy, 60 John Street, New York, N. Y.
B. Association of Casualty and Surety Companies, 60 John Street, New York, N. Y.
D. (6) $118.75.

A. J. Walter Myers, Jr., Post Office Box 7284, Station C, Atlanta, Ga.
B. Forest Farmers Association Co-op, Post Office Box 7284, Station C, Atlanta, Ga.

A. Paul A. Nagle, 1300 Connecticut Avenue NW., Washington, D. C.
B. National Postal Transport Association, 1300 Connecticut Avenue NW., Washington, D. C.
D. (6) $3,000.

A. National Agricultural Limestone Institute, Inc., 1015 12th Street NW., Washington, D. C.
D. (6) $1,356.90. E. (9) $1,356.90.

A. National Association for the Advancement of Colored People, 20 West 40th Street, New York, N. Y.

A. National Association of Direct Selling Cos., 163–165 Center Street, Winona, Minn.
D. (6) $14,300.

A. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
D. (6) $553.95. E. (9) $8,169.93.

A. National Association of Frozen Food Packers, 1415 K Street NW., Washington, D. C.

A. National Association of Insurance Agents, Inc., 96 Fulton Street, New York, N. Y.
D. (6) $3,394.81. E. (9) $7,309.85.

A. National Association of Margarine Manufacturers, Munsey Building, Washington, D. C.

A. National Association of Mutual Savings Banks, 60 East 42d Street, New York, N. Y.

A. National Association of Postal Supervisors, Post Office Box 2013, Washington, D. C.
D. (6) $7,250. E. (9) $5,757.06.

A. National Association of Post Office and General Services Maintenance Employees, 724 Ninth Street NW., Washington, D. C.
D. (6) $9,173.92. E. (9) $1,400.26.

A. National Association of Refrigerated Warehouses, Inc., 1210 Tower Building, Washington, D. C.

A. National Association of Travel Organizations, 1424 K Street NW., Washington, D. C.
D. (6) $14,579. E. (9) $682.50.

A. National Audio-Visual Association, Inc., Box 337, Fairfax, Va.
D. (6) $28.88. E. (9) $140.47.

A. National Canners Association, 1133 20th Street NW., Washington, D. C.
D. (6) $454,748.70. E. (9) $3,094.57.

A. National Coal Association, 802 Southern Building, Washington, D. C.

A. National Committee for Municipal Bonds, Inc., 161 East 42d Street, New York, N. Y.
D. (6) $4,850. E. (9) $3,294.88.

A. National Committee on Parcel Post Size and Weight Limitations, Room 601, 1625 I Street NW., Washington, D. C.

A. National Committee for Research in Neurological Disorders.
E. (9) $4,000.

A. The National Conference for Repeal of Taxes on Transportation, 1000 Connecticut Avenue NW., Washington, D. C.
D. (6) $4,074.50. E. (9) $2,606.71.

A. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill.

A. National Cotton Compress & Cotton Warehouse Association, 1085 Shrine Building, Memphis, Tenn.

A. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.
D. (6) $1,745.90. E. (9) $1,745.90.

A. National Council on Business Mail, Inc., 1028 Connecticut Avenue NW., Washington, D. C.
D. (6) $121.57. E. (9) $601.25.

A. National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C.

A. National Crushed Limestone Institute, Inc., 1015 12th Street NW., Washington, D. C.
D. (6) $271.85. E. (9) $271.85.

A. National Economic Council, Inc., 7501 Empire State Building, New York, N. Y.

A. National Electrical Manufacturers Association, 155 East 44th Street, New York, N. Y.
D. (6) $1,757.74. E. (9) $1,757.74.

A. National Federation of Federal Employees, 1729 G Street NW., Washington, D. C.
D. (6) $91,521.70. E. (9) $8,604.43.

A. National Federation of Independent Bus, Inc., 740 Washington Building, Washington, D. C.
D. (6) $6,512.65. E. (9) $6,512.65.

A. National Federation of Post Office Clerks, Suite 502, 711 14th Street NW., Washington, D. C.
D. (6) $149,758.17. E. (9) $15,052.41.

A. National Food Brokers Association, 1916 M Street NW., Washington, D. C.
D. (6) $1,310. E. (9) $1,310.

A. National Housing Conference, Inc., 1025 Connecticut Avenue NW., Washington, D. C.
D. (6) $8,452.03. E. (9) $12,906.60.

A. National Independent Meat Packers Association, 740 11th Streeet NW., Washington, D. C.
D. (6) $525.50. E. (9) $1,489.69.

A. National Live Stock Tax Committee, 801 East 17th Avenue, Denver, Colo.
D. (6) $1,805.

A. National Lumber Manufacturers Association, 1319 18th Street NW., Washington, D. C.
D. (6) $10,276.42. E. (9) $9.62.

A. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.
D. (6) $698. E. (9) $698.

A. National Multiple Sclerosis Society, 257 Fourth Avenue, New York, N. Y.
E. (9) $750.03.

A. National Postal Transport Association, 1300 Connecticut Avenue NW., Room 403, Washington, D. C.
D. (6) $7,780.28. E. (9) $7,780.28.

A. National Reclamation Association, 697 National Press Building, Washington, D. C.
D. (6) $14,421. E. (9) $10,496.23.

A. National Retail Dry Goods Association, 100 West 31st Street, New York, N. Y.
D. (6) $4,125. E. (9) $4,573.44.

A. National Retail Furniture Association, 666 Lake Shore Drive, Chicago, Ill.

A. National Rivers and Harbors Congress, 1028 Connecticut Avenue NW., Washington, D. C.
D. (6) $1,485. E. (9) $6,516.83.

A. National Savings and Loan League, 907 Ring Building, 18th and M Streets NW., Washington, D. C.
D. (6) $202.73. E. (9) $850.

A. National Small Business Men's Association, 801 19th Street NW., Washington, D. C.
D. (6) $13,412.21. E. (9) $15,893.76.

A. National Society of Professional Engineers, 2029 K Street NW., Washington, D. C.
D. (6) $33,893.22. E. (9) $3,281.68.

A. National Tax Relief Coalition, 2309 Pine Craft Road, Greensboro, N. C.
B. L. S. Franklin, 2309 Pine Craft Road, Greensboro, N. C.
D. (6) $625. E. (9) $935.

A. The National Tire Dealers and Retreaders Association, Inc., 1012 14th Street NW., Washington, D. C.

A. The National Woman's Christian Temperance Union, 1730 Chicago Avenue, Evanston, Ill.
D. (6) $469.65. E. (9) $1,768.59.

A. National Wool Growers Association, 414 Crandall Building, Salt Lake City, Utah.
D. (6) $45,508.50. E. (9) $2,965.81.

A. Nation-Wide Committee of Industry, Agriculture and Labor on Import-Export Policy, Room 400, 815 15th Street NW., Washington, D. C.
D. (6) $26,775. E. (9) $12,328.37.

A. Robert R. Neal, 1701 K Street NW., Washington, D. C.
B. Health Insurance Association of America, 1701 K Street NW., Washington, D. C.

A. William S. Neal.
B. National Association of Manufacturers of the U. S. A., 918 16th Street NW., Washington, D. C.

A. A. Z. Nelson, 1319 18th Street NW., Washington, D. C.
B. National Lumber Manufacturers Association, 1319 18th Street NW., Washington, D. C.

A. George R. Nelson, Machinists Building, Washington, D. C.
B. International Association of Machinists, Machinists Building, Washington, D. C.
D. (6) $1,500. E. (9) $297.

A. New York & New Jersey Dry Dock Association, 161 William Street, New York City.
D. (6) $4,250. E. (9) $4,095.22.

A. New York Stock Exchange, 11 Wall Street, New York, N. Y.
E. (9) $3,000.

A. Henry G. Nolda, 1729 G Street NW., Washington, D. C.
B. National Federation of Federal Employees, 1729 G Street NW., Washington, D. C.
D. (6) $2,307.72. E. (9) $64.38.

A. O. L. Norman, 1200 18th Street NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
D. (6) $262.50. E. (9) $17.15.

A. Harry E. Northam, 185 North Wabash Avenue, Chicago, Ill.
B. Association of American Physicians and Surgeons, Inc., 185 North Wabash Avenue, Chicago, Ill.

A. Northern Hemlock & Hardwood Manufacturers Association, Washington Building, Oshkosh, Wis.
D. (6) $100.

A. E. M. Norton, 1731 I Street NW., Washington, D. C.
B. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.
D. (6) $100. E. (9) $28.

A. Brice O'Brien, 1102 Ring Building, Washington, D. C.
B. American Mining Congress, Ring Building, Washington, D. C.
D. (6) $1,250.

A. George J. O'Brien, 225 Bush Street, San Francisco, Calif.
B. Standard Oil Company of California, 225 Bush Street, San Francisco, Calif.

A. R. E. O'Connor, 122 East 42d Street, New York, N. Y.
B. American Paper & Pulp Association, 122 East 42d Street, New York, N. Y.

A. Herbert R. O'Conor, 1701 K Street NW., Washington, D. C.
B. American Merchant Marine Institute, Inc., 1701 K Street NW., Washington, D. C., and 11 Broadway, New York, N. Y.

A. John A. O'Donnell, 1424 16th Street NW., Washington, D. C.
B. American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $1,200.

A. Eugene O'Dunne, Jr., Southern Building, Washington, D. C.
B. The Associated Business Publications, 205 East 42d Street, New York, N. Y.
D. (6) $3,125.

A. Eugene O'Dunne, Jr., Southern Building, Washington, D. C.
B. National Association of Wool Manufacturers, 386 Fourth Avenue, New York, N. Y.

A. The Ohio Railroad Association, 16 East Broad Street, Columbus, Ohio.

A. Alvin E. Oliver, 600 Folger Building, Washington, D. C.
B. Grain & Feed Dealers National Association, 600 Folger Building, Washington, D. C.
D. (6) $11.36.

A. E. L. Oliver, 1001 Connecticut Avenue NW., Washington, D. C.
B. Labor Bureau of Middle West, 1001 Constitution Avenue NW., Washington, D. C.

A. Fred N. Oliver, 110 East 42d Street, New York, N. Y., and Investment Building, Washington, D. C.
B. National Association of Mutual Savings Banks, 60 East 42d Street, New York, N. Y.

A. Robert Oliver, 1026 17th Street NW., Washington, D. C.
B. Morison, Murphy, Clapp & Abrams, 1144 Pennsylvania Building, Washington, D. C.

A. Clarence H. Olson, 1608 K Street NW., Washington, D. C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $2,370.

A. Samuel Omasta, 1015 12th Street NW., Washington, D. C.
B. National Agricultural Limestone Institute, Inc., 1015 12th Street NW., Washington, D. C.
E. (9) $10.

A. Order of Railway Conductors and Brakemen, O. R. C. & B. Building, Cedar Rapids, Iowa.
E. (9) $4,356.63.

A. Clayton L. Orn, 539 South Main Street, Findlay, Ohio.
B. The Ohio Oil Co., Findlay, Ohio.

A. Morris E. Osburn, Central Trust Building, Jefferson City, Mo.
B. Missouri Railroad Committee.

A. Vaux Owen, 1729 G Street NW., Washington, D. C.
B. National Federation of Federal Employees, 1729 G Street NW., Washington, D. C.
D. (6) $2,884.62. E. (9) $74.15.

A. Mrs. Theodor Oxholm, 19 East 92d Street, New York, N. Y.

A. Pacific American Tankship Association, 25 California Street, San Francisco, Calif.
D. (6) $200. E. (9) $1,624.99.

A. Edwin F. Padberg, 1223 Pennsylvania Building, Washington, D. C.
B. The Pennsylvania Railroad Co., 6 Penn Center Plaza, Philadelphia, Pa.

A. Everett L. Palmer, 901 Hamilton Street, Allentown, Pa.
B. Pennsylvania Power & Light Co., 901 Hamilton Street, Allentown, Pa.

A. Lew M. Paramore, Post Office Box 356, Kansas City, Kans.
B. Mississippi Valley Association, 1978 Railway Exchange Building, St. Louis, Mo.
D. (6) $3,000. E. (9) $207.01.

A. Joseph O. Parker, 531 Washington Building, Washington, D. C.
B. Florida Fruit and Vegetable Association, 4401 East Colonial Drive, Orlando, Fla.

A. Joseph O. Parker, 531 Washington Building, Washington, D. C.
B. Institute of American Poultry Industries, 59 East Madison Street, Chicago, Ill.

A. Joseph O. Parker, 531 Washington Building, Washington, D. C.
B. The National Grange, 744 Jackson Place NW., Washington, D. C.
D. (6) $3,500. E. (9) $17.40.

A. Lovell H. Parker, 605 Colorado Building, Washington, D. C.
B. Maryland Electronic Manufacturing Co., College Park, Md.; W. A. Sheaffer Pen Co., Fort Madison, Iowa; and Record Industry Association of America, New York, N. Y.
D. (6) $300.

A. A. Lee Parsons, 1145 19th Street NW., Suite 504, Washington, D. C.
B. American Cotton Manufacturers Institute, 1501 Johnston Building, Charlotte, N. C.
D. (6) $337.50. E. (9) $54.73.

A. Perry S. Patterson, 800 World Center Building, Washington, D. C.
B. Automatic Phonograph Manufacturers Association, 1603 Orrington Avenue, Evanston, Ill.

A. James G. Patton.
B. The Farmers' Educational and Co-Operative Union of America, 1575 Sherman Street, Denver, Colo., and 1404 New York Avenue NW., Washington, D. C.

A. Robert T. Patton, 1008 West Sixth Street, Los Angeles, Calif.
B. Shell Oil Co., 1008 West Sixth Street, Los Angeles, Calif.

A. Paul, Weiss, Rifkind, Wharton & Garrison, 575 Madison Avenue, New York, N. Y.
B. American Heritage Publishing Co., Inc., 551 Fifth Avenue, New York, N. Y.
D. (6) $378.81. E. (9) $29.98.

A. Edmund W. Pavenstedt, in care of White & Case, 14 Wall Street, New York, N. Y.

A. Albert A. Payne, 1300 Connecticut Avenue NW., Washingon, D. C.
B. National Association of Real Estate Boards, 1300 Connecticut Avenue NW., Washington, D. C.
D. (6) $1,916.66. E. (9) $66.98.

A. Philip C. Pendleton, Second Street Pike, Bryn Athyn, Pa.
B. Family Tax Association, 1616 Walnut Street, Philadelphia, Pa.,
E. (9) $69.27.

A. Francis E. Perkins, 21 School Street, Concord, N. H.
B. Boston and Maine Railroad, North Station, Boston, Mass.

A. J. Hardin Peterson, Box 111, Lakeland, Fla.
B. Florida Citrus Mutual, Lakeland, Fla.
D. (6) $1,800. E. (9) $41.50.

A. J. Hardin Peterson, 208 South Tennessee, Lakeland, Fla.
B. Peoples Lobby, Inc.

A. J. Hardin Peterson, Box 111, Lakeland, Fla.
B. West Coast Inland Navigation District, Court House, Bradenton, Fla.
D. (6) $600. E. (9) $30.60.

A. Philco Corporation, Tioga and C Streets, Philadelphia, Pa.

A. J. E. Phillips, 225 Bush Street, San Francisco, Calif.
B. Standard Oil Company of California, 225 Bush Street, San Francisco, Calif.
D. (6) $500. E. (9) $100.

A. Albert T. Pierson, 54 Meadow Street, New Haven, Conn.
B. The New York, New Haven & Hartford Railroad Co., 54 Meadow Street, New Haven, Conn.

A. Albert Pike, Jr., 488 Madison Avenue, New York. N. Y.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
D. (6) $65.

A. James F. Pinkney, 1424 16th Street NW., Washington, D. C.
B. American Trucking Association, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $500. E. (9) $17.40.

A. T. E. Pinkston, 101 East High Street, Lexington, Ky.

A. Plains Cotton Growers, Inc., 220–221 Lubbock National Building, Lubbock, Tex.
D. (6) $30,518.30. E. (9) $3,275.

A. Kenneth M. Plaisted, 152 West Wisconsin Avenue, Suite 315, Milwaukee, Wis.
B. National Board of Fur Farm Organizations, Inc., 152 West Wisconsin Avenue, Suite 315, Milwaukee, Wis.

A. J. Francis Pohlhaus, 100 Massachusetts Avenue NW., Washington, D. C.
B. National Association for the Advancement of Colored People, 20 West 40th Street, New York, N. Y.
D. (6) $1,530.50.

A. Frank M. Porter, 50 West 50th Street, New York, N. Y.
B. American Petroleum Institute, 50 West 50th Street, New York, N. Y.

A. Nelson J. Post, 1731 I Street NW., Washington, D. C.
B. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.
D. (6) $10.

A. Prefabricated Home Manufacturers' Institute, 1117 Barr Building, Washington, D. C.
D (6) $25,563.75. E. (9) $2,045.10.

A. William H. Press, 1616 K Street NW., Washington, D. C.
B. Washington Board of Trade, 1616 K Street NW., Washington, D. C.
D. (6) $4,800.

A. Herman P. Presser, P. O. Box 2180, Houston, Tex.
B. Humble Oil & Refining Co., P. O. Box 2180, Houston, Tex.
E. (9) $10.

A. Allen I. Pretzman, 150 East Broad Street, Columbus, Ohio.
B. Scioto-Sandusky Conservancy District, 150 East Broad Street, Columbus, Ohio.

A. Karl R. Price, World Center Building, Washington, D. C.
B. Marie B. Kraus, 2500 Calvert Street NW., Washington, D. C.
E. (9) $4,000.

A. Harry E. Proctor, 319 Investment Building, Washington, D. C.
B. National Association of Mutual Savings Banks, 60 East 42d Street, New York City.

A. Public Information Committee of the Cotton Industries, 304 Empire Bank Building, Dallas, Tex.

A. Ganson Purcell, 910 17th Street NW., Washington, D. C.
B. Insular Lumber Co., 1406 Locust Street, Philadelphia, Pa.
D. (6) $450. E. (9) $1.25.

A. Alexander Purdon, 1000 Connecticut Avenue NW., Washington, D. C.
B. Committee of American Steamship Lines, 1000 Connecticut Avenue NW., Washington, D. C.
D. (6) $937.50. E. (9) $442.32.

A. Luke C. Quinn, Jr., Room 607, 1001 Connecticut Avenue NW., Washington, D. C.
B. American Cancer Society, New York, N. Y.; Arthritis & Rheumatism Foundation, New York; United Cerebral Palsy Associations, New York; National Multiple Sclerosis Society, N. Y., and National Committee for Research in Neurological Disorders.
D. (6) $12,250.01. E. (9) $5,021.36.

A. Alex Radin, 1025 Connecticut Avenue NW., Washington, D. C.
B. American Public Power Association, 1025 Connecticut Avenue NW., Washington, D. C.

A. Railway Labor Executives' Association, 401 Third Street NW., Washington, D. C.

A. Alan T. Rains, 777 14th Street NW., Washington, D. C.
B. United Fresh Fruit & Vegetable Association, 777 14th Street NW., Washington, D. C.

A. Thomas M. Raysor, 1366 National Press Building, Washington, D. C.

A. Sydney C. Reagan, 3840 Greenbrier, Dallas, Tex.
B. Southwestern Peanut Shellers Association, Box 48, Durant, Okla.
D. (6) $150.

A. Record Industry Association of America, Inc., 1 East 57th Street, New York, N. Y.

A. Stanley Rector, Hotel Washington, Washington, D. C.
B. Unemployment Benefit Advisors, Inc.
D. (6) $1,000.

A. Regular Common Carrier Conference of American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $1,490. E. (9) $1,490.

A. Thomas E. Rhodes, 219 Southern Building, Washington, D. C.
B. Sigfried Olsen, 1 Drumm Street, San Francisco, Calif.

A. George L. Reid, Jr., 1424 16th Street, NW., Washington, D. C.
D. (6) $799.99. E. (9) $267.94

A. James Francis Reilly, 1625 K Street NW., Washington, D. C.
B. Potomac Electric Power Co., 929 E Street NW., Washington, D. C.
D. (6) $3,000. E. (9) $650.

A. Reserve Officers Association of the U. S., 2517 Connecticut Avenue NW., Washington, D. C.

A. Retired Officers Association, 1616 I Street NW., Washington D. C.
D. (6) $58,269.20.

A. Retirement Federation of Civil Service Employees of the United States Government, 900 F Street NW., Room 906, Washington, D. C.
D. (6) $2,965.46. E. (9) $10,313.58.

A. Roland Rice, 618 Perpetual Building, Washington, D. C.
B. Regular Common Carrier Conference of American Trucking Association, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $280.

A. Theron Jennings Rice, 1615 H Street NW., Washington, D. C.
B. Chamber of Commerce of the United States.

A. Siert F. Riepma, Munsey Building, Washington, D. C.
B. National Association of Margarine Manufacturers, Munsey Building, Washington D. C.

A. John J. Riggle.
B. National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C.

A. C. E. Rightor, 3300 Rolling Road, Chevy Chase, Md.
B. Committee for Study of Revenue Bond Financing, 149 Broadway, New York, N. Y.
D. (6) $458.33.

A. George D. Riley, 815 16th Street NW., Washington, D. C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D. C.
D. (6) $3,122. E. (9) $1,360.

A. John A. Riley, 1128 16th Street NW., Washington, D. C.
B. American Bottlers of Carbonated Beverages, 1128 16th Street NW., Washington, D. C.

A. E. W. Rising, Suite 323, 1028 Connecticut Avenue NW., Washington, D. C.
B. Western Sugar Beet Growers Association, Post Office Box 742, Great Falls, Mont.
D. (6) $300. E. (9) $371.29.

A. William Neale Roach, 1424 16th Street NW., Washington, D. C.
B. American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $1,200. E. (9) $117.

A. Paul H. Robbins, 2029 K Street NW., Washington, D. C.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D. C.
D. (6) $250.

A. Frank L. Roberts, 1700 K Street NW., Suite 1306, Washington, D. C.
B. Chrysler Corp., 341 Massachusetts Avenue, Detroit, Mich.
D. (6) $250. E. (9) $100.

A. Edward O. Rodgers, Air Transport Association of America, 1000 Connecticut Avenue NW., Washington, D. C.
B. Air Transport Association of America, 1000 Connecticut Avenue NW., Washington, D. C.
D. (6) $1,250. E. (9) $37.45.

A. Frank W. Rogers, Suite 801, 1701 K Street NW., Washington, D. C.
B. Western Oil & Gas Association, 609 South Grand Avenue, Los Angeles, Calif.
D. (6) $4,213.50.

A. Watson Rogers, 1916 M Street NW., Washington, D. C.
B. National Food Brokers Association, 1916 M Street NW., Washington, D. C.
D. (6) $1,000.

A. George B. Roscoe, 1200 18th Street NW., Washington, D. C.
B. National Electrical Contractors Association, 1200 18th Street NW., Washington, D. C.

A. Roland H. Rowe, 400 Investment Building, Washington, D. C.
B. United States Wholesale Grocers' Association, Inc., 400 Investment Building, Washington, D. C.

A. Albert R. Russell, 1918 North Parkway, Memphis, Tenn.
B. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.
D. (6) $195. E. (9) $163.28.

A. Horace Russell, 221 North La Salle Street, Chicago, Ill.
B. United States Savings and Loan League, 221 North La Salle Street, Chicago, Ill.
D. (6) $437.50.

A. M. O. Ryan, 777 14th Street NW., Washington, D. C.
B. American Hotel Association, 221 West 57th Street, New York, N. Y.
D. (6) $500. E. (9) $454.30.

A. William H. Ryan, Room 303, 1029 Vermont Avenue NW., Washington, D. C.
B. District Lodge No. 44, International Association of Machinists, Room 303, 1029 Vermont Avenue NW., Washington, D. C.
D. (6) $2,250.27. E. (9) $60.

A. Robert A. Saltzstein, 508 Wyatt Building, Washington, D. C.
B. Associated Business Publications, 205 East 42d Street, New York, N. Y.
D. (6) $3,125. E. (9) $78.36.

A. Robert A. Saltzstein, 508 Wyatt Building, Washington, D. C.
B. Smaller Magazines Postal Committee, Post Office Box 975, New Canaan, Conn.
E. (9) $12.34.

A. L. R. Sanford, 21 West Street, New York, N. Y.
B. Shipbuilders Council of America, 21 West Street, New York, N. Y.

A. Harrison Sasscer, 1201 16th Street NW., Washington, D. C.
B. Division of Legislation and Federal Relations of the National Education Association of the United States, 1201 16th Street NW., Washington, D. C.
D. (6) $322.80.

A. Satterlee, Warfield & Stephens, 460 Park Avenue, New York, N. Y.
B. American Nurses' Association, 2 Park Avenue, New York, N. Y.
D. (6) $375. E. (9) $66.27.

A. O. H. Saunders, 1616 I Street NW., Washington, D. C.
B. Retired Officers Association, 1616 I Street NW., Washington, D. C.
D. (6) $1,275.

A. Schoene and Kramer, 1625 K Street NW., Washington, D. C.
B. Railway Labor Executives Association, 401 Third Street NW., Washington, D. C.
E. (9) $2.14.

A. Seaboard & Western Airlines, Inc., 80 Broad Street, New York, N. Y.

A. Durward Seals, 777 14th Street NW., Washington, D. C.
B. United Fresh Fruit & Vegetable Association, 777 14th Street NW., Washington, D. C.

A. Hollis M. Seavey, 532 Shoreham Building, Washington, D. C.
B. Clear Channel Broadcasting Service (CCBS); 532 Shoreham Building, Washington, D. C.

A. Harry See, 401 Third Street NW., Washington, D. C.
B. Brotherhood of Railroad Trainmen.

A. Leo Seybold, 1000 Connecticut Avenue NW., Washington, D. C.
B. Air Transport Association of America, 1000 Connecticut Avenue NW., Washington, D. C.
D. (6) $575. E. (9) $42.90.

A. Alvin Shapiro, 1701 K Street NW., Washington, D. C.
B. American Merchant Marine Institute, Inc., 1701 K Street NW., Washington, D. C.; 11 Broadway, New York, N. Y.
D. (6) $256.50. E. (9) $64.35.

A. Donald H. Sharp, 195 Broadway, New York, N. Y., and 1001 Connecticut Avenue NW., Washington, D. C.
B. American Telephone & Telegraph Co., 195 Broadway, New York, N. Y.
D. (6) $2,250.

A. A Manning Shaw, 1625 I Street NW., Washington, D. C.
B. Brown, Lund & Fitzgerald, 1625 I Street NW., Washington, D. C.
D. (6) $283.25.

A. Leander I. Shelley, 30 Broad Street, New York, N. Y.
B. American Association of Port Authorities, Washington, D. C., and Airport Operators Council, Washington, D. C.
D. (6) $1,250.

A. Bruce E. Shepherd, 488 Madison Avenue, New York, N. Y.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
D. (6) $137.50.

A. Laurence P. Sherfy, 1102 Ring Building, Washington, D. C.
B. American Mining Congress, Ring Building, Washington, D. C.
D. (6) $1,250.

A. W. Lee Shield, 170 K Street NW., Washington, D. C.
B. American Life Convention, 230 North Michigan Avenue, Chicago, Ill.
D. (6) $344.64. E. (9) $60.08.

A. Richard C. Shipman.
B. The Farmers' Educational and Co-Operative Union of America, 1404 New York Avenue NW., Washington, D. C.
D. (6) $728. E. (9) $78.78.

A. Robert L. Shortle, 801 International Building, New Orleans, La.
B. Mississippi Valley Association, 1978 Railway Exchange Building, St. Louis, Mo.
D. (6) $2,750.

A. Charles B. Shuman, Merchandise Mart Plaza, Chicago, Ill.
B. American Farm Bureau Federation, Merchandise Mart Plaza, Chicago, Ill.
D. (6) $625.

A. Leonard L. Silverstein, 1100 Bowen Building, Washington, D. C.
B. National Association of Women's and Children's Apparel Salesmen, Inc., Atlanta, Ga.

A. Six Agency Committee, 909 South Broadway, Los Angeles, Calif.
D. (6) $10,000. E. (9) $3,040.52.

A. Stephen Slipher, 812 Pennsylvania Building, Washington, D. C.
B. United States Savings and Loan League, 221 North La Salle Street, Chicago, Ill.
D. (6) $1,625. E. (9) $4.90.

A. Smaller Magazines Postal Committee, Post Office Box 975, New Canaan, Conn.
E. (9) $120.99.

A. Elizabeth A. Smart, 144 Constitution Avenue NW., Washington, D. C.
B. National Woman's Christian Temperance Union, 1730 Chicago Avenue, Evanston, Ill.
D. (6) $606.12. E. (9) $160.16.

A. T. W. Smiley, Room 1150, La Salle Hotel, Chicago, Ill.
B. Illinois Railroad Association, Room 1526, 33 South Clark Street, Chicago, Ill.
E. (9) $100.17.

A. Fred Smith & Co., Inc., 588 Fifth Avenue, New York, N. Y.
B. Edward Mallinckrodt, Jr., 16 West Moreland Place, St. Louis, Mo.
D. (6) $7,206.46.

A. Harold Arden Smith, 605 West Olympic Boulevard, Los Angeles, Calif.
B. Standard Oil Company of California, 225 Bush Street, San Francisco, Calif.
D. (6) $3,660. E. (9) $167.

A. James R. Smith, 719 Omaha National Bank Building, Omaha, Nebr.
B. Mississippi Valley Association, 1978 Railway Exchange Building, St. Louis, Mo.
D. (6) $3,750.

A. Lloyd W. Smith, 416 Shoreham Building, Washingtin, D. C.
B. Chicago, Burlington & Quincy Railroad Co., 547 West Jackson Boulevard, Chicago, Ill., and Great Northern Railway Co., 175 East Fourth Street, St. Paul, Minn.
D. (6) $3,962.

A. Wallace M. Smith, 20 North Wacker Drive, Chicago, Ill.
B. American Mutual Insurance Alliance.

A. Edward F. Snyder, 104 C Street NE., Washington, D. C.
B. Friends Committee on National Legislation, 104 C Street NE., Washington, D. C.
D. (6) $1,081.76.

A. J. D. Snyder, Room 1150, La Salle Hotel, Chicago, Ill.
B. Illinois Railroad Association, Room 1526, 33 South Clark Street, Chicago, Ill.
D. (6) $625.

A. Marvin J. Sonosky, 1028 Connecticut Avenue NW., Washington, D. C.

A. W. Byron Sorrell, 1028 Connecticut Avenue, Washington, D. C.
B. Mobilehome Dealers National Association, 39 South La Salle Street, Chicago, Ill.
D. (6) $1,500. E. (9) $59.19.

A. Southern States Industrial Council, 1103 Stahlman Building, Nashville, Tenn.
D. (6) $23,455.50. E. (9) $24,328.25.

A. W. W. Spear, Fremont, Nebr.
B. Standard Oil Co., 910 South Michigan Avenue, Chicago, Ill.
D. (6) $1,000. E. (9) $785.

A. Lyndon Spencer, 305 Rockefeller Building, Cleveland, Ohio.
B. Lake Carriers' Association, 305 Rockefeller Building, Cleveland, Ohio.

A. Spokesmen for Children, Inc., 19 East 92d Street, New York, N. Y.
D. (6) $30.24. E. (9) $40.23.

A. Thomas G. Stack, 1104 West 104th Place, Chicago, Ill.
B. National Railroad Pension Forum, Inc., 1104 West 104th Place, Chicago, Ill.
D. (6) $1,800. E. (9) $4,691.

A. Howard M. Starling, 837 Washington Building, Washington, D. C.
B. Association of Casualty & Surety Companies, 60 John Street, New York, N. Y.
D. (6) $150.

A. Mrs. C. A. L. Stephens, P. O. Box 6234, Northwest Station, Washington, D. C.

A. Russell M. Stephens, 900 F Street NW., Room 901, Washington, D. C.
B. American Federation of Technical Engineers, 900 F Street NW., Room 901, Washington, D. C.
D. (6) $240. E. (9) $20.

A. Herman Sternstein, 1001 Conecticut Avenue NW., Washington, D. C.
B. O. David Zimring, 1001 Connecticut Avenue NW., Washington, D. C.

A. B. H. Steuerwald, 401 Third Street NW., Washington, D. C.
B. Brotherhood of Railroad Signalmen of America, 503 Wellington Avenue, Chicago, Ill.

A. Stevenson, Paul, Rifkind, Wharton & Garrison, 1614 I Street NW., Washington, D. C.
B. Ampex Corp., Redwood City, Calif.
E. (9) $0.30.

A. Stevenson, Paul, Rifkind, Wharton & Garrison, 1614 I Street NW., Washington, D. C.
B. N. R. Caine & Co., 40 Exchange Place, New York, N. Y.
E. (9) $0.30.

A. Stevenson, Paul Rifkind, Wharton & Garrison, 1614 I Street NW., Washington, D. C.
B. Howard F. Knipp, 3401 South Hanover Street, Baltimore, Md.

A. Stevenson, Paul, Rifkind, Wharton & Garrison, 1614 I Street NW., Washington, D. C.
B. National Committee for Insurance Taxation, The Hay-Adams House, Washington, D. C.
E. (9) $5.58.

A. Mrs. Alexander Stewart, 214 Second Street NE., Washington, D. C.
B. Women's International League for Peace and Freedom, 214 Second Street NE., Washington, D. C.
D. (6) $13,949.24. E. (9) $12,285.05.

A. Charles T. Stewart, 1300 Connecticut Avenue NW., Washington, D. C.
B. National Association of Real Estate Boards, 36 South Wabash Avenue, Chicago, Ill.
D. (6) $1,450.

A. Erskine Stewart, 1028 Connecticut Avenue NW., Washington, D. C.
B. National Council on Business Mail, Inc., 1028 Connecticut Avenue NW., Washington, D. C.
E. (9) $1.25.

A. Edwin L. Stoll, 1300 Connecticut Avenue NW., Washington, D. C.
B. National Association of Real Estate Boards, 36 South Wabash Avenue, Chicago, Ill.
D. (6) $1,033.

A. W. S. Story, 1729 H Street NW., Washington, D. C.
B. Institute of Scrap Iron and Steel, Inc., 1729 H Street NW., Washington, D. C.
D. (6) $300. E. (9) $1.25.

A. Sterling F. Stoudenmire, Jr., 61 Saint Joseph Street, Mobile, Ala.
B. Waterman Steamship Corp., 61 Saint Joseph Street, Mobile, Ala.
D. (6) $1,250.

A. Francis W. Stover, 610 Wire Building, Washington, D. C.
B. Veterans of Foreign Wars of the United States.
D. (6) $1,625. E. (9) $58.45.

A. Paul A. Strachan, 1370 National Press Building, Washington, D. C.
B. American Federation of the Physically Handicapped, 1370 National Press Building, Washington, D. C.

A. O. R. Strackbein, 815 15th Street NW., Room 400, Washington, D. C.
D. (6) $1,615.38.

A. O. R. Strackbein, 815 15th Street NW., Room 400, Washington, D. C.
D. (6) $625.

A. O. R. Strackbein, 815 15th Street NW., Room 400, Washington, D. C.
D. (6) $5,000.

A. William A. Stringfellow, 6004 Roosevelt Street, Bethesda, Md.
B. National Association of Mutual Insurance Agents, 829 Investment Building, Washington, D. C.

A. Norman Strunk, 221 North La Salle Street, Chicago, Ill.
B. United States Savings and Loan League, 221 North La Salle Street, Chicago, Ill.
D. (6) $950. E. (9) $135.93.

A. Arthur Sturgis, Jr., 1145 19th Street NW., Washington, D. C.
B. American Retail Federation, 1145 19th Street NW., Washington, D. C.

A. J. E. Sturrock, Box 2084 Capitol Station, Austin, Tex.
B. Texas Water Conservation Association, Box 2084, Capitol Station, Austin Tex.
D. (6) $1.800. E. (9) $1,484.03.

A. Joseph Monroe Sullivan, 1000 Connecticut Avenue NW., Washington, D. C.
B. Committee of American Steamship Lines, 1000 Connecticut Avenue NW., Washington, D. C.
D. (6) $450. E. (9) $226.48.

A. Frank L. Sundstrom, 350 Fifth Avenue, New York, N. Y.
B. Schenley Industries, Inc., 350 Fifth Avenue, New York City.

A. Noble J. Swearingen, 1790 Broadway, New York, N. Y.
B. National Tuberculosis Association, 1790 Broadway, New York, N. Y.

A. Glenn J. Talbott.
B. The Farmers' Educational and Co-Operative Union of America, 1404 New York Avenue NW., Washington, D. C., and 1575 Sherman Street, Denver, Colo.

A. Edward D. Taylor, 777 14th Street NW., Washington, D. C.
B. Office Equipment Manufacturers Institute (OEMI), 777 14th Street NW., Washington, D. C.

A. Texas Water Conservation Association, Box 2084 Capitol Station, Austin, Tex.
D. (6) $6,650. E. (9) $8,575.91.

A. J. Woodrow Thomas, 806 Connecticut Avenue NW., Washington, D. C.
B. Trans World Airlines, Inc., 10 Richards Road, Kansas City, Mo.

A. Oliver A. Thomas, 125 North Center Street, Reno, Nev.
B. Nevada Railroad Association, 125 North Center Street, Reno, Nev.
D. (6) $350.

A. Eugene M. Thoré, 1701 K Street NW., Washington, D. C.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
D. (6) $1,828.75. E. (9) $13.73.

A. Richard A. Tilden, 441 Lexington, Avenue, New York, N. Y.
B. R. E. Schanzer, Inc., 608–12 South Peters Street, New Orleans, La.

A. G. D. Tilghman, 1604 K Street NW., Washington, D. C.
B. Disabled Officers Association, 1604 K Street NW., Washington, D. C.
D. (6) $3,125.

A. William H. Tinney, 1223 Pennsylvania Building, Washington, D. C.
B. The Pennsylvania Railroad Co., 6 Penn Center Plaza, Philadelphia, Pa.

A. M. S. Tisdale, 2355 Alameda Street, Vallejo, Calif.
B. Armed Services Committee, Chamber of Commerce, Vallejo, Solano County, Calif.
D. (6) $295. E. (9) $196.30.

A. H. Willis Tobler, 1731 I Street NW., Washington, D. C.
B. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.
D. (6) $300.

A. John H. Todd, 1085 Shrine Building, Memphis, Tenn.
B. National Cotton Compress and Cotton Warehouse Association, 1085 Shrine Building, Memphis, Tenn.

A. Harry L. Towe, 241 Main Street, Hackensack, N. J.
B. Associated Railroads of New Jersey, Pennsylvania Station, New York, N. Y.

A. F. Gerald Toye, 777 14th Street NW., Washington, D. C.
B. General Electric Co., 570 Lexington Avenue, New York, N. Y.
D. (6) $1,000. E. (9) $214.80.

A. Transportation Association of America, 1000 Connecticut Avenue NW., Washington, D. C.

A. Matt Triggs, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $1,500. E. (9) $23.93.

A. Glenwood S. Troop, Jr., 812 Pennsylvania Building, Washington, D. C.
B. United States Savings and Loan League, 221 North La Salle Street, Chicago, Ill.
D. (6) $781.25.

A. Harold J. Turner, Henry Building, Portland, Oreg.
B. Spokane, Portland & Seattle Railway Co., Southern Pacific Co., and Union Pacific Railroad Co., Henry Building, Portland, Oreg.

A. William S. Tyson, 736 Bowen Building, Washington, D. C.
B. Local No. 30, Canal Zone Pilots, Post Office Box 601, Balboa, C. Z.
E. (9) $79.43.

A. Union Producing Co., 1525 Fairfield Avenue, Shreveport, La., and United Gas Pipe Line Co., 1525 Fairfield Avenue, Shreveport, La.
E. (9) $729.50.

A. United States Citizens' Association, Box 354, Balboa, C. Z.
D. (6) $523.35. E. (9) $1,885.27.

A. United States Savings and Loan League, 211 North La Salle Street, Chicago, Ill.
E. (9) $10,879.37.

A. Vegetable Growers Association of America, 528 Mills Building, Washington, D. C.

A. Richard E. Vernor, 1701 K Street NW., Washington, D. C.
B. American Life Convention, 230 North Michigan Avenue, Chicago 1, Ill.
D. (6) $38.15. E. (9) $3.

A. R. K. Vinson, 1346 Connecticut Avenue NW., Washington, D. C.
B. Machinery Dealers National Association, 1346 Connecticut Avenue NW., Washington, D. C.

A. Paul H. Walker, 1701 K Street NW., Washington, D. C.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
D. (6) $162.50. E. (9) $1.05.

A. Woollen H. Walshe, 2800 Woodley Road NW., Washington, D. C.
B. Standard Oil Company of California, Suite 1204, 1700 K Street NW., Washington, D. C.

A. Stephen M. Walter, 1200 18th Street NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.

A. Thomas G. Walters, 100 Indiana Avenue NW., Washington, D. C.
B. Government Employees' Council, 100 Indiana Avenue NW., Washington, D. C.
D. (6) $3,000.

A. Charles A. Washer, 1145 19th Street NW., Washington, D. C.
B. American Retail Federation, 1145 19th Street NW., Washington, D. C.
D. (6) $625.

A. Washington Board of Trade, 1616 K Street NW., Washington, D. C.

A. Washington Home Rule Committee, Inc., 924 14th Street NW., Washington, D. C.
D. (6) $1,989. E. (9) $1,728.93.

A. Vincent T. Wasilewski, 1771 N Street NW., Washington, D. C.
B. National Association of Radio and Television Broadcasters, 1771 N Street NW., Washington, D. C.

A. Waterways Council Opposed to Regulation Extension, Room 1610, 21 West Street, New York, N. Y.

A. J. R. Watson, Room 1, I. C. R. R. Passenger Station, Jackson, Miss.
B. Mississippi Railroad Association, Room 1, I. C. R. R. Passenger Station, Jackson, Miss.

A. Watters & Donovan, 161 William Street, New York City.
B. New York & New Jersey Dry Dock Association, 161 William Street, New York City.
D. (6) $3,750.

A. Weaver & Glassie, 1225 19th Street NW., Washington, D. C.
B. Philco Corporation, Tioga and C Streets, Philadelphia, Pa.

A. William H. Webb, 1028 Connecticut Avenue NW., Washington, D. C.
B. National Rivers and Harbors Congress, 1028 Connecticut Avenue NW., Washington, D. C.
D. (6) $1,880.40. E. (9) $333.56.

A. William E. Welsh, 897 National Press Building, Washington, D. C.
B. National Reclamation Association, 897 National Press Building, Washington, D. C.
D. (6) $3,750. E. (9) $52.56.

A. Wenchel, Schulman & Manning, 1625 K Street NW., Washington, D. C.
B. Estate of Mary Clark deBrabant and Mrs. Katherine C. Williams, care of Rodnew W. Williams, 120 Broadway, New York, N. Y.
D. (6) $51,570.

A. West Coast Inland Navigation District, Courthouse, Bradenton, Fla.
E. (9) $625.

A. Gene T. West, 1424 16th Street NW., Washington, D. C.
B. Munitions Carriers Conference, Inc., 1424 16th Street NW., Washington, D. C.

A. Robert V. Westfall, 401 Third Street NW., Washington, D. C.
B. Brotherhood of Railroad Trainmen.

A. Wheeler & Wheeler, 704 Southern Building, Washington, D. C.
B. Montana Power Co., Electric Building, Butte, Mont.
E. (9) $8.27.

A. Wheeler & Wheeler, 704 Southern Building, Washington, D. C.
B. Pacific Power & Light Co., Public Service Building, Portland, Oreg.
E. (9) $8.28.

A. Wheeler & Wheeler, 704 Southern Building, Washington, D. C.
B. Washington Water Power Co., Spokane, Wash.
E. (9) $8.28.

A. Wherry Housing Association, 1737 H Street NW., Washington, D. C.
B. Wherry Housing Association, 1737 H Street NW., Washington, D. C.
E. (9) $5,808.93.

A. Don White, Box 337, Fairfax, Va.
B. National Audio-Visual Association, Inc., Box 337, Fairfax, Va.
D. (6) $3,249.99. E. (9) $459.63.

A. Richard P. White, 635 Southern Building, Washington, D. C.
B. American Association of Nurserymen, 635 Southern Building, Washington, D. C.
D. (6) $3,750. E. (9) $118.11.

A. Whiteford, Hart, Carmody & Wilson, 815 15th Street NW., Washington, D. C.
B. The American Humane Association.
D. (6) $1,249.98. E. (9) $281.94.

A. H. Leigh Whitelaw, 60 East 42d Street, New York, N. Y.
B. Gas Appliance Manufacturers Association, Inc., 60 East 42d Street, New York, N. Y.

A. Louis E. Whyte, 918 Sixteenth NW., Suite 501, Washington, D. C.
B. Independent Natural Gas Association of America, 918 16th Street NW., Washington, D. C.

A. Warren E. Whyte, 535 North Dearborn Street, Chicago, Ill.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $1,125. E. (9) $80.15.

A. John J. Wicker, Jr., 501 Mutual Building, Richmond, Va.
B. Mutual Insurance Committee on Federal Taxation, 20 North Wacker Drive, Chicago, Ill.
D. (6) $2,887.24. E. (9) $2,887.24.

A. Claude C. Wild, Jr., 1625 K Street NW., Washington, D. C.
B. Mid-Continent Oil & Gas Association, 300 Tulsa Building, Tulsa, Okla.

A. Mrs. Harvey W. Wiley, 2345 Ashmead Place NW., Washington, D. C.

A. Wilkinson, Cragun & Barker, 744 Jackson Place NW., Washington, D. C.
B. Arapahoe Tribe of Indians, Wind River Reservation, Fort Washakie, Wyo.
E. (9) $3.

A. Wilkinson, Cragun & Barker, 744 Jackson Place NW., Washington, D. C.
B. The Confederated Salish and Kootenai Tribes of the Flathead Reservation, Mont.

A. Wilkinson, Cragun & Barker, 744 Jackson Place NW., Washington, D. C.
B. Klamath Indian Tribe, Klamath Agency, Oregon.
E. (9) $261.34.

A. Wilkinson, Craugun & Barker, 744 Jackson Place NW., Washington, D. C.
B. Menominee Tribe of Indians, Menominee Indian Reservation, Keshena, Wis.
E. (9) $50.14.

A. Wilkinson, Cragun & Barker, 744 Jackson Place NW., Washington, D. C.
B. Quinaielt Indian Tribe, Taholah, Wash.

A. Wilkinson, Cragun & Barker, 744 Jackson Place NW., Washington, D. C.
B. Spokane Indian Tribe, Wellpinit, Wash.

A. Franz O. Willenbucher, 1616 I Street NW., Washington, D. C.
B. Retired Officers Association, 1616 I Street NW., Washington, D. C.
D. (6) $2,100.

A. John C. Williamson, 1300 Connecticut Avenue NW., Washington, D. C.
B. National Association of Real Estate Boards, 1300 Connecticut Avenue NW., Washington, D. C.
D. (6) $3,200. E. (9) $256.39.

A. E. Raymond Wilson, 104 C Street NE., Washington, D. C.
B. Friends Committee on National Legislation, 104 C Street NE., Washington, D. C.
D. (6) $1,246.15.

A. John J. Wilson, 815 15th Street NW., Washington, D. C.
B. Whiteford, Hart, Carmody & Wilson, 815 15th Street NW., Washington, D. C.
D. (6) $1,249.98. E. (9) $281.94.

A. W. E. Wilson, 1525 Fairfield Avenue, Shreveport, La.
B. Union Producing Co., 1525 Fairfield Avenue, Shreveport, La.
D. (6) $600. E. (9) $129.50.

A. W. F. Wimberly, 873 Spring Street NW., Atlanta, Ga.
B. The Pure Oil Co., 35 East Wacker Drive, Chicago, Ill.

A. Everett T. Winter, 1978 Railway Exchange Building, St. Louis, Mo.
B. Mississippi Valley Association, 1978 Railway Exchange Building, St. Louis, Mo.
D. (6) $4,125. E. (9) $258.43.

A. Theodore Wiprud, 1718 M Street NW., Washington, D. C.
E. The Medical Society of the District of Columbia, 1718 M Street NW., Washington, D. C.

A. Frank G. Wollney, 59 East Madison Street, Chicago, Ill.
B. Institute of American Poultry Industries, 59 East Madison Street, Chicago, Ill.

A. Harley Z. Wooden.
B. The International Council for Exceptional Children, 1201 16th Street NW., Washington, D. C.
D. (6) $50.

A. Walter F. Woodul, 1828 Bank of the Southwest Building, Houston, Tex.
B. Angelina & Neches River RR Co., Keltys, Tex., et al.
D. (6) $6,050.40. E. (9) $907.02.

A. Walter F. Woodul, 1828 Bank of Southwest Building, Houston, Tex.
B. Humble Oil & Refining Co., Houston, Tex.
D. (6) $20,724.77. E. (9) $665.50.

A. Frank K. Wooley, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $1,662.50.

A. Edward W. Wootton, 1100 National Press Building, Washington, D. C.
B. Wine Institute, 717 Market Street, San Francisco, Calif.

A. Robert D. Yeomans, West 2301 Pacific Ave., Spokane, Wash.
B. The Washington Water Power Co., Post Office Box 1445, Spokane, Wash.

A. Donald A. Young.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D. C.

A. J. Banks Young, Room 502, Ring Building, 1200 18th Street NW., Washington, D. C.
B. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.
D. (6) $195.

A. O. David Zimring, 11 South La Salle Street, Chicago, Ill., and 1001 Connecticut Avenue NW., Washington, D. C.
B. Amalgamated Association of Street, Electric Railway & Motor Coach Employees of America.

REGISTRATIONS

The following registrations were submitted for the period from October 22, 1957, to January 20, 1958, inclusive.

(NOTE.—The form used for registration is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective letter and number.)

FILE TWO COPIES WITH THE SECRETARY OF THE SENATE AND FILE THREE COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19_____

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names or agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B"—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the ground are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302 (e).

(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports. ☐

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (a) Description, (b) quantity distributed, (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

AFFIDAVIT

[Omitted in printing]

PAGE 1

A. AMVETS (American Veterans of World War II), 1710 Rhode Island Avenue NW., Washington, D. C.

A. Association of American Medical Colleges, 2530 Ridge Avenue, Evanston, Ill.

A. Donald Bartlett, Como, Miss.
B. National Beef Council, 406 West 34th, Kansas City, Mo.

A. Fleming Bomar, 306 Southern Building, Washington, D. C.
B. American Automobile Association.

A. W. Kenneth Brew, 122 East 42d Street, New York, N. Y.
B. American Paper and Pulp Association, 122 East 42d Street, New York, N. Y.

A. Jay H. Cerf, 300 Independence Avenue SE., Washington, D. C.
B. Foreign Policy Clearing House, 300 Independence Avenue SE., Washington, D. C.

A. Committee on Foreign Policy Legislation, 300 Independence Avenue SE., Washington, D. C.

A. Communities for Sustained Yield Units, c/o A. Roy Dunn, Title Insurance Building, Shelton, Wash.

A. Cooper & Silverstein, 1100 Bowen Building, Washington, D. C.
B. Association of Advanced Life Underwriters, 708 Bowen Building, Washington, D. C.

A. Josephus Daniels, 261 Constitution Avenue NW., Washington, D. C.
B. United World Federalists, Inc., 179 Allyn Street, Hartford, Conn.

A. Michael B. Deane, 1700 K Street NW., Washington, D. C.
B. Cerro De Pasco Corp., 300 Park Avenue, New York, N. Y.

A. Robert J. Demichelis, 640 Central Avenue, Deerfield, Ill.
B. The National Committee for Insurance Taxation, the Hay-Adams House, Washington, D. C.

A. Family Tax Association, 1616 Walnut Street, Philadelphia, Pa.

A. John A. Flores, U. S. Grant Hotel, San Diego, Calif.
B. Curio Store Owners Association of the Tijuana Chamber of Commerce, Tijuana, Baja Calif.

A. Foreign Policy Clearing House, 300 Independence Avenue SE., Washington, D. C.

A. Gustave L. Goldstein, Citizens National Bank Building, 453 South Spring Street, Los Angeles, Calif.
B. Ronson Corp., 31 Fulton Street, Newark, N. J.

A. William H. Hedlund, 909 American Bank Building, Portland, Oreg.
B. Standard Oil Company of California, San Francisco, Calif.; Tidewater Oil Co., San Francisco, Calif.; General Petroleum Corp., Los Angeles, Calif; Shell Oil Co., San Francisco, Calif.; Union Oil Company of California, Los Angeles, Calif.; Richfield Oil Co., Los Angeles, Calif.

A. Wilton A. Henderson, 612 South Flower Street, Los Angeles, Calif.
B. General Petroleum Corp., 612 South Flower Street, Los Angeles, Calif.

A. Frieda B. Hennock, 1025 Connecticut Avenue NW., Washington, D. C.
B. Pierson, Ball & Dowd, Ring Building, Washington, D. C.

A. John R. Holden, 1710 Rhode Island Avenue NW., Washington, D. C.
B. AMVETS, 1710 Rhode Island Avenue NW., Washington, D. C.

A. Edward D. Hollander, 1341 Connecticut Avenue NW., Washington, D. C.
B. Americans for Democratic Action, 1341 Connecticut Avenue NW., Washington, D. C.

A. William T. Huff, 918 16th Street NW., Washington, D. C.
B. Independent Natural Gas Association of America, 918 16th Street NW., Washington, D. C.

A. Jaeckle, Fleischmann, Kelly, Swart & Augspurger, 1800 Rand Building, Buffalo, N. Y.
B. Ann O. Kennedy, Nathan Oppenheimer, Jr., Helena S. Oppenheimer and the Marine Trust Company of Western New York as trustees under trust agreement with Helena W. Shire.

A. David A. James, Shelton, Wash.
B. Simpson Logging Co., Shelton, Wash.

A. Robert G. Jeter, Dresden, Tenn.
B. H. C. Spinks Clay Co., Paris, Tenn.; Bell Clay Co., Gleason, Tenn.; United Clay Mines Corp., Trenton, N. J.; Old Hickory Clay Co., Paducah, Ky.; Kentucky-Tennessee Clay Co., Cooly Clay Co., Kentucky Clay Mining Co., Mayfield, Ky.; Tennessee Absorbent Co., Southern Clay Co., Paris, Tenn.

A. A. W. Koehler, 839 17th Street NW., Washington, D. C.
B. National Association of Motor Bus Operators, 839 17th Street NW., Washington, D. C.

A. Germaine Krettek, Hotel Congressional, Washington, D. C.
B. American Library Association, 50 East Huron Street, Chicago, Ill.

A. J. M. B. Lewis, Jr., Box 1517, Bluefield, W. Va.
B. Iron Ore Lessors Association, Inc., W-1481 First National Bank Building, St. Paul, Minn.

A. Charles B. Lipsen, Suite 215, DeSales Building, Washington, D. C.
B. Retail Clerks International Association, DeSales Building, Washington, D. C.

A. George E. Long, 10 East 40th Street, New York, N. Y.
B. Eugene R. Pickrell, 10 East 40th Street, New York, N. Y.

A. Harold O. Lovre, 821 15th Street NW., Washington, D. C.
B. Chicago Mercantile Exchange, 110 North Franklin Street, Chicago, Ill.

A. E. D. McElvain, 1625 I Street NW., Washington, D. C.
B. Phillips Petroleum Co., Bartlesville, Okla.

A. Martin & Burt, Barr Building, Washington, D. C.
B. Bowaters Southern Paper Corp., Calhoun, Tenn.

A. Miller & Chevalier, 1001 Connecticut Avenue NW., Washington, D. C.
B. Safe Harbor Water Power Corp., 90 Broad Street, New York, N. Y.

A. John Minnoch, 130 North Wells Street, Chicago, Ill.

A. Willis C. Moffatt, 536 First Security Building, Boise, Idaho.

A. National Beef Council, 406 West 34th Street, Kansas City, Mo.

A. National Onion Association, Jackson, Mich.

A. John A. O'Donnell, 1025 Connecticut Avenue NW., Washington D. C.
B. Lineas Tres M., Vallarta 1, Mexico 4, D. F.

A. John A. O'Donnell, 1025 Connecticut Avenue NW., Washington, D. C.
B. Philippine-American War Damage Claimants, 1025 Connecticut Avenue NW., Washington, D. C.

A. John A. O'Donnell, 1025 Connecticut Avenue NW., Washington, D. C.
B. Philippine Sugar Association, 1025 Connecticut Avenue NW., Washington, D. C.

A. Ohio Coal Association, 209 Hoge Building, St. Clairsville, Ohio.

A. Perry S. Patterson, 800 World Center Building, Washington, D. C.
B. Automatic Phonograph Manufacturers Association, 1603 Orington Avenue, Evanston, Ill.

A. Philip C. Pendleton, Second Street Pike, Bryn Athyn, Pa.
B. Family Tax Association, 1616 Walnut Street, Philadelphia, Pa.

A. Eugene R. Pickrell, 10 East 40th Street, New York, N. Y.
B. True Temper Corp., 1623 Euclid Avenue, Cleveland, Ohio, et al.

A. Purcell & Nelson, 910 17th Street NW., Washington, D. C.
B. Detroit Bakery Employers' Council, 2001 Grand River Avenue, Detroit, Mich.

A. Luke C. Quinn, Jr., 1001 Connecticut Avenue NW., Washington, D. C.
B. Association of American Medical Colleges, 2530 Ridge Avenue, Evanston, Ill.

A. Joseph H. Ream, 1735 De Sales Street NW., Washington, D. C.
B. Columbia Broadcasting System, Inc., 485 Madison Avenue, New York, N. Y.

A. William T. Reed, Hill Building, 17th and I Streets NW., Washington, D. C.
B. Standard Oil Co. (Indiana), 910 South Michigan Avenue, Chicago, Ill.

A. Louis H. Renfrow, 1000 Connecticut Avenue Office Building, Washington, D. C.
B. Amherst Coal Co., Charleston, W. Va., et al.

A. Ed D. Schorr, 33 North High Street, Columbus, Ohio.
B. The Ohio Coal Association, 209 Hoge Building, St. Clairsville, Ohio.

A. Lyle O. Snader, 944 Transportation Building, Washington, D. C.
B. Association of American Railroads, 944 Transportation Building, Washington, D. C.

A. Harry L. Tepper, 31 Fulton Street, Newark, N. J.
B. Ronson Corp., 31 Fulton Street, Newark, N. J.

A. William B. Thompson, Jr., 944 Transportation Building, Washington, D. C.
B. Association of American Railroads, 944 Transportation Building, Washington, D. C.

A. J. T. Trullinger, National Bank of Commerce Building, Olympia, Wash.
B. General Petroleum Corp., 612 South Flower Street, Los Angeles, Calif., et al.

A. Albert E. Wilkinson, 417 Investment Building, Washington, D. C.
B. The Anaconda Co., 616 Hennessy Building, Butte, Mont.

EXTENSIONS OF REMARKS

Address by Hon. Clifford P. Case, of New Jersey, at Union Junior College

EXTENSION OF REMARKS
OF
HON. H. ALEXANDER SMITH
OF NEW JERSEY
IN THE SENATE OF THE UNITED STATES
Thursday, February 13, 1958

Mr. SMITH of New Jersey. Mr. President, on last Sunday my colleague, the junior Senator from New Jersey [Mr. CASE], delivered a speech at the dedication of a new building for the Union Junior College, in Cranford, N. J. His address emphasized the importance of the junior colleges and the need to maintain and strengthen their contributions to the American system of education. Because I believe his remarks merit wide attention, I ask unanimous consent that the address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY SENATOR CASE OF NEW JERSEY AT THE DEDICATION OF A NEW BUILDING FOR THE UNION JUNIOR COLLEGE, AT CRANFORD, N. J., ON SUNDAY, FEBRUARY 9, 1958

For high-school seniors, their mothers, their fathers, their ministers, yes, even their Senators, the anxious season is fast approaching. This is the period when the dread notices start arriving from college admissions officers with the bad news, "Sorry, we cannot accept your application for admission." At many homes, the postman will be ringing twice, three times and even more with this news since the high-school senior of today has found it prudent to apply to many institutions in the hopes that one will fall into loving hands. As the rejection slips mount, there is disappointment and sometimes despair. The rejected student and his family have no doubt that there is a shortage in college facilities.

The unhappy facts about today's situation is that our high-school classes are bigger and bigger, the desire of high-school students for college training is steadily mounting and college capacity cannot keep up with the growth. As one youngster has put it, as things stand now, "You can't go to college where your parents went; they want better people." The keeper of the admissions door at one New Jersey university indicates the future looks worse, rather than better. He says, "the great crime is that we soon must start saying 'No' to kids whom today we accept."

Now if the medical profession of our Nation were to begin warning today that some new disease had been discovered which would handicap thousands and thousands of youngsters, there is no doubt that the citizenry would spring to action and mobilize all possible resources to meet such a peril. In my judgment, the shortage of college facilities, and the shortage of competent, dedicated teachers represents an equal threat to the young men and women whose future we so cherish. A lack of a college education for the qualified youngster is a lasting blight on his growth.

The Director of the National Science Foundation, Dr. Alan T. Waterman, said that while this Nation has no positive measure of the losses incurred to our country's progress, we do know that statistically only about 50 percent of high-school graduates who are judged capable of receiving college training go on to college. And he adds, with an eye to the current headlines, we know that many potentially able scientists and engineers, as well as leaders in other fields, are lost as a result of the failure of this 50 percent to receive advanced training. This loss, I might add, will never be recouped. The youngster whose talents go undeveloped is a loss to his Nation's progress forever.

The situation looks bad now, but a look around the corner is an even greater shock to our complacement assumption that we have the best educational system in the world. President Eisenhower's Committee on Education Beyond the High School has warned:

"Our colleges and universities are expected by the American public to perform something close to a miracle in the next 10 to 15 years. They are called upon to provide education of a continually improving quality to a far larger number of students—at least 6 million by 1970, compared to 3 million now. * * * Our institutions of higher learning, despite their remarkable achievements in the past, are in no shape today to meet the challenge. Their resources are already strained; their quality standards are even now in jeopardy; and their projected plans fall far short of the indicated need."

There are those who suggest that in the light of this, the best course for us to follow, in effect, is to teach the best and shoot the rest. The restriction of education to an elite group is completely contrary to our democratic tradition; in fact, to the effective functioning of a democracy. But the task of expanding our facilities for higher education and at the same time maintaining the quality is not an easy one. Individuals, corporations, citizen groups, municipal, State, and Federal forces—each has a role to play. I emphasize this diversity of interest so that no one will feel that because I am a part of the Federal Government I believe that the problem should be placed entirely or permanently in Uncle Sam's hands. I do believe that it is important to keep the essential responsibility for education in the hands of States and local communities and private organizations, with the Federal Government assuming a role of leadership and stimulus in those areas of greatest need.

The very institution whose new campus we dedicate today, Union Junior College, is a fine example of the teamwork I have urged.

In 1933 this was the first junior college in the United States to be established with Federal funds. The first classes were at night with 243 persons enrolled. And in 1936, when Federal funds were withdrawn, it became a private institution, growing through the years to a student body of more than 600.

The facilities we are here to dedicate today will double the present educational plant, and as your president, Dr. MacKay, has said, "The new building will be tangible evidence of what Union Junior College is doing to cope with the tremendous problem of swelling college enrollments. It will help to assure that the Union County area will find itself adequately prepared with college facilities."

As a Union County resident—and one with a son who will be seeking admission to college in a few years—I congratulate you all on the hard work and great devotion which you have given to make this accomplishment possible. This is a proud day for Union County.

The theme which you have chosen for the meetings of this week, Giving New Jersey Youth the Chance to Go to College, is indeed an appropriate one. The New Jersey State Department of Education has estimated that at least half and possibly 55 percent of our high-school seniors want to go on to college, but not all of these find it possible to do so. Another New Jersey report indicates that in 1956, 35 percent of the graduates of all New Jersey secondary schools went on to college. The disparity—and I recognize it is difficult to measure it exactly—is our challenge and our opportunity.

Nationally, the situation is no better. Secretary Folsom has warned that among those who graduate in the upper fourth of their high-school senior class, more than 1 out of 3 do not go on to college. Altogether, in round numbers, about 200,000 of these ablest students now stop their education below the college level.

In studying how the Federal Government could most effectively help remedy this educational deficit, I have become increasingly interested in the potentiality of the junior college, or the community college, as it is known in some localities.

Last year I introduced legislation to provide emergency Federal assistance to interested States to help establish public community colleges. Such colleges, as you well know, can provide youngsters with the first 2 years of a liberal arts education or 2 years of terminal training in technical and semiprofessional fields. They can do this at a low cost and close to people's homes. I have been informed that the Senate Committee on Labor and Public Welfare will consider my bill in the course of its current hearings on educational legislation.

As many of you know, the members of both President Truman's and President Eisenhower's commissions on higher education gave these 2-year institutions a very hearty endorsement. Numerous respected educators have seconded this, particularly Dr. James Bryant Conant. The former president of Harvard University commented that there would be no inconsistency with our educational ideals if local, 2-year colleges were to enroll as many as half of the boys and girls who wish to engage in formal studies beyond high school. A national organization founded by businessmen, the Council for Financial Aid to Education, also sings the praises of the junior college, emphasizing that it offers a means to make the educational dollar go far.

There is particular need for public and private junior colleges in the light of our new emphasis on higher education and especially science and technology. President Eisenhower's Committee on Scientists and Engineers, in urging development of junior or community colleges, pointed out that there is great need for men and women with at least 2 years of college preparation: "Members of the President's Committee are unanimous in the belief that the shortage of technicians is at least as severe as the shortage

of scientists and engineers, and that their lack contributes materially to the underutilization of scientists and engineers." The Committee report said "we are now graduating less than one-sixth the required number of highly skilled scientific and engineering technicians."

But, let me add quickly, I do not suggest that our colleges—2-year or 4-year—should concentrate only on scientific and technological education. I agree with the president of the College of the City of New York, Dr. Buell G. Gallagher, that it would be disastrous to turn out from our schools and colleges technicians who are ignorant of the arts and innocent of the humane studies. We must have both, not one or the other.

While we are all concerned about sufficient quantity of college education, we should make sure that this is not achieved at a cost of reduction in quality. And this is hard to determine. While one can easily tell the difference between a good building and a bad one, it is much harder to tell the difference between a good education and a bad one. Evidence of this is that the best-known colleges are not necessarily the best ones. Nor are the colleges with the most courses the best places in which to develop the best scholars.

Many junior colleges, since they are relatively new institutions, have a fine opportunity to set and maintain high standards. Junior colleges are to many Americans a new idea. They will prosper as they demonstrate that their product is a first-class education. Today's dedication is clear evidence that Union Junior College is in this category.

The Natural Gas Users' Interest Should Come First

EXTENSION OF REMARKS
OF
HON. THOMAS M. PELLY
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 13, 1958

Mr. PELLY. Mr. Speaker, up until now informed observers have all figured the Democrat leadership had legislation to amend the Natural Gas Act scheduled for early House consideration. Now on account of the wording of a Texas $100-a-plate dinner invitation there are indications of a postponement.

But now, or later, the issue of control and price regulation has to be settled and Members of Congress have the responsibility of letting the users of natural gas know where they stand.

In reexamining and discussing this issue, Mr. Speaker, let me say no one as far as I know, in or out of a political campaign, ever accused me of not voting originally according to honest conviction. Nor was it ever a burning issue in my State of Washington or in my Congressional district. While we do now, in 1954 we did not have natural gas, and actually today our source of gas is Canada, where control of the price at the wellhead by the Federal Power Commission is not involved.

But to revert to the previous debate on this legislation, support of the bill seemed logical at that time—especially from one like myself who is inclined to prefer local State regulation close to the consumer and people affected rather than control at the national level; and the argument seemed reasonable also in that the bill was reinstating a condition which without widespread public complaint had existed for 16 years until the Supreme Court reversed the situation and decided local producers did come under the act.

Everyone seemed to agree, too, that the Congress originally had not intended this and, furthermore, the House debate seemed to establish that enactment of the bill would stimulate wildcat drilling and thus create a greater national supply to fill the existing and projected shortage.

Anyway, I voted as I saw the situation—even if later I had misgivings when the bill came in for bitter and, at one point, unsavory mention during debate in the other body. I should say also, Mr. Speaker, as I stated publicly at that time, I approved when President Eisenhower vetoed the gas bill; it certainly seemed that public confidence in the so-called gas lobby was shaken and, as for myself, I resolved to restudy the entire issue when similar legislation came up again.

Now I am convinced, in contradiction of previous arguments, my reasoning was faulty in several respects. Take the factor of increasing incentive to wildcat and to risk money in drilling and locating more gas. Experience indicates there is plenty of incentive as things are to encourage such drilling—especially on account of special tax treatment and depletion allowances. But where I think I made my error in assessing the facts was in failing to recognize that once a pipeline is built and tied into a gas field there is little left in the way of competition and the producer of gas has a virtual monopoly. Thus, the ultimate natural-gas consumer, regardless of regulation of the transportation utility or the local distributor, is at the mercy of the producer when a contract comes up for extension.

In observing the petroleum industry, I have had increasing suspicion that the law of supply and demand does not always function freely. Heating-oil prices in my Congressional district are a case in point, where increased source of oil into the area by a new pipeline from Canada did not prevent fuel-oil prices from steadily advancing. Federal regulation to protect the public may be needed in both cases.

Anyway, I fear where the location of natural-gas intakes and outlets are fixed by an exclusive franchise, as with pipelines, there is no free market either at the buying end or the selling end. Thus, in this situation I am now of the opinion that the public interest requires regulation by the Federal Power Commission of all parties concerned with natural gas, including the producer.

Therefore, I am constrained to say, Mr. Speaker, that the passage of the proposed natural-gas bill does not recommend itself to me and, accordingly, I shall oppose the legislation when it comes before us again. In all conscience, on reexamination of the facts, that is the only course which seems right to me and fair to 20 million users of natural gas throughout the Nation.

Proposal To End Treatment Plant Construction Program Imperils Nation's Battle Against Water Pollution

EXTENSION OF REMARKS
OF
HON. JOHN A. BLATNIK
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 13, 1958

Mr. BLATNIK. Mr. Speaker, although we seldom think of it as such, one of the Nation's most precious natural resources is water. Once taken for granted—just as the air we breath—the importance of water has recently taken on greater and greater proportions. And for good reason, when you consider that safe water and enough of it are fundamental elements, inseparable and indispensable to the health and well-being of man.

The absolute necessity for an effective water conservation and utilization program becomes apparent when you take into consideration the fact that while the demand for water constantly increases, the supply of water remains constant. Mr. Speaker, there is as much water available to us today in this country as there was available to the Pilgrims when they landed in 1620. And yet the demand for it has increased to amazing proportions.

IMPORTANCE OF WATER

Water is the most used raw material in our factories. The fast growing synthetic and chemical industries require tremendous amounts of good water. The steel industry alone uses 13 billion gallons a day. It takes 365,000 gallons to produce a ton of rayon yarn; about one-half million gallons for 1,000 yards of woolen cloth; more than a million gallons for a thousand barrels of aviation gasoline.

Industry, it is apparent, requires water—tons of it. Of the total water use in the Nation in 1950, 35 percent was by industry. The forecast for 1975 is 62 percent or 215 billion gallons per day. With the growth of industrial production and population, a paradox will be presented to industry: How to use less water while needing more. The requirement for a lesser use is developing from the necessity to assure the municipalities, agriculture, and other users as well as industry obtain their needed share.

Take municipalities for instance. By 1975, our present population is expected to increase by 37 million people, 90 percent of whom will locate in communities or urban areas. Water supply consumption will increase from 15 to 25 billion gallons per day for domestic use.

Take the increased use of water for agriculture, especially irrigation. In 1900 we were irrigating 7.7 million acres which required 20 billion gallons of water each day. In 1955 we were irrigating almost 4 times as much land—29.5 million acres. Yet we used 6 times more water—120 billion gallons each day. By 1975 we will be irrigating 37.4 million

acres requiring 170 billion gallons of water a day.

Add to all this the increased recreational use of water and the increase in waste transportation and you arrive at the startling conclusion that by 1975 this country will require an increase in the current water supply of 145 percent—equal to the additional supply of 145 New York cities, requiring the flow of about 11 Colorado Rivers.

This spells nothing but trouble because of the simple fact that while the demand for water increases daily the supply remains constant. According to a recent study made by the Industrial College of the Armed Forces, there is little reason to expect any marked change in our gross resource of water by 1980. In other words, we'll have as much then as we have now—but with a demand increase equal to the flow of 11 Colorado Rivers.

This report goes on to say that:

Although there are now several promising techniques in the research and development stage, such as desalting of sea waters, reduction in evaporation losses, induced rainfall, and other reduction of water losses, none of these can be depended upon to change the overall supply of water in the near future.

Next to the very air we breathe, I would say water is most important to human life. It is also essential to economic and industrial progress. It is also essential to our entire defense structures.

As Secretary of the Army Brucker recently said: "The United States can no longer treat water as an inexhaustible resource and allow it to run a wayward and wasteful course to the sea." But that is exactly what we are doing today in our polluted rivers and streams.

Pollution is a waste of water and unless we tackle this water-pollution problem, and tackle it hard, we are going to be in very serious trouble in a few short years. Pollution is one of the largest contributors to our present and future water-resources problems and we must recognize that its control is one of the most effective and economical water conservation measures available to us.

POLLUTION PROBLEM SERIOUS

The pollution problem has gone from bad to worse in the past few years.

In 1920, 48 million people were served by sewers, and wastes had a population equivalent of 42 million persons. Today 95 million are served by sewers, and wastes have a population equivalent of 55 million persons. By 1975 an estimated 160 million persons will be served by sewers, with wastes having a population equivalent depending on what we do about pollution in the interim. And what has been our progress in supplying facilities for the treatment of these wastes? Right now, there is a need for 9,255 municipal treatment projects.

The picture is even darker regarding industrial waste. In 1920 organic wastes discharged by industry had a population equivalent of 50 million persons. Today that is more than doubled. Organic wastes discharged by industry has a population equivalent today of 110 million persons. By 1975 we know that our present industrial capacity will be doubled. The amount of pollution will again depend largely on what we do today and in the years to come in the field of pollution control. A 1955 survey by the Public Health Service shows a total of 5,700 treatment projects needed by industry.

And what about the future? In the Army college study I referred to before, the demand-supply situation was broken down region by region. Listen to some of the conclusions regarding the problem in 1980:

New England region. Pollution abatement is needed in certain areas, especially in southern New England.

Delaware-Hudson region. Serious water problems seem to be inevitable for area.

Chesapeake region. Pollution abatement is a growing problem in this area.

Eastern Great Lakes-St. Lawrence region. Pollution control is absolutely essential to protect the Great Lakes supply.

Upper Mississippi region. Pollution abatement is also a must for this area.

And the report goes on, covering each area of the country, each time with the same conclusion—pollution problems will become increasingly serious.

Fortunately for us, pollution can be controlled. Pollution is not something that must be endured as an inevitable consequence of our urban and industrial growth. Pollution abatement is possible, but it is an expensive process and it requires the cooperation of government, at every level, industry, and the public itself.

Responsibility for pollution abatement for the protection of water resources is shared today by local, State and Federal agencies. Under the American tradition of community responsibility, each city and industry has a clear obligation to construct, operate and maintain all the pollution abatement works necessary to assure that its wastes will not cause harm to others.

FEDERAL POLLUTION CONTROL RESPONSIBILITY AND ACTIVITY

The Federal responsibilities are primarily of a supporting nature, designed to assist and strengthen State programs. They include research, technical assistance on particularly difficult problems requiring highly specialized personnel or other resources not always available to individual State agencies, promotion of coordinated interstate action, and enforcement on interstate pollution problems. Since 1956 Federal responsibilities include Federal grants in aid, amounting to $50 million a year, to assist local communities in the construction of sewage treatment plants and facilities. I was the original sponsor and author of that program and am happy to report that it is working out splendidly.

As of January 31, 1958, Mr. Speaker, $72,543,846.36 in Federal grants have been approved for 875 projects representing a total cost of $367,064,915. In addition, Public Health Service regional offices are now processing 245 additional projects representing a total cost of $136,369,970 of which $23,939,912 would represent Federal grants. State agencies, at the same time, are processing 392 other projects which will cost $458,715,818, of which $42,808,783 would represent Federal grants.

This is a fine record for a program that supposedly did not have a chance. But we find, that despite the need for this program and despite its successful operation, it is being attacked from many sides.

Of course, this is nothing new. Every effort has been made since the enactment of Public Law 660 to block appropriations for the grant program. The first year the Bureau of the Budget froze the funds for 3 months. Last year an attempt was made to kill the appropriation on the floor of the House. We stopped that—but only by a narrow margin.

Now it looks like we have got a new gimmick to contend with—a completely new and cleverly appealing scheme for torpedoing this most vitally needed Federal function. This time, apparently, it is to be done under the alluring mantles of economy and States rights.

JOINT FEDERAL-STATE ACTION COMMITTEE

Last August the President suggested the formation of a committee to study the question of Federal aid to the States with a view to determining which of the present grant programs could be properly turned over to the States and the Federal participation ended. This group, known as the Joint Federal-State Action Committee, issued its first progress report on December 5, 1957, and in it recommended that Federal grants for sewage treatment plant facilities be ended. This recommendation together with certain others will be considered by the governors' conference to be held next May. It has not yet been approved by that conference.

Apparently this does not make any difference to the President because in his fiscal 1959 budget we find the following language regarding the grant program under Public Law 660:

While this budget recommends continuation of this program at the 1958 level, it is expected that by the end of 1959 the Federal Government and the States will have had an opportunity to act on the recommendation of the Joint Federal-State Action Committee that the States assume this function entirely. Therefore, it is anticipated that no funds will be included in the 1960 budget for this purpose, should this recommendation be accepted as practicable by the Congress.

Mr. Speaker, in considering the practicability of this recommendation the Congress should pay close heed to the bases of the recommendation. Let us examine the joint committee's findings, the evidence presented, and see if the President's anticipation is justified.

The joint committee's first finding, found on page 35 of the report, was that municipalities and private industry, except in certain emergency periods, have borne virtually the full costs of waste-treatment construction projects, and outlays for such purposes have grown significantly.

The first part of this finding is so obvious it could have gone without saying. The second is misleading.

Naturally, prior to the time the Federal Government enters into a particular field or activity, local governments and interests have the entire responsibility. The important question is what

has been the result of municipalities and private industry bearing virtually the full cost of waste-treatment construction projects? The result, simply, Mr. Speaker, has been the accumulation of a tremendous backlog of needs in sewage-treatment works construction.

As of January 1955, the Public Health Service estimated that the cost of municipal pollution-abatement needs for 1955–56 was $3.49 billion for sewage-treatment plants and $1.84 billion for interceptors. This makes a total of $5.33 billion for the next 10 years. These figures include the cost of building for the backlog, replacement for obsolescence, and construction for increased population. The table below shows these figures in greater detail:

Estimated cost of municipal pollution abatement needs (sewage treatment plants and interceptors), 1955–65

Item	Description	Cost for 10-year period 1955–65 (billions 1954 dollars)		
		Sewage treatment plants	Interceptors	Total
Backlog of needs as of Jan. 1, 1955.	1. Communities needing treatment facilities including places with sewer systems requiring both sewers and treatment (22.7 million population).	1.03	0.60	1.63
	2. Communities served by facilities requiring replacement (2.1 million population).	.11	.03	.14
	3. Communities served by facilities requiring enlargement, addition, or improvement (13.7 million population).	.07	----------	.07
	4. Communities with needs, but type of improvement undetermined (1.6 million population).	.04	.02	.06
	Total backlog of needs	1.25	.65	1.90
Obsolescence, 1955–65.		1.24	.48	1.72
New requirements, 1955–65.	1. Increased needs in presently sewered areas (17.3 million population).	.89	.67	1.56
	2. Needs in communities having no sewers or treatment in 1955 but which will develop need in next 10 years (1.6 million population).	.11	.04	.15
	Total requirements	1.00	.71	1.71
	Total cost of municipal pollution abatement needs, 1955–65.	3.49	1.84	5.33

The chart shows that despite every effort made by local communities, who are generally genuinely sincere in their efforts to clean up their water supply, they have fallen further and further behind until today, according to latest available figures, the total backlog of sewage-treatment plant needs alone amounts to almost $2 billion. Add to that obsolescence and new requirements and you have a total 10-year need of $5,330,000,000.

To meet this need, therefore, the local communities will have to spend at the rate of $533 million a year for the next 10 years. They have never come close to spending this amount. The average yearly expenditure for treatment-plant construction, going back as far as 1913, has been $180 million. And that is in terms of 1955 dollars. Only once, and that was during the PWA–WPA days, did construction keep pace with need—and that only because Federal grants were available.

The claim of the joint committee, Mr. Speaker, that treatment-plant construction outlays have grown significantly in recent years also requires examination. According to the joint committee, the annual dollar volume of waste-treatment construction in recent years is as follows:

	Millions
1952	$176
1953	238
1954	282
1955	249
1956	393
1957 (estimated)	475

These amounts, Mr. Speaker, were arrived at by taking the total of sewage-treatment works contract awards and raising it by 25 percent. I was unable to find anywhere in the report why the total was raised 25 percent, but I am sure the joint committee had some reason to do it. For the record, however, I would like to show the actual total of sewage-treatment works contract awards for the same years as compiled by the Public Health Service, which administers this grant program. The actual totals are as follows:

	Millions
1952	$137
1953	190
1954	228
1955	201
1956	354
1957 (estimated)	329

An examination of either table, Mr. Speaker, shows that despite increases in plant construction outlay still enough is not being done and we are continually falling behind. It is the joint committee's contention, however, that the trend toward greater expenditures and stimulation in this field began before the enactment of the grant provision in Public Law 660 and, therefore, there is no real need for the program.

Mr. Speaker, the joint committee is either trying to deceive us or is just plain ignorant of certain facts. Included in the 1956 dollar volume of treatment-plant outlays, Mr. Speaker, is a $78-million project completed in that year, after being under study and development for the past 30 years, in the Pittsburgh metropolitan area. A project like the Pittsburgh plant comes along once every 10 to 20 years, but this joint committee includes it to show an increase in treatment-plant construction. If not for the Pittsburgh project expenditures during 1956 would have been below the $300 million mark by over $25 million.

So to begin with the joint committee is basing its trend on a project that comes along once every 10 to 20 years. Moreover, the committee fails to point out in its report that the rather substantial increase in treatment-plant construction for 1957 was the result of Federal stimulation under Public Law 660. Whichever table you follow, the joint committee's or the Public Health Service's, it is apparent that during 1957, the first year of operation under the Federal treatment-plant-construction program, more contract awards for treatment-plant construction were let than in any single year in our history. From the committee's own figures we actually have the best single argument for the continuation of Federal assistance that I have ever seen. Moreover, the increased activity for 1957 was a result of Federal stimulation amounting to less than $20 million. The entire $50 million appropriated was not spent that year. This tremendous jump in 1957 was the direct effect of the Federal program.

I think the question whether this Federal program is helpful was answered in the December 1957 issue of Minnesota Municipalities, as follows:

> The fact is that the existing grant-in-aid program has been a great success. Except during PWA days and the period during which the present aid program has been in effect, municipalities have never constructed enough sewage-treatment plans to adequately handle their increasing needs.
>
> Under the present program, while Federal grants accounted for only an estimated 10 to 12 percent of the total construction outlays in fiscal 1957, the Federal program has in effect generated the greatest sewage plant construction program in the history of the Nation.
>
> Although the aid offered by the Federal Government has been relatively small, the program has served to move many crucial local projects off dead center and has, as a result, broken the bottlenecks to a more widespread program by getting small upstream municipalities to initiate control programs.

Yes, Mr. Speaker, the trend is definitely toward greatly expanded treatment-plant construction activity, but only because the Federal Government finally assumed its share of the responsibility for cleaning up our rivers and streams. To reach any other conclusion would be inconsistent with the facts, including the very facts presented by the joint committee.

STATE PROGRAMS EXPAND UNDER FEDERAL AID

Now let us turn to the second finding, which is: State governments have been active in this field for many years, mainly to plan and coordinate statewide pollution control work. This, again, is a well-known fact and tribute should be paid to the Nation's public health officers and State pollution control activity officials who have devoted so much of their time and effort to what is more often than not a thankless task. I worked closely with these State people during the writing of what is now Public Law 660. I know how active they have been and I know the handicaps under which they have been forced to work in the past.

Originally, Mr. Speaker, the administration asked for $2 million yearly Federal grants over a 5-year period to assist the States in expanding and operating their water pollution control programs. A conference of State health officers held here in Washington agreed that $2 million was inadequate for Federal assistance to 53 State and Territorial water pollution control agencies plus several interstate agencies to carry out effectively the purposes of the bill. So the executive committee of the Association of State and Territorial Health Officers urged that the amount be increased to $5 million, and that amount was approved by the House. In conference it was cut to $3 million which is now in the law.

These Federal grants are needed to stimulate State activity in the pollution-control field. Federal program grants under section 5 of Public Law 660 accelerate not only State programs but State financial support as well. Experience under the original Pollution Control Act, Public Law 845 of the 80th Congress, proves this point conclusively.

State water pollution control program expenditures (with breakdown as to source of funds)

Year	Total	State funds	Federal grant
1950	3,088,097	2,286,941	845,519
1951	3,799,805	2,993,322	815,313
1952	4,785,514	4,016,580	768,934
1953	3,912,404	3,912,404	0
1954	3,989,257	3,989,257	0
1955	[1] 4,000,000	[1] 4,000,000	0
1956	[1] 4,000,000	[1] 4,000,000	0

[1] Estimated.

It is obvious what happened under the old law. From 1950 to 1952, when Federal program grants, as distinguished from construction grants, were available, State expenditures showed a definite increase. Then, from 1953 on, when the Federal grants were discontinued, State activity remained static at the plateau reached in 1952, the last year of Federal grants. The Federal stimulant and incentive was taken away, and State activity, which had been on a steady rise, leveled off.

With the enactment of Public Law 660 in 1956 the increase in State activity began again. Although actual expenditures are not yet available, budgeted figures show that in 1957 the total spent on State pollution control programs was $6,926,739, of which the Federal Government contributed $1,937,107 and the States $4,989,632—almost $1 million more than they are estimated to have spent the year before and for the 3 preceding years before that. In 1958 it is predicted that a total of $8,331,243 will be spent by State pollution control agencies. Of this amount $5,531,232 will be purely State funds, with the Federal Government contributing the balance of $2,709,123. Again, over a million and a half dollars increase in State activity as a direct result of the Federal grant program which has served as a stimulant to the States to accelerate their own programs.

These State programs are the backbone of any really effective pollution control program. As former Assistant Secretary of Health, Education, and Welfare Roswell Perkins said before our subcommittee:

> In the final analysis, pollution control is achieved through State action to bring about construction of needed treatment works. For this reason, it is essential that the States be adequately equipped to do the job. In recent years, the rapid increase and concentration of industry, and the continuing growth of urban areas, have thrust enormous pollution problems on many States. Some States have expanded their programs to meet the growing problem. On the other hand, many State water pollution control agencies are inadequately supported. For example, in 32 States annual appropriations for water pollution control in 1954–55 were less than $50,000; 23 of these States provided less than $30,000 a year.
>
> The inadequacy of the support of water pollution control activities is particularly significant in those States now experiencing large-scale industrial expansion, with the attendant urban development. The type of assistance provided for in these bills would be especially important to these States.
>
> Rounding out our assistance to State programs is the provision of expert consulting assistance on complex problems due to new types of pollution. The central staff of consultants at our Taft center is available to assist all the States on problems, which although they occur throughout the country, do not occur frequently in any one State.

Thus, the second finding of the joint committee, Mr. Speaker, told us nothing we did not already know, while leaving out the all important fact that Federal financial assistance has a definite and accelerating effect on State pollution-control activities.

STATE FINANCIAL AIDS INADEQUATE

The third finding of the committee is that some State governments provide financial incentives to municipalities and industry for waste treatement projects. It lists 11, altogether: California, Maine, Maryland, New Hampshire, New Mexico, New York, Ohio, Oregon, Pennsylvania, and Vermont.

An examination of these State grant programs shows:

First. The programs in Maine and Maryland were directly stimulated by enactment of Public Law 660 and are predicated on the existence of that act.

Second. In addition to the programs in Maine and Maryland, the programs in New Hampshire, New Mexico, Ohio, and Vermont were all enacted after the passage of Public Law 660.

Third. Most of the programs provide exceedingly small amounts of money making their effectiveness questionable. The California program, for instance, providing a $1 million fund for loans pales to insignificance when you consider that last year total contract awards for treatment plants in the State amounted to close to $60 million. In New Mexico the legislature appropriated $150,000 for 2 years. Last year New Mexico was spending at the rate of over $1 million for treatment plant construction. While there are all worthy and commendable programs, and the States inaugurating them should be praised, they are not nearly enough to get the job done even in the State involved much less considering the fact that the great and overwhelming majority of States have no such program at all.

A few States, Mr. Speaker, New Hampshire, North Carolina, Virginia, and Wisconsin, have enacted legislation providing financial assistance to industries for waste treatment construction. These acts provide merely for accelerated amortization for tax purposes of industrial treatment facilities or they exempt industrial treatment facilities from local taxation. They are few in number and limited in scope.

It is perfectly obvious that while some States do provide financial assistance to their communities and industries, the overwhelming majority of them make no provision for such assistance and for all intents and purposes, the financial responsibility for constructing treatment plants, without Federal aid, rests squarely on the hard-pressed cities and towns throughout the country.

MEANINGLESS FINDINGS DO NOT JUSTIFY CONCLUSIONS

The joint committee's fourth finding is that the Public Health Service provides technical assistance to State and interstate agencies, and through them on request to communities and industries. To which I say only, "They had better be." That is what the law tells them to do, and if the Public Health Service were not doing what this joint committee found it was doing then an investigation of some sort would be in order. Mr. Speaker, of what significance is this fourth finding? How in the world can a finding that a Federal agency is doing what the law directs it to do lead to the conclusion and holding that Federal assistance to the communities for treatment plant construction should be discontinued?

The meaningless nature of the findings carry over to the fifth, as well. Almost as if they were making some sort of discovery, the joint committee finds that beginning in fiscal 1957, Federal grants were made to local governments to aid in municipal sewage treatment plant construction, a field previously reserved primarily to State and local government.

I wonder which definition of "find" fits this finding. According to Webster, to find is defined, first, to meet with, or light upon, accidentally; hence to fall in with, as a person; or, second, to come upon by seeking or by effort. I do not know how much effort or seeking it took to find out that since fiscal 1957 there has been a Federal grant program to assist communities in the construction of municipal treatment plants. But I know for sure that the joint committee did not light upon that fact accidentally because that is the program they were after in the first place.

But to call this a finding does a disservice to the word itself. Upon finding it to exist, this joint committee recommends that the construction program under Public Law 660 be eliminated. That is about the extent of it. They had to find that it existed before they could recommend its discontinuance and that is the reason, it seems, for the fifth finding.

SIXTH FINDING GOOD ARGUMENT FOR CONTINUATION OF GRANTS

Going to the sixth finding, we find a further example of how the committee

states a fact as a finding, trying to leave the implication, at least, that this is a reason for discontinuing the grant program. The sixth finding, however, might backfire on them. Actually, it is a good argument for the program—not against it. The finding is that Federal grants will account for an estimated 10 to 12 percent of total construction outlays in 1958; this percentage will decline as local governments increase their construction programs to meet growing waste-treatment requirements in the years ahead.

To the committee this is a finding to justify the repeal of the program. To me it is an argument for its continuation.

It is true that Federal grants account for only about 10 to 12 percent of the total treatment-plant-construction outlay and that this percentage will decline as local governments increase their construction programs. This finding, that the Federal share is so small, leads to the seventh finding which is that the States can, therefore, absorb the cost. But we will get to that later. First, let us see why the Federal share is only 10 or 12 percent and why it will decline with increased local expenditures.

Under the existing program $50 million a year is made available to the local communities. The grants are limited to 30 percent of the cost of the project or $250,000, whichever is smaller. When a large and expensive project is approved for a $250,000 grant, the ratio of the Federal contribution to the local outlay is bound to be reduced. Many of these projects cost well over a million, and some much more.

As a result, Mr. Speaker, the percentage of Federal participation has been low. But, the important thing to remember is that this low percentage of Federal participation has stimulated tremendous local participation. When we build interstate highways at a 90–10 Federal-local ratio nobody complains. But when it comes to investing in clean water at a unbelievably favorable 10–90 Federal-local ratio, it is called an unwise program. Where else does the Federal Government get such a good return on its grant dollar? Considering only the projects constructed under the program itself the ratio is running about 5 to 1—local over Federal. And for the overall construction program containing projects both with and without Federal aid the ratio is 9 to 1—local over Federal. What better return for our investment could we ask?

The fact that the percentage of the Federal grant to the total national outlay will decline as local outlays increase is as obvious as the nose on a fourth-grade math student's face. With a constant Federal share, as dictated by law, and an ever-increasing local participation stimulated by that Federal share, the percentage of such Federal share must decrease. The fact, Mr. Speaker, that the Federal percentage will decrease is not a reason to scrap the program but to continue it on as a good investment. This rather interesting finding No. 6 is one of the best arguments I have seen in favor of the continuation of the Federal-grant program under Public Law 660.

FEDERAL PROGRAM SHOULD BE INCREASED, NOT CUT

Now we come to the seventh, and final, finding of the joint committee. This committee found that the Federal sewage-treatment plant construction grants are relatively small in terms of costs of needed projects and could easily be absorbed by the States. The first part of the sentence is exactly what I have been saying ever since we enacted Public Law 660. My original proposal called for twice what is now contained in the law, but we had to settle for the existing program due to incessant opposition from the administration and certain other forces. Time and time again I have said, "Fifty million is not enough. We need at least $100 million a year for 10 years to do the job right." I am happy the committee agrees that $50 million a year for 10 years is a relatively small amount. But we part company there. Because it is small, says the committee, we can get rid of it. That is a rather interesting way of looking at things. The way I see it, if the amount is small and the needs large the answer is to increase the amount. The logic of the committee's approach escapes me. It reminds me of a man with 6 children but money enough to feed only 3. Following the committee's logic, his solution is to let them all starve.

The second part of the finding does not seem to jibe with the facts. We are asked to believe that since the Federal grants are so small they could readily be absorbed by the States. "Readily" is an interesting word. Here it is 1958 already and only 11 States have grant programs of their own. Most of these are of rather recent origin and two of them are directly tied to the Federal grant program. I might say with the exception of Pennsylvania the only effective State financial aid programs are predicated on the Federal aid provided for in Public Law 660.

To say now, after less than 2 years of experience under the act, that the States will readily absorb the Federal contribution overlooks the fact that the reason we enacted section 6 in the first place is the fact that through the years the States have not assumed their responsibilities in this field and therefore the Congress was obliged to take action to preserve a vital and precious natural resource—water.

Wishing will not make it so. Nor will merely saying the States will do something result in their doing it. Past experience has proved the need for some form of Federal stimulation. Present experience is proving the rather limited Federal program is filling that need to a far greater extent than ever thought possible.

WATER A NATIONAL PROBLEM

From these seven findings, Mr. Speaker, the joint committee holds that local waste treatment facilities are primarily a local concern and their construction should be primarily a local or State financial responsibility. Now primarily under Public Law 660, the construction of waste treatment facilities is definitely a local financial responsibility. In the first section of the act itself Congress declares it "to be the policy of Congress to recognize, preserve, and protect the primary responsibilities and rights of the States in preventing and controlling water pollution, to support and aid technical research relating to the prevention and control of water pollution, and to provide Federal technical services and financial aid to State and interstate agencies and to municipalities in connection with the prevention and control of water pollution." So the committee is doing nothing more than restating the declared policy of Congress in this regard. And nothing in Public Law 660 detracts from that primary local responsibility in any way.

The construction phase of the Federal pollution program is dependent on local responsibility. The municipalities initiate action through their State pollution control agencies who must approve each and every application for a Federal grant. These State agencies are given the responsibility of establishing a priority list so that the most important projects in each State are sure to receive a Federal grant from the limited funds available. The local communities make all the arrangements, do all the work, and put up, as the committee itself points out, 90 percent of the money. If this is not primarily local responsibility, I cannot imagine what is.

By saying that the responsibility for the construction of waste-treatment facilities is primarily local, it does not follow ipso facto that the problem is exclusively a State and local problem. Far from it. It is also a national problem and therefore a national responsibility. The day is past when we can accept a purely local view on water-resources problem.

Neither stream pollution itself nor the construction of the treatment plants to clean it up can be considered purely local in character. The problem is a national problem. Its solution, while primarily the responsibility of State and local governments, requires Federal assistance. Under the construction grant section of Public Law 660, the Federal Government is doing nothing more than assuming its share of responsibility in solving a national problem.

Not only does the joint committee take the position, following its seven findings, that treatment plant construction financing is a local concern, but it says further that "should communities require additional financing, the funds should be forthcoming from the State governments on a loan or grant basis as the States may determine." There is no question Mr. Speaker, but that they require additional financing. The record is replete with the fact that they do require such financing and this is tacitly admitted by the committee itself in taking the position that the State governments should assist the communities in the financing of the necessary construction.

EXPERTS CITE NEED FOR FEDERAL AID

And finally, Mr. Speaker, the committee takes the position that there is no evidence to demonstrate the continuing need for the present Federal subsidy of

an essentially local responsibility. It is simply amazing that this committee should take this position after a very short period of study during which it could not possibly become fully acquainted with the problem of water pollution and its control. This group, echoing the false charges of the NAM and the chamber of commerce, finds there is no need in an area where the recognized experts in that area find a very crucial and vital need. This committee flies in the face of all the evidence available and without citing one fact to sustain its position, maintains there is no need.

The committee is in disagreement with the Public Health Service which administers this program. Mr. Gordon E. McCallum, chief of the water supply and water pollution program of the Division of Sanitary Engineering Service of the Public Health Service, in an article published in Water Engineering, pointed out that the Nation's pollution abatement needs will total $5.3 billion for the next 10 years. Earlier, Mr. Speaker, I discussed this same point and I refer you again to the table showing the backlog of needs, the obsolescence and new requirements. It is obvious that despite great local effort these needs were not being met prior to the enactment of Public Law 660.

We have seen that it is the committee's contention that the trend toward greatly accelerated local activity began before the enactment of Public Law 660 and therefore there is no need to continue the Federal grant program whose main purpose is to stimulate such local activity. I have already pointed out the fact that the evidence this committee uses to establish its trend are both false and misleading. As further proof of this we find that since the enactment of Public Law 660 an increasing number of States have registered record treatment-plant construction activity. In a survey recently completed it was shown that the number of States in which a record amount of treatment-plant construction was begun has greatly increased since the enactment of Public Law 660. In 1952, four States had a record construction year. They were Delaware, Massachusetts, Mississippi, and South Dakota. In 1953, five States had a record year—New Mexico, Oregon, Tennessee, Texas, and Wyoming. In 1954, only three States—Arkansas, New Jersey, and New York. In 1955, again four States—Michigan, New Hampshire, South Carolina, and West Virginia.

Then, suddenly, in 1956, following the enactment of Public Law 660, the number of States having a record treatment-plant construction year jumped to 13—Alabama, Colorado, District of Columbia, Idaho, Indiana, Kentucky, Louisiana, Nevada, North Carolina, Pennsylvania, Rhode Island, Vermont, and Virginia. Finally last year, as the impetus of the Federal program really began to be felt, 19 States had a record year—Arizona, California, Connecticut, Georgia, Illinois, Iowa, Kansas, Maine, Maryland, Minnesota, Missouri, Montana, Nebraska, North Dakota, Ohio, Oklahoma, Utah, Washington, and Wisconsin. An impressive record, Mr. Speaker, and every indication points to another record year for an ever-increasing number of States in 1958 and beyond. And if this keeps up for another 8 years under Public Law 660, and there is no reason to believe it will not, by 1966 we will have solved the municipal pollution problem in this country. That's what has happened with this small Federal program, which this committee recommends be scrapped.

Another group of experts, Mr. Speaker, disagrees with the committee on the question of need. We have already seen that the Public Health Service which administers the program on the Federal level disagrees. The men who administer it on the State level also disagree. The Association of State and Territorial Health Officers at its annual conference last November 3–8 adopted a resolution favoring a continuance of this program. This association is composed of the chief health officers in all the States and Territories—men devoted to the task of protecting the health of the Nation. These are the men who administer the program on the State level and their resolution citing the need for the continuation of the program is as follows:

RESOLUTION 4: FEDERAL GRANTS FOR WATER POLLUTION CONTROL

Whereas the Federal sewage treatment works construction program has been a highly satisfactory joint municipal, State, and Federal endeavor, achieving the goals set forth by the 84th Congress in Public Law 660 in abating water pollution; and

Whereas the increased activity in sewage treatment plant construction due to the program has materially aided in the abatement of pollution problems throughout the Nation; and

Whereas there still continues to be a serious water pollution problem amenable to relief by Federal grants; and

Whereas this program, while primarily designed to provide more adequate sewage treatment facilities, has also exerted and continues to exert a significant influence upon the improvement of the quality of the Nation's water supply; and

Whereas this program is contributing significantly to the betterment of interstate relations, health and recreational facilities of the people of this country; and

Whereas continuation of this construction grant program will eventually eliminate the pollution problem in this country in the time specified by the 84th Congress: Now, therefore, be it

Resolved by the Association of State and Territorial Health Officers at its annual meeting with the Surgeon General, assembled, November 3–8, 1957, That Federal grants for the water pollution control program be continued up to the total amount authorized under the terms of Public Law 660, 84th Congress; and be it further

Resolved, That a copy of this resolution be transmitted to the Surgeon General, to the Secretary of the Department of Health, Education, and Welfare and to appropriate Congressional committees concerned with such legislation.

This same group, by the way, during the hearings on the bill in 1956 opposed the grant section out of a fear that it would delay rather than stimulate construction. It is a tribute to the administration of the program by the Public Health Service that the State health officers now reverse their position and support the program.

Another group which most certainly qualifies as experts in this field because they deal daily with the problems of municipal pollution are the Nation's mayors. Through their organization, the American Municipal Association, they have come out in favor, not only of a continuation of the program, but its acceleration to $100 million a year.

Federal, State, and local officials, Mr. Speaker, who work daily with this pollution problem, who know firsthand the needs and requirements, are practically unanimous in their disagreement with the committee's contention that there is no need for a continuation of this program.

Private interests, also, interested in the quality of the Nation's rivers and streams, also support the program and cite the need for its continuance.

The Nation's conservationists have been in the forefront of the fight for clean streams. Fifty million outdoor recreationists who look to water for relaxation believe there is a need for this program. The Izaak Walton League favors doubling Federal appropriations for treatment plant construction.

As League President William H. Pringle pointed out recently:

Operating as a strictly voluntary program and recognizing that the demand for pollution control and most of the financing must come from the grassroots, the Federal Aid to Water Pollution Control Act has proved so popular with local and State public health and pollution control experts that a great backlog of requests for cooperative local-State-Federal projects has piled up.

Sharply disagreeing with the conclusions of the joint committee, Mr. Pringle added:

No citizen organization has had a more constructive record of pollution control activity than the Izaak Walton League. We've worked since the early twenties to bring a stop to the pollution of the Nation's water resources. We've made good progress, but we all have been hampered by lack of a uniform national pollution control policy and program. We have that now, and we have no intention of seeing it abandoned in the misguided name of economy or of returning Federal powers to the States.

It has proved to be the most effective single piece of pollution control legislation ever passed by Congress and is a heartening example of voluntary cooperation by local, State and Federal Government to combat a broad, public evil. The Izaak Walton League will fight with vigor and unity at local, State and National level to assure continuation of the program and will seek increased appropriations in order that completion of the job can be assured within a reasonable period.

In short, Mr. Speaker, experts at all levels of Government and private interests disagree with the joint committee's position that there is no need to continue the program.

COMMITTEE'S RECOMMENDATIONS MISLEAD PUBLIC

From its findings and position the joint committee recommends the following action:

The Joint Federal-State Action Committee recommends that the President request Congress to take necessary action to discontinue construction grants for local waste-treatment facilities.

The committee recommends, therefore, that the governors request the State legislatures to—

(a) Provide such financial assistance for waste-treatment facilities as may be necessary;

(b) Strengthen, as needed, State water-pollution-control programs as they relate to both municipal and industrial wastes;

(c) Improve municipal capacity to raise funds to finance waste-treatment works.

The committee is asking the States to do that which the great majority of them have never done before. It recommends the return to the day when Federal aid for treatment-plant construction was not available to the local governments, causing the great backlog of needs to build up to the danger point. We must face the fact that because of the tremendous demand on the local and State tax dollar treatment-plant construction finds it hard to compete with such more attractive activities and projects as roads, airports, hospitals, parks, and other municipal improvement projects. Let us face it. About the last thing people think about or spend money on is sewage. By the time the local tax dollar has gone around for the more attractive projects, many of which receive Federal aid, there is nothing left for a treatment plant. If we remove Federal aid now, we relegate the construction of these projects to the bottom of the financial totem pole once again, a position it has maintained for many years, considering the terrific backlog of needs which has built up.

As a substitute for the incentive provided by Federal grants under Public Law 660 the joint committee dangles before the governors of each State the prospects of a new-found source of State revenues—namely, 40 percent of the money collected by the Federal Government on local telephone-service taxes. The committee's recommendation for action regarding local telephone-service taxes is as follows:

The Joint Federal-State Action Committee believes that the local telephone-service tax is a logical revenue source for State and local governments. It recommends, therefore, that the Federal tax on local telephone service be changed so as to provide a 40-percent tax credit to those States enacting a 4-percent local telephone tax, not counting taxes already levied prior to the adoption of the credit device. This would mean that the Federal liability under the local telephone-service tax would be discharged to the extent of 40 percent for any taxpayer paying this amount of tax to his State government. At the end of 5 years the Federal levy should be reduced 4 percentage points automatically.

The Joint Federal-State Action Committee recommends that:

1. The President request Congress to take necessary action to provide up to a 40-percent Federal tax credit against the Federal local telephone-service tax for States enacting or increasing such taxes, the credit arrangement to last for 5 years, at which time the Federal tax will automatically be reduced by 4 percentage points.

2. The governors and the legislatures of the several States take necessary steps to avail themselves of this additional revenue source.

According to the committee, an estimated $370 million will be collected in fiscal year 1958 by the Federal Government from local telephone service taxes. Forty percent of that—or close to $150 million—will be made available to the States under the joint committee's plan. Superficially this may be a rather tempting offer. But, Mr. Speaker, nowhere in the report could I find the basis for an assurance that the return of such funds would guarantee their use for pollution control or treatment plant construction. Without such an assurance it seems strange that the joint committee would recommend the outright repeal of the Federal treatment plant grant program before it could be determined that the activity would actually be assumed by the States. And, stranger, indeed, that the President would include this recommendation in his budget even before the full governors' conference acted on it.

This idea of simultaneous reduction of grants and taxes has been considered before. One of the most blue ribbon of all the President's blue ribbon committees—the Commission on Intergovernmental Relations—considered this same proposition and reported the following:

The Commission has explored the suggestion that States would be assisted by a simultaneous reduction in Federal grants and certain Federal taxes. This approach would be inadequate in the current situation, since grants serve an essential purpose by assisting in the support of specific functional programs. Moreover, any general or selective reduction or repeal of Federal grants coupled with an equivalent reduction in Federal taxes would intensify the fiscal problems of the lower income States, which would lose far more in grants than they would gain in taxes. On the other hand, a tax cut of sufficient magnitude to indemnify fully every State would result in a total loss of Federal revenue that would far exceed the grant reductions.

An alternative would be to reduce grants to the richer States and increase grants to the poorer. But since the purpose of grant programs is to stimulate and support particular activities in which there is deemed to be an important national interest, the question would arise as to whether the national interest would be fulfilled if changes of this kind were made.

Then, too, it cannot be assumed that taxes surrendered by the National Government would be fully utilized by either State or local governments. For example, recent experience with the Federal admissions tax (which was cut two-thirds in 1954) is inconclusive but not reassuring, despite the fact that its suitability for local use has often been stressed.

Moreover, Mr. Speaker, a close examination of this tax-rebate concept shows it is simply not designed to cope with the pollution-control problem—or any other, for that matter. The joint committee's implication that under their proposal such activities as pollution-facilities construction would be continued at its present level is a deliberate attempt to deceive and mislead the American people. The implication simply cannot be justified by the facts.

The Subcommittee on Intergovernmental Relations of the House Committee on Government Operations has prepared detailed tables showing the shortcomings of the joint committee's telephone tax-rebate proposal. The subcommittee has been studying this problem and under the chairmanship of the able gentleman from North Carolina [Mr. FOUNTAIN] has contributed greatly to the study of this serious problem. On February 18 the subcommittee heard testimony from the cochairmen of the joint committee and are currently closely studying the joint committee's report.

Table I below, prepared by the subcommittee, shows the distribution of telephones and local telephone-service revenues per capita in calendar year 1956, by State.

TABLE I.—*Telephone service in the United States, distribution of telephones and local service revenues per capita in calendar year 1956, by State*

State	Total telephones per 100 population [1]	Percent households with telephone service [1]	Local service revenues per capita [2]
Alabama	19.86	50	$12.71
Arizona	27.17	55	22.76
Arkansas	18.21	42	11.22
California	44.07	85	33.54
Colorado	37.56	77	24.90
Connecticut	48.01	98	25.51
Delaware	44.14	84	23.04
District of Columbia	64.78	87	41.40
Florida	34.34	66	19.79
Georgia	23.69	56	14.20
Idaho	29.43	69	19.13
Illinois	40.93	82	30.41
Indiana	34.88	78	20.38
Iowa	36.21	87	17.32
Kansas	35.69	79	19.59
Kentucky	21.19	53	12.82
Louisiana	26.69	65	16.79
Maine	29.33	70	19.08
Maryland	36.38	77	25.36
Massachusetts	41.14	91	28.69
Michigan	36.92	84	24.06
Minnesota	35.16	83	19.55
Mississippi	15.29	39	9.77
Missouri	33.99	73	21.83
Montana	32.36	71	16.36
Nebraska	34.32	79	19.27
Nevada	33.59	85	25.09
New Hampshire	32.64	75	20.03
New Jersey	44.06	91	26.28
New Mexico	25.17	53	16.64
New York	46.07	87	36.60
North Carolina	19.64	50	11.01
North Dakota	23.66	67	13.83
Ohio	37.98	83	22.86
Oklahoma	32.66	70	19.68
Oregon	34.97	74	22.91
Pennsylvania	38.68	85	20.97
Rhode Island	35.85	78	24.59
South Carolina	17.22	44	9.88
South Dakota	26.36	66	14.23
Tennessee	25.91	63	15.14
Texas	30.38	65	20.22
Utah	34.68	79	19.43
Vermont	30.00	73	18.11
Virginia	28.35	65	17.51
Washington	37.41	80	25.66
West Virginia	22.67	57	13.45
Wisconsin	34.02	89	18.91
Wyoming	33.07	69	17.74
United States	35.45	76	23.23

[1] Estimated by American Telephone & Telegraph Co., as of Jan. 1, 1957.

[2] Estimated by Federal Communications Commission.

You will note from the table that the total telephones per 100 population, the percent of households with telephone service, and the local service revenues per capita vary widely from State to State, contrary to the joint committee's finding that telephone service is uniformily distributed over the country.

Regarding total telephones per 100 population we find a high of 48.01 in Connecticut and a low of 15.29 in Mississippi. We find 98 percent of the households in Connecticut with phone service—the Nation's high—but only 39 percent in Mississippi—with the wide range between. And the same wide range holds for local service revenues per capita—the basis on which the tax is

collected—from $36.60 in New York to $9.77 in Mississippi.

Yet the joint committee maintains the telephone tax is widely and uniformly distributed over the country—not concentrated in a few States. What it fails to point out, however, is that the highest income level States will receive far more in tax rebates than they now receive in Federal grants for pollution control and vocational rehabilitation, while the lowest income States will receive far less.

Table II shows exactly what will happen under the joint committee's plan.

TABLE II.—*Comparison of yield from 4 percent tax on local telephone service and Federal grants for vocational education and waste treatment facilities construction, for selected States*

States ranked by income level [1]	Yield from 4 percent tax on local telephone service (in thousands) [2]	Federal grants (in thousands)			
		Total	Vocational education		Waste treatment facilities construction [5]
			Older programs [3]	Practical nursing and fishery trades [4]	
10 highest:					
Delaware ($2,858)	$400	$539	$165	$24	$350
Connecticut ($2,673)	2,200	979	315	36	628
New Jersey ($2,443)	5,800	1,838	644	80	1,114
California ($2,419)	16,300	3,893	1,620	220	2,053
Nevada ($2,413)	200	495	151	18	326
New York ($2,395)	22,500	5,056	2,070	236	2,750
Illinois ($2,383)	11,000	3,383	1,461	169	1,753
Massachusetts ($2,206)	5,500	1,865	638	90	1,137
Michigan ($2,156)	6,800	2,712	1,182	140	1,390
Ohio ($2,154)	7,900	3,305	1,478	174	1,653
10 lowest:					
Mississippi ($964)	800	2,116	826	110	1,180
Arkansas ($1,088)	800	1,789	657	84	1,048
South Carolina ($1,133)	900	1,735	656	84	995
Alabama ($1,229)	1,500	2,162	898	114	1,150
North Carolina ($1,305)	1,900	2,727	1,288	168	1 271
Tennessee ($1,317)	2,000	2,214	958	120	1,136
Kentucky ($1,324)	1,600	2,089	908	114	1,067
South Dakota ($1,330)	400	944	253	30	661
North Dakota ($1,365)	300	991	257	31	703
Georgia ($1,400)	1,900	2,225	964	123	1,138
Total, all 48 States	148,000	84,468	33,179	4,228	47,061

[1] Based on per capita personal income, 1956, shown in parentheses.
[2] Estimated by joint Federal-State action committee, fiscal year 1958.
[3] Expenditures for fiscal year 1956. Older programs include agriculture, home economics, trades and industry, and distributive occupations.
[4] Allotments for fiscal year 1958.
[5] Allotments for fiscal year 1957.

Source: All expenditure figures from joint Federal-State action committee, progress report No. 1, December 1957. Income data from U. S. Department of Commerce. Prepared by Intergovernmental Relations Subcommittee, U. S. House of Representatives.

Note that all but 2 of the 10 highest income States (Delaware and Nevada) will receive far more in tax rebates than they now do in the form of Federal grants for pollution control and vocational rehabilitation; 2 of the programs the joint committee recommends be returned to the States.

By the same token, each of the 10 lowest income States will receive less in rebates than they now do in grants for these programs. It is just a case of the rich getting richer and the poor getting poorer. It is unfair and unjust to ask these lower income States to suffer even greater financial hardships while turning over to the wealthier States a windfall in tax rebates.

It would be different, Mr. Speaker, if these low income States were not putting forth adequate effort to meet their needs. The fact is, they are. The average fiscal effort of the States is 7.5 percent, which represents the ratio of State and local taxes to personal income within the State.

We find, from a table prepared by the Library of Congress and which appeared in the CONGRESSIONAL RECORD, volume 103, part 8, page 10355, that only 4 of the 10 highest income States were above this average effort. At the same time, 7 of the 10 lowest income States were above the national average.

There is no question but that the Nation's lower income States are making a valiant effort to meet their responsibilities, but the lack of funds makes it impossible for them to do without Federal aid in certain fields. Yet these are the States which would suffer most under the joint committee's proposal.

Last October, Mr. Speaker, labor's Economic Review published by AFL–CIO saw the danger inherent in the joint committee's plan and pointed out:

In the first place, lower income States that now receive the largest proportionate share of the Federal grants cannot possibly recoup their losses by levying the taxes that Washington would relinquish. Only the wealthiest States—that need aid least—would benefit from this callous States rights scheme.

This proposal would restore the uncivilized and outmoded concept that only those who can pay the price deserve decent public services. It would curtail or completely eliminate school lunches, vocational training, assistance for the aged, and many other important services in precisely those States in which family incomes are the lowest and, therefore, their needs are most acute. The slight progress already achieved toward raising minimum standards would be reversed.

Secondly, it cannot be taken for granted that these services would continue as in the past, even in the States that are better off. The absence of the stimulus of Federal matching grants would strengthen the powerful reactionary bloc in the State legislatures that always fights adequate appropriations to meet public needs. There can be little doubt that even in the more prosperous States many civilian service programs—now encouraged largely by the existence of Federal aids—would be watered down or ended.

The net effect of the joint committee's plan, Mr. Speaker, would result in the Federal Government giving up $148 million of revenue in exchange for an assumption by the States, however nebulous, of $85.5 million in grants—a net loss of $62.5 million to the Treasury. And without 1 cent of tax reduction for the people.

ACCELERATED CONSTRUCTION PROGRAM NEEDED TO HELP COMBAT RECESSION

Mr. Speaker, because of the great need for enough water of the right quality, pollution control is a vital and necessary function of government, at all levels. The Federal Government has a definite responsibility which it is now fulfilling under Public Law 660. The Federal Government could and should be doing even more, however, especially in light of the present unemployment situation. There is a need now to not only continue the construction-grant program but, because of the economic situation, actually accelerate it.

It is an interesting fact, Mr. Speaker, that the President has put forth a $2 billion post-office construction program. That amount represents exactly the amount of the backlog needs of treatment plant construction. Yet in this vital area of water conservation the President recommends that we eliminate certain Federal activity altogether. This administration's sense of values is amazing.

As the distinguished chairman of the Senate Public Works Committee pointed out just the other day, an accelerated treatment plant construction program, stimulated by increased Federal grants, would be an excellent recession antidote. Senator CHAVEZ placed in the CONGRESSIONAL RECORD for February 17, on page 2232, tables showing the estimated impact an accelerated treatment plant construction program would have on our economy in terms of estimated payrolls and man-years of labor.

We have seen that under the existing $50 million a year program, $200 million of local participation is being stimulated for a total of $250 million worth of projects. The estimated payroll for this work is $75 million. The work requires 1,311.9 man-years of labor.

As Senator CHAVEZ has pointed out, doubling the Federal share would result in a comparable doubling of local activity with a corresponding double in payrolls and man-years of work. The projects are planned, Mr. Speaker. We could proceed with them now if sufficient Federal funds were available.

Here is a job crying for attention, Mr. Speaker. A task if left undone which would seriously curtail the Nation's future growth and expansion. A natural area of Federal activity which would add immeasurably to the future strength of the country. An activity if pursued diligently which would produce jobs, increase payrolls, and, most important, protect our most precious natural resource—water. Mr. Speaker, I cannot urge this House too strongly to reject

the President's proposal to discontinue Federal aid for treatment plant construction as recommended by our joint committee and at the same time let us move forward in the battle against pollution at an accelerated rate. For the present, this will be an excellent anti-recession remedy. For the future, it will guarantee a supply of clear, fresh water to our children.

Protection Against Foreclosure of FHA-Insured Homes

EXTENSION OF REMARKS
OF
HON. THOMAS L. ASHLEY
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 13, 1958

Mr. ASHLEY. Mr. Speaker, I should like to say a few words about a bill I recently introduced, the purpose of which is to prevent foreclosure of FHA-insured homes in cases where the owner-mortgagor is in financial straits because of unemployment or other reasons beyond his control.

Since the inception of the FHA program in 1934, approximately 4 million Americans have purchased homes under the favorable terms made possible by FHA mortgage insurance. At the present time, Mr. Speaker, it is estimated that payments are still being made on nearly 2 million of these FHA homes and that the original mortgage on these homes averaged $7,000.

The purpose of these figures and statistics is to show that the vast majority of homes purchased under the FHA program are owned or, more important, are being purchased by families of moderate means and income.

The object of the bill which I have introduced today, Mr. Speaker, is to give these families a greater measure of protection against unemployment and loss of income than the Federal Housing Act presently calls for. Put another way, the purpose of my bill is to give purchasers of FHA homes the same kind of protection against foreclosure that is written into the GI home-loan program.

Under the GI program, Mr. Speaker, the purchaser or holder of a mortgage has no reason to take immediate foreclosure action against a veteran who is in default. He knows that the law protects him against loss of principal and interest—even though he allows the veteran to continue in default of his mortgage.

The purchaser or holder of an FHA mortgage has no such assurance. On the contrary, he knows that the Federal Housing Administration is precluded from reimbursing him for interest lost from date of default to date of payment. For this reason, as well as others, there is considerably more economic pressure upon the holder of an FHA mortgage to bring prompt foreclosure proceedings against an owner in default than there is on the holder of a GI mortgage.

The bill which I have introduced today would authorize the FHA Commissioner, at his discretion, to acquire an FHA loan in default by issuing debentures to the lender for the unpaid amount of the loan. The FHA Commissioner would be authorized to act on any case where he believes that the homeowner in default has a good chance of ultimately getting back on his feet economically.

This bill does not pretend to be a final answer to the problem. It is introduced in an effort to direct timely attention to a problem of increasing seriousness to mounting thousands of unemployed citizens who are threatened with the loss of their homes through foreclosure.

Tadeusz Kosciuszko, Freedom Fighter on Two Continents

EXTENSION OF REMARKS
OF
HON. HENRY S. REUSS
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 13, 1958

Mr. REUSS. Mr. Speaker, the 12th of February is the anniversary of the birth of two great citizens of the world, lovers of liberty, fighters for freedom, men to whom we in America owe undying gratitude.

The story of Abraham Lincoln, President and champion of human freedom, is learned by every American boy and girl, and has inspired men of good will throughout the world.

The story of Gen. Tadeusz Kosciuszko, engineer and military strategist, who fought for the freedom of America in our Revolution and then devoted his strength to the struggle for the freedom of Poland, is equally inspiring.

Kosciuszko is the hero of two continents. He was the first foreign patriot to heed the call of "the shot heard 'round the world." Kosciuszko borrowed money to come from Poland to America in 1776 to join in our Revolution. His engineering genius contributed greatly to the American cause; he built the fortifications at West Point; he played a leading part in the Saratoga and Carolina campaigns as line officer and strategist.

George Washington called Kosciuszko "a gentleman of science and merit." Thomas Jefferson said of him: "He is as pure a son of liberty as I have ever known."

The battle won and the United States freedom established, Kosciuszko returned to Poland and led a revolt to remove the shackles of alien governments from his own people. His efforts, alas, failed. But their failure does not diminish the bravery, the sacrifice, the courage of Tadeusz Kosciuszko and the people of Poland.

Lincoln and Kosciuszko both dedicated their lives to the universal struggle for freedom. This struggle goes on, never ceasing, and though Poland is today oppressed under the heavy hand of communism, the love of liberty burns in the hearts of its people. Poland will rise again in freedom, and the policies of the United States will, we pray, hasten the attainment of that goal.

Lincoln Day Address by Hon. William F. Knowland, of California

EXTENSION OF REMARKS
OF
HON. WILLIAM F. KNOWLAND
OF CALIFORNIA
IN THE SENATE OF THE UNITED STATES
Thursday, February 13, 1958

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address I delivered on yesterday, in Los Angeles, at a Lincoln Day luncheon.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

SPEECH BY SENATOR KNOWLAND AT LINCOLN DAY LUNCHEON AT THE AMBASSADOR HOTEL, LOS ANGELES, CALIF., WEDNESDAY, FEBRUARY 12, 1958

Fellow Californians, today marks the 149th anniversary of the birth of Abraham Lincoln.

In this earth satellite, atomic, and missile age, his words at Bloomington, Ill., on May 29, 1856, have a familiar present day flavor. He said:

"We live in the midst of alarms; anxiety beclouds the future; we expect some new disaster with each newspaper we read * * *".

Lincoln did not panic. He did not become a defeatist. He did retain his sense of direction. Both then and later as President his words of calm, clear appraisal rose above the babble of discordant voices. He was God fearing, but not afraid.

In today's circumstances, we can profit by one of Lincoln's favorite stories about the man who was riding along a backwoods trail and was caught in a storm.

He kept plodding ahead until his horse gave out, and then it grew dark. He had only the lightning to show him the trail. The thunder was terrifying, and, when one bolt seemed to crash at his feet, he fell on his knees.

"O Lord," he prayed, "if it's all the same to you, give us a little more light and a little less noise."

Today, our people need more light and less noise.

Long ago I learned one of the penalties of public life is the abuse and deliberate misrepresentation of one's views that take place.

However, I have great faith that the people of this State can see through the political smog created by designing partisans and will separate fact from fiction.

My grandfather came to California. My father, my children and my grandchildren were all born here. For a quarter of a century I have been active in the public service of this, my native State. My life and such capabilities as I may possess have been and will continue to be devoted to the continued advancement of California and all of its people.

If elected I will enter the office of Governor with no obligation but to serve the whole people of California in conformity with my constitutional oath.

California, with its 14 million people, has a vital interest in the question of national defense.

Our industry in peace and in war has made a great contribution to our Nation's defense capabilities.

California is not only a great and important part of the American aviation industry, but is destined to be equally important in the rapidly developing missile program. We will also be a significant factor in the research, development and production of vehicles for travel into outer space.

The words of Lincoln in his annual message to Congress on December 1, 1862, have a significant meaning to us today:

"The dogmas of the quiet past are inadequate to the stormy present. The occasion is piled high with difficulty and we must rise with the occasion. As our case is new, so must we think anew, and act anew. We must disenthrall ourselves, and then we shall save the country."

In this year of 1958 we must neither be defeatist nor complacent.

After the Soviet sputniks and before the successful launching of the American Explorer there were some voices at home and abroad that spoke as though America was defenseless and the Soviet Union superior in almost everything.

They lost their perspective and sense of proportion. Carried on and if unchallenged, they would have unwittingly or deliberately laid the foundation for a Munich-type surrender to the godless tyranny in the Kremlin.

Sputnik did not overnight cancel out our strategic air force which will remain a major deterrent to Soviet aggression as long as we see to it that its capability keeps modernized.

We have nuclear-driven submarines and we are going to continue to expand this important segment of our Navy. With a stepped-up program and with the Polaris missile such a fleet will be a mighty deterrent force, not dependent upon foreign bases.

California industrial and defense establishments are playing a vital role in the production of solid fuel propellant which this and other missiles will use. We have the mightiest Navy afloat.

Our Army, Navy, and Air Force are equipped with a wide variety of missiles and other weapons and more are coming into operational stockpiles each week. These are available for tactical use in addition to our strategic striking power.

The modernization of our Armed Forces is continuing and must have a high priority as long as the danger of Soviet aggression continues.

If Soviet aggression takes place, our capability to strike back by air, by sea, and from land—from all directions of the compass and with overwhelming force—is fully understood in the Kremlin even if others have lost sight of this fact.

The real danger is that the Soviet rulers may ignore their own realistic military intelligence and give too much weight to the gloom and doom brigade that is trying its best to paint America as a defenseless Nation militarily, a stalemated country governmentally and with a public opinion so divided that our country would have neither the power nor the will to act in the event of Soviet aggressive action.

No more fatal mistake could be made by the rulers in the Kremlin. This generation of Americans will not surrender our freedom, betray our allies, nor abandon our moral position strongly based upon a belief in God and the dignity of man as a free individual rather than a mere cog in a regimented totalitarian state.

Now California is the second State in population in the Union, and by 1970 we will be the first. We must plan for the future.

Our objective is to provide a growing number of jobs, at good wages, for our steadily-increasing population.

This can best be done by encouraging profitable agricultural, industrial, and service activities.

From such activities we can get stabilized employment for our people and dependable revenues for our local, State, and national governments.

We are passing through a period of economic readjustment. The country is sound. We will pull out of this period with the added stimulation of new capital investment of industry and of our national defense requirements.

When tax burdens become unbearable, when investment opportunities are no longer attractive, when labor demands become such that business cannot operate at a fair profit for the risk involved, the elimination of old firms, or the failure to start new ones hurts all of our people.

Our unemployment throughout the Nation is approximately 4½ million, and our total working force is 62 million.

Labor, management, investors, and the public all have a vital stake in the maintenance of employment and the opening up of new investment opportunities that will create more jobs.

A high order of economic statesmanship is needed.

Management should make every effort to keep their employees at work and to seek alternative contracts so that competent teams will not have to be dissipated.

The Defense Establishment must develop a greater sense of responsibility and understanding of the problem of the recruitment, transportation, and establishment of workers in a new location where workers find themselves dislocated again within a short time.

Labor, too, has a great responsibility. Any prolonged strike in one or more of our major industries could have an effect of creeping paralysis over our entire economy.

A shutdown in motors could have a highly detrimental effect on steel, coal, railroads, and a whole host of subcontractors scattered throughout the Nation.

No man or group of men in either industry or labor should have the power to strangle the economic life of 170 million Americans and by so doing perhaps endanger the whole free world.

This is more power than any responsible person should want, and it is far more power than irresponsible ones should be allowed to have.

California has made substantial progress in our elementary and secondary local school system under the constitutional guaranties for their financial support.

As a member of the legislature I played an active part in preserving these guaranties and in providing the revenue system that have made them effective.

Our State university, the State colleges, the primary and secondary educational system must be kept abreast with our State's growth and meet the new challenges that face this generation.

Recently there was proposed an initiative proposal that would reduce State sales tax from 3 to 2 percent, and reduce State income taxes in the lower brackets and increase them in the higher brackets.

It has been estimated by competent State tax authorities that this proposal, which is being supported by the State American Federation of Labor, would cost the State over $200 million in revenue and would raise havoc with the State's fiscal structure.

It would place in jeopardy the support of our State's educational system, our social security legislation, the general operation of State government, and would severely handicap a solution of our vital water problems.

I am opposed to such financial irresponsibility, and I call upon my opponent in the gubernatorial contest to oppose this effort by his supporters in the labor movement to bring about the adoption of this reckless proposition. Where does he stand on this issue?

As a member of the State senate I was chairman of the subcommittee which drafted, and I subsequently handled on the floor, the first unemployment insurance legislation enacted in this State.

I have supported, in the State legislature and in the United States Senate, social-security legislation for old-age assistance, vocational rehabilitation, aid to the blind, and child care assistance.

During my service in Sacramento I supported legislation which assured every worker the right to join a union of his choice. This legislation made illegal the so-called yellow dog contract which had prevented a worker from having that free choice.

As a State assemblyman I cosponsored the antilynching legislation now on the statute books of this State.

As Republican leader of the United States Senate I moved to bring before the Senate and to pass legislation assuring every American that he would not be denied his constitutional right to vote.

In the State legislature, as a private citizen and for more than 12 years as a United States Senator I have actively worked for the development and protection of our resources, river and harbor development, flood control, reclamation, and irrigation projects throughout California.

As a member of the Senate Appropriations Committee I have cooperated with my Senate colleagues and House Members, without regard to partisanship, to help advance sound and constructive public works projects.

As a member of the Senate I took an active part in the fight to restore to this and other coastal States the tidelands which had been taken from us under the New Deal doctrine of Federal inherent powers overriding the right of the States.

Both as a State legislator and as a member of the United States Senate I have been interested in the conservation of our water resources so vital to our future growth and development. I have consistently taken the position that the Federal Government must respect the water laws of the several States.

During the course of this campaign I shall discuss problems relating to our schools, statewide water program, our highway construction, our State hospitals and penal institutions, juvenile delinquency, the reorganization of the State executive department and the readjustment of relationship between the Federal Government and the States.

With a knowledge of the Federal Government and the personalities, Republican and Democrat, in the Congress and in the executive department, I will be able to bring helpful and effective action by the State government in cooperation with our Congressional delegation.

In my announcement of candidacy for Governor of California on October 3 of last year I said:

"Our country would not have gained its independence, nor would we have been able to preserve it during our 181 years if Americans had not been willing and able to face up to controversial issues and with forthrightness and courage to find solutions.

"We cannot and should not evade or avoid using the same yardstick in meeting the challenging problems (local, State, national and international) that confront our generation.

"It is not my expectation that all Californians will agree with every policy I propose or the details of each program I may present. However, they will know where I stand and why I stand there."

The reason I have raised some issues in this campaign is because I believe this is

the hour and that the future of our State and Nation require that they be raised now.

As far as I am concerned, win or lose, I shall not surrender my fundamental beliefs to political expediency.

Last fall, in an extensive tour throughout California, I discussed the importance of a workers' bill of rights to assure members of all labor unions control over their own organizations.

On January 23 I introduced Senate bill 3068 as I stated I would. If elected Governor of California I will recommend similar legislation covering intrastate labor organizations.

A bill of rights for the working man and woman does not and should not constitute an indictment against all labor officials.

Many of these individuals, past and present, have labored unceasingly in the best interests of their fellow man. Unions have played in the past and will assume in the future an important role in the strengthening of our national economy.

It is my belief that unions will continue to grow in membership and importance.

Equally important is that they also grow in responsibility to their members and to the public.

Despite the opposition of the labor bosses I believe that the members of organized labor, their families and the general public recognize the need for such legislation. Among the reasons causing me to raise this issue and introduce legislation were:

1. The public disclosures before the Senate Commitee on Labor and Management Activities which have revealed widespread arrogance, corruption, and abuses involving a considerable number of union officials and appointed trustees and supervisors. This has shocked and dismayed not only the rank-and-file union members but all Americans everywhere.

2. The thousands of letters submitting additional evidence of wrongdoing which have been sent to the committee of the Senate and to Senators' offices.

3. The many union members throughout California who have contacted me personally urging that help be given to them to obtain democratic control over their unions' activities and to free them from the tyrannical bossism of labor tycoons.

This is not a partisan issue. It is not just a problem of private concern to the labor bosses or to the members. It is a matter of public concern.

On Sunday, December 8, of last year, Francis Cardinal Spellman delivered a sermon in St. Patrick's Cathedral, New York City. He said:

"Daily we learn the sordid details of corruption and violence featured by newspaper, radio, and television. The close association of some union leaders with known criminals, the creation of dummy locals, the rigging of elections, extortion, acid throwing, graft, and the misuse of union funds—these blatant violations of the trust of their fellow workers make all of us who are friends of labor feel shame and indignation.

"But we must do more than be shocked or feel morally aggrieved. We must act, and, while there is still time, remove from power unscrupulous leaders and their underworld hirelings. It is a tragic, almost unbelievable fact that these overlords of crime have dared to blueprint plans with the avowed purpose of dividing their underworld empire, thus imperiling the security of America's family life."

Senator JOHN L. MCCLELLAN, Democrat, chairman of the Investigating Committee on Labor and Management Problems, has given his views of the problem. He recently stated:

"We have had ample evidence in our hearings of intimidation and victimizing of rank-and-file members by hoodlum control of some of the unions. The hearings have also revealed raids and plundering of union treasuries, violence against workers themselves, as well as instances of violence against management. The continuation of our work will, we are confident, result in legislation of benefit to the country and to the 17,385,000 working people in the United States who are members of unions."

The bill of rights for labor has received an enthusiastic reception from almost every quarter with the notable exceptions of (1) a group of union bosses, who naturally enough do not want to see their secure positions of power disturbed and who have vast sums of union funds available to be placed behind their selected candidates; and (2) certain political figures who are in a political alliance with these bosses.

The workers' bill of rights for which I have spoken in California and is contained in the legislation I introduced in the Senate last month provides the following:

1. Election of union officials at least every 4 years by secret ballot with a guaranty that the ballots cast are the ballots counted.

2. Recall proceedings through which union members can replace union officials who misuse their positions of trust and responsibility.

3. Procedures for approval by majority of union members on question of calling, continuing, or waiving their right to strike.

4. Registration and public disclosure requirements of union members' welfare funds whether administered by unions or management.

5. Safeguards for members against unauthorized use of union initiation fees, dues, or assessments.

6. Protection for members against arbitrary or coercive actions by union officials.

7. Restrictions upon the appointments of trustees or supervisors whereby national and international unions gain and hold control over local unions for long periods of time, abrogating their democratic rights and taking control of their treasuries.

8. Penalties for cases involving collusion between management and union officials against the interests of union members.

In my judgment, these provisions will safeguard basic human rights of union members and give them a representative voice in the management of their unions to whose support they contribute, year in and year out, a part of their wages.

The American way of life has its foundation fixed on maintaining the God-given dignity of man and the noble aspirations of free men in a free society.

In order to assure the success of our purpose, we must always insist that with power must go responsibility.

Now let us turn to the issue of voluntary versus compulsory unionism.

I believe in the right of every American worker to join a union. This right to join a labor organization is now and will continue to be protected by law. So this is not the issue.

I believe in the right of the majority in a plant, department, or bargaining unit to bargain collectively for the employees within that bargaining unit. This right is now and will continue to be protected by law. So this is not the issue.

The issue then arises on whether a worker, against the dictates of his conscience, shall be compelled to join a union in order to hold a job and earn a livelihood for himself and family. I believe in voluntary and not in compulsory unionism. This is the issue.

The late Samuel Gompers, the founder and the father of the American Federation of Labor, pleaded the cause of voluntarism in unions. He also wrote in his autobiography printed in 1925, page 132 (this quote has been curiously omitted from the newly revised and edited edition of 1957):

"I held and I hold that if a union expels a member and he is deprived of a livelihood, in theory or in fact, insofar as he and his dependents upon him are concerned, it is capital punishment."

Honestly administered unions responsible to their members, whose first goal and purpose is to protect and advance the cause of the workingman at the bargaining table, will be infinitely stronger and more effective than any boss controlled compulsory union in existence.

It was under the system of compulsory unionism that the Senate Investigating Committee revealed the following:

1. A national officer of the teamsters union took over $320,000 of union members' money for personal use. For this and other deplorable reasons the organization was expelled from the AFL–CIO on charges based upon corruption and dictatorship. Yet the 1,700,000 members, under compulsory membership, are left captives within this same organization.

2. Forty-five percent of the total union income of a New York union found its way into the pockets of its secretary-treasurer and his family.

3. The chief officer of the operating engineers (salary $50,000 per year) used over $350,000 of union members' funds without accounting to the members.

4. Officials of Operating Engineers Local No. 3, a California union, participated in sizable misuse of union funds and the rigging of union elections.

Regarding this at the committee hearing on January 23, Senator MCCLELLAN said:

"I hope that the local officials out there (California) are taking note of the record that is being made here, the testimony that is being adduced, that reflects the crimes that have been committed, and that they will give attention to their duties in this respect. I feel there should be law enforcement. If we are not going to have law enforcement in this country, people who want to exploit honest working people through the medium of labor unions and dictatorial control over them, and the misuse of their funds, can have a field day in this country.

"There is a great responsibility, in my judgment, upon local officials, whenever these crimes are exposed by this committee, to take action. I am hopeful that the officials in California will take note of the views that I am expressing, and give some attention insofar as it is possible for them to do so in the discharge of their duties to these crimes being reflected in this testimony."

These fraudulent activities, just a few among the shocking multitude disclosed, could not occur where wage earners were permitted to voluntarily join or not join a union, where they were not compelled to pay their union dues to dictatorial or dishonest officials.

Compulsion (join or starve), which has destroyed nations and empires down through history, is undemocratic, dangerous, unfair, and unsound. Under systems such as those in Nazi and Communist countries only card-carrying members of organizations supported by the totalitarian regimes are the ones to get preference for employment. Nonmembers get what is left.

An important economic factor to any State is the percentage increase in per capita income year by year, and these figures show that the average percentage increase of the 18 voluntary union States exceeds that of California itself since their adoption of voluntary union laws.

Our people would be outraged if their right to free assembly and to free speech were conditioned by their belonging to any particular organization; we would not permit compulsory membership in a church; we would be dismayed if our right to vote were subject to affiliation in a party of someone else's choosing.

Another fundamental basic right of the first magnitude is the right of employment, the right of a worker to a job without being

compelled to join a private organization, without being compelled to pay tribute to it in order to hold that job and thus earn money with which to support himself and his family.

Those union leaders who campaign so vigorously for compulsory unionism do not always practice what they preach. During the last month in the Nation's Capital in Washington, the parent body of the AFL–CIO refused to recognize a group of their own employees who were labor organizers. These employees formed an independent union and requested recognition under the Taft-Hartley law. Officials of the AFL–CIO not only refused to recognize their union, but in a subsequent "reduction in force" action, over half of the people dismissed were disclosed to be the most active members of the new union.

Wherever a union is operating with responsibility and respect for its members, workers will voluntarily join that union and participate in its affairs.

Compulsion, if it continues to grow, will ultimately undermine and destroy a vital part of our American way of life—freedom of choice. To an alarming extent this has already been done to an important segment of our population. That is why I say, this is the hour and the time is now.

I find it hard to understand why those who profess their belief in the democratic processes should fear to let the 6 million registered voters of California have a direct vote on this issue. Do they fear the judgment of the electorate?

The union bosses believe that they can regiment their 1,900,000 members into passing resolutions and contributing campaign funds from the union treasury, by assessment or other means. Do the labor bosses fear that when the individual worker gets into that voting booth, with his secret ballot, as a free and uncontrolled American, he will show his independence and vote for voluntary and not compulsory membership?

My opponent and the labor bosses allied with him should welcome this solemn expression of the people of this State.

But by manipulating the title of the initiative and by the vast work being expended in trying to prevent it from qualifying on the ballot, one can deduce that they fear a direct mandate. They seem to want to circumvent the people's decision which their power of political coercion cannot control.

On February 5 at Miami Beach, leaders of the AFL–CIO publicly marked me for political liquidation at the polls this fall.

I accept the challenge. I shall not evade or avoid the issue.

As for me, I do not intend to complacently allow California to become a satellite of Walter Reuther's labor-political empire.

Thaddeus Kosciusko, Hero of the American Revolution (1746–1817)

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1958

Mr. MULTER. Mr. Speaker, the success of the American Revolution was assured by the wholehearted efforts and the sacrifices made by the people here struggling for their independence. Other peoples, not native of this country, or related to the people living here, also contributed significantly to the successful culmination of that historic event. Thaddeus Kosciusko of Poland, that intrepid and gifted soldier of freedom was one of those whose personal participation in the American Revolution marks him as one of the great heroes of his day.

Born in Poland in 1746, he came to America in 1776 and immediately applied for military service. He was admitted, and assigned to the task of fortifying the Delaware River. He performed this task so well that he was made a colonel of engineers in the Continental Army. Subsequently he was in the Northern Army and saw action at Ticonderoga; he also supervised the fortifications at Saratoga. Then he was put in charge of the building of fortifications at West Point. He was one of the first of the Continentals to enter Charleston after that city was evacuated by the British. On October 13, 1783, he was made a brigadier general.

After serving the cause of this country brilliantly and with success, he returned to his native Poland in order to fight for her freedom. He did this for 20 years, and breathed his last as an exile in Switzerland. February 12 is the 212th birthday of this patriotic Pole, and we solemnly commemorate it as a sign of appreciation of his services to this country.

Judge Stephen E. Rice, of the Tax Court of the United States

EXTENSION OF REMARKS

OF

HON. ROBERT L. F. SIKES

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1958

Mr. SIKES. Mr. Speaker, I regret very much to inform the House of the death of Judge Stephen E. Rice, of the Tax Court of the United States. Judge Rice died Sunday, February 9, at the age of 52 at the Naval Medical Center in Bethesda. He had been in ill health since the latter part of December.

Nationally recognized for the high caliber of his work on the Tax Court, Judge Rice was also well known and highly regarded on Capitol Hill where he served as legislative counsel of the United States Senate for a number of years. He was a member of a distinguished family in my district and was the son of Hon. and Mrs. S. E. Rice, both now deceased, of Apalachicola, Fla. Like his father, he enjoyed a noted career in public life.

Judge Rice had served on the Tax Court since October 16, 1950. He was originally appointed by President Truman and reappointed by President Eisenhower for a succeeding full term on June 2, 1956.

Born in Apalachicola, Fla., Judge Rice attended Marion Institute Preparatory School, Marion, Ala. He was graduated from the United States Naval Academy in 1926 and served in the Navy as an ensign from 1926 to 1928.

He received a bachelor of laws degree from Columbia University Law School in 1931 and was admitted to the bar in New York the following year. He was later a member of the bar of the District of Columbia, and of the United States Supreme Court.

After practicing law in New York City for 2 years, Judge Rice joined the staff of the Legislative Counsel of the United States Senate, where he served until 1942.

At the outset of World War II, he was recommissioned in the Navy and served as assistant air officer, U. S. S. *Lexington* in the Pacific campaign.

Wounded in 1944, he returned to the United States and retired as a captain, United States Naval Reserve. His medals include the Bronze Star, Purple Heart, Asiatic-Pacific Area Campaign with 9 battle stars and Philippine Liberation with 2 stars.

Judge Rice then became Legislative Counsel of the United States Senate, in which capacity he served until his appointment to the tax court.

Survivors include his wife, Lida Johns Rice, and two sons, Stephen E. and Jeffrey B., all of the home address, Oakton, Va.; two sisters, Mrs. Richard Heyser of Apalachicola and Mrs. W. Newton Creekmore of Columbus, Ga.; and an uncle, R. R. Rice, of Rockport, Tex.

Funeral services were held at 11 a. m. Thursday at the Ft. Myer Chapel, with burial in Arlington Cemetery.

Pallbearers were Chief Judge J. Edgar Murdock, Judges C. Rogers Arundell and Norman O. Tietjens, of the Tax Court; Rear Admirals J. P. B. Barrett, Kenneth Craig, Roy A. Gano, and William R. Smedberg, III; Captains Burnham C. McCaffree and Abbott M. Sellers, and Comdr James B. Cash.

My earnest sympathy is extended to the bereaved. Because of my own years of close friendship with Judge Rice, I can understand much more intimately the degree of their loss.

Lincoln and Kosciuszko

EXTENSION OF REMARKS

OF

HON. BARRATT O'HARA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1958

Mr. O'HARA of Illinois. Mr. Speaker, yesterday, February 12, we celebrated two birthdays: that of a martyr to the cause of freedom for all Americans, Abraham Lincoln, and of General Thaddeus Kosciuszko.

In commemorating the 40th Anniversary of Lithuanian Independence it is worth noting that Kosciuszko was born in the Grand Duchy of Lithuania, which in 1746 was a federated state of Poland; and that he was a brigadier general of our Continental Army October 13, 1783.

In 1776 Kosciuszko arrived in Philadelphia from Poland and immediately enlisted in the Continental Army. His first assignment was to draw up plans for the fortification of the Delaware River. This assignment resulted in a commission,

Colonel of Engineers. In the spring of 1777 Colonel Kosciuszko was serving with the northern army at Ticonderoga. There he supervised the building of fortifications at Saratoga. Our success at Saratoga was interpreted by the French King to mean that we might win our independence, and France became our ally. Thus the genius of Kosciuszko made a major contribution to American independence. Later he took charge of building the fortifications at West Point.

After taking part in the campaign in the South, he returned to his homeland in July 1784, where he hoped to carry on the fight for freedom. However, Russian might defeated him and he was exiled to Switzerland where he died in 1817.

Address by Hon. J. Glenn Beall, of Maryland, on Receipt of the Distinguished Service Award of the Washington Junior Chamber of Commerce

EXTENSION OF REMARKS
OF
HON. J. GLENN BEALL
OF MARYLAND
IN THE SENATE OF THE UNITED STATES
Thursday, February 13, 1958

Mr. BEALL. Mr. President, it was recently my great honor to receive the first Distinguished Service Award of the Washington Junior Chamber of Commerce, for my efforts to obtain suffrage for the voteless citizens of the District of Columbia. During the presentation luncheon, I delivered a brief address which several of the Jaycee officials later asked me to have printed in the CONGRESSIONAL RECORD. I therefore ask unanimous consent that my remarks on that occasion be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS OF SENATOR BEALL, DELIVERED AT THE NATIONAL JAYCEE WEEK LUNCHEON OF THE WASHINGTON JUNIOR CHAMBER OF COMMERCE, AT 12:30 P. M. JANUARY 23, 1958, AT THE BURLINGTON HOTEL, WASHINGTON, D. C.

There was a time, and not too long ago, when the members of the Junior Association of Commerce were consistently referred to as (and I quote) "The future leaders of America."

Today, however, you no longer deserve that title, at least not in its entirety.

Today, in every section of our Nation, you gentlemen are acknowledged and respected as the current leaders of our country.

This leadership entails responsibilities, of course, and before saying anything else, I want to congratulate you sincerely for the way in which you have accepted and lived up to those responsibilities.

It is not a mere platitude to say that this great Land of the Free is deeply indebted to you for your work, and we, your fellow citizens, thank you sincerely.

During all of my 15 years on Capitol Hill, I have tried to follow the orders of my constituents and friends.

I mention this because prior to this meeting today, I was told that I should speak about voting in the District of Columbia.

Therefore, as a man who likes his job and is doing everything possible to retain it, I shall continue to do as my friends tell me.

As most of you know, the land which is now the District of Columbia originally was part of Maryland.

Furthermore, in addition to donating land for the seat of our national Government, Maryland got together with Virginia and gave $170,000 to get the construction of buildings started, since the Federal Government had no money of its own for such purposes.

I wonder if our forefathers in Maryland—the Free State—would have approved of such grants if they had known that the land they sacrificed and the money they appropriated was to be used for a city where the citizens would not be permitted to exercise the basic right to vote.

I hardly think so.

In fact, when I introduced my bill to provide for the residents of the Capital to particpate in presidential elections, I felt as though I were helping to right an injustice that must be giving our Maryland ancestors a very uneasy eternal rest.

But my bill alone means nothing unless it receives national support.

The reason for this, as you well know, is because to gain the vote for the residents of the District, we must obtain a constitutional amendment.

I can assure you that they are not easy to come by.

On the other hand, we must not forget that the man who says "It can't be done" is liable to be interrupted by somebody else who is doing it.

What, then, must we do?

In the first place, we must obtain passage of my bill, which will take a favorable vote of two-thirds of the House and the Senate.

Then we must get the approval of three-fourths of the State legislatures.

To accomplish this, we need what is referred to in politics as grassroots support.

And going one step further, the way to obtain grassroots support is to do some politicking.

That's where you and the thousands of other members of Junior Associations of Commerce from coast to coast come in.

I've met many of your group, and I know how effective you can be at politicking.

So keep it up on this bill.

Buttonhole your Senators, your Representatives, and your State officials.

It has been said that the world can be divided into three classes—those who make things happen, the many who watch things happen, and the overwhelming majority who have absolutely no notion at all of what is happening.

You members of the Junior Association of Commerce are in the select group who make things happen, and I have the utmost confidence that you will prove it again in this case.

Some persons, I know, will ask why we are so interested in the approximately 802,000 citizens who are voteless in this city.

The answers are obvious.

In the first place, they are American citizens who have certain inalienable rights under our form of government, one of which is the right to cast their ballots for their elected officials.

What has happened to our 15th and 18th amendments if they do not apply to all citizens?

I don't remember any if's, and's, or but's excluding residents of the District of Columbia.

In addition to that, we cannot forget the importance of each and every individual vote in this country.

Thomas Jefferson, for instance, was elected President by one vote in the electoral college.

So was John Quincy Adams.

Rutherford B. Hayes was elected President by one vote.

His election was contested and it was referred to an electoral commission.

Again he won by one vote.

And listen to this:

The man who cast that deciding vote, a Congressman from Indiana, was a lawyer who had also been elected by a margin of one vote, which, incidentally, had been cast by a sick client of his who insisted on being taken to the polls to vote.

Just one vote gave statehood to California, Idaho, Oregon, Texas, and Washington.

That's a big chunk of territory, and today the millions of people who are living there are Americans by just one vote.

Does this one vote situation apply only to the past?

Of course not.

A draft bill for World War II passed the House by just one vote.

In 1944, one more additional Democratic vote in each of Ohio's 8,800 precincts would have defeated one of the greatest statesmen of our times, Senator Robert Taft.

In 1948, one more additional Republican vote in each of the same 8,800 precincts would have carried the State for Dewey instead of Truman.

Don't ever let anyone tell you that each individual vote isn't important.

And consequently, don't let anyone talk about the potential vote of the District of Columbia as being insignificant.

I'd like to mention one other thing about voting that doesn't occur to many people.

You know—and I know even more—that many people think of the word "politician" as some sort of a nasty expression, and they claim that they just don't want to get mixed up in politics.

However, these very same people forget that every time they cast a vote they are politicians.

That is the importance of their vote.

Politics is American government at work, and the only time it becomes dirty business is when the people with ideals abandon it.

Ignoring your responsibilities is the fastest way of creating an unsavory government.

And here again we must think of the real tragedy, the real injustice, the real evil in the present voting situation in the District of Columbia.

Here we have men and women who know their responsibilities.

Here we have men and women who are willing to shoulder their responsibilities.

But here, in the city which, more than any other, symbolizes the ideals of our republican democracy, we have a system which makes these same men and women second-class citizens.

Whenever I think of this subject, I cannot help recalling the friend of mine who very jokingly said he saw a silver lining in the fact that District of Columbia residents can't vote.

"At least," he said, "they can't have any election scandals."

Well I assured him that we'd just as soon have the opportunity, and I told him this story.

There was a farmer watching a golfer for the first time, and taking a very keen interest in the spectacle.

First the golfer drove into the rough.

Then he got stymied by a tree.

After that he got caught in a sand trap.

And finally, at long last, he dropped the ball onto the green and sank it in the hole.

"My, my, my," observed the farmer. "Ain't you in an awful fix now."

Likewise, there is no question at all that the District will have numerous problems when its citizens finally get their right to vote.

But every State, ever county, every city and township in this country has had the same problems, and given the same opportunity, we'll jump at the chance to have them, too.

I might mention, before concluding my remarks, that gaining the vote for the Dis-

trict of Columbia in presidential elections is only a part of the problem we are facing here.

We also have to get a home rule bill passed, and the sooner the better.

I had the privilege of introducing the administration's home-rule bill during the 1st session of the present 85th Congress, but I can assure you that I am not so wedded to its terms that I would fight some other adequate measure.

We need some sort of home-rule bill desperately.

We need it now.

Now, in conclusion, I want to return for a moment to my original topic—my resolution to provide that the people of the District of Columbia shall be entitled to vote in presidential elections.

Quite a few persons have thanked me for introducing this measure.

And believe me, I appreciate hearing such kind words.

The facts of the matter, however, are that it is usually quite simple to introduce a bill and quite difficult to get it passed.

The aid which you and the Jaycee associations in other areas have given and are continuing to give is extremely necessary in obtaining favorable passage of this measure, and that is why I should be the one expressing gratitude.

You have done a truly magnificent job.

I know you will keep it up.

Working together, we shall make Washingtonians into first-class, voting citizens.

Lincoln and Kosciuszko

EXTENSION OF REMARKS
OF
HON. CLEMENT J. ZABLOCKI
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 13, 1958

Mr. ZABLOCKI. Mr. Speaker, on the anniversary of their respective birthdays, let us pay tribute today to the memory of two great men who have played important roles in the history of our Nation—Abraham Lincoln and Gen. Thaddeus Kosciuszko.

These two great men, living in different periods, shared the same respect for the dignity of man, and abiding love for our Nation. Each in his own way has helped to make the United States what it is today.

I am certain that it is not necessary for me to recall General Kosciuszko's gallant participation in our Revolutionary War. He was an outstanding military leader, and took a prominent part in the Saratoga and Carolina campaigns. He built the fortifications at West Point, the location of our National Military Academy.

What is particularly impressive about General Kosciuszko's assistance in our Nation's struggle for independence, is the fact that he did not hestitate to cross the ocean to fight for the principles in which he believed. His devotion to the cause of freedom and liberty should be an inspiration to all of us.

In like manner, President Lincoln's courageous stand for freedom and union shall forever remain inscribed in the annals of our national history. He piloted our Nation through a critical and tragic period, preserving the Union, and opening the doors to a great future for the United States.

As we recall the achievements of these two men, let us reaffirm our determination to strive for freedom and justice for all.

And let us express the hope that the day will soon arrive when the people of Poland will regain their full independence, and be able to order their lives in accordance with the principles which they have consistently upheld throughout the centuries of their national existence; the principles of freedom, justice, and a parliamentary form of self-government.

John W. Emmert, Superintendent of Glacier National Park, To Retire—Cited for Distinguished Service

EXTENSION OF REMARKS
OF
HON. LEE METCALF
OF MONTANA
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 13, 1958

Mr. METCALF. Mr. Speaker, John W. Emmert, superintendent of Glacier National Park, will retire on March 31, after a record career of distinguished service in our national parks.

Not only is Jack Emmert the oldest employee of our national park system in point of service, but he went to work 5 years before the Park Service was established.

Born in Virginia, Jack went to work as an assistant electrician at Yosemite National Park in 1912, and has served continuously since that time, with time out for Navy duty during World War I.

He was successively electrician, electrical engineer, and assistant superintendent at Yosemite. In 1934, he became assistant superintendent at Yellowstone National Park, serving there until 1943, when he was made superintendent of Hot Springs National Park, Ark. In 1944, he was transferred to Glacier.

When Jack became superintendent of Glacier, the third largest national park and one of the most magnificent scenic areas in the world—there was a war on, and the staff and activities had been cut to the minimum. Under his capable administration, the park staff and facilities have been developed to meet the needs of a flood of visitors which far exceeds anything that had been dreamed of before World War II.

Today, Glacier National Park, in spite of its great size and the complexity of its administrative problems is, under Jack Emmert, one of the best managed areas in the entire national park system.

Among Jack's outstanding characteristics are his ability to analyze problems and follow through. He is able and loyal, has consistently maintained the respect of employees, local and State officials with whom he works so well, and of visitors to the parks. He has sacrificed his personal interests to do his job.

Jack has cooperated with the greatest effectiveness in the administration of Waterton-Glacier International Peace Park, involving the United States and Canada. His fine relationship with Canadian officials has assisted materially toward the success of this park.

Because of his outstanding record, Jack Emmert received the Distinguished Service Honor Award, the Department's highest form of recognition, from the Department of the Interior in 1953.

Upon his retirement, Jack will go to Coeur d'Alene, Idaho, where he owns a home.

Part of this fine man's fine record is the citation which accompanied the honor award. It follows:

THE SECRETARY OF THE INTERIOR,
Washington.

Citation for distinguished service, John W. Emmert, in recognition of outstanding accomplishments in administering Glacier National Park.

With the exception of brief naval service during World War I, Mr. Emmert has been associated with the National Park Service since 1912. He was assistant superintendent at Yosemite and Yellowstone National Parks and superintendent of Hot Springs National Park. In 1944 he became superintendent of Glacier National Park, which position he now holds. In his present assignment, Mr. Emmert has administered the complex problems of our third largest national park so ably that it has become one of the best-managed areas in the entire system. His keen understanding of the relationship between the park and adjacent communities has fostered excellent cooperation with other international, national, State, and local agencies. Typical of Mr. Emmert's leadership and vision was his role in coordinating local arrangements between the Federal Government and the State of Montana in acquiring through an exchange of lands approximately 10,000 acres of State school lands located within the park, bringing to a successful conclusion many previous attempts to consummate the transaction. He also played a prominent part in promoting harmonious relationships with Glacier's sister national park, Waterton Lakes, which is the Canadian portion of the Waterton-Glacier International Peace Park. Mr. Emmert's unusual tact and ability in his negotiations with others have been instrumental in making possible these outstanding achievements, for which he is granted the highest honor of the Department of the Interior, its Distinguished Service Award.

DOUGLAS MCKAY,
Secretary of the Interior.

Justice to Farm People

EXTENSION OF REMARKS
OF
HON. HUBERT H. HUMPHREY
OF MINNESOTA
IN THE SENATE OF THE UNITED STATES
Thursday, February 13, 1958

Mr. HUMPHREY. Mr. President, a significant address on the moral and practical issues involved in utilizing God's gift to us of abundant food and providing justice to farm people was given by the junior Senator from Wisconsin [Mr. PROXMIRE] before the Church World Service luncheon at the Statler Hotel on December 5.

Because the address reflects a broad understanding of the real issues involved in much of the farm policy debate, as well as focuses needed attention on the

opportunities for using our abundance constructively in support of peace and freedom in the world, I believe it should be widely read.

Mr. President, I ask unanimous consent to have the address printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

AMERICA'S ABUNDANCE AND WORLD NEEDS

(Full text of address by United States Senator WILLIAM PROXMIRE, Democrat, of Wisconsin, before Church World Service luncheon, Statler Hotel Missouri room, December 5, 1957)

Church World Service, the agency through which cooperative overseas relief and welfare programs are carried out by the Protestant churches of the United States, is a notable example of the Christian spirit of sharing with our less fortunate neighbors.

Abundant food is America's greatest blessing. United States agriculture is the most efficient, most productive the world has ever seen.

The 1957 crop is equal to the alltime record set the year before, in spite of deliberate efforts that were made by our National Government to curb our abundance.

United States farmers doubled their output per worker in the past 15 years; far more than the increase in output per worker in industry.

Yet our farm abundance generally seems like a curse instead of a blessing to the farmers whose skill, hard work, and diligence produces it.

Per capita income of farm people in 1956 is well below one-half that of nonfarm.

Per-hour earnings of dairy farmers in eastern Wisconsin in 1956 averaged only 43 cents; (U. S. Department of Agriculture figures. Average farm has 129 acres and total investment of $33,770 in land, buildings, machinery, equipment, and livestock. Forty-three cents per hour return on labor is computed on basis of allowance of 5-percent return on capital in farming operation.)

These returns contrast as follows with 1956 returns to manufacturing industry: $1.98 per hour average return on labor (not counting managerial return) versus 43 cents; 13 percent or so average return on net equity in manufacturing industry (versus 5 percent).

This raises the most immediate and most apparent set of moral problems for us as a nation in utilizing God's gift to us of abundant food—justice to farm people.

If the public does not establish justice for farm people, agriculture will soon reorganize itself for its own ends. Control over production and pricing policy is being taken away from independent farm families and transferred to centralized agencies in the food processing and marketing field. Under such a system, farm production will be administered so as to maintain prices at levels determined inside the industry, just as our other basic industries do.

If agriculture would reduce output by only 4 or 5 percent, prices would zoom back to the 100 percent of parity level that prevailed in 1952.

If agriculture would reduce output to only 80 percent of capacity—which is exactly what the steel industry is doing right now—there would be hunger and panic in our American cities. And food prices would skyrocket.

This is the practical side of the moral problem of securing justice for our farm people. If we sacrifice our competitive family farming system by neglecting to give justice to farmers—thus allowing a monopolistic vertically integrated structure of food processing and marketing interests to administer food production and prices in a manner similar to the present practice in the steel industry—then our economy will be compelled to pay vastly more money for significantly less food.

These are the dimensions of our practical dilemma:

Either we extend justice to our family farmers, and wisely utilize the abundant food which they provide; or

Face the prospect of a fairly quick transition toward a centrally controlled, vertically integrated food-and-farming industry which can administer its production and pricing policies in a manner similar to other basic industries.

How shall we manage the agricultural abundance which God's bounty and our family farming system provides for us?

During the past few years, we have tried deliberate waste on a scale that staggers the imagination—on a scale that never before in all history has had an equal.

Under the farm law enacted in 1955, the United States Government is committed or has already paid a total of $1.4 billion to farmers for plowing under or not producing wheat, corn, cotton, rice, peanuts, and tobacco.

This enormous expenditure will result in the destruction or failure to produce grain sufficient to provide the entire population of the United States with their normal supply of bread for a full year's time, plus some ham and eggs and a couple of cotton shirts for every man, woman, and child in the United States.

This enormous expenditure is a total, dead loss to the Nation's economy. It will not secure one single whit of soil conservation work on the land it idles. It does not even add to farmers' incomes—for it merely substitutes for the wealth that they are paid to not produce.

This enormous waste of potential food has taken place in a world and in a day when there are millions who suffer from malnutrition. This represents enough bread for the entire American population for a whole year—bread which was not given to our hungry neighbor in Christian charity, but instead was turned under with the plow and the disk, or simply never planted on the idle land.

Certainly, at the very best, this must be described as a monumental failure of moral imagination.

One other example of recently wasted food particularly distresses me—as a representative of Wisconsin, America's dairyland.

In 1954, the United States Government negotiated the sale of the entire supply of dried skim milk in Government storage to animal feed manufacturers. There are many shocking things about this extraordinary operation.

The negotiated price at which more than half a billion pounds of dried milk were sold for animal feed was only 3½ cents per pound. At that very time, and right today, spoiled dried milk was and is being sold for animal feed for three times as much.

Feed manufacturers were and are today voluntarily bidding and paying over 9 cents per pound for dried milk that has become unfit for human consumption. Yet the American Government sold, without bids, its entire supply on hand in mid-1954 of high-quality dried milk that was perfectly suited for human consumption for only one-third the feed price.

This took place in a world and in a day when there are millions who suffer from malnutrition.

Millions of little children in Asia, Africa, South and Central America suffer from the dreaded disease, kwa-shi-or-kor, which causes both mental and physical deformity, and costs the lives of half of the victims who receive hospital treatment. For this ugly killer and maimer of the world's most unfortunate children, a little bit of milk reconstituted from dried milk powder is a perfect and complete cure.

The dried milk that was sold for hog feed in 1954—at one-third of the market price for feed—was sufficient to provide a tall, full 8-ounce glass of milk every day for a full year's time to 24 million children.

Truly, it requires the utmost of charity to describe this squandering for hog feed of enough milk to furnish lifesaving protein every day for a year to 24 million children, as merely a monumental failure of moral imagination.

It is tremendously fortunate, for the judgment of America that mankind will record in history, that there is a brighter chapter in the account of our stewardship of our unprecedented blessing of abundant food.

The American spirit is generous and good. The American people are true to the generosity and goodness in American character if they have the chance—and when their leaders appeal to that generosity and goodness.

American food fed the Allied Nations during World War II. And when the war had come to an end, American food rescued many tens of millions of human beings from certain starvation—in the lands of our former enemies as well as those of our liberated friends and our bleeding allies. Never before in all the history of the world has any people given so greatly and so generously to so many—and thereby rescued so many human beings from hunger and death by starvation.

This great outpouring of American food to the world's hungry continues today. It is a great credit to American ingenuity that our religious organizations—Church World Service and its counterparts of the other great religious faiths—are playing a central and aggressive role in this program.

I use the term "ingenuity" both on moral and on practical grounds. It is ingenious of us, as a Nation, to work in partnership with our own and the world's religious institutions in this work—for we thus express the essential moral impulses from which America's giving springs. And it is ingenious for practical reasons because it works so much better, both for the giver and those who receive, than any strictly governmental or strictly commercial operation could possibly work.

In this American-style partnership of Government and religion, the public underwrites the costs of collecting and buying the food. This is done, as you know, through governmental programs which are primarily motivated by other considerations than the ultimate use of the food—through our farm price-support programs. This is the reaction which is most appropriately, as well as most effectively, handled by the Government.

But the function of distribution, which involves those who receive the gifts in a direct, personal contact, cannot be performed either as appropriately nor as effectively by a state-to-state relationship. Too often, the gift that is granted by the impersonal state is bare of the giver's true spirit. Too often, gifts that are received by another impersonal state on behalf of its hungry subjects, are similarly deprived of a human touch and the spirit of real giving.

So it is truly a credit to our American inventive genius that we have developed this pattern of partnership between Government and religion, a partnership that allows the true motives of our American people to be communicated across thousands of miles of oceans, and through a bewildering process of bureaucracy, directly into the consciousness of the people who wait with hunger at the other end of the line.

As a result of this partnership between Government and religion, what might otherwise appear to be a surplus disposal program is transformed into a people-to-people relationship which binds all men of good will into closer communion and contributes to the lasting peace which we all desire for our

agonizing earth. The moral impulses that are common to all the basic religious philosophies are enabled to speak truly to each other across the boundaries of language, geography, and redtape.

The achievements of this partnership have been truly outstanding. More than four-fifths of all the Nation's voluntary relief work for the hungry and needy overseas has been conducted through the religious agencies supported by more than 100 million Americans who are enrolled in our major religious faiths. More than a billion pounds per year of food, much of it donated by the Government, is being distributed by the major religious agencies. Lifesaving supplies of clothing, medicines, and money for resettlement, economic development, health projects, and other assistance for refugees, are also being provided in companion programs.

I am told that the average contributed dollar in these programs provides for more than 300 pounds of food delivered to destituted areas. While this emphasizes the tremendous importance of the Government's function in this program, in providing the supply of food for shipment, it also underscores the marvelous efficiency and economy of the religious agencies in distributing these supplies to the human beings who need them.

I am particularly pleased to learn that since this program got under way 3 years ago, more than 9½ million persons, mostly children, have received at least one glass of milk every day through the partnership efforts of the American Government and the religious agencies of the American people.

But we cannot—we must not—rest on self-praise for our accomplishments. There is much need yet to command our compassion.

I have been deeply moved by these words of a well-known German theologian, Dietrich Bonhoeffer, written while he was in prison:

"The hungry man needs bread, and the homeless man needs a roof; the dispossessed need justice and the lonely need fellowship; the undisciplined need order and the slave needs freedom.

"To allow the hungry man to remain hungry would be blasphemy against God and one's neighbor, for what is nearest to God is precisely the need of one's neighbor.

"It is for the love of Christ, which belongs as much to the hungry man as to myself, that I share my bread with him and that I share my dwelling with the homeless.

"If the hungry man does not attain to faith, then the guilt falls on those who refused him bread.

"To provide the hungry man with bread is to prepare the way for the coming of grace."

Who is the hungry man, who is the homeless man, in the world today?

There are still 6 million refugees without homes or work in Europe, the tragic aftermath of man's most tragically destructive war.

There are nearly a million Arab refugees in the Middle East, part of the enormous human cost of the conflicts in the land from which three great world religions sprung.

A torrent of more than 100,000 men, women, and children is streaming every year out of Communist China, into tiny, teeming, tragic Hong Kong, where there is scarcely space, much less work and food.

The expert leaders of your organization—Church World Service—estimate that the world total of refugees today is 30 million, and these comprise only the very most desperate of the earth's homeless, ragged, and disease-ravaged hungry people.

This total does not begin to count many millions more whose hunger is stabilized and unspectacular, but who never achieve adequate diets year in and year out, and who ultimately die of malnutrition at an average age that may be only one-third the life expectancy of an American.

"To allow the hungry man to remain hungry would be blasphemy against God and one's neighbor, for what is nearest to God is precisely the need of one's neighbor."

This, it seems to me, is a moral injunction upon all of us, as citizens, just as surely as in our capacity as Christians. It has real and immediate pertinency to the issues that confront us as citizens right today.

Can there be a moral defense for a soil-bank program which has subsidized the waste of enough potential grain to supply all America with bread for an entire year?

Can there be a moral defense for any national food policy which regards farm surpluses as a burdensome scourge?

Or which permits agricultural abundance to impose a real and severe hardship upon the conscientious farm people who produce it?

Or to turn the problem squarely around, a policy which assures the farmers of adequate incomes only on the condition that they produce slightly too little, and penalizes them for providing us with slightly too much?

It is true that the primary task of shaping a food policy for the Nation must be assigned to the politicians, and the economists, and the businessmen, and farmers. I am one politician who feels deeply the moral problems which it involves, and I appeal in complete sincerity for the help and guidance of religious leaders in the national effort to solve them.

As for me, the moral guideposts which I recognize point very clearly to a number of fundamentally important conclusions in the field of my responsibility as a Member of the United States Congress:

I believe that the food which saves a child's life and health in a Church World Service refugee camp in Hong Kong serves a use as high as any that is produced anywhere beneath the sun. I do not believe that we can, in good conscience, term it a burdensome surplus.

I believe, in fact, that the world has too little food rather than too much. In the world of today, where there are millions who suffer from malnutrition, and even from famine, the basic moral imperative is for us to devise ways and means to get our abundant food to those who need it.

Certainly the great work in which the religious relief agencies are playing such a vital and constructive role must be sustained and expanded. We need to accept this work as a full-scale national responsibility, instead of treating it as an accidental incident of our farm problem. In short, the cost of feeding the hungry should be regarded as a legitimate obligation of the public, instead of an onerous burden imposed by subsidizing our farmers.

We do not treat military aid to our allies as a subsidy to the producers of tanks and planes and rifles; we should no longer treat famine relief to our allies as a subsidy to the producers of wheat and milk.

But we need to go far beyond the defensive reflex of emergency feeding of the victims of famine and wars and political dislocation. We need to greatly expand the use of our abundant food for positive, constructive building to help create the improved economies that are absolutely essential as a foundation for political stability, progress, and peace.

It is too shortsighted to regard food merely as a means to sustain life. Truly, it does little good to send our food to people to help them to survive this season's famine, only to leave them no better able than they were before to cope with the next famine that will come along.

We must raise our sights and stretch our imaginations. We must see that food can also be the source of human energy with which the means for a better life can be constructed.

Let me give you a simple example of one way that this can be done:

Consider a little village in India—just like many thousands of real Indian villages today. The people of the village are forced to work their lives out, with extremely inadequate tools, to scratch a bare subsistence from their impoverished soil. In a good year they barely survive; in bad years many die.

This typical village often does have a surplus of food during the growing season. But there is no refrigeration, nor any other adequate means of storing this perishable surplus food. And there is no road over which this seasonal surplus can be transported to the nearest city to trade for better tools, or for fruit jars for canning food, or the other simple items that could break the endless chain of privation. For want of a road, the village economy is chained to a treadmill on the brink of famine.

The United Nations has shown in small pilot-plant projects that surplus food can be used in underdeveloped economies such as this to finance such capital improvements as roads, bridges, schools, canals, and the like. Surplus food is converted into human energy, which is used to construct capital improvements which permanently raise the productive power of the economy. This can be done even in the most primitive kind of situation, where modern methods are hopelessly beyond reach. A road might be built, for example, by paying people in surplus food to carry earth and stones in baskets on top of their heads.

In the case of our little village, the assurance of a year's food supply would free the people from the obligation to spend all their time and energy to eke out a bare living by subsistence farming. Instead, they might be paid with surplus wheat and dried milk to build a road to the city. At the end of the year, they would have survived, just as if they had spent their time as usual to wrest a bare living from their land. But they would have their road to show for it. And next year, they will be able to transport their seasonal surplus over the road to the city, where they can trade it for efficient shovels, and hoes, and sickles, and other tools. Even such simple tools as these will enormously increase the productivity of their farming economy.

The existence of this simple capital improvement—the roadway—will move the people of our village off from the dreary treadmill of bare subsistence agriculture, into a chain of economic improvements that will build higher and higher levels of progress and prosperity. The city and the whole nation, too, will benefit, and its economy grow, as a result of the increased market for its skills and products which the road opens up.

If you multiply this one tiny village, and this one tiny bit of economic expansion by thousands, as there is the opportunity to do not alone in India, but in the Middle East, and Africa, and South America—the product can be a powerful surge of growth, and progress, and rising hope, throughout the enormous population of the world which today are chained to the treadmill of poverty.

Programs essentially like the oversimplified example I have described are being carried on in a small way—some sponsored by the religious agencies, some by local governments, some by the United Nations. The United Nations pilot plant projects have shown that such a program can be conducted without upsetting normal patterns of trade. The simple truth of the matter is that the food that is contributed in such a program is used to feed people who otherwise would not have eaten—or would have eaten only what they themselves could eke out by their primitive farming methods. It does not reduce the normal commercial

sales of food within the economy which receives it.

Here, certainly, is a method whereby our agricultural abundance can be transformed into a powerful and constructive instrument to build lasting foundations for peace and prosperity in our troubled world.

The Senate Foreign Relations Committee has twice voted its approval for the United States to join in setting up a world food bank plan through which the world's food surpluses can be employed in this kind of constructive and creative building. A joint resolution has been proposed to Congress which would call on the President to initiate negotiations for establishment of such a program.

Unfortunately, there has not yet been a sufficient sense of urgency to get this kind of work under way on the scale that this age demands.

Certainly, the grave and growing challenge to our position of world leadership makes it more imperative than ever that America unleash its inventive imagination to develop a constructive solution to the dilemma of surpluses in a world where hunger is widespread.

Certainly, there is a moral imperative also that this cruel paradox be resolved in a humane and constructive way.

You of Church World Service, as well as leaders of the welfare agencies of the other great religious faiths, are particularly qualified by your practical experience and your moral insights to provide forceful leadership to the American people in using our blessing of abundant food as a powerful instrument for building the foundations of peace and progress and good will among men.

Louisiana Festival Queens

EXTENSION OF REMARKS
OF
HON. HALE BOGGS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 13, 1958

Mr. BOGGS. Mr. Speaker, the most pleasant invasion of the year will occur on Thursday, February 13, at 3 o'clock in the afternoon, when 24 beautiful Louisiana festival queens arrive at the National Airport. The queens are coming to Washington to participate in the Louisiana State Society's 11th annual Mardi Gras ball to be held the following night in the grand ballroom of the Mayflower Hotel.

These young ladies, chosen for their beauty, charm, and graciousness, represent the various agricultural and industrial festivals in Louisiana. Included among the girls selected this year are: Miss Brenda Alford, sweetheart of the American Legion; Miss Susie Acklin, queen of the Louisiana Peach Festival; Miss Peggy Sharon Brantly, queen of the North Louisiana Delta Festival; Miss Myrtle Lou Brown, queen of the Rose Festival; Miss Barbara Elizabeth Burdin, queen of the Southwest Louisiana Mardi Gras; Miss Betty Jo Bush, queen of the Yambilee Festival; Miss Sandra Louise Coco, queen of the Louisiana Livestock and Pasture Festival; Miss Barbara Earnest, New Orleans' spirit of Mardi Gras; Miss Marva Glover, queen of the Forest Festival; Miss Janell Guilbeau, queen of the Camellia Festival; Miss Brenda Hanks, queen of the Delcambre Fishing Industry Festival; Miss Mary Eleanor Harper, queen of the Louisiana Market Poultry Show; Miss Lucie Ann Hebert, queen of the Louisiana Tung Blossom Festival; Miss Patricia Lormand, queen of the International Rice Festival; Miss Cecile Louise Morris, queen of Holiday in Dixie; Miss Billie Jon Mulhearn, queen of the Sugarcane Festival; Miss Alice Rachel, queen of the Domino and Bridge Festival; Miss Pauline Sanders, queen of the Louisiana Gulf Oil Festival; Miss Agnes Santangelo, queen of the Dairy Festival; Miss Annette Soileau, queen of the Cotton Festival; Miss Mary Dell Tinsley, queen of the Orange Festival; Miss Elise Webster, queen of the Shrimp Festival; Miss Mignhom Welch, queen of the Paper Festival; and Miss Toni Whittington, queen of the Future Farmers of America.

As chairman of the ball, I and Mr. Felix M. Broussard, president of the Louisiana State Society, have planned a round of entertainment for the lovely queens. On Thursday they will be the inspiration for a Louisiana Night in the Blue Room of the Shoreham Hotel. On Friday at noon they will be the honor guests of the Louisiana Congressional delegation for a luncheon at the Capitol.

Highlight of the queens' Washington visit will be the ball on Friday night which will salute the waterways industries of Louisiana. An outstanding feature of the evening will be the participation in the pageant of a masked costume "krewe," a group of Senators, Representatives, Government officials, and prominent Louisianians under the direction of Senator RUSSELL LONG.

Presiding over the evening's merrymaking will be a king and queen whose identities, according to Mardi Gras tradition, cannot be revealed until the day of the ball.

H. R. 10631, a Bill To Spell Out Propriety in Public Service

EXTENSION OF REMARKS
OF
HON. THOMAS M. PELLY
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 13, 1958

Mr. PELLY. Mr. Speaker, the so-called lobby law has been cited as a classic example of how not to write a law. It sounds fine, of course, to require individuals or organizations desiring to influence Federal legislation by appearing before Congressional committees and by direct communication to the Members of Congress to file quarterly reports with the Clerk of the House or Secretary of the Senate showing source of and disposition of funds. But it seems to me the net result is nil because the law is so vague. To begin with, there is no provision for administration of the act, and failure of Congress to spell out what it considers improper conduct makes interpretation of the Federal Lobbying Act and establishment of rules and regulations ineffective, as far as the purpose of the law is concerned.

In other words, Mr. Speaker, I doubt if the result has been to promote high moral standards and accordingly has not strengthened the confidence of the American people in our system of government.

As for Members of Congress, we have not established for ourselves a standard of ethics, and yet we investigate the agencies and departments of the executive branch and hold hearings designed to raise the level of behavior and conduct of officials and employees.

I can only say it is timely to study the matter of ethics in the light of present statements and charges, direct and by innuendo, inside and outside of the House Subcommittee on Legislative Oversight and in connection with the alleged laxity in conduct of members of the Federal Communications Commission and claims of attempts to influence it from all directions, including the legislative branch. And may I say, Mr. Speaker, a great deal of the answer, if not all, may well be included in H. R. 10631, which I introduced on February 10, 1958.

Take the weakness in the present Federal regulations of the Lobbying Act I mentioned at the start. In section 705 of my bill, for example, there is the clear-cut statement that it shall be improper conduct for any person directly affected by or having a substantial interest in the action taken by the Congress with respect to any legislation to give, directly or indirectly, any unusual and valuable gift, favor, or service to any member or employee in the legislative branch of the Government and conversely it is declared improper for any Member of Congress to accept benefits from any person having a substantial interest in legislation.

The measure I introduced likewise covers extending or receiving benefits in the way of gifts or favors to or by officials or employees in the executive branch.

I shall not attempt to cover all the details here, but I do want to make it clear that my bill is very comprehensive. It covers conflicts of interest of Members of Congress and offers a procedure to cover action in such cases in committee or on the floor of Congress.

Job offers, divulging confidential information, expensive entertainment, interceding except by an appearance of record with intentions of exerting influence in decisions—all these possible situations are outlined in the bill, as to propriety in both branches of Government by either party in or out of Federal or elective service.

Finally, Mr. Speaker, I have provided for full public disclosure of outside sources of income, listing of assets and transactions by officials with a civil service rating of GS–15 or by those on the Federal payroll at $10,000 or more a year. This would serve both to protect elected, appointed, or other Government officials from suspicion or restrain transactions for profit involving matters or persons connected with any position held.

Mr. Speaker, as I said the other day on the floor of this House, the time is ripe

for a Congressional study and subsequent enactment of a code of conduct for public service. I do not believe any action in this direction can be expected until an aroused public opinion calls for the passage of this kind of a law. I hope one thing resulting from publicity over the House Subcommittee on Legislative Oversight will be a popular demand for passage of a law similar to H. R. 10631.

If other Members interested in this subject would join in urging the Committee on Post Office and Civil Service to hold hearings on such a proposal it would be helpful, I am sure.

Meanwhile, propriety in high office will continue to be the foundation of freedom of the individual and the rock on which our Republic stands or falls because people must have confidence in their system of government if it is to survive.

Reds Move on Indonesia

EXTENSION OF REMARKS
OF
HON. FRANCIS E. WALTER
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 13, 1958

Mr. WALTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the Philadelphia Inquirer of December 10, 1957:

REDS MOVE ON INDONESIA
(By FRANCIS E. WALTER)

(In this special article for the Inquirer, Representative FRANCIS E. WALTER, Democrat, Pennsylvania, chairman of the House Un-American Activities Committee, discusses the current unrest in Indonesia, and the threat of Communist domination of that strategic area.)

While we occupy ourselves with the Soviet conquest of outer space, there is a great possibility that the Kremlin will be able to complete new conquests here, on earth.

Of immediate concern is the prospect that another 80 million people, the people of Indonesia, may be drawn into the orbit of international Communism. The problem of Indonesia is much greater than that of Syria about whose political future we are so much concerned.

In the case of Indonesia, we are apparently faced with a determined effort by President Sukarno to maintain himself in power by not only accepting Communists in his Cabinet but by changing the Republic of Indonesia into a "guided democracy" which would duplicate the model of the Soviet-fashioned totalitarian state.

President Sukarno's regime is opposed by the overwhelming majority of the Indonesian people. It has lost control of vast areas of the multitude of islands which constitute Indonesia, the former Dutch East Indies.

The majority of the people of Indonesia are desperately trying to forestall eventual subjugation by Communist China and the Soviet Union. Indonesian patriotic leaders are fighting for a closer link with the neighboring Philippines, with Australia, and with the West generally. In order to deflect the potential rebellion of the Indonesian people, Sukarno's central government is now attempting to achieve national unity by inciting the Indonesians against the Dutch.

While crowds incited by Sukarno himself expropriate the remaining Dutch enterprises, such as shipping lines and airlines, Sukarno's representatives in the United Nations have succeeded in manufacturing a smokescreen by raising the issue of the residue of Dutch political control over a part of one of the islands, western New Guinea (Irian). Sukarno is even trying to outdo the excited crowds by ordering 57,000 Dutch residents of Indonesia to leave the country.

Sukarno, an experienced and dangerous demagog, knows how to use every trick of his trade. Having accepted Soviet technical and economical aid, he is now prepared to invite Soviet technicians in much larger numbers than Egypt and Syria have done. The technicians are in reality Soviet Army officers and secret-police operatives skilled in subversion and perfectly qualified to advise Sukarno how to suppress the nationalist opposition. Force is being used by Sukarno, and should the opposition spread, as it very likely will, Sukarno can be expected to declare a state of civil war and thus have a pretext for openly requesting Soviet assistance.

With Communists already wielding tremendous power in Sukarno's government, the presence of Soviet and Chinese military personnel will speed up the transition of Indonesia into another Soviet satellite state.

The Communists are looking hungrily at Indonesia, domination of which would give them control over the entire south Pacific. They gladly accept Sukarno's collaboration as the Japanese did in the Second World War—to help lay their hands on that great, rich land.

After the transition into a Soviet satellite, Sukarno will not last long. He may or may not realize that he is being used temporarily as a Soviet tool. He may or may not know that he will ultimately share the fate of those who have helped Soviet Russia to enslave the peoples of more than a dozen European states. Anyway, it is evident that Sukarno has had to gamble because the steadily growing strength of the nationalist opposition may, in his view, threaten to end his rule.

The United States has been faced with a similar situation before. In 1949, determined support for Chiang Kai-shek could have stemmed the rise of the Communist tide in China. No such support was forthcoming and China is now in the hands of Communists.

Similar hesitation on the part of the United States, and our apparent reluctance firmly to take a stand against Sukarno and on the side of the nationalist insurgence, could very soon bestow on Indonesia the tragic fate of China.

Address by United States Senator Herman E. Talmadge at the Southlands Experiment Forest Dedication Ceremonies

EXTENSION OF REMARKS
OF
HON. JOHN J. FLYNT, JR.
OF GEORGIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 13, 1958

Mr. FLYNT. Mr. Speaker, in November of last year there was dedicated near Bainbridge, Ga., the Southlands Experiment Forest, an experimental forest and station. Senator HERMAN E. TALMADGE, of Georgia, made the dedicatory address.

I feel that the dedication of this unit, together with the remarks of Senator TALMADGE, will be of interest to those who are interested in the continuing development of pine forest products.

The remarks of Senator TALMADGE appear in full below:

SOUTHLANDS EXPERIMENT FOREST—DEDICATED CEREMONIES
(Remarks by United States Senator HERMAN E. TALMADGE)

We all deeply regret that the inclement weather made it impossible for the Governor to fly in this morning, but I am happy, indeed, to attempt to pinch-hit for him in his absence in this dedicatory exercise.

When I drove through the forest here today from the Faceville-Bainbridge Road, I couldn't help but notice the tremendous growth of the young pine timber and think of what we had in Georgia some twenty-odd years ago, when it was a common occurrence for practically every landowner and woodland owner and farmer to burn over his woods every year. Some of them would burn them over not realizing the value or potential value of their timber. Some were trying to get early wire grass grazing for the scrub livestock that we had at that time. Some were trying to kill rattlesnakes, and some sought to kill boll weevils and some were setting timber on fire just to see the fire. We have come a long way since that time.

It was in those days that I heard a President of the United States refer to the South as economic problem No. 1 in our Nation. It was true that our per capita income in those days was only one-third of the Nation's national average, but there were a great many reasons for that.

When I became Governor of the State in 1948, the general assembly and I tried to take stock of the economic potentialities of our people.

Notwithstanding the fact that our State then ranked 46th in forest fire protection and reforestation out of the 48 States, timber and its related products brought into Georgia about $300 million a year and gave employment to about 125,000 people.

We thought that a resource so valuable as that was well worth protecting. So we went to work to create a statewide fire-protection system and to provide adequate seedling pines for reforestation purposes. And, in less than 5 years' time, Georgia came from the 46th position in our Nation to the No. 1 position in our Nation. We now have under fire protection more than 23,500,000 acres of privately owned timberland, the greatest amount of any State in the Union.

It is interesting to compare the economic returns to our people in that short period of time. We have increased in income from forest products from $300 million a year to about $750 million a year at the present time. The number of people employed in forest product industries has increased from 125,000 a year to about 200,000 a year at the present time.

We still have a long way to go in Georgia. We still have a great deal of submarginal land that would be better suited to the production of pine timber than it would be lying idle or sometimes trying to grow row crops at a loss each year.

Whenever I travel over Georgia and see the acres that are still in broomsedge, see some of them that are growing up in honeysuckle, see some that are eroding and washing away into the sea, I realize the tremendous potential that we still have for the production of timber in our State.

Our farmers today have an opportunity that may not come again.

Now I refer specifically to the conservation reserve part of the so-called soil-bank law.

As many of you know, I am not too fond of the soil-bank program, but it does offer a tremendous opportunity for the conversion of some of our submarginal land to timber growth.

As you know, the Government, under the conservation reserve program, will pay about 80 percent of the cost of planting trees, plus

a rental of approximately $8 per acre per year for a period of 10 years to take the land out of the production of crops and put it into the production of trees. And I am happy to say that our farmers are taking advantage of that program and that Georgia is leading the Nation in signing up for that program.

This year the State had applications for between 300 million and 400 million pine seedings. These are not nearly enough to supply the demand, but the governor and the legislature are at work building new nurseries that will supply the demand, and I think the Georgia farmers and landowners next year will be able to get the seedlings they need for this program.

A few years ago I had lunch in Atlanta with one of the best experts in the paper industry. We were talking about the future potential of our State and he told me, "Governor, the use of cellulose fiber is increasing today throughout the world at a faster pace than any other commodity on earth except water."

He gave me the statistics. He cited the increased production in our own country, the increased production in the backward countries such as Russia and in Asia, and he said this, "Now, the increased production that future generations will require must be produced largely in the Northern Hemisphere."

He said, "The woods of Asia are either inaccessible or the wrong species. The same thing is largely true of Africa and South America."

He said, "Europe and the Scandinavian countries have increased about as far as they can go." Then he said, "Here on the North American Continent you must produce the future trees that will make the cellulose fiber."

He said, "Here in the South you also have a remarkable advantage because you can produce the wood 2 to 3 times as fast as it can be produced in any other section of our country."

And he said something else, "Now, when you depended upon cotton as your principal commodity, that cotton would be put in bales, it could be compressed, it could be shipped to Liverpool or Toyko and converted there, if need be, into cloth, but whenever you produce wood cellulose fiber, the mills must come to the proximity of the source of the fiber and process it at that point. It cannot be compressed and shipped overseas."

We are fortunate today in that Georgia is producing about 14 percent of the pulpwood used in the entire United States, the largest production of any State in the southeastern area and, I believe, the largest of any State in the Union.

We have come a long way, but we are still in our infancy in the production of our timber resources. We have learned more about sound timber management in the last 10 years than we knew in the previous several hundred years. We realize now that trees planted today can be harvested within 12 to 15 years, and enormous incomes can be received from those planted trees within the life span of the man who plants the trees. That is something that we didn't know until recent years.

I am happy that you don't see the forest fires raging through our State now that you once did.

Our forestry units are efficient. They get on the scene as soon as fires are spotted and they put them out before they do much damage. That has taken the close cooperation of State, local, and Federal agencies, and, above all, there is an educational campaign that makes the people in our State realize the potential value of our woodlands that they themselves care for.

I am happy indeed that one of our largest paper companies has selected this point here in Decatur County, Ga., for an experimental forest. That is something that has long been needed.

When I was governor, the general assembly created a research council along the same lines for the same purpose. We expanded our forestry school at the University of Georgia, we reactivated and reorganized the Herty Laboratory at Savannah, Ga., that has helped point the way for the utilization of scrub hardwoods in our own State for the production of paper fiber. So now we have private industry coming in to join hands with our State agencies and with our Federal agencies, with our forestry commission, with the University School of Forestry, and they all will work together toward the selection and the development of better and superior trees.

Scientists say that there is no reason why we can't produce hybrid pine trees just as we have produced hybrid corn, and when that day comes we will be able to grow timber at a much faster pace than we do at the present time.

Now, for economic returns, I am informed by those who have grown the wood, by trained foresters and experiment stations, that our woodlands properly stocked, properly managed, properly harvested, can produce from 1 to 3 cords of pulpwood per acre per year.

I am also informed that those woods can produce anywhere from 300 to 500 board-feet of timber per acre. That offers one of the best opportunities for economic investment, I think, that exists anywhere in our entire Nation today.

That is one of the things—our timber resources—which make the future of our State and the future of our region look so bright.

I am happy to report to you that in the last 20 years the per capita income of the people of our State and of our region has increased from less than $300 a year to an estimated $1,476 this year. That still does not equal the national average, but what gives us such pride in what we have accomplished and such confidence in the future is the fact that our per capita income has increased relatively twice as fast as our Nation as a whole, and if that progress continues for the next 20 years, we will equal and exceed the national average.

Forestry, of course, has played a big role in that and will play a bigger role in the future.

Now, my friends, I am happy to join with the citizens of this county, members of the legislature, the forestry commission, the visitors generally, and the officials of the International Paper Co. in dedicating this experimental forest that will be available to people throughout Georgia for recreation and education. It is another significant and important milestone that marks the progress and development of our great State.

Opposition to Lowering of Dairy Supports

EXTENSION OF REMARKS

OF

HON. J. FLOYD BREEDING

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1958

Mr. BREEDING. Mr. Speaker, under leave to extend my remarks, I should like to point out the serious effect any cutback in dairy product price supports will have on our economy. Not only will the dairy farmer be affected adversely, but also the consuming public. To express further my opposition to Secretary Benson's intended dairy product support price drop, I call attention to the following statement which I prepared for the Dairy Products Subcommittee of the House Committee on Agriculture:

STATEMENT BY THE HONORABLE J. FLOYD BREEDING (DEMOCRAT OF KANSAS) OPPOSING THE LOWERING OF DAIRY SUPPORTS, FEBRUARY 6, 1958

Mr. Chairman, members of the Dairy Products Subcommittee of the House Committee on Agriculture, first may I thank you for this opportunity to express my opposition to any reduction in the support price of dairy products.

Secretary of Agriculture Benson's recent announcement that he intends to reduce the support price of dairy products is greatly disturbing to not only the dairy product producer but also the consumer.

I, as a lifelong farmer, feel that I am quite familiar with the farm situation in this country, and I share wholeheartedly the views expressed by the National Creameries Association. The association has stated:

"This action of Secretary Benson is very ill advised. Government-held stocks are far less burdensome than in the past. All appearances point to increased disposition abroad under the foreign-aid program. While production is expected to increase, it appears that the surplus position will not be greatly affected inasmuch as the expected increase in production will be offset by population growth.

"While this reduction in manufacturing milk and butterfat support prices is taking place, the prices paid by farmers for commodities bought continues to spiral upward. The decline in purchasing power of the dairy farmer will not only work hardship on an already depressed dairy farming enterprise * * * it will affect the entire economy."

Mr. Chairman, I should like to lend my support to bills now introduced which would have the effect of preventing any drop in manufacturing milk and butterfat price support levels, presently scheduled for April 1, 1958.

Typical of communications which I have received condemning Secretary Benson's proposed dairy support cutback, is the following:

"I have been a dairy farmer for 12 years. With the high cost of material and equipment, I have failed to realize much profit in the past 3 years.

"Now, under these same conditions, our Secretary of Agriculture has recommended lowering of parity on all dairy products. * * *

"The lowering of parity would cause a critical economic situation to our Nation."

Mr. Chairman, I would like to reemphasize at this point, my opposition to any reduction in dairy supports, and my support of those measures calling for a hold-the-line support level.

With your permission, Mr. Chairman, I should like to include an exceptionally comprehensive statement on this subject set forth in a letter to me from the K. M. O. Grade A Milk Producers' Association, Pittsburg, Kans.:

K. M. O. GRADE A MILK
PRODUCERS ASSOCIATION,
Pittsburg, Kans., January 20, 1958.

The Honorable J. FLOYD BREEDING,
United States Representative,
Washington, D. C.

DEAR MR. BREEDING: We are deeply concerned over the possibility of a lowering in the parity to the dairy farmers of America. We are certain that some critical information was overlooked by Secretary Benson and his advisers at the time of recommendation of a lowering in parity. According to recent reports, both from the United States Department of Agriculture and from land grant colleges, some of those critical points are as follows:

1. Farmers retiring under social security: Close to 400,000 farmers have retired under

the provision of the social security program since 1946 with a little over half that number retiring in 1957. This figure represents almost 1 percent of the farm population retiring each year for the 2 years. With 16.6 percent of our farmers over 65 years of age, 20 percent between 55 and 64 and only 1.9 percent under 25, the drain on the farm population is alarming.

2. Price supports and production: During the 1953–54 period Government purchases amounted to about 8 percent of the national production at a time when milk prices had returned to a norm after Korea. During the Korea conflict of 1949 to 1952 the Government purchased an average of 1 percent per year of the national production at a time of high prices. During the last 3 years the figure has been approximately 4 percent.

In 1957 the estimate of national production was 129 billion pounds, yet only 127 billion materialized, an overestimate of almost 2 percent of the total national production.

Due to the forced delivery of milk, a highly perishable product, a limit of closer than 4 percent between actual production and use will jeopardize the provision of a necessary supply of a pure and wholesome product to the consuming public.

3. Local production: In this area of southeast Kansas and southwest Missouri our total grade A production is down from last November to this November a total of 10 percent and for October this year under October last year almost 8 percent. In addition, all manufacturing plants are paying premiums to obtain a necessary supply, and still needing milk.

In conclusion, we are aware of the necessity of a related supply of milk to the amount consumed; however, we are greatly concerned that a short supply may develop because of the parity reduction, if considered along with the dynamic effects of the cost price squeeze and the factors listed above.

Milk is one of the few foods, characterized by such necessity and general use, especially for our children, that we cannot afford to jeopardize the supply. If the supply does become jeopardized, the reduction in parity could effect not only the farmer but also the consumer as well.

We ask you to very carefully consider these and the many other factors, before taking any action on the present or future legislation on parity prices to producers.

Sincerely yours,

PAUL B. MARSHALL.

Reciprocal Trade Agreements

EXTENSION OF REMARKS
OF

HON. CLEVELAND M. BAILEY

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1958

Mr. BAILEY. Mr. Speaker, what could be a highly sensational dramatic production is scheduled to open here next week. The setting is the hearing room of the Committee on Ways and Means. The star performers will be some members of the Cabinet and other character actors trained to keep the administration's foreign trade ball balanced to the satisfaction of Members of Congress. Methinks that there is a good chance that it is going to get knocked off a few times during the hearings, and which way it bounces is what will interest all of us.

The administration's top talent cannot exactly be programed as a novelty to be seen for the first time in this theater. Some members of the cast have been changed, and there may be a few variations in the script, but the story itself will be merely a reenactment of that adapted for presentation before the committee each time that a bill to extend the Reciprocal Trade Agreements Act is on the docket, except that this time the audience may be much more critical than before. It is highly unlikely that any new records will be set on the applause meter following the appearances of the assorted Secretaries. As they complete their lines and take their bows, there will be some important questions that must be answered before they are permitted to slip back into the wings.

My guess is that the stars of this show would be much happier if it could be postponed until this country's economic condition begins to approach the better times talked about by the President this week. I am sure that the Secretary of State would be more at ease if he could develop an emergency that would take him into Cambodia next week. Of course, since the State Department has never shown any particular concern for the domestic economy, perhaps the Secretary is actually not too embarrassed by the unemployment report.

So long as he is able to explain that another drop in America's tariff rates will be beneficial to someone in Europe, Asia, Africa, Australia, or South America, he is satisfied that there can be no disputing his arguments. For that matter, any actor who has been booed and hissed by people in all parts of the world has probably build up an immunity to reproof by elected officials of the American people.

Perhaps, then, the highlight of the administration's theatrical will be the appearance of the Secretary of Commerce. I am particularly desirous of hearing how he is going to explain the unemployment situation that has now reached supercritical proportions. It is going to take considerable audacity and arrogance on his part to ask for further tariff reductions when import competition is already responsible for so much of the joblessness now haunting the Nation. What our people would like to know is whether the administration has any definite level of unemployemnt in mind as the point at which it will be willing to give our working people preference over those in other countries.

For instance, how many coal miners must be put out of work by oil import competition before the executive department will make a genuine effort to cut back incoming shipments?

The Secretary of Commerce has in his office a totalizator type of apparatus which supposedly clicks every time an increase in population takes place. It has been running at a rapid rate, but it would appear that the unemployment register has been ticking at an even greater tempo. According to official Government figures, there were 4,494,000 American workers unemployed last month. Unless someone in the administration has tilted the machine, the figures are going to be even higher by the time the Secretary of Commerce gets on the stand next week.

The Secretary of Agriculture is also listed for an important role in the hearings. Here is a trouper who has become very well known to Capitol Hill, and there are many in the audience who wonder how he has been able to keep a straight face when he is pushed out on the stage to recite the administration's lines. Thackeray may have had this type of character in mind a century ago when he penned these lines for posterity:

The play is done; the curtain drops;
Slow falling to the prompter's bell;
A moment yet the actor stops,
And looks around, to say farewell.

It is an irksome word and task;
And when he's laughed and said his say,
He shows, as he removes the mask,
A face that's anything but gay.

Yes; anyone from the Rocky Mountain region who knows the value of tariff protection to domestic farms, orchards, mines, and factories would of necessity have to mask his true feelings when he portrays the part of an advocate of more liberal trade laws. It would be interesting to discover whether this gentleman would be willing to sacrifice the quota protection of section 22 of the Agricultural Adjustment Act to the supranational machinery operated by a delegation of foreign mechanics in Geneva under the trademark of the Organization for Trade Cooperation. While I deplore tomato-throwing incidents such as the actor from Utah experienced during a revival service in the Dakota regions not too long ago, I can assure him that a surrender of the protection enjoyed by America's farmers against market intrusions by foreign nations would not tend to check his unpopularity in the hinterlands.

I am informed that the supporting cast will include the Secretary of Defense. The American people would like him to explain how dependence upon foreign fuels and other mobilization base ingredients can contribute to the national security. The Secretary spent many years in Cincinnati before he became a member of the Cabinet, so surely he is at least familiar with the importance of our railroad transportation system in an emergency period. From the coalfields of West Virginia and Kentucky, millions of tons of coal move across the Ohio River and into the Cincinnati yards en route North each year. When coal traffic is off, hoppers and gondolas are taken away to obscure sidings, where deterioration from exposure to the elements sets in. I do not believe that there has even been a time of sudden increases in coal demand that there has been a sufficiency of ready rolling stock to carry this fuel to market. To keep its equipment in condition, the railroad must enjoy some semblance of normal traffic movement.

Foreign residual oil has been coming into this country at a rate of some 36 million tons of bituminous coal equivalent per year. Almost all of this quantity is directly competitive with coal, but—assuming that only three-quarters of the total imports have displaced coal

on the fuel markets of the east coast—the imports would still account for a railroad traffic deficit of 27 million tons per year. To haul this coal would require the continued service of 27,270 railroad cars. Thus, in the event of a sudden cutoff of the residual oil from Venezuela and the Dutch Indies, an additional 27,270 freight cars would be required immediately for the express purpose of supplying the markets now using foreign residual oil. The Secretary of Defense knows very well that it would take many, many months to reactivate the old cars and to build the new ones needed in such an emergency. And what would affected areas do for fuel in the meantime? What about the security considerations involved?

If the Secretary is unaware of the impact that foreign oil has had on the coal mines of our Nation—and its consequent danger to the defense structure—perhaps he could stay around until the representative of the Interior Department makes his appearance at the Ways and Means hearings. Inasmuch as the Bureau of Mines is a part of Interior, the witness should be able to explain that mines which are closed may require at least a year's time to reopen. Where would the Secretary of Defense obtain coal needed in an emergency if he is willing to permit foreign competition to close our mines in the interim?

Now, then, the brilliant show which the Cabinet is putting on the road next week will, in addition, include the Secretary of Labor. The ideal staging would be for him to share the billing with the performers from Defense and Interior. When it came time to talk about closed mines and unemployed miners, the Secretary of Labor could take his cue from Interior and read off the number of the unemployed in mining communities. If a member of the Committee should ask whether it is in the best interests of national security to keep Americans at their jobs or to defer to foreigners to supply American markets, conversation could shift back to Defense. Defense does not know for sure about manpower for mines, so Interior supplies the answer. Mr. Gordon Gray, Director of Defense Mobilization, is also slated to participate, so he could fill in as the fourth member of what might be billed as the National Security Quartet. His recitation of this paragraph from the White House Report of Energy Supplies and Resources Policy would certainly bring down the House—and maybe the Senate, to:

> The committee believes that if the imports of crude and residual oil should exceed significantly the respective proportions that these imports of oil bore to the production of domestic crude oil in 1954, the domestic fuels situation could be so impaired as to endanger the orderly industrial growth which assures the military and civilian supplies and reserves that are necessary to the national defense. There would be an inadequate incentive for exploration and the discovery of new sources of supply.

There has also been announced that the Undersecretary of the Treasury will appear in behalf of the President's trade program. Perhaps he will do the honor of explaining how closed mines and factories and unemployed miners and other workers contribute to the monetary stability of the United States. Up here it appears that the administration is willing to run up more bills and print new money rather than to discourage unfair import competition and thereby generate more revenue for the Government; down in West Virginia we are finding it most difficult to meet the expenses of our State and local governments when such a large proportion of our workers are unemployed.

Mr. Speaker, a good attendance is assured for next week's card, but there are a lot of other Americans who would like to be there to find out how this administration attempts to justify its illogical approach to international commerce. There are at least 4,494,000 American workers who have plenty of time on their hands to follow the extravaganza. Everyone will be interested in learning how the White House representatives can possibly have the temerity to insist on continuing a policy of importing economic plague and industrial paralysis into a country where so many communities are crying for relief. Is the present panorama of shutdowns and bankruptcy and layoffs and hunger and misery not enough to make the administration admit that its trade policies need to be reassessed and revised?

See next week's drama at the hearing room in the New House Office Building.

The President Is Exploring the Idea of a Worldwide Cultural Conference—The New York Times Says, However, That This Administration "Is Not Distinguished for Intellectual Excellence"

EXTENSION OF REMARKS

OF

HON. FRANK THOMPSON, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1958

Mr. THOMPSON of New Jersey. Mr. Speaker, in the debate over the shortcomings in our educational program some very interesting things have become clear, and now President Eisenhower is exploring the idea of a worldwide cultural conference to promote peace and "reap the greatest rewards from man's scientific discoveries."

Sherman Adams, speaking at the Dartmouth College national alumni dinner at the Waldorf-Astoria Hotel, said the President has "asked some able people to consider how such a project might be initiated" and added—

> Who is there who can say that a convocation in this country of scholars, historians, artisans, theologians, educators, sociologists, philosophers, artists and musicians—representatives of the cultural pursuits of all the human race—meeting each other in their respective groups could not suggest new and better ways for human beings to exist peaceably together and to reap the greatest rewards from man's scientific discoveries.

Well, this is certainly a long step forward. It is good to have reassurance that this administration has a deep regard for those among us who can think for themselves—our people who do not have to be spoon fed their opinions by Madison Avenue bigwigs.

It will be recalled that the term "egghead" was coined as a term of derision and ridicule and used in the 1952 and 1956 political campaigns when the Republicans made their attack upon brains of all kinds the central point of their assault upon the Democrats and the Democratic standard bearer Gov. Adlai E. Stevenson.

This worldwide conference should be called immediately, for it will help us to get back to fundamentals in our educational program—among other things. Rear Adm. Hyman G. Rickover has pointed out that the amount of money spent for advertising in 1951 amounted to $199 per family, while the amount spent for primary and secondary education was only $152 per family. He said:

> It may amuse you to know that the United States home permanent wave industry budgeted for research into ways of improving the looks of human hair a sum amounting to 2 cents per United States female capita. The whole Nation, meanwhile, was spending only 3 cents per capita for research into the distressing things that go on inside the human head.

WALTER LIPPMANN ON VULGARIZATION OF CULTURAL STANDARDS

Mr. Speaker, perhaps the best summary of the situation facing us today was made by Walter Lippmann who said the other day:

> There is an ominous tendency in American education to teach more and more students less and less of the great disciplines which form an educated man. It is in this, more than in the ups and downs in the military balance of power, that there lies the deepest danger to our American society. We can most surely defend ourselves against conquest or domination. What we have to worry about is that with the declining level of education, with the vulgarization of the cultural standards in our mass society, we shall become a big but second-rate people, fat, Philistine, and self-indulgent.

Now I have long argued that cultural and technical exchanges, which can implement imaginative diplomacy, offer one of the major solutions to the present nuclear stalemate. A further point is that strong and imaginative leadership by the President and the Cabinet officers could greatly enhance the prospects for peace but, unfortunately, this has been noticeably lacking. It is good, therefore, to have such constructive suggestions as a worldwide cultural conference to promote peace put forward by the administration. There is an interesting irony in all this, as James Reston observed in the New York Times of February 4, 1958:

> For the peoples of the Soviet Union, who were regarded here as illiterate two generations ago, are forcing the American people to take an inward look at their education and encouraging an administration that is not distinguished for intellectual excellence to concentrate on corrective measures.

I include here the New York Times report on the President's plan for a world parley of cultural leaders, and a recent speech of mine entitled "For a Revival of

Learning," which I delivered at a meeting of the Women's National Democratic Club, in Washington, D. C., on February 3, 1958:

[From the New York Times of February 6, 1958]

PRESIDENT WEIGHS WORLD PARLEY OF CULTURAL LEADERS ON PEACE—ADAMS TELLS DARTMOUTH ALUMNI

Sherman Adams, the assistant to President Eisenhower, disclosed last night that the President was considering a plan for a worldwide cultural conference to seek new and better ways for human beings to exist peaceably together.

Mr. Adams, speaking at the Dartmouth College national alumni dinner at the Waldorf-Astoria Hotel, said the President last week asked some able people to consider how such a project might be initiated.

The Presidential Assistant described the proposed conference by asking this rhetorical question:

Who is there who can say that a convocation in this country of scholars, historians, artisans, theologians, educators, sociologists, philosophers, artists and musicians—representatives of the cultural pursuits of all the human race—meeting each other in their respective groups could not suggest new and better ways for human beings to exist peaceably together and to reap the greatest rewards from man's scientific discoveries?

PROPAGANDA LABEL SHUNNED

Mr. Adams added that to use these scientific discoveries man would first have to survive them.

He declared that the Government could not convene such a conference as well as citizens could convene it themselves.

"For this must be no propaganda effort or labeled as such," he explained. "It must be an undertaking by those whose contributions offer the best promise of making it a success."

Speaking specifically to the 2,200 Dartmouth alumni at the dinner, Mr. Adams asked: "What is Dartmouth's role in such a project?"

"Well, let Dartmouth answer that for herself, and her sister institutions likewise," he said. "And let other American institutions which have the capacity to make such a concept a reality think about it, too."

After the talk, Mr. Adams was asked for the names of some of the persons to whom President Eisenhower had spoken about the proposed international convocation, but he declined to elaborate.

James C. Hagerty, the White House press secretary, was quoted by the Associated Press as saying that the idea of a worldwide conference is in the exploratory and talk stage. Mr. Hagerty declined further comment.

This was the first indication that the President had shown personal interest in such a project. But last June, in West Branch, Iowa, Lewis L. Strauss, Chairman of the Atomic Energy Commission, proposed a new kind of conference among nations to bring together the chief humanists of our day to seek a durable world peace.

At that time, Mr. Strauss stressed that man must learn to live with his invention or perish because of them.

The conference proposed by Mr. Strauss was one, as he described it, which starts from the knowledge of what men will lose—the accumulated treasure of culture and civilization—if the fruits of science are used for destruction.

Mr. Strauss said that the humanists who would be invited to such a conference would include the philosophers, historians, sociologists, theologians, and all the leaders of thought whose concern is with man rather than the physical universe which man is in.

The alumni dinner honored Dr. Ernest Martin Hopkins, president emeritus of Dartmouth College. The President's greetings and a tribute to Dr. Hopkins' principles and leadership were delivered by Mr. Adams.

FOR A REVIVAL OF LEARNING

(Remarks of Representative FRANK THOMPSON, Jr., Democrat, of New Jersey, to the Women's National Democratic Club, Washington, D. C., February 3, 1958)

Last May the General Federation of Women's Clubs, whose District of Columbia chapter endorsed my plan for a National Cultural Center on the Mall opposite the Mellon Gallery, convened for its 66th annual meeting in Asheville, N. C. Quite important, I thought, was the report of that organization's first vice president, Miss Chloe Gifford, of Lexington, Ky. Miss Gifford said, "Let us, I beg of you, no longer eye the educated with suspicion or refer to the intelligent individual as an egghead or a highbrow."

Miss Gifford keyed her remarks to the theme of the year 1957–58 which is "Knowledge is power" and she warned that one of America's paramount dangers is "the growing loss of individualism." She also declared "Let us outgrow our lust for the mediocre." Following that fine beginning Mrs. R. I. C. Prout, national president of the General Federation of Women's Clubs, told the assembled representatives of the Nation's clubwomen, "Americans have been rediscovering that the most important thing in the world is ideas with ideals."

Well, this was a long step forward. It was good to have the Nation's cultural bearers reminding us of the importance of brains and knowledge so many, many months before President Eisenhower discovered just how important they were—if indeed we can really believe that he has discovered it yet.

It will be recalled by those of you with a memory longer than the Republican elephant, that the term "egghead" was coined as a term of derision and ridicule and used in the 1952 and 1956 political campaigns when the Republicans made their attack upon brains of all kinds the central point of their assault upon the Democrats and the democratic standard-bearer Gov. Adlai E. Stevenson.

At a breakfast in Los Angeles, on September 24, 1954, President Eisenhower said, according to the press at the time:

"We had so many wisecracking so-called intellectuals going around and showing how wrong everybody is who doesn't happen to agree with them. By the way, I heard a definition of an intellectual that I thought was very interesting: A man who takes more words than are necessary to tell more than he knows."

The Republican assault on all Americans who can think for themselves, which was master-minded by General Eisenhower and carried out by the cynical opinion manipulators of Madison Avenue, was not only terrifying in the extent of the devastation and destructiveness it worked on the long proud tradition of this country and its basic regard for those among us who can think. It was terrifying in its many similarities to the attack upon the Jews by the storm troops of Hitler: lacking the violence but keeping the ghettoes.

The Republican campaign in 1956 showed that the attack on intellectuals had been refined. This time it was only intellectuals who were Democrats who were un-American. As a matter of fact, the Republicans established the Committee of the Arts and Sciences for Eisenhower headed by Helen Hayes, Irene Dunne, Robert Montgomery, Dr. Detlev Bronk, president of the National Academy of Sciences and the National Research Council, Adm. Richard Byrd and others.

A full-page advertisement in the New York Times on October 29, 1956, announced the formation of the new egghead committee. It opened with a quoted question attributed to Governor Stevenson's campaign managers, "We tried the 'eggheads' once. Besides, where else can they go?" The Washington Post of September 16, 1956, was given as the source. The answer given by the Committee of the Arts and Sciences for Eisenhower was that "The eggheads are going for Eisenhower."

Now Governor Stevenson's campaign managers weren't the first people to give a hasty answer or ask a question they later regretted. All of us from time to time have been stuck with something we've said. One thing about politicians which has been widely noted is that if they make many such basic errors of judgment they aren't around very long.

WHERE THE INTELLECTUALS STOOD IN 1956

We can only guess at how much of a contribution the Republican committee of the arts and sciences made to the overwhelming results of General Eisenhower's second campaign. But one thing we do know, it didn't hurt that campaign. How do I know? Why do I say this so confidently? Well, the Washington Post of September 19, 1956, reported the findings of a survey made by the Gallup poll which has its main office in Princeton, N. J., in my own district. The Gallup poll was supplemented by a special secret mail-ballot survey of leading educators, writers, artists, and scientists whose names were drawn from the latest edition of Who's Who in America. The poll showed 53 percent for Eisenhower-Nixon, 45 percent for Stevenson-Kefauver, and 2 percent undecided. The conclusion drawn by the Gallup poll was that "although it has often been assumed that one element in the population whose wholehearted support Adlai Stevenson could count on is the 'egghead vote' American intellectuals today show little inclination toward uniting solidly behind the Democratic nominee."

The 1956 campaign, like Woodrow Wilson's successful campaign of 1912, was a smashing blow to the canard that being for culture, and being for the humanities which include science and the fine arts, being for education in sum is politically risky if not political suicide. This certainly is the case at the grassroots level. For instance, take my own district where exist many institutions and agencies run by intellectually able people. I am proud of the fact that my district includes Princeton University, the Institute for Advanced Study, the Educational Testing Service, the Princeton Theological Seminary, the Westminster Choir College, the New Jersey State Library, the New Jersey State Museum, and so on. In the last campaign my opponent charged I was spending too much time on cultural matters, including the concern I have that our Nation's Capital ranks far behind most European and Russian provincial capitals in intellectual and artistic matters. Well, he got clobbered by the largest majority ever given a candidate in Mercer County where all these cultural institutions which I listed are located. As a matter of fact, New Jersey as a State has long been partial to "eggheads." President Woodrow Wilson is the leading Democratic exemplar of this fact, and there are a host of other elected New Jersey officials who could be cited as proof of this.

THE COMMITTEE FOR THE ARTS OF THE DEMOCRATIC NATIONAL COMMITTEE

The committee for the arts of the Democratic National Committee was established by that hard-bitten politician Paul Butler to counter the Republican committee of the arts and sciences for Eisenhower. Heading the Democratic committee for the arts and its cochairmen were Dore Schary, author of that new smash hit on Broadway, Sunrise at Campobello, about Franklin Delano Roosevelt that no one can get tickets to.

The other chairman was Cass Canfield, chairman of the board of Harper & Bros.

With the formation of these two committees a new era in American political history was begun with the arduous wooing of the once despised and reviled "egghead." Suddenly he was popular again, as he had been under Presidents Roosevelt and Truman. But his popularity in the Republican Party—at the top, that is—was certainly the most startling reversal of form in politics. One thing I can say to you today is that we Democrats must face up to the fact that this administration intends to compete for the favor and the votes of the intellectual. He will never again have to walk alone, because he has learned to vote and many Republican politicians—at the top—have learned that there are votes in them thar hills. But don't be discouraged and don't go selling short the appeal of the Democratic Party for the American intellectual. Just be sure that you stay in there and compete, and don't overlook the pulling power of the following major steps taken by this administration:

A PAINTER PRESIDENT

1. Certainly one of the President's major recommendations in the cultural sphere was for the establishment of a Medal for Distinguished Civilian Achievement. He called for this in his 1955 message on the state of the Union in the following words: "I shall * * * propose that awards of merit be established whereby we can honor our fellow citizens who make great contributions to the advancement of our civilization and of this country."

It is strange but true that there is at present no established method by which the people of this Nation can honor our great scientists, scholars, historians, theologians, educators, philosophers, artists, and musicians who are representative of the best that our civilization has to offer.

There are numerous medals established by act of Congress for our soldiers, airmen, and seamen who distinguish themselves in battle and ways have been found to honor Government employees who contribute outstandingly to our national welfare.

I was successful in having my bill providing for the conferring of an award to be known as the Medal for Distinguished Civilian Achievement adopted by the House of Representatives. This measure, H. R. 11923, passed the House unanimously in 1956 but did not reach the Senate floor for action in the 84th Congress.

I have reintroduced my bill in the form in which it passed the House in the 84th Congress, but the President has not referred to this matter again. I am confident that with some help from the President this Congress would enact this important legislation into law.

2. The President's call for a Federal Advisory Commission on the Arts in the Department of Health, Education, and Welfare. President Eisenhower told the Congress in his 1955 message on the state of the Union that:

"In the advancement of the various activities which will make our civilization endure and flourish, the Federal Government should do more to give official recognition to the importance of the arts and other cultural activities. I shall recommend the establishment of a Federal Advisory Commission on the Arts within the Department of Health, Education, and Welfare."

Senator Lehman was successful in having the Senate pass this legislation unanimously in 1956 but only one Republican Member of the House voted for it in the House Education and Labor Committee, where it died. Representative EDITH GREEN and I are working hard to revive this measure in the House.

We would appreciate some support by the President but he seems to have lost all interest in the plan—which was widely supported by the country's cultural leaders—since Nelson Rockefeller, its author—left the Government.

3. The establishment of the President's special international program for participation in trade fairs and sending our cultural groups and individual artists overseas. This is the program Senator HUBERT HUMPHREY and I developed legislation to make permanent and which the Congress enacted into law as Public Law 860, 84th Congress—the Humphrey-Thompson Act.

A. The Humphrey-Thompson Act provides the basic authority for our participation in the Brussels World Fair at Belgium. I am confident the Brussels World Fair will launch the United States on a massive program of cultural and technical exchanges which I regard as a major, and perhaps the only way out of the present nuclear stalemate.

4. The successful conclusion last week of the agreement for a fivefold increase of cultural and technical exchanges with the Soviet Union.

A. We Democrats must never forget that it was the Fulbright Act of 1944 with its greatly vital program of educational exchanges which was the precursor of the Smith-Mundt Act authored by Senator H. ALEXANDER SMITH and Senator KARL MUNDT; and that the Mutual Security Act of 1954 with its technical exchanges had its origin in President Truman's point 4 speech.

These then are major contributions to the development of the foreign policy of our country and to our country's welfare. The London Economist noted the lack of progress made on the President's plan for an art commission and said that "not even a painter President has been able to induce Congress to establish [one], although it is 80 years since this idea was first proposed in a bill." Don't ask me to evaluate the quality of President Eisenhower's painting. I am not qualified to judge it, though my impression is that it doesn't measure up to Winston Churchill's works which are touring our country at this time. In fact, I'd say President Truman was a better pianist and musician than President Eisenhower is a painter. What impresses me about President Eisenhower's performance is his ability to keep so many first-rate cultural leaders in his corner, without doing anything positive to get the members of his party in the Congress to support his art commission bill. In fact he's even got the London Economist in his corner on this matter.

What President Eisenhower said about the arts in his 1955 message on the state of the Union is not remarkably different from what President George Washington said in his first annual address to the Congress on January 8, 1790. President Washington declared that "there is nothing which can better deserve our patronage than the promotion of science and literature. Whether this desirable object will be the best promoted by affording aids to seminaries of learning already established, by the institution of a national university, or by any other expedients, will be worthy of a place in the deliberations of the legislature."

NIKITA KHRUSHCHEV DECLARES WAR ON UNITED STATES

What has given education and the arts a new urgency, what has transfused the broad concept held by Washington and Jefferson that education and the fine arts are vital in a free society is the tremendous use which the Russians are putting them to in pushing that nation ahead in the race for world leadership.

I was greatly disturbed, as I know all of you were, when the Russian leader Khrushchev, some months ago on the CBS program Face the Nation, threw down the gantlet and declared war on us in the cultural fields of education and the arts. It is for this reason that the Congress has taken a renewed interest in such matters. The Congress has been sounding the alarm about the Russian campaign and its successes, and about its propaganda which pictures the U. S. S. R. as the seat of culture and Washington officialdom as unconcerned with the rich heritage of Western civilization except for its propaganda value. As a matter of fact, one of the telling indictments which that country makes of us is the fact that there is so little recognition of contemporary American art in the United States. Here in the capital of the free world, for instance, there is really no place as yet for the performing arts and for the display of contemporary art in any of its forms—the National Collection of Fine Arts, established in 1850 by the Congress, still doesn't have a gallery to house it despite the push which President Franklin Delano Roosevelt and the Congress gave the plan in 1938 and 1939.

IN MANY AREAS OF THE WORLD A PLACE OF HONOR IS GIVEN TO THE ARTIST AND THE SCHOLAR

In many areas of the world a place of honor is given to leaders in the arts and intellectual fields and in religious activities. It is precisely in those areas where the Russian propaganda is having its deadly effect. In those countries the artist is not called a longhair, the minister of religion is not considered an impractical idealist, the intellectual is not dismissed as an egghead.

How different it is in the Capital City of our own country. In a book published in 1942 Mr. W. M. Kiplinger, a Democrat, wrote that Washington had no homegrown culture and that what culture it had was imported and pasted on. When Queen Elizabeth visited our country recently, both President Eisenhower and the Queen called for a pool of the best technological, scientific, and cultural brains in the Western world to beat the Russians. However, the widely syndicated columnist, Inez Robb, reported that not a single, solitary person distinguished in the arts and sciences was invited to attend the four glittering dinners graced by Her Majesy during her stay in Washington and given by the President, Secretary of State Dulles, and Vice President Nixon.

I would like to conclude on a hopeful note. The most hopeful note I can sound this afternoon is that, despite the ardent wooing of the Republican leaders many factors tend to cause the American intellectual to take his stand with the Democrats. For one thing, he has a long memory, and he remembers Senator McCarthy, Senator Welker, and Cohn and Schine.

A study by Paul Lazarsfeld of Columbia University shows that among academic social scientists, for instance, three-fourths are Democrats and that two-thirds voted for Stevenson in 1952. In strong Republican States colleges and universities often supply the leadership for the minority Democratic party.

Another thing, the Committee of the Arts and Sciences for Eisenhower will never become a mass movement in America or really representative of its intellectual life. It is arbitrarily limited to 500, one of its top officers told the members of Congressman Carl Elliott's Special Education Subcommittee last year. Republicans have a deep ingrained suspicion of any large number of Americans, they are interested in intellectuals who have arrived, not in those who are arriving. After Henry Ford, or Thomas Alva Edison, the Helen Hayes, and the Robert Montgomerys of our Nation have achieved national acclaim and wordly success then the Republican Party will admit them to its committee of the arts and sciences. But this committee operates just like the Mellon Gallery of Art which the Congress appropriates $1.5 million a year to maintain. No living American painter is good enough to have his work made a part of its permanent collection. Andrew Mellon couldn't take any

chances on the artist who hadn't arrived, so he made it an ironclad rule—which our Federal Government observes to this day—that an American painter had to be dead 20 years before his work could be accepted.

They have changed the name of the Committee of the Arts and Sciences for Eisenhower to the Committee of the Arts, Sciences and Education. But I don't think this is going to help. The executive secretary is still M. Robert Rogers whose accomplishments, if any, in the fields of the arts, or the sciences, or education have escaped public notice and acclaim. Rogers made a contribution to the 1956 political campaign of considerable originality—though I have been assured by several of the officials of CASE, including Dr. Howard Hanson, that it didn't represent their point of view and that they were mystified as to whom Mr. Rogers was speaking for.

Mr. Rogers called me a culture-vulture who had little or nothing to do with the Humphrey-Thompson Act, the act giving a Congressional charter to the National Music Council, the act tripling the budget of the Commission of Fine Arts, and the act establishing the District of Columbia Auditorium Commission.

Mr. Rogers, in fact, claimed these acts and everything else in sight for the Republican Party and its standard bearers. I don't think that this convinced too many people. After all, if you can think your way to eminence in the fields of science, education, or the arts you can see through a shoddy political performance. It is my considered opinion that it will take more than campaign promises to convert any large number of American intellectuals to the Republican Party. But this is something we Democrats must remember too: We must pay more than lipservice to the arts and other cultural activities which will make our civilization endure and flourish if we are to keep the intellectuals in our corner and voting for Democratic candidates.

The Lincoln Legacy

EXTENSION OF REMARKS
OF
HON. JIM WRIGHT
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 13, 1958

Mr. WRIGHT. Mr. Speaker, under leave to extend my remarks, I am including some thoughts it was my privilege to express at the annual Lincoln Day dinner at the New York Avenue Presbyterian Church, where Lincoln attended while he was President.

The address follows:

THE LINCOLN LEGACY

During the past 10 days, I have been conducting a rather novel experiment, in the form of a poll among some of the Members of Congress and those who serve on congressional staffs. I have asked each person participating in the poll to list those who were, in his opinion, the five greatest Presidents in American history.

One name appeared on every list—that of Lincoln. Jefferson was listed by all save 1, and Washington was named by all but 2. Other American Presidents prominently mentioned included Wilson, Jackson, and the two Roosevelts.

This poll left me with the inescapable conclusion, particularly from the order in which these great American Presidents were listed, that Abraham Lincoln is undoubtedly the single alltime favorite.

"What is it," I asked myself, "that makes Lincoln, even in this galaxy of greatness, stand apart from all the rest?" Several answers suggest themselves. For one thing he seems, even more than any of the others, to typify the spirit of our Nation. He could speak for the people because he was of the people. Another possible answer may lie in the fact that he overcame greater disadvantages than any of the others.

If you have viewed the grandeur of Mount Vernon, Monticello, and the Hermitage, you could not fail to be impressed with the unpretentious averageness of the Lincoln home in Springfield. Yet it is not simply that Lincoln was poor. For if his financial circumstances were so similar to those of the average American, it is because his standard of values was so different. He was poor in the sense that Christ was poor.

Every man must be judged in the framework of his environment, and his greatness is measured by the impact of his personality upon history. Yet the more we grope for the things which raised Lincoln to his distinctive pedestal of greatness, the more we are forced to conclude that his peculiar greatness was in the realm of the spirit. The attributes which were distinctively Lincoln's were remarkably those set forth by Christ in the Beatitudes.

Tonight we celebrate his birth, which in just one more year will be a full century and a half behind us.

In a crude hunter's hut, deep in Kentucky's desolate woods, it happened. On a bed of poles covered with corn husks, a cold February wind penetrating the cracks of the cabin, Abraham Lincoln was born.

What dreams dared poor Nancy Hanks Lincoln to entertain on that bleak Sunday morning of 1809, hounded by gossip and consigned by her wedding vow to share a woodsman's hardship on a barren farm that had cost 66 cents an acre? Fate, it would seem, had dealt cruelly in the extreme with Nancy Hanks, the illegitimate child of a wayward mother and an unknown father. When her mother had brought her to church as an infant one Sunday, back in Virginia, the good women of the congregation had been outraged, and one had stood up to demand in loud indignation that they be sent away. Reared by an uncle and aunt, spurned by polite society, wed to an illiterate and impoverished deerhunter, the mother of Abraham Lincoln dwelt out a miserable, sunless existence in the somber forests.

And now that she had a child of her own, the object of her adoration, could she dare to hope that his would be a better life? She died 9 years later, convulsed with pain on a wretched dirt floor pallet of leaves and bearskins. Her last words were a halting, whispered plea to Abraham and his sister—to live right, to be kind to each other, to worship God. Simple things to be remembered by a tousled, grief-stricken boy. Perhaps she knew he would not forget. What a difference it might have made to her could she but have lifted the curtain of the future and viewed the marble shrine on the Potomac which now attracts more than a million visitors a year—or could she have heard in the rustle of angels' wings the mature voice of her son as he traveled the dirt roads of Illinois a third of a century later and said to his friend, Billy Herndon, "God bless my mother; all that I am or ever hope to be, I owe to her."

Life was never easy for Lincoln. God has a way of making men wander in the wilderness until they are ready for His designs, and the shape of great character is often hammered out on the anvils of sacrifice and suffering. Lincoln could speak the deathless masterpiece at Gettysburg because he had experienced Gettysburgs of his own.

"Blessed are the poor in spirit," said Christ, "for theirs is the kingdom of heaven."

Abraham Lincoln was dogged by defeat, hounded by failure, stalked by tragedy. From the loss of his mother at the age of 9, grief followed his footsteps like an unshakeable shadow. The idyllic youthful love he shared with Ann Rutledge ended in abiding heartache. For weeks he aimlessly stumbled in solitude along the banks of the Sangamon, where they had shared their dreams or stood in moody silence beside her grave in the Concord Cemetery until his friends actually despaired of his sanity. Later, in Springfield, he was to know the unspeakable anguish of the death of his little boy, Eddie, at the age of 4, and, still later, as President and while a regular attendant of this church, the death of his beloved son, Willie, and to sit for hours in melancholy reverie, his body wracked by uncontrollable sobs. Because he loved deeply, he felt these experiences deeply.

But "blessed," said Christ, "are those that mourn."

In New Salem, Lincoln failed in business, fell deep in debt, had a legal judgment lodged against him. Finally, he left town for Springfield on a borrowed horse, and there felt the frustration of repeated political defeats.

Yet, defeat did not sour into defeatism; failure did not produce self-pity; grief did not become bitterness. There was a redeeming sense of humor, often the despair of his wife, but the product of genuine humility, which forbade him to take himself too seriously. So that when Douglas poked ridicule at his gangling frame by asking how long a man's legs should be, he could reply that they should be "long enough to reach the ground." And when Douglas hurled devastating accusations at him and charged him with being two-faced, Lincoln could spread his hands to the audience, and say, "Now, I ask you: if I had two faces, would I be wearing this one?"

Yet this was not enough to win for him the coveted Senate nomination. When the race was over and again he had lost, he remembered the crowds which had flocked to hear the debates of the campaign and decided that he might make a bit of money now to pay his debts by giving lectures. He carefully prepared a talk, rented a hall in Bloomington, stationed a young lady at the door to sell tickets, and not one solitary person came to hear him—not one.

At the age of 49 (just a century ago this year), he confessed, "With me the race of political ambition has been * * * a flat failure." A newspaper lamented editorially that Hon. Abe Lincoln is undoubtedly the most unfortunate politician who has ever attempted to rise in Illinois.

This is the man. This is the man who was strangely catapulted into the Presidency at probably the most critical moment in the Nation's history. I think it not an irreverence to say that this was the hour for which God had been preparing Abraham Lincoln.

Even in the White House, however, he seemed at first doomed to mediocrity, even failure. His cherished dream had been to forge a peaceful settlement of the differences which existed between North and South, thus to avert war and save the Union without bloodshed. But before he could even take the oath of office, he saw this dream dissolve before his eyes, the bands of union crumple and ignite. Six weeks after his election, South Carolina passed an ordinance of secession, and in rapid order 6 other States did the same.

All the while the outgoing administration of Buchanan, honeycombed with disloyalty, did nothing whatever to prevent all this. Lincoln was obliged to sit helplessly in Springfield for 3 months, to see the South buying guns and building forts and drilling soldiers. Two days before he left Springfield to assume the burdens of the Presidency, half of the Nation had declared itself out, set up a new government and finalized its action by electing Jefferson Davis President of the Confederacy founded upon what was

called the great truth * * * that slavery is the Negro's natural and normal condition.

There is a popular misconception about why the Civil War was fought. Ask the average American what it was all about, and the chances are he would tell you that it was fought to free the slaves. This was, undoubtedly the most important byproduct of that war. Yet the great historic lesson established by the Civil War is that this is a Federal Union, not a Confederacy. The Civil War was fought to prove that a State could not secede, that this was and would remain in truth "One nation, indivisible."

As to Lincoln's personal feelings about slavery, there can be no doubt. Because of his innately sympathetic heart, the spectacle of one human being owned as property by another did violence to his sense of right and wrong.

Herndon has preserved the story of Lincoln's trip to New Orleans as a young man where for the first time he beheld the true horrors of human slavery. Against the essential inhumanity of human creatures in chains, whipped and scourged, his conscience rebelled. Then and there he swore an oath against the cruel and heartless institution. For it was wrong and it reeked of evil.

"Blessed are the pure in heart," said Christ, "for they shall see God."

But above his distaste for slavery, Lincoln's greater passion was to save his Nation. With the vision of the pure hearted, he knew that if States were allowed to secede, there would be no United States. In time there would have been no Confederacy either, in all likelihood. The precedent of dissolution could have been fatal, not only to the Nation but to the hemisphere and to Western civilization. Had it been allowed to go unchallenged, one State after another, piqued over some real or imagined wrong, or on a quixotic whim, could have solemnly declared its independence of the others.

Today, had the Confederacy triumphed and the right of secession been established, this land of the free could have been an American equivalent of the Balkans, composed of many weak and powerless individual nations, the easy prey of armed might and military dictatorship. Can the most ardent southerner, in honest introspection, fail to utter a fervent prayer of thanksgiving to God that Lincoln and the Union emerged triumphant?

Still, Lincoln was a peaceful man, not a warmonger. Every vital fiber of his being cried out against the wanton slaughter that made its glories out of women's tears. He believed that the North was as much responsible for the existence of slavery as was the South, and that both sections should bear equally the burdens of its elimination. The fanatic abolitionists railed against him and called him a compromiser. It was easy for them to demand a radical course of action when they personally could lose nothing from the cataclysmic economic dislocations it would create. Lincoln, however, thought also of the South and of simple justice to that region which made war against him and which hated him with a universal loathing.

Finally he worked out a plan that was very near to his heart. Lincoln proposed that the slaveholders beginning in the loyal border States would be fairly recompensed by the Government, paid $400 for each of their Negroes. The slaves would be emancipated gradually. It would have been infinitely less costly to both sides than continuation of the war. In the Lincoln Parlor of this church is the original draft, in the President's own handwriting, of a bill to bring this about. Calling the Representatives of these States to the White House, he summoned all his eloquence to urge this settlement upon them.

"The change it contemplates," he pleaded, "would come gently as the dews of heaven, not rending or wrecking anything. Will you not embrace it? So much good has not been done by one effort, in all past time, as in the providence of God it is now your high privilege to do. May the vast future not have to lament that you neglected it."

But neglect it they did. They summarily rejected the entire plan. The President was terribly disheartened. Lincoln, the peacemaker, had failed.

But "Blessed are the peacemakers," said Christ, "for they shall be called the children of God."

Left no other alternative, the President proceeded to gird the Union for all-out war. He proclaimed the emancipation of the slaves, armed the Negroes, and devoted his singular energies to the gory and distasteful business of destroying the enemy. All southern ports were closed by the Navy in the most sweeping blockade ever theretofore engineered. This was total war, and the steel fingers of economic strangulation began to tighten about the throat of the South. It was either this or surrender the Union and assent to the death and burial of the United States.

Gloom hung heavy in the North, also, and in the White House. Lincoln's generals failed him, his Cabinet snubbed him, the public reviled him, even his wife is said to have held him in contempt. A nation at war was in no mood to embrace Christian charity—and it was this of which Lincoln was made.

The abuse he suffered would have made any ordinary man strike back in wounded pride. When the inept McClellan showed his contempt both in private and in public for the President, Lincoln offered to hold his hat. When Salmon P. Chase humiliated him and plotted against him, Lincoln praised Chase and made him Chief Justice of the Supreme Court. After Frederick Stanton had scorned him as an "imbecile" and a "gorilla," Lincoln made Stanton his Secretary of War.

"Blessed are the meek," said Christ, "for they shall inherit the earth."

When the North, finally tasting victory, would mete out a vindictive full measure and more to the prostrate South, Lincoln, too big for vengeance, proposed again that the Southern States be helped financially by the Union to recover from their costly losses. Not one member of his Cabinet would agree.

When the war was finally over and Lee met Grant at Appomattox Court House, there were no humiliating ceremonies of capitulation. There was to be no vengeance such as that demanded by the northern radicals who for 4 years had been insisting that Lee and others be hanged for treason. The terms of surrender were remarkably generous and gentle. Why? Because Abraham Lincoln, just hours before his death, had personally dictated those terms.

"Blessed are the mereiful," said Christ.

The psychiatrists say that some actions are motivated by love, others by hate. The latter seems to have been completely foreign to the Lincoln character. The basic Lincoln philosophy seems to have been expressed, perhaps best of all, in the moving cadences of his second inaugural address. I think it is the most profoundly Christian utterance ever spoken by a head of state. If you haven't read it lately, it will bear thinking through again—slowly—while remembering that these words were uttered at a moment when all about him was raging the hot hatred of war.

"Neither party expected of the war the magnitude or the duration which it has already attained. * * * Both read the same Bible and pray to the same God, and each invokes His aid against the other. It may seem strange that any man should dare to ask a just God's assistance in wringing their bread from the sweat of other men's faces, but let us judge not, that we be not judged. The prayers of both could not be answered. That of neither has been answered fully. The Almighty has His own purpose.

"If we shall suppose that American slavery is one of those offenses which, in the providence of God, must needs come, but which, having continued through His appointed time, He now wills to remove, and that He gives to both North and South this terrible war as the woe due to those by whom the offense came, shall we discern therein any departure from those divine attributes which the believers in a living God always ascribe to Him? Fondly do we hope, fervently do we pray, that this mighty scourge of war may speedily pass away. Yet, if God wills that it continue until all the wealth piled by the bondsman's 250 years of unrequited toil shall be sunk, and until every drop of blood drawn with the lash shall be paid by another drawn with the sword, as was said 3,000 years ago, so still it must be said, 'The judgments of the Lord are true and righteous altogether.'

"With malice toward none, with charity for all, with firmness in the right as God gives us to see the right, let us strive on to finish the work we are in, to bind up the Nation's wounds, to care for him who shall have borne the battle and for his widow and his orphan, to do all which may achieve and cherish a just and lasting peace among ourselves and with all nations."

"Blessed," said Christ, "are those that hunger and thirst after righteousness, for they shall be satisfied."

In the end, Lincoln had done that which he had set out to do. Over the most difficult obstacle course to confront a career, he had fulfilled his mission. And in the end, even Stanton and Seward and those who had begun by holding him in such bitter contempt, had learned to respect and revere him. After the assassin's bullet had pierced his head and while he lay in the little roominghouse across from Ford's Theater, it remained for Stanton, his former detractor, to speak the fitting tribute: "There lies the most perfect ruler of men the world has ever seen * * * (and) now he belongs to the ages."

Lincoln does belong to the ages. The plea of poor Nancy Hanks was not in vain. The legacy she bequeathed has enriched the Nation and the world. It was the patience, the humility, the Christian charity with which she imbued her son that did, in the final analysis, save the Union.

And what of his legacy to that Union? What of his legacy to us?

In a day when men of lesser stature appeal to fear and hatred, to fanaticism and emotionalism, fanning the embers of mistrust to divide class against class, race against race, section against section, have we collectively as a nation and a people the patience and the charity to understand one another's point of view, to elevate the Nation's welfare above our own petty prejudices and personal predilections, to work out in a spirit of tolerance those peaceful solutions which can once more save the Union?

In a time when others, less fortunate than ourselves, look to our shores and yearn for freedom, have we the sympathetic mercy to wish it for them, the unselfishness to realize that freedom is not a thing of short supply to be hoarded for fear others in gaining it would leave us poorer, but to know that freedom is a blessing, a gift of God, and that, as in all blessings, its enjoyment comes in the sharing of it?

In an age when the world is divided in a titanic ideological struggle between two opposing ways of life, when in Lincoln's words it might again be said that "this generation will nobly save or meanly lose the last best hope of earth," have we the bigness of spirit to turn aside from hatred and to overcome the adversary with an offensive of love?

If we do possess these qualities as a nation today, then we may truthfully say that we in our time are the continuing heirs of the Lincoln legacy.

There are no words we may speak to do proper honor to such a man as Lincoln. What then can we do? The answer might be found in his own admonition, for to paraphrase him:

"It is better for us, the living, to be here dedicated to the unfinished work remaining before us. * * * That from this honored life we take increased devotion to that cause for which he gave his last full measure of devotion. * * * That we here highly resolve that this great life shall not have been lived in vain. * * * That this Nation, under God, shall have a new birth of freedom. * * * And that government of the people, by the people, and for the people shall not perish from the earth."

Speech of Hon. Clifford Davis, Member of Congress, Before the National Capital Section, American Society of Civil Engineers, Washington, D. C., February 11, 1958

EXTENSION OF REMARKS

OF

HON. JOHN A. BLATNIK

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1958

Mr. BLATNIK. Mr. Speaker, this past Tuesday, February 11, our colleague, Representative CLIFFORD DAVIS, of Memphis, Tenn., delivered a most impressive talk on the United States Army Corps of Engineers and our Federal public works program, and I felt it should be called to the attention of the Members of the House.

Although the talk reviewed a period of many years of history, and ranged through a broad cross section of the many varied types of public works, it was a concise, succinct, and a logical presentation of what is usually a very large and unwieldy area of subject matter. Only one with intimate familiarity in this whole field of public works could have made such an effective, comprehensive, and yet clear and concise presentation. As chairman of the Flood Control Subcommittee of the House Public Works Committee, Mr. DAVIS was responsible for the major share of the public works omnibus bill now pending.

Under leave to extend my remarks in the RECORD the talk by Representative DAVIS follows:

SPEECH OF HON. CLIFFORD DAVIS, MEMBER OF CONGRESS, BEFORE THE NATIONAL CAPITAL SECTION, AMERICAN SOCIETY OF CIVIL ENGINEERS ANNUAL DINNER AT THE SHOREHAM HOTEL, WASHINGTON, D. C., FEBRUARY 11, 1958

Mr. President, General Itschner, ladies, and gentlemen, Mrs. Davis and I are very grateful to you for your kind invitation to join you at your annual dinner. Both of us have great respect for your profession.

It was very gracious of General Itschner to introduce me tonight. All of you know he is our country's chief engineer officer and a most distinguished one.

UNITED STATES ARMY CORPS OF ENGINEERS

The Corps of Engineers, dates from June 16, 1775, when the Congress authorized Gen. George Washington to appoint a Chief Engineer for the Army. Since that day the Army has been served by 40 Chief Engineers down to Major General Itschner. As subcommittee chairman of the House Public Works Committee, and long before, I have had an opportunity to observe and appreciate the integrity, the efficiency, and the worthiness of this great corps.

Much has been written about the accomplishments of the Army engineers. Their exploits in every war in which our country has engaged are history. Their work on behalf of river and harbor improvements and flood control has been extensively commented upon.

It is not generally known, however, that the Army engineers have been responsible for a variety of other achievements that have paced the Nation's progress. Successive administrations and Congresses have looked to the Army engineers as the logical group of trained personnel to accomplish unusual pioneering missions. The Army engineers, in the spirit of their motto: "Let us try," undertook each and every one of these assignments with traditional thoroughness and vigor.

In the early days of the country's history, Army engineers conducted nearly all preliminary explorations. They made surveys, prepared maps, constructed roads, built bridges and developed canals—all essential to opening up new territories. These missions, and their effective accomplishment, were part of the colorful saga of American civilization as it pushed westward across the rivers, prairies, and mountains. Army engineers initiated most of the accurate methods now employed by the Government in geodetic, topographic, and hydrographic surveys as they surveyed and marked practically every boundary of the United States and most of the State lines.

While the Army engineers were helping to build a new country, they were also helping to give America a well-planned and beautiful Capital City. An Army engineer of the Revolutionary period, Pierre L'Enfant, drew the plans for the Nation's Capital, and Army engineers have had a conspicuous part in planning and building Washington's public buildings and structures.

Until I did some research I did not know that the construction of the Washington Monument was completed by the Army engineers. Army engineers also built the great wings and magnificent dome of the Capitol. They built the beautiful Library of Congress, the old Post Office Building, the new Municipal Building, the Government Printing Office, the War College, and the Department of Agriculture Building. They supervised construction of the Lincoln Memorial, and practically all the park system in the District of Columbia. The Washington Aqueduct, until recent years, the longest single archstone bridge in the world, is a monument to the Corps of Engineers and its operation continues under corps supervision. In the Greater Washington area, Army engineers constructed the Pentagon, largest office building in the world.

An outstanding example of how the country has turned to the Army engineers to accomplish unusual and extremely difficult undertakings is the construction of the Panama Canal.

Facilities for the development of perhaps the most important project of our time—the atom bomb—were constructed by the Army engineers. This unprecedented undertaking was primarily a cooperative accomplishment of science in the development of atomic energy and of engineers in providing the necessary facilities—without which the bomb could not have been produced.

And now when we are moving so quickly in the world in conquering and understanding outer space, it was the Army who successfully fired the satellite, Explorer.

I could go on in recital of all that the Engineers have meant to the country in its long history of accomplishments. Time does not permit a further review, but I should like to remind you that the present Bureau of Roads evolved from the work of the Corps of Engineers in roadbuilding, notably construction of the Cumberland Road. The roads in Yellowstone, Mount Rainier, and Crater Lake National Parks were built by the Army engineers. The old Virginia Highway, laid out between 1840 and 1850, was under the supervision of the first professor of engineering at West Point. The Alaska Road Commission, under the supervision of the Engineers, built thousands of miles of wagon and sled roads.

Contributions to the Territories and possessions of the United States by Army engineers are substantial. They not only surveyed and constructed the roads but built communication systems, laid out sanitary systems, and developed the harbors, changing the entire economy of these areas.

PUBLIC WORKS PROGRAMS

In these days when we recognize the importance of balancing our military security with the development of our natural resources and the maintenance of a sound economy, we must discuss for a moment a few current programs.

There have been suggestions and indeed bills have already been introduced to provide huge sums for public works to maintain employment in the face of approximately 4½ million unemployed men and women in the country today.

We already have a public works program and, if supported by appropriations immediately, it will do the job.

1. OMNIBUS BILL

I submit, to you thoughtful engineers, that the omnibus river and harbor and flood control bill, now before the House, should be passed without delay. Our Public Works Committee feels that there is an urgent need for this bill at this time.

In the closing days of the last session, the omnibus bill, now substantially before the House in the same form, was vetoed by the President on the grounds that it did not meet, in many instances, objections of the Bureau of the Budget. I can tell you now that this omnibus bill, authorizing projects in the sum of $1,456,000,000 now meets the Budget Bureau's objections within 3 percent.

The bill contains projects and authorizations whose need has been made clearly evident by the last 3 major flood disasters: (1) The hurricanes and floods of 1955, which left such a widespread path of destruction through the New England and Middle Atlantic States, (2) the unprecedented rainfall and floods in California and adjacent States during the Christmas holidays of 1955, which brought suffering and heartache to many families during this traditionally joyous season, and (3) the floods throughout the Southwest United States during May and early June of last year.

Our committee feels that it would be appropriate to refute the argument often advanced that because of the large backlog of civil works projects no more should be authorized at this time. Even the most cursory consideration will make it obvious that the civil works program cannot be static. Like most human endeavors, it must be treated as a flexible undertaking, subject to modification and additions as conditions warrant. Floods are no respecter of priority of authorization, and any philosophy which says that all meritorious projects now authorized should be constructed before any new ones

are considered ignores the nature of physical phenomena, the meaning of the civil works program, and indeed logic itself.

I have long believed that we should have plans and signs for public works generally in every level of government, municipal, State, and Federal. They should be on the shelves ready for use in time of special need.

2. INTERSTATE HIGHWAY PROGRAM

Many of you have heard that our big interstate road program is being unduly delayed. We passed a bill which originally involved an expenditure on the part of the Federal Government of approximately $27 billion, covering the big, Interstate Defense Highway System. To pay for the system, this figure has now reached the sum of $37 billion in the face of a reevaluation of all of the costs involved.

In this next year, $2 billion was to be allotted from the trust fund to continue the program. As you know, this trust fund arises from taxes on gasoline, diesel oil, and certain excise taxes which are committed to this stupendous road-building program. The actual revenue, unfortunately, has not yet reached the estimate, and it is thought that the best that can be spent out of the trust fund in the next year will be about $1,600,000,000.

In fiscal year 1960, the sum of $2,200,000,000 was to be allocated and, of course, only time will know how much below that sum the actual revenue will be.

This, in and of itself, is a big public works program. Indeed, it is the biggest in our Nation's history.

When the States contribute 10 percent of the cost, the present estimated value of these public works will be in round figures $41 billion. At the same time the States are undertaking an accelerated program on the primary, secondary, and urban roads, wherein they contribute 50 percent of the total cost. A great amount of time is now being taken in the acquisition of rights-of-way and planning, and you know better than I how necessary it was to increase the engineering potential required.

3. WATER-POLLUTION CONTROL

The control of stream pollution, comparatively new to our country, is growing in importance. Under the public law the Federal Government may make a contribution of 30 percent of the cost of a single project but, in no instance, may the amount exceed $250,000. This has greatly stimulated the planning and design of water and sewage-treatment plants.

In certain sections of our country, there is a very definite shortage of water. We must use and reuse it. It would be a serious mistake not to continue Federal participation in encouraging States and municipalities to go forward. The recommendation made to abandon Federal participation in 1960, is certainly not to the best interest of the country.

4. PUBLIC BUILDINGS

We passed a lease-purchase plan to encourage the erection of Federal office buildings. In brief, we thought that private investors would be interested in constructing these projects which would be paid for over a maximum period of 25 to 30 years by the Federal Government. We provided that the property should remain on local tax rolls and would be a great impetus in supplying much-needed public construction. Thus far, the administration of the act has been disappointing. Private capital has just not been interested.

The House Appropriations Committee has suggested that, if this program is not soon off the ground in a substantial way, the committee would be inclined to appropriate some $300 million to $500 million a year to do the job. This, I hope, will result.

5. PUBLIC WORKS PLANNING

We now have a Federal assistance program providing interest-free loans to local governments for the planning of public works projects. Emphasis is on preliminary engineering plans.

We have public facilities loans which are made to State and local governments for building essential community facilities where they are not otherwise available on reasonable terms and conditions. These loans must be of sound value and so secure as to reasonably assure retirement or repayment. Applications from communities of less than 100,000 having an urgent and vital need receive priority consideration.

And there is the urban planning assistance program, wherein grants are made to defray one-half of the cost of planning work in communities under 25,000 population, or for work in metropolitan and regional urban areas. It also provides grants to official metropolitan and regional planning agencies for work in metropolitan and regional urban areas. In addition, grants may be made to local governments or to official State planning agencies for work in major distress areas, as well as help to official planning agencies for work in areas threatened with rapid urbanization under the impact of a Federal installation.

I hope I have given you, though sketchily, a summary of the programs now provided by law—all of which should be maintained with all speed and appropriations.

We must keep our country militarily and economically strong. We have the resources, the wealth, and the genius to do just that.

Recently, General Itschner gave us information that the Russians were stepping up their river and harbor and flood control and power projects. While they have not yet reached the high standards of efficiency enjoyed by our own country, we do know that they are going forward in their domestic affairs in the same threatening fashion that they seem to be excelling in certain military phases. Surely, our country can maintain a public works program of real magnitude and at the same time under positive, confident leadership not only catch up with our enemy but surpass him in all things militarily.

The important governments of the world are headed by few men. Most of those men and the governments they represent do not have the same high principles that we have long enjoyed in our country. Too true, many of them are led by a godless philosophy which we know as communism.

In all sincerity, I am convinced that we must reevaluate our own national dependence upon a higher power than that controlled by man.

Doing Business in Puerto Rico

EXTENSION OF REMARKS

OF

HON. WAYNE N. ASPINALL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1958

Mr. ASPINALL. Mr. Speaker, the Commonwealth of Puerto Rico, and may I say, too, the Congress of the United States, is very fortunate indeed to have the Honorable A. FERNÓS-ISERN as Resident Commissioner from Puerto Rico. He has spent almost 12 years discharging the obligations of this important office, and of course with each succeeding year his services become more valuable to all of us.

Dr. FERNÓS is possessed with unlimited knowledge about his people and with his recognized ability and industry, together with the confidence which his people place in him, he has been able to render to them outstanding service.

Just recently there was held in New York City a briefing conference on the subject of doing business in Puerto Rico. The Resident Commissioner was honored to give the address of welcome to those attending this conference. His address is a fine, up-to-date statement of the history of this part of our Nation and the important part that it and its people are playing in our national life today. I take great pleasure, Mr. Speaker, in placing Dr. FERNÓS' address in the CONGRESSIONAL RECORD so that all of us may read it and have profit therefrom.

ADDRESS BY HON. A. FERNÓS-ISERN, RESIDENT COMMISSIONER OF THE COMMONWEALTH OF PUERTO RICO IN WASHINGTON, D. C., AT THE DOING BUSINESS IN PUERTO RICO CONFERENCES HELD ON FEBRUARY 6 AND 7 AT THE HOTEL COMMODORE IN NEW YORK CITY

Gentlemen, allow me to thank you for having accepted the invitation of the Bureau of National Affairs, Inc., and the Puerto Rico Economic Development Administration, to attend this conference. I thank you in the name of the people of Puerto Rico, whom I represent in the Federal Government. As I am sure you know, the Resident Commissioner of Puerto Rico is the elected representative of the people and serves for a term of 4 years. He is the spokesman for the people of Puerto Rico in Federal matters. The position exists since 1900 and was created by the first organic act which organized civil government in Puerto Rico under American sovereignty. The fact that you are here, and that you are giving so much of your precious time to become acquainted with the Commonwealth of Puerto Rico and its opportunities, attests to your interests in the islands and its people. (The Commonwealth of Puerto Rico comprises the island of Puerto Rico and a number of small adjacent islands, two of which are inhabited and organized as municipalities within the Commonwealth.)

I believe I owe you a short résumé of the background of the islands comprised within the Commonwealth of Puerto Rico and of its people. As you may remember, the first area of the New World which came in contact with western civilization was the Caribbean. The first settlement in the New World, and for that matter the first capital of the New World, was established before the end of the 15th century in the island then known as Hispaniola and now occupied jointly by the Dominican Republic and the Republic of Haiti. From what is now the Dominican Republic discovery and conquest branched out. Puerto Rico was the second island to be conquered and settled; therefore, its capital city, San Juan de Puerto Rico, is the second oldest city in the New World. It was founded by the first settler of Puerto Rico, Juan Ponce de Leon, in 1508. Cuba, Mexico, Costa Firme, Peru, followed. Exactly 99 years after San Juan was founded the English King awakened to the fact that there was a New World and there was plenty of room in it, not only for Spaniards, but also for Englishmen. Jamestown was founded.

Therefore, by the time Jamestown was founded, western civilization was 99 years old in Puerto Rico. During the succeeding centuries, up to the end of the 19th century, a continuous stream of settlers moved over from Spain to the New World, and consequently, into Puerto Rico. And in those four centuries Puerto Rico grew into a people a million strong, with no less than

66 cities and towns, or municipalities, and with no more free land for settlement. Until the middle of the 19th century, when various separate kingdoms merged to give rise to the unified Spanish State, Puerto Rico was a part of the Kingdom of Castile, one of the component parts of Spain, and lived under the Laws of Indies, which means the laws of Castile in a modified form, in order to adjust to New World conditions. After Spain became a united kingdom with a constitution and a common code of laws, Puerto Rico was declared to be a component part of that kingdom. Since 1868 Puerto Rico was duly represented in the Spanish Cortes, the national parliament.

The ethnic composition of the people of Puerto Rico is, therefore, fundamentally Spanish. The Indians very early disappeared as a race. There were about 16,000 Indians at the time of the discovery and conquest and they were soon absorbed both by the white race and by the colored race which was brought into the island from the early days of settlement. Slavery existed in Puerto Rico until 1873 when the 33,000 slaves were declared free citizens. Their masters were paid the proper indemnity.

To say that Puerto Rico was a part of the kingdom of Spain is to express a political fact, but the political fact did not quite conform with social realities. Thousands of miles of water between the island and the peninsula made for such differences of interest and outlook, that even with a common origin, a common culture, and a common language, there were profound differences which subjected the existing political relationship to strains and tensions which found expression in the claim for self-government by the island people.

This came to fruition in the year 1897 when the Spanish crown granted a self-governing constitution to the people of Puerto Rico, with the participation of Puerto Rico in the decisions which concerned their external affairs as well as representation in the national parliament. National matters were still in charge of the central government. What the outcome of this arrangement might have been, had it lasted, is anybody's guess. Mine is that separation from Spain was inevitable and that the Spanish-American War, as a result of which Puerto Rico was separated from Spain and its sovereignty transferred to the United States, must be interpreted as a shortcut in history. By virtue of this separation Puerto Rico ceased to be a part of a European kingdom and became, in the political sense, what it had always been and is in the geographic and social sense, a people of the New World.

The determination of the political status of the Puerto Rican people after separation was not made by the Treaty of Cession. The Treaty of Cession, the Treaty of Paris of 1899, left the determination of the political status of the Puerto Rican people to the Congress of the United States. Following the termination of the Spanish regime, Puerto Rico was placed under a military government for 2 years. In 1900 the Congress enacted the First Organic Act for Puerto Rico and civil government was restored. The Organic Act of 1900 provided for the people of Puerto Rico raising their own taxes and paying for their own internal government, while the Federal Government would have direct charge of external matters and what we all know as Federal functions and services. It provided for the extension of the United States tariff to Puerto Rico, as imposed to foreign imports, and for the accession of Puerto Rico to the common market of the United States. The basic relationship still exists at present, except for the limitation on the amount of refined sugar Puerto Rico may ship to the mainland.

The Organic Act of 1900 also provided for American currency to be the currency of Puerto Rico, and for the extension to Puerto Rico of the United States postal system. No Federal taxes would be collected in Puerto Rico. (This situation still exists except for the limited application of the Federal income-tax law. Residents of Puerto Rico are now subject to the Federal income-tax law on income derived form sources outside Puerto Rico. This includes Federal salaries earned in the island.)

Practically the whole tax field was left to the island's government and, since 1917, its income from revenues collected includes that tax on goods produced or manufactured in Puerto Rico and transported to the United States market. The tax is equal in amount to that imposed in the United States on United States domestic products. Puerto Rico was to be represented in the Federal Government by a Resident Commissioner who was also granted all the privileges of the House of Representatives, except a vote. The Government of Puerto Rico was organized with a Governor appointed by the President of the United States, a bicameral legislative assembly, and a supreme court. The upper house, of the legislative assembly, the executive council, was composed of 11 members appointed by the President. The house of delegates was elected by the people. Out of the 11 members of the executive council, 6 were at the same time respectively the heads of the 6 departments of the executive branch of Government.

Puerto Rico lived under the Organic Act of 1900, known as the Foraker Act, for 17 years. In 1917 Congress enacted a new organic act known as the Jones Act. The executive council was replaced by an elected senate. Four of the heads of the six executive departments were to be appointed by the Governor by and with the advice of the Senate of Puerto Rico. The Governor, the auditor, and the two remaining heads of departments, namely the attorney general and the commissioner of education, were still appointed by the President. The justices of the Supreme Court of Puerto Rico were appointed by the President, while the judges for the inferior courts were appointed by the Governor with the advice and consent of the Senate of Puerto Rico. Appeals from the Supreme Court of Puerto Rico were to be made to the First Federal Circuit Court of Appeals at Boston and thence to the Supreme Court of the United States. A Federal district court, which had been previously created for the district of Puerto Rico, was continued.

The Jones Act, the Organic Act of 1917, was not substantially amended for 30 years. In 1947 it was amended to provide for an elective Governor and for the appointment by the Governor of all the heads of departments. The auditor and the supreme court continued to be appointed by the President of the United States.

A fundamental change in the government of Puerto Rico took place in 1950. Public Law 600, of the 81st Congress, was signed by the President on July 3, 1950. I had the honor of having introduced the bill in the House, while it was introduced in the Senate by Senators O'MAHONEY and BUTLER of Nebraska. The act, which was adopted in the nature of a compact and was to become effective if accepted in a referendum by the people of Puerto Rico, was in fact an enabling act to allow the people of Puerto Rico to organize their own government under a constitution of their own adoption, within the framework of relationships as Public Law 600 offered the people of Puerto Rico. They approved, 4 to 1, the terms of compact. Accordingly, they elected delegates to a constitutional convention to frame a constitution for the Commonwealth of Puerto Rico. I had the honor of presiding over that convention. The constitution framed by the constitutional convention was submitted to the people of Puerto Rico for approval or rejection, and they approved it by popular vote on March 3, 1952. Under Act 447 of July 3, 1952, 82d Congress, the Congress of the United States declared the constitution adopted by the people of Puerto Rico to be in conformity with the compact, and approved it, subject to some conditions subsequently approved by the people of Puerto Rico. Thereupon the Commonwealth was inaugurated on July 25, 1952, on the 54th anniversary of the landing of American troops in Puerto Rico under General Miles on July 25, 1898.

In accordance with the compact, the constitution of Puerto Rico creates the Commonwealth of Puerto Rico. The constitution contains a bill of rights and provides for a republican form of government, with three branches of government, namely, the executive, the legislative, and the judicial. The Governor is elected by the people every 4 years. The Governor appoints the council of secretaries, with the advice and consent of the senate. There is a unified judicial system and a legislative assembly consisting of a senate and a house of representatives elected by popular vote every 4 years together with the Governor and the Resident Commissioner. The bill of rights is patterned after the Bill of Rights in the United States Constitution. A unique feature of the Constitution of Puerto Rico is that it provides for representation of the minority parties, roughly proportionate to their voting strength, regardless of the number of districts they may have carried.

Under the compact the United States Government operates in Puerto Rico within a sphere of authority comparable to that within which it operates in the United States, except the exercise of the taxing power. The government of the Commonwealth operates in Puerto Rico within a comparable sphere of authority as a State government, although the field in which it exercises its taxing power is broader than in a State. The other main difference between the Commonwealth of Puerto Rico and a member State of the Union is to be found in the fact that Puerto Rico has no participation in the election of the President of the United States, has no representation in the Senate of the United States and is represented in the House by a voteless Resident Commissioner. Federal laws apply in Puerto Rico, with a few exceptions, with the same force and effect as in the United States. Appeals of decisions of the Supreme Court of Puerto Rico are still made to the first circuit court. A United States district court continues to function in Puerto Rico.

Since 1917, under the Jones Act, the citizens of Puerto Rico were declared to be citizens of the United States. Common citizenship has been now for 41 years the fundamental bond of Union between the people of Puerto Rico and the people of the United States and, although those living in 1917 became citizens under collective naturalization, the fact is that more than half of the present population of Puerto Rico, the younger generations, are United States citizens by birth.

Within this framework of political and economic relationship to the United States, Puerto Rico is at present rapidly developing as a free community, permanently associated to the United States. While maintaining its historical and cultural heritage, it has assimilated and incorporated into its life the ideals, the outlook, the ways of American life. Puerto Rico is rapidly becoming bilingual. It is a hubbub of industrial activity. It is inevitably destined to become the outpost of American industry and commerce in the Caribbean, the frontier of American business, vis-a-vis the chain of countries that border the Caribbean Sea; countries that are now undergoing an upsurge of commercial activity and for whom I venture to predict Puerto Rico shall become the workshop. Millions of prospective consumers of the product of

American enterprise, ingenuity and know-how live on the Caribbean basin and beyond, into the vastness of the Spanish-American Main.

With the weapon of a common language, both with the people of the United States and the people of the Caribbean, and with the stability derived from our American institutions, I venture to say that Puerto Rico will become the industrial leader of that area; again I say, the outpost and spearhead of American business and the American spirit in that part of the world.

Dedicatory Prayer Breakfast

EXTENSION OF REMARKS
OF
HON. FRANK CARLSON
OF KANSAS
IN THE SENATE OF THE UNITED STATES

Thursday, February 13, 1958

Mr. CARLSON. Mr. President, last Thursday morning 1,000 persons, including the Vice President, members of the Cabinet, the courts, Members of the Senate, Members of the House of Representatives, Government officials, delegates to the conference, and representatives of the Council of Christian Leadership groups attended the Presidential prayer breakfast at the Mayflower Hotel in Washington, D. C.

I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a copy of the program and transcript of the proceedings of this service.

In my opinion, this prayer breakfast, attended by outstanding leaders in every field, will add much to the religious life of our Nation.

There being no objection, the transcript was ordered to be printed in the RECORD, as follows:

PROGRAM FOR PRESIDENTIAL BREAKFAST, THURSDAY, FEBRUARY 6, 1958, 8 A. M., MAYFLOWER HOTEL

Presiding: Hon. FRANK CARLSON, United States Senate, president, International Council for Christian Leadership.

Invocation: The Honorable Wilber M. Brucker, Secretary of the Army, and general conference chairman.

Breakfast.

Message of welcome: Senator CARLSON.

Reading of the Old Testament (Isaiah 12: 2–6): The Honorable William J. Brennan, Jr., United States Supreme Court.

Reading of the New Testament (Ephesians 1: 3–14): The Honorable Robert B. Anderson, Secretary of the Treasury.

Greetings from the House of Representatives breakfast group: The Honorable L. H. FOUNTAIN, Congressman from North Carolina, and chairman of the House of Representatives breakfast group.

Greetings from the Senate breakfast group: The Honorable JOHN STENNIS, Senator from Mississippi, and chairman of the Senate breakfast group.

Introduction of the guests at the head table: Senator CARLSON.

Prayer of dedication: Richard C. Halverson, associate executive director of International Christian Leadership.

Comments: Charles E. Wilson, former president of the General Electric Co., and president of People-to-People, Inc.

Remarks: The Vice President, the Honorable RICHARD NIXON.

Handel's Hallelujah Chorus from the Messiah: University of Maryland Choir, conducted by Fague Springman, director of music, University of Maryland.

Closing prayer: Abraham Vereide, founder and executive director of International Christian Leadership.

SIXTH ANNUAL PRAYER BREAKFAST

Senator CARLSON. We are going to have the invocation this morning by the Secretary of the Army, Governor Brucker.

Secretary BRUCKER. Almighty God, at the start of this day we lift our hearts in prayer and renew again our allegiance to Thee, as well as our loyalty to our beloved country.

We come from all walks of life from around this world, and particularly from the Government, our Federal Government and the Congress, from the judiciary, and from all of the agencies and branches of the executive department of our Government.

We thank Thee for this opportunity, while we are here in Washington in Government service, to serve Thee and to impress upon our Government our ideas of the Christian ideals.

Grant us the knowledge to perpetuate the high principles and lofty ideals upon which this Nation was founded; grant us the wisdom to understand it. Grant us strength in purpose, and may we dedicate to the liberation of this great Christian leadership group the resolve that no matter what the future may hold in store for the United States, this Nation, under God, shall stand firm and incorruptible upon the rock of Christian principles, and that it shall continue to hold high the bright light of Christian idealism in order to light mankind's pathway to true peace.

Our heavenly Father, bless this food to our use and help us to provide daily service. Amen.

PROCEEDINGS

Senator CARLSON. I hate to do this. I realize that most of you are not only enjoying a good breakfast, but you are also enjoying a great fellowship.

However, it is necessary that we get this program under way because we have people who have to get back to the office and back to work, and we are delighted, of course, that there are so many present for this sixth annual breakfast of the International Christian Leadership.

We are very happy to see so many members of the President's Cabinet; members of the United States Supreme Court; members of the diplomatic corps; Members of Congress; business executives and citizens from all over, and I only regret time will not permit me to have all of you stand; I would like to introduce you.

This annual breakfast is in commemoration of the organization of the breakfast prayer group 24 years ago in Seattle, Wash. Now these groups have been organized in every section of the Nation, and there are many of them meeting in foreign countries and in this country. Now this is truly a dedicated group with a spiritual consideration of the practical problems which we believe can be solved by groups such as this, and we believe that the cornerstone of American life rests on a strong prayer group foundation.

The membership of this group, these prayer groups, is made up from all segments of social and economic life; Congress, Industry, Government, the House and Senate; labor and professions.

Now we meet in these prayer groups, believing that in these troubled and uncertain times we need and we must rely on divine guidance. We firmly believe that the greatness of America comes from the loyalty, patriotism, and righteousness of our people. We believe, too, that much more goes into the making of a great nation than such tangible things as natural resources, rich mines, fertile fields, and immense industries. And we have all these. We believe it is imperative to preserve and save our sacred freedom, and that we must have a strong and courageous God-fearing people and total mobilization of all the forces of this Nation.

Now this breakfast is the first session of the International Christian Leadership group. I am going to give some announcements later of the meetings. We are going to meet here for 3 days, and discussions will be held on the topic, God's Order in Man's Affairs.

Now this morning we are going to have passages of Scripture read from both the Old and New Testaments.

First will be Justice William Brennan of the United States Supreme Court who will read from the Old Testament, and portions of the New Testament will be read by the Honorable Robert B. Anderson, Secretary of the Treasury.

(The Scripture read was Isaiah 12: 2–6 and Ephesians 1: 3–14.)

Senator CARLSON. Every Wednesday morning we have a prayer breakfast in the United States Senate. Every Thursday morning there is a prayer breakfast held by Members of the House of Representatives.

This morning we are going to be favored by greetings from these two groups. First we are going to have greetings from the House breakfast prayer group by the Honorable H. L. FOUNTAIN, Congressman from North Carolina. Following that we are going to have a word of greeting from the head of the Senate breakfast prayer group, the Honorable JOHN STENNIS, Senator from Mississippi.

Congressman FOUNTAIN. Senator CARLSON, and friends, I have the very high privilege this morning of bringing you greetings in this fashion, from what to me is one of the finest organizations and institutions in America, and that is the regular Thursday morning prayer group in the House of Representatives.

Surely Senator STENNIS, who is a brother Presbyterian, must feel, as I do, that something good is going to come out of these prayer groups.

I came to Washington in 1953, the year when the Presidential prayer breakfast was inaugurated, and it was an inspiration for me to discover that meeting in one of the small rooms of the Capitol were a group of dedicated and devoted men and women who were seeking an answer, not only to problems which face the Nation and the world, but problems which faced them.

So every Thursday morning a group of some 40 to 60, varying in number, Members of the House of Representatives, meeting without any rules and regulations, or without any particular credit, but meeting in spiritual friendship and understanding and love, discuss among ourselves our mutual problems and personal problems, and problems of the world.

I believe I can truthfully say that the group which I have the honor to represent here this morning, believes truly that the strength of America resides in the hearts, in the minds, and in the dispositions of her people, and that no material prosperity will ever advantage us if the levels of Christian citizenship and public wholesomeness are not raised by religious training.

Our group, I believe, believes that prayer is just as indispensable to the soul as oxygen is to the body. And because of our own personal problems and frailties, we realize that there is an outside reserve upon whom we must call from time to time.

We in the prayer group believe also that in this hour while the world is in a turmoil and redemption for both commerce and mankind is being worked out in so many mysterious ways, it is essential that we call upon Almighty God in prayer for more faith in Him, for better understanding of the mag-

nificent purpose of our lives, and for a greater courage to fulfill the many glorious paths He has committed to us.

We, the members of that group, are there, I am sure, because like millions of other Americans we are trying to find the answer to the confusion, the moral sickness, and the spiritual emptiness that possesses the world.

We are seeking for comfort, for peace, and for guidance, and so I am very happy to bring from this group of men and women, dedicated men and women of faith, greetings and felicitations this morning, and in doing so, may I express for them and myself the hope that each of you and yours will enjoy the blessings of God, and may He walk with each of you and yours, not only during the current year 1958, but may He walk and be with you always, during every year.

[Applause.]

Senator STENNIS. Senator Carlson, Mr. Vice President, friends, I am pleased to be able to bring you greetings from the 12 to 20 Senators who meet every Wednesday morning in the Senate restaurant for the breakfast group, meeting there for an exchange of spiritual thoughts, experiences, and inspiration.

For weeks now one of the Senate committees has been sitting, taking testimony with reference to our entire military program.

After we had heard from the military, the scientists, those charged with official responsibility in Government, as well as other outstanding men—testimony about satellites and missiles; military problems of all kinds.

Near the close of that testimony we called back to our conference room General LeMay, long time Chief of our Strategic Air Corps—the big bombers—asking him for his top No. 1 priority of need. We moved forward to the edge of our chairs with pencils poised to take notes, some thinking he would say bombers, others that he might say missiles or various other military weapons.

He didn't list as No. 1 any of those things, but rather said: "What we need most is men, trained men. We want men that are dedicated with a high sense of duty; we need men who feel that they have a mission in life."

And, as that great military leader left that room, I was tremendously impressed with the fact that, in this atomic age, in this age of missiles, he puts first not more weapons but more men trained in the very things that can come only from those who have a spiritual life, believing that those are qualities that come from those who have spiritual values and who have been trained from youth with the idea of duty and with a sense of mission.

So I pass that on to this great group this morning. You are among those of the world who are helping create that, the thought, the training, and the spirit of great spiritual values and spiritual training, creating thus the great spiritual reservoir of the Free World upon which civilization as we know it is having to stand today, and will perhaps face even greater tasks tomorrow.

I congratulate you in your great mission.

We of the Senate appreciate the great spiritual values of America and all the nations of the world. May you help us, and we pray God that we might in some way help you to keep your eye on those spiritual values from which strength and from which only true strength can come.

May God sustain us. [Applause.]

Senator CARLSON. Thank you, Mr. FOUNTAIN and Senator STENNIS.

I knew you were going to bring the Presbyterians in there someway, though I didn't know how.

My regret is that Congressman BROOKS HAYS, of Little Rock, Ark., is not here this morning. He is one of the outstanding Christian leaders and president of the Southern Baptist Convention.

He tells that before he became a Congressman he was prosecutor in Little Rock, Ark., and while there it became his sad duty to prosecute a young man for forgery. The young man was convicted and sent to prison. One of the hardest things he had to do was write his mother; he didn't know how to write to her, and finally he wrote this: "Dear Mother: I hope you won't worry about me. Things are pretty much the same here as they are at home. The Baptists are in the majority here, too." [Laughter.]

Before we proceed with the few short speeches we are to have this morning, I want to introduce the other folks who are sitting at the head of the table who will not participate.

First, the Speaker of the House of Commons of the Dominion of Canada, the Honorable Roland Michener. [Applause].

We are also favored this morning by having at the speakers' table a member of the Bundestag, Bonn, Germany, Mr. Gustav-Adolf-Gedat.

We have at the table also the president of the International Christian Leadership, a man who is devoted to Christian work and has been very active in it, and the Chairman of the National Labor Relations Board, Judge Boyd Leedom. [Applause.]

We have a man from out in the Middle West, a former Governor of South Dakota, Commissioner Sigurd Anderson, member of the Federal Trade Commission. [Applause.]

Then we come to a man whom I think you will most appreciate this morning; he is the host, you are his guests. He is picking up the check for this breakfast; Mr. W. C. Jones, of Los Angeles, Calif. [Applause.]

I have some wires here that I will not read. First, we have a wire from the honorary chairman of the International Council for Christian Leadership, Princess Wilhelmina of the Netherlands.

We have a wire from a very personal friend of mine and past president of the International Christian Leadership, who planned to be with us to speak this morning. Very briefly I talked with him over the phone, and he has had a bad case of the flu.

The Honorable Price Daniel, Governor of the State of Texas, expressed regret that he cannot be with us.

I have a wire this morning from a man whom I had hoped would be here in order that we might at least express our thanks, and honor him for his past interest in this breakfast.

He was your host for 5 years. Mr. Jones, this is a 5-year program.

Conrad Hilton has had a very personal interest in this prayer breakfast. He has been very helpful in every way, and he wanted to be here, and regrets he was unable to be with us this morning.

I am going to break a rule now that I said I wouldn't break today and point out someone in the audience. They are two of my very good friends who are outstanding, and they are here attending this session. I would like to have them stand—Roy Rogers and Dale Evans. Will you stand please? [Applause.]

I believe we can proceed now with our very brief program, and I am going to ask Mr. Richard Halverson, the associate executive director of International Christian Leadership, to lead us in our prayer of dedication.

Mr. HALVERSON. Let us unite together in prayer.

Our Heavenly Father, we are gathered here this morning at a time in world history when we see, as perhaps no other generation has seen, the futility of humanity's efforts without Jesus Christ, God's Son.

We know that the Word demonstrates this again and again, from Genesis to Revelation, the futility of human efforts, and we thank Thee, our Father, that Thou hath made redemption possible through Jesus Christ, the Lamb of God, that takes away the sins of the world; we thank Thee that He laid down his life that we might be reconciled to do good and be redeemed forever.

Wilt Thou forgive us, our Father, for stupid human pride that lets us make the same mistakes again and again, generation by generation, civilization by civilization, that trusts in the institutions of men, and the programs of men, and the systems of men.

Oh, Father, don't let us make that mistake today. Thou hast blessed our Nation beyond the wildest dreams, and yet we go on in our pride, in our indifference to Thee, and, our Father, we pray that Thou wilt bring upon us a spirit of repentance and confession of our sins and acknowledgment of our desperate need of Jesus Christ in this day. Help us to see, our Father, the things Thou art trying to teach us in this world.

We cry peace, peace, when there is no peace and can be no paece, if we will not accept the Prince of Peace.

So we dedicate ourselves to Him this morning, the One who shall have a name that is above every name, and that at the name of Jesus every knee shall bow of the things up in heaven, the things on the earth, and the things under the earth, and every tongue shall confess that Jesus Christ is Lord, to the glory of God the Father.

We dedicate ourselves to Him, our Saviour, our Lord, our God.

We pray that He shall march through these halls this day and through our nations, that men will see Him, and love Him, and trust Him, and obey Him.

We ask this in His name and for His sake. Amen.

Senator CARLSON. We are very fortunate to have one of the Nation's outstanding business executives as speaker. He has taken a very active interest in Christian lay work; past president of the General Electric Co., and president of the program known as People to People, Inc., since 1956 when President Eisenhower invited some very outstanding leaders of the United States to the White House conference on a people-to-people program.

This morning I give you the president of the people-to-people program, Mr. Charles E. Wilson.

Mr. WILSON. Mr. Vice President, ladies and gentlemen, it is more than an inspiration to attend an early morning meeting to invoke the blessings of Almighty God on the work of our President, his colleagues in the administration, the Congress, the courts of justice, the dedicated men and women in uniform, and all others having to do with the welfare and security of our Nation.

It is almost symbolic of the spiritual heritage of the American people who came from the Old Country to the New World seeking the right to worship their Maker as He was made known to them. From this right of religious freedom flows all the other liberties enjoyed by our countrymen, and unceasingly sought by the people of the earth everywhere.

In the last half century, as we look back, it is clear that mankind has been caught up in a conflict of ideologies, the forces of sheer materialism against the desire and right of individuals to seek life, liberty, and the pursuit of happiness under the law.

From our very beginning, at Plymouth, Jamestown, and so forth, and carried forward by the western pioneers, our history is replete with the theme. "This Nation Under God," which Governor Daniels was supposed to develop—which theme he was supposed to develop a little later, and I am mighty sorry he can't be with us.

William Bradford remembered, as Governor Clement said, that the Lord bade them to join themselves in the fellowship of the Gospel, to walk in all his ways made known.

Today the moral responsibility of the individual human being is greater, perhaps, than

ever before in history. He has leapt forward into space with technological advances, challenging his spiritual ability to cope with them; he has found that materialism now threatens his very existence. He needs and he seeks a spiritual reawakening. Through his own deeds he has come face to face with the divine admonition, Do unto others as you would have them do unto you. Two generations have recognized the inherent truth in the Scriptures which tell us, he who lives by the sword, will perish by it.

Governments cannot do for man that which he will not do for himself in his own heart and in his own home.

Mr. Vice President, men will always be grateful to you for inspiring and assisting the program of people-to-people communication; to do for themselves what governments have thus far been unable to do, try to bring about understanding and confidence between the everyday people of the world, which has now become one neighborhood with a known great common purpose, the Bible.

I, for one, have no fears in open and honest comparison of the Communist way of life with that of free people. I welcome the exchange agreement recently announced between the United States and Russia. Let the scientist, the student, the teacher of each nation visit one another. Let us engage cultural activities, and let there be exhibitions and exchanges. We have much to learn and to give, and nothing to fear. Let us know one another. This is the very essence of the people-to-people idea.

Within the last 2 months, I think it is, Khrushchev laid bare the usual dauntlessness of communism and Communist leaders.

It is a singular thing, it seems to me, that the Bible says nothing about belief in God. It simply says that not to do so is foolish. It says, the fool in his heart has said, there is no God. A man who thinks can find abundant evidence of God's existence wherever he turns his eyes. Every man paints his own picture of God. Speak God's name into the ears of a thousand men, and a different conception is aroused in the mind of each one, because what we are determines what we see.

In the dark days before the Civil War when everything seemed lost, Fred Douglas was speaking very pessimistically to a very great audience in Rochester, N. Y., when one woman got up and stretching out her bony arms toward Douglas she said, "Frederick, is God dead?"

There is the crux of the whole matter. God is not dead, and we may be sure that justice and right will prevail. Wrong is triumphant for a time, in too many parts of the world. Good causes may have had many setbacks. It may seem that all that is right has been outmoded, but if you still believe God lives and reigns, you cannot despair.

Many things that have gone on in the world in the past two decades have led people to feel that men believe more in force than in righteousness. But God has not abdicated. He is still in control of things, be sure of that. It may even be that the world will have to suffer yet more before men feel as they should and place their utter dependence in God.

There have been events in recent years that give us reason to believe the fear of God has so faded from the thoughts of men that not even the various rascals that walk the earth are afraid of God now. But I also firmly believe that humanity has been disclosing itself anew to us, and that these difficult times have reinterpreted God to us.

We have come to feel that all that is best in life is lost to us unless the God who is on the throne of the universe, is one who will deal out justice to men. Sickened by brutal atrocities and impudent dishonesties, we have come to feel that God cannot be God unless he is angry at the blatantly wicked every day.

The Founders of America knew and proclaimed that the American ideal would succeed only insofar as the people of this Nation were themselves by inner dedication and discipline governed and directed by the Almighty God.

The time of our delivery from the chaos caused by the Communist system, with the consequent world turmoil, savage injustices and brutality, will be coincident with the acceptance by the people of the world of this same inner dedication and discipline, governed and directed by the God of their respective concepts of the Deity.

Mr. Vice President, in recent days, two, no, three, distinguished Americans, Adm. Lewis Strauss and Adlai Stevenson, and I think last night Gov. Sherman Adams, have suggested that the time has come when men of good will from the nations of the earth, meet under nongovernmental auspices to engage in frank and full discussions of how mankind may find a safe-conduct pass into the new and unexplored world now opening by the unlocking of the atom piercing of space. With these suggestions I heartily concur, and I think you may recall, sir, that as early as last June we offered the facilities of the People to People Foundation to carry forward Admiral Strauss' original suggestion, made months earlier.

Such a meeting of these people of the world would permit each person to speak as a human being, rather than as a member of a government team instructed to reach preconceived conclusions for transient propaganda purposes, of which I think the world is sick and tired. This would truly be a parliament of people seeking guidance of the Almighty to guide their respective governments into new and sure pathways of peace.

We know, Mr. Vice President, how close such a mission is to your heart. Further, I am happy to report that men of good will of every political persuasion and every religious belief with whom I have discussed the matter, concur that only through such a parliament of the people will the yearnings and wishes of mankind for peace become fully known and workable.

This we must do soon.

In conclusion, as one not unfamiliar with the harnessing of energy for the benefit of mankind, may I say how deeply impressed I am with those skills of Russia and America which have put man-made satellites into outer space. May the cosmic observations both help man and humble man. But let us never forget, however high or however fast they travel around the globe toward the moon and the stars, that there in the outer regions of the constellations, there is God, still ruling the domain beyond man, to judge and to love.

May he bless us here this morning, and always. [Applause.]

Senator CARLSON. Thank you, Mr. Wilson, for that forceful and thought-provoking message.

All of us regret that the President was indisposed this morning and unable to be with us, and I would like to take a little time presenting the next speaker, but I am not going to do it except in this way, the Vice President of the United States.

Vice President NIXON. Senator Carlson, distinguished guests, ladies and gentlemen, at this point in the program I know that most of those that are here from Government offices must get back to the office, and those who are here attending the conference must get on with the business of the conference.

Senator CARLSON asked me to respond on behalf of all the guests this morning for the hospitality we have received, and I welcome that opportunity.

In fact, I have attended many of these breakfasts over the years, and they are always an inspiration, and I think this one ranks among the very best of them all.

I would like to say there is only one point I should call the attention of the committee to on arrangements for a meeting like this in which we have the sponsorship of Christian organizations, that there should be no discrimination.

In that respect I know that out in the West we are very proud of our products, our farm products, and yet consider this breakfast that we had. We had Florida grapefruit; we had Virginia ham; Georgia grits; North Carolina sausage, and Delaware eggs. In fact, about the only product you allowed California to furnish was to pay the check. [Laughter.]

So as a fellow Californian may I say we are deeply appreciative, and we only suggest that in the next 5 years we would at least like to be able to furnish the strawberries on top of the grapefruit.

Now may I say just a word with regard to the very elegant comments that have been made by Mr. Wilson.

As you of course know, he was discussing not the activities of the Government in which we have an exchange program, of which the latest agreement between the Soviet Union and the United States was an example, but he was speaking of a much broader type of exchange, and in the long run much more important and more lasting, the exchange of people that occurs as a result of voluntary activities on the part of nongovernment organizations in this country and in the other countries throughout the world. I cannot emphasize how important this work is. I cannot emphasize how much you, individually, can contribute to the cause of peace and understanding by supporting the People to People program which Mr. Wilson so elegantly represents.

And in that connection I would like to underscore what he said with regard to the great challenge which faces the Free World and the people who want to be free throughout the world on both sides of the Iron Curtain today.

We hear a lot of pessimistic talk these days about the problems we have in the United States and in the other parts of the world. People are concerned about economic conditions; they are concerned because of the terrible potentialities of atomic warfare, the new missiles that may destroy us with very little warning, if any.

All of these are problems which they think make this possibly the worst of all possible times in which to live. But I think that, too, we should all recognize that we couldn't have a better time, a more challenging time, in which to live on this continent and in this world, because the opportunities that we have today have been unequaled in the history of the world.

Consider, for instance, the food that we have today. We become concerned sometimes about surplus of food that we have, which is, I believe, one of Secretary Benson's major problems and ours as Americans. And yet all you have to do is to look back through history to know that for centuries men were wondering where they could find enough in the way of agricultural products to take care of minimum needs of the people of the world.

As a result, not only of new inventions in the field of agriculture but in other areas, for the first time in recorded history, in our time of being, the people of the world have within their power the resources to clothe and feed and house all the 2 billion people on this earth at some decent minimum standard. This is, then, acclamatory in one respect, and in this whole area of war and peace the very fact that we are today discussing the possibility of great nations ending the threat of war, the fact that war itself has become so terrible, its anticipation and its possibilities, indicate what the opportunity is for us in this Nation to help lead

the world to an era in which we can settle our differences at the conference table rather than on the battlefield.

Now I say that type of challenge is one we should enjoy meeting; it is one in which we appreciate the opportunity for leadership which may have been placed upon us, and I would only close by suggesting that we can and will meet this challenge, provided we have the inner strength which has made America the great country it is today, and which we need above everything else if we are to survive against others in the world, particularly leaders and not people, but others who are dedicated not to peace, not to freedom for all, but to world domination, because, make no mistake about it, whatever we may think of the ideology of those who lead the Communist world, they know what they want; they believe in it; they are dedicated; they are willing to make any sacrifice to gain their end, so what we need on our side is the same dedication; the same belief in our religious principles, and the same willingness to sacrifice economically, anything, in order not to dominate the world but in order that all peoples will have the opportunity to national independence, to freedom, and the opportunity to live in peace with each other.

Now this is a great principle, a great challenge for all of us, and I know that the fact that this conference will be held here in Washington, will be a splendid influence in strengthening the resolve of those of us in Government who provide the leadership that America and the Free World needs today.

We thank you for coming, and we wish you well during the course of your stay here. [Applause.]

Senator CARLSON. Thank you, Mr. Vice President. We very much appreciate your attendance, and the splendid remarks you have made.

I suggest now that we all rise and we will have the Hallelujah Chorus sung by the University of Maryland Choir, under the direction of Fague Springman.

I think it was wonderful of them to come over today, and we will remain standing then for the closing prayer by Mr. Abraham Vereide.

(Allelujah Chorus by the University of Maryland Choir.)

Mr. VEREIDE: Eternal God, Hallelujah, we sing, we say, we pray, for God eternally reigneth, and we thank Thee this morning for meeting with us, charging and recharging our batteries and strengthening us for the task ahead. In Thy presence there are no wants; by Thy grace we walk forth with a consciousness of Thee, and pray Thy presence hour by hour, trusting Thee for wisdom, for power, for love, for the sound mind for every situation, and unto Thee we give all the praise, our Father, who now, oh God, we trust for thy special touch upon our President; help him, O God; bless him and keep him, and our Secretary of State, and all our officials, that they may serve Thee and serve this Nation.

(The Lord's Prayer.)

SENATE

MONDAY, FEBRUARY 17, 1958

Dr. Frederick E. Reissig, executive secretary, Council of Churches, Washington, D. C., offered the following prayer:

O Thou who art the Good Shepherd, our refuge and strength, the bread of life, the spring of living water, grant to each of us this day the faith that assures us that Thou art all of these, and more, to us.

To all who travel this day by land or sea or air, grant a safe journey. Be Thou the physician to all who wait for healing.

Shed Thy light upon our paths, lest we fumble, and stumble, and fall, and fail both Thee and others.

Through Him who is the way and the truth and the life. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of Thursday, February 13, 1958, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, informed the Senate that the Speaker had appointed Mr. REUSS, of Wisconsin, as a member of the Joint Economic Committee.

LEAVE OF ABSENCE

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the distinguished junior Senator from Arizona [Mr. GOLDWATER] may be excused from attendance on the Senate for the week of February 17 through 22, for the purpose of participating in active duty with the Air Force.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. MCNAMARA, and by unanimous consent, the Subcommittee on Public Buildings and Grounds of the Committee on Public Works was authorized to meet during the sessions of the Senate today.

ORDER FOR ADJOURNMENT UNTIL WEDNESDAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in adjournment until noon Wednesday.

The PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I have conferred with the distinguished minority leader; and I should like to announce that it is our hope that the Senate will conclude its business today by not later than 4 o'clock. We request the cooperation of all Members of the Senate. As all of us are aware, the weather is very inclement, and the roads are in dangerous condition for travel. I hope it will be possible for the session today to be concluded at an early hour, so the employees, who are so dedicated, and who so faithfully serve the Senate, may have an opportunity to return to their homes before nightfall.

Mr. President, I announce that there will be no rollcalls today, if they can be avoided. We plan to have two general statements made by Senators.

On Wednesday we expect to have the Senate proceed with the consideration of Calendar 1178, House bill 5822, to amend the Civil Aeronautics Act of 1938 with respect to the reinvestment by air carriers of the proceeds from the sale or other disposition of certain operating property and equipment.

We hope to have the consideration of that bill followed by the consideration of the postal pay bill and the classified pay bill and the postal rate bill. I understand that the committee will conclude its hearings tomorrow.

CALL OF THE CALENDER DISPENSED WITH

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the call of the calendar, under the rule, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business, to consider the nominations on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the Committee on the Judiciary.

(For nominations this day received, see the end of Senate proceedings.)

The PRESIDENT pro tempore. If there be no reports of committees, the nominations on the calendar will be stated.

DIPLOMATIC AND FOREIGN SERVICE

The Chief Clerk read the nomination of Everett F. Drumright, of Oklahoma, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to China.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

DEPARTMENT OF STATE

The Chief Clerk read the nomination of Walter K. Scott, of Maryland, to be an Assistant Secretary of State.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

UNITED STATES ADVISORY COMMISSION ON INFORMATION

The Chief Clerk read the nomination of Philip D. Reed, of New York, to be a member of the United States Advisory Commission on Information for term expiring January 27, 1961, and until his successor has been appointed and qualified.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Erwin D. Canham, of Massachusetts, to be a member of the United States Advisory Commission on Information for term expiring January 27, 1961, and until his successor has been appointed and qualified.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

FEDERAL RESERVE SYSTEM

The Chief Clerk read the nomination of Abbot L. Mills, Jr., of Oregon, to be a member of the Board of Governors of the Federal Reserve System for a term of 14 years from February 1, 1958.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the President be notified forthwith of the confirmation of all these nominations.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. JOHNSON of Texas. Mr. President, under the rule, there will be the usual morning hour, for the introduction of bills and the transaction of other routine business. I ask that statements in that connection be limited to 3 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

AMENDMENT OF RURAL ELECTRIFICATION ACT, RELATING TO PRIVATE PARTICIPATION IN FINANCING LOAN PROGRAMS

A letter from the Acting Secretary of Agriculture, transmitting a draft of proposed legislation to amend the Rural Electrification Act to encourage private participation in financing the loan programs, and for other purposes (with an accompanying paper); to the Committee on Agriculture and Forestry.

REENLISTMENT BONUSES UNDER CAREER COMPENSATION ACT OF 1949

A letter from the Secretary of Defense, transmitting a draft of proposed legislation to provide uniformity in certain conditions of entitlement to reenlistment bonuses under the Career Compensation Act of 1949, and for other purposes (with an accompanying paper); to the Committee on Armed Services.

REPORT ON EXPORT CONTROL

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report on export control for the fourth quarter of 1957 (with an accompanying report); to the Committee on Banking and Currency.

REPORT ON SMALL BUSINESS ADMINISTRATION

A letter from the Administrator, Small Business Administration, Washington, D. C., transmitting, pursuant to law, a report of that Administration reflecting estimated obligations by principal activities, for the period July 1 through December 31, 1957 (with an accompanying report); to the Committee on Banking and Currency.

AUDIT REPORT ON TENNESSEE VALLEY AUTHORITY

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on Tennessee Valley Authority, for the fiscal year ended June 30, 1957 (with an accompanying report); to the Committee on Government Operations.

AUDIT REPORT ON PRACTICE OF INSURING GOVERNMENT-OWNED FACILITIES, CHANCE VOUGHT AIRCRAFT, INC., DALLAS, TEX.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Practice of Insuring Government-Owned Facilities, Chance Vought Aircraft, Inc., Dallas, Tex. (with an accompanying report); to the Committee on Government Operations.

SESSION LAWS OF ALASKA, 1957

A letter from the Acting Secretary of the Interior, transmitting, pursuant to law, a copy of the Session Laws of Alaska, 1957 (with an accompanying document); to the Committee on Interior and Insular Affairs.

REPORT ON EL JARDIN DIVISION OF LOWER RIO GRANDE REHABILITATION PROJECT, TEXAS

A letter from the Acting Secretary of the Interior, transmitting, pursuant to law, a report on the El Jardin Division of the Lower Rio Grande rehabilitation project, in Texas (with accompanying papers); to the Committee on Interior and Insular Affairs.

REPORT ON LIGNITE RESEARCH LABORATORY, GRAND FORKS, N. DAK.

A letter from the Assistant Secretary of the Interior, reporting, pursuant to law, on the activities of, expenditures by, and donations to, the Lignite Research Laboratory, Grand Forks, N. Dak., for the calendar year 1957; to the Committee on Interior and Insular Affairs.

REPORT ON PROTECTION OF WAR-RISK INSURANCE AND CERTAIN MARINE AND LIABILITY INSURANCE

A letter from the Acting Secretary of Commerce, transmitting, pursuant to law, a report on the provision of war-risk insurance and certain marine and liability insurance for the American public, as of December 31, 1957 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

REPORT OF FEDERAL POWER COMMISSION

A letter from the Chairman, Federal Power Commission, Washington, D. C., transmitting, pursuant to law, a report of that Commission, for the fiscal year 1957 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

GRANTING OF STATUS OF PERMANENT RESIDENCE TO CERTAIN ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders granting the applications for permanent residence filed by certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien, and the reasons for granting such applications (with accompanying papers); to the Committee on the Judiciary.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

Three letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders suspending deportation of certain aliens, together with a statement of the facts and pertinent provisions of law pertaining to each alien, and the reasons for ordering such suspension (with accompanying papers); to the Committee on the Judiciary.

REPORTS OF NATIONAL LABOR RELATIONS BOARD

A letter from the Chairman, National Labor Relations Board, Washington, D. C., transmitting, pursuant to law, a report on the names, salaries, and duties of all employees and officers in the employ or under the supervision of that Board, for the fiscal year ended June 30, 1957, and a report of all cases heard and/or decided by that Board, during the period July 1, 1956, to June 30, 1957 (with accompanying reports); to the Committee on Labor and Public Welfare.

REPORT ON POSITIONS FILLED IN CERTAIN GRADES OF CLASSIFICATION ACT OF 1949

A letter from the Assistant Secretary of the Army, transmitting, pursuant to law, a report on positions filled under the classification Act of 1949, in grades GS–16, 17, and 18 (with accompanying papers); to the Committee on Post Office and Civil Service.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

The petition of A. George Kato, and sundry other citizens of Ogden, Utah, relating to the reinstatement of Col. John Nickerson; to the Committee on Armed Services.

A resolution adopted by the Alaska Aeronautics and Communications Commission, Anchorage, Alaska, favoring the enactment of legislation to extend the Federal airports program; to the Committee on Interstate and Foreign Commerce.

A resolution adopted by the City Council of the City of St. Paul, Minn., protesting against the enactment of legislation to restrict Federal control of the sale of natural gas; to the Committee on Interstate and Foreign Commerce.

A resolution adopted by the City Council of the City of Los Angeles, Calif., favoring the continuance in force of the provisions of the Federal-Aid Highway Act of 1956; to the Committee on Public Works.

A resolution of the City Council of the City of Covina, Calif., favoring the enactment of legislation to improve the Walnut Creek system for the control and conservation of floodwaters; to the Committee on Public Works.

A resolution adopted by the city of Claremont, Calif., favoring the enactment of legislation to improve the Walnut Creek system for the control and conservation of floodwaters; to the Committee on Public Works.

By Mr. JOHNSTON of South Carolina (for himself and Mr. THURMOND):

Two concurrent resolutions of the Legislature of the State of South Carolina; to the Committee on Appropriations:

"Concurrent resolution condemning the administration of the soil bank program and requesting the Congress to appropriate additional funds

"Whereas the funds allocated for the payment of soil bank participation was done on a first-come, first-served basis; and

"Whereas such allocation of public funds are highly inequitable and unjust; and

"Whereas the continuance of this manner of allocating funds could result in serious turmoil; and

"Whereas the Secretary of Agriculture, through circulars and otherwise, caused many farmers to be lulled into a false sensed of assurance that sufficient funds would be available for participation in the soil-bank program; and

"Whereas the funds were exhausted before many farmers received their lawful entitlement under this program: Now, therefore, be it

"Resolved by the house of representatives (the senate concurring), That the General Assembly of South Carolina does condemn the manner of administering the soil-bank funds and memorializes the Secretary of Agriculture to institute such programs in the future that will be handled on a fair and equitable basis; be it further

"Resolved, That the Congress of the United States is memorialized to appropriate a sufficient additional sum to supply the entitlements of applications now on file by farmers desiring to participate in the soil-bank program; be it further

"Resolved, That a copy of this resolution be forwarded to the Speaker of the House of Representatives of the United States, the President of the Senate of the United States, the two Senators from South Carolina, and the Members of the House of Representatives from South Carolina in the Congress of the United States."

(The PRESIDENT pro tempore laid before the Senate a concurrent resolution of the Legislature of the State of South Carolina, identical with the foregoing, which was referred to the Committee on Appropriations.)

"Concurrent resolution memorializing Congress to appropriate sufficient funds to take care of those farmers under the 1958 cotton acreage reserve agreement who have planned to place cotton acres in the soil bank program

"Whereas the Federal Government has failed to appropriate sufficient funds for the 1958 cotton acreage reserve agreement to permit all farmers who had planned to do so to retire a definite number of acres into the soil bank program; and

"Whereas the cotton-growing farmers had been led to believe that sufficient funds would be appropriated and available to pay them for such acres as were placed in the soil-bank program; and

"Whereas the cotton-growing farmers, relying on such assurances, have planned and have made financial arrangements accordingly to plant a definite number of acres and to retire a definite number of acres; and

"Whereas the cotton farmers are now apprised of the fact that insufficient funds are available to defray the cost of the entire program and they must operate on a first-come, first-served basis; and

"Whereas by such action on the part of the Federal Government, faith has been broken with the cotton farmer and he has been placed in an extremely difficult financial position through no fault of his own by virtue of the fact that he relied on the assurances of the Federal Government that sufficient funds would be available; and

"Whereas this is working an undue hardship on the cotton farmer and has made it necessary that he replan and revamp his entire planting program for the coming year: Now, therefore, be it

"Resolved by the house of representatives (the senate concurring), That the Congress of the United States is hereby memorialized to appropriate sufficient funds for the 1958 cotton acreage reserve program, within the provisions of the act, to allow all farmers to place into the soil-bank program such acres as they had planned to retire from cotton planting; be it further

"Resolved, That copies of this resolution be forwarded to the Clerk of the Senate and to the Clerk of the House of the United States and that a copy be forwarded to each United States Senator from South Carolina and to each Member of the House of Representatives in the Congress from South Carolina."

RESOLUTIONS OF JAYCEES, TULSA, OKLA.

The PRESIDENT pro tempore laid before the Senate the following letter from Charles E. Shearer, Jr., president, Jaycees, Tulsa, Okla.:

JAYCEES,
Tulsa, Okla., February 14, 1958.

The VICE PRESIDENT,
United States Senate,
Washington, D. C.

SIR: This is to inform you of the position of the United States Junior Chamber of Commerce on many items of national importance as stated by Jaycee resolutions now in effect. Represented are the opinions of some 200,000 young men from all walks of life in 3,500 communities throughout the entire United States, Alaska, and Hawaii.

A summary statement on each resolution is as follows:

Federal budget control: The United States Junior Chamber of Commerce is mindful of the danger of ever-increasing Federal expenditures and is greatly concerned for our country's economy, the future of the American way of free enterprise, and thereby the destiny of the Federal Government to utilize every effort, to curtail the vast spending of the Federal Government, to assure us economy and efficiency in Government, and to promote the tax-saving recommendations of the Hoover Commission.

Washington, D. C., citizens right to vote: The United States Junior Chamber of Commerce urges that the Constitution of the United States be amended to grant to the American citizens resident in Washington, D. C., the opportunity to participate with their fellow American citizens in the national election of President and Vice President of these United States.

Cordiner report: The United States Junior Chamber of Commerce respectively urges the Congress of the United States to take favorable action to revise the existing pay structure now in use in the Armed Forces, incorporating therein the principles enumerated in the Defense Advisory Committee Report on Professional and Technical Compensation for Military Personnel.

Public libraries: The United States Junior Chamber of Commerce encourages the further extension, development, and promotion of public library service throughout America.

Statehood for Alaska and Hawaii: The United States Junior Chamber of Commerce urges support for immediate statehood for the only two remaining incorporated Territories under the American flag, Alaska and Hawaii.

Pornographic literature: The United States Junior Chamber of Commerce commends the publishers and distributors who are trying to clean up their industry; supports the United States Senate Subcommittee on Juvenile Delinquency and other public and private groups seeking to improve the quality of reading materials reaching American youth; and encourages local and State Jaycee organizations to determine the current status of the problems and to take positive and constructive steps to bring about their solutions.

People to people: The United States Junior Chamber of Commerce does fully endorse the principles of the People to People program as a means of breaking down the barriers of distrust and misunderstanding between the American people and their foreign neighbors. The United States Junior Chamber of Commerce calls upon its affiliated organizations throughout the United States and its Territories to pledge the full support of their initiative, effort, and resources to some phase of this worthwhile program.

Civilian defense: The United States Junior Chamber of Commerce favors further investigation and study by the Congress of the United States as to the merits of any report published by the Congressional committee, Civil Defense for National Survival, and any pending or proposed legislation concerning civil defense.

Relation between Federal and State governments and reduction of Federal aid: The United States Junior Chamber of Commerce favors continued support of reductions in Federal aid and the assumption of these services that can be adequately performed by State and local governments.

Veterans' nonservice disability benefits: The United States Junior Chamber of Commerce urges Federal Government to adopt a positive policy for meeting fully and promptly the needs of veterans resulting from military service; but that non-service-connected needs should be met when possible through programs for the general population; and that non-service-connected veterans' programs be changed only to meet minimum needs not covered by general programs.

Operation pray: The United States Junior Chamber of Commerce urges citizens everywhere to offer their prayers on July 4 for the success of our country in the role of world leadership, which has been imposed upon us.

Hoover Commission: The United States Junior Chamber of Commerce continues and expands its widespread dissemination of information on recommendations and findings of the Hoover Commission in order to stimulate interest and secure possible support for economy and efficiency in Government and adherence to constitutional principles based upon the recommendations and findings of the Second Hoover Commission.

President's Day: The United States Junior Chamber of Commerce favors House Joint Resolution 294, which would designate April 30, the anniversary of the inauguration of George Washington as first President of the United States, as President's Day; and urges that the Congress pass this resolution and urges the educators of our Nation to make use of this day to promote the ideals of our country and of its democratic way of life.

Traffic safety: The USJCC advocates and supports a uniform vehicle code and the model traffic ordinance. This would include: national uniformity in traffic signs and devices; compulsory periodic inspection of motor vehicles; establishment of driver-education programs in all high schools; compulsory examinations of all applicants for driving licenses; use of scientific methods by all enforcement agencies to determine the degree of driver intoxication and the admission of such evidence by the courts.

International education and student aid: The USJCC endorses a program whereby a United States businessman, organization, or corporation may contribute to the financial support of one or more foreign students who

may desire to study in the United States, and whereby the said donor may be encouraged to make such a contribution by receiving such income-tax relief in return for the maintenance and support of a foreign student (or students) in the United States as may be afforded pursuant to the Internal Revenue Code by revision, reinterpretation, or amendment.

Juvenile delinquency: The USJCC adopts as their policy the encouragement of their members and chapters to promote all possible action to combat juvenile delinquency; and to cooperate with and assist all agencies and organizations combating juvenile delinquency.

Gambling and fixing in sports: The USJCC recognizes that the undue influence of professional gamblers and fixers in the sports field imperils the best interest of amateur and professional athletics and hereby urges the Senate of the United States of America to investigate the extent to which professional fixers and gamblers have infiltrated the fields of amateur, semipro and professional sports for the purpose of enacting legislation to remove their sordid influences from these fields of American athletic endeavor.

Copies of the complete resolutions were circulated to the Senate, Congress, and other officials last August. Additional copies are available at the national headquarters of the United States Junior Chamber of Commerce, Box 7, Tulsa, Okla., if you should desire them.

If the United States Junior Chamber of Commerce can be of additional service, please do not hesitate to call on us. As you know, we are a national young men's organization dedicated to leadership training through effective civic service programs and projects. This is consistent with the Jaycee creed, which states:

We believe that faith in God gives meaning and purpose to human life; that the brotherhood of men transcends the sovereignty of nations; that economic justice can best be won by freemen through free enterprise; that government should be of laws rather than of men; that earth's great treasure lies in human personality; and that service to humanity is the best work of life.

Respectfully yours,

CHARLES E. SHEARER, Jr.,
President.

RESOLUTION OF WEST VIRGINIA HOUSE OF DELEGATES

Mr. HOBLITZELL. Mr. President, I present, for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by the House of Delegates of West Virginia, memorializing Congress not to allow the passage of any legislation authorizing pay-as-you-go television, together with the certification of the resolution by the clerk of the house of delegates.

There being no objection, the resolution and certification were referred to the Committee on Interstate and Foreign Commerce, and, under the rule, ordered to be printed in the RECORD, as follows:

House Resolution 10

Memorializing the Congress of the United States not to allow the passage of any legislation authorizing pay-as-you-go television

Whereas appearing before Congress at this time are persons interested in passing pay-as-you-go television legislation; and

Whereas the passage of such legislation would result in unwarranted control of all television broadcasts, untold harm to certain advertising businesses, and most of all, a cost of billions of dollars a year to the American taxpayer; and

Whereas on February 6, 1958, a hearing is taking place before a committee of the House of Representatives and said hearing has as its members certain Congressmen from West Virginia: Therefore, be it

Resolved by the house of delegates, That the Congress of the United States should be urged to reject legislation which will result in untold expenditures to the people of West Virginia and the United States and that the legislation for pay-as-you-go television be defeated as an attempt to control the airways of our country and to profit unjustly at the expense of the average taxpayer; and be it further

Resolved, That the clerk of the house of delegates send attested copies of this resolution to the President of the United States Senate, the Speaker of the House of Representatives, and to each member of the West Virginia delegation in the Congress of the United States.

To whom it may concern:

This is to certify that the foregoing House Resolution 10 was regularly adopted by the House of Delegates of the West Virginia Legislature on February 4, 1958.

Given under my hand, this the 4th day of February 1958.

C. A. BLANKENSHIP,
Clerk, House of Delegates,
West Virginia Legislature.

RESOLUTION OF THOMAS COUNTY (KANS.) FARM BUREAU ASSOCIATION

Mr. CARLSON. Mr. President, a large number of wheatgrowers in western Kansas and other sections of the wheat-producing areas planted their fall wheat prior to receiving the new interpretation of section 2, Public Law 85–203, by the Department of Agriculture.

The law penalized those wheat producers who planted fall wheat prior to receiving information concerning the law and the interpretation placed upon it.

Public Law 85–203 was passed by Congress last August, and the Department of Agriculture ruling came out late in September. Everyone familiar with wheat planting in the great wheat-producing areas of western Kansas knows that planting starts as early as August 15.

This situation is causing real hardship and I would urge the Senate Committee on Agriculture and Forestry to give consideration to this at an early date.

I ask unanimous consent that a resolution received from the Thomas County Farm Bureau on this matter be printed in the RECORD and appropriately referred.

There being no objection, the resolution was referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

RESOLUTION ADOPTED BY THOMAS COUNTY FARM BUREAU

The members of the Thomas County (Kans.) Farm Bureau Association, having duly met on this 7th day of November 1957, do hereby protest the provisions and interpretations of section 2, Public Law 85–203. This protest is made to the Congress of the United States and the United States Department of Agriculture.

The provisions of the law penalize those wheat producers who planted fall wheat prior to receiving information concerning the law and the interpretation placed upon it. The majority of the members of the association relied upon the previous interpretation of the law and planted excess acres. Section 2, Public Law 85–203, was either enacted or interpreted after the 1958 wheat crop was planted.

The law works a hardship upon the members of this association and all wheat producers in this area. Because of the injustice to the wheat producer, it is the desire of the members of the association that this protest be brought emphatically to the immediate attention of the United States Congress and the United States Department of Agriculture: Therefore be it

Resolved, That this association urge permanent repeal of section 2, Public Law 85–203, for reason that such section takes away stabilizing privilege of the Great Plains wheat farmers to store excess wheat for the year of crop failure.

Dated this 7th day of November 1957.

THOMAS COUNTY FARM BUREAU ASSOCIATION POLICY COMMITTEE,
JOE MOOS, *Chairman.*

MAINTENANCE OF PRESENT PRICES ON MANUFACTURED MILK—LETTER AND RESOLUTION

Mr. PROXMIRE. Mr. President, I am pleased to report that there is a growing recognition on the part of businessmen in my State of the close interdependence between the welfare of Wisconsin dairy farmers and the stability and progress of the rest of the community. Because of this recognition, and because all Americans believe in fair play and will favor measures to protect the incomes of farm people once they understand the facts concerned, more and more businessmen in Wisconsin have come out publicly in support of maintaining and strengthening our programs of price supports for dairy commodities.

Last week I received a letter from Mr. R. W. Mills, executive secretary of the Fond du Lac, Wis., Association of Commerce, which bears out this growing trend. I ask unanimous consent that this letter and a resolution of the agricultural committee of this organization be printed in the RECORD, and appropriately referred.

There being no objection, the letter and resolution were referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

FOND DU LAC ASSOCIATION OF COMMERCE,
Fond du Lac, Wis., February 7, 1958.

DEAR SENATOR PROXMIRE: Our agricultural committee held a meeting last night and discussed Secretary of Agriculture Benson's plan to lower the parity rates of dairy products and milk, on April 1.

This committee of 20 members covers a good cross section of business, most of whom, of course, are close to the farmer, and are affected by the price he obtains for milk. After considerable discussion, and I might add, a very good and constructive discussion, the committee came up with a resolution which was passed unanimously.

A copy of this resolution is made part of this letter and is sent to you in accord with the request of the committee.

Cordially,

R. W. MILLS,
Executive Secretary.

RESOLUTION PASSED BY THE AGRICULTURAL COMMITTEE OF THE FOND DU LAC ASSOCIATION OF COMMERCE IN A MEETING HELD THURSDAY, FEBRUARY 6, IN FOND DU LAC, WIS.

Whereas the Congress has now before it several bills pertaining to farm legislation

and in particular pertaining to milk and dairy products; and

Whereas most Members of Congress readily admit that some form of farm legislation must be enacted in 1958 and most of them admit that they are not sure what form that legislation should take; and

Whereas this combination of Congressional attitudes will obviously produce considerable debate and controversy over farm legislation, all of which will cause considerable delay beyond April 1 in the adoption of a program: Now, therefore, be it

Resolved, That the agricultural committee of the Fond du Lac Association of Commerce believes that the present prices of manufactured milk should be maintained at not less than 82½ percent of parity until such time as a self-help-milk-price program is adopted by this session of the 85th Congress; be it further

Resolved, That copies of this resolution be forwarded to President D. D. Eisenhower, Secretary of Agriculture E. T. Benson, Senators Alexander Wiley and William Proxmire, and Congressman William K. Van Pelt.

GARRISON DIVERSION UNIT INVESTIGATION—RESOLUTION

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the executive committee of the Bismarck, N. Dak., Chamber of Commerce, relating to appropriations for use of the Garrison diversion unit investigation.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas the Bureau of the Budget has proposed for consideration by the 85th Congress, 2d session, a reduction from about $900,000 to $552,000 in the amount to be appropriated for use of the Garrison diversion unit investigation; and

Whereas the Chamber of Commerce of the City of Bismarck, although realizing that appropriations must be scrutinized and evaluated, believes that the proposed budget item ranks in value and priority so as to warrant appropriation of not less than $850,000 for the following reasons:

1. The unusual local and statewide support of the project as evidenced by:

(a) The hearing of the House Subcommittee on Interior and Insular Affairs held at Devils Lake, N. Dak., on October 30, 1957, attended by over 2,500 interested citizens,

(b) The organization of the Garrison Diversion Conservancy District comprising 25 counties with the power, capacity, and willingness to substantially assist in the financing and development of the project,

(c) The manifest interest of landowners as shown by the creation of irrigation districts exceeding 100,000 acres, with additional irrigation districts exceeding 100,000 acres, now well along in the process of formation.

2. The additional funds are necessary to permit the orderly and most economical programing and development of the project which is of such size and magnitude that its use and benefits should not be delayed nor its costs increased.

3. A reduction of the necessary funds at this time would result in the loss of trained, experienced and technical employees.

Now, therefore, be it

Resolved, That the Chamber of Commerce of the City of Bismarck, this sixth day of February 1958, recommends to the Congress of the United States that the appropriation for the use of the Garrison diversion unit investigation be not less than $850,000; be it further

Resolved, That this resolution be sent to all members of the Congressional delegation from North Dakota.

COMPENSATION OF MAIL HANDLERS—LETTER AND RESOLUTION

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a letter from Local 45, National Association of Post Office and Postal Transportation Service Mail Handlers, Watchmen, and Messengers, signed by Raleigh Sandall, secretary, Minneapolis, Minn., together with a resolution adopted by that organization relative to the compensation of mail handlers.

There being no objection, the letter and resolution were ordered to be printed in the RECORD, as follows:

NATIONAL ASSOCIATION OF P. O. AND P. T. SERVICE MAIL HANDLERS, WATCHMEN, AND MESSENGERS,
Minneapolis, Minn., January 15, 1958.

To Whom It May Concern:

The enclosed resolution was adopted by Local 45, National Association of Post Office and Postal Transportation Service Mail Handlers, Watchmen and Messengers, at their monthly meeting November 10, 1957.

It is time that mail handlers were paid the same pay for doing similar work requiring equal responsibilities, as other classifications.

In many cases mail handlers and higher paid classifications perform the same duties and work but are paid at a lower salary level than other classifications. We consider this an injustice that must be eradicated.

Promotional opportunities are limited to employees in level 4 pay grade and above, thereby denying opportunities of advancement to qualified mail handlers. Therefore if mail handlers were placed in pay level 4 of the Postal Field Service pay schedule, this injustice would be rectified.

All employees, regardless of classification status, should receive equal pay for doing equal work, which is plain ordinary fair play and justice.

Fraternally,

RALEIGH SANDALL,
Secretary.

Whereas many mail handlers are required to perform similar duties with those within level 4 pay grades; and

Whereas many in level 4 pay grades are performing duties specifically designed as level 3 pay grades duties; and

Whereas all such duties require handling of mail matter of all types and with equal responsibility: Therefore be it

Resolved, That level 3 pay grades be abolished where it affects mail handlers classification; that such action be brought about by an amendment to existing Salary Reclassification Act now under consideration by Congress; and be it further

Resolved, That copies of this resolution be forwarded to all Members of Congress urging investigation of discriminatory practices now in effect, i. e., lack of equal opportunity for advancement, inadequate pay status for similar and responsible positions of trust, duty assignments, and many other direct causes of conflict and ill feeling existing under present policies, and, finally, that all postal employees responsible for the handling of mail matter be automatically advanced to level 4 pay grades, holding present pay step, and, with seniority as of date established by original appointment within the postal service.

LAKE SAKAKAWEA—RESOLUTION

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the board of directors of the Greater North Dakota Association, at Fargo, N. Dak., relating to the designation of Lake Sakakawea.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas the name of Sakakawea occupies a prominent place in the history and legends of the Missouri River Basin in North Dakota; and

Whereas it would be a fitting and deserved recognition of her historic role of assistance to the Lewis and Clark expedition if the name of Sakakawea were given to some structure, feature, or segment of the river above Mandan, N. Dak.: Now, therefore, be it

Resolved by the board of directors of the Greater North Dakota Association, meeting in Fargo, N. Dak., January 21–22, 1958, That it respectfully urges that the impoundment or reservoir formed by the construction of the Garrison Dam on the Missouri River, North Dakota, be officially named and designated Lake Sakakawea; be it further

Resolved, That a copy hereof be transmitted to each of Senators William Langer and Milton R. Young, Representatives Usher L. Burdick and Otto Krueger; to the Chief of Engineers, Corps of Engineers, U. S. Army; the Honorable John E. Davis, Governor of North Dakota; and to North Dakota State Water Conservation Commission.

RESOLUTIONS OF FARMERS GRAIN DEALERS ASSOCIATION OF NORTH DAKOTA

Mr. LANGER. Mr. President, I have received from C. H. Conaway, secretary of the Farmers Grain Dealers Association of North Dakota, a letter enclosing two resolutions adopted by that organization, relating to support prices for grain, and the authority for issuing loading orders.

There being no objection, the letter and resolutions were ordered to be printed in the RECORD, as follows:

FARMERS GRAIN DEALERS ASSOCIATION OF NORTH DAKOTA,
Fargo, N. Dak., February 5, 1958.

Hon. WILLIAM LANGER,
Senate Office Building,
Washington, D. C.

DEAR SENATOR LANGER: Attached are copies of two resolutions passed at our 46th annual convention of the Farmers Grain Dealers Association of North Dakota assembled at Fargo, N. Dak., on January 28, 29, 30, 1958. These resolutions were passed at our regular business meeting on January 30.

Your careful analysis of our position and findings will be appreciated.

Very truly yours,

C. H. CONAWAY,
Secretary.

Whereas North Dakota farmers are facing a steadily declining price on all types of grain produced in our State, and in view of the fact that everything in the way of manufactured products that the farmer has to buy is now at an alltime high price basis: Be it

Resolved, That the Farmers Grain Dealers Association of North Dakota in convention assembled petition our Senators and Congressmen to do everything possible to continue present support prices for grain; be it further

Resolved, That this resolution be forwarded to Senators YOUNG and LANGER and to Congressmen BURDICK and KRUEGER.

Whereas it has come to the attention of members of this association, the Minneapolis Commodity Office will not issue a loading

order unless it is approved by the State ASC committee which in turn receives its recommendations from the county ASC committees; and

Whereas we as individual country elevator operators have invested huge sums of money in our elevators much of it to assist our customers in taking advantage of price-support programs; and

Whereas the uniform grain storage agreement we signed is an agreement between us and the Commodity Credit Corporation and not with the county and State ASC committees who, particularly at the county level, very often have very little understanding of the grain business; and

Whereas since we have invested our capital in these facilities, we do not believe the prerogatives of management should be given to people with little or no knowledge of our business: Now, therefore, be it

Resolved, That this association go on record opposing as vigorously as possible the current procedure of allowing State and county committees the authority to say who should or should not get a loading order; and be it further

Resolved, That the Commodity Credit Corporation and the State and county ASC committees be requested to cease issuing instructions that cut across management prerogatives and lessen the effectiveness of our terminal representatives who have in the past and who still continue to properly serve the country elevator operators in protecting their interests; and be it further

Resolved, That immediately upon adoption, copies of this resolution be mailed to the State ASC committee, the Minneapolis Commodity Office; the Director, Grain Division, Commodity Stabilization Service, the Deputy Administrator for Price Supports, Commodity Stabilization Service, the Administrator Commodity Stabilization Service, the Secretary of Agriculture in Washington, D. C., and to both United States Senators and United States Representatives from the State of North Dakota.

RESOLUTION OF NATIONAL FEDERATION OF POST OFFICE CLERKS

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the executive committee of the National Federation of Post Office Clerks, at Washington, D. C., favoring the enactment of Senate bill 27, providing increased compensation for postal employees.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas the bill, S. 27, to provide a much-needed and well-earned salary increase for postal employees was reported to the Senate on July 22, 1957, and remained on the Senate Calendar when the 85th Congress reconvened on January 7; and

Whereas, on January 15, the Senate Committee on Post Office and Civil Service unanimously approved a series of committee amendments to the bill, S. 27, which were reported to the Senate and printed on January 23; and

Whereas the Senate Majority Policy Committee, at its meeting on January 15, cleared the bill S. 27, and the Senate majority leader, the Honorable LYNDON JOHNSON of Texas, advised the Senate on January 16 that the bill may be taken up at any time; and

Whereas as of this date, January 30, 1958, no Senate action has been taken, nor has such action been scheduled for a day certain: Now, therefore, be it

Resolved, That the executive committee of the National Federation of Post Office Clerks, meeting in Washington, D. C., January 30, 1958, urges, requests, and implores the Honorable LYNDON B. JOHNSON, majority leader; the Honorable WILLIAM F. KNOWLAND, minority leader, the majority and minority policy committees, and all Senators who indicated their support of adequate postal salary increases by their favorable votes on H. R. 2474 on August 27, 1957, to take such steps as may be necessary to secure an early vote on the bill S. 27; and be it further

Resolved, That copies of this resolution be sent to each Member of the United States Senate forthwith.

APPROPRIATIONS FOR HOSPITAL CONSTRUCTION—RESOLUTION

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the North Dakota State Council, and the State Health Planning Committee, relating to appropriations for hospital construction.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

JANUARY 16, 1958.

The North Dakota State Health Council and the State Health Planning Committee, in a joint meeting on January 16, 1958, passed the following resolution:

"Whereas the President's proposed budget showed a decrease of $297,547 in Hill-Burton funds under part C for hospital construction; and

"Whereas these Hill-Burton funds during the past 9 years have been well received in the State and have been instrumental in a great volume of improvement of hospital facilities; and

"Whereas there still remains a great deal of hospital improvement and construction yet to be accomplished and without allotments of comparable amounts some of this will necessarily be delayed: Now, therefore, be it

"*Resolved*, That the State Health Council and the State Health Planning Committee urgently solicit the support and action from our North Dakota Senators and Representatives in Congress for the restoration of these funds."

RESEARCH IN INDUSTRIAL USES OF AGRICULTURAL COMMODITIES—ARTICLE FROM ST. PAUL PIONEER PRESS

Mr. THYE. Mr. President, I have been a strong advocate of increased research in the industrial uses of agricultural commodities as a means of bringing into balance the ever-increasing production of our Nation's farms and the domestic use of these farm products. Increased consumption is the long-range answer to the economic problems of our farmers.

As an illustration of what is being done in basic agricultural research at the University of Minnesota, I ask unanimous consent that one of a series of articles which are appearing in the St. Paul Pioneer Press be printed at this point in the RECORD as part of my remarks, and that the article be referred to the Committee on Agriculture and Forestry for consideration along with consideration of bills to provide for expanded research in the use of agricultural products. These bills, introduced by the Senator from Indiana [Mr. CAPEHART] and the Senator from Nebraska [Mr. CURTIS] and cosponsored by a number of other Senators, including myself, were introduced in the first session of this Congress, and I hope will be scheduled for committee consideration before this session adjourns this year.

There being no objection, the article was referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

[From the St. Paul Pioneer Press of February 12, 1958]

SCIENCE IN MINNESOTA—UNIVERSITY STUDIES CORNSTARCH MOLECULES

Cornstarch molecules are getting a close look from scientists doing basic research in the agricultural biochemistry department at the University of Minnesota.

These molecules can't actually be seen, even with a microscope. But scientists do have ways of studying them, in starch as well as in a host of other agricultural products.

W. F. Geddes, head of the agricultural biochemistry department, said such basic investigations make up the major portion of the department's research.

Right now, for example, university biochemists are studying chemical reactions which may lead to development of plastic-type products made from cornstarch. To experiment with these reactions, however, the biochemists must first figure out the structure of many different types of carbohydrates. In this way, basic research gives fundamental information that may aid in practical findings later on.

Carbohydrate research is only one example of basic studies underway in the department of biochemistry. Other research subjects there include:

Fats and oils: Biochemists are studying characteristics of fat and how they affect food shortening. They are also attempting to learn what happens to the oil molecule when oil, such as in paint, dries and hardens. This information could be of extreme value to paint manufacturers.

Nutrition: Studies are underway to see if there are any as yet unknown growth factors in food. Vitamins were once unknown, but basic research led to their discovery. Biochemists are feeding experimental purified diets of known chemical composition to study processes by which animals and man utilize food. In one phase of the nutrition work, biochemists, in cooperation with the college of veterinary medicine, are looking for the reason why soybean meal extracted by the trichloroethylene process is toxic to certain animals. The fact that soybeans processed this way do have a poisonous effect was proven several years ago, but the actual substance that causes this toxic effect has not been isolated.

Thyroid gland functioning: Scientists are searching for more information on how the thyroid gland produces the hormone thyroxine, which is necessary for life in all animals. A recent finding on thyroid-gland activity led to a new and improved diagnostic test for thyroid-gland functioning.

Legume proteins: Biochemists are studying the phytoagglutinins in soybeans. Phytoagglutinins are plant proteins which cause red blood cells to group or clump together. Minnesota research in recent years has shown that heat treatment improves the nutritive value of these proteins. Studies now are aimed at finding whether there is any relationship between the clumping characteristic of these proteins and their nutritive value.

Milk chemistry: In this project, biochemists are studying the characteristics of proteins and fat in milk. They hope to learn, for example, the effects of heat on coagulation of milk by rennet, an enzyme used in cheesemaking. They are also studying effects of heat on milk salts in coagulation of casein in concentrated milk products. This information may be particularly valuable for the milk industry in developing better manufactured dairy products.

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. MONRONEY, from the Committee on Interstate and Foreign Commerce, without amendment:

S. 3016. A bill to provide for the issuance of dealers' aircraft registration certificates (Rept. No. 1290).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. THYE:

S. 3281. A bill to amend the Housing Act of 1950 in order to provide for loans to colleges and universities for science equipment and facilities; to the Committee on Banking and Currency.

S. 3282. A bill to amend the Internal Revenue Code of 1954 to provide, in the case of professional athletes, an income-tax reduction for depletion of physical resources; to the Committee on Finance.

(See the remarks of Mr. THYE when he introduced the above-mentioned bills, which appear under separate headings.)

By Mr. CLARK:

S. 3283. A bill for the relief of Jeanne Lorraine Rognan and the estate of Roy Rognan; to the Committee on the Judiciary.

By Mr. BEALL:

S. 3284. A bill for the relief of Cecilia Lai Fook; to the Committee on the Judiciary.

By Mr. LANGER:

S. 3285. A bill for the relief of Beatrice A. Barbeau;

S. 3286. A bill for the relief of St. Cecilia's Church, Velva, N. Dak.; and

S. 3287. A bill for the relief of Vivian D. Giesey; to the Committee on the Judiciary.

By Mr. JOHNSTON of South Carolina:

S. 3288. A bill to eliminate the $500 million limitation in effect with respect to funds that the Secretary of Agriculture may expend in carrying out an acreage reserve program for the 1958 crops, and to provide that not less than $275 million shall be used in carrying out an acreage reserve program for the 1958 crop of cotton; to the Committee on Appropriations.

(See the remarks of Mr. JOHNSTON of South Carolina when he introduced the above bill, which appear under a separate heading.)

By Mr. KEFAUVER:

S. 3289. A bill for the relief of Giuseppe Cagnini and Erasmo D'Alba; to the Committee on the Judiciary.

By Mr. CLARK (for himself, Mr. CARROLL, and Mr. MURRAY):

S. 3290. A bill to amend the Federal Coal Mine Safety Act in order to remove the exemption with respect to certain mines employing no more than 14 individuals; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. CLARK when he introduced the above bill, which appear under a separate heading.)

By Mr. HILL (for himself and Mr. SMITH of New Jersey.

S. 3291. A bill to provide an adjustment of salaries for personnel of the Department of Medicine and Surgery in the Veterans' Administration; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. HILL when he introduced the above bill, which appear under a separate heading.)

By Mr. SCOTT:

S. 3292. A bill for the relief of George S. Zorbalas; to the Committee on the Judiciary.

By Mr. KNOWLAND:

S. 3293. A bill to extend for 2 years the period for free importation of book bindings and covers; to the Committee on Finance.

By Mr. MAGNUSON (by request):

S. 3294. A bill to authorize the Secretary of Commerce to enter into contracts for the conduct of research in the field of meteorology and to authorize installation of Government telephones in certain private residences; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. MAGNUSON when he introduced the above bill, which appear under a separate heading.)

By Mr. MAGNUSON (for himself and Mr. PAYNE):

S. 3295. A bill to amend the Fish and Wildlife Act of 1956 in order to increase the authorization for the fisheries loan fund established under such act; to the Committee on Interstate and Foreign Commerce.

SALE OF ELLIS ISLAND, N. Y., TO PERPETUATION OF THE DOORWAY TO FREEDOM, INC.

Mr. LANGER. Mr. President, I submit, for appropriate reference, a resolution to cancel the bids on Ellis Island in New York Harbor, and to consecrate the 27½ acres to a far more worthy purpose than simply another Coney Island.

My information is that in a special bidding the General Services Administration was offered $200,000 by New York parties who propose a recreational development of the island for commercial purposes. I do not think an amusement park is a fitting end for the first piece of American soil on which 15 million Americans first set foot.

Through the years Europeans and others who have sought haven in the land of the free first saw their new homeland from Ellis Island. Fifteen million immigrants, whose children and grandchildren today walk American streets, first trod the soil of those 27½ acres. It is hallowed ground, the spirit of liberty and justice, which is America.

A far better plan for Ellis Island has been proposed by a group of public-spirited citizens in Wisconsin. Some weeks before bids were formally sought, this group in Wisconsin offered the General Services Administration $100,000 for Ellis Island and made known to the agency the purpose for which they sought the land. The same group entered this offer in a bid under the name of Perpetuation of the Doorway to Freedom, Inc. The announced plan by Perpetuation of the Doorway to Freedom, Inc., was to build a monument on Ellis Island to the American republics as a lasting symbol of the solidarity of the Western Hemisphere. It would be smaller than the Statue of Liberty, but no less symbolic. The Statue of Liberty has come to mean freedom to the individual. It was a magnificent gift from the people of France. I see no reason why we should not encourage the American people to build one themselves in honor of another people, particularly when it is designed as a lasting expression of appreciation to the other 20 American republics for the unity which has endured over the years in time of war and peace. The Western Hemisphere is one big fortress against the onslaught of the Old World. It is our strength and our only guaranty that we shall never face a tyrannical world alone.

It is my opinion such a memorial of hemispheric relations is a real note in our foreign relations. Always our foreign relations have been vested in the hands of a small group of career diplomats at the Department of State. They have not always done the best job. Not always have they had the trust of the public or the Congress. I should like to see wider participation in our foreign relations by the American people.

The people of France gave us the Statue of Liberty and it became our national symbol and a shining beacon in the world. Who knows but what the efforts of those American citizens in Perpetuation of the Doorway to Freedom, Inc., may give the Western Hemisphere no less worthy a symbol and strike the light of a new beacon of fellowship in today's troubled world.

The PRESIDENT pro tempore. The resolution will be received an appropriately referred; and, under the rule, the resolution will be printed in the RECORD.

The resolution (S. Res. 262), submitted by Mr. LANGER, was received and referred to the Committee on Government Operations, as follows:

Whereas the Monroe Doctrine united the Western Hemisphere politically; and

Whereas the American Republics are dependent upon one another economically as well as geographically; and

Whereas the good neighbor policy is an integral part of the foreign policy of the United States; and

Whereas perfect accord and understanding among the American Republics are essential to world peace and brotherhood; and

Whereas some fitting and lasting evidence of the unity of the American Republics would appropriately recognize and perpetuate the solidarity of the Western Hemisphere; and

Whereas public spirited citizens of the United States and the other American Republics have evidenced a laudable willingness to build a lasting tribute and memorial to these good neighbors: Now, therefore, be it

Resolved, That it is the sense of the Congress that the Federal property known as Ellis Island in the State of New York containing 27½ acres more or less should be sold at nominal cost to Perpetuation of the Doorway to Freedom, Inc., a nonprofit corporation organized under the laws of the State of Wisconsin, so that such corporation can utilize such island as a location for the erection, at no expense to the United States Government, of a monument dedicated to the solidarity of the American Republics.

AMENDMENT OF HOUSING ACT OF 1950, RELATING TO LOANS FOR SCIENTIFIC EQUIPMENT AND FACILITIES

Mr. THYE. Mr. President, I introduce, for appropriate reference, a bill to provide loans to colleges and universities for science equipment and facilities. Although I am a co-sponsor of the bill introduced by my distinguished colleague, the Senator from New Jersey [Mr. SMITH], to implement the recommendations of President Eisenhower, I feel that I must point out that my co-sponsorship on that bill was with the reservation that

it did not contain any provision for college science facilities.

My bill would simply amend the chapter of the National Housing Act which provides for loans to educational institutions for student and faculty housing, and would increase the funds available to the Housing Administrator for purposes of loans to these institutions.

Mr. President, if the Federal Government is to provide some program of scholarships for students of proven ability, then it is incumbent upon us to also provide our institutions of higher education with the means to construct and equip adequate laboratories and science buildings. I have given this problem my careful study and feel that a loan program, such as provided for in my bill, would be the most proper approach. I urge that my proposal be given careful consideration along with the study of the various scholarship programs which have been proposed. We must not disregard the physical needs of colleges and universities if we are to thrust upon them the responsibilities of training students who are eligible for national scholarships.

I might point out, Mr. President, that the College Housing Act provides that in administering college housing loans the Housing and Home Finance Administrator is to consult with the Commissioner of Education. It is proper that this provision also apply to the amendments proposed in my bill.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3281) to amend the Housing Act of 1950 in order to provide for loans to colleges and universities for science equipment and facilities, introduced by Mr. THYE, was received, read twice by its title, and referred to the Committee on Banking and Currency.

INCOME TAX DEDUCTION FOR PROFESSIONAL ATHLETES, RELATING TO DEPLETION OF PHYSICAL RESOURCES

Mr. THYE. Mr. President, I introduce, for appropriate reference, a bill which proposes to amend the Internal Revenue Code of 1954 to provide in the case of professional athletes an income tax deduction for depletion of physical resources. Mr. President, I think it is most timely that such a bill be considered by the Congress.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3282) to amend the Internal Revenue Code of 1954 to provide, in the case of professional athletes, an income tax deduction for depletion of physical resources, introduced by Mr. THYE, was received, read twice by its title, and referred to the Committee on Finance.

APPLICATIONS FOR SOIL BANK BENEFITS

Mr. JOHNSTON of South Carolina. Mr. President, I introduce for appropriate reference to the Appropriations Committee a bill which would provide more money for the soil bank to aid farmers who have made application and who desire to get into the soil bank but who have been turned down by the Department of Agriculture. In South Carolina hundreds of farmers made application. The Agriculture Department stated that applications would be received over a period of 3 weeks. The time for filing applications remained open for only 3 days, and then the opportunity was closed. A great many farmers now desire to get into the soil bank, but cannot do so. It is imperative that we help these farmers. They cannot understand the Government's refusal to help the farmers while it so generously renders aid to foreign governments.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3288) to eliminate the $500 million limitation in effect with respect to funds that the Secretary of Agriculture may expend in carrying out an acreage reserve program for the 1958 crops, and to provide that not less than $275 million shall be used in carrying out an acreage reserve program for the 1958 crop of cotton, introduced by Mr. JOHNSTON of South Carolina, was received, read twice by its title, and referred to the Committee on Appropriations.

PROPOSED EXTENSION OF FEDERAL SAFETY INSPECTION PROGRAM TO ALL COAL MINES

Mr. CLARK. Mr. President, on behalf of the junior Senator from Colorado [Mr. CARROLL], the senior Senator from Montana [Mr. MURRAY], and myself, I introduce, for appropriate reference, a bill to amend the Federal Coal Mine Safety Act, in order to remove the exemption with respect to certain mines employing no more than 14 individuals.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3290) to amend the Federal Coal Mine Safety Act in order to remove the exemption with respect to certain mines employing no more than 14 individuals, introduced by Mr. CLARK (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

Mr. CLARK. Mr. President, I ask unanimous consent that the bill may lie on the table for 48 hours, in the hope that other Senators will feel inclined to cosponsor the proposed legislation.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CLARK. Government figures show that the rate of fatalities in title I mines, or mines with a small number of employees, is three times as high as in other mines. Moreover, the rate has shown a continuing increase for the past 3 years while the rate in federally inspected mines has remained almost constant.

Title I mines produced only about 7 percent of our coal tonnage but accounted for more than a quarter of total mine accidents in 1957. In January of this year alone, 11 of 30 coal mine fatalities occurred in title I mines.

It is evident that Federal inspection would help to save lives.

Federal inspectors would not supplant State inspectors but would work cooperatively, as they now do in inspection of the larger mines.

I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a table comparing fatalities in Title I and Title II mines, based on U. S. Government statistics.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Underground coal mine fatal accident statistics

	1957		1956		1955	
	Fatalities	Rate	Fatalities	Rate	Fatalities	Rate
Bituminous:						
Title I	97	4.24	70	2.95	57	2.41
Title II	276	1.17	270	1.17	243	1.00
Anthracite:						
Title I	12	8.67	12	7.38	10	6.55
Title II	36	1.80	36	1.54	39	1.77
Total:						
Title I	109	4.49	82	3.23	67	2.66
Title II	312	1.22	306	1.20	282	1.06

1955: 19.2 percent of the total accidents occurred in title I mines.
1956: 21.1 percent of the total accidents occurred in title I mines.
1957: 25.9 percent of the total accidents occurred in title I mines.
NOTE.—The rate is calculated on the basis of per million man-hours of exposure.

ADJUSTMENT OF SALARIES FOR PERSONNEL OF DEPARTMENT OF MEDICINE AND SURGERY, VETERANS' ADMINISTRATION

Mr. HILL. Mr. President, on behalf of myself and the Senator from New Jersey [Mr. SMITH], I introduce, for appropriate reference, a bill to provide an adjustment of salaries for personnel of the Department of Medicine and Surgery in the Veterans' Administration.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3291) to provide an adjustment of salaries for personnel of the Department of Medicine and Surgery in the Veterans' Administration, introduced by Mr. HILL (for himself and Mr. SMITH of New Jersey), was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

Mr. HILL. Mr. President, I ask unanimous consent to have printed in the REC-

ORD at this point, in explanation of the bill, a letter from the Veterans' Administration to the Vice President, explaining the bill and giving the reasons for the administration's desire to have the bill enacted into law. I ask also that the material attached be printed.

There being no objection, the letter and material were ordered to be printed in the RECORD, as follows:

VETERANS' ADMINISTRATION,
Washington, D. C., January 21, 1958.

Hon. RICHARD M. NIXON,
President of the Senate,
Washington, D. C.

DEAR MR. PRESIDENT: There is transmitted herewith a draft of a bill to provide an adjustment of salaries for personnel of the Department of Medicine and Surgery in the Veterans' Administration.

The primary purpose of the proposed bill is to increase the basic salary rates authorized by title XIV of the Veterans' Benefits Act of 1957 (Public Law 85–56), for physicians, dentists, nurses, and certain other personnel in the Department of Medicine and Surgery in the Veterans' Administration. The proposed bill would adjust the additional allowance for specialists from 25 percent to 17.5 percent of basic pay and increase by 5 the authorized statutory grades of directors of service or chiefs of division.

Salary rates for Government employees, particularly for those in scientific, professional, and managerial positions, are substantially below the rates for positions of comparable responsibility in similar areas of non-Federal employment. The ever-widening disparity between the pay of the indicated personnel in the Department of Medicine and Surgery and the net income of private practitioners in the medical and related fields is a marked example of this inequity.

In his annual budget message for the fiscal year 1959, the President indicated that certain revisions are needed in the statutory pay structures for civilian (and military) personnel of the Government in order to retain in the Federal service the highly skilled and able civilian employees who contribute so much to the Nation's strength. In this connection, it may be noted that surveys have disclosed that more than two-thirds of the physicians resigning from the Department of Medicine and Surgery listed "economic causes" as the reason for leaving.

The increases which would be provided by the proposed bill are consistent with the plan for comparable adjustments in the pay of civilian and military personnel of the Federal Government recently outlined to the Congress by the President. It is believed that they would lessen the continuing major problem of recruitment and retention of the physicians, dentists, nurses, and certain other staff personnel necessary to provide a complete medical and hospital service for the care and treatment of sick and disabled veterans.

There is enclosed a comparative chart showing the existing salaries of the professional personnel in the Department of Medicine and Surgery and the salaries proposed by the draft bill. The adjustment of the additional allowances for certified specialists (from 25 percent to 17.5 percent) provides a relatively smaller increase for specialists in certain grades but will result in an increase in their retirement benefits and will permit progressive advancement with correspondingly orderly salary increments.

It is estimated that the cost of the proposed bill would be approximately $10,723,000 the first year. There is enclosed a breakdown of such cost, as well as the estimated cost for the second through the fifth year following enactment and the numbers, by groups, of personnel affected.

It is recognized that there is pending before the House of Representatives a bill, H. R. 6719, which is designed, in part, to accomplish a purpose similar to this proposal. However, that bill also contains certain other pay features and organizational changes that are not recommended by the Veterans' Administration at this time.

For the foregoing reasons, it is respectfully requested that the proposed legislation be introduced and considered for enactment as soon as possible.

Advice has been received from the Bureau of the Budget that the enactment of the proposed legislation would be in accord with the program of the President.

Sincerely yours,

SUMNER G. WHITTIER,
Administrator.

DEPARTMENT OF MEDICINE AND SURGERY, VETERANS' ADMINISTRATION

Statutory salaries

Position	Present salary	New proposal	
		Minimum	Maximum
Chief Medical Director	$17,800	$19,500	
Deputy Chief Medical Director	16,800	18,500	
Assistant Chief Medical Director	15,800	17,500	
Directors of service	13,225 / 14,300	14,500	$16,500
Director of Nursing Service	11,610	13,000	14,700
Deputy Director of Nursing	10,320	11,105	12,255
Chief dietitian [1]	10,320	13,000	14,700
Chief pharmacist [1]	10,320	13,000	14,700
Chief physical therapist [2]	10,320	11,105	12,255
Chief occupational therapist [2]	10,320	11,105	12,255

[1] Other directors of service with comparable positions in Department of Medicine and Surgery, central office, Washington, D. C., have been allocated grade 15 positions based on classification standards for these positions such as Director, Social Service; and Director, Special Services.

[2] Do not serve as director of service.

Salaries for physicians, dentists

Grade	Basic salary scales (noncertified)			
	Present		Proposed	
	Minimum	Maximum	Minimum	Maximum
Chief	$11,610	$12,685	$13,000	$14,700
Senior	10,320	11,395	11,105	12,255
Intermediate	8,990	10,065	9,675	10,825
Full	7,570	8,645	8,150	9,300
Associate	6,390	7,465	6,880	8,030
Junior	5,915	6,720	6,270	7,140

Grade	Salary scales of certified specialists			
	Present 25-percent specialty allowance		Proposed 17.5-percent specialty allowance	
	Minimum	Maximum	Minimum	Maximum
Chief	$13,760	$13,760	$15,275	$16,000
Senior	12,900	13,760	13,048	14,400
Intermediate	11,238	12,581	11,368	12,719
Full	9,463	10,806	9,576	10,928

Salaries for nurses

Grades	Present salaries		Proposed salaries	
	Minimum	Maximum	Minimum	Maximum
Junior	$4,025	$4,885	$4,325	$5,195
Associate	4,730	5,590	5,270	6,140
Full	5,440	6,250	5,770	6,640
Senior	6,390	7,465	6,880	8,030
Assistant Director	7,570	8,645	8,150	9,300

5-year cost analysis, increased cost of provisions of proposed bill over salaries of affected personnel, June 30, 1957

Type of personnel	Year in effect					Approximate numbers FT personnel
	1st	2d	3d	4th	5th	
Total	$10,723,000	$10,884,000	$11,037,000	$11,178,000	$11,310,000	19,753
Statutory	153,000	155,000	158,000	158,000	158,000	41
Physicians	4,515,000	4,583,000	4,647,000	4,707,000	4,763,000	4,576
Dentists	721,000	732,000	742,000	752,000	761,000	757
Nurses	5,334,000	5,414,000	5,490,000	5,561,000	5,628,000	14,379

RESEARCH IN FIELD OF METEOROLOGY—INSTALLATION OF TELEPHONES IN CERTAIN RESIDENCES

Mr. MAGNUSON. Mr. President, by request, I introduce for appropriate reference a bill to authorize the Secretary of Commerce to enter into contracts for the conduct of research in the field of meteorology and to authorize installation of Government telephones in certain private residences. I ask unanimous consent that a statement of the purpose of and need for the proposed legislation be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The bill (S. 3294) to authorize the Secretary of Commerce to enter into contracts for the conduct of research in the field of meteorology and to authorize installation of Government telephones in certain private residences, introduced by Mr. MAGNUSON, by request, was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The statement presented by Mr. MAGNUSON is as follows:

STATEMENT OF PURPOSE OF AND NEED FOR THE PROPOSED LEGISLATION TO AUTHORIZE THE SECRETARY OF COMMERCE TO ENTER INTO CONTRACTS FOR THE CONDUCT OF RESEARCH IN THE FIELD OF METEOROLOGY AND TO AUTHORIZE INSTALLATION OF GOVERNMENT TELEPHONES IN CERTAIN PRIVATE RESIDENCES

Section 1 of this proposed legislation would clarify the authority of the Department to enter into research contracts in the various meteorological fields. At present the only specific authority for entering into such projects is contained in Section 802 of the Civil Aeronautics Act of 1938, as amended (49 U. S. C. 603), which authorizes the Department to enter into research contracts with public and private agencies for the purpose of increasing the safety and efficiency of air navigation.

As a result, the Department, rather than relying upon inherent authority to enter into research contracts, places the contracts on the basis that they relate to civil aviation. It would appear to be preferable to recognize

the value of research programs in the entire field of meteorology by removing this artificial limitation on such contracts.

In many cases the most efficient method of accomplishing desired research in a particular area of meteorological science is to have all or part of the project contracted out to private agencies, such as universities, in order that their highly specialized research facilities can be utilized. If the Department were to attempt to perform all such research at its own facilities with its own personnel, substantial temporary increases in both facilities and personnel would be required. Research contracts make available the desired facilities and experienced personnel at far less cost to the Government. Enactment of the proposed legislation would constitute recognition of the value of the use of research contracts in all fields of meteorology.

Moreover, it is believed that the enactment of specific legislation authorizing such contracts would eliminate possible reluctance on the part of contractors to undertake projects not obviously related to aviation meteorology and would stimulate the interest of private organizations in securing such contracts.

Section 2 of this proposed legislation would authorize the expenditure of public money for telephone services installed in private residences for use as the Chief of Bureau may direct in carrying into effect the basic enabling laws authorizing collection and distribution of information on weather conditions throughout the United States, its Territories, and possessions. The telephone installations will be made in cases where frequent need can be shown to exist, or isolated location prevents use of public utility communication facilities to contact meteorological personnel for reports of severe storms, floods, etc., and the dissemination of emergency weather warnings, etc.

At many semi-isolated or isolated locations, Weather Bureau field facilities are not open 24 hours daily, and at these locations field employees have little or no requirements for private telephones in their residences which are often Government-owned. In cases where special weather observations are urgently needed from these stations after normal office hours, or it is urgent that storm warnings or advice be disseminated, there are no telephone facilities now available by which field personnel can be contacted and required reports obtained, or warnings issued. The installation of telephone services in private residences in these instances will insure that emergency meteorological services are available at all locations.

Section 1 of this legislation is merely clarifying in nature and no increase in expenditures would be involved.

Section 2 would involve an estimated expenditure of $8,000 per annum from base appropriation.

APPROPRIATIONS FOR CONTINUATION OF CONSTRUCTION OF HIGHWAYS—AMENDMENT

Mr. BARRETT (for himself, Mr. O'MAHONEY, Mr. ALLOTT, Mr. BIBLE, Mr. BENNETT, Mr. DWORSHAK, Mr. MAGNUSON, and Mr. WATKINS) submitted an amendment, intended to be proposed by them, jointly, to the bill (S. 3088) to amend and supplement the Federal-Aid Road Act approved July 11, 1916, to authorize appropriations for continuing the construction of highways which was referred to the Committee on Public Works, and ordered to be printed.

AMENDMENT OF INTERNAL REVENUE CODE—AMENDMENT

Mr. CURTIS submitted an amendment, intended to be proposed by him, to the bill (H. R. 8381) to amend the Internal Revenue Code of 1954 to correct unintended benefits and hardships and to make technical amendments, and for other purposes, which was referred to the Committee on Finance and ordered to be printed.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. KEFAUVER:

An address entitled "The Space Age's Challenge to Engineers," prepared for delivery before Chattanooga Engineers Club.

By Mr. MUNDT:

Statement by him and explanatory tables on the National Wool Act of 1954.

By Mr. CURTIS:

Statement by him on National Beauty Salon Week.

By Mr. PROXMIRE:

Statement prepared by him on the 40th anniversary of Lithuanian independence.

IMPORTANCE OF CORRECT ASSESSMENT OF THE ECONOMIC SITUATION

Mr. SMITH of New Jersey. Mr. President, I am just as deeply concerned as any other Member of this body over the latest official reports which indicate a sharp rise in unemployment during the last month. At the same time, I share the feeling which the New York Times expressed editorially on last Friday; namely, that "correct assessment of our economic situation is too important to be left to those who are politically motivated."

As the editorial pointed out, the reports offer no justification for panic—our economy survived situations which were relatively worse, in 1949–50, and again in 1953–54, without suffering anything remotely approaching catastrophe. Our duty is to maintain intelligent concern and watchfulness, but to refrain from political attempts to cultivate national alarm.

In view of the loud cries of doom and the hysterical attacks on the administration's economic policies which have been voiced in the last few days, I believe the New York Times recently performed a valuable public service by helping to place the situation in its true perspective. For this reason, I ask unanimous consent that the lucid editorial entitled "Unemployment Perspective," which appeared in the February 14 issue of the New York Times, be printed in the body of the RECORD at this point as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

UNEMPLOYMENT PERSPECTIVE

The latest Federal data on unemployment have aroused a political storm in Washington. In this Congressional election year it is understandable that the opposition party should scent the possibility of victory in November by confronting the voters with a black economic picture, responsibility for which will be put on the Eisenhower administration. However, correct assessment of our economic situation is too important to be left to those who are politically motivated. Moreover, the effort to draw the darkest possible conclusions from present data holds the serious danger of encouraging a climate of economic defeatism which could in turn become a threatening psychological factor hindering improvement. So let us seek a balanced view.

There are 3 disturbing elements in the January report. The increase of unemployment from December to January, 1,120,000 persons, was the largest since 1941. The total number of unemployed reported, 4,494,000 persons, was the largest since the peak of the 1949–50 recession. The number of workers working fewer than 35 hours a week last month was at a post-World War II high of 2 million.

Taken by themselves, however, even those disturbing elements do not provide justification for panic-mongering, since there are also important reassuring elements in the picture. Employment last month was 62,238,000 persons, within a small fraction of 1 percent of the same figure a year ago, when pessimistic forecasts such as we have been hearing recently were conspicuously absent.

Again taking account of seasonal fluctuation, unemployment last month, as a percentage of the total labor force, was smaller than at the peak of either the 1949–50 or 1953–54 recessions. This last point is particularly important, because many who are now drawing the darkest conclusions from the present figures forget that these figures must be measured against the substantially greater labor force and greater employment we have now. Finally, we are moving toward a period of the year when seasonal forces will tend to raise employment and lower unemployment, rather than the reverse, as in the present, comparison between December 1957, and January 1958.

There is no blinking the fact that for the individuals and families involved unemployment means both material and spiritual suffering. Panic and dismay in an individual who loses his job are understandable. But from the point of view of the national economy at the present time, the available data give no justification for panic, since we have been in relatively worse situations earlier in the post-war period without suffering anything remotely approaching catastrophe.

What is justified in the present situation is intelligent concern and careful watchfulness, but neither of these resembles politically motivated efforts to cultivate hysteria.

RETIREMENT OF SENATOR HARRY F. BYRD

Mr. SMITH of New Jersey. Mr. President, it was a great surprise and disappointment to all of us to hear that our distinguished colleague, the senior Senator from Virginia [Mr. BYRD], will not run for reelection next fall. Senator BYRD has won such a high place in the hearts of all of us, on both sides of the aisle, that it is hard to think of this great body without his active participation. We especially appreciate the wonderful work he has done for the Senate in watching over the fiscal operations of the Government.

During the years of my service here, I have come to know HARRY BYRD intimately. I have always felt that he would raise the voice of warning whenever the Congress might go too far in the direction of Federal spending.

However, aside from his great contribution in the field of legislation, his special contribution stems from the fact that he is HARRY BYRD, of Virginia, a great national figure and a great voice in this distinguished body. He will be sorely missed. I regret that he will not be here in future years, to help guide the thinking of the United States Senate.

Mrs. Smith and I join in expressing our regrets. It is our sincere hope that Mrs. Byrd will soon be restored to her full health and strength, so that she and Senator BYRD together can enjoy the beauties of Virginia, which they love so ardently.

BUNGLING OF THE COTTON ACREAGE RESERVE PROGRAM OF THE SOIL BANK FOR 1958

Mr. TALMADGE. Mr. President, what little faith the farmers of Georgia might have had in the Department of Agriculture has been destroyed by the arrogant deceit and stupid bungling which have marked the sign-up for participation in the cotton acreage reserve of the soil bank for 1958.

Learning nothing from last year's unfortunate experience, the Department again this year proceeded to distribute soil-bank benefits on a first-come-first-served basis—a practice which, it goes without saying, is totally contrary to the legislative intent and spirit of the law, to say nothing of the fundamental premise of equal treatment to all under all governmental programs.

The sign-up period was announced as extending from January 13 through March 7; but after only 4 days it was arbitrarily terminated when what should have been obvious all along became painfully apparent—that on a first-come-first-served basis, there would not be enough funds to permit every interested farmer to have maximum participation in the soil bank.

This meant that those who were hardy enough to stand in line all night—and fortunate enough to arrange their affairs so that they could—were to receive the benefits, while those who had to milk the cows and do the chores before coming to town were left "holding the bag." It also meant that farmers who left the sign-up lines in good faith, at the request of local ASC officials who gave them numbers and told them there was no urgency about signing up, also were "left out in the cold."

It was at that time that I filed with Secretary Benson a vigorous protest about this shortsighted and unfair action, and appealed to him to take prompt steps to assure equal treatment to all farmers in the distribution of soil-bank benefits. I ask unanimous consent, Mr. President, that my telegram to Mr. Benson be printed herewith in the RECORD, as a portion of my remarks.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

Hon EZRA T. BENSON,
Secretary of Agriculture,
Department of Agriculture,
Washington, D. C.:

Georgia cotton farmers are angered and frustrated over the action of the Department of Agriculture in halting prior to the March 7 closing date the signing up of cotton land for inclusion in the acreage reserve of the soil bank for 1958. Reports from Georgia cotton counties tell of block-long lines of farmers waiting overnight to qualify for participation only to be turned away due to inability of local ASC officers to process the multitude of requests. Those who in good faith left their places in line at request of local ASC officials to return at a later date now find their participation foreclosed by USDA order. This action which has its basis in the ceiling fixed by the Department of Agriculture on funds to be allocated to the cotton-acreage reserve is, in my opinion, contrary both to the spirit of the soil-bank law and the American concept of equal treatment to all under the law. The action again points up the fact that the Southeastern States are not being allotted their proportionate share of soil-bank funds. It had been my hope that, as a result of last year's unfortunate experience, the Department of Agriculture would not again seek to distribute soil-bank benefits on a first-come-first-served basis which results in unequal treatment. I do earnestly urge the taking of prompt steps to assure equal treatment of all farmers in the distribution of soil-bank benefits and to provide for the States of the Southeast their proportionate share of soil-bank funds.

I shall be grateful for a report as to the action you contemplate.

Regards.

HERMAN E. TALMADGE,
United States Senator from Georgia.

Mr. TALMADGE. Mr. President, in reply to this and other protests, the Department on January 29 extended the signup period until February 20; but, instead of taking bold action to assure equal treatment in the distribution of benefits, the Department passed the "buck" to the State ASC committees.

I ask unanimous consent, Mr. President, that the letter which I received from Assistant Secretary Marvin L. McLain, along with the Department news release announcing this decision, also be printed herewith in the RECORD as a portion of my remarks.

There being no objection, the letter and news release were ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
Washington, D. C., February 12, 1958.

Hon. HERMAN E. TALMADGE,
United States Senate.

DEAR SENATOR TALMADGE: This is in reply to your telegram of January 20, 1958, regarding farmers who could not participate in the 1958 cotton acreage reserve program of the soil bank.

The period for farmers to sign agreements to place cotton acreage in the 1958 acreage reserve program was opened on January 13. Congress appropriated $500 million for the 1958 acreage reserve program for cotton, corn, wheat, tobacco, rice, and peanuts. The Department allocated $180 million of this amount for cotton. The signup was opened to farmers on a first-come first-served basis. No allocations were made initially to States or counties to limit participation. Furthermore, no maximum farm limits were established. The signup period was opened without limitations on the basis of our estimate that the $180 million available for cotton would be sufficient to cover the acreages offered by cotton farmers.

On January 17, 4 days after the opening of the signup period, it was necessary to temporarily suspend the signup for cotton. This action was taken because of the unexpectedly heavy signup during the first few days.

Enclosed are copies of the Department's announcement, dated January 29. This announcement explains the present situation and the methods that may be used by State and county agricultural stabilization and conservation committees in proceeding with the approval of agreements with farmers under the acreage reserve program.

The $180 million available for the 1958 acreage reserve program will result in the removal of approximately 3.4 million acres from cotton production in 1958. It is now evident that this will not permit maximum participation on the part of all farmers who may desire to place acreage in the program.

Your interest in the soil bank program is appreciated.

Sincerely yours,

MARVIN L. MCLAIN,
Assistant Secretary.

ASC COMMITTEES WILL DETERMINE METHOD FOR ALLOCATING ACREAGE RESERVE FUNDS TO FARMERS

State agricultural stabilization and conservation (ASC) committees have been authorized to determine the method to be followed in each State in making allocations of available acreage reserve funds to individual farmers, when it is necessary to put a limit on participation by those who wish to take part in the program, the United States Department of Agriculture announced today.

As previously announced, greater than expected desire of producers to participate in the program made it necessary to establish a fund allocation plan. Funds available nationally for each of the five basic crops involved have been allocated to States. Each State's funds are then allocated to counties. Finally, the county allocations must be made available to individual farmers.

Because participation interest and fund conditions vary widely by States, and among eligible crops within States, Department officials felt that it was advisable to provide for local choice in assuring the best possible distribution of available funds to farmers who want to participate.

State ASC committees may choose to distribute their allocated funds to farmers on the basis of "first come first served," with agreements approved in the order they were filed. On the other hand, they may choose to make the distribution on the basis of a farm acreage limitation, in which a maximum number of acres or a maximum percentage of the farm's acreage allotment would be accepted.

In cases where applications for Acreage Reserve agreements already filed with the ASC county committee would call for payments exceeding the county allocation, one of these two methods would be used to adjust within available funds. In cases where agreements filed call for payments within the allocation of the funds available, but there are indications that the filing of additional agreements might exceed the limit, one of the two distribution methods would be used to keep participation within the county limit of funds for each crop which is included in the acreage reserve program.

Where it is determined that uncommitted funds are available, ASC committes will accept additional acreage reserve agreements within the limits of funds available. If more farmers wish to take part in the program than can be included within fund limits, the names of such farmers will be listed in order on special registers. If later reallocation of funds permits, as many as possible of these farmers will be authorized to file agreements.

Mr. TALMADGE. As of the time of that action there were 11,332 cotton farmers in Georgia on the waiting list for soil bank participation.

I ask unanimous consent, Mr. President, to have printed herewith in the RECORD a copy of the telegram which I

received from the Georgia State ASC administrative officer setting forth those figures.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

ATHENS, GA., *January 28, 1958.*

Hon. HERMAN E. TALMADGE,
United States Senate,
Washington, D. C.:

For your information, following is status of 1958 acreage reserve program as of January 24:

Cotton: State allocation $17,205,700. Signed through cutoff date 33,279 farms for $21,765,462. On waiting list 11,332 farms for $5,314,421. Total farms 44,611. Total $27,079,883.

Flue-cured tobacco: State allocation $2,078,600. Signed through cutoff date 6,195 farms for $2,716,094. On waiting list 209 farms for $85,008. Total farms 6,404. Total $2,801,102.

Corn: State allocation $1,370,600. Signed through cutoff date 5,710 farms for $2,413,903. On waiting list 599 farms for $240,841. Total farms 6,309. Total $2,654,745.

JOHN F. BRADLEY,
State Administrative Officer.

Mr. TALMADGE. Mr. President, since it was apparent that the only result of the extended signup period without a clear-cut directive from the Department of Agriculture would be to increase the waiting list, I appealed to the Georgia State ASC Committee to make a pro rata distribution of Georgia's share of cotton soil bank acreage reserve funds.

I ask unanimous consent, Mr. President, to have printed in the RECORD herewith a copy of the telegram which I sent to Hon. John F. Bradley, administrative officer of the Georgia State ASC Committee.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

Hon. JOHN F. BRADLEY,
Administrative Officer, State ASC Committee, Old Post Office Building, Athens, Ga.:

Many Georgia cotton farmers are communicating to me their great dissatisfaction with the proposed distribution of soil-bank acreage-reserve benefits on a first-come-first served basis. Inasmuch as the theory of all governmental programs is equal treatment to all, the inequity of such an arrangement is obvious. It is particularly unfair in this instance in view of the fact that many farmers who now find there are no funds for benefits for them left the sign-up lines in good faith at the request of local ASC officials who gave them numbers and told them there was no urgency about signing up. The only fair and equitable way in which this dilemma can be resolved is to distribute Georgia's share of allocated soil-bank acreage-reserve benefits on a pro rata basis and, since the Department of Agriculture has left to the discretion of State ASC committees the determination of whether distribution shall be first come, first served or pro rata, I appeal to you and the Georgia committee, in the name of equal treatment for all Georgia cotton farmers, to make a pro rata distribution of Georgia's share of cotton soil-bank acreage-reserve funds. An announcement by you to that effect will be good news not only to Georgia cotton farmers but also to all taxpayers who believe in fair and equal treatment for all. I would be deeply grateful for a report as to the decision of the Georgia ASC Committee in this connection. Regards.

HERMAN E. TALMADGE.

Mr. TALMADGE. Mr. President, I have not yet received a reply from Mr. Bradley, and I wish to renew at this time my plea that he and the Georgia State ASC Committee—in the name of equal treatment for all Georgia cotton farmers—make a pro rata distribution of soil bank benefits in Georgia.

It is only through a pro rata distribution, Mr. President, that the ends of justice can be served. Such should be the rule throughout the Nation and, in keeping with the true spirit of the American concept of equal treatment for all men, I call on the Department of Agriculture to act to restore the faith of the farmers of Georgia and all other States by so decreeing.

I sincerely hope, Mr. President, that hindsight will accomplish for the Department of Agriculture what foresight most assuredly did not do.

I regret that I have to agree, Mr. President, with the recent editorial of the Atlanta Constitution which stated:

Unfortunately, this administration shows a remarkable dearth of both when it comes to farm matters.

I ask unanimous consent, Mr. President, that there be printed herewith at the conclusion of my remarks a representative compilation of the protests which I have received from the farmers of Georgia about the unfairness of present Department of Agriculture cotton soil bank policies.

There being no objection, the compilation was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE COMMITTEE ON RULES AND ADMINISTRATION,
February 16, 1958.

Senator HERMAN E. TALMADGE,
Senate Office Building,
Washington, D. C.:

We, the cotton farmers of Morgan County, are in the midst of the greatest turmoil since reconstruction days due to insufficient soil-bank funds that are available to only half of the cotton farmers who want to participate in the program—other half being left out because of not applying first. We have utmost confidence in you and we urge you to fight for additional funds to complete the program or revise it so all farmers can participate equally.

Best regards,

HOWARD TAMPLIN,
Representative, Morgan County.

MATTHEWS, GA., *February 10, 1958.*

Senator HERMAN TALMADGE,
Washington, D. C.:

Please use your influence to have more money appropriated for the cotton reserve retirement program. Under the present set-up of first come first served, farmers who waited to sign up have been left out all together. It is unfair to some to get in on the program to the limit and others to be left out entirely.

BARROW & PRESCOTT,
By H. C. BARROW AND
E. N. PRESCOTT.

WRENS, GA.

Hon. HERMAN E. TALMADGE,
United States Senator,
Washington, D. C.:

Do what you can to get more money appropriated for the cotton reserve program. The ruling of the State board—first come, first served—will leave a lot of farmers who have signed up for the reserve program without any payment at all.

J. E. (Doc) BARROW.

MATTHEWS, GA., *February 10, 1958.*

Hon. HERMAN TALMADGE,
Senator From Georgia,
Washington, D. C.

DEAR HERMAN:

(Letter following telegram.)

The State Board of ASC sent out notices to the effect that farmers had until the 7th of March to sign up for cotton reserve retirement program. I was there on Monday morning, the first day for signing up, and there were lines 200 yards each way pushing and shoving. I turned around and came home and went back in a few days and they had stopped taking applications.

Under the present set-up of first come, first served at least 30 percent of the farmers wanting to take part in the program in Jefferson County will not be able to put any of their acreage in the program. All of them are angry about it and feel that there is absolutely nothing fair about a first come, first served program when notices were made that farmers had until March 7 to sign up. If it is not possible to have additional funds appropriated it is felt that a pro-rating system should be used so that all who want to take part in the program can at least have some of their acreage in the program. Many farmers have released much of their labor expecting to put their cotton acreage in the program.

I realize that it would require some extra work on the part of the State board and the local committee to figure the program on a pro-rata basis, but I feel that it is better for these persons, already on the payroll, to put out a little extra effort than to have many of the farmers cut out of the program altogether.

A large majority of the farmers who would benefit by the first come, first served basis feel that this basis is not fair and would like to see it put on a pro-rata basis in fairness to the other farmers. It seems that the $3,000 boys are in solid and the small farmers are being cut out.

I talked with Mr. Morgan, who I understand is chairman of the State board, and he told me that there is nothing he can do, or the Senators or Congressmen can do, about the first come, first served ruling and that the only alternative is for Congress to appropriate more money.

HERMAN, the men out here who have always supported you and your father have asked me to contact you about this and I feel that I am speaking the sentiments of 90 percent of the farmers in this area. I realize you are busy, but if there is anything you can do to help this situation all of us would appreciate it.

Yours very truly,

Doc BARROW,
J. E. (Doc) BARROW.

SYLVESTER, GA., *February 11, 1958.*

Senator HERMAN TALMADGE,
Washington, D. C.:

Farmers of Worth County very much disturbed over distribution of acreage reserve funds. There have been many to sign up that shall be left out according to USDA orders to the local ASC offices.

We call your attention to this fact, believing you have the interest of farmers in this section at heart. As you know, we can't call on Mr. Benson as he has proven farmers can find no haven of rest with him.

We want to express our thanks to you for your past favors to farmers in this section.

If we can assist you in any capacity, we stand ready.

WORTH COUNTY FARM BUREAU,
A. A. HICKS, *President.*

CAMILLA, GA., *February 11, 1958.*

Hon. HERMAN E. TALMADGE,
United States Senate,
Washington, D. C.:

Request that you use all your influence to make funds available to all those wishing to

participate in the acreage reserve program. Farm sentiment in this area is very strong for same.

Respectfully yours,
JOHN C. AND JOE W. BUTLER.

SYLVANIA, GA., *February 11, 1958.*
Senator HERMAN TALMADGE,
Washington, D. C.

DEAR SENATOR: Screven County ASC office opened Monday 10th taking first-come, first-served in soil-bank cotton and corn program. Approximately 35 percent will be taken, leaving out approximately 65 percent.

We are much dissatisfied with this, and we ask that you assist us in protesting this with all power possible.

L. L. EVANS,
President, Newington Lions Club.
C. C. POYTRESS,
Manager, Local Ginnery and Fertilizer Co.
WM. H. ROBBINS,
Newington-Oliver Chapter, Farm Bureau.
HORACE WELLS,
President, Bank of Newington.

SANDERSVILLE, GA., *January 17, 1958.*
Senator HERMAN TALMADGE,
Washington, D. C.:

Farmers aroused over not taking applications for soil-bank payments on cotton. Your influence in reopening this program greatly appreciated.

S. G. MERCER,
County Agent, Washington County.

CARROLLTON, GA., *February 4, 1958.*
Hon. HERMAN TALMADGE,
United States Senator,
Washington, D. C.:

Carroll County farmers are concerned with the outcome of the 1958 cotton-acreage reserve of the soil bank. Farmers were advised that the signup would start without a county allocation of funds and that farmers would have from January 13 to March 7 to sign agreements. County ASC offices were advised to stop taking agreements as of the close of January 16.

This cutoff caught many farmers who had planned to place their cotton in the acreage reserve for 1958.

The economy of many Carroll County farmers will be drastically lowered if they are not able to get their cotton allotments in the soil bank, having made their farm plans to this effect.

Due to the manner in which the USDA has handled this program, we feel that Congress should make available sufficient funds to take care of all farmers who wish to place cotton in the acreage reserve for 1958.

We appreciate your interest in agriculture and the welfare of Georgia farmers.

HAROLD WALLIS,
President, Carroll County Farm Bureau.

FRANKLIN, GA., *January 30, 1958.*
Hon. HERMAN TALMADGE,
United States Senate,
Washington, D. C.:

All farmers who desire should be allowed to participate in renting cotton acreage rather than first come first served basis. Farmers were notified by letter that they had until March 7 to sign.

POWERS GOODSON.

MILLEN, GA., *January 28, 1958.*
Hon. HERMAN TALMADGE,
United States Senator,
Washington, D. C.:

Soil-bank program causing farmers much trouble. Farmers don't know what action to take with all the confusion. They are not happy with changing of ruling of Department. Try to get additional appropriation to carry on original program of $3,000 per farm with signup period January 13—March 7. Farmers losing faith in ASC program with so many changes of rulings. Your immediate attention will be appreciated.

GARNETT NEWTON,
President, Jenkins County Farm Bureau.

LOUISVILLE, GA., *February 12, 1958.*
Senator H. E. TALMADGE,
Washington, D. C.

DEAR SENATOR: The ASC office told us farmers not to stampede them again like we did last year (1957) that we had up until March 7 to get our cotton land in the acreage reserve, etc. Now the farmer that had no faith in the words of the Agriculture Department are reaping the benefits for their mistrust in our Government and its word. A great number of our healthy farmers got in line in front of our ASC office and stayed there until they arrived at the signup desk sometime between 8 a. m., Monday, January 13, 1958, up to 5 p. m. that day. Since my health isn't too good and my age is stacked against me I didn't get to the desk until Tuesday, January 14, 1958. Now I am told I am out of luck because the money all gone, beside you should have any anyway for having faith in your Government, that March 7 talk was all bunk, etc. There just isn't any way for a farmer at this date to get enough seed, fertilizer, and labor to make a cotton crop. The ones that depended on the acreage reserve program are out of luck and there won't be any money to pay the mortgage coming due this fall. I know that you are against all this mess and I do hope you can do something about it.

Sincerely,

GALE S. DAVIS.

DULUTH, GA., *February 13, 1958.*
Senator HERMAN TALMADGE,
Washington, D. C.:

Farmer disappointed in way soil bank is handled. More money needed for all to participate.

G. W. FINDLEY,
ROY ECHOLS.

GIBSON, GA., *February 13, 1958.*
Hon. HERMAN E. TALMADGE,
United States Senate,
Washington, D. C.:

We are very displeased with way the Department of Agriculture is handling the money for the cotton acreage reserve. Here in our county the allocation will pay only half the farmers who signed up to rent. The Department is handling these available funds on a first come, first served basis. Before the signup period we were not informed by the Department that it would be handled in this manner. We understand that funds are still available in other areas. If this is to be handled on a first come, first served basis then we feel that we should be paid because we signed during the designated period that the Department would accept cotton rental agreement. We would appreciate your attention to this matter and hearing from you.

Very truly yours,
BENNETT A. HART,
President,
OLIVER HAWKINS,
Secretary,
Glascock County Farm Bureau.

EDISON, GA., *February 11, 1958.*
Senator HERMAN E. TALMADGE,
United States Senate,
Washington, D. C.

DEAR SENATOR TALMADGE: Today more than half of the Calhoun County cotton farmers who signed up 1958 cotton acreage reserve contracts are being notified that the county committee will not be able to approve their contracts.

This does not mean necessarily that more than half the cotton acreage offered was not approved since many of the first to sign up had very large cotton allotments and some had as many as four work sheets.

The State committee had the choice of two methods: (1) With no maximum farm acreage limitations, and (2) with maximum farm limitations in effect. It chose the first which is manifestly unfair to the majority of cotton farmers.

The Washington ASC office should have given priority to farmers who signed 1957 cotton acreage reserve contracts. Many are excluded.

I suggest you strive to require all county ASC offices to display for 30 days and make available to the press a list of approved 1958 cotton acreage reserve contracts giving (1) order in which contract applied for, (2) farmer's name (or names if one person in his turn at the county ASC office was allowed to sign contracts on worksheets in the names of more than one person), (3) work sheet numbers, and (4) amount of money to be paid farmer under each approved contract.

Very truly yours,

L. V. DAVIS.

ILA FARM BUREAU,
Ila, Ga., February 10, 1958.
Senator HERMAN E. TALMADGE,
Washington, D. C.

DEAR SIR: Be it resolved that the farmers of Ila Farm Bureau passed a motion that you be informed as to our plight in this County of Madison and in the 10th Congressional District, that we go on record asking you to help get more appropriations to finance the acreage reserve program.

As it now stands, there are 1,545 farms in the county. Out of this 524 farms are signed up and there are 501 farmers wanting to put their cotton in, but due to limited funds are not able to do so. These 500 farmers signed in good faith and thought funds would be available but now find that the facts were misconstrued and the signup was cut off leaving some in dire need. Due to these reasons of planning their operation for 1958 and now finding themselves without seed due to weather conditions last fall, labor has decreased, certified seed not available to plant, credit not available due to debts from bad crop, also some farmers have part-time jobs due to the help from Secretary of Agriculture Benson, and therefore cannot revise their plans to plant cotton.

So if there is any chance at all that you can use your influence to get added funds to help us we would greatly appreciate it. In our fair State, there is 13 percent of us farming but 55 percent are dependent on farming so I believe you will agree that you aren't dealing with a minority but something vital to our agriculture economy and to the best interest of our State. I hope that you study the farm program carefully and vote and work for more appropriations for acreage reserve program this year and then help solve the dilemma that we are in as farmers.

I would like to hear from you as to your vote and work in this legislature. Thanking you in advance for your help and cooperation in this matter we are,

Sincerely yours,
W. H. O'KELLY,
President.
BUFORD G. CAREY,
Secretary-Treasurer.

Attention: Senator RICHARD B. RUSSELL, Congressman PAUL BROWN.

IDEAL, GA., *February 11, 1958.*
Hon. HERMAN TALMADGE,
Washington, D. C.

DEAR HERMAN: Myself and others are left out in the cold so far it seems as the 1958 cotton soil bank is concerned. My health is bad, I cannot mingle into large crowd such as was signing up in my county, Macon County, January 13, 1958, so in 3 or 4 days I go down to sign my cotton in soil bank, and was closed. They tell us we had until March 7, 1958, so as far as I know just a few farmers in Macon County get all the soil-bank money and rest of us stays out. This

first come, first served is not fair; I think it should be handled on acres basis. We thank you for what you have already done, and hope you can get this straightened out to help all us farmers.

Your friend,

PAUL CROMER.

MONROE, GA., *February 12, 1958.*

The Honorable HERMAN TALMADGE,
United States Senate,
Washington, D. C.

DEAR MR. TALMADGE: Notice was received by me yesterday, that the soil-bank cotton payments were being cut off in Walton County after the first 454 contracts are paid. This is on the first-come, first-served basis. This does not mean that the first 454 people that signed will be paid, since some of the farmers signing have as many as 2 or 3 contracts covering their farms.

When the Department of Agriculture issues a statement, giving a person a specified time in which to sign up for a program, this should be done and if funds are not available, they should be prorated among those signing up rather than to those fortunate enough to sign first.

Several things prevented me from being one of the first to sign for this program. The main thing being the fact that I had been sick and it would have been impossible for me to stand outside in line on that cold, damp morning and furthermore there had been nothing mentioned about first come, first served.

Due to the fact that tenants have been leaving the farms in steady streams for the past several years due to the fact that they can get regular work without waiting from year to year for a crop income, I have lost all of my tenants and the soil-bank income was going to be my only means for meeting farm obligations such as taxes, insurance, etc.

If this situation were to happen in Russia it would be possibly considered as normal and no more than was expected, but, in this great country of ours, when the farmer, the backbone of the Nation is stomped, kicked, and pushed around by the United States Department of Agriculture some drastic action should be taken.

As your friend and loyal supporter, I am asking that you do everything in your power to see that this situation is corrected.

Yours truly,

EARL AYCOCK, JR.

HARRIS COUNTY OFFICE,
Hamilton, Ga., February 7, 1958.

STATE ASC COMMITTEE,
Athens, Ga.

GENTLEMEN: We, the undersigned members of the Harris County ASC committee strenuously object to the way in which the acreage reserve program has been handled so far.

The county office had information from the State office that the producers had from January 13 through March 7, to place their acreage in acreage reserve. After four days from the beginning of this program we were notified not to take any more applications, but to place names of farmers who came to the county office after that date on a Register of Agreements—No Funds Available.

Since the notice sent out gave producers through March 7 to comply, we hope and trust that whatever allocation comes to this county will be prorated and not paid on a first-come, first-served basis. We feel that all farmers who live up to the agreement by coming to the office within the above specified time should have equal treatment.

Since this letter was sent out, you have changed the closing date to February 20, but we cannot see where this will help one bit if you operate on a first-come, first-served basis.

When we send out information from this county office complying with instructions from the State office, our farmers expect us to live up to what we say, and we in turn expect the State office to do the same.

Trusting you will give this immediate attention, and, if possible, give each cotton farmer in this county a fair deal.

Yours very truly,

B. W. WILLIAMS, *Chairman,*
ELLIS M. STOREY, *Vice Chairman,*
FELTON CHAMPION, *Member.*

FARRAR, GA., *February 7, 1958.*

Hon. HERMAN E. TALMADGE,
Senate Building,
Washington, D. C.

DEAR SIR: The Jasper County Farm Bureau at its February meeting discussed several ways in which adjustments might be made in the cotton acreage reserve soil bank program. After full discussion, a motion was made and unanimously voted that the Government should pay in full for the cotton soil bank acreage that is signed up and for those acres requested after the notice was given to the administrative officers to stop signing contracts for cotton acres into the soil bank.

The farmers of the farm bureau discussed the many disadvantages that would arise if the Government did not keep its promise of last fall of paying the farmers for putting their cotton acreage allotment into the soil bank up to $3,000 per farmer.

We are asking you to do whatever you can to get full amount of payments for all farmers according to the promise made by the Department last fall.

With best wishes and kindest regards,

Respectfully yours,

SAM DYKES,
President, Jasper County Farm Bureau.

JOE WHITE INSURANCE AGENCY,
Canon, Ga., February 8, 1958.

Hon. HERMAN E. TALMADGE,
United States Senate,
Washington, D. C.

DEAR HERMAN: We are writing you to use all your influence that you can in having the Agriculture Department do something about the cotton rental program. Many of our farmers have been really put out by the dillydallying and indecisiveness of the Agriculture Department, regarding this program.

It was the understanding of the farmers that they would have from January 13 to March 7 to sign up for this program, they were then informed a few days after January 13 that no more applications would be accepted, then the Department began putting the names of the farmers on a tentative list to sign up later, now they have been informed that the closing date for signing up would be February 20; however, when the farmers go to sign up they are informed that this notice does not mean anything, even though they received this notice this past week; one of these notices is enclosed.

Many of our farmers have made arrangements to rent under this program, and are now being denied, it is certainly confusing. They have disposed of livestock, tenants have left the farm, and arrangements have not been made to farm, this will completely demoralize the farming industry in this part of the State.

I have not seen the farmers of this section so disgruntled and disheartened since 1932. There was no indication of a first come, first served basis when the program was first put before the public for this year. It was understood that everyone would be able to get in on the program.

If there is anything that you and Senator Russell can do in this matter, it will be greatly appreciated by the writers of this letter.

Sincerely yours,

JOE F. WHITE,
KING S. ROPER,
CARL H. BOWERS.

CARNESVILLE, GA., *February 3, 1958.*

To All Cotton Producers:

This is to advise that the closing date for taking applications for cotton-acreage reserve (soil bank) has been revised from March 7, to February 20, 1958.

Please bear in mind the closing date is now February 20, 1958.

CLARENCE L. PAUL,
County Office Manager,
Franklin ASC County Committee.

POMONA PRODUCTS CO.,
Griffin, Ga., February 10, 1958.

Hon. HERMAN E. TALMADGE,
United States Senate,
Washington, D. C.

DEAR HONORABLE TALMADGE: Doubtless by now, you have heard, and will continue to hear, a wail from farmers who were denied the facilities of the soil bank as far as their cotton allotments are concerned. Just this morning the local ASC office tells me that it is now a first-come, first-served basis. This is absolutely contrary to what I and other farmers were told. We were told that we had until March 7, 1958, to place our cotton in the soil bank. On this basis I placed my entire farm in the soil bank. The acreage-reserve phase of the program has been signed by me and accepted by the local ASC office. When these papers were signed by me I was assured that my cotton would be accepted and there was no hurry. In fact, several times while the acreage-reserve papers were being made up, I called them and inquired about the cotton phase of the program. They informed me there was no hurry and I could wait and sign both the acreage reserve and cotton papers at the same time.

It is a known fact that southern agriculture has suffered while other farming regions have been favored at the expense of the South through the policies of the USDA and for this reason I would like to see the entire USDA funds cut until the USDA would treat the South fairly—not favorably, but fairly.

Sincerely yours,

ROBERT L. RITCHEY.

KAY NURSERIES,
Royston, Ga., January 18, 1958.

Hon. HERMAN TALMADGE,
Senator from Georgia,
Washington, D. C.

DEAR SENATOR TALMADGE: To a man who understands the problems of farmers as well as you, I feel that just a few lines to state the nature of our problem will be all that is necessary.

Last year, you remember, those who wished a cotton soil-bank contract and failed to buck the line on opening day were seemingly left out.

This year they told us the signup date was January 13 to March 7 and we were led to believe that all who wished a contract would be taken care of without the rush of last year.

On last Thursday, January 16, the ASC office was instructed to cease taking contracts. This left many farmers, who had planned for months to put their cotton acreage in the soil bank, out.

I know you can see the injustice of this and that we have count on you seeing that all farmers are justly treated.

If we had been told several months ago that there would be no cotton soil-bank program, we could have made other plans. But, to tell one farmer that he can put all his cotton land in the soil bank and another that he is refused is not justice.

If all who wish are allowed to soil bank their cotton acreage, we may be able to shrink the stockpile by next year so that the soil-bank plan will not be necessary.

I know that you and Congressman PAUL BROWN as well as our other Georgia Senator

and Representatives will do what you can to see that all farmers are dealt alike.

Thanking you for this and your many past favors,

I am,

Yours very truly,

T. H. KAY,
Chairman, Legislative Committee,
Vanna Farm Bureau.

EASTMAN, GA., *January 31, 1958.*

Hon. HERMAN TALMADGE,
United States Senate,
Washington, D. C.

DEAR SENATOR TALMADGE: The soil-bank program has been administered very poorly as far as the farmers of this section are concerned.

This county, like many others, had more people to sign up for the cotton acreage allotment than money was alloted to pay off. The farmers are still coming in and signing the waiting list, hoping that they might get on and be permitted to place their cotton in the soil bank.

Since Mr. Benson and his department issued public statements that farmers had until March 7 to sign up, and then a few days later called a halt to the signing up was most unfair.

It is the wish of this County Farm Bureau that you will make every effort to have enough money transferred from some other department to this soil-bank department to cover the commitments which Mr. Benson and his associates have promoted.

Thanking you for giving this your immediate attention, and with kind regards, I am,

Yours truly,

D. C. PIERCE,
President, Dodge County Farm Bureau.

GARDEN CENTER EVERGREEN
LANDSCAPE SERVICE,
Athens, Ga., January 30, 1958.

Hon. HERMAN TALMADGE,
United States Senate,
Washington, D. C.

DEAR SENATOR: I feel sure you are disturbed by the handling of the soil-bank program this year.

The dates for signing up for putting cotton acreage in the soil-bank were announced publicly, allowing adequate time for all farm owners to sign up. Then, after only a few days no more applications were taken. This was many days before the expiration of the announced signup time.

Farmers who rushed to sign up the first 2 or 3 days were allowed to sign up. Others, who because of the announced time limit, did not sign up the first few days, were not allowed to sign. This seems very unfair.

I have talked with many people about this and without exception the feeling is that this was not handled on a fair basis and that applicants who were not allowed to sign up should be given further consideration.

I know you are aware of this situation and trust a fair basis for putting cotton acreage in the soil bank will be worked out.

With deep appreciation for the splendid way you are representing our State.

Very sincerely,

C. A. ROWLAND, Jr.

FAYETTEVILLE, GA., *January 27, 1958.*

Hon. HERMAN E. TALMADGE,
United States Senate, Washington, D. C.

DEAR SENATOR TALMADGE: We are writing this letter in protest to the acreage reserve situation. Most of the farmers in this county had planned their program around the cotton acreage reserve program, and according to reports in newspapers the cotton acreage reserve is going to be almost ruined. We would appreciate anything you might be able to do to help us small farmers keep the cotton acreage reserve as had been promised by the administration.

The Fayette county farmers appreciate the fine job you are doing in representing us.

Sincerely,

H. A. Peeples, J. L. Massengale, J. R. Stinchcomb, H. C. Brown, J. A. Lester, H. L. Grantham, G. H. Davis, D. A. Harp, L. A. Goodman, Joe Glass, W. E. M. Harp, H. L. Goodman, H. C. Peeples, J. G. Minter, N. Sam Jackson, H. C. Peeples, Mary C. Peeples, S. C. Burch, J. L. Griggs, W. L. Burch, J. M. Mask, R. L. Jackson, Jr., W. B. McLucas, Coleman Putnam, R. L. Jackson, Sr., H. R. Harp, Franklin J. Brown, W. L. Jackson, K. W. McElwany, Francis L. Jones, G. W. Towns, L. W. Cochran, Ted Hardy, Donald Chapman, Dan Phillips, J. B. Moody, Guy Samples, J. B. Mask, R. B. Mask, C. F. Woods, A. J. Hopton, E. C. Hardy, Marie Goodson, C. L. McEachern, Joe Jackson, A. R. Harp, G. H. Thompson, L. S. Peeples, R. H. Huddleston, Hugh Huddleston, A. M. Mitchell, O. B. Mask.

ROSEBUD, GA., *January 27, 1958.*

Hon. HERMAN TALMADGE,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: I am writing to ask you to do something to benefit all our farmers. If you possibly can I want to ask you to use all your influence to get a full soil-bank payment for all farmers that have already signed up in this section for cotton, and also for all farmers that are yet to sign.

I know of a number of farmers who signed up early that have already gone to their bank and borrowed money on the strength of this payment from the soil bank, to cover their losses on the 1957 crop. Now if they should have to give up part of the payment this original contract called for, it would put them in another financial squeeze with their bank on account of our Government failing to carry out their contract.

I do not feel that this is either just or legal. I feel that all Government contracts and promises should be carried out to the letter. I will appreciate anything you can do in this matter and I know all farmers will. I want to express my sincere appreciation of all the things you have accomplished for the farmers in the past. With kind regards, I am,

Very truly yours,

O. E. UPSHAW.

HARLEM, GA., *January 20, 1958.*

Senator HERMAN TALMADGE,
Washington, D. C.

DEAR SIR: We are concerned over the action of Secretary Benson in abruptly calling to a halt cotton farmers placing their lands with the Government for 1958. The closing date announced was for March 7 but on January 16 orders came in late afternoon halting any more acres being entered.

We have only 4.1 acres allowed us for cotton. We sold our tractor and it is impossible to farm those acres. We would protest the injustice and would appreciate any change in this program for 1958.

We value highly the contribution you are making to the welfare of our country.

Yours truly,

D. A. HOWARD.

LUDOWICI LUMBER CO.,
Ludowici, Ga., January 22, 1958.

Senator HERMAN E. TALMADGE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: I went to the agricultural stabilization and conservation committee office in Ludowici early in January regarding the placing of my cotton acreage in the soil-bank program and I was advised that the signup period was between the dates of January 13, 1958, and March 7, 1958, and was asked to return after January 13.

It was necessary that I leave Ludowici on the night of January 12, and this business kept me away from Ludowici until the night of January 16, 1958.

I returned to the committee office today and was told that all money had been spent and that they had been advised by the Atlanta office by telegram on January 16 that the money was all gone and not to accept any more applications. I was told that I could sign a certain form which would get my name in the "pot" if there was any more money made available at a later date.

I feel that this is unfair to the numerous farmers that did not understand that they would have to line up on the first day and stay in line until signed up or the money was exhausted.

Can you advise me as to what steps I should take, because I don't know what to do about planting or not planting.

Yours very truly,

L. R. PHILLIPS.

FARMERS GIN CO.,
Williamson, Ga., January 22, 1958.

Hon. HERMAN TALMADGE,
United States Senator, Washington, D. C.

DEAR SENATOR: I saw an article in the Atlanta Constitution with reference to your protest to Secretary Benson about shutting off the soil bank program. I hope you will continue to put any pressure you can on him until he decides to live up to his agreements, whatever they are.

I, of course, was opposed to the acreage-reserve program, mostly I guess because it will probably put my gin out of operation in 1958 and maybe from now on, and also for the reason that it has caused quite a bit of unemployment in this vicinity with a general business letdown all around. Then too, I just don't believe in sitting down and doing nothing and being paid to do it, but if I must pay taxes to support the program I believe that I should be allowed to get in it whether I approve of it or not. Sometimes it is a matter of self-preservation in a business way, with no morals mixed up in it.

Just to cite you chapter and verse of this program, though I guess you have plenty of this evidence already in hand, I am enclosing some correspondence received by me recently from the Pike County office of ASC, and if you have time to look at it, you will note that the signup time was specifically stated as ending March 7, with no qualifications so far as I can see as to date. They actually ended it on January 17 and there are lots of farmers who trusted them as to their expiration date that didn't get in at all, and I am one of them. I had no intention of signing up any of it if enough of my customers stayed out of it for me to afford to crank up my gin, but was informed by the ASC that only one other farmer besides myself in this vicinity had not signed up, so I decided I might as well do so, for 1 or 2 crops of cotton wouldn't be enough to feed all the boll weevils that might be loose this coming season, but was informed that the signup ended the day before.

I hope something can be done to make them (the Department of Agriculture) stand up to, or behind their statements. It's hard enough to try to stay in business without them changing the rules during the game.

Thanking you for listening to my gripe, and with highest regards, I am,

Yours very truly,

P. W. VAUGHN.

Honestly, Senator, someone has goofed regards the soil-bank idea. Everyone is talking about it. Someone is bound to be mighty unpopular before this thing gets straightened out. If I can be of help, please call on me.

BOB EVANS.

TOWNSEND, GA.

SOLONS TOLD SOIL BANK IRES FARMERS

BAMBERG, S. C.—Cotton farmers of Bamberg County and South Carolina are rightfully indignant over soil-bank treatment, United States Senators were advised in a telegram from Bamberg County State legislators Friday.

The telegrams were sent to Senators OLIN D. JOHNSTON and STROM THURMOND by Representatives P. E. Brabham, Bamberg farmer, and State Senator J. B. Ness.

Representative Brabham charged that farmers have been misled by the Soil Bank Division of the Department of Agriculture.

The telegram urged proper and immediate steps to correct this entirely uncalled for and unnecessary, confused, un-American condition.

It was also revealed here that only 355 of the 700 farmers who applied to enter the soil-bank program received funds before the county's allotment was exhausted.

FUNDS SHORT OF NEED

Horace Rentz, county ASC office manager, said that a policy of first come, first served, was being followed, and unless more funds are provided, more than half of the farmers will not share in the soil-bank money.

Last year, 495 county farmers drew $232,000 in the program, which resulted in a reduction of 8,000 acres of cotton planting, Rentz said.

The ASC manager said the soil-bank money was exhausted several days ago, "but we are still accepting applications and holding them in case more money arrives. Many people in this area are dissatisfied with the setup this year," he added.

Representative Brabham said farmers in every community are stirred up.

Brabham and Senator Ness telegraphed Senators JOHNSTON and THURMOND and Representatives RILEY and MCMILLAN that "cotton farmers are rightfully indignant over soil-bank treatment."

TEXT OF MESSAGE

Text of the message follows: "Cotton farmers of Bamberg County and South Carolina are rightfully indignant over soil-bank treatment. Only applications filed here the very first day of an announced week's filing schedule have been approved.

"Minority getting all the funds allotted. Majority receiving none and left completely out. This is a deplorable situation for the many farmers who are not in position to farm all of their land through no fault of their own.

"They have previously been misinformed and consequently misled solely by the Soil Bank Division of the United States Department of Agriculture. The bureau will have to admit this fact and assume responsibility.

"Necessary funds should be appropriated to fill the legal requests of all eligible applicants.

"Each and every farmer applied or endeavored to apply should be treated alike. We earnestly request you and your colleagues to take proper immediate action to quickly correct this entirely uncalled for and unnecessary confused un-American condition."

COMMERCE, GA., *February 12, 1958.*

Hon. HERMAN TALMADGE,
Washington, D. C.:

I would like your opinion of the soil bank mess.

I didn't get to sign up. I thought we had until March to sign, they just worked on it 3½ days in my county, Jackson. Do you think we will be left out?

Will appreciate your opinion.

Respectfully yours,

WILL L. WILLIAMS.

PARROTT, GA., *February 11, 1958.*

DEAR MR. TALMADGE: I am one of those farmers who went to sign up for the soil bank. I put my cotton in the soil bank last year. This year I was in Dawson Terrell County, at 12 o'clock the first day that they were to sign up.

They gave me No. 335 and told me to come back to Dawson Wednesday at 1 o'clock. I went and signed up my 10 acres of cotton. It is reported that I won't get my 10 acres in the soil bank, that they did not have any money to pay it off; for they put the first ones who signed, they would pay them.

They said some of the large farmers were in Dawson at 4 or 5 o'clock Monday morning. They said some of those farmers got out last fall and rented land and got those farms in the soil bank.

I hear 1 or 3 of them get $2,900 for 3 farms. I think it should be that all farmers get some, all the same percent. If 10 or 20 acres in Terrell County to each they have money to pay for it. Let everybody get some soil bank money, not just give it to big farmers.

I made my arrangement not to plant the cotton this year. All goes to big cotton farmers. Do you think this is fair and just?

Please try to do something about it at once. This farm program is bad. I have 510 acres with just 64 acres of peanuts when they started the allotment, 10 acres of cotton. I can't rent my farm and get enough to live on and pay taxes. I am not able to work this farm myself. So what can I do?

There are some farmers in Terrell County who can plant a large amount of cotton and peanuts. All should have same percent, based on cleared acres on the farm.

Yours truly,

J. H. LEVERETT.

TAYLORVILLE, GA., *February 9, 1958.*

Hon. HERMAN TALMADGE.

DEAR MR. TALMADGE: I am writing to you (and hope you will find time to read it) in regard to the soil-bank program.

Most farmers in this community made plans back in August to cooperate with this program for 1958 and would like to see it through 1959, if possible.

It was one statement made that I don't approve of and that is "first come, first served." Just to read that sounds like a by-line for a side show at a carnival. In this program it should be every one share alike or not be at all.

Mr. TALMADGE, we have a problem here in Stilesboro. We have some people that are hungry. I am in a position to know. I have a small grocery store and every day there someone is wanting credit or help. In our schools there are small kids that do not have any lunch. The Government just allows 10 free lunches a day.

One of our teachers wrote an item to the Barlow Tribune for donations to help feed these children. So far they have had a few to donate a few dollars.

It seems to me, and a lot others, instead of sending money for a CARE packare to feed the children across, that we had better look after our own. You know charity begins at home.

I know your time is limited. Sure appreciate you taking up this time with me.

Sincerely,

RUTH L. JACKSON.

P. S.—HERMAN, we learned today that this county is absolutely going to use first come, first served.

The PMA office received a telegram today from Athens, Ga., stating this. And this news today is sure causing an uproar in our community with the farmers.

CLAXTON, GA., *February 11, 1958.*

Mr. HERMAN TALMADGE,
Senator, Washington, D. C.

DEAR MR. TALMADGE: The first come, first served method of filing soil-bank agreements is obviously unfair to farmers for the reason that many farmers cannot get to the triple A office on account of sickness and other causes. In this way these particular farmers are deprived of participation in the soil bank. I would like to ask you to do what you can to see that more money is appropriated in order to insure justice to all the farmers.

Very truly yours,

LESTER JONES.

BUENA VISTA, GA., *February 11, 1958.*

Senator HERMAN TALMADGE.

DEAR SENATOR: Just a line. What is the Department of Agriculture going to do about our cotton rentals? Are the farmers that didn't get out to the office in 4 days going to be cut off? That doesn't seem right after they had sent all the farmers a letter saying they had until March 7 to sign up for cotton rentals.

The larger farmers have most of their stand-in with the office here and get along very well, but the little farmer who has to make a living for his family, the Department of Agriculture certainly has him in a tight. They have cut his acres more than 50 percent on corn, cotton, and peanuts and he just does not have enough acres to make a living unless he had a big farm before. We have too much redtape in our Agriculture Department anyway. Why doesn't Congress cut down on this redtape? We are supposed to be a free country but we certainly are having all kinds of controls in these days. And these controls are not helping us. Why not guarantee the farmer a price on so many pounds of cotton, peanuts, corn, and wheat and then turn him back loose into a free country.

With best regards.

H. S. PARKER.

P. S.—The number of pounds should be checked carefully and every farmer treated right.

LEXINGTON, GA., *February 11, 1958.*

Senator HERMAN E. TALMADGE.

DEAR SIR: I am writing you about my cotton acreage for this year. I went and put it in last fall with county office manager O. C. Dellinger and he put down the number of acres, 7 for me and 5 for the man who works my land, and said for us to come back in January 1958 and sign up for the land. I have been up there the 10th of January and went back yesterday, the 10th of February, and Mr. Dellinger didn't let us sign for the land, said the money was out and he did not know if there would be any more, and he wrote me to come and some people get what they want and others get nothing. This is the first year I have put mine in soil bank acreage. Will there be any more money or not? I would like to know, for they said it would stop the 20th of February at the office in Lexington. They send letters out to you and you go up there and then they don't do anything to help some people. I think they have pets. I don't say you have it all in your hands, but I thought you could do something about how they are going about it. I have my tax to pay every year and place to keep up and I am an old woman, will be 79 the 30th of July, and not able to work and don't get any help from the Government, and I think I need some as well as other people. They don't pay much attention to a woman and a small farm. I guess they think they don't need anything. Well, I hope you can do something about it. If you have a chance, write me a letter and tell me what to do. This is one of your old Georgia friends and was your father's, also, so I will close. Hope to hear good news.

Your friend,

Mrs. CORA ADKINS.

CARTERSVILLE, GA., *February 10, 1958.*

Hon. HERMAN TALMADGE,
Washington, D. C.

DEAR SIR: I am greatly perturbed over the manner in which the soil-bank program has been handled. It seems very unfair that

only those who signed up the first 3 days in Bartow County were entitled to participate in the program. When I went down to the office, on the 4th day, I was informed I was too late. Now that my farm is unrented I will lose my income for the coming year.

Your Democratic supporters in this area will greatly appreciate anything you can do in their behalf.

Yours truly,

(Miss) NANCY IRICK.

GREENSBORO, GA., *February 10, 1958.*

Hon. Senator HERMAN TALMADGE.

DEAR SIR: What do you think of the State getting any more money for the soil bank for cotton; also Greene County? The money gave out before all farmers got their land rented. What they took out of cotton, I'd like to know at once, if you think it will get more for those that didn't get theirs in. If you can give me any information, please write me at once.

Yours truly,

FRANK T. HOPKINS.

KAY NURSERIES,
Royston, Ga., February 6, 1958.

Hon. HERMAN TALMADGE,
Senator From Georgia,
Washington, D. C.

DEAR SENATOR TALMADGE: I have just heard the South Carolina State ASC committee has ruled that "first come, first served," will be the rule in that State, and I feel sure the Georgia ASC committee is going to do the same. If so, there is going to be much confusion and suffering among the 50 percent of farmers left out of the plan here in Hart County this year.

If more funds is the only solution to the problem, will you please do all you can to have it appropriated. All should be treated alike this year, and next year the whole thing should be stopped unless a more workable plan is found.

Thanking you for your many past favors to the Georgia farmer.

We remain,

Sincerely,

T. H. KAY,
Chairman, Legislative Committee,
Vanna Farm Bureau.

MCRAE, GA., *January 30, 1958.*

Hon. HERMAN E. TALMADGE,
United States Senator.

DEAR SIR: I am a farmer, farmed all of my life. I live joining your land at Towns Schoolhouse. I put my cotton and tobacco in the soil bank last year, and was planning to put it in this year. I got sick and had to go to the hospital at the time they started signing up for the soil bank. They had only been signing up a few days and said they run out of money. At the time I was able to get there, they were not signing up any more. So I don't guess I will get my cotton in the soil bank this year. I think the whole soil-bank program, if they cannot treat them all alike ought to be done away with completely. They cut me this year to $39 per acre if I could of got it in. It was $45 last year. It should of been raised instead of cut. I haven't been making less than a bale of cotton to the acre for several years.

I do pray that this can be straightened out, so that everybody will be equal in the soil bank.

I voted for your father as long as he was in office, and also voted for you. I would like to see you President of the United States.

I would appreciate anything that you can do to help in this problem. Thank you very much.

Sincerely,

N. A. LIVINGSTON.

BARTOW, GA., *February 1, 1958.*

Senator HERMAN TALMADGE,
Washington, D. C.

DEAR SIR: Do you know if the Government plans to help those people whose cotton acreage was refused last month when they waited to the last of the month to register? Is there anything you can do to help me get my acreage into the soil bank. I own farm No. 57–082–24036 in this county. I had the cotton acreage in the soil bank last year. We were told the soil-bank books would not be closed until February 20. I am 89 and I did not feel equal to stand in line for days, so I waited to register until the rush was over. It will be a loss I do not feel I should suffer, if the Government refuses to register my cotton acreage.

Please let me know if the Government's decision to close the books means some of us are left out.

Yours truly,

Mrs. G. H. RATCHFORD.

EVANS, GA., *January 30, 1958.*

Hon. HERMAN E. TALMADGE,
Washington, D. C.

DEAR SIR: I only have a 7-acre bale of cotton on a 4-horse farm and I put in the soil bank last year and I wanted to do so this year and I went to sign up and they told me the books was closed on January 13. I was put on the waiting list the paper said we had until March 1 to sign. I was 4 days late after January 13 ——— open until January 1. I do not understand why some counties have longer than others, so if you can help us we sure will appreciate it as what few acres we have we can't do anything with it so there is a bunch of us in the same fix on the waiting list. So we were told that the books is closed on January 30.

Thank you.

L. C. DAVIDSON.

JANUARY 29, 1958.

DEAR SENATOR TALMADGE: I wish you would please advise us Georgia farmers what to do. Our soil bank money has run out, so says our committeeman. We don't know just what to do. If we don't know within a very few days we all will lose our crops. It will be too late to plant. The farmers were expecting the soil bank again this year, so they could get the 10-percent raise, and have not made any arrangements to farm. Now the 17th of January they ran out of funds. I think myself this is just a trick to get the farmers to plant their cotton. Some put several farms in the bank and got $3,000 on each farm. They had their farms cut up in smaller farms so they could get more cotton in the soil bank. While the committeemen let them do this, the small farmers with 6, 7, 8, or 10 acres had to wait and be left out completely. The small farmers are the ones to be left out, and they are the ones that need the soil bank. They don't have enough cotton to buy gasoline or hire help to plant. The money has been given out unfairly. Most large growers got a raise in their cotton rates and cotton acreage. The small farmers got a cut on rates and acreage. The county offices have hired lots of extra help where it is not needed. This uses up some of the soil bank money. Our committeemen gave themselves good raises and more acreage too. The small farmer always gets the kicking around. If they are not going to have enough money, why not cut some of the wheat farmers back, and large cotton farmers? The small farmers have a right to soil bank, or do they? It seems like they are being pushed back.

I trust you will look into this matter at once, please. We must know what to do. We have our lands to prepare and other things to get in order. I will, and the other farmers who are on the fence will appreciate your fast and immediate action

Thank you so much, Senator TALMADGE.

Your Georgia friend,

ROGER NEWSOME.

JANUARY 30, 1958.

Hon. M. T. FULLER, Sr.,
Route No. 6, Carrollton, Ga.

DEAR FRIEND FULLER: Thank you for your letter of January 27 regarding the closing of the cotton soil bank. It was indeed thoughtful of you to contact me in this regard.

As a result of the Agriculture Department's action in halting cotton soil-bank applications, I protested vigorously to the Secretary of Agriculture. I am enclosing herewith a copy of my telegram to the Secretary.

Yesterday I was notified by the Department of Agriculture that telegrams had been dispatched to all State ASC committees concerning a new procedure for the signing up of cotton land for inclusion in the acreage reserve of the soil bank. I am also enclosing copies of these telegrams. They are self-explanatory, but I wish specifically to call your attention to the fact that the ban on signups has been lifted and a new deadline of February 20 fixed. You will note that the method of allocation of available funds is to be left to the discretion of each State ASC committee.

I have heard no report that signups for tobacco and peanuts have been halted. You may be assured, however, that I shall continue to keep abreast of this situation and to make all possible representations to protect the interests of Georgia farmers.

With kindest regards and every good wish, I am,

Sincerely,

CARROLLTON, GA., *January 27, 1958.*

Hon. HERMAN E. TALMADGE,
United States Senator,
Washington, D. C.

DEAR MR. TALMADGE: I'm writing this asking you to investigate the closing of the cotton, tobacco, and peanut rental signup. Mr. Benson and his ASCS crowd had given us until about March 1 to sign or rent our land. As you knew they stayed open 4 or 5 days and closed down without any warning whatever. Some of the farmers camped around the ASCS officers all night enabling them to get a chance to sign. Some stood in line for hours to get signed. We old fellows that were sick and not able to stand in long lines in bad weather were left out. I hope you will investigate the matter and at least divide up those funds giving all of us a chance to rent a part of our land.

Yours truly,

M. T. FULLER, Sr.

KINGSTON, GA., *January 28, 1958.*

SENATOR HERMAN TALMADGE,
Washington, D. C.

DEAR SIR: On January 15 I went to sign a contract with the ASC office in Cartersville, Ga., to put so much cotton in the soil bank. They gave me a number and told me to come toward the latter part of the week. When I went back Washington had stopped them from signing any more contracts. Those who didn't get signed are not getting a fair deal. I would appreciate anything you can do for all those left out.

Yours truly,

NEEL JOLLY.

CARTERSVILLE, GA., *January 28, 1958.*

SENATOR TALMADGE.

DEAR SIR: I am writing you a few lines about this soil bank. It sure is a dirty deal for the little farmer. The big farmers sign for all the land they could get in the soil bank and the small farmer has just been left out and I for one think that something

ought to be done about it. I seen in the paper Sunday that they were not going to put no more money for the soil bank. Said it might go first come first served. I know one thing there sure ought to be something done about it. Maybe Benson can put up a soup line.

Yours truly,

A. C. TEAGUE.

NEWINGTON, GA., *January 28, 1958.*

Hon. HERMAN E. TALMADGE,
Washington, D. C.

MY DEAR SENATOR: At this time I know you are a very busy man. I am keeping up with your good work in the Senate. However, owing to the plight of the farmer in general, I am writing you along with many others I guess.

I put most of my allotted land in the soil bank in 1957. Most of my farming had been worked by wage hands. So I let all go except one tractor man. Not just myself, but lots of the farms in Screven County did the same thing, let their labor go. Now if our cropland is turned back to us this time or later in the season, for farms without such labor, at best it will be a disaster year.

Would appreciate any information you might be able to give me.

With best wishes, I am,

Sincerely,

C. C. POYTHRESS.

ZEBULON, GA., *February 3, 1958.*

The Honorable HERMAN E. TALMADGE,
United States Senate,
Washington, D. C.

DEAR SENATOR TALMADGE: Thank you for your kind letters of January 27 and January 30, for the enclosures, and for your interest and desire to help.

My sister has been permitted to sign an application. We hope this means that all those desiring to participate in the apparently bankrupt soil bank might yet share some of the benefits.

We are deeply grateful to you, not only for your efforts to secure justice in the distribution of soil-bank funds, but for your stanch stand for the right during all your years of service to Georgia.

Very sincerely,

(MRS.) HORTENSE R. BANKSTON.

ZEBULON, GA., *January 21, 1958.*

The Honorable HERMAN E. TALMADGE,
United States Senate,
Washington, D. C.

DEAR SENATOR TALMADGE: Early in January we received notice from the Pike County ASC office that the acreage reserve programs for cotton would begin on January 13, 1958, closing March 7, 1958.

When my sister, Marjorie R. Moore, reported on January 17 to sign an agreement, the office had been advised by Washington to discontinue signing agreements. WSB radio later announced that the appropriation for the cotton soil bank was not sufficient to pay further agreements.

We feel that the "first come, first served" policy is most unfair—that all who care to participate should be permitted to do so. If funds are limited, it seems to us only fair—I believe I speak for many—that a smaller amount per acre should be paid, thus giving all a share.

Knowing your sympathy for farmers and your sense of justice, as evidenced on many matters in the past, we appeal to you to help us in this matter. Our farm is small—only 4.3 acres were allotted for cotton—but the small income from the soil bank means much to us, since my sister and I can no longer get help to cultivate the few acres.

Had we not thought we could participate in the cotton soil bank program, we would have set pines on the 4 acres, as we did on an allotted 16 acres.

Assuring you of our deep appreciation for any consideration given our appeal, I am,

Very sincerely,

Mrs. HORTENSE R. BANKSTON.

CARLTON, GA., *January 26, 1958.*

DEAR SENATOR HERMAN TALMADGE: Just a few lines to let you know how the people feel about the way they are being treated about the soil-bank program. As you know, these programs have been in effect a long time and when the Government goes back on what they say, that they will and then not do it, that is bad for our Government. So please get the money appropriated to complete this program for the farmers are sore about the whole thing, and they have a right to be.

Thanks.

G. P. BRIDGES.

CONCORD GA., *January 26, 1958.*

DEAR SENATOR TALMADGE: Read enclosed. I was one of the first to put land in soil bank—signed and accepted. Now I let hands go. I didn't encourage to stay, and seemingly acreage is to be returned. This is the situation of hundreds in the county—as they did the same—in taking advantage of the perhaps last year of soil bank.

Put this situation up to Benson, if possible.

Thanking you.

CLEMONS CATO.

SOIL BANK SIGNUPS END IN TYPICAL CONFUSION

The abrupt halt called in accepting farmers' applications to place cotton acreage in the soil bank resulted from the kind of bumbling at which the current leadership of the United States Department of Agriculture is so adept.

The period for signing up for the program began January 13, and was to continue until March 7. Instead, it suddenly was broken off after only 4 days. Demand to participate was about to exceed the supply of funds.

By stupidly placing the program on a first-come, first-served basis the Department had enabled those at the head of long lines, many of which began forming in the bitter cold of night, to qualify while those at the end of the line were excluded. The latter have a legitimate gripe.

Now, Department officials admit, it may be found advisable to prorate county funds among all who wish to participate. This would mean that some farmers who already had signed up would be required to cut down on their retired acres so as to share with others. This appears to be the most logical solution advanced so far.

But why in the name of commonsense wasn't that done in the first place? Why didn't they learn from past experience?

Hindsight, of course, will never accomplish as much as foresight. Unfortunately, this administration shows a remarkable dearth of both when it comes to farm matters.

ADEL, GA., *January 21, 1958.*

Senator HERMAN TALMADGE.

DEAR SENATOR: I understand that this man Benson is holding up some of the cotton farmers' applications to get in the soil bank.

Also that he and the President want support prices on all or nearly all basic crops reduced with Benson having the power to lower or raise the support price. He already has too much power. It is possible for the Congress to prevent him from becoming a dictator to the agricultural sections of America?

It seems to me that the men and women in Congress elected by the people should have some say-so.

Every year more and more little farmers are quitting. He claims he wants to help the little farmer but his actions do not prove this in more than one case.

Sincerely,

C. T. CLAYTON.

THE FIDELITY CASUALTY CO.
OF NEW YORK,
LIPSCOMB AGENCY,
Cartersville, Ga., January 22, 1958.

Hon. HERMAN TALMADGE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: As a Bartow County, Ga., citizens and farmers, I want to ask that you do everything in your power to see that the cotton soil bank program is continued, and that money be made available so that every cotton farmer have a part in this program if he sees fit to sign up during the signup period.

Very respectfully yours,

RAY LIPSCOMB.

FUND-RAISING DINNER HELD IN TEXAS

Mr. CASE of New Jersey. Mr. President, at this time of the year, as we pay tribute to the memory of Abraham Lincoln, we are reminded, among other things, of the effective way in which he employed humor to drive home a serious message. In much the same way, the well-known columnist, George Dixon, recently employed his trenchant wit to demonstrate with devastating effect the ability of the Democrats to make their shortcomings appear as Republican transgressions.

One of the instances dealt with in the Dixon column is the letter mailed by H. J.—Jack—Porter, Republican national committeeman, of Texas, soliciting the purchase of tickets for a fund-raising dinner held in that great State. Before reading Mr. Dixon's column, Mr. President, I should like to make it clear that I agree wholeheartedly with the position of President Eisenhower and Republican National Chairman Alcorn that neither the Republican Party nor any of its agencies should accept any part of the funds raised by this dinner.

Mr. President, I ask unanimous consent to have printed in the RECORD as a part of my remarks the Dixon column which appeared in the Washington Post and Times Herald on Thursday, February 13.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

DEMOCRAT SINS, GOP SLIPS

(By George Dixon)

How it is being accomplished would baffle a student of the occult, but the sins of the Democrats are constantly being made to appear as the transgressions of the Republicans. Whenever the Democrats do anything wrong it doesn't seem to be long before the notion spreads that it was the fault of the GOP. Let us start with the attempted natural gas gouge: The fight to slacken Federal controls so that an extra billion dollars can be jimmied out of the consumers has been led by the two Democratic leaders of Congress, Senate Majority Leader LYNDON B. JOHNSON, and Speaker SAM RAYBURN. but now the impression is widespread that House Republican Leader JOSEPH W. MARTIN, JR., was up to his disheveled hair in it.

Poor JOE, who wouldn't know the natural from the laughing gas lobby, was finagled into attending a Texas fund-raising dinner in his honor. Unbeknownst to him it was being run by natural-gas people who tried to con people into buying $100 dinner tickets by picturing JOE as the man who would swing the Congressional vote for the gas gougers.

JOE may be as innocent as a Massachusetts gas consumer, but it's going to be hard to smother the impression that the gas plot is Republican dominated because the man who sent out the come-on letters was H. J. (Jack) Porter, Republican national committeeman for Texas. Porter sent out 500 of these letters, and why he failed to foresee that at least 1 would almost certainly fall into tattling hands, should provide an interesting IQ study.

The morning the story of the GOP ineptitude broke, I ran into a prominent Democratic Senator. He was in convulsions. He finally made himself coherent enough to splutter: "Do you think Jack Porter is the smartest politician who ever came down the Texas pike?"

It reminded me, in reverse, of the old gag: "If you're so smart, why ain't you rich?" Many of these Texas Republicans are rich, but when it comes to political brains they act poverty stricken. In one stroke of brilliance they've made it appear as if the Republicans are the natural gas bandits.

Almost simultaneous with this, the impression has spread that the so-called Federal Communications Commission whitewash has been GOP maneuvered. This was brought about by talk of White House and Sherman Adams pressures. It obfuscated the fact that the investigation of regulatory agencies, which blew up with the firing of its chief counsel and the quitting of its chairman, was Democrat dominated.

The Democrats have certainly succeeded in spreading the notion that the Republicans are to blame for the missile and rocket lag. This probably should be rated as the No. 1 irony. The Democrats were in control at the close of World War II when Wernher von Braun was working on the V–2 rocket. It was not until the Republicans took over that Von Braun was given the go-ahead to expand his V–2 into the Jupiter.

The GOP is being depicted as the party of the piled-up deficit, high taxes, and farm surpluses. They are just reluctant legatees. The Republicans also seem unable to counter the illusion that they're the bloated rich and the Democrats the exploited poor.

The picture now is so topsy-turvy that I hear everybody at Republican national headquarters has been ordered to quit carrying matches in case of a natural gas leak.

AIRPORT ECONOMICS

Mr. CASE of New Jersey. Mr. President, on behalf of the senior Senator from New Jersey [Mr. SMITH], and the Senators from New York [Mr. IVES and Mr. JAVITS], as well as myself, I should like to comment on the subject matter of Senate Resolution 258.

Deeply as we prize our Federal system of government, it admittedly gives rise to difficult problems. This is particularly true when the conduct of international relations, for which, of course, the executive branch is responsible under the Constitution, impinges on matters which in this country are handled by the States and municipalities or other local governmental agencies.

An important case in point occurs in the field of airport economics. In the United States and its possessions, most airports are, with the exception of the Washington National Airport, owned, operated, and controlled, not by the Federal Government, but by local governments or agencies established by them. It is these local agencies that have the responsibility, and the burden, of developing and financing our system of airports. Largely out of their own resources and by use of their own credit, some $4 billion have been invested in airport facilities and operation. Their aim is, of course, to make the airport systems self-supporting, and they have been making steady progress toward that goal. At the same time they face the task of providing, with only modest Federal assistance, greatly expanded and improved facilities to meet the needs of the jet age.

In the circumstances, the financial stability of our American airports and the ability of their managements to maintain their credit standing with the investing public is of critical importance. Understandably, the airport operators are deeply concerned by any action which might impair the confidence of the public, thereby threatening continued sound operation. Specifically, they are alarmed by recent activities of the International Civil Aviation Organization in the field of airport economics.

In 1956 the ICAO held a conference on airport charges which issued a final report recommending specific principles to be followed in setting charges for the use of airports and recommending particular types of charges. These recommendations have since been transmitted to the contracting States by ICAO.

There is a difference of opinion as to the authority of ICAO to prepare such recommendations. In the view of the airport operators' council such recommendations, even though nonmandatory on the contracting states, are beyond the power of ICAO as established by the convention on international civil aviation. While our Government takes a different view as to the legal power of ICAO to concern itself with this field, it has consistently taken the position that any determinations concerning the establishment of airport charges should be left to the individual contracting states of ICAO. It has opposed any formal action by ICAO designed to establish uniform levels or methods of imposing airport charges on a worldwide basis on decisions as to whether and when individual states should impose such charges.

Mr. President, it is essential that the United States maintain this position. In other countries, international airports are owned or supported by national funds. But this is not so in this country. Our airports, with the exception noted earlier, are owned and operated by units of local government, and they have been financed in large part by the sale to the public of bonds issued by and payable from airport revenues. These bonds have been purchased in confidence that our States, cities, or local governmental agencies will be able to operate their airports on a self-supporting basis. They cannot do so unless they continue to have freedom to establih fair and reasonable charges in order to produce the revenue required to support successful operation and thereby maintain their credit. The potentially adverse effect of international recommendations as to the economic policies of airports in the United States is obvious, and the airport operators are rightfully concerned.

Legal questions aside, the practical effect of any disturbance of the credit structure of our American airports must be of direct concern to all taxpayers. It cannot help but impede the efforts of our cities and States to maintain our American airports with the revenues earned through self-supporting charges, and thereby avoid burdening the general taxpayer. Indeed, the importance of assuring that airport authorities will have the power to determine charges and fees has long been recognized in statutes authorizing airport authority bonds. It is a common practice for cities and States to include in such statutes a commitment that they "will not diminish or impair the power of the authority to establish, levy, and collect tolls, rents, landing fees, charges, or other fees in connection with such air terminals or other facilities, so long as such bonds or other obligations remain outstanding."

The protection of our American system of airport ownership and operation is of primary importance. A few days ago a resolution dealing with this problem was introduced for referral to the Senate Interstate and Foreign Commerce Committee. We urge that the committee hold early hearings on it, for the problem is pressing and deserves immediate attention.

HUNGARIAN RESETTLEMENTS IN THE WESTERN HEMISPHERE

Mr. LANGER. Mr. President, some weeks ago the subcommittee on escapees and refugees issued a report on Hungarian resettlements in the Western Hemisphere. The report was complimentary in some aspects and mildly critical in others. After the report of the subcommittee had been widely published, I received one strange letter from Puerto Rico in which it was alleged a Hungarian, who had attained the rank of major general in the Army of the Dominican Republic, had died under mysterious circumstances.

I have here a letter directed to me from the widow of the general, in which she relates a long history of a heart condition, and the fact that he had undergone frequent examinations and treatments here in the United States. There is nothing mysterious or sinister about a heart attack. If so, hundreds die in the United States every week in sinister circumstances.

I ask unanimous consent to have this letter printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JANUARY 31, 1958.

Hon. WILLIAM LANGER,
President of the Subcommittee on the Refugees Problems of the Judicial Committee, Senate of the United States of America, Washington, D. C.

SIR: I have just been informed on the circulation of contemptible, calumnious and absurd rumors regarding the demise of my dear husband Maj. Gen. H. E. N. Alexander Kovacs. My husband died on November 21, 1957, as a result of two strong relapses, suffering at that time of heart disorders and hypertension.

By calumnious, contemptible, and absurb rumors I mean the absolutely unfounded and

unbased rumors to the effect that my husband was eliminated. I wish to bring to your attention the fact that my husband received highest honors and expressions of high consideration for himself as well as for his family during our life in the Dominican Republic (both of us are of Hungarian origin) which we have chosen to be our homeland after Hungary fell under Communist oppression. Anyone who has incredulous mind, especially those who are unjust enemies of the Government of the Dominican Republic, may verify very easily the cause of my husband's death by consulting Dr. David Sherf, cardiologist of the Flower Hospital, 5th Avenue, New York, and Dr. Aiselberg, famous cardiologist of Vienna, Austria, both of whom have been attending my husband until his last moment. In the Dominican Republic my husband was attended by Dr. Jerome Gerendasy, famous American cardiologist, and J. A. Penzo, who was at his side from the moment the first relapse occurred until my husband passed away after suffering from cerebral hemorrhage and partial paralysis, both of which combined produced his death in the lapse of 3 days.

I also wish at this moment to bring up the unfortunate and sad matter of my ex-compatriots, Hungarian refugees, who to the great shame of Hungarian race to which I pertain, have given motives to every decent person to be mortified by their continuous acts of rebellion against the laws of Dominican Republic, Canada, Brazil, and other countries that did open their doors and admitted those refugees.

The ingratitude of those Hungarian refugees, and here I refer particularly to the situation in the Dominican Republic, is a well known fact. The Government of the Dominican Republic has provided those refugees with a new home and gave them peace and work. Each one of them was given a house, furniture and household effects together with a piece of fertile land. Any person could remake his life here with all the help received from the Government.

Since in April 1957, the Dominican Republic was the only country that had widely opened its doors to admit these unfortunate people, the Hungarian refugees in their desire to leave Austria declared to be competent farmers and have even sworn an oath to that effect. However, it was soon discovered that the majority has committed a perjury and only very small percentage were farmers in reality. These genuine farmers are prospering rapidly on their fertile tropical land with the generous help of the Government of the Dominican Republic.

It may easily be understood that these extremely unfavorable circumstances, especially to one who came from old and industrious Hungary as in case of my husband, did contribute on a large scale to the decline of his physical resistance until actually culminated in his death.

I sincerely hope that this letter satisfactorily cleared the matter of my husband's death and that you may see your way clear to publish any part thereof in order to classify the situation, and meanwhile I remain,

Very truly yours,

ROSA BATTA VIUDA KOVACS.

FORMER PRESIDENT THEODORE ROOSEVELT

Mr. LANGER. Mr. President, the Bar North, official magazine of the North Dakota Stockmen's Association, at Bismarck, N. Dak., has devoted the entire January issue to the North Dakota Theodore Roosevelt Centennial, and I take this opportunity to ask that the remarks by Mr. Joe Milton, president of the association, be printed in the RECORD.

Theodore Roosevelt one time publicly stated:

I never would have been President if it had not been for my experience in North Dakota.

I ask unanimous consent that the article by Joe Milton be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

OUR TEDDY

(By Joe Milton, president, North Dakota Stockmen's Association)

The North Dakota Stockmen's Association is happy and proud to dedicate this January issue of Bar North to the memory of Theodore Roosevelt. No American has ever embodied so many typically American characteristics as forcefully as did Teddy Roosevelt.

Dynamic is a word often used to describe an energetic personality, a personality that convinces of the ability to act and to accomplish. Since childhood I have always thought of Theodore Roosevelt, the man, as having demonstrated the importance of the combination of ability, ambition, and personality. Separate these three characteristics then you will have weakened the individual's ability to serve his community and himself.

More has been written about Theodore Roosevelt than about any other American. There must be and is a reason. He was dynamic and colorful. He lived the language of all men and nations. He became a symbol of manhood to young and old alike, not only in America but in Europe, Asia, and Africa as well. Yes; he was a man's man.

We stockmen of North Dakota naturally think of him as our Teddy. He typifies to us the spirit of all pioneers who helped build our West; who had the ability, the foresight, and the nerve to lay upon the vast expanses of our western plains the foundation of a new economy—livestock. Pioneers they were who first dared to dream that livestock men should be and could be self-supporting; that the nature of the soil and climate would determine whether diversification of farming had to be continued. To them there lay a challenge on these plains; a challenge they welcomed and accepted. Could they battle the soils, elements, and man himself; and build for themselves and for us a livestock industry which could stand alone? They did, and we all are proud of it.

Theodore Roosevelt was a sportsman. Love of sports and active participation in it is certainly American. Our Teddy hunted on every continent and under conditions that could be dared only by the true sportsman. By this activity he accomplished at least two objectives as far as we are concerned. (1) He brought about and cemented better relations with other nations. This he did by virtue of establishing personal friendship with the monarchs and leaders of nations; the kind of friendship that only can result from the close camaraderie of extended hunting expeditions. (2) Through his reports of these expeditions he gave us, young and old, adventures into places of which we could only dream. Reading the histories of his hunting exploits has given us added pleasure because he was one of us and his language is ours.

Teddy was a diplomat. How often we shy away from diplomacy for fear of appearing less manly. Yet he, by his many examples of diplomacy, has shown us that diplomacy is only the judicious use of knowledge with the purpose of quietly achieving desired results. His many activities, his varied interests gave him a wide field of knowledge from which to draw. I doubt that any foreign diplomat ever felt that Theodore Roosevelt came out second best in an international maneuver. His diplomatic ability was further enhanced by Roosevelt's accurate judgment of each individual. He knew when to go easy and when to show the big stick.

Teddy was a leader of men. He served us well as President of the United States. This he did because he could lead, he could direct, and he could always retain his sense of fair play. To be a good leader, one must be willing to lead, not push; one must have a definite direction and goal, not a divergence of directions and a multitude of objectives. His direction was straight ahead; his goal was to keep America strong. His knowledge of human nature served him well, for with this knowledge he could lead directly forward and never be diverted from his principles of honesty and fair play. To him, right was always right; wrong was always wrong. There could be no compromise between the two.

With all of this, Roosevelt was always American. I believe that this can be most simply established by the fact that nicknames are typically American—and here I have been calling our President Theodore Roosevelt by the name "Teddy."

May the spirit of our Teddy always ride high and straight on the plains of North Dakota.

SUMMARY OF GTA FAMILY FARM SURVEY FOR 1955–56

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a letter from M. W. Thatcher, general manager of the Farmers Union Grain Terminal Association, St. Paul, Minn., and a summary of the GTA family farm survey for 1955–56, which accompanies the letter.

There being no objection, the letter and summary were ordered to be printed in the RECORD, as follows:

FARMERS UNION GRAIN TERMINAL ASSOCIATION,
St. Paul, Minn., January 29, 1958.

The Honorable WILLIAM LANGER,
Senate Office Building,
Washington, D. C.

DEAR SENATOR LANGER: You will be interested in this short summary of our latest family farm survey. This study of over 4,000 farm records shows an even greater market for manufactured goods than we found 2 years ago. This market for nearly $6,000 spending per farm could go far to restore business and jobs in our cities.

Our survey finds more and more farmers being pushed off their farms to look for city jobs, or holding part-time jobs while still farming. They will add to the unemployment now growing in industrial States.

Again we find real farm income getting lower on these better-than-average commercial family farms. Returns to farmers are far short of those to other businesses, professions, or trades. After a small return on investment, you will see there is left only 25 cents per hour for the labor of the farmer and his family, and nothing for his skilled management.

The figures from wheat farms show that the 22-cents-per-bushel—11 percent—cut now scheduled for the 1958 crop will mean about a 25-percent cut in net income. The 25-cent-per-hundredweight—8 percent—cut on milk will mean a similar cut in net income of Midwest dairy farmers.

You Senators and Congressmen from farm States must unite to stop these two cuts and any others this coming season. Nothing is more likely, in my judgment, to make this recession worse than to lower farm prices

further. A return of prosperity in farm States will take more than holding the price line, but that is the first necessary step.

Please feel free to call on us for help to halt these dangerous and needless cuts in wheat and dairy prices now ordered. Only you leaders in Congress can win farmers a reprieve from further price cutting.

Sincerely,

M. W. THATCHER,
General Manager.

A SUMMARY OF THE GTA FAMILY FARM SURVEY FOR 1955–56

(A continuing study of family farms in Minnesota, Montana, North Dakota, South Dakota, and Wisconsin, covering 1950 through 1956 as authorized by the stockholders of Farmers Union Grain Terminal Association)

INTRODUCTION

This resurvey of some 4,079 family farms is based on the income-tax records of each farm, plus other information gained by on-the-farm interviews during 1957. The income-tax records for 1955 and 1956 were audited and added to those for 1950–54. These 2 recent years have seen increased emphasis upon accurate tax records due to the beginning of social security payments based upon these returns. As in the first GTA family farm survey, virtually complete cooperation was forthcoming from all of these thousands of families. We present some of the findings in the hope that this unique information about average commercial family farms in some of our best farming areas may help the Congress decide wise national policies.

What the survey shows

1. Summary of Farm Operations for 1956, Compared With 1954

The essential figures show that despite claims to the contrary, the lowering of farm prices between 1954 and 1956 did not improve real net income. This was in spite of a gain of some 4 percent both in acreage and investment on the farms, and with improved yields and production. Net income did go up some $80 due to an increase in Government payments of $125. But, this small increase was more than offset by the rise in cost of living between the two surveys. That rise was nearly 4 percent, about $107. Real income, consequently, dropped $27, or about 1 percent. No account has been taken in this of the $1,848 increase in investment required to farm.

Average per farm receipts and expenses, with changes

	1954	1956	Change
Cash marketings	$8,010	$8,386	$376
Government payments	66	191	125
Cash receipts	8,076	8,577	501
Cash expense	4,559	4,801	242
Depreciation	1,310	1,463	153
Total	5,869	6,264	395
Receipts less expense	2,207	2,313	106
Allow for food	324	223	−1
Allow for home	400	375	−25
Total home and food	724	698	−26
Net income before taxes	2,931	3,011	80
Offset by cost-of-living increase of about			$107
Net change in real income from farming			−$27
Percent change			−1

Details of cash receipts and expenses are shown in table 1 of the appendix. From this can be seen how these farms have attempted to cope with lower prices by producing more, and how various expenses have risen. The allowance for a net rental value of the farm home equal to 8 percent of the insurable value of the home is an addition to gross income not made in our original survey. The allowance for food is based on the prices farmers would get for home-used food if they sold it. This follows the usual practice in valuing such foods, although the cost to city consumers of such food in the farm they would buy it would be considerably higher. Other costs in farm living not figured in this survey offset this food benefit and then some, such as higher costs for all manufactured goods and for such important services as health and education.

2. Analysis of Return to Labor, Management, and Capital Used on Farm

Allowing only a 5 percent return (before taxes) on capital, and nothing for management, returns for the work of the farmer and his family were only 25 cents per hour, as shown below.

If these farmers and their families got the average factory wages paid in their State, their net income would have been $6,303, more than double what it actually was. Stated another way, actual income was short $3,293 of paying a factory wage. This is equal to an 8 percent loss on investment for the year.

If nothing is allowed for investment, then the return for labor amounts to 91 cents per hour. This is less than half the $1.91 average factory wage for the area, a full dollar short. It is also below the Federal minimum wage of $1. Thus, in addition to getting substandard wages, farmers are contributing over $43,000 in capital for nothing, bringing that to their job with no recompense.

If the labor of the whole family, except the farm operator, is unpaid, and the operator's labor is figured at the very conservative figure of only 2,000 hours as worked in city employment, then the farmer still would make only $1.151 per hour. That is nearly one-fourth less than factory labor. That would mean unpaid family labor, unpaid management, unpaid capital, and still inequality.

Investment in average farm, hours worked, average factory wages, and imputed returns to farm labor, management, and capital

	1954	1956	Change
			Percent
Number of farms	4,321	4,079	−5.6
Acres in farm	613	637	4
Insurable value of home	$4,999	$4,688	
Investment in plant:			
Land and buildings	$27,285	$28,538	
Equipment	7,857	10,473	
Livestock	4,805	4,521	
Crops	1,701	1,964	
			Dollars
Total	41,648	43,496	1,848
Estimated hours worked	3,300	3,300	
Average factory wage	$1.72	$1.91	
Net farm income (before taxes)	$2,931	$3,011	
A. Return to capital and labor:			
5 percent on investment	$2,082	$2,174	
Net to labor	$849	$836	
Net per hour	$0.26	$0.25	
B. If factory wages were paid on labor:			
Wages for operator and family	$5,676	$6,303	
Actual total net income	2,931	3,011	
Deficit	2,745	3,292	
Loss on investment (percent)	−7	−8	
C. All returns to labor, nothing to capital and management:			
Return per hour for 3,300 hours	$0.89	$0.91	
Return for 2,000 hours	1.47	1.51	

3. Returns Required if Farmers To Get Parity With Labor, Business, and Management

It is of interest to calculate, if only roughly, the amount needed to give these farm families something like parity returns for their labor, management, and capital. If factory wages were earned, plus only 5 percent on investment, and nothing for management of the farm, then, as of 1956, it would have taken about 64 percent higher prices to bring such parity. Much business netted more than 5 percent after taxes, and farm management services for an average commercial farm would run at least several hundred dollars. Neither factor is counted here.

Such higher prices would bring agriculture back about to where it was in the 1946–50 period, or the 1947–49 period used by the Government as a base for statistics in all fields other than agriculture. The official parity ratio was respectively 109 and 107 for these periods. Such prices also show the average of products raised in these 5 States in 1956 was between 65 to 70 percent of parity, instead of the national average of 81 percent for that year.

Such prices would give the average family, with a $43,000 investment, a return of about $7,000 cash before taxes, plus $1,500 allowance for food and housing, a total of $8,477. The $3,011 actually received in 1956 was only 36 percent of this needed total. Thus, after nearly 10 years of declining farm income and rising city boom, farmers were far behind their city cousins for comparable investment and labor.

Increased prices needed for parity income

	1954	1956
	Dollars	*Dollars*
5 percent return on investment (before taxes)	2,082	2,174
Labor at average factory wage	5,676	6,303
Management	0	0
Total needed for parity income	7,758	8,477
Less actual net income	2,931	3,011
Deficit in parity income	4,827	5,466
Plus actual cash receipts	8,076	8,577
Equals cash receipts needed for parity	12,903	14,043
	Percent	*Percent*
Ratio of actual to parity income	38	36
Ratio of actual to parity cash receipts	63	61
Approximate increase in prices required to get parity income	59	64

4. Low Prices Are Forcing Commercial Farmers Into City Labor Markets

In the 2 years between early 1955 and early 1957, during which these 2 surveys were made, over 5 percent of these commercial farms which had been supporting families had been liquidated. In some cases this was due to death with no heirs to take over the farm, but in most cases the families were forced off by declining income. The actual figure was 1 farm of 18 missing in this short 2-year period.

In addition to this expanded labor supply headed for the cities, many farmers, their wives, or older children began to work at off-farm jobs, part time or even year around, in the effort to save their farm homes. In early 1957, our surveyors found this an increasing practice, but in 1956, the actual wages earned amounted to an average of only some $200 for operators and $100 for wives, a total of less than $300 per family. We cite this to show that contrary to national estimates, which include many part-time farms and subsistence farmers, commercial farmers in this area were not yet able to get much help from off-farm work. Such work as was being done was concentrated nearest to the larger cities and was being done mostly

by younger farmers and their wives who have the most difficulty with present conditions. Most of these off-farm workers were GI's who deserve better from their country in their effort to make a home on the farm.

Where farmers have abondoned farming to move into city jobs, they will have the least seniority and often little resources in case of unemployment and business recession. This will tend to force them back onto farms, perhaps into farm homes of relatives, adding further troubles to our farm families. Nothing is less needed by our national economy just now than another several hundred thousand farm workers, dispossessed from the land. Nothing should be more vigorously opposed by city people, themselves having unemployment and relief, to attempt to handle.

5. Indications That Farm Depression Is Feeding City Recession

National farm income figures dropped lower in 1956 and again in 1957 in terms of their buying power, approaching the low figure of 1940, which was a bad depression year for the whole American economy. The gain in size, investment, inputs, and outputs of the family farms in our survey covers up somewhat this drop in total buying power, but some figures do show up, which indicate the important part which lower farm income is playing in the growing national recession.

Because of the great shortage in real income needed to give farmers parity with city people, and thereby give real balance to the American economy, farm buildings, homes, and equipment have never reached parity. Much needed spending has been postponed. Our survey repeated an earlier inventory of immediate farm needs. For production purposes, as of early 1957, here are the averages per farm, by each State, and for the five-State area. Amounts have grown substantially in the 2 years since our earlier survey.

	Repairs and paint	New buildings	New equipment	Total
Wisconsin	$1,282	$2,383	$2,016	$5,681
Minnesota	907	2,561	1,910	5,378
South Dakota	968	1,565	1,447	3,980
North Dakota	1,259	2,847	2,932	7,038
Montana	947	2,237	2,161	5,345
Average 4,079 farms	1,075	2,418	2,164	5,658

This total of around $6,000 per farm does not include any spending needed to repair, modernize, or replace the farm home, or for home equipment. Even without any such spending, these totals would amount to a $12 billion to $15 billion potential market on the commercial family farms of the Nation, if this area is at all typical.

If farm homes were all modernized, or replaced if in poor condition, this farm market might easily be double. The insurable values for the farm homes in this survey indicate that many are in need of extensive modernizing, or of replacing, just as is true in most farm areas.

Thus a great untapped market lies ready and waiting to restore American industry to usefulness, and American labor to production, if only balanced farm and city income can be restored.

This farm demand is particularly for durable goods, the products of our heavy manufacturing industries now so hard hit. Higher farm income would help at the most vital spot in the current national lack of balance between capacity and demand. This includes the farm machinery industry now severely cut back, and the appliance industry, now cutting back. Some other facts once again indicate this great need for durable goods in our farm homes. Although these are better-than-average commercial farms, they have a lack of modern conveniences that is a national shame in this sixth decade of the 20th century. The percentage of homes in this survey without the following facilities is astounding, but the figures would be even higher if all farm homes in these States were included:

Percent of farms without named facilities

	Wisc.	Minn.	S. D.	N.D.	Mont.
Cold running water	17	32	41	31	17
Hot running water	24	38	48	37	22
Inside toilet	30	46	52	42	28
Bathtub	31	49	53	43	29
Central heat	49	56	52	40	33
Deep freeze	44	45	45	40	19
One telephone (any age)	23	19	32	20	49
One TV set	31	36	49	26	45

Note that large numbers of the homes with the highest number of children in the Nation are still without either hot or cold running water.

Note that parity in plumbing facilities is not something lacking just in foreign lands, but is right here in the heart of the richest farm lands in the world.

Note that central heat is lacking in the coldest States in this Union.

Note that those families which can use to best advantage a deep freeze are not necessarily the citizens who have them.

Note that even one telephone is lacking in the home and business that needs it above all others, for convenience at least. Other figures would show how many of these phones in farm homes are still of the horse-and-buggy type, a disgrace in this day of electronic miracles.

Note that many farm homes do not have even one TV set, considered a necessity by most city families for a good many years now.

Note that none of these needed home facilities, which supposedly make up the American way of life and the vaunted American standard of living, and indeed have been so enjoyed by most city people for a long time—none of these needs are expressed in the dollar estimates of needed spending stated above. Those estimates apply only to farm production equipment, under which even a telephone was not included, although it might well have been.

Further information was gathered on the age and number of automobiles and trucks on our farms. This is of particular value now that that industry is running at only a little more than half capacity, a fact which threatens our whole economy. Farmers need automobiles and trucks in their business as well as for family living. Farm roads are the worst, and replacements would be high if farm income allowed farmers to do so.

Number, age, and price range of automobiles on farms

[Percent]

	Wisc.	Minn.	S. D.	N.D.	Mont.
Number:					
None	8.9	9.0	5.4	3.2	4.8
1	89.7	88.4	89.9	93.9	88.3
2 or more	1.4	2.6	4.7	2.9	6.9
Model:					
1949 or older	28.9	22.9	23.9	19.2	8.2
1950 to 1955	64.4	67.7	67.9	65.9	68.7
1956 to 1957	6.7	9.4	8.2	14.9	23.1
Price range:					
Low	71.8	74.9	70.0	71.2	66.5
Medium	27.5	24.6	29.7	29.3	31.4
High	.7	.5	.3	.5	2.1

Contrary to statements about farmers driving expensive new cars, our survey shows, as have others carried out in this area, that a considerable number of farms don't even have one car, and that the majority are older models of the so-called low-priced makes, with very few high-cost cars of any age.

Note the large potential market here, indicated by the large percentage of farms either with no car or with models which a year ago were 8 years old and older.

These potential markets are actually to be found not just on the commercial farms of the great Midwest, but also in the farm towns and cities which are largely dependent upon farmers for their trade and business. These areas have not shared in the national boom of the last few years in the same proportion as have industrial cities. A revival of prosperity on our farms would stimulate even greater markets in the whole rural part of the Nation, which still makes up more than a third of our population. A continuing farm depression will surely bring about a further decline in business in these same rural areas.

6. Prospects for 1958 and 1959

It is obvious that the efforts to help farm income by reducing farm prices have failed to this point. Further loss of income is now being suffered because of present weakening of farm prices, especially for feed grains. This forecasts and insures a return to very low livestock prices before long. Reductions ordered in supports for dairy products and wheat will be only the forerunners of other cuts unless stopped now. Nothing is in sight which will raise farm prices or cut farming costs. Nothing will help farmers restore their purchasing to former levels.

An analysis of the figures from wheat farms in this survey shows that the 22-cent-per-bushel (11 percent) cut now scheduled for the 1958 crop, will mean about a 25 percent cut in net income. Similarly, the 25-cent-per-hundredweight (8 percent) cut on milk scheduled for this spring will bring a comparable cut in net income of Midwest dairy farmers. It is calculated that each of these two cuts will cost the respective groups of farmers $250 million, a total of one-half billion dollars' loss in net income per year.

Further cuts in farm income will cause the farm depression to feed the national business recession, perhaps making it snowball into a depression that can't be stopped short of terrible cost. The best way to start up our factories and call back the men is to see to it that there is no further cut in farm prices or income, and instead, that good commercial family farms be restored to parity.

Statement of purpose

The GTA family farm survey has been carried on to get a true audit of conditions on commercial family farms before the Congress and the public generally. The grain farmers who own this sponsoring cooperative want to strengthen the system of family owned and operated agriculture, which has been a principal foundation of our democracy so far in our Nation's history. They are opposed to public or private policies which threaten the stability and welfare of family farming.

This report is issued in the hope that it will help make clear the facts about such farms as they are found in this great agricultural producing area, the breadbasket of the world.

Further surveys may be made, with the cooperation of participating farm families, as times demand. Thanks to the cooperative spirit of these fine families, there is now available to the public the actual receipts and expenses for typical commercial family farms in these five States. These figures for the 7 years 1950–56 are an authentic and unique grassroots record.

APPENDIX

TABLE I.—*Average receipts and expenses per farm, 1954 and 1956*

	1954	1956	Change
Farm receipts:			
Grain sales	$3,638	$3,866	$228
Dairy products	1,236	1,381	145
Livestock sales	1,969	1,877	−92
Beets and potatoes	87	127	40
Poultry and eggs	379	402	23
Profit on purchased livestock	238	204	−34
Miscellaneous	463	529	66
Marketings	8,010	8,386	376
Government payments	66	191	125
Total	8,076	8,577	501
Farm expenses:			
Labor hired	401	369	−32
Feed	622	687	65
Seed	263	275	12
Custom work and machine hire	201	206	5
Supplies	194	204	10
Repairs	460	491	31
Services and fees	72	83	11
Fertilizer and sprays	139	180	41
Gas, oil, and grease	700	751	51
Storage and warehousing	44	44	0
Taxes	378	402	24
Insurance	190	196	6
Interest	174	202	28
Utilities (light, power, phone)	140	157	17
Rent	116	119	3
Farm use of auto	182	196	14
Purchased livestock and poultry	38	29	−9
Miscellaneous	245	210	−35
Cash expenses	4,559	4,801	242
Depreciation	1,310	1,463	153
Total	5,869	6,264	395
Receipts less expenses	2,207	2,313	106
Plus food allowance	324	323	−1
Plus home allowance	400	375	−25
Total, home and food	724	698	−26
Net income (before taxes)	2,931	3,011	80

NEED TO REFORM PROCEDURES FOR FINANCING AMERICAN POLITICAL CAMPAIGNS

Mr. NEUBERGER. Mr. President, I ask unanimous consent that I may proceed for not to exceed 5 minutes.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Oregon? The chair hears none, and the Senator may proceed.

Mr. NEUBERGER. Mr. President, once again, the Nation—the administration, the Congress, the public—is confronted with the age-old problem of the role of money and ethics in Government. Year after year, we may try to deal with individual situations which are flagrant or dramatic enough to force themselves to our attention; we may try to forget these situations when someone has resigned from office or gone to prison, and to continue as best we can to operate a reasonably effective and honest form of government under our present system—but whether in the spotlight or beneath the surface, the question of money and ethics in Government will always be with us so long as governmental decisions shape the economic fortunes of many men and industries.

During the last week, the question was again forced to public attention by two events which, by a coincidence, have placed into juxtaposition the two ways in which we are plagued by money in politics. One is the familiar form of conflicts of interest, involved in the present investigation of charges that licensing decisions of the Federal Communications Commission have been influenced by political favoritism or worse. The other is the increasing dominance of campaign funds in our election process, illustrated by the $100,000 Republican fund-raising dinner in Texas last week, for which $100-a-plate tickets were sold by an unprecedentedly blatant reference to past and future Republican support for the natural gas decontrol bill ardently desired by certain gas and oil interests.

As I have frequently said during the past several years, Mr. President, I regard the second aspect of money in politics as by far the more fundamental and dangerous evil. The problem of bribes and of confusion between private and public interests is as old as Government, and I think it is fair to say that our standards in this regard are higher today than in the past; for instance, in the 19th century. But while I believe that our demands on personal rectitude and disinterest in Government personnel are rising, the situation with respect to money in campaigns for elective office is becoming abruptly worse, with the sudden development of television campaigns and the skyrocketing costs of all means of presenting candidates to the public. This is where radical reform is needed.

COMMITTEE ON CAMPAIGN FINANCING FORMED

Consequently it strikes me as an extremely happy coincidence that it was last week—just at the time of the well-publicized Texas fund-raising dinner—that the Committee on Campaign Contributions and Expenditures chose to kick off its campaign for reform legislation in this field. I was delighted to learn of the formation of this committee of leading citizens from the worlds of business, finance, publishing, law, and academic learning, to further the cause of election-finance reform; and I ask unanimous consent to have printed in the CONGRESSIONAL RECORD at this point, Mr. President, the letter which I received last week, as did other Members, from Hon. William H. Vanderbilt on behalf of the committee, along with the list of the committee's members. Mr. Vanderbilt is an ex-Governor of Rhode Island.

There being no objection, the letter and list were ordered to be printed in the RECORD, as follows:

BROOKLINE, MASS.
February 12, 1958.

The Honorable RICHARD L. NEUBERGER,
The United States Senate,
Washington, D. C.

DEAR SENATOR NEUBERGER: The undersigned, a bipartisan citizens' committee on campaign contributions and expenditures, believe that present laws governing campaign contributions and expenditures are unrealistic and ineffective. Their ineffectiveness leads to widespread cynicism, which tends to impair public confidence in the elective system. Their lack of realism makes it almost impossible for a conscientious candidate and his supporters to comply with them, for they do not take adequate account of the high cost of legitimate campaigning under modern conditions, including our increased population and mass media of communications.

We believe that substantial improvement is possible, and necessary to foster not only the integrity of our elective system, but also the independence of public officials by freeing them from undue pressure in raising campaign funds.

We are encouraged to note that Members of Congress are already giving this subject careful consideration. A number of bills within the past 2 years—including the Hennings bill, the Johnson bill and the Gore bill—and the hearings on them give ample evidence of the need for change and widespread recognition of the need.

The extensive study already made by legislative leaders in opening up the problem gives an opportunity to work it out in a balanced, sensible, and effective way. We believe that a bipartisan citizens' group such as ours, representing a broad range of political views but agreeing on basic principles of fair elections, can help to do this, and to spread public understanding.

We believe that national legislation should be enacted to give effect to the following general principles:

First. Comprehensive and effective public disclosure, including complete reports by all candidates for Federal office (including candidates for President and Vice President), listing all campaign contributions and expenditures received or spent by them or by organizations and committees supporting them.

Second. Overall limits on campaign expenditures by all of such candidates, including expenditures by all organizations and committees supporting them.

Third. Overall limits on campaign contributions by individuals.

Fourth. Extension of the above requirements to primary and nominating campaigns.

The limits set should be high enough to take account of legitimate, modern campaign costs; but comprehensive and tight enough to be effective. Full publicity is a key factor for there may well be no better test of the propriety of a contribution or expenditure than the willingness to expose it to general public knowledge. It would also enable our citizens to know what the facts really are and to base plans for improvement on these facts, rather than guess and rumor.

Sound new legislation in accordance with these four principles could pave the way for a sustained effort, at the community level and the national level, to develop general citizen financial support for election campaigns.

We earnestly hope that you will be willing to help enact such legislation.

With best wishes,

Sincerely yours,

WILLIAM H. VANDERBILT.
(For the Committee).

(List of members attached.)

(This committee, formerly called the Committee for Fair Elections, has been changed to the Committee on Campaign Contributions and Expenditures to avoid any misunderstanding or confusion with the Fair Campaign Practices Committee, Inc., of which Mayor Charles P. Taft is chairman. The two committees have no connection.)

PRESENT MEMBERS, COMMITTEE ON CAMPAIGN CONTRIBUTIONS AND EXPENDITURES

Winthrop W. Aldrich, New York, N. Y.
Archibald S. Alexander, Bernardsville, N. J.
Frank Altschul, chairman, General American Investors Co., New York, N. Y.
Mrs. Eugenie Anderson, Red Wing, Minn.
Dana W. Atchley, M. D., Columbia-Presbyterian Medical Center, New York, N. Y.

George W. Ball, Cleary, Gottlieb, Friendly & Ball, Washington, D. C.
Arthur A. Ballantine, Dewey, Ballantine, Bushby, Palmer & Wood, New York, N. Y.
W. B. Bates, chairman of the board, Bank of the Southwest, Houston, Tex.
Barry Bingham, president, the Courier-Journal, the Louisville Times, Louisville, Ky.
Frederick S. Blackall, Jr., president, the Taft-Pierce Manufacturing Co., Woonsocket, R. I.
Robert Woods Bliss, Washington, D. C.
Charles R. Blyth, president, Blyth & Co., San Francisco, Calif.
Dudley B. Bonsal, Curtis, Mallet-Prevost, Colt & Mosle, New York, N. Y.
James F. Brownlee, J. H. Whitney & Co., New York, N. Y.
William L. Clayton, Anderson, Clayton & Co., Houston, Tex.
John S. Coleman, president, Burroughs Corp., Detroit, Mich.
Arthur H. Compton, Washington University, St. Louis, Mo.
Homer D. Crotty, Gibson, Dunn & Crutcher, Los Angeles, Calif.
Robert G. Dodge, Palmer, Dodge, Gardner & Bradford, Boston, Mass.
T. M. Evans, chairman, H. K. Porter Co., Inc., Pittsburgh, Pa.
James A. Farley, New York, N. Y.
Thomas K. Finletter, New York, N. Y.
G. Peabody Gardner, Boston, Mass.
George A. Garrett, Washington, D. C.
Clinton S. Golden, Solebury, Bucks County, Pa.
A. Crawford Greene, McCutchen, Thomas, Matthew, Griffiths & Greene, San Francisco, Calif.
Albert M. Greenfield, Philadelphia, Pa.
Mrs. Borden Harriman, Washington, D. C.
Seymour E. Harris, chairman, department of economics, Harvard University, Cambridge, Mass.
Paul G. Hoffman, Pasadena, Calif.
Joseph E. Johnson, Princeton, N. J.
Dwight P. Joyce, chairman and president, the Glidden Co., Cleveland, Ohio.
Milton Katz, Law School of Harvard University, Cambridge, Mass.
Grayson L. Kirk, president, Columbia University, New York, N. Y.
Walter Jodok Kohler, Kohler, Wis.
William L. Langer, chairman, committee on regional studies, Harvard University, Cambridge, Mass.
Sigurd S. Larmon, president, Young & Rubicam, Inc., New York, N. Y.
Monte M. Lemann, Monroe & Lemann, New Orleans, La.
William E. Levis, Owens-Illinois Glass Building, Toledo, Ohio.
M. Albert Linton, Provident Mutual Life Insurance Co., Philadelphia, Pa.
Goodhue Livingston, New York, N. Y.
Glen A. Lloyd, Bell, Boyd, Marshall & Lloyd, Chicago, Ill.
Thomas B. McCabe, president, Scott Paper Co., Chester, Pa.
James L. McCamy, department of political science, University of Wisconsin, Madison, Wis.
John J. McCloy, chairman, the Chase Manhattan Bank, New York, N. Y.
William C. Menninger, M. D., the Menninger Foundation, Topeka, Kans.
Francis Pickens Miller, Charlottesville, Va.
Charles S. Munson, chairman of the board, Air Reduction Co., New York, N. Y.
Paul H. Nitze, Washington, D. C.
Peter H. Odegard, Department of Political Science, University of California, Berkeley, Calif.
Joseph O'Meara, dean, the Law School University of Notre Dame, Notre Dame, Ind.
Henry Parkman, Parkman, Robbins & Russell, Boston, Mass.
Mundy I. Peale, president, Republic Aviation Corp., Farmingdale, L. I., N. Y.
H. W. Prentis, Jr., chairman of the board, Armstrong Cork Co., Lancaster, Pa.
Mrs. Tom Ragland, Nashville, Tenn.
Mrs. Franklin D. Roosevelt, New York, N. Y.
Elmo Roper, Elmo Roper & Associates, New York, N. Y.
Arthur M. Schlesinger, Department of History, Harvard University, Cambridge, Mass.
Arthur A. Seeligson, San Antonio, Tex.
Lemoine Skinner, Jr., St. Louis, Mo.
R. E. Smith, Houston, Tex.
Carl B. Spaeth, dean, Stanford University, Stanford, Calif.
Charles M. Spofford, Davis, Polk, Wardwell, Sunderland & Kiendl, New York, N. Y.
Herman W. Steinkraus, chairman and president, Bridgeport Brass Co., Bridgeport, Conn.
Miss Anna Lord Strauss, New York, N. Y.
Benjamin Strong, chairman of the board, United States Trust Company of New York, New York, N. Y.
Herbert Bayard Swope, New York, N. Y.
Mayor Charles P. Taft, Cincinnati, Ohio.
William H. Vanderbilt, Englewood, Fla.
W. W. Waymack, Adel, Iowa.
W. H. Wheeler, Jr., president, Pitney-Bowes, Inc., Stamford, Conn.
William W. Wolbach, executive vice president, Boston Safe Deposit & Trust Co., Boston, Mass.
Henry M. Wriston, executive director, the American Assembly, Graduate School of Business, Columbia University, New York, N. Y.

Mr. NEUBERGER. Mr. President, the emphasis in the program endorsed by the Committee on Campaign Contributions and Expenditures is on disclosure, along with modernization of present limitations, controls and reporting procedures. I have long said in the Senate, and I think many of the members of the committee know, that I think they are misguided in placing very heavy reliance on this approach. No doubt reforms are necessary in the present laws on those subjects, but not much should be expected from them. More than half a century ago, in a message to the Congress, President Theodore Roosevelt said:

> It is well to provide that corporations shall not contribute to presidential or national campaigns, and furthermore to provide for the publication of both contributions and expenditures. There is, however, always danger in laws of this kind, which from their very nature are difficult of enforcement; the danger being lest they be obeyed only by the honest, and disobeyed by the unscrupulous, so as to act only as a penalty upon honest men.

Therefore, Teddy Roosevelt went on to tell the Congress, a more radical solution was necessary:

> The need for collecting large campaign funds would vanish if Congress provided an appropriation for the proper and legitimate expenses of each of the great national parties, an appropriation ample enough to meet the necessity for thorough organization and machinery, which requires a large expenditure of money. Then the stipulation should be made that no party receiving campaign funds from the Treasury should accept more than a fixed amount from any individual subscriber or donor; and the necessary publicity for receipts and expenditures could without difficulty be provided.

I have no doubt, Mr. President, that we shall eventually come to accept this approach as the only logical and effective one in making our elections truly democratic expressions of the people's choice between competing men and programs, uninhibited by vast inequality of the candidate's campaign funds—and in assuring that the successful candidate can enter office free from any sense of obligation to large campaign contributors, past or future. I have confidence that, upon continued study, the noted members of the Committee on Campaign Contributions and Expenditures will come to recognize that substitution of reasonable amounts of public funds, in various forms, for private funds in meeting the highest election costs is the sine qua non of any effective control of undesirably large private campaign contributions and expenditures. Thus I, again, want to express the greatest gratification and satisfaction at seeing a citizens' group of this high caliber assume an active interest and leadership in this fundamental problem of democracy.

PUBLICITY ALONE DOES NOT DISPOSE OF MONEY IN POLITICS

Mr. President, that mere disclosure and publicity is not itself the whole solution is, I think, demonstrated perfectly by last week's episode in Texas, to which I have referred. Certainly there was nothing secret about the letter Mr. Porter, the Republican national committeeman from Texas, sent out to potential contributors, referring to past and future Republican support for the natural gas decontrol bill as the reason why they should buy $100-a-plate tickets. Certainly, due to the journalistic vigilance and enterprise of Mr. Edward T. Folliard and the Washington Post and Times Herald, the overt and undisguised connection made in this instance between specific special-interest legislation and campaign financing has received nationwide publicity. Certainly the publicity has been healthy and valuable—it seems to be conceded that it has ended the chances of the gas bill's passage in this session of Congress.

Yet, Mr. President, what of the money? Mr. Folliard reported that close to $100,000 was raised at the dinner in Houston. I have heard no reports that the money is being sent back to the donors. Whatever may happen to the gas bill, the money will unquestionably be spent on the election campaigns of candidates for public office—and probably not, one may guess, on candidates whose philosophy of government and public policy deviates substantially from that of the donors. The opponents of these candidates will have to meet that $100,000 expenditure, irrespective of the fact that the manner in which this particular fund was raised happens to have received unfavorable publicity. After that publicity, the Republican National Committee stated it would not accept the money—but no such reticence has yet been displayed by the Senate and House Republican campaign committees. And in Texas itself, Mr. Porter and the other fund raisers are reported to be puzzled why they have been subjected to all this furor for doing openly and honestly what they plainly recognize is customarily done elsewhere in raising funds for political campaigns. Given our present system, it is possible to sympathize with their bewilderment even if not with

their conception of politics and public policy.

Mr. President, to illustrate the remarks I have made with respect to the Texas fund-raising dinner, I ask unanimous consent to have printed in the RECORD at this point the letter sent by Republican National Committeeman H. J. Porter, as excerpted in the Washington Post and Times Herald on February 11, 1958; and two stories entitled "Puzzler in Texas: What's Wrong With $100,000?" and "Two GOP Chiefs Eye That Texas Money," from the Washington Post and Times Herald of February 13.

There being no objection, the letter and articles were ordered to be printed in the RECORD, as follows:

THE TEXAS LETTER

Printed below is an abstract of the text of one of the letters sent by H. J. Porter, Republican national committeeman from Texas, announcing last night's appreciation dinner for House Republican Leader JOSEPH W. MARTIN, JR.:

REPUBLICAN NATIONAL COMMITTEE,
Houston, Tex., January 30, 1958.

DEAR SIR: We are having an appreciation dinner * * * honoring the Honorable JOSEPH W. MARTIN, JR., Speaker of the 80th and 83d Congresses * * * at the Rice Hotel Crystal Ballroom in Houston on February 10 at 7 p. m.

JOE MARTIN * * * has always been a friend of Texas, especially of the oil and gas producing industries. He mustered two-thirds of the Republican votes in the House each time the gas bill passed. * * * As Speaker of the 83d Congress he led the fight for adoption of the tidelands ownership bill.

It will be up to JOE MARTIN to muster at least 65 percent of the Republican votes in order to pass the gas bill this year. * * * He has to put Republican Members from northern and eastern consuming areas on the spot politically because the bill is not popular due to the distortion of facts by newspaper columnists and others.

The dinner must raise substantial amounts of money for the Republican Party as part of these will go toward the election of Republican Congressmen and Senators.

Walter Reuther is the dominant figure in the Democratic Party and will pick the Democratic nominee for President in 1960. * * * Even though we may not approve of everything Eisenhower has done * * * the Republican Party is the party of private enterprise and free economy.

Checks should be made out to H. J. Porter, Chairman, or Texas Republican Finance Committee, or Republican National Committee, or Republican Senatorial Campaign Committee, or Republican Congressional Campaign Committee.

H. J. PORTER,
Member for Texas.

[From the Washington Post and Times Herald of February 13, 1958]

PUZZLER IN TEXAS: WHAT'S WRONG WITH $100,000?

(By Edward T. Folliard)

In booming Houston and elsewhere in Texas, they must be puzzled by all the excitement in the North over that $100-a-plate appreciation dinner for JOE MARTIN of Massachusetts the other night.

One can imagine Texans saying to each other: "Well, what was wrong with that? Joe's a good friend of Texas, isn't he?"

That was the point that H. J. (Jack) Porter made in the beginning, when he was unwittingly laying a mine under himself. Porter is Republican national committeeman for Texas. It was he who conceived the idea of the appreciation dinner in Houston for Representative MARTIN, Republican leader of the House.

In letters he sent out to Texas fat cats, asking them to buy $100 tickets for the dinner, Porter made it very clear why JOE was a hero in the Lone Star State. JOE (as Porter said in one letter) has always been "a friend of Texas, especially the oil and gas producing industries"; lined up two-thirds of the Republicans behind the gas bill in 1952 and 1955; it would be up to him to rally 65 percent of the GOP lawmakers behind it again this year, putting northern Republicans on the spot politically because of fear of a gas-rate increase among their constituents.

The Houston dinner for MARTIN brought in $100,000, a part of which was to be used to help elect Republicans to the House and Senate this year.

When Porter's letter was made public, President Eisenhower shied away from the hundred grand as if it were 100,000 rattlers. With his approval, Meade Alcorn, chairman of the Republican National Committee, issued a statement saying that the committee would not accept any of the money raised at the MARTIN dinner.

As for the gas bill—which opponents say would enrich producers of natural gas by $1 billion a year, at the expense of consumers—that would seem to be dead.

To repeat, however, Texans must be wondering about all the hullaballo, the cries about unsavory transaction, gas lobby arrogance, absolutely stupid, and so on.

The affection they have for JOE MARTIN in Texas—and why they have it—was well explained Monday afternoon by Jim Clark, a newspaperman. Jim writes a column for the Houston Post, of which Oveta Culp Hobby is president and editor. In a piece that appeared about the time MARTIN was flying into Houston, Clark referred to that evening's appreciation dinner, and said:

"Personally, I hope the house is packed. JOE MARTIN, of Massachusetts, is the kind of man to whom Americans should all be paying tribute. But Texans, particularly those engaged in the oil business, should go out of their way to see that he is welcomed to our city."

Columnist Clark went on to recall, as Porter had done in letters, how MARTIN got two-thirds of House Republicans to vote for the gas bill in 1952, when President Truman vetoed it, and again in 1955, after which President Eisenhower vetoed it. He said that General Eisenhower might have signed the bill instead of vetoing it except for a stupid lobbying incident.

"But JOE MARTIN had done his job well," columnist Clark wrote. "Out of 209 House votes, 123 were Republican, compared with 86 Democratic. So I hope Houston, and especially its oil men, line up in droves tonight to pay tribute to JOE MARTIN."

They did line up in droves. Something like 500 jammed the Crystal Ballroom of Houston's Rice Hotel for the dinner. It was almost impossible to ask for a salt shaker without having a millionaire pass it on to you.

But it should not be thought that appreciation for MARTIN in Texas is limited to the oil and gas men. In Houston, Dallas, Fort Worth, and elsewhere in that mighty State, if the big dealers say a thing is good, the chances are that the little fellows will agree.

[From the Washington Post and Times Herald of February 13, 1958]

TWO GOP CHIEFS EYE THAT TEXAS MONEY

(By Jack Bell)

The chairman of the Senate and House Republican Campaign Committees said yesterday they will accept the $100,000 raised by a Houston, Tex., party dinner and spurned by the GOP National Committee.

Interviewed by telephone, Senator ANDREW F. SCHOEPPEL (Republican, Kansas) and Representative RICHARD M. SIMPSON (Republican, Pennsylvania) said Chairman Meade Alcorn's statement that the GOP National Committee will not accept funds from the dinner does not apply to their committees.

Alcorn's refusal was announced Tuesday with White House approval.

SCHOEPPEL and SIMPSON joined in condemning the action of H. J. Porter, Texas GOP national committeeman, in appealing for contributions on the ground that Representative JOSEPH W. MARTIN, JR., House minority leader, had helped obtain House passage of the natural gas bill in the past and was being counted on to rally support for it this year.

But SCHOEPPEL and SIMPSON made it clear their indignation was not so great as to cause them—as it did Alcorn—to turn their backs on $100,000 in campaign contributions.

At Austin, Gov. Price Daniel of Texas told a news conference Porter should return the $100,000 to the contributors. Daniel, a Democrat, said Porter's "attempt to mix partisan politics and campaign funds with the natural gas bill" has hurt the pending legislation.

"As Governor of this State, I want the people of the Nation to know that this incident is deplored by the great majority of our people," he said. "Neither Texas nor the merits of the gas bill should be judged by Mr. Porter's actions."

At Independence, Kans., SCHOEPPEL said, "I knew nothing about the Porter letter until I read portions of it in the papers. It was unfortunate and does not bespeak the attitude of the Republicans of Texas who contributed honestly to help elect Republican Senators and Congressmen.

"We are certainly not going to take the position, however, that any money forwarded to us by the Republican State Finance Committee of Texas will not be accepted."

SCHOEPPEL said that while the proceeds of such $100-a-plate dinners often are cleared through the national committee, it is not unusual for a State finance group to send the money directly to the Congressional committees. He said he assumed this would be done in this case.

SIMPSON said that thus far the House committee has received no offer of any of the money colected at the Houston dinner. But he said that so far as he is concerned, if money is forwarded by the Texas State Finance Committee to his group it will be accepted.

SIMPSON called Porter's letter crude and inexcusable. He said it put MARTIN in an unfair light.

"Everybody knows that JOE MARTIN's influence is not for sale," SIMPSON said. "Some of this money was contributed by persons who wished to get a legislative decision on a matter that I believe the Supreme Court unfortunately decided the wrong way.

"I see no reason why the contributions should not be accepted by our committee."

Mr. NEUBERGER. Mr. President, the alternative approach to election financing—to regard it as a legitimate and necessary public cost of democratic government, just as the cost of Government buildings and the payment of salaries to elected officials—has recently been inaugurated on a modest scale in Puerto Rico. I had occasion to bring the Puerto Rican experiment in financing political activities to the attention of the Senate last year, when the law was first passed. Now the first reports on its operation are in. The particular law in operation in Puerto Rico is not perfect or even, in my opinion, a very close model of the system we should establish in this country. In many

ways conditions are, of course, extremely different. Nevertheless, as an illustration of the principle, the Puerto Rican example is valuable and instructive, and I ask unanimous consent to have printed in the RECORD at this point an article describing it, from the New York Times of February 9, 1958.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PUERTO RICO PAYS POLITICAL PARTIES—EXPENSE FUND IS CALLED NECESSARY TO DEMOCRACY—ONE GROUP BALKS

(By Peter Kihss)

SAN JUAN, P. R., January 30.—An experiment by which the Government provides the main financing for political parties is under way here. The law calls the payments "instruments necessary to democracy."

The Secretary of the Treasury, José Ramon Noguera, revealed today that Gov. Luis Muñoz Marín's Popular Democratic Party had drawn $16,057 from last July 1 through January 28.

Secretary Noguera said that the opposition Statehood Party, affiliated with mainland Republicans, had obtained $20,415 in the same period.

Both totals are preliminary. Secretary Noguera said that the Statehood leader, Senator Miguel Angel Garcia Mendez believed his party's total was closer to $17,000.

MISUSE OF FUNDS CHARGED

The Independence Party, the other opposition group led by Senator Gilberto Concepcion de Gracia, has rejected the payments as a misuse of public funds. In effect, he sees the plan as a government plot against the opposition.

The payments are actually running well below the maximum rate allowable under the law. Each principal party is allowed to have certain bills paid up to $75,000 in nonelection years. In quadrennial election years each may get $150,000 plus previously unspent balances.

The money may be used for offices, broadcasts, movies, travel, advertisements, programs, and other propaganda. Monthly reports are sent to the secretary of the treasury. The government pays vendors directly instead of having the money pass through parties.

PRIVATE GIFTS LIMITED

In its other phase, the law limits private contribution to parties to $400 yearly in nonelection years and $600 in election years, with any violation a misdemeanor. It also bans the soliciting of contributions from government employees in their offices or through other government employees as a felony.

Senator Yldefonso Solo Morales, Populares Party secretary general, said that the law sought to end any practices of large contributions or levying on government employees.

The Populares have used most of government fund for a half-hour radio broadcast every night except Sunday in 3 cities, costing $1,000 monthly, the senator said. The rest has gone chiefly for the San Juan headquarters.

Julio C. Torres, party treasurer, said that the Populares had been spending $75,000 annually in nonelection years and $200,000 in election years.

Luis A. Ferre, 1956 Statehood candidate for governor, said he had personally opposed the law for government subsidies "because I believe it is a step toward paternalism and the giving up of citizens' rights."

However, he said he had agreed when the party majority wanted to take the fund because it needed more money and newspaper space. He asserted he got the law limited to exclude "pork barrel" salaries.

Statehood members previously had difficulty because contributors feared possible government reprisals, Mr. Ferre said. In the 1952 gubernatorial election, the party spent at least $100,000, he said, but this sagged to $45,000 in 1956 even though he and Mr. Garcia Mendez each contributed $6,000.

In nonelection years, he said, his party spent up to $25,000. Statehood members are using the new government fund chiefly for newspaper advertising.

Mr. NEUBERGER. In conclusion, Mr. President, it happens that, by a coincidence, I was addressing the New School Associates in New York City last week on the whole subject of money and ethics in government, just as the two current examples of the problem—in the form of conflicts of interest within regulatory agencies and of campaign fund raising—were occupying the front pages. I ask unanimous consent that the press release giving the substance of my remarks at the Eduard C. Lindeman memorial luncheon of the New School Associates, on the subject of money and ethics in government, be printed in the RECORD following my remarks.

There being no objection, the press release was ordered to be printed in the RECORD, as follows:

FINANCING OF POLITICAL CAMPAIGNS, NOT OCCASIONAL GIFTS, IS GREATEST PROBLEM OF ETHICS IN DEMOCRATIC GOVERNMENT, NEUBERGER TELLS NEW SCHOOL ASSOCIATES

"As long as candidates for the Nation's highest elective offices must regularly seek hundreds of thousands of dollars in campaign contributions from private donors, it is futile to pursue ethics in government with conflict-in-interest laws and rules about civil servants accepting small courtesy gifts at Christmas," Senator RICHARD L. NEUBERGER, of Oregon, told the Eduard C. Lindeman memorial luncheon of the New School Associates in New York City today.

"The recurring fuss over occasional airplane tickets, resort visits, speaking fees or Christmas hams fades into insignificance when compared with $30 million campaign treasuries to elect a President and $1 million exchequers to back a Senator or governor in a big industrial State," said NEUBERGER, who was elected to the Senate in 1954 as the first Democrat from his Pacific Northwest State in 40 years. "True elimination of conflicts of interest will remain an elusive goal until an effective method is adopted to free public officials from being virtual prisoners of the huge campaign funds needed to reach the public through modern means of mass communication."

The Oregon Senator proposed that the dilemma be solved by adopting the recommendation first made by President Theodore Roosevelt in 1907, for Federal financing of the Federal election campaigns of the major political parties in order to liberate candidates from dependence on large private contributions. "Teddy Roosevelt made this recommendation to the Congress half a century ago, long before the era of radio and TV and other costly modern political necessities. Yet even when election costs were only a tiny fraction of what they are today, this great and progressive Republican President spelled out the evil in a system under which officeholders must rely on donors with special interests for the wherewithal of their elections to office."

NEUBERGER described in detail legislation he has proposed in the Senate to put the Teddy Roosevelt plan into law by having the Federal Treasury underwrite certain election expenses as a "necessary cost of democratic government." This would be done by entitling major party candidates in Federal elections to Federal financial support based on a formula of 20 cents for each voter in the district; by federally purchased broadcast time made available on equal terms to opposing candidates; by offering a tax credit of up to $10 to every taxpayer for a legitimate individual political contribution made by him to a candidate or party of his choice; and by matching-fund grants to States for voters' pamphlets to make information about candidates and issues available free to all registered voters.

All such Federal support would be subject to two conditions, NEUBERGER explained, "(1) that the candidate's campaign keep within legally set limits all its other expenditures from private sources; and (2) that the candidate receive at least 10 percent of the total vote cast, or forfeit a bond he must deposit in the amount of one-half the Federal contribution to his campaign." The 10 percent rule is necessary to rule out splinter-party or self-starting candidates running for the purse, NEUBERGER said. "Under such a limitation, the Bull Moose candidacy of Theodore Roosevelt in 1912 and the Progressives of Fighting Bob La Follette in 1924 would have passed the 10 percent qualifying level; the various Socialist, Communist, and Dixiecrat tickets we have had would have forfeited their bonds."

The Oregon Senator said that, in his opinion, present campaign reporting laws are barely worth the paper they are printed on. "Even if they were amended and modernized, they would be useless unless affirmative responsibility for investigation and enforcement of reporting requirements is placed in the hands of an independent agency, removed as far as possible from politics.

"Can politicians, no matter how honest, satisfy the public that they are enforcing the election laws against themselves? I have proposed that the Comptroller General—a nonpolitical longterm official who is also outside of the executive branch—should have authority and responsibility to audit and investigate all spending in election campaigns, not just that which appears on filed reports. Campaign financing should be subject to at least as effective scrutiny as income-tax returns are today—then maybe it would be possible to keep check on the size and sources of campaign treasuries.

"Most of the men and women I have met in Congress and in the legislature of my State are honest and trustworthy," NEUBERGER told his luncheon audience. "They would be outraged and shocked at any suggestion of taking money to influence their judgment on any policy issue which might come before them for decision. Yet to reach their own electorate, to influence the public to vote for them over their opponents, our system forces them to accept vast sums in campaign contributions from sources who have a direct stake in those policy issues.

"Moreover, this system invariably gives one candidate greater financial resources than another with which to place his program, or at least his profile, before the public—and thus actually denies the public a fair and equal choice," the Senator stated. "There is hardly an equal, democratic election between one candidate whose name has been heralded in billboards, newspaper ads, and TV spectaculars and another who has been speaking from street-corner soapboxes. Only if, by equal Federal financing accompanied by limits on private spending, we help all candidates to reach the public, can we eliminate the dollar from politics and speak of 'one man, one vote.'"

NEUBERGER claimed that this approach to true democracy and ethical politics would be consistent with the ideals of the late Eduard C. Lindeman, in whose memory the luncheon lectures are held. "Professor Lindeman spent years in social work, in direct contact with the realities behind social theories, before his distinguished career as teacher and writer," he said. "He would know that the great

18th-century doctrines behind the Declaration of Independence, the Constitution, and the Bill of Rights are kept alive, not in the shrines of the National Archives, but by being given concrete and meaningful application under the actual conditions of our 20th century industrialized mass civilization."

Referring to Lindeman as a man of challenging intellect and great moral courage and conviction, NEUBERGER said that Mrs. Neuberger and he felt a special sense of personal association on this occasion because of their friendship with Lindeman's daughter, Mrs. George D. Leonard, of Portland, Oreg.

"Professor Lindeman would have seen the implications for our philosophy of democracy when a total of at ceast $200 million was spent on all the political campaigns—Federal, State, and local—in 1956," NEUBERGER said. "The largest blocks of these campaign funds, and these are the ones politicians must largely rely on, came from a relatively small number of people. The implicit dangers to free, democratic government are obvious—and far greater than the danger from lobbying and petty favoritism—yet when election campaign costs have skyrocketed with the use of modern communications techniques, where is a candidate for elective office to get the money? Don't forget that Judge Leibowitz withdrew from a mayoralty race in New York because he said he had been advised that he would need a treasure chest of as much as a million dollars to be elected."

NEUBERGER said that the alternative of grassroots participation in political campaign financing would be encouraged by his proposal to allow each individual taxpayer one $10 tax credit annually for a legitimate contribution to a political party or candidate. "Tax incentives have been suggested by various bills introduced in recent years, but they would have to be in the form of a small tax credit of this kind rather than $100 deductions, as has been proposed," he said. "A credit taken directly against the tax would affect each taxpayer and voter equally. But a $100 tax deduction could mean that the Treasury in effect would put up as much as three-fourths of the $100 contributions of a wealthy industrialist and his wife, while it put up only about 20 percent of the smaller sum contributed by a bus driver or sawmill worker. Such an unequal policy obviously could not be sustained."

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. NEUBERGER. I yield.

Mr. JOHNSTON of South Carolina. I should like to ask the Senator from Oregon a question. Is this not the same Jack Porter who testified before our committee?

Mr. NEUBERGER. Before the Committee on Post Office and Civil Service?

Mr. JOHNSTON of South Carolina. Yes.

Mr. NEUBERGER. I am not certain.

Mr. JOHNSTON of South Carolina. It is the same Jack Porter who testified before the committee to the effect that everyone in Texas receiving an appointment at the hands of the Republican administration would be asked for so much money. When he appeared before the committee he justified that policy by saying that the applicants had to be screened to determine whether or not they should receive appointments as postmasters, or to sundry other positions.

Mr. NEUBERGER. I thank the distinguished chairman of the Committee on Post Office and Civil Service for bringing this matter to the attention of the Senate. In my opinion there should be no connection between campaign funds and public policy, and there should be no connection between campaign funds and the receiving of appointments from the United States Government, or any other level of government.

Mr. JOHNSTON of South Carolina. My reason for calling attention to that situation is that Mr. Porter ties together the making of appointments, the election of candidates, and the raising of funds. They are all in the picture at the present time.

Mr. NEUBERGER. Again there is demonstrated a need for drastic reform in this realm.

FORTIETH ANNIVERSARY OF LITHUANIAN INDEPENDENCE

Mr. CLARK. Mr. President, Sunday, February 16, marked the 40th anniversary of Lithuanian Independence. At a time when the possibility of negotiating with the Soviets over longstanding political grievances is approaching reality, it is well to remind ourselves of the nature of the adversary—and Lithuania's tragic story is a clear illustration of that nature.

When Lithuania became independent in 1918, she proceeded rapidly to embark on the course of progressive and modern statehood. In 1922, she was the first European nation to enact a land reform program—one of the most important events in her history, since three-fourths of her population was agricultural. A compulsory education program, begun in 1930, reduced illiteracy from 64 to 15 percent. Cooperatives raised the standards of commerce, agriculture and industry, and the transformation of Lithuania into an enlightened modern nation was well under way.

In 1939 Lithuania became a battleground for Russian and German forces. She revolted in 1941, but after a few days of freedom was overrun by the Germans. The Russians in 1944 dislodged the Germans and, with a reign of terror, established Russian authority, including forcible incorporation of Lithuania into the Soviet Union.

Rigid Soviet censorship has tended to obscure the extent of Communist brutality in Lithuania. I doubt that we have ever heard the full truth about purges, deportations and enforced labor and about the savage Soviet campaign to obliterate all vestiges of Lithuanian nationalism.

But as the Hungarian revolution and the Polish and East German uprisings have shown, the spirit of liberty dies hard. The yeast of discontent and the longing for freedom are at work in Lithuania as they are in the other satellite nations.

When we sit down at the bargaining table with the Soviets—as we must do if mankind is to hope for a secure peace—let us remember Lithuania as an object lesson. The Soviets are single-minded, wily and tough; let us be no less.

Mr President there was published in yesterday's New York Times an editorial entitled "When Lithuania Was Free," which summarizes in fine style the sacrifices which the wonderful people of Lithuania have made and the contribution they are continually making in opposition to slavery, tyranny and Soviet domination.

I ask unanimous consent that the editorial be printed in the RECORD at this point as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WHEN LITHUANIA WAS FREE

If it had not been for Russian aggression in 1940 Lithuania would this week be celebrating the 40th anniversary of her independence. It was on Februray 16, 1918, that the little republic, following the example of Latvia, and preceding Estonia by a few days, declared herself free of the ancient Russian tyranny. Twenty-two years afterward this freedom was brutally betrayed by a new tyrant, the late Josef Stalin.

Nevertheless, the memory of liberty survives, in Lithuania and in the other Baltic States. The fatuous theory that Lithuania, Estonia, and Latvia, or any other of the captive nations of Central Europe, rejoice in their slavery to Moscow fools nobody and silences nobody who does not have to live under Russian bayonets.

These nations will not be rescued from their serfdom at the cost of a third global war. The price is one humanity cannot pay. But they will not be forgotten in the Free World. Some day, when communism's vast lie has been dethroned, they will be free again. Meanwhile, we in this country count their people, in exile or in enforced and unwilling silence at home, as our friends: We salute them for their past and future victories.

METHODS OF RELIEVING ECONOMIC DISTRESS IN CERTAIN AREAS

Mr. MORTON. Mr. President, I have just received a communication from Hon. Albert B. Chandler, Governor of the Commonwealth of Kentucky, enclosing a memorandum from Dr. James Martin, Commissioner of Highways for the Commonwealth of Kentucky. Dr. Martin makes some excellent points which I think deserve careful consideration by my colleagues, and also by the appropriate agencies downtown.

I ask unanimous consent that both the letter to me from Governor Chandler and the memorandum from Dr. Martin to the Governor be printed in the RECORD at this point as a part of my remarks.

There being no objection, the letter and memorandum were ordered to be printed in the RECORD, as follows:

COMMONWEALTH OF KENTUCKY,
Frankfort, February 14, 1958.

Senator THRUSTON B. MORTON,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MORTON: Dr. James Martin, commissioner of highways, sent me the enclosed memorandum this morning. I believe this memorandum will be of interest to you in considering proposals regarding methods of relieving economic distress in certain sections of the country.

Kentucky has already completed the engineering and right-of-way acquisitions on a large number of miles of roads that are approved for Federal aid secondary money. The building of these roads will not only relieve unemployment in these distress areas but will also permit economic development that is not now possible.

Please give us your reaction to this proposal.

Sincerely,

ALBERT B. CHANDLER,
Chairman.

MEMORANDUM

FEBRUARY 14, 1958.

To: Hon. A. B. Chandler, Governor.

From: James W. Martin, commissioner of highways.

If the Congress of the United States should immediately make available additional Federal aid for highways, this department could effectively utilize the money. Exactly how fast we could move, and how effectively from the point of view of relieving unemployment, would depend on the terms of the grant.

Even though there is considerable unemployment in many parts of Kentucky, the greatest distress is in the eastern and southern parts of the State. The most serious problems are in the mountains and more or less southward from the inner bluegrass. If Federal aid secondary money were available in a large amount, the department could almost at once let contracts to use it—and primarily in the sections of Kentucky most in need of employment for the population. Over a long period, the engineering staff has worked up and obtained rights of way for measurably more mileage than the State could finance.

If additional support were made available but restricted to one or more of the other categories of established grants, the department could effectively use the money. Except for a few million dollars worth of Federal aid primary projects, there would be slight delay for engineering and rights-of-way acquisition. Moreover, both the Federal aid urban and Federal aid primary projects would fall more heavily in the area of the State where the interstate highways are located than would be the case as to Federal aid secondary projects.

The existing financial flexibility is possible because of the availability of bond proceeds to match Federal aid money.

If additional Federal aid is made available, more effective employment objectives could be attained. Without having made special inquiry, I am confident this would be true of other States. Greatest employment achievements of all would result from making money available for highways without any restriction as to use on the Federal-aid system. Kentucky has millions of dollars worth of projects not eligible for Federal aid under present law which could be made ready for contracting in a short time.

For a State like Kentucky which has comparatively limited interstate mileage, this year is a peculiarly unfortunate time to shift the basis of Federal aid for interstate highways as contemplated in the Federal highway aid law. In the studies recently submitted to the Congress, such a change in policy would apparently cut more than 40 percent from Kentucky's allotment in the course of 2 years.

JAMES W. MARTIN.

PROPOSED NATIONAL LIBRARY OF MEDICINE

Mr. HILL. Mr. President, the press tells us that the President's first important step to counter the recession talk came Tuesday when he proposed a stepped-up program of post-office construction and renovation to cost $2 billion. They also tell us that the Bureau of the Budget has authorized the District to seek Congressional approval for a $100-million borrowing program for an expanded public-works program.

It is not my intention at this time to discuss the desirability or undesirability nor the adequacy or inadequacy of these proposals. Rather would I seize this opportunity, Mr. President, since the administration now looks with favor on the construction of Federal buildings, to address a fervent plea to the President that he put first things first and promptly authorize the construction of that one Federal building which is far more needed that any other and the construction of which is invested with an urgency more compelling and more important to the Nation than I can express. I refer, Mr. President, to the National Library of Medicine.

Two billion for post offices. One hundred million for public works in the District of Columbia. Fine. Well and good. But first let us get going on the $7 million building which we must have to house and protect those priceless volumes collected by our National Library of Medicine which lie at the very heart of all our research endeavors in the field of health and which are daily threatened with destruction.

As I said on the floor of this Senate on March 13, 1956, Mr. President, this library holds the greatest collection of medical literature in the entire world. It is of incalculable value. Once destroyed, not all the gold in Fort Knox could restore to us this treasure. Yet, to our national shame, Mr. President, it must be said that since I spoke those words a part of the library's collection has been destroyed.

It may come as a great surprise to my colleagues on both sides of the aisle to hear me make this plea. "Did we not," they may well be asking, "authorize the creation of a National Library of Medicine properly housed in a modern building just 2 years ago?" "Did we not vote the funds needed to design and draw plans for the building?" "Are we not prepared to appropriate the money needed for its construction?" Of course we did, and of course we are. With complete bipartisanship, with overwhelming approval and without a single dissent, the 84th Congress declared the construction of such a library to be vital to the national welfare and enacted Public Law 941 which created the library. The library's board of regents has agreed on a site. The plans are drawn. We are ready to go, yet we are not going. And, in the meantime, priceless manuscripts and volumes have already been destroyed and the entire collection is daily threatened with destruction.

Why? The answer appears on page 601 of the Budget of the United States Government for the fiscal year of 1959.

There we find the altogether inexplicable, the unbelievable, the shocking statement—and a blunt one it is—I quote: "The construction of this building is being temporarily deferred."

Mr. President, such deferment of so vitally necessary a project cannot be tolerated. I urge my colleagues, particularly those Republican colleagues of mine in the Senate who, to a man, joined in passing the bill for a National Library of Medicine, to join with me in urging the administration to give the construction of this building the very highest priority in its newly decided on construction program.

I shall not here repeat the arguments which 2 years ago persuaded us that this undertaking was of the utmost importance. I would simply remind the Congress that it was urged upon us in the most compelling terms by the Department of Defense, by the Hoover Commission, by the American Medical Association, the College of Surgeons, the American Hospital Association, the American Dental Association, our State health officers and just about every organization of scientists concerned with health in the land. Dr. Ravdin, to whom the President himself turned for aid when he was unfortunately stricken with ileitis, now chairman of the board of regents of the library, told us, "There can be no question but that new physical facilities are urgently needed" and that the library's 80-year-old building is a firetrap in which at any time its contents "may well be destroyed."

Since then, Mr. President, the American Medical Association, in an editorial published in its Journal for November 2, 1957, described the tragic loss of over 400 books last September when water backed up and overflowed the drains in the library's antiquated 1887 structure. Just last week, Mr. Albert Deutsch, one of the Nation's most outstanding science writers, in a letter to the New York Times and to the Washington Post, wrote, and I quote:

> It should be obvious to all, in this age of large-scale man-induced radiation, faster-than-sound human travel, development of potent biological weapons, and the imminent rise of spacemen, that health and medical research are vital forces in our quest for national and world security. The National Library of Medicine * * * is a signal factor in strengthening our strategic health defense.

Mr. President, I ask unanimous consent that the editorial from the Journal of the American Medical Association and Mr. Deutsch's letter be set forth in the RECORD at the conclusion of my remarks. I hope they will be read by every Member of the Congress and that they, my colleagues, will as one man join with me in urging the administration to immediately authorize the construction of the National Library of Medicine.

There being no objection, the editorial and letter were ordered to be printed in the RECORD, as follows:

[From the Journal of the American Medical Association of November 2, 1957]

NATIONAL LIBRARY OF MEDICINE

The National Library of Medicine, established by Public Law 941, 84th Congress, has just completed its first year of operation under its new sponsor, the Public Health Service, and the first annual report of the library has just been issued. The record is an amazing one. It would appear that the renaissance of this great institution, begun through the initiative of the Army Medical Service, is now coming to full flowering.

The library has vigorously pushed its comprehensive acquisitions policy, and is receiving important medical literature from the 4 corners of the earth. Under its new loan policy this material is freely available to physicians throughout the United States, on request made through local libraries. The publications program of the library, which includes catalogs, indexes, and bibliographies of all kinds, is most impressive, and is a clear indication that the library is utilizing its full resources in offering a truly national service. Everyone who must wrestle with the vast and complicated outpouring of medical literature—and this includes, at one time or an-

other, almost all physicians—can feel only pleasure and pride in the library's achievement.

There is one somber fact to be noted: after 40 years of striving the library has not yet obtained the new building which it so desperately needs. If any doubt existed as to the reality of this need, it will be dissipated by perusal of the current issue of the National Library of Medicine News, which carries a description of how, during September, over 400 books of the early 19th century were damaged when water backed up and overflowed from faulty drain pipes in the library's present antiquated structure, built in 1887. Among the total losses were several volumes of Sir Astley Cooper's works, Abraham Colles' treatise on surgical anatomy (1811), and a hand-painted illustrated edition of Cooke's pocket anatomy. The library describes the loss as tragic, it seems to us that this is the word for the whole situation of delay in construction of a new building. It is a mystery why funds have not been obtained for a measure which is of immediate concern to every worker in the medical sciences, and indeed to the health of the Nation and the whole future of medical research and practice.

FEBRUARY 5, 1958.

EDITOR, THE WASHINGTON POST,
Washington, D. C.

DEAR SIR: The persistent reluctance of our national administration to see the scientific crisis whole is reflected in the President's failure to recommend in his budget message an appropriation needed to start building the new National Library of Medicine authorized by Congress last year.

It should be obvious to all, in this age of large-scale man-induced radiation, faster-than-sound human travel, development of potent biological weapons, and the imminent rise of spacemen, that health and medical research are vital forces in our quest for national and world security. The National Library of Medicine, formerly known as the Armed Forces Medical Library, is a signal factor in strengthening our strategic health defenses.

It is the world's largest medical library, surpassing even the great medical library in Leningrad. But it is no mere repository of medical learning; it is a dynamic source of vital information for research scientists. For many years the housing of this great institution in the aged, ramshackle, rat-ridden slum of Independence Avenue has constituted a national disgrace; its continuance there could turn into a national disaster. Overcrowding has forced the piling up of important scientific volumes in almost inaccessible places. Not long ago a break in rotting water pipes resulted in the destruction of a number of invaluable volumes. A greater catastrophe was averted only by the heroic efforts of staff members who slogged knee-deep in water to rescue shelves of precious works. Urgent appeals to transfer the library to a more suitable building went unheeded for 40 years until Congress made the step possible in 1956.

The designs and plans for the new building are now completed. Only the money is lacking. It is to be hoped that Congress will correct the administration's budgetary blindness by voting the needed appropriation.

Sincerely,

ALBERT DEUTSCH.

WAR OR PEACE

Mr. HILL. Mr. President, in the February 1958 issue of the Progressive Farmer there appeared an article by its able and distinguished senior editor and chairman of the board, Dr. Clarence Poe, entitled "Peace Conferences or War Corpses—Which?"

Dr. Poe in his timely article presents his views on war or peace and forewarns us of the appalling destruction that threatens us in the nuclear age unless a lasting peace is secured by the nations of the world.

I ask unanimous consent to have printed in the CONGRESSIONAL RECORD the text of Dr. Poe's article.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PEACE CONFERENCES OR WAR CORPSES—WHICH?

(By Clarence Poe)

(It is indeed a gruesome thing to say that "the issue of war and peace is likely to be settled by conferences or corpses." But is it not folly to ignore the fact that nearly all scientists proclaim that nuclear warfare could make America one ghastly ruin and continental graveyard? In such a situation, is it not the very least we should consider to try to "agree with thine adversary quickly" (to use Christ's own phrase) by efforts at peace and disarmament, no matter how much patience may be required? And may we not try for disarmament and peace with some hope of success because peace will be equally good for ourselves and our opponents? The only alternative to coexistence may be no existence.)

I. "What is the outlook for world peace as 1958 begins?" War may not be a probability this year. But under present conditions it will continue to be a threat until the United States, the United Nations, and a more truly united Christianity work more zealously for world peace. This may be a year of destiny for you or your son or brother or husband. Equally, it may be a year of destiny for your wife or sister or daughter. This is true because nuclear warfare would show no distinction between men and women, children and adults, combatants and noncombatants.

Yesterday two men were talking about the possibilities of world peace. One said, "The question of world peace may be decided either by peace conferences or war corpses." That is to say, it may be decided either by conferences or agreements among nations that will insure disarmament and save us from world war III. Or it may be settled by the numbers of men, women, and children slain in battle or by intercontinental ballistic missiles.

II. "What was accomplished at the recent NATO Conference, and what leadership for peace did America display?" First of all, it is plain that America and its allies were divided not in their desire for peace, but in their opinion as to how to insure peace. One group would depend almost entirely on military preparedness. The other group does not oppose increased military preparedness, but declares we should first make every possible effort to work out with Russia some plan for peaceful coexistence.

At times President Eisenhower has seemed to take one side and then the other. He appointed Harold Stassen to help work out a great program of disarmament, and then placed Stassen under Secretary Dulles whose hostility or indifference seemingly drove Stassen from office. Just before the NATO Conference, two men of worldwide influence spoke out vigorously and hopefully about the possibility of at least making a start toward some sound disarmament agreement with Russia. One of these men, George Kennan, had long experience as an able American Ambassador in Moscow, and probably knows more about Russian conditions and attitudes than any other American. Taking the same viewpoint was Lester B. Pearson, long Minister of Canada and who recently received the 1957 Nobel peace prize for having done more than anyone else to promote world peace.

III. "What is the general feeling of other nations and their leaders about the year ahead?" Many fear, if Mr. Dulles has his way, that America will push military programs wholeheartedly and negotiate peace programs halfheartedly or not at all. "We push war programs like giants but peace programs like pygmies," says Mr. Pearson. We hope more American leaders in politics and religion will protest against such a course.

IV. "How will war change with the use of nuclear missiles and weapons?" War has become almost incredibly more disastrous than at any time in the past. In a recent appearance before a Congressional committee, it was said that one all-out bomb attack on America might kill 82 million people. There has always been danger of war when two hostile nations of almost equal power faced each other. These countries could make war and hope to survive—at least the stronger of them have such a hope. But now the nature of war has changed. As Gen. Omar Bradley and other great military experts agree, "There can be no victors in modern war—only mutual suicide by both contestants." This fact is now not only accepted in the United States, but in Russia also. Russian leaders have used virtually this same identical language.

It is this change in the ruinousness of war which makes necessary a change in methods of settling disputes between nations. Not a mere layman, but the great scientist Arthur Compton tells us: "Science has created a world in which the Christian spirit is an imperative." In other words, science has given the world's military leadership colossal new powers which may destroy mankind unless we turn to a Christian spirit to save it.

V. "Has dependence on military might saved other nations in the past when two nations of almost equal power have faced each other in war?" No greater truth was ever uttered by Christ than His declaration, "They that take the sword shall perish with the sword." Certainly it would seem that this has been proved abundantly in our own time. Christ did not even modify His statement by saying that nations that will take the sword will perish by the sword unless they are strong. The strong also perish. Let us consider what has happened to so-called strong nations since 1900. England was supposed to have won a great victory in World War I and again in World War II—and yet was virtually ruined. France underwent losses which have ruined it as a world power—the billions on the so-called Maginot Line, by which it had thought to make itself unconquerable, wholly wasted. Highly armed Germany, Austria, Japan, and Italy were almost or quite ruined by war. The United States, in spite of only shorter participation, registered such losses in men, materials, and in its national debt as may burden us for generations.

VI. "Suppose war should come—might not America prove itself so much more powerful than Russia in men, missiles, and weapons as to insure us a quick victory?" This is what Secretary Dulles and others have seemed to be believing for several years—while our position in nearly all foreign countries has grown progressively worse. If we fail to convince other nations that we are sincerely anxious and determined to avoid war, we may lose the wholehearted support of our European allies. Millions of people in Asia and Africa may join Russia in the struggle against us.

We too often think of Russia and America as having around 180 to 200 million people each, and that therefore the balance is about equal. But two colossal facts make the risk of war with Russia so dangerous. One is that Communist Russia's 200 million people might immediately be joined by Communist China with over 600 million people. Second the two form one solid united block, whereas the United States and its Allies are separated

both by oceans and vast distances and varying governments with varying opinions.

VII. "Secretary Dulles says in effect that we cannot trust the Russians, therefore there is no use or hope in trying to deal with them." Several answers may be made to this position. One is that we would certainly not act except after thought and study by the wisest leaders of our Western World nor have to agree to anything in advance. We could simply explore the possibilities of any program and then decide about it.

But, what is more important, is it not to the self-interest of Russia as well as our own self-interest to keep our two countries from being devastated by war, with possibly half their peoples killed and their industry and progress set back for a generation? With its vast area and great population, Russia can become for centuries a country of great prosperity and power if it does not commit suicide by war. Why should it wish to do so? Certainly there would seem to be a possibility that it might agree on some carefully thought out and wisely safeguarded formula that would start us toward peace and disarmament. In any case, who would say that it is not worth while for us to try it and find out?

VIII. "What about the costs of trying to find peace by (1) negotiations and disarmament, as compared with (2) the costs of depending on military weapons?" Any effort to win safety by military might is a desperate gamble. Of course, we should stay strong militarily and try to get other nations to join us in all sound military programs, but we in the South at least know that an all-out war effort is no guaranty of victory. Furthermore, with the enormous multi-billion-dollar cost of nuclear weapons, is there not reason to ask whether ever-increasing military expenditures and Federal taxes may spend our Nation into bankruptcy and reduce our people to comparative poverty? Of course we may agree that if necessary this would not be too great a price to pay for freedom. What we are saying is this: "Is it not folly to neglect the possibilities of conference and arbitration to see if we cannot save our freedom without resorting to either war or poverty?" And, if our people resolutely decide to try for peace through disarmament, America may indeed set an example not only of freedom but of the "peace, progress, and prosperity" for which America confidently voted in 1956. That would make both the backward nations of the world and the captive peoples of Russia likely to follow our example. They certainly will not follow us if they believe that we have no hope or plans for anything but war.

TEDDY ROOSEVELT AND SELF-RELIANCE

Mr. CASE of South Dakota. Mr. President, as one of the sponsors in the observance of the Theodore Roosevelt Centennial this year, I would like to call attention to an article that appeared in the Christian Science Monitor on July 12, 1957.

Bearing the headline "Self-Reliance Keys TR's Centennial," the article points out how the Commission in charge of this observance demonstrated its own self-reliance by not asking for further Federal funds with which to carry on its work. Instead, the Commission chose to be self-sustaining in keeping with the centennial's theme of "responsible citizenship."

I ask unanimous consent that this article be printed in the RECORD as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SELF-RELIANCE KEYS TR'S CENTENNIAL

(By Stafford Derby)

NEW YORK.—The old rooms in the Theodore Roosevelt house on East 20th Street seemed to echo again with TR's hearty "Bully" when applause for those handling the centennial observance of the Rough Rider President's birth came in from Washington and the White House.

This honoring of Theodore Roosevelt's life and works starts officially October 27, 1957, and goes on for a year. The Commission has Federal funds of $150,000. It was the decision of the Commission not to seek additional dollars that drew praise from leaders of both parties in Washington and moved Presidential Assistant Sherman Adams, to pen a letter.

He wrote to Oscar S. Straus, president of the association, that the action "is evidence of good citizenship, will redound to the credit of the association and will be highly effective in furthering the work of the Commission."

SHUNS PUBLIC FUNDS

Vice President RICHARD M. NIXON said in his letter to Mr. Straus that it is noteworthy as well as newsworthy when a group of American citizens takes the course of self-reliance rather than of Government largess." Senator JOSEPH C. O'MAHONEY, Democrat of Wyoming commented that your readiness to take up this slack (in funds) is excellent testimony to your belief in Theodore Roosevelt and his sentiments of self-reliance.

Decision not to ask for an additional appropriation was made by the Theodore Roosevelt Association, and communicated by Leslie S. Stratton, director, in a letter to Hermann Hagedorn, secretary and director of the centennial commission.

Mr. Stratton said, "The grant already received, together with additional funds the association is appropriating and raising from friends and members, would be sufficient to carry on this important activity, and we feel sure that this is the way Mr. Roosevelt would want this program financed, rather than by further public funds." Acting on Mr. Stratton's letter, Mr. Hagedorn wrote to Speaker of the House SAM RAYBURN asking that if such a request had been introduced, it be withdrawn.

CITIZENSHIP HIGHLIGHTED

Such action is very much in step with the fast pace and rugged individualism which marked the days of the Oyster Bay citizen and went from police commissioner of the city of New York to the White House and international fame.

The commission's purpose is to recall Theodore Roosevelt's dynamic Americanism and to make his spirit again a vital factor in American life.

Theme for the observance has been announced as responsible citizenship. Three projects are planned to be the principal events, although others will take place.

These are:

1. An educational campaign to reawaken and spread the appreciation of Mr. Roosevelt's teachings of the principles of free citizenship and to restore to its rightful place in the American tradition the example of his forthrightness, his courage, and the fire in his heart for what America stands for in history.

PARK PROJECT CITED

2. The completion by the National Park Service of the Theodore Roosevelt Memorial National Park in North Dakota, in the region where he had his cattle ranches.

3. The development and dedication of the national memorial to Theodore Roosevelt on the island which bears his name in the Potomac River between the Key Bridge and the Arlington Memorial Bridge in Washington.

The many-sided life of TR—citizen, soldier, politician, statesman, naturalist, philosopher, and international authority—affords wide scope for the overall program. However, there are five facets which will be called to the attention of the public as special evidence of the responsible citizenship which he preached and lived.

These are: (1) The home and the family as the crucible of individual character; (2) the moral and spiritual imperatives of free government; (3) the citizen's participation in government; (4) the conservation of the natural resources; and (5) the national defense.

To leave no stone unturned (and how could that be in a TR centennial?) the commission plans to use all mass mediums. Radio, television, motion pictures, the press, magazines, books, pamphlets, filmstips, lectures, and addresses will be enlisted.

WOMEN'S GROUP ACTIVE

Other activities, relating to family life and the home, will be in charge of a women's committee headed by Miss Chloe Gifford, vice president of the General Federation of Women's Clubs.

A college and university committee, headed by Dr. Arthur Flemming, president of Ohio Wesleyan University, formerly Chairman of the Office of Defense Mobilization in Washington, will present Mr. Roosevelt's teachings in relation to the citizen's participation in government. A committee of the Council of Natural Resources, an association of the leading conservation organizations in the country, is in charge of the commission's work in the field of conservation.

The opening date of the centennial year falls on a Sunday. Plans have been made, therefore, to use this calendar circumstance to its best advantage.

Emphasis will be laid on the moral and spiritual values underlying a free society. Later in the year a national conference of clergy and laymen will be held in Washington where the rotunda of the Capitol will be the stage for the event.

During these summer weeks there is much afoot in the East Side house where TR was born. All is a bustle of preparation.

AMERICA'S DEBT TO PIONEER WOMEN

Mr. CASE of South Dakota. Mr. President, the pages of American history are filled with stories demonstrating the determined pioneering spirit of American women since the birth of this great Nation.

Often the contributions of women, and particularly pioneer women, to the American way of life, are overlooked as we pay homage to our great forefathers. But that is not always so.

In the Black Hills of South Dakota we recognize that a great deal of credit is due Annie D. Tallent, who accompanied the Gordon party into the Black Hills and became the first county superintendent of schools in Custer County, S. Dak. Every State, I am sure, is able to point with equal pride to the accomplishments of certain distinguished women in the history of each State.

As a Nation, perhaps we owe a special tribute to that noble champion of all women, Susan B. Anthony. In true pioneering spirit, this dedicated woman spent her entire adult life laboring in behalf of humanity in general and American womanhood in particular. This

heroic figure of the 19th century brought to American women many of the rights and privileges they rightfully enjoy today.

Mrs. Rose Arnold Powell, of Minneapolis, Minn., has written an article citing the determined and dedicated accomplishments of American pioneer women since they first set foot on American soil. This article pays special tribute to the contributions of Susan B. Anthony.

Since February 15 was the birthday anniversary of Susan B. Anthony, I think it appropriate at this time to call attention to the place of her and women like her in the development of this country. I ask unanimous consent that this article be printed in the RECORD as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHAT AMERICA OWES TO WOMEN PIONEERS

Do you find it difficult in your busy 20th century lives to sit down quietly—alone—and try to think your way through to a satisfying all-around, forward-and-backward conception of the whyness of things as they are? Do you feel the insistent drive of the present rushing you on, making it almost impossible for you to pause awhile, look back into the past—further and still further, as though you were counting the links on a long chain? Does a sense of opposition overwhelm you as you try to do this? If you have this experience, it is simply the tug of modern day momentum, the result of plodding, pioneering footsteps of the past.

As we let the world go by, let us take stock of our rich heritage of opportunity, ferreting out its sources, tracing its feeble beginnings back to the dawn of American civilization. Specifically, what do we of today owe to women pioneers? What links did they fashion in the long chain of events which make it possible for us to forge our own? Do their lives really touch ours in any vital way? Because they are dead and gone are we justified in giving all our time and thought to what we call the living present? Let us try to find a rational answer.

WOMAN HEARD COLUMBUS

America was discovered when it was because a sympathetic, understanding woman listened to the startling claims of Columbus and pledged her jewels to secure funds for his great adventure. His own sex turned a deaf ear and laughed him to scorn. In due time began the great exodus to the New World. During the colonization period which followed, America became a refuge for oppressed people from many lands. As Allan H. Eaton, author of Immigrant Gifts to American Life, has told us, "All have come bearing gifts and have laid them on the altar of America." History, however, has presented the most meager outlines of the part the feminine half of our immigrant population played in the early development of America. Courageous women—side by side with their men—bearing equal hardships in addition to child-bearing—braving all dangers—built their enduring, pioneering characteristics into the lives of their offspring. As Mary R. Beard, historian and coauthor with her husband, the late Dr. Charles R. Beard, has emphasized, "Women have always been at the heart of things."

Of all the various peoples who left a definite impression on early American life, the Anglo-Saxon stand preeminent. They were the most energetic and enterprising. Their love of home comfort made the wilderness take on something approaching civilization, if not to blossom as the rose. Why was it that the original Jamestown colony failed? It was because the stabilizing influences of wife, home, and children were absent. With the coming of immigrant young women, taking a long chance on the prize package they might draw as husbands, the colony began to prosper. Others then dared to follow.

PILGRIMS' BEQUEST

What did the indomitable Pilgrim mothers bequeath to posterity? Do we have a stake in their lives? Does it help us to confront our perplexing problems to read of their fortitude, their contempt of defeatism? They suffer not at all in comparison with the sterling qualities of the Pilgrim Fathers. Anne Hollingsworth Wharton in Colonial Days and Dames, points out that "in addition to enduring all the hardships that fell to the lot of fathers, they had to endure the Puritan father himself, who was quite often gey ill to live wi' "; in other words, ornery and cantankerous.

Of the 19 immigrant mothers who came over on the *Mayflower*, the most outstanding were: Rose Standish, Priscilla Mullins, Dorothy Bradford, and Mary Chilton. Mary Allerton, one of the *Mayflower* daughters, lived to see the planting of 12 of the Thirteen Colonies which formed the nucleus of these United States. In all parts of the country we find the descendants of these dauntless, God-fearing women who sought afar for those priceless possessions we treasure today.

Was not our guaranty of freedom of worship embodied in our Constitution rooted in Pilgrim soil? Did not the *Mayflower* pact providing for the discussion of both sides of a question—differing with each other without scorn—cradle the seeds of democracy, awaiting their full fruition? Though women in that day were practically inarticulate as far as their own right to participate in government affairs was concerned, in time there was heard the voice of a daughter of New England whose immigrant foremother I am unable to name. We will consider the contribution of Abigail Adams a bit later. Before moving on to this period let us not forget that there was an Anne Hutchinson, as well as a Roger Williams in the struggle for religious freedom; that we of today owe much to the Quakers, who practiced the principle of equality of the sexes and founded the City of Brotherly Love; that the founder of the Dutch colony in this area derived many of the practical elements in his well-balanced character from his Dutch mother, Margaret Jasper; that Patrick Henry inherited his great oratorical powers from his mother, who had "the gift of tongues."

Realizing that great mothers develop great sons, let us pay grateful tribute to Mary Ball Washington, mother of George Washington, who shaped his character into her own heroic mold and thus prepared him for the great task ahead. Every boy and girl in our public schools should know of her brave struggle with adversity, widowed in early married life with a family of children to rear. The Father of his Country never lacked in loving homage to her wise counsel.

ABIGAIL ADAMS

Taking up the pre-Revolutionary period, how does the democratic doctrine of Abigail Adams affect our daily living? How many of us have read the story of her life? Did her thinking condition ours in any way? Let us see.

A valuable book fell into my hands some years ago entitled "Daughters of America, or Women of the Century," written by Phebe A. Hansford, an ordained minister, in 1882. In the chapter, Women and the Revolution, appears the following extract:

"In response to the proclamation for repressing the rebellion and sedition, as the remonstrances of our forefathers were termed, a woman, Abigail Adams in Massachusetts wrote thus in a letter to her husband, John Adams, at Philadelphia: 'This intelligence will make a plain path for you, though a dangerous one. I could not join today in the petitions of our worthy pastor for a reconciliation between our no-longer parent state—but tyrant state—and these Colonies. Let us separate; they are unworthy to be our brethren. Let us renounce them and instead of supplications, as formerly, for their prosperity and happiness, let us beseech the Almighty to blast their councils and bring to naught all their devices.'

"Said the New York Tribune, Horace Greeley, editor, in July 1875, commenting on the above, 'Here was a declaration of independence, preceding by 7 months that which has become so famous, and it was signed by a woman.' Quoting from Colonial Days and Dames again, 'Well might Abigail Adams write from her home in Braintree where she lived in constant dread of hostilities, and was often in want of the ordinary comforts of life, to her husband in Philadelphia who was helping "to usher in the birth of a fine boy," as he playfully dubbed the Declaration of '76. And by the way, in the new code of laws which I suppose it would be necessary to make, I desire you to remember the ladies and be more generous and favorable to them than your ancestors were. Do not put such unlimited power into the hands of the husbands. Remember, all men would be tyrants if they could. If particular care and attention are not paid to the ladies, we are determined to foment a rebellion and will not hold ourselves bound by any laws in which we have no voice or representation.'"

WOMEN'S RIGHTS

Under the inexorable law of cause and effect that rebellion was fomented when in 1848 the first women's rights convention in all history was held in Seneca Falls, N. Y., setting forth a long list of grievances, adopting unprecedented resolutions and declaring war on the whole body of the common law as it affected women.

Leading the vanguard of this revolt against ancient custom and tradition were Elisabeth Cady Stanton and Lucretia Mott, the two outraged women who returned from the World's Anti-slavery Convention in London in 1840 determined to do something about the status of women because the accredited women delegates from America were refused participation for no other reason than that they were not men.

As the woman movement progressed, 4 indomitable stalwarts stood out above all others: Lucretia Mott, the oldest, who died in 1880, Elisabeth Cady Stanton, Lucy Stone, and Susan B. Anthony, in order of their birth; "the great quartet—the 4 giants of the early suffrage movement," as Inez Haynes Irwin, author of Angels and Amazons, called them.

These dauntless pioneers inspired many other women to march under their emancipation banner but progress was slow. They had undertaken a herculean task, the difficulty of which they dimly foresaw. The "holy fire" blazed forth again in 1876 when, at the annual convention of the National Woman's Suffrage Association held in New York City in May of that year, they adopted a burning set of resolutions, quoting from the militant utterances of Abigail Adams. (History of Woman Suffrage, vol. III, pp. 19–20.) By the time the centennial date of the Nation arrived, three Vulcans—Anthony, Stanton and Matilda Joslyn Gage—had forged a followup thunderbolt, the Women's Declaration of Independence, in which they impeached their Government and again aired their grievances, one of which was that women had been refused all participation in the centennial celebration on July 4. Read this thrilling document and the dramatic story of its presentation by a group of NWSA officers led by Susan B. Anthony (History of Woman Suffrage, vol. III, pp. 17–35).

SUFFRAGE VICTORY

By the time the early stalwarts had all passed away, a vast army of suffrage soldiers kept on the march and in 1920 were rewarded with victory. Carrie Chapman Catt and Anna Howard Shaw were the last of the suffrage leaders composing "The Old Guard" of the National-American Woman Suffrage Association, merged in 1890. At the centennial recognition of the inception of the Woman Movement in America, sparked by the indignity to women in London in 1840, Mrs. Catt said, "Where there is no opportunity, seek it; where there are barriers, break them; where there is opposition, besiege it; keep the banner of women's rights flying until every vestige of the old tradition ordering subjugation is chased from the earth."

SUSAN B. ANTHONY

Of all the noble women who labored in our behalf and that of all humanity, Susan B. Anthony should be placed at the head of the list because she is the only woman who gave to the cause her entire adult life. Not only was she the "hewer of wood and drawer of water" of the Woman Movement, but also the tireless human dynamo that kept it functioning for half a century. Frances E. Willard, herself one of the grandest women of the 19th century, characterized her as "that heroic figure, sure to stand out in history as plainly as any of the Presidents."

Among the 43 grandchildren of John Anthony, Jr., who sailed in the ship *Hercules* from Hampstead, England, April 15, 1643, was his grandson, David Anthony, the father of Daniel Anthony, who married Lucy Read, July 13, 1817. Susan Brownell Anthony was their second child. On the maternal side, her grandfather, Daniel Read, born at Rehoboth, Mass., was said to be a lineal descendent of, and entitled to the coat of arms of, Sir Brianus De Rede, A. D. 1075. Susannah Richardson, his wife, was born at Scituate, Mass., and her family were among the most wealthy and respected in that locality during the 18th century. Daniel Read served with honor during the Revolutionary War. "It was several years after peace had been declared and he had returned home and settled down to the quiet life of a New England farmer that, on December 2, 1795, was born Lucy, the mother of Susan B. Anthony." (Life and Work of Susan B. Anthony, vol. I, pp. 3–4. 3–Vol.)

PEER AMONG LEADERS

When we exercise any of the rights, opportunities, and privileges won for us by our indomitable pioneers, let us realize that had the forbears of Susan Anthony never lived and filled their niche in colonial days, this peer among world leaders would never have been born.

If this "blessed event" had never occurred, what would be the status of women today? Surely not as near her vision of equality as it is, since it required a whole lifetime of devotion to her ideal to "break the stubborn glebe." We would undoubtedly still be "crying in the wilderness" of our hopes with most of the womanhood of the world. Neither would America be what it is today.

Let us ponder the statement of the late Arthur Brisbane, noted columnist: "The world might well have wept if Susan B. Anthony had been born a boy."

CONSTRUCTION OF U. S. S. "ARIZONA" MEMORIAL AT PEARL HARBOR

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). Is there further morning business? If not, morning business is closed.

The Chair lays before the Senate the unfinished business, which will be stated by title.

The LEGISLATIVE CLERK. A bill (H. R. 5809) to authorize construction of a U. S. S. *Arizona* Memorial at Pearl Harbor.

PUBLIC WORKS AND UNEMPLOYMENT

Mr. CHAVEZ. Mr. President, I am very glad that the Senator from Alabama [Mr. HILL] discussed public works insofar as that subject relates to the health of the country. It is in reference to public works that I wish to address myself to the Senate today. I am extremely glad that the President has at last become concerned about unemployment in the United States. However, I do not believe we must wait for legislative enactment in order to do something about unemployment. Only a few days ago the President said he would recommend legislation to construct post-office buildings throughout the country. That is a very worthy undertaking, and an ambitious one. However, I would suggest to the President that he does not have to wait until such legislation is enacted. He can do something about putting people to work before such legislation is enacted.

Congress has given the President plenty of opportunity to do so, and he could start to do something about it today, if he really wanted to do something. Several years ago Congress enacted into law the so-called Lease-Purchase Act, under which buildings were to be constructed throughout the country.

So far as the District of Columbia is concerned, where there is considerable unemployment, something could be done about it right away. Under the Lease-Purchase Act there could be constructed three office buildings in the southwest section of the city which are known as Federal Office Buildings Nos. 5, 6, and 10. Also, in Washington, the Federal Food and Drug Administration desires the construction of an office building known as Federal Office Building No. 8. The Civil Service Commission also wants an office building, which would be No. 9. The United States Geological Survey has authority, under the Lease-Purchase Act, to build a Federal office building. There is also authorized Federal Office Building No. 7, which could be constructed. This building would be located at 17th Street and Pennsylvania Avenue.

Therefore, we can see how easy it would be, instead of waiting for legislation to be enacted, to construct office buildings. In addition to building post offices at Kokomo, Ind., or Santa Fe, N. Mex., we could start right away in the city of Washington, without waiting for any legislative action whatever. That is not all.

We have been reading in the local press for several months now about the Highway No. 240. Why is that highway not being built? The authority for its construction exists. Nevertheless, no action has been taken, and Highway 240 still does not enter the city of Washington.

Furthermore, Congress enacted legislation for a bridge over the Potomac. It is a bridge that is badly needed. Congress took action in that case after consideration of all the needs and the feasibility of a new bridge. Nevertheless, we still do not have that bridge. That could be constructed right away, if only someone in Washington would act. I think the proper person to take action in this matter is the President, who is so desirous of putting people to work. That is not all, Mr. President.

We have been told that there are over 4½ million unemployed persons in our country and recently it has been reported that the President is contemplating a $2 billion building program to stimulate business and to relieve unemployment. I certainly believe that such an unemployment condition should not prevail in the United States. Furthermore, I believe that we should have a continuing program of public-works construction—and we have authorized the projects and made money available for such construction—not only to provide gainful employment to our people, but also to perform works which would strengthen our economy.

I have on many occasions pointed out that our public-works programs have suffered because of the procedures adopted in controlling funds appropriated by Congress. There is nothing more uneconomical than a program of construction which is piecemeal or which is constantly being stopped and started.

I have had material assembled which deals with many of our public works programs. The information has to do with the following programs, all of them public-works programs.

First. Highways.

Second. Flood control, rivers and harbors.

Third. Watershed programs of Soil Conservation Service.

Fourth. Public buildings under lease-purchase. I have enumerated a few in the District of Columbia.

Fifth. Water-pollution control.

Sixth. Reclamation.

The compilation shows the magnitude of the authorized projects, the amounts of funds which could be efficiently used during the 1959 fiscal year, and the estimated man-years of employment which would result from such a program.

The interstate highway program which is now underway has been apportioned $4.7 billion for fiscal year 1957–58 and 1959. The Federal-Aid Highway Act provides for the apportionment of $2.2 billion of Federal funds for fiscal year 1960 to the Interstate System; however, it appears that only about $1.6 billion would be available for apportionment to the Interstate System and $900 million to other categories, or a total apportionment of $2.5 billion instead of about $3.1 billion as authorized. I believe that forest roads, public-lands roads, and other such roads should be accelerated.

If we have a program of $1.6 billion for the Interstate System and $900 million for the other roads, we will fall far short of the most efficient program.

In terms of man-years of employment on the highway program there could be 120 man-years of on- and off-site employment for each $1 million of construction, or for a $3.1 billion program there would result at least 300,000 man-

years of employment from the use of Federal funds.

There are many authorized flood control, navigation, and rivers and harbors projects which should be carried forward, not only for the economy of the country, but in order to relieve unemployment, about which some persons are now shedding crocodile tears. There remains more than $4 billion of uncompleted work on projects now under construction and another one-half billion dollars in projects could be started within 6 months. This does not include the $1,521,554,000 projects included in Senate bill 497, which has passed the Senate and is now on the House Calendar.

I do not suggest that these projects could or should all be started in 1 year, but I do believe that instead of an appropriation of only about $626 million, the program could very efficiently be increased to about $875 million a year. On a program of this nature about 110,000 persons could be employed as on- and off-site labor.

That is not only the labor connected with the construction of the road system itself, but also the off-site labor. In addition many man-years of labor would be provided for those who produce the material and equipment necessary for the construction of the roads.

The watershed program which is extremely important to our country now has projects authorized and additional projects which will be submitted in fiscal year 1959 in the amount of about $283 million. Many persons throughout the entire Nation are interested in watershed programs.

Again, I do not suggest that this program could be undertaken or initiated in 1 year but at least $45 million could be efficiently utilized during fiscal year 1959. This is contrasted with a very meager program of $21 million in new money which has been requested in the President's budget.

We talk about putting people to work. Authority should be asked for a program of $45 million. The President asked for funds for only an added $21 million program; still he desires to put people to work. A program of $45 million would utilize 4,500 man-years of on- and off-site labor.

The Public Works Committee of the Senate and House have approved 83 post office buildings in the amount of $69,574,000 and 67 Federal buildings in the amount of $667,589,000. In addition to these $737,163,000 of approved projects the agencies have worked on prospectuses for 200 additional projects, of which the Government owns 71 sites. These projects would cost an estimated $1½ billion. The $737 million program would utilize about 80,000 to 90,000 man-years of on- and off-site labor, and if completed over a 5-year period would employ 16,000 to 18,000 man-years per year of labor.

The Water Pollution Control Act authorized one of the most essential programs which has been undertaken. This act authorizes $50 million each year for 10 years to provide assistance to municipalities for improvement of sewage treatment and disposal facilities. This $50 million would stimulate the construction of about $250 million of such facilities annually. It is estimated that the annual payroll would amount to $75 million annually and would employ at least 13,000 man-years of on-site labor and an additional 13,000 to 14,000 man-years of off-site labor. If the program were doubled, there would, of course, be a doubling of this total man-years of labor. There is a present need for an additional 9,400 treatment works in the United States.

The President's budget message made the following recommendation with respect to the water pollution control program:

I am quoting the message in view of the fact that the President later changed his mind:

Grants-in-aid: * * * A joint Federal-State action committee consisting of 10 governors and representatives of the executive branch—made initial progress report—recommends complete transfer of two programs to the States—vocational education and the construction of waste treatment facilities. Recommends increasing the degree of State responsibility in three other programs—natural disaster relief.

After recommending the legislation which Congress agreed to and passed, the President has now suggested another method of enforcing that law—that it be postponed indefinitely. Nothing is more necessary in this country than to provide improved sanitation facilities in many cities. Under the program, properly administered, hundreds—yes, thousands—of new disposal plants were constructed during the last 2 years. It is the most popular program, probably, that Congress ever passed in this particular line of endeavor. But now it is proposed that it be postponed indefinitely.

The Bureau of Reclamation has a total active program of about $2.7 billion with a requirement of over $1.3 billion to complete the projects. Projects under construction would require about $1.1 billion to complete them. I do not in this case suggest that it would be practical to provide funds for or attempt to complete construction of these projects during 1 or 2 fiscal years.

The reclamation program is another of our resources development efforts which could and should be accelerated. Although the authorization of such projects is handled by the Interior and Insular Affairs Committee, I am keenly aware of the needs for moving ahead on them and feel that I should mention them because of the needs in my own and other western States. However, I do believe that instead of an allowance of $161,662,000 of construction funds, as proposed in the 1959 budget, the total could be increased by at least sixty to seventy million dollars. Projects which should be carried forward are those such as the Nevaho Dam project, in New Mexico, with funds in the amount of about three to four million during the 1959 fiscal year. In addition, projects such as Flaming Gorge and Glen Canyon could be assigned funds in order to accelerate their completion.

Mr. President, as regards the Navaho Dam, in my State, I know whereof I speak. All the upper basin States—consisting of Utah, Wyoming, Colorado, and New Mexico—were working hard, and have been working hard for years, for the development of those States and those areas. But only 2 short years ago—in the fiscal year 1957—the Congress appropriated $800,000 for commencement of the construction of Navaho Dam, on the San Juan River, in New Mexico. This fiscal year—in 1958—the President of the United States, through the Bureau of the Budget, requested the appropriation of an additional $1,800,000 for continuation of the construction of Navaho Dam. The Congress agreed to that, and appropriated the money. So now there is in the hands of the Bureau of Reclamation $2,600,000 with which to commence the construction of Navaho Dam. Notwithstanding that in this fiscal year the President of the United States requested that amount of money, now he is trying to have the money used elsewhere; and the Bureau of Reclamation wants to transfer the Navaho Dam money to the Flaming Gorge project, in the State of Utah. Today, from the Washington office—not from the district office in Salt Lake City—word has been sent to Farmington, N. Mex., that all personnel in the Bureau of Reclamation in that area be transferred elsewhere.

Mr. President, whom are we to believe? We believe in the Navaho Dam. Evidently the President believed in the Navaho Dam, after he was advised by his many advisers, because he requested the appropriation of the money, and the Congress made the appropriation. But now the President wants to use the money for something else.

Mr. President, about 2 weeks ago the Senator from Utah [Mr. WATKINS] and I exchanged some remarks in the Senate Chamber. I told him that the Reclamation Bureau wanted to have transferred to the Flaming Gorge project, in Utah, the money which was earmarked for Navaho Dam. The Senator from Utah, knowing the history of the Flaming Gorge project, the history of the Navaho Dam project, the history of the Glen Canyon project, and the history of all the other dams in the West, stated here on the floor of the Senate:

I am for Flaming Gorge, but I am also for Navaho Dam, and I am against any transfer of that money elsewhere.

In addition, projects such as Flaming Gorge and Glen Canyon could be assigned funds, so as to accelerate their completion. No one objects to that. We know that the Flaming Gorge project should be constructed; we know that Glen Canyon Dam should proceed. As a matter of fact, the work should be accelerated. But we do not want the funds appropriated for New Mexico projects used for those two particular projects. If more money is necessary—and I believe it is—then I, as a member of the Appropriations Committee, will certainly try to help have the money appropriated.

A program of construction for the Bureau of Reclamation involving about $235 million would provide about 30,000 man-years of labor opportunities. This would be increased if additional funds

for planning and other such funds were provided. The programs I have discussed would relieve unemployment and would produce many works which would be of great value to our Nation.

In conclusion, I summarize as follows, the estimated programs for the fiscal year 1959 and my suggested increases:

	Estimated funds, fiscal year 1959	Suggested increases for fiscal year 1959
Highways	[1] $2,500,000,000	$600,000,000
Flood control, navigation, etc.	625,000,000	249,000,000
Watershed program	[2] 21,000,000	14,000,000
Public buildings	(3)	300,000,000
Water pollution	[4] 45,000,000	45,000,000
Reclamation	[5] 162,000,000	70,000,000
Total		1,278,000,000

[1] This amount would be apportionment for fiscal year 1960.
[2] Budget indicates about $31,000,000; however, about $10,000,000 is from carryover.
[3] Lease-purchase program is unknown; however, all approved projects should be completed within 3-year period.
[4] Water pollution control should be continued, and could be accelerated.
[5] Reclamation figure is for construction only, and increase should allow about $60,000,000 for construction and $10,000,000 for small projects program and planning.

Mr. CHAVEZ. Mr. President, in the case of the public-buildings program, no estimate has been given the Congress for this program for the fiscal year 1959. The administration speaks of the post offices it might build after Congress acts on legislation for that purpose. As indicated in the table, I suggest that $300 million be obtained for public buildings.

There is a need for customs-immigration border stations and other such facilities. However, I feel certain that other committee chairmen will present information on projects for which their committees have responsibility.

UNEMPLOYMENT

Mr. President, in order further to emphasize the unemployment situation, let me point out that, as previously stated, it has been reported that at this time approximately 4½ million persons are unemployed. That estimate has been reached on the basis of sampling; it is not possible to arrive at a reasonably accurate determination of the amount of unemployment in the various States.

However, information is currently available concerning unemployment-insurance claims which is compiled by the United States Department of Labor, Bureau of Employment Security.

The unemployment-insurance programs, which include workers covered by the State programs, and the Federal employee program cover about four-fifths of the nonfarm wage and salaried workers.

The Federal legislation as written provides for the exclusion of agricultural laborers, domestic services, employment for most State and local governments, work for nonprofit organizations, unpaid family work, and self-employment. The program does not include railroad employees, since they are covered by railroad retirement programs.

The unemployment-insurance program does, however, cover a large segment of employees, and information from this source does provide an indication of the magnitude of the unemployment problem in each State and is utilized herein to illustrate the problem of unemployment confronting the various States.

I shall ask to have printed a tabulation which shows the insured unemployment for the week ending January 26, 1957, as contrasted with the week ending January 25, 1958. The rate of insured unemployment is based on the average monthly covered employment in the 12 months' period ending March 1957 and is based on 41,600,000 employment.

Mr. President, I have in my hand a list of insured employment figures. These figures do not include those who do not obtain unemployment insurance payments when they are not employed. I shall ask consent to have the list put in the RECORD, but first I should like to call attention to a few of the figures.

I see that my friend from the State of Florida [Mr. SMATHERS] is now presiding. On the paper I have in my hand I notice that for January 26, 1957, there were 13,974 unemployment insurance applications in the State of Florida. One year later there were 24,622 unemployment insurance applications, or an increase of 10,648.

Mr. NEUBERGER. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. NEUBERGER. I should like to ask the distinguished Senator from New Mexico what the compilation is for my native State of Oregon in the table from which he is reading.

Mr. CHAVEZ. I am glad to furnish that information. In 1957 there were 38,191 unemployment insurance applications in Oregon. One year to the day later there were 48,538 applications, or an increase of 10,347.

Mr. NEUBERGER. If I am not mistaken, I believe the State of Oregon, unfortunately, is one of the top States in its rate of unemployment. I believe that the three States of the Pacific Northwest, Montana, Oregon, and Washington, are at the very top in the percentage of unemployment figures among the States of the Nation.

Mr. CHAVEZ. The percentage rate for Oregon is 12.9.

Mr. NEUBERGER. For that reason I want to say, very briefly, that I have been listening to the able and outstanding speech being delivered by the Senator from New Mexico, who is chairman of the Senate Committee on Public Works, on which committee I have the honor to serve. Particularly because I help to represent a State that has an alarming rate of unemployment I wish to thank the Senator for calling this urgent and vital matter to the attention of the Senate.

Mr. CHAVEZ. On January 26, 1957, California had 139,963 unemployment insurance applications. For the same day in 1958 there were 272,455 applications, or an increase in 1 year of 132,479.

On January 26, 1957, Connecticut had 25,407 unemployment insurance applications. In 1958 it had 55,504 applications, a difference of 30,097 persons.

Again I emphasize there figures do not include those who did not have unemployment insurance.

In Illinois there were on January 26, 1957, 82,332 unemployment insurance applications. In 1958 there were 152,519 applications, a difference of 70,187.

On January 26, 1957, Massachusetts had 77,495 unemployment insurance applications, and this year there were 107,788 applications, or a difference of 30,293.

Now let us go to one of the big ones, Michigan. In 1957, 82,147 persons made unemployment insurance applications in that State. In 1958 the number was 188,529, or a difference of 106,382.

Mr. President, at this point in my remarks I ask unanimous consent to have the entire list of insured unemployment printed the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Insured unemployment—State and Federal employee program

State	Number Jan. 25, 1958	Number Jan. 26, 1957	Change from Jan. 26, 1957	Rate (percent)
Alabama	40,195	22,617	17,478	7.0
Arizona	11,241	6,130	5,111	5.6
Arkansas	26,774	22,679	4,095	10.1
California	272,455	139,963	132,479	7.2
Colorado	12,303	7,032	5,271	3.8
Connecticut	55,504	25,407	30,097	7.1
Delaware	5,863	4,064	1,799	4.4
District of Columbia	9,284	7,010	2,274	2.0
Florida	24,622	13,974	10,648	3.2
Georgia	45,042	28,217	16,825	5.8
Idaho	13,551	9,597	3,954	12.2
Illinois	152,519	82,332	70,187	5.5
Indiana	77,457	44,606	32,851	6.8
Iowa	19,880	15,064	4,816	4.6
Kansas	17,787	14,128	3,659	4.7
Kentucky	47,962	35,674	12,288	10.0
Louisiana	25,644	17,180	8,464	4.4
Maine	21,903	11,602	10,301	10.5
Maryland	43,848	18,402	25,446	5.9
Massachusetts	107,788	77,495	30,293	6.8
Michigan	188,529	82,147	106,382	9.5
Minnesota	52,851	37,715	15,136	8.0
Mississippi	23,596	18,228	5,368	9.1
Missouri	57,030	37,188	19,842	5.7
Montana	16,163	10,110	6,053	13.0
Nebraska	10,889	10,883	6	4.8
Nevada	7,149	3,991	3,158	10.1
New Hampshire	9,895	6,439	3,456	6.8
New Jersey	143,964	99,456	44,508	9.2
New Mexico	6,740	4,864	1,876	4.3
New York	340,130	228,946	117,184	6.8
North Carolina	61,134	42,578	18,556	7.1
North Dakota	6,887	5,868	1,019	10.1
Ohio	172,806	71,839	100,967	6.5
Oklahoma	21,633	15,870	5,762	5.3
Oregon	48,538	38,191	10,347	12.9
Pennsylvania	299,199	178,868	120,331	9.1
Rhode Island	27,211	18,943	8,268	10.6
South Carolina	23,780	16,098	7,682	5.7
South Dakota	3,969	4,370	−401	5.3
Tennessee	67,632	51,769	15,863	10.1
Texas	90,187	53,757	25,430	3.2
Utah	11,303	8,194	3,109	5.9
Vermont	6,288	2,530	3,759	8.4
Virginia	29,892	14,847	15,045	4.1
Washington	68,681	53,930	14,751	10.7
West Virginia	39,953	15,426	24,527	10.5
Wisconsin	48,985	30,019	18,966	5.7
Wyoming	3,899	3,463	436	6.0
Total	2,895,335	1,746,600	1,148,735	7.0

NOTE.—Percentages appearing under rate column apply to 1st column of figures which show number of insured unemployment applications as of Jan. 25, 1958.
The national total of 7 percent represents the rate of insured unemployment, and is based on about 41,600,000 insurance-covered employment.

CIVIL WORKS PROGRAM—CORPS OF ENGINEERS

Mr. CHAVEZ. Mr. President, to further emphasize and illustrate the problem, the following tabulation—only for civil functions—indicates that the Corps of Engineers has a total active program estimated to cost $14,718,135,000 and requires $9,089,411,000 to complete. Of this total of $14,718,135,000, there are $9,946,048,000 of projects that are under construction that require $4,340,675,000 to complete. It should be noted that the projects are broken down into State totals. Many of the projects are included in basin plans, and the distribution among the States was necessarily made in part of judgment. The annual program of the Corps of Engineers could readily be increased to about $875 million during fiscal year 1959.

I ask unanimous consent that the tabulation be printed in the RECORD at this point.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

Current civil works program—Corps of Engineers

[In thousands of dollars]

State (estimated cost July 1957; amount to complete after fiscal year 1958)	Projects under construction	Projects not started		Total active program
		No planning funds available	With planning funds available	
Alabama:				
Estimated cost	79,377	45,570	123,311	248,258
To complete	38,729	45,570	122,549	206,848
Arizona:				
Estimated cost	23,620	----------	9,200	32,820
To complete	17,034	----------	8,987	26,021
Arkansas:				
Estimated cost	585,949	106,407	453,609	1,145,965
To complete	237,227	106,407	452,462	796,096
California:				
Estimated cost	799,114	14,652	149,646	963,412
To complete	314,204	14,652	147,686	476,542
Colorado:				
Estimated cost	----------	672	2,060	2,732
To complete	----------	672	2,007	2,679
Connecticut:				
Estimated cost	27,368	1,467	----------	28,835
To complete	13,635	1,467	----------	15,102
Delaware:				
Estimated cost	6,727	408	63,000	70,135
To complete	4,275	408	62,991	67,674
District of Columbia:				
Estimated cost	----------	6,274	----------	6,274
To complete	----------	6,274	----------	6,274
Florida:				
Estimated cost	317,896	2,403	6,660	326,959
To complete	212,389	2,403	6,486	221,278
Georgia:				
Estimated cost	195,195	----------	11,300	206,495
To complete	104,219	----------	11,083	115,302
Idaho:				
Estimated cost	53,110	2,295	12,624	68,029
To complete	3,090	2,295	12,456	17,841
Illinois:				
Estimated cost	291,981	50,815	77,403	420,199
To complete	132,422	50,815	76,330	259,567
Indiana:				
Estimated cost	85,745	99,178	34,571	219,494
To complete	61,232	99,178	34,354	194,764
Iowa:				
Estimated cost	187,605	1,936	116,486	306,027
To complete	70,169	1,936	114,655	185,760
Kansas:				
Estimated cost	212,748	78,797	159,670	451,215
To complete	98,936	78,797	158,200	335,933
Kentucky:				
Estimated cost	493,762	126,847	74,900	695,509
To complete	275,562	126,847	74,454	476,863
Louisiana:				
Estimated cost	513,518	4,270	116,550	634,338
To complete	233,757	4,270	115,325	353,352
Maine:				
Estimated cost	4,490	----------	----------	4,490
To complete	----------	----------	----------	----------
Maryland:				
Estimated cost	24,541	1,073	42,000	67,615
To complete	4,346	1,073	41,994	47,413
Massachusetts:				
Estimated cost	63,415	6,715	10,410	80,540
To complete	27,440	6,715	9,998	44,153
Michigan:				
Estimated cost	168,476	46,973	2,784	218,233
To complete	141,072	46,973	2,760	190,805
Minnesota:				
Estimated cost	92,442	3,055	284	95,781
To complete	27,418	3,055	265	30,738
Mississippi:				
Estimated cost	308,342	17,668	30,231	356,241
To complete	84,537	17,668	30,181	132,386
Missouri:				
Estimated cost	550,187	162,756	180,720	893,663
To complete	183,971	162,756	178,913	525,640
Montana:				
Estimated cost	162,996	2,015	289,290	454,301
To complete	24,366	2,015	288,723	315,104
Nebraska:				
Estimated cost	199,668	590	----------	200,258
To complete	54,210	590	----------	54,800
Nevada:				
Estimated cost	1,700	----------	505	2,205
To complete	----------	----------	480	480
New Hampshire:				
Estimated cost	39,658	----------	----------	39,658
To complete	34,033	----------	----------	34,033
New Jersey:				
Estimated cost	90,829	6,414	----------	97,243
To complete	55,468	6,414	----------	61,882
New Mexico:				
Estimated cost	30,320	375	36,350	67,045
To complete	23,069	375	35,624	59,068
New York:				
Estimated cost	120,254	59,559	50,268	230,081
To complete	55,735	59,559	49,392	164,686
North Carolina:				
Estimated cost	21,241	----------	8,050	29,291
To complete	883	----------	7,802	8,685
North Dakota:				
Estimated cost	303,377	----------	----------	303,377
To complete	28,943	----------	----------	28,943
Ohio:				
Estimated cost	153,906	128,993	54,392	337,291
To complete	82,909	128,993	54,231	266,133
Oklahoma:				
Estimated cost	345,246	155,930	167,596	668,772
To complete	302,858	155,930	167,239	626,027
Oregon:				
Estimated cost	680,001	32,701	136,565	849,267
To complete	192,101	32,701	134,824	359,626
Pennsylvania:				
Estimated cost	240,350	61,921	113,580	415,851
To complete	158,695	61,921	112,475	333,091
Rhode Island:				
Estimated cost	5,719	164	----------	5,878
To complete	2,095	164	----------	2,259
South Carolina:				
Estimated cost	96,289	----------	----------	96,289
To complete	42,464	----------	----------	42,464
South Dakota:				
Estimated cost	577,038	505	87,111	664,654
To complete	266,106	505	86,602	353,213
Tennessee:				
Estimated cost	297,401	8,300	41,800	347,501
To complete	53,623	8,300	41,623	103,546
Texas:				
Estimated cost	430,646	98,856	52,680	582,182
To complete	200,232	98,856	52,183	351,271
Utah:				
Estimated cost	1,720	----------	374	2,094
To complete	1,320	----------	354	1,674
Vermont:				
Estimated cost	47,016	28,750	9,300	85,066
To complete	33,872	28,750	8,987	71,609
Virginia:				
Estimated cost	87,499	75	16,900	104,474
To complete	5,813	75	16,800	22,688
Washington:				
Estimated cost	803,900	12,644	400,063	1,216,607
To complete	392,239	12,644	398,621	803,504
West Virginia:				
Estimated cost	68,350	117,499	118,650	304,499
To complete	33,190	117,499	117,659	268,348
Wisconsin:				
Estimated cost	36,493	513	----------	37,006
To complete	4,402	513	----------	4,915
Wyoming:				
Estimated cost	5,290	871	----------	6,161
To complete	4,187	871	----------	5,058
Alaska:				
Estimated cost	7,053	2,575	2,080	11,708
To complete	846	2,575	2,009	5,430
Hawaii:				
Estimated cost	6,480	763	4,920	12,163
To complete	1,352	763	4,788	6,903
Puerto Rico:				
Estimated cost	----------	----------	----------	----------
To complete	----------	----------	----------	----------
Wake Island:				
Estimated cost	----------	3,950	----------	3,950
To complete	----------	3,950	----------	3,950
Virgin Islands:				
Estimated cost	----------	----------	----------	----------
To complete	----------	----------	----------	----------
Total:				
Estimated cost	9,946,048	1,504,194	3,267,893	14,718,135
To complete	4,340,675	1,504,194	3,244,542	9,089,411

WATERSHED PROTECTION AND FLOOD-PREVENTION PROGRAM

Mr. CHAVEZ. Further emphasizing and giving details on the watershed protection and flood-prevention program, the following tabulation indicates that for fiscal years 1960–61 and remainder to complete, there would be required a total of $790,898,722. This is an estimate of the cost of completing all projects which have been authorized to date and those for which applications have been made by local interests and approved by the States to date. The estimated cost to complete all projects now authorized and those which could be submitted during fiscal year 1959 under the provisions of the budget would involve a total of about $283,000,000.

The fiscal year 1959 program of $31,659,000 could be increased to $45,723,069 without difficulty. It should be noted that of the $31 million about $10 million would come from carryover from fiscal year 1958; therefore, the new money for fiscal year 1959 would amount to about $21 million.

I ask unanimous consent that the breakdown by States on the watershed protection and flood-prevention programs be printed in the RECORD at this point.

There being no objection, the breakdown by States was ordered to be printed in the RECORD, as follows:

Potential employment [1]—Watershed-protection and flood-prevention programs, U. S. Department of Agriculture

	Fiscal year 1959			Fiscal year 1960			Fiscal year 1961			Remaining		
	Total Federal cost	Man-years employment		Total Federal cost	Man-years employment		Total Federal cost	Man-years employment		Total Federal cost	Man-years employment	
		On site	Off site		On site	Off site		On site	Off site		On site	Off site
Alabama	$282,742	14	14	$512,564	25	25	$419,662	21	21	$6,661,000	333	333
Arizona				25,000	1	1	150,000	8	8	3,046,200	152	152
Arkansas	125,360	6	6	369,419	18	18	654,169	33	33	37,605,800	1,880	1,880
California	2,241,087	112	112	2,894,030	145	145	3,001,870	150	150	33,678,500	1,684	1,684
Colorado	238,780	12	12	438,780	22	22	460,464	23	23	4,604,500	230	230
Connecticut and Rhode Island	35,693	2	2	160,693	8	8	375,000	19	19	2,948,300	147	147
Delaware	4,000			129,000	6	6	477,500	24	24	4,084,000	204	204
Florida	1,557			231,857	12	12	231,856	12	12	17,119,500	856	856
Georgia	1,234,490	62	62	1,547,790	77	77	1,340,489	67	67	29,108,300	1,455	1,454
Idaho				106,700	5	5	206,700	10	10	7,488,000	374	375
Illinois	185,650	9	9	351,650	18	18	466,084	23	23	1,628,000	81	81
Indiana	151,240	7	7	755,120	38	38	848,883	42	42	7,908,900	395	395
Iowa	754,262	38	38	1,229,262	61	61	1,354,985	68	68	20,510,000	1,025	1,025
Kansas	134,409	6	6	716,809	36	36	1,076,551	54	54	7,162,600	358	358
Kentucky	66,197	3	3	1,448,292	72	72	1,545,652	77	77	17,174,300	859	859
Louisiana	457,308	23	23	676,308	34	34	684,143	34	34	9,815,100	491	491
Maine												
Maryland	345,753	17	17	490,453	24	24	504,502	25	25	3,116,600	156	156
Massachusetts				75,000	4	4	200,000	10	10	7,513,500	376	376
Michigan				50,000	2	2	150,000	7	7	1,190,500	59	59
Minnesota	415,561	21	21	614,561	31	31	841,003	42	42	16,785,300	839	839
Mississippi	3,078,544	154	154	3,696,144	185	185	3,731,199	186	186	39,026,300	1,951	1,951
Missouri	61,735	3	3	273,535	14	14	264,983	13	13	6,360,000	318	318
Montana				125,000	6	6	175,000	9	9	2,669,800	133	133
Nebraska	707,099	35	35	932,499	47	47	999,327	50	50	11,407,100	570	570
Nevada				193,470	10	10	225,000	11	11	4,539,500	227	227
New Hampshire	99,434	5	5	124,434	6	6	131,027	6	6	5,739,600	287	287
New Jersey	15,798	1	1	90,798	4	4	165,857	8	8	2,209,700	110	110
New Mexico	506,766	25	25	897,566	45	45	1,065,635	53	53	9,084,800	454	454
New York	791,953	39	39	941,953	47	47	972,397	49	49	5,613,600	281	281
North Carolina	359,947	40	40	609,947	30	30	1,104,935	55	55	7,479,200	374	374
North Dakota	1,102,895	55	55	1,465,195	73	73	1,384,316	69	69	58,743,000	2,937	2,937
Ohio	255,262	13	13	352,162	18	18	394,142	20	20	5,490,000	274	274
Oklahoma	6,289,914	314	314	7,005,714	350	350	7,649,223	382	382	59,949,900	2,997	2,997
Oregon	425,716	21	21	625,716	31	31	819,563	41	41	5,794,700	290	290
Pennsylvania				729,800	36	36	904,800	45	45	9,731,300	486	486
South Carolina	343,396	17	17	645,696	32	32	796,981	40	40	7,397,900	370	370
South Dakota	45,195	2	2	353,495	18	18	540,229	27	27	10,018,900	501	501
Tennessee	173,521	9	9	298,521	15	15	568,799	28	28	3,690,900	184	184
Texas	9,583,702	479	479	11,201,002	560	560	10,417,290	521	521	142,417,700	7,121	7,121
Utah	10,955			185,955	9	9	376,815	19	19	7,841,300	392	392
Vermont				126,100	6	6	220,100	11	11	17,124,000	856	856
Virginia	384,830	19	19	726,830	36	36	726,830	36	36	10,542,000	527	527
Washington	128,044	6	6	403,044	20	20	486,999	24	24	10,519,900	526	526
West Virginia	497,881	25	25	597,881	30	30	677,188	34	34	8,740,900	437	437
Wisconsin	102,877	5	5	277,877	14	14	290,505	14	14	1,601,700	80	80
Wyoming	19,447	1	1	19,447	1	1	25,600	1	1	1,607,800	80	80
Alaska												
Hawaii							75,000			500,000	25	25
Puerto Rico												
Total	31,659,000	1,600	1,600	45,723,069	2,282	2,282	50,185,253	2,501	2,501	694,990,400	34,742	34,742

[1] Based on applications received to date.

PUBLIC BUILDINGS CONTRACT ACT OF 1954 (LEASE-PURCHASE)

Mr. CHAVEZ. Next I should like to discuss the Public Buildings Contract Act of 1954, which covers lease-purchase.

There have been a total of 150 public buildings approved by Congress, and agencies have worked on prospectuses for 200 additional projects, with respect to which the Government owns 71 sites. The approved projects would cost about $737 million and the additional projects would cost about $1.5 billion. The authorized projects could be completed within a period of 3 to 4 years if financing can be arranged and construction plans expedited.

I ask unanimous consent that there may be printed at this point in my remarks a list of the public buildings involved.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

PUBLIC BUILDINGS PURCHASE CONTRACT ACT OF 1954 (TITLE I)—POST OFFICE DEPARTMENT PROPERTY ACT OF 1954 (TITLE II)

Public Law 519 of the 83d Congress provides for the acquisition of title to real property and construction of public buildings by the Administrator of General Services and the Postmaster General through lease-purchase agreements, and also provides an expansion of authority for term-leasing agreements for the accommodation of activities of the Post Office Department.

Under the provisions of the law, installment payments on the purchase price will be made in lieu of rent and title to the improved property will be vested in the United States at the end of the agreement, usually for terms of 10 to 25 years, depending on the amount of amortization required for the property.

Local taxes will be paid on the property until title is vested in the Government.

During the 84th Congress the committee approved 83 post-office projects, having an estimated cost of $69,573,565, and 67 Federal-building projects, with an estimated cost of $667,588,830.

The following lease-purchase projects were approved by the Public Works Committee.

Location	Project	Estimated cost	Date approved
Point Pleasant, N. J.	Post office	$68,750	Dec. 14, 1954
St. Marys, Ohio	do	82,500	Do.
Scranton, Pa.	Branch post office	60,000	Do.
Brooklyn, N. Y.	East New York Station Post Office.	270,000	Do.
Oxford, Pa.	Post office	65,000	Do.
Atlanta, Ga.	Post-office-garage facilities	465,000	Do.
Council Bluffs, Iowa	Post office and courthouse	1,630,000	Mar. 15, 1955
Green Bay, Wis.	Post office and Federal building	1,615,000	Do.
Lake Charles, La.	Post office and courthouse	2,075,000	Do.
Rock Island, Ill.	do	2,000,000	Do.
Denver, Colo.	Post-office terminal annex	4,335,000	May 23, 1955
Hudson, Mass.	Post office	90,000	Do.
Two Harbors, Minn.	do	66,250	Do.
Garland, Tex.	do	143,750	Do.
Grand Prairie, Tex.	do	175,000	Do.
Albuquerque, N. Mex.	Federal office building	6,227,300	Do.
St. Paul, Minn.	Post office and customhouse	5,235,000	June 15, 1955
Jamestown, N. Y.	Post office and courthouse	1,840,135	Do.
Kingsport, Tenn.	Post office and office building	1,013,000	Do.
Abingdon, Va.	Post office and courthouse	543,210	June 15, 1954
Huntington, W. Va.	Federal office building	3,298,280	Do.
Kansas City, Kans.	Post office and courthouse	2,393,303	Do.
Grundy, Va.	Post office	50,000	July 27, 1955
Refugio, Tex.	do	78,125	Do.
West Memphis, Ark.	do	93,750	Do.
Cashmere, Wash.	do	54,687	Do.
Madison, Tenn.	do	78,125	Do.
Jefferson, Ohio	do	78,125	Do.
Camden, N. Y.	do	86,250	Do.
Houston, Tex.	do	7,100,000	Do.
Fort Mill, S. C.	do	49,800	Do.
New Richmond, Wis.	do	85,200	Do.
Toronto, Ohio	do	53,125	Do.
Newtown, Pa.	do	53,125	Do.
Skaneateles, N. Y.	do	79,875	Do.
Maplewood, N. J.	do	246,450	Do.
Burlington, Vt.	Post office and courthouse	2,830,000	Do.
Burlington, Iowa	Post office and Federal building	1,328,987	Do.
New York, N. Y.	United Nations Bldg.	3,300,000	Do.
Richmond, Va.	Federal office building	7,410,000	July 27, 1955
Minneapolis, Minn.	Courthouse and Federal building.	5,877,815	Do.
New Orleans, La.	Post office and Federal building	14,200,000	Do.
Ontonagon, Mich.	Post office	61,560	Do.
Newkirk, Okla.	do	56,250	Do.
Atlanta, Ga.	Communicable Diseases Research Bldg.	12,330,000	Do.
Omaha, Nebr.	Post office and courthouse	9,579,823	Do.
Brunswick, Ga.	do	1,431,000	Do.
Carthage, Tenn.	Post office and Federal building	272,000	Do.
Durham, N. H.	do	433,600	Do.
Biloxi, Miss.	Post office and courthouse	1,110,000	Do.
Lafayette, La.	Post office and Federal building	1,095,000	July 29, 1955
Parkersburg, W. Va.	Courthouse and Federal building.	1,722,841	Do.
Gainesville, Tex.	Post office and Federal building	645,636	Do.
San Francisco, Calif.	Courthouse and Federal office building.	45,300,000	Mar. 7, 1956
Parkersburg, W. Va.	Courthouse and Federal building (revised).	3,045,000	June 4, 1956
Kingsport, Tenn.	Post-office building, etc.	1,146,000	June 6, 1956
Hudson, Mass. (revised)	Post-office building	198,789	Do.
Bellflower, Calif.	do	297,500	Do.
Sparta, Mich.	do	103,400	Do.
Lansford, Pa.	do	94,000	Do.
Tupper Lake, N. Y.	do	107,554	Do.
Wayland, N. Y.	do	56,250	Do.
Prince Georges County, Md.	do	745,100	Do.
Sioux City, Iowa	do	85,500	Do.
Sheboygan Falls, Wis.	do	105,000	Do.
Philadelphia, Pa.	Post-office garage	1,805,000	Do.
Los Angeles, Calif.	Customhouse and Federal office building.	30,800,000	June 22, 1956
Sacramento, Calif.	Courthouse and Federal office building.	10,210,000	Do.
Minden, La.	Post-office building, etc.	412,000	Do.
Oklahoma City, Okla.	Courthouse and Federal office building.	7,140,000	Do.
Houston, Tex.	do	15,300,000	Do.
Greenville, Miss.	Post office and courthouse	1,200,000	June 28, 1956
Homewood Station, Pittsburgh, Pa.	Post-office building	238,500	July 13, 1956
Guilford, Conn.	do	154,600	Do.
Gering, Nebr.	do	136,915	Do.
Pittsford, N. Y.	do	135,395	Do.
Teaneck, N. J.	do	404,740	Do.
Winnetka, Ill.	do	326,000	Do.
Camden, Ala.	Post-office building, etc.	272,000	Do.
Phoenix, Ariz.	Courthouse and Federal office building.	8,600,000	Do.
Little Rock, Ark.	Federal office building	9,150,000	Do.
Helena, Ark.	Post office and courthouse	1,020,000	Do.
Marshfield, Mo.	Post-office building, etc.	324,000	Do.
Ronceverte, W. Va.	do	255,000	Do.
Boston, Mass.	Federal office building	28,150,000	Do.
Emporia, Kans.	Post-office building, etc.	600,000	Do.
Leavenworth, Kans.	Post office and courthouse	968,000	Do.
Sisseton, S. Dak.	Post-office building, etc.	530,000	Do.
Mount Hope, W. Va.	Bureau of Mines building	700,000	Do.
Hot Springs, Ark.	Post office and courthouse	1,729,000	July 20, 1956
Sedan, Kans.	Post office, etc.	218,000	Do.
New Orleans, La.	do	19,670,000	Do.
Redwood Falls, Minn.	do	440,000	Do.
Moorhead, Minn.	do	555,000	Do.
Greenwich, N. Y.	Post-office building	112,890	Do.
Beaver, Pa.	Post office, etc.	310,000	Do.
Manning, S. C.	do	364,000	Do.
Smithville, Tenn.	do	263,000	Do.
Victoria, Tex.	Post office and courthouse	$1,563,000	July 20, 1956
Martinsburg, W. Va.	do	1,400,000	Do.
Washington, D. C. (Southwest area).	Federal Office Building No. 5	25,250,000	Do.
Do.	Federal Office Building No. 6	16,275,000	Do.
Do.	Federal Office Building No. 8	12,190,000	Do.
Washington, D. C. (Food and Drug Administration).	Federal Office Building No. 9	22,115,000	Do.
Washington, D. C. (Civil Service Commission).	Federal Office Building No. 10	40,900,000	Do.
Washington, D. C. (Southwest area).	Post office, etc.	279,000	July 23, 1956
Livingston, Ala.	Federal office building	8,875,000	Do.
Miami, Fla.	Post office, etc.	365,000	Do.
Jonesboro, La.	do	829,000	Do.
Laurel, Miss.	do	480,000	Do.
McKinney, Tex.	do	392,000	Do.
Terrell, Tex.	Courthouse and Federal office building.	25,490,000	July 24, 1956
Dallas, Tex.	Post-office building	345,000	Do.
National City, Calif.	do	206,025	Do.
Newark, N. J., Roseville station.	do	234,220	Do.
Jersey City, N. J., Bergen station.	do	408,000	Do.
Waukesha, Wis.	do	126,775	Do.
Rittman, Ohio	do	451,077	Do.
Detroit, Mich., North End Station.	Federal office building	22,260,000	Do.
Washington, D. C. (U. S. Geological Survey).	Federal Office Building No. 7	27,450,000	Do.
Washington, D. C. (17th St. and Pennsylvania Ave.).	Post-office building	132,900	Do.
St. Marys, Ohio (revised).	do	136,500	Do.
Point Pleasant, N. J. (revised).	do	109,000	Do.
Oxford, Pa. (revised)	do	491,300	Do.
Brooklyn, N. Y. (East New York Station) (revised).	Post-office annex	8,209,000	Do.
Denver, Colo., Terminal Annex (revised).	Post-office building	94,300	July 24, 1956
Scranton, Pa., Dunmore Branch (revised).	do	183,450	Do.
Garland, Tex. (revised)	do	245,000	Do.
Grand Prairie, Tex. (revised).	do	107,000	Do.
Two Harbors, Minn. (revised).	do	106,000	Do.
Ontonagon, Mich. (revised).	do	106,000	Do.
Grundy, Va. (revised)	do	98,100	Do.
Newkirk, Okla. (revised)	do	117,700	Do.
Refugio, Tex. (revised)	do	138,045	Do.
West Memphis, Ark. (revised).	do	97,200	Do.
Cashmere, Wash. (revised).	do	138,040	Do.
Madison, Tenn. (revised).	do	147,300	Do.
Camden, N. Y. (revised)	do	357,600	Do.
Maplewood, N. J. (revised).	do	103,500	Do.
Skaneateles, N. Y. (revised).	do	150,915	Do.
Newton, Pa. (revised)	do	147,600	Do.
New Richmond, Wis. (revised).	do	994,935	Do.
Prince Georges County, Md. (revised).	Federal office building	8,350,000	July 25, 1956
Hartford, Conn.	Post office building	310,000	Do.
Monticello, Fla.	Post office and courthouse	1,580,000	Do.
Ocala, Fla.	Post office, etc.	502,000	Do.
Milledgeville, Ga.	do	271,000	Do.
Breese, Ill.	Post office and courthouse	1,980,000	Do.
Fort Dodge, Iowa	Federal office building	19,170,000	Do.
Baltimore, Md.	Post office, etc.	415,000	Do.
Denton, Md.	do	1,200,000	Do.
Bemidji, Minn.	do	612,000	Do.
Brainerd, Minn.	do	487,000	Do.
Moberly, Mo.	Federal office building	13,760,000	Do.
St. Louis, Mo.	Federal Records Center	6,740,000	Do.
Do.	Federal office building	21,700,000	Do.
Cincinnati, Ohio	do	5,092,500	Do.
Portland, Oreg.	Post office, etc.	898,000	Do.
Sharon, Pa.	do	275,000	Do.
Lafayette, Tenn.	do	216,000	Do.
Daingerfield, Tex.	do	620,000	Do.
Orange, Tex.	do	576,000	Do.
San Marcos, Tex.	Federal office building	7,600,000	Do.
Salt Lake City, Utah	Post office, etc.	3,575,000	Do.
Portsmouth, Va.	do	280,000	Do.
Waynesboro, Va.	Warehouse building	7,500,000	Do.
Franconia, Va.	Courthouse	6,420,000	July 26, 1956
Denver, Colo.	Post-office building	1,100,000	Do.
Benton, Ill.	Courthouse and Federal office building.	15,200,000	Do.
Brooklyn, N. Y.	Customs court and Federal office building.	65,100,000	Do.
Manhattan, N. Y.	Post-office building	4,950,000	Do.
Toledo, Ohio	Federal office building	23,960,000	Do.
Pittsburgh, Pa.	Courthouse and Federal office building.	3,820,000	Do.
Charleston, W. Va.	Post-office building	757,000	Do.
Wailuku, T. H.			

WATER-POLLUTION CONTROL

Mr. CHAVEZ. Mr. President, I should like to discuss further the Water Pollution Control Act, which I discussed heretofore.

The Water Pollution Control Act authorizes $50 million annually for 10 years to provide aid to cities and towns in the construction of sewage treatment and disposal facilities.

On January 31, 1958, a total of 875 projects had been approved having a total cost of $367,064,915, of which $72,543,848.36 represents Federal grants. Additional applications for 245 projects are being processed in the regional offices of the Public Health Service. The total estimated project costs are $136,369,970, of which $23,939,912 would represent Federal grants. Applications are currently being processed in State agencies for 392 projects having an estimated cost of $458,715,818, of which $42,808,783 would represent Federal grants. It is reported that applications are being prepared for 285 projects which would have an estimated cost of $102,840,793, of which $20,872,733 would be the estimated Federal grant. Senators will remember that the bulk of the money used in this program comes from the cities and States.

The total projects approved and on which applications are either being prepared or contemplated amount to 1,797. The total cost of these projects is estimated at $1,064,991,486. The Federal grant for the projects is estimated to be $160,165,276.36. There are a total of 9,377 treatments works listed among the treatment works needs. This is contrasted with 9,480 for 1956.

If an allotment of $50 million of Federal funds is made for sewage-treatment plants there would be stimulated a total of $250 million in total plant construction.

Obviously, since a $50 million expenditure of Federal funds brings about a $250 million expenditure by the people in the individual cities and States, if the Federal grants were doubled there would be a proportionate increase in the total plant construction.

Mr. President, I cannot emphasize too strongly to Senators the idea of providing the proper type sanitation facilities for the people of the United States. I know that a lot of folks think this work should not be done, but we have growing cities in America, and they have many problems of this nature.

In my own State, there is a little city of Farmington, which today has more school children in the public schools than it had in total population a few years ago. There are better than 5,000 people living in the trailer camps. The problem is exactly the same at Grants. We can multiply that situation many more times, to cover the needs of the other States of the Union.

Mr. President, I ask unanimous consent that the breakdown by States in connection with the water pollution control program be printed in the RECORD at this point in my remarks.

There being no objection, the breakdown by States was ordered to be printed in the RECORD, as follows:

TABLE I.—*Estimated impact of sewage treatment plant construction grant program under Public Law 660 based upon $50 million appropriation*

States	Allotment	Estimated total cost of projects stimulated [1]	Estimated payroll [2]	Estimated man-years of labor [3]	States	Allotment	Estimated total cost of projects stimulated [1]	Estimated payroll [2]	Estimated man-years of labor [3]
Totals [4]	$50,000,000	$250,000,000	$75,000,013	13,111.9	Nevada	$335,325	$1,676,625	$502,988	87.9
					New Hampshire	521,925	2,609,625	782,888	136.9
Alabama	1,144,725	5,723,625	1,717,088	300.2	New Jersey	1,109,775	5,548,875	1,664,663	291.0
Arizona	576,450	2,882,250	864,675	151.2	New Mexico	631,350	3,156,750	947,025	165.6
Arkansas	1,024,975	5,124,875	1,537,463	268.8	New York	2,744,325	13,721,625	4,116,488	719.6
California	2,048,825	10,244,125	3,073,238	537.3	North Carolina	1,260,950	6,304,750	1,891,425	330.7
Colorado	635,700	3,178,500	953,550	166.7	North Dakota	671,725	3,358,625	1,007,588	176.2
Connecticut	624,100	3,120,500	936,150	163.7	Ohio	1,658,600	8,293,000	2,487,900	434.9
Delaware	336,325	1,681,625	504,488	88.2	Oklahoma	862,175	4,310,875	1,293,263	226.1
District of Columbia	454,575	2,272,875	681,863	119.2	Oregon	657,300	3,286,500	985,950	172.4
Florida	899,575	4,497,875	1,349,362	235.9	Pennsylvania	2,102,975	10,514,875	3,154,463	551.5
Georgia	1,128,600	5,643,000	1,692,900	296.0	Rhode Island	514,475	2,572,375	771,713	134.9
Idaho	592,125	2,960,625	888,188	155.3	South Carolina	1,022,525	5,112,625	1,533,788	268.1
Illinois	1,749,450	8,747,250	2,624,175	458.8	South Dakota	676,700	3,383,500	1,015,050	177.5
Indiana	1,039,850	5,199,250	1,559,775	272.7	Tennessee	1,129,400	5,647,000	1,694,100	296.2
Iowa	883,875	4,419,375	1,325,812	231.8	Texas	1,714,800	8,574,000	2,572,200	449.6
Kansas	758,325	3,791,625	1,137,488	198.9	Utah	591,875	2,959,375	887,813	155.2
Kentucky	1,073,825	5,369,125	1,610,738	281.6	Vermont	545,600	2,728,000	818,400	143.1
Louisiana	986,350	4,931,750	1,479,525	258.7	Virginia	1,019,100	5,095,500	1,528,650	267.2
Maine	625,725	3,128,625	938,588	164.1	Washington	762,825	3,814,125	1,144,238	200.0
Maryland	754,525	3,772,625	1,131,788	197.8	West Virginia	900,000	4,500,000	1,350,000	236.0
Massachusetts	1,123,575	5,617,875	1,685,363	294.6	Wisconsin	981,025	4,905,125	1,471,538	257.0
Michigan	1,394,550	6,972,750	2,091,825	365.7	Wyoming	458,050	2,290,250	687,075	120.1
Minnesota	929,175	4,645,875	1,393,763	243.7	Alaska	425,275	2,126,375	637,913	111.5
Mississippi	1,162,925	5,814,625	1,744,388	305.0	Hawaii	513,475	2,567,375	770,213	134.6
Missouri	1,063,350	5,316,750	1,595,025	278.8	Puerto Rico	1,168,100	5,840,500	1,752,150	306.3
Montana	512,475	2,562,375	768,713	134.4	Virgin Islands	812,550	4,062,750	1,218,825	213.1
Nebraska	683,850	3,419,250	1,025,775	179.3					

TABLE II.—*Estimated impact of sewage treatment plant construction grant program under Public Law 660 based upon $100 million appropriation*

States	Allotment	Estimated total cost of projects stimulated [1]	Estimated payroll [2]	Estimated man-years of labor [3]	States	Allotment	Estimated total cost of projects stimulated [1]	Estimated payroll [2]	Estimated man-years of labor [3]
Totals [4]	$100,000,000	$500,000,000	$150,000,000	26,223.5	District of Columbia	$909,150	$4,545,750	$1,363,725	238.4
					Florida	1,799,150	8,995,750	2,698,725	471.8
Alabama	2,289,450	11,447,250	3,434,175	600.4	Georgia	2,257,200	11,286,000	3,385,800	591.9
Arizona	1,152,900	5,764,500	1,729,350	302.3	Idaho	1,184,250	5,921,250	1,776,375	310.6
Arkansas	2,049,950	10,249,750	3,074,925	537.6	Illinois	3,498,900	17,494,500	5,248,350	917.5
California	4,097,650	20,488,250	6,146,475	1,074.6	Indiana	2,079,700	10,398,500	3,119,550	545.4
Colorado	1,271,400	6,357,000	1,907,100	333.4	Iowa	1,767,750	8,838,750	2,651,625	463.6
Connecticut	1,248,200	6,241,000	1,872,300	327.3	Kansas	1,516,650	7,583,250	2,274,975	397.7
Delaware	672,650	3,363,250	1,008,975	176.4	Kentucky	2,147,650	10,738,250	3,221,475	563.2

[1] A factor of 5 was used to increase State allotments to "Estimated total project cost," based upon the experience of the construction grants program through Jan. 31, 1958. This shows that Federal participation is only 20 percent plus or minus of the total project cost.

[2] "Estimated payroll" equals 30 percent of total project cost based upon information obtained from the Departments of Labor and Commerce which was substantiated by an analysis of projects under the construction grants program.

[3] "Estimated man-years" equals "Estimated payroll" divided by $5,720. The dollar value of the average labor cost per man-year was determined on the basis of 52 weeks per year, 40 hours per week, and an average hourly rate of $2.75. The average hourly rate was derived from national average figures for skilled and common labor as reported in the Oct. 17, 1957, issue of the Engineering News Record. No specific data was available on this matter from the Departments of Labor or Commerce.

[4] Totals will not check accurately due to rounding.

TABLE II.—*Estimated impact of sewage treatment plant construction grant program under Public Law 660 based upon $100 million appropriation*—Continued

States	Allotment	Estimated total cost of projects stimulated	Estimated payroll	Estimated man-years of labor	States	Allotment	Estimated total cost of projects stimulated	Estimated payroll	Estimated man-years of labor
Louisiana	$1,972,700	$9,863,500	$2,959,050	517.3	Oregon	$1,314,600	$6,573,000	$1,971,900	344.7
Maine	1,251,450	6,257,250	1,877,175	328.2	Pennsylvania	4,205,950	21,029,750	6,308,925	1,103.0
Maryland	1,509,050	7,545,250	2,263,575	395.7	Rhode Island	1,028,950	5,144,750	1,543,425	269.8
Massachusetts	2,247,150	11,235,750	3,370,725	589.3	South Carolina	2,045,050	10,225,250	3,067,575	536.3
Michigan	2,789,100	13,945,500	4,183,650	731.4	South Dakota	1,353,400	6,767,000	2,030,100	354.9
Minnesota	1,858,350	9,291,750	2,787,525	487.3	Tennessee	2,258,800	11,294,000	3,388,200	592.3
Mississippi	2,325,850	11,629,250	3,488,775	609.9	Texas	3,429,600	17,148,000	5,144,400	899.4
Missouri	2,126,700	10,633,500	3,190,050	557.7	Utah	1,183,750	5,918,750	1,775,625	310.4
Montana	1,024,950	5,124,750	1,537,425	268.8	Vermont	1,091,200	5,456,000	1,636,800	286.1
Nebraska	1,367,700	6,838,500	2,051,550	358.7	Virginia	2,038,200	10,191,000	3,057,300	534.5
Nevada	670,650	3,353,250	1,005,975	175.9	Washington	1,525,650	7,628,250	2,288,475	400.1
New Hampshire	1,043,850	5,219,250	1,565,775	273.7	West Virginia	1,800,000	9,000,000	2,700,000	472.0
New Jersey	2,219,550	11,097,750	3,329,325	582.1	Wisconsin	1,962,050	9,810,250	2,943,075	514.5
New Mexico	1,262,700	6,313,500	1,894,050	331.1	Wyoming	916,100	4,580,500	1,374,150	240.2
New York	5,488,650	27,443,250	8,232,975	1,439.3	Alaska	850,550	4,252,750	1,275,825	223.0
North Carolina	2,521,900	12,609,500	3,782,850	661.3	Hawaii	1,026,950	5,134,750	1,540,425	269.3
North Dakota	1,343,450	6,717,250	2,015,175	352.3	Puerto Rico	2,336,200	11,681,000	3,504,300	612.6
Ohio	3,317,200	16,586,000	4,975,800	869.9	Virgin Islands	1,625,100	8,125,500	2,437,650	426.2
Oklahoma	1,724,350	8,621,750	2,586,525	452.2					

Water supply and water pollution control program, sewage treatment works construction grants—Status of applications as of Jan. 31, 1958

State	A Projects approved			B Additional applications being processed in regional offices			C Additional applications being processed in State agencies			D Other applications reported to be in preparation		
	1. Number	2. Estimated project costs	3. Grant offers	1. Number	2. Estimated project costs	3. Grant funds requested	1. Number	2. Estimated project costs	3. Grant funds requested	1. Number	2. Estimated project costs	3. Estimated grant funds
Alabama	12	$13,799,108	$2,125,549.17				18	$7,925,837	$1,656,500			
Arizona	12	3,710,202	1,040,398.68				1	75,000	22,500	1	$50,388	$15,200
Arkansas	24	6,280,580	1,343,605.98	3	$190,004	$55,448				13	6,689,200	1,287,000
California	24	9,046,225	2,275,333.00	1	2,446,030	250,000	61	72,813,808	7,615,789			
Colorado	18	5,136,978	1,260,916.33	2	788,436	233,530	4	2,199,527	568,707	18	10,707,000	912,100
Connecticut	5	4,157,230	933,265.24	2	1,622,000	486,600						
Delaware	4	2,294,547	574,695.00	1	267,338	80,201	1	267,338	80,201	3	500,000	150,000
District of Columbia	2	7,200,179	362,500.00				2	3,273,000	320,650	7	1,343,000	331,000
Florida	17	7,137,174	1,761,379.44	24	20,942,042	3,944,695						
Georgia	14	6,391,143	1,547,848.50	1	333,330	100,000				2		500,000
Idaho	8	4,240,536	958,879.73	1	236,751	71,025				2	517,000	155,000
Illinois	19	13,245,734	2,118,623.51	3	774,000	236,000	45	6,831,126	3,061,515			
Indiana	17	11,976,923	2,057,125.00	18	15,215,237	2,772,810	2	1,256,000	332,295			
Iowa	29	9,084,679	1,702,910.70	33	5,850,214	1,545,477						
Kansas	28	7,050,577	1,482,700.00									
Kentucky	17	8,651,850	1,590,386.00	1	670,000	201,000	11	7,327,909	1,154,016	10	6,009,000	1,352,700
Louisiana	18	6,348,944	1,611,528.72	5	1,300,108	390,032				1	750,000	225,000
Maine	3	980,430	294,069.00							8	2,010,000	603,000
Maryland	12	4,854,685	1,137,406.02	1	990,000	198,000	4	3,601,642	678,578	11	6,050,000	1,210,000
Massachusetts	10	5,417,276	1,097,667.76	2	1,622,000	477,100				10	4,649,000	1,110,000
Michigan	25	9,151,210	2,558,708.89	3	889,543	266,863	28	58,462,600	3,856,458			
Minnesota	20	7,216,722	1,849,376.00				47	16,937,100	4,197,283			
Mississippi	11	3,313,581	646,059.88							6	2,283,000	584,900
Missouri	39	12,027,462	2,111,046.71	1			23	13,937,100	2,747,245			
Montana	12	2,297,607	583,709.74							9	5,375,000	854,900
Nebraska	24	5,995,701	1,315,086.88	1	43,790	13,137				1	87,420	26,226
Nevada	2	491,000	147,300.00							4	1,150,000	345,000
New Hampshire	6	1,252,649	375,794.80	2	1,085,000	275,500				4	1,185,500	250,000
New Jersey	13	16,049,119	2,216,268.86							7	533,000	160,000
New Mexico	18	4,189,536	1,184,023.40	1	6,000	1,800				9	1,426,334	428,000
New York	30	27,217,634	3,517,729.59	21	336,633	3,173,985	27	159,772,000	4,258,100	9		
North Carolina	25	11,821,131	2,526,540.00				9	5,590,022	1,150,960	19	14,929,630	2,427,619
North Dakota	35	2,133,730	544,622.55	3	1,059,800	253,018	4	132,090	39,627	7	1,300,000	390,000
Ohio	31	15,720,341	3,196,536.77	2	3,615,806	276,102	27	56,428,987	4,167,980			
Oklahoma	22	7,455,772	1,611,269.65	9	2,131,634	639,480	1	46,081	12,081	2	170,000	56,000
Oregon	19	4,423,061	1,079,382.54	7	1,044,420	313,126	2	327,247	98,173	11	953,000	285,900
Pennsylvania	17	15,469,174	2,804,798.97	4	3,175,315	722,595	19	13,324,685	3,027,405	12	4,430,000	
Rhode Island	6	1,978,680	581,177.50							9	350,000	105,000
South Carolina	17	4,608,319	1,306,467.98	1	1,500,000	250,000	1			16	2,791,087	777,426
South Dakota	24	2,613,082	542,417.87	1	125,975	37,792	1	19,471	5,841	3	361,833	115,350
Tennessee	15	11,970,991	2,252,799.21	11	3,087,840	866,112	5	1,095,675	228,996			
Texas	41	13,779,963	3,355,178.51	19	8,914,182	1,654,739	1	200,000	60,000	6	1,430,000	429,000
Utah	5	10,926,318	1,019,786.86				12	3,851,448	788,655	2	6,000,000	500,000
Vermont	2	667,700	200,310.00	2	1,770,000	400,000				2	1,000,000	300,000
Virginia	26	9,999,083	1,451,808.00	6	1,720,477	186,161	14	2,496,017	417,996	14	7,058,401	1,962,762
Washington	27	6,074,416	1,400,837.82	6	7,032,560	942,033				32	4,307,000	1,092,100
West Virginia	6	3,626,262	858,305.00	3	407,177	122,153	20	20,291,958	2,191,587			
Wisconsin	35	8,044,815	1,946,349.80	42	11,620,876	2,431,782						
Wyoming	17	2,851,849	699,874.83	2	106,720	32,016	2	97,150	29,145	5	649,000	192,900
Alaska										6	2,327,500	698,250
Hawaii	2	1,001,964	294,791.97							4	3,468,000	1,040,400
Puerto Rico	10	5,580,880	1,088,400.00	1	132,000	39,600	1	135,000	40,500			
Total	875	367,064,915	72,543,848.36	245	136,369,970	23,939,912	392	458,715,818	42,808,783	265	102,840,793	20,872,738

Number of projects listed on comprehensive list of treatment works needs

State	1956 total	Present total
Alabama	123	120
Arizona	59	76
Arkansas	167	163
California	1,094	1,060
Colorado	217	203
Connecticut	70	56
Delaware	15	10
District of Columbia	1	1
Florida	117	132
Georgia	232	231
Idaho	161	161
Illinois	328	278
Indiana	214	199
Iowa	235	262
Kansas	228	227
Kentucky	161	158
Louisiana	141	117
Maine	139	137
Maryland	77	72
Massachusetts	139	153
Michigan	189	149
Minnesota	264	285
Mississippi	106	107
Missouri	185	196
Montana	119	117
Nebraska	232	246
Nevada	30	25
New Hampshire	84	89
New Jersey	71	71
New Mexico	82	104
New York	342	357
North Carolina	260	246
North Dakota	156	162
Ohio	246	208
Oklahoma	380	199
Oregon	95	115
Pennsylvania	372	400
Rhode Island	27	27
South Carolina	86	94
South Dakota	172	178
Tennessee	110	107
Texas	626	814
Utah	72	70
Vermont	276	276
Virginia	142	147
Washington	192	112
West Virginia	233	230
Wisconsin	175	156
Wyoming	74	40
Subtotal	9,256	9,232
Alaska	83	48
Hawaii	58	18
Puerto Rico	75	75
Virgin Islands	8	4
Total	9,480	9,377

Estimated allocations to States[1]—Construction grants, W. S. and W. P. C.

	Based on appropriation of—	
Total	$50,000,000	$100,000,000
1. Alabama	1,144,725	2,289,450
2. Arizona	576,450	1,152,900
3. Arkansas	1,024,975	2,049,950
4. California	2,048,825	4,097,650
5. Colorado	635,700	1,271,400
6. Connecticut	624,100	1,248,200
7. Delaware	336,325	672,650
8. District of Columbia	454,575	909,150
9. Florida	899,575	1,799,150
10. Georgia	1,128,600	2,257,200
11. Idaho	592,125	1,184,250
12. Illinois	1,749,450	3,498,900
13. Indiana	1,039,850	2,079,700
14. Iowa	883,875	1,767,750
15. Kansas	758,325	1,516,650
16. Kentucky	1,073,825	2,147,650
17. Louisiana	986,350	1,972,700
18. Maine	625,725	1,251,450
19. Maryland	754,525	1,509,050
20. Massachusetts	1,123,575	2,247,150
21. Michigan	1,394,550	2,789,100
22. Minnesota	929,175	1,858,350
23. Mississippi	1,162,925	2,325,850
24. Missouri	1,063,350	2,126,700
25. Montana	512,475	1,024,950
26. Nebraska	683,850	1,367,700
27. Nevada	335,325	670,650
28. New Hampshire	521,925	1,043,850
29. New Jersey	1,109,775	2,219,550
30. New Mexico	631,350	1,262,700
31. New York	2,744,325	5,488,650
32. North Carolina	1,260,950	2,521,900

[1] Based on 1950 population and 1954-56 per capita income.

Estimated allocations to States—Construction grants, W. S. and W. P. C.—Continued

	Based on appropriation of—	
33. North Dakota	$671,725	$1,343,450
34. Ohio	1,658,600	3,317,200
35. Oklahoma	862,175	1,724,350
36. Oregon	657,300	1,314,600
37. Pennsylvania	2,102,975	4,205,958
38. Rhode Island	514,475	1,028,950
39. South Carolina	1,022,525	2,045,050
40. South Dakota	676,700	1,353,400
41. Tennessee	1,129,400	2,258,800
42. Texas	1,714,800	3,429,600
43. Utah	591,875	1,183,750
44. Vermont	545,600	1,091,200
45. Virginia	1,019,100	2,038,200
46. Washington	762,825	1,525,650
47. West Virginia	900,000	1,800,000
48. Wisconsin	981,025	1,962,050
49. Wyoming	458,050	916,100
50. Alaska	425,275	850,550
51. Hawaii	513,475	1,026,950
52. Puerto Rico	1,168,100	2,336,200
53. Virgin Islands	812,550	1,625,100

BUREAU OF RECLAMATION

Mr. CHAVEZ. Mr. President, the Bureau of Reclamation has a total active program involving a total cost of about $2,714,200,000, which requires about $1,338,500,000 to complete. Projects now under construction have a total cost of $2,479,500,000 and require about $1,103,800,000 to complete.

The 1959 budget request is for $161,662,000 of construction funds which is far below the amount required to carry out an efficient construction program. This could reasonably be increased by about $60 million to $70 million for many projects such as the Navaho Dam, Flaming Gorge, Glen Canyon, and many others in our Western States.

Instead of doing this work piecemeal, and waiting until costs go up 3 or 4 years from now, why should we not take care of those people who are unemployed by having the work done now at a lesser cost?

Mr. President, I ask unanimous consent that the breakdown by States as to the reclamation program be printed in the RECORD at this point in my remarks.

There being no objection, the breakdown by States was ordered to be printed in the RECORD, as follows:

Active reclamation construction program

[Millions of dollars]

State	Projects under construction		Projects not under construction		Total active program	
	Total cost	Required to complete	Total cost	Required to complete	Total cost	Required to complete
Arizona	302.4	296.0			302.4	296.0
California	829.4	259.5			829.4	259.5
Colorado	13.8	10.7	7.8	7.8	21.6	18.5
Idaho	43.1	8.0			43.1	8.0
Kansas			15.2	15.2	15.2	15.2
Montana	103.1	98.0	19.7	19.7	122.8	117.7
Nebraska			59.9	59.9	59.9	59.9
Nevada						
New Mexico	65.4	39.2			65.4	39.2
North Dakota			.2	.2	.2	.2
Oklahoma	40.3	36.3			40.3	36.3
Oregon	27.3	16.1			27.3	16.1
South Dakota	3.0	3.0			3.0	3.0
Texas			125.0	125.0	125.0	125.0
Utah	68.8	30.9	6.9	6.9	75.7	37.8
Washington	765.7	237.7			765.7	237.7
Wyoming	127.2	68.4			127.2	68.4
Total	2,479.5	1,103.8	234.7	234.7	2,714.2	1,338.5

UNEMPLOYMENT

Mr. CHAVEZ. Mr. President, I have talked about projects which mean work for the people. The President has indicated of late that he is very much concerned about the problems of the unemployed. As I stated heretofore, the President is recommending the enactment into law of a big program of post-office construction. I am not against that; I am very much in favor of that. However, as every Senator knows, legislation takes time, and people cannot wait 4 or 5 months when their children are hungry.

The President has it within his power to proceed this very day with many of the projects I have mentioned. The administration has the money, but it is not using it.

Are we in favor of putting people to work, or do we wish merely to talk about it? We can put people to work, if the President will only direct the Budget Bureau to release the money and allow people to work and feed their children.

The PRESIDING OFFICER. What is the pleasure of the Senate?

Mr. BARRETT. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. SMATHERS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CLARK in the chair). Without objection, it is so ordered.

PRESIDENT EISENHOWER'S LETTER TO PREMIER BULGANIN

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the body of the RECORD at this point the text of the letter which President Eisenhower sent to Nicolai A. Bulganin, chairman of the Council of Ministers, U. S. S. R.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Thomasville, Ga., February 15, 1958.

MY DEAR MR. CHAIRMAN: I am in receipt of your communication of February 1. I note that it is a slightly abbreviated and moderated edition of the lengthy and rather bitter speech which Mr. Khrushchev made at Minsk on January 22.

I begin to wonder, Mr. Chairman, whether we shall get anywhere by continuing to write speeches to each other? As I read your successive lengthy missives of December 10, January 8, and February 1, I cannot avoid the feeling that if our two countries are to move ahead to the establishment of better relations, we must find some ways other than mere prolongation of repetitive public debate. In this connection, I have some thoughts to offer.

But first I comment briefly on your latest note.

II

I tried in my letter to you of January 12 to put forward some new ideas. For example, I proposed strengthening the United Nations by rededication of our nations to its purposes and principles, with the accompaniment of some reduction in the use of the veto power in the Security Council.

That proposal you reject, alleging that it would give to the Security Council a power to "adopt decisions that would be binding on all states" and make it in effect a "world government." That argument is directed to a misrepresentation of my proposal. I suggested that our two nations should, as a matter of policy, avoid vetoing Security Council recommendations as to how nations might proceed toward the peaceful solution of their disputes. Surely authority to recommend, and that only as to procedures, is not to impose binding decisions. Already, the General Assembly can, free of veto, recommend procedures for peaceful settlement. Would it really be catastrophic for the Security Council to exercise that same facility?

III

Another new idea was that outer space should be perpetually dedicated to peaceful purposes. You belittle this proposal as one made to gain strategic advantages for the United States. Mr. Khrushchev in his Minsk speech said, "This means they want to prohibit that which they do not possess."

Since the record completely disproves that uncalled for statement, may we now hope between us to consider and devise cooperative international procedures to give reality to the idea of use of outer space for peace only.

When the United States alone possessed atomic weapons and the Soviet Union possessed none, the United States proposed to forgo its monopoly in the interest of world peace and security. We are prepared to take the same attitude now in relation to outer space. If this peaceful purpose is not realized, and the worse than useless race of weapons goes on, the world will have only the Soviet Union to blame, just as it has only the Soviet Union to blame for the fact that atomic and nuclear power are now used increasingly for weapons purposes instead of being dedicated wholly to peaceful uses as the United States proposed a decade ago.

The Soviet Union refused to cooperate in tackling the problem of international control of atomic energy when that problem was in its infancy. Consequently, it has now become too late to achieve totally effective control although there can be, as we propose, a controlled cessation of further weapons testing and of the manufacture of fissionable material for weapons purposes. But, as your Government said on May 10, 1955, a total ban on atomic and hydrogen weapons could not now be enforced because "the possibility would be open to a potential aggressor to accumulate stocks of atomic and hydrogen weapons for a surprise atomic attack on peace-loving states."

A terrible new menace can be seen to be in the making. That menace is to be found in the use of outer space for war purposes. The time to deal with that menace is now. It would be tragic if the Soviet leaders were blind or indifferent toward this menace as they were apparently blind or indifferent to the atomic and nuclear menace at its inception a decade age.

If there is a genuine desire on the part of the Soviet leaders to do something more than merely to talk about the menace resulting from what you described as "the production of ever newer types of weapons," let us actually do what even now would importantly reduce the scope of nuclear warfare, both in terms of checking the use of fissionable material for weapons purposes and in wholly eliminating the newest types of weapons which use outer space for human destruction.

IV

With respect to the meeting of heads of government, the cumulative effect of your last three missives is to leave considerable puzzlement as to what you think another such meeting could contribute to a genuine settlement of our problems.

You have proposed, and insisted on, about 10 topics which you want to have discussed at such a meeting. I, in turn, suggested some eight topics which I thought should be discussed—strengthening the United Nations, dedicating outer space to peaceful purposes, the reunification of Germany, the right of the peoples of Eastern Europe to choose the form of government under which they would live, and a number of specific proposals in the disarmament field.

I wrote that, if there were to be a top-level meeting, I would be willing to discuss your proposals in good faith if you would so discuss mine. Your answer is that I must be prepared to discuss your proposals but that as regards mine there must, you said "be unanimous agreement of all participants as to the necessity for considering such proposals." In other words, you demand the right to veto discussion of the matters I believe to be vital to peace.

I noted that Mr. Khrushchev devoted a considerable part of his Minsk speech to a discussion of conditions in Hungary, Poland, and East Germany. Does the Soviet Union claim such a proprietary interest in these lands and people that to discuss them is solely a matter of Soviet domestic concern? If not, and if these lands and people can be discussed by Soviet leaders as an international problem, why cannot we both discuss them?

If indeed a top-level conference were to apply the formula that no one is to say anything except what all the rest agree they would like to hear, we would, as I said in my last press conference, end up in the ludicrous posture of our just glaring silently at each other across the table.

Perhaps the impasse to which we seem to have come can be broken by less formal and less publicized contacts through which we would continue to seek to find out whether there can be a top-level meeting which, in the words of my letter to you of January 12, 1958, "would hold good hope of advancing the cause of peace and justice in the world." Exchanges of views effected through our ambassadors or foreign ministers may serve better than what Mr. Khrushchev referred to at Minsk as "polemics" between heads of government. The United States is accordingly consulting with some other interested nations as to the desirability of exploring, through more normal channels, the prospects of a top-level meeting which would be adequate as to subjects, and as to which preliminary exchanges would indicate good prospect of an accord. You will understand, of course, that, whatever be the preparatory procedures, these would, as far as the United States was concerned, require the participation of our Secretary of State.

V

"Polemics" will not, I fear, advance us along the path of better relations which is my Nation's goal. Indeed, I deplore the constantly mounting accusations within the Soviet Union that the United States is a nation ruled by aggressive war-minded imperialists. Mr. Khrushchev's speech of January 22 is an outstanding example of such charges and indeed they are to be found in your February 1 note.

What is the explanation of such charges? They seem to fly in the face of established history.

Until the end of the First World War, war was generally accepted as a lawful means of conducting foreign policy. But after World War I showed the terrible consequences of such toleration of war, the United States took the initiative in bringing about the Pact of Paris whereby the nations of the world renounced war as an instrument of national policy. An even broader renunciation of force is now found in the United Nations Charter. The United States, which initiated the concept of the international renunciation of force, has sought to adhere scrupulously to that concept.

I am really amazed now to be told by Soviet leaders, who have never even been near this country, that there are in the United States those who, in your words, "utter the dangerous call for preventive war"; and conduct "unrestrained propaganda for war." If any such persons exist in the United States, I do not know of them; nor do I know of any "imperialist ruling circles" that are supposedly eager to plunge the world into war in order to make financial gains.

These allegations do not provide the real facts of American life. The real facts are the intense longing of the American people for peace; the working of the American constitutional system which assures that government shall be responsive to the peaceful will of the people; our "built-in" guaranties against the possibility of any United States Government suddenly initiating war; our national dedication to the international renunciation of force as an instrument of national policy; the decisive influence for peace of American religious, labor, intellectual and political leaders and of their organizations.

It is, of course, quite true that our people are flatly opposed to regimes which hold people against their will and which deny the principle on which our Nation was founded, that governments derive their just powers from the consent of the governed and can never rightly deprive the governed of their inalienable right to life, liberty and the pursuit of happiness. Our people's rejection of many foreign and domestic aspects of Soviet methods and policies is, however, demonstrably not a moving cause to war. Otherwise we would have struck when we had atomic weapons and the Soviet Union had none; or when we had thermonuclear bombs and the Soviet Union had none.

VI

When I contrast the actual facts of American life with such portrayals as those of Mr. Khrushchev at Minsk, and indeed of your latest communication to me, I am impressed more than ever before with the enormous difficulties besetting us in attempting to move toward better relations and with the greater necessity than ever before of doing so.

It is possible that Soviet leadership feels it necessary deliberately to misrepresent the American viewpoint. If so, one effect would be to confuse their own people and the people of those eastern European countries under

their domination, who are denied access to world information except as the Soviet leaders permit. Another effect would be to make true cooperation more difficult. Possibly also these misrepresentations constitute blind adherence to what was one of the early tenets of orthodox communism, namely, that capitalistic societies are by their very nature warlike.

I prefer, however, to assume that these misrepresentations are not willful but result from genuine misconceptions which could be done away with.

VII

Our two nations are both now exploring and seeking to learn the truth about outer space. But is it not more important to learn the truth about each other? The ambassadorial agreement concluded between our Governments on January 27, 1958, points in this direction. It contemplates exchanges that, it is said, will contribute significantly to the betterment of relations between the two countries, thereby contributing to a lessening of international tension. I hope that we shall make full use of that agreement. But, for the most part, it deals with exchanges of technicians and specialists in various fields. Would it not be well if, in addition, leaders of thought and influential citizens within the Soviet Union should come to visit the United States, not to acquire technical knowledge but rather to learn at first hand the feeling of our people toward peace and the working of our popular institutions as they affect our conduct of foreign relations. Most of the Soviet citizens who exert an influence are strangers to this country with, I fear, totally false conceptions. These misconceptions I should like to see corrected in the interests of better relations. I can assure you that groups of qualified citizens of the U. S. S. R. coming here for the purpose I describe would receive every facility to learn about our country and our people and the working of our political institutions.

I feel also that we need particularly to be thinking not only of the present but also of the future and of those, now young, who in a few years will be carrying heavy responsibilities that our generation will pass on to them. I think our young people should get to know more about each other. I strongly feel that the recent agreement for the exchange of 20 to 30 students a year is a small step in the right direction, but woefully inadequate. I may write you further on this topic.

VIII

In the meantime, I reaffirm what has been so often said by Secretary Dulles and by myself. The American Nation wants nothing more than to cooperate wholeheartedly with any Soviet Government which is genuinely dedicated to advancing, by peaceful means, the welfare of the people of the Soviet Union. It should, however, be appreciated how difficult it is to generate here the good will which the Soviet leaders claim they want, so long as there remains between our two countries the vast gulf of misunderstanding and misrepresentation that is again revealed by both speeches and written communications of Soviet leaders. If the Soviet leaders sincerely desire better relations with us, can they truly think it helpful for the Soviet Union to continue to pursue the objectives of international communism, which include the overthrow of other governments? The Moscow Manifesto made last November by the representatives of Communist Parties from 64 nations, and the Soviet Government's official endorsement of the results of the recent Afro-Asian Conference in Cairo could not fail to raise in the minds of our people the question of the real purposes of the Soviet leaders.

We shall nevertheless go on seeking such good relations. And I hope that, if there is a positive response to the concrete suggestion here made, we may perhaps do something toward ushering in a new and better era.

Sincerely,

DWIGHT D. EISENHOWER.

A UNITED STATES SENATOR'S LOOK AT LATIN AMERICA

Mr. SMATHERS. Mr. President, the United States today is immensely proud of the fact that it has launched its first earth satellite the Explorer into outer space. There is no doubt this scientific achievement has recaptured some of the prestige which was lost by America when the Soviets set up their sputniks. There is large concentration today to regain and maintain our superiority in the scientific field. As a Nation we feel confident that we shall catch up and go ahead in the field of missiles and space phenomena if only we will devote enough of our time and talents to the task. This is as it should be. But while approving of such a course of concentration and dedication to master the new problems of the heavens, still we must not lose sight of the more troublesome problems of the earth.

Too often there is a tendency to concentrate on problems away from home rather than on those close at hand. Distance lends enchantment, particularly in the field of foreign relations.

The importance of home problems frequently is ignored in the rush to take care of those which grow greater in our minds in proportion to the increased distance from our shores. The mounting problems of Latin America—our neighbors—here on our Western Hemisphere, seem to receive less and less attention as developments tie them closer and closer to our future—our welfare, our destiny.

Today Latin America is seething with political, economic, and social unrest. Because of Latin America's importance to us from the standpoint of trade, strategy, and raw materials, it is essential that we assist it in solving its problems. It is in our own enlightened self-interest that we do so immediately. If we fail to assume this responsibility, we must be prepared to suffer the consequences.

It has been said many times before but it needs repeating—"The 20 Latin American Republics are our stalwart friends." They have stood by us during war and peace. Ours is a friendship which has stood the test of time.

Recently, I have returned from one of my periodic trips to Central and South America which afforded me an opportunity to again study at first hand some of their current problems. I must be frank to say that the trend of developments in Latin America, the seriousness of the economic problems confronting these countries, and the audacity of a Soviet economic offensive in that area, bring me to the conclusion that now is the time for good intentions to be replaced with good deeds in implementing our so-called good-neighbor policy. In fact this may be our last chance to exercise influence and participate in the promotion of the welfare of these Latin countries. For the hour is growing late. Let me tell you why.

Most of us have a shallow understanding of the civilization that lies to the south. In reality Latin America consists of a group of states firmly devoted to principles that the United States seeks to uphold. Down through the years they have struggled valiantly to promote democratic principles. In some areas great progress has been made. In others, only small beginnings. We have two recent examples of the democratic processes functioning in Latin America. Recently there was an election in Costa Rica where the outgoing President, José Figueres, was succeeded by Senor Mario Echandi. The Costa Rican Government invited a United Nations team to witness the election. The election was conducted without disorder, bloodshed, or even the appearance of the military. The new administration comes in even though it was opposed by President Figueres, and the people of Costa Rica are to be complimented on having made this change in government in a typically democratic fashion.

Another example of the democratic processes coming to the front, in Latin America, was the recent election in Guatemala. Some one-half million people voted in an honest ballot, and Ydigoras Fuentes received the largest vote. Senor Cruz Salazar was second, and the left-wing candidate was last. Because neither of the top men was able to obtain a majority, the Guatemalan Congress was called upon to make the selection. In spite of the fact that Cruz Salazar's party held a substantial majority in Congress, these legislators chose the rival candidate—the real choice of the Guatemalan people. This they did without violence or bloodshed, and in the truest democratic traditions. These are definite indications that progress is being made. All over Central and South America there is an ever-brightening light and an increasing hope.

There also exists a strong historical tie between the Latins and ourselves. As subjugated colonies of Spain and Portugal, they were inspired by our efforts for freedom and independence to make the try for themselves, and the history of freedom's progress has been greatly enriched by the names of Simón Bolívar, who helped free the countries of Colombia, Peru, Venezuela, Panama, and some of the other Central American countries; the priest Hidalgo, who did so much in Mexico; San Martín, who prepared the way for freedom in Argentina; O'Higgins, who helped free Chile; José Martí, in Cuba, and many others who led the way to Latin American independence. Many of those countries even modeled their original constitutions after our own.

Physically the 20 Republics comprise an area of almost 8 million square miles. This is 15 percent of the world's land area, and an area 2½ times larger than the United States. The Republics vary in size from Brazil, which is considerably larger than the United States, to Haiti, which is about the size of Maryland.

Latin America has a population of over 183 million people, compared to that of 172 million in the United States. It has the fastest growing population of any area on earth. It is increasing at the rate of 2½ percent a year. This means that

by 1975, the area will have 56 million more people than the United States. By the turn of the century, its total population is expected to be in the neighborhood of 500 million. It is an area rich in natural resources. The largest unexplored areas with great possibilities of petroleum development are today in South America. The largest forests outside Siberia are found in Latin America. It is almost the richest area on earth in mineral deposits of all kinds. Argentina, Brazil, and Mexico encompass the finest grazing land to be found anywhere on earth.

With such richness in people and resources the eventual economic well-being of the area is only a question of time and direction. It is in this area of economic development where we, the United States, can and should, play a prominent part. Not just because of our friendship for our southern friends, but in our own enlightened self-interest.

Latin American countries for many years subsisted on supplying raw materials and food stuffs to the United States and other countries. Since the end of World War II, however, they have been urgently seeking to diversify their economies, to industrialize and to raise the living standards of their peoples.

In the postwar years great strides have been made in Latin America in which we have participated by such means as private investments, Export-Import Bank loans, and technical assistance.

Since the end of the war, Latin American manufacturing production has increased by 60 percent. The production of basic industrial minerals has increased by 27 percent. Per capita real income has risen at the rate of 3½ percent a year. Its gross production increased from $32.2 billion in 1947 to $47.2 billion in 1955. This means that the annual growth rate has been 5 percent a year compared to 3.6 percent of the United States during the same period.

Impressive as these figures are, it must be borne in mind that they represent improvements from primitive economies to only the first stage of modern economies. The Latin American people, having tasted the first sweet fruits of economic progress, are eager and impatient for more.

Herein lies the danger. Our mutual enemies, the Communists, seized upon the fierce longing of our neighbors for more rapid fulfillment of their aspirations. With deceptive promises, the Communists are seeking to infiltrate Latin America both economically and politically.

Moscow is now bombarding the Latin American countries with all sorts of proposals for economic and financial aid, trade deals, promises of machinery of all kinds, including vital oil-drilling equipment. In fact, the Communists are offering economic deals that are tailor-made to the problems of each of the Latin American countries approached. Why are they doing this? Obviously because they are most anxious to establish a foothold in Latin America into which they can pour their agents and their propaganda. These are the same tactics the Commies have already used so successfully in the Middle East.

Here are some of the steps the Soviets are taking in their drive to infiltrate and win away from us our Latin American friends. It has persuaded an offiical Argentine mission to go to Moscow to buy $8 million worth of goods, including oil-drilling equipment.

In Rio de Janeiro a Soviet trading agency—Torgbras—is offering to supply Brazil with oil-drilling equipment in exchange for raw materials.

A Soviet delegation has gone to Colombia with glowing offers to trade industrial equipment for coffee, though the Russians drink little coffee. It has also been reported that Russia seeks to purchase 20,000 tons of copper from Chile, at a price admittedly unprofitable to the Soviets.

Russia will trade oil machinery for Brazilian coffee for the purpose of strengthening her already powerful 60,000-strong Brazilian Communist Party. In the same way, Russia has just bought a large sum of Chilean copper, and thus hopes to gain a foothold in one of the rich copper regions of this hemisphere.

The Soviet offensive is not limited to these countries alone but includes others in South and Central America as well. The Latin American Republics are vital to our defense, and our security depends in great measure upon the support we receive from them. Obviously if the Communists are allowed to infiltrate in this area while we sit and watch, then our security will be seriously endangered.

It is self-defeating for the United States to be exerting itself economically and financially toward other more distant areas of the world if at the same time we do not render the type of assistance needed and asked for by our neighbors in our own hemisphere. We cannot say that we need not help Latin America because Europe, the Middle East, and the Far East are the immediate danger areas in the cold war. The fact is that any Soviet penetration in Latin America could do us incalculable harm.

LATIN AMERICA'S IMPORTANCE TO THE UNITED STATES

I say this because we are greatly dependent upon Latin America. The region is a principal source of raw materials. We require their military and political assistance. They comprise a great bulk of our foreign trade upon which our economy depends, and then, of course, because of the simple geographical fact that Latin America forms the southern flank of our national military defenses.

More specifically, at present our two-way trade with that area is running at a rate of $8 billion annually. Latin America buys 22 percent of our exports and supplies us with 30 percent of all our imports. The raw materials which the area supplies us are needed in peacetime for our industries, and for our own military programs. For example, Venezuela now supplies 48 percent of our petroleum imports. Brazil supplies 78 percent of our imports of quartz crystals. Venezuela, Peru, and Brazil furnish us with 37 percent of our imports of iron ore. Brazil furnishes 10 percent of our manganese ore imports. Bolivia, Argentina, and Brazil supply 34 percent of our tungsten imports. Peru supplies 100 percent of our vanadium imports. Brazil and Argentina supply us with 47 percent of our illium imports. Chili, Mexico, and Peru 60 percent of our copper imports. Mexico and Peru, 39 percent of lead imports. Cuba, 10 percent of nickel imports. Mexico and Peru, 41 percent of zinc imports, and Mexico 25 percent of antimony. Most of our coffee, all of our bananas, and more than 70 percent of our sugar imports come to us from Latin America. Our requirements of these and many other materials necessary to our own economy are available in increasing quantities from the still untapped resources of our neighbors to the south.

During World War II, the Latin American Republics not only supplied us with needed bases, but helped guard vital sea lanes, while Brazil and Mexico contributed fighting forces. During the Korean conflict, Colombia sent troops. Today, all the American Republics cooperate for the defense of the hemisphere through the Inter-American Defense Board.

COMMUNIST ECONOMIC OFFENSIVE

The current Communist moves in Latin America have real prospects of succeeding if we do not act with resolution and foresight in helping these nations solve the serious economic problems which now plague the area.

It is a sad commentary that those who are closest to us, who mean the most to us, and on whom we depend the most are the last to receive the minimum assistance they so urgently require. Certainly, I do not pretend to say that the interests of the United States in Europe, the Middle East, and Asia are not vital. Nor do I mean to imply that we should place our interests in Latin America ahead of those in other areas of the world. I do mean to say quite emphatically that unless we give equal attention and assistance to the problems which our Latin American neighbors are facing, we stand in real danger of opening the area to eager Communist economic and political penetration.

I do not speak idly when I say this. Nor do I seek to exaggerate in order to emphasize the point. The facts of United States relations with Latin America speak for themselves. They tell us a story that every American should have at his fingertips; namely, that any vacuum created or left in Latin America can be filled by the pernicious actions of the Communists who are only too alert to probe where weakness develops.

The challenge presented by the Soviets demands that the problems of our neighbors to the south be given a top spot on the priority list, and that no time be lost in meeting this new threat.

Where are some of the areas in which we can be of direct and immediate assistance? Let me briefly touch on some of them.

PROBLEMS IN BASIC FIELDS OF HEALTH, EDUCATION, AND SANITATION

Although Latin America has many valuable assets in population, natural resources, and political and cultural similarity with the United States, still some liabilities and shortcomings remain.

There is a great deal of poverty, disease, and illiteracy in the area today.

Great strides have already been made in the fields of health, education, and sanitation, but a great deal more needs to be done. These are basic problems that remain to be solved. This administration has talked a great deal about "trade not aid." Surely we would all agree that trade is much to be desired over aid. The Latins recognize and approve of the idea.

But a level of health, literacy, and basic economic and political development is needed before private capital will risk moving into an area. There have to be reasonable grounds to believe a profit can be made before the private capitalist will invest money and time. Areas ridden with disease, pestilence, and illiteracy hardly provide the incentive necessary to encourage the flow of private investment. It is highly improbable, therefore, that private investment would do anything about health, education, and sanitation projects, for there is no immediate and direct monetary return in promoting them. Private investment today is attracted only to those countries in Latin America where at least minimum standards have already been achieved in these basic fields.

Unfortunately, there are few such countries. As a matter of fact, over 68 percent of American private investment which amounts to over $7 billion is located in 5 Latin American countries, namely, Brazil, Chile, Cuba, Mexico, and Venezuela. Most of this private capital investment is in oil. Remember that there are 15 other Republics, many of which have not been able to develop an atmosphere or conditions which would attract private capital.

They need assistance in the development of their basic fundamental economy such as health, education, sanitation, roads, farms, and the like, before private capital will be attracted to their countries.

Many of my colleagues will recall that in July 1956 I introduced, and the Congress passed, a bill making an appropriation for a special fund aimed at developing our sister republics in these vital basic fields. The appropriation was in a relatively small amount, namely $15 million, 75 percent of which was on a loan basis. While the State Department did not approve of the idea at the time, the resounding support given by the Congress for this regional development fund and the general approval by the recipient countries of this type of development-loan program planted the seed of the development-loan type of program in the minds of those in the State Department, and I think had something to do with their subsequent presentation of an overall development-type program for the various countries around the globe that we aid. In any event, when the Latin American countries found out about this Congressional program, designed for them, they literally ran over each other in their efforts to get this limited help. After much delay on the part of the administrative branch of our Government, the fund was finally allocated in the following manner:

Two grants, totalling $2 million, were made. One was to the Organization of American States, for agricultural research, in the amount of $500,000; the other went to the Pan American Sanitary Bureau, in the amount of $1½ million, to be used in the battle to eradicate dreaded malaria from this hemisphere.

This was in anticipation of the President's state of the Union message of January 9, 1958, when he offered to cooperate with the Soviet Union in battling malaria.

I must say that I think the Senate and the House of Representatives should take particular notice of the splendid work which Dr. Rollin S. Atwood, of the ICA, did in administering the development-loan program for Latin America. Although too much time was taken in getting the program started, nevertheless, when Dr. Atwood was put in charge, he took hold of the program promptly, and made loans which I believe everyone would approve; and thereafter he carried on the program with considerable dispatch.

The following loans were made:

Panama was granted a loan of $2 million, for the construction of water and sewage works in the city of Panama. Panama has agreed to repay the loan in 20 years, with 3 percent interest.

Mr. President, last fall it was my privilege to see what was being done in Panama with this type of program. I am sure that every Member of the Senate would have been heartened to see the great and beneficial use which the people of Panama were making of the money which the Congress had provided to them on a loan basis.

Costa Rica received a loan of $2 million, payable on the same terms as those of the loan to Panama. The money is being utilized by Costa Rica to rejuvenate the Children's Hospital in San José.

A loan of $850,000 was made to Chile, to help seven Chilean universities establish a central library and equip their laboratories for the training of youth in the technical and scientific fields.

Peru received a loan of $2 million, to be used to open for settlement rich agricultural lands.

Ecuador received a loan of $2 million, to finance a land-resettlement project.

I saw both of the plans which the governments of those countries had for the use of this money. Once again I am certain that the Congress would heartily approve of the action those governments were taking. The Congress would be greatly gratified to know of the enthusiasm with which the programs were received by the peoples of those countries, not just by the government officials.

Paraguay received a loan of $1 million, for agricultural and industrial development.

Honduras received a loan of $3 million, for water and sewage systems and for area resettlement development.

A United States Embassy dispatch characterized the loan to Costa Rica as follows:

> It is doubtful whether it would have been possible to find any other cooperative project which would create more good will than this one.

The ICA mission in Chile considered the loan made to that country a brilliant opportunity of furthering good relations among Chilean institutions of higher learning, the United States Government and other agencies thus helping to counteract the Marxist influence that has been in evidence in some of the Chilean universities.

Loans to other areas under this program were hailed with equal enthusiasm. It was a modest program, benefiting only seven Latin American countries, but was one which Latin America had long desired. It was no handout. It was a program which helped those countries maintain their self-respect. The tremendous impact it has had on fostering our good-neighbor relations has been inestimable. It gave to them the special attention which should be given to a trusted friend. Latin America and her friends are most anxious to have it continued, for it gave to that area just recognition in connection with our overall foreign-aid program. Although it fell short of the actual needs, it was a start in the right direction. It is the judgment of the students of Latin America that this type of a program will go far toward offsetting the overtures of the Communist offensive now occurring in Latin America.

Last year, although the Senate desired to continue the program on a separate basis, unfortunately, when the foreign-aid appropriations bill went to conference, the Latin American section became lost in the shuffle. It was my understanding, however, that many of the conferees thought there was no necessity to have a separate program for this area alone, believing that in the creation of the Development Loan Fund, Latin America would receive the same benefits, except on a larger scale, in implementing the type of assistance contemplated by the amendment which I proposed in 1956. This fund, as will be recalled, was set up and money was appropriated, to be loaned for the purpose of increasing the productive capacity and economic resources of free peoples throughout the world.

Notwithstanding the fact that the Congress set up the fund, and made it available almost 6 months ago, I regret to report that the ICA has not yet made one single loan from the fund. Furthermore, it was not until early last month that a manager was appointed to direct the fund. The Government agency which is to make financing from this fund available on a loan basis to nations, private firms, and individuals is just getting organized. The development loan fund, which was announced last year with so much fanfare by the administration, and which has been the subject of so many self-adulatory statements by administration spokesmen since that time, has had a long count down—too long, in fact.

The Congress, in effecting the necessary legislation and in appropriating the funds for the establishment and operation of the development fund, carried out its responsibilities quickly and effectively. I recommend and strongly urge that the executive branch take immediate steps to expedite the handling of loans under this fund.

As all of us know, there are many worthwhile projects which will stimulate economic growth and development in Latin America. For various reasons, some of these projects cannot receive favorable consideration for financing from the Export-Import Bank or from any source other than the development loan fund. Therefore, I express the hope that the fund will provide adequate monies for Latin America, in continuing and implementing the proposal adopted by the Congress in 1956.

Mr. President, in that connection let me say that I think it is gratifying that finally there has been appointed, as manager of the fund, a very able man, Mr. Dempster McIntosh. It was my pleasure to meet him in 1955, as I recall, when he was the Ambassador of the United States to Paraguay. He was an outstanding Ambassador. Later I saw him when he was moved to Venezuela, where he became our Ambassador. He has now been brought here, to administer this fund. He has indicated to me that he is anxious to get the work started. I hope the ICA and the State Department will cooperate with Manager McIntosh. He has had great experience in private business. He was an executive of the Philco Corp. before he joined the Foreign Service of this country.

Mr. SYMINGTON. Mr. President, will the Senator from Florida yield to me?

Mr. SMATHERS. I am glad to yield to my able colleague, the Senator from Missouri.

Mr. SYMINGTON. Mr. President, the Senate Committee on Agriculture and Forestry is meeting this afternoon to further study the cotton situation. Therefore, it will not be possible for me to stay in the Chamber, to hear the remainder of the splendid address being made by the distinguished Senator from Florida. However, I have seen an outline of his address.

As a citizen of a State which is very much interested in South America, as the Senator from Florida knows, I should like to express my appreciation of all the splendid work he has done over the years in order to further good relations between the United States and our Central American and South American neighbors. In my opinion his work has been of great service to the people of the United States. So I congratulate him, not only for the splendid address he is making today, but also for the effective, beneficial work he has done over the years in this connection.

Mr. SMATHERS. Mr. President, I thank the Senator from Missouri very much. I particularly appreciate his remarks, which come from an outstanding Senator who most ably represents his State.

As he has previously pointed out, the mayor of Kansas City, who is a good friend of the Senator from Missouri, has long been interested in this problem and has exercised considerable leadership in building up better relations between Central America and South America and not only Missouri, but also the entire United States.

I believe it was only last month that Kansas City evidenced in a very tangible way its interest in South America by giving to Ecuador a plane called the Spirit of Kansas City. I know of no better demonstration of good will than that one, which has been made by the people of Kansas City.

So I thank the Senator from Missouri.

Mr. SYMINGTON. Mr. President, what the Senator from Florida has said is correct. Representatives of Kansas City, under the leadership of their great mayor, the Honorable H. Roe Bartle, have made two visits to South America in the last 2 years. In their visits with our neighbors to the south, Kansas City's leaders have always been encouraged by the efforts, activities, and fine constructive work of the distinguished junior Senator from Florida. He has been an inspiration to them in this important work.

So I thank the Senator from Florida.

Mr. SMATHERS. I thank the Senator from Missouri for his generosity in those remarks, but I do hope the State Department and the ICA will give to Ambassador Dempster McIntosh the assistance which he needs. He cannot operate this enormously important and tremendously large program unless he has sufficient clerical help. While he made no complaints to me, it is my understanding, and it was my observation in my visits, that he did not have the type of setup which would enable him to administer the program as the Congress would like him to administer it.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. SMATHERS. I yield to the Senator from New Mexico.

Mr. CHAVEZ. I am glad the Senator from Florida is making this address. I am glad he feels the new administrator needs help. The trouble throughout the years has been that someone is given the job of aiding Latin America; then his hands are tied. I know the trials and tribulations we had throughout the years in constructing a little, two-by-four road through Central America, down to Panama. It was not the Bureau of Public Roads or the other agencies of Government that were responsible, but we were handicapped from the so-called political angle, through the State Department.

I know from my own knowledge that our prestige is about as low as it can get. Of course, the people in those countries accept the situation, because they cannot do anything about it.

In my opinion, our interest in the future is south of the border. We cannot depend on European nations, because they have been fighting over the real estate of that area for thousands of years. If we want to progress or grow, we shall have to help Latin America to help itself, and in that way we shall help ourselves.

Mr. SMATHERS. I thank the Senator from New Mexico for that observation. I know of no one who has greater knowledge of Central or South American affairs than does the Senator from New Mexico. He always speaks vigorously in behalf of those countries. I think we should seriously take heed of his warning words. We must do something for our South American neighbors before it is too late.

Mr COOPER. Mr. President, will the Senator yield?

Mr. SMATHERS. I yield to the Senator from Kentucky.

Mr. COOPER. I should like to join my colleagues in congratulating the junior Senator from Florida on the very fine speech he is making, in which he is pointing out in detail the historic, geographic, cultural, and economic factors which make our relations with the countries of Latin America of great importance. And also, he speaks correctly of the importance of Latin America in world affairs.

He is doing a service in bringing to the attention of the Congress, the administration, and to our people, the danger of Soviet penetration in Latin America by economic means. As the Senator has pointed out so well, when the people and governments of Latin America are struggling to advance their economies, assistance offered, even from Soviet Russia, has its attraction, although I think he would say, and the distinguished senior Senator from New Mexico would agree, that the people of Latin America do not prefer that kind of assistance. Our great friends are in Latin America, and the Senator's suggestions regarding trade, loans, and economic assistance should bear great weight.

I am also happy that the Senator has pointed out the historic ties that bind us and our sister republics. Those ties do derive initially from our Revolution and their revolutions.

As a delegate to the United Nations, I remember that although delegates from Latin America demanded, as they properly should, equality and independence on their positions, yet our common purposes nearly always brought us in union.

The dean of the diplomatic corps in Washington is His Excellency, Guillermo Sevilla-Sacasa, and he and his fellow Ambassadors from Latin America represent nations which are friends of the United States.

Although our dangers throughout the world are great, our greatest and dearest friends are those nearest to us in Latin America and they have demonstrated their friendship.

I applaud the Senator for his long-time efforts to promote closer relationships between the United States and our sister republics of Latin America.

Mr. SMATHERS. I must hasten to thank the able Senator from Kentucky, knowing of his vast experience as a delegate to the United Nations and as an Ambassador representing our country, and now as a member of the Committee

on Foreign Relations of the United States Senate. His expression of friendship, which I know is most sincere, for the Latin American countries, will be greatly appreciated by them.

Now let us turn briefly to another area in which the United States can be, and should be helpful to our friends to the south.

TRADE POTENTIAL

Of great importance to all Latin American countries is the need for a stable trade policy with the United States. Why? Because trade with the United States is the source from which these countries gain the necessary dollars to buy American machinery, vehicles, and supplies which they need for their industrialization and expansion programs. Their development programs in many cases are actually pegged to the volume of dollars which they earn through the sale of their mineral and agricultural products to the United States.

Latin America's dependence on the United States market is very great. For example, Colombia, Mexico, and Cuba sell two-thirds of their total exports to the United States. The United States is the major market for 10 coffee exporting countries of Latin America. Cuba supplies 73 percent of our imports of sugar. Peru's export of lead and zinc to the United States represents 31 percent of her total sales to our country. Mexico's exports of lead and zinc equal about 25 percent of her total sales to this country.

Cuba's economy is dependent on its sale of sugar to the United States. It represents 50 percent of Cuba's total income. Two out of three Cubans depend on sugar for their paycheck. Now, when we change our program and decrease the amount of sugar we allow Cuba to sell in the United States, we obviously upset Cuba's economy, create unemployment, uncertainty, and havoc.

This sudden change in the situation in Cuba is naturally of concern to us. They are our friends. But also important to us, and a point which we frequently overlook, is that 98 percent of the dollars which they get for selling sugar to us, returns to the United States for purchases of machinery, farm equipment, farm products, and so forth.

This is substantially true with reference to the other Latin American countries.

Neither Cuba, nor any other Latin country can buy goods in the United States unless they have dollars. Our sellers do not take pesos. So, when we close our ports to Latin imports we cut the supply of dollars to these countries and, in turn, it means we reduce their purchases in the United States and at the same time drive them into the Communist's trade programs, with all the sinister results that go with that.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. SMATHERS. I yield.

Mr. CHAVEZ. I dislike to interrupt, but I should like to emphasize a point at this particular time.

A little while ago I discussed the matter of roads through Central America. Does the Senator realize what happens as a result of construction of such roads? Manufacturers of American automobiles, American tubing, and other machinery get dollars as a result of the buying of American equipment for the building of such roads, so that there will be employment in Cleveland, Detroit, and Dayton.

Mr. SMATHERS. I thank the able Senator from New Mexico for that observation.

Mexico is one of our best customers. She asks little from us, except some trade. She needs machinery to develop her roads, her farms, her mines, and other resources. She buys it mostly in the United States. Last year Mexico spent over a half-billion dollars here. United States auto workers, whose industry we know is presently depressed, would cheer the fact that Mexico spent $117 million on automobiles, parts, and accessories last year. She has to have dollars to buy. Where does she get dollars? From the sale of her coffee, copper, lead, and zinc primarily. The money realized from the sale of these items is practically all spent in the United States, providing employment in steel, railroads, lumber, and other industries, as the Senator from New Mexico indicated. Now, if we raise tariffs on lead and zinc and build walls against Mexico's imports, we lose their purchases—$840 million—which mean much to us, but at the same time we drive them into trade with others—primarily the Soviets.

Is this a wise policy? I do not believe it to be, and I do not believe any thoughtful person could believe it to be. Therefore, it is disturbing to see the administration actually recommend to the Congress an excise tax on imports of lead and zinc.

Mr. LONG. Mr. President, will the Senator yield?

Mr. SMATHERS. I am happy to yield to my distinguished and able friend, the Senator from Louisiana.

Mr. LONG. The Senator has mentioned the imports from Mexico. I do not believe the Senator made reference to sugar. I wish to say that the State of Louisiana, somewhat like the State of Florida—except much more so—has a great interest in cane sugar. We have been willing to share some of our market with the Mexicans. It seems to me that if we are willing to share a considerable portion of our market with Mexico, Cuba, and the other nations to the south of us, other parts of this Nation ought to be willing to share some of their markets.

As a matter of fact, our friends to the south of us sell to the United States as imports almost half of the sugar concumed in this Nation. We are not complaining about that. However, if we are willing to make room for imports in the sugar industry, some of the other industries ought to make room for imports also.

Mr. SMATHERS. I thank the Senator from Louisiana for that observation. I hasten to agree with the Senator, and say that as a member of the Committee on Finance the Senator from Louisiana has ably represented his sugar constituents of Louisiana. The Senator was not only diligent in seeing that the rights of his constituents were protected, but I think he exercised considerable leadership in having his people realize the importance of permitting Mexico to make some sugar sales in the United States.

I might say to the Senator from Louisiana that I was in Mexico this past fall. While visiting there, I was taken to some of the large sugar plantations. The sugar industry, as a matter of fact, gave a party for me after we had seen some of the sugar plantations.

The people of Mexico made the argument to us, "As a matter of fact, we recognize that domestic sugar is grown in the United States and that you must look after your own producers first. However, if you will look at every one of the machines which we have in every one of our sugar plants"—and I saw many of them—"you will see it is stamped 'Made in Cincinnati, Ohio,' or 'Made in Springfield, Ill.', or something like that. Every one of the manufactured items in each of these plants was bought in the United States."

Therefore, purchase of such machines has provided employment for people in the Midwest, and particularly in the northern area of the United States.

The people in Mexico said, "Actually, if we are not permitted to sell some sugar in the United States, we will not get enough dollars so that we may turn around and spend them in the United States. All we ask at the present time with respect to sugar is that we have the right to sell sufficient sugar in the United States so we can get a sufficient number of dollars so that we may turn around and spend them in the United States to modernize and rehabilitate our sugar plantations. All the money we realize from the sugar sales goes back to the United States."

I agree with the Senator from Louisiana that some of the representatives from the States of the North and the Midwest, particularly, where great industry is situated, should be very strongly in favor of this program of permitting the Latin American countries to trade with the United States.

Mr. LONG. Mr. President, will the Senator yield further?

Mr. SMATHERS. I am happy to yield.

Mr. LONG. The fact of the matter is that the Senator knows, as I do, those people can produce sugar more cheaply than we can. That is a point which so many people complain about. People say that, after all, the foreign country has a cheaper labor supply. Perhaps certain foreign countries do have certain advantages over us.

I am one of those who says we should not undertake any program which will drive American industry out of business in any significant fashion, but we should recognize the advantage of reciprocal trade, when we sell something to the other man that we can produce more cheaply.

Mr. SMATHERS. That is right.

Mr. LONG. And we should permit him to sell to us those things he can produce more cheaply.

Mr. SMATHERS. I completely agree with the Senator, and I thank him for his observation. These programs must be by nature reciprocal It does not mean anything if we trade only with a country

which in turn does not buy anything from us.

There were undoubtedly good domestic reasons which may have prompted this action but there were equally good international reasons which should have given the administration cause to reflect upon the damage it would do to our relations and trade with Mexico and Peru and even Canada. Now this does not mean that we should turn our backs on our own producers of lead and zinc. They are experiencing great difficulty and they need some help. Perhaps the answer lies in greater depletion allowances for lead and zinc deposits or possibly consideration should be given as to the wisdom of establishing a Metal Credit Corporation which would render assistance to our domestic lead and zinc mines whenever prices do not cover costs of production. There is good reason to believe that such a corporation could be operated at limited expense to the taxpayers and would have a stabilizing effect upon our lead and zinc producing mines. In my opinion, the creation of a Metal Credit Corporation would be far better than cutting ourselves off from our neighbors and upsetting the intricate balance of their economies which can only result in a worsening relationship with the United States.

Mr. LONG. Mr. President, will the Senator yield at that point?

Mr. SMATHERS. I am happy to yield.

Mr. LONG. May I once again make reference to the Sugar Act. Under that act, as the Senator I am sure recalls, there is provided a tariff and a processing charge for sugar. There is a tariff on imported sugar and a processing tax upon sugar imported from foreign countries, as well as upon sugar produced in this Nation. The tax is in turn used to help maintain the domestic sugar industry, because this Nation feels in the event of war we might be cut off from foreign supplies.

Without such a subsidy, if we tried to have the local industry supply sugar to the United States consumers, and protected our local industry behind a high tariff wall, the Senator from Florida knows as well as I do that the American people would pay far more for sugar than they pay even when there is included the so-called subsidy.

Mr. SMATHERS. I completely agree with the Senator from Louisiana in that observation.

Mr. LONG. I thank the Senator.

Mr. SMATHERS. Mr. President, we should not consider the lead and zinc situation as an isolated matter. In Latin America the administration's recommendation for an excise tax on lead and zinc imports was regarded, rightly or wrongly, as the first step in a series of moves to build a wall around ourselves at the expense and harm of Latin American producers. It was taken to mean that the United States was embarking on a policy of tariff protection and that the reciprocal trade program was a device to maintain tariffs at a low rate when it was convenient for us to do so and as something to be bypassed when it did not suit us.

While I was in Lima, Peru, last December, the Peruvian Congress, out of their disappointment over our recommending increased tariffs on importation of lead and zinc, passed a law taxing United States-owned businesses operating in Peru. This was most unfortunate. Our Ambassador, Mr. Achilles, an able and dedicated man, and I remonstrated with Peru's able Finance Minister, Juan Pardo, about this, but it availed nothing. The Peruvian Congress felt we had hit them a low blow, and they were hitting us back, even though it meant cutting off their nose to spite their face. These are the kinds of acts that we must stop. I believe we want to be good neighbors. I think we are good neighbors and we must be good neighbors in fact, as well as in word. A good trade policy becomes a good foreign policy.

In 1956 our exports to Latin America amounted to $3.9 billion. Our purchases from this area fell below this figure by more than $100 million, giving us a favorable balance of trade of over $100 million. The most recent figures show that in the first 7 months of 1957 Venezuela, our best customer in Latin America, purchased $535 million worth of our products; Mexico bought $505 million; Cuba bought $348 million; Brazil bought $263 million and Argentina bought $177 million. These amounts could well be increased as I will explain just a bit later, but we must be ever mindful that these figures can only be increased by making it possible for our Latin friends to get dollars, and they can only get dollars by selling their goods in the United States for dollars.

Let me illustrate what I mean by citing the case of our best customer, Canada. With a population of 16 million people, it purchased almost $4 billion worth of our products in 1956. This means that every man, woman, and child in Canada bought $248 worth of goods from the United States in that year. Latin America, with a population of 183 million, purchased $3.9 billion of our products in 1956. This amounts to only $20 per capita. By using Canada as an example, I do not mean to say that Latin America can be suddenly propelled to a level equal to Canada. What I do mean to say is that even a small increase in the purchasing power of the people of Latin America would unquestionably result in a tremendous stimulant to our own economy.

PRIVATE CAPITAL IN LATIN AMERICA

Increased trade means an increased flow of United States private capital into Latin America. The investments of private companies in this area in petroleum, mining, manufacturing, agriculture, public utilities, and in other fields are larger than in any other area of the world. American direct investments in Latin America had a book value of $7 billion in 1956, and account for one-third of our total foreign investments. However, as stated earlier, half of these investments are in Venezuela, Brazil, Cuba, and Mexico. In 1956 these investments produced $2.8 billion of goods and services for use in Latin America and accounted for $2.1 billion of the area's total dollar exports. Yet these investments are only a small amount of the total of Latin American investment needs.

The volume of our trade and investments in Latin America is impressive but the real significance of this situation lies not so much in the present volume, but in future prospects.

The stakes in inter-American trade are high. If we choose to restrict their trade with us, we will narrow our own industrial base, curtail our best markets, and drive them to greater intercourse and trade with Communist-bloc countries.

UNITED STATES NEEDS LATIN AMERICAN MARKETS

A point that has always puzzled me is why it is that we, as a nation, so indifferently accept Latin American friendship and look upon it as a matter of course.

The indisputable fact is that we need the Latin Americans, and particularly do we need their markets.

Within the past week the President of the United States stated on two occasions that if the present recession continues it will be necessary for this administration to undertake somewhat drastic economy measures in order to stop the downward trend. He has even had the Postmaster General announce what amounts to a large public works program with a statement of the need to build and rehabilitate over 1,200 post offices around the country.

The unemployment figure was announced last week to have now risen to over 4 million people. We now have greater unemployment than we have had at any time since 1941. The economic indicators prepared and published by the Department of Commerce indicate that the steel industry is producing at about 56 percent of its capacity, that the automobile industry is producing at less than 70 percent of its capacity, that general heavy machinery is producing at much less than 60 percent of its capacity. There are continued and steady cutbacks in most every line of production with very little plant expansion because of already great unused capacity.

It is obviously wasteful to our economy to have idle plant capacity. The markets here in the United States have greatly contracted in the past 2½ years.

In the past the general United States market has not been sufficient to utilize and consume all the items which we were able to manufacture. As a matter of fact, the Department of Commerce figures show that export trade represents a large part of our income. One out of every eight employed people are working in industries producing for export. Therefore, as our export markets decrease, obviously unemployment increases and the deterioration of our economy is accelerated. We can well ask the questions: Where are the producers in the United States to find an outlet for their goods? Where will labor find a salable market for the products of its labor?

In the past, much of that which we made and produced has gone to Latin America. About 33 percent of all United

States exports have gone to the 20 republics to the south of us. I have already made note of the fact that the list of our best customers consists primarily of the Latin American countries.

However, our best customers—Canada, Japan, the United Kingdom, and West Germany—prove that industrially advanced nations generate a greater purchasing capacity than underdeveloped countries. In Latin America, this is also demonstrated. Venezuela and Mexico, the two American Republics which have best succeeded in diversifying their productivity, are our top customers south of the Rio Grande. Logically, then, as Latin American standards of living rise, their purchasing power likewise mounts—and the United States economy stands to gain.

A good illustration of what Latin America means to our labor forces, to our plant capacity, and to our economy, is revealed in the example of just one country. In 1956, Venezuela bought from us $142 million worth of machinery, and that machinery came from 26 of our States. They bought from us $45 million worth of food, and that money was distributed in 24 of our States. Venezuela bought from us in 1956 $19 million worth of wood and paper products and that came from 31 of our States. They spent $38 million on textiles which came from 11 of our States. They spent $14 million on minerals which came from 17 of our States.

So it is clear that, from the farmers in Wisconsin to Pittsburgh's steelworkers to the millhands in Mississippi, all of them have a great stake in Latin America.

Because of the record population growth and the rapid rate of economic development, markets in Latin America are increasing at amazing speeds. Growth of Latin American cities and towns is astonishing. Some of these metropolitan cities are growing faster than our own. Anybody who has seen the skyscrapers, the new modernistic office buildings, the new highways, the modern efficient new industries and the bustling airports will share my admiration for the energy and intelligence of these people carrying out an economic revolution that is a pacemaker in the world.

The cities of São Paulo and Rio de Janeiro, Brazil; Buenos Aires, Argentina; Lima, Peru; Caracas, Venezuela; Cali, Medellin and Barranquilla, Colombia; and Mexico City are examples of this dynamic urban development in Latin America.

Perhaps I can better illustrate the extent of the urban growth in Latin America if I compare it to our own.

During the period from 1946 to 1955 urban population in the United States increased at a rate of 1.8 percent. This 1.8 percent represents the sum total of expansion in our cities and towns, which has been indeed remarkable. But if we compare it to the rate of growth in some of the Latin American countries we can realize immediately that the development of cities and towns in Latin America has been truly fantastic. In Brazil during this same period, urban population increased by 3.8 percent, Mexico by 4.8 percent, Peru and Chile by 3.2 percent, Colombia and Argentina by 3.8 percent, and Venezuela by an incredible 6.8 percent.

This urbanization indicates an accelerated industrial activity, with its consequent stimulus to purchasing power.

This development is of real importance to our country because these friendly peoples prefer to buy and use American machinery, American appliances, American consumer goods, and in fact anything that has the label on it "Made in U. S. A." American-made products in Latin America have a reputation for quality and integrity. The Latin American people know that when they buy American products they are buying something reliable. Furthermore, they are psychologically attached to our country and share a pride with us when they use American goods.

Mr. LONG. Mr. President, will the Senator yield?

Mr. SMATHERS. I yield.

Mr. LONG. It occurs to me that if we could persuade all the countries behind the Iron Curtain to allow us to ship more American products to those countries, a great deal would be accomplished which the so-called Voice of America broadcasts never seem to accomplish. When I had the opportunity of going to Russia, I noted that the Russians were greatly interested in seeing the things which we produce in this country.

I passed through a small town on the way to Yalta. Someone from our State Department, in passing through that town, had stopped on the roadside with an American Cadillac. From all over the entire area people were racing to take a look at the American Cadillac.

At another place behind the Iron Curtain, in Czechoslovakia, on the streets of Prague, I noticed enormous crowds milling around something. I could not see what it was. I joined the crowd and pushed my way through a crowd of people 15 deep. They were trying to get a look at the new model Fairlane Ford automobile.

Mr. SMATHERS. I thank the able Senator from Louisiana. I may say to him that we should consider—as I am sure all of us in the Senate should begin to consider—how much longer we should continue the trade embargo between ourselves and the people of the Soviet Union. There may have been some reason for it in the past, and certainly I would agree, as I am sure the Senator does, that we should not send strategic items to Russia which could possibly be used in the military machine of the Soviet Union, and used against us. On the other hand, as the able Senator has pointed out, the goods which we make, and the things which we can do, are actually the very best goods sold, and when the people of foreign countries have an opportunity to get our goods they always want them above every other kind that is being manufactured. I agree with the Senator from Louisiana that it may be that we can do something to lower the curtain which now exists with respect to trade of nonstrategic items between ourselves and the Soviet Union.

We have a strong foothold in the way of trade in the Latin American market but unless we buy from these people so that they can buy from us we stand in danger of losing these markets which we have won through many years of hard work.

It is significant to realize that the Soviet Communists have studied the situation well in Latin America and are now trying to infiltrate the area through the Trojan Horse technique of trade. It is important to resolve the trade problems which Latin America is facing nowadays with the United States because this is the very weakness that the Communists are now trying to exploit.

That carries out exactly the idea which the Senator from Louisiana [Mr. LONG] has expressed.

EFFECTIVE UNITED STATES ASSISTANCE ESSENTIAL

The solution of the economic problems of Latin America rests on more loans, a stable trade policy, and inducements to American private enterprise to invest in these countries on an increasingly larger scale.

With regard to loans, the Export-Import Bank has recently been doing a better job in this matter. It stepped up its lending to Latin America. For the fiscal year 1957 loans totaling $396 million were made. In the first half of this year loans totaling $159 million have been made. While the record of the bank is showing improvement, it is still far short of supplying even the minimum needs of Latin America for capital. I noted with some satisfaction that the President in his budget message requested an increase in the capitalization of the Export-Import Bank in the amount of $2 billion. I believe this added authorization will result in more help to Latin America.

Let us remember this help is not a giveaway. These are loans at reasonable interest rates, and the performance on the repayment of loans granted by the Export-Import Bank by the Latin Americas has been excellent. Of the $1.7 billion actually disbursed by the bank since its inception in 1934 to June 30, 1957, $800 million has already been repaid. There has been no failure of repayments on any of the loans made to Latin American countries. On the contrary, our Government through the Export-Import Bank has made over a quarter of a billion dollars in interest payments from the Latin American countries. I emphasize that we have made $250,699,000 from these loans made to Latin America. So we realize a financial benefit from the loans while at the same time we strengthen the earnings of our Latin neighbors so that they can buy more from our manufacturers and producers.

One of the most pressing problems for American private enterprise in the Latin American area is the difficulty of securing local currency funds for working capital.

One of the methods devised to assist American private enterprise in this regard was in making available local currencies generated as a result of our surplus agricultural sales under Public Law 480.

Numerous sales of surplus agricultural commodities have been made under this law. A major part of the proceeds of such sales have been loaned back to the purchasing nations. Private investors in Latin America previously had not had access to such local currency funds, badly needed for working capital, and as a hedge against serious foreign exchange losses. However, under the terms of the Cooley amendment to Public Law 480, Congress last year indicated its desire that up to 25 percent of such local currency funds be made available to foreign private investors, including those of United States nationality.

If this provision is carried out practically, it should be of great help to United States investors already there, and encourage new investments to be made in these Latin American countries. But it will be necessary for the United States to insist upon vigorous implementation of this amendment in the sales contracts.

Greater vigor will have to be exercised if the ICA investment guaranty program is to serve as a definite stimulant for United States private investments in Latin America. To date only nine Latin American countries have signed an investment guaranty agreement. They are Bolivia, Colombia, Costa Rica, Cuba, Ecuador, Guatemala, Haiti, Paraguay, and Peru. The remaining 11 republics, which include some of the major Latin American countries, do not yet participate in the program, which causes some prospective investors to hold back.

Renewed efforts must be made to persuade the remaining Latin American countries to join in the investment guaranty program.

UNITED STATES NEGATIVE ATTITUDE

Inter-American economic problems have been explored to death in the last 5 years. But the United States has yet to come up with a bold plan to make the hemisphere a real stronghold of the free world.

Although we do not have a plan, we reject virtually all proposals made by Latin America for effective cooperation in inter-American affairs. I would agree that not all their proposals would be completely practical for us, but the point is—we are not coming up with any good alternatives.

For example, Latin America proposed the creation of an Inter-American Bank. We replied that the Export-Import Bank and the World Bank could provide all the capital for the worthwhile projects that Latin America needed. Now it may be that this could be the answer, but the fact is it has not answered the needs of the Latin Americas and that is why the pleas for assistance continue to be made.

Latin American countries proposed the establishment of an organization to control the price of coffee. While it is true we do not grow coffee in the United States, nevertheless, we have a direct and indirect concern in the price stabilization of coffee. Nevertheless, we turned down their proposal.

They subsequently proposed the creation of an organization to promote consumption of coffee and provide better economic and statistical information on its production. We said we were not interested in participating in the organization, although we finally consented to send an observer to the sessions in Rio de Janeiro, at which the Latin American countries had already agreed to set up an organization of their own.

The 20 Latin American Republics are anxious to help themselves. They have been endeavoring to pull themselves up by their own bootstraps. They seek no handouts. They are anxious to become self-reliant and independent, and certainly they insist on maintaining their independence and own self-respect.

But they do need assistance on a loan basis and that is what they seek from us. They want the United States to sit down with them and discuss their mutual problems and seek solutions thereto on a man-to-man basis—not like a rich uncle telling a poor relative that if he would just stop squandering his money his troubles would be over.

They do not want lectures. They want a lift.

They do not need advice. They need assistance.

They do not need another study, for all students of the problems of Latin America know that what they need are sources for getting dollars for the purpose of strengthening themselves.

They want to be assured of stable, consistent trade policies with the United States so they can plan for the years ahead without fear that our doors will be opened wide one moment, then summarily slammed the next. A swinging-door policy will do us no good in Latin America. We need long-range, consistent, trade policies upon which we all can rely.

LATIN AMERICANS ARE OUR PROVEN FRIENDS

The Latin American countries have stood side by side with us for many years. During the last war they broke relations with the Axis countries and many of them declared war on our mutual enemies. Some of them gave us active military support. Others provided us with air and naval bases. All of them made available to us the strategic raw materials which our war industries urgently required and which they could get no place else.

The Latin American countries have been stalwart supporters of the same objectives as have been fought for by the United States on cold war measures in the United Nations. They have shown, too, a great sense of responsibility in helping to make the United Nations an effective organization for peace.

In the Organization of American States, the United States and the Latin American countries have made an outstanding contribution to world peace and harmony by giving a vivid demonstration to the rest of the world how a regional organization can maintain peace and work effectively toward the economic, social, and cultural advancement of its peoples.

At this time I would like to pay tribute to the Organization of American States. It has done an effective job in maintaining peace in Latin America. It has proved to be the most successful international agency in the world today.

We are indeed fortunate to be a member of this organization which is composed of all of the 20 Republics of Latin America and ourselves.

It has been extremely successful in preventing possible causes of difficulties and insuring peaceful settlements of disputes that have arisen among its membership.

It has demonstrated that where men of sincere purpose and good will sit down together around a conference table to settle problems and disputes good results can be obtained.

The Organization of American States has demonstrated that the conference table can be a more effective settler of conflicts than an arsenal of ballistic missiles or a fleet of battleships.

UNITED STATES LEADERSHIP IN DISARMAMENT

This brings me to another point where leadership can be supplied.

The people of the United States know almost better than many other people of the heavy drag on an economy of large military appropriations. Think of the blessings that could have accrued to the American people if all the money we have spent on arms, munitions, and the military had been used instead for schools, hospitals, research clinics, homes, roads, teachers, and so forth. Our standard of living would have been higher than anyone would even dare to dream. Poverty for our people could have been completely eliminated. Sickness and suffering could have been materially reduced, we could have almost a millennium here on earth. Unfortunately, we could not divert these enormous sums which we have spent for the military because we have had to defend ourselves against the threat of Communist aggression, and we have had to assist much of the free world to do the same. Because of the many new discoveries recently made in weapons of destruction most of the billions we have spent in the past few years on military hardware are now gone, for those weapons, and even those systems, have become obsolete.

As Secretary of the Air Force Douglas said just the other day, we are moving so fast in this area of military-weapons development that if a weapon is operational today, it is already obsolete. We can only be thankful that we have been able to afford this enormous expenditure on nonproductive items. We can be grateful, indeed, that we have been the richest nation on earth.

However, there are few, if any, of our neighbors which can afford this expense for nonproductive items. None of them have a sufficiently strong economy to enable them to carry a big burden of modern military equipment. Therefore, we shoud give great consideration to the question of whether we are helping them or hurting them by including them in our defense plans which require the expenditure by them of comparatively large sums for military equipment and military training.

I do not believe anyone would contend that the equipment which we turn over to our Latin American neighbors would

have any practical benefit if a large war occurred between the Communist dictatorship and the free world. Should we not ask ourselves, Will the next war be fought in the same manner and in a like fashion as was the last one? If not—and I think most of us will agree it will not—then why do we press up on our Latin American neighbors responsibilities and obligations designed to meet the demands of a war similar to the last one? Obviously, no practical good can result from such unrealistic and anachronistic thinking. As a matter of fact we do injury to our friends by requiring them to spend sums of money in the operation and upkeep of obsolescent equipment. Their economies are such that they actually cannot afford to spend money on this type of nonproductive outlays.

How much more useful that money would be if it were put into the development of their economy through improved roads, more schools, better sanitation, more hospitals, and the like. The military hardware which we give them, and the plans for joint defense which we make with them, require that much of their ablest manpower be diverted from income-producing activities to these programs designed to cope with a war which, if it comes, will bypass them in a matter of minutes.

Then, too, we should not lose sight of the fact that, unfortunately, in the past some of the military equipment which we have given these countries has been used—but not as intended. Regrettably, it has been turned against the people whom it was supposed to be used to protect.

It would seem to me, therefore, that the time has come when our Government's policy of assistance to our friends, the Latin Americans, should be reevaluated. We should realistically ask, Does our military-assistance program truly help them in the defense of their country and the Western Hemisphere, or does it in fact diminish the opportunities for the furtherance of the people's individual rights and liberties in those countries?

GROWING DEMOCRATIC GOVERNMENT IN THE AMERICAS

Unquestionably there is a growing democratic movement in Latin America, and, as the oldest and biggest democratic Government on the face of the globe, we can rejoice in this progression. However, we should always remember that we have not been asked to determine for other people in other countries what type of government is best for them. Nor should we endeavor to try and remake governments in the image of our own.

It is true that we believe in democracy and the dignity and personal freedom of the individual. And I am sure we all feel that eventually all other people will come to that same conclusion. But it does not necessarily follow that to be a good government, a government must be an exact replica of our own.

Mr. LONG. Mr. President, will the Senator yield?

Mr. SMATHERS. I yield.

Mr. LONG. The Senator has made the point that at present our neighbors to the south could make but a small contribution to a war between the Communist bloc and the capitalist bloc. I believe the Senator should keep in mind that if we project this problem 10 or 15 years into the future, and assume that the countries of Latin America continue to develop and progress, both in enlightenment and in the capability of produce, as rapidly as they have during the past 15 years, they might be able to make a very great contribution.

The thought occurred to me some time ago that if the United States were destroyed overnight by an atomic attack from the Soviet Union, perhaps no other power on earth would be strong enough to resist the Soviet Union. But if we project that possibility perhaps 10 or 15 years into the future, so that our neighbors to the south will have been enabled to become strong enough to resist the Soviet Union, their contribution might be great, particularly when we consider their progress during the last 10 or 15 years.

Mr. SMATHERS. I agree with the Senator from Louisiana that if we do not retire the men who are in control of the military in the Latin American countries, which in effect is a nonproductive occupation, and if we do not require that they spend millions of dollars to maintain the obsolescent equipment which we give to them, but allow them to use their best manpower and all the money they have for the development of their own economy and the industrialization of their countries, then in time they might be able to acquire a stature which will permit them to manufacture the same type of modern military equipment and enable them, as we have done, to resist the advances of Soviet communism.

I thank the Senator from Louisiana for his observation.

Nor does it follow that merely to effect a change in the personnel of a government already established always results in an improvement. For to shift from one dictator to another, where the new dictator's only qualification is that he wants "his turn" does not result in good for the people of that country, it only subjects them to a new "wringer."

In the last 3 years dictatorial regimes have been overthrown in Argentina, Colombia, Honduras, Haiti, and now in Venezuela. We all naturally hope that these changes represent progress toward governments more responsive to the needs of their people. There is no doubt that profound changes are under way all over Latin America. The people of Latin America are no longer satisfied to be economic peons and political prisoners. As the people of this vast area throw off the shackles of economic slavery, and awaken to the possibilities of living as useful and independent citizens, they are naturally demanding, and in time will get, a larger voice in the operations of their own governments. They are reaching for a better life, economically and politically, and we in the United States must be alert to the opportunities to help them accomplish this worthwhile goal.

RESPONSIBLE LEADERSHIP IN OUR OWN BACK YARD ESSENTIAL

In conclusion, I may say these are some of the problems and some of the realities of Latin America today. Unquestionably, Latin America holds much of the future of the United States. We can lose it or win it, depending upon how we meet the current problems.

In recent years, the United States has not provided the quality of leadership necessary to produce the maximum mutual benefits to us and our Latin American friends.

Our Latin American neighbors look to us for leadership in solving the many problems which confront them as well as ourselves today. These are problems in our own back yard. They are the problems of our nearest friends.

In assisting the Latin American Republics in the solution of their problems it is vital that we replace leadership characterized by complacency and indifference with leadership characterized by boldness, courage, and positive constructive action. In short, responsible leadership. For truly if we cannot demonstrate effective leadership among historical friends within our own hemisphere, how can we hope to rally nations across the globe to freedom's cause.

Mr. LONG. Mr. President, will the Senator from Florida yield?

Mr. SMATHERS. I am happy to yield.

Mr. LONG. I wish to congratulate the Senator from Florida on what I believe to be the most enlightened, comprehensive, and thorough speech on the problems involved in our relationships with Latin America and South America to be made during this Congress; and I say that with respect to both the first session and the second session of the 85th Congress. The Senator from Florida has rendered the entire Senate a very valuable service in presenting the facts and figures regarding the trade relations and other relations of the United States with those countries. As one Member of the Senate, I am extremely grateful to him for providing us with this information.

Mr. SMATHERS. Mr. President, I am very grateful to the Senator from Louisiana for making that statement.

I yield the floor.

ADJOURNMENT UNTIL WEDNESDAY

Mr. LONG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LONG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, in accordance with the previous order, I move that the Senate stand adjourned.

The motion was agreed to; and (at 3 o'clock and 3 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until Wednesday, February 19, 1958, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate February 17, 1958:

John F. Dyer, of Hawaii, to be seventh judge of the first circuit, circuit courts, Territory of Hawaii, for a term of 6 years, vice Calvin C. McGregor, term expired.

Donald A. Fraser, of Connecticut, to be United States marshal for the district of Connecticut for a term of 4 years. He is now serving in this office under an appointment which expires March 11, 1958.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 17, 1958:

DIPLOMATIC AND FOREIGN SERVICE

Everett F. Drumright, of Oklahoma, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to China.

DEPARTMENT OF STATE

Walter K. Scott, of Maryland, to be an Assistant Secretary of State.

UNITED STATES ADVISORY COMMISSION ON INFORMATION

To be members of the United States Advisory Commission on Information for terms expiring January 27, 1961, and until their successors have been appointed and qualified

Philip D. Reed, of New York.
Erwin D. Canham, of Massachusetts.

FEDERAL RESERVE SYSTEM

Abbot L. Mills, Jr., of Oregon, to be a member of the Board of Governors of the Federal Reserve System for a term of 14 years from February 1, 1958.

HOUSE OF REPRESENTATIVES

MONDAY, FEBRUARY 17, 1958

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Psalm 133: 1: *Behold, how good and how pleasant it is for brethren to dwell together in unity.*

Almighty God, we beseech Thee that these days of Brotherhood Week may be radiant with visions of those high and helpful things which we may do together and for one another or members of the human family.

Grant that, as brothers of the Son of Man, our minds and hearts may be impervious to all attitudes which are alien to the spirit of our blessed Lord.

May we resolve more earnestly to covet and cultivate those feelings of sympathy and kindness and be eager to extend the hand of helpfulness to the weary and heavy laden and speak that word of hope and good cheer to the lonely and sorrowing which will enable them to carry on courageously and faithfully.

Show us how we may help bring in that day of blessedness when men and nations everywhere shall live together on the higher levels of peace and good will.

Hear us in Christ's name. Amen.

The Journal of the proceedings of Thursday, February 13, 1958, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McGown, one of its clerks, announced that the Vice President had appointed the Senator from New Mexico, Mr. CHAVEZ; the Senator from Idaho, Mr. DWORSHAK; and the Senator from California, Mr. KUCHEL members on the part of the Senate of the Board of Visitors to the United States Air Force Academy.

HIGH COST OF LIVING IN SAN FRANCISCO

Mr. MILLER of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MILLER of California. Mr. Speaker, the residents of the San Francisco Bay economic area of California have to "squeeze budgets," according to an article by Harlan Trott, in the February 12 issue of the Christian Science Monitor. I quote from this article:

A 6-percent drop in buying power hit salaried homeowners in the San Francisco Bay area in 1957, while wage earners who rent their homes saw the cost of living reach what amounted to a 4.3-percent wage cut in terms of the annual family budget.

This isn't exactly news to bay-area householders, but is statistically confirmed by the Heller committee for research in social economics at the University of California.

I want to tell my colleagues that many of these people who are so badly hit are Federal employees in the classified and postal services.

We have been and are dragging our feet in giving them a salary increase to meet the ever-increasing cost of living.

Though they are well organized, they cannot strike to bolster their bargaining power. They are wholly dependent upon the will of Congress—and Congress, to my thinking, is shirking its responsibility toward them.

The Heller committee report should quicken our conscience and goad us into action.

UNEMPLOYMENT AND THE ECONOMIC SITUATION DUE TO SLUMP IN AGRICULTURAL PRICES

Mr. CHRISTOPHER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CHRISTOPHER. Mr. Speaker, I sought this minute to acquaint the House that I am going to address this body for a 30-minute period tomorrow on the subject of the unemployment and economic situation as they relate to the agricultural situation in the United States at the present time.

I invite my colleagues to be present if they care to, and give a special invitation to those from the large city districts, because they should be down on the floor of this House fighting for parity for the American farmer in his defense.

LET'S SAVE THE GUARD

Mr. EDMONDSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. EDMONDSON. Mr. Speaker, I have just sent a letter registering my strongest possible protest to the Secretary of Defense over reports of a plan to reduce America's National Guard by 40,000 men.

Most Americans are agreed that the country gets more value out of the dollar it spends on the National Guard than it does for any other defense dollar.

As recently as the Korean war we found it necessary to call upon the National Guard to help meet a military need, and every Oklahoman is proud of the fact that our 45th Division was ready at that time, just as it was in World War II. The 45th Division is ready today for any defense need, just as other National Guard divisions are ready in other States at a fraction of the cost of a Regular division.

In addition, the Guard is ready for other emergency needs. Within the past year in Oklahoma the National Guard has rendered invaluable aid to the people in several disasters—saving lives and protecting property and proving its usefulness to the State in many ways.

In my office are protests from many citizens, from civic organizations, and from newspapers, who share my belief that a reduction in the Guard today would be pennywise and pound-foolish economy.

Let us stop this move now.

HOUSE COMMITTEE TO HANDLE SPACE LEGISLATION

Mr. BROOKS of Louisiana. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BROOKS of Louisiana. Mr. Speaker, on February 10, 1958, I introduced House Resolution 474, which provides for the establishment of a House committee to handle space legislation. This resolution followed the series of moves on my part intended to emphasize the importance of making adequate provision for the time when it will be vitally necessary that we make provision for the control of the use of space. Last October I issued a release calling attention to the scientific developments which were forcing us into a position of providing for space legislation. I followed this with another news release in November of last year. On the first day of the new

session of the Congress of 1958, I introduced a bill providing for a joint committee to be composed of both Senate and House Members to be appointed by the Vice President and Speaker of the House of Representatives. I am going to continue to urge provision be made to handle legislation and hearings covering space matters and I hope the Rules Committee takes action at an early date.

LABOR IS CLEANING ITS HOUSE—HOW ABOUT GOVERNMENT?

Mr. PELLY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. PELLY. Mr. Speaker, the AFL–CIO national and international unions have been given the deadline of April 15 by President George Meany for compliance with labor's approved codes of ethical conduct for labor organizations. These codes, overwhelmingly reaffirmed last December at the Atlantic City second constitutional labor convention, are directed against internal corruption and seek to preserve the American labor movement from disruptive elements, improper financial practices, and irresponsible leadership.

Point by point, of course, there can be no exact comparison between on the one hand a code of ethics for labor leaders and on the other hand a set of standards for Members of Congress or Government officials. But, in general, the idea that all officials, elective or appointive, should have established codes of conduct is consistent. And it seems to me, Mr. Speaker, that while the Congress is proposing to set up rules and regulations, we should start with ourselves. Right now, with the hearings of the House Subcommittee on Legislative Oversight in the public attention, it may be that the pot has been calling the kettle black and that the executive and legislative branches of Government need codes of conduct as much as, or at least before we deal with, others.

No one should misunderstand these remarks. I am 100 percent for a crusade for honesty; but labor seems to be cleaning its own house—how about Government? I hope the Committee on Post Office and Civil Service will schedule an early hearing on my bill, H. R. 10631, to promote ethics in Government. It would restore the faltering faith of the American people in the officials and institutions of their Government. Right now the Nation is wondering just what kind of rules Congress operates under. We could provide the answer through adopting a high set of standards for ourselves.

ECONOMY IN GOVERNMENT

Mr. KEAN. Mr Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. KEAN. Mr. Speaker, there seems to be a tendency in this Congress to feel that the American people are no longer interested in economy in government.

Do not let us fool ourselves.

Last Wednesday, school board elections were held in my home State of New Jersey. The results of these elections, I believe, provide an accurate barometer of the public attitude toward economy.

The citizens of New Jersey rightly insist that their children must have the finest possible educational opportunities. Yet, in at least 64 New Jersey communities, voters rejected the proposed school budgets presented for their consideration as too extravagant.

This large-scale rejection of school budgets—carrying with it an implied demand by the citizens for greater economy—is the highest in the State's history.

Last year, voters in 41 districts throughout the State rejected the budgets offered to them—and that figure represented nearly a 100 percent jump in rejections over 1956. Such indisputable figures certainly indicate that the public realization of the need for economy at all levels of our Government is not dead.

The American people are insistent upon the most modern and efficient military strength to safeguard and strengthen our security. Few dispute the need for an all-out effort in this vital field.

But the results of the New Jersey school board elections are significant. For, if these elections are an accurate indicator, as they would seem to be, the demand for economy in other areas of government is growing, and not receding.

ALBERT V. FARALDI, POINT PLEASANT, N. J.

Mr. AUCHINCLOSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. AUCHINCLOSS. Mr. Speaker, it is always in order to express appreciation of the work of any constituent who by his example of public service raises the general tone of the community. This is abundantly true of Albert V. Faraldi, who lives in Point Pleasant, Ocean County, N. J., which is located in the Third Congressional District that I have the honor and privilege to represent.

Mr. Faraldi has won a national good citizenship award from the National Association of Food Chains because of his record of interest and participation in the affairs of the community in which he lives. This gentleman, who is manager of the supermarket in Point Pleasant Beach, is one of the 11 national winners selected from about 10,000 supermarket managers and is the only winner of this award from the State of New Jersey. Among his civic activities he serves as president of the Greater Point Pleasant Chamber of Commerce; he is a charter member of the local volunteer fire department, and an officer in the local chapter of the American Red Cross. He is active as a fund raiser for the Girl Scouts of America and the March of Dines, and the citizens of the community turn to him naturally when there is a civic job to be done. A married man and the father of three small boys in whose welfare he devotes a real fatherly interest, he is active in the affairs of the local parent-teachers association.

The Governor of the State of New Jersey on behalf of its citizens has extended congratulations to Mr. Faraldi and presented him with a State flag. Under the sponsorship of the Greater Point Pleasant Chamber of Commerce, the Boroughs of Point Pleasant and Point Pleasant Beach have designated February 27 as Albert V. Faraldi Good Citizenship Day which will be climaxed by a luncheon in honor of Mr. Faraldi.

Ours is a wonderful country which produces men like Mr. Faraldi and we need have no fear for the future when such leadership is developed as is found in this outstanding citizen. I am proud to have the honor to represent in the Congress a man of this character because by his example he brings inspiration, renewed confidence, and hope for the days to come. His unselfishness and devotion to the needs of others proves that service to humanity is the best work of life.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

BENEFITS TO WIDOWS OF EMPLOYEES OF LIGHTHOUSE SERVICE

The Clerk called the bill (S. 235) to increase from $50 to $75 per month the amount of benefits payable to widows of certain former employees of the Lighthouse Service.

Mr. FORD. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

DISPOSAL OF CERTAIN UNCOMPLETED NAVAL VESSELS

The Clerk called the bill (H. R. 8547) to authorize the disposal of certain uncompleted vessels.

Mr. NATCHER. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

RECREATIONAL ASPECTS OF WATERSHED PROJECTS

The Clerk called the bill (H. R. 5497) to amend the Watershed Protection and Flood Prevention Act.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 4 (2) (A) of the Watershed Protection and Flood Prevention Act (Public Law 1018, 84th Cong.) be amended by inserting immediately after "and disposal of water", the following: "or for recreational and fish and wildlife development."

With the following committee amendment:

Page 1, following line 7, add the following new section:

"SEC. 2. The Secretary of Agriculture shall not furnish or agree to furnish financial assistance to local organizations for the institutions of works of improvement for recreational and fish and wildlife development pursuant to the authority of this act prior to July 1, 1958."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING SECTION 77 (C) (6) OF THE BANKRUPTCY ACT

The Clerk called the bill (H. R. 982) to amend section 77 (c) (6) of the Bankruptcy Act.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That paragraph (6) of section 77 (c) of the Bankruptcy Act (11 U. S. C. 205 (c)) is amended to read as follows:

"(6) If a lease of a line of railroad is rejected, and if the lessee, with the approval of the judge, shall elect no longer to operate the leased line, it shall be the duty of the lessor at the end of a period to be fixed by the judge to begin the operation of such lines, unless the judge, upon the petition of the lessor, shall decree after hearing that it would be impracticable and contrary to the public interest for the lessor to operate the said line, in which event it shall be the duty of the lessee to continue operation on or for the account of the lessor, until abandonment of such line is authorized in accordance with the provisions of section 1 of that act, the Interstate Commerce Act, as amended, or until such operation pursuant to this paragraph is otherwise lawfully terminated. During any such operation, the lessor shall be deemed to be a carrier subject to all applicable provisions of the Interstate Commerce Act, as amended, and shall be entitled to receive just, reasonable, and equitable divisions of rates, fares, or charges applicable to the transportation of persons or property over its line or lines of railroad and the lines of the lessee or other carriers, and the provisions of section 15 (6) of the Interstate Commerce Act, as now or hereafter amended, shall apply to said divisions whether or not joint rates covering such transportation have been established."

With the following committee amendments:

On page 1, line 9, strike out the word "lines" and substitute "line."

On page 2, line 5, strike out "that act" and substitute "the Interstate Commerce Act, as amended."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FISH FARMING

The Clerk called the bill (S. 1552) to authorize the Secretary of the Interior to establish a program for the purpose of carrying on certain research and experimentation to develop methods for the commercial production of fish on flooded rice acreage in rotation with rice field crops, and for other purposes.

Mr. PELLY. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

CONVEYANCE OF PROPERTY TO CITY OF ROSEBURG, OREG.

The Clerk called the bill (H. R. 6995) to amend Public Law 883, 84th Congress, to provide for the conveyance of certain additional property of the United States to the city of Roseburg, Oreg., and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BYRNES of Wisconsin. Mr. Speaker, reserving the right to object, I wonder if I could have advice as to whether the $50,000 appropriation as originally contemplated has been deleted?

Mr. BROOKS of Texas. If I may advise the gentleman, I think, sir, that every dime of the $50,000 appropriation was deleted in the subcommittee out of which that bill was passed. This includes just one lot and a couple of feet of an adjacent lot in which this historical building is located.

Mr. BYRNES of Wisconsin. It was originally contemplated, though, was it not, that the $50,000 be paid to the Historical Society?

Mr. BROOKS of Texas. Yes. That was part of the original bill. They are just going to get the lot, that is all.

Mr. BYRNES of Wisconsin. Fine. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act authorizing the Administrator of General Services to convey certain property which has been declared surplus to the needs of the United States to the city of Roseburg, Oreg.," approved August 1, 1956 (Public Law 883, 84th Cong.; 70 Stat. 887), is amended—

(1) by striking out "and removed from said land without cost to the United States"; and

(2) by adding at the end thereof the following:

"SEC. 2. The Administrator shall convey to the city of Roseburg, Oreg., all right, title, and interest of the United States in and to the following described property:

"Lots 5, 6, and 7, block 29, city of Roseburg, Douglas County, Oreg. Subject to rights granted to John Hunter by deed dated April 7, 1899, granting access over a 10-foot gateway along the south and east sides of lot 7 and the east side of lot 6 as recorded in volume 39, page 186, deed records of Douglas County, Oreg. Subject to the rights of the public, if any, to use an alleyway along the east side of lots 5, 6, and 7.

"Such property shall be conveyed on condition that the Douglas County Historical Society shall use such property as an historical site, and if such property shall ever cease to be so used, title thereto shall revert to the United States which shall have the right of immediate entry thereon. The cost of any survey which the Administrator determines is necessary to carry out the provisions of this section shall be paid by the Douglas County Historical Society.

"SEC. 3. If the real property described in section 2 of this act reverts to the United States, the property described in the first section of this act shall, within such reasonable period of time after such reversion as the Administrator may prescribe, be removed from such real property by the Douglas County Historical Society without cost to the United States and disposed of by the society in such manner as it may deem appropriate.

"SEC. 4. In order to provide assistance in the development of a museum for the purpose of preserving historical objects of Douglas County, Oreg., the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Douglas County Historical Society the sum of $50,000, representing approximately one-half of the amounts heretofore received by the United States from the property devised to the United States by Lillie Lela Moore."

SEC. 2. The Administrator shall make such changes in the conveyance authorized by the first section of Public Law 883, 84th Congress, or make such new conveyance, as may be necessary to carry out the purposes of the amendments made by the first section of this act.

With the following committee amendments:

On page 2, strike lines 4 through 22, and insert in lieu thereof the following:

"SEC. 2. The Administrator shall convey to the city of Roseburg, Oreg., all right, title, and interest of the United States in and to the following described property in the city of Roseburg, Douglas County, Oreg.:

"(a) Lot 5, block 29; and (b) all that portion of lot 6, block 29, described as beginning at a cross chiseled in the sidewalk in the west line of said lot 6 from which the street monument at the intersection of Rose and Washington Streets bears north 62 degrees 02 minutes west 30.0 feet and north 28 degrees 01 minute east 90.26 feet; thence south 62 degrees 02 minutes east 35.67 feet to a brass cap; thence south 28 degrees 01 minute east 8.63 feet to a brass cap; thence north 62 degrees 01 minute 30 seconds west 35.7 feet to the east line of Rose Street; thence south 28 degrees 01 minute west 8.63 feet to the point of beginning.

Reserving to the United States of America, its transferees and assigns a permanent easement over and upon the easterly 10 feet of said lot 5 for alleyway purposes.

"The cost of any survey which the Administrator determines is necessary to carry out the provisions of this section shall be paid by the Douglas County Historical Society. Such property shall be conveyed on condition that the Douglas County Historical Society shall use such property as a historical site; and, if such property shall ever cease to be so used, title thereto shall revert to the United States, which shall have the right of immediate entry thereon."

On page 3, strike lines 6 through 14.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INVITATION TO AUTOMATION CONGRESS AND EXPOSITION

The Clerk called the resolution (H. J. Res. 347) authorizing and requesting the President to invite the several States and foreign countries to take part in the Fourth International Automation Congress and Exposition to be held in the New York Coliseum at New York, N. Y., from June 9 to June 13, 1958.

There being no objection, the Clerk read the joint resolution, as follows:

Whereas the International Automation Congress and Exposition to be held in the New York Coliseum at New York, N. Y., from June 9 to June 13, 1958, is the fourth such congress and exposition of this kind; and

Whereas such congress and exposition is being arranged for the purpose of exhibiting products used in increasing production, decreasing cost, and improving the standard of living all over the world; and

Whereas our American goal of ever higher quality products at costs which permit ever wider use has caused our business and labor leaders to devote ever increasing attention to automation; and

Whereas automation has achieved recognition as the principal material means of attaining the more productive and enjoyable life all men seek, and offers the United States and the world the most practical means of abolishing the mental and physical drudgery which deadens appreciation of the finer things of life; and

Whereas the Nation's leading executives, engineers, labor leaders, and scientists, with many of their colleagues from abroad, assembled at the Third Automation Exposition and Congress at New York, N. Y., in November 1956 to inform themselves on the latest developments in automation, automatic control, electronic computers, and instrumentation and allied techniques: Therefore be it

Resolved, etc., That the President is authorized and requested to invite the several States and foreign countries to take part in the Fourth International Automation Congress and Exposition to be held in the New York Coliseum at New York, N. Y., from June 9 to June 13, 1958.

Mr. GROSS. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GROSS: On page 2, line 7, after "1958," strike the period, insert a semicolon, add the word "and," and insert a new paragraph which shall read as follows:

"*Be it further resolved*, That no funds appropriated by Congress for any purpose whatsoever shall be used to defray the expenses of any foreign country or foreign individual participating in the Fourth International Automation Congress and Exposition to be held in New York City."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SECOND ANNUAL UNITED STATES WORLD TRADE FAIR

The Clerk called the joint resolution (H. J. Res. 509) authorizing the President to invite the States of the Union and foreign countries to participate in the Second Annual United States World Trade Fair to be held in New York City, N. Y., from May 7 to May 17, 1958.

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That the President of the United States is authorized, by proclamation or in such other manner as he may deem proper, to invite the States of the Union and foreign countries to participate in the Second Annual United States World Trade Fair to be held at the Coliseum, New York City, N. Y., from May 7 to May 17, 1958, inclusive, for the purpose of exhibiting merchandise and articles of trade and production; and the promotion of travel, tourism, and transportation; and for the purpose of bringing together buyers and sellers for the promotion of foreign and domestic trade and commerce.

Mr. GROSS. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GROSS: On page 2, line 4, after the word "commerce", strike out the period, insert a semicolon, add the word "and", and insert a paragraph which shall read as follows:

"*Be it further resolved*, That no funds appropriated by Congress for any purpose whatsoever shall be used to defray the expenses of any foreign country or foreign individual participating in the Second Annual United States World Trade Fair to be held in New York City."

The amendment was agreed to.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEF OF CERTAIN MEMBERS AND FORMER MEMBERS OF THE ARMY AND AIR FORCE

The Clerk called the bill (H. R. 9371) to provide for the relief of certain members and former members of the Army and the Air Force, and for other purposes.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That any member or former member of the Army or Air Force, who, after August 31, 1952, and before February 1, 1954, was transferred from the United States to a restricted area where his dependents were not permitted to accompany him and whose dependents were transported at the expense of the United States to Hawaii, is entitled to transportation of his household goods from the San Francisco port of embarkation to Hawaii.

SEC. 2. Any payments for transportation of those shipments made by the Department of the Army and the Department of the Air Force to the Military Sea Transport Service for which a person described in section 1 was charged are validated.

SEC. 3. Any person described in section 1 who has repaid the United States the amount charged for that transportation may be paid the amount involved, if otherwise proper under this act.

SEC. 4. The Comptroller General of the United States, or his designee, shall relieve disbursing officers, including special disbursing agents, of the Army and Air Force from accountability or responsibility for any payments described in this act, and shall allow credits in the settlement of the accounts of those officers or agents for payments which appear to be free from fraud and collusion.

SEC. 5. Appropriations available to the military departments concerned for the travel and transportation of military personnel are available for payments under this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CANCELLATION OF CERTAIN BONDS

The Clerk called the bill (H. R. 8439) to cancel certain bonds posted pursuant to the Immigration Act of 1924, as amended, or the Immigration and Nationality Act.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Attorney General shall, upon application made pursuant to such rules and regulations as he shall promulgate pursuant to this act, cancel any departure bond posted pursuant to the Immigration Act of 1924, as amended, or the Immigration and Nationality Act, on behalf of any refugee who entered the United States as a nonimmigrant after May 6, 1945, and prior to July 1, 1953, and who had his immigration status adjusted to that of an alien admitted for permanent residence pursuant to any public or private law.

SEC. 2. For the purposes of this act, the term "refugee" shall mean any alien who (1) establishes that he lawfully entered the United States as a nonimmigrant, (2) that he is or was a person displaced from the country of his birth or nationality or of his last residence as a result of events subsequent to the outbreak of World War II, and (3) that he cannot or could not return to any of such countries because of persecution or fear of persecution on account of race, religion, or political opinions.

SEC. 3. The Secretary of the Treasury is hereby authorized and directed to refund out of funds not otherwise appropriated any sum or sums of moneys received by the Treasurer of the United States pursuant to the forfeiture of any bond posted in the case of a refugee as defined in sections 1 and 2 of this act on application by the person, persons, organization, or corporation entitled to the refund, and if a person who would have been entitled to a refund is deceased the application shall be made in behalf of his estate. The payments made pursuant to this section shall be made by the Secretary of the Treasury directly to such person, or persons, or organization, or corporation which have paid the moneys upon the forfeiture of the bonds.

With the following committee amendments:

Page 2, line 17, after "act" insert "whose status was adjusted to aforesaid."

Page 2, line 24, after "corporation" strike out "which have paid the moneys upon the forefeiture of the bonds" and insert "entitled to the refund."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. CUNNINGHAM of Iowa. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. KEATING] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. KEATING. Mr. Speaker, the purpose of this bill is to relieve certain refugees of their obligations under bonds furnished by them when they entered the United States as nonimmigrants. Many of those who fled to this country

after World War II and could not, for fear of further persecution, return to their homelands, have since had their status adjusted to that of permanent residents. They either now are, or intend to become, citizens of the United States. It does not seem just that these people whom we have recognized as worthy to remain in this country and to become citizens should be required to make payment under bonds originally furnished by them to assure their departure.

H. R. 8439 would allow refugees, as defined in section 2 of the bill, who entered the United States as nonimmigrants between May 6, 1945, and July 1, 1953, to apply to the Attorney General for cancellation of their bonds. According to the testimony introduced at the hearings, this would affect approximately 350 to 400 bonds ranging in amount from $500 to $1,000. The cancellation of most of these bonds will involve simply a forgiveness of an obligation on the part of the Government. For those who have already paid, provision is made for a refund by the Secretary of the Treasury.

This bill has received the generous support of a number of fine religious and service organizations. The information supplied by these groups shows there is ample justification for this legislation.

Mr. Speaker, this measure would benefit a group of most deserving persons. It is worthy of the support of every Member.

OCEANSIDE-LIBBY UNION SCHOOL DISTRICT, SAN DIEGO COUNTY, CALIF.

The Clerk called the bill (H. R. 3261) for the relief of the Oceanside-Libby Union School District, San Diego County, Calif.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Oceanside-Libby Union School District, San Diego County, Calif., the sum of $6,028. The payment of such sum shall be in full settlement of all claims of such school district against the United States arising out of the payment of such sum to the United States by such school district, in order to obtain the consent of the United States for such school district to grant to the State of California an easement for highway purposes over certain real property acquired from the United States by such school district under the provisions of the Federal Property and Administrative Services Act of 1949, even though (before the acquisition of such property by such school district) the United States, under the provisions of the Federal Highway Act, could have granted such easement to such State without reimbursement: *Provided*, That no part of the amount appropriated in this act, in excess of 10 percent thereof, shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 2, line 9, after "act" strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. That completes the call of the eligible bills on the Consent Calendar.

JOINT ECONOMIC COMMITTEE

The SPEAKER. Pursuant to the provisions of title 15, section 1024, United States Code, the Chair appoints as a member of the Joint Economic Committee the gentleman from Wisconsin, Mr. REUSS, to fill the existing vacancy thereon.

VETERANS' BENEFITS ACT

Mr. TEAGUE of Texas. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 9700) to consolidate into one act all of the laws administered by the Veterans' Administration, and for other purposes, as amended, and ask unanimous consent that the reading of the bill be dispensed with, that it not be printed in the Journal or the RECORD, but that the committee amendments be printed in lieu thereof.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The committee amendments are as follows:

Page 10, immediately below "Sec. 1823." insert "Sec. 1824. Waiver of discharge requirements for hospitalized persons."

Page 11, immediately below "Sec. 3012" insert "Sec. 3013. Effective dates of educational benefits."

Page 11, in the material following "Sec. 3021." insert "certain" immediately before "accrued benefits."

Page 15, line 14, immediately after "title VII" insert "and section 5202 (b)."

Page 26, lines 17 and 18, strike out "laws applied by such court" and insert "laws of the jurisdiction where the person was convicted by such court."

Page 49, line 10, immediately before "misconduct" insert "willful."

Page 59, line 15, immediately before "misconduct" insert "own willful."

Page 100, line 7, immediately after "in receipt of" insert ", or but for the receipt of retirement pay would be entitled to."

Page 101, lines 13 and 14, strike out "in receipt of" and insert "who is in receipt of, or but for the receipt of retirement pay would be entitled to."

Page 104, line 2, strike out "mechanical-electronic" and insert "mechanical or electronic."

Page 106, line 17 immediately after "hospital" insert "or domiciliary."

Page 121, line 7, immediately after the period insert "If the mode of payment is changed to a refund life income in accordance with prior provisions of law after payment has commenced, payment of monthly installments will be adjusted as of the date of maturity of such policy with credit being allowed for payments previously made on the insurance."

Page 127, line 20, strike out "All" and insert "Except as otherwise provided in this title, all."

Page 127, line 21, strike out "participating."

Page 135, line 17, strike out "or" and insert "and."

Page 137, line 11, strike out "At" and insert "(a) Effective July 23, 1953, at."

Page 137, line 18, strike out "effective July 23, 1953," and insert "on and after such date."

Page 138, immediately after line 5, insert:

"(b) The section shall take effect on the date of enactment of this act."

Page 138, line 11, strike out "in cash, any dividend accumulation and unpaid" and insert "of dividends in cash or that the dividends be placed on deposit in accordance with the provisions of his policy, any regular annual."

Page 153, lines 2 and 3, strike out "Public Law 373, Seventy-second Congress," and insert "the act of."

Page 159, lines 4 and 5, strike out "be deposited with the Treasurer of the United States, and shall thereupon."

Page 159, lines 8 and 9, strike out "without covering into the Treasury of the United States and withdrawal on money requisitions."

Page 164, line 18, immediately after "in receipt of" insert "or but for the receipt of retirement pay would have been entitled to."

Page 167, line 20, immediately before "for the" insert "(including educational and vocational counseling and other necessary incidental services)."

Page 170, line 23, immediately after "pursuing" insert "a course of."

Page 170, line 24, immediately before "and" insert "training."

Page 172, line 11, immediately after "vocational rehabilitation" insert "training."

Page 172, line 17, strike out "shall" and insert "is authorized to."

Page 172, line 23, strike out "receiving vocational rehabilitation" and insert "pursuing a course of vocational rehabilitation training."

Page 173, line 3, immediately after "vocational rehabilitation" insert "training."

Page 173, lines 20 and 21, strike out "and may be collected by" and insert "by proper."

Page 173, line 21, immediately after "from" insert "future."

Page 204, strike out "accordingly" and insert "accordingly,".

Page 230, line 24, strike out "course," and insert "course;".

Page 231, lines 7 and 8, strike out "objective," and insert "objective."

Page 232, line 21, strike out "removed," and insert "removed."

Page 237, line 16, immediately after "eligible person" insert "pursuing a course of education under this title."

Page 238, line 1, strike out "of this act."

Page 246, line 19, immediately after "veteran" insert "(including a person who died in the active military, naval, or air service)."

Page 246, line 4, strike out "service" and insert "active duty."

Page 255, line 7, strike out "lending institution" and insert "lender."

Page 256, line 1, strike out "primarily" and insert "principally."

Page 256, line 2, strike out "mortgage."

Page 256, line 3, immediately before "before" insert "or insurance."

Page 264, line 18, immediately after "purposes" insert "in connection with bona fide pursuit of a gainful occupation by the veteran."

Page 274, line 12, immediately before the period insert "of loans made from the revolving fund."

Page 274, immediately after line 14, insert:

"WAIVER OF DISCHARGE REQUIREMENTS FOR HOSPITALIZED PERSONS"

SEC. 1824. The benefits of this title may be afforded to any person who is hospitalized

pending final discharge from active duty, if he is qualified therefor in every respect except for discharge.

Page 281, after line 13, insert:

"(d) The Secretary may utilize for the purposes of this section the personnel and facilities of the agencies in Puerto Rico and the Virgin Islands cooperating with the United States Employment Service under the act of June 6, 1933 (48 Stat. 113). For the purpose of payments made to such agencies under such act, the furnishing of such personnel and facilities shall be deemed to be a part of the administration of the public employment offices of such agencies."

Page 298, lines 16, 19, and 22, strike out "under section 3021."

Page 299, line 23, immediately after "Code," insert "or the change, correction, or modification of a discharge or dismissal under section 1553 of title 10 of the United States Code, or from other corrective action by competent authority."

Page 300, line 3, immediately after "record" insert "or for the change, modification, or correction of a discharge or dismissal, as the case may be."

Page 301, line 21, immediately after "be the" insert "day following the."

Page 304, line 14, strike out "Secretary of the Treasury" and insert "Treasurer of the United States."

Page 305, line 21, immediately after "or" insert "CERTAIN."

Page 305, line 23, strike out "Periodic" and insert "Except as provided in section 3203 (a) (2) (A) and Public Law 828, Seventy-sixth Congress, periodic."

Page 307, line 18, strike "Veterans' Administration" and insert "issuing office."

Page 308, lines 20 and 21, strike out "indemnity under the Servicemen's Indemnity Act of 1951" and insert "servicemen's indemnity."

Page 326, line 10, strike out "special" and all that follows down through "requisitions" in line 19, and insert "deposit fund accounts with the United States Treasury and such balances and deposits shall thereupon be available for disbursement for properly authorized purposes."

Page 327, line 13, strike out "claimant;" and insert "claimant."

Page 327, line 16, strike out "pending;" and insert "pending."

Page 328, line 18, strike out "Government;" and insert Government."

Page 327, line 20, strike out "claimant;" and insert "claimant."

Page 327, line 23, strike out "proper;" and insert "proper."

Page 328, line 6, strike out "claim;" and insert "claim."

Page 328, line 10, strike out "organizations;" and insert "organizations."

Page 328, line 20, strike out "specifically;" and insert "specifically—."

Page 328, lines 21 and 24, strike out "The" and insert "the."

Page 334, line 20, strike out "of this act."

Page 336, line 7, strike out "imprisonment" and insert "imprisoned."

Page 361, line 18, strike out "premises" and insert "premises,".

Page 375, line 6, strike out "and" and insert "any."

Page 375, lines 10 and 11, and 16 and 17, strike out "State, Territory, Commonwealth, insular possession," and insert "State."

Page 377, lines 16 and 17, strike out "of Veterans' Affairs."

Page 382, lines 24 and 25, strike out "State, possession," and insert "State."

Page 383, lines 2 and 3, and 10, strike out "State, possession," and insert "State."

Page 394, lines 15 and 17, strike out "and."

Page 394, line 18, immediately after "Congress," insert "and section 1507 of the Servicemen's Readjustment Act of 1944."

Page 392, line 23, and page 393, line 2, immediately after "index" insert "and tables."

Page 395, line 7, immediately after "of" insert "Part I of."

Page 397, immediately after line 18, insert:

"(k) Effective as of June 30, 1958, section 513 (c) of the Servicemen's Readjustment Act of 1944 (38 U. S. C. 694m (c)), is amended by striking out '1958' and inserting '1959.'"

Page 397, line 2, strike out "(k)" "(l)", and insert "(l)."

Page 398, lines 1, 10, 14, 19, 24, strike out "(l)", "(m)", "(n)", "(o)", and "(p)" and insert "(m)", "(n)", "(o)", "(p)", and "(q)", respectively.

Page 399, lines 3, 6, and 10, strike out "(q)", "(r)", and "(s)" and insert "(r)", "(s)", and "(t)", respectively.

Page 400, lines 1, 17, 21, and 25, strike out "(t)", "(u)", "(v)", and "(w)" and insert "(u)", "(v)", "(w)", and "(x)."

Page 400, line 6, strike out "1701J–I" and insert "1701j–1."

Page 400, line 21, immediately after "102" insert "(a)."

Page 401, line 2, immediately before "title" insert "under."

Page 401, strike out lines 3 and 4 and insert:

"(y) Title 10 of the United States Code is amended as follows:

"(1) By amending section 1441 by inserting immediately after 'and' the following: '(except as provided in section 415 (g) of the Veterans' Benefits Act).'

VETERANS' BENEFITS ACT

"(2) By amending chapter 79 by adding at the end thereof the following."

Page 404, line 1, strike out "(2)" and insert "(3)."

Page 404, immediately before line 12, insert:

"(4) Effective as of January 1, 1958, section 6160 is amended by adding at the end thereof the following: 'In the case of any initial award of naval pension granted before July 14, 1943, where the person granted the naval pension is also entitled to pension or compensation under laws administered by the Veterans' Administration, such naval pension shall not exceed one-fourth of such pension or compensation'."

Page 404, lines 12 and 17, strike out "(y)" and "(z)" and insert "(z)" and "(aa)", respectively.

Page 405, immediately after line 7, insert:

"(4) By striking out 'under section 921' each place it occurs in section 901.

"(5) By inserting 'day following the' immediately before 'date of his discharge' in section 910 (b).

"(6) By striking out 'Pension' in section 921 (a) and inserting 'Except as provided in section 1502 (a) (2) (A) and Public Law 828, 76th Congress, pension'."

Page 405, line 15, strike out "(4)" and insert "(7)."

Page 405, line 17, strike out "or".

Page 405, lines 24 and 25, strike out "penalties" and insert "penalties, liabilities,".

Page 413, line 4, strike out "24" the second time it appears and insert "42".

Page 413, line 13, immediately after "613," insert "614–618,".

Page 415, line 25, immediately after "1 (a)" insert "(38 U. S. C. ch. 12A)."

Page 416, line 4, strike out "19" and insert "20."

Page 416, immediately after line 24, insert:

"(79) Section 2 of the Act of December 18, 1942 (ch. 768, 56 Stat. 1066)."

Beginning on page 417, line 1, through line 11 on page 421, strike out the paragraph designations "(79)" through "(116)" and insert in lieu thereof "(80)" through "(117)", respectively.

Page 419, line 4, strike out "1950" and insert "1951."

Page 420, line 6, strike out "3" and insert "4."

The SPEAKER. Is a second demanded?

Mr. AYRES. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered. There was no objection.

Mr. TEAGUE of Texas. Mr. Speaker, the bill which we are considering today, H. R. 9700, proposes to consolidate into one act all the laws administered by the Veterans' Administration—all of the laws coming within the jurisdiction of the Committee on Veterans' Affairs.

Members will recall that during the first session of this Congress there was enacted Public Law 85–56 which was reported as H. R. 53, and which the House unanimously passed under suspension of the rules, on April 1, 1957. This latter bill consolidated into one act the Veterans' Administration laws on compensation for service-connected disability, pension for non-service-connected disability, hospitalization and medical benefits, burial allowance, and general administrative laws of the Veterans' Administration. The bill, H. R. 9700, is a further extension of this general procedure and incorporates all of the provisions of the Public Law 85–56, and in addition thereto, includes education benefits, vocational rehabilitation, housing laws and insurance, aid to State homes, and so forth.

It is essentially a restatement of all of the existing laws administered by the Veterans' Administration. It would consolidate, as I have indicated, and integrate these laws into 1 comprehensive enactment, achieving simplification of language in many areas and enabling all persons to use it with the confident understanding that it embraces in one statutory pact the many and diverse laws administered by the Veterans' Administration which heretofore have been scattered among a series of enactments. I feel confident in saying, Mr. Speaker, that this is the first real consolidation which has occurred in this field since the founding of the Republic.

Two days of hearings were held on this measure by a special subcommittee headed by the gentleman from North Carolina [Mr. SHUFORD], and serving with him the gentleman from California [Mr. SISK], the gentleman from Indiana [Mr. ADAIR], and the gentleman from Nebraska [Mr. WEAVER]. This committee, after hearing representatives of the four veterans' organizations, approve the bill, and receiving the testimony of officials of the Veterans' Administration, unanimously reported the bill to the full committee. The full committee on January 27 unanimously reported the bill favorably to the House.

Prior to the bill's introduction it had been the subject of months of conferences and study on the part of the staff of the committee, the office of the Legislative Counsel of the House, and representatives of the General Counsel's office of the Veterans' Administration. I say this to indicate the careful consideration and preparation which has gone into this undertaking.

Mr. James M. Menger, Jr., of the legislative counsel's office; Messrs. T. P. Daley, D. C. Knapp, R. P. Bland, How-

ard Bernstein, Alfred Bronaugh of the Veterans' Administration, and Edwin B. Patterson, counsel to the committee, did the main work on this bill.

As I have indicated, this bill is largely a restatement of existing law. There are, however, some liberalizations in this proposal all in an effort to provide greater uniformity and simplify administration.

In connection with these changes I think it is significant that Mr. T. F. Daley, the associate general counsel for legislative services of the Veterans' Administration, in testifying on this bill stated:

> Considered as a whole, it is believed that the bill is presently an accurate restatement of the law, subject to a few relatively minor changes which generally are of a perfecting nature and do not have a major impact.

I want to indicate some of these liberalizations:

COVERAGE OF CERTAIN SERVICE GROUPS FOR VA BENEFITS

First. Provisions qualifying certain types of National Guard training duty as active service for purposes of all Veterans' Administration benefits except education under title XVI and loan guaranty under title XVIII, if disability from any cause was sustained during active duty for training or injury was sustained during inactive duty training. This applies to training of guardsmen under certain provisions of title 32, United States Code, and covers generally the type of training which originally qualified them for specific benefits, including compensation, under Public Law 108, 81st Congress. Public Law 108 and its current restatement—title 32, United State Code, section 318—require that such training be for more than 30 days to qualify disability from disease for benefits and, if it is less than 30 days, limits the coverage to injury. By definitions in section 101 of the bill, this distinction would be eliminated and, unlike the limitation of existing law to specific benefits, would grant a general service status upon incurrence of disability during training as prescribed and thus broaden the range of benefits available. This will result in equalizing the status of these National Guard men with that of reservists. The bill would add training under section 316 of title 32, which deals with duty as instructors at rifle ranges for the training of civilians in the use of military arms. The proposed expansion of coverage for this group is considered desirable in the interests of uniform treatment and is consistent with what was done for purposes of dependency and indemnity compensation in Public Law 881, 84th Congress.

Second. Section 206 (b) qualifies generally for purposes of compensation, dependency and indemnity compensation, insurance, special housing assistance, vocational rehabilitation, payment on an automobile, and determination of service connection for medical and hospitalization purposes the status of preenlistees, draftees, and National Guard men called to Federal service, where an injury or disease is incurred while en route to or from, or at, a place for final acceptance or entry upon active duty. In the main, this is a liberalization of existing laws which provide certain benefits in these cases where the incident occurred during the World War I, World War II, or Korean conflict periods. This again is considered a desirable expansion and also follows the precedent established by Public Law 881, 84th Congress, for purposes of dependency and indemnity compensation.

Third. Subsection 101 (21) (D) includes service as a cadet or midshipman at one of the service academies within the definition of active duty, which, in turn, constitutes active military, naval, or air service for the purposes of the bill generally. At present, this group is not generally eligible for wartime benefits except those provided for World War II service. The effect of the bill is to constitute their service during any of the war periods, including the Korean conflict period, as active service entitling them to the various wartime benefits, such as war rates of compensation, pension, and the status of war veterans for purposes of hospitalization and medical treatment, if other conditions are met. However, the educational provisions in title XVI continue the existing exclusion of time spent at one of the academies in measuring the duration of the veteran's entitlement to this benefit. Here again, the bill extends the pattern cut by Public Law 881 to various benefits additional to dependency and indemnity compensation.

Fourth. Subsection 106 (c) extends the provision contained in Public Law 881 relative to a continuing active-duty status after release or discharge subsequent to December 31, 1956, during the period required for travel to home, to apply to all benefits administered by the Veterans' Administration.

Fifth. Subsection 106 (d) makes the so-called portal-to-portal principle of Public Law 881 applicable for purposes of the various benefits administered by the Veterans' Administration. This is the provision that if a properly authorized individual assumes an obligation to perform active duty for training or inactive duty training and is disabled or dies from an injury incurred after December 31, 1956, while proceeding directly to, or returning directly from, such training, he shall be deemed to be cn active duty for training or inactive duty training, as the case may be, at the time the injury was incurred. Since the bill constitutes training duty as active service where disability or death from injury is sustained, this will have the effect of providing various additional benefits administered by the Veterans' Administration to the group affected, including disability compensation. The present bill merely represents a logical extension of the principle established by Public Law 881 for death benefits to include other benefits.

Sixth. Subsection 101 (23) (B) specifically includes in the definition of "inactive duty training" special additional duties authorized for Reserves by an authority designated by the Secretary concerned and performed by them on a voluntary basis in connection with the prescribed training or maintenance activities of the units to which they are assigned. Subsection 101 (31) of title 10, United States Code, dealing generally with the "Armed Forces," defines inactive duty training to include this type of duty and the pattern would be specifically extended to VA-administered benefits.

Seventh. Section 3105 specifically includes commissioned officers of the Coast and Geodetic Survey and of the Public Health Service within the provisions concerning waiver of retirement pay in certain cases in order to receive an amount of pension or compensation from the Veterans' Administration equivalent to the amount of retirement pay which has been waived.

Eighth. As stated in item 1 above, the general expansions of coverage for various types of training duty would not apply to educational benefits under title XVI or loan benefits under title XVIII. A significant exception exists. Each of these titles specifically provides that service performed on active duty for training under section 99 of the National Defense Act between June 30, 1954, and February 1, 1955, by persons commissioned in the District of Columbia Air National Guard who completed the course of training in the Air Force Reserve Officers' Training Corps during 1954 shall constitute active duty within the requirements of each of those titles. This will have the effect of making education and training under what was previously title II of the Veterans' Readjustment Assistance Act of 1952 and loan assistance under title III of the Servicemen's Readjustment Act of 1944, as restated in this bill, available to persons in this category. The group consists of approximately 1,500 ROTC graduates from the 1954 classes for whom the Air Force was unable to provide commissions in the Air Force Reserve, and who instead were given the option, as against being drafted, of accepting a commission in the Air National Guard of the District of Columbia and entering upon active duty for training in a National Guard capacity for an extended period of some 3 years. These persons are already covered generally for purposes of basic benefits, such as compensation, but they are not eligible for so-called readjustment benefits. Other bills are pending before the committee to grant these benefits, on the theory that the duty performed is essentially similar to the duty which would be performed had the persons concerned been commissioned in the Air Force Reserve and called to extended active duty as had theretofore been the practice with respect to ROTC graduates. The committee believes that this group is being denied benefits primarily because of a technicality and that it would only be equitable to extend to them an active-duty status for this purpose.

INSURANCE LAWS

First. Section 722 restates the existing section 620 of the National Service Life Insurance Act to authorize the granting of insurance to persons with a service-connected disability after their separation from service. Existing law requires that application for such insurance must

be made within 1 year from the date service connection of the disability is determined by the Veterans' Administration. The bill would extend the time for application with respect to persons shown to have been mentally incompetent during any part of the 1-year period by authorizing an application in such cases within 1 year after a guardian is appointed or within 1 year after the removal of the mental disability, whichever is the earlier date. Where the guardian was appointed or the removal of the disability occurred prior to January 1, 1959, application may be made within 1 year of that date. Experience under the existing law has disclosed certain hardship cases in which an incompetent veteran, in the absence of a guardian to act for him, has been unable to secure insurance to which he would otherwise be entitled. The Veterans' Administration believes this proposed change in the law is meritorious and recommended its adoption.

Second. Prior to the enactment of Public Law 881, 84th Congress, if the 5-year term period of any level premium term policy expired when the policy was lapsed, such policy could not be reinstated and there was no authority to grant new insurance. Public Law 881 amended the National Service Life Insurance Act to provide certain relief in such cases to authorize reinstatement, notwithstanding the expiration of the term period, if the lapse occurred not earlier than 2 months before such expiration. This provision is restated in section 705 with respect to national service life insurance. Section 745 of the bill extends a similar authority to renew with respect to United States Government life-insurance level-premium term policies retroactive to the same date such benefit was afforded on national service life-insurance policies. Thus, insureds similarly situated would be treated uniformly. The Veterans' Administration favored this extension of the law.

Third. Section 746 would make applicable to United States Government life insurance a provision similar to one contained in the National Service Life Insurance Act—restated in section 707 of the bill—whereby dividends shall, as necessary, be applied in payment of premiums, in the absence of a request that they be paid in cash. The basic purpose is to avoid inadvertent lapses and the Veterans' Administration favored extending the principle of such legislation to United States Government life insurance. Dividends that accumulate for this purpose will be held in a credit account and will draw interest.

FEE-BASIS EMPLOYEES

Existing law, enacted in 1930, authorizes a fee of not to exceed $20 per day for part-time and fee-basis employees of the Veterans' Administration when ordered to appear as witnesses in Government insurance suits. Section 784 (e) of the bill would increase this authorized per diem to $50. The inadequacy of the existing per diem is readily apparent in view of the current economic conditions and the Veterans' Administration would favor the increase proposed by the bill.

EDUCATION LAWS

First. Sections 1602 (a) (8) and 1702 (a) (8) of the bill specifically include the Panama Canal Zone among the areas in which training under the Veterans' Readjustment Assistance Act of 1952, title XVI, and under the War Orphans' Educational Assistance Act of 1956, title XVII, may be provided to eligible persons. This corresponds to a proposal to the Congress made by the Veterans' Administration in April 1957 to correct a serious technical question which has arisen under the terms of these laws as to whether the Canal Zone is covered by the provisions permitting these programs to operate in the several "States, Territories, and possessions of the United States." It is believed that this remedial amendment would be entirely consistent with the intention of the Congress in enacting the original laws providing these forms of assistance. This correction would not only apply prospectively but, by an amendment in section 5601 of the bill, would be retroactively effective to the respective dates of enactment of the Veterans' Readjustment Assistance Act and the War Orphans' Educational Assistance Act. A bill—H. R. 7251, 85th Congress—to accomplish this purpose was passed by the House on August 19, 1957.

Second. Sections 1631 (b) and (c) contain minor changes with respect to the requirements for certification by institutions concerning the attendance status of eligible veterans under the education and training program for Korean conflict veterans corresponding to title II of the Veterans' Readjustment Assistance Act of 1952. In brief, this change would bring the pertinent requirements for that program into parity with the related requirements under the War Orphans' Educational Assistance Act by permitting certification that the veteran was actually enrolled in and pursuing an institutional course leading to a standard college degree in accordance with the regular policies of the institution without a showing concerning actual attendance during the period of coverage. This provision now extends only to accredited institutions. The amendment would accomplish the purpose of H. R. 8075, 85th Congress, on which the Veterans' Administration has favorably reported.

Third. Section 1725 (b) would add to the list of courses to which the general requirement for at least 2 years' operation is inapplicable "any course which is offered by a nonprofit educational institution of college level and which is recognized for credit toward a standard college degree." This incorporates into the title governing training under the War Orphans' Educational Assistance Act an exception which is already contained in the educational program for Korean conflict veterans under title II of the Veterans' Readjustment Assistance Act of 1952. The Veterans' Administration favorably reported on the amendment which established this exception in the latter act, and stated in its report on this bill that the inclusion of a similar exception in the provisions governing the war orphans' program is entirely consistent and desirable.

HOUSING

Section 1803, in conjunction with section 1810 of the bill, authorizes the automatic guaranty of home and farmhouse loans made by supervised lenders under the special provisions permitting the guaranty of as much as 60 percent of the amount of the loan, subject to a $7,500 maximum guaranty. This is in accord with a proposal made by the Veterans' Administration to the Congress on January 15, 1957, as embodied in H. R. 4436, 85th Congress, pending before this committee. It is noted that the item was included in section 3 of H. R. 4602, 85th Congress, which was passed, but on which the President withheld approval for reasons going to other aspects of the measure.

While all of the changes are of a type designed to provide more uniformity, there is one particular change which I wish to call to the attention of the House. This involves the inclusion for benefits of approximately 1,500 1954 Air Force ROTC graduates who, up to this time, have been denied the full education benefits which they would normally have been entitled to had they been normally commissioned in anything but the District of Columbia Air National Guard and commissioned for active duty for training only. The form of this commission and training prevented these men, through no fault of their own, from receiving the benefits of Public Law 550, 82d Congress, the so-called GI bill of rights. The situation, briefly, is that the Defense Department in its 1954 Air Force ROTC class was bumping its ceiling and a number of these ROTC graduates had the alternative of either returning to an enlisted man's status, being drafted, or accepting a commission for which they had been trained. To prevent this situation from developing the Department of Defense designed a commission and service which would permit them to serve while assigned to the District of Columbia Air National Guard, but did not afford them the benefits to which the other individuals commissioned in the regular manner enjoy. There are approximately 1,500 individuals affected, and it is from this group that the only cost comes in the enactment of this bill. The Veterans' Administration estimates that this section will cost approximately $1,200,000 and that this will not amount to more than $480,000 in any one year.

I want also to say a word about the savings provisions which are a part of this act. They are important from a number of points of view and, briefly stated, will prevent any veteran or dependent of a veteran from losing any right to which he now is entitled under existing laws. Three sections are involved: sections 5504, 5511, and 5512. I will discuss 5511 first.

Section 5511 is addressed to the situation in which claims for benefits may be pending on the effective date of the bill, January 1, 1959, or filed thereafter under circumstances which, pursuant to existing laws, would entitle the claimant to payments covering a period prior to the effective date of the act. It is provided that with respect to any such prior

period the claim shall be adjudicated under the prior laws and thereafter under the applicable provisions of the new act. An example might be the case of a claim for compensation filed after January 1, 1959, but within 1 year of the veteran's discharge from service or his death from service causes occurring prior to January 1, 1959. Under these circumstances, the award of compensation would be effective for the payment of benefits on the day following the date of discharge or the date of death, as the case may be, even though a part of the elapsed period occurred prior to the effective date of the new law. This is in accord with the general principle now applicable in cases of this character. Section 5511 would not, however, authorize benefits for a prior period if the individual concerned was not entitled under the prior law, even though entitlement might be predicated upon the provisions of the new law. An example in this area would be the case of a selectee who, prior to January 1, 1959, was injured while en route to, or returning from, the place for final acceptance subsequent to the end of the Korean conflict period. While in that case the bill in effect provides that the past service shall be regarded as active military service for various purposes, including disability compensation, no award of disability compensation based on the disability resulting from the injury could be made for a period prior to the effective date of the act because the draftee had no compensable status during that period.

Section 5512 will have two basic effects. First, it will provide continuing protection for persons receiving benefits so long as they continue to meet the requirements of the prior laws under which those benefits were granted, notwithstanding the fact that they may not meet eligibility requirements under comparable provisions of the new law. Secondly, it would operate to place all persons on the rolls on the day preceding the effective date of the act in the status of receiving the rates established by the corresponding provisions of the new act, including those cases in which some eligibility requirement of the new act is not met, unless a greater benefit is payable under the prior law. This would have the practical effect of extending to these protected cases the benefits of any increase in rates provided in the future by simple amendments to the general provisions of the new law as, for example, an amendment to title III increasing the rates of compensation provided in that title without any specific reference to persons—for example, remarried Spanish War widows—whose original award of benefits was made under prior laws. This protective device in section 5512 also applies, by virtue of the last sentence, to claims pending on the effective date of the new act, or filed thereafter, in which, pursuant to section 5511, awards are made for a period prior to January 1, 1959. In these instances, the person would, in effect, be deemed to have been receiving benefits on the day prior to the effective date of the act.

Section 5504 is a special provision which will serve to preserve the necessary continuity from prior laws. First, it provides that any references in other laws which remain effective to a provision repealed or replaced by the new act shall be considered as referring to the corresponding provisions of the new act. This is a precaution to take care of any possible situation in which some collateral statute has not been amended in the bill to correct the reference to a repealed provision. Secondly, and especially significant, is the provision that "references in this act to any provision of this act, shall, where applicable, be deemed to refer also to the prior corresponding provisions of law." In many places throughout the bill there is reference to provisions of the bill without the inclusion of specific reference to the similar provision of the prior law which is being repealed. To preserve continuity with respect to actions taken or events occurring under the superseded law where it is clear that such actions or events must be given continuing effect to accomplish the results intended, this provision would act as a safeguard without the necessity for referring specifically in the various provisions of the new act to the corresponding provisions of superseded law. An example is section 1804 (b) on page 253 of the bill, which restates the authority of the Administrator of Veterans' Affairs in connection with the loan program to refuse appraisal of a project owned, sponsored, or to be constructed by a person identified with housing previously sold to veterans "under this title" as to which substantial deficiencies have been discovered or there has been failure to discharge contractual obligations or unfair practices to the prejudice of veteran purchasers. Section 5504 (b) will make it clear that this authority extends to cases in which the actions on which the Administrator's refusal is based occurred under the prior title III of the Servicemen's Readjustment Act, even though the specific reference is to property previously sold "under this title."

I invite the House's attention also to section 5507 which provides that in the printing of the slip law version of this act there shall be included a comprehensive index and series of tables which will make this law understandable and usable to all individuals who come in contact with it. I think this in itself will be of great assistance to Members of Congress and to service officers throughout the country who must constantly work in this field.

The four Government departments to which this legislation was referred, namely, the Veterans' Administration, the General Accounting Office, the Bureau of the Budget, and the Treasury Department, have all submitted reports indicating their approval of the bill in principle.

There is one amendment in addition to those contained in the bill as reported. This is on page 281 after line 13, and is, in effect, a typographical correction. Somehow in this 421-page bill 9 lines of type were lost involving the administration of unemployment compensation by the Department of Labor. The amendment restores this language.

Mr. Speaker, I want to make a statement relating to the provisions of H. R. 9700 dealing with the finality of decisions of the Administrator of Veterans' Affairs under the veterans' housing program. This statement has been checked with the Veterans' Administration, and it is agreed that this statement accurately describes the effect of H. R. 9700 in this regard.

H. R. 9700 restates existing law in this regard without change. Today there are two provisions of law relating to this question. They are section 211 (a) of the Veterans' Benefits Act of 1957 and section 509 (1) of the Servicemen's Readjustment Act of 1944. Section 211 (a) of the Veterans' Benefits Act of 1957 provides that decisions of the Administrator on any question of law or fact concerning a claim for benefits or payments under any law administered by the Veterans' Administration shall be final and conclusive. Section 509 (1) of the Servicemen's Readjustment Act of 1944 provides that with respect to matters arising by reason of the veterans' housing program the Administrator may sue and be sued in his official capacity.

Except for this section 509 (1), there is no provision of law which specifically provides for review of the Administrator's decisions under the veterans' housing program.

H. R. 9700 makes no change in existing law. The provision of present law relating to finality of decisions of the Administrator is restated in section 211 (a) of the bill, with an amendment expressly providing that that section does not apply in the case of authorized suits under the housing program. The provision of present law relating to suits against the Administrator is restated, without any change in substance in section 1820 (a) (1) of the bill.

In other words, H. R. 9700 leaves existing law just as it is today insofar as it concerns the question of the extent of the Administrator's finality of decision under the veterans' housing program, and rights to sue and be sued.

I hope, Mr. Speaker, that this bill may be speedily enacted into law. I believe it is in the best interests of all concerned.

Mr. Speaker, I yield such time as he may desire to the gentleman from California [Mr. SISK].

Mr. SISK. Mr. Speaker, it was my pleasure to serve as a member of the subcommittee which considered the bill, H. R. 9700, as well as the similar bill, H. R. 53, which the Congress enacted last year and which became Public Law 85–56.

The chairman has already gone into considerable detail expressing and explaining the provisions of this bill and I do not think it is necessary at this point to repeat what he has said. The basic objective of this bill, as was true in Public Law 85–56, is to make more uniform and more intelligible the laws administered by the Veterans' Administration.

Basically, H. R. 9700 does not seek to enlarge the field of benefits. There are

a few liberalizing changes. There are no new restrictions. Savings provisions are included to fully protect individuals already on the pension or compensation rolls or retired under the Veterans' Administration benefits.

As the Chairman has indicated, the bill is endorsed in principle by all the executive departments that have been consulted in its preparation. Nearly all of the amendments suggested by the executive branch were minor in character and have been adopted. Most of the amendments presented in this bill, however, are of a clarifying, typographical nature and do not change the substance of the bill from that as introduced. The bill would be effective January 1, 1959.

We had representatives of AMVETS, Disabled American Veterans, Veterans of Foreign Wars, and the American Legion before our subcommittee. All of these organizations endorsed the bill in principle, and the latter two had changes of substance to propose. It was the view of the subcommittee, and later concurred in by the full committee it would be better for the proposals by these organizations to be considered at a later date rather than be considered as a part of this bill because of the basic purpose of the bill being a consolidating measure. This is said without regard to the merits of various proposals suggested.

I am sure that all of the lawyers in the House will greatly appreciate this measure because it will mean that all the veterans' laws will be in one act in one place, and available for appropriate action by many members who desire to consider the subject. Further, it is my understanding that it will be the practice of the committee, once this bill is enacted, to keep the law up to date by the publication of the law as amended by each succeeding Congress.

There is no opposition to the basic principle of this bill and I hope it will be enacted promptly.

Mr. EVINS. Mr. Speaker, will the gentleman yield?

Mr. SISK. I yield to the gentleman from Tennessee.

Mr. EVINS. I feel with many others that there is a need for codification of our veterans' laws, but I should like to ask the gentlemen of the subcommittee 1 or 2 questions: Does this bill, voluminous as it is, embrace any of the recommendations of the Hoover Commission report with respect to the Veterans' Administration?

Mr. SISK. No. I would say to the gentleman from Tennessee that there is no substantial change in any law and nothing that could be considered any part of the Hoover Commission report is incorporated in the present act.

Mr. EVINS. Does this bill embrace or include any of the recommendations of the so-called Bradley Commission report with respect to the Veterans' Administration?

Mr. SISK. The answer, I might say to the gentleman from Tennessee, is, no it does not.

Mr. EVINS. The chairman of the committee, the gentleman from Texas [Mr. TEAGUE], and the gentleman from California [Mr. SISK] have both stated that there are no major changes or no great and substantial changes in the laws for compensation for veterans. There are special provisions included in the act and the bill would become effective once the bill was passed on January 1, 1959. What would be the situation with respect to an application for compensation or pension filed prior to that date? Would the amount of such compensation or pension be changed following the effective date of the new law?

Mr. SISK. The amounts would not be changed—no. There is nothing in this bill that in anywise changes the amounts of compensation or pension that would be available.

Mr. EVINS. When the gentleman uses the expression that there would be no "major" changes or no "great" changes, would he state what the changes would be specifically and what, in the main, would be the effect of any changes authorized by this bill?

Mr. SISK. Actually, as I said, of course, there are no substantial changes. However, there are a few liberalizing features that are provided in the present bill. I think that probably the one main, outstanding change would be the liberalization with reference to certain members of the District of Columbia National Guard. Due to no fault of these men, but due to the fact that the Air Force found itself overburdened with too many officers, they were unable to go through with certain agreements that they had made with reference to the commissioning of these men in the Regular Air Force. Therefore, in order to give them certain considerations, they were put into the District of Columbia National Guard. Under the present law, they have been exempted from any benefits. There is a liberalizing provision in this bill which now would permit these men to be compensated under the veterans' laws. I understand there were only a small number of them. I am told that the number is about 1,500 men.

Mr. EVINS. As I understand it, the bill covers the subject of unemployment compensation, which is administered by the Department of Labor, and also the subject of mustering-out pay, which is administered by the Department of Defense. There were some recommendations in the Bradley report that veterans and nonveterans be all considered in one category and as one type of citizen and that the special veterans' considerations be eliminated. Does the gentleman, as a member of the subcommittee, assure the House today that this bill, H. R. 9700, does not embrace the Hoover Commission report or the Bradley Commission report recommendations?

Mr. SISK. I want to again assure the gentleman that there is no change whatsoever in the laws which he has mentioned. There is no part of either the Bradley Commission report or the Hoover Commission report incorporated in the present legislation.

Mr. EVINS. I thank the gentleman.

Mr. VAN ZANDT. Mr. Speaker, will the gentleman yield?

Mr. SISK. I yield.

Mr. VAN ZANDT. Would the gentleman state whether or not there is any language in this bill which would affect the payment to non-service-connected veterans of World War I, World War II, or the Korean conflict?

Mr. SISK. There is no change whatsoever. No; it would not.

Mr. VAN ZANDT. Is there any language in this bill which would affect the privilege of free hospitalization?

Mr. SISK. None whatsoever.

Mr. VAN ZANDT. In other words, as the gentleman stated a moment ago, there are no specific changes in existing laws providing benefits for veterans in this bill?

Mr. SISK. That is exactly correct. The one or two cases where there is a minor change constitute a liberalizing change insofar as the veterans are concerned; that is the one change which the gentleman mentioned a little bit ago. But, there is no case where there is any restriction of benefits to the veteran.

Mr. VAN ZANDT. Will the gentleman be good enough to answer this question? There is no language in this bill which would in any way, shape, or form take any benefits away from the veterans of this country at the present time?

Mr. SISK. The gentleman is correct.

Mr. VAN ZANDT. I thank the gentleman.

Mr. TEAGUE of Texas. Mr. Speaker, to be sure the record is correct and clear—the gentleman from Tennessee asked about the President's Commission on Veterans' Benefits, the so-called Bradley Commission. The Bradley Commission did recommend a codification of the veterans' laws. This bill is a consolidation of the various laws in this field.

Mr. AYRES. Mr. Speaker, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. SAYLOR].

Mr. SAYLOR. Mr. Speaker, I would like to join with the chairman of this great committee, the distinguished gentleman from Texas [Mr. TEAGUE], and say to the Members of the House that the work that has been done on this bill will be of tremendous benefit to every veteran and every veterans' organization in this country. It takes away no right whatsoever from any veteran and it does in a few instances liberalize the benefits to veterans.

Mrs. ROGERS of Massachusetts. Mr. Speaker, as you know last year the Congress enacted and the President approved a bill which became Public Law 85–56, which consolidated all of the laws administered by the Veterans' Administration pertaining to compensation, pension, hospitalization, medical and burial benefits, and most of the general administrative provisions pertaining to such laws.

The bill we are considering today incorporates all of the provisions of Public Law 85–56, and in addition will consolidate all of the other laws administered by the Veterans' Administration which were not included in the 1957 act. These include the laws covering education and training benefits for veterans and war orphans, vocational rehabilitation, loan guaranty, insurance, dependency and indemnity compensation for survivors, and Federal aid to State homes. Thus it will consolidate into one comprehensive act the many separate laws now pertaining to Federal benefits

for veterans and dependents. This should facilitate the administration of veterans' benefits by the Veterans' Administration, and greatly assist service officers, Members of Congress, and others who need to refer frequently to the laws relating to veterans.

The bill is essentially a restatement of existing law without any major substantive change. The few changes proposed are minor liberalizations to achieve uniformity. It will not adversely affect the basic entitlement of any veteran or dependent now on the rolls.

The Veterans' Administration and all of the major veterans' service organizations have endorsed the bill. Its enactment will achieve a most worthwhile objective which was accomplished in part by the enactment of Public Law 85–56, and I recommend its approval by the Members.

The SPEAKER. The question is on the motion to suspend the rules and pass the bill, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

Mr. TEAGUE of Texas. Mr. Speaker, I ask unanimous consent to insert at this point the index to H. R. 9700.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

(The matter referred to follows:)

INDEX

Absence without leave: Section 105 (b).
Accrued benefits:
Claims considered for: Section 3001 (b).
Definition: Section 3021 (a).
Hospital, domiciliary, institutional care: Section 3203 (a) (2).
Payment of: Sections 3021, 3022.
Time limitation: Section 3021 (c).
Active duty:
Definition: Sections 101 (21), 1602 (a) (10), 1801 (a) (3), 2101 (d).
Discharge, travel time: Section 106 (c).
Pay, concurrent payments: Section 3104 (c).
Provisional acceptance: Section 106 (b).
Active duty for training:
Defined: Section 101 (22).
Travel to or from: Section 106 (d).
Active military, naval, or air service, defined: Section 101 (24).
Adjunct treatment: Section 612 (b) (4).
Adjusted Payments Act of 1936, protected cases: Section 5514 (b).
Administrator:
Annual report: Section 214.
Appointment and salary, Section 210 (a).
Attorney General opinions: Section 211 (b).
Authority:
Act July 3, 1930, continuation: Section 5503.
Delegation of: Sections 212 (a), 1811 (g), 3311, 4202 (10).
General: Sections 210 (b), (c), 1761.
Issuance of subpenas: Section 3311.
Regulations:
Continuation of: Section 5506.
Power to make: Sections 210 (c), 1743 (b).
Contracts, agreements for services: Section 213.
Courses, approval of: Sections 1622, 1642, 1653, 1654, 1723, 1733, 1735.
Decisions, finality of: Sections 108 (c), 211 (a), 785, 1820 (c), 5210.
Defined: Section 101 (1)
Laws, compile and publish: Section 215
Regulations, Administrator's:
Continuation of: Section 5506
Power to make: Sections 210 (c), 1743 (b).
Vocational rehabilitation: Sections 1505, 1508.
Reports:
Annual report to Congress: Section 214.
War orphans education, false and misleading statements: Section 1768.
Schools, approval of: Section 104.
Staff: Section 212 (b).
Uncompensated services, acceptance of: Section 213.
Adoption:
Child: Sections 101 (4), 701 (3).
Parent: Sections 101 (5), 701 (4).
Advisory committee: Sections 1662, 4112.
Affidavits, validity of: Section 3312.
Agents and attorneys:
Appeals: Section 4005 (c).
Fees: Sections 784 (g), 3402 (b) (1), 3403 (1), 3404 (c).
Penalties: Sections 3404 (b), 3405.
Power of attorney: Section 3402 (b) (2), 3403 (2).
Recognition of: Sections 3401–3404.
Retired service personnel: Section 3402 (c).
Suspension of: Section 3404 (b).
Aggravation, preexisting disability: Section 353.
Agreements, State: Sections 2001, 2002.
Air National Guard. (See National Guard.)
Alien:
Benefits, in enemy country: Sections 3108, 3109.
Faithful service: Section 3103 (c).
Allied Governments:
Service in forces of:
Citizens of United States: Section 109 (b)
Reciprocal benefits: Section 109 (a).
Amebiasis: Section 301.
Amendments: Section 5601.
American Experience Table of Mortality: Sections 702, 743.
American Legion, representatives of: Section 3402.
American National Red Cross, representatives of: Section 3402.
Anemia, primary: Section 301.
Annual report: Section 214.
Annuity table for 1949: Sections 722, 723.
Appeals:
Agents: Section 4005 (c) (1).
Application for: Section 4005.
Application rejected: Section 4008.
Board of Veterans: Section 4001.
By whom made: Section 4005 (c) (1).
Considered by Board of Veterans Appeals: Section 4004.
Date of filing: Section 4005 (c) (2).
Docketing: Section 4006.
Simultaneously contested claims: Section 4007.
Time limitations: Section 4005.
Appliances, prosthetic:
Fitting and training: Section 613.
Furnishing: Section 612.
Procurement: Sections 612 (d), 5013.
Research: Section 216.
Applications:
Appeals: Section 4005.
Benefits. (See particular benefit.)
Form furnished free: Section 3002.
Form, joint, VA and social security: Section 3001 (a).
Form prescribed: Sections 3001 (a), 5227.
Incomplete: Section 3003.
Multiple benefits, one application: Section 3001 (b).
Renouncement of benefits: Section 3106.
Apportionment:
Alien in enemy country: Section 3108 (c).
Benefits forfeited for treason: Section 3504 (b).
Benefits, generally: Section 3107.
Pension, penal institution, confinement: Section 505.
Suspended payments: Section 3202 (d).
Apprentice training: Sections 1651, 1723 (c).
Appropriations:
Availability, continuing: Section 5505.
Canteen Service: Section 4204.
Military and naval insurance. (See Insurance.)
National Service Life Insurance. (See Insurance.)
Research, prosthetic: Section 216 (c).
Approval of courses: Sections 1642, 1723, 1733, 1735.
Approval of schools: Section 104.
Armed Forces:
Definition: Section 101 (10).
Facilities, use of: Section 5003.
Reserve component, definition: Section 101 (27).
Reserves:
Active duty: Section 101 (21).
Active duty for training: Section 101 (22).
Defined: Section 101 (26).
Inactive duty, training: Section 101 (23).
Voluntary Recruitment Act of 1945: Section 107 (b).
Arrests, crimes, VA facilities: Section 625.
Arteriosclerosis: Section 301.
Arthritis: Section 301.
Artificial limbs, furnishing of: Section 612 (d).
Assignments, allowed, prohibited: Sections 416 (e) (1), 718, 753, 1802 (c), 1816, 2104 (a), 3101.
Atrophy, progressive muscular: Section 301.
Attachment, exemption from: Sections 2104 (a), 3101.
Attendants, travel expenses: Section 111 (c).
Attorney General:
Compromise insurance suits: Section 784 (l).
Educational institutions listed under Executive Order 9835: Sections 1626, 1726.
Opinions of: Section 211 (b).
Attorney, power of: Sections 3402 (b) (2), 3403 (2).
Attorneys. (See Agents and attorneys.)
Attorneys, VA, travel expenses: Section 784 (d).
Authorized travel:
Active duty: Section 101 (21) (E).
Inactive-duty training: Section 101 (22) (D), 106 (c).
Automobiles:
Ability to operate: Section 1902.
Amount payable: Section 1901, 1902, 1903.
Eligibility for: Section 1901.
Limitation on number: Section 1904.
Manner of payments: Section 1903.
Time limitations: Section 1905.
Upkeep: Section 1902.
Awards:
Effective dates: Section 3010.
Increase, effective date: Section 3011.
Report or finding of death, effective date of award: Section 3010 (e).
Basic pay (see also Dependency and indemnity compensation):
Certification of: Section 421 (a).
Definition: Section 401 (1).
Basic service period, definition: Section 1602 (a) (1).
Bedridden permanently, special compensation rate: Section 314 (l).
Benefits:
Accrued: Sections 3021, 3022.
Alien, in enemy country: Sections 3108, 3109.
Allied forces, veterans: Section 109.
Apportionment of: Section 3107.
Assignment, allowed, prohibited: Sections 416 (e) (1), 718, 753, 3101 (a).
Bars to: Section 3103.
Citizens of United States, serving in allied forces: Section 109 (b).
Duplication, prohibited: Sections 315 (b), 416, 417, 1632 (h), 1762, 2008, 2104 (c), 3104, 3105.
Election:
Compensation, additional for dependents: Section 315 (b).
Dependency and indemnity compensation: Section 416.

Retirement pay: Section 3105.
Unemployment compensation: Section 2008 (b) (c).
War orphans educational assistance: Section 1711 (c).
Women's Army Auxiliary Corps: Section 106 (a) (2).
Entitlement, prior laws, continued: Sections 5511–5514.
Exemption from:
Attachment, levy, seizure: Section 3101.
Claims of creditors: Section 3101.
Taxation: Section 3101.
Forfeited, payment of: Sections 3503, 3504.
Forfeiture: Sections 711, 754, 1508, 2500 (b), 3503, 3504.
Fraudulent accepting or obtaining: Section 3502.
Minors and incompetents: Section 3202.
Misappropriation by fiduciaries: Section 3501.
Protected cases: Sections 5511–5514.
Renouncement of rights to: Section 3106.
Setoff, allowed, prohibited: Section 3101.
Social security, in lieu of: Section 412.
Waiver of overpayments: Sections 415 (f), 3102 (a).
Withheld:
Aliens in enemy country: Section 3108.
Restoration: Section 3109.
Blackwater fever: Section 301.
Blindness:
Compensation rates:
One eye, additional rate: Section 314 (k).
Two eyes, special rate:
Anatomical loss: Section 314 (n).
Regular aid and attendance: Section 314 (m).
Total combined with total deafness: Section 314 (o).
Visual acuity 5/200 or less: Section 314 (l).
Insurance: Section 714.
Mechanical or electronic equipment: Section 614.
Pension, regular aid and attendance: Section 502 (b).
Seeing-eye dog: Section 614.
Board of Veterans' Appeals:
Composition: Section 4001.
Creation: Section 4001.
Docketing of appeals: Section 4006.
Error, correction of: Section 4003.
Finality of decisions: Section 4004.
Jurisdiction of: 4004 (a).
Members:
Appointment, approval: Section 4001 (b).
Assignment: Section 4002.
Procedure: Section 4002.
Bond, unemployment compensation, disbursing officers: Section 2003 (e).
Boxer Rebellion. (Included in Spanish-American War.)
Brain:
Hemorrhage: Section 301.
Thrombosis: Section 301.
Bronchiectasis: Section 301.
Buerger's disease: 301.
Burden of proof, training travel: Section 106 (d).
Burial benefits:
Contract for services: Section 903 (c).
Death in VA facility: Section 903.
Eligibility: Section 902.
Flag: Section 901.
Limitations: Section 902 (b).
Prior laws, eligibility under: Section 905.
Reimbursement: Section 904.
Time limitation: Section 904.
Transportation of body: Sections 902, 903.
Buttocks, loss of, additional compensation, rate: Section 314 (k).
Cadets, active duty: Section 101 (21) (D).
Calculi of kidney, bladder, or gall bladder: Section 301.
Canteen Service, Veterans':
Accounts, audit of: Section 4207.
Appropriations: Section 4204.
Budget: Section 4206.
Canteens, establishment and operation: Section 4202 (1).
Checks, etc., cashing: Section 4202 (11).
Delegation of authority: Section 4202 (10).
Employees:
Condition of employment: Section 4202 (5).
Pay: Section 4202 (5).
Equipment, services, and utilities: Section 4202 (4).
Financing: Section 4204.
Fund, revolving: Sections 4204–4206.
Gifts, donations: Section 4202 (8).
Independent unit of VA: Section 4208.
Limitations on service: 4203.
Location of canteens: Section 4202 (1).
Prices: Section 4202 (7).
Purchase or sale without advertisement: Section 4202 (6).
Purpose: Section 4201.
Regulations: Section 4202 (9).
Space, buildings, and structures: Section 4202 (3).
Utilities, reimbursement for: Section 4202 (4).
Warehouse: and storage depots: Section 4202 (2).
Cardiovascular-renal disease: Section 301.
Certification:
Basic pay: Section 421 (a).
Death gratuity: Section 423.
Korean veterans, education: Section 1631 (c).
Records: Sections 3302 (b), 3303.
Social security: Section 422.
Unemployment compensation: Sections 2003 (c), 2003 (e).
War orphans' education: Sections 1731 (c), 1765 (b).
Checks:
Benefits paid by: Section 3020 (a).
Cancellation: Sections 3020 (c), 3022.
Cashed by Canteen Service: Section 4202 (11).
Delivery or nondelivery of: Sections 3020 (b), (c).
Forwarding permitted: Section 3020.
Child:
Approval of schools: Section 104.
Compensation, eligibility: Sections 321, 341.
Definition of: Sections 101 (4), 701 (3), 1702 (a) (2).
Dependency and indemnity compensation, eligibility: Sections 410, 416.
Pension:
Eligibility: Sections 533, 535, 537, 542, 544.
Income limitations: Section 545.
School attendance: Sections 101 (4) (c), 414 (c).
Cholera: Section 301.
Chronic diseases:
Defined: Section 301 (3).
Presumptions: Section 312.
Cirrhosis of liver: Section 301.
Citizens of United States, service in Allied forces: Section 109 (b).
Civil War widows and children: Sections 532, 533.
Claims:
Burden of proof, training travel: Section 106 (d).
Compensable status prior to this act: Section 352.
Confidential nature: Section 3301.
Creditors, exemption from: Sections 2104 (a), 3101.
Disallowance of: Sections 2002 (c), 3004.
Emergency officers' retirement: Section 5513.
False and misleading: Sections 1668, 1768.
Insurance:
Definition: Section 784 (h).
Denial: Section 784.
Multiple benefits, one application: Section 3001 (b).
Pending January 1, 1959: Section 5511.
Pensionable status prior to this act: Section 504.
Prior laws, receipt under: Sections 5512, 5513.
Receipt of benefits December 31, 1958: Section 5512.
Reopened: Section 3004.
Within year from discharge or death: Section 3010.
Clothing, furnishing of:
Employees, VA: Section 233 (1).
Indigent patients: Section 623.
Limitation: Section 623.
Special, prosthetic appliances: Sections 612 (d), 623.
Coast and Geodetic Survey:
Active duty, defined: Section 101 (21) (c).
Korean conflict veterans, education: Section 1602 (b).
Retired pay, waiver of: Section 3105.
Coast Guard, Armed Forces, inclusion in: Section 101 (10).
Coast Guard Reserve, temporary members: Sections 101 (22), 101 (23).
Coccidioidomycosis: Section 301.
Cohabited, 5 or more years: Section 103 (a).
Commissioner, definition: Section 1602 (a) (9).
Commissioners' 1941 Standard Ordinary Table of Mortality: Sections 722, 723.
Committee, advisory: Sections 1662, 4112.
Commitment proceedings, court costs: Section 3201.
Commonwealth Army Veteran, definition: Section 633 (1).
Compensable status:
At death: Section 402 (c) (2).
Persons heretofore having: Section 352.
Compensation:
Accrued benefits: Sections 3021, 3022.
Additional, dependents:
Election: Section 315 (b).
Peacetime: Section 335.
Wartime: Section 315 (a).
Apportionment of payments: Section 3107.
Approval of schools: Section 104.
Awards, effective date: Section 3010.
Chronic diseases: Sections 301, 312.
Claim for, filing: Section 3001.
Current payments: Section 3104.
Death:
After April 30, 1957, insurance waiver: Sections 321, 341, 417 (a).
Before January 1, 1957: Sections 321, 341, 416.
Child, eligibility: Sections 101 (4), 321, 341.
Claim considered for other benefits: Section 3001.
Election of dependency and indemnity compensation: Section 416.
From training, hospitalization, treatment or examination: Section 351.
Parent, eligibility: Sections 101 (5), 321, 341.
Wars prior to April 21, 1898: Section 343.
Widow, eligibility: Sections 101 (3), 103, 302, 321, 341.
Definition: Section 101 (13).
Dependency and indemnity compensation. (See Dependency and indemnity compensation.)
Disability:
Eligibility: Sections 310, 331.
Exceeding rate requirements: Section 314 (p).
Forfeited benefits payable to dependents: Section 3503 (b).
Hospital, domiciliary, institutional care: Section 3203.
Housing, specially adapted, eligibility: Section 801.
Injury from training, hospitalization treatment, or examination: Section 351.
Twenty-year ratings: Sections 110.
Discharge, type of: Sections 101 (2), 310, 331.
Discontinuance, effective date: Section 3012.
Disease, line of duty: Sections 105, 310, 321, 331, 341.
Election of benefits:
Additional for dependents: Section 315 (b).
Women's Army Auxiliary Corps: Section 106 (a) (2).

Incompetent veteran, disappearance, payment to dependents: Section 358.
Increase, effective date: Section 3011.
Line of duty: Sections 105, 310, 321, 331, 341.
Misconduct bar: Sections 105, 310, 313 (a), 331, 351.
Peacetime service, eligibility: Sections 331, 341.
Period of war: Sections 101 (11), 301 (2).
Persons heretofore having compensable status: Sections 352.
Presumption. (See Presumption, this index.)
Protected cases:
Claims pending: Section 5511.
Claims within year from discharge or death: Section 3010.
Compensable status prior to this act: Section 352.
Prior laws, receipt under: Section 5512.
Basic pay defined: Section 401 (1).
Basic pay, increased, decreased: Section 421 (b).
Benefits, in lieu of social security: Section 412.
Certification:
Basic pay: Section 421 (a).
Costs: Section 422 (b).
Death gratuity: Section 423.
Regulations: Section 422 (c).
Social security: Section 422 (a).
Child:
Parent, more than one, same line: Section 3104 (b) (2).
Rates:
Age 18, helpless: Section 414 (a).
No widow: Sections 412, 413, 414 (a).
Servicemen's indemnity, restriction on payment of: Section 416 (e).
Claim considered for other benefits: Section 3001 (b).
Concurrent payments: Sections 416 (e), 3104.
Costs, certification, social security: Section 422 (b).
Death:
After April 30, 1957: Section 417.
After December 31, 1956: Section 410.
Before January 1, 1957: Section 416.
From training, hospitalization, treatment, or examination: Section 351.
Death gratuity, certification of: Section 423.
Definitions:
Basic pay: Section 401 (1).
Dependency and indemnity compensation: Section 101 (14).
Veteran: Section 401 (2).
Dependents entitled: Sections 410, 415, 416.
Discontinuances, effective dates: Section 3012.
Election (death before January 1, 1957): Rights of, limitations on: Section 416.
Eligibility, defined: Sections 410, 416.
Eligibility established:
Benefits, other barred: Section 417 (b).
Compensation, death, barred: Section 417 (b).
Employees' compensation, Federal barred: Section 417 (b).
Pension, death, barred: Section 417 (b).
Income of parents:
Exclusions: Section 415 (g).
Limitations: Section 415.
Reports: Section 415 (e).
Increases, effective dates: Section 3011.
Insurance premiums waived; restriction on payment of: Section 417 (a).
Marriage date, widow: Section 404.
Overpayment, to parent, disposition of: Section 415 (f).
Parent:
Eligibility: Sections 415 (a), 416.
Income of:
Exclusions: Section 415 (g).
Limitations: Section 415.
Reports: Section 415 (e).
Overpayment, disposition of: Section 415 (f).
Rates: Section 415.
Persons entitled: Section 410.
Rates:
Benefits in lieu of social security: Section 412.
Child, age 18, helpless: Section 414 (a), (b).
Child, no widow: Sections 413, 414 (a).
Parent: Sections 412, 415.
Widow, alone: Sections 411, 412.
Widow and children:
Child age 18 to 21 in school: Section 414 (c).
Child under age 18: Sections 411, 412.
Helpless child age 18 or over: Section 414 (b).
Reductions, effective dates: Section 3012.
Regulations, Administrator's power to make: Section 422 (c).
Renouncement of right to: Section 3106.
Reserve Officers' Training Corps:
Basic pay, computation of: Section 403.
Coverage, defined: Section 403.
Service, defined: Section 403.
Service-connection requirements: Section 410.
Servicemen's indemnity, restriction on payment of: Section 416 (e).
Social security:
Benefits in lieu of: Section 412.
Certification of: Section 422 (a).
Cost of certification: Section 422 (b).
Regulations by Administrator: Section 422 (c).
Veteran, defined: Section 401 (2).
Widow:
Defined: Section 404.
Eligibility: Section 404.
Marriage date: Section 404.
Rates:
Alone, no children: Sections 411, 412.
Child, age 18 to 21 in school: Section 414 (c).
Child under age 18: Sections 411, 412.
Helpless child age 18 or over: Section 414 (b).
Dependents:
Additional compensation for: Section 315.
Definition: Section 1602 (a) (5).
Parents: Section 102.
Desertion: Sections 105, 711.
Diabetes, mellitus: Section 301.
Director, Bureau of Apprenticeship: Section 1662.
Disability:
Chronic diseases: Sections 301, 312.
Definition, medical care: Section 601 (1).
Discharge, travel time: Section 106 (c).
Exceeding compensation rate requirements: Section 314 (p).
From training, hospitalization, treatment, or examination: Section 351.
Permanent and total:
Definition, pension: Section 502.
Housing: specially adapted: Section 801.
Non-service-connected: Section 521.
United States Government life insurance: Section 758.
Prior to acceptance for Federal service: Sections 106 (b), 402 (c) (1).
Rating schedule: Section 355.
Sound condition, presumption of: Sections 311, 332.
Specially compensated, combination of: Section 314 (o).
Specified, additional compensation: Section 314 (k).
Total:
Compensation rate: Section 314 (j).
Insurance. (See insurance.)
Training, travel time: Section 106 (d).
Tropical diseases: Sections 301, 312, 333.
Twenty-year ratings: Section 110.
Waiver of, insurance: Sections 722, 757 (d), 759 (a), 781 (a).
Women's Army Auxiliary Corps: Section 106 (a).
Disabled American Veterans, representatives of: Section 3402.
Disagreement, insurance, definition: Section 784 (h).
Disappearance:
Death presumed: Section 108.
Incompetent veteran: Section 358.
Disbursing officers:
Bonded: Section 2003 (e).
Nonliability of: Sections 2003 (g), 3102 (b).
Discharge:
Bars to benefits: Section 3103.
Definition: Section 101 (18).
General requirement: Section 101 (2).
Retirement includes: Section 101 (18).
Surgeon's certificate of disability: Section 532 (c).
Travel time after: Section 106 (c).
Type required: Sections 101 (2), 310, 331, 410 (b), 722.
Disclosure, information: Section 3301.
Domiciliary care (included in hospital, domiciliary, medical care).
Dracontiasis: Section 301.
Draft, disability prior to rejection: Section 106 (b).
Duty with the Armed Forces, definition: Section 1702 (a) (3).
Dysentery: Section 301.
Education:
Agreement to report: Section 104.
Approval of schools: Section 104.
Program of, defined: Section 1702 (a) (5).
Protected cases: Section 5514.
Reports of attendance: Section 104.
Termination of attendance: Section 104.
Education and training allowance, accrued amounts: Sections 3021, 3022.
Education—Korean conflict veterans:
Accredited courses. (See Courses.)
Active duty, definition: Section 1602 (a) (10).
Administrator:
Application, approval: Section 1621.
Conflict of interest, employees, waiver of: Section 1664 (b).
Counseling: Section 1661 (b).
Courses, approval of: Section 1642.
Education and training allowances, discontinuance of: Section 1656 (b).
Educational institutions, disapproval of: Section 1634.
Foreign training, denial or discontinuance: Section 1620.
Information, employment opportunities, dissemination: Section 1661 (b).
Office of Education, use of: Section 1644.
Program, approval of changes: Section 1622 (b).
State and local agencies, reimbursement: Section 1645.
State approving agencies:
Authority to act as: Section 1641.
Duty to cooperate with: Section 1643.
Travel expenses: Section 111.
Use of other agencies by: Section 1644.
Waiver, conflict of interest, employees: Section 1664 (d).
Advisory committee: Section 1662.
Applications:
Apprentice or other training on the job: Section 1651.
Course, approval of:
Accredited: Section 1653.
Nonaccredited: Section 1654.
Program of education or training: Section 1621.
Apprentice training:
Approval of: Section 1651 (b).
Education and training allowances for: Section 1632 (c).
Full-time, definition of: Section 1633 (b).
Attorney General, list under Executive Order 9835: Section 1626.
Avocational and recreational training: Section 1623 (b).
Basic service period, definition: Section 1602 (a) (1).
Certifications, receipt of allowances: Section 1631 (c).
Claims, false or misleading: Section 1668.
Coast and Geodetic Survey, commissioned officers: Section 1602 (b).

Commissioner of Education:
Accredited institutions, listing of: Section 1653 (a).
Advisory committee, member of: Section 1662 (a).
Definition of: Section 1602 (a) (9).
Conflicting interests:
Penalties: Section 1664 (a).
Waiver of: Section 1664 (d).
Control by agencies of United States: Section 1663.
Correspondence schools:
Allowances when training exclusively in: Section 1632 (e).
Charges against entitlement for training in: Section 1611 (c).
Counseling: Section 1661 (b).
Courses:
Accredited: Section 1653.
Apprentice: Sections 1633 (b), 1651.
Approval of: Section 1642 (a).
Avocational and recreational, prohibited: Section 1623 (b).
Definition of: Section 1602 (a) (4).
Disapproval of: Section 1656.
Full-time: Section 1633.
Institutional on-farm training: Section 1652.
Nonaccredited: Section 1654.
Nonveteran enrollment required: Section 1623 (c).
Notice of approval: Section 1655.
On-the-job training: Section 1651.
Standards for approval: Sections 1651, 1652, 1653, 1654.
Definitions:
Active duty: Sections 1602 (a) (10).
Basic service period: Section 1602 (a) (1).
Commissioner: Section 1602 (a) (9).
Course: Section 1602 (a) (4).
Dependent: Section 1602 (a) (5).
Educational institution: Section 1602 (a) (6).
Eligible veteran: Section 1062 (a) (2).
Full-time training: Section 1633 (b).
Program of education or training: Section 1602 (a) (3).
State: Section 1602 (a) (8).
Training establishment: Section 1602 (a) (7).
Dependent, definition: Section 1602 (a) (5).
Director, Bureau of Apprenticeship: Section 1662.
Education and training allowances:
Apprentice training: Section 1632 (c).
Ceilings, allowance and income, on-job training: Section 1632 (c).
Certifications required: Section 1631 (c).
Computation of:
Correspondence training: Section 1632 (e).
Flight training: Section 1632 (g).
Institutional training:
Combined with on-job training: Section 1632 (b).
Less than one-half time: Section 1632 (f).
One-half time or more: Section 1632 (a).
Discontinuance of: Sections 1624, 1656 (b).
Duplicate benefits prohibited: Section 1632 (h).
On-farm training: Section 1632 (d).
On-job training: Section 1632 (c).
Period for which payment authorized, Section 1631.
Purpose: Section 1631.
Reduction formula: Section 1632 (c), (d).
Time of payment: Section 1631 (c).
Educational and vocational counseling: Section 1661 (b).
Educational institutions:
Allowances to, for reports and certifications: Section 1665 (b).
Certifications to be made by: Section 1631 (c).
Courses, approval of: Sections 1653, 1654.
Definition of: Section 1602 (a) (6).
Disapproval of: Section 1634.
Disapproval of courses in: Sections 1656, 1664 (c).
Listed by Attorney General under Executive Order 9835: Section 1626.
Overcharges by: Section 1634.
Overpayments to veterans, liability for: Section 1666.
Pecuniary relationship with Federal and State employees, penalties for: Section 1664.
Records, availability for examination: Section 1667.
Reports to be made by: Section 1665.
Eligible veteran, definition of: Section 1602 (a) (2).
Employees, conflict of interest: Section 1664.
Enrollment, denial of:
Attorney General's list: Section 1626.
Foreign training: Section 1620.
Minimum nonveteran requirement: Section 1623 (c).
Two-year operation rule: Section 1625.
Entitlement:
Ceiling on aggregate use of: Section 1611 (a).
Charge against:
Correspondence training: Section 1611 (c).
Flight training: Section 1632 (g).
Extension of period of: Section 1611 (b).
Generally: Section 1610.
Maximum: Section 1611 (a).
Service excluded in computing: Section 1611 (a).
Executive Order 9835: Section 1626.
False or misleading statements: Section 1668.
Federal Trade Commission:
Cease and desist orders of: Section 1654 (c) (10).
Information to be furnished by: Section 1669.
Foreign educational institutions, training in: Section 1620.
Full-time courses, criteria for: Section 1633.
Full-time training, definition: Section 1633.
General Accounting Office: Section 1661 (a).
Initiating a program, time limitation: Section 1612.
Institutional on-farm training:
Allowances while pursuing: Section 1632 (d).
Approval of: Section 1652.
Nonaccredited course:
Approval of: Section 1654.
Permissible absences while pursuing: Section 1631 (b) (2).
Required nonveteran enrollment in: Section 1623 (c).
Nonveteran enrollment, requirement of: Section 1623 (c).
Office of Education:
Authorization of appropriations to: Section 1644 (b).
Utilization of: Section 1644.
On-job training:
Approval of: Section 1651 (b).
Education and training allowances for: 1632 (c).
Income ceiling: Section 1632 (c).
Overcharges by educational institutions: Section 1634.
Overpayments to veterans, liability for: Section 1666.
Payments:
Educational institutions: Section 1665 (b).
State and local agencies: Section 1645.
Veterans (see also Education and training allowances): Section 1632.
Policy, statement of: Section 1601.
Program of education or training:
Approval of: Section 1621.
Change of: Section 1622.
Continuous pursuit of: Section 1612 (b).
Defined: Section 1602 (a) (3).
Discontinuance of (unsatisfactory progress): Section 1624.
Initiation of: Section 1612.
Limitation, foreign training: Section 1620.
Selection of: Section 1620.
Suspension of: Section 1612 (b).
Time limitations: Sections 1612, 1613.
Public Health Service, commissioned officers: Section 1602 (b).
Records, examination of: Section 1667.
Reduction formula, education and training allowances: Section 1632 (c) (d).
Reimbursement to States: Section 1645.
Reports:
Disapproval of courses: Section 1656 (c).
Educational institutions: Section 1665 (a).
False and misleading statements: Section 1668.
Review of payments: Section 1661 (a).
Standards for approval: Sections 1651–1654.
State approving agency:
Approval of courses by:
Generally: Section 1642.
Standards for: Sections 1651–1654.
Authority of Administrator to act as: Section 1641 (b).
Conflicting interest of employees, forbidden: Section 1664.
Cooperation with Administrator: Section 1643.
Designation: Section 1641.
Disapproval of courses by: Sections 1656, 1664 (c).
Notification of actions to be made by: Sections 1655, 1656.
Reimbursement for expenses to: Section 1645.
State:
Definition: Section 1602 (a) (8).
Reimbursement to: Section 1645.
Statements, false or misleading: Section 1668.
Subversive schools: Section 1626.
Time limitations: Sections 1612, 1613.
Training establishment, definition: Section 1602 (a) (7).
Two-year operations rule: Section 1625.
Unsatisfactory progress, discontinuance for: Section 1624.
Use of agencies other than VA: Section 1644.
Waiver, conflicting interests: Section 1664 (d).
Education—war orphans:
Administrator:
Approval:
Application: Sections 1713, 1721, 1725, 1735 (c).
Program, changes of: Section 1722.
Authority, general: Section 1761.
Authority with respect to special restorative training: Section 1743.
Counseling, educational and vocational: Section 1761 (b).
Defrayal of eligible person's traveling expenses by: Section 111.
Determination of need for special restorative training by: Section 1741.
Disapproval of enrollment by: Sections 1723, 1725, 1726.
Discontinuance of allowances by: Sections 1724, 1736.
Processing of applications by: Section 1714.
Regulations: Section 1743 (b).
Reports of false and misleading statements: Section 1768.
Use of other agencies by: Section 1761 (c).
Waiver of conflicting interests provision by: Section 1764 (b).
Waiver of recovery of overpayments: Section 3102.
Advisory Committee: Section 1662.
Age limits: Section 1712.
Allowances (See Educational Assistance.)
Applications:
Approval of: Sections 1713, 1721.
Benefits: Section 1713.
Processing of: Section 1714.
Submission of: Section 1713.
Apprentice training, prohibited: Section 1723 (c).
Approval of courses: Section 1735.
Attorney General, list under Executive Order 9835: Section 1726.
Avocational and recreational training, prohibited: Section 1723 (a) (2).

Bartending courses, prohibited: Section 1723 (a) (1).
Benefits, nonduplication of: Section 1762.
Certification:
Payment for: Section 1765 (b).
Required for receipt of educational assistance allowance: Section 1731 (c).
Child, defined: Section 1702 (a) (2).
Conflicting interests: Section 1764.
Control by agencies of United States: Section 1763.
Correspondence courses, prohibited: Section 1723 (c).
Counseling, educational and vocational: Section 1761 (b).
Courses:
Approval of: Section 1735.
Disapproval of enrollment in: Section 1723.
Failure to meet standards: Section 1736.
Measurement of: Section 1733 .
Period of operation for: Section 1725.
Dancing courses, prohibited: Section 1723 (a) (1).
Definition:
Child: Section 1702 (a) (2).
Duty with the Armed Forces: Section 1702 (a) (3).
Educational institution: Section 1702 (a) (6).
Eligible person: Section 1702 (a) (1).
Guardian: Section 1702 (a) (4).
Program of education: Section 1702 (a) (5).
Special restorative training: Section 1702 (a) (7).
State: Section 1702 (a) (8).
Duty with the Armed Forces:
Definition of: Section 1702 (a) (3).
Effect of: Section 1712.
Educational assistance:
Application:
Approval: Sections 1713, 1721.
Processing: Section 1714.
Submission of: Section 1713.
Duration of: Section 1711.
Duty with the Armed Forces, effect of: Section 1712.
Eligibility and entitlement generally: Section 1710.
Periods of eligibility for: Section 1712.
Educational assistance allowances:
Certification required: Section 1731 (c).
Computation of: Section 1732.
Discontinuance of: Sections 1724, 1726, 1736.
Period for which payment authorized: Section 1731 (b).
Purpose of: Section 1731 (a).
Time of payment: Section 1731 (c).
Educational and vocational counseling: Section 1761 (b).
Educational institutions:
Allowance to, for reports and certification: Section 1765 (b).
Approval of courses offered by: Section 1735.
Availability of records for examination: Section 1767.
Certification to be made by: Section 1731 (c).
Definition of: Section 1702 (a) (6).
Disapproval of: Section 1734.
Liability for overpayments: Section 1766.
Listed by Attorney General under Executive Order 9835: Section 1726.
Overcharges by: Section 1734.
Pecuniary relationship with Veterans' Administration employees: Section 1764.
Reports by: Section 1765 (a).
Educational plan: Section 1720.
Election of benefits: Section 1711 (c).
Eligibility:
Generally: Section 1710.
Periods of: Section 1712.
Eligible person:
Definition of: Section 1702 (a) (1).
Designation in lieu of parent or guardian: Section 1702 (c).
Status under act after attainment of majority: Section 1702 (b).
Entitlement:
Duration of: Section 1711.
Periods of: Section 1712.
Enrollment, denial of: Section 1723, 1726.
Employee VA, conflict-of-interest waiver: 1764 (b).
Examination of records: Section 1767.
Executive Order 9835: Section 1726.
False or misleading statements: 1768.
Flight training, conditions for enrollment in: Section 1723 (b).
Foreign training, prohibited: Section 1723 (c).
General Accounting Office: Section 1761 (a).
Guardian:
Application by: Section 1713.
Definition of: 1702 (a) (4).
Designation of some other person for: Section 1702 (c).
Development of educational plan by: Section 1720.
Payment of allowances on behalf of eligible person: Sections 1731 (a), 1742 (a).
Request for special restorative training: Section 1741 (a).
Institutional on-farm training, prohibited: Section 1723 (c).
Nonduplication of benefits: Section 1762.
On-job training, prohibited: Section 1723 (c).
Overcharges by educational institutions: Section 1734.
Overpayments:
Liability of educational institutions: Section 1766.
Parent:
Application, by: Section 1713.
Death when child age 18 to 23, extension of entitlement: Section 1712 (a) (2) (C).
Development of educational plan by: Section 1720.
Designation of some other person for: Section 1702 (c).
Payment of allowances on behalf of eligible person: Sections 1731 (a), 1742 (a).
Request for special restorative training: Section 1741 (a).
Service requirement: Section 1702 (a) (1).
Payments:
Educational assistance allowance: Section 1731.
Educational institutions: Section 1765 (b).
Review by GAO: Section 1761 (a).
Special training allowance: Section 1742.
Personality development courses prohibited: Section 1723 (a) (1).
Policy, statement of: Section 1701.
Program of education:
Approval of: Section 1721.
Change of: Section 1722.
Definition of: Section 1702 (a) (5).
Development of: Section 1720.
Selection of: Section 1720.
Radio course, prohibited: Section 1723 (c).
Records, examination of: Section 1767.
Reduction of entitlement: Section 1711 (b).
Reports:
Educational institutions: Section 1765 (a).
False or misleading statements: Section 1768.
Review of payments: Section 1761 (a).
Secondary school courses, conditions for enrollment in: Section 1723 (d).
Service connection, criteria applicable to: Section 1702 (a) (1).
Special restorative training:
Allowances for: Section 1742.
Content of: Section 1741 (a).
Definition of: Section 1702 (a) (7).
Duration of: Section 1741 (b).
Entitlement to: Section 1741.
Purpose of: Section 1740.
Special administrative provision applicable to: Section 1743.
Special training allowance: Section 1742.
State, definition of: Section 1702 (a) (8).
Subversive schools: Section 1726.
Television course, prohibited: Section 1723 (c).
Tuition and fees:
Overcharges: Section 1734 (a).
Permissible charges for: Section 1743 (a).
Two-year operation rule: Section 1725.
Unsatisfactory progress, discontinuance for: Section 1724.
Use of agencies other than VA: Section 1761 (c).
Vocational rehabilitation, election of: Section 1711 (c).
Waiver, conflict of interest, VA employee: Section 1764 (b).
Educational institution:
Defined: Sections 1602 (a) (6), 1702 (a) (6).
Disapproval of: Section 1634.
Listed by Attorney General under Executive Order 9835: Sections 1626, 1726.
Effective date this act: Section 5501.
Effective dates of awards: Section 3010.
Election:
Compensation:
Additional for dependents: Section 315 (b).
Women's Army Auxiliary Corps: Section 106 (a) (2).
Dependency and indemnity compensation: Section 416.
Retirement pay: Section 3105.
Unemployment compensation: Section 2008 (b) (c).
War orphans educational assistance: Section 1711 (c).
Eligible person, definition: Section 1702 (a) (1).
Eligible veteran, definition: Section 1602 (a) (2).
Embezzlement: Section 3501.
Emergency hospitalization: Section 611 (b).
Emergency officers retirement:
Apportionment of payments: Section 3107.
Protected cases: Section 5513.
Employees' compensation, Federal:
Canteen Service employees: Section 4202 (5).
Duplication prohibited: Sections 416, 417 (b).
Women's Army Auxiliary Corps Service: Section 106 (a) (2).
Employees, State, employment service for veterans:
Assignment of: Section 2012.
Qualifications of: Section 2012.
Employees, VA:
Association meetings, expense of attendance: Section 4113 (a).
Canteen Service, use of: Section 4203.
Conflict of interest: Sections 1664, 1764.
Consultants: Sections 217 (b), 1503.
Garages: Section 5004.
Military installations: Section 231.
Recreational facilities: Section 233 (3).
Subpenaed to attend trials, leave: Section 784 (f).
Telephones, medical officers: Section 234.
Training: Sections 235, 1511, 4113 (b), (d).
Transportation of schoolchildren: Section 233 (2).
Travel expenses: Sections 285 (c), 784 (d), 1511 (b), 4113.
Wearing apparel, furnish and launder: Section 233 (1).
Witness fees: Section 784 (e).
Employees, veterans' employment representative: Section 2011.
Employment service for veterans:
Administration, funds for: Section 2014.
Cooperation, Federal agencies: Section 2013.
Definition, veteran: Section 2015.
Employees, State:
Assignment of: Section 2012.
Qualifications of: Section 2012.
Employment placement: Section 2010.
Expenses, administrative: Section 2014.
Federal agencies, cooperation of: Section 2013.
Funds, administrative: Section 2014.
Job counseling: Section 2010.
Purpose of: Section 2010.
State representatives: Section 2011.

Veteran, definition of: Section 2015.
Encephalitis lethargica residuals: Section 301.
Endocarditis: Section 301.
Endocrinopathies: Section 301.
Enemy:
Assisting: Section 3504.
Country, alien beneficiary in: Sections 3108, 3109.
Epilepsies: Section 301.
Equipment, recreational: Section 233 (3).
Escheat: Sections 716 (e), 717 (d), 750, 3202 (d).
Estates:
Insurance payments: Sections 710, 716 (e), 717 (c), (d), 747, 750, 754.
Safeguarding of: Section 3202.
Evidence:
Affidavits, validity of: Section 3312.
False or fraudulent: Sections 787, 2005, 3503.
Medical and lay: Section 354.
Examinations:
Hospital care incident to: Section 611 (a).
Insurance: Sections 748, 782.
Travel expenses: Section 111.
Executive Order 9835: Sections 1626, 1726.
Exhibits, visual: Section 233 (4).
Expenses:
Association meetings, attendance of: Section 4113 (a).
Commitment proceedings: Section 3201.
Employment service for veterans, administrative: Section 2014.
Fiduciaries, courts, etc.: Section 3202 (c).
Insurance administration: Section 782.
Travel. (See Travel expenses.)
Extrahazardous service:
Compensation: Sections 336, 343.
Insurance. (See Insurance.)
Extremities, loss:
Housing, specially adapted: Section 801.
Natural elbow or knee action prevented, disability compensation: Section 314 (m).
Prosthetic appliance use prevented, disability compensation: Section 314 (n).
Eye. (See Blindness.)
Facilities, VA, definition of: Sections 601 (4), 5001 (f), 5209.
False and misleading statements: Sections 1668, 1768.
Father, defined: Section 701 (4).
Federal agencies, cooperation, States:
Employment service for veterans: Section 2013.
Unemployment compensation: Section 2004 (a).
Federal employees' compensation. (See Employees' compensation, Federal.)
Federal farm-loan banks: Section 755 (b).
Federal Trade Commission, education, Korean-conflict veterans: Section 1669.
Fees:
Agents and attorneys: Sections 784 (g), 3402 (b), 3403 (l), 3404 (c).
Certification of records: Section 3302 (b).
Copies of records: Section 3302 (b).
Particular claims: Section 3403 (1).
Penalties: Sections 3404 (b), 3405.
Representatives of organizations: Section 3402 (b) (l).
Witness: Sections 784 (e), 3311.
Feet, loss:
Compensation: Section 314 (l).
Insurance: Sections 714, 758.
Fiduciaries:
Accounting required: Section 3202 (b).
Cases, numbers of: Section 3202 (a).
Duties, improperly executed: Section 3202 (b).
Expenses, appointment, etc.: Section 3202 (c).
General: Section 3202.
Legal custodians: Section 3202 (a).
Litigation, court appearances: Section 3202 (b).
Misappropriation, embezzlement: Section 3501.
Suspension of payments: Section 3202 (b).
Filariasis: Section 301.
Finality of decisions: Sections 108 (c), 211 (a), 785, 5210.
Fire, loss of personal effects: Section 626.
Flag to drape casket: Section 901.
Foot and eye or hand, loss:
Compensation: Section 314 (l).
Insurance: Sections 714, 758.
Foot, loss, additional compensation: Section 314 (k).
Forfeiture:
Certain benefits payable: Sections 2005 (b), 3503, 3504.
False evidence: Sections 2005, 3503.
Fraud: Sections 2005, 3503.
Insurance: Sections 711, 754.
Offenses under repealed laws: Section 5502.
Treason, mutiny, etc.: Section 711, 3504.
Vocational rehabilitation: Section 1508.
Fraud:
Benefits, accepting or obtaining: Sections 2005, 3502.
Forfeiture of benefits: Section 3503.
Insurance: Sections 110, 710, 787.
Twenty-year ratings, reduction: Section 110.
Full-time training, defined: Section 1633.
Funds:
Employment service for veterans: Section 2014.
General Post. (See general post fund.)
Incompetent beneficiaries: Section 3204.
National Service Life Insurance: Sections 720, 721, 724 (b), 786, 3102 (c).
Patient's personal: Section 3204.
Revolving:
Canteen service: Sections 4204, 4205.
Loans, direct: Section 1823.
Service-disabled veterans' insurance: Section 722.
Supply: Section 5011.
Veterans' special term insurance: Section 723.
Vocational rehabilitation: Section 1507.
Unemployment compensation: Section 2003.
United States Government Life Insurance: Sections 724 (b), 755, 757, 786, 3102 (c).
Funeral expenses:
Death in VA facility: Section 903.
Eligibility: Section 902.
Funeral services, contracts for: Section 903 (c).
General Accounting Office:
Accrued benefits, payment of: Section 3022.
Audit and review, payments, education: Sections 1661 (a), 1761 (a).
General Post Fund:
Assets:
Residual: Section 5224.
Sale of: Section 5222.
Claims: Sections 5202 (e), 5223, 5226.
Death while inmate, VA facility: Section 5220.
Disbursements: Sections 5202 (d), 5223.
Gifts, devises, and bequests: Sections 5102, 5104.
Investment: Section 5228.
Property left or found: Section 5202 (d).
Gifts, devises, bequests: Sections 4202 (8), 5001 (d), 5005, 5006, 5101–5105.
Guaranty of loans. (See loans.)
Guardian:
Defined: Section 1702 (a) (4).
Payments to and supervision of: Section 3202.
Hand and eye or foot, loss:
Compensation: Section 314 (l).
Insurance: Sections 714, 758.
Hands, loss:
Compensation: Section 314 (l).
Insurance: Sections 714, 758.
Hansen's disease (leprosy): Sections 301, 3203 (d).
Hearing, loss:
Compensation: Section 315 (o).
Insurance: Sections 714, 758.
Hodgkin's disease: Section 301.
Hospital care, defined: Section 601 (5).
Hospital, domiciliary and medical care:
Adjunct treatment: Section 612 (b) (4).
Allied forces, veterans: Section 109 (a).
Applications, notice re assets, disposition: Section 5227.
Apportionment of benefits during: Section 3107.
Arrests for crimes on reservations: Section 625.
Basic authority: Sections 610–612.
Benefits during: Section 3203.
Clothing, furnishing of: Section 623.
Commitment proceedings: Section 3217.
Contracts for: Sections 109 (d) (2), 601 (4), 5003.
Death benefits withheld, payment: Section 3203 (a) 2.
Definitions:
Disability: Section 601 (1).
Domiciliary care: Section 601 (7).
Hospital care: Section 601 (5).
Medical services: Section 601 (6).
VA facilities: Section 601 (4).
Veteran of any war: Section 601 (2).
Dental:
Appliances: Section 612 (c), (d).
Outpatient care: Section 612 (b).
Domiciliary care, defined: Section 610 (7).
Eligibility: Sections 610–612, 622, 627.
Emergencies: Section 611 (b).
Hansen's disease (leprosy): Sections 301, 3203 (d).
Inability to defray expenses: Sections 610, 622.
Incompetency, benefits withheld, payment: Section 3203 (b).
Loss of personal effects by fire: Section 626.
Mechanical, electronic equipment for the blind: Section 614.
Outside United States: Section 624.
Persons eligible under prior laws: Section 627.
Philippines:
Construction of hospitals in: Section 631.
Definitions:
Commonwealth Army: Section 633 (1).
Service-connected disability: Section 633 (2).
Presidential authority: Section 631.
Regulatory authority: Section 632.
Procedure: Section 621.
Prosthetic appliances:
Fitting and training: Section 613.
Furnishing: Section 612.
Psychosis, presumption of service connection: Section 602.
Recreational facilities: Section 233 (3).
Reduction of benefits: Section 3203.
Regulations: Section 621.
Rules: Section 621.
Seeing-eye dogs: Section 614.
Spanish-American War veterans outpatient care: Section 612 (b) (5), (e).
State homes, payments to: Sections 641–643.
Statement under oath: Section 622.
Termination against medical advice: Section 3203 (a) (1).
Tobacco, furnishing of: Section 615.
Travel: Section 111.
Vocational rehabilitation trainees: Section 1506.
Hospital, domiciliary, and medical facilities:
Armed Forces facilities, use of: Section 5003.
Construction and repair: Section 5002.
Contracts for: Sections 109 (a) (2), 601 (4), 5003.
Defined: Sections 601 (4), 5001 (f), 5209.
Easements or rights-of-way: Section 5014.
Estates, decedents, jurisdiction: Section 5206.
Fireproof construction: Section 5001 (b).
Garages: Section 5004.
Gifts, donations: Sections 5001 (d), 5005, 5006, 5101–5105.
Lease of: Section 5012 (a).
Location: Section 5001 (c).
Property:
Acceptance of: Section 5005.
Decedent's personal. (See Property.)
Unclaimed. (See Property.)

Provision of: Sections 5001 (a), 5001 (e), 5002, 5003, 5012 (b).
Recreational facilities: Section 233 (3).
Housing loans. (See Loans.)
Housing, specially adapted:
Administrator's powers and limitations: Sections 801, 802.
Claims pending on effective date of act: Section 5511.
Disability required: Section 801.
Dwelling need of veteran, suitability to: Section 801.
Eligibility: Section 801.
Income and expenses of veteran, relation to: Section 801.
Liability of Government: Section 805.
Limitation: Sections 801, 802.
Maximum amount of assistance: Section 802.
Medical feasibility: Section 801.
Optional plans: Section 802.
Other housing benefits, relationship: Section 804.
Plans and specifications furnished: Section 803.
Hypertension (cardiovascular-renal disease): Section 301.
Illegitimate child: Sections 101 (4), 701 (3).
Inactive duty training:
Defined: Section 101 (23).
Travel to or from: Section 106 (d).
Income limitations:
Dependency and indemnity compensation: Sections 415 (b), (c), (d).
Pension: Sections 503, 522, 545.
Incompetents:
Benefits withheld, payment: Section 3203 (b).
Commitment: Section 3201.
Disappearance: Section 358.
Insurance: Sections 783, 784 (b).
Payments, to whom made: Section 3202.
Payments while institutionalized: Section 3203 (b).
Service-disabled veterans' insurance: Section 722.
Indemnity, servicemen's, assignment allowed: Section 3101 (a).
Index, authority for: Section 5507.
Indian wars, period of: Sections 501 (1), 601 (3).
Information:
Disclosure of: Section 3301.
Employment opportunities, dissemination of: Section 1661 (b).
Injury from training, hospitalization, treatment or examination: Section 351.
Injury, preexisting, aggravation of: Section 353.
Inspection of records: Section 3301 (7).
Inspections:
Insurance: Section 782.
State homes: Section 642 (a).
Insurance:
Insurance of loans (see Loans.)
National service life:
Administrative cost: Section 782.
Administrator's decisions, finality: Section 785.
Adoption:
Child: Section 701 (3).
Parent through: Section 701 (4).
Age:
Attained age, term premiums: Section 705.
Limitations:
Disability income: Section 715.
Premium waiver: Section 712 (a).
American Experience Table of Mortality: Section 702.
Amount: Section 703.
Annuity table for 1949: Sections 722, 723.
Application for:
Replacement: Section 781.
Service disabled: Section 722.
Total disability income: Section 715.
Total disability waiver: Section 712.
Appropriation: Sections 719, 722, 723, 724 (b), 3102 (c).
Assignments: Sections 718, 3101.
Automatic renewal, term: Section 705.
Bars to benefits, inapplicable: Section 3103 (d).
Beneficiaries:
Assignments of interest: Section 718.
Cash value, death lawful punishment: Section 711.
Change by insured: Section 717 (a).
Designated, insured not survived: Sections 716 (d), 717 (d).
Designation by insured: Section 717 (a).
Designation not made: Sections 716 (d), 717 (d).
Estates, payments to: Sections 716 (e), 717 (c), (d).
Incompetents, optional settlements: Section 783.
Installments unpaid at death: Section 716 (d), (e).
Minors, optional settlements: Section 783.
Order of: Section 716 (b), (d).
Permitted class: Section 716 (b).
Premium waiver, right to apply for: Section 712 (c).
Cash value:
American Experience Table of Mortality: Section 702.
Commissioners 1941 Standard Ordinary Table of Mortality: Section 722.
Death, lawful punishment: Section 711.
Policy provisions: Section 706.
Replacement of insurance surrendered for cash: Section 781.
Claims, denial, notice by registered mail: Section 784 (b).
Commissioners 1941 Standard Ordinary Table of Mortality: Sections 722, 723.
Conscientious objectors, forfeiture: Section 711.
Conversion: Section 704.
Costs:
Administrative: Section 782.
Extra hazards of service: Section 721.
Surrendered policies replaced while disabled: Section 781 (a).
Deafness, statutory total disability: Section 714.
Death:
Before effective date: Section 709.
Before 6 months' total disability: Section 713.
Inflicted for lawful punishment: Section 711.
Insurance against: Section 703.
Definition:
Child: Section 701 (3).
Claim: Section 784 (h).
Disagreement: Section 784 (h).
Father: Section 701 (4).
Insurance: Section 701 (1).
Mother: Section 701 (4).
Parent: Section 701 (4).
Widow: Section 701 (2).
Widower: Section 701 (2).
Denial of claim, right of action Federal court: Section 784.
Desertion, forfeiture: Section 711.
Disability:
Rating, total, 20 years or more: Section 110.
Statutory total: Section 714.
Waiver of: Sections 722, 757 (d), 781 (a).
Dividends:
Applied to pay premiums: Section 707.
Disability income policies classified separately: Section 715.
Policy provisions: Section 706.
Effective date: Section 709.
Eligibility:
Replacement insurance: Section 781.
Service-connected disabled veterans: Section 722.
Endowment, converted to: Section 704.
Escheat: Sections 716 (e), 717 (d).
Estates:
Payment to: Sections 716 (e), 717 (c), (d), 754.
Refunds in fraud cases: Section 710.
Examinations:
Medical costs: Section 782.
Premium waiver: Section 712.
Expired term policies, replacement: Section 781 (b).
Extended value:
American experience table of mortality: Section 702.
Commissioners 1941 Standard Ordinary Table of Mortality: Section 722.
Policy provisions: Section 706.
Extra hazard costs: Section 721.
False evidence, penalties: Section 787.
Father, defined: Section 701 (4).
Five-year term:
Conversion: Section 704.
Renewal: Section 705.
Forfeiture: Section 711.
Fraud:
Ground for contesting: Section 710.
Penalties: Section 787.
Premium refund: Section 710.
Twenty-year disability ratings: Section 110.
Fund: Sections 720, 721, 724 (b), 781 (a), 786, 788, 3102 (c).
Funds, revolving:
Service disabled veterans': Section 722.
Veterans' special term: Section 723.
Health requirements, waiver of: Section 722.
Heirs, no payment to: Section 716 (e).
Illegitimate child: Section 701 (3).
Incompetents:
Applications for: Section 722.
Optional settlements: Section 783.
Suits: Section 784 (b).
Incontestability: Section 710.
Inspections, cost borne by the United States: Section 782.
Installments, continuous during lifetime: Sections 716 (a), 717 (b).
Interpleader suits: Section 784 (a).
Investment of funds: Sections 720 (b), 723 (b).
Lapsed policy, reinstatement and renewal: Section 705.
Legal representative, no payment to: Section 716e.
Liens:
Advance of first premium: Section 708.
Unpaid premiums, death before 6 months' total disability: Section 713.
Loan value:
American Experience Table of Mortality: Section 702.
Commissioner's 1941 Standard Ordinary Table of Mortality: Section 722.
Policy provisions: Section 706.
Loco parentis: Section 701 (4).
Medical examinations, costs borne by United States: Section 782.
Military or naval forces of United States, not member, ground for contesting: Section 710.
Minors:
Optional settlements: Section 783.
Suits: Section 784 (b).
Mortality, tables of:
American experience: Section 702.
Commissioner's 1941 Standard Ordinary: Sections 722, 723.
Maturity during in-service premium waiver: Section 724 (b).
Mother, defined: Section 701 (4).
Mutiny, forfeiture: Section 711.
National service life insurance fund: Sections 720, 721, 724 (b), 781 (a), 786, 788, 3102 (c).
Nonparticipating: Sections 722, 723, 724 (a).
Optional settlements: Sections 716, 717, 783.
Overpayments, when waived: Section 3102 (a).
Paid-up value:
American Experience Table of Mortality: Section 702.
Commissioner's 1941 Standard Ordinary Table of Mortality: Section 722.
Policy provisions: Section 706.
Payment:
Death lawful punishment: Section 711.
Escheat as bar: Sections 716 (e) 717 (d).
Estates: Sections 716 (e), 717 (c), (d).
Installments, number of: Sections 716, 717.

Installments unpaid at death of beneficiary: Section 716 (d), (e).
Less than $5: Section 716 (e).
Less than $10: Section 717 (c).
Modes:
Maturity before August 1, 1946: Section 716 (a).
Maturity on or after August 1, 1946: Section 717 (b).
Minors or incompetents: Section 783.
Optional settlement:
Maturity before August 1, 1946: Section 716 (a) (3).
Maturity on or after August 1, 1946: Section 717.
Minors or incompetents: Section 783.
Overpayment, when waived: Section 3102 (a).
Permitted class as represented by insured: Section 716 (f).
Persons entitled, interpleader suit: Section 784 (a).
Refund life income: Sections 716 (a) (3), 717 (b) (4).
Total disability: Section 715.
Penalties: Sections 711, 787.
Permitted class of beneficiaries: Section 716 (b).
Philippine veterans: Section 107.
Plans of: Section 704.
Policy:
Expired, replacement: Section 781 (b).
Lapsed, reinstatement and renewal: Section 705.
Provisions: Section 706.
Surrendered for indemnity, replacement: Section 781 (a).
Values: Sections 702, 722.
Premiums:
Advance of first premium: Section 708.
American Experience Table of Mortality: Section 702.
Dividends used to pay: Section 707.
Liens: Section 713.
Nonpayment, ground for contesting: Section 710.
Payment of: Sections 707, 708.
Rates: Sections 702, 722, 723.
Refund in fraud cases: Section 710.
Refund of, policy provisions: Section 706.
Service-disabled veterans: Section 722.
Special term: Section 723.
Total disability income: Sections 715, 781 (a).
Unearned, refund, policy provisions: Section 706.
Waiver:
Dependency and indemnity compensation, restriction on payment of: Section 417 (a).
In-service: Section 724.
Total disability: Sections 712, 722, 781 (a).
Printing and binding: Section 782.
Rates, premium: Sections 702, 722, 723.
Ratings, 20-year disability: Section 110.
Recovery of payments waived: Section 3102 (a).
Refund life income: Sections 716 (a) (3), 717 (b) (3).
Registered mail notice of claim denial: Section 784 (c).
Reinstatement: Section 705.
Renewal, automatic: Section 705.
Replacement insurance: Section 781.
Saving provision: Sections 788, 5502–5506, 5511, 5512.
Service-connected disability, waiver of: Section 722, 759 (a).
Service-disabled veterans: Section 722.
Set off: Section 3101.
Spying, forfeiture: Section 711.
Statutory total disabilities: Section 714.
Stepchild: Section 701 (3).
Stepparents: Section 701 (4).
Suits:
Attorneys' fees: Section 784 (g).
Claim, defined: Section 784 (h).
Claims denied, notice by registered mail: Section 784 (b).
Disagreement, defined: Section 784 (h).
Interpleader: Section 784 (a).
Parties: Section 784 (a).
Statutes of limitations inapplicable: Section 784 (b).
Subpenas: Section 784 (c).
Time limits: Section 784 (b).
Witnesses, Veterans' Administration employees:
Fees, part-time and fee-basis personnel: Section 784 (e).
Leave: Section 784 (f).
Travel and subsistence allowance: Section 784 (d).
Surrendered for cash, replacement: Section 781 (a).
Term:
Conversion right: Section 704.
Expired, replacement: Section 781 (b).
Renewal, automatic: Section 705.
Special: Section 723.
Termination: Section 705.
Total disability:
Automatic renewal: Section 705.
Conversion to endowment prohibited: Section 704.
Costs, surrendered insurance replaced while disabled: Section 781 (a).
Death before 6 months of: Section 713.
Income provision: Sections 715, 781 (a).
Premiums waived: Sections 712, 722, 781 (a).
Rating, 20 years or more: Section 110.
Statutory: Section 714.
Treason, forfeiture: Section 711.
Waiver:
Disability: Sections 722, 757 (d), 781 (a).
Overpayments: Section 3102.
Premiums:
Costs, surrendered policies replaced while disabled: Section 781 (a).
In-service: Section 724.
Total disability: Section 712.
United States Government Life:
Administrative cost: Section 782.
Administrator's decisions, finality: Section 785.
American Experience Table of Mortality: Section 743.
Amount: Section 741.
Application:
Replacement: Section 781.
Total disability income: Section 748.
Appropriation. (See Military and naval insurance.)
Assignments: Sections 753, 3101.
Automatic insurance, statutory total permanent disability: Section 758.
Automatic renewal, term: Section 745.
Bars to benefits, inapplicable: Section 3103 (d).
Beneficiaries:
Assignments of interest: Section 753.
Cash value, death lawful punishment: Section 754.
Change by insured: Section 749.
Designated, insured not survived by: Section 750.
Designation not made: Section 750.
Estates, payments to: Section 750.
Incompetents, optional settlements: Section 783.
Installments unpaid at death: Section 750.
Minors, optional settlements: Section 783.
Cash values:
American Experience Table of Mortality: Section 744 (b).
Death inflicted as lawful punishment: Section 754.
Policy provision: Section 744 (a).
Replacement of insurance surrendered for cash: Section 781 (a).
Claims, denial, notice by registered mail: Section 784 (b).
Conversion: Section 742.
Costs:
Administrative: Section 782.
Extra hazards of service: Section 757.
Surrendered policies replaced while disabled: Section 781 (a).
Deafness, statutory total permanent disability: Section 758.
Death:
Inflicted as lawful punishment: Section 754.
Insurance against: Section 741.
Definitions:
Claim: Section 784 (h).
Disagreement: Section 784 (h).
Insurance: Section 740.
Disability:
Rating, permanent total, 20 years or more: Section 110.
Statutory total permanent: Section 758.
Total disability income provision: Section 748.
Total, waiver of premiums: Sections 748, 760, 781 (a).
Total permanent, insurance against: Section 741.
Waiver of: Sections 757 (d), 759, 781 (a).
Dividends:
Applied to pay premiums: Section 746.
Policy provisions: Section 744 (a).
Eligibility for replacement insurance: Section 781.
Endowment, converted to: Section 742.
Escheat: Section 750.
Estates:
Payment to: Sections 750, 754.
Refunds in fraud cases: Section 747.
Examinations:
Medical costs: Section 782.
Total disability: Section 748.
Expired term policies, replacement: Section 781 (b).
Extended values:
American Experience Table of Mortality: Section 744 (b).
Policy provisions: Section 744 (a).
Extra hazard costs: Section 757.
False evidence, penalties: Section 787.
Federal farm-loan banks: Section 755 (b).
Five-year term:
Conversion: Section 745.
Renewal: Section 745.
Forfeiture: Section 754.
Fraud:
Ground for contesting: Section 747.
Penalties: Section 787.
Premium refund: Section 747.
Twenty-year disability ratings: Section 110.
Fund: Sections 724 (b), 750, 755, 757, 760 (b), 781 (a), 786, 788, 3102 (c).
Health requirements, waiver of: Section 759.
Hospitalized, waiver of premium: Section 760.
Incompetents:
Mental, by waiver of premium: Section 760.
Optional settlements: Section 783.
Suits: Section 784 (b).
Incontestability: Section 747.
Inspections, cost borne by United States: Section 782.
Installments, continuous during lifetime, policy provisions: Section 744 (a).
Interpleader suit: Section 784 (a).
Investment of fund: Section 755.
Lapsed policy, reinstatement, and renewal: Section 745.
Liens on policies: Sections 744 (c), 759 (b), 760 (b).
Loan values:
American Experience Table of Mortality: Section 744 (b).
Policy provisions: Section 744 (a).
Loans, interest on: Section 744 (c).
Maturity at certain ages, policy provisions: Section 744 (a).
Medical examinations, cost borne by United States: Section 782.
Mentally incompetent, waiver of premium: Section 760.
Military and naval insurance appropriation: Sections 724 (b), 756, 757, 760 (b), 781 (a), 788, 3102 (c).
Military or naval forces of United States, not member, ground for contesting: Section 747.
Minors:
Optional settlements: Section 783.
Suits: Section 784 (b).
Mortality, tables of:
American Experience: Section 743.

Maturity during in-service premium waiver: Section 724 (b).
Nonparticipating: Section 724 (a).
Optional settlement: Section 752, 783.
Overpayments, when waived: Section 3102 (a).
Paidup values:
American Experience Table of Mortality: Section 744 (b).
Policy provisions: Section 744 (a).
Payment:
Death, lawful punishment: Section 754.
Escheat as bar: Section 750.
Estate: Sections 747, 750, 754.
Installments, number of: Section 751.
Installments unpaid at death of beneficiary: Section 750.
Less than $5: Section 751.
Optional settlement: Sections 752, 783.
Overpayment, when waived: Section 3102 (a).
Persons entitled, interpleader suit: Section 784 (a).
Total disability: Section 748.
Penalties: Section 787.
Plans of: Section 742.
Policy:
Expired, replacement: Section 781 (b).
Lapsed, reinstatement and renewal: Section 745.
Provisions: Section 744.
Surrendered for indemnity, replacement: Section 781 (a).
Values: Section 744.
Premiums:
American Experience Table of Mortality: Section 744 (b).
Dividends used to pay: Section 746.
Liens: Sections 759 (b), 760 (b).
Nonpayment, ground for contesting: Section 747.
Payment of: Sections 743, 746.
Payment on due date waived: Section 760.
Rates: Section 743.
Refund in fraud cases: Section 747.
Refund of, policy provisions: Section 744 (a).
Total disability income: Sections 748, 781 (a).
Waiver:
Dependency and indemnity compensation, restriction on payment of: Section 417 (a).
In service: Section 724.
Payment on due date: Section 760.
Total disability: Section 748, 760, 781 (a).
Printing and binding, cost borne by United States: Section 782.
Rates, premium: Section 743.
Ratings, 20-year disability: Section 110.
Recovery of payments waived: Section 3102 (a).
Registered mail, notice of claim denial, 784 (b).
Reinstatement:
Premium liens continued: Section 759 (b).
Term: Section 745.
Waiver of service-connected disability: Section 759 (a).
Renewal, automatic: Section 745.
Replacement insurance: Section 781.
Savings provision: Sections 788, 5502–5506, 5511, 5512.
Service-connected disability, waiver of: Sections 757 (d), 759 (a).
Setoff: Section 3101.
Statutory permanent total disability: Section 758.
Suits:
Attorneys' fees: Section 784 (g).
Claim: Section 784 (h).
Claims denied, notice by registered mail: Section 784 (b).
Compromise judgments, yearly renewable term: Section 784 (i).
Disagreement: Section 784 (h).
Interpleader: Section 784 (a).
Parties: Section 784 (a).
Statutes of limitations inapplicable: Section 784 (b).
Subpenas: Section 784 (c).
Time limits: Section 784 (b).
Witnesses, Veterans' Administration employees:
Fees, part-time and fee-basis personnel: Section 784 (e).
Leave: Section 784 (f).
Travel and subsistence allowance: Section 784 (d).
Surrendered for cash, replacement: Section 781 (a).
Term:
Conversion right: Section 742.
Expired, replacement: Section 761 (b).
Renewal, automatic: Section 745.
Total disability:
Costs, surrendered policies replaced while disabled: Section 781 (a).
Income provision: Sections 748, 781 (a).
Premiums waived: Sections, 748, 760, 781 (a).
Temporary, waiver of premium: Section 760.
Total permanent disability:
Insurance against: Section 741.
Rating, 20 years or more: Section 110.
Statutory: Section 758.
United States Government life insurance fund. (See Fund.)
Waiver:
Disability: Sections 757 (d), 759, 781 (a).
Overpayments: Section 3102.
Premiums:
Costs, surrendered policies replaced while disabled: Section 781 (a).
In-service: Section 724.
On due date: Section 760.
Total disability: Section 748.
Yearly renewable term: Sections 756, 758.
Institutional on-farm training: Sections 1652, 1723 (c).
Investigations: Section 3311.
Job counseling, employment service for veterans: Section 2010.
Judicial:
Notice, VA seal: Section 202.
Review, insurance: Section 784 (a).
Korean conflict, period of: Section 101 (9).
Korean-conflict veteran:
Defined: Section 2007 (a).
Education. (See Education.)
Mustering-out payment. (See Mustering-out payment.)
Laws:
Compile and publish: Section 215.
Cross-references: Section 5504.
Eligibility under prior: Sections 627, 905.
Legal custodians: Section 3202 (a).
Leishmaniasis, including kala-azar: Section 301.
Leprosy (Hansen's disease): Sections 301, 3203 (d).
Leukemia: Section 301.
Levy, exemption from: Sections 2104 (a), 3101.
Line of duty: Sections 105, 310, 321, 331, 341, 610.
Loans:
Administrator:
Approval:
Loans not automatically guaranteed: Section 1802 (e).
Prior approval for guaranty: Section 1802 (d).
Charges, fees, and discounts, limits on: Section 1805.
Compromise claims: Section 1820 (a) (3).
Construction standards minimum prescribed: Section 1804 (a).
Decisions, finality of: Section 1820 (c).
Delegate functions: Section 1811 (g).
Direct-loan areas, designation of: Section 1811 (a).
Except certain farm loans from first-lien requirements: Section 1812 (c).
Investment of funds: Sections 1811 (g), 1823 (a).
Lien requirements, exception from: Section 1812 (c).
Modification of terms, consent: Section 1820 (a) (2).
Property:
Construction, warranties: Section 1806 (a).
Operate: Section 1820 (a) (6).
Purchase or sell: Section 1820 (a) (5).
Value of, reasonable, determination: Sections 1810 (b), 1812 (b), 1813 (b), 1814 (b).
Refusal to appraise: Section 1804 (b).
Refusal to guarantee or insure loans: Section 1804 (d).
Revolving fund, advances to, time limitation on: Section 1823 (c) (d).
Sale of direct loans: Section 1811 (e).
Sue and be sued: Section 1820 (a) (1).
Waiver or release of rights: Section 1820 (a) (4).
Allied forces veterans, citizens of United States: Section 109 (b).
Amortization: Section 1803 (d) (2).
Amount of loan guaranty: Sections 1803 (a) (1), (b), 1810 (c).
Application for release of liability: Section 1817.
Assignment: Sections 1802 (c), 1816.
Automatic guaranty of loans:
Business property: Section 1813 (a).
Farms: Section 1812 (a).
Generally: Sections 1802 (d), 1803 (a) (1).
Homes: Section 1810 (a).
Refinancing indebtedness: 1814 (a).
Business loans: Section 1813.
Certificate:
Discharge: Section, 1802 (c).
Eligibility of: Section 1802 (c).
Lender, re charges, fees or discounts: Section 1805.
Loan guaranty: Section 1802 (c).
Occupancy: Section 1804 (c).
Charges, fees and discounts, control of: Section 1805.
Citizens of United States, service in Allied forces: Section 109 (b).
Conditions, for:
Business: Section 1813 (b).
Farm: Section 1812 (b).
Generally: Section 1803 (c).
Home: Section 1810 (b).
Indebtedness, refinancing: Section 1814 (b).
Construction warranty: Section 1806 (a).
Damages, recovery of: Section 1822.
Dates, termination of program: Sections 1803 (a) (2), 1811 (f).
Default procedure: Section 1816.
Definitions:
Active duty inclusion: Section 1801 (a) (3).
Veteran, inclusion of widow: Section 1801 (a) (2).
World War II: Section 1801 (a) (1).
Delinquent indebtedness, refinancing of: Section 1814.
Direct:
Advances: Section 1811 (d).
Amount: Sections 1811 (b) (1), (2).
Charge against guaranty entitlement: Section 1811 (b) (1).
Custody of investments: Section 1811 (g).
Generally: Section 1811.
Interest rate: Section 1811 (b) (1).
Repayment: Section 1811 (c).
Revolving fund: Section 1823.
Sale of: Section 1811 (e).
Time limitation for making: Section 1811 (f).
Discharge certificate, use as certificate of eligibility: Section 1802 (c).
Discount control: Section 1805.
Eligibility:
Basic: Section 1802 (a).
Coast and Geodetic Survey service: Section 1801 (b).
Hospitalization pending discharge: Section 1824.
Korean conflict service: Section 1802 (a).
Public Health Service: Section 1801 (b).
Service after October 6, 1945, and before October 7, 1946: Section 1801 (a).
Widow: Section 1801 (a) (2).
World War II service: Section 1802 (a).
Entitlement, basic, restoration of: Section 1802.
Farm or farm equipment: Section 1812.
Finality of decisions of Administrator: Section 1820 (c).

Fraud, defense against: Section 1821.
Fund, direct loan:
Advances to: Section 1823 (b).
Deadline for advances to: Section 1823 (d).
Deposits: Section 1823 (a).
Interest payable on: Section 1823 (b).
Proceeds from securities sales: Section 1823 (c).
Reserves for payment of losses: Section 1823 (a).
Guaranty deadline: Section 1803 (a) (2).
Guaranty, United States liability: Section 1803 (b).
Home loans: Section 1810.
Hospitalization pending discharge as eligibility for: Section 1824.
Incontestability of, for guaranty: Section 1821.
Insurance of loans: Section 1815.
Interest rate:
Direct loans: Section 1811 (b) (1).
Guaranteed loans: Section 1803 (c).
Non-real-estate: Section 1815 (b).
Lenders:
Federal institutions: Section 1802 (f).
Qualified: Section 1802 (d).
Reports to Administrator: Section 1802 (c).
Service of loans, failure to provide: Section 1804 (d).
Liability:
Veterans, release of: Section 1817.
United States on guaranty: Section 1803 (b).
Lien liquidation: Sections 1810 (a), 1812 (c).
Limitations of other statutes, inapplicability: Section 1802 (f).
Maturity of: Section 1803 (d) (1).
Minimum requirements, planning construction, general acceptability: Section 1804 (a).
Occupancy of property by veteran: Sections 1804 (c), 1810 (a).
Plans and specifications:
Availability of: Section 1806 (b).
Changes in: Section 1806 (a).
Prior approval submissions: Section 1802 (e).
Property:
Plans and specifications: Section 1806.
Reasonable value: Sections 1810 (b), 1812 (b), 1813 (b), 1814 (b).
Redemption of, subordinate liens: Section 1820 (d).
Purpose of:
Business: Section 1813 (a).
Farm: Section 1812 (a).
Home: Section 1810 (a).
Indebtedness, refinancing of: Section 1814 (a).
Reasonable value of property: Sections 1810 (b), 1812 (b), 1813 (b), 1814 (b).
Recovery of damages: Section 1822.
Redemption of property, subordinate liens: Section 1820 (d).
Refinancing of existing indebtedness: Section 1814.
Refusal to appraise: Section 1804 (b).
Refusal to guarantee or insure: Section 1804 (d).
Release from liability under guaranty: Section 1817.
Report by lender: Section 1802 (c).
Restoration of entitlement: Section 1802 (b).
Revolving fund, direct loan: Section 1823.
Security for: Section 1803 (d) (3).
Standards—planning, construction, and general acceptability: Section 1804 (a).
Submission for prior approval: Section 1802 (e).
Supervised lenders: Section 1802 (d).
Time limitation for making: Sections 1803 (a) (2), 1811 (f).
Unfair practices, effect of: Section 1804 (b).
Vocational rehabilitation trainees: Section 1507.
Warranty of construction: Section 1806 (a).
Widow, unmarried, eligibility: Section 1801 (a) (2).
World War II, definition: Section 1801 (a) (1).
Loco parentis: Sections 101 (5), 701.
Loiasis: Section 301.
Mail, registered; notice:
Court action, assets deceased inmates: Section 5226.
Insurance claims denial: Section 784 (b).
Malaria: Section 301.
Marriage:
Date: Sections 101 (3), 103, 302, 404, 532 (d), 534 (c), 536 (c), 541 (b), 543 (b).
Legal impediment, without knowledge: Section 103 (a).
Same veteran, more than once: Section 103 (b).
Validity, proof of: Section 103 (c).
Medal of Honor roll: Sections 560–562.
Medical:
Advisory group: Section 4112.
Care. (See Hospital, domiciliary, medical care.)
Examinations. (See Examinations.)
Officers, telephones: Section 234.
Services, includes: Section 601 (6).
Medicine and surgery. (See Department, Medicine and Surgery.)
Mexican War widows: Section 531.
Midshipmen, active duty: Section 101 (21) (D).
Mileage, beneficiary travel: Section 111.
Military installations, VA employees: Section 231.
Minors:
Insurance: Sections 783, 784 (b).
Payments to: Section 3202.
Misappropriation, 3501.
Misconduct: Sections 105, 310, 313 (a), 331, 351, 521 (a).
Moro Province. (Included in Spanish-American War.)
Mother, definition: Section 701 (4).
Moving pictures: Section 233 (4).
Multiple sclerosis: Section 301.
Mustering-out payments, Korean conflict: "Active duty," defined: Section 2101 (d).
Benefits (Mustering Out Payment Act, 1944), availability of: Section 2104 (d).
Decisions, finality of, Secretaries, Armed Forces: Sections 2104 (b), (c).
Definition, "active duty": Section 2101 (d).
Duplication, prohibited: Section 2104 (e).
Eligibility: Section 2101 (a).
Exemptions, prohibitions:
Assignments: Section 2104 (a).
Attachment, levy, seizure: Section 2104 (a).
Claims of creditors: Section 2104 (a).
Taxation: Section 2104 (a).
Limitations on: Section 2101.
Payments:
Amount of: Section 2102 (a).
Determination of: Section 2102.
Manner of:
Veteran living: Sections 2102 (b), 2104 (c).
Veteran deceased: Sections 2103, 2104 (c).
Regulations: Section 2104 (b).
Mutiny: Sections 711, 3504.
Myasthenia gravis: Section 801.
Myelitis: Section 301.
Myocarditis: Section 301.
National Guard:
Active duty for training: Section 101 (22).
Disability prior to Federal enrollment: Section 106 (b).
Inactive-duty training: Section 101 (23).
National service life insurance. (See Insurance.)
Nephritis: Section 301.
Non-service-connected, definition: Section 101 (17).
On-farm training, Korean-conflict veterans: Section 1632 (d).
On-job training:
Korean veterans, education: Section 1651.
Vocational rehabilitation: Section 1504 (d).
War-orphans education, prohibited: Section 1723 (c).
Onchocerciasis: Section 301.
Organic diseases of nervous system: Section 301.
Organizations:
Approved by Administrator: Section 3402.
Canteen Service, use of: Section 4203.
Fees: Section 3402 (b) (1).
Penalties: Sections 3404 (b), 3405.
Power of attorney: Section 3402 (b) (2).
Representatives, recognition: Section 3402.
Retired service personnel: Section 3402 (c).
Space, office facilities: Section 3402 (a) (2).
Oroya fever: Section 301.
Osteitis deformans: Section 301.
Osteomalacia: Section 301.
Outpatient treatment. (See Hospital, domiciliary, and medical care.)
Overcharges by educational institutions: Sections 1634, 1734 (a).
Overpayments:
Collection of: Sections 415 (f), 1666, 1766, 3101 (b).
Dependency and indemnity compensation to parents: Section 415 (f).
Waiver of: Sections 415 (f), 3102 (a).
Palsy, bulbar: Section 301.
Paralysis agitans: Section 301.
Parent:
Compensation:
Eligibility: Sections 321, 341.
Income limitations: Section 102.
Definition of: Sections 101 (5), 415, 701 (4).
Dependency and indemnity compensation:
Eligibility: Sections 410, 415, 416.
Income limitations: Sections 102, 415.
Overpayment of: Section 415 (f).
Dependent: Section 102, 415.
Payments:
Assignment allowed, prohibited: Sections 416 (e) (1), 718, 753, 2104 (a), 3101 (a).
Benefits withheld, restoration: Section 3109.
Concurrent: Sections 416, 2008, 3104, 3105.
Guardians: Section 3202.
Incompetents and minors: Sections 3202, 3203 (b).
Hospital, domiciliary, institutional care: Section 3203.
Korean-conflict veterans, education: Sections 1631, 1632, 1645, 1665.
Method of, VA benefits: Section 3020.
Minors and incompetents: Section 3202.
Setoff allowed, prohibited: Section 3101 (b).
State homes: Sections 641–643.
Suspended cases: Section 3202(d).
Unemployment compensation, certification of: Section 2003 (c).
War orphans, education: Sections 1731, 1742, 1761 (a), 1765 (b).
Peacetime service:
Compensation:
Additional for dependents: Section 335.
Eligibility: Sections 331, 341.
Presumption:
Sound condition: Section 332.
Tropical disease: Section 333.
Rates: Sections 334, 342.
Wartime rates payable: Sections 336, 343.
Penal institution, confinement: Section 505.
Penalties:
Agents and attorneys: Sections 3404 (b), 3405.
Conflict of interest, employees, VA: Sections 1664 (a), 1764.
False evidence: Sections 787, 2005, 3503.
Forfeiture for certain acts: Sections 711, 754, 3503, 3504.
Fraudulent acceptance of benefits: Sections 2005, 3502.
Misappropriation by fiduciaries: Section 3501.
Offenses under repealed laws: Section 5502.
Unemployment compensation, liability for repayment: Section 2005 (b).
Vocational rehabilitation: Section 1508.
Pension:
Accrued benefits: Sections 3021, 3022.

Apportionment of payments: Sections 505, 3107.
Approval of schools: Section 104.
Awards, effective date: Section 3010.
Claim for, filing: Section 3001.
Concurrent payments: Sections 3104, 3105.
Death:
Child:
Definition: Section 101 (4).
Civil War: Sections 532, 533.
Indian wars: Sections 534, 535.
Korean conflict: Sections 543, 544.
Spanish-American War: Sections 536, 537.
World War I: Sections, 541, 542.
World War II: Sections 543, 544.
Claim considered for other benefits: Section 3001 (b).
Widow:
Eligibility: Sections 101 (3), 103, 531, 532, 534, 536, 541, 543.
Civil War: Section 532.
Indian wars: Section 534.
Korean conflict: Section 543.
Mexican War: Section 531.
Spanish-American War: Section 536.
World War I: Section 541.
World War II: Section 543.
Definition: Section 101 (15).
Disability, 20-year ratings: Section 110.
Discharge, type of: Section 101 (2).
Discontinuance, effective date: Section 3012.
Hospital, domiciliary, institutional care: Section 3203.
Income limitations: Sections 503, 522, 545.
Increase, effective date: Section 3011.
Medal of Honor roll: Sections 560–562.
Non-service-connected disability: Section 521.
Penal institution, confinement: Section 505.
Permanent and total disability, definition: Section 502.
Persons heretofore having pensionable status: Section 504.
Protected cases:
Claims pending: Section 5511.
Claims within year from death: Section 3010.
Pensionable status prior to this act: Section 504.
Prior laws, entitlement under: Section 5512.
Rates:
Dependents:
Civil War: Sections 532, 533.
Indians wars: Sections 534, 535.
Korean conflict: Sections 543, 544.
Mexican War: Section 531.
Spanish-American War: Sections 536, 537.
World War I: Sections 541, 542.
World War II: Sections 543, 544.
Veterans:
Indian wars: Section 511.
Korean conflict: Section 521.
Spanish-American War: Section 512.
World War I: Section 521.
World War II: Section 521.
Ratings, combining of service-connected and non-service-connected disabilities: Section 523.
Reduction, effective date: Section 3012.
Regular aid and attendance: Section 502 (b).
Renouncement of rights: Section 3106.
Service: Sections 511, 512.
Service, days of: Sections 511 (b), 512, 521, 532.
State home, retention of: Section 641 (b) (1).
Surgeon's certificate of disability: Section 532 (c).
Unpaid at death: Sections 3021, 3022.
Vicious habits: Section 521 (a).
Waiver of overpayments: Section 3102 (a).
Willful misconduct: Section 521 (a).
Period of war, definition: Sections 101 (11), 301 (2), 601 (3).
Periodic monetary benefits: Section 3021 (a).
Personal effects, loss of by fire: Section 626.
Personal services: Section 213.
Philippines:
Commonwealth Army veterans:
Hospital and medical care: Sections 631–632.
Limitation of benefits: Section 107 (a).
Offices: Section 230 (b).
Scouts, limitation of benefits: Section 107 (b).
Philippine Insurrection. (Included in Spanish-American War.)
Pinta: Section 301.
Plague: Section 301.
Policy, insurance. (See Insurance.)
Power of attorney:
Agents and attorneys: Section 3402 (b) (2), 3403 (2).
Particular claims: Section 3403 (2).
Representatives of organizations: Section 3402 (b) (2).
Preexisting injury or disease, aggravation of: Sections 310, 353.
Premiums, insurance. (See Insurance.)
Presumption:
Death: Section 108.
Psychosis, hospital care: Section 602.
Rebuttable: Sections 313, 333 (b).
Service connection: Sections 312, 333.
Sound condition: Section 311, 332.
Printing and binding, insurance: Section 782.
Procurement and supply:
Condemnation: Section 5012 (b).
Contract services: Section 213, 232.
Facilities: Sections 5001 (a), 5012 (b).
Fund, revolving: Section 5011.
Gifts, donations: Sections 5001 (d), 5005, 5006, 5101–5105.
Hospitalization, contracts for: Sections 109 (a) (2), 601 (4), 5003.
Personal services: Sections 213, 232.
Property, acceptance of: Section 5005.
Prosthetic appliances: Sections 612 (d), 5013.
Reduced-fare requests: Section 111 (d).
Supplies and equipment: Section 5011 (a).
Telephone service, medical officers: Section 234.
Transcripts, trial records: Section 3304.
Veterans' Canteen Service. (See Canteen Service, Veterans'.)
Visual educational equipment: Section 233 (4).
Vocational rehabilitation, books, supplies, and equipment: Section 1509.
Professional, personnel, instruction: Sections 235, 4113.
Program of education, definition: Section 1702 (a) (5).
Program of education or training, definition: Section 1602 (a) (3).
Property:
Easements or rights-of-way: Section 5014.
Lease of: Section 5012 (a).
National Home for Disabled Volunteer Soldiers: Section 5006.
Procurement. (See Procurement and supply.)
Veterans' Administration facility:
Death while inmate:
Assets, residual: Section 5224.
Claims after sale: Sections 5223, 5226.
Contract for disposition presumed: Sections 5220 (b), 5221.
Court actions: Section 5225.
Disposition: Sections 5220 (b), 5221.
Notice of law: Section 5227.
Sale: Section 5222.
Sentimental value, articles of: Section 5222.
Vesting: Section 5220.
Decedent's personal:
Agreement for disposition: Section 5203.
Claims after sale: Section 5202 (e).
Decisions, finality of: Section 5210.
Disposition: Section 5201 (b), 5202–5206.
Estates, jurisdiction: Section 5208.
Notice of law: Section 5203.
Sale: Sections 5202, 5205, 5206.
Shipping charges: Section 5207.
Vesting: Section 5201 (a).
Unclaimed on premises:
Agreement for distribution: Section 5203.
Claims after sale: Section 5202 (e).
Decisions, finality of: Section 5210.
Disposition: Sections 5202–5206.
Notice of law: Section 5203.
Sale: Sections 5202, 5205, 5206.
Shipping charges: Section 5207.
Veterans' Canteen Service. (See Veterans' Canteen Service.)
Prosthetic appliances:
Allied forces, veterans: Section 109.
Fitting and training: Section 613.
Furnishing: Sections 612, 1506.
Manufacture: Section 612 (d).
Mechanical or electronic equipment for blind: Section 614.
Procurement: Sections 612 (d), 5013.
Research: Section 216.
Protected cases: Sections 5511–5514.
Provisional acceptance: Section 106 (b).
Psychoses: Sections 301, 602.
Puerto Rico, unemployment compensation: Section 2002 (b), (c).
Public Health Service:
Active duty, defined: Section 101 (21) (B).
Active duty for training: Section 101 (22) (B).
Inspection of: Section 3301 (7).
Inactive duty training: Section 101 (23).
Korean-conflict veteran, education: Section 1602 (b).
Retired pay, waiver of: Section 3105.
Purpura idiopathic, hemorrhagic: Section 301.
Rates:
Compensation. (See Compensation.)
Dependency and indemnity compensation. (See Dependency and indemnity compensation.)
Insurance premiums. (See Insurance.)
Pension. (See Pension.)
Protected: Sections 5512, 5513.
Unemployment compensation. (See Unemployment compensation, Korean conflict.)
Wartime, two or more: Section 314 (o).
Rating:
Combining of:
Service- and non-service-connected: Section 523.
Wartime and peacetime: Section 357.
Schedule, adoption of: Section 355.
Twenty-year: Section 110.
Raynaud's disease: Section 301.
Records:
Copies of, furnishing: Sections 3302, 3303.
Examination of:
Korean-conflict veterans, education: Section 1667.
War orphans, education: Section 1767.
Inspection of: Section (8) 3301.
Trial, purchase transcripts: Section 3304.
Recreational equipment, facilities: Section 233 (3).
Reduced-fare requests: Section 111 (d).
Reduction of benefits: Section 3203.
Refusal to wear uniform: Section 3103.
Registered mail notices:
Court action, assets deceased inmates: Section 5226.
Insurance claims denial: Section 784 (b).
Insurance claims denial: Section 784 (b).
Regular aid and attendance:
Compensation: Section 314 (l), (m).
Pension: Section 502 (b).
Regulations:
Administrator's power to make: Section 210 (c), 422 (c), 1743 (b).
Continuation: Section 5506.
Mustering-out payments: Section 2104 (b).
Unemployment compensation: Section 2006.
Vocational rehabilitation: Sections 1505, 1508.
Reimbursement:
Burial expenses: Sections 902–904.

States, education, Korean conflict veterans: Section 1645.
Remarriage: Section 101 (3).
Renouncement of rights: Section 3106.
Repealed laws, reference to this act: Section 5504.
Repeals: Section 5602.
Reports:
Administrator:
Annual report to Congress: Section 214.
War orphans education, false and misleading statements: Section 1768.
Educational institutions: Sections 1665 (a), 1765 (a).
Employers: Section 1504 (d).
Research, appliances and devices: Section 216.
Reserve component, definition: Section 101 (27).
Reserve Officers Training Corps:
Basic pay, computation of: Section 403.
Dependency and indemnity compensation coverage: Section 403.
Reserves. (See Armed Forces.)
Residuals, tropical-disease therapy: Section 312 (2).
Resignation for good of service: Section 3103.
Retirement:
Civil service:
Canteen Service employees: Section 4202 (5).
Department of Medicine and Surgery employees: Section 4109.
Discharge includes: Section 101 (18).
Retirement pay:
Accrued benefits: Section 3021, 3022.
Apportionment, emergency officers: Section 3107.
Concurrent payments: Section 3104, 3105.
Hospital, domiciliary, institutional care: Section 3203.
Unpaid at death: Section 3021, 3022.
Waiver of: Section 3105.
Russia, service in World War I: Section 101 (7).
Sabotage: Section 3504.
Sarcoidosis: Section 301 (3).
Savings provisions:
Act, July 3, 1930, authority continuation: Section 5503.
Appropriations, continuing availability: Section 5505.
Burial benefits eligibility under prior laws: Section 905.
Claims pending: Section 5511.
Compensable status prior to this act: Section 352.
Emergency officers' retirement pay: Section 5513.
Gifts, devises, bequests: Section 5105.
Insurance: Sections 788, 5502–5506, 5511, 5512.
Laws, repealed references to this act: Section 5504.
Medical care, eligibility under prior laws: Section 627.
Penalties, offenses under repealed laws: Section 5502.
Pensionable status prior to this act: Section 504.
Prior laws:
Entitlement under: Section 2104 (d).
Receipt under: Section 5512.
Regulations, etc., continuation of: Section 5506.
Schedule of ratings, adoption of: Section 355.
Schistosomias: Section 301.
Schools, approval of: Section 104.
Scleroderma: Section 301.
Sclerosis:
Amyotrophic lateral: Section 301.
Multiple: Section 301.
Seeing-eye dogs: Section 614.
Seizure, exemption from: Sections 2104 (a), 3101.
Service-connected:
Death:
Compensation: Sections 321, 341.
Dependency and indemnity compensation: Section 410.
Definition: Section 101 (16).
Disability, Philippine Army veterans: Section 633 (2).
Service connection:
Aggravation of preexisting injury or disease: Section 353.
Chronic diseases: Sections 301, 312.
Circumstances of service: Section 354.
Disability prior to acceptance for Federal service: Section 106 (b).
Discharge, travel time: Section 106 (c).
Injury from training, hospitalization, treatment, or examination: Section 351.
Insurance, waiver of disability: Sections 722, 757 (d), 759 (a).
Presumption. (See Presumption.)
Training, travel time: Section 106 (d).
Tropical diseases: Sections 301, 312, 333.
Women's Army Auxiliary Corps: Section 106 (a).
Servicemen's indemnity:
Assignment: Sections 416 (e) (1), 3101 (a).
Child's entitlement to, affecting dependency and indemnity compensation: Section 416 (e).
Election of dependency and indemnity compensation: Section 416.
Services:
Contracts for: Sections 213, 232.
Uncompensated, acceptance of: Section 213.
Setoff, allowed, prohibited: Section 3101.
Simultaneously contested claims: Section 4007.
Social security:
Application, joint, with VA: Sections 3001, 3005.
Benefits in lieu of: Section 412.
Certification of: Section 422.
Spanish-American War:
Outpatient treatment: Section 612 (b) (5), 612 (e).
Period of: Section 101 (6).
Special restorative training, definition: Section 1702 (a) (7).
Special training allowance, war-orphans education: Section 1742.
Speech, loss of, insurance: Sections 714, 758.
Spying, insurance forfeiture: Section 711.
State agreements: Sections 2001, 2002.
State approving agencies: Sections 1641, 1643.
State, defined: Sections 101 (20), 1602 (a) (8), 1702 (a) (8), 2007 (c).
State home, definition: Section 101 (19).
State homes:
Eligibility, determination of: Section 643.
Effective date of payments: Section 643.
Inspection of: Section 642 (a).
Intoxicating liquors, sale of: Section 641 (c).
Management or control: Section 642 (b).
Payments to: Sections 641–643.
Reduction of payment to: Section 641 (b).
Retention of pension or compensation: Section 641 (b) (1).
State representative, employment service for veterans: Section 2011.
Statements, false or misleading: Sections 1668, 1768.
Stepchild: Sections 101 (4), 701 (3).
Stepparents: Section 701 (4).
Subpena: Section 784 (c), (f).
Subsistence allowance:
Accrued amounts: Sections 3021, 3022.
Apportionment: Section 3107.
Vocational rehabilitation: Section 1504.
Subversive schools: Sections 1626, 1726.
Suits. (See Courts.)
Supply. (See Procurement and supply.)
Syringomyelia: Section 301.
Taxation, exemption from: Sections 2104 (a), 3101.
Telephone service, medical officers: Section 234.
Thromboangiitis obliterans (Buerger's disease): Section 301.
Tobacco, furnishing of: Section 615.
Training establishment, definition: Section 1602 (a) (7).
Transcripts, trial records: Section 3304.
Translators: Section 232.
Transportation:
Body: Sections 902, 903.
Schoolchildren: Section 233 (2).
Travel, authorized:
Active duty: Sections 101 (21), (E), 106, (c).
Active duty for training: Section 101 (22) (D).
Travel expenses:
Allied forces, veterans: Section 109 (a).
Attendants: Section 111 (c).
Attorneys, VA: Section 784 (d).
Counseling: Section 111.
Consultants: Section 217 (b).
Domiciliary care: Section 111.
Employees, VA: Sections 235, 784 (d), 1511 (b), 4113 (b) (2).
Employment service for veterans: Section 2014.
Examination, treatment, or care: Section 111.
Hospitalization: Section 111.
Insurance suits: Section 784 (d).
Korean-conflict veterans, education: Section 111.
Vocational rehabilitation: Section 111.
War-orphans education: Section 111.
Treason: Sections 711, 3504.
Treatment. (See Hospital, domiciliary and medical care.)
Trial records, purchase transcripts: Section 3304.
Tropical disease:
Defined: Section 301.
Presumptions: Sections 312, 333.
Trusses: Section 612 (d).
Trust funds:
Incompetent beneficiaries: Section 3204.
National service life insurance: Sections 720, 721, 724 (b), 786, 3102 (c).
Personal funds of patients: Section 3204.
United States Government life: Sections 724 (b), 755, 757, 786, 3102 (c).
Tuberculosis:
Active: Sections 301, 312 (3).
Arrested:
Minimum rate: Section 314 (q).
Rating of: Section 356.
Tumors, malignant: Section 301.
Ulcers, peptic: Section 301.
Unemployment compensation, Korean conflict:
Agreements, State:
Administration, payments: Section 2001.
Amendments, terminations: Section 2001 (d).
Benefits, certain officers, exempted: Section 2001 (f).
Coast and Geodetic Survey, officers, certain, exempted: Section 2001 (f).
Eligibility: Section 2001.
Mustering-out payments, a limitation: Section 2001 (b).
Payments, administration of: Section 2001.
Prior law valid: Section 2001 (e).
Public Health Service, officers, certain, exempted: Section 2001 (f).
Review, subject to: Section 2001 (e).
Secretary of Labor: Section 2001 (a).
Terms of: Section 2001 (d).
Unemployment compensation law, State, conformation thereto: Section 2001 (c).
Veterans' Readjustment Assistance Act of 1952: Section 2001 (e).
Agreements, State, none:
Administration, payments: Section 2002.
Claim, disallowed:
Hearings, Secretary of Labor: Section 2002 (c).
Review, judicial: Section 2002 (c).
Eligibility: Section 2002 (c).
Entitlement, State law: Section 2002 (a).
Payments, administration of: Section 2002.
Payments, direct: Section 2002 (a).
Bond, officer or employee, agreement may require: Section 2003 (e).

Certification of payments, Secretary of Labor to Secretary of Treasury: Section 2003 (c).
Certifying officers, nonliability of: Section 2003 (f).
Definitions:
"Korean conflict veterans": Section 2007 (a).
State: Section 2007 (c).
Unemployment compensation: Section 2007 (b).
Delimiting dates: Section 2009.
Disbursing officers:
Bonded: Section 2003 (e).
Nonliability of: Section 2003 (g).
Duplicate benefits, prohibited: Section 2008 (a).
Election of benefits: Section 2008 (b), (c).
"Korean conflict veteran," definition of: Section 2007 (a).
Liability to repay, false evidence: Section 2005 (b).
Payments to States:
Manner, procedure: Section 2003 (b).
Reimbursement by United States: Section 2003 (a).
Secretary of Treasury, made by: Section 2003 (c).
Money, unused to Treasury: Section 2003 (d).
Money, use as intended: Section 2003 (d).
Social Security Act, under: Section 2003 (h).
Penalties:
Evidence, false: Section 2005 (a).
Liability for repayment of: Section 2005 (b).
Puerto Rico, resident of:
Claims disallowed, hearings and review: Section 2002 (c).
Entitlement, District of Columbia law: Section 2002 (b).
Rates: Section 2001 (b).
Regulations: Secretary of Labor: Section 2006.
Reports, State agencies: Section 2004 (b).
Secretary of Labor:
Agreements, State: Section 2001 (a).
Regulations: Section 2006.
Social Security Act, payment to States, under: Section 2003 (h).
State agencies:
Information re military service: Section 2004 (a).
Reports by: Section 2004 (b).
State, definition of: Section 2007 (c).
Terminations, dates: Section 2009.
Unemployment compensation, definition of: Section 2007 (b).
Virgin Islands, resident of:
Claim disallowed, hearings and review: Section 2002 (c).
Entitlement, District of Columbia law: Section 2002 (b).
United Spanish War Veterans, representatives of: Section 3402.
United States Government life insurance. (See Insurance.)
Venereal disease: Section 105 (a).
Veteran, definition of: Sections 101 (2), 301 (1), 401 (2), 1801 (a) (2), 2015.
Veteran of any war, definition: Sections 101 (12), 601 (2).
Veterans' Administration:
Employees. (See Employees, VA).
Facilities, definition: Sections 601 (4), 5091 (f), 5209.
Independent agency: Section 201.
Offices: Section 230.
Seal: Sections 202, 3312.
Space, office facilities, furnished organizations: Section 3402 (a) (2).
Veterans' Canteen Service. (See Canteen Service, Veterans'.)
Veterans' employment representative: Section 2011.
Veterans of Foreign Wars, representatives of: Section 3402.
Vicious habits: Section 521 (a).
Virgin Islands, unemployment compensation: Section 2002 (b).
Visual exhibits: Section 233 (4).
Vocational rehabilitation:
Absence, leaves of: Section 1505.
Administrator:
Contract, training facilities: Section 1503 (4).
Employees:
Detail: Section 1511.
Instruct: Section 1511.
Employment of consultants and additional personnel: Section 1503.
Leaves of absence, veterans pursuing courses: Section 1505.
Regulate, conduct and cooperation of veterans: Section 1508.
Training, suitable, prescribe and provide: Sections 1502, 1503.
Utilize other Government agencies: Section 1503.
Advances to veteran: Section 1507.
Advisory Committee: Section 1662.
Benefits, prior benefits not chargeable: Section 1502 (d).
Books: Section 1509.
Citizens of United States service in Allied forces: Section 109 (b).
Definitions:
Vocational rehabilitation: Section 1501 (2).
World War II: Section 1501 (1).
Eligibility:
Korean conflict: Section 1502.
World War II: Section 1502.
Employers, reports required of: Section 1504 (d).
Entitlement: Section 1502.
Equipment: Section 1509.
Forfeiture: Section 1508.
Fund, revolving: Section 1507.
Hospitalization, trainees: Section 1506.
Hospitalized, pending discharge: Section 1510.
Injury during training: Section 351.
Leave of absence: Section 1505.
Loans to veterans: Section 1507.
Medical care, trainees: Section 1506.
Noncitizen residence requirements: Section: 1502 (c) (3).
On-job training:
Reduction of allowances authorized: Section 1504 (d).
Reports required of employer: 1504 (d).
Penalties: Section 1508.
Prosthesis, trainees: Section 1506.
Protected cases: Section 5514.
Purpose of: Section 1501 (2).
Regulations, administrator: Sections 1505, 1508.
Revolving fund: Section 1507:
Studies, investigations, and reports: Section 217.
Subsistence allowance: Section 1504.
Supplies: Section 1509.
Suspension: Section 1508.
Time limitations:
Claim based on training injuries: Section 351.
Korean conflict service: Section 1502 (c) (2).
World War II service: Section 1502 (c) (1).
Travel expenses: Section 111.
Waiver:
Conflict of interest, employees: Sections 1664 (d), 1764 (b).
Overpayments: Sections 412 (f), 3102 (a).
War periods:
Indian wars: Sections 501 (1), 601 (3).
Korean conflict: Section 101 (9).
Prior to April 21, 1898: Section 343.
Spanish-American: Section 101 (6).
World War I: Sections 101 (7), 301 (2) (A), 501 (2).
World War II: Sections 101 (8), 301 (2) (B), 1901 (b).
Wartime, compensation rates: Sections 314, 322.
Wheelchairs: Section 612 (d).
Widow:
Compensation eligibility: Sections 101 (3), 103, 302, 321, 341.
Definition: Sections 101 (3), 404, 701 (2).
Dependency and indemnity compensation, eligibility: Sections 404, 410, 416.
Loans eligibility: Section 1801 (a) (2).
Marriage:
Date: Sections 101 (3), 103 (b), 302, 404, 532 (d), 534 (c), 536 (c), 541 (b), 543 (b).
Legal impediment, without knowledge: Section 103 (a).
Same veteran, more than once: Section 103 (b).
Validity, proof of: Section 103 (c).
Pension:
Eligibility: Sections 101 (3), 103, 531, 532, 534, 536, 541, 543.
Income limitation: Sections 503, 545.
Remarriage as bar: Section 101 (3).
Widower: Definition: Section 701 (2).
Witnesses:
Attendance, compelling: Sections 784 (c), 3311.
Disobedience to subpena: Section 3313.
Fees and mileage paid: Section 3311.
Production of evidence required: Section 3311.
Subpena: Sections 784 (c), (f), 3311.
Willful misconduct: Sections 105, 310, 331, 521 (a).
Women's Army Auxiliary Corps: Section 106.
World War Adjusted Compensation Act, protected cases: Section 5514.
World War I, period of: Sections 101 (7), 301 (2) (A), 501 (2).
World War II, period of: Sections 101 (8), 301 (2) (B), 1501 (1), 1801 (a) (1), 1901 (b).
Yaws: Section 301.
Yellow fever: Section 301.

DEFERRING EFFECTIVE DATE OF CERTAIN RESTRICTIONS ON PUBLIC LANDS OF THE UNITED STATES

Mr. ASPINALL submitted a conference report and statement on the bill (H. R. 5538) to provide that withdrawals, reservations, or restrictions of more than 5,000 acres of public lands of the United States for certain purposes shall not become effective until approved by act of Congress, and for other purposes.

CAPITAL BANKS FOR SMALL BUSINESS

The SPEAKER. Under the previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 30 minutes.

Mr. PATMAN. Mr. Speaker, I introduced the bill H. R. 10345, providing for capital banks for small business.

The proposal is to set up a bank in each Federal Reserve district patterned after the Federal land banks. Loans would be made in a similar way to applicants needing consideration for loans.

THE SMALL-BUSINESS BANKS TO BE PRIVATELY OWNED

The plan contemplates that eventually the banks will be owned by the borrowers just like the Federal land banks are now owned by the borrowers. It is proposed that the capital for small-business banks be obtained by taking $10 million from each of the 12 Federal Reserve banks as the initial capital. That is the same way capital was supplied for the Federal Deposit Insurance Corporation. At that time Congress took one-half of the surplus funds of the 12 Federal Reserve banks to start off the FDIC. The

FDIC in 1947 paid that money back to the Treasury, where it belonged, although it was borrowed from the surplus funds of the Federal Reserve banks. It is really public money and it was the right thing to do to pay it back to the Treasury, which was done.

This proposal contemplates a similar situation, taking the money from the Federal Reserve banks for the capital, and when it is paid back it is to be paid back into the Treasury.

THE FEDERAL RESERVE BANKS DO NOT WANT TO HELP SMALL BUSINESS

First I want to bring to your attention the fact that Federal Reserve banks since 1934 have had money at their disposal to make long-term loans, at least much larger than can be made now by a bank, and risk loans or venture capital to small-business concerns. But the Federal Reserve banks have not looked with favor upon that power; they considered it to be in competition with private commercial banks, and they have not done much about it; they have not tried to make the loans.

Now in a proposal that is before the Committee on Banking and Currency it is proposed that the $27.5 million that is in these banks, that is available to make small business loans be returned to the Treasury and not to require the Federal reserve banks to make these loans in the future. That being true we should have some place for the small business people to go to get small business loans.

I invite your attention to the fact that the Cravens Committee that assisted in the preparation of S. 1451, known as the Financial Restitution Act of 1957, recommended the repeal of section 13 (b) of the Federal Reserve Act. I read their recommendation:

> This recommendation is to repeal section 13 (b) of the Federal Reserve Act on the ground that it has been little used and that the Federal Reserve banks should not compete with commercial banks in the lending field. Therefore the recommendation is approved.

The Senate committee in its report on the bill S. 1451 recommended that section 13 (b) permitting the granting of these loans to small business be repealed by omitting it from the statute. In this connection I quote the following paragraph from page 35 of their report:

> There are also omitted, and consequently repealed, provisions contained in title 12, United States Code, section 352a, which were first enacted in 1934, authorizing the Federal Reserve banks to make working capital loans and commitments to established industrial or commercial businesses. This authority has been utilized very little in recent years and, in any event, appears to be inconsistent with central banking functions. Repeal of these provisions, as indicated in section 805 (b) of the present legislation, will result in the payment by the Federal reserve banks to the Treasury of amounts totaling approximately $27.5 million, heretofore paid to the reserve banks by the Treasury pursuant to these provisions.

The bill S. 1451 when it reached the House was referred to the Committee on Banking and Currency, and the staff of the Committee on Banking and Currency in writing up the summary of amendments referred to the fact that the repeal of this section 13 (b) was asked for:

> REPEAL OF BUSINESS LOAN AUTHORITY
>
> Section 13 (p. 83) omits the existing authority for Federal Reserve banks to make working capital loans and commitments to established industrial or commercial businesses.

THE TREASURY DEPARTMENT OPPOSES HELP TO SMALL BUSINESS FROM THE FEDERAL RESERVE

During June 1957 representatives of the Treasury appeared before the Committee on Banking and Currency of the United States Senate and testified that the law providing for the Federal Reserve to help small business should be repealed.

The Secretary of the Treasury, Hon. George M. Humphrey, presented a letter addressed to the President of the Senate in which he recommended that the idle funds now held by the 12 Federal Reserve banks for this purpose be returned to the Treasury, subject to future availability.

This letter is as follows:

> THE SECRETARY OF THE TREASURY,
> *Washington, January 8, 1957.*
>
> The PRESIDENT OF THE SENATE.
>
> SIR: There is submitted herewith a draft of a proposed bill, to authorize repayment to the Treasury of amounts paid to Federal Reserve banks for making industrial loans.
>
> The purpose of the proposed legislation is to authorize the Federal Reserve banks to repay to the Secretary of the Treasury the amounts paid to such banks under the provisions of subsection (e) of section 13 (b) of the Federal Reserve Act for making industrial loans, the amounts repaid to remain available to the banks for making subsequent loans, if found necessary.
>
> Subsection (e) of section 13 (b) of the Federal Reserve Act, as amended, approved June 19, 1934, authorized the Secretary of the Treasury to pay to each Federal Reserve bank, for the purpose of making industrial loans, an amount not to exceed the par value of the bank's holdings of capital stock in the Federal Deposit Insurance Corporation.
>
> For the purpose of making payments to the Federal Reserve banks, Congress appropriated $139,299,556.99 from the increment resulting from the reduction in the weight of the gold dollar. Payments were made by the Treasury to the banks from this appropriation, in the amount of $27,546,310.97. These funds have not been fully utilized by the Federal Reserve banks for many years. As of November 14, 1956, there were only $809,000 of loans outstanding and commitments of $2,176,000. Accordingly, the Department believes that, in the interest of sound fiscal management, the idle funds now held by the banks should be returned to the Treasury subject to future availability.
>
> It will be appreciated if you will lay the proposed bill before the Senate. A similar proposed bill has been transmitted to the Speaker of the House of Representatives. There is enclosed for your convenient reference a comparative print showing the changes in existing law that would be made by the proposed bill.
>
> We have been informed by the Board of Governors of the Federal Reserve System that it has no objection to the proposed legislation.
>
> The Department has been advised by the Bureau of the Budget that there is no objection to the submission of this proposed legislation to the Congress.
>
> Very truly yours,
>
> G. M. HUMPHREY,
> *Secretary of the Treasury.*

IDLE SURPLUS FUNDS IN THE FEDERAL RESERVE SHOULD BE USED TO HELP SMALL BUSINESS

Mr. Speaker, I call attention to the fact that Mr. Humphrey referred to these funds as idle funds, and he is correct in that statement. He would also be correct if he referred to the fact that all the surplus funds of the 12 Federal Reserve banks were idle funds, because they are idle funds.

I insert in the RECORD at this point the following statement by Mr. Martin, Chairman of the Board of Governors of the Federal Reserve System, in which he states in his testimony that he wants section 13 be repealed because he believes it is inconsistent with central banking functions.

This statement is as follows:

> Repeal of authority for business loans. The proposed revision of the Federal Reserve Act would omit and thereby repeal section 13 (b) of the present Federal Reserve Act authorizing the Federal Reserve banks to make working-capital loans to industrial or commercial businesses. This authority has not been utilized extensively in recent years and in any event it is believed to be inconsistent with central banking functions.
>
> Repeal of these provisions has heretofore been recommended by the Board. Their repeal would mean that the Reserve banks would repay to the Treasury approximately $27½ million which has been paid by the Treasury to the Reserve banks under these provisions.

The reason I bring this up is to show that the Federal Reserve System does not look with favor upon making any small-business loans and they are in effect kicking out the agency and the money that is set up for the purpose of making these loans. This being true, we should have a place for them to go to get long-term loans and venture capital. That is proposed in this bill, H. R. 10345, that I have introduced. It has tremendous support in both the House and Senate. We propose the use of the $27,500,000 as operating capital for the capitalizing the 12 new small-business capital banks.

A SMALL BUSINESS CAPITAL BANK SYSTEM SHOULD BE CREATED TO HELP SMALL BUSINESS

On January 29 I spoke on the floor of the House and I discussed at that time this small business banking system. This address commences at page 1292 of the RECORD. I also placed in connection with my remarks a copy of the bill and brought out the fact that in setting up these capital banks it would not require any loan from the Government. The Government would not be required to borrow money and pay interest on it. It would not interfere with the national debt. We have the money just like the FDIC had the money from the surplus funds of the Federal Reserve banks. It is the same situation, and, therefore, we have a precedent for it. That is all we are asking.

NEED FOR SMALL BUSINESS CAPITAL BANKS WIDELY RECOGNIZED

I also placed in the RECORD last week another statement, on February 10, commencing at page 1991 of the RECORD in which I discussed these banks again. I quoted at that time a representative of the American Bankers Association, Mr.

Kelly, who brought out the fact that small business needs gravely and desperately at this time a place where a small-business man can go and get consideration for long-term loans and for operating and venture capital.

FEDERAL RESERVE BANK PRESIDENTS SEE NO REASON WHY OUR PLAN FOR SMALL-BUSINESS BANKS COULD NOT WORK

Four presidents of the 12 Federal Reserve banks were asked to testify before the House Committee on Small Business last November.

One of these interrogated about this particular proposal—it had not been introduced at that time—was Mr. Alfred Hayes, president of the Federal Reserve Bank of New York, District No. 2, which includes, of course, the State of New York. Mr. Hayes was asked about this. He did not give any reason why he should not take $10 million from his surplus fund for this purpose in the State of New York. His only request was that the Federal Reserve not be required in any way to administer the operation. He requested that it be a separate and distinct operation from the Federal Reserve System. The Federal Reserve System does not want a thing to do with it. Therefore, we need to set up this separate agency.

The testimony of Mr. Hayes, November 19, 1957, before the House Small Business Committee, is quite revealing. I am inserting it in connection with my remarks.

ALFRED HAYES, PRESIDENT, FEDERAL RESERVE BANK OF NEW YORK—QUOTATIONS FROM THE TESTIMONY OF MR. HAYES' RECORD, PAGES 32-33

Mr. HAYES. Mr. Patman, I have not studied the question, so my opinion of it is not worth very much.

I think obviously if Congress should find that banks of that kind would fill a real need, then they should be set up. I have the feeling that they have practically nothing to do with the Federal Reserve banks by their nature, that there is a great difference between the kind of bank you are talking about and the central bank. And I see no particular reason why they should be very closely meshed with the Federal Reserve System.

The CHAIRMAN. Except the Federal Reserve would furnish the initial capital, just as they furnished the initial capital for the FDIC.

Mr. HAYES. I have a general feeling that our capital required is about right for the operations we are supposed to undertake as a central bank. But as I say, I have not studied that.

The CHAIRMAN. But it would not hurt your bank any to take $10 million of the reserves that you have, to let this new small bank have capital, would it?

Mr. HAYES. As I say, I have not studied this. I have not thought very much about the adequacy of our capital and reserves for the size of our operations. But I think I probably have a naturally conservative inclination to keep all the capital and reserves that we have to support our normal activity.

The CHAIRMAN. Mr. Hayes, your answer disturbs me. Your answer indicates that you think that you depend on your reserves and your capital to function.

Mr. HAYES. No, sir; I do not think—we certainly have to——

The CHAIRMAN. You do not depend on them at all.

Mr. HAYES. I suppose it provides some cushion in theory against whatever risk we may be taking in the way——

The CHAIRMAN. I did not intend to get into any dispute with you, and I hope you take this good naturedly, but it disturbs me that you indicate you are dependent on your reserves and capital, as a central bank—1 of the 12 Federal Reserve banks—when your capital does not enter into your business at all; it is not used, and your reserves are not used. Your power comes from your power to create money, which you do.

Mr. HAYES. Quite correct, Mr. PATMAN. But I think that any enterprise that involves making substantial investments in assets, whatever they may be, probably does well to have some reserves for contingencies.

We are an operating bank, an organization that does have income and outgo and presumably we should have some cushion somewhere to take up unforeseen expenses.

The CHAIRMAN. That is what disturbs me, Mr. Hayes, that you think you use this reserve——

Mr. HAYES. I do not mean to say that the size of our capital and reserves affects our open-market operations, because it does not.

The CHAIRMAN. Of course, it is so insignificant——

Mr. HAYES. I agree that it is a relatively unimportant factor. I just have a general feeling that some kind of a contingency fund is a desirable thing to have. But I certainly agree with you that it does not have a major bearing on any of our policies.

The CHAIRMAN. And if you are going to have something like a capital bank for small business, and if the Congress takes $10 million out of your reserve fund and lets this capital bank have it, you would rather have it divorced from the Federal Reserve operations altogether, in other words, entirely separate and distinct?

Mr. HAYES. That is my offhand instinct, yes, sir.

At the same time Mr. Malcolm Bryan, who is president of the Federal Reserve Bank of Atlanta, Ga., district No. 6, including the States of Georgia, Florida, Alabama, part of Tennessee, Louisiana, and Mississippi testified about this. Mr. Bryan did not know of any good reason why we should not use a part of the surplus funds of his bank to establish a small-business bank in that area.

MALCOLM BRYAN, PRESIDENT, FEDERAL RESERVE BANK OF ATLANTA—QUOTATIONS FROM THE TESTIMONY OF MR. BRYAN'S RECORD, PAGE 33

The CHAIRMAN. How would you feel about that, Mr. Bryan, about the capital bank for small business, and having a setup like the Federal Reserve? In other words, separate and distinct, but have an overall board appointed by the President, and then have different boards for each of the 12 banks selected by the President, and then later on, as the small-business concerns got an equitable interest, they would begin to get directors on the board, too?

Mr. BRYAN. Well, speaking, sir, purely for myself, I would be inclined to believe that one of the problems of small business is access to equity capital.

I have some considerable feeling that the Federal Reserve System has got all it can say grace over, in consequence of which I would be inclined, if it were in the wisdom of Congress to do so, to have it set up in the way you suggest.

Now, as for taking some of the capital away from the Federal Reserve Bank of Atlanta, allow me to assure you that if you do that I am going to obey the law, just because I do not want to go to jail.

The CHAIRMAN. It would not hurt your bank at all to take $10 million, would it?

Mr. BRYAN. I do want to make one statement on the capital situation—and that is one of the worst kiddings I get from people in the district who look at our statement of assets and liabilities and capital ratios. They say, "You are undercapitalized, aren't you?" It's hard to explain when other banks are urged to increase their capital.

The CHAIRMAN. You mean your bank?

Mr. BRYAN. Yes, sir.

The CHAIRMAN. You do not depend on your reserves and your capital stock ratio, do you, Mr. Bryan?

Mr. BRYAN. No; I think that is correct, sir. I think there is some reason, however, to allow the Federal Reserve bank to show a conventional statement that people understand. But I am not insisting on it.

The CHAIRMAN. Well, would they understand how you could do $50 billion worth of business on $332 million worth of capital?

Mr. BRYAN. That, sir, is one of the most difficult problems that I have to explain. And I do not know that I have ever got it explained to anybody's satisfaction.

Next, at same sitting, we interrogated Mr. Johns, president of the Federal Reserve Bank of St. Louis, District No. 8, including the States of Kentucky, Missouri, part of Tennessee, and Arkansas. Mr. Johns did not know of any reason why the surplus funds should not be used for that purpose.

DELOS C. JOHNS, PRESIDENT, FEDERAL RESERVE BANK OF ST. LOUIS NO. 8—QUOTATIONS FROM THE TESTIMONY OF MR. JOHNS' RECORD, PAGE 34

The CHAIRMAN. Mr. Johns, would you like to comment on the capital bank for small business idea?

Mr. JOHNS. One small comment. I have not observed that the Federal Reserve banks' presidents spend a great deal of time worrying about their capital funds.

My question about this, I do not wish to dispute the need for some sort of arrangements of this kind, I would hope that this is one of the answers we might gain from the study of the financing of small business that is under way.

I have some reservation, however, as to whether these funds should be supplied with Federal Reserve funds, which the chairman has already referred to as high-powered dollars, or whether it is not more desirable for these capital funds to be derived from the savings of the community.

The CHAIRMAN. May I suggest, I did not intend to say that these banks would have $10 million of high-powered dollars, upon which they could expand. They would just have $10 million, and that would be their capital.

Mr. JOHNS. Yes. But I think when they lend the money, Mr. Chairman, it quickly becomes a part of the reserves of the commercial banking system.

Then we interrogated Mr. Hugh Leach, president of the Federal Reserve Bank of Richmond, including, of course, Maryland and Washington, D. C., Virginia, North Carolina, and South Carolina. At the conclusion of his testimony I said:

You would not feel like you were hurt any, would you, Mr. Leach?

Mr. LEACH. I would not feel like I was busted.

In other words, they have plenty of money for that purpose. It is surplus money; it is idle money; it is not used. Do not overlook that. It is idle money; it is unused money; it is not used for any purpose. This would be using it for a good purpose.

HUGH LEACH, PRESIDENT, FEDERAL RESERVE BANK OF RICHMOND, FEDERAL RESERVE DISTRICT NO. 5, MARYLAND, WASHINGTON, D. C., VIRGINIA, NORTH CAROLINA AND SOUTH CAROLINA—QUOTATIONS FROM THE TESTIMONY OF MR. LEACH'S RECORD, PAGES 34-35

The CHAIRMAN. Mr. Leach, would you like to comment on the discussion we have had

here about the capital banks for small business, and about taking $10 million of your money to use as capital in your district?

Mr. LEACH. If the studies show, as they may well do, that an important need of small business is for equity corporations and Congress should decide to set them up, I would hope that they would not be closely connected with the Federal Reserve System, because the required experience and knowledge in an entirely different field.

If Congress takes $10 million from us, I guess I would not be in a position to object very much.

The CHAIRMAN. You would not feel like you were hurt any, would you, Mr. Leach?

Mr. LEACH. I would not feel like I was busted.

THE CHAIRMAN OF THE FEDERAL RESERVE SYSTEM STATES THAT THE PLAN FOR SMALL BUSINESS CAPITAL BANKS DESERVES CONSIDERATION

Next, on November 21, 1957, the House Small Business Committee had before it Mr. William McChesney Martin, Jr., Chairman of the Board of Governors of the Federal Reserve System. I interrogated Mr. Martin about this proposal, and he promised to give it earnest consideration, but he certainly did not give any good reason why we should not use $120 million for these 12 capital banks for small business.

WILLIAM MCCHESNEY MARTIN, JR., CHAIRMAN, BOARD OF GOVERNORS, FEDERAL RESERVE SYSTEM—QUOTATIONS FROM THE TESTIMONY OF MR. MARTIN'S RECORD, PAGES 332–335, AND 361

Mr. PATMAN. * * * Now, the point of my question is this. I spoke of a $10 million appropriation—did you read the testimony of Mr. Hayes and the other presidents of these banks before our committee on Monday, Mr. Martin?

Mr. MARTIN. No; I did not.

The CHAIRMAN. Do you know what it is?

Mr. MARTIN. No; I have not read it.

The CHAIRMAN. Well. I have news for you. They did not oppose my proposal to appropriate $10 million from each Federal Reserve bank too much. And each one of them said that they could put up the $10 million rather easily if Congress should require it. They did not seem to resist it too much.

Now, since we need capital and we have got to have capital, and this money in the Federal Reserve banks, in each Federal Reserve bank is idle money, it is unused money—the aggregate amount of it is over $745 million under section 7 and about $27 million under section 13 (b), which you will not repeal, and then about $108 million under another section. But you have over $750 million in these 12 Federal Reserve banks, money that is actual money. It is not any phony money. It is actual money. It is surplus. It is not needed now. It has never been needed in the past, and I say that there is no prospects of its use in the future. Certainly $10 million from each of the 12 banks or $120 million aggregate would not be too much to take from that fund.

Do you see any reason why that should not be considered, Mr. Martin?

Mr. MARTIN. I do not see any reason why it should not be considered, Mr. PATMAN.

The CHAIRMAN. However, it has one element different, and I think it is fundamental, it is basic, the most important of all. It is the money. You know when you appeared on the Senate bill, the question there was you would have to borrow the money. You would have to pay interest on it. It might cause the national debt to exceed the limit, and there were a lot of other reasons why you were against that bill. But those reasons do not apply to this proposal, because this proposal, you will note, will not unbalance the budget. You will not go over the debt limit with it. You will not incur additional obligations. You will not have to pay extra interest.

So you do not think it is an entirely different proposition, Mr. Martin?

Mr. MARTIN. I think there is that——

The CHAIRMAN. Using the surplus funds.

Mr. MARTIN. I think there is that difference. I think there are some questions, questions of judgment involved in it. I think they are raised in that statement which you have got in the Record. I do not want to commit the board of governors in either direction on it at this time. They have not considered it.

The CHAIRMAN. I will get back to that later, Mr. Martin. I will answer you on that in a minute. But now on the Boston bank, for instance, it has $43,948,000 surplus, an increase of $3 million last year. The New York bank has $208 million in surplus funds, just under section 7. Now, that money is not being used for any purpose; $10 million from that would not hurt them any. And on Philadelphia, $52 million; and Cleveland, $66 million; Richmond, $37 million; Atlanta, $33 million, an increase of $3 million last year; Chicago, $110 million; St. Louis, $29 million; Minneapolis, $18 million; Kansas City, $27 million; Dallas, $37 million; San Francisco, $82 million. I have a little news for you on San Francisco. They earned over $10 million last year; so what they earned last year would supply the capital of that bank. They earned $11 million.

Now, how did they earn that $11 million? It would be interesting to go into than and find out. Did they do it making discounts, lending money? No, they did not do it that way. You know how they made that money. They made $63 million last year, $63,479,000, and that is interest on Government securities.

Follow this closely; it is very important. It goes to the whole Federal Reserve Banking System. The San Francisco bank, although it earned net profits, after paying all expenses of all kinds whatsoever, earned $11 million last year. It only made gross $765,000 in discounts. So the money for all practical purposes, 98 percent of it, came from interest on Government securities. Now, those Government securities on which they earned that interest they did not touch. All those bonds were in New York, were they not?

Mr. MARTIN. I would not guarantee every one of them was, but the majority of them were.

The CHAIRMAN. The open-market account of the New York bank has charge of them, does it not?

Mr. MARTIN. Yes; the account has charge of them, but they are prorated through the System.

The CHAIRMAN. I know they are prorated, Mr. Martin, but you know what the score is. I do not have to just keep on asking you. You know. And the Federal Reserve bank in New York has complete charge of all these bonds for all the banks. The Dallas bank cannot touch one of them in the open-market account. The San Francisco bank cannot. It is only the Open Market Committee operating in the New York bank in charge of an officer of the New York Federal Reserve Bank, not even under your direction, not even hired by you, not even paid by you, but hired and paid by the New York bank. It has charge of every one of those bonds, and each year they just remit or credit the San Francisco bank its part of the interest. Is that not true?

Mr. MARTIN. Yes, I think that the account operates the way you say it does. All of the Federal Reserve banks participate in it. The New York bank handles the account as agent for the Federal Open Market Committee, and we have to approve the manager of the account.

The CHAIRMAN. So you are making $10 million a year on that exchange. That would be enough to capitalize one of these banks, the profits on one transaction.

Mr. Martin, since you testified carrying out the resolution of the Board against the Sparkman bill in the Senate, I am not discouraged. I feel like that you had a different proposition to consider, because it involved raising the money and interest rates and the debt ceiling and budget and unbalancing the budget and all those questions.

I can see where you would be against that bill, and maybe not be against the bill that I have suggested, and would you mind taking up with your Board the proposition that I have submitted, and give it earnest, careful consideration?

Mr. MARTIN. We will give it earnest, careful consideration.

CED'S PRESIDENT APPROVES PLAN FOR SMALL BUSINESS CAPITAL BANKS

Then, we had before us the president of the Committee for Economic Development, Mr. Alfred C. Neal, former executive vice president of the Federal Reserve Bank of Boston, Mass. That is Federal Reserve District No. 1. Mr. Neal had some encouraging and heartening information in connection with our proposal.

ALFRED C. NEAL, PRESIDENT, COMMITTEE FOR ECONOMIC DEVELOPMENT, FORMER EXECUTIVE VICE PRESIDENT, FEDERAL RESERVE BANK, BOSTON, MASS., FEDERAL RESERVE DISTRICT NO. 1—QUOTATIONS FROM THE TESTIMONY OF MR. NEAL'S RECORD, PAGES 91–93

Mr. NEAL. Mr. PATMAN, without answering your question directly, I would go so far as to say that the $120 million that you envisage probably could be made available by the Federal Reserve, but the question I would like to——

The CHAIRMAN. No; it would not be made available by the Federal Reserve. We will not ask them to make it available. We will pass a law to appropriate the money. It is the Government's money.

Mr. NEAL. You can do that, but the thing I am getting at is why should not the individuals and businesses who, after all, are going to be benefited at least indirectly, why should not they put up some of the capital for this capital bank?

The CHAIRMAN. Certainly they should, and that should be arranged, and with this in view: that eventually the banks will be owned by individuals. That is the way to work it. We do not want the Government to own it.

Mr. YATES. Is that something like the FNMA setup? Is that what you had in mind?

The CHAIRMAN. This is like the joint stock land banks and the Production Credit Corporation. The associations of the Production Credit Corporation. A lot of them have paid out and they are owned by individuals. And that is the way we would anticipate that this would be done, and it would eventually be owned by small-business concerns.

Now, you look with favor on that, I know.

Mr. NEAL. I do, sir.

The CHAIRMAN. I am referring to the surplus, which is $800 million.

Mr. NEAL. Now, I know what you are talking about.

The CHAIRMAN. Fine. Now, answer my question. That fund is idle and unused; is it not?

Mr. NEAL. That fund, sir, is, as you know, a bookkeeping entry.

The CHAIRMAN. Most banking is bookkeeping entry.

Mr. NEAL. Yes; but I mean that surplus stands on the books as a difference between the total of the assets and the liabilities and capital.

The CHAIRMAN. No, Mr. Neal, that has nothing to do with the assets. It is not

used as an asset. You know too much about it.

Mr. NEAL. I am only trying to answer your question. I do not know which specific assets in the Federal Reserve statement——

The CHAIRMAN. It is not an asset.

Mr. NEAL. No, but I do not know which assets correspond to that surplus.

I would assume, sir, if the Federal Reserve bank had to make available, subject to a law passed by the Congress, $10 million, that it would decrease surplus by $10 million.

The CHAIRMAN. All right.

Mr. NEAL. And it would set up probably a deposit to the account of your capital bank.

The CHAIRMAN. Certainly, it would.

Mr. NEAL. For $10 million.

The CHAIRMAN. Which could be carried in the Federal Reserve.

Mr. NEAL. Or that could be carried in the Federal Reserve. You would thereby have $10 million which was previously, as you say, idle and unused.

The CHAIRMAN. Yes.

Mr. NEAL. Becoming activated.

The CHAIRMAN. That is right.

I am giving you that information to let you know that this is not just an idea that someone has. It has been thought out over the years. It is fundamentally and basically sound and something that should be adopted by this Congress.

FEDERAL RESERVE SURPLUS FUNDS NOW IDLE AND WILL REMAIN UNUSED UNLESS TRANSFERRED TO SMALL-BUSINESS BANKS

In the consideration of the Financial Institutions Act of 1957, the bill now pending before the Committee on Banking and Currency of the House, hearings commenced in July 1957. I had the privilege and the gentleman from New York [Mr. MULTER], also a member of the Banking and Currency Committee, had the privilege of interrogating certain witnesses about proposals of this kind and other similar proposals, and I am inserting the testimony. You take, for instance, Mr. Martin was before our committee on July 31, and I asked him about the stock that the Federal Reserve banks had sold, and he stated it was not needed. I am bringing that up in connection with the surplus funds, and I am putting his testimony in the RECORD.

Mr. PATMAN. The Federal Reserve earnings that are mentioned in this bill, the division of the earnings as between 90 percent and 10 percent, is there any reason why you should have 10 percent go into the Federal Reserve bank surplus fund, when the Reserve banks have an amount in their surplus equal to their capital stock? Is there any reason for putting more money in these surplus funds, Mr. Martin?

Mr. MARTIN. Beyond what we presently have?

Mr. PATMAN. Yes.

Mr. MARTIN. Well, we are not just building it indefinitely. We have a stop-out point, and the Treasury gets all of the balance.

Mr. PATMAN. Ninety percent, but why should they keep the 10 percent when they don't need it for any purpose at all?

Mr. MARTIN. Well, we thought it was a normal contingency. We don't know what will happen over the years.

Mr. PATMAN. You have three-quarters of a billion dollars now. Do you think that should be paid on the national debt or retained with these banks? If you are going to insist on 10 percent, we could take three-quarters of that billion dollars and pay it on the national debt, couldn't we?

Mr. MARTIN. I think it would be sounder to follow the ordinary business practice of setting up a reserve.

Mr. PATMAN. Although you can't name a single purpose that you would probably need the money for.

Mr. MARTIN. Not at the moment, no.

Mr. PATMAN. And that stock cannot be sold, as Mr. MULTER brought out, and cannot be hypothecated?

Mr. MARTIN. That is right.

Mr. PATMAN. And it cannot be voted except according to the rules that you explained to him.

For what purpose is that money used, Mr. Martin? Can you name one purpose for which that money is needed, except as you said, that it creates a good relationship with the banks and makes them feel they are part of the System. Outside of that, what purpose does that capital stock serve?

Mr. MARTIN. I don't think it has any purpose at the moment. I think originally it was part of the organization capital of the Federal Reserve banks.

Mr. PATMAN. To set up the Reserve banks?

Mr. MARTIN. Certainly.

Mr. PATMAN. But now it is not needed at all, is it?

Mr. MARTIN. I think we could get along without it today.

Mr. PATMAN. All right.

Neither the stock nor the surplus funds are needed in connection with the operation and administration of the Federal Reserve banks. All these funds are idle and not used. You take the so-called capital stock of $342 million. It does not mean anything; it is not used for anything. The banks get 6 percent interest on it every year, but the money is not even invested; it has never been invested in Government bonds or anything else. It has been idle all these years and unused. You take the near $1 billion in the Federal Reserve banks of the country. It is just like Secretary Humphrey says; it is idle money; it is unused money, and certainly it is not going to hurt those banks to have $120 million of it used for small business capital banks purposes, just like it was used to set up the FDIC.

When Mr. Martin was on the witness stand I asked him this question:

You have three-quarters of a billion dollars now. Do you think that should be paid on the national debt or retained with these banks? If you are going to insist on 10 percent, we could take three-quarters of that billion dollars and pay it on the national debt, couldn't we?

Mr. MARTIN. I think it would be sounder to follow the ordinary business practice of setting up a reserve.

Mr. PATMAN. Although you can't name a single purpose that you would probably need the money for.

Mr. MARTIN. Not at the moment, no.

No one could name a single purpose for which that money could be needed for. It is idle and unused and should be put into use.

Then we had Governor Robertson. He was asked a similar question. He is a member of the board of governors of the Federal Reserve System.

Mr. PATMAN. * * * I wonder, however, since you have about three-quarters of a billion dollars in the surplus fund of the Federal Reserve banks, why you want 10 percent more each year. What will you do with it? It doesn't serve any purpose. It is idle, unused. What do you want to put it aside for?

Governor ROBERTSON. May I answer that?

Mr. PATMAN. Certainly.

Governor ROBERTSON. There is no magic in any 90 percent or 10 percent or anything else.

Mr. PATMAN. Why do you want any percent? Why do you want any amount, as long as you have a certain amount in the surplus fund of a bank? Why are you not satisfied with that? Why do you want to keep piling up more money, which is unused and doesn't serve any purpose?

Governor ROBERTSON. The only thing we were trying to do here was to follow out the original concept of the statute. It did provide for a surplus. This contemplates building up the surplus, not because you needed it today but because you might need it some other time.

Mr. PATMAN. What would you need it for?

Governor ROBERTSON. I can't imagine. I hope there is never a situation to need it.

When he appeared before us, the following colloquy took place:

Mr. PATMAN. Why do you want any percent? Why do you want any amount, as long as you have a certain amount in the surplus fund of a bank? Why are you not satisfied with that? Why do you want to keep piling up more money, which is unused and doesn't serve any purpose?

Governor ROBERTSON. The only thing we were trying to do here was to follow out the original concept of the statute. It did provide for a surplus. This contemplates building up the surplus, not because you needed it today but because you might need it some other time.

Mr. PATMAN. What would you need it for?

Governor ROBERTSON. I can't imagine. I hope there is never a situation to need it.

There are two members of the Board of Governors of the Federal Reserve System, including the chairman, both of whom say that they cannot conceive or imagine any purpose for which the money will ever be needed. So what are we waiting on as a Congress? Why should we not use it for a good purpose?

Mr. Multer interrogated Mr. Martin as follows:

Mr. MULTER. The moneys that are deposited by the members of the Federal Reserve System with the Federal Reserve banks, which are the moneys paid on their subscriptions to the stock, are immobilized almost to the same extent as their reserves, are they not? That money is held by the Federal Reserve bank, and it is immobilized the same as you immobilize the reserves. Am I right?

Mr. MARTIN. Yes, sir; that is right.

I think the point was made here in discussing those stock subscriptions—Mr. PATMAN made the point—that in the early days those stock subscriptions were part of the organization, the corporate organization of the banks, and they could have been used for operating expenses or anything else at that particular time, by the System.

As time has gone on, they have become an insignificant amount of money against the general operations.

I don't think that is any justification for eliminating them.

On July 15, Mr. Martin was testifying, as follows:

Mr. PATMAN. Mr. Martin, I want to ask you some questions about your statement, first. Now, on the expenditures for Federal Reserve bank buildings, there will be no limit as to Federal Reserve buildings, will there?

Mr. MARTIN. No, sir.

Mr. PATMAN. And this bill would take the limit off the branches too?

Mr. MARTIN. That is right. It would be capitalized.

Mr. PATMAN. I notice the Senate committee said that the money you will spend

is the Federal Reserve's money, anyway. Don't you consider this Government money, Mr. Martin?

Mr. MARTIN. I most certainly do.

On July 15, 1957, Mr. Martin further testified as follows:

Mr. PATMAN. * * * These statements of the Federal Reserve Board, covering the 12 Federal Reserve banks, show that 96 or 97 percent of all the earnings of all the Federal Reserve banks comes from interest on Government bonds.

Now, Mr. Martin, in acquiring those bonds for the 12 Federal Reserve banks, isn't it a fact that you don't use as backing for the money which you exchange for those bonds, for instance $23 million worth for the Dallas bank, you didn't use the reserve of the member banks, did you?

Mr. MARTIN. That is correct.

Mr. PATMAN. You did not use the capital stock of the members banks, did you?

Mr. MARTIN. That is correct.

Mr. PATMAN. You did not use the reserves or the surplus funds of the member banks?

Mr. MARTIN. That is correct.

Mr. PATMAN. Isn't it a fact that the only thing you used was money that you created which, of course, you have a right to do under the law? You created $23 million in Federal Reserve notes. Whether you actually transferred them physically or not, the result was that you created that much in Federal Reserve notes and traded them for United States Government bonds. That is correct, is it not?

Mr. MARTIN. That is one way of stating it.

THE NEED FOR SMALL BUSINESS CAPITAL BANKS IS CLEAR

Mr. Speaker, the House Small Business Committee has devoted considerable time and study to the problems of small-business financing. It is studying that matter intensively at this time. Recently, the full committee heard testimony from a number of experts who presented their views on what to do about solving the problems of small-business financing. Those experts included high-ranking, policymaking officials of the Federal Government—the Secretary of the Treasury, the Chairman of the Federal Reserve Board, and others—and experts who are leaders in private financial institutions. The latter included Mr. Edward T. McCormick, president of the American Stock Exchange and Mr. G. Keith Funston, president of the New York Stock Exchange.

We who are interested in alleviating the problems of small-business financing found much of value in the testimony of these experts. Mr. McCormick, president of the American Stock Exchange, proposed that Congress act to establish an agency and system for providing small business with equity capital. In the December 1957–January 1958 issue of the American Investor, an editorial was presented dealing with the proposals made by Mr. McCormick. That editorial is quoted as follows:

Small business has usually solved the problem of getting money to expand capacity or increase its sales volume by going to the bank. More than 95 percent of its capital requirements for growth have been met since the war through loans, whether from banks or others. However a permanent solution of the problems of growing small business firms does not lie in loans. They need permanent capital which they may keep in operation without meeting the recurring call for interest payments. The incurring of debt too often results in smaller firms being driven to the wall by the slightest local or national economic adjustments.

The conclusion expressed above appears more and more to be winning acceptance by students of small-business problems. How to effect the accumulation of needed capital is a vital subject to which the House Select Committee on Small Business has been giving its sympathetic attention in recent hearings. The necessary capital build-up can be accomplished through the accumulation of company savings, or through the subscription of equity capital by individuals or institutions willing, as partners, to share the risks as well as prospective profits of small business. On these points, Edward T. McCormick, president of the American Stock Exchange, suggested in his recent appearance before the committee:

"Under this form of taxation [double taxation of corporation income] a shareholder is taxed not only on the net income of the corporation in which he holds his shares, but again when a portion of that income is distributed to him as a dividend. I believe that, because of the greater risk involved in investment in new and small enterprises, the impact of this tax policy is even more severe in restricting the acceptance of the securities of these companies.

"I [also] believe that this committee should explore the possibility of setting up an investment trust or group of investment trusts of the closed-end type which would provide equity capital to small business and be jointly financed from governmental and private capital resources."

SMALL BUSINESS NEEDS CAPITAL TO FIGHT MONOPOLY

I can assure you that this is something the small-business concerns of the country need badly. It is needed in the fight against monopoly. Many of us can remember that over the years we have had, for instance, 2,000 manufacturers of passenger automobiles according to testimony presented to a Senate committee. We can remember when there were 50 or 100, easily, but now there are 4. Out of 2,000 they are down to 4. That is an unhealthy situation. There are 3,200,000 business concerns in the United States of America. Most of them, over 3 million of them, are small-business concerns. They are the backbone of the country. If we do not do something to help them they will soon fade away and that will be crushing to the economic system which we have enjoyed so long and so well. It is necessary in order to save our country, to save the backbone of the country, the small-business enterprises of the United States, and I hope that this bill receives favorable consideration.

In conclusion, may I say that the majority leader in the Senate, the distinguished senior Senator from Texas [Mr. JOHNSON] introduced an identical companion bill in the Senate, S. 3191. Other Members of the House and the Senate have expressed interest in joining and associating themselves with a proposal to create a small-business banking system. A number of Members of the House have likewise interested themselves in this proposal. A number of them have introduced similar bills.

WOMEN'S PATRIOTIC CONFERENCE

The SPEAKER. Under previous order of the House, the gentleman from Iowa [Mr. GROSS] is recognized for 30 minutes.

Mr. GROSS. Mr. Speaker, the 32d Women's Patriotic Conference on National Defense was held in Washington, D. C., on January 30–31, and February 1, 1958.

During this conference, the women attending adopted a series of resolutions and it is my desire to call the attention of Members of the House to the position taken by this patriotic organization on many of the important issues confronting the Nation.

Here are the resolutions:

RESOLUTION No. 1

GREETINGS TO PRESIDENT EISENHOWER

Resolved, That the 32d Women's Patriotic Conference on National Defense, Inc., extends to the President of the United States, Dwight D. Eisenhower, its greetings.

The conference offers its prayers for his guidance to the end that this sovereign Nation, under God, may not perish from the earth; and be it further

Resolved, That the 32d Women's Patriotic Conference on National Defense, Inc., pledges its support and cooperation to this purpose.

RESOLUTION No. 2

GREETINGS TO GEN. DOUGLAS MAC ARTHUR

Resolved, That the 32d Women's Patriotic Conference on National Defense, Inc., sends greetings to Gen. Douglas MacArthur with assurance of continuing esteem and confidence in his courage, his wisdom and his unmatched moral and military leadership.

RESOLUTION No. 3

COMMENDATION OF FBI HOUSE COMMITTEE ON UN-AMERICAN ACTIVITIES AND SENATE INTERNAL SECURITY SUBCOMMITTEE

Resolved, That the 32d Women's Patriotic Conference on National Defense, Inc., gratefully thanks the Honorable J. Edgar Hoover and the Federal Bureau of Investigation for their ceaseless and invaluable vigilance in detecting subversive individuals and organizations in the United States; and be it further

Resolved, That the 32d Women's Patriotic Conference on National Defense, Inc., expresses its continued support of the Senate Internal Security Subcommittee and the House Committee on Un-American Activities.

RESOLUTION No. 4

IN MEMORIAM

Whereas, the Nation has suffered grievious loss in the deaths recently of three great patriot leaders, Senator Joseph R. McCarthy, Senator Herman Welker, and Representative Lawrence H. Smith: Therefore be it

Resolved, That the 32d Women's Patriotic Conference on National Defense, Inc., pays tribute to the courage, wisdom, and patriotism of these three great national leaders and expresses to their families its deep sympathy and sense of personal loss.

RESOLUTION No. 5

PRESERVING THE SOVEREIGNTY OF CONGRESS

Resolved, That the 32d Women's Patriotic Conference on National Defense, Inc., urges that the Congress be importuned to prepare and enact all appropriate legislation to—

1. Strengthen the internal security of the United States,

2. Preserve the integrity and autonomy of the Congress and each of its Houses in the conduct of their own affairs, and

3. Protect the rights of the States, as guaranteed under the 10th amendment of the Constitution, especially with respect to investigation and legislating against subversion.

RESOLUTION No. 6

RIGHT-TO-WORK LAWS

Whereas the increasing popularity of all forms of international organizations present special problems affecting the national security and defense; and

Whereas the possibility that subversive foreign infiltration could hamper or cripple production in key industries is an ever present danger: Therefore be it

Resolved, That the 32d Women's Patriotic Conference on National Defense, Inc., urges that all States adopt right-to-work laws so that the American worker can always be master in his own home.

RESOLUTION No. 7

IN SUPPORT OF HOOVER REPORT—SUPPORTING H. R. 8002—TO PLACE THE FEDERAL BUDGET ON AN ANNUAL ACCRUED EXPENDITURE BASIS

Whereas firm Congressional control of space-age spending by modern budget methods is essential; and

Whereas Congress, under present obsolete methods, makes lump sum appropriations for projects running over a period of years; and

Whereas the agency which gets the money does not have to report back on the cost of the program or its progress from year to year and in this way huge carryover funds become lodged in the agency beyond further Congressional review, and it is estimated by the Hoover Commission there is a carryover of 70 billions—almost a year's budget—as a result of this wasteful practice; and

Whereas under H. R. 8002 the Government would pay in a given year only for the goods and services received in the year, thus enabling Congress to check programs annually: Therefore be it

Resolved, That the 32d Women's Patriotic Conference on National Defense, Inc., supports in principle H. R. 8002 so that modern businesslike methods may be used and that legislative control of the purse strings, which is a basic keystone of any free self-governing nation, may be strengthened.

RESOLUTION No. 8

INFLATION

Whereas the purchasing power of the United States dollar has already declined to about one-half of its 1939 value; and

Whereas the major cause of this inflation is deficit financing and ever-rising Government indebtedness; and

Whereas under the present administration, after an initial period of genuine effort toward economy, a balanced budget and reduction of indebtedness, strong evidence is accumulating that a new cycle of inflation resulting from high Government spending is about to begin; and

Whereas preservation of the financial solvency of the United States is an absolute essential for victory in the world struggle against socialism-communism: Therefore be it

Resolved, That the 32d Women's Patriotic Conference on National Defense, Inc., urges all individuals and organizations within and without the Government to support sound efforts toward economy in all phases of Government activity, foreign and domestic, in order to control indebtedness and maintain the purchasing power of the dollar; and be it further

Resolved, That the 32d Women's Patriotic Conference on National Defense, Inc., is adamantly opposed to any raise of the debt limit.

RESOLUTION No. 9

BUDGET

Whereas the $73.9 billion budget presented to the Congress of the United States for the next fiscal year is $2.1 billion more than the recordbreaking peacetime budget asked for last year; and

Whereas excessive taxing and spending is rapidly bringing about the triumph of world socialism and the breakdown of morality in the exact manner spelled out in Communist writings: Therefore be it

Resolved, That the 32d Women's Patriotic Conference on National Defense, Inc., petitions that a strong Congress refuse to appropriate additional money until the waste, extravagance, and boondoggling in the United States national and international spending programs is eliminated and a proper accounting made to the American people for money spent and benefit to the United States received.

RESOLUTION No. 10

COMMENDATION TO LT. GEN. JAMES M. GAVIN

Whereas at a time of great national peril when powerful forces are endeavoring to curb and silence all disclosures of facts involving the administration of our national-defense program in recent years, a certain general of the United States Army has had the courage to speak without fear of consequences, and to resign from his high position in order to preserve his right to speak, in order to bring to light facts essential to the security of our country: Now be it

Resolved, That the 32d Women's Patriotic Conference on National Defense, Inc., hereby expresses its commendation to Lt. Gen. James M. Gavin for his admirable conduct and unselfish action on behalf of his country, expressing the hope that he will at all times maintain himself free of any forces—Government or private—which might deter him from the objective which he has pursued so courageously.

RESOLUTION No. 11

OPPOSITION TO ABRIDGMENT OF NATIONAL ANTHEM

Whereas House Joint Resolution 17 is before the Judiciary Committee to standardize the national anthem by omitting the third stanza of Francis Scott Key's historic poem and removing the capital letter P referring to Divine Power, together with certain punctuation and music changes: Therefore be it

Resolved, That the 32d Women's Patriotic Conference on National Defense, Inc., petitions the Congress of the United States to oppose any change or abridgment in the words or music of our national anthem.

RESOLUTION No. 12

SUPREME COURT SHOULD NOT USURP LAWMAKING POWERS OF CONGRESS

Whereas our unique system of Government by laws, not men, in its division of powers gives great importance to our Federal Supreme Court; and

Whereas the Supreme Court must give judicial decisions; and

Whereas their judicial decisions become part of the supreme law of the land; and

Whereas to permit the Supreme Court to usurp the lawmaking powers of the Congress, even by writing implementing legislation, injures the basic fabric of our Government, as laws made by a majority of the Court with life tenure in office could reduce this Nation to rule by a five-man oligarchy, instead of a Nation governed by our own Constitution: Therefore be it

Resolved, That the 32d Women's Patriotic Conference on National Defense, Inc., urges all citizens to petition the Congress to stand firm and to refuse to acquiesce in any encroachment by the Supreme Court on the lawmaking function bestowed on Congress by the Constitution.

RESOLUTION No. 13

REAFFIRMATION OF SUPPORT OF M'CARRAN-WALTER IMMIGRATION ACT

Whereas the McCarran-Walter Immigration Act was overwhelmingly passed by more than a two-thirds vote of both Houses of Congress over the veto; and

Whereas the McCarran-Walter Immigration Act represents the first thorough and complete codification of our immigration and naturalization laws in more than a century; and

Whereas the McCarran-Walter Act has preserved our traditional and equitable national origins quota principal for determining the number of immigrants admitted yearly to the United States from each foreign country—a realistic recognition of the fact that certain nations are much closer to our American way of life than other nations in their economic living standards, Christian customs, culture, ideals, respect for law and order, and experience in self-government; and

Whereas the McCarran-Walter Immigration Act forbids the entry into the United States of criminals, Communists, subversives, and other undesirable aliens; and

Whereas the McCarran-Walter Immigration Act has been highly commended by competent immigration authorities, is heartily endorsed by the rank and file of the American people, and is opposed only by some groups who seek to dictate our national immigration policy: Therefore be it

Resolved, That the 32d Women's Patriotic Conference on National Defense, Inc., reaffirms its approval of the McCarran-Walter Immigration Act and will vigorously oppose any attempt by opponents of this act to repeal it or to weaken it in any way, and believes that the preservation of this act is a matter of primary concern to every patriot, if our country is to avoid being conquered by massive and uncontrolled immigration.

RESOLUTION No. 14

OPPOSING FEDERAL AID TO EDUCATION

Resolved, That the 32d Women's Patrotic Conference on National Defense, Inc., hereby reaffirms its strongest opposition to Federal aid to education and to the consequent inevitable Federal control of education within the States as demonstrated in other Federal-aid programs.

RESOLUTION No. 15

CONGRESSIONAL INVESTIGATION

Resolved by the 32d Women's Patriotic Conference on National Defense, Inc., That it is our solemn and unalterable conviction that investigations by the Congress are not only the prerogative but a constitutional obligation of that body, the discharge of which is indispensable to adequately informed and orderly legislation, for the execution of powers vested in the Congress, and that of all other powers vested in the Government of the United States, or, in any department or officer thereof; and be it further

Resolved, That it is undisputable teaching of political history that, whenever the executive has exerted the power, or been permitted to interfere with the legislative processes, liberty has been immolated; that any attempt of any other department of Government or officer thereof, whatever his rank, to interfere with the Congress in the discharge of this high obligation; to instruct it as to its conduct, or in any other manner hamper its operations, is a constitutionally unjustifiable intrusion upon the legislative prerogative and should be sharply rebuked and repudiated.

RESOLUTION No. 16

NATIONAL DEFENSE

Whereas the impotence of the United Nations as a bulwark of peace and security for freedom-loving people has been manifested by recent events in Hungary; and

Whereas the specialized agencies of the United Nations are continually strengthening their hold upon our institutions and our economy; and

Whereas the present Congress of the United States will be reevaluating our commitments within the United Nations and its specialized agencies, and foreign aid; and

Whereas the age of Sputnik, Muttnik, and Goofnik has demonstrated the importance of reevaluating our present world position: Therefore be it

Resolved, That the 32d Women's Patriotic Conference on National Defense, Inc., urges upon the Congress of the United States the necessity of conserving our resources, building up our own defenses and those of the Western Hemisphere and curbing our disproportionate contributions to the United Nations and its specialized agencies.

RESOLUTION No. 17

STRENGTHENING THE CURRICULUM OF TEACHERS' COLLEGES

Whereas the startling shortage of properly prepared teachers in chemistry, physics, and mathematics affects our future national defense: Therefore be it

Resolved, That the 32d Women's Patriotic Conference on National Defense, Inc., urges all State legislatures to require tax-supported teachers' colleges to include in the requisites for a master of arts degree, a course in United States history and a course in the subject which the teacher will actually teach.

RESOLUTION No. 18

PROTECTING THE INDIVIDUAL'S CONSTITUTIONAL RIGHTS UNDER OUR MENTAL HEALTH AND COMMITMENT LAWS

Whereas our unique system of justice protects the individual by assuming he is innocent until proved guilty by the State; and

Whereas this protection against search and seizure without a warrant and an immediate court hearing is especially important to protect the individual from incarceration in an insane asylum before close relatives have signed commitment papers in court; and

Whereas some pending laws in some States attempt to bypass the important safeguard of immediate formal court hearings and the signing of commitment papers by a close relative before an individual can be restrained; and

Whereas present techniques of diagnosis and treatment are frequently unsatisfactory and investigations have disclosed barbarous conditions in some mental institutions due to overcrowding and the low grade, sometimes brutal, attendants who have hourly control over patients—except for occasional interviews by psychologists or psychoanalysts with patients and relatives: Therefore be it

Resolved, That the 32d Women's Patriotic Conference on National Defense, Inc., urges the public to oppose changes in our State mental health and commitment laws which would increase the dangers of unjust or malicious detention of persons in public or private institutions, pending formal public court hearings at which the citizen's constitutional rights may be fully protected and the burden of proof must rest on the shoulders of those who dare to challenge another's sanity.

RESOLUTION No. 19

ENCOURAGING AND PROTECTING YOUTH'S ACTIVITIES IN ROCKETRY

Whereas the youth of these United States today, in their enthusiasm over rockets, are acquiring chemical compounds to be used as fuel for rockets and missiles, and men with little or no supervision or knowledge of safety measures are making rockets and firing same throughout these United States; and

Whereas concurrent with youth's learning the science of rocketry, this unsupervised preparation and firing is causing the loss of life, limb and property: Therefore be it

Resolved, That the 32d Women's Patriotic Conference on National Defense, Inc., supports all Members of Congress who are urging that the Congress immediately request the Department of Defense to help the American Rocket Society in education for this youth activity, by coordination with the request of the Department's three services to cooperate with the American Rocket Society's program, which is to help the rocket clubs of the high schools and the science clubs throughout the country so that the United States may, in the years ahead, profit from this timely Congressional action by acquiring a larger reservoir of talented scientists and engineers.

RESOLUTION No. 20

OPPOSITION TO INTERNATIONAL COVENANT ON HUMAN RIGHTS

Whereas the Declaration on Human Rights is a vague expression of good will and the pending "International Covenant on Human Rights" as proposed by the United Nations, is a different document, which if and when ratified, would be a binding treaty; and

Whereas the American people are not aware of the inherent dangers in this covenant which could supersede our Bill of Rights and our State laws by a stroke of the pen; among other losses all American citizens would lose the right of trial by jury and the right to own property: Therefore be it

Resolved, That the 32d Women's Patriotic Conference on National Defense, Inc., again urges public education and active opposition to United States ratification of the International Covenant on Human Rights.

RESOLUTION No. 21

OPPOSITION TO SEATING RED CHINA IN THE UNITED NATIONS

Resolved, That the 32d Women's Patriotic Conference on National Defense, Inc., strenuously opposes the recognition of Communist China by the United States and/or its admission to the United Nations; and further

Resolved, That the United States delegation to the United Nations be instructed accordingly; and further

Resolved, That the United States delegation to the United Nations be instructed to use the veto power if necessary to prevent the seating of the Red Chinese delegation in the United Nations; and be it further

Resolved, That the 32d Women's Patriotic Conference on National Defense, Inc., urges our Government to continue to support Gen. Chiang Kai-shek and his Nationalist Government and Syngman Rhee, President of South Korea.

RESOLUTION No. 22

STATES RIGHTS

Whereas the Federal Government has, through the years, made progressive encroachments upon the constitutional rights of the several States of the Union, with devastating destruction of their vested rights, abridgment of their liberties and control of their institutions; and be it

Resolved, That the 32d Women's Patriotic Conference on National Defense, Inc., urges a cessation of these destructive practices and a return to the 48 States of their sovereign rights as guaranteed under the Constitution of the United States of America.

RESOLUTION No. 23

PRESERVE LINCOLN MEMORIAL

Whereas the 32d Women's Patriotic Conference on National Defense, Inc., recognizes that the Lincoln Memorial in the National Capital is one of the greatest of our national memorials and one of the outstanding beauty spots in the city and affords inspiration and a lesson in patriotism to over 2,300,000 visitors annually; and

Whereas any structure which crosses part of the Lincoln Memorial grounds, and screens any part of it from the related nearby memorials, will inevitably be very harmful to its superb setting and an encroachment upon its dignity and serenity: Therefore be it

Resolved, That the 32d Women's Patriotic Conference on National Defense, Inc., hereby respectfully petitions the President and the Congress to prevent the construction by the Commissioners of the District of Columbia of the so-called Constitution Avenue Bridge pending further consideration by Congress of legislation still pending for location of the crossing elsewhere or the substitution of a tunnel in lieu of the bridge.

RESOLUTION No. 24

OPPOSING UNITED NATIONS ARMED FORCES

Whereas history has shown that the control of the armed forces by the people is essential for freedom and sovereignty of a nation; and

Whereas the lesson of Korea is that the United States while bearing 90 percent of the cost in American lives and dollars was denied victory by an international body; and

Whereas continued surrender of control of our Armed Forces to an international body would destroy the very fabric of our Constitution: Therefore be it

Resolved, That the 32d Women's Patriotic Conference on National Defense, Inc., urges upon the President and the Congress not to transfer any of our United States forces to any international command.

RESOLUTION No. 25

ENDORSEMENT OF SENATE JOINT RESOLUTION 3, CURRENT BRICKER AMENDMENT

Whereas our liberties as individuals and our sovereignty as a Nation are being constantly threatened by executive agreements and by treaties drawn up by international groups, the members of which have little understanding of our system of government and little regard for our welfare; and

Whereas such treaties when ratified by two-thirds of the Senators present and voting become the supreme law of the land, thus supplanting our Constitution and superseding our domestic laws by taking powers away from Congress and giving them to the President, by taking powers from the States and giving them to the Federal Government or to some international body, and can thus cut across the rights assured our people by our Bill of Rights; and

Whereas executive agreements do not now require ratification by Congress: Therefore be it

Resolved, That the 32d Women's Patriotic Conference on National Defense, Inc., pledges itself to a crusade to close these dangerous loopholes in our Constitution so that we may preserve our liberties as individuals and maintain our sovereignty as a Nation and our strength as a world power; and be it further

Resolved, That the 32d Women's Patriotic Conference on National Defense, Inc., calls upon our legislators to join with us in supporting the principles of the Bricker amendment to our Constitution (S. J. Res. 3).

RESOLUTION No. 26

DANGERS DUE TO TREATIES SUCH AS NATO WHICH ARE SUBSERVIENT TO THE UNITED NATIONS CHARTER

Whereas the current situation in Asia has awakened the American people to the possibility of an endless series of military defeats similar to Korea with their terrible price in American blood and treasure; and

Whereas the possibility of sending United States troops to the Far East or Europe without consent of Congress might be justified by interpretation of certain clauses in the Status of Forces Treaty, defining United States military obligations as a member of the North Atlantic Treaty Organization: Therefore be it

Resolved, That the 32d Women's Patriotic Conference on National Defense, Inc., again urges a national campaign to acquaint the American people with the dangers they face because even NATO (see articles I, V, VII, IX, XII) is set up as subservient to the United Nations Charter and, therefore, the United States, without its consent, can become involved in Asia and other troubled areas all over the world.

RESOLUTION No. 27

NATO STATUS OF FORCES TREATY

Whereas until July 15, 1953, American service personnel on duty in foreign countries were under United States military courts, thus retaining their rights as United States citizens while serving our country abroad; and

Whereas the ratification on July 15, 1953, of the Status of Forces Treaty of the North Atlantic Treaty Organization has deprived our servicemen of the traditional protection extended by our Constitution and enjoyed by United States servicemen on foreign soil, and now subjects our men to trial, imprisonment, and even the death penalty under foreign laws in foreign civil courts and prisons: Therefore be it

Resolved, That the 32d Women's Patriotic Conference on National Defense, Inc., petitions the Congress of the United States to support legislation which would nullify that part of the NATO treaty referring to the status of forces which deprives American servicemen of the protection of the United States Constitution when serving in more than 50 countries of the world.

RESOLUTION No. 28

REAFFIRMATION OF AMERICAN PRINCIPLES

Whereas the United States of America was founded as a Christian country by men and women seeking freedom from oppression in their native countries in Europe; and

Whereas past events have shown the prevalence of organized crime and subversion in our country, and have also shown the lack of moral integrity in high places: Therefore be it

Resolved, That the 32d Women's Patriotic Conference on National Defense, Inc., pledges itself to devote its every effort to furthering a return to the vision and ideals of our forefathers, courage, integrity, self-reliance, and faith in God.

RESOLUTION No. 29

FOUNDATIONS

Whereas there has arisen in this Republic a large number of so-called educational foundations; and

Whereas investigations of these foundations have shown them to be, among other things, holding companies to escape proper taxation; and

Whereas many educational foundations are using their tax-exempt funds to subvert our youth through control of our public educational system: Therefore be it

Resolved, That the 32d Women's Patriotic Conference on National Defense, Inc., goes on record as favoring legislation which will require all such foundations to file full and complete records as to personnel, expenditures, and scope of their educational work; and that they be required to pay taxes the same as all other corporations and individuals.

RESOLUTION No. 30

IN SUPPORT OF THE DIRKSEN-GWINN AMENDMENT

Resolved, The 32d Women's Patriotic Conference on National Defense, Inc., pledges its strong support to House Joint Resolution 123, Dirkson-Gwinn amendment, to the Constitution which would prohibit the United States Government from engaging in business in competition with its citizens.

RESOLUTION No. 31

PRESERVATION OF NATIONAL PARKS

Whereas America's national parks and monuments have been reserved from commercial use and other exploitation because their highest value and the wisest use of their natural resources is for the inspiration, education and enjoyment of all the people for all time: Be it

Resolved, That the 32d Women's Patriotic Conference on National Defense, Inc., opposes all pressures to expose any national park or national monument to exploitation, to changes for commercial purposes, or to transfer jurisdiction of them, or any parts of them for such purposes; and be it further

Resolved, That this conference urges the American people to use every means available to them to prevent desecration of national park and monument areas for any reason whatever.

RESOLUTION No. 32

PRESERVE UNITED STATES RIGHT OF VETO IN SECURITY COUNCIL OF UNITED NATIONS

Whereas frequent abuse of its right of veto by Russia cannot change the fundamental fact that proper use just once of the veto by the United States as a permanent member of the Security Council for the United Nations might save ourselves and the world from catastrophe; and

Whereas events demonstrate that the United States may be outvoted in the Security Council as well as in the Assembly of the United Nations: Therefore be it

Resolved, That the 32d Women's Patriotic Conference on National Defense, Inc., urges the public, the Congress and the President to resist all attempts to weaken by omission or evasion our right of veto in the Security Council of the United Nations.

RESOLUTION No. 33

OBJECTION TO UNITED NATIONS INTERNATIONAL CRIMINAL COURT

Resolved, That the 32d Women's Patriotic Conference on National Defense, Inc., condemns the proposed International Criminal Court as unconstitutional and a serious threat to United States citizens accused of international crimes; and be it further

Resolved, That citizens be urged to petition the Congress and the President not to be a party to the protocol of signature and to refuse to ratify the International Criminal Court as a treaty, special agreement, or Executive order recommending that copies of such petitions be sent the Judiciary Committees of the United States Senate and the House of Representatives.

RESOLUTION No. 34

OPPOSING ADDITION OF MEDICAL CARE TO SOCIAL SECURITY

Whereas forces abroad working for the creation of completely socialized economies have forced the adoption, in many countries, of socialized medicine with all its tragic results; and

Whereas these same forces are currently endeavoring to lead our country further into socialism by the inclusion of medical care in social-security programs: Therefore be it

Resolved, That the 32d Women's Patriotic Conference on National Defense, Inc., opposes this step toward further socialism in our country by the inclusion of medical care in social-security programs.

RESOLUTION No. 35

MAKE FEBRUARY AMERICAN HISTORY MONTH

Resolved, That the 32d Women's Patriotic Conference on National Defense, Inc., urges the Congress of the United States and the legislatures of the 48 States to proclaim February as American History Month, so that the enduring heritage of our immortal past may serve as a chart and compass for a happier present and a more glorious future for our beloved Republic as a great and sovereign nation.

RESOLUTION No. 36

IN FAVOR OF SEVERING DIPLOMATIC RELATIONS WITH U. S. S. R.

Whereas recognition of the Soviet Union was predicated upon the noninterference in the internal affairs of the United States by international communism; and

Whereas investigations by agencies of Federal, State, and local governments have established that this pledge has never been kept: Therefore be it

Resolved, That the 32d Women's Patriotic Conference on National Defense, Inc., urges immediate severance of diplomatic relations with the Union of Soviet Socialist Republics to remove the shield of diplomatic immunity from Communist subversion and espionage aimed at the destruction of the United States of America.

RESOLUTION No. 37

PAN AMERICAN RELATIONS

Whereas the 21 independent sovereign Republics of Pan America including our own, all fought for their independence from nations of the Old World and all have a republican form of government; and

Whereas the Organization of American States, formerly the Pan American Union, has established the principle that an attack upon a member nation is an attack upon us all; and

Whereas our Nation has a tradition of friendship with other Pan American nations and we have a mutual need of each other, our Nation needing their trade and raw materials and their nations needing our trade, our markets, and our scientific knowledge in mechanics and agriculture; and

Whereas the Pan American nations are targets for Communist infiltration and acts of sabotage such as blocking the Panama Canal, or destruction of the oilfields of Texas, Mexico, or Venezuela, which are parts of the Marxian plan to destroy the United States and all nations in the Western Hemisphere: Therefore be it

Resolved, That the 32d Women's Patriotic Conference on National Defense, Inc., recommends the study of all the Pan American Republics, their history, their geography, and their customs and that each individual member make a definite effort to encourage friendly relations with our neighbors of Pan America.

RESOLUTION No. 38

SCHOOL REPORT CARDS

Whereas even before our present overcrowded classrooms, a pupil's progress was not restricted to the personal opinion of the teacher, but also included the impartial and unbiased records of achievement as recorded by written examinations capable of evaluation by experienced educators and also understandable to the parents; and

Whereas present professional terminology is so vague as to be sometimes contradictory as interpreted by different teachers and because even a conscientious teacher's personal

impressions could be somewhat superficial due to our present-day large classes: Therefore be it

Resolved, That the 32d Women's Patriotic Conference on National Defense, Inc., urges the continuance of report cards which include not only the teacher's opinions but also include definite grade marks based on written examinations corrected by the teacher and capable of factual evaluation of accomplishment by other educators as well as being understandable to the parents.

RESOLUTION No. 39

OPPOSITION TO WORLD GOVERNMENT AND ATLANTIC UNION

Resolved, That the 32d Women's Patriotic Conference on National Defense, Inc., reaffirms its steadfast opposition to any form of world government, or partial world government or Atlantic Union, and to any impairment of the national sovereignty of our representative Republic, by convention, covenant, treaty, or executive agreement.

RESOLUTION No. 40

OPPOSITION TO FLUORIDATION OF WATER SUPPLIES

Whereas research is establishing that the addition of fluoride compounds to drinking water has many harmful effects: Therefore be it

Resolved, That the 32d Women's Patriotic Conference on National Defense, Inc., opposes forced mass medication by the addition of any of the fluoride compounds to drinking water.

RESOLUTION No. 41

TO PREVENT TAX EXEMPTION FOR PROPOSED FOUNDATION TO POPULARIZE THE ICA

Whereas Congress, through the Dworshak amendment, has wisely and specifically forbidden the use of Federal funds for the promotion or publicizing of the activities of the International Cooperation Administration; and

Whereas efforts are now underway by a group of citizens to obtain a fund of $1,500,000 for the purpose of coaxing the American people into supporting a continuation of the multi-billion-dollar foreign aid program; and

Whereas, it is proposed that contributions to this $1,500,000 propaganda campaign be tax-exempt thus circumventing and nullifying the clear intent of the Dworshak amendment: Therefore be it

Resolved, That the 32d Women's Patriotic Conference on National Defense, Inc., vigorously opposes any action on the part of the Commissioner of Internal Revenue which would provide tax exemptions for funds made available for this purpose, and we oppose as unwarranted the proposed campaign of propaganda and pressure upon the American people and Congress, in an effort to secure approval of another huge appropriation for foreign aid.

RESOLUTION No. 42

OPPOSITION TO RENEWAL OF RECIPROCAL TRADE AGREEMENTS ACT AND UNITED STATES PARTICIPATION IN GENERAL AGREEMENT ON TARIFFS AND TRADE (GATT)

Resolved, That the 32d Women's Patriotic Conference on National Defense, Inc., reaffirms its opposition to the Reciprocal Trade Agreements Act and urges the Congress of the United States to resume its constitutional responsibility of regulating foreign commerce through its agent, the Tariff Commission, and allow the 1943 Trade Agreements Act to expire June 30, 1958; and be it further

Resolved, That the 32d Women's Patriotic Conference on National Defense, Inc., reaffirms its opposition to United States participation in the proposed Organization for Trade Cooperation (OTC) which is designed to administer and enforce the regulations of the General Agreement on Tariffs and Trade (GATT), thus bypassing Congressional approval of United States participation in GATT itself.

RESOLUTION No. 43

IN SUPPORT OF JENNER BILL TO LIMIT APPELLATE JURISDICTION OF THE SUPREME COURT OF THE UNITED STATES

Resolved, That the 32d Women's Patriotic Conference on National Defense, Inc., pledges active support to the principles of Senator JENNER'S bill to limit the appellate jurisdiction of the Supreme Court.

INTERSTATE HIGHWAY SYSTEM

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 30 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, ever since the proposal was first made for the completion of the Interstate Highway System in 1955, I instituted a program of continuous study of the proposal and program. These studies have been continued up to the present date.

I would like to call the attention of the Members to the broad basic findings or conclusions I have reached that epitomize in the broad general statement that this great highway program is not being established with the sureness of perception and efficiency which the Congress should reasonably expect, and point out to you that the House Committee on Public Works which did such a splendid job in building the law under which this program now operates, is faced with the difficult task of amending and strengthening this law so that it will more directly reflect the intent of Congress.

There is growing evidence that some State governments who are partners in the great program are not sufficiently aware of the program to properly carry out their part therein. There is substantial evidence of weakness in administering the law on a Federal level, and at present there is no well-established procedure for correcting these basic faults.

If we are to have a sound and well-established Interstate Highway System of at least 41,000 miles by 1975 to meet the needs of the country at that time, this program must be strengthened by correcting the administrative decisions and practices that have been followed since the passage of the act in July 1956.

A closer, better and more integrated relationship must be developed between the Federal Bureau of Public Roads and all of the States, and a more equitable distribution of Federal funds and allocation of mileage be made.

I am very confident that through the gentleman from New York [Mr. BUCKLEY], chairman of the Committee on Public Works, and the gentleman from Maryland [Mr. FALLON], chairman of the Subcommittee on Public Roads, that these major faults that have developed in the operation of the law will be corrected this session; at least I hope so. I particularly want to call your attention to the fact that we have placed a tremendous burden on these two committees which will tax the capacity of these committees if they are to complete this work this session.

I have had prepared a thorough study of the present operations of the Highway Act of 1956 and I present the same to my colleagues.

Mr. Speaker, the Highway Act of 1956 was probably the most important and far-reaching domestic legislation affecting our national economy passed in recent years. It involved the largest single commitment of funds by the Federal Government ever passed by Congress in our national history, with the exception of our war appropriations.

I closely followed this legislation through all stages of its enactment and I have been very much interested in its administration during the 19 months it has been in operation. I have only the greatest praise for the Committee on Public Works under the chairmanship of my good friend, the gentleman from New York, Congressman BUCKLEY, and the Subcommittee on Public Roads under the chairamnship of my good friend, the gentleman from Maryland, Congressman FALLON, for their most effective work and the great contribution they made in establishing the present law.

Before and since the act was passed I have been engaged in quite an extended correspondence with Secretary of Commerce Weeks, because of what seemed to me to be unfair treatment to Massachusetts in the allocation of Federal mileage.

I am disturbed with the administration of this law up to now by Secretary Weeks and the Federal Bureau of Public Roads because of the great concentration of power that has been placed in the hands of the Administrator and his assistants, the questionable exercise of this power in the allocation of new mileage and Federal funds without proper consultation with the various States, and the arbitrary manner in which decisions have been made, which seem to me to be at serious variance with the meaning of the law and the intent of Congress, especially that understanding that all allocations of mileage and Federal funds shall be made in an equitable and efficient manner to achieve the greatest benefit to our country and the States which are partners in this program.

Even before the act of 1956 was passed we had a clear demonstration of this arbitrary exercise of power in the action of former Commissioner C. D. Curtiss on September 15, 1955, allocating 2,300 unassigned miles of interstate highway without properly consulting with the various States, even though the Federal Highway Act of 1921, which is still in force, provides that all Federal-aid highway projects shall be initiated by the States, and the Secretary of Commerce and the Federal Bureau only have the right to accept or reject the State proposals.

We have another example of arbitrary and inequitable distribution of interstate mileage in the action of Secretary Weeks and the present Administrator of the Bu-

reau of Public Roads on October 18, 1957, in allocating 2,102 additional interstate miles provided either in the act of 1956 or from savings made in the system.

You are all familiar, I am sure, with the fact that 1,378 of these new interstate miles were allocated to 4 new interstate highways that do not seem to meet the various and shifting criteria established by the Secretary of Commerce as the reasons for these allocations.

There is considerable evidence that no State involved in any of these allocations was consulted in advance. On the other hand, strong protest has been made by several of the States involved, not alone because the routes were laid out by the Federal Bureau but particularly because they do not meet with the States' needs, and compelling the State governments involved to pay 10 percent of the cost, if they are now accepted, under the threat that if they do not accept the Federal Bureau will withdraw the allocation for them.

I am reliably informed that more than 100 complaints have been made by governors, Senators, and Representatives in Congress, and State officials, either against the specific routes made to their States, against the injurious effects of these allocations to neighboring States, or because the States believe they did not receive fair treatment in the allocations.

Some governors, I am informed, have not come out publicly against the allocations made to their States, because of fear that they will be accused of turning down 90 percent of Federal contributions, but they have written letters of protest.

Since the allocations made by the Bureau in October, last year, I have had several studies made which serve to illuminate the situation and prove that there is a complete lack of an adequate master plan for building and completing the Interstate System.

A map of the United States is very misleading if it is used as an illustration of the economy and the population of our country, because the growth of our United States is from east to west, and the great tide of immigration was from Eurcpe; the density of our population and industry is concentrated in the eastern part. It always was that way from the beginning and it is so today.

I call to your particular attention the fact that the eastern Atlantic States of New England, New York, New Jersey, Pennsylvania, Delaware, Maryland, and the District of Columbia, which contain almost 40 percent of all manufacturing plants and manufacturing workers in the country, received a total allocation of approximately 140 miles or 7 percent of the total allocation of 2,102 miles made by Secretary Weeks and the Administrator of the Bureau of Public Roads last October. New England received a total of 10 miles, 5 for a Springfield-Holyoke bypass highway and 5 miles for a Hartford bypass, and there is some question as to the validity of the Springfield bypass.

These eastern States are densely populated, and many industrial plants vital for defense production are located there. They also have greatly congested highways, in many cases well beyond the saturation point. As a large area of country there is probably more highway congestion in these States than in any other section of our country, and the situation is steadily getting worse. They received a totally unrealistic 7 percent of the total allocation of new mileage in October last, far below the present growth needs.

The inevitable deduction must be drawn that these States are expected to build themselves the expansions of the Interstate Highway System needed to meet the requirements of 1975, or at least most of the new mileage. It is extremely difficult to follow the reasoning that would justify such a small allocation, in view of the large segments of new mileage allocated in some cases to very sparsely populated areas with few industrial plants, where the use of these new highways will be for light traffic for at least a long time to come.

If highway congestion or industrial densities now or expected are factors in this decision, and if these allocations were made to meet highway and economic conditions that will prevail in 1975, it is at least difficult to understand how such a decision was made. If the major consideration was to connect major cities of the country it should be pointed out that the two largest allocations of 978 miles do not connect large cities. If military needs were a major factor there is no evidence that the military complained about the need for these new highways.

If the justification as explained by the Bureau was to make necessary connecting links, the justification and necessity was purely a matter of judgment, and the decision was made by 2 or 3 officials, without holding open hearings or conferences with the States involved or their neighboring States.

In a recent letter I sent to Secretary Weeks, I made the following statement:

> I know of no other expenditure of billions of dollars by the Federal Government determined solely by the opinion of 2 or 3 men, without giving an opportunity for all States involved to submit in open hearings their needs, desires, and justifications. It is not possible for three men to know enough about the United States to give efficient and fair allocations for a highway system which will not be completed for 15 years to fill the needs of 1975, without establishing exhaustive and thorough study of all factors.

I have not yet received a reply from the Secretary of Commerce commenting on this contention of mine, but in his reply I received assurance that because the cost to build interstate mileage in Massachusetts is higher than in some other States, we would benefit.

This is the form of explanation that seems at great variance with the purposes of the act and the intent of Congress. This is the first time I have received the intimation that because it would cost more to build interstate mileage in the congested or densely populated States, than in the sparsely settled States where the cost per mile would be less, it would have an influence in determining what the country needs from the Interstate System.

I know that when the legislation was being prepared by the House subcommittee the committee members were thoroughly aware of the differing costs of construction between the densely populated and industrial areas and the rural or barren areas of the West, and this consideration was well in mind when the cost estimates were established.

In the allocation of funds to the States and the acceptance of the States' estimates of needs, there is plenty of evidence that the plan for the Interstate System is not thoroughly understood.

In the summer of 1953 a representative of the present Secretary of Commerce advised a subcommittee of the House Public Works Committee that the needs on 37,800 miles of the Interstate System were $11,300,000,000—see page 14, national highway study summary of subcommittee hearings, House Print No. 9, Committee on Public Works.

Section 13 of the Federal-aid Highway Act of 1954 directed the Secretary of Commerce to make a comprehensive study of the cost of completing the Interstate System and to make a report of his findings to the Congress. The Secretary submitted such a report on March 25, 1955, in which he advised that the cost of completing the Interstate System would be $23,200,000,000 for 37,700 miles.

Again, in section 108 (d) of the Federal-aid Highway Act of 1956 the Congress directed the Secretary of Commerce to make a study and report to the Congress, the needs of the National System of Interstate and Defense Highways. The Secretary submitted such a report to the Speaker of the House on January 7, 1958.

The first three columns of table C in that report list these highway needs as of July 1, 1956. The total is $39,500,000,000, the estimate applying to 38,548 miles of the 41,000 miles authorized for the Interstate System.

It would be interesting to find out how these relatively comparative estimates increased from $11,300,000,000 in 1954 to $93,500,000,000, the first week of 1958. The somewhat inevitable conclusion is that the Secretary of Commerce and the Bureau of Public Roads do not have a clear understanding of the needs of the Interstate System, and have not yet made a true Federal estimate, relying solely on the individual estimates made by the 48 State highway departments. There is evidence that some of these State officials do not have a completely clear knowledge of which is involved in the Federal program.

The Secretary of Commerce in his January 7, 1958 report, states that the latest increases in cost of the Interstate System amount to 37 percent on a nationwide average. Of this, 5 percent is charged to traffic increase, 15 percent is the additional cost of compliance to the directive of Congress in section 116 (b) of the act of 1956 to take care of local needs, 3 percent is the additional cost of utility adjustments and 12 percent to the increased cost of building the highways.

The attached table shows a comparison of interstate needs as reported by the Secretary for the $23,200,000,000 estimate of March 1955 by States and also for the $39,500,000,000 estimate of July 1, 1956. These figures are illuminating,

showing that while the estimate for Connecticut was cut $71 million, other States' needs were greatly increased. Texas' needs are increased $1,754,000,000, Virginia's needs are increased $1,562,000,000, California's needs increased by $1,481,000,000, and New York's estimate of cost is increased by $1,323,000,000.

I think that this latest estimate of interstate highway needs proves quite conclusively my statement to Secretary Weeks that the problems of allocation of mileage and distributing the funds are altogether too vast for any 2 or 3 men to make equitable decisions, at least without thorough study and public hearings at which the States will submit their need justifications. To this I might add, it demonstrates the need of a clear definition of what the interstate program seeks to accomplish, which is thoroughly understood by the Department of Commerce, the Bureau of Public Roads, and every State highway department.

Of equal or even greater importance in building the Interstate System than the allocation of mileage or the distribution of funds, is the effect on urban living and growth that will come from the erection of these limited-access highways. How they will be built through our cities and congested areas, the effect they will have on mass transportation, the isolation of one area of a city from another, the barriers created between schools and schoolchildren, between churches and congregations, the local loss of tax revenues, as well as the expansion and growth of communities for the next 25 years, are all problems vitally important to a majority of the American people who live and work in cities and towns on the Interstate System.

These problems and others emphasize the need of thorough local and national study for routes that must pass through our large cities, particularly. In the meantime the problem of urban connections through cities on the Interstate System, the location of stub or spur highways to connect cities with nearby interstate through highways are almost all in the future, and indicate the necessity for a new body of definitions and regulations with stronger controls at the Federal level, the expansion of State highway departments, the adoption of new engineering methods, local public hearings, and an appellate body in Washington that can settle disputes.

When States' needs provide the measure of distributing mileage and Federal-aid for highways in the next year or so, then I believe we can get down to the practical problem of building the Interstate System in a manner which will be the most efficient and helpful for our country, the States and communities through which this system will pass, and provide the transportation facilities that will bring greater success, safety, and comfort to our people.

I am convinced that if we had the kind of deliberative understanding and equitable controls I have advocated above, Massachusetts and other States would have received far better treatment in the allocation of new miles to the Interstate System. I am hopeful that in the next years these wrongs will be righted.

For the Subcommittee on Public Roads, under the chairmanship of Congressman FALLON, I am hopeful that in its deliberations seeking to improve the operation of this great National and State venture, which are about to start, the committee will be able to correct the faults and bad administration of this act, which means so much to our future prosperity and coming generations of Americans.

Mr. Speaker, in the light of the present recession, it is of great importance that early action be taken which will enable the several States to start roadbuilding projects that will be a stimulant to business and reduce unemployment.

Estimated cost of completing Interstate Highway System

[Millions of dollars]

State	Estimate of cost		Increase	Percent increase
	Mar. 25, 1955	July 1, 1956		
Alabama	366	755	389	106
Arizona	210	497	287	137
Arkansas	203	401	198	98
California	2,321	3,802	1,481	64
Colorado	157	324	167	106
Connecticut	555	484	[1] −71	[1] −13
Delaware	66	199	133	202
Florida	496	929	433	87
Georgia	700	906	206	29
Idaho	107	277	170	159
Illinois	1,065	2,266	1,201	113
Indiana	867	1,068	201	23
Iowa	275	428	153	56
Kansas	207	382	175	85
Kentucky	492	669	176	36
Louisiana	493	940	447	91
Maine	147	214	67	46
Maryland	434	831	397	91
Massachusetts	838	1,053	215	26
Michigan	1,295	1,457	162	13
Minnesota	483	728	245	51
Mississippi	246	441	195	79
Missouri	599	1,063	464	77
Montana	153	447	294	192
Nebraska	106	283	177	167
Nevada	73	222	149	204
New Hampshire	66	217	151	229
New Jersey	1,357	1,412	55	4
New Mexico	235	447	212	90
New York	1,336	2,659	1,323	99
North Carolina	247	315	68	28
North Dakota	107	205	98	92
Ohio	1,361	2,328	967	71
Oklahoma	377	390	13	3
Oregon	319	628	309	97
Pennsylvania	760	1,682	922	121
Rhode Island	123	183	60	49
South Carolina	183	341	158	86
South Dakota	95	200	105	111
Tennessee	380	1,076	696	183
Texas	872	1,754	882	101
Utah	238	349	111	47
Vermont	178	339	161	90
Virginia	569	1,562	993	174
Washington	467	674	207	44
West Virginia	258	472	214	83
Wisconsin	323	469	146	45
Wyoming	296	388	92	31
District of Columbia	152	355	203	133
Total	23,253	39,511	16,258	70

[1] Decrease.

A SALUTE TO THE FUTURE FARMERS OF AMERICA

Mr. NATCHER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. NATCHER. Mr. Speaker, most of us are familiar with our first President's love of the land. It was on his farm called Mount Vernon that he practiced contour planting, crop rotation, and other soil conserving methods. Each year, near the anniversary of the birth of George Washington a period of time is set aside which is called National Future Farmers of America Week. The setting aside of this particular week is for the purpose of focusing attention on the work of the future farmers of today who will be the successful farmers of tomorrow.

Vocational agriculture and the FFA constitute a most effective program for training boys to be good farmers and helping them to become established in the farming occupation of their choice. In view of the Nation's need for new farmers, it is quite fitting that recognition be given these young men, while, at the same time, such encouragement be offered as to stimulate them to harder work and greater achievement.

It was our third President, Thomas Jefferson, who said, "Those who labor in the earth are the chosen people of God." Our early farmers came from a working class of people in Europe and early frontier life helped to develop a democratic spirit and pride in the virtues of industry, thrift, and labor which is present today in our American farms. Well did our forefathers know that agriculture must prosper if our Nation is to prosper. It was during the Second Continental Congress that a move was started to set up a Department of Agriculture where problems confronting our farmers could be studied and properly researched. Then, as today, the results of research and control achievements were carried directly to the farmer in order to be properly utilized. At the present time this mission is assigned to our county agents and home demonstration agents. These dedicated men and women render untold assistance, not only to our farmers and their wives, but to our Future Farmers of America. Also our vocational agricultural teachers are performing outstanding work. They are not only instructors, but they set examples of personal inspiration in working with the young people of the FFA on the farms and in schools. In my Congressional District the FFA organization is composed of intelligent, energetic young men who are the recipients of benefits gained through services of their county agents, home demonstration agents, and vocational agricultural teachers.

Through participating experiences in the various chapters of the Future Farmers of America, members learn how to take part in meetings, to follow parliamentary procedure, to speak in public and to cooperate with their fellow students in programs for individual and community betterment. Local chapters sponsor recreational activities, safety campaigns, hold parent-son banquets, and so forth. The achievements recorded by the farm youth in all the counties of the Second District of Kentucky can be pointed to with pride by the people of Kentucky generally. And any demonstration of interest in their accomplishments only spurs them on to increased efforts.

In this crucial period now facing us, it is comforting to dwell on the thought

that in the years to come the welfare of our country will rest in the hands of such young people as those affiliated with the Future Farmers of America. They have learned to find themselves as individuals and to lose themselves in interests, causes, and enduring ideas. Our country will always have room for imaginative, reasonable, and responsible men and women. In this respect the members of the FFA are fulfilling themselves so that they can fit into the world creatively and significantly.

I not only salute the Future Farmers of America but express my personal appreciation for their vigilant efforts toward the advancement of agriculture.

THE LIVING UNKNOWN SOLDIER

Mr. SILER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. SILER. Mr. Speaker, over yonder across the river in the Arlington Cemetery is the Tomb of the Unknown Soldier. It is of white marble. The inscription says:

Here rests in honored glory an American soldier known but to God.

No one really knows, but he may be white or colored, rich or poor, Catholic, Jew, Protestant or none of these. He may come from Briar Creek in my home county in the mountains of Kentucky or he may come from the great, throbbing city of New York. God only knows. But we do know he is dead and my present remarks are not about him at all. However, I want to talk a little right now upon "The Living Unknown Soldier," the one still breathing and keeping house somewhere in our country up at the head of the hollow—the doughboy, the GI, the one Ernie Pyle sometimes referred to as the dogface. My man is still alive. He is still with us. Now the frost of many winters may be upon his head above those stooping shoulders. His cough may be asthmatic. His palsied tremor of hands may be pronounced. His eyes once keen upon a gun barrel may be quite dim in these days of 1958. Yet he is still around here in our land and he is supremely worthy of our thoughtful consideration in the Congress of the United States as we ponder many grave problems in our present day and age.

There has been a considerable amount of callous talk about cutting down or cutting out the pension of that living unknown soldier. And some have even thought of economizing on the service-connected compensation now provided by laws previously enacted by this body in behalf of that same living unknown soldier. The Bradley Commission has made its report. And some people may be about ready to change the symbolic cognomen of our country from Uncle Sam to Uncle Judas, the ungrateful betrayer for thirty pieces of 1958 economy as the price upon the living unknown soldier—sold out by acceptance of the Bradley report by this Congress. I, for one, refuse. I, for one, feel that this Living Unknown Soldier should keep his benefits until the sun grows cold and as long as the years shall fall like grains of sand through the fingers of God Almighty upon the seashores of time.

The Living Unknown Soldier was 22 million strong in this past September of 1957 but was not very strong in body or physical prowess at that time. Yet when he came forth in the flower of his young manhood from the Old Kentucky Home, where the sun shines bright, or from Deep in the Heart of Texas, or from Oklahoma, where the corn is as high as an elephant's eye, back in the days of conflict, this living unknown soldier could have asserted his own strength as David asserted his to King Saul:

Thy servant kept his father's sheep, and there came a lion, and a bear, and took a lamb out of the flock: and I went out after him, and smote him, and delivered it out of his mouth: and when he arose against me, I caught him by his beard, and smote him, and slew him.

Surely we remember. It was when night had almost blotted out the light, when might had almost supplanted right, when horror gripped the hearts of men, that the American GI struggled up the hill of Golgotha and told the world "This is my body broken for you." And I say to you now that any nation great enough to muster them and send them out should be great enough to continue their benefits when war drums no longer roll.

It is timely to note that in the past 15 years United States taxpayers have paid over $60 billion in foreign aid programs, while the total cost of pensions and compensations to veterans and their dependents during the entire history of the United States is less than $40 billion. United States taxpayers are spending less today in proportion to national income for pensions and compensation than they were spending some 60 years ago when the veteran population represented less than 3 percent of the total compared to over 13 percent today.

The great poet, Edwin Markham, wrote these lines:

We are all blind, until we see
That in the human plan
Nothing is worth the making if
It does not make the man.
Why build these cities glorious
If man unbuilded goes?
In vain we build the work, unless
The builder also grows.

Our Uncle Sam is the most successful builder on earth and yet he cannot build at all nor grow one inch if the day should ever come when he neglects or repudiates or sells out the Living Unknown Soldier.

I am most happy to speak today for the legendary but real character I have been talking about, and I hope this greatest lawmaking body in the world will not seriously consider any plan to terminate nor decrease his pension or compensation benefits as they now exist. To do so would be entirely unseemly for three very good reasons:

First, it would be an ungrateful gesture; second, it would be a most inconsistent act to restrict American homefolks aid of this kind while continuing our foreign-aid programs abroad; third, it would be a detrimental factor upon consumer demand which is the fundamental basis of our domestic prosperity here in America at the present time.

Now, here is a truly humble, loyal, brave, patriotic citizen from Main Street, Wall Street, head of the creek, down in the delta, up on the mountain, out on the plain; a legendary but real character, the Living Unknown Soldier. He should always be wholeheartedly endorsed and aided by the Congress of the United States because he wholeheartedly endorsed and aided the Congress of the United States when darkness descended and covered the ailing earth.

GAS LOBBY AT WORK

Mr. MACDONALD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MACDONALD. Mr. Speaker, the Harris-O'Hara gas bill is one of the most controversial measures in Congress, and has been for a long time. Similar bills have been vetoed twice. Once by the Democratic President Truman on the grounds that such a bill is not in the public interest.

Republican President Eisenhower vetoed it, in protest against what he termed "arrogant lobbying tactics" by the bill's proponents. His veto came at the height of a storm over disclosure by Senator FRANCIS CASE, Republican, of South Dakota, that representatives of the Superior Oil Company of California attempted to put $2,500 into his campaign fund in what CASE interpreted as an attempt to buy his vote in favor of the bill.

A similar bill was reintroduced in the House last May. The House Interstate and Foreign Commerce Committee, of which I am privileged to be a member, reported the bill after lengthy public hearings last summer. The committee vote was 15 to 13 in favor of bringing the bill out. As my colleagues know, I voted against reporting the gas bill out of committee and testified before the Rules Committee against the bill.

The oil and gas lobby, which in 1956 spent a declared $2 million lobbying for the bill, not counting the tax deductible amounts spent by companies to educate the public and Congress on the need for higher gas prices, still is at work. In fact, they are so much at work that last Monday night Texas Republicans raised $100,000 through a $100-a-plate dinner in Houston, Tex., for the avowed purpose of getting the Harris-O'Hara gas bill through the Congress this session. H. J. Porter, Texas Republican national committeeman, urged contributors to purchase tickets because as he said in a letter to them that Mr. Martin had helped to pass a natural gas bill in 1955 and would need to muster support of 65 percent of the GOP Members of the Congress to pass the bill this year. What this means is that the Republicans of

Texas were not only showing their appreciation for past favors done for them in Washington, but they were also counting on further Republican help to put through the Harris-O'Hara gas bill which would ease Federal control over producers of natural gas and cost consumers of the country literally billions of dollars in added costs.

It is interesting to note that immediately after the dinner both the White House and the Republican National Committee washed their hands of any connection with the Republican fund appeal in Texas. Mr. Alcorn, Republican national chairman, stated that the Republican National Committee would not accept any funds from the proceeds of the Houston dinner. This sounded as though the Republican high command realized that this was an arrogant attempt by the Texas oil millionaires to influence the Republican House Members. However, these moral scruples seem to have faded away in a few hours. The next day the chairmen of the Republican House and Senate campaign committees proclaimed that they would be glad to have this gas and oil money. The Republican national committeeman of Texas must be happy over the turn of events because now he knows that the money will go where he intended it to go; namely, to help pass the natural gas bill.

Mr. Speaker, I feel that these tactics on the part of the gas lobby are as offensive as the reported bribe by Senator CASE 2 years ago.

I am positive that the majority of my colleagues will agree with me that the editorial appearing in the Washington Post of Friday, February 14, 1958, very lucidly sets forth additional reasons why the Harris-O'Hara gas bill should be given as quick a burial as possible.

The editorial follows:

THE DIFFERENCE

"Some of this money was contributed by persons who wished to get a legislative decision on a matter that I believe the Supreme Court unfortunately decided the wrong way. I see no reason why the contributions should not be accepted by our committee."

In these words, Representative RICHARD M. SIMPSON of Pennsylvania, who is chairman of the House Republican campaign committee, demonstrated clearly exactly why his committee should not accept any of the funds raised at the Texas appreciation dinner for Republican efforts on behalf of the gas bill. Unfortunately the impropriety of doing so, which was plain enough to the Republican National Committee and the White House, seems wholly to have escaped both Mr. SIMPSON and Senator ANDREW F. SCHOEPPEL of Kansas, who says his Senate Republican campaign committee also will take some of the money.

Acceptance of campaign money offered on the basis of campaign promises and past voting records is one thing. With adequate disclosure of contributions, the voters can decide for themselves whether a candidate is compromising his ability to make independent judgments. But the acceptance of money raised for the specific purpose of getting a legislative decision on a matter pending before a sitting Congress is impossible to distinguish from a sellout, whatever the recipient's inner motives may be.

The Republican Congressional committees contribute to the campaigns of all Republican Members. Some are opposed to the gas bill. Others might be if they did not believe the party was obligated to the gas interests. They might of course accept the Texas money, through their campaign committees, and still vote against the legislation to ease Federal controls over natural gas. Such a course would perhaps be more defensible than a sellout, but it would also be supremely cynical.

Commingling of the Texas money with Republican Congressional campaign committee funds would taint the entire kitty. If Messrs. SIMPSON and SCHOEPPEL cannot see this, perhaps their colleagues will repudiate the unwise decision to accept the boodle from Texas.

UNEMPLOYMENT COMPENSATION AND A PUBLIC WORKS PROGRAM

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. DINGELL] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. DINGELL. Mr. Speaker, I introduce today two bills grounded firmly in the best economic knowledge and designed to combat the dangerous, spreading unemployment which now imperils our economy. The first bill provides for a substantial public-works program to provide jobs and opportunity. The second offers a large increase in unemployment compensation.

This latest so-called readjustment, Mr. Speaker, has now rolled over the edge. Already it brings misery and despair to at least 4.5 million Americans and their families. I say at least 4.5 million because this figure, made public just last Tuesday by the Commerce and Labor Departments, tells only a partial truth. The full facts are grimmer yet. This army of unemployed is expected to rise to a figure of 6 million or more by fall.

We must add to the 4.5 million figure those thousands who, all unwillingly, have been separated from their livelihoods in the near month which has passed since the Bureau of the Census collected its statistics. Also add to the 4.5 million the concealed unemployment to be found among those youngsters who, matured to the age of self-dependence, still find themselves obliged, by lack of job opportunities, to remain technically outside the available labor force. Add, too, the older workers who have been forced to put aside their tools, although they may be dependent upon the extra income to supplement meager pensions. Technically, they too are no longer part of the labor force and so are not counted as unemployed.

These groups are, in fact, the invisible unemployed, present in our national calculations not even as statistics. Yet they, like the 4.5 million, are able bodied and willing, even if our statistics do not show it. Like the 4.5 million, they have been rendered unemployable by forces which, so far as they personally are concerned, are no more controllable than an earthquake.

Nor is this all. The Census Bureau tells me that as of January 18, 1958, the average workweek in the United States was 39.9 hours. This is a drop of six-tenths of an hour since January 1957. It represents a dollars-and-cents reduction in take-home pay, a kind of shadow unemployment which drops approximately 40 million hours out of our national workweek, effectively reducing the work force by an additional 1 million workers. Who considers a man working a day a week, or 2 days a week as employed?

Four years ago, Mr. Speaker, in The Hard Money Crusade, Bertram Gross and Wilfred Lumer wrote the following bitterly prophetic sentence:

In large enough doses, a hard money program may succeed in curbing inflation—but only at the cost of precipitating a decline in production, employment, and incomes, redistributing income away from lower to higher income groups, and forcing undesirable changes in the structure of the economy.

The consequences of tight money are plain enough. They could have been foreseen. They were foreseen; I have damned the administration's hard money policy as often and vigorously as I could. One is tempted to conclude that they were foreseen as clearly by those who perpetrated this policy as by those, like Mr. Gross and Mr. Lumer, who argued passionately against it. The difference is that there are few millionaries among the unemployed—and what is regarded as catastrophic is received by others with hardly a ripple of anguish, a rolling readjustment they term it.

This so-called rolling readjustment has caused in the city of Detroit unemployment in excess of 200,000 and in the State of Michigan in excess of 320,000. This is an unemployment in Detroit of between 1 in 8 and 1 in 7 and puts Detroit over the red line into the category used by the Bureau of Labor Statistics to designate those areas where job seekers are in substantial excess of job openings. This is the most serious term used in reporting unemployment, Mr. Speaker, and I am told that Detroit is the first city in the continental United States to qualify for this unpleasant distinction. Unless direct and wholehearted action is taken to interrupt this rolling readjustment before it turns into a one-way skin dive, I am desperately afraid that Detroit will soon have company in its misery. I am also afraid that, unless this action is taken promptly, the misery of Detroit and other depressed areas may be just beginning.

The February 14 issue of U. S. News & World Report, in a special article entitled "The Detroit Story: How a City Gets Along With 1 in 8 Out of Work," tells us:

At present * * * Detroit is holding up much better than job figures alone would indicate. Here you see the evidence of how unemployment programs can cushion the shock of a business downturn. It's a far cry from the 1930's.

It is indeed a far cry from the 1930's, Mr. Speaker, and the people of Detroit are grateful to those social visionaries, some of them still serving their country in this House, who built their vision and their wisdom into the State and Federal unemployment compensation laws. We

of the present generation are in their debt.

But today these laws offer inadequate protection. At least one-third of the Nation's unemployed do not fit within the terms of the compensation laws. Some are excluded because their occupations are not covered. Some are disqualified by eligibility requirements which differ sharply and illogically from State to State. Some have exhausted their benefit rights and are still unemployed.

Even where coverage is complete, the compensation program replaces less than 20 percent of the wages lost to the community and only about 33 percent of the amount lost to the individual worker. If this rolling readjustment long continues, the percentage will shrink to nothing. Already, the wage replacement average has fallen to 10 percent in some of the areas more seriously affected.

The White House offers to change this black picture with a $2 billion program to modernize the obsolete physical plant of the Post Office Department. This is to be accomplished over a 3-to-5-year period and financed partly by private investors, partly by a mail rate increase. I have no time here to detail my objections to this scheme. May I say, however, that it is not sound either as economics or as public policy. It ties together with tinsel and ribbon a program that looks as if it might be a public-assistance program but is not, with an economic policy designed to lay a few more knout strokes on the bleeding back of the consumer. I am certainly in favor of a genuine public assistance program, but I will not be blackmailed into supporting the insupportable. I was interested in noting that Mr. Summerfield admitted this is not an adequate public works program to solve our country's unemployment; and worse, that it was not conceived as such.

Mr. Speaker, the two bills which I am introducing today combine an extension of the unemployment compensation program with a genuine and economically sound public works program. The first would establish Federal standards for compensation coverage in place of patchwork State regulations. It would extend the period of coverage to 39 weeks and bring the level of compensation up to no less than 50 percent of the worker's actual wage or two-thirds of the average wage paid all workers in the State, whichever is the smaller amount. It would encompass all employers of one or more persons—in other words, all but the self-employed. The second bill would establish a Federal public works administration and authorize the appropr' tion of $500 million to be apportioned out to the States for use in combating unemployment.

This money would be allotted on the basis of $9 from the Federal Government to each $1 of State or local funds, and construction would be under the direct supervision of State or local authorities. Except for technical, administrative, and supervisory personnel, only workers on the jobless roll would be eligible for employment under this program.

Mr. Speaker, I submit that we have heard enough expressions of confidence, expressions might I add that are peculiarly and unwholesomely reminiscent of the time when it was said, a little wistfully, by another resident of the White House, that "prosperity is just around the corner." Just a week ago, the Washington Star pointed out editorially that "those economic indicators that provide a key to the long-range behavior of the economy have not been as encouraging as the forecasts of administration officials. Weakness is still evident."

We have had a try at wishful thinking and at promising our way to prosperity. Neither has taken us very far. I think the time has come for action.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. GEORGE (at the request of Mr. MARTIN), for the week of February 17, on account of death in family.

Mr. ROBESON of Virginia (at the request of Mr. MULTER), for an indefinite period, on account of death in family.

Mrs. GRANAHAN (at the request of Mr. MULTER), for the balance of the week, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. GROSS for 30 minutes today.

Mr. PATMAN for 30 minutes on Thursday next, and to revise and extend and include related matter.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. HOLTZMAN (at the request of Mr. MULTER) and include related matter.

Mr. MULTER in two instances, in each to include related matter.

Mr. FRELINGHUYSEN and to include extraneous matter.

Mr. FORD and to include two editorials.

Mr. RAY and to include extraneous matter.

Mr. DORN of South Carolina and to include a speech.

Mr. BREEDING (at the request of Mr. MCCORMACK) and to include extraneous matter.

Mr. SAYLOR and to include extraneous matter.

Mr. GROSS to revise and extend his remarks made today to include certain pertinent information.

ADJOURNMENT

Mr. MCCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 57 minutes p. m.) the House adjourned until tomorrow, Tuesday, February 18, 1958, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1610. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated December 3, 1957, submitting a report, together with accompanying papers and illustrations, on a cooperative beach erosion control study of Berrien County, Mich., prepared under the provisions of section 2 of the River and Harbor Act approved July 3, 1930, as amended and supplemented (H. Doc. No. 336); to the committee on Public Works and ordered to be printed with two illustrations.

1611. A letter from the Acting Secretary of Agriculture, transmitting a draft of proposed legislation entitled "A bill to amend the Rural Electrification Act to encourage private participation in financing the loan programs, and for other purposes"; to the Committee on Agriculture.

1612. A letter from the Secretary of Defense, transmitting a draft of proposed legislation entitled "A bill to provide uniformity in certain conditions of entitlement to reenlistment bonuses under the Career Compensation Act of 1949, and for other purposes"; to the Committee on Armed Services.

1613. A letter from the Secretary of Commerce, transmitting the 42d Quarterly Report on Export Control, pursuant to the Export Control Act of 1949; to the Committee on Banking and Currency.

1614. A letter from the Chairman, National Labor Relations Board, transmitting a list containing the names, salaries, and duties of all employees and officers in the employ or under the supervision of the National Labor Relations Board for the year ended June 30, 1957, pursuant to the Labor Management Relations Act of 1947; to the Committee on Education and Labor.

1615. A letter from the Comptroller General of the United States, transmitting a report on examination of insurance on Government-owned facilities in possession of Chance Vought Aircraft, Inc., Dallas, Tex., pursuant to the Budget and Accounting Act, 1921 (31 U. S. C. 53), the Accounting and Auditing Act of 1950 (31 U. S. C. 65), and the authority of the Comptroller General to examine contractors' records, as set forth in title 10, United States Code, section 2313 (b); to the Committee on Government Operations.

1616. A letter from the Chairman, Federal Power Commission, transmitting the 37th Annual Report of the Federal Power Commission for the fiscal year ending June 30, 1957; to the Committee on Interstate and Foreign Commerce.

1617. A letter from the Assistant Secretary of the Interior, transmitting a report on the activities of, expenditures by, and donations to the Lignite Research Laboratory, Grand Forks, N. Dak., for the calendar year 1957, pursuant to the act of March 25, 1948 (62 Stat. 85); to the Committee on Interior and Insular Affairs.

1618. A letter from the Acting Secretary of the Interior, transmitting a report on the El Jardin division of the lower Rio Grande rehabilitation project in Texas, pursuant to section 9 (a) of the Reclamation Project Act of 1939 (53 Stat. 1187); to the Committee on Interior and Insular Affairs.

1619. A letter from the Acting Secretary of the Interior, transmitting a letter from the governor of Alaska, transmitting a certified copy of the Session Laws of 1957, including memorials and resolutions, pursuant to the provisions of the Organic Act of Alaska, approved August 24, 1912 (48 U. S. C., sec. 90); to the Committee on Interior and Insular Affairs.

1620. A letter from the Secretary of Health, Education, and Welfare, transmitting a report of all tort claims paid by this Department under section 2672 for the period January 1, 1957, to December 31, 1957, pursuant to the provisions of section 2673 of title 28, United States Code; to the Committee on the Judiciary.

1621. A letter from the Acting Secretary of Commerce, transmitting a report of the activities pertaining to war-risk insurance and certain marine and liability insurance for the American public as of December 31, 1957, pursuant to title XII of the Merchant Marine Act of 1936, as amended; to the Committee on Merchant Marine and Fisheries.

1622. A letter from the Assistant Secretary of the Army, transmitting a report of the number of positions in grades other than those covered by section 505 of the Classification Act of 1949, as amended, pursuant to section 503, title V, Public Law 854, 84th Congress; to the Committee on Post Office and Civil Service.

1623. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportations as well as a list of the persons involved, pursuant to the Immigration and Nationality Act of 1952; to the Committee on the Judiciary.

1624. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportations as well as a list of the persons involved, pursuant to the Immigration and Nationality Act of 1952; to the Committee on the Judiciary.

1625. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders granting the applications for permanent residence filed by the subjects, pursuant to the Refugee Relief Act of 1953; to the Committee on the Judiciary.

1626. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to Public Law 863, 80th Congress; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, pursuant to the order of the House on February 13, 1958, the following bill was reported on February 14, 1958:

Mr. KIRWAN: Committee on Appropriations. H. R. 10746. A bill making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1959, and for other purposes; without amendment (Rept. No. 1346). Referred to the Committee of the Whole House on the State of the Union.

[Submitted February 17, 1958]

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ASPINALL: Committee of conference. H. R. 5538. A bill to provide that withdrawals, reservations, or restrictions of more than 5,000 acres of public lands of the United States for certain purposes shall not become effective until approved by act of Congress, and for other purposes (Rept. No. 1347). Ordered to be printed.

Mr. HARRIS: Committee on Interstate and Foreign Commerce. Report on Arctic and Antarctic International Geophysical Year programs pursuant to section 136 of the Legislative Reorganization Act of 1946. Public Law 601, 79th Congress (Rept. No. 1348). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, pursuant to the order of the House of February 13, 1958, the following bill was introduced on February 14, 1958:

By Mr. KIRWAN:

H. R. 10746. A bill making appropriations for the Department of the Interior and related agencies for fiscal year ending June 30, 1959, and for other purposes.

[Introduced and referred February 17, 1958]

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BECKWORTH:

H. R. 10747. A bill to amend section 402 of the Veterans' Benefits Act of 1957 with respect to determinations of permanent and total disability; to the Committee on Veterans' Affairs.

H. R. 10748. A bill to prohibit the severance of a service-connected disability which has been in effect for 10 or more years; to the Committee on Veterans' Affairs.

By Mr. BELCHER:

H. R. 10749. A bill to permit Indians to secure refunds of income taxes paid to the United States on income which was from allotted and restricted lands held in trust by the United States and which has been held exempt from Federal income tax; to the Committee on Ways and Means.

By Mr. BROWN of Georgia:

H. R. 10750. A bill to authorize the use of additional funds for the 1958 cotton acreage-reserve program; to the Committee on Agriculture.

By Mr. DINGELL:

H. R. 10751. A bill to provide for unemployment reinsurance grants to the States, to revise, extend, and improve the unemployment insurance program, and for other purposes; to the Committee on Ways and Means.

H. R. 10752. A bill to check the growth of unemployment by providing for Federal assistance to States and local governments for the construction of needed public works and public improvements; to the Committee on Public Works.

By Mr. ENGLE:

H. R. 10753. A bill to authorize certain activities by the Armed Forces in support of the VIII Olympic winter games, and for other purposes; to the Committee on Armed Services.

By Mr. FORD:

H. R. 10754. A bill to amend section 114 of the Soil Bank Act; to the Committee on Agriculture.

By Mr. FORRESTER:

H. R. 10755. A bill to provide $250 million additional funds for the 1958 acreage reserve program; to the Committee on Agriculture.

By Mr. GRANT:

H. R. 10756. A bill to exclude from the commercial corn-producing area 38 counties in the United States during 1958; to the Committee on Agriculture.

By Mr. HOLIFIELD:

H. R. 10757. A bill to check the growth of unemployment by providing for Federal assistance to States and local governments for the construction of needed public works and public improvements; to the Committee on Public Works.

By Mr. HOLTZMAN:

H. R. 10758. A bill to amend section 14 (b) of the National Labor Relations Act so as to protect the rights of employees and employers, in industries affecting commerce, to enter into union shop agreements; to the Committee on Education and Labor.

By Mr. KEARNS:

H. R. 10759. A bill to amend the Federal Coal Mine Safety Act so as to provide further for the prevention of accidents in coal mines; to the Committee on Education and Labor.

By Mr. McCARTHY:

H. R. 10760. A bill to effectuate and enforce the constitutional right to the equal protection of the laws, and for other purposes; to the Committee on the Judiciary.

By Mr. McFALL:

H. R. 10761. A bill to prohibit unjust discrimination in employment because of age; to the Committee on Education and Labor.

By Mr. McMILLAN:

H. R. 10762. A bill to amend section 114 of Soil Bank Act for purpose of excluding certain counties in United States from the commercial producing area during 1958; to the Committee on Agriculture.

By Mr. METCALF:

H. R. 10763. A bill to authorize assistance to States and local communities in remedying the inadequacies in the number of their teachers and teachers' salaries and the shortage in classrooms; to the Committee on Education and Labor.

By Mr. MULTER:

H. R. 10764. A bill to amend sections 512 and 513 of the Servicemen's Readjustment Act of 1944 to provide direct loan funds to meet the emergency in the veterans' housing program, to extend such program for an additional year, and to reactivate and revise such program, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. O'KONSKI:

H. R. 10765. A bill to amend the Internal Revenue Code of 1954 to increase the percentage depletion rate for iron ore from deposits in the United States to 27½ percent; to the Committee on Ways and Means.

H. R. 10766. A bill to amend the Tariff Act of 1930 to impose a duty on iron ore; to the Committee on Ways and Means.

By Mr. PERKINS:

H. R. 10767. A bill to provide for unemployment reinsurance grants to the States, to revise, extend, and improve the unemployment insurance program, and for other purposes; to the Committee on Ways and Means.

H. R. 10768. A bill to strengthen the national defense, advance the cause of peace, and assure the intellectual preeminence of the United States, especially in science and technology, through programs designed to stimulate the development and to increase the number of students in science, engineering, mathematics, modern foreign languages, and other disciplines, and to provide additional facilities for the teaching thereof; to promote the development of technical skills essential to the national defense; to assist teachers to increase their knowledge and improve their effectiveness; and for other purposes; to the Committee on Education and Labor.

By Mr. TOLLEFSON:

H. R. 10769. A bill to amend the Civil Aeronautics Act of 1938 in order to authorize free or reduced rate transportation for retired employees of air carriers; to the Committee on Interstate and Foreign Commerce.

H. R. 10770. A bill to amend the Federal Trade Commission Act, as amended, so as to equalize rights in the distribution of identified merchandise; to the Committee on Interstate and Foreign Commerce.

By Mr. CUNNINGHAM of Iowa:

H. R. 10771. A bill to amend the Railroad Retirement Act and the Social Security Act to eliminate those provisions which restrict the right of a spouse or survivor to receive benefits simultaneously under both acts; to the Committee on Interstate and Foreign Commerce.

By Mr. McCARTHY:

H. J. Res. 542. Joint resolution to stay any reduction in support prices or acreage allotments until Congress can make appropriate changes in the price support and acreage allotment laws; to the Committee on Agriculture.

H. J. Res. 543. Joint resolution to stay any reduction in support prices for dairy products until Congress can make appropriate

provision for such support prices; to the Committee on Agriculture.

By Mr. McVEY:

H. J. Res. 544. Joint resolution designating October 31 of each year as Youth Honor Day; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. HILL: Memorial of the Senate of the 41st General Assembly of the State of Colorado, the House of Representatives concurring therein, memorializing the Congress of the United States to enact appropriate legislation during the present session of the Congress requiring as a condition precedent to the appropriation of water by the Federal Government or any agency thereof within States lying wholly or partly west of the 98th principal meridian, whether such appropriation be for irrigation, domestic, industrial, manufacturing, or other purposes, to comply with the provisions of the constitution and laws relating to the appropriation of water of the State within which such appropriation is made, and that upon such appropriation having been made in conformity with the laws of any such State, the Federal Government or any agency thereof shall be subject to and required to comply with the constitution and laws of such State in the use and distribution of such water; to the Committee on Interior and Insular Affairs.

By the SPEAKER: Memorial of the Legislature of the State of Colorado, memorializing the President and the Congress of the United States to enact appropriate legislation during the present session of the Congress requiring as a condition precedent to the appropriation of water by the Federal Government or any agency thereof within States lying wholly or partly west of the 98th principal meridian; to the Committee on Interior and Insular Affairs.

Also, memorial of the Legislature of the State of South Carolina, memorializing the President and the Congress of the United States to appropriate sufficient funds to take care of those farmers under the 1958 cotton acreage reserve agreement who have planned to place cotton acres in the soil-bank program; to the Committee on Agriculture.

Also, memorial of the Legislature of the State of South Carolina, memorializing the President and the Congress of the United States condemning the administration of the soil-bank program and requesting the Congress to appropriate additional funds; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BURNS of Hawaii:

H. R. 10772. A bill for the relief of Gus Nihoa; to the Committee on the Judiciary.

H. R. 10773. A bill for the relief of Mrs. Ryo H. Yokoyama; to the Committee on the Judiciary.

By Mr. McFALL:

H. R. 10774. A bill for the relief of Makoto Yabusaki; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

402. By Mr. MARSHALL: Petition of Mr. and Mrs. S. H. Lee, and others, of Cokato, Minn., in support of legislation to prohibit the advertising of alcoholic beverages in interstate commerce; to the Committee on Interstate and Foreign Commerce.

403. By the SPEAKER: Petition of the city clerk, Schenectady, N. Y., relative to stating opposition to the passage of H. R. 8525, the so-called Harris-O'Hara natural gas bill and all similar bills; to the Committee on Instate and Foreign Commerce.

404. Also, petition of the city clerk, St. Paul, Minn., relative to stating opposition to the passage of the Harris-O'Hara bill; to the Committee on Interstate and Foreign Commerce.

405. Also, petition of the city clerk, Los Angeles, Calif., relative to continuing in force provisions of the Federal-Aid Highway Act of 1956 regarding apportionment of funds for constructing the National System of Interstate and Defense Highways; to the Committee on Public Works.

EXTENSIONS OF REMARKS

Warning No. 3

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1958

Mr. MULTER. Mr. Speaker, I am inserting in the RECORD today my third warning on the condition of the United States economy. That the situation is serious and requires more than mere platitudes about prosperity is clear from the record. Keep in mind the meaning of the following statistics—they are not only a warning, they reflect idle manpower and human hardship.

The following conclusions and data are from the January Area Labor Market Trends, published by the Bureau of Employment Security, United States Department of Labor.

Unemployment has risen to above year-ago totals in nearly all of the 149 major centers regularly surveyed. In some areas, joblessness has reached the highest level for this time of the year since the business downturns of 1949 and 1953-54.

Unemployment is nationally already averaging approximately 5.2 percent and is still rising.

Employers in the aircraft, auto, and electrical machinery industries indicate a further decline is expected in the next few months.

Perhaps the most startling fact is that in January 1957 only 12.8 percent of the areas had unemployment of 6 percent to 9 percent. In January of this year 30.2—45 of 49—of the areas were in this category. Furthermore, 1 year ago 46 areas had unemployment of 2.9 percent or less. Today, there are only 13 areas in the United States with such a low percentage of unemployment.

As for the future, the report states that there exists considerable uncertainty on the part of many employers regarding future production or activity schedules.

The situation today is serious. The future is highly uncertain. As in medicine, so in business and economics—certain remedies will not work once the ailment becomes too serious. How long will we wait?

Monument to the Solidarity of the Republics of the Western Hemisphere Proposed for Ellis Island

EXTENSION OF REMARKS
OF
HON. JOHN H. RAY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1958

Mr. RAY. Mr. Speaker, last Monday, February 17, the Honorable WILLIAM LANGER, Senator from North Dakota, introduced in the Senate a resolution expressing the sense of Congress that Ellis Island, in New York Harbor, be sold at nominal cost to a nonprofit corporation which would utilize the island as a location for the erection, at no expense to the United States Government, of a monument to the solidarity of the Republics in this hemisphere. Situated at the mouth of the Hudson River just north of the Statue of Liberty, and containing some 27 acres, this site should lend itself admirably to the purpose specified and that purpose is a worthy one. By arrangement with Senator LANGER, I am introducing a similar resolution today and hope that it will have early committee attention.

Fortieth Anniversary of Lithuanian Independence

EXTENSION OF REMARKS
OF
HON. WILLIAM E. PROXMIRE
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES

Monday, February 17, 1958

Mr. PROXMIRE. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement I have prepared regarding the 40th anniversary of the proclamation of independence of the people of Lithuania.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR PROXMIRE

February 16 marked the anniversary of the proclamation of independence by the people of Lithuania, bringing to an end 123 years of Russian domination.

The independence of Lithuania was one of the fruits of the vision of Woodrow Wilson, who included among his 14 points the principle of national self-determination. Lithuania was one of a group of Baltic States which achieved nationhood after the first Great War; and Lithuania, along with its neighbors, was a tragic victim of Soviet aggression in the second year of World War II.

In its 22 years of independence Lithuania showed the world what a proud and industrious people can do when they are free from foreign tyranny. Improvements in transportation and education, great strides in land reform and social legislation, and remarkable gains in material and spiritual well-being were products of these golden years of independence.

No one who is familiar with the dark chapter of Soviet exploitation in the 20th century need be told what the iron-shod heels of the Red army brought to that fair and happy land.

The man who tills the land has become a serf in his own country.

The man who tends the last has become a tool for the enrichment of the foreigner.

But that is not the worst. It is not enough that the worker should be a slave in his own land; indeed, he is fortunate if his lot is compared with that of his compatriot who toils in Siberia.

I invite consideration of the humanitarianism of an absolute dictatorship. A worker is recruited to do voluntary labor in a distant and forbidding foreign land. I need hardly add that totalitarians have ways to make people volunteer. But it is a sad thing to separate a family. So the worker's family then is invited to join him in that far-away place. Last year 4,000 Lithuanian families receive such invitations in the Vilnius region alone. This is the way a slave state populates its least habitable regions.

This would be a sad day, this 40th anniversary of independence, if we believed that the Lithuanian people would wear always the yoke of Soviet tyranny. But we do not believe that. We know that the flame of freedom sometimes flickers, but once lighted it does not go out. The people of Lithuania will be free again.

Today we extend our greetings and congratulations to the nearly 1 million Lithuanian Americans who have made splendid contributions to the wealth and culture of their adopted land. We are richer for their industry and talent, for their pride and love of freedom.

We send our heartfelt sympathy to their compatriots in Lithuania. We look forward to the day when we can celebrate their second liberation from Russian misrule. When Lithuania takes once more its proud place among the free nations of the world—as it surely shall—the crimes of its oppressor will not be forgotten.

National Beauty Salon Week

EXTENSION OF REMARKS
OF
HON. CARL T. CURTIS
OF NEBRASKA
IN THE SENATE OF THE UNITED STATES
Monday, February 17, 1958

Mr. CURTIS. Mr. President, during the week of February 9, in more than 900 cities throughout our Nation, members of the National Hairdressers and Cosmetologists Association visited over 2,000 institutions and gave about 300,000 free beauty treatments. I ask unanimous consent that a statement I prepared on the subject be printed in the CONGRESSIONAL RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR CURTIS

In these days of world tensions, conflicts, mistrust, and misgiving, it is refreshing to look at some of the good things we have in our country, some of the neighborly things that the people of our land do to make this a Nation of which we are proud.

I have in mind the hairdressers and cosmetologists of our Nation.

They have set aside the week of February 9 as National Beauty Salon Week and have made it an occasion for charitable service in many institutions, including hospitals, homes for the aged, and homes for the orphaned.

In more than 900 cities throughout our Nation, small towns, large metropolitan cities, rural areas, these Americans, members of the National Hairdressers and Cosmetologists Association, are visiting more than 2,000 institutions to give some 300,000 free beauty treatments to patients and inmates, to the women and young girls who cannot go to a beauty salon. Included are the wards of many of our veterans hospitals where many of the gallant women who served our country still remain.

I would like to point out that these beauty visits have been going on for many years, since National Beauty Salon Week was first observed 8 years ago. Since then thousands upon thousands of women who cannot go to a beauty salon have been able to receive the best possible beauty care that can be given. You all know that a beauty salon is a very small business, many of them are owned by women who are the sole support of their families. They do not have much money, but they do have talent and they give of it and their time. Some of them call it a time tithe, a tenth of their time to people who are less fortunate than they are. This is a noble example for us all. I want to call your attention to an editorial in the Faribault (Minn.) Daily News about this wonderful work:

"BEAUTY CARE WITH A HEART

"'It's the kind, unexpected, thoughtful gestures of people toward others which distinguish America from other nations as a country with a soul.'

"Comments similar to this are made frequently by Europeans (not all Europeans are United States critics) when they note that Americans, for the most part, like to do 'out of the ordinary' things for others.

"Just such a gesture was made this week by members of the Riverside Hairstyle Unit as a special feature of their observance of National Beauty Salon Week, February 10–17.

"On Monday local beauty salons were closed as the operators, members of the Riverside Unit, went to the Faribault State School and Hospital to give special beauty care to women residents of the school. A total of 534 haircuts were given by the beauty operators and the thoughtful gesture was deeply appreciated by the grateful residents.

"Every person likes to feel well groomed. The lift in personal feeling and attitude has been described by some of the recipients of the special beauty treatment as a new lease on life.

"Northfield members of the Riverside Unit also spent Tuesday giving permanents, shampoos, and waves at their shops to needy girls from the grade schools. At Owatonna girls of the State school there were given special beauty care.

"The beauty business has grown by leaps and bounds in a comparatively short time into one of the Nation's leading business industries.

"Riverside Hairstyle Unit operators are to be commended for displaying, while they observe the objectives of National Beauty Salon Week, thoughtfulness for others through their novel and helpful project."

And I submit that we salute the hairdressers and cosmetologists of our Nation, and extend to them our best wishes for their observance of their celebration with special mention to a native Nebraskan, Mr. Nathan E. Jacobs of Bozell & Jacobs, Inc., who created this activity 8 years ago; and to Mr. Philip Parker of Gary, Ind., the national president of NHCA; and Mr. Max Kuck of Rockville Centre, N. Y., the national chairman of the week.

Pay TV

EXTENSION OF REMARKS
OF
HON. J. FLOYD BREEDING
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES
Monday, February 17, 1958

Mr. BREEDING. Mr. Speaker, under leave to extend my remarks, I should like to note my opposition to subscription television by having printed the following statement which I submitted, on January 28, 1958, to the House Committee on Interstate and Foreign Commerce, then conducting hearings on that subject:

STATEMENT BY THE HONORABLE J. FLOYD BREEDING OPPOSING PAY TELEVISION

Mr. Chairman, at the outset, I should like to express my appreciation to you and the other members of the House Committee on Interstate and Foreign Commerce for your courtesy in allowing me to state, for the record of these hearings, my views with regard to subscription television.

I have received to date, Mr. Chairman, almost 3,000 letters from my constituents on the subject of subscription television; or, as it is otherwise known, pay television, pay-as-you-see television, and toll television. All but two of these communications are in opposition to any form of pay-as-you-see television.

Certainly, I must conclude that a wave of protest of such magnitude from my area, the Fifth District of the State of Kansas, reflects the thinking of a wide cross section of rural Kansans. I think an accurate summation of their thinking would be that they consider subscription television not to be in the interest of rural America.

I understand that some 50 million American families have invested an approximate total of $16 billion in television receivers through which they are able to view, free, past the commercial price of the set, programs ranging in interest value from pure entertainment, religious and cultural programs to those which communicate the news and pertinent discussion topics of the day.

I believe that these technological and programing advancements should continue to be made available, free, to any TV set owner that chooses to view them; not merely to the relatively small percentage of those who are in a financial position to receive the more costly subscription television programs.

As a clear indication that the alleged benefits of pay TV would be restricted to the financially favored few, it is my understanding that on the basis of Columbia Broadcasting System computations the average family would be required to pay at the minimum $100 per year for merely 4 hours of televiewing a week.

And, it has been pointed out, should subscription television be permitted to establish a foothold, and, should it thereby command the greatest percentage of the advertiser's money, surely toll television will preempt or replace choice-time programs now presented free.

I have noticed that the proponents of pay television, the motion picture and radio producers, are opposed by the existing major radio and television networks. As a casual observation, it occurs to me that since the motion picture producers apparently have failed to successfully compete with free television for America's entertainment dollar, they are now preparing to make the television communications medium pay by crippling its very basis: Freedom of the air waves and free television. The Hollywood producers appear to believe that where technicolor, cinerama, and high fidelity sound tracks have failed the television screen will succeed. Personally, I do not.

I contend that we should maintain our communications media in as free a state as possible for the maximum dissemination of information and entertainment.

Preparing for the Astronautics Age

EXTENSION OF REMARKS

OF

HON. PETER FRELINGHUYSEN, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1958

Mr. FRELINGHUYSEN. Mr. Speaker, under leave to extend my remarks, I should like to insert the following material at this point in the RECORD:

PREPARING FOR THE ASTRONAUTICS AGE

Approximately a decade ago Congress was faced with the problem of deciding how best to deal with the development of atomic energy. Should it be placed under military or civilian control? What type of agency was best suited to handle the problem? What role should Congress play in overseeing any program administered by the executive branch?

Today a similar issue is facing Congress, that is, how best to handle the problem of space technology. Should the Defense Department be given exclusive control in the field of astronautics, or should overall responsibility be placed in a civilian agency? If part or all of the program is to be placed in civilian hands, what agency should be given the responsibility? Or should a new agency be created? What should be the role of Congress in developing such a program?

BROAD SIGNIFICANCE

As was true with regard to the postwar debate on atomic energy development, Congress is beginning to realize that space projects will have significance far beyond the military area. For this reason there is a growing feeling that responsibility for development of our space program should not be left entirely in the hands of the Pentagon.

Unquestionably the development and operation of military missiles, military satellites, and military space vehicles are a military function—and a function which the Defense Department should push vigorously. In addition, however, much will need to be done in the field of scientific research on space phenomena, and scientific exploration of the universe. A sound national program must include both nonmilitary and military aspects.

In my opinion, there is, furthermore, real danger that the nonmilitary aspects of space technology will be submerged if they are included as a mere adjunct to a military program. If this be true, the question then arises as to what would be the best civilian agency to take on this responsibility—or what type of new agency should be created.

NACA

Few people have ever heard of the National Advisory Committee for Aeronautics. Fewer still could describe its work. Yet this Federal agency, established in 1915, has played a crucially important role in American aviation development. For example, NACA developed the laminar flow wing in time to enable P–51's to escort our heavy bombers into Germany at a critical point in World War II. It did outstanding work in the postwar period developing supersonic aircraft. It has solved key bottlenecks involved in the development of ballistic missiles. For more than a decade NACA has been conducting research in fields leading to man's conquest of space. Its work has, among other things, led to the development of the recently publicized X–15 aircraft. This is the plane which it is hoped will lead to manned flight beyond the atmosphere.

HARMONY

In all of these projects NACA has worked closely and in harmony with the military services, the scientific fraternity, and American industry. Its personnel is of the highest caliber. The chairman of NACA is Gen. James H. Doolittle, retired, who, in addition to his military fame, has an outstanding scientific and industrial record.

Considering these facts, it has seemed to me that NACA is the logical agency to be given the job of spearheading our space program. At the very least, NACA should form the nucleus of any new agency which might be developed. It would be a tragedy if NACA's large pool of talent and experience were wasted merely because its activities have not been sufficiently publicized.

In order to place this question clearly before Congress, I am developing legislation which would direct NACA to take overall charge of our astronautics program. This same legislation would establish a Joint Committee on Astronautics, made up of Members of both the House and Senate, which would act as a Congressional watchdog over the space program.

This committee would be modeled after the Joint Committee on Atomic Energy, which oversees our atomic-energy program. The proposal constitutes an attempt to promote in the astronautical field this same type of productive legislative-executive relationship.

TOO SIMPLE?

Far too often when acute national problems arise Congress creates complex new organizations which add to the Federal payroll, expand Government bureaucracy, but do not effectively attack the problems they were created to solve. Today, faced with a serious problem, Congress and the President have a ready-made solution which would save the taxpayers money and get the job done. Let us hope the solution is not so simple that it is overlooked.

The National Wool Act of 1954

EXTENSION OF REMARKS

OF

HON. KARL E. MUNDT

OF SOUTH DAKOTA

IN THE SENATE OF THE UNITED STATES

Monday, February 17, 1958

Mr. MUNDT. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement I have prepared on the National Wool Act of 1954, together with some explanatory tables.

There being no objection, the statement and tables were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MUNDT

A subcommittee of the Committee on Agriculture and Forestry, headed by the distinguished senior Senator from South Carolina, recently held hearings on S. 2861, a bill to extend the National Wool Act of 1954, introduced by Senator BARRETT with the cosponsorship of 47 other Members of this body. As a member of the Committee on Agriculture, a cosponsor of S. 2861, and being vitally interested in the sheep industry, I was present at the hearing.

At the time of that hearing, the Department of Agriculture had not yet issued its official inventory figures on Livestock on Farms, as of January 1, 1958. These are most important because this is the first inventory report which could show in its figures, the number of stock sheep on farms and whether or not the Wool Act was accomplishing its purpose of increasing production, as Congress intended.

I am gratified to report that those figures have now been issued by the Department and that there has been an increase of 3 percent in the number of stock sheep owned by farmers.

When you realize that the wool producers of the Nation were going out of business at the time this legislation was enacted; when you realize that no incentive payment reached a grower before mid-1956, I think it speaks well that the growers of the Nation were able to show an increase in production by January 1 of this year. This was in spite of a severe drought early in the program in many of the great sheep producing areas of the West and Southwest. It speaks well of these growers that they have used the incentive payments under the program and the self-help provision, permitting them to promote and advertise their products, to begin the restoration of this most important livestock segment of our economy.

In my own State of South Dakota, stock sheep numbers showed an 8 percent increase, 5 percent above the national average. Thirty-three of forty-eight States showed an increase in sheep numbers. The important increase in the number of ewe lambs on hand, being held over to become lamb and wool producers, a gain of 16 percent, will show up in stock sheep numbers in the inventory of January 1, 1959 and 1960.

The portion of this Department of Agriculture Livestock and Poultry Inventory as issued last Friday noon relating to sheep numbers is obvious proof that the National Wool Act of 1954 is doing what Congress intended for it to do. I include these references to sheep as a part of my statement:

Sheep: Stock sheep and lambs on farms and ranches January 1, 1958, are estimated at 27,390,000 head. This is 3 percent more than the 26,538,000 head a year earlier and the largest inventory number since January 1, 1953. All sheep and lambs, including those on feed, totaled 31,328,000 head, up 2 percent from January 1, 1957. Sheep and lambs on feed declined 8 percent to 3,938,000 head, the lowest number in 7 years.

Ewe lamb numbers increased sharply to 4,347,000 head, a gain of 16 percent from a year earlier and reached the highest level since January 1, 1952. Ewes and rams 1 year old and older increased 1 percent and 3 percent, respectively. Wether and ram lambs declined 3 percent.

Stock sheep numbers were up 3 percent from a year earlier in the 11 Western States,

Texas and South Dakota. This group of States registered a gain for the first time in 6 years. The native States, with a 4-percent increase, continued to expand their sheep numbers.

In Texas, the leading sheep State, stock sheep numbers rose to 4,700,000 head, an increase of 5 percent during the year. Inventories were also up in 7 other Western States and in 21 of the 35 native States. The North Central States showed the largest percentage increase, led by Iowa with a 20 percent increase.

The total value of stock sheep on farms and ranches January 1, 1958, was $530 million 34 percent above a year earlier and compares with the record high of $783 million in 1952. The average value per head on January 1, was $19.40 compared with $14.90 a year earlier and the average of $17.50.

All sheep and lambs: Number on farms and total value, Jan. 1

State and division	Number				Total value		
	Average 1947–56	1957	1958	1958 as percent of 1957	Average 1947–56	1957	1958
	Thous. head	*Thous. head*	*Thous. head*	*Percent*	*Thous. dollars*	*Thous. dollars*	*Thous. dollars*
Maine	26	40	42	104	397	560	601
New Hampshire	8	10	9	90	135	145	139
Vermont	11	13	14	105	167	177	203
Massachusetts	10	13	12	92	170	195	194
Rhode Island	2	2	2	100	33	30	32
Connecticut	8	10	10	100	132	156	168
New York	168	188	184	98	3,072	3,042	3,145
New Jersey	13	18	18	100	256	281	299
Pennsylvania	237	262	254	97	3,735	3,563	3,886
North Atlantic	483	556	545	98	8,097	8,149	8,667
Ohio	1,249	1,251	1,270	102	20,823	18,560	21,289
Indiana	506	547	582	106	9,076	8,070	9,990
Illinois	676	740	750	101	12,473	11,520	12,465
Michigan	443	404	407	101	8,009	6,307	7,199
Wisconsin	287	273	299	110	5,404	3,626	5,080
East North Central	3,162	3,215	3,308	103	55,786	48,083	56,023
Minnesota	893	964	988	102	15,953	14,093	17,025
Iowa	1,238	1,390	1,554	112	22,311	20,288	28,309
Missouri	979	924	881	95	16,075	13,593	15,128
North Dakota	510	661	678	103	8,776	9,381	11,924
South Dakota	1,108	1,379	1,471	107	20,106	22,746	29,448
Nebraska	759	780	739	95	13,489	11,318	13,425
Kansas	735	606	725	120	12,000	7,800	12,086
West North Central	6,222	6,704	7,036	105	108,710	99,219	127,345
North Central	9,383	9,919	10,344	104	164,496	147,302	183,368
Delaware	3	4	4	100	47	54	65
Maryland	43	51	52	101	769	785	910
Virginia	308	330	327	99	6,156	6,006	6,376
West Virginia	312	301	301	100	5,459	4,605	4,906
North Carolina	43	58	61	105	808	974	1,147
South Carolina	4	11	14	127	62	179	228
Georgia	16	63	56	89	210	970	1,030
Florida	5	8	9	112	42	80	108
South Atlantic	734	826	824	100	13,553	13,653	14,770
Kentucky	642	605	623	103	13,330	11,616	12,522
Tennessee	276	310	319	103	4,817	4,991	5,806
Alabama	38	100	83	83	504	1,454	1,430
Mississippi	78	105	110	105	866	1,376	1,804
Arkansas	48	69	72	104	601	787	1,022
Louisiana	118	99	95	96	958	881	1,102
Oklahoma	188	245	244	100	2,718	3,063	3,701
Texas	6,425	4,749	4,864	102	84,263	46,769	84,874
South Central	7,813	6,282	6,410	102	108,058	70,937	112,261
Montana	1,846	1,650	1,691	102	36,149	28,250	36,691
Idaho	1,134	1,119	1,121	100	23,782	18,623	24,170
Wyoming	2,160	2,095	2,174	104	41,907	35,896	49,801
Colorado	1,804	1,766	1,756	99	36,264	27,648	38,504
New Mexico	1,368	1,189	1,208	102	22,193	16,856	24,358
Arizona	451	472	445	94	7,737	6,725	7,304
Utah	1,469	1,395	1,362	98	29,487	24,272	28,969
Nevada	477	451	434	96	9,670	7,928	9,249
Washington	328	275	267	97	6,398	4,675	5,805
Oregon	761	861	881	102	14,887	14,108	18,518
California	1,920	1,984	1,866	94	39,847	36,339	39,494
West	13,720	13,257	13,205	100	268,320	221,320	282,863
United States	32,133	30,840	31,328	102	562,525	461,361	601,929

Stock sheep and lambs: Number on farms and total value, Jan. 1

State and division	Number				Total value		
	Average 1947–56	1957	1958	1958 as percent of 1957	Average 1947–56	1957	1958
	Thous. head	*Thous. head*	*Thous. head*	*Percent*	*Thous. dollars*	*Thous. dollars*	*Thous. dollars*
Maine	26	40	42	104	397	560	601
New Hampshire	8	10	9	90	135	145	139
Vermont	11	13	14	105	167	177	203
Massachusetts	10	13	12	92	170	195	194
Rhode Island	2	2	2	100	33	30	32
Connecticut	8	10	10	100	132	156	168
New York	146	168	165	98	2,672	2,722	2,822
New Jersey	13	18	18	100	256	281	299
Pennsylvania	237	262	254	97	3,735	3,563	3,886
North Atlantic	460	536	526	98	7,698	7,829	8,344
Ohio	1,018	1,046	1,077	103	16,929	15,690	18,201
Indiana	407	455	482	106	7,215	6,598	8,290
Illinois	480	533	570	107	8,781	8,208	9,405
Michigan	353	314	317	101	6,310	4,867	5,579
Wisconsin	224	213	232	109	4,187	2,726	3,874
East North Central	2,482	2,561	2,678	105	43,442	38,089	45,349
Minnesota	685	735	764	104	12,125	10,658	13,217
Iowa	811	937	1,124	120	14,550	13,493	20,569
Missouri	839	794	755	95	13,753	11,513	12,986
North Dakota	435	543	559	103	7,392	7,493	9,782
South Dakota	920	1,161	1,249	108	16,718	19,040	25,230
Nebraska	207	273	308	113	3,397	3,713	5,667
Kansas	378	456	479	105	5,941	5,700	7,904
West North Central	4,277	4,899	5,238	107	73,876	71,610	95,355
North Central	6,759	7,460	7,916	106	117,297	109,699	140,704
Delaware	3	4	4	100	47	54	65
Maryland	43	51	52	101	769	785	910
Virginia	308	330	327	99	6,156	6,006	6,376
West Virginia	312	301	301	100	5,459	4,605	4,906
North Carolina	43	58	61	105	808	974	1,147
South Carolina	4	11	14	127	62	179	228
Georgia	16	63	56	89	210	970	1,030
Florida	5	8	9	112	42	80	108
South Atlantic	734	826	824	100	13,553	13,653	14,770
Kentucky	642	605	623	103	13,330	11,616	12,522
Tennessee	276	310	319	103	4,817	4,991	5,806
Alabama	34	77	77	100	454	1,178	1,340
Mississippi	78	105	110	105	866	1,376	1,804
Arkansas	48	69	72	104	601	787	1,022
Louisiana	118	99	95	96	958	881	1,102
Oklahoma	137	203	207	102	1,899	2,517	3,146
Texas	6,240	4,476	4,700	105	82,194	44,312	82,250
South Central	7,572	5,494	6,203	104	105,120	67,658	108,992
Montana	1,670	1,542	1,573	102	32,914	26,522	34,449
Idaho	1,042	999	1,049	105	22,003	16,583	22,658
Wyoming	2,038	1,980	2,039	103	39,807	34,056	47,101
Colorado	1,261	1,216	1,252	103	25,616	18,848	27,920
New Mexico	1,325	1,166	1,172	101	21,579	16,557	23,674
Arizona	413	421	419	100	7,175	6,062	6,914
Utah	1,378	1,301	1,288	99	27,833	22,768	27,563
Nevada	464	435	418	96	9,439	7,656	8,945
Washington	295	250	248	99	5,792	4,250	5,406
Oregon	741	830	847	102	14,518	13,612	17,872
California	1,690	1,632	1,616	99	35,567	30,355	34,744
West	12,318	11,772	11,921	101	242,242	197,269	257,246
United States	27,843	26,538	27,390	103	485,910	396,108	530,056

Livestock: Value per head, Jan. 1 [1]

State and division	Cattle			Milk cows			Stock sheep		
	Average, 1947–56	1957	1958	Average, 1947–56	1957	1958	Average, 1947–56	1957	1958
Maine	$122	$100	$125	$172	$140	$172	$15.43	$14.00	$14.30
New Hampshire	150	121	144	207	165	195	16.51	14.50	15.40
Vermont	154	124	154	201	160	197	15.89	13.60	14.50
Massachusetts	196	159	183	253	205	236	16.65	15.00	16.20
Rhode Island	212	176	204	256	215	250	16.70	15.00	16.00
Connecticut	194	163	191	253	210	245	16.84	15.60	16.80
New York	177	144	175	227	183	223	18.68	16.20	17.10
New Jersey	242	184	207	299	230	260	19.77	15.60	16.60
Pennsylvania	163	146	169	220	198	226	15.79	13.60	15.30
North Atlantic	172	144	171	226	188	222	16.84	14.60	15.90
Ohio	133	110	127	181	159	184	16.77	15.00	16.90
Indiana	131	102	118	179	157	177	17.93	14.50	17.20
Illinois	134	103	117	191	165	178	18.51	15.40	16.50
Michigan	144	120	141	199	173	200	17.94	15.50	17.60
Wisconsin	167	131	156	213	170	200	18.68	12.80	16.70
East North Central	144	114	133	198	167	192	17.61	14.90	16.90
Minnesota	138	102	130	195	152	187	17.81	14.50	17.30
Iowa	127	94	124	187	157	186	18.05	14.40	18.30
Missouri	115	90	115	149	124	148	16.30	14.50	17.20
North Dakota	131	93	128	187	143	178	17.37	13.80	17.50
South Dakota	126	91	132	182	143	181	18.42	16.40	20.20
Nebraska	121	88	128	183	151	183	16.38	13.60	18.40
Kansas	114	83	119	175	140	185	15.56	12.50	16.50
West North Central	124	91.8	125	180	146	179	17.39	14.60	18.20
North Central	131	99.7	128	190	157	186	17.47	14.70	17.80
Delaware	143	114	134	186	150	175	17.75	13.50	16.20
Maryland	144	119	138	190	160	185	17.99	15.40	17.50
Virginia	$117	$90	$109	$144	$116	$134	$20.01	$18.20	$19.50
West Virginia	109	80	97	134	97	119	17.54	15.30	16.30
North Carolina	94	76	90	122	101	118	18.86	16.80	18.80
South Carolina	87	68	82	120	100	115	14.03	16.30	16.30
Georgia	77	62	77	112	90	110	12.44	15.40	18.40
Florida	75	62	79	123	105	130	9.70	10.00	12.00
South Atlantic	95.8	76.2	91.5	130	111	131	18.51	16.50	17.90
Kentucky	106	89	105	135	117	137	20.81	19.20	20.10
Tennessee	96	79	97	123	104	124	17.67	16.10	18.20
Alabama	76	66	72	100	77	94	13.20	15.30	17.40
Mississippi	76	59	75	104	83	100	10.89	13.10	16.40
Arkansas	82	61	80	108	85	104	12.66	11.40	14.20
Louisiana	81	61	83	121	102	119	8.40	8.90	11.60
Oklahoma	100	71	108	135	105	146	14.28	12.40	15.20
Texas	95	66	105	129	98	140	13.09	9.90	17.50
South Central	92.1	67.2	95.0	122	97.8	123	13.88	11.40	17.60
Montana	129	87	131	194	150	182	19.84	17.20	21.90
Idaho	126	92	125	192	153	195	21.17	16.60	21.60
Wyoming	122	86	129	185	139	188	19.62	17.20	23.70
Colorado	119	82	123	183	137	183	20.30	15.50	22.30
New Mexico	109	72	110	172	135	150	16.20	14.20	20.20
Arizona	114	86	110	196	175	210	17.63	14.40	16.50
Utah	124	91	121	188	153	186	20.24	17.50	21.40
Nevada	122	92	126	196	165	200	20.27	17.60	21.40
Washington	130	93	128	183	138	190	19.64	17.60	21.80
Oregon	120	86	116	161	117	152	19.82	16.40	21.10
California	145	118	144	210	190	215	21.18	18.60	21.50
West	127	93.6	128	193	162	196	19.74	16.80	21.60
United States	121	91.6	120	177	147	176	17.52	14.90	19.40

[1] Based on reporters' estimates at average price per head in their locations.

Sheep and lambs: Number on farms, by classes, Jan. 1, 1957

[Thousand head]

State and division	All sheep	On feed	Stock sheep					
			Total	Lambs		1 year and older		
				Ewes	Wethers and Rams	Ewes	Rams	Wethers
Maine	40	-------	40	9	1	28	2	-------
New Hampshire	10	-------	10	2	-------	7	1	-------
Vermont	13	-------	13	2	-------	10	1	-------
Massachusetts	13	-------	13	2	1	9	1	-------
Rhode Island	2	-------	2	-------	-------	2	-------	-------
Connecticut	10	-------	10	1	1	8	-------	-------
New York	188	20	168	35	3	123	6	1
New Jersey	18	-------	18	3	1	13	1	-------
Pennsylvania	262	-------	262	43	22	165	9	23
North Atlantic	556	20	536	97	29	365	21	24
Ohio	1,251	205	1,046	154	21	821	25	25
Indiana	547	92	455	57	11	370	15	2
Illinois	740	207	533	86	9	410	26	2
Michigan	404	90	314	49	3	250	11	1
Wisconsin	273	60	213	30	2	172	7	2
East North Central	3,215	654	2,561	376	46	2,023	84	32
Minnesota	964	229	735	105	8	597	23	2
Iowa	1,390	453	937	112	7	790	27	1
Missouri	994	190	794	90	13	667	22	2
North Dakota	661	118	543	74	13	440	14	2
South Dakota	1,379	218	1,161	201	8	914	36	2
Nebraska	780	507	273	33	4	227	8	1
Kansas	606	150	456	37	13	392	12	2
West North Central	6,704	1,805	4,899	652	66	4,027	142	12
North Central	9,919	2,459	7,460	1,028	112	6,050	226	44
Delaware	4	-------	4	1	-------	3	-------	-------
Maryland	51	-------	51	8	1	40	2	-------
Virginia	330	-------	330	43	5	263	13	1
West Virginia	301	-------	301	36	3	243	16	3
North Carolina	58	-------	58	9	1	44	3	1
South Carolina	11	-------	11	1	1	8	1	-------
Georgia	63	-------	[1] 63	4	16	40	2	1
Florida	8	-------	8	2	-------	6	-------	-------
South Atlantic	826	-------	826	109	27	647	37	6
Kentucky	605	-------	605	79	12	490	21	3
Tennessee	310	-------	310	40	8	247	13	2
Alabama	100	23	77	12	4	55	5	1
Mississippi	105	-------	105	18	17	60	4	6
Arkansas	69	-------	69	10	5	50	3	1
Louisiana	99	-------	99	15	9	65	5	5
Oklahoma	245	42	203	35	4	158	5	1
Texas	4,749	273	4,476	672	291	3,312	125	76
South Central	6,282	338	5,944	881	350	4,437	181	95
Montana	1,650	108	1,542	252	18	1,221	49	2
Idaho	1,119	120	999	123	8	834	31	3
Wyoming	2,095	115	1,980	328	9	1,583	59	1
Colorado	1,766	550	1,216	144	9	1,028	32	3
New Mexico	1,189	23	1,166	158	19	940	44	5
Arizona	472	51	421	65	13	325	15	3
Utah	1,395	94	1,301	141	6	1,120	33	1
Nevada	451	16	435	61	2	359	12	1
Washington	275	25	250	52	2	184	10	2
Oregon	861	31	830	95	10	700	23	2
California	1,984	352	1,632	209	30	1,336	52	5
West	13,257	1,485	11,772	1,628	126	9,630	360	28
United States	30,840	4,302	26,538	3,743	644	21,129	825	197

[1] Includes 14,000 lambs on feed.

Sheep and lambs: Number on farms, by classes, Jan. 1, 1958

[Thousand head]

State and division	All sheep	On feed	Stock sheep					
			Total	Lambs		1 year and older		
				Ewes	Wethers and Rams	Ewes	Rams	Wethers
Maine	42	-------	42	9	1	30	2	----------
New Hampshire	9	-------	9	2	----------	6	1	----------
Vermont	14	-------	14	3	----------	10	1	----------
Massachusetts	12	-------	12	2	1	8	1	----------
Rhode Island	2	-------	2	----------	----------	2	----------	----------
Connecticut	10	-------	10	1	1	8	----------	----------
New York	184	19	165	36	3	119	6	1
New Jersey	18	-------	18	3	1	13	1	----------
Pennsylvania	254	-------	254	42	14	168	9	21
North Atlantic	545	19	526	98	21	364	21	22
Ohio	1,270	193	1,077	159	21	846	26	25
Indiana	582	100	482	78	17	370	15	2
Illinois	750	180	570	88	9	444	27	2
Michigan	407	90	317	52	3	250	11	1
Wisconsin	299	67	232	37	3	182	8	2
East North Central	3,308	630	2,678	414	53	2,092	87	32
Minnesota	988	224	764	114	9	615	24	2
Iowa	1,554	430	1,124	197	9	885	32	1
Missouri	881	126	755	101	14	617	21	2
North Dakota	678	119	559	90	13	440	14	2
South Dakota	1,471	222	1,249	255	14	939	39	2
Nebraska	739	431	308	46	5	247	9	1
Kansas	725	246	479	56	17	392	12	2
West North Central	7,036	1,798	5,238	859	81	4,135	151	12
North Central	10,344	2,428	7,916	1,273	134	6,227	238	44
Delaware	4	-------	4	1	----------	3	-------	----------
Maryland	52	-------	52	9	1	40	2	----------
Virginia	327	-------	327	46	4	263	13	1
West Virginia	301	-------	301	36	3	243	16	3
North Carolina	61	-------	61	10	1	46	3	1
South Carolina	14	-------	14	2	1	10	1	----------
Georgia	56	-------	[1] 56	4	5	44	2	1
Florida	9	-------	9	2	----------	7	-------	----------
South Atlantic	824	-------	824	110	15	656	37	6
Kentucky	623	-------	623	85	13	500	22	3
Tennessee	319	-------	319	41	8	254	14	2
Alabama	83	6	77	13	3	55	5	1
Mississippi	110	-------	110	20	18	63	4	5
Arkansas	72	-------	72	12	5	51	3	1
Louisiana	95	-------	95	15	8	62	5	5
Oklahoma	244	37	207	41	5	155	5	1
Texas	4,864	164	4,700	871	282	3,345	127	75
South Central	6,410	207	6,203	1,098	342	4,485	185	93
Montana	1,691	118	1,573	292	16	1,209	54	2
Idaho	1,121	72	1,049	130	8	876	32	3
Wyoming	2,174	135	2,039	353	10	1,615	60	1
Colorado	1,756	504	1,252	181	7	1,028	33	3
New Mexico	1,208	36	1,172	183	21	919	44	5
Arizona	445	26	419	64	13	324	15	3
Utah	1,362	74	1,288	150	6	1,098	33	1
Nevada	434	16	418	62	2	341	12	1
Washington	267	19	248	47	2	188	10	1
Oregon	881	34	847	97	11	714	23	2
California	1,866	250	1,616	209	17	1,336	50	4
West	13,205	1,284	11,921	1,768	113	9,648	366	26
United States	31,328	3,938	27,390	4,347	625	21,380	847	191

[1] Includes 2,000 lambs on feed.

A Bill To Amend Section 14 (b) of the National Labor Relations Act

EXTENSION OF REMARKS
OF
HON. LESTER HOLTZMAN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1958

Mr. HOLTZMAN. Mr. Speaker, I am today introducing a bill to amend section 14 (b) of the National Labor Relations Act so as to protect the rights of employees and employers in industries affecting commerce, to enter into union shop agreements.

Under the provisions of section 14 (b) the States are permitted to enact the mislabeled "right to work" laws. Unfortunately, these laws give no one the right to a job, nor do they create jobs. Their effect is to ban all union security, through the restriction of the operation of free collective bargaining, and their goal is to put a stop to any and all improvements in wages and working conditions.

It has been proven that the enactment of such statutes results in lower wages and lower living standards. The latest survey in the 18 States that have adopted such statutes indicates that the number of workers in those States drawing unemployment compensation has jumped almost 190,000 over the figure for the same period last year. These laid-off workers in these 18 States have been offered no additional protection in the retention of their jobs, and, in fact, in 7 of those States unemployment compensation ratios are larger than the national average.

We know from past experience that the unorganized worker is usually not in a position to help himself when it comes to negotiating satisfactory terms and conditions of employment. Only when employees join together in an organization which will act as a bargaining agent for all the employees can they expect to contribute to the formulation of policies and decisions which affect their status, and their very livelihood.

Trade unionism has made tremendous progress over the years in improving working conditions, raising wage levels and living standards, and in protecting the workers against arbitrary layoffs. Much has been said lately, as a result of the recent revelations of the McClellan committee, of the need for labor to clean house. That is true. However, the labor movement itself is aware of this great responsibility, and has been quick to respond to the demands that its own house be kept in order. The ethical practices committee of the AFL–CIO has called for full compliance wtih the codes adopted over a two year period and ratified by the 1957 AFL–CIO convention. Strict observance of such codes will enable the trade union organization to remain strong, and yet will protect workers from improper activities and corrupt practices within the unions.

A fair and vigorous labor policy is a problem that should be of national concern. Turning such a problem over to the individual States could result in the enactment of 48 different laws, which of course would bring only chaos. A national labor policy will contribute immeasurably to our economy, and I believe that the enactment of my bill would be a step in that direction.

I respectfully urge the Members of the House of Representatives to give prompt and very careful consideration to this legislation.

Misuse of Housekeeping Statute

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1958

Mr. MULTER. Mr. Speaker, the following is my statement submitted to the House Government Information Subcommittee on February 11, 1958:

STATEMENT OF REPRESENTATIVE ABRAHAM J. MULTER, DEMOCRAT, OF NEW YORK, BEFORE HOUSE GOVERNMENT INFORMATION SUBCOMMITTEE REGARDING FREEDOM OF INFORMATION LEGISLATION, FEBRUARY 11, 1958

Mr. Chairman, permit me to express my thanks to you and to the committee for affording me the opportunity of making this statement in connection with the amendment of the housekeeping statute (Rev. Stat. 161, 5 U. S. C. 22), as proposed in H. R. 2767, and other similar bills, now before the committee.

These bills, like that which I introduced, H. R. 3497, would add to section 161 of the Revised Statutes the language: "This section does not authorize withholding information from the public or limiting the availability of records to the public."

Careful study and review of section 161, first enacted by Congress in 1789, is most convincing of the fact that the Congress never intended to grant authority to any of the executive departments to withhold information from the public (of course, I am not now referring to those matters which might affect the national defense or security). Nevertheless, too many of these executive departments cite section 161 as authority for refusing information and withholding records both from the public and from the Congress.

The proposed amendment will help put a stop to the misuse and the abuse of the provisions of this section. At the same time, it will not interfere with the proper classification of military secrets, nor will it in the slightest degree jeopardize the national security.

As has been said so many times and so forcefully to this committee during the course of its hearings on these bills, the original enactment of the statute in 1789 intended it to be a housekeeping law. It is not the law which has caused the trouble but the rules and the regulations that have been promulgated, allegedly pursuant to the authority of that law, by the various executive and administrative departments, agencies, and bureaus.

The unfortunate part of the whole matter is that these rules and regulations are made by the lawyers in those agencies. They are then interpreted by those lawyers and enforced by them all without any judicial review. The courts refuse to review these rules, the interpretation of these rules, and even the abuse thereof.

The need for the proposed amendment is emphasized by the fact that the only opposition comes from some of these departments. There is neither logic nor reason to support their opposition, particularly since the amendment of this section will not affect any other existing statute either as it applies to the national defense and security or as it applies to the tax laws, or otherwise.

I am sure that this committee will not overlook the practically unanimous support of this amendment by the general public and the many organizations, most of them of national character, which support this proposed legislation. Radio, newsreel, television, press, and many other associations, including the American Bar Association, support my position.

In conclusion, may I congratulate the committee and its staff for their intelligent approach and consideration of this problem.

Thank you again for the opportunity to submit this statement to you.

The Space Age's Challenge to Engineers

EXTENSION OF REMARKS
OF
HON. ESTES KEFAUVER
OF TENNESSEE
IN THE SENATE OF THE UNITED STATES
Monday, February 17, 1958

Mr. KEFAUVER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address prepared by me for delivery at a meeting of the Chattanooga Engineers Club on the occasion of the inauguration of National Engineers' Week in Chattanooga. Incidentally, because of transportation difficulties I was unable to be present to deliver the address in person. I believe my remarks may be of interest.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE SPACE AGE'S CHALLENGE TO ENGINEERS

(Speech prepared for delivery by Senator ESTES KEFAUVER, Democrat, of Tennessee, before the Chattanooga Engineers Club luncheon, Monday noon, February 17, 1958, Chattanooga, Tenn.)

Mr. Chairman, I am delighted to have the opportunity to come down from Washington to help you inaugurate Engineer Week in the Chattanooga area. All over the country engineers will be having meetings like this one this week. These observances will do a lot to help the general public understand the contributions which engineering is making and has made in the development of our country. They will help point out some of the paths toward the future. That future, as we all know now and as some learned very suddenly, is greatly dependent on the engineers we have now and the training and character of the engineers we have in the future.

After returning from a visit to the Soviet and behind the Iron Curtain 2 years ago, I discussed the need for improved scientific and technical education and training in America. I came back from Russia greatly impressed with the engineering and scientific achievements I saw there. I was even more impressed by the serious purpose with which the Soviet Union was going about the job of training its scientists, its engineers, and technical people.

I said then that since it required a good many years to start at scratch and turn out these highly equipped and trained people, we had better get started if we wanted the United States to stay at the top of scientific and technical progress.

I proposed then that we set up a system of scholarships for able students and that we provide laboratory and scientific and technical equipment to schools, colleges, and universities engaged in such education and training. I have to report that such talk then fell on deaf ears. It is only now in the light of the success of the Soviet Union in putting an artificial object in orbit around the world, and what that feat told us about the progress of missile development in that powerful nation, that we have fully awakened to the challenge.

I am going to say now, and I will refer to it again a little later on, that in our desire to have more engineers, more scientists, more technicians, we must not forget that our basic need now and in the future is for quality in these fields. Qantity we need, but quality is vital.

It is obvious that we do not now have the quality of engineering, scientific and technical personnel we need. Nearly every Sunday I notice page after page of advertisements in the New York Times from corporations appealing for engineers of many kinds.

We know today that progress in many fields is being delayed because of a lack of qualified technical personnel. Even where we are making progress, the speed of that progress is being slowed down by the lack of men and women highly trained in new fields.

One of the causes of our shortage is that during the depression years engineers were hard put to find a job of any kind. Some engineers at least, left the profession entirely. I doubt that many engineers in those days would have encouraged their sons to enter the field. If it had not been for the various public-works programs undertaken in that era—and I must say that the public works of that period were one of the finest investments the people of this country ever made—engineering would have suffered much more. But the fact remains that we are now paying the price for our lack of progress in engineering and technical education in that period.

World War II also slowed down engineering and scientific education, although the armed services then and now have had farsighted training programs for their special needs.

The GI bill and the education it made possible for millions of young veterans is what has saved us now. The cost seemed high at the time to many people, but it accomplished two things in this field for which we have every reason to be grateful. It provided engineering and scientific training for thousands of young men to whom such education would not otherwise have been available. The influx of so many students revitalized our colleges and universities in unmistakable fashion.

If it had not been for the GI bill we would have been much further behind the Soviet Union in scientific and engineering progress than we are today.

It took two sputniks to wake America up to our needs in education. We do not want to ape the Soviet educational system, but we do want to look at our methods. We are taking a critical look. We are asking ourselves whether the kind of educational system we have developed in this country is going to be good enough for the future.

We are asking whether at the very base of our educational system we are using the right methods. Are we teaching our children as effectively as possible to read, to communicate, to reason?

This is a good thing and perhaps every generation or so we ought to give our whole educational system a good, critical study from bottom to top.

Because they can change fastest, our universities are already changing their courses in scientific and engineering education. Some of them are dropping some of their shop-work type programs and substituting more training in advanced theory. That is all to the good. It will take more time and trouble and thought to change the far bigger educational system of which our universities are the apex. Both as engineers and citizens you should have a part in bringing about those changes.

We have done a lot of talking about Federal assistance to education in the past but we have not done much about it. The need for scientific and technical training is now so clear that at least in that field the Federal Government is certain to provide financial help.

President Eisenhower has sent to the Congress a program which includes a system of granting scholarships in the fields of engineering, science, and the like. The aim is in the right direction, but the plan has been opposed by many people as being too small to fit the magnitude of the problem.

Senator LISTER HILL, the distinguished and able Senator from our sister State of Alabama, is chairman of the Senate Committee on Education and Labor. He and his committee have studied this matter for a long time. As a result Senator HILL has introduced a bill which would provide a program about five times as large as that of the President. I have confidence in the judgment of that committee and I am sure that after thorough hearings they will recommend a bill that is both practical and capable of enactment into law.

It is too early to forecast the exact nature and extent of the program which will be enacted, but there will be a bill passed at this session. By the opening of the school session next fall I hope it will be fully operative.

Although I believe Federal aid is essential in this area of education, Federal aid is not going to solve the problem. I said earlier

that there was something which I believe you can do as citizens and as professional engineers to see to it that this new program works.

I think more counseling would be helpful early in the educational process. It is not very helpful or stimulating to a student who inquires why he takes mathematics and to be informed that the purpose is to find the answers.

There is no question but that we are lagging in the field of mathematics. Perhaps our teaching methods are sometimes not adequate. Yet I would like to know how often an effort is made to explain the worth and importance of mathematics to our students. If it served no other purpose, the study of mathematics improves the mind in exactly the same way that physical exercise makes muscles grow strong. But who tells the students.

If we wish to encourage able and apt students to prepare for the study of engineering, I believe it would be very helpful if arrangements could be made for members of your organizations to go to junior and senior high schools and talk to interested students about engineering. I think you who are practicing engineers can tell these students more effectively than anyone else what it is that a student must do to become a successful engineer.

I feel sure that the schools of this area would wholeheartedly welcome such visits from you and the counseling that, out of your own experience you can give best.

It well might be that arrangements could be made for field trips for interested students to see at first hand the contribution which engineering makes to the progress of mankind.

I would like to see the engineers of this area pioneer in such a program. I would like to think that scientists and organizations of professional groups would soon go along with you in similar programs.

The dynamo of Dixie has plenty of engineers in all categories to get such a program started. It has plenty of engineering works of all kinds which would interest students.

I would be hopeful that if such a program went well it could be a pattern for engineering groups all over the United States.

I think that any high-school teacher will tell you that most students are willing to learn everything about subjects which interest them deeply. I expect that some of the members of the Society of Automotive Engineers might be astonished by what some of our youngsters know about souping up an old car. If some of the mental energy went into the classes of skills and knowledge which the Nation needs now and will need so much more in the future, we would be well on the way to the solution of our problems.

I would like to say also that I would hope that if such a program could be organized, that the rural schools will not be neglected.

These fields ought to attract our best minds. As a matter of fact many fields are becoming so technical and complicated that only the best minds, highly trained, will be able to cope with them.

Engineers are already coping with rockets to the moon and problems of reaching beyond the moon. Others are working with scientists in the effort to control the forces of hydrogen fusion for the good of mankind. Yesterday's science fiction has become today's actuality.

On the basis of recent accomplishments, we can certainly expect more breakthroughs in the limits of man's knowledge and in his ability to control the conditions of life.

I think when we talk to the younger generation about the need for scientists, and particularly the need for more study of mathematics that we ought to tell them that all of these stupendous advances began with a few solitary men whose only tools were a pencil and a piece of paper.

It was the knowledge of mathematics and physics applied to that paper—or maybe it was a blackboard—which told us that nuclear fission and fusion were possible. We learned that it could be done. Once we know that fact, the engineers can take over.

Our future is to a large extent in the hands of our scientists, our engineers, and our technical people. Our reliance on them will grow in the future. These fields must attract many of the best young minds of today and tomorrow. In order to do so we must see that all these fields obtain their proper due in public esteem and in professional rewards.

The world of tomorrow is the world of science. Brainpower can not be overestimated. A man, with an idea, can change the balance of power among nations. The scientists and the engineers have had vast effects on foreign policy. Thus far, their efforts are largely regarded as balancing striking power among nations, but through achievements such as the possible conversion of sea water into potable water they might instead make the world bloom for peace.

Mankind has reached out so fast and so far that we can only dimly perceive the shape of the future. The more we learn, the further mankind's horizons stretch. Today the future, if we can only control the destructive forces loose in the world, seems limitless.

As the world's science and technology move forward and upward and outward, engineering must and will keep pace. There will be calls made on the engineers in the future which today we can only dream about. But wherever mankind progresses, the engineer will be keeping pace. For wherever man goes in the future, it is going to take an engineer to get him there.

The Wilderness Bill

EXTENSION OF REMARKS
OF
HON. JOHN P. SAYLOR
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, February 17, 1958

Mr. SAYLOR. Mr. Speaker, one of the most important bipartisan opportunities in this 85th Congress is represented in the wilderness bill, a conservation measure that when enacted into law will make sure that some of our country is preserved in its unspoiled natural condition.

Senator HUBERT H. HUMPHREY, sponsor with 11 cosponsors of the bill in the Senate, discusses this measure in an article in the current winter issue of Naturalist entitled "What the Wilderness Bill Means to You." In this magazine, published by the Natural History Society of Minnesota, Senator HUMPHREY emphasizes the interest that is similar to that of any State where wilderness still exists. But he also points out that to all citizens of the Nation "The wilderness bill means much because it provides for the preservation of the areas wherever they are and wherever they can be preserved by the Federal Government as part of our overall outdoor recreation and resources-conservation program."

Mr. Speaker, I myself as a sponsor of this measure have repeatedly emphasized that this wilderness bill is one that should receive the cooperative support of all Americans—including our lumbermen, our mining interests, our cattlemen. In this I heartily agree with Senator HUMPHREY that our distinctive opportunity in connection with this particular bill is to preserve the wilderness in a way that will not disrupt other interests.

I agree also that this wilderness bill is as reasonable and understanding of all our industrial and commercial uses of the outdoors as I can possibly imagine.

As Senator HUMPHREY has stated, the wilderness bill means "something like a last chance to protect the wilderness that we all love, and to do this as part of the great industrial, agricultural civilization that we have developed in America."

WHAT THE WILDERNESS BILL MEANS TO YOU
(By HUBERT H. HUMPHREY)

If the Wilderness Bill, now pending in the Congress of the United States, is enacted, we who prize our wonderful canoe country in northern Minnesota will have won a great victory. We will be assured that the irreplaceable primeval area with which we are blessed will be protected for the enjoyment of ourselves, our children, and for the generations to come. It will be protected in accordance with a policy that does not endanger the economic and other interests of the area.

Of course, I do not have to tell the readers of the Naturalist that we in Minnesota are just as much citizens of the United States as are the people in all the other 47 States to whom our national wilderness assets are of value, wherever they may be. So to us as citizens of the Nation the Wilderness Bill means much because it provides for the preservation of areas wherever they are and wherever they can be preserved by the Federal Government as part of the overall outdoor recreation and resources-conservation program.

Let me emphasize that our distinctive opportunity in connection with this particular bill is to preserve the wilderness in a way that will not disrupt other interests.

There is a strong and growing interest among the American people in the preservation of the relatively few remnants that still remain out of the vast unspoiled continent that they first discovered. Sooner or later—surely before it is too late—this strong public interest for conservation can express itself in measures that will be strong enough to keep this wonderful resource for the people from disappearing forever.

Right now this public interest is expressing itself in a Wilderness Bill that is as reasonable and understanding of all our industrial and commercial uses of the outdoors as I can possibly imagine. The supporters of the legislation, and by that I mean particularly the representatives of the conservation organizations who have worked so closely with us in Congress in developing the bill and supporting it before the public have not been extremists. Rather, they have been interested, as I myself have expressed it before, in the opportunity that we all now see "to provide for the preservation of the wilderness without having to interfere with other programs."

This opportunity will not be with us long, and so the Wilderness Bill means for us in Minnesota and throughout the United States, something like a last chance to protect the wilderness that we all love, and to do this as part of the great industrial, agricultural civilization that we have developed in America.

This legislation, nevertheless has been subjected to a fantastic amount of unwar-

ranted criticism. Much of it has been generated by special interests who feel that their cause is not served by the protection of our roadless areas. Some of it has been the product of misinformation as to the provisions and objectives of this bill. Let us then take a moment to state the intent of the bill and then cover points that I hope will assist in clarifying a number of provisions that have been misinterpreted or misrepresented.

The wilderness bill is a measure designed to make sure that some parts of America may always remain unspoiled and beautiful in their own natural way. This bill declares it to be a policy of Congress to secure the dedication of an adequate system of wilderness areas to serve the recreational, scenic, scientific, educational, and conservation needs of the people. In so doing, the bill makes no changes in the administration of the present areas of wilderness areas found in our national parks, forests, and wildlife refuges. It creates no new agencies to carry on the protection of these areas.

1. The wilderness bill gives Congressional sanction to the continued preservation as wilderness of those areas federally owned or controlled that are within national parks, national forests, national wildlife refuges, or other public lands, and that have so far retained under their Federal administration their primeval character. Under this bill, these areas shall serve the multiple public purposes of recreational, scenic, scientific, educational, conservational, and historical use and enjoyment by the people.

2. The bill creates no new agencies to do the land management job.

3. The bill makes no changes in the administration of wilderness areas. Wilderness in national parks will continue to be administered by the National Park Service. Roadless, wild, wilderness, and primitive areas of our national forests shall continue to be administered by the National Forest Service under its present regulations. Wilderness areas within wildlife refuges will continue to be administered by the Fish and Wildlife Service.

4. Nothing in the act will interfere with the purpose stated in the establishment of any national park, forest, or wildlife refuge, or other Federal land area involved, except that any agency administering an area within the system shall be responsible for preserving the wilderness character of the area.

5. The bill provides for addition to, modification of, or elimination from the system where necessary.

6. Any such addition, modification, or elimination, except by an act of Congress, shall take effect upon the expiration of 120 days of continuous session of Congress provided no resolution has been passed opposing such change.

7. Any addition, modification, or elimination of any national forest area or part thereof shall be made only after not less than 90 days' public notice and the holding of a public hearing, if requested.

8. No wilderness area on Indian reservations shall be included in the system until the tribe or band through its tribal council shall have given its consent.

9. Within the national forest areas of the system, grazing of domestic livestock, use of aircraft or motorboats, where these practices have already become well established, may be permitted to continue subject to restrictions of the Forest Service.

10. Subject to existing private rights, no portion of any area constituting a unit of the National Wilderness Preservation System shall be devoted to any commercial enterprise except as contemplated by the purposes of this act; that means, except as there are some commercial enterprises in connection with such things as guiding and outfitting that are involved in our uses of wilderness for their wilderness purposes.

11. The National Wilderness Preservation Council set up by this bill serves as a repository for maps and official papers regarding the system, and as a nonexclusive clearinghouse for exchange of information among the agencies administering areas within the system. It makes annual reports to Congress on the status of the system. It is not administrative, but rather is advisory. It has no jurisdiction over lands or agencies. A majority of its members are the heads of the land agencies themselves, Forest Service, Park Service, and others, and a prime function of the council is to provide a common meeting ground for them in their interest in wilderness.

It may be well to reiterate at this point that all of the areas included in the system will not be managed in the same way. Rather, each will be managed as usual—as a park, a forest, or a refuge—except that no part of such management will interfere with its perpetuation as wilderness. Thus, hunting will be prohibited in park wilderness—as in the case of all national park land; but it will be permitted on forest wilderness—as it is on all forest land subjected to the usual regulations. Wherever there is hunting it will be wilderness hunting. Surprisingly, even within our national parks—thought by many to be the last and most secure stronghold of wilderness—developments may gradually take over unless we set guards against this possibility. Congressman JOHN P. SAYLOR, of Pennsylvania, has pointed out that, "Within the national parks and monuments in general there is at present no act of Congress that would prevent a future Secretary of the Interior or park administrator, with his approval, from deciding to construct a road, a building, or any other installation that he would deem appropriate for a national park or monument anywhere within the park or monument.

"In my opinion," Mr. SAYLOR continued, "if we are to make sure that we still have in the distant future our national park primeval back country still preserved as wilderness, we should declare here in Congress our purpose to do so."

Areas in Minnesota which would fall under the protection of the provisions of this bill are the Caribou, Little Indian Sioux, and Superior Roadless Areas of the Superior National Forest. As with all wilderness areas included in this system, the bill provides for the protection and administration of these areas by the existing Federal agency—in this case the Forest Service—as wilderness. In the event of administrative decisions affecting these or any other areas, it gives Congress the opportunity to review such decisions should it so desire. (Thus, any addition to, modification of, or elimination from these areas would have the chance of Congressional review.)

Although the bill would safeguard the wilderness character of these areas, it also protects and honors existing rights. It specifically provides that:

"Nothing in this act shall modify the restrictions and provisions of the Shipstead-Nolan Act, Public Law 539, 71st Congress, 2d session, July 10, 1930, and the Humphrey-Thye-Blatnik-Andresen Act, Public Law 607, 84th Congress, 2d session, June 22, 1956, as applying to the Superior National Forest or the regulations of the Secretary of Agriculture."

In proposed revisions for the bill, proponents are now incorporating a suggestion of the Forest Service which will direct that this wilderness canoe country—

"Shall be managed in accordance with regulations issued by the Secretary of Agriculture in conformity with the general purpose of maintaining, without unnecessary restrictions on other uses including that of timber, the primitive character of the area, particularly in the vicinity of lakes, streams, and portages."

Although the Superior National Forest wilderness is included in the system, it is one of many. The primary purpose of the bill is to protect and preserve all wilderness areas in the United States—now about 2.2 percent of our billion and one-half acres. The basic issue at stake is simply wilderness or no wilderness—commercialization and ruination of the Middle West's last tiny bit of frontier, or safeguarding these precious acres and their counterparts over the country as we would a great work of art or history for our children's children. Minnesota's living museum of a frontier era—rich in history of the voyageurs and pioneers—is a work of God and once destroyed can never be recreated.

The communities of northern Minnesota bordering the wilderness have a great asset for a permanent future prosperity which exceeds anything that a short-lived, exploitative boom might bring. As Americans increase in number, their need for outdoor recreation will expand manyfold, and a bit of wilderness will prove to be a unique attraction to millions. We need the wilderness, and it may be well to consider the words of the prophet Isaiah:

"Woe unto them that join house to house, that lay field to field, till there be no place, that they may be placed alone in the midst of the earth!"

Speech of Hon. E. L. (Tic) Forrester, of Georgia, Before the Joint Session of the General Assembly of Georgia, February 6, 1958

EXTENSION OF REMARKS

OF

HON. W. J. BRYAN DORN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1958

Mr. DORN of South Carolina. Mr. Speaker, the following address by the distinguished and able gentleman from Georgia [Mr. FORRESTER] is characteristic of his courage, forthrightness and love of country:

Mr. President, Mr. Speaker, distinguished Members of the great State of Georgia's House and Senate, all of whom I am humbly but profoundly grateful that I can address as my friends and proudly mean it, your gracious invitation to me, to leave my duties in Washington and speak to you at this joint session, will always be to me one of the most inspiring events of my life.

This is a privilege that has exceeded my most cherished ambitions. No man could possibly be so vain as to expect to merit such an honor. That you should have honored me with the invitation to address you is a compliment far beyond my deserts or capacity, and I can only conclude that invitation came because of your tremendous generosity and your personal friendship. The resolution extending this invitation to me, signed by your president, your speaker, your secretary, and your clerk, bearing the seal of our magnificent and enduring State of Georgia, is now being suitably framed, and it will hang in my office as a constant reminder to me that I am daily entrusted with the high responsibility and privilege of representing the heart beats and the heart throbs of the people of our State.

Believe me, my friends, I will read again and again the statements in that resolution, that I have aggressively fought those who

would destroy our country, that I had become a respected leader of the forces combating communism, and that I have been a champion of democracy and a courageous defender of the viewpoint of the South and the State I represent. I will particularly note that language: "he has been," with the determination that, God being my helper, I will try to be with all my heart and soul the kind of servant that you and the good people of Georgia so richly deserve.

It will be a daily reminder to me of the rich heritage which is mine in that I am born where you were born, blood of your blood, flesh of your flesh, and that I must stand as you have so gloriously stood for the things that have made this Nation great. It will renew my determination to fight zealously for the principles you have so grandly declared to all of this world in your official pronouncements, and in every act and action. The entire Georgia delegation in Congress deeply appreciates your patriotism and your endeavors, and I bring to you today the felicitations and the best wishes of every member of that group.

Your invitation is a challenging one. Knowing you as I do, I am certain that you invited me here for the purpose that I discuss with you the staggering problems confronting the human race today, and that I do it boldly and without equivocation. I would have it no other way.

Upon that premise, I declare to you that in these dark days, when everything is strife and confusion and the whole world is topsy-turvy, this generation must face now without flinching these all-important questions:

1. Will the human race be wiped out?
2. Will the lights of civilization go out?
3. Will Christianity fade from human hearts?
4. Will constitutional government be completely destroyed?
5. Will the genius of this Government, the rights of the sovereign States under a republican form of government be destroyed?
6. Will there be an amalgamation of the races?

I digress here to say that in the past maybe many well-thinking Christian people have doubted that this question confronts us. I concede that it was hard to believe. None of us have any quarrel whatsoever with any honest person diligently seeking to discover the truth, insisting that evidence be submitted to support that statement. I have been patient with those people, and you have been patient. I cannot refrain from saying now that my patience has been exhausted. More than ample evidence has been made available to demonstrate this truth than the hardened skeptic, but honest skeptic, should require.

Today the singing of Old Black Joe as written is taboo. Uncle Remus and the Tar Baby, which came from the brain and heart of that immortal Georgian, Joel Chandler Harris, has been removed from the bookshelves. Stephen Foster's Swanee River and Old Black Joe must be altered in content before going out on God's ether waves. The moving pictures, Island in the Sun and The Edge of the City, are so utterly convincing that any person should read, as he runs, the signs of these unfortunate times.

The United Nations Charter and the Universal Declaration on Human Rights should, and will, convince any honest person that the forces of amalgamation are on the march. The money-spending spree the United Nations is now engaged in, with money mostly gathered from the taxpayers of the United States, to prove that all races are equal and that there are no biological differences whatever, and its declarations legalising mixed marriages, conclusively proves that this question confronts us. The experiences in the Nation's Capital, the guinea pig for social experiments, should cause the blind to see.

Today, any white woman walking the streets of Washington at night is exposed to the real danger of losing her life, or suffering sexual assault, or both. This day, in the Nation's Capital, white women sit and cringe in their apartments or homes, with windows barred, doors locked and chained, fearing they will be murdered, sexually assaulted, robbed, and beaten by gangs of other races.

The Chief of Police, who is a good one, finds it impossible to cope with them because it has now come to the point where it takes a genius to remain in jail, for only a genius can conceal his imprisonment from the United States Supreme Court, the Court that has in recent pronouncements stripped the meek and law-abiding citizen of every vestige of protection against those fiendish wolves who well know and understand that a complete cloak of security has been thrown around them. Yes, our patience has been exhausted. Surely, any of our skeptics now know about the breakdown of law and order in New York, the civil-rights capital of the United States, and in Brooklyn, and understand that the favorite indoor sport in the Brooklyn schools is the rape of 13- and 14-year-old white girls by members of the Negro race, occasioned by the wild-eyed leftwingers mixing the schools, when it would seem that any person would have more sense than to do such a thing. This unfortunate situation is a monument to Mayor Wagner, Governor Harriman, and others you know. Certainly, those skeptics have read the lament of Police Chief Parker, Los Angeles, which I quote: "We have lost control of the crime problem in Los Angeles."

That efficient police officer well knows and understands that this question is real; otherwise, he would not be asking for legislation that would permit him to save Los Angeles from this unholy problem.

I say to the skeptics in Georgia now, in the identical language that northern newspapers attribute to Gov. Marvin Griffin, "We ain't going to have it here." Shakespeare may not have approved that quotation, but it is eloquent to me. That statement was framed in Georgia-style, and reflects the spirit of Georgia, and I do not think anyone could fail to understand its meaning. No one has to tell me for I know in my heart that every one of you has that same resolve and expects to maintain it as long as you live.

I must confess to you that I have gotten a little tired of some of the "do-gooders" saying that segregation is un-Christian. Our unchanging God has never condoned the series of offenses and outrages that integration brings, and He never will. I am a little tired of some of those who are saying that God has told them that segregation is wrong. I know, and you know, God does not tell one person one thing and another person another thing.

Some ministers say that segregation is wrong; others say that segregation was ordained by our Creator. I accuse no one of insincerity, but I vigorously assert and maintain that God has not given to a few a monopoly upon His views, and withheld His views to other tried and true consecrated servants.

Such contentions remind me of a story, and whether or not it is true, it is a good story told about an episode in the life of that distinguished divine, Bishop Candler. The story is that on one occasion, a minister went to the bishop and said: "Bishop, I talked to the Lord last night and he told me to tell you that you had not treated me right, that I deserve a better charge next year than the one I had this year." The bishop said: "That is interesting. What time did you talk to the Lord last night?" The minister replied: "About 9 o'clock." The bishop then said: "Well, the only explanation I have for you is that the Lord must have changed His mind, for I talked to the Lord about 10 o'clock last night, and He told me you were lucky to have any kind of charge at all."

Seriously, I say to these "do-gooders" to remember Little Rock. Little Rock will remain through the ages as an imperishable monument to the law of brute force; also, a monument to the will of a people who could not be broken by paratroopers or bayonets. Yet, Little Rock also stands out as a monument to the appalling realization of what division can do to a proud city. The editorials of one Harry Ashmore, the rantings of an integrationist mayor, the attitudes of public officials to the effect that a little integration would not do any harm, are the ones that the blame is upon, because they are the ones that caused the radical left-wing organizations and the NAACP to believe that they could move in with impunity. They are the ones whose conduct inspired the decision of the North Dakota judge, and they must share the blame, along with the President, for the presence of troops in Little Rock and the turmoil that ensued.

I wonder if anyone can doubt the fairness of these statements? Now, the chips are down, and those causing this division can only do so knowingly and with complete understanding of what division will mean in our State. I say to them, and you say to them, we do not intend to violate a single law, nor a single edict of the United States Supreme Court, no matter how wrong it be, but nevertheless, they may as well stop their ranting because "We ain't going to have it here."

They can deliberately make it hard for us, but they cannot alter our resolve and determination. We will do whatever it takes to prevent this and we will do it within the law. We will close every school in Georgia before it shall come to pass. There is no necessity for another Little Rock and there will not be if our ranks are undivided. Little Rock is not a circumstance to what can occur in Georgia if these wild-eyed left-wing groups demand that it shall be.

We are not confronted only with that problem which I digressed to discuss, but with the other problems I have stated. We have a stupendous work to do and it must be done right. This is the time for undiluted statesmanship, completely divorced from politics. The personal equation must be forgotten.

It is evident to me and God knows I hope and somehow believe that it is becoming clearer to the majority of the people of the United States that had it not been for the social revolution carried on so feverishly for the past 3 years by our President, Vice President, and entirely too many Democrats and Republicans, all urged and spurred on by left-wing minority groups, many of whom cannot be trusted when the chips are down, we would not have found ourselves in our present position where a Godless nation has outstripped us in the development of weapons which could mean the end of civilization; indeed, the destruction of the human race. Had those people used those 3 years for the lofty purpose of preserving the human race and worked as feverishly toward that laudable end as they have fought for minorities, we would not find ourselves in this unfortunate situation.

I do not mean to tell you that we are defenseless. I do not think that we are. I do mean to tell you that we are behind, and that anyone should know that we must be ahead and remain ahead if we are to preserve civilization and Christianity on the face of this earth. I mean to tell you that we must build, and build speedily, satellites, missiles, planes, submarines, and other death-dealing instruments far more capable of destruction than anything Russia can produce. Further, we must continue to do these things for a long time and until the people behind the Iron Curtain realize the futility of war, and sue for peace.

Anyone advocating an all-out war now is a menace to this world. The only hope for avoiding war, and the destruction of humanity, is that we be stronger and more capable at all times. Ludicrous as it may seem to some, it is now a fact that the one nation which controls the moon and the planets will rule this world. We are behind in this race, but we must win this race. A second-best military is like a second-best poker hand. The second-best just cannot win. This is a fight, my friends, to the finish. It is going to cost a lot of money, but it is one that money alone cannot win. We need to forget the idea that we can go to the battlefront in Cadillacs, or under the slogan "Business as usual." This fight is going to be won by those who are willing to give the noblest part of their natures, and who are not only willing to die for our principles, but to do the harder thing—live for our principles. Liberty simply will not consort with a coward, a weakling, or the fainthearted.

Maybe it was too much to expect, but when the President talked to us a short time ago on security, immediately after the launching of sputnik, I was hoping in my heart that our President would suggest that this social revolution, which is destroying the unity of our country, be called off. Yes, I had hoped that he would issue a challenge to that effect so that the people could have the opportunity of determining those who could be trusted when the chips are down. You and I would welcome that challenge, and we would accept that challenge. It would be wholesome for America to have the opportunity of finding out whether these minority groups, who ask for so much and give so little, are willing to prove their loyalty and devotion to constitutional government.

The President did not issue that challenge. Unfortunately, the same day he talked to the American people, he announced his appointment of the members of the Civil Rights Commission. It was a bad Commission which he set up. It could have been worse. I have the idea that sputnik caused it to be no worse. I concede that it could have been worse, because he could have appointed Eleanor, he could have appointed Averill Harriman, who is antiwhite; perhaps he would have appointed Vice President NIXON except for the fact that NIXON was busily engaged traveling over Africa and working with Martin Luther King, on Operation Dixie. The story is told in Washington that after Vice President NIXON returned from one of his African trips he appeared at a baseball game and was taken out to greet the umpires and players; that he was first met by a white umpire, the Vice President extended his hand, and forgetful of his surroundings, looked at the umpire with amazement and was heard to say: "You're Mr. Livingston, I presume."

This Civil Rights Commission will soon start stirring up the strife it was created for. I know this civil-rights legislation. I know it as well as any man in the United States. I know it as well as Herbert Brownell, and I know it better than President Eisenhower will ever know it. If I did not know it, I would have failed you and would have failed the people I represent, and I would have failed the white race.

I was the only member of the House Committee on the Judiciary from Georgia, and as such I had the sacred duty of knowing that legislation and fighting that legislation every step of the way. If I fell down on the job in any respect, recognition of that fact would be the deepest regret of my life. As a member of Subcommittee No. 2 of the House Committee on the Judiciary, and the only southerner on that subcommittee of seven, I was able to hold that iniquitous legislation throughout the session of 1955 and until April 9, 1956. The full committee, on which there were seven other southerners, was able to keep it off the floor until July 18, 1956. It passed the House on July 24, 1956, after having been riddled with amendments, and was sent to the Senate 4 days before adjournment.

In 1957, commencing when Congress convened, a determined fight was made to bring that bill out of committee. Chairman CELLER and ranking minority member, KEATING, said the bill would go through like a dose of croton oil, and be passed on February 15. Congressman CELLER would not let me sit as a member of the subcommittee in 1957, but he could not prevent me from fighting it just the same. We demanded public hearings and we got public hearings.

I called the Governor of our State and asked him to send me Eugene Cook and Charlie Bloch to testify before that committee. He sent them, they came, they did a masterful job. Time will not permit me to enumerate what they did, but as a result of their work and as a result of Georgia responding to my call, the backbones of other southern governors and attorneys general were stiffened, and they came to Washington in numbers that the opposition did not dream would come.

As a result that bill was amended in at least 7 important particulars before it reached the floor only 4 days earlier in 1957 than it did in 1956. Our fight was organized every step of the way. I was the leader of that fight in the committee, Congressman HOWARD SMITH was the general on the floor, Congressman JAMES DAVIS, of Stone Mountain, Ga., was our parliamentarian. We were finally whipped, but that fight proved to me that Lee's army was as good as it ever was. We suffer simply because of lack of numbers. Our heads were bruised, but they remain unbowed.

Sometimes you cannot measure results in the heat of the day. I am inclined to believe now that our success exceeded our expectations. Veritably, I believe that on the national level this social revolution has reached its crest and can only go downhill. Many of the boys who so enthusiastically supported that legislation are now giving the appearance of having been thoroughly chastened. The truth seems to have sunk into them that they did not pick up any votes by doing this un-American thing. That is something that you and I could have told them, and I did tell them, but this is a problem that some people simply have to experience personally in order to understand.

As a matter of fact, I am a little tired and disgusted over the prattling of so many of our leaders to the effect that the Negro has caused all of this trouble. I never will agree that a handful of Negroes has turned this world upside down. Further, I have never convinced myself that the rank and file of the Negro race has any desire to do so. To attribute to the Negroes all of the blame for this strife and confusion would be admitting that they possess political acumen and intelligence that the facts do not warrant. The NAACP is not a Negro organization and never has been. It has had three presidents—all of whom had white skin. It is an interracial movement, and the board of directors is about evenly divided. Eleanor is an honorary member. So is DICK NIXON.

You ask me, naturally, who did stir up this trouble in our land? That is a good question and I can tell you. It was not stirred up by the Yankees, and this is not a battle between the Yankee and the Rebel, or the North and the South. Many would have you think that it is. Thank God there are millions of unreconstructed Yankees who believe in constitutional government and want to have the privilege of preserving our republican form of government. The Yankees are on our side in numbers so large it is hard to envision. There are millions more we can win, when we discharge our duty to carry the facts to them and extend the welcome hand of friendship in recognition of our common destiny. To that end we must unceasingly work.

Of amazing interest to me is the fact that in all of the hearings, not an agency of our Federal Government or the agencies of any of our State governments appeared and testified in behalf of civil-rights legislation. The FBI did not appear. No judge of any court appeared. No attorney general appeared other than Herbert Brownell, and he appeared only on April 9, 1956, when it was apparent that civil-rights legislation was going to be passed out of subcommittee No. 2.

It might interest you to know that when Brownell did appear, he had a bill hastily prepared, which was the worst legal garbage I have ever been permitted to see, and which was completely fashioned upon the bill recommended by Attorney General Tom Clark in 1949, which Tom Clark admitted was of doubtful constitutionality, but contended would be made legal by recitations that the legislation was drawn pursuant to the United Nations Charter. The legality of the civil-rights legislation is now dependent upon the United Nations Charter and the Universal Declaration on Human Rights.

With the exception of Congressmen who were authors of civil-rights legislation, Herbert Brownell, and the Director of the FHA, who bluntly testified that while he was color blind, interracial housing was a bad financial risk for the taxpayers of the United States, here is the list that did appear and testify:

Chairman of the National Civil Rights Committee, Anti-Defamation League of B'nai B'rith, accompanied by director, Anti-Defamation League of B'nai B'rith, Washington, D. C.; executive secretary of the NAACP, New York, accompanied by the director of the Washington bureau and counsel for the bureau; general counsel, American Jewish Congress; executive director, American Veterans' Committee; secretary-treasurer, International Union of Electrical, Radio, and Machine Workers, CIO; codirector of the fair practices and antidiscrimination department, UAW-CIO; accompanied by national representative, UAW-CIO; legislative representative, Americans for Democratic Action; director, American Council on Human Rights; W. Astor Kirk, who said he was appearing as a private witness, although a professor of government at Huston-Tillatson College, Austin, Tex.; Washington representative, Japanese-American Citizens League; statement of the National Community Relations Advisory Council, the statement reciting that it represented the combined and joint views of the constituent organizations as shown on pages 360–361 of the hearings; also, statement by the National Lawyers Guild, National Council of Jewish Women, Inc.; Womens' International League for Peace and Freedom; and the American Civil Liberties Union.

In other words, the only persons in the whole United States testifying in behalf of civil rights legislation were the above minority groups. Now, I hope no member of any race or religion bruises too easily. I attack no one on the basis of race, color, or creed per se, and I want that understood. But, I want it to be fully understood that I attack any organization, irrespective of race, color, or creed, where the national interest is involved. I am aware of the fact that these organizations do not represent the thinking of the great majority of the races and religions that they claim to represent. Actually, I think they are misrepresenting the races and religions they claim to represent. I think any good citizen of the United States should be glad to know, irrespective of any racial ties, or religious ties, the organizations stirring up our land. If anyone resents me telling the truth, then they are the ones who deserve criticism and condemnation.

The testimony of Judge Rose, chairman of the civil rights committee, Anti-Defamation

League of B'nai B'rith, was absolutely astounding. His testimony will be found on pages 403–415 of the Civil Rights Hearings published in 1957. On pages 409–415 will be found my cross-examination of Judge Rose. Judge Rose made it crystal clear that he approved legislation making it a criminal felony offense for anyone abolishing public schools and substituting private schools to avoid integrated schools.

The record shows that I called his attention to the fact that Georgia was discussing going on a private-school system, and asking him if he was advocating that if the State of Georgia should abolish its public-school system that the abolishment would come within this criminal statute that he advocated, and the judge made it crystal clear that he did. The American Jewish Committee sent each Member of Congress a pamphlet entitled "The People Take the Lead" and, on page 631 of the American Jewish Yearbook, 1956, volume 57, is found the statement, "We were very closely involved with the Supreme Court decision. Not only were we active, along with other organizations, in the filing of an amicus curiae brief, but we contributed materially to the social theory upon which the desegregation decision was based." Also, "Fact-finding studies from which this theory developed would not have been made were it not for the American Jewish Committee."

The National Lawyers Guild, an organization which Mr. Brownell has termed "subversive," testified on page 529 of said hearings, and stated that they had drafted the model civil-rights bill, evidently meaning the one that Attorney General Tom Clark submitted in 1949, and hastily copied by Attorney General Brownell in April 1956. Whether the National Lawyers Guild was the father of that illegitimate offspring, I do not know. I admit that the child looks exactly like it.

The UAW–CIO, through its codirector of the fair practices and antidiscrimination department, pages 479–510, recommended legislation founded on the United Nations Charter and Universal Declaration on Human Rights. On page 498 of the 1957 hearings will be found the statement by that witness that segregation must be stopped because "white dominion is dead or dying everywhere in the world, not only in Africa, but also here in the United States of America."

I observe now, as I did then, that witness will not live long enough to preside at the funeral of the white race.

The secretary-treasurer, International Union of Electrical, Radio, and Machine Workers, CIO, recommended legislation which would halt Federal funds to segregated schools, would pass an FEPC law, prohibit segregation in Government-assisted housing, demonstrating that they did not mind trampling underfoot the Constitution of the United States.

The Americans for Democratic Action, through John J. Gunther, advocated an antidiscrimination amendment to the military reserve bill and to eliminate segregation and other forms of discrimination in housing, education, employment, recreation, Government-supported financing, the National Guard, and other areas of life. Also, they urged that all Federal contributions to such programs be conditioned upon such principles.

By the way—I understand that the ADA has blacklisted TIC FORRESTER. I appreciate that compliment, and I can assure you that TIC FORRESTER had blacklisted them long before they blacklisted TIC FORRESTER.

I have barely touched the testimony of these various minority groups, but they sang the same songs and played the same music.

The truth is, this agitation over civil rights and the destruction of the 10th amendment reserving all powers to the States not delegated to the Federal Government is the work of the Communist Party. Two or three weeks ago on Mike Wallace's program, John Gates, a Communist and former editor of the Daily Worker, took credit for the civil-rights legislation in behalf of the Communist Party.

In 1928 the Communist Party platform laid down 9 planks dealing with minority races, and 8 of those planks have already been complied with through executive decrees and decisions of the United States Supreme Court. The plank remaining unsatisfied is the one demanding the abolishment of all laws prohibiting mixed marriages. There is a case now pending before the United States Supreme Court attacking the constitutionality of those laws, and as sure as the sun shines the United States Supreme Court will accommodate that demand.

The most unfortunate decision ever rendered by the United States Supreme Court was the case of *Missouri* v. *Holland* in 1920. That decision wrongfully held that treaties are superior to our Constitution. The Communists and left-wingers danced with glee when that decision was announced. President Truman's Civil Rights Commission in 1947 reported that the United Nations Charter being a treaty, that new vistas had opened to them in the field of civil rights which they had not theretofore dreamed were possible. While you and I, and the rank and file of the American people, were told that the United Nations Charter represented our longing for peace and was a panacea against war, those boys were operating on the idea that the United Nations was a super government, and as Secretary Stettinius termed it, the Charter was an international constitution.

We did not dream that it would be used to run roughshod over our Constitution, or that it would meddle with our internal affairs. We had no idea that it would be used as a basis for the enactment of civil-rights legislation, which even the United States Supreme Court had held conflicted with our Constitution. We of course know that in *Oyama* v. *California* (334 U. S.), the Supreme Court held that a former constitutional law of California was illegal because it conflicted with the United Nations Charter.

Briefly, though I must hurry on, I stake any reputation which I might have as a lawyer of 30 years' experience that there is not one decision of the United States Supreme Court that has offended our philosophies, ran counter to our Constitution and completely against our way of life, which cannot be defended, provided you first admit, which I do not, that treaties override and are superior to our Constitution. I hope that shocks you. Many lawyers have asked me why it was that the United States Supreme Court ignored the rule of stare decisis in the school case decisions. I can give you this explanation: cases holding that separate but equal facilities satisfied all constitutional concepts were decisions rendered in the Constitution itself. Since those decisions were rendered, the United Nations Charter has been adopted and ratified by the Government of the United States, and if treaties override our Constitution, then the Supreme Court Judges perhaps could defend an impeachment proceeding upon the contention that there was no rule of stare decisis, because a treaty had been approved since the rendition of the former decisions.

It is my recommendation that each and every lawmaker in the United States and everyone interested in constitutional government secure a copy of the United Nations Charter and the Universal Declaration on Human Rights. For your information, a few months ago I sent my check to the United Nations, after discovering that this spendthrift Government of ours had neither of those documents, although it distributes free pamphlets on everything that the human mind can conceive of, including the sex life of flowers, asking that they send me an equal number of the Charter and the Universal Declaration on Human Rights. They sent me 200 copies of the Charter, but advised me they were indefinitely out of the Universal Declaration on Human Rights. In other words—I must assume they do not expect to print any more copies.

I have one copy, however, and I am saving it for seed, and if they do not print more we will just have the one that I possess reprinted, because there is the instrument which explains everything and shows the direction this Government is traveling in. Those two instruments furnished the inspiration for the decision in the Watkins case which virtually destroyed the powers of Congress to investigate subversive activities; they also will explain the decision against California, telling that sovereign State that it must withdraw its denial of the right to practice law to the one that had been a former Communist; they explain the Steve Nelson case which told the sovereign State of Pennsylvania in effect that States rights were no more, and that a State could not legislate against the overthrow of a State government. When you read those instruments, you can understand where the reasoning was obtained in the decision telling New York that it could not fire a Communist teacher in the public schools, for under those instruments communism is a political philosophy and protected as such. Under those instruments you can begin to see the unreasonable utterances enunciated in the Girard will case in Pennsylvania.

Now, we might as well shell the corn and we might as well understand what lies ahead for us. It is my considered opinion that the Girard will-case decision was rendered for the express purpose of being made applicable to the State of Georgia and other Southern States. The NAACP and other organizations understand that, and I am not telling them anything which they do not already know. To the Governors of Georgia, the present and the future, to the present leaders of the House and the Senate, and the future leaders, and to the present members of this body and those who come hereafter, I warn you that you might as well roll up your sleeves and bare your breasts and be at all times ready, willing, and able to fight. There are entirely too many lawyers in this joint session for me to presume that I must analyze and digest the consequences of that decision to you. Let them threaten the denial of funds. Let them threaten the denial to us of the use of public buildings or property. They may put those threats into execution, but by the grace of God they will be the losers. In punishing us, they will arouse the righteous wrath of the good people from the four corners of this Nation as nothing else could do.

You have been most kind to me. You have honored me far more than I deserve. I am simply a country lawyer from the little town of Leesburg, who is entrusted with the privilege of fighting for principles which our people love more than life itself. I have done, and will continue to do, and the Georgia delegation has done and will continue to do everything possible to try to recover those principles for you and bring them safely home.

I thank the people of Georgia for that privilege; and, if you will permit me, please let me tell you of one little act which I was able to perform for you that will perhaps remain the high-water mark of my life. In the 83d Congress, Senate Joint Resolution 44, proposing an amendment to our Constitution, was introduced by Senator BUTLER, of Maryland, and was passed in the Senate by a vote of 44 to 29. That resolution was advocated by the bar of the city of New York, a bar which I have found by experience to be one that favors centralized gov-

ernment and liberal theories always, and approved by the house of delegates of the American Bar Association.

Under article III, section 2, paragraph 2, of our Constitution, it is provided that in all constitutional questions the Supreme Court shall have appellate jurisdiction, subject to such exceptions and regulations as Congress might make. Under Senate Joint Resolution 44, as conceived by the bar of the city of New York, and approved by the American Bar Association as aforesaid, that provision was changed to read that the Supreme Court would have appellate jurisdiction of all constitutional questions both law and fact, deleting the right of Congress to make exceptions and regulations.

Strange indeed, Justice Burton and former Justice Owen Roberts had recommended that provision. Indeed, those gentlemen referred to the right of Congress to make exceptions and regulations to the appellate jurisdiction of the Supreme Court as the Achilles heel. They recommended that the Supreme Court be given complete and exclusive authority on saying what the Constitution did and did not mean, free of any interference from any branch of Government whatsoever. That resolution was passed favorably out of a subcommittee of the House Committee on the Judiciary; but, when it was brought before the full committee, I read that iniquitous provision and I led the fight to defeat Senate Joint Resolution 44; and, strangely, not a one of the members of the subcommittee had realized the danger of such provisions. We defeated that bill, thank God.

Here is why I am proud and thankful. Had that bill passed and been adopted, the people of this country would have been bereft of any remedy whatsoever in seeking to undo the horrible decisions that the United States Supreme Court has rendered in recent years, and the United States Supreme Court would have been, as they assume themselves to be, complete dictators of the United States of America. I had the joyous privilege of retaining for the people the right to deal with that Court and its membership and that right remains, and all on earth we need to deal with that Court is the will on the part of the Congress so to do. That was worth going to Congress for.

As surely as we stand in this hallowed place, if the Supreme Court of the United States has the power to write the law of the land, and if the President has the right to enforce those decisions with troops, then we are a dictatorship as terrifying as any existing in foreign lands. Yet, that is the order of these evil days.

Maybe some of you were surprised when I was bold enough to give a statement to the newspapers that President Eisenhower would send troops to Little Rock. I was not unmindful of the fact that the Civil War statute providing that the President could send troops to enforce civil rights had been stricken from the law in the Senate. I was thoroughly familiar with that provision and pointed it out in the minority report of which I was the author in 1956, and again in the minority report of 1957, and I pointed it out on the floor of the House in 1956. I also knew that when that provision was stricken in the Senate by a vote of 94 to nothing, that the left wing boys did not think that they had given up anything.

I remind you again, remember the law of brute force. I do not think that Herbert Brownell sent those troops. I do not think that Sherman Adams did. Sitting in the White House is a man by the name of Max Rabb, who is one of the President's secretaries, and who was head of one of the minority groups before he became adviser to the President on minority affairs. The minority groups are the boys who demanded that troops be sent to Little Rock. They are the ones who got the President's ear, and I am confident that they are the ones who persuaded the President to do a thing that he had told Senator RUSSELL about 2 weeks before he could not conceive of ever doing.

Believe me, my friends, these so-called tolerant boys are the most intolerant boys this country has ever spawned. No; it is not the Negro. Down in Leesburg, Ga., there is an old Negro who has worked for me off and on for 25 or 30 years and he has as faithful a heart as ever beat in a human breast. He writes to me often. In one of his letters he said this to me: "Everything is all right down home, and the yard's all right. You take care of the Yankees, and I'll take care of the home folks." While he is wrong in saying the Yankees, he knew that there were sinister influences somewhere and in his heart he wanted them corrected.

I know of no greater privilege ever accorded to the lawmakers of this Nation and to the leaders of this Nation than the privilege of preserving these things which I have discussed. There is no place on the globe more appropriate to discuss these principles than the spot where you and I stand, and no legislative body, State or Federal, can be more dedicated or more firm in its adherence to the principles upon which our Government is based than here. No wonder, my friends, it's great to be a Georgian.

HOUSE OF REPRESENTATIVES

TUESDAY, FEBRUARY 18, 1958

The House met at 12 o'clock noon.

Rev. Ted Richardson, pastor of the First Methodist Church, Harlingen, Tex., offered the following prayer:

Our Heavenly Father, whose name is above every name, bless us today as we endeavor to do Thy will. Give us spiritual insight equal to the challenge of our material discoveries. Make us aware of our need for Thee and our need for each other, the servant and the served. Save us from folly and deepen our sense of responsibility for each other. Raise up within our midst leaders equal to the times so that the kingdoms of this world may more nearly resemble the kingdom of our God. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following date the President approved and signed bills of the House of the following titles:

On February 15, 1958:

H. R. 3770. An act to rename the Strawn Dam and Reservoir project in the State of Kansas as the John Redmond Dam and Reservoir;

H. R. 6078. An act to provide for the erection of suitable markers at Fort Myer, Va., to commemorate the first flight of an airplane on an Army installation, and for other purposes; and

H. R. 6660. An act to provide that the lock and dam referred to as the Tuscaloosa lock and dam on the Black Warrior River, Ala., shall hereafter be known and designated as the William Bacon Oliver lock and dam.

A SHIFT IN LATIN AMERICAN POLICY

Mr. PORTER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. PORTER. Mr. Speaker, many of us have deplored the administration's courtship of Latin American dictators. The other day I received a letter from the State Department in answer to a letter I wrote to the President recommending that he publicly commend the new Venezuelan Government for its moves toward democracy and freedom.

The texts of those letters are included in today's CONGRESSIONAL RECORD.

No one, except those who are in control, favors a police state. No one advocates intervention by force by the United States in any country. But we can say clearly and officially that we strongly prefer democracy and freedom to dictatorships.

It is most encouraging to discover at long last that the administration is willing to reflect the deepest beliefs of our citizens and make a public statement in favor of nations who choose democracy and freedom over dictatorships.

PERMISSION TO SIT DURING SESSION OF THE HOUSE

Mr. KILDAY. Mr. Speaker, I ask unanimous consent that Subcommittee No. 2 of the Committee on Armed Services may sit during general debate in the House this week.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

FELICITATIONS TO DR. BRASKAMP

The SPEAKER. The Chair recognizes the gentleman from Arkansas for 1 minute for a special purpose.

Mr. TRIMBLE. Mr. Speaker, I think I am giving away no secrets when I say that today is the birthday of our beloved Chaplain, Dr. Braskamp, who has done so much and is doing so much for us.

I know I speak the sentiments of every Member of this House as I wish for him a very, very happy birthday and that all his years will be happy ones.

MARGIE C. STEWART

The SPEAKER laid before the House the following message from the President of the United States, which was read:

To the House of Representatives:

In compliance with the request contained in the resolution of the House of Representatives (the Senate concurring therein), I return herewith H. R. 8038, an act for the relief of Margie C. Stewart.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *February 18, 1958.*

WITHDRAWALS, RESERVATIONS, OR RESTRICTIONS OF MORE THAN 5,000 ACRES OF PUBLIC LANDS

Mr. ENGLE. Mr. Speaker, I call up the conference report on the bill (H. R. 5538) to provide that withdrawals, reservations, or restrictions of more than 5,000 acres of public lands of the United States for certain purposes shall not become effective until approved by act of Congress, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1347)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5538) to provide that withdrawals, reservations, or restrictions of more than five thousand acres of public lands of the United States for certain purposes shall not become effective until approved by Act of Congress, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

Page 2, strike out all after line 19, down to and including line 4 on page 3, and insert the following:

"(4) nothing in sections 1, 2, or 3 of this Act shall be deemed to be applicable either to those reservations or withdrawals which expired due to the ending of the unlimited national emergency of May 27, 1941, and which subsequent to such expiration have been and are now used by the military departments with the concurrence of the Department of the Interior, or to the withdrawal of public domain lands of the Marine Corps Training Center, Twentynine Palms, California, and the naval gunnery ranges in the State of Nevada designated as Basic Black Rock and Basic Sahwave Mountain."

And the Senate agree to the same.

CLAIR ENGLE,
WAYNE N. ASPINALL,
WALTER S. BARING,
JOHN P. SAYLOR,
WILLIAM A. DAWSON,
Managers on the Part of the House.

CLINTON P. ANDERSON,
ALAN BIBLE,
FRANK CHURCH,
GEO. W. MALONE,
GORDON ALLOTT,
Managers on the Part of the Senate.

STATEMENT

Managers on the part of the House at the conference on the disagreeing votes of the two Houses on amendments of the House to the bill (H. R. 5538) to provide that withdrawals, reservations, or restrictions of more than 5,000 acres of public lands of the United States for certain purposes shall not become effective until approved by act of Congress, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report:

The amendment of the Senate as further amended by the committee of conference would exempt 19 specific areas from the requirement that the Congress approve land withdrawals in excess of 5,000 acres. Sixteen of these areas are listed on pages 23 and 24 of Senate Report No. 857, dated August 13, 1957, under the heading, "Lands Where Temporary Use Period Extended." Two of the specified areas, "naval gunnery ranges in the State of Nevada designated as Basic Black Rock and Basic Sahwave Mountain," are shown on chart 5, page 186, of the House committee hearings, serial 29 (84th Cong.).

Until recently, the Navy had proposed large extensions to the Basic Sahwave Mountain and Basic Black Rock gunnery ranges. The Senate amendment would have exempted the "Sahwave Mountain" gunnery range, including proposed extensions, from review and approval by the Congress. In a letter to Representative BARING, dated January 31, 1958, the Department of Defense points out that with the anticipated transfer of the Vincent Air Force Base, and its associated range, at Yuma, Ariz., to the Navy, the "Use of the Basic Sahwave, Basic Black Rock, Chocolate Mountain, and Yuma ranges will satisfy the fleet air-to-air gunnery training needs on the west coast for the foreseeable future." It is the understanding of the House managers that the Navy is no longer committed to seek extensions to the Sahwave Mountain and Black Rock gunnery ranges and that action has been initiated to delete such extensions from the Navy's land-withdrawal requests.

CLAIR ENGLE,
WAYNE N. ASPINALL,
WALTER S. BARING,
JOHN P. SAYLOR,
WILLIAM A. DAWSON,
Managers on the Part of the House.

The SPEAKER. The question is on the conference report.

The conference report was agreed to, and a motion to reconsider was laid on the table.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first bill on the Private Calendar.

WOLFGANG JOCHIM HERMAN SCHMIEDCHEN

The Clerk called the first bill, S. 1414, for the relief of Wolfgang Jochim Herman Schmiedchen.

Mr. HYDE. Mr. Speaker, I ask unanimous consent that the bill (S. 1414) be recommitted to the Committee on the Judiciary.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

ACME BAG & BURLAP CO. ET AL.

The Clerk called the bill (S. 1805) for the relief of persons and firms for the direct expenses incurred by them for fumigation of premises in the control and eradication of the khapra beetle.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Agriculture is authorized and directed to pay, out of the unobligated balance of funds appropriated for the fiscal year 1956 in the Department of Agriculture and Farm Credit Appropriation Act, 1956 (Public Law 40), under the appropriation "Salaries and expenses, Agricultural Research Service, plant and animal disease and pest control," the following persons or firms in the amounts set out after their names to reimburse said persons or firms the direct expenses incurred during fiscal years 1955 and 1956 for fumigation of premises under the quarantine and supervision of the Agricultural Research Service and appropriate State agencies for the eradication of the khapra beetle and thereby provide equitable treatment to said persons or firms who were required to bear these costs prior to the policy established through the enactment of the Second Supplemental Appropriation Act, 1956 (Public Law 533):

Acme Bag & Burlap Co., and Delinting and Seed Treating Co., Phoenix, Ariz., $1,200; Advance Seed & Grain Co., Phoenix, Ariz., $9,445.88; Arizona Flour Mills Co., Casa Grande, Ariz., $7,548; Arizona Flour Mills Co., Glendale, Ariz., $3,092.20; Arizona Flour Mills Co., Phoenix, Ariz., $12,645; Arizona Flour Mills Co., Tucson, Ariz., $8,100; Arizona Grain & Storage Co., Chandler, Ariz., $5,400; Boyd and Kuhn, Brawley, Calif., $300; Browns Farm Store, Phoenix, Ariz., $95; Buckeye Feed & Seed Co., Inc., Buckeye, Ariz., $6,400; Capital Feed & Seed Co., Coolidge, Ariz., $1,825; Capital Feed & Seed, Gilbert, Ariz., $2,449.90; Capital Feed & Seed Co., Phoenix, Ariz., $11,051; Casey Seed Co., Phoenix, Ariz., $912; Neal Collins Farm, Yuma, Ariz., $75.50; Curry County Grain & Elevator Co., Clovis, N. Mex., $919.80; Desert Feed Store, Phoenix, Ariz., $28.50; Edward Beals Feed Lot, San Luis, Ariz., $54; Farm Equipment & Supply Co., Parker, Ariz., $647.26; Farmers Cooperative Marketing Association, Roll, Ariz., $1,175; Farmers Marketing Corp., Yuma, Ariz., $1,210; Farmers Marketing Corporation Mill, Yuma, Ariz., $5,675.40; Feeder's Supply Co., Mesa, Ariz., $225; H. P. Fites Ranch, Yuma, Ariz., $116; Henry Frauenfelder Farm, Somerton, Ariz., $147.14;

Grubbs Hatchery, Yuma, Ariz., $143.47; Hafley's Market Warehouse, Kingman, Ariz., $50.23; Hayden Flour Mills, Tempe, Ariz., $11,100; A. W. Johnson, Yuma, Ariz., $209.42; C. A. Johnson Farm, Somerton, Ariz., $112.50; Dave Johnson Farm, Somerton, Ariz., $152; Frank Kornegay Farm, Yuma, Ariz., $231; Henry Leivas Farm, Parker, Ariz., $245.50; R. W. Livingston Farm, Yuma, Ariz., $73.14; Long's Dairy, Buckeye, Ariz., $280; Arthur McCoy Ranch, Yuma, Ariz., $50; Pearl McCreary Ranch, Gilbert, Ariz., $64.43; R. H. McElhaney Ranch, Wellton, Ariz., $953; Northrupp-King Co., Phoenix, Ariz., $2,731.50; Northrupp-King Seed Co., Yuma, Ariz., $60; Pablo Artiz Farm, Yuma, Ariz., $16; Phoenix Hay & Feed Co., Phoenix, Ariz., $460; Pratt Feed & Supply Co., Phoenix, Ariz., $675; Quick Seed & Feed Co., Phoenix, Ariz., $1,829; R. F. Richter Feed Store, Parker, Ariz., $131.51; Robert Seed Co., Texico, N. Mex., $964.46; St. Anthony's Ranch, Mecca, Calif., $200; Shank Bros. Imperial Co., Brawley, Calif., $300; Slone Grain Co., Portales, N. Mex., $891.10;

Arthur Jannusch, Phoenix, Ariz., $72.60; Southwest Flour & Seed Co., Glendale, Ariz., $13,632; Sterner Farm, Goodyear, Ariz., $65.50; Strange's Market Warehouse, Ajo, Ariz., $45.50; Jesse P. Stump Farm, Tolleson, Ariz., $675; Hubert Thacker Farm, Yuma, Ariz., $38.25; Valley Feed & Seed Co., Phoenix, Ariz., $9,385.88; Western Grain Elevator Co., Mesa, Ariz., $10,042; Whitman Seed Co., Yuma, Ariz., $4,718.40; Worley Mills, Inc., Portales, N. Mex., $1,664; and Yuma County Feed & Seed Co., Yuma, Ariz., $154.16: *Provided*, That before payment is made these persons and firms shall submit certified vouchers in support of such claims for reimbursement of direct fumigation costs incurred by them.

SEC. 2. No part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by

any agent or attorney on account of services rendered in connection with this claim, and the receipt of any sum in excess of said 10 percent shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

SEC. 3. No payment shall be made under this act to the Hayden Flour Mills or the Southwest Flour & Feed Co. unless each such corporation and any Member of Congress who holds stock in either of such corporations at the time such payment is made has made a written agreement with the Secretary of Agriculture that from any funds thereafter payable to any such Member of Congress as dividends (ordinary or liquidating) on such stock there will be repaid to the Secretary of the Treasury to be covered into miscellaneous receipts a sum which bears the same ratio to the aggregate payments made under this act to such corporations by the Secretary of Agriculture as the number of shares of stock so held by such Member of Congress at the time such payment is made bears to the total number of shares of stock of the corporation outstanding at the time such payments is made.

Amend the title so as to read: "A bill for the relief of Acme Bag & Burlap Co. and others."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THOMAS CRUSE MINING & DEVELOPMENT CO.

The Clerk called the bill (S. 652) for the relief of the Thomas Cruse Mining & Development Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Thomas Cruse Mining & Development Co., of Helena, Mont., the sum of $7,500. Payment of such sum shall be in full settlement of all claims of such company against the United States arising when, on October 8, 1942, its mining mill located near Marysville, Mont., and the machinery and equipment therein, were extensively damaged as a result of demolition operations carried on by personnel of the United States Army: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROMA H. SELLERS

The Clerk called the bill (S. 1714) for the relief of Roma H. Sellers.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Roma H. Sellers, of Preston, Miss., the sum of $12,500. The payment of such sum shall be in full satisfaction of all her claims against the United States for compensation for permanent and personal injuries and pain and suffering sustained by her, and for reimbursement of hospital, medical, and other expenses incurred by her, as a result of the improper administering of an anesthetic in the course of an operation performed on her January 7, 1955, by United States Air Force doctors at the Nazareth Hospital, Mineral Wells, Tex.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 11, strike out "the improper administering of an anesthetic" and insert "a toxic reaction to the medication used in preparation for and."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HENRYK BIGAJER AND MARIA BIGAJER

The Clerk called the bill (H. R. 7057) for the relief of Henryk Bigajer and Maria Bigajer.

Mr. HEMPHILL. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

RELIEF OF CERTAIN EMPLOYEES OF THE DEPARTMENT OF THE AIR FORCE, MOBILE AIR MATERIEL AREA

The Clerk called the bill (H. R. 8134) for the relief of certain employees of the Department of the Air Force, Mobile air materiel area.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That (a) each of the following-named persons is hereby relieved of all liability to refund to the United States the amount of overpayments made to him during the period from December 21, 1952, to November 4, 1956, by the Secretary of the Air Force as a result of an error in the conversion of his position from the wage-board system to the general schedule grades under the Classification Act of 1949, as amended, while such person was employed by the Department of the Air Force, Mobile air materiel area: Archie E. Albritton, Mobile, Ala.; John D. Almond, Mobile, Ala.; David B. Bouler, Mobile, Ala.; Frederick A. Baumgardner, Mobile, Ala.; David L. Burlison, Mobile, Ala.; Melvin T. Busby, Mobile, Ala.; Elmer M. Chambers, Mobile, Ala.; Lee N. Cornell, Chickasaw, Ala.; Jimmie G. Dodd, Mobile, Ala.; Norbert A. Duff, Irvington, Ala.; Lowell M. Estes, Mobile, Ala.; Donis R. Ferguson, Daphne, Ala.; John F. Findley, Mobile, Ala.; Charles E. Fitzgerald, Mobile, Ala.; William H. Fobes, Mobile, Ala.; Converse Harwell, Fairhope, Ala.; Franklin G. Henning, Mobile, Ala.; John H. Hines, Citronelle, Ala.; Hugh M. Hodge, Mobile, Ala.; Claudie W. Hudson, Mobile, Ala.; Lucius C. Huff, Chickasaw, Ala.; William W. Jennings, Eight Mile, Ala.; Byron H. Jordan, Mobile, Ala.; Lionel E. Kay, Mobile, Ala.; Carl W. Killinen, Mobile, Ala.; Marshall R. Leffew, Mobile, Ala.; Leonard C. McCarter, Mobile, Ala.; Clyde H. McLeod, Mobile, Ala.; Buford C. Mallette, Lucedale, Miss.; Rush L. Mauney, Mobile, Ala.; Paul F. Morgan, Mobile, Ala.; Raymond Nobles, Mobile, Ala.; Emile J. Nussbaum, Jr., Mobile, Ala.; William R. Peavy, Robertsdale, Ala.; George L. Pennington, Mobile, Ala.; Theron R. Petway, Mobile, Ala.; George R. Poe, Mobile, Ala.; William H. Pugh, Jr., Prichard, Ala.; George R. Rawlins, Mobile, Ala.; Sidney M. Reynolds, Mobile, Ala.; Hubert R. Riels, Mobile, Ala.; Floyd M. Reynolds, Mobile, Ala.; Clyde B. Rutherford, Lucedale, Miss.; William R. Scott, Mobile, Ala.; Barnie B. Short, New Orleans, La.; Walter B. Simison, Mount Vernon, Ala.; Henry Smith, Mobile, Ala.; Claude W. Sweetser, Spring Hill, Ala.; Troy Thacker, Mobile, Ala.; James C. Tumlison, Birmingham, Ala.; Julius T. Turner, Mobile, Ala.; John B. Volnoff, Mobile, Ala.; James E. Walker, Mobile, Ala.; Thomas K. West, Mobile, Ala.; Thornton P. Williams, Mobile, Ala.; Ben R. Wilson, Mobile, Ala.

(b) In the audit and settlement of the accounts of any certifying or disbursing officer of the United States full credit shall be given for all amounts for which liability is relieved by subsection (a) of this section.

With the following committee amendments:

Page 3, line 13, strike the period following the word "Alabama" and insert "; Gerald E. Hardman, Cleveland, Ohio; Ray O. McCrite, Bennington, Okla."

Page 3, following line 17, add a new subsection as follows:

"(c) Any person named in subsection (a) who has refunded to the United States all or part of the overpayment made to him as a result of the error described in subsection (a) is entitled to be paid the amount refunded, if otherwise proper."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

C. J. POBOJESKI

The Clerk called the bill (H. R. 9396) for the relief of C. J. Pobojeski.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Chief Yeoman C. J. Pobojeski, United States Navy, the sum of $356.50. The payment of such sum, together with the indemnity of $200 heretofore paid to him by the United States, shall be in full settlement of all claims of the said C. J. Pobojeski against the United States on account of damage to his electric typewriter, valued at $556.50, due to the negligent handling of such typewriter in the United States mails: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed

guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DORA THELMA ANDREE

The Clerk called the bill (H. R. 9878) for the relief of Dora Thelma Andree.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Dora Thelma Andree, Honolulu, T. H., the sum of $246. The payment of such sum shall be in full settlement of all claims of the said Dora Thelma Andree against the United States arising out of her capture and detention by the Imperial Japanese Government in Korea during World War II. No part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CLEARING THE TITLE TO CERTAIN INDIAN LAND

The Clerk called the bill (H. R. 5624) to clear the title to certain Indian land.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the United States hereby disclaims on behalf of itself and any Indian allottee, or his heirs or devisees, any interest in land described as: Lot 6, section 17, township 19 north, range 24 east, Miami County, Kans., and the east half northwest quarter and lots 2 and 3, section 20, township 19 north, range 24 east, Linn County, Kans., containing 153.10 acres more or less, which lands were conveyed under guardian's deed to G. Lehr on April 6, 1868, by A. G. McKensie, guardian of So-we-lah-shing or Brown Cabbage, and approved by O. H. Browning, Secretary of the Interior, on November 5, 1868.

With the following committee amendments:

Page 1, line 5, strike the word "north," and insert in lieu thereof the word "south."

Page 1, line 6, following the words "range 24 east," insert the words "sixth principal meridian."

Page 1, line 8, strike the word "north," and insert in lieu thereof the word "south,". Following the words "range 24 east," insert the words "sixth principal meridian."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATION BILL, 1959

Mr. KIRWAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 10746) making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1959, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to 2 hours, 1 hour to be controlled by the gentleman from Missouri [Mr. CANNON] and 1 hour to be equally divided and controlled by the gentleman from Iowa [Mr. JENSEN] and myself.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Ohio.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 10746, with Mr. PRICE in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. The gentleman from Missouri [Mr. CANNON] is recognized for 1 hour.

NOT A MINUTE TO LOSE

Mr. CANNON. Mr. Chairman, in 1926, Will Rogers, one of the great men of his day and generation, made a trip abroad and visited Russia. While there he noted with some concern that, notwithstanding the poverty of the country, the Russians were devoting more time and attention to aeronautics than his own country in which the airplane originated. On his return to the United States he wrote a book in which he made the remarkable and prophetic statement that what Americans needed was to have their speedometer taken away from them and exchanged for an alarm clock. He said:

If Americans don't look out they will be caught in the next war with nothing but a niblick and a putter.

And that is exactly what has happened. We are caught today in the most ominous armanent race of all time with little more than a niblick and a fleet of white elephant carriers. And as a result, America is today in the greatest danger since Valley Forge.

Up to the close of the Second World War Russia had never won a battle in its history. Genghis Khan marched ruthlessly across its steppes exterminating every Russian in his path. Charles XII, of Sweden, repeatedly chased Peter the Great and every army he could mobilize all over the terrain. Napoleon marched his Grand Army to the heart of the empire brushing aside the Cossack troops without even falling into battle formation. And Von Hindenburg, turning back from the western front, which he was holding against England, France, and Belgium, exterminated the czar's army of 1 million men in 1 day.

Not until America provided the guns and the ships and the tanks and food and ammunition and the Allied forces diverted German attention on every side, were the Russians able to hold Hitler's waning Wehrmacht on the last line in front of Moscow.

When the war closed the United States was the greatest military power the world had ever known. We had never lost a war from Washington to Roosevelt. We had the largest Army, the most powerful Navy, and the greatest air fleet in existence. And we dictated arbitrary terms of peace in both the Pacific and the German theaters. No one questioned our supremacy, our power or our authority. And no one gave Russia second thought.

What a change these last few years have brought.

The rate of Russian expansion since World War II has been unprecedented. Not only in war potential and armament but in the production of capital goods and the expansion of capital goods industries. The modernization of her military forces has been faster than our own, and with it there has been a slow but definite shift in world balance of military power since 1949 when Russia detonated her first atomic bomb. The expansion of the Red army has been amazing. Russia now has 175 divisions and the unquestioned capability of mobilizing a total of approximately 300 divisions in 30 days. The United States will maintain in the next fiscal year, if we follow the budget, 14 divisions with 3 Marine divisions. The odds are 300 divisions against 17 divisions.

Russia has outbuilt the United States in new submarine tonnage by 6 to 1; in destroyer tonnage by 9 to 1; and in cruiser tonnage by 14 to 1. She has not been foolish enough to build a single carrier but she has the greatest submarine fleet the sun ever shone upon, and, true to form, is building airplanes faster than the United States or any other nation on the globe.

In these last few years we have labored under the misconception that we, the American people, were a chosen people and the foremost scientific nation on earth. The first sputnik convinced the most skeptical and the second sputnik was conclusive. Our satellite was a great triumph—when we finally managed to get it up. But it did not equal the Soviet project. The aim was faulty. It went 100 miles farther in space than had been intended. And there were other mistakes and deficiencies.

In brief, by way of summarization:

We are behind the Russians today in the race for outer space.

We are behind the Russians today in the intercontinental ballistic missile race.

We are behind the Russians today in the submarine field.

We are behind the Russians today in army and army rifles.

We are behind the Russians today in tanks.

We are behind the Russians today in ocean survey and exploration—in ocea-

nography. They are using 30 hydrographic ships and we are employing 8.

We are behind the Russians today in the rate of production of airplanes and missiles.

We are behind the Russians today in radar. They have about 10 times as much as we have and it is more effective against high-flying bombers.

We are behind the Russians today in the development of rocket fuels. They are using solid fuels while we are still dependent on liquids.

But we are ahead of the Russians in supercarriers, tomahawks, and scalping knives. No one questions our preeminence in any of these three categories.

Now, the disturbing feature of this extraordinary progress is that Russia is steadily accelerating her programs. General Doolittle, Chairman of the Air Force Scientific Advisory Board, reports:

Russia's rate of progress is more rapid than ours.

Gen. Thomas D. White, Chief of Staff of the United States Air Force, says:

The United States is behind the Russians in developing intercontinental missiles.

We are not only 2 to 5 years behind—but the most significant thing is that we are steadily falling further behind.

General Phillips—January 23, 1958—states:

Failure to provide for missiles has placed the United States Army from 2 to 4 years behind the Soviet Army in the development of this important ground-force weapon.

And Dr. Von Braun, Chief of the Army Ballistic Missile Agency's development operations, agrees:

The frightening thing is their rate of progress. It will take 5 years to catch the Russians.

And we cannot expect them to stand still while we are after them.

But with the development of her war potential Russia has at the same time created the world's second most powerful industrial machine. The expansion of her capital-goods industries has been phenomenal. In short, the ever increasing and expanding Russian achievements in science, mechanics, production and diplomacy are rapidly reducing us to a second-class power. And there are no second prizes.

This phenomenal progress by a sister nation and former ally should and would give the American people cause for rejoicing—but for the utterly incomprehensible and inexplicable enmity and predatory threats of the Kremlin against the Government and people of the United States.

The United States had saved Russia from Hitler. She could not possibly have survived without our help and encouragement and bounty, freely given without any hope or expectation of reward or repayment. We supported her in the war and the peace adjustments and set her firmly among the postwar nations. We asked nothing in return, neither territory nor commercial advantage nor concessions of any kind, either from the Russians or from any other nation or people. We asked only her friendship.

But from the beginning every Russian dictator has openly expressed undying hatred of America and all things American and announced to the world that Russia and America cannot exist side by side. For 12 long years we have made every concession and every effort to appease and conciliate them. But without avail.

Khrushchev said recently:

The people of the United States have never fought in their own territory. They must understand that the next war will not be fought in Africa or Europe or Asia. But from the very outset it will be fought on United States soil.

In commenting on this situation, Dr. Rabi, Nobel prize winner and chairman of the President's Scientific Advisory Council, said:

Civilized humanity has never faced a problem as grave. The end of our national existence is in sight unless we solve this problem.

J. Edgar Hoover, who is more intimately acquainted with the subject than anyone else, says in the preface to his new book, Masters of Deceit, which will be off the press March 10:

Since the end of World War II, we have spent billions of dollars to defend ourselves from Communist aggression. Communism is the major menace of our times. Today it threatens the very existence of our Western civilization. International communism will never rest until the whole world, including the United States, is under the hammer and sickle.

Until recently we had little to fear from Russian communism or other enemies. Guarded by twin barriers, the Atlantic and the Pacific, we were safe from foreign aggression. But we no longer have geographical immunity. The earth has shrunk. The distance between continents has been narrowed to a 30-minute span or less. Bombers and missiles ignore it. The power and speed of modern weapons have destroyed forever America's geographic invulnerability. Instead of being an asset the ocean is now a liability—a jungle in which the predatory tiger of the sea, the killer submarine, lurks in hiding, unseen and undetectable, ready to rain mushroom-clouded death, destruction, and devastation on the land.

We have met this situation up to this time—we are meeting it now—with the SAC—the Strategic Air Command, consisting of B–52's—long range bombers armed with nuclear warheads. One-third of these bombers are constantly in the air—to avoid surprise and infiltration. They carry sealed orders and the instant our radar reported enemy attacks on us or our allies they would immediately be on their way to strike previously selected Communist targets in retaliation. Only last week Britain issued a white paper warning Russia that centers of population, mobilization, supplies and communication had been pinpointed and would be blown off the face of the earth in reprisal for any hostile move by Russia or any of her satellites.

We have here before us in the well of the House a map of the Russian Empire. Surrounding it is a ring of SAC air bases in every friendly NATO country bordering Russia and her satellites. I shall not name them for security reasons but you know where they are located and Russia undoubtedly knows where they are and could enlighten you as to the minutest detail of their military function. From these widely dispersed airfields the SAC can strike any military objective in Russia in a comparatively few minutes. There are about 160 NATO airfields and 250 national airfields in Western Europe. These oversea bases are much closer to the vital centers of the Soviet Union than Soviet bases are to the strategic centers of the United States. It is these planes and these atomic bombs carried by the Strategic Air Command that have kept, and are today keeping, the peace of the world.

But time marches on. The old order passes. In no department of human endeavor is there such rapid change and continuous readjustment as in the accoutrements and paraphernalia of war. The days of the B–52 and all long-range, high-flying bombers are numbered. And time is running out.

As the ballistic missile is developed the usefulness of the bomb-carrying plane wanes. And when the ICBM's are perfected the bomber will be as obsolete as the dreadnought. It is merely a matter of time—and a short time—before the Soviet will have neutralized the SAC. They are now building a new air defense system, using improved radar and anti-aircraft missiles with nuclear warheads with which they expect to block the SAC bombers at the border. It is claimed that very shortly the Soviet defense will be made so effective that the first 100 B–52's or B–47's striking at Moscow would be shot down before reaching the target. In other words within a year it may take 100 planes to land 1 bomb. When this will have been effected the SAC will be relegated to the limbo of the past along with the cavalry, the supercarrier and the blunderbuss.

Already they are said to have an IRBM which was displayed in Moscow on Red Army Day, last November 7, in production and in inventory, and distributed 5 to a station. This missile has a range of 700 miles. Its range could be extended to 1,000 miles by substituting a smaller, lighter warhead. But the shorter the range the greater the accuracy. The red line around the map before us marks the reach of the 700-mile missile. The blue line is the perimeter of the 1,000-mile missile. As will be noted, even this smaller missile will reach beyond the location of all but one or two of the SAC bases. Attacked by these missiles, fired from unknown sites, and moved from point to point, the SAC basis would be instantly untenable. And our system of massive retaliation would have collapsed.

The entire continental United States would then be open to attack by Russian bombers and ICBM's. This situation would obtain until we ourselves had our own ICBM in production to take the place of the outmoded SAC as a deterrent.

This will be the period of our greatest danger. During this time the United States would be without retaliatory power—would be defenseless except for our submarines—and the burden of defense would fall on our allies—if any remained—and a concerted attack

might give the Kremlin control of the world in a week.

It is apparent that every energy should be devoted to the construction of submarines and long-range missiles.

But this is not the source of our most immediate danger. We have long believed the first attack of the third world war would come by plane over the North Pole. And we are maintaining long radar fences across Canada and the United States to detect and report such invasions. It now seems certain that would be the least likely source of attack.

We are in the same situation in which we found ourselves in 1814. We realized that England in attacking Washington would have to come up the Potomac River. Accordingly we built four fortresses along the river, Fort McHenry and others, ready to give a warm welcome to any English battleship sailing up the Potomac to attack the Capital. But the English would not fight fair. Instead of coming up the Potomac they went around us and came in through the back door by way of Annapolis, and you remember what happened.

All along here we have been expecting the invaders to come over the North Pole in bombers. We have made every arrangement to detect them at the earliest possible minute. But they are not coming over the North Pole at all. That will be the least likely direction from which they will attack. The Navy on December 30, 1957, issued a report outlining another possible method of attack by the Soviet.

It is a slightly different version of the often discussed infiltration method involving assembly of bombs from the luggage compartments of automobiles planted at strategic positions and detonated simultaneously by prearrangement. Or the renting of garrets or basement rooms by enemy agents, working long in advance. Such a bomb installed in Washington could practically wipe out the personnel of the Government. A hundred such bombs placed at key positions could shatter America's ability to make war and kill 20 million people. We would not even know they were here. But unquestionably Russia has spies throughout the country. Germany had such agents here as early as 1933.

Such intelligence-planted bombs would constitute the first blow. Ballistic missiles could deliver the second blow—approaching a city, for example, at a speed of 1 mile a second. If detected by radar 200 miles away we would have 200 seconds to take defensive measures. The third wave to attack would consist of long-range transport planes carrying firing squads to take over.

This Navy report visualizes an attack by missile-launching ships disguised as merchant vessels. It would be a more difficult attack to recognize than one by missile-launching submarines. If each merchant vessel carried 6 missiles and launched them within 1 hour, 12 ships could be used to replace 35 submarines required for a submarine attack. This is an official conclusion determined by responsible Navy personnel.

There would be under normal conditions about 75 unidentified ships within 500 miles of the coast at any given time.

The report continues:

If our only means of recognizing a raid consisted of assigning aircraft to track each unidentified ship until it unmasks to launch missiles or moves out beyond the assumed missile range, prohibitive numbers of aircraft would be required for the surveillance effort, even for short warning times.

Of course missile attacks by disguised merchant vessels may never be made. But in event of war such attacks by missile-firing submarines are inevitable. The method and results are practically identical. Submarines would fire while still submerged without ever coming to the surface. And could devastate both seaboards and return to their Russian bases without having been seen. Against such attacks there is no defense except other submarines similarly equipped. The question is whether we will have the submarines in time; whether the useless carrier will absorb funds and labor that should go to the construction of the 100 submarines we will need to meet the 100 submarines the Soviet is now building in every Russian shipyard.

The use of missile submarines in a sustained bombardment after a war has started is analogous to an air raid against the United States. Sufficiently heavy air raids can inflict vast destruction despite any level of attrition we can afford to provide. Similarly, no reasonable antisubmarine effort could prevent immense damage even though many submarines were sunk in return.

We might expect 6 submarines to be sunk out of a 15 submarine raid. In the Pacific the situation is much less favorable. There with 4 ASW attack aircraft on station we might, for example, sink only 1 submarine out of a 5 submarine raid within 350 miles of the coast.

Although we can exact heavy attrition from submarines penetrating on such missions, no reasonable amount of antisubmarine effort can prevent immense damage to the United States.

One hundred and five submarines could damage as much as 65 percent of all parked SAC aircraft in the United States. The closer the launching positions are to the coast, the greater the damage will be. However, the farther the enemy penetrates, the greater the chances of our recognizing a raid before launching time.

This is a map of the United States and is a copy of the map carried by the naval report just referred to. Look it over carefully. If such contingency as that described by the report should arise you may not be able to recognize it the next time—unless you can read Russian.

These red lines do not parallel the coast lines, but the report explains that a missile-firing submarine or an attack vessel disguised as a merchantman firing ballistic missiles could hit any city within 550 miles of the coast. And the area devastated by missile attack would extend from the coast to the red line. Forty-three out of our 50 largest cities and 85 percent of our industries are situated less than 500 miles from the coast. If such an attack could be staged as successfully as the Pearl Harbor attack there is reason to question whether sufficient strength and resource would be left to strike back. The theory of massive retaliation could be followed when we had allies to hold the enemy while we started production. But with no bases from which to strike and nothing with which to retaliate, the first blow might be decisive. Can there be a comeback from an atomic Pearl Harbor?

The answer is that we should have the submarines and the atomic missiles instead of the Russians. The first submarine was built here in the United States; the first plane flew at Kittyhawk. And the first atomic bomb was produced down at Oak Ridge, in Tennessee.

How does it happen then that Hitler had the planes and Khrushchev has the submarines and the ballistic missiles? The answer is written in the loss of thousands of American servicemen who might be alive today—and in the present deadly peril of the Nation—all of which would have been avoided if the Navy had not insisted on big appropriations for big ships for big admirals when the money and time and attention should have been given to the development of American planes, American submarines, and American missiles.

During 1938, the year England and France had to grovel before Hitler at Munich because they had no airpower, the American Navy deliberately restricted American planes—the ideal weapon devised by an American—to a range not to exceed 300 miles. How absurd. How utterly indefensible. Germany and Russia at a glance realized the possibilities of aviation. Germany drove American commerce from the Atlantic with a handful of submarines. But the American Navy, deaf, dumb, and blind, utterly oblivious to the obvious and the inevitable, threw plans for planes, submarines, and missiles into the ashcan and martyred the men who recommended them.

They looked contemptuously at the submarine and asked, "Who wants to be a mole?" The question answers itself. They placed their personal preference before their country's safety.

They abolished the General Headquarters Air Force just 8 months before Hitler marched into Poland. And when Hitler reached out to take the world by the throat the United States had no airpower at all.

The CHAIRMAN. The time of the gentleman from Missouri [Mr. CANNON] has expired.

Mr. KIRWAN. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. CANNON. They squandered billions on flattops and denied money for four-motored bombers which might have prevented the Second World War. They now commit the supreme folly of laying the keel for another flattop at Newport News this month and divert skilled manpower, desperately needed these next 3 years for submarines and missiles to save our cities from destruction.

We must have submarines to take the place of SAC when it has lived out its time. We need 100 nuclear-powered, missile-firing submarines to keep the peace of the world—and we are building 9.

Russia is building 100 submarines this year. It is time we took notice.

There are areas in the budget where savings can be made without endangering national defense. We can build enough submarines to keep the Russians on their side of the water and still maintain a proper balance between military expenditures and the strength of the economy to support it. It is not what you spend but what you get for your money. It is not how much we appropriate but what we appropriate it for.

The circumstances are immoderate and the condition in which we find ourselves today is immoderate. Why? Because these men were so blind they would not see the facts.

Mr. SCRIVNER. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Kansas.

Mr. SCRIVNER. The gentleman from Missouri and I have been on the Committee on Appropriations for quite some time. The gentleman is usually fairly even tempered but I think when he reads his remarks today he will find that he has been rather immoderate in his indictment of some of the finest Americans who ever wore the uniform.

Mr. CANNON. The circumstances are immoderate and the condition in which we find ourselves today is immoderate. Why? Because these men were so blind they could not see the facts.

Mr. SCRIVNER. Mr. Chairman, will the gentleman yield further?

Mr. CANNON. I yield to the gentleman from Kansas.

Mr. SCRIVNER. If I recall correctly, the gentleman from Missouri has been chairman of the Committee on Appropriations for many years. As a matter of fact, his party has been in control of the Congress 23 out of 27 years. The gentleman has had control of the purse strings and if he felt we should have had more submarines, why did he not provide the money for them?

Mr. CANNON. Here the other day I voted tc cancel this billion-dollar carrier which cannot be ready for 4 years. We can build 48 submarines in that time. But the gentleman voted to keep the carrier and not to put in the submarines which can save American cities from destruction.

The CHAIRMAN. The time of the gentleman from Missouri has again expired.

Mr. KIRWAN. Mr. Chairman, I yield myself such time as I may desire, and ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. KIRWAN. Mr. Chairman, as I have said on the floor of this House many times, I am sorry this Department of the Interior appropriation bill is not for at least $750 million or more.

This is the greatest country on earth, better than all the rest rolled into one, with its mountains, its streams, its climate, its soil, its minerals, everything, the work of God; and what a job we have done on this country, not Russia but we Americans, in the past 300 years. We have robbed and looted until we are with our backs to the wall today, but we did it ourselves, we had the biggest hand in doing it, not Russia, but we right here in this Nation.

Last year we appropriated $456.2 million for this Department. The budget estimates for 1959 were $414.5 million. This bill is for $413.1 million, a reduction below the 1958 appropriation of $43 million. This bill is below the budget estimates for 1959 by $1,339,000.

The revenues generated by the activities of the agencies involved in this Department are estimated at $411,137,441 for the fiscal year 1959, only $2 million less than the amount sought to be appropriated in this bill.

In general, except for construction items, the bill continues the basic programs at the current-year level.

Of the decrease below the budget of $43,104,000, $29,523,000 is in construction items. Thirteen million dollars of this reduction is due to the smaller amount required to liquidate obligations under the contract authorizations in the Federal-Aid Highway Act. The remaining reduction of $16,523,000 under construction will be offset in large part by carryover funds of $11,711,076; $7,671,000 is for nonrecurring items in 1958; $479,000 of the decrease is in grants to the Territories which will not be required; $1,393,00 is a reduction in land acquisition for the District of Columbia; $1,050,000 is a decrease in the Forest Service cooperative tree program as proposed in the budget. The Federal share of this program is now only 20 percent and many other funds will be available in 1959, including $8,500,000 under the soil bank. So there will be adequate money for the planting of trees.

The balance of the decrease, $2,988,000, represents chiefly various funds placed in budget reserve this year and for which the 1959 estimates were reduced accordingly.

As to the major changes made by the committee in the budget estimate, there is an increase of $800,000 for Indian school construction to maintain the current level. Eight thousand Indian children are still not in schools, while over this Nation the people are hollering for a billion-dollar school plan; yet here are 8,000 Indian children that never have put foot in a schoolhouse.

There is a decrease of $750,000 for the Geological Survey for uranium geology. The bill leaves an increase of $1,030,000 for this purpose, to replace an Atomic Energy Commission transfer, which is adequate.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. KIRWAN. I yield to the gentleman from Iowa.

Mr. GROSS. I commend the gentleman on the good work that has been done on this bill. I do have a few questions to ask. One of them pertains to exploration for uranium. I wonder how many agencies of Government are involved in the exploration for uranium?

Mr. KIRWAN. There might be several. I know we have it in this bill. Without doubt the industry is spending more money than at any time in its history for this purpose, and more people are out looking for uranium. You do not know whether they are hunters or are trying to discover uranium. We have enough uranium now for a 10-year supply, but everybody is out trying to find it.

Mr. GROSS. It will be my hope that the Committee on Appropriations next year will go into the question of how many agencies, such as the Atomic Energy Commission and the Defense Mobilization agency, are spending funds for exploration for uranium.

Mr. BALDWIN. Mr. Chairman, will the gentleman yield for a question?

Mr. KIRWAN. I yield.

Mr. BALDWIN. I would like to ask the gentleman a question about the national parks, roads and trails. The Federal-Aid Highway Act of 1953 authorized $16 million per year for national park roads and trails and $16 million for parkways. In this committee report, as I understand it, the statement is made that the budget estimate this year of $22 million is a reduction of $9 million from last year's appropriation. Does this mean there is actually going to be that reduction this year?

Mr. KIRWAN. I yield to the gentleman from Washington [Mr. MAGNUSON] to answer the gentleman.

Mr. MAGNUSON. No, because the committee disallowed the language proposed in the budget that would rescind $6,667,000 of the contract authorization for the fiscal year 1959 under the Federal-Aid Highway Act of 1956.

Mr. BALDWIN. May I repeat my question. Does this mean, therefore, actually as a matter of fact the construction program will continue at the same level and will not be restricted this year as it was last year for national parks, roads, and trails?

Mr. MAGNUSON. So far as what this bill allows, that is true. What they do downtown, of course, we cannot say. But the contract authority remains without change.

Mr. KIRWAN. Mr. Chairman, I would like to make this statement in the few minutes that I have left.

I can hardly believe that any Members of this Congress or anybody that I know of would make an effort to put what is known as the Jensen rider in as an amendment to this bill and ask for a reduction of 10 percent in the employees and 10 percent in the amount of money for personal services. As I said, there are only $2 million difference between what we take in and what we pay out in this bill. I remember 2 years ago in 1956, a committee left Washington to see the destruction and damages that had been done to the parks and here we are wanting to cut 10 percent of the personnel and money to manage and maintain them.

Let's take a look at this bill. In 1950 the appropriation for this Interior bill was $246 million. In 1959, it is $413 million. It has increased 67 percent in appropriations while the average employment has only gone up 25 percent. There is no business or industry in the United States that could boast of a record

such as that. The funds have increased two and one-half times faster than the personnel. You cannot spend more money for Indian education and geological survey and maps and the management of the parks and forests without some increase in soil moisture technicians, rangers, and forest fire fighters. The bill provides an average employment of 44,651 and, yet, we have reduced the employees 587 this year over last year. The rider to which I referred would cut out another 4,465 positions and $23 million of the funds.

Russia could never cripple a nation as fast as we can do it right here at home and right here on this front, if that rider goes into the bill.

Let us analyze the activities that would be affected by the rider.

Let us see how many of these employees are actually working out on the job. For Geological Survey, 4,046 field employees including: topographic mapping, 1,550; geologic and mineral survey, 660; water studies, 1,180; supervision of mineral and oil and gas leases, 238; and map reduction and distribution, 418.

If there is anybody who is thinking of cutting the Geological Survey's great work by 10 percent he should have done that in committee. There is not anywhere in the world where anyone has ever heard tell of a board of directors taking such action to any industry or any utility. The employees allowed in the bill for Geological Survey already represent a reduction of 288 below 1958. Yet under the order they would have to cut another 471.

Bureau of Indian Affairs. For education of 45,000 Indian children, and remember there are 8,000 children still not in school, they employ 4,914 bus drivers, teachers, dormitory attendants, and janitors over half of America. Just think, if they were going to public schools, how many additional teachers and workmen would be employed in the cities and counties.

Now we move on to the question of resources management, under the Indian Bureau and the number of field employees affected:

Forest and range lands and fire suppression, 345; soil and moisture, 544; management of Indian trust property, 327; maintenance of buildings and utilities, 319; agricultural and industrial assistance and arts and crafts, 63; a total for resources and management of 1,598.

Mrs. BOLTON. Mr. Chairman, will the gentleman yield for a question?

Mr. KIRWAN. For a question only.

Mrs. BOLTON. How many Indian children are there?

Mr. KIRWAN. About 94,000. 43,000 are in the State systems and 43,000 in the Federal system, and 8,000 who never have placed a foot inside a school. That makes a laughingstock of us in Russia and other nations of the world today. Do you think we can cut anything out of the Indian items?

General Eisenhower said, the first day he ever testified on Capitol Hill after the war, that the per capita Indian enlistment compared to the total number of Indians was greater than for any other segment of the population in this country, and yet they have not been adequately cared for.

Bureau of Mines. After all the accidents last year and the Nation clamoring for more safety in the mines, do you want to cut the Bureau of Mines? I do not think so. Yet they have over 2,300 field employees.

The national parks have 4,673 employees. Sixty million people visited our parks last year and paid entrance fees. Just think, in New York City, with a population of something over 7 million people, they have more employees in their park system than we have in the whole national park system. And we want to cut them. Sixty million Americans paying fees to enjoy these parks, and we want to cut the park personnel by 10 percent and the park funds by 10 percent.

We have not done enough for the Forest Service. The department will take in $123 million in receipts yet we have not got roads that are needed for the best utilization of our forests. I went into some of the forests last year, went out to where they were cutting timber and heard them shout "Timber." But the roads we should have in there are not there. When we get the service roads in these areas the small logger will have a chance to operate. We have not given them the access roads or helped them along the line as we should have. Remember, this is America and that every dime spent is for America and its forest resources. Every employee, and they total over 13,000, is needed for timber sales, fire protection, research, and forest management.

Mr. WESTLAND. Mr. Chairman, will the gentleman yield?

Mr. KIRWAN. Yes, briefly.

Mr. WESTLAND. I would like to compliment the chairman of the committee on the way he received me and the way he listened to our people in the matter of forest access roads which are so badly needed so the small loggers can operate and enter into this program of forest utilization. I appreciate sincerely the gentleman's action in putting a half a million in the bill for the better management of our forests.

Mr. KIRWAN. I thank the gentleman.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. KIRWAN. Very briefly.

Mr. GAVIN. In the matter of access roads I call the gentleman's attention to the fact that in my district there is the Allegheny National Forest. Within a radius of 300 miles of that forest there are 47 million people, but we have not any roads in the forest so that these 47 million people can get into it.

Mr. KIRWAN. I thank the gentleman for his contribution.

Now we come to the item for forest fire protection, involving 3,189 employees. Last year was one of the worst in the history of the country for forest fires, over 11,000 of them, some very bad ones. Would you have us cut out part of this item for protection from forest fires?

Now we come to sport fisheries. In Alaska they have 24 enforcement officers in an area about one-sixth the size of the United States. It is the greatest fishing center in the United States today, yet there are only 24 people to enforce wildlife preservation laws. Why, little Rhode Island has more game wardens and forest wardens that we have in a Territory one-sixth the size of the United States where grizzlies, moose, big game are found in abundance. If they ever saw a grizzly down in Rhode Island where they have three times as many enforcement officers as we have in Alaska the people would move out of Rhode Island faster than Roger Williams moved into it when he was getting away from the Pilgrims. Other field employees that would be reduced include operation of the fish hatcheries and wildlife refuges, 858; research, 173; control of predatory animals, 211; soil and moisture work and river basin studies, 105. In all there are 1,518 field employees.

The Bureau of Commercial Fisheries has only 651 field employees. Yet the rider would cut out 10 percent of these needed for research, market news, and management of Alaska fisheries.

Coming to the Bureau of Land Management, does anyone want to cut that? That agency has taken in over $100 million in oil leases. They have men there to watch and keep an eye on the industry and to protect our resources. They will bear watching. Do not let anybody kid you on that. Take a look at Texas last week.

These items I have referred to cover over 38,000 employees. I have not covered many items in this bill, including the Smithsonian Institution and the National Art Gallery. In the whole of Washington there are only about 5,000 employees: 788 of the 5,000 are employed in the Smithsonian Institution. There are 320 in the Mellon Art Gallery. There are only about 3,500 in the Department of the Interior in the city of Washington. All of the people I have been telling you about are out in the field working and doing a great job. That is why I am pleading with you here today as true Americans.

I want to repeat that I have no better friend in this Congress than the gentleman from Iowa [Mr. JENSEN]. The gentleman from Iowa [Mr. JENSEN] recognized the essential nature of these activities when he introduced this amendment in the 1953 bill exempting all seasonal and casual workers because there must be people to fight fires and to maintain these facilities. He said at that time they were absolutely needed. It is equally true and it is more necessary today.

He said he did this, for example, so the Park Service could fill its police vacancies; and so there would be no restriction on employees needed in case of forest fires, floods, and maintenance and operating personnel. This need is even greater today, yet the amendment makes no exception.

And it must be noted that we passed numerous laws just in the last 2 years placing additional burdens on the departments. He will say the department has flexibility to pick up employees from other activities. But where? The es-

sential field activities outlined above represent all but about 14 percent of the employees who are required to operate the Smithsonian Institution, National Gallery of Art, staff services, and provide administrative services and departmental supervision of the programs. Certainly we cannot take all of the cut out of these programs.

That is why I am asking you today to take a good look at this. I want you to take a look at America. You are American, so am I. You are for America, its streams, parks, soil and so forth. There are millions of acres in this country that have not yet been surveyed. I doubt that the Russians are as dark as we are. This area has not been surveyed, yet we have been handling it since the Constitution went into effect. Many things like that are included in this bill. That is why I am asking you to stay with the committee here today. If the bill should have been cut, it should have been done either in the subcommittee or in the full committee.

I toss this challenge out to the Congress: Name one corporation, not necessarily in the United States but in the world, that works like this, that will take 10 percent of the employees and 10 percent of the money out, equivalent to $23 million after it has approved the program. You are not told where or how the cuts are going to be made. Just pass an amendment here today saying, Let us take out 10 percent.

You folks in the Northwest know your country, and you must know it or you would not be here in Congress. Do you want to have proper services? It is all right with me if you do not, because there is not one dime for the district I represent. So I am not logrolling. Oh, there may be a small amount for the whole State of Ohio. But, I again repeat I am not here logrolling and saying, "I will scratch your back if you scratch mine."

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. KIRWAN. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. I would like to commend the gentleman on his foresight and on the great speech he made in behalf of building up our country and particularly upon his interest in Indians and Indian education. I would like to ask the gentleman if funds in this bill for Indian education are available to provide the facilities to put these 8,000 school children that are not in classrooms in schools.

Mr. KIRWAN. No, because the schools are not yet built.

Mr. EDMONDSON. Will this provide the money to do it?

Mr. KIRWAN. We have added $800,000 over the budget to maintain the current level of construction.

Mr. EVINS. Mr. Chairman, will the gentleman yield?

Mr. KIRWAN. I yield to the gentleman from Tennessee.

Mr. EVINS. I would like to commend the gentleman for his very fine statement on this bill. I know how hard he works as a member of the Committee on Appropriations. Now, it occurs to me that this is somewhat of an all-American bill; it is a bill to strengthen our own country. One of the things that Russia would like to do would be to weaken us internally, and I think it is time we built up our own country. I think the gentleman has made a signal contribution in this regard, and I again commend the gentleman.

Mr. RHODES of Arizona. Mr. Chairman, will the gentleman yield?

Mr. KIRWAN. I yield to the gentleman from Arizona.

Mr. RHODES of Arizona. I want to add my word of commendation. I would like to ask the gentleman if he would tell the Committee where these 8,000 children not going to school are located.

Mr. KIRWAN. Most of them are on the Navaho Reservation and in Alaska, but they are all over the Indian reservations. And, talking about Indians, I want to tell this little story. I was on an Indian reservation last year, and I saw some remarkable loyalties displayed among the Chippewas in Minnesota. It was a cold day in late September. I had on a heavy overcoat and heavy rubbers. It was raining hard. I went into a mission there where 2 of the Indian children were going to school, 2 little girls, 1, 2½ and the other 4 years of age. They walked 4 miles through the woods barefooted. It seems that after their mother died their father deserted them and left them with the grandmother who was a widow and who also had a child. But, those 2 little tots, 1, 2½ and the other 4, tramped through the woods with bare feet, no socks or undergarment, just a calico dress. They came to the mission and rapped on the door. When they entered the room, they had hold of each other's hands. As the nun who fed them placed the children on a seat I offered them a coin, thinking they would let go the other's hand. But they would not let go and reached out with the other hand and took the coin. And they drove them back before I left there and the Sister said that when she put them in the house they were still holding one another's hands.

Now, if we are going to survive, you can take all your guns and all your battleships and all your submarines, but unless you can put a little love into us, all will be lost. Love is the greatest force of all, stronger and better than any forts ever erected in this country. And, these little Indian children showed the way. If anybody walked any distance yesterday morning, he saw more manners and more courtesy than any of us thought ever existed by reason of an act created by God, when on a little bit of a path, if you stepped out of the way, no matter who is was, white or colored, they said "Thank you." Everyone said "Thank you." The words "thank you" were used more yesterday in this town than they have been for many a year.

Mr. SAYLOR. Mr. Chairman, will the gentleman yield?

Mr. KIRWAN. I yield to the gentleman from Pennsylvania.

Mr. SAYLOR. I would like to commend the chairman and his committee for the excellent work they have done. There is one question I would like to ask the chairman. I notice that the funds for wildlife restoration have been reduced $1,787,000. Could the gentleman tell us about that reduction?

Mr. KIRWAN. We did not reduce it. That is the permanent appropriation which is not carried in the bill, and is based on estimated receipts.

For the direct appropriations carried in the bill we allowed the full amount of the budget estimate, the same as the current level.

Mr. PORTER. Mr. Chairman, will the gentleman yield?

Mr. KIRWAN. I yield to the gentleman from Oregon.

Mr. PORTER. I want to join my colleagues on both sides of the aisle in commending the committee for the work it has done. I especially appreciate the remarks of the gentleman from Washington in regard to the money for access roads and for Forest Service housing.

I want to say that we have many national forests in my district. I could be accused of logrolling, but I want to remind the House that it is really log cutting, the cutting of logs which belong to the whole Nation, and we have the responsibility to see that those logs are cut in the most reasonable and proper manner.

Mr. KIRWAN. I thank the gentleman. Mr. Chairman, I am making a final plea, when this amendment is presented to the Committee, that it be not accepted. There is more involved here, there is more at stake than just taking 10 percent of a bill that returns almost dollar for dollar what we are spending through it on the country.

Some years ago the National Park Service told me they did not have enough people, their appropriation had been cut so much, to collect the $3 fee at the gate at Yellowstone National Park. And it was the truth. I saw, some years ago, in Yellowstone Park, seven people who drowned. I asked the chief ranger why he did not try to assist them, try to save them, and he said, "Congressman, we have not even got a motorboat." And that was the truth.

Two years ago a committee left this city on a trip to investigate the parks and there appeared at that time a cartoon in the Washington Evening Star which showed a bear and a mountain goat, both eating out of garbage cans. The language in the cartoon said: "I wonder if the Congressmen will investigate us; maybe we are violating some civil-service rules." Even the animals were fearful of what would happen when a great committee of Congress came out to see what was doing in the parks. And it is not only the parks. You can go out to the streams and look at the works of God and you will see what we are all doing to destroy this Nation. And I am not referring now to the gentleman from Iowa [Mr. JENSEN]. I am referring to all of us. I have been on this committee for 15 years. I have listened to men who know, men who have dedicated their lives to their respective services, men who know the score, men who know the story forward and backward. And when they tell you, "This is it," I would not want to be guilty of cutting this bill any

more than it has already been cut, an amount of $1,339,000 below the budget and $43,104,000 below 1958.

Mr. JENSEN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am sure we all appreciate our good colleague, MIKE KIRWAN. He has a perfect right to his position. But, Mr. Chairman, in this great country of ours, where we have this great legislative body, the sounding board, so to speak, for America, it is wonderful to be able to answer your opposition in the most friendly manner, which I shall do.

Mr. Chairman, I yield to no man in America; I take second place to no man in this Congress, in heartfelt thanks to the American Indian, the first American.

There are Members sitting on this floor today who will tell you that I have done more for the American Indians than almost any American ever did who has ever walked the floor of this House as a Representative of the people. If I could ask them to rise and support what I am saying, I am sure they would be glad to do so, but I shall not do that. I go among the Indians everywhere, and I am their friend because they know what Congressman JENSEN has done for them. I yield to no man in my desire to educate the Indian children and to show those great Americans that we appreciate what they did in all the wars in which their America and yours has been involved.

Yes, Mr. Chairman, the American Indian knows that, first of all, we must have a solvent Government. The American Indian and all the thinking people in America know that the spending of over $12 billion annually for personnel and travel for all departments of Government is beyond all reason and which the American people must pay in taxes year after year.

This bill provides for 44,651 employees in the Department of the Interior. My amendment will not cause a single one of those employees to lose his or her job. The reduction is done by the attrition method, by filling only 1 vacancy out of 4 until the personnel rolls have been reduced 10 percent, as you will note when my amendment is read at the end of the reading of the bill.

There is scarcely a department of the Government that is not overstaffed today and has been overstaffed for the last 15 years or more. I have people come to my office from the departments or call me or write me and say they could do three times more than they are doing. I have had the department heads say, "If I had 25 percent fewer people I could do this job and do it well." The Secretary of the Interior, Mr. Seaton, when I told him I was going to put this rider on the bill, said, "We can live with it."

Do you realize what a 10-percent reduction means in personnel in this department alone? It will mean a saving of over $23 million. And as we say out in Iowa, "that ain't hay."

Of course, there are Members of this Congress, with due respect to the opposition who do not seem to understand that our best defense is a solvent Government. You see them vote for every appropriation against every proposed cut. You see them vote against every tax measure to increase taxes, but they will vote to reduce taxes. Where, I ask, are we going to get the money? I am hoping that by saving in the neighborhood of $1 billion for personnel and possibly $2 or $3 billion more in other nondefense expenditures below the budget that we will be able this year, before this Congress adjourns, to give a tax reduction to every American. I am hoping that we can increase their personal exemption by an additional $100 at least. If we do that we will stimulate business. It would be a great stimulant to our entire economy to give the people some tax relief so they would have more money to spend for their family. Let me tell you a lot of Indians need tax relief, too.

Other than that, Mr. Chairman, this bill is a good bill. We have provided just about what the budget called for—$413 million is provided in this bill which is a little over a million dollars below the budget. We have increased the amount for construction for Indian schools and facilities by $800,000. We have made another increase or two. Certainly, this bill as far as facilities and construction is concerned is justified. In fact, I hope the day will come in the not too far distant future when we will not be obliged to spend so much for national defense and for worldwide defense, and so forth. I wish we could afford to spend many millions more a year for the preservation of all these great natural resources which we have in America.

Mr. Chairman, in order to keep on spending for necessary things, we must save dollars wherever we can justly do so, and then hope we might toward the end of this session be justified in a tax reduction of a nominal amount at least. Here is the place to start. There is no better time nor better way to start saving.

Every department of Government or agency of Government that is the least overstaffed is doing the best job just as they have been doing for years and years.

Mr. JENSEN. Mr. Chairman, I yield 15 minutes to the gentleman from Pennsylvania [Mr. FENTON].

Mr. FENTON. Mr. Chariman, the two ranking members of this subcommittee, the gentleman from Ohio [Mr. KIRWAN] and the gentleman from Iowa [Mr. JENSEN], have over the years been great advocates of the perpetuation of the Interior Department that represents so well the American way of life. Unfortunately, as I said, when we considered the appropriations for General Government matters, hearings were being held by the Interior Subcommittee and the Subcommittee on General Government Matters; thus, it is obvious, I was unable to be present at the hearings on every item that came before us in those two subcommittees, but I did attend most of the hearings in both instances.

As is usual, the chairman of the subcommittee explained the bill very well and as has been said by the gentleman from Iowa we are in general agreement as far as H. R. 10746 is concerned.

Mr. Chairman, the Subcommittee on Appropriations for the Interior Department, which is title I of H. R. 10746, for fiscal year 1959, allowed the budget request for all the bureaus with the exception of nine items.

In 6 of those items there was a cut in the budget estimates, and in 2 instances there was an increase over the budget figures.

The cuts were made in the—

First. Office of Saline Water, $40,000.

Second. Office of Gas and Oil, $50,000.

Third. Office of the Solicitor, $123,000.

Fourth. Geological Survey, $750,000.

Fifth. Management and protection, national parks, $482,000.

Sixth. Maintenance and rehabilitation, national parks, $400,000.

Total, $1,845,000.

There was an increase over the budget estimates in the Bureau of Indian Affairs—for construction $800,000, and an increase of $135,000 for administration in the Office of Territories.

The subcommittee also allowed all of the budget requests for title II or related agencies, except in two instances in which they exceeded the budget estimates as follows:

First. In the item for forest land management in the Forest Service, Agriculture Department, $557,000.

Second. In the item, forest roads and trails, $651,000.

Total increase, title II, $1,208,000.

There was no change in the budget request for title III or the Virgin Islands Corporation.

Of all the items in H. R. 10746, it should be noted that the Bureau of the Budget made cuts below the 1958 fiscal year appropriations in 30 instances.

In nine items they allowed the same as in 1958.

In 15 items they made increases above the 1958 or the current fiscal year.

As indicated previously, our subcommittee cut the budget estimate in 6 items and increased it in 4 items.

In my opinion there has been an attempt on the part of the administration to at least hold down expenditures to within reason—that is to say that in only 15 items out of 54 did they make any increases over 1958.

The Office of Saline Water was granted $785,000 for fiscal 1959—a reduction of $40,000 from the budget estimate of $825,000. However, this is an increase of $60,000 over the amount granted in 1958.

This to my mind is a very worthwhile research program. What a great ovation will be given those scientists who eventually will succeed in transforming from sea water, water that can be used domestically—for drinking, industrial, and farm and irrigation purposes—at reasonable and practical costs.

It may not provide the sensationalism of a sputnik, but it will to all intents and purposes be more practical and serviceable and useful.

In the Office of Oil and Gas the committee allowed $500,000 which is $50,000 less than the budget estimate of $550,000 and $85,000 less than the amount given them in 1958.

The $500,000 will take care of two items: First, coordination of oil and gas resources; and, second, enforcement of the Connally Hot Oil Act.

It was testified before our committee that the reason for the decrease of $35,000 in the budget estimates as compared with the 1958 appropriation of $585,000 was that there was some difficulty in staffing or getting qualified men to fill 9 vacancies.

The Office of Minerals Mobilization was allowed the budget estimate of $262,000 for fiscal year 1959. This is a decrease of $1,000 from the 1958 appropriation.

This Office is largely an outgrowth of the work of the President's Cabinet Committee on Minerals Policy appointed to study the problems relating to the production and utilization of minerals and to make recommendations for policy in this field.

The Office of Minerals Mobilization carries out its responsibilities under broad policy guidance from the Office of Defense Mobilization and the Secretary of the Interior.

Among the responsibilities of the Office is the preparation of program recommendations to be implemented in peacetime to insure that there will be an adequate supply of the assigned metals, minerals, and solid fuels to meet essential civilian and military requirements. This includes recommendations as to the adequacy of stockpile objectives and progress toward the objectives, the appropriate level for the domestic production component of the mobilization base, and the adequacy, effectiveness, and appropriateness of current Government assistance programs for the metals, minerals, and solid fuels industries.

Another responsibility of this Office is the preparation and maintenance of operational plans to secure continuity of industrial production of metals, minerals, and solid fuels under defense emergency and attack conditions. This includes advice and assistance to industry on measures to safeguard production facilities, planning and maintenance of facilities for industrial damage assessment, preparation of standby orders and programs to maintain needed production of strategic metals, minerals, and solid fuels following attack or declaration of a defense emergency.

Then there is another responsibility that the Office of Minerals Mobilization has, and that is the development and maintenance of plans and facilities for distributing solid fuels under attack conditions.

Now, I have just cited 3 of the 8 recorded responsibilities of that Office and to my mind they might as well discard them to the ashcan as far as coal is concerned. That is if they can find an ashcan, because if something is not done to curtail the importation of cheap residual and bunker oil I am fearful that the anthracite coal industry will be in for more serious economic trials and tribulations, and we might have no other use for ashcans.

It is my opinion that the responsibilities of the Office of Mineral Mobilization under the guidance of the Secretary of the Interior and the Defense Mobilization outfit are not being carried out—according to their own description of their responsibilities.

Should an emergency occur or an attack, they would find it very difficult or, indeed, almost impossible to convert back to coal. We had some experience of that sort when World War II came on.

In addition it will be almost impossible to rehabilitate our ever growing abandoned mines, at any cost.

And last but not least is the ever mounting unemployment caused by the failure to curtail importations of cheap oil and being almost derelict in not seeing to it that our major mining operations are at least kept in shape for an emergency.

Finally I might suggest that the Secretary of the Interior, his Assistant Secretary of Mineral Resources and their Director of Mineral Mobilization sit down with the President's Economic Advisers and the Director of Defense Mobilization and give some real thought to what these shortcomings are doing to the coal industry and the miners and their families.

I regret that it is necessary for me to refer to those conditions because for years I have made similar appeals—not only to this administration but to previous ones also.

The Geological Survey has been allowed $36 million for fiscal 1959.

This is a reduction of $750,000 from the budget estimate. However, due to a budgetary reserve and to nonrecurring expenses, they will have an increase of $1,370,000. This increase includes $447,000 for water resources investigations and $1,030,000 of the $1,780,000 requested to carry on long-range studies and research in the geology of uranium. The latter has been heretofore financed by transfer from the Atomic Energy Commission, but beginning with 1959 it will be paid largely by this item.

The Bureau of Land Management was allowed the budget request of $20,940,000 for management.

This Bureau administers over 468 million acres of Federal land in the United States and Alaska.

There are three general classes of resources on the public domain: first, the land itself; second, the surface resources of forage and timber; third, mineral resources below the surface.

The $20,940,000 for fiscal 1959 is a decrease of $1,060,000 less than the current appropriations. One million dollars of this decrease represents the cost of fire suppression to be absorbed by other activities.

It was testified that in calendar year 1957 beginning in June and running through October, there were approximately 5,400,000 acres burned in the United States and Alaska, mostly in Alaska.

I am sure the membership of Congress will be pleased to know what the revenues derived from the operations under the jurisdiction of the Bureau of Land Management are estimated to total about $226 million. Of this amount, $42 million will be paid to the States and counties where the lands are situated and the balance of $184 million to the Treasury.

The budget request for construction, $4,435,000, was allowed. This is $1,045,000 less than the current year. This amount, together with a carryover of $600,000, should enable the Bureau to continue construction of access roads on the revested Oregon and California grant lands.

This amount will be reimbursed into the Treasury from revenues received from timber sales on these lands.

In the Bureau of Indian Affairs, the budget estimate of $57,469,000 was allowed. This is actually an increase of $185,000 over the current fiscal year's appropriations because of a budget reserve this year of $2,176,000.

The Bureau of Mines estimate as submitted by the Bureau of the Budget was $25,334,000 and was allowed by the committee.

Of this amount, $18,339,000 is allocated to conservation and development of mineral resources, $5,900,000 for health and safety, and $1,095,000 for general administrative expenses.

The $18,339,000 for conservation and development of mineral resources is a decrease of $496,000 from the 1958 appropriation, representing the amount which has been placed in budgetary reserve and will permit continuation of the Bureau's research program at the current level.

However, we must agree with Mr. Ankeny when he says:

> I am sure that the members of this committee will concur that research and the discovery of new technology is essential to the development of the Nation's mineral, metal, and fuel sources to provide adequate supplies of raw materials for both our peacetime economy and the requirements of technologic advances in our means of defense.

The Bureau of Mines officials have maintained this idea of research long before World War II.

Research of the Bureau of Mines is made up of both immediate and long-range programs. During peacetime long-range programs are necessary. However, these are not ordinary peacetimes, and their programs of research are geared to give the highest priorities to development of structural material for missiles, aircraft and nuclear reactors.

I will not go into the specific breakdown of this item for conservation and development of mineral resources except to say that each subdivision has been granted essentially the same amount as the current year.

The mine drainage program in the anthracite region has been progressing and it is hoped that it can be speeded up to prevent the dangers of mine-water accumulations.

About $2½ million has been spent of the Federal contribution, which of course is matched by a similar sum from the State of Pennsylvania on these projects thus far. I understand that the Secretary of the Interior has approved 16 individual projects to date.

The Bureau of Mines fire-control project throughout the country has proved to be a fine contribution toward conservation of our resources.

During the 8 years of its life, 1949 to 1957, there has been 268 million tons of bituminous and anthracite coal saved from destruction by the Mine Fire Control Act. At current prices this coal

would have a value of $1 billion. All of this has been accomplished at a cost of 1 cent per ton of coal saved by the Government.

In our interrogations in the committee with the Director of the Bureau of Mines as to the real accomplishments of the Bureau in the past year, I think the replies are very significant and bespeak for their research work as being very worth while.

Very forthrightly we were told that there have not been any startling achievements in a finished product, since their work was basically with raw materials. As a matter of fact, over the years they have been instrumental in doing research of certain raw materials that are now blossoming into prominence. As an illustration, the work that the Bureau has done on zirconium is now being utilized to a great extent in the construction of the atomic submarine, *Nautilus*.

Much of the basic technology that has been developed by the Bureau has been and is being used in the development of missiles and rockets, although they would not lay claim to the finished product.

The production of coal in the United States, both bituminous and anthracite, was about 515 million tons in 1957. Of that amount, anthracite production was about 25.5 million tons as against 28.9 million tons in 1956, a decrease of over 3 million tons.

The smaller, independent producers of anthracite did not ship as much as the larger producers of anthracite when they continued to produce about 12 percent of anthracite or over 3 million tons.

The health and safety appropriations for fiscal 1959 remain the same as for this fiscal year, $5,900,000.

In calendar year 1957 there were 473 fatal accidents, 50 of which occurred in the anthracite mines.

The number of fatal accidents in 1957 is an increase of 28 over 1956, 56 over 1955, and 77 over 1954. The increase in 1957 was due to 2 mine disasters which were responsible for 48 deaths from explosions of gas.

The greatest killer of mineworkers is roof falls, which account for over 50 percent of all fatal accidents. This has been true over the years of mining and I am pleased to note that they are making a concerted drive on trying to reduce the incidence of deaths due to roof falls.

This has been the story for quite a number of years, and it is to be hoped that this concerted effort will be forthcoming in the near future and that we will be able to see some improvement.

As to gas explosions, we also know that basically ventilation is the necessary factor to reduce explosions. Adequate ventilation can be supplied in mines if enough energy and persistence to law enforcement is pursued.

The total amount of money asked for by the Forest Service of the Department of Agriculture for fiscal 1959 is $116,980,000, of which $93,180,000 is for forest protection and utilization, and $23,750,000 is for forest roads and trails.

Mr. JENSEN. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. All time having expired, the Clerk will read the bill for amendment.

Mr. JENSEN. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Seventy-five Members are present, not a quorum.

The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 10]

Albert	Everett	Mailliard
Alger	Fallon	Merrow
Andrews	Flood	Miller, N. Y.
Bailey	Forand	Mitchell
Barrett	Garmatz	Morrison
Bass, N. H.	George	Moulder
Belcher	Glenn	Murray
Bentley	Gordon	Norblad
Boland	Granahan	O'Neill
Bow	Green, Oreg.	Passman
Breeding	Green, Pa.	Patterson
Brown, Mo.	Gubser	Philbin
Brownson	Harden	Powell
Broyhill	Hillings	Radwan
Buckley	Hosmer	Rains
Burdick	Hyde	Robeson, Va.
Byrd	James	Santangelo
Byrnes, Wis.	Jarman	Shelley
Carnahan	Jonas	Shuford
Carrigg	Jones, Ala.	Sieminski
Celler	Kelly, N. Y.	Siler
Christopher	Kilgore	Smith, Miss.
Cretella	Knutson	Spence
Dague	Lane	Staggers
Davis, Tenn.	Lankford	Talle
Dawson, Ill.	Latham	Thompson, La.
Delaney	LeCompte	Tuck
Devereux	Lipscomb	Walter
Donohue	Long	Wharton
Dooley	McFall	Williams, N. Y.
Doyle	McGregor	Willis
Eberharter	Mack, Wash.	

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. PRICE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 10746, and finding itself without a quorum, he had directed the roll to be called, when 329 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of the Interior and related agencies for the fiscal year ending June 30, 1959, namely:

TITLE I—DEPARTMENT OF THE INTERIOR

DEPARTMENTAL OFFICES

Office of Saline Water

Salaries and Expenses

For expenses necessary to carry out provisions of the act of July 3, 1952, as amended (42 U. S. C. 1951–1958), authorizing studies of the conversion of saline water for beneficial consumptive uses, $785,000.

Mr. ROOSEVELT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I was happy to hear the gentleman from Pennsylvania emphasize the importance of the study of saline water and its conversion. It would seem to me that information, if it is available, should be given to the House as to the progress which has been made on the studies and the conversion during the past year. This is a matter, of course, which is of great importance to the district which I represent and to the coastal areas throughout the country as well as to various interior areas where saline water can be converted. We have spent now a considerable amount of money to this date on this conversion research, and I would like to inquire of the chairman of the subcommittee, if I might, as to what, in his opinion, progress has been made and what the outlook for the future is.

Mr. KIRWAN. I may say this to the gentleman from California, that there has not been much progress reported. But, I wish he would read the hearings, because it developed that the most progress was made back in Thomas Jefferson's time. There was a group of men back in that period who said that they could take the salt out of water for very little money, and that was to use the process they had 160 years ago. But, today, with scientists and experts, not much progress has been made on saline water, and it is in its fifth year.

Mr. ROOSEVELT. I thank the gentleman.

I think that emphasizes the need, especially in view of the economic situation of the country, for a much broader vision as to public works and useful works to perhaps change the economic tide. It would seem to me while $785,000 is a useful amount to continue a rather lackadaisical approach to the problem, that if we do enter into a public works program to try to do something to put people back to work, instead of viewing it only as a post office program, we might have a crash program in the building of experimental plants, for experimentation on a commercial basis, on conversion of saline water.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. ROOSEVELT. I yield to the gentleman from Iowa.

Mr. GROSS. Is there no private research in this field?

Mr. ROOSEVELT. There is a tremendous amount of private research in this field, but, very frankly, it has not so far been brought into line on a coordinated basis. An oil company in Venezuela has a plant in operation, but commercially it does not pay at the present time.

Mr. GROSS. Does the gentleman have any figures as to the amount of money expended by private enterprise, by private industry, in this field, in the field of research on desalting water?

Mr. ROOSEVELT. No; I will have to say to the gentleman that I do not have any accurate figures on that. Various communities throughout the world, including the State of Israel, for instance, are spending some money on that and various private foundations are spending money, but I do not know exactly what amounts.

Mr. KIRWAN. Mr. Chairman, if the gentleman will yield to me, that question was asked of the head of the agency and he had no figures on how much private industry is spending in this field.

Mr. ROOSEVELT. Mr. Chairman, in view of the fact that it does seem there

is so much to be gained from it, I should think there should be in course of preparation at the present time some plans so that if we find it necessary to go into a public-works program it could be put to this kind of useful purpose instead of, perhaps, less productive purposes.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. ROOSEVELT. I yield to the gentleman from Iowa.

Mr. JENSEN. I am glad that the gentleman from California is showing this great interest in this important matter. I am happy to say that the committee has been very interested in this matter of saline water. We started a number of years ago from scratch, so to speak, and appropriated a few hundred thousand dollars for pilot plants. We have one pilot plant which was built at Cambridge, Mass., by the Badger people which I think shows a great deal of promise. It will now desalt 25,000 gallons of water per day. That is not much, but by increasing the capacity it could desalt sufficient water to take care of a pretty good sized city.

We have several other types that they are experimenting with. I may say that I am not happy entirely about the progress that has been made. The House committee last year recommended, as I remember, a little over $1 million for this program. The other body saw fit to reduce that amount.

The CHAIRMAN. The time of the gentleman from California [Mr. ROOSEVELT] has expired.

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent to proceed for 2 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. JENSEN. The other body saw fit to reduce that figure by $200,000 or $300,000 as I remember. This year we have recommended $785,000 which is about the same amount as we had last year.

I agree with the gentleman that certainly this is an important program and it should be carried forward faster. I realize that many cities such as the gentleman has suggested are having trouble with salt seeping in from the ocean and polluting the drinking water and water for commercial purposes and household uses. Certainly this program should be accelerated; there is no question about it.

Mr. ROOSEVELT. I thank the gentleman.

Mr. JENSEN. Mr. Chairman, I can assure the gentleman, as much of a nickelpincher as I am with the people's money, I shall be quite liberal in recommending the appropriation of sufficient money to see that this program is carried out at a more rapid rate.

Mr. ROOSEVELT. Mr. Chairman, I thank the gentleman very much. I might add, incidentally, that I think perhaps programs which are now proposed, for instance, to get water into Los Angeles could be accomplished at much less cost to the taxpayer if we eventually find a commercial solution of this problem.

Mr. JENSEN. I agree with the gentleman.

Mr. DIES. Mr. Chairman, I rise in opposition to the pro forma amendment, and ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. DIES. I listened with a great deal of interest to the speech delivered by the chairman of this great committee. I am not prepared to say that he is correct in all of his conclusions. There have been sharp differences of opinion with respect to the military and economic strength of Russia. Undoubtedly Russia has built a formidable military machine.

I do not believe, however, that Russia can defeat the United States as long as we are sound economically and strong militarily and spiritually. If we are ever destroyed, it will be from within. It will be an act of suicide. We will never be destroyed by a foreign power unless we weaken and undermine ourselves because of disregard for economic and moral laws.

There is not an example in history of any strong nation, economically and morally healthy, which has been defeated from without. There have been numerous instances of large countries which have been so undermined from within that they were unable to resist foreign aggression. For a thousand years the Roman Empire held back the tide of barbarism until finally Rome became demoralized from within as a result of unsound policies and moral degradation.

Our danger in America is brought about by our own policies. We are doing more to injure ourselves than Russia will ever be able to do. It is our growing disregard for honest and sound financial policies that holds the greatest threat to our country. For instance, we are now in the midst of a recession. It is not severe in comparison with some of the depressions we have experienced in the past. Nevertheless it should cause us considerable concern. Yet the remedies that some politicians and public officials advance will only aggravate the situation. There should not be any serious disagreement as to the cause of the present recession. The average man on the street can tell you the cause. You can hear it discussed in almost every community in our Nation.

The truth is that industry has priced many people out of the market for their products. By industry, I mean management and labor. We forget that the great bulk of the customers who pay the wages of Walter Reuther's organization and the other organizations are the people who have a fixed income. The average citizen in America is unable to increase his income to keep abreast with ever-advancing prices. Of course, there are some organized groups who enjoy a favored position. Through economic pressure they can increase their wages and profits periodically to keep up with the increase in the cost of living. This is not true with respect to the majority of our consumers. Literally millions of people depend upon fixed incomes in the form of pensions, annuities, interest on savings, and income from services that cannot be increased to keep up with the rising living costs. Most of these people have experienced a drastic reduction in their purchasing power ranging from 50 to 25 percent. We have, therefore, the very dangerous situation of millions of people whose earning power is being lessened every month while certain favored groups continue to enjoy increases in their earning power. In almost every community people will tell you that they cannot buy a new automobile or appliances because of the high prices of these products. In other words, inflation has produced the same result in this country that it always produces in every economy. In its initial stages inflation appears attractive to many people, but when it enters its second and third stages it injures everyone. When the people with fixed incomes step out of the market, industry is compelled to reduce wages or lay off many employees. Because of the economic power of labor unions, industry is unable to reduce wages. Consequently, it reduces the number of hours of work and lays off employees. Yet there are those who propose to cure the harmful effects of inflation by more inflation. They simply do not understand or want to understand that you cannot operate a government except upon the same sound economic policies that you operate your business and your household. In America, we are laboring under the delusion that there is no limit to Government spending. Our answer for almost every problem is deficit financing. The successful launching of the satellite produced consternation in our Nation. Immediately there was a clamor to appropriate billions of dollars to catch up with the Russians. But it was completely ignored that we have already spent more than $17 billion on the missile program and that any deficiency in that program is not due to a lack of money. But since deficit financing has become a panacea in our country to solve every problem, we immediately turned to it to meet the Russian challenge.

We overlooked the fact that the Russian people are paying a tremendous price for their military power. They are compelled to forego luxuries of all kinds and exist upon a bare minimum. Of course, this is not voluntary on the part of the people because the Government compels them to do without while the Government diverts their productive capacities and energies to armaments.

In America we want many things. We have become accustomed to luxuries. We seem to think that we can "eat our cake and have it." We cannot get it into our heads that there is simply not enough money to do everything that we are attempting. We cannot maintain a high standard of living and at the same time give away billions of dollars to foreign countries and spend billions for military purposes. It is true that we can appropriate this money and resort to inflationary methods to finance our deficits. We can continue to print credit money, but we are really accomplishing nothing. What happens is that

the credit money and the cash money depreciate in purchasing power as fast as we appropriate it. Our Government cannot buy any more with its depreciated currency than it did before. On the other hand, millions of customers are compelled to cut down on their purchases. They stop buying everything except the essentials. That is what is happening all over America today. People can do without new cars for a long time. They can even buy good used cars. They can do without many of the gadgets and appliances that are being manufactured. They cannot do without food, housing, clothing, and medical attention. When, however, they stop buying automobiles, houses, appliances, and so forth, the people employed in these industries find themselves without jobs or compelled to work a few days a week. This is basic economics which every schoolchild should understand. Notwithstanding this obvious fact, pressure groups increase their demands upon Government and Members of Congress who are looking for votes seek to meet these demands by deficit financing. It is completely overlooked that inflation is wiping out every welfare program which has been put into effect in America in the past 20 years.

I was here under President Roosevelt when we began the program of unemployment insurance and social security. It was widely acclaimed as a great reform. Yet today it has been largely nullified in effectiveness because the purchasing power of the money that our Government pays to people under social security and unemployment insurance is becoming less and less every day. If we continue inflation for 10 years more, the entire social-security program will be wiped out, not directly but through the method of confiscatory taxation which is all that inflation is. It is a method of taxation that governments are engaged in to do indirectly what they lack the courage to do directly. You have to keep your fiscal policies sound whether you believe in liberalism or conservatism. If you believe in the soundness of welfare programs, the only possible basis and foundation upon which they can rest is a sound fiscal policy which we do not have in the United States. You cannot cure the problem of unemployment by deficit spending. You can relieve unemployment by a sound program of public works financed by honest money, but this is no cure for the problem.

I was here during the greatest depression in our history. I supported many of the programs designed to put people to work until business could resume its forward march. But we financed these programs with sound money and credit. Our Government was practically free of debt and we could afford to spend money for this purpose without inflating our economy. But you and I know that despite this program we were unable to solve the problem of unemployment by public works. In spite of the billions we spent for this work, we had seven or eight million men unemployed when war was declared in 1941. Notwithstanding this experience, there are many politicians who want us to further inflate the dollar and completely destroy the fixed-income market of America in an attempt to solve unemployment. They ignore the fact that our economic situation is quite different today than it was in the thirties. The theory of Government-made work, which was advanced to us in the thirties, was that during a depressed period the Government would spend huge sums to prime the pump, and during prosperous years we would pay off the debt. This looked good on paper but it did not work out that way. We entered into a long period of unparalleled prosperity. Instead of drastically reducing the public debt, we increased it.

Public officials had gotten a taste of free spending and they could not break themselves of the habit. Pressure groups worked overtime to exert their influence. Now that the long spiral of prosperity has turned downward we find ourselves unable to spend billions except through inflationary methods which will defeat our purposes.

Industry will find no difficulty in selling automobiles and appliances if they will bring the prices down in line with the earning power of millions of people who live on fixed incomes. The union leaders ought to tell their members that their employers are not General Motors, Ford, or United States Steel, or any other industry. Their real employers are millions of average citizens who cannot increase their incomes at will. Yet they are the ones in America who finally determine the working conditions and wages of the employees of industry. It is high time that someone in authority in America should talk honestly and frankly to the American people. They must be told that we cannot keep on raising the prices and inflating our economy through deficit financing and by spending billions of dollars throughout the world. We are faced with a tough opponent. He is by no means invincible; there are many cracks in his armor, but he is willing to work long hours and his wife works beside him. His government is dedicated to the idea of world conquest. To accomplish this objective, he has devoted everything to the production of a great war machine. In spite of all this, he cannot defeat us if we are willing to sacrifice and follow sound economic policies of government. We cannot defeat economic laws. Whatever we do must be in conformity with such laws. We only delude ourselves with crackpot theories and panaceas which have been tried in many other countries. They tried them in France, and where is France today? What good did the crackpot theories of deficit financing and inflation accomplish in France? France is on the verge of economic collapse. What has become of England with all of her welfare programs? She has ceased to be a world power, and yet we are told that we ought to follow in the footsteps of France and England. We have the example of West Germany which has pursued sound economic policies since the war. Today West Germany is the most prosperous country in Europe. Her money and credit are sound, and her people are working and prospering. When are we going to realize that we cannot spend money that we do not have without destroying what we already have?

Through price inflation industry has lost millions of customers. For a long time we realized that the only way to have an expanding economy was to pass on the economy of technological improvements to every segment of our Nation. Labor is entitled to its share; the stockholders who invest and risk capital are entitled to their share. On the other hand, the consumers must have their share if they are to profit from such improvements. The only way we can raise the income and standard of living of millions of people on fixed incomes is by giving them their share of the economies of technological advancement. This is sound economics which is taught in every standard textbook on the subject, and yet we have been doing the very opposite. Government statistics show that wages in some industries have increased far more than productivity. Is it any wonder, therefore, that there is a recession? I know of no instance where the economy of technological improvements has been passed on to the consumer. For instance, there are many people in America who are compelled to live upon interest. These include widows, dependent children, and many people who are unable to work. Other millions depend upon pensions, retirements, annuities and other forms of fixed incomes. All of these people have had their earning power cut tremendously and they comprise the most important segment of American customers for the products of industry.

Mr. Chairman, it is time for our public officials to do some honest thinking and talking. I believe that our people will follow sound advice. What we need in America today more than anything else is courageous leadership. Too many of our politicians are followers and not leaders. They are afraid to step out in front and take a sound position. I believe, however, Mr. Chairman, that our people as a whole would welcome fearless leadership. I know that we can meet the challenge of Russia if we are willing to pay the price of survival. It is not going to be easy. It will call for sacrifice and unselfishness. However, our people have demonstrated in every crisis that they are willing to put country above their own interests. Furthermore, there is no other way out for us and our children.

Mr. BUDGE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I should first like to commend the gentleman from Texas [Mr. DIES] for a most excellent appraisal of the situation which today confronts America, and for his excellent analysis of the history which leads up to situations such as that in which we find ourselves.

This afternoon it is my understanding that the gentleman from Iowa [Mr. JENSEN], will offer the so-called Jensen amendment. This is the only way those of us who have worked on it have found to reduce the actual number of employees of the Federal Government and yet not

cause any discomfort or inconvenience to the individuals or to the Government.

In order that we may understand the need for the amendment, let us take a look at this first department which happens to be before us in this year's appropriations, the Department of the Interior. I strongly suspect it is true in every other department of Government when it reduces programs. In some instances in the hearings on this Department you will find where the program has been reduced as much as 25 percent but the number of employees either stays the same or increases.

The amendment that will be offered by the gentleman from Iowa [Mr. JENSEN], will go far toward eliminating that kind of padding of Federal payrolls. Just to mention a few specifics, on page 446 of the hearings, you will find that the particular agency being dealt with at that point last year had a program of $20,500,000. This year it is a little under $16 million, a decrease of $5,500,000, a decrease of over 25 percent; yet the total number of employees last year was 330 and it is proposed in this budget and in this bill to retain the number of employees at 328; a 25-percent reduction in program and a reduction from 330 to 328 in the number of employees to handle that program.

The same thing is again pointed out on page 309 of the hearings where a program has been reduced from $17 million last year to $13 million this year, yet the number of permanent employees stayed at exactly the same figure of 452 for each year and the average number of all employees jumps from 670 to 776.

I submit that the only way you can bring these employee increases down to the number needed to administer the program is by the adoption of the so-called Jensen amendment. Certainly, whenever these agencies come in and say their program has increased by 25 percent they immediately want to increase the number of employees to handle the program by 25 percent, and the converse should be true. I should say in fairness to those of us who sit here and attempt to act intelligently on Government business that when a program is decreased by 25 percent the number of employees should be reduced by 25 percent, or at least the 10 percent figure which is called for in the Jensen amendment.

I hope that amendment will prevail here this afternoon.

Mr. MAGNUSON. Mr. Chairman, will the gentleman yield?

Mr. BUDGE. I yield to the gentleman from Washington.

Mr. MAGNUSON. I should like to suggest that the gentleman neglected to mention in one of the examples he gave that while the number of permanent employees in this item is reduced by only two, the number of part-time employees is reduced by 139, and while the reduction in the appropriation or obligational authority is 23 percent the reduction in number of employees, if you take into account the part-time employees or temporary employees who will not be employed in the coming fiscal year, is reduced 22 percent, which is approximately equal to the reduction in the appropriation.

Mr. BUDGE. Of course, that has some merit; but, in my judgment, the thing we must watch in connection with these figures of the Government are the permanent employees. I see no reason for the permanent employees' figure to stay the same when the program has been reduced by 25 percent. That is only one of dozens of instances in these hearings, and I would again invite the gentleman's attention to the example on pages 308 and 309, where the employees go up in all categories.

The Clerk read as follows:

Administrative provisions

Appropriations and funds available to the Bureau of Mines may be expended for purchase of not to exceed 78 passenger motor vehicles for replacement only; providing transportation services in isolated areas for employees, student dependents of employees, and other pupils, and such activities may be financed under cooperative arrangements; purchase and bestowal of certificates and trophies in connection with mine rescue and first-aid work: *Provided*, That the Secretary is authorized to accept lands, buildings, equipment, and other contributions from public and private sources and to prosecute projects in cooperation with other agencies, Federal, State, or private: *Provided further*, That the sums made available for the current fiscal year to the Departments of the Army, Navy, and Air Force for the acquisition of helium from the Bureau of Mines shall be transferred to the Bureau of Mines, and said sums, together with all other payments to the Bureau of Mines for helium, shall be credited to the special helium production fund, established pursuant to the act of March 3, 1925, as amended (50 U. S. C. 164 (c)): *Provided further*, That the Bureau of Mines is authorized, during the current fiscal year, to sell directly or through any Government agency, including corporations, any metal or mineral product that may be manufactured in pilot plants operated by the Bureau of Mines, and the proceeds of such sales shall be covered into the Treasury as miscellaneous receipts.

Mr. HOFFMAN. Mr. Chairman, I move to strike out the last word, and I ask unanimous consent to proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. Mr. Chairman, there has been considerable publicity about the Harris committee's hearings. Dr. Schwartz, former subcommittee counsel, charged individuals in the administration, the FCC and others, with improper and unlawful acts. He peddled those charges to eager reporters and in violation of the provisions of Rule XI, paragraph 25 (c) of the 85th Congress delivered a part of the committee records to persons not authorized to receive them.

When the subcommittee chairman resigned, the chairman of the parent committee took over and asked Dr. Schwartz to appear and submit whatever evidence of misconduct he might have to the committee.

Presumably the chairman intended to give those accused an opportunity to make answer.

I have no knowledge whatever as to the truth or falsity of the charges given publicity by the doctor. Probably the same is true of many others.

Apparently it is the request of the chairman [Mr. HARRIS] that the complainant, Dr. Schwartz, produce evidence of the alleged misconduct that irritates the Washington Post.

Most of us believe that when public charges are made which reflect upon an individual in his official capacity he should be confronted by his accuser and the evidence upon which the charge of misconduct is based—then given opportunity to make answer. Mr. HARRIS and the committee were following this sound basic American procedure. It is of this course the Washington Post makes complaint.

In this morning's Washington Post there appears an editorial entitled "Long Way 'Round," reading as follows:

LONG WAY 'ROUND

The way the Harris (formerly Moulder) subcommittee is now going about it, the business of getting at the truth of the Federal Communications Commission's handling of the Miami and other television licensing cases will be a long and tortuous process. Whether this is by design or accident, the danger is that the investigation will be sidetracked or abandoned along the way in a mire of confusion and acrimony and that very many serious questions will never be answered.

It may make good sense, superficially, to put the former subcommittee counsel, Dr. Schwartz, on the stand and insist that he tell all to back up his charges of White House and other improper influence upon the FCC—and also upon the Civil Aeronautics Board. What this procedure overlooks, however, is that the material upon which Dr. Schwartz has based his charges was gathered for a different sort of purpose and presentation. It was only when he was denied the opportunity to develop and present the material as official subcommittee evidence that he felt obliged to disclose its existence by unusual and extraordinary means. But this does not change the nature of the evidence or alter the requirements of prudence and fair play in respect of its future use.

In asking that Dr. Schwartz disclose this evidence as a committee witness, the subcommittee is performing rather like a judge who, having somehow arranged to dismiss the district attorney, then summons him as a witness and compels him to recite the State's case. To be sure, the case ultimately must be disclosed. But as a witness, Dr. Schwartz has no control of the manner of presentation. The advance disclosure of the material which was gathered for the subcommittee under his direction will of course enable those whose conduct is in question to try to cover their tracks, if any—or, if they are blameless, it will lay upon them a needless and unwarranted burden of defense.

It is—or ought to be—obviously a ridiculous procedure for the House subcommittee to be making use of its own files at the prompting of a committee witness. Either those files contain material which needs to be followed up, properly developed and used as the basis for direct interrogation of the accused parties—or the material is too flimsy to warrant further action. The question will not be resolved by grilling Dr. Schwartz, a process that is nothing more than a coverup for advising in advance the FCC and other officials involved in the current investigation what they must be prepared to answer. In short, it is time for the Harris subcommittee to stand on its own feet. It didn't want Dr. Schwartz' guidance. All right, let it get some of its own. But let's have Congress take charge of this business and stop acting like a coy referee.

Mr. Chairman, I call particular attention to two paragraphs, one as follows:

It may make good sense, superficially, to put the former subcommittee counsel, Dr. Schwartz, on the stand and insist that he "tell all" to back up his charges of White House and other improper influence upon the FCC—and also upon the Civil Aeronautics Board.

Then down below:

The advance disclosure of the material which was gathered for the subcommittee under his direction will of course enable those whose conduct is in question to try to cover their tracks, if any—or, if they are blameless, it will lay upon them a needless and unwarranted burden of defense.

Those of us who have been here for some years know that the Washington Post is a past master in making false charges and then, if it can, suppress any attempt by any individual to show that the charges were false. The Post gave those stories of improper, if not unlawful, conduct a great deal of publicity. Everyone around, as far as the Post could do it, was advised that there was something rotten somewhere, not only in the administration but in the FCC. If the administration or the FCC or others have their fingers in the jam let us take a look—but let us have a look at the evidence—give the accused his day in court.

Now, what does the Post want this morning and what is it complaining about? Having given publicity to charges, it objects when the committee, in an effort to be fair, comes along and asks the man who made the charges to present the evidence on which he based his charges. Anything wrong with that? Can you think of anything that is dirtier and nastier—I dislike that last word, but it is appropriate—than charging an individual with some illegal or improper conduct and then objecting when the complaining witness, the author of the charges, is called upon to substantiate them or retract. To present the evidence which justifies the charge? Does the Post want the public to hear the truth? Apparently not. Certainly the editorial argues that those charged shall not be given an opportunity to prepare to meet the accusation.

Well, now, just remember back about 15 years when the Washington Post, by subterfuge and fraud—get those two words—obtained here in Washington the indictment of some 20 or more individuals who were charged with sedition. For 4 long years the Washington Post backed up that persecution. The courts here appointed lawyers to defend those charged, the lawyers served under a system here that is a most unfair one, without adequate, if any, pay. For 4 years those people were on trial here in the United States district court on that charge of sedition. On charges that were false, that originated with the Post and its employees. How did it end? In the meantime the United States appellate court and the Supreme Court itself had characterized the special Government attorney, one William Power Maloney, in substance, as a shyster. The Government attorney, selected by the Post—and there were leaks in those days from the grand jury room through emissaries to the Post and its reporter who sat up here in the House Gallery, Dillard Stokes, going along on an assumed name, and that publicity leaked out in violation of law, and the Post kept at it and at it and at it, but at the end of 4 years—oh, yes, I forgot to tell you, Maloney, the Post's tool, was convicted for being drunk, the United States district attorney, special United States district attorney, one of the Post's favorites, of assaulting a Chinaman on a public street. That type of attorney was all right with the Post, when it had dirty work to do. But, at the end the Post—and if I can put my hand on it this afternoon, I will put it in the RECORD—was forced to apologize in an editorial and admit that their charge was unfounded. After around 4 years the Post's victims were free of the false charge.

Now, what is the purpose of this morning's editorial? Read it in tomorrow's RECORD and then form your opinion of the Washington Post as a newspaper presenting the news and a fair story of what is going on here in Washington. I say you will come to the conclusion—you cannot get away from it if you look at the facts—that the Washington Post is one of the dirtiest sheets that ever saw the light of day in Washington. Other papers take a somewhat different view.

Here is one from the Chicago Tribune:

McSCHWARTZISM

Dr. Bernard Schwartz has been testifying before the House subcommittee that fired him as its chief counsel. Dr. Schwartz said that he and his staff had found evidence indicating that Richard A. Mack, a member of the Federal Communications Commission, had received $3,650 in checks from an attorney who, in Dr. Schwartz' opinion, acted for the successful applicant for a TV license in Miami, Fla.

These and many other charges regarding Government officials of high rank, eminent members of the bar, and other citizens have been heard, and the persons concerned were not given an immediate opportunity to tell their side. Without the knowledge of the committee members, Dr. Schwartz' investigators secreted a wire recorder when they interviewed Commissioner Mack. Instead of turning over the recorded interview to the committee after he was fired, Dr. Schwartz had his wife hand it to Senator MORSE for safekeeping.

Isn't it odd, then, that those who screamed loudest in protest against the alleged irregularities of the McCarthy inquiry are not up in arms over the arbitrary or unfair conduct of the investigators and some of the committee members in this inquiry into the Government's regulatory commissions? Part of the evidence and many of the charges of misconduct have been leaked to favored newspapermen, but not even this highly irregular method of conducting the committee's business has been condemned as McCarthy was condemned.

The conclusion to be drawn from this difference in the attitude toward the two investigations is not that Dr. Schwartz's methods are unspeakably wicked but that Mr. McCarthy's weren't unspeakably wicked, either. Surely no one can pretend that corruption in public office is a trivial matter, but neither is the progress of the Communist conspiracy in this country a trivial matter. Both are extremely serious subjects, requiring the attention of Congress.

Dr. Schwartz was determined to expose weaknesses in the organization of the regulatory commissions because if they are left uncorrected our Government itself will be undermined. Mr. McCarthy was equally zealous to keep Communists from undermining the military and moral strength of our people.

Of the two dangers, that of communism is the greater and more immediate, for it is no secret that the Reds are determined to destroy freedom in the United States if they can, by any means that comes to their hand. They may have the means at this moment.

Public opinion today is on the side of Dr. Schwartz. The people want to know, and believe they have a right to know, whether the officials in the regulatory agencies are honest; whether Sherman Adams, the President's chief assistant, has intervened in behalf of any litigant before these agencies; whether Thomas E. Dewey, as a lawyer, has taken any advantage of the fact that the administration is heavily indebted to him for Mr. Eisenhower's elevation to the Presidency.

Similarly, we have always believed the people for the most part were with Senator McCarthy. They thought they had a right to know whether the cause of communism was being advanced in this country and abroad as a result of carelessness in guarding our military secrets or the infiltration of American installations by Communist spies.

The people were right both times. Those of us who refused to join the clamor against Mr. McCarthy are consistent in upholding Dr. Schwartz. It is those who were anti-McCarthy but are now pro-Schwartz who need to explain an inconsistency.

The Clerk read as follows:

Authorization

For liquidation of obligations incurred pursuant to authority contained in section 6 of the Federal-Aid Highway Act of 1954 (68 Stat. 73) and section 106 of the Federal-Aid Highway Act of 1956 (70 Stat. 376), including acquisition of right-of-way for the eastern entrance road, Rocky Mountain National Park, Colo., $22 million, to remain available until expended.

Mr. BALDWIN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to direct an additional question to the chairman of the subcommittee relative to the figure of $22 million for national park roads and trails and for parkways. The specific question I would like to get clear is that under the Federal-Aid Highway Act of 1956 there is a total of $32 million authorized per year, broken down $16 million for national park roads and trails and $16 million for parkways. Last year there was an appropriation of $31 million for those two activities. This year it has been cut to $22 million. My question is will this reduce the freedom of the Department of the Interior to go ahead and obligate these funds or is this just an indication or estimate by the committee that they do not feel that sufficient contractual obligations will be incurred this year and therefore you thought it safe to reduce the sum by $9 million?

Mr. KIRWAN. The $22 million allowed is the budget estimate of the amount required to liquidate obligations in 1959 under the contract authority.

Mr. BALDWIN. But the budget figure is $9 million less than last year's figure which was approved by the committee. My question is, Does this mean there is actually going to be a reduction of that amount, in the gentleman's opinion?

Mr. KIRWAN. They said to the committee that that is all that was needed to liquidate obligations.

Mr. BALDWIN. That confirms the statement, then, that there is going to be a reduction by that amount for the national park roads, trails, and parkway construction program?

Mr. KIRWAN. I believe the administration has put some of that contract authorization in reserve this year. We disallowed the budget language that would rescind part of the contract authorization in 1959.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

FISH AND WILDLIFE SERVICE

Office of the Commissioner of Fish and Wildlife

Salaries and Expenses

For necessary expenses of the Office of the Commissioner, $307,800.

Mrs. CHURCH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise to ask my annual question and receive, I hope, the annual reassurance that the program to eliminate the lamprey eel has been given sufficient appropriation to cover its need?

Mr. KIRWAN. Yes. They had a good report as to what is taking place on the Great Lakes, and we hope before long to eliminate the problem altogether.

Mrs. CHURCH. And the gentleman feels that the appropriation that remains in the bill is sufficient for the purpose?

Mr. KIRWAN. The committee approved every dime they ever requested. At no time have they ever been turned down as much as a dime.

Mrs. CHURCH. I thank the gentleman.

The Clerk read as follows:

Construction

For construction and acquisition of buildings and other facilities required in the conservation, management, investigation, protection, and utilization of sport fishery and wildlife resources, and the acquisition of lands and interests therein, $1,458,000, to remain available until expended.

Mr. SAYLOR. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SAYLOR: On page 18, line 18, strike out "$1,458,000" and insert "$1,906,000."

Mr. SAYLOR. Mr. Chairman, I read with interest the testimony that was given before the subcommittee which has charge of this bill and particularly with regard to funds for construction of sport fisheries and wildlife. There was submitted to the committee, as appears at pages 550 and 551 of the record of this statement:

That in 1933 the Federal Government started the construction of a fish hatchery in Lamar, Pa., and worked on it intermittently until 1940; that it has never been completed and that during the years 1949 to 1958 there has been provided $200,000 for the continuation and repair of that fish hatchery.

This hatchery is the main unit which supplies both trout and warm-water fish to all of the States in the northeastern part of the United States. The Bureau of Fisheries stated that in order to complete it it will take $168,000, to complete the Lamar main hatchery at its main unit, and $280,000 to complete its Tylersville unit. The expenditure of this amount of money will not only increase this fish hatchery to its full potential but it will make available for the northeastern part of the United States about 200 percent more trout and warm-water fish.

Certainly if the Federal Government undertook something in 1933 and the Bureau of Sport Fisheries is compelled to come before the committee and say that the reason it has not been completed up until this time is that they have never had the money, I certainly think we in the northeastern part of the United States have been patient long enough. Therefore, I would ask those Members who come from the northeastern part of the United States to support this amendment, and I would ask those who come from the other parts of the country also to support it to complete what the Federal Government obligated itself to do in 1933.

Mr. FENTON. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from Pennsylvania.

Mr. FENTON. I pointed out to the gentleman a few moments ago that from the interrogation of Mr. Leffler, Commissioner of Sport Fisheries, I understand there is an unobligated balance of $3,024,000, or something like that, left, and he does not need anymore authority to go ahead as far as improvements at Lamar are concerned. I happened to be in Lamar this last fall and saw the wonderful place they have there. Potentially, as the gentleman has said, it is wonderful. I think from the point of view of the applications the fisheries people get it would certainly be in the interest of good American sport fishing and all of the industries that make up the fish and wildlife problem, and as far as I am concerned I certainly would be willing to give them more money for that if it is necessary at this time.

Mr. SAYLOR. I appreciate your explanation, Dr. FENTON. The reason I have offered this amendment is that despite your explanation, if you will turn to page 549 of the committee hearings, there is a statement that there are available some unobligated funds. Mr. Tunison said none of these funds are available for Lamar. When asked by Mr. FENTON, Mr. Tunison said:

We have reviewed our construction program throughout the country and considering all the priorities, neither Lamar nor Farnsworth was included in this budget.

Mr. KIRWAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we gave every dollar the budget asked for. That was one of the things I tried to explain, although perhaps I did not make it clear enough. As I said earlier, instead of $400 million we should be spending $700 million. The fish industry, especially the sport end of it, is bringing into the Government several million dollars a year. There is no subsidy there. They are paying the United States Government many, many millions of dollars, and keeping the industry going.

I asked the head of one of the rubber companies one time if they got 35 million people buying fishing licenses in the United States, how many of them would buy gum coats and gum boots. He said, "Over half."

When you take a look at the gasoline motors, boats, and equipment that are used, and the number of hunters that have to have heavy coats and expensive rifles and things like that. This is the one agency in this part of the Government that brings in millions to the United States Treasury; but we do not realize that. It is not just a case of a couple of people we are trying to keep off the payroll. All of those put together make it one of the best industries in the United States, and it does not involve $1 of subsidy.

I have wondered why the American people do not rise up in arms about this. They go fishing all day and may not catch a fish. Yet, they buy all the fishing equipment and come back again next week and try it all over again. I again say there is more money put into fishing and wildlife sports in this Nation, clean and healthful sports where the father and son and daughter and the wife can all go together and participate in it, and yet we get to squabbling about a few dollars. We say we have to save the country from the Russians, but we are doing a poor job of starting out to save it. I ask that this amendment be rejected because with all due respect, and I like the gentleman who presented the amendment, he did not appear before our committee. During the years that I have been a Member of this body, I have always felt that Members should come before the committee to tell their complaints and to say anything they want to say, and then let the committee act on it. But, if a Member does not come before the committee, he should not try to offer an amendment on the floor of the House. Perhaps, the gentleman from Pennsylvania may have been detained for some reason or other, but he did not appear before the committee to say what he has told us on the floor here today. Of course, I am only speaking for myself, but I do not believe that is the best way to legislate and so far as I am personally concerned, it does not meet with my approval. When a committee is holding hearings and we do not appear before the commmittee, we should refrain from trying to amend the bill on the floor of the House.

They will have a carryover of $3 million and, although it may be all programed, if the gentleman calls up the Department, they may find some way to start spending a little money on that construction. So, Mr. Chairman, I hope the amendment is rejected.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the amendment offered by the gentleman from Pennsylvania [Mr. SAYLOR].

The amendment was rejected.

The Clerk read as follows:

Limitation on Administrative Expenses, Fisheries Loan Fund

During the current fiscal year not to exceed $313,000 of the fisheries loan fund shall be available for expenses of administering such fund.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to say again I think the chairman and the members of his subcommittee have by and large done a good job with this bill. But I do have a question or two and I will try not to consume the entire 5 minutes, but I notice on page 20 an appropriation of $313,000 for administration of fisheries loan fund. In reading the hearings, I seem to get the impression, and I want to be corrected if I am wrong, that this loan fund which began operation on December 31, 1956—in other words, it has been in operation only about 14 months or less and nearly a half million dollars of these loans are either delinquent or in default. Is it true that these administrative costs now are being boosted to $313,000? And, if so, what is the reason for boosting it?

Mr. KIRWAN. We cut off $50,000 from what they requested.

Mr. GROSS. You cut back $50,000?

Mr. KIRWAN. Yes.

Mr. GROSS. But it is being increased; isn't it?

Mr. KIRWAN. No; they asked for $363,000 and we allowed $313,000.

Mr. GROSS. I know that but what were the administrative costs a year ago?

I thought the administrative cost for 1957 was some $70,000 according to your hearings.

Mr. KIRWAN. It is estimated at $250,000 this year.

Mr. GROSS. If this fund and these loans are going to be either delinquent or in default at the present rate, it is going to result in a tremendous administrative cost in terms of lawyers and so on and so forth; is that not correct? I was very much surprised to read the hearings and to find that loans have been made apparently without proper screening or scrutiny. I would like to call your attention to page 28 of the bill under Forest Service and ask how much is in the bill for housing for Forest Service personnel. Can someone on the committee give me that information?

Mr. KIRWAN. There is an increase of $1,500,000.

Mr. GROSS. What is the total for housing for Forest Service personnel?

Mr. KIRWAN. $4,350,000.

Mr. GROSS. I seem to read in the hearings that $3,850,000 was asked to build approximately 175 houses. That would average out $22,000 per house.

Mr. KIRWAN. Somewhere in the neighborhood, I believe, the average is around $18,000. I visited some of the houses last year. They are typical of houses built all over America.

Mr. GROSS. Is that not pretty costly housing for the Forest Service?

Mr. KIRWAN. That includes roads, utilities, and everything. It costs more to build houses in out-of-the-way places. It includes all the things that go into a house. They are good houses. You just cannot build houses in those areas for a few dollars.

Mr. GROSS. It seems to me that an average cost of $22,000 per house is a lot of money, although I may be wrong.

Mr. KIRWAN. I am sure the gentleman is acquainted with the territory out there.

Mr. MAGNUSON. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. MAGNUSON. I believe the testimony was that the total number of houses was between 175 and 200 and that they contemplated an average cost of $18,000 a house. There is a lot of expense in many of these home-building projects in very remote areas that you do not ordinarily run into. These are not in any sense luxury houses; they are comfortable houses, and I think these people are entitled to a comfortable place to live. I do not believe anyone could complain at the kind of house they will have as a result of this expenditure.

Mr. GROSS. I still think it is costly housing, if this is to be $4 million-plus instead of $3 million-plus.

Mr. MAGNUSON. That is not all for housing.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. JENSEN. Mr. Chairman, I ask unanimous consent that the gentleman may have an additional minute that I may ask him a question.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. JENSEN. The gentleman will notice in the hearings that I also raised the point the gentleman is raising, the question of $22,000 per house. I felt it was too much. I asked if they were using standard millwork, framing, casings, trim, and so forth, and they said they were. I still think, as the gentleman does, that it is a pretty big price to pay for a house.

But the worst part of it was the amount that the architect was going to get. It appears that he is going to get something in the neighborhood of 3 percent.

Mr. GROSS. That must have been off the record. I did not see it.

Mr. JENSEN. Most architects get 5 percent for just designing a single home; this architect, I think, is going to make himself a lot of dollars designing those homes. I objected to it. I do not know what effect it is going to have, but I hope it will have the effect of getting these houses some place in line not only as to construction costs but also as to architect's fes.

Mr. GROSS. I am happy to have the gentleman's statement.

The Clerk read as follows:

Alaska public works

For an additional amount for expenses necessary for carrying out the provisions of the act of August 24, 1949, as amended (48 U. S. C. 486–486j), $4 million, of which not to exceed $553,600 shall be available for administrative expenses.

Mr. BARTLETT. Mr. Chairman, I move to strike out the last word.

I had not intended to speak on the bill. I decided to do so after listening to the pertinent remarks made by the distinguished chairman, the gentleman from Ohio, in reference to one of our pressing problems in Alaska.

My recollection is that the gentleman from Ohio said that the committee allowed every dollar of the budget request for the Fish and Wildlife Service to be used in the Territory. But even so, this allowed for only 24 wardens, fewer game wardens than the State of Rhode Island has, for an area one-fifth as big as the entire United States. Unless we start soon to do more to protect these invaluable resources of game in the Territory, we are going to find that we will not have much left.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. BARTLETT. I yield to the gentleman from Iowa.

Mr. JENSEN. I am sure the gentleman will remember when the gentleman from Iowa who is now speaking consented with the chairman of the Interior Committee on Appropriations to a transfer of some of the money or profits from the Pribilof seals to be used for the protection of wildlife and fish and such things in the Territory of Alaska. Does the gentleman remember that?

Mr. BARTLETT. I do remember that, and I am grateful.

Mr. JENSEN. Before that time you had about nobody looking after your wildlife in Alaska, and I am speaking of fish and game now. Since that time we have had pretty good protection of your wildlife in Alaska. The gentleman must remember that my amendment applies departmentalwise. You can transfer within agencies. If some agency needs more personnel, fine, they can take it away from an agency that is overstaffed. So it all balances out. I am sure the gentleman is not going to suffer a bit.

Mr. BARTLETT. I feel that we are going to suffer anyway. I know the gentleman from Iowa has done much, and I do appreciate it. This condition—this inadequacy of funds—is true not only this year and last year but throughout the years. In my opinion, the Federal Government, that has sole control over this responsibility, has failed to function as it should. That is one reason, the primary reason, why the people of Alaska through their legislature have petitioned session after session to be allowed to take over management of their own wildlife and of their own fisheries. What I have related here about insufficient funds for enforcement of game regulations applies likewise to the fisheries. It was true 10 years ago, it is true today. We are willing to pay the bill if we can take over these resources.

Mr. JENSEN. As soon as Alaska gets statehood then Alaska will take over a lot of those responsibilities. I may say to the gentleman, as he well knows, that I have voted for statehood for Alaska every time it came to the floor of the House.

Mr. BARTLETT. I know that, and appreciate it. We are waiting hopefully for that day.

Mr. JENSEN. I think you deserve it. You are great Americans up there. You feel that you had a greater responsibility in this great blessed land of ours if you had statehood.

Mr. BARTLETT. Yes. We are the first Territory that has not been given the opportunity to manage our own fishery and game resources.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. BARTLETT. I yield to the gentleman from Iowa.

Mr. GROSS. The gentleman says, I believe, that there are 24 game agents in Alaska; is that correct?

Mr. BARTLETT. I quoted the distinguished chairman.

Mr. GROSS. May I point out to the gentleman that there are 128 Federal game agents in the United States, a total of 128.

The CHAIRMAN. The time of the gentleman from Alaska has expired.

(Mr. BARTLETT asked and was given permission to proceed for 2 additional minutes.)

Mr. BARTLETT. Mr. Chairman, I merely want to say to the gentleman that the Territory, to repeat, has no administrative responsibility here. The Federal Government has retained its authority. We cannot do anything to conserve game and fish by Territorial law. I would like to say that Alaska is sincerely appreciative of what this subcommittee has done in appropriating funds for the education of our natives, our Indian, and Eskimo children. We have a fine vocational high school at Sitka, Mount Edgecumbe. Soon, I hope, there will be a budgetary request for an additional school. Many children are waiting to get into high school. At Valdez, the good people of that community have offered 113 acres of land to the Federal Government. They have offered to put in all utilities, and with summer employment which will be available, this will be an excellent location for another vocational school.

I want to express my gratitude to the distinguished gentleman from Ohio and to the gentleman from Iowa [Mr. JENSEN], and to their associates. They have been sensitive to and sympathetic toward our needs in Alaska. The face of Alaska has been altered for the better due to the attention they have paid to us and the things they have done for us.

The Clerk read as follows:

National Capital Planning Commission

Salaries and expenses

For necessary expenses, as authorized by the National Capital Planning Act of 1952 (66 Stat. 781), including services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a); not to exceed $175 for the purchase of newspapers and periodicals; not to exceed $8,000 for expenses of travel; payment in advance for membership in societies whose publications or services are available to members only or to members at a price lower than to the general public; and transportation and not to exceed $15 per diem in lieu of subsistence, as authorized by section 5 of the act of August 2, 1946 (5 U. S. C. 73b-2), for members of the Commission serving without compensation; $225,000.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time simply to call attention to the fact that in 1954 the appropriation for the National Capital Planning Commission was $125,000. This bill provides $225,000. It seems to me that this appropriation is going up entirely too fast.

The Clerk read as follows:

TITLE IV—GENERAL PROVISIONS

SEC. 401. Unless otherwise provided by law, appropriations contained in this act available for expenses of travel shall be available, when specifically authorized by the head of the activity or establishment concerned, for expenses of attendance at meetings of organizations concerned with the function or activity for which the appropriation concerned is made.

Mr. JENSEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JENSEN: After line 8, page 38, insert a new section:

"SEC. 402. No part of any appropriation contained in this act shall be used to pay the compensation of any incumbent appointed to any position which may become vacant during the fiscal year beginning on July 1, 1958: *Provided*, That this inhibition shall not apply (a) to not to exceed 25 percent of all vacancies; (b) to positions filled from within the Department; and (c) to offices or positions required by law to be filled by appointment of the President, by and with the advice and consent of the Senate: *Provided further*, That when the total number of personnel subject to this section has been reduced to 90 percent of the total provided for in this act, such limitation may cease to apply and said 90 percent shall become a ceiling for employment during the fiscal year 1959, and if exceeded at any time during fiscal year 1959, this provision shall again become operative: *Provided further*, That not more than 90 percent of the funds provided in this bill for salaries and travel allowance may be expended, and all savings so derived shall not be expended for any other purpose."

Mr. JENSEN. Mr. Chairman, to make the amendment more understandable, this amendment simply provides that not more than 1 vacancy out of every 4 vacancies which occur may be filled until such time as there has been a reduction of 10 percent in the number of persons for which funds are requested for salaries and travel pay in this bill.

It further provides that not more than 90 percent of the funds herein requested for salaries and travel may be expended and that such savings shall not be expended for any other purpose.

The reason for the language of the amendment, as you have heard it, is that legislation on an appropriation bill, of course, would be out of order. So it was necessary to so word the language that a point of order could not lie against it.

Here are the facts. In 1951 and 1952 the Jensen amendment was adopted on five appropriation bills. Record votes were had on all of them and the amendments were adopted. Since that time the number of personnel in Government has increased considerably. The amendments which were adopted in 1952 tended to keep the employment rolls on a rather even keel for several years, but finally they started climbing again. So many Members of this House on both sides of the aisle in the past year or two have requested that I again offer the amendment.

The facts are, so far as the dollars are concerned, as follows. The total salaries for which funds are requested in this bill amount to $219,685,435. The travel pay which is requested in this bill amounts to $11,715,702, for a total of $231,401,137 or more than 50 percent of the total amount of the bill.

Under the provisions of this amendment not a single employee of the Department of the Interior will lose his or her job. The vacancies occur by reason of death, retirement, and resignation. The average turnover is a little over 20 percent each year. So it is not difficult for the Department to live with this amendment. Another thing, as you will see by the amendment, is that they can transfer department-wise between agencies so in the event they are crowded a little by this provision, in one agency, they can shift to another agency and pick up the employees.

I hope the House will vote to save this $23,140,000.

Mr. KIRWAN. Mr. Chairman, I rise in opposition to the amendment, and ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. KIRWAN. Mr. Chairman, the gentleman from Iowa [Mr. JENSEN] showed how simply this can be done. If that simplicity could truly be applied to this amendment, I would be for it 1,000 percent. It sounds so simple and so easy.

I remember some years ago when an amendment like this was in effect and it affected certain contractors, and we had to give them $700,000 for not turning a leaf. Did we save anything?

Mr. JENSEN. I did not intend that anything like that should happen.

Mr. KIRWAN. I am not saying the gentleman did, but I am saying that that is what happened. We paid the contractors $700,000 and they never turned a wheel. The contract called for that.

This bill comes within $2 million of taking in the same amount of money we are paying out. You are not going to save a dime by this amendment. You cut the departments and you will lose 10 or 15 or 20 million dollars. They tried it before and you found out whether you saved or lost a lot of money. And you will find out again when this bill comes in next year. Would it not be wonderful if everything was so simple in the Government? I addressed a group of businessmen here early in January. I said to them, "Did any of you in this room pay any taxes in 1929 and, if so, put up your hand and let us get a look at you." The expense of running this Government in 1929 cost only $24 billion and the taxes came in largely from cosmetics, tobacco, and 4 or 5 other things like that. In the district I happen to represent, which took in 5 counties, the Internal Revenue Department had only 3 people employed. Today, they are there by the trainload. Do not let anybody kid you that I am blaming Herbert Hoover because Hoover is listed as a

good President, and he was a good President. I am trying to tell you about business. Business went broke in the worst depression that we have ever seen. Business at that time in comparison was not paying much in taxes. I was entitled to an exemption of $10,000. I had three children. I was only earning about $4,000 but I could have earned up to $10,000 and I would have had to pay no taxes.

Now what are we doing? The Wall Street Journal was correct about 3 weeks ago when they said that certainly business is going to pick up in June and that there would be no more unemployment because we were going to dump $70 billion right on the market; and next year it is still going to cost even more millions. You are not going to save this money by taking it from this one bill that is taking in money for you. They want to put the skids under this bill and lose millions in revenues. We need many, many things to conserve and protect our resources, as I said when we started to consider this bill here today. If it was all so simple, as my good friend from Iowa said, but you know it is not that simple. Otherwise, industry would adopt such an amendment or a rider to its operating budgets. If it would put them back on their feet. You do not see any board of directors saying that they want something like this amendment. We dumped $600 million into France about 2 weeks ago. In a couple of months, where will it be? But, we do not want to dump $400 million in and on America where every dollar is invested in its minerals and its forests and its streams and its parks and practically everything that we have. Think of 60 million people going into our parks and no way of receiving them there. They pay $3 to get into Yellowstone Park and there are inadequate accommodations for them. Of course, there are some accommodations, but not enough to take care of 60 million people. That goes for every park in America. This money is for all of these things. I remind you, here is an agency that is taking in money for you. I would like to ask the gentleman this question. Will the gentleman exempt the Post Office Department from this rider?

Mr. JENSEN. Of course, the postal bill has not come up yet this year.

Mr. KIRWAN. Yes, but will the gentleman exempt the Post Office Department from his rider?

Mr. JENSEN. No; it is not in this.

Mr. KIRWAN. It is not, but I am asking the gentleman, Is he going to exempt the Post Office Department?

Mr. JENSEN. I am going to cross that bridge when I get to it.

Mr. KIRWAN. But let me say to the gentleman, if you exempt the Post Office Department, which has a deficit every year of several hundred million, you will be looking back at that rider in 1959 and seeing the difference. So you are exempting the agency today that is losing money carrying the mail, and yet you turn around and the agency that is collecting money, you are going to work on them. Oh, no, this Government is not going to be in favor of that kind of economy.

The CHAIRMAN. The time of the gentleman has expired.

Mr. TABER. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I did not know very many people back in 1929 who did not pay income tax. I know I did, and I felt it just as much then as I feel it today. I am paying income tax today, and so are the rest of you.

We are up against a situation in this country where we need to save every dollar that can be saved on items where the need is to keep the wheels of Government turning. I do not know of very many Government agencies where there is not enough of a surplus of personnel on the rolls that they could not stand a cut as deep as 10 percent in their personnel picture.

I would like to see the amendment adopted. It is so drawn as to permit the hiring of one substitute in place of every four who go out. It will be impossible to cripple any organization very seriously because there is a limitation below which they do not have to go.

I do not believe we would save over $10 million or $15 million by this amendment in this particular item because there would not be enough concentrated withdrawals from the service during the year so that we would get more than two-thirds of what we could if we could save the whole 10 percent. But it seems to me that we must approach the program of Federal finance with the idea of saving a dollar wherever we can without doing any damage; and, frankly, that is the only way where you can save, because as I heard several say after we finished marking up the bill, the only way you can save money on the bill is by some such method as this rider which applies to every section of the bill.

I do not believe anybody will be harmed. It will be a painless operation, because it applies only to the filling of vacancies where people have left as a result of death, resignation, or retirement. There are enough who will be separated from the service on account of one of these reasons to make a good saving. I think we ought to start right here and adopt this amendment practically unanimously.

Mr. BUDGE. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Idaho.

Mr. BUDGE. I invite the gentleman's attention to page 306 of the hearings. The particular agencies here dealt with had a program last year of $17 million which goes down in this budget to $13 million, but the number of employees stays exactly the same, 452 permanent employees; and the number of temporary employees jumps up from 670 to 766.

Mr. TABER. This is the only way we can effectively deal with personnel reduction.

Mr. BUDGE. Does the gentleman know of any private industry where if a program were reduced from $17 million to $13 million they would hire more employees than they had previously?

Mr. TABER. If they did they would go broke.

Mr. MAGNUSON. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I feel that this House would be making a very great mistake were it to approve the so-called Jensen amendment.

As my chairman has so ably pointed out, the money here proposed to be appropriated is an investment in America. It is an investment in our mountains, our forests, our streams, our land; it is an investment in the natural resources of this country. And it is not much of an investment at that. We propose here to appropriate $413 million for the agencies which will bring in during the coming year some $411 million, or $2 million less than we appropriate. There is not another agency of Government that can match that record.

I want to point out the very important fact that the bulk of the employees affected by this amendment are field employees. I know the amendment as proposed by the gentleman from Iowa [Mr. JENSEN], has a very appealing sound. It does to me: Let us get rid of excess employees. Certainly, we are all in favor of such an idea. What immediately comes to mind is an office so cluttered up with employees that they are stumbling all over each other trying to get to the water cooler. I am getting tired of these unfair attacks on loyal, conscientious Government workers. I shall fight any attempt to hack the heart out of an essential and reliable working force. In this agency all but about 5,000 of the 44,000 employees are field employees. What you are going to cut here, if you adopt this amendment, are your forest rangers, the national-park attendants, the fish and wildlife scientists, the engineers in the Geological Survey, and the Bureau of Mines. I know from observation and experience that these agencies are not overstaffed in the field. They are understaffed. We have already cut this bill under last year $43 million, and I think the subcommittee did a pretty good job in reducing it by $43 million. The amendment offered by the gentleman from Iowa would cut it another $23 million, and would do irreparable harm to the natural resources of this country. This meat-ax approach is no way to achieve economy. I have many Government installations in my district, and I know from observation that most of them, at least, are not overstaffed. On the contrary, many are handicapped seriously by being understaffed.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. MAGNUSON. I yield to the gentleman from Iowa.

Mr. JENSEN. The gentleman does not mean that the committee reduced the budget request by $43 million, does he?

Mr. MAGNUSON. All right, whoever reduced it. We reduced it a little over a million dollars below the budget request. It is $43 million under last year, and I think that is enough of a reduction for this very vital department.

It is not as simple as the gentleman would make it. The same amendment was adopted in 1952, he says, and he spoke of the success which came about

through that amendment during that year. But that amendment did several things which would not be done by the pending amendment. It exempted all seasonal and casual workers, and you know how many there are of those in the Forest Service, in the Fish and Wildlife Service, and in the Park Service. It exempted all employees of the Bureau of Mines and the Geological Survey, it exempted all field employees. That would mean the exemption of more than 38,872 employees in this Department from the Jensen amendment, leaving only about 8,000, roughly, that would be subject to the amendment. Five thousand of those are here in Washington, D. C. Perhaps we could spare some of the employees in Washington. But I will say, Mr. Chairman, we cannot spare people in these numbers in the field service of the Department of the Interior or the Forest Service.

Our Government is getting bigger. This Department, like all others, is getting bigger. The total appropriation for 1950 was $246 million; the appropriation proposed for the coming year is $413 million, an increase of $166 million, or 67 percent. While the cost of administration of the various agencies in this bill has gone up 67 percent, the level of employment has gone up only 25 percent.

I think that is a pretty good record.

Mr. BUDGE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, first I should like to remind the gentleman from Washington that the income to which he refers is derived from Government capital investment such as the sale of oil, the sale of coal, the sale of timber, and the sale of grass. I think simply because the money happens to come into the Treasury through an agency that the agency should not be exempt from practicing a little economy. I am sure in my own State of Idaho if I owned 67 percent of the State, as does the Federal Government, that I could show a little profit off the operation of that 67 percent of the total land area of the State.

I know that all of us are just as interested in the development of the natural resources and their protection as is the gentleman from Washington and our distinguished chairman, the gentleman from Ohio. I do not, however, happen to believe that simply hiring employees or keeping employees on the payroll necessarily does protect the natural resources or advance their development. Just as an example, I recall very vividly the committee on one occasion made an investigation into the personnel operation of the Yellowstone National Park. A million and a quarter people went through the park that year, and there were 100 people working in the park to take care of that million and a quarter. At the same time, located in Omaha, Nebr., there were over 100 people in the regional office telling the 100 up in the park what to do.

Now, I think that 10 percent of those employees can be eliminated, and I think that the resources of this country can be just as well managed and protected with the elimination of some of the Government employees. I specifically ask the membership to consider these decreases in programs such as the one to which I have just referred on page 309 of the hearings where the program is cut from $17 million to $13 million, and yet the number of employees goes up. I know of no other way to stop such padding other than by the adoption of the Jensen amendment, and I certainly hope it prevails.

Mr. GAVIN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it is with great reluctance that I take the floor here today in opposition to the Jensen amendment, because there is nobody in the Congress that I admire more or for whom I have a higher regard than I do my very able and distinguished friend from that great State of Iowa. I know that we all have the same respect and admiration for him. By his work in the Congress of the United States he has won the hearty commendations of the membership on both sides of the aisle. But, occasionally he comes up with some suggestions that I cannot agree with and I cannot agree with my good friend today on this amendment, because I believe sincerely and honestly and conscientiously, that no department of Government turns in a greater, finer and more magnificent performance than the Department of the Interior and the Forest Service in looking after our forests and our waters and our soils and our minerals and those natural resources that will mean a great deal to the future generations that are to follow us. To in any way retard or cut back the personnel carrying on these various programs throughout the Nation, in my estimation, to my Republican friends I say, would be a drastic mistake.

Now, while we are talking of money, I can say that I did not vote for the British loan, oh, no, and I did not vote to defer the interest on the British loan, either. I got caught once on the first UNRRA legislation. I had just come to Congress and it was a little new to me back in those days. I have consistently voted against any foreign aid bills since I have been here. Now I might say this to the Members that I have been in Europe as a member of the Committee on Armed Services on a number of occasions to look over the political and the economic and the military aspects of these various countries of Europe where we have placed about $60 billion in the last few years. Now, a million dollars is one thousand thousand dollars and a billion dollars is one thousand million dollars, and we have put into Europe some 60 thousand million dollars in the rehabilitation of the economic and industrial development of these countries, for highways, waterways, hydroelectric projects, railway stations, and everything else to bring, in effect, the recovery of these countries. However, when it comes to our own backyard, I am unable to understand the attitude that you take. Efforts are made to cut back and retard programs that mean the future growth, development and prosperity of 170 million Americans.

These programs should not be cut back; they should be extended to increase the conservation and protection of our natural resources, our forest waters, and soils. These programs are important and mean much to the future growth and development of our country.

I recently flew over Spain and noted the rocky, barren, denuded hills, the dried-up streams, and the eroded soil—a desperate condition existing. Now let me say to the Members: with the increase in our population, unless we protect these resources—our forests, waters, and soils—25 or 30 years from now we, too, may be in the same desperate position in which these various countries find themselves, countries we are trying to help.

Let us get down to good, sound, practical, realistic thinking on this amendment, Mr. Chairman.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. GAVIN. I would rather not at this time. I have a great admiration and high regard for my good, able friend, however. This Jensen amendment has been coming up every year, has it not?

Mr. JENSEN. Oh, no. But will the gentleman yield?

Mr. GAVIN. No; I would rather not yield, although if time permitted me to I would be most pleased to do so. I do not think this amendment is logical, I do not think it is practical, I do not think it is realistic, I do not think it is for the benefit of 170 million Americans who are depending upon us to give them guidance, direction, and programs for the conservation and protection of our forests, our waters, and our soils, our minerals, all of which will mean so much to the future growth and development of our Nation.

Mr. CHAIRMAN. I trust the amendment will be voted down.

Mr. GROSS. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, the distinguished gentleman from Ohio—I have great respect for him, and I am sure he knows it—mentioned a little while ago how a French emissary came to this country 2 or 3 weeks ago and walked away with some $665 million in loans, credits, deferred payments, and cash. Yes, Mr. Monet slipped into the country very quietly. There was no red-carpet treatment for him. And he went away just as quietly. There has not been a smoother raid upon the United States Treasury or the taxpayers of this country in the 10 years that I have been a Member of Congress.

The gentleman from Washington [Mr. MAGNUSON] said that this Government is growing. It certainly is. This amendment is one of the ways by which some of us think we might be able to apply the brakes and slow down that growth just a little bit.

I am a member of a subcommittee of the Committee on the Post Office and Civil Service, known as the Manpower Utilization Subcommittee. We held several hearings last year, and we held more hearings after Congress convened this year, trying to get the various agencies

of the Government to set some kind of reduction goals, reduction of personnel, to stop some of the empirebuilding that is going on. So far we have not had too much success.

Let me tell you about this perfume-titled organization known as the International Cooperation Administration. It dispenses foreign aid. Back in 1948 it carried the equally perfumed title of Economic Cooperation Administration. At that time, in 1948, this outfit had 571 employees. Do you know how many it had in 1953? Some 4,000. Do you know how many it has today? Some 12,500. Do you think we can get these ICA people to set a reduction goal? Do you think we can get them to agree to reduce by a single person? Oh, no. They say they must have more employees, and I suppose they will be aided and abetted on February 25 at the Statler Hotel when some strange bedfellows bed down together.

On February 25, next Tuesday, you are going to see President Eisenhower, former President Truman, Vice President Nixon, Adlai Stevenson, John Foster Dulles, Dean Acheson—you can call off the list, they are all scheduled to be there on a program to sell the American people on spending another $4 billion on the foreign giveaway program. In addition, there will be some of the bluenoses of industry, and I noticed not so long ago that the AFL–CIO said it would send several representatives to this foreign aid propaganda meeting. So you are going to see a really strange assortment of people rubbing elbows on February 25 in Washington to raid the taxpayers for another $4 billion to keep the foreign aid show on the road and keep the ICA payroll loaded with fat.

If the American people, who have been hit for some $70 billion since the end of the war for foreign aid, are not sold on this boondoggle, when are they going to be?

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Michigan.

Mr. HOFFMAN. The gentleman does not pay any attention to what those fellows say, does he? He listens to his folks at home, does he not?

Mr. GROSS. I do not intend to pay any attention to them.

Mr. HOFFMAN. Why worry about it?

Mr. GROSS. I just want to advise some of the Members what they can look forward to, that is all.

Mr. HOFFMAN. The gentleman knows very well they will not influence him or me, so what do we care?

Mr. GROSS. I care about the future solvency of this country and so does the gentleman from Michigan.

Mr. Chairman, I support the amendment of my colleague, the gentleman from Iowa [Mr. JENSEN], and urge its adoption.

Mr. PRESTON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am not a member of this subcommittee but I am concerned about the effect of the Jensen amendment on other appropriations measures that the House will have to consider.

In the heat of debate here today it is easy to lose one's sense of perspective and get swept away with the idea of bringing about some economy, but may I remind the Members of the House that last year when we used the selective cutting system we reduced the budget by approximately $5 billion. We did not have to use this reckless meat-ax approach that begets consequences that no one understand or anticipates.

The members of the Committee on Appropriations by and large know where the soft places are in the budget requests and in the appropriations measures. They usually, and I may say wisely and intelligently, cut the places that need cutting. You can select an item or two in this bill to use as an example of why you should adopt the Jensen amendment, and I would not debate that with you because I am not familiar with this particular measure, but I do know that by and large the members of the Committee on Appropriations cut the places where the bills need cutting.

If we could save $5 billion last year through selective cutting, why can we not do it again this year? Perhaps the budget is not as soft this year as last year; that remains to be seen. We have not examined the budget estimates yet. Few of the hearings have been held.

Another consequence of the Jensen amendment approach today is this: We apply it to the Interior bill. Next week another bill will be up for consideration. Should we apply it to that particular bill? If it is decided that we should not, then we apply a straitjacket to one department of the Government and excuse another. If the gentleman's amendment is fair in its approach, why should it not be applied to every appropriation bill? Why should it not be applied to appropriations for the Department of Defense, the Post Office or for the Justice Department or for the FBI or the missiles program? Why should it not be applied to every branch of the Government, if it is fair? But, let us not apply it to any department of Government if it is not fair. We can trust the House of Representatives to act in its good judgment. You know by and large, the House of Representatives rarely ever uses bad judgment when it works its will truly and earnestly and sincerely. It usually does an effective job. The end product in our appropriation measures year after year is usually a good product. If a committee fails in its duty, the House usually corrects the error of the committee. What the gentleman from Iowa is saying when he asks us to adopt this amendment today is that we have not brought a bill to the floor of the House that is correct. He is saying that we have not brought a bill that is cut as it should have been cut. He is saying it needs to be cut 10 percent more. Let us assume, for the sake of argument, that that might be true. If the next subcommittee brings in a bill which has already been cut, as one committee did last year, with a reduction of 25 percent from the budget estimate, would it then be correct to apply another 10-percent cut on top of the 25 percent? I daresay that this is not the way the House wants to deal with these matters. I think the selective method is the wiser method. Let us use our judgment on these items one by one as they come up rather than using this broad approach.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield.

Mr. JENSEN. The gentleman, I am sure, knows that if the subcommittee that reports a bill has made some proper reductions in personnel that the Jensen amendment may not be applied; or it may be applied to a smaller degree. I have worked with the gentleman for a long while. Really, he is a conservative at heart—I know that. But, does the gentleman not feel that the American people in paying over $12 billion a year just to be governed from Washington, D. C., is really being asked too much to continue to feel good about paying? And does the gentleman not know that we have tried in some committees to reduce the personnel, but that it is impossible? These departments of Government and these agencies are well schooled in the art of justifying their personnel. That is the thing most of them are most interested in. So we do not reduce the personnel, but this is the only way we can do it.

Mr. PRESTON. The only difference between my feelings and the feelings of the gentleman about this is as to the method. I share the gentleman's desire to bring about economy. Of course, I want to bring about economies, but it is merely the method on which we differ and I believe the gentleman's method is unwise and ill-advised.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. JENSEN].

The question was taken; and on a division (demanded by Mr. JENSEN) there were—ayes 59, noes 100.

So the amendment was rejected.

The Clerk concluded the reading of the bill.

Mr. KIRWAN. Mr. Chairman, I move that the Committee do now rise, and report the bill back to the House with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. PRICE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 10746) making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1959, and for other purposes, had directed him to report the bill back to the House with the recommendation that the bill do pass.

Mr. KIRWAN. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. JENSEN. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. JENSEN. Yes.

The SPEAKER. The gentleman qualifies.

The Clerk will report the motion.

The Clerk read as follows:

Mr. JENSEN moves to recommit the bill to the Committee on Appropriations with instructions to report it back forthwith with the following amendment:

After line 8, page 38, insert a new section:

"SEC. 402. No part of any appropriation contained in this act shall be used to pay the compensation of any incumbent appointed to any position which may become vacant during the fiscal year beginning on July 1, 1958: *Provided*, That this inhibition shall not apply (a) to not to exceed 25 percent of all vacancies; (b) to positions filled from within the Department; and (c) to offices or positions required by law to be filled by appointment of the President, by and with the advice and consent of the Senate: *Provided further*, That when the total number of personnel subject to this section has been reduced to 90 percent of the total provided for in this act, such limitation may cease to apply and said 90 percent shall become a ceiling for employment during the fiscal year 1959, and if exceeded at any time during fiscal year 1959, this provision shall again become operative: *Provided further*, That not more than 90 percent of the funds provided in this bill for salaries and travel allowance may be expended, and all savings so derived shall not be expended for any other purpose."

Mr. KIRWAN. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

Mr. JENSEN. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were refused.

The question was taken, and the Chair announced that the noes appeared to have it.

Mr. JENSEN. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and seventeen Members are present, a quorum.

The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

SPECIAL ORDER

Mr. SCUDDER. Mr. Speaker, I have a special order to address the House on Monday next, February 24. I would like to have that special order transferred to Wednesday, February 26, at the conclusion of all legislative business and any other special orders heretofore granted.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

THIRTY-SEVENTH ANNIVERSARY OF ARMENIA'S SUCCESSFUL REVOLT AGAINST SOVIET COMMUNISM

Mr. MATTHEWS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include an article by Herbert A. Philbrick.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. MATTHEWS. Mr. Speaker, today, February 18, is the 37th anniversary of Armenia's successful revolt against the tyranny of Russian communism. To review the facts of this successful revolt I think would be an inspiration to men and women all over the world who love freedom. Armenia is another of those heroic Slav nations which have given us some of our most splendid citizens, among them George Mardikian, the famed restaurateur, and many others. Recently I read of a famed old Armenian warrior-prince and stanch foe of the Communist invaders, George Bagration-Moukhransky, who died in Paris to the regret and profound sorrow of his many valiant countrymen. The daughter of this gentleman, Leonida, is married to the leader of Russian conservative emigres, Grand Duke Vladimir Romanov. Many of the Armenians throughout the world will remember this gentleman as the one who told Hitler he would not be used as a pawn in selling his country's freedom to nazism when Hitler offered him the throne of the Russian Ukraine.

I believe there is ample merit for commemorating the fight of the tiny nation of Armenia against Soviet imperialism. I am pleased to insert in the RECORD the very interesting article concerning the Armenian revolt against Moscow, written by the columnist, Herbert A. Philbrick, for the New York Herald Tribune. I hope all of you in the House will read this article which, among other things, shows that the opinion of so many people in America that we can buy the alliance of subjected people with material gifts of money, fruit, or trade is not true. The biggest urge that subjected people all over the world have is, according to this splendid article, for national freedom and national independence.

My heartfelt sympathy goes to the brave Armenians who are still under the Soviet yoke and my sincerest congratulations go to our fellow American citizens of Armenian descent who are rightfully proud of their heritage, and who will never forsake their desires to see Armenia once again a free and independent nation. The complete article by Mr. Philbrick follows:

HOW MOSCOW CRUSHED ARMENIAN INDEPENDENCE

(By Herbert A. Philbrick)

From time to time we are told that there are rumors of revolt and resistance behind the Iron Curtain. Each time the news is greeted with a great deal of wide-eyed wonder and speculation.

It is time for Americans to understand that the entire history of the Soviet Empire, from the very beginning, has been one of continuous revolt by the people against the Socialist system, and an equally continuous history of vicious oppression by the dictatorship designed to stamp out the slightest spark of freedom.

It is well to remember that Tuesday, February 18, marks the 37th anniversary of the first instance when an enraged people not only rose against their Communist oppressors, but drove them out and temporarily restored their independence.

It was on February 18, 1921, that the Armenian people rebelled and not only drove out of the country the Communist authorities and military forces, but reestablished their independence. Indignant citizens and peasants, armed with whatever weapons they could master, stormed the central prisons in the capital of Erivan where the day before a number of their people had been slaughtered by the Bolsheviks and preparations had been made to massacre the remainder.

As with the Hungarian revolt, the uprising was neither planned nor organized. It was a spontaneous revolt, born of incomprehensible abuse, brutality, and torture. However, after it was unleashed, the leaders of the Armenian Revolutionary Federation (the Dashnag Party), an ancient patriotic organization, took charge of the movement, organized a new government, and restored order.

Upon reorganization of the independent republic, Prime Minister Simon Vratziam appealed to the Free World to help in maintaining Armenia free and outside of the Soviet orbit. However, his plea was unanswered, and in August 1921, overwhelming Communist forces reinvaded.

NATION'S AREA REDUCED

Armenia was reduced from its 29,000 square miles into its present Soviet 11,580 square miles. Aiding and abetting the Kremlin was Armenia's leading Quisling and collaborator, Anastas Mikoyan. He has been well honored by the Soviet masters for his treachery and deceit.

Since that time there have been recurring waves of purges of writers, intellectuals, professors, historians, church leaders, and other nonconformists in the best tradition of Soviet genocide. The blood of Armenian men, women, and children flowed freely as the Communists unleashed their bestial forces.

But there is another part of history also common to the slave nations. Despite the oppression and the persecution, the free spirit of the Armenian people survives in the hearts of refugees scattered the world over as well as within Armenia itself.

There are today throughout the world more than 70 newspapers and periodicals published in the modern literary language of Armenia. In the United States the central committee of the Armenian Revolutionary Federation, whose national secretary is Beglar V. Navassardian, is located in Boston.

From its own building at 212 South Stuart Street, the central committee publishes 4 organs, 2 in English (a weekly and a quarterly) and 2 in Armenian (a daily and a monthly). The voice of the independent Armenian Republic is thus kept alive.

There is a widespread opinion among Americans that you can buy the alliance of subjected people with material gifts of money, food, or trade. This opinion prevails among many in the United States Government.

Mr. Navassardian refutes this belief. He states:

"There is great misunderstanding of the anti-Soviet forces within the U. S. S. R. It is true that these forces are nourished by economic dissatisfaction, by persecution, by the desire for greater personal freedom, and by a host of other factors. None, however, is potentially more dynamic or explosive than the urge for national freedom and national independence.

"The titanic struggle which freedom is today waging against darkness, ideological reaction, and despotism is such that the coordination of effort of those devoted to the triumph of liberty has become an absolute necessity," he states.

It would seem self-evident that the answer to a materialistic ideology is not more

materialism. Yet that is all certain forces in the United States seem to be offering to the world today.

Philbrickbats: Lots of talk these days about disengagement with the Soviets. Why not go all the way and get a divorce?

MURRAY M. CHOTINER, THE NATIONAL RESEARCH CO., AND THE GOVERNMENT

Mr. REUSS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. REUSS. Mr. Speaker, the influence peddlers are speechless in awe and green with envy as they read of the achievements of Mr. Murray M. Chotiner.

Apparently because of his private pipelines to high places, and because of the very friendly connection between "Dear Murray" and "Sherm," Mr. Chotiner was able to keep an airline in operation for an extra 5 years even though that airline was operating in violation of the rules of the Civil Aeronautics Board.

Mr. Chotiner seems eminently adept and successful in prolonging the life of business enterprises that are operating in violation of the laws of the United States and the orders of Federal regulatory agencies.

I have particular reference to the National Research Co., with offices in California and the District of Columbia. Mr. Chotiner is not only the attorney for this company but, according to U. E. Baughman, Chief of the United States Secret Service, is one of the principals in the company.

The National Research Co. is still doing business in the same old way despite a longstanding cease-and-desist order issued by the Federal Trade Commission.

DOES NO RESEARCH

Let me explain that despite its name, the National Research Co. does no research. Its business is that of tracing delinquent debtors—"skip tracing," they call it. This in itself is neither illegal nor improper, but the company's methods of operation are.

The National Research Co. seeks cleverly and deviously to extract information from unsuspecting debtors by conveying the impression that it is an agency of the United States Government. It has masqueraded as Uncle Sam for many years—and has not been stopped yet.

The company uses various forms of an IBM type, all designed to look official and governmental. A person receiving through the mail such forms from "Director in Charge, NRC Office, Washington Building, Washington, D. C." labeled "NRC Office—Notice" and making "Immediate Request" for his social security number, birth date, up-to-date employment status, and other information, is very likely to think that the Government is corresponding with him—especially when the forms contain punched holes, symbols, and boxes for "reverification" and "certification" and other phrases associated in the public mind with Government redtape.

The company's intent is precisely to deceive in this manner.

On October 11, 1954, the Federal Trade Commission issued a complaint against the National Research Co.—Docket No. 6236—charging that the company's representations and implications were and are false, misleading, and deceptive and were intended to induce the recipients to give information which otherwise they would not have supplied.

HEARINGS IN 1955

The Commission proposed to issue a cease-and-desist order. Hearings were conducted in 1955 by FTC Examiner Abner E. Lipscomb.

My attention was called to the case in September 1955, when a Milwaukee constituent sent me an envelope received by her from Washington from the "reverification office" and containing an "NRC notice" and a business reply envelope.

I wrote the Postmaster General, and later the Federal Trade Commission, stating:

> All this mumbo jumbo is apparently intended to make the notification look official and governmental.

I requested an investigation and report.

Apparently the Post Office Department dropped out of the matter, leaving the FTC a clear field to do battle with Mr. Chotiner.

On December 22, 1955, Examiner Lipscomb issued his initial decision. Mr. Chotiner's defense argument had been that it was in the public interest to practice misrepresentation and deception to locate defaulting debtors. Examiner Lipscomb found this defense to be "without merit for the simple reason that two wrongs do not make a right."

Examiner Lipscomb stated:

> The laudable purpose of assisting merchants to recover financial losses sustained by reason of defaulting debtors does not justify the perpetration of deceit upon those debtors.

ORDER IS ISSUED

Examiner Lipscomb's order said, in pertinent part, that the National Research Co. and other parties involved shall forthwith cease and desist from:

> Using or placing in the hands of others for use, any form, questionnaire, or other material, printed or written, which represents, directly or by implication, that the purpose for which the information is requested is other than that of obtaining information concerning delinquent debtors;
>
> Using the terms "Claims Office," "Reverification Office," or "United States Credit Control Bureau," or the picturization of an eagle, or any other word or phrase, or picturization of similar import to designate, describe, or refer to respondents' business; or otherwise representing, directly or by implication, that requests for information concerning delinquent debtors are from the United States Government or any agency or branch thereof, or that their business is in any way connected with the United States Government.

Mr. Chotiner appealed the examiner's decision to the Commission.

On June 1, 1956, the Federal Trade Commission denied the appeal, and adopted the examiner's findings, conclusions, and order as the order of the Commission.

The National Research Co. never complied with the order of the Commission. Some modifications were made in the company's forms—the removal of the eagles, for example—but the basic misrepresentation and deception continued. Strangely, and I would like to know how it came about, there was apparent confusion on the part of some FTC staff people, and under date of August 1, 1956, a letter went out from the Office of the General Counsel of the FTC to Mr. Chotiner in Beverly Hills, Calif., stating that the National Research Co. was presently in compliance with the order. The company continued to use its misleading forms, and the FTC continued to receive complaints.

LETTER TO CHOTINER

On February 13, 1957, the Federal Trade Commission—after some pulling and tugging within its mechanisms—found it necessary to write Mr. Chotiner concerning Docket No. 6236. This letter in effect overruled the General Counsel's letter of August 1, 1956, and stated:

> The above matter has been reviewed by the Commission and all forms submitted with your report of compliance, dated July 26, 1956, are found to be in violation of the order * * *.
>
> If you desire to submit new forms, they must contain information clearly revealing their true purpose.
>
> Continued use of the present forms will result in a prompt request for institution of a civil penalty proceeding by the Department of Justice.

On February 23, 1957, Mr. Chotiner thumbed his nose at the Commission and invited a test suit in the Federal court in southern California.

On March 14, 1957, the Commission wrote Mr. Chotiner again. The Commission reaffirmed its stand of February 13, 1957, repeating its intention to ask the Department of Justice to bring suit. The Commission added that it would not sue for violations of the order that occurred before February 13, 1957.

DECEPTION NOT STOPPED

Mr. Speaker, I had followed this case closely through the hearing stages and until the Commission issued its cease and desist order of June 1, 1956. I had assumed that the National Research Co. would be effectively stopped from its deceptions. I was mistaken.

On March 27, 1957, I received a letter from Milwaukee Attorney Clyde M. Paust, who wrote:

> Enclosed is something that gets my dander up. I suspect that this is a collection outfit creating the impression that it is a Government agency.
>
> It is a dirty shame that a citizen's desire to cooperate with the Government should be exploited by shysters. Ultimately, if this abuse spreads, people will not cooperate with Government requests for information.

The enclosure, which had been turned over to Mr. Paust by a Milwaukee resident, was the same old director in charge—NRC office—notice.

My office contacted the FTC immediately. I was disturbed to learn that the Commission had been unable to make its order effective against Mr.

Chotiner's clients and that there was controversy within the FTC as to how, and even whether, the order could be made effective.

FORMS SENT TO COMMISSION

I sent a member of my staff to the Washington Building office of the National Research Co. Obviously there was no research going on there. The director in charge—the only person in the office—readily admitted that "our business is skip tracing." The only equipment in use was a huge pigeonhole affair covering one entire wall, pigeonholes used for the research of sorting out replies to the NRC notices.

I urged the Federal Trade Commission by letter on April 12, 1957, to get on with the lawsuit proposed by the Commission and invited by Mr. Chotiner. I forwarded to the Commission the forms I had been sent, considering them possible evidence in the lawsuit, since they were mailed after the Commission's self-imposed February 13 starting point on violations of its order. Subsequently, I forwarded to the FTC on May 13, May 24, and June 13, 1957, numerous other forms and envelopes sent to me by Milwaukee recipients of the National Research Co.'s wares.

In reply, the Commission repeatedly informed me that it was making an investigation and that "if violations are discovered the Commission will proceed with the preparation of and recommendation for the institution of a civil penalty suit by the Department of Justice."

I found the Commission's letters most unsatisfactory, especially the use of the phrase "if violations are discovered." The Commission had told Mr. Chotiner in February, that all the forms were in violation of the order. I had supplied the Commission with a number of such forms; yet the Commission was still looking for violations.

FTC PREPARED LAWSUIT

Just last week I again inquired of the FTC concerning the much talked of "civil penalty suit by the Department of Justice."

I was informed that the Federal Trade Commission did complete its investigation, collected evidence in this matter, and late last fall prepared in its compliance division such a civil penalty suit against National Research Co., et al.

This proposed lawsuit, prepared by the FTC after a lengthy investigation covering 6 months or more, was sent to the Department of Justice for action about December 1, 1957.

This lawsuit has not been instituted by the Department of Justice. I assume that it will not be instituted, since I was informed yesterday that the Federal Trade Commission is taking steps to reopen the case and make modifications in its original order.

I assume that the Department of Justice refused to institute the suit prepared by the FTC. I do not know why. I am reminded, however, that back in May of 1956 the chairman of the Senate Permanent Investigations Subcommittee, Senator McCLELLAN, was reported to have asked for a copy of a Department of Justice memorandum asking United States attorneys to deal cautiously with Mr. Chotiner.

A POLICY OF UTMOST CAUTION

Such a memorandum could indeed have direct bearing in the matter of the National Research Co. The Federal Trade Commission has dealt quite cautiously and over an extended period of time with Mr. Chotiner in this case. The original complaint was filed October 11, 1954, more than 3 years ago, and Mr. Chotiner's clients are still operating on the same basis of deception and misrepresentation.

If the FTC has dealt cautiously, the Department of Justice has adopted a policy of utmost caution—caution beyond the call of duty, caution amounting to "hands off Mr. Chotiner"—in refusing to bring the FTC's suit against the NRC.

I question not only delay and confusion on the part of the Federal Trade Commission, but I ask also:

First. Has this Department of Justice memorandum giving instructions to deal cautiously with Mr. Chotiner been produced?

Second. Who issued the memorandum, and when?

Third. What does the memorandum say?

Fourth. Is the Department of Justice's refusal to act in the Chotiner-National Research Co. case a result of following this memorandum?

SUBCOMMITTEES MAY INVESTIGATE

Mr. Speaker, I have referred this matter to the Legal and Monetary Affairs Subcommittee of the Committee on Government Operations. The subcommittee is investigating a number of FTC matters, and I hope it will look into this one. It also may be that the special Subcommittee on Legislative Oversight will want to look into this matter.

Mr. Speaker, I have discussed this matter at some length because I am anxious to see that neither my constituents nor the citizens of any other district in the United States are subject to this kind of misrepresentation and deception. I am especially concerned that no company or individual masquerades as the United States in conducting a private business.

In this case, the regulatory agency involved has so far shown itself unable to halt the practice. The Department of Justice has refused to step in.

Perhaps the Federal Trade Commission, in reopening the matter, will eventually be effective. Even so, it all takes time. It may be another 3 years before the violations of the National Research Co. are brought under control. It may be never.

As I said, Mr. Chotiner is an expert at prolonging the life of such business enterprises.

EXTENSION OF UAW CONTRACTS

Mr. CHAMBERLAIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CHAMBERLAIN. Mr. Speaker, most of the past week I spent in my district—in the cities of Lansing and Flint, Mich. I had an opportunity to visit with many of my constituents and to discuss unemployment problems with many people. All evidenced the deepest concern because of the decline in automotive production. I detected the gravest apprehension for the employment situation in the months immediately ahead because of the threat of a strike in the automobile industry. To me, this apprehension over the forthcoming contract negotiations with the auto manufacturers is only complicating the problems brought about by the fact that automobile production is off 24 percent from what it was a year ago.

It is difficult for me to understand how such a business climate could be conducive to labor's pressing for all of its recently outlined demands at this time. With conditions as they are, full employment should be the objective of all. Therefore, I wish to take this opportunity to advise my colleagues that yesterday I wrote to Mr. Reuther, president of the United Auto Workers, suggesting that the terms of the present contracts with the automobile manufacturers be extended for a 1-year period. To me, few things could have such a beneficial effect on our economy as the union's agreement to such an extension. This I believe sincerely. I should like to include at this point in the RECORD the text of my letter to Mr. Reuther and urge that this suggestion be given careful consideration:

FEBRUARY 17, 1958.

Mr. WALTER P. REUTHER,
President, International Union, United Automobile, Aircraft, and Agricultural Implement Workers of America, Detroit, Mich.

DEAR MR. REUTHER: With most Americans, I have been following with interest your recommendations in the automotive industry and the announced objectives for the forthcoming contract negotiations with the auto manufacturers. I appreciate your courtesy in sending me the detailed text of these recommendations and inviting my comments or questions.

I am gravely concerned about the economic conditions that now exist in my district, the State of Michigan, and throughout the country. This past week I spent several days in Michigan, where I had the opportunity of talking with farmers, housewives, businessmen, and many automobile workers. I also conferred with representatives of the Michigan Employment Security Commission and talked with many workers who were waiting in lines to receive their unemployment checks. In addition, I am just beginning to receive the responses to a questionnaire I have circulated widely in both Flint and Lansing. These replies also reflect a growing fear of unemployment and its terrible impact on the workers and their families.

From these varied contacts with my constituents, I can only conclude that one of the basic factors depressing our economy is the uncertainty that permeates the business atmosphere today. I have concluded, further, that one of the major causes of this uncertainty is the apprehension relating to the coming contract negotiations in the automobile industry.

In my opinion, there is probably no greater single thing that could dispel the gloom and fear of both labor and management alike than some assurance that current conditions would not be aggravated by a strike in this

industry. I believe a realistic evaluation of the situation would compel almost anyone to concede that the present economic climate is not one in which to insist upon all preannounced demands.

Without taking a position with respect to the merits of union proposals, the continued threat of such a strike will lead only to tragic consequences for the economy of our Nation. For these reasons, I would like to suggest respectfully that there be a public proclamation of the willingness of the UAW-CIO union to continue the terms of the present contract for a 1-year period. Few things could have such a beneficial effect on our economy as this simple statement. Such recognition of the responsibility and importance of labor to our economy would do much to create renewed business confidence and establish goodwill for subsequent negotiations. To me, it would be an act of statesmanship.

As you may know, last year I introduced a bill (H. R. 3022) to repeal the Federal excise tax on motor vehicles. With the recent increase in automobile unemployment, I have urged the chairman of the House Ways and Means Committee to hold early hearings on this bill. A copy of my letter and the bill are enclosed for your information. Remembering your recent proposal that automobile manufacturers reduce car prices by $100 as a stimulant to production, I know that all automobile people will favor this proposal, as it should have the same effect as your own, reducing automobile prices. I invite the active support of the UAW-CIO in supporting this legislation which would benefit auto workers everywhere.

I am today addressing communications to the major automobile manufacturers requesting that they reevaluate their price structures and make every possible adjustment to stimulate our national economy.

While I know that many honest men frequently differ in their opinions, I am certain that we both are seeking the same fundamental objective, that of full employment and full production in the automotive industry.

In behalf of the people of my district and of all Americans, I earnestly solicit the thoughtful consideration of these suggestions.

Sincerely yours,

CHARLES E. CHAMBERLAIN.

THE AMERICAN FARMER

The SPEAKER. Under previous order of the House, the gentleman from Missouri [Mr. CHRISTOPHER] is recognized for 30 minutes.

Mr. CHRISTOPHER. Mr. Speaker, no Member of this House has ever become popular by predicting unpleasant things and then, when they come to pass, coming back to the mike and saying, "I told you so." That is the way to become unpopular. Notwithstanding that fact, back in 1955, about 3 years ago, I did tell my colleagues so on the floor of this House. I said at that time that you could start a depression on the American farm but you could not keep it there; that it would break out and go to town; then it would go to the city and it would affect other people who thought they had no interest whatever in agriculture, and if it was not checked, would wind up by sticking its hands into the Treasury of the United States. I said those things 3 years ago. I said there was a depression starting again on the American farm. I said that there was a little man on the stairs that people said was not up there. But, I could see him. Now everybody can see him. Even the President can see him. The news commentators can see him. Wall Street can see him. Everybody knows he is there now, and they are willing to admit it. But, a great percent of my colleagues here on both sides of the aisle thought I was just a disgruntled bellyaching old farmer; I did not know the score, and that this country could remain prosperous with the American farmer or without him, because he only amounted to about 12½ percent of the population of the United States, so it made little difference what became of him.

Well, now we are beginning to see. I have just a few headlines here. You do not even have to stop when you pass the newsstand; just keep on walking and read the headlines as you walk by. It says here: "Quick Action Needed To Aid Jobless—Jobless Nearing 5 Million—Face Up to the Recession—It Should Not Be Treated as an Indelicate Subject—4½ Million Idle—Relief Step Offered—National Crisis—The American Economic Crisis Is Marked by a Startling 1.1 Million Jump in Unemployment—Cut in Taxes Asked as an Aid to American Business—Both Parties Preparing Standby Tax-Cut Plans—Halt the Slump—Urge Jobless Benefit Hike." And, underneath that is a picture of my good friend, Senator KENNEDY, and my good friend, Congressman FLOOD.

"Senators Submit Measures To Make More Jobs."

"Ike Offers a $2 Billion Relief Plan."

"Eisenhower's Ex-Aid Sees No Upturn Soon."

Prof. Arthur M. Burns, President Eisenhower's top economic adviser during his first term said today—

That was February 15—

he did not see any evidence to back up the President's prediction of an upturn in business next month. Professor Burns, a professor at Columbia University, said he believed the slump would only be ended by massive Government intervention.

The little man on the stairs now is as big as an elephant.

Mr. Speaker, I want to talk to you this evening about agriculture's relationship to the present slump which everybody admits is here. I do not care whether you call it a slump, whether you call it an adjustment, whether you call it a recession, or whether you call it a depression. Somebody said that when a stranger you never heard of before in your life loses his job, that is a business adjustment. When your dearest friend or your brother loses his job, that is a recession. But when you lose your job, that is a depression.

Whether this is a depression, or whether it is not a depression, wnether it is you who have lost your job or whether it is somebody you never heard of before in your life, 4½ million people are jobless in the United States, and even the Republican high command are willing to admit that there will be more unemployed before there are less.

Who are the farmers in the United States anyway? I am one of them and, Mr. Speaker, I am proud to be one of them. I worked 16 hours a day to help produce the food and fiber that they said would win World War I. And when most of my sons who were old enough to go, went into the Army in World War II, I had a daughter ride a tractor day after day in the field in Missouri, and my wife and I, and the other children who were not old enough for military service, worked to produce the beef, pork, milk, eggs, and wheat that they said would win World War II. They said, "Expand, increase your production. The world needs all you can produce." We answered.

We American farmers love our country. We are patriotic. Most of us are honest, truthful, and industrious, and we are kind. We do our duty. We only count about 12½ percent of the population. We used to live on 6 million farms in the United States. Now we live on 4.9 million farms in the United States and the number is growing less every day.

What is our job? What are we supposed to do in these United States, these 12½ million people who produce the food and fiber that feeds and clothes this Nation better than any nation was ever fed and clothed in the history of this whole world? What is our duty? What do we owe to society? What do we owe to our Government? We owe it to society and to our Government to see that when the housewife goes down to the market with her basket on her arm that there is food in that store, all she wants.

We need so to conduct our business that when people need clothing to shelter their bodies from the cold and the winter, such as we have outside today, the cotton and the wool will be available not only for the garments to clothe their bodies, but for the carpets that cover their floors, the mattresses on which they sleep, and the covers they pull over themselves in the night. That is our duty. Are we doing it?

The only charge brought against the American farmer is that perhaps he is doing his job 2 or 3 percent too well. They say we are producing a surplus. Every big-city Congressman that comes to the floor of this House should get down on his knees every night before he goes to bed and thank God and the American farmer that the American farmer does produce a surplus. It guarantees that even though his folks in the city may get out of a job and have to live in breadlines and soup kitchens again, which God forbid, there will be bread in the breadlines and the soup in the soup kitchens will not be too thin. He should thank God for the surpluses and not fling the blessings of providence back in the face of the Almighty and the farmers of the United States that produce them.

We are faced with a growing population. Do you know how fast babies are being born in the United States? Five per minute above the death rate. That is 300 an hour increase in our population; 300 times 24 is 7,200 every 24 hours that this population is increasing. It is the duty of the American farmer to see that there is extra food and clothing for those 7,200 people that come into the United States through an accelerated birth rate above the death rate every 24 hours. I want to pledge to you that we will do that job. We are doing it.

Now I come to another question. If we have done our job well and delivered to society and our Government what we owe to society and our Government, what does our Government and the society of the United States owe us? I will tell you what they owe us. They owe us equality of purchasing power. It is not right that industry and labor and the professions should give a dollar's worth of goods and services and receive a dollar while we give a dollar's worth of food and fiber and receive 80 cents. Mr. Benson says the 80 cents ought to be 75. The President says, "You are too high, Ezra, it ought to be 60."

For doing the kind of job we have been doing, the President and the Secretary recommend that we have only 60 percent of a fair purchasing power.

The farmer does not ask for a subsidy, he does not ask for a gift, he does not ask for Government coddling. All the farmer asks for—and all he has ever asked for—is that when he delivers a dollar's worth of food and fiber to the market they pay him a dollar for it and not 80 cents.

Is the farmer backward? Does he resist improvements? Is he a forward-looking individual? Does he know how to use fertilizer and modern farm equipment and improved varieties of seeds? I've wondered about the farmers—even though I am one of them.

I called the Legislative Reference Service in the Library of Congress. I propounded this question to them. I said, "What percent of increase per man-hour has been made in the manufacturing industry in the United States in the last 10 years?"

They replied, "Factory workers have increased their man-hour production by 28.6 percent."

I then said, "All right. How much has agricultural production increased per man-hour on a percentage basis in the last 10 years?" I almost fell to the floor when I got the answer. They said, "83.8 percent." Don't tell me that the American farmer is not doing his job. I know that he is doing his job.

Now, Mr. Speaker, what has caused this depression—or recession—or business adjustment or whatever you want to call it? Well, the high interest rates and the tight credit aggravated it. But, they were not the basic cause. We live with them. Raising the national debt $15 billion did not help any. Adding $2 billion a year interest to the national debt did not help a bit. But, that was not the basic cause. Then what is wrong? Let us see if we can find out. We are going to check in two places. First, we are going to check the Legislative Reference Service in the Library of Congress. You know, some of these executive departments give me the runaround. When I call them, they send me a jumble of figures that I cannot make heads nor tails of. Of course, I am just an old farmer and maybe that is not unusual. But, when I go over to the Legislative Reference Service of the Library of Congress, I get things that even a Congressman can understand. I asked them some questions, and I received this letter:

This is in reply to your inquiry of January 22, 1958, in which you asked information on the total value of products of industry and agriculture in the United States for 1956 or 1957. Data for 1957 are not yet available. The information furnished below is for the year 1956 and has been compiled from several sources as indicated, as it has not yet been published in any comprehensive statistical work in bulk.

The value of minerals for the continental United States according to the United States Department of Interior Information Service Bureau of Mines released December 31, 1957, including petroleum products and natural gas and coal was $17,530,750,000.

The value of forestry products as given by the Department of Agriculture is $3 billion.

The total of fish caught including the Alaska fisheries, $369 million.

Cash receipts by farmers for agricultural products, $30,926,000,000.

So among other things, the American farmer produces $3 of every $5 worth of raw material that is produced in the United States—some job for 12½ percent of the population.

Now, we work in the United States at different jobs, and we build up what is called a national product. I have in my hand Economic Indicators for January 1958. I find here that the gross national product was $414.7 billion, which was the worth of the goods and services in the United States in the year 1956. These figures are found in column 1, page 2 of this Indicator.

I took the $17½ billion that represents minerals and petroleum products—they sold for more than 100 percent of parity. The forestry products sold for $3 billion and they sold at 100 percent of parity or better; the fish sold for 100 percent of parity or better at $369 million—but agriculture produced $31 billion worth of food and fiber and only received 80 percent on the average. This means that had the farmers been paid 100 percent of parity or a price that would have given them an equality of purchasing power they would and should have been paid $38.5 billion instead of $31 billion.

But agriculture produced $31 billion worth of food and fiber and received only 80 percent on the average.

What is wrong? Here is what is wrong with our economy: The farmer lacks $7.5 billion of receiving what the raw material he produced was worth according to the yardstick that valued all the other goods and services in the United States, every dollar of that $17.5 billion paid for mineral and petroleum products, plus the $3 billion paid for forestry products, plus the $369 million paid to fishermen, as well as the $31 billion paid for agricultural products was translated into $8 of national product, or $414.9 billion which is so close to our national product that it is within a fraction of it, as our national product for 1956 was $414.7 billion.

The people of the United States took that raw material, transported it, manufactured it, packaged it, retailed it, and they serviced the people that did it, and they come up with a national product that was $8 for every $1 that was paid for basic raw materials in the United States.

They paid that price for these other products at 100 percent of parity; if the farmer had received 100 percent of parity that would have been translated $8 for $1. Had the farmer received 100 percent of parity he would have received $7.5 billion more than he did. Multiply that $7.5 billion by 8 and you come up with $60 billion.

The tax take in the United States was approximately $74 billion in 1956, which is 18 percent of $414.9 billion. If the farmer had received the other $7.5 billion that was due him, he would have spent that money for the products of industry and labor in the United States.

Congressmen from our industrial centers should never forget that the American farmer is the best market in the world for the products of industry and labor. Farmers use more steel than the automobile and truck industry combined; more gasoline, diesel fuel and motor oil than all the railroads in the United States; and more rubber than the Army, Navy, and Air Force combined. But in order to remain such good customers of American industry and labor, they must have equality of purchasing power.

He is the best spender in the world. The automobiles would have sold; they would not have piled up. The farming implement industry would be on its feet; labor would be fully employed, steel production would not be down to 55 percent of capacity and freight car loadings would not be down 26 percent in 1 year, and the Federal Treasury would have $10,800 million more in taxes than it collected in 1956.

What is 18 percent of $60 billion? It is $10,800,000,000.

If the national income had been raised from $414 billion to $475 billion, the tax take on the greater amount would have been $10,800,000,000 more than it was.

The other day we voted on the floor of the House to raise the debt limit $5 billion. Had the farmer received 100 percent of parity for the food and fiber produced on American farms in 1956, we would not have had to raise the debt limit and there would be money in the Treasury.

I have figured this out, and I defy anybody to disprove it, that when you take $100 away from the American farmer you take $700 away from other people in the United States and you take $144 away from the Federal Treasury. That is what is wrong with the United States.

For 11 years, 11 consecutive years before 1952, the farmer received 100 percent of parity and that 11-year period was the most prosperous time the United States has ever seen. The economy was in balance.

I hope people will take these figures and study them. Unemployment is hurting; it is hurting in my home State. Senator SYMINGTON said there were 40,000 people in one section of Missouri who were living almost exclusively on surplus agricultural products furnished by the Government.

Jim Blair, Governor of Missouri, says there are 64,000 unemployed in St. Louis, 34,000 out of work in Kansas City, 40,000 living largely on surpluses, and that the

situation in Joplin and Springfield and St. Joseph is no different from what it is in Kansas City and St. Louis.

There is maladjustment. This country is so interlocked and interwoven that one class of our citizens cannot suffer long until all the others suffer also. As I said on the floor of this House, you cannot keep a farm depression on the farm. It cannot be done. We have lived through depressions and know by experience that farm depressions will not stay on the farm.

Mr. Speaker, we should again go back to acreage adjustments and 90 percent price supports. They ought to be 100 percent. Look what would have happened in 1956 if the Federal Government had reached into the Federal Treasury and paid that $7.5 billion to the American farmer out of the Treasury. Even so drastic a measure would have shown a profit to the Treasury. That $7.5 billion would have generated $60 billion more national product. The Federal tax take out of the $60 billion would have been $10.8 billion, or a net profit of $3.3 billion on the transaction. We had those supports and acreage allotments until 1952. It only pulled $1.2 billion out of the Federal Treasury from the inception of the program up until the end of 1952. We have to go back to price supports to balance up the economy. We will have to make production payments that will equal the difference between what the farm products sell for and what they ought to sell for. It will be the best investment the United States ever made, it will be the best investment that the laboring people of this country ever made. Our city Congressmen should study these figures and realize that every one of them ought to be down in the well of this House fighting for 100 percent price supports for American agriculture in self-defense, because only when farmers have equality of purchasing power or parity can business, industry, and labor be prosperous.

Mr. PRESTON. Mr. Speaker, will the gentleman yield?

Mr. CHRISTOPHER. I yield to the gentleman from Georgia.

Mr. PRESTON. Mr. Speaker, I have listened attentively to the remarks of the gentleman from Missouri and I simply want to compliment him on having done a splendid job of research and of preparing and obtaining these figures and presenting them to the House in such a compact and forceful manner. The gentleman has graphically called our attention to the tragedy of the farms and the irreparable damage that is being done to American agriculture by a policy adopted by the Department of Agriculture. Evidently the Department of Agriculture believes that the way to strengthen the farmer is to take away his income.

May I ask the gentleman if he believes the Department of Agriculture under this administration realizes that they are literally driving the farmers off the farms in droves all over this Nation by policies that have brought about the alarming and startling figures the gentleman has given here this afternoon?

Mr. CHRISTOPHER. If the Department of Agriculture does know it, then I would decline on the floor of the House to express my opinion of them. If they do not know it, they should not be occupying the positions that they do.

A PROTEST AGAINST REDUCING THE ARMY NATIONAL GUARD

The SPEAKER pro tempore (Mr. LANDRUM). Under previous order of the House, the gentleman from Georgia [Mr. BROWN] is recognized for 15 minutes.

Mr. BROWN of Georgia. Mr. Speaker, I rise to ask whether or not the Congress—which has the constitutional responsibility of providing for the common defense—is to be prevented from doing so by present executive plans to cut the military strength of the Army National Guard?

Mr. PRESTON. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Georgia. I yield to the gentleman from Georgia.

Mr. PRESTON. I think the gentleman from Georgia [Mr. BROWN] has raised a very vital question and one that is disturbing many Members of the House, and I think the other body as well. I shall listen attentively to the comments the gentleman will make on this subject. I share his concern of this question.

Mr. BROWN of Georgia. Mr. Speaker, these plans are all the more extraordinary when we consider that it was only a year ago, in February 1957, that my distinguished colleague, Hon. OVERTON BROOKS, was able to report to us that a memorandum of understanding concerning the Army National Guard and the 6-month Reserve program had been agreed to by the Army. The gentleman from Louisiana [Mr. BROOKS], and the other members of Subcommittee No. 1 of the House Armed Services Committee, gave painstakingly of their time in bringing to bear upon this Reserve question the considerable knowledge they have accumulated through the years on problems of military manpower.

The memorandum contains two provisions concerning the strength of the Army National Guard.

First, it was "agreed that the size of the Army National Guard shall be maintained at an authorized strength of approximately 400,000 for the remainder of fiscal year 1957 and fiscal 1958, and thereafter at such greater or lesser strength as may be determined in annual appropriations of the Congress, and it is agreed to use every means to maintain the Guard at approximately the determined figure."

Second, it was "agreed that everything possible will be done to maintain the Army National Guard at its appropriated strength," and in this connection six methods were provided for strengthening recruitment. Not the least of these was the last—that "as a last resort, the prerelease of personnel on active duty" would be undertaken if other means failed to achieve the desired strength figure.

I note that the actual strength of the Army National Guard for 1957 was 422,178, while the planned strength for 1958 is 400,000. But when plans were made known for fiscal 1959, the total figure was cut to 360,000. This contemplated cut of 40,000 men will cause the Army National Guard to lose 5 or 6 divisions and approximately 1,200 operational units. It is not a cut determined by the annual appropriations of the Congress as provided in the memorandum of agreement—the reduction was made by the Department of Defense which now asks the Congress to cut its appropriation to fit their decreased figure. No one will contend, I am sure, that 360,000 men is approximately 400,000. Nor can anyone argue that the cut, or the manner in which it is being made, is in accord with either the spirit or the wording of the memorandum of agreement so carefully worked out by our own Congressional committee.

If the cut is not related to the memorandum, to what event or circumstance can it be related? International tensions have not decreased and we have been given no proof that the Soviet threat has abated. On August 26, 1957, the Soviet Union announced a successful test of an intercontinental ballistic missile, a claim which was strengthened by the subsequent launching of two sputniks. Even prior to that we had evidence that the U. S. S. R. was ahead in developing intermediate range ballistic missiles, and we have been told in dramatic terms of Soviet capacity to launch missiles toward our coast from submerged submarines. These facts can only mean that our homeland is more vulnerable to enemy attack than ever before. Does it seem sensible at such a time to cut down on a military force which is strong in having both a State and a Federal mission?

In the wars which have been thrust upon us during this century, we have fought overseas. The fighting was far from our shores during World War I, World War II, and in Korea. We cannot assume that the same conditions will prevail in a future war, and if we are to survive an attack we must be able to defend our own land. If we did not have a National Guard force, dispersed as it is among 48 States, the Territories, and the District of Columbia, we would probably be thinking in terms of starting one. But provision for the State militia was made in the Constitution at a time when the Nation faced the threat of invasion by foreign nations, and attacks from hostile Indians. Since that time the National Guard has contributed to the national defense wherever and whenever the occasion arose. Their contribution in the future can take many forms, both at home and abroad. Is it too much to ask that we retain a force of 400,000 men to help protect a country which numbers well over 170 million people?

Our military policy is implemented by forces-in-being which are trained, equipped, and ready for instant action. But we have seen that even these indispensable divisions and wings have been cut to a minimum. Does it not become all the more important, then, that the Reserve forces which are designed to augment the forces-in-being should be maintained in strength, and readiness? Is this a time to reduce our trained National Guard units?

We talk of lead time for the production of weapons and the economies which can be achieved by stability in procurement. We are told that we cannot produce the complicated weapons of modern warfare after an attack. Can we not apply the same principle to the men who must be trained to use these weapons if it becomes necessary?

Nothing is more disturbing to the morale of leaders who are trying to build up enthusiasm and common devotion for the honor of their group, or to the men who are serving under their officers, than to start and stop programs; to make promises and then back down when it comes to fulfilling them; to say that the Reserve forces are essential to the national defense and then to place them at the bottom of the list when new priorities are established.

In 1955 the Congress was asked to strengthen the Reserves. Now, in 1958, we are being asked to weaken one of our most important Reserve components—the Army National Guard. Last year we had an agreement on National Guard strength; we thought this was a firm commitment and certainly it was clearly understood by the Congress, the Department of Defense, and the State governors. This year we are being asked to forget that agreement. I know that the House Armed Services Subcommittee which is looking into this situation will make a thorough study of the matter, and I hope that the authorized strength and the appropriations for the Army National Guard will be brought into alinement.

Not everyone understands that even though the Congress authorizes a certain level of military strength and appropriates money for the purpose, it is within the discretion of the executive branch not to spend that money. I do not believe that anyone regards the figure of 400,000 men for the Army National Guard to be unalterable one way or the other—but I think it should be made clear that this particular figure was settled upon at a time when the official estimates of Soviet military strength and capability were lower than they are at the present time. Military strength must be related to the enemy threat and if there has been no diminution in that threat, why should we reduce the numbers of men who make up this vital Reserve component?

What has happened is that we must spend more money on our strategic airpower deterrent, and therefore the budget planners are counting on saving money from other essential programs. But at the same time we have heard about advances in Soviet ICBM's and IRBM's; we have also learned that Soviet conventional army forces are stronger than ours. If our deterrent covers only the risk of total nuclear war, it is likely that our next need for military operations may be for strong ground troops for a limited war.

I understand that our House Armed Services Committee, under the leadership of its distinguished and able chairman, my colleague and fellow Georgian, Hon. CARL VINSON, will look into every factor involved in this situation and discharge to the maximum its constitutional responsibility to provide for the common defense.

The National Guard units have always had an outstanding record in every war in which our country has been engaged.

I hope we will be able to defeat any and all measures to reduce National Guard appropriations.

THE FARM SITUATION

The SPEAKER pro tempore. Under previous order of the House, the gentleman from South Carolina [Mr. HEMPHILL] is recognized for 5 minutes.

Mr. HEMPHILL. Mr. Speaker, because of my concern for the farmers of America, particularly the cotton farmers who have suffered so much at the hands of the Republican administration, and particularly the cotton farmers, whose faith in their Government has been seriously shaken by the maladministration of the Soil Bank Act, on February 6, 1958, in order to inform the Secretary of Agriculture of the feeling of my people, I sent the following telegram to him:

DEAR SIR: I desire to call to your attention the gross inequities which have been and are being practiced in the administration of Public Law 540 of the 84th Congress, commonly known as the Soil Bank Act. Hundreds of farmers who had been promised the privilege of signing up for soil-bank payments have been informed that the local ASC offices have reported its offices have received instructions not to accept any more soil-bank agreements.

This is in direct violation of section 104 of the Soil Bank Act which provides that the Secretary of Agriculture give producers a fair and equitable opportunity to participate in the acreage reserve program. In many instances the offices were not kept open for signing during the dates previously announced, and in other instances the excuse was the money was not available. Although I voted against the continuation of the soil bank, I feel that since the administration and the Department of Agriculture insisted upon its continuation, that it is their duty morally, and by virtue of the statute law referred to above, to allow every farmer to participate if he desires to do so. Any provision to the contrary is discrimination and a breach of faith with the farmers of this Nation.

I am informed that your Department has neither provided any plan, nor evidenced any intention of relieving this situation. In justice to the farmers who were promised the right to participate I respectfully request that your Department take prompt and necessary action.

Please let me hear from you.

ROBERT W. HEMPHILL,
Member of Congress,
Fifth District, South Carolina.

This morning I received a letter from the Assistant Secretary and while I appreciate his effort in writing to me, this letter neither answered my telegram, nor indicated any sympathy or real interest in the problem of the farmers who have been illegally and immorally denied participation in the soil bank. That letter reads as follows:

DEPARTMENT OF AGRICULTURE,
Washington, D. C., February 14, 1958.

Hon. ROBERT W. HEMPHILL,
House of Representatives.

DEAR CONGRESSMAN HEMPHILL: This is in reply to your telegram of February 6 concerning the signup under the 1958 acreage-reserve program of the soil bank.

The period for farmers to sign agreements to place cotton acreage in the 1958 acreage-reserve program was opened on January 13. Congress appropriated $500 million for the 1958 acreage-reserve program for cotton, corn, wheat, tobacco, rice, and peanuts. The Department allocated $180 million of this amount for cotton. The signup was opened to farmers on a "first-come first-served" basis. No allocations were made initially to States or counties to limit participation. Furthermore, no maximum farm limits were established. The signup period was opened without limitations on the basis of our estimate that the $180 million available for cotton would be sufficient to cover the acreages offered by cotton farmers.

On January 17, 4 days after the opening of the signup period, it was necessary to temporarily suspend the signup for cotton. This action was taken because of the unexpectedly heavy signup during the first few days.

Enclosed are copies of the Department's announcement, dated January 29. This announcement explains the present situation and the methods that may be used by State and county agricultural stabilization and conservation committees in proceeding with the approval of agreements with farmers under the acreage reserve program.

The $180 million available for the 1958 acreage-reserve program will result in the removal of approximately 3.4 million acres from cotton production in 1958. It is now evident that this will not permit maximum participation on the part of all farmers who may desire to place acreage in the program.

Your interest in the soil-bank program is appreciated.

Sincerely yours,

MARVIN L. MCLAIN,
Assistant Secretary.

In reply, I have written this date a letter to the Assistant Secretary as follows:

Mr. MARVIN L. MCLAIN,
Assistant Secretary, Department of Agriculture, Washington, D. C.

DEAR MR. MCLAIN: Thank you for your reply of February 14, 1958, to my telegram to the Secretary protesting the manner in which the soil bank was being administered in South Carolina and elsewhere, and asking that your Department take some steps to relieve the situation.

From your letter, however, I can recognize no sympathy on the part of the Department of Agriculture for the farmers who have literally been cheated out of their rights to participate, nor can I detect from your Department any sympathy for these farmers, for whom, among other farmers, the American taxpayer has been and is paying billions in taxes to the Department of Agriculture.

The Department of Agriculture has the responsibility of leadership, which it should quickly assume in this matter. As I pointed out in my telegram, in section 104 of the Soil Bank Act, there was and is a provision that each farmer who desires to participate should be given a fair chance to do so. Under the handling by the State committee, this chance was not given, and the local committees had no choice but to obey the State committee.

Since the inequities have been brought to the attention of your office, I feel that it is a duty to these farming people, and to the American people who have entrusted you with this leadership, that you take some positive action to relieve the situation.

The Congress of the United States stands ready to remedy this situation if the Secretary of Agriculture will either ask for the necessary funds, or ask for the authority to transfer other funds, or to exceed the $500 million allocated for the acreage reserve program.

From your letter it would seem that the Department intends to do nothing. Rather than accuse the Department of such immorality or such amorality insofar as their responsibility in this instance is concerned, I would appreciate hearing from you as to whether the Department intends to do anything to help the situation or, if the Department will not shoulder its responsibility, what the attitude of your office would be in the event the Congress proposes necessary remedial measures.

Thanking you for a prompt reply, I am,

Yours very truly,

ROBERT W. HEMPHILL,
Member of Congress.

When this program was initially conceived it was born of a desire to use the soil bank mainly for political purposes. Last year, along with many others, I voted to kill the soil bank as I could see what it was doing to the farmers of my country and its dastardly impact on the general economy of our cotton-farming section. Today we are witnessing a return of hard times to the cotton-farming areas, typical Republican hard times, and one of the causes is the indifference of the Secretary of Agriculture to the needs of the cotton farmers, or the traditional cotton-farming sections of this country.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. SCOTT of Pennsylvania, for 1 day, February 19, 1958, on account of a death in the family.

Mr. ANDREWS (at the request of Mr. ELLIOTT), on account of death in the family.

Mr. HAYS of Arkansas, for 10 days, on account of necessary absence from city.

Mr. BOLAND (at the request of Mr. MCCORMACK), for an indefinite period, on account of the death of his mother.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. BROWN of Georgia for 15 minutes today.

Mr. PATMAN to transfer his special order for today to Monday next, with the privilege of revising and extending his remarks and including related matter.

Mrs. ROGERS of Massachusetts for 5 minutes today.

Mrs. ROGERS of Massachusetts for 5 minutes on tomorrow.

Mr. HEMPHILL for 5 minutes today.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. ALGER.

Mr. UDALL.

Mr. BROOKS of Louisiana.

Mr. PORTER and to include related matter.

Mrs. KEE in four instances.

Mr. BYRNE of Illinois and to include related matter.

Mr. BOSCH (at the request of Mr. DEROUNIAN) in two instances, in each to include related matter.

Mr. JONES of Missouri and to include extraneous matter.

Mr. MULTER (at the request of Mr. METCALF) and to include extraneous matter.

Mr. DOLLINGER (at the request of Mr. METCALF) and to include extraneous matter.

Mr. ROBERTS and to include extraneous matter.

Mr. HOFFMAN.

Mr. COLMER (at the request of Mr. METCALF) and to include extraneous matter.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 5538. An act to provide that withdrawals, reservations, or restrictions of more than 5,000 acres of public lands of the United States for certain purposes shall not become effective until approved by act of Congress, and for other purposes; and

H. R. 8038. An act for the relief of Margie C. Stewart.

ADJOURNMENT

Mr. METCALF. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 12 minutes p. m.) the House adjourned until tomorrow, Wednesday, February 19, 1958, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1627. A letter from the Comptroller General of the United States, transmitting a report on the audit of the Tennessee Valley Authority for the fiscal year ended June 30, 1957, pursuant to the Government Corporation Control Act (31 U. S. C. 841) (H. Doc. No. 337); to the Committee on Government Operations and ordered to be printed.

1628. A letter from the president, D. C. Transit System, Inc., transmitting a report covering the operations of the D. C. Transit System, Inc., for the year ended December 31, 1957, with balance sheet as of December 31, 1957, pursuant to the act of Congress approved March 4, 1913 (Public Law 435); to the Committee on the District of Columbia.

1629. A letter from the Assistant Secretary of the Interior, transmitting a report pertaining to tabulations submitted by the Director of the Bureau of Land Management showing the withdrawals and restorations of public lands in certain cases during the period from January 1, 1957, through December 31, 1957, pursuant to the act approved June 25, 1910 (36 Stat. 847, 16 U. S. C. sec. 471, 43 U. S. C. sec. 141 et seq.); to the Committee on Interior and Insular Affairs.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. COLMER:

H. R. 10775. A bill to establish rules of interpretation of the effect of acts of Congress on State laws; to limit the appellate jurisdiction of the Supreme Court in certain cases; and to provide that confessions and other evidence shall be admissible in United States courts; to the Committee on the Judiciary.

By Mr. BASS of Tennessee:

H. R. 10776. A bill to provide for the establishment of a post office at Erin, Tenn.; to the Committee on Public Works.

By Mr. CHAMBERLAIN:

H. R. 10777. A bill to amend the Internal Revenue Code of 1954 to repeal the retailers excise tax on luggage, handbags, etc.; to the Committee on Ways and Means.

By Mr. CLARK:

H. R. 10778. A bill to amend the Agricultural Act of 1949 to provide for storage by the Commodity Credit Corporation of surplus farm commodities made available for relief of distress; to the Committee on Agriculture.

By Mr. CORBETT:

H. R. 10779. A bill to amend the Agricultural Act of 1949 to provide for storage by the Commodity Credit Corporation of surplus farm commodities made available for relief of distress; to the Committee on Agriculture.

By Mr. CUNNINGHAM of Nebraska:

H. R. 10780. A bill to promote ethics in Government; to the Committee on Post Office and Civil Service.

By Mr. DELLAY:

H. R. 10781. A bill to amend the Internal Revenue Code of 1954 so as to establish an initial program of tax adjustment for small and independent business and for persons engaged in small and independent business; to the Committee on Ways and Means.

By Mr. DENT:

H. R. 10782. A bill to amend the Agricultural Act of 1949 to provide for storage by the Commodity Credit Corporation of surplus farm commodities made available for relief of distress; to the Committee on Agriculture.

By Mr. FULTON:

H. R. 10783. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income for certain amounts paid by a teacher for his further education; to the Committee on Ways and Means.

By Mr. HOEVEN:

H. R. 10784. A bill to authorize the use of additional funds for the 1958 corn, wheat, and cotton acreage reserve program; to the Committee on Agriculture.

By Mr. HOLLAND:

H. R. 10785. A bill to amend the Agricultural Act of 1949 to provide for storage by the Commodity Credit Corporation of surplus farm commodities made available for relief of distress; to the Committee on Agriculture.

By Mr. McGOVERN:

H. R. 10786. A bill to provide for the acquisition of lands by the United States required for the reservoir created by the construction of Randall Dam on the Missouri River so far as it affects the Crow Creek Sioux Reservation, S. Dak., and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MACK of Illinois:

H. R. 10787. A bill to provide for Government guaranty of private loans to certain air carriers for purchase of training devices; to the Committee on Interstate and Foreign Commerce.

By Mr. METCALF:

H. R. 10788. A bill to amend the act of August 25, 1916, to increase the period for which concessionaire leases may be granted under that act from 20 years to 30 years; to

the Committee on Interior and Insular Affairs.

By Mr. MONTOYA:

H. R. 10789. A bill to amend the Federal Property and Administrative Services Act of 1949 to permit the donation and other disposal of property to tax-supported public recreation agencies; to the Committee on Government Operations.

By Mr. MORGAN:

H. R. 10790. A bill to amend the Agricultural Act of 1949 to provide for storage by the Commodity Credit Corporation of surplus farm commodities made available for relief of distress; to the Committee on Agriculture.

By Mr. NIMTZ:

H. R. 10791. A bill to amend the Communications Act of 1934, so as to prohibit the granting of authority to broadcast subscription television programs; to the Committee on Interstate and Foreign Commerce.

By Mr. REED:

H. R. 10792. A bill to continue for 2 years the existing suspension of duties on certain lathes used for shoe last roughing or for shoe last finishing; to the Committee on Ways and Means.

By Mr. RILEY:

H. R. 10793. A bill to authorize the use of additional funds for the 1958 cotton acreage reserve program; to the Committee on Agriculture.

By Mr. ROGERS of Colorado:

H. R. 10794. A bill to amend the Railway Labor Act to extend its application in the case of certain limited classes of airline employees; to the Committee on Interstate and Foreign Commerce.

By Mr. ROOSEVELT:

H. R. 10795. A bill to check the growth of unemployment by providing for Federal assistance to States and local governments for the construction of needed public works and public improvements; to the Committee on Public Works.

By Mr. SCOTT of Pennsylvania:

H. R. 10796. A bill to extend the time for filing certain claims for refund of income tax which are based on the sick-pay exclusion of section 22 (b) (5) of the Internal Revenue Code of 1939; to the Committee on Ways and Means.

By Mr. TEAGUE of Texas (by request):

H. R. 10797. A bill to amend the Veterans' Benefits Act of 1957 so as to afford a conclusive presumption of soundness under certain conditions in wartime cases; to the Committee on Veterans' Affairs.

H. R. 10798. A bill to amend the Servicemen's and Veterans' Survivor Benefits Act to authorize the granting of death compensation to certain widows and parents notwithstanding a prior election to receive dependency and indemnity compensation; to the Committee on Veterans' Affairs.

H. R. 10799. A bill to amend the Veterans' Benefits Act of 1957 so as to establish a new effective date for payment of additional compensation for dependents; to the Committee on Veterans' Affairs.

By Mr. WESTLAND:

H. R. 10800. A bill to provide that certain lands shall be held in trust by the United States for the Makah Tribe of Indians and that such lands shall become a part of the Makah Reservation, Wash.; to the Committee on Interior and Insular Affairs.

By Mr. WHITTEN:

H. R. 10801. A bill for the purpose of erecting in Oxford, Miss., a Federal and postoffice building; to the Committee on Public Works.

By Mr. WRIGHT:

H. R. 10802. A bill to make unlawful the use of subliminal advertising on television, and prescribing penalties; to the Committee on Interstate and Foreign Commerce.

By Mr. BOYKIN:

H. R. 10803. A bill to amend the Migratory Bird Hunting Stamp Act of March 16, 1934, as amended; to the Committee on Merchant Marine and Fisheries.

By Mr. CURTIS of Missouri:

H. R. 10804. A bill to amend the Internal Revenue Code of 1954 to permit school teachers and administrators to deduct from gross income certain expenses for additional education or training; to the Committee on Ways and Means.

By Mrs. KNUTSON:

H. R. 10805. A bill for the relief of certain persons who sustained damages by reason of fluctuations in the water level of the Lake of the Woods; to the Committee on the Judiciary.

By Mr. O'HARA of Illinois:

H. R. 10806. A bill to prohibit discrimination because of age in the hiring and employment of persons by Government contractors; to the Committee on the Judiciary.

By Mr. VAN ZANDT:

H. R. 10807. A bill to amend the Federal Coal Mine Safety Act so as to provide further for the prevention of accidents in coal mines; to the Committee on Education and Labor.

By Mr. KEATING:

H. Res. 478. Resolution to amend rules X and XI of the Rules of the House of Representatives to provide for the establishment of a standing Committee on Outer Space; to the Committee on Rules.

By Mr. PRICE:

H. Res. 479. Resolution authorizing the printing of the United States Defense Policies in 1957 as a House document; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BURNS of Hawaii:

H. R. 10808. A bill for the relief of Fumie Yoshioka; to the Committee on the Judiciary.

By Mr. BYRNE of Pennsylvania:

H. R. 10809. A bill for the relief of George A. Bogacos; to the Committee on the Judiciary.

By Mr. CURTIS of Massachusetts:

H. R. 10810. A bill for the relief of Mrs. Ashburger Zarina Hibbert; to the Committee on the Judiciary.

By Mr. McDONOUGH:

H. R. 10811. A bill for the relief of Daniel James Apple; to the Committee on the Judiciary.

By Mr. MORANO:

H. R. 10812. A bill to provide for the award of a Silver Star Medal to Evans E. Kerrigan; to the Committee on Armed Services.

By Mr. SCOTT of Pennsylvania:

H. R. 10813. A bill for the relief of Maj. Anthony R. Parrish; to the Committee on the Judiciary.

By Mr. YATES (by request):

H. R. 10814. A bill for the relief of Andres Perona-Ruiz; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

406. By Mr. NIMTZ: Petition of Robert J. Heminger, of Bremen, Ind., and 38 other citizens of Marshall and St. Joseph Counties, Ind., urging defeat of H. R. 8525, the natural gas bill; to the Committee on Interstate and Foreign Commerce.

407. Also, petition of Vernon K. Hazzard and 46 other employees of the Goodwill Industries, South Bend, Ind., expressing opposition to subscription television; to the Committee on Interstate and Foreign Commerce.

408. By the SPEAKER: Petition of Eugene G. Roguszka, Director of Aeronautics, Department of Aviation, Anchorage, Alaska, requesting favorable action on Senate bill 2974, pertaining to extension of the Federal airport program; to the Committee on Interstate and Foreign Commerce.

EXTENSIONS OF REMARKS

Salute to Airman Donald G. Farrell

EXTENSION OF REMARKS

OF

HON. ISIDORE DOLLINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1958

Mr. DOLLINGER. Mr. Speaker, it is with heartfelt appreciation and admiration that I congratulate Airman Donald G. Farrell upon his successful experimental "trip to the moon." It is with great pride that I claim him as one of my constituents; he and his parents, Mr. and Mrs. James A. Farrell, reside at 513 Commonwealth Avenue, Bronx, in my Congressional District.

Airman Farrell undertook a 7-day jaunt into nowhere, in the interest of science. By successfully completing the journey, he has given the world renewed hope for peace. He has performed an invaluable service to his Nation, to advancement of our defense program, in paving the way for human space travel. His voluntary imprisonment required great courage, an indomitable will to succeed, an inspired patriotism and zeal to help his country. He is to be commended for the modesty and propriety which he exhibited upon release from the tiny, cramped capsule in which he had existed for a week, for he knew that he had performed an unbelievable feat; he had made a great sacrifice for us, and his stamina and willpower had resulted in valuable scientific data vitally necessary to the science of human space travel.

It is to Airman Farrell and other courageous young men of his caliber that we must look for preservation of our Nation's freedom. We can be thankful for him and our other young Americans who are so willing to risk their lives for us in the performance of miracles which these perilous days demand.

When Airman Farrell said "I would really love to make a trip to the moon"

we can well believe him. It is heartening to know that the youth of our Nation have the spirit of adventure and supreme courage necessary to lead the way in this space age, and that we need bow to no other nation or give quarter in this regard.

I am certain that Airman Farrell's neighbors and friends in the Bronx are all pleased, as I am, that we can claim him for our own.

I extend hearty congratulations to the parents of this exceptionally fine young man, and know how pleased they must be that their son has made this great contribution.

I feel certain that my colleagues in the House of Representatives join me in saying a sincere "thank you" to Airman Donald G. Farrell. May his life and future efforts be crowned with the happiness and success which he so richly deserves.

Reciprocal Trade Agreements

EXTENSION OF REMARKS
OF
HON. ELIZABETH KEE
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 18, 1958

Mrs. KEE. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I include a copy of my weekly newsletter Keenotes which was issued on February 10, 1958:

KEENOTES

(By Representative ELIZABETH KEE)

The House Ways and Means Committee will begin hearings on February 17 on extension of the Reciprocal Trade Agreements Act—legislation which is causing irreparable damage to the economy of West Virginia.

I plan to make a statement before the committee on just how the program, under which the President is given virtually absolute power to lower tariffs, is seriously affecting West Virginia and how important protection against imports from low-wage foreign countries is to our State.

Recently the West Virginia Legislature adopted a strong resolution memorializing Congress to correct inequities in the present law. I was so impressed by the soundness of the resolution that I made a copy available to my colleague, Chairman WILBUR D. MILLS, of the Ways and Means Committee. Mr. MILLS advises me that the resolution of the West Virginia Legislature will be made a part of the permanent record on the legislation and will be given consideration during the hearings.

Imports of pottery, glass, ceramics, clothespins, and other products are threatening to put West Virginia industries out of business. Our West Virginia industries, paying high prevailing wage scales, cannot compete against products manufactured abroad by workers making less than half the wage of our domestic workers.

It is a struggle for these industries to remain in business in face of this grossly unfair competition. They must have relief, and it can only come from Congress. Thus far, the President has been deaf to pleas for help.

The Reciprocal Trade Agreements Act, we are told, is an essential part of our foreign policy. If this is true, if this country must invite imports as a part of the fight against communism, then, I submit, it is not fair to ask isolated segments of the economy—such as West Virginia manufacturers—to bear the brunt of the cost.

Stockholders in these businesses are threatened with the loss of their investment. Workers are threatened with permanent loss of their jobs. The entire area is suffering with declining purchasing power and less business activity generally. We have a right to demand adequate protection.

The coal industry has a stake in the foreign trade program, too. Under the present program, residual fuel oil which competes directly with coal is being imported into the country in unlimited quantities without Government check.

This foreign oil enjoys a tremendous competitive advantage. Because it can be produced and transported so cheaply with foreign labor, it is taking markets away from coal with the resulting loss of job opportunities for miners and others in West Virginia.

I have fought for years for a correction of the inequities in the reciprocal trade agreements program. I will continue that fight during hearings before the Ways and Means Committee and in House consideration of this legislation.

Speech by Hon. Robert L. F. Sikes, of Florida, Before Reserve Officers Association, February 7, 1958

EXTENSION OF REMARKS
OF
HON. OVERTON BROOKS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 18, 1958

Mr. BROOKS of Louisiana. Mr. Speaker, Congressman ROBERT SIKES of Florida, has been one of the outstanding supporters of a strong military reserve. His work for the National Reserve and national defense generally has been of inestimable value to the United States and has served to promote peace through strength in a major way.

On February 7 he made a short but brilliant speech before a great meeting of the Reserve Officers Association held in Washington, D. C. Because of Congressman SIKES intuite of instinct in diagnosing military situations and because of his inherent and native ability to handle expertly military legislative affairs, it gives me much pleasure to present his speech:

SPEECH BY HON. ROBERT L. F. SIKES, OF FLORIDA, BEFORE RESERVE OFFICERS ASSOCIATION, FEBRUARY 7, 1958

I regret to state that reservists have met under much happier circumstances in previous years. There is in motion a directive required by the Department of Defense—not by the respective services—for cutbacks in the National Guard and Reserve programs, both personnel-wise and in training activity.

This is a direct heritage from the Wilson policies during which the Department of Defense built up its advertising, but cut back on the quality of the product. For budget balancing purposes, we have seen the fighting forces of our Nation cut back. Yet, we have been deluged with propaganda alleging that our forces now are stronger than any other. The only people who believe that are the completely naive or the wholly uninformed.

Actually, the only superiority we have over the Russian military forces is in some bomber categories, and in some categories of surface vessels. In every other field of military endeavor, the Russians have an infinitely greater number of men fully equipped with completely modern weapons. As a matter of fact, they have completely rebuilt weapons in most categories, where we have simply modernized ours. Theirs are first-class weapons just as modern as ours.

The current budget calls for a further reduction in the size of America's military forces. Yet, the pushbutton weapons are available only in minute quantities. Our allies are at half the strength they promised when NATO was organized, significantly, most of them are reducing rather than building up strength levels. Let's quit kidding ourselves and at least maintain a Reserve worthy of the name which has the physical capability of helping to fill the gap in time of need.

We have also seen the sorry spectacle where the services have violated a moral contract by riffing long-service capable Reserve officers. Fortunately this is now stopped in most areas. But, the services are also eliminating drill pay activities of the Reserve organizations after urging a buildup for years; after constantly stressing the essentiality of the Reserves. I do not know whether the Pentagon has simply reverted to the old concept that Reserves are a wonderful asset when there is a shooting war but only in the way in time of peace, or whether this is merely an extremely shortsighted policy calculated to save a few dollars now. Certainly, there would be no saving in the long run. Incalculable harm may be done.

I think I can safely tell you this. Congress will not stand still for this kind of an operation; particularly, if you tell your Congressmen and your Senators to see that you can continue to have an opportunity to provide America with a strong Ready Reserve. Congress retains its ability to see both sides of the picture. Congress knows the essentiality of strong Reserve forces.

Now, we are not helpless. We have a terrific punch, particularly is this true in nuclear capability. But there may not be an all-out nuclear war, and there probably will not be. We are weak by comparison with the Soviets in our ability to wage limited war quickly and effectively. That's where the trouble will come as it did in Korea. That's where Reserves will be needed.

Philip W. Collins

EXTENSION OF REMARKS
OF
HON. EMMET F. BYRNE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 18, 1958

Mr. BYRNE of Illinois. Mr. Speaker, I extend my remarks relative to a sad occasion I experienced in Chicago on last Thursday, February 13. I refer to the passing of a lifetime friend, and a great American, Philip W. Collins. Mr. Collins lived a full life and contributed more than his share to keeping American ideals alive. He was a successful man in business and served the State of Illinois and the Republican Party to the best of his ability.

A host of friends throughout Illinois, and in all walks of life extend our deepest sympathy to Mr. Collins' widow, his son and his two daughters. He will

not be forgotten and the results of his efforts will remain.

As a comrade of Philip Collins, I know a great deal about what he did for the American Legion and the amount of personal time he devoted to the Legion. He participated in American Legion activities at both State and national levels. He served as a commander of the Naval Post.

All of us who are active in the American Legion know that the Legion is one of our bulwarks against communism and any of its byproducts.

Philip Collins had many honorary appointments conferred upon him and no matter in what capacity he was serving a group, an individual or a department, he gave to it the best of his intelligence, experience, and background. None of the activities contributed more to the welfare of the people in America than his Legion performances. In the days to come, he will be missed.

Legislation: Not Always What It Seems

EXTENSION OF REMARKS
OF
HON. CLARE E. HOFFMAN
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 18, 1958

Mr. HOFFMAN. Mr. Speaker, many people, with the most worthy of desirable objectives, write their legislative representatives, State and national, to support or oppose a bill carrying a distinctive number or supposedly informative title.

All too often, those who write their representatives do not actually know the various provisions of the bill nor the real effect of its enactment.

For example, recently hundreds of letters were sent to Congressmen and many came to me asking that we support H. R. 8308, a bill "to establish the use of humane methods of slaughter of livestock as a policy of the United States and for other purposes."

No one in his right mind wishes to be cruel. Many urging support of this bill thought it would protect all animals. In truth and in fact, it does not apply to any animal except those that are being slaughtered to be sold to the Federal Government. It does not apply to slaughtering by individuals, it does not apply to the packing industry which does not sell to the Federal Government. Nor to any individuals or groups where the slaughtering is "in conformity with the practices and requirements of his religion." Nor does the bill contain any provision against the cruel branding of livestock which will be slaughtered and sold to Uncle Sam.

In truth and in fact, while the bill was advertised and supported as legislation which would prevent unnecessary cruelty in the killing of animals, it does not do that except where, in a very limited area, they are slaughtered for sale to Uncle Sam.

Nor, apparently, did many of the Members know that the bill covered poultry. There was not a little laughter and ridicule of me when attention was called to the fact that the bill covered the slaughtering of chickens and turkeys. The bill expressly named livestock and its sponsors insisted that poultry was not livestock. However, Webster defines livestock as "domestic animals used or raised on a farm, especially those used or kept for profit." Bouvier's Legal Dictionary states that the word animal includes "any animate being which is not human, endowed with the power of voluntary motion."

In 1913, a Michigan statute provided that "if any dog shall kill or assist in killing, wounding, or worrying any sheep or other domestic animal, its owner shall be liable" for the damage.

The Supreme Court, in 174 Michigan 274, held that the owner of a dog which "raised havoc with turkeys" was liable under the statute as turkeys were animals.

There are similar decisions in New Jersey, Illinois, Indiana, New York, and other States, and such was the law in England.

What is the point and how are you interested? Because it is just an illustration of how, sometimes at least, the House will pass a bill without knowing what it covers, what the result will or will not be.

It is an illustration of how, figuratively speaking, the people ask for bread and get a stone. What people wanted when they wrote us to support this bill was, it may be assumed, a measure that would prevent unnecessary cruelty when animals were being prepared for slaughter or being slaughtered, regardless of who does the slaughtering. Probably it occurred to very few, if any, that the bill covered the killing of poultry or that it left everyone except a small group of packers—and those only if they sold to the United States—free to use the present methods of slaughtering.

Gen. Casimir Pulaski

EXTENSION OF REMARKS
OF
HON. ALBERT H. BOSCH
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 18, 1958

Mr. BOSCH. Mr. Speaker, March 4, 1958, marks the 211th anniversary of the birth of Count Casimir Pulaski, who left his homeland to fight in the cause of our Independence during the Revolutionary War.

I want to join with patriots everywhere in paying tribute to the memory of the "Father of American Cavalry," who died at the age of 31 when he received a mortal wound at the head of the Pulaski Legion of Cavalry in its valiant assault upon the city of Savannah.

In our preoccupation with the problems of the present, let us not forget those courageous men who fought that we might have the right to "life, liberty, and the pursuit of happiness."

Perils Facing Our Cotton Economy

EXTENSION OF REMARKS
OF
HON. KENNETH A. ROBERTS
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 18, 1958

Mr. ROBERTS. Mr. Speaker, there is no doubt in my mind today that America's most harassed individual is the small farmer. Not only is he plagued by the inherent unpredictable hazards of his trade, but he is beset by having to spend more money that is worth less to keep in business. He is faced with reduced farm prices and critically slashed acreages. Furthermore, the farmer has learned that pledges made by the Department of Agriculture are worth absolutely nothing. The farmers have come to realize that the Secretary of Agriculture, whom they have always presumed to be a friend of farming, actually is intent on driving farmers from the land.

Secretary Benson and the Eisenhower administration have an unbeatable record of forgetting promises to farmers. In 1952, Presidential Candidate Eisenhower said he was for sustaining the 90-percent parity price support and for helping farmers obtain a full 100 percent of parity. That was the first of it—90 to 100 percent of parity. But the skid was not long in coming. In 1954, in his message on agriculture, the President asked for a schedule of price floors "ranging from 75 percent to 90 percent." This month, he urged that farm price supports be reduced to 60 percent. Last May, Secretary Benson told the House Committee on Agriculture that he favors a price-support plan ranging from 90 percent down to no support at all. From 100 percent to no percent in 5 years: That is the Ike-Benson record of sliding pledges.

Mr. Benson subsequently showed his true colors when he urged farmers to seek off-farm employment. He told them:

> A dollar will buy just as much health, just as much education, just as much good living if it is earned in off-farm employment as if it is earned growing crops or livestock.

One must admit that running the farmers from their farm would solve Mr. Benson's problems. There are no farm policies to worry about if there are no farmers. But there is no sustenance for this Nation's people or no hope of future prosperity either without the man on the farm.

But, sad as it is, Mr. Benson is doing a good job of getting rid of his troublesome farmers. In Alabama, farms are decreasing at the staggering rate of 4,000 a year. Alabama had 274,000 farms in 1935, but only 179,000 in 1956, a decrease of about 33 percent. One of the counties in my Congressional District, Clay County, has lost 4,000 farm people in 10 years. Over the Nation, 2 farm families out of every 5 have 1 or more members working off the farm.

I want to interject here that I am not trying to place all the blame on Mr. Benson and Mr. Eisenhower for this vast exodus from the farm. It is a problem that has been growing for more than two decades. But I am saying that the present administration has not helped the situation one iota; further, that it has actually added to the desperate predicament.

The soil-bank program—probably the most disastrous plan ever to plague the Southern farmer—has forced out thousands of small cotton farmers. Last year, Alabama had a cotton allotment of slightly more than a million acres. In July, the acreage in cultivation was 750,000 with the remaining acres placed in reserve by 49,000 farmers, most of whom now have full or part-time jobs in industry, or they are looking for such jobs. While I am steadfastly opposed to the soil-bank program, I voted against cutting off that program last year to give Congress time to come up with a new program that would let the farmer farm.

The cotton farmer is being shortchanged on the soil bank, just as he has been shortchanged in other phases of Mr. Benson's farm policies. This year, 70,000 Alabama farmers had planned to place their allotted acreages in the soil bank, but the Department of Agriculture only allocated enough to serve 50 percent of the requests. I do not favor the soil bank, but I do believe Secretary Benson should keep faith with the Alabama farmers who acted trusting that they could participate in the acreage reserve program for 1958. Congress extended this program through this year with the belief, I think, that those who wanted to participate would be given the opportunity of doing so.

As an example of how Mr. Benson is slighting the trusting farmers, allow me to cite St. Clair County, Ala., in the Fourth District, where only 50 to 60 out of 670 farmers who had signed showing a desire to participate in the soil bank program were given the opportunity to do so. I have called on agriculture officials to explain why these 600 farmers were denied participation in the ASC program.

I and the other members of the Alabama Congressional delegation last week called on Secretary Benson to keep faith with the farmers on the soil bank program, pointing out that the Government has a contract with the farmers and failure to fulfill that contract is to break faith with them. The delegation introduced legislation—and I refer you to H. R. 10709 and the similar bills—which would provide sufficient funds to require the Secretary to carry out his covenant with the farmers. Mr. Benson has stated in no uncertain terms that he does not intend to voluntarily keep his contract.

Another grave situation which Secretary Benson blithely has refused to acknowledge is that his proposed reductions in cotton acreages on the 1959 and subsequent crops will endanger an adequate supply of high quality United States cotton for domestic use and result in further loss of our foreign markets. Estimates by informed sources are that we will fall short by 4½ million bales of fulfilling 1958 requirements for this cotton.

The Alabama delegation has introduced legislation which would maintain the national cotton acreage allotment at not less than the national cotton acreage allotment for 1956; provide that no State shall have its cotton acreage allotment reduced by more than 1 percent from the previous year; provide that no farm shall receive less than a 4-acre allotment—or, if it is smaller, the highest number of acres planted during the past 3 years; and continue a national reserve of 100,000 acres for use in making allotments to the States.

Enactment of this legislation is necessary to ease the burden under which the Nation's agriculture economy now labors and to help provide the production in cotton we so desperately need.

We realize the battle is uphill; Department of Agriculture officials tell us that the administration will oppose any increase in the 1958 cotton planting allotments. We also know that Secretary Benson is completely uninterested in keeping his contract with thousands of farmers and is unconcerned over the perils facing our cotton economy.

Our only hope is in the sympathetic understanding of this problem by the Congress, and immediate action on the pending legislation which would to a great degree alleviate this problem.

The Boy Scouts of America

EXTENSION OF REMARKS
OF
HON. ELIZABETH KEE
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 18, 1958

Mrs. KEE. Mr. Speaker, during the month of February, the Boy Scouts of America are celebrating the 48th anniversary of the chartering of this great organization by the Congress. I am pleased to join in paying tribute to the Boy Scouts, an organization of which the entire Nation can be proud.

I know of no group which has done more to make better citizens of the youth of our Nation. Good citizenship is one of the basic objectives of the scouting movement. During their early formative years, boys are taught a devotion to their country, a respect for their fellow citizens, and their inherent interest in the wonders of nature is fed and encouraged.

This great movement, with active participation in all the 48 States, could not possibly succeed without the support of the thousands of men who devote many hours of their spare time to scout work. They serve as troop leaders and other officials, working closely with the boys and directing their energies and talents into constructive channels.

Their reward for this useful service is the knowledge that they are making a major contribution to the future welfare of our society. They deserve the warmest thanks of all of us in this country.

Mr. Speaker, I am proud of the fine work the Scout organization is doing in the Congressional District which I have the honor to represent. Four thousand boys are enrolled in 187 Scout organizations in the counties of Mercer, McDowell, Monroe, Summers, Wyoming, Greenbrier, and Mingo, which comprise the Fifth West Virginia District. The Scout executive for the Appalachian council, with headquarters in Bluefield, is Jack L. Lewis.

I know I speak for all the residents of the district I represent when I say to the Boy Scouts of America: "Congratulations for a job well done during the first 48 years of your existence and best wishes for continued success in your wonderful work with the youth of America."

Pay Raises for Postal and Classified Employees

EXTENSION OF REMARKS
OF
HON. ISIDORE DOLLINGER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 18, 1958

Mr. DOLLINGER. Mr. Speaker, the sorry plight of our classified and postal employees must have our immediate attention, and we must act with all possible speed to grant them the pay raises they so desperately need.

I am in favor of giving them the substantial salary increases they require in order to meet alltime high living costs, and trust that we shall soon have the opportunity to vote in favor of legislation providing for such increases.

Following is my statement to the Committee on Post Office and Civil Service which began hearings on classified and postal pay raise bills on February 17, 1958:

Mr. Chairman and members of the Committee on Post Office and Civil Service, you have before you for consideration classified and postal pay bills. I urge you to take favorable action on legislation to correct existing inequities in pay scales of classified and postal employees. There must be no compromise; it would be unrealistic to grant these faithful employees a token increase which would not remedy the situation or remove hardships they are now suffering.

We know that the 1.5 million classified and postal employees were given but one basic raise during the past 6½ years; half of the full-time white-collar classified employees are paid $4,075 a year or less; half of the postal employees are paid $4,410 or less. It is obvious that these employees cannot meet living costs, which have reached an alltime high. Federal Government salaries in many areas are from 10 to 20 percent behind pay of jobs in private industry and State and local governments.

It is our duty to pay these workers a living wage. They cannot exist or take proper care of their families or meet their obligations on the salaries they now receive. Many have had to seek a second job to supplement their incomes; many wives who would prefer to take care of their homes and children, have had to seek employment to help meet family

needs. This is unfair to all concerned, and shortsighted on our part, for we cannot expect to recruit efficient workers or retain those we have if we are to remain insensible to their reasonable demands for adequate pay.

Postal workers must have the $5,500 to $6,100 minimum they are requesting; classified employees must be granted a substantial percentage increase which will enable them to enjoy a decent standard of living. At present they are compelled to exist on a substandard, bare-subsistence level. It is incumbent upon us to give them the assistance they need without further delay.

Washington Report

EXTENSION OF REMARKS
OF

HON. BRUCE ALGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1958

Mr. ALGER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following newsletters dated February 8 and February 15, 1958, sent to my constituents:

WASHINGTON REPORT—FEBRUARY 8, 1958

(By Congressman BRUCE ALGER, Fifth District, Texas)

Our satellite Explorer in orbit will be followed by many more and quite soon, according to Capitol Hill talk. Perspective has been restored. The doom and gloom exponents are allayed. The political haymakers are quiet, at least for a time. The United States is militarily strong and, if behind Russia in rocketry, can through the almost limitless resources and virility of a free nation and a free people lead the way in the space age. In our thinking there should be neither room for panic nor complacency. The United States must never sell itself short, not even in the heat of political jockeying. Nor should we now rest on our oars.

A bill "to establish the use of humane methods of slaughter of livestock as a policy of the United States, and for other purposes" seemed quite routine at the outset. Everyone was for it in principle, and office mail corroborated this. Floor debate quickly upset the equilibrium of many. We learned that farm organizations, the Agriculture Department, and most sects of the Jewish faith (though divided) were against the bill. Why?

The bill empowers the Secretary of Agriculture "on or before June 1958, to designate methods of slaughter and handling in connection with slaughter, which, with respect to each species of livestock, conform to the policy stated herein," the policy then prescribes "that all animals are to be rendered insensible to pain by a single blow or gunshot or other means." The policy includes instructions to the Secretary to "conduct, assist and foster research, investigation and experimentation to develop and determine methods of slaughter with reference to then current scientific knowledge." Here then was the trouble which the Secretary and various Members were quick to recognize and discuss. The bill requested the Secretary almost immediately to require packers to set up humane systems and then study to find the best methods. It was "cart before horse." In debate we quickly learned we were not sure what methods were humane nor what the cost would be to packers or to the Government in adding another Government bureau. Jews opposed any system that would violate their traditional method of killing, so the bill was amended according to their wishes, although some were unsure whether the Jewish sheckita was indeed a humane system. Other members held that poultry should have been included. A substitute bill to provide for research only and a subsequent report to Congress from which a proper bill could be formed was voted down, 73 to 122. So, amid some puzzled headshaking, the bill was passed on a voice vote and sent to the Senate.

A bill "to suspend for 3 years the import duties on certain coarse wool" plunged the House into the first trade-bill debate of the year. The bill arose out of the need of our domestic carpet industry for additional supplies of imported coarse wools at competitive world prices. This would enable the domestic carpet industry to complete more successfully with foreign producers of carpets selling in the American market. In short, we were told that the carpet industry is caught in a squeeze. On the one hand, it cannot obtain economically (because of our import duties) the raw coarse wool supplies needed to compete in manufacturing; and, on the other hand, it faces increasing competition in finished wool carpets from countries in which manufacturers can obtain the less expensive raw wool and thereby produce carpets at a lower cost.

This bill at first glance seemed quite proper. However, debate produced some interesting dissenting views: 1. The domestic wool-producing industry would be further unsettled, even injured, by this precedent to exempt the import duty, which then could lead to other segments of the industry demanding similar tariff treatment. 2. This action would be discrimination against other domestic industries. For example, the felt industry competes in the world market with the domestic carpet for wool of this grade. 3. The bill is preferential inasmuch as it helps one segment only of the wool industry, whereas other wool industry segments are also experiencing economic difficulties as a result of import competition, and it would be paying higher prices for wool while the carpet industry was getting material at lower costs. Mentioned several times was a point I felt very significant. If the United States has trouble competing in the world market in carpet manufacture, it's because of high labor costs, compared to which the import duties are relatively a small part of the total cost. I voted against the bill. It passed 250 to 129.

Congressional spending is going up—with no upper limit visible. The citizens' economy drive of last year has vanished. Sputnik gave defense a blank check, and civilian programs aided by the political "something for everyone" philosophy are being expanded. Congressional leadership will not respect the President's economizing suggestions. The "cut back elsewhere to provide additional defense funds" attitude is not politically popular.

WASHINGTON REPORT—FEBRUARY 15, 1958

(By Congressman BRUCE ALGER, Fifth District, Texas)

Just where are we, legislatively speaking? New legislation is proposed with too little emphasis on the study, correction, or elimination of existing laws. I propose now (too briefly, but there's a space limitation) to mention some problems that won't go away, that must be solved. Yardsticks handy for reference might be twofold: (1) What is the constitutional authority? (2) Is individual initiative, incentive, and freedom fostered or hurt?

To solve problems, first the problems must be recognized:

1. Taxation: We now have in effect a full-flowered Communist type—a progressively graduated confiscatory redistribution of private property which dampens the desire and ability to save and invest.

2. The Congress: Delegation of authority to other branches of Government continues, mainly to the Executive, the administrative branch.

3. The Executive: Increasing administrative and executive responsibilities create a man-killing job, terrifically expands administrative personnel, and results in inefficient administration of laws.

4. The Supreme Court: The Court frequently and erroneously interprets the intent of Congress (which Congress then fails to correct) and reinterprets the Constitution.

5. The budget system: The huge growth of Federal Government buries from Congressional prying eyes agencies padding monetary needs in order to offset anticipated cuts, thus perpetuating growth of the bureaucracy.

6. The civil service (a twofold problem): The well-entrenched bureaucracy nurtures: (a) Some (many?) Government workers intent mainly, if not only, in self-advancement to a higher rating; and (b) those who distort administration directives to conform to their own political beliefs.

7. Secrecy: Confidential information, vital to the United States defense effort, when denied Congressmen, upsets the entire system of a representative form of government, a modern dilemma.

8. Security: We must ferret out subversives in a free and complacent society, yet without character damage of the innocent, another dilemma.

9. Foreign affairs: The conduct of the United States, a sovereign Federal Government of 48 States, in world leadership is a balance between isolationism and one worldism, posing difficult questions of constitutionality in our action.

10. Foreign aid: The waste, the payment of others' debts and taxes, the subsidizing of socialistic and communistic governments, the failure to convey United States ideas by dollars—all remind us this problem can bankrupt us.

11. Trade: A quandry, lower tariff barriers for free trade, building business and friendship abroad, yet protect domestic United States industry with high wage rates which cannot compete with other nations' lower production costs.

12. Labor: The monopolistic power of labor unions, the dictatorial power of union leaders, the replacement of collective bargaining by legislative fiat, the violence and property damage in strikes and picketing, and the loss of individual protection and freedom—these could ultimately destroy our society.

13. Socialism—United States style: (a) Federal public housing (political housing), costly to the taxpayer, kills incentive, favoritism (who gets housing or not); (b) aid to education: Federal aid is followed by Federal control—of teachers, what is taught, and who get the money (see current bill); (c) Government loans: Favors a select few, at the expense of all taxpayers, competes with and defeats private business, just a few of its many ill effects; (d) public power development—again, all pay for the benefit of a few, while private power does a more economical job, arranges its own financing, and pays taxes. States rights and free enterprise take a shellacking; (e) Federal reclamation: This program reclaims land (while we're retiring land in the soil bank) through unsound business methods, an unfair burden to the taxpayers; (f) grants-in-aid: Taxpayers' money from pocket to Washington and back to the State and locality is a form of Federal bribery in exchange for States rights, often abetted by the States themselves. (It would be comical if not so dangerous); (g) agriculture: The farm price supports, controls, and surplus stockpiles hurt both farmer (loses independence) and consumer who pays twice

(taxes and at store). Offered as alleged corrective legislation, they further upset the free market and are self-defeating.

Other basic problems:

1. Minority pressure groups: Loss of the viewpoint of the overall national good in favor of special self-interest programs, coupled with the threat of giving or withholding votes in the next election for elected officials, can ultimately bankrupt us financially and morally.

2. Republicans versus Democrats: With liberals and conservatives in each party, party programs are often not clear cut, real alternative solutions to problems are not presented, instead only different degrees of the same philosophy.

These are only some of the problems—or dilemmas—facing us demanding solution. At stake? A constitutional democracy in a republic form of government, and a society of free people and free enterprise.

Safety Standards in Employment Covered by the Longshoremen's and Harbor Workers' Compensation Act

EXTENSION OF REMARKS
OF
HON. ALBERT H. BOSCH
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 18, 1958

Mr. BOSCH. Mr. Speaker, I have this day introduced legislation to provide effective safety standards in employment covered by the Longshoremen's and Harbor Workers' Compensation Act.

This bill would amend the Longshoremen's and Harbor Workers' Compensation Act, which relates to private longshore and ship-repair operations within the Federal jurisdiction, to establish means for reducing the high accident rate in this employment. It would impose an obligation on stevedoring and ship-repair contractors to furnish safe employment and would authorize the Secretary of Labor to issue and enforce safety standards pertaining to their operations aboard ships and in drydocks.

The Secretary of Labor in connection with his supervision of the compensation provisions of the Longshore Act is presently authorized to make studies and investigations of the cause of injuries in employment covered by the act, and he may make recommendations to Congress and to interested employers and employees of means for reducing accidents. No authority exists, however, to issue or to enforce safety standards pertaining expressly to such employment. The proposal would give the Secretary such authority, but it would not extend to matters within the scope of statutes administered by the Coast Guard or regulations issued pursuant to such statutes.

The extremely hazardous nature of longshore employment is reflected in the latest figures compiled by the Bureau of Labor Statistics. The data which are available, while incomplete in scope, show an injury frequency rate in the stevedoring industry of 88.5 disabling injuries per million man-hours worked in 1956—the last year for which safety information is available. In comparison, the average injury frequency rate in manufacturing was 12 in that year. The accident frequency rate in logging had for a number of years been the highest for any industry included in reports by the Bureau of Labor Statistics. In 1956, however, the stevedoring rate of 88.5 substantially exceeded the 65 figure for logging. In operations under the Longshore Act in fiscal year 1957—not reflecting operations under State compensation laws—79,826 injuries were reported, 122 of which were fatal. In that year compensation expenditures under the act, which did not include medical costs, were $8,780,437.

The varying conditions of safety which exist in stevedoring operations aboard ship in the numerous ports and with different employers can be effectively improved only through the medium of a Federal law.

PROVISIONS OF PROPOSED LEGISLATION

An affirmative obligation would be placed on employers covered by the act to furnish safe employment. The Secretary of Labor would be authorized to establish regulations specifying measures essential to conditions of safety after interested persons had been given an opportunity to express their views on the proposed regulations.

The Secretary also would be authorized to:

First. Grant variations from prescribed safety standards, in his discretion, upon a showing of practical difficulties or unnecessary hardship if the safety of the employees concerned would be secured by such variation.

Second. Provide for the establishment and supervision of safety training programs and consult with and advise employers regarding injury prevention.

Third. Inspect places of employment and equipment and interview employees to ascertain whether the safety regulations adopted and published in accordance with the proposal are being applied.

Fourth. Hold hearings and make decisions, based upon findings of facts, and for such purposes he and the district courts would have the authority and jurisdiction provided by section 5 of the Walsh-Healey Act—this section provides, in part, that the Secretary's findings shall be conclusive in any court of the United States if supported by a preponderance of the evidence.

Fifth. Seek injunctions against continuing violations by employers; when violations of an employer are wilful or when any person wilfully hinders the administration of the act, the penalty of a fine through criminal action may be imposed.

The proposed safety authority would be inapplicable to private employees in the District of Columbia and to employees of Government contractors on defense bases and in foreign areas to which the provisions of the Longshoremen's and Harbor Workers' Compensation Act have been generally extended. The District of Columbia has its own safety law.

Curbing the Court

EXTENSION OF REMARKS
OF
HON. WILLIAM M. COLMER
OF MISSISSIPPI
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 18, 1958

Mr. COLMER. Mr. Speaker, the people in all sections of this country, North, East, South, and West, are tremendously disturbed over the repeated violations and usurpations by the Justices of the United States Supreme Court of the authority granted by the Constitution to the executive and legislative branches of the Government. Not even the threat and ill-advised attempt some 20 years ago to stack that body resulted in the unrest among the thinking people of this country as has the recent decisions of this stacked Court. As we have repeatedly pointed out on the floor of this body and elsewhere, there is a real impelling and urgent need to curb this Court if any semblance of the United States Constitution, the sovereignty of the several States of the Union, and the basic principles and institutions of this free land are to be preserved for posterity.

While it is true that it took the notorious school-segregation case to awaken the people to the full realization of the usurpation of Congressional prerogatives and the wanton invasion of the civil rights of the people by the Court, it is equally true that subsequent decisions have adversely affected the people of all other sections of the country as well as the South. All of this has resulted in an ever-growing demand for the Congress, composed of the representatives of the people, to take immediate action to curb the Court, as it has a constitutional right and duty to do.

A number of bills, having for their purpose the correction of numerous separate and specific erroneous decisions of the Court, have been introduced. However, each of these bills, some of which are now under consideration by the appropriate Congressional committees, would only correct a particular abuse by the Court. The obstacles in thus taking several bites at the cherry are obvious.

Therefore, Mr. Speaker, I have today introduced H. R. 10775, a comprehensive but realistic bill, which if enacted, as it should be, into law would correct most of the abuses complained of and substantially reverse the trend of the Court. There is nothing revolutionary in the bill. It would merely put the Court back in its proper and constitutional channel, which the far-sighted, liberty-loving Founding Fathers provided for it.

NECESSITY AND URGENCY FOR CONGRESSIONAL ACTION

In spite of the fact that the Constitution of the United States provides definitely and specifically for the division of our Government into three distinct branches, the legislative, the executive, and the judicial, each separate and independent of the other, the United States Supreme Court, as now consti-

tuted, has not only in recent years trespassed upon the constitutional prerogatives of the executive branch, but it has also challenged and usurped the legislative functions of the Congress. Numerous recent decisions of this so-called liberal Court are purely in the legislative field. In fact, the Court is increasingly proceeding upon the theory that it is some kind of a super legislative body above both the Constitution and the Congress. Moreover, the Justices of the United States Supreme Court are showing an ever-increasing and disturbing tendency to write "the law of the land," based upon their own personal ideologies and the authority of other nonlegal theories of sociological writers of what the law should be.

A perfect, but by no means isolated, instance of this is the so-called school desegregation case. Here Chief Justice Warren wrote in that decision:

> Whatever may have been the extent of psychological knowledge at the time of *Plessy* v. *Ferguson*, this (new) finding is amply supported by modern authority.

In reversing the 58-year-old Supreme Court doctrine in favor of separate but equal school facilities, as it had been enunciated in the Plessy case, Warren went on to cite six supposed authorities, then added:

> And see generally Myrdal, An American Dilemma.

This line of decisions, rendered no doubt under the false assumption that the law of the land is what the Supreme Court says it is, is unquestionably a violation of the Constitution itself and an intolerable invasion of the right and jurisdiction of the States and the Congress.

The phrase, "law of the land," occurs only once in the Constitution. Article VI of that immortal document provides:

> This Constitution and the laws of the United States which shall be made in pursuance thereof, and all treaties made or which shall be made under the authority of the United States, shall be the supreme law of the land.

On the other hand, article I, section 1, of the Constitution says that "the law of the land" shall be vested in the Congress. It provides:

> All legislative powers herein granted shall be vested in a Congress of the United States which shall consist of a Senate and House of Representatives.

SPECIFIC PROVISIONS OF H. R. 10775

While it is impractical to attempt to cure all of the evils flowing from the decisions of the United States Supreme Court in these last several years, this bill, if enacted into law, would correct a number of specific errors of the Court and substantially contribute toward curbing the abuses by the Court, which most good lawyers and a vast majority of good citizens throughout our great common country bemoan.

STATES RIGHTS

Among other things, the bill would deny the right of the Supreme Court, under the guise of the doctrine of preemption, to nullify and repeal laws of the several States of the Union simply because the Congress had legislated in a particular field, unless the Congress in enacting such a law specifically spelled out in the bill that it was the intention of the Congress to exclusively legislate in that particular field.

The State of Pennsylvania against Nelson is a case in point. Here the United States Supreme Court nullified a Pennsylvania law against sedition under which one Steve Nelson was convicted and sentenced in the State court of Pennsylvania. But the United States Supreme Court freed Nelson on the ground that Congress had passed its own Sedition Act.

The Court took this action in the face of and contrary to the 10th amendment to the United States Constitution which provides:

> The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people.

It is difficult to understand how even the Justices of the Court as now constituted could deny the right of the State of Pennsylvania to legislate in this field in order that it might protect the citizens of that great State as well as the citizens of our great common country from the acts of subversion for which Nelson was convicted. Likewise, the vision of a seer or prophet is not necessary to foresee what will happen to the courts of the several States of the Union or to the sovereignty of the States themselves if this trend of usurpation by the so-called High Court is not reversed. The State courts would soon become empty shells and the sovereignty of the States meaningless and impotent.

LIMITING APPELLATE JURISDICTION

Another provision of the bill would limit the appellate jurisdiction of the Supreme Court so as to prevent that Court from taking jurisdiction to review in certain cases the validity of:

First. The committees of Congress in proceedings against witnesses charged with contempt of Congress.

Second. An action of an executive department of the Federal Government in the discharge of certain employees whose retention might impair the security of the Government.

Third. The discretion of school boards to prescribe the qualifications of their employees.

This section would correct the injustice done State sovereignty in the New York-Slochower case. Here the Court denied the right of the school board to fire one Slochower because of his proven pro-Communist ideology.

Fourth. Rules and regulations of boards of bar examiners, and so forth, governing the admission of persons to practice their professions within the particular State.

A perfect example of this is where the Supreme Court interfered with and reversed the State laws of New Mexico and California in denying admission to certain persons of notorious Communist affiliation to practice law within those States.

THE MALLORY DECISION

Still another section of the bill would prevent the United States Supreme Court from reversing decisions of juries and lower courts in criminal cases simply because of delay in arraignment of the accused.

The so-called Mallory case is a case in point of the extreme limits to which the Supreme Court has gone under the guise of protecting the civil rights of the accused. In the Mallory case the Supreme Court reversed the lower court in the District of Columbia, in one of the numerous "yoke" assault and robbery cases which occur daily in the city of Washington, solely on the ground that the confession made by the defendant was inadmissible due to the delay in the arraignment proceedings. Here the defendant was arrested on Saturday night and was arraigned on the following Monday morning. As the result of that decision, the hands of the police and the law-enforcement officers generally are tied. If that decision remains unchallenged and uncorrected, the murderers, rapists, and robbers will be left unmolested to pray upon innocent people and the enforcement of the law will be impossible.

REAFFIRMING AND REESTABLISHING THE BASIC CONSTITUTIONAL DOCTRINE OF SEPARATION OF POWERS BETWEEN THE EXECUTIVE, LEGISLATIVE AND JUDICIAL BRANCHES OF THE FEDERAL GOVERNMENT

The purpose of this section of the bill is to make it crystal clear to the Justices of the Court that the Constitution means what it says and that it is the intent of the representatives of the people, who are the source of all power in this democracy, to see to it that the Court readjusts itself to the intent, the spirit, and the letter of the Constitution. It is a reaffirmation and a reestablishment by the Congress of the basic constitutional doctrine of separation of powers between the executive, the legislative, and the judicial branches of the Federal Government.

It provides that the law of the land shall be revised or changed only in the manner provided by the Constitution—either by legislative enactments or by constitutional amendments, not by a group of Justices, neither elected by nor responsible to the people, according to their own or foreign ideologies.

The section further provides that neither the courts of the United States nor the courts of the several States of the Union shall be bound by any decisions of the United States Supreme Court which conflicts with the legal principle of adhering to prior decisions and which is clearly based upon considerations other than legal.

This is a sound, reasonable, and logical provision. In fact, this does not change anything in law now. It would only require that the law be observed. It would not prevent the Supreme Court from reversing itself if sound, legal cause existed for reversal. Moreover, it would not make superior or conflicting courts of the lower courts. For, before the lower courts could ignore the Supreme Court opinion it would have to, first, conflict with legal precedence; and, second, also be based on considerations other than legal.

Mr. Speaker, finally, permit me to emphasize that the Supreme Court of these United States has gone far afield from

the concept of its duties as spelled out in the Constitution by the authors of that great bulwark of freedom upon which this country was founded and upon which it has prospered and become the envy of free peoples throughout the world.

It is rapidly destroying the very cornerstone of State sovereignty with the resultant concentration of all powers of the governed in a strong centralized autocracy here in Washington.

It is, under the false assumption that what it writes is the law of the land, increasingly usurping the functions delegated to the elected representatives of the people, the Congress of the United States.

The Court is usurping the functions of the executive branch of the Government by undertaking to prescribe the qualifications of the servants employed by the Government.

The Court is erroneously pursuing a policy of substituting its own personal views of what the law should be for legal precedence denoting what the law is.

These are not capricious indictments. They represent the considered opinion of numerous learned men of law. Moreover, these actions of this Court are obnoxious not only to the jurists of State courts, but are equally offensive to many able jurists now occupying the Federal district and appellate courts.

Mr. Speaker, if this trend is permitted to continue unabated, we will soon be faced with a judicial autocracy in this country which will be as obnoxious to our concept of human liberty and freedom as any dictatorship abroad which we now abhor. Surely, the time for action has arrived. No longer can the Congress delay the application of the essential curbs to this runaway Court. If prompt action is not taken, this American Government, the most perfect embodiment of human liberty ever conceived by the minds of men, shall surely perish. The time for action is now.

Our Economic Situation

EXTENSION OF REMARKS
OF
HON. ELIZABETH KEE
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 18, 1958

Mrs. KEE. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I include a copy of my weekly newsletter Keenotes which was issued yesterday, February 17, 1958:

KEENOTES
(By Representative ELIZABETH KEE)

There is growing concern in Congress among both Democrats and Republicans over the economic situation.

Frankly, the outlook is not at all encouraging. Since the opening of the present session of Congress, the economic health of the Nation has worsened markedly. Unemployment stands now at 4.5 million and official estimates are that by the end of the month 5 million people will be out of work. Other indicators of the Nation's economic strength are not too reassuring.

The most encouraging fact about the situation is the growing attention the business slump is attracting in Congress. There is a growing determination not to allow the downturn in business to get out of hand.

Many respected Members of Congress, whose knowledge of economics is highly regarded, believe the administration is too timid in its approach to the recession. These Representatives are demanding bold action now before the country slips into more serious trouble.

More and more talk is being heard about a tax cut as the fastest way of increasing purchasing power. Earlier, a tax cut was mentioned as only a bare possibility. Today, it is regarded as certain if business fails to pick up in early spring.

One encouraging development on the economic front is the increase in the number of new housing starts expected this spring. The housing industry has been in the doldrums. Since housing is a key industry, this has adversely affected the entire economy. A spurt in housing will create jobs and build up demand for lumber and the hundreds of other items that go into new homes.

The administration is being urged to give more attention to public works, to free money already appropriated by Congress but impounded by the Budget Bureau for construction of various types. For example, the Veterans' Administration has at its disposal $175 million for renovation of some of its 400 installations located throughout the country. This is money voted by previous sessions of Congress. It can be spent tomorrow to carry out the intent of Congress. Release of the money and its expenditure throughout the country will create jobs and give a shot in the arm to the national economy.

Increased defense spending will help. And the tremendous roadbuilding program, which is not yet off the ground, will bolster the sagging economy.

Let me repeat what I wrote earlier this year: The country is not on the brink of a full-scale national depression. We are, however, facing extremely difficult times, the number of depressed areas is rapidly increasing, and an entirely different approach from last year's, when inflation was a major threat, is absolutely necessary.

The major danger, as I see it, is that the administration, by putting its faith in an economic revival this spring—a revival many respected economists do not foresee—and refusing to act resolutely and firmly, will allow the downward drift in business to continue too long. This could lead to severe economic trouble.

It is true that the many antidepression safeguards built into the economy during the past 25 years offer reasonable security for the future. But prolonged unemployment for 5 or 6 million people will create a situation from which it would take several years for the country to recover fully.

Congressman Dollinger's Annual Report

EXTENSION OF REMARKS
OF
HON. ISIDORE DOLLINGER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 18, 1958

Mr. DOLLINGER. Mr. Speaker, it has been my custom to send a report to my constituents at the close of each session of Congress. I shall prepare a report at the close of the present session and send it to the people I represent so that they may know of our efforts and what has been accomplished. The report will also be included in the CONGRESSIONAL RECORD.

Need for Supplemental Credit Through a Privately Administered, Government-Guaranteed Loan to Farmers in Disaster Areas

EXTENSION OF REMARKS
OF
HON. PAUL C. JONES
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 18, 1958

Mr. JONES of Missouri. Mr. Speaker, I have requested permission to have printed in the CONGRESSIONAL RECORD a copy of my weekly newspaper Report From Washington, since it gives some idea of the problems which our farmers and small-business men in southeast Missouri are facing at this time, and points up the necessity for some action to be taken immediately. The letter is longer than usual, but the situation is more acute and the need is greater than ever before.

I am hopeful, of course, that the President will soon sign the legislation amending the Small Business Administration Act, and I have contacted the White House urging that action be taken immediately.

I have also written the Secretary of Agriculture calling attention to the mess which has been brought on by the mistakes made in issuing instructions for the soil bank signup. I have never seen greater inequity in any farm program than exists under the present policies of the Department of Agriculture.

The report which follows sets forth some of the things I found on my trip to southeast Missouri last week, and further sets forth in detail how I believe some of our problems can be solved:

REPORT FROM WASHINGTON
(By Hon. PAUL C. JONES, Representative in Congress, 10th Missouri District)

After spending 4 days last week in southeast Missouri visiting ASC offices, the 2 Production Credit Administration offices in Carthersville and Sikeston, and with representatives of the Farmers Home Administration in this area, your Representative feels that he has the information necessary to determine at least some of the needs and to make recommendations to officials in Washington which will be helpful in meeting the problems which are facing both businessmen and farmers, particularly in the cotton section of the Bootheel.

There is a tremendous amount of interest in the small business emergency loan program, and I have recommended to the Small Business Administration that it should consider the advisability of establishing a temporary area office in southeast Missouri to receive and process applications for emergency loans to small-business firms. At the same time I requested that the SBA send a representative to this area to explain the new regulations. At the time this column is being mailed (February 17) plans are be-

ing made to hold an areawide meeting or meetings to be sponsored by the Missouri Delta Development Corp., the early part of next week.

A telegram from Wendell B. Barnes, Administrator of the Small Business Administration in Washington, reads:

"Our field offices will be prepared to accept loan applications under our excessive rainfall-disaster program as soon as the President has signed new bill. Sympathetic consideration will be given to establishment of a temporary southeast Missouri area if conditions warrant. Meantime, I will ask our Kansas City regional director, Mr. C. I. Moyer, to contact you regarding assignment of a representative to attend meeting."

This meeting will be of particular interest to operators of small businesses who have been directly affected by the excessive rainfall of this past season to the extent that they are in need of long-term credit which is not available through the normal established commercial credit channels; to bankers who are interested in assisting their customers with such long-term credit; and to lawyers who have clients who have called on them for assistance in preparing applications for loans.

This is not the type of credit which is available to individual farmers and for that reason they will not be interested in attending this meeting.

For the individual farmer, there is still a need for some supplemental credit in addition to that which is being made available through banks, PCA, and the FHA, although your Representative has found that each of these credit agencies has liberalized its policies in an attempt to meet credit needs.

As was predicted in this column last week, the FHA offices began February 10 advancing "furnish" money to its borrowers. They are also including in the budget the depreciation item for payments to creditors holding mortgages on farm equipment. However, this latter facility is not being used to the extent that was anticipated. In fact, demands for FHA loans have been considerably less than anticipated, due possibly to the fact that many potential borrowers are waiting until after February 20 to see whether or not they will be in or out of the soil bank, and will not know until then what their needs are.

This Representative has been assured by local office managers and by both the local field supervisor and the administrator in Washington that the FHA program will be administered on the most liberal basis possible. Visits to the local offices in most southeast Missouri counties indicate this is being done. However, your Representative is always ready to have investigated any charges that this is not being done. Some new capital is being made available to production credit agencies through the Farm Credit Administration, and this should prove most helpful.

There is still one credit need which is not being met, and I want to assure our farmers as well as the small-business men who are affected that an attempt is being made to correct this deficiency. By the time this column is printed I will have introduced a bill, which if approved by Congress and signed by the President, would make available, through established lending agencies, a Government-insured loan, available to individual farmers for the specific purpose of paying open, unsecured accounts which they owe to those who have extended credit for necessary expenses incurred in carrying on their farming operation last year.

This would include, but not be restricted to, accounts for seed, fertilizer, machinery repairs, oil and other fuels for farm machinery and home use; feed and food; hospital and medical expense, and other essentials. Such a loan would permit the individual farmer to consolidate all of his legitimate, essential debts, which I feel he wants to pay, and which he will pay if given the opportunity to secure a loan repayable over a period of from 3 to 5 years.

The effect of such a loan would enable many small businesses, ineligible for loans through the Small Business Administration, to collect outstanding accounts which otherwise cannot be paid. Many of those businesses are in serious trouble with all of their capital tied up in unsecured accounts, which places them in the position of being unable to carry on if some relief is not given soon. These businesses play a vital role in the economy of our small communities, and in many instances are in just as critical condition as the farmer who failed to harvest a crop last year.

While I have talked to many people regarding this type of loan, and some have said that it would be difficult to administer and that most banks would not be interested, I can say that I have talked with some bankers who say they can and would administer such a program. Also, officials of both of the two PCA offices in this area have told me that it would be helpful and they would be glad to cooperate if such a plan can be worked out.

A representative of the Farm Credit Administration who was in southeast Missouri last week said he thought this plan was the most practical of any he had read of. While it is similar to the proposal which has been advanced in several bills already introduced in Congress, this plan does make specific proposals, which most of the other bills merely state that the Federal Government should make available some $200 million in guaranteed loans. The plan I am suggesting would provide for the Government insuring 80 to 90 percent of the money to be loaned by established credit agencies, including banks.

Hearings are already scheduled on this type of legislation, and I am prepared to present this plan during the coming week. I am hopeful that the administration will give sympathetic consideration to the proposal, despite the fact that at earlier hearings none of the Federal agencies seemed inclined to want to take on the responsibility of administering such a program.

Now as to soil bank. Personal visits to seven offices in the Bootheel, and reports from the other offices, have convinced me that this program is in a greater mess than I had imagined it could be. A talk with Marvin McLean, Assistant Secretary of Agriculture, further convinces me that the Department of Agriculture is unwilling to admit that it made a mistake in instructing the State and county offices to conduct the signup on a first-come, first-served basis; and further advising both State and county offices that there would be sufficient funds for all who wished to place cotton in the soil bank, and that there was no necessity for State allocations, prior to the time when they discovered on January 16 that the money was being exhausted.

Had the department exercised a minimum of good judgment in limiting the signup to the larger of a minimum of 5 to 10 acres or 30 percent of the 1958 allotment, as was done last year, there would have been no question but there would have been sufficient funds, and at the same time there would have been a sufficient signup to reduce acreage to the desired minimum.

As stated last week, I still insist the Secretary of Agriculture is violating the law which states that every producer shall be given a "fair and equitable opportunity to participate in the acreage reserve program," as set out in section 104 of the Soil Bank Act.

In every county of southeast Missouri there is overwhelming evidence that farmers were discriminated against in the signup, although I am not charging that any local official did anything other than carry out the instructions of the Department of Agriculture as conveyed to them through the State ASC committee. Columns could be written about specific instances, and while space prevents going into details here, these facts are being presented to the office of Secretary Benson.

While the Secretary's Office insisted as late as last Friday (February 15) that there would be no change in the policy of first come, first served, and that Department would request no additional funds in view of the fact that the soil-bank acreage reserve would be discontinued after this year, the Agriculture Subcommittee of the House Appropriations Committee is making plans to recommend to Congress that sufficient funds be made available to meet the obligations of every contract that has been offered. It is hoped that the Department will agree to this—they should be urging that this be done—prior to February 20, the last day that farmers will have to decide whether to remain in or withdraw from the soil bank. Otherwise confusion will be even greater.

Your Representative believes and has so stated on several occasions that the Government has a valid commitment in view of the announcements made by the Secretary of Agriculture prior to the signup, and believes that Congress has the obligations of providing sufficient funds to meet the commitments that have been made. Despite the fact that I have opposed the soil-bank program, which I feel is contrary to the best interests of the farmer, as well as to the economy of this area, I still believe that the Government cannot and should not welsh on its obligations.

A Shift for the Better in Our Latin American Policy

EXTENSION OF REMARKS

OF

HON. CHARLES O. PORTER

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1958

Mr. PORTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following exchange between myself and Assistant Secretary of State Macomber, who is replying for the President.

Never in my extensive dealings with the administration on this subject for more than a year has such a plain, emphatic endorsement of democracy been issued officially for public attention.

The last sentence of Mr. Macomber's letter is only a small step, but it is at last in the right direction. Perhaps we may hope that our Nation will no longer adhere to a policy of treating police states as though they were respectable and worthy of our friendship.

The letters follow:

DEPARTMENT OF STATE,
Washington, February 13, 1958.

The Honorable CHARLES O. PORTER,
House of Representatives.

DEAR MR. PORTER: Your letter of February 3 to the President, recommending a statement congratulating the Venezuelan people on the overthrow of the Pérez Jiménez regime has been referred to me for reply.

As you know, the cornerstone of our Latin American policy has long been the principle of nonintervention, and we have been careful not to intervene or appear to intervene

in the affairs of other countries. This policy has been based not only upon treaty obligations but also on long historical experience which shows that any other policy has greater disadvantages to us, no matter how good or well intentioned our motives may be.

I think that the historical evolution of Latin America during past years would bear this out, particularly as we see the Organization of American States now functioning on a basis of juridical equality, mutual respect and confidence, without fear of domination by a larger or more powerful nation. Certainly also the spread and consolidation of democratic institutions in Latin America is evidence of the wisdom of the statesmen of the hemisphere in constructing such a policy. This has occurred through the spontaneous efforts of the people themselves without outside prodding, and this is after all the most solid and healthy kind of change.

All of this does not mean that we as a government are any the less dedicated to democracy and freedom or deplore any the less the institution of autocratic police state governments. As you rightly point out in your letter, the free nations of the world have their ultimate and decisive base in the free man. While we are not in a position to intervene in the internal developments of the countries of Latin America, we are in a position to feel—and we do feel—satisfaction and pleasure when the people of any country determinedly choose the road to democracy and freedom.

Sincerely yours,

WILLIAM B. MACOMBER, Jr.,
Assistant Secretary.

FEBRUARY 3, 1958.

The PRESIDENT,
The White House.

DEAR MR. PRESIDENT: Ted Szulc, writing in the New York Times, February 2, 1958, concluded an article about Venezuela and American policy toward dictatorships with this paragraph:

"Even if the majority of Venezuelans did appreciate the perplexities of United States policy regarding their country, there is nonetheless a certain amount of lingering resentment here. This probably could be eliminated if Washington would follow up its diplomatic recognition of the governing junta with gestures to convince the Venezuelans that it really wishes their nascent democracy well."

May I respectfully suggest that a public statement from you congratulating the Venezuelan people on the overthrow of the Pérez Jiménes police state and on the pledges by the junta to hold free elections seasonably would be such a gesture.

By such a statement you would be expressing the deepest political beliefs of our citizens and at the same time bolstering our moral leadership of the free world in an area where our friends have had reason to doubt our devotion to democracy outside of our borders.

It is true that the dictators would not fancy your making a statement of this sort. They would call it intervention. Batista, Stroessner, Somoza and Trujillo would resent the adverse public attention and the loss of face your statement would mean for them, but the people in their countries, and elsewhere in the world, so far as they learned about it, would feel otherwise.

If you should feel, in accordance with what currently is your policy, that you could not publicly condemn police states and that of Pérez Jiménes in particular, then I earnestly ask that at least you make a statement as soon as possible approving the steps toward democracy taken by the junta in Venezuela when it did away with the security police, freed political prisoners, allowed freedom of press and pledged free elections in the near future.

I do hope the day will come soon when our Nation's policies will permit both public official disapproval of police states and public official approval of events tending toward freedom and democracy. We ought to stand up and be counted as deploring police states and favoring democracies. Certainly the free world and the free nations have their ultimate and decisive base in the free man.

Sincerely yours,

CHARLES O. PORTER,
Member of Congress.

Our International Trade Policy

EXTENSION OF REMARKS
OF
HON. ELIZABETH KEE
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 18, 1958

Mrs. KEE. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I include a statement which I made before the House Ways and Means Committee on yesterday:

Mr. Chairman, the economic fate of thousands of residents of West Virginia rests in the hands of your committee. Your decisions with respect to legislation dealing with international trade policy will determine whether these people must continue a life of bare existence—largely provided by unemployment compensation, relief, surplus foods, and the generosity of charitable agencies and individuals—or whether they will be permitted once again to obtain employment and rise from the destitute conditions that have enveloped so many of our communities.

As is customary, spokesmen for the administration will appear before you during the opening days of your hearings. They will seek to prevail upon you to carry out the President's program for more liberal foreign-trade policies. Many of these Government officials have traveled extensively through other nations of the world and are thus equipped to recount the advantages that accrue to these nations when American markets are opened to the goods which they produce. I do not challenge this philosophy. Obviously, the refineries of Venezuela and the Middle East, the textile mills of Japan, the machine shops of Germany, and the glass houses of Belgium will prosper so long as the markets of America are open to their production.

As you delve further into the realm of foreign trade with members of the President's Cabinet and their subordinates, I am hopeful that you will utilize the opportunity to discuss with them the domestic repercussions of the President's program. It would indeed be revealing to discover whether any of these officials have, for instance, visited mining communities of West Virginia in the past several years. I am curious to know whether anyone who actually understands conditions in our State could recommend that America's fuel markets continue to be exposed to the rampaging floods of foreign oil while coal miners search in despair for a way to earn a livelihood for their families. Can these public officials continue to ignore the plight of the unemployed pottery, glass, and ceramics workers whose jobs have been displaced by the importation of commodities made in areas of the world where wages are far below those set by the Congress itself?

Mr. Chairman, if it is the wish of the administration to create a mutual standard of living between our country and those to whom our markets have been opened, then it would appear that the mission has already been accomplished. No matter how little the wage levels of a foreign nation may be, I can assure you that the foreign workers supplying our markets are enjoying a greater income than are those American workers whose jobs have been taken away in consequence.

I ask that the committee insist that our thousands of unemployed workers be kept in focus at all times during the dispassionate pleas of administration witnesses. Unfortunately, diplomatic strategy has been substituted for humane reasoning by many of the supporters of more liberal trade laws. As representatives of the American people, Congress is obliged to provide the balance to prevent this country's side of the trade seesaw from becoming mired in the dredges of economic inertia and frustration.

Learning To Live in the United States

EXTENSION OF REMARKS
OF
HON. STEWART L. UDALL
OF ARIZONA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 18, 1958

Mr. UDALL. Mr. Speaker, a few days ago our colleague the gentleman from New Jersey [Mr. THOMPSON] made an address before the third annual New Jersey Americanization Conference at Trenton, N. J., titled "Learning To Live in the Untied States." The talk was so well received and contains so many thought-provoking ideas that, in my opinion, it deserves a wider audience.

The speech follows:

LEARNING TO LIVE IN THE UNITED STATES

(Address by Hon. FRANK THOMPSON, Jr., February 9, 1958, to the Third Annual New Jersey Americanization Conference, Stacy-Trent Hotel, Trenton, N. J.)

I have sponsored comprehensive legislation in the Congress designed to supersede the present Immigration and Nationality Act, known as the McCarran-Walter Act. This new legislation is in most respects similar to the legislation I introduced in the 84th Congress which was cosponsored by Senator HERBERT LEHMAN, of New York. Joining with me in sponsoring this legislation are 27 Democratic Members of the House of Representatives including Congressman EMANUEL CELLER, chairman of the Committee on the Judiciary of the House of Representatives.

Under my proposal there will be no discrimination based on national origin or race, and there will be no classification of United States citizens into two categories, native-born and naturalized. There will be no additional grounds for loss of citizenship by naturalized citizens except those that apply to native-born citizens. All provisions of the present law which permit its retroactive application in deportation proceedings have been eliminated in my bill and all of the harsh provisions applicable now in exclusion proceedings have been humanized. I have provided for a full and unlimited judicial review of administrative decisions made in all immigration and naturalization processes and my bill would expressly prevent the separation of families.

Perhaps the most important segment of my legislation is that which would eliminate the national origins quota system. Under the national origins system, northern and western European nations are allowed ap-

proximately 70 percent of the visas. It is obvious that such a system discriminates against persons from southern and eastern Europe. Senator Kennedy's characterization of the the present law as "the most blatant piece of discrimination in this Nation's history" is, I think, an accurate appraisal.

A search of the records of the 1920's reveals that the national quotas system was by no means an accident. It reflects the fears of the time that America would be flooded with refugees from war-devastated nations. Bigotry reared its ugly head in the Congress and that great body succumbed to preposterous arguments concerning supposed differences in biology among various nationalities, and it was said that the people of some nations were of superior biological stock.

The solons of the 1920's used the expression "Americanization" as descriptive of the process of adjustment to American life. Now we know that what Americanization truly means is the interaction of the values of the various cultures within American life and the contribution that this makes to the growth of our democracy.

It is well to recall today that the exclusionist forces among us are the lonely voices, and to take pride in the fact that these words of Abraham Lincoln, which have always moved me deeply, are representative of the best in the American tradition and speak for the heart of our country:

"In regard to Germans and foreigners, I esteem them not better than other people, nor any worse. It is not my nature when I see a people borne down by the weight of their shackles—the oppression of tyranny—to make their life more bitter by heaping upon them greater burdens; but rather would I do all in my power to raise the yoke than to add anything that would tend to crush them * * * if there are any abroad that desire to make this the land of their adoption, it is not in my heart to throw aught in their way to prevent them from coming to the United States."

Believing as I do that the national origins quota system is evil I find that I have to take issue with the legislation recommended by the President, and offered in the Congress by leading members of his party, which simply extends the evils of the present system and preserves its discrimination.

We know now that in this country where everyone is an immigrant or the descendant of an immigrant that there is no one pattern of culture. There are, rather, a number of patterns of culture and we are proud of our cultural pluralism for it has contributed to the strength, the richness and variety of the tapestry that is America. For anyone to have imagined that he wanted to "assimilate" in such a country—to lose his identity as a member of his original group—was sheer nonsense, for the reason that this is actually impossible in a country based as ours is on multiple cultures.

Today I ask that you briefly explore with me the cultural traditions of America. My purpose is clear and simple. I shall make no effort to be either original or learned. All I want to do is to try to put into familiar words what, I am confident, the vast majority of you believe in your hearts to be the essence of our country's heritage. We might well start with mention of our many-sided tradition, to see what, in our past, has made us what we are. Someone has said that "many peoples have had the same inheritance but have not been able to profit by it" as we in America have done.

Many factors have cooperated in the development of the United States. That is a sane and simple assumption. First, we should not overlook our physical environment. In this factor our people have been blessed above most peoples. Among the features to be emphasized are the vast extent of our territory and the great variety of our natural resources, including the richness of the soil, extensive forests, and deposits of minerals and metals. Rainfall is adequate, waterpower sites numerous. Our wide variety in climate is an asset.

A second factor that has helped to make the United States strong is our democratic political institutions. This "constitution of government," as Burgess has called it, created a Federal Union, with a wise distribution of powers between the Nation and States. The establishment of three branches, adequately checked and balanced, has limited the General Government and avoided absolutism.

Our democratic republican system of self-government, emphasizing duties as well as privileges, has developed an intelligent citizenship and won the loyal support of all genuine Americans.

Third, our national ideals certainly have contributed to our greatness as a Nation. Not only have these ideals attracted large numbers of foreign immigrants to our shores, but they have served as an inspiration to all loyal citizens. Chief among these ideals is our independence as a nation, freedom of conscience, opinion, liberty of the person, equality before the law, equality of opportunity, absence of any caste system, separation of church and state, compulsory education, and freedom of religion. We hope, someday, to fully realize all of these ideals. I hope that you new citizens will help us.

Another important, and fourth, factor in our greatness is found in our free enterprise system of industry, based upon the principles of private ownership and operation. The rights of acquiring, holding, and disposing of property exist without the medieval restrictions of primogeniture or the restrictions of modern totalitarian systems.

Our capitalistic system is not without its faults. History discloses we have been subjected to monopoly, to panics, and there has been poverty in our midst. But contrasted with socialism and communism, our free enterprise system is far, far superior. We have freedom of the worker to choose his work; we have democracy in industry; we have development of individual initiative. Among the outstanding results of our system are good wages, great efficiency, and the development of an incomparable know-how in business. The greatest result, on the whole, has been the highest standard of living in the world today.

But a part and parcel of these four factors—the physical environment, the democratic political institutions, the national ideals, the free enterprise system—we have the human element—the racial element—or simply, the people.

The American people with its Anglo-Saxon base and a generous admixture of other strains has proved to be strong, virile, capable, and resourceful.

Sometime between 1801 and 1851 there appeared in the United States a new man—the American. The resourcefulness of this new man has been shown in the conquest of the wilderness, in the development of natural resources, and in the establishment of a great civilization. The physical environment and the people have acted and reacted upon each other. The people have put all of our political and natural resources to good use.

But what of our cultural inheritance, you ask?

Practically every people that has reached the stage we call civilization has made a contribution to progress. But few nations have been preeminent in this regard. One factor that has made this country so great has been our inheritance from the past. I refer to the inheritance beyond the Constitutional Convention, beyond the dark days of the American Revolution, beyond the founding of Jamestown and the Colony of Plymouth. I refer to the great contributions made by the Greeks, Romans, Hebrews, British, Germans, French, Italians, Irish, Czechs, Scandinavians, and Polish. I refer to our ability to make the greatest possible use of this inheritance.

Into the climate of our democratic political institutions came the foreign born, those shareholders in our common democracy. Nine nationalities were among the signers of our Declaration of Independence. America was built by immigrants, and their sons and daughters—not only the physical America of rich farms, great factories, of social and political eminence, but the America of music, art, and letters.

The Anglo-American culture of colonial times placed little value on the arts and its people were markedly inconspicuous in aesthetic expression. In contrast the folk cultures of the continental nations, and those of later immigration in particular, were far more elaborated in music, the dance, colorful folk festivals, and the arts in general.

It took music a long time to develop in America. The New England colonists considered it a sinful diversion. In 1675 a law was enacted prohibiting the playing of musical instruments, except the drum, trumpet, and the Jew's harp. The straitlaced Puritans and Separatist Pilgrims were not favorably disposed toward such a delicate art. Music was not tolerated for its own sake but only as an aid to worship, and even that was lamentably bad. In such an environment no composers appeared for almost a century and a half after the landing of the Pilgrims. It was considered both worldly and vain to fashion a new tune. This period in the history of New England may be considered a musical desert, without any oases.

Gradually a change came as newcomers from England raised the standards. After 1783 many foreign musicians arrived and took charge of our music. Italians came in considerable numbers and for some time had a monopoly in the secular field. President Thomas Jefferson recruited musicians in Italy who lifted the Marine Band from its fife-and-drum status to one of distinction. Our first orchestras were introduced by Italians.

When the Handel and Haydn Society was organized in Boston in 1815 the conductor was an Italian who remained in charge for several years. A number of Italians became teachers of music both in public and private institutions. Italian grand opera began in America in 1825 and in the operatic field the Italians have been outstanding. They have furnished numerous symphony directors, among whom we find the incomparable late Arturo Toscanini.

Music and musicmaking in America, however, have in large measure come through German influence. In 1694 a band of German Pietists settled near Philadelphia and stressed music, both instrumental and vocal. Bethlehem, Pa., was settled in 1741 by the Moravians, moved far ahead of Boston and Philadelphia and from its very beginnings to the present day has been a musical center.

About 1848 there was a veritable invasion of musicians from Germany and they did much to raise our standards. In this migration was Carl Zerrahn, who, in 1854, became director of the Handel and Haydn Society in Boston and continued with that organization for 40 years. Three leading orchestras in Boston, New York, and Chicago were composed largely of German musicians under German leadership. Gradually the musical ambitions of other cities were aroused and they organized orchestras in all of which the German element was prominent.

Theodore Thomas, the boy violinist who came to America from Germany in 1845, is an epic figure in American history. He was a masterful conductor, but more important was his plan to educate our taste for good music.

The Czechs are also prominent in music and one cannot turn the radio or television dial

far without hearing music played or composed by members of that group in America. A symphony orchestra without a Czech is almost unthinkable.

Belgium settlers have also been great lovers of music and nearly every settlement in Wisconsin had a brass band and string orchestra. Swedes and Norwegians have done much to give America more music. They have emphasized choral singing in particular.

Jews have participated as interpreters of music, as instrumentalists, more than as composers. Violin virtuosity has become almost synonymous with Jewish musical genius. Among them are Fritz Kreisler, Mischa Elman, Max Rosen, Efraim Zimbalist, and others. Ossip Gabrilowitsch, late conductor of the Detroit Symphony Orchestra, was born in Russia of Jewish parents.

Leonard Bernstein, George Gershwin, and Irving Berlin, all of Jewish stock, have become American institutions in the field of music.

On a July day in 1939, a story in the Reader's Digest tells us, in the Los Angeles Bureau of Naturalization, the process of turning foreign-born Americans into citizens droned on. Candidates mumbled their way through the brief ceremony, plodded out with their final papers. Then a young Ukrainian stepped forward, squared his shoulders and began the pledge of allegiance. Suddenly the courtroom came alive. The judge leaned forward, raptly attentive to this fervent recital. When the young man reached the phrase "one Nation indivisible, with liberty and justice for all," spectators broke into applause.

The judge reached over and grasped the new American's hand. "I've heard that pledge so often," he said, "that it had lost its beauty for me. Thank you for giving it back to me, Igor Gorin."

Since that day about 18 years ago, the wonder of being an American has not dimmed in Igor Gorin. He is now one of the world's most popular baritones, but his most significant role is his portrayal of himself as an American. "Nowhere but in America," he says, "can you so freely express the special gift that God has given you."

It was Gorin's understanding of America's past that, 7 years ago, introduced him to his favorite role, Brigham Young in All Faces West, a music-drama commemorating the founding of Ogden, Utah. Here was the story of the Mormon migration, a saga of the pioneer spirit. The role of Brigham Young called for a singer who could project the spiritual note behind the drama. The committee ended its search when it heard Gorin's record of The Lord's Prayer. That he, a Ukrainian by birth, should be asked to play the lead seemed to Gorin the ultimate compliment. He wired the committee: "I understand the part. I too have made an exodus to a Promised Land."

American painting is in no way native. It has no archaic characteristics which it may claim as peculiarly its own. It is not national but cosmopolitan, for it has been more exposed to international currents than that of any other country. It is almost a European transplantation with one nation or school having at one time a preponderating influence to be followed by another. France and Italy has been the outstanding sources of artistic inspiration.

Time limitations do not permit me to speak in detail concerning sculpture, literature, and the theater. But contributions to our inheritance in fine arts have come from Canada, England, Ireland, Poland, France, Germany, Norway, Sweden, Rumania, Czechoslovakia, Italy, Ukraine, indeed, from around the world.

Several Americans of what some call "old stock" have drawn upon foreign folk for their writings. Willa Cather as a girl played with Scandinavian, Bohemian, German, French, and Russian children and learned the ways of their parents during her early years as a resident of Nebraska.

From a garlic-growing town in Hungary came a boy, so poor that at first he slept on a park bench in New York City. One cold winter night he entered a hotel lobby to get warm but was thrown out. Twenty years later he bought that hotel for $635,000 and somewhat later acquired the newspaper, the World, for $340,000. This was Joseph Pulitzer, who became a journalistic king.

Probably no one will deny the fact that these immigrants have made valuable contributions to our life and that we would have been heavy losers if they had not come. Their background and training in their homelands gave them particular fitnesses for making contributions to our cultural inheritance.

Immigrants have done much to make and keep America democratic. In the 18th century the Federalist Party with its aristocratic bias set about to stop any further spread of dangerous democratic doctrines by enacting the Alien and Sedition Acts and the naturalization law in 1798. It was also proposed to amend the Constitution to bar naturalized aliens from holding Federal office. The trend toward democracy, however, was too strong and the Federalist Party was doomed.

While our American language is English, it differs considerably from that of Britain and the impact of other nations has been one factor in producing changes. A German dialect has modified both vocabulary and pronunciation of English in our own area. Likewise, the everyday speech of lower Louisiana reflects a French contact. Texans have appropriated words from the Mexicans. In Minnesota and the adjoining States Swedish terms and idioms have been borrowed. The word spaghetti has been admitted into the dictionaries and we use this Italian word as if it had been bequeathed to us by Longfellow or Emerson.

Even cookery in America has not followed any one national tradition. It shows the influences of several groups. We seek out French, Italian, German, Greek, Chinese, and Jewish eating places.

While we owe a greater debt to the aboriginal Indians than is usually acknowledged, yet the main roots of our life are buried in the soil of many nations and our culture is more than anything else a tapestry woven with threads from the Old World tradition and the American environment.

The late Franklin K. Lane, when Secretary of the Interior, wrote of the immigrant's part in the making of America, and I quote:

"America is a land of but one people, gathered from many countries. * * * Whatever the lure that brought us, each has his gift. Irish lad and Scot, Englishman and Dutch, Italian, Greek, and French, Spaniard, Slav, Teuton, Norse, Negro—all have come bearing gifts and have laid them on the altar of America.

"All brought their music—dirge and wassail song, proud march and religious chant. All brought music and their instruments for the making of music, these many children of the harp and the lute. All brought their poetry, winged tales of man's many passions, folksongs and psalms, ballads of heroes and tunes of the sea, lilting scraps caught from the sky and field, or mighty dramas that tell of primal struggles of the profoundest meaning. * * *

"All brought art, fancies of the mind, woven in wood or wool, silk, stone, or metal—rugs and baskets, gates of fine design and modeled gardens, houses and walls, pillars, roofs, windows, statues, and paintings—all brought their art and handcraft.

"Then, too, each brought some homely thing, some touch of the familiar home or field or forest, kitchen or dress—a favorite tree or fruit, an accustomed flower, a style of cookery, or in costume."

America has given much to other nations, but she has also received abundantly. We need to understand this.

The distinctiveness of America's cultural inheritance is in its diversity—the many ethnic and racial strains which make up its total pattern. Walt Whitman was asserting a literal and not merely a poetic truth when he called America a nation of nations.

The Federal Scholarship Act

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1958

Mr. MULTER. Mr. Speaker, on February 17, 1958, I appeared before a subcommittee of the House Committee on Education and Labor in support of my bill, H. R. 821, to provide loans to needy, qualified students. My testimony before that committee follows:

STATEMENT OF REPRESENTATIVE ABRAHAM J. MULTER (DEMOCRAT, OF NEW YORK), BEFORE THE HOUSE COMMITTEE ON EDUCATION AND LABOR, FEBRUARY 17, 1958

Mr. MULTER. Mr. Chairman and members of the distinguished House Education and Labor Committee, many words have been written on this subject in the past few months. I will limit my remarks in the hope that this committee and the Congress will soon substitute action for words. To my mind there is no more important action that this Congress can take than to enact a Federal-aid-to-education measure. This would go to the heart of the problem pointed up by sputnik and in the long run contribute more to the strength of our country than having any number of spheres circling the earth. We will miss the boat and perhaps even the spaceship if we are satisfied with crash programs in weapons and satellites which will provide only temporary strength. Gentlemen, you are now considering the very future of this country. I hope only that my bill and my testimony this morning will be of some assistance to you in successfully discharging this task.

The purpose of H. R. 821 is to furnish loans to the country's needy and scholastically qualified students so that they may continue their education beyond the high school. State agencies will select the students to receive these loans.

The amount of money available to a State would be determined by the ratio which the number of its Members in the House of Representatives bears to the total number of Members from all the States which have accepted the provisions of this act. My proposal, if enacted, would authorize for the Federal scholarship fund the sum of $5 million for fiscal year 1958 and $10 million for fiscal year 1959 and such sums as are necessary for succeeding years. For a student to be eligible for a loan, his State must designate a State agency and establish certain methods and standards of selection. Moreover, the Commissioner of Education may suspend loans to students if he determines that the State agency is discriminating against individuals on the basis of race, creed, color, or national origin. The State will only be required to make certain deposits into the Federal scholarship fund if the fund is not self-sustaining, but in no event can this State payment exceed 10 percent of the amount of advances made to students from that State during the preceding year.

The Federal Scholarship Act would loan to an eligible student an amount not in excess of $1,000 a year for the first 4 years of study in any educational institution of college-grade studies. In addition, the bill would provide $1,500 a year for 4 years to students in graduate schools.

Repayment of the loan by the student will be over a 10-year period with interest at 1 percent per year.

Let me review briefly the reasons such a program is needed. As you know, I have supported such a program for years and first introduced this legislation in 1955. Recent events have dramatized the urgency for such a program, which is long overdue. The reasons we must now enact a Federal-education program fall into four categories, viz: security and defense, rising costs of a college education, the requirements of a free democratic society and the moral obligation of the Government to the youth of the country. I shall discuss each of these briefly.

1. Security and defense needs: There is no reason for one to discuss this in detail. In recent months the facts and arguments have been well publicized. We are not developing to their fullest (neither quantitatively nor qualitatively) our most valuable natural resources—human talent, ingenuity, and skill. And this is true in all fields, not just physics and mathematics. The Commission on Human Resources and Advanced Training concluded in 1954 that the Nation is producing enough persons competent for higher education to meet the demands for specialization in all fields. In other words, we need not emphasize 1 or 2 fields of study if we do something about the fact that fewer than half of the upper 25 percent, and only 6 out of 10 of the top 5 percent of high-school graduates are obtaining the higher education which would enable them to develop their full potential. Other studies indicate that with aid available for study in any field, more than half of the students would pursue careers in teaching, engineering, and scientific research.

Congressmen should be well aware, as are most scientists and educators, that successful solutions to our national problems are equally dependent upon the contribution of biologists, medical doctors, lawyers, economists, social scientists, and so forth. If we overemphasize a single branch of learning we will probably create as many problems as we solve.

2. The rising cost of higher education: If we review briefly the yearly income of the great majority of American families as compared to the present average costs of attending college, there can be no doubt that a financial barrier exists for many bright young students.

In its current population reports, the Bureau of the Census estimated that in 1956 there were 23 million families that received a yearly income of $5,000 and less, 7 million families had incomes of $2,000 and less. Now, a recent report of the United States Office of Education states that the cost of attending undergraduate college in 1956–57 averaged $1,500 a year at public institutions and $2,000 a year at private institutions. I will not belabor the point. The facts speak for themselves. Most of the children of these families cannot financially afford to attend college. The Congress of the United States cannot afford to allow America to draw her future brain power only from the economically favored few. As we all know there is no correlation between a family's income and the capabilities of its children. Tens of thousands of capable high-school students fail to enroll in colleges each year for financial reasons. We must rectify this situation.

3. The point clearly emerges from this, gentlemen, that our ideal of equality of opportunity conflicts with the situation which we are allowing to persist. Let us recall that education is essentially the communication of a society's culture or way of life. As our Western culture becomes more complex, higher education becomes more important. We have progressed from a system of education solely within the family to one where it requires 16 to 20 years of formal education to acquire specialized knowledge. Therefore, to deny financial assistance to capable, needy students is to deny them their equal opportunity to acquire knowledge of, and participate fully in the cultural heritage and way of life of the United States.

In addition we endanger our democratic institutions if we do not meet the increasing demand for broadly educated scientists, lawyers, educators, yes, even legislators, to deal with the increasingly complex problems of the social and physical world.

4. The moral responsibility of the Government grows out of all of the above. It is our duty to see to it that the country is now secure and remains so and it is our duty to see to it that all talent is given the opportunity to develop through its own efforts in order that the country remains morally and physically strong and that our ideals do not become empty words.

I will now deal with the special value of the loan program provided for in my bill. It alone will not do the job. However, not only will a greater number of students receive specialized training if this Federal Scholarship Fund is created, the better, more serious students will be attracted by such a program. If we provide this opportunity for loans, the industrious, serious, and highly motivated students will respond. Slackers and those not serious about the importance of an education will not undertake the obligations of repayment. In this way we are assured that those mentally gifted students who are willing to exercise initiative and to work hard will have the opportunity to develop themselves and thereby make a high level contribution to society. A loan program is therefore an important complement to any scholarship grant program which you gentlemen may consider.

Let me now briefly deal with arguments which have been advanced in opposition to such a program. First of all there are those who contend that the loans will not be repaid. This cynical argument displaying an amazingly profound lack of faith in the youth of our country is not borne out by the facts. The record is as follows:

During World War II we had a temporary measure, the student war loan program, which lent three and one-third million dollars in its 2 years of existence. As of December 31, 1957, approximately 80 percent of this sum has been repaid in addition to $375,695 in interest. Only 1.4 percent or $46,403.81 has been charged off and referred to the General Accounting Office. An undetermined amount of this has even been collected. The Department of Health, Education, and Welfare anticipates that the major portion of the small outstanding balance will be collected.

The experience of private institutions is likewise very successful. The following is from an article which appeared in the New York World Telegram and Sun, May 5, 1956. "According to the director of admissions at Rensselaer Polytechnic Institute, 'The experience of almost every college is that there is virtually no loss by default.'" Thus, the record supports those who have faith in the integrity of the Nation's students.

The most foolish argument is that no one would take advantage of a loan program. I suppose I find this point peculiar because I just don't know anyone who withholds help from those who need it for fear it will not be accepted. This is too easy an escape from fulfilling an important responsibility. In addition, I am convinced from my mail and the facts that a publicized Federal loan program would not go begging because it would be meeting a real need and one that will increase in the future.

Let me point out in conclusion that this bill will not place a burden on the Federal Treasury since it provides for a revolving loan fund. Furthermore, the issue of Federal control is not involved as the aid is to students with the administration of the program placed in the hands of State agencies.

Please understand that I do not say this bill is the panacea for education. It will not cure all problems. It will not give us all the specialists we need—not even those in any single field. But it is one instrumentality that will help the overall program.

Gentlemen, we can and must at this juncture in our Nation's history provide for the future, demonstrate an abiding faith in our youth and discharge our moral and legislative responsibilities. I submit that the one thing we cannot afford at the present time is further postponement of enactment of this program.

Mr. Chairman, I appreciate this opportunity of appearing before your committee to present my views. Thank you.

Mr. ELLIOTT. Thank you, Mr. MULTER. I have one comment with respect to your statement, and that is in the nature of a question. Do you think that the $5 million which you propose for the first year, and $10 million for the second year, and such sums as may be necessary for the years thereafter, are sufficient to get the program under way?

I am thinking of this against the backlog of something over 200,000 of the brightest students who do not go on to college each year.

Mr. MULTER. I am sure it will not solve the full problem, nor will it do as much as it should. Let us start it gradually. Let us see if it does have the popular acceptance that I think it will have.

Secondly, we can start off the first year with 5,000 students. If we double that the second year we can take care of 10,000. Let us see how many will avail themselves of the privilege. If the demand is far in excess of the amounts provided for, we can then in 1960 or even in 1959 as we see what the demand is for the program and how many students are availing themselves, then reassess the program. We may in 1960 say there is not enough demand for it. Let us abandon it. I doubt it. I think the demand is going to increase for the program.

This is not an expenditure. It is not going to cost us any money. From the experience we have had, every dollar of this money will come back. With the 1 percent interest it will pay all the administration costs and return the money and cover any possible losses.

Let us try it as a test program. We tested it, as I indicated, during World War II on a temporary basis. Let us try it again. After we have had a year or two of experience let us reassess the program.

Mr. ELLIOTT. The gentleman from New York.

Mr. WAINWRIGHT. I would like to congratulate my friend, Mr. MULTER, on the program, and point out several things in his statement. First of all, he was a presputnik on education, which I think is quite relevant these days because so many of us, to a certain extent, myself, have only been fairly recently enlightened. I think that your program, which as you point out, you put in in 1955, was a proper start.

I am inclined to agree with you in your monetary value. On the other hand, there is another school of thought which must be given careful consideration.

The chairman has a comprehensive bill in. Title III of the chairman's bill provides a $40 million amount generally along these same lines as your bill. However, I am not clear on this. Does your bill specifically tie

it into a scholastic qualification? In other words, is there eligibility, as there is in the chairman's bill, only to those who fit into certain requirements?

Mr. MULTER. Oh, yes. I leave it to the States to pick the students, but the States will have to set standards. It will not be merely applying for a loan because the boy or girl wants a loan to pay tuition. The boy or girl will have to show aptitude.

Mr. WAINWRIGHT. How about economic requirements? Will the applicant have to show that he is a needy case?

Mr. MULTER. Yes; the applicant should show that he is a needy case. He should not be required to show financial responsibility.

Mr. WAINWRIGHT. He would show that he did not have sufficient funds?

Mr. MULTER. Yes; he should show that if he did not get the loan, he could not carry on.

Mr. WAINWRIGHT. You were in Congress then. I did not know about this program that you referred to. Was it called the student war-loan program?

Mr. MULTER. That was the title of it, yes, sir.

Mr. WAINWRIGHT. As of December 31, of this past year, there were 80 percent paid up?

Mr. MULTER. Yes.

Mr. WAINWRIGHT. Was this a 10-year program, do you know?

Mr. MULTER. Yes; I believe the program permitted a student to repay his loans over a period of 10 years. It did call for a higher interest. I think it calls for 4 percent interest.

If you noticed the figures, I pointed out with a $46,000 chargeoff of loans as against $375,000 of interest, if we would divide that by 4 so as to reduce the interest rate, instead of 4 percent to 1 percent, you would still have $90,000 of interest collected in this period, and you have only had $46,000 in losses. It did cost more than $46,000 to administer the program.

Mr. WAINWRIGHT. Many of the proposals that have been presented to us tie in a loan program to the qualification of the student. That will mean that it will be necessary for this committee and for Congress to have some kind of legislation similar to that recommended by the administration where we can find out who are the bright ones and who are the dumb ones and separate the wheat from the chaff. Would you be inclined to support such a program?

Mr. MULTER. I would support the all-inclusive bill that the chairman has introduced. I have no pride of authorship. I am not asking this committee to report my bill. I am asking the committee to report a bill which will include this program. The grant program is important. All the items in the chairman's bill are important. All, together, will go a long way toward solving the whole problem. The loan program is only going to solve one part of it, a small part of it.

Mr. WAINWRIGHT. I have no further questions.

Mr. ELLIOTT. The gentleman from Minnesota.

Mr. WIER. I only have one curiosity to throw out. If this program was in effect during World War II, and I have no knowledge of it, as a matter of fact, of course, I was not here during those days, who sponsored this legislation, why was it sponsored, and why was it discontinued?

Mr. MULTER. I was not here in Congress when the bill was originally enacted. I came down in 1947 in a special election. This was already on the statute books at that time.

I believe the reason for initiating the program was because there was a tremendous need to channel more students into the colleges.

Mr. WIER. Was it initiated by the Department or by the committee or how did it come into being?

Mr. MULTER. I know that it had the administration's support, but whether the original idea came from the administration or from some Member of Congress or from outside educational forces, I do not remember. I know it did have the administration's support.

The surprising thing is that after it proved so successful on a temporary basis, we let it die.

It just so happened that nobody showed enough interest to revive the program or extend it.

Mr. WIER. I assumed from the résumé that you made that you had made a pretty close check on the legislation and that you had gotten in touch with the HEW for a history of the bill.

Mr. MULTER. I did not check on who sponsored it.

Mr. WIER. I mean the history of it.

Mr. MULTER. I did check and study the operation of the program to determine whether or not it was a successful program. It was successful. Students did apply for and get the aid and then kept their obligation and repaid.

I think you will find that most of the debts that were written off were because the student died rather than because he wanted to default.

Mr. WIER. Where did you get the information you have today?

Mr. MULTER. From the Department of Health, Education, and Welfare.

Mr. WIER. You did not ask them anything about the history of the bill?

Mr. MULTER. Nothing about the original sponsorship; no, sir.

Mr. WIER. Let me ask the Chairman a question. You have had the department here?

Mr. ELLIOTT. Yes, sir.

Mr. WIER. Has there been anything approached on a question of a trial run on this type of legislation by the administration, or do they not know anything about it?

Mr. ELLIOTT. They have referred to it, I will say to the gentleman, just in passing, to the effect that this program was in existence during World War II. I believe, to be specific, that the witness Doctor Flint referred to it. I think in the testimony that he gave originally here last August or thereabout, that you will find something about it in the printed volume of hearings.

Mr. WIER. I know where to look now.

Mr. ELLIOTT. The gentleman from New York, Mr. Gwinn.

Mr. GWINN. Mr. Multer, I was reading last night a little Greek history and you reminded me of the statement of Socrates which was to the effect that statesmen or politicians who concerned themselves only with the immediate demands of organized groups, used the power of government for temporary purposes, were only contributing to the destruction of the nation, whereas those who took a long look into the future and thought in terms of the future welfare were indeed great statesmen.

So you qualify as a great statesman if you had lived in Socrates' time.

Mr. MULTER. Thank you, sir.

Mr. GWINN. I wonder if you have got enough evidence to support the idea that the student today needs loan funds. I had a letter from the University of Virginia last week saying that they have in that single university $300,000 unused for lending to students.

Mr. MULTER. I am surprised to hear that, Mr. Gwinn. I think there has been a poll made of educators on the subject. I think they divide about equally between those who would favor grants and those who would favor loans.

I will say that if you take the total number that would favor both grants and loans, you find that a very large percentage of them favor the principle.

I assume that that takes in men who have had experience in colleges that is quite different from the one you referred to.

Mr. GWINN. There is another feature. I think we lack specific information about what the need is. The fact that only $3¾ million was applied for in World War II would indicate that the demand was not very great at any time, and the fact that it was discontinued after two years was further evidence that the demand for loans was not very great.

Mr. MULTER. Except, Mr. GWINN, we must have in mind the war years and the temperament of the boys during the war years. There was much uncertainty of what their future was. Their desire was to get into the service and get the job done. I had that with my own boys. The older boy was then in an engineering school at Cornell, and his desire was to get in and get his service behind him and get the war behind him. Parents who had boys in colleges those days did not know whether those boys would go back or not when the war was over. Most of them when they returned went right on and did finish.

The temperament of the boys was very much different.

I think the encouraging thing is that they did use as much as they did during the war years for a loan program.

Having in mind that this is really going to cost us nothing except possibly the cost of administration of the program, and that will be very small, let us try it and see what happens.

Mr. GWINN. It gets the Federal Government into the business again that belongs to the individuals and to the local community. It seems to me you get to the point where it will raise the constitutional question once more. Is this a proper function of the Federal Government? It cannot be really called a defense measure or a military measure.

Mr. MULTER. It is a welfare measure. I think I know your philosophy on the matter. Let me put it this way, sir: Why should we not take this position? As long as we are going to continue to make loans, Federal loans to business, why should we not also make it to the youth of our Nation?

Mr. GWINN. Why you can justify most anything on the loans that we are making which is about one-fifth of all the lending that is done in the Nation today. That is the trouble. Most of those loans are partially bad. Many of them are wholly bad. We have the Government in business on a big scale. Of course that to me is the reason why we should not certainly expand further this incredible Government that we have, and I am speaking of it under Republican auspices, because I think we are making respectable everything that Roosevelt and Truman did, eminently respectable.

Why should we not, while we are trying to revamp our notions about what the functions of government are, try to stop this sort of business? Why do we not take a look at what it is that we have already bought with Federal dollars?

Mr. MULTER. I am the wrong one to ask that, Mr. GWINN, because as you probably know I thought those were good programs under Roosevelt and Truman and espoused them. I think they are good programs under Eisenhower. I think they are good programs no matter what party is in control. That is why I think we ought to expand them.

If you disband our Small Business Administration, where are these small-business men going to get the loans? If you take away the Federal Reserve Board and its Federal

Reserve banks where will the big banks get their money? I say that is good business. It is not only good business, it is good for our country, it is good for our economy, and we could not get along without it.

If we agree with the material viewpoint, that it is proper for government to help business then it is proper for government to help these youngsters get an education. Maybe some of them will later come to this body as Congressmen and espouse your viewpoint rather than mine, but I am willing to run that risk.

Mr. GWINN. If they are beholden of the Government they will begin to worship the Government like they did in olden times.

Mr. MULTER. There also I do not agree. When you get to worshipping a government in a democracy, in a republican form of government like ours, it is self-worship, and we are not going to get to the point of worshipping ourselves. We are too individualistic for that.

Mr. GWINN. I wish I were as hopeful as you.

Mr. ELLIOTT. Thank you, very much, Mr. MULTER. Your statement has been most helpful, and we appreciate your time and consideration.

Mr. MULTER. Thank you, Mr. Chairman.

SENATE

WEDNESDAY, FEBRUARY 19, 1958

Rev. Earl Reid Hoggard, LL. D., minister, Floral Heights Methodist Church, Wichita Falls, Tex., offered the following prayer:

O Thou Eternal God, Thou who art the Lord of the nations and the sustainer of individual souls, may Thy blessings be on us as we face our responsibilities today.

Amid pressure and confusion, help us to seek out and to use time for withdrawal and meditation, that we may see in their proper perspective the issues that face us.

May noble ideals never be lost in the struggle with the hard realities that are ever with us.

Deliver us from foolish acts of desperation and from the defeat that comes from complacency.

Grant unto us each day a fuller understanding of issues and of the needs of all Thy people.

May we never forget that human personality is of greater worth than all the commodities with which we deal.

Grant unto each of us, always, the depth of integrity that belongs in the lives of all Thy people, without which we cannot be worthy of any of the blessings we enjoy.

Seeking the spirit of Jesus, the Christ, do we pray. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Monday, February 17, 1958, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on February 15, 1958, the President had approved and signed the act (S. 1908) to amend the District of Columbia Hospital Center Act in order to extend the time and increase the authorization for appropriations for the purposes of such act, and to provide that grants under such act may be made to certain organizations organized to construct and operate hospital facilities in the District of Columbia.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the Committee on the Judiciary.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 652) for the relief of the Thomas Cruse Mining & Developing Co.

The message also announced that the House had passed the following bills of the Senate, each with an amendment, in which it requested the concurrence of the Senate:

S. 1714. An act for the relief of Roma H. Sellers; and

S. 1805. An act for the relief of persons and firms for the direct expenses incurred by them for fumigation of premises in the control and eradication of the khapra beetle.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5538) to provide that withdrawals, reservations, or restrictions of more than 5,000 acres of public lands of the United States for certain purposes shall not become effective until approved by act of Congress, and for other purposes.

The message also announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 982. An act to amend section 77 (c) (6) of the Bankruptcy Act;

H. R. 3261. An act for the relief of the Oceanside-Libby Union School District, San Diego County, Calif.;

H. R. 5497. An act to amend the Watershed Protection and Flood Prevention Act;

H. R. 5624. An act to clear the title to certain Indian land;

H. R. 6995. An act to amend Public Law 883, 84th Congress, to provide for the conveyance of certain additional property of the United States to the city of Roseburg, Oreg., and for other purposes;

H. R. 8134. An act for the relief of certain employees of the Department of the Air Force, Mobile Air Materiel Area;

H. R. 8439. An act to cancel certain bonds posted pursuant to the Immigration Act of 1924, as amended, or the Immigration and Nationality Act;

H. R. 9371. An act to provide for the relief of certain members and former members of the Army and the Air Force, and for other purposes;

H. R. 9396. An act for the relief of C. J. Pobojeski;

H. R. 9700. An act to consolidate into one act all of the laws administered by the Veterans' Administration, and for other purposes;

H. R. 9878. An act for the relief of Dora Thelma Andree;

H. R. 10746. An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1959, and for other purposes;

H. J. Res. 347. Joint resolution authorizing and requesting the President to invite the several States and foreign countries to take part in the Fourth International Automation Congress and Exposition to be held in the New York Coliseum at New York, N. Y., from June 9 to June 13, 1958; and

H. J. Res. 509. Joint resolution authorizing the President to invite the States of the Union and foreign countries to participate in the second annual United States World Trade Fair to be held in New York City, N. Y., from May 7 to May 17, 1958.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

H. R. 5538. An act to provide that withdrawals, reservations, or restrictions of more than 5,000 acres of public lands of the United States for certain purposes shall not become effective until approved by act of Congress, and for other purposes; and

H. R. 8038. An act for the relief of Margie C. Stewart.

HOUSE BILLS AND JOINT RESOLUTIONS REFERRED

The following bills and joint resolutions were severally read twice by their titles and referred as indicated:

H. R. 982. An act to amend section 77 (c) (6) of the Bankruptcy Act;

H. R. 3261. An act for the relief of the Oceanside-Libby Union School District, San Diego County, Calif.;

H. R. 8134. An act for the relief of certain employees of the Department of the Air Force, Mobile air materiel area;

H. R. 8439. An act to cancel certain bonds posted pursuant to the Immigration Act of 1924, as amended, or the Immigration and Nationality Act;

H. R. 9371. An act to provide for the relief of certain members and former members of the Army and the Air Force, and for other purposes;

H. R. 9396. An act for the relief of C. J. Pobojeski;

H. R. 9878. An act for the relief of Dora Thelma Andree; to the Committee on the Judiciary;

H. R. 5497. An act to amend the Watershed Protection and Flood Prevention Act; to the Committee on Agriculture and Forestry;

H. R. 5624. An act to clear the title to certain Indian land; to the Committee on Interior and Insular Affairs;

H. R. 6995. An act to amend Public Law 883, 84th Congress, to provide for the conveyance of certain additional property of the United States to the city of Roseburg, Oreg., and for other purposes; to the Committee on Government Operations;

H. R. 9700. An act to consolidate into one act all of the laws administered by the Veterans' Administration, and for other purposes; to the Committee on Finance;

H. R. 10746. An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1959, and for other purposes; to the Committee on Appropriations;

H. J. Res. 347. Joint resolution authorizing and requesting the President to invite the several States and foreign countries to take part in the Fourth International Automation Congress and Exposition to be held in the New York Coliseum at New York, N. Y., from June 9 to June 13, 1958; and

H. J. Res. 509. Joint resolution authorizing the President to invite the States of the Union and foreign countries to participate in the Second Annual United States World Trade Fair to be held in New York City, N. Y., from May 7 to May 17, 1958; to the Committee on Foreign Relations.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Antitrust and Antimonopoly Subcommittee of the Committee on the Judiciary, and the Foreign Relations Committee, were authorized to meet today during the session of the Senate.

TRIBUTES TO SENATOR CARL HAYDEN, OF ARIZONA

Mr. JOHNSON of Texas. Mr. President, we are meeting today on one of the most important anniversaries the Senate has observed in many years. It is the 46th anniversary of the day when CARL HAYDEN, the dean of the Senate, the President pro tempore of the Senate, and the Presiding Officer at this moment, began his service in the Congress.

CARL HAYDEN is a man of many remarkable attributes.

He is the only Member now serving who entered Congress with his State.

He is living proof that effectiveness and statesmanship are not necessarily coupled with talkativeness.

He ranks high in efficiency as a committee chairman in a Senate which I believe has some of the most efficient committee chairmen in history.

But his most remarkable attribute is the very high degree of affection in which he is held by his colleagues on both sides of the aisle. I do not believe he has an enemy.

CARL HAYDEN has dedicated his life to the proposition that hard work and a willingness to try to understand the other fellow are among the noblest of human qualities.

He cares nothing about the headlines. Applause leaves him cold. The spotlight is something he wishes to avoid at all costs.

It can be said with a high degree of accuracy that his only weakness is an irresistible temptation to accomplish with thoroughness and ability every task that is before him.

CARL HAYDEN is a living and vital link with the American frontier. And he has never forgotten his native State of Arizona—any more than it could ever forget him.

He has a deep understanding of the problems of the great Southwest. Those of us who must cope with similar problems regard him as the greatest teacher of what should be done and how to do it.

Reclamation and irrigation, highways, transportation—all of the steps that are needed to develop the West—bear his stamp. Without him, we would not have advanced nearly so far as we have.

Just last Friday, CARL HAYDEN celebrated another anniversary—his golden wedding. Our heartfelt congratulations are extended to the Haydens.

But the real congratulations should be sent to the people of Arizona. They have had the good judgment to follow CARL HAYDEN for 46 years; and, in doing so, they have rendered a service to the United States which is beyond repayment.

Mr. President, I ask unanimous consent that there be inserted in the RECORD, as a part of my remarks, an article by Thomas O'Neill, which was published in this morning's Baltimore Sun.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

POLITICS AND PEOPLE

(By Thomas O'Neill)

SILENT SENATOR

WASHINGTON.—On February 19, 1912, a brand new Congressman from a brand new State settled into his seat for the first time and began compiling a legislative performance unmatched in the Nation's history. The newcomer in the administration of President Taft is still on the job and, as Senator CARL T. HAYDEN, of Arizona, is one of the most potent men in the Government and third in succession to the Presidency. Upon completion of his 46th year he surpasses all the legislative giants of the past in length of Congressional service, moving ahead of a mark that was created when he was still a very junior lawmaker. His remarkable career is a jolt to the hypothesis that talk is the indispensable of political successes. The uncommunicative Senator HAYDEN, known to observers as the silent Senator, is reputed to have once let 20 years pass without taking the floor of the Senate.

Arizona had been admitted to statehood only 5 days earlier when Mr. HAYDEN became its first (and, at the time, only) Member of the House of Representatives. Arizona is still the youngest State and is still true to its first love. After 11 years it moved him to the Senate and has reelected him regularly and with a minimum of hesitation (his majority upon his last election in 1956 was greater than that given by Arizona to President Eisenhower in his second landslide). Such constancy has produced a steady progression of records. He established last October a new mark for uninterrupted Congressional service, overtaking the previous continuous tenure of 45 years and 8 months set by the late Representative Adolph Sabath, of Illinois. His new distinction, for overall length of services, replaces that established by a fabulous and dictatorial Speaker of the House of the early part of the century, Joseph G. (Uncle Joe) Cannon.

Seniority is the key to advancement in the Senate, and Senator HAYDEN has all there is. He has been in the Senate nearly 6 years longer than the closest challenger, Georgia's RICHARD RUSSELL.

As a consequence, Senator HAYDEN occupies a number of positions of prestige and power. He is the Senate's president pro tempore and by statute next in succession to the presidency behind the Vice President and the Speaker of the House. He is chairman of the Senate Appropriations Committee, a strategic berth which does no harm to public works appropriations for Arizona. As a member of the Democratic Policy and Steering Committee he has a voice in deciding which bills are to be called up for action as well as in deciding upon committee assignments for other Senators. Since 1933 he has been chairman of the Democratic patronage committee, handing out jobs for clerks, elevator operators, and the Capitol Police.

All of these opportunities can be put to use by a skilled cloakroom operator, which Senator HAYDEN is. The sum of them have made him one of the most influential men in Congress, without need for recourse to oratory. On the infrequent occasions when the close-mouthed Senator can be cajoled into talking about himself, he remarks that when you have the votes there is no necessity for speechmaking and recalls that an old hand told him early in his Congressional career that "I could play for the headlines and be a show horse, or I could buckle down and be a workhorse." His colleagues from Arizona have included a number of show horses, and he has outlasted them all.

National prominence has never interested him, and outside Arizona his name is therefore as unfamiliar as, for instance, that of a Senator from Maryland. Instead, he has devoted himself to the interests of arid, expansive Arizona—water and other reclamation projects, Federal aid for highways across its broad reaches, favorable treatment for its mining industry. Letters from constitutents are always answered promptly, and more often than otherwise with a request fulfilled. His highly successful political career (never defeated) is even longer than his Congressional service. It began with his election in 1902 to the town council of Tempe, his birthplace, where his father operated a ferry across the Salt River. In 1904, before statehood, he was a territorial delegate to the Democratic National Convention which nominated Judge Alton B. Parker for President against Theodore Roosevelt. His progress included 5 years as sheriff in the frontier county.

Senator HAYDEN is tall, bald, and slightly stooped. He is identifiable by black-rimmed spectacles, an enormous cigar and a deep taciturnity. Last Friday he had another kind of celebration, his golden wedding. Mrs. Hayden was Nan Dowling, of Los Angeles. They met when both were students at Stanford University and now live in an apartment on Capitol Hill, close to Senator HAYDEN's permanent job.

Mr. KNOWLAND. Mr. President, not only do I fully endorse the statement the majority leader has made, but I wish to add a word on behalf of those who sit on this side of the aisle, who share most fully the sentiments of our colleagues on the other side of the aisle, as today we pay tribute to the dean of the Senate, our beloved colleague, CARL HAYDEN, of Arizona. I take particular pleasure in paying tribute to him because CARL HAYDEN, the President pro tempore of the Senate, who today is presiding over the Senate, is 1 of 2 persons now in the Congress of the United States who served as a colleague of my father in the House of Representatives.

During the 13 years that I have been privileged to represent my State in the Senate, I have always found CARL HAYDEN not only to be everything the majority leader has stated, but also to be a very genial and a very friendly man. He was particularly helpful to me when, some 13 years ago, I became a Member of the Senate. He has been of great assistance to me, in helping me learn some of the problems and practices of the Senate.

Mr. President, Senator HAYDEN has never had a provincial outlook, insofar as the problems of the Nation are concerned. Although he has, of course, outstandingly and ably represented his own beloved State of Arizona, his interests have been far broader than that. He has been vitally interested in the development of the entire Nation, because he has understood, I believe, as well as any other person in this Chamber, or perhaps better, that what develops one great area of our country in effect develops the entire Nation, and helps it move ahead.

Those of us who serve with Senator HAYDEN on the Appropriations Committee, regardless of whether we sit on the Democratic side of the table or on the Republican side, have very deep admiration for him. He is outstanding for the devotion and the time he gives to the performance of his duties. So far as I recall, Senator HAYDEN has never failed to be present at a meeting of the full Appropriations Committee, over which he now presides, or at the meetings of its subcommittees on which he serves.

Those who work with CARL HAYDEN consider it a great opportunity, and I believe that all of us are better Senators and better men for having had the privilege of being associated with the distinguished senior Senator from Arizona.

Mr. MANSFIELD. Mr. President, I desire to join the distinguished majority leader and the distinguished minority leader in paying tribute to our beloved colleague, CARL HAYDEN, of Arizona, the President pro tempore of the Senate, who at this time is presiding over this body.

It gives me great pleasure to take this opportunity to express my sincere appreciation of him.

Mr. President, it is good to have a chance to say today the things which CARL HAYDEN himself never would say. Although Senator HAYDEN is from Arizona, we of the State of Montana and all those from the entire Rocky Mountain West are extremely proud of him, because he has been our leader, and he has helped us time and time again.

Senator HAYDEN is referred to as the least known Member of the United States Senate; but I would say that when he is characterized in that manner, it is a compliment. As a matter of fact, in my opinion, Senator HAYDEN is the best known Member of the United States Senate, not because of his 46 years of service, not because of the fact that he is the only Member of the Congress now serving who has represented his State in the Congress ever since it became a State, but because of his understanding, his sense of tolerance, and his desire to be a friend of everyone.

In my opinion not only Arizona and the Rocky Mountain West, but the United States and the whole free world, are better off because we have among us such a man as the senior Senator from Arizona.

On his 46th anniversary of service in the Congress, I extend congratulations, and express the hope that he will be with us for 46 years more.

To both the Senator and his wife, who met at Stanford University, I also want to extend congratulations on their golden wedding anniversary, which occurred last Friday.

Mr. SALTONSTALL. Mr. President, I wish to join very briefly in what has been said about the distinguished senior Senator from Arizona. As a schoolboy, I knew him as an efficient sheriff of his county. As a colleague in the United States Senate and as a fellow member of the appropriations committee, I have known him as a chairman and as a Senator who gets things done, with very little talk, but with much cooperation from his fellow Senators, because of his persuasive attitude, his friendly nature, and his practice of doing what is best for the country. So I wish to add my brief word on this the 46th anniversary of his entry upon Congressional service.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. KNOWLAND. I hope that the distinguished Senator from Massachusetts, as a schoolboy, did not know our Presiding Officer as a sheriff officially.

Mr. SALTONSTALL. I will say to my friend from California I used my words advisedly when I said, "an efficient sheriff." I did not say I knew him in an official capacity at all.

Mr. SMITH of New Jersey. Mr. President, I am very happy to join with the leadership on both sides of the aisle today in congratulating our distinguished Presiding Officer, the dear friend of all of us, the senior Senator from Arizona, on this the 46th anniversary of the beginning of his service in the Congress; and also, since I have experienced the same joy, in congratulating him on what I just heard the Senator from Montana mention—his golden wedding anniversary, which he observed recently.

I need add no more to what has already been said except that as one of the Senators who has enjoyed the companionship, the leadership, and the instruction of the senior Senator from Arizona since I have been in the Senate, I desire to add my words of deep affection on this occasion.

Mr. KENNEDY. Mr. President, while I did not have the oportunity as a young man of knowing the senior Senator from Arizona, the President pro tempore of the Senate, when he was a sheriff—in fact, when I first went to school he had already been in Congress 13 years—I do take this opportunity to congratulate him as he begins his 47th year of service, and to state to him what a pleasure and an honor it is to serve with him.

Mr. FULBRIGHT. Mr. President, I wish to join with my colleagues who have just expressed their congratulations to the senior Senator from Arizona.

When I came to the Senate the Senator from Arizona was extremely kind to me, as he is to most new Members as he leads them along the paths of virtue, legislatively speaking, teaching them how to perform the duties which are so important in this body. I do not know of anyone whom I have known since I began my service in the Senate who has contributed so much to the work of the Senate, or who has made such an unselfish effort toward teaching new Senators who come to serve in this Chamber their responsibilities.

The senior Senator from Arizona has given continuity to this body—a knowledge of what has gone on in the past, a knowledge and understanding of our traditions—which I think is indispensable to the efficient functioning of a body of this kind.

I also congratulate the Senator on his 50th wedding anniversary and, of course, I wish to take due credit for the influence Arkansas has had upon the Senator's success as a great public servant.

I know every Member of this body rejoices in having among us someone who has been such a great adornment to the legislative life of this country.

Mr. CARLSON. Mr. President, I do not wish to let this opportunity pass without extending congratulations and best wishes to the distinguished senior Senator from Arizona. We in the Southwest regard him as our Senator. He not only has a great interest in the Southwest, but he has a very personal knowledge of the problems of that section.

I am personally deeply indebted to the senior Senator from Arizona for the many favors I have received from him from time to time, for the way in which he has given me advice and counsel. I admire his leadership. I admire his modesty. I can state as my opinion that he is the most influential man in the United States Senate, and yet has more modesty, probably, than any other Member of this body.

It has been a privilege for me to associate with the senior Senator from Arizona, and I, too, hope he may continue to serve this body for many years to come.

Mr. CURTIS. Mr. President, I wish to very briefly add my comments to those of others who have spoken concerning the present occupant of the chair, the most distinguished senior Senator from the State of Arizona, the President pro tempore of the Senate. The youth of our land can well look to the senior Senator from Arizona as the top example in fine public service.

Mr. DOUGLAS. Mr. President, I wish to join my colleagues in paying tribute to the senior Senator from Arizona, the present presiding officer. No one who has served in this body could fail to be impressed by his devotion to duty, his hard work, his courtesy, and his modesty.

Paraphrasing the line from Shakespeare, I may say of the senior Senator from Arizona, age cannot wither him, nor custom stale his infinite variety.

Mr. ROBERTSON. Mr. President, my colleagues will no doubt recall that in

the fall of 1946 I succeeded Carter Glass as a Senator from Virginia.

At the time of his death Senator Glass was the senior Democratic Member of this body. He had served in the Senate for 27 years. He was President pro tempore, and chairman of the Committee on Appropriations. During more than 20 years of his service in the Senate he had served on the Appropriations Committee with the present chairman of that committee, the distinguished senior Senator from Arizona [Mr. HAYDEN].

Based upon that intimate knowledge of the value, the character, the ability, and the unwavering zeal of the then junior Senator from Arizona, Carter Glass once said that if the Constitution were ever changed so as to authorize Virginia to have three Senators, he would make every effort to have CARL HAYDEN as the third Senator.

We are proud to be in the Senate with a Senator who has served here for more than one-fourth of the entire life of our Republic. He has served in Congress for 46 consecutive years, a record which no other Member in the history of the United States Congress has ever equaled.

So we feel, as my distinguished predecessor, Carter Glass, felt, that if we cannot have CARL HAYDEN as our own Senator, the next best thing is to be able to call him our friend.

Mr. MARTIN of Iowa. Mr. President, some 40 years ago I served in the Army in Arizona. I knew of the great record then being made by the present distinguished senior Senator from Arizona. I knew of his great service to the State of Arizona as a Member of the House of Representatives. During the past 19 years in Congress, I have had the privilege of closer observation of the work of the distinguished Senator from Arizona.

I join my colleagues in expressing great pleasure and pride in having had an opportunity to be asscciated with the senior Senator from Arizona. I congratulate him most heartily on his grand record of service to the State and Nation.

Mr. HILL. Mr. President, our very scholarly and erudite colleague, the Senator from Illinois, in paying tribute to the distinguished Senator from Arizona, paraphrased the words of Shakespeare paying tribute to Cleopatra, having in mind, no doubt, Cleopatra's great beauty.

I shall not pay tribute to the beauty of the distinguished Senator from Arizona. However, from the depths of my heart I do want to pay tribute to him. I particularly wish to congratulate the people of Arizona on their great good fortune and their great privilege in having him as their representative in Congress for so many years.

When I first entered the House of Representatives, the distinguished Senator from Arizona was the wise man of the House, just as today he is the wise man of the Senate.

From the day of my admission to the House until this good hour, the Senator from Arizona has been my friend, my counselor, and my helpmate. It has been to him that I have turned time and again when I was sorely troubled, to have him tell me the right course to pursue. He has always been so fine and so helpful. I bear for him a deep sense of gratitude. I now have the great privilege of serving under him on the Committee on Appropriations.

Always so modest, so sincere, so able, so devoted, so indefatigable in his work for his State and for the Nation, he is indeed one of the great Americans in our history.

Mr. WILEY. Mr. President, I wish to join in all the nice things that have been said about my good friend CARL. I also wish to relate a little history. When I came to the Senate I was introduced to the distinguished Senator from Arizona with this statement: "I want you to meet CARL HAYDEN. Always call him CARL. He is one fellow who says the least on the floor of the Senate and gets the most done. So you had better get acquainted with him."

Through the years—and there have been 19 now—he has been a most friendly Senator and, I would say, one who has always been very helpful.

When I came to the Senate I heard friends say, "Call CARL. Call CARL." When I asked what that meant, they said, "Well, in the Senate of the United States that means CARL HAYDEN; it does not mean a repairman, except legislatively."

Therefore, with all your other friends, CARL, I join in wishing you many more years in the great adventure one experiences as a Member of the Senate of the United States, which is often referred to as the most distinguished body in the world, and I wish you many more years of happiness and continued activity here.

Mr. MORSE. Mr. President, Mrs. Morse joins me in extending to the present occupant of the Chair, the Senator from Arizona [Mr. HAYDEN], and his lovely wife our sincere congratulations on their golden wedding anniversary, which fell on last Friday.

The public-service career of the present Presiding Officer of the Senate has been much more valuable to the American people than gold, and much more precious than any jewel. In my opinion the Senator from Arizona personifies the primary function of a United States Senator.

Mr. President, you sit in the Senate of the United States not from your State and for your State, but you sit in the Senate from your State for your Nation.

Certainly the Senator from Arizona has been a national Senator in the true constitutional meaning of the office of United States Senator as envisioned by our constitutional fathers.

I wish to say a personal word to the Presiding Officer. All of us make mistakes in the Senate, but my mistakes would have been many more had it not been for the wise counseling on many occasions that I received from the senior Senator from Arizona, and I wish publicly to thank him today for that service to me.

I wish also to thank him in behalf of the people of my State for the impartiality with which he has faced the problems of our State, because time and time again he has demonstrated the principle I have already mentioned, namely, that he serves in the Senate for the Nation as well as for his State.

I wish to extend to him, as have my other colleagues from other States, my very best wishes for many more years of rich public service in the Senate.

Mr. PASTORE. Mr. President, February 19, 1958, will be welcomed and adopted as a day of celebration by every Member of this Senate. It is not so much that it means for our colleague, CARL HAYDEN, the occasion on which he achieves the record of longer continuous service in the Congress of the United States than has been privileged to any other mortal. It means that, of course. But to each of us it means a precious opportunity to speak of him in the terms of affection that CARL HAYDEN has earned, but in terms in which, because of his humility and because of our own modesty, we hesitate to use in the workday world of the Senate.

But today we can give fair play to our emotions as we gild our sentiments as on a Valentine Day. Indeed, we owe this opportunity to a Valentine Day—to February 14, 1912. Our valentine did not really arrive until 5 days later. But on February 14 of that year we admitted Arizona to the Union, and added the newest star to our flag, the 48th. And today we toast the oldest star in point of service—CARL HAYDEN—but still the youngest in humility, ability, and human kindness.

He was Arizona's first Congressman—he is the Senator senior in service to Arizona—he is the Senator senior in service to our United States.

We of New England have a proprietary interest in this gentleman of Arizona, I might say a paternal interest, for CARL's father, Charles Trumbull Hayden, was New England born and bred. I admit that Connecticut has first claim to him, for the Haydens came to America in 1630—6 years before Roger Williams had settled Providence. I readily admit the title of Connecticut, for it was discontent with that State and a desire for the wide open spaces that impelled Charles Trumbull Hayden to go to the wilds of Missouri, and then far beyond to the great Southwest.

The father of our distinguished Senator was born in Hartford County, Conn., on April 4, 1825. He was only a youth of 24 when he had established himself in the trading center at Santa Fe—in 1858 at Tucson—in 1872 at Tempe by the Salt River—and each only a traveling center for his trading adventures.

I trust that someday the life and times of Charles Trumbull Hayden will have full treatment. For the fragments of that great adventure and that great adventurer which I have found here and there have thrilled me beyond any fiction of the frontier and the great open spaces. The wagon trains, the overland trails, the goods brought even from New England almost a century and a quarter ago, the Santa Fe trail to be blazed—the trails reached beyond to the Pacific waters where a Los Angeles would one day thrive. But the heart of the traveler was fastened upon the land we know as Arizona—then under a strange flag—

its arid heart waiting for the generous waters of irrigation—and its humble waters needing fords and ferries. It was near such a river in what is now the Valley of the Sun that Charles Trumbull Hayden determined on his home; it was given the name "Hayden's Ferry." Today it is called Tempe. I do not know why it is so called, but perhaps it is from the Vale of Tempe, the beautiful valley of ancient and modern Greece. That became the home of Charles Trumbull Hayden, who, according to historians, pioneer, practical dreamer, builder, deserves more than any other man to be called the father of Arizona.

It was at this spot that CARL HAYDEN was born, the first white child of that area, on October 2, 1877.

If I have been captivated by the history of the father, it is because I see the empire builder projected in the career of the son—the power to think big and creatively—to attempt courageously and confidently—to achieve majestically but modestly.

With his school days ended at Stanford at the turn of the century—practically every moment of every year in this 20th century has been given to public service.

In town and county, in National Guard and in National Army's broad service of 10 years, and the narrower but most personal and responsible duties of the sheriff, CARL HAYDEN moved naturally to be the first Congressman of his newborn State. Most naturally since that February of 1912 this building has been his workshop; and his handiwork has enriched the entire world in the greatest half century that mankind has ever known.

His influence cannot be measured by the single individual—CARL HAYDEN. It has been magnified in the generations of Congressmen who have served apprenticeship to his teaching and his training—to his power of example, to the gentle, genial counselor whose very patience belies his practical persistence—his patriotic perseverance. They have written a record for which his country must love him—for which his colleagues do love him. To serve under his chairmanship is a lesson in Americanism for which so many, like myself, will be eternally grateful.

Surely this occasion must include our respects to Mrs. Hayden, for the golden anniversary of their marriage was marked on this Valentine Day, 1958. Thus Valentine Day has been a date of decision in the life of CARL HAYDEN. We can make this truly a Valentine Day as we borrow the motto of the State he serves so well. That motto is "God enriches." We shall say that of CARL HAYDEN, simply and sincerely, in his marriage, in the man, and in his dedication to mankind, truly God enriches.

Mr. ALLOTT. Mr. President, I join with my colleagues in congratulating the distinguished senior Senator from Arizona [Mr. HAYDEN] upon this occasion. So many golden words have been said, and uttered in so many ways, that I find myself hard pressed even to attempt to compete with the kind things which have been said. But on behalf of the people of Colorado and myself, personally, I extend congratulations and thanks for his understanding and generosity with respect to the needs and problems of our State and of the entire West.

I particularly and personally thank the Senator from Arizona for all the help, guidance, and advice with which he has been so generous since I entered the Senate.

Mr. PROXMIRE. Mr. President, I cannot let this occasion pass without paying tribute to the distinguished senior Senator from Arizona [CARL HAYDEN], the President pro tempore of the Senate, who at this time is presiding over the Senate.

As the newest elected Member and the newest Democratic Member of the Senate, I have found that the President pro tempore has been extremely helpful, courteous, and friendly; and on occasion he has given me his very wise counsel.

I desire to take advantage of this opportunity to express the gratitude of the people of Wisconsin. Although of course Senator HAYDEN represents very well his own State of Arizona, all the people of the West are extremely conscious of the very fine way in which he has represented all of the United States; and in that connection I refer particularly to the people of Wisconsin.

Mr. DIRKSEN. Mr. President, I should like to take just a moment to extend my congratulations to you, sir, for your long service in the House of Representatives and in the Senate of the United States. Having served under you, Mr. President, a very distinguished chairman of an important committee, I can only say your sunny disposition certainly exemplifies the clear skies and the sunshine of your great State.

The national viewpoint, Mr. President, you have expressed so often, and as I have seen it in action, is indeed a joy to behold. I regard you truly as one of the great patriots. It is a delight to be associated with you.

If I had one wish and one hope to utter, it would be that sometime you would find time to write a book at the pinnacle of nearly 50 years of service in the National Legislature. You can probably provide, for many generations, some of the most delightful footnotes that will illuminate American history. I think of some of your associations with greats and near greats in both Houses of Congress. If you will take time to resurrect, out of your capacious memory, those creative occasions, they will come to make splendid footnotes to the events that have made history in the Nation's Capital.

Mr. THYE. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. THYE. I should like to be associated with the remarks which have just been made by the Senator from Illinois, as they bespeak my inner feelings.

Mr. DIRKSEN. Mr. President, I simply conclude by saying, and I say this very advisedly, I have been in the House of Representatives and in the Senate for 25 years. I have known you a long time, Mr. President. I doubt whether I have ever encountered anybody who is more tolerant and more forebearing and more given to thinking of the interests of the country as against any other consideration.

So, as a modest Member of this body, Mr. President, I salute you, not only as the President pro tempore of this great body, but as the chairman of a great committee, on which I have the honor to serve with you.

Mr. CHAVEZ. Mr. President, I wish to join my colleagues who have spoken just words of praise about the senior Senator from Arizona. I believe that I know the Senator from Arizona about as well as does any Member of the Senate. I have been closely associated with him during my term in the Senate. I know what the people of Arizona think of Senator HAYDEN. I can say, with all due deference to other Senators in this body, that, in my opinion, the legislator of the Congress of the United States is CARL HAYDEN, of Arizona.

It was only a few days ago that I congratulated him on his golden wedding anniversary, but I take this occasion to felicitate him now on the long service he has rendered the United States of America and the State of Arizona.

Mr. PAYNE. Mr. President, I cannot let this occasion pass without joining in the well-deserved tributes that have been paid to the distinguished President pro tempore, the senior Senator from Arizona, on two very outstanding occasions.

It would be impossible for me to find descriptive language, in addition to that which has already been uttered on the floor of this Senate, with which to speak about the distinguished senior Senator from Arizona. I simply wish to join in every word that has been spoken, and say that the best of wishes go to him from the good people of Maine and from the junior Senator from Maine; and those good wishes extend also to Mrs. Hayden.

Mr. ANDERSON. Mr. President, my distinguished colleague, the senior Senator from New Mexico, referred a few moments ago to the Member of Congress from Virginia who had sponsored a bill admitting Arizona and New Mexico into the Union. On this day, when we are paying tribute to the able senior Senator from Arizona, I ought to say to him that he of course represents not only his State but all other areas allied to him, my State included. I know the people of New Mexico regard him as just as much their Senator as he would have been if that great area had not been divided into two States. He has been a constant friend and a steadfast adviser, and is probably one of the most able men ever to come from our part of the world to serve in the Senate or in the other body. We have all learned to admire, respect, and work with him.

On behalf of the people of New Mexico I join with all the other fine Senators on both sides of the aisle in paying tribute to a great friend and a fine statesman.

Mr. TALMADGE. Mr. President, I desire to join with my colleagues on both sides of the aisle in paying tribute to the remarkable record, career, and service of the distinguished senior Senator from

Arizona, the present Presiding Officer of the United States Senate.

I know of no Member of the Senate in the history of our country who has served in a more faithful, dedicated or patriotic way. I know of no Member of the Senate in the history of our country who has made a greater impact upon the public welfare of our country.

I have the honor and privilege of serving on the Senate Committee on Rules and Administration. I am the junior Democratic member of that committee, while the senior Senator from Arizona is the senior Democratic member of the committee. The Senator has been most generous, kind, and helpful to me, as he has been to all new Members of the Senate.

I desire to thank you, sir, and to wish for you many more years of outstanding service in the Senate.

Mr. STENNIS. Mr. President, I consider it a privilege to join with those who have paid tribute to the President pro tempore of the Senate, the senior Senator from Arizona. I congratulate him not only on the longevity of his service in the Senate, but on the very fine quality of it, and what I might call the depth of that service.

Perhaps more than anyone else the Senator from Arizona is the third Senator also for the other 47 States. I know that when I first came to the Senate someone pointed out to me the Senator from Arizona, who was then in the Senate Chamber, and said, "There is the most effective Senator in the Senate."

During my 10 years of service here I have certainly found that statement to be true, and I have also found the Senator from Arizona to be what I compliment him in saying is a working Senator. Despite his 46 years of service on Capitol Hill, the very happy circumstance is that he is still astute, he is alert, and he is as forward looking as he ever was, or as anybody in the Chamber is.

The services of the distinguished senior Senator from Arizona have left an imprint upon the Nation which will continue for a long time. He has had a long career of fine constructive public service. I shall not undertake to enumerate all of his activities and interests. I mention only a few of the highlights.

His work is responsible for much of the foundation of our highway system, our irrigation and flood-control projects, and our river and harbor improvements. Perhaps the most far-reaching work he has done has been his fine contribution toward medical research and forestry research.

I could name many more important contributions by the Senator from Arizona. The Nation is certainly indebted to him for his fine service.

Another happy circumstance is that the membership of this body and those who know about his services are deeply grateful, and appreciate the fine constructive career which we are glad to see continuing with full force, and without abatement of any kind.

Mr. THURMOND. Mr. President, I join my colleagues on both sides of the aisle in extending congratulations to the distinguished senior Senator from Arizona for his long, capable, and faithful service to his State and to the Nation.

I have been a Member of this body for only a brief period. I am now beginning my fourth year of service. I have been deeply impressed by the ability, the zeal, and the accomplishments of the great Senator from Arizona.

It has been an inspiration to me to observe the senior Senator from Arizona as he has undertaken his work, and as he has gone about doing important things for his State and Nation.

As a younger Member of the Senate I have been inspired by the exemplary manner in which he has filled the office of Senator, and the masterful way in which he has served his State and Nation. I take this opportunity to congratulate him and to wish him many more years of service in the United States Senate.

Mr. MONRONEY. Mr. President, I wish to join my colleagues in expressing appreciation for the services of the distinguished senior Senator from Arizona as the Senate passes a historic milestone in recognition of our President pro tempore, and the chairman of the Appropriations Committee of the Senate. He is one of the grandest Senators ever to grace this body. I know of no man in history who could be more proud of his longevity in service. His record is crowned by a glorious appreciation of public service and love for his fellow men which have been unexcelled in my lifetime and experience.

The great contributions which the distinguished President pro tempore has made to the building of the West—a new empire—stand as a perpetual tribute to his determination that this great part of our Nation should prosper.

The building of the Federal highway system bears his imprint. The original bills which were designed to provide a nationwide network of highways bear his name.

In the field of health, in connection with activities looking toward the discovery of cures for theretofore incurable diseases, the distinguished senior Senator from Arizona has always been found in the forefront, leading the way toward the objective of finding cures for diseases which have been major killers.

The Senator from Arizona has rendered important services not only in the great fields of highway development, public improvements, health, and national defense, but also in connection with the battle for civil rights, the rights of the individual. The distinguished senior Senator from Arizona has always carried the banner in that fight.

As a friend to his fellow Senators, he is unexcelled. One of my greatest surprises during my service in this body occurred when I had been a Member of it for about a week. My secretary informed me that the distinguished Senator, CARL HAYDEN, had come to my office to see me. Such a call is a rare occurrence in this body. It indicates the reason why CARL HAYDEN gets so much done, and is so well loved by all his fellow men. Not only does he accomplish more, but I believe he works harder than any Senator I have ever observed, not only in serving the interests of his own State, but in understanding the problems of America. America is great today because a man of stature comparable with that of the giants of the past sits as Presiding Officer of this great body.

Mr. JOHNSTON of South Carolina. Mr. President, it is a pleasure for me to join my colleagues on both sides of the aisle in commending the President pro tempore, the senior Senator from Arizona, on commencing his 47th year in Congress and his 32d year in the Senate. I know that as he looks back upon his life, he must feel somewhat pleased with what he has accomplished in his more than half a century of public service.

As we look back into his State, even before it was a State, and while it was still a Territory, we find him serving as a peace officer, working to bring about law and order, as well as prosperity, within that Territory.

As soon as the Territory of Arizona entered the Union, the people of his State recognized his abilities and leadership and elected him to the Congress of the United States. He has served his State and Nation with commendable ability and today is one of the distinguished figures in American Government.

It is not necessary for me to tell Members of this body that the influence of his service in every field of governmental activity will continue for many years to come. We cannot say in words what he has meant, not only to the people of Arizona, but to the people of all the United States.

It is indeed a pleasure for me to join my colleagues in trying to convey to the people of this Nation some idea of what a wonderful life the senior Senator from Arizona has lived, and what a fine public servant he has been. May God give to him many more years in which to help guide we younger Members of this body in what we should do and how we should act in discharging our duties as Members of this body.

I should also like to take this opportunity to congratulate Senator and Mrs. Hayden on the recent celebration of their 50th wedding anniversary. I wish for them many more such happy occasions.

Mr. MCNAMARA. Mr. President, I welcome this opportunity of adding my few words to the tributes that are being paid to the senior Senator from Arizona on his completion of 46 years of service in Congress. I congratulate him, and also thank him for the help he has been to me personally in connection with the problems I have brought him as a Representative from the State of Michigan. I wish him many more years of good health and continued great service to the whole Nation. As has been said over and over again, he is truly a Senator's Senator.

Mr. CARROLL. Mr. President, I do not feel that I could possibly overlook this opportunity to speak in behalf of the people of Colorado, and the other Senator who serves that great State, and who know CARL HAYDEN, of Arizona, and

who hold him in such high regard, in appreciation for all the Senator from Arizona has done for our State, for the West, and for the Nation as a whole.

As a new Member of the Senate, while visiting Phoenix, Ariz., shortly after my election, I was reminded of the humility of the senior Senator from Arizona when he walked through the streets to visit me and my family. I realized then what a great Senator and great man CARL HAYDEN was. He is always willing to serve others.

I desire to join on this occasion my other colleagues in extending my sincere hope for his good health, and many more active years in the Senate.

Mr. HUMPHREY. Mr. President, it is a particular joy and pleasure to join with my colleagues in saluting and congratulating the distinguished President pro tempore of the Senate, who presides over the Senate today, the senior Senator from Arizona [Mr. HAYDEN]. It was yesterday that he completed 46 years of service in Congress, and today at noon, as I understand, he starts his 47th year.

Mr. President, it was my privilege to be in Arizona last fall. I have heretofore commented on the fact that while I was there I found petitions and resolutions everywhere I turned complimenting and congratulating the senior Senator from Arizona for his outstanding work of public service in behalf of the people of his State and, in fact, in behalf of the people of the United States.

His service is an inspiration to those of us who serve in the Senate. His record is one of complete devotion and patriotic service to his fellow men and his country.

Mr. O'MAHONEY. Mr. President, it is not often that Senators have the opportunity to rise in their places and to congratulate a colleague who is beginning his 47th year of service in Congress. I remember the senior Senator from Arizona, the President pro tempore of this body—and I want no one to misunderstand this reference—before he became a Member of the Senate. I was not then a Member of the Senate; I was practicing law. I observed at that time the skill with which the Senator from Arizona, who was then a Member of the House of Representatives from that State, represented the people of Arizona and concerned himself with their welfare.

I was so impressed with the manner in which the Senator from Arizona operated that at that time I made up my mind that if ever fate directed my steps toward this Chamber as a Member, I should do my best to imitate the pattern and the practices of the Senator from Arizona. I am sorry to confess that I have failed.

No one, I think, could even approximate the skill and the ability of our great friend, CARL HAYDEN. He is not only a man of ability, a man of understanding, and a man of industry, but he has the great quality of commonsense. It is called commonsense, but it is an endowment that few men have. It is this endowment of commonsense and a capacity to understand his fellow man that has enabled the Senator from Arizona as Chairman of the Committee on Appropriations, to say "No," with a smile, to colleagues seeking to have consent given to appropriations which they may have desired; to say, "No," I say, with a smile which removes all disappointment, because I think it is the unanimous feeling of the Members of the Senate that when Senator HAYDEN says, "Yes," or "No," he is pretty close to being right.

I cannot conclude these few remarks without indicating my pride in the fact that the tributes which are being paid to the President pro tempore of the Senate this afternoon are being paid to a pioneer of the great West. I do not know whether, when the Senator from Arizona comes to write his memoirs, he will pay more attention to his experiences as a Senator or to his experiences as a sheriff. I think that in both capacities he has served his people well.

I am happy to be able to join in the tributes which are being paid to him. I speak with authority, because I was a member of the Committee on Appropriations and associated with the great Senator from Arizona for more than 20 years. I know how he works, I know how broad his understanding and his sympathies are, and I know that he deserves the tributes which are being paid to him.

The people of Arizona can be proud that they sent him here and kept him here. I hope he will be here for many more years.

Mr. SYMINGTON. Mr. President, I join with my colleagues in congratulating the President pro tempore of the Senate, the great senior Senator from Arizona. It has been my privilege to know the Senator for 5 years in the Senate, and before that for many years.

In all the years I have known him, I have never heard him say an unkind word about anyone. In my opinion, if there is anybody in this city who is entitled to the congratulatory remark of being above party, that description should go, first, to the distinguished senior Senator from Arizona.

It has been a privilege to serve with him, and I hope that I shall deserve his friendship for many years to come.

Mr. BYRD. Mr. President, our beloved colleague, the distinguished senior Senator from Arizona, took his oath of office in the Senate on March 4, 1927. I took my oath of office on March 4, 1933. So I have had the great privilege of serving with the Senator from Arizona for 25 years.

I well recall his many kindnesses to me when I first came to the Senate, especially showing me around. I hardly knew how to get around the Capitol. He made many useful suggestions to me.

I have never come in contact with a man who had a nobler character or who possessed greater patriotism. I have a personal affection for him which is very difficult for me to express adequately.

The Senator from Arizona has rendered outstanding service and has been throughout the years a great example of what a true American statesman should be.

I have just returned from Tucson, in the Senator's State of Arizona, and a wonderful place it is. On every hand I heard compliments about him and heard the appreciation and gratitude of the people for the fine service he has rendered.

I shall always regard it as a privilege to me to have served with you, Senator HAYDEN, for so long in the United States Senate.

Mr. BIBLE. Mr. President, I wish to add my voice, as a Senator from the neighboring State of Nevada, to the veritable chorus of praise which has gone forth today in your behalf from distinguished colleagues in the Senate.

Few men in American history have enjoyed a career matching yours. The amazing fact is that we have in the Senate a man who has given to his State and his Nation a yeoman service since 1912, the very year in which Arizona gained her statehood. Your stewardship has extended through three wars in which our country engaged during this century, and in one of which you served with major distinction in 1918.

The great social gains recorded by our Nation in the last four and one-half decades all received warmhearted support from you. Broad knowledge, sympathetic understanding, and boundless energy have become your trademark.

Arizona is justly proud of you, and I should like to say that Nevada is equally proud.

We in Nevada have always had a close affinity for the Senators from our bordering State to the south. In fact, an illustrious Senator from Arizona, a former colleague of yours, Henry Fountain Ashurst, was born in Winnemucca, Nev., and, as a young man, moved to Arizona to launch his illustrious career.

I know that I speak, as so many other Senators have before me, the sentiments of all our people. I wish for you many more years of continued service and accomplishment.

Mr. AIKEN. Mr. President, let me say that I like the senior Senator from Arizona [Mr. HAYDEN] just as much as do the many other Senators on both sides of the aisle who previously have risen today to pay their respects to him.

Mr. President, lately there has been much discussion in regard to the making of repairs to the Capitol Building. As I stand here and observe the pillar of the Senate who is now presiding over the Senate, and as I see here on the floor of the Senate the senior Senator from Virginia [Mr. BYRD], I realize that if either of these Senators were to leave, this place really would be in need of repairs.

Mr. HOLLAND. Mr. President, I join with my colleagues on both sides of the aisle in felicitating our beloved colleague, the President pro tempore, the senior Senator from Arizona, Senator CARL HAYDEN, as he begins today his 47th consecutive year of service in the Congress of the United States.

Senator HAYDEN set a record for continuous service in the Congress last October 21, and today he has established a new record for the longest overall service in Congress ever performed by any American.

Since the great State of Arizona became a member of the Union, CARL HAYDEN has represented it in the Halls of Congress, and I congratulate the people of Arizona for their excellent judgment in sending him here and keeping him here.

The able Senator from Arizona began his service as a Member of the House of Representatives on February 19, 1912, in which House he served until he took his seat in the United States Senate in 1927.

It is my great privilege to serve under his chairmanship on the Senate Committee on Appropriations. I wish to say as a matter of record that there has never been a more diligent Senator, nor has there ever been a better informed Senator, concerning the enormous business of this Nation. There has never been a Senator more fair in recognizing the needs of all parts of our great country than Senator HAYDEN.

There is no Member of the Senate who has not received a helping hand from Senator HAYDEN on many occasions, concerning matters of great importance to the Member's own State.

Mr. President, I think there is no case in the history of our country similar to this, in which a man came to Congress when an infant State was admitted to membership among the States of the Union, and remained here ardently advocating the interests of that State, as well as the interests of the country, for a period of 46 years.

Every improvement which has been accomplished with Federal aid or Federal assistance in his great State is attributable in large measure to Senator HAYDEN. In addition to that, he has done many, many things for all other parts of the country. I recall having heard him tell a wonderful story a good many years ago about one of his first committee duties, when he went to the Panama Canal as a member of a House committee of inspection to inspect the work which was then going on, in 1912, in the digging of the Panama Canal.

I warmly congratulate the senior Senator from Arizona on his distinguished career as a county official. I suspect that many of us have forgotten the fact that before he became a gentle Senator, he was a very dignified and effective sheriff out in what was then the Wild West. I congratulate him on his career as a law enforcement officer, as a soldier, and as a statesman, and I wish for him many more years of outstanding public service to his State and the Nation as a Member of the United States Senate. Every additional year that he spends in the Senate, Mr. President, will be a year of blessing to our whole Nation.

Mr. JACKSON. Mr. President, I wish to associate myself with the remarks of my colleagues in their tributes to the distinguished senior Senator from Arizona [Mr. HAYDEN]. His is a record without parallel in the history of the Senate. His quiet, courageous, and effective leadership has meant much to his State, the West, and the Nation.

He has probably done more for his country in his quiet and unassuming way than any other man in the history of the United States Senate.

I wish to join with my colleagues in the Senate in congratulating him on this occasion, and I wish for him many more years of distinguished service.

Mr. JAVITS. Mr. President, I desire to add my tribute to those already paid to our President pro tempore, the distinguished Senator from Arizona [Mr. HAYDEN].

As a new Senator, sitting with him on the Committee on Rules and Administration, I have learned why he has always been considered a mentor for new Senators. It is because, for him, seniority means only an opportunity to serve and to be helpful and friendly.

Much has been said about his great leadership and pioneering spirit. I pay my tribute to his great heart, to his great friendship for, and great understanding of those who are new Members of the Senate, and who, with the cooperation of other distinguished Senators like himself, are able to add their measure of help to the settlement of the tremendous issues with which we deal.

I wish for Senator HAYDEN and Mrs. Hayden, who have just celebrated their golden wedding anniversary, a long and fruitful life in the spirit which the Senator from Arizona has shown to those of us newly come to this great body.

Mr. NEUBERGER. Mr. President, I join in the tributes which have been expressed in the Senate today in honor of the very long and illustrious service, both in the House of Representatives and in the Senate, of the distinguished senior Senator from Arizona.

I feel a personal debt to the Senator from Arizona because of the patience and understanding he has shown in the performance of his very important responsibility as chairman of the Committee on Appropriations. He has a far greater understanding than do most of us who come from the Pacific Northwest of the problems and needs of the Columbia River Basin, when they are analyzed and studied. It was only last summer that the leadership of Senator Hayden helped many of us, including the distinguished senior Senator from Washington [Mr. MAGNUSON], who at this time is on the floor of the Senate, to achieve success in our efforts to save the necessary funds for the deepening of the upstream channel of the Columbia River from Vancouver to The Dalles.

I wish for Senator and Mrs. Hayden all possible success, good fortune, and happiness in the years ahead.

Mr. CLARK. Mr. President, I wish to join in the commendation of Senator HAYDEN which has been so eloquently expressed by the junior Senator from Oregon [Mr. NEUBERGER].

Mr. BRIDGES. Mr. President, our distinguished colleague and dean of the Senate, Senator HAYDEN, today began his 47th year in the Congress of the United States, and with this great milestone in his long and distinguished career he becomes dean of both Houses of Congress.

I am proud and privileged to be a Member of this body today so that I am in a position to extend on behalf of myself and the people of New Hampshire our warmest congratulations. I want, too, to concur fully in the remarks made by another distinguished colleague, the Senator from Arizona [Mr. GOLDWATER], who, I am sure, feels privileged to share with Senator HAYDEN the representation of the people of Arizona. I commend to the reading of the American people the remarks made by Senator GOLDWATER, which appeared in the CONGRESSIONAL RECORD of February 10.

Although Senator HAYDEN and I are of different political beliefs, it has been my great pleasure to serve with him since I came to the Senate in 1937. I appreciated deeply the wise counsel he so generously gave me during my early days in the Senate. I know he has been equally helpful to many other Senators.

Senator HAYDEN's broad experience, his wisdom, and his personal attitude toward the people have made him universally popular. His advice is keenly sought throughout Government, and I have never known him to decline to share his vast knowledge.

The State of Arizona is fortunate indeed to be represented in part by a statesman of such high caliber.

Mr. MAGNUSON. Mr. President, I wish to join my colleagues in extending heartiest congratulations to the senior Senator from Arizona, Senator CARL HAYDEN, on reaching the start of his 47th year of service in the Congress. He has not only served Arizona with distinction and devotion, but the whole country as well. I trust that he may enjoy many more years of active service in the Senate.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. JOHNSON of Texas. Mr. President, under the rule, there will be the usual morning hour for the introduction of bills and the transaction of other routine business. I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT OF D. C. TRANSIT SYSTEM, INC.

A letter from the president, D. C. Transit System, Inc., Washington, D. C., transmitting, pursuant to law, a report of that system, for the calendar year ended December 31, 1957 (with an accompanying report); to the Committee on the District of Columbia.

AMENDMENT OF UNITED STATES INFORMATION AND EDUCATIONAL EXCHANGE ACT OF 1948

A letter from the Director, United States Information Agency, Washington, D. C., transmitting a draft of proposed legislation to promote the overseas distribution of American informational media by amending the United States Information and Educational Exchange Act of 1948, as amended (22 U. S. C. 1442) (with an accompanying paper); to the Committee on Foreign Relations.

REPORT ON WITHDRAWALS AND RESTORATIONS OF PUBLIC LANDS

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, a report on withdrawals and restorations of public lands, during the period January 1, 1957, through December 31, 1957 (with an accompanying report); to the Committee on Interior and Insular Affairs.

RESOLUTION OF ALASKA LEGISLATIVE COUNCIL

A letter from the Executive Director, Alaska Legislative Council, Juneau, Alaska, transmitting, pursuant to law, a resolution passed by the Alaska Legislative Council at Ketchikan, Alaska, on January 18, 1958 (with an accompanying paper); to the Committee on Interstate and Foreign Commerce.

REPORT ON TORT CLAIMS PAID BY DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

A letter from the Secretary, Department of Health, Education, and Welfare, transmitting, pursuant to law, a report on tort claims paid by that Department, for the period January 1, 1957, to December 31, 1957 (with an accompanying report); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A joint resolution of the Legislature of the State of Colorado; to the Committee on Interior and Insular Affairs:

"Whereas the principle of supremacy of State water laws in deriving rights to the ownership, distribution and use of ground and surface waters has been recognized in States lying wholly or partly west of the 98th principal meridian by Federal law, the constitutions of such States, State law and the enabling acts by which many of the States were admitted to the Union; and

"Whereas the stability of the economy, the property values, and the prosperity and development of the whole United States is dependent on a continued recognition of the supremacy of State water laws and the property rights which have been derived and settled thereunder; and

"Whereas some of the departments of the executive branch of the Federal Government have failed to strictly adhere to and recognize these principles and the property and human rights protected thereby: Now, therefore, be it

"Resolved by the Senate of the 41st General Assembly of the State of Colorado (the House of Representatives concurring herein), That the Congress should at once, and during the present session of the Congress, enact a law so clear and unambiguous as to be incapable of evasion by either Executive order or judicial interpretation and requiring every agency, permittee, licensee, and employee of the Federal Government, as a condition precedent to the taking or use of any water for irrigation, for domestic, industrial, manufacturing or other purpose to acquire a right to the use thereof in conformity with State laws and procedures relating to the control, appropriation, use or distribution of such water; and defining the water affected by such legislation to include all water originating on federally owned or controlled lands which contributes to flowing or moving surface or ground waters; and be it further

"Resolved, That copies of this resolution be forwarded to the President and Vice President of the United States, the Speaker of the House of Representatives, United States Senator GORDON ALLOTT, United States Senator JOHN A. CARROLL, Representatives in Congress BYRON G. ROGERS, WILLIAM S. HILL, J. EDGAR CHENOWETH and WAYNE N. ASPINALL, the Secretary of the Interior and the Commissioner of Reclamation.

"FRANK L. HAYS,
"President of the Senate.
"LUCILE L. SHUSTER,
"Secretary of the Senate.
"CHARLES R. CONKLIN,
"Speaker of the House of Representatives.
"ROBERT S. EBERHARDT,
"Chief Clerk of the House of Representatives."

By Mr. THURMOND (for himself and Mr. JOHNSTON of South Carolina):

A concurrent resolution of the Legislature of the State of South Carolina; to the Committee on Interstate and Foreign Commerce:

"Concurrent resolution memorializing the Congress of the United States not to authorize the imposition of a pay TV system upon the people

"Whereas millions of dollars are being spent annually on education throughout the entire Nation in order to raise our general standards of living and bring a better life to all; and

"Whereas the financing of this gigantic program is upon the shoulders of the American people by direct tax on the people; and

"Whereas by the television programs as now operated the citizens are able to avail themselves of highly beneficial educational, recreational, and entertainment programs free of charge and which programs are staged by the most expert talent in the world without the imposition of a further tax burden; and

"Whereas, there is now proposed to inaugurate a pay TV system which will rob those who need it most and can afford to pay for it least, of one of the very few worthwhile educational advantages left to mankind that is free; and

"Whereas with the ever-shrinking dollar and the constant increase in the cost of living, the General Assembly of South Carolina believes that the imposition of a pay TV program will be highly unwarranted and unjustified and will only result in depriving the destitute, the poor, and the unfortunate of the great benefits derived from the free system now in vogue; and

"Whereas the general assembly further believes that authorization of pay TV would serve to hamper programs of the television industry and livelihood of the entertainers employed thereby, which industry has developed into one of our great commercial enterprises, mutually beneficial to the sponsors of the well chosen programs and to the great American public alike. Now, therefore, be it

"Resolved by the senate (the house of representatives concurring), That the Congress of the United States is hereby memorialized not to authorize a pay TV program; be it further

"Resolved, That a copy of this resolution be forwarded to the clerk of the Senate and the Clerk of the House of Representatives in the Congress, to each United States Senator from South Carolina, and to each Member of the House of Representatives in the Congress from this State."

(The PRESIDENT pro tempore laid before the Senate a concurrent resolution of the Legislature of the State of South Carolina, identical with the foregoing, which was referred to the Committee on Interstate and Foreign Commerce.)

By Mr. COTTON (for himself and Mr. BRIDGES):

A concurrent resolution of the Legislature of the State of New Hampshire; to the Committee on Finance:

"Concurrent resolution urging the repeal of the Federal excise taxes on persons and property transportation

"Whereas the Federal transportation tax, on the movement of passengers and freight, was adopted in 1942 as a wartime emergency and defense revenue tax to discourage unnecessary travel by civilians and shipment of freight at a time when public transportation was hard pressed to meet the demands of travel and shipments for the war effort; and

"Whereas with cessation of hostilities the Federal transportation tax, rather than being a benefit to the welfare of New Hampshire, presently acts as a detriment to its economy; and

"Whereas transportation by for-hire carriers is vitally essential to the welfare and national defense of the country, a continuance of the Federal transportation tax, inasmuch as it is not applicable to private carrier operations, presently operates as a hardship on for-hire carriers; and

"Whereas the Federal transportation tax, in continuing this wartime tax, by reason of its character or application, tends to operate with a discriminatory effect on communities and the residents thereof, and further tends to confine trade areas, with the result of interference with the free flow of commerce within the United States: Therefore be it

"Resolved by the house of representatives, the senate concurring, That it be placed on record as favoring the repeal of the Federal transportation tax of 3 percent on all commodities shipped by for-hire carriers and the repeal of the transportation tax of 10 percent on all passenger fares; and be it further

"Resolved, That the secretary of state be, and hereby is, directed to forward a copy of this resolution to each of the Representatives from the State of New Hampshire in the Senate and House of Representatives of the United States with the recommendation that serious consideration be given to supporting the repeal of excise taxes as applicable to the movement of people and goods via for-hire carriers.

"W. DOUGLAS SCAMMON,
"Speaker of the House of Representatives,
"ERALSEY C. FERGUSON,
"President of the Senate.

"Passed February 12, 1958.

"Attest:

"HARRY E. JACKSON,
"Secretary of State."

PUBLIC WORKS TO "PICK UP THE SLACK"—RESOLUTION

Mr. WILEY. I have received a most important resolution, adopted by the Common Council of the City of Milwaukee, dealing with the creation of a new special committee for the study of Federal aid for public-works projects.

This resolution demonstrates that the city of Milwaukee is wide awake to the need for a major public effort to take up the slack in our economy; an effort which will be based upon the soundest Federal-State-local cooperation for the common interest.

It is clear that comprehensive planning must be undertaken to bring off the shelf sound projects which have been awaiting action and which now become imperatively necessary in order to generate employment and production in our economy.

The first meeting of Milwaukee's new special committee has been held. Participating, among others, have been: Clarence Beernink, executive secretary of the capital improvements committee; Lloyd D. Knapp, commissioner of public works; George C. Saffran, budget supervisor; Virgil Hurless, city comptroller; Alderman James J. Mortier and Alderman Irving G. Rahn, cochairmen.

I present the resolution of the Common Council of Milwaukee, for its interest to other communities in the land. I ask unanimous consent that it be printed in the RECORD, and referred to the Senate Public Works Committee.

There being no objection, the resolution was referred to the Committee on Public Works, and ordered to be printed in the RECORD, as follows:

Resolution relating to appointment of committee to plan and study public improvement projects and Federal assistance for the purpose of providing additional job opportunities

Whereas the economic situation is such as to justify study and exploration with respect to the possibility and advisability of seeking Federal aids or assistance for the planning and constructing of public improvement projects so as to provide additional opportunities for employment in the city of Milwaukee; and

Whereas it is appropriate that the city of Milwaukee plan and prepare a list of public improvement projects which would be financed with Federal assistance and expand the opportunities for employment in the Milwaukee area; and

Whereas it is advisable that a committee be appointed to make plans and preparations with respect to such public improvement projects which will aid in improving the economy and employment opportunities in the city of Milwaukee: Now, therefore, be it

Resolved by the Common Council of the City of Milwaukee, That a special committee be appointed to be known as the committee on planning public improvements with Federal assistance, and that such committee shall be composed of the following: Executive secretary, capital improvement committee; commissioner of public works; city attorney; budget supervisor; the comptroller; and that the chairman of such committee shall be the chairman of the committee on finance-printing and the chairman of the committee on buildings-grounds-harbors; and be it further

Resolved, That such committee shall immediately upon the adoption of this resolution proceed with plans and studies relating and pertaining to public improvement projects which would be suitable in accordance with the purposes and objectives of this resolution; and be it further

Resolved, That such committee shall study and explore the opportunities for obtaining Federal assistance for the planning and construction of such public improvement projects and shall effectuate a liaison with the Federal Government for the purpose of carrying out the objectives of this resolution; and be it further

Resolved, That copies of this resoluiton shall be forwarded to the 2 United States Senators of this State, and to the 2 Congressmen of the Milwaukee area; and be it further

Resolved, That all departments of city government called upon by the special committee shall fully cooperate with such special committee in carrying out the purposes and objectives of this resolution; and be it further

Resolved, That the committee shall make periodic reports to the common council whenever they shall have significant developments to report.

INCREASED GAS PRICES—RESOLUTION OF ST. PAUL, MINN., AFL–CIO TRADES AND LABOR ASSEMBLY

Mr. THYE. Mr. President, I present a resolution adopted by the St. Paul, Minn., AFL–CIO Trades and Labor Assembly, on February 12, 1958, protesting against the enactment of the so-called Harris-O'Hara gas price increase bill. I ask unanimous consent that the resolution be printed in the RECORD.

There being no objection, the resolution was referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

Resolved by the Trades and Labor Assembly of the City of St. Paul, Minn.:

Whereas the Congress of the United States has presently under consideration the so-called Harris-O'Hara (H. R. 8525) bill; and

Whereas this bill would remove effective Federal control over the production and sale of natural gas to pipeline companies; and

Whereas the cost of gas to home consumers is particularly important in Minnesota in view of weather conditions in this State; and

Whereas it has been estimated that the passage of this bill will increase the cost of gas to home consumers by $40 per year; and

Whereas the bill is designed only to aid existing gas and oil producers; and

Whereas the passage of the bill would adversely affect the employment of Minnesota employees in the gas industry: Now, therefore, be it

Resolved, That the Trades and Labor Assembly of the City of St. Paul, Minn., oppose the passage of this, or similar legislation, and be it further

Resolved, That a copy of this resolution be sent to every Member of the United States Congress from the State of Minnesota.

POSTAL PAY INCREASES, ETC.—LETTER

Mr. HUMPHREY. Mr. President, I recently received a letter from the governmental affairs committee of the Northfield Chamber of Commerce, of Northfield, Minn. This letter contains conclusions and recommendations for legislation adopted by the governmental affairs committee.

I ask unanimous consent that the letter be printed in the RECORD and appropriately referred.

There being no objection, the letter was referred to the Committee on Post Office and Civil Service and ordered to be printed in the RECORD, as follows:

KUCERA & GRUNDHOEFER,
Northfield, Minn., February 3, 1958.

Hon. HUBERT HUMPHREY,
United States Senate,
Washington, D. C.

DEAR SENATOR HUMPHREY: On last Thursday evening, the governmental affairs committee of the Northfield Chamber of Commerce conducted a legislative panel discussion covering pending and proposed legislation likely to be introduced in this session of Congress. The meeting was open to the public, and we had a good representation of farmers, business and professional men. At the conclusion of the discussion, the committee paused to formulate views and recommendations for submittal to you.

The following were the conclusions and recommendations of the committee and of those present, which I am authorized to convey for your information:

1. We were in favor of the adoption of the recommendations of the Postmaster General with respect to the raise in postal rates.

2. We were in favor of the elimination of Government competition with business wherever possible and especially in the retail fields.

3. We were in favor of the recommendations of the Hoover Commission, and felt that the elimination of governmental waste, and a reduction of Federal spending in many fields is imperative.

4. We felt that some legislation either regulating or supervising union welfare and pension trust funds should be enacted, in view of recent facts discussed by committee hearings.

5. We are opposed to any extension of the Federal wage and hour law, covering retail and service businesses, as such extension would directly affect the little-business man who is in competition with large chain-store operations.

We respectfully request that our views be considered at such time in the future as such legislation is proposed.

Sincerely,

MARVIN L. GRUNDHOEFER,
Chairman, Governmental Affairs Committee.

PENSIONS FOR RETIRED EMPLOYEES—RESOLUTION

Mr. HUMPHREY. Mr. President, I recently received a resolution from the Duluth AFL–CIO central body, Duluth, Minn., concerning Federal retired employees pensions.

I ask unanimous consent that the resolution be printed in the RECORD, and appropriately referred.

There being no objection, the resolution was referred to the Committee on Post Office and Civil Service, and ordered to be printed in the RECORD, as follows:

Whereas it is a matter of simple equity that the Federal Government increase the annuities of its employees who were retired before October 1, 1956, and who worked faithfully for all of us before their retirement; and

Whereas every argument advanced for increasing salaries of classified and postal employees because of lost buying power and inadequacy to meet current needs as recommended by President Eisenhower applies with equal force to the urgency of raising retirement annuities of employees already retired; and

Whereas of the 246,362 annuitants on the retirement rolls on June 30, 1956, 93,958, or 38 percent, were receiving less than $100 a month, that of this group, 40,378, or 16 percent of the total number, had a monthly payment of less than $50 a month, this not taking into account 80,749 survivor annuitants, 90 percent of whom were drawing less than $50 a month, thus providing ammunition against us to be used by our enemies; and

Whereas in 1956 the Congress increased annuities of employees retiring after October 1, 1956, without increasing the annuities of employees already on the retirement roll; and

Whereas all civil service retirees have been the innocent victims of inflation since 1939, and inflation is still with us, and

Whereas there have been reported for favorable passage two bills by respective Congressional committees, namely, H. R. 607 and S. 72, both of which will provide relief, although inadequate, to those now on the retirement role of the Federal Government, and are now pending in the House of Representatives and the Senate; and

Whereas it is extremely desirable and in the public interest that these bills be passed as soon as possible and made retroactive to provide in a small measure for justice to a forgotten segment of our aged population deserving of our support in their declining years after faithful and meritorious service to the public: Now, therefore, be it

Resolved by the Duluth AFL–CIO Central Body, That it earnestly solicits support of H. R. 607 and S. 72, provided H. R. 607 is

amended to eliminate the ceiling therein and the limitation relative to earnings of annuitants and requests Members of the House of Representatives and Senate to support these bills and do everything in their power toward enactment of these measures as soon as possible, obtaining a favorable rule from the House of Representatives Rules Committee so that H. R. 607 may be amended on the floor of the House of Representatives at time of enactment; and be it further

Resolved, That the secretary of the Duluth AFL–CIO central body be instructed to forward a copy of this resolution to every Member of Congress from the State of Minnesota.

DAIRY PRICES—RESOLUTION

Mr. HUMPHREY. Mr. President, I have just received from the Biscay Cooperative Creamery, Biscay, Minn., a petition concerning dairy prices.

I ask unanimous consent that the resolution and the appended signatures be printed in the RECORD, and appropriately referred.

There being no objection, the resolution, with the signatures attached, was referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

BISCAY, MINN., *February 8, 1958.*

Whereas the former reductions in price support of dairy products have not been passed on to the consumer and whereas the average price of milk and dairy products have gone up while the price to the dairy farmer was lowered;

Whereas the cost of the dairy support program and the production of dairy products have both gone up, as the support prices were lowered; and

Whereas any lowering of dairy prices at this time would work additional hardships to a majority of producers:

Now, therefore, we the undersigned patrons of the Biscay Cooperative Creamery, in the annual meeting assembled, do petition and ask that the price of dairy products not be lowered as of April 1, 1958, but rather that the price of dairy products be raised until such time as another plan to stabilize dairy prices can be put into effect.

Harry Beneke, President; Alfred Block, Secretary; John C. Popelka; Paul Hernman; R. A. Borchoroft; Walter Plath; A. H. Jergens; Vernon Dressel; Frank Svoboda; Gregory Troske; Elmer Buss; Lowell Plath; Edw. Kiyas; George Rannow; Frank Jergens; Clarence Ziemer; Irwin Mielke; Hillard E. Kaufman; Raymond Peters; Wm. H. Dahlke; H. L. W. Rannow; Warren Peters; Mike Wagener; Roy Grunewaldt; Geo. Kreitlow; Robert Peters; Alvin Schwarze; Jerry Urban; Henry Aul; Victor Aul; Charles Johnson; Axel Lundholm; Reuben Mielke; Joe Svoboda; Everett Fugkang; Clarence Ondrachek; Joe Morasic; W. A. Peters; Clarence Reimers; Elmer Peters; Hillard H. Graupmann; Raymond Moehring; John G. Pollmann.

The motion to send this was unanimous with all members coming forward to sign five petitions.

Yours truly,

HARRY BENEKE,
President, Biscay Cooperative Creamery.

REPEAL OF TRANSPORTATION TAX—RESOLUTION

Mr. HUMPHREY. Mr. President, I have recently received a copy of a resolution adopted by the Northwest Shippers Advisory Board of Minneapolis, Minn. The resolution concerns a repeal of the transportation tax.

I ask unanimous consent that the resolution be printed in the RECORD, and appropriately referred.

There being no objection, the resolution was referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

REPEAL OF TRANSPORTATION TAX—RESOLUTION ADOPTED BY THE NORTHWEST SHIPPERS ADVISORY BOARD AT ITS 35TH ANNUAL MEETING, MINNEAPOLIS, MINN., JANUARY 30, 1958

Whereas the excise tax on the transportation of passenger and sleeping car accommodations was a war measure to discourage travel; and

Whereas the excise tax on the transportation of freight was a war measure to increase revenue for the conduct of World War II; and

Whereas inasmuch as the assessment of these taxes places an undue burden on the shipping and traveling public and further handicaps common carriers in their efforts to meet the competition of private transportation; and

Whereas this unfavorable situation has been further aggravated by successive increases in freight charges of generally more than 100 percent: Therefore be it

Resolved, That the Northwest Shippers advisory board instruct the Secretary to transmit its opposition to these taxes to all Members of the Congress from the States comprising the board area and to members of the Senate and House Committees on Interstate and Foreign Commerce.

THE AGRICULTURAL PROGRAM—LETTERS

Mr. HUMPHREY. Mr. President, I have recently received four communications from Farmers Union locals in Minnesota concerning various aspects of the administration's agricultural program.

I ask unanimous consent that the letters be printed in the RECORD, and appropriately referred.

There being no objection, the letters were referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

JANUARY 28, 1958.

Senator HUBERT HUMPHREY,
Washington, D. C.

DEAR SENATOR: We the Farmers Union in regular monthly meeting, wish to express our disapproval of the recommendations on agriculture given the Congress by the President. We cannot see any good reason for the lowering of price supports on any farm products at this time.

We in Big Stone County and surrounding counties are finding it very difficult to pay our bills and taxes at the present prices.

We feel for the good of the farmer and our whole economy that farm product price supports should be maintained or strengthened. Surely the soil bank acrage helps, but the conservation reserve works against the small farmers especially the renters of our area.

We wish to bring this to your attention at this time.

Respectfully submitted.

G. A. GRIFFITH,
Legislative Secretary, Ortonville, Minn.

DECEMBER 20, 1957.

Whereas the market for this area's product, all kinds of timber, has got so low that only a few timber operators can find a market for this area's timber, thereby throwing the largest part of our population out of employment. We realize that the building of homes and other buildings has been curtailed by the Government increasing the national interest rate, which takes a large share of the consumers buying power. Just the increase in interest on Government borrowing cost the consumers around $7 billion a year, and they are small borrowers compared to labor, businesses, and farmers. But the larger building concerns that build buildings on a housing plan, that consists of thousands of buildings, are not able to get the finance on account of the labor's income or extra buying power after taking care of this family is not large enough to keep the payments large enough to put some on the principal after taking care of the interest and this makes it very uncertain whether he can ever get a home paid for. Therefore the building program has fallen so much that the big construction companies are not buying and the pulp mills that make building materials out of pulp does not need pulp as they cannot afford to build building material or any other product when they cannot sell it.

Therefore we are asking Congress to take action to reduce the interest to what it was before the present administration took over and raised the interest rate. We also ask that the importation of pulp from foreign countries be discontinued until our pulp market be brought back to normal.

MILES A. NELSON,
Chairman.
Mrs. BETTY ERNSTSEN,
Secretary-Treasurer.

RENVILLE, MINN., *February 3, 1958.*

Hon. HUBERT H. HUMPHREY,
United States Senate, Washington, D. C.

DEAR SIR: We wish to inform you of the following resolutions passed at the last meeting of the Renville Farmers Union local:

"Whereas the farmers' income is steadily dropping under the Bensonized flexible farm program and whereas the President has asked for still lower farm price supports which will cause greater hardship for the family type farm: Therefore be it

"*Resolved*, that we the members of the Renville Farmers Union local urge our Senators and Representatives to introduce and help pass legislation for a full farm program with supports at not less than 90 percent of parity, not just stop Benson from lowering dairy supports. A full program will save all of agriculture; and

"Whereas the present administration has suggested raising the interest rate of REA and RTA: Therefore be it

"*Resolved*, That we the members of the Renville Farmers Union local urge our Senators and Representatives to do what they can to hold down the interest rate to REA and RTA."

Yours truly,

WAYNE HEBRINK,
Acting Secretary, Renville Farmers Union Local.

HILLMAN, MINN., *February 4, 1958.*

Senator HUBERT HUMPHREY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: We, the members of Hillman, Minn., Farmers Union local, resolved that there should be a law to make the self-subsidized, industrialist and professional men that get into farming and ranching to avoid paying their just income tax. Unless the owner receives at least 51 percent of his income from the soil and spends at least 51 percent of his active time in farming, he should not be able to deduct his agricultural losses from his principal occupation income. Six billion dollars in Federal income tax is lost each year in this manner. How does this compare to the amount paid to the farmer in price supports?

The above resolution was adopted February 4, 1958.

ROBERT MEYER,
President.
ALOIS KACHMARZINSKI,
Secretary.

POST OFFICE DEPARTMENT SERVICE—RESOLUTIONS

Mr. HUMPHREY. Mr. President, I have recently received communications from two Minnesota communities concerning post office service. One is a copy of a letter from the mayor of the village of Deephaven, Minn., addressed to the Postmaster General. The other is a letter to me from the secretary-treasurer of the chamber of commerce at Cloquet, Minn.

I ask unanimous consent that the two resolutions be printed in the RECORD, and appropriately referred.

There being no objection, the resolutions were referred to the Committee on Post Office and Civil Service, and ordered to be printed in the RECORD, as follows:

VILLAGE OF DEEPHAVEN,
Excelsior, Minn., February 7, 1958.

Hon. ARTHUR SUMMERFIELD,
Postmaster General,
Washington, D. C.

DEAR MR. SUMMERFIELD: The Village Council of the Village of Deephaven, Hennepin County, Minn., at its regular meeting held February 5, 1958, adopted the following resolution:

"*Resolved,* That the Village Council of Deephaven request the Post Office Department to change its boundary lines of delivery to provide delivery to all of the village of Deephaven through one already established post office."

At present, our primarily residential, suburban village of more than 3,000 persons receives mail partly through the Wayzata and partly through the Excelsior Post Offices' rural routes. We are no longer rural and the dual post office identity leads to no end of confusion and inefficiency for persons wishing to reach our people.

Since we do not wish to add to the costs of the United States post office system, we are not requesting a permanent Deephaven post office but merely delivery through one already established.

We wish to number our streets and preserve our village identity (our corporate village limits do not approach those of either Excelsior or Wayzata). We wish the Post Office Department to make arrangements so that we may have mailing addresses consisting simply of name, number, street, Deephaven, Minn.

We would appreciate your early reply to and prompt action upon this request.

Respectfully yours,
EDWIN F. ROBB, Jr.,
Mayor.

CLOQUET, MINN., *February 10, 1958.*

The Honorable HUBERT H. HUMPHREY,
United States Senate,
Washington, D. C.

MY DEAR SENATOR HUMPHREY:

Whereas the Duluth and Minneapolis trains No. 61 and No. 62 have been discontinued;

Whereas a temporary star route from Sandstone to Carlton connects with trains No. 24 and No. 19, has been put into service;

Whereas no provisions for separation of mail at intermediate offices are made by this method;

Whereas the mail for Cloquet is received from train No. 24 at Duluth and arrives at Cloquet too late for afternoon delivery;

Whereas star route service to the county seat during the day has been suspended: Therefore be it

Resolved, That the Cloquet Chamber of Commerce goes on record recommending to the Post Office Department to inaugurate a highway post office between Minneapolis and Duluth via Carlton and Cloquet.

Sincerely yours,

HARRY NEWBY,
Secretary-Treasurer, Cloquet Chamber of Commerce.

PAY TELEVISION—RESOLUTION

Mr. HUMPHREY. Mr. President, I have recently received a copy of a resolution adopted by the village of Aurora, Minn., opposing pay television.

I ask unanimous consent that the resolution be printed in the RECORD, and appropriately referred.

There being no objection, the resolution was referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

Resolution No. 3, 1958

Whereas the matter of pay TV is before the Congress of the United States, and is of concern to every person; and

Whereas there are numerous TV sets in use in the village of Aurora; and

Whereas the people of Aurora feel strongly that pay TV is of no benefit whatsoever to the people of Aurora and other places: Now, therefore, be it

Resolved by the Council of the Village of Aurora, That they are absolutely opposed to pay TV and that the clerk is hereby authorized and directed to forward a copy of this resolution to the Representatives in Congress from this district.

FREE MEDICAL AND HOSPITAL BENEFITS—LETTER

Mr. HUMPHREY. Mr. President, I have recently had a letter from the officers of the Minnesota Federation of Finnish Civic Clubs concerning the possibility of amending the Social Security Act so that free medical and hospital benefits can be provided.

I ask unanimous consent that the letter may be printed in the RECORD, and appropriately referred.

There being no objection, the letter was referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

MINNESOTA FEDERATION
OF FINNISH CIVIC CLUBS,
Virginia, Minn., February 7, 1958.

HUBERT HUMPHREY,
Honorable Senator,
State of Minnesota.

DEAR SIR: We, the members of the Minnesota Federation of Finnish Civic Clubs, recommend that all who are on social security receive free medical and hospital benefits as the amount now paid to individuals under social security is nowhere near sufficient when illness hits.

We urge you to work toward getting the kind of legislation enacted.

Thank you for your cooperation.

Sincerely yours,

JOHN OTAVA,
President.
NONTE JARVI,
Executive Secretary-Treasurer.

VETERANS' ADMINISTRATION FUNDS—LETTER

Mr. HUMPHREY. Mr. President, I have recently received a letter from the adjutant of the Veterans of Foreign Wars Big Stone Lake Post, No. 3964, Ortonville, Minn., concerning possible slashes in Veterans' Administration funds.

I ask unanimous consent that the letter be printed in the RECORD, and appropriately referred.

There being no objection, the letter was referred to the Committee on Appropriations, and ordered to be printed in the RECORD, as follows:

VETERANS OF FOREIGN WARS,
BIG STONE LAKE POST, No. 3964,
Ortonville, Minn., February 4, 1958.

Hon. HUBERT H. HUMPHREY,
United States Senator,
Washington, D. C.

DEAR MR. HUMPHREY: As citizens and veterans, we, the members of Big Stone Lake Post, No. 3964, Veterans of Foreign Wars, sincerely hope that you will resist the impending slashes in Veterans' Administration funds by the present Congress. We feel that these funds that are allocated to pensions and hospitalization are at a minimum now and the further reduction would impose a serious hardship on some of these disabled veterans.

Yours truly,

EARL WENDLING, *Adjutant.*

UNEMPLOYMENT SITUATION IN MINNEAPOLIS AREA—RESOLUTION

Mr. HUMPHREY. Mr. President, I have recently received a resolution adopted by the City Council of Minneapolis, Minn., on January 31, 1958, relating to the unemployment situation in the Minneapolis area, as affected by difficulties in the agricultural field.

I ask unanimous consent that the resolution be printed in the RECORD, and appropriately referred.

There being no objection, the resolution was referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

RESOLUTION RELATING TO THE UNEMPLOYMENT SITUATION IN THE MINNEAPOLIS AREA AS AFFECTED BY THE DIFFICULTIES IN THE FIELD OF AGRICULTURE

Whereas unemployment in railroad shops, farm equipment factories, and other industries in Minneapolis is seriously affecting the welfare of its citizens and the economy of the area; and

Whereas, to some extent, the unemployment is related to the difficulties being experienced in the field of agriculture: Now, therefore, be it

Resolved by the City Council of the City of Minneapolis, That we request the Representatives and Senators in the Congress from Minnesota to exert their best efforts to secure expeditious legislation designed to alleviate and improve the agricultural situation, thereby reflecting improvement in other economic areas; further

That the city clerk be directed to transmit a copy of this resolution to each Member of the House and Senate in the Congress from the State of Minnesota.

STRENGTH OF THE NATIONAL GUARD—RESOLUTION

Mr. JAVITS. Mr. President, I present a resolution adopted by the Army and

Air National Guard and Naval Militia Association of the State of New York. I ask unanimous consent that the resolution be printed in the RECORD.

There being no objection, the resolution was referred to the Committee on Armed Services, and ordered to be printed in the RECORD, as follows:

RESOLUTION BY ARMY AND AIR NATIONAL GUARD AND NAVAL MILITIA ASSOCIATION OF THE STATE OF NEW YORK OPPOSING THE PLAN OF THE DEPARTMENTS OF DEFENSE AND THE ARMY TO REDUCE THE STRENGTH AND TROOP BASIS OF THE NATIONAL GUARD OF THE UNITED STATES

Whereas each State and Territory maintains well organized, equipped and trained military forces known as the Army National Guard and Air National Guard of the State or Territory concerned; and

Whereas these forces of the New York National Guard are and have been kept in a high state of readiness for mobilization and some units are on a year-round alert status in the air defense of the continental United States; and

Whereas these military forces have been organized, equipped, supplied, trained and housed under policies and criteria established by the Federal Government and at considerable expense to both Federal and State Governments; and

Whereas periodically, these forces have been converted, redesignated and reorganized at the direction of the Federal Government to conform to the changing requirements of modern war; currently, the Army National Guard is programed for reorganization in accordance with the latest pentomic concepts; these actions are recognized as necessary and vital to the maintenance of a virile and effective Army National Guard; and

Whereas information has recently been released that the Departments of Defense and Army plan to reduce the Army National Guard of the United States by a total of 40,000 from the present strength of 400,000, and this will result in a cut in the New York Army National Guard of about 2,700 on top of a cut imposed in 1957 of about 1,000; and

Whereas such plans of the Federal military departments are also believed to call for reduction in the number of units in the New York Army National Guard over and above changes made necessary by the reorganization of the Guard in accordance with the pentomic concept; and

Whereas such reduction in units would result in the inactivation of historic New York Army National Guard going-concern units which are fully organized, equipped and ready for instant mobilization; and

Whereas similarly, the Department of the Air Force recently announced a plan to eliminate certain fully organized, equipped, and ready New York Air National Guard units stationed at Floyd Bennett Airbase, Brooklyn, N. Y.; and

Whereas such reductions would have a serious adverse effect on National and State defense and upon the New York National Guard; and

Whereas these cutbacks seriously affect the power of the Nation to fight a limited or brush-fire war, and all recent reports on the status of our national defense urge the necessity of maintaining Army and Air strength for this purpose, in addition to the need to catch up with Soviet Russia in the field of missile warfare; and

Whereas these cutbacks may be forced by budgetary pressure and our defense should be based upon what is reasonably needed and should not be made to fit within a prescribed budget figure; and

Whereas this Nation, having only 15 active Army divisions, certainly needs under today's conditions, all 27 combat divisions and other personnel in the Army National Guard of the United States, including New York's 42d Infantry Division and 27th Armored Division, and also needs the New York Air National Guard, as vital parts of our first line reserve forces, actually in being and ready to back up the Active Army and Air Force in case of emergency: Now, therefore, be it

Resolved by the officers and executive committee of the Army and Air National Guard and Naval Militia Association of the State of New York in meeting assembled at Albany, N. Y., this 7th day of February 1958, That the association urges Congress to authorize no further cuts in the strength of the Army National Guard and to appropriate funds to support the strength of 400,000 now fixed; and further urges Congress to authorize no reduction or inactivation of units in the troop basis of the Army National Guard or Air National Guard, particularly in the New York Army National Guard and New York Air National Guard.

NATURAL GAS BILL—RESOLUTION

Mr. JAVITS. Mr. President, I present a resolution adopted by the council of the city of Schnectady, N. Y., protesting against the enactment of House bill 8525, the so-called natural-gas bill. I ask unanimous consent that the resolution may be printed in the RECORD.

There being no objection, the resolution was referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

Resolution No. 6169

Whereas Congress currently is considering H. R. 8525, the so-called Harris-O'Hara natural-gas bill, which would exclude producers of natural gas from control and regulation by the Federal Power Commission; and

Whereas passage of the Harris-O'Hara bill would result in increased rates for natural-gas users, increases which have been estimated to be as great as $40 to $50 per year per family; and

Whereas such increase would be contrary to the public interest, especially in view of the hardships currently being imposed on many families in Schnectady and elsewhere in the country as a result of the present business decline: Now, therefore, be it.

Resolved, That this council hereby opposes the passage of H. R. 8525, the so-called Harris-O'Hara natural-gas bill and all similar bills, and urges the Congress not to approve such legislation, because of the hardship which it would entail for millions of natural-gas consumers in the major cities of our Nation; and be it further

Resolved, That copies of this resolution be forwarded to Congressman BERNARD W. KEARNEY, House Speaker SAM RAYBURN, Senators IRVING M. IVES and JACOB K. JAVITS, and to the United States Mayors' Committee Versus Natural Gas Legislation at 730 Jackson Place, Washington, D. C.

FREEDOM OF LITHUANIA—RESOLUTION

Mr. DOUGLAS. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted on February 16, 1958, by the Lithuanian Council of Chicago expressing the deep concern and abiding determination of these citizens to work in every proper way for the freedom of the courageous Lithuanian people.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas the restoration of the independence of Lithuania was declared by the Council of Lithuania on February 16, 1918, at the capital city of Vilnius; and

Whereas by the peace treaty of July 12, 1920, Soviet Russia recognized Lithuania as a fully self-governing and completely independent state; and

Whereas by the nonaggression pact of September 28, 1926, the Soviet Union agreed and undertook to respect the sovereignty, territorial integrity, and inviolability of Lithuania under all circumstances; and

Whereas in total disregard of the aforesaid treaties of peace and nonaggression, the Soviet Union forcibly seized and illegally incorporated Lithuania into the empire of the Soviet Union; and

Whereas these acts of aggression committed by the Soviet Union are in direct violation of international law and the Atlantic Charter, and of the Declaration and Charter of the United Nations which were signed by the United States, the Union of Soviet Socialist Republics, and other nations: Therefore be it

Resolved, That we vigorously restate our condemnation of the U. S. S. R. for its flagrant violation of the Law of Nations in the aggression against and seizure of Lithuania; be it further

Resolved, To appeal to the Government of the United States, defender of international law and order, signer of the Atlantic and United Nations Charters, champion of freedom and friend of small and oppressed nations, to use its influence and good offices everywhere and in every way possible; be it further

Resolved, To urge the Government of the United States to implement and use the Kersten amendment to the Mutual Security Act of 1953 authorizing $100 million for the combating of communism in Lithuania and other enslaved nations; be it also

Resolved, To thank the Government of the United States for the nonrecognition of the forcible Soviet incorporation of Lithuania and to express our hope and confidence that this nonrecognition will be continued until actual liberation and reestablishment of an independent self-government in Lithuania; be it also

Resolved, That these resolutions be delivered to the Honorable Dwight D. Eisenhower, President of the United States of America; the Honorable John Foster Dulles, the Secretary of State of the United States; the Honorable Senators from Illinois, PAUL H. DOUGLAS and EVERETT M. DIRKSEN, and members of the Congressional Foreign Relations Committees; and copies thereof to the press.

DIVERSION OF WATER FROM LAKE MICHIGAN—RESOLUTION

Mr. DOUGLAS. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution recently adopted by the board of the City Club of Chicago urging passage of H. R. 2 to authorize additional diversion of water from Lake Michigan into the Illinois-Mississippi River system for a 3-year trial period. I am glad that the careful study of these Chicago leaders has prompted their support of this important measure.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION ADOPTED BY THE CITY CLUB BOARD FEBRUARY 5, 1958—URGE INCREASED WATER DIVERSION FROM LAKE MICHIGAN

There is now pending before the Senate of the United States H. R. 2, authorizing

the State of Illinois and the Metropolitan Sanitary District of Greater Chicago to divert an additional amount of 1,000 cubic feet per second of water from Lake Michigan into the Illinois Waterway for a period of 3 years to permit studies to be conducted under the direction of the Secretary of the Army to determine the effect of such diversion and to report the results together with recommendations to Congress. The pending bill passed the House of Representatives in the 85th Congress, 1st session, and is now pending, along with Senate bill 1123, in the Senate of the United States.

The City Club has for many years supported additional diversion of water from Lake Michigan and now supports the pending bill, for the following reasons:

1. Competent evidence has been presented to Congress at previous sessions which has demonstrated the necessity for the study proposed under H. R. 2 to enable Congress to take permanent action on the important question of diversion of water from Lake Michigan.

2. The complaining residents and business interests of certain lake States heretofore have opposed legislative measures for diversion on the basis of unproved allegations that lake levels would be materially reduced and hydroelectric power produced at Niagara Falls would be adversely affected.

3. A report by Major General Itschner, Chief of Engineers, United States Army, to the Secretary of the Army, dated January 29, 1957, and a report of the International Lake Ontario Board of Engineers to the International Joint Commission, dated June 14, 1955, found that a temporary 3-year additional diversion of water from Lake Michigan at Chicago, as proposed in H. R. 2, would have insignificant effect on both navigation and power production in other Great Lakes States.

4. Such additional diversion would be of great benefit to the people of Chicago and the State of Illinois, and would permit an adequate study to be made of the effect on navigation and sanitation.

The City Club of Chicago urges passage by the Senate of the United States of H. R. 2, which will authorize additional diversion of water from Lake Michigan for a 3-year period and permit a study of the effect of such diversion on navigation.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce, with amendments:

S. 2114. A bill to amend the act of March 3, 1901 (31 Stat. 1449), as amended, to incorporate in the Organic Act of the National Bureau of Standards the authority to acquire land for field sites, to undertake construction and improvement of buildings, and for other activities (Rept. No. 1292).

NEGOTIATIONS WITH JAPAN FOR PROTECTION OF ALASKAN RED SALMON FISHERIES—REPORT OF A COMMITTEE

Mr. GREEN, from the Committee on Foreign Relations, reported an original resolution (S. Res. 263) favoring negotiations with the Government of Japan for the protection of the Alaskan Red Salmon Fisheries, and submitted a report (No. 1291) thereon; which resolution was placed on the calendar, as follows:

Whereas the salmon fisheries of the Territory of Alaska are vital to the economic welfare of the Nation as well as to the Territory; and

Whereas the salmon fisheries constitute a valuable natural resource that provides millions of pounds of food and employment for thousands of persons annually; and

Whereas the 1947 Red Salmon pack was 1,887,500 cases valued at $44,133,000; and

Whereas the average Red Salmon pack for the past 10 years has been only 983,000 cases; and

Whereas the wholesale value of the 1957 Red Salmon pack was only $24,651,000; and

Whereas in 1952 Japan concluded a treaty with Canada and the United States whereby Japan agreed to abstain from taking salmon spawned in Alaskan waters; and

Whereas in 1954, with the treaty in full effect, Japan initiated high seas fishing on a substantial scale; and

Whereas Japan has increased and expanded its high seas fishing program during the years 1955, 1956, and 1957; and

Whereas studies indicate that unless emergency action is taken the Red Salmon cycle will be impaired and weakened to the point from which full recovery may never be possible; and

Whereas in the circumstances the United States is faced with closing certain fisheries entirely to our fishermen, thereby creating severe economic dislocation, or, in the alternative, allowing them to fish 7 days a week to meet the Japanese competition; and

Whereas to do either of the foregoing would end in serious economic dislocation and possible destruction of the fisheries:

Resolved, That the Secretary of State, together with other appropriate officials of our Government, immediately initiate negotiations with the appropriate officials and agencies of the Government of Japan for the purpose of:

(a) Effectuating the purposes of the treaty entered into by the United States, Canada, and Japan in 1952; and

(b) Assuring in time for the 1958 season necessary action to prevent destruction of salmon stocks of North American origin.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. GREEN, from the Committee on Foreign Relations:

Howard P. Jones, of Maryland, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary to the Republic of Indonesia, vice John M. Allison.

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce:

Richard F. Eiden, and sundry other persons, for appointment as chief warrant officers in the United States Coast Guard.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. FULBRIGHT:

S. 3296. A bill to encourage the creation and understanding of music; to the Committee on the Judiciary.

By Mr. CURTIS (for himself and Mr. HRUSKA):

S. 3297. A bill to provide for Federal cooperation with the Nebraska Midstate Reclamation District, Nebraska, in the construction of the Midstate project; to the Committee on Interior and Insular Affairs.

By Mr. LANGER:

S. 3298. A bill providing for the retroactive payment of old-age insurance benefits under title II of the Social Security Act to farmers who retire after having attained more than 65 years of age; to the Committee on Finance.

By Mr. LANGER (for himself and Mr. YOUNG):

S. 3299. A bill to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the birth of Theodore Roosevelt; to the Committee on Banking and Currency.

By Mr. JAVITS:

S. 3300. A bill for the relief of Jean Andre Paris; to the Committee on the Judiciary; and

S. 3301. A bill to increase the membership of the National Security Council by authorizing the appointment of four additional members from civilian life, and for other purposes; to the Committee on Armed Services.

(See the remarks of Mr. JAVITS when he introduced the last above-mentioned bill, which appear under a separate heading.)

By Mr. ALLOTT:

S. 3302. A bill to amend the Internal Revenue Code of 1954 to establish a 27½ percent depletion allowance for minerals mined as a source of synthetic oil or gas; to the Committee on Finance; and

S. 3303. A bill for the relief of Victoriano Davi: Verastique (Victor Davis); to the Committee on the Judiciary.

By Mr. ANDERSON:

S. 3304. A bill relating to price support for the 1958 and subsequent crops of extra long staple cotton; to the Committee on Agriculture and Forestry.

By Mr. PROXMIRE:

S. 3305. A bill for the relief of Adamantia Andrikopoulous (Pappas) Papavasiliou; to the Committee on the Judiciary.

By Mr. PROXMIRE (for himself, Mr. THURMOND, Mr. LANGER, Mr. HUMPHREY, Mr. HILL, Mr. ANDERSON, Mr. SPARKMAN, Mr. MORSE, and Mr. DOUGLAS):

S. 3306. A bill to prohibit the making of gifts to officials of Government agencies by persons having business with such agencies, and to prohibit the acceptance of such gifts; to the Committee on the Judiciary.

(See the remarks of Mr. PROXMIRE when he introduced the above bill, which appear under a separate heading.)

By Mr. DIRKSEN:

S. 3307. A bill to reinstate certain terminated oil and gas leases; to the Committee on Interior and Insular Affairs; and

S. 3308. A bill for the relief of Itica Aronovici; to the Committee on the Judiciary.

By Mr. DIRKSEN (by request):

S. 3309. A bill for the relief of the Aurex Corp.; to the Committee on the Judiciary.

By Mr. LANGER:

S. 3310. A bill to relieve the obligation on an immigration bond posted in the case of Sofia Gumuchdjian; to the Committee on the Judiciary.

By Mr. MURRAY (for himself, Mr. MANSFIELD, Mr. COOPER, Mr. MORSE, Mr. MCNAMARA, and Mr. LANGER):

S. 3311. A bill to authorize assistance to States and local communities in remedying the inadequacies in the number of their teachers and teachers' salaries and the shortage in classrooms; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. MURRAY when he introduced the above bill, which appear under a separate heading.)

By Mr. HUMPHREY:

S. 3312. A bill to amend section 9 (b) (3) of the National Labor Relations Act so as to eliminate the provision thereof prohibiting the certification, as bargaining representative of persons employed as guards, of a labor organization which admits to membership, or

is affiliated with an organization which admits to membership, employees other than guards; to the Committee on Labor and Public Welfare; and

S. 3313. A bill to amend the Mutual Security Act of 1954 in order to provide for overseas programs for scientific and technological information; to the Committee on Foreign Relations.

(See the remarks of Mr. HUMPHREY when he introduced the above bills, which appear under separate headings.)

By Mr. HOLLAND:

S. 3314. A bill for the relief of the city of Fort Myers, Fla., Lee County, Fla., and the Inter-County Telephone & Telegraph Co., Fort Myers, Fla.; to the Committee on the Judiciary.

By Mr. BIBLE (for himself, Mr. MURRAY, and Mr. CHURCH):

S. 3315. A bill to provide for the suspension of annual assessment work for the year ending July 1, 1958, with respect to mining claims held by location in the United States, including the Territory of Alaska; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. BIBLE when he introduced the above bill, which appear under a separate heading.)

By Mr. NEUBERGER (for himself and Mr. MORSE):

S. 3316. A bill for the relief of Kiyoshi Ueda; to the Committee on the Judiciary.

By Mr. KNOWLAND (for himself and Mr. KUCHEL):

S. 3317. A bill to authorize the Santa Cruz Harbor project, Santa Cruz, Calif.; to the Committee on Public Works.

By Mr. GREEN (for himself and Mr. WILEY) (by request):

S. 3318. A bill to amend further the Mutual Security Act of 1954, as amended, and for other purposes; to the Committee on Foreign Relations.

(See the remarks of Mr. GREEN when he introduced the above bill, which appear under a separate heading.)

By Mr. BRIDGES:

S. J. Res. 151. Joint resolution to adopt a specific version of the Star-Spangled Banner as the national anthem of the United States of America; to the Committee on the Judiciary.

(See the remarks of Mr. BRIDGES when he introduced the above joint resolution, which appear under a separate heading.)

By Mr. DIRKSEN (by request):

S. J. Res. 152. Joint resolution to provide for the designation of October 31 of each year as Youth Honor Day; to the Committee on the Judiciary.

RESOLUTION

Mr. GREEN, from the Committee on Foreign Relations, reported an original resolution (S. Res. 263), which was placed on the calendar.

(See resolution printed in full where it appears under the heading "Report of a Committee.")

ADDITIONAL MEMBERS OF NATIONAL SECURITY COUNCIL

Mr. JAVITS. Mr. President, I introduce, for appropriate reference, a bill to expand the National Security Council by the addition of four public members to be appointed by the President, and confirmed by the Senate, and to require the Council to make an annual report to the Congress and the people.

The basic purpose of this bill is to make of the National Security Council a broadly based national board of strategy, with continuing daily contacts both inside and outside Government, and in this way reflecting and coordinating both the policy needs of the Defense Establishment and of the private sector of the economy. For our greatest strength and power are in our production, which is largely privately owned and managed.

The strategic concept of defense as it relates to our foreign policy must be clear. Also, the economic implications of defense preparation, so vital right now as part of an antirecession program, is an essential element of consideration by the National Security Council. This was the reason for the establishment of the National Security Council by the National Security Act of 1947, whose purpose was to "assess and appraise the objectives, commitments, and risks of the United States in relation to its actual and potential military power in the interests of national security for the purpose of making recommendations to the President." The National Security Council is more than a staff instrument for the President. This is shown by the specific statute authorizing its jurisdiction and membership, as well as by its recognition as an operating entity which is quoted as an authority for the highest level policy of our Government.

The activities of this Council were to be supported by a number of agencies in peacetime, but primarily by the Central Intelligence Agency created at the same time by the same law.

Events which surrounded the unreleased Gaither report indicated a great dissatisfaction with the amount of public participation and public knowledge of the operations of the NSC.

The prime lesson to be learned from the Russian challenge in applied science and weaponry is that the defense of our country requires a total effort—not by Government alone—and that the public must be made aware of and share in great national decisions which are required. We must recognize that Government does not have all the answers in this field, and that the private sector of our economy—management, labor, investors, farmers, and private voluntary organizations—can make a substantial contribution in meeting the common challenge. Recent studies by private organizations amply demonstrate that some of the deepest, most constructive thinking is being done outside of Government.

In attuning the Council more closely to the public, we would be following through on the original philosophy underlying its creation. The report on the Council made by Ferdinand Eberstadt of New York to then Secretary of the Navy, James Forrestal, on October 27, 1945, called for close links to the private sector through published reports on its activities to the extent that the national security does not absolutely require secrecy. The report stated:

> The public would be kept posted on these vital matters by an authoritative and dependable source.

Through such reports, the Council could be a national board of higher strategy and could aid in building up public support for clear-cut, consistent, and effective foreign and military policies.

This bill provides that the four public members shall be "appointed by the President, by and with the consent of the Senate, to serve at his pleasure, not more than two of whom shall be from each of the two major political parties."

The section dealing with the issuance of annual reports by the Council states that "the Council shall submit to the President and to the Congress annually a report concerning the activities of the Council and shall from time to time make such recommendation and such other reports to the President as it shall deem appropriate or as the President may require." The national security would not be endangered, nor would classified material be revealed.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3301) to increase the membership of the National Security Council by authorizing the appointment of four additional members from civilian life, and for other purposes, introduced by Mr. JAVITS, was received, read twice by its title, and referred to the Committee on Armed Forces.

PROHIBITION OF GIVING OR ACCEPTING GIFTS OR ANY OTHER THING OF VALUE FROM PERSONS HAVING BUSINESS WITH GOVERNMENT AGENCIES

Mr. PROXMIRE. Mr. President, on behalf of myself, the Senator from South Carolina [Mr. THURMOND], the Senator from North Dakota [Mr. LANGER], the Senator from Minnesota [Mr. HUMPHREY], the senior and junior Senators from Alabama [Mr. HILL and Mr. SPARKMAN], the Senator from New Mexico [Mr. ANDERSON], the Senator from Oregon [Mr. MORSE], and the Senator from Illinois [Mr. DOUGLAS], I introduce for appropriate reference, a bill to prohibit the making of gifts to officials of Government agencies by persons having business with such agencies, and to prohibit the acceptance of such gifts. Representative MOULDER, of Missouri, is introducing a similar bill in the House of Representatives.

Mr. President, I ask unanimous consent that the bill be permitted to lie on the table until Friday, February 21, in order to permit any other Senators who wish to do so to add their names as cosponsors.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, the present law governing the giving or receiving of things of value on the part of officials of the Government and persons who have a direct interest in their decisions and actions, is in my judgment extremely inadequate.

It fails to provide a clear and positive guide for the proper conduct of the persons involved. It is the duty of Congress to prescribe clear standards to govern the conduct of persons in the Government agencies and those who have an interest in their acts. The present lack of such standards imposes the risk of penalty upon those who voluntarily subscribe to

high ethical standards in their own relations with such Government officials, and permits the possibility of unfair and intolerable influence upon the acts of Government officials, through conduct which falls short of those standards.

I was extremely disappointed last week, Mr. President, to find that President Eisenhower apparently condones and approves of the present law. In his press conference, he called attention to the statute which permits members of the Federal Communications Commission to take "honorariums or compensation" from persons and corporations which have business before that Commission.

It was disappointing, indeed, that the President has not seen fit to come forward with a strong recommendation for correcting this loophole in the law. But it was all the more disappointing that he indicated he positively approves of the law as it now stands.

The bill which my colleagues and I are introducing today will close this unfortunate loophole.

Public officials in the Federal Communications Commission are charged with the responsibility to make decisions that involve the granting of property rights from the public domain that are worth literally millions of dollars. The air waves constitute a severely limited public resource. The right to use them constitutes an enormously profitable property right. The public interest in their proper use is likewise tremendously important; radio and television are vital forces in modern life, morals, education, and social development. There must not be even the slightest ground for suspicion that the integrity of the decisions entrusted to the Federal Communications Commission is compromised in any way by any possible conflict between personal interests of the Commissioners and the public interest.

The same standard of absolute integrity should apply to the officials of all regulatory agencies and all other Government departments. These agencies, in their routine work, exercise tremendously broad grants of executive, legislative, and judicial powers, combined. Their powers profoundly affect the lives of all the people. The people have a right to unquestioned confidence that the decisions of these public officers will reflect as disinterested a judgment of the public interest as the law can provide.

Mr. President, this matter has aroused deep concern among responsible citizens. Two of the Nation's most respected newspapers have called for the bill I am introducing today, in editorials that have come to my attention. Undoubtedly others have commented in similar vein. I ask unanimous consent to have 3 brief editorials—2 from the Milwaukee Journal, and 1 from the Washington Post—printed at this point in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Milwaukee Journal]

LAW JUSTIFIES IMPROPRIETY

While Congress is making up its mind about whether to push ahead with an investigation of Federal regulatory agencies, there is one thing it can do to prove to the public that it wants honesty and propriety. It can close the loophole in the Federal Communications Act by which some FCC Commissioners justify taking honorariums from the industries they regulate.

The law, which forbids Commissioners to do any outside work, says that the ban "shall not apply to the presentation or delivery of publications or papers for which a reasonable honorarium or compensation may be accepted."

It is this law that Chairman John Doerfer cites as justification for his acceptance of $575 for giving a speech to an industry group. The intent of Congress was not that at all. It was to allow for technical papers or publications not connected with official duties.

T. A. M. Craven is one FCC Commissioner who understands this, and understands the impropriety of accepting compensation from those he regulates. He has testified that he considers it improper.

It is improper. Commonsense alone should make that evident. But it doesn't—as Doerfer's testimony shows. So the matter should be taken care of by law. Congress should close the Communications Act loophole by removing from the act the permission to accept honorariums. It should further ban acceptance of industry-paid expense accounts. All this it can do quickly and without further study, for the need is self-evident.

A law that can be used to justify impropriety is bad law and dangerous law.

[From the Milwaukee Journal]

NOT JUST A LEGALISTIC SHRUG

President Eisenhower says his lawyer advises him that it is proper under law for Federal Communications Commissioners to accept honorariums for speeches before industry groups. But, the President says, he himself hasn't heard much about the current FCC investigations except what he has read in the papers.

This hardly sounds like a leader of the clean-as-a-hound's-tooth administration that the President promised back in 1953.

Surely the fact that Commissioners have received expense money and honorariums from individuals and organizations they regulate (sometimes getting Government expenses as well) can't be passed off with a legalistic shrug.

What is important here is more than the illegality that may be involved. Here is a matter of propriety, of ethics, of the need for officials to keep their hands clean. It is part of the very thing that Eisenhower was so critical of when he campaigned against the former administration.

The President has been indifferent to conflict-of-interest cases in the past—often to be forced later to act when public opinion rose high. Is this going to be another case of waiting for public opinion? Or is the President going to do what he once promised—demand publicly that his officials stay above suspicion and avoid even the appearance of wrongdoing?

[From the Washington Post]

LAW AT FAULT, TOO

President Eisenhower missed a good opportunity yesterday to urge repeal of the law which authorizes members of the Federal Communications Commission to accept fees for speeches. Instead, he merely directed attention to the law when asked at his news conference to comment on the Moulder subcommittee investigation into alleged misconduct within the FCC. The subcommittee has brought out that Chairman Doerfer of the FCC has on several occasions accepted compensation for speeches at broadcasters' conventions, and yesterday he acknowledged that he had accepted a week's hospitality from a broadcaster who had a case before the FCC. This and the controversy over whether Mr. Doerfer was compensated twice for certain expenses point to possibly serious derelictions. Quite apart from Mr. Doerfer's own conduct, however, the law seems to us one of the causes of difficulty in the FCC.

The legislative history does not indicate why Congress exempted fees for speeches when it amended the FCC Act in 1952 so as to forbid the commissioners to engage in any other business, profession or employment. But its intent to exempt the fees seems to be clear enough. After laying down a prohibition against outside employment, the statute provides: "but this shall not apply to the presentation or delivery of publications or papers for which a reasonable honorarium or compensation may be accepted." It should have been obvious when the amendment was passed that it would open the door to questionable relations between FCC members and the industries they regulate.

We think Chairman Doerfer was indiscreet in taking advantage of the privilege the law gives him, but the basic defect is in the law itself. Instead of inviting members of regulatory bodies to receive honorariums from interests under their control, the law should specifically forbid this practice. It should also forbid the Commissioners to accept transportation allowances, hotel expenses, and other gifts and favors from interests under their regulation. If these changes were accompanied by more liberal expense allowances from the Government to cover activities in which Commissioners ought to participate in the course of official business, and if the FCC would adopt a code of ethics to insulate its members from the many pressures brought to bear upon them, especially from Congress, the quality of its service could be greatly improved.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3306) to prohibit the making of gifts to officials of Government agencies by persons having business with such agencies, and to prohibit the acceptance of such gifts, introduced by Mr. PROXMIRE (for himself and other Senators), was received, read twice by its title, and referred to the Committee on the Judiciary.

SOFIA GUMUCHDJIAN—INDEFINITE POSTPONEMENT OF BILL

Mr. LANGER. Mr. President, I introduce, for appropriate reference, a bill to relieve the obligation on an immigration bond posted in the case of Sofia Gumuchdjian. This bill is to supersede the bill (S. 2482) for the relief of George Barsam, introduced by me on July 8, 1957. The Commissioner of Naturalization and Immigration has advised me that the bill I introduce today is in the preferred form. Therefore, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of Senate bill 2482, and that it be indefinitely postponed.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the committee will be discharged from the further consideration of Senate bill 2482, and the bill will be indefinitely postponed. The Chair hears no objection.

The bill (S. 3310) to relieve the obligation on an immigration bond posted in the case of Sofia Gumuchdjian, intro-

duced by Mr. LANGER, was received, read twice by its title, and referred to the Committee on the Judiciary.

PROPOSED SCHOOL ASSISTANCE ACT OF 1957

Mr. MURRAY. Mr. President, on behalf of myself, and my colleague the junior Senator from Montana [Mr. MANSFIELD], the Senator from Kentucky [Mr. COOPER], the Senator from Oregon [Mr. MORSE], and the Senator from Michigan [Mr. MCNAMARA], I introduce, for appropriate reference, a bill to provide financial assistance to States and local communities in remedying the inadequacies in the number of their teachers and in teachers' salaries as well as the shortage of classrooms. This bill is identical to H. R. 10763, which was introduced in the House by Representative LEE METCALF, of the First Congressional District of Montana, on last Monday, February 17.

The Senate is well aware of the urgent needs of our schools and the obvious inability of the States and local communities alone to provide the American people with the kind of education they need and deserve. An educated people is basic to the preservation of our national security and our ideals of democracy. An educated people is vitally necessary to the cause of world peace, and thus to the preservation of civilization. The responsibility of the Federal Government in this area cannot continue to be neglected and denied.

This bill proposes to appropriate amounts sufficient to provide a payment of $25 per school-age child for the fiscal year beginning July 1, 1958; $50 per child for the fiscal year beginning July 1, 1959; $75 per child for the fiscal year beginning 1960; and for each fiscal year thereafter $100 per school-age child.

This bill has no Federal control provisions. The choice of using the money herein provided for either teacher salaries or school construction is left to the discretion of the receiving States. Each State may choose to use the money partly for each purpose and in any proportion determined by the State. The bill provides for reporting to the United States Commissioner of Education as to the manner the State chooses to utilize the funds granted under this act.

The maintenance of effort for education by the States is required through a formula written into the bill, and any State which does not make a just effort to meet its responsibility to education will have its Federal funds proportionately reduced.

I believe this bill will help broaden the tax base for support of elementary and secondary education in the States. It will be an important and long overdue step toward adequate compensation for teachers, toward encouraging good teachers to remain on the job, and toward attracting competent new teachers to this most important of professions.

Those who are concerned as I am about improving the quality of education have here a chance to make such improvements a fact. Undertrained, overworked teachers in overcrowded, outmoded classrooms cannot give quality education to our Nation's future citizens.

I am heartily in accord with scholarships for college students and am proud of my colleagues who have proposed bold and effective action which I shall support in this area. But this alone is not the answer. Under present conditions in too many school districts far too many of our future scientists, artists, statesmen and political leaders are being lost through discouragement and frequently through outright failure of present inadequate school programs which, despite well-meaning citizens and educators cannot meet the educational needs of all our boys and girls. In this day and age we cannot continue to take the awful risk of losing even one.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD at this point as a part of my remarks, and that the bill be held at the desk for a period of 10 days, so that other Senators may have ample opportunity to join in its sponsorship.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD, and held at the desk, as requested by the Senator from Montana.

The bill (S. 3311) to authorize assistance to States and local communities in remedying the inadequacies in the number of their teachers and teachers' salaries and the shortage in classrooms, introduced by Mr. MURRAY (for himself and other Senators), was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc.—

SHORT TITLE

SECTION 1. This act may be cited as the "School Assistance Act of 1957."

FINDINGS AND PURPOSE OF ACT

SEC. 2. The Congress finds that despite sustained and vigorous efforts by the States and local communities, which have increased current school construction to an unprecedented level, and have likewise increased expenditures for teachers' salaries, there is still a serious national shortage of classrooms and of teachers requiring emergency action on the part of the Federal Government. The limited financial resources available to many communities are not adequate to support construction programs of sufficient size to eliminate their classroom shortages, and practically all communities are faced with the problem of providing reasonable compensation to their growing numbers of teachers. While the Congress recognizes that responsibility for providing adequate school facilities and teaching staff lies primarily with the States and local communities, the national interest requires that the Federal Government assist State and local governments in solving these pressing problems. It is the purpose of this act to provide Federal financial assistance on a grant basis to help meet the problems of inadequate facilities and inadequate teachers' salaries.

AUTHORIZATION OF APPROPRIATIONS

SEC. 3. There are hereby authorized to be appropriated for the fiscal year beginning July 1, 1958, and for succeeding fiscal years, amounts equal to the product of the estimated number of the school-age population of all the States as of such year and the following amounts: For the fiscal year beginning July 1, 1958, $25; for the fiscal year beginning July 1, 1959, $50; for the fiscal year beginning July 1, 1960, $75; and for each fiscal year thereafter, $100.

ALLOTMENTS TO STATES

SEC. 4. (a) The Commissioner shall allot for each fiscal year to each State making certifications pursuant to section 6 and having plans approved pursuant to section 7, from the total amount appropriated for such year pursuant to section 3, an amount which bears the same ratio to such total as such State's estimated school-age population bears to the total estimated school-age population of all such States, subject only to such adjustments, if any, as result from the application of section 5.

(b) Each State allotment may be divided in two portions. One portion, hereinafter called the school construction and basic instructional equipment allotment, shall be the amount the State education agency shall request and certify to the Commissioner for grants under section 7. The remaining portion, hereinafter called the teacher salary allotment, shall be for grants under section 6.

MAINTENANCE OF STATE AND LOCAL SUPPORT FOR SCHOOL FINANCING

SEC. 5. (a) The amount allotted to any State under section 4 for any year shall be reduced by the percentage (if any) by which its State school effort index for such year is less than the national school effort index for such year. The total of such reductions shall be reallotted among the remaining States by proportionately increasing the amounts allotted to them under such section for such year.

(b) For purposes of subsection (a)—

(1) the State school effort index for any State for a fiscal year is the quotient obtained by dividing (A) the State's school expenditures per public-school child by (B) the income per child of school age for the State; except that the State school effort index shall be deemed to be equal to the national school effort index in the case of (i) Alaska, Hawaii, Puerto Rico, the Virgin Islands, Guam, American Samoa, and the District of Columbia, and (ii) any State for which the school expenditures per public-school child are not less than the school expenditures per public-school child for the continental United States;

(2) the national school effort index for any fiscal year is the quotient obtained by dividing (A) the school expenditures per public-school child for the continental United States by (B) the income per child of school age for the continental United States.

(c) (1) The school expenditures per public-school child for any State for purposes of determining its State school effort index for any fiscal year means the quotient obtained by dividing (A) the total expenditures by the State and subdivisions thereof for elementary and secondary education made from current revenue receipts derived from State and local sources in the State, as determined by the Commissioner on the basis of data for the most recent school year for which satisfactory data for the several States are available to him, by (B) the number of children in average daily attendance in public elementary and secondary schools in such State, as determined by the Commissioner for such most recent school year.

(2) The school expenditures per public-school child for the continental United States for purposes of determining the national school-effort index for any fiscal year means the quotient obtained by dividing (A) the total expenditures by the States and subdivisions thereof for elementary and secondary education made from current revenue receipts derived from State and local sources in the continental United States, as determined by the Commissioner for the same school year as is used under paragraph (1),

by (B) the number of children in average daily attendance for such year in public elementary and secondary schools in the continental United States, determined as provided in paragraph (1).

(3) The income per child of school age for the States and for the continental United States shall, for purposes of subsection (b), be determined by the Commissioner on the basis of the incomes per child of school age for the most recent year for which satisfactory data are available from the Department of Commerce.

GRANTS FOR TEACHERS' SALARIES

SEC. 6. (a) Before an allotment is granted for teachers' salaries under section 4, each State shall certify to the Commissioner through its State educational agency that its teacher salary allotment will be—

(1) distributed among its public-school districts;

(2) used solely by such districts for teachers' salaries;

(3) so distributed that each public-school district in the State will receive at least three-fourths of the amount which bears the same ratio to the total allotment as the number of its teachers bears to the number of teachers of all the State's public-school districts; and shall be paid such allotment by the Commissioner in such installments as such agency shall from time to time certify to be currently needed.

(b) The two conditions imposed on such payments are—

(1) that the State agency shall verify from time to time in compliance with the Commissioner's regulations that such funds were distributed and expended in compliance with its certification; and

(2) that the Commissioner shall withhold amounts otherwise payable to any State which fails to make such verification or fails to comply with its certification, until it rectifies such failure or satisfies the Commissioner that it will do so.

STATE SCHOOL-CONSTRUCTION PLANS

SEC. 7. (a) Any State desiring an allotment for construction and basic instructional equipment shall submit to the Commissioner, through its State educational agency, a State plan which shall—

(1) provide that the State educational agency shall be the sole agency for administering the plan;

(2) set forth a program under which funds paid to the State from its school construction allotment will be expended solely for school-facilities construction projects approved by the State educational agency;

(3) set forth principles for determining the priority of projects in the State for assistance from such funds which will assure that first priority will be given to local educational agencies which, upon making an effort commensurate with their economic resources, are unable, solely because of lack of such resources, to finance from the resources available to them the full cost of needed school facilities; the priority principles set forth in accordance with this paragraph shall take into account (A) the financial resources of the several local educational agencies in the State, (B) the efforts which have been and are being made to meet their needs for school facilities out of State and local funds, and (C) the urgency of their needs for school facilities, determined according to conditions of overcrowding or lack of facilities, and the extent to which unsafe and obsolete facilities are in use;

(4) provide for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for such Federal funds;

(5) provide an opportunity for a hearing before the State educational agency to each local educational agency within the State which applies for approval of a construction project;

(6) provide for the establishment of standards on a State level for planning and constructing school facilities; and

(7) provide that the State educational agency will make such reports to the Commissioner, in such form and containing such information, as may be reasonably necessary to enable the Commissioner to perform his duties under this act.

In the case of any State in which a State agency has exclusive responsibility for the financing of the construction of school facilities, the Commissioner may modify or make inapplicable any of the foregoing provisions of this section to the extent he deems such action appropriate in the light of the special governmental or school organization of such State.

(b) The Commissioner shall approve any State plan and any modification thereof which complies with the provisions of subsection (a), but shall not finally disapprove any State plan or modification thereof without first affording to the State educational agency reasonable notice and opportunity for a hearing. Hearings hereunder shall be subject to the Administrative Procedure Act.

(c) Whenever the Commissioner, after reasonable notice and opportunity for hearing to the State educational agency, finds that—

(1) the State plan approved under this section has been so changed that it no longer complies with the provisions of subsection (a); or

(2) in the administration of the plan there is a failure to comply substantially with any such provision,

he shall make no further reservations under section 7 (b) for projects in the State, and no further payments for any project directly affected by such failure, until he is satisfied that there is no longer any such failure to comply, or, if compliance is impossible, until the State repays or arranges for the repayment of Federal funds which have been diverted or improperly expended. After notice as provided in this subsection to any State, the Commissioner may suspend further reservations of funds under section 7 (b) for projects in the State, pending the making of findings under this subsection.

PAYMENTS TO STATES FOR SCHOOL CONSTRUCTION

SEC. 8. (a) Payments from the State's school-construction allotment shall be made to those State educational agencies which administer plans approved under section 6 and which furnish statements to the Commissioner in accordance with this section. Each such statement shall (1) set forth one or more projects approved by the State educational agency under the plan, (2) set forth the estimated cost of each such project, (3) set forth the amount of the Federal-State grant proposed to be made by the State educational agency with respect thereto, and (4) include a certification that State funds to cover the State share of such Federal-State grant will be available.

(b) Except as provided in section 9, the Commissioner shall issue, to each State educational agency furnishing a statement in accordance with subsection (a), a commitment reserving, out of the State's allotment, for each project included in the statement, the amount requested by the State educational agency for that period. The Commissioner shall change any amount so reserved upon request of the State educational agency and receipt of an amended statement from such agency, but only to the extent the change is not inconsistent with the other provisions of this act. The Commissioner shall pay the amount reserved to the State educational agency upon certification by the State educational agency that the financing of the remainder of the cost of construction of the project has been arranged. Funds so paid shall be used exclusively to meet the cost of constructing the project for which the amount was reserved.

(c) In lieu of certification by a State educational agency pursuant to clause (4) of subsection (a) with respect to a project, the Commissioner may accept certification by such agency that an amount equivalent to the State share of the payment with respect to such project has been arranged through provision for State payments toward the debt service on the loan (if any) to help finance part of the construction of such project, provision for waiver of payments due the State or any agency thereof with respect to such project, or other provision which, in the judgment of the Commissioner, is (or is estimated to be) equivalent to such State share.

(d) If any project for which one or more payments have been made under this section is abandoned, or is not completed within a reasonable period determined under regulations of the Commissioner, the State to which such payments were made shall repay to the United States, for deposit in the Treasury of the United States as miscellaneous receipts, the amount of such payments or such lesser amount as may be reasonable under the circumstances (as determined by agreement of the parties or by action brought in the Federal district court for the district in which such project is located).

JUDICIAL REVIEW

SEC. 9. (a) If any State is dissatisfied with the Commissioner's final action under this act, such State may, within 60 days after notice of such action, file in the United States district court for the district in which the capital of the State is located, a petition to review such action. The petition for review shall (1) contain a concise statement of the facts upon which the appeal is based and (2) designate that part of the Commissioner's decision sought to be reviewed.

(b) Notification of the filing of the petition for review shall be given by the clerk of the court by mailing a copy of the petition to the Commissioner.

(c) No costs or docket fees shall be charged or imposed with respect to any judicial review proceedings, or appeal therefrom, taken under this act.

(d) Upon receipt of the petition for review the Commissioner shall, within 20 days thereafter, certify and file in the court the record on review, consisting of the complete transcript of the proceedings before the Commissioner. No party to such review shall be required, by rule of court or otherwise, to print the contents of such record filed in the court.

(e) All appeals from orders of the Commissioner shall be heard anew in the district court on the record filed, unless the court, for good cause shown, and on such terms as may be just, orders that other evidence be received.

(f) The court after review may dismiss the petition or deny the relief prayed for, or may suspend, modify, or set aside, in whole or in part, the action of the Commissioner, or may compel action unlawfully withheld. The judgment of the court shall be subject to review as provided in sections 1291 and 1254 of title 28 of the United States Code.

LABOR STANDARDS

SEC. 10. (a) The Commissioner shall not make any payments under this act to assist in financing the construction of any school facilities project, except upon adequate assurance that all laborers and mechanics employed by contractors or subcontractors in the performance of work on such project will be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U. S. C. 276a–276a–5).

(b) The Secretary of Labor shall have, with respect to the labor standards specified in subsection (a) of this section, the authority and functions set forth in Reorganization

Plan No. 14 of 1950 (15 F. R. 3176; 64 Stat. 1267), and section 2 of the act of June 13, 1934, as amended (40 U. S. C. 276c).

UTILIZATION OF OTHER AGENCIES

SEC. 11. In administering the provisions of this act, the Commissioner is authorized to utilize the services and facilities of any agency of the Federal Government and, without regard to section 3709, as amended, of the Revised Statutes, of any other public or nonprofit agency or institution, in accordance with agreements between the Secretary of Health, Education, and Welfare, and the head thereof. Payment for such services and facilities shall be made in advance or by way of reimbursement, as may be agreed upon by the Secretary and the head of the agency or institution concerned.

APPROPRIATION FOR ADMINISTRATION

SEC. 12. There are hereby authorized to be appropriated for each fiscal year to the Department of Health, Education, and Welfare such sums as may be necessary for administration of this act.

DELEGATION OF FUNCTIONS

SEC. 13. The Commissioner may delegate to any officer or employee of the Office of Education any of his functions under this act except the making of regulations.

ASSURANCE AGAINST FEDERAL INTERFERENCE IN SCHOOLS

SEC. 14. In the administration of this act, no department, agency, officer, or employee of the United States shall exercise any direction, supervision, or control over the personnel, curriculum, or program of instruction of any school or school system.

DEFINITIONS

SEC. 15. For purposes of this act—

(a) The term "Commissioner" means the United States Commissioner of Education.

(b) The term "State" means a State, Alaska, Hawaii, Puerto Rico, Guam, or the Virgin Islands, Wake Island, the District of Columbia, and American Samoa.

(c) The term "State educational agency" means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary and secondary schools, or, if there is no such officer or agency, an officer or agency designated by the governor or by State law.

(d) The term "local educational agency" means a board of education or other legally constituted local school authority having administrative control and direction of free public education in a city, county, township, school district, or political subdivision in a State; and includes any State agency which directly operates and maintains public schools. If a separate public authority, other than a State school-financing agency, has responsibility for the provision or maintenance of school facilities for any local educational agency or the financing of the construction thereof, or for the employment of teachers, such term includes such other authority.

(e) The term "public-school district" means any public-school district under a local educational agency.

(f) The term "school facilities," except as otherwise provided in this paragraph, means classrooms and related facilities (including initial equipment, machinery, and utilities necessary or appropriate for school purposes), for education which is provided as elementary or secondary education, in the applicable State, at public expense and under public supervision and direction; and interests in land (including site, grading, and improvement) on which such facilities are constructed. For purposes of this act such term does not include interests in land or off-site improvements, or structures or facilities designed to be used exclusively for special activities, such as single-purpose auditoriums and gymnasiums.

(g) The terms "constructing" and "construction" mean the preparation of drawings and specifications for school facilities; erecting, building, acquiring, altering, remodeling, improving, or extending school facilities; and the inspection and supervision of the construction of school facilities.

(h) The term "child of school age" means a child who is between the ages of 5 and 17, both inclusive.

(i) The term "school-age population" means that part of the population which is between the ages of 5 and 17, both inclusive, and such school-age population for the several States shall be determined on the basis of the population between such ages for the most recent year for which satisfactory data are available from the Department of Commerce.

AMENDMENT OF NATIONAL LABOR RELATIONS ACT, RELATING TO EMPLOYMENT OF GUARDS

Mr. HUMPHREY. Mr. President, from time to time I have mentioned on the Senate floor the serious discrimination contained in section 9 (b) (3) of the Taft-Hartley Act depriving any guards union from affiliating with any other union which admits employees other than guards to membership.

Correspondence with the Twin Cities Guards Union Local No. 42, in Minneapolis has made me acutely conscious of the serious discrimination which this section of the Taft-Hartley Act imposes on Guards Union members. Guards ought to have the right to join in unified action on the same basis as other members of organized labor.

Consequently, I have prepared an amendment which would repeal that part of the Taft-Hartley action to which I have just had reference. I introduce the bill, and ask that it be appropriately referred.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3312) to amend section 9 (b) (3) of the National Labor Relations Act so as to eliminate the provision thereof prohibiting the certification, as bargaining representative of persons employed as guards, of a labor organization which admits to membership, or is affiliated with an organization which admits to membership, employees other than guards, introduced by Mr. HUMPHREY, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

AMENDMENT OF MUTUAL SECURITY ACT OF 1954, RELATING TO OVERSEAS PROGRAMS FOR SCIENTIFIC AND TECHNOLOGICAL INFORMATION

Mr. HUMPHREY. Mr. President, I introduce, for appropriate reference, a bill to amend the Mutual Security Act of 1954, in order to provide for overseas programs for scientific and technological information.

This bill would authorize the National Science Foundation to establish programs outside of the United States for collecting, collating, translating, abstracting, and disseminating scientific and technological information through the use of so-called counterpart funds. It would also authorize the National Science Foundation to conduct and support scientific activities, including cooperative programs and projects between the United States and other countries. These objectives would be accomplished by utilizing all available agencies and facilities of the Federal Government operating in foreign countries by authorizing such agencies to utilize the currencies or credits for currencies in such foreign areas held or available for expenditure by the United States, as well as funds generated through the Mutual Security Act, the Economic Cooperation Act of 1948, or the Agricultural Trade Development and Assistance Act of 1954.

In the implementation of these programs, adequate provisions are made to enable the Secretary of State to enter into executive agreements with such foreign governments where counterpart funds are available for utilization of all credits established under any of these acts in the development of scientific and technological programs. Thus, the proposed program would not be limited, under the provisions of the bill, to the use of administrative funds presently authorized for use by these agencies. A provision similar to the bill I am introducing today has been included in the proposed Science and Technology Act, S. 3126, title IV. I have been informed by the staff of the Committee on Government Operations which drafted this bill as well as the proposed Science and Technology Act of 1958, which I introduced in the Senate January 27 on behalf of myself, the senior Senator from Arkansas [Mr. MCCLELLAN], and the junior Senator from Texas [Mr. YARBOROUGH] that Dr. Wallace R. Brode, the recently appointed Chief of the science program in the Department of State, and officials of the National Science Foundation are extremely interested in this proposed legislation. I am sure they will be prepared to give the Congress details as to the possible utilization of these funds in the further development of science and technology both at home and abroad.

As Members of the Senate know, the Department of State has recently reactivated the science attache program, under Dr. Brode's direction. It is my understanding that he proposes to initiate an aggressive program abroad, through the use of funds made available by the National Science Foundation. Under the bill I am introducing today, if agreements are entered into with foreign countries where counterpart funds are available, it will not be necessary to use appropriated funds since the bill includes a provision waiving the present requirement that participating agencies must repay funds to the Treasury out of their appropriations.

Under this program, the United States would be able not only to utilize these funds for its most urgent needs—the development of science and technology, so important at this time—but also to develop a program in cooperation with other free nations, designed to bring about a better balance between fundamental or basic science and applied

science or technology, both in this country and abroad. As all Members of this body know, there has been and still is a deficiency in the development of the fundamental science in the United States, even in such important basic science programs as nuclear fission and H-bomb and missiles developments, the fundamental concepts of which originated from basic science developments in European countries. On the other hand, scientists and technologists in the United States are reportedly far ahead of other friendly nations in the application of science and technology. Under the bill I am introducing, adequate machinery would be provided through the use of credits already established, to bring about a better balance in these areas, by the further development, in this country, of basic science programs originating in European nations and, in turn, by making available to them for their own development the latest advancements in applied science and technology. It is my conviction that the approval of this bill would insure the establishment of balanced scientific development abroad, through the establishment of applied science, research, and technological institutes in the physical sciences where it is found to be advantageous and such programs are approved by the participating nations.

During the first session of the 85th Congress, a bill sponsored by me and the junior Senator from Arkansas [Mr. FULBRIGHT] which later became law—Public Law 85–141—authorized the utilization of not to exceed $10 million of the mutual-security funds by schools and libraries abroad, which might have been utilized in support of the scientific information program covered by the first section of the bill I am now introducing. Unfortunately, however, at the insistence of members of the House Committee on Appropriations, this action by the Congress was nullified through the adoption of a rider to the Mutual Security Appropriations Act for 1958—Public Law 85–279. The subject bill is much broader in its coverage, and, in my opinion, its enactment urgently needed at this time.

It is my hope that the Committee on Foreign Relations, to which I presume this bill will be referred, will give it immediate consideration. I also hope that the recently created Special Committee on Outer Space, which is directed to study all proposals for the advancement of science and technology, will give this matter its early consideration and submit its recommendations to the Committee on Foreign Relations for appropriate action.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3313) to amend the Mutual Security Act of 1954 in order to provide for overseas programs for scientific and technological information, introduced by Mr. HUMPHREY, was received, read twice by its title, and referred to the Committee on Foreign Relations.

SUSPENSION OF ANNUAL ASSESSMENT WORK ON CERTAIN MINING CLAIMS

Mr. BIBLE. Mr. President, on behalf of myself, the Senator from Montana [Mr. MURRAY], and the Senator from Idaho [Mr. CHURCH], I introduce, for appropriate reference, a bill which will, in a small way, help the already tottering mining industry of our counrty. The proposed legislation is designed primarily to help the prospector and the other small men of the industry by allowing them to hold mining claims in which many of them have a lifetime of investment.

This proposed legislation does not require any affirmative act on the part of any Government agency nor does it require appropriation approval to put it into effect. The legislation merely suspends for a 1-year period the statutory requirement that $100 worth of labor be expended annually on each mining claim held by location.

This type of legislation was common during the time of past emergencies, World War II and the Korean crisis, when labor and materials necessary to do the required assessment work was in short supply.

This time the mining industry is facing another emergency—this one more serious because it has been brought about to a large degree by the actions of the United States Government itself.

For the past several years the free trade policies of the administration have encouraged the mining and production of strategic minerals and metals in foreign countries and at the same time have refused to protect domestic producers. As foreign production increased it soon became apparent to domestic producers that they could not compete in the domestic market because the use of low-cost labor and substandard working conditions enabled foreign producers to sell their minerals and metals at a price far below that of our domestic companies.

For several years our Government attempted to make up the difference by use of subsidies, stockpiling schemes and barter, but none of these were successful in preventing the terrific inflow of foreign materials and equalizing the competitive picture.

Today because of the inability to compete with foreign producers our domestic mining industry is to all intents and purposes closed down. The industry upon which we must depend for raw materials in the time of emergency is in the worse shape it has been for the past several decades. If the need for raw materials from these mines were to arise tomorrow, they would be unable to provide because it takes weeks and months and sometimes years to put a closed mine back into full production.

Wherever there are mines, and this covers most of our Western States, as well as many other areas throughout our country, the unemployment caused by these mine shutdowns has added greatly to the economic crisis our Nation is facing today.

I have only to recite a few figures from the State of Nevada, which is a typical mining State, to show how the lack of a national mineral policy has affected the situation.

Production from Nevada mines dropped from $126 million plus in 1956 to $83 million plus in 1957, a drop of 33.9 percent. Employment during the same period was 30.6 percent lower in December 1957 than it was a year previous. Many of the mines in my State are small producers that employ a relatively few men. Needless to say, all of this type operation is closed down completely. The only mining employment in the State is in the big operations, and those are, for the most part, on a standby basis. Towns dependent almost solely on mining activity, not only in my State but in the other Western States, are in serious distress. Unemployment payments last month in Nevada were the highest in the history of the State.

It is because of this depressed state of the mining industry in the West that we introduce this legislation in an attempt to aid the small miners during this time of crisis. There is no need for them to be required to expend $100 on each claim in order to hold their interest. In a time when money is short and there is no market for minerals produced, this requirement should be waived. The legislation would make it mandatory that claimants file a notice of intention to hold claims but would waive the required labor provision.

Nearly 3 years ago, the administration promised they would devise a long-range minerals program which would solve the problem. As yet they have not come forward with anything that even comes close to a solution. The mining industry is at a standstill—it does not know which way to go, because it has no idea what the policy of the administration will be. It is until such a time that this policy is clear cut and set and the mining industry is on its way back, that everything possible in the way of emergency legislation to help the mining industry should be enacted. It is with this thought in mind that the proposed legislation is introduced.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3315) to provide for the suspension of annual assessment work for the year ending July 1, 1958, with respect to mining claims held by location in the United States, including the Territory of Alaska, introduced by Mr. BIBLE (for himself, Mr. MURRAY, and Mr. CHURCH), was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

AMENDMENT OF MUTUAL SECURITY ACT OF 1954

Mr. GREEN. Mr. President, on behalf of myself, and the senior Senator from Wisconsin [Mr. WILEY], by request, I introduce, for appropriate reference, a bill to amend further the Mutual Security Act of 1954, as amended, and for other purposes.

The bill has been prepared by the executive branch to carry out the recom-

mendation of the President made in his message to Congress which has just been received by the Senate.

The senior Senator from Wisconsin and I are introducing the proposed legislation in order that there may be a specific bill to which Members of the Senate and the public may direct their attention.

There can be no doubt that the mutual-security program is in the national interest of the United States and that Congress should act to continue the program. However, I want to make it equally clear that I reserve my right to support or oppose any part of the bill, as well as any suggested amendments to it, when the bill is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill may be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 3318) to amend further the Mutual Security Act of 1954, as amended, and for other purposes, introduced by Mr. GREEN (for himself and Mr. WILEY), by request, was received, read twice by its title, referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That this act may be cited as the "Mutual Security Act of 1958."

SEC. 2. Title I, chapter 1, of the Mutual Security Act of 1954, as amended, which relates to military assistance, is further amended by striking out "1958" and "$1,600,000,000" in section 103 (a) and substituting "1959" and "$1,800,000,000", respectively.

SEC. 3. Title I, chapter 3, of the Mutual Security Act of 1954, as amended, which relates to defense support, is further amended by striking out "1958" and "$750,000,000" in section 131 (b) and substituting "1959" and "$835,000,000", respectively.

SEC. 4. Title II of the Mutual Security Act of 1954, as amended, which relates to the Development Loan Fund, is further amended as follows:

(a) Amend section 202, which relates to general authority, as follows:

(1) Strike out subsection (a) and substitute the following:

"(a) To carry out the purposes of this title, there is hereby created as an agency of the United States of America, subject to the direction and supervision of the President, a body corporate to be known as the 'Development Loan Fund' (hereinafter referred to in this title as the 'Fund') which shall have succession in its corporate name. The Fund shall have its principal office in the District of Columbia and shall be deemed, for purposes of venue in civil actions, to be a resident thereof. It may establish offices in such other place or places as it may deem necessary or appropriate."

(2) In subsection (b), strike out all preceding "is hereby" in the first sentence and substitute "The Fund"; strike out "he" in the first sentence and substitute "it"; strike out "from" in the second sentence and substitute "by"; insert after the third sentence "The provisions of section 955 of title 18 of the United States Code shall not apply to prevent any person, including any individual, partnership, corporation, or association, from acting for or participating with the Fund in any operation or transaction, or from acquiring any obligation issued in connection with any operation or transaction, engaged in by the Fund."; and strike out the last two sentences and substitute the following new sentence: "The President's semiannual reports to the Congress on operations under this act, as provided for in section 534 of this act, shall include detailed information on implementation of this title.".

(b) Amend section 204, which relates to fiscal provisions, as follows:

(1) In subsection (b), substitute "Fund" for "President" in the first sentence and strike out "against the Fund" in that sentence; change "authorized" to "made available" in the second sentence; and insert "assets of the" before "Fund" in the third sentence.

(2) Strike out subsection (c) and substitute the following:

"(c) The Fund shall be deemed to be a wholly owned Government corporation and shall accordingly be subject to the applicable provisions of the Government Corporation Control Act, as amended.".

(c) Amend section 205, which relates to powers and authorities, as follows:

(1) Insert "management," before "powers" in the heading of the section.

(2) Strike out subsections (a) and (b) and substitute the following new subsections:

"(a) The management of the Fund shall be vested in a Board of Directors (hereinafter referred to in this title as the 'Board') consisting of the Deputy Under Secretary of State for Economic Affairs, who shall be chairman, the Director of the International Cooperation Administration, the Chairman of the Board of Directors of the Export-Import Bank, the Managing Director of the Fund, and the United States Executive Director on the International Bank for Reconstruction and Development. The Board shall carry out its functions subject to the foreign-policy guidance of the Secretary of State. The Board shall act by a majority vote participated in by a quorum; and three members of the Board shall constitute a quorum. Subject to the foregoing sentence, vacancies in the membership of the Board shall not affect its power to act. The Board shall meet for organization purposes when and where called by the Chairman. The Board may, in addition to taking any other necessary or appropriate actions in connection with the management of the Fund, adopt, amend, and repeal bylaws governing the conduct of its business and the performance of the authorities, powers, and functions of the Fund and its officers and employees. The members of the Board shall receive no compensation for their services on the Board but may be paid actual travel expenses and per diem in lieu of subsistence under the Standardized Government Travel Regulations in connection with travel or absence from their homes or regular places of business for purposes of business of the Fund.

"(b) There shall be a Managing Director of the Fund who shall be the chief executive officer of the Fund, who shall be appointed by the President of the United States by and with the advice and consent of the Senate, and whose compensation shall be at a rate of $20,000 a year. There shall also be a Deputy Managing Director of the Fund, whose compensation shall be at a rate not in excess of $19,000 a year, and three other officers of the Fund, whose titles shall be determined by the Board and whose compensation shall be at a rate not in excess of $18,000 per year. Appointment to the offices provided for in the preceding sentence shall be by the Board. The Managing Director, in his capacity as chief executive officer of the Fund, the Deputy Managing Director and the other officers of the Fund shall perform such functions as the Board may designate and shall be subject to the supervision and direction of the Board. During the absence or disability of the Managing Director or in the event of a vacancy in the office of Managing Director, the Deputy Managing Director shall act as Managing Director, or, if the Deputy Managing Director is also absent or disabled or the office of Deputy Managing Director is vacant, such other officer as the Board may designate shall act as Managing Director. The offices provided for in this subsection shall be in addition to positions otherwise authorized by law."

(3) In subsection (c):

(i) Strike out all in the first sentence preceding ": enter into" and substitute "The Fund, in addition to other powers and authorities vested in or delegated or assigned to the Fund or its officers or the Board, may";

(ii) Strike out "may be deemed" in the first clause of the first sentence and substitute "it may deem";

(iii) Strike out "under this title" in the fourth clause of the first sentence and substitute "of the Fund";

(iv) Strike out "the Manager of" in the fifth clause, both times it appears in the seventh clause, and in the last clause of the first sentence;

(v) Insert after the seventh clause of the first sentence, following "collection;", the following: "adopt, alter and use a corporate seal which shall be judicially noticed; require bonds for the faithful performance of the duties of its officers, attorneys, agents and employees and pay the premiums thereon; sue and be sued in its corporate name (provided that no attachment, injunction, garnishment, or similar process, mesne or final, shall be issued against the Fund or any officer thereof, including the Board or any member thereof, in his official capacity or against property or funds owned or held by the Fund or any such officer in his official capacity); exercise, in the payment of debts out of bankrupt, insolvent or decedent's estates, the priority of the Government of the United States; purchase one passenger motor vehicle for use in the continental United States and replace such vehicle from time to time as necessary; use the United States mails in the same manner and under the same conditions as the executive departments of the Federal Government;";

(vi) Strike out all following "operation" in the last clause of the first sentence and substitute ", or in carrying out any function.".

(vii) Insert the following new sentence after the first sentence of the subsection: "Nothing herein shall be construed to exempt the Fund or its operations from the application of sections 507 (b) and 2679 of title 28, United States Code, or of section 367 of the Revised Statutes (5 U. S. C. 316).".

(4) Insert the following new subsections:

"(d) The Fund shall contribute, from the respective appropriation or fund used for payment of salaries, pay or compensation, to the civil-service retirement and disability fund, a sum as provided by section 4 (a) of the Civil Service Retirement Act, as amended (5 U. S. C. 2254a), except that such sum shall be determined by applying to the total basic salaries (as defined in that act) paid to the employees of the Fund covered by that act, the percent rate determined annually by the Civil Service Commission to be the excess of the total normal cost percent rate of the civil-service retirement system over the employee deduction rate specified in said section 4 (a). The Fund shall also contribute at least quarterly from such appropriation or fund, to the employees' compensation fund, the amount determined by the Secretary of Labor to be the full cost of benefits and other payments made from such fund on account of injuries and deaths of its employees which may hereafter occur. The Fund shall also pay into the Treasury as miscellaneous receipts that portion of the cost of administration of the respective funds attributable to its

employes, as determined by the Civil Service Commission and the Secretary of Labor.

"(e) The assets of the Development Loan Fund on the date of entry into force of the Mutual Security Act of 1958 shall be transferred as of such date to the body corporate created by section 202 (a) of this act. In addition, records, personnel, and property of the International Cooperation Administration may, as agreed by the Managing Director and the Director of the International Cooperation Administration or as determined by the President, be transferred to the Fund. Obligations and liabilities incurred against, and rights established or acquired for the benefit of or with respect to, the Development Loan Fund during the period between August 14, 1957, and the date of entry into force of the Mutual Security Act of 1958 are hereby transferred to, and accepted and assumed by, the body corporate created by section 202 (a) of this act. A person serving as Manager of the Development Loan Fund as of the date of entry into force of the Mutual Security Act of 1958 shall not, by reason of the entry into force of that act, require reappointment in order to serve in the office of Managing Director provided for in section 205 (b) of this act."

SEC. 5. Title III of the Mutual Security Act of 1954, as amended, which relates to technical cooperation, is further amended, as follows:

(a) In section 304, which relates to authorization, strike out "$151,900,000" and substitute "$142,000,000 for use beginning in the fiscal year 1959."

(b) Amend section 306, which relates to multilateral technical cooperation, as follows:

(1) Insert "and related programs" after "cooperation" in the heading of the section; insert "and this act" after "title" in the first sentence; and insert "and related" after "cooperation" in the first sentence.

(2) In subsection (a), which relates to contributions to the United Nations Expanded Program of Technical Assistance, strike out "$15,500,000" and "1958" and substitute "$20,000,000" and "1959", respectively; insert "and such related fund as may hereafter be established" after "Assistance"; and in the proviso change "to this program" to "for such purpose" and change "to the program" where it appears three times to "for such purpose."

(3) In subsection (b), which relates to contributions to the technical cooperation program of the Organization of American States, strike out "1958" and substitute "1959."

SEC. 6. Title IV of the Mutual Security Act of 1954, as amended, which relates to other programs, is further amended, as follows:

(a) In section 400 (a), which relates to special assistance, strike out "1958" and "$250,000,000" in the first sentence and substitute "1959" and "212,000,000," respectively; and strike out all following "stability" in the first sentence and all of the last sentence and insert a period.

(b) Amend section 401, which relates to President's special authority, as follows:

(1) Insert "and contingency fund" after "authority" in the heading of this section.

(2) Subsection (a) is amended, as follows:

(i) In the first sentence, insert "for use" after "made available"; strike out "such use by section 400 (a) of this act" and substitute "use under this subsection by subsection (b) of this section"; strike out "pursuant to authorizations contained in" and substitute "for use under"; and

(ii) In the second and last sentences strike out "section" both times it appears and substitute "subsection."

(3) Redesignate subsection (b) as subsection (c), and insert the following new subsection (b):

"(b) There is hereby authorized to be appropriated to the President for the fiscal year 1959 not to exceed $200 million for assistance authorized by this act, other than by title II, in accordance with the provisions of this act applicable to the furnishing of such assistance. One hundred million dollars of the funds authorized to be appropriated pursuant to this subsection for any fiscal year may be used in such year in accordance with the provisions of subsection (a) of this section."

(4) In the last sentence of subsection (c), insert "subsection (a) of" after "under."

(c) In section 402, which relates to earmarking of funds, strike out "1958" in the first sentence and substitute "1959."

(d) Repeal sections 403 and 404, which relate, respectively, to special assistance in joint control areas and responsibilities in Germany, and substitute the following new section:

"SEC. 403. Responsibilities in Germany: The President is hereby authorized to use during the fiscal year 1959 not to exced $8,200,000 of the funds made available pursuant to section 400 (a) of this act in order to meet the responsibilities or objectives of the United States in Germany, including West Berlin. In carrying out this section, the President may also use currency which has been or may be deposited in the GARIOA (government and relief in occupied area) special account, including that part of the German currency now or hereafter deposited under the bilateral agreement of December 15, 1949, between the United States and the Federal Republic of Germany (or any supplementary or succeeding agreement) which, upon approval by the President, shall be deposited in the GARIOA special account under the terms of article V of that agreement. The President may use the funds available for the purposes of this section on such terms and conditions as he may specify, and without regard to any provision of law which he determines must be disregarded."

(e) Amend section 405, which relates to migrants, refugees, and escapees, as follows:

(1) In subsection (c), strike out all following "fiscal year" and substitute "1959 not to exceed $1,200,000 for contributions to the program of the United Nations High Commissioner for Refugees for assistance to refugees under his mandate."

(2) In subsection (d), strike out "1958" and "$5,500,000" and substitute "1959" and "$8,600,000", respectively.

(f) In section 406, which relates to children's welfare, strike out "1958" and substitute "1959."

(g) In section 407, which relates to Palestine refugees in the Near East, insert "for the fiscal year 1959" before "not to exceed" in the first sentence; strike out "$65 million" in the first sentence and substitute "$25 million"; and strike out the second sentence.

(h) In section 409 (c), which relates to ocean freight charges, strike out "1958" and "$2,200,000" and substitute "1959" and "$2,100,000", respectively.

(i) In section 41, which relates to Control Act expenses, strike out "1958" in the first sentence and substitute "1959."

(j) Amend section 411, which relates to administrative and other expenses, as follows:

(1) In subsection (b), strike out "1958" and "$32,750,000" and substitute "1959" and "$33 million", respectively; and insert "and title II" after "title I" within the first parentheses;

(2) In subsection (c), insert "functions of the Department under this act or for" before "normal."

(k) In section 413 (b) (4), which relates to encouragement of free enterprise and private participation, strike out "the agency primarily" and substitute "an agency"; and insert after "Director of the International Cooperation Administration" both times it appears in subparagraph (F) "or such other officer as the President may designate."

(l) In section 419 (a), which relates to atoms for peace, strike out "1958" and "$7 million" in the second sentence and substitute "1959" and "$5,500,000", respectively.

(m) In section 420, which relates to malaria eradication, delete "The" in the second sentence and insert "In addition to such assistance as may be furnished for this purpose in accordance with the provisions of title II, the"; insert after the word "authorized" in the second sentence "to use funds made available under this act (other than ch. 1, title I, and title II)"; and strike out the last sentence.

SEC. 7. Title V, chapter 1, of the Mutual Security Act of 1954, as amended, which relates to general provisions, is further amended as follows:

(a) Section 509, which relates to shipping on United States vessels, is amended by adding the following new sentence at the end thereof: "Sales of fresh fruit and the products thereof under this act shall be exempt from the requirements of the cargo preference laws (Public Resolution 17, 73d Cong., and sec. 901 (b) of the Merchant Marine Act, 1936, as amended)."

(b) Section 510, which relates to purchase of commodities, is amended by striking out "title II or" in the first sentence.

(c) Add the following new section:

"SEC. 516. Prohibition against debt retirement: None of the funds made available under this act nor any of the counterpart funds generated as a result of assistance under this act or any other act shall be used to make payments on account of the principal or interest on any debt of any foreign government or on any loan made to such government by any other foreign government; nor shall any of these funds be expended for any purpose for which funds have been withdrawn by any recipient country to make payment on such debts: *Provided*, That to the extent that funds have been borrowed by any foreign government in order to make a deposit of counterpart and such deposit is in excess of the amount that would be required to be deposited pursuant to the formula prescribed by section 142 (b) of this act, such counterpart may be used in such country for any agreed purpose consistent with the provisions of this act."

SEC. 8. Title V, chapter 2, of the Mutual Security Act of 1954, as amended, which relates to organization and administration, is further amended by changing section 537, which relates to provisions on uses of funds, as follows: in subsection (a) (1), strike out "for the fiscal year 1958"; and in subsection (c), strike out "Not to exceed $18,000,000" and substitute "Notwithstanding the provisions of section 406 (a) of Public Law 85-241, not to exceed $26,000,000", and add the following new clause before the period: ", and not to exceed $2,750,000 of funds made available for assistance in other countries under this act may be used (in addition to funds available for such use under other authorities in this act) for construction or acquisition of such facilities for such purposes elsewhere."

SEC. 9. Title V, chapter 3, of the Mutual Security Act of 1954, as amended, which relates to repeal and miscellaneous provisions, is further amended as follows:

(a) Amend section 543 (d), which relates to saving provisions, by striking out "act of 1956 or the Mutual Security Act of 1957" and substituting "Acts of 1956, 1957 or 1958" in the first sentence.

(b) Amend section 544, which relates to amendments to other laws, by striking out subsections (b) and (c) (which deletions shall not be deemed to affect amendments contained in such subsections to acts other than the Mutual Security Act of 1954, as amended) and substituting the following new subsections:

"(b) Section 101 of the Government Corporation Control Act, as amended (31 U. S. C. 846), is further amended by inserting 'De-

velopment Loan Fund;' before 'Institute of Inter-American Affairs.'

"(c) The Defense Base Act as amended (42 U. S. C. 1651), is further amended as follows:

"(1) In subsection 1 (a), insert the following new subparagraph between subparagraph (4) and the last five lines:

"'(5) under a contract approved and financed by the United States or any executive department, independent establishment, or agency thereof (including any corporate instrumentality of the United States), or any subcontract or subordinate contract with respect to such contract, where such contract is to be performed outside the continental United States, under the Mutual Security Act of 1954, as amended (other than title II thereof), and not otherwise within the coverage of this section, and every such contract shall contain provisions requiring that the contractor (and subcontractor or subordinate contractor with respect to such contract) (1) shall before commencing performance of such contract, provide for securing to or on behalf of employees engaged in work under such contract the payment of compensation and other benefits under the provisions of this act, and (2) shall maintain in full force and effect during the term of such contract, subcontract, or subordinate contract, or while employees are engaged in work performed thereunder, the said security for the payment of such compensation and benefits, but nothing in this paragraph shall be construed to apply to any employee of such contractor or subcontractor who is engaged exclusively in furnishing materials or supplies under his contract;'

"(2) In subsection 1 (e), strike '(3) or (4)' in the last sentence and substitute therefor '(3), (4), or (5)'.

"(3) In subsection 1 (f), insert 'or in any work under subparagraph (5), subsection (a) of this section' between 'this section' and 'shall not apply'.

"(d) Section 101 (a) of the War Hazards Compensation Act, as amended (42 U. S. C. 1701), is further amended by inserting the following subparagraph between subparagraph (3) and the last 15 lines: 'or (4) to any person who is an employee specified in section 1 (a) (5) of the Defense Base Act, as amended, if no compensation is payable with respect to such injury or death under such act, or to any person engaged under a contract for his personal services outside the United States approved and financed by the United States under the Mutual Security Act of 1954, as amended (other than title II thereof): *Provided*, That in cases where the United States is not a formal party to contracts approved and financed under the Mutual Security Act of 1954, as amended, the Secretary, upon the recommendation of the head of any department or agency of the United States, may, in the exercise of his discretion, waive the application of the provisions of this subparagraph with respect to any such contracts, subcontracts or subordinate contracts, work location under such contracts, subcontracts or subordinate contracts, or classification of employees.'."

(c) Amend section 545, which relates to definitions, as follows:

(1) In subsection (j), insert "the Development Loan Fund and" after "refer to" and strike out "title II,".

(2) In subsection (k) insert "the Board of Directors of the Development Loan Fund and" after "refer to" and strike out "title II,".

ADOPTION OF A SPECIFIC VERSION OF THE STAR-SPANGLED BANNER AS THE NATIONAL ANTHEM

Mr. BRIDGES. Mr. President, when President Hoover signed Public Law 823 of the 71st Congress making the Star-Spangled Banner our national anthem, only the title was legislated; the words and music were not included. I am sure that it never occurred to the Members of that Congress or the President that they would ever be the subject of any controversy.

Nevertheless, legislation is presently pending before the House of Representatives proposing certain changes with which I do not agree. I feel that they would, if adopted, significantly alter the true meaning of Francis Scott Key's fine poem and the accompanying music.

Mr. President, I introduce a joint resolution covering this subject, for appropriate consideration. It is companion to House Joint Resolution 517 introduced by Representative FRANCIS E. DORN, of New York.

The PRESIDENT pro tempore. The joint resolution will be received and appropriately referred.

The joint resolution (S. J. Res. 151) to adopt a specific version of the Star-Spangled Banner as the national anthem of the United States of America, introduced by Mr. BRIDGES, was received, read twice by its title, and referred to the Committee on the Judiciary.

INCREASE IN RATES OF BASIC COMPENSATION OF OFFICERS AND EMPLOYEES OF POST OFFICE DEPARTMENT—AMENDMENTS

Mr. CARLSON submitted amendments, intended to be proposed by him, to the bill (S. 27) to increase the rates of basic compensation of officers and employees in the field service of the Post Office Department, which were ordered to lie on the table and to be printed.

REVISION OF BASIC COMPENSATION SCHEDULES OF CLASSIFICATION ACT OF 1949—AMENDMENTS

Mr. DIRKSEN submitted an amendment, intended to be proposed by him, to the bill (S. 734) to revise the basic compensation schedules of the Classification Act of 1949, as amended, and for other purposes, which was ordered to lie on the table and to be printed.

Mr. CARLSON submitted amendments, intended to be proposed by him, to Senate bill 734, supra, which were ordered to lie on the table and to be printed.

AMENDMENT OF INTERNAL REVENUE CODE—AMENDMENTS

Mr. DIRKSEN submitted amendments, intended to be proposed by him, to the bill (H. R. 8381) to amend the Internal Revenue Code of 1954 to correct unintended benefits and hardships and to make technical amendments, and for other purposes, which were referred to the Committee on Finance, and ordered to be printed.

AMENDMENT OF CIVIL AERONAUTICS ACT OF 1938, RELATING TO REINVESTMENT BY AIR CARRIERS—AMENDMENT

Mr. LAUSCHE submitted an amendment, in the nature of a substitute, intended to be proposed by him, to the bill (H. R. 5822) to amend section 406 (b) of the Civil Aeronautics Act of 1938 with respect to the reinvestment by air carriers of the proceeds from the sale or other disposition of certain operating property and equipment, which was ordered to lie on the table and to be printed in the RECORD, as follows:

In lieu of the committee amendment as amended, insert the following:

"That section 406 (b) of the Civil Aeronautics Act of 1938, as amended, is hereby amended as follows:

"(a) By redesignating section 406 (b) as section 406 (b) (1).

"(b) By adding the following paragraph after paragraph (1):

"'(2) Subject to the following conditions, the Board, in determining all other revenue of the air carrier, shall not take into account the net gains (after any losses and expenses resulting from the disposition of flight equipment) derived from the disposition of any flight equipment of such carrier, if (A) such carrier notifies the Board in writing that it intends to reinvest in other flight equipment the proceeds derived from such disposition, (B) such proceeds, less all applicable taxes, are placed by such carrier in a funded reinvestment reserve immediately upon the receipt thereof, and (C) within a reasonable period to be determined and fixed by the Board, such proceeds are actually reinvested in other flight equipment by such carrier, and amounts so deposited in such reserve fund shall not be included as part of the carrier's used and useful investment for purposes of section 406 until expended as provided above: *Provided*, That thereafter in determining that portion of the mail rate payable by the Board to the carrier under Reorganization Plan No. 10 of 1953 the depreciation expense and returns on investment of such carrier shall be computed after first deducting from the original cost of flight equipment, the net capital gains not taken into account in determining all other revenue of such carrier which have been reinvested in such flight equipment, until such time as the total reductions in mail rate payments by the Board from such payments as would otherwise be payable, shall have equaled the amount of the net capital gains reinvested in such flight equipment: *And provided further*, That in the event the Board determines that the carrier no longer requires that portion of the mail rate payable by the Board under the provisions of Reorganization Plan No. 10 of 1953 there shall be repaid to the Board by such carrier any amount by which the net capital gains reinvested in flight equipment shall exceed the total reductions in such mail payments computed as described above.'

"SEC. 2. The amendment made by this act to such section 406 (b) shall be effective as to all capital gains realized on and after April 6, 1956, with respect to the sale or other disposition of flight equipment whether or not the Civil Aeronautics Board shall have entered a final order taking account thereof in determining the mail rate payable by the Board covering the period in which the net capital gains referred to herein were realized."

PROBLEMS OF SMALL BUSINESS—ADDITIONAL COSPONSORS OF BILL

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the names of Senators BARRETT, CASE, of New Jersey, MANSFIELD, MURRAY, NEUBERGER, and WILEY be added as cosponsors of the bill (S. 3194) to amend the Internal Revenue Code of 1954 so as to establish an initial program of tax adjustment for

small and independent business and for persons engaged in small and independent business, introduced on behalf of myself and other Senators, on January 30, 1958.

The PRESIDENT pro tempore. Without objection, it is so ordered.

AMENDMENTS OF INTERNAL REVENUE CODE OF 1954—ADDITIONAL COSPONSOR OF BILLS

Mr. DOUGLAS. Mr. President, I ask unanimous consent that the name of the junior Senator from Montana [Mr. MANSFIELD] be included as a cosponsor of both S. 3263 and S. 3264 which I introduced on February 10.

These bills are designed to give an immediate tax cut of approximately $4.4 billion and represent alternative methods by which that could be done. Each bill would give a cut of approximately $3 billion in personal income taxes anl $1.4 billion in excise taxes. The income-tax cuts would be retroactive to January 1, 1958, but would have to be extended on January 1, 1959 so that in case the economy were to turn upward between now and then the Congress could recoup these sums for future years.

Mr. President, our economy is in difficulty. We are now in the midst of a serious recession. We all wish to prevent it from getting worse. Numerous things can be done to help, but the quickest method is a tax cut. While I favor building needed public works in those areas where unemployment exists, and while we should raise unemployment compensation to those out of work, and while monetary and credit policies should be eased, a tax cut can have an immediate effect, help to stop this decline in economic activity, and prevent this recession from ever becoming a depression.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. SALTONSTALL:

Address on the subject One Feeling for the Union, delivered by Senator KUCHEL at the Middlesex Club, Boston, Mass., February 12, 1958.

By Mr. JACKSON:

Address on the subject Free Men Against Time, delivered by him before the National Military-Industrial Conference in Chicago, Ill., February 17, 1958.

By Mr. THYE:

Address delivered by him in Minnesota on commemoration of birthday of Abraham Lincoln.

Address by Senator JAVITS before Lincoln Day dinner, Hennepin County Republican Committee, Minneapolis, Minn., February 14, 1958.

By Mr. HUMPHREY:

Address delivered by him before Los Angeles World Affairs Council, September 19, 1957.

By Mr. POTTER:

Statement by him on 40th anniversary of Lithuanian independence, before Detroit Lithuanian Organization at Detroit, Mich., on February 16, 1958.

By Mr. PROXMIRE:

Statement prepared by him relative to the recent death of Hon. Marvin B. Rosenberry, retired chief justice of the Wisconsin Supreme Court.

By Mr. WILEY:

Editorial and statement prepared by him on the subject of foreign students in the United States.

TRIBUTES TO SENATOR HARRY F. BYRD

Mr. ALLOTT. Mr. President, I recall that recently many Senators expressed themselves about the prospective retirement of the distinguished senior Senator from Virginia [Mr. BYRD].

Although I may disagree on one or two principles—as I do—with the senior Senator from Virginia [Mr. BYRD], it is my hope and my prayer that Senator BYRD will reconsider, and that, as a result of such reconsideration, he will again be a candidate for reelection to the United States Senate. His intelligence, his advice, and his counsel are greatly needed by the Senate.

Mr. CHAVEZ. Mr. President, I should like to say a few words about the senior Senator from Virginia [Mr. BYRD]. I have been acquainted with him for many, many years. I know the history of Virginia. Virginia has always had wonderful, loyal, patriotic, intelligent representatives in this body; but, in my opinion, Senator HARRY BYRD is as fine a representative as Virginia has ever sent to the Senate.

I wish to call attention to the person after whom Senator BYRD was named, the late Representative Flood, of Virginia, an uncle of the Senator. I feel under a little personal obligation to the late Representative, because he, in a way—in a great way—was responsible for my being a Member of this body. He sponsored the bill that made New Mexico and Arizona States, away back in 1912.

Mr. MORSE. Mr. President, I also wish to say a word on the announced retirement from the Senate of the distinguished Senator from Virginia [Mr. BYRD]. The Senator from Virginia is high on my list of personal friends. I always respect a man who has the courage of his convictions and who is sincerely motivated in carrying out those convictions.

Although the Senator from Virginia and I may disagree on certain major issues, I want him to know that I think his service in the Senate has been a great contribution to the history of our country.

I served with him for 8 years on the Committee on Armed Services, and on not a single major issue affecting the defense and the security of our country in those 8 years did the Senator from Virginia and the Senator from Oregon ever differ on a vote. In fact, my first chance to become acquainted with the Senator from Virginia was when he served with me on a subcommittee which brought forward what later became known as the Morse formula. It had started with the objections of our subcommittee to the giving away of surplus military property.

The Senator from Virginia agreed with me that it was unconscionable and inexcusable, and we adopted, as a matter of policy of the Committee on Armed Services, the rule that surplus military property was not to be given away, but was to be paid for, if it was for a public purpose, at the rate of at least half of its appraised value; and if for a private purpose, at 100 percent of its appraised fair market value.

I shall miss the Senator from Virgina very much. I want him to know that the good wishes of the Morse family go to both the Senator and his wife. We know that the Senator from Virginia will not step out of public service simply because he steps out of the Senate of the United States.

Mr. BRIDGES. Mr. President, I can not let go unnoticed the announcement by HARRY BYRD, our esteemed friend and colleague, that the close of the second session of the 85th Congress, will mark his retirement from the United States Senate. Great as will be the loss to the Nation and to the United States Senate, it is, nevertheless, on the more intimate note of personal loss that I wish to address myself.

In the 22 years that I have served in this body there has always been a HARRY BYRD, and somehow to me this Chamber will never seem quite the same without him. The 25 years he has served here have for him been 25 years of a statesmanlike devotion to public service. Deep as has been his affection for the Old Dominion, which he first served as Governor and then as United States Senator, it was always transcended by his sense of duty to the whole United States in matters involving national issues and national policies.

In particular the cause of conservative Federal fiscal policy will lose a great champion, and I will lose a personal friend, who, although of a different political party, was always ready to lend encouragement, advice, and political prestige to any cause for economy which I might be espousing. The Bridges-Byrd resolution for a constitutional amendment, making the balanced budget compulsory except in time of emergency, is but one example of the shoulder-to-shoulder campaigns we have waged down through the years. There is perhaps no greater feeling of fraternity than that engendered by members of legislative bodies working in common causes. Such a feeling of affectionate fraternity I will always have for HARRY BYRD.

To one who has devoted so much of his life to creative, meaningful public service, a decision such as our colleague has made was indeed a difficult one. Difficult as the decision must have been to make, it is, however, characteristic of HARRY BYRD's moral fiber that it was made without lingering backward looks of regret. Great as has been his devotion to public service, even greater has been his idyllic devotion to the wife who was always by his side through the many difficult decisions of his illustrious career. Having given full measure of himself to his State and Nation it is understandable that he has now made the decision to fulfill obligations to the one

who has meant so much to him through the years. However, if he should respond to the unanimous request of the Assembly of the Commonwealth of Virginia that he reconsider retirement I would be in the forefront of those who would delightedly applaud that course of action.

If he should remain firm on retirement, it is reassuring to observe that HARRY BYRD'S home is very close to this Chamber, where he has served with such great distinction for the past 25 years. For that reason, and his generous spirit, his manifest abilities will continue to be readily available in advice and consultation on the many problems which continually lie before the Senate for decision. As a senior Statesman he will, I know, continue to give of himself in the interests of the form of government which he so much cherishes, and which he has done so much to preserve.

FORTIETH ANNIVERSARY OF LITHUANIAN INDEPENDENCE

Mr. DOUGLAS. Mr. President, 40 years ago this week the people of Lithuania won their national independence. That happy event climaxed centuries of struggle by the Lithuanian people for those same human values which today keep alive the spirit of their nation in the face of a new Russian occupation. It is a common belief in those same human values which binds the people of the United States with the people of Lithuania. By commemorating Lithuanian Independence Day each year, as we have done these past years, we serve notice to all the world that we shall keep faith with those who keep faith with us.

We Americans take pride in the fact that our Government and our people assisted the Lithuanian nation in its fight for national independence. Our people contributed generously during the period 1916–18 to fund-raising campaigns organized to help the Lithuanian patriots. The citizens of the State of Illinois were in the forefront of these drives, providing dedicated leaders and substantial sums of money.

In turn the Government of the United States was quick to extend de jure recognition to the newly independent state and to inform the other great powers of its intention to support the Lithuanian people in their hard-won freedom. In the years between the great wars these bonds of friendship were strengthened and the two nations grew closer together as the rise of the tyrants in Europe and Asia challenged the very existence of democratic forms of government.

Lithuania, like her sister republics of the Baltic and the once free nations of central and eastern Europe, became pawns in the game of power politics played by Hitler and Stalin. It was a secret treaty of friendship, mutual assistance and nonaggression between Nazi Germany and Communist Russia which snuffed out the independence of Lithuania. When the dictators Stalin and Hitler signed this treaty, they announced their contempt for the western democracies, divided up Europe into zones of occupation and spheres of influence, and ushered in what they called the "totalitarian era."

In the course of events which followed the dictators soon fell upon each other, as is the inevitable outcome of any deal between thieves and gangsters, and World War II resulted.

When the United States was drawn into the world conflict, we found ourselves in the unnatural and uncomfortable position of being militarily allied with one of the totalitarian powers, Communist Russia. The axis powers struck at us without warning, and we became allied with Communist Russia solely because we were fighting a common enemy.

In this paradoxical situation, the Atlantic Charter was proclaimed. Through this proclamation President Roosevelt and Prime Minister Churchill set forth the war objectives of the Western Powers. These war objectives guaranteed the integrity of all nations, large and small, and excluded territorial claims by any power which did not coincide with the freely expressed wishes of the people concerned.

The war aims set forth in the Atlantic Charter remained as the goal of the American people as we moved forward to defeat the Axis powers. The failure of Communist Russia to honor its own commitments for the restoration of freedom and establishment of self-government in those countries of Eastern Europe and to recognize the war aims of the western democracies at the end of World War II in no way relieved us as a nation from our responsibilities in this regard. These objectives remain as firm, moral commitments of the United States, unaltered by the deceit, truculence, subsequent aggression and unchanging totalitarian goals of the Russians. It is through the fulfillment of these commitments that we shall keep faith with those who have over the long, dark years kept faith with us.

In recent months the Russian Communists have launched a worldwide propaganda drive to force the western democracies to recognize the status quo as it now exists in the world. The status quo, as the Russians see it, is approximately one-third of the world under their absolute, unchallenged occupation and control. In exchange for this recognition of the status quo, the Russians are offering, at best, a few humiliating years of armed truce during which they complete preparations for their final assault upon the United States and the rest of the Free World.

This Russian propaganda drive has two prongs directed at the United States; the first is a clamor for another summit meeting to consider an agenda prepared in the Kremlin, and the second is a tempting but groundless offer of unlimited markets for American products behind the Iron Curtain.

The first prong is anchored in the flood of letters from the Kremlin to President Eisenhower attempting to stampede us into another fruitless round of propaganda pronouncements from the summit.

The second prong was anchored by the recent arrival of the new Russian Ambassador, who is presented as a trade expert and will in all likelihood press for an expansion in the trade between the Free World and the Iron Curtain countries in an effort to strengthen the economy of the Communist group and create a greater economic dependence of the free world upon the Communist bloc.

It is expected that this two-pronged propaganda campaign launched by the Kremlin will develop into full bloom in the immediate months ahead. This is the major Trojan horse launched at the gathering in Moscow a few months ago to celebrate the 40th anniversary of the Communist takeover of the Russian Federated Soviet Socialist Republic.

Our policy of nonrecognition of the forcible incorporation of Lithuania, Latvia, and Estonia into the Soviet Union stands as a symbol of our good faith in the conduct of our foreign relations. It has given the people of those once free and independent nations the strength to hope and to endure—it has kept open the possibility of a change for the better. If we were ever to close this door of hope by lending ourselves to the Russian proposed deal of recognizing the status quo, we would commit an irrevocable act which would bring unending shame upon the people of the United States. I cannot believe the American people would condone any such action by which we would break faith with those who have kept faith with us and strike down their highest hopes.

On this occasion of the 40th anniversary of Lithuanian national independence, I want to pledge that I will continue my efforts to work for the realization of those great human values which bind the people of the United States to the people of Lithuania and the other nations now occupied by the Russian Communists. To that end I hope to present at this session of Congress a concurrent resolution calling for action in the United Nations to hasten the return of complete national freedom and self-government to all those countries forcibly incorporated into the Soviet Union or otherwise forcibly controlled by the Russian Communists. This action in behalf of the restoration of their freedom, I believe, will be the best commemoration of their independence.

Mr. KUCHEL. Mr. President, the civilized world last Sunday, February 16, had new reason to feel shock and horror at the brutal arrogance with which godless communism has enslaved free peoples and continually denies mankind's inherent right to self-determination of governments.

That date was the 40th anniversary of the declaration of independence of Lithuania. Although for nearly two decades these proud, liberty-loving peoples have been the victims of tyranny and aggression, Lithuania still cherishes the ideals of freedom and looks ahead to restoration of her sovereignty.

The ruthless domination by Communist Russia has not succeeded in extinguishing the fires of national pride and the determination of Lithuania to emerge from vassaldom which that nation felt it had thrown off forever 40 years ago,

when the Communist revolution ended Czarist enslavement.

The rest of the world bears a heavy obligation to Lithuania. After a brief life span of 22 years as a model Republic in the finest democratic traditions, Lithuania in our lifetime has suffered under the Nazi yoke and has been victimized by Soviet-style liberation.

We regret, Mr. President, that it does not seem possible to assure Lithuanians and the many Americans of Lithuanian descent that an early return of freedom and independence can be realized. The only basis for hope of ending the oppression which now has been the tragic lot of Lithuania for 17 years is through the cohesion of the remaining free nations, such as are banded together under the North Atlantic Treaty. The United States must remain strong and determined, so that it can provide the leadership which we pray ultimately will result in restoring the free and independent status of Lithuanian and other equally pathetic victims of Communist inhumanity.

The United States steadfastly has refused to recognize the heartless act by which Soviet Russia attempted to gobble up this independent nation. We salute the unyielding and uncompromising manner in which Lithuania has continued to keep alive the love of liberty and self-determination. We look forward to the day when Lithuania once again will break the bonds and shackles by which her peoples are held captive by international gangsters.

Mr. DIRKSEN. Mr. President, the Lithuanian people also have their Fourth of July. It took place 40 years ago.

We managed to translate our Declaration of Independence into reality. Their declaration was destroyed by Soviet perfidy, brutality, and oppressions.

Eighteen years ago Lithuania was seized by the Soviet tyrants and completely infiltrated. Treaties were ignored and cast aside. Not only an Iron Curtain, but an iron rod was used to reduce a free land and a free people into a Soviet colony. The iron hand and iron heel were used in an endeavor to break the independent spirit of this rugged people.

While brutal force and terrorism could subdue the land and make it a Red colony, it could not break the spirit and the will of this robust people to be free.

There is an incandescent glow in the Lithuanian spirit that will never be dimmed or extinguished.

In their ancestral land, as well as elsewhere in the world, the fire of freedom still burns brightly. Here in our own citadel of freedom wherever Lithuanians are found, the torch of freedom is held high. No effort is too great on their part, no sacrifice too heavy, to carry on and inspire those back home to keep a brave vigil and prepare for the day when liberty and independence will be restored.

So we salute them for the same unyielding spirit and unquenchable fidelity to freedom which marked the founders of our own Republic as they achieved and transmitted to us, as a priceless legacy, the inheritance of freedom.

Mr. PURTELL. Mr. President, last Sunday marked the 40th anniversary of Lithuanian independence. The day was marked by the prayers of Americans of Lithuanian descent and those of Lithuanian lineage throughout the world.

Lithuania—the first victim of Soviet aggression—remains unconquered. She remains steadfast in her determination to once again take her place among the free nations of the earth. Her spirit on this 40th anniversary has not weakened but rather burns brighter and more fiercely than ever before.

Mr. President, the occurrence of this anniversary on a Sunday reminds us that it has been the deep religious conviction of the people of this noble land which has enabled them to withstand the godless tyranny of the Reds and which will sustain them until the hour of freedom once again strikes for this great land.

Just a year ago, Mr. President, I joined with my distinguished colleague from Connecticut [Mr. BUSH] in introducing a resolution authorizing and requesting the President to proclaim February 16 of each year as Lithuanian Independence Day. This, I believe, will be a most fitting recognition of the unceasing heroism of the people of Lithuania and the many and outstanding contributions they and their descendants have made to freedom everywhere and particularly here in the United States.

In marking this anniversary, Mr. President, we must renew our determination to exert our every official and personal effort in behalf of the people of Lithuania to help them toward the day of freedom.

We must also, Mr. President, continue to sustain them spiritually with our prayers. So long as the spirit of Lithuania remains unbroken, Lithuania remains unconquered. Freedom-loving men and women throughout the world must continue to join in letting the Lithuanians know that we are, with them, moving steadfastly toward the day of liberation.

These valiant people are fighting our fight. They continue to ennoble God's gift of freedom by sacrificing for and toward it daily. Our own freedom in this country becomes more precious with every passing day because of the high value placed on it by the Lithuanians who are willing to endure until it once more settles upon their shoulders.

Mr. President, let us mark this anniversary with the prayerful hope that soon the anniversary of Lithuanian independence may be celebrated in a Lithuania risen from the shackles of Red tyranny and restored to the sunshine of liberty.

DEATH OF THE FATHER OF SENATOR KEFAUVER

Mr. MANSFIELD. Mr. President, the distinguished senior Senator from Tennessee [Mr. KEFAUVER] was scheduled to address the Senate today. Early this morning his father, Mr. Robert Cooke Kefauver, passed away. Therefore, the address scheduled to be made today by the senior Senator from Tennessee will be made at a later date, to be announced.

HOW THE UNITED STATES HAS AIDED A NEW NATION

Mr. SMITH of New Jersey. Mr. President, the economic portion of the mutual security program serves many functions. Not only does it enable the peoples of the underdeveloped countries to learn new skills and to utilize their resources more effectively as they endeavor to fulfill their aspirations for economic development, but it encourages them to resort to the methods of free men and it helps them to build societies strong enough to resist the blandishments of communism.

In the January 1958 issue of the Reader's Digest appeared an illuminating article on the mutual security program entitled "How the United States Has Aided a New Nation," by Mr. Stanley High. In this article Mr. High, an American citizen, graphically describes how American aid to Libya is helping that nation fulfill both its aspirations and our expectations. I call it to the attention of my colleagues as an example in just one nation of how the mutual security program benefits another free world country while, at the same time, it adds to our own security.

I hope that it will be read by all my colleagues, and I ask unanimous consent that it be printed in the body of the RECORD following my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HOW THE UNITED STATES HAS AIDED A NEW NATION

(By Stanley High)

In an Arab world dangerously threatened by Communist advances I recently saw, close up, how in one country the United States Government's foreign-aid program is helping strengthen the position of the West. Watching that program in operation in this critical area left me—citizen and taxpayer—considerably reassured.

What I saw, in hundreds of miles of travel, was a team of highly qualified Americans investing not only United States dollars but experience, ingenuity, patience and sweat. Through their efforts an undeveloped country is learning to grow in self-support and self-betterment as a free world nation and a firm friend of the United States.

Eight years ago the North African Arab country of Libya—a sea of sand almost one-fourth the size of the United States—was voted into nationhood by the United Nations. It selected a king and became a constitutional monarchy. Formerly part of Mussolini's African Empire, its three suddenly united Provinces of Tripolitania, Cyrenaica and the Fezzan had never before in recorded history been independent. Libya appeared, of all free governments, one of the most poorly fitted to be free, and of all places one of the least promising in which to spend any part of the United States tax dollar.

Still not fully unified, it has two capitals: Tripoli, the one fairly large city; and, 640 miles to the east, Benghazi, much smaller and less modern but preferred by King Idris. Travelers crossing boundaries between provinces must submit to passport and luggage examinations more time-consuming than those required at most national frontiers.

The land, despoiled for centuries by successive invaders, is 85 percent nonarable desert. Although the prospects that oil will be found are good, up to now no mineral resources of any consequences have been discovered.

When given independence, Libya's native population of 1,250,000 (Moslem, and largely nomadic) had an average annual income of less than $35—lowest of any of the world's sovereign states. Illiteracy was above 90 percent. Not 5,000 people had as much as 5 years' schooling; only 14 were college graduates. There was an almost total lack of qualified Libyan professional men or skilled workers, since under Mussolini's regime all such jobs were reserved for colonists. Most Libyans—in some areas 95 percent—suffered from blindness-inducing trachoma, and infant mortality was among the world's highest.

With so far to go and so little to go on, what could such a country possibly mean to the United States to justify its costing us, in 1957, $23 million in foreign aid? Two clues to the answer to this question were visible in the office of our United States Ambassador in sun-scorched Tripoli.

The first was a series of maps on the wall behind the Ambassador's desk. These maps gave startling meaning to the saying that "Libya's one proven natural resource is geography."

On the north, strategically midway between Gibraltar and Suez, Libya fronts for more than 1,000 miles on the Mediterranean; Moscow is little more than 3 hours' jet-hop away, Europe less than an hour's. Libya's eastern boundary extends the entire length of Egypt—the most powerful anti-Western voice in the Arab world, a base for Communist conspiracy and advance. To the west lie two countries: strife-torn, Communist-infiltrated Algeria; and Tunisia, at present a pro-Western Arab republic, in whose security against Communist propaganda and intrigue the Free World has a large stake.

An indication of just how important United States military experts rate this geographical resource is $100 million Wheelus Field, 7 miles from Tripoli, the largest United States airbase outside the United States.

The second clue to Libya's importance could be seen from a window of the Ambassador's office: the Red flag flying above the huge Embassy of Soviet Russia. There are no Russian residents in Libya, no Russian investments or trade. But only one Embassy there is larger: Egypt's, which is playing Russia's game. The size of these installations, the costliness of the propaganda and subversive enterprises they promote, indicate the Communists' estimate of Libya's importance to their world schemes, their awareness of how much the free world gained by getting there first. Beyond doubt, Russia's once-rejected offer to underwrite and manage Libya's upbuilding would be pushed aggressively if there were no effective program of United States aid.

Undertaken at Libya's invitation, and pursued in full cooperation with Libya, our program there began on a small scale in 1952, was enlarged in 1954. The British have also contributed aid, and a program is carried on by agencies of the United Nations, including several health projects and a highly important agricultural experiment station.

The United States program is directed by about 100 American specialists, working side by side with Libyans. It reaches into almost every area of the country's life. But since some 90 percent of Libyans eke out a living from the land, it is there that the United States is concentrating.

Consider a few exciting items.

In a country where the livelihood of farmers so largely depends on livestock—sheep, goats, camels, donkeys—no Libyan had ever had any veterinarian education until, 2 years ago, the first group finished an elementary course taught by our animal husbandry experts. Equipped with a few simple instruments, medicines, and insecticides, and armed with practical information, these young Libyans went back to their rural communities.

One indication of the job they are doing came last year when Libya's always inadequate rainfall dropped, in some areas, disastrously below normal. In those areas loss of livestock was estimated at 45 percent—save where these new "veterinarians" had persuaded farmers to improve the health of their animals by treatment against parasites. There the average loss was an estimated 15 percent. Now increasing numbers of farmers who once stoically accepted disaster as Allah's will ask to be taught these practices.

A common and crippling ailment of Libya's indispensable work animal is camel scab. One of the traditional treatments is to scrape raw the affected areas and rub in a mixture of salt, peppers and lime. This does not cure and may injure the camel. Now more and more Libyan farmers are learning to cure camel scab, at 28 cents a camel, with a lindane oil treatment developed by a foreign-aid specialist.

The two agricultural training schools last year graduated Libya's first 22 agriculturalists. Six are now taking advanced courses in United States universities; the others are teaching or working in agricultural extension centers. We have also helped establish 5 farm schools for short-course training in the field and 10 village extension centers where farmers learn better methods and can buy improved seeds and a few simple but better farm tools.

Farmers who have learned to plant barley in rows instead of by broadcast seeding have had a crop increase of one-third. In irrigated areas the potato crop increased by almost a like amount when farmers changed from the old method of flooding to furrow irrigation.

A reforestation program has increased the number of trees planted each year from 1,500,000 to nearly 7 million. Pruning of fruit and olive trees was virtually unheard of; many farmers, owning only 1 or 2 trees, resisted the idea of cutting away any part of them. But when demonstration pruning resulted in a 30 percent greater crop, demand for pruning tools began to run ahead of supply.

It is in the use of water, however, that the most dramatic gains of our agricultural program are being made. Libya has no major lakes or rivers and an overall average rainfall of less than 9 inches. Yet, when ruled by ancient Rome, it was called the granary of Europe, and supported a population as large or larger than the present one. Today we are trying to recover some measure of that long-lost productivity.

Rome's irrigation engineers had built series of dikes across hundreds of dry river beds, or wadis, to hold the water from each year's brief but heavy rains and spread it out over a wide area to soak into the ground. As excess water seeped through one dike, it was caught by the next. In the Wadi Gattara, some 2 hours northeast of Benghazi, I saw how Libyans have begun to do as the Romans did.

The Wadi Gattara is a connected series of dry-stream valleys running down from the hills and covering several thousand acres. Farmers formerly grew a single scant crop of millet or barley each year. Today, however, more than 100 dikes have been built here, many on rock foundations laid by the Romans nearly 2,000 years ago.

A crew of 100 Libyans was at work on 1 dike when I visited. Boss of the entire job was a young Libyan, trained in the field by one of our engineers. There were no expensive earth-moving machines, no power equipment of any kind. Each man worked with his camel, hitched as camels had never been hitched before, to a simple bucket scoop. Invented by an American technician and turned out in our Libyan trade school, the camel scoop is an important innovation in a country where man and animal power is the only power widely available.

When completed, the Wadi Gattara system will spread water over thousands of acres. Today, water that previously ran off in 4 hours is being held, behind each dike, for 10. Penetration of the sandy soil which, before, seldom reached 18 inches, now reaches 36. Yields may be increased 300 to 400 percent.

Several such relatively large-scale water-spreading projects are completed or underway. Smaller projects have been started by farmers independently. In northern Libya there are probably 300,000 acres which, by this method, can be restored to increased production.

In Libya's still appallingly backward situation, all this adds up to no more than a start toward a profitable agriculture. But how significant it may be can be seen from an account of what has happened to Ali Silim Ghenidi, whom I met on his small farm about 100 miles east of Tripoli.

Four years ago our agricultural people persuaded Ali Silim Ghenidi to use his few acres to prove what would result from the concentrated application of improved farm methods. With loans, he bought a steel plow and improved seed. He planted in rows. Instead of only barley, he began to grow peanuts, potatoes, tomatoes, corn. He learned furrow irrigation and the use of fertilizer. He cleaned out an old cistern, dug new wells, built a reservoir. He pruned his fruit trees. To protect his trees from the desert wind, he planted a hedge of fast-growing seedlings.

Ali Silim Ghenidi's annual income, which before had averaged between $40 and $60, has risen to more than $500. Farmers from many kilometers away come to his farm to see and hear how he has done it. Some of them, at least, go home and begin to do likewise.

Before any United States funds are spent on any project, that project is investigated on the spot by a technical committee of Libyans and Americans. It undergoes further scrutiny at the hands of the Libyan-American Reconstruction Commission, a board of four Libyans and two Americans set up by the Libyan Parliament. And no money is invested by the International Cooperation Administration until plans have been approved in Washington.

United States funds have been used to capitalize the first Libyan banks: the National Bank of Libya and the National Agricultural Bank. We have financed the construction of the country's first two broadcasting stations to be manned by Libyans. These stations will be a potent antidote for the anti-Western, pro-Soviet poison poured out by Radio Cairo and, largely for lack of anything else, heard day and night in almost every Libyan market place. We are helping finance improvements in the country's telephone and telegraph system and in its roads.

Prior to 1954, less than 10 percent of Libya's school-age children were in school. Helped by United States funds and educators, many hundreds of young Libyans are now training as teachers. We drew plans for and helped many localities to build $1,000 two-room schoolhouses. Today in Tripolitania approximately 40 percent of the school-age children are in school; in Cyrenaica, some 50 percent.

In 1957, in all Libya, there were 130 high-school graduates. Every such graduate is required by the Government to go on, at Government expense, for further practical training. The Government also pays the expenses of students at the University of Libya,

founded (with 33 students) in 1956 with our help.

With a group of boys picked up from the streets in Benghazi, the British in 1951 started Libya's first trade school. It has now been taken over by the United States program. Its enrollment has steadily increased; this year 215 boys and 70 girls attend, plus 100 adults in night school, and there is a long waiting list. So great is the demand for skilled workers that this school has never had a graduate from its 3-year course; all of its students have been lured into private jobs before finishing.

In the hill country southwest of Tripoli I visited one of the numerous health clinics set up with United States aid but, as with all our projects there, increasingly financed by Libya. Two years ago, so strong were Moslem traditions, it was not possible to get more than 30 women a week to come to this clinic for prenatal and child-care instruction. The week before I was there, more than 500 had come. As a result, infant mortality in this area is being steadily reduced.

Here also there was instruction, helped by posters and films, on how to prevent trachoma, and how it can be arrested by regular use of an inexpensive aureomycin ointment.

Libya's economic problems are still grave. Discovery of oil in large quantity would, of course, help solve them. But whether Libya continues poor or suddenly becomes oil rich, the importance of its geography and the free world's stake in its future will not diminish. In either case, that future will in large measure be shaped by those young Libyans whose chance to prepare themselves for a hand in their country's upbuilding came through our foreign-aid program.

As in every business, foreign aid has its mixture of failures and successes. But Libya is a reassuring example of how, by intelligent spending, we can clearly get our money's worth.

FOREIGN AID

Mr. SMITH of New Jersey. Mr. President, in a very cogent message delivered to the Senate today, the President has outlined the crucial significance of an intelligent foreign-aid program in serving not only the interests of those in need, but our own interests as well. I should like to give my wholehearted endorsement to his message, but in so doing, I also remind the Senate of our obligation to the peoples of other lands, which transcends a narrow self-interest.

Too often the underlying generosity of the American people has been blurred by a vocal few who advocate a policy of selfish detachment from the plight of peoples less fortunate than we. Too seldom do we stress our obligation springing from those great fundamentals of brotherhood—charity and solidarity—and consequently our duty to assist the less favored peoples of the world.

But when a policy of selfish detachment is buttressed by the claim that in undertaking foreign-aid programs the United States is "disobeying God's will," it gives us cause to reexamine our obligations to other nations and other peoples.

Such a reexamination is contained in an editorial entitled "God's Will and Foreign Aid" in the February 18, 1958, issue of America. Those who would have us believe that God sanctions a scrapping of economic aid to other countries are reminded that "we are still our brother's keeper, even if he isn't a United States citizen." I ask unanimous consent that this editorial be printed in the RECORD at the conclusion of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

GOD'S WILL AND FOREIGN AID

Spruille Braden, former Assistant Secretary of State and long and acid critic of the United States foreign-aid program, struck what he probably believed was a high moral tone in a recent address. He told the American Coalition of Patriotic Societies in Washington on January 31 that the United States is "disobeying God's will" by the economic help to other countries and peoples. He charged that if such aid is continued much longer "it may destroy our religion, our way of life, and the Constitution." He instanced aid to Poland and Yugoslavia, where, he said, it is being employed for the benefit of Communists and fellow travelers whose aim is "to destroy all belief in God over the vast areas of the earth." The group he was addressing went along with him and voted a resolution opposing appropriation of additional funds for foreign aid and advocating a gradual demolition of the entire foreign-aid structure.

THE POPE SPEAKS

Inasmuch as the religious issue has thus been raised in the growing debate on foreign aid, it is appropriate and necessary to insist that such a sweeping rejection of our mutual-security program finds no echo in the statements of a certain world authority who has some right to speak in the matter. From the beginning of his pontificate in 1939 the present Pope has stressed the obligations of nations to share with others the resources which the Creator of the world put here for the use of us all. Though Pius XII makes due allowance for the obligations of well-regulated patriotism, his doctrine has nothing in common with superpatriotism.

We are all members of a community wider than the national community. Not only as individuals but as a nation we have obligations, in economic matters as well as in others, to those outside our American borders. The Pope expressed this thought with particular clarity and detail in his 1952 Christmas address:

"To nations, as such, we extend our invitation to render operative this sense and obligation of solidarity: that every nation develop its own potentialities in regard to living standards and employment, and contribute to the corresponding progress of nations less favored. Although even the most perfect realization of international solidarity would hardly bring about perfect equality among nations, still there is an urgent need that this solidarity be put into practice at least enough to change perceptibly the present situation, which is far indeed from attaining a just harmony. In other words, solidarity among nations demands the abolition of glaring inequalities in living standards, and so in financial investments and in the degree of productivity of human labor."

These words are a clear vindication of the principle of foreign aid—a principle, be it said, that the American Coalition of Patriotic Societies and others like it do not accept. For the allusions made by Mr. Braden to our aid to Yugoslavia and Poland are so much windowdressing to conceal a basic lack of sympathy for any kind of help whatever to any country other than our own. They give an air of respectability to what is essentially a narrow, bigoted and un-Christian view of the world and its anguished problems.

No doubt foreign aid, in its actual operations, is subject to many valid criticisms. But when die-hard opponents of the whole mutual-security program bring in God's will to buttress their arguments, it is time to recall that we are still our brother's keeper, even if he isn't a United States citizen.

MAIL SERVICE UNIMPAIRED DESPITE INCLEMENT WEATHER

Mr. JAVITS. Mr. President, I think all of us should note that on the pediment of the post office in New York there is the inscription:

Neither snow nor rain nor heat nor gloom of night stays these couriers from the swift completion of their appointed rounds.

Due to weather, all but essential Federal employees in the Capital had Monday and Tuesday off. Their absence Monday was considered annual leave with pay, and Tuesday administrative leave at full pay, not charged to annual leave. However, on Monday the Post Office Department here had the greatest number of workers show up, an estimated 54 percent, as compared with 10 percent in the Pentagon.

Nowhere in this country during the current cold spell have mail deliveries been called off. Monday and Tuesday, during the worst snow in 22 years here, mailmen delivered mail. From Michigan City, Ind., where a 5-foot snowfall has received much national attention, to New Orleans, La., where four-tenths inch unprecedented snow caused all businesses to close a half day, mailmen went through.

And all this service was provided for between $70 and $85 a week, since the average city letter carrier receives $3,660 to $4,410 per annum.

Mr. President, we will soon enter upon the consideration of the postal pay bill. This kind of performance we should keep in mind when we consider that bill.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. JAVITS. I yield to the Senator from Illinois.

Mr. DOUGLAS. I congratulate the Senator from New York for what he has said, but I hope he will not claim credit for the beautiful sentiment on the New York post office as having been written by New Yorkers, because I believe that particular quotation was written by Herodotus in approximately 470 B. C.

Mr. JAVITS. The Senator from Illinois is exactly correct, Mr. President, as to the source, and he wins whatever is the prize for this particular answer.

INVESTIGATION OF IMPROPER ACTIVITIES IN THE FIELD OF LABOR

Mr. CURTIS. Mr. President, for several months now I have been serving on the Select Committee To Investigate Improper Activities in the Labor or Management Field. It is a distinct pleasure to serve under the leadership of the chairman of that committee, the Senator from Arkansas [Mr. MCCLELLAN]. Few people realize, I am sure, the long hours, almost every day of the week, the Senator from Arkansas puts in while carrying out his duties in a fine and commendable manner, with fairness and thoroughness, and with due regard for the rights of all people.

In the course of our investigation, Mr. President, we have found too many instances of abuse of power on the part of union officials. I wish to say, however, that as we have sat day after day, hearing the stories of corruption, violence, gangsterism, theft, and violation of law in general, my respect for the men and women who work, for the rank and file of our working force, has not diminished in the least. I believe them to be fine, stalwart, good citizens. One of the problems today is that such men and women are not in control of their own unions. The law fails in that regard. Were they in control of their own unions, there would be no temptation for the wrong sort of individual to aspire to be a union leader.

I have a strong feeling that many of the union leaders—not all, and not a majority, but far too many of such leaders—are definitely not interested in the working people. They are interested in operating an organization for their own profit, their enrichment, their political aggrandizement, and for the power they can exert, some of them in order to remake the economy of America and advance socialism.

In support of the contention that such men are not interested as often as they should be in the rights and the welfare of working people, I ask unanimous consent, Mr. President, to have printed as a part of my remarks an editorial from the Washington Post and Times Herald of Monday, February 10, 1958, entitled "Is AFL–CIO Antiunion?" and, following that, an article on the same subject which appeared in the Washington Post and Times Herald of the same day, in the column written by Mr. Drew Pearson.

There being no objection, the editorial and article were ordered to be printed in the RECORD, as follows:

IS AFL–CIO ANTIUNION?

It is ironic indeed to find the AFL–CIO engaged in a labor dispute with a group of its own employees and reacting in the manner of any hardboiled antiunion employer. The dispute arose because a group of union organizers decided that collective bargaining was the way to improve their wages and working conditions. When they ran into heavy opposition from the AFL–CIO hierarchy, they petitioned the National Labor Relations Board for an election. Instead of waiting the outcome of that election, as any reasonable employer is expected to do, the AFL–CIO is reported to have discharged about half of its organizers including the president of the union and others active in its organization.

There is a serious question, of course, as to whether the NLRB can order a representation election for the organizers. The Taft-Hartley Act forbids the NLRB to protect the organizing rights of supervisory employees. The AFL–CIO contends that its organizers are in this category—that they are representatives of management in carrying out the organizing function. But the question of whether the organizers are in fact supervisory employees is yet to be decided by the NLRB. So is the question of whether they can form a proper bargaining agency even though they may be considered supervisory employees. Instead of waiting for determination of these questions by the Board, the labor hierarchy appears to have acted with typical antiunion impatience.

It is said that this action does not reflect the views of many AFL–CIO leaders—that it was influenced in part by the heads of large international unions who fear that, if this move succeeds in the parent body, their own organizers will demand collective bargaining rights. At present, jobs of this sort are used as patronage to strengthen the hold of union leaders upon their organization. They would be loath to lose this means of controlling their unions, and so fight as ardently as any employer against collective bargaining which would impinge upon their prerogatives.

That may be a good explanation of this strange antiunionism within the temple of labor, but it scarcely justifies the action taken. One would think that labor organizations would lean backward to give their own employees every conceivable right to collective bargaining. Much of the good will that the AFL–CIO has acquired in its courageous fight against corruption in the ranks of labor is likely to be dissipated if it takes refuge in the Taft-Hartley Act and resorts to unfair labor practices in order to avoid bargaining with a group of its own employees.

JOBLESS PROBLEM

While the AFL–CIO is protesting against rising unemployment, it has added to the unemployment problem by summarily firing over 100 of its own workers, in some cases with only 1 week's notice. The discharged employees, some of them veterans of 20 to 30 years, are complaining that they would have thrown a picket line around any company that gave them such treatment.

The firings, extending from the front office to the janitor force, followed the heavy loss in dues as a result of ousting the teamsters union.

Top official to get the ax was Lew Hines, special AFL–CIO representative, who was given 8 days' notice. He spent many years as troubleshooter for the late AFL President Bill Green and also served as Pennsylvania's secretary of labor and industry from 1939 to 1943.

The AFL–CIO's secretary-treasurer, Bill Schnitzler, acting for President George Meany, tried to present Hines with a gold watch as a "retirement" present. A photographer was called in to take pictures of the ceremony.

"George is sorry he couldn't be here," Schnitzler explained to Hines.

"If he is so sorry," snorted the fired official, "why don't we go down to Miami and have the ceremony there?"

Schnitzler tried to soothe the ruffled Hines, and finally pulled the gold watch out of his desk for the presentation.

"You are not going to give me any stinking watch," snapped Hines. "You are not going to add insult to injury. You can take your watch and stick it back in the drawer."

Speaking more for the other fired employees than himself, Hines told Schnitzler angrily: "The way you have handled this has been perfectly lousy."

With that, he walked out, leaving Schnitzler dangling the gold watch.

NOTE.—Protests against the summary dismissals have been so heated that the 1 week's notice has now been extended to 30 days' notice.

DEPLETION ALLOWANCES IN TAX LAWS

Mr. DOUGLAS. Mr. President, there has come to my attention a very able letter written by the junior Senator from Ohio [Mr. LAUSCHE] on the subject of the depletion allowances in our tax laws. While it deals particularly with the question of the allowances for coal which I have not personally raised, it also analyzes the history and effect of the depletion allowances for other minerals, including oil and gas.

This letter by the Senator from Ohio is characteristically thorough, and it shows that he has gone into this entire question—which is a very complex one—in great detail. Because it is such a comprehensive and clear letter and also because he states important conclusions which are similar to, if not exactly the same as those held by others who have analyzed this question carefully, I have sought his permission to make this letter a part of the RECORD so that this fine analysis might be shared both with our colleagues and with the public. He has concurred in this step, and I therefore ask unanimous consent that his letter be printed in the body of the RECORD in full.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON INTERSTATE
AND FOREIGN COMMERCE,
February 5, 1958.

Mr. FORD SAMPSON,
Executive Secretary, Ohio Coal Association, St. Clairsville, Ohio.

DEAR MR. SAMPSON: I was pleased to receive your letter of January 30 in which you expressed the views of the Ohio Coal Association and the 10-percent depletion rate now allowed the coal industry be increased to 15 percent, or preferably 20 percent, in order that the allowable rate may be more equal to that allowed the oil and gas industry.

While I am pleased to receive the benefit of your views on this subject, after having given the entire Federal depletion allowance formula close study, I have come to the conclusion that there should be a narrowing of the allowance gap between the oil and gas and the coal industry, but that it should be accomplished by reducing the percentage allowance to the oil and gas industry rather than by increasing the present allowance to the coal industry.

Frankly, in the interest of fairness in the application of our Federal tax laws and the elimination or reduction of unnecessary Federal subsidies, the Federal depletion allowance to the entire mineral industry, including oil and gas, should be either eliminated entirely or greatly reduced.

I fully appreciate the importance of the great contribution the coal industry is making toward the stable economy of our State. Ohio is indeed fortunate that it has been blessed with such a great natural resource, and that this resource is being utilized for the benefit of its citizenry. I cannot concur, however, with the theory that future development of this resource is dependent, even to the smallest degree, upon either an increase or continuation of the present depletion allowance.

In all fairness to the taxpayer of our Nation, who pays the bill, and to other industry and business, which do not enjoy a privileged depletion allowance, there should be gradual elimination of percentage-depletion provisions in favor of cost depletion and through the gradual merging of the rate of tax on capital gains with that on ordinary incomes.

The depletion allowance, in its present form, dates from the Revenue Act of 1926, when Congress granted to oil and gas producers the privilege of charging against net income in the computation of income-tax liability an amount equal to 27½ percent of gross sales from crude production but not to exceed 50 percent of net income. This grant of privilege was justified on the ground that under the existing technological and economic conditions a stimulus was necessary

to encourage the discovery and development of new oil and gas deposits. At the tax rates prevailing in 1926, a depletion allowance of 27½ percent did not appear to be an excessive price to pay for assurance of increased supplies and additional reserves. Furthermore, the tax savings and loss of Federal revenue, it was thought, would not be significantly greater than those resulting from the system of cost depletion then operative.

During the subsequent 30 years, however, this restricted privilege, designed to serve the public interest, has been transmuted into a generalized tax immunity, or subsidy, which seriously depletes the public revenue, creates grave social injustices and produces serious distortions in the economy. In short, the depletion allowance has become primarily a private tax-escape device the approximate effect of which is to equate the corporate income tax with the capital-gains tax in the natural-resource industries. This lucrative privilege constitutes a powerful vested interest, the capitalized value of which amounts to billions of dollars.

No sooner had the oil and gas industries been accorded the privilege of percentage depletion than other extractive industries began to clamor for equality of treatment. The 27½-percent depletion allowance became the goal to which all the rejected and excluded might aspire. With rising prices and higher income-tax rates the depletion allowance became increasingly lucrative and the capitalized value of its benefits (tax savings) correspondingly greater. Thus, the pressure to extend the privilege mounted until it became irresistible; Congress was forced to yield and gradually other extractive industries gained admission to the select company of the privileged, albeit at considerably lower rates.

These developments have brought us to a point where the depletion allowance imposes on the Federal Treasury a huge loss of potential revenue the exact amount of which is not known but which may run to as much as $1 billion per year, of which amount the oil and gas industries account for approximately three-fourths. This deficiency must either be made good by nonprivileged taxpayers, or borne by consumers through chronic inflation or by the general public in the form of desirable public services foregone.

If percentage depletion ever served the public interest to an extent commensurate with its costs, it has long ceased to do so. Under modern conditions the known evils so far outweigh the indeterminate and illusive benefits claimed for it that percentage depletion can no longer be defended on grounds of public, as distinct from private, interest. There is no necessary or urgent public interest at stake in the extractive industries which cannot be served better, more cheaply, and with fewer attendant evils by alternative means. If a free competitive price system will not call up adequate supplies of these minerals, and if a free capital market will not provide sufficient increments of new capital, then these deficiencies can be met by direct, specific, governmental action without resort to a generalized tax subsidy divorced from performance.

Our national defense is such a primary objective that citizens are willing to incur great costs on its account. But especially with a defense budget as large as ours is today, we should be strongly interested in seeing to it that we are getting the maximum amount of defense potential for our money, or to put it another way, that we are not paying more than is necessary for the amount of defense potential that we are getting. True economy, in this area as in others, requires scrutinizing each individual action to make sure that we are getting the most for our money.

It is my conviction that our present tax treatment of mineral industries has no justification in a peacetime economy. Hence, it can be justified, if at all, only in terms of its contribution to national defense. But it would indeed be surprising if percentage depletion were the best way to provide for our defense needs of coal and sand and gravel as well as oil and copper and lead.

Sincerely yours,

FRANK J. LAUSCHE.

OUSTER OF COL. JAMES A SMYRL FROM LACKLAND AIR FORCE BASE, SAN ANTONIO, TEX.

Mr. BRIDGES. Mr. President, for the past several months I have associated myself with the efforts of Col. James A. Smyrl, of Manchester, N. H., to clear himself of Air Force charges that he is temperamentally unsuited to continue on active duty.

A major part of his defense has been his disclosure of irregularities at Lackland Air Force Base, San Antonio, Tex., where he has been stationed. The Air Force has not taken these charges into consideration in determining his fitness, and with this I take issue. To my way of thinking, it is almost impossible to resolve Colonel Smyrl's status without making parallel references to the conditions at Lackland which he has brought to light.

In the February 12, 1958, issue of the Manchester (N. H.) Union Leader, there appeared a news story that Philip A. Johnson, manager of the Lackland Air Force Base post exchange, had been discharged for unsatisfactory performance of duty and lack of proper judgment in carrying out these duties. I ask that it be printed in the body of the CONGRESSIONAL RECORD, for I regard it as further evidence that this and related matters at Lackland do bear directly on Colonel Smyrl's defense.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SMYRL CASE FIGURE IS FIRED BY AIR FORCE

SAN ANTONIO, TEX.—Philip A. Johnson, general manager of Lackland Air Force Base post exchange and a controversial figure in the ouster hearing of Col. James A. Smyrl, of Manchester, N. H., was fired February 4 by Maj. Gen. Herbert Grills, Lackland AFB commander, it was revealed yesterday.

Grills, who fired Johnson by letter, also had brought the ouster proceedings against Smyrl for failing to obey orders. In his letter to Johnson, Grills said he was taking the action on orders from higher authority.

(The United Press reported yesterday that Maj. Gen. Harlon Parks, chief of the exchange service in New York, said the action of removing Johnson was taken on the recommendation of Lt. Gen. Charles T. Myers, air training commander at Randolph Air Force Base.)

Johnson's name was brought into the Smyrl ouster hearing, when Smyrl, former Lackland AFB training commander, charged in a sworn affidavit that the post exchange manager had favored certain civilian concessionaires on the base.

Smyrl's attorney had also charged that holders of the Lackland AFB photo concession had built a $36,000 home for Johnson in an exclusive San Antonio subdivision. Johnson has denied these charges.

A Pentagon review board is now studying Smyrl's case to determine whether he should be retained in the Air Force. From Washington last night it was learned that Secretary of the Air Force Douglas has told Senator STYLES BRIDGES, in response to a request from the Senator, that he would be happy to arrange a meeting with Colonel Smyrl and his attorney.

General Grills, in his letter of dismissal to Johnson, said, "Instructions which I have received from higher authority direct me to discharge you immediately from your position as manager of the Lackland Air Force Base exchange."

THE POST OFFICE BUILDING PROGRAM

Mr. MARTIN of Iowa. Mr. President, a few Democrat Senators have publicly attacked the Post Office Department's all-inclusive $2 billion construction program as too small to stimulate the economy.

Why they do so is a mystery to me unless they are put out because this sensible long-range program to improve our rundown postal plant was proposed by the administration.

We should resist any effort to play politics with our postal service and, above all, we should keep our perspective on this whole question of this Nation's great economic future.

Can any sensible American have any doubts, as the President emphasized in his message on the economy, that "the underlying forces of growth remain strong and undiminished"?

Consider these few facts:

First. Our population is growing at the rate of 3 million people a year and creating consumer needs for more of everything we consume or use.

Second. Retail sales for January matched the previous alltime record of last July. Consumers are still willing to buy.

Third. Money is cheaper now to borrow. This easing of credit means plenty of money for expansion.

Fourth. For the first 6 months of this year new defense contracts will exceed $13 billion. In the last 6 months of 1957 they totaled $7.9 billion.

Fifth. There are more small businesses now—4.2 million—than ever before, and their rate of profit has also been rising.

Sixth. Private housing starts picked up in January to a yearly rate of 1,030,000 units in comparison to an average rate of 1 million in the final 3 months of 1957. Home building thus extended into the new year the improvement in residential construction activity which developed in the latter half of 1957.

This is no time to sell America short. This is no time for political trickery with our economy for partisan advantage.

This is a time, Mr. President, to take steps to stop a temporary recession. And I consider $2 billion a good start toward stopping the recession by its encouragement to the building field and all allied trades.

This is a time to proceed, right now, with the all-inclusive program to modernize postal buildings in practically every community in America. That is the way to stimulate our economy and to assure improved postal service for years to come.

THE IMPORTANCE OF THE MURA HIGHER ENERGY ATOM SMASHER IN MADISON

Mr. WILEY. Mr. President, my colleagues may recall that I have spoken several times on the floor of the Senate emphasizing the importance of the construction of the $100 million atom smasher which had been proposed by the physicists of MURA—the Midwest Universities Research Association.

Even if we were not engaged in a life and death struggle for technical supremacy with the Soviet Union, this awesome instrument of science would be necessary for man's progress.

The fact, however, that Soviet Russia is reportedly outbuilding us in atom smashers, and that she will use her research largely for military application, makes especially important that we not only keep abreast of Russia, but go far into the lead.

In this connection, I cite an article which had been published last month in the New York Times by Prof. Fred Hoyle.

Its theme was the importance of creative research in America. Professor Hoyle pointed out the well-nigh incredible point that the Government spends only about one-fiftieth of 1 percent of its income on the direct support of creative endeavor, or, if the tools of research are included, around one-fifth of 1 percent.

Then, Professor Hoyle proceeded to cite the need for the MURA atom smasher.

I was pleased to receive last week a letter from Adm. Lewis Strauss, Chairman of the Atomic Energy Commission, indicating that, despite what I might say were some rather grim signs to the contrary, the case is still open for the MURA project.

Admiral Strauss stressed that the building of a 12.5 billion electronic volt accelerator at the National Laboratory at Argonne, does not—I repeat, does not—preclude the construction at a later date of the MURA project with its very advanced design.

In all fairness to the AEC and to thorough understanding of the relationship between the accelerators, I send to the desk now Admiral Strauss' letter. I ask unanimous consent that the pertinent excerpts of it be printed at this point in the body of the RECORD.

As the overall background to the subject of creative research, I ask unanimous consent that the Times magazine article written by Professor Hoyle, a renowned scientist, I may say, of the United Kingdom, follow, after the text of Chairman Strauss' communication.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

UNITED STATES
ATOMIC ENERGY COMMISSION,
Washington, D. C., February 12, 1958.

Hon. ALEXANDER WILEY,
United States Senate.

DEAR SENATOR WILEY: * * * The AEC has never intended the Argonne machine to take the place of a possible MURA accelerator in the Midwest. Both the Nation and the Midwest are in need of another high energy accelerator in the 10 Bev region. In addition to providing such an accelerator to that region, we are interested in speed of construction and earliest possible time of completion; to fulfill these requirements, it is prudent to build a machine based on existing designs. Any accelerator based on new design features will necessarily take longer to construct because it will require much more extensive development and, consequently, longer design periods. Consequently, the AEC decided to fulfill the immediate needs in high energy physics through the construction of the Argonne 12.5 Bev accelerator. While the design of this machine is based on tested accelerator practices, the machine will, by no means, be obsolete. The latter fact has been confirmed by comments from most of the prominent high energy physicists of this country, and especially the Middle West, who are anxiously awaiting the completion of the Argonne synchrotron.

The construction of the Argonne machine will, of course, not preclude the construction of accelerators based on new designs which will drastically extend existing energy and intensity parameters. The proposed MURA machine would be in this class.

I hope that these comments will be of help to you in your efforts to further the high energy physics program of the United States.

Sincerely yours,

_____,
Chairman.

[From the New York Times of January 12, 1958]

WE CAN TAKE THE LEAD IN SCIENCE IF—

(By Fred Hoyle) [1]

I am aware that the contents of this article may be thought contentious for, without mincing matters, I am going to set down what seems to me strong evidence to support the view that creative science, what is sometimes called basic research, has been very seriously neglected—indeed, that the neglect has been well-nigh derisory. To avoid misunderstanding, I would like to make it clear that this stricture is not primarily directed against the United States, but against the scientific policies of all democratic governments, with the noteworthy exception of Australia. The situation is in many ways worse in my own country, Great Britain, than it is here in America. I believe that the root of the matter lies in an attitude of mind that is prevalent both in the United States and in Western Europe.

There is a widespread belief that, while all this may have been true in the past, everything is to be changed in this new post-sputnik era. Possibly so, but the signs are not altogether encouraging. To understand my point here, it is necessary to draw out very clearly the distinction between creative and noncreative scientific work.

Imagine yourself back in the year 1890. Suppose that you were drawing up a program of medical research. What would your plan be? Certainly you would think about the development of better surgical instruments, better anesthetics, better dressings, and so forth, but you would not think of X-rays, for the reason that X-rays were not even remotely suspected to exist in the year 1890. The surgical instruments, etc., would have been noncreative research; that is to say, development along known lines, leading in the end to results that were expected and understood at the beginning. The discovery of X-rays by Roentgen in 1895 was creative research, a sudden step into a hitherto unknown world.

What of the sputniks? Emphatically, their launching was the fruit of noncreative research, the fruit of meticulous development, using scientific ideas that have been well known for many years. Although I may sound a little as if I were offering a draught of the well-known cocktail made of vodka and sour grapes, I feel it is important to say quite forthrightly that this whole matter of satellites has nothing like the scientific proportions that popular esteem has given it. It would certainly be quite silly not to give the Russian engineers a just measure of applause for their fine achievement, but in my view it is equally silly to imagine that an epoch-making stride has been made. The sputniks were already implicit in the German V–2. Given the V–2, development of sputniks along well-understood lines was certain. The only element of doubt was the date on which the first successful satellite launching would be made—whether it would be October 1957, or October 1967, or October 1953.

What example can be given of a really outstanding scientific achievement in recent years? An excellent case lies immediately to hand in the discovery of the nonconservation of parity in weak interactions. This phrase, although it is too technical to explain here, means that the way is being cleared for an understanding of one of the basic mysteries of nuclear physics and for a new grasp of the logical structure of the universe. Beside this feat the circling of this little world of ours by the tiny particles we call sputniks pales into insignificance. Ironically, in view of the commotion created by the sputniks, the discovery of the nonconservation of parity is an American accomplishment, first predicted by T. D. Lee and C. N. Yang at Columbia University and the Institute for Advanced Study in Princeton.

With these thoughts in mind, let us take a broad look at the way that the United States has been promoting its scientific endeavor during the past 10 years. I believe that at least one very clear-cut conclusion can be reached, but first let me set the story down in plain terms, namely in dollars. In the following table I have set out what seem to be the relevant quantities. It is important to realize that the numbers in the table are intended only as a guide to the general orders of magnitude. For instance, it is enough to know that, on the average, the annual United States budget during the last 10 years, has been about $50 billion. It is of little interest from our point of view that in 1950 the budget was $40.2 billion and in 1952 was $66.1 billion. Such detail is inessential to my conclusion and would only serve to obscure the issue.

10-year record of United States income and Government spending on science

Total national income	$3,000,000,000,000
Total Government income	500,000,000,000
Scientific expenditure by Government:	
On production	100,000,000,000
On development (noncreative research)	20,000,000,000
Scientific expenditure by Government:	
On tools for creative research	1,000,000,000
On creative personnel	100,000,000

All the entries for spending refer to Government activities—in part, because the Government plays the biggest role in encouraging and controlling scientific work, and also, in part, because industry is under the constraint that its activities must show a profit. This may lead to an industrial corporation

---

[1] Fred Hoyle is visiting professor of astronomy at California Institute of Technology. A well-known British scientist, he spends about half the year in California, half in Cambridge.

being unable to support a piece of scientific research when, other things being equal, it would have preferred to do so. The Government is not under the same constraint.

Now, a few words about the meaning of the items in the table. The whole of Government expenditure is not given, only that concerned with scientific research and with the production of the fruits of scientific research—unhappily, in the present age, the production of aircraft, tanks, etc. Explicitly, the table does not include expenditure on education.

Examples of tools for creative research would be atom smashers, telescopes, high-speed electronic computers. I have thought it wise to separate the tools of research from the creative personnel who supply the ideas for their use, because without the creative personnel the tools themselves would be just so much useless junk.

The well-nigh incredible point emerges that the Government spends only about one-fiftieth of 1 percent of its income on the direct support of creative endeavor—or, if we include the tools of research, about one-fifth of 1 percent. When we remember that every new development must emerge from creative research, the situation seems so absurd as to defy coherent comment. Nothing that goes on at the top of the table—nothing in the categories of practical applications—can change in any radical way except through ideas that rise up from the bottom. Put somewhat ludicrously, if it were not for creative research, the Government would still be spending $10 billion per year in the production of stone axes.

By comparison with the Government's expenditure of $100 million on creative personnel over the past 10 years, the universities, colleges, and foundations have spent about $500 million from their comparatively slender resources. The unpalatable conclusion emerges that democratic governments (for, as I indicated at the outset, the same pattern is present in Britain and Western Europe) seem unwilling to support creative endeavor in the same degree as were the aristocrats of the 18th century, the industrialists of the 19th and early 20th centuries, or totalitarian Russia. I believe the same can be said of the arts as of the sciences.

The first step that must be taken is manifestly clear. Creative research must move up to the same general level as noncreative research, say to a level of $10 billion over the next 10 years. At first sight, it might seem that this would place an additional charge of about one-third of 1 percent on the national economy. It is very much to be doubted, however, whether even this small charge would be incurred. In the first place, an increase in the momentum of scientific discovery would be more than likely to augment the national income by very much more than one-third of 1 percent. Secondly, savings could probably be made in production. As far as I am aware, nations quite generally waste large sums of money on production, particularly in continuing to produce weapons after they become obsolete. This tendency is greatest when creative research has low prestige and is likely to be least when creative research is strong, because only when creative research is strong can shifts of emphasis be made at the earliest possible moment.

In case there may be some who feel that those engaged in creative research have been given all the financial support for which they have asked, I would like to point out that this emphatically is not the case. Let me give one important example. At present the Soviet Union leads the United States in the building of giant atom smashers. As a result of several years of painstaking study, physicists of the Midwest Universities Research Association devised a project, estimated to cost about $100 million, that would have placed the United States far in the lead again. The request that the Government provide financial backing to the project was refused.

In a sense, creative research is a crazy sort of business. It is rather like aiming at an unknown target, indeed, like aiming even though you may not know whether any target exists. It follows that creative research cannot be planned as noncreative research can. Sometimes the creative researcher can see a little way ahead, but the biggest steps are usually unexpected and unplanned.

This seems to be a very difficult notion. A request for money to build some new tool of research is almost invariably met with a barrage of questions. Why do you want such an instrument? What do you hope to find with it? The scientist is forced to compromise with his conscience by offering a list of objectives that in his heart he knows to be specious. For what he hopes to find he cannot put a name to. In short, he is playing a hunch. Baseball coaches know the virtues of playing the percentages. Let the Government take a look at the scientific record and play the percentages accordingly. We have seen that no one could have planned for the discovery of X-rays. Just as surely, no one can plan for the great discoveries of the future.

Very fortunately for the United States this point is not well understood in the Soviet Union. The Russians, so far as we can tell, are devoting a much higher percentage of their national income to basic research, but the interference from above with the work of the creative scientist is sufficient to pretty well neutralize the benefits of the extra money. Were the Russians not rather stupid in this respect, the case for United States science would already be worse than serious.

Now what is, in fact, likely to happen during the next year or two? My impression is that more money will be made available to science, but that it will be largely absorbed into the upper items of the table—development and production. Such an action may be justified as a short-term move, but in the long view no good can come of it. What is needed is a more rapid injection of new discoveries, more rapid than the Soviets can achieve, and this can only come from upgrading the lower part of the table. An uplifting in the quality of science teaching, particularly at high-school level, is perhaps the only other action of comparable importance that can be taken.

And now one final poke, after which I can cool off. I cannot help comparing the brilliant successes of creative science in the United States over the last 10 years with the recent rocket fiascoes, and cannot help wondering how it comes about that creative science has achieved so much, existing as it does on a pittance—on a few crumbs dropped from a well-supplied table of national prosperity.

A great deal of the explanation lies, I believe, in a crucial difference of organization. Noncreative research is largely atrophying because it has been splintered into a multitude of individual, noninteracting compartments. This outcome is the child of secrecy.

It is all too easy to see the advantage of secrecy; it stops an adversary from acquiring one's knowledge. The advantage is more apparent than real, however, for development research is something that any nation can do, given sufficient money, scientists, and engineers. What secrecy really does is to induce a wholesale disruption of a country's own endeavors, whether in development or creativity.

Very fortunately, secrecy in basic research in the United States is confined to only a handful of cases. The reason, ironically, is that the field has not been generally held in very high regard. As a result, creative scientists have been able to work freely and produce remarkable results.

The reader may wonder why, since the results of creative research have been so good, we should worry about trying to make it any better. The answer is that, if Russia improves its creative research by increasing its capacity and volume, ours will be in danger of being left behind for lack of general support. It is not much good having a limited amount of creative research if someone else has more.

What is the psychological reason for the manifest neglect of creative thought? I believe that a large measure of the answer can be stated quite simply. The natural human impulse is to discount the future, to imagine that all the great discoveries that can possibly be made have already been made. The same is true of the arts; all the great poetry, painting, and symphonies are supposed to belong to the past: No one apparently believes in the emergence of a new Shakespeare or of a new Mozart. Whatever the future may hold in store for the arts, the case for science is abundantly clear. We are still very much at the beginning of the road. What has so far arisen is likely to prove but a small image of what is to come. This being well-nigh sure, it can be said with some confidence that the nation that neglects creative thought today will assuredly have its nose ground into the dust of tomorrow.

NINETEEN HUNDRED AND FIFTY-SEVEN IN RETROSPECT

Mr. MORSE. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a very interesting article sent to me by Prof. Bower Aly, of the University of Oregon. The article is entitled "1957 in Retrospect," and was written by Prof. John Rufi, of the University of Missouri.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NINETEEN HUNDRED AND FIFTY-SEVEN IN RETROSPECT

"Let us admit it fairly, as a business people should,
We have had no end of a lesson: it will do us no end of good."

Another year. And what a year it has been. On the national level each succeeding month has brought increasing disappointment, disillusionment, and concern. Although a majority of our news weeklies and metropolitan newspapers have evidently attempted to conceal the true state of our national affairs, to ignore our failures, and minimize our defeats, Operation Soothing Sirup has failed. Many thoughtful observers are now alleging that 1957 has been a year of shocking setbacks in at least a half dozen areas that are vital to our position of world leadership and our safety as a free nation. These comments are not merely the claims of sensational alarmists. For example, in its Washington report the Atlantic for December 1957 presents a grim summary of these failures. It asks "Why?" and it answers: "* * * a massive failure of presidential leadership."

In no area vital to our national well-being has the lethargy of our national leadership been more tragic than its negligence of public education. Throughout the last 5 years there has been no occasion for guesswork about the necessity for substantial Federal aid to help provide for our greatly expanded school population. The children were already here. They could be counted. The dire need for significant Federal subsidy for public education could now be denied only by the uninformed, the unrealistic, the shortsighted, or the stingy. Did our national

leadership face this problem with courage and forthrightness? It did not. Instead, this growing crisis was met with delay, buck-passing, evasion, and more delay. Moreover, this refusal to face up to the situation was not confined to official Washington. Lacking strong and vigorous national leadership, far too many of our citizens continued to show more concern about chrome for their cars than about better education for their children. Meanwhile, the national situation has steadily worsened. The Census Bureau reported today (December 30, 1957) that last month our schools and colleges enrolled 41,200,000 (an increase of 27 percent over the figure for 5 years ago). The number of children in kindergartens and elementary schools was 29 million (up 5,700,000 in 5 years). High-school pupils numbered 9 million (a 5-year increase of 1,800,000). Universities, colleges, and professional schools enrolled 3,100,000 (increase of 1,200,000). (Both full- and part-time students were counted in this report.) As this tidal wave moves into the upper years of the secondary schools and then into higher institutions the per pupil costs increase. Result: A grave and continuing crisis for years to come.

Some 40 years ago H. G. Wells warned the world that civilization was "in a race between education and catastrophe." Some of us took his warning seriously then; more will take it seriously now. But what of those at Washington who are charged with the overall leadership of this Nation? Will they really perceive the calamity that threatens us and give us the positive, vigorous leadership, and aid we sorely need? Or shall we have another shameful chapter of evasion, buckpassing, and delay ending in unwise, lopsided, halfway measures?

What is the role of the teacher in a crisis that threatens our Nation, that imperils civilization? As always the primary responsibility of the teacher is to teach. My job is to teach. What a stirring age in which to live. What a challenging time in which to be a teacher.

JOHN RUFI.

COLUMBIA, MO., *December 30, 1957.*

THE LETTUCE INDUSTRY IN BLANCA, COLO.

Mr. ALLOTT. Mr. President, I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, an article which was published in the Denver Post of January 26, 1958.

The article has two purposes. The first is to show that initiative in this country is not dead, by any means.

In a portion of the San Luis Valley, of Colorado, where the people had about given up the growing of lettuce, because there was no speedy way of transporting it to the rest of the world, the Small Business Administration made a loan, in 1956. Today, by placing the lettuce on pallets and by extracting the surplus air and water by means of the creation of a partial vacuum, the temperature is lowered to 33 degrees; and then the lettuce may be shipped anywhere in the United States without additional icing; and it arrives in better condition than it would be in as a result of any method previously used.

Certainly this is a good lesson in private initiative. It is also a great example of the work that the Small Business Administration has been doing in the West, under the regional SBA director, Mr. Harold R. Smethills.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SBA LOAN PAYS OFF—BLANCA LETTUCE FIRM BOOMING

A million dollars in cash was pumped into the economy of the tiny San Luis Valley town of Blanca, Colo., during 1957 because three businessmen decided during the drought of 1955 that it was time for destitute Blanca to help itself.

The million dollars came from a new enterprise which has revolutionized the lives of every person within a 10-mile radius of Blanca.

It went to the farmers who in 2 short years have seen their high altitude lettuce crop become a favorite in the top hotels and high quality food stores of the Nation.

The money went, too, to workers at the unique San Luis Valley Pre-Cooling Co., Inc. And from the farmers and workers it flowed into the business economy of an area which 24 months ago teetered on the brink of a 100 percent relief problem.

The Blanca success story began in February 1956, when George Oringdolph, president of the newly formed San Luis Valley Pre-Cooling Co., Inc., negotiated a loan of $75,000 from the Small Business Administration to buy equipment and set up a new method of processing the Blanca area lettuce crop.

ONE HUNDRED PERCENT LOAN O. K.'D

Harold R. Smethills, regional SBA director, said the Small Business Administration agreed to advance the loan on a 100 percent basis since there was no bank in the area to underwrite part of it.

"I toured the area, talked to businessmen and farmers and became convinced the new plant was Blanca's only hope for salvation," Smethills said.

In the summer of 1956, the new company shipped 300,000 cartons containing 20 heads each of high altitude lettuce. On the basis of that success, SBA approved a second loan of $34,600 to enlarge the size of the processing plant.

The 1957 shipment total was 420,000 cartons, the equivalent of 700 carloads.

The new packing method pioneered in Colorado by Oringdolph and his fellow officers, Henry Quiller and W. W. McClintock, has revolutionized the San Luis Valley lettuce industry.

WILT WHIPPED

The old method of shipping lettuce packed in chipped ice was wasteful, Smethills said. It resulted in wilted and rusted leaves which had to be trimmed off by grocers. And it limited the market because lettuce under ice would not withstand long shipments.

Under the new method, pallets of freshly harvested lettuce are loaded in perforated cartons and placed via fork lift on a specially built flatcar only 6 inches high.

The flatcar is pulled into a square metal tunnel 6 feet high, 6 feet wide and 10 feet long. The ends are sealed hydraulically and two compressors pump the air out of the metal tunnel.

A near vacuum is created inside the tunnel and all excess moisture and heat in the lettuce evaporates off automatically.

LETTUCE DRY LOADED

In 16 minutes the lettuce is at 33°—just 1° above the freezing point.

It is loaded dry—without ice—into refrigerator trucks or railroad cars and can be shipped from coast to coast, arriving in perfect condition with no wilted leaves.

"The lettuce stays crisper than any lettuce I've ever tasted," says Smethills. "And the fame of Blanca's lettuce has spread so fast that lines of refrigerator trucks from as far away as Mississippi and Texas are waiting for each load as it comes out of the cooling tunnel."

Is SBA happy about the loan it made to Blanca?

"We couldn't be more pleased," says Smethills. "They have even made a $6,000 advance payment on the 1958 installment."

NATIONAL DEFENSE IS A NONPARTISAN MATTER

Mr. PROXMIRE. Mr. President, the President of the United States has said that national defense is a nonpartisan matter, and I am in wholehearted agreement with him. Where the safety and welfare of our country are concerned, we are all Republicans, we are all Democrats.

I am sorry, however, to have to say, Mr. President, that the bipartisan approach of the President either does not spread far enough down in his administration, or it does not spread far enough out from the White House to include the whole of the country.

Last week, Mr. Wayne B. Warrington, a special assistant on the White House staff, went to my State, to speak in Waukesha, Wis., to a Republican Party Lincoln Day dinner. The Milwaukee Journal reported his speech on Sunday. What Mr. Warrington had to say makes very interesting reading, indeed.

I shall not refer to the usual partisan charges which are to be expected at a dinner of that kind, regardless of which party is the sponsor. What I am concerned about is Mr. Warrington's reference to the success of the Explorer satellites. This is what he said—and I quote the Milwaukee Journal:

> The "doom boys" have been increasingly silent these days because the Explorer satellite was "put up by the Republican army," he said.

The "Republican army," Mr. President—not the Army of the United States, but the "Republican army."

I telephoned the Milwaukee Journal reporter, to ask him to give me from his notes the full context of that statement. He did. It was obvious that Mr. Warrington was speaking in dead earnest.

I am disappointed. I am shocked. I cannot help being shocked when institutions which belong to all the people, institutions which have been carefully shielded by the Constitution and by the best traditions of a free people from partisan influences of all kinds, are given a partisan label when they achieve victories that belong to all of us.

I hope, Mr. President, that this practice will stop.

I believe in partisan politics. I like it American style—rough and free swinging. Even so, there is a time to call "foul." When the United States Army in its moment of triumph becomes the Republican army, that time has come.

THE NATIONAL GUARD

Mr. PAYNE. Mr. President, at the present time national attention is focused on the rapid development of the science of space, and, unfortunately, because of world conditions, the great emphasis at the moment seems to be the

use of space for military purposes. There can be no question but that, in order to provide adequate national security, every effort must be made to keep this Nation's military strength technologically ahead of any other country in the world.

But in making this type of effort we must be very careful not to go overboard and jeopardize our security by failing to maintain adequate ground forces. This danger is well stated in a letter I have received from Maj. Gen. George Carter, Adjutant General of the State of Maine, who points out that the budget for fiscal 1959 would require a reduction in the strength of the National Guard. As a former governor who has had an opportunity to closely evaluate National Guard activities, I have a high regard for the outstanding job which the National Guard is doing. It is the keystone of our military reserve system. Without the National Guard our mobilization for both World War II and the Korean war would have been seriously retarded.

I request unanimous consent that General Carter's letter be printed in the CONGRESSIONAL RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STATE OF MAINE,
OFFICE OF THE ADJUTANT GENERAL,
Augusta, February 14, 1958.

Senator FREDERICK G. PAYNE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR PAYNE: I know that you are well aware of the fact that the budget for the Armed Forces, as submitted by the President, contained only a recommendation for enough money for the Army National Guard to support a strength of 360,000. Of course, if additional funds are not added in this area to the budget, it means a reduction of 40,000 in the strength of the Army National Guard, as the year-end strength of this component was approximately 400,000.

To the State of Maine, this means a reduction in our present guard strength of approximately one battalion, or, roughly, 375 enlistees. I am sure that you can readily understand that this is of great concern to all of us connected with the guard who have worked incessantly, for the past 10 years, to reach strengths desired by the Department of the Army.

Just a little over a year ago, we were issued a mandate that we would enlist only in certain areas and that the larger percentage of the men we enlisted would be enlisted to immediately take 6 months' training; this regardless of the educational complications involved, that were of so great concern to all parents as well as their young sons.

At that time, we were concerned about maintaining strength; however, we had better success in the area of enlisting 6-month trainees than we expected, and inside of 3 months we were obliged to accept quotas for training for our 6-month trainees, because the Army claimed not to have the money or the training facilities to take care of the number we were able to enlist. At this same time, a committee, representing the Army National Guard, had a meeting with the President, and he assured them, as did the Secretary of the Army, that regardless of the training requirements and the categories involved that the strength of the guard would be maintained. Now about a year later, we are faced with a reduction in strength, below strength we were able to hold through the strength we were able to hold through the year 1957.

I am sure you realize the tremendous economic impact that this has on the communities throughout the Nation who have been maintaining reasonable strength units of the Army National Guard. This shows up in the area of armory drill and field training pay to guardsmen, and to the full-time specialists authorized to support the administration and training of the Army National Guard.

It seems unreasonable at this time to schedule a cutback in the strength in the only real component of the Army that is in reasonable strength, trained, equipped and ready to go in an emergency, if there is a policy of maintaining a reasonable balance in our Defense Establishment. There is plenty of evidence that the Russians, who have among other things intercontinental missiles, continue to maintain 175 army divisions, while we have only 15 divisions in the active service. It certainly seems that our 27 National Guard divisions and other major unit structure of the Army Guard should be maintained.

I, therefore, urge you on behalf of all of the Army National Guard men in Maine to do anything that you may be able to do to assist in putting back into the defense budget sufficient funds to support an overall Army National Guard strength of at least 400,000. I am sure there is also much merit in adding money to the Army Guard support in the area of furnishing funds for 6-month trainees in the quantity that can be enlisted for training by the units of the guard across the Nation. We of the guard are sure this is a first in the matter of efforts to maintain a really well trained and efficient guard that we have organized and trained since the close of World War II.

Sincerely,

GEORGE M. CARTER,
Major General, The Adjutant General.

BIDDEFORD-SACO (MAINE) SITUATION, AND ECONOMICALLY DISTRESSED AREAS

Mr. PAYNE. Mr. President, this afternoon I wish to discuss several matters relating to economically distressed areas.

BIDDEFORD-SACO SITUATION

At the present time one of the most severe economically distressed areas in the United States is the Biddeford-Saco area in Maine. Over 30 percent of the labor force of those twin cities, which have a combined population of some 30,000, is currently unemployed. The unemployment compensation benefits of many of the over 3,300 unemployed have expired. An extreme emergency situation is developing. On last Friday, I spent several hours to assure a steady flow of surplus agricultural commodities into the area after receiving an appeal for help from the mayor of Biddeford. But people cannot live forever on just cheese, cornmeal, rice, flour, and dried milk. These people do not want handouts; they want jobs. Last week the Biddeford-Saco joint board of the Textile Workers Union of America appealed to the President for a crash program of public works, defense contracts, and textile legislation. I ask unanimous consent that a copy of the Biddeford-Saco joint board's letter be printed at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

TEXTILE WORKERS UNION OF AMERICA,
Biddeford, Maine, February 11, 1958.

The President of the United States, DWIGHT D. EISENHOWER,
The White House, Washington, D. C.

DEAR MR. PRESIDENT: We the undersigned, members of the executive board of the Biddeford-Saco joint board, Textile Workers Union of America, AFL–CIO, and residents of the Biddeford-Saco area, urge you, as President of the United States, to institute an immediate crash program of public works, defense contracts, and textile legislation.

This area has been classified as a distressed area for many years and nothing has been done to alleviate this chronic unemployment situation. In fact, the conditions have deteriorated to such an extent that well over 30 percent of the employable workers in this area are unemployed and conditions are getting progressively worse.

This week the Saco-Lowell shops, the largest employer in the community, will lay off approximately 20 percent of their workers, putting another 400 employees on the unemployment and welfare relief rolls.

Approximately 1,000 workers have exhausted their unemployment benefits and have no chance whatsoever of getting employment.

Some workers, of necessity, have gone back to the dark ages and are lighting their homes with kerosene lamps because they cannot afford to pay their electric bill. This situation is indeed grave and desperate. Immediate action is needed now.

On January 20, 1958, in a speech in Chicago at the united Republican dinner, you stated: "The Nation's security has been guarded and markedly strengthened. Prosperity has risen from peak to peak. A recordbreaking tax reduction was granted. The economic security of all our people has risen."

Mr. President, the workers of the Biddeford-Saco area have had declining incomes during this period and now many of them have no income at all.

The Portland Press Herald of Saturday, February 1, 1958, carried the following story:

"MAINE BANKRUPT CASES HIT RECORD FOR ANY MONTH

"Eighty-six petitions for bankruptcy were filed in Maine this month. All but a half dozen are petitions by individuals. United States Referee in Bankruptcy Richard E. Poulos says the court's records show that to be the highest number of bankruptcies ever filed in 1 month, even during the great depression of the thirties. 'It's a manifestation, in cold figures, of the recession the country is going through,' Poulos commented. 'The petitions show that it's the little fellow who doesn't have adequate financial reserve to ride out the storm.'

"It also shows that many people have overextended themselves buying things, Poulos said.

"The bankruptcies this month are 80 percent more than were filed in January 1957.

"In the first 7 months of the fiscal year of 1958, which began last July 1, Maine bankruptcies increased 25 percent over a similar period for 1957 fiscal year, Poulos reported.

"The 733 bankruptcies in the 1957 fiscal year also were a record number, the most since the Maine Bankruptcy Court was established.

"Poulos foresees a continued rise in bankruptcy petitions. His records show March, April, and May to be the months when the greatest number of cases are filed, he said."

The above needs no elaboration.

Mr. President, may we make the following proposals that are needed for these communities to survive.

1. Channel defense contracts to the Saco-Lowell Shops, makers of world's best textile machinery. This company is the largest employer in the community but, because of the depressed textile situation in the Nation, are losing money every day and are forced to lay off a great many of their highly skilled employees that took many years to train.

This company is equipped to manufacture any type of hard goods products needed for the defense of our Nation.

Listed here are a sample of nontextile products manufactured by this company since World War II:

1. Magneto rotors for B–29 bombers.
2. Firing control units for 90-millimeter antiaircraft guns.
3. Ford universal carriers.
4. Parts for proximity fuses.
5. Rocket projectiles for planes.
6. Twisters for rayon heavy-duty fibers used on bombers, trucks, etc.
7. M3.50-caliber machine gun.
8. M1919A6.30-caliber machine gun.
9. M37.30-caliber machine gun.
10. Operating rod for Garand rifle.
11. Universal joint for Ford Motor Co.
12. Exhaust control valve for Ford Motor Co.
13. Rear axle shaft and differential gear cases (Ford).
14. Oil pumps for Ford Motor Co.
15. Miscellaneous service parts for Chrysler Corp.
16. Miscellaneous service parts for General Motors.
17. Drive shaft flanges for Ford Motor Co.
18. Elliott addressing machines (2 models).
19. Can-opener parts for Edlund Co.
20. Miscellaneous gears for Boston Gear Works.
21. Filter caps for Commercial Filter Co.
22. Miter gear and rail-raising brackets and miscellaneous parts for Bullard Co.
23. Automatic gear housings for Jones & Lamson Co.
24. Automotive muffler (18 basic models).

Mr. President, as you can see by the above-mentioned products manufactured by this company in the past, they are equipped to produce any item needed for the defense and security of our country.

2. We call upon you to support and promote all textile legislation that will recreate confidence in the textile industry so that the Pepperell mill, employing 2,000 textile workers in this area, can survive; such legislation as proposed by the senior Senator from Maine, the Honorable MARGARET CHASE SMITH, in the Senate of the United States on January 31, 1958, as listed below:

"S. 3196

"A bill to provide that a portion of all surplus cotton sold or exchanged for export by the Commodity Credit Corporation pursuant to authority in the Commodity Credit Corporation Charter Act, as amended, or the Agricultural Trade Development and Assistance Act of 1954, as amended, shall be processed cotton

"*Be it enacted, etc.*, That with respect to any surplus cotton sold or exchanged for export under the provisions of the Commodity Credit Corporation Charter Act, as amended, or the Agricultural Trade Development and Assistance Act of 1954, as amended, not less than 25 percent of such cotton shall be in the form of cotton textiles or products thereof."

Or any textile legislation that would accomplish the same purpose. This would encourage large textile companies to expand and modernize their equipment which, in turn, would keep the remaining textile jobs and would also provide employment for Saco-Lowell workers building the new textile machinery that would be needed if confidence could be brought about in the textile industry.

3. We sincerely suggest that an immediate public-works program be instituted so that our unemployed workers and those who have no income whatsoever could be put to work building a sewer disposal unit that would eliminate a difficult river pollution problem in the Saco River.

This river is an industrial stream and so polluted now that no amount of additional pollution could further affect this river. This creates a very serious health problem.

These communities have only escaped serious epidemics by the grace of God. A sewer and an industrial waste disposal unit would accomplish the following: It would attract new industries to this area giving employment to workers and in turn bring some security to these communities. It would definitely eliminate a very serious health hazard and would protect the property of many residents of this area who, with their life savings, have acquired property along the banks of this river, either in permanent homes or business propositions such as motels and tourist accommodations. It would also protect the livelihood and give some security to our men who go to sea in small fishing boats lobstering or fishing for a living. It would open large clam flats which are now closed because of river pollution thereby providing employment to our clam diggers and fishermen. It would protect the health of many schoolchildren who attend three schools on the banks of this river.

The following schools and institutions are located on the banks of this river:

The Notre Dame Hospital, the St. Andre's Home Hospital, St. Francis High School and College, Stella Maris School and Marie-Joseph Academy.

Certainly, these institutions can expect some consideration from our Government to protect their investments so that they may continue to take care of the health and education needs of our youngsters in the American tradition.

At the end of this river, as it empties into the Atlantic Ocean, are located beautiful beaches; one of them that is renowned throughout the world, namely, Old Orchard Beach, Maine. The continued pollution of the Saco River is a detriment in attracting summer visitors.

The Daily News Record of New York, a trade paper for the textile industry, on February 10, 1958, carried the following article by Senator KNOWLAND, of California:

"PUBLIC-WORKS PLAN READY IF RECESSION WIDENS—KNOWLAND

"The Eisenhower administration is ready to throw a public-works program into gear if the business recession continues and widens, Senator WILLIAM F. KNOWLAND, Republican, of California, said today.

"The Senate GOP leader said that the administration believed business would pick up in the midyear period, but he added that Congress would have to review the situation before the 1958 adjournment.

"Senator KNOWLAND's assurances that the administration would use pump priming to avert a continued economic decline came as the clamor on Capitol Hill increased for Federal spending to stimulate business."

The part of his statement that business would pick up in the midyear period to us seems to be like a crystal-ball gazing which in our modern age is outmoded. A midyear period for many of our unemployed workers would be disastrous and would be too late to alleviate the insecurity now prevailing in these communities. Action cannot wait until July or August of 1958. Action is needed now.

4. We sincerely urge you, Mr. President, as the leader of all Americans to immediately extend unemployment benefits for those unfortunate workers who have exhausted their unemployment checks and have no means of keeping body and soul together so that they may retain their dignity as Americans.

We realize that the above is a large package but the conditions in the area are such that only a crash program can bring results.

Americans have gone through many crises but with some help from their Government have always worked their way out of them. These people appeal for work and sincerely hope that you, their President, will not let them down.

Very respectfully and sincerely,

The Executive Board of the Biddleford-Saco Joint Board, Textile Workers Union of America, AFL–CIO: Michael Schoonjans, International Representative; Thomas LeBlanc, President; Romeo Bachand, Vice President; Walter Nelson, Recording Secretary; George Bouchard, Sergeant at Arms; Richard Sweet, Auditor; Joseph LeBrun, Auditor; Frederick Cantara; Israel Shevenell.

Mr. PAYNE. Mr. President, late Friday afternoon I wired the President, endorsing the proposals made by the Biddeford-Saco joint board, and personally called the attention of the White House staff to the urgency of the situation in an attempt to provide some real help in providing work and jobs for this hard hit area.

To assure the Senate that I am not an alarmist, Mr. President, I ask unanimous consent that an objective story in the New York Sunday Times of February 16 on the Biddleford-Saco situation be printed at this point in the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MAINE TWIN CITIES KNOW DEPRESSION—BIDDEFORD-SACO EXEMPLIFY HUMPHREY'S HAIR CURLING—PLEA TO EISENHOWER

(By John H. Fenton)

BIDDEFORD, MAINE, February 15.—Industrial workers of this city and neighboring Saco know what George M. Humphrey meant by a hair-curling recession. They have been living with one for the last 6 years or so.

Mr. Humphrey, former Secretary of the Treasury, said that continued inflation could lead to a recession of hair curling proportions. The comment was in a discussion of economic conditions before he left office.

To President Eisenhower, who is Mr. Humphrey's guest in Thomasville, Ga., this week, there has gone a letter offering a view of the economic conditions in Biddeford and Saco. It was drafted by the joint board for the twin cities of the Textile Workers Union of America.

PLEAS TO PRESIDENT

The letter asked action to relieve the plight of an area dependent largely on textiles. It said that the two cities, with a joint population of about 30,000, had 3,302 unemployed, about 30 percent of the labor force.

It asked the President to channel defense contracts to the Saco-Lowell shops. It cited that the workers had demonstrated an ability to shift from the making of textile machinery to the making of armaments. It asked also for support of legislation restricting sales of surplus cotton abroad. It urged further a special Federal public-works program for the area, including a project to clear the industrially polluted Saco River.

The cities, about 15 miles southwest of Portland, flank the falls of the Saco River

and the falls furnish power for their industries.

They have been suffering periodically for 30 years with the rise and fall of the market for textiles. The last effects of World War II and the Korean conflict on military orders sloughed off about 1952.

A year ago 1,200 were thrown out of work by the closing of the Bates Manufacturing Co. textile plant.

LAYOFFS AT SACO PLANT

At the Saco-Lowell Shops in Saco 400 employees are being laid off. That is a 20 percent reduction. Until last year Government orders for machineguns helped the situation. The plant has a contract with the Ford Motor Co. for automotive parts to supplement orders for textile machinery, but its payroll is going down. It remains on a 5-day week, however, and is seeking other diversification.

The Pepperell Manufacturing Co. plant in Biddeford is on a 3-day and 4-day week with its cotton fabric production. The plant specializes in sheeting.

Publication of the letter to President Eisenhower has drawn national attention to the area and some of the basic statistics are receiving wide notice.

In Biddeford the Overseers of the Poor are aiding 1,400 persons. Another 392 are on total city relief. Saco has 1,016 persons eligible for surplus food supplies and 87 families are receiving full relief. The statistical procedures vary in the two cities.

The situation is pointed up in empty stores, falling store sales, and a general rundown aspect of property. Yet, according to Michael Schoonjans, area director of the Textile Workers, pride keeps the jobless from talking much about conditions.

He offered a story of one young worker, saying that the man had 3 children and was bringing home $21 a week after taxes for a 3-day workweek. Five dollars goes for rent, he said, $5 for fuel and the rest for food, clothing and whatever else can be afforded. Long-term bills go unpaid, he added.

Many workers commute long distances to jobs elsewhere. Few young people are staying in the area once their schooling is ended. There are no breadlines, however, and hope sustains all hands.

S. 5 OPPOSED

Mr. PAYNE. Mr. President, in connection with distressed-area problems, I should like to call the Senate's attention to S. 5, a bill favorably reported to the Senate on February 10 by the Committee on Government Operations. This legislation has the innocuous title of "A bill to amend the Federal Property and Administrative Services Act of 1949, as amended, to prevent an allocation of procurement contracts to certain designated geographical areas, and for other purposes." This bill is certainly a legislative sleeper. It would cancel outright the program set up in Defense Manpower Policy No. 4 to channel Government contracts into economically distressed areas, and deprive the administration of one of the few vital tools it has at the present time to assist these areas. The Office of Defense Mobilization is strongly opposed to enactment of S. 5. This is a matter which usually comes under the jurisdiction of the Senate Banking and Currency Committee. So there may be no question, let me state that this legislation will be opposed in every way possible by me.

ACTION ON DISTRESSED-AREAS LEGISLATION URGED

Finally, Mr. President, let me point out that channeling surplus food and emergency Government contracts into economically distressed areas are only stopgap measures. Speeches here on the Senate floor or telegrams to the President from governors are not going to do the job. Only immediate enactment of comprehensive distressed areas legislation and necessary corrective textile legislation will provide long-range help to communities such as Biddeford and Saco.

In fairness, it should be said that the Eisenhower administration has repeatedly urged enactment of distressed-areas legislation, but it has been bottled up in Congressional committees. At the present time I am in the process of drafting a compromise distressed-areas bill, which I hope to have ready for introduction next Monday.

The time for action is now. Let us put an end to needless delays. Let us get on with the job and get it done.

ANNIVERSARY OF CZECH SUBJUGATION

Mr. TALMADGE. Mr. President, on February 25 it will have been 10 years since the country of Czechoslovakia lost its freedom and disappeared behind the Iron Curtain.

Although it was in 1948 that the communization of Czechoslovakia was completed and became evident to the Free World, the erosion of liberty and independence in that country started as early as 1945 with the introduction of the National Front Government.

The National Front, though only a minority in the last prewar Czech elections, began a program of communization of political and economic life carried out simultaneously with the expulsion of the anti-Communist Sudeten Germans and Hungarians, the resubjection of the Slovak people and the liquidation of all Czech democratic leaders.

On this 10th anniversary of the loss of independence by Czechoslovakia, it would be well for us to ponder how the subversion of its free government began 3 years earlier, and to use the occasion to give expression to our heartfelt sympathy for the enslaved and expelled peoples of that nation. It also is appropriate that we express our encouragement to the exiled Czechs, Slovaks, Sudeten Germans, Poles, Hungarians and Carpatho-Ukrainians to continue their efforts toward the restoration of full political and economic freedom for their countries, for the return of the refugees and expellees to their homelands, for the return of private property to its owners and for the restoration of a free press and judicial system, the right of local self-determination and full democracy.

VALUE OF BOY SCOUT TRAINING FOR SPACE TRAVEL

Mr. THYE. Mr. President, as a member at large of the National Council of the Boy Scouts of America and as a member of the committee on rural scouting of that organization, I am very interested in the excellent training which is available to the youth of America through the Boy Scouts.

I ask unanimous consent that an article which appeared in the February 15, 1958, Duluth Herald be printed in the RECORD at this point as part of my remarks. The comments of Colonel Gould on the value of Boy Scout training are very interesting, and I think they should be brought to the attention of my colleagues in the Senate.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GOULD CITES SCOUT TRAINING'S VALUE IN SPACE TRAVEL

Survival training for young people, such as the Boy Scouts, someday may prove highly valuable to pioneer travelers in outer space, area Boy Scout leaders were told here today. Col. Robert Gould, commanding officer of the 343d Fighter Group at the Duluth Airbase, said this possibility is far from the primary reason for survival training today but it is one of the future practical applications for such preparation.

Colonel Gould addressed the Scout leaders in the Spalding Hotel at a noon luncheon, part of a camping clinic arranged by the North Star Council to evaluate the council's 1958 camping program.

The luncheon session, the start of a program scheduled to continue all afternoon, also was addressed by Dr. George A. Selke, St. Paul, State commissioner of conservation, and Maynard Hanson, St. Paul, deputy regional director for the Boy Scouts of America.

The airbase commander, whose talk was planned to stimulate interest in survival training among the Scout leaders, said this type of preparation can have many practical applications.

No one knows, he pointed out, when his life might depend upon such training. Emergency situations can occur for hunters, fishermen, motorists, or anyone who might become injured or lost in a remote area.

Colonel Gould outlined the principles of survival training and the methods of teaching used by the Air Force.

Anyone who receives this training, he said, is prepared both mentally and physically and develops assurance and confidence in his ability to survive under any circumstances.

The Air Force, he said, has a survival training camp on Island Lake, where personnel are sent with only the clothing and equipment they would have if they crashed in an aircraft.

There have been many cases, he said, when persons have crashed in airplanes and have been uninjured but died because they did not know how to take care of themselves.

When space travel becomes a reality, he said, travelers will find no facilities to aid their existence on the planets, and thus they will have to depend upon their own initiative and capabilities to remain alive.

Dr. Selke said every community has a responsibility to provide opportunities for young people when they begin to look outside of their homes, schools, and churches for interesting and challenging activities.

The Boy Scout movement, properly directed, he said, furnishes such an outlet. But, he added, it must do these things:

Establish, through its activities, personal integrity of the individual.

Develop self-reliance—enable the youngster to care for himself.

Provide enjoyment of character-building and soul-enriching experiences.

And help a boy to learn to live to help others.

ONE HUNDREDTH ANNIVERSARY OF MINNESOTA STATEHOOD

Mr. THYE. Mr. President, Minnesota is celebrating its 100th anniversary of

statehood this year. As one of the activities in this celebration, the Minneapolis Star and Tribune selected its most outstanding carrier salesman and sent him on a trip around the world. The salesman selected was Billy Bevan, of Chisago City, Minn. Billy left Minneapolis on January 12, flew to New York, then to Ireland, France, Italy, Greece, Iran, India, Ceylon, Thailand, the Philippines, Okinawa, Japan, Alaska, and back to Minneapolis on February 4. All along the way, he distributed centennial editions of the Minneapolis Star and Tribune and spread good will.

I ask unanimous consent that an article appearing in the Minneapolis Morning Tribune which describes the trip be printed in the RECORD. I also ask unanimous consent to have a letter printed in the RECORD which I received from Billy, which was written in Tokyo, Japan. Billy is a freshman in high school and has reaped a great harvest of benefits from his trip. His letter points out the importance of travel and the need for communication between the people of the United States and the people of other lands. Billy would wish that every young boy could have the same experience. At this stage of our development, this would be impossible, but I believe Senators will agree with me that this letter very aptly points out the benefits which can be received from exchange programs.

There being no objection, the article and letter were ordered to be printed in the RECORD, as follows:

TIRED OF TRAVEL? NOT BILLY BEVAN—HE'LL BOARD PLANE TODAY FOR 18TH TIME

TOKYO.—Billy Bevan boards an airplane this morning for the 18th time in 21 days, as travel-hungry as the day he left Minnesota.

The State's centennial air ambassador is heading home. His Minneapolis Star and Tribune carrier bag is almost empty. His round-the-world whirl is slowing to a stop.

The young globe trotter from Chisago City has had a wonderful 3 weeks, is not too anxious to get home, and he'd like to do it all over again.

Billy will reach Anchorage, Alaska, today in time for lunch. It sound like a quick flight because of the International Date Line. His cross-Pacific jaunt actually will take 15 hours.

That's a lot of reminiscing time for a boy who has plenty to reminisce about.

Meeting Pope Pius in Vatican City, wandering through the ruins of Athens' Acropolis, watching vultures circle overhead in Bombay, India, souvenir hunting along Ginza Street, the Broadway of Tokyo.

Where in the world would you most like to return when your centennial duties are finished? the Tribune asked Billy Saturday in a telephone interview.

The 14-year-old high school freshman heaved a sign before making the impossible decision.

"Manila, I guess," said Billy. "If I'd been able to stay longer in the Philippines I could have gone skin diving."

Manila made a big hit all the way around with young Bevan, especially a basketball game he watched there.

It was really good. If those players were as tall as American boys, they'd sure give us a battle.

He speaks from experience on the basketball court at Chisago City High School. And while the honor student is a little worried about missing classes during his 24-day tour, he's still in shape to dribble and shoot.

The slender youth with the crewcut has been traveling too fast to gain a rubber tire from those wild foreign dishes. "Some of the food sure tastes different, but I haven't eaten anything yet I didn't like."

He's grown particularly fond of an oriental dish, kimchi. "It's very, very hot with tabasco sauce and hot peppers. I've eaten it in Seoul and Tokyo, sitting on the floor at long, low tables loaded with everything imaginable."

Seoul provided one of his most exciting experiences, when Billy visited Korean President Syngman Rhee to deliver a copy of the Sunday Tribune's special centennial-future edition, honorary Minnesota citizenship, and an invitation from Governor Freeman to attend statehood celebrations in May.

Equally rewarding, however, was an informal talk with seven Korean teen-agers. Billy found them waiting in his hotel room one evening.

They'd heard that an American boy was in town and just wanted to talk. You know, about what subjects Americans take in school and what the weather's like in Minnesota.

Yesterday, Billy reached for a jampacked itinerary when he woke up in Frank Lloyd Wright's famed Imperial Hotel here:

Breakfast with United States Ambassador Douglas MacArthur II; a tour of Atago Middle School; a meeting with Hajime Sato, deputy governor of Tokyo metropolitan office; a visit with Shintaro Fukushima, president of Japan Times; lunch with Japanese boy scouts at Chinzanso and a chat with Nagataka Murayama, board chairman of Asahi Shimbun.

Then the carrier salesman set out through the noisy traffic-clogged streets of Tokyo to amble around the imperial palace of Emperor Hirohito; Nishi-Honganji, the modern Buddhist temple east of Shiba Park, and the ancient Meiji shrine and its gardens, picture gallery, and sports stadium.

His journey, via Northwest Orient and Trans World Airlines' new joint global service, will end Tuesday as he delivers his final centennial messages in Seattle, Wash.

When Northwest's flight 2 brings him to Wold-Chamberlain Airport at 3:47 p. m., St. Paul Boy Scouts and centennial officials will be there to greet him.

Shouting the most eager welcome will be his parents, Mr. and Mrs. William A. Bevan, and sister Betsy, 16. Betsy will be especially happy to see Billy back home—she's a basketball cheerleader at Chisago City High.

JANUARY 25, 1958.

DEAR SENATOR THYE: We are now en route to Bangkok. It will just be a quick stop. We then go on to Manila.

We have been graciously received in all the different countries. We have visited Boy Scout troops, church groups, and schools. This trip is a wonderful experience. It helps to broaden yourself. I wish all American boys could make this trip. It makes you appreciate the United States a lot more and it helps you to understand other nations' problems.

I now fully realize how important a good education is.

Yours truly,

BILLY BEVAN,
Centennial Air Ambassador.

CITATION OF THOMAS LUNSFORD STOKES, BY RAYMOND CLAPPER MEMORIAL ASSOCIATION

Mr. MONRONEY. Mr. President, Tom Stokes, who writes a column for the Evening Star and more than 100 other papers throughout the country, has been cited for a unique award. This latest recognition of one of our finest newspapermen is not being given him for one stroke of genius, or even for that lucky break plus competency which often brings awards. Neither does it honor him for a year of day in and day out meritorious journalism, as did the annual Raymond Clapper award which he won in 1947. This latest Clapper award to Thomas Lunsford Stokes II is for a career of unvarying high standards—37 years of it covering the complex and changing Washington scene, as a press association reporter, a Washington correspondent, and a daily columnist.

Recently, in the Senate, we have been taking a fresh look at our national capacity to wage war if we are attacked and to wage peace that there may be no more war. We have looked at our accomplishments and shortcomings in the ballistic missile field. We are beginning to search for the opportunities afforded us by the challenge of outer space. We are taking inventory of our educational system and studying the extent to which it prepares all our youth for good citizenship, useful living, and wise decision making, while training the most talented to render the greatest service to which they are capable. We are looking hard at our diplomacy to assess the handling of our stewardship as a great world power.

I am convinced that we must have great scientists to play our role well, and also great statesmen, diplomatists, philosophers, and teachers—yes, and great newspapermen. The talents and the integrity of the men and women who report and discuss for us events as they happen, in our newspapers and magazines, on radio and television, play a vital role in molding the public opinion which in a democracy decides all other questions.

I differ in opinion with Tom Stokes on many matters. He is a crusading liberal. I have enough of both the liberal and the conservative in me that I fit neither category. Yet I recognize that his unvarying high standards place him in the vanguard of the type of able, high-principled newsmen we need as our Nation faces the dangers of trial by power.

The Clapper committee mentions several of the reasons why—his integrity, courage, and scholarship, his eagerness and industry in the pursuit of truth, his thoughtfulness and modesty and kindness.

In a little more detail, we can note that his courage and integrity have made it possible for Tom, from a prosperous Georgia family, with an Atlanta prep school and University of Georgia education, to fight the battle for the Negro's civil rights with a vigor and an understanding that no northerner could surpass; and to espouse the needs of the common man with a steadiness that few common men could muster.

His honesty and reliability, coupled with his charm and modesty, and sometimes the twinkle in his eyes, have won him news sources among the great and small here in the Capital. These must have been important to his employers on the United Press and Scripps-Howard newspapers as he advanced as a reporter. Just as his news sources learned that he handles the truth with respect and with intelligence, so his readers learned it as

he began in 1944 to write his present nationally syndicated column for United Features.

Tom Stokes has the ability to be fierce in his beliefs without rancor or meanness for those with whom he disagrees. As a result, editors with diametrically opposed views are able to print his column, and readers with differing convictions to read it, even during such heated periods as national election years.

I understand that Tom is dangerously ill in Emergency Hospital just now. It must be difficult for him to be ill, because among his outstanding characteristics is industry. He made Phi Beta Kappa in college, won a Pulitzer prize back in 1938, wrote Chip Off My Shoulder in 1940, and The Savannah for the Rivers of America series in 1951. In addition to writing his column, traveling with the news, and playing his gridiron parts with great gusto upon occasion, in recent years he has been giving a weekly review of the news at St. Alban's School. His son, Thomas L. Stokes III, better known as "Chip," is a senior there this year. A daughter, Layton, died as a small child of spinal meningitis. Tom also has found time to be a gallant husband to his charming wife, the former Hannah Hunt, whom he married in 1924.

I ask unanimous consent to have inserted in the RECORD at this point the United Press story describing the recent Raymond Clapper award to Tom Stokes, in the hope that young men and women entering the fourth estate may find in his success story challenge and encouragement—realizing that his success is not counted in financial gain, which I am sure has been modest, but in really valuable service to his readers and to his country.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE RAYMOND CLAPPER MEMORIAL ASSOCIATION PRESENTS A SPECIAL CITATION TO THOMAS LUNSFORD STOKES

In recognition of a 37-year career in journalism in Washington that has been marked by professional achievement of the kind the Raymond Clapper Award has endeavored to encourage through its annual citations. Winner of the award for 1947, Thomas Lunsford Stokes already has had conferred upon him this organization's acknowledgment of excellence in a given 12-month period. Upon the announcement of the 1957 award competition, the association, impressed with the frequency with which the judges have been urged to take note of successive journalistic achievements of this one brilliant reporter, has deemed it appropriate to embody in a special citation the sentiments of these cumulative nominations. They represent not only an acknowledgment of the unvarying high standards that have governed Thomas Lunsford Stokes in the gathering of information and its presentation; they also reflect the universal high esteem in which he has ever been held by his colleagues throughout the profession. This citation it conferred upon him in order to encourage in all who share the responsibilities of his profession the same virtues of integrity, courage, and scholarship, the same eagerness and industry in the pursuit of truth, and the same qualities of thoughtfulnes and modesty and kindness, all attributes which he and Raymond Clapper had in common.

ADDRESS DELIVERED BY SENATOR MORSE BEFORE THE ROCKY MOUNTAIN FARMERS UNION

Mr. CARROLL. Mr. President, I ask unanimous consent to have printed in the body of the RECORD at this point, as a part of my remarks, excerpts from a speech delivered by the senior Senator from Oregon [Mr. MORSE] at Denver, Colo. It is a penetrating analysis of one of the most important issues confronting our Nation today.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

EXCERPTS FROM SPEECH BY SENATOR WAYNE MORSE, ROCKY MOUNTAIN FARMERS UNION, DENVER, COLO., FEBRUARY 3, 1958

This meeting of Rocky Mountain Farmers Union members is one I am very happy to attend, because the Farmers Union and its great president, Jim Patton, are established among the forces for genuine liberalism in America today.

Your organization has steadfastly opposed the reaction manifested in so many policies of the Republican administration. You have worked diligently for the programs that would bring benefits not only to the farmers of America, but to all our citizens, and I include near the head of this list the Hells Canyon Dam on the Snake River that would mean so much to the Pacific Northwest. The Farmers Union has been a bulwark of strength in the historic fight for the Hells Canyon Dam.

Of course, you are most directly concerned with the issues that immediately affect our farm population, and agricultural production. In the last 5 years, these issues have uniformly gone against the farmer.

In reviewing the record over the past 5 years, I cannot see that any other judgment can be made except that the Eisenhower administration has deliberately deceived the farmers of the United States as to its true intentions toward them, and with the farmers thus misled and disarmed by their deceit, has gone on to undermine the security of the family farming system.

I refer to the first important statement on farm policy that was made in the 1952 campaign by the Republican nominee for President, Gen. Dwight D. Eisenhower. This famed golden promise was given at the national plowing contest in Kasson, Minn., on September 6, 1952; it was everywhere regarded as the first authoritative statement of the candidate's views on farm policy. Here, word for word, are the important pledges made to the farmers of America in that speech:

"And here and now, without any 'ifs' or 'buts,' I say to you that I stand behind—and the Republican Party stands behind—the price-support laws now on the books. This includes the amendment to the basic Farm Act, passed by votes of both parties in Congress, to continue through 1954 the price supports on basic commodities at 90 percent of parity. These price supports are only fair to the farmer to underwrite the exceptional risk he is now taking. * * *

"I firmly believe that agriculture is entitled to a fair, full share of the national income and it must be a policy of Government to help agriculture achieve this goal * * * and a fair share is not merely 90 percent of parity—but full parity.

"I give you this positive assurance: The Republican Party will use all the power it legitimately can use to see that American farmers obtain their full share of the income produced by a stable, prosperous country."

Well, those were the words of Dwight D. Eisenhower—before the election in 1952. What did those words mean?

It was not only the farmers of this country who believed that General Eisenhower's words meant that he would protect farmers from the serious price decline that had already set in. All over the country, the newspapers reported this speech with big, black headlines, proclaiming that with General Eisenhower in the White House farmers could expect a golden age ahead of them.

Let me read to you the headlines that reported General Eisenhower's promises to the farmers:

Here's what the Des Moines Tribune, right in the center of the farm belt said in a banner headline clear across the top of the page: "Ike Offers Plan for Farm Price Boost."

Here's the headline from the Indianapolis (Ind.) News: "Ike Favors More Farm Props and 100 Percent Parity, Support Proposed for Milk, Produce."

And this, from the Dubuque (Iowa) Telegraph Herald: "Eisenhower Guarantees High Prices—Asks Wider Range of Crop Supports, Greater Protection."

I suppose it is possible, as President Eisenhower has explained later, that he was badly misunderstood when he was campaigning for farm votes in 1952. But he certainly never did anything to clear up the misunderstanding at the time. In fact, General Eisenhower declared in Chicago, on October 31, 1952, that he was outraged by what he called "deliberate falsehoods" employed by his opponents in warning that an Eisenhower administration would seek to cut farm price supports by adopting a sliding scale law.

Throughout these 5 years of steadily-deepening agricultural depression, the Eisenhower administration's efforts to deceive farmers has continued. When General Eisenhower selected Ezra Taft Benson to be Secretary of Agriculture within a few weeks of election day in 1952, it was crystal clear to everyone who knew Mr. Benson's past record that General Eisenhower's promises to the farmers would be betrayed. In Ezra Taft Benson, Eisenhower found a man who splendidly qualified to betray his own promises to the farmers, and to continue the attempt to hoodwink the farmers with assurances of false optimism while their economic throats were being cut.

Secretary Benson told the National Grange convention, in Burlington, Vt., on November 18, 1953: "The retreat of farm prices and income * * * seems to have been stopped a few short months after we took office." A month later he told the national convention of the Farm Bureau: "Let me assure you * * * considerable progress has been made along the road to recovery. I believe that 1953 has marked the turning point—in the right direction."

One year later, in December 1954, after the parity ratio had dropped 4 or 5 points further—Mr. Benson went again before the National Farm Bureau convention, to state happily: "We are headed in the right direction at last."

Another year later, at the end of 1955, and it began to sink in that what Mr. Benson means by "the right direction" is just the opposite of what he expected the farmers to think. For farm prices had sunk some more. But speaking to the National Council of Farm Co-ops just after New Years, he said: "* * * A new buoyancy in the market place, a new hope, a new vigor and zest, can be anticipated * * * surely it should be reflected promptly in prices and incomes."

And where are we today?

The cost of things that farmers have to buy for their farming operations and for family living is at an alltime high.

Farm prices have dropped 17 percent since President Eisenhower took office in January 1953. The total net incomes of farm operators has dropped every single year since Eisenhower took office—from $15.1 billion in

1952, to $13.3 billion in 1953, to $12.5 billion in 1954, to $11.7 billion in 1955, to $11.6 billion in 1956. These are official Department of Agriculture figures.

Mr. Benson has enormous powers under the farm laws on the books today, and under the laws on the books throughout his term, to support farm prices if he wants to do so. He can support practically any commodity he wishes at up to 90 percent of parity. But instead of supporting farm prices, Benson has used his price-supporting powers to reduce farm prices every single time that the law allowed him to—excepting in the election campaign of 1956, when he backed down on some reduced farm price supports that had been announced and ordered them raised part way to the previous year's level close to election time.

Let me repeat this, because it is an important demonstration of the gap between what the Eisenhower administration says and what it does: On every occasion except during the presidential election campaign last year, that Mr. Benson has had freedom under the law to raise or to cut the price for any farm commodity by changing the price support, Mr. Benson has chosen the alternative that would result in a lower price. Benson has reduced the price support levels every time he could when they were helping to hold prices above the free market point.

Last month, the latest chapter in this story was read to Congress in the new farm message from the President. And I would have you never forget that it is the President of the United States at whose door responsibility for this program really lies, regardless of who the administrator of it may be.

In his 1958 farm message, the President asked for little more than ratification of the farm depression. Primarily, he asked for authority to lower prices of the basics down to 60 percent of parity, not satisfied apparently, that he has stabilized parity at only 80 percent.

No, my friends, farmers are the last people in the country who can afford to trust the Eisenhower administration's promises, or to believe in the Eisenhower administration's words.

Under the Eisenhower administration, our national farm policy is made 100 percent for the big food processing and marketing corporations. To a very large extent, it is made by representatives of those corporations, who have been placed in high positions inside the Agriculture Department by Ezra Taft Benson. This policy is designed to increase the profits of food processors and marketing trades—by taking it away from the farmer. For example:

Profits of 27 big retail food chainstore corporations jumped 27 percent last year over 1955.

Profits of the 123 largest food processing corporations rose 8 percent over the year before—and profits of the biggest companies increased even more.

In the past 4 years (1952 to present) farm prices have dropped 17 percent, while food prices held almost steady (no change from December 1952 to May 1957).

(In the past 10 years, farm prices dropped 14 percent, but food prices rose 16 percent.)

But this planned depression of the farmers to increase the profits of the food and fiber processors and marketing trades is not the worst aspect of the Eisenhower administration's farm plans.

The Eisenhower administration is deliberately and systematically destroying the family farm system of agriculture, to enable these big corporations to move in and impose a revolutionary and un-American style of big-business-dominated farming. The experts call it "vertical integration." It has already taken over most of the broiler industry, and it is making swift progress in the fields of eggs and turkey production. Next on the list appear to be cattle feeding and hogs. I advise you to read up on this vertical integration scheme. This is what you can expect to be up against in a short time—if the big-business-minded people in the present Department of Agriculture get their way.

In brief, vertical integration means that the individual farmer signs a contract with some business operator who puts up the money, makes all the plans, closely controls what the farmer raises and how much and when, and leaves the farmer a kind of piecework wage for his trouble.

The Doane Agricultural Service, a farm management firm which has done a lot of work in setting up vertical integration plans for big-business interests, recently described the farmer under this setup as follows:

"The broiler producer under today's vertical integration setup has little independence of action. Usually he owns his farm and the broiler house, but he has no money in the chicks, none in the feed, and he cannot sell except through channels. He is guaranteed an income based on a minimum price per pound of meat sold. He usually shares in any price increases above the guaranteed minimum. To most of us this man is the farmer, but technically he is more like a production worker on an assembly line who is paid on a piece-work basis" (by Earl F. Grouse, vice president, Doane Agricultural Service, in the March 1957 Cooperative Digest—a pro-Benson publication from Ithaca, N. Y.).

This, my friends, is the future that the Eisenhower administration and its big-business sponsors have planned for you family farmers.

At the very time that they are inveighing with most scorn against controls and regimentation in the farmer-run farm programs established over the past 25 years, these people are laying plans to bring farmers under an ironclad system of contractual control by big business that will, in the words of an expert who is sympathetic to the idea, leave the individual farmer with "little independence of action" and convert him into "an assembly-line worker who is paid on a piecework basis."

Five years ago, shortly after Mr. Benson took charge of the Agriculture Department, the vertical integration plan was advanced as a policy recommendation by one of his top-ranking assistants. This was John H. Davis, then Assistant Secretary of Agriculture, and now director of the graduate school of business at Harvard University. Mr. Davis has been pushing his vertical integration brainchild in business circles through his position at Harvard, and has published a book promoting the plan.

Way back in 1953, Mr. Davis made an open appeal for the Government to relax the antitrust laws and to encourage the development of private business monopolies strong enough, as he put it, "to relate agricultural production to marketing." To put it plainly, what Mr. Davis was advocating is business monopoly strong enough to run a private system of regimentation in place of a Government farm program. He was in favor of giving such power to big business, said Mr. Davis, because it would make possible the elimination of Government price supports.

And Mr. Davis made it clear he wasn't talking about farmer co-ops when he advocated that processing and marketing firms be given near monopoly powers over farm production and marketing.

Here is what he said about that:

"Farmer marketing cooperatives cannot control farm production without Government help. It seems unlikely that they will become sufficiently dominant in the marketing field to integrate farm production and distribution in a way which will stabilize the farm price structure—unless the Government acts to tip the scales heavily in their favor and also to give them some type of control over production.

"A more hopeful approach would seem to be that of encouraging voluntary cooperative arrangements on the part of producers and all segments of the agricultural handling, processing, and distributive industry. I do not refer to farmer cooperatives but rather to an arrangement whereby all types of business would work together voluntarily in a common effort—each firm retaining its present entity and form."

There, in this official Department of Agriculture statement published early in 1953, is evidence that this administration has been working to promote this scheme for big-business domination of American agriculture even since it took office.

The present farm situation, in my judgment, is an emergency that is of far more fundamental importance than the fact alone that prices and incomes have been depressed unfairly and unnecessarily. Bad and long-lasting as the effects are of the farm depression itself upon farm people, upon farm children, upon rural communities and rural small-business men, and eventually upon the entire national economy—and the latter is increasingly evident—these are not the worst aspects of the situation.

The greatest danger is that the family farming system of agriculture is being destroyed with speed and ruthlessness right before our eyes. The really fundamental question is whether we will be able to preserve the opportunity for our children to make a decent living on the land as independent, free, and prosperous self-employed farm operators.

The farm problem is really not so complex, despite all the complications that seem to develop.

American farms are producing about 5 percent more each year than the commercial markets will absorb at parity prices. This relatively small surplus results in a disproportionate reduction of market prices, so that farmers get much less money for producing that extra 5 percent than they would get in total if they produced 5 percent too little.

It is true that our population is growing steadily each year, so that our normal domestic market is getting larger. But total farm production is rising at a slightly faster pace—so there is not the faintest chance in sight that we ourselves can eat our way out of the so-called surplus problem by letting the free market take its course.

We can do any one or a combination of three basic things to protect farm prices and incomes and thereby assure farmers of their fair share of the national income.

1. We can take the so-called surplus off the market, and find useful purposes for it outside the normal channels of trade.

2. We can let the market absorb the full supply that is produced, and make up the deficiency in farmers' income by some form of direct Government payments.

3. Or, we can adjust production to what the market will absorb at fair prices.

In my judgment, the ideal course would be to carry out the best practical combination of all three things. I have supported moves in the Senate to do so.

Here I wish to digress a moment to tell you a little about a trip I took during the Congressional recess, when I was appointed chairman of the United States Senate delegation to a meeting of the Commonwealth Parliamentary Association in New Delhi, India. The participants in the conference represented the nations of the British Commonwealth. Most of them came from the countries of Asia and Africa that emerged after World War II as nation-states. All these new states are struggling to raise their people to a level of decent human existence.

If there was one central, consistent theme sounded by these new national leaders, it was the theme that their people want and need food far more than they want or need the military equipment that we seem to think it so important that they have. Bread, not bullets, is what they want and need from America. These men I talked to at the conference were simply not impressed by the warnings of war or near-war that may overtake them, according to American spokesmen, unless every country is armed to the teeth. In the course of my own speech to the conference, I made reference to the fact that I believed the underdeveloped nations would be strengthened more, and freedom, too, if we sent them bread rather than guns. I was frankly surprised by the enthusiastic applause that greeted that statement.

By neglecting our store of food, by calling it surplus, and being embarrassed by it, we are failing to realize an advantage over communism that is within our grasp. We are deeply concerned about Russian missile superiority, even with our Explorer overhead; we are busying ourselves trying to catch up. Have we forgotten that in Russia, its lag behind us in food production has had the same result? Have we forgotten the stupendous new goals fixed by Krushchev in meat and milk production, as Russia tries to catch up with us in the capacity to produce great quantities of foodstuffs?

Here is the real secret weapon of America, if we will but recognize it. Here is a better answer to Russia's sputnik than even the Explorer, or Jupiter-C, or Thor, or Vanguard so far as impact upon the people of the world is concerned. We hear that by putting up the first sputnik, Russia has captured the imagination of the world, but let us not forget that the greatest aspiration of millions of the human beings on this earth is still not to reach the moon, but just to have enough to eat.

The authority now vested in the executive branch to dispose of commodities on terms of barter, or at whatever terms it can get, has scarcely been exercised. I appreciate the objections raised by other great world producers of food to American dumping of farm surpluses. But where people are underfed because they can't afford to buy food, no commercial market can be hurt by making food available to them.

If as much thought and effort were put into this program as is being put into belated missile development, I don't believe we would have much to fear from Communist appeals to these people. It was my conclusion from this conference that under Eisenhower and Dulles, we have a bankrupt foreign policy which more than matches our bankrupt farm policy.

In addition to alleviating hunger abroad, we need a food stamp program here at home for the aged and indigent—again, a group presently outside the effective market for many commodities.

There is much merit, under appropriate circumstances, for various kinds of programs to supplement farmers' cash receipts from their marketings by direct Government payments. The wool program and the sugar program are two examples, the former inaugurated and the latter supported even by this administration, and both of which I have cosponsored. The marketing certificate plan for wheat, of which I am one of the Senate cosponsors, is in its general outline similar to these plans.

Through these approaches lies the future of America's family farms, in my judgment.

But I think it clear that we will never take the road to a prosperous family farm economy under the Eisenhower administration, or under any Republican administration. Without a firmly Democratic Congress in 1958 and a Democratic administration in 1960, the record I outlined at the beginning of this speech will only be extended.

We must make clear to the American people by next November what their alternatives are.

I know the Farmers Union will be doing that.

OBJECTION TO THE HARRIS-O'HARA NATURAL GAS BILL

Mr. HUMPHREY. Mr. President, I understand that a substantial delegation of mayors from around the Nation is appearing in Washington to protest the so-called Harris-O'Hara natural gas bill.

I commend these mayors for their vigorous demonstration of opposition, and at the same time I wish to bring to my colleagues' attention the express opposition of the mayor of Minneapolis to passage of this bill. Therefore, Mr. President, I ask unanimous consent to have printed at this point in the RECORD the letter dated February 11, 1958, from Mayor P. Kenneth Peterson of the city of Minneapolis.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OFFICE OF THE MAYOR,
Minneapolis, February 11, 1958.

The Honorable HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.

DEAR HUBERT: As a member of the United States Conference of Mayors, I have been advised a substantial delegation of mayors of cities in this area will be going to Washington, D. C., to protest the passage of the Harris-O'Hara natural-gas bill.

I certainly would like to join with them, but I will not be able to leave Minneapolis February 18, the day that they will be meeting in Washington.

I have advised Mayor Dilworth, who is heading the delegation, that he can quote me as vigorously opposed to the passage of the above bill. As you know, I am not at liberty to officially quote the council and other members of the official family here unless they act on it in a council meeting, but the sentiment that I have received from them is exactly the same as my own.

It is for this reason that I am writing you, so that you have this expression relative to the city of Minneapolis. We, of course, will appreciate what you can do and will offer any help or information you wish us to give you. Best personal regards,

Yours sincerely,

P. KENNETH PETERSON,
Mayor.

Mr. HUMPHREY. I wish to state to Mayor Peterson and the other mayors that I continue in my vigorous opposition to the Harris-O'Hara natural-gas bill, and shall do what I can, as one Senator, to defeat it, and to prevent it from becoming law.

NOT ONLY LABOR TO BLAME

Mr. HUMPHREY. Mr. President, the Select Committee on Improper Activities in the Labor or Management Field, headed by the Senator from Arkansas [Mr. MCCLELLAN], has done useful work in bringing to the attention of Congress and the public malpractices in the labor and management fields.

Publicity given to the committee's disclosures has emphasized wrongdoings by a certain few labor leaders. This has resulted in some distortion of the committee's objectives to uncover corrupt practices committed by both labor and management.

An article in the February 1958 issue of Fortune magazine, one of the country's leading business publications, presents an excellent summary of the improper practices by some segments of management through the use of hired agents.

Fortunately, for America and our institutions of political and economic freedom, the overwhelming majority of business firms, and labor unions are law abiding, honorable, and committed to sound constructive labor-management relations. The unsavory record of a limited few should never be accepted as the standard of conduct of American enterprise and labor.

Mr. President, I ask unanimous consent to have printed in the body of the RECORD the article entitled "Nate Shefferman, a Union Buster," written by Daniel Bell, and published in Fortune magazine for February 1958.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NATE SHEFFERMAN, UNION BUSTER

(By Daniel Bell)

Of the many tales of flimflammery unfolded in the McClellan committee's investigation, one in particular should give businessmen pause. It is the tale of Nathan Shefferman—a tale that has given business its worst publicity since the days of the La Follette hearings twenty years ago. What first attracted public attention to Shefferman was his business relations with union leader Dave Beck. Ironically, however, as the details unfolded, Shefferman emerged as a professional wrecker of union drives. The full story reveals a rough nether world—which many persons thought had vanished long ago—of union busting and "sweetheart deals," now camouflaged by the trappings of "human relations."

Nathan Shefferman was perhaps the most effective manipulator of industrial-relations problems in the retail field. Later, he branched out into other industries. Of his forty largest clients, twenty-eight used Shefferman to fight union organization. Since an employer is forbidden under the Taft-Hartley law to coerce an employee, or covertly subsidize anti-union groups, Shefferman acted as agent for employers toward this end. Through a variety of ingenious techniques he strove to single out, isolate, buy out, or discharge pro-union "troublemakers" in a company, organize anti-union task forces of employees, and, if unionization seemed inevitable, to bring in a compliant union, usually Beck's Teamsters.

Shefferman's firm, Labor Relations Associates, had an active list of clients that averaged 300 companies a year. It was a lucrative business indeed. Sears, Roebuck paid him $239,651 in one 4-year period. The Whirlpool Corp. paid him $136,899 over a 3-year period. Other Shefferman clients that paid from $30,000 to $90,000 for retainers and fees included Thomas Industries, Inc., and Mengel Co., both of Louisville, Ky.; Englander Co., Chicago; R. H. Macy, New York; F. & M. Schaefer Brewing Co., Brooklyn, N. Y. From 1949 through 1955, the years for which records are available, the firm earned $2,481,798 in retainers and fees. Shefferman himself, in the 7-year period from 1950 through 1956, drew $246,600 in salary, expenses, and bonuses from the Labor Relations Associates. During the same period Shelton Shefferman, Nathan's son, drew $211,800.

Neither Shefferman's rise nor subsequent influence would have been possible without the extraordinary encouragement of Sears, Roebuck & Co., the largest general merchandise chain in the country. For 22 years, until 1957, Shefferman was a trusted employee and later a consultant for Sears. From 1935 to 1948 he was labor-relations manager, reporting to the operating vice president. In 1939 the top management helped him start Labor Relations Associates, in order to take on outside clients, but kept him as a regular employee. After reaching mandatory retirement age in 1948, Shefferman continued as a consultant for Sears.

In August 1957, as a result of the publicity in the McClellan hearings, he was abruptly dropped and repudiated by Sears. But the record cannot be so easily expunged, nor the problem of responsibility so quietly evaded. Nor can one answer easily the baffling question as to why a company so extraordinarily self-conscious about its organizational structure welcomed such backstairs operations.

THE PITCH

One might expect Nathan Shefferman to be a tough, slick operator, yet he is the opposite: a harassed, distracted, medium-set man, now 70, who talks volubly, in a string of catch phrases, homilies, Edgar Guest poetry, and ponderous clichés. "Human relations is an art; you don't make love with a slide rule." But behind this lies the quickness of a pitchman, ready to twist any turn into immediate advantage.

Shefferman's past is fairly obscure. Before World War I, he says, he worked in various personnel jobs and spent a year with the Harrington Emerson Engineering Co., a firm specializing in time study and management engineering. From 1920 to 1926 he sold training courses to management. He had promulgated what he calls "13 principles of personal achievement [which] are as definite and immutable as the principles of any science." These efficiency principles, 7 of them practical, 6 of them inspirational, could teach any man how to organize his tasks. "But industry was too prosperous and making too much money to worry about efficiency," he says. "So I started something called Ideas, Inc. I found inventors and sought to promote their products. By 1932, however, like everybody else, I went broke."

Unable to find a job, Nathan Shefferman began a half-hour program over WMCA in New York, calling himself the Friendly Voice. "Half the program was inspirational, the other half I counseled people on their worries."

When the National Labor Board was set up under the NRA, Shefferman knocked on the door of Senator Wagner and, citing his experience in personnel, obtained a job as a mediator in the Philadelphia office. About this time he met Lessing Rosenwald, son of the builder of Sears, Roebuck, who recommended him to the firm. He was in charge of employee relations, but reported directly to Thomas Carney, the operating vice president (later president of Sears). Quite obviously, Shefferman's work had the approval of General Wood, the boss of Sears.

Shefferman's inspirational patter appealed to a top management that has always had a paternalistic attitude toward employees (even today the paper coasters under the coffee cups remind the Sears employee of the benefits the company provides); the suggestion that talking to employees would stave off unions appealed to the hardheaded business sense. It was a match of a man and a task.

The period from 1935 to 1939 was, of course, one of intensive labor organization. Few management men knew anything about trade unions, their politics, their jargon, etc., but Shefferman talked knowingly of how to resist unions. He proceeded to demonstrate that he could. Over the 4 years he spotted potential prounion troublemakers by encouraging them to air complaints; he organized employee councils, and directed the company's antiunion propaganda.

FOR SALE, WHOLESALE

His success emboldened him to think of forming a firm that could sell its services to other companies. Sears encouraged him. It feared that if other stores in a locality were organized it would not be able to hold out. In 1939, Shefferman set up Labor Relations Associates. A West Point classmate of General Wood, a General Westervelt, who was just retiring from Sears, became its president. (He left in 1941.)

Sears aided Shefferman in a number of ways. Its top management recommended him to other firms. The company gave him extraordinary privileges such as the right to make large wholesale purchases for clients at discount and to charge to Sears an extraordinary range of entertainment expenses that by no logic should have been borne by Sears. From 1948 through 1956, for example, Shefferman bought $478,451.79 worth of merchandise at discount for about 421 individuals, including 95 labor leaders and labor lawyers. A total of $94,000 worth of goods were purchased for Dave Beck and his family. John English, the secretary-treasurer of the teamsters, purchased about $19,600. Most of the multifarious entertaining of teamster officials by Shefferman was, until 1956, charged to Sears. (Some items: 1955, Dave Beck trip from Chicago to Indianapolis to attend the funeral of Dan Tobin, president of the teamsters union, $96.50; Miami, deep-sea fishing excursion boat for Beck, $65; food on boat, $18; tip, $10.)

Asked why Sears paid these bills, Wallace Tudor, vice president of personnel at Sears, explained: "Mr. Shefferman convinced those involved (i. e., Mr. Tudor's predecessors) that it was important that he kept himself informed as to what is going on in the labor movement and at the same time I am certain that we thought that it was important that the top union officials know what Sears stands for so that they would know about the rates of pay in our company, our benefit program."

AT BECK AND CALL

It was sometime in the mid-thirties that Shefferman met Dave Beck. The friendship was to open up many new financial opportunities for Shefferman, contacts for his business, and, ironically, opportunities for more effective union busting. It was also to lead to his undoing.

The combination of qualities that appealed to Sears—the moral tone and merchant shrewdness—also appealed to Beck. For his part Shefferman realized that in the distributive field the head of the western conference of teamsters was a coming man.

The two hit it off personally. Beck, lacking the small touches of conviviality (he neither drinks nor smokes), liked to talk big. Shefferman made himself available to Beck, would join him if Beck were lonely. Ingratiating himself with an endless flow of jokes and gadgets, he became a constant companion. "He always had a conversation piece," a teamster official recalls, "a wristwatch alarm clock, a miniature camera, a spring-driven self-powered razor, which he would pull out at the slightest opportunity. And if you were interested, he would offer to supply one at a discount." It is also likely that Shefferman's fabulous abilities to get it for you wholesale appealed strongly to Beck's acquisitive yet parsimonious instincts, and this strengthened the relationship between the two. Gradually, he became Beck's personal buying agent.[1] (In June 1952, for example, Beck sent Shefferman a bill from Saks Fifth Avenue for $90.92, scrawling across it, "Nate, please pay this, D. B.," plus a coda, "Tell them their socks I purchased are terrible, full of holes." Shefferman paid the bill and forwarded the complaint.)

From 1949 to 1953, Nathan Shefferman paid out $85,119.92 for the personal bills of Dave Beck, Beck's son, Beck's wife's cousin, and other favorites of the family, for such divers items as diapers, shirts, ties, gardening supplies, and carpets. These bills were not paid by Beck but by the western conference of teamsters, which reimbursed Shefferman, directly, and through a public-relations account in a Los Angeles bank.

WHEN IT RAINS

During the years that this close relationship to Beck was in full flower, Shefferman was bringing off his greatest—and financially most successful—coups in union busting. The Shefferman techniques ranged from organizing fake fronts, using industrial psychology as a cover, to bringing in compliant unions—or variants of these.

The Morton story is a case in point. In February 1955, the Morton Packing Co. opened a plant in Webster City, Iowa, employing 300 persons, to make frozen meat and fruit pies and TV dinners. Soon after, it found itself confronted with organizers from the CIO Packinghouse Workers Union. (If the organizers were successful, the company stood to lose about $200,000 a year; it was paying 26 cents an hour less for women workers and 48 cents less for men than were comparable food plants in Nebraska.)

Morton called for Shefferman; one of his men, John Nevett, scouted the place, and then outlined a campaign for the company. Soon after, the plant manager called in two procompany workers who had been talked to by Nevett and told them to see a local attorney called Stewart Lund. Lund, it was explained, had been hired by Morton, but the two men were to go to him of their own accord and enlist his help in forming a We, the Morton Workers committee. This committee began writing and distributing anti-CIO leaflets. In addition, the company began giving job applicants a family information form, drafted by the Shefferman firm, the responses to which were turned over to the company attorney, Lloyd Karr, for screening out prounion applicants; prounion personnel were singled out, transferred to inferior jobs, and on flimsy excuses of absenteeism and the like, discharged. Just before the NLRB election in November 1955, a five-man Shefferman task force, including Shefferman himself, came to Webster City to put the finishing touches on the antiunion drive. The CIO lost the election.

Just at this time, the Morton Co. was sold to the large Continental Baking Co., largest in the bread industry. Continental is unionized, 14,000 of its 20,000 workers belonging mostly to the bakers and the teamsters. Fearing that the packinghouse workers might win the Morton plant at a second time around, Continental Vice President George Faunce decided that the company would be best served if the bakers organized the plant.

In September 1956 a meeting was arranged in Chicago between Merle Smith, the bakery workers' regional representative, George Stuart, the union's vice president, and Faunce (Jimmy Hoffa was supposed to attend but couldn't make the meeting). Faunce told Smith that management would not oppose an organizing drive by the bakers in the Morton plant.

---

[1] The two subsequently became partners in numerous deals ranging from the supply of furnishings for the new teamsters building in Washington to the sale of toy trucks, as a promotion device, to teamster locals. Shefferman's Union Merchandising Co., together with two subsidiaries, netted over $200,000 in 1953–56. Of this the single largest share, $51,750, went to an inactive partner, Norman Gessert—a cousin of Dave Beck's wife.

The bakers' drive, however, fared poorly. In mid-October, two men from Shefferman's office, Charles Bromley and James Nielsen, appeared in Webster City to help the drive. Together with the local teamster business agent, the LRA men began to reeducate the Morton workers in favor of unions. In the meantime, the plant manager distributed union authorization cards to the workers. When 280 of the plant's 300 workers signed these cards, the bakers' representative was told that the local was now recognized and that the contract would be negotiated by Faunce and George Stuart.

The contract was drawn up in Nathan Shefferman's office. No union representatives were present. The 3-year contract provided for a 5-cent-an-hour increase a year, but gave management a complete free hand in the modification of a wage-incentive program.

A cruder version of union busting was practiced in the Ohio plants of Whirlpool Corp. The company manufactures appliances under the trademark of Kenmore (distributed through Sears, Roebuck), and RCA Whirlpool, distributed under its own name. In February 1955, Whirlpool bought the physical plant of the Motor Products Corp. in Marion, Ohio. When Whirlpool reopened the plant, it refused to recognize the UAW, which had held a contract with Motor Products. To oversee the hiring of new workers, LRA sent in two staff men. In interviewing new prospects they used a human equation test. The only person who could score the test was the LRA psychologist. The tests were simply a device to screen out prounion applicants without risking a Taft-Hartley unfair-labor-practice charge.

When the UAW began organizing the Marion plant, the Shefferman team went on to step number 2 of their arsenal of tricks. They created a vote "No" committee—ostensibly a spontaneous group of loyal workers seeking to fight the union. The committee made house calls on other workers, armed with file cards containing pertinent background information from company files.

At Whirlpool's second plant in Clyde, Ohio, the antiunion technique was used in full panoply against the party-line United Electrical Workers and, later, the Machinists Union. The general plan listed the following steps: "(1) Find lawyer and guy who will set up the 'vote no' committee; (2) find the leaders on the inside and outside and sway them; (3) give the American Legion material we have and let the 'vote no' committee get it from them; (4) keep rotating committee actively going. [The rotating committee was a device whereby workers would sit on labor-management committees, ostensibly to air grievances and complaints, but actually, in the easy give-and-take discussions, to ascertain prounion sentiment. The committeemen were rotated so that each worker in the plant would come under scrutiny]; (5) keep your foremen meeting; (6) save merchants and clergy and use in final drive; (7) build up case against union and get them thrown out of their building; (8) get 'vote no' committee to visit homes. Pay them for lost time."

SWEETHEART, SWEETHEART

Where unionization was inevitable, Shefferman often advised that a company deal with "understanding" unions, which, more often than not, meant the teamsters. This was the case in Shefferman's operation for the Englander Co. (mattresses).

In 1951 teamster local 12, of San Francisco, together with the Upholsterers Union began a joint drive to organize a new Englander plant in San Leandro, Calif. (The upholsterers were to take the production workers; the teamsters, the warehousemen and shipping clerks.) At about that time Shefferman and Beck took a trip to Hawaii. On his return, Shefferman called the local teamster leader and explained that Englander had no objection to a union, providing the teamsters represented the entire plant. A few days later Mike Katz, the upholsterers organizer, quit. (Katz testified that in April 1953 he had been hired by Shefferman to stand outside Englander's plant in Brooklyn one day at arrival time and at quitting time, to see if he could "spot any Communists among the workers." For this 1 day's work Katz was paid $2,800 by LRA.)

After intermittent dealings on a local basis with the Teamsters, Englander in 1955 negotiated a master contrast for 12 of its 17 plants with the Hoffa union. Sidney Korshak, the company's lawyer, subsequently explained why. The teamsters, he said, "claimed they represented the majority of our employees, and we accepted the statement." And in a burst of frankness Korshak said: "There were reports the newly merged AFL–CIO was going to launch a large organizing drive. We were fearful of that, and we felt that we could live with the teamsters."

ALL-OUT AT THE BOSTON STORE

It was at the Sears Boston stores that Shefferman's varied techniques came into full play. The warehouse employees of seven Sears stores in the metropolitan area belonged to a quiescent teamsters union; some of the other store employees belonged to a Sears, Roebuck Employees' Council, which had been organized by Shefferman in 1938 to head off the AFL Retail Clerks. In 1950, Roy Webber, head of this Employees' Council, told AFL organizer John Lind that the council wanted to join the AFL Retail Clerks because it was being pushed around by management. In fact, about 80 percent of the council members signed up for making the change. Shortly before an NLRB election, however, Webber changed his mind, and the revolt failed. It was revealed later that Webber had been bought off with a $20-a-week pay raise.

The dissatisfaction of employees with the Sears Employees' Council continued, however, and in 1953 they voted overwhelmingly to affiliate with the AFL Retail Clerks. A month later an LRA staff man, a Mr. Guffy, arrived in Boston with full plenipotentiary powers to break up this drive. Mr. Guffy was actually James Nielsen, who had done pro-Bakers union work at Morton. Sears assigned a personnel manager, Paul Rohrdanz, to carry out Nielsen's instructions.

Over the next 2 years Nielsen and other LRA men did the following:

Trained Rohrdanz in the use of the rotating committee technique; conducted a union-attitude survey among Boston employees; and arranged for the transfer of prounion employees.

Set up a new Sears, Roebuck Employees' Council (using a few dissidents from the old group) in order to dispute the right of the old council to use the name, and to affiliate with the retail clerks.

Created a vote no committee to oppose all unions.

Set up a diversionary teamsters union drive in competition with the AFL retail clerks.

This final stroke was arranged by Nathan Shefferman. He persuaded the AFL retail clerks' organizer John Lind to leave that union for a job with the laundry workers, who then "loaned" him to the teamsters for the organizing drive. (Lind's house was provided with aid conditioning by Sears, and the bill was paid by Shefferman.)

As one contribution to "confusion," a proteamster employee testified he allowed his car to be damaged: the tires were ice-picked and bricks heaved through the windows. The retail clerks got the blame, and the car owner got three new tires, paid for by Sears.

The strategy of the three different groups—the Sears council, the vote no committee, and the teamsters—was directed by LRA, which paid most of the bills. The upshot of these diverse maneuvers was that in May 1955 the majority of Sears employees voted for no union.

A HOUSE DIVIDED

The present Sears management has disclaimed Shefferman and professes to be distressed at the tactics he employed in Boston. In all instances the blame is put on a retired Sears vice president, C. B. Caldwell, who, having suffered some coronary attacks, has been unavailable for comment. Shefferman refuses to talk about this repudiation. He will only say, if he were so terrible, would Sears have kept him for 22 years, up until 1957; and would Caldwell, the vice president, have been made a director?

By all tenets of Sears management ideology, it should have been about the last company in the country to need the likes of Shefferman. Quite aside from the fact that Sears prides itself on its probity and its concept of stewardship, it is a firm that has pioneered the decentralization concept of organization. It has been highly articulate about its policy of giving as much responsibility as possible to local managers. It has argued that through its supervisory training and elaborate morale surveys it is able to take the pulse of workers' feeling. It has sought to prove that its own sense of how to treat employees and the high wages and benefits it pays do away with the necessity of unions at Sears.

THE FRUITS OF EXPEDIENCY

Yet, even after 1948, when employee relations and personnel functions were integrated, Sears continued to use Shefferman as a behind-the-scenes, freewheeling agent, reporting only to Caldwell. Even when the group managers of stores in Boston, and in Indianapolis, in 1953 and 1955, protested that they did not want Labor Relations Associates meddling in their affairs, headquarters overruled them, deciding apparently that the Shefferman brand of operation was necessary. In the choice between management ideology and expediency, Sears repudiated its own philosophy and chose expediency.

In one sense the Shefferman technique has paid off for Sears. Of 205,000 workers in Sears, Roebuck, only 14,000 are organized and of these, 7,000 belong to the teamsters. Strange to say, or not so strange to say, the teamsters have not yet mounted a really effective organizing drive.

One of Shefferman's associates has defined his technique simply: "We operate the exact way a union does," he said, "but on management's side. We give out leaflets, talk to employees, organize a propaganda campaign." There is, however, one difference: union operations are generally quite open, those of Shefferman—and Sears—have been covert and perhaps sometimes illegal.

THE NATIONAL ECONOMY

Mr. SALTONSTALL. Mr. President, I ask unanimous consent to have printed in the body of the RECORD excerpts from an address delivered by Mr. Gabriel Hauge, Special Assistant to the President, at the Third Annual Conference of State Broadcasting Association Presidents. I believe this brief statement will help all of us to get a clearer picture of the economic situation at the moment.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

EXCERPT FROM ADDRESS BY GABRIEL HAUGE, SPECIAL ASSISTANT TO THE PRESIDENT, BEFORE THE THIRD ANNUAL CONFERENCE OF STATE BROADCASTING ASSOCIATION PRESIDENTS, UNDER THE AUSPICES OF NATIONAL ASSOCIATION OF BROADCASTERS, SHOREHAM HOTEL, WASHINGTON, D. C., FEBRUARY 19, 1958

To a group of Americans in the field of broadcasting perhaps an economist may ven-

ture a comment on the problem of communication in his own field. Let me take, as an example, last Wednesday's economic statement of the President which apparently has left some people with the impression that he predicted a business upturn in March. That this mistaken impression was gathered from his statement illustrates how difficult and even hazardous communication at times can be.

Consider what the President said bearing on this matter.

First, he stated that indications pointed to the start of a pickup in job opportunities in March. On the basis of the existing schedule of reporting by the Departments of Labor and Commerce, the March figures will become available during the second week of April. It is most unlikely that the February figures, reported in March, will show any improvement over the January figures reported last week—rather the contrary is to be expected.

Second, the President stated that a job pickup in March should mark "the beginning of the end of the downturn in our economy."

This language hardly seems to say that an upturn in the economy will come in March. Improved employment in March, reported in April, should constitute a good sign that the downturn was running out of steam. But, obviously, an economy as vast and complex as ours does not change its direction abruptly and proceed to turn around on a dime. Personally, I would expect to see the downturn slow to a stop during the second quarter of this calendar year. Thereafter, in my judgment, the forces making for an upturn should start to outweigh the downward forces, thus signalling the beginning of a general advance.

I have taken the opportunity here today to analyze a misreading by some people of part of the President's economic statement, because of the relevance of effective communication to the state of confidence. The state of confidence is always an important factor affecting the state of business. It will have a key role to play over the months ahead in influencing the course of the economy.

By the nature of your work in communications, I know that you have a great interest in this matter. While I believe you should vigorously expose fatuous optimism, I think you should as vigorously expose unjustified gloom. I know you seek to reflect the true nature of the news from the economic front. I say this realizing full well that bad news tends to drive out the good. Over the next 60 to 90 days, the judgment people form about the economic future will have much to do with the shape that future takes. Certainly one of the factors bearing on this judgment will be the balance in the news that they read and hear.

Let me give you a few examples of what I mean by balance.

While it is true that 4½ million Americans were out of work at the last count, more than 62 million Americans were reported at work.

While automobile sales are well below expectations, housing starts last month were up 6 percent, and rising applications for FHA mortgage insurance are an augury of further improvement.

While purchases of durable consumer goods are disappointing, retail sales generally are well maintained and scarcely suggest that consumers are taking to their storm cellars.

Economic facts, of course, will determine the economic news. Private or public statements about them will make them neither larger nor smaller. But the balance in which they are reported and the perspective in which they are viewed will have much to do with the nature of unfolding economic events.

Let me illustrate my point by a recollection from an earlier day of economic uncertainty. I recall sitting at lunch with some doctors a few years ago and heard a new phrase—"iatrogenic symptoms." In medical pariance, this phrase describes symptoms induced in a patient by the way the doctor handles him. The analogy to economics is obvious. The Nation's economic doctors, both in and out of the Government, should conduct themselves so as not to induce iatrogenic symptoms in the economy that can only prolong the malaise and delay the recovery. These doctors can be concerned without being calamitous; they can be careful without being callous.

THE JET AGE

Mr. BEALL. Mr. President, I wish to bring to the attention of the Senate, as it considers H. R. 5822, three most timely articles, one of them an editorial, which appeared in local newspapers last Friday, February 14. It appears to me that Senators would do well to have these articles before them as they prepare to vote on the bill.

The editorial entitled "Jet Age Legislation," published in the Baltimore News-Post for February 14, 1958, strongly urges immediate passage of H. R. 5822.

The same issue of the News-Post contains an illuminating article written by George Carroll on America's jet future and points up the necessity for passage of the proposed legislation.

The Washintgon Daily News, on February 14, 1958, and, I am told, other Scripps-Howard newspapers throughout the country, published a story written by Roger Stuart, entitled "United States Finance Hurdles May Put Red Jetliners Ahead." Again, this article stresses the urgency of H. R. 5822.

Mr. President, I ask unanimous consent that these three newspaper pieces be printed at this point in the body of the RECORD.

There being no objection, the articles and editorial were ordered to be printed in the RECORD, as follows:

[From the Baltimore News-Post of February 14, 1958]

JET AGE LEGISLATION

Scheduled to come up in the Senate for Monday is a bill which will help to get this Nation's commercial airlines on the runway of the jet age.

In simple terms, the bill would permit airlines to use money obtained by sale of old aircraft for the purchase of jets. The airlines would expect to pay capital gains tax on the money from the sales.

This makes such good sense that you may wonder why a bill is necessary. In order to make this operation possible the Civil Aeronautics Act of 1938 has to be amended. As it works now, the Civil Aeronautics Board regards money received from sale of old flight equipment as belonging to the Government, in the form of income to be applied against mail pay.

The crux of it is that the airlines, instead of using such money to move into the jet age, will be depositing it with Uncle Sam unless the act is changed.

Let's consider a few facts. An American-made commercial jet costs about 5.5 million. The Russians already have some 50 of their TU–104 jets in operation and are aiming at setting up a trans-Atlantic route to this country, the British-built prop jet Britannia holds trans-Atlantic speed records in both directions.

It is important to national prestige for the Government to make every legitimate effort to clear the way for our own airlines. The House has passed the bill.

In the Senate it will be supported by Senators MONRONEY, Democrat, of Oklahoma, chairman of the Interstate and Foreign Commerce Committee, and MAGNUSON, Democrat, of Washington, chairman of the subcommittee for air. It ought to be passed without delay.

[From the Baltimore News-Post of February 14, 1958]

SENATE VOTE SCHEDULED MONDAY VITAL TO AMERICA'S JET FUTURE

(By George Carroll)

The Senate will be asked next Monday to help make certain the United States wins its $2,500,000,000 bet on the commercial jets.

The stakes are high: (1) Supremacy on peaceful world airlanes and (2) an up-to-the-minute reserve of jet airlift for our military forces in case of world war III.

The Senators are scheduled to vote on a proposed amendment to the Civil Aeronautics Act of 1938 that would make it easier for airlines to pay for the $2,500,000,000 worth of new turbine-liners they've ordered.

The House already has voted it and support of both Democratic and Republican leaders in the Senate Commerce Committee indicates the Senate should follow suit.

The seven sponsors of the bill in the upper chamber include both Senator MAGNUSON (Democrat, of Washington), Commerce Subcommittee chairman, and Senator BRICKER (Republican, of Ohio), ranking Republican on the committee.

The amendment would permit an airline, when it disposes of old, piston-driven planes, to bookkeep the proceeds not as operating revenue to be applied against mail pay but as a capital asset subject only to 26 percent capital gains tax.

The big airlines have borrowed up to the hilt from banks and insurance companies to buy new Boeing 707's, Douglas DC–8's, Convair 880's, Lockheed Electras, and Fairchild Friendships.

The current bill, like the 6-percent fair raise which the Civil Aeronautics Board granted not long ago, is meant to insure the lines will have enough cash to meet commitments.

Soviet accomplishments plus capture by a British-made prop-jet airliner of the trans-Atlantic speed record in both directions, ought to prod the bill.

Stanley Gewirtz, vice-president of the Air Transport Association, trade body of the lines, says:

"We know the Russians have six different kinds of turbo-prop and pure jet transports. We're told they have speed, range, and capability equal to our own.

"They're now being used interchangeably in military operations and as part of the air transport system of the Soviet Union and her satellites.

"Last week the TU–104 landed the new Soviet Ambassador at the Baltimore Airport. The Russians see commercial airpower as an instrument of diplomacy, an element of prestige in world politics, as yet another weapon in the cold war."

This may be expected to be pointed up in the Senate Monday along with the record time of 7 hours, 44 minutes flown by the British Britannia from New York to London.

[From the Washington Daily News of February 14, 1958]

WHO'S GOING TO PAY FOR OURS?—UNITED STATES FINANCE HURDLES MAY PUT RED JETLINERS AHEAD

(By Roger Stuart)

The United States may be on the verge of losing out to the Russians in another vital activity causing a decline in American prestige comparable to that when the sputniks went aloft.

This time the battle for supremacy is in the field of air transport. The key is jet-propelled commercial plane service.

Long aware that huge, time-shattering jet planes someday would revolutionize air travel, United States carriers and aircraft manufacturers have planned for years toward the eventual changeover.

ON ORDER

All domestic carriers now have new equipment on order. First passenger-carrying jet transports are slated to go into service in 1959.

The domestic trunklines alone have placed orders for some 350 jets and prop-jets for delivery in the next 4 years, while United States international airlines plan to acquire their first half-billion dollars' worth of jets next year.

But at this moment, as far as American passenger-carrying airlines are concerned, the jet age has yet to dawn.

Meanwhile, Aeroflot, Russia's domestic and international air service, is understood to have at least 50 commercial jets already on the job.

Regularly scheduled jet passenger service presently is in operation between the U. S. S. R. and Red China, for example. Meanwhile, the Communists' jet planes serve routes extending across the Scandinavian countries, and negotiations are underway to open a Moscow-Paris route.

IMAGINATION

"It doesn't take much imagination to assume that Aeroflot's next big propaganda objective," said one United States airline official, "will be to secure a Moscow-European-New York route. And the Reds will be prepared to supply top jet-plane service.

"Considering how the United States heretofore has led the world in air transport service," he added, "it'll be a hard pill for Americans to swallow if Russia takes the lead."

Said another airline spokesman: "There'd be no question about our being able to compete if it weren't for the profit squeeze. Here we are, doing more business than ever, but with net profits getting smaller and smaller as our revenues mount. Well, the answer to that is plain—rising prices on one hand, and CAB's unrealistic policies on the other."

PROBLEM

Caught in this kind of profit squeeze, the airlines say the problem of financing the purchase of billions of dollars' worth of jet equipment is extremely difficult.

Stuart G. Tipton, president of the Air Transport Association of America, asserts:

"It took a sputnik to shock the lag out of our missile program.

"Will we have to wait for Aeroflot, the Soviet's airline, to overtake us before the Government appreciates the need for a privately financed United States commercial jet fleet?"

Normally, it was pointed out, the money is available to the airlines to finance their equipment purchases from private banking houses. But bankers are wary of airline securities in view of the continuing decline in net earnings.

LEGISLATION

Legislation pending in the Senate will, if adopted, help to some extent. There is a House-approved measure scheduled to come up for consideration February 17. It was approved by the Senate Interstate and Foreign Commerce Committee last summer, but too late for floor consideration before Congress adjourned.

The bill—H. R. 5822—would permit subsidized airlines to retain capital gains from sale of used flight equipment, after payment of capital gains taxes, provided that this money is used to buy new flight equipment.

Need for the legislation, according to its backers, results from the fact that the Civil Aeronautics Board recently adopted a policy of using most capital gains as an offset against subsidy to be paid to these subsidized airlines. Thus, capital invested in flight equipment is dissipated to pay operating expenses.

The subsidized airlines themselves have complained that the CAB ruling is unique in the history of rate regulation, since no other industry is denied the use of its capital gains.

"Obviously this piece of legislation is not the whole answer," commented a spokesman for one United States international carrier. "But its adoption would help, at least in a small way, to provide the finances required by the airlines to begin receiving the new equipment without which they cannot possibly keep pace with Aeroflot and the other Government-owned competitors."

CONSTRUCTION OF U. S. S. "ARIZONA" MEMORIAL AT PEARL HARBOR

The PRESIDENT pro tempore. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H. R. 5809) to authorize construction of a U. S. S. *Arizona* Memorial at Pearl Harbor.

PARTICIPATION IN THE ACREAGE RESERVE OF THE SOIL BANK PROGRAM

Mr. AIKEN. Mr. President, the Department of Agriculture finds itself in the position of having a greater demand for participation in the acreage reserve of the soil bank program than it has money to pay for.

This has created a tremendous amount of confusion and disappointment among our farm people, particularly the producers of corn and cotton.

It is obviously impossible for the Department of Agriculture to determine which farmers shall be permitted to participate in the acreage reserve for which there are inadequate funds.

There seems to be a widespread and concerted propaganda campaign to place responsibility for this bad situation upon the Department of Agriculture.

The facts are, Mr. President, that the responsibility for this bad situation rests upon Congress, and upon Congress alone.

In the interest of fair play, I shall state for the RECORD the events which have resulted in the confused situation which now exists.

The Soil Bank Act authorizes a maximum program of $750 million a year for the acreage reserve.

The budget request submitted in January 1957 called for a total of $1 billion for the soil-bank program, and did not earmark amounts for acreage reserve and conservation reserve.

The estimates submitted, however, consisted of $701,173,340 for the acreage reserve and $267,562,660 for the conservation reserve, with $31,264,000 provided for contingency reserve.

When the House Appropriations Committee considered this request, it reduced to $600 million the estimate of $701 million for the acreage reserve.

The House Appropriations Committee also limited the 1958 program to $500 million, and expressed doubts about carrying on the program beyond 1958.

I quote from House committee report No. 438, at pages 10 and 25, dated May 10, 1957:

> In view of this experience, the committee has reduced the 1958 appropriation for payments under the acreage reserve program from the $750 million authorized for 1957, and the $701,173,340 requested for 1958, to a total of $600 million. Further, based on the record and serious doubts as to the advisability of continuing this program beyond the next year, it has limited the amount of commitments which may be made under the 1958 program to $500 million.
>
> As discussed earlier in this report, the majority of the members of the committee have serious doubts that the program will reach its basic objective of reducing production—and would question it further if it did.

On May 15, 1957, the House adopted the Harrison of Virginia amendment to suspend operation of the soil-bank program at the end of fiscal year 1957, and to delete the provision of $500 million for the fiscal year 1958 program.

This amendment was adopted by the House, while in Committee of the Whole, first by a voice vote, and then by a teller vote of 134 yeas to 120 nays. Then, on a record vote, the Harrison amendment was carried 192 to 187.

Voting for the Harrison amendment were 154 Democrats and 38 Republicans. Voting against the Harrison amendment were 141 Republicans and 46 Democrats.

Thus, when the agricultural appropriations bill came to the Senate, it carried no provision for funds for the 1958 acreage reserve program.

The Senate Appropriations Committee voted to restore $500 million for the acreage reserve program for 1958 crops.

I quote from Senate Report No. 415, at page 13, dated June 7, 1957:

> The committee amendment provides authorization to formulate and administer a program for 1958 crops of not to exceed $500 million.
>
> Under present circumstances there appears to be little or no possibility of getting new farm legislation approved during this session of Congress. There is some doubt that the acreage-reserve program will achieve its objective of reducing surpluses. The Department has requested restoration of a $750 million program for 1958.
>
> The committee recommendation will provide authority to plan a 1958 program; but unless the 1957 program proves to be more successful than anticipated, it is doubtful that authorization will be given for a 1959 program.
>
> The committee recommendation provides an opportunity to the legislative committees, and to the Department to evaluate the effectiveness of the acreage-reserve program, and to provide new legislation prior to this committee's action on the 1959 program.

Except for a change limiting the amount of payment to any one producer, this action by the committee became the provision of the appropriations act relative to the acreage-reserve program for the fiscal year 1958.

When the bill came to the floor of the Senate for action, on June 11, 1957, an amendment offered by the junior Senator from Ohio [Mr. LAUSCHE] would have restricted to $2,500 the total compensation paid to any producer.

This amendment was defeated by a vote of 71 to 7.

The conference committee of the House and Senate then wrote into the law the following provision:

Provided further, That no part of this appropriation shall be used to formulate and administer an acreage-reserve program which would result in total compensation being paid to producers in excess of $500 million with respect to the 1958 crops, or in total compensation being paid to any one producer in excess of $3,000 with respect to the 1958 crops.

So, Mr. President, the record clearly absolves the Department of Agriculture from responsibility for the present confusion in the acreage-reserve program.

The responsibility for the present mess rests squarely on the Congress, and the responsibility for correcting the situation rests squarely on the Congress.

The Department's original estimate of $701 million as the amount necessary to carry on the acreage reserve for 1958 was virtually correct.

Congress cannot escape its responsibility by trying to put the blame on the executive branch of the Government.

To keep faith with the American farmers, Congress must appropriate without delay $200 million more for the acreage reserve.

MUTUAL SECURITY PROGRAM—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 338)

The PRESIDING OFFICER (Mr. LAUSCHE in the chair) laid before the Senate a message from the President of the United States.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President's message on the mutual security program, which already has been read in the House of Representatives, be referred to the appropriate committee, without reading.

The PRESIDING OFFICER. Without objection, it is so ordered; and the message will be referred to the Committee on Foreign Relations.

(For President's message, see House proceedings of today.)

AMENDMENT OF CIVIL AERONAUTICS ACT OF 1938

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business, Calendar No. 1253, House bill 5809, to authorize construction of a U. S. S. *Arizona* Memorial at Pearl Harbor, be temporarily laid aside, and that the Senate proceed to the consideration of Calendar No. 1178, House bill 5822, the airlines capital reinvestment bill.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate resumed the consideration of the bill (H. R. 5822) to amend section 406 (b) of the Civil Aeronautics Act of 1938 with respect to the reinvestment by air carriers of the proceeds from the sale or other disposition of certain operating property and equipment.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had agreed to the following concurrent resolutions of the Senate:

S. Con. 26. Concurrent resolution to print a compilation of materials relating to the development of the water resources of the Columbia River and its tributaries; and

S. Con. Res. 57. Concurrent resolution providing additional funds for the Joint Committee on Washington Metropolitan Problems.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (S. 652) for the relief of the Thomas Cruse Mining and Development Co., and it was signed by the President pro tempore.

HOLLYWOOD AND MOTION PICTURES

Mr. KNOWLAND. Mr. President, as a Californian, I am pleased to report to my colleagues about a great industry in my own State—Hollywood and its motion pictures—and about Hollywood's current deliberations to name its proudest accomplishments during the past year.

On Monday evening, Hollywood nominated the best motion picture, the best actor, actress, director, the best of its creative and technical talent for this year's academy awards. On March 26, some 70 million people will hear the election results over a nationwide television and radio broadcast.

To my mind, what is significant about these nominations and the election to follow is not who wins the Oscars, much as they are valued and merited. What impresses me is that this is one election in which everybody wins. It signals once again the capacity of men to reach the hearts and minds of other men across all boundaries and through all barricades of difference.

In California, we are proud of this industry. Hollywood took over some fertile acres of lemon and orange and grapefruit orchards in my home State about 50 years ago. With this modest beginning, it became a worldwide influence, creating an art from which has become a universal language, perhaps the most persuasive of all media of communications.

From the outset, the films have struck an appeal that the Chinese philospher scarcely sensed when he decreed that one picture is worth 10,000 words. Hollywood's motion pictures have for the most part served us well abroad. Without conscious intent, they have been successful American ambassadors, spokesmen of the art and culture, and spirit of our country wherever people watch an image on a screen.

In the broadest international sense they have been highly successful envoys of our country. They embrace the creative talents of all nations. Last year, for instance, an Italian actress won the award for the finest actress of the year. This was a 3-day wonder in the world's press, with metropolitan Italian dailies hitting the streets with extras. But it was no wonder in Hollywood, which believes that talent, wherever it is from, is the key to the door of the magic screen.

This year, the five nominations made for the best picture, the best actor, actress, and director bespeak the international impact of our film industry. Two of the films in the running were made thousands of miles from America in faraway Asia—one in Japan and the other in Ceylon. Two of the top performers battling for Oscars this year are from abroad, and so is one of the directors.

It is hard for us here in Government, perhaps, to understand the tremendous interest that Hollywood and its films always generate throughout the world. Each year these Academy nominations and awards—the embodiment of the best in the motion picture art—receive, if possible, even keener attention overseas than they do at home. Here is one American enterprise that has made a unique contribution, not merely to our own enjoyment and pleasure, but, in fact, to America's role as a leader in the free world today. I think all of us can be proud of this accomplishment. In my home State of California, we are doubly proud.

Mr. President, I ask unanimous consent that the nominations be printed in the RECORD at this point in my remarks.

The nominations were ordered to be printed in the RECORD, as follows:

For best picture: Sayonara, Bridge on the River Kwai, Peyton Place, Witness for the Prosecution, and Twelve Angry Men.

For best actor: Marlon Brando, Charles Laughton, Anthony Quinn, Alex Guinness, and Anthony Franciosa.

For best actress: Anna Magnani, Deborah Kerr, Joanne Woodward, Elizabeth Taylor, and Lana Turner.

For best director: David Lean, Mark Robson, Joshua Logan, Sidney Lumet, and Billy Wilder.

For best supporting actor: Red Buttons, Vittoria de Sica, Sessue Hayakawa, Arthur Kennedy, and Russ Tamblyn.

For best supporting actress: Carolyn Jones, Elsa Lanchester, Miyoshi Umeki, Hope Lange, and Diane Varsi.

For best songs: An Affair To Remember, All the Way, April Love, Tammy, and Wild Is the Wind.

JOHN W. EMMERT, SUPERINTENDENT, GLACIER NATIONAL PARK

Mr. MANSFIELD. Mr. President, there have been many remarks made on the floor of the Senate today about the 46th anniversary of the Congressional service of our distinguished colleague, the President pro tempore, the senior Senator from Arizona [Mr. HAYDEN]. However, our colleague is looking forward to many more years of active participation in the affairs of his State and the Nation.

On the other hand, this is also the 46th anniversary of John W. Emmert, Superintendent of the Glacier National Park, who is making his last official trip to Washington this week before retiring on March 31.

Jack Emmert has been in the national parks longer than any other employee now on the National Park Service rolls.

In fact, his work antedated the establishment of the National Park Service by 5 years. He was hired at Yosemite National Park as an assistant electrician in 1912, and was, successively, electrician, electrical engineer, and assistant superintendent there. In 1934, he became assistant superintendent of Yellowstone; and he was briefly superintendent of Hot Springs National Park, Arkansas, before transferring to Glacier in 1944.

For generally high quality performance of his duties as superintendent of Glacier, and specifically for his work in connection with the proposed exchange of Federal lands outside the park for some 10,000 acres of State-owned forest inside its boundaries, Emmert received the Distinguished Service Award of the Department of the Interior in 1953. When Jack leaves Glacier, he will go to Coeur d'Alene, Idaho, where he owns a home. It is my understanding that he will undertake to occupy a very prominent position there with the State of Idaho.

Jack Emmert will be succeeded at Glacier by Edward A. Hummel, now superintendent of the Great Smoky Mountain National Park.

Glacier National Park is one of the truly great scenic wonderlands of the world, and in recent years the tourist traffic has grown to proportions never dreamed of before World War II.

The park is our third largest, and its administrative problems are many and complex; but under Jack Emmert's supervision, it has become one of the best managed areas in the entire national park system.

Montana is going to miss Jack Emmert. He has worked well with all State agencies, cooperated excellently with our Canadian neighbors, and has been topnotch and very fair minded in his relations with the general public.

My senior colleague, Senator MURRAY, and I hate to see him go, but we only hope that in his remaining years he will be doing the things he enjoys, the things for which he has sacrificed all these years in serving the National Park Service. Montana wishes Jack Emmert many more years of happiness.

Mr. BYRD. Mr. President, I desire to join the distinguished Senator from Montana in what he has said about Jack Emmert, who is now retiring as superintendent of the Glacier National Park.

Jack Emmert was born near my home, and comes of a very fine family in that section. It has been my privilege to see a great deal of him, since I am one of those who likes to go to the national parks, and especially to the Glacier National Park. To my way of thinking that is one of the most beautiful parks in all the world.

About 2 years ago I had the great pleasure of walking 45 miles with Jack Emmert and with Conny Wirth, the head of the National Park Service. We walked across the Continental Divide, in 3 days, and spent the third night at the Prince of Wales Hotel on the Canadian side.

I say to those who love the out-of-doors, to those who want to see the most beautiful mountains, there is no place one can go which will give a better opportunity than the Glacier National Park.

Jack Emmert has been a dedicated public servant for 46 years. He has made a record few men have equaled. He has been in the National Park Service all that time. He believes in giving the people the accommodations they want, in order to enable them to get around to see the beauties of nature. I believe Glacier Park contains a million acres of land. Jack Emmert has provided facilities there to make it possible for people to see all the beauties of that park.

It is with deep regret, Mr. President, that I see Jack Emmert retire, because he is in fine physical condition and could continue his service. He certainly deserves the rest, if that is his desire.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. MANSFIELD. I desire to express my thanks to the Senator for the comments he has made relative to both Glacier National Park and Jack Emmert. Everything the Senator has said is true.

The Senator from Virginia has a national reputation as an economizer, and I think it is a reputation which is well deserved and well earned. I hope the Senator will not mind if I tell the Senate that perhaps the only occasion on which the distinguished senior Senator from Virginia has advocated an increase in funds was upon consideration of the sum of $50,000 for the Glacier National Park appropriation.

Mr. BYRD. The Senator is correct, Mr. President, because there were facilities which were badly needed at that park. I wrote, for the first time, to the Budget Director about that.

I have never asked for an appropriation in my own State, but I wrote to the Budget Director for the first time to ask for the appropriation for the Glacier National Park.

Mr. MANSFIELD. And we appreciate that action.

UNITED STATES FOREIGN POLICY AND DISARMAMENT

Mr. HUMPHREY. Mr. President, on Tuesday, February 4, I addressed the Senate on the subject of the United States foreign policy and disarmament. Many of my colleagues participated in the debate and discussion that afternoon. Not only was I grateful to them at the time for their helpful and provocative assistance, but in retrospect, I feel that this was just a foretaste of the very considerable public attention which has been paid to the topic since.

My own mail reflects an overwhelming popular concern—I might say relief—that some of these subjects have been publicly aired. On no other single Senate speech in my career have I received a more immediate public response. Anyone who takes a close took at the wires and letters which have come to my desk during the past few days will agree, I think, on the widespread intensity of feeling which people have on the subject of disarmament and negotiations with the Soviet Union.

Among the favorable public comments were editorials in the Minneapolis Tribune for February 6, 1958, entitled "Keep Trying on Arms," and an editorial in the Washington Post on February 7, 1958, entitled "The Price of Rigidity."

I ask unanimous consent that the texts of these two editorials be printed at this point in my remarks.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Minneapolis Tribune of February 6, 1958]

KEEP TRYING ON ARMS

Two longtime Minnesota political foes, HUBERT HUMPHREY and Harold Stassen, share the belief that the Soviet Union may now be ready for a limited first-step disarmament agreement.

They believe the United States should test Soviet intentions by breaking up the disarmament package on which it has insisted and negotiating cautiously for separate, specific goals.

When HUMPHREY made a 4-hour Senate speech on this and related topics Tuesday it was obvious that he was speaking as well at times for Stassen, who cannot take public issue with his boss, Secretary Dulles.

It should be noted that the Stassen-Humphrey belief that the Soviets may now be ready for a limited step toward arms control is widely shared in Europe. The New York Times says it is also shared by Llewellyn Thompson, United States Ambassador to Moscow, and not a man likely to be naive about the Russians.

There are many reasons why this might be so: Soviet manpower shortages; necessity of increasing production to meet expanding Soviet foreign economic aid commitments; fears of additional countries perfecting nuclear weapons in the absence of a control agreement; fears of having American intermediate missile bases established in Europe next year.

In any event, we agree with HUMPHREY and Stassen that Soviet intentions should be thoroughly explored. We also agree that it is foolish to expect the Soviets suddenly to accept our whole disarmament package.

We see no reason why HUMPHREY'S suggestion for a 2-year ban on nuclear weapons tests under mutual inspection safeguards should not be advanced on its own merits, rather than as part of the package.

It is HUMPHREY'S impression that the Soviets at one time proposed a test ban that envisaged such an inspection system. Well, why not find out?

It may be true that genuine disarmament can come about only after settlement of the political differences that caused the arms race in the first place. But because of the extreme dangers for all mankind that it now embraces, the arms race has become a major cause, as well as an effect, of world tension.

We should lose no opportunity safely to reduce that cause of tension. The disarmament issue should never die of neglect at our hands.

[From the Washington Post of February 7, 1958]

THE PRICE OF RIGIDITY

Senator HUBERT HUMPHREY made a compelling case the other day for piece-by-piece disarmament negotiations with the Soviet Union. In his 4-hour speech—the latest in a succession of serious and constructive Democratic appraisals of the great issues before the country—Mr. HUMPHREY argued that it is futile to proceed in a "package" approach with proposals which this country knows the Soviet Union will not accept. He believes that the most promising beginning lies in singling out items on which there is

a mutual interest, such as the suspension of nuclear weapon tests.

We agree emphatically, while recognizing that a nuclear test suspension would not be disarmament, and that the chances for an effective check through test suspension are not so bright as they were some months ago. The proposed amendments to the Atomic Energy Act, however necessary, would almost certainly spread nuclear weapons to additional countries and could have the unwanted effect of encouraging additional manufacture of such weapons. Dr. Eugene Rabinowitch, in a profoundly disturbing article in the January bulletin of the Atomic Scientists, sees little or no hope for even a test agreement in light of the Soviet sputniks and intercontinental missiles. There will be too much demand in this country for anti-missile missiles and other defensive devices along with the development of American intercontinental weapons.

The idea of a self-enforcing test-suspension agreement to be monitored by existing detection systems was broached in this country long before the Soviet Union took up the proposal. Dr. David Inglis suggested it in November 1954, and this newspaper argued for it 3 years ago. Many reasons for it were advanced, among them being that it would end or at least minimize the radiation hazard. (Opinions differ on the degree of harm caused by radiation from nuclear tests, but there is general agreement that all radiation is harmful and that the danger is cumulative.) Other reasons were that it would be a first step in establishing confidence for broader arms-control measures, that it would retard the development of nuclear warheads for missiles, and that it would prevent the spread of nuclear weapons manufacture to "fourth nations."

Of these reasons radiation control remains a valid consideration, though no one is talking much about it. The value of a test suspension as a confidence-building mechanism has been minimized considerably. Nuclear warheads for missiles are now available and certainly will be developed further; they probably would have been developed irrespective of a test suspension. The fourth point—that of preventing additional nations from undertaking nuclear weapon programs—still is of vast importance, but the practical possibility is rapidly diminishing.

A promising idea has been vitiated so far—and with it also the promising concept of control of missile testing—by the constant counsels of timidity, by the arguments that this country forever needed more, by the expectation that the United States could somehow confirm superiority over the Russians. The administration several times reportedly was at the point of adopting the idea, but always the advocates of no compromise won. In the process, and in company with the shifting American position on disarmament, the Russians may well have been convinced that this country did not want agreement. As matters have turned out, a suspension probably would have been distinctly to the American advantage.

The recognition of what might have been is useful principally as a guide to future courses of action. A balance of mutual terror, such as seems to be impending if it is not already here, is of course preferable to a one-sided Soviet terror. But every step in this race takes us closer to the point where miscalculation may blow up the world. The Explorer and an American intercontinental missile will not change the situation; they will only mean that we are running more nearly abreast in a continuing race. The United States and its allies can and must seek accommodation with the Russians on the basis of equality.

This will not be easy, for the Russians are feeling their oats. Manifestly they will not give up what they now hold merely because we want them to, any more than we will yield on the basis of Soviet demands. The Soviet attitude toward exploration and control of outer space is scarcely an encouraging omen of cooperation. But we can hardly expect to negotiate successfully with the Russians to halt the self-destruction of mankind by slamming the door in their faces. The point of all this is to urge with Senator HUMPHREY that the doctrines of negativism and unconditional surrender which have characterized American policy be jettisoned in favor of a more realistic and modest approach, beginning with a practical first step, while there is still time to halt the race.

Mr. HUMPHREY. Mr. President, the New York Times covered my remarks in the Senate with the customary excellence of its Washington correspondent, Mr. William S. White. I ask unanimous consent that his article which appeared in the New York Times on February 5, 1958, be printed at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HUMPHREY URGES PRESIDENT RELAX ARMS TALK STAND—ASKS UNITED STATES TO SPLIT PACKAGE PROPOSAL AND NEGOTIATE ON SEPARATE POINTS

(By William S. White)

WASHINGTON, February 4.—Senator HUBERT H. HUMPHREY asked President Eisenhower today to open a more limited and a more positive approach to the Soviet Union on disarmament.

Mr. HUMPHREY, a Minnesota Democrat, who is chairman of the Senate Subcommittee on Disarmament, accused the administration of an undue rigidity and a lack of realism in dealing with Soviet leaders on the issue.

He proposed that the United States break up the present package of its disarmament proposals and offer separate negotiations on one or another of its various points.

Senator HUMPHREY'S tone toward the administration was uniformly polite and more than once he declared that his purpose was only to assist the President in a bipartisan search for a way to peace.

OTHERS INDICATE INTEREST

Nevertheless, his 4-hour address in the Senate was interrupted by comments indicating interest in the subject by a score of his Democratic colleagues, including the Senate Democratic leader, LYNDON B. JOHNSON, of Texas.

It was thus made clear that while in the strict sense Senator HUMPHREY was speaking only for himself, his address was a symbol of wide Democratic dissatisfaction with the administration's handling of disarmament.

Mr. HUMPHREY remarked that the administration's present course of offering to the Soviet Union only a package of disarmament proposals involved putting forward nine major and interconnected points.

POSITIVE STAND URGED

It is naive to suppose the Soviet Union will agree to all this at one time, he said.

"A policy which is predicated upon the willingness of the Soviet Union to turn overnight from a totalitarian dictatorship out to conquer the world into a peace-loving, cooperating, submissive nation willing to acquiesce in our demands, is doomed to defeat and ridicule," he went on.

The thing to do is to start with a single point, say a suspension of nuclear-weapons test under inspection safeguards, and see what can be done with that, the Senator commented.

Moreover, it is indispensable to approach any disarmament conference in a positive attitude and never to devise proposals that obviously have no chance of being accepted, he remarked.

"There has all too often been a tendency for spokesmen in the State Department to brush aside the latest letter from Bulganin [Marshal Nikolai A. Bulganin, Soviet Premier] at the first news flash," Senator HUMPHREY declared.

"Such actions may demonstrate alertness to news but they also reveal an automatic reflex of prejudice and skepticism which weakens our stature and posture of leadership," he said.

"If we find it necessary to say 'No' to Soviet proposals, let us do so after careful examination, despite the obvious record of propaganda and cold war political maneuvers that has been so evident in past U. S. S. R. proposals.

"We do no honor to our own character or image by aping the Kremlin."

Senator HUMPHREY suggested these among other specific steps:

A proposal that the United Nations General Assembly establish a special commission on arms traffic to make early recommendations on regulating the flow into the Middle East of all non-United Nations materiel.

An effort to seek agreement with the Soviet Union on a pilot project for aerial and ground armaments inspection system.

Support for the creation by the United Nations of a Middle East development authority to administer a pooling of capital and technical aid in the area.

A proposal that the political and military advisers of the North Atlantic Treaty Organization set out now to formulate alternatives to a withdrawal of United States and Soviet troops from Germany.

A reexamination of United States policies toward Communist China—presumably the policy of nonrecognition—because some settlement of the China issue must take place before any general disarmament can be seriously contemplated.

Mr. HUMPHREY. Mr. President, because of the accuracy of Mr. White's article, I was somewhat concerned with the editorial comment which appeared in the New York Times the following morning, February 6, 1958. I ask unanimous consent that the text of this editorial entitled "Dealing With The Soviets," be printed at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

DEALING WITH THE SOVIETS

After studying the latest Bulganin letter, President Eisenhower said yesterday that the prospects for a fruitful summit meeting have not been brightened. He continues to insist, and rightly so, that such a meeting can be useful only if it offers a chance for mutual accommodation of policies, and he finds nothing in the letter to suggest that the Soviets are ready for this. He will, however, continue to explore any possible approach that might appeal to the Soviets to make such a conference possible.

The President indicates that he is ready to accept advice on this matter, but the advice given him by Senator HUMPHREY, in the name of "bipartisan assistance," will not be helpful. For Senator HUMPHREY, whose voice as chairman of the Senate Disarmament Subcommittee bears some weight, denounces the Eisenhower-Dulles policy, which is essentially a continuation of the Truman-Acheson policy, as rigid, unrealistic, prejudiced and doomed to defeat and ridicule. Mr. HUMPHREY holds that it is naive to expect the Soviets to accept the western package proposals on disarmament and asks that they be broken up into smaller pieces. But in taking this position he is naive enough to walk right into the Russian trap.

Two of his proposals in particular would go far to aid the Soviets in achieving their primary objectives of weakening western solidarity and the North Atlantic alliance. Mr. HUMPHREY would start disarmament by ending all atomic and hydrogen bomb tests without ending their production. That would alienate France, which insists that unless all bomb production is ended it must proceed with the testing and production of its own bombs.

Mr. HUMPHREY also urges the North Atlantic allies to study at once plans for a reciprocal Western and Soviet withdrawal of troops from Germany and Eastern Europe. His hope is that a Soviet withdrawal from Eastern Europe would result in a political upheaval there without like repercussions in Germany.

Such a plan might become feasible when Germany and Western Europe are strong enough militarily to defend themselves. But for the present such a withdrawal would leave the NATO armies no room for proper deployment and could only result in complete American and British withdrawal from the continent, which in turn would leave Germany and Western Europe defenseless. The result would be a collapse of the whole alliance and a scramble by the exposed European nations for a deal with the Soviets on the best terms they could get. Senator HUMPHREY cannot desire that.

Mr. HUMPHREY. Mr. President, I have sent a reply to the editor of the New York Times discussing the points raised in his editorial. The editorial implied that I might favor a casual and precipitate approach to a new summit conference. Yet, in my February 4 speech I emphasized that the summit was not a place for "truly responsible, effective, and methodical negotiations," adding that a summit meeting should occur only on a "limited agenda and with agreed-upon items for discussion" after careful preparation at foreign minister and the ambassadorial level.

Mr. President, I ask unanimous consent that the letter to the editor, to which I have alluded, be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEBRUARY 11, 1958.

The EDITOR,
The New York Times,
New York, N. Y.

DEAR SIR: On Thursday, February 6, 1958, you stated editorially that my Senate speech on February 4 would not be helpful on the subject of your editorial entitled "Dealing With the Soviets." I am sure you would expect me to reply.

Reliability and responsibility, both in news gathering and in editorializing, are trademarks of the Times. Consequently I was all the more disturbed in this instance over the apparent misreading of my remarks in the Senate.

Your editorial implies that I might favor a casual and precipitate approach to a new summit conference. Yet, in my February 4 speech I emphasized that the summit was not a place for truly responsible, effective and methodical negotiations, adding that a summit meeting should occur only on a limited agenda and with agreed upon items for discussion after careful preparation at the ambassadorial level.

My February 4 speech was intended and designed to be a broad gaged, yet intensive, survey of the problems of negotiating disarmament and related agreements. As your correspondent, William S. White, wrote at the time:

"Senator HUMPHREY's tone toward the administration was uniformly polite and more than once he declared that his purpose was only to assist the President in a bipartisan search for a way to peace."

In a lengthy presentation and floor debate, I concentrated on three principal points. The first was the necessity of improving the international climate in a variety of ways peripheral to major political settlements. The second was the necessity of breaking up a large and unwieldy disarmament package into parts which are logically separable. The third was a set of proposals for safeguarded disarmament measures in several regional areas of the world.

My suggestions were manifold and detailed on each of these topics. I felt and stated that the right to criticize must be earned through offering constructive alternatives. Frankly, I wish that your editorial had shown a similar approach. Instead you selected two of my suggestions for adverse comment—weapons testing cessation and disengagement in central Europe—and let it go at that.

An agreement to stop nuclear weapons tests under inspectable safeguards is, you say, impossible because the French Government insists upon linking it with the cessation of bomb production. Despite your editorial statement that I would start disarmament by ending * * * tests, a careful reading of my speech would indicate that I assigned no priority of items from the disarmament package on which negotiations should begin. Perhaps a persuasive case can be made for negotiating first on ending bomb production.

It is, however, not clear that the French position is adamantly opposed to negotiations of a cessation of bomb tests. Particularly in the present state of nuclear development in France, there are entirely too many variables in the situation to speak with the assurance used in your editorial in this connection. In any case, I am sure you would agree that while consultation with our allies is always essential, no country, including France, should have a veto over our foreign policy.

Last September the bipartisan Senate Subcommittee on Disarmament unanimously advocated greater flexibility in approaching the problem of central Europe. Our subcommittee report foresaw a relocation and possible reduction of Soviet forces in Eastern Europe and United States forces in Germany. In my speech I pointed out that powerful political forces in Germany, Great Britain, and elsewhere, are already advocating mutual disengagement in central Europe. If for no other reason than this, the possibilities for reciprocal withdrawal should be covered in current NATO planning.

I raised in my speech, as you did in your editorial, the question of deployment of American troops elsewhere on the eastern side of the Atlantic. I also emphasized that no negotiations on the central European question should ever occur without complete consultation with the West German Republic.

Among the many other suggestions contained in my speech were proposals for relaxing tensions in the Middle East, for the creation of special study groups on arms control, for the reduction of tension in Korea, and for arms limitations in Latin America. Many of your regular readers, including United States Senators, would welcome and benefit from your examination and appraisal of these proposals.

Sincerely yours,

HUBERT H. HUMPHREY.

Mr. HUMPHREY. Mr. President, I have been interested to read during the past few days, however, that the official American position on a summit meeting has eased somewhat. I ask unanimous consent that the text of an article by Mr. Chalmers M. Roberts entitled "United States Eases Its Summit Talk Stand," which appeared in the Washington Post on February 12, 1958, be printed at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UNITED STATES EASES ITS SUMMIT TALK STAND—DULLES ABANDONS MINISTERS' PARLEY AS PREREQUISITE

(By Chalmers M. Roberts)

The United States yesterday abandoned a foreign ministers' conference as a prerequisite to a summit meeting with the Soviet Union.

Secretary of State John Foster Dulles did so at a press conference less than an hour after President Eisenhower had put on an unprecedented display of friendliness in accepting credentials of the new Soviet Ambassador, Mikhail A. Menshikov.

Dulles also said that Mr. Eisenhower's forthcoming reply to the last letter from Soviet Premier Nikolai Bulganin probably would deal further "with the question of how to proceed" in setting up a summit meeting. And he expressed hope that the United States and its NATO allies could work out a procedure for a meeting both adequately prepared and with good prospects of success.

While all these moves were in line with the new administration policy of saying "Yes, provided" to the Kremlin calls for a summit conference, such a meeting may still be a long way off.

TWO STILL FAR APART

This is because the two sides are still far apart on what could profitably be discussed. And because the administration believes, as Dulles put it yesterday, that to arrive at any result advantageous to both will require "a difficult, long, hard negotiation" and "bargaining," including the preliminaries through diplomatic channels.

When Dulles was asked whether the "sort of Mona Lisa smile you were wearing" in meeting Menshikov last week meant "any changes in your pretty strongly expressed views that the Russians are almost impossible to negotiate with," the Secretary replied, after the laughter died down:

"I haven't changed my views that they are almost impossible to negotiate with."

But he went on to say that all the difficulties he mentioned (including the fact that he had spent a year and a half of the last 12 years negotiating with the Russians, with the Austrian state treaty as the one agreement that has stuck the best) did not mean the effort to negotiate should not be made.

SHOULD BE PREPARED, HE SAYS

"I believe that we should be prepared to do it," Dulles added. "But anyone who thinks it can be done easily I think does not know his Russia very well."

Asked if he considered a Foreign Ministers' meeting essential before a summit conference, he replied: "No, but the President's last letter to Bulganin did not say a meeting of the ministers, but only of work being done by the ministers in advance." He added that "the foreign ministers, I can assure you, work even though there is not a meeting."

Dulles was technically correct in his reference to what the President had written about a Foreign Ministers' meeting. But the general view here had clearly been that such a meeting was a prerequisite.

One reason for the switch was British willingness to abandon the idea. Another probably was Dulles' determination, apparently backed by the President, not to agree to a summit conference until the Kremlin backs away from some of its current positions.

Dulles even suggested yesterday that there might be some loosening up in restrictions

on western trade with Russia. But he quickly added that he expected no departure from the principle of blocking trade that adds to the Soviet war potential.

Menshikov arrived at the White House in a Government Cadillac preceded by two motorcycle policemen, the escort being a new bit of protocol started only the day before in such cases. He spent 33 minutes with the President, as compared with the usual 5 to 15 for envoys presenting their credentials.

"HAD FINE TALK," IKE SAYS

And the President himself called in photographers even though Press Secretary James C. Hagerty had assured newsmen that photos were never made in such cases. Later, Mr. Eisenhower was overheard telling West Berlin's Mayor Willy Brandt that he and Menshikov had a very fine talk and that the envoy was "a pleasant person who speaks good English," the International News Service reported.

Menshikov himself told newsmen he and the President had agreed on the hope that, as he put it, a summit conference will be organized. He said they had not gone into details.

Later, after a call on Under Secretary of State Christian Herter, Menshikov told newsmen that the sooner a summit conference is organized the better for everyone. Asked about Dulles' statement abandoning the foreign ministers' conference idea, strongly objected to by Moscow, Menshikov said he hoped it would speed a summit agreement.

The President and Menshikov exchanged formal statements, as is customary on such occasions. Each expressed the view that their peoples and Governments wanted only friendly relations and peace. Menshikov said that his Government was firmly convinced differences could be settled by negotiations and that the fate of the entire world depends in many respects on improved Soviet-American relations.

Mr. Eisenhower replied that this Government would strive for settlements of problems on a basis leading to a just and enduring peace. Both men expressed pleasure at the recent Soviet-American agreement on exchanges of persons and organizations.

Mr. HUMPHREY. My February 4 speech was intended and designed to be a broad-gaged, yet intensive, survey of the problems of negotiating disarmament and related agreements. Indeed, Mr. President, in my Senate speech I concentrated on three principal points.

The first was the necessity of improving the international climate in a variety of ways peripheral to major political settlements. The second was the necessity of breaking up a large and unwieldy disarmament package into parts which are logically separable. The third was a set of proposals for safeguarded disarmament measures in several regional areas of the world.

Mr. President, my suggestions were manifold and detailed on each of these topics in my Senate speech. I have felt and have stated many times that the right to criticize must be earned through offering constructive alternatives. Hence I was sorry that the New York Times merely selected two of my suggestions for adverse comment—weapons testing cessation and disengagement in central Europe—and let it go at that. I would like to examine those two points again briefly, however, to set the record straight.

An agreement to stop crucial weapons tests under inspectable safeguards is, according to the editor of the New York Times, impossible because the French Government insists upon linking it with the cessation of bomb production. Despite the Times editorial statement that I "would start disarmament by ending tests," a careful reading of my speech would indicate that I assigned no priority of items from the disarmament package on which negotiations should begin. Perhaps a persuasive case can be made for negotiating first on ending bomb production.

It is, however, not clear that the French position is adamantly opposed to negotiations of a cessation of bomb tests. Particularly in the present state of nuclear development in France, there are entirely too many variables in the situation to speak with the assurance used in the Times editorial in this connection. In any case, I am sure that most informed observers would agree that while consultation with our allies is always essential, no country, including France, should have a veto over our foreign policy.

In this connection, Mr. President, I was delighted to read that on February 6, 1958, the Secretary General of the United Nations urged precisely what I had urged—that we break up our disarmament package and negotiate on a piecemeal basis with the Soviet Union.

I ask unanimous consent that the text of the International News Service dispatch from the United Nations, dated February 6, 1958, concerning Mr. Hammarskjold's comments be printed at this point in the RECORD.

There being no objection, the text was ordered to be printed in the RECORD, as follows:

U. N. CHIEF BIDS WEST SPLIT UP PARLEY GOALS

NEW YORK, N. Y., February 6.—Dag Hammarskjold urged the West today to break up its disarmament package and negotiate on a piecemeal basis to get somewhere with Russia.

The U. N. Secretary General at the same time supported an alternate Western plan for separate talks on control of outer space and indicated he would stress this issue on a personal visit to Moscow next month.

He announced he had been invited to the Soviet capital and told a news conference he definitely would make an attempt to stop off there en route to a March 5 U. N. conference in Malaya.

Asked if progress in East-West talks could be expected if the Western powers split up their six-point partial-measures disarmament package, Hammarskjold replied:

"By breaking it up, it might be easier to get somewhere. You can have a package target in mind and yet negotiate it bit by bit."

The U. N. chief advised against a summit conference at the present time. He said it would not be a useful thing or yield a useful result unless very carefully prepared and directed to fairly concrete questions."

However, he said that if modest progress could be made on disarmament, this might meet conditions for convoking a summit conference. He added that other possibilities for arranging a heads-of-state meeting through U. N. included a Security Council meeting at the Foreign Ministers level.

In reply to other questions on halting the arms race and other space peace, the Swedish diplomat repeatedly referred to his proposal for bit-by-bit negotiations.

The U. N., he declared, should be instrumental in seeking agreements on space control and has undertaken a study of the legal side of this special problem.

Mr. HUMPHREY. Mr. President, I have also had made available to me a verbatim transcript of the press conference held by the Secretary General at the U. N. headquarters on February 6, 1958. I ask unanimous consent that excerpts from this conference relating to disarmament be printed at this point in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

Miss FREDERICK (National Broadcasting Co.). Two questions, Mr. Secretary General: Do you see much hope for progress toward a discussion even of method of resuming the disarmament considerations or substance as long as the emphasis in the world today seems to be on rearmament? Secondly, do you think there might be some hope of progress if the so-called package plans for disarmament were broken down into individual parts and each one taken up separately or individual parts taken up separately?

The SECRETARY GENERAL. On the first point, we run, of course, into a basic contradiction. We have a situation where the public interest in some kind of progress regarding disarmament is more pronounced, more active, than ever, while on the other hand, of course, there is an armaments race of great strength going on. I understand you to mean that the latter, so to say, renders more or less impossible the meeting of the first demand. I am not quite sure that that is the case. I think that the contradiction may be partly only a superficial phenomenon because it is partly the very fact of the increasing tendency to rearm and arm that is influencing both the public and the governments in their urge towards disarmament.

The armaments race has reached a climax where it is deeply felt not only that the race is dangerous but also that it involves elements of the highest irrationality. In that way, an armaments race can, psychologically, be self-defeating; it can dig its own grave.

As to the other question, I think one should make a distinction between the way in which a problem is tackled and the basic concept of what the solution should be. If the package approach is applied to the question of how to handle the problem negotiationwise, I think it is a dangerous one and I think you are right in assuming that by breaking it up it might be easier to get somewhere. Breaking it up tactically in that way does not mean, on the other hand, that one dissociates the various elements in the picture and is willing to accept this or that solution irrespective of what happens to other points. That is to say, you can have a package of objectives, a package target, in mind and yet negotiate bit by bit. Then, of course, the negotiation result on any one point is, to a certain extent, hypothetical, conditional, because it will depend on what results you will reach on other issues.

Summing up, my conclusion therefore would be that, if you mean that by way of negotiation it may be right and wise to be modest in the technical approach, I would say I agree with you if it is understood, and clearly understood, that that does not mean that the result reached on any one point is an absolute result which can be independent of the results reached on other points.

Mr. GABRIEL (Transradio News Agency). Mr. Hammarskjold, speaking of disarmament and the various handsprings and mechanics and tricks in negotiating the thing, is it not evident from the open exchange of letters between the heads of states that they themselves who have the armaments on their hips are indicating very plainly to the world that

the disarmament question is now almost irrevocably bound up with the grave political issues of the struggle in the world. Therefore, do you not think that it is time all of us here who have microphones in front of us reached a stage where we should frankly alert the public to this important interrelationship, instead of giving the impression that there is some peculiar, little, tight compartment issue in the United Nations called disarmament on which the public can bank its hopes, and that the United Nations has all of this magic in its possession and carries all the responsibility, which is a little unfair, I should think, with regard to public confidence in the World Organization.

The SECRETARY-GENERAL. Mr. Gabriel, what is simple realism, I think, is also sound publicity. That is to say, to indicate, if it is not clear, that disarmament is linked up with the major problems of today, which we usually sum up under the heading "Cold War," is, of course, both true and useful. It is also correct to say that the specific technical disarmament problem is not a closed compartment from the United Nations point of view. It is linked up with the United Nations efforts in a much broader sense. But is it not a little bit in the way indicated by Miss Frederick a moment ago—that it may be a very good starting point if you cut up the general problem in pieces to try to reach at least some kind of agreement on disarmament, because from there you may get on to a more fruitful approach to the other problems to which it is linked up?

Mr. BURKE (Canadian Broadcasting Corporation). In view of the fact that the control of outer space would seem to be linked with the control of launching sites on earth, can you say to what extent you think this can be dissociated from the overall problem of disarmament? And a second question: In your first press conference you mentioned the world as groping for solutions. Have your views changed since then? Are you more optimistic than you were at that time?

The SECRETARY-GENERAL. I would still use the same word on the second point. As to the first point, I could really refer to my reply to Miss Frederick. It is linked up with disarmament. At the same time, of course, it is a problem of a somewhat special character, and I guess it could be treated, therefore, separately.

I would also like again to draw the parallel with the peaceful uses of atomic energy which, as you know, is a problem definitely linked up with disarmament, but yet open for practical approach by the governments irrespective of a solution to the question of disarmament.

Mr. HUMPHREY. Mr. President, the New York Times editorial which I have been discussing also criticized my comments on central Europe. Last September the bipartisan Senate Subcommittee on Disarmament unanimously advocated greater flexibility in approaching the problem of central Europe. Our subcommittee report foresaw a relocation and possible reduction of Soviet forces in eastern Europe and United States forces in Germany. In my speech I pointed out that powerful political forces in Germany, Great Britain, and elsewhere, are already advocating mutual disengagement in central Europe. If for no other reason than this, the possibilities for reciprocal withdrawal should be covered in current NATO planning.

Mr. President, I raised in my speech, as did the Times editorial, the question of deployment of American troops elsewhere on the eastern side of the Atlantic. I also emphasized that no negotiations on the central European question should ever occur without complete consultation with the West German Republic.

Mr. President, I hope that the editors of the New York Times and, indeed, the editors of many more of our American newspapers, will devote some time and analysis in their columns to many of the detailed proposals which have been made here on the Senate floor on foreign-policy subjects. In my February 4 speech, in addition to the subjects just mentioned, I made several suggestions for relaxing tensions in the Middle East, for the creation of special study groups on arms control, for the reduction of tension in Korea, and for arms limitations in Latin America.

I hope these suggestions will be examined critically and constructively not only by editors but by specialists of competence in the field.

Throughout my February 4 speech, Mr. President, I stressed the importance of conditioning the international environment so that it may become more conducive to negotiations on major political questions, as well as the question of arms control. I said at that time:

> There are many ways to help build an environment of confidence. It can be improved through an acceleration of private and public contacts on all levels. * * * Science and technology not only contribute to the arms race and the power drive of aggressive rulers; they also can be made to contribute to peace. Science is not political; it is neutral. Scientists, in the main, place professional and scholarship standards above ideology.
>
> This offers opportunity for association in those broad areas of nonpolitical activities. We must encourage Soviet citizens—as well as people from other countries—to come to this country, to visit, to travel, and to study. More of our citizens should be meeting with Soviet experts in all fields and in as many places as they can be found. International fairs, international scientific conferences, international educational conferences and international health conferences are some of the places United States and Soviet citizens should be meeting and exchanging views and ideas. Let us accept the challenge of competitive coexistence—but let us be sure to compete.

Hence, Mr. President, I was pleased to read an Associated Press dispatch on February 6, 1958, disclosing, through Mr. Sherman Adams, that the President is considering a plan for a worldwide cultural conference.

I ask unanimous consent that the text of this Associated Press dispatch be printed at this point in my remarks.

There being no objection, the text was ordered to be printed in the RECORD, as follows:

[From the Washington Evening Star of February 6, 1958]

ADAMS SAYS PRESIDENT WEIGHS SCIENCE PARLEY

NEW YORK, February 6.—President Eisenhower is considering a plan for a worldwide cultural conference to seek "new and better ways for human beings to exist peaceably together" and to benefit more from scientific discoveries.

Sherman Adams, the President's chief aide, disclosed the project last night.

He said Mr. Eisenhower last week "asked some able people to consider how such a project might be initiated."

Mr. Adams, describing the scope of the proposed conference, asked this rhetorical question:

"Who is there who can say that a convocation in this country of scholars, historians, artisans, theologians, educators, sociologists, philosophers, artists, and musicians—representatives of the cultural pursuits of all the human race—meeting each other in their respective groups—could not suggest new and better ways for human beings to exist peaceably together and to reap the greatest rewards from man's scientific discoveries?"

ADDRESSES DARTMOUTH MEN

Mr. Adams discussed the project in addressing a Dartmouth College national alumni dinner. He is a graduate of Dartmouth at Hanover, N. H.

Mr. Adams suggested that a conference such as the one under consideration might be organized and sponsored better by American colleges and universities than by the United States Government.

He added:

"For this must be no propaganda effort or labeled as such. It must be undertaken by those whose contributions offer the best promise of making it a success."

After his address, Mr. Adams was asked by newsmen for the names of persons to whom Mr. Eisenhower spoke about the project. He declined to elaborate.

EXPLORATORY, HAGERTY SAYS

White House Press Secretary James C. Hagerty, when questioned about the identities of these people, said in Washington that the idea of a worldwide convocation "is in the exploratory and talk stage." He declined to provide any further information.

Mr. Adams revealed Mr. Eisenhower's interest in a worldwide meeting after saying that the cultural exchange agreement recently reached by this country and Russia should be broadened measurably.

Last Friday in New York, Adlai Stevenson made this suggestion in a speech:

"Suppose the secretary general of the United Nations appointed a commission to examine all the proposals that have been made to mitigate the arms race.

"This committee would be composed of private citizens, top men of affairs and science, chosen by the secretary general from anywhere and everywhere and acceptable to the nuclear powers. It would work in private. It would render an advisory report."

Last June, Lewis L. Strauss, chairman of the Atomic Energy Commission, proposed at West Branch, Iowa, a new kind of conference among nations to bring together the "chief humanists" of the present day to seek a durable world peace.

Mr. Strauss said that man must learn to live with his inventions or perish because of them.

Mr. HUMPHREY. I conclude, Mr. President, by again urging the administration to persevere and follow through on this kind of suggestion. If this proposal does, as the AP dispatch says, have the support of the President and such diverse personalities as former Governor Stevenson and Adm. Lewis Strauss, then I can see no reason why the administration hesitates to press ahead toward action. This type of conference could symbolize in a very real way the kind of imaginative new effort which today's challenge requires us to make.

YOUNG DEMOCRATIC CLUBS OF AMERICA

Mr. HUMPHREY. Mr. President, it was my privilege last November to at-

tend and participate in the national convention of the Young Democratic Clubs of America, in Reno, Nev.

No one could mingle with this alert, energetic group of young citizens without being deeply impressed, and without having one's faith in the future of our democracy bolstered. America's young people are keenly interested in building a better world in which to live—and they gave ample evidence of knowing how to go about it in the convention of the Young Democratic Clubs of America.

Mr. President, because they reflect intelligent thinking of young America, I ask unanimous consent to have printed in the body of the RECORD the resolutions adopted by the national convention of the Young Democratic Clubs of America.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

RESOLUTIONS ADOPTED BY THE YOUNG DEMOCRATIC CLUBS OF AMERICA, NATIONAL CONVENTION, RENO, NEV., NOVEMBER 7–10, 1957

EDUCATION

Since the educational standards in the 48 States of the United States, Alaska, and Hawaii are neither adequately high, nor are they uniform, we propose that—

1. The educational provisions of the GI bill be reinstated since numerous capable young people have been denied an opportunity to advance their academic status by the needless elimination of the educational provisions contained in the GI bill.

2. Federal aid be granted to student teachers and members of the teaching profession to enable them to extend their professional competence without economic strain.

3. Federal aid be given to the States and Territories for public education, and to subsidize construction and maintenance of school property, to eliminate the great deficiency in educational facilities which exists in many areas.

4. A minimum wage for all teachers based on regional living costs, and on teacher qualifications; that wage to be determined by the Department of Health, Education, and Welfare, with upward adjustments pegged to regional living costs in order to enable all teachers to enjoy an equal minimum standard of living.

5. A program be set up under the Department of Health, Education, and Welfare through which the Federal Government would grant scholarships to all persons who qualify academically and financially (based on need), and who wish to extend their education beyond high school.

6. A full tax deduction be granted to teachers, students, or parents of students, for the expenses of higher education.

RESOLUTION ON FOREIGN POLICY

Today man stands poised for flight into space; yet the imaginative genius which has prepared him for this scientific marvel has not enabled him to live peacefully on his home planet with his fellows. Instead, the devices which he has designed to conquer space stand ready to bring death and destruction to the earth and perhaps even to render it uninhabitable.

The appearance of the Soviet earth satellite dramatizes the fact that diplomacy has not kept pace with military technology. In the past, before agreement has been reached on methods of international control of one weapon, a new weapon has rendered control of its predecessor meaningless. In conference after conference statesmen have scaled down their goals in a desperate bid for some form of agreement, even if the agreement reached would be too limited to offer real protection. They negotiate for "open skies" agreements which open only the skies under which weapons are not likely to be concealed, and talk of limiting conflict to "brush-fire wars" in which the participants would refrain from employing the ultimate weapons which they have expended billions of dollars to develop. Disarmament talks take place in a world of make-believe where distrustful adversaries surround themselves with explosives and then negotiate to preserve the right to play with matches.

The important lesson of world history is that any nation, and we do not exclude our own, is capable of rational conduct at one moment and irrational conduct the next. Yet hydrogen weapons have rendered irrationality suicidal. To gamble that irrationality will not affect the decisions of participants in brush-fire wars, and that they will not employ their ultimate weapons, is to wager the future of civilization against the obvious facts of world politics and human nature. Irrationality must be disarmed; any disarmament proposal which permits any nation to exercise the capacity to plunge the world into a thermonuclear holocaust is unrealistic.

The time has come for a new bold approach to the problem of peace, and the United States should take the initiative in proposing a grand and imaginative solution to the problem of peace. We believe that the solution lies in steps toward the development of a world organization to which the nations of the world would surrender their power to make war in return for the protection of international law enacted by an internationally constituted legislative body, interpreted by an international court, and enforced by an international police force.

We recognize the difficulties which lie in the path of the creation of such an organization, but we are more conscious of the consequences of failure to advance toward a realistic solution before it is too late. The beginnings of an effective world organization are present in the United Nations, the lofty ideals of which already claim the loyalty of many governments and millions of people. It is on the foundation of this existing machinery that a true and just peace can be built.

The adoption of a bold policy should be signaled by bold action. We propose that the United States refrain from further testing of thermonuclear weapons that present a major radiological hazard, in the knowledge that a violation of this challenge on the part of other thermonuclear powers can instantaneously be made known to the free world and therefore will constitute a safeguard in and of itself to the interests of this country. We further recommend that the program of the United States Government in basic nuclear research be continued, encouraged, and advanced. We also propose that the Government of the United States revive the far-sighted proposal advanced at the Potsdam Conference in 1945 by Harry S. Truman that the Panama Canal, the Suez Canal, the Black Sea Straits, the Rhine-Danube Canal, and the Kiel Canal be made international waterways.

While keeping our eyes on the long-term oil, we must also turn attention to specific problems which confront us today and which endanger world peace.

Self-government of colonial areas

It should be a tenet of American foreign policy that we support the demand for self-government of those areas now under colonial rule. We favor phased programs for the transfer of power to native governments which include specific target dates for the granting of complete independence.

No idea has greater force in the world today than the idea that men should have the right to determine for themselves the form of government under which they live. This idea has penetrated into the most remote regions of the earth and fires the imagination of even the most primitive peoples. It is an idea for which the United States is in a large part responsible. Our Declaration of Independence, Wilson's 14 points, and our voluntary granting of self-government to the Philippines have earned for us the reputation of a nation dedicated to the right of self-determination of all peoples. It is a good reputation, one which increases our influence in world affairs and one which should be judiciously preserved. Moreover, we believe it is important that the delay in the granting of self-government should not be allowed further to embitter the relations between subject peoples and their foreign rulers. Delay produces frustrations which increase the racial prejudices already inherent in most colonial situations and sows the seeds of future international conflict between white and colored nations.

Economic development

We favor increased support to the existing specialized agencies of the U. N. and, in addition, American participation in the Special United Nations Fund for Economic Development (SUNFED) from which this country has so far remained aloof. We favor the turning over of American agricultural surpluses to the United Nations for distribution according to need in areas of food deficit.

In recent years this country has placed more emphasis on military pacts and treaties than on measures to promote the growth of that type of stable democratic society abroad which will remain in the free world, not because it has been coerced or bought, but because it is politically healthy and mature. Since political health and maturity are to a large degree dependent upon a degree of economic development which many countries and colonies of Africa, Asia, and Latin America lack it is in our best interest as well as that of humanity to aid economic development in those areas. To be effective, such aid must not involve political ties or conditions; the best means of achieving this end is utilization of the machinery of the United Nations. By permitting the U. N. to dispose of United States farm surpluses, their distribution is achieved in a manner least likely to endanger price stability in other agricultural regions thus absolving the United States of charges of dumping. Although we favor channeling the major portion of American contributions for economic development through the United Nations, we do not wish to preclude special unilateral programs such as American aid to India, in special circumstances where unilateral assistance is necessary for the strengthening of those nations which are making special contributions to the advancement of democratic forms of government or those whose economic welfare is especially important to international stability.

Although there is a role for private capital to play in the economic development of underdeveloped areas, the necessity of showing a profit limits the type of enterprise in which investors are willing to risk their money. What is needed for the local economy may not always be what is most profitable for the foreign investor, and what is profitable may not always be in the best interest of the local economy. However, private as well as public capital is necessary in the development of underdeveloped areas of the world. Vigilance must be maintained against the formation of cartels which exploit backwardness for private gain and exert undue and unhealthy influence on weak governments.

Trade

We favor the progressive reduction of protective tariffs on all commodities and manufactured goods as a step in the direction of a truly free world market. We support United States membership in organizations dedicated to the expansion of world markets through reduction of artificial trade barriers.

We believe that healthy commerce among the nations contributes greatly to the preservation of peace as well as to the prosperity of all. We see no advantage in aiding foreign nations to improve their economies if at the same time we deny them markets for the goods they produce. We look upon trade with the nations of the Communist bloc as an opportunity for lessening tension by steps toward mutual prosperity, and therefore believe such trade should be increased. Although we support the embargo on shipment of strategic materials to Communist countries, we recognize that it has not been effective largely because too many items have been so classified. We favor, therefore, limiting this embargo to the actual materials of war.

The conduct of diplomacy

We favor the establishment of a National Foreign Service Academy, fulfilling for our diplomatic corps that function which West Point and Annapolis perform for the Army and Navy. Believing that the right of Americans to travel abroad in time of peace should not be restricted, we favor the granting of passports to all applicants who are legally citizens of the United States. Although our Government cannot guarantee protection of American citizens in countries with which we do not have diplomatic relations, travel in those areas at the citizen's own risk should not be limited by the Department of State. Having nothing to fear and everything to gain by encouraging foreigners to visit our country, we favor the liberalization of United States visa restrictions so that a national of a particular country may visit America as easily as an American can visit his country. We also favor increased allotments for exchange of persons programs, fellowships and scholarships, traveling exhibits, visits by cultural groups and athletic teams, and participation in foreign festivals and trade fairs.

We deplore the deterioration of the techniques of diplomacy that has characterized the Republican administration's handling of foreign affairs. The peripatetic personal diplomacy of a Secretary of State has replaced detailed negotiation by trained specialists backed by sound staff work. Contradictory statements on important matters issue from the White House, the State Department, and the Vice President. Invitations to foreign leaders to visit the United States have been hinted at by one executive and withdrawn by another. Ambassadorial appointments have been looked upon as fit patronage for wealthy Republicans without regard to competence or special knowledge. The professional Foreign Service has been demoralized by the refusal of the Secretary of State to defend it from irresponsible political attack. Indeed, he not only failed to defend the Foreign Service against the unfounded attacks of the late Senator McCarthy, he invited McCarthy's aid, Scott McLeod, to head the State Department's Security Division. When McLeod's high-handed methods had completed the demoralization of Department personnel, the Secretary rewarded him with an ambassadorial appointment for which he was eminently unqualified. Such a record is unworthy of a great nation aspiring to world leadership. To serve the diplomatic needs of our Nation we must have a Department of State staffed with professional Foreign Service officers, trained in the techniques of diplomacy and familiar with the language and politics of the countries with which they deal.

In recent years, visits to the United States by foreign nationals have been greatly hampered by excessively stringent requirements for visas. The effect has been to create a "paper curtain" which has given foreigners the impression that we do not wish to have them visit our country. The recent modification of the fingerprinting requirement for visas is a step in the direction of liberalization which we welcome.

Israel and the Middle East

We recommend that our Government work independently and through the United Nations for immediate peace negotiations between the Arab States and Israel, and for the resettlement of Arab refugees through the United Nations Relief and Works Agency, with the $200 million which has been allotted for their work. At the same time, we urge the lifting of the embargo on arms to Israel, at least until a general embargo to all Middle East countries can be arranged. We urge that the United States delegates to the United Nations introduce a proposal for such an embargo at the next session of the General Assembly. Further, we propose that Egypt be firmly advised to abide by the United Nations resolution granting free passage through the Suez Canal to ships of all nations including Israel. And we are convinced that the only true deterrent to Communist penetration in this area lies in a justly administered program of economic assistance, including utilization of the Johnston plan for proper use of water in the Middle East for the benefit of the Arab nations and Israel.

Eastern Europe

We favor a policy which will assist Yugoslavia and Poland in asserting their independence of Moscow. This means economic aid without political strings, for in the near future we cannot see the abandonment of communism in these countries. We also favor expanded information and cultural programs with the conviction that with the wide dissemination of Western ideas and truthful reporting of contemporary international events, the governments of these countries will be forced to concede to their people a greater measure of freedom and closer ties of friendship with the Free World.

The Republican administration came to power in 1953 after having waged an election campaign that promised "liberation" and "rollback" of communism in Eastern Europe. It was an irresponsible promise, for it ignored the difficulties of pursuing such a policy by methods short of war. After taking office the Republicans continued to talk of "liberation" and "rollback," and American broadcasts to Europe implied that outside assistance would be available if the subject peoples would rise up in revolt against their Communist rulers. When the uprisings did occur, the freedom forces looked to the West for aid which never came, for only then did the Republican administration face the hard fact that it had refused to face earlier; direct intervention in Eastern Europe would mean all-out war with the Soviet Union. But by that time thousands of freedom-loving Hungarians and Poles had been killed or imprisoned, and disillusionment and bitterness against the West was widespread. The Republicans had helped to weaken and destroy the most democratic and anti-Communist political elements in Eastern Europe.

Today, American policy toward Eastern Europe remains unimaginative and inadequate. Although, the discredited "rollback" policy has been abandoned, nothing has taken its place. Such a state of affairs strengthens Russian control in Eastern Europe and helps to delay the democratization process for which so many heroic Poles and Hungarians have paid a heavy price.

Our policy should aim at strengthening those forces in Eastern Europe which favor nationalism over unquestioning loyalty to the Soviet Union, even if that nationalism is in large part Marxist or Communist in content. The Communist world is beginning to realize that the most effective "paths to socialism" are not those dictated from Moscow. The leadership in this ideological revolt against Moscow has come from Yugoslavia. Since ideological revolt is the precursor of political revolt, it is in the interest of the Free World that this opposition continue and gain momentum.

Neutralism

We favor a policy toward neutral nations which demonstrates that friendliness with the United States does not preclude friendly relations with other states.

Since the beginning of the cold war, many nations have endeavored to pursue policies of nonalignment with either major power bloc. Such nations are described as neutralist. Forgetting America's traditional avoidance of entangling alliances and American neutrality at the outbreak of both World Wars, the Republican administration has been intolerant of neutralist nations and has embraced the doctrine: "he who is not with us is against us." The effect of such a policy has been to push neutralist nations closer toward alliance with the Communist bloc.

We believe this is a policy which strengthens communism while weakening the free world. While we wish to encourage all nations to be our allies in the defense of freedom, we recognize that formal alliance with us and deliberate rejection of the Soviet Union is a policy which is impractical for some nations due to their geographic, economic or domestic political situations. We deplore such actions as the recent administration threat to terminate economic aid to Yugoslavia because of the decision of the Yugoslav Government to extend diplomatic recognition to East Germany.

NATIONAL DEFENSE

In no way is the ineptitude of the Eisenhower administration better demonstrated than by the present questionable state of our national defense. The United States has lost the position of scientific and military leadership that it held 10 years ago. A 4-year lead in the atomic race has been lost. At the present time, the U. S. S. R. holds a lead of from 1 to 2 years in the development of the guided missiles.

Much of our present military weakness can be traced to the false economies of the Eisenhower administration. Repeated cuts have reduced our tactical armed forces to the point that we may be incapable of fighting a limited war, should one be thrust upon us. We have become committed, in fact as well as in name, to the policy of massive retaliation. Any war must be a war of annihilation.

Equally serious is the condition of our strategic forces. Our capacity for retaliation has to a large extent been nullified by recent scientific advances in the Soviet Union. Since mid-1956, Russia has been testing an average of three IRBM's a week; in September of 1957, she successfully tested an ICBM. On the other hand, we have only recently tested our IRBM; our ICBM remains on the ground. Our efforts have been absorbed in wasteful competition among the branches of the Armed Forces. It is highly questionable whether the United States has either the scientific skill or the financial substance to expand in such competitive programs.

One of the most serious threats to our national defense derives from the general distrust which the Republican administration has shown the public and its scientific community. Continued secrecy or misrepresentation of facts which in many instances are already well known to the Soviets can only produce public doubt and confusion. A full year was allowed to pass, for example, before civil defense personnel throughout the United States were appraised of the lasting radiological hazards of thermonuclear weapons. The public, we believe, is not apathetic on matters of national defense and civil defense, but woefully ignorant because of ridiculous and overbearing security measures.

The United States is lagging behind the Soviet Union in the training of scientists. At the present time, Russia is graduating

twice as many engineers as the United States. While the average high-school graduate in Russia has had 5 years of scientific training, in the United States half the high schools offer no course in elementary physics. Clearly, we are being outstripped both in quality and in quantity. Inasmuch as the present Soviet advancements have been made primarily without the help of these younger scientists, the future is not pleasant to contemplate.

1. To enable us to localize successfully any future war, our tactical forces must be strengthened. The economy cuts in our Armed Forces should be stopped. More pentomic divisions should be set up, to facilitate the wider use of tactical atomic weapons. Their use is the only practical way we have of countering the Soviet Union overwhelming superiority in conventional weapons. Above all, our State Department must stop thinking solely in terms of total war. We cannot continue as we are at the present time, from brink to brink.

2. The United States must make more efficient use of its scientific capacity. We recommend the creation of a Cabinet level director of national science. A single coordinated program without wasteful competition among favored industries under contract to the Government or among agencies of the Federal Government should be established to the end that our widely varied programs of basic and applied research be effectively coordinated and scientific talent pooled for more effective utilization.

3. In order to utilize more fully the scientific potential of the free world, the United States should work more closely with Great Britain, as well as with other members of the North Atlantic Community, in scientific research and development.

4. To facilitate the dissemination of necessary information within the Government, we recommend that Congress establish a joint committee of the House and Senate on missile and space technology similar to that already created for atomic energy. This committee would recommend to the rest of the Congress levels of budgetary support for missile and associated activities. It would be aided by its own scientific advisory board composed of eminent and independent scientists completely divorced from operating responsibilities in the missile program.

And further, Congress should create a full-time scientific advisory committee on missiles and space technology reporting directly to the President and the National Security Council.

5. We believe that unnecessarily strict security regulations in the Government as a whole, and particularly in nuclear research and development, have had the effect of discouraging competent scientists from seeking Government employment, and have choked off channels of information upon which the scientific community relies. Such unnecessary security measures must be relaxed.

6. To provide the basis for future technical progress, the United States should devote more effort toward basic research in mathematics and in the physical and natural sciences. At the present, it is devoting about 5 percent of its scientific funds toward basic research; the U. S. S. R. more than twice as much.

7. In order to prevent the misuse of valuable scientific personnel, engineers, scientists, and science teachers should be exempted from the draft.

8. In order to make it possible for all deserving students to receive scientific training at the college level, the Federal Government should set up a scholarship program to aid deserving science students.

9. To insure that students will get necessary basic training, steps should be taken immediately to improve the science and mathematics training in our high schools.

10. Congress should establish permanently a major educational institution—an Outer Space Center—for missile and space technology to recruit and develop new scientific talent.

LABOR

We believe in the need for a free democratic labor movement in our society. We believe that the welfare of the labor movement is closely tied to the economic welfare of the Nation. We stand unequivocally for the rights of all labor to organize, to bargain collectively, and to strike. We stand unequivocally for strong, clean, and honest unionism.

Toward these ends we favor the following six-point program:

1. We urge that the Department of Labor be rebuilt and strengthened. We urge expansion of the Department's mediation and conciliation services.

2. We urge the complete overhauling of the National Labor-Management Relations Act (Taft-Hartley Act) and that it be rewritten based on the principles of the Wagner Labor Relations Act.

3. To preserve the system of free collective bargaining we strongly oppose any so-called right-to-work law.

4. We favor an expansion of the Federal minimum-wage law to cover all classes of employment.

5. We endorse the actions of the AFL–CIO national convention in its adoption of its code-of-ethical practices. We believe that labor can and will clean its own house, and we commend the AFL–CIO for the positive implementation of this code. We do not believe that punitive labor legislation is desirable or necessary as long as labor continues to implement its code-of-ethical practices in a positive and forceful manner.

6. We favor supplementary legislation prohibiting management from engaging in tactics of the sort uncovered by the McClellan committee, and defining as unfair labor practices those activities of management that serve to strengthen the position of corrupt individuals that dominate certain unions and to defeat the efforts of organized labor to unseat them.

Recognizing the need for the Democratic Party to understand the problems of labor, management, and agriculture: Be it

Resolved, That a permanent committee be appointed by the president of the Young Democratic Clubs of America to work with representatives of labor, management, and agriculture on problems peculiar to each of these groups and to better inform the membership of the YDCA of their respective problems.

AGRICULTURE

Whereas the income of agriculture has been steadily declining; and

Whereas the Republican administration has shown that it has no sympathy for the family-type farmer; and

Whereas we believe the continued independence of the family farmer is a cornerstone of the American way of life: Therefore, be it

Resolved, That the National Convention of Young Democrats advocate an agricultural program which will achieve 100 percent parity of income for the American farmer; and be it

Resolved, That any farm program must include the following points:

1. A Brannan-type farm program with 100 percent parity income for the family farm production of all agricultural commodities recommended under the Brannan plan through direct production payments in workable combination with price-support loans, purchase agreements, and other methods.

2. The farm program must be democratically administered by farmers through referendums and farmer-elected committees.

3. All production payments and allotments must be aimed at providing an adequate income for family farms, with limitations, to halt the trend toward corporate farming.

4. Assistance to small farmers in the form of low-cost Government credit, technical aid and larger soil conservation allowances.

5. Reestablishment of the Federal food stamp program and expansion of the school lunch program and special milk programs.

6. Support for a world food reserve administered by the United Nations; contributions of surplus foods and adequate funds to the reserve.

7. Expansion of world markets for American farm produce.

8. Support for genuine farm cooperatives, which help farmers reduce the cost-price squeeze.

9. Congressional restriction of the present Eisenhower-Benson administration's insidious undermining of the Rural Electrification Administration.

10. Expansion of the Federal Crop Insurance Corporation, whose funds have been, in fact, cut by the Republican administration.

11. Extension of the agricultural programs to Alaska and Hawaii.

12. Maintaining adequate reserves of food and livestock feeds against an emergency such as war, flood, crop failure, and famine.

HUMAN RIGHTS

There is inherent in the nature of man a wonderous dignity. This dignity arises from rights inherent in his nature—to life, to freedom, to the pursuit of happiness, to rights independent of race, color, creed or national origins. These rights include ownership of property, justice under law, and the individual's right to a virtuous reputation among his fellow men unless he by specific action forfeits it. These rights apply every place in the world. They are not given by the state nor by the society, and neither the state nor society can in justice take them away.

The fulfillment of man's rights requires civil order. Civil order requires obedience to law. The decisions of the United States Supreme Court in interpreting the Constitution of the United States are the supreme law of the land. The decisions of the State courts in interpreting their respective State constitutions are the law of their jurisdiction. The responsibility for the enforcement of these laws rest with the President of the United States and the Governors of the various States: Now, therefore, be it

Resolved, That the Young Democratic Clubs of America adopt the following principles:

1. We oppose segregation or discrimination on the basis of race, color, creed, or national origin in all areas of the United States. Racial discrimination is a disgrace to the citizens of the United States whether it occurs in Little Rock, Ark., or Levittown, Pa.

2. We urge all young Democrats to encourage registration and voting wherever Democrats are found regardless of the race, color, creed or national origin of these citizens; and we advocate vigorous enforcement of the law against any individual or group that attempts to deny to any citizen these rights.

3. We oppose the action of the Governor of Arkansas in using National Guard troops to prevent the orderly integration of the public schools of Little Rock as it had been planned and developed by the local school board.

4. We favor the liberalization of registration laws, including the abolition of poll tax, in order to facilitate and make easier the process of voting by all citizens.

5. We urge the repeal of the McCarran-Walter Immigration Act and its replacement by an immigration act based on good will toward people of all sections of the world.

6. We favor the immediate enactment of a national fair employment practices act, with adequate enforcement provisions.

7. We favor the enactment of H. R. 429, as introduced by Congressman JAMES ROOSEVELT, and the companion bill S. 1668, introduced by Senator WARREN G. MAGNUSON, which provide that no member of the Armed Forces may be denied an honorable discharge unless convicted by a court-martial for a recognizable crime.

8. We recognize that in the worldwide conflict with communism there are many pressures upon us to adopt totalitarian methods. We reject these methods and reaffirm our intention to preserve our heritage of freedom to dissent and to communicate ideas no matter how unpopular; and we hold, as did Thomas Jefferson, that error can be tolerated so long as truth is free to combat it.

Force

Since 1807, Congress has authorized the use of State militia and Federal troops to enforce Federal law. In any democracy, a power such as this should be used only in times of extreme necessity. The resistance to an order of the Federal courts, condoned by local authorities, presents such a time of extreme necessity.

Though the power of the President to use force should be exercised sparingly, the Young Democratic Clubs of America support the enforcement of the supreme law of the land with all the means at the command of the President of the United States.

Party loyalty

Whereas in previous presidential campaigns certain elements within the Democratic Party refused to support the Democratic presidential nominee; and

Whereas these same persons supported numerous candidates other than those of the Democratic Party; and

Whereas these supporters of a third party or of the Republican Party ran for Congressional, legislative, and county offices as Democrats rather than on the third party or Republican Party tickets, in order to keep control of the Democratic Party in their States: Now, therefore, be it

Resolved, That we favor the loss of Congressional committee seniority and chairmanships for any Democratic Congressman or United States Senator who supports a third party or Republican presidential candidate or aids in the formation of a third party in the 1960 presidential campaign.

Compliance with the Supreme Court decision on segregation in the public schools

Whereas it has been 3 years since the Supreme Court of the United States handed down a decision declaring segregation in the public schools of America to be unconstitutional; and

Whereas a majority of public school authorities, public officials, individuals, and organizations have developed orderly methods for complying with the Supreme Court decision in contrast to the so-called massive opposition of some cities and States led by the White Citizens Councils, the Ku Klux Klan, and other reactionary groups in all areas of these United States: Now, therefore, be it

Resolved, That the Young Democratic Clubs of America commend these public school authorities, public officials, individuals, and organizations who have devised, aided, and supported these methods for compliance with the decision of the Supreme Court declaring school segregation unconstitutional; and be it further

Resolved, That the Young Democratic Clubs of America recommend that those public-school authorities, public officials, individuals, and organizations who, in defiance of the Supreme Court, have obstructed, circumvented, and attempted to defeat the orderly compliance with that decision forthwith cease and refrain from these tactics immediately and follow the outstanding example set by those law abiding public-school authorities, public officials, individuals, and organizations who have complied with the Supreme Court decision; be it further

Resolved, That in the event of such unlawful obstruction, the Young Democratic Clubs of America approve Federal intervention as a necessary means of effectuating the laws of the land.

TAXATION AND ECONOMIC POLICY

Preamble

1. We hold to the basic Jeffersonian principle of equal rights for all, special privileges for none.

2. Our economy is productive enough to maintain our world obligations, and at the same time provide a decent standard of living for all Americans, and more for some. Everyone should have the opportunity to make a legitimate contribution to the economy. Everyone who does so is entitled to a decent standard of living. The additional rewards that our economy makes possible should go to people in proportion to their useful contribution. But no one should starve. A person who cannot work or cannot get work should be provided at least a subsistence standard of living.

3. In putting these principles into practice, the Government should assume any role that will best carry them out.

4. Applied specifically to the economic field, these principles lead to the following policies:

5. We should maintain an expanding economy and full employment.

6. The Government should keep in circulation a supply of money and bank credits which will permit all of the national product to be bought, but will keep the purchasing power of the dollar uniform from year to year. When additional money or credit needs to be put into circulation, we should reject the trickle-down theory, and use means which will quickly benefit the great mass of the people.

Income tax

1. We do not favor a tax cut at the expense of necessary national defense. When a tax cut is possible, it should take the form of raising personal exemptions.

2. The special tax depletion allowances for oil, gas, and allied industries should be modified, requiring these interests to follow the same rules on depreciation that other industries are subject to.

3. The use of rapid depreciation programs should be restricted.

4. Limitations should be placed on the type of spending deductible as business expenses, for example, on entertainment.

5. Since the income of commercial fishermen and of farmers fluctuates greatly from year to year because of factors beyond their control, they pay more tax over the years than groups with equal but more stable incomes. We believe the Internal Revenue Code should be amended to permit them to report on the current year's tax return the average gross income for the last 5 years.

Interest

Whereas—

1. Most home buyers have to pay more to the banker, as a result of high interest rates, than they pay to those who supply the labor and materials to build the house, the bricklayer, carpenter, electrician, and lumber dealer;

2. A large and increasing portion of the cost of public construction must go to interest, which has held back necessary projects such as schools, parks, bridges, and other local improvements, while labor and materials go unused;

3. Higher interest rates have proven to be ineffective in combating price inflation, their main effect being to limit necessary home construction and line the pockets of lenders;

4. The $7 billion a year interest on the national debt results in a regressive redistribution of the national income;

5. Interest on Government borrowing, unlike interest on private borrowing, is revenue without risk and without substantial cost to the Federal Reserve banks and other commercial banks, since Government bonds furnish the backing for inkwell money and Federal Reserve currency with which the banks buy the bonds: Therefore be it

Resolved, That steps should be taken to lessen the increasing burden and inequities of high interest rates by—

1. Reversing the acts of the Eisenhower administration which have boosted the prime rate of interest and pushed the rates to small borrowers still higher;

2. Government acquisition of the central Federal Reserve banks;

3. Reliance on the use of taxing and direct price and credit control devices to restrain inflationary pressures, rather than on higher interest rates.

Small business

1. We favor a surtax on all undistributed profits of business corporations.

2. We also favor a graduated tax on corporate income, exempt in the smallest corporations.

3. The provisions in the tax laws on the utilization of net operating loss carryovers should be tightened. Net operating loss offsets should be denied to acquiring firms.

4. A reasonable limit on the tax deductibility of advertising and other promotional expenses should be enacted. This would reduce some of the competitive advantages enjoyed by large business as opposed to small business, and loosen the avaricious grasp of big business on our advertising mediums.

Freight rates

1. Whereas the railroad-freight rates of the past 10 years have been increased by the percentage method, to over 100 percent of the 1946 rate structure, and it is expected that the next two decades will witness an increase of at least another 100 percent; and

2. Whereas the percentage method of rate increases has discriminated unfairly against distant shippers, because the linehaul costs have not increased as much as terminal costs, and this discrimination has disrupted trade relationships between many parts of the country, obstructing the free flow of economic activity within the United States;

3. We urge that Congress direct the Interstate Commerce Commission to restore the dollars-and-cents rate relationships existing in 1946, and to make any future rate increases on a dollars-and-cents basis, based on actual increases in costs.

Department of Consumer Affairs

Whereas—

1. The cost of living in the past decade has risen by some 20 percent and the Nation has suffered price inflation despite a great increase in productivity and despite a relative abundance of foods;

2. Prices for steel, automobiles, and other hard goods have been raised allegedly because of rising wages but actually much more than the rise in labor costs, resulting in record profits for huge corporations;

3. The cost of housing, insurance, and financing has risen excessively;

4. Regulation of utility services—electricity, natural gas, telephone, and transportation—has not prevented unjustified rate increases and unreasonably high utility profits;

5. People as producers are organized in innumerable ways and have many governmental agencies to help them, but consumers lack organization and help, leading to weakness on the consumer side in the operations that determine prices;

6. And yet the ultimate aim of economic activity is to serve people as consumers: Be it

Resolved—

We advocate a Federal Department of Consumer Affairs with full Cabinet status. To it should be transferred those Federal agencies that are supposed to be concerned with protecting, representing, and serving the consumer. Within the Department should be an office of consumer counsel, to intervene in all Federal proceedings that significantly involve the American consumer, and advisory committees of consumers to recommend studies and legislation for the benefit of Americans as consumers.

Publications

Since it is vital for the public to understand economic principles as they apply to everyday political questions, and the Republicans have done their best to mislead people on many matters, we wish to commend the Democratic Digest and the Democratic National Committee for their fine work in clarifying economic issues, in the Digest, the Fact Sheets, and other publications, and we hope that this work will be extended.

SOCIAL LEGISLATION

Medicine and public health

1. We severely criticize the Department of Health, Education, and Welfare for its inability to develop proper distribution procedures and public education techniques relative to the combating communicable or paralytic diseases. We call upon the Surgeon General of the United States to establish a liaison between drug manufacturers and medical associations for the purpose of keeping the American public informed of recent medical and scientific discoveries.

2. We further call upon the National Institute of Health to publish its findings on the extent of radiation hazards without censorship by the Atomic Energy Commission.

3. We recommend the establishment of a continuing commission for long-range study in geriatrics to aid in solving some of the medical and economic problems of our senior citizens.

4. We favor Federal aid to medical schools and medical scholarships to alleviate the serious shortage of trained medical personnel. We favor increased aid for medical research to provide a speeding up of efforts in determining new and improved methods of prevention and cure of injuries and diseases.

5. We favor increased funds and strengthened laws to insure effective protection of our citizens from fraudulent advertising, dangerous drugs and impure foods.

Social security

1. We favor a universal system of social security with adequate benefits pegged to the cost of living.

2. We favor increased allowances to widows and orphans under the Social Security Act.

Housing

1. We favor a more comprehensive program of Federal aid to local governmental units for slum clearance, low-cost housing, industrial development and unified city planning and development.

2. We favor legislative action designed to provide long-term low interest rate mortgage money for the construction of new private housing units.

Narcotics

The continuing and rapid increase in drug addiction in the United States particularly among young people demonstrates that current methods of control of this major medical and sociological problem are ineffective. The total number of drug addicts (and the percentage as well) has increased. Two thousand persons are arrested every month on narcotic charges in this country.

Furthermore, in the large cities there is a direct connection between drug addiction, and half of all crimes committed. We recommend a four-point program to be administered by both State and Federal narcotics agencies:

1. A program in the public and private schools to educate the young people in all facets of the drug addiction problem through teacher education, the education of parents through the parent-teachers' associations and other service groups, playground and recreation leaders; and law enforcement agencies;

2. Federal grants to hospitals, universities, and research institutes for basic research in the alleviation and cure of drug addiction;

3. Federal grants-in-aid to local governmental units to promote the establishment of carefully controlled outpatient clinics to furnish minimal requirements for addicts at cost and psychiatric aid, for narcotics administered to proven addicts under the supervision of licensed physicians and psychiatrists will serve to take the profit out of the narcotics trade and remove the addict's need to turn to crime to support his expensive habit; and

4. Additional legislation to aid law enforcement agencies dealing with narcotics addiction and violations, providing such legislation does not infringe upon individual civil liberties.

NATURAL RESOURCES

We believe the following to be true:

1. We believe that our Nation's greatest assets are its natural resources. The rapidly increasing population and expanding economy of this country are causing increased pressure from conflicting demands upon our natural resources. We firmly believe that they should be developed on a sound progressive basis with a view to development and conservation rather than destruction and exploitation. We believe that our natural resources are vital to the livelihood and general welfare of all citizens of the United States without regard for geographic location and they must not be permitted to become the private preserves of monopoly and private interest.

2. Republican administrations have attempted to subvert and destroy the historic policies and programs of conservation and proper development of natural resources for the public good by such means as giveaways of public lands, their fraudulent partnership plan, and stacking of regulatory bodies with officials opposed to the programs these agencies were designed to protect.

3. The greatest benefit to the most people from the standpoint of development of natural resources, needed power, and irrigation water, while at the same time preserving the natural beauty of wilderness areas, recreational areas, and fishing areas, is realized in the comprehensive planning and Federal development of the entire river basin, watershed areas, and our natural resources supplies.

We therefore urge the adoption of the following program:

1. Support of all sound measures for Federal multipurpose development of the power and water potentials of areas such as the Columbia River Basin, Central Valley of California, Upper Columbia Basin, Missouri Valley, and the Colorado River; we further implore the Democratic leadership in Congress to use every method including the discharge petition to bring the Hells Canyon bill to the floor of the House.

2. That the Government should retain primary responsibility for insuring that resources are properly developed and should retain ownership and firm regulation of public lands.

3. That the Federal Government proceed with all speed to develop economic nuclear power facilities; and authorize appropriation of funds for basic research in conversion of water and the utilization of solar energy.

4. We urge that the administration of conservation agencies should be returned to the professionals in these fields by replacing present incompetent political appointees.

5. That increasing needs for recreational facilities should be recognized by programs emphasizing the multiple use of national forests placing greater weight upon recreational values, passage of a bill creating a national outdoor recreational research review commission and passage of a bill to create a national wilderness preservation system.

6. Expansion of programs for reforestation, for the improvement of grazing lands, militant protection of national forests from grazing, lumber and mining land grabs exemplified recently by the Al Sarena deal and the D'Ewart bill to deed control of forest grazing land to private interests.

7. The establishment of programs for the stockpiling of strategic minerals and the encouragement of a sound domestic mining industry, reversing the recent trend developed by our Republican administration to destroy our domestic mining industry.

8. In order to insure the proper development of the Glen Canyon Dam project Federal funds must be appropriated to complete the access road connecting Utah and Arizona. In order to connect Utah with Arizona this project will necessarily have to include construction of a bridge across the Glen Canyon Dam site making it possible to cross the dam site by traveling 1,200 feet rather than journeying 225 miles. If such funds are appropriated this access road with the bridge will become a major highway to carry commerce and tourists past the dam area and provide a direct link between Utah and Arizona.

9. Preservation of the antimonopoly provision of the reclamation law that include preference of public agencies for power distribution and the excess land clause (160 acre limitation). We oppose piecemeal undermining of these protections by such devices as special bills exempting particular projects.

10. We further urge public hearing after ample public notice designed to educate the American public and Congress on the necessity for vigilance in preserving existing principles of protection of our natural resources of water and power against any selfish monopolistic tendencies.

STATEHOOD FOR ALASKA AND HAWAII

Whereas the Territories of Alaska and Hawaii have demonstrated political maturity and have fulfilled every historic qualification for statehood; and

Whereas proposed legislation to grant immediate statehood for both Territories is now pending before the present session of Congress: Now, therefore, be it

Resolved, That we endorse without qualification the proposed legislation now in the 85th Congress, 2d session, to grant immediate statehood for both Alaska and Hawaii.

HATCH ACT

Whereas the Federal Corrupt Practices Act and other laws protect civil-service workers from the application of obnoxious political pressures and the Hatch Act gives little protection; and

Whereas we consider that full participation in the political activity of our Nation is the natural and constitutional right of every United States citizen; and

Whereas sections 9 and 12 of the Hatch Political Activities Act severely restrict the political activities of millions of Federal, State, and municipal governmental employees; and

Whereas these sections have been declared constitutional by the United States Supreme Court; and

Whereas prohibitive Civil Service Commission regulations interpreting the Hatch Act

have resulted in the political sterilization of millions of United States citizens; and

Whereas a majority of these millions are in industrial, clerical, or non-policy-making positions; and

Whereas no sound reason exists for the complete stifling of political activities by these citizens; and

Whereas the Supreme Court decisions and civil service regulations have eliminated the hope of judicial or administrative remedy; and

Whereas legislative action by the Congress affords the only means of relief; and

Whereas in H. R. 406, August 22, 1957, the House of Representatives declared its intention to grant the greatest possible freedom of political activity to the greatest possible number of persons whose political activities are now restricted under the Hatch Act: Now, therefore, be it

Resolved, That we support H. R. 406 and any forthcoming legislation which liberalizes sections 9 and 12 of the Hatch Act without weakening other laws which protect Government workers from political pressures, or without weakening the merit system.

GERRYMANDERING

Whereas the Democratic Party has long supported the principle that one citizen's vote is as important as that of any other citizen regardless of geographic location; and whereas this principle can best be upheld by a representative form of government based on equal representation of citizens in all legislative bodies: Be it

Resolved, That we urge that each State club work toward eliminating the evils of the practice of gerrymandering legislative districts whenever it exists in that State; and be it further

Resolved, That we urge Congress to reenact the law which expired in 1929 which requires that Congressional districts be reasonably equal in population and reasonably compact.

ADVISORY COUNCIL OF THE DEMOCRATIC NATIONAL COMMITTEE

The young people of the Democratic Party note with pride the great achievements of the advisory council of the Democratic National Committee in giving a living voice to Democratic ideals.

Each time the national Republican administration attempts to conceal the latest national crisis from the people, the Democratic Party is now able to sound a loud and clear demand for the truth.

No longer are half-truths and cleverly twisted pleasantries permitted to go unchallenged.

No longer are lofty Republican campaign promises allowed to lie forgotten.

A new and exciting element has been added to the American political scene: Now, therefore, be it

Resolved, That the Young Democratic Clubs of America commend the Democratic National Committee for establishing the Advisory Council; and be it further

Resolved, That we commend the Advisory Council for all that it has already done in pointing out the crisis which the Nation faces in its foreign and domestic policies; and be it further

Resolved, That we urge the Advisory Council to continue its great work so that people of all political beliefs will be better able to understand the problems which confront them.

UNANIMOUS ADOPTION OF THE FOLLOWING RESOLUTIONS

Whereas Congressman STEWART UDALL, by his excellent chairmanship of this convention, has contributed materially to the success of this convention: Therefore be it

Resolved, That the Young Democratic Clubs of America thank Congressman UDALL and wish him the greatest success in a political career which is a credit to the Democratic Party of the Nation and to himself.

Mr. HUMPHREY. Mr. President, it was also my privilege to address delegates to the convention at its concluding annual banquet, reviewing some of the national and international problems with which we are confronted. I ask unanimous consent also to have printed in the body of the RECORD at this point a summary of excerpts from those remarks.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

MOBILIZATION FOR PEACE

(Excerpts from an address by Senator HUBERT H. HUMPHREY, Democrat, of Minnesota, before National Convention of Young Democrats, Reno, Nev., November 9, 1957)

Our Nation faces a critical hour in its history.

The world is teetering between threatened annihilation, and the greatest era of new discovery and new progress mankind has yet known.

All of us share the sobering responsibility of guiding our destiny on its precarious course—to avert the destructive disaster of war, and to achieve, instead, a far greater fulfillment of man's aspirations than history has yet recorded.

Those twin objectives are inseparable, each dependent upon the other.

In an age when war could mean annihilation, the maintenance of peace is our most urgent business. It is everybody's business, yours as well as mine.

Faced with the gravest dangers we have ever known, our foreign policy is in a state of confusion and disarray. We have relied too long upon a series of patched-up arrangements and improvised reactions to crisis after crisis.

Formosa, Indochina, Egypt, Suez, Syria—and now sputnik in the sky: each one has left our position more precarious, and our adversaries stronger.

Yet with our very national survival at stake, budget ceilings inspired by a business-as-usual mentality have seriously weakened our defense program. After 4 years and $150 billion of President Eisenhower, our defensive power relative to our commitments and to the strength of the Soviet Union is weaker, rather than stronger.

Is it any wonder that there is a rising chorus of apprehension and criticism, both in the United States and among our friends abroad?

We must talk frankly, and yes, even bluntly, about the situation that confronts us.

The administration has not been candid with the American people.

It has fed the public political tranquilizers. We are now undergoing a rude awakening—with quite a hangover.

The last 10 years have seen almost incredible changes in our world.

Atomic energy, with all its shattering dangers and unlimited opportunities, is intruding into our lives more each month. We have a bear by the tail, a locomotive that threatens to run away downhill with us. We have to tame this great power, before it enslaves us—or destroys us.

The beep-beep-beep of the first Russian satellite told us that we have crossed another threshold—into the age of space flight.

No longer is it idle speculation that man may some day reach the moon and the planets.

The new speeds of today, of a revolutionary nature, are destroying all our old ideas of space and distance, revolutionizing military strategy, revealing new concepts of communication and travel.

But the vast political changes in the world, in the relationship between nations, the breakup of the old colonial empires, the creation of a new Soviet empire headed by ruthless and tenacious leaders, the birth of new nations and the rising tide of nationalism in Asia and Africa: these political social changes in the world pose an equal challenge to American leadership.

They dramatize the imperative need to find, among our young people, not only brilliant research and technical workers, but also leaders for the next generation in every area of our social economic life.

If we needed more scientists and technicians 10 years ago, we need them doubly now. If we needed then more people trained to work with the peoples of other nations, and to lead our own, we need them doubly now.

If we needed in 1947 to seek out and encourage the creative, industrious, intelligent men and women for every field of American effort, that need is more imperative, more desperate than ever before.

For the truth is that the backward peasant nation that was the Soviet Union even 30 years ago has raised itself (at what cost in human suffering and the loss of human dignity we can only estimate), to a high level of technological accomplishment.

Such a remarkable feat cannot help but attract the young nations of the world who are themselves now taking their first faltering steps out of their age-old poverty and domination by colonialism.

The sputnik merely dramatizes the whole broad field of Soviet accomplishments.

It is not only Soviet missiles and rockets that face us.

There is indeed, a formidable Soviet military challenge, in the form of intercontinental ballistic missiles in a vast fleet of missile-equipped submarines, and in its huge standing army. We do face a shrewd and ruthless Soviet leader, not at all adverse to the use of threats and of force, if need be. It is literally true that, through the most incredible kind of complacency, we have permitted the Soviet Union to leave us some months and perhaps years behind in rockets and missiles.

But make no mistake about it. It is not only Soviet missiles and rockets we face.

Nikita Khrushchev has thrown down the gauntlet across the board. He boasts that the Soviet will be supreme in nuclear power, in consumer goods production, in cultural activities, in agricultural production, in education.

It is time we realized that the Soviets are waging all-out war on us, without a shot being fired. It is economic warfare, political warfare, cultural warfare, educational warfare, and scientific and technological warfare.

They are challenging us in every field—and the new nations of Asia and Africa, representing the great uncommitted weight of the world's manpower and resources, are watching intensely the onrushing Soviet drive.

We are locked in a struggle which will demand every resource of our intelligence and our spirit if we are to survive. We are in a one-game world series, and we cannot afford to lose any more innings.

Soviet Russia has shrewdly embarked on a campaign to conquer the world bit by bit—rather than just blow it to bits.

That is the all-out challenge we face.

It must be met with faith and determination, not with fear and frustrations.

We must decide to compete—and win—in every area of challenge. We must compete all the way, not with one hand tied behind our backs. We must compete with the greatest mobilization of our resources, our talents, our national will that we have ever known.

The decision to meet Russia's challenge at every hand is a decision which must be taken by the President, specifically but ulti-

mately it must be taken by us all, as a people, as a nation.

We have not yet fully faced up to the implications of this competition. We have not really assayed the costs in energy, in money, in worry, in sacrifice to compete effectively with the Soviet Union, across the board.

If we are to compete effectively, there must be a fundamental change in America toward the intellectuals and the scholars in our midst.

What America needs is more eggheads, and fewer fatheads.

We are paying a grim and tragic price for the wave of anti-intellectualism that has gripped our country in recent years.

Fear and distrust of thinking people is a disease we simply must stamp out. We cannot afford any more the luxury of laughing at eggheads as too often some have done, or of suggesting there is something treasonable about being an intellectual.

If we are really to mobilize for peace, the place to start is with our brainpower, our experience, our intellectuals.

Just as we are suddenly facing the necessity of mobilizing our scientists to compete with Russia, so too do we need immediately to mobilize our intellectuals in every field who have a contribution they can make toward meeting Russia's challenge in other fields.

And we cannot cast aside valuable resources of brains, experience, skills, and judgment just because of differing political convictions.

If we are to expect the Nation to rally in a bipartisan spirit to meet with determination the challenges confronting us, then bipartisanship must consist of more than occasional consultation when the administration is in trouble.

It must start with a sincere recognition of the vast unused resources available today for mobilization into our struggle, and a recognition that Republicanism has no priority on Americanism—and most certainly no exclusive cartel on knowledge and judgment.

At a time when we urgently need full mobilization of the Nation's intelligence in the struggle for freedom's survival, why must an Adlai Stevenson be relegated to practicing law in Chicago—instead of, for example, serving in the long-needed and yet-unfilled role of United States Ambassador to NATO?

If the President is sincere about wanting to strengthen NATO—and that necessity is urgent—here is an opportunity confronting him.

At a time when our prestige abroad is steadily faltering, why must a Chester Bowles be relegated to touring the country on private lectures—instead of being called to duty to raise the calibre of America's representation abroad? Why isn't this great American who has won such confidence and respect in the world sent as a new Ambassador to Yugoslavia, for example, as a listening-post for democracy in the explosive central European area, a man whose sympathetic understanding of human aspirations everywhere would inspire new hope in the hearts of captive peoples in Poland and Hungary—and strengthen freedom's chances for an eventual breakthrough to independence for now satellite nations?

Why, if we are mobilizing our Nation's resources, must George Kennan perhaps the country's greatest authority on Soviet Russia, be ignored as a valued adviser to our Government, and left lecturing in London? Why isn't he summoned to Washington to help design and guide our all-out competition with Soviet Russia so necessary to preserve freedom in the world?

Why isn't better use made of a Chip Bohlen, another great American with keen insight into Soviet machinations, than to have him farmed-out in Manila at a time when we need all the experts we can get on how to match wits with the Russians?

Why isn't there a role of useful public service for a man like former Senator William Benton, who on one trip through Russia learned more about the Soviet educational system in 2 months than we had otherwise accumulated in 20 years?

It will be difficult to convince the American people that any administration really wants all-out bipartisan mobilization for peace if it neglects the available services of such great Americans—and great Democrats—just because they are Democrats.

Yet it will take the kind of dedicated service such men can and will give our country to win in the struggle we face.

All of us in the Democratic Party have a contribution to make toward winning the cold war. As young Democrats, you have such opportunities, for you represent the spirit and idealism of democracy with a small "d" that above all must prevail if our foreign policy has any hope of achieving our goals of a just peace.

As young Democrats and young Americans, you can and must help awaken the Nation to the challenges we face—and to guide public understanding to the all-out nature of our struggle.

And, above all else, you can continue always to press vigorously toward a governmental policy at home and abroad designed to make sure we're presenting an image of America and Americans to the rest of the world as we really are—not as the Soviets portray us to be.

The image of America which has been projected abroad for 4 years is a distorted image. In its changing and misshapen character, it is like a shadow leaping on the wall thrown by the light of a flickering candle. This is an image which has never in 4 years become stabilized—which has expanded and shrunk, leaned this way and that, until the world does not really know what this Nation is.

And it is vitally important that our enemies, as well as our friends, know what we are, what we intend, what we will do—we must make very clear our basic policies.

At the moment, I am afraid, both our friends and our enemies see us as a belligerent giant, threatening to set the world on fire with nuclear weapons. It sees us pressing forward with more and more thermonuclear tests. It hears open threats of massive retaliation, liberation of satellites. Yet in the next breath the world has seen us back down when the chips were down, after the powerful boasts and open threats we have uttered. We cannot build a world of security on bluff and backdown. Neither can we build it with dependence on the deterrent power of the nuclear weapon as our sole defense.

Our history, our heritage, our experience in self-government, yes, our own revolution, are in fact the sources of our strength.

Our foreign policy is weakened and limited, to the degree that we forget, or fail to apply, the yardstick of our own democratic experience to the complex and intricate problems of the world in which we live.

Nor we will not enhance freedom, by aping the enemies of freedom.

Democracy and free institutions are not made more secure by utilizing totalitarian techniques.

To be strong, we must be true to ourselves.

It is time that we walk confidently, with the full stature and strength of our history—and our present capacities as a people, if we will but fully use them.

In a world that is desperately in need of capital, we have the greatest capital resources of all.

In a world where people are anxious for the blessings of science and technology, we are richly endowed with these blessings.

In a world where the majority of people are ill-housed, ill-fed, and ill-clad, we are privileged to have an abundance of food and fiber and the knowledge of scientific progress for health and shelter.

In a world where tyranny and cynicism are widespread, we have faith and confidence in our democracy.

For too long, our foreign policy has been based on fear rather than hope; on reaction, rather than action.

We have been afraid of revolutions in Asia and Africa, when in actual point of fact we should have helped develop and harness these revolutions, and helped the new nations along the road to independent development.

The greatest hope we can hold out to millions of people in Asia and Africa is our own dramatic story of American independence.

This is our message to the world—the message of self-determination, liberation, faith in human dignity, and human ability.

It is this message of brotherhood and human equality that is our reservoir of good will.

We need to join with the spirit of independent nationalism that grips the underdeveloped and underprivileged countries and remind these people that we, too, are the children of self-determination, of revolution, and of a will to freedom and independence.

We must make greater use, not less, of our economic strength to help other free nations develop themselves, and bring the blessings of freedom to their eager and impatient peoples.

This is a weapon of peace and plenty which the Soviet Union cannot match.

Yet we must not use our economic development funds to subvert the independence of other free countries by attaching military or political conditions humiliating to them, or by trying to shape them in the image of the United States.

We must remember that their independent development, in forms suitable to their people, their circumstances, and their resources, is in our interest as well as in theirs.

We should step up our own point 4 program, at the same time that we continue to work through the U. N. and help expand U. N. technical assistance. We should more actively, constructively, and imaginatively use our blessings of food and fiber as a powerful force for freedom. A breakthrough in the conquest of hunger is more meaningful to millions of people today than the conquest of outer space.

We need to strengthen the United Nations, to use its facilities and champion its objectives. We need a dramatic expansion of student exchanges, along with the exchange of technicians, professional people, farmers, laborers, businessmen, journalists, and others engaged in public communications. Yes, an exchange of students from Iron Curtain countries, too.

Even as we go forward with programs of international good will, we must remember that we still confront a formidable and implacable adversary—and we must keep our defenses strong.

We can only deal with the Soviet with strength. We cannot risk thinning our defenses to the danger point or—what is equally dangerous—leave ourselves with no effective force but massive retaliation.

If we had no weapons but the ultimate weapons of total annihilation, for use only under the ultimate provocation, we can be sure our adversaries would construe this as a weakness and take advantage of it.

But all our military strength can buy is time—time to build in other ways toward the peace we seek.

While we maintain our armed strength, we must continue to explore all possibilities for agreements to control armaments. And we must manage to convey to the world the positive sincerity of our passion for peace, and for control of arms as a means of diminishing the danger of war.

Above all else, we must keep ever foremost in our minds and hearts the knowledge that our strength is far more than military—that it must be the strength that comes from the spirit of human equality, economic progress, political liberty, and social justice.

Ours is a nation of compassion.

Ours is a people of generosity.

Our heritage befits us for the great challenges we face.

That challenge, to you and me and to all of us, is to show the world a way to eradicate the shame and scandal of poverty, of exploitation, of oppression, or of greed—without resort to social revolution and class struggle and dictatorship.

If we can place these material values in their proper subordinate place within the context of a mighty spiritual movement which will be revolutionary without being subversive, which will draw its substance from the riches of the western tradition, then our faith will not have failed us. It will have sustained us through this present period of doubt and drift, and it will have led us on to the achievement of our goals of freedom, justice, and peace.

FIVE-CENT POSTAL RATE TO HELP FINANCE CONSTRUCTION OF NEW POST OFFICE BUILDINGS

Mr. NEUBERGER. Mr. President, for many months now the distinguished and beloved Senator from Arizona [Mr. HAYDEN], who today attains such an epic milestone in Senate service, has talked to us about raising postal rates in order to save him and his colleagues on the Appropriation Committee from encountering larger and larger deficits.

I pay tribute to him on this occasion by following along in the general policy he has advocated. If imitation is truly the highest form of flattery, then the Senator from Arizona may be said to have received such an accolade from me today.

With reluctance, Mr. President, I have reached a decision to support the request of President Eisenhower and the Postmaster General for a 5-cent postage rate for first-class letters, in conjunction with related increases in other classes of mail.

I realize that such an increase in postal rates will be unpopular. Certainly, if we were to admit political considerations, the 3-cent stamp has long been considered sacrosanct, and supporting its abandonment for a nickel stamp is likely to meet much criticism and little credit. But, as a member of the subcommittee which has been considering the postal rate structure, I honestly believe the increases are in the public interest, and that is why I shall support them.

First, Mr. President, as the sponsor of legislation to provide substantial salary increases for postal employees, I know how desperately an increase in the total payroll of the Post Office Department is needed. Many of the men in this service must struggle to support their families on pay scales as low as $4,000 a year. This is a situation requiring immediate correction, at substantial additional cost to the Department. The Department operates on general Federal funds, not from its own revenues—yet it takes revenue from some source to provide the men and women in the postal service with salaries essential to an American standard of living. I believe that, on reflection, people will not resent contributing to this objective when buying 5-cent stamps for their letters.

Secondly, Postmaster General Summerfield has told our committee that he intends to commence a vast program of modernization and construction of new post-office buildings and facilities if the 5-cent stamp is authorized. Certainly present post-office facilities are shamefully inadequate. My own home city of Portland is much in need of new structures, and I am sure every Senator knows of communities in his State that are in similar straits.

JOBLESS MEN IN OREGON NEED CONSTRUCTION EMPLOYMENT

Furthermore, I help to represent in the Senate a State which now suffers from the highest unemployment rate in the Nation. Men in Oregon's building trades are near the top among the jobless categories. The administration has, I think, greatly exaggerated the total economic impact that might be expected from its post-office construction program; yet even a less grandiose impact could be helpful in the present situation if started soon enough. An early start on construction of new post-office structures in cities like Portland and Pendleton can afford urgently needed employment opportunities, with beneficial consequences for mercantile business in those communities. Looked at only as means of obtaining Federal post-office buildings, straight Federal construction seems to me to have many long-run advantages over the leasing plans proposed by the administration. But given the administration's position, we in Congress do not now have that choice if we want quick action, and to get quick action I for one am prepared to give the Postmaster General the green light if he will go ahead at once as he has said.

Finally, Mr. President, as a matter of principle, legislators cannot always support every appropriation and oppose every means of raising new revenue. We were reminded of this last autumn by the able chairman of the Senate Committee on Appropriations, the senior Senator from Arizona [Mr. HAYDEN], whom we honor today. Senator HAYDEN's wise and experienced counsel on many occasions in the 3 years I have served in this body has had an important bearing on my own thinking. His great sense of responsibility toward the financing of the Federal Government's manifold and vital activities reflects his years of experience as chairman of the Senate committee which must act as the valve controlling the annual outpouring of scores of billions of dollars, as well as his unmatched length of service in the Congress since Arizona first became a State.

Upon the committee headed by Senator HAYDEN converge the demands from all regions of the United States, usually supported by their representatives in this body, for funds for Federal programs of importance to the people of those regions. Many of us are demanding public works, expanded slum clearance and public and private housing programs, and tax reductions and other means of coping with the present recession. We, from the Pacific Northwest, have been in particular need of heavy Federal investment in the development of our natural resources, particularly the water resources of the Columbia Basin. In the years that I have served in the Senate, I know that Oregon has always stood high in such appropriations as, for instance, the funds spent by the Corps of Engineers for river development. At the same time, we also have a great stake in the repeal of the Federal excise taxes on transportation, which are so discriminatory against any area such as the Far West, where transcontinental transportation costs are such a great factor in everything we must buy and sell in the eastern centers of our national economy.

GOVERNMENT REQUIRES INCOME TO SUSTAIN ESSENTIAL FUNCTIONS

Yet, legitimate as these needs are, we cannot always advocate only the spending of public funds and the lifting of burdensome taxes. We cannot always evade the responsibility of facing up to the need to collect revenue.

The 5-cent stamp, unpopular though it might momentarily be, is one way to pay for some of the necessary expenditures which we favor, such as better pay for Government workers and new post office construction throughout the Nation.

As many of my constituents realize, I began my Senate service opposed to postal rate increases. However, I believe that a closed mind is a mind unworthy of leadership in a democracy. I have sat attentively through hours and even days of hearings on this whole question. Leaders in the Senate like Senator HAYDEN, Senator LYNDON B. JOHNSON, and Senator MIKE MONRONEY have talked to me earnestly of the difficulty in raising revenues to cope with the ever-increasing demands on Government. There has been brought home to me the fact that the things which the Post Office Department must pay for—telephone service, lights, gasoline, trucks, stationery, office equipment—these things continually go up in cost. Can we for long justify a policy under which the Post Office Department pays ever-higher prices for such equipment and still must maintain its own charges and rates at a static level?

Then we have the further question of post office salaries, which I have already discussed. Is it fair to take out of the clothing, medical needs and dinner-table servings of the children of postal workers what would be in effect, a continued subsidization of certain postal rates which have not changed for a quarter of a century? These questions have disturbed me profoundly, and they have contributed to my change of mind on this issue. I have no apologies to make, Mr. President. Abraham Lincoln's favorite poem was the Present Crisis, by Lowell, and one stanza of that great rhyme went as follows:

New occasions teach new duties,
Time makes ancient good uncouth;
They must upward still and onward,
Who would keep abreast of truth.

ADMISSION OF REFUGEE ORPHANS TO CITIZENSHIP IN UNITED STATES

Mr. NEUBERGER. Mr. President, among the finest of our American citizens are Mr. and Mrs. Harry Holt of Creswell, Oreg. They have devoted themselves to helping hundreds of mixed-blood war-orphan children in Korea find good homes in the United States. They have expended freely of their time, efforts, and good health; and members of the Holt family have made many trips to Korea in behalf of these children. I know of no family which has better symbolized the Biblical Good Samaritan.

Mr. President, I had the honor to sponsor private legislation which was enacted in the 1955 session of Congress which permitted Mr. and Mrs. Holt to bring to the United States their eight adopted Korean children. Mrs. Neuberger and I have visited the Holt home and have seen the wonderful care which the Holt family is giving to their children.

Mr. and Mrs. Holt have found American homes for almost 700 Korean war orphans. Mr. Holt's great work has been internationally recognized, and only recently the Republic of Korea has presented him with the ROK public-welfare medal in recognition of his humanitarian work. He has indeed been an apostle of international good will and understanding.

Mr. President, I ask unanimous consent to place at this point in my remarks a news story from the Oregonian, Portland, Oreg., for January 25, entitled "Korea Renders Thanks to Holt," and an editorial from the Oregon Journal of the same date entitled "Humanitarian and a Diplomat."

There being no objection, the article and editorial were ordered to be printed in the RECORD, as follows:

[From the Portland Oregonian of January 25, 1958]

KOREA RENDERS THANKS TO HOLT

SEOUL, KOREA.—The Republic of Korea Saturday thanked a 52-year-old Oregon farmer for his selfless untiring efforts in finding American homes for nearly 600 Korea orphans.

Health and Social Affairs Minister Sohn Chang Whan pinned a medal for public welfare service on a beaming Harry Holt of Creswell in a simple ceremony.

He made the presentation in behalf of President Syngman Rhee.

"I'm surprised and happy," Holt said humbly. "It came so suddenly I don't know what to say about the honor being done here."

Holt is only the fourth person to receive the top civilian honor.

The citation called him "a benefactor to orphaned children and apostle of international understanding and good will."

It said "his resourcefulness enabled him to overcome countless difficulties and he ignored physical discomforts to develop the Holt adoption program."

Holt first came to Korea in June 1955, and has since taken to America 575 orphans, mostly of mixed blood, adopting eight himself.

Holt said he will continue to work "as long as I'm here. You see I'm not as young as I used to be."

[From the Oregon Journal of January 25, 1958]

HUMANITARIAN AND A DIPLOMAT

Diplomacy is not for governments only. Sometimes private individuals can strike powerful blows in its behalf.

Harry Holt, Creswell, Oreg., farmer who is devoting his life and his treasure to bringing abandoned mixed-blood orphans from South Korea to the United States, does not consider himself a diplomat. He does what he does out of a great compassion which the average person is not capable fully of understanding.

But the government of Korea, through its ministry of health and social affairs, has given Holt the ROK public welfare service medal in recognition of his humanitarian work. Official acknowledgement of what he has done, which must be shared in by the people of Korea, puts his work in the realm of diplomacy.

In view of the shabby legacy left by American GI's who fathered these infants who later were abandoned by their Korean mothers, Holt's work stands out like a beacon light. We may hope that the Korean people judge America just a little bit by his standards.

Mr. NEUBERGER. Mr. President, it was my privilege to sponsor legislation last year, that has since been enacted into law, which provides for the admittance of orphan children up to 14 years of age who have been or will be adopted by American families. These homeless orphans who have been adopted by American families have come from many countries of the world.

Under the provisions of Public Law 85-316 which provides for the admission of orphan children, the special nonquota immigrant visa must be issued on or before June 30, 1959. I do not anticipate any difficulties in obtaining a renewal of legislation providing for the admission of orphan children, but it is my hope that the new legislation will take effect promptly so that there will not be a period of time when orphan children adopted by American families will not be able to enter our country. Last year there was a 7-month delay which forced great hardship on many American families and their adopted children and many hundreds of private orphan bills were introduced in the Congress.

In our Senate discussion of the orphan legislation last August 21, 1957, the distinguished chairman of the Senate Judiciary Committee, Senator JAMES O. EASTLAND, stated he did not think that there would be objection to extending the orphan legislation beyond June 30, 1959.

Mr. President, Mr. Holt recently returned to the United States from Korea with 90 additional orphan children who have been adopted by American families and he plans to carry on his great humanitarian endeavor as long as there are children who need help.

Mr. President, I ask unanimous consent to place in the body of the CONGRESSIONAL RECORD at this point in my remarks the fine story of February 2 by Dan Sellard of the Eugene, Oreg., Register-Guard entitled "Holt Surveys His Operation Orphans."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GETTING MEDAL "KINDA AWKWARD"—HOLT SURVEYS HIS OPERATION ORPHANS

(By Dan Sellard)

When the Republic of Korea gave Harry Holt its medal for public service last week, the Creswell farmer pinned it on his only white shirt, one that he had just laundered himself.

"It was kinda awkward for an old farmer like me," he said in his study Saturday morning.

When a reporter asked to see that medal Saturday, Holt had to go find it, saying "I haven't even shown it to my wife yet." He had just returned from Korea with the latest batch of the more than 700 Korean-American orphans he is placing in American homes.

Holt looks wan and tired, and he admits that this last trip was the roughest of the dozen he's made. But he insists he feels fine and is raring to go again.

NO SLEEP

This trip was doubly rough: He brought back 28 children that are suspected to have tuberculosis, and his chartered plane flew part way on only three of its four engines. Consequently, Friday night Holt had his first sleep in 4 days.

The children who may have TB were en route Saturday to sanitariums in California and Denver.

Holt admits that he has been severely criticized in several quarters for bringing "kids with TB" into this country, but he has an explanation of his action.

First, he says he's not at all convinced that the children have tuberculosis. He says there are no facilities for adequate testing in Korea and that the children are only TB suspects.

QUALIFIES DISEASE

And, he says, if the children have TB, it's a childhood type of the disease and is not contagious to adults. He says he has handled many cases himself and has never developed any symptoms.

If they do have TB, he continues, they'll get better treatment in the United States than they would in Korea.

"Besides all this," Holt says, "it's not costing the taxpayers anything at all. The kids that went to California will be treated at the expense of their adopted parents and me. And the kids that went to Denver will get their treatment at the National Jewish Hospital on the house. The hospital is a private hospital and is not financed by public money."

FOUR RELEASED

Holt says that of the four tuberculous children he sent to the States in November, three were immediately released from this hospital. He is sure the same will be true with the recent arrivals. "I think they'll be hospitalized about a week," he said Saturday.

Harry will stay at home longer than usual this time. He plans on going back to Korea about the end of March. His next mission will be to build an orphanage and that will have to wait until better weather.

"I enjoy doing this," he says. "I've never had such an interesting job in my life. Making these little kids happy is fun. It's hard work, but it's enjoyable. I made some money so that I can afford to do this, and I do not believe in leaving any of my money behind."

TOTAL COST

The bushy-browed farmer, who has been dubbed the "Pied Piper of Creswell," admits the program has cost more than $100,000 so far. It's costing less per trip as he learns

the ropes, though. For instance, he's found it cheaper to charter a Korean plane than an American plane and he's learned how to take more passengers per trip (by removing the seats and installing cribs).

How long will it take to finish his project? Holt has no hopes of finishing, for "as long as there are soldiers in Korea," there will be orphans to bring home. More funds are being donated by the day and Holt admits he hasn't yet spent all his money.

Holt suffered a severe heart attack last year and this brought up the question of who will eventually take over his project. "I don't know," he said Saturday, "there doesn't seem to be anyone who wants to. I just don't know what would happen. I don't think about it. I feel fine now. These trips seem to agree with me."

HATES BY HIMSELF

A succession of such strenuous trips would wear down any ordinary man. But Harry Holt hardly seems to fall into that classification; he simply doesn't fit into the usual patterns.

It is easier to say what Holt isn't than to say what he is:

He isn't a publicity seeker. He handles reporters and photographers with very little aplomb and sometimes hardly seems conscious they're around. There have been times when he's been a little peeved with the handling he's had in national magazines and news reels.

He's not a religious fanatic. When he speaks of God he speaks of a friend who's helping, rather than a commander who is telling him what to do. But he does credit God as the inspiration for his action in seeking out and caring for the Korean orphans. "I wanted to do something for God and I'd sure hate to be a preacher," he says.

He's not a wealthy philanthropist who pats himself on the back with one hand while spending big with the other. He has money, but it's new to him. He made it by buying some cheap timber and milling it when the market was good.

He isn't a devoted social worker. He says right out he dislikes social workers and the "redtape barriers they put in my way." Rather than being a starry eyed do-gooder, he is a forceful man with practical ways of doing things.

He's not smug and proud of himself. Rather, he's over modest and inclined to belittle his achievements.

Holt sees his program as an interesting job to be done and he's doing it.

While Holt is resting up at his comfortable Creswell home, his daughter Barbara, 20, will be working in Korea. Another daughter, Wanda, is in Denver at the hospital with the sick children, and probably will fly to Honolulu to care for one waif left there Thursday.

And when he announces he is going to take it easy until March sometime, he doesn't sound too sincere. There's always work to be done on the farm, he says. But he also says there's work to be done in Korea.

Mr. NEUBERGER. Mr. President, there has been considerable criticism in Oregon regarding the admission of orphans and other persons who are suffering with tuberculosis. I have received angry phone calls and indignant letters. The Immigration Act of 1957, which I cosponsored with the distinguished and able junior Senator from Massachusetts, JOHN F. KENNEDY, provides for the admission of persons into the United States with tuberculosis under strict safeguards.

After receiving such protests, I could only think of the moving lines by Emma Lazarus on the pedestal of the Statue of Liberty:

Give me your tired, your poor, your huddled masses yearning to breathe free, the wretched refuse of your teeming shore, send these, the homeless, tempest-tossed to me.

Somehow, I feel that the author of the Sermon on the Mount and the writer of the Declaration of Independence would approve of granting sanctuary in America to abandoned orphans and other persons who are wracked by sickness and misery.

I have contacted the Public Health Service and the Immigration and Naturalization Service regarding their administration of section 6 of Public Law 85–316 which provides for the admission of those suffering with tuberculosis.

The Assistant Surgeon General of the United States reports that there are sufficient safeguards in the law and the regulations prescribed by the Attorney General to prevent those aliens suffering from tuberculosis from acting as sources of infection to other people, if the regulations are properly carried out.

Under the regulations, an alien may not be admitted to the United States with tuberculosis until arrangements have been made for his care at a hospital or sanatorium in the United States and he cannot be discharged from the institution until approved by the Public Health Service. The costs of such treatment are borne by the individual or his sponsors and a showing must be made that adequate financial resources are available before the visa for admission to our country is issued. I cannot believe that this law would cost our Federal Government or the various State governments additional money.

Mr. President, I ask unanimous consent to place at this point in my remarks in the CONGRESSIONAL RECORD, the letter I received, dated January 24, 1958, from Dr. John W. Cronin, Assistant Surgeon General, Chief, Bureau of Medical Services, United States Public Health Service, and a letter from the Commissioner of the Immigration and Naturalization Service, dated January 23, 1958, dealing with the administration of the law and regulations for the entry into our country of persons suffering from tuberculosis. I also ask unanimous consent to place in the RECORD a brief news item by the Associated Press which appeared in the February 2, 1958, Eugene Register-Guard entitled "New Drugs Whipping TB."

There being no objection, the letters and news articles were ordered to be printed in the RECORD, as follows:

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE,
PUBLIC HEALTH SERVICE,
January 24, 1958.

Hon. RICHARD L. NEUBERGER,
United States Senate,
Washington, D. C.

DEAR SENATOR NEUBERGER: This is in reference to a telephone call from Mr. Walter Dodd of your office to Dr. Ralph Gregg of this Service on January 17, 1958, regarding section 6 of Public Law 85–316 which amends the Immigration and Nationality Act to permit the admission, under controls, of tuberculous aliens who are close relatives of United States citizens or resident aliens.

Mr. Dodd referred to a letter you received from a constituent expressing concern that this law would result in admission of large numbers of persons who would endanger the public health and become financial burdens to the people of the State of Oregon.

We appreciate your constituent's concern, as tuberculosis in years past has been a major cause of illness and dependency. However, in recent years great advances have been made in the treatment of the disease, notably with surgery and drugs, resulting in dramatic reductions in the numbers of cases and deaths.

Certainly we would not want to lose ground in the control of tuberculosis in the United States by admitting aliens who were liable to infect other persons. We believe there are sufficient safeguards in the law and the regulations prescribed by the Attorney General to prevent the aliens from acting as sources of infection to other people if the regulations are properly carried out.

Under the regulations the alien may not be issued a visa until arrangements are made for his care by a hospital or sanatorium in the United States. Assurances are required from the alien that he will place himself under care of the institution upon arrival and will remain under its care or supervision until his discharge is approved by the Public Health Service. A written statement is also required from the institution agreeing to provide care for the person and not to discharge him until agreed upon by the Public Health Service.

The regulations provide for keeping the alien from becoming a public charge. Before receiving a visa he is required to furnish an affidavit from a sponsor or other responsible individual that financial arrangements for his care have been made.

When aliens with tuberculosis are admitted at United States ports, the quarantine officer reports them to the State health departments of destination for such follow-up as is deemed necessary.

We trust this information will assist you in replying to your constituent.

Sincerely yours,

JOHN W. CRONIN, M. D.,
Assistant Surgeon General, Chief,
Bureau of Medical Services.

UNITED STATES DEPARTMENT OF JUSTICE,
IMMIGRATION AND NATURALIZATION SERVICE,
OFFICE OF THE COMMISSIONER,
Washington, D. C., January 23, 1958.

Hon. RICHARD L. NEUBERGER,
United States Senate,
Washington, D. C.

DEAR SENATOR NEUBERGER: In response to your inquiry on January 17, 1958, concerning the procedures followed by this Service pursuant to section 6 of the act of September 11, 1957, the following information is furnished.

The statute authorizes the American consular authorities to issue a visa to any alien who is the spouse or child of a citizen or lawful permanent resident of the United States, or has a son or daughter who is a citizen or lawful permanent resident of the United States notwithstanding affliction with tuberculosis, if otherwise admissible under the general laws relating to immigration. The statute further provides that the alien be admitted to the United States for permanent residence in accordance with such terms, conditions, and controls, if any, including the giving of a bond, as the Attorney General, in his discretion, after consultation with the Surgeon General of the United States Public Health Service, may by regulations prescribe.

Effective January 9, 1958, title 8, Code of Federal Regulations, section 212.7, provides that an alien who is excludable and seeks a waiver under section 6 of the act of September 11, 1957, shall establish, among other things, that if required he will be hos-

pitalized upon admission into the United States and will remain so hospitalized until the United States Public Health Service approves his discharge, and thereafter submit to such examinations, treatment, isolation, and medical regime as the United States Public Health Service shall direct; shall furnish an affidavit from a sponsor or other individual that financial arrangements for his care have been made, and a statement from a hospital or sanatorium, recognized by the United States Public Health Service as an institution for the treatment of tuberculosis, agreeing to submit its clinical evaluation and X-rays of the patient to the United States Quarantine Station, Staten Island, N. Y., and not to discharge the patient until agreed upon by the Chief Quarantine Officer; and an acknowledgment that he will comply with the provisions of "Sanitary Measures for Travel of Aliens with Tuberculosis," a copy of which is to be furnished to him, and intends in good faith to submit to the hospitalization and subsequent course of treatment as arranged for him.

On January 16, 1958, as required by the statute, a report was furnished the Congress concerning the seven individuals who had been admitted to the United States pursuant to section 6, act of September 11, 1957. For your further information, I am attaching two copies of the pamphlet entitled "Sanitary Measures for Travel of Aliens with Tuberculosis."

Sincerely.

NEW DRUGS WHIPPING TB

What is happening in the tuberculosis hospitals is evidence that the TB problem may be licked before long. New drugs provide most of the answer.

The State's three TB hospitals—in Salem, The Dalles, and Portland—have 525 beds. They now have only 284 patients, or 45 fewer than a year ago.

That is why the legislature is asking the people to approve next November the closure of the 170-bed hospital at The Dalles, which now has only 55 patients.

In fact, the Portland hospital could be closed, too, because all of the tuberculosis patients in the State now could be cared for in the Salem hospital.

Mr. NEUBERGER. Mr. President, I know of no more worthy project than to help the orphan children of the world. While our country spends many billions of dollars in the field of mutual aid, we can strike a blow for freedom and people-to-people understanding by our country's orphan program. These orphans are in no danger of bringing to our country foreign ideologies perilous to the American traditions of freedom and liberty. The great work by the Holt family and many other devoted people has done a great deal to make the brotherhood of man a reality.

BLOOD, BREATH, AND URINE TESTS AS EVIDENCE OF INTOXICATION IN DISTRICT OF COLUMBIA COURTS—CONFERENCE REPORT

Mr. CLARK. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 969) to prescribe the weight to be given to evidence of tests of alcohol in the blood or urine of persons tried in the District of Columbia for operating vehicles while under the influence of intoxicating liquor. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. HOLLAND in the chair). The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of February 10, 1958, p. 1975, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

AMENDMENT OF CIVIL AERONAUTICS ACT OF 1938

The Senate resumed the consideration of the bill (H. R. 5822) to amend sec. 406 (b) of the Civil Aeronautics Act of 1938 with respect to the reinvestment by air carriers of the proceeds from the sale or other disposition of certain operating property and equipment, which had been reported from the Committee on Interstate and Foreign Commerce, with an amendment, to strike out all after the enacting clause, and insert:

That section 406 (b) of the Civil Aeronautics Act of 1938, as amended, is hereby amended by adding at the end thereof the following new paragraph:

"In determining the need of an air carrier for compensation for the transportation of mail, and such carrier's 'other revenue' for the purpose of this section, the Board shall not take into account gains derived from the sale or other disposition of flight equipment if (1) the carrier notifies the Board in writing that it has invested or intends to reinvest the gains (less applicable expenses and taxes) derived from such sale or other disposition in flight equipment, and (2) submits evidence in the manner prescribed by the Board that an amount equal to such gains (less applicable expenses and taxes) has been expended for purchase of flight equipment or has been deposited in a special reequipment fund. Any amounts so deposited in a reequipment fund as above provided shall be used solely for investment in flight equipment either through payments on account of the purchase price or construction of flight equipment or in retirement of debt contracted on and after April 6, 1956, for the purchase or construction of flight equipment, and unless so reinvested within such reasonable time as the Board may prescribe, the carrier shall not have the benefit of this paragraph. Amounts so deposited in the reequipment fund shall not be included as part of the carrier's used and useful investment for purposes of section 406 until expended as provided above."

SEC. 2. The amendment made by this Act to such section 406 (b) shall be effective as to all capital gains realized on and after April 6, 1956, with respect to the sale or other disposition of flight equipment whether or not the Board shall have entered a final order taking account thereof in determining all other revenue of the air carrier.

Mr. BIBLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BIBLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CLARK in the chair). Without objection, it is so ordered.

The question is on agreeing to the committee amendment in the nature of a substitute.

The Chair recognizes the Senator from Oklahoma [Mr. MONRONEY].

Mr. MONRONEY. Mr. President, the pending bill will make possible a policy decision affecting the subsidized airlines. The bill was introduced during the last session of the Congress, and also was reported from the committee during the last session.

The bill has been reported with amendments which would make it more positive and certain that any capital gains realized from the sale of used flight equipment must be re-invested in more modern flight equipment.

Our committee held long hearings. A copy of the printed hearings is on the desk of each Senator. At the hearings, careful study was given to all possible aspects of the subject so far as we could determine them.

The bill would allow airlines which receive a Government subsidy to retain the profits received from the sale of used flight equipment, provided they reinvest the amounts so received in new flight equipment.

The bill has nothing whatever to do with the so-called capital-gains tax. Under the present law, if an airline receives a subsidy, the amount of the capital gain is applied to reduce the subsidy which the airline otherwise would receive.

Under the pending bill, if the subsidized airlines are allowed to retain their capital gains from the sale of used aircraft, they must pay the regular 26 percent capital gains tax; but then they can retain the balance, provided they reinvest those amounts in more modern flight equipment.

Under Section 406 (b) of the Civil Aeronautics Act of 1938, the Civil Aeronautics Board is directed by the Congress to fix the compensation of the carriers for the transportation of mail at such amount which, "together with all other revenues," will enable them to provide the quality of air transportation required for the commerce and defense of the United States. The Board has construed the words "all other revenues" to include capital gains realized from the sale of used flight equipment. The effect of that interpretation is to deduct the amount of such gains from the amount of the subsidies to which the carriers are determined to be otherwise entitled.

The bill directs the Civil Aeronautics Board not—and I emphasize and repeat the word "not"—to include gains from the sale of flight equipment in computing a carrier's revenues, provided such gains are reinvested in new flight equipment. The subsidy would no longer be reduced by the amount of such gains.

Gains from the sale of flight equipment are exempt from confiscation, under the bill, only if reinvested in new flight equipment. Such gains cannot be

paid to stockholders or used for any purpose other than reequipment, or else the carrier's subsidy will be reduced by a like amount.

In order to insure that the use made of the gains actually results in modernization—that is, that they are used for new equipment—the bill limits the equipment for which gains may be used to that contracted for by the carrier after April 6, 1956.

The bill, as amended by your committee, would be effective as to all capital gains realized on or after April 6, 1956, in connection with the sale or disposition of flight equipment, irrespective of any Board orders which may have taken into account such gains in the determination of all other revenue of air carriers.

The effective date of April 6, 1956, was chosen by your committee because on that date the Board opened all subsidized carrier rates with respect to the treatment of capital gains; and the question has been undecided since that date. A more detailed statement as to the background of this action by the Board is contained in the following portion of the committee report:

Section 406 (b) of the Civil Aeronautics Act of 1938, as amended, provides, in pertinent part, that the Board, in fixing the amount of subsidy for mail transportation is to consider:

"The need of each * * * air carrier for compensation for the transportation of mail sufficient to insure the performance of such service, and, together with all other revenue of the air carrier, to enable such air carrier, under honest, economical, and efficient management, to maintain and continue the development of air transportation to the extent and of the character and quality required for the commerce of the United States, the postal service, and the national defense."

The words "all other revenue" have been construed by the Board to apply to capital gains realized on the sale of flight equipment, as well as operating revenue and gains from other tangible assets sold by the carrier. The Board, therefore, has deducted from mail subsidy otherwise payable the amount of the net capital gain, in computing the need of any carrier during an open-rate period. If realized during a closed-rate period, the subsidized carrier was not so penalized.

This policy, the Board claims, was upheld by the Supreme Court in *Western Air Lines* v. *CAB* (347 U. S. 67 (1954)). However, the Board also claims certain language in this decision raised the question as to whether the Board is legally entitled to allow even carriers on a closed rate to retain their capital gains. Formal proceedings finally to determine its powers in this respect are now being conducted by the Board—CAB Docket 7902. In connection therewith, the Board, on April 6, 1956, opened all subsidized carrier rates with respect to capital gains disposition, pending its determination of the matter. If the Board should decide it has no power under the law to allow the retention of capital gains, no carrier whose mail compensation is computed under section 406 (b) could hope to apply a gain realized on the sale of old flight equipment to the purchase of new and more costly replacements, without suffering a loss equal to the amount of the gain in its mail payment from the Government. This would be the case, whether the capital gains were realized during an open-rate or during a closed-rate period.

It should be emphasized that the bill does not affect in any way the tax paid on capital gains. Airlines will continue to pay the same tax on their capital gains—whether from the sale of flight equipment or from the sale of other property—as does any other business.

It should also be noted that the bill conforms to the general practice in ratemaking. In other cases of regulated business, including railroads and other utilities, capital gains are not taken into account in ratemaking. In the most comparable industry, namely, our merchant marine, the capital gains realized by the steamship companies from the sale of old ships can be retained for investment in new equipment.

In other words, the airlines are the only ones penalized when they show a capital gain on their sales of used equipment, and they are the only ones which are not allowed to retain the gains for reinvestment in new equipment. Of course, the airlines which do not receive the subsidy may retain such gains. The result is that an advantage is given to the lines which do not receive the subsidy, as compared to the lines which are in such financial position that they must receive the subsidy if they are to maintain their operations.

PURPOSE OF THE BILL

The principal purpose of the bill is to encourage subsidized carriers to replace obsolete flight equipment with more modern and efficient equipment, enabling such carriers to reduce costs, and thus hastening the day when they can operate without subsidy.

The bill does not affect the nonsubsidized carriers. However, it does eliminate the advantage which they enjoy in retaining their gains while those of the subsidized carriers are in effect confiscated by the Government. At the present time the more prosperous airlines, who have worked their way off subsidy—and this includes all domestic trunk lines—are able to plow these gains back into new equipment, thus further widening the gap between themselves and the smaller subsidized lines.

NEED FOR THE BILL

Under the present policy, the feeder and territorial airlines, which are vitally affected by this bill, would realize only the depreciated book value upon the sale of their present fleet of DC–3's. This involves about 200 planes. The depreciated book value of the DC–3 is about $15,000, as compared to the current market value of about $80,000 each.

At the time this bill was originally scheduled for debate, near the end of the first session, the market value of a DC–3 was about $100,000—some $20,000 above the market price six months later. This illustrates the fact that the principal benefit from the bill may be to permit the subsidized carriers to retain a one time gain, since it is very unlikely that the inflated prices which have prevailed in recent months for DC–3's and DC–4's will continue for very long, or apply to other aircraft. The high price has been caused by the shortage of any small type of transport plane. Neither of these planes have been made since the end of World War II, and up until very recently no aircraft companies have even considered bringing out a replacement.

The most popular replacement is the Friendship 27, now on order by several feeder airlines. This plane will replace the DC–3, and will cost around $555,000. Other planes to be used by the international airlines which are still on subsidy will cost from $2,250,000 for the DC–7C, up to $5 million to $6 million for the DC–8 and Boeing 70 jet transports.

Note the tremendous difference between the price of the present aircraft and the cost of the replacement aircraft. Even after receiving the benefit of this bill, and being allowed to apply the gains from the sale of the old equipment to the purchase of the new planes, the carriers will still have to borrow an additional $10 for every dollar they realize from the old equipment before they can buy the new.

It will be apparent why the policy of pre-empting all of the gain above the residual book value seriously hampers the subsidized carrier in attempting to modernize his fleet. It wipes out virtually the only equity which he has to use as a downpayment on the new aircraft. If we continue to strip the subsidized carriers of their equity in their present planes, they will be reluctant indeed to mortgage literally everything they own to buy the new, competitive aircraft. They can keep their old planes and give up trying to improve their financial condition, collect a higher subsidy each year, and not worry about improving their service. I submit that this is not the condition which Congress desires to create.

However, these airlines are more anxious to get themselves off subsidy than we are to have them off, so that they can run their business without constant Government interference and checking on every phase of their operation. When they are off subsidy, they enjoy much more freedom, under a free competitive system. But they have little prospect of getting off subsidy as long as they are hampered by obsolete and uneconomical equipment, and prevented from improving it by the present policy of confiscating capital gains. Unless they improve their efficiency through modern equipment, the annual subsidy will remain with us and probably increase year by year.

The magnitude of the reequipment problem facing our airlines is tremendous. The best estimate by the CAB is that the nonsubsidized and subsidized airlines will be forced to spend to modernize their fleets some $2½ billion in the next 5 years. The net worth of all these airlines companies today is slightly in excess of $1 billion.

This is not the first big capital need that has hit the airlines. After World War II, they had to modernize their fleets with DC–6's, Constellations and Convairs. This required large borrowings for this modernization. Then came the im-

proved models of these planes, the DC–7's, and 7C's, the new Constellations and improved Convairs. Still a third conversion to newer and more costly equipment is in the immediate offing.

It is interesting to note how much faster and how much more complete has been the conversion to new and competitive equipment by the airlines who are allowed to reinvest the profits they receive than by those who would have this full profit taken from them.

One of the best illustrations of this problem at the hearings was the case of Allegheny Airlines. Mr. Leslie O. Barnes, president, testified as to their efforts to modernize their fleet by replacement of DC–3's with used Martin 202's. Before this replacement, the hearings reveal, this line had no debt whatsoever. Today, because of their efforts to improve service, they owe $1 million.

On December 31, 1956, having exhausted their credit lines for financing the purchase of these Martin planes, they arranged a trade. They exchanged two DC–3's and 12,000 shares of stock, worth $4 a share, for one Martin plane. Under the present interpretation of the law, the CAB will recapture a theoretical profit of $169,000 on the two DC–3's.

Two airplanes and $48,000 in stock for one more modern, secondhand plane; and then it will cost them another $169,000 in cash.

Mr. Barnes said to the committee: "This $169,000 is admittedly not a great deal of money. It is to us. My further remarks deal with what we would like to do and what we feel we must do to get off subsidy."

Then Mr. Barnes discussed his company's effort to get off subsidy, described the progress of his company which has increased by 80 percent the amount of plane-miles and expanded by 100 percent the seat-miles flown. The subsidy paid has decreased from about 65 cents per mile in 1952 to about 38 cents today.

I feel that everyone will readily agree that the case made by the feeder and territorial airlines—small lines serving small intermediate towns—justifies the change in the law to make clear that they should be allowed to retain their net capital gains, after taxes, if they are reinvested in new flight equipment.

The principal objection raised to this bill in the Senate last year, when it was passed by a 2-to-1 vote, was in the international field.

These international lines compete around the world with wholly owned or completely subsidized airlines of foreign governments. The competition for international traffic is severe—even violent. For many years our international carriers were heavily subsidized.

Gradually, through better planes and better service, this subsidy has not only been drastically reduced, but in most cases entirely eliminated.

For fiscal 1958, the CAB considers only Braniff International to be on subsidy. Based on their present status, this will be the only line outside the small feeder and territorial lines which will receive any benefit whatsoever from this bill. The other international carriers, not being subsidized, can already convert their capital gains from the sale of their old aircraft into dividends, into reserves, or, as most of them will, into purchases of new aircraft.

Pan American was claimed to have been favored by the bill when it was before the Senate last year. Because we wanted to get the fullest possible facts on the application of the law to this large company, the committee hearings were exhaustive on this score.

According to the testimony of the Vice Chairman of the CAB, Mr. Chan Gurney, a former Member of this body, the Board does not consider Pan American on subsidy for the year 1958. We asked the CAB to specifically check up on the status and reprint in the report the significant parts of Mr. Gurney's testimony.

The testimony related to the subsidy status of Pan American is as follows:

Senator MONRONEY. During the consideration of the bill in both the Senate and House last year, the matter of one airline receiving a lion's share of the benefits under this bill constituted almost the complete consideration on the floor of the House and on the floor of the Senate. Since this bill would not apply to any airline that is not on subsidy at the time the bill is passed, or at the time the equipment is traded in, could you advise me whether Pan American, one of the world's largest airlines, is today on subsidy?

Mr. GURNEY. I have the answer written out, Mr. Chairman. Since October 1, 1956, Pan American has been on a temporary mail rate without any subsidy whatever. This temporary rate is subject to adjustment in the final rate proceeding, retroactive to October 1, 1956.

The carrier is claiming substantial amounts of annual subsidy for its certificated operation. For CAB subsidy purposes, however, the Board advised the Appropriation Committee of each House of Congress this spring that it was the Board's best judgment that on the basis of the latest available information it was proper to assume, for the budget purposes, that Pan American's system would receive no subsidy for fiscal year 1958. Pan American is, of course, entitled to notice and hearing before a final decision is reached by the Board on the question of the final subsidy-rate determination.

Senator MONRONEY. They are entitled to hearing before the Civil Aeronautics Board?

Mr. GURNEY. Yes, sir; before the Civil Aeronautics Board.

Senator MONRONEY. But your decision, then, is final?

Mr. GURNEY. No; it is appealable.

Senator MONRONEY. They can appeal it to the courts?

Mr. GURNEY. Yes.

Senator MONRONEY. In other words, the finding has already been made that, based on the final mail rate that you are paying, that there would be no other payments from the Federal Government to Pan American?

Mr. GURNEY. For 1958, we made that finding already—we haven's made a finding but it is our best estimate, as I have just stated.

Senator MONRONEY. Therefore, if that is the case, the best estimate that you have made, and since you have asked for no money for subsidy, and unless Pan American is able to overturn that calculation in hearings before the Board or before a court, this bill would not apply to Pan American or give them an opportunity to realize anything from the bill unless it is made retroactive?

Mr. GURNEY. Remember my statement, there is no subsidy estimated by the Board for Pan American for 1958. The rate is open from October 1, 1956.

I am also advised that the CAB has not included any amount for subsidy to Pan American in its budget estimate for fiscal year 1959.

Thus, on the basis of the best information available from CAB, it would appear that Pan American will be able to keep or reinvest its profits from the sale of its obsolete aircraft without any consideration from this bill.

They have, and I wish to make this crystal clear, the right to a review by the CAB and also to an appeal to the courts if they claim they are still entitled to a subsidy on their operations. But unless the findings of the Board are overturned, they will continue to be subsidy free and the bill will have no effect as far as they are concerned.

Again, I want to express my firm belief that this is not only a necessary bill if we are to have a modern fleet of aircraft, but also that it is our best hope of reducing subsidies. We must retire the obsolete and inefficient equipment that these subsidized airlines are flying today.

It is fair in treating all carriers and all businesses alike—in not confiscating the recoveries from the sale of old aircraft and using this once-in-a-lifetime profit as an offset to subsidies they would otherwise be entitled to.

This is a policy decision, that the Congress instead of a Government department should make. If it is in the interest of lowering the cost of our airline subsidies, then we should pass this bill. I sincerely feel, based on our hearings and on the knowledge of the need for new aircraft, that it will not only be in the interest of fairness but also in the long-range interest of economy.

Mr. CARROLL. Mr. President, will the Senator from Oklahoma yield, or at this time does he prefer to continue his statement?

Mr. MONRONEY. I am happy to yield at any time; and I yield with pleasure to the Senator from Colorado.

Mr. CARROLL. Will the Senator explain to me the statement he has made about other subsidized carriers?

Mr. MONRONEY. Well, with respect to the merchant marine, which is the case in point, when a merchant marine steamship line which is subsidized by the Federal Government, sells an old ship and reinvests in a new ship, it is allowed to retain the full capital gains on the sale of that ship, to be applied on the new ship which the company is buying. That is about the only direct subsidy we have in the Federal Government, other than subsidized airlines.

Mr. CARROLL. Is there a comparative standard of need? Do other subsidized carriers have a mail contract that affects the subsidy?

Mr. MONRONEY. The lines are subsidized both for the cost of the ship and for the difference between the cost of operating an American ship—because of the difference between American wage rates and foreign wage rates—and that of operating a foreign ship. I believe I am correct in that statement. I see the chairman of the full committee present.

Consequently, the shipping lines are given direct payments to make up for the higher cost of building ships in this

country in order to keep alive our shipbuilding industry. They are also subsidized to provide for keeping American seamen on the high seas and making up the difference in cost of operation because of the higher costs and salaries paid to men in the American merchant marine.

Mr. CARROLL. Does the Senator from Oklahoma have other illustrations of the application of subsidies?

Mr. MONRONEY. This is not quite exactly in point, but the junior Senator from Oklahoma was pointing out that in the the case of utilities, for example, where real property is sold and capital gains are made, that income does not go into operating income. In other words, the capital gain received is set in a special income fund and not taken into consideration in fixing the rate paid for electricity, gas, or other utility service.

For example, the Washington Gas & Light Co. in this city has in Foggy Bottom some of the most valuable property in Washington. The company has abandoned that property for the use of gas towers and gas tanks. When that property is sold, the company will get many, many millions of dollars; but the sale of that capital asset and the resulting capital gain cannot, under the ratemaking procedures, be used to reduce the gas rate of the Senator from Colorado. That income, under the normal ratemaking processes, is not considered to be operating income at all.

Mr. CARROLL. Referring to the decision just cited by the Senator from Oklahoma, the Western Airlines decision, which established the basis of need, if the Senate passes the bill under consideration, will it in turn in any way widen the gap in the basis of the determination of need, and overcome the Supreme Court decision on this question, or will it apply only to flight equipment?

Mr. MONRONEY. It will apply only to flight equipment, and then only in the event the money is reinvested in new flight equipment or more modern flight equipment.

Mr. CARROLL. It is not the purpose of the bill to overturn the Supreme Court decision which has interpreted the term "need" under section 406 (b) of the Civil Aeronautics Act?

Mr. MONRONEY. Such income cannot be used for dividend or surplus in any way. It must go into reinvestment in new or modern flight equipment.

Mr. CARROLL. I should like to ask the Senator one further question on that matter. Is there a time limitation within which the money that is derived from capital gain has to be put into reequipment? How long can the money stay in surplus? How much leeway is given an aviation company to manipulate the money in the fund?

Mr. MONRONEY. The language of the bill provides that it shall be done within such reasonable time as the Board may determine. In other words, the control of how much time the money may remain in the flight equipment fund before it is recaptured by the CAB is up to the Board itself.

Mr. CARROLL. That would be up to the CAB?

Mr. MONRONEY. Yes. Many airplanes are delivered 2 or 3 years after the order is placed. Progress payments are made, but the full amount is not paid until delivery date.

Mr. CARROLL. Does the bill not say something about intent with respect to reinvestment in equipment? What I am searching for is fulfillment of the intent.

Mr. MONRONEY. The bill itself reads:

> In determining the need of an air carrier for compensation for the transportation of mail, and such carrier's "other revenue" for the purpose of this section, the Board shall not take into account gains derived from the sale or other disposition of flight equipment if (1) the carrier notifies the Board in writing that it has invested or intends to reinvest the gains (less applicable expenses and taxes) derived from such sale or other disposition in flight equipment, and (2) submits evidence in the manner prescribed by the Board that an amount equal to such gains (less applicable expenses and taxes) has been expended for purchase of flight equipment or has been deposited in a special reequipment fund. Any amounts so deposited in a reequipment fund as above provided shall be used solely for investment in flight equipment either through payments on account of the purchase price or construction of flight equipment or in retirement of debt contracted on and after April 6, 1956, for the purchase or construction of flight equipment, and unless so reinvested within such reasonable time as the Board may prescribe, the carrier shall not have the benefit of this paragraph. Amounts so deposited in the reequipment fund shall not be included as part of the carrier's used and useful investment for purposes of section 406 until expended as provided above.

That provision would prevent the airlines from building up a fund from capital gains, on which they could claim earnings of 8 percent. The money would go into a sterilized fund, so to speak. It would be usable only for the purchase of new equipment. If an airline made $8 million on a sale, if it were fortunate enough to make that much, the money would be earmarked for reinvestment in new equipment. It must be reinvested in new equipment in such reasonable time as the Board may require. The money could not possibly be used to increase the rate base, because it would not add to the value of the capital equipment until the money was actually reinvested in new equipment. If the money is not reinvested in new equipment, then the Board can recapture the full amount of the capital gains.

Mr. CARROLL. Was there any discussion in committee, from the able Senator's knowledge of this subject, respecting any decisions by the Board as to what constitutes a reasonable time?

Mr. MONRONEY. No; I do not think there has been. I hardly think that could be determined and put in the law, because, for example, the time to produce a DC–3 might have been 3 months in the days when the DC–3's were built. Today the lead time is about 3 years from the time a contract is made until delivery of a DC–6, DC–7, or DC–8. Some of those airplanes have been on order about 3 years. The Fairchild Friendships, which most of the feeder lines are buying, have been on order since before the cutoff date in the bill, April 6, 1956.

Mr. CARROLL. The Senator has been most helpful. That was one point which was giving me concern, and it was due to lack of knowledge of this subject.

Let us assume that the DC–3's were sold under a contract for what they call the F–27's.

Mr. MONRONEY. Yes.

Mr. CARROLL. It might require several years for delivery. The capital gain received from the sale of the DC–3's would be put into a fund.

Mr. MONRONEY. That is right.

Mr. CARROLL. That fund would gather until they were ready to make payment for the F–27's.

I think we ought to get this fact in the RECORD. Could that fund be used for any purpose other than reequipment?

Mr. MONRONEY. For no other purpose whatsoever. It cannot even be used as a rate base, or for anything else.

Mr. CARROLL. Could that fund be used as a pledge or as collateral for business loans or for other types of equipment?

Mr. MONRONEY. It could not.

Mr. CARROLL. It is for this specific purpose?

Mr. MONRONEY. Whenever it leaves the funds for reequipment it is subject to being recaptured by the Civil Aeronautics Board and applied to a reduction of subsidies that the line would be earning.

Mr. DOUGLAS. Mr. President, will the distinguished Senator yield to me?

The PRESIDING OFFICER (Mr. HOBLITZELL in the chair). Does the Senator yield to the Senator from Illinois?

Mr. MONRONEY. I am happy to yield to my distinguished colleague, the Senator from Illinois.

Mr. DOUGLAS. May I inquire whether under the terms of the bill the capital gain would be used to increase the subsidy which otherwise would be paid?

Mr. MONRONEY. Under the terms of the bill the capital gain will go into the reinvestment fund for new equipment.

Mr. DOUGLAS. Right.

Mr. MONRONEY. Therefore, the airline would not suffer the expropriation of the value of its airplane, which is done under the current procedure of the Board.

Mr. DOUGLAS. And the subsidy paid by the Government would be correspondingly greater?

Mr. MONRONEY. The subsidy paid by the Government would be correspondingly greater in that particular amount.

Let me say to the able Senator from Illinois, who I know is a great economist, that unless these feeder airlines particularly are equipped with something besides the old workhorse, the DC–3, they will forever be on subsidy, and the subsidies will continue to go higher, because one cannot, with a full 100-percent load, operate a DC–3 under today's operating cost and possibly come out in the black. It is impossible to get that many people on a DC–3, so unless one can get modern equipment, 50-passenger planes for heavy density runs, we shall have to content ourselves with a continuing, increasing subsidy.

Mr. DOUGLAS. Is it not true that the cost of the so-called DC–3 will already have been retired, either out of

rates or out of subsidies, so that in effect such a procedure would be a clear gain for the company? While it may result in the purchase of new equipment, it also will result in a higher future cash subsidy from the Government, is that not true?

Mr. MONRONEY. It would not do that at all, because the purpose of the bill mainly is to see that the airlines re-equip with modern equipment, which will work them off subsidy. We can only be sure of their remaining on subsidy, at a higher and higher cost, by forcing them to stay with the DC–3's.

Let me give the Senator an illustration, which came up at the time we discussed the bill last August 16. The DC–3 was then selling for $125,000. Those planes were built either before or during World War II. They are all from 10 to 15 years old. Obviously they have been depreciated in value. The planes cost most of the airlines in the beginning around $40,000, and they have been written down to about $20,000. That is the amount carried on the books as the rate-making base.

If we desire to permit the law to stand as it stands today, Central Airlines or the Lake Central Airline, which serve the Senator's area——

Mr. DOUGLAS. And Pan American.

Mr. MONRONEY. We will go into a discussion of Pan American later. They are not on subsidy. All of the testimony in the hearings was that Pan American is not entitled to a subsidy, in the opinion of the Board.

I would be happy to discuss this matter fully with my distinguished friend, who is always fair in these matters. I will refer him to the hearings, if he has read them, and to the fact that every aspect of the Pan American situation was put in neon lights.

I have no higher regard for Pan American than does the Senator from Illinois. I have not found them to be cooperative with smaller airlines in any degree. I resent their use of the power that comes from their dominating position. I have said so often in the committee hearings.

Everyone who has had the benefit of the hearings knows the committee has gone into this matter as fully as possible, and as far as we can determine the facts they are in the hearings. If the Senator has read the hearings, I think he will recall that on almost every page there were searching questions to ascertain if Pan American would claim any part of the benefits of the bill under the present conditions.

Mr. DOUGLAS. It is perfectly true, of course, that Pan American is not now on subsidy, but that is not a final decision and there are rumors it may shortly be compelled to go back on subsidy. If that should happen, is it not true that the capital gains which Pan American will make on the sale of planes and equipment will operate to keep up that subsidy, which otherwise would be diminished?

Mr. MONRONEY. Let me say to the distinguished Senator that all Pan American has to do to retain all their capital gains now, when they are off subsidy, is to sell the aircraft and take the capital gain. They can get rid of all the equipment today. The equipment will probably bring a higher price this year than it will next year. If Pan American wants to clean this equipment out they can accomplish that without the provisions of the bill. Since they are off subsidy, they can sell the equipment. If they go back on subsidy, they will be entitled to the same treatment as will be afforded the little feeder airlines and others.

There is no major domestic trunkline on subsidy today. We are talking primarily about the feeder lines. I think only one international carrier is on subsidy, and involved in the bill. That is Braniff in the South American operations. The other international airlines are not on subsidy.

Unless the Board reverses itself, or unless the court reverses the Board in its decision, Pan American is not on subsidy. Therefore, Pan American could sell the total amount of the equipment, and they would not have to reinvest a penny. They could disburse that amount in dividends to their stockholders.

It is the subsidized airline which must take its capital gain which we still keep tied up with strings and to whom we say, "You have to reinvest this or else the Board will take it away from you."

Mr. DOUGLAS. May I ask a question of my good friend, the Senator from Oklahoma, who is always courteous, accurate, and public spirited in his arguments and in his conduct as a Senator? Is it not true that if Pan American were to sell those aircraft while off subsidy, and realized a large capital gain, and were later compelled to go back on subsidy, then the fact that the capital gain had been taken would operate to increase the subsidy which otherwise would be paid? Is that not correct?

Mr. MONRONEY. Any airline is involved in this. American Airlines is a big purchaser of the Boeing 707's. We could consider United or TWA or any of the airlines. The bill applies to all of them, because, whatever the base of new equipment is, they are going to be entitled to 8 percent or 6 percent or whatever the base is.

Mr. DOUGLAS. Is it not probable that American Airlines will stay off subsidy?

Mr. MONRONEY. I would not guarantee that for a minute. Under the Republican prosperity we are having I would not be surprised.

Mr. DOUGLAS. I join with the Senator in his skepticism about the extent of the Republican prosperity, but I thought American Airlines was somewhat better "heeled" in this respect than some of the other lines, and that therefore there was less danger of it.

Mr. MONRONEY. The Senator will be interested to know that the rate of return on investment of most of the lines, as I believe the chairman of the full committee mentioned this morning, is 1½ percent. The Senator can see that is a pretty narrow margin.

What the Senator is saying is that if we are afraid later on Pan American may go back on subsidy and thus be entitled to a higher-rate base it would discourage us from encouraging the purchase of modern equipment for any American airline.

I do not mean Pan American. I mean any American-flag line. I know that it is not the Senator's economic theory that we should retain a cheap, inefficient, run-down plant. If an airline has a big plant, it is entitled to greater earnings on the additional investment. We want modern aircraft. We want to keep the aircraft industry alive with the most modern machines of today, which we think will finally afford the greatest opportunity to pay dividends and get the airlines off subsidy.

Mr. CARROLL. Will the Senator yield?

Mr. MONRONEY. I yield.

Mr. CARROLL. I observe from the hearings that Frontier Airlines has a commitment for a $2 million loan for the purchase of four Convair 240 aircraft. Frontier is now flying DC–3's. If it sold the DC–3's, it could use the capital gain to apply on the debt with respect to the Convairs, and that would not affect its subsidy.

Mr. MONRONEY. That is correct; but if Frontier, under the present machinery of the Board, decides to sell its DC–3's, and if the price is $125,000, which it was when the hearings were held, the Board will keep $100,000, and Frontier will have only the depreciated book value $25,000 to apply on the purchase of the Convairs. We are still dealing with used planes, but because of the holding of the CAB, the $100,000 in capital gains would be seized by the Civil Aeronautics Board because over the years the price of the planes has been written down to $20,000.

The $100,000 would be seized by the Civil Aeronautics Board, reducing the subsidy by that amount, which would mean that the airline would actually receive only $25,000 from the sale of a $125,000 plane.

Mr. CARROLL. Mr. President, will the Senator further yield?

Mr. MONRONEY. I yield.

Mr. CARROLL. Again my lack of experience and knowledge in this field handicaps me. Who handles the money for the subsidy? Does the CAB handle the money? Congress appropriates it, but who makes the determination?

Mr. MONRONEY. The Civil Aeronautics Board.

Mr. CARROLL. How much is the subsidy for the next fiscal year?

Mr. MONRONEY. The distinguished chairman of the full committee, Mr. MAGNUSON, could probably give a more accurate figure than I could. I have the figure here somewhere.

Mr. MAGNUSON. Let me say to the Senator from Colorado that up until approximately a year and a half ago the Post Office Department paid the subsidies, and the money was appropriated to the Post Office Department on the basis of subsidies for carrying the mail. Since the trunklines have been getting off subsidy, and longer contracts have been made with the airlines to carry the mail, the administration of the operation has been transferred to the CAB itself. It determines the subsidies under a formula of operating costs received periodically from the airlines. I have

not the figure for last year, but I will furnish it for the RECORD.

Mr. MONRONEY. As I recall, the figure was about $39 million, $27 million of which went to the feeder airlines.

Mr. MAGNUSON. I shall furnish the exact figures for the RECORD. The amount has been running between $32 million and $38 million or $39 million a year for all the airlines involved.

Mr. CARROLL. Mr. President, will the Senator further yield?

Mr. MONRONEY. I yield.

Mr. CARROLL. I remember the splendid fight made by the distinguished Senator from Oklahoma last year when we enacted Public Law 307. I remind the Senator of the problems of the Frontier Airlines. It needed new equipment to operate more efficiently in the mountains.

Mr. MONRONEY. In order that the pilots and passengers may be safe, pressurized equipment is necessary. Otherwise a pilot might black out at an altitude of 15,000 feet. Such altitudes are frequently encountered in Idaho, Utah, and Colorado. Obsolete equipment is not only expensive and wasteful, but it is dangerous. It is only because of skilled pilots that Frontier, Bonanza, and other mountain airlines have been able to maintain such a fine safety record.

Mr. CARROLL. I have been very much impressed with the wise questions put by the distinguished Senator from Illinois, and the very fine answers given by the Senator from Oklahoma. I, too, have been disturbed about current reports as to how the proposed legislation would affect some of the large trunk lines if they were to go on subsidy. This is a question involving perhaps a great sum of money. The question is how it is to be used, and by whom, and who will be the direct beneficiaries of the proposed law. Have we a record of the airline companies, showing how they would benefit under the proposed program? Has such information been placed in the RECORD?

Mr. MONRONEY. That information has been placed in the RECORD.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. MAGNUSON. The problem will take care of itself. It will eventually run itself out. The old equipment which could be sold is rapidly diminishing. The number of aircraft available and the market for such aircraft are rapidly diminishing. So the question of old equipment will eventually solve itself. With the coming of jet equipment, I do not know whether some of these planes could be resold, in view of the fact that airplanes are now being manufactured in every country in the world. If any trunkline wished to go back on subsidy—and it seems to me that any remote possibility of such an event would have to be determined by the Board—it would be too late. The trunkline would have to go into the market and buy airplanes. The procedure contemplated by the bill is merely an exchange of old equipment, involving mainly DC–3's, the price of which has gone down. The only place where most of such equipment could have been sold was in the South American countries. All countries are now back in the business of manufacturing aircraft, following the war, and there is not much opportunity for making sales. Most of the airlines in the world are operated by the respective governments, and they are making their own aircraft.

Mr. MONRONEY. Let me give an illustration. In the hearings will be found complete data, compiled by the Air Transport Association, as to the anticipated sales and replacements of obsolete aircraft between 1956 and 1960. That information is found on page 35 of the hearings. The compilation shows the numbers and types of the various aircraft. The information was obtained by circularization of the subsidized airlines. The compilation shows the numbers and types which might possibly become available. At that time Pan American was on subsidy, so it is included in the compilation, although it is not covered by the terms of the bill, because of its nonsubsidized condition. However, when these statistics were compiled, it was on subsidy and was included.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. DOUGLAS. The estimated net capital gain was $67,276,000.

Mr. MONRONEY. That is correct. That is the total exposure as of August 24, 1957, on the assumption that every used aircraft of every subsidized airline was traded in, and brought the then-prevailing prices.

We made a survey of the airlines on the basis of the price of the equipment today, and what it is bringing on the market. Instead of a DC–3 being worth $125,000, as it was in August of last year, it is worth $80,000 or $85,000 today. A DC–4, which was worth $400,000 at the time of our hearings, is worth around $250,000 today.

So, recapitulating the current prices, if Pan American were included—which it is not—and if all the obsolete airline planes were sold within the next 2 years, the total exposure would be $47,320,000. The value of the aircraft has gone down to the extent indicated by the figures which I have given.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the original table, as printed in the hearings.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 5.—*Net capital gains from sale of aircraft for the period 1956–60 as estimated by the subsidized airlines*

[Money items in thousands]

Type aircraft	Number owned at Dec. 31, 1955	Number estimated to be sold	Estimated gross selling price		Less		Estimated net capital gain
			Per unit	Total	Residual values	Capital gains tax, at 26 percent	
DC–6B	49	19	$1,400	$26,600	$3,719	$5,949	$16,932
DC–6	16	12	1,100	13,200	1,219	3,115	8,866
L–049	8	6	720	4,320	833	907	2,580
B–377	26	19	800	15,200	4,884	2,682	7,634
DC–4	33	25	440	11,000	1,149	2,562	7,289
M–202	7	5	280	1,400	129	330	941
CV–340	36	27	440	11,880	1,929	2,587	7,364
CV–240	9	7	380	2,660	347	601	1,712
DC–3	248	186	100	18,600	1,089	4,553	12,958
Total	432	306	----------	104,860	15,298	23,286	66,276

Source: Joint exhibit No. 30 submitted by the subsidized airlines in the capital gains proceeding, docket No. 7902.

Mr. MONRONEY. I now ask unanimous consent to have printed in the RECORD at this point the revised table as of February 1958.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Net capital gains from sale of aircraft for the period 1956–60 as estimated by the subsidized airlines: Revised table as of February 1958

[Money items in thousands]

Type aircraft	Number owned Dec. 31, 1955	Number estimated to be sold	Estimated gross selling price		Less		Estimated net capital gains
			Per unit	Total	Residual value	Capital gains at 26 percent	
DC–6B	49	19	$1,250	$23,750	$3,719	$5,182	$14,749
DC–6	16	12	750	9,000	1,219	2,023	5,758
L–049	8	6	550	3,300	833	641	1,826
B–377	26	19	400	7,600	4,884	706	2,010
DC–4	33	25	275	6,875	1,149	1,489	4,237
M–202	7	5	180	900	129	200	571
CV–340	36	27	400	10,800	1,929	2,306	6,565
CV–240	9	7	300	2,100	347	455	1,298
DC–3	248	186	80	14,880	1,089	3,585	10,206
Total	432	306	----------	79,205	15,298	16,587	47,320

Source: Joint exhibit No. 30 submitted by the subsidized airlines in the capital-gains proceeding, docket No. 7902. Reproduced in hearings before a subcommittee of the Committee on Interstate and Foreign Commerce, U. S. Senate, 85th Cong., 1st sess., on S. 1753 and H. R. 5822, at p. 35. Revised by reflected estimated market values of aircraft as of February 1958.

Mr. MONRONEY. Mr. President, by delaying on the pending bill, which we have been doing because a great many people did not want to see it passed last year, we have cost these little airlines just about $20 million in the value of their airplanes, because they could not sell them or did not want to sell them until Congress allowed them to put that money in a reequipment fund.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. CARROLL. Based upon the Senator's knowledge of the industry, and as a result of the hearings, has he found that the feeder airlines are adding new equipment?

Mr. MONRONEY. They are very anxious to add new equipment. They are big purchasers of new equipment in many cases. I would be glad to put all the information on equipment in the RECORD, if the Senator wishes me to do so. I may say that all of them have gone forward with their orders for new equipment. They just do not have the cash to swing contracts for new equipment unless they can regain the capital gains.

Mr. CARROLL. In other words, some of the feeder lines do not have the capital with which to make the downpayment. Is that correct?

Mr. MONRONEY. Of course not. Let me give the Senator a typical case, about which there was testimony before our committee. A great many people think this is just another way of fattening already fat feeder airlines. I should like to have Senators listen to these figures. I cited the case of the Allegheny Airline. That is a little feeder airline which flies over the Allegheny Mountains. It has developed a high degree of competent service. The Allegheny Airline would realize, from the passage of the bill, a capital gains retention—instead of it being seized by the CAB—of $169,000. This gain was realized by Allegheny only on paper, however. Here is the way it happened. The line had to have new equipment. It wanted to buy a used Martin 202, which is a 40-place aircraft, and a faster aircraft than they are using now. It would help them to work themselves off subsidy.

Allegheny Airlines wanted to buy one Martin 202, which was given up by Eastern Air Lines, because it was not modern enough for Eastern. They had to give two DC–3's for the Martin 202, plus putting up 12,000 shares of stock worth $4 per share. They now own one airplane as a result of the transaction.

If they cannot retain their "capital gain," although there was no money that changed hands, they are held to have received $169,000 gain on the two DC–3's. That will be deducted from their subsidy allowance from the CAB.

That is just how this thing works. They traded two DC–3's and 12,000 shares of stock for one Martin 202, because it would be better equipment for them and they would be able to work their way off the subsidy. As a result they will have to forego $169,000 in subsidy.

Mr. CARROLL. In other words they have to put up all that collateral, notwithstanding the bill that we passed last year?

Mr. MONRONEY. That was done before the bill was passed. The transaction I refer to occurred in December 1956.

Mr. CARROLL. In other words, the bill we passed last year would not change the situation?

Mr. MONRONEY. It would help them, of course, because it would reinsure the loan. In other words, if a private financier were to make the loan, it would reinsure that loan up to a certain point.

Mr. CARROLL. Then it is the Senator's opinion that we ought to give the feeder lines the opportunity to which the Senator has referred, which would change the situation in this particular field. Is that correct?

Mr. MONRONEY. Absolutely.

Mr. MAGNUSON. The 90 percent bill we passed last year has had little or no effect on financing in this field. I do not know why that should be. We tried the same basis in connection with the merchant marine, and it has no affect there either. The lines just cannot get the money for their airplanes. The manufacturers demand a rather stiff downpayment. It is not possible to buy the planes on long-term installment arrangements. The result has been that the airlines have not been able to finance themselves in these particular cases.

Another factor is added. With the high interest rates involved, an additional cost is added to the operating expense, and that adds to the subsidy.

I should like to give one example. There is a little airline in my part of the country, the Alaska Airlines, which flies to Fairbanks, Alaska. The Alaska, Airlines have been negotiating for perhaps 9 or 10 months in an attempt to get new planes. A bank said it would lend 50 percent of the money, but at a pretty high interest rate. I do not remember the exact rate. The CAB was asked to approve the loan, but the CAB turned it down. Apparently even the CAB was not impressed with the financing features of the guaranty.

That has been the result so far as the small airlines are concerned. I may say that I have the figure for last year. The figure last year was $40,750,000 for all airlines. The domestic trunklines got approximately 1 million. Local service operations received $26 million; helicopters, $3 million; Alaskan operations, $5 million; Hawaiian operations, $215,000; international operations, $3,574,000. That is the way the figure is broken down, approximately.

Therefore the bulk of the subsidy—and this has been true for some years—goes to the small feeder airlines. That has been my experience since I have served on the Committee on Appropriations.

Mr. CARROLL. Whatever loss is sustained by virtue of the capital-gains proviso, would that be spread over a period of years?

Mr. MONRONEY. I do not quite follow the Senator's thought on that question.

Mr. CARROLL. I had reference to the statement which I understand the distinguished Senator from Oklahoma made, to the effect that the benefit of the provisions of the pending bill would be spread over a long period of time.

Mr. MONRONEY. They would be effective with the passage of the bill. The returns from the sale of aircraft would be put into the investment fund. Anticipating the passage of the bill, many of the feeder airlines have ordered aircraft. The bill would apply to any purchases of planes that have been made since April 6, 1956.

Mr. CARROLL. I understand. Perhaps I did not make myself clear. There will undoubtedly be a loss, because when a benefit is extended, it will affect the subsidy the airline will receive.

Mr. MONRONEY. If the airlines make more money by way of income, and they can operate their planes cheaper, they can, in that way, work themselves off their subsidy.

Mr. CARROLL. Of course, I am assuming they are on subsidy. If they do not apply capital gains to income, that would affect the subsidies, would it not?

Mr. MONRONEY. It would be no more than they are making now. In fact, it would be less subsidy that would be required, because their earned income would be going up. Certainly the subsidy would not be more.

Mr. CARROLL. Let us assume $1 million worth of capital gains after taxes. That amount would be treated as income. On that basis they might not get as much subsidy.

Mr. MONRONEY. Under the bill it would not be treated as operating income. It is not so treated in any other type of utility or in the merchant marine.

Mr. CARROLL. I am talking about the situation that exists today, under present law.

Mr. MONRONEY. Under present law the capital gains are all seized by the CAB, and the airline does not get anything, except the residual value of the airplane, which is very small. In other words, why would an airline ever bother to sell a plane for $125,000 or $80,000 if it is going to lose it all?

Why should airlines make any endeavor along that line? They have said to us, "You want us to work ourselves off the subsidy. What incentive do we have? If we sell a plane in order to get new equipment, you take all of the proceeds." It is interesting to note that not one dividend has been declared by any feeder airline.

Mr. CARROLL. The capital gains, then, might be used to offset the subsidy payment. If we pass the pending bill the contracts for the purchase of airplanes could be fulfilled over a period of 3 or 4 years, perhaps. Is that correct?

Mr. MONRONEY. That is correct. It would be years before all these planes that are now on order would be delivered.

Mr. CARROLL. So that any loss in revenue that might come from the Government would be spread over a long period of time.

Mr. MONRONEY. Three years or more.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. WILLIAMS. Mr. President, am I correct in understanding that the passage of the bill would in no way affect any airline which is not now or will not be under a subsidy?

Mr. MONRONEY. I will say to my distinguished friend from Delaware that it can have no effect on an airline that is not on a subsidy now, because such an airline can keep all its capital gains after it has paid 26 percent in taxes.

Mr. WILLIAMS. But if this bill is enacted the Government, in computing the subsidy, which is around 8 percent on investment, will take into consideration the earnings the company might have made in the sale of equipment.

Mr. MONRONEY. The bill would make it correspond to the merchant marine subsidy. It would make it correspond to the ratemaking practices in respect to utilities, where the capital gains are not used as operating income to lower the rate base.

Mr. WILLIAMS. Utilities are in a different category, because they are not subject to subsidy in ratemaking.

Mr. MONRONEY. A utility is guaranteed a 6 percent return, so we arrive at the same place as we do when we guarantee a 6 percent return to an airline.

Mr. WILLIAMS. Is it not true that to the extent a company which is on subsidy, if it makes a million dollars in capital gains in X year, with the passage of the bill the subsidy payment by the Government would be $1 million more than it would be without the bill?

Mr. MONRONEY. A company making a million dollars?

Mr. WILLIAMS. Suppose a company makes a million dollars through the sale of used equipment during X year.

Mr. MONRONEY. A subsidized airline?

Mr. WILLIAMS. A subsidized airline. If the bill passes, that company will get $1 million more than it would without the passage of the bill.

Mr. MONRONEY. Only if it reinvests in new equipment.

Mr. WILLIAMS. That is true; but it would get $1 million.

Mr. MONRONEY. But that money may not be used for dividends. It cannot be used for any other purpose than for reinvestment in new equipment.

Mr. WILLIAMS. The company could use it for reinvestment in new equipment, but could use some of its other money for the payment of dividends. So how could it be known which dollar was which?

Mr. MONRONEY. In the first place, if the company is paying dividends, it goes off subsidy.

Mr. WILLIAMS. Not necessarily. I understand, even with a 6-percent or an 8-percent return, the company can still pay dividends.

Mr. MONRONEY. The Government makes up the difference between 2 percent or 3 percent——

Mr. WILLIAMS. And the 6- or 8-percent return on investment?

Mr. MONRONEY. That is correct.

Mr. WILLIAMS. This would increase the subsidy. As I understand the principle of the bill, it is that the capital gains made from the sale of used equipment will not be taken into consideration when computing the subsidy.

Now, suppose there is a capital loss. Suppose the company loses money on the sale of this secondhand equipment Suppose a plane is lost or destroyed. We have heard of situations in which secondhand equipment has been sold for less than the depreciated value. How does the bill deal with that situation? Under the bill you mention only the exclusion of gains but apparently losses would be includible.

Mr. MONRONEY. That is where the unfairness of the law comes into play. There is no case today, according to our research, in which the Civil Aeronautics Board has ever given any credit to the subsidized airline if there is a loss on capital equipment.

Mr. WILLIAMS. Has the Senator found any cases in which the Board has denied the exclusion of capital losses?

Mr. MONRONEY: Yes; I think there is.

Mr. WILLIAMS. Can the Senator cite it?

Mr. MONRONEY. I think I can find it in the hearings.

Mr. WILLIAMS. Then, do we have the understanding that capital losses, as well as capital gains, would be denied? Is that the intention of the bill?

Mr. MONRONEY. The Civil Aeronautics Board has never taken into consideration the payment of capital losses.

Mr. WILLIAMS. And the Civil Aeronautics Board has never taken into consideration the payment of capital gains. They now insist that capital gains be included in the computation of subsidies. If we pass the bill, then, as I understand, we will be overriding the precedents of the Civil Aeronautics Board and will be establishing a new policy whereby they will be excluded.

Mr. MONRONEY. Oh, no. The Senator should read the hearings.

Mr. WILLIAMS. I have.

Mr. MONRONEY. Under the date of April 6, 1956, the Board began reconsideration of a longtime policy in which a subsidized airline on a closed rate could keep all of its capital gains, just as can a nonsubsidized airline.

Mr. WILLIAMS. If that is the present rule, why pass the bill?

Mr. MONRONEY. I do not believe in turning over to bureaucracy the control of policy that should be decided by Congress. I do not believe any examiner in the Civil Aeronautics Board has as much judgment as has the Senator from Delaware, the Senator from Illinois, the Senator from Ohio, the Senator from Oklahoma, or the Senator from Washington. I do not believe in turning over policy-making matters to a board downtown which says, "We simply are not competent to write policy."

Mr. WILLIAMS. But the Board has already ruled that capital gains are to be included in the computation. On page 9 of the hearings, Mr. Gurney, Chairman of the Board, was testifying. I read from his statement at the bottom of page 9:

> Inasmuch as the Board will be required to pass upon these matters in docket No. 7902, I am sure you will readily understand why the Board should not take a position at this time on the substance of the proposed legislation.

In other words, they say they are again about to rule on this question. He goes on in his testimony and says he cannot take a position either for or against, because he thinks it would be improper to do so until such time as the Board has made a ruling. This testimony was in August. Have they made the ruling?

Mr. MONRONEY. No; they are still "fiddling around."

Mr. WILLIAMS. I thought the Senator from Oklahoma said the Board has ruled.

Mr. MONRONEY. No; I said they had changed their position on April 6, 1956, and had reopened the question as to carriers, on both open and closed, mail rates. This meant that the airlines which had been allowed to retain their capital gains, if they were on a subsidy and a closed mail rate, were no longer able to retain their capital gains.

The matter is grinding away in the CAB, in the absence of a policy decision by Congress.

What the bill seeks to do is to have Congress make the policy decision. In the hearings—and I think I can find the statement in a minute—Mr. Gurney said that he thought this was a policy matter.

Mr. WILLIAMS. I think that is correct. Mr. Gurney testified that it was a policy matter. But, as the Senator said, if capital gains were to be excluded from the computation of the subsidy, it would have the indirect effect of raising the subsidy.

Mr. MONRONEY. Momentarily.

Mr. WILLIAMS. Momentarily. Would it be the intention of the committee to have the bill amended to provide clearly that neither capital gains nor capital losses would be taken into consideration on all cases in the future?

Mr. MONRONEY. I would have no objection. They have never taken a loss. Let me read a statement on this subject which, I think, is quite illustrative:

> CAPITAL LOSSES
>
> Capital losses occur infrequently and are excluded from subsidy computations when due to mismanagement or inefficiency. A chart appearing in the July 9, 1956, CONGRESSIONAL RECORD (vol. 102, pt. 9, p. 12129) shows the total of capital gains used to reduce subsidy payments and capital losses underwritten with subsidy for a 5-year period covering 1951 through 1955. Out of a total of $21,900,790, capital losses accounted for only $22,300. These losses were sustained wholly by small feeder lines or local service companies, viz: Helicopter, New York, Alaska Airlines, Alaska Coastal, Cordova, Wien, and Trans Pacific.
>
> In 1956, our predecessor bill (S. 3449) contained a provision which would forbid the Board to make up capital losses on sales of flight equipment as well as to ignore capital gains. We removed it at the specific request of the Board staff. Mr. FitzGerald, Chief of the Bureau of Air Operations, strongly recommended that during our hearings. (See p. 30 of 1956 hearings.) He said it would penalize small feeder and local service lines

unnecessarily. Our report that year mentioned that. (See pp. 1 and 2 of S. Rept. 2105 on S. 3449.)

Hence, capital losses are such a minor matter on the whole picture, but of possible importance to small airlines, little good would be done in excluding them from subsidy computations. However, some harm might be done to the small feeder lines.

Mr. WILLIAMS. Would the Senator have any objection, on page 3, line 1, after the word "gains," to inserting "or losses," so that we could clear up this question? Why work it as a one-way street with the Federal Government?

Mr. MONRONEY. Would the Senator from Delaware then agree that the bill is a fair one, and help to support it?

Mr. WILLIAMS. I should say the bill would be much fairer.

Mr. MONRONEY. I am asking if the Senator would then support the bill. I would perhaps be willing to go along with the Senator, although I think it is an insignificant matter.

Mr. WILLIAMS. It depends on other factors of the bill. We are now dealing with this particular question. The Senator has said it was not the intention of the committee that this be a one-way street, in which the Government would ignore the profits in their computation but that the Government would assume the loss when there is a loss. I know that in the resale of secondhand equipment, very often the losses exceed the profits.

Certainly it cannot be the intention of the committee that the Government underwrite all the losses and then neglect to recapture the extra profits.

Mr. MONRONEY. Nor do we anticipate such effect. If we do not pass the bill, the losses may exceed the profits again. The airlines will be lucky to get $20,000 for their DC–3's.

Mr. WILLIAMS. I wonder if the Senator from Oklahoma would be willing to go along with this proposal.

Mr. MONRONEY. The last time the bill was before the Senate, the principal objection of the Senator from Delaware was that the requirement that the capital gains be used for the purchase of new equipment was not copper-riveted enough. The committee spent days and days to copper-rivet the bill so as to satisfy the Senator from Delaware that every dollar would be used for the purchase of new equipment and would not be spent for dividends. If the Senator wants the other provision in the bill and would then be willing to support the bill, I would have no objection to including it.

Mr. WILLIAMS. I will support that change in the bill. But there is another question about section 2. I notice that the House rejected section 2 which is the retroactive part of the bill. Much has been made about the action taken by the House in passing the bill by unanimous vote. As I understand, the House passed by unanimous vote the bill without section 2. The House rejected the provision providing for retroactivity to April 6, 1956.

Mr. MONRONEY. That is correct, except that the date in the House bill was January 1, 1956. Does the Senator from Delaware take the position that all the feeder airlines which have this equipment on order should not be allowed to apply the amounts of any gains to the purchase price of the equipment they already have ordered?

Mr. WILLIAMS. I would not support the retroactive feature of the bill. I certainly do not believe this retroactive feature should be included, inasmuch as it would make it possible for these airlines to appeal to the Board for greater retroactive subsidies. They are getting enough now.

Mr. MONRONEY. No, the Senator from Delaware must remember that airplanes must be ordered years in advance. The companies should have the right to apply this amount of money to the orders.

Mr. WILLIAMS. The Government now guarantees 90 percent of the cost, under a bill which was passed last year. Let us stop kidding ourselves. This provision would allow Allegheny Airlines and all others to receive retroactively the benefits of the bill being considered today.

Mr. MONRONEY. But the Senator from Delaware certainly would not want to require Allegheny Airlines to lose the $169,000 to which it otherwise could be entitled.

Mr. WILLIAMS. I am not singling out Allegheny Airlines or any other airline. I do not think any of them are entitled to larger subsidies.

Mr. MONRONEY. I understand that.

Mr. WILLIAMS. Is it not true that the House rejected the retroactive provision?

Mr. MONRONEY. I am not sure to what extent it was considered. I understand that the bill was passed by the House of Representatives by unanimous consent.

Mr. MAGNUSON. And the House of Representatives left the date wide open.

Mr. WILLIAMS. The bill as passed by the House of Representatives will be effective at the time of its enactment; that will be its effective date.

Mr. MONRONEY. That is possibly correct. There is some question. But would the Senator from Delaware desire to eliminate all the feeder airlines that have been so progressive and so effective?

Mr. WILLIAMS. The point I now make is that the retroactive provision was rejected by the House of Representatives.

Mr. MONRONEY. As the bill was passed by the House of Representatives, there would be no time limitation on the new equipment which could be purchased with capital gains; for instance, equipment purchased in 1954 could be included.

Mr. WILLIAMS. Where in the bill as passed by the House of Representatives is such a provision to be found?

Mr. MONRONEY. The House did not provide for any limiting date.

Mr. WILLIAMS. In the absence of such a provision, is it not true that a law becomes effective only upon its enactment?

Mr. MONRONEY. If a definite date were specified, it then could be said that planes purchased before then would not be eligible for such treatment.

Mr. WILLIAMS. The committee's intent is perfectly clear. The committee report itself shows that the committee voted to include section 2, in order to make the provisions retroactive to April 6, 1956. That was not a part of the House bill.

Mr. MONRONEY. But the Senator from Delaware is confused as regards capital gains made after the passage of the act. Under the provisions of the bill as passed by the House of Representatives, such gains could be applied to contracts for the purchase of equipment made even before 1954.

Mr. WILLIAMS. Where is such a provision to be found?

Mr. MONRONEY. The bill as passed by the House of Representatives provides for setting up the fund.

Mr. WILLIAMS. That is correct, but where is there any retroactive feature in the House bill?

Mr. MONRONEY. But my staff informs me—I myself am not a lawyer—that it does not limit the expenditure of such funds to equipment purchased on or after April 6, 1956.

Under the terms of the bill as passed by the House of Representatives, this provision could be applied to equipment which the airlines already had purchased.

The purpose of the bill is to enable the airlines to obtain new equipment.

Mr. WILLIAMS. All the testimony given before the committee, as I have read it, was to the effect that the purpose of including this provision—section 2—was to make it retroactive. While I disagree with that suggestion, certainly that was the intent of the committee.

Mr. MONRONEY. The purpose was to eliminate hardship to feeder airlines, such as Allegheny, which otherwise is going to lose 2 DC–3's and 12,000 shares of stock and $169,000 which is already has paid on the purchase price of 1 used Martin 202.

Mr. CLARK. Mr. President, will the Senator from Oklahoma yield to me?

The PRESIDING OFFICER (Mr. PROXMIRE in the chair). Does the Senator from Oklahoma yield to the Senator from Pennsylvania?

Mr. MONRONEY. I yield.

Mr. CLARK. I am interested in the retroactive feature, but not because I want to see a private bill passed for the benefit of Allegheny Airlines, for, as I understand, not only the retroactive provision but all the other provisions of the bill would apply to the airlines generally.

Mr. MONRONEY. I have referred to Allegheny Airlines only because of its attempts to purchase new equipment.

Mr. CLARK. Of course, Allegheny Airlines primarily serves small cities in the Commonwealth of Pennsylvania. Our Commonwealth was very greatly in need of the service of Allegheny Airlines when it was established there, to provide for the first time what might be called puddle-jumping service between Erie, Williamsport, Harrisburg, Allentown, Reading, and other cities of comparatively small size. If Gifford Pinchot's roads took the Pennsylvania farmers out of the mud, certainly Allegheny Airlines has made it unnecessary for our

businessmen to drive their automobiles over miles and miles of icy roads during the winter.

Mr. MONRONEY. Allegheny Airlines is one of the most progressive airlines; and, as may be seen by reading its statement, it is fighting very hard to purchase new equipment.

Mr. CLARK. I am glad to hear the Senator from Oklahoma say that. I believe Allegheny Airlines is entitled to the subsidy, and is entitled to the additional subsidy which will be received if April 6, 1956, is established as the effective date.

Let me ask the Senator a question: What is the logic behind the selection of that date?

Mr. MONRONEY. It is the date on which the Civil Aeronautics Board reopened its former practice of allowing subsidized airlines with closed mail rates to keep their capital gains. In other words, a subsidized line, on a closed rate, could keep its capital gains, thereby increasing its subsidy, so to speak. But a subsidized line on an open rate could not. Therefore, on that date, the Civil Aeronautics Board reversed itself and threw all the subsidized airlines into the same pot. At present there is complete uncertainty as to the situation facing them. They will not know where they stand until this matter has passed through the slow-grinding mill at the Civil Aeronautics Board or until the Congress has reached a policy decision on the matter.

Mr. CLARK. In other words, if the Congress is going to pass the bill, that is one thing——

Mr. MONRONEY. And certainly there is good reason for the Congress to include the clear-cut date.

Mr. CLARK. That is the date when the provision is to take effect; is that correct?

Mr. MONRONEY. Yes. And it will apply to most of the equipment for the delivery of which the airlines are waiting.

Mr. CLARK. As one of the outstanding experts on small business, the distinguished Senator from Oklahoma is well aware of the fact that many small businesses are not able to raise the capital they need if they are to expand, whereas big businesses are able to do so. Yet the prosperity of the small businesses is essential to the prosperity of the Nation.

Mr. MONRONEY. Exactly.

Mr. CLARK. I think the Senator from Oklahoma will agree that the principal effect of the bill will be to enable Allegheny Airlines and the other small feeder airlines to make downpayments on needed modern equipment, whereas otherwise they would not be able to raise the necessary funds. Is that correct?

Mr. MONRONEY. All they would receive would be the capital gains they can realize from the sale of used aircraft, and which they wish to apply to the purchase of modern aircraft.

Mr. CLARK. In other words, they would be able to use it for the purchase of Martin aircraft—which Allegheny Airlines happens to be purchasing; and that Martin aircraft will enable Allegheny Airlines to get out of the red and to operate successfully as a small business and to provide the service which is essential to the carrying on of the work of the Commonwealth of Pennsylvania.

Mr. MONRONEY. That is correct. As the Senator from Pennsylvania knows, the Fairchild Friendship plane is the one which most of the feeder airlines are purchasing. I believe that Allegheny Airlines wanted quick delivery, so it purchased used Martins; and that is good business, of course.

Mr. CLARK. That is correct.

Mr. MONRONEY. The opponents of the bill take the view that all the capital gains should be taken away—regardless of whether a DC–3 sells for $125,000, as it would have at the time when we tried to have the bill passed last fall, or whether such a plane sells for $80,000.

In that event, all the airline would have left would be $20,000 for each DC–3. So it would require sale of 3 DC–3's to make a 10-percent downpayment on a Fairchild.

Mr. CLARK. It should be a matter of record that Allegheny Airlines has been able to get rid of 13 DC–3's and has been able to purchase Martins to replace them; and its finances are exhausted, insofar as the completion of that conversion is concerned. Unless the bill is passed and is enacted into law, I think it highly unlikely that Allegheny Airlines will be able to give the Pennsylvania cities the service they should have, service which can be supplied to Allegheny at a profit.

On the other hand, the Senator from Oklahoma knows that in today's operations, if a DC–3 operates without being pressurized, when it reaches the higher altitudes at which it is required to fly under existing conditions, many of the passengers will suffer from earaches or from other unfortunate illnesses, although when the DC–3 was built it was one of the best planes ever invented, I believe; and it is still far from being obsolete.

Mr. MONRONEY. Yes; the DC–3 is a great plane.

Mr. CLARK. I see no way, under the free enterprise system, in which a small airline company like Allegheny can make a successful business venture unless we get it started and put it over the hump by enabling it to buy modern equipment which it can operate at a profit. For that reason, I am prepared to support the bill.

I should like to ask this question, because I know the Senator wants to put everything out on the table.

Mr. MONRONEY. We have been putting everything on the table. If the Senator will read the hearings, he will see that we tried to put everything up in neon lights and copper riveted, so we will not have any more "guesstimates" by the proponents or opponents of the bill.

Mr. CLARK. It has been alleged—not on the floor yet, but it has been alleged—and strongly urged that if this retroactive date is put into the bill, and if our friends from Pan American are able to persuade the CAB that it should go back on subsidies, the extra cost of the retroactive features of the bill will be $5 million, out of which Pan American and its subsidiaries will receive $3,800,000, leaving only $1,200,000 to be divided among the small airlines. Pan American is entitled to that money. The mere fact that Pan American is a huge airline is no reason why I should vote against the bill; but I think my friend will agree that the primary purpose of the bill is to help the small feeder lines we have been talking about, and not help Pan American, which no doubt is a splendid company also. If Pan American does go back on subsidy, and if the retroactive date is put into the bill, out of a total additional $5 million, Pan American and its subsidiaries will get $3,800,000. Is that a correct statement?

Mr. MONRONEY. I do not know how the Senator has arrived at those figures. If every airline on subsidy sold its airplanes between 1955 and 1960, all the capital gains would not exceed $67 million. At today's prices, that amount has dropped by about $20 million, because the prices of aircraft have gone down.

Mr. WILLIAMS. Mr. President, will the Senator yield, because I think I have the answer to that question.

Mr. MONRONEY. I yield.

Mr. WILLIAMS. Page 5 of the committee report shows the amount. Reading from the last paragraph on page 5 of the report, it states:

> The retroactive effect, of course, would tend to increase the liability of the Government for mail subsidy, in the approximate amount of $1,704,000, the principal amount of which, namely, $1,147,000 would be payable to Pan American, if it were determined by the Board that this company was to be on a mail-subsidy basis for the period April 6 through December 31, 1956.

Continuing in that same paragraph, it is pointed out that Allegheny would, if the bill be passed, be permitted to receive $169,000, which would otherwise be excluded from the subsidy computations.

Mr. MONRONEY. So far as I can determine positively, the following subsidized airlines have had capital gains from the sale of flight equipment since April 6, 1956, and in the following amounts:

Alaska Coastal	$6,000
Allegheny	162,000
Chicago Helicopter	21,000
Continental	218,000
Pan American	180,000
Panagra	711,000
Total	1,298,000

Continental Air Lines and Pan American are of course no longer on subsidy, but these amounts represent the gains realized while they were on subsidy. In the case of Pan American, these were gains realized between April 6, 1956, and October 1, 1956, the date they went off subsidy.

Allegheny would not lose its $169,000. The company did not sell anything anyway. It gave 2 DC–3's and 12,000 shares of stock.

Continental has had gains of $218,000. It sold 3 DC–3's for a total of $331,000 in April of 1956. Through a technicality, 1 sale was recorded as having taken place on April 5, while CAL was on closed rate, and 2 sales involving $218,000 on April 6.

Since they were on a closed rate they were entitled to keep their capital gains for the sale made on April 5, but not the gain from the 2 airplanes sold on April 6. So there is $218,000 involved in that.

I believe that Northern Consolidated has also had gains of about $8,000, and Pacific Northern of about $10,000, during this period.

As to Pan American World Airways, a few days after it went off subsidy in 1956, the line lost a Boeing Stratocruiser in the Pacific. Senators may remember that event. Some heroic rescue work was done in connection with that crash.

This crash produced a $967,000 gain. Had Pan American been on subsidy when it lost the plane on October 16, 1956, the CAB, under its ruling, would take that insurance money for the airplane. Pan American paid for the insurance. Pan American lost the plane.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. WILLIAMS. It is true that the particular example which the Senator pointed out refers to payment of insurance on a lost plane and in this case the amount of insurance represented more than the depreciated value of the airplane. But is it not true that in the subsidy payment to this company the depreciation on the plane which was destroyed and the insurance which was paid on the plane had all been taken into consideration by the Government in computing the amount of their subsidies?

Mr. MONRONEY. Pan American received $3,305,000 for selling 6 aircraft prior to April 6, 1956. It was allowed to keep that. The company was on subsidy, but was on a closed rate. CAB would then say, "You are no longer on a closed rate. You are on an open rate. You cannot take the insurance money, but you can take the money for the aircraft sold, because you were on a closed rate."

It is a crazy policy. I do not know anybody who would support the operation of a business in as cockeyed a manner as that.

Mr. WILLIAMS. Without going into the merits of whether the bill should or should not be passed, my question is: Is it not true that the depreciation on the original plane and the insurance cost for that plane were taken into consideration when the subsidy was computed, and that therefore the company, when it received the subsidy, was reimbursed by the Federal Government?

Mr. MONRONEY. The Senator is assuming that all of the income——

Mr. WILLIAMS. I am not assuming anything——

Mr. MONRONEY. The Senator missed a very basic factor. The Senator speaks as though all the income coming into Pan American is coming from the United States Government. The amount of subsidy the Government pays Pan American is a very small percentage of its total income. In other words, other income has helped to pay for the depreciation. Ninety-eight percent of the insurance was paid by Pan American.

Mr. WILLIAMS. I fully recognize that, but the point I am making is that in computing the amount of the subsidy which is due a company, any company, in order to bring the company up to the guaranteed return on its investment, the Board includes all of these factors which the Senator mentions here. All are taken into consideration.

Mr. MAGNUSON. Mr. President, will the Senator from Oklahoma yield to me?

Mr. MONRONEY. I yield.

Mr. MAGNUSON. A great deal has been said here this afternoon about the possibility that some of the trunklines might come back on subsidy. I should like to ask the Senator a question. If the bill passes, there will be absolutely no reason for a trunkline to come back under subsidy for this particular purpose, will there?

Mr. MONRONEY. They would gain nothing under the bill that they do not have now.

Mr. MAGNUSON. They have it now. If the trunklines went back on subsidy for this purpose they would be more limited than they are now?

Mr. MONRONEY. They can distribute the capital gain now as a dividend.

Mr. MAGNUSON. Now they can do whatever they want, but if the bill is passed and the trunklines come back on subsidy they will have to reinvest such money in new equipment, so there would be no reason for them to follow that procedure.

Mr. MONRONEY. They can declare dividends of all their capital gains, if they want to, so long as they are off subsidy.

Mr. MAGNUSON. The Senator is correct.

Mr. MONRONEY. I should like to return to my colleague's statement that all of the money Pan American gets comes from subsidy.

Mr. WILLIAMS. Mr. President, I do not think the Senator will find that I made such a statement.

Mr. MONRONEY. The Senator said that the Federal Government paid for insurance and the Federal Government paid for depreciation.

Mr. WILLIAMS. I said that the Federal Government took into consideration, in determining the amount of a subsidy, the depreciation on all the planes and all of the equipment of any company, as well as the amount which such company paid for insurance. All of those factors are taken into consideration in computing the earnings of the company involved. That is true with respect to Pan American or any other company. I think there is no disagreement on that point.

Mr. MONRONEY. If the Senator will refer to page 34 of the hearings before the Subcommittee of the Committee on Interstate and Foreign Commerce, held August 16, 1957, he will observe the chart furnished by the CAB. The Senator will find under the column of the chart entitled "Relation of Subsidy to Total Operating Revenues" that Pan American receive in subsidy eighty-four one-hundredths of 1 percent of its total revenues.

Therefore, since the Federal Government is paying at that rate, the insurance provision would be less than 1 percent. Less than 1 cent out of every dollar would go into the insurance premium, and the same would be true with regard to the depreciation factor.

I will say that the eighty-four one-hundredths of a percent is not an accurate figure for a full year, because Pan American went off subsidy after the fiscal year opened July 1. It went off subsidy October 1.

Mr. WILLIAMS. Pan American may be off subsidy or it may be on subsidy. I think that question is still pending before the Board. Whether Pan American will be determined to be on subsidy or off subsidy is a question which will be solved in the future. I think I am correct in making that statement.

Mr. MAGNUSON. That is correct.

Mr. DOUGLAS. Mr. President, will the Senator yield so that I may ask a question?

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from Illinois?

Mr. MONRONEY. I yield to the distinguished Senator from Illinois.

Mr. DOUGLAS. I think I have a suggestion which will meet the requirements of the situation.

The Senator from Oklahoma has been arguing very ably that the bill refers primarily to the feeder lines.

Mr. MONRONEY. That is right.

Mr. DOUGLAS. And the Senator from Washington has just stated that there is no need for the big trunklines to come under the provisions of the bill at all. Therefore, I now make the suggestion that an amendment be put into the bill exempting the domestic and international trunklines from the provisions of the bill, if enacted into law, so that it will be very clear the provisions apply only to the feeder lines, and therefore, the national and international trunklines will be exempted.

The Senator from Washington has stated that the trunklines have no need for this subsidy, and I think now we may have a solution which will clear up the whole thing. I hope very much that the Senator from Oklahoma, on behalf of the sponsors of the bill, will accept that amendment.

Mr. MONRONEY. I am rather surprised to find my distinguished friend, whom I have admired so much for his able fight against the monopolistic power of Pan American, taking such a position. If he attached such a provision to the bill, he would insure, I am certain, that Pan American would remain dominant. He would finally realize for Pan American the goal of being the only American-flag carrier, because Braniff would go under water and Northwestern would go under water, and so would Panagra and the other lines.

Mr. DOUGLAS. Panagra is half owned by Pan American——

Mr. MONRONEY. Half owned, but not a very happy half ownership. It is a violently erupting union, I may say to the Senator, because Pan American always grabs the traffic to the east coast, which they have the whole right over, and they only give a crumb to Panagra, to go down the west coast; so they are always in trouble.

May I say to the Senator that I would be certain such a provision would deny Braniff a chance to become competitive.

Mr. DOUGLAS. But my proposed amendment would take care of the problem which the Senator has been weeping about most of the afternoon. Our good friend, the Senator from Washington [Mr. MAGNUSON], said that the trunklines will not go on subsidy, or will not need the act; so such a provision would reconcile all the conflicting possibilities.

Mr. MONRONEY. The Senator was not here when I made my original speech. I said there is a possibility, under this Republican prosperity——

Mr. DOUGLAS. I was present in the Chamber.

Mr. MONRONEY. That even American Airlines, United Air Lines, and the giants of the field will be back on subsidy.

I do not think if I were the Senator from Illinois, with the fine record which the distinguished Senator has as a fighter against monopoly, I would be trying to put Braniff and Northwestern and the other competitive international routes—the little boys—out of business by denying them use of their gains.

Mr. DOUGLAS. May I say to the Senator from Oklahoma that the heart of the Senator from Oklahoma is just as pure as the heart of the Senator from Illinois. I do not think I can claim to have more virtue than the Senator from Oklahoma.

Mr. MONRONEY. The Senator from Illinois has been more vocal in his fight against monopoly than has the Senator from Oklahoma, I regret to say.

Mr. DOUGLAS. I merely wish to say, since the Senator from Oklahoma weeps about what may happen to me, that I weep about what may happen to him, also. I would hate to have the Senator from Oklahoma put in the position of getting the bill passed and then finding that Pan American had sold its equipment before it went on subsidy, making a very large amount—let us say possibly $26 million—and then, after having sold the equipment, had gone back on subsidy and collected an increased amount of subsidy, because it was not exempted under this act.

Mr. MONRONEY. No. If Pan American sold its used equipment when it was off subsidy, they do not have to answer to anybody. They can declare that money as a dividend.

Mr. DOUGLAS. Then they can go back on subsidy, and the capital gain which they made previously from the sale of the equipment, while they were off subsidy, will then operate to increase the subsidy which they will be paid.

Mr. MONRONEY. That does not make sense. I might say, though I am trying to follow the Senator, I do not understand.

Mr. DOUGLAS. I am trying to find the Ethiopian in the woodpile. I would hate to have my good friend, the Senator from Oklahoma, discover a joker in the bill after he used his great talents to get the bill through.

Mr. MONRONEY. I may say to the Senator that there has never been quite so diligent a search. There has never been such a search for something in the woodpile as there has been on this bill. We have had the staff of the committee searching and re-searching and re-searching to find if there are any jokers in the bill which will do something we did not think would be done, after having had the hearings.

Mr. DOUGLAS. May I ask the Senator about the possibility which the Senator from Illinois has just indicated? Pan American is now off subsidy and can sell its equipment and make, let us say, $26 million in capital gains on the sale of the equipment.

Mr. MONRONEY. Capital gains.

Mr. DOUGLAS. Capital gains; yes. Pan American can pocket that money.

Mr. MONRONEY. They can do it now.

Mr. DOUGLAS. Pan American already, I believe, has a claim before the CAB for a $14 million subsidy, which has not been adjudicated. If that claim is granted, Pan American will have the $14 million, and they will have made $26 million in capital gains, which would not be included as a part of their income for subsidy purposes. The $26 million would not be credited against the $14 million, but would be used to diminish their income and thus increase their need so Pan American could walk off with $40 million.

Mr. MONRONEY. I think that is a rather fantastic line of reasoning. I would say that Pan American cannot have it both ways. Pan American is either off subsidy or on subsidy. If they are off subsidy, then they are entitled to do what they will with their capital gains. On that the law is wide open and clear. However, if they are on subsidy and the court should find, even though the Board thinks they are not, that the law requires them to be on subsidy, then all Pan American can do is to reinvest its entire capital gain in new equipment and planes to be delivered after the date specified.

Mr. KNOWLAND. Mr. President, will the Senator yield to me, if the Senator from Illinois will permit an interruption at this point, since I desire to bring out a point in connection with the present discussion?

Mr. MONRONEY. I yield to the Senator from California.

Mr. KNOWLAND. Whether it be the Allegheny Airlines or any other company, is it not to be required that if advantage is taken of the provisions of the bill such capital gain as is involved must be put into new equipment?

Mr. MONRONEY. That is exactly true.

Mr. KNOWLAND. The purchase of new equipment or used equipment, as the case may be?

Mr. MONRONEY. Improved equipment.

Mr. KNOWLAND. Improved equipment?

Mr. MONRONEY. That is right.

Mr. KNOWLAND. What would happen to either a domestic line, or, for that matter, a line which travels overseas, if it did not keep its equipment up to date? Suppose, in a few years, we find that the Soviet Union is flying commercially with modern jet equipment, while our flagline carriers are flying old equipment, and it is advertised in all the countries of the world that the latest equipment is being flown by the Soviet airlines. In the Senator's judgment, would not such a situation do great damage to this country internationally, in our air transportation and otherwise?

Mr. MONRONEY. I thoroughly agree that it is most important for our American-flag lines overseas not to fly beaten-up DC–4's. I was ashamed to ride into Berlin, where we meet the Russian airlines in that divided city, and find that a beaten-up DC–4 the only way of getting between Frankfurt and Berlin. Why the CAB has not given TWA, which has new equipment, the right to go into Berlin I do not know. Pan American has a beaten-up DC–4 which we would be ashamed to put on any milk run in the United States. Today the new Russian jet is operating on many of the European airports. We have some on order—the 707 Boeing and the DC–8's, which are coming in. However, those are $5½ million planes.

Whether we allow Pan American, Braniff, or Panagra to put down, on that $5½ million purchase, the $200,000 it may realize in capital gains from the sale of a DC–4 is, in my judgment, not a question of the great importance which the distinguished Senator from Delaware has attached to it. If an airline is off subsidy, it can keep the money. It does not have to reinvest it. But if it is on subsidy, it needs it the worst, because it can work its way off subsidy only with better equipment. If a certain airline is low man on the totem pole, and is flying the oldest and most beaten-up planes, even Americans will not ride on them. Who wants to fly the Atlantic Ocean in a beaten-up rattletrap? I do not.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. DOUGLAS. Am I to understand that my good friend from Oklahoma will accept the amendment which I proposed, namely, that the domestic and international trunklines be exempted from the operation of the bill and that its provisions be limited to the feeder lines?

Mr. MONRONEY. If we wish to give Pan American a monopoly in its field, that is the best way to do it. The Senator from Oklahoma does not choose to do that. Neither do I choose to be so careless in my economics as to say that a DC–3 is worth $20,000 if it is sold by a trunkline carrier which might be back on subsidy, but that if it were sold by a feeder, it would be worth $125,000. It does not make sense to me to have a difference of value of $100,000 on the same plane.

Mr. DOUGLAS. Then the Senator's answer is——

Mr. MONRONEY. The answer is definitely "No."

I would be ashamed to be identified with a bill so obviously aimed at blocking out a very important part of our aviation spectrum, namely, our trunklines and our international lines. We have competition in those fields. I do not wish to see that competition diminished. I should like to see it increased.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. WILLIAMS. I should like to clear up one question without, for the moment, going into the merits of the retroactive feature.

Earlier the Senator made the argument that if section 2 were eliminated, there would be no limit as to how far back the provisions of the bill would be retroactive. I disagreed with that conclusion and I now invite the attention of the Senator to the language on page 5 of the committee report, beginning about the middle of the page. The reason I am bringing up this question again is that it should be clear, when we vote, as to what we are doing. I read from page 5 of the report:

> Your committee recommends that section 2, as introduced, but which was stricken by the House Committee on Interstate and Foreign Commerce in executive session, be restored with a retroactive date of April 6, 1956, rather than January 1, 1956. Briefly, this section permits the bill to apply to all capital gains realized on the sale or disposition of flight equipment since that date. It is also recommended that the same date, April 6, 1956, be used as well in section 1 to establish the earliest date for orders of new equipment toward which capital gains may be credited, H. R. 5822, as passed by the House not being clear on this point.

Mr. MONRONEY. That is the point I made a while ago.

Mr. WILLIAMS. I continue to read from page 5 of the report:

> Your committee believes that such retroactivity is essential in order to avoid unwarranted discrimination against carriers which have recently been enterprising enough to begin modest reequipment programs. April 6, 1956, is selected as an appropriate date to correspond with the Board's freezing order in connection with its before-mentioned capital gains proceedings.

Without going into the merits of the question as to whether this provision should or should not be retroactive, the point I make is that, without section 2, I do not believe it would be retroactive. It would be effective only from the date of enactment. That was the position of the House.

Mr. MONRONEY. It was not clear to us whether the House bill, without the retroactive feature, and effective upon the enactment of the bill, as applying to capital gains, would have required such capital gains to be reinvested in new equipment. We did not want, by any possible inadvertence in the language of the House bill, to allow 1954 planes to be chargeable against the reequipment fund. That is one of the reasons why the deadline of April 6, 1956, is in the bill.

Mr. WILLIAMS. Whether or not we agree upon the question of retroactivity, it was proper for the committee to seek to clear up the question. The record of the House proceedings, and the proceedings in the House committee, indicate that Members of the House thought they were striking out the retroactive feature.

When the Senator speaks of going back to 1954 or 1953, is it not a fact that prior to April 6, 1956, all the airlines were already governed by this procedure?

Mr. MONRONEY. Subsidized airlines on an open rate could not retain their gains. Those on closed rate could. Those not on subsidy do not have to account to anyone. Then suddenly, on April 6, the CAB challenged whether any subsidized airline was allowed to keep its capital gains. That is the way the situation stands today. Unless the bill is passed, there will be confusion. I believe that our version is much clearer than the House-passed bill. It does justice to the small airlines which have placed orders for new equipment, which might be barred under the terms of the House bill.

Mr. WILLIAMS. Was it not the understanding of the committee that, as the House passed the bill, it was the intention of the House, as well as of the House committee, that the bill should not be retroactive?

Mr. MONRONEY. There was quite a hassle over that question. In the brief time the bill was on the floor of the House, it is doubtful if there was a full understanding as to what elimination of section 2 would do. Section 2 was stricken, and the bill was sent over to the Senate. Careful hearings were held on the subject. I am sure the Senator from Delaware knows that the Senate is not prohibited from improving any bill which the House sends over. I had many years of enjoyable service in the House, but I always felt that the two-chamber system was good. What mistakes one house makes, the other can correct, and vice versa. I think the House saves us from many a "blooper."

Mr. WILLIAMS. Apparently, I have more confidence in the House than does the Senator from Oklahoma. I do not believe that the House is passing bills without knowing what it is doing. The proceedings clearly indicate that section 2 was stricken in order to eliminate the retroactive feature.

Mr. MONRONEY. I think the Senator will find that there was a very brief discussion on the question of whether to make the provision retroactive to 1950, with respect to charging to the equipment fund capital gains which would accumulate after the passage of the act. I believe that retroactivity with respect to the planes which have already been purchased is possible, and very likely, under the House-passed bill without the specific retroactive date.

Mr. WILLIAMS. I believe the record shows that the bill which was introduced in the House called for a date of January 1, 1956. In the course of the debate on the floor of the House, an amendment was offered striking out the retroactive feature. I believe that very definitely the House thought the bill it passed would eliminate the retroactive feature.

I think they were right in taking such action and hope the Senate will at least sustain that part of their action.

Mr. CHURCH. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. CHURCH. I wish to say that the Senator has always been most persuasive in his arguments.

Mr. MONRONEY. I thank the distinguished Senator from Idaho.

Mr. CHURCH. I have listened with a great deal of interest, and I have just one or two brief questions to ask him, because I should like very much to support him and the committee on the pending bill.

I am very much interested in the feeder airlines. I recognize they have a peculiar problem, with the large areas they serve and the limited traffic they carry. It is my understanding—and if I am incorrect in my understanding I would appreciate it if the Senator from Oklahoma would correct me—that under present Federal law any airline which is operating at a deficit is entitled to a public subsidy which will give to that airline a fair return on its capital investment.

Mr. MONRONEY. Yes. It is about 8 percent for foreign airlines and 6 percent for domestic airlines.

Mr. CHURCH. In computing the operating loss for any given airline, for purposes of determining what the subsidy should be, is it not the practice for the airlines to keep a depreciation account to which they allocate a certain amount each year in order to make up for depreciated equipment?

Mr. MONRONEY. Yes. The depreciation is usually figured on a 7-year basis. Most of the equipment involved consists of DC–3's and similar planes, most of which were acquired prior to World War II or following World War II. Much of that equipment was acquired as war surplus.

Most of these planes were acquired at an average cost of $40,000. Since then they went up to $125,000 and then back down to $80,000. That shows how the market fluctuates with regard to the supply of planes. That would result in a writeoff of one-seventh on a $40,000 investment, until they depreciate down to about $25,000, which is the residual value. The value does not go below that amount. Consequently, an airline can get only $25,000, no matter what it sells the airplane for, if the airline is on a subsidy. Of course if an airline is off subsidy, it can keep all the money for the airplane it sells.

Mr. MAGNUSON. Will the Senator yield?

Mr. MONRONEY. I yield.

Mr. MAGNUSON. Although the law is as the Senator has stated it, and there is depreciation, it does not work out that way, and the average writeoff is about $11,000 or $12,000.

Mr. CHURCH. That is the question that perplexes me, because I wonder if it is in the public interest to give an added subsidy when the public law already guarantees a fair return and when the airline is entitled to take depreciation on its existing equipment in determining that fair return.

Mr. MONRONEY. I might say that in the case of the trunk lines, with their valuable DC–6's and DC–7's, the depreciation and write-down on those planes will be terrific, and it is entirely possible that lines which are not now on subsidy will be applying for it.

Mr. CHURCH. The problem of the feeder lines is that their depreciation

reserves, which they have built up, are very small, owing to the small cost of the planes, in that they are largely surplus planes.

Mr. MONRONEY. Most of them are DC–3's and DC–4's, practically all of which were war surplus planes. A DC–4, selling for $400,000, cost probably $50,000 at the time of acquisition.

Mr. CHURCH. Furthermore, the purchase price for new equipment is very high.

Mr. MONRONEY. Yes.

Mr. CHURCH. And the lines are faced with a critical cash shortage. Is that correct?

Mr. MONRONEY. They have no cash. They must trade in their old equipment in order to acquire new equipment.

Mr. CHURCH. Therefore, for purposes of financing, they are faced with a very serious problem.

Mr. MONRONEY. They have to trade in old equipment for new equipment. They are faced with the same problem that a buyer of an automobile is faced with. He must trade in an old car for a new car. At least that is the case with the Senator from Oklahoma. I must make a down payment with the old car. If I were to receive $300 for my old car but could keep only $100 of it, I could not go out and buy a new car.

Mr. CHURCH. It is the feeling of the distinguished Senator from Oklahoma, if the bill is passed, that it will not only facilitate the procurement of new equipment, but, in the facilitating of that procurement, it will also improve the financial position of the feeder airlines, so that the public subsidies can be decreased or limited?

Mr. MONRONEY. That is the purpose of the bill. It is hoped that the feeder airlines will be able to break even. They cannot pay the pilots' wages and the copilots' wages, or the salaries of the stewardesses and the necessary ground personnel as long as they use a DC–3, which has a seating capacity of 21 or 24. That kind of operation is against them. On the other hand, if it is possible for them to carry freight, and perhaps some of the 4-cent first-class mail—

Mr. CHURCH. I am happy that the Senator has not referred to it as nickel mail.

Mr. MONRONEY. Not nickel mail, but 4-cent mail.

Mr. CHURCH. I thank the Senator.

Mr. MONRONEY. In that case there would be a great future, as I see it. Many people realize the problems faced by these vigorous, pioneering feeder lines. The situation today is similar to the early pioneering days of the railroad lines. The great trunklines crossed the country from coast to coast, and our whole system of transportation was built up when the lateral feeder lines were built which fed the great trunklines of the country. The same situation obtains today in the airline industry.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. DOUGLAS. The Senator from Illinois offered to provide an allowance for the feeder lines, and feels very solicitous about the feeder lines. If the Senator from Oklahoma will accept the amendment the Senator from Illinois is proposing, excluding the national and international trunklines, we can pass the bill very quickly, and the name of the Senator from Oklahoma will shine high and bright over the Rocky Mountains.

Mr. MONRONEY. We had this fight a year ago, when the Senate voted overwhelmingly against saying that a DC–3 owned by Braniff or Continental was worth $20,000, but was worth $125,000 if it was owned by a small feeder line. It is as simple as that. We are talking about equipment. In other words, if the plane is owned by Braniff or Continental or some of the other big airlines——

Mr. DOUGLAS. Or Capital.

Mr. MONRONEY. Or Capital, it is worth $20,000, but if a little airline owns it, it is worth $125,000. That might make sense to the Senator from Illinois, but it does not make sense to me. I cannot see why, when Mr. Big owns a DC–3, and happens to be on a subsidy, that he can have only a $20,000 income from the sale of that plane, although it sells for $125,000. All the big domestic airlines today are off the subsidy. The junior Senator from Oklahoma does not want to forestall Capital Airlines, if they go back on subsidy——

Mr. DOUGLAS. Or Pan American.

Mr. MONRONEY. Or Pan American. I do not have a dagger to stick into anybody's heart, big or little. If we are to have a principle, it must apply equally to the big and the little.

Mr. DOUGLAS. The Senator from Illinois does not have any dagger, either.

Mr. MONRONEY. I know the Senator does not have one.

Mr. DOUGLAS. The Senator from Illinois is trying to give relief to the group the Senator from Oklahoma has been so eloquently arguing for; namely, the feeder airlines.

Mr. MONRONEY. There are 14 feeder airlines that will be affected by the passage of the bill. There is only one international line that will be affected at present.

Mr. DOUGLAS. But the international lines would get the greatest share of the money, I believe.

Mr. MONRONEY. No. The one affected by it is Braniff. I can look up the amount for the Senator.

Mr. DOUGLAS. If the act had been in operation from 1945 to 1956, the international lines, and not the feeder lines, would have received the largest share.

Mr. MONRONEY. I wish the Senator would please read the hearings. Pan American received their capital gains up until the April 6 date because they were for a long period of time on a closed rate.

They collected $3 million that they kept. Nobody could tell them what to do with it. Pan American realized $3,505,000 in capital gains from the sale of 6 aircraft prior to April 6, 1956. But since the carrier was on a closed rate basis, those funds could not be touched. They would not be affected by the bill.

But on April 6, 1956, the CAB did a flip-flop. On any sale after April 6, 1956, the CAB takes all of the funds.

Then they ruled that Pan American was off subsidy on April 6, 1956, so they could sell their planes and keep all the capital gains that they wanted to keep.

If the Senator from Illinois will read the hearings, I think he will find that our committee certainly went into every phase of the matter. Table II on page 33 might interest the Senator. It is entitled, "Estimated Subsidy Accrual For 1955." It gives the list of subsidies in Latin American operations. The 3 are: Braniff, $982,000; Pan American, $1,500,000; and Panagra, $986,000.

The major subsidy is $27 million for the local service airlines.

Mr. BIBLE. Mr. President, will the Senator yield?

Mr. MONRONEY. I am happy to yield. I shall be happy to yield the floor.

Mr. BIBLE. I wish to take a moment to compliment and commend the able chairman of the Subcommittee on Aviation for his very fine handling of the proposed legislation. He has been on his feet for 2 or 2½ hours and has very clearly pointed out the reasons why the bill should be enacted.

I do not know whether the Senator has commented upon the profitable operation of the feeder lines. It seems to me that underlying a great many of the questions asked today is some theory that possibly those are profitable operations. I wonder whether that is true. As I understand, the feeder lines have been operating for a period of 10 or 11 years. Have they shown any operating profit?

Mr. MONRONEY. I thank the Senator from Nevada for that question. Actually, we know of no case in which any feeder airline has ever paid any dividend to any stockholder. If a person invested $100,000 10 years ago in any of the feeder lines, he would have had the pleasure of investing $100,000, but he woud have received no dividends during the 10 years. If he could normally anticipate a 5-percent dividend, he would actually have lost $50,000 of income over that period of time.

Mr. BIBLE. I certainly can testify of my own knowledge concerning the Bonanza Airline, which is a fine feeder airline in my own State, and which has been operating at a constant loss since it first started operations. I recognize that the guaranteed-loan bill was of some assistance to them in attempting to sell their DC–3's and to purchase F–27's; but I also recognize that that is not all the assistance that is required.

It seems to me that a very clear case has been made, not only at this session but also at the last session, that one of the few ways in which we will ever accomplish the happy event of taking feeder airlines off subsidy is by the enactment of legislation such as is proposed in the bill.

I think there was testimony—although it was merely a guess—that, if the bill became law, and the feeder airlines could get better equipment they would be off subsidy in a period of 5 or 6 years. Is that correct?

Mr. MONRONEY. The only way they will ever get off subsidy is by getting better equipment. That is fundamental. But that will depend on their load and their enterprise in building up their sys-

tems, and also upon the CAB providing better route structures, which will enable the airlines to get into better terminals and better territory, such as that served by Lake Central and Piedmont.

When an airline gets good terminals, its load goes up to a startling degree.

Piedmont has become one of the fine feeder airlines. So long as their only routes were around in the hills of North Carolina they were not getting a good load. As soon as it got a Washington terminal, it got a full load. But so long as they run their DC–3's, they will stay in the red, because the DC–3's will eat up their profits.

Mr. BIBLE. As I understand, prior to April 6, 1956, in a closed rate case, any capital gain which would have come about through the sale of DC–3's would not have been taken into consideration in rate-making. It could have been usable for reinvestment in better equipment. Is that correct?

Mr. MONRONEY. It could also have been usable for dividends. If the subsidized line was on a closed rate prior to April 6, 1956, it could have spent its gain on whisky for the directors if it had wanted to, or the directors could have gone on a trip to Europe, or could have declared a dividend.

The company had full control of its earnings. After the 6th of April, 1956, the Board said, "You cannot even invest the gain in new equipment."

But the bill provides that the gain can be invested in new equipment, if that be done within a reasonable time, as determined by the Civil Aeronautics Board. So the situation is much tighter than what it was for the subsidized airlines which were operating on closed rates. There was no control over their capital gains.

Mr. BIBLE. It seems to me that the policy of the CAB prior to April 6, 1956, was a correct policy.

Mr. MONRONEY. I think so.

Mr. BIBLE. It seems to me that the bill now before the Senate has been copper-riveted as the Senator from Oklahoma has correctly described it, and is a step in the right direction, namely, in assisting of the airlines to get off the subsidy. I am sure that that is what the Senator from Oklahoma has in mind, as do the other members of the committee.

Mr. MONRONEY. The very able Senator from Nevada has been a tower of strength in the consideration of all proposed aviation legislation. In all matters affecting the small airlines, he has always been in attendance at the hearings and has been anxious to champion the cause of small business.

While the bill does not provide aid exclusively to small business, as the distinguished Senator from Illinois [Mr. DOUGLAS] would like it to do—as a small business bill—it is an economic bill, one which provides that only the airlines which must have a subsidy can participate.

Consequently, we are not helping the rich and the strong. If a company is making a 6 percent return on its invested capital in its domestic operations, 8 percent on its overseas operations, then if they have capital gains they can keep them and spend them for anything they desire.

Mr. PAYNE. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield to another distinguished member of the subcommittee, an aviation enthusiast who has always participated actively in the consideration of proposed aviation legislation by our subcommittee.

Mr. PAYNE. I thank my colleague. It has been a great pleasure to serve on the subcommittee under his leadership. I compliment him for the presentation he has made this afternoon of what I think is a very deserving case.

I ask my colleague if in all the discussion of subsidy it is his opinion that $1 of a so-called subsidy ever went to the direct, private benefit of any of these airlines?

Mr. MONRONEY. No. It was simply used to make up the loss or lack of revenue from their operation in order to provide a 6-percent return.

Mr. PAYNE. The purpose, under the act, of giving certification to the airlines has been to meet the public need. Is that not correct?

Mr. MONRONEY. The public convenience and necessity.

Mr. PAYNE. Correct. It has not been tied only to commerce as such—the transportation of individuals back and forth—but also embraces the carrying of post office items as well as of commercial cargo, in many instances.

But, furthermore, the most essential reason, perhaps, has been to provide, in the event of an emergency, for the national defense needs of the Nation.

Has there been any organization that has been more loyal, that has been more alert, in making available for the needs of the country in time of emergency, facilities for the rapid transportation of either troops or commodities, to points to which they had to be transported, than the airlines of the Nation?

Mr. MONRONEY. I am very glad my distinguished colleague raised that point. Uncle Sam is getting for his military security a free ride on the most valuable air logistics system of any nation in the world. The air carrier system of the Nation largely earns its own way. But overnight it is convertible into the greatest air armada the world has ever seen.

When the United States entered World War II, it was the airline pilots and airline planes which were ready to go on December 8, 1941.

Mr. PAYNE. And also in the Berlin airlift.

Mr. MONRONEY. Yes, indeed. Many of our planes made possible the Berlin airlift and the Korean war supply.

Mr. PAYNE. That is correct.

Mr. MONRONEY. It did not cost the Government anything to have them available on a standby basis. Of course, the Government paid for the service supplied when they were called into use; but that was done on a charter basis.

Mr. PAYNE. I should like to ask a question. Much concern has been expressed about certain airlines, particularly those engaged in international carrier service. Is it the opinion of the Senator from Oklahoma that our Government and our country are exercising the same interest in United States air carriers that is being evidenced by foreign countries in their air carriers?

Mr. MONRONEY. Mr. President, I am very glad the Senator from Maine has brought up that point. I did not think of it when the Senator from Illinois [Mr. DOUGLAS] was seeking to bar the international lines from participation, no matter how great their competition may be. All the airlines in other countries are completely owned by the governments of those countries. So our airlines are competing, not with foreign lines, but with the treasuries of those other countries.

Mr. PAYNE. Are the channels of the Export-Import Bank open at reasonable rates of interest to the airlines of the United States, in the case of our airlines which wish to modernize their equipment?

Mr. MONRONEY. I doubt very seriously whether it is possible for a domestic line of any degree of strength to borrow money as advantageously as can be done from the Export-Import Bank by foreign airlines which wish to enter into competition with United States airlines.

Mr. PAYNE. Have not Air France and a number of other foreign airlines participated in such loans for reasonable periods of time?

Mr. MONRONEY. Yes. from 1946 through 1956, loans totaling approximately $38 million were made by the Export-Import Bank to foreign nations, for the procurement of aircraft and related equipment. It should also be noted that as of December 31, 1956, the Export-Import Bank authorized additional loans to foreign countries amounting to approximately $59 million—largely for the procurement of modern transport aircraft.

I do not say that it is wrong for the United States to export American aircraft. I know that the distinguished Senator from Maine and all other Members of the Senate are glad to have American aircraft flown in all countries of the world.

Mr. PAYNE. Yes; but we want our own airlines to be in a position in which they likewise can use more efficient, more effective aircraft, not only for our domestic needs, but also for other needs.

Mr. MONRONEY. That is entirely correct. The Senator from Maine has made a far better answer to the Senator from Illinois than I have made. The Senator from Maine has made it crystal clear that we do not want our overseas flag lines, particularly, to disappear, through obsolescence.

Mr. PAYNE. Finally, is it the opinion of the distinguished Senator from Oklahoma that enactment of the pending bill will constitute a big step forward in enabling our feeder lines, particularly, to get into a position in which they can obtain modern equipment of a type which will enable them to reach a satisfactory position?

Mr. MONRONEY. I agree 100 percent. Enactment of the bill will enable them to make a down payment of 10 percent on a new Fairchild, which costs $555,000. We would like them to be able to do that by turning in only one DC–3,

whereas, under present conditions, for that purpose they have to turn in 3 DC–3's.

Mr. PAYNE. Mr. President, I assure the Senator from Oklahoma that I shall support the bill.

Mr. MONRONEY. I thank the Senator from Maine.

Mr. POTTER. Mr. President, will the Senator from Oklahoma yield to me?

The PRESIDING OFFICER (Mr. TALMADGE in the chair). Does the Senator from Oklahoma yield to the Senator from Michigan?

Mr. MONRONEY. I yield to the Senator from Michigan, who has been extremely helpful in connection with aircraft matters.

Mr. POTTER. Mr. President, I desire to commend the Senator from Oklahoma on his presentation of a bill which has been misunderstood by many persons as being one providing for the giving of a bonanza to a certain limited number of airlines, whereas in reality the ones to be helped actually serve as the weakest link of our full air transportation system. I refer to the small feeder lines.

I know the distinguished Senator from Oklahoma is one of the outstanding experts in this field. Let me ask him whether it is true that today if we have a weak link in our air transportation system, it exists in the case of our feeder services. There has been a tendency to overlook the fact that they have to start from scratch, and they have not been able to develop in the way that they should if they are to feed into the large trunk airlines.

In Michigan there are many areas which need air transportation service, and there are feeder lines which would like to provide it. But those lines simply do not have the financial means to enable them to purchase the equipment they must have if they are to provide service to these communities.

Therefore, to enable them to hook up with the trunk airlines, enactment of the bill will serve a great need. Furthermore, by doing so, if we ever expect the feeder lines to get out of the subsidy class, we must allow them to plow back their capital gains into new, efficient equipment.

Mr. MONRONEY. Certainly the Senator from Michigan has stated in the strongest possible terms the case for enactment of the bill. He has clearly shown the need for enactment of the bill. I know he is as aware as I am that unless the feeder lines are made strong, unless they are able to be in a strong, competitive position in the case of picking up passengers in small groups, whereas the trunklines pick them up in groups of 50 or 100, we shall not have intrastate air transportation in this Nation.

Today the railroads are decreasing their passenger service in every State of the Union. So, if there is to be de luxe, rapid service to the various communities, it can be provided only by the feeder airlines. They have a great opportunity—in view of the abandonment of service by the railroads—to provide service even better than the service they are providing today.

Mr. POTTER. On the other hand, Mr. President, if the bill is not enacted, who will be hurt? Those who will be hurt will be, not the big trunk airlines, directly, but the feeder lines, or the small lines, which really are serving the people who reside in the smaller communities.

Mr. MONRONEY. Mr. President, the Senator from Michigan is entirely correct. None of the larger airlines is concerned. Today they keep their capital gains. For instance, today Pan American will keep its capital gains.

The only ones who will be hurt if the bill is not passed will be those who need this assistance the worst. Although it is said that we are attempting to conceal the fact that the bill, if enacted, will apply to the international air carriers, the record shows that 14 local carriers are in that business, and only one—Braniff—would be entitled to the subsidy internationally.

Mr. President, I yield the floor.

Mr. LAUSCHE. Mr. President, will the Senator from Oklahoma yield to me?

Mr. MONRONEY. Of course. I regret that I have taken so much time. I have merely tried to respond to the questions which have been asked by various other Senators who are interested in the problem.

Mr. LAUSCHE. I understand.

Will the Senator from Oklahoma accept the following amendment: Instead of allowing possibly $67 million to be received by the subsidized carriers, let us allow them to use it for the purpose of purchasing new equipment; but let us provide that the Civil Aeronautics Board shall have the power to require repayment in equal annual installments, over a 6-year period, so the Government will recoup that money.

Mr. MONRONEY. No, Mr. President; I would not agree at all to such an amendment. Either they are entitled to keep their capital gains, or they are not entitled to keep them. Let us stop fiddling around and let us stop saying, "You cannot keep your capital gains. We will allow Delta and the rest of them to keep their capital gains; but because the feeder lines are small, we shall put them in the jail house for 6 years, in order to be sure that they do not purchase any more equipment than the bureaucrats on the Civil Aeronautics Board think they should have."

Certainly that is not my idea of a free economy.

Mr. LAUSCHE. The Comptroller General of the United States, who is an arm of this body, recommended that, instead of providing for an absolute gift, by means of which Pan American is likely to obtain $21 million, the money be loaned to them, but to be recouped in six or seven equal annual installments.

Does the Senator from Oklahoma subscribe, or does he not subscribe, to the recommendation on that subject made by the Comptroller General?

Mr. MONRONEY. I do not subscribe. I would say that the Congress is the policymaking branch of the Government, and I shall not wait for the Comptroller General to tell the Senate or the House of Representatives what the policy is to be.

This bill was passed last year by the Senate. It was passed this year by the House of Representatives, by unanimous consent.

I think the bill involves a policy decision. Therefore, I, for one, am not going to hide behind anyone in the agencies downtown, anyone in the Office of the Comptroller General, so as to allow anyone there to dictate to the Senate or to the House of Representatives what is to be the policy in dealing with capital gains.

If the Senator from Ohio wishes to vote against the bill, that is his privilege. If other Senators wish to vote for the bill, that is their privilege. But let us make the decision ourselves, and not always think that someone in one of the executive agencies downtown must take us by the hand and must lead us and must say to us, "This is what you are supposed to do."

Mr. LAUSCHE. Mr. President, I have deep respect for what the Senator from Oklahoma has said, but I do not feel that I can justly be placed in that category.

Mr. MONRONEY. I do not believe that the Senator from Ohio is in that category. But I am saying that there is too much tendency to yield our power as the Members of the mightiest legislative body in the world, to the executive departments.

Mr. President, it is proper for the Congress to obtain the opinion of the Comptroller General, and we want to have it. But after we obtain it, then we ourselves, as Members of the Congress, have to make up our minds.

That is what Senators have been doing today. That is what Senators did at the Senate committee hearings, and that is what Members of the House of Representatives did at their committee hearings. After we obtain all the advice, finally we, as Members of the Congress, must make up our minds. When we cease to do that, we cease to have the democracy which was intended by those who wrote the Constitution of the United States.

Mr. LAUSCHE. My question is in line with that asked by the Senator from Maine [Mr. PAYNE], who pointed out that moneys are probably being loaned for the purpose of developing airlines in foreign countries.

Mr. MONRONEY. We are certainly loaning money to many of them.

Mr. LAUSCHE. Therefore, I thought that if it is correctly argued—although I do not believe it is—that these airlines cannot finance themselves, under the provisions of the laws the Congress has passed thus far, then it would be well for the Congress to pass a bill allowing the money to be loaned, and then to have the loan recouped in the course of 6 or 7 years.

Mr. MONRONEY. Mr. President, I am amazed that the Senator from Ohio would propose that we loan back to the feeder airlines their own money. Actually, the only way that could be justified——

Mr. LAUSCHE. I think I shall prove that the Senator's amazement is unfounded. In a moment I shall make my own argument on the subject.

Mr. MONRONEY. The only way the Senator from Ohio can say he is not

proposing to loan them back their own money is to assume that the airlines are 100 percent subsidized, whereas the record clearly shows that during the fiscal year 1956 the average subsidy of the small feeder airlines was approximately 25 or 26 percent, or approximately 25 or 26 cents of each dollar. The highest is 44 percent for Southern.

Lake Central, which serves the community of the Senator from Ohio, gets 47 percent. It gets one of the highest percentages. It has one of the best little airlines. It is serving a very good purpose. It is owned by the employees, as I understand, and they are doing a good job.

Mr. LAUSCHE. Yes. I would like to help them, but I do not feel justified in dipping the ladle into the Public Treasury and giving them money.

Mr. MONRONEY. I say to my colleague that no one will give them anything. We are trying to keep the lines, their own gains, from being expropriated and give them the same treatment as is accorded the merchant marine, utility companies, and others.

Mr. LAUSCHE. I think the Senator from Delaware [Mr. WILLIAMS] put his finger on the pulse of the situation when he said that we already have given them the money.

Mr. MONRONEY. How did we give them the money?

Mr. LAUSCHE. By guaranteeing to them an 8-percent return on the capital investment and by guaranteeing to them a 12-percent depreciation a year, guaranteeing that that depreciation will be paid either through consumers' purchase of tickets or through the Public Treasury by the Government.

Mr. MONRONEY. That is correct. About 25 cents out of every dollar of the revenues of the smaller airlines is coming from subsidies, which amount to $27 million. A large number of pilots, copilots, and airplanes not only serve the public and earn 75 percent of their way, but they represent the best airlift capacity in the event of war. They are ready to take up the load when the railroad lines close down.

Those airlines represent a good investment. Every passenger riding on them pays a 10-percent tax into the Federal Treasury, which would not otherwise be received. Furthermore, they pay a 3-cent gasoline tax, of which the Federal Government keeps 2 cents.

I think the "little boys" are carrying a pretty big part of the load. I do not want to be a party to saying, "We are going to lend back to you your own money, but space it over a 6-year period." I do not think that would be showing good judgment or good business sense.

Mr. President, I yield the floor.

Mr. LAUSCHE. Mr. President, in my considered judgment, H. R. 5822 should not be passed in its present form. In my opinion, it would make an outright gift of possibly $67 million to air carriers on subsidy by permitting them to retain net capital gains on sale of flight equipment without demonstrating a need within the meaning of the Civil Aeronautics Act.

My opposition to H. R. 5822 is based on the following reasons:

NEED OF CARRIERS FOR CAPITAL GAINS NOT ESTABLISHED

The retention of capital gains by the air carriers is not needed to finance the purchase of new flight equipment.

Last year we passed Senate bill 2229. That bill provided a guaranty to each little air carrier that, if it bought new equipment up to the sum of $5 million, the Federal Government guaranteed 90 percent of the loan.

When that bill was passed, the argument was made that "we must help the little carrier." I opposed the bill. Let me repeat, the bill provided that the Government should guarantee 90 percent of the loans for the purchase of new equipment up to $5 million for each carrier.

Mr. CLARK. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Pennsylvania?

Mr. LAUSCHE. I shall yield when I reach the end of this first chapter.

We have a provision for a 90-percent guaranty of borrowings; but we then get to the most important fact in connection with subsidy to the air carriers. I do not believe the people of the country know how liberal the provisions of the law are, and I wish to speak on that phase of the question for a few moments.

The Government guarantees to each subsidized air carrier that it will receive, either from customers or from the Federal Government, a full return on every penny which the carrier honestly and efficiently spends in the operation of its business. That is the first guaranty. The United States Government says, "You will be paid back every penny you spend in the operation of your business. We guarantee that you will not suffer one penny of loss."

Second, the Federal Government guarantees that on the capital investment of the carrier there will be a return of 8 percent a year.

I ask my colleagues to ponder that statement. The law guarantees a return of 8 percent a year.

Third, the Federal Government says that "If you buy a plane for $1 million, at the end of the first year you can depreciate it 12 percent." If the plane cost $1 million and it were depreciated at 12 percent, it would be depreciated by $120,000. The Government says, "We will guarantee you the return of $120,000, a year for 7 consecutive years."

I respectfully submit to my colleagues that that guaranty puts the United States Government in a position where it says, "We will capitalize you and we will guarantee that you will receive income adequate to cover every penny which you spend in the operation of your business."

I ask whether or not it would be quite an inducement to have the Government say: "Go into business. We guarantee that you will not lose a single penny in your operating expenses, and we guarantee to repay you, for 7 consecutive years, at the rate of 12 percent a year, depreciation on your capital investment."

That is exactly the law as it stands today.

Let us take a look at this picture. About 30 subsidized air carriers have now about 408 planes, which are on the books at a value of $174,625,000. The Government guarantees an 8 percent return on that $174,625,000. On the 308 new planes, at a cost of $620 million, the Government will guarantee an 8 percent return, or $49,625,200.

In addition, in the second year the depreciation will be $74,400,000. The Government says, "We guarantee that you will recoup that depreciation, and for six consecutive years thereafter."

Applying that formula to a single airplane, a DC–3 which originally cost $25,000, and which was depreciated down to a $5,000 level, the Government would pay $20,000.

That plane will be sold for $125,000, and a new plane, costing $750,000, will be purchased. Even if we subtract the net capital gain after taxes, which is $90,000, from the $750,000 cost of the new plane, the new plane will go on the books at $660,000. The Government will then guarantee the payment of 8 percent on $660,000, whereas up until now it has guaranteed a payment of 8 percent on $5,000.

I should like to proceed now to a second phase of this problem. For nearly 2 years there has been pending before the Civil Aeronautics Board, Capital Gains Proceeding No. 7902. In that proceeding the Board is determining whether such procedure is just and fair, and whether the companies need the capital gains with which to buy the new equipment. A hearing examiner of the Civil Aeronautics Board conducted lengthy hearings and last September 19 he issued his report. He made the specific finding that these capital gains are not needed by the carriers to buy the new equipment. Despite that, we have pending in the Senate a bill which would take away from the Civil Aeronautics Board the power now vested in it to make a determination of that question.

On page 3 of the document which I sent to my colleagues are set forth the findings of the hearing examiner. The hearing examiner deals specially with local carriers and deals specially with Pan American and the Alaska territorial carriers, as shown on page 4 of the document.

What is the purpose of the bill? In my opinion the purpose is to bypass the Civil Aeronautics Board. In my opinion the Congress should not tolerate the efforts of the air carriers to procure through Congressional act that which on the basis of merit they fear they will not be able to obtain from the Civil Aeronautics Board.

As stated earlier, there is pending before the Civil Aeronautics Board, Initial Decision of Paul N. Pfeiffer, hearing examiner, Capital Gains Proceeding No. 7902, to determine whether the Civil Aeronautics Board has the legal authority to permit the carriers to retain capital gains under section 406–B of the Civil Aeronautics Act, upon the showing of a need qualifying them for the grant. The

hearing examiner has rendered his decision that the Civil Aeronautics Board does have the legal authority to make the grant if the carriers have proved a need for it. Counsel for the air carriers has taken the same position. Counsel for the Bureau of Air Operations, a representative of the public interest, has held that the Board does not have such authority. The Board itself has said, "We do not know, but we are now conducting a hearing to determine the facts." At the end of that hearing, the Board will announce whether the carriers have established the need and whether under the law the Board can make the grant.

A question propounded by the Senator from Colorado [Mr. CARROLL] to the Senator from Oklahoma was whether the bill, if passed, would reverse the decision rendered by the Supreme Court of the United States. I wish to quote from that decision.

The Supreme Court has ruled in *Western Air Lines* v. *Civil Aeronautics Board*, 347 U. S. 67 (1954) that "the 'need' in a given case may be so great that profits from other transactions should be allowed in addition to the normal rate."

In conclusion on this chapter, I wish to make a statement which is reflective of my honest conviction as to what is motive in the bill. To make the grant mandatory, as the bill provides, instead of discretionary as provided by existing law, can only be motivated by a liberal desire to make an additional gift of $67 million to the subsidized carriers.

PROFIT ON A PROFIT

The Senator from Delaware [Mr. WILLIAMS] spoke about a profit on a profit. I think the Senator from Illinois [Mr. DOUGLAS] spoke about the same subject.

There is no question that the capital gain is a profit which the Federal Government helps create through its subsidy. It is now proposed that we give that profit to the air carriers. When we give it to them we shall then be paying 8-percent interest on a new capital investment, and 12-percent depreciation a year on the new capital equipment purchased.

If the capital gains are fully and absolutely granted to the carriers, they will be enjoying a profit on a profit both substantially paid by the Federal Government.

Flight equipment is normally depreciated down to a residual value of approximately 15 percent. Let me explain that figure. If we consider a $1 million plane, it is depreciated at the rate of 12 percent a year. Seven times 12—for 7 years—is 84 percent. The $1 million plane is then depreciated down to $160,000, and the depreciation of $840,000 is guaranteed by the Government in the form of a reimbursement through moneys collected from the passengers or a subsidy granted by the Government.

I now point out what our Government has done for the air carriers, and I move for my discussion to page 6 of my paper.

There has already been paid in subsidy to all air carriers, from fiscal year 1939 through fiscal year 1956, the amount of $561,162,000.

Pan American has been on subsidy since 1939. Pan American has received $219,109,000.

If the bill under consideration is passed and Pan American is put back on subsidy, it will receive, as a result of the provisions of this bill, $21 million. It will buy new equipment. The Government will guarantee it an 8 percent return on the new equipment and will guarantee it a recoupment of the investment by allowing it to depreciate the equipment at the rate of 12 percent a year.

With regard to the little airlines, Allegheny has received $17,046,000 since 1946; and Frontier, about which much has been said, received $17,691,000 since 1950.

The total amount given to all the airlines who will benefit by the passage of this bill, since 1939, is $506,863,000.

In addition, the Federal Government has expended $1,309,438,000 in providing facilities to direct traffic in good weather and bad weather. It is estimated that 50 percent of that expenditure is directed toward serving private commercial carriers, and the balance of 50 percent toward the service of our military planes. On that basis we have provided more than $650 million for that field of subsidy.

Third, $327,218,554 has been provided for the building of airports in the form of grants-in-aid to local governments. We have been exceedingly liberal in helping subsidize the air carriers of our country.

In the question I put to the Senator from Oklahoma I asked if the Senator would accept an amendment as recommended by the Comptroller General of the United States, who opposed the passage of the bill now under consideration. I have prepared an amendment which I shall offer for the consideration of the Senate. That amendment, if adopted, would make positive the fact that the Civil Aeronautics Board shall have the discretionary power, if the Board determines that the subsidized air carriers need these moneys with which to purchase new planes, to allow them to use the money for the purchase of new planes, but thereafter the Board would have power to recoup the money in six annual installments, by depreciating the amount of money paid to the carriers in the form of a return on their capital investment and a break-even return on their operating expenses.

I thank Senators for the attention which they have given me. I have probably become a little vehement in my expressions on this subject, but I feel rather keenly about it. The sum of $67 million may not mean much in a $73 billion budget. Someone might say it is but a drop in the bucket.

If these carriers are not entitled to it, it would make no difference whether it was $66, we ought not to give it to them. Can there be any complaint about the proposal that, instead of making it a gift, we lend the money? What is wrong with that proposal? I might suggest that there was no hearing on that item, and no discussion of it before the committee. The referee recommended that the money be loaned. I think that is the course we ought to follow.

We are gradually moving in the complete direction of the Government lending and giving and granting everywhere. The railroads take the position, "You give to the barge carriers. You give to the air carriers. You give to the truckers. You might as well give to us."

Uncle Sam's pocketbook is growing thinner and thinner, and the time will come when we shall not be able to continue giving. We are now sailing between Scylla and Charybdis. On the one hand the rocks threaten our country through the power of the Communists, and on the other hand the whirlpool threatens us because of the huge and inordinate fiscal obligations we have. I believe the bill ought to be amended, or completely defeated, as I suggested.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. LAUSCHE. I yield.

Mr. CARROLL. The Senator made reference to the colloquy between the junior Senator from Colorado and the junior Senator from Oklahoma with reference to the Supreme Court decision. What I sought to do in putting those questions was to narrow the scope and the effect of the bill insofar as I could, so that we will not be opening the door to a broader interpretation of need other than the replacement of equipment. In other words, if the bill were passed, the Senate would be forming a policy to give a stricter construction of need. I invite the attention of the Senator from Oklahoma to this statement. If I understand the purpose of the proposed legislation, it is that in the future the CAB, in determining need, will not take into consideration the capital gains of airlines on subsidy.

Mr. MONRONEY. Mr. President, will the Senator from Ohio yield so that I may answer the question of the distinguished Senator from Colorado?

Mr. LAUSCHE. I yield for that purpose.

Mr. MONRONEY. Actually the bill provides that the capital gains on the sale of used aircraft shall not be counted as operating income and used to offset the subsidy which would otherwise have been paid, provided that such gains are invested in a reequipment fund or paid directly for new aircraft.

In other words, equipment would be replaced with equipment. It would not be possible to cannibalize a fleet of airplanes for the purpose of building up operating income. That would be living off one's own blood. The capital-gains procedure is a once-in-a-lifetime proposal. It is doubtful if there will ever come another period in history when a plane will be worth more 5 years after it is built than it was worth originally. However, we are in that kind of crazy situation. It is correcting itself. The distinguished junior Senator from Ohio used the figure of $67 million. If all the aircraft that were owned by subsidized airlines were to be sold as obsolete aircraft, they would be worth $67 million, according to the Senator from Ohio.

That was true last August. The figure today is $47 million, because the price has dropped $20 million since then.

The Senator from Ohio has said that we would be giving away $67 million. I trust he will say that the current price is $47 million, if the price has been reduced to that extent.

Mr. LAUSCHE. I am quite certain that the value of the planes must have dropped. Whether it is $47 million or $67 million, the principle remains the same. I have not checked on it, but undoubtedly the amount involved now is less than $67 million.

Mr. MONRONEY. These are capital gains which everyone else except the subsidized airlines can take advantage of. The bill merely provides that it belongs to the carrier if he reinvests it in replacement equipment. That is all that is involved. I do not know why anyone is against the use of modern airplanes. I want to fly in a modern plane. I do not want to fly in one that is held together by baling wire.

Mr. CARROLL. I commend the distinguished Senator from Ohio for his very fine statement. I agree with his interpretation of what the Supreme Court has said. In the case of the Western Airlines the Board sought to reduce the subsidy by the entire amount of the profit. They held it was not mandatory that that be done. However, as the junior Senator from Ohio has pointed out, the Court said that the standard of the need in a given case may be so great that profits from other transactions should be allowed in addition to the normal rate. Perhaps the CAB could determine that need. From what the junior Senator from Ohio has said, they are perhaps in the process of determining whether these airlines under subsidy have such a need.

Mr. LAUSCHE. I am deeply disappointed in the fact that CAB has had this case before it since September 19 and has done nothing about it. I do not like to see such a situation. It appears to me that there is probably a willingness on the part of the Board to have the Congress pass the pending bill and thus permit the Board to escape the administration of an act which might be contrary to what we are doing.

Mr. CARROLL. Mr. President, will the Senator yield further?

Mr. LAUSCHE. I yield.

Mr. CARROLL. I have read the statement of the distinguished junior Senator from Ohio, and have studied his brief. They are very excellent, in my opinion, and they have stimulated my own thoughts. The purpose of my asking questions of the Senator is to clarify in my own mind that this is a limitation in a sense of the "need" power which the CAB will exert, and that Congress will set a policy from here on out if the bill becomes law. In other words, we will fix a policy by limiting the need in this category, when airlines need new equipment.

Mr. LAUSCHE. That is correct. Congress will say to the CAB "You have no discretion, and no right to inquire about the need. The company can have as much money as is imaginable, but this capital gain must be given to it, even though the Federal Government has spent millions of dollars in subsidies in the past." That is exactly what the bill means.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. LAUSCHE. I yield.

Mr. WILLIAMS. Is it not true that under the bill as reported by the committee, if there were a loss, the loss would be included in the computation, and the airline would be reimbursed by the Government, but if the airline made money, it could set that profit over into another fund?

Mr. LAUSCHE. It would follow under the provision of the bill that the Government must insure a full 8-percent return on the airline's investment, and a return in money adequate to compensate the airline for all operating expenses. That would cover losses sustained by the company.

I yield the floor.

Mr. PAYNE subsequently said: Mr. President, I ask unanimous consent that, following the statement which was made by the junior Senator from Ohio [Mr. LAUSCHE], a statement I have prepared in connection with the matters covered in his statement may be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR PAYNE IN RE H. R. 5822

Senator LAUSCHE bases his opposition to this bill on a number of assumptions which in my opinion are in error. Several of these deserve specific comment.

EFFECT OF GUARANTEED LOAN BILL

My colleague states that enactment of the guaranteed-loan bill during the first session of this Congress is an answer to the reequipment problems of the subsidized air carriers. Hearings before the Senate Commerce Committee on both the guaranteed-loan bill and the capital-gains bill developed the point that the guaranteed-loan bill was not a substitute for the capital-gains bill in any sense of the word. The carriers must have some equity to support their debt structure, regardless of the source of their loan, and a part of this equity must be found in the capital gains realized from the sale of presently used equipment. It was pointed out by several witnesses before our committee, that, in fact, the capital-gains bill was the cornerstone upon which reequipment financing would have to be arranged. It is also important to note that the guaranteed-loan bill guarantees not 90 percent of the purchase price of the new aircraft but 81 percent (90 percent of 90 percent); that it does not apply to all subsidized airlines; and that it fixes a maximum which will not take care of even some of the lines covered.

ASSUMPTION THAT CAB GUARANTEES EARNINGS

Another mistaken assumption is that the Government guarantees at least 7 to 10 percent return on a capital investment. The Board has been less than generous in this regard, as is well illustrated by the fact that the local carrier industry has experienced an actual operating loss over the life of its operations. What is referred to almost casually as administrative disallowance actually constitutes serious inroads into the operating income of the air carriers, and frequently finds the Board substituting its hindsight for the carrier's business judgment, which is necessarily based on the facts at hand at the time of the decision. In a recent opinion of the United States Court of Appeals (District of Columbia circuit) in *American Overseas* v. *CAB*, the court said:

"* * * honesty, economy, and efficiency are broad terms of varied factual content; they are not terms of mathematical precision. Many different operations—different in policy, in mode, and in result—may all be honest, economical and efficient. It is not enough for the Board to say that an operation it designs and favors meets those tests and it will approve that course and none other. The operation by the company may also be honest, economical and efficient. The statute contemplates, we think, that the figures, past or prospective, of the operation of the carrier in question be used unless some item or items are due to dishonest, inefficient, or uneconomical management."

Disallowances are not a matter of excluding extravagances or improper expenditures, but rather, as I said before, involve a determination by the Board of what should have been spent.

SUBSIDY

We all share an earnest desire to avoid payment of excessive or unnecessary subsidy, and we would not support passage of this bill if we had any fear that it would, in fact, have any such result. But the Senator has overlooked a number of very important considerations which completely refute his line of reasoning.

A principal error is in overlooking the purpose for which subsidy is paid to airlines. The Government has never paid even one dollar of subsidy for the private benefit of the airlines. On the contrary, the sole purpose has been for the public benefit. As stated in section 406 (b) of the Civil Aeronautics Act, subsidy is paid to enable the air carriers, who are certificated only for the public convenience and necessity, "to maintain and continue the development of air transportation to the extent and of the character and quality required for the commerce of the United States, the postal service, and the national defense."

The Court of Appeals for the District of Columbia recently commented on this section of the law in terms which are extremely pertinent to our discussion today.

"The objective of the Congress is plain. It is the maintenance and continued development of air transportation to the extent and of the quality required for the national commerce, postal service, and defense. The objective is on a grand scale. It is for the public interest. It is vital. The words used are important, because they depict with clarity a Congressional policy. Moreover the payment is 'to enable such air carrier.' Congress did not put the responsibility for development of an air transportation system wholly upon Government agencies. In this statute the Congress sought to utilize the abilities and the capacities of the private air carriers. The purpose of the compensation is to enable the carriers 'to maintain and continue the development.'

"* * * The need which the statute seeks to meet is not the need of the carrier for funds for its own private purposes; for its own operation or profit. It is the need of the carrier for funds to enable such carrier to carry on for the purposes depicted by the Congress in the interest of the Nation."

It cannot be emphasized too strongly and unfortunately my colleague has completely overlooked this, that the reequipment program of the airlines, for the carrying out of which the airlines must be permitted to use their capital gains, is not something which they are doing for their own private benefit, but is something required for the public benefit.

Any injection of the Federal airways and Federal airport program costs into this discussion brings two totally separate and unrelated problems into the picture. Both of these matters are receiving the separate attention of the executive department and the Congress, and only serve to confuse the issue before us today.

CONCERN ABOUT EFFECT ON FUTURE SUBSIDY

Senator LAUSCHE works out some elaborate arithmetic in an effort to prove that the bill would lead to a snowballing of subsidy and airline profits. For this purpose he uses an illustration applying the law to a single plane. For one thing, his whole argument is irrelevant to a discussion of the capital gains bill, since it skips over the real problem of how the airlines are going to be in a position to buy these planes. Unless this bill is passed, the airlines will not be able to arrange financing for their reequipment programs which are so much in the public interest. Before worrying about whether these new airplanes might some day lead to excessive profits for the airlines, we must first worry about how they are going to be able to buy them.

So far as the question of how much subsidy these lines might some day get for operating these new planes, I have two brief comments. In the first place, the CAB examiner's arithmetic is a little too quick and easy. He has overlooked the fact that even if the airlines were to receive the return which he assumes is guaranteed, but which in fact is not, most of this would be required to repay interest on the loans that would have to be made to provide the bulk of the financing. In addition, he has also overlooked the fact that the CAB will continue to have control over the level of earnings of the subsidized carriers. Thus, the opposition to the bill is not so much that it is something the airlines do not need now, but that it might some day lead to an abuse in the future. However, the hearings have made it clear that reequipment with modern, more efficient aircraft offers the only real prospect of substantially reducing subsidy requirements in the future. Far from increasing subsidy, as fears have been expressed, the effect will be quite the contrary.

RELIANCE ON CAB EXAMINER

My colleague relies extensively on the findings of the CAB hearing examiner's decision. This represents just one man's opinion which, in this instance, is at variance with the views of both the Board's lawyer, the bureau counsel, and the carriers themselves. All parties to that proceeding have filed strong briefs taking exception to the hearing examiner's findings.

In particular, reliance on the hearing examiner's finding that 6 of the 30 subsidized airlines did make firm arrangements for financing despite the past recapture of their capital gains. This is a broad-brush statement which simply does not bear analysis. For one thing, the Senator and the examiner are talking about a small percentage of the airlines. Most of the subsidized airlines have not yet been able to arrange any financing. In the second place, when we examine the situation with respect to the few carriers who have made some arrangements, we find that it is not quite as bright as the examiner would have us believe. These arrangements typically incorporate seriously limiting conditions, which require that the carriers maintain or create a minimum level of equity capital, a minimum working capital level, and so forth. Without the assistance offered by this legislation, the carriers which do have some financing arrangements would not be able to meet the conditions upon which they are based.

Further, to the extent that arrangements have been made, they provide only for minimum initial programs, and by no means provide all of the financing which will be required if the airlines are to carry out their responsibilities to the public interest. The conditions in the few arrangements that have been made actually limit their ability to borrow further moneys for completion of their programs and in some cases, due to increased prices of aircraft, will not cover even their initial programs.

These considerations which fully refute the validity and significance of the findings of the CAB examiner, are set forth in exceptions and briefs which a number of the air carriers have filed.

BYPASSING THE BOARD

It has been pointed out that there is a proceeding before the CAB to determine a policy with respect to capital gains, and he suggests that the carriers have come to Congress in an effort to bypass the Board. This is entirely incorrect. In point of fact, the CAB proceeding was not instituted until after the 84th Congress began to consider capital-gains legislation. The further suggestion implicit in Senator LAUSCHE'S statement that the Congress should wait for the CAB decision is clearly untenable. For one thing, there is a serious question whether the CAB has power under the law as now written, to permit retention of capital gains. Its own counsel has argued vigorously to the contrary. Even aside from that, however, I can see no point whatsoever in delaying this legislation for a decision of the CAB. The Board is a creature of Congress, and the Congress is not a creature of the Board. What difference will it make what the Board would decide if the Congress believes that the policy set forth in this bill is wise policy? The House has already expressed its opinion by passing this bill, and the Senate passed a similar bill in the 84th Congress. It seems clear to me that the Congress does believe that this is wise and desirable legislation.

Let us consider for a moment what would happen if we were to delay action to await a decision by the CAB. If the Board were to decide that the carriers should be deprived of the use of these funds to help finance badly needed replacement aircraft, then we must surely reverse this decision by passing the bill. If on the other hand, the Board were to decide that the carriers may use these funds, such policy should be written irrevocably into the law, thereby not exposing the airline reequipment program to the uncertainties and vacillations of administration policymaking.

DOUBLE DEPRECIATION

It is claimed that this legislation would be equivalent to providing the airlines with double depreciation, on the theory that the CAB has already paid depreciation once. This is altogether misleading. Subsidy is determined on the basis of the total need of the carrier and depreciation is only one element of cost which goes into such a determination. Subsidy is paid to the carriers for performing services which are in the national interest and the amount of subsidy when established by the CAB is after full investigation and full knowledge of the elements on which subsidy is determined. It is no more correct to say that subsidy is paid for depreciation than to say it is paid for pilots' salary or gasoline.

This double depreciation argument also ignores the fact that capital gains obtainable from sale of obsolete equipment are due, in by far the major part, to inflation of the dollar. To permit subsidized carriers to retain capital gains, therefore, would merely enable them to keep themselves relatively in the same position they would have been in had there been no inflation.

EXECUTIVE DEPARTMENT SUPPORT FOR THE BILL

Both the Department of Commerce and the Bureau of the Budget have endorsed the legislation we are now considering. By contrast, the Comptroller General's opposition is based on considerations which I have previously discussed, and which should not, in fact, cause us to question the desirability of passing this bill.

Mr. PAYNE. Mr. President, I thank my colleague from Ohio for the courtesy he extended to me in making available to me the statement he was about to make. I think he has covered the ground, from his viewpoint, at least, very clearly and concisely. Even though I do not agree with the viewpoint he has expressed, I have very great respect for the Senator from Ohio, because I was privileged to serve together with him for a number of years when we were fellow governors.

Mr. LAUSCHE. I thank the Senator from Maine. Even though my respect for him in the past was high, it has increased because of the kind remarks he has just made.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). The committee amendment is open to amendment.

Mr. MONRONEY. Mr. President, there is at the desk a committee amendment to the committee amendment, which was reported favorably without the vote of the distinguished Senator from Ohio.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 3, line 14, in the committee amendment, after the word "contracted", it is proposed to strike out "on and after April 6, 1956", and, in line 21, after the word "above", to strike out the period, insert a colon and "*Provided*, That the flight equipment in which said gains may be invested shall not include equipment delivered to the carrier prior to April 6, 1956."

Mr. MONRONEY. Mr. President, this is merely a technical amendment to make more certain the intent of the committee. It places the date April 6, 1956, in a different part of the bill, so that it will be impossible for any airline to claim credit for the use of the investment fund for planes purchased before that date. In other words, it will not be possible to apply gains to planes purchased in 1953, 1954, or 1955. The amendment makes the bill less ambiguous. The committee decided that this revision would make the bill much better. The amendment also removes some doubt as to letters of intent being firm contracts, which could have blotted out the opportunities of some of the feeder lines which had issued letters of intent before the cut-off date by having them construed as purchases of planes.

I think there is no real objection to the clarifying amendment, and I ask for a vote on it.

Mr. LAUSCHE. Mr. President, I think the amendment is well founded. If the bill is to be passed, this amendment ought to be included. I am still opposed to the bill.

Mr. MONRONEY. The Senator from Ohio is always fair. I appreciate his willingness to agree to this amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oklahoma to the committee amendment in the nature of a substitute, as amended.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, in the nature of a substitute, as amended.

Mr. LAUSCHE. Mr. President, I offer an amendment containing the provisions which I described a moment ago. To my colleagues who were not on the floor at the time, I make this explanation——

Mr. JOHNSON of Texas. Mr. President, will the Senator from Ohio yield?

Mr. LAUSCHE. I yield.

Mr. JOHNSON of Texas. Mr. President, the weather is very inclement. A number of Senators have engagements. It is now 5 minutes before 6. I wonder if it would be agreeable to the Senator from Ohio to yield to me for the purpose of moving that the Senate stand in recess until tomorrow, and to continue our discussions at that time.

Mr. LAUSCHE. Certainly.

RECESS

Mr. JOHNSON of Texas. Mr. President, I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 52 minutes p. m.) the Senate took a recess until tomorrow, Thursday, February 20, 1958, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate February 19, 1958:

Marion C. Matthes, of Missouri, to be United States circuit judge for the eighth circuit, vice Charles E. Whittaker, elevated.

George A. Colbath, of New Hampshire, to be United States marshal for the district of New Hampshire for the term of 4 years. He is now serving in this office under an appointment which expired July 31, 1957.

HOUSE OF REPRESENTATIVES

WEDNESDAY, FEBRUARY 19, 1958

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Isaiah 40: 31: *They that wait upon the Lord shall renew their strength; they shall mount up with wings as eagles; they shall run and not be weary; they shall walk and not faint.*

Eternal God, our Father, Thou art always seeking to renew our strength and courage with assurances and promises of Thy divine counsel and companionship.

We humbly confess that so frequently we follow the paths of our own choice instead of those which Thou hast marked out for us.

Grant that when this day comes to a close and the evening shadows fall there may be within our minds and hearts no disturbing memories but only Thy peace.

Show us how we may heal our fear-ridden and brokenhearted world of the maladies of hatred and ill will, of selfishness and prejudice.

Hear us in the name of the Prince of Peace. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Ratchford, one of his secretaries.

CONVEYANCE OF CERTAIN PUBLIC LANDS IN THE STATE OF NEVADA

Mr. ASPINALL submitted a conference report and statement on the bill (S. 1568) to direct the Secretary of the Interior to convey certain public lands in the State of Nevada to the Colorado River Commission of Nevada acting for the State of Nevada.

INVESTIGATIONS BY COMMITTEE ON ARMED SERVICES

Mr. FRIEDEL. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Res. 457), with an amendment, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the further expenses of conducting the investigations and studies authorized by House Resolution 67, 85th Congress, incurred by the Committee on Armed Services acting as a whole or by subcommittee, not to exceed $100,000 in addition to the unexpended balance of any sums heretofore made available, for conducting such investigations and studies, including expenditures for the employment of a special counsel, investigators, attorneys, experts, and clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by such committee or subcommittee, signed by the chairman of such committee, and approved by the Committee on House Administration.

With the following committee amendment:

Page 1, line 5, strike out "$100,000" and insert "$75,000."

The committee amendment was agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

JOINT COMMITTEE ON WASHINGTON METROPOLITAN PROBLEMS

Mr. FRIEDEL. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged concurrent resolution, Senate Concurrent Resolution 57, providing additional funds for the Joint Committee on Washington Metropolitan Problems, and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Joint Committee on Washington Metropolitan Problems as authorized by House Concurrent Resolution 172, agreed to August 29, 1957, is hereby authorized to make expenditures from February 1, 1958, through January 31, 1959, which shall not exceed $80,000, to be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the joint committee.

The concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

COMMITTEE ON WAYS AND MEANS

Mr. HAYS of Ohio. Mr. Speaker, by direction of the Committee on House Administration, I offer the concurrent resolution, House Concurrent Resolution 246, authorizing the printing of additional copies of the compendium of papers collected for the Subcommittee on Foreign Trade Policy of the Committee on Ways and Means, and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That there be printed for the use of the Committee on Ways and Means, House of Representatives, 1,500 additional copies of the compendium of papers entitled "Foreign Trade Policy—Compendium of Papers on United States Foreign Trade Policy Collected by the Staff for the Subcommittee on Foreign Trade Policy of the Committee on Ways and Means."

With the following committee amendments:

Line 3, strike out "one" and insert in lieu thereof "two."

Line 4, strike out "five hundred."

The committee amendments were agreed to.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

COMMITTEE ON UN-AMERICAN ACTIVITIES

Mr. HAYS of Ohio. Mr. Speaker, by direction of the Committee on House Administration, I offer the resolution, House Resolution 404, authorizing the printing of additional copies of House Report No. 1182, current session, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there be printed for the use of the Committee on Un-American Activities nine thousand additional copies of House Report No. 1182, current session, entitled "Communist Political Subversion."

With the following committee amendment:

Line 2, strike out the word "nine" and insert in lieu thereof "five."

The committee amendment was agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

COMMITTEE ON UN-AMERICAN ACTIVITIES

Mr. HAYS of Ohio. Mr. Speaker, by direction of the Committee on House Administration, I offer the resolution (H. Res. 449) providing for the printing of additional copies of the staff consultation entitled "The Communist Mind," and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there be printed for the use of the Committee on Un-American Activities 50,000 additional copies of the staff consultation held by that committee during the 85th Congress, 1st session, entitled "The Communist Mind."

With the following committee amendment:

Line 1, after the word *"Resolved,"* strike out lines 1, 2, 3, 4, and 5, and insert in lieu thereof the following: "That there be printed 50,000 additional copies of the staff consultation entitled, 'The Communist Mind,' held by the Committee on Un-American Activities during the 85th Congress, 1st session, 20,000 of which shall be for the use of that committee and 30,000 to be prorated to the Members of the House of Representatives for a period of 90 days, after which time the unused balance shall revert to the Committee on Un-American Activities."

The committee amendment was agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

COMMITTEE ON UN-AMERICAN ACTIVITIES

Mr. HAYS of Ohio. Mr. Speaker, by direction of the Committee on House Administration, I call up the resolution (H. Res. 458) providing for the printing of additional copies of the staff consultations entitled, "The Ideological Fallacies of Communism," and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there be printed for the use of the Committee on Un-American Activities 36,600 additional copies of the staff consultations held by that committee during the 85th Congress, 1st session, entitled "The Ideological Fallacies of Communism."

With the following committee amendment:

Line 1, after the word *"Resolved,"* strike out lines 1, 2, 3, 4, and 5 and insert in lieu thereof the following: "That there be printed 30,600 additional copies of the staff consultations entitled 'The Ideological Fallacies of Communism,' held by the Committee on Un-American Activities during the 85th Congress, 1st session, 10,600 of which shall be for the use of that committee and 20,000 to be prorated to the Members of the House of Representatives for a period of 90 days, after which time the unused balance shall revert to the Committee on Un-American Activities.

The committee amendment was agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AMENDMENT OF SOCIAL SECURITY ACT AND INTERNAL REVENUE CODE

Mr. HAYS of Ohio. Mr. Speaker, by direction of the Committee on House Administration, I offer the resolution (H. Res. 471) to print 7,500 additional copies of H. R. 9467, 85th Congress, 1st session, and ask for its immediate consideration.

The Clerk read the resolution as follows:

Resolved, That there be printed 7,500 additional copies of H. R. 9467, 85th Congress, 1st session, entitled "A bill to amend the Social Security Act and the Internal Revenue Code so as to increase the benefits payable under the Federal old-age, survivors, and disability insurance program, to provide insurance against the cost of hospital, nursing home, and surgical service for persons eligible for old-age and survivors insurance benefits, and for other purposes," for the House document room.

The resolution was agreed to.

A motion to reconsider was laid on the table.

DEVELOPMENT OF COLUMBIA RIVER

Mr. HAYS of Ohio. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged concurrent resolution, Senate Concurrent Resolution 28, to print a compilation of materials relating to the development of the water resources of the Columbia River and its tributaries, and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That there shall be printed as a Senate document a compilation of materials relating to legislative and administrative action of the Federal and State Governments in connection with the development of the water resources of the Columbia River and its tributaries. Such compilation shall be prepared under the direction and supervision of the Senate Committee on Interior and Insular Affairs.

SEC. 2. There shall be printed 5,000 additional copies of such Senate document, of which 1,000 copies shall be bound in cloth and 4,000 copies shall be bound in paper. One-half of such additional copies shall be for the use of the Senate Committee on Interior and Insular Affairs and one-half of such additional copies shall be for the use of the House Committee on Interior and Insular Affairs.

The concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

MUTUAL SECURITY PROGRAM—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 338)

The SPEAKER laid before the House the following message from the President of the United States, which was read and referred to the Committee on Foreign Affairs and ordered to be printed:

To the Congress of the United States:

The state of the Union message this year set forth an eight-point program required to focus the resources of America upon the urgent tasks of security and peace. As an essential element of that effort, I recommended the vigorous continuation of our mutual security program. I now ask enactment of the legislation that will accomplish this.

It is my duty to make clear my profound conviction that the vigorous advancement of this program is our only logical course. An alternative there is—to discontinue or sharply reduce the program—but the consequences would be:

A severe dislocation and basic impairment of Free World power;

A certain crumbling, under Sino-Soviet pressures, of our strategic overseas positions and a forcing of these positions progressively back toward our own shores;

A massive increase in our own defense budget, in amounts far exceeding mutual security appropriations, necessitating increases in taxes;

A heavy increase in inductions of American youth into our own Armed Forces; and

Ultimately a beleaguered America, her freedoms limited by mounting defense costs, and almost alone in a world dominated by international communism.

Those who would consider this alternative to support of our mutual security program must measure well these consequences.

Since the mutual security program was initiated 10 years ago, its essentials have remained the same: Its means are military, economic and technical cooperation with other nations. Its object is to preserve peace and freedom for our Nation and for other nations of the Free World. Its achievement is what its name declares—the mutual security of our own and other free nations.

It is easy to forget our fears of only a decade ago that France, Italy, and other nations of Europe devastated by war would be engulfed by the Red tide. Due in major measure to this great program, these and other nations of Asia and the Middle East are free today and stand with us against Communist domination.

It is also our mutual security program which has afforded the critical margin of assistance required by still other nations, great and small, in order to make the economic progress essential to their survival.

The accomplishments under this program in building the military strength of the Free World have been dramatic. Since 1950, when the military assistance program was inaugurated, the ground forces of countries associated with us for collective defense have grown to include nearly 5 million well trained and equipped fighting men situated at strategic locations around the world. Naval forces have increased by over 100 percent, and the air forces of these nations now include 32,000 aircraft, of which over 14,000 are jets. In the buildup of their forces, the nations associated with us have spent over five times as much as we have expended on military assistance.

The value of the mutual security program to our national safety and to freedom throughout the world is many times greater than its cost.

I. MUTUAL SECURITY IN THE NUCLEAR ERA

The United States will keep its own military forces strong and ready. But we must not allow concentration on our military might to divert us from other essential objectives of our national security program.

The major objectives of our security effort are to provide opportunities for the advancement of peace and freedom: First, by deterring general nuclear war; second, by preventing local Sino-Soviet aggression; and third, by forestalling Communist subversion or massive economic penetration of other nations.

In achieving these major objectives of our national security effort, the mutual security program is indispensable.

DETERRING TOTAL WAR

All mankind has a revulsion against nuclear war. We prayerfully hope that this sentiment will ultimately persuade the Soviet Government to participate in a plan of genuine disarmament. Until then, however, we must maintain the deterrent power of our Armed Forces. This power is immeasurably increased by the cooperation of nations friendly to us—in Europe, Africa, the Near East, and Far East, and in our own hemisphere—and by the forward bases there maintained.

The mutual security program plays a direct part in the availability of bases from which strategic striking forces can be staged and fueled. Similarly, it makes possible the logistic, warning, and defense facilities essential to the operation of these bases.

The importance of these facts increases as intermediate range ballistic missiles provide this supplement to our striking power.

PREVENTING LOCAL AGGRESSION

Our defensive power must be directed as well toward deterring local aggressions which could lead to global war or to piecemeal absorption of the Free World by Communist imperialism. It is imperative that the Free World maintain strong conventional forces capable of dealing effectively with such aggressions whenever and wherever they may occur. America alone cannot maintain such forces on the scale required. They must be developed by the threatened nations themselves.

Those nations are anxious to provide for their own defense. They can supply the men and much of the needed facilities and support. But many of them lack the modern industries necessary to provide military equipment or they lack the economic strength needed to bear the full burden of the agreed military effort. To maintain this effort they must have help.

We provide this help—arms through military assistance and economic aid through defense support.

In short, our own military strength, great as it is, is vastly increased by the power of our allies, by the bases we have jointly established and by the whole fabric of our collective security system.

PREVENTION OF COMMUNIST SUBVERSION AND PENETRATION

It is not enough, however, that our military assistance and defense support help to prevent Communist expansion by force of arms. We are equally concerned by the danger of Communist absorption of whole nations by subversion or economic penetration.

Military strength alone is not an adequate barrier to this insidious process.

To defeat the spread of communism by these means, economic progress is essential.

Our technical assistance and economic development programs serve this larger purpose. They are addressed for the most part to the less developed countries of the Free World, because it is in these countries that freedom now hangs most precariously in the balance.

More than 1 billion people live in these newly developing nations. These people want economic as well as political independence; they want education and the enriched life it will bring; they want a voice in world affairs; and they want urgently to have the material advances made possible by modern technology.

The governments of these newly developing countries are now under pressure from within to fulfill the hopes and needs of their people for education and economic betterment. They are exposed to Communist enticements and threats. Against a background of massive social and economic problems, solid steps toward solving these problems have been taken.

But even with the most determined local effort, in many countries the prospects for economic growth—unassisted—are not promising. If free institutions are to survive in these countries they must have external help. They must have technical assistance to train their manpower, to explore their resources and use them productively. They must have supplementary capital from abroad for investment in agriculture, power, transportation, and industry. They must have help to tide them over economic difficulties that threaten their stability and cohesion. They must have increasing trade with availability of necessary imports and growing markets over a long term.

It is the purpose of our economic and technical assistance programs to enlarge the community of nations that can meet the aspirations of their people for economic and social improvement. We can help to demonstrate that growth can be achieved more readily in conditions of freedom; that it is not necessary to sacrifice liberty for bread.

It is also in our interest to establish a sound basis for effective international cooperation. Poverty is a divisive force in the world. Working together with the people of less developed countries in a common attack on poverty, we talk a common language that all men understand and we help to establish the basis for better relations and more enduring cooperation among free nations.

We also have an economic interest in promoting the development of the Free World. In the years to come, the increased economic strength of less developed countries should prove mutually beneficial in providing growing markets for exports, added opportunities for investment, and more of the basic materials we need from abroad.

The leaders of the Communist bloc are acutely aware that the economic needs of many independent nations offer communism a valuable opportunity to influence the political direction in which those nations will move. For the past 3 years, the Soviet Union, Communist China, and the satellite nations have been offering increasing amounts of economic and technical aid to countries of the Free World, often under conditions that, on the surface, are appealing. They have already concluded agreements for aid involving substantial sums, and additional offers are outstanding. In several free nations, the aid pledged by the Communist bloc equals or exceeds that made available to them from Free-World nations in the same period.

If the purpose of Soviet aid to any country were simply to help it overcome economic difficulties without infringing its freedom, such aid could be welcomed as forwarding the Free-World purpose of economic growth. But there is nothing in the history of international communism to indicate this can be the case. Until such evidence is forthcoming, we and other free nations must assume that Soviet bloc aid is a new, subtle, and long-range instrument directed toward the same old purpose of drawing its recipient away from the community of free nations and ultimately into the Communist orbit.

The newly independent countries will not knowingly choose subordination. They are proud of their sovereignty. They know recent history which shows plainly that whenever the opportunity has arisen, the Soviet Union has swallowed up its neighbors and is willing to use tanks to crush attempts to gain freedom from Soviet domination.

Yet if newly developing countries are forced to choose between abandoning development programs demanded by their people or achieving them through Communist bloc assistance, the opportunity for Communist economic penetration will be greatly enhanced.

The United States provided economic and technical help for development for many years before the Soviet economic offensive began. It is now all the more important that we and other developed nations of the Free World should continue and increase effective programs of aid which may be relied on by the less developed countries to give them timely and substantial help.

So long as the uncommitted countries know that the rest of the Free World shares their aspirations and is prepared to help them achieve economic and social progress in independence and freedom, we can be confident that the cause of the Free World will prevail.

II. THE PROGRAM FOR FISCAL YEAR 1959

The mutual security program which I recommended for fiscal year 1959 contains essentially the same component parts as authorized by the Congress last session. To carry out this program I request $3,942,100,000.

MILITARY ASSISTANCE

Military assistance continues to be the essential program by which we join with our allied and associated nations in maintaining well-armed forces in NATO, the Baghdad Pact, the Southeast Asia Treaty Organization, and in other key nations in the Far East and Southeast Asia. Through this program we also supply advanced weapons to our allies in Europe and elsewhere for their effective defense.

The mutual defense assistance which we have furnished, and are proposing to furnish, to nations, organizations, and areas of the Free World will continue to make them more able to defend themselves, and will thereby strengthen the security of the United States and promote world peace.

I ask for $1,800 million for military assistance. This sum will be sufficient to maintain during fiscal year 1959 the level

of deliveries carried out in fiscal year 1957 and projected for fiscal year 1958.

DEFENSE SUPPORT

For defense support I request $835 million to go to 12 countries that are supporting substantial military forces. These funds are needed to enable the recipient countries to make a mutually agreed contribution to our common military effort. This amount is substantially what I requested last year for support to these same 12 countries. Of the total amount, 70 percent would be used in four countries—Korea, the Republic of China, Vietnam, and Turkey.

SPECIAL ASSISTANCE

Several of our mutual security needs, some closely related to our collective security effort, cannot be met through other categories of assistance. For these we shall need to provide special assistance. I request $212 million for special assistance. This will serve two main interests:

First. Special assistance helps maintain political and economic stability in certain nations where we do not support substantial military forces. Among such nations are Morocco and Libya where we have Strategic Air Command bases of great importance. In fiscal year 1958, assistance of this nature was included within the category of defense support. It will help clarify the purpose of this assistance if it is now provided as special assistance.

Second. Special assistance supports another group of activities not falling properly under other categories of the act; for example, a continuation of the worldwide malaria eradication program, the European technical exchange program, and a program in Latin America to provide training and civilian type equipment to military engineer units for construction of useful public projects.

DEVELOPMENT LOAN FUND

This Congress in its first session established the development loan fund to help friendly nations strengthen themselves by encouraging the development of their economies on the basis of self-help and mutual cooperation.

This action was taken to place our economic development assistance on the long-term basis essential for sound planning and execution of development programs. The Congress appropriated initial capital of $300 million. The fact that the fund has already received applications totaling well over $1 billion is a measure of the hopes which these newly developing nations place in it.

I request that the $625 million already authorized to be made available beginning in fiscal year 1959 be appropriated in full. This full amount is needed as additional capital for the fund in order that its basic objectives may be realized.

The fund's long-term character set it apart from economic assistance elsewhere provided in the mutual security program. I believe it is wise, therefore, to identify the fund as a separate entity. I am accordingly requesting incorporation of the fund with a Board of Directors which will both act as the governing body of the fund and assure coordination with our foreign policy objectives, with other mutual security activities and with lending activities of the Export-Import Bank and the International Bank.

TECHNICAL COOPERATION

Our technical cooperation program is well established and has wide support of the American people. It should be gradually increased as additional able, well-trained technicians can be prepared to work abroad. For this program I ask $142 million for fiscal year 1959.

I also ask $20 million for the United States contribution to the United Nations technical assistance program. At the recent meeting of the General Assembly, the United States took the lead in proposing an expansion of this program, including the establishment of a special projects fund, in order to meet repeated and urgent requests from the newly developing nations for forms of technical development not now available from the United Nations. The proposal, if fully implemented by contributions from United Nations members, would ultimately result in a United Nations program of $100 million a year. I anticipate that an appropriation of $20 million will be sufficient to meet our obligations under this arrangement during the coming fiscal year.

In addition I request $1.5 million to continue our contribution to the work of the Organization of American States.

CONTINGENCY FUND

Past experience has proven time and again that, as the fiscal year develops, contingencies will arise for which funds will be needed. Some of these can be foreseen but without certainty as to the amounts; some cannot now be foreseen. Considering the turbulent state of the world today, I believe a fund of $200 million for contingencies is the minimum that will be needed for these purposes. Funds in the same amount were requested for fiscal year 1958 as a clearly distinguished part of special assistance. The important need for such funds can more clearly be identified through a separate appropriation to be used as required under the established categories of assistance.

OTHER PROGRAMS

For other programs I ask the appropriation of $106.6 million. As in past years these funds will provide for our contribution to the United Nations Children's Fund, certain refugee programs, the atoms-for-peace program, and for the cost of administering the economic programs. This administrative cost includes initial funds for bringing about an increase in the training of employees to speak the language of the countries in which they will serve. This is increasingly important because many of the newly independent nations speak languages in which we have few experts.

III. CONCLUSION

In recommending to you the vigorous continuation of our mutual-security program, I am conscious of the feeling of some that desirable developments should be accomplished in this country before funds are used for development abroad.

This feeling springs in large part from the kind of misunderstandings typified by the name so often attached to this program: "foreign aid." This name is often used as though the program were some sort of giveaway or handout to foreigners, without benefit to ourselves.

For all the reasons I have discussed, the very opposite is true. Our mutual-security program is of transcendent importance to the security of the United States.

No one would seriously argue that funds for our own military forces should be denied until desirable civilian projects had been provided for. Yet our expenditures for mutual security are fully as important to our national defense as expenditures for our own forces, and dollar for dollar buy us more in security.

For the safety of our families, the future of our children and our continued existence as a nation, we cannot afford to slacken our support of the mutual-security program. The program I have recommended represents the smallest amount we may wisely invest in mutual security during the coming year.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *February 19, 1958.*

CARL HAYDEN, OF ARIZONA

Mr. UDALL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. UDALL. Mr. Speaker, this is a landmark day in Congressional history. I am proud to say, too, that it is a red letter day for the State of Arizona and one of her native sons: I refer of course to the dean of the Congress and the President pro tempore of the Senate, the distinguished senior Senator from Arizona, CARL HAYDEN.

For Senator HAYDEN today marks the commencement of his 47th year of continuous service in the Congress of the United States. Since our Government was founded in 1789 no man in our history has served longer than 46 years in the Congress. The holder of the previous record for Congressional service, our colleagues will be interested to know, was the late Speaker of the House, the Honorable Joseph G. Cannon, of Illinois, who served a total of 46 years in this body.

Senator HAYDEN's service has been divided between the House and the Senate. He took the oath as Arizona's first Congressman on February 19, 1912 and served nearly 15 years in the House. The citizens of Arizona elected him to the United States Senate in 1926, and he has served continuously in that body since January of 1927.

Senator HAYDEN is a modest and kindly man whose friends on both sides of the Capitol are legion. His is a distinguished record of service to his country and the people of his State. I know all of our colleagues will join me in wishing him many additional years of fruitful service in the Congress.

DISASTER LOANS TO SMALL BUSINESS

Mr. JONES of Missouri. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. JONES of Missouri. Mr. Speaker, I am calling on my friends on the minority side to use their influence with the White House to bring about early approval of and the signing by the President of the bill S. 2920 to authorize disaster loans to small-business concerns suffering economic loss due to excessive rainfall.

This is emergency legislation. The need for the legislation has been recognized by both the other body and this House where this bill was unanimously approved on February 10.

There is not only a tremendous amount of interest in the legislation but a terrific need for the credit which will be made available.

Right now there are scores of small-business firms in southeast Missouri who want to apply for loans under the provisions of this legislation and there are hundreds of requests for information on the new regulations which will be announced by SBA, but not until the bill is signed by the President and becomes a law. The Small Business Administration is ready to send a representative into the 10th Congressional District in Missouri to explain the new regulations but cannot do so until the legislation which has been passed by Congress has been signed into law by the President.

It is my sincere hope that those who handle such matters in the White House will immediately call this to the attention of the President without further delay. I have already contacted the White House urging early action. Actually there appears to be no reason why this bill was not signed last week.

THE REVERE JOURNAL

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, in an age when so many of the fine qualities that characterized the growth of our Nation are swallowed up in the anonymity of bigness, it is refreshing to observe the character and independence of our newspapers, and especially those in our smaller communities.

The Revere Journal is one of these hardy weeklies. It bears one of the most vigilant names in American history and, since its birth on February 5, 1881, it has lived up to its courageous inheritance.

Published in the city of Revere, Mass., which is next door to Boston, the Journal is noted for the fact that it believes in itself and serves its readers with honesty and integrity.

The people of the community have shown their appreciation by unswerving allegiance to what the Journal says.

Because, through the years, they have found that the Journal never bows to expediency.

The Journal may seem small, as compared with the plants of big-city newspapers, but none is brighter or more up to date. Five times in the past 22 years the growth of the paper has forced the Journal to move into larger quarters. It marked its 75th anniversary by opening a new $75,000 mechanical plant of the most modern design. Since 1936, when its present publisher, Sidney Curtis, took the wheel, the Journal has made dynamic progress, true to the New England tradition of quality before size.

Congratulations to the Revere Journal on its happy 77th birthday.

EXTENSION OF REMARKS

The SPEAKER. The clerks are notified that no extension of remarks of more than 300 words shall appear in the body of the RECORD preceding the legislative program of the day. They may be placed in the RECORD following that.

THE LATE JOHN C. LEHR

Mr. MEADER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.)

The SPEAKER. Is there objection to the request of the gentleman from Michigan.

There was no objection.

Mr. MEADER. Mr. Speaker, it is with considerable regret that I advise the House of the passing of the Honorable John C. Lehr, of Monroe, Mich., who represented the Second Congressional District of Michigan in the 73d Congress from 1933 to 1935.

Representative Lehr died at the age of 79 after a long and distinguished life of public service. He was born at Monroe, Mich., November 18, 1878, and was graduated from the law school of the University of Michigan in 1900. He practiced law in Monroe and Port Huron, Mich., serving as city attorney of Monroe from 1918 to 1922 and again from 1928 to 1930. He was a member of the Monroe Board of Education from 1926 to 1936 and a member of the Monroe Port Commission from 1936 to 1942. Representative Lehr was a delegate to the Democratic National Convention in Philadelphia in 1936.

After his service in Congress, he was appointed United States attorney for the Eastern District of Michigan, a position he held from 1936 until 1947, when he resigned to enter private business.

I am sure other Members of the House will concur with me in extending condolences to surviving members of his family.

PERMISSION TO SIT DURING GENERAL DEBATE

Mr. BROOKS of Louisiana. Mr. Speaker, I ask unanimous consent that Subcommittee No. 1 of the Committee on the Armed Services have permission to sit tomorrow afternoon and Friday during general debate.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

YELLOWTAIL DAM AND RESERVOIR

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 463 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (H. J. Res. 2) to provide for transfer of right-of-way for Yellowtail Dam and Reservoir, Hardin unit, Missouri River Basin project and payment to Crow Indian Tribe in connection therewith, and for other purposes. After general debate, which shall be confined to the joint resolution and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs, the joint resolution shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the joint resolution for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. Speaker, House Resolution 463 makes in order the consideration of House Joint Resolution 2, providing for the transfer to the United States of title to a portion of the right-of-way for the Yellowtail Dam and Reservoir, Hardin unit, of the Missouri River Basin project, and the payment to the Crow Indian Tribe, the owners, for land required for the project.

The resolution provides for an open rule and 2 hours of general debate.

House Joint Resolution 2 was amended by the Interior and Insular Affairs Committee by striking out all of the preamble, and providing that the payment to the Crow Indian Tribe will be $2,500,000 instead of the sum of $5 million, the amount in the joint resolution as introduced. The committee also amended the joint resolution to provide that this sum will be full, complete, and final settlement of any and all claims made by the tribe.

Since the authorization of this project in the Flood Control Act of 1944, the question of the amount to be paid the Crow Indians has been the subject of considerable controversy and conflicting opinions. In view of this fact, the Committee on Rules has recommended 2 hours of general debate so that there will be ample time to fully discuss all the ramifications of this measure.

Mr. ALLEN of Illinois. Mr. Speaker, this resolution was reported by the proper legislative committee after hearings in committee. We had hearings in the

Committee on Rules. This is a controversial subject and I think is of sufficient importance that it should come before the entire membership.

Mr. Speaker, I have no requests for time on the rule, but I yield 2 minutes to the gentleman from Illinois [Mr. ARENDS] and ask unanimous consent that he may speak out of order.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. ARENDS. Mr. Speaker, yesterday the distinguished gentleman from Missouri [Mr. CANNON] spoke at some length on what he conceives to be our national-defense posture as against the threat of Communist Russia. Having served on the Armed Services Committee since I first came to Congress, I have some knowledge as to our present military strength, our defense plans in the event local situations arise that require a military response or in the event of the outbreak of a total war, and also what is being undertaken that we may maintain military superority. As a matter of fact, shortly after the opening of this session of Congress our House Armed Services Committee has been devoting full time to an exhaustive study of our whole defense posture, now and for the future.

I do not propose at this time to answer the various questions raised by the gentleman from Missouri [Mr. CANNON], but I must immediately answer when he infers that we are practically defenseless with such statements that the only three categories in which we are ahead of the Russians is in supercarriers, tomahawks, and scalping knives. That simply is not true.

I share the gentleman's interest and concern in our defense status. But I definitely do not share his fears and alarmist attitude. Our country is prepared to meet the challenge it faces today and will be prepared to meet any challenge it may face tomorrow.

In recent years we have made tremendous strides in building the kind of defense we must have to insure continued peace and security. We have coordinated our defense planning with those of our allies, and given impetus to the development of new weapons.

Mr. Speaker, there may be reason for concern but there is no reason for fear. We can be confident that we have available today, and will be prepared for tomorrow, the use of weapons of retaliation so devastating that the cost to an aggressor of an attack on us would be unbearable.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 4 minutes to the gentleman from Wisconsin [Mr. BYRNES] and ask unanimous consent that he be permitted to speak out of order.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. BYRNES of Wisconsin. Mr. Speaker, I have today introduced bill H. R. 10815 to liberalize the provisions of the Federal tax code relating to capital investment, depreciation, corporate income taxation, and estate taxation as the applicable provisions affect small business. The changes that I am proposing are matters that need attention irrespective of any action the Congress may take on legislation lowering the existing tax-rate schedules that constitute such an onerous burden on all our taxpayers but particularly on small business. I stress the fact that my proposals constitute needed tax revision and are not a substitute for tax reduction, nor would the enactment of this bill impair tax-reduction prospects.

This legislation essentially implements the policies set forth in the President's tax recommendations to the Congress made on July 15, 1957, based on the proposals of the President's Cabinet Committee on Small Business. The legislation is noncontroversial and it should be possible to expedite legislative action on these minimum improvements in the tax law so as to benefit small business at the earliest possible date.

Mr. Speaker, for the benefit of interested persons I will at the conclusion of my remarks insert a detailed section-by-section analysis of the legislation. However, it may be appropriate if I briefly summarized the provisions of the bill at this point in my remarks:

First. Section 1 of the bill would provide that, with respect to new original investment, individuals would be permitted to deduct as an ordinary loss a loss on the stock of a small-business corporation. At the present time the deduction of such losses from income is subject to the general limitation on net capital losses of $1,000.

Second. Section 2 of the bill would extend to used tangible property the accelerated depreciation formulas made available under the 1954 code for new tangible property.

Third. Section 3 of the bill would allow an election to corporations with a small number of stockholders to be treated as a partnership for tax purposes so that the partner-shareholder would pay individual income taxes on his respective distributive share and there would be no tax at the corporate level.

Fourth. Section 4 of the bill would provide for installment payments of the estate tax attributable to investments in closely held business enterprises.

Mr. Speaker, I am convinced the proposals contained in this legislation would make a significant contribution toward the amelioration of problems confronting small business in regard to the availability of investment capital and capital asset replacement. I am convinced that the legislation would serve to remedy the present trend toward business mergers and would enhance the economic vitality and opportunity for small business enterprises. I urge my colleagues on the Committee on Ways and Means and the membership of this distinguished body to join me in support of the favorable consideration of this legislation. I will include as a part of my remarks a press release I have issued in regard to this legislative measure followed by a section-by-section analysis of the bill and the text of the bill:

The Honorable JOHN W. BYRNES, Republican, Wisconsin, a member of the taxwriting Committee on Ways and Means, today announced the introduction of legislation designed to liberalize the provisions of the Internal Revenue Code relating to capital investment, depreciation, corporate income taxation, and estate taxation as the applicable provisions affect small business. In introducing this tax revision proposal Mr. BYRNES stated that the purpose of his bill was to improve the application of the substantive provisions of our Federal tax structure so as to remove certain handicaps under which small business presently operates. The Wisconsin legislator stressed the fact that his bill should be considered a tax revision measure and that it was not intended as a substitute for tax reduction. He expressed the further view that the changes he was proposing in the tax law were matters that needed attention irrespective of any action by the Congress directed toward the lowering of tax rates and the enactment of his proposal would not impair tax reduction prospects.

The four sections of Mr. BYRNES' bill implement the policies set forth in the President's tax recommendations to the Congress made on July 15, 1957, based on the proposals of the President's Cabinet Committee on Small Business. These recommendations were the proposals that the Republican membership of the House Committee on Ways and Means on August 16, 1957, unanimously acted to call on the Democrat House leadership to expedite during the 1st session of the 85th Congress. Mr. BYRNES indicated that because of the support of these specific tax proposals, as reiterated by the Secretary of the Treasury in his appearance before the House Committee on Ways and Means on January 16, 1958, and because of their noncontroversial character, it should be possible to expedite the legislative consideration of these minimum improvements in the tax law so as to benefit small business at the earliest date possible.

In citing the need for such legislation the Wisconsin legislator called attention to the fact that among the total business population of approximately 4.3 million enterprises almost 4.2 million fall in the category of small business. It is estimated that approximately 25 million persons find employment in the small-business community. Mr. BYRNES stated that these statistics clearly demonstrate the need for a vital economic strength on the part of small business so as to assure that our free enterprise system will remain competitive and productive of opportunities for individual initiative and enterprise. Mr. BYRNES pointed out that of the more than 8,000 business loans made by the Small Business Administration since its establishment on August 1, 1953, in the total amount of $398.1 million, the percentage allocation of the dollar volume of such loans amounted to approximately 34.4 percent of the total for equipment and facilities and 33.1 percent for working capital. To the substantial extent that this new legislation would make investment capital more readily available to small business and would facilitate the ability of small business to accumulate sufficient capital for operations and equipment purchases, this tax-revision legislation would improve the economic posture of the business community.

Mr. BYRNES expressed the view that favorable consideration by the Congress of this legislation would benefit farmers as well as incorporated and unincorporated industrial and commercial activities.

A description of the bill by sections with potential taxpayer beneficiaries and estimated revenue losses follows:

Section 1: This section of the bill would amend section 165 of the 1954 code so that with respect to new original investment individuals in certain cases would be permitted to deduct as an ordinary loss a loss on the stock of a small-business corporation. Under existing law such a loss would have to be treated as a capital loss and the deductibility is subject to the general limitation on net capital losses of $1,000. The annual

ceiling on the maximum deductible amount in the case of a husband and wife filing a joint return would be $100,000 and in the case of all other individual taxpayers the ceiling would be $50,000. To be eligible the investment would have to be in a small-business corporation that was a domestic concern with equity capital not in excess of $250,000 after the new stock acquisition. There is no immediate estimated revenue loss from the enactment of this provision and its applicability would be to any individual taxpayer to whom the stock in question was issued in exchange for cash or other property (not including stock or securities).

Section 2: This section of the bill would extend to used property the accelerated depreciation formulas made available under the 1954 code for new property. The 1954 code specifically authorizes three accelerated formulas for computing depreciation; viz.: (1) the declining balance method, (2) the sum of the years-digits method, and (3) any other consistent method. Existing law limits the application of these depreciation methods to tangible property having a useful life of 3 years or more and which is new property. Section 2 of the bill would make these three accelerated depreciation formulas applicable to used tangible property acquired by individuals or corporations. The maximum annual ceiling on property acquisitions to which the accelerated formulas can be applied in the case of a husband and wife filing a joint return is $100,000 and in the case of all other taxpayers is $50,000. It is estimated that the revenue loss from this provision in the first year of operation would be $75 million and in the second year would be $170 million, a large part of which represents a tax deferral rather than a revenue loss. The benefit could potentially accrue to approximately 9.6 million individual taxpayers and to 700,000 corporations.

Section 3: This section would allow an election whereby certain corporations with a small number of stockholders could elect to be treated as a partnership for tax purposes so that the partner-shareholder would pay individual income taxes on his respective distributive share and there would be no tax at the corporate level. It is estimated that this section would provide a revenue loss of approximately $35 million annually and that 100,000 corporations would be potential beneficiaries of this liberalization.

Section 4: This section of the bill would provide for installment payments of the estate tax attributable to investments in closely held enterprises. The bill would permit an executor, at his election, to pay part or all of the estate tax attributable to investments in closely held business enterprises in two or more (but not more than 10) installments. A closely held business enterprise is defined to include a business proprietorship, a business partnership having 10 or fewer partners, or a business corporation having 10 or fewer stockholders. It is estimated that in the first year of operation there would be a deferral of tax liability of $30 million. It is pointed out that this figure does not represent a revenue loss because such taxes will eventually be paid as provided under the bill. It is not possible to estimate the number of taxpayers (estates) that would be benefited by this provision.

Mr. BYRNES stated that the effective dates for the applicability of these proposed changes is prospective as provided in the bill. However, he emphasized that this decision was for introductory purposes only and that he would ask that the committee give study to making sections 1 and 2 retroactive in their application.

SECTION-BY-SECTION ANALYSIS OF THE BILL H. R. 10815

Section 1. Losses on stock issued by small-business corporations: This section amends section 165 of the 1954 code (relating to deduction for losses) to insert a new subsection (h) under which individuals would, in certain cases, be permitted to deduct as an ordinary loss a loss on the stock of a small-business corporation which, under existing law, would have to be treated as a capital loss.

Paragraph (1) of the new section 165 (h) establishes the qualifications for the ordinary loss treatment. The taxpayer must be an individual to whom the stock in question was issued by a small-business corporation in exchange for cash or for other property (not including stock or securities). A loss sustained by the taxpayer on that stock is to be treated as a loss from the sale or exchange of an asset which is not a capital asset (that is to say, as a loss which can be used to offset income and which is not subject to the various limitations applicable to the recognition of capital losses).

Paragraph (2) of the new section 165 (h) establishes a ceiling on the aggregate amount which may be treated as an ordinary loss under this new provision in any one taxable year. The annual ceiling in the case of a husband and wife filing a joint return will be $100,000. In the case of all other individual taxpayers, the annual ceiling will be $50,000. Under these provisions, a husband and wife in a common-law State will be able to get the same benefit from the provision as a husband and wife in a community-property State under the laws of which the loss is deemed as sustained one-half by the husband and one-half by the wife.

Paragraph (3) of the new section 165 (h) contains a definition of the term "small-business corporation" for purposes of the new provision. The corporation must be a domestic corporation. In addition, it comes within the definition only if, immediately after the issuance of the stock in question, its equity capital does not exceed $250,000. For this purpose, equity capital means the excess of the corporation's cash and other property over its aggregate indebtedness.

Subparagraph (C) of paragraph (3) provides that in any group of controlled corporations the amount of equity capital to be taken into account is the aggregate equity capital of all the corporations in the group. For purpose of determining control, an 80-percent test is used.

Subparagraph (A) of paragraph (4) of the new section 165 (h) deals with the problem of stock issued to a taxpayer for property which has a fair market value less than the taxpayer's adjusted basis property in that property. In general, if this is the case, and if the exchange of the property for the stock is a transaction in which the economic loss already sustained by the taxpayer is not then recognized, the ordinary loss treatment provided in section 165 (h) will be available only for further loss sustained on, and properly attributable to, the amount invested in the small-business corporation.

Subparagraph (B) of paragraph (4) of the new section 165 (h) provides, in certain limited cases, the ordinary loss treatment even though there has been a reorganization since the taxpayer made his original investment. For example, if there is a recapitalization of the corporation, or if the corporation changes its name or State of incorporation, the ordinary loss treatment would be available with respect to the new stock issued in the reorganization.

Subparagraph (C) of paragraph (4) of the new section 165 (h) makes it clear that for purposes of those provisions of the net operating loss deduction which provide that nonbusiness deductions of an individual can be taken into account only to the extent of nonbusiness income, the described losses on stock in small-business corporations are to be treated as attributable to a trade or business of the taxpayer.

Subparagraph (D) of paragraph (4) of the new section 165 (h) provides that the new tax treatment will not be available to trusts.

Subsection (b) of section 1 of the bill provides the effective date for the ordinary loss provisions described above. In general, the amendments will apply to stock issued after the date of enactment of the bill. However, new stock issued in a tax-free reorganization after the date of enactment will be treated as having been issued before such date if the old stock surrendered in the reorganization was issued before such date of enactment.

Section 2. Extension of accelerated depreciation formulas to used property: The 1954 code specifically authorized three accelerated formulas for computing depreciation: (1) The declining balance method (at a rate not exceeding twice the straight-line method), (2) the sum of the years-digits method, and (3) any other consistent method which, during the first two-thirds of the useful life of the property, does not produce aggregate deductions in excess of those produced under the declining balance method described in clause (1) above. Section 167 (c) of the 1954 code limited the application of these 3 new methods to tangible property having a useful life of 3 years or more which, in effect, is the new property.

Subsection (a) of section 2 of the bill amends section 167 (c) of the 1954 code to make the three accelerated formulas for computing depreciation applicable to used property acquired by individuals or corporations. As in the case of new property, the property concerned must be property which is not intangible property, and it must have a remaining useful life (at the time of acquisition) of at least 3 years.

The bill places a dollar ceiling on the aggregate amount of used property acquired in any one taxable year to which the accelerated formulas can be applied. The annual ceiling in the case of a husband and wife filing a joint return is $100,000. In the case of all other taxpayers, the annual ceiling is $50,000. If the taxpayer acquires more than $50,000 (or $100,000) in used property in any one taxable year, then he is to be permitted to designate the property to which the new provisions are to apply. The bill also provides that in determining whether the dollar ceiling have been exceeded for a taxable year, there shall be taken into account the taxpayer's interests in any used property which may have been acquired by a partnership of which he is a member.

Subsection (b) of section 2 of the bill amends subchapter O of chapter 1 of the 1954 code to provide that if a taxpayer has taken accelerated depreciation with respect to used property and then sells or exchanges that property, the gain will be considered to be capital gain (and not ordinary income) only to the extent that the amount realized exceeds what the taxpayer's adjusted basis would have been if he had not used one of the three new formulas for computing depreciation.

Subsection (c) of section 2 of the bill provides an effective date for the above described provisions relating to depreciation for used property. The amendments will apply to property acquired after the date of the enactment of the bill.

Section 3. Election of certain corporations to be treated as partnerships. Subchapter R of chapter 1 of the 1954 code provided an election for certain partnerships and proprietorships to be taxed as corporations. Subsection (a) of section 3 of the bill amends subchapter R to add a new part (containing sections 1371 and 1372) to provide an election whereby certain corporations with a small number of shareholders may elect to be treated as a partnership (that is to say, the partners would pay individual income taxes on their respective distributive shares

of income, and there would be no tax at the corporate level).

Subsection (a) of the new section 1371 provides the general rule that a qualified domestic corporation may elect to be treated as a partnership for purposes of chapter 1 of the 1954 code (relating to normal taxes and surtaxes). The election must be made not later than 60 days after the close of the corporation's first taxable year.

Subsection (b) of the new section 1371 provides that all persons who have held stock in the corporation at any time on or after the first day of its first taxable year and on or before the last day for making the election must consent to the election and to all regulations which have been prescribed, with respect to this tax treatment, on or before such last day. Stockholders who acquire stock after the last day for making the election will, if a valid election has been made, be treated as having consented to the election and to the same regulations to which the other shareholders have consented.

Subsection (c) of the new section 1371 grants broad regulatory authority to the Secretary of the Treasury or his delegate with respect to these new provisions. He is to prescribe such regulations as he deems necessary to determine tax liability and to prevent the avoidance of tax liability.

Subsection (d) (1) of the new section 1371 provides, in general, that any election to be treated as a partnership is to be irrevocable. Subsection (d) (2) recognizes that there is a special problem confronting taxpayers during the period while the Treasury Department is formulating regulations under the new provisions. It provides that an election made during this transitional period may be revoked at any time on or before the last day of the third month following the month in which the full regulations on these new provisions are published in the Federal Register.

The new section 1372 deals with qualifications and special rules. Subsection (a) provides that a corporation may make the election only if it is organized after the date of the enactment of this bill and only if it meets certain further tests with respect to the period beginning on the first day of its first taxable year and ending on the 60th day after the close of that year. Throughout that period (1) it must have not more than 10 shareholders (no one of which can be a corporation or a trust), (2) no shareholder can have been a nonresident alien or a foreign partnership, (3) the corporation must not have been a party to a reorganization (including a so-called divisive reorganization), other than a simple recapitalization or a mere change in name or place of organization, (4) the corporation must have only one class of stock, and (5) no more than 80 percent of the stock of the corporation may be owned by persons who formerly owned the business of the corporation as an unincorporated enterprise with respect to which an election had been made under section 1361 to have it taxed as a corporation.

Subsection (b) (1) of the new section 1372 provides that the election will be treated as terminating at any time when the shareholders who actually consented to the election cease to own at least 80 percent of the stock of the corporation. The precise time of termination of the election is left to the regulations to be prescribed under the new provisions, except that the regulations cannot prescribe a termination date earlier than the close of the taxable year immediately preceding the taxable year in which the corporation first ceased to satisfy the 80 percent stock ownership provision described above.

Subsection (b) (2) of the new section 1372 provides that in any case where an election is terminated by reason of a change in ownership, the corporation may make a new election, for its first taxable year ending after the termination, and for all later taxable years. The new election will be available only if the corporation again satisfies all of the requirements of the new provisions, other than that this is its first taxable year.

Subsection (c) of the new section 1372 makes it clear that any employee of the corporation who also owns stock in the corporation is not to be treated as an employee for purposes of those provisions of the 1954 code which relate to qualified pension and profit-sharing plans.

Subsection (d) of the new section 1372 provides, in general, that if a corporation which has made an election under the new provisions issues a new class of stock, the tax liability of the corporation and its shareholders will be determined as if no election to be treated as a partnership has been made.

Subsection (e) of the new section 1372 provides, in general, for tolling periods of limitations, both with respect to credits and refunds and with respect to deficiencies, for the transitional period while full regulations are being worked out for the new provisions. The subsection also provides for a similar tolling in any case where the corporation issues a new class of stock without notifying the Secretary of the Treasury.

Subsection (f) of the new section 1372 provides, in general, that the provisions of chapter 1 of the 1954 code (relating to normal taxes and surtaxes) and of subtitle F of such code (the administrative provisions) which apply to partnerships shall apply to a corporation making the election, and the provisions of such chapter and subtitle which relate to partners shall apply to the shareholders of that corporation. The foregoing rule will, of course, yield to any specific requirements of the new part, and may be modified by regulations.

Subsection (b) of section 3 of the bill contains certain technical amendments to subchapter R of chapter 1 of the 1954 code, including a conforming amendment to section 1361 of the code (which deals with partnerships and proprietorships electing to be taxed as corporations).

Subsection (c) of section 3 of the bill contains the effective date for the section. The amendments will apply to taxable years ending after the date of the enactment of the bill.

Section 4. Installment payment of estate tax attributable to investments in closely held business enterprises: Subsection (a) of section 4 of the bill adds a new section 6157 to the 1954 code to provide for installment payments of estate tax attributable to investments in closely held business enterprises.

Paragraph (1) of subsection (a) of the new section 6157 permits an executor, at his election, to pay part or all of the estate tax attributable to investments in closely held business enterprises in 2 or more (but not more than 10) installments. The portion of the estate tax attributable to other assets of the estate must be paid at the time prescribed under existing law.

Paragraph (2) of subsection (a) defines the term "closely held business enterprise" for purposes of paragraph (1). The term means—

(1) a business proprietorship;

(2) a business partnership having 10 or less partners; or

(3) a business corporation having 10 or less stockholders.

Under subsection (b) of the new section 6157, the first installment is required to be paid on or before the date fixed for payment of the tax without regard to the new privilege of paying in installments. (In general, 15 months after the date of the decedent's death.) Each succeeding installment must be paid not later than 1 year after the time required for the preceding installment.

Subsections (c) and (d) contain provisions relating to redetermining the amount of remaining installments if a deficiency is assessed, and for accelerating the time for paying all remaining installments if any installment is not paid on time.

Under subsection (e) of the new section 6157, the Secretary or his delegate may require the furnishing of a bond (not exceeding double the amount which the executor elects to pay in installments) conditioned upon the payment of the amount extended in accordance with the new section 6157.

Subsection (b) of section 4 of the bill amends section 6601 (c) (2) of the 1954 code. Under this provision the amount which the executor elects to pay in installments will bear interest at 6 percent per annum for the period after 15 months after the decedent's death.

Subsection (c) of section 4 of the bill makes three technical amendments. The first conforms a table of sections; the second makes it clear that provisions of section 6161 of the 1954 code which relate to extending the time for paying the estate tax in case of undue hardship are not to also apply to the installment payments elected by the executor under the new section 6157; and the third provides for suspension of the running of the period of limitations for assessment or collection of the tax for the period of the extension granted under the new section 6157.

Subsection (d) of section 4 of the bill provides that the amendments made by section 4 are to apply with respect to estates of decedents dying after the date of the enactment of the bill.

H. R. 10815

A bill to amend the Internal Revenue Code of 1954 to remedy certain handicaps under which small business now operates

Be it enacted, etc.—

SECTION 1. Losses on stock issued by Small Business Corporations

(a) Treatment as Ordinary Losses.—Section 165 of the Internal Revenue Code of 1954 (relating to deduction for losses) is amended by redesignating subsection (h) as subsection (i) and by inserting after subsection (g) the following new subsection:

"(h) Losses on stock issued by small business corporations.—

"(1) In general: In the case of an individual, if—

"(A) a loss is on stock in a small business corporation which was issued to the taxpayer by such corporation in exchange for cash or other property (other than stock and securities), and

"(B) such loss would (but for this subsection) be treated as a loss from the sale or exchange of a capital asset,

then such loss shall be treated for purposes of this subtitle as a loss from the sale or exchange of an asset which is not a capital asset.

"(2) Maximum amount for any one taxable year.—In the case of any taxable year, the aggregate amount treated, by reason of this subsection, as a loss from the sale or exchange of an asset which is not a capital asset shall not exceed—

"(A) except as provided in subparagraph (B), $50,000; or

"(B) in the case of a husband and wife filing a joint return under section 6013, $100,000.

"(3) Small business corporation defined.—

"(A) In general: For purposes of this subsection, a corporation shall be treated as a small business corporation only if—

"(i) such corporation is a domestic corporation, and

"(ii) immediately after the stock was issued to the taxpayer, the equity capital of such corporation did not exceed $250,000.

"(B) Equity capital: For purposes of subparagraph (A), the term 'equity capital' means in the case of any corporation an amount equal to the excess of—

"(i) the sum of its cash and of its property other than cash (included in an amount equal to the adjusted basis of such property for determining gain), over

"(ii) the aggregate amount of its indebtedness."

For purposes of clause (ii), in the case of property subject to a mortgage or other lien, the amount of the indebtedness secured by such mortgage or lien shall be considered as an indebtedness of the corporation whether or not the corporation assumed or agreed to pay such indebtedness.

"(C) Certain controlled corporations.—If any corporation controls, is controlled by, or is under common control with, one or more other corporations, the $250,000 requirement of subparagraph (A) shall be applied to the aggregate equity capital of all such corporations. For purposes of this subparagraph, control shall be determined in the manner provided in section 304 (c); except that the phrase 'at least 80 percent' shall be substituted for the phrase 'at least 50 percent' each place it appears in section 304 (c) (1).

"(4) Special rules.—

"(A) Contributions of property having basis in excess of value: If—

"(i) stock was issued in exchange for property,

"(ii) the basis of such stock in the hands of the taxpayer is determined by reference to the basis in his hands of such property, and

"(iii) the adjusted basis (for determining loss) of such property immediately before the exchange exceeded its fair market value at such time, then in computing the amount of the loss on such stock for purposes of this subsection the basis of such stock shall be deemed to be such fair market value.

"(B) Recapitalizations, changes in name, etc.: Stock in a small-business corporation the basis of which (in the hands of the taxpayer) is determined by reference to the basis in his hands of stock in such corporation which meets the requirements of paragraph (1) (A) shall be treated as meeting such requirement, but subparagraph (A) of this paragraph shall be applied as of the time of the exchange of property for the old stock. A similar rule shall be applied in the case of any reorganization described in section 368 (a) (1) (F).

"(C) Relationship to the operating loss deduction: For purposes of section 172 (d) (4) (relating to limitation on nonbusiness deductions for purposes of the net operating loss deduction), to the extent that any loss is treated by reason of this subsection as a loss from the sale or exchange of an asset which is not a capital asset, the deduction for such loss shall be treated as attributable to a trade or business of the taxpayer.

"(D) Subsection not to apply to trusts: This subsection shall not apply to losses sustained by trusts."

(b) Effective date: The amendment made by subsection (a) shall apply to taxable years ending after the date of the enactment of this act, but only in the case of stock issued after such date of enactment. For purposes of this subsection, new stock which meets the requirements of section 165 (h) (1) (A) of the Internal Revenue Code of 1954 by reason of paragraph (4) (B) of section 165 (h) of such code shall be deemed to have been issued on the date of issue of the old stock referred to in such paragraph (4) (B).

SEC. 2. Extension of accelerated depreciation formulas to used property.

(a) Section 167 (c) of the Internal Revenue Code of 1954 (relating to limitations on use of certain depreciation methods and rates) is amended by striking out the period at the end thereof and by inserting in lieu thereof a comma, the word "or", and the following:

"(3) acquired after the date of the enactment of this paragraph, if the original use of such property does not commence with the taxpayer.

If in any one taxable year the taxpayer acquires property described in paragraph (3) which has a basis (determined as of the time of acquisition) in excess of—

"(A) except as provided in clause (B), $50,000, or

"(B) in the case of a husband and wife filing a joint return under section 6013, $100,000,

then paragraph (3) shall apply only to so much of the property so acquired as does not have a basis (so determined) in excess of $50,000 or $100,000, as the case may be. In any such case, the property to which paragraph (3) applies shall be designated by the taxpayer in such manner, and at such time, as the Secretary or his delegate shall by regulations prescribe. For purposes of the second sentence of this subsection, there shall be taken into account the taxpayer's basis in property acquired by any partnership of which he is a partner."

(b) (1) Part IV of subchapter O of chapter 1 of the Internal Revenue Code of 1954 (relating to special rules for determining capital gains and losses) is amended by inserting after section 1238 the following new section:

"SEC. 1238A. Accelerated depreciation.

"Gain from the sale or exchange of property, to the extent that the adjusted basis of such property is less than its adjusted basis determined without regard to section 167 (c) (3) (relating to accelerated depreciation in the case of used property), shall be considered as gain from the sale or exchange of property which is neither a capital asset nor property described in section 1231."

(2) The table of sections for such part IV is amended by inserting immediately below "Sec. 1238. Amortization in excess of depreciation." the following:

"SEC. 1238A. Accelerated depreciation."

(c) The amendments made by this section shall apply only with respect to property acquired after the date of the enactment of this act in taxable years ending after such date.

SEC. 3. Election of certain corporations to be treated as partnerships.

(a) Election to be treated as partnership: Subchapter R of chapter 1 of the Internal Revenue Code of 1954 (relating to election of certain partnerships and proprietorships as to taxable status) is amended by inserting after section 1361 the following new part:

"PART II. Alternative taxable status of certain corporations

"Sec. 1371. Election of certain corporations to be treated as partnerships.

"Sec. 1372. Qualifications and special rules.

"SEC. 1371. Election of certain corporations to be treated as partnerships.

"(a) General rule: Subject to the provisions of this part, any qualified domestic corporation may elect (in accordance with regulations prescribed by the Secretary or his delegate) to be treated as a partnership for purposes of this chapter for the taxable year and all succeeding taxable years. Such an election shall be made not later than 60 days after the close of its first taxable year.

"(b) Election treated as consent: The making of an election under this part shall be upon the condition that the corporation, and all the shareholders owning stock in such corporation at any time on or after the first day of the first taxable year to which the election applies and on or before the 60th day after the close of such first taxable year, consent to the election and to all the regulations prescribed under this part on or before such 60th day. Any shareholder who acquires stock in the corporation after such 60th day (including a shareholder who acquires stock after the election is terminated) shall be treated as consenting to the election and to all the regulations prescribed under this part on or before such 60th day.

"(c) Regulations: The Secretary or his delegate shall prescribe such regulations as he may deem necessary in order that the tax liability of any shareholder who has owned stock in a corporation which has made an election under this part to be treated as a partnership, the tax liability of the corporation, and the tax liability of any successor in interest to such shareholder or corporation, both during and after the period the corporation is treated as a partnership, may be returned, determined, computed, assessed, collected, and adjusted, in such manner as clearly to reflect the income-tax liability and the various factors necessary for the determination of such liability, and in order to prevent avoidance of such tax liability.

"(d) Election irrevocable.—

"(1) General rule: Except as otherwise provided in this part, an election made under this part shall be irrevocable and shall apply in respect of the first taxable year for which made and all succeeding taxable years.

"(2) Revocation of election made before publication of final regulations: In the case of any election made on or before the last day of the month in which final regulations prescribed under this part are published in the Federal Register—

"(A) references to the '60th day' in subsection (b) shall be treated as referring to the date on which such regulations are so published, if such date of publication occurs after such 60th day (determined without regard to this subparagraph); but

"(B) such election may be revoked (in accordance with regulations prescribed by the Secretary or his delegate) on or before the last day of the third month after the month in which such regulations are so published.

For purposes of this part, the term 'final regulations' means regulations designated by the Secretary or his delegate as final regulations for purposes of this paragraph and section 1372 (e) (2) (A).

"SEC. 1372. Qualifications and special rules.

"(a) Qualification: For purposes of this part, a corporation is a qualified domestic corporation only if it is organized after the date of the enactment of this part, and only if at all times during the period beginning with the 1st day of the 1st taxable year in respect of which the election is made and ending on the 60th day after the close of such 1st taxable year—

"(1) such corporation does not have more than 10 shareholders (counting each partner of any partnership owning stock in such corporation as a shareholder), and none of its shareholders is a corporation or a trust;

"(2) no shareholder of such corporation is a nonresident alien or a foreign partnership;

"(3) such corporation is neither—

"(A) a corporation which has been a party to a reorganization within the meaning of such term for purposes of subchapter C (other than a reorganization which is within the meaning of such term solely by reason of subparagraph (E) or (F) of section 368 (a) (1)), nor

"(B) a corporation to which section 355 (or so much of section 356 as relates to section 355) has applied;

"(4) such corporation has had only one class of stock; and

"(5) no more than 80 percent of the stock of such corporation is owned by persons who formerly owned the business of such corporation as an unincorporated enterprise taxable as a domestic corporation under section 1361.

"(b) Change of ownership; new election.—

"(1) Termination as partnership: If at any time the shareholders who consented to the election (not including shareholders treated as consenting) no longer own 80 percent or more of the stock of such corporation, the treatment of the corporation as a partnership pursuant to such election shall be treated as terminating at such time (not earlier than the close of the preceding taxable year) as may be prescribed in the regulations to which the shareholders consented.

"(2) New election: A new election may be made by the corporation for the first taxable year ending after any termination to which paragraph (1) applies and for all subsequent taxable years, if the requirements of this part and the regulations prescribed under this part are met. For purposes of the new election, such first taxable year shall be treated for purposes of this part as the first taxable year. Except as otherwise provided in regulations prescribed under this part, nothing in this part shall require any shareholder to consent to a new election if the tax liability of such shareholder is not affected by such election and if his interest as a shareholder terminated on or before the date of the change in ownership described in paragraph (1).

"(c) Shareholder who is an employee: If an employee of a corporation treated as a partnership under this part holds stock in such corporation, he shall not be considered an employee of such corporation for purposes of section 401 (a) (relating to employees' pension trusts, etc.).

"(d) Election void if new class of stock issued: Except as provided in subsection (e) or in the regulations prescribed under this part, if a corporation issues a new class of stock during any period it would (but for this subsection) be treated as a partnership the election shall be treated as never having been made.

"(e) Tolling of statute of limitations.—

"(1) In general: In the case of any election under this part by a corporation—

"(A) The statutory period for the assessment of any deficiency against any taxpayer for any taxable year, to the extent such deficiency is attributable to an election under this part and to the period to which such election applies (or would apply but for subsection (d) or a revocation under section 1371 (d) (2)), shall not expire before the expiration date specified in paragraph (2); and such deficiency may be assessed at any time on or before such expiration date, notwithstanding any law or rule of law which would otherwise prevent such assessment.

"(B) If credit or refund of the amount of any overpayment is prevented, at any time on or before the expiration date, by the operation of any law or rule of law (other than section 7122, relating to compromises), credit or refund of such overpayment may, nevertheless, be allowed or made, to the extent such overpayment is attributable to such election and to the period referred to in subparagraph (A), if claim therefor is filed on or before the expiration date.

"(2) Expiration date defined: For the purposes of paragraph (1), the term 'expiration date' means—

"(A) Except as provided in subparagraph (B), that day which is one year after whichever of the following days is the earlier:

"(i) the last day of the third month following the month in which final regulations prescribed under this part are published in the Federal Register; or

"(ii) if the election is revoked under section 1371 (d) (2), the day on which such revocation is filed with the Secretary or his delegate.

"(B) If subsection (d) applies, the day which is one year after the day on which the Secretary or his delegate is notified that the corporation has issued a new class of stock.

"(f) Application of this chapter and subtitle F. Except as otherwise provided by this part or by regulations prescribed under this part, in respect of any period during which the corporation is treated as a partnership, the provisions of this chapter and of subtitle F applicable in respect of partnerships shall apply in respect of the corporation, and the provisions of this chapter and of subtitle F applicable in respect of partners shall apply in respect of its shareholders."

(b) Technical amendments.—

(1) Subchapter R of chapter 1 of such code is amended by striking out the heading and table of sections for such subchapter and inserting in lieu thereof the following:

"Subchapter R—Election of Certain Partnerships, Proprietorships, and Corporations as to Taxable Status

"Part I. Alternative taxable status of certain partnerships and proprietorships.

"Part II. Alternative taxable status of certain corporations.

"Part I. Alternative Taxable Status of Certain Partnerships and Proprietorships

"Sec. 1361. Unincorporated business interprises electing to be taxed as domestic corporations."

(2) The table of subchapters for chapter 1 of such code is amended by striking out

"Subchapter R. Election of certain partnerships and proprietorships as to taxable status."

and inserting in lieu thereof

"Subchapter R. Election of certain partnerships, proprietorships, and corporations as to taxable status."

(3) Section 1361 (b) of such code (relating to unincorporated business enterprises electing to be taxed as domestic corporations) is amended—

(A) by striking out "and" at the end of paragraph (3);

(B) by striking out the period at the end of paragraph (4) and inserting in lieu thereof "; and"; and

(C) by adding at the end thereof a new paragraph as follows:

"(5) no proprietor or partners having more than 80 percent interest in the profits or capital of such enterprise formerly owned stock in a corporation treated as a partnership under section 1371 which carried on the business of such enterprise."

(c) Effective date. The amendments made by this section shall apply to taxable years ending after the date of the enactment of this section.

Sec. 4. Installment payments of estate tax attributable to investments in closely held business enterprises

(a) Election to pay in installments. Subchapter A of chapter 62 of the Internal Revenue Code of 1954 (relating to place and due date for payment of tax) is amended by adding at the end thereof a new section as follows:

"Sec. 6157. Installment payments of estate tax attributable to investments in closely held business enterprises

"(a) Estates which include investments in closely held business enterprises.—

"(1) Election to make installment payments: If any portion of the estate tax is attributable to stock or other investments in closely held business enterprises, the executor may elect to pay part or all of the estate tax attributable to such investment in 2 or more (but not more than 10) equal installments. For purposes of this paragraph—

"(A) the term 'estate tax' means the tax imposed on the estate of the decedent, reduced by the credits against such tax; and

"(B) the estate tax attributable to investments in closely held business enterprises shall be an amount equal to the excess of (i) the estate tax, over (ii) the estate tax computed without including in the gross estate the net value of such investments.

"(2) Closely held business enterprise: For purposes of paragraph (1), the term 'closely held business enterprise' means—

"(A) a business proprietorship,

"(B) a business partnership having 10 or less partners, and

"(C) a business corporation having 10 or less stockholders.

"(b) Date for payment of installments: If an election is made under subsection (a), the first installment shall be paid on or before the date fixed for payment of the tax (determined without regard to this section), and each succeeding installment shall be paid not later than the date which is 1 year after the last day prescribed by this subsection for payment of the preceding installment.

"(c) Redetermination in case of deficiency: If an election has been made under subsection (a) and a deficiency is assessed, the amount of the installments remaining unpaid on the date of such assessment shall be redetermined.

"(d) Acceleration of payments: If any installment under subsection (a) is not paid on or before the date prescribed for its payment by subsection (b), the whole of the unpaid tax shall be paid upon notice and demand from the Secretary or his delegate.

"(e) Furnishing of bond: For purposes of section 6165, any amount payable in installments by reason of this section shall be treated as an amount to which section 6165 (relating to bonds where time to pay tax or deficiency has been extended) applies."

(b) Interest: Section 6601 (c) (2) of such code (relating to determination of last date prescribed for payment of tax) is amended by adding at the end thereof the following new sentence: "In the case of an election under section 6157 (a), the last date for payment of the tax shall be determined without regard to section 6157."

(c) Technical amendments.—

(1) The table of sections for subchapter A of chapter 62 of such code is amended by adding at the end thereof the following:

"Sec. 6157. Installment payments of estate tax attributable to investments in closely held business enterprises."

(2) Section 6161 of such code (relating to extension of time for paying tax) is amended by redesignating subsection (d) as subsection (e), and by inserting after subsection (c) the following new subsection:

"(d) Installment payment of estate tax: In the case of an election under section 6157 (a), subsections (a) (2) and (b) shall not apply to the amount of any installment to which section 6157 applies."

(3) Section 6503 (d) of such code (relating to suspension of periods of limitation in case of extensions of time for payment of estate tax) is amended by adding before the period at the end thereof the following: "or under the provisions of section 6157."

(d) Effective date: The amendments made by this section shall apply with respect to estates of decedents dying after the date of the enactment of this act.

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include certain pertinent material, a section-by-section analysis of the bill, and the text of the bill itself.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. ALLEN of Illinois. Mr. Speaker, I yield such time as he may require to the gentleman from Pennsylvania [Mr. SAYLOR].

Mr. SAYLOR. Mr. Speaker, the rule which is before the House for discussion and adoption at this time involves the Yellowtail Dam site on the Crow Indian Reservation. It is a subject that has been involved in controversy for quite a number of years, and is one on which I feel the Congress should proceed very, very carefully insofar as the action that it takes today. I would like to take this time to get into the RECORD some of the background of the Crow Tribe and some information that will I hope affect your decision in this case. The Yellowtail Dam site is located on the tribal treaty lands of the Crow Tribe of Indians, which are within the exterior boundaries of the Crow Indian Reservation as defined by the treaty made by the Crows on September 17, 1851, and as such boundaries now exist. Likewise, a large portion of the reservoir resulting from the construction of the dam will be upon tribal lands. It has always been the policy of the Congress to deal directly with the particular Indian tribe involved when it becomes necessary to acquire rights-of-way or lands which the Indians own. Because of the existing legislation on the question, it is the contention of the Crow Tribe of Indians that rights-of-way cannot be obtained without the consent of the Crow Tribe itself. I believe it is almost a sign of divine providence that within the past 10 days the Indian Claims Commission has decided that the Crow Tribe of Indians is entitled to $10½ million for lands which the Federal Government took from them in 1868 and for which they paid the Crows at that time only $1½ million. Under the act, which is now in effect, the Crow Indians filed a claim before the Indian Claims Commission and they have just been awarded $10½ million.

Mr. METCALF. Mr. Speaker, will the gentleman yield?

Mr. SAYLOR. I yield.

Mr. METCALF. I believe in that connection it should be remembered that the amount that the Crow Indians were originally paid for the land was only 2 cents an acre and that the amount of the final claim was only 40 cents an acre. The Indians felt that their lands should have been paid for at the rate of $1 an acre which is certainly inadequate payment for much of that land. But the Indian Claims Commission only allowed them 40 cents an acre and that is the source of the $10½ million award.

Mr. SAYLOR. That is correct, and I thank the gentleman from Montana.

Mr. Speaker, this bill, if passed, will authorize the Crow Indians to receive the sum of $2½ million for a dam site. The Crow Indian Tribe feel that this amount is grossly inadequate. They have pointed out that there are other dam sites in other Indian reservations where the private utility companies have gone in and paid the tribes large sums of money to erect a hydroelectric dam and at the end of the 50-year license the dam and power facilities become the property of the Indian tribe.

For example, in the Pelton Dam site that Indian tribe will receive $90,000 a year over a 50-year period, and at the expiration of that time the dam and all of its power facilities will belong to the Indian tribe.

In the Kerr Dam the Indians—Flathead Indians, I believe, in Mr. METCALF'S district—will receive $175,000 a year for 50 years, and at the end of the 50-year period the dam and the power facilities will belong to the Indian tribe.

Certainly the United States Government in dealing with its Indians deals in two capacities: First, the Bureau of Indian Affairs is the trustee of the Indians, and as such they should be charged, if they are performing their duty, with getting for their wards the most money it is possible to get.

By taking the figures which have been used in the Pelton and the Kerr Dams and realizing that on the Yellowtail there will be a larger dam with a great deal higher installed kilowatt capacity, I propose to offer an amendment to this bill which will strike out the payment of $2,500,000 and provide that annually during construction and for 50 years thereafter the Federal Government pay to the Crow Indian Tribe the sum of $250,000 a year; that after the expiration of 50 years following completion the dam and all its power facilities shall become the property of the Crow Indian Tribe, and the net income thereafter derived shall be paid into the Federal Treasury and be distributed from time to time in a per capita distribution. In round figures we will be then paying to the Crow Tribe the sum of $15 million which is what some members of the Crow Tribe feel they are justly entitled to in the taking of this valuable dam site.

The Bureau of Reclamation, which is the other hat the Department of the Interior wears in this case, says that the Indians should be treated not as special wards but that they should be treated like any other person; and they have instituted a suit before the Federal court in the name of the Secretary of the Interior to condemn about 5,700 acres of tribal land.

The lower court overruled the contention of counsel for the Crow Tribe who contended that the Federal Government did not under its authority have the power to condemn these lands. Since that is not a final decision as far as the Indians are concerned, it was not possible for the attorneys to take an appeal on behalf of the Indians. Thereafter they proceeded to try and set the case down for trial.

It is interesting to note that the judge who rendered the decision retired some months ago, and Judge Jamieson, who succeeded him, has held meetings in Billings, Mont., with the representatives of the Federal Government and the Crow Indians. At that time he gave the Indians until the 15th day of January 1958, to file their statements. The United States Government was given until February 14 to submit its views, and the Indians are given until the 26th day of February 1958, to file their reply to the United States brief.

Mr. METCALF. Mr. Speaker, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from Montana.

Mr. METCALF. In order to bring the narrative of the legal proceeding up to date, the Federal Government did file its reply to the Indian brief day before yesterday in Federal court. This case has been set down for oral argument on the question for March 5.

Mr. SAYLOR. I am delighted to have that bit of information because I think the Members should realize that in the opinion of some members of the committee this piece of legislation is premature in view of the litigation that is pending before the Federal court.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. HALEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (H. J. Res. 2) to provide for transfer of right-of-way for Yellowtail Dam and Reservoir, Hardin unit, Missouri River basin project, and payment to Crow Indian Tribe in connection therewith, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (H. J. Res. 2), with Mr. JONES of Missouri in the chair.

The Clerk read the title of the House joint resolution.

The first reading of the House joint resolution was dispensed with.

Mr. HALEY. Mr. Chairman, I yield 10 minutes to the gentleman from Colorado [Mr. ASPINALL].

Mr. ASPINALL. Mr. Chairman, it is especially important that we understand just exactly what this legislation means as we enter the debate on a piece of legislation that is somewhat controversial. At least there has been a minority report filed from the committee.

Mr. Chairman, enactment of this legislation (H. J. Res. 2), will provide for the transfer to the United States of certain Crow Indian lands required for the construction of the Yellowtail Dam and Reservoir and thereby bring to a conclusion the longstanding controversy between the Crow Indian Tribe and the Department of the Interior over compensation for such transfer of tribal lands. Enactment of this legislation would permit construction of the much-needed Yellowtail Dam to go forward immediately.

The Yellowtail Dam and Reservoir is an important and essential unit of the Missouri River Basin project. This dam and reservoir, along with other Missouri River Basin units, were authorized for construction 14 years ago by the 1944 Flood Control Act. The Yellowtail unit is a proposed multiple-purpose development on the Big Horn River in Montana and Wyoming for river regulation, flood control, irrigation, and hydoelectric power, and, in addition, contributes substantial recreation and fish and wildlife

benefits. Exhaustive hearings were held by the House Interior and Insular Affairs Committee in April 1954, and by the Senate Interior and Insular Affairs Committee in March 1955, to reexamine the feasibility of this unit, and both committees adopted resolutions reaffirming the feasibility of the unit and urging immediate construction. The matter involved in this legislation is simply the price to be paid for lands and right-of-way for the dam and reservoir. Whatever the amount finally paid for the tribal lands, it will be repaid from project revenues.

The Department of the Interior has been ready to proceed with construction of the Yellowtail Dam for several years, having expended some $2½ million for investigations and the preparation of final plans and designs. Funds have been requested by the administration for the last 3 fiscal years for initiating construction of this unit and funds were actually appropriated in fiscal year 1956, but construction has been delayed pending the acquisition of the Crow tribal lands.

Over the past 10 years the Department of the Interior has made repeated unsuccessful attempts to reach agreement with the Crow Tribe as to the compensation to be paid for the approximately 5,680 acres necessary for the dam. Several years ago, on the basis of studies by both the Bureau of Indian Affairs and the Bureau of Reclamation, the Department offered to the Crow Tribe a payment of $1,500,000 for the tribal lands required. This amount is based on attributing to the lands some value as a power site as the barren land otherwise has a fair market value of only about $50,000. The Crow Tribe has repeatedly turned down this offer.

There are conflicting opinions by two Solicitors of the Department of the Interior as to whether the lands and right-of-way required for the Yellowtail Dam can be condemned without an act of Congress. In October 1952 the then Solicitor of the Department gave an opinion that the Crow tribal lands could not be condemned. In February 1954 another Solicitor of the Department rendered an opinion that the authorization by Congress of the construction of the Yellowtail Dam gives the Secretary of the Interior express authority to condemn the lands needed for the project. After failure of the Department to reach an agreement with the Crow Indians as to the compensation to be paid for the lands, and on the basis of the later Solicitor's opinion, the Secretary of the Interior requested the Department of Justice to institute condemnation proceedings, and these were filed in the Federal District Court on February 10, 1956. While condemnation proceedings are presently under way, I think it can be said that it will be necessary to take this matter all the way to the United States Supreme Court before a judicial determination can be made, and, therefore, reliance on a judicial determination will necessarily involve long and expensive court proceedings and an extensive delay in construction of the project. Both the President and the Secretary of the Interior have approved a statutory settlement as being preferable to a judicial settlement.

The 84th Congress passed legislation similar to this which provided for the payment of $5 million to the Crow Indians for the tribal lands needed. However, that legislation was disapproved by the President on June 7, 1956. The President's action was based primarily on what he called "the extravagant nature of the award." He also stated that, "If the Congress determines that it wishes to provide for an extra payment in this case it should not be done under the claim that it is 'just compensation.'" The legislation before us today is designed to meet the President's objections by providing that the Crow Tribe receive not only "just compensation" for the lands involved, but "a share of the special value to the United States of said lands." In other words, this legislation would share with the Crow Indians the value of these lands to the United States as a power site. In addition, the amount which would be paid the Crow Indians under the legislation before us today would be $2,500,000, or just half the amount included in the legislation which the President disapproved. It is pertinent to the consideration of this resolution that the Department's report on this legislation, which has been cleared by the President's Office, states that the Department "would not object if the Congress should see fit to insert a figure of not more than $2,500,000, both as just compensation for the lands taken and as the 'share of the special value to the United States of said lands.'" In other words, the amount which would be paid to the Crow Indians under this resolution is acceptable to the administration. The other body has passed similar legislation calling for a payment of $5 million.

May I say that the gentleman from Pennsylvania, my good friend [Mr. SAYLOR] called attention to the recent Court of Claims award to the Crow Indian Tribe. May I state that that has nothing whatsoever to do with the matter before this body in a determination of what we shall do with House Joint Resolution 2.

Also may I make this further statement in answer to the gentleman from Pennsylvania? If we would follow his recommendation and give the amount which he suggests, which would be at least $250,000 a year as I understand, the total would be $12,500,000. Undoubtedly that would draw a veto again from the President. Not only that, but as I understand the situation, the Department of the Interior is not in favor of and does not look kindly upon annual payments to the tribe for these lands.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. ASPINALL. I yield to the gentleman.

Mr. EDMONDSON. Mr. Chairman, I wanted to join the gentleman in the splendid statement which he has made in support of this bill and to say this further: I agree with the gentleman that the award made to the Indian Claims Commission has absolutely nothing to do with the merits of this proposal any more than it would be in order to go into the injustices and mistreatments of the Crows which were responsible in equity for the award that was granted to them. Neither would have anything to do with the merits of this proposal. I think the gentleman is exactly right.

Mr. ASPINALL. I thank the gentleman.

Mr. METCALF. Mr. Chairman, will the gentleman yield?

Mr. ASPINALL. I yield to the gentleman.

Mr. METCALF. I think it should be pointed out that many of us feel that the Crow Tribe would prefer to have a power allocation instead of an outright sale, but the Secretary of the Interior and the Bureau of Indian Affairs have been adamant for an outright sale of this land. They want complete Federal ownership of the dam.

Mr. ASPINALL. As I understand the situation, the gentleman is correct.

Mr. ENGLE. Mr. Chairman, may I say that I am supporting this legislation which does exactly what the gentleman says it does, that is, settle a controversy regarding land valuation, the land being taken out of an Indian reservation for a reservoir site. We have had this bill before our committee previously. It has also been on the House floor before. It was sent to the President of the United States with a valuation of $5 million in it, which the President vetoed. This bill provides for $2½ million. In my opinion, this is an equitable compromise. I am going to support the legislation and have supported it for that reason.

The valuation on this land goes all the way from $50 million, which the Indians claim, down to $50,000, which certain engineers assert to be the correct valuation. The Interior Department said it would recommend up to $1½ million, although it has interposed no objection to the $2½ million in the present bill.

I want to emphasize that we will have to go to conference with the other body on this measure and I propose to be on that conference committee and will insist on the $2½ million figure, if agreed to by the House, and try to get the other House conferees to do likewise.

Mr. MILLER of Nebraska. Mr. Chairman, I yield myself 4 minutes.

Mr. Chairman, I am going to support this legislation with some reluctance. I think the price is higher than it ought to be. I think we should bear in mind that the minority report indicates that engineers have indicated a fair appraisal value was $50,000 and that this appraisal runs into $416.67 an acre, which is a considerable price for steep canyon.

The House should also bear in mind that there is an inherent value in power sites and this Yellowtail Dam is an important segment of the Missouri River Basin. It ought to be started and it cannot be started until there is a settlement of the claims, as to how much should be paid for this dam site. I have taken the position that it ought to be determined by a court. Until recently there has been some question as to whether the courts of the land had jurisdiction.

I would read to you on page 4 of the committee report as follows:

There are conflicting opinions by two solicitors of the Department of the Interior as to whether the lands required for the Yellowtail project can be condemned without a further act of Congress. In October 1952, the then Solicitor of the Department gave an opinion that the lands are not subject to condemnation proceedings. In February 1954, another Solicitor of the Department gave an opinion that the authorization by Congress of the Yellowtail Dam gives the Secretary express authority to condemn lands needed for the payment. Subsequently, on January 8, 1957, the United States District Court for the District of Montana upheld the right of the Government to condemn and the issue is presently before the court to determine the amount to be paid to the Crow Indians as just compensation.

It occurs to me that this would be a better solution than to go into a lump-sum settlement. However, I am willing to go along with the $2,500,000. I hope that when the bill from the other body comes over and we go into conference the $5 million in their bill will be reduced to not more than $2,500,000. The $5-million amount was vetoed by the President at one time and I presume he would veto it again. It is my feeling that perhaps he will accept with some reluctance the $2,500,000 we have in this bill. But getting it settled either through a proper court of condemnation or by making this approach is important. For that reason I am going to support the $2,500,000 suggested in the present bill.

Mr. Chairman, I now yield 15 minutes to the gentleman from Wyoming [Mr. THOMSON].

Mr. THOMSON of Wyoming. Mr. Chairman, in the days of $70 billion budgets I am sure some of you must be wondering why House Joint Resolution 2, involving amounts of from $1,500,000 to $3,500,000, those being the amounts in dispute between the amount recommended by the committee and the amount recommended by the Department, should be so controversial as to take up the time of the House for 2 hours of general debate.

I think it is well deserving of this attention and I congratulate the Committee on Rules for allowing the time for it to be fully discussed. The reason is that it is a matter of first impression and will undoubtedly establish a precedent to be followed in many later cases. As such the amount involved is not only many times the amount of this bill but also even more important issues than money are involved that go to the very heart of the future development of almost one-half of the land area of the United States.

You have been told so many times by all Members of the West without exception that water development is the very lifeblood of our future growth that I am sure I need not elaborate on that truism.

Furthermore, because of past emphasis, I am sure I need only remind you that the reclamation projects, generally speaking, are self-financing, and we must show that the projects will pay out. If these projects are unduly burdened with excessive costs, then they must either become a burden on the general funds and the taxpayers of the United States or they simply cannot be built, with consequent stifling of the development of the area, to the loss of the entire Nation.

House Joint Resolution 2 involves the establishment of important public policies which will for many years to come be very, very important as far as the future of the United States and the treatment to be afforded its peoples are concerned.

The specific question involved is, How much shall we pay to the Crow Indian tribes for land to be taken as necessary for the construction of a dam and reservoir? To vote intelligently on this bill it is necessary that we understand, first, the specific facts with regard to this dam; second, that we understand the law with regard to just compensation and the past policy of the United States with regard to Indian settlements in like cases where we depart and have departed historically from the strict just compensation paid to other citizens to allow them some additional amount by reason of the fact that the Government is a trustee and they should have a special position.

In the third instance, we would have to appreciate the new policy that would be established by this bill and the impact upon Federal expenditures and the development of the water resources of this country. In this connection, historically I think, we should mention that this Yellowtail Dam was authorized, I believe, in 1944 as part of the Flood Control Act of that date. The dam has had an appropriation provided for it in the 1956 fiscal year and it is with some degree of pride that I say I took an active part in making that available. Then, we got into this dispute as to how much should be paid to the Indians. Unfortunately, that amount of $7 million appropriated in 1956 has been transferred to other projects and is no longer available. So, at the present time, we find ourselves without funds or without a recommendation in this year's budget so far as I know. In the 1958 fiscal year, over $10 million was recommended to go ahead if this issue could have been settled.

At this time I would like to point out the reclamation budget, as presented this year, has actually had work stoppages on certain projects. No new starts are recommended in the budget. I see very little likelihood, even if this bill did pass, that there would be funds made available to start construction this year because of the controversy that has arisen. The court case previously mentioned has been set for hearing in the Federal District Court of Montana in March with regard to determining the elements of compensation. It is my understanding that it will come up for trial in the May term.

Mr. METCALF. Mr. Chairman, will the gentleman yield?

Mr. THOMSON of Wyoming. I yield.

Mr. METCALF. It is possible that it may come to trial in the May term. However, when I called the District Attorney's office, he said that they did not anticipate trial until the October term, for a jury term, to determine the actual compensation to be paid under the rules as laid down under the decision to be rendered in March.

Mr. THOMSON of Wyoming. I thank the gentleman from Montana. I think in either event it appears that it will be tried this year and there would be time for an appeal before there can be any funds reasonably expected to start this construction. I am sure that the people in all of the 17 reclamation States would not look kindly upon inserting funds for the construction of this project to begin new construction when you have had no funds submitted in the budget recommending the start of any new projects in the other States. So, I do not believe that we will be delaying, if we allow time to see what the courts will do with this. Now getting down to more important things which I am sure is what we are interested in, which is the matter of the equities in this case, in doing what is right and proper. I would say at this time that when the bill comes up for amendment, I intend to offer an amendment to strike the $2,500,000 recommendation of the committee and substitute $1,500,000 recommended by the Department, which initially passed this House in 1956.

Mr. ASPINALL. Mr. Chairman, will the gentleman yield?

Mr. THOMSON of Wyoming. I yield.

Mr. ASPINALL. I am sure that the gentleman does not wish to leave the impression that the committee or that the executive department is unfriendly to the $2½ million amount. The gentleman does not wish to leave that impression; does he?

Mr. THOMSON of Wyoming. I think I would leave that impression, I would say to the gentleman from Colorado. The report this year said that the figure of $1,500,000 was a very generous offer, but in effect, it said, and I can quote from the report there, and I think the gentleman from Montana has it, that in the event Congress saw fit to increase this to $2½ million, very probably it would not oppose that—or something to that effect.

Mr. ASPINALL. The gentleman has substantially quoted it, and the Bureau of the Budget has stated that it would have no objection to that amount.

Mr. THOMSON of Wyoming. That is to the submission of the report. I thank the gentleman.

Getting down to the merits of this case in the short time we have at our disposal here, I think that it is in the best interest of the Indians and the taxpayers and reclamation in general to reduce the payment to the Indians to $1,500,000. I would say to my neighbors to the north and the great State of Montana that we would like to have them receive the benefits of this development and the construction of this dam. It is also important to a large part of the State of Wyoming which it is my privilege to represent. It is important though only if power is produced at a cost that it is economical power for the people of the area to use. I am also sure that it is of great importance to the Crow Indian Tribe, having had the pleasure of visiting their reservation during the recess. I for one—and my record is clear

as to that—want to be fair to the Indians.

The only way for benefit to be received by anybody is for the project to be built. At the time the project was under consideration in 1954 the cost was estimated at $86,233,000. In 1956 the estimated cost had gone up to $88,952,000. In 1957 when we were holding hearings it looked like it would cost over $92 million according to the Commissioner of Reclamation, Mr. Dexheimer. Unless this dam can be constructed there can be no possible benefit to the people of the area, to the Nation by reason of having it constructed, or to the Indians.

The testimony indicated that the value of this property was something less than $50,000. If it were just a case of dealing with ordinary citizens there would be no difficulty, we would go in and take the property under condemnation, paying the $50,000 or whatever might be awarded in addition by a jury. But because this is a special situation with Indians involved the policy of this Government over the years has been to give them something more; how much more has been left to the Executive Department considering all facets of the case. I would submit to you that if it were our policy that we should treat Indians different as a class, we can justify that, but we must treat Indians alike, and that is why we are here setting a matter of precedent.

In this particular instance the Indians have come in and said this has a power site value. I would like to explode that in just a couple of minutes. In the first place, this is not a cheap power project; neither is it a profitmaking power project. The testimony is that if this were constructed as a power project the power would cost in excess of 14 mills, standing alone by itself. If a private company were to come in and construct it, it could not possibly make money by selling power that cost from 15 to 16 mills, at 5.5 mills per kilowatt-hour, which is the going rate in that market area of the Missouri Basin. The cost of steam-generated power is 6 mills or less.

There is no private power company going in and pay the Indians several hundred thousand dollars for a site of this character when the cost of generating power is twice or more what you can sell it for and they would end up going broke. So there is no power site value in that sense.

The Bureau said they could integrate it in with the other projects on the Missouri Basin and make the project probably pay for itself.

Mr. SAYLOR. Mr. Chairman, will the gentleman yield?

Mr. THOMSON of Wyoming. I yield.

Mr. SAYLOR. I appreciate the gentleman's thinking with regard to this matter, but I want to call his attention to the fact that Congress has further promised the Crow Tribe they would get dam site value for this asset, because in section 10 of the Crow Allotment Act of 1920 Congress provided that no lands principally available for water power may be allotted to any member of the tribe, but such lands shall be preserved for the benefit of the tribe as a whole.

Mr. THOMSON of Wyoming. I thank the gentleman for his contribtuion, although I do not agree with him.

Mr. METCALF. Mr. Chairman, will the gentleman yield?

Mr. THOMSON of Wyoming. I yield to the gentleman from Montana.

Mr. METCALF. The gentleman has read the hearings, of course, and he will recall that in the 83d Congress there was a reappraisal of the feasibility of this project. There was testimony then and there is testimony before the subsequent subcommittees that there would be left $14 million. After the dam and irrigation expenses and the powerplant and all are paid for there will be $14 million left on a pay-out period of 50 years. There was also specific testimony that if we paid the Indians $5 million it would not destroy the feasibility of this project.

Mr. THOMSON of Wyoming. I did not understand it that way. I will check on it.

I have the hearings which I will be glad to show to the gentleman. I asked about loading this up and the Commission of Reclamation in response voiced serious doubt as to how far we could go. He did not clarify it this year as to how far you could go without creating an unbearable burden on the project.

Mr. METCALF. Neither of us were members of the committee in the 83rd Congress when this whole matter of feasibility was explored.

Mr. THOMSON of Wyoming. I thank the gentleman. I will be happy to check into that.

My point is that as a matter of power-site value there is not any. We should treat the Indians more favorably than we treat the whites according to past policy. I want to see them taken care of according to policy; but in this particular case we have Indian lands that have no power-site value because it is not a profitable power site, or, at least if any profit a very small amount. I would point out to the Members of the House that we take from the Indians in this particular instance less than 6,000 acres, that it is possible to build a dam, but a dam has no value for power purposes unless you have a water head to back it up.

The CHAIRMAN. The time of the gentleman from Wyoming has expired.

Mr. MILLER of Nebraska. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. THOMSON of Wyoming. Mr. Chairman, as I said, a dam has no value for power purposes unless you have a water head to back it up. In order to provide that there is being taken from the private citizens within the State of Wyoming, which I represent, 10,519 acres that have an appraised value of $450,000. If we were to treat them alike on the basis of $2½ million to the Indians, the citizens of Wyoming would receive $22¼ million for their land. But at the $5 million to the Indians that came back in conference in 1956 they would receive $45 million. In addition to that, 2,200 acres of State land are being taken, and in addition to that, 10,000 acres of Federal land are necessary for the reservoir.

Mr. RHODES of Arizona. Mr. Chairman, will the gentleman yield?

Mr. THOMSON of Wyoming. I yield to the gentleman from Arizona.

Mr. RHODES of Arizona. I should like to make a brief statement. My name appears as having signed the minority report on this bill. I did not sign the minority report. I have supported this bill at the level of $2½ million in the committee and expect to vote for it.

Mr. THOMSON of Wyoming. I thank the gentleman. I assure him that I did not prepare the minority report and had nothing to do with his name appearing on it. So there is no power site of value here standing alone.

In summary, I would merely like to say that if this project is continued to be burdened with additional costs and additional payments, you are going to get to the place where you provide the straw that breaks the camel's back. I think we are dangerously close to that point at this time. I seriously question whether this can be justified before the Appropriations Committee right now as an all-Federal project. They could get into the question of partnerships and other things like that. Nevertheless, we should be very careful in dealing with this particular project, for we have a project here which is a borderline project as far as payout is concerned at rates that the power can be economically used at the very best. We want to see it built. Unless it is built the people of the area do not benefit, nor do the Indians get one single dime.

More important, I would like to say to the Members of the House that to me if you vote for the $2½ million payment you are establishing a precedent to pay 50 times its value for the taking of Indian lands in the future. Because of the location of reservations, a lot of these Indian lands are upstream where dam sites are available. One, the Glenn Canyon site, is on the Navaho reservation. A year or 2 years ago, when the Owl Creek project was under consideration, lands were appraised at $7,500 and eventually there was paid $75,000, or 5 times value. If we are going to establish the precedent of 50 times value by paying $2½ million for this site, I am sure that those of us representing the Indian constituents, and I have a very high regard and respect for those in my District, will want to see that they are treated just as well. We will have established a precedent that will become a great burden on the country and a detriment to water development and to the Indian peoples themselves.

Mr. HALEY. Mr. Chairman, I yield 3 minutes to our distinguished Speaker, the gentleman from Texas [Mr. RAYBURN].

Mr. RAYBURN. Mr. Chairman, I ask unanimous consent to proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. RAYBURN. Mr. Chairman, today marks the 46th year that Senator CARL HAYDEN, of Arizona, has served in the Congress of the United States. He was a Member of this body when I came

here. He was one of the most popular men who ever served in this body; disliked by nobody and loved by practically everybody. Those who serve with him in the Senate now say that he has not an enemy and is probably the most loved man in the Senate of the United States, and deservedly so, because CARL HAYDEN, in my book, is one of the grandest men I ever knew and one of the most capable legislators I have ever known in either branch of the Congress of the United States. He really knows things. He knows how to get the job done. And no man, to my knowledge, has been of more service to his State or to his country during these 46 years than has CARL HAYDEN.

Mr. HALEY. Mr. Chairman, I yield myself 5 minutes.

Mr. RHODES of Arizona. Mr. Chairman, will the gentleman yield?

Mr. HALEY. I yield to the gentleman from Arizona.

Mr. RHODES of Arizona. Mr. Chairman, I just want to take this opportunity to associate myself with the remarks of our distinguished Speaker concerning the senior Senator from the State of Arizona, a man who has served his State for 46 years in the halls of Congress and who not only has no enemies in either House, but who has no enemies in the State of Arizona in either party.

Mr. HALEY. I thank the distinguished gentleman, and I concur in the sentiments that he has just expressed and also the sentiments of the Speaker.

Mr. Chairman, I believe we ought to know something about the chief beneficiaries of this $2½ million project. The Crow Indians of Montana are a growing tribe. In 1920, there were 1,719 on the rolls. As of February 17, 1958, there were 3,784. Of course, several hundred of them live off the reservation. Today there are 420 families residing on the Crow Reservation. The tribal assets are something over $2,300,000, or a per capita $605. That means that the per family assets would be about $3,100. The average family annual income is around $3,500 a year. The Crows have about 2 million acres of restricted land. They raise wheat, oats, barley, flax, forage crops, cattle, and sheep. Their other sources of income are from tribal grazing leases, tribal oil and gas leases, and individual lease rentals, grains, wages, and public relief.

I want to call particular attention to the financial status of the Crows. Of the 420 families on the reservation, 129 of them draw public-welfare assistance as follows: Old-age assistance, 22 families; aid to dependent children, 91 families; aid to permanently disabled, 12 families; aid to needy blind, 4 families.

I am, of course, concerned with all persons on relief but particularly with the younger members of families, exservicemen, for example, who are finding it not only difficult but impossible to set themselves up in business. In 1953, the Crow Tribal Council passed an ordinance excluding any person of less than one-quarter Indian blood quantum from enrollment on tribal rolls and, consequently, from public welfare for persons of Indian descent. For the benefit of these persons who do not qualify for the State or Federal funds, the tribal council established a contingency fund of $10,000 per year. This fund will only last 5 months this year.

I am giving this background because I am certain that the continuation of welfare funds on a hand-to-mouth basis will have little lasting effect on the bulk of the recipients in the long run.

By Resolution 108 of the Crow Tribal Council, the Indians have voted to distribute the lion's share of this $2½ million payment on a per capita basis. The tribal council, in cooperation with the recipients, will decide the portion of the total award which will be used for rehabilitation. This means that money will be made available for purchase of farm machinery, livestock, and home repairs for those who want to become farmers and ranchers. They will also assist those who wish to set themselves up in small businesses or to go to school to train themselves in vocations which will fit them into the modern mode of living.

Mr. Chairman, I believe the $2½ million provided for in this bill is a reasonable sum. It will assist 420 families living on the Crow Reservation to become better citizens and help them make their own way in worthwhile occupations. We are going to have to provide financial assistance to many of the Crow families in one way or another. I firmly believe that the sum recommended by the Committee on Interior and Insular Affairs will be more economical in the long run than to provide small welfare payments year after year. For these reasons, Mr. Chairman, I urge the passage of this House joint resolution.

Mr. RHODES of Arizona. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Chairman, while the Washington Post insists upon vilifying someone and Dr. Schwartz—I do not know what that doctor means, doctor of law, I suppose—is making indiscriminate his charges, the other day the Post and the doctor joined forces in accusing 4 or 5 Members of the other body, of the opposite political faith, of misconduct, and have accused members of the White House staff of improper conduct. So far as I have been able to learn—and I do not know anything about the merits of the accusations—this has been without any evidence that anyone is guilty of any offense. While the Post is objecting to those who are charged being given an opportunity to make any defense or being permitted, as the Supreme Court said recently that the gangsters must be permitted to see the FBI files to learn the evidence against them, it seems that a similar procedure, to permit the individual who is charged by the doctor and the Post should be followed, so that those accused may see the files the committee has which indicate, if they do, that they are guilty of doing something wrong. Members of Congress and of the executive branch of the Government ought to be shown, do you not think, almost as much courtesy and fairness as the Courts have shown individual gangsters as individuals in Washington who have a long criminal record, have been shown. If the Post does not know about it, it might read the Star, and it will find a column as long as your arm.

Yesterday reference was made to the fact that Dr. Schwartz may have—and that is the term he uses when he wants to charge somebody with improper conduct—I listened over there the other day and someone asked him about some of his charges, whether they indicated anything was improper or illegal, and the doctor replied, well, not so far as he knew, but they might have. The doctor may have violated a statute.

That is a strange way of charging a man. That is to say he may have done something wrong. What I am trying to suggest is that the doctor and the Post read the rules of the House. I cited them yesterday but used an older version. Here I have the rules of the 85th Congress, subsection (c) of section 25 of rule XI:

> All committee hearings, records, data, charts, and files shall be kept separate and distinct from the Congressional office records of the Member serving as chairman of the committee; and such records shall be the property of the House and all Members of the House shall have access to such records.

Note that "records shall be the property of the House." They are in the custody of the committee—not of Dr. Schwartz, the reporters of the press, nor in the custody of a Member of another body.

What Schwartz did, accompanied by a couple of reporters, was to take those records over to Senator MORSE. If Schwartz and the Post want to get after somebody, why does not Dr. Schwartz charge himself with a violation of this rule? I do not know just how far the statutes go, but my attention was called recently to section 2071 of our statutes, chapter 645, June 25, 1948, section 1, 62 Stat. 795:

> Whoever willfully and unlawfully conceals, removes, mutilates, obliterates, or destroys, or attempts to do so, or with intent to do so takes and carries away any record, proceeding, map, book, paper, document, or other thing, filed or deposited with any clerk or officer of any court—

That of course does not apply—

> of the United States, or in any public office—

That may or may not apply.

The rest of the section has to do with the courts, and it provides a penalty. Then it states:

> Whoever, having the custody of any such record—

"Whoever." Does that not include Brother Schwartz?

> proceeding, * * * willfully and unlawfully conceals, removes—

Why did not Schwartz—if the Parliamentarian were here I would ask him—let the files and records remain where the law had placed them? Was not Schwartz' action a violation of the statute? That is not a question for him, but it is for the Attorney General of the United States. It is a question for the committee. If you want to get on the trail of somebody who is setting a standard, why not get after Dr. Schwartz and the newspaper reporters who took those records over to Senator MORSE? And

that recording. Dr. Schwartz' wife took the wire recording over. Why not ask the doctor whether that action was proper? If you want a little law enforcement, why not go after those who are so anxious that others tread the straight and narrow road? What is sauce for the goose—you know. Any reason why they should not? Ask Schwartz and his aides, "How come?"

Mr. HALEY. Mr. Chairman, I yield 10 minutes to the gentleman from Montana [Mr. ANDERSON].

Mr. ANDERSON of Montana. Mr. Chairman, a survey printed in the New York Times day before yesterday shows that Montana has the worst unemployment situation of any State in the Union. The construction of Big Horn Dam can give this area a shot in the arm, and the long-term benefits will strengthen the State's economy. Big Horn Dam is fully authorized and $2½ million worth of engineering has been done on it. The disagreement with the Crow Indians over the transfer of the dam site needs to be settled so that this dam can be built. Only by passage of House Joint Resolution 2 will this project get under way, because both negotiations and court procedures are so tangled up that, unless Congress acts, construction will be tied up for the next 10 years. My colleague, the senior Congressman from Montana, [Mr. METCALF], a distinguished jurist and former justice of the Supreme Court of Montana, will explain this situation in a few minutes.

Montana's present economy is in the boom-or-bust category. When times get tough, Montana gets hurt in short order. When agricultural prices and prices of lumber products, minerals, and oil go down, as they are doing now, or when the rain doesn't fall, my State's income plummets. Unemployment in Montana reached a new post-war high in January. More than 12 percent of the insured labor force in Montana is currently unemployed. Not since the depression days of the thirties have comparable levels been reached. Montana's State government is now running in the red for the first time in a quarter of a century.

Montana's greatest need is for industry to process our raw materials, to provide jobs for those left unemployed by a shrinking agrarian economy and to provide opportunity for our young people when they finish school. Big Horn Dam has been a dream of opportunity in southeast Montana for over a quarter of a century, because when entirely constructed it will irrigate 45,000 drought-parched acres and because it offers industry, which will follow, over 200,000 kilowatts of low-cost power. Combined with the plentiful oil, gas, coal, and water, this low-cost power can provide a basis for the industrialization so badly needed.

My State needs the Big Horn Dam to provide water for irrigation that will stabilize the agricultural economy of the area. Even more we need the resulting ample supplies of low-cost power to supply the expanding needs of REA's and to provide the power that industry will combine with the other abundant resources of the region to build new businesses, and provide new jobs.

Montana, whose Indian name was "Land of the Shining Mountains," is also known as the Treasure State. In Montana we do, indeed, have a treasure of natural resources. Although we are a semiarid State, the grass of our broad plains and our forest lands produce cattle and sheep in great numbers. Our rich soils produce well in normal years, and abundantly in years of adequate rainfall. Our forests produce lumber, too, and our plains are underlain with many oil and gas fields. We have extensive deposits of coal, some so close to the surface that they may be strip-mined. Montana is rich in minerals, including uranium, and is a major producer of copper, lead, zinc, chrome, manganese, and many other important metals. As you can see, Montana is essentially a producer of raw materials. We are not an industrial or manufacturing State. That is rough on Montana, because there isn't much money in producing raw materials, especially these days, in competition with explorations and developments in farflung parts of the world where low prices are often at the expense of an exploited labor force whose condition approaches serfdom.

When I was listing Montana's great natural resources, I didn't include one of the greatest—water—water, that in rainfall and melting snow turns the fields and pastures green and brings forth the rich harvest of grain and livestock. But sometimes the rain doesn't come and the fields and pastures that should be green are parched and brown. There isn't enough forage or hay to carry the cattle through the long winters, or even through the hot summers, and the economy is upset and demoralized.

This is relevant to our discussion of House Joint Resolution 2, because the Big Horn Dam will one day irrigate 45,000 acres. In my country, irrigation is not generally used to produce wheat, or products which are now in such great supply. In the Big Horn Dam area, irrigation's most useful purpose is to produce the hay which must be on hand to carry livestock through the winter, hay that just cannot be raised in adequate quantities in a dry year without irrigation. Without this hay, the rancher must dump his cattle, and sometimes even his breeding stock, on the open market. And, so, Big Horn Dam can help to stabilize the livestock industry that may boom when it rains, but which inexorably goes bust in periods of protracted drought.

The next most important use of irrigation water in this area is the production of sugar beets, and thereby the maintenance of sugar beet factories whose income, in some areas, is of major importance. In addition, the byproducts of sugar beets help to stabilize the livestock feeding industries. And, gentlemen, sugar beets, or sugar, are not in surplus supply. Development and maintenance of a domestic source of sugar is, indeed, essential to the wider needs of national security. The Hardin reclamation project will divert most of the productive capacity of its 45,000 acres from presently surplus wheat to nonsurplus products.

I would like to say a word about the manner in which the Government has dealt with the Crow Tribe in the past. By the Treaty of Fort Laramie on the 17th of September 1851, the Crow Reservation included close to one-fourth of the State of Montana. On May 7, 1868, by act of Congress, and without compensation, so far as I know, 77 percent of the best land on the original reservation was taken from the tribe. In successive acts, on the 11th of April 1882; March 3, 1891; and the 27th of April 1904, the reservation was still further reduced. And, the Crows were still not properly recompensed for their lands.

Now, I want to make it clear that the payment I am proposing in this resolution is not intended to be, in any way, compensation for the reduction in the size of the reservation.

House Joint Resolution 2, as amended, provides for payment to the Crows of $2,500,000 for the dam site, which is entirely within the Crow Reservation. This is a bargain. My colleague, the gentleman from Montana [Mr. METCALF], will show that engineering studies, and comparison with private utility payments for similar dam sites, both indicate this dam site has a value of five to seven million dollars. The Interior Department report states that the administration will not oppose the figure of $2½ million.

My House Joint Resolution 2 originally provided for the payment of $5 million to the Crows. I am somewhat disposed to propose to this House today an amendment to increase the payment back to the $5 million. However, the Senate has already passed a resolution to pay them the full $5 million. The Senate bill has other differences, too, which will have to be ironed out in conference committee. Accordingly, I shall propose no amendment at this time, but I do express my hope that the conference committee will retain the $5 million figure.

I do call to your attention the many injustices this tribe has endured at the hands of the Great White Father in Washington, and I do ask that, at least this once, we treat the Crow Tribe fairly and justly by passing this resolution.

Widespread as the benefits of Big Horn Dam will be, they will have special meaning for our traditionally dispossessed Indians. We have made real progress in their education, but it is pretty hard to provide jobs based upon the poor economy of an Indian reservation. The reservation is inevitably the poorest land, land onto which the Indian was forced by the conquering white man. Among the jobs that will come from this project will be many for Indians from the Crow Tribe and from the Cheyenne Tribe whose home is on an adjoining reservation.

The Big Horn Dam will help to harness the raging spring waters; and this benefits everyone downstream as far as Louisiana where the Mississippi pours its waters into the Gulf of Mexico. The irreclaimable losses of recent floods in the Central States should be sufficient

testimony to the need of additional flood-control facilities.

With the present depressed state of our national economy, this is the time to be putting our unemployed to useful work on this project. Let us not fall behind the Russians in this field. The following article by Roscoe Fleming in the National Union Farmer indicates that we had better do an about-face on the past year's expressed policy of no new start if we do not want to be left behind in this race, too. The article follows:

COMMUNISTS GIVING BIG PUSH TO RESOURCE DEVELOPMENT—RUSSIA GAINS IN POWER RACE

(By Roscoe Fleming)

Russia is challenging the United States in river and natural-resource development as well as in weapons and space—and particularly in developing electric power which is the muscle of the modern world.

This conclusion is drawn by former United States Reclamation Commissioner Michael W. Straus after studying the world's power picture as a consultant to Senator JAMES MURRAY, Democrat of Montana, chairman of the Senate Committee on Interior and Insular Affairs.

Russia still has only about one-third the installed capacity of the United States. But she has increased hers six times since World War II, while United States capacity has approximately doubled.

The figures: United States capacity in 1943, 60 million kilowatts; Soviet capacity in 1943, 7 million kilowatts. United States capacity in 1956, 137 million kilowatts; Russian capacity, 43 million kilowatts.

Mr. Straus says the Russians have built or are building giant hydropower plants bigger than anything we have, the biggest generating 3.6 million kilowatts against our Grand Coulee's 2 million.

So far the United States yearly increase is larger than the Soviet yearly increase, so at the present rates the Soviet would never catch up. But Straus points out the Soviet climb is faster in percentage yearly—and if this keeps up, Khrushchev could be right about surpassing the United States within 15 years.

Straus also points out that much of our power is going into comforts and luxuries, while Russia puts almost all of hers into heavy industry and weapons production. The sixth 5-year plan ending in 1960 is expected nearly to double Russia's power potential.

Russia has about six times the potential hydropower of the United States but neither country has enough waterpower to depend upon. The vast potential in both is in steampower, from coal, oil, gas, and some day from atomic reactors.

Straus says the Russians also have a huge and rapidly-developing irrigation program. In acres, they irrigate about 31 million acres against 32 million acres in the United States—1956 figures—but the Russians had increased their irrigated acreage about one-fourth in 5 years while we had increased ours about one-fifth.

The Straus survey included all nations in the Communist bloc. He found one of the most amazing development stories of all time in Communist China, on the authority of Konwar Sain—one of India's leading resource engineers and one of the few outsiders allowed to inspect both Russian and Chinese developments.

Sain reports that the Communist Chinese added many million acres of irrigation as quickly as possible after taking office, because they knew China's teeming hundreds of millions must be fed.

They have little machinery, so they simply put millions of peope to work hand digging tremendous canals. Sain's leading example is the main irrigation canal of North Kiangsu, larger than the United States All American Canal into southern California.

The All American is 80 miles long, bedwidth 160 feet. Kiangsu is 106 miles long, its bedwith is 420 feet. All American can carry at capacity about 30,000 acre-feet daily; Kiangsu can carry 50,000.

An American work force of 1,500 equipped with huge machinery dug the All American in 5 years and 4 days. But, says Sain, 1 million Chinese equipped with shovels, buckets, and baskets dug Kiangsu in 80 days. They had to move almost a million cubic yards daily.

Sain reports that Kiangsu is an efficient, well-designed canal, and is doing the work it was built to do—irrigating about 4 million acres. He said that the huge army of workers were mostly farmers and farm laborers unemployed during the winter, men and women both. They were paid slightly higher than the prevailing wage rate—which was still next to nothing in our terms, but helped out at home.

Straus says the Chinese minister of water conservation, Director Hao, is the same Hao who in 1944 handed Straus a certified check for $500,000 to obtain Bureau of Reclamation expert services in planning water development for Chiang Kai-shek's Nationalist Chinese Government.

In conclusion, gentlemen, Montana has bountiful natural resources but not many people; and not even enough jobs for those few people. The Big Horn Dam project will go a long way in redressing the balance of resources, jobs, and men. This is a solid project with a benefit-cost ratio of $1.53 in benefits for every $1 of cost. It is a good investment.

Mr. THOMSON of Wyoming. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Montana. I yield.

Mr. THOMSON of Wyoming. So far as I know, in the committee hearings, there is nothing to show that the Indians will accept the $2½ million as offered by this bill. Does the gentleman from Montana have any tribal resolution or anything that indicates that they would accept anything less than $5 million?

Mr. ANDERSON of Montana. The question of whether or not the Indians will accept the payment is not a question with reference to this resolution. As the gentleman from Wyoming knows, the Department of the Interior has been negotiating with the Indians for a period of many years and has offered them $1½ million and that is as far as the Department of the Interior has gone in dealing with the Indians. If it is a question of negotiation, the figure might not be acceptable to the Indians, but as the gentleman from Wyoming undoubtedly knows, many of the tribal acres have been taken from the Indian tribe by act of Congress in years past and they could be at this time also.

House Joint Resolution 2 transfers title to the lands in question to the United States Government so that work on the dam can be started. The resolution also provides that if the Crow Tribe is not satisfied with the payment provided, they may bring suit in the Court of Claims for a judicial determination. This, however, will not prevent going ahead with building of the dam.

Mr. THOMSON of Wyoming. Of course, if the figure of $1½ million was substituted for $2½ million, that would still be true, would it not, under this bill?

Mr. ANDERSON of Montana. It would be true providing the other body agreed to both the figure of $1½ million and the other amendment that the Committee on Interior and Insular Affairs put in.

Mr. METCALF. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Montana. I yield to the distinguished senior member of the Montana delegation.

Mr. METCALF. The status is this. The tribe has been offered $1½ million. The Department of the Interior offered the tribe $1½ million, and the tribe has turned it down. Then the tribe made a counter offer of $5 million. We, in the Congress, attempted to accept that offer and the President vetoed that resolution last year. There has been no effort whatsoever nor has there been any reason to vote nor any opportunity to vote on the $2½ million figure, but we do know that the tribe refused to accept the $1½ million.

Mr. ANDERSON of Montana. I thank my colleague.

Mr. HALEY. Mr. Chairman, I yield such time as he may consume to the gentleman from Montana [Mr. METCALF].

Mr. METCALF. Mr. Chairman, the first thing that this resolution does is to take by Congressional legislative action the land in question. It has already been stated that there are 10,000 acres of private land, 2,400 acres of State land, and 10,000 acres of public domain. There is no question about the way in which you can take private land, there is no question here about the State land. If it were all private land the United States district attorney would simply go into Federal court, make a declaration of taking, and pay the $50,000, the appraised value, and title to the land would pass to the United States by an order that the court would issue.

It is not as easy as that with this Indian land, not because of treaties but because of a series of statutes. One solicitor for the Department said that under existing statutes you cannot condemn Indian land. Another solicitor said that under the same statutes the Federal Government can condemn Indian land. So, no matter what the course of the pending litigation, it may well go to the United States Supreme Court for final determination, if we do not pass this resolution. On the basis of previous statutes if the Supreme Court would say: "You cannot take this land without Congressional authority," 2, 3, or 4 years from now we would be right back where we are today.

I should like to mention one other thing that has not been referred to. These conflicting opinions have been mentioned. The gentleman from Pennsylvania read section 10 of the Crow Act. Mr. Justice Harlan F. Stone, when he was Attorney General, analyzed and handed down an opinion on the Crow Act in 1924, in which Attorney General Stone said that under the Crow Act the

Crow Tribe was granted the hidden and latent resources of the land, such as minerals or potential water power. He said that under this special language of the Crow Act giving them the potential water power they were entitled to the power site value and stream flow value.

Since 1924 we have assumed that no matter what the justification for value might be, whether under the Twin Cities case or any other case, the Indians by virtue of a special statute, not special privilege but because they hold this land under a special statute, are entitled to the power-site value.

Now, what we are saying here today is that we are, by Congressional action, setting aside those statutes upon which conflicting solicitor's opinions were written, and taking this land, and we are saying to the Indians, "For those special values that you were granted in 1920 and by other statutes enacted at various times by Congress, we are going to give you $2.5 million for your property." That is all we say. And as to the special values, the Department of the Interior is willing to pay $1.5 million, and they say that they would not object to $2.5 million. So we do not treat the Indians any differently; we just treat them equitably and fairly for these rights previously given to them.

Mr. BERRY. Mr. Chairman, will the gentleman yield?

Mr. METCALF. I yield to the gentleman from South Dakota.

Mr. BERRY. Is it not true that part of the reason that condemnation, even if it is authorized by law, cannot do the job is that under condemnation the court has no right to grant intangible or tribal damages; that the damages only can be individual and property.

Mr. METCALF. Well, that is the contention of the Department of Justice. That may or may not be the decision of the United States Supreme Court when this matter comes up before it. And, it is going to come up if we leave it to the courts and do not pass this resolution.

Mr. BERRY. In all of these cases of condemnation up and down the Missouri River, the Army Engineers have never given any intangible damages or tribal-right damages.

Mr. METCALF. That is correct. They never have. But, of course, the Crows are holding their reservation land under a certain specific statute that gives them the latent resources of the land, such as the potential waterpower, and Attorney General Stone said that that gave them a special standing, special value that was different from any other tribal value or individual value involved.

Mr. BERRY. I thank the gentleman. I certainly agree with him that a just and equitable settlement must be made with them on this dam site.

Mr. METCALF. I know the gentleman does. He has supported just and equitable settlements not only as concerns this tribe but all Indian tribes.

So, this condemnation case was brought 2 years ago in February. Next March oral argument will be had as to what shall be the measure of damages. In the May term or the October term, it will go to trial before a jury. Inevitably, in view of the conflict of decisions, this case will have to go to the United States Supreme Court, and even if it is decided by the United States Supreme Court, it may come back to this Congress to make the decision we are asked to make today. That is why many of us feel that the equitable way to settle this is by this legislative action. The Department of the Interior wants to settle it that way. Apparently the administration has asked that it be settled by this Congressional action. It relieves that delicate situation that the Secretary is confronted with, on the one hand representing the Indians and on the other hand representing the Bureau of Reclamation. So, the way to finally determine this is to say that the Bureau of Reclamation can take this land and that an equitable settlement will be $2.5 million, take it out of the courts and start building the dam.

Mr. HALEY. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read the resolution for amendment.

The Clerk read as follows:

Resolved, etc., That, from funds appropriated to the Department of the Interior, Bureau of Reclamation, for the Missouri River Basin project, there shall be transferred in the Treasury of the United States to the credit of the Crow Tribe of Indians, Montana, the sum of $5,000,000. Said sum includes both just compensation for the transfer to the United States as herein provided of the right, title, and interest of the Crow Tribe in and to the tribal lands described in section 2 of this resolution and a share of the special value to the United States of said lands for utilization in connection with its authorized Missouri River Basin project, in addition to other justifiable considerations. Nothing contained herein shall be taken as an admission by the United States that it is under any legal obligation to pay more than just compensation to said Crow Tribe and, in any suit brought as provided in section 3 of this resolution, no amount in excess of the sum above stated shall be awarded unless the court find that the whole of said sum is less than just compensation for the lands taken. No attorney fees shall be allowed out of the amount paid under authority of this resolution. Neither the initial transfer of such funds to the Tribe, as provided herein nor any subsequent per capita distribution thereof shall be subject to Federal income tax.

With the following committee amendment:

Page 4, line 7, strike out the words "the sum of $5,000,000." and insert "to be available in accordance with the act of June 20, 1936 (49 Stat. 1543), the sum of $2,500,000."

Mr. THOMSON of Wyoming. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. THOMSON of Wyoming to the committee amendment: On page 4, line 7, after "the sum of" strike out the figure "$2,500,000 and insert in lieu thereof the figure $1,500,000."

Mr. ASPINALL. Mr. Chairman, I rise in opposition to the amendment of the gentleman from Wyoming [Mr. THOMSON].

Mr. Chairman, I need not call to the attention of this Committee that all legislation is largely a matter of compromise; that the Crow Tribe has already turned down the figure of $1,500,000; that the President has vetoed an appropriation of $5 million and that the Department of the Interior in their report has stated that they are not wedded to the figure of $1,500,000. Although they feel that they are not in a position to recommend more than the $1½ million, they would not look with disfavor upon $2,500,000 which has been determined to be the fair and reasonable amount by the committee handling this legislation. May I state that this has all been thrashed over at various times in the committee. The report states:

At the present time, the Secretary of the Interior maintains that his offer of $1½ million constitutes fair and equitable compensation for the 5,677 acres of land required for the project, but that he would express no objections, nor would he recommend against favorable Presidential action if Congress wished to increase this figure to $2½ million.

I sincerely trust that the amendment will be defeated.

Mr. RHODES of Arizona. Mr. Chairman, will the gentleman yield?

Mr. ASPINALL. I yield.

Mr. RHODES of Arizona. It is my understanding also that the former controversy as to what the Crow Tribe of Indians would accept has been settled and that the tribe will accept $2½ million. Is that the gentleman's understanding?

Mr. ASPINALL. That is my understanding of the situation as it exists at the present time.

Mr. THOMSON of Wyoming. Mr. Chairman, will the gentleman yield?

Mr. ASPINALL. I yield.

Mr. THOMSON of Wyoming. May I point out that this amendment was offered in committee and was defeated by a 10 to 11 vote, with the chairman being required to vote.

Mr. ASPINALL. May I state further in answer to the question of the gentleman from Arizona that the Crow Tribe as such has not officially passed on this matter of $2½ million, but with the passage of the legislation and the approval by the executive department that will be in order. That is, the Crow Tribe will then be in position to give it final decision. It is my feeling that they will accept it, although we have nothing definite to that effect.

The CHAIRMAN. The question is on the amendment to the committee amendment.

The question was taken; and the Chairman being in doubt, the Committee divided and there were—ayes 35, noes 50.

So the amendment to the amendment was rejected.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. SAYLOR. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SAYLOR: Page 4, line 7, after "Montana", strike out the rest of page 4 and page 5 through line 9, and insert "annually during construction of

the Yellowtail Dam and for 50 years after its completion the sum of $250,000.

"At the expiration of 50 years following completion Yellowtail Dam and all power facilities connected therewith shall become the property of the Crow Tribe of Indians; the net income thereafter derived shall be paid into the Federal Treasury and be distributed from time to time in a per capita distribution."

Mr. SAYLOR. Mr. Chairman, I have offered this amendment because I am satisfied that the amendment which has been adopted by the committee offering a $2½ million value to the Crow Tribe is inequitable and a violation of our treaties with the Indians. It is in violation of the act of 1920; the Crow Allotment Act. In 1920 when Congress passed the Crow Allotment Act, they specifically provided that any lands which are principally available for waterpower sites may not be allocated to any member of the tribe, but all such lands must be preserved for the benefit of the tribe as a whole.

Taking the comparison of two other dams in the Pacific Northwest, I have used substantially the same formula that was used in those two cases, the Pelton Dam and the Kerr Dam and I have come up with a figure of $250,000. The power sites and the power facilities which will be installed at Yellowtail Dam will be extremely larger than either of the other two dams. In both of those other two dams, the private power companies will pay to the respective tribes sums of money for a period of 50 years, and at the end of 50 years the dam and the power facilities installed will belong to the tribes. That is all that this amendment of mine does. It just says that we believe the Crow Indians are entitled to fair compensation for their dam site and we have fixed on the basis of the other two dams in the area a figure which the Secretary of the Interior agrees is substantially correct, $250,000 for a period of 50 years and thereafter the dam site and all of the power facilities will belong to the Crow Tribe, and be an asset of the tribe and any income that is derived from it in the years to come will then be distributed among the Crow Indians. I was very much interested in the statement which was made by the chairman of the subcommittee on Indian Affairs, the gentleman from Florida [Mr. HALEY] in which he called attention to this Indian tribe and noted that their tribal assets were about $2 million.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield.

Mr. EDMONDSON. Do I understand that the gentleman proposes that a total of $12½ million over a 50-year period be paid to the Indian tribe?

Mr. SAYLOR. That is correct.

Mr. EDMONDSON. And that is for the same piece of property that the gentleman from Pennsylvania just voted to lower the payment on to $1½ million?

Mr. SAYLOR. I did not vote to lower it to $1½ million. I voted against that amendment.

Mr. EDMONDSON. The gentleman from Pennsylvania is then proposing that the sum be increased by a total of $10 million to be paid over a 50-year period; is that correct?

Mr. SAYLOR. That is correct and at the end of that time the assets would belong to the Indians.

Mr. EDMONDSON. I thank the gentleman for yielding. I must say that the gentleman's generosity is exceeded only by his eloquence.

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I am happy to yield to the gentleman from Florida.

Mr. HALEY. In addition to the $12½ million of course, the gentleman also would be giving the value of this installation which is about $40 million; is that correct?

Mr. SAYLOR. Well, it will be written off in 50 years, as we have been told by the Bureau of Reclamation and they have told us too that it is going to be a tremendous project which is going to pay for itself. If it is half as good as the Bureau of Reclamation says it is, then it should be paid out in 50 years, and at the end of that time it should be turned over to the Indians.

Mr. ASPINALL. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield.

Mr. ASPINALL. I am sure my good friend, the gentleman from Pennsylvania [Mr. SAYLOR] will not mind having his friend from the Fourth District of the State of Colorado chide him just a little bit. The gentleman from Colorado now speaking knows of the fine generosity of his friend from Pennsylvania because when we had a great project up some years ago, the gentleman from Pennsylvania would have given to those of the upper basin of the Colorado the installation at the Grand Canyon Dam. He would have just given it to the upper basin States to use as they saw fit to take care of their development. I know that in his heart the gentleman from Pennsylvania has the same thing in mind. But, is it not your feeling, my colleague, that sometimes your heart gets a little bit the better of your judgment?

Mr. SAYLOR. No, I do not think so because I would like to remind the gentleman from Colorado he said to me, within the past few weeks, that probably the greatest mistake the people of the upper Colorado River Basin ever made was turning down the offer I made at that time.

Mr. ASPINALL. I might say that I agree with my friend, and the reason I agree with him is because the amendment he offered is the best bargain for the people of the country.

Mr. SAYLOR. I still think that it is the best that could have been made for the people of the United States, and I can say that the offer that I have made in this amendment is the fair and honorable thing for this country to do for the Crow Tribe. Pay them what a private power company would be happy to pay if they were given the opportunity to build this dam.

Mr. ASPINALL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, if this amendment were adopted it would go up the other way instead of down, as was proposed in the amendment just disposed of. We talked these matters over in committee and arrived at what we thought was a fair and equitable solution.

I wish also to state that if we were to go to a conference committee with such an amendment as the gentleman from Pennsylvania proposes, more than likely we would not be able to get down below the $5 million set forth in the legislation passed by the other body.

Mr. EDMONDSON. Would the gentleman also agree that the chances of Presidential signature would be about 40 percent of what the chances were with the $5 million bill that was vetoed last year?

Mr. ASPINALL. I think my colleague understates the chances; I think it would be closer to 100 to 1 in favor of a veto.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania.

The amendment was rejected.

Mr. AVERY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I did not take the floor this afternoon to discuss the merits of the bill because I do not know very much about the project and I know nothing about the value of the land involved; rather, I take the floor to question the chairman of the committee with regard to the language beginning in line 11, on page 5, reading as follows:

Neither the initial transfer of such funds to the tribe, as provided herein, nor any subsequent per capita distribution thereof shall be subject to Federal income tax.

I am wondering just what the precedent is for that. Would the gentleman respond to that?

Mr. ASPINALL. Mr. Chairman, will the gentleman from Kansas yield?

Mr. AVERY. I am very happy to yield to the gentleman from Colorado.

Mr. ASPINALL. That is similar to language that has been written into all these Indian bills for several years. It is the feeling that inasmuch as this is an award to the tribe, no part of it should come back to the Federal Government in the form of taxes.

Mr. AVERY. As the gentleman well knows, I have more than a casual interest in public-works projects where the question of appraisals and capital-gains taxes are involved. Where the Government exercises its right of eminent domain and takes private property from owners, certainly they should not be forced into the position of having to pay a capital-gains tax on something they did not want to sell.

Mr. ASPINALL. I do not believe the gentleman from Colorado can get into that discussion.

Mr. AVERY. I do not see why not. I have been trying to get some information on it out of the Ways and Means Committee but I have not been able so far even to engage one of them in conversation. To let this slip through is not right.

Mr. ASPINALL. I appreciate the gentleman's feelings.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. AVERY. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. I am in wholehearted agreement with the gentleman's feelings that a person whose land has been condemned should not be forced to pay a capital-gains tax, but a fact that must be borne in mind in this connection is that this is restricted Indian land and that no restricted land is subject to taxation under traditional Indian policy.

Mr. AVERY. I will agree that there is a difference, but this probably will be negotiated, I judge from the language of the bill, but whether they do it by condemnation or negotiation there is a capital gain involved because the land cost the Indians nothing and there was no value to start with. We are still in that general area I spoke of where a private owner is being deprived of his property and then compelled to pay a capital-gains tax. It is not right.

Mr. EDMONDSON. Will the gentleman yield further?

Mr. AVERY. I yield.

Mr. EDMONDSON. I am in wholehearted agreement with the gentleman that the capital-gains tax should not be assessed in condemnation suits, but the fact that that same principle is having some application here, and is a sound principle, certainly should not mitigate against passage of the bill. I think the gentleman will agree with that.

Mr. AVERY. I will not agree or disagree, but will the gentleman from Oklahoma agree to associate himself with me to try and urge the Ways and Means Committee to give some consideration to this very critical problem?

Mr. EDMONDSON. May I say to the gentleman from Kansas that I have a bill introduced for several weeks now which would have the effect of exempting from the capital-gains tax any income realized in a condemnation suit where land is taken by the Government for any purpose.

Mr. AVERY. I have had one in for 3 years and I cannot get a hearing on it. I will be glad to help the gentleman in any way I can.

Mr. RHODES of Arizona. Mr. Chairman, will the gentleman yield?

Mr. AVERY. I yield to the gentleman from Arizona.

Mr. RHODES of Arizona. I wonder if the gentleman would consider certain possibilities. He has received letters as I have protesting condemnations of land and the taking of land by way of condemnation. If we were to exempt the profits from such land, assuming that the amount of land taken was low and the price was high, I wonder if the gentleman would not feel we might be getting letters from constituents asking us to get their land condemned so that they would not have to pay taxes on them?

Mr. AVERY. There could be some areas where property owners would like to have their land condemned. I am sure the gentleman is familiar with the area I am talking about. We do not desire to have the land condemned. It does not hardly seem to be appropriate to take land under the right of eminent domain, land that has been in the family for generations, where in some cases there has been only one patent on it, and compel a person probably 65 or 70 years old to pay a capital-gains tax on a transaction over which he has no control.

Mr. RHODES of Arizona. I do not want the gentleman or the House to think I was being facetious in my previous question. I know the area the gentleman has reference to because I went to college very close to the Tuttle Creek area. I would like to congratulate the gentleman from Kansas on his zeal in trying to prevent what I know is a great injustice to those people.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. PELLY. Mr. Chairman, I am opposed to this legislation. We had testimony 2 years ago that the land for which this measure would allow $2,500,000 was considered by the Department of the Interior to be worth $39,000.

Two years ago the House committee agreed to give the Crow Indians $1,500,000. At the other end of the Capitol, this amount was raised to $5 million. I voted against the $1,500,000 and later I voted against the $5 million.

This is a giveaway in my opinion, of the taxpayers' money. In the terms of the figures we use in Congress the amount is not large; but the principle is the same and I am unwilling to support knowingly overpayments to Indians or anyone else.

The Clerk read as follows:

SEC. 2. (a) Subject to the provisions of this section, there is hereby transferred to the United States the right, title, and interest of the Crow Tribe in and to lands situated in the Big Horn County, Mont., hereinafter described under the headings "parcel A" and "parcel B."

PARCEL A

Lots 7, 8, 9, 10, 11, and 12, northeast quarter of the southwest quarter and the east half of the southeast quarter of section 18; lots 1, 2, 3, 4, 5, and 6, southwest quarter of the northeast quarter, southeast quarter of the northwest quarter, and the northeast quarter of the southwest quarter of section 19, all in township 6 south, range 31 east, Montana, principal meridian, and containing 573.84 acres, more or less.

A tract of unsurveyed, unallotted Indian land described as follows: Beginning on the westerly side of the Big Horn River at a point on the west line of lot 9, section 18, township 6 south, range 31 east, Montana principal meridian, said point being at elevation 3,675; thence running upstream along a contour line whose elevation is 3,675, to a point of intersection with the east line of the southeast quarter of the northeast quarter of section 22, township 6 south, range 30 east, Montana principal meridian; thence southerly along the east line of said southeast quarter of the northeast quarter to a point on the east line of said southeast quarter of the northeast quarter, whose elevation is 3,675; thence running upstream along a contour line whose elevation is 3,675, to a point of intersection with the south boundary of the Crow Indian Reservation on the westerly side of the Big Horn River; thence easterly along the said south boundary of the Crow Indian Reservation to a point of intersection with the middle of the thread of the Big Horn River; thence running upstream along the middle of the thread of the Big Horn River to a point of intersection with the south line of township 9 south, range 28 east, Montana principal meridian; thence easterly along the south line of said township 9 south, range 28 east, to a point on the south line of said township 9 south, range 28 east, Montana principal meridian, whose elevation is 3,675 feet; thence running downstream along a contour line whose elevation is 3,675 to a point of intersection with the west line of township 6 south, range 31 east, Montana principal meridian; thence northerly along the west line of said township 6 south, range 31 east, to the point of beginning, and containing 4,771.6 acres, more or less.

Also, a parcel of land lying along the south boundary of the Crow Indian Reservation, further described as follows: Beginning at a point where the 3,675-foot contour to the left of the Big Horn River intersects the south boundary of the Crow Indian Reservation, said point being approximately 5,400 feet westerly of the point of intersection of the Big Horn River and the south boundary of the Crow Indian Reservation; thence running upstream on the 3,675-foot contour to a point where the 3,675-foot contour intersects the south boundary of the Crow Indian Reservation; thence running easterly along the south boundary of the Crow Indian Reservation to the point of beginning and containing 5.7 acres, more or less.

Also, a parcel of land lying along the south boundary of the Crow Indian Reservation and along Hoodoo Creek further described as follows: Beginning at a point on the south boundary of the Crow Indian Reservation where the 3,675-foot contour on the east bank of Hoodoo Creek intersects the south boundary of the Crow Indian Reservation; thence running upstream on the 3,675-foot contour to its intersection with the middle of the thread of Hoodoo Creek; thence running downstream on the 3,675-foot contour to a point where the 3,675-foot contour intersects the south boundary of the Crow Indian Reservation; thence easterly along the south boundary of the Crow Indian Reservation to the point of beginning and containing 1.3 acres, more or less.

The total area above described is 5,352.44 acres, more or less, situated in Big Horn County, Montana.

PARCEL B

Lots 1, 5, and 6 of section 18, lots 4, 6, 7, and 8, and the south half of the northwest quarter of section 17, lots 6 and 7, section 16, all in township 6 south, range 31 east, Montana principal meridian, containing 325.50 acres, more or less, and situated in Big Horn County, Montana.

(b) There is reserved from the right, title, and interest transferred as to parcel B the Indian Irrigation Service canal and appurtenant facilities, Big Horn unit, Crow Indian Irrigation Department, as now constructed or as they may be hereafter modified, until such time as said canal and appurtenant facilities may be replaced.

(c) Except as to such area as the Secretary determines to be required for the dam site and the construction and operating camp site, the right, title, and interest transferred shall be exclusive of the rights to minerals, including gas and oil, beneath the surface: *Provided*, That no permit, license, lease, or other document covering the exploration for or the extraction of such minerals shall be granted by or under the authority of the Secretary except under such conditions and with such stipulations as the Secretary deems adequate to protect the interests of the United States in the construction, operation, maintenance, and use of the Yellowtail unit.

(d) The members of the Crow Tribe of Indians of Montana shall be permitted to hunt and fish in and on the Yellowtail Reservoir and taking area without a license.

SEC. 3. Unless suit to determine whether an additional amount to that specified in section 1 hereof is due as just compensation is brought in the Court of Claims by the

Crow Tribe within 3 years after the effective date of this joint resolution, the sum provided by section 1 hereof shall constitute full, complete, and final settlement of any and all claims by the tribe on account of the transfer to the United States as therein provided of the tribe's right, title, and interest in and to the lands referred to in section 2 hereof. In the event of such suit, the court shall have jurisdiction as under section 1505, title 28, United States Code, and in determining just compensation shall take into account the sum specified in section 1 hereof and the rights reserved to the tribe by subsections (b), (c), and (d) of section 2 hereof. The amount embraced in such judgment, if any, as may be entered against the United States shall be deposited in the Treasury to be available in like manner as the sum specified in section 1 hereof. Review of the judgment entered shall be in the same manner, and subject to the same limitations, as govern in the case of other claims cognizable under the aforementioned section 1505.

With the following committee amendment:

On page 9, strike section 3 and insert the following:

"SEC. 3. The sum provided by section 1 hereof shall constitute full, complete, and final settlement of any and all claims by the tribe on account of the transfer to the United States as therein provided of the tribe's right, title, and interest in and to the lands referred to in section 2 hereof."

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the amendment to the preamble.

The Clerk read as follows:

Strike the preamble.

The committee amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. JONES of Missouri, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration House Joint Resolution 2, to provide for transfer of right-of-way for Yellowtail Dam and Reservoir, Hardin unit, Missouri River Basin project, and payment to Crow Indian Tribe in connection therewith, and for other purposes, pursuant to House Resolution 463, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered. Is a separate vote demanded on any amendment?

Mr. THOMSON of Wyoming. Mr. Speaker, I ask for a separate vote on the amendment on page 4, line 7.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The Clerk will report the amendment on which a separate vote has been demanded.

The Clerk read as follows:

On page 4, line 7, strike out the words "the sum of $5 million" and insert "to be available in accordance with the act of June 20, 1936 (49 Stat. 1543), the sum of $2,500,000."

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment of the joint resolution.

The bill was ordered to be engrossed.

The SPEAKER. The Clerk will report the amendment to the preamble.

The Clerk read as follows:

Strike the preamble.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the third reading of the joint resolution.

The joint resolution was ordered to be read a third time and was read the third time.

Mr. THOMSON of Wyoming. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the resolution?

Mr. THOMSON of Wyoming. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. THOMSON of Wyoming moves to recommit House Joint Resolution 2 to the Committee on Interior and Insular Affairs.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The question was taken, and the Speaker announced that the noes appeared to have it.

Mr. THOMSON of Wyoming. Mr. Speaker, I object to the vote on the ground that a quorum is not present and I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 152, nays 197, not voting 81, as follows:

[Roll No. 11]

YEAS—152

Adair	Collier	Hoffman
Alger	Corbett	Holt
Allen, Calif.	Coudert	Hosmer
Allen, Ill.	Cramer	Hyde
Andersen, H. Carl	Cretella	Jackson
Arends	Curtin	Jensen
Auchincloss	Curtis, Mass.	Johansen
Avery	Curtis, Mo.	Jonas
Ayres	Dawson, Utah	Judd
Baker	Dennison	Kean
Bass, N. H.	Derounian	Kearney
Bates	Devereux	Kearns
Baumhart	Dixon	Keating
Beamer	Dorn, N. Y.	Kilburn
Becker	Dwyer	Knox
Belcher	Fenton	Krueger
Bennett, Mich.	Fino	Lafore
Betts	Ford	Laird
Bolton	Frelinghuysen	Lipscomb
Bosch	Fulton	McCulloch
Bray	Glenn	McDonough
Broomfield	Griffin	McIntire
Broyhill	Gross	McIntosh
Budge	Hale	McVey
Bush	Halleck	Mailliard
Byrne, Ill.	Harrison, Nebr.	Martin
Canfield	Harvey	Mason
Carrigg	Haskell	May
Cederberg	Henderson	Meader
Chamberlain	Heselton	Michel
Chiperfield	Hiestand	Minshall
Church	Hillings	Moore
Clevenger	Hoeven	Morano
Mumma	Sadlak	Tewes
Neal	St. George	Thomson, Wyo.
Nicholson	Schenck	Utt
Nimtz	Scherer	Van Pelt
O'Hara, Minn.	Schwengel	Van Zandt
Osmers	Scrivner	Vorys
Ostertag	Seeley-Brown	Vursell
Pelly	Sheehan	Wainwright
Pillion	Siler	Weaver
Poff	Simpson, Ill.	Westland
Prouty	Simpson, Pa.	Widnall
Ray	Smith, Kans.	Wigglesworth
Reece, Tenn.	Springer	Wilson, Calif.
Rees, Kans.	Stauffer	Wilson, Ind.
Riehlman	Taber	Withrow
Robison, N. Y.	Talle	Wolverton
Robsion, Ky.	Teague, Calif.	Younger

NAYS—197

Abbitt	Gary	Moulder
Abernethy	Gathings	Multer
Addonizio	Gavin	Natcher
Alexander	Gray	Norrell
Anderson, Mont.	Green, Oreg.	O'Brien, Ill.
	Gregory	O'Brien, N. Y.
Anfuso	Griffiths	O'Hara, Ill.
Ashley	Hagen	O'Konski
Ashmore	Haley	Patman
Aspinall	Hardy	Perkins
Bailey	Harris	Pfost
Baldwin	Harrison, Va.	Pilcher
Bass, Tenn.	Hays, Ark.	Poage
Beckworth	Hays, Ohio	Polk
Bennett, Fla.	Hébert	Porter
Berry	Hemphill	Preston
Blatnik	Herlong	Price
Blitch	Hill	Rabaut
Boggs	Holifield	Reuss
Boiling	Holmes	Rhodes, Ariz.
Bonner	Horan	Rhodes, Pa.
Boykin	Huddleston	Riley
Boyle	Ikard	Rivers
Brooks, La.	Jenkins	Roberts
Brooks, Tex.	Jennings	Rodino
Brown, Ga.	Johnson	Rogers, Colo.
Brown, Mo.	Jones, Ala.	Rogers, Fla.
Brown, Ohio	Jones, Mo.	Rogers, Tex.
Burleson	Karsten	Rooney
Byrne, Pa.	Keogh	Roosevelt
Cannon	Kilday	Rutherford
Chelf	King	Santangelo
Chenoweth	Kirwan	Saund
Christopher	Kitchin	Saylor
Clark	Kluczynski	Scott, N. C.
Coffin	Knutson	Scudder
Cooley	Landrum	Selden
Cunningham, Iowa	Lane	Sieminski
	Lankford	Sikes
Cunningham, Nebr.	Lennon	Sisk
	Lesinski	Smith, Miss.
Davis, Ga.	Libonati	Smith, Va.
Davis, Tenn.	Long	Spence
Dawson, Ill.	Loser	Steed
Dellay	McCarthy	Sullivan
Dempsey	McCormack	Teague, Tex.
Dent	McFall	Teller
Denton	McGovern	Thomas
Dies	McMillan	Thompson, N. J.
Dingell	Macdonald	Thompson, Tex.
Dollinger	Machrowicz	Thornberry
Dorn, S. C.	Mack, Ill.	Trimble
Dowdy	Madden	Udall
Doyle	Magnuson	Ullman
Edmondson	Mahon	Vanik
Elliott	Marshall	Vinson
Engle	Matthews	Watts
Evins	Metcalf	Whitener
Fascell	Miller, Calif.	Whitten
Fisher	Miller, Nebr.	Wier
Flood	Mills	Williams, Miss.
Flynt	Mitchell	Winstead
Fogarty	Montoya	Wright
Forrester	Morgan	Yates
Fountain	Morris	Young
Frazier	Morrison	Zablocki
Friedel	Moss	

NOT VOTING—81

Albert	Dague	Gubser
Andrews	Delaney	Gwinn
Barden	Diggs	Harden
Baring	Donohue	Healey
Barrett	Dooley	Holland
Bentley	Durham	Holtzman
Boland	Eberharter	Hull
Bow	Everett	James
Breeding	Fallon	Jarman
Brownson	Farbstein	Kee
Buckley	Feighan	Kelly, N. Y.
Burdick	Forand	Kilgore
Byrd	Garmatz	Latham
Byrnes, Wis.	George	LeCompte
Carnahan	Gordon	McGregor
Celler	Granahan	Mack, Wash.
Coad	Grant	Merrow
Colmer	Green, Pa.	Miller, N. Y.

Murray	Reed	Taylor
Norblad	Robeson, Va.	Thompson, La.
O'Neill	Rogers, Mass.	Tollefson
Passman	Scott, Pa.	Tuck
Patterson	Shelley	Walter
Philbin	Sheppard	Wharton
Powell	Shuford	Williams, N. Y.
Radwan	Smith, Calif.	Willis
Rains	Staggers	Zelenko

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Bow for, with Mr. Walter against.
Mr. McGregor for, with Mr. Buckley against.
Mr. Taylor for, with Mr. Shelley against.
Mrs. Harden for, with Mr. Albert against.
Mr. Latham for, with Mr. Holtzman against.
Mr. Merrow for, with Mr. Celler against.
Mr. Miller of New York for, with Mr. Rains against.
Mr. Radwan for, with Mr. Green of Pennsylvania against.
Mr. Dooley for, with Mr. Barrett against.
Mr. James for, with Mrs. Granahan against.
Mr. Wharton for, with Mr. Delaney against.
Mr. Scott of Pennsylvania for, with Mr. Zelenko against.
Mr. Reed of New York for, with Mr. Fallon against.
Mr. Dague for, with Mr. Garmatz against.
Mr. LeCompte for, with Mr. Coad against.
Mr. George for, with Mr. Farbstein against.
Mr. Gubser for, with Mr. Forand against.
Mr. Smith of California for, with Mr. Philbin against.
Mrs. Rogers of Massachusetts for, with Mr. Donohue against.
Mr. Williams of New York for, with Mr. O'Neill against.
Mr. Bentley for, with Mr. Thompson of Louisiana against.
Mr. Gwinn for, with Mrs. Kelly of New York against.
Mr. Patterson for, with Mr. Healey against.
Mr. Brownson for, with Mr. Baring against.

Until further notice:

Mr. Colmer with Mr. Burdick.
Mr. Everett with Mr. Norblad.
Mr. Carnahan with Mr. Mack of Washington.
Mr. Byrd with Mr. Tollefson.
Mr. Staggers with Mr. Byrnes of Wisconsin.

Mr. BROOKS of Louisiana changed his vote from "yea" to "nay."

Mrs. CHURCH changed her vote from "nay" to "yea."

Mr. MASON changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER. The question is on the passage of the House joint resolution.

The House joint resolution was passed.

A motion to reconsider was laid on the table.

Mr. HALEY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the resolution (S. J. Res. 12) to provide for transfer of right-of-way for Yellowtail Dam and Reservoir, Hardin unit, Missouri River Basin proj- etc., and payment to Crow Indian Tribe in connection therewith, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Clerk read as follows:

Whereas the 84th Congress, 1st session, adopted Senate Joint Resolution 135 providing "for payment to Crow Indian Tribe for right-of-way for Yellowtail Dam and Reservoir, Hardin unit, Missouri River Basin project, Montana-Wyoming," to which reference is hereby made; and

Whereas on June 7, 1956, the President returned said resolution, "without my approval," with comment which included the following:

"In essence, this resolution culminates a decade of negotiation and disagreement between the Department of the Interior and the Crow Indians with respect to the amount of compensation to be paid to the tribe for lands required for the Yellowstail Dam and Reservoir, for which the initial construction appropriation was made in the fiscal year 1956 and for which an additional $10,850,000 was included in the budget for the fiscal year 1957.

"The standard of payment for land acquired by the Government is 'just compensation,' or 'fair market value.' However, I recognize that, as a matter of policy, the Federal Government has made awards in excess of 'just compensation' in other cases involving Indian lands. If the Congress determines that it wishes to provide for an extra payment in this case, it should not be done under the claim that it is 'just compensation.' The amount, the method for computing it, and the equitable justification for it should be clearly established on acceptable premises. Neither the resolution nor the legislative history does this.

"A statutory settlement of this kind of controversy might be acceptable if soundly and equitably premised and if it reflected a substantial measure of agreement between parties to the dispute. I regret that the extravagant nature of the award contemplated by Senate Joint Resolution 135 requires this action, which may cause some additional delay in proceeding with the construction of the Yellowtail unit. It is my hope that the Congress can approve a statutory settlement which will permit expeditious action to proceed with the construction of this much-needed project."; and

Whereas the Crow Indians, by a majority vote of its tribal council through resolution numbered 63, adopted January 11, 1956, showed its willingness to cooperate in advancing the construction of Yellowtail Dam as a multiple-purpose development as a part of the Missouri River Basin system for flood control, river regulation, irrigation storage, and hydroelectric power production by a further surrender of a valuable part of the remaining reservation; and

Whereas, by telegram dated May 29, 1956, the duly elected officers of the Crow Indian Tribal Council withdrew opposition to said Senate Joint Resolution 135 and urged the President to sign said resolution into law; and

Whereas the Crow Indian Tribal Council, by resolution on January 25, 1957, reaffirmed its previous position with respect to accepting the $5 million payment, in connection with the Yellowtail Dam and Reservoir right-of-way, which resolution has been certified to the Secretary of the Interior; and

Whereas the Congress has repeatedly shown its willingness and readiness to recognize cooperation by Indian tribes in advancing resource development through multiple-purpose projects such as Yellowtail Dam; and

Whereas the Federal Power Commission and the Department of the Interior have approved awards to Indian tribes in connection with hydroelectric power developments by non-Federal agencies in at least two transactions, where special values and other equitable considerations were essential factors (to the Flathead Indians in western Montana and to the Warm Spring Indians in Oregon where Indian lands for power site purposes are leased at rates which in 50 years yield proportionately more than proposed in this resolution); and

Whereas said amounts of special values and considerations in connection with Yellowtail Dam will be repaid to the Federal Treasury through power revenues paid by power consumers of the Missouri River Basin power system; and

Whereas facts and circumstances are available to support the special values and other justifiable considerations and thereby meet the objections set forth in the President's message of June 7, 1956: Now, therefore, be it

Resolved, etc., That, from funds appropriated to the Department of the Interior, Bureau of Reclamation, for the Missouri River Basin project, there shall be transferred in the Treasury of the United States to the credit of the Crow Tribe of Indians, Montana, the sum of $5 million. Said sum includes both just compensation for the transfer to the United States as herein provided of the right, title, and interest of the Crow Tribe in and to the tribal lands described in section 2 of this resolution and of the special value to the United States of said lands for utilization in connection with its authorized Missouri River Basin project, in addition to other equitable considerations. Neither the initial transfer of such funds to the tribe, as provided herein, nor any subsequent per capita distribution thereof shall be subject to Federal income tax.

SEC. 2. (a) Subject to the provisions of this section, there is hereby transferred to the United States the right, title, and interest of the Crow Tribe in and to lands situated in the Big Horn County, Montana, hereinafter described under the headings "parcel A" and "parcel B."

PARCEL A

Lots 7, 8, 9, 10, 11, and 12, northeast quarter of the southwest quarter and the east half of the southeast quarter of section 18; lots 1, 2, 3, 4, 5, and 6, the southwest quarter of the northeast quarter, southeast quarter of the northwest quarter, and the northeast quarter of the southwest quarter of section 19, all in township 6 south, range 31 east, Montana principal meridian, and containing 573.84 acres, more or less.

A tract of unsurveyed, unallotted Indian land described as follows: Beginning on the westerly side of the Big Horn River at a point on the west line of lot 9, section 18, township 6 south, range 31 east, Montana principal meredian, said point being at elevation 3,675; thence running upstream along a contour line whose elevation is 3,675, to a point of intersection with the east line of the southeast quarter of the northeast quarter of section 22, township 6 south, range 30 east, Montana principal meridian; thence southerly along the east line of said southeast quarter of the northeast quarter to a point on the east line of said southeast quarter of the northeast quarter, whose elevation is 3,675; thence running upstream along a contour line whose elevation is 3,675, to a point of intersection with the south boundary of the Crow Indian Reservation on the westerly side of the Big Horn River; thence easterly along the said south boundary of the Crow Indian Reservation to a point of intersection with the middle of the thread of the Big Horn River; thence running upstream along the middle of the thread of the Big Horn River to a point of intersection with the south line of township 9 south, range 28 east, Montana principal meridian; thence easterly along the south line of said township 9 south, range 28 east, to a point on the south line of said township 6 south, range 31 east, Montana principal meridian, whose elevation is 3,675 feet; thence running downstream along a contour line whose elevation is 3,675 to a point of intersection with the west line of township 6 south, range 31, east, Montana principal meridian; thence northerly along the west line of said township 6 south, range

31 east, to the point of beginning, and containing 4,711.6 acres, more or less.

Also, a parcel of land lying along the south boundary of the Crow Indian Reservation, further described as follows: Beginning at a point where the 3,675-foot contour to the left of the Big Horn River intersects the south boundary of the Crow Indian Reservation, said point being approximately 5,400 feet westerly of the point of intersection of the Big Horn River and the south boundary of the Crow Indian Reservation; thence running upstream on the 3,675-foot contour to a point where the 3,675-foot contour intersects the south boundary of the Crow Indian Reservation; thence running easterly along the south boundary of the Crow Indian Reservation to the point of beginning and containing 5.7 acres, more or less.

Also, a parcel of land lying along the south boundary of the Crow Indian Reservation and along Hoodoo Creek further described as follows: Beginning at a point on the south boundary of the Crow Indian Reservation where the 3,675-foot contour on the east bank of Hoodoo Creek intersects the south boundary of the Crow Indian Reservation; thence running upstream on the 3,765-foot contour to its intersection with the middle of the thread of Hoodoo Creek; thence running downstream on the 3,675-foot contour to a point where the 3,675-foot contour intersects the south boundary of the Crow Indian Reservation; thence easterly along the south boundary of the Crow Indian Reservation to the point of beginning and containing 1.3 acres, more or less.

The total area above described is 5,352.44 acres, more or less, situated in Big Horn County, Mont.

PARCEL B

Lots 1, 5, and 6 of section 18, lots 4, 6, 7, and 8, and the south half of the northwest quarter of section 17, lots 6 and 7, section 16, all in township 6 south, range 31 east, Montana principal meridian, containing 325.50 acres, more or less, and situated in Big Horn County, Mont.

(b) There is reserved from the right, title, and interest transferred as to parcel B, the Indian Irrigation Service canal and appurtenant facilities, Big Horn unit, Crow Indian Irrigation Department, as now constructed or as they may be hereafter modified, until such time as said canal and appurtenant facilities may be replaced.

(c) Except as to such area as the Secretary determines to be required for the dam site and the construction and operating campsite, the right, title and interest transferred shall be exclusive of the rights to minerals, including gas and oil, beneath the surface: *Provided*, That no permit, license, lease or other document covering the exploration for or the extraction of such minerals shall be granted by or under the authority of the Secretary except under such conditions and with such stipulations as the Secretary deems adequate to protect the interests of the United States in the construction, operation, maintenance and use of the Yellowtail unit.

(d) The members of the Crow Tribe of Indians of Montana shall be permitted to hunt and fish in and on the Yellowtail Reservoir and taking area without a license.

SEC. 3. The sum provided by section 1 hereof shall constitute full, complete, and final settlement of any and all claims by the tribe on account of the transfer to the United States as therein provided of the tribe's right, title, and interest in and to the lands referred to in section 2 hereof.

Mr. HALEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Motion offered by Mr. HALEY: Strike out all after the enacting clause of Senate Joint Resolution 12 and insert the provisions of House Joint Resolution 2 as passed.

The motion was agreed to.

The SPEAKER. Without objection, the amendment to the preamble will be agreed to.

There was no objection.

The SPEAKER. The question is on the third reading of the Senate joint resolution.

The Senate joint resolution was ordered to be read a third time and was read the third time.

The SPEAKER. The question is on the passage of the Senate joint resolution.

The Senate joint resolution was passed. A motion to reconsider was laid on the table.

Mr. HALEY. Mr. Speaker, I move to vacate the proceedings whereby House Joint Resolution 2 was passed and lay the joint resolution on the table.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

INVESTIGATE AIR FORCE SEPARATION PROCEDURES

Mr. ASHLEY. Mr. Speaker, last month I called attention to the involuntary release from military service of thousands of officers and enlisted men.

I pointed out the shattering effect of this policy on the morale of our Regular Army, Navy, Air Force and Marine personnel. It is demoralizing not only to those who have been released after years of satisfactory duty, but also to those who remain in service with the insecure knowledge that they may be the next to go. Equally important, this policy is doing a tremendous amount of positive harm as far as attracting competent career men into military service is concerned. And by so doing, the inevitable result is to increase our reliance upon the draft and to perpetuate this device as the principal means of providing military manpower.

Since my last remarks on the subject, Mr. Speaker, I have been shocked to learn that the Air Force has no hesitation in scheduling the involuntary release of personnel in need of surgery and medical treatment. The following is the true-life story of Capt. William G. Walker, No. O742916, United States Air Force, stationed at Lockbourne Air Force Base, Ohio.

Captain Walker, the father of 7 children, is a former resident of Maumee, Ohio, and will return to my District after separation from service. His separation is involuntary. It comes after total active and Reserve service amounting to more than 15 years.

On October 31, 1957, Captain Walker was given 90 days' notice of his separation. At this time and until January 3, 1958, Captain Walker was holding three separate positions of responsibility: Those of squadron commander, personnel equipment officer and supply officer. On January 12, 1958, Captain Walker was advised by the base surgeon that an operation on his foot would be necessary to cure a fungus growth incurred during his period of service. The surgeon, however, declined to schedule this operation because only 19 days remained before Captain Walker's scheduled separation date of January 31, 1958. He was advised to see the Veterans' Administration after separation for surgery and treatment.

At my request, the Air Force officials in Washington looked into this case and on January 31, 1958, I was advised that a medical board at Lockbourne Air Force Base had decided to retain Captain Walker in service for the purpose of according him medical and hospital care deemed to be necessary. Subsequently, Captain Walker was ordered to report to Chanute Field, Ill., on February 10. On February 11, his foot was examined at the Chanute Hospital and tests were conducted for fungus growth. Walker was told by the examining doctor that surgery would be necessary. Subsequently, Captain Walker received a surgical appointment for February 13 at 10:45 a. m. On February 12, without any further examination of his foot, Captain Walker was informed by the chief of dermatology that he did not have any right to have his period of service extended and that surgery had been canceled. The following day the doctor who had examined Walker's foot repeated his recommendation for treatment and gave him the names of five civilian doctors from the Columbus, Ohio, area near Lockbourne Air Force Base.

On February 14, Captain Walker picked up his orders and returned to Lockbourne. At my suggestion, he contacted one of the civilian doctors recommended to him and arranged for an immediate examination. This examination confirmed the diagnosis of fungus growth and, again, the recommendation was for surgery and treatment.

This morning I was informed that Captain Walker would be returned to active duty on February 21 in order to make him eligible for separation forthwith. A few hours ago I contacted the Office of the Surgeon General, USAF, and was told that the Air Force will not retain an individual who has a minor condition wrong with him, even though incurred in service and even if the minor condition needs an operation to correct. Both the Office of the Surgeon General and the Chief of Separations and Retirement Branch told me that if an officer is fit for active duty, then he is physically fit for separation from service.

Captain Walker's foot condition is nothing new. He has had it for more than 2 years and twice has been subjected to surgical operations. Following these operations, Captain Walker has immediately returned to active duty—but not in his capacity as squadron commander because with his foot condition he simply was not able to fly an airplane. He returned to active duty in his other capacities as personnel equipment officer and supply officer.

No one with whom I have talked about this case has gone on record as saying that Captain Walker is presently in any kind of condition to pound the pavements in search of employment. The inescapable conclusion is that the Air Force is

willing to shift responsibility for a condition contracted during service to the Veterans' Administration or to Captain Walker himself.

Mr. Speaker, is this the kind of callous and shabby consideration that our military services are according men who have served their country honorably and well for a major portion of their lifetime?

I have today requested the House Committee on Armed Services to conduct an inquiry into the subject of separation from service, with particular emphasis on the physical condition of those being separated, and I urge the backing of Members of this body to bring about prompt action.

COMMITTEE ON APPROPRIATIONS

Mr. CANNON. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight, Thursday, February 20, to file a report on the second deficiency appropriation bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. TABER. Mr. Speaker, reserving the right to object, is it the intention of the chairman to bring this bill up on Tuesday?

Mr. CANNON. If it is agreeable to the gentleman from New York, we hope to bring it up on Tuesday.

Mr. TABER. All right.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. TABER reserved all points of order on the bill.

PROGRAM FOR BALANCE OF THE WEEK

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ARENDS. Mr. Speaker, I take this time for the purpose of asking the gentleman from Oklahoma [Mr. EDMONDSON] if he has available the program for the balance of the week and what might be anticipated next week in the way of a program.

Mr. EDMONDSON. I am informed that there will be no further legislative business this week; that George Washington's Farewell Address will be read tomorrow, and that we will then adjourn over until Monday.

Mr. ARENDS. Does the gentleman have any information in the way of a program for next week that he is advised of so far?

Mr. EDMONDSON. I am not presently advised of anything that has not been previously announced.

Mr. ARENDS. I thank the gentleman.

UNKNOWN SOLDIERS OF THE SECOND WORLD WAR AND OF THE KOREAN CONFLICT

Mr. JONES of Missouri. Mr. Speaker, by direction of the Committee on House Administration, I call up House Concurrent Resolution 242 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That the rotunda of the United States Capitol may be used from May 28, 1958, through May 30, 1958, both dates inclusive, for the remains of the unknown American of the Second World War and of the unknown American of the Korean conflict to lie in state, and for appropriate proceedings and ceremonies in connection therewith.

The resolution was agreed to.

A motion to reconsider was laid on the table.

WAGES FOR PROTECTED INDUSTRY

Mr. ROOSEVELT. Mr. Speaker. I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, I would like to call to the attention of the House a bill I have introduced today which would amend the Sugar Act of 1948 so as to provide for the establishment by the Secretary of Agriculture of fair and reasonable wage rates for laborers and mechanics employed on sugar farms. My introduction of this bill grows out of my strong interest in helping to bring about substantial improvement in Federal minimum-wage legislation.

The purpose of this bill is to up-date and strengthen the existing authority granted the Secretary of Agriculture to make determinations of minimum wage rates for workers employed on sugar farms. The present authority of the Secretary, dating back to the early thirties, has not only proven highly inadequate but actually serves to perpetuate what amounts to starvation conditions for many thousands of workers. The proposed legislation would effect a considerable improvement by revising the minimum-wage provision of the Sugar Act to conform with the general purposes of the Davis-Bacon Act; in addition, the minimum-wage guaranty contained in the Fair Labor Standards Act would be incorporated as a floor to all wage orders.

My proposed legislation rests on solid ground from the standpoint of public policy. The sugar industry enjoys a preferred position in our economy. Under a quota system provided for by the Sugar Act, this industry is accorded unique benefits. It has a protected market and what amounts to a protected price structure. In recognition of these special conditions, a message from the President in March of 1937, which called upon the Congress to enact the Sugar Act, pointed out:

> An industry which desires the protection afforded by a quota system, or a tariff, should be expected to guarantee that it will be a good employer.

Unfortunately, the record shows that the legislative provisions designed to insure that the industry would operate as a "good employer" have in practice failed to realize such an objective. As a matter of fact, if we regard wages as a significant index of a "good employer," we find that the act has virtually failed the sugar workers.

My attention was drawn to this situation in the course of hearings conducted by a subcommittee, which I had the honor to Chair, on the question of expanding coverage of the Fair Labor Standards Act. Testimony on the wage machinery of the Sugar Act stirred my interest in this little-known feature of our minimum-wage structure. Since then, I have checked further into the facts.

Figures on daily earnings of sugar fieldworkers for the main producing areas are literally shocking. According to data compiled by the Department of Agriculture for 1956, workers in Puerto Rico averaged $3.35 a day; In Louisiana average earnings were $5.45; in the beet area they came to $7.71; and in Florida they were $8.22. Only in Hawaii, where the fieldworkers are strongly organized, have earnings come close to a subsistence level, showing a daily average of $11.35 in 1956.

The daily earnings, of course, rest in many areas on minimum-wage rates set by the Department of Agriculture. Here are a few samples of wage determinations issued in 1957. For Louisiana we find rates ranging from 55 cents for harvesting workers to 65 cents for teamsters, and a high of 75 cents for operators of mechanical loading or harvesting equipment. In California and the Southwestern States, minimum wage rates for sugar-beet workers were fixed at 75 cents and 80 cents per hour. In the Virgin Islands, minimum rates were set at a low of 40 cents and a high of 65 cents for operators of mechanical equipment.

Certainly these figures offer striking evidence that the existing minimum-wage provision of the Sugar Act is virtually meaningless. It has failed utterly to carry out its intended objective of guaranteeing that the industry should be a good employer. Instead, it has given Government sanction and blessing to substandard wages that clearly represent untold poverty for thousands of workers.

It may be argued that the wage pattern in the sugar industry is a reflection of general conditions in agriculture. This is hardly a defensible point. As I have indicated, this industry enjoys what amounts to a Government-protected monopoly and, therefore, has special obligations to its workers. This fact, in itself, demands, as a matter of public policy, reasonable living wages for the workers employed by the industry.

In addition, it should be recognized that the sugar industry is not made up

of scattered farms, migrant workers, and the like. A substantial portion of our sugar farms have been modernized, over the years, into major factories-in-the-field. They are highly mechanized, highly organized industry complexes. Their labor force compares favorably with that used to operate the ordinary industrial plant.

A recent wage order applying to Louisiana indicates the present-day nature of the sugar labor force. We find over a dozen classifications listed. These range from cutters, to hoist operators, to tractor drivers, to operators of mechanical loading or harvesting equipment. Many of these jobs require only ordinary labor, but a substantial number, on the face of it, demand experience and skill.

These workers, at the least, are entitled to wage levels in effect for comparable occupations in other industries where the producing farms are located. Why, for example, should a truckdriver on a sugar farm be paid 65 cents an hour while another teamster in the same general locality receives 3 or 4 times that amount? Why should similar inequities apply to other categories of laborers and mechanics?

My bill will help to correct these glaring inequities. It will provide the Secretary of Agriculture with authority to set reasonable minimums based on wages paid for comparable workers in the various producing areas where the farms are located. It will substitute what amounts to the Davis-Bacon principle for a wage provision in the present Sugar Act that lacks any effective standards.

In addition, my bill proposes as a floor for wage determinations, the dollar-an-hour minimum now provided under the Fair Labor Standards Act. This will mean some improvement for the unskilled laborers, many of whom now work for wages of 50 cents or 60 cents an hour.

I commend my bill as deserving of early consideration. Our concern for the welfare of the workers in this industry would be reason enough for acting favorably on the proposed legislation. But when one adds to this essential reason, the fact that the sugar industry has a special responsibility to act as a good employer, it seems to me that the case for the proposed legislation is complete.

THE LATE HONORABLE DONALD FRANCIS SNOW

Mr. McINTIRE. Mr. Speaker, I ask unanimous consent to address the House for 1 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Maine?

There was no objection.

Mr. McINTIRE. Mr. Speaker, it becomes my duty to report to this body the death of a former Member, the Honorable Donald Francis Snow, at Gorham, Maine, on Wednesday, February 12, 1958.

A member of one of Maine's old families, Mr. Snow was born in Bangor in my District on September 6, 1877, and attended the public schools of that city. Of pleasing personality and appearance, Mr. Snow made friends easily and won the confidence of fellow students at Bowdoin College and later at the University of Maine Law School. He was a practicing attorney and city solicitor in his home city and served as county attorney prior to his election to the 71st and 72d Congresses. While in Congress he was a member of the House Committee on Agriculture and became a prominent spokesman for the Maine potato industry. He protested vehemently when Idaho potatoes were featured on the House restaurant menus in red ink.

As a devoted husband and father, Mr. Snow will be mourned by a family which has our sympathy.

RIGHT OF THE BLIND TO SELF-EXPRESSION

Mr. CRETELLA. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. CRETELLA. Mr. Speaker, on February 2 I introduced H. R. 10428, to protect the right of the blind to self-expression through organizations of the blind.

In response to this legislation I have received a letter from the Pennsylvania Federation of the Blind, signed by Miss Rita Drill, associate editor of the magazine entitled "We the Blind." The letter reads as follows:

DEAR MR. CRETELLA: In behalf of the many blind people vitally affected by the legislation which you have so thoughtfully introduced, may I take this opportunity to thank you and to seek your further support and interest.

You have plainly evidenced a sincere wish to help us gain the stature and dignity which is inherent in every American citizen and, indeed, in every free-thinking, self-respecting inhabitant of the world.

May we gratefully anticipate your future interest.

I think H. R. 10428 is good legislation and should be passed. It is similar to bills which have also been introduced by other Members of this body. It provides that the Secretary of Health, Education, and Welfare, in his formulation, administration and execution of programs for the aid and rehabilitation of the blind, shall consult and advise with authorized organizations of the blind to the fullest extent practicable, and shall encourage State agencies for the blind to consult with authorized representatives of organizations of the blind, in the organization of State programs for sightless persons to which Federal funds are contributed.

I hope that the Committee on Education and Labor, which has this legislation before it, will see fit to schedule hearings on it at the earliest possible date.

NEWS DISTORTION AND CENSORSHIP OF NEWS MEDIUMS IN REPORTING RACIAL VIOLENCE

The SPEAKER. Under previous order of the House, the gentleman from Mississippi [Mr. WILLIAMS] is recognized for 15 minutes.

Mr. WILLIAMS of Mississippi. Mr. Speaker, the Black Monday public school integration decisions of the Supreme Court have resulted in much civil strife and violence throughout the country. It is significant to note that this strife has been confined exclusively to those areas which knuckled under to the Court's dictation; by contrast, in States where separate public school systems have been preserved to the letter, there have been no outbreaks of violence or strife between the races.

If one should believe the great majority of northern newspapers, magazines, and network news reporters and analysts, he could but conclude that integration of the races has proceeded to come about smoothly and without incident everywhere throughout the Northern States, and that violence, friction and strife resulted only in Little Rock, Ark., Clinton, Tenn., and a few isolated places in the Southern States. Little Rock, where Federal troops were sent by the President in violation of the constitutional limitation on his power to use troops, has been held out to the American people by the national press, radio, and television as a daily arena for racial violence and conflict. Such reports are completely without any foundation in fact, and the majority of the national press, national news magazines and the radio and television networks reached a new low in ethical reporting in the Little Rock story.

On the other hand, there is a situation today in Brooklyn, N. Y., where daily racial conflicts occur, which are infinitely more serious and a greater threat to the peace of a community than Little Rock ever experienced. Interracial crimes appear to be the order of the day in strife-torn Brooklyn, but the great northern press and other mediums of public communication have meticulously sought to hide this fact from the public. White teachers and students have been beaten, stabbed, and raped, but these mediums deliberately conceal the fact that the perpetrators of these outrages are Negroes, and that these crimes are interracial. When these incidents of interracial violence become so commonplace, and these news mediums were forced to report the strife, they carefully prefaced their reports with assertions that integration played no part in the violence and that these crimes were not "racial in character."

Are these news outlets fulfilling their public responsibility? Are they reporting all the news that's fit to print? Or are they practicing a form of journalistic prostitution, using their news columns to conceal, rather than reveal?

Time and Newsweek carried accounts of the Brooklyn public school reign of terror last week, but neither mentioned that a partially blind child was raped by

a Negro hoodlum. They mentioned, to be sure, that rapes, stabbings, beatings, and other forms of violence were widespread, but proceeded to conceal from the public the racial identities of the attackers and victims.

These mediums try to justify their self-imposed censorship on the flimsy ground that truthful and factual reporting will stir up more racial tension; but they take obvious delight in amplifying all out of proportion to its seriousness, every minor racial incident that occurs in the South—even to the point of absurdity.

The three major radio and television networks: NBC, ABC, and CBS, holding an almost complete monopoly on national news reporting on the airwaves, have committed grave wrongs against the good people of the South. Officials of those networks who dictate their reportorial policies would be the first to decry any attempt at Government censorship, I am certain; yet, they practice deliberate news distortion, and rigid censorship in reporting incidents of racial violence occurring daily in the States outside the South.

Brooklyn is not behind an iron curtain where newsmen and photographers are barred from entry; but insofar as the American public's getting the truth about conditions there through the national press and radio, the result is the same.

Biased, censored, and bigoted reporting of racial relationships which minimizes or hides the truth in one area, and magnifies it in another, should be of serious concern to all who are devoted to the cause of the free press. The same newspapers which loudly proclaim the people's right to know reserve unto themselves the right to suppress. It is a most inconsistent position, certainly not in keeping with their responsibiilties to the American people.

The hypocrisy and bigotry of a great segment of our national press, radio, and television has been exposed by Garland B. Porter, editor of Southern Advertising and Publishing magazine. In this editorial, which appeared in the January 15, 1958, issue, Mr. Porter effectively points up the disgraceful slanting of news stories in certain areas. Under leave to extend my remarks, I include Mr. Porter's editorial:

"OUTSIDE" REPORTERS ADMIT BIAS IN "NEWS OF LITTLE ROCK WAR"

(By Garland B. Porter)

It has been our contention, expressed frequently in these columns, that the national press has made a travesty of journalistic standards in the way it has handled the race problem in the Nation, which is to say the South, since the outrageous edict of the United States Supreme Court of May 17, 1954. And now we are supported by the story in Editor & Publisher of November 2, 1957, beginning on page 11, of the discussion that was held October 28 of the Overseas Press Club in New York called the "Little Rock War."

The story outlines reactions of five newsmen who were at the front when nine Negro children were escorted into Central High School at Little Rock by Federal troops. Bear in mind that there was a Negro school only a year old that cost $925,000 available to these students and even closer to some of their homes than old Central High, built about a generation ago but designed for whites. These outside reporters were sent to Little Rock so that the Nation would have the true picture of the "disgraceful denial of education to Negroes." [Quotes are mine.]

The panel that discussed this situation included four newsmen from the North and one from England. These were Benjamin Fine, New York Times; Bob Considine, International News Service; James Hicks, managing editor of New York Amsterdam News, a Negro weekly; Bob Allison, CBS News; and Stanley Mays, London Daily Mirror. Dr. Fine and James Hicks were roughed up a bit by the folks referred to as "Little Rock Mob." I would like to register an exception here that reference to those people who gathered to see their children forced into social contact at school with Negroes included honorably interested parents, and to refer to them as a mob is a rather loose usage of the term.

The discussion in New York treated Harry S. Ashmore, editor of the Arkansas Gazette, with some acclaim, it said; this was to be expected from outside newsmen, for Mr. Ashmore played the role of integrationist in all accounts I saw. I did not see a single issue of either of the Little Rock newspapers during the period that the invasion was hot news, but even the biased press could not hide the fact that most folks in Arkansas resented the invasion of their State. Of course the Negrophiles about the Nation, both in and out of the press, took the resentment as disloyalty and the New York newspapers referred to it as "mob rule."

"Journalistic rules and traditions were violated by the northerners who became involved in the story themselves, instead of remaining impartial observers, the panel reported," according to the E. & P. story. Bob Allison, CBS News, when asked about reporter participation on the part of cameramen, said he had asked a group of children to wave Confederate flags again when the cameras failed to catch the scene as spontaneously acted. Of course this made a fine shot for outside the south consumption, as many of those "press conditioned" viewers view the Confederate flag as a symbol of treason. I've even read in letters to the editor column suggestions that the flag should be outlawed.

Few people outside the South can appreciate the fact that those who fought under that flag did so in defense of their conception of the same Constitution that held the North against them.

Bob Considine made one of the most sapient comments at the panel discussion. Said Bob: "It is a question of basic democracy. Shall the majority rule or the minority? The majority in the country does not want desegregation. But in the South there are many problems the northern reporters tend to ignore." He went on to say that if Governor Faubus were to run for reelection now, he would win a third term.

Dr. Fine, who has made a number of trips into the South to learn the "truth" and report same, expressed his opinion that the majority in the South are willing to accept integration as law. Dr. Fine in that statement lost any lingering respect I might have had for his ability to gauge and report the truth. Despite the biased sugar coat that this law has received from Dr. Fine and his brothers-in-ink, the majority of the South recognizes the Supreme Court edict of May 17, 1954, as a piece of political sociology, that contradicts everything they have been told was the law since the Nation was founded. Dr. Fine only expresses his own biased support of integration. His reporting is as colored as he can make it, or I am no judge of slanted writing. He has produced some of the most brainwashing accounts that I have seen. If it had not been for the respected status of the newspaper he represents, I would have wondered just what his cause was.

Dr. Fine, relating his personal experiences with the resentment against him as shown by the mob, unwittingly voiced his own personal bias: "Together we fought our way out of a mob. My shame and regret is that we whites did not stick with the Negroes in the same way." There is none so bullheaded as a sacred cow.

Asked where the police were when this attack was going on, Mr. Considine said he had asked the police that question. He drew this reply: "We've got to live here after you bums leave." Now, I am sure that when I smile at that perfectly normal reply, many of our outside friends will shudder. The fact is that these people who are vilified as being a southern mob are parents and Americans and Christians with standards of life and conduct just as high as the reporters who were there to seek the truth.

Perhaps they did not like the manner in which they were being coerced to mingle their children with Negroes. And if Dr. Fine can say that this people accepts integration as the law, he's just plain nuts, to use a term they understand in Brooklyn. And if he thinks Little Rock folks are any more resentful of coercion than they are in most every other community in the South, he's hopeless. Of course he is bitter about being roughed up by the people whom he went to report in a manner which to them seemed biased—but as a reporter, he should know human nature better than to be surprised. I'll go on record that I have never read a single story of his on this subject that seemed to me to reach the heart of the problem, or to reflect it in proper terms and perspective.

When the ancestors of most of the people of the South were fighting England for independence, there were some men in high places in the mother country who had the good sense and decency to regard us as Englishmen, fighting for the same principles that Englishmen always fight for: the right of self-expression and self-rule. When the cold and "king can do no wrong" treatment of England became "destructive of those ends," we resisted. I somehow believe that even today there are men in high places outside the South who can look upon the South as having principles that are worth defending.

The fact that General Eisenhower had a force sufficiently large to invade Little Rock does not prove that the Supreme Court on May 17, 1954, was within its constitutional rights when it upset every decision of that same Court regarding the same set of facts since the Nation began. Even the Dred Scott decision, which the North resisted to the point of forcing war on the South, quoted the letter and intent of the Constitution. When it was handed down in 1857, the Negro was defined by the Constitution as a chattel slave. Any historian knows that every custom and event must be judged by the laws and customs of its day and place.

If the North had not liked the Dred Scott decision, slavery could have been abolished by constitutional amendment—if the votes could have been found.

The fact that there was something inherently wrong with the May 17, 1954, edict is easily proved by the turmoil it has created. There was no race tension in this Nation or in the South before that date. Race relations were growing steadily better; but the agitators, just as they did a century ago, refused to let the sentiments and traditions of the people solve this problem. The outside press paints the South today as wishing to push the clock back to slavery, denying the Negro his rights. That is either a lie or a statement made in complete ignorance every time it is made. The South has been working for generations to improve the Negro and the lot of the Negro by the very process at issue. Meaning education.

At this critical stage of the Nation's existence it is a shame that race agitators and politicians have thrown the race issue into the forum. The fact of race itself is even made a point of issue: there are modern sociologists who say that there is no Negro race, that what we call the Negro is simply a branch of something else. To call a spade a shovel does not change the shape of a spade. Nor is this to say that the Negro is a bad person. There are good and bad Negroes, just as is true of all races or branches of races. Even if we were to admit that the Negro is a branch of the Aryan, or Anglo-Saxon race, what difference does that make? He has attained an identity of his own now, recognizable in many ways. He is even superior to the white race in some: his physical reflexes are faster as a rule, which explains why our fastest sprinters are Negroes far in excess of their proportion of the population. But in the longer distance races, the white men dominate.

Mentally the Negro usually has a fine memory, but the creative talents of the white man far outstrip his Negro cousin. So what? Why should these things worry us, even worry the NAACP? Why should they worry people like Gunnar Myrdal, the native of Sweden but whose world socialism gushed over into his An American Dilemma, which was an insult not only to the South but to the United States—but it was cited by that august Supreme Court as in support of the radical edict. Myrdal was a minister of trade in Sweden at the time he negotiated a deal with the Russians which proved so unpopular in Sweden that he was driven from office. Why would our august tribunal even read his unmentionable dish, much less set it up against the decisions of honorable Americans such as William Howard Taft, Charles Evans Hughes, and of John Marshall Harlan's *Cumming* v. *Richmond County Board of Education* in 1899?

I repeat, there is a journalistic virus rampant in this Nation that expresses itself against the South. Perhaps it is as natural for the North to castigate the South as it is for us to fight back. They cannot forgive us for having stood against them in the Civil War. But if they love the Nation as much as they profess, is it asking too much that they recognize us as a part of the great Nation that we helped to make great, that we helped to create? Is it asking too much that reporters like Benjamin Fine come among us as journalists in the true sense of the word and not as authors of stories that are so distasteful to the people they are about that the latter will seek to ride them out of town?

Is it asking too much of these custodians of the free press that they give the same treatment to race news in their own towns that they give to the South? I was in New York when the vengeful Negro high school student threw acid in the eyes of the white high school student who had reported the former as having made immoral advances. I read about the case in the sensational type, but did any of the newspapers mention that Kessler was a Negro? No, of course not. Finally I saw his picture, and my respect for the journalism of the city sort of staggered. He was a Negro, and the white boy's parents had even asked him into their home as a visitor before he had broken up with the white boy.

When the 7 Negro soldiers mass-raped the teenage German girl some time ago, did the New York newspapers mention that they were Negroes? To their later embarrassment, they did not. But maybe they were not embarrassed; maybe their style of journalism condones suppression of salient details. When the Till boy was murdered in Mississippi, which case got the big treatment, and when Till was built up as the son of the patriotic American soldier who had died in Italy in defense of his native America, did they give the big play, when it was later learned that said father had been executed in Italy for rape and murder of Italian women?

When the Negro G. I. in Chicago took the young white girl home from a service dance, raped and murdered her, about the time that Till case was hot news, did it get the big play in the northern press? It did not. I am asking sensible answers to these questions; I've been in newspaper and magazine work for 30 years. There must be something to this business that I was never taught.

I simply do not believe this sanctified who-shot-John about "We are on the spot about the way we treat our Negroes—most of the people in the world are colored. We must right this awful wrong." I say that if we fall for that guff which is communist-inspired, we are just plain fool sons of old Uncle Sap. If the pop-eyed trumpet player whose remarks about the President's being two-faced if he did not send troops to the South were reported to have got under Ike's skin and played a trigger role in his sending troops into Arkansas—if that big-mouthed Satchmo can nettle a president to that extent, I am one who admits that he supported Ike under a vast misapprehension, but I'll never do it again.

I also say that if the southern editors do not defend what we have learned to respect and revere, they are, either through lack of fortitude or lack of hard thinking, failing their journalistic background, just as the northern press is failing in its biased treatment of the problem of the Negro. And we have some editors who are just as strident in misrepresenting their Southland as some of the outsiders. These we must suffer, because they are of the woodshed-father cult: This hurts me worse than it does you, son. You've known this sort before.

I brought back from New York an editorial page from the Herald Tribune of October 29, which carried a contribution The True South Speaks. It was written by one Ralph McGill, a southern newspaper editor, and it gushed about moderates and how governors in the deep South must let their school boards out of straitjackets so that integration could begin to work, and that sort of mush. McGill is an integrationist and speaks in the most critical terms in his newspaper of fierce nationalists. He appears to want one big world family, no nations, no national traditions, just a big, happy mass of folks of common denominators.

He was crusader for Adlai Stevenson, and Ike was, oh, so inept back there when Adlai was going about the Nation low-rating Ike and the Republicans. But now McGill is all chummy-chummy with the man whom Stevenson accused of having no courage. He commends Ike for having ordered troops into Little Rock, and on December 1, he devoted his column to an open letter starting "Dear Mr. President," in which he speaks in sarcastic tones about people who oppose his new idol.

He referred to the thought that "Your decision in the Little Rock affair" had "substantially eroded your political stature and popularity. Don't you believe it." He then purred, "Those who professed to be so outraged by that decision had never really been for you * * * they were against someone else." He might as well have said: now that you have ordered troops to enforce integration in Little Rock, I, who was so vociferously against you in 1952 and 1956, am for you; because I know you could do nothing else. Although you testified before a Senate committee that integration in the Army would be bad, you send troops including Negroes to Little Rock to coerce Negroes with white people, even though you had said this could happen only over my dead body.

So, now he loves Ike. Of course, McGill's opinions are his, and he has ample space to express them. During the last two presidential campaigns he, as we have said, crusaded for Adlai, and exhorted for Democratic solidarity. But in the Congressional campaign he has exhorted for a second party as the solid South one party is really bad for the Nation. Can there be any reconciling of these two moods? Yes; there can. General Eisenhower ordered troops to Little Rock, which is a move for integration; whereas, the Fifth District Congressman of Georgia is former Judge JAMES C. DAVIS, one of the truly powerful and devoted segregationists in the Congress. He wants Republicans and all hands to pitch in and defeat DAVIS.

The reason we give this picture of the man whom the Herald Tribune paraded as the true voice of the South is that in it we can delineate much of the fundamental difficulty that the South has of being understood. Because McGill does not speak for the vast and true South, he is accepted in the North. The North either does not understand the South, or is biased in its press. Why did not they quote John Temple Graves, of Birmingham, or Thomas R. Waring, of Charleston, or Grover C. Hall, Jr., of Montgomery, or the great editors of the Fort Worth Star-Telegram? Or others who really echo what is in the typical southern heart? As journalists, the editors of the Herald Tribune should know these things.

HAS UPLIFTED THE NEGRO

But it appears to me that the northern editors are not interested in hearing the true South. I have lived over half a century in the South and I know it is law-abiding, that it reveres the Constitution, that it is conscious of the great traditions of the race and the Nation, and that it has contributed more toward the education and uplift of the Negro than has any other region of people in the history of the world.

I am happy to repeat what the Saturday Evening Post said editorially recently: "Acceptance of the 1954 decision decreeing racial integration in schools would be more easily attained if it rested solidly on some specific article in the Constitution or on a Federal statute." That is wonderfully clear language, and it is not given as segregationist propaganda. The Post is not a segregationist publication, but it is fair and only honor can accrue to fairness.

Some months before his establishment of the integration beachhead at Little Rock, the President had pointed out that the South had lived for a long time with the understanding that segregation was constitutional; that the Supreme Court had many times held it to be so, and that the rest of the Nation should be patient in this matter. This, of course, was a simple fact.

In a recent editorial of the Saturday Evening Post was a most cogent quotation from what Chief Justice Charles Evans Hughes said in a case that invalidated the Bituminous Coal Act: the people "are at liberty to declare their will in the appropriate manner, but it is not for the Court to amend the Constitution by judicial decree." That doctrine is fully accepted in the South, from the man on the streets to those in the legislative halls, the governors' chairs, and the benches of the courts. Is there anything wrong with it? And when I ask that question I say that the Supreme Court of 1954 violated the Constitution. And it has been said many times from that very Court bench that it must always chart its course by the strict letter of the Constitution, for only in the Constitution does it have any power itself. To destroy the Constitution is to destroy the Court.

It is difficult to amend the Constitution, and rightly so. Those who wrote it meant it that way. They had just thrown off through travail of soul and body a tyranny that was

crushing them. They knew that other tyrants could arise; they also knew that if their Constitution which was their will and testament to their descendants, remained intact their heirs would be safe in their freedom. So they made it tough of amendment, but not impossibly tough. However, it can withstand most of the whims and fads of an era, or superficial political trickery, and it is my contention that what happened in May 1954, was a political evasion of what the Constitution was designed to avert.

WHAT MR. BUMBLE SAID

As long as the press of the Nation closes its eyes to this condition, the liberties we inherited through that Constitution are in peril. To allow the Negro race to crowd their white benefactors out of the forum—they are taking over in Washington, as the figures show—is a monumental fraud and joke. But it is a joke without humor. And I quote Mr. Bumble from Charles Dickens' Oliver Twist.

"If the law supposes that * * * the law is a ass, a idiot."

This is a democracy, 90 percent of the citizens are white people. They do not rob, cheat or maltreat the Negroes. There is no law that forces any man to accept contact from any race not acceptable to both races. And if there were, I again quote Mr. Bumble.

If the time ever comes when we will have to kowtow to any form of tyranny abroad, or to any self-serving minority at home, that will be the time to admit that our traditions, our democracy, and our constitutional republic have failed.

I have said before, and I say again, that there is one certain way in which the South can make itself heard, make the real truth comprehended in the national forum. By simple, plain, straight-forward advertising, paid for and run as such. When the people of the Nation really understand this monstrous issue that is stealing our attention from more important matters, the biased editorial crusade against the South will die of its own ineptitude. And, I detect certain signs that the Nation is growing tired of the NAACP and its machinations and the turmoil that it has created, upon which it must feed in order to prosper.

The South is well into an era of its greatest prosperity, its manifest destiny, and this is no time to mince words and allow false issues, like that of the NAACP that the Negro is being denied his just deserts, to jeopardize it. A new plant of the multimillion dollar class has gone into operation in the South each working day for the last 10 years, and hundreds of millions of dollars are being spent every year to advertise our products. To spend $5 million a year to let the world know the true South's story would be only a grain of sand from our golden shores.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. EVERETT (at the request of Mr. DAVIS of Tennessee), for an indefinite period, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. PATMAN, for Tuesday, February 25, vacating special order granted him for Thursday, February 20, with the same privileges.

Mr. WILLIAMS of Mississippi (at the request of Mr. DAVIS of Georgia), for 15 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. HOLLAND.

Mr. DORN of New York in two instances and to include extraneous matter.

Mr. KEARNEY.

Mr. ENGLE and to include extraneous matter.

Mr. KEARNS paying tribute to Mike Palm and in another to include a resolution.

Mr. HALE (at the request of Mr. MCINTIRE).

Mr. PELLY.

Mr. VAN ZANT and to include extraneous matter.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 652. An act for the relief of the Thomas Cruse Mining and Development Co.

ADJOURNMENT

Mr. EDMONDSON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 4 minutes p. m.), the House adjourned until tomorrow, Thursday, February 20, 1958, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1630. A letter from the Director, United States Information Agency, transmitting a draft of proposed legislation entitled "A bill to promote the overseas distribution of American informational media by amending the United States Information and Educational Exchange Act of 1948, as amended (22 U. S. C. 1442)"; to the Committee on Foreign Affairs.

1631. A letter from the Director, Administrative Office of the United States Courts, transmitting a copy of the annual report of the Director of the Administrative Office of the United States Courts for the fiscal year 1957, which is bound under one cover with the reports of the annual and special meetings of the Judicial Conference of the United States held in 1957, pursuant to section 604 (a) (4) of title 28 of the United States Code; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ASPINALL: Committee of conference. S. 1568. An act to direct the Secretary of the Interior to convey certain public lands in the State of Nevada to the Colorado River Commission of Nevada acting for the State of Nevada; without amendment (Rept. No. 1351). Ordered to be printed.

Mr. FRIEDEL: Committee on House Administration. House Resolution 457. Resolution to provide additional funds for the expenses incurred by the House Committee on Armed Services in conducting the investigations and studies authorized by House Resolution 67; with amendment (Rept. No. 1352). Ordered to be printed.

Mr. FRIEDEL: Committee on House Administration. Senate Concurrent Resolution 57. Concurrent Resolution providing additional funds for the Joint Committee on Washington Metropolitan Problems; without amendment (Rept. No. 1353). Ordered to be printed.

Mr. HAYS of Ohio: Committee on House Administration. House Concurrent Resolution 246. Concurrent resolution authorizing the printing of additional copies of the compendium of papers collected for the Subcommittee on Foreign Trade Policy of the Committee on Ways and Means; with amendments (Rept. No. 1354). Ordered to be printed.

Mr. HAYS of Ohio: Committee on House Administration. House Resolution 404. Resolution authorizing the printing of additional copies of House Report No. 1182, current session; with amendment (Rept. No. 1355). Ordered to be printed.

Mr. HAYS of Ohio: Committee on House Administration. House Resolution 449. Resolution providing for the printing of additional copies of the staff consultation entitled "The Communist Mind"; with amendment (Rept. No. 1356). Ordered to be printed.

Mr. HAYS of Ohio: Committee on House Administration. House Resolution 458. Resolution providing for the printing of additional copies of the staff consultations entitled "The Ideological Fallacies of Communism"; with amendment (Rept. No. 1357). Ordered to be printed.

Mr. HAYS of Ohio: Committee on House Administration. House Resolution 471. Resolution to print 7,500 additional copies of H. R. 9467, 85th Congress, 1st session; without amendment (Rept. No. 1358). Ordered to be printed.

Mr. HAYS of Ohio: Committee on House Administration. Senate Concurrent Resolution 28. Concurrent resolution to print a compilation of materials relating to the development of the water resources of the Columbia River and its tributaries; without amendment (Rept. No. 1359). Ordered to be printed.

Mr. WALTER: Committee on Un-American Activities. Annual report for 1957. (Rept. No. 1360.) Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of Missouri: Committee on House Administration. House Concurrent Resolution 242. Concurrent resolution providing for the remains of the unknown American of the Second World War and of the unknown American of the Korean conflict to lie in state in the rotunda of the United States Capitol before burial in the Memorial Amphitheater of the National Cemetery at Arlington, Va.; without amendment (Rept. No. 1361). Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MONTOYA: Committee on the Judiciary. H. R. 2261. A bill for the relief of the committee of reference and counsel of the Foreign Missions Conference of North America; without amendment (Rept. No. 1349). Referred to the Committee of the Whole House.

Mr. CRAMER: Committee on the Judiciary. H. R. 5219. A bill to provide tax relief to the Heavy and General Laborers' Local Unions 472 and 172 of New Jersey pension

fund and the contributors thereto; without amendment (Rept. No. 1350). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1519. An act for the relief of Isaac Lidji, Henry Isaac Lidji, and Sylvio Isaac Gattegno; with amendment (Rept. No. 1362). Referred to the Committee of the Whole House.

Mr. HILLINGS: Committee on the Judiciary. H. R. 8239. A bill for the relief of Maria Dittenberger; without amendment (Rept. No. 1363). Referred to the Committee of the Whole House.

Mr. HYDE: Committee on the Judiciary. House Joint Resolution 527. Joint resolution to facilitate the admission into the United States of certain aliens; with amendment (Rept. No. 1364). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. House Joint Resolution 528. Joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens; without amendment (Rept. No. 1365). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BYRNES of Wisconsin:

H. R. 10815. A bill to amend the Internal Revenue Code of 1954 to remedy certain handicaps under which small business now operates; to the Committee on Ways and Means.

By Mr. BAILEY:

H. R. 10816. A bill to protect the right of the blind to self-expression through organizations of the blind; to the Committee on Education and Labor.

By Mr. BOSCH:

H. R. 10817. A bill to amend section 41 of the Longshoremen's and Harbor Workers' Compensation Act so as to provide a system of safety rules, regulations, and safety inspection and training, and for other purposes; to the Committee on Education and Labor.

By Mr. DAVIS of Georgia:

H. R. 10818. A bill to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, and for other purposes; to the Committee on Ways and Means.

By Mr. DENT:

H. R. 10819. A bill to establish a National Coal Research and Development Commission to stimulate, encourage, and enlarge the production and conservation of coal in the United States through research and development, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. DOYLE:

H. R. 10820. A bill to amend the public assistance provisions of the Social Security Act to provide increased payments, eliminate certain inequities and restrictions, and permit a more effective distribution of Federal funds; to the Committee on Ways and Means.

By Mr. HERLONG:

H. R. 10821. A bill to amend section 2504 of the Internal Revenue Code of 1954 to provide that in computing taxable gifts for preceding calendar years there shall be taken into account the specific exemption applicable to such years; to the Committee on Ways and Means.

By Mr. KEOGH:

H. R. 10822. A bill to provide for the protection of former Presidents of the United States; to the Committee on the Judiciary.

By Mr. LANE:

H. R. 10823. A bill to amend the Civil Service Retirement Act to grant retirement credit for certain service in the United States merchant marine in World War II, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. LENNON:

H. R. 10824. A bill to authorize the use of additional funds for the 1958 cotton acreage reserve program; to the Committee on Agriculture.

By Mr. MILLER of Nebraska:

H. R. 10825. A bill to provide for Federal cooperation with the Nebraska Midstate Reclamation District, Nebraska, in the construction of the Midstate project; to the Committee on Interior and Insular Affairs.

By Mr. MOORE:

H. R. 10826. A bill to amend the Communication Act of 1934 so as to prohibit the granting of authority to broadcast subscription television programs; to the Committee on Interstate and Foreign Commerce.

H. R. 10827. A bill to increase the rates of basic compensation of officers and employees in the field service of the Post Office Department; to the Committee on Post Office and Civil Service.

By Mr. MORANO:

H. R. 10828. A bill to amend the Internal Revenue Code of 1954 to provide for increased deductions for employers who employ individuals who are 60 years of age or over; to the Committee on Ways and Means.

By Mr. MULTER:

H. R. 10829. A bill to amend titles 10 and 14 of the United States Code to provide that cadets and midshipmen entering the service academies hereafter shall agree to serve 10 years on duty after graduation; to the Committee on Armed Services.

By Mr. REUSS:

H. R. 10830. A bill to authorize the employment of working capital funds in the procurement and replacement of durable productive equipment; to the Committee on Armed Services.

By Mr. RHODES of Arizona:

H. R. 10831. A bill relating to price support for the 1958 and subsequent crops of extra long staple cotton; to the Committee on Agriculture.

By Mr. ROBERTS:

H. R. 10832. A bill to require certain safety devices on automobiles shipped by automobile manufacturers in interstate commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. ROOSEVELT:

H. R. 10833. A bill to amend title III, section 301 (c) (1) of the Sugar Act of 1948, as amended, so as to provide for the establishment of fair and reasonable minimum wage rates for workers employed on sugar farms; to the Committee on Agriculture.

By Mr. SIMPSON of Pennsylvania:

H. R. 10834. A bill to amend the Internal Revenue Code of 1954 to encourage basic research in science by the allowance of a tax credit for contributions and other expenditures for basic research in science; to the Committee on Ways and Means.

By Mr. CURTIS of Missouri:

H. R. 10835. A bill to amend the Internal Revenue Code of 1954 to encourage basic research in science by the allowance of a tax credit for contributions and other expenditures for basic research in science; to the Committee on Ways and Means.

By Mr. UDALL:

H. R. 10836. A bill relating to price support for the 1958 and subsequent crops of extra long staple cotton; to the Committee on Agriculture.

By Mr. BERRY:

H. R. 10837. A bill to provide a support level for the 1958 crop of wheat of not less than $2 per bushel; to the Committee on Agriculture.

By Mr. FULTON:

H. R. 10838. A bill to amend the Agricultural Act of 1949 to provide for storage by the Commodity Credit Corporation of surplus farm commodities made available for relief of distress; to the Committee on Agriculture.

By Mr. HARRISON of Nebraska:

H. R. 10839. A bill to provide equitable treatment for producers participating in the soil bank program on the basis of incorrect information furnished by the Government; to the Committee on Agriculture.

By Mr. KITCHIN:

H. R. 10840. A bill to authorize the use of additional funds for the 1958 cotton acreage reserve program; to the Committee on Agriculture.

By Mr. LANKFORD:

H. R. 10841. A bill to preserve rates of compensation of wage board employees whose positions are reduced in grade; to the Committee on Post Office and Civil Service.

By Mr. McGOVERN:

H. R. 10842. A bill to encourage expansion of teaching and research in the education of exceptional children through grants to institutions of higher learning for the training of personnel with advanced professional skills in special education; to the Committee on Education and Labor.

By Mr. McMILLAN:

H. R. 10843. A bill to amend section 114 of the Soil Bank Act with respect to compliance with corn acreage allotments; to the Committee on Agriculture.

By Mr. MOORE:

H. R. 10844. A bill to amend title II of the Social Security Act to clarify the meaning of the term "disability" and thereby to effectuate the purpose intended by the Congress in enacting the provisions of such act, which relate to the payment of disability insurance benefits; to the Committee on Ways and Means.

H. R. 10845. A bill to amend title II of the Social Security Act to reduce the coverage requirements upon which eligibility for disability insurance benefits thereunder is conditioned; to the Committee on Ways and Means.

By Mr. MOULDER:

H. R. 10846. A bill to prohibit the making of gifts to officials of Government agencies by persons having business with such agencies, and to prohibit the acceptance of such gifts; to the Committee on the Judiciary.

By Mr. PELLY:

H. R. 10847. A bill to amend the Federal Trade Commission Act, as amended, so as to equalize rights in the distribution of identified merchandise; to the Committee on Interstate and Foreign Commerce.

By Mr. WILSON of Indiana:

H. R. 10848. A bill to provide $250 million addition funds for the 1958 acreage reserve program; to the Committee on Agriculture.

By Mr. ROOSEVELT:

H. J. Res. 545. Joint resolution providing for the construction by the Secretary of the Interior of three full-scale demonstration plants for the production, from sea or other saline waters, of water suitable for agricultural, industrial, municipal, and other beneficial consumptive uses; to the Committee on Interior and Insular Affairs.

By Mr. McGOVERN:

H. Res. 480. Resolution creating a standing Committee on Small Business in the House of Representatives; to the Committee on Rules.

By Mr. RAY:

H. Res. 481. Resolution favoring the sale of Ellis Island, New York, to Perpetuation of the Doorway to Freedom, Inc.; to the Committee on Government Operations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. MORANO:

H. R. 10849. A bill for the relief of Carmine Santorelli; to the Committee on the Judiciary.

By Mr. TEAGUE of California:

H. R. 10850. A bill for the relief of Jose Manuel Ortiz-Reyes; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

409. By Mr. BAILEY: Petition of the West Virginia State Legislature petitioning the Federal Government for the allocation of mileage of interstate highways to north-south Route No. 19 in West Virginia as part of the interstate project from Erie, Pa., south; to the Committee on Public Works.

410. By Mr. ENGLE: Petition of Tom Good and 412 other electrical customers of the Pacific Gas & Electric Co. in the Enterprise area of Shasta County, Calif., protesting their high electrical rates and asking the Congress to look carefully at the company's partnership offer on the Trinity River powerplants; to the Committee on Interior and Insular Affairs.

411. By Mr. KNOX: Petition of Mrs. Clifford Barker and 125 other citizens of Menominee, Mich., urging favorable consideration of legislation prohibiting the sale and consumption of alcoholic beverages on planes; to the Committee on Interstate and Foreign Commerce.

412. By Mr. NIMTZ: Petition of M. P. Harper and 74 other citizens of Michigan City, Ind., urging legislation to prohibit the advertising of alcoholic beverages on radio or television; to the Committee on Interstate and Foreign Commerce.

413. Also, petition of Jay Ferguson, of South Bend, Ind., and 51 of his neighbors, expressing opposition to any system of pay television; to the Committee on Interstate and Foreign Commerce.

414. Also, petition of Mrs. Olive J. Calvert and 82 other citizens of Marshall County, Ind., urging the adoption of legislation to prohibit the advertising of alcoholic beverages on radio or television; to the Committee on Interstate and Foreign Commerce.

415. By Mr. NORBLAD: Ten petitions signed by citizens of Tillamook, Oreg., urging support of the Siler bill, H. R. 4835, and the Langer advertising bill, S. 582; to the Committee on Interstate and Foreign Commerce.

416. By the SPEAKER: Petition of the executive director, Alaska Legislative Council, Juneau, Alaska, relative to the present devastating high seas salmon fishing practices by the Japanese nationals, and requesting that the situation be alleviated; to the Committee on Foreign Affairs.

EXTENSIONS OF REMARKS

Commemoration of Birthday of Abraham Lincoln

EXTENSION OF REMARKS

OF

HON. EDWARD J. THYE

OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

Wednesday, February 19, 1958

Mr. THYE. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address which I delivered while in Minnesota during the week of Lincoln's Birthday.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE THIRD DIMENSION

As we commemorate the birthday of Abraham Lincoln today, we do homage to one of the truly great leaders in world history who measured his deeds in terms of the people he served rather than in terms of vainglory for himself or in the accumulation of material gains for himself.

He spoke eloquently in terms of human dignity, basic human rights, and of freedom through a united nation. Today we are still faced with the problems which Lincoln found to be difficult and explosive. However, during recent months, a third dimension to our problems has been added in the form of the satellites.

The launching of sputnik and Explorer has had a profound effect upon the entire world in terms of psychology, disarmament, defense programs, the world economy, and our approach to leadership.

For the United States, it means that we cannot shape either domestic policy or foreign policy without thinking in terms of our program to conquer and explore outer space.

Although the launching of the Russian satellite was damaging to our prestige as a nation, it now appears that we have also derived benefits from that event.

It has forced us to take a searching and critical look at our own defense programs. It has inspired us to evaluate our needs in the fields of scientific education and training. It has hastened the establishment of programs designed to bring order into our programs for missiles, satellites, and exploration of outer space.

The difficult task before us now is to build our future on the basis of a sound domestic policy, a wise foreign policy, and a realistic policy concerning the mysteries of outer space.

It is a tribute to our people and to the present administration that the United States did not panic and that there was calm in a moment of crisis. There were some, of course, who jumped in immediately to take whatever political advantage they could find. There will always be a few who will use this unreasoned approach.

We have now sent up our own satellite and have demonstrated to the world that we are very much in the forefront when it comes to the new weapons and objects of war and exploration of space.

Our task now is to continue our development and take the initiative back from the Russians. It is important that the United States take a firm position of leadership and accomplishment in such events as; platforms in outer space, human travel to the moon, adequate defense mechanisms against missiles. It is extremely important because by so doing we can make our beachheads upon the basis of exploration of space for peace rather than for war and destruction of mankind.

Before we can fully develop our space programs, we must maintain a strong domestic economy and follow a realistic and successful foreign policy.

DOMESTIC POLICY

At the moment, we find ourselves in a slight downturn economically which has developed increased unemployment. Right here I should like to point out that already we have some political leaders who are attempting to take advantage of someone else's misfortune. We can hear the familiar cries of doom, gloom, depression, etc.

These people will be quieted later in the year when our economy takes another upturn. In the meantime, everything possible should be done by the communities, the States, and the Federal Government in those cases where widespread unemployment has become a fact.

At the same time, let us not forget the general economic prosperity which our people enjoy today. I do not intend to gloss over the weak spots in our economy. But by the same token, I do not want political demagogs to bring out the tar and brush of depression without reviewing these facts.

Today—after 5 years of a Republican administration—more people own their own homes than ever before. Nearly 30 million American families enjoy this factor of ownership. Business has spent an alltime high of over $152 billion in new plant and equipment compared to $123 billion in the preceding 4 years. The gross national product rose to an alltime record of over $439 billion in 1957.

Personal income in the third quarter of 1957 jumped almost $4 billion to an annual rate of $346.5 billion—another record. Last year, an average of 65 million of our people were gainfully employed, an increase of 3,700,000 in only 4 years. During the same 4 years, unemployment averaged less than 4 percent of the entire civilian labor force. The average weekly earnings of factory production workers in the United States are at a record high. The average weekly pay is $83.20. In 1952 the average weekly pay was $69.63.

Trade unions have the largest membership in history—a total of 18,477,190. Less time has been lost by strikes. The Labor Department announced on December 9, 1957, that on the basis of 10 months' records in 1957 the level of strike idleness was almost 6 million fewer man-days than in any year since 1947. It is the lowest level of strike-caused idleness in at least a decade. The minimum wage has been expanded so that today an estimated 24 million American workers are presently covered by the wage law.

These are facts which must be remembered as we analyze our domestic economy today. It points to the fact that we can approach our economic problems from a standpoint of strength and not weakness.

SMALL BUSINESS

One of the keys to a continued prosperity in America is a strong and vital small-business economy. Much of our economic strength depends upon the status of the merchants on the main streets of our towns and communities.

I have outlined to the Congress what I think to be a realistic and necessary course of action for small business. This program includes:

1. Inclusion of small business in the production of the necessary parts for our missile program. This would implement the already established policy of awarding to small business a fair and just share of military contracts.

2. Legislation to establish the Small Business Administration as a permanent agency. This must be done if the agency is to enjoy full success in its program during the coming years. The Minneapolis regional office has approved loans totaling $9,109,390 from 1953 to December 31, 1957.

3. The elimination of unnecessary Government competition with private business.

4. Vigorous enforcement of the antitrust laws without fear or favor. The present administration has enjoyed an excellent record

in this field by both the Department of Justice and the Federal Trade Commission.

5. Tax adjustments for small firms. I have recently cosponsored a comprehensive bill which calls for this type of action.

6. Constant review and study of merger activity to prevent the buildup of monopoly practices which destroy competition and the basis of our free-enterprise system.

These and other measures which I have proposed and upon which I have introduced legislation will help to preserve the type of free competition and growth of the small-business firm and which will promote a climate in which these firms can prosper and progress.

AGRICULTURE

Closely related to the prosperity of our rural towns and communities is the prosperity of the farmers. It is here that we see a genuine weak spot in our present-day economy. It is here that we face one of our greatest challenges. History has demonstrated that if we neglect the income of the farmer—the income of business and labor will be adversely affected.

Today agriculture does not enjoy a full partnership share in prosperity with business and labor. The farmer is caught in a vicious cost-price squeeze. No one denies this. It is freely admitted. However, the debate still rages over what remedies should be employed.

Unfortunately, the issue of price supports has continued to keep the spotlight of public attention when, in fact, there are many programs which should be widely publicized for what they can do to boost agriculture. These are programs upon which there is wide agreement.

Before I leave the issue of price supports, let me reiterate my position that I will not and cannot condone a reduction in price supports at a time when the farmers costs are rising and when his income is not keeping up with these costs. It is not just or logical for the Secretary of Agriculture to lower dairy supports at a time when the farmer is trying to work himself out of dairy surpluses. I might add at this point that he is succeeding in this endeavor. I intend to oppose any lowering of supports until such time as the farmer receives his full parity through the sale of his products in a free market.

AREAS OF AGREEMENT

Now let us look at the areas where there can be wide agreement in solving some of our agriculture problems. Let me name a few. There is little or no disagreement today to the extension of Public Law 480, which seeks to reduce surplus commodities through the channels of trade, barter, and relief. Most people agree that the conservation part of the soil bank should be extended. There is no argument over the need for immediate and searching research into new uses for agriculture products and new markets. The goal of all of these measures is a more prosperous agriculture in tune with our general prosperity.

PUBLIC LAW 480

Let us examine these areas of agreement more carefully. I cosponsored Public Law 480 and have introduced a bill for its extension because it places American surplus into the hands of people who need it—because it has become an effective supplement to our foreign-aid program—and because it places our surpluses in a position to play a vital role in our destiny as a world leader for the cause of freedom and decency. Under the provisions of this law up to September of 1957 the United States had actually shipped 10,800,000 pounds of butter and butter oil, valued at $4,776,000, in trade with other nations. We have shipped over 14 million pounds of powdered milk, at a value of nearly $2 million. We have shipped 183,638,000 pounds of lard, at a value of over $23 million. This helps to explain why the price of pork has held more firm than in past years. We have also disposed of cottonseed oil, powdered milk, and peanuts for oil under the barter provision of Public Law 480. In the area of international donations we have shipped out over 325,400,000 pounds of butter and butter oil in an amount of over $225,500,000. Over 1 billion pounds of powdered milk, in the amount of $220,400,000, has been disposed of through the donation provision. In addition, we have donated 71,400,000 pounds of cottonseed oil, valued at over $17 million. This record demonstrates surplus products are being disposed of to the benefit of American agriculture and to the benefit of those who have received these products.

Public Law 480 is the type of program which permits this Nation to use its surpluses in three ways: (1) As an export commodity; (2) as a humane program for the relief of hunger; and (3) as a defense asset.

In Spain we took monetary earnings from our grain exports and used them to pay for airbase construction. We have taken prefabricated housing and labor from Finland to bolster our NATO allies in return for grain shipments.

It is a program which is winning friends for the United States through a benevolent approach. It is more effective than all of the armaments we could parade before hungry people in a troubled world. I ask your support for the efforts of myself and others in both political parties who call for its extension.

SOIL BANK

The conservation reserve section of the soil bank is designed not only to reduce surpluses, but also to reforestate our land. This type of reforestation and conservation program has met with enthusiastic support and the extension of this part of the soil bank should receive bipartisan support in the Congress.

RESEARCH—THE KEY TO PROSPERITY

There is a crying need today for the most concentrated research program into new uses and markets for agricultural products that this Nation has ever seen.

On March 31, 1956, I cosponsored S. 3503, which is designed to provide scientific study and research programs for the purpose of developing increased and additional industrial uses of agricultural products. Through research we can develop these new uses and cut down our surpluses.

We can and we must inspire research to increase the industrial uses of agricultural products, and, thus, increase the income of agriculture. We have the facilities. We have both public and private laboratories. We have our land-grant colleges, universities, and the extension services. They should be utilized night and day to develop new uses for our products. We have already developed synthetics from oil and coal. But these are resources which can and will be depleted over the years ahead.

But the productive capacity and output of America's farmland is increasing—not decreasing. This fact alone dictates action into vast and far-reaching research programs. It is no credit to American ingenuity that industry today spends from 3 to 10 percent of its sales income in the development of new products—while agriculture spends less than 1 percent of its sales income for the same purpose. This disparity cannot be allowed to continue if agriculture is to share in our prosperity. In terms of dollars and cents, industry spent about $3 billion in research activity during 1956. During the same period, agriculture research totaled about $375 million.

If anyone doubts the value of research, consider the following programs involving livestock. I can recall in 1946 the outbreak of foot-and-mouth disease in Mexico and Texas. This outbreak threatened the entire livestock industry in the United States.

Shortly after I came to the Senate in 1947 I was asked to serve as a special subcommittee chairman to go to Mexico and investigate the spread of disease and to propose a solution. At the time I reached Mexico, the United States was engaged in slaughtering the cattle and oxen of the Mexican farmers. I saw the resentment which was spreading in the minds and hearts of the Mexican people. I immediately proposed the development of a vaccine and the inauguration of an inoculation program.

There were those who scoffed at this suggestion. However, with the cooperation of the Department of Agriculture, we were able to develop the vaccine, inoculation became a common practice, and today the threat of foot-and-mouth disease has been erased. This is a striking example of how a little money spent in research can save millions of dollars and thereby protect the prosperity of the farmer.

Later, I introduced legislation providing for an extensive research laboratory for animal diseases in the United States. Today the Plum Island Research Laboratory in New York under the supervision of the Department of Agriculture stands as a monument to what scientific research can accomplish.

Right now the agricultural research laboratory at Ames, Iowa, is under construction. When this laboratory is completed, we will have another great research development.

ACTION NEEDED NOW

I have already called to your attention the bills now before Congress which would establish the machinery to utilize surplus crops. These bills are sponsored by Democrats and Republicans alike. These bills, if passed, would unshackle the agriculture economy and take it off dead center. It would lead to unrestricted planting, the curtailment of controls, and would allow the market to reflect the strength of the national economy for agriculture as it does for steel and its by-products. Why will not the Congress or its committees act? Why does the Agriculture Department concern itself more with the issue of price supports than with progressive research action to develop a new prosperity for agriculture? These are the questions which must be answered in the near future if agriculture is to grow and prosper.

If we do not solve the dilemma entailed in increased production and a shrinking use of products produced in the near future—we may awaken in the next quarter of a century to find that we will have a completely corporate type of farm and the destruction of the family farm and free ownership of our agricultural land. We have already lost too much time arguing over the issues of support factors rather than addressing our efforts to the broad phase of technical development of new uses for our production. Today we have acres of land producing 100 bushels of corn. Our fathers would have been grateful if they could have harvested half of that amount per acre. Can we be so blind to the need of matching this increased production with new and vital uses for these products?

NEW CHAPTERS MUST BE WRITTEN

There are new chapters to be written in agriculture which challenge the imagination and ingenuity of all of us. It is utterly inconceivable that we can project a satellite into outer space and have it circle the earth in regular orbit every 100 minutes—and still not be able to discover a way to put food and fiber to new uses.

As I see it—research should be made the key to open the door to new and exciting frontiers in agriculture. Such a program is not installed overnight. I am talking about a program which must begin today and continue so long as we have an agricultural economy.

ESTABLISHMENT OF A STRATEGIC STOCKPILE OF SURPLUS PRODUCTS

Rural America is still the formulation for future prosperity in this Nation. We have a clear choice. Reject progress in the development of programs for agriculture which will amount to the destruction of a free agricultural economy—or take immediate action to open up new horizons and frontiers through a far-reaching program of new uses of farm products.

This is a monumental task which demands the cooperative spirit of all concerned. We must strip ourselves of prejudices, partisan politics, shortsightedness, and the willingness to let the other fellow worry about the problems of the American farmer.

FOREIGN POLICY

We have enjoyed during the past 5 years a period of history when the United States has not been involved in armed conflict with any nation. However, at the same time we have been in a cold-war struggle with Russia. This struggle will continue indefinitely. The satellites have projected us into a new phase of this battle, and it is in the field of foreign policy where the new dimension will have its most profound effect.

We are still compelled to prepare defenses while at the same time exploring and probing every opportunity for a workable disarmament formula.

It is becoming increasingly obvious that Russia views any future armed conflict as one which will in all probability plunge all contestants into a state of mass destruction with no great immediate benefits to the victor.

Our job, therefore, is to build for peace with as much vigor and imagination as we can muster. During this session of the Congress, steps must be taken to strengthen the position of the United States in this eternal quest for peace.

We must extend our Reciprocal Trade Agreements Act, we must sustain and maintain a continued program of mutual assistance and aid, we must open the door for expanded exchange programs with Russian representatives, we must continue an effective program of participation in the international trade fair program.

In addition, the United States must continue its role as a leader through the United Nations, with our allies in NATO, through SEATO, and through direct dealings with Russia wherever they arise.

The leadership of President Eisenhower and this administration in the field of foreign policy must be judged on the basis of the record, not on the basis of partisan political attack.

Whether they like it or not, the critics cannot dispute the absence of war and the steadfast devotion which has been demonstrated to the quest for peace. Down through the past 5 years—such high points as the atoms for peace proposal, the open-skies inspection proposal, the recent NATO conference, our offer to give nuclear material for peaceful uses throughout the world, these and other forward steps have been a part of this administration's devotion to the principle that peace, happiness, and progress shall be shared by peoples throughout the world.

Republicans should never forget to cite the record of accomplishment of the administration and its Members in the Congress and the Senate. At times there has been a tendency to be timid and retiring from political issues. This is not a time for timidity. This is a time for a confident and straightforward expression and recitation of the record at every opportunity. This is the task of all of us which must be carried out with zeal and enthusiasm.

The memory of Lincoln's greatness can be ours today in our formulation of a domestic policy sensitive to the needs of every citizen regardless of race, color, or creed; in upholding freedom and peace as the main tenets of our foreign policy; and in dealing victoriously with the new third dimension which has opened up outer space as an area for exploration and conquest.

National Crime Prevention Week

EXTENSION OF REMARKS
OF
HON. FRANCIS E. DORN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1958

Mr. DORN of New York. Mr. Speaker, I should like to invite attention to the fact that this is National Crime Prevention Week, sponsored by the National Exchange Club, one of the Nation's leading service clubs. This week marks the 11th consecutive year that local chapters of the Exchange Club throughout the country have joined together in a program which seeks to focus public attention upon the necessity for each individual citizen to make crime prevention a personal responsibility.

President Eisenhower has endorsed National Crime Prevention Week as an effective reminder that public cooperation is an essential requirement in our fight on rising lawlessness throughout the national community. FBI Director J. Edgar Hoover has also endorsed National Crime Prevention Week, and has urged "wholehearted support of local police agencies, public-spiritedness in reporting law violations, and a conscious effort to abide by society's rules."

In my own district, which embraces a portion of the Borough of Brooklyn, the local Exchange Club has undertaken a widespread implementation of the program. Brooklyn Borough President John Cashmore has proclaimed the week of February 9–16 Borough Crime Prevention Week; local religious and civic organizations have given their support to the program; and posters carrying the theme, "Strike Crime Before it Strikes You" are being displayed in all the public schools and in other strategic locations throughout the Borough of Brooklyn.

William C. Haefeli, president of the Brooklyn Exchange Club, advises that his organization is taking steps to alert the people of Brooklyn "against the sweeping scourge of crime that is undermining our society." In particular, Mr. Haefeli and his associates are concerned about the increase of crime among our younger citizenry, many of whom are teen-agers. Members of the Brooklyn Exchange Club are visiting public schools, parent-teacher associations, and other public assemblies, carrying messages which purport to educate our citizens on what they as individuals can do to make the work of law enforcement more effective, and to bring about a reduction in the rising crime rate.

I am certain that all of us will join in a sincere "well done" to the Exchange Club for its interest and efforts regarding this vital problem which now confronts our society, and we might also add, "Please keep up the good work."

The Public Must Speak Out for Good Government

EXTENSION OF REMARKS
OF
HON. THOMAS M. PELLY
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1958

Mr. PELLY. Mr. Speaker, testimony of a witness before the House Subcommittee on Legislative Oversight refers to rumors or reports that certain people were talking to members of the Federal Communications Commission against awarding a television station to an airline. Three members of a legislative subcommittee having jurisdiction over the Communications Commission were named and the inference is that Members of Congress have attempted to influence decisions in connection with the award of a valuable franchise.

Surely the situation is such that in fairness to the individuals named and to the public, this testimony and other statements should be fully investigated. In fact, the basis of all major awards and the formula on which one applicant is favored over another should be brought to light.

If these are "flyspecks," or if they are big black marks on the record, it makes no difference, the whole sorry situation of implied or openly charged improprieties should be opened up for public inspection.

However, Mr. Speaker, it would seem to me under such circumstances the legislative branch should not constitute itself judge, jury, and prosecutor as well as defendant. Since the actions of Members of Congress have been questioned, the investigation of any improprieties should be delegated without strings to an impartial, nonpartisan, and neutral committee. Selection of some eminent jurists or persons in whom the public has complete confidence could be made by our Congressional committee chairman, and committee funds and authority to obtain all of the facts granted. The FBI and the General Accounting Office could assist any such special committee and an independent investigating council and staff would contribute greatly to public confidence.

Incidentally, Mr. Speaker, I should mention at this point my bill H. R. 10631 which I introduced recently. Its passage among other changes in the law would amend the Reorganization Act of 1946 to make it improper for a Member of Congress or employee in the legislative branch of the Government to intercede other than by an appearance of record with an agency or department of the Government in any attempt to influence the exercise of its judicial or quasi-judicial function.

If there has existed the immorality in Government which some say is indicated by the present hearings of the House Subcommittee on Legislative Oversight, then perhaps public opinion will support passage of legislation such as H. R. 10631 to promote ethics in Government.

The following editorial of February 14, 1958, from the Seattle Times emphasizes that such a measure to spell out the proper conduct of Government officials will only be enacted into law if the public demands its passage. The signs of popular demand should be beginning to manifest themselves.

THE PUBLIC MUST SPEAK OUT

Regardless of what is proved or not proved during the uproar in Washington over charges of improprieties in Federal regulatory agencies, it long has been clear that improvement is necessary in the moral atmosphere surrounding Government.

Standards of conduct in both the administrative and legislative branches have become too elastic.

Rarely are there charges of such flagrant misconduct as those voiced yesterday against a member of the Federal Communications Commission by the erstwhile investigator of a House subcommittee.

But instances of questionable propriety—actions that fall into the borderline category—have become commonplace.

Corroding influences in Government are abetted by an easy cynicism which takes refuge in truisms about human nature.

Seattle is represented in the Nation's Capital by a Congressman who has done more than talk, as all politicians are wont to do, about the virtues of our representative form of government.

Representative PELLY recently made an unusual speech on the floor of the House about the need for Congress to raise its standards of ethics. But PELLY was not content with having adorned the pages of the CONGRESSIONAL RECORD with some straightforward talk.

He has introduced a bill that would require all Members of Congress and ranking Government officials to report on all outside income.

The Pelly bill also would ban elected and appointed officials from accepting fees for speeches from any individuals or organizations sponsoring legislation.

Further, it would prevent Government officials from accepting expense money from both Government and private sources for public appearances.

No one pretends that such legislation would usher in a scandal-free utopia. There always will be those who seek and sometimes find loopholes in the law.

But PELLY'S bill would help draw a sharp line between aboveboard official conduct and that which is shadowy, debatable, questionable.

Legislation such as this will die silently in some committee or be watered down to the point of uselessness unless there is an evident public demand for it.

What happens to the Pelly bill will become just one more instance of the public getting the legislation it deserves.

H. R. 9700

EXTENSION OF REMARKS

OF

HON. B. W. (PAT) KEARNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1958

Mr. KEARNEY. Mr. Speaker, I wish to add my support to H. R. 9700, a bill to consolidate all of the laws administered by the Veterans' Administration and which passed the House on the motion to suspend the rules February 17, 1958.

The committee and staff, under the guidance of our distinguished chairman, the Honorable OLIN E. TEAGUE, of Texas, spent many months of hard work in the preparation of this bill.

Contrary to some thoughts, the passage of this bill will in no way take away any right from any veteran. It simply consolidates into one comprehensive act our many laws which pertain to the veteran and his dependents.

Not only the Veterans' Administration but all major veterans' organizations have endorsed the bill and believe its enactment will facilitate the administration of the veteran laws.

Fortieth Anniversary of Lithuanian Independence

EXTENSION OF REMARKS

OF

HON. CHARLES E. POTTER

OF MICHIGAN

IN THE SENATE OF THE UNITED STATES

Wednesday, February 19, 1958

Mr. POTTER. Mr. President, on Sunday, February 16, the good people of Lithuania celebrated the 40th anniversary of their independence, and it was my privilege to participate in this celebration by addressing the Detroit Lithuanian organization at Detroit, Mich., on this outstanding occasion. In tribute to this splendid group, I ask unanimous consent to have my remarks printed in the CONGRESSIONAL RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

FORTIETH ANNIVERSARY OF LITHUANIAN INDEPENDENCE

(Statement by Senator CHARLES E. POTTER, of Michigan)

At a time when the cries of the Baltic satellite nations are muffled by the thickness of the Iron Curtain, the United States has not lessened its sympathy for these enslaved peoples. Our sympathy and friendship goes unstintingly to the good people of Lithuania.

Peace can never be complete on this planet until all countries are free. A free nation, as we know, has only one definition: It is a nation where the people are governed by the representatives whom they elect, a nation where government serves the will of the people, rather than one where people are enslaved by government.

On the Lithuanian national day, which occurs so closely to the birthday of the great American, Abraham Lincoln, whose life was devoted to freedom, let me repeat my heartfelt assurance that the free world has not forgotten Lithuania.

To those who fear that the recent Soviet firsts in the scientific field will wipe the blood from the slate of communism—to those who expect the free world to forget the Lithuanians, Latvians, the Estonians, the Hungarians, the Poles, and all the other great peoples left without proper representation in our ever-narrowing world—let me say that the free world has not forgotten. The United States has not forgotten. The State of Michigan, which knows so many men and women of your racial stock as its finest citizens, has not forgotten. And as your United States Senator, I have not forgotten.

We well know the reputation of the Soviet communistic state for swallowing independent nations and we stand firm in our faith that one day those states shall be free. The gross distended belly of the Soviet land mass, armored by the thick Iron Curtain, will not and cannot cover the tragic shape of what lies inside.

Lithuania has given much to the United States—but most of all, it has set an example of strength and courage.

The courage to withstand religious, political, and national oppression, a desire to rise above the economic conditions of your homeland, these things brought you to the shores of America. Like other peoples who came here, you left a country you loved and knew to come to a strange land. Why? Because the strange land held out to you the one element most important to man—freedom. And because it held out to you economic opportunity, hope for a tomorrow in which things would be better for you and your sons and daughters.

And you have made the new land home.

Large groups of Lithuanians came to Pennsylvania and New England as early as 1868. In 1874, they came again. Until the turn of the century, more than a quarter of a million Lithuanians came to America, and between that time and 1914 another quarter of a million of your countrymen came to Baltimore, greater New York, Pennsylvania, New England, Ohio, Illinois, Wisconsin, Missouri, Kansas, Montana, Colorado, Washington, and to our own State of Michigan.

At first, Lithuanians, like the rest of us, were preoccupied with physical work. They used their bodies and their hands to conquer this land. Then, in the tradition of America, greater opportunities presented themselves and Lithuanians moved into other work. You produced leaders in the arts, education, business, sports. But most of all you became good citizens, good citizens of a free country.

None of us, no matter how far we come, can forget the yesterdays of our race. You did not forget the land where you and your fathers and your grandfathers were born * * *. And that is why we are gathered here today.

Now, in these very brief remarks, I should like to leave with you one important thought:

You and your forefathers came to a unique and dynamic land. You came to a nation that differentiates between political and economic power, a nation which separates church and state, a nation which broadly balances the powers within our constitutional form of government. In short, you came to a free and democratic land. Ladies and gentlemen, each of us, as an individual, has the responsibility of keeping it that way. At times you may think that we work slowly in Washington, or that your State and city legislatures dawdle. But this is the democratic way, and it is the way of freedom.

Tyrants and dictators can order swift action. They each order men to swiftly disappear by carloads into concentration camps and prisons and Siberias. We do not want that swiftness here.

It is for us, the people, to make our Government aware of what we want. Let us tell our city councils, our State administrations, and our Federal Government, what we expect of them—and what we require of our representatives. This is the way to make freedom work. And this is your task, as free citizens.

And in doing so, we are expressing the deepest wishes of our deepest roots. We are paving the way for those of our blood who for the time being are held under the sword of the aggressor. As we make the republican form of government flourish with increasing vigor, their hopes and faith cannot help but grow brighter.

On this 40th anniversary of a great event in Lithuanian history, let us rededicate ourselves to the principles which Americans and Lithuanians hold dear—the principles of brotherhood which in the end must guide all of us to freedom.

One Feeling for the Union

EXTENSION OF REMARKS
OF

HON. LEVERETT SALTONSTALL

OF MASSACHUSETTS

IN THE SENATE OF THE UNITED STATES

Wednesday, February 19, 1958

Mr. SALTONSTALL. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address delivered by the junior Senator from California [Mr. KUCHEL] at the 91st Lincoln Day dinner of the Middlesex Club, held in Boston on February 12, 1958. I was present at the dinner and heard the Senator deliver his address. While it was essentially a Republican dinner, the address by the Senator from California was not a partisan speech.

I commend the address to anyone who desires to read a fair statement of some of the principal achievements of the Eisenhower administration, and an objective appraisal of the setting in which we must meet some of the challenges which lie before our country. I feel sure that anyone who will read the address will agree that there is no room for political partisanship in tackling the major problems before the Nation.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ONE FEELING FOR THE UNION

(Speech of United States Senator THOMAS H. KUCHEL at the Middlesex Club, Boston, Mass., February 12, 1958)

I am honored to come to Boston, at the invitation of the Middlesex Club, to speak to my fellow Republicans as they celebrate the birthday of Abraham Lincoln. None before, and none since, among all humankind, has been so rightfully venerated as this American martyr who preserved the Union and emancipated a race. His was a life and a leadership of humility and sacrifice, all devoted to the simple but majestic wish to help his country and to help its people—all of them.

Mr. Chairman and friends, this is a Republican occasion. To the Republican Party of his day, Lincoln supplied the vision and the courage which, in our day, it needs constantly to emulate. We need, always, to serve the people. That is the only honorable way to merit the public trust and to deserve victory at election time. In two national elections, we have earned the responsibility, and the honor, of governing in the executive branch. We do not have that responsibility in the legislative branch. This year, the people will again decide what political party will control the Congress in 1959 and 1960. Your own able Republican senior United States Senator, LEVERETT SALTONSTALL, has faced recurrent elections with a record of service to his country and to his Commonwealth of Massachusetts, and you have recurrently reelected him. I believe the Saltonstall formula provides a solid basis on which Massachusetts Republicans can be victorious in this year's contests.

I must say I give my Democratic friends considerable credit in the techniques of campaigning. At election time, the most unyielding and deep-seated differences of opinion are successfully submerged. They close ranks. I recall one of my southern Democratic friends going north and publicly extolling the political virtues of an ultra-liberal northern Democratic candidate. I don't know that that has ever happened the other way around, but if it didn't you may be sure that the persons concerned agreed in advance that the political exigencies of the situation determined it would not work as well that way.

I suggest to my fellow Republicans a little bit more cohesion during campaigns and election time is very much in order and would be a very good thing. After all, with due regard for anyone's right to disagree, indeed, to disagree vigorously with planks in our platform or specific parts of this Republican administration's program, I want to say that in my judgment, as a citizen and as a Republican Senator, our Republican administration has made solid progress these last 5 years. I suggest we acquaint our people with them in the 1958 campaign.

In 1953 we reduced the spending program submitted by outgoing President Truman by over $10 billion, and we did it without moving backward. The following year, we balanced the budget, and we repeated this almost unheard-of achievement for 2 years more. In the preceding quarter of a century, with one exception, the rule was the other way around and the Government spent more than it received. We began, in 1953, to create a fiscal climate to permit our people to have the benefit of a 10-percent personal income-tax reduction. We relieved business from an oppressive, misnamed excess-profits tax, and the relief came over some violent Democratic opposition. Excise taxes were, for the most part, cut in half, and this was done, I say in fairness, with bipartisan support. Wage and price controls went out of business, although here, some of my Democratic colleagues demanded that they be continued in peacetime. Our free economy was once again given a chance to go forward.

Since 1953, our living standards have gone higher. Passenger car registrations are up 13 million over 1952. There are 12 million more telephones in our country than there were 6 years ago, up to 60 million from 48 million. Per capita disposable income has increased tremendously, both at current prices and on the basis of a 1940 normal. Our people have 20 percent more deepfreezers than they did in 1952, and I don't believe the new ones resulted from the old conditions which previously and shamefully prevailed in our National Capital. I mention these few things to illustrate that we have progressed in the business of living here at home. Add to this the historic accomplishment, under Republican auspices, at the last session, of enacting civil-rights legislation, and I think it right to say that not since Lincoln's time, has American Government given such a clear demonstration of applying the American maxim, "Equal treatment under law." And beyond all this, the hot Korean war was terminated.

Despite the fact that 1957 was a prosperous year, our people and our Government are not—and cannot be—unconcerned with the problems of unemployment, the task of restraining inflationary pressures, the difficulties confronting business, especially small business, and the effects of governmental policy, fiscal and otherwise, on the country's economy. The power of the Federal Government will be used, as it has been used, to keep America's economic house in order. The cost of credit is considerably less than it was 6 months ago. We have reduced the amount of downpayments on home buying under Federal mortgage insurance laws, which is providing a stimulus for the building industry. Our multi-billion-dollar interstate and defense highway construction program is approaching high gear. Senator SALTONSTALL and I are coauthors, with a bipartisan group of Senators, of legislation designed to aid small business. Congress is quite aware of the need to eliminate unessential spending without turning the clock back. Defense expenditures will continue to be prodigious, but none will criticize our determination to keep strong that we shall continue to remain free. That is a part of the unhappily increasing price we are obliged to pay for our liberty, as the sputniks and the Explorers orbit in God's infinity.

These days through which we toil, with all our great and growing problems, are neither the first nor the last times in which free peoples walk through valleys of shadows. Surely, Lincoln, in his White House years, recognized the dread danger to his country in his time. Speaking in 1865, he said to his countrymen: "We live in the midst of alarms; anxiety beclouds the state; we expect some new disaster with each newspaper we read." Alarms and anxiety there were, but, in the end, the Nation overcame them. In the peace which followed the Civil War, human slavery was abolished, America began her reconstruction and proceeded along the road to eventual leadership in the world-wide cause of free men against slavery.

Now, we have entered the nuclear era, the age of limitless space. Yet, once again, as in Lincoln's day, we live in the midst of alarms. There is understandable reason for anxiety in 1958. It comes from the Communist menace born of the Bolshevik revolution, a menace grown infinitely stronger by recent events, some of them spectacular scientific achievements, others mass and wanton human destruction. Last year, the Soviet leader, Mr. Khrushchev, speaking to the people of the United States, said: "In 50 years, your grandchildren will ask themselves how you could have been so stupid as to fail to rally to the banner of communism when it is evident that communism represents history and the future."

"I have this certainty," said Khrushchev in one of his speeches, "that in a few years, communism will have triumphed throughout the globe."

There is the measure for the anxiety of free peoples who love liberty and peace. There is the understandable reason why the United States has been required constantly to strengthen her defenses, and to perfect, through farflung agreements, multilateral defensive alliances. Our President is dedicated to peace. So are our people. We spend great sums in armament—nuclear and otherwise—solely for purposes of deterring aggression and, if necessary, of successfully defending our freedom. But the anxiety of some of our people sometimes has been expressed in confused ways. Sometime ago I received a letter from some citizens in my State objecting to any distribution of our defensive nuclear arsenal to the North Atlantic Treaty Organization. They said, in part: "This (our arms allocation) would only increase Russia's suspicions and fear of the West and make even more difficult a negotiated, peaceful solution to the problem." They urged that the United States give up our bases surrounding Russia in return for a United Nations control of space missiles. Otherwise, they said, we might needlessly anger the Soviet. These people who thus wrote me, of course, are pathetically wrong. They are blind to the record which the Kremlin has written, a record of broken promises, a record of infiltrating and overrunning free nations, a record of conviction by a United Nations investigating committee of wanton assault against the peoples of Hungary, a record of continually objecting to good-faith proposals for disarmament.

The anxiety which we all share has been expressed in other ways. When the President sent his budget for next year to the Con-

gress just a few weeks ago, some of my Democratic colleagues said that it was not large enough, and some others described it as reckless and that it would probably lead to substantial deficit spending with all its evil consequences. In the midst of all this confusion, and this anxiety, I suggest that the strong rallying point for Congress and for America is the leadership of our President in this crucially important field of peace or war. He speaks as an American. He makes his recommendations to Congress on the single basis of what he believes best for our people and for our goal of a just peace in this uneasy globe.

Both our political parties are equally dedicated to the preservation of a strong and free America and to a just peace. Each has leaders equally able and equally patriotic. Partisanship has not played any dominant role in the Senate where our country's role among nations was the issue. I do not believe any narrow partisanship showed up in the recommendations of the Senate Preparedness Subcommittee. A few years ago, Arthur Vandenberg, a Republican, led the Senate in bipartisan foreign policy under a Democratic President, and Walter George, a Democrat, in recent years performed the same creditable chore under a Republican President. This is not to say, however, that our people are without a choice. One clear choice developed in 1956, between Mr. Eisenhower and Mr. Stevenson. President Eisenhower took the position that the testing and perfection of nuclear weapons of defense should continue until both Russia and America were able to agree to a foolproof and enforceable agreement to abandon them. Mr. Stevenson disagreed. He advocated unilateral abandonment of nuclear weapons testing by the United States. The good faith of neither was questioned. I believe this single issue played a tremendous part among the independent thinking citizens of our country in concluding to reelect Mr. Eisenhower. I believe the President was correct in his stand on this problem, and I believe the people were correct in supporting him.

In 1957, our country undertook to negotiate an enforceable disarmament agreement with Russia. Participating with us, as partners were Canada, France, and Great Britain, and we were in complete agreement on our views. The negotiations lasted for 6 months. On the same basis that the President took in 1956, our country and her allies asked the Soviet to agree with us to suspend nuclear testing for an initial period of 2 years, subject to further extension, provided all of us would also agree on establishing an effective inspection system on the air and on the ground, provided that production of fissionable material for weapons purposes would cease and present stocks be reduced, and provided finally that a start would be made both on outer space missile control and on reduction of armed forces. It seems to me this was a fair and forthright proposal. But the Soviet objected, and we continue to grope for a solution.

Apparently, there are very great difficulties in creating a foolproof enforcibility of nuclear disarmament agreements. Dr. Edward Teller, the father of the H-bomb, in Foreign Affairs for January says this: "We have most correctly emphasized that no disarmament scheme is acceptable unless the application of it can be verified. Few things are impossible; but it may actually be impossible to verify disarmament in the Soviet Union. The game is strongly weighed against us and the very rules are changing too fast. Two years ago, we attempted to insure the world against surprise attack by the (open sky) principle. Today, we have to consider this concept in the light of the Russian satellite and the Russian intercontinental missile capability. The satellite has in a way implemented the idea of the open sky; through this development, worldwide observation has become an obvious possibility. On the other hand, the launching of a massive attack by intercontinental ballistic missiles requires very little visible preparation. Therefore, observation from the open skies will not accomplish the purpose of advanced warning."

Thus speaks one of the world's most distinguished nuclear scientists, in a field in which his qualifications are preeminent. We begin to see that finding the proper means by which to assure unbroken compliance with agreements on nuclear disarmament encompasses extreme difficulties. High sounding compacts for peace, no matter how enthusiastically approved, mean nothing unless they also provide for the means of inspection and control. Those means must be fully and clearly laid down and must be susceptible to efficient enforcement. This seems to me, as a lay citizen, to be a perfectly obvious necessity. And it suggests one understandable reason why our Government is not rushing headlong into a summit conference where a platitudinous disarmament proposal would produce more folly than peace.

Our first task, in the President's words to Congress on January 9, "is to insure our safety through strength." This is an aim which all of us share. But, in achieving it, and in maintaining it, there are unhappy, and sometimes, bitter differences of opinion. Just a few days ago, the Senate approved a supplemental defense appropriation bill of one and a quarter billion dollars. In approving it, however, some Senators denounced it. One Democrat gave as his opinion that the bill's inadequacies were obvious. Anyway, nobody voted against the bill. The fact is, of course, that the American people want, and are prepared to pay for, whatever may be required to establish requisite defensive military strength. There is no doubt of that. Here, again, we confront a highly specialized, complex, professional problem. It involves the best judgment of experienced military personnel. It certainly includes the wisdom and the vision of our men of science. It rests, also, on men in industry and labor as to our productive capabilities. And in this Republic of ours, the final recommendations to the Congress must come, constitutionally from the civilian leadership of the executive branch. Fallibility is a human trait. Any of us, or all of us, can be wrong. But I must say, as a lay Senator, that I have followed, and I intend to continue to follow the President's military and defense recommendations. And I say also that that, in my view, is what the people of the Nation want us to do.

Listen to the words of a great airman, Nathan F. Twining, chairman of the Joint Chiefs of Staff, speaking on February 3 to the Senate Foreign Relations Committee:

"It is my understanding that this committee would like to have my views on the military strength of the United States and its Free World allies versus the Communist bloc nations—now, and in the future.

"First. Let me say that I believe we have sufficient strength, in being, as we sit here today, to deter the Soviet from attacking us.

"Second. If through some miscalculation of our military abilities the Soviet Union should be foolish enough to commit aggression against the Free World, I believe we have strong enough retaliatory forces to devastate Communist territory and win any war forced upon us."

Those are reassuring words from the chairman of our Joint Chiefs of Staff.

I sometimes am afraid that we may become so preoccupied with military defenses that we will overlook the fact that nations can be—and have been—subjugated and destroyed by nonmilitary means. There is considerable evidence at hand that the Soviet leaders are busily engaged in creating diversions to distract attention from their main goal, like the old sleight-of-hand artist who has you concentrate on his right hand while he pulls a rabbit out of the hat with his left. What better diversion could there be than to have a satellite in the skies—than to threaten free men with military might—while, one by one, free nations are picked off? That has been the sad history, over the years, of a number of once proud, and free, eastern European nations.

For example, why is it today there are hundreds of Soviet students in Moscow studying the Hindi language? Why does the University of Moscow enlist the Ambassador from Ceylon in teaching a relatively unknown dialect used only in Ceylon? In his state of the Union message, the President points to the Communist regimes as having begun to concentrate heavily on economic penetration, particularly of newly developing countries, as a preliminary to political domination. This nonmilitary drive, if underestimated, could defeat the Free World regardless of our military strength.

The President asks for a strengthening of our mutual-security program. I believe this program has been good for our country. It consists of aid to friendly countries, both military and economic, and the bulk of the latter is on a repayable loan basis with interest. Our assistance to Turkey, for example, has permitted that excellent country, living on the flank of the Soviet Union, to increase her defensive strength, and that, as I see it, has been good for the cause of freedom. On the other side of the world, we have helped the Republic of Vietnam. She proudly proclaims her comradeship with the United States, as she develops her own economy right on the borders of Red China. I think our participation in the North Atlantic Treaty Organization has materially assisted in deterring Communist aggression in Europe.

There must, of course, be reasonable and realistic limits to any Federal undertaking. This is true of mutual-security legislation. I do not believe we can buy friendship. I do not believe the United States can undertake to underwrite the economic needs of the globe. I do not believe that any country should be able to play off Russian aid against our own. I do not believe we should help to support Communist governments. But, in a background of such restrictions, I am convinced our mutual-security program must be continued, as the President has urged.

I repeat that the recommendations of the administration form a background from which solid progress this year can be made. Support need not be made on a rubberstamp basis. There is room for honest differences on some of them. But the President has laid down the guidelines and the goal. The broad gages of the path along which we must travel have been set for Congressional deliberation and action. As Lincoln said, in his day, "While some of us may differ in political opinions, still we are all united in one feeling for the Union. We all believe in the maintenance of the Union." We still do, we still will, in the years which lie ahead.

Tribute to Mike Palm

EXTENSION OF REMARKS

OF

HON. CARROLL D. KEARNS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1958

Mr. KEARNS. Mr. Speaker, it is my privilege today to pay long overdue tribute to Mike Palm, for 10 years now the genial host at the Mike Palm Restaurant

on Independence Avenue that serves what many people believe to be the best food on Capitol Hill.

Mike is a native of Philipsburg, Pa., and was all-American quarterback at Penn State back in the twenties. He went on to gain still further renown in professional football with the New York Giants.

Mrs. Helen Garrison is Mike's chef, and he will stack her culinary skill alongside anyone's. She has been with him for 8 years, formerly cooking for the Ugly Duckling, an eating place well remembered by oldtimers on the Hill.

When Mike read about Pennsylvania potatoes in Roll Call, he decided to help the cause of Pennsylvania farmers, and on February 4, 1958, he joined the House restaurant in serving Helen Monoc's potato soup, which by then had had nationwide attention.

Immediately a controversy within a controversy began. No longer was it a question of whether bean soup or potato soup excelled—the debate had narrowed down as to which was tastier, the potato soup served at Mike Palm's or that served at the House restaurant.

It is a pleasure to pay this small tribute to a fellow Pennsylvanian who was willing to join in an effort to help the potato farmers of our great Commonwealth.

I might add that the National Potato Council will be having a convention in Washington in 1959, and Mike Palm will be recognized at that time for his fine contribution to the potato growers of America.

Death of the Honorable Marvin B. Rosenberry, Retired Chief Justice of the Wisconsin Supreme Court

EXTENSION OF REMARKS
OF
HON. WILLIAM E. PROXMIRE
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES
Wednesday, February 19, 1958

Mr. PROXMIRE. Mr. President, I have prepared a statement relative to the death of Hon. Marvin B. Rosenberry, retired Chief Justice of the Wisconsin Supreme Court, one of our State's most distinguished jurists. I ask unanimous consent that the statement be printed in the CONGRESSIONAL RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Last Saturday the citizens of Wisconsin were grieved to learn of the death of one of the State's and indeed one of the Nation's most distinguished jurists. Marvin B. Rosenberry, justice of the Supreme Court of Wisconsin for 34 years and the chief justice for 21 years, died on Saturday, 3 days after his 90th birthday.

Justice Rosenberry, throughout a long lifetime dedicated to public service was an outstanding Wisconsin jurist and one of the State's outstanding citizens as well. A colleague who knew him well described him as the yardstick against which we measure citizenship. The president of the University of Wisconsin once called him "the district attorney of democracy." He retired from the Wisconsin high court in 1950 after the longest service as chief justice in the State's history. He maintained his interest and participation in public affairs until his final illness.

Justice Rosenberry was born in Medina County, Ohio, February 12, 1868. Soon after, his parents moved to Fulton, in Kalamazoo County, Mich. He studied at the Michigan State Normal School in Ypsilanti, Mich., and earned a law degree from the University of Michigan in 1893.

After graduation he became a partner in a law firm in Wausau, Wis., and also served as city attorney for Wausau from 1902 to 1908.

In 1916 he was appointed to the Wisconsin Supreme Court by Gov. Emmanuel L. Philipp. He was reelected to the State's highest judicial office in 1918, 1919, 1929, and 1939. He became chief justice in 1929, when as the senior justice he succeeded Chief Justice A. J. Vinje at his death.

Justice Rosenberry wrote hundreds of important decisions in his many years on the bench, and he gave particular attention to the field of administrative law, which grew to its great significance during his distinguished career. His opinions and interpretations of administrative law were cited widely, particularly since Wisconsin was a pioneer State in developing much of our administrative law. Among his important decisions were the first case upholding the 8-hour day in Wisconsin, several key cases involving delegation of legislative powers to administrative agencies, and interpretations and applications of the Wisconsin Corrupt Practices Act.

Aside from the Wisconsin bench, Justice Rosenberry did important work as a member of the Council of the American Law Institute and as one of its advisers in restatement of the law of agency and the law of implied contracts.

He wrote numerous papers and gave many addresses on administrative law and the Constitution. He was also well-known for his talks to lay audiences on citizenship and its duties.

Justice Rosenberry was an active and dedicated citizen of his adopted hometown of Madison, Wis. He was a charter organizer and president of its first Community Union in 1922, and participated in most of Madison's Community Chest and United Givers' Fund drives since that time. In 1926 he was president of the Wisconsin Council of Social Work and in 1937 he was president of a citizen's committee on public welfare. He served as president of the Wisconsin State Bar Association in 1926 and 1927.

In 1951, after his retirement, Justice Rosenberry served at the head of a commission which drew up a desperately needed redistricting plan for Wisconsin's State legislative districts, and in recent years he supported a plan for reorganization of the State courts.

A sincere concern for youth and a love of the outdoors made him Wisconsin's No. 1 scouting enthusiast, and he was honored with the Silver Beaver Award in 1937 and the Silver Antelope Award in 1944, the highest awards given by the scouting organization to adult leaders. He was honorary president of the Four Lakes Scout Council of Madison for many years. In 1938 he was elected to the Seventh Regional Scout Council, comprised of several Great Lakes States.

For the last 17 years, he gave annual awards to the outstanding graduates of the Lakewood Grade School in his home community of Maple Bluff.

He was an honorary 33d-degree Mason, a member of Forest Lodge 130 of Wausau, of the Madison Scottish Rite bodies, the Zor Shrine, the Moose and Elk Lodges, the University Club, the Madison Club, and Maple Bluff Country Club.

He served as a junior and senior warden of his church in Madison, the Grace Episcopal Church.

Justice Rosenberry has been given honorary doctorate degrees by the Universities of Michigan and Wisconsin, and by Marquette University, and other honorary degrees by Beloit College and Michigan Normal College.

His avocations were reading, hunting, fishing, golfing, and hiking, and only in recent years did his advancing age force him to let up on his outdoor activities.

Justice Rosenberry was married in 1897 to the former Kate Landfair, at Leslie, Mich., who died in 1917. In 1918 he was married to Mrs. Lois K. Mathews, who was at that time dean of women at the University of Wisconsin. Besides his wife, he is survived by a son, Samuel, a New York City attorney, and a brother and a sister.

Justice Rosenberry was one of the best-loved public figures of my State, and the entire State is grieved by his passing.

Lithuanian Independence

EXTENSION OF REMARKS
OF
HON. CLAIR ENGLE
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 19, 1958

Mr. ENGLE. Mr. Speaker, the 40th anniversary of Lithuania's independence was observed on February 16th by Lithuanians the world over, and I am honored and happy to join my colleagues in hailing a valiant country and a courageous people.

After more than 120 years of subjugation under Czarist Russia the tiny country of Lithuania became a free nation in 1918. A brief 22 years followed and again Lithuania lost its precious freedom when it fell under the yoke of Soviet domination. The taste of freedom was indeed a fleeting one but the flavor never wore off. And today the hunger for freedom has grown in intensity and the people of Lithuania continue to reach unflinchingly for the cherished fruit. The plight of these people has inspired the sympathy of all free people. But beyond that it has inspired a deep awe and abiding respect for those resolute men and women who have never in their hearts submitted to the Soviet tyranny or flagged in their drive for independence—in the face of the greatest odds and the most brutal reprisals.

In the State of California we have many fine men and women of Lithuanian blood, and last week they joined with other Lithuanian-Americans all over the country in mass meetings to commemorate the independence of their mother country. Their compatriots behind the Iron Curtain could not mark the day in such overt demonstrations. There they paid homage to the great day in the privacy of their thoughts and in their prayers. But by that mute recognition they have added one more layer to the substance that will one day make of them free men and women. It is our fervent hope that the seams in the Iron Curtain

are weakening under the pressures from the outside world and that the Lithuanians within are getting some comfort from the knowledge seeping through that we cannot and will not forget them in their fight for freedom.

A Special Welcome to 40,000 Students in the United States

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES
Wednesday, February 19, 1958

Mr. WILEY. Mr. President, on many occasions it has been my pleasure to point out that one of the greatest assets of America—one of the finest resources of the Free World—consists in the foreign students who study in American institutions of higher learning under the Fulbright and other public and private programs.

We, of Wisconsin, have always been interested in foreign students; partly because, numerically, we have enjoyed down through the years, the largest contingent of foreign students on any American campus in the land.

But whether we have the top number, or the second highest number, is not nearly as important, we feel, as the splendid quality of education which we feel the foreign students get at our State university.

I was pleased to note that, next Thursday a week, there will be observed by our neighbor State of Michigan, a special day in honor of the 3,000 foreign students who attend the colleges and universities of the Wolverine State.

I congratulate our neighbors on this splendid occasion. I hope that other States will hold similar observances.

I may say that local rotary clubs in my own State have held foreign student days at which that fine organization has played host to the students from foreign lands.

I send to the desk now two pertinent items.

The first consists of an editorial from the Saturday, February 15, Washington Evening Star which rightly praises the Michigan observance.

The second is an open letter which I, personally, was pleased to send to the foreign students at the University of Wisconsin.

I ask unanimous consent that both items be printed in the CONGRESSIONAL RECORD.

There being no objection, the editorial and statement were ordered to be printed in the RECORD, as follows:

[From the Washington Evening Star of February 15, 1958]

OUR FOREIGN STUDENTS

Michigan has undertaken an interesting experiment in setting aside a special day—February 27—to play host to the 3,000 foreign students who attend its colleges and universities. The students have been invited to flock to the capital at Lansing on that date to take part in a program that will put them in personal contact with State officials and leaders of business, labor, and various civic enterprises. The purpose of the project is to give these young men and women, all of whom will return eventually to their home countries as potential leaders, some good and enduring impressions of our free way of life and the friendship we seek to establish with peoples everywhere.

This is not an earth-shaking idea, of course, but it is certainly a laudable one. All told, about 40,000 young persons from abroad are now studying at our higher institutions of learning from coast to coast. When they go back to their own lands, they will begin playing influential roles, and they will have something of America in them, in one degree or another. Accordingly, in the sense that it can help to promote friendship and understanding for our country overseas, Michigan's experiment might well be duplicated in other States whose colleges and universities have a substantial number of these students. Although the value of a project of this sort cannot be measured in concrete terms, we can be reasonably sure of its general worthwhileness.

AN OPEN LETTER TO FOREIGN STUDENTS AT THE UNIVERSITY OF WISCONSIN

DEAR FRIENDS: I was interested—and delighted—to read in this week's newspapers that there are as many as 665 foreign students now enrolled at the University of Wisconsin in Madison, out of our total enrollment there of 16,234.

You, the welcome foreign nationals, represent 70 countries and 5 United States Territories.

When I noted these splendid facts, I thought that I would write this open letter to you. I have several purposes in mind.

First, I want to tell you how gratified I am that Wisconsin's great State university continues to enjoy, and rightly so, so wonderful a reputation as to attract seekers of the truth from all over the world.

There has always been an international and a cosmopolitan flavor to the student population at the university. It is nice to know that this is truer today than ever before, because today's headlines confirm how important it is that the ties of the Free World be strengthened.

We benefit from your presence, just as we know you benefit from studying in Madison.

We know that you have much to contribute to us, to teach us about your lands and your peoples, just as you learn from us and about us.

Secondly, I wanted you to know that we are wishing for you all of the very best in your careers.

When you return to your home countries, it is our hope that your nations will make the best possible use of your talents and abilities.

Among you there is, perhaps, a future prime minister, or foreign minister, a secretary of agriculture, or labor, or education. Among you there are—in the making—great scientists, philosophers, writers, businessmen, labor leaders, cooperative leaders, farmers, educators, and just about every other specialty in life.

The reason we hope you will grow to your fullest potentiality is because we feel that this will be a more peaceful, more prosperous world if every individual land has the strongest and best possible leadership.

As we look around the world scene we see how, in many free lands, the foreign alumni of American universities have risen to high rank in public and private affairs.

Naturally, we are delighted that young people who studied with us have now grown to such eminence. We know that they carry with them, in their minds and hearts, the memories of happy, rewarding days on our college campuses. We know that they remember, to, the many friendships which they developed during their stay in the United States.

We hope that, in the years to come, more and more nationals from your lands will be able to visit and study in our land under private, Fulbright, or other programs. We want, however, the two-way street to be constantly widened. We hope that even more American youngsters will have the opportunity to study abroad.

We recall the very pleasant Rogers and Hammerstein song about friendship:

"Getting to know you—
Getting to know all about you * * *"

In this process, we know that you will like us more and more, just as we get to understand and like your peoples more and more.

In and after Madison, we wish you every possible success in your academic career and in your lifetime pursuits which follow.

Sincerely yours,

ALEXANDER WILEY.

Fashion Foundation of America

EXTENSION OF REMARKS
OF
HON. FRANCIS E. DORN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 19, 1958

Mr. DORN of New York. Mr. Speaker, it is my pleasure to take official cognizance of the program of the Fashion Foundation of America, organized to give recognition to designers of America by citing persons, places and products—encouraging better living through better design.

The Fashion Foundation of America believes the United States fashioners are the best equipped to meet the demands of American men and women in all fields of endeavor. Too often our talented artisans are overlooked because there are those who would have us believe it is no good unless it has a foreign label.

The American women are the best dressed in the world. The Fashion Foundation of America, in selecting the following America's best dressed women for 1957–58, paid special tribute to Mrs. Dwight D. Eisenhower for her modest but definite fashion leadership at official state functions:

Public life, Mrs. Dwight D. Eisenhower.
Ambassador of fashion, Mrs. Richard Nixon.
International set, Irene Albert.
Stage, Rosalind Russell.
Author, Duchess of Windsor.
Business, Helen Neushaefer.
Screen, Elizabeth Taylor.
Television, Denise Lor.
Supper clubs, Lena Horne.
Opera set, Mrs. Lauritz Melchior.
Hostess, Perle Mesta.
Press, Kathryn Cravens.
Saleswoman, Julia Meade.
Concerts, Elaine Malbin.
Sports, Mrs. Leon Mandel.
All-American, Mrs. Robert Meyner.

The following received Fashion Foundation of America medals symbolic of America's best dressed honors for 1957–58

in the men's division as announced by Ben Russell, prominent New York custom tailor, as chairman:

Statesman, Dwight D. Eisenhower.
Society, Henry Ford.
Press, Roy Howard.
Business, Jerome K. Ohrbach.
Producer, Bob Finkel.
Television, Jack Benny.
Host, Wilbur Clark.
Music, Sammy Kaye.
Stage, Robert Preston.
Screen, Cary Grant.

The following persons and products are among those cited for the gold medal award of the Fashion Foundation of America for 1958:

Oldric Royce, New York designer who left European capitals for America in 1939. Cited for originality and inspiration to youth in women's wear field.

Jesse Schwayder, of Denver, Colo., founder of Samsonite luggage, for his revolutionary luggage, ever mindful of style and design above functional requirements.

Sam Rudofker, of Philadelphia, Pa., for After-Six Formal Wear, design and originality in the men's formal wear field.

H. B. Atwater, of Minneapolis, Minn., for Scott-Atwater outboard motors, outstanding design in the outboard motor field.

Proposed Resolution in Honor of the 800th Anniversary of the City of Munich, Germany

EXTENSION OF REMARKS
OF
HON. CARROLL D. KEARNS
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 19, 1958

Mr. KEARNS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following proposed resolution in honor of the 800th anniversary of the city of Munich, Germany:

Whereas the city of Munich, Germany, throughout the history of civilized man has always been regarded as a key center of learning, culture and science, and

Whereas the people of Munich for centuries have been taking this great heritage to all corners of the world, and

Whereas the people of Munich and their compatriots in Germany have contributed much to the enrichment of the American way of life, and

Whereas the United States of America has prospered under the contributions made by the people whose ancestors first came forth from that great center of Central Europe in all aspects of art, music, science, education, medicine, and other constructive contributions for the advancement of mankind, and

Whereas the city of Munich, founded in the year 1158, is joyously entering a period of celebration during the summer of 1958, marking the 800th anniversary of its founding: Therefore be it

Resolved, That we, the House of Representatives, proudly and with pleasure salute and hail this great city in recognition of its 800th anniversary and pray that the world will continue to benefit from its expanding heritage.

Freemen Against Time

EXTENSION OF REMARKS
OF
HON. HENRY M. JACKSON
OF WASHINGTON
IN THE SENATE OF THE UNITED STATES
Wednesday, February 19, 1958

Mr. JACKSON. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address on the subject Freemen Against Time, which I delivered at the National Military-Industrial Conference in Chicago, Ill., February 17, 1958.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

FREEMEN AGAINST TIME

(Address by Senator HENRY M. JACKSON before the National Military-Industrial Conference, Conrad Hilton Hotel, Chicago, Ill., February 17, 1958)

I am deeply honored by this opportunity to be with you this morning.

This conference meets at a time when the prestige of our country has been badly shaken. Sputnik called into doubt many time-honored assumptions about comparative American and Soviet scientific military strength. We lost a race for discovery which we should have won.

For the past 6 months, we have been engaged in a great reexamination of our national course and destiny. Fortunately, this reappraisal has for the most part been kept out of the partisan political arena. This is as it must be. In fact, no one party, and no one person, has had a monopoly of wisdom and foresight.

The decisive question, furthermore, is not what we as a nation did or failed to do in the past. It is what we as a nation do, or fail to do, today and tomorrow.

If sputnik were only one isolated Soviet technical triumph interrupting a long and continuing series of American victories, it would not have been too alarming. But sputnik is not an isolated incident. It is part of a clearly discernable pattern—a pattern of ever-growing Soviet achievement in the scientific, technical, and military spheres.

The harsh meaning of this pattern of growing achievement is simply this:

If events proceed on their present course, we will become a second-class military and political power, while the Soviets become the dominant nation of the world.

I do not say this is inevitable. But I say this will happen, as relentlessly as day follows night, unless present trends are corrected.

These solemn words are not said lightly; they are said because I earnestly believe they accurately describe the prospect now before us.

Let me try to explain why I believe this is so, and what I think we can and must do about it.

The ingredients of national military power are well known. They are four in number—land, people, natural resources, and industrial capacity and technology. The Communist world now surpasses our Nation in 2, or possibly 3, of these categories. We are clearly ahead only in one.

Land: The Communist land mass is four times as large as our own country.

People: There are about 1 billion people in the Red empire, as against 175 million Americans.

Natural resources: The mineral wealth and raw materials within the Communist empire are probably more diversified and more abundant than our own.

Industrial capacity and technology: America now outstrips the Communist world in only one ingredient of military power—our superior industrial might. This has been our trump card in the struggle with the Soviets. Heretofore, our industrial lead, and the superior weapons which this lead made possible, have canceled out the Communist advantage in land and people.

Furthermore, our system of Free World alliances has combined with American industrial supremacy to help offset Communist superiority in land and people. The assets of the Free World when thus joined have been greater than those of the Communist empire.

Moscow knows what she must do to acquire preponderant power. Moscow knows how the world balance of power can be tipped decisively against the United States. Moscow knows that if the Soviets can overtake us industrially and at the same time neutralize our allies, the Communist world will have preponderant military and political power as well.

As Mr. Khrushchev puts it: "We do not need a war to ensure the victory of socialism. Peaceful competition itself is enough. * * * One cannot stop the course of history."

When I was visiting Russia in 1956 on behalf of the Senate Armed Services Committee, we went to see the Agricultural and Industrial Fair in Moscow. The first display to which our Communist guide took us was a large chart comparing Soviet and American industrial production. The Soviet line of growth caught up and passed the United States line in the mid-1970's. Our guide declared with confidence: "We will beat you—industrially."

In my talks with ordinary Russians, they repeated the same point—they were making tremendous industrial progress, building new plants, constructing new hydroelectric projects. They proudly showed us the site on the Volga River near Stalingrad where a 2,300,000-kilowatt dam is being built. This dam will produce about 300,000 more kilowatts than our own Grand Coulee Dam. The Soviets are known to be building other great dams, one of which will be twice the size of Grand Coulee.

We Americans know we have the most productive economy of all history. It seems to most of us inconceivable that the Soviets can ever equal let alone surpass us, in science, technology, and industry.

But is this really inconceivable? Before we can give a confident answer to this question, let us examine the record.

Go back in history with me some 30 years. The year is 1923. Stalin has just announced the first 5-year plan. The forced industrialization of the Soviet Union is started. Halfway around the world stands the United States, the undisputed scientific and technological leader of the world. Soviet production is but a tiny fraction of our own—their coal production less than 2 percent of ours; their petroleum output less than 10 percent of ours; their steel production likewise less than 10 percent; and their electric power output less than 5 percent of ours.

Any person predicting in 1928 that, within a generation, the Soviets would be seriously challenging American industrial supremacy would have been regarded as having a loose mind.

But now we know what happened. Albeit at the cost of fearful sacrifices, Soviet industrial production began to soar upward—at an ever-increasing rate. At the same time, the Russian rulers put overriding priority on training more and better scientists and engineers. A new elite was born in the so-called classless society—the community of scientific researchers and technical managers.

Forced savings were imposed upon the groaning Russian people. The production of consumer goods was held to a trickle. Capi-

tal goods and armaments began to be produced in torrents.

First in science and engineering, first in heavy industrial expansion, first in armament production—this was the three-part formula which Stalin believed would bring his Communist empire eventual mastery of the world.

After World War II a few Americans with unusual foresight raised storm warnings about the coming challenge of Soviet science and technology. But their words went largely unheeded. In 1945, after all, we alone possessed the atomic bomb; we alone possessed an economy that had gone through the war unscathed.

People talked about the American century—an era in which our country would play the same dominant role that was played by Great Britain in the 19th century.

But such prophecies were not read by the Soviets. They were too busy—working. While we boasted of our destiny, the indexes of Soviet industrial output continued to soar upward at an annual rate roughly twice as great as our own.

In 1949 came the first sledge-hammer blow to American prestige. The first Russian A-bomb was exploded—years ahead of the predicted time. In 1953 another sledge-hammer blow fell—the first Russian H-bomb—only months behind ours. Then blow came upon blow. In 1955, we saw the first Russian long-range jet bomber, once more ahead of schedule. In 1956 the Soviets tested ballistic missiles with a longer range than ours. By 1957, they possessed operational IRBM's, while we did not. And then came sputnik—with its portentous news of the powerful thrust of Soviet rockets.

Now here is the truly sobering point: Russia still produces less than half as many goods as does our Nation. Yet despite this existing inferiority in overall production, the Soviets are ahead in the race for the ICBM; they beat us in the race for the first step into space; and they are swiftly closing the gap in those less important military areas where they still lag behind.

How, despite our overall industrial lead, has Moscow managed to do so much? The answer is, of course, clear. The ruthless and single-minded Soviet dictatorship has channeled an enormous proportion of Russia's resources directly and indirectly into the goods of war, and into building the factories and training the brains needed to produce these goods.

Since the Korean armistice, an average of only about 11 percent of our gross national product has been spent for national security; the comparable figure for the Soviets approaches 20 percent. During the past 5 years, an average of only 18 percent of our gross national income has been plowed back into capital formation; the corresponding figure for Russia has been about 35 percent.

Today engineering degrees are being awarded in Russia at more than twice the rate in this country. In 1956, when I visited a high school in Alma Ata in Soviet central Asia, I asked the principal what subjects he would emphasize that year. He replied: "Science training—in mathematics, chemistry, and physics—according to the decision of the 20th Communist Party Congress." At the University of Moscow with 21,000 students, 16,000 were enrolled in the sciences and only 5,000 in the humanities.

Yes, it is true that the picture on Russian television screens is smaller and less bright than on our own. It is true that Ivan Ivanovitch, if he has an automobile at all, drives one which lags 10 years behind American cars in design and performance. It is true that Russian housing is grossly substandard when compared to our own.

But all our television sets, all our automobiles, and all our fine homes will not long comfort us if we fall behind Russia in the competition for world military and political leadership.

The past is prolog. We have no good reason to think that the forward surge of Soviet science and technology will now suddenly be slowed. On the contrary, all indications point the other way. For 30 years, the Soviets have patiently planted the seed corn of basic research. Only now is this effort really beginning to pay off in applied technology.

Whereas in 1928 Soviet coal production was only 2 percent of ours, by 1957 it was about equal to ours. In 1928 their petroleum output was only 10 percent of ours; by 1957 it had grown to 26 percent. In 1928 their steel production was less than 10 percent of ours; by 1957 it was up to 50 percent. In 1928 their electric power output was less than 5 percent of ours; by 1957 it had risen to 29 percent.

Nor have we any reason to expect a reversal of past Soviet emphasis on heavy industry and arms production. In this respect the present Soviet leaders are no different from Stalin. The publicly stated goal of Mr. Khrushchev, is for the Soviet Union to overtake the United States industrially within 15 years.

In fact, as Russia's overall productivity increases, more and more goods will be available. Soviet leaders can thus meet the minimum demands of the civilian economy, and they can offer goods for export, without making real inroads into first-priority items.

The military situation today is grave enough, but the true gravity of our problem does not become apparent until we project into the future the present lines of Soviet and American industrial growth. Here is what such a projection shows: It shows an inexorable closing of the gap between the total industrial output of our Nation—a closing in favor of the Soviets.

This is not simply the projection I saw on the chart at the Moscow fair. Even our objective American economists who follow Soviet developments look at the trend lines and they cannot avoid the conclusion that if present relative rates of growth continue—roughly 6 percent for Russia and 3 percent for us—some two decades hence Soviet gross industrial output will surpass ours.

I might point out that actually over the last year our economy has not grown at all—it has in fact moved backward.

A projection of the present trends also shows our defense expenditures, relative to those of the Soviet Union, becoming smaller and smaller each year. It shows that, within the next decade, a continuation of current trends will give Moscow a commanding and decisive military lead over the United States.

This is strong medicine, I know.

Yet nothing whatsoever guarantees that we can keep indefinitely the preeminent position in world affairs which has been ours in the first half of this century. All history is the story of great nations which had their day and cease to be. The laws of historical growth and decline are still operating. World leadership is not an automatic American right. We will earn it, or we will lose it.

Today, we risk losing it.

The starting point for a program of national renaissance must be found in humility. We need less talking, and more doing. We need fewer cold-war words, and more cold-war acts.

Here is an example of what I mean: The defense budget now before the country. Supposedly, the 1959 budget represents a bold, new response to sputnik, and to the overall challenge of Soviet imperialism. It has been described in such terms as "the first space-age budget." Actually, however, our defense budget for the coming year differs scarcely at all from that of last year, and the year before that.

In 1957 actual defense expenditures were $38.4 billion. In 1958 estimated expenditures were $38.9 billion. For 1959 estimated defense expenditures are $39.8 billion.

The increase since sputnik is only $900 million, and this is mainly for increases in pay and airports. What small increase there is for the missile program is fully offset by curtailment in other military hardware.

Considering the increase in salary expenditures and the rise in prices, the proposed 1959 budget actually means a reduction both in armed strength and procurement.

Something is clearly wrong: Either we do not now have a crisis in national defense, or else we do not have a budget meeting that crisis head on. We cannot have it both ways; it is one or the other.

I do not claim that a stepped-up defense effort by itself will contain the Soviet threat. It will not. We face a total threat—extending over a worldwide military, political, economic, and cultural front.

I do not claim that there is any single program which, if adopted by the administration and supported by the Congress, will dramatically halt the relative decline of American power. There is no such single program. The tide of Soviet power has been surging forward for 30 years; it will not be suddenly reversed in 30 weeks or 30 months.

I do not claim that Government action is by itself sufficient. It is not. We require a truly national response, enlisting the talents, the ideas, the energies, and the devotion of all Americans.

I will go further. Our grand objective must be no less than this: A total Free World answer to the total threat of the slave world.

Here are the items which I believe must make up the minimum of such a total program for Free World survival.

First. We should increase our defense budget for the coming fiscal year by between $4 billion and $5 billion over and above the budget now before the Congress.

This is the least we should do to maintain the Free World deterrent to war. This is the minimum increase needed to stay alive.

The Strategic Air Command is the only deterrent, retaliatory striking force we have on hand. Yet the record contains impressive and uncontradicted evidence that our position in manned bombers is seriously deficient.

Additional funds are required to purchase more B–52's, B–58's and supporting KC–135 tankers that we urgently need to fill the gap until our missiles can match Russian missiles. Ultimately manned bombers will supplement ballistic missiles, but they cannot supplement missiles we do not have.

Also, increased funds are needed:

To speed the crucial dispersal of our Strategic Air Command;

To build as quickly as possible an early warning system against Soviet missiles;

To hasten the production schedules of our IRBM's and our ICBM's;

And to make a real start at building a retaliatory striking force of ballistic missile submarines.

While the greatest threat we face is all-out Soviet attack, this is not the most likely threat—today. Moscow probably prefers to inherit the world, if it can, rather than obliterate it. Our most likely immediate military danger is the limited Soviet thrust carefully calculated not to arouse this country to a showdown.

This being the probable Soviet tactic, we require fast-hitting modern mobile forces to deter local wars and to keep them from getting out of hand.

We need to restore the strength of our Army to a minimum of 18 active divisions. This is necessary because we do not have a truly ready combat reserve.

In addition we must make the pentomic divisions really pentomic, by speeding up the

supply of modern equipment. And we must give the Reserve Forces program steady support.

Second. We should make it a goal of national policy to increase substantially the rate of our industrial growth and technological development.

This is the only way we will get the additional weapons we need to keep us free, the economic tools we need to help keep our allies free, and the consumer goods we need for our well-being. We can have all three if we work hard enough.

Ours is a dynamic economy. We have the precious gift of freedom. We have enjoyed more material abundance than any society ever known to history. It is plain nonsense to say that we have now reached the limit of the rate at which our economy can grow. The true limiting factors do not lie in our factories, on our farms, or in our industries. The true barriers lies in our minds and in our wills.

Today, across the length and breadth of our land, hundreds of thousands of skilled workers engaged in vital defense projects are losing their jobs. The cost of this unemployment can no longer be measured purely in social and economic terms—in terms of foreclosures, interrupted careers, and bankruptcies. The cost must be measured in political and military terms as well. It is to me unthinkable that we should now let our human and material resources remain idle—at a time when the factories of our adversaries are running full blast, 24 hours a day, and 7 days a week.

Third. We should initiate a vast new domestic program to educate more and better trained talent to fit the mounting number of critical jobs.

The discovery of a single scientific genius can contribute more to man's prosperity than the discovery of some vast new body of iron ore. And likewise the discovery of one genius can now upset the military balance of power.

Yet this country squanders much of its talent. About 200,000 able American high-school students who could profit by college do not even go to college. As many as 100,000 to 150,000 might have gone to college had adequate financial support been offered them.

This is no time to quarrel over the respective roles of Federal, State, and local authorities in meeting the education crisis. Those with responsibility at each level should do what they can best do to help.

Moreover, new programs should not be limited to teachers and students in science and mathematics. We need more gifted, highly trained and experienced personnel in all fields, including diplomacy, and politics.

I hope Congress will soon pass Senator LISTER HILL's new bill, which I have joined in cosponsoring. This bill would give the country a constructive start on a strong program of scholarships and loans to students, aids to teacher training, help in improving vital teaching facilities, and encouragement to language study.

Fourth. We should promptly establish a National New Projects Laboratory under civilian direction, and responsible to the Office of the President.

This is one way to immediately make better use of science for national progress and survival.

We have been staggering along with incredibly inefficient arrangements for using science in the public interest. Efforts of scientists now engaged in the defense program are so fragmented and misdirected that we fail to concentrate on the problems basic to vital breakthroughs.

Our best scientists have no one central place to go to exchange ideas about critical problems and to examine and test possible approaches to them.

Today, brilliant men and women are lost to the national effort, because they see no place where they can devote their energies to the most significant questions.

It is high time we provided them with such a place—a National Laboratory under civilian leadership. The new Laboratory should be organized to lend support and assistance both to the operation presently directed by Dr. Killian and to the National Security Council. The Director of the new Laboratory should report to the President.

Fifth. We should rivet the NATO alliance by rapidly implementing a full-scale program of scientific cooperation.

Western Europe, standing by itself, cannot survive and flourish. And America, standing by itself, cannot survive and flourish. But Western Europe and America joined together as they are in the North Atlantic Treaty Organization can face up to the Soviet Union.

The time has come to make NATO far more than a military alliance. It should become a scientific, economic, and cultural alliance, as well.

I believe the people of the Atlantic community will make the needed effort for survival if their enthusiasms are engaged in great undertakings—if they feel they are building something—not simply defending something.

Improving the state of science is such a common cause, if we will only make it so. Through better science free peoples can advance not only their security but their prosperity as well.

Since 1956 I have served as Chairman of a Special NATO Parliamentary Conference Committee on Scientific and Technical Personnel. At the NATO Parliamentary Conference this fall, unanimous approval was given to our Committee's program to improve the training and utilization of scientists and engineers in the Atlantic community. I think our report was warmly received mainly because what we suggested would not only fortify the military potential of the alliance, but also would have enormous civilian benefits.

I hope the key projects in our report will be speedily implemented by the NATO Council.

I also hope this year will see notable progress in lowering the barriers to exchange of information in the NATO community. It is foolish and self-defeating to withhold from our friends what our Russian adversary already knows.

I am sure the American people are wondering where this all leads—where will all-out competition with the Soviet adversary take us? Will we end up in bankruptcy or in disaster, they ask.

In answer to that question, I want to say this: I believe that if we outperform the Soviets, we will outlive them. If we respond to the Soviet challenge on all fronts—military, political, economic, and cultural—we will see a stronger and better America and a stronger and a better Free World. We will accomplish things we would never accomplish otherwise. We will have to cooperate with our allies on a scale far surpassing the past.

I do not share the despair of some of our calamitymongers. On the contrary, our engagement in this competition can bring out the best in all of us and in our allies. Whatever our vocation or our calling, each of us has his work cut out for him.

Maybe the Russians do not realize this, but forcing this competition upon us, as they are, they give us the historic chance to prove the advantages and power of freedom.

Indeed, it is not impossible that Soviet leaders will destroy themselves. The Kremlin confronts a dilemma. To accomplish and maintain industrial growth, Soviet masters must allow some independent thought. In particular they must have capable scientists and engineers. They must educate their people to think. Scientific education breeds the logical and inquiring mind. But this in turn spreads doubt and uncertainty about Communist ideology and discipline.

Moreover, technological effort can only be sustained if some freedom is given to those who carry forward the creative work.

This is the Soviet dilemma: Soviet scientific and technological effort may sow the seeds of Communist political ferment.

However, we cannot take too much comfort from the prospect for internal difficulty in Russia. Dictators have a way of overcoming internal dissension by generating troubles abroad.

In conclusion, let me say this: We know there are dangers ahead. But beyond the great dangers lies great opportunity—on earth, and in space.

In the words of Theodore Roosevelt—whose 100th anniversary we honor this year: "We see, across the dangers, the great future * * * and we rejoice as a giant refreshed, as a strong man, girt for the race. * * * The greatest victories are yet to be won, the greatest deeds yet to be done. * * * There are in store for our people, and for the causes we uphold, grander triumphs than have ever yet been scored."

Address by Hon. Jacob K. Javits Before Lincoln Day Dinner, Minneapolis, Minn.

EXTENSION OF REMARKS

OF

HON. EDWARD J. THYE

OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

Wednesday, February 19, 1958

Mr. THYE. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address made by the distinguished and honorable Senator from New York [Mr. JAVITS] in Minneapolis on February 14.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

(Remarks of Senator JAVITS prepared for delivery before the Lincoln Day dinner of the Hennepin County Republican Committee, Leamington Hotel, Minneapolis, Minn., Friday, February 14, 1958, 7:30 p. m.)

THE REPUBLICAN CHALLENGE

This is a time of survival—survival nationally and for the Republican Party. Nationally we are threatened by the sudden spurt by the Soviet Union into the lead in missiles and rocketry. As a party we are threatened with a reversion to permanent minority political status as soon as President Eisenhower's term ends in the Presidency. Yet in recent history there has never been a time when the difference between the Democratic and Republican Parties should be more clear, and when the Republican Party has a greater opportunity to emerge as truly the party of all the people in the great tradition of its first leader, Abraham Lincoln.

The essential difference is that the Republican Party is traditionally the party which believes in the private economy, while the Democratic Party traditionally believes in Government as our main reliance. We should define the private economy to mean, as it does, not only management but labor, farmers, and consumers; not only privately owned businesses, but voluntary organizations and associations as well.

In policy statements on the present economic downturn, Democratic Party spokesmen are again showing their dependence on

Government as the panacea for everything. In fact it seems as if many Democratic Party spokesmen are almost engaging in wishful hoping for a depression to strengthen their chances of election victories in 1958 and 1960. Certainly they are speaking as if we are on the brink of economic catastrophe and only they can offer the people the biggest in relief if they are put in office.

It is my firm conviction that the American people want jobs not unemployment compensation preferably and that we in the Republican Party now have the opportunity and the duty to use the confidence which the private economy is said to have in our party to deal most effectively with the economic downturn.

Our political opponents are wont to level a charge that we are the party of economic reaction. We can and we must show by performance that any such statement is a political myth. Indeed, historically the Republican Party has an excellent record of timely accomplishment for the American people. For example, the Republican Party initiated the Sherman Act, assuring business competition, the Railway Mediation Board, the Norris-La Guardia Labor Anti-Injunction Act, the national banking system and the home-loan banks. In the field of public works, Republicans initiated Federal aid to slum clearance, established and carried out the first land-reclamation project, were responsible for the Grand Coulee Dam and 40 other such projects. The Federal aid to road building program was initiated by Republicans.

One fact that we Republicans must face is that we are given more to predictions as to what the private economy will do than action to see that it does it, even though we have all the tools to act to stem the recession trend.

The elections of 1958 are by no means decided, either for us or against us, for it is by now clear that although Republican fortunes may have been slipping, Democratic fortunes are being dealt a mortal blow by the bankruptcy of sound ideas from that side. Our party is in an enviable position in that we have the opportunity to act. In other words, we have the ball, and I am for running with it. I am deeply convinced on the basis of public sentiment in my own State of New York that elected officials of our party are very much on trial. The public is watching to see what the Republican national administration and the Republican elected officials in Congress and the States are going to do to meet the present grave twin emergencies of peace and economic prosperity. I fully believe that the public will not return to office officials who fail to show that they understand the gravity of the problems we face, have modern ideas to meet them, and are taking affirmative action to implement these ideas—and that party lines will be very fluid in 1958.

Certainly, superficial remedies, like an immediate across-the-board tax cut, while they may sound politically attractive, may prove to be improvident, useless in stemming any recession tide and only the basis for a new dose of inflation. On the other hand, the adoption of a more liberal depreciation policy to encourage a renewal of the momentum in automation and new industrial facilities which characterized the prosperity of 1956 and early 1957 may prove far more substantial in getting us out of the downturn and much sounder. Also, there is special income tax reduction which is urgently needed and deserved and should be considered before an across-the-board income tax cut. It includes Federal income tax reduction essential to encourage small business, tax deductions for parents sending children to college, and recognition of the income tax problems of the handicapped and older people.

The national mandate of our party since 1952 has been obtained through the peace leadership of President Eisenhower and his administration's ability up to the last quarter of 1957 when the downturn began to consolidate economic prosperity. Therein lies our greatest strength; the Eisenhower-Nixon team has been identified by Americans with the unceasing quest for peace, coupled with the confidence of the private economy. To maintain the leadership our party has taken, we need an action program to assure the people that we cannot only consolidate prosperous conditions but also that we can stem and reverse a recession. We need an action program to show further that we cannot only maintain peace but can also marshal the strength on which the hope for peace is based. This is bringing to bear the full power of the private economy in the struggle—and, I repeat, I include in the definition of private economy not only management but labor, consumers, investors, and farmers as well; in short, all facets of our Nation—which are private—are directly linked and contribute to our party's concept of the private economy.

Certainly the confidence that business has in the Eisenhower Republican administration is amply justified by the record. In the fiscal years 1952–55, until this administration could really take hold, the Federal Government ran a deficit of $20,700,000,000 largely based on what had been accumulated from the previous administration. This was reflected in an increase in the national debt in the same years by $15 billion. On the other hand beginning with fiscal year 1955–56, we have had a $5 billion reduction in the Federal debt out of surpluses. It may be that the necessary spending to meet the Soviet threat to the free world in weaponry and the recession threat may force deficit spending and increased debt. But the basic point which we must remember is that under a Republican administration deficit spending is considered an emergency measure, not a way of life, and that we have helped establish the substance to allow us to afford it without inflation. The fact is that as a percentage of the national income the national debt is now at $275 billion, 75 percent as against 136 percent in 1946, when our national debt totaled $270 billion.

The President has already begun an action program to offset the economic downturn. Now we in the Congress and in the country have the responsibility for getting enacted into law measures he has urged to meet the emergency as well as a responsibility to develop new ideas in the same area.

This session of the Congress will show to what extent Republican Senators and Congressmen will rally behind the President's programs and give the leadership which the country expects of them. This will be a crucial point in the 1958 elections. Let us see how Republicans will measure up on important key votes that are coming up—like:

1. Extending the reciprocal-trade agreement for 5 years as the President has asked.

2. Appropriating the requested $110 million for the United States Information Agency to enable this voice of freedom to perform its vital task overseas.

3. Increasing by $2 billion the lending authority of the Export-Import Bank.

4. Increasing by $625 million the Foreign Economic Development Fund.

5. Appropriating an additional $200 million for urban renewal and slum housing clearance programs, so badly needed in many metropolitan areas to meet the housing needs of our people.

6. Adopting the President's program for Federal aid to higher and secondary education that will help bring our educational plant to what it should be to help meet our needs and Communist competition.

To keep our party abreast of the needs of the public I advocate convening a mid-term national strategy convention sometime after the election of the new Congress this fall and before the 86th Congress convenes in January next. The organization of this conference could well follow the precedent of the Republican conference at Mackinac Island in 1943. In this way we may analyze our party's programs without being subjected to the pressures of developing them in the heat of a national election campaign.

Our immediate need is to develop an action program to assure the people of our ability to act decisively to meet emergencies. The philosophical keys to our program should be based on the spirit of Lincoln, equality of opportunity in employment, education, social and individual status and effective exploitation of the strength of the private economy for stabilized prosperity and peace. As a start I offer here the following 12-point program of suggested action in specific areas:

1. Foreign aid, trade and investment: Enact the President's request for $1,415,000,000 for economic aid and technical assistance in the next fiscal year (it includes $865 million for defense support under our mutual-security program, and an additional $651 million for technical cooperation and other special assistance) including the President's special worldwide contingency fund and our expanded contribution to United Nations technical assistance; extend the Reciprocal Trade Agreements Act for 5 years without crippling restraints on the President's negotiating authority and give Federal aid to small business which is adversely affected by foreign imports; increase the foreign economic development loan fund by $625 million and expand the lending authority of the Export-Import Bank by $2 billion as recommended by the President; allow accelerated amortization for foreign private investments and extend the 14-point income-tax reduction given to Western Hemisphere investments to investments in any part of the free world when coordinated with United States foreign policy; enter into partnerships for economic aid and technical assistance in key areas like the Middle East with other countries including some of our NATO allies to create little Marshall plans on a regional basis; and double the rate of overseas private investment from the 1956 level of close to $3 billion a year to $5 billion a year in 6 years.

2. Defense policy: Enlist the private economy in the missiles and rocketry race to accelerate our progress; institute substantially the changes in operational control of the Armed Forces recommended by the Rockefeller report making the Chairman of the Joint Chiefs of Staff principal military chief under the authority of the President and the Secretary of Defense; expand the National Security Council to include public members and a public report; coordinate the defense scientific efforts with real authority in Dr. James Killian, the President's scientific adviser; give serious consideration to providing standby controls on materials, manpower, and credit, subject to Congressional veto if the defense catchup lags; and strengthen our civil defense with an attack-proof radio net, stockpiles of food supplies and industrial reserves and consider a program for shelters to protect against radioactive fallout.

3. Foreign policy: Make freedom of information between East and West a requirement for top-level negotiations between the heads of state of the United States and the Soviet Union and specifically end radio jamming and lies about United States policy in the Soviet Government controlled press; work out a broad interchange of persons with countries behind the Iron Curtain, especially of students and tourists, and enlist the nations of the world through the United Nations behind this equal time free exchange of information and persons principle; treat our allies as partners and assure them of prior political consultation on major foreign policy moves; and adopt a consistent policy

with reference to areas still under colonial diction on the World Court, adopt the United Nations facilities for mediation as they were used successfully in Pal, Iran, Indonesia, and Suez; confer a measure of compulsory jurisdiction on the World Court, adopt the United Nations convention on genocide; and join in the codification of international law to prevent discrimination against foreign private investments.

4. Education: Enact administration's program for 10,000 higher education scholarships per year plus aid to teaching in science and mathematics; add to the administration's program a $1 billion Federal student loan program to enable an additional 50,000–100,000 students to pay their way through college with low-interest loans repayable after graduation guaranteed by the Government on an FHA-type of guaranty, a Federal program to expand teaching facilities in colleges and universities on a formula similar to that provided in the Hill-Burton Act for hospital construction after World War II and Federal aid for school construction to provide for more than 100,000 classrooms during the next 4 years in addition to those now being built, enabling us to virtually wipe out the present shortage of approximately 140,000 classrooms by the fall of 1962, instead of suffering under it until sometime in the 1970's when State and local school construction programs finally catch up.

5. Labor-management relations: Enact Secretary of Labor Mitchell's program for public reporting and fiduciary responsibility in connection with union financial matters and welfare funds; enact the administration's program for aid to underdeveloped areas of persistent unemployment at home; enact the Ives bill for internal democracy and grievance machinery to protect minority rights of trade-union members; but do not enact so-called right-to-work laws; encourage the establishment of labor-management productivity councils functioning under an agency like the Labor Policy Committee of the War Production Board during World War II, to materially increase output over the present normal increase of 3.3 percent per man-hour for the private economy.

6. Small business: Enact the administration's program for small business including reduction by one-third of Federal income taxes on the first $25,000 of earnings and combine this with the salient provisions of Senator Sparkman's bill to allow reinvestment funds for small business expansion out of income-tax allowances from the first $30,000 of earnings, individual retirement plans for small-business men equivalent to labor's retirement funds and depreciation for used machinery and equipment; increase technical assistance and research facilities for small business and allow small business cooperation for such purposes on a regional basis under safeguards for the consumer and public interest without violation of the antitrust laws.

7. Farm policy: Recognize the technological revolution in farm production including major productivity increase and trend of population away from the farm and ask farmers how to best spend the approximately $5 billion to be appropriated for aid to agriculture in the next fiscal year; enlarge the authority of the Commodity Credit Corporation by at least $1.5 billion to sell surplus agricultural commodities abroad for local currencies to aid people in underdeveloped areas seeking to partially industrialize through the transition period when farmers are diverted to factories and expand research on new uses for farm products as requested by the President; advance the consumption of milk and other dairy products and meat; accelerate the Department of Agriculture rural development program with a separate budget particularly emphasizing vocational retraining and the establishment of new industries, especially adapted to rural areas suffering persistent unemployment like poultry processing plants, vegetable canneries, wool, and metalworking and instrument-making.

8. Housing and roads: Establish national objective of adequate housing with target of 1,500,000 units of new housing per year; extend maximum mortgage term to 40 years for FHA guaranteed mortgages and reduce present one-half of 1 percent per annum premium to single payment of one-half of 1 percent of mortgage principal, as this is justified by the actuarial experience of FHA; extend the urban renewal program for 5 years and increase the appropriation as the President has requested by an additional $200 million for the next fiscal year; require metropolitan area planning as an element of applications for urban renewal projects with appropriate allocations in new housing for low- and middle-income families and our older citizens and require fair and humanitarian relocation programs for families and small businesses displaced by Government-aided housing construction or federally aided highway construction.

9. Unemployment and social security: Adopt minimum Federal standards of unemployment compensation, as a beginning, at the level of the standards advocated by the President for adoption by the States since 1954 which include maximum benefits equal to about 50 percent of the worker's average weekly wage, a flat duration of payments for not less than 26 weeks (now the rule in 9 States with about 30 percent of our total working force), extension of unemployment compensation to all firms with one or more employees and to the 5 million State and local government workers and establishment as permanent of the expiring unemployment coverage provided for ex-servicemen; improve the social-security system to provide the equivalent in early retirement benefits for men now provided for women, to realistically improve benefits in accordance with existing standards of living, to eliminate the limitation on outside earnings and to provide against discrimination in employment on grounds of age.

10. Health: Enable existing voluntary health plans to extend their range of coverage to provide for older people, the indigent, the unemployed and others who are not valid actuarial risks. With 100 million Americans now carrying some form of health insurance or participating in private voluntary health plans the New Deal-Fair Deal proposal for health insurance is obsolete. Under a Republican health protection program the Government would be helping to fill in the vacant places created in the private economy rather than trying to replace or displace it.

11. Civil rights, immigration, and encouragement of the arts: The struggle for civil rights is the soul of the Republican Party. To obtain equal opportunity for all is vital to our moral standing, especially with the 1 billion peoples whose skin is yellow or black and who represent two-thirds of the population of the free world. We should continue to seek Federal legislation to empower the Attorney General to seek by civil injunction suit to safeguard civil rights of any person who cannot otherwise protect them provided by law wherever jeopardized; we should remove racial discrimination inherent in our immigration system and make permanent provision for refugees and escapees from Communist or religious persecution; we need to open up deeper spiritual values in our own country by putting new emphasis on the dignity of learning and scholarship, upon religious brotherhood and upon encouragement of the arts, in which our Government should now take a fair role consistent with our cultural opportunities.

12. Congressional investigations: Rules of fair procedure in Congressional investigations should be uniformly adopted for the House of Representatives and the Senate equivalent to the demands of due process of law. The House of Representatives and a substantial number of Congressional committees now have such rules, but they vary in content and application. Congressional investigation is vital. Respect for it is equally vital. The Supreme Court of the United States has established the guidelines which should now be followed in the Congress.

There is no radical departure from stated Republican Party policy involved in the program I have outlined. In acting to meet our current major emergency our party will be following the dictates laid down in the 1956 Republican platform adopted in San Francisco. This states: "We are proud of and shall continue our far-reaching and sound advances in matters of basic human need, expansion of social security, broadened coverage in unemployment insurance, improved housing and better health protection for all our people. We are determined that our Government remain warmly responsive to the urgent social and economic problems of our people. To these beliefs we commit ourselves as we present this record and declare our goals for the future."

Mr. THYE. In practice, Republicans who follow Eisenhower consider Government insofar as it undertakes programs affecting the individual—aside from the administration of justice, customs, defense, foreign affairs, and other functions traditionally associated with Federal sovereignty—to be useful as a coordinating and stimulating medium. An excellent example is Federal aid for small business development, the establishment of a Small Business Administration to assure small business its fair share of defense contracts, of technical assistance and of direct loans where small business cannot get them through normal commercial channels, and strong antitrust action to free competition.

Every party has a soul as well as a body. The body of our party is composed of the millions of citizens who adhere to it, its workers, officials, platform and doctrine. The soul of our party is in the spirit of Lincoln, in its twin objectives of dignity and respect for the individual and the indispensability of the private economy to personal freedom. It is under these twin banners that I wish to see our party enroll in a program of action worthy of its name and of its Lincolnian tradition—truly the first great American voice heralding modern times.

The 22d Annual Good-Will Dinner of Pittsburgh Post, No. 49, Jewish War Veterans of the United States, February 18, 1958

EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1958

Mr. VAN ZANDT. Mr. Speaker, at the Webster Hall, Hotel Pittsburgh, Pittsburgh, Pa., Tuesday evening, February 18, 1958, the 22d annual good-will dinner of Pittsburgh Post, No. 49, Jewish War

Veterans of the United States, was a tremendous success.

Among those present was Benjamin H. Chasin, of New York City, national commander of the Jewish War Veterans of the United States, as well as representatives of all veterans' organizations and leaders in the city's civic and governmental affairs.

In adherence to the theme Brotherhood for Peace and Freedom, I delivered the following address in accordance with the following program of the evening.

PROGRAM

CALL OF ORDER

National anthem, the Star-Spangled Banner: Ed Scotti, accompanied by Sylvia Schmidt.

Pledge of allegiance.

Invocation: Aaron B. Ilson, rabbi, Temple Sinai.

Dinner.

Welcome: William Unger, chairman.

Toastmaster: Hon. Benjamin Lencher, presiding judge, Allegheny County courts.

Welcome: Morris L. Lieberman, commander, Pittsburgh Post, No. 49, Jewish War Veterans.

Greetings: Hon. David L. Lawrence, mayor, city of Pittsburgh.

Greetings: Hon. John J. Kane, chairman, board of county commissioners.

Introduction of guests: Legion of Valor, United Spanish War Veterans, Veterans of Foreign Wars, American Legion, Disabled American War Veterans, AMVETS, Catholic War Veterans, Polish War Veterans, United States Navy Veterans, Jewish War Veterans, U. S. A.

Report on Brandeis scholarship fund: David A. Sigal, past commander, Pittsburgh Post, No. 49, Jewish War Veterans.

Presentation of annual award.

Address: Hon. JAMES E. VAN ZANDT, past commander in chief, Veterans of Foreign Wars.

Introduction of guests.

Address: Benjamin H. Chasin, national commander, Jewish War Veterans, U. S. A.

Benediction: Rev. Clarence A. Burrell, pastor, Mount Ararat Baptist Church.

Taps: Daniel B. Cook, American Legion.

SPEECH BY REPRESENTATIVE JAMES E. VAN ZANDT, MEMBER OF CONGRESS, 20TH DISTRICT OF PENNSYLVANIA, AT THE 22D ANNUAL GOOD-WILL DINNER OF PITTSBURGH POST, NO. 49, JEWISH WAR VETERANS, FEBRUARY 18, 1958

This extraordinary meeting for the achievement of brotherhood operates, it seems to me, under the impact of high drama.

This is a meeting of Christians and Jews under the sponsorship of the 22d annual good-will dinner of the Jewish War Veterans, Pittsburgh Post, No. 49.

Its basic purpose is understanding, understanding between peoples of differing backgrounds, and its more immediate influence derives from the National Conference of Christians and Jews.

Twice this Pittsburgh Post, No. 49, has been cited by the conference for its contributions to brotherhood.

When I speak of the impact of high drama, What do I mean?

I mean that we are here to promote brotherhood in an age of the most ruthless mass slaughter known in the history of man.

I mean that the primary sponsors of this event, seeking brotherhood, are a group of war veterans—Americans who come from a race that of all the races of mankind has perhaps been denied the benefits of brotherhood more than any other people.

Thus our common goal tonight is brotherhood.

The threat, however, that brings us together tonight goes back far into the corridors of time; yes to the days of the ancients and antiquity.

We have seen and are seeing, as I speak, vast world changes on the surface.

We travel faster and we travel farther to the point we are now engaged in conquering outer space.

We have advanced from murdering each other with stones and clubs to the use of atomic science and radiation.

We can do today, with one bomb, one single bomb, in terms of explosive force, what all the armed services of the United States did, with all previous bombs put together, in the whole of World War II.

I cannot resist repeating myself there is as much explosive force in one of our hydrogen bombs today as there was in all the bombs we exploded in all the theaters of war in the whole of World War II.

We have seen World War II reduce the most civilized races of man to the bottommost limits of disgrace.

In fact, it was found necessary to coin a new word to classify the monumental scope of what many regard as the greatest crime in history.

Ladies and gentlemen, the word is genocide.

Thus when I say that we meet here tonight under the impact of high drama it is because I find a certain irony in the amazing fact that it is under the sponsorship of America's Jewish War Veterans that brotherhood is here being advanced.

For mark you the greatest single sufferers from a vicious defiance of brotherhood were precisely the Jewish people, one-third of whom—6 million—were destroyed in murder factories on a basis of incredible mass execution.

There is no greater tribute that the Jewish people can thus perhaps unconsciously pay themselves than to continue to cry out to mankind "brotherhood, brotherhood."

It is not unlikely that other peoples in other times, in protest against so horrible a crime, would have made the blood flow with cries of "revenge, revenge."

To me, ladies and gentlemen, this bears noble testimony to the deeply imbedded influence of religion and respect for law and order among the Jewish people.

To me it is a great tribute to the American community, as exemplified here in Pittsburgh tonight, that in this audience joined with the Jewish War Veterans in this common goal for amity and friendship are the distinguished leaders in organized veterandom and in the city's civic and governmental affairs.

This meeting tonight may be but a tiny candle in a very wicked world, but it seems to me to burn brightly and it seems to have in it the eternal fire of truth which nothing can extinguish.

Let no one attempt to deny the truth that the world's foremost enemy of brotherhood today is the Soviet Union.

Instead of mutual understanding the butchers of Budapest exploit friction wherever the faintest signs of discontent can be discovered anywhere on the face of the earth.

For example, Korea, Formosa, Indochina, Malaya, Iran, French North Africa, India and Pakistan, Suez and the Middle East, Guatemala, and Cyprus.

With the Soviet Union the seeds of discord constitute a way of international life.

With us the universal emphasis is upon brotherhood.

I ask in all sincerity can this be denied? Have we not the fruits of our professions in our passion for peace?

Is it not true actions speak louder than words?

As a Nation we demobilized after World War II. On the other hand, the Soviet Union dropped the Iron Curtain around itself and its satellites and then began to arm to the teeth.

There was no North Atlantic Treaty Organization until the Soviet Union literally forced it on the West by a series of naked aggressions.

We promised the Philippines their independence, and the Philippines have it.

The states that border on the Soviet Union are Soviet satellites.

Many are wholly dominated by the Kremlin.

Can that, in relation to the United States, be said of Canada, of Mexico, or of Cuba?

To me it seems crystal clear that our concept of brotherhood is the key to the survival of the free world.

To me it is just as clear as it can be that the opposite of brotherhood—police terror—is the key to the survival of the Communist empire?

To me it is a source of some misgiving that we have to pause on our home ground—here in Pittsburgh, and in other cities and communities of the United States—to preach brotherhood where brotherhood should be a foregone conclusion.

But the establishment of genuine brotherhood being necessary—as indeed it is—I know of no better process for the achievement of this goal than the process you have adopted.

Your objective of real brotherhood is especially to be honored because to so many the task you have embarked upon seems so hopeless.

And yet is it hopeless?

Rather to me it seems that the Soviet Union, regardless of its powerful position in world affairs, may very well constitute the last frontier of organized atheistic influence.

To me it seems that partly from the work of such organizations as this our Nation today enjoys what it never enjoyed in such fullness before; namely, solidarity.

The very nature of racial prejudice in the United States is on the decline.

This is evident by the character of legislation being adopted against it.

It is manifested in the language of the decisions of the Supreme Court of the United States.

The single-minded tenor of the public press is further evidence that bigotry is gradually diminishing.

Its state of decline may not please us all.

But who can doubt that it is being beaten by the forces of tolerance and brotherhood?

Against all this the only organized international force to oppose brotherhood is the menace of world communism.

It probably reached its highest hope when Khrushchev announced to the United States, I quote, "We will bury you."

Ladies and gentlemen, that would really be some burial.

Nevertheless the power to achieve such a sinister objective does indeed exist.

We have in Khrushchev and the Soviet Union the remaining single stubborn force against man's rise—his rise from the status of a beast that walks like a man—to the status of a civilized creature, who holy writ testifies is created in the image of God.

Our age, as exemplified on American soil, has learned the wisdom of adjustment between economic existence and the noblest aspirations of the human spirit.

Thus brotherhood for us has come to mean a sane and a just distribution of the products of wealth, and genius, and labor, among all the peoples of mankind.

It may be described as the economic implementation of brotherhood.

In our idea of brotherhood there are certain basic precepts which constitute the fundamental law of the United States as embodied in our Constitution.

In a few words, it is called the pursuit of happiness.

More literally, ladies and gentlemen, it means equality of opportunity.

It means that I have no right to greater opportunity because I am a Christian than others who are not.

It means equal justice under law.

It means the dignity of the individual.

It means free enterprise.

It means antitrust.

Thus the cardinal principles of brotherhood are put into practical form and reduced to the facts of our everyday life.

The term "brotherhood" ceases to be an empty slogan or a vague unachievable dream.

In reality it becomes a living fact.

We call it freedom.

We stand ready to die for it as so many of our kinsmen did in every war in which this Nation was engaged.

Brotherhood is the essence of the struggle that now engages mankind.

Logically then, we have two forces in this hour of history conductive to world brotherhood and brotherhood here at home.

One is the ancient one that motivates a group like this.

It has its origins in the Old and New Testament.

It is the ideal of brotherhood itself for its own sake.

Its Biblical quality is invested with compassion.

It speaks in terms of loving your neighbor as yourself.

It breathes love of humanity in the noblest and the strongest sense.

The other force conducive to world brotherhood in this hour is the rule of law—achieved through diplomacy and legislation and action by agreement and consent.

Legislation for brotherhood is impossible if the incentive for it does not exist in the hearts of the peoples in the nations of the world.

This incentive now exists and was planted among people in the first instance by the spiritual influences of the religions in which we worship.

It got additional impetus from the waste and the horror and the sacrifice of war.

You may ask, How has this legislative brotherhood of which I speak been made actual and where is it?

It has been made actual, ladies and gentlemen, to a considerable degree, in our own time by the creation of the United Nations.

It has been made actual by giving to the Western World such organizations as the European Economic Community, an organization of six nations known as the Euromarket.

It has been brought into dynamic life by forging the organization of Euratom, or the European Atomic Energy Community.

Then, too, there are kindred organizations that bind people to people instead of separating them into antagonistic groups.

These are, for instance, the Benelux countries uniting for purposes of a customs union—Belgium, the Netherlands, and Luxembourg.

There is the Committee for European Economic Cooperation.

There is the Economic Commission for Europe of the U. N.

There is the European Defense Community and the European Coal and Steel Community.

We have Eurafrica—or the economic cooperative arrangement between Western Europe and Africa.

There is the potentially powerful NATO—or North Atlantic Treaty Organization—and there is the Western European Union and there are still others.

In speaking of these mutual alliances I am not blind, of course, to the factor of compulsion that to some degree beclouds the purity of the brotherhood involved.

Yes; there is the overwhelming compulsion of a common danger in the brotherhood that is predicated less upon idealism and more upon a universal peril.

As a result we have nations that were in some instances savage enemies only yesterday. Yet today they are bound together with hoops of steel in mutual defense.

It may be that they fight side by side not out of love, but because otherwise they may be destroyed one by one.

But is it too much to expect that out of this huddled grouping for joint protection and joint prosperity and joint survival, something whole and altogether genuine may not evolve?

Could it be said that we here on this soil were united as a colonial people during the days of our beginning?

Yet observe what a glorious republic has been fashioned out of the Thirteen Colonies—now 48 States—comprising a great Federal Union.

In terms of brotherhood—yes, in any sense—where in all history do we have anything comparable?

If it was done here why not Europe? Why not the world?

Thus we have two mighty forces converging for the greater grandeur of mankind in this hour of the world's history.

On one hand we have brotherhood that is a pure striving for mankind's love of mankind, a goal 2,000 years old.

On the other hand we have brotherhood thrust upon man by wild forces lest he perish without it.

For me it is not difficult to see the finger of God in one as in the other.

To state my theme briefly tonight, I put it this way:

It is the function of the National Conference of Christians and Jews, of the Pittsburgh Jewish War Veterans, in fact all of us, to feed into the compulsive brotherhood the warm milk of the brotherhood that acts from our heart's desire rather than from mutual fear.

In the end—and I do not mean the millenium—we shall have, I am convinced, a strong and decent order of international cooperation.

Economic integration across frontiers will help to destroy suspicion across frontiers.

It will be an enlargement really of the picture I see before me at this moment.

Just as Catholic, Protestant, and Jew can dine and talk together as we are doing on a high level of mutual respect here tonight, so sovereign nations are moving toward the same manner of international amity in the field of economics and diplomacy and politics.

Maybe the progress toward genius and ideal brotherhood is slow.

But what we have among the nations is a growing cooperative technique integrated with a common economic life, a common passion for freedom, a concerted hate of tyranny.

If some of this integration is forced by circumstances there is still much to command mutual respect.

And if we have mutual respect, there is no doubt in my mind mutual understanding will follow.

Once you have that most meaningful of all words—understanding—you are already on the highroad toward brotherhood.

Ladies and gentlemen, what I am pleading for tonight is a form of private business infiltration, if you like, into the heart of the world along with pure idealism.

It is a commerce, of course, but it is commerce on a level of statesmanship.

As of now its effect is working in limited geographical areas concentrated mostly in Canada, Latin America, and Western Europe.

Yet it is not widely enough acclaimed.

What we have done toward the goal of brotherhood through the path of commerce may be as yet little understood, but it is enormously effective.

We have moved from motivations of exploitation to motivations of mutual benefit.

I insist that the springs of this moral advance from commerce for greed to commerce for the material benefit of all are to be found in the teachings of which Christians and Jews are noted examples.

Good business goes well, in fact best, with high ideals.

Was it not Supreme Court Justice Brandeis who said that no contract is a good contract unless it benefits both sides?

I doubt if in the 20th century, or the 19th, there was a prophet, a lawyer, or a jurist who better understood the meaning of the word "contract" than Justice Louis D. Brandeis.

We have lived through enough centuries now, since the birth of our two religions, to know that brotherhood is not a word merely to be bandied about like some kind of religious advertising slogan.

Brotherhood, to use a bit of government jargon, has to be implemented.

We have implemented it throughout our history.

The evidence is all about us.

It stands out in our relations with our neighbors and with our allies.

It stands out in our commitments in the Far East, in the Middle East, and in Europe.

If we have been remiss it is not because we have permitted our moral viewpoint to deteriorate.

It is rather because we have permitted our capacity to use force to lose some of its power for inflicting punishment fast enough or more devastatingly than was possible in relation to Soviet progress in the same field.

But moral values have a toughness all their own.

In this connection the Jewish War Veterans, as an organization, is a keeper of the light.

Therefore, so long as the flame holds, so long shall we have freedom and prosperity, security and peace, for ourselves and for all the Free World.

Since we are assembled here this evening to pay tribute to the enduring principles of real brotherhood, may I conclude my discourse with this sincere prayer by Fanny Heaslip Lea:

"Anything, God, but hate—I have known it in my day—and the best it does is to scar your soul and eat your heart away.

"We must know more than hate as the years go reeling on, for the stars survive and the spring survives—only man denies the dawn.

"God, if one prayer be mine before the cloud wrapped end, I am sick of hate and the waste it makes, let me be my brother's friend."

Kenneth Roberts

EXTENSION OF REMARKS

OF

HON. ROBERT HALE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1958

Mr. HALE. Mr. Speaker, I met Kenneth Roberts for the first time back in the twenties when I was a member of the Maine Legislature. It must have been either in 1925 or in 1927. Roberts was then doing some articles for the Saturday Evening Post on the billboard evil on our highways. I was working diligently and not too successfully in our legislature for legislation to curb these evils. From these contacts in a common cause there grew ultimately a close and intimate friendship which was one of the most satisfying of my life.

Kenneth Roberts, let me say, was a superb polemical writer. When anything struck him as vulgar or crass or shoddy or dishonest he wrote about it with ferocity and I never knew him to be ferocious without good cause. The best example of his polemical writing that I think of offhand is a piece in the Saturday Evening Post for November 6, 1948, entitled "Don't Say That About Maine." This was a retort to the historian Arnold Toynbee who had written slightingly of the northern New England States as a region without culture, inhabited only by hunters and fishermen. I don't remember ever reading anywhere a more effective refutation of a stupid error on the part of a historian whose general scholarship Mr. Roberts would probably have been the last to deny.

When I first met Kenneth Roberts he was a staff writer for the Saturday Evening Post and at the head of his profession as a reporter and writer of special articles. He had also written nine books about such subjects as immigration, travel, collecting antiques. His studies on immigration had an important part in bringing about the legislation in this field passed in the twenties But he had written no fiction.

If Roberts had consulted me about breaking into the field of fiction when he was well past 40 years old, I should have advised him strongly against it. I should almost certainly have advised him particularly against writing fiction dealing with events long past. I should have pointed out that he was at the top of his profession for the kind of writing that he did which was expository and humorous. Financially it was pretty rewarding. I should have told him, what, to be sure he knew better than I, that fiction, at best, was a heavy gamble, that he had no established talent for writing it and that fiction about the past—I forbear using the term "historical novel"—would be a particularly hazardous venture. Books about the past were likely to be either very dull and pedantic, or so inaccurate as to be gross perversions of the truth, fantasies having little relation to actual events. Some were both dull and inaccurate.

Mr. Roberts did not seek my advice about the kind of writing he was to engage in and I know him well enough to know that, if I had given him the advice that I would have given him, he would have had the good sense to ignore it. Undoubtedly he will live in history as the writer of the greatest novels thus far written about the period of the American Revolution. The first of these novels, Arundel, was published in 1930. This was followed by the Lively Lady in 1931, Rabble in Arms in 1933, Captain Caution in 1934, Northwest Passage in 1938, Oliver Wiswell in 1940, and Lydia Bailey in 1947.

Mr. Roberts amply earned the title of novelist. He could write fiction yet he never ceased to be a reporter. He was a more careful historian than the professional historians. He was pitiless in his pursuit of the facts.

What interested him supremely were the epic campaigns of the Northern Army from the march to Quebec in 1775, to the battles at Saratoga in 1777. These campaigns interested him because he felt close to them. His great-great-grandfather and two other relatives had fought at the siege of Louisburg in 1745; three others were in the army that attacked Ticonderoga in 1759. Two of his great-great-grandfathers were captains in the Continental Army during the march to Quebec in 1775, the retreat from Ticonderoga and the battles at Saratoga in 1777 and at Valley Forge in 1778.

Roberts' great-grandfather, Daniel Nason, between 1807 and 1826, had been captain of the brigs *William, Neutrality, Charles, Advance, Orestes, Commodore Preble,* and *Watchman.* He had commanded the ship *Olive Branch,* and the privateer brig *Macdonough,* all deepwater vessels sailing out of the small town, Arundel, now called Kennebunkport.

Mr. Roberts wrote fiction set in the Revolutionary period because of his intense interest in the life of his ancestors and the ancestors of his neighbors. I venture to say that there has been no professor in any American college or university during the present century who knew American history in the second half of the 18th century as intimately and familiarly as Roberts.

Arundel, the first of Roberts' novels, was acclaimed by the critics but did not sell sensationally. His next three were well received but not great money-makers. However, Northwest Passage was a best seller, and attracted attention to his earlier books. All his novels after Northwest Passage were almost immediately on the best-seller list.

An interesting peculiarity of Roberts' novels was that they were all written in the first person. Nine novels written in that technique are unusual. Ben Ames Williams, another successful American novelist of the period, writes that no one has used the first person so effectively as Mr. Roberts since Blackmore used it in Lorna Doone, published in 1869.

In an autobiography, I Wanted to Write, Roberts tells of the pains which he took in his novels and of his struggles in writing them. He would even recast paragraphs and sentences to have a sentence end where he wanted it to end on a particular page. A facsimile of any simple page of his manuscripts, all written in longhand, shows the pains which he took. The mortality of words in his first draft was terrific. By the time a word had survived Roberts' revisions you could be sure that it was not on his pages as a result of carelessness or by any accident. His words were considered as carefully as a master's move in chess.

Roberts suffered acutely from the deficiencies of his source material, and even more from the inaccuracies of historical writers. Clara Claasen of the Doubleday firm, which was his publisher, has given some interesting examples of this in an article on the literary detective work in Roberts novels. Time and again Roberts has been proved right when the historical accuracy of his writings was impugned by one critic or another.

One of the things that I admired most about Kenneth Roberts was his self-discipline. By nature he was a friendly and convivial man. He was devoted to his friends and endlessly kind to them, but nothing ever interfered with his work. He drove himself mercilessly on his tasks; he never puttered or fiddled. He might have been more popular with his neighbors if he had taken more time for the usual pursuits of smalltown life. Kennebunk is a town of 4,500 people and Kennebunkport, where he made his home in the later years of his life—a very beautiful home it was—is a town of 1,500. He didn't belong to any of the service clubs or go to cocktail parties or even dine out with friends. They came to him.

In the later part of his life Roberts became deeply interested in water dowsing through the extraordinary skill and remarkable achievements of his friend and neighbor, Henry Gross. He did not pretend to understand water dowsing but in the face of what he saw Gross do, he could not doubt the fact. He wrote about what he had seen with his own eyes and thus made himself a target of obloquy from scientists, quasi-scientists, pseudo-scientists and scoffers of all kinds. He came to have the same fierce contempt for scientists who would not face the facts about water dowsing as he did for historians who did not bother to ascertain the facts about history.

Henry Gross was a game warden, when Roberts first met him in 1947, a lover of the outdoors and as ingenuous a man as ever lived. From the age of 12 Gross had been able to tell by a dowsing rod where water was to be found. That was all.

Roberts' interest and curiosity led him to correspond about dowsing with Col. Bell, the president of the long-established British Society of Dowsers, and with Miss Evelyn Penrose, an Englishwoman, at one time official water dowser in British Columbia. She had been called to his attention by an article in Blackwood's magazine written at least 10 years previously. Roberts thus learned the abilities and habits of former capable dowsers who could not only locate water but could determine its rate of flow, potability, depth of the vein, and so forth. In this way Gross acquired his capacity to do the most amazing feats.

In 1949 Gross sat in Roberts' house in Kennebunkport and working from a map, located subterranean freshwater in Bermuda, an island that had relied entirely on catching and storing rainwater. These locations from the map were confirmed a few months later on the ground in Bermuda.

Roberts' interest in Gross resulted in three books: Henry Gross and His Dowsing Rod, 1951; The Seventh Sense, 1953; Water Unlimited, 1957.

With Gross' advice Roberts brought his own land Rocky Pastures, into verdure until it is now a delight to see. Using native stone Roberts also built his beautiful home and furnished it with the beautiful examples of old American craftsmanship of the 18th and early 19th centuries as well as with things of beauty collected in Europe and Asia. He had been in Siberia with General Graves in 1919.

The building of this house and the making of the green estate which surrounds it absorbed the energies of Kenneth Roberts after the success of his earlier novels. All the time, too, he was writing his later books. The place is another revelation of the kind of man he was: beauty loving, exact, practical, indomitable. To see these acres, Rocky Pastures, on a brilliant summer's day, preferably at noon under a blazing sun, is to marvel at the green meadows, the ponds, the many kinds of trees, the gardens rich in vegetables and flowers. These things were not there when Roberts bought the fields, which stretch from the winding country road to the sea. Then the land was wild and barren, covered with the confused and tangled bush of untilled land.

With Henry Gross at his side, Kenneth Roberts brought the water up from underground, and with the tractor, the plough and the spade, made the place the expanse of growth and beauty it is today, as much a tribute to a master craftsman as any of his books.

It was like Roberts, too, that when he could buy land and build a house, he stayed home in Kennebunkport where he belonged and where his forefathers were born, fought, and buried.

While it is undoubtedly as a novelist primarily that Roberts will live, his other work was so important and so ample that it ought to survive. Among his humorous pieces, my favorite is It Must Be Your Tonsils. But all the pieces collected in his book, For Authors Only, have enduring merit.

It is hard for me to write about Roberts because it is hard for me to realize that his work is done. I never had a more generous or more engaging friend and the evenings that I have spent in his company are among the most memorably pleasant of my life.

The phrase "great American" is badly overworked. But Roberts was a major figure in American letters because he was so steeped in the tradition of his country and his countryside of Maine. The country that he so revered will not forget him. If there is an eternity beyond time, I believe that he will be remembered even by the men who marched to Quebec in 1775 and died a hundred years or more before Roberts was born.

Solution to Unemployment

EXTENSION OF REMARKS
OF

HON. ELMER J. HOLLAND

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1958

Mr. HOLLAND. Mr. Speaker, under leave to revise and extend my remarks in the CONGRESSIONAL RECORD, I wish to include the opening statement which I made over channel 13, WQED, Pittsburgh, Pa., on Friday, February 14, concerning the unemployment problem in Pittsburgh.

Since appearing on TV, I have received many letters and telephone calls from listeners who agreed entirely with the program that I have suggested.

We are now about to close the second month of this session of Congress. The unemployment rolls are continuing to rise, and we have not yet come up with any real workable program. Unemployment compensation checks are running out for hundreds of thousands of unemployed, and their outlook for securing work becomes worse with the mounting rolls.

The unemployed in this region are looking to the Congress, because up to date the administration has failed miserably.

I hope that some of the suggestions I have made will meet with the approval of other Congressmen and remedial legislation can be introduced and approved so that the wheels of industry will move again. How fast this will occur depends upon us. We must all share this responsibility.

SOLUTION TO UNEMPLOYMENT

Ike sees job pickup in March.

"We have had most of our bad news on the unemployment front. Every indication is that March will see the start of a pickup in job opportunities."

And, after assuring the American people that they must have confidence in the future and in the economy of the country, the President and his wife left for a 10-day vacation on the plantation of former Secretary of Treasury Humphreys in Georgia.

He pointed out before leaving, that his administration had taken two great steps to halt our sliding economy and create jobs for those needing them.

The first was lowering the interest rate on money, thus providing for a boom in the housing industry.

The second was the proposed $2 billion program to build new, and renovate and modernize, old post office buildings. This would give our economy a shot in the arm and provide much needed employment.

He didn't state that it was the policy makers of his administration, with his approval, of course, who raised the interest rates on money and created the tight money situation that helped slow down the housing industry and close small businesses and bring on this recession—the little one they had planned to make prices and the cost of living stop climbing—and cause enough unemployment to put the unions in line.

And he didn't go into detail concerning the $2 billion program for the post offices, he left the Postmaster General to do that. When the full story came out it had a big if in it. If the first class mail rate was raised to 5 cents, the Government would take $175 million a year out of these new funds and put that amount toward this program, but the other $225 million a year would come from private enterprise. They could build the new post offices and the Government would lease them, paying rent until the post offices were paid for.

All of his programs sound good but there is a gimmick in every one. Even his education program has a big if in it.

His predictions of job opportunities picking up in March do not coincide with the statements made by some of his cabinet members.

Only last Sunday over TV, Secretary of Commerce Weeks stated that he expected over 5 million to be unemployed before the downward trend was halted, and just last week it was announced that we have in the Pittsburgh industrial district, 77,000 on unemployment insurance.

Secretary Weeks agreed with the President, however, in the belief that the Government should not do too much to stimulate our economy. He felt sure it would take care of itself because of the new defense orders that are being placed.

As of today 4½ million people in the United States are unemployed, and over 2 million are working less than 35 hours a week. Nearly a half million unemployed are in Pennsylvania.

Still we hear "there will be a pickup in March," "all we need is confidence," "our economy is basically strong, the worst is over," "we have plans made up, should we ever need them," and on, and on, and on.

Echoes from the far distant past, "prosperity is just around the corner" and "two chickens in every pot"; shades of 1929.

Remember the breadlines in 1929? They are gradually coming back.

Still we hear from the President that "it is well to remember that with an economy as complex as ours, it is necessary not only to avoid the taking of wrong steps, but confidently take the right ones."

In order not to take the wrong ones, this administration is standing still.

I have had the opportunity for many years of entertaining representatives of labor and industry when they come to the United States from countries outside the Iron Curtain. One of the first questions they ask is, "Can the United States have prosperity and full employment without a shooting war?"

Just recently Khrushchev told American newsmen in Moscow that the United States could never have prosperity unless we were at war.

Stalin, before him, made the same statement.

Apparently this administration has utter disregard for world psychology or it doesn't realize the importance of the relationship of unemployment in our country to the thinking of people in friendly nations.

When the United States was in World War II, when we had to produce airplanes, supply weapons of war for ourselves and our allies, as well as food and ships, what did we do?

We called management, labor, and capital to Washington and they sat around the table with Government and planned what was needed to win a war and how to accomplish all this.

You know the outcome—we accomplished all we set out to do.

Every segment of American life cooperated to win the war, and we won it.

America is again fighting a different war—to maintain our economy.

Political leaders and labor leaders have pleaded with the administration to again call on all segments of American life to cooperate and plan how we can win this war against unemployment which is causing needless suffering and want.

If we can plan and work together to kill, why can't we plan and work together to live?

The rest of the world is watching us and it is up to us to show them that our form of capitalism can work and succeed in peace as it does in war.

We are short over 150,000 school rooms. Look at the employment that would give if the administration were really interested in the future citizens of America by building schools.

Hospital rooms are at a premium, mental institutions are overcrowded, schools and institutions for mentally retarded children are vitally needed. As some of you may know, there is a 5-year waiting period to enter Polk. More work could be provided, and the health of Americans could be improved by building hospitals and institutions.

One-third of American families are ill housed. Plan to build these houses within their financial reach.

Reclamation of our forests could be started, assuring our future citizens of natural resources that were not protected during the recent years.

Rivers could be harnessed, providing power and electricity for all American homes as well as future industries.

There is plenty of work that could be done that would start the wheels of prosperity again rolling. People could again buy and eat proper food, and the farmers would prosper; cars could be bought, and the automobile factories could work full time; steel would be needed for many of these projects, and the steel mills would again be operating continuously; clothes would be purchased, the textile mills will run again. America would be alive again, and prosperous, and our living standard would continue to rise.

America could again be the shining symbol for the whole world.

Reappraisal of United States Approach to Growing International Problems

EXTENSION OF REMARKS

OF

HON. HUBERT H. HUMPHREY

OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

Wednesday, February 19, 1958

Mr. HUMPHREY. Mr. President, in the fall of 1957—in fact on September 19—it was my privilege to address the Los Angeles World Affairs Council. I ask unanimous consent to have excerpts from that address printed in the CONGRESSIONAL RECORD.

The Los Angeles World Affairs Council performs a genuine public service by providing a forum for the discussion of current questions and problems relating to the international situation. I considered it a distinct honor and privilege to be invited to participate in its program. The city of Los Angeles is to be commended on having in its midst an organization such as the World Affairs Council.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REAPPRAISAL URGED OF UNITED STATES APPROACH TO GROWING INTERNATIONAL PROBLEMS

(Excerpts from address by Senator HUBERT H. HUMPHREY, Democrat, of Minnesota, member Senate Foreign Relations Committee, before Los Angeles World Affairs Council, Biltmore Ballroom, Thursday noon, September 19, 1957)

Growing world unrest and tension calls for a total reappraisal of the United States approach to international affairs.

At the very outset, we need a good hard look at our own representation abroad.

Too much is at stake to risk our future with honorable but totally unskilled and incapable ambassadors appointed for social prestige as a political reward, and even with career Foreign Service personnel more concerned with social niceties than with a dedicated zeal as missionaries of peace and freedom.

Our country's embassies in trouble spots of the world are really general staff headquarters in a struggle for survival, and they must be commanded by men sensitive to the political and economic forces at work in the area in which they are called upon to serve. They must be men and women conscious of the vital importance of alining our country with the aspirations of the people themselves, rather than just maintaining good relations with any particular ruler or ruling clique. We need to mobilize and make better use of the brainpower, judgment, experience, and understanding of dedicated Americans trained in international affairs to man our outposts in critical areas of the world.

We need more emphasis on development of regional specialists in international affairs, and more of a regional approach to seeking solutions of complex problems through frequent regional conferences of American diplomatic missions abroad.

But building better international relations involves more than just action by our Government alone.

There's an essential role for American business to play, as well as our country's great voluntary agencies and individual citizens themselves.

American businessmen, news correspondents, representatives of voluntary humanitarian and religious organizations, and educators frequently have more contacts with private foreign citizens—and sometimes with governmental officials——than do our official representatives. Each of these people-to-people contacts contributes to the total impression which the United States makes abroad. There ought to be closer cooperation between American businessmen abroad and our diplomats.

We need to recognize that the current contest in the world is being waged for future alinement of great undeveloped areas, and the outcome may hinge more on economic and trade policies than on military alinements.

There will be no peace achieved with the Soviet Union until it realizes it can no longer win over the peoples of Asia and Africa.

As a consequence, our foreign policy must be geared to strengthening the political and social institutions of such underdeveloped areas, and encouraging and guiding their own economic development and progress. But it must be more than paper economic development, or even bank-roll influence wielded arrogantly by our Government; it must be soundly based industrial and agricultural development recognizable to the people of the area concerned, with convincing evidence that our interest is in the well-being of the people themselves, rather than in material advantage for ourselves.

Here is an area where we can challenge the Soviet and win. Here is an area where we can best portray America's vision and enterprise and know-how—and America's concern for social justice for all people. We're not a military people—and we're not acting ourselves when we rely on rattling sabers in a jittery world. By character, emotion, and experience, we're better prepared to lead toward progress, than to plan toward destruction.

We urgently need a comprehensive foreign economic policy designed toward fulfillment of such objectives—and then we need to mobilize the forces of American business, American labor, and Americans generally to work hand-in-hand with our Government to implement that policy.

We're fighting a totally mobilized enemy, and we can't succeed by relying on Government alone and failing to make the utmost use of our great resources of private enterprise, private initiative, private humanitarian concern for fellow human beings.

There is an urgent role for American business investment in foreign economic development, and it is our job to find ways to make it more effective. American business enjoys a deservedly good reputation abroad. Its use of modern capital, investment, management, and know-how is combined with social values developed on the American scene to tell a better story of America's spirit than can ever be achieved by military bases or guided missiles, however necessary they may be.

Our State Department should take a keen interest in the American businessman abroad if we really want to promote private investment. The businessman himself ought to be consulted for his views on how investment possibilities might be improved. America's business community itself must be encouraged to explore the private role it can occupy in building better foreign relations, and must bring its own influence to bear toward formulation of sounder foreign economic policies by our Government.

America's organized labor movement must be encouraged to exert its leadership and influence toward supporting establishment of free labor movements in other areas of the world, rather than Communist-dominated labor movements.

We need greater recognition of the tremendous potential for good we possess in our abundance of food and fiber, if it is wisely utilized for the good of humanity in the world. And we must encourage expansion of the people-to-people sharing through our great voluntary agencies sponsored by our churches and CARE, rather than relying entirely on government-to-government dealings in food and other necessities of life.

We must build reservoirs of good will with the peoples of vast areas of the world now vulnerable targets of Communist infiltration, rather than putting all our chips on leaders themselves, however friendly they may currently be. Leaders and governments come and go, but bonds built between the hearts and minds of people survive far beyond temporary shifting and swaying of local political tides.

We need a full reappraisal of our commitments abroad. Our commitments around the world have grown like Topsy, with too little self-examination of our ability to fulfill them.

We need to carefully evaluate the extent of our commitments, to make sure we are able to support them economically and militarily. It is little use to negotiate pacts and agreements, if we are not prepared as a people to back up our words with deeds if it becomes necessary.

Turning from the general scene of international relations to the specific problems of one trouble area, let me suggest four recommendations toward easing the explosive tensions of the Middle East. They include:

1. Leadership in the United Nations toward an outright ban on arms shipments into the Middle East.

2. Creation of a U. N. Good Offices Commission, comprised of leading citizens of the world, with a mandate to seek both territorial and political settlements between the Arab States themselves, and between the Arab States and Israel.

3. Making permanent an expanded U. N. Security Force for the Middle East, and other trouble zones that might develop.

4. Creation of a Middle East Development Agency, composed of the states in the region and other states contributing to the Agency's capital, as a catalytic agent which might precipitate solutions for many of the most vexing problems of the region by encouraging a regional approach to developmental projects.

Let me expand on that four-point program.

Shipment of arms into the Middle East may well aggravate existing tensions; it may just lead to the explosion we are seeking to avoid.

In rushing arms to Jordan, we are once again merely reacting blindly to Soviet actions rather than projecting any real solution of our own.

The Soviet gains by keeping alive tensions and unrest. They know they can provoke conflicts and tensions, as long as we continue to react as we have to every move they make. They want trouble in the Middle East as an excuse for digging further into

that area, and we seem determined to help them draw tighter the lines of conflict instead of asserting our leadership toward avoiding conflict.

Here, if anywhere, is an opportunity to try a limited disarmament move. The Middle East lends itself to both aerial and ground inspection. If negotiations for total disarmament appear deadlocked, let us at least assert our leadership in the United Nations toward negotiating a U. N.-enforced total arms-shipment ban into troubled areas of the Middle East.

A valuable role could be filled by a U. N. Good Offices Commission, designed to seek boundary and political settlements in the area. We cannot solve complex problems of the Middle East alone; we are just risking further disrepute as international busybodies trying to tell everyone else what they should do.

Neither can we just dump problems on the U. N., and not face up to our own responsibility as a world leader. Instead, we must use the U. N. as a vehicle to seek solutions by asserting our own leadership within the U. N. and seeking to mobilize support of other nations for united action.

Neither we nor the U. N. can force solutions unacceptable to the Middle East itself, but within the U. N. we can seek to enlist the cooperation of countries from the Middle East with countries from other areas of the world toward a more constructive approach than now exists.

In my opinion, the Middle East Development Agency I have proposed offers a tremendous opportunity. It should be organized within the framework of the United Nations; a specialized, regional economic program with multilateral participation for multilateral purposes.

Such a development agency could undertake projects itself, lend money to either private or public agencies, and participate in equity financing, in the manner of the International Finance Corporation. It could manage projects. It could carry on scientific research in such a matter as soil fertility. It could make basic engineering surveys and contribute to the drawing up of overall regional development plans. Furthermore, it could carry on long-term technical assistance.

Its advantages would be political and psychological as well as economic.

It would help divert the attention of certain Arab leaders from military adventures to internal economic development. Turning these energies into constructive channels would eventually lead to institutional and social changes, such as the growth of a middle class, which would have a beneficial and stabilizing influence.

It would provide a means of channeling Arab oil revenue into productive uses which would benefit the entire area, thus utilizing part of the presently existing hard money resources of the Middle East for the financing of regional development.

It would be an international entity with which the states of the area could carry on bilateral negotiations, and bilateral economic agreements.

It would work out a solution to the whole Palestine-Arab refugee problem. The only long-term solution for the refugees is basic economic development, which will make it possible for the area to support more people at a higher standard of living.

It could encourage international acceptance of the Jordan River plan, and similar development projects involving more than one state. It could give technical assistance and supervised farm credit to farmers settling on new lands coming into production from the development of the Jordan, the Litani, the Tigris, the Euphrates, and the Nile.

Even a cursory look at the region's resources reveals the absolute economic interdependence of the states of the area, and the necessity of interregional cooperation.

The creation of a Middle East Development Agency along these suggested lines would emphasize the fact that it is in the interests of all concerned to move from intraregional feuding to interregional cooperation for development.

SENATE

THURSDAY, FEBRUARY 20, 1958

(Legislative day of Wednesday, February 19, 1958)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Sam L. Fore, pastor, Tarrytown Methodist Church, Austin, Tex., offered the following prayer:

Almighty Father, who art plenteous in mercy, unshadowed in holiness, and exhaustless in power, it is by no doing of ours that we are Thy redeemed people. Thou didst first love us. Thou didst first seek us. Thou didst open for us the gates of new life and invite us in.

Teach us that to pray is to toil in partnership with Thee. Teach us that to pray is to gain access to the unlimited resources which Thou hast for us, Thy children. Teach us that to pray is to have open eyes, confident hearts, and steady feet. Widen our sympathies. Sharpen our insights. Deepen our faith. Enrich our love. Intensify our concern for all Thy children everywhere.

Grant wisdom to these Senators in all the deliberations begun this day. Keep our motives clean, our vision clear, and our consciences unbetrayed. In the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, February 19, 1958, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the joint resolution (S. J. Res. 12) to provide for transfer of right-of-way for Yellowtail Dam and Reservoir, Hardin unit, Missouri River Basin project and payment to Crow Indian Tribe in connection therewith, and for other purposes, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the following concurrent resolutions, in which it requested the concurrence of the Senate:

H. Con. Res. 242. Concurrent resolution providing for the remains of the unknown American of the Second World War and of the unknown American of the Korean conflict to lie in state in the rotunda of the United States Capitol before burial in the Memorial Amphitheater of the National Cemetery at Arlington, Va.; and

H. Con. Res. 246. Concurrent resolution authorizing the printing of additional copies of the compendium of papers collected for the Subcommittee on Foreign Trade Policy of the Committee on Ways and Means.

HOUSE CONCURRENT RESOLUTIONS REFERRED

The concurrent resolution (H. Con. Res. 242) providing for the remains of the unknown American of the Second World War and of the unknown American of the Korean conflict to lie in state in the rotunda of the United States Capitol before burial in the Memorial Amphitheater of the National Cemetery at Arlington, Va., was referred to the Committee on Rules and Administration, as follows:

Resolved by the House of Representatives (the Senate concurring), That the rotunda of the United States Capitol may be used from May 28, 1958, through May 30, 1958, both dates inclusive, for the remains of the unknown American of the Second World War and of the unknown American of the Korean conflict to lie in state, and for appropriate proceedings and ceremonies in connection therewith.

The concurrent resolution (H. Con. Res. 246) authorizing the printing of additional copies of the compendium of papers collected for the Subcommittee on Foreign Trade Policy of the Committee on Ways and Means, was referred to the Committee on Rules and Administration, as follows:

Resolved by the House of Representatives (the Senate concurring), That there be printed for the use of the Committee on Ways and Means, House of Representatives, 2,000 additional copies of the compendium of papers entitled "Foreign Trade Policy—Compendium of Papers on United States Foreign Trade Policy Collected by the Staff for the Subcommittee on Foreign Trade Policy of the Committee on Ways and Means."

REV. SAM L. FORE

Mr. JOHNSON of Texas. Mr. President, the prayer today was a deeply moving experience for me. It was offered by a member of a family which has been close to me for many years and is one of the most distinguished families of the Lone Star State.

The Reverend Fore is the nephew of one of Texas' truly great men, Sam Fore, Jr., of Floresville. Mr. Fore is former president of the Texas Press Association and a force in our State—a force for truth, integrity, and honor, and one of the most beloved men in our State.

He was one of the men who guided my footsteps in the early days of my life

and who, in a meaningful sense, guides my footsteps today. It is with a feeling of great pride that I welcomed to this Chamber his distinguished nephew.

CALL OF THE ROLL

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Fulbright	Morton
Allott	Gore	Mundt
Anderson	Green	Murray
Barrett	Hayden	Neuberger
Beall	Hickenlooper	O'Mahoney
Bennett	Hill	Pastore
Bible	Hoblitzel	Payne
Bricker	Holland	Potter
Bridges	Hruska	Proxmire
Bush	Humphrey	Purtell
Byrd	Ives	Revercomb
Capehart	Jackson	Robertson
Carlson	Javits	Russell
Carroll	Johnson, Tex.	Saltonstall
Case, N. J.	Johnston, S. C.	Schoeppel
Case, S. Dak.	Kennedy	Scott
Chavez	Kerr	Smathers
Church	Knowland	Smith, Maine
Clark	Kuchel	Smith, N. J.
Cooper	Langer	Sparkman
Cotton	Lausche	Stennis
Curtis	Long	Symington
Dirksen	Magnuson	Talmadge
Douglas	Malone	Thurmond
Dworshak	Mansfield	Thye
Eastland	Martin, Iowa	Watkins
Ellender	Martin, Pa.	Wiley
Ervin	McNamara	Williams
Flanders	Monroney	Yarborough
Frear	Morse	Young

Mr. MANSFIELD. I announce that the Senator from Missouri [Mr. HENNINGS] and the Senator from Arkansas [Mr. McCLELLAN] are absent on official business.

The Senator from Tennessee [Mr. KEFAUVER] is absent because of a death in his family.

Mr. DIRKSEN. I announce that the Senator from Maryland [Mr. BUTLER] and the Senator from Indiana [Mr. JENNER] are necessarily absent.

The Senator from Vermont [Mr. FLANDERS] is absent on official business.

The Senator from Arizona [Mr. GOLDWATER] is absent by leave of the Senate for the purpose of participating in active duty with the Air Force.

The PRESIDENT pro tempore. A quorum is present.

Morning business is in order.

TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there may be the usual morning hour for the introduction of bills and the transaction of other routine business, with statements limited to 3 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

INCREASED POSTAL RATES—PETITIONS

Mr. JAVITS presented petitions, signed by sundry citizens of the State of New York, remonstrating against the enactment of House bill 5836, providing increases in postal rates, which were referred to the Committee on Post Office and Civil Service.

PRICE SUPPORTS ON DAIRY PRODUCTS—RESOLUTION

Mr. HUMPHREY. Mr. President, I have recently received a copy of a resolution adopted by the Board of Commissioners of Beltrami County, Minn., urging corrective legislation be enacted to maintain the present price supports on dairy products.

I ask unanimous consent that the resolution be printed in the RECORD, and appropriately referred.

There being no objection, the resolution was referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Resolution requesting corrective legislation to maintain present price supports on dairy products

Commissioner Martin offered the following resolution and moved its adoption:

"Whereas the United States Commissioner of Agriculture advocates the lowering of price supports on dairy products from 82 percent to 75 percent, which is the basic minimum; and

"Whereas Beltrami County, Minn., is one of the counties in this area that derives much of its income through the dairy industry; and

"Whereas the lowering of the dairy price supports will affect the family farmers throughout the area: Therefore be it

"Resolved, That the County Board of Commissioners of Beltrami County urge corrective legislation be enacted to maintain the present price supports on dairy products; be it further

"Resolved, That copies of this resolution be sent to United States Senator EDWARD J. THYE and to United States Senator HUBERT H. HUMPHREY and also to our Representatives in Congress."

The foregoing resolution was seconded by Commissioner Pool and, upon being put to vote, was unanimously carried.

RELAXATION OF STANDARDS IN GRADING 1957 CORN—RESOLUTION

Mr. HUMPHREY. Mr. President, at one of their recent regular meetings, the Ortonville Civic and Commerce Association, Ortonville, Minn., adopted a resolution urging action to relax standards in grading of 1957 corn to meet Government loan requirements.

I ask unanimous consent that the resolution be printed in the RECORD, and appropriately referred.

There being no objection, the resolution was referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

We urgently request action to relax standards in grading of 1957 corn to meet Government loan requirements. We recommend grading of corn should be done on a discount basis all the way through sample grade on foreign material and damage, but leaving standard of moisture as is. Inability to seal corn under present requirements is creating serious financial hardship to both farmer and businessmen. Also suggest that Government bin sites be made available at once for 1957 corn that meets requirements and where other storage is not available.

Many farmers have incured additional expense in trying to meet present loan standards. This is a serious problem in our locality in that we had a large area severely damaged from hail and adverse weather. This is a threat to the stability of western Minnesota area. We urgently need your help and request immediate action.

EXTENSION OF NATIONAL WOOL ACT—RESOLUTION

Mr. HUMPHREY. Mr. President, during their 34th annual convention held at Owatonna, Minn., the Minnesota Wool Growers Association adopted a resolution urging extension of the National Wool Act without crippling amendments.

I ask unanimous consent that the resolution be printed in the RECORD, and appropriately referred.

There being no objection, the resolution was referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Whereas wool is considered a strategic commodity and necessary to our national defense; and

Whereas the wool production in the United States has not reached a satisfactory proportion of our total wool consumption; and

Whereas the National Wool Act of 1954 is the best possible program to help increase wool production; and, derives its income from wool tariff receipts; and, is of tremendous benefit to all sheep producers: Be it therefore

Resolved, That this 34th annual convention of the Minnesota Wool Growers Association, express our appreciation to the entire Congressional delegation from Minnesota for their efforts in behalf of the sheep industry, and strongly urge our Senators and Representatives to vote for the indefinite extension of this needed legislation, the National Wool Act, without any crippling amendments.

EXTENSION OF TRADE AGREEMENTS ACT—LETTER

Mr. HUMPHREY. Mr. President, Harry R. Hall, executive vice president of the Minneapolis Chamber of Commerce recently sent me a letter stating that the Minneapolis Chamber of Commerce has officially gone on record in favor of extension of the Trade Agreements Act for a period of 5 years.

I ask unanimous consent that Mr. Hall's letter be printed in the RECORD, and appropriately referred.

There being no objection, the letter was referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

MINNEAPOLIS CHAMBER OF COMMERCE,
Minneapolis, Minn., February 10, 1958.

Senator HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.

This will advise you, Senator HUMPHREY that the Minneapolis Chamber of Commerce has officially gone on record as in favor of extension of the Trade Agreements Act for a period of 5 years.

We urge your support of this bill since we think it is valuable to Minneapolis and Minnesota, and to the country in general.

I am sure that it is not necessary for us to list the reasons for this at this time since your past record indicates your support of

this measure. However, I also want to advise you that we are prepared to testify at any committee meetings and to submit to you more specific information to justify our position, if you so desire.

Sincerely,

HARRY R. HALL,
Executive Vice President.

INCREASED APPROPRIATIONS FOR SCHOOL-LUNCH PROGRAM—LETTER

Mr. HUMPHREY. Mr. President, I have recently received a letter from Dr. Charles W. Emery, Secretary of the Central Minnesota School Administrators, informing me of the resolution adopted by this organization urging increased appropriations for the school-lunch program.

I ask unanimous consent that Dr. Emery's letter be printed in the RECORD, and appropriately referred.

There being no objection, the letter was referred to the Committee on Appropriations, and ordered to be printed in the RECORD, as follows:

ST. CLOUD STATE COLLEGE,
St. Cloud, Minn., February 14, 1958.

Hon. HUBERT HORATIO HUMPHREY, Jr.,
United States Senate,
Washington, D. C.

DEAR SENATOR HUMPHREY: The Central Minnesota School Administrators, at their regular monthly meeting held at Little Falls, Minn., on January 15, 1958, instructed me, as secretary, to write you concerning the action they took at that meeting regarding the support of the hot-lunch program by the Federal Government. The 84 Minnesota school superintendents in attendance voted unanimously to support a resolution "strongly urging Congress to increase the annual appropriation for the school-lunch program to $125 million plus the surplus commodities now being furnished. With the rapidly increasing school enrollment and the present economic stringency in our rural areas, a failure to increase this appropriation, will mean the serious curtailment of this important service and might well prove disastrous to the great socioeconomic program."

We, therefore, respectfully request that you give this increase in the school-lunch program your attention and strong support.

Very truly yours,

CHARLES W. EMERY,
Secretary, Central Minnesota School Administrators.

HOSPITAL CONSTRUCTION—RESOLUTION

Mr. HUMPHREY. Mr. President, the St. Paul AFL–CIO Trades and Labor Assembly recently adopted a motion urging continued use of funds under the Hill-Burton Act for hospital construction.

I ask unanimous consent that the motion be printed in the RECORD, and appropriately referred.

There being no objection, the letter was referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

ST. PAUL AFL–CIO TRADES AND LABOR ASSEMBLY,
St. Paul, Minn., February 14, 1958.

Senator HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR HUMPHREY: The St. Paul AFL–CIO Trades and Labor Assembly at their meeting on February 12 passed a motion to request our Senators and Representatives to sponsor or support legislation that will continue the Hill-Burton fund for hospital construction.

This information is transmitted to you in the hope that you will support legislation that would carry out the intent of the assemblys' action.

Very truly yours,

E. D. MCKINNON,
Secretary-Treasurer.

OPPOSITION TO CUT IN DAIRY PRICE SUPPORTS—RESOLUTION

Mr. HUMPHREY. Mr. President, the Farmers' Union Local of Onamia, Minn., recently adopted a resolution opposing cut in dairy price supports.

I ask unanimous consent that the resolution be printed in the RECORD, and appropriately referred.

There being no objection, the resolution was referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

ONAMIA, MINN., *February 10, 1958.*

Senator HUBERT HUMPHREY,
Washington, D. C.

DEAR SENATOR HUMPHREY: The Farmers' Union local of Onamia passed the following resolution:

We the Farmers' Union of Onamia oppose the cut in dairy price supports set by Secretary of Agriculture Benson to take effect April 1.

We therefore urge you to do everything possible to prevent this order from taking place.

Yours truly,

ONAMIA FARMERS' UNION,
JOHN BAERT, *Secretary.*

SALE OF NATURAL GAS—RESOLUTION

Mr. HUMPHREY. Mr. President, on February 11, 1958, the City Council of the City of St. Paul, Minn., adopted a resolution opposing passage of the new Harris-O'Hara natural gas bill, or passage of similar legislation seeking to eliminate the present Government control of the production or sale of natural gas.

I ask unanimous consent that the resolution be printed in the RECORD and appropriately referred.

There being no objection, the resolution was referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

Whereas the council is informed that the Harris-O'Hara natural gas bill is now awaiting action on the floor of the House of Representatives, which said legislation, among other things, proposes to change the basis for the determination of the production cost of gas paid or charged by interstate pipeline companies, through the elimination of the present method of determining cost by the use of the public utility rate base cost of service formula and procedure and substituting in lieu thereof the questionable equation of reasonable market price to be determined by the Federal Power Commission; and

Whereas the Council of the City of St. Paul is of the opinion that the bill provides no clear and adequate standards for determining the reasonable market price for gas and which, if the bill becomes law, could result in a determination of a price for gas in excess of that necessary for the adequate compensation to the producers of natural gas, contrary to the best interests of the ultimate consumers of gas; and

Whereas the price of natural gas to the ultimate consumer in St. Paul is a matter of vital concern for all the citizens in this city, made especially more so by reason of the cold weather which this city has in the winter season, and further by reason of the large number of ultimate consumers which are now using natural gas for domestic purposes in this city; and

Whereas the Council of the City of St. Paul has always heretofore vociferously expressed its opinion against this new type of legislation which it believes can only be to the disadvantage of the ultimate consumer; and

Whereas it is further the opinion of this council that if the new Harris-O'Hara legislation should become law, it could very well result in substantial increases in the cost of gas allowed to pipeline carriers servicing this city and to the ultimate consumers in this city; and

Whereas the council is firmly convinced that by reason of the facts recited above, this legislation is contrary to the public interest: Now, therefore, be it

Resolved, That the city council of the city of St. Paul hereby opposes the passage of the new Harris-O'Hara bill or any other legislation of a similar nature, or any legislation which seeks to eliminate or restrict in any manner the present legally recognized control by the Federal Government through the Federal Power Commission of the production and sale of natural gas in the field; and be it further

Resolved, That the council requests the Members of Congress from the State of Minnesota to do their utmost to defeat this bill and any legislation of a similar type which might be introduced in Congress; and be it further

Resolved, That the mayor of the city of St. Paul is hereby requested and directed to join with the mayors of other large gas-consuming cities to protect against the passage of the so-called Harris-O'Hara legislation; and be it further

Resolved, That the city clerk is directed to send forthwith a copy of this resolution to the President and the Vice President of the United States, to the Speaker of the House of Representatives, and to each Member of the United States House of Representatives from the State of Minnesota, and the two Senators from Minnesota.

REDUCTION IN VETERANS BENEFITS—STATEMENT

Mr. HUMPHREY. Mr. President, I have recently received a statement from the Marguerite Lodge, No. 450, of the Brotherhood of Locomotive Fireman and Engineman, St. Paul, Minn., concerning their opposition to a reduction in veterans benefits, and pay television.

I ask unanimous consent that the statement be printed in the RECORD, and appropriately referred.

There being no objection, the statement was referred to the Committee on Appropriations, and ordered to be printed in the RECORD, as follows:

MARGUERITE LODGE, NO. 450,
BROTHERHOOD OF LOCOMOTIVE FIREMAN AND ENGINEMAN,
St. Paul, Minn., February 12, 1958.

Hon. HUBERT H. HUMPHREY,
United States Senator of Minnesota,
Washington, D. C.

DEAR SIR: In reference to one of your newsletters on the subject of veterans' affairs, I wish to state that officers and members of Lodge 450, Locomotive Fireman and Engineman are opposed to any reductions in the

established pensions and compensations for veterans and we are sure of your support in this fight.

2. There is a great deal said nowadays about pay television. We believe that many people aged, in rest homes and in institutions along with pensioned ones would be deprived of television programs. We are definitely opposed to this program.

Truly yours,

CARL D. GASTINEAU,
Recording Secretary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ERVIN, from the Committee on Government Operations, without amendment:

S. 2833. A bill to provide for the conveyance of the interest of the United States in and to certain fissionable materials in a tract of land in the county of Alamance, State of North Carolina (Rept. No. 1293).

By Mr. BEALL, from the Committee on the District of Columbia, without amendment:

S. 1041. A bill to amend the act entitled "An act making appropriations to provide for the expenses of the Government of the District of Columbia for the fiscal year ending June 30, 1911, and for other purposes," approved May 18, 1910 (Rept. No. 1294); and

H. R. 9271. An act to authorize the National Society of the Sons of the American Revolution to use certain real estate in the District of Columbia as the national headquarters of such society (Rept. No. 1296).

By Mr. BEALL, from the Committee on the District of Columbia, with an amendment:

S. 1706. A bill to amend the act entitled "An act to grant additional powers to the Commissioners of the District of Columbia, and for other purposes," approved December 20, 1944, as amended (Rept. No. 1295).

By Mr. BYRD, from the Committee on Finance, without amendment:

H. R. 9955. An act to provide for a temporary increase in the public-debt limit (Rept. No. 1297).

Mr. BIBLE, from the Committee on the District of Columbia, without amendment:

S. 2725. A bill to exempt from taxation certain property of the National Council of Negro Women, Inc., in the District of Columbia (Rept. No. 1298); and

S. 3057. A bill to amend the District of Columbia Teachers' Salary Act of 1955 (Rept. No. 1299).

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. PAYNE (for himself and Mrs. SMITH of Maine):

S. 3319. A bill to make the provisions of section 3466 of the Revised Statutes inapplicable to debts due the Small Business Administration; to the Committee on Banking and Currency.

(See the remarks of Mr. PAYNE when he introduced the above bill, which appear under a separate heading.)

By Mr. MUNDT:

S. 3320. A bill to remove the $500 million limitation on funds that may be expended by the Secretary of Agriculture in carrying out an acreage reserve program for the 1958 crops; to the Committee on Agriculture and Forestry.

By Mr. O'MAHONEY (for himself and Mr. BARRETT):

S. 3321. A bill for the relief of George E. Ketchum; to the Committee on the Judiciary.

By Mr. PAYNE:

S. J. Res. 153. Joint resolution to amend section 101 (b) of the Housing Act of 1949 with respect to the utilization of local public agencies established by the States to operate on a statewide basis as a solution to community development or redevelopment problems in smaller communities; to the Committee on Banking and Currency.

(See the remarks of Mr. PAYNE when he introduced the above joint resolution, which appear under a separate heading.)

PROPOSED SPECIAL JOINT COMMITTEE ON BUSINESS-GOVERNMENT POLICY COOPERATION

Mr. JAVITS. Mr. President, I submit, for appropriate reference, a concurrent resolution to establish a 12-member Special Joint Committee on Business-Government Foreign Policy Cooperation. A companion measure is also being today introduced in the House of Representatives by Representative JAMES G. FULTON, of Pennsylvania.

The interests of the country and the interests of business itself dictate that our industrial establishment look upon the present Russian scientific and weapons challenge as tantamount to a war emergency and act accordingly.

This concurrent resolution calls for both business and the public to realize that the enlightened self-interest of the United States demands a new approach by the private economy to meeting the cold-war economic challenge of the Soviet Union.

In my view, sir, we are at present in what amounts to a war emergency, in view of the Russian scientific and weapons challenge, and we need to act accordingly.

The private economy of the United States represents 80 percent of American production. The private economy can make vital contributions to the foreign policy of the United States for peace through increased foreign private investments, foreign technical assistance, overseas information and education, training personnel for work overseas, encouraging tourism, and helping to staff higher educational facilities for engineers and scientists. The private economies of other nations in the free world can also make vital contributions to free world ideals and objectives.

The concurrent resolution provides for the committee to be composed of 6 members from the Senate and 6 from the House of Representatives and to submit its final report to the Congress by January 31, 1959. Not more than 6 of the 12 may be from the same political party.

The scope of the proposed committee is outlined by the concurrent resolution as follows:

(a) Conduct a study of the ways and means in which the role of the private sector of the national economy can be more effectively utilized in assisting the United States in its foreign policy efforts to promote world peace, and to encourage the establishment and preservation of free institutions and the progress of social, economic, and cultural development under them in foreign countries;

(b) Conduct a study of the extent to which the activities of the various departments, agencies, and instrumentalities of the Government, as well as of business and private voluntary organizations have been and may be coordinated to promote the foreign policy of the United States; and

(c) Transmit to the Congress, on or before January 31, 1959, a final report of its findings and conclusions resulting from such studies, together with its recommendations of ways and means by which the private economy may be more effectively utilized in assisting the United States in carrying out its foreign policy.

The PRESIDENT pro tempore. The concurrent resolution will be received and appropriately referred.

The concurrent resolution (S. Con. Res. 63) to establish a special joint Congressional committee to be known as the Special Joint Committee on Business-Government Foreign Policy Cooperation, submitted by Mr. JAVITS, was referred to the Committee on Foreign Relations, as follows:

Whereas the enlightened self-interest of the United States demands a new approach by the private economy of our Nation in meeting the cold war economic and social challenge of communism; and

Whereas our private economy can make vital contributions to the foreign policy of the United States for peace through increased foreign private investment, foreign technical assistance, overseas information and education, training personnel for work overseas, encouraging tourism, and helping to staff higher educational facilities for engineers and scientists and the private economies of other nations in the free world can also make vital contributions to free world ideals and objectives: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That there is hereby established a special joint Congressional committee to be known as the Special Joint Committee on Business-Government Foreign Policy Cooperation, to be composed of 12 Members as follows:

(a) Six members of the Senate, not more than 3 of whom shall be from the same political party, to be appointed by the President of the Senate, and

(b) Six Members of the House of Representatives, not more than 3 of whom shall be from the same political party, to be appointed by the Speaker of the House of Representatives.

SEC. 2. (a) Vacancies in the membership of the joint committee shall not affect the power of the remaining Members to execute the functions of the joint committee, and shall be filled in the same manner as in the case of the original selection.

(b) The joint committee shall select a chairman and a vice chairman from among its Members. In the absence of the chairman, the vice chairman shall act as chairman.

SEC. 3. It shall be the duty and function of the joint committee to—

(a) conduct a study of the ways and means in which the role of the private sector of the national economy can be more effectively utilized in assisting the United States in its foreign policy efforts to promote world peace, and to encourage the establishment and preservation of free institutions and the progress of social, economic, and cultural development under them in foreign countries;

(b) conduct a study of the extent to which the activities of the various departments, agencies, and instrumentalities of the Government, as well as of business and private voluntary organizations have been

and may be coordinated to promote the foreign policy of the United States as aforesaid; and

(c) transmit to the Congress, on or before January 31, 1959, a final report of its findings and conclusions resulting from such studies, together with its recommendations of ways and means by which the private economy may be more effectively utilized in assisting the United States in carrying out its foreign policy as aforesaid.

SEC. 4. (a) In carrying out its duties under this resolution, the joint committee or any authorized subcommittee thereof, is authorized to hold such hearings or investigations, to sit and act at such places and times, to require, by subpena or otherwise, the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, to procure such printing and binding, and to make such expenditures as it deems advisable.

(b) Subpenas may be issued over the signature of the chairman of the joint committee, or by any member designated by him or by the joint committee, and may be served by such person or persons as may be designated by such chairman or member. The chairman of the joint committee or any member thereof may administer oaths to witnesses. The provisions of sections 102 to 104, inclusive, of the Revised Statutes, as amended, shall apply in the case of any failure of any witness to comply with a subpena or to testify when summoned under authority of this section.

SEC. 5. (a) The joint committee is authorized to appoint and, without regard to the Classification Act of 1949, as amended, to fix the compensation of such experts, consultants, technicians, and clerical and stenographic assistants as it deems necessary or advisable. The joint committee is authorized to utilize the services, information, facilities, and personnel of the departments, agencies, and instrumentalities of the Government in carrying out its duties under this resolution.

(b) Members of the joint committee, and its employees and consultants, while traveling on official business for the joint committee, may receive whichever of the following the joint committee shall prescribe: the per diem allowance authorized to be paid to Members of Congress or its employees, or their actual and necessary expenses, as shown by an itemized statement of such expenses attached to the vouchers submitted by them.

(c) The cost of stenographic services to report hearings held by the joint committee shall not be in excess of the amounts prescribed by law for reporting the hearings of standing committees of the Senate.

SEC. 6. The joint committee may classify information originating within the committee in accordance with standards generally used by the executive branch for classifying restricted data or defense information.

SEC. 7. The joint committee shall keep a complete record of all committee actions, including a record of the votes on any question on which a record vote is demanded. All committee records, data, charts, and files shall be the property of the joint committee and shall be kept in the offices of the joint committee or other places as the joint committee may direct under such security as the joint committee shall determine in the interests of the common defense and security.

SEC. 8. Upon the submission of its final report to the Congress, the joint committee shall cease to exist and all authority conferred by this resolution shall terminate.

SEC. 9. The joint committee shall formulate and adopt rules of procedure designed to insure fair treatment of all individuals involved in any investigation conducted by the joint committee.

SEC. 10. The expenses of the joint committee, which shall not exceed $50,000, shall be paid from the contingent fund of the Senate upon vouchers signed by the chairman of the joint committee.

AMENDMENT OF REVISED STATUTES RELATING TO DEBTS DUE SMALL BUSINESS ADMINISTRATION

Mr. PAYNE. Mr. President, on behalf of myself, and my distinguished colleague, the senior Senator from Maine [Mrs. SMITH], I introduce, for appropriate reference, a bill to clarify the debt collection status of the Small Business Administration. I ask unanimous consent that the bill, together with a statement prepared by me explaining the purposes of the bill, be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and statement will be printed in the RECORD.

The bill (S. 3319) to make the provisions of section 3466 of the Revised Statutes inapplicable to debts due the Small Business Administration, introduced by Mr. PAYNE (for himself and Mrs. SMITH of Maine), was received, read twice by its title, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That section 205 (b) (2) of the Small Business Act of 1953 is amended by inserting before the semicolon a colon and the following: "*Provided*, That any debt due the Administration which is outstanding on or after the effective date of this proviso shall not be entitled to the priority available to the United States pursuant to section 3466 of the Revised Statutes (31 U. S. C. 191)."

The statement presented by Mr. PAYNE is as follows:

STATEMENT BY SENATOR PAYNE

This bill is designed to place the Small Business Administration in its proper category of priority as a creditor in regard to collection of outstanding debts. Currently the Small Business Administration is making use of the general credit priority of the United States Government and thereby claims precedence over all State and local tax debts in collection of defaulted loans. Under the proposed bill all tax liens including Federal, State, and local will take priority over SBA mortgage claims. Therefore, when a person or corporation goes bankrupt or is otherwise unable to meet its debts, tax liens will be paid from available assets before payment of debts to the Small Business Administration.

This modification is in accordance with custom and usage in this country where taxes have always taken precedence over debts. The fact that an agency of the United States Government is the creditor should not alter the situation. This legislation is necessary to clarify this debt precedence question and to assure fair treatment to States and localities when they must compete with the Small Business Administration for the remaining assets of a debtor. The need for this legislation is further supported by the fact that the Reconstruction Finance Corporation, predecessor to SBA in the government business loan field, was specifically prohibited by law from use of the priority of the United States in collection of its debts.

The courts without any direct legislative guide on this matter have not been wholly consistent in their findings in a wide variety of cases touching upon this question of priorities. It was through just such a case in the Maine courts where both the Small Business Administration and a Maine community (Eagle Lake) claimed priority for the assets of an insolvent lumber mill that the need for this clarification in the law was again raised.

This proposed legislation would correct an oversight in the original Small Business Act and will eliminate a field of legal controversy which has troubled many communities in recent years.

AMENDMENT OF HOUSING ACT OF 1949

Mr. PAYNE. Mr. President, I introduce, for appropriate reference, a joint resolution to amend section 101 (b) of the Housing Act of 1949 with respect to the utilization of local public agencies established by the States to operate on a statewide basis as a solution to community development or redevelopment problems in smaller communities. I ask unanimous consent that the joint resolution, together with a statement prepared by me explaining its purposes, may be printed in the RECORD.

The PRESIDENT pro tempore. The joint resolution will be received and appropriately referred; and, without objection, the joint resolution and statement will be printed in the RECORD.

The joint resolution (S. J. Res. 153) to amend section 101 (b) of the Housing Act of 1949 with respect to the utilization of local public agencies established by the States to operate on a statewide basis as a solution to community development or redevelopment problems in smaller communities, introduced by Mr. PAYNE, was received, read twice by its title, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

Whereas smaller communities throughout the Nation suffer from slum and urban blight in the same proportion as larger communities; and

Whereas only a small percentage of communities under 25,000 population have commenced slum clearance or urban renewal projects; and

Whereas the cost of establishing and maintaining a local public agency, as required by law, to direct community development and redevelopment is not proportionate to the size of the community involved and in smaller communities such cost is usually prohibitive; and

Whereas smaller communities should be allowed to enjoy the benefits of the Federal urban renewal program and should not be denied such benefits because of the relatively high cost of establishing and maintaining a local public agency; and

Whereas State officials have expressed a desire to create State agencies to direct community development and redevelopment activity in behalf of smaller communities within their jurisdiction: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That section 101 (b) of the Housing Act of 1949, as amended, is amended by adding at the end thereof a new sentence as follows: "The administrator shall particularly encourage the utilization of local public agencies established by the States to operate on a statewide basis in behalf of smaller communities within the State, whenever that arrangement provides an ef-

fective solution to community development or redevelopment problems in such communities, and is approved by resolution or ordinance of the governing bodies of the affected communities."

The statement presented by Mr. PAYNE is as follows:

STATEMENT BY SENATOR PAYNE

This joint resolution would extend the benefits of the Federal urban-renewal program to those localities which for reasons of size have been unable to undertake redevelopment projects. No matter how small the community the administrative requirements for participation in the Federal urban-renewal program are essentially the same as for large metropolitan areas. In many smaller communities urban blight exists in practically the same proportion as in larger cities but these smaller towns have on the whole been unable to get an urban-renewal project off the ground. The reason for this is that they cannot afford the very high cost of establishing and maintaining a local authority to direct renewal work. Because of the requirements for Federal participation these costs are very much the same for a small town as for a large city.

Small cities and towns in Maine and elsewhere have evidenced a great deal of initial enthusiasm for the program, but have lost interest when faced with the heavy costs necessary to complete the planning and final execution of the urban redevelopment work. Why should these localities be squeezed out of a program which is designed to assist all urban areas both large and small and which is paid for by all the taxpayers? I have long felt that every effort should be made to see that these communities were given an opportunity to actively participate in the program.

The hearings of the Housing Subcommittee in Portland last December focused attention on the fact that the cities and towns of Maine, like most in New England, were planned more than a century ago. This, combined with the age and obsolescence of dwellings, is contributing to the economic decline of these communities.

Based on the information submitted to the subcommittee in Portland it is apparent that urban renewal legislation and procedures should be modified so as to permit easy application to the small city or town. Specifically, title I should be modified to permit the establishment of urban redevelopment and renewal authorities on a State level so as to act on behalf of small cities and towns in urban renewal programs.

The Portland housing hearings form the basis for the proposed legislation which I am introducing today. The approval of communities affected would be required, but thereafter the State agency could take over the planning and administrative work necessary to commence and carry through the urban renewal projects. The overall economies which could be realized by a statewide urban renewal agency are obvious and yet such an agency would be close enough to the local situation to properly evaluate the requirements of each community in the program. In a State such as Maine where the population is predominantly located in smaller communities this program would be especially desirable.

The value of this proposed legislation to smaller cities and towns across the Nation cannot be overstated. As a member of the Housing Subcommittee of the Senate Banking and Currency Committee, I shall actively urge the favorable consideration of this proposal. It is my sincere hope that the principle of having State agencies act for local communities will be adopted this year so that the benefits of sound urban renewal can be extended to all communities affected by urban blight.

EXEMPTION FROM TAX IMPOSED ON CERTAIN ADMISSIONS—AMENDMENTS

Mr. JAVITS. Mr. President, on behalf of myself, and my colleague, the senior Senator from New York [Mr. IVES], I submit amendments, intended to be proposed by us, jointly, to the bill (H. R. 8794) to provide an exemption from the tax imposed on admissions for admissions to certain musical performances. I ask unimous consent to have printed in the RECORD a memorandum pertaining to the amendments.

The PRESIDENT pro tempore. The amendments will be received, printed, and lie on the table; and, without objection, the memorandum will be printed in the RECORD.

The memorandum presented by Mr. JAVITS is as follows:

MEMORANDUM RE ADMISSION TAX PROBLEM OF NEW YORK CITY CENTER OF MUSIC AND DRAMA

I. DESCRIPTION OF THE CITY CENTER

The New York City center is a nonprofit corporation organized in 1943 under the sponsorship of the city of New York for the purpose of presenting a diversified program of educational and cultural activities at the lowest possible prices.

In its 14 years of existence it has surpassed the expectations of even its most enthusiastic sponsors. It has presented the best in drama, opera, light opera, and ballet. It conducts classes and workshops for young actors, singers, and dancers. It conducts an art gallery where the works of young artists have been displayed.

It has been a leading ambassador of good will on behalf of the United States throughout the world. Its ballet company has already made five tours of Europe, and the State Department has scheduled it for a 5 months' tour of the Far East during 1958. Its light opera company has been asked to represent the United States at the World's Fair in Brussels in 1958.

While the very best performers, writers, and composers have been presented by the center, it has also gone out of its way to give young American artists an opportunity to perform and become known.

It has accomplished all this at prices set as low as solvency will allow. Indeed, most of its seasons have resulted in substantial deficits which were made up by contributions from the public and friends.

II. ADMISSION TAX PROBLEM

Admission taxes have not been collected at the center since 1951. The center had claimed to be exempt under section 4233 (a) (1) (A) (v) of the code as an organization operated for the purpose of conducting an annual chautauqua program of educational, cultural, and religious activities at a permanent location. Early this year, the Internal Revenue Service finally ruled that the center was not entitled to exemption under this paragraph. It based its ruling upon the fact that the center did not conduct religious activities and the statute required educational, cultural, and religious activities. The Service, however, did allow the center an exemption for its opera and ballet programs under section 4233 (a) (3) of the code, which provides for the exemption of concerts given by nonprofit civic or community membership associations.

This leaves the center with a most serious problem on its drama and light opera performances—the most profitable portions of the repertoire. If it imposes the tax, as the Service would require, the increased price of the ticket would decrease patronage below the point of survival. Similarly, it is unable to absorb the tax itself and maintain the current price of the ticket. Legislative relief is the only answer to its problems.

III. PENDING LEGISLATION AND RELIEF REQUESTED

During the last session of Congress, the House unanimously passed H. R. 8794, jointly sponsored by Congressmen KARSTEN and CURTIS of Missouri, amending section 4233 (a) (3) of the code to apply to musical performances generally instead of just to concerts (CONGRESSIONAL RECORD, vol. 103, pt. 11, p. 15069). In explaining the bill Chairman COOPER, of the Ways and Means Committee, stated:

"In administering the admission taxes, the Internal Revenue Service has recently held that the term 'concerts' does not include musical comedies or reviews, with the result that such performances, when conducted by otherwise exempt organizations, are subject to the admissions tax. The Internal Revenue Service's interpretation has resulted in the anomalous situation wherein light operas are treated as 'concerts,' and musical comedy performances as dramatic presentations subject to the tax. By substituting the term 'musical performances' for the word 'concerts,' H. R. 8794 will provide a more certain basis for administration."

It is of interest to note that since the adjournment of Congress the center has obtained a ruling from the Internal Revenue Service that the musical "Carousel" qualifies as a "concert" under the code. It is obvious that the present statute does not provide a clear standard under which the Service and taxpayers can operate with certainty.

This highlights the action of the Ways and Means Committee. As was described in its report on H. R. 8794 (H. Rept. No. 1159) the problem concerned derives from the Revenue Service definition of a "concert." The pending proposed amendment substitutes for the word "concert" the words "musical performance." It is difficult to see how the problem of definition has been greatly improved. "Musical performances" clearly include more than "concerts," but a new and much similar problem is created with respect to the meaning of the former term. The problem appears likely to reduce itself to the question of what proportion of a production must be musical and what portion may be merely spoken. It seems certain that an arbitrary line will again be drawn under the proposed amendment.

This problem can be removed by providing an exemption for performances put on by such exempt organizations, whether they be musical or spoken. This will remove the question of definition and will involve only a negligible loss of revenue.

H. R. 8794 is now before the Senate for action. The center would like to note its support of this legislation. It clearly eliminates any further problem on its light opera performances.

The center further respectfully requests that the H. R. 8794 be amended to cover "musical or dramatic performances." There is no basis for drawing a line of distinction between musical and dramatic performances presented by a nonprofit civic or community membership association. The basic intent of Congress is to assist such associations in carrying on their activities. These associations should not be restricted in the type of fare they can offer their communities. There is no reason why musical performances should be favored over dramatic performances. Certainly, no general distinction can be drawn that musicals have greater artistic, educational, moral, or entertainment value than drama. Both should be included within the scope of the exemption to help such associations better fulfill their purposes and provide better service to their community.

To pass the bill in its present form would unnecessarily limit the opportunities for young actors, actresses, and playwrights of America and retard the growth and improvement of American theater.

It is believed that the enactment of the bill with the proposed amendment would have only nominal effect on Federal revenues. The number of associations affected is extremely limited and the volume of receipts exempted small.

PROPOSED EXTENSION OF FEDERAL SAFETY INSPECTION PROGRAM TO ALL COAL MINES—ADDITIONAL COSPONSORS OF BILL

Mr. HOBLITZELL. Mr. President, I ask unanimous consent that my name may be added as a cosponsor of the bill (S. 3290) to amend the Federal Coal Mine Safety Act in order to remove the exemption with respect to certain mines employing no more than 14 individuals, introduced by the Senator from Pennsylvania [Mr. CLARK], for himself and other Senators, on February 17, 1958.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. REVERCOMB. Mr. President, recently the distinguished junior Senator from Pennsylvania [Mr. CLARK] introduced a bill to amend the Federal Coal Mine Safety Act so as to provide further for the prevention of accidents in coal mines, and he very kindly invited me to be a cosponsor of that bill with him, which I am glad to do.

I was a Member of the Senate when the original coal-mines safety measure was passed. I advocated passage of the bill at that time, and was glad to see it enacted into law.

There is a provision existing, however, which provides that in mines which employ less than 14 men the safety inspections do not apply. The purpose of the proposed amendment to the act is to make certain that all mines, regardless of size, are subject to Federal inspection.

I am informed, Mr. President, that the small mines produce approximately 7 percent of the coal, but those persons who work within them have suffered 24 percent of all accidents happening in coal mines. If that statement is a fact and is correct, it certainly warrants the passage of the measure which has been introduced.

Mr. President, I ask unanimous consent that I may be listed as one of the cosponsors of the bill when it is reported to the Senate.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. HUMPHREY:

Address delivered by him before annual meeting of Minnesota State Association of Student Councils, Thief River Falls, Minn., November 8, 1957.

By Mr. PROXMIRE:

Statement by him concerning right of the blind to self-expression and organization.

By Mr. GORE:

Address delivered by Representative HAROLD D. COOLEY, chairman, House Committee on Agriculture.

By Mr. DOUGLAS:

Articles on the effort to have the natural gas bill enacted, published in the Oil and Gas Journal for February 17, 1958; and statement by him on the same subject.

NOTICE CONCERNING CERTAIN NOMINATIONS BEFORE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

Paul Johnson, of Oklahoma, to be United States marshal for the eastern district of Oklahoma for a term of 4 years—reappointment.

Harold Sexton, of Oregon, to be United States marshal for the district of Oregon for a term of 4 years—reappointment.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Thursday, February 27, 1958, any representations or objections they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearings which may be scheduled.

NOTICE OF HEARING ON NOMINATIONS OF ANNA L. ROSE HAWKES AND ARTHUR HOLLIS EDENS TO BE MEMBERS OF THE UNITED STATES ADVISORY COMMISSION ON EDUCATIONAL EXCHANGE

Mr. GREEN. Mr. President, as chairman of the Committee on Foreign Relations, I desire to announce that the Senate received today, the nominations of Anna L. Rose Hawkes, of Vermont, and Arthur Hollis Edens, of North Carolina, to be members of the United State Advisory Commission on Educational Exchange for terms of 3 years, expiring January 27, 1961. Both are reappointments.

Notice is given that the nominations will be eligible for consideration by the Committee on Foreign Relations at the expiration of 6 days, in accordance with the committee rule.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, February 20, 1958, he presented to the President of the United States the enrolled bill (S. 652) for the relief of the Thomas Cruse Mining & Development Co.

DEATH OF FORMER SENATOR HERBERT E. HITCHCOCK, OF SOUTH DAKOTA

Mr. CASE of South Dakota. Mr. President, this afternoon, in the city of Mitchell, S. Dak., funeral services will be held for former United States Senator Herbert E. Hitchcock, who was a Senator from the State of South Dakota in the 75th Congress.

Senator Hitchcock and I entered the Congress together, I might say. He was appointed to succeed the late Senator Peter Norbeck. The death of Senator Norbeck occurred in December 1936, so with the opening of the 75th Congress, 1st session, in 1937, Senator Hitchcock and I entered the Congress together.

Senator Hitchcock was 90 years old at the time of his passing. It was a sudden, unexpected death, from a heart attack. He was undergoing a routine checkup at the hospital, when he suddenly slumped over and passed away.

Senator Hitchcock was one of the outstanding citizens of South Dakota. For many years he was president of the board of education in his own home city. He took a great interest in civic affairs generally. He was a great friend to my alma mater, Dakota Wesleyan University. He was very highly regarded as an outstanding member of the South Dakota State Bar.

The Senator from New Mexico [Mr. ANDERSON] has told me that for over 60 years Herb Hitchcock was the attorney for the family of Mrs. Anderson, a family with considerable property, and Mr. Hitchcock was regarded as a man who could be trusted whether one was there to work with him every day or not.

I know the Senator from New Mexico [Mr. ANDERSON] desires to join with me in paying tribute to former Senator Hitchcock's memory at this time. I saw the Senator from New Mexico this morning and he told me he had an unavoidable engagement downtown at this moment, but he would like to have permission to have his remarks printed in the RECORD in conjunction with my statement.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. CASE of South Dakota. I yield to the Senator from Texas.

Mr. JOHNSON of Texas. I should like to join my colleague from South Dakota in paying tribute to the late Senator from his State. Former Senator Hitchcock served in the Senate during the 75th Congress, and I think was known as Mr. South Dakota Democrat. He served three terms in the State legislature, and he served as a Democratic national committeeman. He was a delegate to seven Democratic National Conventions.

I know my colleagues will all join me in expressing my deep regret over the passing of Mr. Hitchcock. We are consoled, however, by the full, long, and rich life of service that Senator Hitchcock enjoyed.

I should like to be associated with the very generous statement of my colleague from South Dakota, who is always considerate and thoughtful.

Mr. CASE of South Dakota. Mr. President, I am glad to have the distinguished majority leader join in my remarks. It is true that Herb Hitchcock was known as Mr. South Dakota Democrat, but I wish to say, as a Republican, that he enjoyed the respect and admiration of people of all parties.

Mr. ANDERSON subsequently said: Mr. President, the news of the death of former Senator Herbert Hitchcock was a severe blow to my wife and me. Several

years ago, in reading a family diary, I came across these words:

Herbert Hitchcock rode his horse out to the farm today.

That was in 1881.

Herbert Hitchcock became the attorney for my wife's grandfather, the late Stuart F. Goodykoontz, president of the then First National Bank of Mitchell, in about 1890. I had my first legal dealing with him in 1922. He looked after property for us for 35 years and for my wife's family for nearly 70 years. No man could have been more faithful to his trust or helpful to his clients than he was, and I would have trusted him with my very life.

In his death, the State of South Dakota has lost a fine character and a man whose memory will always be held in high esteem by those who knew him and by those who were fortunate enough to have been served by him.

TOBACCO PRICE SUPPORT CUT REJECTED

Mr. COOPER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a news release from the Kentucky Farm Bureau Federation dated February 17, 1958, and a news release of the Tobacco Subcommittee of the Committee on Agriculture of the House of Representatives, dated February 18, 1958.

There being no objection, the news releases were ordered to be printed in the RECORD, as follows:

[From the Kentucky Farm Bureau Federation of February 17, 1958]

NATIONAL FARM BUREAU PRESIDENT REAFFIRMS SUPPORT OF TOBACCO PROGRAM

LOUISVILLE, February 17.—In a statement released here today, Charles B. Shuman, president of the American Farm Bureau Federation, has reaffirmed that organizations' support of the 90-percent price support and acreage control program for burley tobacco.

Making it clear that the National Farm Bureau organization does not endorse the recent recommendations of the Eisenhower administration, which call for a change to a flexible price support system for tobacco, Shuman says the AFBF supports the present tobacco program because of the special situation existing with regard to production and marketing of tobacco, and because of the seeming willingness of producers to adjust the acreage to effective market demands.

Addressing some 64 county farm bureau presidents assembled here for the 1958 Farm Bureau presidents' conference, Shuman said that "the American Farm Bureau Federation recognizes that the many differences existing between commodities necessitate varied approaches to the problems of each commodity. Some producer groups are more favorably disposed toward production controls and price supports than others."

Shuman referred to the official policy resolutions adopted by the State voting delegates at the National Farm Bureau convention last December, and said that most farmers believe that price support levels should take account of competitive conditions, supply and demand, and market trends. They should not be based on arbitrary formulas nor left to the discretion of the Secretary of Agriculture.

While the Farm Bureau will continue to support the tobacco program at the national level for the present, Shuman pointed to some of the problems facing the burley industry, and pointed out that acreage controls had not been effective in controlling production of burley leaf. He called upon burley producers to give serious study to these problems and make recommendations in the future that will cope with the changes that are taking place in agriculture.

TOBACCO PRICE SUPPORT CUT REJECTED

UNITED STATES
HOUSE OF REPRESENTATIVES,
COMMITTEE ON AGRICULTURE,
Washington, D. C., February 18, 1958.

The Tobacco Subcommittee of the House Committee on Agriculture voted unanimously today to reject the President's proposal that price supports on tobacco now at 90 percent of parity be put on a flexible support system at 60 to 90 percent of parity.

Subsequently, Chairman HAROLD D. COOLEY, of the Committee on Agriculture, said, "I am positive that the subcommittee's action has killed the administration's proposal to reduce the price supports on tobacco. Tobacco farmers now can rest easy."

Tobacco is supported by law at 90 percent of parity.

The President's farm message to Congress in January proposed that tobacco and other major basic crops—wheat, corn, cotton, etc.—be put on a flexible support system at 60 to 90 percent of parity. The other basic crops now are supported at 75 to 90 percent of parity. The President proposed to lower the legal level for supports on all the major crops.

"If we followed the administration's recommendation for tobacco," Mr. COOLEY said, "overproduction of tobacco would bankrupt our farmers."

The subcommittee action came in the form of a resolution to recommend to the full committee that no change be made in the 90-percent support price for tobacco. Representative WATKINS M. ABBITT, of Virginia, is chairman of the subcommittee.

Mr. COOLEY said the tobacco program has been one of the most successful of all farm programs. He pointed out that farmers have voted repeatedly to cut down their acreages, to hold production in line with market requirements. Moreover, he emphasized that the program has not resulted in losses to the Government.

Mr. COOPER. The news release of the Kentucky Farm Bureau Federation reports the speech of Charles B. Shuman, president of the American Farm Bureau Federation, before 64 county farm bureau presidents. In his address Mr. Shuman said that the American Farm Bureau Federation supported the present tobacco program "because of the special situation existing with regard to production and marketing of tobacco, and because of the seeming willingness of producers to adjust the acreage to effective market demands."

It is quite significant to note that on the day following, February 18, the Tobacco Subcommittee of the Committee on Agriculture of the House of Representatives voted unanimously for a motion that 90-percent support prices for tobacco be maintained.

I believe the Senate Committee on Agriculture and Forestry will take action similar to that initiated in the House committee. I have written the chairman of the committee, the distinguished senior Senator from Louisiana [Mr. ELLENDER], and the chairman of the appropriate subcommittee, the Senator from South Carolina [Mr. JOHNSTON], urging such action.

I have no doubt that the present program of 90-percent support prices for tobacco will be maintained by the Congress. The action of the House committee, followed, as I hope it will be, by action of the Senate Committee on Agriculture and Forestry, expressing support of the present program, will give new assurance and confidence to tobacco growers.

I also ask unanimous consent, Mr. President, that there be printed in the RECORD a statement showing the results of the latest referendums on the tobacco program by tobacco growers themselves, which point out their overwhelming support of the present program.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

RESULTS OF THE GROWER REFERENDUMS HELD TUESDAY, FEBRUARY 18, IN KENTUCKY, TENNESSEE, AND VIRGINIA ON DARK FIRED AND DARK AIR-CURED TOBACCO

This latest referendum on the tobacco program is the first on any except cigar types since 1955. It is the most recent indication of how growers feel about their program.

Despite zero temperatures at all polling places—in fact, the worst election-day weather in 20 years, when even the tobacco markets had closed due to weather—growers came out in unusual numbers to reaffirm their faith in the present tobacco program and record their desire to continue it by the following vote:

	For	Against	Majority
			Percent
Fire-cured tobacco:			
Kentucky	3,274	98	97.1
Total, Kentucky, Tennessee, Virginia	7,837	330	95.9
Dark air-cured tobacco:			
Kentucky	6,298	181	97.2
Total, Kentucky, Tennessee	7,935	291	96.5

This overwhelming record of support by the tobacco farmers themselves was made in the face of cuts in their allotments, which no grower likes to take, for 2 successive years. Acreage for both types was just cut by 10 percent for 1958; last year dark fired allotments were reduced 10 percent, dark air-cured, 15 percent.

This again demonstrates the continued willingness of growers to make the sacrifices necessary to keep their program sound, and their ability to maintain production in line with consumption—as the President recognized in his 1954 message to the Congress.

FEDERAL FUNDS FOR EDUCATION IN THIS YEAR'S BUDGET ARE LESS THAN IN PREVIOUS YEARS

Mr. NEUBERGER. Mr. President, I have mentioned before, the fact that the deeds of this administration so seldom square with its words. The proper words frequently are followed by the wrong deeds. So it is, alas, with aid to education at the various levels of schooling in America. Schools do not fare well in this budget.

After all of the fine oratory by President Eisenhower, Vice President Nixon, and Secretary Folsom about vast and massive aid to education, the budget has labored and brought forth a very small mouse, a pygmy mouse.

Although it is difficult to believe, the proposed budget for fiscal 1959 contains fewer funds for education than the current budget contained when it was sent to Congress in January of 1957, 1 year ago. School construction has been jettisoned.

Dr. William G. Carr, executive secretary of the National Education Association, largest school organization in America, has pointed out that—

> The 1959 budget proposed less than the 1958 budget. The 1958 budget contained $451 million for grants and loans for school construction, with $325 million in direct grants to the States, contingent on passage of a school-construction bill. The 1959 budget contains nothing for school construction.

Speaking for my own State of Oregon, I can safely and categorically declare that the need for Federal school aid is as great as ever, if not greater. Yet the 1959 budget proposes $212 million for school assistance in federally affected areas, as contrasted with $230 million in the fiscal 1958 budget. Oregon includes numerous such areas, where various Federal activities have added to the local school load. These are at The Dalles, Hermiston, Astoria, and elsewhere.

Some 3,300 school districts in the Nation have been receiving this Federal school aid, because of the fact that 3 percent of the pupils in daily attendance are the sons or daughters of workers employed at Federal plants or projects. I have mentioned a few Oregon communities thus affected. Yet, right at a time when the President has proposed huge increases in defense expenditures, the funds for school aid in federally impacted areas are curtailed. Such action seems in direct contradiction of the growing needs of the hour.

For these reasons I am glad that, as early as January 23, 1957, I introduced in the Senate the Federal-aid-to-school-construction bill originally authored by the late Representative Augustine Kelley of Pennsylvania. This measure is still pending before the Senate. It is S. 777. I think it is even more essential now than on the day when I first introduced it. Its basic features would provide for $600 million a year Federal assistance to school construction for 5 years.

OREGON SCHOOLS HAVE FELT EFFECT OF ECONOMIC SLUMP

Unfortunately, Oregon has been hit by the highest unemployment rate in the Nation, due to the adverse impact of tight money on the lumber industry. This has imposed painful financial screws on State and local financing, and it has made it very difficult for school boards and school administrators to persuade voters that they should approve school-bond issues. The task of persuasion has not been made easier by the soaring rate of interest on such bonds, which is another result of administration policy in the field of credit. High interest rates make all school buildings more costly.

I am particularly puzzled by the administration's abandonment of the school-contruction program because, while 70,000 classroms are being erected annually, the need is for approximately 140,000. Our school population is growing at the rate of 1 million a year. The $3 billion spent every 12 months on new schools has not been adequate to keep up with the demand. Where else can further funds be obtained except through Federal sources?

Yet the administration has not sought to renew its former program for Federal aid to school construction. Mr. President, I am a Senator who believes that scientific attainments in graduate schools and laboratories will never be consistent or sustained unless education is adequate in our grade schools and high schools. I doubt if men like Einstein or Fermi or Newton or Teller or Curie or Oppenheimer could have done what they did unless they had received effective and thorough schooling from the hour of their first enrollment.

FOUR HUNDRED AND SIXTY MILLION DOLLARS THIS YEAR VERSUS FIVE HUNDRED AND THIRTY-THREE MILLION DOLLARS LAST YEAR

The men who crack the atom, who probe the marvels of radium, who try to unlock the mysteries of human tissue, who peek at the riddle of time and space and matter—such men are not merely products of medical schools or scientific foundations. They also are products of elementary schools, of high schools, and even perhaps of kindergartens and nursery schools. If we neglect the very beginnings of education, how can we feel we have done right by advanced education? That is why I urge the administration to restore to this inadequate fiscal 1959 budget its jettisoned proposals in the field of classroom construction for all 48 States of the Union. Education starts in the first grade, not in a graduate school.

The breakdown of educational expenditures proposed by the President in the administration budget for fiscal 1959, as compared with fiscal 1958, is most revealing. This is that comparison:

Fiscal 1958

	Million
School construction aid	$185
Assistance to Federal areas	230
Vocational education	41
Other	77
Total	533

Fiscal 1959

	Million
Scholarship and teaching grants	$128
Assistance to Federal areas	212
Vocational education	41
Other	79
Total	460

Thus, Mr. President, it is made disturbingly evident that the administration speaks fervently in favor of improved education but actually pares its own earlier proposals in the field of education, when budget requests are made. This certainly reduces to a mockery all the fine and eloquent promises in such a vital realm. I believe that deeds should emulate words, not that words should be employed as a substitute for deeds. Children cannot be educated with political oratory. Education requires school buildings, programs, teachers, and administrators. These, in turn, require funds and appropriations.

So that my colleagues may read the thoughtful words of a noted educational authority on the issues I have described, I ask unanimous consent to have printed in the body of the RECORD an article from the New York Times of January 19, 1958, by its education editor, Dr. Benjamin Fine. Title of Dr. Fine's article is "Federal Budget Provides Less Support for Schools Than Had Been Expected."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FEDERAL BUDGET PROVIDES LESS SUPPORT FOR SCHOOLS THAN HAD BEEN EXPECTED

(By Benjamin Fine)

President Eisenhower's budget message to Congress disappointed many of the Nation's top educational leaders. They were disturbed that less Federal funds are proposed for schools than were asked last year. In particular, they are concerned over the lack of any provision for school-construction funds while it is becoming increasingly difficult to raise money on the local level. The President had asked for a federally aided school-construction program in the previous 3 years.

In a message last year President Eisenhower said: "Of all the problems in education, one is most critical. In 1955 and again last year I called attention to the critical shortage of classrooms in many communities across the country. * * *

"With Federal help the States and communities can provide the bricks and mortar for school buildings and there will be no Federal interference with local control of education. * * * The need for Federal assistance in eliminating this shortage is not theory but demonstrated fact."

PROBLEM STILL CRITICAL

Has this "critical" problem decreased during the past year, educators are asking. They do not think so. The latest figures, from responsible sources in Washington, show that the building shortage is still with us. The Nation's school population is growing at the rate of more than 1 million a year. The rate of construction, even though it has now just about reached $3 billion a year, or double what it was less than 10 years ago, has not been able to keep up with the demands for new buildings and the elimination of obsolete ones.

In the current school year, approximately 70,000 classrooms are being built, at a cost of $2.9 billion. Yet, it is estimated, some 140,000 classrooms are still needed. According to Dr. Ray Hamon, chief of the school housing section of the United States Office of Education, the Nation needs an additional 35,000 classrooms a year to take care of increased enrollments, and another 20,000 to replace outmoded and obsolete buildings.

"With a continuing need of 55,000 classrooms a year, it will require a tremendous effort by the States to keep up this building pace, and at the same time reduce the backlog of school construction needs," Dr. Hamon said.

In his budget message, President Eisenhower said that local communities should do more to support education.

"Every community in our country should do its level best, and if possible more than is now being done, to provide better education for the growing number of students," President Eisenhower said. "A good deal * * * can be achieved by acquainting the boards of education, superintendents, teach-

ers, parents, and pupils with the needs the country faces."

But are the local communities doing this? The answer, it appears, is an unhappy no. A growing number of bond issues for school construction have been voted down.

The Investment Bankers Association in Washington started to keep records on school bond votes in 1956. It has comparative figures for the last 4 months in 1956 and the last 4 in 1957.

From September through December 1956, the voters approved $851 million in bond issues and disapproved $58 million, for an approval rate of 93.6 percent. During the same period in 1957, the voters approved $565 million in bond issues for school construction and disapproved $138 million, for a total approval of 80.3 percent.

New York State has a much poorer record than the national average. Figures supplied by Arthur Levitt, State controller, point up increasing voter resistance to school construction:

For the first 4 months of 1956, the total dollar value of bonds approved was $27,991,300, while the amount rejected was $1,572,000. However, for the similar period in 1957, the approvals amounted to $29,503,895 and the rejections were $29,976,000. Thus, more than half of all proposals for school construction funds were turned down.

The rate of rejections continued high throughout last year. From April through December 1957 the voters approved bond issues for school construction valued at $69,982,512 and disapproved bonds valued at $69,458,500.

CRITICAL COMMENT

"The proposed 1959 budget does not provide an adequate minimum Federal program to strengthen education," said Dr. William G. Carr, executive secretary, National Education Association.

In common with other spokesmen for the Nation's public schools, Dr. Carr had expected a substantial boost in Federal funds this year. The NEA has proposed a minimum of $1 billion a year for Federal assistance, to be increased to more than $4 billion within 5 years.

"The 1959 budget proposes less than the 1958 budget," Dr. Carr said. "The 1958 budget contained $451 million for grants and loans for school construction, with $325 million in direct grants to the States, contingent on passage of a school-construction bill. The 1959 budget contains nothing for school construction * * *.

"The NEA urges substantial Federal undergirding of the financial structure of public education. It believes State education agencies should be allowed to allocate Federal funds between construction and teacher salaries. The NEA's proposal is a Federal payment to the States of $25 per child, rising to $100 per child within 5 years," Dr. Carr said.

BOYCOTT OF AMERICAN CITIZENS OF JEWISH FAITH BY THE ARAB LEAGUE

Mr. JAVITS. Mr. President, I wish to invite the attention of Senators to the fact that the presidents of 17 organizations of the American Jewish community have just made a public protest against a systematic boycott and blacklisting of American businesses and citizens by the Arab League actually being carried out by Arab countries against businesses or citizens which maintain business connections with Israel or with firms in Israel. The boycott also applies to American citizens of Jewish faith without qualification.

This is a question far beyond the activities of these organizations or indeed of Arab-Israel relations. It goes to the question of the freedom of commerce from such unjust restrictions as to run counter to international law, the practice of nations and the United Nations Charter. It is this kind of discrimination which in another day and age evoked a vigorous and historic reaction against the Bey of Tunis in the early days of the last century and in the latter part of the last century caused our Government to make the strongest representations to the Imperial Russian Government against similar practices.

The Senate in a resolution unanimously adopted in July 1956, aroused by this very practice of boycott and blacklisting, condemned religious discrimination against Americans by foreign countries.

Early in 1953 our Government lodged a formal protest with all the governments concerned against the Arab League economic boycott on trade and commerce with Israel, which had been tightened at the end of 1952. Since that time our Government has lodged several general formal protests with particular governments and our embassies have been understanding instructions to bring to the attention of the Arab governments from time to time the question of discrimination against Americans because of religious affiliation. More effective action by our Government is yet needed.

I invite the attention of Senators to the fact that the Government of the Federal Republic of Germany has consistently refused to yield to Arab threats to cease business with Israel and to cut off reparations to Israel; also that Holland, France, and Switzerland have denounced the Arab boycott and instructed their nationals not to answer questionnaires circulated to chambers of commerce and individual companies by the Arab League inquiring whether specified companies were controlled by or employed Jews.

I appreciate the difficulties involved and the trying nature of our relations with Arab governments. We have refused to allow them to make enmity to Israel the price of friendship with them. Actions so discriminatory against commerce and so violative of international law and our own tradition as this systematic boycott and blacklisting of any American enterprise doing business with Israel or any American enterprise of which an American of the Jewish faith is a part are intolerable and not within the context of understandable relationships in a civilized world. Accordingly, I am asking both the Committee on Foreign Relations and the Committee on Interstate and Foreign Commerce to look into this question so that we may have all the facts; also, I shall make further investigation of the details myself and return to the Senate with a report in detail as soon as possible.

Mr. President, I ask unanimous consent to have the statement of the presidents of the 17 Jewish organizations printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

A STATEMENT BY THE PRESIDENTS OF MAJOR AMERICAN JEWISH ORGANIZATIONS

The Arab blockade and boycott of Israel has now been extended by the Arab League to a systematic boycott and blacklisting of any American enterprise that maintains permanent business connections with Israel or with Israeli firms and indeed to a worldwide effort to boycott any business owned by Jews.

The Arab League maintains a public blacklist of American and other companies that invest in Israel, maintain branches, assembly operations or distribution outlets there, or that license patents for Israeli use.

American vessels that stop at Israeli ports are denied permission to make calls at Arab ports.

American planes that land in Israel are forbidden to fly over Arab territories.

No American is permitted to enter an Arab land from Israel except on official business.

Americans who are Jews are a special target of the Arab boycott. Saudi Arabia, particularly, refuses to allow the Arabian-American Oil Co., or other concessionaires to employ Jews for work in Saudi Arabia. Most Arab League States refuse visas to Jewish travelers and some refuse to allow Jews to land even in transit. Saudi Arabia has prevailed upon our Government to screen American military, diplomatic and civilian personnel so that no Jew is assigned to the United States airfield at Dhahran.

In July 1956, the United States Senate, in a resolution adopted unanimously, condemned religious discrimination against Americans by foreign countries. Our Government, however, not only has failed to voice vigorous objection to this discrimination but in fact thereafter renewed the discriminatory Dhahran agreement. As a result, American Jews are no longer equally protected in their rights of citizenship.

The Arab League has been circulating questionnaires to chambers of commerce and individual companies throughout the world inquiring whether specified companies were controlled by Jews or employed Jews.

Holland, France and Switzerland have denounced the Arab boycott and have instructed their nationals not to answer such questionnaires. West Germany has refused to yield to Arab threats to cease business with Israel. Our own Government, however, thus far has taken no public stand against the boycott.

The Arab boycott has been described recently by the Secretary General of the United Nations as a deadweight upon the efforts of the U. N. to achieve peace in the Middle East. The boycott is a chronic source of conflict which undermines American efforts to allay tensions in that area.

The Arab boycott of Americans is international intimidation; it thrives on appeasement and capitulation. We are confident that Americans deplore the Arab boycott and will want to resist this impairment of the rights and privileges of American citizenship. We are confident, too, that if the United States Government would strongly oppose this international blackmail and medieval bigotry, the Arab boycott against Americans inevitably would end.

In the light of the foregoing, we, the undersigned, declare our repugnance of the Arab boycott and urge all commercial firms to resist it with every legal means at their command. At the same time, we express our firm hope that our own Government

will prohibit racial or religious discrimination against American citizens in the administration of any treaties or executive agreements to which it affixes its signature.

Dr. Philip S. Bernstein, Chairman, American Zionist Committee for Public Affairs; Mrs. Moise S. Cahn, President, National Council of Jewish Women; Benjamin H. Chasin, National Commander, Jewish War Veterans of the United States; Pinchas Cruso, Chairman, Central Committee, Labor Zionist Organization of America; Dr. Maurice N. Eisendrath, President, Union of American Hebrew Congregations; Moo Falikman, Chairman, American Trade Union Council for Labor Israel; Moses I. Feuerstein, President, Union of Orthodox Jewish Congregations of America; Dr. Mirian Fround, President, Hadassah, The Women's Zionist Organization of America; Dr. Israel Goldstein, President, American Jewish Congress; Mrs. Rose L. Halprin, Acting Chairman, Jewish Agency for Israel; Adolph Held, Chairman, Jewish Labor Committee; Bernath L. Jacobs, President, United Synagogue of America; Philip M. Klutznick, President, B'nai B'rith; Rabbi Irving Miller, Chairman, American Zionist Council; Dr. Emanuel Neumann, President, Zionist Organization of America; Rabbi Isaac Stollman, President, Religious Zionists of America, Mizrachi-Hapoel Hamizrachi; David L. Uliman, Chairman, National Community Relations Advisory Council.

BRIG. GEN. CHARLES D. JONES AND MAJ. JESS H. GIFFORD

Mr. STENNIS. Mr. President, earlier this month the Air Force informed my office that Brig. Gen. Charles D. Jones, Assistant Chief of Legislative Liaison, and Maj. Jess H. Gifford, his accompanying pilot, were to be presumed dead. Only my unavoidable absence from Washington prohibited me from making these remarks at that time.

The Air Force has now confirmed that Brig. Gen. Charles D. Jones and Maj. Jess H. Gifford are assumed deceased as a result of the crash of a B–57 jet bomber returning to Andrews Air Force Base. It is tragic to consider that two lives so packed with danger and hazardous duty, should end on such a note. Because of the great service which they rendered their country, I wish now to pay tribute to them.

In the case of Brig. Gen. Charles D. Jones, the State of Mississippi and the Air Force have lost a noble son and an outstanding leader.

General Jones was born in Jackson, Miss., and never lost any of his original devotion to his native State. He remembered it well even while he was a student in the University of Notre Dame where he graduated in 1932. And I am sure that he carried it with him during the many years he served in the Air Force.

General Jones became a flying cadet in 1934 and as a newly commissioned second lieutenant in 1935, he began his career at Barksdale Air Force Base, La. It was there that he met and married Dorthea Erickson.

Among the first troops to go ashore in the North African invasion of 1942 was Brig. Gen. Charles D. Jones. His job was to establish liaison with tactical air forces of Gen. John K. Cannon and the ground forces of Gen. George S. Patton. Later in the North African campaign, he was wounded while flying a B–17 bomber over Tunis and required hospitalization.

Returned to combat, he was assigned to B–25 bombers and while flying a mission over Rome, Italy, in 1944, General Jones was shot down and made a prisoner of war. He was liberated a year later in May 1945.

His postwar assignments included duties with the 9th Air Force and as a student at the Air War College. He served as base commander of several bases in the United States. Then in 1954, General Jones was assigned as Commanding Officer, Staff Headquarters, Allied Air Forces, Northern Europe. It was from that post he came to the Office of the Secretary of the Air Force to serve as Deputy Director of Legislative Liaison.

There is more to an airman's record than the decorations he wears on his tunic, although the Silver Star, Distinguished Flying Cross, Air Medal, Purple Heart, and Legion of Merit, give a good insight into the courage and skill of General Jones. He will long be remembered for his friendliness, his good humor, and his strong belief in the Air Force.

The tribute I now pay to this gallant flyer is well deserved. It is tribute given by the people of the State of Mississippi and by his many friends. We offer our sympathy to Mrs. Jones and her two fine daughters, Judith and Jerry, and to Mrs. C. Walter Jones of Jackson, Miss., the general's mother.

Maj. Jess H. Gifford was a 36-year-old native of Erie, Pa., who was decorated—Air Medal and Distinguished Flying Cross—in both World War II and Korea. Major Gifford flew medium bombers in the Mediterranean campaign and night intrusion in B–26 bombers in Korea, later working as the controller in Air Force forward command post in South Korea.

Major Gifford instructed American and Chinese cadets in the years between the wars and was awarded Chinese Air Force wings as a token of appreciation by the Chinese Nationalist Government for his work in training their pilots. Subsequent to his tour in Korea, Major Gifford returned to the United States as an instructor at the Tactical Air Command Air Ground School, instructing Air Force, Army, Navy, and Marine officers. He received many personal letters of commendation from high-ranking officers of all branches of the service for his work in this capacity.

A loyal, devoted man, Major Gifford has served the Air Force in an outstanding manner for 15 years. He was admired and respected without exception by all with whom he came into contact. His passing came as a deep shock and a great personal loss to numerous friends throughout the Air Force.

Major Gifford is survived by his wife, Pauline, and their two daughters, Georgianne and Natalie, who are living in Mrs. Gifford's hometown of Olean, N. Y. He is also survived by his father and mother, Mr. and Mrs. J. W. Gifford, Sr., of Elyria, Ohio.

Let us never forget that these two officers together with their other comrades, both living and deceased, have constantly stood guard to protect our cherished way of life. Let us resolve never to forget them and let us also insure that we do the greatest honor to their memory by ourselves, each and every one, endeavoring to serve our country equally as well.

MUTUAL SECURITY

Mr. SMITH of New Jersey. Mr. President, in response to the Soviet challenge of total war, President Eisenhower sent to the Congress yesterday a stirring request for the enactment in full of the mutual security program for fiscal 1959. This program, one of the major instruments of United States foreign policy, incorporates military, economic, and political means to counter the Communist threat, and I strongly support the President in his request for the adoption of a $3.94 billion program for the coming year.

The Moscow Conferences last fall, the Asian-African meeting in Cairo, the recent flurry of letterwriting, the Syrian crisis, the Communist adamant position on disarmament, all too clearly evidence the unceasing Communist drive to subdue the free world. The free-world collective-security system has thus far deterred Communist overt aggression and has provided strength to the nations on the periphery of the Sino-Soviet bloc which has enabled them to resist Communist political threats as well. It, in fact, is the modern form of the balance-of-power system, a concept which the President emphasized in his message when he stated that we must possess enough power to deter or, if necessary, defeat the Communists in either nuclear or brush-fire wars. The mutual security program is the instrument for effectualizing free-world power to balance that of the Soviet in both these areas of warfare. We cannot afford to weaken this system which thus far has deterred war.

The program also provides the sinews for the free world to resist economic and political subversion and infiltration by the Communists. Experts appearing before the Foreign Relations Committee consistently have warned that the major Communist drive in the coming years will be directed against the underdeveloped countries through the mediums of economic aid, political blandishments, and psychological warfare. Should the Communists seduce and finally subdue any of the nations in free Asia or Africa, our own security will be dangerously threatened. The mutual-security program is our answer to the Communist policy of eventual conquest. Through economic and technical assistance it offers free men the opportunity to combine in a mutual effort to hurl back tyranny.

The Communist challenge is persistent and unrelenting. Its leaders believe that eventually the free world will defeat itself through complacency and ineptitude, leaving the field clear for Communist machinations. If freedom is to

survive its supporters will have to fight, not only now and then, and here and now, but continually and adequately until the Communists realize that their ill-designed hopes can never be attained. Our greatest instrument in this struggle is the mutual-security program. As the President stated, it "is of transcendent importance to the security of the United States." It demands without reservation the complete support of all of us.

Mr. President, in this morning's issue of the New York Times there appeared an excellent editorial on the mutual-security program and on the President's message. I ask unanimous consent that it be printed in the RECORD at the conclusion of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MUTUAL SECURITY

In a strong and effective message asking Congress to approve a $4 billion mutual security program for the coming fiscal year President Eisenhower has challeneged the loud but irresponsible opposition in both parties to accept his proposals in substance or frankly face up to the consequences.

Let no one, in or out of Congress, make any mistake about what the consequences will be if there is a serious slash in the President's request for fiscal 1959.

The most important consequence would, in the broadest terms, be a sharp reduction in the military security of the United States at a point in history when the free world, led by our own country, must maintain a position of unassailable military strength. With the loss of an absolutely essential prop to their own security some of our allies would unavoidably fall away. We would tend to revert to the old goal and the supreme folly of the isolationists: a kind of fortress America.

Subsidiary but equally unpleasant and dangerous results would flow from such a situation. As the President pointed out, we could expect "a massive increase in our own defense budget" and "a heavy increase in inductions of American youth into our own Armed Forces." These are not the words of an alarmist or a demogog. They are the measured words of a conservative, unbelligerent President who has been a great military leader and knows at firsthand the value and the necessity of allies and the dangers of trying to maintain freedom's position in the world without them.

President Eisenhower insists, and we agree, that it is a misnomer to call this program one of foreign aid. It is a program of transcendent importance to the security of the United States, on an equal rank with our own defense budget. The President does well to look squarely in the eye those many politicians who say—especially in this time of recession—that they can't vote for foreign aid while there is unemployment and a scarcity of public-works programs in their own districts. What Mr. Eisenhower says to this point is worth repeating:

"No one would seriously argue that funds for our own military forces should be denied until desirable civilian projects had been provided for. Yet our expenditures for mutual security are fully as important to our national defense as expenditures for our own forces, and dollar for dollar buy us more in security."

Any Member of Congress, Democrat or Republican, who attacks this program in principle takes it upon himself to argue that we should resign the rest of the world to the constantly growing military, political and economic pressures of Soviet Russia—for that is precisely the risk that we would run. We cannot afford to run that risk, either by materially slashing the mutual security program or, for that matter, be failing to continue a genuine reciprocal trade program as well. The two actually go hand in hand; and the President will have to fight consistently, and equally hard, for both.

We do not here suggest that constructive criticism of the mutual security schedule, as the President presented it yesterday, would be amiss. There may be genuine question of the value of certain kinds of military aid to certain of our allies. There also are surely areas, particularly in the nonmilitary field, where the program could be enlarged with advantage to the free world and therefore to the United States. As it is, some two-thirds of the total allotted to military expenditures, which may be too much. But with the basic principles of mutual security—and with the amount, in broad figures, as requested by the President—Congress will tamper to the country's peril.

PAYMENT OF EXPENSES INCURRED IN CONTROL AND ERADICATION OF KHAPRA BEETLE

The PRESIDING OFFICER (Mr. STENNIS in the chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 1805) for the relief of persons and firms for the direct expenses incurred by them for fumigation of premises in the control and eradication of the khapra beetle, which was to amend the title so as to read: "An act for the relief of Acme Bag & Burlap Co., and others."

Mr. HAYDEN. Mr. President, the amendment of the House merely changes the title of the bill. I am advised by the Senator from Louisiana [Mr. ELLENDER], the chairman of the Committee on Agriculture and Forestry, that the committee approves of the change. I therefore move that the Senate concur in the House amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Arizona.

The motion was agreed to.

POLITICAL ACTIVITY OF LABOR UNIONS

Mr. POTTER. Mr. President, recently the propaganda mill of the United Automobile Workers in Detroit made another of its vicious and untrue attacks on a public official whose philosophy in preserving the free enterprise system of government happens to disagree with the Socialist views of certain union bosses.

In this instance I happened to be the victim.

Walter Reuther has been trying to involve me in a violation of the intent of the Federal Corrupt Practices Act. He has done this by directing his employee-mouthpiece, Guy Nunn, to invite me to appear on a radio-television program paid for by the misusing of union funds.

His reason is simple:

They wanted me to refuse. Reuther hoped I would turn them down and give him something to harp about. He intended to harass me for the rest of the year, or until such time as a candidate of his own choosing is elected to the Senate to do Reuther's personal bidding with a people-be-damned attitude. The recent statement of his captive publicity mill attacking me is ample proof of this.

The radio-television station on which they asked me to appear is located in Windsor, Canada, on the other side of the United States boundary.

I am a United States Senator from the State of Michigan.

Reuther is spending millions of dollars in Canada to attack patriotic American public servants who have served and upheld the principles of this Government. He is doing this entirely outside the jurisdiction of the Federal Communications Commission.

It is strange—yes, indeed, and frightening—to see certain labor bosses who draw their livelihood from the free enterprise system—who even grow fat on it—bending every effort to strangle it and replace it with their personal brand of socialism.

Working hand in glove with his hand-picked governor in Lansing, Mich., ruthless Reuther is killing off jobs in my State and working special harm in Detroit. They are waging a joint destructive effort composed of evil tax methods and strong-arm strike threats.

Both of them know very well that 320,000 men and women are out of work in Michigan. They should be turning every stone to see that residents of Detroit and surrounding areas find jobs. Instead, Reuther is favoring Canadians over our own people.

Certainly we wish to maintain our cherished good relations with our Canadian neighbors. But our first duty is to provide food, shelter, and clothing for our own people and not to kill off their livelihood.

The UAW accused me of ducking their invitation. Let me make it crystal clear that I would welcome an opportunity to speak to the fine men and women who comprise the rank and file of the union. I seriously doubt, however, that their bosses will permit me to do so. Reuther and company already have straight-armed me out of a speaking invitation that the rank and file extended to me in good faith.

While Reuther and company piously mouthed something about nonpartisan meetings, they replaced me, according to press reports, with "lesser figures in the Democratic Party."

Now they want me to participate in a radio and television propaganda effort financed by hard-earned dues money. The Federal Corrupt Practices Act prohibits the use of union dues for political broadcasts. It is a practice I have always opposed.

Let Reuther and Williams set up a meeting for me to address the workers face to face on any of my open dates, and I shall be there. I am proud of my record in behalf of the American laboring man.

As the Members of the Senate know, I was the first Senator in 1953 to sponsor a bill to raise the minimum wage.

In 1956 I sponsored proposed legislation to broaden social security benefits and lower age requirements. This bill was enacted into law.

I have always vigorously supported the Bacon-Davis provisions in all Government-work programs.

I am a cosponsor of legislation to assist in retraining workers to higher skills and resulting higher earning capacity.

I am working to abolish the excise tax on automobiles, which would cut $250 from the price a worker has to pay for a $2,500 car.

I have been instrumental in bringing a number of substantial defense contracts into Michigan, and those contracts carry job opportunities with them.

I have always fought all forms of discrimination, as a private citizen and as a Member of the United States Congress. I am proud to have sponsored the civil-rights bill which passed last summer, and unlike Williams and Reuther, I did not sell out, but fought to the end for even stronger legislation.

I repeat, Mr. President, I am proud of my record in behalf of the American laboring man. I want to discuss my views with workers, but Reuther and Williams have done their level best to black out my record from UAW members.

If that is the way they want to play it, they cannot fool anyone by calling it democracy, especially not the laboring man. I am confident that the worker will not be herded by a pair of ambitious politicians interested only in their own welfare, even if it kills off every industry and job in the State.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. STENNIS in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORT OF A COMMITTEE

The following favorable report of a nomination was submitted:

By Mr. BIBLE, from the Committee on the District of Columbia:

Harold A. Kertz, of the District of Columbia, to be a member of the Public Utilities Commission of the District of Columbia.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

DIPLOMATIC AND FOREIGN SERVICE

The Chief Clerk read the nomination of Howard P. Jones, of Maryland, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Indonesia.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

UNITED STATES COAST GUARD

The Chief Clerk proceeded to read sundry nominations in the United States Coast Guard.

Mr. MANSFIELD. Mr. President, I ask that the nominations in the Coast Guard be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations in the Coast Guard are confirmed en bloc.

Mr. MANSFIELD. Mr. President, I ask that the President be immediately notified of the confirmation of these nominations.

The PRESIDING OFFICER. Without objection, the President will be immediately notified of the nominations this day confirmed.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

POSTAL MODERNIZATION PROGRAM

Mr. MORTON. Mr. President, the daily lives of all Americans are in some degree directly affected by the Government under which they live. This effect may be so small as to pass unnoticed and unappreciated; or it may attain influential proportions. Probably no other governmental function or service has so great an influence on the day in and day out domestic mood and temperament as the postal service.

The tremendously complex American postal system is probably the one service with which each of us has the greatest contact. It has done a splendid job, and I think it goes without belaboring that it is one of the mainsprings in our economic system.

Still, it is being called upon to do tomorrow's job with yesterday's tools. For the American public to expect the Post Office Department to continue giving top-flight service with its present facilities is much like expecting a three-legged horse to win the Kentucky Derby.

Congress has for many years been exploring various programs to improve and modernize our postal system. Certainly no progressive private corporation could hope to survive and prosper unless it adjusted to the tempo of the times. The request of the President for Congressional enactment of a postal modernization program is an intelligent, farsighted, realistic approach toward providing a critical need. The program was outlined before the Senate Post Office and Civil Service Committee on February 12 by Postmaster General Summerfield, and the junior Senator from Kansas [Mr. CARLSON] has proposed an amendment to the postal rate bill establishing a fund for the program, and his amendment has just been adopted by the Committee on Post Office and Civil Service.

I am sure that the Members of the Senate already have familiarized themselves with the broad features of the program which proposes a 3- to 5-year plan involving expenditure of about $2 billion, largely an investment of private capital, to completely overhaul and modernize existing physical postal facilities, replace, or relocate buildings to conform to postal service requirements, and to install entirely new mechanical and electronic mail handling devices. The Government's share, approximately $175 million each year, will be financed by the fifth cent of the 5-cent rate proposed for nonlocal mail.

The Department's research and development programs have resulted in the creation of amazingly fast and super-accurate mail-handling devices. Projects under way in the Washington area are open to inspection, and I am sure that each Member would be impressed, as I was, with the speed, accuracy, and flexibility offered by these machines.

I should like to state that, in my considered judgment, the program affords the Congress a golden opportunity to provide a postal system long desired by many Congressional Members. It would be tragic at this time if the chance eluded us, because to turn it down would be to deny immediate and long-lasting benefits to every community in our Nation.

Speaking for my own State of Kentucky, I can say without any reservation that the program is desired and needed to promote the best interests of my fellow Kentuckians—not just a few, but all of them. Like her sister States, Kentucky is matching postal obsolescence against rising population and increasing postal receipts. The number of post offices in Kentucky has declined from 2,383, in 1937, to 1,831, in 1957. Most of the drop resulted from elimination of fourth-class stations, but there also has been a drop of 42 in the number of presidential class stations since 1947.

The State's population has risen from 2,845,000, in 1940, to an estimated 3,033,000, in 1956, a 6.6 percent increase. Postal receipts have jumped from $6,942,000, in 1937, to $19,400,000, in 1957, or by 179.4 percent. Many of the post office structures are over 50 years old. They no longer are efficient buildings. Their construction prohibits remodeling to accommodate modern, streamlined mail-handling equipment and procedures. Many are located so that maximum efficient service is seriously hindered. The influx of new industries to Kentucky with an attendant increase in population will add to the postal burden.

Even beyond that, I am convinced the program's immediate objectives would give a much-needed shot in the arm to the Kentucky economy. I am greatly concerned with the present economic trend in my State, but I should point out that several areas of Kentucky were beset with unemployment and receding business conditions long before the national downtrend commenced last year. The President's program offers far more than just stopgap spending.

Private capital will be encouraged to invest in long-term lease construction. Money so spent will underwrite immediate employment of laborers, carpenters, bricklayers, and other craftsmen of all types in many areas where employment is now at a low ebb. Some labor leaders

have endorsed the program as a forward step in our emergence from the economic dilemma. Contractors, suppliers, and service companies will benefit. Small, independent businesses will share in the spending of dollars paid for wages. Furthermore, private structures built to postal specifications for lease purposes will be on the tax rolls; so even the taxpayers will benefit.

Frankly, I fail to see just who would not benefit from the modernization program, and I would be remiss in the fulfillment of my responsibilities to my State if I did not support proposed legislation which I feel would contribute to her immediate and future progress.

The PRESIDING OFFICER. Is there further morning business?

If not, morning business is closed.

AMENDMENT OF CIVIL AERONAUTICS ACT OF 1938

The PRESIDING OFFICER. The Chair lays before the Senate the pending business.

The Senate resumed the consideration of the bill (H. R. 5822) to amend section 406 (b) of the Civil Aeronautics Act of 1938 with respect to the reinvestment by air carriers of the proceeds from the sale or other disposition of certain operating property and equipment.

The PRESIDING OFFICER (Mr. STENNIS in the chair). The question is on agreeing to the amendment of the Senator from Ohio [Mr. LAUSCHE], inserting a complete substitute in lieu of the committee amendment, as amended.

Mr. LAUSCHE's amendment is as follows:

In lieu of the committee amendment as amended, insert the following:

"That section 406 (b) of the Civil Aeronautics Act of 1938, as amended, is hereby amended as follows:

"(a) By redesignating section 406 (b) as section 406 (b) (1).

"(b) By adding the following paragraph after paragraph (1):

"'(2) Subject to the following conditions, the Board, in determining all other revenue of the air carrier, shall not take into account the net gains (after any losses and expenses resulting from the disposition of flight equipment) derived from the disposition of any flight equipment of such carrier, if (A) such carrier notifies the Board in writing that it intends to reinvest in other flight equipment the proceeds derived from such disposition, (B) such proceeds, less all applicable taxes, are placed by such carrier in a funded reinvestment reserve immediately upon the receipt thereof, and (C) within a reasonable period to be determined and fixed by the Board, such proceeds are actually reinvested in other flight equipment by such carrier, and amounts so deposited in such reserve fund shall not be included as part of the carrier's used and useful investment for purposes of section 406 until expended as provided above: *Provided*, That thereafter in determining that portion of the mail rate payable by the Board to the carrier under Reorganization Plan No. 10 of 1953 the depreciation expense and returns on investment of such carrier shall be computed after first deducting from the original cost of flight equipment, the net capital gains not taken into account in determining all other revenue of such carrier which have been reinvested in such flight equipment, until such time as the total reductions in mail rate payments by the Board from such payments as would otherwise be payable, shall have equaled the amount of the net capital gains reinvested in such flight equipment: *And provided further*, That in the event the Board determines that the carrier no longer requires that portion of the mail rate payable by the Board under the provisions of Reorganization Plan No. 10 of 1953 there shall be repaid to the Board by such carrier any amount by which the net capital gains reinvested in flight equipment shall exceed the total reductions in such mail payments computed as described above.'

"SEC. 2. The amendment made by this act to such section 406 (b) shall be effective as to all capital gains realized on and after April 6, 1956, with respect to the sale or other disposition of flight equipment whether or not the Civil Aeronautics Board shall have entered a final order taking account thereof in determining the mail rate payable by the Board covering the period in which the net capital gains referred to herein were realized."

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gore	Mundt
Allott	Green	Murray
Anderson	Hayden	Neuberger
Barrett	Hickenlooper	O'Mahoney
Beall	Hill	Pastore
Bennett	Hoblitzell	Payne
Bible	Holland	Potter
Bricker	Hruska	Proxmire
Bridges	Humphrey	Purtell
Bush	Ives	Revercomb
Byrd	Jackson	Robertson
Capehart	Javits	Russell
Carlson	Johnson, Tex.	Saltonstall
Carroll	Johnston, S. C.	Schoeppel
Case, N. J.	Kennedy	Scott
Case, S. Dak.	Kerr	Smathers
Chavez	Knowland	Smith, Maine
Church	Kuchel	Smith, N. J.
Clark	Langer	Sparkman
Cooper	Lausche	Stennis
Cotton	Long	Symington
Curtis	Magnuson	Talmadge
Dirksen	Malone	Thurmond
Douglas	Mansfield	Thye
Dworshak	Martin, Iowa	Watkins
Eastland	Martin, Pa.	Wiley
Ellender	McNamara	Williams
Ervin	Monroney	Yarborough
Frear	Morse	Young
Fulbright	Morton	

The PRESIDING OFFICER. A quorum is present. The question is on agreeing to the amendment of the Senator from Ohio [Mr. LAUSCHE] in the nature of a substitute for the committee amendment, as amended.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I have conferred with the distinguished chairman of the Committee on Post Office and Civil Service, the Senator from South Carolina [Mr. JOHNSTON], and I am informed by him that his committee has ordered reported a postal rate bill, and that the copies of the report and hearings in connection with the bill will be available for consideration by this body on Tuesday next. Is my understanding correct?

Mr. JOHNSTON of South Carolina. Mr. President, we finished today, and authorized the reporting of the bill. Of course, the committee has been holding hearings up until only a few days ago. We have not been able to send the hearings to the printers. We are in the process of preparing the report. I am confident, however, that we can have the bill prepared and get it to the Senate in time for consideration Monday or Tuesday of next week.

Mr. JOHNSON of Texas. I understood the Senator from South Carolina would assure the leadership that would be available by Tuesday noon.

Mr. JOHNSTON of South Carolina. By Tuesday noon it will be ready to be considered by the Senate.

Mr. JOHNSON of Texas. Mr. President, that being true, I should like to announce that I have consulted with members of the committee, including the distinguished chairman, and the distinguished minority leader and members on his side of the aisle, and on Tuesday next I shall move that the Senate proceed to the consideration of the postal-rate bill ordered reported by the Committee on Post Office and Civil Service this morning.

I am informed that Senators, during the consideration of the postal rate bill, will propose as an amendment to that bill the postal pay bill. I hope that we can conclude consideration on that bill Tuesday; if not, certainly by Wednesday.

I should like for all Members of the Senate to be on notice—and I think this is adequate notice—that such is the plan and intention of the leadership. I hope that Senators will arrange their schedules so that they may be here Tuesday and Wednesday, and until that important legislation is disposed of.

Mr. JOHNSTON of South Carolina. Mr. President, as I understand the majority leader, the postal rate bill will be made the order of business and then there will be offered, as an amendment to that bill, the bill which is on the calendar, for increased pay for postal workers. I understand the postal pay bill will be offered as an amendment to the postal rate bill; is my understanding correct?

Mr. JOHNSON of Texas. That is correct.

Mr. JOHNSTON of South Carolina. I would oppose the provisions of the postal rate bill being attached to the increased postal pay bill. Of course, if this is the manner in which the majority leader wants to handle this legislation, I will offer no opposition.

Mr. JOHNSON of Texas. Mr. President, I desire to announce further that it is the intention of the leadership at the conclusion of action on the postal rate bill and the postal pay bill to proceed to consideration of the classified pay bill. I should like also to announce that we will have the reading of Washington's Farewell Address on tomorrow. If we are able to conclude action on the pending business today I do not expect any rollcalls tomorrow. I am not going to elaborate as to how many Senators may speak, but I express the hope that we will not have a rollcall and I express the hope that the schedule worked out meets with the approval of the minority leader.

Mr. KNOWLAND. I want to say to the distinguished majority leader that he has discussed this matter with me, and we have jointly discussed it with the distinguished chairman of the Post Office

and Civil Service Committee, the Senator from South Carolina [Mr. JOHNSTON].

The procedure which the majority leader has outlined is satisfactory, so far as the minority is concerned. I am glad we will be able to take up both of these important measures on Tuesday next.

Mr. MONRONEY. Mr. President, will the distinguished majority leader yield to me for a technical parliamentary question?

Mr. JOHNSON of Texas. I do not know whether I am able to handle a technical parliamentary question, but I desire to make another observation, and then I shall be happy to yield to the Senator from Oklahoma.

I wish to say to Senators that we hope the debt limitation bill will be ready for consideration on Monday. The bill was ordered reported by the committee this morning. If the report and hearings are available we will take that bill up Monday.

I now yield to my friend, the Senator from Oklahoma.

Mr. MONRONEY. As I understand the parliamentary situation, the House bill on postal rates, as amended by the Senate Committee on Post Office and Civil Service this morning, will be before the Senate?

Mr. JOHNSON of Texas. It will be on the calendar. The majority leader will move to proceed to consideration of that bill.

Mr. MONRONEY. At any rate the bill can be expected to come up for consideration. What I should like to ask is this: We are reporting out a Senate committee amendment to the House bill. Will the parliamentary rules permit those of us who very strongly oppose the 5-cent first-class postage rate to offer as an amendment a 4-cent postage rate, in substitution for the rate in the reported Senate bill?

Mr. JOHNSTON of South Carolina. Mr. President, I can answer that question.

So far as I am concerned, if I had believed the Senator could not offer an amendment to the bill to reduce the 5-cent rate to a 4-cent rate, I would have held that bill up until next year. The Senator knows how I voted in the committee.

Mr. MONRONEY. I feel that we ought to have some advance assurance as to the parliamentary situation when the bill comes up. I want to be sure that during the consideration in the Chamber we can offer an amendment to reduce the 5-cent rate adopted by the majority vote of 1 in the committee, I believe.

Mr. JOHNSTON of South Carolina. The Senator is correct.

Mr. MONRONEY. I refer to the action of the Post Office and Civil Service Committee today. I anticipate an amendment which would provide a 4-cent universal first-class rate instead of the hybrid 5-cent and 4-cent rate proposed by the Postmaster General.

Mr. JOHNSON of Texas. I would assume that the first question would be on agreeing to the committee amendments to the House bill. I would further assume that an amendment could then be offered, which would require a vote, on making the first-class rate 5 cents instead of 4 cents.

Mr. MONRONEY. The trouble is that if we vote down the 5-cent proposal, we get back to the present 3-cent rate. I should like to provide a portion of the increase needed to meet the postal deficit. Unfortunately, we must consider the question of revenue to meet not only the increase in the postal deficit, but also the increased pay which undoubtedly will be voted by the Senate.

Mr. JOHNSON of Texas. I would say that any Senator could propose the kind of amendment the Senator from Oklahoma has in mind.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. KNOWLAND. As I understand the parliamentary situation, I am sure the matter can be worked out in the way the distinguished Senator has suggested. I am sure, also, that the distinguished chairman of the Committee on Post Office and Civil Service would want to work it out in that way. In the first place, as I understand, the bill that will be taken up will be a House bill. I also understand that the House proposal was for a 4-cent rate. Is that correct?

Mr. MONRONEY. The Senator is correct.

Mr. KNOWLAND. I have not seen the text of the committee amendment, but I assume it would come before the Senate for a vote. If that committee amendment is turned down, we would be back to the House language, providing a 4-cent rate. However, parliamentarily I am sure we will be able to arrive at an agreement, as we often do, that the bill will be considered de novo, and that no Senator will be foreclosed from offering an amendment.

Mr. MONRONEY. That is the point I was raising. There are many changes in the bill which the Senate committee has approved. Many of the changes in the proposed committee amendments were supported unanimously. What we need to do, apparently, is to provide a clean bill, so to speak, so that we will have an opportunity to offer amendments to it. As a matter of fact, the question before us will be a rather simple one. It is whether we want a 5-cent first-class rate or a 4-cent first-class rate.

Mr. JOHNSON of Texas. As I understand, the House-passed bill provides for 4 cents postage on first-class mail.

Mr. MONRONEY. But that is only one of the many increases provided in the bill.

Mr. JOHNSON of Texas. I understand. However, let us stay with the 4-cent provision now.

Mr. MONRONEY. Yes.

Mr. JOHNSON of Texas. The Senate committee raised the 4-cent rate to 5 cents. Therefore, I would say that one of the first questions would be on the adoption of the Senate committee amendment. Therefore, the Senate will have an opportunity to make a record on whether it wishes to approve the 5-cent rate proposed by the Senate committee or the 4-cent rate adopted by the House. Is that not correct?

The PRESIDING OFFICER (Mr. DOUGLAS in the chair). The Senator is correct. The Parliamentarian informs the Chair that when the bill is taken up, an objection to the committee amendment, if sustained, would restore the 4-cent rate in the bill.

Mr. MONRONEY. There are many issues connected with the amendment. Postal rate increases are also provided for parcel post, junk mail, and magazines. The issue is not solely a 4-cent or 5-cent first-class rate. What I am trying to get is a clean-cut issue on the first-class rate, so that the Senate may consider that alone. I would hope that the parliamentary situation would permit us to take up the committee-reported bill and make it possible for a Senator to offer an amendment in the first degree to the bill, reducing the 5-cent first-class rate to 4 cents. This would leave intact the other amendments the Senate committee put into the bill, in my opinion, very wisely.

Mr. JOHNSON of Texas. I merely wish to observe, and I will be glad to have the Chair clear up this point, that Senators will have two shots at it, so to speak. First, the Senate may reject the 5-cent amendment of the Committee on Post Office and Civil Service. That would leave the 4-cent rate in the bill. Secondly, a Senator may offer a 4-cent rate amendment to the 5-cent committee amendment, unless the latter amendment is adopted. I do not know how the Senator would prefer to do it. To me it is merely a question of whether we want to vote a 5-cent rate or a 4-cent rate. When the question of the adoption of the Senate committee amendment is proposed, the amendment may be rejected or approved. On the other hand, if the Senator wishes to——

Mr. MONRONEY. The trouble is that if we reject the Senate committee amendment when it comes to a vote, we reject some very modest increases on second-class newspaper and magazine mail.

Mr. KNOWLAND. No; I believe we can divide the question on the committee amendment.

The PRESIDING OFFICER. The Chair is advised by the Parliamentarian that the committee amendment would be open to amendment as though it were an original bill.

Mr. MONRONEY. That is what I was trying to get clear. In that way, every Senator will have the right to attack any particular part of the Senate-reported amendments to the House bill.

Mr. JOHNSON of Texas. The Senator is correct. We may do it by rejecting the committee amendment or by offering an amendment to the committee amendment.

Mr. MONRONEY. The Senator from Oklahoma intends to offer an amendment to cut the 5-cent rate to 4 cents, if he can get the floor to do so.

Mr. JOHNSON of Texas. I will assure the Senator that he will get the floor.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. JOHNSTON of South Carolina. I can assure the Senator that an amendment will be so written that the 4-cent

rate will be retained. All the money to be derived from the other cent proposed is to make improvements in the post offices. If we strike out that provision, we will have the 4-cent rate. The question will be whether we want the first-class mail users to pay for all the improvements in the post offices.

Mr. JOHNSON of Texas. I merely wish to observe that we will have ample opportunity to debate the bill on Tuesday next, and also on Wednesday, if necessary. I should like all Senators to be on notice that it is our plan to take up consideration of the postal rate bill, as ordered reported by the Committee on Post Office and Civil Service; that we have the assurance of the chairman of that committee that the report and hearings and copies of the bill will be available for all Members; that on Tuesday at noon, as soon as the morning business has been concluded, we will proceed to the consideration of the postal rate bill.

We have been informed that the postal pay bill will be offered as an amendment. All Senators should also be on notice that at the conclusion of that bill we will take up the classified pay bill.

Mr. NEUBERGER. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. NEUBERGER. As sponsor of the postal pay bill, I merely wish to get one point clear in my mind. Am I correct in assuming that there will be an opportunity, following the discussion of the rate bill, to take up the postal pay bill, either as an amendment to the rate bill or separately?

Mr. JOHNSON of Texas. It will be taken up as an amendment, I am informed.

Mr. NEUBERGER. It will be offered as an amendment to the rate bill?

Mr. JOHNSON of Texas. That is correct.

Mr. NEUBERGER. Should it not be added to the rate bill——

Mr. JOHNSON of Texas. It will be added to the rate bill.

The PRESIDING OFFICER. The Senate will be in order.

Mr. NEUBERGER. Should it not be added by vote of the Senate to the rate bill, will it then be possible to consider the postal pay bill as a separate measure?

Mr. JOHNSON of Texas. I would say that it would not only be possible, but absolutely necessary.

Mr. NEUBERGER. I thank the Senator.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. JAVITS. I wish to ask only one brief question. I heard the Senator from Texas say something about the civil service pay bill.

Mr. JOHNSON of Texas. The classified pay bill.

Mr. JAVITS. Will the pay bill follow the others?

Mr. JOHNSON of Texas. Yes.

Mr. JAVITS. I thank the Senator.

PUBLIC WORKS

Mr. MORSE. Mr. President, shortly after the Eisenhower administration took office in 1953, I warned that the financial policies it was putting into effect would lead the country into economic distress in the long run.

After unemployment across the Nation reached the 4½ million mark this month, the administration finally recognized that it had an obligation to propose measures to counter the growing recession.

A few days ago, its so-called anti-recession plan was unveiled by the Postmaster General, Arthur Summerfield. It would be hard to imagine a program that would do more good for a few bankers and less good for the Nation's economy. As a public-works program, it is simply a sham.

What was proposed had a price tag of $2 billion on it. Of this, $175 million was to come out of our pockets in higher postage for first-class mail—up to 5 cents for a letter sent out of town. Of course, the administration wants to charge 4 cents for all first-class letters in any event, with 5 cents for out-of-town letters to pay for what it advertises as improvements in service.

This part of the administration plan amounts to nothing more than charging the users of first-class mail an extra penny to pay for post office modernization. There is no antidepression effect here because letterwriters could just as well have kept the extra penny they would be charged for this program and spent it for something else. The same amount of money would in all likelihood get into circulation.

Modernization of the postal service and the installation of electronic and other types of equipment that can improve service are highly desirable. But I shall not favor putting the burden of its cost on users of first-class mail, when it is only first-class mail that is paying close to its own way now.

Incidentally, I call the attention of the Press Gallery that there is added to the manuscript, after the word "paying", the words "close to." First-class mail is now paying close to its own way. It is the second- and third-class mail that are now causing the postal deficit. I understand from the chairman of the Committee on Post Office and Civil Service, the Senator from South Carolina [Mr. JOHNSTON], that the matter is in dispute, that the accountants and statisticians differ on it, depending uopn, he says, what basis is used from which one starts his calculations; but of one thing we can be sure, and that is that the first-class mail is practically paying its own way now, with the real deficit being caused by the second- and third-class mail.

That is why I say in my judgment what we are getting in the proposed 5-cent first-class mail-rate increase, the proposal on which we will begin debate next Tuesday, is a brazen attempt on the part of newspaper editors and magazine publishers of this country to make a grab bag out of our Nation's mail bags.

I am one Senator who does not propose to let the newspaper editors and magazine publishers get by with this avarice, when they seek to impose upon the taxpayers of this country this unconscionable burden that we are already paying by way of the Post Office deficit.

It is a shocking thing that we will have a proposal to impose upon the writers of first-class letters a 5-cent postage rate on the basis of the claim that the Government has a deficit which it is seeking to remove.

I urge the Senate to do a little historic research concerning the matter of the deficit. Senators had better get back to the libraries. They had better study the history of the postal service. If they do, they will come to learn, I am afraid some of them for the first time, that it was never contemplated that the Post Office should pay its way. The Post Office service is a public service. The Post Office service is one of the great educational institutions of America. The postal service is one of the great vehicles and channels for the enlightenment of the American people which Jefferson had in mind when he pointed out that the strength of a democracy can be no greater than the enlightenment of its people.

I am one Senator who will not vote for any kind of unholy tax upon the heads of the American taxpayers which seeks to deny them free access to this channel of enlightenment and dissemination of educational information which is necessary to keep this democracy strong.

I do not take the position, either, that second- and third-class mail users should pay a higher rate. I take the position that they could pay more than they do now. But I still say that second- and third-class mail is also vital to the educational processes of the Nation. I happen to believe that this is incidental to the service which we ought to render to the people in order to keep democracy strong.

The idea that the Post Office has to pay its way, any more than the roads have to pay their way, is, in my judgment, a proposal which I think we must answer very clearly in this session of Congress, so as to put down, once and for all, the argument that we have got to make the Post Office Department pay its way.

Furthermore, I am a Senator who will not be a party to linking the postal rates to the salaries and wages which the very loyal Post Office employees are to receive. The Post Office deficit should have nothing to do whatsoever with the pay which we ought to vote for the postal employees. I am very much opposed, parliamentarywise, to any attempt to link the matter of pay for the postal employees to the postal rates.

Only one question faces us as Senators concerning the pay of postal employees, namely, what do the postal employees deserve as pay for the service they render to the American taxpayers? Whatever the answer to that question is, we ought to vote for a pay bill that will give the postal employees those salaries and wages. We should not link postal pay to postal rates.

If it is true that representatives of the post office employees are willing now, in order to get a postal wage bill through Congress, to link such a bill to postal rates, they are making a serious mistake. I say most respectfully to them that they are guilty of putting selfish, personal interests above the welfare of their country. I hope I shall be advised before the afternoon is over, because I have asked for the advice, whether it is true that the representatives of the postal employees will support a parliamentary maneuver in the Senate to link postal rates with post-office pay.

I have been in this fight from the beginning, ever since, when I came to the Senate in 1945, I was a member of the Post Office Committee. I yield to no one in the Senate in my long years of insistence that justice be done to the postal workers of the Nation. I will not be a party to any sort of parliamentary tactic which attempts to link postal wages with postal rates. They are separate and distinct issues. I intend to do what I can to keep them separate and distinct. I intend to do what I can to make certain that we do not impose a shackle upon the necks of American letterwriters in the form of a 5-cent postage stamp for every first-class letter which they send out of their hometowns.

I shall work for a fair increase in rates for second- and third-class mail, but not on the basis of a pay-as-you-go proposition, because I think that would be unfair to the medium of public enlightenment through the newspapers and magazines.

I point out also that we ought to recognize that what we will be doing by increasing the postal rates will be to subsidize the advertisers of America, because it is in the newspapers and magazines that great expenditures are made by advertisers. I think the advertisers can pay for a part of the so-called making up of the deficit, which some persons claim ought to be included in the bill.

Mr. NEUBERGER. Mr. President, will the Senator yield?

Mr. MORSE. Before I yield to my colleague, let me summarize my views. First, I think there is no justification for imposing upon the writers of first-class letters in this Nation a 5-cent postage stamp on the ground that it is necessary to help take up a part of the deficit in the postal service.

Second, I think, that from the standpoint of equity and fairness, what ought to be done is to increase, to some extent, the rates on second- and third-class mail, so as to stop the newspaper and magazine publishers from trying to make a grab bag out of the country's mailbags.

I now yield to my colleague.

Mr. NEUBERGER. Mr. President, I feel moved to ask several questions of the distinguished senior Senator from Oregon, because I voted in the Committee on Post Office and Civil Service this morning for a 5-cent postage rate on first-class mail.

For the information of the Senator from Oregon, I also voted for increases, which seemed fair to a majority of the committee, including myself, in various categories of second- and third-class mail, and other general categories of the mail, as well.

I feel that some of the statements made by the distinguished senior Senator from Oregon, to the effect that advertisers should pay a greater share of the cost of handling the mail, will be answered by the fact that increases in second- and third-class rates are recommended in the report made by the majority of the Committee on Post Office and Civil Service.

However, I wish to ask several questions about my colleague's position concerning the proposal for a 5-cent first-class rate. Does the senior Senator from Oregon favor an increase in the first-class rate to 4 cents?

Mr. MORSE. I do not favor an increase to any amount, unless the committee can sustain the burden of proof; and I have seen no sustaining of the burden of proof that any increase is justified. The burden of proof is on the Senator to show that an increase to 4 cents is justified. I have heard no evidence which would justify it.

Mr. NEUBERGER. Does not the Senator think he has been very outspoken in his criticism, in view of the fact that he has not yet heard the evidence?

Mr. MORSE. I have not been living in a vacuum. I have been reading avidly on the subject. I think I know what the Senator has in mind as evidence; and if it is what I think it is, it is not evidence at all.

Mr. NEUBERGER. Then, if the Senator is familiar with the evidence——

Mr. MORSE. I am waiting to hear my colleague tell me what he thinks the evidence is. The burden of proof is his. Let us hear the evidence.

Mr. NEUBERGER. The Senator's junior colleague has not come to the floor to indulge in criticism of anyone.

Mr. MORSE. The Senator's senior colleague has, let me assure him.

Mr. NEUBERGER. Does the senior Senator from Oregon favor an increase in the first-class rate to 4 cents?

Mr. MORSE. I have no reason, on the basis of any study I have made of the subject, to think there is a justification for a 4-cent rate on first-class mail.

Mr. NEUBERGER. In other words, does the senior Senator from Oregon prefer to see the rate on first-class mail kept at 3 cents?

Mr. MORSE. I think that in the interest of the American people it should be kept there.

Mr. NEUBERGER. In view of the fact that the distinguished Senator joins us, as I am indeed happy he does, in support of an adequate pay increase for postal employees, how large does he believe the postal deficit can become, if he thinks there is any limit to what the size of the postal deficit may be?

Mr. MORSE. I think that, after a reasonable increase has been granted for second- and third-class mail, the deficit ought then to be distributed as a general tax burden, as a part of the general service which the Government renders to the American people.

Mr. NEUBERGER. Does my colleague think the amount of the deficit should be taken out of the general fund of the Treasury, in order to make up the additional cost of operating the Post Office Department?

Mr. MORSE. Just as is done to provide for fire-department service.

Mr. NEUBERGER. To be candid with my colleague, one of the reasons why I voted for the increase to 5 cents for first-class mail is that I think an attempt should be made to place the Post Office Department on a pay-as-you-go basis.

Before I give my reasons, I wish to make it very clear that, even if the 5-cent postage rate is adopted by Congress, the Post Office will still be substantially short of operating on a pay-as-you-go basis if Congress enacts a pay increase for postal workers.

I know the senior Senator from Oregon shares my view that the postal workers should get a long-overdue increase in pay. So there is no controversy between us on that point.

One reason, among others, why I voted for an increase to 5 cents for first-class postage is that many Senators are constantly proposing increased governmental expenditures. I daresay that, if the records of Senators from the Pacific Northwest were scrutinized, it would be found that we probably have proposed a greater increase in Government expenditures than has any other Congressional delegation. But I think this is fully justified. We have great public works in the Pacific Northwest. Unfortunately, our region has been stricken with the highest unemployment rate in the Nation. We are asking for all sorts of appropriations from the Federal Treasury.

In addition, a number of Senators have joined in sponsoring a bill offered by the distinguished senior Senator from Illinois [Mr. DOUGLAS] to reduce general Federal taxes in view of the recession which confronts many portions of the country, if not, indeed, all of the country, and I believe both the senior and junior Senators from Oregon are in this category.

I am not an economist; neither am I a fiscal expert. I regret that I am not. But I wonder how large the Federal deficit should be allowed to become in peacetime. Can we continue to pile up unlimited deficits during a period when the Nation is not even in a shooting war? Is there to be no end to deficits?

I may be wrong about the question I have asked, but it certainly strikes me as being a valid inquiry.

Mr. MORSE. I shall be very glad to give my point of view concerning the inquiry. But I want my colleague to know, first, that my difference with him on this issue—and it is abysmal; I can imagine no bridge that can span it in any way—indicates no lack of loyal fondness for my colleague. On the contrary, it demonstrates that the people of Oregon sent us here to exercise our honest judgment on issues.

Having said that, I say most good-naturedly and respectfully to my colleague that I have listened to many non sequiturs in my 13 years in the Senate, but I have never listened to one that is more absurd than the one my colleague has just made, when he pointed out that the Senators of the Northwest are sent

to Congress, from time to time, for the purpose of securing large public works, and that therefore a 5-cent postage stamp ought to be imposed upon the people of the United States in order to do something to reduce the Post Office deficit.

If there is any cause-and-effect relationship between the two parts of the Senator's statement, then I know nothing about logic. Mr. President, these are separate issues.

I shall continue to fight for public works projects in the Northwest, the Southwest, the Southeast, the Northeast, and all other parts of the country, when such public works are necessary in order to increase the capital investment of the American people in their natural resources for the benefit of future generations. But when I seek to have appropriations made for public works which will cost the taxpayers of the Nation a great deal of money immediately, although in the long run they will mean money in their pockets, I shall not attempt to use that as a justification or a rationalization for voting for a 5-cent postage stamp.

Mr. NEUBERGER. Mr. President——

Mr. MORSE. Mr. President, I did not interrupt my colleague when he was making his argument; I waited until he had finished. So I desire to finish mine, before I yield.

Mr. President, the issue is perfectly clear to me. The issue is whether, on the basis of the evidence relating to the Postal Service by itself, separate and distinct from any other governmental operation, there is any justification for imposing upon the letter writers of the country a 5-cent rate for first-class mail, or whether the Government has a public service duty to see to it that the postage rates are kept down, so there will be the maximum amount of use of the mails within reason, for the dissemination of information and knowledge across the country.

I happen to believe, on the basis of my reading, Mr. President, that a 5-cent postage stamp actually will work a hardship on a great many of the American people in their use of the mails. I believe there is a governmental responsibility to see to it that a large segment of the Postal System expense is carried as a deficit and is paid for out of the Treasury of the United States, out of the general revenue funds.

Likewise, as I have said, I believe that only fair and reasonable postal charges should be made against the newspapers and magazines. But I believe it is generally agreed among students who have at least written on the subject, and whose writings I have read, that some increase should be made in the postal charges for carrying second-class and third-class mail.

I am glad to hear my colleagues say that their bill proposes a reasonable increase. However, until the debate has occurred and until the committee has made its case and has sustained the burden of proof resting upon it, if it can, I shall not know whether that increase will be sufficient. But if the committee can prove its case, I shall support the increase.

On the other hand, if the evidence shows that there should be a further increase in the postage rates for second-class and third-class mail, I shall vote for that.

If my colleague and the other members of the committee can produce evidence which actually will justify a 5-cent rate, I shall vote for it, because I have never hestitated to change my mind on the floor of the Senate if someone can prove that I am wrong. But the burden of proof rests upon those who recommend that a 5-cent postage stamp be required for first-class mail.

Mr. NEUBERGER. Mr. President——

Mr. MORSE. I yield to my colleague.

Mr. NEUBERGER. I regret that the distinguished senior Senator from Oregon has been so critical of us, based on preliminary information, before we have had an opportunity to prove our case.

Even though governmental expenditures and the Post Office deficit may not be associated at all in his mind, I would point out that they come out of the same Treasury, they are a drain on the same taxpayers, and they are paid in the same coin of the realm, which comes from the identical source.

I also wish to remind my colleague that during the very exhaustive hearings which were held on this issue, through which I sat as a member of the Postal Rate Subcommittee, it was pointed out that by far the majority of the users of the mail, in terms of volume, including the first-class mail, are various businesses throughout the country. But when a deficit exists, it has to be made up by the general taxpayers, out of their individual income taxes; and they are making it possible, for example, for very large department stores and utility companies, in sending out their billings, to mail them at a reduced rate, below that recommended by the experts, statisticians, and accountants in the Post Office Department.

I would also remind my distinguished colleague that, according to the evidence given before our subcommittee, a majority of the letters sent through the mail are not mailed by the average citizen whom he has discussed today here on the floor of the Senate. The evidence shows that when the postage rate is lower than that which the experts in the Post Office Department believe is justified on the basis of the facts, as they have seen them throughout the years, such lower rate does not redound, in the majority of instances, to the benefit of the average citizen. Instead, it redounds to the benefit of the very large businesses, industries, and corporations which mail millions and billions of pieces of mail in the form of advertising material, circulars, billings, and so forth.

I wish to say to my senior colleague, in defense of our case and in defense of the position which I took, that those facts were before us when we considered the evidence.

I realize that it may be premature to discuss this issue now. But the distinguished senior Senator from Oregon has raised the issue of the 5-cent rate; and therefore I have tried to give him, very briefly, my point of view on it.

I share with him the viewpoint that there is nothing at all personal in this matter, and that persons who are interested in it, whether they come from the same State or from different States, must weigh these matters on the merits of the case, on the basis of the evidence as they have observed it, and on their own personal convictions, and that that can always be done in the best of spirits.

Mr. MORSE. Mr. President, I should like to reply briefly to my colleague. Let me say to him that in my judgment the business houses of the Nation should have the privilege and the right to send by first-class mail the material which, under the postal system, they are entitled to send first class. That is part of the service they have a right to expect of the Government. It is part of the educational process about which I have been talking, and for which the Post Office was set up in the first place.

The fact remains that the so-called average letter writer to whom my colleague has referred is going to be "hit" if a 5-cent postage rate is adopted. I think that will be an overcharge, when we take into account the purpose of the postal system in the first place.

Therefore, Mr. President, I wish to say that I believe that the use which business makes of the so-called first-class stamp is a legitimate use, and is a part of the educational process.

I shall pay close attention to what the committee proposes in regard to the rates for second-class mail and third-class mail, to see whether, in fact, the increase proposed is a reasonable one.

As I have said, if it is reasonable, I shall vote for it. If it is not reasonable, I shall submit an amendment which will call for a further increase.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from Oregon yield to me?

The PRESIDING OFFICER (Mr. DOUGLAS in the chair). Does the Senator from Oregon yield to the Senator from South Carolina?

Mr. MORSE. I yield.

Mr. JOHNSTON of South Carolina. I wish to say that the 5-cent rate will not be charged on intra-city mail. The rate on mail for local distribution will remain at 4 cents.

Mr. NEUBERGER. However, there is an enormous amount of intercity mail, and it would be subject to the 5-cent rate.

Furthermore, is it not true that the additional 1 cent, according to the statement made by the able Senator from Kansas, would be placed in a special fund, under the motion he has made?

Mr. JOHNSTON of South Carolina. That is true, and the fund would be used to make improvements in the post offices throughout the Nation. That class of mail, therefore, would pay for all the improvements—which I believe would be wrong.

Mr. NEUBERGER. But it would lead to improvement and modernization of the mail services.

Mr. JOHNSTON of South Carolina. That is true, if the Congress wishes to have one class of mail pay for all of it.

Mr. NEUBERGER. Is it not also true that there was adduced before our subcommittee evidence that traditionally, during most of the history of the postal service, first-class mail has paid a disproportionate share of the burden? In other words, first-class mail has virtually always been charged more than the actual prorated share which normally would be assigned to it under the cost-ascertainment methods.

Mr. JOHNSTON of South Carolina. I believe that is true.

Mr. MORSE. I also understand that to be true, and that makes it all the more difficult for me to understand why the burden should be increased more.

Mr. NEUBERGER. It is because the costs have risen vastly in recent years.

I should like to ask the distinguished chairman of the committee another question, because he has greater knowledge on this matter than does almost any other Member of the Congress.

Mr. JOHNSTON of South Carolina. I do not know whether the other members of the committee think so, because on this issue the committee did not vote with me.

Mr. NEUBERGER. Is it not true that in recent years the rates on second-class and third-class mail have been increased to a considerable degree?

Mr. JOHNSTON of South Carolina. That is true; in 1951, the rates on both second-class and third-class mail were increased.

Mr. NEUBERGER. They were increased to a considerable degree; were they not?

Mr. JOHNSTON of South Carolina. Yes.

Mr. NEUBERGER. If I am not mistaken, the first-class mail rate has not been increased since approximately 1932, or more than a quarter of a century ago. Is that correct?

Mr. JOHNSTON of South Carolina. That is true; in 1932 the rate on first-class mail was increased from 2 cents to 3 cents. But at that time it was stated that that was done, not because of a belief that first-class mail should pay that much, but because at that time the Government needed additional revenue.

Mr. NEUBERGER. So the first-class mail rate has not been increased for more than a quarter of a century; is that correct?

Mr. JOHNSTON of South Carolina. That is true; but in 1932, the first-class mail was paying more than 50 percent of the total costs of carrying the mail.

Mr. NEUBERGER. I should like to inform my distinguished colleague from Oregon, as well as the distinguished chairman of the Committee on Post Office and Civil Service, one reason why I changed my mind on this subject. Originally I was opposed to a postal rate increase. But last fall, when I returned to my home State, I spent nearly the entire recess there—in Oregon.

Our State is in a major economic crisis, a crisis of proportions which I fear are not equaled anywhere else in the Union.

One of the factors in the situation confronting Oregon is that it is the leading lumber-producing State in the Nation.

The lumber market has broken and the cost of lumber, the price our mills can receive for lumber, has gone way down, because housing starts are so depressed due to the tight-money policy. Many small mills are reliant and dependent on national forest timber stumpage sold by the United States Forest Service. The price of that timber stumpage has gone way up. The price by the Forest Service is extremely high. Our medium-sized and small-sized mill operators in the State of Oregon cannot buy the stumpage on the present lumber market. Yet I have not heard anybody at all going up and down the country saying we should have a substantial deficit in the United States Forest Service and that the timber stumpage should be sold below the appraised price fixed by the professional appraisers of the United States Forest Service so our lumber industry can revive and thousands and thousands of citizens can be put back to work.

If it is obviously not feasible to leading people in public life that the appraised price of timber stumpage in the United States forests be decreased so the mills can open up, why should we have a huge deficit in the post office system to finance services to business? It seems to me they should share and share alike. That is one of the reasons I have changed my mind on this particular issue.

Mr. MORSE. The person who puts a stamp on a letter does not put it on the letter on any proportionate basis. He puts the stamp on the letter on the basis of the cents it costs him for the stamp. The question as to whether, with the declining income for many of our people in the very low income group, we can justify a 5-cent first-class mail rate at present I consider to be unfair, unjust, and inequitable.

Next, I want to say I do not see the slightest cause-and-effect relationship between the cost of timber stumpage in the State of Oregon and the Federal Government's supplying a population of 170 million people with postal service.

If my colleague wants to discuss the question as to whether or not the stumpage rates are too high, in view of the condition of the lumber economy, he has a partner. I will go with him on that. I happen to think we have priced a lot of the small operators out of business, and I am in favor of the appropriate committee of the Congress looking into the question immediately. But that question has no causal relationship whatever with what we ought to be charged for postal service. I simply want to say, in my judgment, this, of all times, is no time to be increasing the first-class mail rate for the letter writers of America. It is no time to be increasing it on the basis that business which is vital to the economy, vital to the income of the American people, vital to our way of life, use, as it has the right to use, first-class mail for sending out information about its wares in an attempt to sell them. I do not see any connection between that and the cost of postage stamps. I do not see any connection between a post-office deficit and the postal service that a republic ought to perform for its people as a public service, just as it ought to supply police and fire protection on the local, State, and in some instances Federal level.

Mr. NEUBERGER. The distinguished Senator said just a few minutes ago that he favored an increase for second- and third-class matter and that he would take a look to see if what the committee reported was adequate.

Mr. MORSE. I take judicial notice that the Senator knows the difference between first- and second-class and third-class mail. I think he knows the difference on the back of the mailman, and the load of magazines carried to the homes of the American people, and the fact that the postal carrier is under a substantial burden in behalf of the magazine publishers of the country.

I raised the question whether there should not be some increase. The Senator says there should, and that he has it in his bill. My statement was, in effect, if it is, I shall vote for it; but I am not going to vote for an increase in the price of a postage stamp for a free American man or woman who wants to send a letter out of town.

Mr. NEUBERGER. The distinguished Senator said this was no time to increase the costs of businesses, but businesses are the exclusive users of third-class mail. The Senator said he may favor a higher increase.

Mr. MORSE. When the junior Senator from Oregon reads the transcript—and I may say there will not be a syllable of it changed—he will find I did not make that statement. I am perfectly clear that I do not favor an increase in first-class mail. I have repeatedly said I think there should be an increase in the second- and third-class mail rate.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. MORSE. I yield to the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. I point out that the little fellow uses first-class mail. If the rate for that mail is increased, it will be the same as an increase in the taxes of the little fellow. If the first-class mail rate is increased by 2 additional cents, it will result in an additional tax of approximately half a billion dollars. It would result in an additional cost of $325 million for a 1-cent increase, and an additional $125 million if the rate were raised to 5 cents.

I read in the newspapers that the administration is thinking about reducing taxes in order to stimulate business, even though we are not balancing the budget at the present time.

Mr. MORSE. That is correct.

Mr. JOHNSTON of South Carolina. If the mail rates were increased, a burden would be put on the small taxpayer at the same time that taxes were being reduced in order to help him.

Mr. MORSE. Others can speak for themselves, but I cosponsored a tax reduction bill a few days ago. I would consider by views to be inconsistent if I favored tax reductions that would ben-

efit little people and then favored legislation that would "stick" them with increased costs of postage stamps.

Mr. JOHNSTON of South Carolina. I am in favor of increasing exemptions for the taxpayers, so that everyone would share and share alike.

Mr. MORSE. Returning to the main subject to which I had been addressing myself, namely the sham public-works program of the Eisenhower administration, the second part of the administration's alleged counter to depression really amounts to little more than a handout to business and to bankers in particular. It is an extension and expansion of the so-called lease-purchase program for post-office buildings, which this administration put into effect some 4 years ago.

This administration program is not a true public-works program at all. It provides that the buildings would be built privately, and then leased by the Federal Government. This means the taxpayers, instead of constructing a building with their tax dollars which they would then own, would be paying rent. Rent including, of course, the profit for the builder and the interest on the money that was borrowed to construct the building.

In 1954, when a similar program was initiated, the Senator from Washington [Mr. MAGNUSON] and I discussed on the floor of the Senate some of the details of that lease-purchase system. The Senator from Washington had asked the Library of Congress to prepare some estimates on just where the taxpayers' money would go in the rental payments. This is the estimate he received:

For a construction program of $900 million worth of buildings, financed by the lease-purchase system, the cost of the buildings at the end of 25 years, when they would finally belong to the Government, would be $1,700,000,000; $100 million would be the builder's profit, and $700 million would be the interest that would go to the banker who loaned the money to the builder. In other words, after 25 years, the people would own buildings that cost $900 million to construct for which they had paid $1,700,000,000.

Now, if $900 million worth of buildings had been built in the usual fashion, as real public works, by appropriation or by Government borrowing, the cost of interest at 2½ percent over the same 25 years would be just $357 million. So the lease-purchase system of 1954 would cost over $300 million more, just in higher interest rates to bankers.

At that, the assumption in these estimates was a private interest rate of 4½ percent. If the builders had to pay 5 percent the lease-purchase program would cost the taxpayers $418 million more than if they built the new post offices themselves.

In short, the estimates were that by the time the taxpayers owned the property they had been leasing for 25 years, just about one-half of what they had paid would have gone to the bankers as interest.

This month the administration has proposed a program to put up $2 billion worth of buildings. But unlike the earlier lease-purchase program, which has now expired, the President's newest plan does not even call for purchase of the buildings, only rental. As proposed to Congress this month, the Government would contract with a private builder to have a post office built, which it would lease.

I have tried to find out from the Department whether they plan to purchase, but all I got was hedging.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. JOHNSTON of South Carolina. Does the Senator not fear that the present administration is looking at the question from a big business standpoint? Business is used to leasing buildings instead of owning the buildings. Business rents the buildings, and then can deduct the rent as a business expense, which is 52 percent charged off on the income tax. I do not blame business for doing that. Were I in such line I would not own a building, either.

Mr. MORSE. As the Senator knows, I vigorously opposed this scheme when it was proposed by the administration back in 1954, and I am just as much opposed to it now.

At the end of that time, the building would still belong to the party who built it, and the taxpayers would have the option of continuing to pay rent for it or building their own post office, because there was no mention in Summerfield's statement that the buildings would belong to the Government at the termination of the leases.

The interest rate right now for construction loans is just under 5 percent.

I digress to say, Mr. President, that even if they plan to purchase at the end of the lease it still is a shakedown of the taxpayers of this country for the benefit of the bankers, because, as I pointed out in 1954 in the debate on this matter, the scheme will cost the taxpayers of America at least 30 percent more than it would cost if Uncle Sam were to build the post offices himself.

The Senator from Washington [Mr. MAGNUSON] in the debate in 1954 read some statistics which were prepared for him by the Library of Congress, which indicated the cost would be higher than 30 percent. When I say 30 percent I am dealing in an understatement.

This is a case where the taxpayers are rooked for at least 30 percent, in what amounts to a giveaway to the bankers of this country.

I know the President does not like to have the word "giveaway" used in regard to his programs, but some of us have documented it into his teeth, Mr. President, for years now, because the chief characteristic of his economic program has been nothing but a giveaway.

The interest rate right now for construction loans is just under 5 percent. At the end of the lease, half the Government's money—the taxpayers' money—will have gone for interest to bankers and there will be no property or buildings to show for it if this administration plan is put into effect.

I hope it will not be.

The Nation does need public works to offset unemployment and an ominous economic decline. But we do not need bankers' boondoggles. The economy needs useful public works. It needs construction financed in such a way that the expenditure goes for construction and not for interest.

Public highways meet the test. Under the last new roadbuilding program authorized last year, it was anticipated that over a 13-year period an Interstate Highway System of some 41,000 miles would be built, financed by increased gasoline and tire taxes provided for at the same time. Yet in his recent budget message to Congress, the President called for a stretchout in the highway program so that the 41,000 miles of road would be built over a 24-year period instead of a 13-year period. He claimed that costs have risen so much since the Highway Act was passed 2 years ago that the money coming in from those taxes will not pay for the system in 13 years, but at the current rate will take 24 years.

I listened the other day to the very able speech by the Senator from Tennessee [Mr. GORE] on the highway matter. The Senator from Tennessee in that notable speech protested the stretchout program of the President of the United States in regard to the highway system.

Instead of a stretchout, Mr. President, what we ought to try to do is to shorten the 13-year period, because I know of no one single public-works program which would do more to stimulate the economy, to aid business, and to put men back to work than the construction program which goes along with the manifest interstate highway program across this Nation.

I urge this, Mr. President, on economic grounds, but let me say to the President, who is so often heard to talk about morality, that I urge it also on moral grounds. I urge it on the grounds of a moral obligation of the Federal Government owed to the people of this country. The morality of my proposition is that we cannot justify a Government action which permits some 37,000 to 40,000 fellow Americans to be killed on the highways of America each year when the experts testify—and I know of no exception to it—that we cannot cut down that fatality list until we build highways engineeringly sound enough to accommodate the modern automobiles. That happens to be a cold, ugly fact—yet, the President of the United States is talking about a stretching out of the roadbuilding program from 13 to 24 years.

I ask: What has happened to a sense of morality in Government these days, when we have such a great need for action now to bring to an end, or to at least substantially reduce, the great number of preventable deaths on the highways of America? I say that the Government owes it to the people to speed up, rather than stretch out, a highway-building program on moral grounds alone.

I make the argument that if we were at the height of the greatest prosperity of our history, which we are not, this program would be needed. When we add

to that the fact that we need the highway program as a public-works program to do what we can to put men back to work, with at least 4½ million men now idle, and, more than that, when we take into account the part-time workers who are not included in the unemployment statistics, it is a shocking case, in my judgment, of a lack of sensitivity on the part of the leaders of this administration in respect to moral responsibility. We ought to go ahead full steam with all the green lights on for the fastest possible construction of the highway system, which was set forth in the bill introduced by the Senator from Tennessee [Mr. GORE], and which we managed to get through the Congress of the United States.

Thirteen years is too long, Mr. President. Twenty-four years, as proposed by the President of the United States, is simply unconscionable.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. MORSE. I yield to the Senator from Washington.

Mr. JACKSON. I wish to commend the distinguished senior Senator from Oregon for his comments today, particularly those with reference to the proposed legislation relating to the lease-purchase law. I think those of us who voted against the proposal in 1954 have been vindicated by what has occurred since that time.

Mr. MORSE. There is no doubt of that.

I want the junior Senator from Washington to know that I have always appreciated the great support he gave to us in 1954 when we were conducting the fight. There simply were not enough of us then. Something tells me, however, that perhaps there are enough of us at this time. I think this time we have a good chance of winning for the people. I think a majority will support us this time in insisting upon a public-works program that will really bring economic relief to the American people, to which they are entitled.

I say, therefore, that this is no time to slow down the highway construction program. The law enables Congress to appropriate the money for it directly if receipts from the highway users taxes are insufficient. I think the President should have recommended legislation along that line, instead of proposing a stretchout.

Mr. GORE. Mr. President, will the Senator yield?

Mr. MORSE. I yield to the Senator from Tennessee.

Mr. GORE. If the Congress will dedicate the revenue received from all highway-user taxes, according to an estimate made by the Senate Committee on Finance, there will be ample funds to construct the interstate and defense highway system on schedule. The budget presented to the Congress did not recommend the dedication of any new funds to the trust fund. Instead, the recommendation was for a diversion of a substantial portion thereof to purposes other than the construction of the highways in the interstate system.

Mr. MORSE. I am glad the Senator from Tennessee has driven home that point, because it is pretty vital. I think it is further evidence of the clear dereliction of duty on the part of the Eisenhower administration, the duty which it owes to the American people to exercise leadership in seeking to accomplish the end that the Senator from Tennessee has just suggested.

Mr. GORE. Mr. President, will the Senator yield further?

Mr. MORSE. I yield further.

Mr. GORE. In addition to the fatalities of 37,000 to 40,000, to which the Senator referred so eloquently, in the calendar year 1957, more than 1 million people were maimed and crippled. If the human carnage is not sufficient to spur action in highway improvement, let us consider also the economic loss. The measurable economic loss from wrecks on our inadequate highways is estimated at $3.4 billion for last year.

It is estimated also that the additional cost of travel on inadequate highways, above what the cost would be on an adequate system of highways, is approximately 1 cent per mile. With the present volume of traffic that also amounts to an enormous sum, something in excess of $5 billion per year.

Does it not appear to the able senior Senator from Oregon that the Nation cannot afford a 24-year stretchout, either on the basis of economic grounds or on the basis of human values?

Mr. MORSE. I think that is perfectly obvious. The Senator from Tennessee was right when he said in his speech the other day that we ought to be speeding up the program, not stretching it out. Although the construction of the highway system is the most obvious and adaptable public-works program that we should go ahead with, there are other public works also, and I am going to mention some of them in the Pacific Northwest. Public works are not limited to the Pacific Northwest. Public works are needed in other places in this country, but I speak out of familiarity with the facts when I talk about these particular projects, because I have been working for long years on them, and I know the facts in connection with them. I mention them as other examples of public works that can bring about needed employment relief and economic stimulation to business.

In the Pacific Northwest, according to the latest figures—and I wish to call the attention of the Senator from Washington [Mr. JACKSON] to these figures— our two States, Oregon and Washington, today are at the bottom of the list so far as distressed areas are concerned. However, the differences are slight. The Senator from Michigan, for example, spoke the other day about conditions in Michigan. Although statistically and percentagewise conditions are not as bad elsewhere as in Oregon and Washington, they are so bad that something ought to be done to bring to an end the great recession of this country.

The President's position on the road issue is in keeping with his entire budget, which contained completely inadequate amounts for worth-while public works. For John Day Dam, for example, only $2 million was proposed for construction, although the Army engineers have said they could use $10 million efficiently and effectively next year. We need power and we need flood control. We need economic stimulation to business. That can be brought about by the construction at the earliest possible time of these great public works.

The Corps of Engineers has said it could use $2 million for construction at Green Peter; the administration budget allows $310,000 for planning only, with nothing for construction. The corps has said it could use $500,000 more at Hills Creek than the administration asked for. The Corps of Engineers has said is could use $7 million at Cougar Dam; the administration budget allows only $5,500,000.

The amounts the Corps of Engineers says can be used effectively on these projects during the coming fiscal year are the amounts I shall seek to have appropriated. Projects of this kind are not mere expenditures; they are investments in the future of our State.

I never have and I never will ask for more money for public works under the jurisdiction of the Corps of Army Engineers when they say they cannot use more money. When I make my recommendation—and I have done this for 13 years—it is based on what the Army engineers say they can use efficiently and effectively. They are not allowed to seek any more money, because they have to live within the budget, but they have a duty to tell Congress what they can spend efficiently and effectively. That is the amount of money I ask be appropriated. That is what I suggest to this administration, that they get busy and request that money now, as an aid in seeking to stop the growing recession.

School buildings are the same kind of investment because they bring our State and Nation a return in better educated people. Yet this year the administration has abandoned school construction entirely as part of its program, after giving it halfhearted support the last 2 years.

When it did propose it, it was a bankers' proposal, a bankers' bond bill. It was not a school construction bill. That is, Uncle Sam was not going to spend Federal funds.

I shall continue to advocate construction of roads, post offices, and dams as desirable projects in themselves, and as particularly desirable now. They are needed, and should be built with Federal appropriations so the people will have something to show for their money when they are completed.

I shall continue to advocate Federal funds for grants to the States so they may build needed schools. It is with projects like these that recession must be fought by the Federal Government.

Mr. President, I shall continue to support my colleagues from any State in the Union who will come forward with public-works programs which will return to the people of this country good benefits from its construction, because I think now is the time to proceed with the construction of a public-works program.

We in Congress ought to do something, and we should do everything we can to impose it upon a reluctant administration and, if necessary, override a veto with an overwhelming vote.

AMENDMENT OF CIVIL AERONAUTICS ACT OF 1938

The Senate resumed the consideration of the bill (H. R. 5822) to amend section 406 (b) of the Civil Aeronautics Act of 1938 with respect to the reinvestment by air carriers of the proceeds from the sale or other disposition of certain operating property and equipment.

Mr. LAUSCHE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Chief Clerk called the roll and the following Senators answered to their names:

Aiken	Gore	Mundt
Allott	Green	Murray
Anderson	Hayden	Neuberger
Barrett	Hickenlooper	O'Mahoney
Beall	Hill	Pastore
Bennett	Hoblitzell	Payne
Bible	Holland	Potter
Bricker	Hruska	Proxmire
Bridges	Humphrey	Purtell
Bush	Ives	Revercomb
Byrd	Jackson	Robertson
Capehart	Javits	Russell
Carlson	Johnson, Tex.	Saltonstall
Carroll	Johnston, S. C.	Schoeppel
Case, N. J.	Kennedy	Scott
Case, S. Dak.	Kerr	Smathers
Chavez	Knowland	Smith, Maine
Church	Kuchel	Smith, N. J.
Clark	Langer	Sparkman
Cooper	Lausche	Stennis
Cotton	Long	Symington
Curtis	Magnuson	Talmadge
Dirksen	Malone	Thurmond
Douglas	Mansfield	Thye
Dworshak	Martin, Iowa	Watkins
Eastland	Martin, Pa.	Wiley
Ellender	McNamara	Williams
Ervin	Monroney	Yarborough
Frear	Morse	Young
Fulbright	Morton	

The PRESIDING OFFICER (Mr. PROXMIRE in the chair). A quorum is present.

The question is on agreeing to the amendment of the Senator from Ohio [Mr. LAUSCHE], proposed as a substitute for the committee amendment, as amended.

Mr. LAUSCHE. Mr. President, I should like to say a few words in explanation of my amendment.

In passing judgment on what should or should not be done in connection with this matter, the Senate must consider three phases of it.

Under the provisions of the committee amendment, as amended, the capital gains, regardless of need, would mandatorily become the absolute property of the subsidized carriers. They would not have to introduce evidence showing that they needed the capital gains in order to purchase new equipment, but as a matter of law those capital gains would be the absolute property of the subsidized carriers.

Under existing law, in the absence of enactment of the pending bill, the Civil Aeronautics Board could, if the proof offered were sufficient to establish the existence of a need on the part of the subsidized carriers, grant to them the capital gains as a subsidy.

I wish to speak primarily on my amendment. My amendment would establish the right on the part of the Civil Aeronautics Board to allow the use of the capital gains for reinvestment in new equipment, subject to the duty of the Board, in a period of slightly more than 5 years, to recoup only the amount of the granted capital gains, without interest. My amendment would give the carriers the absolute right, upon the performance of certain conditions, to obtain the use of the capital gains, without the payment of interest, in connection with the purchase of new equipment; and the amendment would impose upon the Civil Aeronautics Board the duty to recoup those capital gains in six annual installments, decreasing in amount in each successive year, until the total amount was recaptured.

So summarize: First, the mandatory grant of the capital gains, as provided by the committee amendment as amended by the amendment of the Senator from Oklahoma [Mr. MONRONEY], would be eliminated.

Second, the absolute grant of all or part of the capital gains would be in the discretion of the Board, if and when the carrier established the need in conformity with the provisions of the act.

Third, and this is my amendment, the Board would have the discretionary power to grant the use of the money, without interest, to the carrier, if the carrier so desired, for the purpose of making downpayments on the new equipment, but with the duty on the part of the Board to recoup the money so allowed in six annual installments, in progressively decreasing amounts.

In substance, the difference between the pending committee amendment, as amended, and my amendment is that the committee amendment, as amended, would make the grant of the capital gains absolute, a complete gift; the Federal Government would have nothing to say about that money.

On the other hand, my amendment contemplates that it would be in the nature of a loan to the carrier, to be used by him to purchase new equipment, but in the course of 6 years he would be required to repay that borrowed money, without interest, in annual installments progressively decreasing in amount.

I should like to explain how the amendment would work. Let us assume that a new airplane is purchased for $10,500,000, and that the capital gains derived from the sale of the old equipment were $3,500,000. Under existing law, the carrier would be entitled to an 8 percent return, annually, on the capital base, which in the second year would be $10,500,000. The carrier also would be entitled to a break-even income, which the Government would guarantee.

If my amendment is adopted, instead of having the plane put in at $10,500,000, and instead of having the Government guarantee an 8 percent return on the $10,500,000, and instead of having the Government guarantee an income of revenue sufficient to repay the carrier for all the operating costs, the plane would be put on the books at $10,500,000—the cost—less $3,500,000—the capital gain. In short, it would be put on the books at $7 million. The carrier then would be guaranteed 8 percent on the $7 million; and he would also, of course, be guaranteed a full return of all operating expenses.

The carrier could not lose a single penny. He would be guaranteed an 8 percent return. As I have said, the 8 percent would be on the $7 million, instead of on the $10,500,000.

It is by that means that the Government would recapture the $3,500,000 in 6 years.

How would that be done? Instead of paying 8 percent to the carrier on a $10,500,000 capital base, the Government would pay 8 percent on $7 million. And instead of guaranteeing an operating return on a plane valued at $10,500,000, the Government would guarantee revenues on a plane costing $7 million. In the course of 6 years, by putting the plane on the books at $7 million, instead of $10,500,000, the Government would recapture fully the grant made.

The difference between the two is simply this: The committee amendment, as amended by the amendment of the Senator from Oklahoma [Mr. MONRONEY], would make it simply a gift; and it would be a gift of possibly $66 million to 30 carriers.

My amendment would make it a loan repayable in 6 years, in annually decreasing amounts; but my amendment still would serve the purpose of enabling each of the carriers to purchase the new equipment, if needed.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the manuscript which I mailed to each of my colleagues last week, and which I discussed in substance last evening, although I did not then request that it be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR LAUSCHE IN RE H. R. 5822

H. R. 5822, in my considered judgment, should not be passed in its present form. It will make an outright gift of possibly $67 million to air carriers on subsidy by permitting them to retain net capital gains on sale of flight equipment without demonstrating a "need" within the meaning of the Civil Aeronautics Act.

My opposition to H. R. 5822 is based on the following reasons:

NEED OF CARRIERS FOR CAPITAL GAINS NOT ESTABLISHED

The retention of capital gains by the air carriers is not needed to finance the purchase of new flight equipment.

The enactment of legislation by the 1st session, 85th Congress (S. 2229, approved September 5, 1957, Public Law 85-307), guaranteeing 90 percent of loans for the purchase of new equipment up to $5 million for each carrier, together with other benefits provided by existing law, will give substantial help in making it possible for the local service airlines to reequip.

The liberal provisions of existing law under which the Federal Government (1) guarantees the receipt of revenues by the carriers in an amount that will reimburse the carrier for the annual depreciation of the flight equipment, and (2) guarantees at least

a 7- to 10-percent return on the capital investment, are primary factors in influencing the lending of money to these carriers.

The liberality of the Government's protection of the subsidized carriers bears repeating the guaranty which the Government undertakes:

1. It guarantees that the revenues received by the carrier each year will be equal to its total operating, management, and maintenance costs, including a reimbursement in an amount equal to the annual depreciation of the flight equipment subject, of course, to administrative disallowances for operations which are less than the standard of honest, economical and efficient management.

2. It guarantees a 7- to 10-percent return to the carriers upon their respective investments. (Eight percent is considered to be a reasonable average of the percent of return on the total investment in flight equipment of subsidized air carriers. Where the local service carrier's flight equipment is substantially written off through depreciation allowances, the rate of return is usually set at 2 cents per mile flown, which often results in earnings at rates substantially in excess of 8 percent on investment.)

The subsidized carriers intend selling their 408 planes, having a carrying capacity of 826.2 million ton-miles; and buying 308 new planes, having a carrying capacity of 1,794.2 million ton-miles.

The total book value of the 408 planes to be sold is $174,625,000; the total value of the 308 planes to be purchased is $625,315,000.

The guaranteed return to the carriers on the present 408 planes is $13,970,000 ($174,625,000 times 8 percent); on the 308 new planes the guaranteed return will be $49,625,200 ($620,315,000 times 8 percent).

In addition to this probable new heavy subsidy, after the first year, for 7 consecutive years, the total equipment will be depreciated annually at 12 percent, amounting to $74,400,000 for the first year and each succeeding year thereafter. This becomes an operating expense covered by the additional Government guaranty that if the revenues are not adequate to defray the expense, the Government has to make up the difference.

Applying the law to a single plane, we have the following example:

A DC–3 aircraft costing $25,000 originally is depreciated down to a $5,000 level. At that point, the airline is earning $400 on the airplane (8 percent of $5,000). That airplane is sold in today's market at $125,000. The company then buys an F–27 valued at $750,000, using the $90,000 net capital gain, after 25 percent capital gain tax, as a downpayment. Even if we subtract the net capital gain after taxes ($90,000) from the $750,000 cost so that the new airplane would go on the books at $660,000, the airline would earn $52,800 the first year on the new airplane ($660,000 times 8 percent), instead of the $400 ($5,000 times 8 percent) being earned presently on the old plane. The Federal Government, under present law, is the guarantor that the carrier will earn $52,800, either through operating revenues or subsidy.

CIVIL AERONAUTICS BOARD HEARING EXAMINER'S DECISION MAKES THE FOLLOWING FINDINGS AND COMMENTS WITH REFERENCE TO THE SEVERAL TYPES OF CARRIERS

There is presently pending before the Civil Aeronautics Board, capital gains proceeding, No. 7902. In that proceeding, a hearing was conducted by Paul N. Pfeiffer, an examiner of the Board, who, on September 19, 1957, rendered his decision which shall hereinafter be referred to as examiner's decision.

The examiner's decision (p. 54) states that the following local service carriers and helicopter carriers have already arranged financing of new equipment without apparent difficulty:

"Bonanza has firm commitments for financing $1 million in long-term debt from the First National Bank of Nevada and $1.6 million in capital stock to be underwritten by William R. Staats & Co. to cover the purchase of three F–27's.

"Chicago Helicopter has 6 aircraft on order costing $1.8 million, 3 of which have already been received, which has been completely financed through a bank loan and the issuance of 22,000 shares of stock.

"Frontier has a commitment for a $2.1 million loan for the purchase of four Convair 240 aircraft.

"Mohawk has acquired 11 Convair 240's costing $3,265,000 without reliance upon capital gains.

"New York Airways has equity capital of $2,433,000 with no long-term debt to finance the purchase of four S–58 helicopters worth $1,180,000.

"Southwest Airways has a $2,600,000 loan from the Bank of America National Trust & Savings Association to cover the purchase of three F–27 aircraft and to refund existing indebtedness.

"West Coast states that it has a commitment of $2,250,000 in long-term debt plus 'any balance needed by equity financing and existing surplus at time needed' to cover the purchase of four F–27's."

The examiner's decision (pp. 54–55) makes the following further comment: "Since these relatively small airlines have been able to arrange financing for reequipment despite past capture of capital gains while on open mail rates and the pendency of this proceeding, a conclusion that the other airlines similarly situated are absolutely unable to reequip without retention of capital gains would not be warranted."

LOCAL CARRIERS (P. 41)

"The local service carriers have not demonstrated that they will be unable to finance reequipment on this basis. As a matter of fact, Bonanza, Southwest, Mohawk, and West Coast have already arranged financing despite the existence of this proceeding and the omnipresence of Bureau counsel's proposal of annual recapture. They have only shown that they would be better off if they were permitted a return and depreciation allowance on the capital gain element of the transaction. To give the carriers more subsidy than they have established a need for, not only violates the statute as presently written but offends the sense of responsible concern for the protection and proper utilization of public funds."

PAN AMERICAN (43)

"In view of the foregoing, it is concluded that Pan American has no need to retain retirement gains. Conversely, under the circumstances, not to offset the $20 million estimated capital gain against such future subsidies as Pan American may recover would result in an unjustifiable enrichment of this carrier at the taxpayer's expense."

ALASKA TERRITORIAL CARRIERS AND HELICOPTER OPERATIVES (45)

"It is conceded that these carriers would be better off financially if they received a return and depreciation allowance on the capital gain element of such cost. But since they do not need such additional subsidy in order to carry out their reequipment programs, such a disbursement of tax receipts cannot in good conscience be justified."

BYPASSING CIVIL AERONAUTICS BOARD

The Congress should not tolerate the effort of the air carriers to procure through Congressional act that which, on the basis of merit, they fear that they will not be able to obtain from the Civil Aeronautics Board.

As stated earlier, there is pending before the Civil Aeronautics Board, Initial Decision of Paul N. Pfeiffer, hearing examiner, capital gains proceeding, No. 7902, to determine whether the Civil Aeronautics Board has the legal authority to permit the carriers to retain capital gains under section 406–B of the Civil Aeronautics Act, upon the showing of a need qualifying them for the grant. The hearing examiner has rendered his decision that the Civil Aeronautics Board does have the legal authority. Counsel for the air carriers has taken the same position. Counsel for the Bureau of Air Operations, as a representative of the public interest, has taken the contrary position that the Civil Aeronautics Board does not have the legal authority. Careful study will disclose that that Civil Aeronautics Board does have the discretionary legal authority to permit the carriers to keep the capital gains if it first determines that the carriers need them for any of the purposes outlined in existing law.

The Supreme Court has ruled in *Western Air Lines* v. *Civil Aeronautics Board* (347 U. S. 67 (1954)) that "the 'need' in a given case may be so great that profits from other transactions should be allowed in addition to the normal rate." Page 72.

To make the grant mandatory as this bill provides, instead of discretionary as provided by existing law, can only be motivated by a liberal desire to make an additional gift of $67 million to the subsidized carriers.

PROFIT ON A PROFIT

If the capital gains are fully and absolutely granted to the carriers, they will be enjoying a profit on a profit both substantially paid by the Federal Government.

Flight equipment is normally depreciated down to a residual value of approximately 15 percent. Thus, when an airplane which has been written down to residual value is replaced by a new airplane which in turn has a new depreciation base set at the cost of the new equipment, the capital gains involved in the sale of the old airplane should be subtracted from the depreciation account of the new airplane, or else the Government will, in effect, be paying a depreciation allowance twice. The carrier has already been paid, through the annual depreciation, the full value of the original plane less the residual value at which the plane is carried on the books. If the capital gain derived from the sale and then reinvested in the new airplane is not subtracted, the Government will be paying again through the depreciation allowance on the full cost (including reinvested capital gains) of the new airplane. Similarly, if the capital gain element of the return on investment is not subtracted in installments over the life of the new equipment, the Government will be, in effect, paying a profit on a profit.

STATISTICS ON DIRECT AND INDIRECT SUBSIDIES

(a) There has already been paid in subsidy to all air carriers, from fiscal year 1939 through fiscal year 1956, the amount of $561,162,000.

(b) There has thus far been paid to carriers who will benefit by the passage of H. R. 5822 the amount of $506,863,000, as follows:

Airline:	*Subsidy*
Alaska Airlines	$12,570,000
Alaska Coastal	2,015,000
Allegheny	17,046,000
Bonanza	5,153,000
Braniff	24,999,000
Mid-Continent	11,988,000
Byers	275,000
Central	10,328,000
Cordova	1,647,000
Ellis	1,679,000
Frontier	17,691,000
Challenger	1,903,000
Monarch	2,722,000
Hawaiian	2,297,000
Helicopter [1]	1,297,000

[1] Chicago Helicopter Airways, Inc.

Airline:	Subsidy
Lake Central	$6,815,000
Los Angeles	2,377,000
Mohawk	6,432,000
New York	4,340,000
North Central	12,142,000
Northern Consolidated	6,252,000
Ozark	11,051,000
Pacific Northern	8,780,000
Pan American Grace	27,196,000
Pan American World	219,109,000
American Overseas	16,624,000
Piedmont	12,573,000
Reeve	252,000
Southern	11,577,000
Southwest	10,714,000
Trans-Pacific	824,000
Trans-Texas	16,238,000
West Coast	10,146,000
Empire	3,644,000
Wien Alaska	6,167,000
Total	506,863,000

(c) There will be given to the subsidized air carriers, if the bill is passed, $67,276,000 in net capital gains after payment of capital gains tax. (Joint exhibit 30 submitted by air carriers in Capital Gains Proceeding No. 7902, CAB, estimating amount of capital gains for period 1956–60.)

If it is finally determined that Pan American is off subsidy, this figure would be reduced by approximately $19 million. However, until such a final determination is made, it must be assumed that the potential cost of this bill to the taxpayers is some $67 million.

(d) Over the period 1937–57, total expenditures for construction, maintenance, and operations of the Federal Airways System amounted to $1,309,438,000. While these facilities and services are used to a substantial extent by the military as well as private and business aircraft, estimates indicate at least half of the total costs are attributable to use of the airways by the air carriers.

(e) Under the Federal Airport Act of 1946, through fiscal 1957, there has been made available for grants in aid to local communities $327,218,554. Of this amount, $274,535,939 has actually been contracted with the sponsor. The sponsor's matching funds are approximately the same amount for civil airports receiving Federal aid in the continental United States.

In addition to the above amounts already expended, programs for the coming years contemplate expenditures by the Federal Government of hundreds of millions more.

THE COMPTROLLER GENERAL OF THE UNITED STATES OPPOSES THE BILL

The Comptroller General of the United States, Joseph Campbell, on August 22, 1957, in a letter addressed to the Honorable WARREN G. MAGNUSON (pp. 15–18, committee report), chairman of the Senate Interstate and Foreign Commerce Committee, among other things, stated:

"The Board's depreciation policy generally has permitted a 7-year life on postwar aircraft with residual values of about 10 percent. Hence, by determining 'need' under this practice, a carrier is able to recoup its cash investment in flight equipment through depreciation over that period. Also permitted as allowable expenses are inspection, maintenance, and overhaul, since obviously a carrier is required at all times to operate safe and dependable aircraft which, of course, requires a constant outlay of expenditures. Therefore, in permitting these and other expenses, the Board has complied with the 'need' element of section 406–B. But to permit the Board now to disregard the profits realized from the sale of such equipment would permit those carriers to have enjoyed the benefit of a subsidy in excess of their 'need.' Furthermore, the carrier's depreciation has not amounted to a cash expenditure and, as pointed out by the Supreme Court in the Western case, it has been permitted to retain its earnings plus a fair and reasonable return upon its investment."

Mr. Campbell, in expressing his opinion of the primary purpose of the bill, stated:

"It is apparent that the primary purpose of the proposed bill in exempting the proceeds of such sales from the category of 'other revenue' is to assist in the purchase of new equipment. However, for reasons heretofore discussed, section 406 (b), while designed to underwrite the need of the carrier under honest, economical, and efficient management, cannot and should not be construed as providing assistance beyond that area—and certainly not to the extent of rendering aid in the field of financing new equipment, which field clearly is one of management prerogative. And, in this connection, it is significant to observe that the present act appears not to have been an undue burden, as evidenced by the fact that certain carriers already have entered into extensive commitments for future delivery of equipment."

CONCLUSION

I respectfully submit to my colleagues that, based on the foregoing, H. R. 5822 ought not to be passed. It is neither in the interest of the general citizenry nor the Nation. Its passage will make mandatory the gift of $67 million to the air carriers now on subsidy which already are being liberally subsidized, and to whom the Civil Aeronautics Board can now award either that part or all of the $67 million if these carriers by the facts establish they need the grant in order (1) to earn from 7 to 10 percent on the capital investment, (2) to fully pay their operating costs, or (3) to reasonably develop their carrier services.

Mr. LAUSCHE. Mr. President, I have nothing further to say on this question.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Ohio, in the nature of a complete substitute for the committee amendment, as amended.

Mr. MONRONEY. Mr. President, I rise in opposition to the amendment submitted by my distinguished friend and colleague, the junior Senator from Ohio [Mr. LAUSCHE]. No Member of the Senate is more valuable than he, in his careful study and effort to arrive at the best possible decision on any question before this body.

I believe, however, his amendment would be very unwise and unworkable.

In the first place, as I said yesterday, he has proposed that the subsidized airlines, most of which are feeders, be loaned back their own money over a period of years. If subsidized airlines are to be entitled to retain their capital gains on condition that they reinvest them in new equipment, then I believe we should not require that they must repay such gains in 6 years.

Furthermore, the amendment of the Senator from Ohio would be impossible of administration, for the simple reason that some lines may be on subsidy for the first year or two, during which time they invest gains on new equipment and then go off subsidy at the end of 2 years? How are they going to pay back the so-called debt which would otherwise have been collected over 4 years of subsidy?

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. MONRONEY. I am happy to yield to my friend.

Mr. LAUSCHE. The amendment provides:

That in the event the Board determines that the carrier no longer requires that portion of the mail rate payable by the Board under the provisions of Reorganization Plan No. 10 of 1953 there shall be repaid to the Board by such carrier any amount by which the net capital gains reinvested in flight equipment shall exceed the total reductions in such mail payments computed as described above.

That provision contemplates that if a company goes off subsidy, it has to repay the money.

Mr. MONRONEY. I thought that was correct. I am glad the distinguished Senator makes his point very clear. Let us see what that provision does. In the event an airline goes off subsidy, it has to repay the capital gains. But if it were off subsidy in the first place, it would not have been required to repay it. For example, airline A, which is not on subsidy, can keep all its capital gain, airline B, while on subsidy realizes a gain and buys new equipment, after which it works its way off subsidy in 2 years. Thereupon, it must repay immediately the capital gain, which it would have been entitled to retain and repay over a period of years if it had remained in a subsidized status.

I may say the amendment the distinguished Senator is proposing is therefore diametrically opposed to the purpose of the bill, which is to help the subsidized airlines get off subsidy. The subsidized lines are chiefly feeder airlines. There is only one international airline that is on subsidy. The others, including all the trunklines, are off subsidy, so they can keep their capital gains and use them in any way they wish. Therefore, the bill does not affect them. The bill merely affects the subsidized airlines, consisting principally of 14 feeder lines, 3 helicopter operations, the territorial carriers, and 1 international airline, namely, Braniff. Consequently, the proposal would penalize this group of airlines which are in need.

The Senator from Ohio emphasizes the fact that, under his amendment, the airlines must first be found to be in need in order to be accorded the privilege of borrowing their own money back for a 6-year period of time. If they are not in need, they ought not to be on subsidy, in the first place. I think the amendment which the Senator from Ohio has proposed might reverse the whole object of the bill.

Furthermore, although the Senator from Ohio has stated that the airlines would have the benefit of the money without interest, it is my opinion that this is open to doubt.

I think the amendment of the distinguished Senator from Ohio should be defeated. If the amendment should be agreed to, I do not see any reason for passing the bill, because I do not think any airline would avail itself of such an arrangement as is proposed. I would not recommend the passage of the bill in the event the amendment were agreed to.

Mr. President, that is all I care to say. I suggest that the amendment be voted

on, unless someone wishes to enter into further discussion.

Mr. LAUSCHE. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. MONRONEY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Fulbright	Morton
Allott	Gore	Mundt
Anderson	Green	Murray
Barrett	Hayden	Neuberger
Beall	Hickenlooper	O'Mahoney
Bennett	Hill	Pastore
Bible	Hoblitzell	Payne
Bricker	Holland	Potter
Bridges	Hruska	Proxmire
Bush	Humphrey	Purtell
Capehart	Jackson	Revercomb
Carlson	Javits	Robertson
Carroll	Johnson, Tex.	Russell
Case, N. J.	Johnston, S. C.	Saltonstall
Case, S. Dak.	Kerr	Scott
Chavez	Knowland	Smathers
Church	Kuchel	Smith, Maine
Clark	Langer	Smith, N. J.
Cooper	Lausche	Sparkman
Cotton	Long	Stennis
Curtis	Magnuson	Talmadge
Dirksen	Malone	Thurmond
Douglas	Mansfield	Thye
Dworshak	Martin, Iowa	Watkins
Eastland	Martin, Pa.	Wiley
Ellender	McNamara	Williams
Ervin	Monroney	Yarborough
Frear	Morse	Young

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Ohio proposing a substitute for the committee amendment as amended.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Missouri [Mr. HENNINGS], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Arkansas [Mr. MCCLELLAN], and the Senator from Missouri [Mr. SYMINGTON] are absent on official business.

The Senator from Tennessee [Mr. KEFAUVER] is absent because of a death in his family.

I further announce, that if present and voting, the Senator from Missouri [Mr. HENNINGS], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Massachusetts [Mr. KENNEDY], and the Senator from Missouri [Mr. SYMINGTON] would each vote "nay."

Mr. DIRKSEN. I announce that the Senator from Maryland [Mr. BUTLER], the Senator from Indiana [Mr. JENNER], the Senator from New York [Mr. IVES], and the Senator from Kansas [Mr. SCHOEPPEL] are necessarily absent.

The Senator from Vermont [Mr. FLANDERS] is absent on official business.

The Senator from Arizona [Mr. GOLDWATER] is absent by leave of the Senate for the purpose of participating in active duty with the Air Force.

If present and voting, the Senator from Maryland [Mr. BUTLER] and the Senator from Kansas [Mr. SCHOEPPEL] would each vote "nay."

The result was announced—yeas 14, nays 70, as follows:

YEAS—14

Aiken	Frear	Morse
Cooper	Humphrey	Proxmire
Douglas	Javits	Smith, Maine
Dworshak	Langer	Williams
Eastland	Lausche	

NAYS—70

Allott	Green	Neuberger
Anderson	Hayden	O'Mahoney
Barrett	Hickenlooper	Pastore
Beall	Hill	Payne
Bennett	Hoblitzell	Potter
Bible	Holland	Purtell
Bricker	Hruska	Revercomb
Bridges	Jackson	Robertson
Bush	Johnson, Tex.	Russell
Capehart	Johnston, S. C.	Saltonstall
Carlson	Kerr	Scott
Carroll	Knowland	Smathers
Case, N. J.	Kuchel	Smith, N. J.
Case, S. Dak.	Long	Sparkman
Chavez	Magnuson	Stennis
Church	Malone	Talmadge
Clark	Mansfield	Thurmond
Cotton	Martin, Iowa	Thye
Curtis	Martin, Pa.	Watkins
Dirksen	McNamara	Wiley
Ellender	Monroney	Yarborough
Ervin	Morton	Young
Fulbright	Mundt	
Gore	Murray	

NOT VOTING—12

Butler	Hennings	Kennedy
Byrd	Ives	McClellan
Flanders	Jenner	Schoeppel
Goldwater	Kefauver	Symington

So Mr. LAUSCHE's amendment in the nature of a substitute for the committee amendment, as amended, was rejected.

The PRESIDING OFFICER. The committee amendment is open to further amendment.

Mr. FULBRIGHT. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. FULBRIGHT. May I ask the majority leader whether he expects the Senate to vote immediately on the bill or whether there is to be further debate on it.

Mr. JOHNSON of Texas. The majority leader has no further debate on it.

Mr. MONRONEY. I believe there is one further amendment that I know of, to be offered by the Senator from Delaware [Mr. WILLIAMS]. I do not believe there will be any discussion of it. The committee is ready to take it to conference. I believe the amendment improves the bill. So far as I know, no other amendments will be offered. Also, I understand that no Senator is requesting a yea-and-nay vote on the passage of the bill. Therefore I believe we should conclude consideration of the bill within 10 minutes.

MOTION PICTURES TAKEN BY SENATOR ELLENDER ON HIS TRIP THROUGH RUSSIA

Mr. FULBRIGHT. Mr. President, I wish to announce that, immediately following the disposition of the pending bill, unless there is extended debate, we will have a showing of the very fine motion pictures taken in Russia by the senior Senator from Louisiana [Mr. ELLENDER]. It is an excellent opportunity for the Members of the Senate to view his pictures. It may be difficult to arrange a showing later. Anyone who is interested in seeing these excellent pictures should come to the old Supreme Court chamber.

Mr. JOHNSON of Texas. Mr. President, I wish to commend the very able Senator from Louisiana. I believe that no other Member of the Senate has made a greater study of our foreign relations than has the senior Senator from Louisiana [Mr. ELLENDER], and no one has made a more substantial contribution. I was delighted to hear his report, when he made it in the Senate. I hope every Member of the Senate will have an opportunity to see the excellent pictures, because I have urged the Senator time and time again to make them available to the membership.

Mr. FULBRIGHT. We have arranged for about 150 seats in the old Supreme Court chamber. As soon as we dispose of the pending measure, we will start showing the picture. It was originally scheduled to be shown at 3:30. We shall start showing it as soon as we can.

AMENDMENT OF CIVIL AERONAUTICS ACT OF 1938

The Senate resumed the consideration of the bill (H. R. 5822) to amend section 406 (b) of the Civil Aeronautics Act of 1938 with respect to the reinvestment by air carriers of the proceeds from the sale or other disposition of certain operating property and equipment.

Mr. WILLIAMS. Mr. President, I send to the desk an amendment. The Senate apparently has already decided how it will vote on the bill; however, there is a minor amendment which I should like to offer. While it would not eliminate our objections I believe it would improve the bill.

The PRESIDING OFFICER. The amendment offered by the Senator from Delaware will be stated.

The CHIEF CLERK. On page 3, line 1, after the word "gains" it is proposed to insert the words "or losses"; on line 23, after the word "gains" to insert the words "or losses."

Mr. WILLIAMS. Mr. President, as the bill is drawn, it would authorize the CAB, in computing the subsidy, to exclude from consideration any capital gains on the sale of equipment. In the colloquy with the Senator from Oklahoma yesterday, I raised the point that, as the bill is drawn, capital losses would not be excluded. If capital gains are to be excluded then losses should likewise be excluded. In other words, if my amendment is not adopted, we would be, in effect, reimbursing the airlines for their losses and permitting them to put their gains in their pocket as extra subsidies.

I think there is general agreement that if we are to exclude capital gains, capital losses ought to be put in the same category. I have discussed the matter with members of the committee, and I understand the committee is willing to take the amendment to conference.

Mr. MONRONEY. The Senator is correct.

I rather like the amendment. We considered it in the committee. The only reason it was not put in the bill is that over the past 20 years, in the history of

the CAB, there has been less than $10,000 in capital losses that have been considered, for the reason it was insignificant and might delay the administration, and therefore the losses were not set aside, as the capital gains were. The amendment is satisfactory. I have polled the members of the Aviation Subcommittee and have discussed it with the chairman of the full committee. We are happy to accept the amendment and take it to conference, and we shall do what we can to keep it in the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Delaware [Mr. WILLIAMS] to the committee amendment, in the nature of a substitute, as amended.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. The question is now on the engrossment of the amendment, and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. SMATHERS. Mr. President, I ask unanimous consent to have printed in the RECORD at this point the text of an address I had prepared for delivery on the bill just passed.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR SMATHERS

As one of the cosponsors of this bill I would like to emphasize that this proposal is a steppingstone to greater Government economy because it will enable the subsidized airlines to complete the tremendous reequipment program upon which they have embarked. I agree with the conclusions that the sooner the airlines reequip, the sooner their operating costs will be decreased and their need for subsidy reduced.

It seems to me, however, that there is an even more compelling reason for the enactment of H. R. 5822. The Civil Aeronautics Act of 1938 requires the CAB to provide the airlines with subsidy sufficient "* * * to maintain and continue the development of air transportation to the extent * * * required for the commerce of the United States, the postal service and the national defense."

The CAB is required by this law to fix rates which at all times conform to the purposes of this law. These rates are not fixed or static as evidenced by the different rates used by the CAB since 1938 to meet the airlines' needs as these needs have varied from time to time. Furthermore, until recently retention of capital gains was always an element of the rate—in other words, the CAB in effect provided subsidy in the form of a percentage rate of return plus capital gains.

After more than 17 years, this policy of the CAB was questioned by the CAB staff as a result of its interpretation of a Supreme Court decision involving the "other revenue" language of the act. Subsequently gains were offset against subsidy in a number of cases.

This change in CAB policy, which deprives the subsidized airlines of capital gains, is unique in the history of ratemaking. No other airlines, indeed, no other business is denied the use of its capital gains for any purpose for which it may wish to use them. Obviously, it was the intent of Congress in enacting the Civil Aeronautics Act to treat all airlines in the same manner and without discrimination against subsidized airlines. It was also the intent of the Congress to apply to the airlines the universally accepted ratemaking principles applicable to all regulated industries. Any confusion or misapprehension of the intent of Congress should now be corrected in the law itself rather than have it left to the uncertain and varying interpretations of an administrative board, the membership of which changes from time to time.

H. R. 5822 does not deprive the CAB of its control over rates—the CAB still will have full power to determine an airline's need for subsidy and the rate required to provide it. What it does do is to eliminate what is, in effect, a 100-percent capital-gains tax for subsidized airlines, as compared to 25 percent for everyone else.

The managements of all other industries, regulated or otherwise, enjoy the privilege of exercising their own sound judgments with respect to the husbandry and use of their capital assets. Why would Congress have intended that the subsidized airlines alone be denied this privilege of the free enterprise system?

Denying the subsidized airlines the use of their capital gains in effect is a dissipation of capital assets to pay operating expenses. It is hard to believe that this uneconomic practice was the intent of Congress in requiring the CAB to furnish compensation sufficient for the development of air transportation.

H. R. 5822 will not impose any additional cost on the Treasury. The Civil Aeronautics Act requires the CAB to provide the airlines with subsidy sufficient "* * * to maintain and continue the development of air transportation." The broad scope of this language was discussed in an opinion of the United States Court of Appeals for the District of Columbia only last month. The court said:

"The objective of the Congress is plain. It is the maintenance and continued development of air transportation to the extent and of the quality required for the national commerce, postal service, and defense. The objective is on a grand scale. It is for the public interest. It is vital. The words used are important, because they depict with clarity a Congressional policy. Moreover the payment is 'to enable such air carrier.' Congress did not put the responsibility for development of an air transportation system wholly upon Government agencies. In this statute the Congress sought to utilize the abilities and the capacities of the private air carriers. The purpose of the compensation is to enable the carriers 'to maintain and continue the development.' Maintenance of an adequate air transportation system is one purpose. Continued development is the other—not merely development but continued development.

Congress proposed to supply the funds for this program through the conduit of mail pay. Carriers are to be paid compensation for carrying the mail, not only in amounts sufficient to recompense them for the service but also in amounts needed for the broader, bigger program in the national interest. The need which the statute seeks to meet is not the need of the carrier for funds for its own private purposes for its own operation or profit. It is the need for the carrier for funds to enable such carrier to carry on for the purposes depicted by the Congress in the interest of the Nation.

If this mandate for continuing the development of air transportation is to be met by the CAB, the CAB must provide the necessary subsidy, not only for operating needs, but also to provide earnings adequate to give the airlines the credit needed to finance their capital requirements. The CAB has recognized this principle in its own decisions and has quoted the language of the United States Supreme Court in the Hope Natural Gas Co. case, that to be fair and reasonable, a rate should be sufficient to assure confidence in the financial integrity of the enterprise, so as to maintain its credit and to attract capital. Therefore, if the CAB follows the law, the subsidy needed by the airlines will not be any greater, whether provided in the form of the higher subsidy rate alone or lower subsidy rate plus capital gains.

In fact, enactment of H. R. 5822 will save money for the taxpayers. If capital gains are taken away there will be no incentive for the airlines to dispose of their used flight equipment. Retention of marginal equipment will mean higher costs and less efficient operations which, in turn, will have to be paid for by increased subsidy under the mandate of the act.

Meanwhile, the Treasury loses the benefit of the capital gains taxes on the used equipment which otherwise would have been sold.

Furthermore, unless the airlines can maintain a modern fleet of aircraft, the Air Force may not be able to continue to rely upon the airlines for its strategic air transport reserve in case of national emergency. Such a fleet would have to be otherwise provided at Government expense.

H. R. 5822 has been passed by the House, approved without dissent by the Senate Committee on Interstate and Foreign Commerce, and an earlier version of the bill was passed by the Senate during the 84th Congress. The matter has been pending before Congress and the CAB for nearly 2 years. The delay has been detrimental and becomes more so with each passing day. The reasons for enactment are compelling, as is the urgency of the times; failure to enact immediately would appear inexcusable.

ORDER FOR RECESS UNTIL TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the business of the Senate is concluded today, the Senate stand in recess until 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONSTRUCTION OF U. S. S. "ARIZONA" MEMORIAL AT PEARL HARBOR

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H. R. 5809) to authorize construction of a U. S. S. *Arizona* memorial at Pearl Harbor.

THE FEBRUARY 25 CONFERENCE ON FOREIGN ASPECTS OF UNITED STATES NATIONAL SECURITY

Mr. WILEY. Mr. President, this coming Tuesday, in the Statler Hotel, there will convene one of the most significant, and potentially useful, gatherings which has occurred in a very long time in our Nation's Capital.

I refer to the National Conference on Foreign Aspects of United States National Security.

This is the conference at which will be present many of the great leaders of our

land; in public office and in private life. Its purpose will be to consider the importance of American security through the maintenance of sound foreign policy—political, military, and economic.

It is the good fortune of this Nation that there is at the helm of this conference one of our finest public servants and able businessmen, an outstanding worker in the vineyard for peace and prosperity, Mr. Eric Johnston.

It will be my purpose within the next few days, to comment on some of the phases of the problem which he, and his associates, will be meeting head on.

Naturally, we all appreciate that no 1-day conference can hope to make a lasting dent in a problem so big, so varied; yes, so controversial.

But we have every reason to believe that a great deal will be accomplished and that, thereafter, there will be an effective followthrough.

I send to the desk, now, the text of two releases which have been issued by Mr. Johnston's office.

I ask unanimous consent that both of these releases be printed at this point in the body of the RECORD.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

NATIONAL CONFERENCE ON FOREIGN ASPECTS OF UNITED STATES NATIONAL SECURITY

Approximately one hundred political, civic, educational and religious leaders have accepted invitations for places of honor at the Conference on Foreign Aspects of National Security to be held at the Statler Hotel on February 25.

The nonpartisan conference has been called by Eric Johnston at the request of President Eisenhower to explore means of conveying to our citizens a fuller flow of information about the mutual security program. The final event of the all-day meeting will be a dinner at which the President will deliver a major foreign policy address.

During the course of the day the conference will be addressed by Vice President Nixon; former President Harry Truman; Secretary of State John Foster Dulles; former Governor Adlai E. Stevenson; Neil H. McElroy, Secretary of Defense; Allen W. Dulles, Director of the Central Intelligence Agency; Rev. Edwin T. Dahlberg, president of the National Council of Churches of Christ in the U. S. A.; Rabbi Theodore L. Adams, president of the Synagogue Council of America; and Bishop Fulton J. Sheen, auxiliary bishop of New York.

Acceptances to date for the speakers' table at the dinner meeting include: Mrs. Dwight Eisenhower; Neil H. McElroy, Secretary of Defense; Christian Herter, Under Secretary of State; Douglas Dillon, Deputy Under Secretary of State; James H. Smith, Jr., Director of International Cooperation Administration; Senators Lyndon B. Johnson, majority leader; William F. Knowland, minority leader; Everett M. Dirksen, minority whip; Leverett Saltonstall, chairman, Republican conference; Theodore F. Green, chairman, Foreign Relations Committee; Alexander Wiley, Foreign Relations Committee; Thomas Hennings; Representatives Sam Rayburn, Speaker of the House; Joseph W. Martin, Jr., minority leader; Carl Albert, majority whip; Leslie C. Arends, minority whip; Charles Halleck; Thomas E. Morgan, chairman, House Foreign Affairs Committee; Robert Chiperfield, House Foreign Affairs Committee; Clarence Cannon, chairman, House Appropriations Committee; John Taber, House Appropriations Committee; Chief Justice of the United States Earl Warren and Mrs. Warren; Mrs. Richard Nixon; Mrs. John Foster Dulles; Mr. and Mrs. Sherman Adams; Eugene Black, President of International Bank for Reconstruction and Development; Samuel C. Waugh, Chairman, Export-Import Bank; Adlai E. Stevenson; Thomas E. Dewey; Milton Eisenhower; Gen. Alfred Gruenther, president, American Red Cross; Danny Kaye; Leonard Goldenson, president, American Broadcasting Co.; Frank Stanton, president of Columbia Broadcasting Co.; Gen. David Sarnoff, chairman, Radio Corporation of America; Ralph Bunche, Under Secretary, United Nations; Mayor Robert F. Wagner; Mrs. Anna Rosenberg; Mrs. Perle Mesta; Samuel Cardinal Stritch, Chicago; Rt. Rev. Henry Knox Sherrill, presiding bishop of the Episcopal Church.

Acceptances for the speakers' table at the luncheon meeting, to be addressed by former President Truman, include to date Under Secretary of State Christian Herter; Deputy Secretary of State Douglas Dillon; Dr. James Killian; Assistant Secretary of Defense Mansfield D. Sprague; James H. Smith, Jr., Director, International Cooperation Administration; Dempster McIntosh, Manager, International Development Loan Fund; George Allen, Director of USIA; Senators Carl Hayden, Lyndon B. Johnson, William F. Knowland, Everett M. Dirksen, Thomas Hennings, Theodore F. Green, Alexander Wiley; Representatives Sam Rayburn, Joseph W. Martin, Jr., Leslie C. Arends, Charles Halleck, Thomas E. Morgan, Robert Chiperfield; Clarence Cannon; Mr. and Mrs. Dean Acheson, Gov. Orville Freeman, of Minnesota; Milton Eisenhower; Col. Jake M. Arvey; Mrs. Merriweather Post.

The afternoon program includes a panel discussion on the proposed mutual-security program for the next fiscal year, led by Vice President NIXON, and a panel on private educational activities, led by Mr. Johnston.

Cochairmen of the conference are Mrs. J. Ramsay Harris and Mr. Erle Cocke, Jr.

NATIONAL CONFERENCE ON FOREIGN ASPECTS OF UNITED STATES NATIONAL SECURITY

Acting on the request of the President, Eric Johnston has invited a number of distinguished Americans and the leaders of nearly 300 national organizations to attend a Conference on Foreign Aspects of United States National Security to be held in Washington on February 25, 1958.

President Eisenhower will make the principal address of the 1-day conference at a dinner meeting at the Statler Hotel.

Others who have accepted invitations to address the conference are former President Harry S Truman, Vice President Richard M. Nixon, Secretary of State John Foster Dulles, Adlai E. Stevenson, and former Secretary of State Dean G. Acheson.

Attendance will include distinguished citizens and organization leaders in the religions, agriculture, education, industry, labor, the professions and the arts, women's affairs, community and civic activity, and other areas of American community life.

Erle Cocke, Jr., of Dawson, Ga., former national commander of the American Legion and vice president of Delta Airlines, and Mrs. Ellen Harris, of Denver, Colo., former member of the International Development Advisory Board, will serve with Mr. Johnston as cochairmen of the conference.

The preliminary program for the conference is as follows:

9:30, MORNING SESSION

Opening address: The Honorable John Foster Dulles, Secretary of State.

Address: The Honorable Adlai E. Stevenson.

The Reasons for Military Assistance: The Honorable Neil H. McElroy, Secretary of Defense.

The Soviet Economic and Trade Offensive: The Honorable Allen W. Dulles, Director, Central Intelligence Agency.

The Moral Foundations of United States Foreign Assistance: Rev. Edwin T. Dahlberg, National Council of Churches of Christ in the U. S. A.; Rabbi Theodore L. Adams, president, Synagogue Council of America; Bishop Fulton J. Sheen, auxiliary bishop of New York.

12:30, LUNCHEON SESSION

Introduction: The Honorable Dean G. Acheson, former Secretary of State.

Speaker: The Honorable Harry S Truman, former President of the United States.

2:30, AFTERNOON SESSION

The Proposed Mutual Security Program: The Honorable RICHARD M. NIXON, Vice President of the United States.

Question and answer panel: The Honorable Richard M. Nixon; the Honorable C. Douglas Dillon, Deputy Under Secretary of State; the Honorable Manafield D. Sprague, Assistant Secretary of Defense; the Honorable James H. Smith, Jr., Director, International Cooperation Administration; the Honorable Dempster McIntosh, Manager, Development Loan Fund.

Panel on Post-Conference Education: Mr. Eric Johnston, Mr. Erle Cocke, Jr., and others.

Dinner session: The Honorable Dwight D. Eisenhower, President of the United States.

All sessions of the conference will be held at the Statler Hotel, beginning at 9:30 a. m. and closing with the principal address by the President at the dinner meeting.

The conference originated with the request of the President, addressed to Mr. Johnston on January 11, 1958, to organize a bipartisan assembly of citizens to "explore means of conveying to our citizens a fuller flow of information on the foreign aspects of our national security."

The conference will center on the requirements of United States foreign economic policy, with special emphasis on economic partnership with the developing nations of the free world; and on ways and means of bringing the facts on foreign economic policy to the American people.

In his letter to Mr. Johnston, the President said:

"In recent weeks there have come to the White House many inquiries with respect to the foreign aspects of our national security. They indicate a natural and keen desire to receive fuller information in these particular fields.

"In our free society the Government has a duty to keep the people informed on what it proposes to do, and why. Without full public awareness it is difficult for the Nation to put forward maximum effort and obtain maximum results.

"In the light of the numerous requests that I have received, it would be highly gratifying to me and a great service to the Nation if you would be willing to call in Washington a conference of business and organization leaders, bipartisan in character, to explore means of conveying to our citizens a fuller flow of information on the foreign aspects of our national security."

TEMPORARY INCREASE IN THE PUBLIC DEBT LIMIT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business, H. R. 5809, be temporarily laid aside, and that H. R. 9955, having to do with the raising of the debt limit, be made the pending business.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 9955) to provide for a temporary increase in the public debt limit.

Mr. MANSFIELD. For the information of the Senate, while this will be the pending business, no action will be taken on it until Monday.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill.

THE DEVELOPMENT OF SCIENTIFIC ENGINEERING AND OTHER PROFESSIONAL MANPOWER

Mr. HUMPHREY. Mr. President, last year I had occasion to mention on the Senate floor the excellent report which Dr. Charles A. Quattlebaum, of the Library of Congress, prepared on The Development of Scientific Engineering and Other Professional Manpower. Those of us who requested this report from the Library of Congress were pleased at the excellent and dispassionate method with which Dr. Quattlebaum dealt with this complicated subject.

I was pleased, Mr. President, to notice in the January 1958 issue of the Educational Record an article by Dr. Quattlebaum entitled "The E-Bomb: A Proper Instrument of Civilization in the Nuclear Age." This article not only condenses Dr. Quattlebaum's report of last year, but it also supplements that report. The information contained in Dr. Quattlebaum's new article is, if anything, of greater and more wide interest now than the basic report was at the time of its preparation last year in advance of the sputniks.

I congratulate Dr. Quattlebaum on this new contribution, and I ask unanimous consent that the text of his article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE E-BOMB: A PROPER INSTRUMENT OF CIVILIZATION IN THE NUCLEAR AGE[1]

(By Dr. Charles A. Quattlebaum)

A number of years ago H. G. Wells pointed out that the fate of civilization depends upon the outcome of a race between education and catastrophe. We may be nearing the end of that race.

The war which international communism is waging against us is being presently fought not with such spectacular weapons as guided missiles, but with education, a proper instrument of civilization, seized upon and converted to use as a weapon. With that instrument we may be defeated unless we awake to the full possibilities of its use for our own defense.

Shortly after Russia's pioneer launching of a space satellite, the American public received information that the Communists had won another first—possession of operational ballistic missiles. Responsible officials of our Government have pronounced them capable of placing atomic explosives across continents and oceans, in devastating evidence of Russian acquisition of scientific knowledge.

However, unless the Communists achieve another scientific breakthrough giving them ability fully to destroy our retaliatory power, it is unlikely that they will attack us soon with their gadgets of death. "We don't have to fight," Communist Party Secretary Khrushchev recently boasted, "let us have peaceful competition and we will show you [Americans] where the truth lies—victory is ours [the Communists']." He declared that: "The capitalists always regard our people as being backward, but today we have more engineers and more supporting engineering personnel than any capitalist country."

As former United States Senator William Benton (now chairman of the board, Encyclopaedia Britannica) has observed: "The Communists from the earliest days gave up butter for guns, but they gave up meat for education."

Education is the E-bomb of the cold war. President Eisenhower has described it as "more important than our Nike batteries, more necessary than our radar warning nets, and more powerful even than the energy of the atom."

The E-bomb's fallout affects every phase of our way of life. It is the key to successful democracy, a productive economy, and an efficient technological defense posture. Premier Bulganin not too long ago described the Soviet scientific corps as Russia's "gold reserve."

The Russians are using the E-bomb. The challenge is unmistakable. We must, of course, "keep up with the Jonesevitches." We must meet our own manpower and "mindpower" needs, for our own economic development and national defense. We must rise to the altitude of our responsibility to ourselves, our heritage, and our posterity.

We cannot escape the E-bomb issue. Our civilization can just as surely freeze to death in the cold war of the classrooms as it could blow itself to a nasty "kingdom come" in a hot atomic war.

The development of more and better trained technical and professional manpower throughout the free world is essential to our national security and progress. Our mere survival as a nation depends upon the maintenance of the technical superiority of the free world over the Communist countries, and the maintenance of that superiority depends upon our having enough personnel, with enough training, to out-think and outproduce them.

The United States has sufficient potential manpower resources to meet all its needs. We also have enough economic resources to finance all the training that is necessary. However, we should expect to have serious shortages of professional manpower when the Nation is spending nearly three times as much for alcoholic beverages as for its colleges and universities. In a society which pays some baseball players many times the annual salaries of teachers we should not be surprised to find ourselves in an educational crisis. Winning the war of the classrooms against communism will require a change in the sense of values of our society. Upon the solution of our educational problems depends the future of America.

A thorough probing into our problem of trained manpower development reveals that it indeed runs wide and deep. It is not a problem merely of the much-publicized shortage of scientists and engineers. It is not a problem only of the shortage of well-qualified teachers—although the teacher shortage has the unique potency of multiplying all other trained manpower shortages. The problem involves a multiplicity of considerations—the whole philosophy and system and particularly the financing of American education.

SOME FUNDAMENTAL CONSIDERATIONS

The size of the general educational task of the United States is staggering to the imagination. Unlike the governments of some other countries, our Government by the people by its very nature calls for the education of all the people. The national ideal and philosophy of education demand opportunity for every citizen to attain the highest level of education which he is capable of reaching. The task grows harder because in every field of subject matter the content and significance for modern living are increasing.

An important consideration in the scientific manpower development problem is the income and position of the scientist and of the science teacher in our society. Questioning of high school seniors has shown that some of them have hesitated to enter scientific careers because of the meagerness of the economic and social returns this country gives its scientists. On the other hand, in the Soviet Union scientists and teachers of science enjoy high prestige and living standards far superior to those of the general population.

Basic to the shortages of trained manpower in all other fields is the shortage of well-trained teachers. The American people have been hearing so long about the shortage in the teaching profession that the public sense of the importance of this shortage has become dulled by its endurance. However, Secretary Marion B. Folsom, of the United States Department of Health, Education, and Welfare, has drawn attention to the shortage of school and college teachers as being perhaps the most critical of all shortages of trained professional personnel.

Issuance of emergency teachers' licenses to persons having substandard qualifications for teaching is a widespread practice. It is unnecessary to search for the principal reason. The average salary of elementary and high-school teachers in the United States is less than $5,000 a year. According to a report from the National Education Association the median salary of associate professors in institutions of higher education is less than $6,000 and for full professors less than $8,000.

In contrast, the average professor in the Soviet Union earns about 10 times what an ordinary Russian worker gets, while outstanding professors and research scientists receive the Russian equivalent of the salary of an American corporation president.

The relationship of school housing and equipment to the long-range development of technical and professional manpower is close. The present shortages of professional personnel are to a considerable extent attributable to the inadequacy of facilities for teaching some secondary school subjects in years past. Although the issue of Federal aid for school construction is too broad for full consideration here, it should be noted that according to recent reports from the United States Office of Education, in spite of notable increases in construction within the last 10 years, the school housing and equipment needs of the Nation's fast-growing school population are not being fully met. Most studies show a continuing, substantial, and widespread shortage. The question of Federal aid for school construction, which undoubtedly will be revived in the 86th Congress, is, however, not simple and clearcut. The proposal has a number of involvements, including questions which the Chairman of the House Committee on Education and Labor has referred to as proposals for sociological reform.

SUBPROFESSIONAL TRAINING

A major consideration in the problem of trained manpower production is subprofessional training, mainly comprised within the term "vocational education below college grade." There is some evidence that our

[1] This article is based upon a comprehensive, analytic report on the Development of Scientific, Engineering, and Other Professional Manpower, prepared by Dr. Quattlebaum and printed in simultaneous editions for the Senate Committee on Government Operations, the Joint Committee on Atomic Energy, and the House Committee on Education and Labor. Copies of the 172-page document will be available free from each of these committees as long as its supply lasts.

shortage of professional scientists and engineers may not be as great as our shortage of subprofessional technicians, though there is a lack of general agreement concerning the meaning of these terms.

Some thinkers on the subject have expressed alarm over the great number of institutions and programs that have been developed in Russia to train technicians and skilled workers.

These institutions are turning out supertechnicians and specialists who fill vitally important secondary jobs, thus leaving graduate engineers free for more highly skilled work. The technicians, who are being trained in propaganda methods as well as in technical fields, are being sent by the hundreds to underdeveloped countries seeking, or at least willing to accept, guidance and leadership in technological fields. The Russian specialists are not only helping these countries with technical problems, but are also spreading the Communist doctrine in many parts of the world. This is an important phase of the war of the classrooms against the West.

At present the United States has very few institutions comparable to the unique Soviet technological schools that are turning out supertechnicians without a college degree. However, throughout America there are vocational schools competent to develop, for the youth and adults of the Nation, better programs of vocational training of less than college grade if they are able to obtain sufficient funds.

FINANCIAL AID TO STUDENTS

For over 150 years the Federal Government has entirely and directly financed the higher education of selected individuals to prepare them for certain types of national service—principally for service as officers in the Armed Forces. Since 1862, through the land-grant colleges and universities, the Federal Government has indirectly aided other individuals to obtain higher education in certain fields. In recent years the Government has provided scholarships and fellowships or similar direct aid to some persons, mainly veterans, for their higher education in fields of their choice.

After World War II various national organizations and prominent persons began urging the establishment of a general Federal scholarship program to take over at the time of the decline of the program for veterans. In 1949 and 1950 President Truman urged Congress to establish such a program. For that purpose he included an item in the national budget for the fiscal year 1951. For nearly a decade proposals for different forms of Federal aid to students have been introduced in each Congress. Dozens of such proposals were introduced in the 84th Congress. Many of them were reintroduced in the 85th Congress, along with new proposals.

The American Council on Education has been sponsoring an income-tax-credit plan which would provide aid to the higher education of some individuals; and about 76 percent of the membership of the council has expressed in favor of a Federal-scholarship program. Recent recommendations or proposals for forms of Federal aid to students have emerged from deliberations within (1) the Association for Higher Education, (2) several of the State conferences which preceded the White House Conference on Education, and (3) the representative assembly of the National Education Association.

In recent deliberations over the scholarship issue considerable attention has been given to whether education in the sciences should be emphasized or further promoted by the Federal Government. At the annual convention of the American Council on Education in Chicago in October 1956, educators pointed out the need for well-trained persons in the fine arts, the social sciences, religion, history, economics, philosophy, and languages as well as in the natural sciences.

Among others, Dr. Earl J. McGrath, former United States Commissioner of Education and now a director of the Institute of Higher Education at Columbia University Teachers College, discussed this point. He said that if we attempt to siphon off the best brains into the sciences, leaving the second best to the liberal arts and humanities, our country will suffer in the long run.

Another consideration in the Federal scholarships issue is the question of whether such scholarships, if established, would reach the students actually needing them. This involves the question of the value of a means test.

The answer to both of these questions would of course depend upon the nature of the Federal scholarship program and provisions for its administration, and the nature of the means test.

The means test questionnaire and procedures for handling the questionnaire, which were worked out by the educational testing service for member institutions of the college entrance examination board, have been in use for several years. The member institutions have gone on record several times as to satisfaction with the program and have urged its continuance.

The Federal scholarship program which has been devised by the Committee on Relationships of Higher Education to the Federal Government of the American Council on Education, includes a means test. The committee which formulated the plan concluded that a means test is desirable and that satisfactory procedures for administering such a test are in existence.

Proposals for a program of Federal financial aid to students also raise the question of whether such a program should provide scholarships or loans, or both. The answer is, of course, a matter of opinion. It might be pointed out here that loan funds available to students in many institutions of higher education are not being fully used. Apparently many young men and women are unwilling to place themselves in debt at the start of their careers. Whether Congress can devise a loan plan to persuade financially needy young people of superior ability to attend college in their own and the national interest is open to question.

Last August the Subcommittee on Special Education of the House Committee on Education and Labor began hearings on the question of establishment of a national scholarship program and related special problems of education. It was expected that the hearings would highlight many facets of the question of trained manpower development.

CURRENT FEDERAL AID TO STUDENTS

The existing Federal programs providing aid to students for professional training have a number of limitations. The most important of these activities, from the viewpoint of cost and number of students aided—namely, the veterans' educational benefits program—is temporary and subsiding. Educational benefits under the GI bill generally terminated July 25, 1956. It is expected that the number of Korean-conflict beneficiaries will decrease steadily after this year. The influence of this program upon professional manpower development will decline proportionately.

The existing Federal programs principally provide veteran and military education opportunities. Excepting veterans' benefits, they emphasize training in the sciences and in engineering, particularly at the graduate level. None of the existing programs has for its basic aim the removal or reduction of financial barriers to the higher education of the Nation's most gifted and/or most needy young people.

Some of the Federal programs which contribute to professional manpower development by providing aid to individuals for the pursuit of higher education are the following:

1. Vocational training for disabled veterans and education and training for nondisabled veterans (largely at the higher education level);

2. Fellowship awards by the National Science Foundation;

3. Financing of fellowships by the Atomic Energy Commission;

4. The Army, Navy, and Air Force ROTC programs;

5. Operation of the Military, Naval, and Air Force Academies;

6. Scholarships for United States citizens to study abroad under the international educational exchange program;

7. Fellowships and traineeships supported by the Public Health Service;

8. Operation of the United States Merchant Marine Academy and the Coast Guard Academy;

9. Provision by the Department of the Interior for the higher education of Indians;

10. Contractual arrangements between Federal agencies and educational institutions which result in employment of graduate students on research projects, thus providing indirect Federal aid to these students.

The National Science Foundation reported that in 1954 the Federal Government gave financial support to nearly 390,000 students in higher education. Of these, nearly 362,000, or 93 percent, were being aided under the veterans educational program.

The percentages of the federally supported students who were studying sciences were approximately: undergraduate students, 24 percent; graduate students, 48 percent; postdoctoral trainees, 96 percent.

OTHER FEDERAL PROGRAMS

The Federal Government is contributing to professional manpower development in a number of other ways. Some of these are clearly distinguishable from aid to students; others are not so clearly distinguishable.

Some of the programs through which the Federal Government is directly or indirectly contributing to immediate or long-range technical and professional manpower development, other than by distinctly giving financial aid to students for higher education are:

1. Provision for summer courses for high school teachers of science and mathematics—Oak Ridge Institute of Nuclear Studies;

2. Promotion of career development of Federal personnel, particularly in fields of shortages—Civil Service Commission;

3. Nationwide cooperative extension work in agriculture and home economics—Department of Agriculture;

4. Operation of a graduate school for scientific and engineering personnel—National Bureau of Standards;

5. Financing of graduate training for a large number of officers in the Armed Forces—Department of Defense;

6. Provision for professional training for a large number of civilian employees at colleges and universities—Department of Defense;

7. Furnishing informational and consultant services promotional to technical and professional manpower development—Office of Education, Department of Health, Education, and Welfare.

8. Administration of Federal funds for land-grant colleges, vocational education below college grade, and aid to federally affected school districts—Office of Education, Department of Health, Education, and Welfare.

9. Operation of a large program of vocational education in penal institutions—Department of Justice.

10. Provision of basic statistical information concerning manpower—Bureau of Labor Statistics, Department of Labor;

11. Promotion of apprenticeship and other on-the-job training—Bureau of Apprenticeship, Department of Labor;

12. Operation of an education-in-the-sciences program—National Science Foundation;

13. Formulation of administration policies relating to technical and professional manpower development—Office of Defense Mobilization.

CONTRIBUTIONS OF NONGOVERNMENTAL ORGANIZATIONS

Nongovernmental organizations of different kinds—corporations, technical societies, educational associations, and others—are variously contributing to the development of technical and professional manpower in the United States.

The contribution may be specific and direct—such as a scholarship for study in chemistry at a particular institution, or it may be general and indirect, such as an unrestricted grant to an association of educational institutions. The contribution may be as impressive as a corporation's announcement that its total grants-in-aid of higher education this year exceed a million dollars; or it may be as modest as a local social club's effort to make the new high school science teacher feel respected in the community. Yet both types of contributions, and many others, have a place in our American scheme of things, and all are important.

Led by the Ford Foundation, a number of corporate concerns have made contributions to the National Merit Scholarship Corporation which began operating in 1955 with over $21 million, the largest single sum ever devoted to scholarships. While this sum is impressive, in 1956 the Educator's Dispatch pointed out that in order to maintain 4,000 men and women in college as hoped for eventually, the sum would have to be built up by many more large contributions.

Although it is a very heartening event in American education, the establishment of this much-publicized fund can hardly be regarded as a full answer to the Nation's problem of technical and professional manpower development.

In 1956 corporation grants in support of higher education (broadly interpreted) totaled an estimated $100 million. Total voluntary private gifts to higher education from all sources exceeded $500 million. The president of the Council on Financial Aid to Education has estimated that the institutions will need another $500 million a year for the next 10 years.

Many corporations are considering policy questions such as whether they should give to "have" or "have not" institutions, and to tax-supported as well as privately supported ones. Generally, corporate support of higher education is in the early stages of an evolutionary process. No broad policy has been agreed upon by a large number of corporations. Some persons feel that it is as desirable to maintain the existing diversity and competition in corporate support of education as it is to maintain diversity and competition in higher education itself.

Although there appears to be a trend toward consideration of the national interest, for the most part corporate aid to education is now governed by a number of restrictive criteria. Prominent among such criteria are: (1) the location of company plans, employments, or markets in relation to the educational institutions considered for aid, (2) the institutional sources of the corporation's own personnel, and (3) the particular subject field of the corporation's interest. For instance, a corporation may restrict its grants to colleges in certain States in which it owns plants, or it may direct its aid to the institutions which have furnished the largest numbers of its salaried personnel, or provide scholarships for study only in a particular subject field.

In this respect corporation support of higher education differs from any form of Federal financial support of education which is apt to be enacted by the Congress. It is reasonable to assume (1) that any general Federal measure would give primary consideration to the national interest, since the Federal Government represents that interest, and (2) that a Federal grants-in-aid bill would contain a formula for distribution of Federal funds on a State quota or some other equable basis. In contrast, corporation aid is largely restricted to institutions in certain areas.

What the policies of corporate giving to education should be is a debatable question with which this study is not particularly concerned. Probably most people would say that the corporations have a right to decide for themselves how they should spend their own money. Our concern here is with what the policies actually are and their current and prospective effects upon technical and professional manpower production as a national problem.

Consideration of the national interest and responsibility is presumably dominant in the Federal programs, whereas other interests are at present evident in the corporation programs.

This does not imply that corporate giving to higher education is undesirable from the viewpoint of the national welfare. It does imply that such corporate giving is not an attack upon the problem of technical and professional manpower production primarily from the viewpoint of the national interest.

Many nongovernmental organizations other than corporations, such as professional societies, are also contributing to professional manpower development, particularly in the sciences and engineering. Their varied programs include such activities as administering fellowship funds, giving aid to vocational guidance in high schools, and providing curriculum enrichment materials. While these contributions are important, they are small with respect to funds made available, in comparison with the corporation grants.

PROSPECT FOR REMOVAL OF THE SHORTAGES

Another consideration is the question of whether existing forces will remove the shortages of professionally developed mindpower—and if so, how soon or how late. A conclusive answer to this question has not been found by the writer. However, some persons have ventured predictions. These appear generally to sum up to expression of a doubt that existing forces will make up the shortages in less than a decade under anticipated economic conditions.

Following are some relevant data pertaining only to the shortage of engineers and physical scientists. The reader is reminded that the scientist-engineer shortage is only one, although the most publicized, aspect of the overall manpower problem.

The current combined deficits of physical scientists and engineers are most frequently estimated to be from 45,000 to 65,000 persons. The average annual demand for physical scientists and engineers during the next 10 years is most frequently estimated from 80,000 to 100,000 persons. The average annual number of persons estimated to receive first professional degrees in engineering and the physical sciences during the next 10 years is 63,000.

It should be noted, of course, that such forecasts are qualified by a series of variable factors. For example, the prospective number of graduates in physical science and engineering can be forecast reliably only to the extent that (1) college freshmen enrollments materialize as estimated by the Office of Education, (2) that a certain percentage of these freshmen choose to specialize in these fields, and (3) that a certain percentage of these students complete the courses prescribed for graduates.

Other uncertain factors affect such projections. Individual value judgments will vary the degree to which allowances are made for these factors.

In case of war or all-out mobilization, there would, of course, be greatly increased demands for highly trained manpower in many fields. Such demands may also be expected to increase in times of peace because of continuing application of technology to industry, calling for more and more advanced training of personnel. Atomic Energy Commissioner Willard F. Libby estimated in 1956 that the nuclear sciences alone will be able to absorb at least 20,000 and possibly 50,000 technically trained graduates.

The wide range from low to high estimates of our current and projected shortages appears to be in direct proportion to the degree of emphasis placed upon such predictions as Commissioner Libby's.

The so-called educational crisis is being challenged in some States by significant educational programs. However, questions have been raised as to whether these programs, especially in States of low economic ability, can be stepped up sufficiently without unbalancing the total services of State governments. Total current annual State and local government funds going to publicly controlled institutions of higher education, representing 81 percent of total government contributions, is over $1 billion.

Although limited in several ways, as pointed out earlier in this discussion, corporate support of higher education has increased phenomenally in the last 20 years. It has also been pointed out that approximately $100 million was contributed to colleges and universities during 1956. About half of the largest manufacturing corporations in the United States are providing scholarship aid to individuals. General Motors is planning to spend $5 million annually for scholarships; the national merit scholarships for last year totaled approximately $3 million.

In 1955, General Electric described the increasingly serious problem in a full-page newspaper advertisement. Said General Electric:

"For every five new engineers industry needed this year, only three were graduated from United States colleges. * * *

"We have opportunities for a thousand more technically trained people each year. The need may double in the next 10 years."

The apportionment of some of the costs of higher education to the industrial and commercial organizations is a logical development, considering industry's frantic pursuit of talent. While no one can say positively that the trend of increased corporate support of higher education will continue, it does appear likely in the absence of a business recession.

On the other hand there is evidence that many talented young people have been priced right out of the college classroom. It has been estimated that each year approximately 100,000 of our Nation's most talented high-school graduates are deterred chiefly for financial reasons. Individual motivation and financial ability to obtain higher education, however, appear to be increasing at present. A helpful measuring rod of this ability is per capita disposable personal income which has increased, in terms of constant 1957 dollars, from approximately $950 in 1930 to over $1,600 this year.

Other considerations bearing upon the prospect for removal of the shortages by existing forces have been brought out. These examples will illustrate the conflicting nature of relevant facts and opinions. Favorable trends, which have been noted, reflect an encouraging vitality of interest in the manpower problem. However, the literature

shows there is a respectable body of opinion that existing forces cannot or will not do the job. Whether Federal action is necessary to effect a concerted offensive to relieve the shortages remains a matter for the decision of Congress. The national interest demands that the shortage of talent will not become, as one General Electric official put it, "A way of life."

OTHER CONSIDERATIONS

Other major considerations in this matter include (1) policies and precedents discernible in the history of Federal and State support of education, particularly in relation to technical and professional manpower development, and (2) Congressional and non-Congressional proposals for further Federal action in this field.

This article does not pretend to explore all the ramifications of the complicated manpower development problem.

IMPLICATIONS FOR LEGISLATION

Certain points bearing on the need for legislation have been brought out: (1) The facts and opinions discovered in this investigation generally support the conclusion that the solution of the problem of trained manpower development is essential to the national survival, and (2) there is a grave, national need for more and better training of technical and professional manpower. Little or no disagreement has been found by this writer in the literature on these points, although someone has said that shortage is a relative matter—that there may be, for example, a shortage of beautiful women.

These findings imply that there may be a need for new Federal and/or State legislation promotional to manpower training. If such a need exists, an implication that it calls for Federal action arises from the Federal responsibility for the national defense, the Federal concern for the general welfare, and the existing Federal administration of some educational programs and participation in others by the Federal Government. On the other hand, an implication that it calls for State and local action arises from the traditional, and constitutional, State and local responsibility for eduction in general.

A fundamental and outstanding conclusion from this study is that trained manpower development is basically an educational problem of tremendous proportions. It is a problem of trained manpower shortages in many fields. The national defense and the general welfare call for strengthening our entire system of education.

This implies that no single legislative measure, such as establishment of scholarships for science students, can be expected to do the whole job. This does not imply that such a measure would be undesirable, although arguments have been advanced against Federal scholarships solely for science students. The conclusion is that there is no single cure-all for the shortages of trained manpower. If any legislation is needed a variety of legislation is needed. To be altogether successful, an attack upon the problem must be made not from a single approach, but from a multiplicity of approaches.

Even for the production of scientists and engineers alone, the problem involves education at all levels, in numerous subject fields, and in different kinds of institutions. It involves scholarships, public school construction, equipment of colleges, salaries of teachers—everything relating to the financing and other problems of education in general. Almost any measure which would advance education in the United States would promote the current or long-range development of scientific, engineering, and other professional manpower.

Evidence that the educational job is not being done are (1) the existing shortages of scientists, engineers, teachers, and other professional manpower, (2) shortages of subprofessional manpower, (3) dropouts of gifted students (potentially among the Nation's most valuable resources) from high school and college, and (4) according to the Eisenhower administration, shortages of school buildings and equipment.

Unprecedented recent and prospective enrollment increases, the challenge of the Soviet Union to a life-or-death struggle for technical and economic supremacy, and other factors in the opinion of many people make the issue an emergency one. These conditions have raised the question as to whether the Federal Government should institute new programs for the promotion of education on an emergency basis.

The foregoing analysis has set forth and discussed a number of considerations entering into the technical and professional manpower development problem, and has drawn attention to some of the implications for legislation. The discussion has led to the question: What should be the future role of the Federal Government in the production of scientific, engineering, and other professional manpower; should that role be expanded, reduced, or continued without change?

Another way of asking the question is: Can, will, and should the States, localities, corporations and other private agencies, and individuals, finance education adequate for the Nation's needs without further aid, or with only the same amount or lesser aid from the Federal Government; and, if so, can and will they do the job in time?

This is the two-headed question of Federal aid to education—one of the most important and most controversial issues before the Congress.

Our protection against the Communist masses and the deadly determination of their rulers to dominate the world involves the maintenance of our technological supremacy. This requires that we excel in quality of technological education. The maintenance of our form of government and our national progress require providing our whole population educational advantages in many fields of knowledge not required by the Communist dictatorship. Thus, we have a double educational task. Determination of the future Federal role in this task is a major responsibility of the Congress.

RECESSION MAY REQUIRE TAX CUT

Mr. HUMPHREY. Mr. President, in a recent issue of the Minneapolis (Minn.) Star, the noted economist, Mr. Arthur Upgren, published an article entitled "Recession May Require Tax Cut."

Mr. Upgren notes that if the gross national product continues to decline at the rate of 1½ percent per quarter, as it did in the fourth quarter of 1957, we would "suffer a $25 billion recession—almost 3 times the size of the recessions of 1949 and 1954."

Mr. Upgren urges a tax cut in order to "give the consumer a large disposable income," and while I feel strongly that much more is needed in addition to a tax cut in order to stimulate economic recovery, I feel that this economist's argument deserves the attention of my colleagues.

Mr. Upgren states that such a tax cut "is where real courage is required," and asks:

Can we muster it, if it shall prove to be needed next spring?

Can we indeed? That is the big question facing the administration as it contemplates the broad range of suggested measures which many Senators have proposed in recent days. Can the administration summon up sufficient courage to take the necessary steps to start our economy back up from the bog into which we have been permitted to drift.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the article by Mr. Arthur Upgren, entitled "Recession May Require Tax Cut," printed in the Minneapolis Star of February 11, 1958.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RECESSION MAY REQUIRE TAX CUT—IT'S NOT SO CERTAIN PRESENT STEPS WILL PROVE ENOUGH

(By Arthur Upgren)

We have a recession on our hands. That's plain to be seen. In analyzing the situation, the President's council of economic advisers found that the gross national product (GNP) declined almost 1½ percent in a single quarter (the fourth) last year.

If that kept on for a year, we would suffer a $25-billion recession—almost three times the size of the recessions of 1949 and 1954. What actions are being taken, or planned, to stop the downward trend?

The strongest counteraction will come automatically. No less than five-sixths of the present economic decline was caused by a reduction in the businessmen's investment in inventories. This has led to liquidation of stocks of goods on hand.

As that inventory liquidation took place, factory rates of production were lowered. These rates were lowered beneath the current rate of sales. The difference between the reduced production and the higher, and well maintained, rate of sales to consumers was made good by this liquidation of inventories.

This liquidation cannot long continue. It will end when the stock of inventories is lowered so much that business cannot be maintained.

If consumption of all goods then continues at substantial levels, it will be necessary for the rates of production to rise. In the case of the steel industry this rise will be at least 25 percent and it will take place by early spring.

As production rates rise, this larger production enlarges all incomes. That sends consumption up still further.

At the same time, and the start has already been made, defense spending is planned on a bigger scale. This fans out new orders and enlarges production and incomes.

Will the automatic force of what has to happen, after liquidation of inventories has run its course, and enlarged defense spending be enough to meet the needs of the situation?

In the recessions of 1949 and 1954 the inventory recovery alone was adequate, especially in the 1949 recession. In each of those recessions industry was operating at well over 90 percent of capacity. So as recovery came it was then strongly reinforced by new plant building. This time, in 1958 as the year opens, industry is operating at only 80 percent of capacity. Will we get the new building of plants we need to get a full recovery?

This is by no means so certain this time. More than half a dozen economists (against one) testifying in Washington said the present steps were not adequate.

What more could, and later perhaps should, be done?

MAKE A CUT IN OUR TAXES

That can give the consumer a large disposable income. Then his total spending might grow enough to bring about a renewed plant investment program by all industry. That would still further enlarge all incomes.

In this way we could get back on the path of economic growth and expansion. In fact the growth and expansion then could be enough to gain back more than the tax cut. As incomes rise there is a bigger taxable income. That bigger tax base can produce more taxes than were produced on the lower incomes but at the higher tax rates prevailing before the cut in taxes.

This is where real courage is required. Can we muster it, if it shall prove to be needed next spring?

RECESS

Mr. MANSFIELD. Mr. President, under the order previously entered, I move that the Senate stand in recess.

The motion was agreed to; and (at 3 o'clock and 47 minutes p. m.), the Senate took a recess, the recess being, under the order previously entered, until tomorrow, Friday, February 21, 1958, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate February 20 (legislative day of February 19), 1958:

Malcolm Anderson, of Pennsylvania, to be an Assistant Attorney General, vice Warren Olney III, resigned.

Gordon MacLean Tiffany, of New Hampshire, to be Staff Director for the Commission on Civil Rights (new position).

The following-named persons to be members of the United States Advisory Commission on Educational Exchange for the terms indicated, and until their successors have been appointed and qualified:

Anna L. Rose Hawkes, of Vermont, for a term of 3 years, expiring January 27, 1961. (Reappointment.)

Arthur Hollis Edens, of North Carolina, for a term of 3 years, expiring January 27, 1961. (Reappointment.)

The following-named officer to be placed on the retired list in the grade indicated under the provisions of title 10, United States Code, section 3962:

To be lieutenant general

Lt. Gen. James Maurice Gavin, O17676, Army of the United States (major general, U. S. Army).

CONFIRMATIONS

Executive nominations confirmed by the Senate February 20 (legislative day of February 19), 1958:

DIPLOMATIC AND FOREIGN SERVICE

Howard P. Jones, of Maryland, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Indonesia.

UNITED STATES COAST GUARD

The following-named persons to be chief warrant officers, W–4, in the United States Coast Guard:

Richard F. Elden	William H. Keel
Everett J. Mooring	Elmer F. Nelson
William C. Thornes	Arthur H. Scarborough
Francis S. Lamb	John J. Harbart
Cassius M. Fish	Ernest B. Gall
Roger F. Erdmann	Stephen P. Bunting
Edgar C. Hill	Michael Herko
Cyrus Gray	Robert F. Rittenhouse
Harry A. Vaughan	Richard C. Van Hine
John E. Cavanaugh	Raymond V. Herron
Carlyle J. Dennis	Burton Y. Frymire
John J. Gibbs, Jr.	Edgar S. Klock
Warren H. Wilmot	Christy R. Mathewson
William H. McBride	John A. Williamson
William G. Kincaide	Ralph F. Barnes
Earl F. Wallace	Harold W. Anderson

The following-named persons to be chief warrant officers, W–3, in the United States Coast Guard:

John S. Cameron, Jr.	Cyril D. Kring
William A. Mauch	Gene D. Vecchione
Clavis W. Baum	James A. Somers
Frank J. Recely	Harry V. Hardy
Ralph N. Larson	Carl M. Mortensen
John T. Dailey	Leonard W. Arnold
Allen M. Wilson	Hobert E. Sadler
Howard H. Istock	Robert H. Kollmeyer
William R. Claborn	Gordon B. Sworthout
Martin J. Ruebens	Henry L. Cotton
Carl L. Weaver	Roy L. Singleton
Raymond L. Barnett	Andrew Kirkpatrick
John C. Tappen	Alexander M. Grant
Lynn I. Decker	Oliver T. Henry, Jr.
Daniel S. Bishop	William F. Winslow
John W. Stamback	John Senik
George G. Twambly	Foister E. Blair
Charles S. Rhodes	Kenneth G. Fields
Edgar G. Riggs	William Keokosky
John Sacco	Nevette A. Gardebled
Robert P. Stalcup	John E. Giles
Jesse Fowler	George A. J. Michaud
Eugene H. Midgett	Edward Petroski
Elton W. Grafton	Meredith D. Hazzard
Homer E. S. Williams	Joseph A. Nartonis
Jack K. Ridley	Earlie W. Shelton
Marion G. Rubado	Ernest R. Stacy
Fletcher R. Peele	Clemens F. Knox
Manuel L. Bent	Elmer J. Nolan
Leon A. Anderson	Roy Huffstetler
Walter P. Stipcich	Frank Jakelsky
George B. Schack	Robert H. Wiggins
Paul A. Woodard	Lawrence E. Wagner
Moses McNure	Roy I. Anderson
Woodrow F. Clookie	Barney M. Thomason
Albert DeCosta	Henry E. Ask, Jr.
Albert J. Bates	John Kinnunen
Malcolm Versaw	Carl K. Scarborough
Michael Kabaczy	Roy V. Sogaard
William R. Gaither	Phillip M. Griebel
Benjamin Dollinger	Norris D. Hickman
William H. A. Herbst	James T. Mead
John W. Colby	Robert P. Ellard
Joseph L. St. Pierre	Philip E. Barnard
Bernard A. Koebbe	Harold H. Rohr
Irving T. Bloxom	Kenneth G. Sherwood
Gilbert Ortiz	Elwood S. Hudson
Henry T. Peele	Rudolph E. Anderson
Melvin F. Cramer	Harold Eveld
Ulmer C. Wilson	Clarence H. Checklin
Lennith L. Groves	Kenneth L. Drake
Ernest L. Killiam	Walter R. Terry
James F. Beaumont	Herbert N. Litchfield
Charles R. Ellington, Jr.	Lloyd L. Franklin
	Donald H. R. Fraser
Robert H. Burn	William K. Cooper
Leonest L. Tillett	Christian A. Weitzel
Leroy H. Harmon	Donald Cobaugh
Gilbert W. Coughlan	Walter R. Goldhammer
Joseph J. Dobrow, Jr.	
Henry A. Cook	Gerald M. Davis
Alfred M. Livingston	Fred M. Guild, Jr.
John Chartuck	Luther C. Knight
John P. Ryan	Harold W. Woolley
Elmer C. Knudson	Ellis P. Ward
William E. White, Jr.	John A. McCullough, Jr.
Suell R. Grimm	
Roland R. Davis	Charles C. Colmer
James W. Freeman	Benjamin F. Weems
Charles E. Christman	Edward E. Walker
Edward E. Lewis	Norman J. Wirsching
Oliver F. Rossin	Donald A. Nystrom
Louis M. Piermattei	LeRoy F. Lander
James W. Lockhart	Seymour Alexander
Andrew Hauswirth	Charles U. Stastka
Russell M. Young	Herbert L. Johnson
Ellis M. Moore	Robert J. Hanson
Kenneth E. Payson	Edgar W. Thomas
Thomas A. Smith	Stanley J. Salabor
Homer E. McCullough	David D. McCormick
Martin J. Connolly, Jr.	Sterling Fulcher
Edward J. Ard	Byron A. Barr
Alfred F. Crose	Marion O. Hulbert
Harvey J. Hardy	William I. Janicke
Michael R. Kassin	John A. Dearden

The following-named persons to be chief warrant officers, W–2, in the United States Coast Guard:

George A. Knapp	George E. Carriveau
Mark Fitton, Jr.	Donald E. Phillips
William H. Fraser	Maurice T. Hedgecock
Ervin L. Keel	James F. McLaughlin
Robert E. Mooring	Bob Nelson
Donald O. Nelson	Edward B. Eaton
Talmadge F. Youmans	Ralph E. LaMott
	Frommhold K. Holtz
Eugene D. H. H. Willett	Harold R. Margrave
	Arthur L. Midgette
Daryl D. Paul	Francis W. Sullivan
Richard G. Thompson	Leo Frey
George Solometo	Gordon W. Ault
Edmond E. Hainstock	Charles R. Lee
Hugh B. Houston	Horace F. Hey

HOUSE OF REPRESENTATIVES

THURSDAY, FEBRUARY 20, 1958

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Philippians 2: 5. *Let this mind be in you which was also in Christ Jesus.*

Most merciful and gracious God, we have entered upon the Lenten season, commemorating days whose sacred significance our finite minds and fallible wisdom cannot fully comprehend.

We earnestly beseech Thee that we may contemplate and ponder their meaning with a humble spirit and a contrite heart.

Grant that we may be more sensitive and responsive to the appeals and overtures of the mind of our blessed Lord.

May we daily bear witness to our kinship and fellowship with the spirit of the lowly Man of Galilee who went about doing good, giving His strength to the weak, His sympathy to the sorrowing, His substance to the poor, and His heart to God.

To Thy name we ascribe all the praise. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McGown, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 969) entitled "An act to prescribe the weight to be given to evidence of tests of alcohol in the blood or urine of persons tried in the District of Columbia for operating vehicles while under the influence of intoxicating liquor."

GEORGE WASHINGTON'S FAREWELL ADDRESS

The SPEAKER. Pursuant to the order of the House of February 13, 1958, the Chair recognizes the gentleman from Oregon [Mr. ULLMAN] to read George Washington's Farewell Address.

Mr. ULLMAN read the Farewell Address, as follows:

To the people of the United States:

FRIENDS AND FELLOW CITIZENS: The period for a new election of a citizen to

administer the executive government of the United States being not far distant, and the time actually arrived when your thoughts must be employed in designating the person who is to be clothed with that important trust, it appears to me proper, especially as it may conduce to a more distinct expression of the public voice, that I should now apprise you of the resolution I have formed, to decline being considered among the number of those, out of whom a choice is to be made.

I beg you, at the same time, to do me the justice to be assured, that this resolution has not been taken, without a strict regard to all the considerations appertaining to the relation which binds a dutiful citizen to his country; and that, in withdrawing the tender of service which silence in my situation might imply, I am influenced by no diminution of zeal for your future interest; no deficiency of grateful respect for your past kindness; but am supported by a full conviction that the step is compatible with both.

The acceptance of, and continuance hitherto in the office to which your suffrages have twice called me, have been a uniform sacrifice of inclination to the opinion of duty, and to a deference for what appeared to be your desire. I constantly hoped that it would have been much earlier in my power, consistently with motives which I was not at liberty to disregard, to return to that retirement from which I had been reluctantly drawn. The strength of my inclination to do this, previous to the last election, had even led to the preparation of an address to declare it to you; but mature reflection on the then perplexed and critical posture of our affairs with foreign nations, and the unanimous advice of persons entitled to my confidence, impelled me to abandon the idea.

I rejoice that the state of your concerns, external as well as internal, no longer renders the pursuit of inclination incompatible with the sentiment of duty or propriety; and am persuaded, whatever partiality may be retained for my services, that in the present circumstances of our country, you will not disapprove my determination to retire.

The impressions with which I first undertook the arduous trust, were explained on the proper occasion. In the discharge of this trust, I will only say that I have, with good intentions, contributed towards the organization and administration of the government, the best exertions of which a very fallible judgment was capable. Not unconscious in the outset, of the inferiority of my qualifications, experience, in my own eyes, perhaps still more in the eyes of others, has strengthened the motives to diffidence of myself; and, every day, the increasing weight of years admonishes me more and more, that the shade of retirement is as necessary to me as it will be welcome. Satisfied that if any circumstances have given peculiar value to my services they were temporary, I have the consolation to believe that, while choice and prudence invite me to quit the political scene, patriotism does not forbid it.

In looking forward to the moment which is to terminate the career of my political life, my feelings do not permit me to suspend the deep acknowledgment of that debt of gratitude which I owe to my beloved country, for the many honors it has conferred upon me; still more for the steadfast confidence with which it has supported me; and for the opportunities I have thence enjoyed of manifesting my inviolable attachment, by services faithful and persevering, though in usefulness unequal to my zeal. If benefits have resulted to our country from these services, let it always be remembered to your praise, and as an instructive example in our annals, that under circumstances in which the passions, agitated in every direction, were liable to mislead amidst appearances sometimes dubious, vicissitudes of fortune often discouraging—in situations in which not unfrequently want of success has countenanced the spirit of criticism, the constancy of your support was the essential prop of the efforts, and a guarantee of the plans, by which they were effected. Profoundly penetrated with this idea, I shall carry it with me to my grave, as a strong incitement to unceasing vows that heaven may continue to you the choicest tokens of its beneficence—that your union and brotherly affection may be perpetual—that the free constitution, which is the work of your hands, may be sacredly maintained—that its administration in every department may be stamped with wisdom and virtue—that, in fine, the happiness of the people of these states, under the auspices of liberty, may be made complete by so careful a preservation, and so prudent a use of this blessing, as will acquire to them the glory of recommending it to the applause, the affection and adoption of every nation which is yet a stranger to it.

Here, perhaps, I ought to stop. But a solicitude for your welfare, which cannot end but with my life, and the apprehension of danger, natural to that solicitude, urge me, on an occasion like the present, to offer to your solemn contemplation, and to recommend to your frequent review, some sentiments which are the result of much reflection, of no inconsiderable observation, and which appear to me all important to the permanency of your felicity as a people. These will be offered to you with the more freedom, as you can only see in them the disinterested warnings of a parting friend, who can possibly have no personal motive to bias his counsel. Nor can I forget, as an encouragement to it, your indulgent reception of my sentiments on a former and not dissimilar occasion.

Interwoven as is the love of liberty with every ligament of your hearts, no recommendation of mine is necessary to fortify or confirm the attachment.

The unity of government which constitutes you one people, is also now dear to you. It is justly so; for it is a main pillar in the edifice of your real independence; the support of your tranquility at home; your peace abroad; of your safety; of your prosperity; of that very liberty which you so highly prize. But as it is easy to foresee that, from different causes and from different quarters much pains will be taken, many artifices employed, to weaken in your minds the conviction of this truth, as this is the point in your political fortress against which the batteries of internal and external enemies will be most constantly and actively (though often covertly and insidiously) directed; it is of infinite moment, that you should properly estimate the immense value of your national union to your collective and individual happiness; that you should cherish a cordial, habitual, and immovable attachment to it; accustoming yourselves to think and speak of it as the palladium of your political safety and prosperity; watching for its preservation with jealous anxiety; discountenancing whatever may suggest even a suspicion that it can, in any event, be abandoned; and indignantly frowning upon the first dawning of every attempt to alienate any portion of our country from the rest, or to enfeeble the sacred ties which now link together the various parts.

For this you have every inducement of sympathy and interest. Citizens by birth, or choice, of a common country, that country has a right to concentrate your affections. The name of American, which belongs to you in your national capacity, must always exalt the just pride of patriotism, more than any appellation derived from local discriminations. With slight shades of difference, you have the same religion, manners, habits, and political principles. You have, in a common cause, fought and triumphed together; the independence and liberty you possess, are the work of joint counsels, and joint efforts, of common dangers, suffering and successes.

But these considerations, however powerfully they addressed themselves to your sensibility, are greatly outweighed by those which apply more immediately to your interest.—Here, every portion of our country finds the most commanding motives for carefully guarding and preserving the union of the whole.

The *north*, in an unrestrained intercourse with the *south*, protected by the equal laws of a common government, finds in the productions of the latter, great additional resources of maritime and commercial enterprise, and precious materials of manufacturing industry.—The *south* in the same intercourse, benefiting by the same agency of the *north*, sees its agriculture grow and its commerce expand. Turning partly into its own channels the seamen of the *north*, it finds its particular navigation invigorated; and while it contributes, in different ways, to nourish and increase the general mass of the national navigation, it looks forward to the protection of a maritime strength, to which itself is unequally adapted. The *east*, in a like intercourse with the *west*, already finds, and in the progressive improvement of interior communications by land and water, will more and more find a valuable vent for the commodities which it brings from abroad, or manufactures at home. The *west* derives from the *east* supplies requisite to its growth and comfort—and what is perhaps of still greater consequence, it must of necessity owe the *se-*

cure enjoyments of indispensable *outlets* for its own productions, to the weight, influence, and the future maritime strength of the Atlantic side of the Union, directed by an indissoluble community of interest as *one nation*. Any other tenure by which the *west* can hold this essential advantage, whether derived from its own separate strength; or from an apostate and unnatural connection with any foreign power, must be intrinsically precarious.

While then every part of our country thus feels an immediate and particular interest in union, all the parts combined cannot fail to find in the united mass of means and efforts, greater strength, greater resource, proportionably greater security from external danger, a less frequent interruption of their peace by foreign nations; and, what is of inestimable value, they must derive from union, an exemption from those broils and wars between themselves, which so frequently afflict neighboring countries not tied together by the same government; which their own rivalship alone would be sufficient to produce, but which opposite foreign alliances, attachments, and intrigues, would stimulate and embitter. Hence likewise, they will avoid the necessity of those overgrown military establishments, which under any form of government are inauspicious to liberty, and which are to be regarded as particularly hostile to republican liberty. In this sense it is, that your union ought to be considered as a main prop of your liberty, and that the love of the one ought to endear to you the preservation of the other.

These considerations speak a persuasive language to every reflecting and virtuous mind and exhibit the continuance of the union as a primary object of patriotic desire. Is there a doubt whether a common government can embrace so large a sphere? let experience solve it. To listen to mere speculation in such a case were criminal. We are authorized to hope that a proper organization of the whole, with the auxiliary agency of governments for the respective subdivisions, will afford a happy issue to the experiment. It is well worth a fair and full experiment. With such powerful and obvious motives to union, affecting all parts of our country, while experience shall not have demonstrated its impracticability, there will always be reason to distrust the patriotism of those who, in any quarter, may endeavor to weaken its hands.

In contemplating the causes which may disturb our Union, it occurs as matter of serious concern, that any ground should have been furnished for characterizing parties by *geographical* discriminations,—*northern* and *southern*—*Atlantic* and *western;* whence designing men may endeavor to excite a belief that there is a real difference of local interests and views. One of the expedients of party to acquire influence within particular districts, is to misrepresent the opinions and aims of other districts. You cannot shield yourselves too much against the jealousies and heart burnings which spring from these misrepresentations; they tend to render alien to each other those who ought to be bound together by fraternal affection. The inhabitants of our western country have lately had a useful lesson on this head; they have seen, in the negotiation by the executive, and in the unanimous ratification by the senate of the treaty with Spain, and in the universal satisfaction at the event throughout the United States, a decisive proof how unfounded were the suspicions propagated among them of a policy in the general government and in the Atlantic states, unfriendly to their interests in regard to the Mississippi. They have been witnesses to the formation of two treaties, that with Great Britain and that with Spain, which secure to them everything they could desire, in respect to our foreign relations, towards confirming their prosperity. Will it not be their wisdom to rely for the preservation of these advantages on the union by which they were procured? will they not henceforth be deaf to those advisers, if such they are, who would sever them from their brethren and connect them with aliens?

To the efficacy and permanency of your Union, a government for the whole is indispensable. No alliance, however strict, between the parts can be an adequate substitute; they must inevitably experience the infractions and interruptions which all alliances, in all times, have experienced. Sensible of this momentous truth, you have improved upon your first essay, by the adoption of a constitution of government, better calculated than your former, for an intimate union, and for the efficacious management of your common concerns. This government, the offspring of our own choice, uninfluenced and unawed, adopted upon full investigation and mature deliberation, completely free in its principles, in the distribution of its powers, uniting security with energy, and maintaining within itself a provision for its own amendment, has a just claim to your confidence and your support. Respect for its authority, compliance with its laws, acquiescence in its measures, are duties enjoined by the fundamental maxims of true liberty. The basis of our political systems is the right of the people to make and to alter their constitutions of government.—But the constitution which at any time exists, until changed by an explicit and authentic act of the whole people, is sacredly obligatory upon all. The very idea of the power and the right of the people to establish government, presuppose the duty of every individual to obey the established government.

All obstructions to the execution of the laws, all combinations and associations under whatever plausible character, with the real design to direct, control, counteract, or awe the regular deliberations and action of the constituted authorities, are destructive of this fundamental principle, and of fatal tendency.—They serve to organize faction, to give it an artificial and extraordinary force, to put in the place of the delegated will of the nation the will of party, often a small but artful and enterprising minority of the community; and according to the alternate triumphs of different parties, to make the public administration the mirror of the ill concerted and incongruous projects of faction, rather than the organ of consistent and wholesome plans digested by common councils, and modified by mutual interests.

However combinations or associations of the above description may now and then answer popular ends, they are likely, in the course of time and things, to become potent engines, by which cunning, ambitious, and unprincipled men, will be enabled to subvert the power of the people, and to usurp for themselves the reins of government; destroying afterwards the very engines which have lifted them to unjust dominion.

Towards the preservation of your government and the permanency of your present happy state it is requisite, not only, that you steadily discountenance irregular opposition to its acknowledged authority, but also that you resist with care the spirit of innovation upon its principles, however specious the pretext. One method of assault may be to effect, in the forms of the constitution, alterations which will impair the energy of the system; and thus to undermine what cannot be directly overthrown. In all the changes to which you may be involved, remember that time and habit are at least as necessary to fix the true character of governments, as of other human institutions:—that experience is the surest standard by which to test the real tendency of the existing constitution of a country:—that facility in changes, upon the credit of mere hypothesis and opinion, exposes to perpetual change from the endless variety of hypothesis and opinion: and remember, especially, that for the efficient management of your common interests in a country so extensive as ours, a government of as much vigor as is consistent with the perfect security of liberty is indispensable. Liberty itself will find in such a government, with powers properly distributed and adjusted, its surest guardian. It is, indeed, little else than a name, where the government is too feeble to withstand the enterprises of faction, to confine each member of the society within the limits prescribed by the laws, and to maintain all in the secure and tranquil enjoyment of the rights of person and property.

I have already intimated to you the danger of parties in the state, with particular references to the founding them on geographical discrimination. Let me now take a more comprehensive view, and warn you in the most solemn manner against the baneful effects of the spirit of party generally.

This spirit, unfortunately, is inseparable from our nature, having its root in the strongest passions of the human mind.—It exists under different shapes in all governments, more or less stifled, controlled, or repressed; but in those of the popular form it is seen in its greatest rankness, and is truly their worst enemy.

The alternate domination of one faction over another, sharpened by the spirit of revenge natural to party dissension, which in different ages and countries has perpetrated the most horrid enormities, is itself a frightful despotism. But this

leads at length to a more formal and permanent despotism. The disorders and miseries which result, gradually incline the minds of men to seek security and repose in the absolute power of an individual; and, sooner or later, the chief of some prevailing faction, more able or more fortunate than his competitors, turns this disposition to the purpose of his own elevation on the ruins of public liberty.

Without looking forward to an extremity of this kind, (which nevertheless ought not to be entirely out of sight) the common and continual mischiefs of the spirit or party are sufficient to make it the interest and duty of a wise people to discourage and restrain it.

It serves always to distract the public councils, and enfeeble the public administration. It agitates the community with ill founded jealousies and false alarms; kindles the animosity of one part against another; foments occasional riot and insurrection. It opens the door to foreign influence and corruption, which finds a facilitated access to the government itself through the channels of party passions. Thus the policy and the will of one country are subjected to the policy and will of another.

There is an opinion that parties in free countries are useful checks upon the administration of the government, and serve to keep alive the spirit of liberty. This within certain limits is probably true; and in governments of a monarchical cast, patriotism may look with indulgence, if not with favor, upon the spirit of party. But in those of the popular character, in governments purely elective, it is a spirit not to be encouraged. From their natural tendency, it is certain there will always be enough of that spirit for every salutary purpose. And there being constant danger of excess, the effort ought to be, by force of public opinion, to mitigate and assuage it. A fire not to be quenched, it demands a uniform vigilance to prevent it bursting into a flame, lest instead of warming, it should consume.

It is important likewise, that the habits of thinking in a free country should inspire caution in those intrusted with its administration, to confine themselves within their respective constitutional spheres, avoiding in the exercise of the powers of one department, to encroach upon another. The spirit of encroachment tends to consolidate the powers of all the departments in one, and thus to create, whatever the form of government, a real despotism. A just estimate of that love of power and proneness to abuse it which predominate in the human heart, is sufficient to satisfy us of the truth of this position. The necessity of reciprocal checks in the exercise of political power, by dividing and distributing it into different depositories, and constituting each the guardian of the public weal against invasion of the others, has been evinced by experiments ancient and modern; some of them in our country and under our own eyes.—To preserve them must be as necessary as to institute them. If, in the opinion of the people, the distribution or modification of the constitutional powers be in any particular wrong, let it be corrected by an amendment in the way which the constitution designates.—But let there be no change by usurpation; for though this, in one instance, may be the instrument of good, it is the customary weapon by which free governments are destroyed. The precedent must always greatly overbalance in permanent evil any partial or transient benefit which the use can at any time yield.

Of all the dispositions and habits which lead to political prosperity, religion and morality are indispensable supports. In vain would that man claim the tribute of patriotism, who should labor to subvert these great pillars of human happiness, these firmest props of the duties of men and citizens. The mere politician, equally with the pious man, ought to respect and to cherish them. A volume could not trace all their connections with private and public felicity. Let it simply be asked, where is the security for property, for reputation, for life, if the sense of religious obligation *desert* the oaths which are the instruments of investigation in courts of justice? And let us with caution indulge the supposition that morality can be maintained without religion. Whatever may be conceded to the influence of refined education on minds of peculiar structure, reason and experience both forbid us to expect, that national morality can prevail in exclusion of religious principle.

It is substantially true, that virtue or morality is a necessary spring of popular government. The rule, indeed, extends with more or less force to every species of free government. Who that is a sincere friend to it can look with indifference upon attempts to shake the foundation of the fabric?

Promote, then, as an object of primary importance, institutions for the general diffusion of knowledge. In proportion as the structure of a government gives force to public opinion, it should be enlightened.

As a very important source of strength and security, cherish public credit. One method of preserving it is to use it as sparingly as possible, avoiding occasions of expense by cultivating peace, but remembering, also, that timely disbursements, to prepare for danger, frequently prevent much greater disbursements to repel it; avoiding likewise the accumulation of debt, not only by shunning occasions of expense, but by vigorous exertions, in time of peace, to discharge the debts which unavoidable wars may have occasioned, not ungenerously throwing upon posterity the burden which we ourselves ought to bear. The execution of these maxims belongs to your representatives, but it is necessary that public opinions should cooperate. To facilitate to them the performance of their duty, it is essential that you should practically bear in mind, that towards the payment of debts there must be revenue; that to have revenue there must be taxes, that no taxes can be devised which are not more or less inconvenient and unpleasant; that the intrinsic embarrassment inseparable from the selection of the proper object (which is always a choice of difficulties,) ought to be a decisive motive for a candid construction of the conduct of the government in making it, and for a spirit of acquiescence in the measures for obtaining revenue, which the public exigencies may at any time dictate.

Observe good faith and justice towards all nations; cultivate peace and harmony with all. Religion and morality enjoin this conduct, and can it be that good policy does not equally enjoin it? It will be worthy of a free, enlightened, and, at no distant period, a great nation, to give to mankind the magnanimous and too novel example of a people always guided by an exalted justice and benevolence. Who can doubt but, in the course of time and things, the fruits of such a plan would richly repay any temporary advantages which might be lost by a steady adherence to it; can it be that Providence has not connected the permanent felicity of a nation with its virtue? The experiment, at least is recommended by every sentiment which ennobles human nature. Alas! is it rendered impossible by its vices?

In the execution of such a plan, nothing is more essential than that permanent, inveterate antipathies against particular nations and passionate attachments for others, should be excluded; and that in place of them, just and amicable feelings towards all should be cultivated. The nation which indulges towards another an habitual hatred, or an habitual fondness, is in some degree a slave. It is a slave to its animosity or to its affection, either of which is sufficient to lead it astray from its duty and its interest. Antipathy in one nation against another disposes each more readily to offer insult and injury, to lay hold of slight causes of umbrage, and to be haughty and intractable when accidental or trifling occasions of dispute occur. Hence, frequent collisions, obstinate, envenomed, and bloody contests. The nation, prompted by ill will and resentment, sometimes impels to war the government, contrary to the best calculations of policy. The government sometimes participates in the national propensity, and adopts through passion what reason would reject; at other times, it makes the animosity of the nation subservient to projects of hostility, instigated by pride, ambition, and other sinister and pernicious motives. The peace often, sometimes perhaps the liberty of nations, has been the victim.

So likewise, a passionate attachment of one nation for another produces a variety of evils. Sympathy for the favorite nation, facilitating the illusion of an imaginary common interest in cases where no real common interest exists, and infusing into one the enmities of the other, betrays the former into a participation in the quarrels and wars of the latter, without adequate inducements or justifications. It leads also to concessions, to the favorite nation, of privileges denied to others, which is apt doubly to injure the nation making the concessions, by unnecessary parting with what ought to have been retained, and by exciting jealousy, ill will, and a

disposition to retaliate in the parties from whom equal privileges are withheld; and it gives to ambitious, corrupted or deluded citizens who devote themselves to the favorite nation, facility to betray or sacrifice the interests of their own country, without odium, sometimes even with popularity; gilding with the appearances of a virtuous sense of obligation, a commendable deference for public opinion, or a laudable zeal for public good, the base or foolish compliances of ambition, corruption, or infatuation.

As avenues to foreign influence in innumerable ways, such attachments are particularly alarming to the truly enlightened and independent patriot. How many opportunities do they afford to tamper with domestic factions, to practice the arts of seduction, to mislead public opinion, to influence or awe the public councils!—Such an attachment of a small or weak, towards a great and powerful nation, dooms the former to be the satellite of the latter.

Against the insidious wiles of foreign influence, (I conjure you to believe me fellow citizens,) the jealousy of a free people ought to be *constantly* awake; since history and experience prove, that foreign influence is one of the most baneful foes of republican government. But that jealousy, to be useful, must be impartial, else it becomes the instrument of the very influence to be avoided, instead of a defense against it. Excessive partiality for one foreign nation and excessive dislike for another, cause those whom they actuate to see danger only on one side, and serve to veil and even second the arts of influence on the other. Real patriots, who may resist the intrigues of the favorite, are liable to become suspected and odious; while its tools and dupes usurp the applause and confidence of the people, to surrender their interest.

The great rule of conduct for us, in regard to foreign nations, is, in extending our commercial relations, to have with them as little *political* connection as possible. So far as we have already formed engagements, let them be fulfilled with perfect good faith:—Here let us stop.

Europe has a set of primary interests, which to us have none, or a very remote relation. Hence, she must be engaged in frequent controversies, the causes of which are essentially foreign to our concerns. Hence, therefore, it must be unwise in us to implicate ourselves, by artificial ties, in the ordinary vicissitudes of her politics, or the ordinary combinations and collusions of her friendships or enmities.

Our detached and distant situation invites and enables us to pursue a different course. If we remain one people, under an efficient government, the period is not far off when we may defy material injury from external annoyance; when we may take such an attitude as will cause the neutrality we may at any time resolve upon, to be scrupulously respected; when belligerent nations, under the impossibility of making acquisitions upon us, will not lightly hazard the giving us provocation, when we may choose peace or war, as our interest, guided by justice, shall counsel.

Why forego the advantages of so peculiar a situation? Why quit our own to stand upon foreign ground? Why, by interweaving our destiny with that of any part of Europe, entangle our peace and prosperity in the toils of European ambition, rivalship, interest, humor, or caprice?

It is our true policy to steer clear of permanent alliance with any portion of the foreign world; so far, I mean, as we are now at liberty to do it; for let me not be understood as capable of patronizing infidelity to existing engagements. I hold the maxim no less applicable to public than private affairs, that honesty is always the best policy. I repeat it, therefore, let those engagements be observed in their genuine sense. But in my opinion, it is unnecessary, and would be unwise to extend them.

Taking care always to keep ourselves by suitable establishments, on a respectable defensive posture, we may safely trust to temporary alliances for extraordinary emergencies.

Harmony, and a liberal intercourse with all nations, are recommended by policy, humanity, and interest. But even our commercial policy should hold an equal and impartial hand; neither seeking nor granting exclusive favors or preferences; consulting the natural course of things; diffusing and diversifying by gentle means the streams of commerce, but forcing nothing; establishing with powers so disposed, in order to give trade a stable course, to define the rights of our merchants, and to enable the government to support them, conventional rules of intercourse, the best that present circumstances and mutual opinion will permit, but temporary, and liable to be from time to time abandoned or varied as experience and circumstances shall dictate; constantly keeping in view, that it is folly in one nation to look for disinterested favors from another; that it must pay with a portion of its independence for whatever it may accept under that character; that by such acceptance, it may place itself in the condition of having given equivalents for nominal favors, and yet of being reproached with ingratitude for not giving more. There can be no greater error than to expect, or calculate upon real favors from nation to nation. It is an illusion which experience must cure, which a just pride ought to discard.

In offering to you my countrymen, these counsels of an old and affectionate friend, I dare not hope they will make the strong and lasting impression I could wish; that they will control the usual current of the passions, or prevent our nation from running the course which has hitherto marked the destiny of nations, but if I may even flatter myself that they may be productive of some partial benefit, some occasional good; that they may now and then recur to moderate the fury of party spirit, to warn against the mischiefs of foreign intrigue, to guard against the impostures of pretended patriotism; this hope will be a full recompense for the solicitude for your welfare by which they have been dictated.

How far, in the discharge of my official duties, I have been guided by the principles which have been delineated, the public records and other evidences of my conduct must witness to you and to the world. To myself, the assurance of my own conscience is, that I have, at least, believed myself to be guided by them.

In relation to the still subsisting war in Europe; my proclamation of the 22d of April, 1793, is the index to my plan. Sanctioned by your approving voice, and by that of your representatives in both houses of congress, the spirit of that measure has continually governed me, uninfluenced by any attempts to deter or divert me from it.

After deliberate examination, with the aid of the best lights I could obtain, I was well satisfied that our country, under all the circumstances of the case, had a right to take, and was bound in duty and interest, to take a neutral position. Having taken it, I determined, as far as should depend upon me, to maintain it with moderation, perseverance and firmness.

The considerations which respect the right to hold this conduct, it is not necessary on this occasion to detail. I will only observe that, according to my understanding of the matter, that right, so far from being denied by any of the belligerent powers, has been virtually admitted by all.

The duty of holding a neutral conduct may be inferred, without any thing more, from the obligation which justice and humanity impose on every nation, in cases in which it is free to act, to maintain inviolate the relations of peace and amity towards other nations.

The inducements of interest for observing that conduct will best be referred to your own reflections and experience. With me a predominant motive has been to endeavor to gain time to our country to settle and mature its yet recent institutions, and to progress, without interruption, to that degree of strength, and consistency which is necessary to give it, humanly speaking, the command of its own fortunes.

Though in reviewing the incidents of my administration, I am unconscious of intentional error, I am nevertheless too sensible of my defects not to think it probable that I may have committed many errors. Whatever they may be, I fervently beseech the Almighty to avert or mitigate the evils to which they may tend. I shall also carry with me the hope that my country will never cease to view them with indulgence; and that, after forty-five years of my life dedicated to its service, with an upright zeal, the faults of incompetent abilities will be consigned to oblivion, as myself must soon be to the mansions of rest.

Relying on its kindness in this as in other things, and actuated by that fervent love towards it, which is so natural to a man who views in it the native soil of himself and his progenitors for several generations; I anticipate with pleasing expectation that retreat in which I

promise myself to realize without alloy, the sweet enjoyment of partaking, in the midst of my fellow citizens, the benign influence of good laws under a free government—the ever favorite object of my heart, and the happy reward, as I trust, of our mutual cares, labors and dangers.

GEO. WASHINGTON.

UNITED STATES,
17th September, 1796.

RESIGNATION FROM COMMITTEE

The SPEAKER laid before the House the following communication which was read by the Clerk:

HOUSE OF REPRESENTATIVES,
Washington, D. C., February 20, 1958.

Hon. SAM RAYBURN,
The Speaker, House of Representatives, United States Capitol, Washington, D. C.

DEAR MR. SPEAKER: Having been named to membership on the Joint Committee on Atomic Energy, I hereby resign from membership on the Select Committee on Small Business.

Respectfully,

CRAIG HOSMER,
Member of Congress, 18th District, California.

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

APPOINTMENT TO COMMITTEE

The SPEAKER. Pursuant to the provisions of House Resolution 56, 85th Congress, the Chair appoints as a member of the Select Committee To Conduct a Study and Investigation of the Problems of Small Business, the gentleman from West Virginia [Mr. MOORE], to fill an existing vacancy thereon.

CALENDAR WEDNESDAY BUSINESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that business in order on Calendar Wednesday next may be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

GENERAL LEAVE TO EXTEND

Mr. McCORMACK. Mr. Speaker, without its being considered a precedent, in view of the situation today and in view of Washington's Farewell Address being read, I ask unanimous consent that all Members who desire to do so may have permission to extend their remarks in the CONGRESSIONAL RECORD and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PROGRAM FOR WEEK OF FEBRUARY 24

Mr. McCORMACK. Mr. Speaker, I desire to announce the program for next week.

Monday: No business. Monday is District Day, but I am informed there is no bill ready for consideration from that committee.

Tuesday: The second supplemental appropriation for 1958.

At this time I have no further program for next week, but I make the usual reservation that conference reports may be brought up at any time. Any change in program will be announced later.

COMMITTEE ON GOVERNMENT OPERATIONS

Mr. HARDY. Mr. Speaker, I ask unanimous consent that the Subcommittee on International Operations of the Committee on Government Operations may have until midnight Saturday to file a report.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 5538. An act to provide that withdrawals, reservations, or restrictions of more than 5,000 acres of public lands of the United States for certain purposes shall not become effective until approved by act of Congress, and for other purposes; and

H. R. 8038. An act for the relief of Margie C. Stewart.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

Accordingly (at 12 o'clock and 46 minutes p. m.) the House, pursuant to its previous order, adjourned until Monday, February 24, 1958, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1632. A letter from the Administrator, Small Business Administration, transmitting the Ninth Semiannual Report of the Small Business Administration covering operations between July 1, 1957 and December 31, 1957, pursuant to Public Law 163, 83d Congress; to the Committee on Banking and Currency.

1633. A letter from the Deputy Postmaster General, transmitting a draft of proposed legislation entitled "A bill to authorize the use of certified mail for the transmission or service of matter required by certain Federal laws to be transmitted or served by registered mail, and for other purposes"; to the Committee on Post Office and Civil Service.

1634. A letter from the Under Secretary of Labor, transmitting a draft of proposed legislation entitled "A bill to amend section 41 of the Longshoremen's and Harbor Workers' Compensation Act, so as to provide a system of safety rules, regulations, and safety inspection and training, and for other purposes"; to the Committee on Education and Labor.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mrs. GREEN of Oregon: Joint Committee on the Disposition of Executive Papers. House Report No. 1367. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. WALTER: Committee on the Judiciary. Report pursuant to House Resolution 107, 85th Congress, pertaining to immigration problems on the southeastern seaboard (Rept. No. 1368). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON of Illinois: Committee on Government Operations. S. 916. An act to provide for the issuance of checks and continuation of accounts when there is a vacancy in the office of the disbursing officer for the Post Office Department, and for other purposes; without amendment (Rept. No. 1369). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON of Illinois: Committee on Government Operations. Eighteenth report of the Committee on Government Operations pertaining to military clothing procurement (Rept. No. 1370). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON of Illinois: Committee on Government Operations. Nineteenth report of the Committee on Government Operations pertaining to United States military aid and supply programs in Western Europe (Rept. No. 1371). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON of Illinois: Committee on Government Operations. Twentieth report of the Committee on Government Operations pertaining to false and misleading advertising (Rept. No. 1372). Referred to the Committee of the Whole House on the State of the Union.

Mr. CANNON: Committee on Appropriations. H. R. 10881. A bill making supplemental appropriations for the fiscal year ending June 30, 1958, and for other purposes; without amendment (Rept. No. 1373). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ASHMORE: Committee on the Judiciary. H. R. 1283. A bill for the relief of

Charles T. Crowder; without amendment (Rept. No. 1366). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANFUSO:

H. R. 10851. A bill to amend title IV of the Social Security Act to authorize Federal assistance thereunder with respect to certain dependent children who are over the age of 18 so long as they are attending school; to the Committee on Ways and Means.

By Mr. BONNER:

H. R. 10852. A bill to repeal and amend certain statutes fixing or prohibiting the collection of fees for certain services under the navigation and vessel inspection laws; to the Committee on Merchant Marine and Fisheries.

H. R. 10853. A bill to provide for the addition of certain excess Federal property in the village of Hatteras, N. C., to the Cape Hatteras national seashore recreational area, and for other purposes; to the Committee on Government Operations.

By Mr. BRAY:

H. R. 10854. A bill to amend the Federal Coal Mine Safety Act so as to provide further for the prevention of accidents in coal mines; to the Committee on Education and Labor.

By Mr. DENT:

H. R. 10855. A bill to amend the Federal Coal Mine Safety Act so as to provide further for the prevention of accidents in coal mines; to the Committee on Education and Labor.

By Mr. DONOHUE:

H. R. 10856. A bill to provide for unemployment reinsurance grants to the States to revise, extend, and improve the unemployment insurance program, and for other purposes; to the Committee on Ways and Means.

By Mr. FINO:

H. R. 10857. A bill to amend title II of the Social Security Act to authorize the President, during periods of acute unemployment, to provide that all individuals otherwise eligible may retire with full benefits thereunder at age 60; to the Committee on Ways and Means.

By Mr. HALE:

H. R. 10858. A bill to amend the Tariff Act of 1930 as it relates to spring clothespins; to the Committee on Ways and Means.

By Mr. JENNINGS:

H. R. 10859. A bill to extend and expand the special milk for children program for an additional 2-year period, to extend the program of expanded milk in Veterans' Administration facilities and Armed Forces for an additional 2-year period, and to extend the brucellosis eradication program for an additional 2-year period, and for other purposes; to the Committee on Agriculture.

By Mr. KNOX:

H. R. 10860. A bill to amend the Internal Revenue Code of 1954 to permit schoolteachers and administrators to deduct from gross income certain expenses for additional education and training; to the Committee on Ways and Means.

H. R. 10861. A bill to amend section 4242 of the Internal Revenue Code of 1954 to exempt from the club dues tax certain charges made by nonprofit clubs for the use of facilities; to the Committee on Ways and Means.

By Mr. LANE:

H. R. 10862. A bill to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, and for other purposes; to the Committee on Ways and Means.

By Mr. LENNON:

H. R. 10863. A bill to authorize the full acreage reserve program for the 1958 crops provided for by section 105 (c) of the Soil Bank Act; to the Committee on Appropriations.

By Mr. McINTIRE:

H. R. 10864. A bill to make the provisions of section 3466 of the Revised Statutes inapplicable to debts due the Small Business Administration; to the Committee on Banking and Currency.

By Mr. MATTHEWS:

H. R. 10865. A bill to authorize the use of additional funds for the 1958 corn, wheat, cotton, and tobacco acreage reserve program; to the Committee on Agriculture.

By Mr. MOORE:

H. R. 10866. A bill to prohibit discrimination because of age in the hiring and employment of persons by Government contractors; to the Committee on the Judiciary.

By Mr. MORGAN:

H. R. 10867. A bill to amend the Federal Coal Mine Safety Act so as to provide further for the prevention of accidents in coal mines; to the Committee on Education and Labor.

By Mr. NEAL:

H. R. 10868. A bill to amend title II of the Social Security Act to reduce the coverage requirements upon which eligibility for disability insurance benefits thereunder is conditioned; to the Committee on Ways and Means.

H. R. 10869. A bill to amend title II of the Social Security Act to clarify the meaning of the term "disability" and thereby to effectuate the purpose intended by the Congress in enacting the provisions of such act which relate to the payment of disability insurance benefits; to the Committee on Ways and Means.

By Mr. RADWAN:

H. R. 10870. A bill to protect the right of the blind to self-expression through organizations of the blind; to the Committee on Education and Labor.

By Mr. REES of Kansas:

H. R. 10871. A bill to amend the Agricultural Act of 1949; to the Committee on Agriculture.

By Mr. REUSS:

H. R. 10872. A bill to provide that the excise tax on automotive items shall not apply to electrolyte and special containers therefor sold in connection with the sale of dry-charge batteries; to the Committee on Ways and Means.

H. R. 10873. A bill to amend sections 1461 and 1462 of title 18 of the United States Code; to the Committee on the Judiciary.

By Mr. ROGERS of Florida:

H. R. 10874. A bill for the relief of the city of Fort Myers, Fla., Lee County, Fla., and the Inter-County Telephone & Telegraph Co., Fort Myers, Fla.; to the Committee on the Judiciary.

By Mr. ROOSEVELT:

H. R. 10875. A bill to check the growth of unemployment by providing for Federal assistance to States and local governments for the construction of needed public works and public improvements; to the Committee on Public Works.

By Mr. SCHWENGEL:

H. R. 10876. A bill relating to the income tax treatment of gain on the conversion of part of a farm remaining after another part of such farm has been compulsorily or involuntarily converted into money; to the Committee on Ways and Means.

H. R. 10877. A bill to provide for making payments in kind under the acreage reserve program of the Soil Bank Act; to the Committee on Agriculture.

By Mr. THOMSON of Wyoming:

H. R. 10878. A bill to suspend the requirement for the performance of annual labor on mining claims heretofore located for the development and production of fissionable source material; to the Committee on Interior and Insular Affairs.

H. R. 10879. A bill to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, and for other purposes; to the Committee on Ways and Means.

By Mr. CELLER:

H. R. 10880. A bill relating to the inability of the President to discharge the powers and duties of his office, and for other purposes; to the Committee on the Judiciary.

By Mr. CANNON:

H. R. 10881. A bill making supplemental appropriations for the fiscal year ending June 30, 1958, and for other purposes.

By Mr. COOLEY:

H. J. Res. 546. Joint resolution designating the week of November 21–27, 1958, as National Farm-City Week; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Kentucky, memorializing the President and the Congress of the United States to enact legislation to provide a minimum dairy support price for the marketing year starting April 1, 1958; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AYRES:

H. R. 10882. A bill for the relief of Pierangelo Torre; to the Committee on the Judiciary.

By Mr. BOYLE:

H. R. 10883. A bill for the relief of Carlos (Charles) Licea Gomez; to the Committee on the Judiciary.

By Mr. METCALF:

H. R. 10884. A bill for the relief of Andjelka Kolacio and her minor daughter, Slavka Kolacio; to the Committee on the Judiciary.

By Mr. ZELENKO:

H. R. 10885. A bill for the relief of Tibor Wollner; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

417. By the SPEAKER: Petition of David H. Johnson, Draper, Utah, relative to a redress of grievance, and requesting prison relief and restoration of citizenship; to the Committee on the Judiciary.

418. Also, petition of the mayor, Wausau, Wis., relative to the Common Council of the City of Wausau, Wis., requesting Congress to enact immediate legislation restricting the importation of hardwood plywood; to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

Equalizing Federal Benefits for World War I Veterans

EXTENSION OF REMARKS
OF
HON. PAUL A. FINO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 20, 1958

Mr. FINO. Mr. Speaker, I would like to invite the attention of the House to H. R. 5011, a bill I introduced on February 19, 1957. This bill proposes to grant a pension of $100 per month to all honorably discharged veterans of World War I who have attained the age of 60 years.

The veterans of World War I have come to be known as the forgotten men among those categories of veterans for whom the Federal Government provides benefits. The fact that these men have been forgotten becomes clearly evident when the benefits to which they are entitled are compared to the benefits made available for Spanish-American War, World War II, and Korean conflict veterans.

Let us glance, for a moment, at some of the differences which Congress has established. The veterans of Chateau Thierry, Belleau Wood, and their comrades have been given adequate reason to conclude that their country has passed them by.

Spanish-American War veterans are not only eligible for more liberal provisions, but the requirements for qualifying for these benefits are considerably less exacting. Any survivor of the Spanish War who has reached 62 years of age, or who is 10 percent or more permanently disabled through non-service-connected causes, is entitled to $101.59 per month provided he served 90 days and received a discharge other than dishonorable. The age requirement is obviously meaningless since the war was concluded 57 years ago. The payment under similar conditions for men with a minimum service of 70 days is $67.73 per month. Should the condition of the veteran require the regular aid and attendance of another person, the payment in the case of the 90-day-or-more veteran is $135.35 per month, while for the 70-day service it is $88.04.

World War I veterans presently receive no pension on the basis of their age, nor as a result of partial disability for non-service-incurred causes. Disability must be permanent and complete before any eligibility for pension is legally established.

The veterans of World War II and the Korean conflict also fared much better than World War I personnel. World War I servicemen had nothing to compare with the GI bill of rights—the Servicemen's Readjustment Act of 1944—with its broad and valuable provisions covering both World War II and Korean veterans. Only after World War II were such impressive provisions established by Congress as the special allowances for vocational rehabilitation and education at all levels, credit for wartime military service under social security, guaranties for GI loans for homes, farms, and businesses, preferences in the purchase or rental of houses, and the availability of readjustment allowances for those unemployed.

The discrepancy with respect to the World War I veteran appears all the more ironical when we consider several other major challenges which these men were called upon to meet. Survivors of the First World War were the only veterans who were required successively to endure a violent war which caused them to be exposed to the ravages of poison gas, and which forced them to fight in the mud and filth of trench warfare. Both of these unusual and drastic wartime conditions served to undermine the health of thousands upon thousands of unfortunate soldiers.

Shortly after these men resumed civilian pursuits, they were again forced to surmount a tremendous hurdle—the greatest upheaval our national economy has ever experienced. The great depression which began with the severe stock market crash of 1929 served immeasurably in helping to cast so many World War I veterans into the lot of the "lost generation."

Let us not overlook the fact that the veterans of World War I are rapidly becoming old men. It has been reported that they are dying at the rate of 90,000 per year. The survivors are finding it increasingly difficult and almost impossible to compete in the exacting labor market. Under present legislation, moreover, relatively few numbers are able to obtain pensions or compensation. We cannot long continue to ignore the desperate plight of these deserving veterans. We must soon make the crucial and inevitable decision through the adoption of favorable legislation. I urge you to take the decisive step today.

"Dear Murray," From "Sherm"

EXTENSION OF REMARKS
OF
HON. MELVIN PRICE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 20, 1958

Mr. PRICE. Mr. Speaker, former President Truman has a way of putting things that the American people can understand.

In a few simple statements in reply to newsmen who greeted him as he alighted from a train at Union Station yesterday he summed up what the majority of Americans are today thinking of the Eisenhower administration.

One of the keenest observations of the workings of the Eisenhower administration comes in the concise statement, with which most people will agree, "that this Republican administration has the wrong attitude toward regulatory agencies."

This administration, Truman replied to reporters, is more interested in special interests.

When asked by the newsmen, who are in a good position to know, if there was a mess in Washington that needs cleaning up, Mr. Truman replied that was a Republican phrase which has come home to roost.

The symbol of the Eisenhower administration's growing political immorality could well be the "Dear Murray" letter from "Sherm."

Second-Class Postal Subsidies Must Be Limited

EXTENSION OF REMARKS
OF
HON. GEORGE M. RHODES
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 20, 1958

Mr. RHODES of Pennsylvania. Mr. Speaker, the Senate Post Office and Civil Service Committee is currently holding hearings on postal-rate legislation passed by the House last year. This bill contains my amendment, adopted by the House, to limit annual second-class postal subsidies to $100,000 per individual publisher.

As I pointed out during the debate on the postal-rate bill last year, 10 leading magazines in the United States received subsidies amounting to more than $32 million. At the same time, these 10 magazines were receiving advertising revenues amounting to almost $400 million for the year, while profits in the publishing industry reached unprecedented high levels.

The big magazine publishers, as might be expected, are making strenuous efforts to kill the subsidy-limitation amendment. In the course of their campaign they are resorting to misleading, if not deliberately inaccurate, statements. The leading front in this fight is the Magazine Publishers' Association, the trade group for some 100 members who publish 375 magazines of all types, having a combined per issue circulation of 165 million copies.

Yesterday the MPA sent to Members of Congress a booklet entitled "Postal Primer," a statement of the magazine industry's position on postal policy and rates. Of course, Mr. Speaker, they have every right to petition Congress in behalf of the self-interest of their members. However, we must recognize the tremendous financial stake this organization has in the postal rate bill, and more particularly in the Rhodes amendment. We must therefore be careful in taking at face value the statements they make.

For example, page 1 of the MPA booklet attempts to show the dire financial consequences to a number of publishers if second-class postage rates were increased. In a footnote the following statement is made:

In 1965, 35 publishers of 124 magazines reporting to MPA averaged 2.7 percent profit after taxes. Dollar profits were $21,218,000; second-class postage expenditures were $31,353,000.

These figures, Mr. Speaker, are grossly misleading. They represent only about one-third of the members of the MPA and it is obvious that the largest publishers have been excluded, since the 1956 net profits after taxes of only 4 leading publishers amounted to $32 million.

Why should the American taxpayers continue to subsidize the magazine publishers who are engaged in a profitmaking enterprise, and who can well afford to pay their fair share of the costs of handling and delivering their magazines through the mails?

Second-class postal subsidies have cost the taxpayers over $2.5 billion during the past 11 years. What could have been done with this amount of money to benefit all the people of our Nation? We could have provided a twelvefold increase in our current research programs for cancer, heart disease, mental illness, and other crippling and killing diseases. Or we could have provided enough school classrooms to meet the critical shortages throughout the Nation. Or we could have increased the Hill-Burton hospital construction program by two and a half times and provided several hundred thousand additional beds in our VA hospitals.

Mr. Speaker, last week Mr. Robert MacNeal, president of the Curtis Publishing Co., testified before the Senate committee that my amendment to the postal rate bill would cost his company $22 million a year more postage to mail the 320 million copies of their 2 major publications, Saturday Evening Post and Ladies' Home Journal.

In a statement to the House committee last year he said that the proposed 4 annual 15-percent rate increases would add $11 million to his company's postage bill. Thus by his own statement, Mr. MacNeal admits that the Curtis Publishing Co. is receiving a staggering annual subsidy of more than $11 million on just 2 magazines.

The most recent Post Office Department estimate shows that their annual losses in handling these 2 magazines was $6,087,000 for Saturday Evening Post and $1,917,000 for Ladies' Home Journal, or a total of $8,004,000. It is therefore clear that the oft-criticized cost analysis methods of the Department in figuring second-class mail subsidies are actually on the conservative side. Curtis is actually receiving more than $11 million a year subsidy on these 2 magazines, instead of the $8 million previously estimated by the Post Office Department. Advertising revenues on these 2 magazines last year amounted to more than $117 million.

Mr. Speaker, the principle of limiting second-class postal subsidies is of great importance to all citizens. Throughout our history, subsidies have been curtailed or eliminated entirely when they were no longer required. Many airlines are now off subsidy payments. Last year Congress enacted a law reducing subsidies to industries through the 5-year tax write-off device. A limitation was placed on acreage reserve and conservation reserve payments to farmers participating in the soil-bank program. The magazine publishing industry is no marginal, shoestring operation. It is a growing, prosperous, profitmaking business which does not need, nor deserve special postal subsidies at the expense of the American taxpayers.

Contrary to statements made by those seeking to retain this gigantic handout to magazine publishers, my subsidy-limiting amendment is considered administratively workable and enforcible by the Post Office Department. This assurance was given to me personally by the Postmaster General and was repeated to a nationwide television audience over Ed Murrow's See It Now report on the Post Office Department last October.

Mr. Speaker, I am hopeful that the Congress will resist the tremendous pressures being exerted by the magazine publishers' lobby and vote to retain the principle of limiting second-class postal subsidies in any postal rate legislation acted upon this year.

Results of the Public Opinion Poll on Current Issues Conducted Among Residents of the 20th Congressional District of Pennsylvania

EXTENSION OF REMARKS
OF
HON. JAMES E. VAN ZANDT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1958

Mr. VAN ZANDT. Mr. Speaker, through the cooperation of newspapers in my Congressional District, over 2,000 residents clipped printed questionnaires from their favorite paper and returned them to me indicating their views on 15 current issues of national importance.

The tabulation which follows represents a cross section of occupations in the central Pennsylvania area and in some instances conveys the views of civic organizations, high-school classes, and service clubs. Many questionnaires were accompanied by explanatory letters either qualifying the votes on various questions or commenting on other issues of the day.

The tabulation of votes on the 15 questions is as follows:

	Yes	No
1. In view of the recent illness of President Eisenhower and the discussion that followed regarding his health, how to you feel on the subject? Please indicate whether you feel—		
He should continue in office despite his health	1,584	------
Or should he resign and let Vice President NIXON take over the Presidency	321	------
2. Do you favor increasing taxes to support expansion of our national defense, including the development of missiles, rockets, etc.?	1,126	1,143
3. Do you favor Congress approving the proposal to share our atomic secrets with friendly nations?	1,191	669
4. Should foreign aid be increased?	693	1,257
5. Do you favor conferences by the President with foreign leaders even though they would include heads of foreign nations with whom he does not always agree?	1,545	306
6. Should England discontinue trading with Communist China?	669	795
7. Do you favor admitting Red China to the United Nations?	402	1,509
8. Do you favor the sale and barter of farm surpluses to Communist nations?	816	1,098
9. Do you favor reduction of taxes before balancing the budget?	285	1,548
10. Do you favor Federal aid for schoolroom construction?	1,113	816
11. Do you favor putting the Post Office Department on a pay-as-you-go basis which would require increasing postage rates?	1,428	462
12. Do you favor federally subsidized power projects?	567	1,239
13. What do you think Congress should do about the Taft-Hartley Act?:		
Should it be repealed?	99	------
Retained or amended?	1,818	------
14. Which in your opinion represents the soundest agricultural program:		
High rigid price supports?	51	------
Flexible price supports?	945	------
No price supports?	816	------
15. Do you approve a program of Federal aid to distressed areas suffering from chronic unemployment problems?	1,293	555

Lowering Retirement Age Will Solve Unemployment Crisis

EXTENSION OF REMARKS
OF
HON. PAUL A. FINO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1958

Mr. FINO. Mr. Speaker, I have today introduced a bill which, in my opinion, will solve the serious and dangerous unemployment crisis that has hit this country.

This tragic unemployment problem which continues to worsen each week should and must be tackled now before it develops into a depression from which we will be unable to recover without having caused incalculable human suffering and a severe blow to our American economy and standard of living.

Mr. Speaker, my bill would amend the Social Security Act by authorizing the President to lower the retirement age for men and women to 60 during periods of acute unemployment. As you know, under the present law the retirement age is 65 for men and 62 for women.

With 4½ million unemployed and with all signs pointing to an even higher figure, the President and the Congress have the unshirking responsibility of taking immediate and affirmative action toward not only preventing any further increase in unemployment but restoring full employment.

A recent survey of Government figures shows that the largest group of unemployed men and women are those between the ages of 25 and 45 and the

number of men and women in the 60–65 age bracket covered by social security is over 4 million persons.

The purpose of my bill is to alleviate conditions during periods of acute unemployment by offering an incentive to older workers to retire in order to make room for younger people in the employment market.

This proposal would not lower the retirement age automatically or permanently but would give the President discretion, within certain limits, to determine under what circumstances he would invoke the provisions of this legislation. The limits set by the bill are that the President must first determine that a condition of acute unemployment exists generally throughout the United States which there is little likelihood of abating within a foreseeable period of time. The reduction in the retirement age would last only as long as the President determines that such unemployment exists.

I believe that my proposal would be beneficial during the present economic crisis in two ways. In addition to opening up job opportunities for about 4 million younger unemployed workers, it would provide earlier retirement for elderly people who want to quit work but cannot because of the present age restrictions.

We must recognize the enormity of this problem now if we are to keep our American economy strong and healthy.

The Drive for the Natural Gas Bill

EXTENSION OF REMARKS

OF

HON. PAUL H. DOUGLAS

OF ILLINOIS

IN THE SENATE OF THE UNITED STATES

Thursday, February 20, 1958

Mr. DOUGLAS. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD two articles from the Oil and Gas Journal for February 17, 1958, revealing that the drive for the natural gas bill is by no means ended. I ask unanimous consent that a statement of mine concerning these articles also be printed in the CONGRESSIONAL RECORD as an extension of my remarks accompanying these articles.

There being no objection, the articles and statement were ordered to be printed in the RECORD, as follows:

[From the Oil and Gas Journal for February 17, 1958]

TULSA, OKLA., February 17, 1958.—The oil industry is snake bitten on the gas bill.

Tendency is to write off the Harris bill as dead after disclosure of Porter letter inviting oilmen to the $100-a-plate appreciation dinner for Representative JOSEPH MARTIN.

But this is being changed by new strategy.

Plan now is to delay action on the bill, regroup oil's shattered forces in Washington, and work harder.

There's no doubt chances of the bill have been hurt.

But still the cause may not be lost.

[From the Oil and Gas Journal of February 17, 1958]

HOW TO GET THE HARRIS BILL PASSED

On the next two pages of this issue is a letter the Journal is sending to every Member of Congress in support of the Harris gas bill.

For many years the Journal fought along with producers for legislation primarily in the interest of producers. We all failed to convince the public that what is good for producers is good for the Nation.

Now we say that, for the first time, here is a gas bill primarily in the public interest. We believe that this is the only basis on which legislation can be—or should be—enacted.

Previous failures to amend the law regulating gas production were due, we believe, to disregard of the attitudes and reactions of the general public.

Producers set up the cry that "we wuz robbed." They bored the public by rehashing the injustice and illogic of the Supreme Court's reasoning in the Phillips decision.

They bemused the public by recounting the hardships imposed on producers, thus arousing more skepticism than sympathy.

They confused the public with technical treatises and statistics on the geological occurrence of gas, reserve ratios, dry-hole percentages, and cost factors.

Such arguments are effective with the relatively few who understand them. But the general public—the gas consumers and their political and journalistic spokesmen—saw previous bills simply as a special favor for producers who didn't want their prices regulated.

And, to a large extent, that's what they were. Most of the advocacy of prior bills was pitched on the hardships of producers—a subject about which the general public couldn't care less.

This new Harris bill is different. It is designed to serve the public interest better than the special interests of any division of the gas industry. Perhaps that is why many distributors still oppose it and some producers aren't enthusiastic over it.

If the industry believes, as the Journal does, that this bill is in the public interest, then the industry should promote it on that basis and on that basis alone.

The way to do this is to convince Congressmen, and others interested, that most of the old arguments both for and against previous gas bills do not apply to this one.

Last week's disclosure of political bungling need not cloud the issue permanently. It can be overcome if the industry will promptly and earnestly stress the public-interest reasons for support of the bill.

The only way out of regulatory chaos is to demonstrate that here, at last, is a bill for the long-range benefit of the consuming public.

STATEMENT BY SENATOR DOUGLAS

Last Tuesday another crude effort of a well-known leader of the oil-gas industry, with campaign contributions, to bull through the passage of legislation to remove producers' prices of natural gas from effective regulation was made public. It was then generally assumed that the Harris gas price increase bill was dead—at least for this session. Even such an astute political observer as Hon. JOSEPH W. MARTIN was reported to have expressed the view that the legislation would not pass this year.

But those who believed and believe that the Harris bill is dead, underestimate the recuperative powers of this particular legislation. It rivals the cat with nine lives.

This oil-gas industry proposal has been introduced in varying forms in different Congresses going back more than 10 years. Twice it was vetoed, once on the merits and once in the wake of arrogant lobbying efforts that created a scandal. But the stakes are high. The owners of the oil and gas reserves would have their wealth increased by 25 to 30 billion dollars if this bill were to become law. The producers' income—and the consumers' cost—would rise by an estimated $700 million annually. The temptation, the prize, is just too great to expect the giants of the oil-gas industry to give up the fight. They have not given up the fight.

This is revealed by an authoritative spokesman for the industry, the Oil and Gas Journal, which in its issue of February 17, 1958, announces that all is not lost, the Harris bill can still be passed and that a new strategy has been evolved. The plan is to delay action on the bill, regroup oil's shattered forces in Washington, and work harder.

On page 61 of the same issue of the Oil and Gas Journal, the new strategy is spelled out in some detail in an editorial. The Journal says that the industry must try to convince the Congress that the gas bill, 1958 version, is not an industry bill, not a producers' bill, not even an oil-gas bill, but a bill "primarily in the public interest." Then on pages 62 and 63 in An Open Letter to the Congress on the Harris Bill, the industry publication says: "H. R. 8525 (the Harris bill) is different from previous gas bills. The Harris-Fulbright bill—vetoed by President Eisenhower in 1956—was, frankly, a 'producers' bill.' So was the Kerr bill, vetoed by President Truman in 1950. This new bill, H. R. 8525, is not."

Certainly the new Harris bill is different. It has a new number. It has a new date. Half its name is new. It is in a new form. But, it serves the same purpose—removal of producers' prices on interstate sales from effective regulation in the public interest. The gas bill, 1958 version, is supported by the same oil-gas producer interests that supported the vetoed bills of 1950 and 1956. The 1958 version uses the same phony standard as in the 1956 bill, "reasonable market price"—which means whatever the traffic will bear—to try to fool the public into believing that the Federal Power Commission would still have regulatory authority over producers' prices. Interestingly enough, the Oil and Gas Journal two-page Open Letter to Congress omits this key fact, describing it vaguely as a "value approach."

The Oil and Gas Journal attempts to argue that the Harris measure is not a producers', pipelines', or distributors' bill, but that it is a public interest bill. But who wrote the bill? It appears to be generally conceded that the producers, the pipelines and the distributors furnished the basic draft. Chairman Kuykendall admitted in testimony before the House Interstate and Foreign Commerce Committee that he called upon selected representatives of these three elements of the industry to assist in drafting a bill. He and others revealed that industry spokesmen on their own initiative also worked on a draft, and that there was no attempt to bring representatives of the consumers into these drafting sessions. In fact, FPC Chairman Kuykendal told the House committee that he did not know of "sufficient consumer groups" who could have been brought in.

Of course, more than three score mayors, dozens of State utility commissioners, many governors, and a long list of consumer groups have been publicly opposing such legislation for some years. These individuals and groups representing the public's interests, the consumers, were not in on the drafting of the Harris bill, but they have stated their vigorous opposition to it. I submit that the mayors, governors, utility commissioners, and other consumer representatives are better able to tell the Congress where the public interest lies than is the oil-gas industry.

One of the most interesting aspects of the open letter that the Oil and Gas Journal

has sent to all Members of Congress is that while they claim that the Harris bill is different from previous gas bills, the arguments they use to support its passage are virtually identical to those used in support of the Harris-Fulbright bill in 1955 and 1956 and the Kerr bill in 1949 and 1950. I don't blame the oil-gas forces for not having changed their arguments—the essential aim and effect of the legislation have not changed. Its principal supporters and beneficiaries remain the giants of the oil-gas industry. Its principal opponents remain the mayors, governors, public utility commissions, and public interest groups from gas-consuming areas.

The Oil and Gas Journal articles give us fair warning that the gas bill is not dead. It is just being delayed "until the fire is cooled," to use the expression of the distinguished Member of the House quoted in the Oil and Gas Journal.

The opponents of the bill, therefore, would be well advised to continue to bring the issues involved in the substance of the gas bill before the American people. I hope there will be no relaxation of the effort to educate the public and the Congress on the true demerits of the Harris bill.

The fact that political leaders and Members of Congress are aware of the improper methods used to advance the gas bill is well and good. But quite apart from those disclosures, the bill is contrary to the public interest and should be argued and defeated on the merits. The improprieties of the industry boosters of this legislation merely afford a further opportunity to bring out the true facts about the bill while public attention is focused on it.

Essentially the bill would remove effective Federal regulation of natural-gas producers' prices on interstate sales and leave the more than 24.5 million natural-gas-consuming families the captives of the producers. Because of the distribution system, competition does not operate to keep producers' prices just and reasonable. On the basis of current prices demanded in the field, consumers' costs can reasonably be expected to be $700 million more annually than they are now if the bill should pass.

No one would profit from the passage of the bill except the gas producers, and the great bulk of our natural gas is produced by a few giant oil-gas companies and a handful of large pipeline companies. These oil-gas companies are about the most profitable enterprises in America today.

I want, therefore, to congratulate the mayors, governors, and others who have been taking this issue to the people. I hope they will keep it up and not relax their efforts. Thus, they may help us to defeat this measure on its merits.

Case Institute of Technology

EXTENSION OF REMARKS
OF
HON. WILLIAM E. MINSHALL
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 20, 1958

Mr. MINSHALL. Mr. Speaker, at this moment, when America is concerned as never before with the quality of its engineering and scientific education, I would like to pay tribute to a Cleveland institution that has been a dynamic force in engineering education for more than three-quarters of a century. Case Institute of Technology, a privately supported school of engineering, science, and management, has recently more than redoubled its efforts to provide the trained leadership this Nation demands. The dramatic story of the progress of Case is told by T. Keith Glennan, in a recently issued report summarizing his 10 years as fourth president of Case Institute of Technology. This report gives definite proof that his institution has had the foresight to recognize our need for quality in preparing for the challenge of the future. Under Dr. Glennan, Case Institute has made progress at a rate unparalleled in the history of American technical education. It has become, in the past decade, one of the outstanding engineering schools in the entire Nation, pioneering in such fields as operations research, management development, nuclear physics, and aerodynamics.

Fortunately, the contributions of Case and Dr. Glennan are not only recognized in Cleveland, but in an increasing broad area across the Nation. An editorial in the Cleveland Press, headed "Ten Exciting, Useful Years," said:

By any yardstick, the growth of Case Institute of Technology in the past 10 years has been spectacular. The physical plant has doubled. The faculty has expanded from 132 to 184 and, by the academic measure of degrees and other honors, has also increased immeasurably in distinction. The financial resources of the school have been tremendously strengthened and faculty salaries have been raised by half. Case has, as well, substantially increased its student body, thus responding ably to the immense pressure for more and better engineers. This report is brimming with detail, but it is notably silent on what is unquestionably the main reason for the progress it describes. That reason is Glennan himself. He has projected Case into the front rank of engineering schools, and the exciting forward thrust which has carried it upward shows no signs of faltering.

The Cleveland Plain Dealer had this to say, editorially:

Case Institute of Technology has been taking giant strides, and President T. Keith Glennan provides informative and impressive reading in his current report in which he summarizes his 10 years at the helm. For the future of Case, President Glennan notes the need for other buildings (a $6.5 million campaign is in progress) and still more buildings after 1960, as its part in the extensive University City—the circle master plan announced 3 months ago.

In all of this progress—future as well as past—money must be mixed with brains. That Case has a tremendous array of intellectual leaders from Dr. Glennan on, is amply proved day after day in classrooms and labs. That it must be generously supported with gifts from business and individuals must be remembered and repeated. The reason our material progress is at the level we enjoy, and the reason we can hope to see that level elevated is that Case and schools like it have functioned as free institutions guided by dedicated men.

Another excellent summary appeared in the editorial columns of the Cleveland News. It said, in part:

The fine vision and progress of Case Institute of Technology over the last 10 years has been, in a sense, anticipatory: the school is now geared to meet the great industrial and scientific challenge which confronts the Nation. Case Tech has enlarged its stature and influence tremendously. Behind this promotional enterprise and revision of curriculums are the drive, foresight, and personality of Case's fourth president, Dr. T. Keith Glennan, its astute board of trustees, and a vitalized alumni.

Cleveland is proud of Case and its scholarship and the guiding genius of Dr. Glennan. Its direction is clearly toward an even larger future.

These quotations are an indication that the American people are not only aware of the continuing and increasing importance of education, but that in institutions like Case and its president, we have had the educational leaders who early set themselves to work to assume their responsibilities to this Nation.

Right of the Blind to Self-Expression and Organization

EXTENSION OF REMARKS
OF
HON. WILLIAM E. PROXMIRE
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES
Thursday, February 20, 1958

Mr. PROXMIRE. Mr. President, S. 2411, introduced by the junior Senator from Massachusetts [Mr. KENNEDY], is, I believe, a most worthy and desirable piece of proposed legislation. The bill aims to protect the rights of our blind citizens to self-expression through organizations of their choice.

In my State of Wisconsin there is one of the most active components of the National Federation of the Blind, and also one of the most outstanding leaders of the movement, Mr. George Card, of Madison. Mr. Card and his organization have obtained in Wisconsin one of the most enlightened programs of rehabilitation and assistance for the blind that exists anywhere in the country.

I am, therefore, happy to support the proposed legislation, which will guarantee the rights of blind citizens elsewhere to achieve the same results through organization.

Similar bills have been introduced in the House of Representatives. My good friend, the Honorable CLEMENT ZABLOCKI, of Wisconsin, is the author of such a bill. I hope that these bills will receive the rapid and favorable consideration they deserve.

Mr. President, I have prepared a statement in support of this legislation, and I ask unanimous consent that it be printed in the CONGRESSIONAL RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR PROXMIRE

America is the Nation which above all others is dedicated to the protection, development, and dignity of the individual. The architects of our Constitution were zealous to erect the strongest possible protection for the rights of the individual. The individual is guaranteed the right to speak as he likes, write as he likes, worship or not worship as he likes. He is fully protected from unreasonable searches and seizures, from cruel or unusual punishment, from the abrogation of his contracts and so forth. In the judicial processes his rights are treated with the utmost deference, even at the risk

of delay, obstruction or frustration of justice. In a myriad of ways the law demonstrates its solicitude for the individual, no matter how far he seems to have removed himself from the pale of society.

And this solicitude pervades all phases of our thought and all our institutions. In education, we strive to give the child every opportunity and every encouragement to develop his own special talents and interests, with the minimum of compulsion. In medicine, the last flickering spark of human life must be preserved to the last possible moment. In religion, every shade of doctrine and ritual has its adherents and its expression. In business, we still cling to the ideal of affording everyone the opportunity to stake his judgment and skill in the area and manner of his choice. In the field of social work, everything possible is done to redeem the criminal, to salvage the delinquent, to heal the mentally deranged, to develop the retarded and occasionally even to facilitate the blossoming of genius and to educate, train, and assist the physically disabled. We revel in the ability of an individual to triumph over adversity and nullify the decrees of birth and circumstance.

It has long been recognized that the individual cannot attain the fullest measure of expression and achievement unless he is free to associate and combine with other individuals in similar conditions or with similar aims and aspirations. Thus, included among the rights which were enshrined in the Constitution is that of freedom of assembly. Even in the frontier community where rugged individualism probably reached its most luxuriant fruition, each man was dependent upon the cooperation and support of his fellows. The society of Davy Crockett and Johnny Appleseed was also the society of the quilting bee, the husking bee, and the vigilante committee.

As the Nation grew in size and in complexity, it became ever more difficult for the lone individual to combat the forces of nature and of society without the help of his fellows. Since the power of big business, big government, and big labor burgeoned, the isolated individual became ever more helpless. But by joining his efforts and his influence to those of his fellows with similar goals, his strength was multiplied manyfold. He could improve his living conditions, exchange valuable information and experience, wrest concessions from government, or remove inequities and discriminations.

A large group of our blind citizens have found that they must unite to advance their own interests. Excluded from normal participation in most other groups, they feel the necessity for uniting their strength with that of their fellow blind. Being confronted with deeprooted prejudices and misconceptions about the blind, they feel impelled to join in a concerted assault to remove them by a well-designed and well-directed campaign of education. Being confronted by problems of adaptation and improvisation in which the experience of other blind people can be of immeasurable assistance, they have found it necessary to come together to exchange ideas.

The blind, therefore, have formed organizations in various communities throughout the country. These have affiliated into State organizations in 44 States, which in turn are federated into one national organization, The National Federation of the Blind, which aggregates a membership of 40,000. I am proud that my own State of Wisconsin has contributed not only one of the most active components of this organization, the Wisconsin Council of the Blind, but that it is the home of one of the most outstanding leaders of the movement, Mr. George Card, of Madison, who has given most lavishly of his time, his energy, his deep understanding, and his varied and considerable abilities. He holds the office of first vice president of the federation, fund-raising chairman, unofficial organizer, editor of its official organ the Braille Monitor, representative on the World Council for the Blind, and a unique place in the esteem and affections both of his fellow blind and of his fellow citizens in general.

The work of the Wisconsin council reflects the wisdom and persistence of Mr. Card and many other able blind citizens of my native State. The organization has fought for and obtained in Wisconsin one of the most enlightened programs of rehabilitation, of vending-stand administration, and of financial assistance for the blind that exists anywhere in the country.

The organization contains as one of its components a group of vending-machine operators who meet regularly to exchange experiences and ideas for improving their businesses, and every one of whom was enabled to become established in business because of a loan from the organization.

Another branch of the council is an organization of vending-stand operators who have combined to make the Wisconsin vending-stand program one of the most outstandingly successful in the country.

Another project which this organization of blind people conducts is the Badger Home, where living accommodations and board are provided to blind people at cost.

Still another is the sponsorship of a visual-aids clinic, where glasses can be procured which enable persons to read who have only a very slight amount of residual vision. Largely through the efforts of this organization, Wisconsin has an outstanding record in the placement of blind people in competitive industry, commerce, and the professions.

These successes were achieved through organization by Wisconsin's blind citizens by their own concerted and effective efforts, and against some resistance. Wisconsin now recognizes the value of its organized blind movement, but unfortunately, blind citizens have not found this to be the situation everywhere. In some instances, they find the blind are still regarded as wards who must be kept under constant surveillance and supervision, rather than stimulated and helped to attain self-reliance and self-support as they desire. Many of the blind need the services of agencies which are still particularly vulnerable to these misconceptions of the needs of the blind. For this reason, the federation has asked Congress to protect the constitutional rights of blind citizens to freedom of expression and assembly.

S. 2411, introduced by the Senator from Massachusetts [Senator KENNEDY], would afford this protection by requiring the Secretary of Health, Education, and Welfare to institute procedures assuring that Federal administrators will not interfere with the rights of the blind to organize. The bill would also make grants to the States dependent on State administrators and employees desisting from such interference. And finally, the bill requires the Secretary to consult with organizations of the blind in the formulation of policies affecting the blind.

I believe this legislation is both necessary and desirable. Surely this Nation, which values so highly the rights of the individual, will not withhold its protection from this small but worthy group of individuals. Surely it will encourage them to realize their fullest potentialities by uniting for mutual assistance and protection.

Surely the experience, the understanding, and the vital interest which they have in the solution of the problems of the blind should be tapped by the formulators of governmental policy through consultation with them. There are many who will give the Department of Health, Education, and Welfare the approach which regards the blind person as a statistic, a problem in social engineering, a Mr. X in a social casebook, or a subject for medical experimentation. But where else except from these organizations of the blind can it learn the impact of blindness upon the life of human beings, the insight that is gained by human experience, and the inspiration that is generated by the undaunted human spirit?

Our governmental experts ought not to be permitted to disdain this human experience, insight, and inspiration. The bill introduced by Senator KENNEDY will facilitate its fullest development and expression. I shall give it my unqualified support, and I urge my colleagues to do likewise.

Address by Hon. Hubert H. Humphrey, of Minnesota, Before Minnesota Association of Student Councils

EXTENSION OF REMARKS

OF

HON. HUBERT H. HUMPHREY

OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

Thursday, February 20, 1958

Mr. HUMPHREY. Mr. President, it was my privilege to address the Minnesota State Association of Student Councils at their annual meeting in Thief River Falls, November 8, 1957.

This student council association represents the elected study leaders of our Minnesota high schools. Here we find bright, alert, inquiring young minds seeking answers to the many perplexing issues which confront our society. It is always a real privilege and a challenge to speak to this group.

I ask unanimous consent to have printed in the CONGRESSIONAL RECORD the text of my address prepared for the annual meeting of the Minnesota State Association of Student Councils.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BEFORE MINNESOTA ASSOCIATION OF STUDENT COUNCILS BY SENATOR HUBERT H. HUMPHREY, NOVEMBER 8, 1957

Every time I think about those Russian satellites sailing over our heads every 90 minutes, the thought is brought home hard to me that some 150,000 topnotch young Americans, this year, and last year, and the year before that, did not go on to college—just because of financial difficulties. One hundred and fifty thousand students out of the top echelon of their classes in high school did not go on to study in college—just because of a lack of means to pay for college.

How many of those who did not go to college 10 years ago, for that same reason, would now be available to help our country in its desperate shortage of scientists and engineers—had they had the chance?

Every time I get a briefing from the State Department specialists on the Middle East, or India, or any other part of the Asian-African world where the United States vital interests are increasingly concerned, I am appalled once again by the fact that only a handful of Americans can talk the language of the peoples of Asia and Africa—let alone of Europe. The lack of a common language is an almost unsurmountable barrier at times to the transmission and exchange of ideas. Yet too few American students today are preparing through language and area studies

for the challenge of America's growing role in these vast, underdeveloped areas of the world.

The last 10 years have seen almost incredible changes in our world.

Atomic energy—with all its shattering dangers and unlimited opportunities—is intruding into our lives more each month. We have a bear by the tail, a locomotive that threatens to run away down hill with us. We have to tame this great power before it enslaves us, or destroys us.

The beep-beep-beep of the first Russian satellite told us that we have crossed another threshold—into the age of space flight.

No longer is it idle speculation that man may some day reach the moon and the planets. The new speeds of today—of a revolutionary nature—are destroying all our old ideas of space and distance, revolutionizing military strategy, revealing new concepts of communication and travel.

These profoundly important technological breakthroughs have made almost desperate the problem of providing enough scientists and technicians of sufficient quality to regain, and hold, world leadership in the technological race.

But the vast political changes in the world, in the relationship between nations, the breakup of the old colonial empires, the creation of a new Soviet empire headed by ruthless and tenacious leaders, the birth of new nations, and the rising tide of nationalism in Asia and Africa—these political-social changes in the world pose an equal challenge to American leadership.

They dramatize the imperative need to find among our young people, not only brilliant research and technical workers, but also leaders for the next generation in every area of our social and economic life.

If we needed more scientists and technicians 10 years ago, we need them doubly now. If we needed then more young people trained to work with the peoples of other nations, and to lead our own, we need them doubly now.

If we needed in 1947 to seek out and encourage creative, industrious, intelligent men and women for every field of American effort, that need is more imperative, more desperate than ever before.

For the truth of the matter is that the backward peasant nation that was the Soviet Union even 30 years ago has raised itself—at what cost in human suffering and the loss of human dignity we can only estimate—to a high level of technological accomplishment. This remarkable feat cannot help but attract the young nations of the world who are themselves now taking their first faltering steps out of their age-old poverty and domination by colonialism. The sputnik merely dramatizes the whole broad field of Soviet accomplishments.

It is not only Soviet missiles and rockets that face us. There is, indeed, a formidable Soviet military challenge, in the form of intercontinental ballistics missiles, in a vast fleet of missile-equipped submarines, and in its huge standing army. We do face a shrewd and ruthless Soviet leader—not at all adverse to the use of threats and of force, if need be. And it is literally true that we have, through the most incredible kind of complacency, permitted the Soviet Union to leave us some months, and perhaps years, behind in rockets and missiles.

But make no mistake about it. It is not only Soviet missiles and rockets we face. Nikita Khrushchev has thrown down the gauntlet across the board. He boasts that the Soviets will be supreme in nuclear power, in consumer-goods production, in cultural activities, in agricultural production, in education.

Yes, the new nations of Asia and Africa, representing the great uncommitted weight of the world's manpower and resources, are watching intensely the onrushing Soviet drive in science and technology.

It is time we realized that the Soviet is waging all-out war on us, and that we are locked in a struggle which will demand every resource of our intelligence and our spirit if we are to survive. We are in a one-game world series and we cannot afford to lose any more innings.

The two sputniks are signs in the sky that the race between the Soviet world and the West has entered a new, a deeper, a more profound dimension. We have been shocked into a realization that we must engage the Soviet in every area in which human intelligence can be brought to bear but our own leaders have not yet charted the way for our Nation to pull itself out of the spiritual and psychological doldrums of the past weeks.

We should not fear this competition. We should welcome it.

First of all, we must decide to compete.

That is a decision which must be taken by the President, specifically, but ultimately it must be taken by us all, as a people, as a Nation. I am not sure that either the President or our people have yet actually made up their minds that we must compete. We have not yet faced up to the implications of this competition. We have not really assayed the costs in energy, in money, in worry, in sacrifice, to compete effectively with the Soviet Union, across the board.

A second great decision we must make, if we are to compete effectively, is that there must be a fundamental change in America toward the intellectuals—the scholars in our midst.

What America needs is more eggheads and fewer fatheads.

I agree.

Anti-intellectualism—the fear and distrust of thinking people—is a disease we simply must stamp out. We cannot afford any more the luxury of laughing at eggheads as too often some have done, or of suggesting there is something treasonable about being an intellectual.

It was Soviet eggheads who got the sputniks off the ground, and it will be American eggheads who get our Nation off the ground—if we but give them the support they need!

Frankly, I am on an egghead search. I am looking for more scientists and engineers, more gifted young people in every field of American effort.

And I predict that since the launching of the two sputniks, the whole country will be out looking for eggheads before long. We have them. They are here. You have quite a collection right here in your auditorium. But one needs to find them all, to encourage them, to help them.

Not all eggheads are geniuses. Not all eggheads are potential scientists and engineers. An egghead is simply a thinking, reflecting person, who may well have a strong streak of creativity in him—or her. The basic hallmarks of the egghead are concern primarily with ideas, a restless, inquiring mind; a dedication to something higher and outside himself.

Some are hard boiled and some are soft boiled—but we need them all, and it is high time that the American people and our United States Government decided to make it possible for a far higher percentage of young potential scholars to move up into positions of leadership!

I have indicated my distress over the fact that 150,000 bright young Americans every year do not even go on to college after high-school graduation because of financial difficulties of one kind or another. But how many thousands more promising young people have to drop out of college after a year or two, for the same reason? We know it is the leading cause of dropouts after the freshman year. How many truly brilliant scholars find it necessary to forgo postgraduate work because they have to get out and make a living for their families?

I just don't think we can any longer afford to look on these losses among our budding intellectual leadership as something that isn't our business and our Nation's business.

We can no longer view these drop-outs and failures to proceed educationally as simply personal tragedies. They are—each and every one—a loss to us all, a loss to our society, a loss to the Free World.

Every time a gifted young man or woman fails to go on to college, or has to drop out of college because of a lack of financial support, we lose a battle in the cold war. In this total struggle between ways of life, we must engage the enemy in depth. We must have reserves. We must look far into the future.

There are many, many things we can do to cut our losses of this nature, and to make sure that we are using effectively all the vast creative forces that lie within the ranks of our young people today. I shall outline for you in a moment some of the things I believe our Federal Government can and should do, through new legislation, to prevent this tremendous waste of good brainpower.

But I want to emphasize that not everything can be done through the Federal Government. The task of providing genuine educational opportunity for our young people must inevitably fall largely to our local communities and school districts, our school boards, and the local taxpayers who provide the salaries for teachers, and the classrooms and the books.

It is also a very real challenge to student councils.

We must have more teachers, and we must have better teachers. That means higher teachers' salaries, so that a teacher can afford to work at only one job, so that he or she can afford to take further training during the summer months. An average salary of $4,420 is unthinkably low.

Industry's higher salaries are bidding away our teachers—particularly our science and mathematics teachers. Just to cite one figure—only about half of the chemistry and biology teacher graduates in 1956 actually went on into the teaching profession.

Last week at Chicago, at a conference of more than a thousand educators and laymen interested in education, the point was made over and over again that high-school students are capable of handling much more solid intellectual fare than many are now receiving.

I think that you will agree with that. The quality and the intensity of our higher education can be rather sharply increased, by changes in the curricula. This would have two important effects: to give those who are going on to college a running start, and to interest and motivate many young people who perhaps would not otherwise seriously consider going to college.

For several years I have been striving to bring to the attention of our executive department the growing and now desperate shortage of scientists and engineers as compared with the Soviet Union. Just to show you the caliber of the opposition, and the degree to which a Russian high school graduate is being force fed with scientific education—a recent estimate indicates that such a graduate will have had 10 years of mathematics, 4 of chemistry, 5 of biology, 5 of physics, and 1 of astronomy. Shades of the sputnik. This is all before they go on to college.

Here again, student bodies themselves, through their student councils could make a real contribution, in terms of expressing student sentiment for a more challenging curriculum.

Again I want to emphasize that we should not put all our eggs in one basket by concentrating on the education of scientists and engineers to the exclusion of all other professions. But the Russian data surely demonstrates that many American high school students could take a considerably richer diet

of education, with a strong seasoning of the physical sciences.

Now, what can the Federal Government do to help in this gigantic national effort which our people must make to provide the yeast of opportunity for the gifted young people among us?

Many things can be done.

Let me touch on some of the high points embodied in legislative proposals I made and introduced in the United States Senate in January of this year—supplemented later in the session, and to which I plan to add this coming January.

I call it my youth-opportunity program, and if it was vitally important before the sputnik began sailing over our heads, it is doubly important now.

DIRECT SUPPORT OF STUDENTS

First of all, we need a really intensive program of Federal scholarships, administered on the basis of merit and need. We need to make available at least three times as many scholarships as are now available through private and industrial sources. In my Student-Aid Act of 1957, I have proposed 40,000 such scholarships each year—carrying up to $1,000 grant per academic year. My best estimates of current average annual expenses of college students are nearly $1,200 for students in publicly owned institutions and about $1,700 for those in privately supported institutions.

With such a program alone, we ought to be getting into college three out of four of the top 25 percent of the high-school graduates—instead of two out of four, which we are now getting.

In the same bill I have proposed a long-term, low-interest loan program for college students—loans to be made by the colleges themselves and insured by the Federal Government, much as we insure housing loans through the Federal Housing Administration. Such loans could be made up to a maximum of $1,000 to any one student in any academic year, and would postpone the first repayment until 4 years after completion of full-time education. The total program would involve a Federal loan insurance of up to $25 million in any one year.

You may be interested in a special feature of this loan provision. The bill provides that a college graduate who enters the teaching profession upon graduation may write off his loan, a certain percentage of the loan being forgiven for each year he or she remains in the teaching profession. This is an incentive that would keep many young people from taking the jump out of teaching in those first years of typically low teaching salaries.

Last March I introduced another bill with special applications for the teacher shortage, and for the upgrading of teaching quality. It would permit teachers to deduct up to $600 per year in their Federal tax reports for expenses incurred in improving their qualifications through college courses. Incredibly enough, a lawyer can deduct the cost of attending a tax or real estate institute, an insurance man may deduct for a short course in new methods of writing insurance, a doctor can write off a refresher course on the use of antibiotics, and an actor can deduct a course in physical culture for the purposes of losing weight and thereby keeping in good condition. But a teacher who goes to summer school or takes courses during the winter toward an advanced degree or simply to broaden her professional competence cannot deduct the cost. My bill would permit a deduction of up to $600 each year for such extra expenses.

Getting back to direct support of students, I am a strong advocate of the GI education bill. This fine program gave hundreds of thousands of World War II and Korean veterans a lasting reward for their service to the country, but it was also a program of almost infinite value to our country. Since January 31, 1955, men and women who enter the armed services no longer have the opportunity to attend college under the GI bill. I think they deserve the opportunity. The demands of military service are as rigorous today as they were in January 1955. As long as we are requiring young men to serve in the armed services through selective service, we ought to have the GI bill for them.

During the last session, my bill, S. 667, had extensive hearings before the Committee on Labor and Public Welfare. Practically every Minnesota college and university president publicly supported the bill. Unfortunately, there has not been until now a sufficient sense of urgency among our people as a whole to persuade Congress to pass this bill. The administration has opposed the bill. Perhaps now the climate is changing for the better, and we may have favorable committee action and passage by Congress of this legislation at the next session.

GRASSROOTS AMBASSADORS

I am also preparing a different kind of scholarship program—a specialized program to produce what I call grassroots ambassadors. In my observation as a member of the Senate Foreign Relations Committee, I am more and more impressed with the shortage of trained, qualified, dedicated Foreign Service personnel. And we need technicians as well as diplomats; we need young people who can speak other languages, who have a zeal to serve the cause of freedom by a willingness to work among other peoples anywhere in the world.

We need to encourage young men and women to dedicate their lives as grassroot ambassadors, both in international public service and international private service for churches, foundations, and private enterprise.

We need more young people trained in diplomacy, with a broad liberal-arts background, to invigorate our posts abroad. But we also need young people who go abroad armed with technical knowledge, trained to get across practical ideas on sanitation, nursing, on farming, engineering, and construction methods, to people at the neighborhood and village level. We need young people who can speak the language of the region and understand the customs and mores of the people with whom they are working.

I am convinced that we need a Foreign Service Academy to provide us with most of our professional diplomats, and I intend to introduce legislation to this effect. But we can also proceed right now, without constructing one building, to get an incentive program under way in our colleges and universities to provide a corps of young men and women to carry out a technical-assistance program and a foreign-economic policy which could also accomplish wonders in winning the understanding of the peoples of Asia and Africa.

These young people should be carefully selected for their personable qualities as well as for their intelligence, for their ability to get along under unusual conditions as well as for their technical skills.

They should be drawn from all levels of our population, from all parts of the country, especially from farm families and the families of workingmen, from our people who have themselves known difficulties, who have had to work hard with their minds and their hands. These are the kind of young people who could make contact with the peoples of Asia, Africa, and South America, who can talk their language—both literally and philosophically—who have the common touch. These are the kind of people we ought to have in India and Pakistan and Indonesia—good, solid American young men and women, tough-minded and practical and knowledgeable.

From these grassroots ambassadors could come future Foreign Service career diplomats, as well as future commercial representatives overseas. And from those who eventually return to careers in the United States will come leaders in American public life who will bring to the Government and education the invaluable experience of detailed knowledge of peoples and places which are for the most part today unknown to most Americans.

COLLEGE WORK-STUDY PROGRAM

Another student-aid proposal which I believe will merit careful Congressional study and for which I am preparing legislation is the establishment of a college work-study program based on the highly successful National Youth Administration program which expired in 1943.

Between 1935 and 1943, more than 2 million different students were helped to continue their college educations in useful work at American colleges and universities, under the NYA. I have found a very considerable interest among educators today in reviving some similar work-study program which would not only provide income for students in jobs which are closely allied to their studies, but would also help to relieve the crushing workload now being imposed on our college staffs and faculties.

All of these proposals can help the superior student who has made up his mind to go on to college.

But the problem of finding, identifying, and encouraging these superior young people while they are still in high school is as important a program as making it financially possible for them to go on to college.

Here I think is a real role to play for student organizations, student councils. Few persons are more qualified to judge the capacity and intelligence of a student than his fellow students, many of whom have known him for many years, know his family background, his integrity, his capacity for work far better than it may be possible for teachers.

There is a real challenge to student organization here. There is the challenge to develop systematic procedures to steer promising students into college. And there is the equal challenge to encourage promising students even at the freshman and sophomore levels to take courses which will help prepare them to go on to higher education.

Social pressure, as we all know, is a powerful and pervasive influence on the actions of an individual. It can be a force for good, or for bad. Too often, I am afraid, there has been a climate of disapproval in high-school student bodies for those individuals who are serious about their studies. Just as our Nation as a whole must reconsider its tendency to regard intellectuals as people who are somewhat odd and even suspect, I think that leaders in our high schools have a duty to mold student-body opinion into a more favorable climate for the eggheads in their midst. I said that I am on an egghead hunt. Let me invite you to join me. Let me urge you to make it your personal business as student leaders to look for the other eggheads in your high school. Most of you are the fortunate kind of egghead—the kind who has drive and initiative, and rises quickly to leadership. Not all eggheads, you know, have that ability. Many are shy, retiring. Many are slow starters. They need a helping hand—and no one is better equipped to give it to them than you are.

Do your part to help find our potential leaders in science and industry, the profession, in Government. And I shall try to do mine—to provide these young people with the opportunity they deserve, and which our Nation's own vital self-interest demands, the opportunity to develop their talents and faculties through higher education.

In the generations of struggle which face us and our friends of the non-Communist world, it will not be me, but you and your children, who will decide the issue. It will be your faith and your dedication and your intelligence that will determine whether the world will be free or slave.

Let us hope and pray that my generation will have the foresight and the courage to decide now, before it is too late, to provide you with the opportunity and the training to carry on the battle on at least equal terms.

Conservation and the Nation's Farm Programs

EXTENSION OF REMARKS

OF

HON. ALBERT GORE

OF TENNESSEE

IN THE SENATE OF THE UNITED STATES

Thursday, February 20, 1958

Mr. GORE. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an able address delivered by Representative HAROLD D. COOLEY, the distinguished chairman of the House Committee on Agriculture, at the annual meeting of the National Agricultural Limestone Institute, in the Hotel Statler, in this city, on January 22, 1958.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

CONSERVATION AND THE NATION'S FARM PROGRAMS

(Address by Representative HAROLD D. COOLEY at the annual meeting of the National Agricultural Limestone Institute, Inc., Hotel Statler, Washington, D. C., January 22, 1958)

Mr. Chairman, I am very grateful to you and to the members of your organization for this opportunity to speak to this fine audience, which includes many of my colleagues in Congress, on a subject which is very close to my heart.

The subject is Conservation and the Nation's Farm Programs.

The subject is calculated to cause me to feel the urge, the dedication and the drive of an evangelist. Although I have never pretended to be a preacher, I like the gospel of conservation.

Nature does not promise to build civilizations nor to establish dignity and peace on earth and among men.

There is no penalty in nature more certain nor more severe nor more precise than that meted out to man and to nations that abuse and destroy the resources of the good earth.

Look back, if you will, through the ages and think for a moment how man has exploited his stewardship of the land. See the sad and sorry consequences—the harsh testimonials of land exploited. Turn back to biblical times.

Babylon, once a rich and beautiful city, now is desolate.

Nebuchadnezzar's famous stables are now buried deep in deposits of sand and loam.

In north Syria among Alleppo, Antioch, and Hama, there lie the skeletons of the flowering villages of biblical times, embraced in bare and desolate countryside. The old city of Timgad, north Africa, is today an abandoned ruin.

Indeed, at the traditional site of the Garden of Eden, in old Mesopotamia, the land is barren; it is ruined and forsaken.

Turn in your Bible to Jeremiah 12: 10–11, American translations, where the prophet spoke:

"Many shepherds have destroyed my vineyard, they have trampled down my portion; they have made my pleasant lot a desolate waste. They have made it a desolation, in its desolation it mourns to me, the whole land is made desolate, because no man layeth it to his heart."

Mr. Chairman, ladies and gentleman, these citadels of civilization fell victims of soil suicide.

History's pages are filled with the accounts of kings, their wealth, their slaves, their laws, their might, their victories and their defeats. These old civilizations have vanished. Their decline and ultimate downfall was not usually by the turn of events on a battlefield, but from the ruin of their farm lands in the milleniums of use and neglect.

Is it not surprising then that only in recent years has the soil become a matter of concern and of national policy in America? Is it not more surprising, is it not astonishing, is it not a travesty upon the intelligence of our times—that our program, so hard won, to save America from soil suicide, now is lambasted and assailed in many places?

Our forefathers found here a land with deep and fertile soil, fortified with countless minerals. These virgin lands seemed inexhaustible. And for 150 years after this Nation was founded, our soil washed and ran down to the sea. We followed the old route of soil suicide.

It is now only 30 years since the United States took its first step toward the inauguration of a national program of soil and water conservation. Our national effort in the new field of applied soil conservation dates back, actually, to 1928, when Representative James P. Buchanan, of Texas, offered an amendment on the floor of the House to an agricultural appropriations bill, making money available for research in soil erosion on farmlands—and the amendment was adopted without dissent.

We have come a long way in so short a time.

Naturally enough, at the outset our emphasis was on halting soil erosion. Then we began paying more attention to sustaining and building soil fertility. Still more recently, special emphasis has been placed on water management.

It was by the enactment of the Soil Conservation and Domestic Allotment Act in 1936 that we began our great national conservation effort with the average farmer.

At that time the Congress, in effect, declared that it was in the national interest to have a partnership between those who produce food and all those who consume food, to stop the great wastage of our natural resources. No one is more aware than members of the National Agricultural Limestone Institute, our host tonight, of the effect of this program which we now know as the agricultural conservation program.

Within a very short time after passage of the 1936 act, millions of American farmers joined with their Government in carrying out conservation practices on the Nation's farms.

Mr. Chairman. your own industry, which had been supplying the Nation's agriculture with 1 to 3 million tons of agricultural limestone a year, expanded production so that by 1947 it furnished over 30 million tons. This, of course, meant more and better crops of clover, alfalfa, and other legumes, more conservation of the soil, and more minerals, principally calcium, in the food for use by the Nation's consumers. Other conservation practices had equally significant increases.

But, in spite of the tremendous increase in all practices we are still a long way from the goals which the soils specialists at our agricultural colleges say we should attain. For example, in the case of agricultural limestone—the colleges tell us that the farmers of the Nation should be using 80 million tons a year. This is far in excess of the peak 30 million tons used in 1947 and the 20 million tons currently being used. Examples of important practices carried out by farmers under the 1956 program are:

1. Initial establishment of permanent vegetative cover, 4.7 million acres.

2. Applying liming materials to conserving crops, 6.5 million acres.

3. Improvement of vegetative cover, 2.4 million acres.

4. Livestock watering facilities to permit better grassland management, 93,724 structures.

5. Establishing permanent sod waterways, 2 billion square feet.

I believe that every dollar invested in ACP programs has been a dollar well invested in the future security and welfare of our country.

ACP cost-sharing assistance may be used to carry out farm and ranch conservation work planned by other agencies and groups. For example, ACP often enables farmers to accomplish conservation work recommended by Soil Conservation Service technicians to soil conservation district cooperators. Also it is used to help farmers pay for practices needed and recommended on farms in watershed projects and in planting trees on reforestation projects. It is used to carry out needed conservation work on farms developed as a project of the Extension Service and other organizations.

Ladies and gentlemen, the ACP program with our other sound conservation activities, constitutes an investment to insure the future strength of this Nation. Our soil, with the brains and enterprising nature of the people who tend it, is the foundation of our strength.

Yet, this ACP program has been assailed from one end of our land to the other as a subsidy, as a Government handout, to farmers. I wonder that any person of intelligence could fall for such rot. If the detractors must pin a blame of subsidy upon someone, then let them consider that for generation upon generation our farmers have been subsidizing the consumers of the Nation, by mining their soil, using up their capital investment, because the prices paid by consumers were not sufficient for our farm families to preserve the soil or to restore it when it was ruined.

Mr. Ezra Taft Benson, upon becoming Secretary of Agriculture, began an all-out effort to destroy ACP.

Here is the story:

1. The 1953 ACP program already had been announced and commitments made to farmers before Mr. Benson took office, so there was nothing his administration could do to curtail that year's operations except to hamper the program's administration by putting the group responsible for planning the program in a service different from the service which is responsible for administering it. This organizational monstrosity persists until this day.

2. For 1954, in presenting his budget, the President made no provision whatsoever for the agricultural conservation program. I vividly recall the reaction of the farmers of my district when they were made aware of this fact. I also recall the survey of farmer opinion made by your organization, Mr. Chairman. Not only were the results of this survey sent to me by people in my district but these figures were used in our deliberations on the floor of the House.

I have checked back on these figures and want to refresh the memory of this audience by pointing up that nearly 84 percent of the farmers wanted the ACP continued and only 16 percent of the farmers supported the administration in their efforts to reduce the program. In fact about 72 percent of the farmers reported that the program in their

opinion ought to be increased more in line with the $500 million authorized in basic law, rather than reduced. Year after year, we have had telegrams read from Farm Bureau leaders in which they have advocated elimination or drastic reduction in this program. In the national survey you made of thousands of farmers 80 percent of those who said they were Farm Bureau members voted to continue ACP without a cut and 68 percent voted to increase it.

Several years ago your president was berated during our deliberations as misrepresenting farmer opinion by using biased surveys. I am sure that the surveys could not have been biased or he could not have made the statement that he would use any mailing list furnished to him and make a similar survey for comparison. In fact, my records indicate that a few years ago the Farm Bureau township directors in the State of Iowa were surveyed on the continuation of ACP, and over 85 percent voted for its continuation, while 58 percent advocated an increase. This compared wtih a vote of 95 percent favoring the program and 76 percent advocating an increase on the part of the rank-and-file farmers in that State.

Also, in the State of New York over 78 percent of the Farm Bureau members supported this program and nearly two-thirds of the Farm Bureau members wanted the appropriation increased.

It was not until the middle of March 1954 that the President submitted a revised budget for the Department and requested that we authorize a program amounting to $140 million. This was done in face of the fact that the Congress had stabilized the authorization for this program at $250 million during the recent past and despite enabling legislation which authorized Congress to appropriate $500 million for this purpose.

For its part, the Department cooperated by hamstringing the program with every conceivable gadget and restriction which the new regime could muster. All of this was calculated to make the program unpopular and unattractive to farmers. The measure of their success is attested by the fact we had to compromise in the Congress and reduce the 1954 authorization to $195 million, which was $55 million more than the President requested and $55 million less than the customary $250 million. Then, of the $195 million authorized for 1954, farmers earned only a little over $162 million. Their disgust and dismay at the program changes wrought by Mr. Benson forced many farmers to give up their conservation efforts.

3. For 1955 and 1956 the grassroots reaction against the 1954 changes was so great that the administration was forced to modify or eliminate many of the restrictions imposed in 1954. Even so, the changes were made slowly and reluctantly and only as they were forced by popular opinion. In 1956 the President requested that the authorization be decreased to $175 million. Congress paid him no heed and authorized the customary $250 million.

4. By 1957 the administration decided to adopt the ACP as its own. They made it fairly attractive, and it regained most of its popularity with farmers. They even requested the customary $250 million to finance it. Farmer participation increased.

5. As it turned out, this was only a breathing spell. The Department undertook to announce a 1958 ACP with cost shares greatly reduced and many of the most popular and needed practices eliminated. But, through the alert action of Bob Koch, in informing the Appropriations Committees what the Department was planning, the Congress took effective action to block the obstructive and dismantling changes.

6. For 1959, the story is apparently going to be the same. The President is asking us to cut the authorization for this great program exactly in half—from $250 million to $125 million. It is reasonable to expect that the Department will do its part by reducing rates and cutting out practices so as to make the program as unattractive as possible to farmers.

7. From 1954 through 1957 the opposing conservation tactics of the Department have cost the farmers of this country over $110 million and reduced our conservation efforts by twice that amount. This is shown by the fact that farmers earned during 1954–57 inclusive $113 million less than the Congress authorized.

Some of you may think these statements are too partisan. I am not attempting to become partisan in any way but I am proconservation. For more than 20 years I have served on the Agriculture Committee, and during that entire time, until last year, I served with a very distinguished and beloved statesman, Clifford Hope, of Kansas. He and I sat side by side and for more than 20 years we saw eye to eye on every major problem that came before that committee. And I know that during that entire time we were successful in our efforts to keep partisan politics out of our deliberations. And I know that during all of that time I was a good Democrat and I know that Cliff Hope was a good Republican.

While the ACP and similar programs were inaugurated by the Democratic Party I would be remiss and unfair if I did not point out to you that these conservation efforts have received the stanch support of many Republicans—including some on this platform and in this audience.

I particularly want to refer to my good friend and colleague, EARL WILSON of Indiana, who is a Republican member of the Appropriations Committee and who was the first to call to the attention of the House the crippling effect of the memorandum by Assistant Secretary of Agriculture Peterson last summer. Many of you will recall EARL'S statement at that time.

Mr. Chairman, regardless of whether a man or woman is a Republican or a Democrat, we are all aware that this assault upon the agriculture conservation program has coincided with an onslaught against the general farm program during the last 5 years.

The net result is that agriculture generally has failed to share in the prosperity of this Nation, and many of our farm families are in desperate straits.

Our farm program came into being to rescue agriculture from bankruptcy during the great depression. Its objective was parity, which the Nation had come to regard as fair and just. It was erected upon an awareness that agriculture is the only major element of our total economy that has no device, outside of the aid of Government, to pattern its production to market requirements; that farmers have virtually no bargaining power in the commerce they conduct; that agriculture, comprised of several millions of free-enterprising families, is the only major industry that does not set its prices but goes into the market place and asks: "What will you give me?"

Let us check back and make a few notes on this program.

How did farmers fair under it? For 11 consecutive years prior to 1953 the average prices paid to farmers were at or above 100 percent of parity. Farm prices now average 81 percent of parity.

Now consider the Nation's consumers. While this program has operated, American families have had available to them more and better food, for an expenditure of a smaller percentage of their total income, than in any other period of history. The average hourly wage of industrial workers will buy about twice as much food as in 1929.

What about the cost to taxpayers? The Commodity Credit Corporation supported the prices of major storable crops for 20 years prior to 1953 and, at that time, this program actually showed a 20-year profit of $13 million. For these two decades, the CCC program for all crops, including a number of perishable commodities, showed a loss of only $1,064 million and CCC investments on January 1, 1953 (inventory and loans) amounted to only $2,452 million.

During the last 5 years, CCC deficits have amounted to 4 times as much as was lost in the preceding 20 years—slightly more than $1 billion in 20 years, compared to $4 billion in the last 5 years. Meanwhile, the CCC investments in surpluses have increased threefold, from $2,452 million in 1953 to more than $7 billion as we go into 1958.

This is the story, and we cannot review it without this question:

What is the mind, what is the motive, what is the purpose of the people who are destroying the parity principle which our farmers were so long in winning and which all Americans had come to consider as fair and just?

Now, Mr. Chairman, let us turn back specifically to the agricultural conservation program.

And let me suggest here to the people in the administration who are determining policy in connection with the ACP program that they check with our Chief Executive.

In an exclusive article in the Des Moines Register by Charles Bailey last Thursday, the following practices are listed as those carried out by President Eisenhower on the three farms in Adams County, Pa., which he owns. He received payments in 1957 for carrying out ACP practices in the amount of $1,120.40. Part of those payments were for 128 tons of agricultural limestone and the rest was for fertilizer and seed. Many of the practices carried out under the supervision of Brig. Gen. Arthur Nevins (retired), the President's farm manager, are the ones which Assistant Secretary of Agriculture Peterson attempted to eliminate in his memorandum last summer.

The headlines of the article stated, "Ike Benefits in Farm Aid He Opposed," and, as Mr. Bailey said in the article, "The payments were made under the agricultural conservation program for practices which the administration has sought to eliminate from its cost-sharing program." He states further that "the administration has repeatedly tried to have Congress cut back the size of the ACP. Last year it tried to restrict the scope of the program to rule out payments for lime and fertilizer top dressing as a separate practice. In his budget message to Congress Monday (that was last week), the President again called for elimination of some practices in the ACP and asked Congress to cut the program for 1959 from $250 million to $125 million."

In other words President Eisenhower has been using the ACP just like a million other farmers throughout the Nation and he has been using the practices which Assistant Secretary of Agriculture Peterson, in his attacks upon the ACP, has been saying are the practices that should be eliminated.

I should think, Mr. Chairman, that a practice good for the land owned by the President would be good also on the lands worked by our many thousands of farmers.

In my opinion, one of the reasons why the present administrators are trying to eliminate this program is that they have not been listening to the views of the farmers. State after State has indicated it would like to have this program, not scuttled, but expanded.

I do not know a single State in the United States which has recommended through its democratically elected committee system that these restrictions and reductions be made. In my opinion one of the reasons for the great strength of the agricultural conservation program is the fact that it is admin-

istered at the local level by farmers elected by their neighbors.

We all expected much of the soil bank and yet, according to the last records which I have available, only 80,000 farmers participated in the conservation reserve program compared to over a million farmers in the ACP. It seems to me that if these two programs, the conservation reserve program and the ACP, were administered as one just as we administered the same joint effort back in the late thirties, there would be not only less confusion but also much wider farmer participation. It doesn't do us any good to write fancy programs here in Washington if they are not practical enough for farmers to utilize them.

Practically every State in the Nation had to curtail its ACP activities last year because of insufficient funds. Likewise, practically every State had more conservation reserve funds allocated to it than farmers would use.

Unless the administration can come forward with some new practicable proposals it seems to me that we should expand tried and proven programs like the agricultural conservation program instead of appropriating large sums of money in the name of conservation under procedures farmers have already proven they will not adopt. Expanding ACP to $500 million which is currently authorized by statute would accomplish a great deal more under the proper administration than all these new soil-bank plans.

While everyone is for conservation, if we cannot develop plans which the farmers of the Nation are willing to put into practice, we are no further toward our goal than if we had no plans. If the Department of Agriculture will listen to the democratically elected county committees and the State committees who, incidentally, Secretary Benson has appointed, I am confident we can formulate a program which will not only get our conservation job done but which will meet also with the approval of the consumers and taxpayers of the Nation.

Now, Mr. Chairman, I have presented these propositions honestly as I see them.

But, before concluding, I want especially to commend the National Agricultural Limestone Institute. By this meeting tonight, and on similar occasions in years past, you have thrown in your lot with the farmers of America. I pray that in some not too far distant day other great industries of this Nation will come to realize that their own interests are tied inextricably to the well-being of our farmers, and that they then will join us in our labors to frame national, bipartisan policies, free of politics, that will aid in the conservation of our soil and in the restoration of prosperity to those millions of families that live upon and work upon the land.

SENATE

FRIDAY, FEBRUARY 21, 1958

(Legislative day of Wednesday, February 19, 1958)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The VICE PRESIDENT. The Senator from Utah [Mr. BENNETT] will lead in prayer.

Mr. BENNETT. At the request of the Senate Chaplain, and since the session today is to be devoted to the reading of Washington's Farewell Address, I shall read a paragraph, in the form of a prayer, with which Washington ended a letter written to the governors of all the States, at the time when the Army was disbanded in 1783:

GEORGE WASHINGTON'S PRAYER

Almighty God, we make our earnest prayer that Thou wilt keep the United States in Thy holy protection; that Thou wilt incline the hearts of the citizens to cultivate a spirit of subordination and obedience to government; and entertain a brotherly affection and love for one another and for their fellow citizens of the United States at large. And finally that Thou wilt most graciously be pleased to dispose us all to do justice, to love mercy, and to demean ourselves with that charity, humility, and pacific temper of mind which were the characteristics of the divine author of our blessed religion, and without a humble imitation of whose example in these things we can never hope to be a happy nation.

Grant our supplication, we beseech Thee, through Jesus Christ, our Lord. Amen.

G. WASHINGTON.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, February 20, 1958, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

READING OF WASHINGTON'S FAREWELL ADDRESS

Mr. JOHNSON of Texas. Mr. President, as I understand, it is customary to have the reading of Washington's Farewell Address prior to the transaction of any morning business. If it meets with the pleasure of the Chair and the Senate and the junior Senator from Idaho [Mr. CHURCH], I suggest that at this time the distinguished Senator from Idaho proceed to the rostrum to read the Farewell Address.

The VICE PRESIDENT. Pursuant to the standing order of the Senate of July 24, 1901, the Farewell Address of George Washington will now be read by the junior Senator from Idaho [Mr. CHURCH], who heretofore has been designated to perform that duty.

Mr. CHURCH advanced to the desk and read the Farewell Address, as follows:

To the people of the United States:

FRIENDS AND FELLOW CITIZENS: The period for a new election of a citizen to administer the executive government of the United States being not far distant, and the time actually arrived when your thoughts must be employed in designating the person who is to be clothed with that important trust, it appears to me proper, especially as it may conduce to a more distinct expression of the public voice, that I should now apprise you of the resolution I have formed, to decline being considered among the number of those, out of whom a choice is to be made.

I beg you, at the same time, to do me the justice to be assured, that this resolution has not been taken, without a strict regard to all the considerations appertaining to the relation which binds a dutiful citizen to his country; and that, in withdrawing the tender of service which silence in my situation might imply, I am influenced by no diminution of zeal for your future interest; no deficiency of grateful respect for your past kindness; but am supported by a full conviction that the step is compatible with both.

The acceptance of, and continuance hitherto in the office to which your suffrages have twice called me, have been a uniform sacrifice of inclination to the opinion of duty, and to a deference for what appeared to be your desire. I constantly hoped that it would have been much earlier in my power, consistently with motives which I was not at liberty to disregard, to return to that retirement from which I had been reluctantly drawn. The strength of my inclination to do this, previous to the last election, had even led to the preparation of an address to declare it to you; but mature reflection on the then perplexed and critical posture of our affairs with foreign nations, and the unanimous advice of persons entitled to my confidence, impelled me to abandon the idea.

I rejoice that the state of your concerns, external as well as internal, no longer renders the pursuit of inclination incompatible with the sentiment of duty or propriety; and am persuaded, whatever partiality may be retained for my services, that in the present circumstances of our country, you will not disapprove my determination to retire.

The impressions with which I first undertook the arduous trust, were explained on the proper occasion. In the discharge of this trust, I will only say that I have, with good intentions, contributed towards the organization and administration of the government, the best exertions of which a very fallible judgment was capable. Not unconscious in the outset, of the inferiority of my qualifications, experience, in my own eyes, perhaps still more in the eyes of others, has strengthened the motives to diffidence of myself; and, every day, the increasing weight of years admonishes me more and more, that the shade of retirement is as necessary to me as it will be welcome. Satisfied that if any circumstances have given peculiar value to my services they were temporary, I have the consolation to believe that, while choice and prudence invite me to quit the political scene, patriotism does not forbid it.

In looking forward to the moment which is to terminate the career of my political life, my feelings do not permit me to suspend the deep acknowledgment of that debt of gratitude which I owe to my beloved country, for the many honors it has conferred upon me; still more for the steadfast confidence with which it

has supported me; and for the opportunities I have thence enjoyed of manifesting my inviolable attachment, by services faithful and persevering, though in usefulness unequal to my zeal. If benefits have resulted to our country from these services, let it always be remembered to your praise, and as an instructive example in our annals, that under circumstances in which the passions, agitated in every direction, were liable to mislead amidst appearances sometimes dubious, vicissitudes of fortune often discouraging—in situations in which not unfrequently want of success has countenanced the spirit of criticism,—the constancy of your support was the essential prop of the efforts, and a guarantee of the plans, by which they were effected. Profoundly penetrated with this idea, I shall carry it with me to my grave, as a strong incitement to unceasing vows that heaven may continue to you the choicest tokens of its beneficence—that your union and brotherly affection may be perpetual—that the free constitution, which is the work of your hands, may be sacredly maintained—that its administration in every department may be stamped with wisdom and virtue—that, in fine, the happiness of the people of these states, under the auspices of liberty, may be made complete by so careful a preservation, and so prudent a use of this blessing, as will acquire to them the glory of recommending it to the applause, the affection and adoption of every nation which is yet a stranger to it.

Here, perhaps, I ought to stop. But a solicitude for your welfare, which cannot end but with my life, and the apprehension of danger, natural to that solicitude, urge me, on an occasion like the present, to offer to your solemn contemplation, and to recommend to your frequent review, some sentiments which are the result of much reflection, of no inconsiderable observation, and which appear to me all important to the permanency of your felicity as a people. These will be offered to you with the more freedom, as you can only see in them the disinterested warnings of a parting friend, who can possibly have no personal motive to bias his counsel. Nor can I forget, as an encouragement to it, your indulgent reception of my sentiments on a former and not dissimilar occasion.

Interwoven as is the love of liberty with every ligament of your hearts, no recommendation of mine is necessary to fortify or confirm the attachment.

The unity of government which constitutes you one people, is also now dear to you. It is justly so; for it is a main pillar in the edifice of your real independence; the support of your tranquility at home; your peace abroad; of your safety; of your prosperity; of that very liberty which you so highly prize. But as it is easy to foresee that, from different causes and from different quarters much pains will be taken, many artifices employed, to weaken in your minds the conviction of this truth, as this is the point in your political fortress against which the batteries of internal and external enemies will be most constantly and actively (though often covertly and insidiously) directed; it is of infinite moment, that you should properly estimate the immense value of your national union to your collective and individual happiness; that you should cherish a cordial, habitual, and immovable attachment to it; accustoming yourselves to think and speak of it as the palladium of your political safety and prosperity; watching for its preservation with jealous anxiety; discountenancing whatever may suggest even a suspicion that it can, in any event, be abandoned; and indignantly frowning upon the first dawning of every attempt to alienate any portion of our country from the rest, or to enfeeble the sacred ties which now link together the various parts.

For this you have every inducement of sympathy and interest. Citizens by birth, or choice, of a common country, that country has a right to concentrate your affections. The name of American, which belongs to you in your national capacity, must always exalt the just pride of patriotism, more than any appellation derived from local discriminations. With slight shades of difference, you have the same religion, manners, habits, and political principles. You have, in a common cause, fought and triumphed together; the independence and liberty you possess, are the work of joint counsels, and joint efforts, of common dangers, suffering and successes.

But these considerations, however powerfully they addressed themselves to your sensibility, are greatly outweighed by those which apply more immediately to your interest.—Here, every portion of our country finds the most commanding motives for carefully guarding and preserving the union of the whole.

The *north*, in an unrestrained intercourse with the *south*, protected by the equal laws of a common government, finds in the productions of the latter, great additional resources of maritime and commercial enterprise, and precious materials of manufacturing industry.—The *south* in the same intercourse, benefiting by the same agency of the *north*, sees its agriculture grow and its commerce expand. Turning partly into its own channels the seamen of the *north*, it finds its particular navigation invigorated; and while it contributes, in different ways, to nourish and increase the general mass of the national navigation, it looks forward to the protection of a maritime strength, to which itself is unequally adapted. The *east*, in a like intercourse with the *west*, already finds, and in the progressive improvement of interior communications by land and water, will more and more find a valuable vent for the commodities which it brings from abroad, or manufactures at home. The *west* derives from the *east* supplies requisite to its growth and comfort—and what is perhaps of still greater consequence, it must of necessity owe the *secure* enjoyments of indispensable *outlets* for its own productions, to the weight, influence, and the future maritime strength of the Atlantic side of the Union, directed by an indissoluble community of interest as *one nation*. Any other tenure by which the *west* can hold this essential advantage, whether derived from its own separate strength; or from an apostate and unnatural connection with any foreign power, must be intrinsically precarious.

While then every part of our country thus feels an immediate and particular interest in union, all the parts combined cannot fail to find in the united mass of means and efforts, greater strength, greater resource, proportionably greater security from external danger, a less frequent interruption of their peace by foreign nations; and, what is of inestimable value, they must derive from union, an exemption from those broils and wars between themselves, which so frequently afflict neighboring countries not tied together by the same government; which their own rivalship alone would be sufficient to produce, but which opposite foreign alliances, attachments, and intrigues, would stimulate and embitter. Hence likewise, they will avoid the necessity of those overgrown military establishments, which under any form of government are inauspicious to liberty, and which are to be regarded as particularly hostile to republican liberty. In this sense it is, that your union ought to be considered as a main prop of your liberty, and that the love of the one ought to endear to you the preservation of the other.

These considerations speak a persuasive language to every reflecting and virtuous mind and exhibit the continuance of the union as a primary object of patriotic desire. Is there a doubt whether a common government can embrace so large a sphere? let experience solve it. To listen to mere speculation in such a case were criminal. We are authorized to hope that a proper organization of the whole, with the auxiliary agency of governments for the respective subdivisions, will afford a happy issue to the experiment. It is well worth a fair and full experiment. With such powerful and obvious motives to union, affecting all parts of our country, while experience shall not have demonstrated its impracticability, there will always be reason to distrust the patriotism of those who, in any quarter, may endeavor to weaken its hands.

In contemplating the causes which may disturb our Union, it occurs as matter of serious concern, that any ground should have been furnished for characterizing parties by *geographical* discriminations,—*northern* and *southern*—*Atlantic* and *western;* whence designing men may endeavor to excite a belief that there is a real difference of local interests and views. One of the expedients of party to acquire influence within particular districts, is to misrepresent the opinions and aims of other districts. You cannot shield yourselves too much against the jealousies and heart burnings which spring from these misrepresentations; they tend to render alien to each other those who ought to be bound together by fraternal affection. The inhabitants of our western country have lately had a useful lesson on this head; they have seen, in the negotiation by the executive, and in the unanimous ratification by the senate of the treaty with Spain, and in the universal satisfaction at the event throughout the

United States, a decisive proof how unfounded were the suspicions propagated among them of a policy in the general government and in the Atlantic states, unfriendly to their interests in regard to the Mississippi. They have been witnesses to the formation of two treaties, that with Great Britain and that with Spain, which secure to them everything they could desire, in respect to our foreign relations, towards confirming their prosperity. Will it not be their wisdom to rely for the preservation of these advantages on the union by which they were procured? will they not henceforth be deaf to those advisers, if such they are, who would sever them from their brethren and connect them with aliens?

To the efficacy and permanency of your Union, a government for the whole is indispensable. No alliance, however strict, between the parts can be an adequate substitute; they must inevitably experience the infractions and interruptions which all alliances, in all times, have experienced. Sensible of this momentous truth, you have improved upon your first essay, by the adoption of a constitution of government, better calculated than your former, for an intimate union, and for the efficacious management of your common concerns. This government, the offspring of our own choice, uninfluenced and unawed, adopted upon full investigation and mature deliberation, completely free in its principles, in the distribution of its powers, uniting security with energy, and maintaining within itself a provision for its own amendment, has a just claim to your confidence and your support. Respect for its authority, compliance with its laws, acquiescence in its measures, are duties enjoined by the fundamental maxims of true liberty. The basis of our political systems is the right of the people to make and to alter their constitutions of government.—But the constitution which at any time exists, until changed by an explicit and authentic act of the whole people, is sacredly obligatory upon all. The very idea of the power and the right of the people to establish government, presuppose the duty of every individual to obey the established government.

All obstructions to the execution of the laws, all combinations and associations under whatever plausible character, with the real design to direct, control, counteract, or awe the regular deliberations and action of the constituted authorities, are destructive of this fundamental principle, and of fatal tendency.—They serve to organize faction, to give it an artificial and extraordinary force, to put in the place of the delegated will of the nation the will of party, often a small but artful and enterprising minority of the community; and according to the alternate triumphs of different parties, to make the public administration the mirror of the ill concerted and incongruous projects of faction, rather than the organ of consistent and wholesome plans digested by common councils, and modified by mutual interests.

However combinations or associations of the above description may now and then answer popular ends, they are likely, in the course of time and things, to become potent engines, by which cunning, ambitious, and unprincipled men, will be enabled to subvert the power of the people, and to usurp for themselves the reins of government; destroying afterwards the very engines which have lifted them to unjust dominion.

Towards the preservation of your government and the permanency of your present happy state it is requisite, not only that you steadily discountenance irregular opposition to its acknowledged authority, but also that you resist with care the spirit of innovation upon its principles, however specious the pretext. One method of assault may be to effect, in the forms of the constitution, alterations which will impair the energy of the system; and thus to undermine what cannot be directly overthrown. In all the changes to which you may be involved, remember that time and habit are at least as necessary to fix the true character of governments, as of other human institutions:—that experience is the surest standard by which to test the real tendency of the existing constitution of a country:—that facility in changes, upon the credit of mere hypothesis and opinion, exposes to perpetual change from the endless variety of hypothesis and opinion: and remember, especially, that for the efficient management of your common interests in a country so extensive as ours, a government of as much vigor as is consistent with the perfect security of liberty is indispensable. Liberty itself will find in such a government with powers properly distributed and adjusted, its surest guardian. It is, indeed, little else than a name, where the government is too feeble to withstand the enterprises of faction, to confine each member of the society within the limits prescribed by the laws, and to maintain all in the secure and tranquil enjoyment of the rights of person and property.

I have already intimated to you the danger of parties in the state, with particular references to the founding them on geographical discrimination. Let me now take a more comprehensive view, and warn you in the most solemn manner against the baneful effects of the spirit of party generally.

This spirit, unfortunately, is inseparable from our nature, having its root in the strongest passions of the human mind.—It exists under different shapes in all governments, more or less stifled, controlled, or repressed; but in those of the popular form it is seen in its greatest rankness, and is truly their worst enemy.

The alternate domination of one faction over another, sharpened by the spirit of revenge natural to party dissension, which in different ages and countries has perpetrated the most horrid enormities, is itself a frightful despotism. But this leads at length to a more formal and permanent despotism. The disorders and miseries which result, gradually incline the minds of men to seek security and repose in the absolute power of an individual; and, sooner or later, the chief of some prevailing faction, more able or more fortunate than his competitors, turns this disposition to the purpose of his own elevation on the ruins of public liberty.

Without looking forward to an extremity of this kind, (which nevertheless ought not to be entirely out of sight) the common and continual mischiefs of the spirit or party are sufficient to make it the interest and duty of a wise people to discourage and restrain it.

It serves always to distract the public councils, and enfeeble the public administration. It agitates the community with ill founded jealousies and false alarms; kindles the animosity of one part against another; foments occasional riot and insurrection. It opens the door to foreign influence and corruption, which finds a facilitated access to the government itself through the channels of party passions. Thus the policy and the will of one country are subjected to the policy and will of another.

There is an opinion that parties in free countries are useful checks upon the administration of the government, and serve to keep alive the spirit of liberty. This within certain limits is probably true; and in governments of a monarchical cast, patriotism may look with indulgence, if not with favor, upon the spirit of party. But in those of the popular character, in governments purely elective, it is a spirit not to be encouraged. From their natural tendency, it is certain there will always be enough of that spirit for every salutary purpose. And there being constant danger of excess, the effort ought to be, by force of public opinion, to mitigate and assuage it. A fire not to be quenched, it demands a uniform vigilance to prevent it bursting into a flame, lest instead of warming, it should consume.

It is important likewise, that the habits of thinking in a free country should inspire caution in those intrusted with its administration, to confine themselves within their respective constitutional spheres, avoiding in the exercise of the powers of one department, to encroach upon another. The spirit of encroachment tends to consolidate the powers of all the departments in one, and thus to create, whatever the form of government, a real despotism. A just estimate of that love of power and proneness to abuse it which predominate in the human heart, is sufficient to satisfy us of the truth of this position. The necessity of reciprocal checks in the exercise of political power, by dividing and distributing it into different depositories, and constituting each the guardian of the public weal against invasion of the others, has been evinced by experiments ancient and modern; some of them in our country and under our own eyes.—To preserve them must be as necessary as to institute them. If, in the opinion of the people, the distribution or modification of the constitutional powers be in any particular wrong, let it be corrected by an amendment in the way which the constitution designates.—But let there be no change by usurpation; for though this, in one instance, may be the instrument of good, it is the customary weapon by which free governments are destroyed. The precedent must always greatly overbalance in permanent evil any partial or transient benefit which the use can at any time yield.

Of all the dispositions and habits which lead to political prosperity, religion and

morality are indispensable supports. In vain would that man claim the tribute of patriotism, who should labor to subvert these great pillars of human happiness, these firmest props of the duties of men and citizens. The mere politician, equally with the pious man, ought to respect and to cherish them. A volume could not trace all their connections with private and public felicity. Let it simply be asked, where is the security for property, for reputation, for life, if the sense of religious obligation *desert* the oaths which are the instruments of investigation in courts of justice? And let us with caution indulge the supposition that morality can be maintained without religion. Whatever may be conceded to the influence of refined education on minds of peculiar structure, reason and experience both forbid us to expect, that national morality can prevail in exclusion of religious principle.

It is substantially true, that virtue or morality is a necessary spring of popular government. The rule, indeed, extends with more or less force to every species of free government. Who that is a sincere friend to it can look with indifference upon attempts to shake the foundation of the fabric?

Promote, then, as an object of primary importance, institutions for the general diffusion of knowledge. In proportion as the structure of a government gives force to public opinion, it should be enlightened.

As a very important source of strength and security, cherish public credit. One method of preserving it is to use it as sparingly as possible, avoiding occasions of expense by cultivating peace, but remembering, also, that timely disbursements, to prepare for danger, frequently prevent much greater disbursements to repel it; avoiding likewise the accumulation of debt, not only by shunning occasions of expense, but by vigorous exertions, in time of peace, to discharge the debts which unavoidable wars may have occasioned, not ungenerously throwing upon posterity the burden which we ourselves ought to bear. The execution of these maxims belongs to your representatives, but it is necessary that public opinions should cooperate. To facilitate to them the performance of their duty, it is essential that you should practically bear in mind, that towards the payment of debts there must be revenue; that to have revenue there must be taxes, that no taxes can be devised which are not more or less inconvenient and unpleasant; that the intrinsic embarrassment inseparable from the selection of the proper object (which is always a choice of difficulties,) ought to be a decisive motive for a candid construction of the conduct of the government in making it, and for a spirit of acquiescence in the measures for obtaining revenue, which the public exigencies may at any time dictate.

Observe good faith and justice towards all nations; cultivate peace and harmony with all. Religion and morality enjoin this conduct, and can it be that good policy does not equally enjoin it? It will be worthy of a free, enlightened, and, at no distant period, a great nation, to give to mankind the magnanimous and too novel example of a people always guided by an exalted justice and benevolence. Who can doubt but, in the course of time and things, the fruits of such a plan would richly repay any temporary advantages which might be lost by a steady adherence to it; can it be that Providence has not connected the permanent felicity of a nation with its virtue? The experiment, at least is recommended by every sentiment which ennobles human nature. Alas! is it rendered impossible by its vices?

In the execution of such a plan, nothing is more essential than that permanent, inveterate antipathies against particular nations and passionate attachments for others, should be excluded; and that in place of them, just and amicable feelings towards all should be cultivated. The nation which indulges towards another an habitual hatred, or an habitual fondness, is in some degree a slave. It is a slave to its animosity or to its affection, either of which is sufficient to lead it astray from its duty and its interest. Antipathy in one nation against another disposes each more readily to offer insult and injury, to lay hold of slight causes of umbrage, and to be haughty and intractable when accidental or trifling occasions of dispute occur. Hence, frequent collisions, obstinate, envenomed, and bloody contests. The nation, prompted by ill will and resentment, sometimes impels to war the government, contrary to the best calculations of policy. The government sometimes participates in the national propensity, and adopts through passion what reason would reject; at other times, it makes the animosity of the nation subservient to projects of hostility, instigated by pride, ambition, and other sinister and pernicious motives. The peace often, sometimes perhaps the liberty of nations, has been the victim.

So likewise, a passionate attachment of one nation for another produces a variety of evils. Sympathy for the favorite nation, facilitating the illusion of an imaginary common interest in cases where no real common interest exists, and infusing into one the enmities of the other, betrays the former into a participation in the quarrels and wars of the latter, without adequate inducements or justifications. It leads also to concessions, to the favorite nation, of privileges denied to others, which is apt doubly to injure the nation making the concessions, by unnecessary parting with what ought to have been retained, and by exciting jealousy, ill will, and a disposition to retaliate in the parties from whom equal privileges are withheld; and it gives to ambitious, corrupted or deluded citizens who devote themselves to the favorite nation, facility to betray or sacrifice the interests of their own country, without odium, sometimes even with popularity; gilding with the appearances of a virtuous sense of obligation, a commendable deference for public opinion, or a laudable zeal for public good, the base or foolish compliances of ambition, corruption, or infatuation.

As avenues to foreign influence in innumerable ways, such attachments are particularly alarming to the truly enlightened and independent patriot. How many opportunities do they afford to tamper with domestic factions, to practice the arts of seduction, to mislead public opinion, to influence or awe the public councils!—Such an attachment of a small or weak, towards a great and powerful nation, dooms the former to be the satellite of the latter.

Against the insidious wiles of foreign influence, (I conjure you to believe me fellow citizens,) the jealousy of a free people ought to be *constantly* awake; since history and experience prove, that foreign influence is one of the most baneful foes of republican government. But that jealousy, to be useful, must be impartial, else it becomes the instrument of the very influence to be avoided, instead of a defense against it. Excessive partiality for one foreign nation and excessive dislike for another, cause those whom they actuate to see danger only on one side, and serve to veil and even second the arts of influence on the other. Real patriots, who may resist the intrigues of the favorite, are liable to become suspected and odious; while its tools and dupes usurp the applause and confidence of the people, to surrender their interest.

The great rule of conduct for us, in regard to foreign nations, is, in extending our commercial relations, to have with them as little *political* connection as possible. So far as we have already formed engagements, let them be fulfilled with perfect good faith:—Here let us stop.

Europe has a set of primary interests, which to us have none, or a very remote relation. Hence, she must be engaged in frequent controversies, the causes of which are essentially foreign to our concerns. Hence, therefore, it must be unwise in us to implicate ourselves, by artificial ties, in the ordinary vicissitudes of her politics, or the ordinary combinations and collusions of her friendships or enmities.

Our detached and distant situation invites and enables us to pursue a different course. If we remain one people under an efficient government, the period is not far off when we may defy material injury from external annoyance; when we may take such an attitude as will cause the neutrality we may at any time resolve upon, to be scrupulously respected; when belligerent nations, under the impossibility of making acquisitions upon us, will not lightly hazard the giving us provocation, when we may choose peace or war, as our interest, guided by justice, shall counsel.

Why forego the advantages of so peculiar a situation? Why quit our own to stand upon foreign ground? Why, by interweaving our destiny with that of any part of Europe, entangle our peace and prosperity in the toils of European ambition, rivalship, interest, humor, or caprice?

It is our true policy to steer clear of permanent alliance with any portion of the foreign world; so far, I mean, as we are now at liberty to do it; for let me not be understood as capable of patronizing infidelity to existing engagements. I hold the maxim no less applicable to

public than private affairs, that honesty is always the best policy. I repeat it, therefore, let those engagements be observed in their genuine sense. But in my opinion, it is unnecessary, and would be unwise to extend them.

Taking care always to keep ourselves by suitable establishments, on a respectable defensive posture, we may safely trust to temporary alliances for extraordinary emergencies.

Harmony, and a liberal intercourse with all nations, are recommended by policy, humanity, and interest. But even our commercial policy should hold an equal and impartial hand; neither seeking nor granting exclusive favors or preferences; consulting the natural course of things; diffusing and diversifying by gentle means the streams of commerce, but forcing nothing; establishing with powers so disposed, in order to give trade a stable course, to define the rights of our merchants, and to enable the government to support them, conventional rules of intercourse, the best that present circumstances and mutual opinion will permit, but temporary, and liable to be from time to time abandoned or varied as experience and circumstances shall dictate; constantly keeping in view, that it is folly in one nation to look for disinterested favors from another; that it must pay with a portion of its independence for whatever it may accept under that character; that by such acceptance, it may place itself in the condition of having given equivalents for nominal favors, and yet of being reproached with ingratitude for not giving more. There can be no greater error than to expect, or calculate upon real favors from nation to nation. It is an illusion which experience must cure, which a just pride ought to discard.

In offering to you my countrymen, these counsels of an old and affectionate friend, I dare not hope they will make the strong and lasting impression I could wish; that they will control the usual current of the passions, or prevent our nation from running the course which has hitherto marked the destiny of nations, but if I may even flatter myself that they may be productive of some partial benefit, some occasional good; that they may now and then recur to moderate the fury of party spirit, to warn against the mischiefs of foreign intrigue, to guard against the impostures of pretended patriotism; this hope will be a full recompense for the solicitude for your welfare by which they have been dictated.

How far, in the discharge of my official duties, I have been guided by the principles which have been delineated, the public records and other evidences of my conduct must witness to you and to the world. To myself, the assurance of my own conscience is, that I have, at least, believed myself to be guided by them.

In relation to the still subsisting war in Europe; my proclamation of the 22d of April, 1793, is the index to my plan. Sanctioned by your approving voice, and by that of your representatives in both houses of congress, the spirit of that measure has continually governed me, uninfluenced by any attempts to deter or divert me from it.

After deliberate examination, with the aid of the best lights I could obtain, I was well satisfied that our country, under all the circumstances of the case, had a right to take, and was bound in duty and interest, to take a neutral position. Having taken it, I determined, as far as should depend upon me, to maintain it with moderation, perseverance and firmness.

The considerations which respect the right to hold this conduct, it is not necessary on this occasion to detail. I will only observe that, according to my understanding of the matter, that right, so far from being denied by any of the belligerent powers, has been virtually admitted by all.

The duty of holding a neutral conduct may be inferred, without any thing more, from the obligation which justice and humanity impose on every nation, in cases in which it is free to act, to maintain inviolate the relations of peace and amity towards other nations.

The inducements of interest for observing that conduct will best be referred to your own reflections and experience. With me a predominant motive has been to endeavor to gain time to our country to settle and mature its yet recent institutions, and to progress, without interruption, to that degree of strength, and consistency which is necessary to give it, humanly speaking, the command of its own fortunes.

Though in reviewing the incidents of my administration, I am unconscious of intentional error, I am nevertheless too sensible of my defects not to think it probable that I may have committed many errors. Whatever they may be, I fervently beseech the Almighty to avert or mitigate the evils to which they may tend. I shall also carry with me the hope that my country will never cease to view them with indulgence; and that, after forty-five years of my life dedicated to its service, with an upright zeal, the faults of incompetent abilities will be consigned to oblivion, as myself must soon be to the mansions of rest.

Relying on its kindness in this as in other things, and actuated by that fervent love towards it, which is so natural to a man who views in it the native soil of himself and his progenitors for several generations; I anticipate with pleasing expectation that retreat in which I promise myself to realize without alloy, the sweet enjoyment of partaking, in the midst of my fellow citizens, the benign influence of good laws under a free government—the ever favorite object of my heart, and the happy reward, as I trust, of our mutual cares, labors and dangers.

GEO. WASHINGTON.

UNITED STATES,
17th September, 1796.

[Applause.]

Mr. NEUBERGER subsequently said: Mr. President, it made me very proud to be one of the Senators from the Pacific Northwest when I heard the able and vivid way in which our distinguished colleague from Idaho read George Washington's Farewell Address to us today on this annual occasion. I also was extremely pleased to know that the attractive family of the distinguished junior Senator from Idaho was in the gallery to witness this event.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business, to consider the nomination on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

The VICE PRESIDENT. If there be no reports of committees, the nomination on the calendar will be stated.

DISTRICT OF COLUMBIA

The Chief Clerk read the nomination of Harold A. Kertz, of the District of Columbia, to be a member of the Public Utilities Commission of the District of Columbia for the remainder of the term expiring June 30, 1959.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the President be notified forthwith of the confirmation of this nomination.

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I ask the aids of the Senate who represent the minority and the majority to give particular attention to the pending business, and to see that all Senators are notified that it is expected that on Monday next the Senate will vote on House bill 9955, an act to provide for a temporary increase in the public debt limit. That bill is a very important piece of proposed legislation. It was voted out of the committee yesterday by a divided vote. The report and the hearings on the bill will be available, and we expect to have the Senate proceed to the consideration of the bill on Monday.

On Tuesday we plan to move that the Senate proceed to the consideration of the postal rate bill. We have been informed by interested Senators that the postal pay bill will be offered as an amendment to it. I should like to have

all the attachés of the Senate inform each individual Senator of the heavy schedule the early part of next week, so all Senators may have sufficient advance notice of the business which will be considered.

ORDER FOR ADJOURNMENT UNTIL MONDAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in adjournment until noon Monday.

The VICE PRESIDENT. Without objection, it is so ordered.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the Subcommittee on Public Roads of the Committee on Public Works was authorized to meet during the session of the Senate today.

TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there may be the usual morning hour, for the transaction of routine business, with statements in that connection limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT OF SMALL BUSINESS ADMINISTRATION

A letter from the Administrator, Small Business Administration, Washington, D. C., transmitting, pursuant to law, a report of that Administration, for the period July 1 to December 31, 1957 (with an accompanying report); to the Committee on Banking and Currency.

AUDIT REPORT ON REVIEW OF FOREST SERVICE ACTIVITIES IN ALASKA

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on Review of Forest Service Activities in Alaska, Department of Agriculture, 1957 (with an accompanying report); to the Committee on Government Operations.

REPORT OF DIRECTOR OF ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS

A letter from the Director, Administrative Office of the United States Courts, Washington, D. C., transmitting, pursuant to law, his report, for the fiscal year 1957 (with an accompanying report); to the Committee on the Judiciary.

USE OF CERTIFIED MAIL FOR CERTAIN PURPOSES

A letter from the Deputy Postmaster General, transmitting a draft of proposed legislation to authorize the use of certified mail for the transmission or service of matter required by certain Federal laws to be transmitted or served by registered mail, and for other purposes (with accompanying papers); to the Committee on Post Office and Civil Service.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A resolution of the House of Representatives of the Commonwealth of Kentucky; to the Committee on Agriculture and Forestry:

"House Resolution 48

"Concurrent resolution memorializing Congress to enact legislation to provide a minimum dairy support price for the marketing year starting April 1, 1958

"Whereas on December 18, 1957, Secretary of Agriculture Benson announced that dairy price support for the marketing year beginning April 1, 1958, will be at 75 percent of parity;

"Whereas the 75 percent of parity will result in a decrease to approximately $3.02 per hundredweight for 3.95-percent butterfat milk from the current support price of $3.25;

"Whereas this decrease will reduce dairy income in the State of Kentucky approximately $6,597,000;

"Whereas on January 16, 1958, the President of the United States in his message to the Congress of the United States for a revised farm, food, and fiber program recommended that the dairy price support should be determined administratively between 60 and 90 percent of parity;

"Whereas the recommended minimum of 60 percent of parity will result in a decrease to approximately $2.37 per hundredweight for 3.95-percent butterfat milk from the current support price of $3.25;

"Whereas this decrease will reduce dairy income in the State of Kentucky approximately $17,582,500: Now, therefore, be it

"Resolved by the House of Representatives of the Commonwealth of Kentucky (the Senate concurring therein):

"SECTION 1. That the General Assembly of the Commonwealth of Kentucky does hereby memorialize and petition, and does respectfully urge the Congress of the United States to enact legislation to provide that the dairy support price for the marketing year starting April 1, 1958, shall be not less than the current $3.25 per hundredweight for 3.95-percent butterfat milk and that the Secretary of Agriculture shall use a parity equivalent for manufacturing milk based on the 30-month period July 1946 to December 1948, both inclusive.

"SEC. 2. That the Clerk of the House transmit a duly authenticated copy of this resolution to the President of the United States Senate, to the Speaker of the United States House of Representatives, and to each member of the Kentucky delegation in Congress."

Two concurrent resolutions of the Legislature of the Commonwealth of Kentucky; to the Committee on Public Works:

"House Resolution 30

"Concurrent resolution memorializing Congress to expedite plans for a flood control program along the Big Sandy River

"Whereas January 29, 1958, marks the anniversary of the most disastrous flood along the Big Sandy River within recorded history;

"Whereas the frequent recurrence of devastating floods along said river over a period of years has caused abject and inexpressible misery and despair to citizens of the area;

"Whereas such floods have occasioned not only physical suffering and deprivation but have resulted in loss of or damage to inestimable millions of dollars worth of property;

"Whereas the health, safety, and general welfare of many citizens of the Commonwealth of Kentucky and adjacent States are in constant danger from future depredation of said river and the economic welfare of every citizen of the surrounding area is affected by such depredations; and

"Whereas the damage to be expected from future floods can only be averted or mitigated by a coordinated comprehensive program of flood control along said river: Now, therefore, be it

"Resolved by the House of Representatives of the Commonwealth of Kentucky (the Senate concurring therein):

"SECTION 1. That the Congress of the United States is urged to act in the exercise of its broad legislative powers to provide a means of flood control along the Big Sandy River and to cause such a program to be put into effect at the earliest possible time.

"SEC. 2. That the Congress act in this regard by making provision for a system of dams and flood walls along said river and the utilization of any other measures which it deems necessary to accomplish the desired end.

"SEC. 3. That the clerk of the senate be and is hereby directed to send copies of this memorial, duly authenticated, to the President of the Senate of the United States, the Speaker of the House of Representatives of the United States, to each of the Senators and Representatives from the Commonwealth now serving in the Congress, and to the Secretary of the Interior.

"Attest: "MARY PURDY,
"Assistant Clerk of Senate."

"House Resolution 42

"Concurrent resolution memorializing Congress to make possible the canalization of the Big Sandy River and tributaries

"Whereas the economy of the eastern region of Kentucky has suffered continuously and grievously by reason of the lack of economical and readily available means of transporting products of the area to market centers;

"Whereas such depression in the economy not only causes hardship to citizens of the area but affects citizens of surrounding areas comprising parts of sister States;

"Whereas such region abounds in natural resources and would if proper and adequate means of transportation were made available offer numberless and highly attractive sites for establishment and relocation of industrial plants;

"Whereas the industrialization of the area is an absolute necessity to any appreciable improvement in economic conditions;

"Whereas it appears the only practicable means of establishing adequate and economic transportation is through the utilization of existing waterways; namely, the Big Sandy River and its tributaries;

"Whereas such river can only be made serviceable for more than very limited transportation by its being deepened and widened to an extent sufficient to permit passage of watercraft of heavy tonnage in volume; and

"Whereas the completion of a realistic and extensive program of canalization of the Big Sandy River and its tributaries would be of inestimable benefit to the citizens of the area and of the entire Commonwealth of Kentucky and proportionately to the eastern part of the Nation: Now, therefore, be it

"Resolved by the House of Representatives of the Commonwealth of Kentucky (the Senate concurring therein):

"SECTION 1. That the Congress of the United States by the exercise of its legislative powers bring about the canalization of the Big Sandy River and its tributaries.

"SEC. 2. That such canalization be completed as expeditiously as possible consistent with orderliness and sound fiscal planning.

"SEC. 3. That the clerk of the senate cause copies of this resolution to be sent to the President of the United States Senate, the Speaker of the United States House of Representatives, and to each of the Senators and Representatives of the Commonwealth of Kentucky now serving in the Congress.

"Attest:

"MARY PURDY,
"Assistant Clerk of Senate."

A resolution of the House of Representatives of the Commonwealth of Kentucky; to the Committee on Agriculture and Forestry:

"House Resolution 25

"Resolution memorializing the Congress of the United States to maintain price supports of tobacco at 90 percent parity

"Whereas the General Assembly of the Commonwealth of Kentucky recognizing that Kentucky is an agricultural State; and

"Whereas tobacco is the basic agricultural commodity grown in the Commonwealth of Kentucky; and

"Whereas the general assembly is aware that the economic position of the farmers of Kentucky and of the other States within the United States has reached a dangerously low level; and

"Whereas the economic position of the farmers of the United States has reached this low level due to the fact that the level of prices received for agricultural products has steadily declined while the cost of production and the cost of living of the farmers are rising; and

"Whereas the purchasing power of the farmers has been impaired and the value of agricultural assets have been greatly decreased; and

"Whereas the purchasing power of the farmers and the value of agricultural assets support the national credit structure and therefore is of national public interest: Now, therefore, be it

"Resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

"SECTION 1. That the Congress of the United States is urged to act so as to maintain price supports of tobacco at 90 percent of parity.

"SEC. 2. That the Senators and Representatives from Kentucky, now serving in the 85th Congress, are requested to oppose any legislation that would set the price support of tobacco at less than 90 percent of parity.

"SEC. 3. That the clerk of the house of representatives is directed to forward copies of this resolution to the President of the United States Senate and the Speaker of the United States House of Representatives, to each of the Senators and the Representatives from Kentucky now serving in the Congress, and to the Secretary of Agriculture of the United States."

A resolution adopted at a mass meeting of The American Citizens of Lithuanian Descent, of the city of Racine, Wis., relating to world peace; to the Committee on Foreign Relations.

A resolution adopted by the executive board of the California Federation of Women's Clubs, San Diego, Calif., relating to the withdrawal of funds in federally impacted school areas; to the Committee on Labor and Public Welfare.

A resolution adopted by the City Council of the City of Boston, Mass., favoring the overhauling of the urban renewal program; to the Committee on Public Works.

By Mr. JOHNSTON of South Carolina (for himself and Mr. THURMOND):

A concurrent resolution of the Legislature of the State of South Carolina; to the Committee on Appropriations:

"Concurrent resolution expressing the concern of the general assembly at the inequitable and unjust administration of the soil-bank program, and requesting Congress to appropriate funds to meet the Secretary of Agriculture's obligation to the farmers of South Carolina

"Whereas the farmers of South Carolina and the industries affected thereby have been seriously harmed as a result of the inequitable and irresponsible administration of the soil-bank program by Secretary Benson and the Republican administration; and

"Whereas the allocation of the public funds under the soil-bank program was handled in a highly misleading and unjust manner, and Secretary of Agriculture Benson, through publications and otherwise, has caused many farmers of the State to be lulled into a false sense of assurance that all who applied for soil-bank benefits would be accepted and that sufficient funds would be available to cover same; and

"Whereas many farmers applied within the first few days applications could be filed and have taken steps to place all or major portions of their crops in the soil-bank program and it is now too late to get out of the program: Now, therefore, be it

"Resolved by the senate (the house of representatives concurring), That the General Assembly of South Carolina expresses its deep concern in the manner of the administration of the soil-bank program and demands that the Secretary of Agriculture administer the program on a fair and equitable basis; be it further

"Resolved, That the Congress of the United States is requested to immediately appropriate sufficient funds to provide payment to all farmers who have applied for participation in the soil-bank program and stop the irresponsible and inequitable handling of that program; be it further

"Resolved, That a copy of this resolution be forwarded to the Speaker of the House of Representatives of the United States, the President of the Senate of the United States, the two United States Senators from South Carolina and the Members of the House of Representatives from South Carolina in the Congress of the United States, Secretary of Agriculture Ezra Taft Benson, and the Honorable D. D. Eisenhower, President of the United States of America."

RESOLUTION OF CITY COUNCIL OF CITY OF VIRGINIA, MINN.

Mr. HUMPHREY. Mr. President, I present a resolution adopted by the City Council of the City of Virginia, Minn., relating to unemployment and general economic conditions, which are becoming ever more serious and burdensome in northern Minnesota, and, in fact, in many parts of the Nation. I ask unanimous consent that the resolution may be printed in the RECORD, and appropriately referred.

There being no objection, the resolution was referred to the Committee on Public Works, and ordered to be printed in the RECORD, as follows:

Resolution 6595

Resolution supporting Federal legislation to provide for public-works program and reduction in the Federal tax structure to promote improvement in the countywide economic situation

Resolved by the City Council of the City of Virginia, That—

Whereas various legislators and the administration have indicated the desirability of the institution of a Federal works program to alleviate the unemployment problem which is becoming increasingly critical; and

Whereas some legislators have indicated the desirability of reducing the amount of Federal taxation to provide additional moneys within our economy to facilitate the employment of additional peoples and to stabilize and improve the general economic situation of the country: Now, therefore, be it hereby

Resolved, That the City Council of the City of Virginia place itself on record in support of any Federal legislation which, through a public-works program or through the decrease in the amount of Federal taxation, will provide added employment to the large number of persons presently unemployed and will improve the general economic conditions, and that copies of this resolution be forwarded to Senators THYE and HUMPHREY and to Representative BLATNIK.

Adopted February 18, 1958.

ARTHUR J. STOCK,
President of the City Council.

Approved February 24, 1958.

JOHN VUKELICH,
Mayor.

Attest:

J. G. MILROY, Jr.,
City Clerk.

PLIGHT OF SMALL DAIRY FARMERS AND CREAMERIES—LETTER

Mr. HUMPHREY. Mr. President, I have received a letter from the Bigfork Valley Cooperative Creamery Association, of the State of Minnesota, relating to the plight of small dairy farmers and creameries. I ask unanimous consent that the letter may be printed in the RECORD, and appropriately referred.

There being no objection, the resolution was referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

FEBRUARY 14, 1958.

Hon. HUBERT H. HUMPHREY,
Washington, D. C.

DEAR SENATOR: At the annual meeting of the Bigfork Valley Co-op Creamery Association, a resolution was passed to ask for your continued efforts in behalf of the small dairy farmers and for any creamery such as ours.

The volume of cream sold to the creamery necessary for efficient operation is steadily decreasing and that, we believe, not only because of economical trends but partly to an indifference by our administration to a national industry—that of the small dairy farmer.

You have tried to help us in an ASC program for better land use and pasture needs, and have brought it to the attention of regime of the Department of Agriculture. In our struggle we shall continue to fight and, with your help, look for a brighter future.

The so-called economists of the rural development group have definitely put a deaf ear to our plight. The enclosed editorial of the Grand Rapids Herald is mute testimoney of that. They try to influence some farmers to go grade A, borrow thousands of dollars to do so, and all of this in the face of an economy in our area that needs for deeper study. If there is to be conversion according to economic trends, it should be so done that the welfare of a cream industry and individual farmers are not put in peril. Even now grade A enterprises in Grand Rapids are bewailing the competition from the southern part of the State. An overproduction in our area can cause acute conditions elsewhere.

It is the belief of the members of our association that if the creamery can weather the storm the future will be brighter. Butter will hold its own at a certain level. A natural food versus a synthetic one must evaluate an intelligent consumers' market, and will eventually dictate this unless the great corporations that make oleo have too much power.

It would be hard to change the color of butter. Oleo is colored to resemble butter. If oleo is really a good human food, it should be required to stand on its own. It could be colored any color but butter color and it could then not be classed as an imitation.

Of all aspects of farming operations according to landwise conservation experts, dairy farming is the most helpful. In a good dairy operation, nearly all of the crop residue can be returned to the soil without erosion.

Any crop from which oleo is derived must of necessity deplete the soil unless a very wise crop rotation is provided. Our Government through ASC loans has helped these farmers. It is understood that at Aiken, Minn., where an ASC meeting of northern Minnesota counties was held, a member of the Itasca County ASC committee asked that a vote be taken as to whether or not the State committee should approve the request of pasture-cleaning practices. Mr. Avery, chairman of the State ACP, denied the request. It cannot be said that policy is made at the grassroots; it is made at a State or National level.

We can safely say that, with most of our farmers gone, the REA could not survive with just a few rural residents as users. The Government has spent millions for REA. Can it, then, disregard a possible calamity?

Our schools have been developed to fit the needs of different communities. With our rural areas less populated, a greater burden will be placed on the remaining rural residents. Some few years ago our Government had a program of educational help for returning servicemen—all of this to develop better farm living. Is this to be forgotten?

Our National Forest Service, some years ago, had a policy of cooperation to have a forest community in advantageous areas. Thus to have available manpower to run its forests. How better to accomplish this because of seasonal work, than by the small farmer?

Ours is a plight forced to us by change, and not necessarily progress. If just some help is given, the small dairy farmer can lift himself by his own bootstraps—FHA loans to better develop land use, pasture cleaning, etc., and not limiting FHA loans to farmers whose farm operations are exclusive to only those who have a diversified income.

Our creamery is desperately trying to find a way to help its members in all operations of service and through it to be a medium of better marketing and well-being to a community. If conversion to other aspects to meet the needs of its members is the only answer, it will be ready to do so, but in the meantime there must be some temporary relief. Have you suggestions?

Attest:

Yours truly,

FRED DAMGREN,
President.
RAYMOND A. GRAVELLE,
Secretary.
CLEM OSTENDORF,
Manager.
DEAN D. KANVE,
School Board.
HUBERT EVENSEN,
Manager, REA.
Z. O. PEDERSON,
County Commissioner, District No. 2.

FEDERAL CONTROL OF SALE OF NATURAL GAS—RESOLUTIONS

Mr. HUMPHREY. Mr. President, an increasing number of organizations in Minnesota are writing to me about their strong opposition to the Harris-O'Hara natural-gas bill. Within the past few days I have received three additional resolutions adopted by these groups.

I ask unanimous consent that the resolutions from the St. Paul AFL–CIO Trades and Labor Assembly, the Minnesota State Council American War Dads, and the Minneapolis Central Labor Union be printed in the RECORD, and appropriately referred.

There being no objection, the resolutions were referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

ST. PAUL AFL–CIO
TRADES AND LABOR ASSEMBLY,
St. Paul, Minn.

RESOLUTION OPPOSING PASSAGE OF THE HARRIS-O'HARA GAS PRICE INCREASE BILL ADOPTED BY THE ST. PAUL AFL–CIO TRADES AND LABOR ASSEMBLY, FEBRUARY 12, 1958, E. D. MCKINNON, SECRETARY

Resolved by the Trades and Labor Assembly of the city of St. Paul, Minn.:

Whereas the Congress of the United States has presently under consideration the so-called Harris-O'Hara (H. R. 8525) bill; and

Whereas this bill would remove effective Federal control over the production and sale of natural gas to pipeline companies; and

Whereas the cost of gas to home consumers is particularly important in Minnesota in view of weather conditions in this State; and

Whereas it has been estimated that the passage of this bill will increase the cost of gas to home consumers by $40 per year; and

Whereas the bill is designed only to aid existing gas and oil producers; and

Whereas the passage of the bill would adversely affect the employment of Minnesota employees in the gas industry: Now, therefore, be it

Resolved, That the Trades and Labor Assembly of the city of St. Paul, Minn., oppose the passage of this, or similar legislation; and be it further

Resolved, That a copy of this resolution be sent to every Member of the United States Congress from the State of Minnesota.

AMERICAN WAR DADS, INC.

RESOLUTION PRESENTED BY MINNESOTA STATE COUNCIL, AMERICAN WAR DADS

At the regular meeting of the Minnesota State Council of American War Dads held in Minneapolis, Minn., February 15, 1958, a motion was made, duly seconded, and carried unanimously that the following resolution be approved for adoption by the council members, and that copies of the resolution be mailed to the United States Senators and Congressional Members of Minnesota in Washington, D. C., as well as a copy to War Dad A. C. McCluskey, national legislative chairman, 2637–A North Sarah, St. Louis, Mo., in regards to the natural gas bill to appear during the 1958 session of Congress; and

"Whereas there is a great possibility that this natural gas bill will be quietly maneuvered to pass, increasing the cost of gas to consumer areas to some $800 million a year. This bill would overrule the Supreme Court and exempt the transmission of natural gas from Federal regulation by slipping it through the House and Senate as noiselessly and painlessly as possible; and

"Whereas many veterans and servicemen who have purchased homes through financial assistance would be heavily burdened with additional costs by increased rates, thus making it more difficult for them to meet their obligations; and

"Whereas the natural gas bill has cleared the committee hurdles and waits only for a signal from the Speaker of the House, and there is a possibility that this bill will be sneaked through while the big city Congressmen are visiting in larger cities over a weekend: Therefore be it

"*Resolved,* That the Minnesota State Council of American War Dads demand that rates and regulatory powers be kept reasonable and secure, and the public opinion have a chance to reach their respective Congressmen to mobilize public opinion against a bill of this nature."

Respectfully submitted.

NORMAN ARNESON,
Minnesota State President,
American War Dads.

Attested:

P. E. HANSEN,
Secretary.

RESOLUTION OPPOSING PASSAGE OF THE HARRIS-O'HARA GAS PRICE INCREASE BILL

Resolved by the Central Labor Union of the City of Minneapolis:

Whereas the Congress of the United States has presently under consideration the so-called Harris-O'Hara (H. R. 8525) bill; and

Whereas this bill would remove effective Federal control over the production and sale of natural gas to pipeline companies; and

Whereas the cost of gas to home consumers is particularly important in Minnesota in view of weather conditions in this State; and

Whereas it has been estimated that the passage of this bill will increase the cost of gas to home consumers by $40 per year; and

Whereas the bill is designed only to aid existing gas and oil producers; and

Whereas the passage of the bill would adversely affect the employment of Minnesota employees in the gas industry: Now, therefore, be it

Resolved, That the Central Labor Union of the City of Minneapolis, Minn., oppose the passage of this or similar legislation; and be it further

Resolved, That a copy of this resolution be sent to every Member of the United States Congress from the State of Minnesota.

Passed February 12, 1958.

WALTER R. CRAMOND,
President, Minneapolis Central Labor Union.

RESOLUTIONS OF OREGON STATE ASSOCIATION OF SOIL CONSERVATION DISTRICTS

Mr. NEUBERGER. Mr. President, perhaps one of the finest examples of Federal-State-local cooperation is evidenced in the activities which are the major interest of the soil conservation districts throughout the United States. These major interests are reflected in the resolutions approved by the Oregon State Association of Soil Conservation Districts at their ninth annual meeting in Tillamook, Oreg., November 21 and 22, 1957.

I believe these will be of interest to every Member who has a soil conservation district within the boundaries of his State, even though one resolution disagrees with a bill I am cosponsoring. I ask unanimous consent, Mr. President, to have these resolutions printed in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

RESOLUTIONS PASSED BY OREGON STATE ASSOCIATION OF SOIL CONSERVATION DISTRICTS AT THEIR NINTH ANNUAL MEETING IN TILLAMOOK, NOVEMBER 21–22, 1957

RESOLUTION 1. PROPOSED BY LANGELL VALLEY SCD

It is hereby resolved that the Oregon State Association of Soil Conservation Districts at their annual meeting in Tillamook on November 21 and 22, 1957, go on record as requesting that a minimum of 25 percent of all sales of timber by the Bureau of Land Management within the State of Oregon be returned to the country within which it is harvested in lieu of taxes.

RESOLUTION 2. PROPOSED BY EAST LINN SCD

It is hereby resolved that the Oregon State Association of Soil Conservation Districts at their annual meeting in Tillamook on November 21 and 22, 1957, go on record as requesting that the Oregon State Legislature amend the Oregon State Industrial Accident Commission Enabling Act to permit coverage under the State industrial accident insurance for supervisors of soil-conservation districts.

RESOLUTION 3. PROPOSED BY MALHEUR SCD

The Oregon State Association of Soil Conservation Districts at their annual meeting held in Tillamook, November 21 and 22, 1957, determined that—

Whereas there is not sufficient money appropriated to the State Soil Conservation Committee of Oregon to provide for mileage for State soil conservation district supervisors: Therefore be it

Resolved, That the State legislature be requested to increase the appropriation to the State soil conservation committee so that sufficient funds can be earmarked for and paid to soil conservation district supervisors for reimbursement for expenses incurred in driving to and attending soil conservation district meetings and performing other necessary duties involved in carrying out their responsibility as soil conservation district supervisors.

RESOLUTION 4. PROPOSED BY MALHEUR SCD

The Oregon State Association of Soil Conservation Districts at their annual meeting held in Tillamook, November 21 and 22, 1957, determined that—

Whereas Federal appropriations to assist organized soil conservation districts are limited and do not provide adequate assistance to said districts; and

Whereas the Federal money is used primarily for needed professional and semiprofessional assistance, there is insufficient money to hire needed clerical and subprofessional assistance: Therefore be it

Resolved, That the legislature be requested to appropriate $1,000 for each soil conservation district in the State of Oregon ($55,000 as of December 1, 1957); this money to be used for the employment of clerical and subprofessional assistance to soil conservation districts; it is further

Resolved, That all soil conservation district supervisors in Oregon contact their State legislators to prove the need for this legislation.

RESOLUTION 5. PROPOSED BY NORTH TILLAMOOK SCD

The Oregon State Association of Soil Conservation Districts at their annual meeting held in Tillamook, November 21 and 22, 1957, determined that—

Whereas the drainage of wet farmlands along roadways must be planned prior to the beginning of road construction to permit practical and effective drainage in the future; and

Whereas this drainage plan should be considered at the time negotiations are being made between the farmer and the highway department for the sale of the land necessary for highway right-of-way; and

Whereas this could be accomplished if the various highway departments would obtain a drainage plan from the farmer which plan has been developed by the farmer with technical assistance of engineers assigned to a local soil conservation district or from any other reliable source of technical assistance; and

Whereas the importance of this action is emphasized by the vast new highway program of the future: Therefore be it

Resolved, That the various county, State, and Federal highway departments obtain plans for drainage of adjoining farmlands and consider these plans when designing roads and highways to insure installation of culverts, underpasses, and bridges to provide for proper drainage of agricultural land.

RESOLUTION 6. PROPOSED BY NORTH TILLAMOOK SCD

The Oregon State Association of Soil Conservation Districts at their annual meeting held in Tillamook, November 21 and 22, 1957, determined that—

Whereas future demands of our growing population will put increased pressure on productive agricultural land, we believe steps should be taken to build roads, industrial and residential areas, airports, etc., on lands with minimum capabilities for agriculture production: Therefore, be it

Resolved, That the county, State, and Federal highway departments should consult with the board of supervisors of the soil conservation district concerned to avoid the construction of highways on our better agriculture lands.

RESOLUTION 7. PROPOSED BY SIUSLAW SCD

The Oregon State Association of Soil Conservation Districts at their annual meeting held in Tillamook, November 21 and 22, 1957, determined that—

Whereas in earlier times the tendency was to organize soil conservation districts around problem areas and the application of land use regulations, when needed, by a vote of the landowners in the entire district was comparatively easy; and

Whereas the later trend has been to expand the old districts into large units and organize new districts on county lines, so that problem areas now tend to be a relatively small part of an entire district; and

Whereas the application of land use regulations to an entire district to meet the needs of a small area is an obvious absurdity and securing a three-fourths favorable vote in an entire district to impose regulations on a small area when that many, or more, of all the landowners may not be interested is an equally obvious impossibility: Therefore, be it

Resolved, That the State Association of Soil Conservation Districts join the State Soil Conservation Committee to secure an amendment to the Oregon districts' law whereby the supervisors can designate a problem area and land use regulations can be imposed by a vote of the landowners within the designated area rather than requiring a vote of the landowners in the whole district, as the law now reads.

RESOLUTION 8

The Oregon State Association of Soil Conservation Districts, at their annual meeting held in Tillamook, November 21 and 22, 1957, determined that—

Whereas there are several million acres of denuded and brush-covered forest lands on Oregon watersheds that are not restocking themselves; and

Whereas valuable soil is being lost and runoff accelerated as a result of inadequate cover on these lands; and

Whereas the reforestation of these lands would be of lasting benefit to the people of Oregon in conserving our soil and water resources and in increasing the supply of forest products; and

Whereas this situation has been recognized nationally by Congress by including as title IV of the Agricultural Act of 1956 a tree-planting program to assist with matching funds the State forester in reforesting these lands; and

Whereas the cost of rehabilitating these lands is excessive because of their present neglected condition, thus requiring assistance: Therefore be it

Resolved, That the Oregon State Association of Soil Conservation Districts request the State board of forestry to participate in the title IV tree-planting program as a conservation measure benefiting the people of Oregon.

RESOLUTION 10

The Oregon State Association of Soil Conservation Districts, at their annual meeting held in Tillamook, November 21 and 22, 1957, determined that—

Whereas Senate bill 2496 and House bills 8631, 8744, 8747, 9308, and 9053 have been introduced into the Congress of the United States; and

Whereas these bills are identical in all respects and are proposed amendments to the Wildlife Coordination Act of 1934; and

Whereas these bills have been endorsed by governors of all States except one; and

Whereas amendment, if passed, is detrimental and administratively restrictive to the soil-conservation-district program, particularly in the field of watershed projects and drainage practices; and

Whereas Congressmen, State governors, and others who have endorsed this amendment have not been fully informed of its restrictive and damaging nature: Therefore be it

Resolved, That this association go on record as opposing all of these bills in their present form; be it further

Resolved, That the OASCD executive committee take necessary steps to inform all those concerned of our opposition and of the necessity of preventing passage of these bills in Congress.

RESOLUTION 11

The Oregon State Association of Soil Conservation Districts at their annual meeting held in Tillamook, November 21 and 22, 1957, determined that—

Whereas the cost-sharing feature of the agricultural stabilization and conservation program is a tool districts can use in the complete development of their conservation job;

Whereas it being suggested that various changes be made in the agency responsibility of this program;

Whereas the job of conserving our soil and water resources is so important that we cannot afford the loss of any bona fide and legitimate assistance at this time; and

Whereas the soil conservation districts never have had and do not want the responsibility of paying farmers and ranchers for conservation practices carried out on their farms: Therefore be it

Resolved, That the Oregon State Association of Soil Conservation Districts recommend that—

1. All Federal funds expended in the name of soil and water conservation be used in such manner as will achieve the most lasting conservation possible.

2. Moneys appropriated to the Department of Agriculture for production control and price stabilization should be distinguished as such.

3. Increased funds should be made available to the SCS to properly check technical compliance with ACP permanent practices without interfering with the overall conservation program planned by the district; be it further

Resolved, That no change be made in the immediate future in the agency responsibility of the agricultural stabilization and conservation program.

RESOLUTION 12

The Oregon State Association of Soil Conservation Districts at their annual meeting held in Tillamook, November 21 and 22, 1957, determined that—

Whereas there has been introduced in the Congress, bill S. 1176, by Senators HUBERT H. HUMPHREY, of Minnesota, and RICHARD L. NEUBERGER, of Oregon, known as the wilderness bill. This bill is designed to set up large areas of Federal lands to (1) serve the recreational, scenic, scientific, educational, and conservation needs of the people, and (2) to provide for the protection of these areas in

perpetuity and for the gathering and dissemination of information regarding their use and enjoyment as wilderness; and

Whereas these areas are largely in the West, where an excess of 40 percent of the land of the Western States and 51 percent of the State of Oregon is Federal land, and since many soil-conservation districts are adjacent to and within the exterior boundaries of these Federal lands; and

Whereas this legislation prohibits grazing of domestic livestock, water impoundments for soil conservation or any other commercial use, its enactment would have an adverse effect on the economy of the State of Oregon and the Western States; and

Whereas under present authority vested in the Secretary of Agriculture, some 14 million acres of wilderness-type areas have been set up and are receiving protection under the national forest system. This clearly indicates that recognition has been given to the problem by this Department of the Government; and

Whereas it is our belief that the greatest multiple use of Federal lands can be obtained by close council with the Departments of Agriculture and Interior in the States or area involved, not by Congressional enactment; and

Whereas we are in accord with there being set up in the Nation, reasonable areas which will recognize the greatest beneficial use of these lands for all the people: Therefore be it

Resolved, That the Oregon State Association of Soil Conservation Districts oppose the enactment of the Humphrey or wilderness bill (S. 1176); be it further

Resolved, That a copy of this resolution be sent to Governor Holmes and each member of the Oregon State Congressional delegation and to the Secretaries of Agriculture and Interior.

RESOLUTION OF CITY COUNCIL OF CITY OF VIRGINIA, MINN.

Mr. THYE. Mr. President, I present a resolution adopted by the City Council of the City of Virginia, Minn., relating to the improvement of general economic conditions. I ask unanimous consent that the resolution be appropriately referred and printed in the RECORD.

There being no objection, the resolution was referred to the Committee on Public Works, and ordered to be printed in the RECORD, as follows:

Resolution No. 6595

Resolution supporting Federal legislation to provide for public works program and reduction in the Federal tax structure to promote improvement in the countywide economic situation

Resolved by the City Council of the City of Virginia, That—

Whereas various legislators and the administration have indicated the desirability of the institution of a Federal works program to alleviate the unemployment problem which is becoming increasingly critical; and

Whereas some legislators have indicated the desirability of reducing the amount of Federal taxation to provide additional moneys within our economy to facilitate the employment of additional peoples and to stabilize and improve the general economic situation of the country: Now, therefore, be it

Resolved, That the City Council of the City of Virginia place itself on record in support of any Federal legislation which, through a public-works program or through the decrease in the amount of Federal taxation, will provide added employment to the large number of persons presently unemployed and will improve the general economic conditions, and that copies of this resolution be forwarded to Senators THYE and HUMPHREY and to Representative BLATNIK.

Adopted February 18, 1958.

ARTHUR J. STOCK,
President of the City Council.

Approved February 24, 1958.

JOHN VUKELICH,
Mayor.

Attest:

J. G. MILROY, Jr.,
City Clerk.

RESOLUTIONS OF NORTH DAKOTA DEPARTMENT OF THE AMERICAN LEGION

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD resolutions adopted by the North Dakota Department, the American Legion, at Fargo, N. Dak., on February 10, 1958.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

Whereas there is now pending in Congress Senate bill 3153, introduced by Senator LANGER, and H. R. 9714, introduced by Mrs. ROGERS; and

Whereas the passage of this bill will eliminate the confusion, redtape, and cost of administration of the present law and regulations by the Veterans' Administration as it pertains to World War I veterans who have reached their 65th birthday; and

Whereas this bill now before the Congress would grant pensions to veterans over 65 years of age who are unemployable and meet income and service requirements; and

Whereas as far as equity, justice, and previous Government policy regarding veterans of other wars are concerned, it must be remembered that World War I veterans were given no consideration when separated from service and faced two depressions at a time when they were attempting to establish themselves in civilian life; and

Whereas the plight of many of these World War I veterans today is very serious, and the passage of this act would guarantee to them the security that they preserved for their Nation in time of war; and

Whereas the passage of this legislation would entail no financial burden upon the increased economy of this Nation and would render justice to those veterans who are in dire need: Now, therefore, be it

Resolved by the midwinter conference of the American Legion, Department of North Dakota, meeting at Fargo, N. Dak., on this 10th day of February 1958, That we vigorously support the passage of Senate bill 3153 and H. R. 9714; and be it further

Resolved, That copies of this resolution be forwarded to North Dakota's Congressional delegation.

Whereas there is now pending in Congress Senate bill 2966, introduced by Senator LANGER, and H. R. 9711, introduced by Mrs. ROGERS; and

Whereas the passage of this bill would provide pensions for widows and children of veterans of World War II and the Korean conflict on the same basis as pension is now provided for widows and children of veterans of World War I; and

Whereas the passage of this legislation would eliminate confusion and misunderstanding which now exists among the widows and orphans of veterans of World War II and the Korean conflict: Now, therefore, be it

Resolved by the midwinter conference of the North Dakota Department of the American Legion, meeting at Fargo, N. Dak., on this 10th day of February 1958, That we vigorously support the passage of Senate bill 2966 and H. R. 9711; and be it further

Resolved, That copies of this resolution be forwarded to North Dakota's Congressional delegation.

Whereas there is now pending in Congress Senate bill 3154, introduced by Senator LANGER, and H. R. 9715, introduced by Mrs. ROGERS; and

Whereas the passage of this bill would recognize waiver of benefits payable under a private or public retirement plan for the purpose of meeting annual income limitations for disability and death pension: Now, therefore, be it

Resolved by the midwinter conference of the North Dakota Department of the American Legion, meeting at Fargo, N. Dak., on this 10th day of February 1598, That we vigorously support the passage of Senate bill 3154 and H. R. 9715; and be it further

Resolved, That copies of this resolution be forwarded to North Dakota's Congressional delegation.

Whereas there is now pending in Congress H. R. 9710; and

Whereas the passage of this bill would amend the Veterans Benefits Act of 1957 to increase to $250 the amount payable on account of the burial and funeral expense of deceased veterans: Now, therefore, be it

Resolved by the midwinter conference of the North Dakota Department of the American Legion, meeting at Fargo, N. Dak., on this 10th day of February 1958, That we vigorously support the passage of H. R. 9710; and be it further

Resolved, That copies of this resolution be forwarded to North Dakota's Congressional delegation.

RESOLUTION OF BISMARCK (N. DAK.) CHAMBER OF COMMERCE

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the Bismarck, N. Dak., Chamber of Commerce, relating to the construction of a causeway across the Missouri River between Bismarck and Mandan.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

The Bismarck Chamber of Commerce, through its committee on reclamation and its board of directors, has noted with keen interest the proposal that consideration be given to construction of a causeway across the Missouri River between Bismarck and Mandan.

As outlined by Mr. Milo Holsveen, State engineer and secretary of the North Dakota State Water Conservation Commission, such a causeway structure would dam the Missouri River in such a way as to create a water impoundment within the banks of the present main channel, necessitating little or no flooding of farmable bottomlands, and would serve both the purposes of (1) vehicular traffic and (2) water conservation and utilization.

If it is engineeringly and economically feasible to build such a low-level dam at the present proposed site of the proposed interstate highway bridge, it would be a tremendous asset not only to Bismarck and Mandan and their people but also to the entire central North Dakota region and the people who live in that region.

The benefits it would bring about would be numerous, some of them immediate and some of them potentially realizable in the future. It would serve, first, the purpose of a traffic crossing of the Missouri River, which is needed here. It would stabilize the Missouri River flow line and water level, making possible industrial and irrigation developments along that stream which are

not now possible due to the uncertain course of the stream. It could have an electric power production potential, depending upon engineering determination of the practicability of such an installation. It could render the river suitable to commercial navigation should the demand for such navigation arise. It would certainly have tremendous recreation values for a large adjacent area and its population.

In view of these facts, and in view of the fact that appropriate State and Federal agencies already have expressed an interest in this project and are studying its feasibility, the following resolution has been adopted by the reclamation committee of the Bismarck Chamber of Commerce and is concurred in by the board of directors of the Bismarck Chamber of Commerce: Be it

Resolved, That it is our hope and wish that the North Dakota State Water Conservation Commission, the North Dakota State Highway Department and such other arms of State government as may be involved, together with the Federal Bureau of Roads, the United States Army Corps of Engineers and such other Federal agencies as may be involved, do diligently study the aforementioned causeway proposal to determine whether it it engineeringly feasible and economically practical.

RESOLUTION OF NATIONAL LUTHERAN COUNCIL

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution unanimously adopted by the National Lutheran Council in its meeting at Atlantic City, N. J., on February 7, 1958.

The members of the Lutheran Council and all Lutherans are to be congratulated for this concrete evidence that theirs is a religion which seeks to apply and have applied religious morality in daily life. We need more Christians who will insist that Christian morality is not merely something to talk about on Sunday, but rather is something that all of us must live by 7 days of every week.

In urging the United States to return private property confiscated from German and Japanese citizens because of confiscatory legislation passed long after World War II was over, the Lutheran Council is asking us to live up to a higher law which man neither made nor can repeal. The seventh and tenth commandments I believe as every Christian must believe are as binding in the affairs of government as they are in your personal activities and in mine.

Seven million Lutherans in the United States should be proud of the action of this council in Atlantic City, and I am sure they will respond to its admonition that governments, as well as men, cannot ignore the moral law.

Last July 31, President Eisenhower, doubtless because of the conflict between existing United States legislation and the divine enactments, announced that proposals to reflect the "historic American policy of maintaining the sanctity of private property even in wartime," would be made a matter of priority early in the coming session. No such proposals have been forthcoming yet. Is it because those under the President are seeking a formula to give lipservice to what the President said, while doing the opposite in fact? If the representatives of the executive branch wish to comply with the spirit as well as the letter of what President Eisenhower said, they can easily do so by taking the advice of the Lutheran Council. The difficulties of President Eisenhower's assistants will be readily solved, as difficulties always are, by applying the fundamental rules which were true yesterday, are true today, and will be true tomorrow.

It is heartening to find many men in public and business life devoting time and effort to a resurgence of moral authority in public and business affairs. Our distinguished friend, Hon. FRANK CARLSON, the junior Senator from Kansas, is one of the leaders in the movement to restore Christian morality to its rightful position of guidance. He is the present national head of the International Christian Leadership, a group of dedicated men and women who are devoted to the practice as well as the professing of Christian morality in our daily life. I hope we may soon hear from this fine and growing organization as we have heard from the Lutherans.

They all believe, as does every Christian, that government as well as men must live according to Christian morality. They all believe, in other words, that the seventh and tenth commandments are commands not only to Dwight D. Eisenhower, John Foster Dulles, William P. Rogers, and to each of us individually at this end of Pennsylvania Avenue, but also to the President of the United States, its Secretary of State, its Attorney General, Congressmen, and Senators, and to the United States Government.

In the past, I have often warned of the dangers to our freedom of communism. I spoke when it was unpopular to speak, and what I said many years ago about communism is now recognized as the truth about communism. I have not changed my opinion in any respect that the great threat of our times is the threat of communism.

The difference between the Communist way and our way is that in our way religious morality is recognized as the chief guide to right conduct, while in the Communist way even the existence of religious morality is denied.

The essential difference between communism and the free world does not rest on the acceptance or rejection of the existence of morality. The moral laws exist and will continue to exist whether we accept them or the Communists deny them.

What does matter, what will be the greatest strength of the free world, is that it lives according to this moral code. It is because of the importance of acting as we profess, that the resolution of the Lutheran Council on February 7 has its real significance.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION ADOPTED BY THE NATIONAL LUTHERAN COUNCIL AT ATLANTIC CITY, N. J., FEBRUARY 7, 1958

Recognizing that:

1. The right to private property must be strictly observed if men are to be and remain free;

2. That private property of citizens should not be appropriated for reparation;

3. That the only course consistent with Christian ethics, international law, and the honor and tradition of the United States is to recognize these principles, and

Whereas these principles have been observed in previous settlements with citizens of other countries under the Trading With the Enemy Act during World War II: Be it

Resolved, That we urge Congress to adhere to these principles in the settlements remaining to be made for property seized under the Trading With the Enemy Act during World War II.

REPORT ON DISPOSITION OF EXECUTIVE PAPERS

Mr. JOHNSTON of South Carolina, from the Joint Select Committee on the Disposition of Executive Papers, to which was referred for examination and recommendation a list of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historian interest, submitted a report thereon, pursuant to law.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. YARBOROUGH:

S. 3322. A bill to provide an emergency relief program for the 1958 production of cotton; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. YARBOROUGH when he introduced the above bill, which appear under a separate heading.)

By Mr. FULBRIGHT (for himself, Mr. ROBERTSON, and Mr. CAPEHART):

S. 3323. A bill to extend the Defense Production Act of 1950, as amended; to the Committee on Banking and Currency.

(See the remarks of Mr. FULBRIGHT when he introduced the above bill, which appear under a separate heading.)

By Mr. ROBERTSON:

S. 3324. A bill for the relief of Karoly Lassovszky, Irene Drotleff Lassovszky, Judith Lassovszky, and Peter Lassovszky; to the Committee on the Judiciary.

By Mr. MORSE:

S. 3325. A bill to amend chapters 203 and 223 of title 18, United States Code, to insure greater protection for the constitutional rights of accused persons; to the Committee on the Judiciary.

(See the remarks of Mr. MORSE when he introduced the above bill, which appear under a separate heading.)

By Mr. MUNDT (for himself and Mr. CASE of South Dakota):

S. 3326. A bill to provide for special roll of correction, classifying and grouping as follows: landless and retaining trust property; certain bands of the Sioux Tribe of Indians to determine who is Indian and who is not; to the Committee on Interior and Insular Affairs.

By Mr. LANGER:

S. 3327. A bill to amend title II of the Social Security Act to permit all citizens of the United States to receive at least minimum old-age and survivors insurance benefits; and

S. 3328. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Finance.

By Mr. KERR (for himself and Mr. MONRONEY):

S. 3329. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income for certain amounts paid

by a teacher for his further education; to the Committee on Finance.

By Mr. LANGER:

S. 3330. A bill for the relief of Leopoldo Ridriguez-Meza and Adela Rodriguez Gonzales; to the Committee on the Judiciary.

By Mr. KUCHEL (for himself and Mr. KNOWLAND):

S. 3331. A bill to provide for the preservation of early American motion pictures now in the custody of the Library of Congress; to the Committee on Rules and Administration.

(See the remarks of Mr. KUCHEL when he introduced the above bill, which appear under a separate heading.)

ACCEPTANCE OF STATUE OF MARIA SANFORD

Mr. THYE (for himself and Mr. HUMPHREY) submitted the following concurrent resolution (S. Con. Res. 64), which was referred to the Committee on Rules and Administration:

Resolved by the Senate (the House of Representatives concurring), That the statue of Maria Sanford, presented by the State of Minnesota, to be placed in Statuary Hall, is accepted in the name of the United States, and that the thanks of the Congress be tendered said State for the contribution of the statue of one of its most eminent citizens, illustrious for her leadership in education; and be it further

Resolved, That a copy of these resolutions, suitably engrossed and duly authenticated, be transmitted to the Governor of Minnesota.

TEMPORARY PLACING OF STATUE OF MARIA SANFORD IN ROTUNDA OF CAPITOL

Mr. THYE (for himself and Mr. HUMPHREY) submitted the following concurrent resolution (S. Con. Res. 65), which was referred to the Committee on Rules and Administration:

Resolved by the Senate (the House of Representatives concurring), That the Minnesota Statehood Centennial Commission of the State of Minnesota is hereby authorized to place temporarily in the rotunda of the Capitol a statue of the late Maria Sanford, of Minnesota, and to hold ceremonies in the rotunda on said occasion; and the Architect of the Capitol is hereby authorized to make the necessary arrangements therefor.

REENROLLMENT OF SENATE BILL 1805

Mr. MANSFIELD submitted a concurrent resolution (S. Con. Res. 66) authorizing the enrollment, with certain changes, of the bill (S. 1805) for the relief of Acme Bag & Burlap Co. and others, which was considered and agreed to.

(See the above concurrent resolution printed in full when submitted by Mr. MANSFIELD, which appears under a separate heading.)

EMERGENCY RELIEF PROGRAM FOR PRODUCTION OF COTTON IN 1958

Mr. YARBOROUGH. Mr. President, this is a year of confusion and desperation for the millions of American families who rely on cotton for their livelihood. I refer to all those interested in the cotton industry—the farmers, the ginner, the textile millworker, and the garment manufacturing plant employees.

This is a year of desperation for all of these people. If the Congress does not recognize their plight and take appropriate action, many will lose their farms or their jobs. This is a situation that America cannot afford at any time. In this period of already great unemployment, we cannot allow more jobs to end and more markets to vanish.

In Texas today, 50,000 vacant, unpainted, farmhouses with windows broken out and unclosed doors hanging on unoiled hinges, jut against the country skyline. These were the homes of the 50,000 Texas family farmers who have been broken financially and driven from their land in the last 6 years. And in the small, once-prosperous country towns, many locked, boarded-up, bankrupt businesses offer silent testimony on how these family farmers are missed. Between 1940 and 1950 the population decreased in 146 of Texas' 254 counties. A similar situation, so I am told, exists in the other cotton-producing States. What is more, it is one we are going to see much more of if we do not take immediate corrective action.

A few minutes ago I said this is a year of confusion in the cotton industry. Principally due to 7 years of drought in the Southwest, followed by bad weather last year all over the Cotton Belt, there is a shortage of high-quality American cotton. If this shortage is not corrected, millions of cotton workers will be injured, because substitutes and foreign-grown cotton will take over an increasingly large share of the market. America had 17½ million acres planted in cotton in 1957. This year, 3½ million of those acres have been signed up in the soil bank. If they stay in, that will leave only about 14 million acres planted to cotton this year, the smallest acreage in 80 years. With a good growing season, we would expect a crop of 12 million bales; but with unseasonable weather, a crop of 10 million bales would be more likely. That would leave the cotton mills of America in a desperate plight for good quality cotton.

Thus, we are being besieged with letters and telegrams from cotton farmers and farmers' organizations, who urge that cotton allotments be increased, so more cotton can be produced.

These demands for greater acreage were being made while the soil bank was going broke in Texas. The funds allocated under the cotton acreage reserve totaled $45,497,000, and the Agriculture Department estimates that another $15 million will be needed to handle the present signup. I am receiving telegrams and letters from hundreds of small farmers who urge the reopening of the soil bank. Many of these family farmers are on the ropes financially to the point where they cannot get credit to plant a crop. So they are forced to take a soil-bank payment, in order to try to subsist.

The situation is further confused because of the fact that many farmers who signed up under the soil bank have no way of knowing whether they will ever receive the payments. This presents a critical problem, because these farmers must now prepare their ground for planting, if they are not to be included in the soil-bank program.

For example, let me read a letter from Mr. M. T. Eckstrom, Box 145, Progreso, Tex. He wrote:

> The cotton-planting season is on here in the lower valley and most of us small farmers have placed some acreage in the soil bank. The ASC office tells us that the money allotted is used up and unless additional funds are allotted we will probably be left out. If the Department of Agriculture is not going to allow money to cover present applications we should know that now as we need to prepare the soil and buy seed and fertilizer. We only have about 30 more days on the pink bollworm deadline when we are not allowed to plant. If the applications are to be granted and money allotted we should know that this week. The entire farm population here in the valley will appreciate if you can secure some definite information for us on this and have us notified as soon as possible.

Upon contacting the Agriculture Department, we are advised that no system has been planned or set up by which farmers can be informed on this matter. The Department has not yet determined which counties and which States did not use up their soil-bank allocations; therefore it has no idea how many additional applications can or will be accepted. A spokesman estimated the matter could not be straightened out for several weeks. Thus, the confusion over the cotton program continues and grows.

Mr. President, I believe it is becoming more obvious each day that in this situation the soil bank and acreage allotment programs are not working. In this instance, the soil bank has contributed, and is continuing to contribute, very substantially to the death of the family farmer.

With a shortage of good quality cotton in view, the cotton farmer of Texas—particularly the small landowner or tenant farmer—does not need to be paid not to farm. He needs a program that will help him get credit to plant his land. He needs a high enough acreage allotment so he can raise enough to give his family a decent living. With financial ability to plant and a higher acreage allotment, cotton farmers can produce the additional top quality cotton needed this year for domestic manufacture.

Mr. President, I introduce, for appropriate reference, a bill to provide an emergency relief program for the 1958 production of cotton.

It provides, first, that the acreage allotment for the 1958 crop of cotton for each farm be increased by 1 acre or 10 percent of the total of such allotment for 1958, whichever is greater. Secondly, the bill provides that those farmers who need money to operate their farms may secure loans from the Farmers' Home Administration in the amount they would be able to qualify for under soil-bank payments if they had banked their land. This gives the farmer an option; he may bank his land, or get more acreage. He cannot do both. He cannot bank his land and get more acreage, too. This loan provision applies to both those who have signed up for the soil bank and those who did not.

I ask unanimous consent to have the bill printed in the RECORD.

The PRESIDING OFFICER (Mr. LAUSCHE in the chair). The bill will be received and appropriately referred; and,

without objection, the bill will be printed in the RECORD.

The bill (S. 3322) to provide an emergency relief program for the 1958 production of cotton, introduced by Mr. YARBOROUGH, was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the Congress hereby finds and declares that because of adverse growing and harvesting conditions, the grade and quality of the 1957 crop of cotton is so far below normal as to require emergency action to alleviate a critical shortage in the supply of high quality cotton, to prevent loss of markets to substitute fibers and foreign growths, and to protect farm income.

SEC. 2. In order to meet the present emergency and to effectuate the declared policy of the Congress in the Agricultural Adjustment Act of 1938, as amended, that farmers obtain insofar as practicable parity prices and parity of income and that consumers have an adequate and steady supply of cotton, and that section 344 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding the following new subsection:

"(n) Notwithstanding any other provision of law, the farm acreage allotment for the 1958 crop of cotton for each farm shall be increased by an additional 1 acre or by 10 percent of the cotton acreage allotment for such farm for 1958, whichever is greater, if (1) such farm does not participate in the 1958 acreage reserve program for cotton, and (2) the owner or operator of such farm notifies the appropriate county committee, in such manner as the Secretary shall prescribe, that he wishes to receive such additional acreage allotment. Any producer of cotton who contracted prior to the enactment of this subsection to participate in the 1958 acreage reserve program for cotton, and who wishes to receive the additional cotton acreage allotment provided for in this subsection in lieu of participating in the acreage reserve program, may be relieved of the obligation of such contract by notifying the appropriate county committee, in such manner as the Secretary shall prescribe. The additional acreage authorized by this subsection shall not be taken into account in establishing future State, county, and farm acreage allotments."

SEC. 3. Section 101 of the Agricultural Act of 1949, as amended, is amended by adding the following new subsection:

"(g) Notwithstanding the foregoing provisions of this section, the level of price supports for the 1958 crop of cotton to cooperators electing to plant an additional acreage pursuant to the provisions of section 344 (n) of the Agricultural Adjustment Act of 1938, as amended, shall be not greater than 90 per centum of the parity price for cotton nor less than 82 per centum thereof for the same proportional part of their total sales of cotton as the cotton acreage allotment for such farm is of his total planted acres of cotton in 1958.

SEC. 4. Notwithstanding any other provision of law, the maximum period for which any price support loan may be made available to any cooperator for the 1958 crop of cotton shall be 60 days. The Commodity Credit Corporation is directed, beginning August 1, 1958, and continuing for the remainder of the 1958–59 marketing year, to offer any cotton owned by it for sale for unrestricted use at the higher of (a) 5 per centum above the level of support prescribed, plus reasonable carrying charges, or (b) the market price, as determined by the Secretary.

SEC. 5. (a) The Farmers' Home Administration is authorized and directed to make emergency subsistence loans, as hereinafter provided in this section, to cooperators of the 1958 crop of cotton who do not participate in the cotton acreage reserve. As used in this section the term cooperator shall have the same meaning as defined in section 408 (b) of the Agricultural Act of 1949, as amended.

(b) An eligible cooperator applying for a loan under the provisions of this section shall be entitled to borrow an amount of money (as determined by the Administrator of the Farmers' Home Administration) equal to the amount such cooperator would have received in acreage reserve payments if he had participated in the 1958 acreage-reserve program by placing in the acreage reserve—

(1) the entire acreage allotment, if such allotment is not more than 5 acres;

(2) 4 acres, plus 15 per centum of the acreage allotment, if the acreage allotment is more than 5 acres but not more than 100 acres; or

(3) 20 percent of the acreage allotment, if such acreage allotment is more than 100 acres; but no such loan shall exceed $3,000.

Mr. YARBOROUGH. Mr. President, I also ask unanimous consent that an exceptionally informative article on this subject which was published in the New York Times on February 16, 1958, under the heading, "Cotton Shortage Looms This Year," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

COTTON SHORTAGE LOOMS THIS YEAR—MILLS FIND IT INCREASINGLY HARD TO OBTAIN GOOD GRADES IN SOUTH

(By J. H. Carmical)

After several years of rigid Government control, the cotton industry is faced with a critical supply situation unless legislation is enacted soon to increase the permissible acreage for this year's crop.

Because of the poor quality of last year's weather-plagued crop, mills are finding it increasingly difficult to find good white cotton in the South. Many in the trade fear that a tight supply situation in the good grades will develop before the next crop is ready for the market.

As far as quantity is concerned, there continues to be a surplus despite the abnormally short crop of 10,900,000 running bales last year. With the crop some 2,500,000 to 3 million bales below the expected demand for this season, the surplus next August 1 is expected to be that much below the 11,200,000-bale carryover of last August 1. A surplus of 8,200,000 to 8,700,000 bales at the end of this season would be the smallest since August 1, 1953.

But since the better grades from the surplus of prior years' crops already have been disposed of and last year's crop had a preponderance of lower grades, the carryover next August 1 will consist almost entirely of inferior grades.

CCC'S STOCK LOW

It is estimated that cotton owned by the Commodity Credit Corporation, the Government's price support agency, amounts to only 2 million bales. This cotton is from the 1956 and prior crops, and generally represents the poorest quality from these crops. Also, this is all the cotton available for sale by the Government for the rest of this season.

In addition, the Government has 2,640,000 bales in its 1957 loan stock, but it will be unable to take title to that cotton until the loan matures on July 31.

Since good cotton this season has been selling above the loan rate, the fiber that has been going into the loan has been the lower grade. This season the poor quality cotton generally has been selling in the open market below the loan rate and farmers have found it to their advantage to place it in the loan.

The situation would not be so serious if a normal crop could be raised this year. But, since the growers are eager to put the acres allocated to them in the soil bank, the outlook is for a crop much below export demand and domestic requirements, even if the weather is favorable.

The national allotment set by the Department of Agriculture, on which marketing quotas have been voted, is 17,600,000 acres. The latest report shows that some 266,000 growers have offered to put 3,346,000 acres allocated to them in the soil bank. The maximum payments on this would total $182,275,000. With only 180 million authorized for such payments to cotton growers for the 1958 crop, the authorization must be increased or some other adjustment made.

Farmers generally plant slightly less than their acreage allotment to be sure they stay within their quota because of the heavy penalty for overplanting. Deducting the acreage likely to go into the soil bank, it is estimated that no more than 14 million acres will be planted this year. Abandonment for various reasons usually amounts to around 3 percent of the planted acreage. Thus, the outlook is for a harvest next year from around 13,500,000 acres, the smallest in more than 80 years.

Under generally favorable conditions, this would mean a crop at the most of about 12 million bales. Even if the weather should be unusually favorable, the crop would not be large enough to meet domestic requirements and the export demand. Under adverse weather, the crop might be less than 10 million bales. This would result in an acute shortage and prices that would further encourage the use of substitutes.

SUPPORT PRICE SET

In view of the supply situation, Ezra T. Benson, Secretary of Agriculture, has set the minimum support price on this year's crop at the equivalent of 34.60 cents a pound for 1-inch Middling cotton, compared with 32.31 cents for last year's crop. If the supply declines by the time the next marketing year begins on August 1, the support price may be raised, but it will not be lowered.

The position of the Department of Agriculture is that the law permits an increase in the acreage allotment only under emergency conditions. Under the farm law, the national acreage allotment is determined by a formula that takes supply and demand into consideration. Although the Department believes there may be a tight supply in some grades, it does not like the idea of asking farmers to plant more cotton when it is offering them subsidies through the soil bank to plant less.

Members of Congress from the cotton-growing States, however, are pressing for some legislation so farmers will be able to plant more cotton. With planting already started in the extreme southern part of the belt, action must be taken within the next few weeks if it is to be of full benefit this year.

If any legislation is enacted, it is expected to follow closely a bill introduced by Senator JAMES O. EASTLAND, Democrat of Mississippi. This bill would permit a cotton grower to accept his present acreage allotment and the price support the Government has offered, or take a price support based on 75 percent of parity, with a 30 percent increase in acreage. If the grower should choose to increase his acreage, he could not divert any of the cotton cropland to the soil bank.

AMENDMENTS POSSIBLE

The difficulty of getting any such legislation enacted is that Members of Congress from other sections might want to tack on amendments providing for increases in support prices on other crops. If any such amendments should be inserted, President Eisenhower might veto the bill.

With the Government's stockpile of cotton reduced to a low level there is considerable talk in the trade about a change in the export

program. For the last few years cotton sales abroad have been made almost exclusively by the Department of Agriculture. Now it is reported that a plan somewhat similar to that for wheat will be introduced at the start of the next season August 1.

Under this plan a subsidy payment of 6 cents a pound in kind would be made. This would go to the exporter and would enable cotton to be moved through regular commercial channels. The difficulty in such a plan is that the Government does not have any good white cotton in which to make payment.

Mr. YARBOROUGH. Mr. President, I ask unanimous consent that the bill may lie on the table until the close of the session of the Senate on Monday next, to give an opportunity to any other Senators who may wish to do so to join in sponsoring the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF DEFENSE PRODUCTION ACT OF 1950

Mr. FULBRIGHT. Mr. President, on behalf of myself, the Senator from Virginia [Mr. ROBERTSON], and the Senator from Indiana [Mr. CAPEHART], I introduce, for appropriate reference, a bill to extend the Defense Production Act of 1950, as amended. I ask unanimous consent that a letter from the Director, Office of Defense Mobilization, Executive Office of the President, requesting this proposed legislation, may be printed in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 3323) to extend the Defense Production Act of 1950, as amended, introduced by Mr. FULBRIGHT (for himself, Mr. ROBERTSON, and Mr. CAPEHART), was received, read twice by its title, and referred to the Committee on Banking and Currency.

The letter presented by Mr. FULBRIGHT is as follows:

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF DEFENSE MOBILIZATION,
Washington, D. C., February 10, 1958.

Hon. RICHARD M. NIXON,
President of the Senate,
Washington, D. C.

DEAR MR. PRESIDENT: There is forwarded herewith a draft of proposed legislation, "To extend the Defense Production Act of 1950, as amended." It is proposed that the existing authorities in the act be extended for a period of 2 years to June 30, 1960. No other amendments are requested.

As indicated by the President in the recent budget message, the act has provided much of the basic authority required to bring about needed expansion of productive capacity, to provide controls over the use of scarce materials, and to initiate other measures essential to enhance our military strength. The authorities now existing in titles I, III, and VII will continue to be of importance to the development of vital military programs and to maintaining and improving our state of readiness for an expanded emergency program if that should become necessary. The authorities originally granted in other titles have expired.

At the present time, contracts which are let by the Department of Defense and the Atomic Energy Commission for the production of war materials carry with them the requirement that the manufacturer give such preference to their performance as is necessary to assure meeting delivery schedules. This requirement for preference extends also to the delivery of components and supplies for the use of the prime contractor. The level of defense procurement together with the demands of an active economy make such preferential treatment necessary to insure prompt handling of defense orders. This priority system is authorized by title I of the Defense Production Act. The machinery of the system—determination of requirements, application of priorities, reports and records—is in being and in operation, ready to meet the demands of new or expanded military and AEC programs and to take on the increased load of an emergency program at any time.

Title III of the act includes various powers designed to expand productive capacity essential both for current programs and to the mobilization base in time of emergency. The Government is assisting financially in the development and production of strategic and critical materials needed for modern weapons, and it is able to extend such assistance promptly in the research and development of new processes or materials such as high temperature alloys and ceramics. The loan guarantee provisions are useful practicularly to the procuring agencies as a means of assisting their contractors in securing working capital and additional equipment needed for the performance of defense contracts. No specific new programs requiring the other financial aids are now contemplated but accelerated research and development of new weapons may in the future require greater production of key materials and the development of new processes.

Title VII of the act contains various general provisions and authorities in support of those in the other two titles. Of great importance among these in the voluntary agreement authority (section 708). This makes possible the use of the joint experience of defense contractors in improving and speeding the output of weapons through integration committees in which technical advances and know-how can be shared without danger of violating the antitrust laws. A number of existing integration committees of the Department of the Army depend upon this authority, and the development of new weapons will no doubt give rise to a need for others.

The three titles referred to make up the Defense Production Act as most recently extended in 1956 to June 30, 1958. It is submitted that the continuing defense program, with its emphasis on the timely production of new and complicated weapons systems, requires the extension of the act for an additional period of 2 years.

Sincerely yours,

GORDON GRAY,
Director.

A bill to extend the Defense Production Act of 1950, as amended

Be it enacted, etc., That the first sentence of subsection (a) of section 717 of the Defense Production Act of 1950, as amended, is hereby amended by striking out "June 30, 1958" and inserting in lieu thereof "June 30, 1960."

PRICELESS AMERICAN TREASURE NEEDS TO BE PRESERVED

Mr. KUCHEL. Mr. President, the Library of Congress is known far beyond the boundaries of our own Nation as one of the world's most precious storehouses of culture, history, literature, and current information. The varied items in this unique repository range from rare books with exquisite bindings to documents without price.

Included in the unusual collections are large numbers of photographic prints of scenes which never can be taken again and which are fast deteriorating to the point where they will be completely destroyed within a short time unless steps are taken to perpetuate and preserve them. Because these pictures are a rare bit of Americana, showing events, customs, evidence of the growth and development of our Nation, I introduce, for appropriate reference, a bill authorizing their preservation so they will be available for study and research.

The bill which I am introducing, and in which my colleague, the senior Senator from California [Mr. KNOWLAND] joins, would permit an appropriation of $250,000 to transfer to long-lived safety film the paper prints of these motion pictures made around the turn of the century. I consider that a small price to pay for insuring that succeeding generations will be able to visualize America as our parents and our grandparents saw it. With these pictures, future Americans will be able to get vivid ideas of such historical happenings as the San Francisco fire, inauguration of Presidents, early day automobiles and airplanes, the way people lived and the clothes they wore.

The films which we should lose no time in preserving are not, Mr. President, merely objects of curiosity. They are far more significant than the earliest so-called entertainment movies. They are not the cliff-hanger melodramas or pie-throwing comedies which amused our mothers and fathers in the nickelodeons of the early 1900's and which some of us still can vaguely recall seeing on Saturday afternoons when we were allowed to go to a picture theater.

Instead, these prints are documentary and in large part the work of early amateurs, in the era from 1892 to around 1912. In those two decades, it was impossible to obtain copyright protection for negatives or even for developed film strips. Because celluloid was a new and little known substance, it was necessary for those pioneering photographers to file series of still pictures on paper as proof they took and owned strips of pictures which could give the illusion of motion.

In recent years, technological and scientific advances have resulted in perfection of methods of restoring, rephotographing, and preserving these early day prints. The process is delicate, for many of the prints are faded and fragile. But the images which can be transferred to modern safety film have incalculable value.

Much work already has been done, in a public-spirited manner, by the Motion Picture Academy of Arts and Sciences. This organization, comprised of individuals concerned about the cultural and technical achievements of moving picture industry, has expended almost a half-million dollars from its small budget for research into preservation methods and for reproducing 170,000 feet of paper prints.

The academy lacks resources to complete the job of safeguarding this extraordinary pictorial heritage. Since the pictures already are in the possession of the United States, I feel we should carry on the work the academy has been compelled to suspend. This must be undertaken without delay before the prints

reach a stage of deterioration which prevents their perpetuation. I consider the bill I have prepared is in accordance with American habits and traditions of thrift and prudence. We should put to use new methods and techniques to avert the crumbling to dust of these rare historical items which record significant happenings and events of an earlier day.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3331) to provide for the preservation of early American motion pictures now in the custody of the Library of Congress, introduced by Mr. KUCHEL (for himself and Mr. KNOWLAND), was received, read twice by its title, and referred to the Committee on Rules and Administration.

INCREASE IN RATES OF BASIC COMPENSATION OF OFFICERS AND EMPLOYEES OF POST OFFICE DEPARTMENT—AMENDMENT

Mr. YARBOROUGH submitted an amendment, intended to be proposed by him, to the bill (S. 27) to increase the rates of basic compensation of officers and employees in the field service of the Post Office Department, which was ordered to lie on the table and to be printed.

AMENDMENT OF INTERNAL REVENUE CODE, RELATING TO PERCENTAGE DEPLETION IN CERTAIN CASES—AMENDMENTS

Mr. LANGER submitted amendments, intended to be proposed by him to the bill (H. R. 2391) to clarify the Internal Revenue Code of 1954 with respect to the allowance of percentage depletion in the case of sand and gravel extracted from navigable waters, which were referred to the Committee on Finance, and ordered to be printed.

VA HOUSING—ADDITIONAL COSPONSORS OF BILL

Mr. FULBRIGHT. Mr. President, late in the last session, after careful and deliberate consideration in both Houses, the Congress passed H. R. 4602. That bill would have extended the home loan guaranty and direct home loan programs of the Veterans' Administration.

On September 2, 1957, after adjournment of the Congress, President Eisenhower vetoed H. R. 4602. The effect of that veto is that, unless some action is taken during the present session of Congress, the direct loan program will expire on June 30, 1958, and the benefits of the loan guaranty program for World War II veterans will expire on July 25, 1958. These programs must not be allowed to terminate this year.

On January 13, 1958, the Senator from Alabama [Mr. SPARKMAN], on behalf of himself and the Senator from South Carolina [Mr. THURMOND], introduced S. 2995—a bill containing the provisions of H. R. 4602, which was vetoed last fall. S. 2995 is now pending before the Committee on Banking and Currency and contains the following major provisions:

First. Extends the direct loan program from June 30, 1958 to July 25, 1959;

Second. Restricts direct loans to housing credit shortage areas in rural areas and small cities or towns not near large metropolitan centers;

Third. Increases the maximum amount of a direct loan from $10,000 to $13,500;

Fourth. Authorizes an additional $150 million for direct loans for fiscal year 1959, plus $50 million for each unexpired quarter of fiscal year 1958 remaining on the date of enactment;

Fifth. Authorizes advance commitments to home builders for a reservation of direct loan funds to be used by an eligible veteran who buys the home; and

Sixth. Extends the benefits of the loan guarantee program for World War II veterans from July 25, 1958, until July 25, 1959.

Mr. President, under date of February 14, 1958, I received a report on S. 2995 from the Administrator of Veterans' Affairs, addressed to me as chairman of the Committee on Banking and Currency. The Administrator states, among other things:

> I am unable to recommend favorable consideration of S. 2995 * * * and that the enactment of this legislation would not be in accord with the program of the President.

This stubborn position, identical in effect to the veto message of last year, is reiterated at a time when the President is acknowledging a downward movement in the economy, is issuing Pollyanna statements about an upturn in job opportunities, and is citing housing starts as a stimulating and desirable influence in the economy. I am surprised and disappointed that the administration has not seized this opportunity to bolster the economy by extending these two home-loan programs.

Mr. President, I am particularly disappointed at the prospect that the direct loan program may terminate. This activity, small though it has been, is the only hope of veterans from small towns to achieve benefits comparable to those received by veterans in metropolitan areas where the loan guaranty program has been so helpful. I can assure the Senate that this direct-loan program has been tightly administered and that any veteran who received a loan has demonstrated conclusively that funds were not available from any other source. In order that the Senate may have some idea of activity under this program, I ask unanimous consent that at this point in my remarks there be printed a table showing activity for calendar year 1957.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

VA direct loan activity, 12 months ending Dec. 31, 1957

State or Territory [1]	Loans closed and fully disbursed				Unreserved balance of funds allotted to field stations as of Dec. 31, 1957
	Number			Total amount	
	Non-farm	Farm	Total		
United States total	24,419	1,701	26,120	$207,679,177	$2,905,520
Alabama	571	38	609	5,264,809	13,786
Alaska	47	0	47	439,430	67,011
Arizona	108	0	108	799,657	97
Arkansas	538	61	599	4,570,519	55,185
California	266	0	266	2,436,945	74,721
Colorado	207	12	219	1,620,399	76,206
Connecticut [2]					
Delaware [2]					
District of Columbia [2]					
Florida	497	6	503	4,680,479	0
Georgia	1,114	153	1,267	9,867,022	4,644
Hawaii [2]					
Idaho	894	0	894	7,704,589	54,667
Illinois	934	1	935	6,859,857	15,707
Indiana	769	55	824	5,905,566	25,080
Iowa	495	18	513	3,745,899	40,940
Kansas	151	5	156	1,088,241	8,756
Kentucky	1,365	175	1,540	11,664,642	7,152
Louisiana	756	9	765	6,468,172	43,505
Maine	346	16	362	2,450,249	1,358
Maryland	136	0	136	1,151,155	3,048
Massachusetts [2]					
Michigan	473	40	513	4,220,816	16,868
Minnesota	845	127	972	7,220,767	11,698
Mississippi	968	101	1,069	8,900,764	314,493
Missouri	895	337	1,232	$9,230,798	$311,478
Montana	619	23	642	5,298,730	8,668
Nebraska	264	3	267	2,077,736	4,851
Nevada	53	0	53	471,106	72,560
New Hampshire [2]					
New Jersey [2]					
New Mexico	189	12	201	1,674,289	90,441
New York	106	17	123	922,422	62,213
North Carolina	1,792	0	1,792	14,830,139	1,122
North Dakota	291	26	317	2,229,665	36,902
Ohio	1,234	47	1,281	9,710,712	393,474
Oklahoma	569	163	732	5,795,980	16,053
Oregon	297	2	299	2,510,855	108,836
Pennsylvania	397	25	422	3,086,688	55,223
Puerto Rico	352	1	353	3,177,874	1,093
Rhode Island [2]					
South Carolina	550	0	550	4,618,720	8,316
South Dakota	396	20	416	3,089,333	1,429
Tennessee	532	45	577	4,296,810	174,546
Texas	624	45	669	5,410,379	127,345
Utah	629	22	651	5,742,727	4,890
Vermont	19	1	20	128,353	53,820
Virginia	1,428	2	1,430	11,754,911	217,449
Washington	351	25	376	3,023,792	34,774
West Virginia	910	2	912	7,660,862	189,466
Wisconsin	862	64	426	3,177,575	106,418
Wyoming	80	2	82	708,754	4,201

[1] State totals based on VA regional office jurisdictional boundaries; in a few instances these boundaries do not conform exactly with State lines.

[2] No portion of State eligible for direct loans.

Mr. FULBRIGHT. Mr. President, this table shows that a total of only 24,419 loans were made in 1957—of which only 538 were closed in Arkansas. As of December 31, 1957, only $55,011 of the Arkansas allocation remained unused, and on that date there was a waiting list of 114 deserving veterans. An additional $202,000 has been allocated to Arkansas for the remainder of fiscal year 1958. This amount will probably take care of less than 30 veterans who were on the waiting list in December and offers no hope at all for those veterans who may apply thereafter. I am sure that similar conditions exist in other States.

Mr. President, this is probably the best Federal program immediately available to stimulate economic recovery—from the standpoint of fiscal soundness as well as social desirability. Since its inception, only four-tenths of 1 percent of all loans made have been foreclosed. This is an enviable record. Furthermore, as of December 31, 1957, income had exceeded expenses by over $33 million. In this connection, I ask unanimous consent to have printed in the RECORD a comparative statement of income and expense of the direct loan program through December 31, 1957.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Comparative statement of income and expense, direct loans through Dec. 31, 1957

Income:	
Interest income on direct loans	$83,481,043
Gross profit on sales of acquired property	59,179
Interest income on mortgage receivables, properties sold	140,160
Miscellaneous income	80,142
Total income	83,760,524
Expenses and losses:	
Interest expense, U. S. Treasury advances	$46,480,502
Property management and selling expense	169,306
Fees to loan closing attorneys	3,245,624
Liquidation and miscellaneous expenses	35,905
Charges against reserve for losses	150,358
Total expenses and losses	50,081,695
Net worth (reserve for expenses and losses)	33,678,829

Mr. FULBRIGHT. Mr. President, the bill of the Senator from Alabama [Mr. SPARKMAN], S. 2995, also extends the loan guaranty program which has assisted the construction of over 1.7 million homes since 1950. The only significant objection made by the President in his opposition to continuing the loan guaranty program is that the maximum interest rate of 4½ percent is not attractive to investors. The President suggests that the Federal Housing Administration's insurance programs will be adequate to accommodate the future demands for insurance or guaranty of private housing credit. In my opinion the President's view is both impractical and callous to the needs of the public.

I, for one, am not ready to admit that the attractiveness of a 4½ percent fully guaranteed home mortgage loan has dimmed to the extent that the guaranty program should be abandoned. Furthermore, we know from past experience that the Federal Housing Administration cannot quickly prepare itself to handle a sudden increase in applications. If the President's recommendations are followed, we will be faced with the following situation:

First. Veterans in rural areas and small towns and cities will have no source of home mortgage credit;

Second. Veterans in metropolitan centers will be offered 5¼ percent FHA insured loans instead of 4½ percent VA guaranteed loans; and

Third. Veterans and nonveterans depending upon the FHA will be hopelessly mired in administrative bottlenecks because the FHA offices cannot hire and train people quickly enough to process a rapidly increasing workload.

Nineteen hundred and fifty-eight is not the year to abandon the housing programs of the Veterans' Administration and to overload the Federal Housing Administration. Consequently, I will support S. 2995 vigorously—and I ask unanimous consent to have my name added as a cosponsor of S. 2995. I hope that the Committee on Banking and Currency can give early and favorable consideration to this bill, and that it can be enacted into law as soon as possible.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield to the Senator from Alabama.

Mr. SPARKMAN. With reference to the direct-loan program, is it not true that the witnesses who appeared before our committee over the past several years—exclusive of Government witnesses who might be taking an official stand, but including bankers, representatives from insurance companies, mortgage bankers and so forth—have endorsed the program as being a good program and one which is necessary to supplement the FHA and regular GI-loan programs?

Mr. FULBRIGHT. The Senator from Alabama is eminently correct. The Senator from Alabama, of course, is, I think, the best authority in this body on the subject of housing. The Senator sponsored the bill to which I referred, and is the sponsor of S. 2995. What the Senator says is absolutely correct.

In addition to what the Senator from Alabama just said, the program is about the only effective one for the veteran out in the small community, where there are not any other mechanisms for financing housing. This is about the only chance such a veteran has. If this procedure is not provided, that fellow will get nothing. I do not mean that he is excluded under other programs, but as a practical matter this program is the only hope for such a fellow as that.

Mr. SPARKMAN. The program was designed for that person.

Mr. FULBRIGHT. That is correct.

Mr. SPARKMAN. And the program has functioned adequately under proper restrictions.

Mr. FULBRIGHT. The experience, so far as the financing of the program is concerned, has been very good. It has been administered in a very sound manner. The Senator is quite correct. I am at a loss to understand the administration's attitude toward it. I do not understand the attitude especially now, when there is so much talk of doing things to help the economy along.

Mr. SPARKMAN. Mr. President, if the Senator will yield further, I want to say I fully agree with the Senator. I am delighted he has made these remarks. I am delighted he has asked to have his name added as one of the sponsors of the bill.

Mr. FULBRIGHT. I congratulate the Senator from Alabama for taking the leadership in this field. As chairman of the committee, I want to do anything I can to help obtain for this proposed legislation immediate action.

PROMOTION OF GREATER COOPERATION AMONG NATO NATIONS—ADDITIONAL COSPONSORS OF CONCURRENT RESOLUTION

Mr. SPARKMAN. Mr. President, I ask unanimous consent that my name and that of the Senator from Louisiana [Mr. LONG] may be added as cosponsors of Senate Concurrent Resolution 62, to request the President to use his best efforts to bring about a meeting of representative citizens from all the North Atlantic Treaty Organization nations to examine ways to promote greater cooperation among those nations; and I request that the list of cosponsors be held open until Friday, March 7, 1958, in order that other interested Senators may add their names to the resolution, as cosponsors, if they so desire.

Mr. MORSE. Mr. President, will the Senator from Alabama yield to me?

Mr. SPARKMAN. I yield.

Mr. MORSE. I ask that my name also be added as a cosponsor of the concurrent resolution.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Alabama and the request of the Senator from Oregon? Without objection, it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, were ordered to be printed in the RECORD, as follows:

By Mr. POTTER:

Statement prepared by him on service rendered by the Disabled American Veterans.

By Mr. WILEY:

Special letter by him to Wisconsin students about choosing the right job so as to serve America and yourself.

NOTICE OF HEARING ON NOMINATION OF MARION C. MATTHES TO BE UNITED STATES CIRCUIT JUDGE, EIGHTH DISTRICT

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Monday,

March 3, 1958, at 10 a. m., in room 424, Senate Office Building, upon the nomination of Marion C. Matthes, of Missouri, to be United States circuit judge, eighth circuit, vice Charles E. Whittaker, elevated.

At the indicated time and place persons interested in the above nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Missouri [Mr. HENNINGS], chairman; the Senator from North Carolina [Mr. ERVIN], and the Senator from Indiana [Mr. JENNER].

EXTENSION OF TIME FOR FILING OF REPORTS BY COMMITTEE ON THE JUDICIARY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the time for the filing of reports by the Committee on the Judiciary, required by Senate resolutions, be extended to March 17, 1958.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECIPROCAL TRADE AND DOMESTIC PROBLEMS

Mr. MANSFIELD. Mr. President, there has been a good deal of talk of late about a 5-year extension of the reciprocal trade and about a four-billion-dollar program in foreign aid.

I call to the attention of the administration that there is a domestic problem to be considered, as well. The people of this country are just as much interested in spuds as they are in sputniks. It is my belief that before it is too late, the administration should move to take measures which would look after the welfare, well being, and economy of our own people.

The most distressed area in the entire country is the Pacific Northwest, the States of Oregon, Washington, Idaho, and Montana.

The leading State, on the basis of the unemployment insurance figures as of January 18, 1958, just 1 month ago, was Oregon, with a percentage basis of 12.8. Montana was second, with a percentage basis of 12.3. Washington was third, with 11.4 percent; and Idaho was fourth, with 10.7 percent.

Mr. President, I have before me statements from Montana which indicate that the number of unemployed in my State is well above the 20,000 mark—and this out of a population of approximately 650,000.

I also note from an article published in the Kalispell Interlake that in that particular area of the Flathead Valley, in northwestern Montana, 584 people have used up the funds on which they have been living.

Mr. President, I am not a prophet of gloom or doom, but I hope I am realistic; and certainly I know something about the difficulties in which the lumberworkers find themselves at the present time; the difficulties which confront the copper, lead, zinc, tungsten, and manganese miners in Montana, and the difficulties which confront our coal miners, our farmers, and the other working people in my State.

Mr. President, I ask unanimous consent to have printed in the RECORD, in connection with my remarks, a statistical table showing the degree of unemployment in all the States of the Union; a statement, issued by the Montana State Employment Service, Division of Unemployment Compensation Commission of Montana; an article from the Kalispell Daily Interlake; and an article from the Montana Standard, of Butte, Mont. The Kalispell Daily Interlake article is dated February 12, and the Montana Standard article is dated February 5.

There being no objection, the table, statement, and articles were ordered to be printed in the RECORD, as follows:

Insured unemployment as of Jan. 18, 1958 [1]

	Percent
Alabama	7.1
Arizona	5.2
Arkansas	9.9
California	7.0
Colorado	3.4
Connecticut	6.9
Delaware	4.1
Florida	3.1
Georgia	6.0
Idaho	10.7
Illinois	4.9
Indiana	6.5
Iowa	4.3
Kansas	4.4
Kentucky	9.8
Louisiana	4.1
Maine	10.7
Maryland	5.7
Massachusetts	7.0
Michigan	9.8
Minnesota	7.7
Mississippi	8.8
Missouri	5.3
Montana	12.3
Nebraska	4.5
Nevada	9.8
New Hampshire	7.2
New Jersey	9.3
New Mexico	3.9
New York	6.8
North Carolina	7.3
North Dakota	10.3
Ohio	6.2
Oklahoma	5.2
Oregon	12.8
Pennsylvania	9.3
Rhode Island	10.5
South Carolina	6.4
South Dakota	5.1
Tennessee	9.7
Texas	3.2
Utah	5.8
Vermont	8.4
Virginia	3.7
Washington	11.4
West Virginia	9.9
Wisconsin	5.5
Wyoming	5.9
District of Columbia	1.9

[1] Source: Bureau of Employment Security, Department of Labor.

[From Montana Labor Market Monthly Review for February 1958]

WAGE-EARNER LEVEL DIPS 3,400 IN FIRST 1958 MONTH

Downward trend of employment numbers in Montana nonfarm industries was continued in the January figures just compiled. Wage earners as of January 15 are set at 155,600, a decline of 3,400 from January of 1957, and the sixth successive month showing less employment than the same month in the preceding year.

METAL MINING IS PRINCIPAL LOSER

Metal mining, with its current heavy layoffs due to depressed market, accounts for practically all the employment loss. Mining is down 3,200 from a year ago, from 8,900 to 5,700. Another healthy slice occurs in processing of the ores from the metal mines, where 900 loss of employment is shown. No change appears in the prospect for recovery from this slump. Price levels are held to be too low to justify operation of certain of the mine properties.

LUMBERING ALSO DECLINES

Similar price conditions in the lumber industry are reflected in a decline of 200 workers from January of last year. Lumber employment is, however, 1,800 below its peak in August 1956 when 8,900 were in that industry as compared with 6,100 in January this year. There were 8,500 engaged in lumber industries in August of 1957. The surprising thing with respect to lumber employment is that the cutbacks have not been more severe.

CONSTRUCTION UP FROM A YEAR AGO

Contract construction had 700 more on the payrolls this January than last, probably due in measure to milder weather. Service industries and governmental establishments each showed 800 more this January than last, while transportation and utilities were 500 down over the same period and the trade industries had a decline of 500.

JANUARY TRADE EMPLOYMENT LAGS

Seasonal decline reflected in the January figures is 5,500 from December. A year ago the similar period showed a loss of 6,200, and the average December to January decline for the past 10 years has been 8,230. Trade employment was the principal loser, going from 41,600 in December to 39,300 in January, for a difference of 2,300. This is not, however, an excessive drop at this season; in January 1957, a loss of 2,900 was recorded in trade.

MOST OTHER INDUSTRIES RECEDE

The December to January trend was 1,000 down in contract construction, somewhat less than usual; 900 in lumber and logging; and 800 in Federal Government employment, largely the extras in postal service. All these are seasonal in nature. A gain of 100 in finance and insurance, and loss of 300 in the mining group, along with 100 down in service industries are outside the seasonal definition.

POSTWAR RECORD 21,500 JOBSEEKERS SET LAST MONTH IN MONTANA LABOR MARKET

Reserve labor supplies in Montana reached a new postwar high of 21,500 workers in January, exceeding by 7,000 the count for January 1957, and by 3,000 the previous top spot recorded in February of 1950. Not since the depression days of the thirties had comparable levels been reached. The January count was also 5,000 higher than for the preceding month. Figures quoted are those of active applicants for work registered with offices of the employment service in the State as of the last of the month.

Indicates 16,000 idled since last August

Current level of active jobseekers is about 16,000 greater than the number recorded last August, when employment was at its peak for the year. A year ago, the August to January jobseeker spread was 12,000, and 2 years ago it was 10,000, both of which figures are approximate measures of the seasonal decrease in the working force which is characteristic of employment experience in Montana. Much of the 4,000 to 6,000 increase in Montana's unemployment swing this winter as compared to those recent years is attributable to effects of faltering markets on the prime industries of metal mining and lumbering. These effects, in turn, communicate to other fields of employment as reduced wage totals shrink the general economy.

Work-applicant count in review

	1958	1957	1956	1955	1954	1953	1952	1951
January	21,533	14,792	12,676	12,887	12,270	10,616	10,370	11,685
February	[1] 22,700	16,695	13,061	12,304	12,455	10,995	10,136	12,336
April		12,066	7,794	9,227	8,945	6,043	5,705	7,048
June		7,943	4,694	5,274	5,403	3,910	2,957	4,240
August		5,872	2,808	2,458	3,519	2,069	1,619	2,370
October		8,041	3,763	3,348	4,038	2,688	1,955	2,572

[1] Estimate.

Seasonal employment history in the State in years of record has generally found February with a slightly larger pool of unemployed workers than January, with March cutting into the margin and usually reducing the overload to a point below the January level. April and May follow with substantial inroads into the surplus. Developments during these coming 4 months this year will be watched for clues as to the extent of employment recovery from current unsatisfactory levels.

BACK-TO-WORK PROSPECTS FAIR

It can be assumed that seasonal upturn this spring will absorb a large share of those presently out of work; but there will still be the applicants who were idled from metal mining or some lumbering jobs to account for. Should those two industries swing back into normal production channels, the problem may be near solution. Otherwise, the approach to full employment will be facing a challenge.

MUCH RESTS ON CONSTRUCTION

Volume of construction employment as out of work, including those it will bring back developed in the next 90 days will have much to do with restoration of jobs to seven or eight, or even ten, thousand of those now into the labor markets of the State. There is an encouraging backlog of construction projects as a nucleus for such restoration. Not enough, but a good start. Two airbases under construction or expansion; one river dam and possibility of a second; highway and bridge contracts already let or to be awarded in early spring; completion of sundry commercial, educational, public, and private building projects, with more to be contracted; and a variety of other projects carrying employment potentials; all these should help to bring the labor market back into a semblance of balance.

HIGHWAY ACTIVITIES AT LOW MARK

Construction work on State highways in January included eight road contracts covering 50 miles and employing 60 men, along with 10 bridges, at a contract price of $3,750,000, on which 100 workers were engaged. A year ago there were 72 employed on bridges and none on road construction. Last August there were 1,268 at work on roads and bridges. Contracts on 350 miles of highway and for $2,670,000 in bridges have been let, but are not now in work status. Maintenance work employed 680 men on the State system this January, 730 a year ago.

OTHER SEASONAL PROSPECTS

Rehiring in the ailing lumber industry can be expected to pick up a couple of thousand of those currently unemployed, even if it doesn't furnish jobs in the same profusion as it has in recent years. Farm and stock-ranch hiring exerts a strong influence upon the same labor markets. Then there are other seasonal industries whose hiring is confined to the spring and summer, such as the railway and forest improvement and maintenance programs, expansion of forces in trade and service establishments to accommodate increased travel and sales requirements, resumption of exploration phases of the oil industry, and renewal of employment in food processing as the season advances.

Labor market indicators

Employment	Jan. 1958	Dec. 1957	Jan. 1957	Jan. avg. 1950-57
Industrial employment	155,600	161,100	180,000	146,200
New job applications	5,534	4,140	5,499	4,853
Job applicants, end of month	21,533	16,432	14,792	12,918

Insured unemployment	Feb. 7 1958	Jan. 3 1958	Feb. 8 1957	Avg. 1st Feb. wk. 1950-57
New and renewal claims	2,011	1,835	1,502	1,210
Unemployed weeks filed	16,928	11,856	11,511	9,041
Total unemployment claims	18,939	13,691	13,013	10,251

Eight years of Montana industrial employment totals, by months

[In thousands]

	January	February	March	April	May	June	July	August	September	October	November	December	Average
1950	133.2	132.2	135.2	142.1	147.3	153.6	154.9	157.1	156.8	152.2	150.7	148.8	147.0
1951	141.9	139.4	140.3	145.9	149.4	154.1	153.5	154.6	154.3	152.4	151.7	150.6	149.0
1952	140.5	140.7	143.0	149.7	154.8	159.9	159.5	161.2	160.4	157.9	156.0	154.9	153.2
1953	145.8	144.5	146.3	149.7	153.1	158.0	158.5	160.6	160.3	159.6	157.6	156.4	154.2
1954	146.7	145.5	147.2	151.1	155.7	161.6	164.1	165.4	154.8	153.9	158.2	155.7	155.0
1955	148.4	146.8	147.4	153.4	158.4	166.8	168.2	170.4	169.8	165.9	162.4	160.3	159.8
1956	154.3	152.1	154.2	160.7	167.0	175.0	175.7	177.5	176.9	173.6	167.9	165.2	166.7
1957	159.0	157.8	158.6	163.0	168.6	174.8	176.9	176.8	175.2	170.0	165.4	161.1	167.3

ALONG THE HIRING LINE—FIELD SUMMARY, FEBRUARY 1

Anaconda, Deer Lodge, Philipsburg (455 job seekers, 197 new; 334 men, 121 women). Construction activities are practically dormant, a usual situation at this midwinter period. Smelter is virtually on a no-hiring basis, striving to keep present forces occupied and transferring from one department to another as production varies. Closing of a furnace unit released 30 men and 10 were displaced at the mill as ore supplies dipped with adoption of shorter workweek at a Butte mine.

Billings, Columbus, Hardin, Hysham, Laurel, Red Lodge, Roundup (2,716 job seekers, 752 new; 2,125 men, 591 women). Some outdoor construction work has been continued into the winter, made possible by mild weather, but no new starts on projects of substantial employment are noted. Work continues on a hospital addition, courthouse, State office, and smaller structures. Two sugar plants finished their season run and added about 300 to labor market supplies. Coal mining is on a fairly stable level, but using fewer men than in past years. Oil exploration employment declined in January.

Bozeman, Ennis, Three Forks, Trident (811 job seekers, 232 new; 602 men, 209 women). Work crews are continuing on a college building, a store remodeling job, and to some extent on installation of new water mains. All road and bridge jobs are shut down until mild weather. A pole plant released seven workers because of lack of orders, and eight are off at a feed mill which eliminated one shift in response to slow market.

Butte, Virginia City, Whitehall (2,248 job seekers, 467 new; 1,797 men, 451 women). Release of another 60 miners followed another drop in copper prices; stockpiles of the metal and prospect of further price cuts give no assurance of an early recovery, but point to further reductions in force. Miners returning after search for work elsewhere report other areas are suffering comparable unemployment. Construction prospects for the coming season include a county hospital, highway bridges, office buildings, and residence repairs.

Cut Bank (475 job seekers, 85 new; 394 men, 81 women). All building construction is closed down and oil exploration employment is at a minimum. A new road job has been halted until spring. Preliminary excavation has begun on a new sewage disposal system, while at Browning a new school gym is starting. Demand for ranch hands is below normal, no livestock feeding required in open weather.

Dillon (303 job seekers, 122 new; 230 men, 73 women). Closing of a manganese mine and the mill serving its ore released their crews for at least the winter period. Renovation of the hospital has concluded, adding to available applicants. Some February demand is expected for feeding and care of livestock; only in the high valleys has feeding been required up to midwinter.

Glasgow, Fort Peck, Malta, Opheim (674 job seekers, 181 new; 539 men, 135 women). With good weather, some recovery of employment in construction has been noted. Building of powerhouse at Fort Peck is proceeding, and airbase hiring for short-time jobs in greater volume than expected. Telephone building nearly completed, grade school structure well along, no other new projects in sight though water line from the river to the new base is in prospect.

Glendive, Circle, Wibaux (276 job seekers, 89 new; 221 men, 55 women). Oil activity hiring is on a reduced scale but trade has been using more help than usual. Work on the big bridge is slowed by lack of materials. A few small construction projects are starting, encouraged by open weather. Farm demand at a minimum.

Great Falls, Choteau, Fort Benton, Stanford (2,581 job seekers, 606 new; 1,916 men, 665 women). A 40-percent increase in unemployment from a year ago, part of it resulting from in-migration; the supply appears to be at its peak. Work interruptions because of weather have been less than normal because of mild winter. Construction workers not so numerous in files as last year, demand for painters required outside recruitment in January. Work continues on underpass, junior high school, office building, housing units, and airbase contracts, but

none of the crews are at full operating strength. The power dam is virtually complete.

Hamilton, Stevensville (657 jobseekers, 101 new; 543 men, 114 women). Layoffs in trade, mining, construction, and government swelled the active file in January. Closing of fluorspar mill for rest of winter released 22; forestry maintenance another 30, while two cafes closed until spring and retail stores cut forces to a minimum. Potato sorting may use 30 in February and March.

Havre, Chinook, Harlem (624 jobseekers, 251 new; 491 men, 133 women). Layoffs continue in nearly all lines, outlook for employment recovery is dim for February and March. Ice harvest, delayed by open weather, will require short-time crews through February. Nearly all construction jobs are shut down for the winter. Farm demand is below normal for the season, needs reduced by mild weather.

Helena, Boulder, Garrison, Townsend, White Sulphur Springs (1,155 jobseekers, 381 new; 936 men, 219 women.) Hiring is slowed to a minimum in all lines. Construction outlook improved. Two commercial buildings to be contracted for spring start. Street improvement to resume. Irrigation project recalled in January the crews released in December. Only shortage is for clerical workers, particularly stenographers.

Kalispell, Columbia Falls, Eureka, Libby, Whitefish (2,689 jobseekers, 435 new; 2,188 men, 501 women). Logging and lumbering is on the usual winter basis. Several larger mills closed for repair and overhaul, many logging outfits halted by heavy snow. Construction likewise at a standstill. Employment lag in both wholesale and retail trade, until spring. Severe weather may bring additional layoffs in the timber industry. Aluminum plant operating with a practically full crew.

Lewiston, Harlowton, Ryegate, Winnett (374 jobseekers, 101 new; 304 men, 70 women). Some increase in hiring over December, and a year ago; mild weather a factor. A third shift was put on at the gypsum plant, had used only two shifts for the past 15 months. Nearly all construction crews are at minimum strength, with little prospect of change until late March.

Livingston, Big Timber (668 job seekers, 156 new; 516 men, 152 women). Employment and labor demand at normal low-winter level. Road jobs have been closed; two new bridges contracted, but work not to start until spring. Traffic decline has released some train crews though the railroad shops are maintaining full staff. Lumbering is holding up well, with good log supply and woods crews at full strength.

Miles City, Baker, Ekalaka, Broadus, Forsyth, Jordan, Terry (537 job seekers, 175 new; 449 men, 88 women). Nearly all construction shut down until spring, trade employment fairly stabilized. Closing of Colstrip coal pit operations will strand about 30 workers, another impact of technological change.

Missoula, Drummond, Arlee, Superior (1,738 job seekers, 552 new; 1,265 men, 473 women). Labor demand in January slow. Lumber mills are mostly closed or running with reduced crews. Construction activity at midwinter ebb and construction workers returning from other areas for the winter. A new shopping center is being built, 10 employed, will increase as subcontractors get started. New bridge is proceeding on schedule.

Polson (744 job seekers, 119 new; 659 men, 85 women). Bulk of unemployment here stems from lagging lumber market, supplemented by stagnation of most construction activity. Plywood plant and sawmill have been down since fall, logging is now halted by soft roads. Some woods camps are now closed until the snow leaves in the spring.

Shelby, Chester, Conrad (416 job seekers, 102 new; 336 men, 80 women). While most outdoor work has been halted for the winter season, the mild weather has permitted continuance of construction crews on the hospital addition at Shelby and on projects in Conrad. No new starts anticipated until spring. A large surplus of farmworkers.

Sidney (249 job seekers, 87 new; 206 men, 43 women). Short-time jobs in construction of homes and buildings kept the labor market alive in January's mild weather. Processing of feed for livestock was another active agent. Construction was mostly closed down by late January, except the powerplant, which was using about 200 construction workers. The sugar refinery continued its fall run into early February, one of the longest seasons recorded. About 50,000 acres reported under contract for safflower production this summer.

Thompson Falls, Hot Springs (697 job seekers, 200 new; 617 men, 80 women). Employment on the Noxon Dam dropped below 300 in late January, was 1,400 last summer. Not much change expected until spring. Two major sawmills reopened in early January, another changed to a 4-day week, from 5. Access roads becoming impassable, a month early, woods work may be curtailed accordingly.

Wolf Point, Plentywood, Scobey (446 job seekers, 143 new; 382 men, 64 women). Completion of residential projects, and layoff of other construction crews, reduced building employment in January. Workers released from Glasgow airbase added to the local supply. Rebuilding of grain elevator at Culbertson begun. Employment in oil operations declined with departure of two exploring crews and one drilling outfit.

Estimated employment in nonagricultural industries in Montana [1]

[Produced in cooperation with U. S. Bureau of Labor Statistics]

Industry	Employment			Net change	
	January 1958 [2]	December 1957 [3]	January 1957	December 1957 to January 1958	January 1957 to January 1958
Nonagricultural industries	155,600	161,100	159,000	−5,500	−3,400
Manufacturing	18,800	19,900	20,200	−1,100	−1,400
Durable goods	11,500	12,500	12,600	−1,000	−1,100
Lumber and timber products	6,100	7,000	6,300	−900	−200
Primary metals	4,200	4,300	5,100	−100	−900
Other [4]	1,200	1,200	1,200	0	0
Nondurable goods	7,300	7,400	7,600	−100	−300
Food and kindred products	3,600	3,700	3,800	−100	−200
Printing and publishing	1,600	1,600	1,600	0	0
Petroleum refining	1,100	1,100	1,200	0	−100
Other [5]	1,000	1,000	1,000	0	0
Mining	9,400	9,600	12,600	−200	−3,200
Metal mining	5,700	5,800	8,900	−100	−3,200
Coal, quarrying and nonmetallic	900	1,000	800	−100	100
Petroleum-natural gas production	2,800	2,800	2,900	0	−100
Contract construction	9,400	10,400	8,700	−1,000	700
Contractors, building construction	3,500	3,600	3,200	−100	300
Contractors, other than building	2,200	2,600	2,000	−400	200
Contractors, special trade	3,700	4,200	3,500	−500	200
Transportation and utilities	19,900	20,300	20,600	−400	−700
Interstate railroads	10,500	10,700	11,200	−200	−700
Transportation except railroads	3,800	3,800	3,800	0	0
Utilities including communication	5,600	5,800	5,600	−200	0
Trade	39,300	41,600	39,800	−2,300	−500
Wholesale trade	9,100	9,300	9,200	−200	−100
Retail trade	30,200	32,300	30,600	−2,100	−400
General merchandise and apparel	5,500	6,800	5,800	−1,300	−300
Food stores	4,300	4,500	4,900	−200	−600
Eating and drinking establishments	7,800	8,000	7,400	−200	400
Automotive and filling stations	6,300	6,500	6,100	−200	200
Retail trade not elsewhere classified	6,300	6,500	6,400	−200	−100
Finance, insurance, and real estate	5,900	5,800	5,800	100	100
Services and miscellaneous	21,200	21,300	20,400	−100	800
Hotels, rooming houses, camps, etc.	2,600	2,600	2,500	0	100
Personal services	2,400	2,500	2,200	−100	200
Other [6]	16,200	16,200	15,700	0	500
Government	31,700	32,200	30,900	−500	800
Federal	7,100	7,900	7,400	−800	−300
State and local	24,600	24,300	23,500	300	1,100
Great Falls area (Cascade County)	18,800	19,400	18,700	−600	100
Manufacturing	2,500	2,600	3,100	−100	−600
Contract construction	1,400	1,400	1,100	0	300
Transportation and utilities	2,200	2,200	2,300	0	−100
Trade, wholesale and retail	6,300	6,700	5,900	−400	400
Services and miscellaneous [7]	3,900	4,000	3,800	−100	100
Government	2,500	2,500	2,500	0	0

[1] Estimates include all full- and part-time wage and salary workers who worked or received pay during the pay period ending nearest the 15th of the month. Proprietors, firm members, personnel of the Armed Forces, domestic servants, and self-employed persons are excluded.

[2] Preliminary estimates based on return from samples of 670 selected Montana establishments.

[3] Figures previously released have been revised on return from 987 such establishments.

[4] Includes fabricated metal products, machinery except electrical, furniture, stone and clay products.

[5] Includes apparel, chemicals, and miscellaneous manufacturing products.

[6] Includes commercial trade schools, auto repair services and garages, miscellaneous repair services and hand trades, motion pictures, amusements and recreation, medical and health, law offices and professional services, nonprofit membership organizations, and business not otherwise classified.

[7] Same as note 6 above, also includes finance, real estate, and mining.

Comparison of basic labor market transactions in January 1958 and January 1957

Employment Service office	New job applicants				Jobseekers in file				Job placements								U. I. claims week 2-7	
	Jan. 1958		Jan. 1957		Jan. 1958		Jan. 1957		Jan. 1958				Jan. 1957					
	Tot.	Vet.	Tot.	Vet.	Tot.	Vet.	Tot.	Vet.	Ind.	Ag.	Tot.	Vet.	Ind.	Ag.	Tot.	Vet.	[1] 1958	1957
Anaconda	197	80	70	14	455	175	147	29	14	------	14	5	31	3	34	10	397	187
Billings	752	248	912	342	2,716	931	2,099	775	220	38	258	113	285	17	302	106	2,316	1,874
Bozeman	232	70	229	66	811	240	553	162	64	13	77	28	62	6	68	23	466	358
Butte	467	185	459	125	2,248	753	803	210	22	5	27	9	110	2	112	48	1,972	593
Cut Bank	85	34	118	49	475	209	349	150	8	2	10	7	16	6	22	14	351	269
Dillon	122	45	97	39	303	110	174	60	17	37	54	28	20	35	55	26	230	164
Glasgow	181	55	143	52	674	242	499	195	76	6	82	24	60	10	70	21	617	494
Glendive	89	34	173	60	276	97	282	96	37	13	50	23	45	14	59	18	189	184
Great Falls	606	163	557	177	2,581	921	1,714	598	127	11	138	48	137	23	160	53	2,088	1,428
Hamilton	101	24	104	27	657	203	601	155	5	3	8	6	17	2	19	5	500	413
Havre	251	75	188	63	624	237	486	201	50	10	60	32	63	2	65	42	593	377
Helena	381	138	350	151	1,155	453	662	286	34	9	43	16	48	6	54	9	812	667
Kalispell	435	124	475	150	2,689	904	1,888	707	69	17	86	28	67	3	70	28	2,744	1,729
Lewistown	101	34	126	50	374	140	296	119	32	7	39	18	21	6	27	9	364	269
Livingston	156	44	166	62	668	220	482	160	56	3	59	20	8	2	10	4	586	432
Miles City	175	62	202	61	537	202	489	200	27	10	37	13	29	10	39	8	594	432
Missoula	552	187	441	154	1,738	530	1,292	459	43	4	47	22	95	11	106	43	1,657	1,195
Polson	119	27	96	23	744	261	487	182	9	14	23	8	12	------	12	5	700	650
Shelby	102	33	128	42	416	148	350	121	36	12	48	28	28	7	35	9	336	267
Sidney	87	27	168	46	249	76	371	132	27	2	29	13	14	5	19	2	265	295
Thompson Falls	200	73	151	43	697	274	412	137	27	------	27	12	3	------	3	------	747	425
Wolf Point	143	41	146	47	446	168	356	144	14	3	17	6	12	5	17	9	415	361
Total	5,534	1,803	5,499	1,843	21,533	7,494	14,792	5,278	1,014	219	1,233	507	1,183	175	1,358	492	18,939	13,013

[1] Includes 666 claims of Federal Employees UC program, 440 same a year ago.

Average hours and earnings in selected Montana industries

(Produced in cooperation with U. S. Bureau of Labor Statistics) (Hours and earnings data exclude administrative and salaried personnel)

Industry	Average weekly earnings			Average weekly hours			Average hourly earnings		
	January 1958 [1]	December 1957 [2]	January 1957	January 1958 [1]	December 1957 [2]	January 1957	January 1958 [1]	December 1957 [2]	January 1957
All manufacturing	$86.23	$85.39	$84.81	38.3	38.5	38.6	$2.25	$2.22	$2.20
Durable goods	82.33	81.11	85.56	37.4	37.2	38.9	2.20	2.18	2.20
Primary metals	89.88	89.88	85.99	39.4	39.4	38.9	2.28	2.28	2.21
Nondurable goods	93.20	93.74	83.32	40.1	41.0	37.8	2.33	2.28	2.20
Food and kindred products	82.81	85.36	68.38	42.6	44.5	37.1	1.94	1.92	1.84
All mining	102.55	103.20	92.36	40.2	40.5	38.2	2.55	2.55	2.42
Metal mining	94.92	94.85	87.99	38.9	38.9	37.4	2.44	2.44	2.35
Transportation and utilities (except railroads)	88.39	88.66	85.19	------	------	------	------	------	------
Transportation (except railroads)	99.99	99.32	100.87	------	------	------	------	------	------
Utilities and communication	78.92	83.49	77.48	39.1	40.5	39.5	2.02	2.06	1.96

[1] Preliminary estimates.

[2] Figures previously released have been revised on more complete returns.

[From the Kalispell Interlake of February 12, 1958]

KALISPELL LEADS IN JOBLESS LOAD

HELENA.—The chairman of the State unemployment compensation commission said Tuesday that 575 jobless persons filed for unemployment benefits last week—running to 18,939 the number of unemployed persons in Montana drawing unemployment benefits.

Chadwick H. Smith blamed most of the additional claims on the shutdown of Roundup and Colstrip coal mines, the closure of two Kalispell area sawmills and continuing layoffs at a Sidney area sugar refinery.

Even so, said Smith, the Sidney UCC office is the only one in the State where jobless claims are fewer than they were a year ago. Sidney has 265 claimants, he said.

Smith said that nine State employment offices reported decreases in claims filed last week.

Smith said that this year's claim load represents a peak. He said it is 13.2 percent compared to 10.3 percent of the "covered" workers in the State drawing unemployment benefits.

The largest weekly claim increases, according to Smith:

Kalispell up 315 to 2,744; Billings up to 2,316; Great Falls up 57 to 2,088; Butte at 1,972, Missoula 1,657, Helena 821, Thompson Falls 747, and Polson 700.

The five latter cities' increases were not supplied by Smith's office.

[From the Montana Standard of February 5, 1958]

JOBLESS BENEFITS REPORT ISSUED

HELENA.—Montana Tuesday was paying jobless benefits to 18,364 persons—4½ percent more than 1 week ago.

Pacing the unemployment increase of 785 over the previous week were Billings, up 230 to a total of 2,136, and Great Falls, up 133 to a total 2,031.

Chairman Chadwick H. Smith, of the unemployment compensation commission, said the sharp increase at Billings "is due principally to the continued filing of claims by sugar refinery workers upon completion of the sugar processing campaign." He said the Great Falls increase is due to a wide variety of causes.

Other increases in unemployment include Bozeman up 91, Glasgow up 80, Miles City up 66, Livingston up 62, Anaconda up 58, Glendive up 57 and Missoula up 56.

Offices reporting declines in the number of claimants are Polson, Thompson Falls, Lewistown, Kalispell, Sidney, and Helena.

Jobless totals include Butte, 1,985; Missoula, 1,630; Helena, 782; Thompson Falls, 772; Glasgow, 706; Polson, 679; Livingston, 620; Havre, 585; and Miles City, 577.

Mr. MANSFIELD. Mr. President, I sincerely hope that this administration will wake up to the realities of life as it is, and will begin to undertake in a serious manner the consideration of projects and ways and means by which our people can be given the assistance they need in order to live. I urge the administration to pay at least as much attention to the domestic economy as it does to reciprocal trade and foreign aid.

Mr. NEUBERGER subsequently said: Mr. President, I wish to associate myself with the remarks made earlier on the Senate floor by the distinguished junior Senator from Montana when he emphasized the critical problem of unemployment which concerns all the States of the Pacific Northwest, including Montana and Oregon, in which two States today the rate of unemployment is the highest in the entire Nation.

REDUCTION IN THE FEDERAL RESERVE REQUIREMENTS, AND NECESSITIES OF THE PRESENT SITUATION

Mr. PROXMIRE. Mr. President, yesterday's newspapers headlined the fact that the consequence of the reduction in Federal Reserve requirements by one-half of 1 percent is to pump an additional $3 billion of credit into the economy. This was widely viewed as another step by the administration to stop the recession, and to start the economy on the road to recovery. Actually, it is not. The fact is, Mr. President, that this additional credit potential will do almost

nothing for the economy at the present time. It is further a fact that reliance on Federal Reserve credit manipulation, reliance on monetary policy, has already reached the end of the trail. Some important beneficial effect may yet come from steps already taken; but, from here on, if more steps are to be taken to lift us out of the economic slump, we shall have to rely on policies other than that of credit manipulation.

Mr. President, this is not simply the view of the most junior Democratic Member of this body. This is the view of the Nation's outstanding authority on Federal Reserve policy, Mr. William MacChesney Martin, himself.

Just Wednesday morning the following colloquy took place between Mr. Martin and me, at a meeting of the Federal Reserve Subcommittee of the Senate Banking and Currency Committee:

Senator PROXMIRE. Now, the reason I am asking these questions is that it seems to me, in view of that answer, that we have reached about as far as we can go in stimulating the economy through monetary policy.

Mr. MARTIN. I would not say entirely.

Senator PROXMIRE. It may be in the future that more loans can be made if the economy for some other reason starts moving upward. But at the present time, through monetary policy, through making more reserves available, and so forth, there is not very much that the Federal Reserve Board can do. Is that not correct?

Mr. MARTIN. There is very little additional that the Federal Reserve can do at the moment.

Mr. President, I repeat the last statement:

Mr. MARTIN. There is very little additional that the Federal Reserve can do at the moment.

I continue to read the colloquy:

Senator PROXMIRE. So if something is going to be done to stimulate the economy, we cannot rely on monetary policy at this point. We have to go ahead with fiscal policy, if we are convinced something should be done?

Mr. MARTIN. Well, I would not go quite that far, because I think monetary policy takes some time to work. I am not quarreling with your major thesis, but I am trying to point out that this process is one where, first, you have a decline of the demand for credit. Then as this process goes on you have the banks taking a new look at the picture and you have credit reassessment taking place around the picture. And there may be another opportunity when we could be helpful in the picture without endangering the banking picture.

Monetary and credit policy has already made some contribution, but its major contribution will come probably in the course of the next few months because of the time-lag.

Within 2 or 3 hours after that subcommittee meeting, at which the Chairman of the Federal Reserve told me that there is very little additional that his Federal Reserve Board can do at present to stimulate the economy, I was shocked to read that the Federal Reserve acted to make an additional $3 billion of credit available.

Mr. President, I shall leave until later, or to others, the development of the real implications of this contradiction. But for the moment let me simply say that Congress is now on notice from the principal architect of the Nation's monetary policy that if our Government intends to do anything effective to get out of this economic slump we cannot rely on further use of what has been the administration's prime economic weapon to date—credit manipulation, through monetary policy. Reliance must now be had on such measures as tax reduction, increased unemployment compensation, additional social-security benefits, public works, and so forth.

FORTIETH ANNIVERSARY OF PROCLAMATION OF INDEPENDENCE BY REPUBLIC OF ESTONIA

Mr. SMITH of New Jersey. Mr. President, on Monday, February 24, 1958, the thoughts and prayers of all Americans will be very much with Estonians everywhere who solemnly commemorate the 40th anniversary of the Proclamation of Independence by the Republic of Estonia.

The spirit of the courageous Estonians who are still behind the Iron Curtain heightens the significance of the day. Despite the oppression they have suffered under the Communists for over a decade now, the whole world knows that their moral resistance continues undiminished, nourished by a burning desire for the restoration of their freedom.

This unquenchable spirit of liberty gives inspiration to our efforts to make freedom a reality in Estonia and throughout the world. It is my hope and faith that the day will come, in the not-too-distant future, when Estonia shall once again take her rightful place among the free nations.

Mr. HUMPHREY. Mr. President, February 24 will mark the 40th anniversary of the Proclamation of Independence of the Republic of Estonia. Our hearts go out on this memorable occasion to the brave Estonian people who struggled so bravely against tyranny, and in whose hearts the spirit of freedom still burns despite all odds. The Soviet seizure of the Baltic States represented the most ruthless and cynical imperialism, and the memory of the subjugation of these courageous people should be a grim reminder to the free nations of the world that virtue is not its own reward, that eternal vigilance is the greatest protection against a megalomaniacal dictatorship. How can we in this country offer hope and encouragement to oppressed people like the Estonians, seemingly crushed by insuperable odds? The most important contribution we can make, is to see that our democratic institutions are protected, that we and our allies are strong, and that the weary and oppressed can always find a haven of refuge from tyranny on our shores. Here we can offer them an opportunity to work and live in an aura of freedom and hope.

EXTENSION OF CAPITOL

Mr. SMITH of New Jersey. Mr. President, yesterday, February 20, the Washington Post and Times Herald contained an editorial on a subject that is very much before us now. The editorial is entitled "East Front Dimout." It has to do with the question of moving the east front of the Capitol. Because it is an important question and of interest to many persons, I ask unanimous consent that the editorial be printed in the body of the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

EAST FRONT DIMOUT

J. George Stewart, Architect of the Capitol, painted himself into a corner by saying on Monday that plans for extending the Capitol's east front are not for publication and do not belong to the public. Surely Mr. Stewart does not mean that the public must wait until contractors have finished the job before being permitted to judge whether a landmark has been vandalized. Yet, unless the plans are released, things may come to just that. The 32-foot extension was voted in 1955, and plans are understood to be in the final stage; the Senate hearing before which Mr. Stewart testified was billed as a "half past the 11th hour" affair by its chairman, Senator PAT MCNAMARA.

In arguing that no question of secrecy was involved, Mr. Stewart was perhaps more candid than he knew. "It is the way things are done on the Hill," he explained simply. That is a painful truth. The plans are now before the Commission for the Extension of the Capitol, which is run pretty much as a one-man show by Speaker SAM RAYBURN. Nominally, other members include Vice President NIXON, House Minority Leader MARTIN, Senate Minority Leader KNOWLAND, and the Architect of the Capitol. Mr. Stewart asserts that the Commission has not yet authorized release of the plans. Well, why not? The Commission clearly must have known that many reputable architects have challenged the proposal, and that a hearing was scheduled on Monday. Doesn't the public have a right to know how $10.1 million in tax money may be spent on changing the Capitol of the United States—a building which, we had been told, belonged to the American people?

THE DISARMAMENT DILEMMA

Mr. HUMPHREY. Mr. President, the press has already carried extensive reports and comments on the speech delivered at the University of Minnesota last Tuesday, February 18, by Mr. Robert Matteson, Director of the White House Disarmament Staff. In his speech Mr. Matteson attempts to analyze what he calls the disarmament dilemma. In doing so, he highlights the basic conflict in approach which has increasingly pervaded administration foreign-policy making and public opinion itself.

Mr. Matteson's speech is clearly a major contribution to the whole disarmament discussion. It has already been widely recognized as such in many places, including an editorial in this morning's Washington Post. That editorial is entitled "Rigidity or Relaxation?"

I ask unanimous consent that it, as well as the full text of Mr. Matteson's address, be printed at this point in the RECORD.

There being no objection, the editorial and address were ordered to be printed in the RECORD, as follows:

[From the Washington Post of February 21, 1958]

RIGIDITY OR RELAXATION?

What is the basic American and allied strategy for dealing with the Soviet Union?

Is it to attempt to contain the Communist system militarily and economically, and by maintaining pressure force the disruption or dissolution of the system? Or is it to compete with the Soviet Union, retaining a strong military deterrent, but seeking gradual relaxation of tensions and negotiations based upon equality and mutual interest?

Seldom have these alternative courses been posed so starkly as by Robert E. Matteson, director of the White House disarmament staff, in a speech on Tuesday in Minneapolis. Mr. Matteson, who long served as an associate of Harold Stassen in the disarmament negotions, makes it clear that he strongly favors the second approach of relaxing tensions in the hope of encouraging liberalization within the Soviet system—which also was Mr. Stassen's approach. But, says Mr. Matteson, "there exists in the policy formulation process * * * a day-to-day competition between the major emphases of these two different concepts."

Pretty clearly Mr. Matteson is talking about Secretary Dulles. Now, it may be a disservice to Mr. Dulles to associate him altogether with the idea of no relaxation and constant pressure on the Soviet Union. Moreover, there is little in the recent utterances of Mr. Khrushchev to indicate that the Russians are interested in summit negotiations for any other purpose than formalizing the status quo—though this does not preclude some serious move on disarmament. Nevertheless, the substance of the Dulles policy is military containment, and Mr. Dulles on a number of occasions has appeared to be using the cold war to enforce a kind of unconditional surrender on the Soviet Union.

Recent events ought to have demolished the notion, voiced by Mr. Dulles himself not too long ago, that the Soviet Union is about to crack up. Its power is not illimitable; but it has shown itself to be capable of producing sputniks and nuclear weapons simultaneously with the mass education of its citizens and the launching of economic offensives in critical areas. Indeed, it has leaped over the military fences which Mr. Dulles erected in the Middle East. These are not the actions of a system which is decaying, however much Americans dislike it. In fact, it is not being wholly contained, and there is doubt of the American capability to contain it.

Perhaps the conflict within the administration is not so clear cut as is implied. President Eisenhower, for example, seemingly does believe in negotiation and selective relaxation under certain circumstances. The recent cultural exchange agreement with the Soviet Union was a welcome step toward relaxation, toward increased contact in the thought that freedom is infectious. But the administration by no means did all it could safely have done to promote a first-step disarmament agreement last summer. And such current actions as the initial dismissal of the Rapacki plan, without exploration of how it might be adapted to serve a mutual interest, indicate the dichotomy.

It is an anomaly that the author of containment, George Kennan, now seems to have abandoned it; whereas Mr. Dulles, who disagrees strongly with Mr. Kennan's present views, seems to have embraced it. That may be overstating the case, for the two alternative doctrines are not necessarily mutually exclusive. Nevertheless, the danger in attempting to carry out both policies simultaneously is that we may make it impossible to succeed in either.

Nothing is more important, for purposes of military organization and strategy as well as for economic planning and the whole national security effort, than a fundamental definition of objectives. The fact that relaxation may serve a Soviet purpose does not mean that it cannot also serve a free-world purpose. This newspaper agrees strongly with Mr. Matteson that the best hope of averting nuclear annihilation lies in negotiation on a basis of equality. This requires two things: first, a recognition that the Communist system is unlikely to be overthrown by pressure on our part, and, second, faith in our own ability to compete with that system successfully and by competition and exposure to assist in the process of mellowing it.

The Disarmament Dilemma

(Speech by Robert E. Matteson, Director of the White House Disarmament Staff, at the University of Minnesota conference on national security in the nuclear age on February 18, 1958)

I

The most agonizing and frustrating dilemma of our time is that while the Russian people and the American people earnestly desire peace and higher standards of living, the governments of these countries find it necessary to prepare feverishly for the eventuality of war, and to use more and more productive facilities for nonproductive weapons of war. While neither the Soviet nor the United States Government wants an all-out nuclear war, the fact is that each of them is engaging in an arms race which lends itself less and less to control by human intelligence and which many informed observers believe may lead only to war.

One of these informed observers is Secretary Dulles, and in his book, War or Peace, first published in 1950, he gave this view of the future: "An armaments race is in full swing, and United Nations efforts to check that race have so far proved fruitless. Communists have always assumed that communism and capitalism would become locked in a death struggle. Many people in the United States are today making that same assumption. That, in turn, makes war more likely and impels political leaders more and more to be guided by military judgments about winning a future war rather than by political judgments about winning peace. All of that makes for increasing tension and ultimate explosion. If history is any guide, war will come out of this situation. There should be no illusion about the reality of the danger. It is immense. Future generations will look back with amazement if war is averted."

And this was 8 years ago—before the beginning of the spread of nuclear weapons; before the megaton thermonuclear bombs; before the intermediate-range ballistic missiles; before the successful flight testing of the intercontinental ballistic missiles; before the nuclear-powered submarines; and before the development of earth satellites. The day is not too far off when these IRBM's and ICBM's, capable of speeds up to 18,000 miles an hour, will be zeroed in on the vital centers of American life.

The same will, of course, be true with respect to the vital centers of the Soviet Union and herein lies the compulsive drive for the arms race. Each side can ill afford to stop the costly, dangerous developments of modern armaments for fear that one side will then be at the mercy of the other. The contradiction is that we must go on devising new weapons in order to make negotiable the stopping of their production. Until now, an uneasy peace has been preserved by this mutual deterrent, or by what Sir Winston Churchill has called this balance of terror. But how long will the world be spared from all-out nuclear war, once nuclear weapons have spread into the hands of irresponsible dictators in many small countries; once the air, the oceans, and the earth are dotted with vehicles carrying megaton nuclear missiles; and once a local commander or even an electrical computing machine might, under these circumstances, so easily trip the wire that sets off the general nuclear holocaust?

This is not a pleasant prospect—and it is time that America woke up to it. The Russians are awake to it and with a singleness of purpose, determined confidence, and unexpected ability are driving ahead relentlessly in the present, so-called peaceful competition to make sure that the funeral dirge—about which Lenin spoke—will be sung over the American and free world society rather than over the Communist society.

II

As Lester Pearson said from this same platform 3 months ago when he delivered the Gideon Seymour Memorial Lecture—the central political fact of our time is that the totalitarian empire of Russia and the mighty democracy of America are today brought face to face on the firing line for the first time. For the first time in its history, all of the United States—its cities, its people, its homes, its schools, its farms, and its factories—are face to face with the Soviet military might. For the first time in its history, the United States is literally a front line nation facing a striking power so great that, without adequate defense and counter force, the entire United States could be completely devastated in the space of 12 hours in one gigantic nuclear attack.

People are naturally inclined not to want to believe or face up to such unpleasant possibilities and, therefore, it is important that repeated efforts be made to get the American people to understand and appreciate the danger under which we all are now living.

Let me restate a few facts about the revolution in nuclear weapons which some, if not most of you, undoubtedly have listened to before. These are stated not to shock people but to help remove the complacency and self-satisfaction that exists regarding our everyday lives—to make people not only aware of the reality of danger but also of the effort needed and the sacrifice required if America is to survive in a free world.

During all of the 6 years of the most destructive war people have yet known—World War II—the total aggregate of high explosives dropped by all sides in all theaters of operation was less than is capable of being contained today in one single nuclear bomb. This revolutionary increase in the development of the destructive power of bombs is illustrated by the following progression: A blockbuster bomb carried by the B–29's at the end of World War II had about 2½ tons of TNT and as the name implies could destroy a city block. The Hiroshima bomb in 1945 had the equivalent of 20,000 tons of TNT and could destroy a small city. This "city buster" represented an increase in explosive power of 8,000 times over the World War II blockbuster. But this 20,000-ton bomb (or 20-kiloton bomb as it is now called) dropped on Hiroshima—which caused 140,000 casualties and devastated an area of 5 square miles—is an infant by comparison with the 20-million-ton (or 20 megaton) bomb capability of today. And the fact is there is no theoretical upper limit to the explosive power that can be developed.

Added to this, the speed of delivery of such weapons has jumped from 300 miles per hour in World War II to 18,000 miles per hour in the missile age. A missile would travel the 4,000 miles from Soviet Siberia to Minneapolis in less than 20 minutes. It could reach any target in the United States in 30 minutes and could reach all United States overseas bases in less time than that. If a Russian bomber were to drop one 20-megaton nuclear bomb on the Twin Cities tonight, there would be a radius of total destruction of 5 miles. The bomb crater itself would be a mile and a half across and 250 feet deep. There would be heavy destruction for a radius of another 5 miles, moderate damage for a third 5 miles, and light damage in the radius of the fourth 5 miles. Seventy-five percent of the people within a radius of 5 miles from the explosion

of the bomb would be killed immediately by blast, heat, and radiation. Others of those who would survive the first day would die later from burns and from radiation sickness. The area covered, by radioactive fallout—if the fireball of the weapon touches the ground and sucks up earth particles—could contaminate an area around the Twin Cities greater than the State of Minnesota.

However, because it is possible that some defense can be built against these missiles and against manned bomber attacks, perhaps the greatest threat of all may be the nuclear-powered, missile-launching submarine which in a few years will be able to fire high-yield nuclear missiles from submerged positions with accuracy and which can travel at relatively high speeds submerged without refueling for weeks at a time. Such a nuclear-powered submarine equipped with solid-fuel, high-yield missiles has the tremendous advantage of not only being mobile but out of sight. The three oceans—the Arctic, Pacific, and Atlantic—which traditionally have been America's greatest protection—now are in the process of becoming the avenues for its greatest threat. From submarines in the Gulf of Mexico and off of both of our coasts, most of the United States can be blanketed by nuclear bombardment. But what makes this revolution in weapons systems truly ominous is that it is in the hands of a fanatical, competent, Communist leadership dedicated to the proposition that in the end communism will rule the world—and which would use their military power as the base for accomplishing world domination by infiltration, subversion, and negotiation—under the cover of peaceful coexistence.

III

During the past 11 years I have had the opportunity of talking to many Russians in Russia, in England, and in the United States. I sat in on the long conference that Mr. Stassen had with Generalissimo Stalin on a winter night in 1947 in the Kremlin and that same year sat in on the conferences with Khrushchev, Mikoyan, Vosnessensky, Zhdanov, and Molotov. We visited Russian peasants in their cottages and on their collective farms in the Ukraine, and Russian workers in their living quarters in western Siberia and in their factories in Sverdlovsk, Stalingrad, Moscow, Kiev, and Leningrad. Particularly during the last 2 years, we have had—through the disarmament negotiations in London and in New York—an exceptional opportunity to observe their methods and their personalities at close range. For example, there was the 2½-hour conference we had with Khrushchev, Bulganin, and Gromyko at Claridge's in London in April 1956. There have been a great many bilateral conversations with members of the Soviet delegations in London and at the United Nations carried on with the knowledge and consent of our Western partners. Likewise, I have read the reports of others on Russia and have talked with or listened to many of our experts on the Soviet Union, including our Ambassadors.

From all of these experiences and information, I have the following personal impressions:

First, the most surprising thing about the Soviet Union is how little their people resemble their government and how much more like us they are. Yet, because they are fed constantly only the Communist creed, most of them are favorable to their government and believe what they are told.

Second, there is today in Russia great pressure from the Russian people on the leaders of the Soviet Communist Party and Government for peace and for agreement with the United States.

Third, the Soviet Communists (in number they equal about 8 percent of the population) are supremely confident that communism will in the end triumph in the world, and it is unmistakably evident that they will do everything in their power short of general war to see to it that it does triumph.

Fourth, the Soviet leadership would like to negotiate an agreement with the United States primarily for the purpose of relaxing tension.

Fifth, the area of greatest interest to the Soviet for such an agreement appears to be in the disarmament field.

Sixth, Russia suffers from a real feeling of inferiority and this is a key to many of their attitudes, for example, their great desire to be accepted as an equal power and, to some extent, their insistence on a recognition by the West of the status quo.

Seventh, the Soviet Union is a powerful nation and is not likely to collapse either from external pressure or from internal difficulties. The evidence thus far is that even the shifts in leadership at the top seem to have resulted in greater strength rather than in greater weakness.

Eighth, and possibly the most important of all, there is increasing evidence that the Soviet under the right circumstances will gradually evolve toward greater and greater freedom, both with respect to its internal domestic relations and also in respect to its relations with the outside world.

This favorable prospect for gradual evolution appears to be the result of the death of Stalin and the emergence of a somewhat different type of leadership; a greater sense of security resulting from the Soviet nuclear-missile satellite developments; the spread of education; the improving standard of living; increasing contacts, by one method or another, of an increasing number of Russians with the free world; the rise in the lower echelons of more open minded, less dogmatic leaders; the fact that the urge for freedom cannot be rooted out by either force or fraud; and, not the least, the fact that the Russian people, on the whole, are human beings with human reactions. For the most part, they are friendly, warmhearted, and generous people. In saying this, I realize it goes against a stereotype that has been built up by many of our newspapers, leaders, and even educators. But it is a fact that until some of our misconceptions of them are corrected—as well as their misconceptions of us—there is not a sound basis for improved relations between us. In this regard, it is possible that the road from the gray world to the white world may, at this particular time, more easily be traversed by way of expanding East-West contacts, particularly the exchange of personal visits at all levels, than by any other procedure. For this reason the exchange agreement with Russia signed 3 weeks ago could prove to be a significant beginning.

Above everything else, the Russian leaders are confidant that time is on their side; that the dialectic of history will move the people of the world inexorably, scientifically toward acceptance of a Communist world. The one thing they seem to fear the most is that a minor incident, a miscalculation, or the contradictions of the imperialist, capitalist system will set off a general war that will devastate the world—including, of course, themselves. Therefore, the Soviet leadership sees it in their interest to avoid a general nuclear war, to stress peaceful coexistence and competition, and to seek and use every opportunity at hand—whether it be disarmament negotiations, the Brussels Fair, a chess match, a summit conference, student exchanges, or even a private dinner conversation—to advance the ball toward the goal of world communism. To the Communist the end justifies the means and he will use with skill and determination any means to achieve this goal. At the same time, he is recognizing that technology is imposing its own changes on Communist doctrine by fixing limits to the means which can be safely used to achieve its ends.

However, there is hope in all of this for it is bringing Khrushchev and the Soviet people out from behind their Iron Curtain at the same time that it is permitting some relaxation on the movement of people and information from the free world into the Soviet bloc territory. To an increasing extent, the Soviet intelligentsia—the writers, the scientists, the younger leaders—are beginning to see and reflect the first direct rays of sunlight—rather than viewing through Stalin spectacles the distorted shadows on their cold prison walls. To an increasing extent, the Soviet mind—twisted and frozen into an iron mould—is beginning to thaw. And it is the scientists who are leading the way. For if they are to be effective in their contribution to the Soviet military might, they must be permitted to seek out the truth, wherever it is. When science and Communist doctrine are in conflict, the present Soviet leaders have allowed science to win. To an increasing extent, therefore, through the cracks and crevices of the Iron Curtain, the winds of freedom are beginning to penetrate.

If we have confidence in our system, if we are wise and vigilant in our policies and actions, we should welcome and encourage this change from the Stalin period as an opportunity to evolve the Soviet system toward freedom—rather than, as we too often do, view it more as something to be feared and as a threat to the very existence of the free world. If we have no confidence in ourselves and in our system, we had better start digging holes in the ground, evacuating our cities, putting our children in subterranean vaults, and wearing asbestos and decontamination suits.

IV

The central question of our time, stripped of all its masks, is whether the free world is capable of successfully competing with the Communist world for the very existence of a free world. Stated in another way, this question is whether or not the authoritarian Soviet system gives the Communist world such great advantages in terms of decision making, of being able to concentrate resources on certain programs and areas, of using any kind of immoral methods short of war to subvert free governments, that the free world cannot allow itself to enter into such a one-sided competition if it wishes to survive.

If one's answer to this question of competition is that the free world has the capability of competing successfully with the Communist world despite those advantages which the Communist world has in such competition, the general policy adopted toward Russia would be one of permitting and encouraging communism to come out from behind the Iron Curtain and of gradually opening and exposing the Communist world to freedom. Such a policy would derive from a confidence that we have in our free institutions and way of life to meet and defeat communism in any kind of competition. Such a policy would advocate the maintenance of relatively great military and economic strength but, at the same time, would pursue a course of gradually relaxing tension, of increased contacts with the Communists, of increased trade, of gradual and reciprocal safeguarded arms limitation and control, and of the willingness to carry out negotiations with the Communists based on a true mutuality of interest.

On the other hand, if one's answer to this question is that the free world stands a poor chance of competing successfully with the Communist world because of the various advantages the Communist world has in any such competition—then the general policy adopted toward Russia would be one of bottling up Communists and communism within its present Iron Curtain area and

seeking by outside pressures and inside subversion to so disrupt and weaken the Communist regime that it would fall from within—and thus prevent communism from flowing out to contaminate and subvert the free world. Such a policy would put heavy emphasis on increasing the strength of the military alliances—such as NATO, Baghdad, SEATO—and on placing nuclear units around the border of the Soviet bloc. It would restrict to a minimum contacts of American and free world people with Soviet Communists. It would put a heavy secrecy label on information to scientists and the American people in general. It would frown on serious negotiation with the Communists.

In summary, the first, or relaxation of tension, policy is one which would recognize the strength of the Soviet bloc and would do more to encourage the liberalizing tendencies within the bloc. It would accept the Soviet as an equal power and would encourage the gradual evolution of the Soviet system toward freedom.

The second, or increased pressure, policy, on the other hand, is one which would emphasize more the weakness of the Soviet bloc, would look toward pressuring the Soviet leadership into agreements which represent concessions by the Soviets to their own interest, and would look toward striving to pressure the Soviet system into a collapse without a war.

Such a statement of alternative policies represents a necessary oversimplification of two opposing conceptions. The fact is, of course, that these policies cannot be painted in black-and-white terms—that there are in practice in the policies of free governments elements of each. But it is true that today in Washington and in other free world capitals, there exists in the policy formulation process within governments a day-to-day competition between the major emphases of these two different concepts. One cannot be dogmatic and wise enough to know that one or the other is right, but it is my belief that we may very well be at one of those great historical divides where a boldness in exploration of the relaxation-of-tension concept might pay greater dividends than we now suspect for the future of world peace.

V

The background which I have given you is the context within which I believe the 6-month London disarmament talks of 1957 should be viewed. This background can be summarized in the following syllogism:

(a) A disarmament agreement in the mutual interest of the United States and U. S. S. R. is possible primarily because both the United States and the Soviet agree that the chances are that the present arms race can end only in an all-out nuclear war which neither of them wants.

(b) It is in the United States interest to pursue a policy, which while maintaining a posture of great relative strength, relaxes tension and encourages the evolution of the Soviet system toward freedom primarily because to increase tension by unduly increasing pressure on the Soviet bloc in the hope it will surrender or collapse, may more likely result in violent Soviet reactions which would make war itself more likely.

(c) Therefore—and this is the principal conclusion on which Mr. Stassen based the negotiations at London—United States policy should be to actively and seriously seek a first-step disarmament agreement which, if properly implemented, would relax tension; enhance the prospects of halting and then reversing the arms race; improve the climate for major political settlements; and encourage the evolution of the Soviet system toward freedom.

Any first step agreement, as we in London saw it—to be properly implemented—should be based on these essential principles and safeguards.

1. The security of the United States should not depend in any disarmament agreement on the good faith of the other country; rather it should put reliance on an effective system of inspection.

2. The United States should not agree to or implement a greater relative reduction in its total military power than the Soviet Union.

3. In the existing state of scientific knowledge, the United States should not agree to the elimination of nuclear weapons for the simple reason that it is not possible by any known scientific or other means to account for the total previous production of nuclear weapons material.

4. A renunciation clause should be made part of the agreement so that no country would be locked into an agreement. In other words, it is assumed that any agreement will be effective only so long as it continues to work to the interest of each country.

5. The minimum objective of the first step agreement—if the possibility of agreement is to be maximized—should not be radical disarmament but should be a relaxation of tension and reduction of danger of war without appreciably altering the power position of the United States and U. S. S. R. The maximum objective of a first step would be to bring down below the annihilation level the military capability of each country.

6. The problem of controlling nuclear weapons will be complicated greatly, if not made impossible, once nuclear weapons spread to fourth countries.

7. Because of the imminent development and deployment of missiles of intermediate and intercontinental range and the greater difficulty at a later date of detecting hidden missile installations and nuclear powered submarines, it is important to try to reach an agreement soon on the control of outer space for peaceful purposes.

While agreement on the first step in disarmament was not reached in London, significant accomplishments were nevertheless achieved in the face of great difficulties. Secretary Dulles stated his opinion in his August 6 press conference in referring to the Western proposals put forward on August 2: "I believe that the proposals made on behalf of the four Western Powers last week * * * represent perhaps the most significant proposal in terms of peace that I think has been made in recent history, perhaps ever." And on September 10 at his press conference after the close of the London talks, Secretary Dulles said: "I think it is an overstatement to say that they [the London negotiations] have failed. I believe that more progress toward disarmament has been made at these talks than has ever been made before in the long history of efforts toward disarmament * * * the achievement now is really quite monumental in comparison with the total inability * * * of the [World War I] Allies to come to agreement among themselves."

Perhaps the most significant achievement during the London negotiations was that by probing Soviet intentions in informal sessions, the basic negotiating assumption was confirmed—namely, that the Soviet Government needed, wanted, and might agree to some kind of a limited first step agreement. The areas of agreement and disagreement had become so clearly defined by June of last year that little more movement by either side could have resulted in an agreement in the interest of both sides.

A second principal achievement was the beginning of a relaxation of tension in the first few months of the negotiation brought about by the seriousness shown on both sides. President Eisenhower's press conference statements in May and June were of particular assistance in achieving this negotiating atmosphere and in achieving the beginning of a relaxation which may well have contributed to the removal from the Soviet leadership in June of the most extreme Stalinists.

A third achievement of the London talks was the education of the press, people, and key governments of the world to the nature and importance of the disarmament subject. This was done by background press briefings, by the work of the USIA, and by effective liaison with the embassies of many countries represented in London.

A fourth achievement—but which may have had some important negative aspects in terms of making more difficult an agreement with the Soviet Union—was the most successful use of the NATO consultation machinery in the history of NATO.

A fifth achievement was the salutary effect of the United States position and the United States conduct at the London talks on the so-called uncommitted, neutralist, and undeveloped countries of the world, particularly in Asia. This was evidenced among other ways by public opinion polls in the Asiatic areas which showed that by significant margins the feeling was that the United States, at that time, was doing more for peace in the disarmament area than the Soviet Union.

A sixth achievement was the effect the negotiations had on the Soviet people. It is known that the Soviet people because of the length and seriousness of the negotiations, the substance of those United States statements and positions which they were given either by their own mediums or Free World mediums, and the interest of the President in the issue were, at least during the first half of the negotiations, impressed by this evidence of the United States desire for peace.

Finally, there were the substantive achievements which while short of the goal of agreement with the Soviet Union did—on the basis of the United States proposals—result in complete Western agreement and did narrow significantly the gap between the Soviet and Western positions. (Among these were indications of agreement by the West and the Soviet to the following: 3-stage force levels of 2.5, 2.1, and 1.7 million men for the United States and U. S. S. R., but without agreement to the conditions for transition from one level to the other; agreement to partial rather than comprehensive proposals; agreement to the principle of submission of specific lists of major designated armaments to be reduced; agreement on inspected verification of a 2- to 3-year nuclear test suspension; and agreement to the principle of aerial inspection zones in Europe and in the Siberian-North American area.) The difficulty was, however, that each of these items was agreed to only in the context of other proposals or conditions. Neither side was ever able to move quite far enough to meet the minimum conditions of the other side.

VI

Finally, a word regarding where we are now and what the future prospects of disarmament negotiations seem to be. As you no doubt are aware, there is at the present time both a procedural impasse as well as a substantive impasse in the disarmament negotiations. After the close of the U. N. subcommittee talks in London in September, the Soviets made it clear last November 4 that they would not return to the subcommittee or to the Disarmament Commission so long as both of these bodies were so constituted as to leave the Soviet side with unequal representation. In the subcommittee the Soviets pointed out there were 4 NATO powers on 1 side and only the Soviet Union on the other. Regarding the Disarmament Commission, the Soviets made similar charges. Therefore, during the UNGA sessions last fall, as a move to meet the Soviet position, the Western nations put forward a resolution to enlarge the Disarmament Commission (which had been composed of 11 Security Council members, plus Canada) from 12 nations to 25 nations. The Soviets on

their side had at first requested a permanent 82-nation commission or a commission of all of the nations in the United Nations, on the basis that all nations had a vital interest in disarmament. This was defeated by a vote of 47 to 9 with 24 abstentions. When the West and a number of neutral nations countered with the 25-nation proposal, the Soviet Union through Albania put forward a 32-nation proposal which they maintained would provide for equitable representation on both sides. The Albanian suggestion was voted down 38 to 19 with 19 abstentions and the 25-nation group was approved 60 to 9 with 11 abstentions. The 25-nation Disarmament Commission, as agreed to now, consists of the 11 members of the Security Council for 1958, plus the 14 newly added members. Of these 25 members, 16 are associated in military pacts with the United States, the 9 others being neutral or allied with the Soviet bloc.

The Soviet Union has indicated it would not come into the 25-nation Disarmament Commission, stating that its composition is still too heavily weighted against them. Consequently, up to now there have been no meetings called of the new Disarmament Commission. However, it is my belief that, because of the great pressures to do so, before very long the Soviet Union, the United States, and the other great powers will agree to come together under some umbrella to discuss, first, the procedures and, then, the substance of disarmament. Likewise, the prospect is bright for a summit meeting, if adequately prepared for, at which disarmament would probably be a major topic.

On the substantive side, the prospects are less clear. The Soviet Union has both its package proposals and also certain first steps it says it would be willing to take in isolation from the package. The United States and the Western partners have their own variety of package proposals which were submitted to the Soviet Union in London on August 29 and on which they still stand. The recent Eisenhower-Bulganin exchanges of letters have not altered the substantive situation as it stood at the close of the London talks on September 6.

The subjects which I believe may hold the greatest hope for agreement and which might be concentrated on in future negotiations are these: A 2-year verified suspension of nuclear tests; European and Bering Straits inspection zones; a verified cessation of production of nuclear weapons; and control of outer space for peaceful purposes. The Soviet Union has shown more of an interest in the first two than the West has and the West has shown more of an interest in the last two than the Soviets have. However, both sides have shown some interest in each of these areas.

What makes the prospects for a disarmament agreement hopeful is that both the leaders of the Soviet Union and of the United States have emphasized the tremendous importance they attach to such an agreement. President Eisenhower in his state of the Union message on January 9, 1958, stated: "In the last analysis, there is only one solution to the grim problems that lie ahead. The world must stop the present plunge toward more and more destructive weapons of war, and turn the corner that will start our steps firmly on the path toward lasting peace * * * of all the works of peace, none is more needed now than a real first step toward disarmament."

VII

In closing, let me pay a word of tribute to two fellow Minnesotans—Senator HUBERT HUMPHREY and Gov. Harold Stassen—who though they are outstanding leaders in different political parties have cooperated effectively in a nonpartisen way to advance the best interests of the country in this tremendously important area of disarmament. Under Senator HUMPHREY'S leadership, the Senate Foreign Relations Subcommittee on Disarmament has by its hearings, its staff studies, and its reports made an extremely important contribution to the greater understanding of this complicated subject by the Congress, the press, and public opinion. Mr. Stassen's contribution has been in being the spearhead in the development within the administration of a new United States position on disarmament; and then in brilliantly carrying forward in London one of the most complicated, frustrating negotiating assignments ever entrusted to an American diplomat. The fact that he was not successful in reaching an agreement in London has put into the shadow the outstanding job that he did there.

As Roscoe Drummond—one of the most respected and objective of correspondents—said in reporting from London in the New York Herald-Tribune at the close of the London talks: "I have talked with the professionals in three capitals who sat with him and worked with him during the weary, frustrating months of the London talks, and their judgment is unanimous: That, with the possible exception of Gen. Alfred Gruenther, who negotiated the four-power Austrian military agreement, Mr. Stassen proved abler than any American official in dealing with the Soviets; that among all the Allied participants in London, Mr. Stassen proved himself pre-eminent in being able to sit out the Russians and to keep from being goaded into anger or being trapped into petty polemics; that his distinctive contribution was to keep his part of the discussions constantly constructive, at a high level of earnestness and never to be drawn off into minor debating points." Mr. Drummond further reported: "I am not suggesting that Mr. Stassen can get a disarmament agreement out of the Russians if they do not want one. But I am reporting that in the view of those closest to the London talks, Mr. Stassen has outstanding capabilities as a negotiator with the Soviets, and that when and if Moscow is ever ready to talk business, Mr. Stassen is one who can help make sure we get the best, foolproof agreement."

Not only is such effective cooperation needed between the leaders of political parties but even more is it needed between governments if the governments are to be truly responsive to the needs of today. For today's developments in science and technology tend to make obsolete not only military weapons but foreign policies and, fortunately, even Communist doctrine. What was good for 1950 or even for August 1957 is not necessarily good for today. The past history of man's inhumanity to man bears witness to his failures in this regard.

In the last 500 years covering the period of modern world history, there have been 300 wars, or 3 wars every 5 years. In the 20th century alone, there have been 26 wars in 58 years and of these there were 2 World Wars in the space of just 25 years. The 20th century has, until now, been called the century of total war, but, if such a war occurs, only Toynbee's pygmies and Eskimos may be left to describe it more appropriately as the century of total destruction.

Unlike those who predict the inevitability of all-out nuclear war and the destruction of civilization or those who forecast the decline of America to a second-class power, I firmly believe that the United States under the leadership of President Eisenhower has the heritage, the courage, the conviction, the resources, and the wisdom not only to prevent an all-out nuclear war, but to go on and win out in the tough and fateful competition for a Free World which lies ahead. I further believe that a sound start can be made in solving the dilemma to which I referred at the very beginning of these remarks (i. e. people wanting peace but their government all the time needing to prepare more destructive weapons of war) by taking steps now to carry out the injunction which President Eisenhower so emphatically and so wisely laid down in his state of the Union message on January 9 when he said: "Of all the works of peace, none is more needed now than a real first step toward disarmament." I believe that the seeds planted in the London talks may bear fruit in 1958 and that the real, first step toward disarmament will be taken.

But more important even than this is that we as a people look beyond and think beyond our present necessary security arrangements into new fields of human relationship with the rest of the peoples of the world. We cannot keep reducing the size of our planet and increasing the population on it without accepting the necessity of getting along with other people, languages, and cultures about which too many of us now have massive ignorance.

Unless we move out from behind our TV sets and our trenches of luxurious living and readapt our lives and our thinking to a new kind of competition—we are sure to be ambushed like Athens, Rome, and Carthage before us. If democracy is to win out, the American people themselves must, as this conference is doing, take new initiatives in community and international programs—and not be content with looking to Washington for all of the answers. We must lead not only from strength but from wisdom and confidence and not continue to equate contact with Russians as contamination by Russians, or negotiation with Russians as appeasement of Russians.

The advent of sputnik and Explorer marks a new age—and no sounder advice can be given than that of the man whose birthday we commemorate about this time every year, when at the beginning of another new age 100 years ago he, Abraham Lincoln, said:

"The dogmas of the quiet past are inadequate to the stormy present. The occasion is piled high with difficulties, and we must rise with the occasion. As our case is new, so must we think and act anew."

THE WILLMAR, MINN., EXPERIMENT IN PREVENTIVE MEDICINE

Mr. HUMPHREY. Mr. President, I wish to take this opportunity to bring to the attention of my colleagues a highly successful experiment in preventive medicine completed in the community of Willmar, Minn., under the auspices of the Minnesota division of the American Cancer Society.

I have just completed reading the report prepared by Mr. Lee Berglund and Dr. R. J. Gorlin of the University of Minnesota on the first mass free oral cancer clinic in the United States. This pilot study in oral cancer detection was planned in 1956, when it was determined to measure the effectiveness of a comprehensive program in oral cancer.

Through fine advanced planning and enthusiastic cooperation from the entire Willmar community, 1,926 individuals were examined in 1 day, and important procedures were developed which may well result in the development of a more comprehensive and broad program to detect all cancer early and to sharply raise the cure rate of this disease.

Once again I am amazed at the vigor and intelligence of our voluntary organizations in America. The Willmar experiment is testimony to the ability of Americans to get things done if they are well briefed and well led.

I commend this report to my colleagues, and I urge they avail themselves of the opportunity to read about this fine group effort.

GEORGE WASHINGTON'S BAN ON CURSING

Mr. MARTIN of Pennsylvania. Mr. President, we have just heard George Washington's Farewell Address, which was very well read. It seems to me to be appropriate on this occasion to have printed in the RECORD an article published in the Catholic Register of January 31, 1958, referring to George Washington's ban on cursing. I ask unanimous consent that the article be printed in the RECORD at this point as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ARMY STRESSES BAN ON CURSING

FORT MEADE, MD.—The Second Army Sentinel warned editorially that cursing is no less a vice today than when Gen. George Washington issued a general order against it in July 1776. This order is one of the few Army orders that has never been rescinded, said the Sentinel, published at the Army base here. Washington's ban reads as follows:

"The general is sorry to be informed that the foolish and wicked practice of profane cursing and swearing, a vice heretofore little known in the American Army, is growing into fashion.

"He hopes the officers will, by example as well as influence, endeavor to check it, and that both they and the men will reflect that we can have little hope of the blessing of heaven on our arms if we insult it by our impiety and folly.

"Added to this, it is a vice so mean and so low, without any temptation, that every man of sense and character detests and despises it."

BIPARTISAN SUPPORT FOR REGIONAL POWER CORPORATION IN STATES OF PACIFIC NORTHWEST

Mr. NEUBERGER. Mr. President, on January 23, 1958, I introduced S. 3114, to authorize a regional power corporation in the Pacific Northwest.

This bill, modeled to some degree after the TVA self-financing program, has been drafted by the Pacific Northwest Public Power Association, and I have introduced it by request for myself and seven distinguished cosponsors who sustain my view that public hearings should be held by the Senate on this crucial issue.

On February 14, 1958, the Oregonian, of Portland, Oreg., published an editorial entitled "Bipartisan Power Plan," which emphasizes again that daily newspaper's support of the general idea of the regional power corporation, and also offers the hope that the legislation will enjoy the approval of leading members of both major political parties. I share that hope, and thus ask unanimous consent that the Oregonian editorial appear in the body of the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BIPARTISAN POWER PLAN

Bipartisan support for a Federal power corporation intended to break the logjam for both hydro and thermal generation of electricity in the Northwest moved nearer this week as a result of Secretary of the Interior Fred Seaton's frank statements on the subject.

The Republican Cabinet officer approved the proposal in principle as representing local and regional control of resource development, to which I am dedicated. The encouragement of local and regional efforts to do what the Federal Government has had to do in the past, and is no longer able to do so well under the increased burden of defense and other demands, has been an Eisenhower administration policy since the President's inauguration.

Secretary Seaton, it should be noted, did not endorse in full the specific bill for a regional power corporation drafted by the Northwest Public Power Association and introduced by Senator NEUBERGER and seven other Democratic Senators by request. But neither does Senator NEUBERGER endorse it without exception. He and the bill's authors fully expect that hearings will bring out desirable amendments and necessary compromises.

What is important is that the administration, as far as Secretary Seaton is its spokesman, recognizes as well as do the Democratic Senators and many individuals and groups in the Northwest that the combined efforts of the Government and of local utilities to meet the tremendous demand for electricity will not be enough. And the Secretary is willing to work with people of the Northwest toward achievement of a self-financing agency which can fill the gap.

The reservations which Secretary Seaton made, while he did not apply them specifically to the NWPPA bill, are almost identical with those made by the Oregonian with respect to that bill. These involve questions of the preference clause, flexibility in sale of revenue bonds, and time restrictions on transfer of Federal projects under construction to the new agency.

These and other questions must be thoroughly explored in Senate committee hearings. It is fair to assume, on the basis of Secretary Seaton's statements here, that the administration will not go into these hearings with an attitude of opposition, but will offer information and advice which will be helpful in arriving at legislation fair to all interests involved. These include State requirements for more equitable sharing of Federal power in the future; private and publicly owned utility needs; more power for industries.

Some Republican leaders in Oregon who have shied away from the regional power corporation idea without examining it candidly, ought to be persuaded by Secretary Seaton's interest in it that such an agency need not and would not be, if properly drawn, a socialistic superagency. It is time more Republicans awakened to the realities—including the growing discrimination against Oregon in the allocation of Federal power to public agencies in the State of Washington.

It is the public power movement with Washington as its center that is sponsoring the bill now in Congress. If Oregon wants to improve its power situation in the future—and if it does not, it will be competitively strangled for industries—Oregon had better get on the job and help work out legislation fair to all regional interests. Secretary Seaton's attitude is the right one.

ADVERTISING OF ALCOHOLIC BEVERAGES

Mr. LANGER. Mr. President, some years ago, I introduced a bill to stop the advertising of alcoholic beverages in interstate commerce and over the air. By taking advantage of the privilege of advertising, the sellers of alcoholic beverages have been doing all too successful a job of wrecking the American home. The Senate Judiciary Subcommittee on Juvenile Delinquency has been uncovering some of the effects of this campaign to educate mother to give alcoholic beverages to her family and indulge in them herself. A very large percentage of juvenile delinquency was found to be linked up with adult delinquency—the failure of parents to provide for their children, because of drink, the powerful effect of the example set children in the home by their own parents.

It has been pointed out in hearings on my bill that the upswing of juvenile delinquency which began to appear in the rural districts, followed by about a year the initiation of a series of advertisements in home magazines sponsored by the United States Brewing Foundation, entitled "Home Life in America," and developing the idea that beer was habitually served on any and every occasion in the home from a croquet game on the lawn to Thanksgiving and Christmas dinners, while mother set it on the table or stood beaming by while the family indulged.

When this bill was first introduced by Senator Capper we had radio. Children picked up the tunes and sang the beer advertisements. Since then television has come into the home generally, and the children sit entranced watching the funny little figure of a man who runs about frantically searching for Budweiser beer, or the Schlitznics—substituted for picnics—of another brand of beer. Animal pets, beavers, and bear cubs have also been employed to get the youthful audience accustomed to demanding beer.

Now something new has been added—a rather terrifying invasion of the subconscious—a system of flashing a message repeatedly on a screen at a level where the observer is neither conscious of seeing or hearing it during the broadcasting of another program, but which has a sufficiently powerful hypnotic influence to cause him to get up and carry out its suggestion even though he was not conscious of it.

Even without this powerful secret weapon, compulsive suggestions are made over the television that the viewer get up and retrieve a bottle of beer, from a refrigerator shown entirely stocked with beer bottles, and take a drink, and that he buy the large size bottle so he will not have to interrupt the program with trips to the refrigerator. A lady with a grouchy husband produces a glass of beer from the refrigerator, and at once restores domestic harmony with a touching reconciliation scene.

All this is educating Americans to turn their homes into drinking places and their children into juvenile delinquents. My bill would stop all this, deny both

radio and television to alcoholic beverage advertising, and dry up the flow of magazines carrying such advertisements from across State lines. Clinton N. Hestor, representing the brewers, testified enactment of the bill would cut the sale of beer 50 percent.

THE STRATEGIC AIR COMMAND

Mr. CHURCH. Mr. President, since coming to Washington I have had an opportunity to become personally acquainted with many people whom I had known before coming here only by their books and other works. One of them is the distinguished American author, Philip Wylie. He has since written me a most provocative letter about a problem of deep concern to every one of us—to every citizen. This is the problem of maintaining our striking or deterrent force as against potential enemies.

In his letter, Mr. Wylie tells of visiting a Strategic Air Command base, and of his concern that this command, which constitutes our only striking or deterrent force against Soviet Russia, is being seriously weakened by the turnover in personnel. He urges that the Strategic Air Command needs some sort of special status, and particularly a new wage scale.

The absolute value of this one force—

He says—

to every living American, during the unknowable number of years ahead, in which SAC will, alone, spell the difference between America's freedom and its rule by Reds, means a new wage scale for its personnel is a national necessity.

I have asked permission of the author of the letter to put these and other excerpts from it in the RECORD, and I ask unanimous consent that they be printed at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. CHURCH. Mr. President, the situation which Mr. Wylie so graphically outlines in his letter is frightening—not merely in the matter of maintaining a strong defense, but more importantly in the weakness it shows in our capacity to meet and master problems of human relationships. It is bad enough that we should be deficient in certain types of weapons, or "hardware," as they are now called. To me, there is less excuse that this free Nation should be unable, in the management of its affairs, to enlist and maintain the continuing support of the human services required in the manning of our defense positions. We train young men to operate our ships, our aircraft, and our missiles at a cost which dwarfs the cost of keeping them in service once trained, and yet we apply our penchant for savings in such a manner as to sacrifice and waste the investment already made.

Mr. Wylie's letter will assist in the struggle to end this kind of waste.

EXHIBIT 1

EXCERPTS FROM LETTER OF PHILIP WYLIE

MIAMI, FLA., *January 27, 1958.*

DEAR FRANK: For some years, the commanding officer at the Homestead, Fla., B–47 base, has asked me to come to talk to his men and to see the show. He's a Col. Jim Twitty, whom I knew in Orlando during the war when I signed on to write, for the Pentagon, a history of the 20th Air Force (the B–29's that wrecked Japan).

I have now spent most of 4 days with the B–47 officers and men and have become desperately conscious of the alarming situation in the Strategic Air Command.

I used to act as a personal adviser to the late (and wonderful) Senator Brien McMahon. I was given Q clearance years ago, as an expert consultant to the Government on the nature of nuclear and thermonuclear weapons and their hypothetical effect on the American public, if used by an enemy.

For some years to come, the B–47's (together with the slowly growing number of B–52's) will constitute our only striking or deterrent force vis-a-vis Soviet Russia. Without these few thousand men and their relatively small number of airplanes, we would have nothing whatever worth considering to prevent Russia from issuing an ultimatum to which the United States would be obliged absolutely to surrender. Neither the Army nor the Navy possess "hardware" even 1 percent comparable to the planes and missiles Russia now has for delivering their already vast stockpile of A- and H-bombs. It is the consensus of everybody I know that the Strategic Air Command, for many future years, will, alone, stand as the sole deterrent to our doom. We have nothing else.

* * * I could see—and with shock—the very poor and deteriorating circumstances of the Strategic Air Command.

Examples:

Twenty percent of the B–47 takeoffs abort—either on the field or immediately after they are airborne, owing to inadequate ground crew servicing. With first-rate servicing, there would be virtually no such aborted flights. But this servicing, by enlisted men, is so bad simply because 85 percent of these men leave the Strategic Air Command (it is hard duty) or leave the Air Force entirely, after a hitch which includes 3 years of training. That training enables many of them to earn in civilian life—even in TV repair—half dozen times as much as their military pay. This lost training has already cost taxpayers $441 million, nearly half a billion.

The B–47's are flown by 3 officers; the Strategic Air Command turnover of incoming young officers is about 40 percent. Most of the men who now fly this all-important and humanly taxing bomber are now in their late thirties and early forties. No one knows the general age limit beyond which men will be inadequate for the job; but it certainly cannot be much beyond 40–45. Hence, the professionals will soon be grounded in numbers. And last, owing to the insufficiency of officers and men, we have something on the order of 200 B–47's in existence that we can neither crew nor service.

The Strategic Air Command, therefore, needs some sort of special status, irrespective of other service branches, whereby the pay of the officers and the men can be raised to a level that is, first, commensurate with the extraordinary difficulty of their job, and, second, that reduces the temptation of countless civilian jobs to the men trained to service SAC planes. The absolute value of this one force to every living American, during the unknowable number of years ahead, in which SAC will, alone, spell the difference between America's freedom and its rule by Reds, means a new wage scale for its personnel is a national necessity.

It is expected, furthermore, that when the long-range missiles are at last in production here, the Strategic Air Command will operate them—for the simple reason that SAC already and exclusively has the appropriate target-knowledge and nuclear strike training. This last suggests that their singular importance is not merely vital for the next few years but will permanently be that vital.

They hope, I hope, and every American who knows all the facts hopes, that you, as one of the leading citizens of our country, will see to it that the Strategic Air Command gets what it must have if the rest of us are to have anything at all.

Sincerely,

PHIL WYLIE.

TRIBUTES TO SENATOR HARRY F. BYRD

Mr. WILLIAMS. Mr. President, in today's issue of the New York Times there appears an article written by Arthur Krock, commenting upon the many reasons why it will be advantageous to our country to have the senior Senator from Virginia [Mr. BYRD] continue his service in the Senate. I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PRESSURE AGAINST BYRD'S RETIREMENT

(By Arthur Krock)

WASHINGTON, February 20.—In some respects the mounting appeal to HARRY F. BYRD to reconsider his decision to leave the Senate is unique in recent times.

Such pressure is usual on a popular officeholder who has let it be known he is undecided about running again; this was demonstrated on a national basis in 1956 in the instance of President Eisenhower. But the pleas to BYRD, which have come from all parts of Virginia and many in the Nation, have arisen and grown after the Senator announced he would not again be a candidate and gave very positive reasons.

These reasons were a promise to his wife after his last election that they would return to Virginia at the end of the 6-year term, and the progress meanwhile of an illness that has made Mrs. Byrd an invalid. No grounds for retirement from active public service could more obviously call for general acquiescence. Yet, though this has been acknowledged in the appeals, the hope has uniformly been expressed that the Senator will reevaluate his reasons on the basis of the proclamation of the Virginia General Assembly that the general welfare and that of Virginia demand his continued service in Congress.

A REPUBLICAN'S EXPLANATION

This resolution, the first part of which was an eloquent tribute to BYRD'S official acts and private character, was approved by the assembly almost unanimously. In voting against it the Republican leader of Virginia, State Senator Dalton, explained he was not questioning the commendation, but that he could not appear to urge the Republican Party to put no candidate in the field if BYRD again would consent to accept the Democratic nomination.

The pleas from Virginia have far overstepped the bounds of political groups. They have come from large segments of the populations of towns and villages, the diversities in their texts demonstrating the movement is unorganized. The present Governor of Virginia and the four living former governors have urged the Senator to reconsider, though of two of their number—John S. Battle and William M. Tuck—one in all likelihood would be chosen to fill the vacant Senate seat.

A WIDESPREAD SENTIMENT

Throughout the Nation, in newspaper editorials and statements by private citizens, the

retirement of BYRD has been estimated a deplorable loss to the national interest. Businessmen, conservative and middle-of-the-road political philosophers and an array of respected economists have registered dismay at the prospect of the replacement of BYRD as chairman of the Finance Committee by Senator KERR, of Oklahoma, who is at the opposite pole in fiscal policy.

Senators of both parties, including Democrats who oppose BYRD's fiscal and political conservatism, have joined in the expression of hope that somehow he can be induced to change his mind. And it is pretty safe speculation that the Eisenhower administration, with whose spending and some other policies BYRD is in sharp conflict, nevertheless would welcome the continued Senate tenure of the most competent and informed of its constructive critics on economic programs.

WHAT WAS UNEXPECTED

The widespread and intense nature of the regrets that have been voiced over his decision has greatly surprised BYRD, and especially has he been surprised by this same aspect of the effort to induce him to reconsider. He doubtless expected tributes to his career and expressions of disappointment over his retirement. But it does not seem to have occurred to him that the pressure to keep him in the Senate would be so intensely applied, and from so many quarters, in view of the personal reasons he gave and his controversial position in the Democratic Party.

He is the leader of the massive official resistance by the States to the desegregation decree of the Supreme Court, and he may have anticipated that most nonsouthern newspapers which have discussed his announcement would aver, as did the Washington Post and Times Herald, that they could not say they were sorry. He has been the watchdog of the taxpayers' funds from the time he was Governor of Virginia, and the almost continuous success since then of candidates who favored big "welfare state" budgets and deficit spending may have impelled him to believe he was nationally unpopular on that score, too.

FIRST CITIZEN OF VIRGINIA

If these were his assumptions, then what BYRD failed to realize is that a public servant of high intelligence, flawless integrity, tireless industry, complete sincerity, and who moreover is a gentleman in all his dealings, would be wanted to carry on by so many who disagree with his political philosophy. And, since he is a sound political analyst, native modesty must account for his never seeming to have expected the Virginia General Assembly to proclaim him indispensable to the State as well as to the general welfare.

Whatever his future activities may be, BYRD will remain the first citizen of Virginia.

Mr. THYE. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. THYE. I am very happy the Senator has asked to have the article printed in the RECORD. I concur with the Senator that it would be a great loss to the United States if the senior Senator from Virginia [Mr. BYRD] retires, and it would be a great gain to all the Nation if the Senator would continue his service in the Senate.

Mr. WILLIAMS. I thank the Senator for his remarks.

Mr. THURMOND. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial entitled "An Apostle of Conservatism Retires," which was published in the Greenville News, one of the leading newspapers of the country.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

AN APOSTLE OF CONSERVATISM RETIRES

The decision of Senator HARRY FLOOD BYRD to retire at the end of his present term came as a shock to politicians and the public alike.

So long has the Virginian stood as the symbol of conservatism that even his foes seemed to consider his outraged cries against Government extravagance as inevitable as death and taxes and as imperishable as Old Man River.

From the beginning of the New Deal under Franklin D. Roosevelt down through the modern Republicanism of Dwight D. Eisenhower, Senator BYRD was the tireless voice of opposition to encroachments on personal liberties in whatever form.

As such, he was frequently the loneliest man in the United States Senate. While others were quietly and privately willing to concede that perhaps he had a point, they nevertheless argued for a more practical approach.

The people wanted this or that program, they declared. Even if we have doubts about it, how can we refuse?

Senator BYRD was one of the few to realize, and act on the realization, that a tyranny of a majority is no less dangerous than a tyranny of a minority.

It is to be hoped that some historian of the future will rectify the mistake that has been made in limiting Senator BYRD's reputation to matters of economy. That was his strong suit, but it was only a manifestation of his guiding philosophy.

What he devoted his life to was the defense of the individual against the overwhelming power of the state. In pursuit of this, he was willing to stand in opposition even to those who professed to share his views on Government spending.

He despised communism, of course, but he quickly saw the danger of those who in fighting Communists threatened all freedom. He never saw the equation between nonconformity and communism some professed to see. With the greatest of all Virginians, Thomas Jefferson, he believed that "error of opinion may be tolerated where reason is left free to combat it."

Senator BYRD's stand on the racial question was based on the same foundation. He denounced the Supreme Court's school decision as both an invasion of States rights and as a usurpation of legislative functions. And he quickly became a leader in the massive resistance movement against forced mixing in public schools.

The Virginian's retirement is all the more a blow to conservative government because it comes on the heels of similar announcements from four other Senators. When the next Senate convenes, these four will be missing from the scene, unless they change their present plans: Senator KNOWLAND, of California, Senator MARTIN, of Pennsylvania, Senator SMITH, of New Jersey, and Senator JENNER, of Indiana.

With the exception of Senator KNOWLAND, the Republican majority leader, none had the influence of Senator BYRD, but their voices were heard and their votes counted.

And their departure comes when already gone are two of the strongest conservatives of all time, Walter F. George, of Georgia, and Eugene D. Millikin, of Colorado.

Senator BYRD gave as his reason for retiring a promise he made to his wife 6 years ago not to seek reelection at the end of his present term. There are those, however, who believe there are additional reasons. These add up to a feeling of frustration over what appears to be an inexorable tide against conservatism in public affairs.

We cannot believe Senator BYRD is the last of the old guard. We hope not. For the Nation stands in greater need than ever for a strong voice of conservatism, the philosophy which holds not against change, necessarily, but that change is not of itself a desirable end; which holds to basic principles and insists that changes should be made according to these principles, or not at all; that it is more important to give the individual an opportunity to work out his own destiny than it is to try to guarantee him synthetic security; and that first-class citizenship is a thing to be earned rather than demanded.

The history of the next generation or two may prove that the conservatism of BYRD and his kind is the only true liberalism.

Mr. THURMOND. Mr. President, I ask unanimous consent to have printed in the RECORD an article entitled "Passing of BYRD in Senate Signifies End of an Era." The article was written by the great writer, George Sokolsky, and was published in the Charleston News and Courier.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PASSING OF BYRD IN SENATE SIGNIFIES END OF AN ERA

(By George E. Sokolsky)

It will be a loss to the United States when Senator HARRY BYRD leaves the United States Senate, as he has now announced that he will do. He is the third Member of that body, within 1 year, to state that he will not stand for reelection despite the assurance that he could be returned if he wished to be.

Senator WILLIAM KNOWLAND is leaving not only the Senate but the Republican leadership of it to run for Governor of California. Should Senator KNOWLAND be defeated in the gubernatorial campaign, he would undoubtedly retire from politics. Should he be elected Governor of California, his name would undoubtedly be put before the Republican convention in 1960 for the Presidency. Senator KNOWLAND is a wise legislator, evenly balanced, not as brilliant as Bob Taft but also not so stubborn. His retirement from public life would be a sad blow to those who have recognized his leadership.

Senator WILLIAM JENNER, who is also retiring, represents the hard core of Republican conservatism, the element which, under the leadership of Robert A. Taft, kept the Republican Party together as a political unit during the apparently hopeless days of Democratic Presidents.

And now Senator HARRY BYRD, watchdog of the Nation's Treasury, announces that he will retire from the Senate. HARRY BYRD has given much of his political life to battling against those who disliked American economic and social traditions and who wanted to use taxes not to bring revenue but to change the economic and social structure of the country. He came to be regarded as the best informed Senator on fiscal conditions, a successor in the Senate to Carter Glass of his own State. In this particular field, he is acknowledged to be without peer in the Senate.

Senator BYRD has often been unpopular with members of his own party, particularly as he put the preservation of the United States above the success of any party or any person. He fought a losing battle against the spenders, but it cannot be said that the impediments he put in their way did not slow up the process of waste.

When Robert A. Taft was alive, he and Senator BYRD joined forces to keep the United States functioning legislatively. Had it not been for the Republican-Southern Democratic coalition, several legislative sessions would have resulted in little more than the wordage of the CONGRESSIONAL RECORD. Some

of the most constructive legislation was a product of this coalition which held strong until destroyed by the politics of Sherman Adams, the President's chief of staff, who seems to be devoted to reducing Congress to an arm of the President's office. It is largely because of this interference by the executive in the affairs of Congress that the Republican Party is split into factionalism and Democrats grow stronger at each Congressional election.

While the leadership of the Democratic Party remains southern, it is Texan leadership rather than Virginian, which, of itself, is a remarkable development in American history. Also, the intellectual leadership of the party has moved northward, to such men as Senator MIKE MANSFIELD, Senator HUBERT HUMPHREY and Senator PAUL DOUGLAS, men grounded more in the universities than in the easy give-and-take of everyday politics or in active business enterprises.

One might readily say that with the departure of Senator HARRY F. BYRD from the Senate in January, an era shall have passed, an era of fierce contention between those who would change the American way of life and those who would preserve the American form of the capitalistic system. What has probably happened historically is that those major changes in American life which were ushered in by the great depression of 1929 have to a large measure jelled; that the Eisenhower administration, far from being a revolt against the New Deal which it was presumed it would be, is a projection of New Deal economics and New Deal sociology; and that those of both parties who opposed the changes have either disappeared from politics or are retreating from the fray. The new era is no longer revolutionary and surprising.

The future seems to be with younger men, with those who came into youth and early manhood in the 1930's and who have had no experience with an earlier and more gentle America, when equality of opportunity was an ideal and security not mentioned as a goal.

PRICE SUPPORTS ON DAIRY PRODUCTS

Mr. THYE. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an editorial which appeared in the Grand Rapids Herald-Review.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE SENATORS AGREE

On many questions of government policy Minnesota's Senators are in disagreement. But both Senator THYE and Senator HUMPHREY are in vigorous agreement that price supports on dairy products should not be reduced further, but rather should be increased if that is necessary to assure better milk prices for farmers.

To the skeptics, it might appear that Democratic Senator HUMPHREY is simply seeking to get farm votes by favoring higher milk price supports while Republican Secretary of Agriculture Benson recommends lower prices. It might also be said by some people that Republican Senator THYE is opposing the administration's farm program because he is afraid of the farm voters.

Actually, we believe that both of Minnesota's Senators are sincere in their belief that the way to help maintain prosperity in this country is to increase rather than reduce prices on farm products. Reducing prices has not solved the problems of farm surpluses. And paying a fair price to farmers would make very little difference in the cost of food to the consumers, for most of the costs of food are represented by transportation, processing, distribution, and sale.

Sooner or later this Nation must find better answers to the farm problems caused by overproduction. We wish that Secretary Benson would get his mind off trying to drop price supports and try to figure out some methods whereby farm prices would rise enough so that supports would not be necessary to assure a fair price to farmers.

Mr. THYE. Mr. President, I ask unanimous consent to have printed in the RECORD a letter I have received, signed by six different persons, included among whom is the County Commissioner of District No. 2.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEBRUARY 14, 1958.

Hon. EDWARD THYE,
Washington, D. C.

DEAR SENATOR: At the annual meeting of the Bigfork Valley Co-op Creamery Association, a resolution was passed to ask for your continued efforts in behalf of the small dairy farmers and for any creamery such as ours.

The volume of cream sold to the creamery necessary for efficient operation is steadily decreasing and that, we believe, not only because of economical trends, but partly to an indifference by our administration to a national industry—that of the small dairy farmer.

You have tried to help us in an ASC program for a better land use and pasture needs, and have brought it to the attention of regime of the Department of Agriculture. In our struggle we shall continue to fight and with your help, look for a brighter future.

The so-called economists of the rural development group have definitely put a deaf ear to our plight. The enclosed editorial of the Grand Rapids Herald is mute testimony of that. They try to influence some farmers to go Grade A, borrow thousands of dollars to do so, and all of this in the face of an economy in our area that needs for deeper study. If there is to be conversion according to economic trends, it should be so done that the welfare of a cream industry and individual farmers are not put in peril. Even now Grade A enterprises in Grand Rapids are bewailing the competition from the southern part of the State. An overproduction in that area can cause acute conditions elsewhere.

It is the belief of the members of our association that if the creamery can weather the storm, the future will be brighter. Butter will hold its own at a certain level. A natural food versus a synthetic one must evaluate an intelligent consumers market, and will eventually dictate this unless the great corporations that make oleo have too much power.

It would be hard to change the color of butter. Oleo is colored to resemble butter. If oleo is really a good human food it should be required to stand on its own. It could be colored any color but butter color and it could then not be classed as an imitation.

Of all aspects of farming operations, according to a landwise conservation expert, dairy farming is the most helpful. In a good dairy operation, nearly all of the crop residue can be returned to the soil without erosion.

Any crop from which oleo is derived must of necessity deplete the soil unless a very wise crop rotation is provided. Our Government through ASC supports have helped these farmers. It is understood that at Aitkin, Minn., where an ASC meeting of northern Minnesota counties was held, a member of the Itasca County ASC committee asked that a vote be taken as to whether or not the State committee should approve the request of pasture cleaning practices. Mr. Avery, chairman of the State ACP denied the request. It cannot be said that policy is made at the grassroots; it is made at a State or national level.

We can safely say that with most of our farmers gone, the REA could not survive with just a few rural residents as users. The Government has spent millions for REA. Can it, then, disregard a possible calamity?

Our schools have been developed to fit the needs of different communities. With our rural areas less populated, a greater burden will be placed on the remaining rural residents. Some few years ago our Government had a program of educational help for returning servicemen—all of this to develop better farm living. Is this to be forgotten?

Our National Forest Service, some years ago, had a policy of cooperation to have a forest community in advantageous areas. Thus to have available manpower to run its forests. How better to accomplish this because of seasonal work, than by the small farmer?

Ours is a plight forced to us by change, and not necessarily progress. If just some help is given, the small dairy farmer can lift himself by his own bootstraps—FHA loans to better develop land use, pasture cleaning, etc., and not limiting FHA loans to farmers whose farm operations are exclusive to only those who have a diversified income.

Our creamery is desperately trying to find a way to help its members in all operations of service and through it, to be a medium of better marketing and well-being to a community. If conversion to other aspects to meet the needs of its members is the only answer it will be ready to do so, but in the meantime there must be some temporary relief. Have you any suggestions?

Yours truly,

Attest:

DEAN D. JANNE,
School Board, Grand Rapids.
HUBERT EVENSEN,
Manager, REA, Big Fork.
G. O. PEDERSON,
County Commissioner, District No. 2, Big Fork.
FRED DAMGUN,
President, Big Fork.
RAYMOND A. GRAVELLE,
Secretary, Marcell.
CLEM OSTENDORF,
Manager, Big Fork.

THE PRESENT FARM DEPRESSION

Mr. SPARKMAN. Mr. President, anyone from an agricultural State is certainly aware of the depression that now exists on the farm. This is particularly true in those States in which most of the farming is done under the family-farm system.

Alabama is, of course, such a State. During the past year or so I have received many letters from Alabama farm families telling me of the great handicaps under which they are now working. Perhaps no letter I have received is more expressive, especially from the viewpoint of farm wives, than one I received a day or so ago. I ask unanimous consent that the contents of this letter be printed at this point in the CONGRESSIONAL RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SILVERHILL, ALA., *February 12, 1958.*

DEAR SENATOR SPARKMAN: I realize you are doing everything in your power to help Alabama farmers solve their problems. We do

not mind the hard work and long hours we put in on our chosen work. If we could get fair prices for our produce we would be satisfied. My husband chose the soil to be his life's work. Knowing this I chose to be his partner for life. So far we have been able to make a living and have been blessed with five lovely children. We have not been able to have their teeth properly cared for or give them music lessons as most parents do for their children. Aside from that we feel we have much to be thankful for.

To us a living consists of plentiful food, the better part produced at home. Our home we started 15 years ago and are still trying to complete. Since wood has gotten scarce, we have had to heat our house with gas which is a real expense. Our electric service is the most used servant and a real blessing in these busy times. We borrow money to farm with and consider it a good policy always to meet our responsibilities first and improve our home if we have anything left over.

There are many farmers like us. We have our worries now. A few farmers have some potatoes planted. Most of us have our seed cut ready for planting, and the good earth is too wet and cold. We have had a bad winter for livestock. Our pastures have not grown due to long, cold weather. What will we do for a living if this keeps up? It makes no difference how large or small the farm, we will not be able to feed our Nation unless there is a change soon. The surplus food will be pretty well used up. We might do well to remember the childhood story of the ant and the grasshopper.

I have so little time to put my thoughts on paper. That goes for most farmers' wives. We usually spend rainy days mending clothes to wear in the fields, and baking. But since my bread is baked for a couple of days and we have snow and bitter cold tonight, I feel it a good time to do some thinking. We can't do anything about the weather. I feel sorry for several families I know who live in open houses and have no food put up to meet these bad times. There are so many who have it worse than we.

I guess I don't make sense the way I write, but I want you to know we believe in you and know you are trying to help everyone. We all need a deep faith in God in order to have faith in the future.

God bless you and guide you and all our leaders in doing His will.

Sincerely,

NEED FOR FARM MORTGAGE PROGRAM

Mr. SPARKMAN. Mr. President, a few days ago I received a letter from a lady in Pennsylvania. I do not know the writer of the letter, or any member of her family, but she is a farm wife. She wrote one of the most telling letters I have ever read typifying the struggle through which so many farm families are going these days.

She brings out the point that her family has one son, who is about 14 years old, and she says that her son wants to be a farmer, but he is confronted with an almost impossible situation, growing out of the high cost of farming in these times and the lack of adequate credit in order to enable farmers to buy, own, and maintain their farms and the necessary equipment.

Because the letter is such a fine one, and so typical in expression of the problems confronting the average family farmer of today, I ask unanimous consent that the letter be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

PLEASANT ACRES FARM,
Littlestown, Pa., February 6, 1958.

Senator JOHN J. SPARKMAN,
Huntsville, Ala.

DEAR SENATOR SPARKMAN: Having heard on television last evening of the bill you are interested in presenting to help restore a healthy economy by helping the building trade by a relaxed mortgage-interest arrangement, we want to congratulate you.

Could you add to it a policy to help farmers get longer term mortgages or reduced interest rates?

These are some of the reasons:

Each family farm has approximately 40 tires. Farmers use more steel than the whole automobile industry. Each farmer who goes out of business is like a pebble thrown into a lake. The circle of people who suffer is widespread. The town near him suffers in that feedmen, hardware men, clothing, food, every single commodity, receives nothing or a reduced amount of business from him. In turn, the salesman, advertising, and then the city man has reduced or no work, since the orders do not come in. The poorer the Nation gets the sooner Russia can take us over.

We married 16 years ago with $600 between us and the desire a year later to be farmers. We have spent all these years buying a property, fixing it up, selling at a profit, increasing the acres, until at last we have 30 cows, 163 acres, entire family enthusiasm, my husband, 14-year-old son, and myself, and calluses to prove it. We are determined not to quit.

We paid $22,000 for the farm last spring, put down $11,000, but our mortgage at the bank is short term, our two cow notes are short term. When we pay the notes due each month, plus $200 a month for feed, there is almost nothing left of a $650 milk check to pay the expenses, which total, including notes, $962 a month. A long-term setup is our only answer.

We have spent weeks trying through Prudential Insurance Co., Federal setups (which have no mortgage money), banks, and farm loans to get a long-term 20- or 30-year plan. No result except our local bank. We sign papers Monday; payments still too high and for a shorter term than we can afford at that interest. But we are going to make one more try.

We are well thought of; our previous credit has been through building and loan in Chester County, but out here no building and loan will carry a farm mortgage. We have a wonderful farm. All the above, yet are desperate. Multiply us by the millions across the country. Farmers will not organize, yet all they purchase is priced by organized labor. We do not want a Government handout. We want the same rules other businesses go by. Our prices for milk are plain ridiculous. This is a national problem.

Our son wants to farm and proves it by hard work since he can walk. If we quit, he can never start. Any dairy farm in Pennsylvania from which they will take your milk, plus equipment, cows, etc., totals $50,000 to $75,000 for a man to start. Ask; you will find this true. Young men cannot start today. We are 45 and it has taken 16 years to reach even this point of desperation, though we follow, through county agents, study, and hard work, all good farm practices. When the farms go under—I mean farms, not just 50-acre places—the Nation will go under.

Please write us for more information; we can prove all we say.

You have the power to present views. Please add this problem for solving to your present bill.

Thank you for your consideration, and good wishes for your success.

Sincerely yours,

GAIL REDHEFFER STULL.
JAMES EDW. STULL.
DAVID BARD STULL.

TEMPORARY INCREASE OF PUBLIC DEBT LIMIT

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed, and the Chair lays before the Senate the pending business.

The Senate resumed the consideration of the bill (H. R. 9955) to provide for a temporary increase in the public debt limit.

AMENDMENT OF TRADING WITH THE ENEMY ACT

Mr. HRUSKA. Mr. President, it is my purpose to address the Senate on the subject of return of private property seized from Japanese and German citizens during World War II.

Before doing so, however, I should like to draw attention to the close connection of that subject to the Conference on Foreign Aspects of United States National Security scheduled for February 25–26 here in Washington. Its announced purpose is to convince the American people that foreign aid is vital to the defense of this country.

This program is directed by Mr. Eric Johnston who, at a White House dinner on January 27, where some 21 guests had gathered, opened the campaign to sell the foreign-aid program which is now being rechristened "the mutual help program." Mr. Johnston is reported to have told those assembled that the trouble with Congress and the American people is that they are unaware of the dire need for continued military and economic assistance abroad to curb the Soviet Union in its expansion designs and that an educational campaign on a broad and unprecedented basis was essential to convince them quickly of the benefits of foreign aid.

I understand that a considerable sum of money in the form of contributions from the leaders of our American free-enterprise system will be used to publicize the program.

We all know that to carry out the foreign-aid program, this Congress is asked to appropriate about $4 billion. A portion of which would be earmarked for military assistance and the remainder for economic assistance.

I have the greatest regard for the sincerity of all these men and women who will come to Washington and give of their time and of their substance to try to strengthen the security of the nations of the Free World and thereby strengthen our own security. This message is meant for them as well as for the entire American people who are just as interested as anyone else in the defense of our liberty and the liberty of the nations of the Free World.

There is substantial doubt, however, that the security of the Free World can be strengthened by the constant and indefinite use of public funds appropriated by Congress. The President of the

United States has indicated that he shares such doubts for he pointed out in his 1958 state of the Union message that "while some increase in Government funds will be required, it remains our objective to encourage shifting to the use of private capital sources as rapidly as possible." I assume that when the President referred to "shifting to the use of private capital sources," he had in mind not only an increase in private foreign investments by individuals and corporations in the United States but also by citizens and corporations of other capital export countries of the Free World, working together in a joint undertaking, a partnership to create mutual security by improving the economic conditions of all of the nations of the Free World and especially the underdeveloped countries in Asia and Africa which are the targets of evergrowing Communist aggression. By referring to shifting to the use of private capital, the President underlined the fact that the freedom of all the nations of the world not yet under Soviet control, rests upon the private-enterprise system—the sanctity of private property which is the foundation stone of freedom everywhere.

Mr. President, it is doubtful that the delegates at next week's conference will be told that the greatest roadblock preventing an increase in foreign private investments both by our own people and those of other countries, results from the growing fear of nationalization and confiscation always urged by the Communists, and occasioned and justified in no small measure by the precedent that we have set in still failing to return the private investments of German and Japanese citizens seized by us 3 years after the close of World War II. By our continued failure to correct the legislative mistake made in 1948, we are accused by the Communists and those who practice expropriation and confiscation as urged by the Communists, of preaching the doctrine of the sanctity of private property when it is in our interests, but denying it whenever we deem it expedient to do so.

Mr. President, from time to time I shall refer to the amendment of the Trading With the Enemy Act, which was adopted in 1948. I therefore ask unanimous consent that at this point in my remarks there be set out the text of section 39 of that act, which is the amendment referred to.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TITLE 50, UNITED STATES CODE, WAR AND NATIONAL DEFENSE APPENDIX

Section 39. Retention of properties or interests of Germany and Japan, and their nationals; compensation; proceeds covered into Treasury.

No property or interest therein of Germany, Japan or any national of either such country vested in or transferred to any officer or agency of the Government at any time after December 17, 1941, pursuant to the provisions of this act (secs. 1–6 and 7–39 of this appendix) shall be returned to former owners thereof or their successors in interest, and the United States shall not pay compensation for any such property or interest therein. The net proceeds remaining upon the completion of administration, liquidation, and disposition pursuant to the provisions of this act (said sections) of any such property or interest therein shall be covered into the Treasury at the earliest practicable date. Nothing in this section shall be construed to repeal or otherwise affect the operation of the provisions of section 32 of this act (sec. 32 of this appendix) or of the Philippine Property Act of 1946. (Oct. 6, 1917, ch. 106, sec. 39, as added July 3, 1948, ch. 826, sec. 12, 62 Stat. 1246).

REFERENCES IN TEXT

Philippine Property Act of 1946, referred to in the text is classified to subchapter V of chapter 15 of title 22 Foreign Relations and Intercourse.

Mr. HRUSKA. Mr. President, as a result, there is an ever-growing reluctance on the part of investors everywhere to place their funds in these underdeveloped countries as the President of the United States urges be done.

I believe that if we continue with the example of expropriation and confiscation and do not return these private properties, we cannot hope to reverse the process of nationalization and confiscation of foreign private investments by others, nor can we ever remove from the American taxpayer the burden of the ever-growing appropriations for mutual security which in the end defeats its own purpose in that too often it leads to the establishment of state-owned enterprises under a Socialist system ready for the Communist takeover.

On January 13 I urged on the floor of the Senate that the United States enact legislation to return promptly the private property seized from German and Japanese citizens during World War II for three reasons.

The first of these reasons is that it is right and just that we do so. The sacredness of private property has a deep moral foundation.

The second is that such return is in keeping with our historic policy since the beginning of our country as a nation.

The third of these reasons is that such a return is necessary in our country's self-interest.

As a member of the Judiciary Committee, necessarily I have been concerned with the alien-property problem. I have given that problem much study and my studies have led me to some profound convictions.

The first of these convictions is that in the circumstances of today, the German and Japanese individuals whose property was seized are in fact only a small portion of the people vitally concerned in the correction of the legislative error made in 1948, whereby the sequestration of enemy alien property was changed to a confiscation thereof.

There are two other major groups vitally concerned: First, the American citizens who own some $40 billion of American capital invested abroad; and, second, the well-being of all Americans who want and need a strong foreign policy, an integral part of which is substantial private investment abroad.

American private investments in foreign countries are either safe or not safe depending upon whether those foreign countries believe in the sanctity of private property or deny the principle. These private foreign investments are in part insured against loss by nationalization or confiscation by the United States Government under legislation passed by Congress. Therefore it is obviously essential that we support this principle in what we do as well as in what we say. Consistency in theory and practice furthermore would aid immeasurably in restoring our prestige among the nations of the world.

We have always said that the principle of the sanctity of private property is a fundamental of our political philosophy and of our economic life. If we practice at home what we preach, we will contribute effectively not only to the security of American investors with consequent savings to the United States Government, but also to the security of all foreign investors. It is crystal clear that we cannot condemn confiscation by others if we practice it ourselves.

My second conviction is that the alien property problem has become a complex and vital problem because, while we profess devotion to morality, common sense, American tradition, and to international law, what we have done under the 1948 amendment to the Trading With the Enemy Act violates morality, common sense, our traditions, and international law except as the Communists would have it. Inconsistency is always a pitfall. To say one thing and then to do the opposite is certain to boomerang in any situation and in this particular situation, it leaves us wide open to the charge of hypocrisy.

This inconsistency actually is the root of the dilemma for those opposing repeal of the 1948 amendment. They cannot bring themselves to abandon the sanctity of private property or the foundations upon which it rests because to do so inevitably would associate them with Communists, fellow travelers, the ignorant and uninformed and the cynical devotees of expediency who either deny basic principles or, like the thief, deny them if it is to their advantage.

Therefore, those opposing repeal of the 1948 amendment to the Trading With the Enemy Act have been driven to devices which in the final analysis have the purpose of making it appear that we do not do what we actually are doing. Their real problem, their real effort, is to prove that confiscation is not confiscation. Efforts of this sort cannot escape the odor of sharpness and spuriousness and, I submit, are beneath the dignity of the United States and an affront to common sense.

The hard fact is that German and Japanese citizens had their property seized in the United States in 1941. They neither have had it returned nor paid for since then, and this is 1958. Ordinary people with average understanding can have only one answer for such a situation. That answer is that these owners had their property confiscated by the Government of the United States. This injustice should be corrected.

The specious nature of the devices to cloak this fact of confiscation becomes obvious from only a brief summary of them.

ARGUMENT OF "CONFISCATION IS NOT CONFISCATION"

One of the arguments is that this confiscation is not confiscation, because the Government of Germany has promised to pay the owners for the property seized. The reservations made by the German Bundesrat in approving this agreement which referred to many matters other than these private properties are ignored. Chancellor Konrad Adenauer, of the Federal Republic of Germany, has always protested the confiscation of these private properties. He has made these protests to all of the nations of the Free World and especially to the United States and has pointed out that the very existence of the nations of the Free World depends upon the private enterprise system which in turn rests on the sanctity of private property as contrasted with the Communist system of state ownership. Also ignored is the fact that no such agreement exists as far as the Japanese Government is concerned.

The expressed position of many of the leaders of the West German Government has always been that such a settlement, if possible, would further undermine the principle of the sanctity of private property, to the ultimate detriment of the Free World.

Also ignored is the fact that no payment has been made to any of these owners, agreement or no, and this, Mr. President, is 1958—17 years after these seizures occurred.

The PRESIDING OFFICER (Mr. LAUSCHE in the chair). The Chair would like to inquire what the status of that property is now. Where is it?

Mr. HRUSKA. It is in charge of the Office of the Custodian of Alien Property.

But the real defect of this argument lies in its theory which advances the novel legal proposition that I can seize your property over your protest and yet avoid responsibility because I obtain an agreement of some third party to pay you for your loss. If the right of property continues to exist, if it continues to include the right to decide when the owner is to sell, if the concept of government under law and the concept of the rule of law are to continue to prevail, schemes based upon such arguments must be rejected as devious devices which violate basic principles while purporting to observe them.

ARGUMENT: AGREEMENTS WITH OTHER NATIONS NOT TO RETURN SEIZED PROPERTY

Another of these arguments is that we have agreed with others of the allied nations, who have themselves confiscated similar private property, not to return the private property which we have confiscated. It is contended that if we return this property, we would break faith with our allies. Our Secretary of State, Mr. Dulles, has in person rejected this argument before the subcommittee of the Judiciary Committee in its hearings held on July 1 and 2, 1954, page 161. I believe it might be observed that if one of the allies so protesting was the Netherlands, its present experiences in Indonesia might cause it to reconsider. So also it is quite possible that England, France, and Israel, might have a different view because of their late experiences in Egypt. It seems to me that Mr. Dulles' rejection of this argument should be sufficient to allay it, yet some continue to advance it. If it is sound it means that the robber can escape the consequences of his crime by making an agreement with his fellow thieves to keep the loot.

ARGUMENT: COLLECTIVE GUILT SHOULD BAR RETURN OF ALIEN PROPERTY

A third argument in which it is said that confiscation is not confiscation, is a variation of the now-rejected theme of collective guilt. This contention is that German and Japanese citizens are responsible for the crimes of Hitler's and Tojo's governments. But we have returned the private property of Italian citizens which we seized. The proponents do not explain why Mussolini's tyranny was different from that of Hitler and Tojo. Neither do these proponents explain how they reconcile this proposition with the age-old policy of the United States that it makes war against governments and not against individuals.

Even the felon convicted of the most heinous crime is secure in his rightfully acquired property until the penalty resulting from his trial lawfully provides otherwise. The existing legislation imposes the penalty without the trial.

If there is any basis whatever for such a proposition as collective guilt, it would presuppose a democracy where the citizen has some voice in what his government does. In totalitarian regimes such as those of Hitler, Tojo, Mussolini, Stalin, or Khrushchev, even this flimsy basis is lacking.

Actually what this argument proposes is a rebirth in a peculiarly vicious form, of the age-old evil of attainder which we in the Anglo-American world have spent centuries to outlaw.

Most of these schemes as the late Charles Cheney Hyde, the great American international authority, describes them, have their origin in certain World War II treaties. Professor Hyde wrote that it is indispensable that they be avoided if postwar investors are to be expected to invest abroad. He adds that there is no alternative if there is to be general expansion and stability in international trade—Hyde, International Law Chiefly as Interpreted and Applied by the United States, volume III, second revised edition No. 1737.

PROMPT AND FULL RETURN SHOULD BE MADE

I believe that the wisdom of the Congress is such that it will take the action which the late Professor Hyde so vigorously advocates. Such action requires the prompt and full return of, or compensation for, the property seized for the simple reason that it is property which is not that of the United States.

Prompt action, I submit, means action now. Seventeen years of waiting is too long to wait.

I say full return or full compensation where the property cannot be returned. I say further that we must fully and completely adhere to the principle of the sanctity of private property. In doing so, I submit that we must reject the thesis that this return is a matter of grace.

Will our investors in the oil fields of the Middle East be content or be protected in their ownership if it is dependent on such vagaries as the grace of governments in any particular year?

Will our investors in the chemical, utility or other industries in South America or elsewhere be content or be protected if the United States continues to provide a precedent which holds that investors here must be satisfied if they are arbitrarily forced to accept 20, 40, 66, or 88 percent of the value of what they own in foreign countries? What will the American taxpayers say when their Government must make up the difference where the United States Government guaranteed the investor against such loss? What will be the attitude of our investing public toward the securities of our American corporations which take such risks?

THE UNITED STATES HAS A TRUST OBLIGATION TO RETURN THIS SEIZED PROPERTY

This return of alien property may cost money. But it concerns an obligation of the United States created by the trust which Alexander Hamilton long ago described, the trust by which the United States undertakes to protect the ownership of the foreigner who places his assets within our shores. It is not a matter of choice in which we are free to decide whether or not we will incur some new obligation. This instead is a matter of the discharge of an obligation we already have incurred. To refuse to honor this obligation would be the same as to refuse to pay some government bond owner when his debt is due. The question is not our heavy expenditures, but whether or not the United States will continue to honor its obligations.

Professor Hyde prophetically has warned us of what must be expected if we fail to take the course I urge.

It is the responsibility of the Congress of the United States to reestablish the policy of the United States so that once again it conforms to the requirements of morality, our tradition, and good business.

GENERAL CONTROLLING PRINCIPLES

Because of the profound implications of this general subject and of the vital national concern involved, I have done extensive research, not only from the legal point of view, but also in regard to traditional and moral considerations. At a later time it may be in order to present to the Senate the detail of this research, together with citation of authority. At this time, however, I briefly summarize my conclusions:

First. The right of private property rests on religious and moral foundations. It is as old as the Judean and Christian religions. When mentioned in such instruments as the Virginia Bill of Rights, the draftsmen thought that they were only stating and confirming an age-old truth. The right of private property is ingrained in the philosophy of the Western World as a basic ingredient of the right to be free. Where the former is absent the latter cannot long exist.

Second. The principle of the sanctity—or inviolability—of private property is the principle through which the right of private property is protected.

Third. As in all questions of principle involving basic morality strict observance is essential. Partial compliance is not enough.

Fourth. The principle of the sanctity of private property is the foundation upon which the entire free-enterprise system rests. It is the basis of economic life in the Free World.

Fifth. Since the beginning of the United States until the 1948 legislation already referred to, this principle has uniformly been applied by this Republic to the private property of enemy aliens.

Sixth. Without exception, this position is supported by every American statesman of lasting fame who has spoken on the subject.

Seventh. By reason of treaties to which the United States is a party, the confiscation of private property on the battlefield is prohibited. Thus the effect of the 1948 Trading With the Enemy Act amendment is to impose a lower standard for treatment of private property behind the front and after hostilities have ceased than is required of our soldiers on the battlefield.

Eighth. American practice during the entire life of our Nation has been based upon the doctrine that acts of war against private enemy property are justified only when permitted by the principle of military necessity. The confiscation of enemy private property provided by the 1948 amendment to the Trading With the Enemy Act is contrary to the principle of military necessity: (a) Because it occurred after hostilities had ceased; (b) because it was an act of warfare never before considered in the United States as a legitimate act of warfare; (c) because it had never before been considered as justified by the principle of military necessity even during hostilities.

Ninth. Every significant author in the field of international law in the Anglo-Saxon world in the 19th and 20th centuries has held that international usage or international law forbids the confiscation of private enemy alien property.

Tenth. A subsequent editor of the textbook of one of these authors, in direct opposition to the position of the original author, condones confiscation. This editor himself, however, has said that the change he has made has resulted from the influence of Communist doctrine.

Eleventh. Prof. Charles Cheney Hyde, the latest great international law authority of the United States, holds that unless confiscation is rejected foreign investors will not have sufficient confidence to invest abroad and that expansion and stability of international trade will suffer.

PRIVATE INVESTMENT ABROAD IS AN INTEGRAL PART OF OUR FOREIGN POLICY

In establishing our national policy, it is common sense that we do so with full regard for the facts of life as they exist today.

We have become the great creditor nation of the world. We are the great nation of commerce, both in domestic and international trade.

Our economy was developed, and has grown to its present importance, through the private-enterprise system. This system rests on the foundation of the sanctity of private property.

In the state of the world today, a large part of the capital requirements of both developed and undeveloped countries must come from the United States.

Inevitably, therefore, the United States in its own best interest has had to adopt a national policy of encouraging our investors to place their assets in other countries.

Such a policy is essential if we are to reduce, and we must reduce, our Government's expenditures and our taxpayers'

If we are to obtain the fulfillment of this policy of private investment abroad it can be done only if our people are assured that their ownership of their foreign assets is secure, or, in other words, that the principle of the sanctity of private property is unimpaired. It is a prerequisite of this confidence that the United States be a stanch and complete defender of this principle.

We cannot, of course, control what other countries do. But at least we can set them a good example.

I submit that such example must not be one which approves confiscation for any purpose. If we fail in our example, the consequences will be beyond imagination and the victims will be American investors and, ultimately, the American taxpayer.

Our great corporations in recent years have been very active in foreign fields. If the fear of confiscation or of its twin evil, nationalization, continues to grow, it should be clear to all that investors will become increasingly reluctant to own shares in companies with much foreign activity. If such attitudes become more prevalent, even the great corporations will be compelled to curtail their foreign business.

It is imperative that this does not occur. We must establish and maintain a favorable climate for capital exports. To do so we must assure the American foreign investor that his own Government is fully devoted to the principle of the sanctity of private property and will not tolerate any impairment of that principle.

Such an impairment exists under the 1948 amendment to the Trading With the Enemy Act, and we cannot escape the inextricable tie between this situation and the situation of American as well as other foreign investors. The Egyptian Government can cite—and, I am informed, has cited—our action under the 1948 amendment to support its confiscatory measures of a few months ago. So far as the British, French, and Israeli citizens owning property in Egypt are concerned, either in the form of shares in the Suez Canal Co. or otherwise, the precedent of our action under the 1948 amendment stands on all fours with the Egyptian Government's seizures.

The far greater danger is that this precedent will be expanded. We already have examples of such expansion. Thus an Associated Press dispatch of December 20, 1957, from Indonesia tells us that 300 American, British, French, Belgian, and other western businessmen were summoned to a meeting with military authorities and told they must surrender a fourth of the houses they own in Jakarta, for which they would receive no compensation.

CONSEQUENCES OF CONFISCATION

The consequences of the disregard of fundamental principles by ourselves or by any nation under any circumstances is serious enough. These consequences, however, are insignificant in view of the other facts of the world today which we cannot ignore. The sputniks spectacularly opened to us a view of the weapons which will confront us in the next war. Whether or not that war will come, and, if it is to come, when it will come, we cannot say because it is not our choice. The United States will not be the aggressor. The most that we can say is that military war is not on at the moment.

Our concern with the danger of a military war must not, however, permit us to overlook the Communist aggression which is going on now—the economic war which Soviet Russia as the leader of communism is at this moment waging against the Free World. The goals of Soviet Russia in this existing economic war are identical with the goals which she would have in the event of a military struggle. These goals are the communistic enslavement of the peoples of the Free World.

Where private property rights are held sacred, men are free. Where this principle is rejected, men are slaves to the state.

SAN FRANCISCO INTERNATIONAL INDUSTRIAL DEVELOPMENT CONFERENCE

To combat Soviet Russia's ever-growing economic war in Asia and Africa and especially in the underdeveloped countries, leaders of 62 nations of the Free World met in San Francisco last October at the International Industrial Development Conference. The conference was sponsored by Mr. Henry Luce, publisher of Time-Life International and Stanford Research Institute. The theme of the conference was Investment: The Key to Industrial Development. Taking part in that conference were 551 bankers, businessmen, Government officials, and labor leaders from 62 nations of the Free World.

The delegates at the conference were agreed that it is essential to the future peace and prosperity of the world, that the capital export nations aid in the economic growth of the underdeveloped countries—the capital import nations—by means of private investments under a private-enterprise economy.

The delegates were agreed that such private investments would not be made unless the nations of the Free World found ways and means to protect such foreign private investments from spoilation, nationalization, and confiscation.

Mr. Eugene Black, president of the World Bank, as keynoter to the conference, stated, as quoted in the San Francisco Examiner, that—

Private businessmen will not risk their skills and capital where they have any reason to fear that their property may be expropriated by the state.

He continued:

Domestic investors may continue to function because they have no alternative, but foreign investors will certainly retreat.

It is obvious that unless private individuals and corporations make these investments, that taxpayers' funds will be made available to these underdeveloped countries in ever-growing amounts. Such taxpayers' funds will inevitably be used to establish state-owned and operated enterprises, defeating the very purpose for which the funds were made available and creating a state socialist economy, readymade, to be taken over by a Communist dictatorship.

It is obvious from the various speeches that the delegates had lost faith in bilateral treaties which before World War II were considered adequate to protect private foreign investments, but are no longer so considered, because of repeated violations of the principle of the sanctity of private property practiced by governments on a basis of expediency.

It was urged by many of the delegates that since experience has shown that bilateral treaties are often abrogated by unilateral action, an international convention of all nations of the Free World ought to be called, first, to create a worldwide magna carta of private property rights under which all nations of the Free World would agree to treat foreign capital and other foreign investments fairly and without discrimination; and second, to provide for a special International Court of Arbitration which would have the task of determining whether the cases brought before it involved violations of the principle of the sanctity of private property. Such a magna carta would include a provision requiring joint economic action by all of the nations of the Free World against those who would violate the principle of the sanctity of private property.

We ought to ask ourselves the question: Why was it necessary for those 62 leaders to meet in San Francisco, to discuss and finally to decide upon counter measures which their governments, the nations of the Free World, ought to undertake to meet the economic war against private enterprise, private property rights, and ultimately the liberty of the individual, forced upon them by international communism?

We should be honest with ourselves and should admit that one of the principal reasons why the nations of the Free World are faced with an ever-growing threat of confiscation, socialization and communization is that they themselves set the example when they confiscated the private properties of German and Japanese citizens after World War II, and thus have led others to believe that there is nothing morally wrong with the seizure of anyone's private property if it is to be used for a good purpose. For more than 200 years, all of the civilized nations of the world have had treaties between themselves guaranteeing the inviolability of the investments made in their territories even by individuals and companies who at some time or other through war between the nations, would become enemies. The nations having such treaties included Russia—pre-Soviet Russia, of course.

PARIS AGREEMENT OF 1946

But our Government and 16 allied nations at the close of World War II, in January of 1946, at Paris, agreed to disregard and violate these treaty provisions through unilateral action to be taken individually by the governing bodies of these nations on the theory that the private property of German and Japanese citizens might be confiscated in lieu of reparations.

This was the program first promoted by Eugene Varga, Soviet political economist, the intimate of Lenin, Stalin, and now Khrushchev, and who created the Varga Institute, in Moscow, which trains Soviet socialist political economists.

This was the program which was urged by every Communist and fellow traveler in the Free World.

Mr. John Foster Dulles, our Secretary of State, who has on numerous occasions stated publicly that he would like to see the United States return to the principle of the inviolability of private property, in testifying before a subcommittee of the Judiciary Committee stated that this Paris agreement was an executive agreement, and was not binding on Congress.

Notwithstanding Mr. Dulles' testimony and the difficulties our continued holding of these confiscated properties cause his staffs in other nations of the world where confiscation is taking place or is threatened, the Office of Alien Property, Department of Justice, continues to oppose all and any attempts to enact legislation to return these confiscated private properties, and continues to base its objections on the so-called Paris agreement that Mr. Dulles says is not binding on the United States.

Not once does the Department of Justice, Office of Alien Property tell us or the American people that most of the nations of the Free World who practiced this confiscation after World War II have returned these properties of German and Japanese citizens, the latest country being Canada.

Nor is our attention drawn to the fact that the testimony before the Senate Judiciary Committee, which stands uncontroverted, was to the effect that the entire confiscation program which culminated in the Paris agreement, was conceived and born in Moscow.

As a consequence of the unilateral action taken by the various nations of the Free World after World War II, in abrogating the provisions of the treaties they had with Germany and Japan, which provisions were actually for the protection of the individuals who had private investments in those countries, we set an example and a precedent for the nationalization and confiscation programs now in full bloom in many parts of the world. Consequently, we and the other nations of the Free World who are capital export nations, face an ever-growing threat of nationalization and confiscation of our private investments abroad. Confiscation or nationalization always precedes Communist domination.

ASIAN AND AFRICAN NATIONS ECONOMIC CONFERENCE

As I have said, this meeting of the leaders of the free world took place in San Francisco last October.

Soviet Russia did not wait long thereafter to counterattack. A conference of persons from most of the Asian and African countries was sponsored, called and held in Cairo during the week of Christmas, 1957, and was dominated by the Communists. They named this conference the "Asian and African Nations Economic Conference." The press of the United States and our Omaha World-Herald in its issue of December 28, 1957, stated that a Soviet delegate—Apushavan Arzyumanyan—of the Supreme Soviet offered money as brother to brother, with no strings attached, to those attending, and told the delegates that to assure the development of their nations, they should go home, nationalize the industries, and confiscate all private foreign investments.

The most active front at the moment in this economic war is in Indonesia. In that country there has already been a mass seizure of the private property of Dutch citizens and, as I have already noted, the confiscation of the property of other nationals, as well.

Newsweek magazine, in its December 20 issue, on page 26, tells us of the operations of Soviet agents, as follows:

> Having forced the Government now to take over all Dutch holdings, the Reds, still operating behind the scenes, are now capitalizing on distress and confusion.

The war dispatches of this economic war are readily available.

The New York Times of January 15, 1958, requires nearly all of page 4 to describe the activities of our chief Communist adversary, Soviet Russia, in Afghanistan, Burma, Cambodia, India, Indonesia, Nepal, Iceland, Yugoslavia, Egypt, and Syria.

CONFISCATION IN INDONESIA

Mr. David Lawrence, in his syndicated column of December 27, 1957, which was devoted to the plight of foreign investments in Indonesia, referred to the fact that "there has not been a single protest from the major powers of the world against what is probably the handiwork of the Communists." It is useless for the United States to protest, so long as the governments which practice confiscation can point their finger at the United States for doing the same thing. It is like saying "Don't call us robbers; you are robbers, yourselves."

We did not protest; and on February 4, 1958, the Indonesian Government started its program to confiscate other foreign investments, and announced that the oilfields and installations of the Royal Dutch Shell Oil Co. had that day become "state property." Dutch citizens own only 24 percent of the stock of Royal Dutch Shell Oil Co. The remainder is owned by citizens of the free world, among them a good number of American citizens and corporations. So in Indonesia the Government is following the advice given it, last December, at Cairo, by a member of the Supreme Soviet—namely, to go home and confiscate all private, foreign investments.

The descriptions we are receiving about the pathetic conditions of the persons who, by force of circumstances or for other reasons, have been unable to leave Indonesia, vividly portray what happens when the right of property is not secure. Their property is gone, and they

have sunk to a state of serfdom. In the Washington Evening Star of January 17, 1958, we learn that Sukarno, the leading name in the Indonesian travesty of justice, is now being played up and exhibited to other nations as an example of what can be done to break laws, agreements, and principles.

We have only to read the daily papers to learn of other actions in this economic war by our Communist adversary in Egypt, in the Middle East, in Africa, and even in South America. Large amounts of the $40 billion of American foreign investments are in the front lines of the economic war with communism which now is going on. Some of them have already become its casualties. Can we otherwise describe what has occurred in East Germany, in Czechoslovakia, in China, or in Hungary? Other American investments are in grave peril. How else can we consider investments in Indonesia or in many parts of the Middle East? In each of these perilous situations we find that the pattern of Communist aggression is the same. The first objective always is the destruction of private property ownership—that is, the confiscation of private property—for with private property there is at least some freedom, and communism cannot tolerate freedom.

In our country there are a few persons who sincerely, but nevertheless wrongly, believe that so long as one uses the confiscated private property of another for a good and noble purpose, that negates the moral wrong of confiscation.

Recently it was proposed that the Congress should not return one cent of these private properties of German and Japanese citizens, but should use all alien property funds to educate American war orphans. Such a proposal, if adopted, would surely strengthen the hand of the Communists throughout the world, in getting others to confiscate private foreign investments.

With all due respect, let me suggest that those who favor this proposal are being victimized precisely because of their deep interest in the welfare of war orphans and also in education of our youth, in which we, too, have a vital interest.

We must teach our youth respect for private property rights. Otherwise, within a generation or less there will be no freedom in America. I suggest that we cannot teach our youth to respect private property rights if we use for their education the proceeds of stolen private property.

Not too many years ago Congress turned down a similar proposal, by means of which the revenues from the tideland oilfields would be devoted to schools and schooling in the Nation. It was then rightly contended that, however praiseworthy the proposed use of such revenues, the stark and ugly fact remained that such use would be outright theft from the States which had been considered the rightful owners of such tidelands since the beginnings of our Republic.

The beneficent use then was not enough to cure the immorality and illegality of theft and confiscation. The present proposal of robbing alien owners of property should be emphatically rejected for the same reasons, plus the additional reason that there will be a disastrous impact worldwide if we fail to reject this proposal.

WE ARE IN A WORLDWIDE ECONOMIC WAR

We can no more risk defeat in this economic war with communism than we can risk a military defeat in any future Communist military attack. The result would be the same—disaster—in either case. President Eisenhower fully recognized this when he said in his state of the Union message that—

> The Communist imperialist regimes have for some time been largely frustrated in their attempts at expansion based directly on force. As a result they have begun to concentrate heavily on economic penetration, particularly of newly developing countries, as a preliminary to political domination. This nonmilitary drive, if underestimated, could defeat the free world, regardless of our military strength. This danger is all the greater because many of us fail or refuse to recognize it.

President Eisenhower further stated that—

> If the foundations of the free world structure were progressively allowed to crumble under the pressure of Communist imperialism, the entire house of freedom would be in danger of collapse. As for the mutual-economic-assistance program, the benefit to us is threefold. First, the countries receiving this aid become bulwarks against Communist encroachment as their military defenses and economies are strengthened. Nations that are conscious of a steady improvement in their industry, education, health and standard of living are not apt to fall prey to the blandishments of Communist imperialists.
>
> Second, these countries are helped to reach the point where mutually profitable trade can expand between them and us.
>
> Third, the mutual confidence that comes from working together on constructive projects creates an atmosphere in which real understanding and peace can flourish. To help bring these multiple benefits, our economic aid effort should be made more effective. In proposals for future economic aid, I am stressing a greater use of repayable loans, through the development loan funds, through funds generated by sale of surplus farm products, and through the Export-Import Bank. While some increase in Government funds will be required, it remains our objective to encourage shifting to the use of private capital sources as rapidly as possible.

The President stated the intentions and aspirations of the American people when he said:

> It remains our objective to encourage shifting to the use of private capital sources as rapidly as possible.

Yet this objective cannot be realized unless we remove the stumbling block to such progress; namely, unless we return all of the confiscated private properties still held by our Office of Alien Property. It would be immeasurably better now to return the $500 million in such properties which morally were never ours, even if that would require a direct appropriation, rather than to risk further encouragement of the plans for nationalization and confiscation which are urged by others, and which, unless stopped, ultimately will cost the American taxpayers billions of dollars.

The real gulf between communism and the free world is not constituted by varying degrees of material wealth, resources, or progress. It is of an entirely different nature, and this difference is of vastly greater importance. In the free world, honor, morality, principle, and the rule of law are basic qualities in the ways of life of both men and nations. Those qualities are denied and held for naught by the Communists. If history is any criterion, these differences have been, and are, the sources of our greatest strength. They are the real things which make the free world better than the world of communism.

If we abandon these differences, we ourselves sink to the level of the Communists, and then we cannot claim that our position is better than theirs. I submit that we should cherish, defend, and rigidly maintain these differences, because they are the real barriers that protect freedom from slavery.

The importance of these virtues and the absolute necessity of our rededicating ourselves to them were charmingly and beautifully expressed by Queen Elizabeth, of England, in her Christmas address to the people of England and the Commonwealth. Queen Elizabeth said:

> But it's not the new inventions which are the difficulty. The trouble is caused by unthinking people who carelessly throw away ageless ideals as if they were old and outworn machinery. They would have religion thrown aside, morality in personal and public life made meaningless, honesty counted as foolishness, and self-interest set up in place of self-restraint.
>
> At this critical moment in our history we will certainly lose the trust and respect of the world if we just abandon those fundamental principles which guided the men and women who built the greatness of this country and Commonwealth.
>
> Today we need a special kind of courage, not the kind needed in battle, but a kind which makes us stand up for everything that we know is right, everything that is true and honest. We need the kind of courage that can withstand the subtle corruption of the cynics, so that we can show the world that we're not afraid of the future.

I wholeheartedly agree that we must cling to these age-old principles, and that both men and government must act as they require.

RETURN TO HISTORIC POLICY URGED

Doubtless in realization of all the implications of continuing the confiscatory legislation now on the lawbooks of the United States, President Eisenhower on last July 31 announced to the world that "in order to reflect the historic American policies of maintaining the sanctity of private property even in wartime, the administration intends as a matter of priority to submit to Congress, early in the coming session, a supplementary plan for the return of these private properties of German and Japanese citizens still held by our Government."

Mr. President, I ask unanimous consent to have printed at this point in the RECORD, in connection with my remarks, the full text of the press release of July 31, 1957, and also two newspaper articles and an editorial.

There being no objection, the release, articles, and editorial were ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
July 31, 1597.

For some time the administration has been deeply concerned over the unresolved problems relating to the vesting, the liquidation, and the disposition of enemy assets seized as a result of World War II.

The problem of German vested assets and of the claims of American nationals against Germany arising out of World War II has been a longstanding source of controversy. An increase since June of 1955 in the amount of funds available and, which it is expected will be realized from the liquidation of vested assets, should facilitate an equitable and final solution of these problems.

Consequently, in order to reflect the historic American policy of maintaining the sanctity of private property even in wartime, the administration intends as a matter of priority to submit to the Congress, early in the coming session, a supplementary plan.

It is contemplated that this plan would provide for the payment in full of all legitimate war claims of Americans against Germany and would permit, as an act of grace, an equitable monetary return to former owners of vested assets. Subject to the applicable provisions of law, the present program of liquidating vested assets will be completed at the earliest possible time.

It is hoped that it will also be possible to work out a final solution of the Japanese vested assets problem for presentation to the next session of Congress.

[From the New York Times of August 2, 1957]

THOSE ENEMY ASSETS

Resolving the conflict within the administration over final disposition of enemy property seized during the war, President Eisenhower has now issued a White House statement promising a fair and final solution of a problem of vital importance to the comity of nations.

This statement, in contrast to earlier postwar pronouncements of both Democratic and Republican administrations, is clear cut on one point. It restores and proclaims the historic American policy of maintaining the sanctity of private property even in wartime. With that basic premise in mind, the administration proposes to reconcile the many conflicting legal and practical issues which have bedeviled this problem for a dozen years and to submit as a matter of priority new legislation on it to Congress at the session starting in January.

The problem involves the fate of nearly $600 million worth of assets, primarily German but in part Japanese, which the American Government properly seized during the war. But it also involves American counterclaims for war damages and international agreements under which the Allied Nations, including the United States, pledged themselves to retain the seized assets in lieu of reparations and the German Government undertook to compensate its nationals for such assets. Despite these agreements the problem has dragged on, first because other than German or Japanese interests became involved, and second because neither side quite accepted these punitive wartime solutions. The result was that the enemy properties became both an obstacle in our international relations and a domestic political football to the profit of those controlling them.

Now the administration proposes to complete the sale of the seized properties, which are expected to bring some $541 million for the German assets and some $54 million for the Japanese. Out of these proceeds, fortunately increased by a 10-year rise in values, the administration will first pay in full all legitimate American war claims, which will remove one argument for holding on to these assets. Thereafter, as previously agreed upon, German and Japanese individuals will receive up to $10,000 in compensation. The rest will be prorated among the remaining owners, both individuals and corporations.

This solution is in line with the settlement of this problem with Italy as early as 1947. The politically minded see in it another effort to boost Chancellor Adenauer's chances in the decisive German election next month, and such a result could only be welcomed. But the White House statement will also satisfy all those Americans whose consciences have been troubled by the continued sequestration of these properites. There is also a matter of self-interest in view of the Communist attack on private property and an American investment abroad of some $26 billion. It must be hoped that Congress will follow the administration's plan, which is an act of grace, and does not affect the decisions of other nations.

[From the Baltimore Evening Sun of August 10, 1957]

ACT OF GRACE

In the remarkable and continuing unity of policy between this country and West Germany there have been almost no serious frictions. But there has been one old sore, the confiscation of German assets in this country after World War II. Now, if the administration can follow through on its recently announced plan to press for legislation next year, even that will be removed.

Whereas previously the administration had supported compensation only for individuals, in amounts up to $10,000, the new plan would go further. Presumably certain successor corporations (and their stockholders) would be entitled to some return. In addition there would be a kitty of about $160 million to be divided on a pro rata basis among individuals who had more than $10,000 worth of property seized. All told, some $540 million in German property is involved, and after American war claims against Germany are satisfied, about two-thirds of the total would be available for restitution.

The decision is right in principle. As the White House said, its plan is based on "the historic American policy of maintaining the sanctity of private property even in wartime" and is "an act of grace." The White House might also have pointed out that the confiscation of German external assets was part of a twofold policy of exacting huge reparations from Germany and of hampering Germany's return to foreign trade—a policy long since overtaken by events and reversed.

Finally, it is a gracious gesture to one of our stanchest allies. Germans have never been able to understand why America extended billions in economic aid with one hand while the other hand maintained a firm grip on half a billion dollars of property belonging to individual Germans and German corporations that in many cases had strong ties with this country. The charge that the announcement was made a bare month before the German election in order to give Chancellor Adenauer a campaigning point may have some validity. But Germans of all political persuasions might reflect that had it not been for the stable, wise, and democratic government which Chancellor Adenauer has given them, American Congressmen would be in no mood to undertake any such act of grace toward nationals of a recent enemy state.

[From the Chicago Daily News of August 19, 1957]

RETURN OF GERMAN ASSETS IS BOTH FAIR AND EXPEDIENT

The White House has announced a change of policy concerning the property of German citizens and corporations seized during World War II and still held by the Alien Property Office. Its present value is estimated at some $500 million. The plan is to use $70 million to satisfy war damage claims of Americans, and return the rest.

At the end of the war, we asked no reparations of the German Government, but kept the assets of her nationals. Had Germany reimbursed these citizens, it would have amounted to a reparations payment. But it would also have been inconsistent with our program of assisting Germany financially in furtherance of our joint defense against Russia.

Some years ago, evidence was turned up indicating that the policy of confiscating this property was framed by Harry Dexter White, the alleged Soviet agent, when he was Treasury Secretary Morgenthau's chief adviser. It assuredly was calculated to advance the Soviet aim of weakening Germany, although that, of course, was also United States policy until the cold war developed.

In any event, the United States, with heavy investments all over the world, should be the first to acknowledge that governments should not, except under war conditions, confiscate the property of noncitizens.

Curiously, legislation to return these seized assets has drawn outraged protests from those who generally regard aiding other governments as a wise and laudable way of making friends and strengthening allies. What seems to be eating them in this instance is that some of the German corporations which would get their property back aided the Nazi war effort.

The new policy seems designed to bolster the prestige of Chancellor Adenauer, who is engaged in a hard fight for reelection. Since America accepts and trusts Adenauer's Germany, it seems to us to serve both expediency and principle to return its citizens' property.

Mr. HRUSKA. Secretary Dulles has testified as follows before a subcommittee of the Committee on the Judiciary:

I can say frankly that I would like to see a return to our historic position, the position of the sanctity of private property in time of war, to return to that historic position to the extent which may be practical.

Secretary Dulles added:

I think when you live up to a high principle in relation to certain countries and peoples, it makes an impression that is not made merely by grants, however generous they may be. Therefore, I believe that to be actuated by historic American principle in this matter in relation to German and Japanese assets would have a very beneficial effect upon our relations with the people concerned. (Hearings on Return of Confiscated Property, 83d Cong., 2d sess., S. 3423, July 1 and 2, pp. 160 and 163.)

Further delay in legislative action is both unnecessary and undesirable. Extensive hearings have been held by the subcommittee of the Committee on the Judiciary. Legislation to accomplish 100 percent restoration of the property seized, or if it has been sold, 100 percent compensation to the owners, should be introduced and quickly approved.

Prompt passage of such legislation will—

Reaffirm our devotion to honor, morality, our great tradition, and the rule of law.

Effectively support our policy of encouraging foreign investments by reasserting our steadfast devotion to the sanctity of private property.

Provide an effective weapon for our investors abroad who are in the front lines of the economic war which communism is waging against the governments and peoples of the free world.

It is beyond question true that in these times we need the courage which will make us stand up for everything we know is right and honest, the courage that will make us unafraid of the cynics and which will show the world that we in America are unafraid.

Of course, in the exercise of such courage in correcting the error of the 1948 amendment of the Trading With the Enemy Act and in any other field where action is required, each of us must be prepared to stand up and be counted on one side or on the other. If, in the case of alien property legislation, we choose the side which proposes that the United States condone confiscation, and even more, that the United States itself become a confiscator, we, no matter how sincere and well meaning we try to be, will have allies and supporters.

They will be:

First. The cynics. These are the people who will blandly ignore honor, morality, and principle if it is to their apparent immediate material advantage to do so, even though they are among the first to call upon these virtues if their own material interests are in jeopardy.

When such cynics are men of business, their shortsightedness is truly appalling, since for monetary benefits they are willing to imperil the foundations upon which all they have and do must rest.

These foundations either must protect all or they will protect none. They must apply to the big and the small alike.

Second. The weasel worders. These are the people who lack the courage to reject honor, morality, and tradition, but who are willing nonetheless to flout them by schemes which give lip service to these principles while in action they reject them.

Third. The apathetic. These people also will be allies on the side of confiscation. They are the individuals who do not care because this time the danger apparently does not affect them personally.

Fourth. The fellow travelers. These are the fuzzy minded and emotional who, often with sincere intentions to do some good, are willing to disregard principles basic in our beliefs and proven in the crucible of experience.

Fifth. Finally there are some well-known names to include among the allies of those who take this position. First, there is Karl Marx, who made it a cardinal principle of communism that the institution of private property be abolished. Second, we must also add Lenin and Stalin, who successfully carried out the abolition of private property in Russia and in other areas conquered by Communist aggression, as Karl Marx proposed. Third, there is Khrushchev, who said in 1955 that "the days of capitalism in the world are approaching their end. Our system will win," to which he added just a few short months ago, "We will bury you."

The Communist supporters are the most confirmed advocates of confiscation of private property because they seek the destruction of the institution of private property altogether. They welcome the support of allies, but this welcome lasts only until the Communists have achieved power.

If, however, we stand up to be counted on the other side, if, in other words, we reject confiscation and repeal the confiscatory provisions of the 1948 amendment to the Trading With the Enemy Act, we shall have on our side supporters of an entirely different kind.

First. We can call on the great names of international law beginning with Grotius and Vattel. We can add to this list the American and English international experts, Kent, Wheaton, Westlake, Holland, Oppenheim, Hall, John Bassett Moore, Charles Cheney Hyde, Garner, Borchard, and Hackworth.

Second. We can cite in our support, Hamilton, Jefferson, Adams, and Marshall. To quote Mr. Rayburn's remarks condemning confiscation some 30 years ago, we can also add the name of "every Secretary of State from Jefferson to Knox and Lansing." Since Mr. Rayburn wrote these words we can also add the names of Cordell Hull and Charles Evans Hughes, and, of course, John Foster Dulles. Our list will include every American statesman of lasting fame who has spoken on the subject.

These are statesmen and authorities in whose company I, and I am sure all of us, would prefer to be.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. HRUSKA. I am happy to yield to my colleague.

Mr. CURTIS. I wish to associate myself with the statement made by the distinguished senior Senator from Nebraska. He has spoken on a matter that is of great concern to Americans everywhere, because it involves a principle that cannot be passed by. It is one we must face up to. Certainly, mistakes have been made in the past, but that should be all the more reason why the Government and Congress should take action very soon looking toward our adhering to the sound traditional principles we have always heretofore espoused, and right the wrongs we have committed.

I commend the Senator for his statement.

Mr. HRUSKA. My colleague from the State of Nebraska is very generous in his remarks. I may say that in reading and reviewing some of the testimony given before the Senate Judiciary Committee, my colleague has previously testified on the same subject and has expressed those same views, and I commend a reading of the hearing held on July 1 and 2, 1954, on legislation pending at that time.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. HRUSKA. I yield to the Senator from North Dakota.

Mr. LANGER. I wish to say to my distinguished colleague that, as a member of the Judiciary Committee, I read a great deal of the testimony given by the Senator from Nebraska. I share the views expressed by him. I think he is absolutely correct. I wish to associate myself, if I may, with the distinguished Senator from Nebraska.

Mr. HRUSKA. I thank the Senator from North Dakota.

Mr. President, I yield the floor.

ACME BAG & BURLAP CO.—REENROLLMENT OF BILL

Mr. MANSFIELD. Mr. President, I send to the desk a concurrent resolution, and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). The concurrent resolution will be stated.

The legislative clerk read Senate Concurrent Resolution 66, as follows:

Resolved by the Senate (the House of Representatives concurring), That in the enrollment of the bill (S. 1805) for the relief of Acme Bag & Burlap Co., and others, the Secretary of the Senate be, and he is hereby, authorized and directed to make the following corrections, namely, on page 5, in lines 1 and 2 of the engrossed bill, strike out "No part of the amount appropriated in this Act in excess of 10 per centum thereof" and in lieu thereof insert: "Not more than 10 per centum of any payment provided for by this Act"; and

On page 5, line 4, strike out "this claim" and in lieu thereof insert "the claim for which such payment is made."

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the concurrent resolution was considered and agreed to.

CONSTITUTIONAL RIGHTS OF ACCUSED PERSONS

Mr. MORSE. Mr. President, I have three matters I should like to discuss briefly today. The first is in relation to a bill I shall shortly send to the desk for introduction out of order, and for appropriate reference. It deals with the subject matter of constitutional rights of accused persons, a subject I have discussed before.

Mr. President, I wish to pay my respects to the United States Supreme Court, and thank God for it, because in these days, when hysteria so frequently stalks our country, it has become too common a practice to engage in attacks upon the United States Supreme Court and individual Justices because they live up to the sanctity of their robes and carry out their constitutional duty of rendering decisions in accordance with the Constitution as they interpret that Constitution on the basis of their legal research.

I would point out to the American people, Mr. President, that there is a growing tendency within the Congress of the United States to set up Congress as a super Supreme Court—to attempt to overrule decisions of the United States Supreme Court by the indirection of legislation rather than by constitutional amendment—which bodes ill for the future of this constitutional system of ours unless the tendency is stopped. The place to stop it is in the Congress.

As one studies the constitutional history of this country, one will find there have been similar patterns in the past. My reading and research cause me to believe that probably at no other time—unless it was in the period of the War Between the States, and the period of Reconstruction that followed—has there been such a sustained insidious attack upon the judicial system of this country.

I would have every free man and woman in this country recognize that in the last analysis their enjoyment of freedom is dependent upon an independent judiciary.

There have been some great landmark decisions of the United States Supreme Court in recent years, comparable to that great decision of Marbury against Madison, which established the authority of the Supreme Court to exercise the sublime duty of declaring the constitutionality of statutes, thereby protecting the rights of free Americans under the Constitution.

I am one Senator, Mr. President, who wants the RECORD to show that I intend to be no party to what I consider to be the none-too-subtle drive which is on in America, and which finds itself manifested too frequently in the Halls of Congress, to undermine the great citadel of constitutional freedom in this country which is in that great pillared building just across the park from where I now speak.

That does not mean, Mr. President, that as a lawyer I necessarily find myself in agreement with every decision of the Supreme Court. But it is the court of last resort, and when it speaks on a great constitutional question it is my judgment that it should be followed, unless the people under the processes contained within the Constitution itself decide to modify a constitutional right by constitutional amendment.

This afternoon we listened to a very able reading of Washington's Farewell Address, a reading by the distinguished Senator from Idaho [Mr. CHURCH]. We could well reflect, Mr. President, upon the comments made in that Farewell Address by the first President of the United States relative to the procedures which ought to be followed if one seeks to change the Constitution of the United States. It should be done by the amendment process.

It behooves the Members of Congress to give great thought to what I consider to be this insidious movement abroad in the land to undermine the Constitution. I not only thank God for the court and the juridical process which the court symbolizes, administers, and carries out in the interest of the freedom of the American people, but I also thank God, Mr. President, for the brilliance of mind and the dedication to human freedom of the individual members of the Court.

I have just finished reading a book recently off the press, written by Justice Douglas, entitled "The Rights of the People." I would, Mr. President, that every American would read the book. Surely there are parts in the book as to which each one of us might have a reservation of point of view, or an outright disagreement. But the book, in my opinion, is a monumental work by way of a restatement of the precious individual rights of Americans. There is a great need, in my opinion, for long reflection upon those rights so brilliantly set forth and discussed by Justice Douglas in this most notable book.

I have made these comments by way of introduction to a brief discussion of the bill which I shall introduce this afternoon, because these days one cannot pick up the daily press, at least in Washington, without reading about the Mallory case.

WASHINGTON POST EDITORIAL ON MALLORY CASE

I have been known to criticize the local press from time to time in my speeches in the Senate, but I have always tried to be fair when I feel the press has done a great educational job on some issue. In the hope that I will not cause a heart attack down in the editorial rooms of the Washington Post and Times Herald with this compliment, I want to compliment the editorial staff of the Washington Post and Times Herald for what I think has been a very objective presentation of the issues in the Mallory case.

I think it is too bad, however, that so much misunderstanding seems to have developed among some of my colleagues in the Congress with regard to the Mallory case. I suspect that the misunderstanding would have been less if more of my colleagues had read the case, because the Mallory case involves a very precious right of anyone who is arrested.

ARREST AND PRIVATE RIGHTS

There is always a temptation—and there seems to be a growing attitude on the part of many people—to believe that arrest destroys the presumption of innocence, or that arrest now in some way, somehow, so far as the public forum is concerned—although that is not true of the courtroom forum—places the burden on the arrested party to establish his innocence.

Of course, the warnings I am uttering here today relate to simply a repetition of other cycles in our history when waves of public opinion have seemed to give support to demagoguery, and have seemed to indicate a willingness on the part of a stampeding public to grind under foot individual rights; but, Mr. President, fortunately for personal liberty in this country, there have always been those who have refused to go with the mob, who have stood out and raised at least a few warning flags, a few danger signals, and who have uttered a few protestations against threats of individual liberty.

I ask Senators to keep in mind the fact that the Mallory decision was based upon rule 5 of the Federal Rules of Criminal Procedure, but at its base it involves due process of law as a constitutional concept.

PRESERVING DUE PROCESS

It is about this concept of due process of law that I wish to speak this afternoon as I introduce the bill. The basic constitutional rights guaranteed to accused persons in the Federal Bill of Rights do not mean very much unless they can be invoked at the earliest appropriate time. Due process of law means just that. It is not a mere legalistic phrase confined to the subsequent criminal trial; it properly applies as early as necessary in the proceedings—that is, when a person is detained by law-enforcement officers and is questioned.

Due process of law attaches to the person the moment the law officer lays his hand on him and subjects him to arrest. Due process of law is not a legal protection that applies sometime subsequent to arrest; it applies immediately. I would have Senators read the Mallory case from the standpoint of that constitutional guaranty. It is at the point of arrest that the individual's basic rights should be made clear to him.

RIGHTS DECLARED BY BILL

He should be told the charge against him, that he has a right not to make any statement, and that he has a right to have legal counsel present while he is questioned. With such a safeguard, with enforcement features, the problem of improperly obtained confessions would be reduced to a minimum.

We all believe that British constables always warn persons whom they suspect of the commission of crime that "You are cautioned that anything you say may be used against you." The Uniform Code of Military Justice provides for a similar admonition. Unfortunately, the practice is not now followed as a matter of established procedure by our police and other law officers.

Therefore I am today introducing a bill, for appropriate reference, to establish this practice by statutory law for all Federal law enforcement officers. I am introducing the bill so that it may be considered along with those relating to the Mallory case. Its enactment would go a long way toward solving the situation in cases like Mallory, of detention for an improper length of time. Therefore the bill can be regarded as a substitute for the Mallory bills, or at least a necessary amendment.

Mr. President, I ask unanimous consent that the bill be appropriately referred, and that it may be printed in full at this point in the RECORD.

The PRESIDING OFFICER (Mr. MUNDT in the chair). The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 3325) to amend chapters 203 and 223 of title 18, United States Code, to insure greater protection for the constitutional rights of accused persons, introduced by Mr. MORSE, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That (a) chapter 203 of title 18, United States Code, is amended by inserting immediately following section 3060 of such chapter a new section to be designated as section 3061 and to read as follows:

"§ 3061. Caution to accused persons

"No officer or employee of the United States Government or of the municipal government of the District of Columbia shall interrogate, or request any statement including a confession from, a person accused or suspected of an offense, without first informing him—

"(a) of the nature of the offense;

"(b) that he does not have to make any statement regarding the offense of which he is accused or suspected;

"(c) that he has the right to have legal counsel present at all times while he is being questioned or is making any statement; and

"(d) that any statement made by him may be used as evidence against him in a criminal prosecution."

(b) The analysis of chapter 203 of title 18, United States Code, is amended by adding at the end thereof a new item as follows:

"§ 3061. Caution to accused persons."

SEC. 2. (a) Chapter 223 of title 18, United States Code, is amended by inserting immediately following section 3500 of such chapter a new section to be designated as section 3501 and to read as follows:

"§ 3501. Admissibility of statements

"No statement, including a confession of guilt, shall be admissible in evidence in a criminal prosecution in any district court of the United States or in the municipal court for the District of Columbia until there is established proof that the provisions of section 3061 of this title have been complied with."

(b) The analysis of chapter 223 of title 18, United States Code, is amended by adding at the end thereof a new item as follows:

"§ 3501. Admissibility of statements."

Mr. LANGER. Mr. President, I wish to commend the distinguished senior Senator from Oregon for introducing the bill. As the former chairman of the Committee on the Judiciary, I have been aghast at some newspaper comments and pamphlets which have been issued in attacking the Supreme Court of the United States. Personally, I have every confidence in that Court. I wish the Senate to know that I have as much confidence in the distinguished senior Senator from Oregon.

When I was chairman of the Committee on the Judiciary, and we discovered that military prisoners were receiving much longer sentences for crimes they had committed than persons who had committed similar crimes and who had been sentenced in the criminal courts of the country, it was the distinguished senior Senator from Oregon who came before the committee and acquainted us with the results of an investigation he had made. The result was that the sentences of those convicted in military courts were substantially reduced. As a consequence, all over America the word went forth that people would be treated with uniform justice.

Although some of the sentences were not reduced as much as the Senator from North Dakota would have desired, nevertheless, I wish to pay tribute to the distinguished service of the Senator from Oregon; he did so much to bring the matter to the attention of the people of the United States.

Not only that, Mr. President, but in supporting the bill introduced by the distinguished Senator from Oregon, I wish to say that I know of several cases—and I refer particularly to some in New York—in which people were arrested who could not even hire a lawyer because lawyers were afraid of being contaminated if they took those cases, particularly because of what the newspapers might say about them.

I believe, with the distinguished Senator from Oregon, that when a man is arrested he should have a right to counsel. By counsel I mean a man who is versed in the law, not, as in one case, when a person arrested for a particularly heinous crime went to nearly 30 lawyers, only to have each one of them refuse to take the case. The result was that he had finally to hire two lawyers whose only practice had been in real estate, and who had never tried a criminal case in their lives.

I believe the distinguished Senator from Oregon will agree with me that due process of law means that, when a man is arrested, he is not only entitled to counsel, but that he is entitled to counsel well versed in the law, so that he may have adequate protection under the Constitution of the United States.

Mr. MORSE. I thank the Senator from North Dakota for his very generous comments about the senior Senator from Oregon. I should like to say for the RECORD that the Senator is a very precious treasure of mine, because he is a biased friend. I do not know of anything more precious than a biased friend. I want him to know, however, that I have considered it a great honor to serve with him in the Senate, as we have fought shoulder to shoulder many times in support of what I considered to be sound liberal causes promoting the general welfare of the people of this country.

I remember very well his distinguished service as chairman of the Committee on the Judiciary of the Senate. It is a great chapter in the history of the Committee on the Judiciary. The remarkable things that were done under Senator LANGER'S chairmanship sought to strengthen the great principles of individual freedom and rights, all encompassed in what we are referring to here this afternoon as the procedure on which due process of law rests in the Constitution of the United States.

His comments cause me to say that long before I entered politics I had done a considerable amount of professional work in the field of crime investigation in this country. I directed, for the Department of Justice, a 2-year study in the field of criminal law administration, which resulted in a 5-volume work. In the course of that study, we ran into a great many examples of third-degree methods practiced by the police.

POLICE METHODS

It is always a ticklish thing when one talks about abuses that develop in police methods in this country, because there are always those who seek to give the impression that a person is not in favor of strict enforcement if he undertakes to criticize the police.

Mr. President, it is because I am in favor of strict law enforcement, and it is because I believe that justice should prevail, that throughout my professional career I have raised my voice and pointed my pen many times against police practices that jeopardize individual liberty.

THE EFFECT OF FEAR

Third-degree methods can take many forms. Even now occasionally there may be an outbreak in a police department of so-called physical third-degree methods. Whether the methods take the form of the rubber hose or the fist or the boot, or the form of the penetrating light shone for long hours into the face of the accused, or whether they take more subtle forms, the very essence of the third-degree method is to prey on the instinctive reaction of a human being when it takes the form of fear, because a frightened man or woman is not in a very good position to exercise his or her powers of rationality.

The frightened man or woman victimizes himself or herself time and time again. The frightened man or woman very frequently, as the cases by the scores in American jurisprudence point out, admit wrongdoing when, in fact, they are innocent. Frequently, out of fear, unexplainable in many of these instances by the psychologist, they implicate others who, in fact, are innocent.

One of the reasons for the development of these concepts of due process of law; one of the reasons why we sought to modify the star-chamber proceedings of the British Crown; one of the reasons why, in the birth of this Republic, there was given to the individual the protection for which I am pleading again this afternoon, was that it had always been recognized that an individual harassed by fear was an individual whose testimony at that time was likely to be most unreliable.

With all the individual differences that exist among people, the time element itself can become a third-degree technique. The holding of the individual in the police station without access to counsel or family or friends; all of the physical surroundings of the setting; the inflection of voices; the facial expressions of police and prosecutor—all of these have terrifying effects on some individuals. The very environment becomes steeped in a third-degree atmosphere, without a fist being applied, a boot kicked, or a rubber hose administered.

In essence, that is the heart and soul of the Mallory case. In essence, the Supreme Court, thank God, has said: "You cannot take an accused and hold him for an unreasonable period of time without violating his rights of freedom." Yet there are those who apparently think it will help in the enforcement of the criminal law to give the police an unchecked power in respect to the time element. Forgetting the individual for the moment, let me point out that when such a practice as that develops, and it becomes well known that such advantages are being taken of persons accused of crime, sooner or later 12 men or women true, sitting in a jury box, will begin to manifest their reactions to that sort of enforcement technique.

EFFECT UPON JURIES

This leads me to comment on another problem which I have observed in the crime investigations I have conducted. Unless we protect the precious right of freedom in the administration of criminal justice, juries will take the law into their own hands. I do not condone that or sanction it, but that is what will happen. They will refuse to convict, not because they have a question as to the guilt of the individual, but because the law-enforcement officers have violated what the juries consider to be fair play, in that there has been a violation of precious individual rights.

So I say to those who are so anxious to reverse the Mallory case: "You will make a great mistake. If you do not maintain checks upon police departments consonant with due process of law, you will

only increase the problems of law enforcement, and not decrease them, because these precious rights have been found to be true and sound throughout the history of our Republic." One has only to read the Douglas book to know whereof I speak.

All my bill says, in effect, is: "Interrogate or arrest him; but you are required, when you detain him, to notify him of his rights. You are required to notify him that he is entitled to the benefit of counsel. You are required to notify him that anything he says can be used against him, and he is not under any obligation to say anything."

The last point is quite important. Let me say by way of a generality, subject to all the limitations of a generality, that confessions forced out of an arrested person are usually the technique of a lazy police department and a slovenly district attorney. Under our system of criminal justice, we have a right to have a police department so efficient and a district attorney so able that it is not necessary to browbeat a confession out of an accused.

I am familiar with the point of view on the other side of the question, namely, that to catch crooks it is sometimes necessary to use techniques which are not particularly acceptable in the drawing room or around the tea table. But I repudiate that concept. In my judgment, we can never afford, in the United States, on the ground of enforcement expediency, to endanger and risk the individual rights of a citizen so sorely won in the history of our Republic.

All I seek to do in my bill is to guarantee to free men and women in the United States that they will be given the basic protections which I think are essential if due process is to be carried out in the administration of criminal justice.

Now, Mr. President, I desire to turn to another subject.

The PRESIDING OFFICER. The Senator from Oregon has the floor.

POSTAL PAY AND POSTAL RATES

Mr. MORSE. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a telegram I have received from certain officials of various postal employee organizations and my reply. The telegrams will speak for themselves.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *February 19, 1958.*

HON. WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

Several Congressional inquiries directed to our organizations seek our reaction to combining postal-pay legislation and postage-rate bill. We wish to make our position clear. Our organizations historically have urged Congressional consideration of postal pay and postage rates each on own merit. Wages should be fixed on basis of skills, economic necessities, and productivity of employees, not on postage revenues. Postage rates should be fixed on basis of service rendered and a postal policy determined by Congress. Once these two determinations have been made by Congress our organizations have no objection to placing salary bill and postage-rate bill in one single piece of legislation under separate titles. As you are aware there is precedent for this type of legislative approach. In 1925 and again in 1948 Congress combined postal salary and rate increase under separate titles in single bill and in both instances there was White House approval.

W. C. DOHERTY,
President, National Association of Letter Carriers,
PAUL A. NAGLE,
President, National Postal Transport Association.
HAROLD MCAVOY,
President, National Association of Post Office and Postal Transportation Service, Mail Handlers, Watchmen, and Messengers.
GEORGE WARFEL,
President, National Association of Special Delivery Messengers.

WASHINGTON, D. C., *February 21, 1958.*

Mr. W. C. DOHERTY,
President, National Association of Letter Carriers,
Mr. PAUL A. NAGLE,
President, National Postal Transport Association,
Mr. HAROLD MCAVOY,
President, National Association of Post Office and Postal Transportation Service Mail Handlers, Watchmen, and Messengers,
Mr. GEORGE WARFEL,
President, National Association of Special Delivery Messengers,
Washington, D. C.:

Thanks for your wire. I seriously question the advisability of linking postage-rate increases and pay increases in same bill. Precedents you cite in 1925 and 1948 legislation strengthen my position because I think if it is done again, you will never be able to get pay increases in future without first having postal rates juggled. It is my opinion that the long-time best interests of the postal employees will not be advanced by a proposal to first agree on postal-rate increases and then link wage increases to postal-rate changes. No matter how you try to point out that the two issues are not hitched together the fact that they are included in the same legislation does hitch them together.

WAYNE MORSE,
United States Senate.

Mr. MORSE. Mr. President, it will be noted that the telegram to me, in effect, states that the postal employees have always taken the position that postal rates and postal wages should be separate, and that that is still the position of the postal employees. But, they say, if in this particular instance, after Congress decides what the postal rate shall be, Congress then would like to join to that bill the postal wage bill, the postal employees would have no objection. Two alleged precedents are cited for this legislative course of action.

I have replied to the telegram, and my answer speaks for itself. It is a respectful dissent. In fact, their citation of the two alleged precedents goes a long way to prove my point. They themselves are using the precedent. It will rise to plague them, because, as I point out in my telegram, what I fear is that they will deepen the precedent, and in the years to come there will be no increase in salaries for postal employees unless there is also a juggling of postal rates.

These men are my friends. My complete disagreement with them will not affect my friendship for them. But I wish to make clear to them that I think they have let an immediate selfish interest overcome the longtime welfare of the postal employees of the Nation.

I think we should keep the two issues separate and distinct, because, again, I do not like parliamentary expediency, either. I hope they are not kidding anyone by their telegram. What they are really talking about, between these lines, is a little parliamentary tactic by which, if they can get the two bills hooked together, they might not get one or the other vetoed. I say to them that I am not afraid of a veto.

I believe in our legislative process, and I believe that separate things should be kept separate. We should send them to the White House separately, and we should place on the President the responsibility which clearly is his; namely, to determine what his executive judgment shall be. Thereafter, we, in turn, should act upon his judgment in accordance with our rights, if his judgment does not coincide with the legislation we have passed.

Mr. President, while I am on this subject, I wish to point out—as I have to these postal employees, some of whom have come to see me—that I simply cannot transport what amounts to a 66⅔-percent increase in the postage rate on first-class mail. I am not at all moved by the fact that the 3-cent rate has been on the books for approximately 26 years, because, in my judgment, it is high enough. But here, in one fell swoop, it is proposed for the part of the first-class mail that will be covered by the 5-cent postage rate, to increase the rate 66⅔ percent, which I believe to be approximately the percentage. Mr. President, that is a tremendous increase.

Later in the debate I shall discuss a phase of the problem which concerns me very much; namely, what first-class mail privileges really mean in a democracy. How vital to the strength of our democracy is the ease of mail transmittal. We take the mail for granted; but the Senate needs to pause and to ponder on what the mailing privilege means to free men and women.

Mr. President, I do not think we can justify putting a high price tag on the first-class mail. Of course, it is very easy to say, "Oh, a stamp will cost only a nickel." But, Mr. President, millions of our citizens do not have many nickels to use for first-class mail.

Furthermore, Mr. President, when we refer to the fact that businesses use first-class mail to send out their bills—whether they are private utilities or department stores or whatnot—I wonder whether anyone really thinks that the businesses pay for that postage. If the postage rate is increased, the businesses will follow the well-established and sound business practice of absorbing the increase in the price they charge for what they sell. So far as electric utility rates are concerned, such an increase in the postage rate will result in an increase of the electric utilities' cost of operation, and they will request a rate increase because of the postal rate increase, along with a good many other alleged increases.

Mr. President, by increasing the rate on first-class mail we would be increasing the burden on the so-called little

fellow, the general consumer in the United States. He would be hit both ways by this scheme.

Mr. President, I desire to commend my dear friend, the Senator from North Dakota [Mr. LANGER], who sits beside me at this time, for his years of able opposition to the oft-repeated attempts to impose an increased postage burden upon the people of this country who send letters by first-class mail. I am not surprised; although I am not a betting man, I would have bet a cup of coffee that in committee he would do exactly as he did; namely, vote against the proposed 5-cent first-class-mail postage stamp.

Mr. President, I close this part of my remarks today by pointing out that the mails need to be kept open to the hearthstones of America. The mails need to be kept open to the mothers who write frequent letters to their boys overseas. The mails need to be kept open to the parents who write to the members of their families who are here at home. The mails need to be kept open at low cost for an exchange and interchange of ideas among a free people.

Mr. President, I would that sufficient time were available for the completion of a research study—and such a study, although difficult to make, nevertheless could be made—which would demonstrate the influence of first-class mail upon the administration of our government—local, State, and National. I believe we would make an awful mistake if in any way we restricted or stifled the freest possible flow of first-class mail in the United States.

Mr. President, I am willing to take judicial notice of the fact that a nickel postage stamp will do just that, because a great many of our people would not have a great many nickels to place on the envelopes into which they would insert, for mailing purposes, letters carrying their greetings or setting forth their ideas and their problems. Such letters make up the great bulk of the first-class mail.

Mr. LANGER. Mr. President, will the Senator from Oregon yield to me?

The PRESIDING OFFICER (Mr. MORTON in the chair). Does the Senator from Oregon yield to the Senator from North Dakota?

Mr. MORSE. I yield.

Mr. LANGER. Mr. President, as a member of the Committee on Post Office and Civil Service, I was interested in the testimony of the Postmaster General, who appeared before our committee. I was surprised to learn about what they call red-tag mail.

For instance, Life magazine, which charges $40,000 a page for its advertising, uses the first-class mail. The hearings before the House committee showed that it costs the taxpayers more than $8 million a year to have Life magazine sent through the mails, and that it costs the taxpayers between $68 million and $69 million annually to send by first-class mail all the other magazines mailed in the United States.

I hold in my hand a statement of what it will cost the State of North Dakota if the rate on first-class mail is raised to either 4 cents or 5 cents. If my distinguished friend, the Senator from Oregon, will permit me to do so, I should like to ask unanimous consent to have the statement printed at this point in the RECORD.

Mr. MORSE. Mr. President, I shall be very happy to have the statement printed at this point in the RECORD.

Mr. LANGER. The statement shows how much the proposed rate increase will cost the government of the State of North Dakota. The statement or letter is signed by the Governor of North Dakota; and the figures set forth at the bottom of the letter show what will be the cost to the State of North Dakota if the postage rate is increased from 3 cents to 4 cents or from 3 cents to 5 cents.

The PRESIDING OFFICER. Is there objection?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STATE OF NORTH DAKOTA,
OFFICE OF THE GOVERNOR,
Bismarck, February 14, 1958.

HORACE H. NAHM,
President, Association of First-Class Mailers, Wyatt Building, Washington, D.C.

DEAR MR. NAHM: Per your request of January 31, I am pleased to give you the following figures pertaining to the postage bill of the departments located in the State capitol at Bismarck. The total postage for 1957 was $119,873.47 divided into the following classes: First class, $55,370.39; second class, $3,160.77; third class, $48,221.94; fourth class, $13,120.37.

Our third-class mail consists of printed materials such as pamphlets, license plates, tax forms, and sales-tax forms. We are not aware of any pieces of mail which could qualify as third-class mail going out as first-class mail.

I hope this information is what you desire.

Sincerely yours,

JOHN E. DAVIS,
Governor.

	Increase			
	Rate	Amount	Rate	Amount
If all:	*Cents*		*Cents*	
1st $119,873.47	4	$39,957.83	5	$79,915.66
As is:				
1st $55,370.47	4	18,457.00	5	38,914.00
2d $3,160.77		948.00		948.00
3d $48,221.94	2	241.00	2½	482.00
Total		19,646.00		40,344.00
Full effect of 2d		1,896.00		1,896.00
Total		21,542.00		42,240.00

Mr. LANGER. I thank my distinguished friend, the Senator from Oregon.

Mr. MORSE. Mr. President, I shall study with great care the Senator's material, when it comes before us, and also the committee report on the bill, to see whether there is any basis for working out a distinction which I understand has been worked out in regard to postal cards—in other words, to charge one rate for a postal card which obviously is not used to convey a personal message, but can be considered a commercial postal card; and to charge another rate for postal cards which are used to exchange views and ideas between and among our citizens. It may be that that proposal offers some possibilities.

But let me say to my good friend, the Senator from North Dakota, as I said yesterday, that I favor some increase in the postage rates charged for second-class and third-class mail. I favor a very reasonable increase, so the mailbags can no longer be made the kind of grab-bags that I believe the publishers and advertisers are making of the mailbags today.

Mr. President, I close this portion of my remarks by saying that in 1956, I campaigned all over the State of Oregon in opposition to an increase in the first-class postal rate. I do not intend to walk out on my commitments in that campaign, unless someone can bring forward a preponderance of evidence which will show that in 1956, I was mistaken. However, I am satisfied that the people of my State did not think I was mistaken.

I do not mean to say that that issue was the determining one in my campaign. Who can ever say what is the issue which spells the difference between victory and defeat? But I can say it was an issue which I stressed many times during that campaign. In 1958—less than 2 years thereafter—I do not intend to vote against that campaign pledge by me, unless someone can show me that the facts prove that in 1956, I was mistaken.

Mr. President, I turn now to the last subject on which I desire to comment today.

The PRESIDING OFFICER. The Senator from Oregon has the floor.

THE NEED FOR A SENATE INVESTIGATION OF INDEPENDENT AGENCIES: EXAMPLES OF QUESTIONABLE CONDUCT BY ICC OFFICIALS

Mr. MORSE. Mr. President, on February 13, I introduced a resolution to establish a Senate Select Committee on Independent Agencies to inquire into the policies, ethical standards, procedures, and practices of the powerful commissions and board established by Congress to administer Congressional policies outside the regular departments.

My resolution was referred to the Committee on Interstate and Foreign Commerce. I do not share the point of view that that is the committee to which the resolution should have been referred. I think it was a mistake to refer the resolution to that committee, and I do not speak in the slightest degree critically or disrespectfully of the Committee on Interstate and Foreign Commerce; but I think the fact is pretty clear that there are three committees in the Senate which have some joint jurisdiction over the subject matter of the resolution: one, the Committee on the Judiciary; two, the Committee on Interstate and Foreign Commerce; three, the Committee on Government Operations.

It is my view, Mr. President, that under those circumstances at least there should have been a considerable amount of consultation between and among the leadership and the chairmen of those committees as to where a resolution such as this one should go. I happen to think that it should go to the Committee on

Rules and Administration under circumstances such as these. Do not forget, Mr. President, that in addition to the boards and agencies the Interstate and Foreign Commerce Committee has jurisdiction over, the National Labor Relations Board falls under the jurisdiction of the Committee on Labor and Public Welfare; the REA falls under the jurisdiction of the Committee on Agriculture and Forestry; the General Services Administration falls under the jurisdiction of the Committee on Public Works.

There may be others, but those are the ones I think of offhand. So I think there is a sufficient number of agencies over which committees other than the Committee on Interstate and Foreign Commerce have jurisdiction to justify at least my point of view that the reference of the resolution should not have been made until there was at least consultation between and among the leaders of the Senate and the chairmen of the committees that might be concerned.

I was advised a couple of hours ago by a member of the Committee on Interstate and Foreign Commerce of the Senate that my resolution did come before the committee at a recent meeting, and he good-naturedly said, "I think we can describe the action at least as one of laying it aside for the time being." I am not surprised, but I am disappointed, for the reasons I want to set out. My resolution calls for the appointment of a select committee, and not a split-even committee, either. I do not approve of split-even committees. I approve of the party in the Senate that is in the majority assuming the responsibility of being the majority party. I believe when there is an investigation to be carried on, it ought to be carried on with the responsibility fixed on the majority party, having a majority of the members of the committee, to do the investigating. That is why I set up my committee that way, so no one can say that at least the standing committees to which the resolution might have been referred would not have been split-even committees, because my select committee would not have been a split-even committee, either.

I have never believed that Senate investigations should be directed to the exposure of wrongdoing merely for the sake of exposure. Within the past year the Supreme Court has declared such a practice is improper.

I cite the great decision of Chief Justice Warren, speaking for the Court, in *Watkins* v. *United States* (354 U. S. 178 (1957)), in which the Court said:

> The power of the Congress to conduct investigations is inherent in the legislative process. That power is broad. * * * But broad as is this power of inquiry, it is not unlimited. There is no general authority to expose the private affairs of individuals without justification in terms of the functions of the Congress. * * * No inquiry is an end in itself; it must be related to and in furtherance of a legitimate task of the Congress. Investigations conducted solely for the personal aggrandizement of the investigators or to "punish" those investigated are indefensible.

I fully agree and approve of this very sound legal doctrine laid down by the Court in the Watkins case.

It has become apparent to the public, as it should be apparent to the Senate, that there is something questionable in many Federal agencies which are supposed to be independent.

I am satisfied that is clearly apparent to the American public today. All one has to do is read my mail, which I am sure does not differ from that of most Senators. We find great concern across America over what is happening on the basis of allegations made with respect to the independent agencies of the Government.

The Senate has an obligation to undertake a full inquiry into the operations of these agencies with a view to corrective legislative action, to the extent that legislation can effect a remedy.

SPECIAL SENATE OBLIGATION BECAUSE OF CONFIRMATION FUNCTION

The Senate, as the body which confirms the members of these agencies, has a special interest in this problem. We owe it to ourselves as representatives of the people to determine whether we are fulfilling our functions in the confirmation of Presidential appointees. There are sound historic standards insuring that a President will have control over policy positions in the executive departments, even when they are subject to Senate confirmation.

I suggest it is time for the Senate to consider whether its advice and consent should be exercised more actively in the staffing of independent agencies. Such agencies do not administer executive policies, as do the regular departments. This is not offered as a conclusion, but as an important question whose consideration is long overdue. It is a question peculiar to the Senate—no one can answer it for it outside of the Senate; if we fail to make a sufficient study in the face of a series of Federal appointments which have gone sour, we shall have decided the question, albeit without applying the accumulated experience and wisdom of the Senate to facts carefully garnered.

As I said at the time I submitted the resolution, I pay no disrespect to the so-called rule of comity that exists between the two Houses of Congress when I urge a Senate investigation of the independent agencies. To the contrary, I welcome the House investigation. I think it should go forward, as it is going forward, with a thorough investigation. But, Mr. President, the House is not called upon to confirm the members of the independent agencies—the Senate is.

SENATE HAS SPECIAL DUTY BASED UPON ADVICE AND CONSENT POWERS

In a very real sense, Mr. President, our advice-and-consent duty under the Constitution of the United States, I say, puts a special obligation on the Senate of the United States to investigate an agency when there is an indication that that agency is going sour. I do not think, Mr. President, we should rely upon the House to do a job that, in my opinion, is concomitant with the obligations of the advice-and-consent clause of the Constitution of the United States resting upon the Senate. Therefore, in my opinion, the Senate has the duty to conduct its own investigation with respect to the independent agencies, in conformity with its advice-and-consent responsibilities.

Now, I want to stress that I think there is plenty of cause for such an investigation.

EXECUTIVE INTERVENTION AND INDEPENDENT AGENCIES

Public attention has been focused recently upon alleged improper conduct in relation to the FCC and questionable conduct involving the CAB acting chairman consulting with Sherman Adams on a pending case. That such actions were not isolated occurrences we know from the record of the Dixon-Yates case, in which Sherman Adams, secretly and off the record, requested the then Chairman of the SEC to postpone the hearing at which Adolphe Wenzell was to testify. The Chairman, without consultation on the record with the parties, postponed the hearing, which originally was to have taken place at a critical juncture in House consideration of funds for the Dixon-Yates deal.

In the course of the hearings on the confirmation of Jerome Kuykendall for a second term as an FPC Commissioner, the question arose of White House intervention in the Mountain Sheep-Pleasant Valley case when it was pending before the Commission. Mr. Kuykendall denied such interference but said that this is what took place while the case was before the FPC and before it came to the Commission itself—which development was fully expected:

> Mr. KUYKENDALL. No. I discussed the Mountain Sheep-Pleasant Valley topic in a general way with Governor Pyle, who was interested in what he heard about the brief that the staff of our Commission had filed on it.

Governor Pyle's assignment has been State-Federal relations, which does not fit into this particular picture. I would point out that Governor Pyle was one of the White House participants with ODM officials in discussions about the Idaho Power Co. tax writeoff—a far cry from Federal-State relations.

These are but a few examples of a growing pattern of apparent executive interference with the independent operations of independent agencies established by Congress. How far that interference has gone should be ascertained in considering remedial action by way of legislation.

Let the President, or his alter ego—the omnipresent Mr. Adams—declare his views as to the proper relationships between the White House and these agencies. Then let Congress decide if those views square with the past intent and present philosophy regarding the role of independent agencies.

Senators should not forget that these independent agencies are the children of the Congress. It is to these independent agencies the Congress has delegated certain authority under the Constitution—authority that Congress has a constitutional right to delegate. But we also have the duty to watchdog the administration of those delegated duties.

Let us explore, for example, the progressive domination of REA by the Secretary of Agriculture—and see whether Congress intended it and what the results have been.

There is a lot to do—and the Senate had better start soon.

I shall now say a word, Mr. President, about Congressional relationships to these independent agencies in terms of the individual Members of Congress, because I have been amused to see the way some of the press have been handling this problem. The newspapermen point out in their stories that Lawyer X or Lobbyist Y or White Assistant C may have exerted some pressure upon some members of some commission, but then with a smear brush rather than a reporting pen they proceed to point out that some Member of Congress has written a letter to some commission in regard to some particular matter that is before the commission.

I want to say that in my judgment the limitation on Congressional communications should be within the framework I shall give, and it is a framework within which, I am sure, each one of us as a Senator, from time to time has acted. Let us take a hypothetical case. Assume there is a conflict in State Y over the question of whether a certain television license should be granted to one of several applicants, or whether a television station should be authorized to be moved from City M to City N, and a Senator or a Representative gets communications from the respective parties involved in that dispute. In my judgment, that Senator or Representative has the Congressional duty to see to it that those communications are transmitted to the agency concerned, only with the request that the agency give consideration to the enclosures upon their merits. In my judgment no Member of Congress has the right to be a lobbyist or a lawyer or a pressure man for any constituent with respect to any independent agency, but he does have the duty as a Senator or Representative, representing the people of his State, to transmit to the agency concerned the material which has been sent to him.

Mr. President, that is not what has been happening in respect to the pressure boys who are being heard before the House committee these days. I think Representative WOLVERTON of New Jersey is completely right in his expression of shock and great concern over what has already been disclosed with respect to pressure which has been placed upon the FCC, for example.

May I say to Senators, "You haven't heard anything yet." A full disclosure will be made, I am sure, of what is already known, and a further disclosure will be made of what I am satisfied a thorough investigation will bring out.

I spoke a few days ago here in the Chamber as to the desires of the President to return to his "cleaner than a hound's tooth" doctrine of the 1952 campaign, and mentioned that he should start removing, painful though it is, some of the tartar from some of the hounds' teeth. I suggest today that he ought to get busy and pull some. It would be more painful, but the President has a tooth-pulling job to do if he wants to keep faith with that "cleaner than a hound's tooth" pledge made in 1952.

QUESTIONABLE CONDUCT OF ICC OFFICIALS

During the past several years we have witnessed case after case of shocking conflicts of interest on the part of executive officials.

I would point out some examples of questionable conduct on the part of high officials of the Interstate Commerce Commission, which would require, in my judgment, inquiry on the part of the Senate. If there are more instances in this and other agencies, they should be sought out, the facts studied and remedies considered by the Senate.

Let us take the recent case of Owen Clarke, who was chairman of the ICC until January 15. On December 23, 1957, Mr. Clarke's resignation was announced. According to the New York Times of December 24, he resigned due to entirely personal circumstances and declared he had to leave by February 1. The President accepted his resignation as of the date of the qualification of his successor, who was named on that day and could have taken over immediately as a recess appointee. Nonetheless, the transfer did not take place until mid-January.

If Mr. Clarke announced where he was going, the news story did not disclose the fact. Assuredly, it would have been newsworthy that he was to become a vice president of a major railroad.

It defies the imagination that Mr. Clarke did not make known his future post to the President in submitting his resignation. If he did not, that is a matter of interest, too, and ought to be brought out in an investigation. Inasmuch as his successor was named simultaneously, Mr. Clarke's departure must have been arranged some little while before. It takes a while to arrange such matters.

These questions arise: When did Mr. Clarke enter into negotiations with the C. & O. Railroad? When did Mr. Clarke make final arrangements with C. & O. to become a vice president? After opening negotiations, did he participate in ICC matters which directly affected the C. & O. as a party, or indirectly affected the C. & O. or other lines with common or competitive interests?

Indeed, once negotiations for a C. & O. vice presidency were under way, and even more when they jelled into agreement, could Mr. Clarke do anything in the field of transportation with propriety? I happen to think not. What he did in fact do, would crystallize the issue.

For example, by letter of February 3 to me, as a vice president of C. & O., Mr. Clarke claimed he took no part whatsoever in a major case known as *Ex parte 212*, a railroad freight case of substantial proportions and great impact upon my region, I know, and others as well, I am sure.

The Governor of Oregon, the Honorable Robert D. Holmes, had protested the highhanded fashion in which this rate case was rushed through without adequate notice to officials of Pacific Coast States and no notice at all to many firms which are vitally affected.

The arbitrary manner in which this case was handled also warrants thorough inquiry as an example of the almost unfettered power of agencies such as the ICC.

Another instance of highly questionable practice involves the former general counsel of ICC. These are the basic facts as they have come to me: a box company with operations in three States filed a complaint with the ICC against the Southern Pacific Railroad toward the end of 1947. After a hearing the Commission's examiner recommended a finding for the complainant and against Southern Pacific.

The case was then taken by Martin to the United States District Court for the District of Oregon, which court found in favor of Martin, agreeing with the Commission examiner and ordered the case back to the Commission for action not inconsistent with its findings and judgment. This judgment was appealed by the Commission and Southern Pacific to the Court of Appeals for the Ninth Circuit. The court of appeals rendered three separate opinions in the case which resulted in a reversal of the district court. One opinion was strongly in favor of Martin, one strongly against Martin, and the other in favor of Martin but upholding the action of the Commission because of the legal doctrine of administrative finality.

Circuit Judge Chambers in his opinion concurring with Circuit Judge Healy stated:

> If I thought the district court and this court had the same latitude with respect to reviewing an order of the Interstate Commerce Commission that the Commission has in following or rejecting a recommendation of the examiner, then I would vote to uphold the examiner.
>
> There is evidence here of substantial damage caused by the car shortage. If Southern Pacific is legally responsible, then the Commission should come up with a reasonable figure for this damage, and an intelligent estimate would be satisfactory.

Circuit Judge Pope in his dissenting opinion states:

> That if this decision stands the railroads can proceed, wholly without hindrance from the Commission, so to pick and choose among shippers that they will, in many instances, be exercising the power to say which industries shall live and which shall die. What has happened here appears to me to be an unthinkable abnegation of its duties by the Commission.

I mention the merits of the case only to show that the complaint and proof was substantial enough to warrant the favorable opinions of the examiner, the Federal District Court, and several Federal court of appeals judges.

All during the case, Edward M. Reidy was the General Counsel of the Interstate Commerce Commission, and he appeared on all of the pleadings in the case as counsel for the Commission.

Following the divided opinions and adverse decision of the court of appeals, the Martin Co. attempted to get the Supreme Court to review the case by way of a writ of certiorari. At this point Mr. Reidy, by letter dated May 23, 1955,

and acting in the case as General Counsel of the Interstate Commerce Commission requested an extension of time within which to file a brief for the Commission in opposition to Martin's petition before the Supreme Court. The request was granted. On June 1, 1955, the same Mr. Reidy, who had at all times been representing the Commission in the case, advised counsel for Martin that he was at this time general attorney for Southern Pacific Co. and no longer was associated with the Commission. He requested consent to an extension of time in which now to file Southern Pacific's brief with the Supreme Court in opposition to Martin's petition before that Court. In subsequent proceedings in the case, Mr. Reidy was designated by the Commission on pleadings as general attorney for Southern Pacific.

Is this not a strange occurrence, to have an attorney for one party become the attorney for another party in the midst of litigation?

The circumstances of this case should be fully investigated. The Senate should know the course of dealings between Mr. Reidy and Southern Pacific and what, if anything, the Commission knew about it and did about it. I think the situation in the Interstate Commerce Commission is a very serious one.

The ICC affects shippers and travelers across the Nation to the tune of tens of millions of dollars a year. The Senate should know whether Commissioners and general counsels of the ICC look upon their positions as public trusts or merely the most likely means of obtaining lucrative employment with the carriers the Commission is supposed to regulate.

Problems such as these range across the whole gamut of Federal administrative, quasi-judicial and regulatory agencies.

The public is asking, What does the Senate propose to do about it? I am seeking to give the public an answer. I am seeking to have the Senate proceed with a long-overdue investigation of our so-called independent agencies.

It is a matter of oft-repeated comment among many lawyers that for many officials and employees of the Interstate Commerce Commission, the Commission is a stepping stone to a nice fat railroad job.

I think it is a legislative problem. It has two sides to it. There have been such oft-repeated abuses in this field that we had better get all the facts through an investigation. Then we had better consider what legislative checks and controls we ought to impose upon the regulatory bodies in respect to their members getting themselves into a position which might be described as one of potential conflict of interest in futura.

Of course we are a government of laws. However, the laws are administered by men and women with all the human frailties of human beings. We sit in the Senate as the guardians of a great public trust. We sit here obligated, in my judgment, to keep a check on these administrative agencies, to which we delegate authority.

I speak respectfully but I speak deeply convinced that the Senate has not been doing its job in maintaining an adequate check upon the official behavior of appointees it confirms under the advice-and-consent clause of the Constitution.

Investigations are not nice work. It is not pleasant to bring out, when the facts warrant, that someone in a democracy, given a position of great public trust, has abused it. However, so long as human beings are human beings, there will be recurrences of incidents in which that is exactly what happens.

The Senate should stop brushing off its responsibility. There is a need for it, and it will not be done in a night or a fortnight. There is a need for a thorough investigation, over a period of months, into every regulatory body in the Government, to find out to what extent corruption, dishonesty, and conflict of interest have come to exist.

DISMISSALS WILL NOT SOLVE PROBLEMS

The answer will not be to chop off a few heads. The answer will not be to divert attention from such an investigation by getting someone to resign for one cause or another and then to have it said, "Well, he is out. There is no need for a further investigation."

I am not speaking only about the individuals concerned; I am speaking about the need for Congress to pass some legislation which will check the abuses. I believe such legislation can be passed. However, first, we must gather the evidence which will justify the legislation.

Therefore, through the RECORD today, I wish to say to the leadership of the Senate, most respectfully, that I think it ought to be made one of the major issues of my party in the Senate—not on any partisanship basis, but on the basis of senatorial duty—to proceed without any further delay with a Senate investigation of the conduct of our own children. That is exactly what the agencies are. On their head we have placed the pat of parental approval. Some of them, I am satisfied, have become delinquent. For the delinquents, violating their trust, we, as parents, as in the case of all delinquency of children, have the first responsibility to bring about some corrective measures.

Mr. LANGER. Mr. President, I wish to associate myself with the remarks of the Senator from Oregon. My experience in the Dixon-Yates case amply illustrates the need for a special committee to conduct the investigation which the Senator from Oregon advocates.

Mr. MORSE. I thank the Senator from North Dakota.

CALIFORNIA CONFERENCE ON EDUCATION

Mr. KUCHEL. Mr. President, the penetration of outer space by manmade vehicles has resulted in a variety of reactions and repercussions around the world. One consequence is a national stocktaking of our educational processes.

The widespread realization that the present era is one of scientific exploration, experimentation, and achievement has focused attention in a way never experienced before in our lifetime on the attributes and shortcomings of our schools, colleges, and universities.

Like most adult Americans, I agreed with President Eisenhower when, in his post-sputnik address to the Nation, he reminded all citizens that a large part of the responsibility for educating and training our youth rests with the parents and the taxpayers in each individual community. The President justifiably admonished us that through our school committees, boards of education, parent-teacher associations, and agencies of local self-government it is within our power to set the standards, to determine the curriculums, to provide the tools, and to furnish the direction for the teaching of the boys and girls who in future years will have the duty of conducting the affairs of our Nation.

As I am sure all Members of the Senate appreciate, my State of California has been in the forefront of the Nation during the past quarter-century in population growth, industrial growth, agricultural expansion, natural resource development, and other respects related to the dramatic advancement of the United States. California has been hard-pressed at times to meet the responsibilities imposed by the amazing developments of these years. But Californians never have failed to try to solve the successive problems and answer the continuous demands upon them.

It is heartening to me, as one of the Senators from California and as a former public servant in my State government, to note that our people are characteristically responding to the newest challenge. I take pleasure in observing that the California State Department of Education is answering the President's call by conducting a statewide conference during next week on mathematics and science education. I commend Roy E. Simpson, the California superintendent of public instruction, and his associates in the State department of education for their awareness of the obligation to undertake a forward-looking program of self-appraisal and to measure our national need so that the schools and higher institutions of California may discharge their obligations.

This conference, Mr. President, is one of the things which need to be done from the grassroots level on up to graduate work. There is little point in providing scholarships to colleges, universities, and technical institutes for talented and promising secondary school students unless we undertake to strengthen the foundations of our educational system. I believe California will make a significant contribution to our national strength through this conference, to which Dr. Simpson is inviting public-spirited citizens and leaders of business and industry, spokesmen for agencies of our Federal Government, and representatives of elementary, secondary, and higher educational institutions for exchanges of views about the needs of the State and Nation, the status of science and mathematics education, the extent to which current teaching and instruction meets the needs and the means whereby the educational system and processes may be improved.

The challenge to our generation was contained in the harnessing of the atom a decade and a half ago. A regrettable

amount of time has been lost in accepting it. However, with the reflections from the first Russian sputnik spotlighting the importance of scientific and mathematical education, I am heartened that our Nation at last is consciously answering. The action of the California Department of Education is in keeping with the progressive spirit of our State, and I salute it. California has pole-vaulted from 20th in population at the opening of the 20th century to 2d place today, and the proposed action reflects a determination to make our almost 5,000 elementary and secondary public schools and more than threescore public higher educational institutions answer the challenge of the thermonuclear era.

PROGRESS IN PROPER AIR TRAFFIC SAFETY MEASURES

Mr. KUCHEL. Mr. President, on the first day of this month of February there occurred in the vicinity of Los Angeles a tragic collision between two military aircraft, resulting in 48 deaths.

It happened on almost the exact anniversary of an accident wherein two airplanes collided and parts of the wreckage fell upon the grounds of a grammar school at Pacoima, in the San Fernando Valley. Subsequent to that tragedy of 1957, a number of steps were taken in an effort to avert a repetition. They were not enough to prevent the accident 3 weeks ago.

But if we do not try to analyze the causes of such accidents and based on that analysis take additional remedial steps, we cannot say that we are meeting our obligations as citizens and officials. I hope, therefore, that the order which was adopted on February 13 by the Civil Aeronautics Board, increasing the Board's control over all types of air operations, will be the means of deriving some benefit from our recent horrifying lesson.

By that action the CAB has amended its civil air regulations to permit military aircraft to deviate from air traffic rules only when noncompliance is required by military emergency or current military necessity essential to the defense of the United States. That deviation, incidentally, will require prior notice to the Civil Aeronautics Administration.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the complete text of the order to which I allude, which is entitled "Civil Air Regulations Amendment 60–9—Authority of Administrator To Waive Compliance With Air Traffic Rules and To Designate Restricted Areas."

There being no objection, the order was ordered to be printed in the RECORD, as follows:

UNITED STATES OF AMERICA,
CIVIL AERONAUTICS BOARD,
Washington, D. C.

CIVIL AIR REGULATIONS AMENDMENT 60–9—AIR TRAFFIC RULES—AUTHORITY OF ADMINISTRATOR TO WAIVE COMPLIANCE WITH AIR TRAFFIC RULES AND TO DESIGNATE RESTRICTED AREAS

Part 60 of the Civil Air Regulations contains the air-traffic rules which have been made applicable to all aircraft (civil and military) operated anywhere in the United States. The present regulations (Sec. 60.1 (a) of this part) permit military aircraft of the Armed Forces to deviate from the air-traffic rules when appropriate military authority determines that noncompliance with this part is required. Section 60.13a authorizes the Administrator to designate restricted areas when he finds that a hazard to aircraft in flight exists. This authority has been delegated to the Administrator by the Board in order that he may correlate the use of restricted airspace with his statutory responsibility to designate airways and because his administrative organization can effectively cope wth the needs of local users of airspace. The establishment of restricted areas has been accomplished by the Administrator only after the entire matter has been processed by, and agreement as to proposed action secured in, the Air Coordinating Committee.

The growing operational needs of the various users of the airspace have created increasing problems in resolving conflicts in the allocation of airspace to accommodate such needs. The availability of airspace is rapidly decreasing to the point where it is no longer easy to meet the needs of users merely by allocating airspace not previously allocated for airways or special purposes. The problem of diminishing airspace has become so acute that the Government can no longer accommodate all of the needs of individual users without judiciously weighing the interests of all users to determine what is most in the public interest. In short, the common objective is to attain the maximum effective utilization of available airspace with the least possible penalty to any individual user of such airspace.

Thus, on July 29, 1957, the Board issued a Notice of Proposed Rule Making, Draft Release No. 57–16, which proposed to amend section 60.1 (a) of part 60 to permit military aircraft to deviate from the air traffic rules when "noncompliance is necessary to permit urgent and immediate military operation required as a result of intelligence of actual or impending acts inimical to the United States." In addition, it was proposed to amend secton 60.13a to authorize the Administrator to impose such terms, conditions and limitations as he may deem necessary in the designation of restricted areas and to modify or revoke such designation where required in the public interest. Under this delegation, actions by the Administrator would be taken in conformity with the Administrative Procedure Act.

Comments on Draft Release 57–16 were received from the Air Transport Association, the Air Line Pilots Association, the Aircraft Owners and Pilots Association, the Air Line Dispatchers Association, the Civil Aeronautics Administration, the Department of Defense, and several individuals. All parties, except the Department of Defense, favored the Board's proposal. Following the receipt of comments, all interested parties were invited to participate in discussions with the Board's staff on November 6, 1957, to consider appropriate methods of implementing the Board's proposal.

The Board has carefully considered the comments of all interested parties and has decided that Draft Release No. 57–16 should be adopted with certain modifications. In reaching this decision the Board has concluded that it has the legal authority to promulgate this regulation which permits military aircraft of the United States Armed Forces to deviate from the air-traffic rules under certain conditions and which authorizes the Administrator, in conformity with the provisions of the Administrative Procedure Act, to designate, modify, or revoke restricted areas. Although the Department of Defense submitted comments in opposition to the Board's legal authority, the Board has subsequently received a letter from the Deputy Secretary of Defense, in which he stated that the Department of Defense agrees that the Board has the appropriate legal authority to issue the revised regulation. A copy of this letter dated February 7, 1958, together with a legal opinion of the Board's General Counsel, has been placed in the official docket of this proceeding.

The Board recognizes that under certain circumstances it may be necessary for the military to conduct operations which cannot comply with the Civil Air Regulations. Thus, section 60.1 (a) permits military aircraft of the United States Armed Forces to deviate from the air traffic rules when appropriate military authority determines that noncompliance is required by military emergency or current military necessity essential to the defense of the United States and prior notice thereof is given to the Administrator. However, it is intended under this revision of the regulation that insofar as practical all other military flights such as training operations would be conducted under the terms of a waiver issued by the Administrator and not under noncompliance authority.

Under the regulation, as amended (sec. 60.13a), the Administrator, pursuant to delegation of authority from the Board, may designate restricted areas when he finds such action necessary to assure the safety of aircraft in flight. The Administrator may impose such terms, conditions, and limitations as he may deem necessary, and may modify or revoke such designation when required in the public interest. The Administrator will comply with the provisions of the Administrative Procedure Act in exercising such authority. Accordingly, the procedures adopted in implementation of this regulation will afford all interested parties a full and complete opportunity to participate in the rulemaking process. The Board, of course, reserves the right to review, on its own initiative, any action taken by the Administrator under his delegation of authority.

Interested persons have been afforded an opportunity to participate in the making of this amendment (22 F. R. 6252), and due consideration has been given to all relevant matter presented.

In consideration of the foregoing, the Civil Aeronautics Board hereby amends part 60 of the Civil Air Regulations (14 C. F. R. pt. 60, as amended) effective April 1, 1958.

1. By amending section 60.1 (a) to read as follows:

"60.1 Scope: The air traffic rules in this part shall apply to aircraft operated anywhere in the United States, including the several States, the District of Columbia, and the several Territories and possessions of the United States, including the territorial waters and the overlying airspace thereof, except:

"(a) Military aircraft of the United States Armed Forces when compliance with this part has been waived by the Administrator or when appropriate military authority determines that noncompliance with this part is required by military emergency, or current military necessity essential to the defense of the United States, and prior notice thereof is given to the Administrator. Such prior notice shall be given to the Administrator at the earliest time practicable and, to the extent time and circumstances permit, every reasonable effort shall be made to consult fully with the Administrator and to arrange in advance for the required deviation from the rules on a mutually acceptable basis."

2. By amending section 60.13a to read as follows:

"60.13a. Authority for designation of restricted areas by the Administrator: Upon petition of any interested party or upon his own notice, recognizing the independent authority of the President of the United States as Commander in Chief, and under section 4 of the Air Commerce Act of 1926, the Administrator under delegation of authority from the Board, will designate restricted areas when he finds such action

necessary to assure the safety of aircraft in flight. The Administrator may impose such terms, conditions, and limitations as he may deem necessary, and may modify or revoke such designation when required in the public interest. In exercising the authority granted herein, the Administrator shall give full consideration to the requirements of national defense. The Board upon its own initiative may review any action of the Administrator taken pursuant to this delegation of authority."

(Sec. 205 (a), 52 Stat. 984; 49 U. S. C. 425 (a). Interpret or apply secs. 601–610, 52 Stat. 1007–1012, as amended; 49 U. S. C. 551–560.)

By the Civil Aeronautics Board:

[SEAL] M. C. MULLIGAN,
Secretary.

Mr. KUCHEL. Mr. President, immediately following the accident of February 3 I wrote to the Civil Aeronautics Board, the Civil Aeronautics Administration, the Navy, and the Air Force, and called for a complete investigation of the accident. I raised the question whether more stringent regulations over all types of flying ought not to be enforced. Those letters were published in the CONGRESSIONAL RECORD for the information of Senators, and I now ask unanimous consent to have the replies of each of the agencies I have named printed at the conclusion of my remarks.

There being no objection, the replies were ordered to be printed in the RECORD.

(See exhibit 1.)

Mr. KUCHEL. Mr. President, I am glad to point out that the Navy Department very promptly altered flying procedures at Los Alamitos Naval Training Station. It was from this station that one of the aircraft involved in the February 1 accident had flown with two Reserve officers. I had raised the question whether this activity ought to be continued at the present location. The Assistant Secretary of the Navy for Air believes that a great improvement will be noted in the safety of the operation, in that the airplanes will now be required to operate over the adjacent open sea, and will not be permitted to operate over the congested Los Angeles area, except when flying on instrument flight plans under the positive control of civil aeronautics controllers.

In all frankness I wish to point out that the order of February 13 by the Civil Aeronautics Board was in preparation for many months. It represents the hard work and joint thinking of many people in that agency and in the military and other departments. It would be incorrect to gain the impression that the regulation was promulgated on the spur of the moment and with the thought of making a showing with respect to that one unhappy incident. I feel confident that it was written in a conscientious effort to deal basically with the growing problem of safety in the skies above congested areas.

EXHIBIT 1

DEPARTMENT OF COMMERCE,
CIVIL AERONAUTICS ADMINISTRATION,
Washington, February 6, 1958.

Hon. THOMAS H. KUCHEL,
United States Senate,
Washington, D. C.

DEAR SENATOR KUCHEL: With reference to your letter of February 3, 1958, we have been following the investigation of the collision between the Navy P2V aircraft and the MATS C–118 aircraft near Long Beach on Saturday evening since we received first telephone reports of the collision. Although it will be some time before full and complete details can be reconstructed, we now have enough information to give you a preliminary answer to the questions contained in your letter.

The primary investigation relating to the accident is being conducted by Department of Defense agencies, by the Air Force, and by the Navy. Mr. Durfee, Chairman of the Civil Aeronautics Board, and I have jointly offered the services of the Civil Aeronautics Administration and Civil Aeronautics Board to the Department of Defense in the conduct of the investigation. In addition, we are making separately a full and complete inquiry into the air traffic control aspects of the accident.

The MATS C–118 aircraft departed Long Beach Airport at 7:08 p. m., P. s. t., with a flight plan specifying a cruising altitude of 17,000 feet to McGuire Air Force Base, N. J. The pilot requested, and was approved, to climb under the terms of the visual flight rules of the Civil Air Regulations which require flight in good weather and place the responsibility for the avoidance of collision on the pilot.

The Navy P2V departed from the Los Alamitos Naval Air Station at 7:07 p. m., P. s. t., for a local flight under visual flight rule conditions. No flight plan was filed with the CAA nor is one required by regulation for this type of flight.

The collision occurred at approximately 7:13 p. m., P. s. t., with the debris from one aircraft falling approximately 7 miles northeast of the Long Beach Airport and the debris from the other aircraft falling approximately 10 miles northeast. The collision was not seen by any control tower either visually or by radar, although three towers (Long Beach, Los Alamitos and El Toro) saw the resultant explosion and fire fall. Numerous ground witnesses were reported to have observed the collision but, due to discrepancies in accounts, we do not know now the altitude or respective attitude and heading of the two aircraft at the time of impact.

Insofar as we know now, both aircraft were operated by qualified crews and observed all applicable parts of the Civil Air Regulations except the obvious one regarding proximity of aircraft and right-of-way rules. At the present time, we do not know which aircraft had the right-of-way as the precise flight paths have not been reconstructed.

Aircraft of the armed services are subject to the air traffic rules contained in the Civil Air Regulations, part 60, promulgated by the Civil Aeronautics Board except when operating under military necessity or in accordance with a specific waiver of those rules. Neither exception was applicable nor was considered appropriate for the operation of either of the aircraft involved. The two aircraft were not subject to the direction and supervision of a single controller but were operating under their own cognizance for the avoidance of collision. This method of operation is provided for in the air traffic rules for good weather operation. Both aircraft were outside of the control zones of the respective airports from which they had departed, and the weather was excellent with 15 miles visibility.

Pilots of military aircraft do not have the right to veto traffic control instructions issued by CAA air traffic control facilities except during conditions of military necessity or during conditions of actual emergency in the flight. In the latter case, the pilot of any type of aircraft (civil or military) has final authority to take action to protect the safety of his aircraft in an emergency.

Fundamentally, the military aircraft were operated under the same conditions as are thousands of other flights operated daily within the United States. The CAA does not now have either the authority, equipment or personnel to require all flights to be under the direction of an air traffic controller at all times. We provide protection for landings and takeoffs in the immediate vicinity of airports and for the protection of aircraft operating within controlled airspace under instrument (poor visibility) weather conditions. Aircraft operating away from the immediate vicinity of airports in good weather conditions observe rules of the road in the same manner as do automobiles on the highway.

I would also point out that the CAA Federal airway plan was designed for the purposes of increased safety and efficiency of movement of air traffic. A copy is enclosed for your information. In addition, we are now reviewing what additional actions can be taken to provide more services in congested metropolitan areas to provide some better measure of protection against collision between flights operating in good weather conditions.

Sincerely yours,

JAMES T. PYLE,
Administrator.

DEPARTMENT OF THE NAVY,
OFFICE OF THE SECRETARY,
Washington, D. C., February 13, 1958.

Hon. THOMAS H. KUCHEL,
United States Senate,
Washington, D. C.

MY DEAR SENATOR KUCHEL: This is in reply to your letter of February 3, 1958, relative to the collision between Navy and Air Force aircraft in the vicinity of Los Angeles on February 1, 1958. All of the agencies concerned are continuing an intensive investigation into the circumstances surrounding this accident in order to determine its cause and to take measures to prevent future similar accidents. Copies of reports of results of the investigations will be sent to you at the earliest possible time.

Naval aircraft in normal operations do comply with all regulations for the control of aircraft. These regulations, applicable to military and civil aircraft alike, are promulgated by the Civil Aeronautics Board and are enforced by the Civil Aeronautics Administrator. Close liaison between those agencies and the military agencies is maintained at local levels as well as at the Washington level. Liaison is also similarly maintained with representatives of all segments of civilian aviation.

For many years all naval aviators have been under orders to conduct flights in a manner consistent with minimum annoyance to and maximum safety for persons upon the ground. They have been especially instructed to avoid flights over congested areas wherever possible. However, prohibition of all naval flights over congested areas would be a serious restriction to the accomplishment of vital missions since some flights must be made along established airways passing over such areas. The locations of some airfields require approaches and departures over urban districts in order to avoid conflict with adjacent air traffic patterns, with air traffic on nearby airways, and with mountainous terrain or other obstructions. Under many conditions built-up areas can be avoided and cognizant naval commanders have been under orders for some time to avoid them except where accomplishment of military flight missions would be affected. More recently, the commanders have been directed to make a critical reexamination of all approach and departure procedures and local agreements with other aviation activities to determine the safest possible methods of operating.

In order to prevent accidents of the sort which occurred upon the first of February, the following procedures have been placed into effect at Los Alamitos. Pilots operating aircraft from Los Alamitos under visual

flight rules are required to depart to the southward crossing the coastline between Seal Beach and Sunset Beach and gaining cruising altitude to the seaward. They are prohibited from flying over the greater Los Angeles metropolitan area at any time during the flight. When returning to the field, all pilots are directed to lose altitude to the seaward and to then cross the coastline between Sunset Beach and Huntington Beach while proceeding northward to the field. A chart showing these routes is enclosed. Thus, the only time when an aircraft operating from Los Alamitos will have occasion to fly over the Los Angeles area will be when it is on an instrument flight plan under the positive control of Civil Aeronautics controllers and proceeding in accordance with instructions of the same controllers who are controlling all other military and civil aircraft operating under similar flight plans.

Relocation of certain naval air activities to remote areas has been suggested many times. In most of these cases, especially where the facilities support Reserve activities, this has not been feasible because the success of the Reserve program depends upon location of facilities which are easily accessible to large numbers of Reserve personnel who live in the cities and because of the huge investments in existing air stations which, when they were constructed, were well away from larger cities.

Please be assured that the Navy is acutely aware of the hazards and other problems involved and will continue to make every effort to eliminate them.

Sincerely yours,

GARRISON NORTON,
Assistant Secretary of the Navy (Air).

DEPARTMENT OF THE AIR FORCE,
Washington, February 14, 1958.

Hon. THOMAS H. KUCHEL,
United States Senate.

DEAR SENATOR KUCHEL: The Secretary has asked me to reply to your inquiry of February 3, 1958, in which you expressed concern over the tragic midair collision that occurred on the night of February 1, 1958, over the Los Angeles area. In addition, you requested information concerning the present intensive investigation being conducted by the Air Force. I am pleased to forward herewith a summary of a preliminary report of this accident.

I wish to assure you that the Air Force is greatly concerned over any accident involving the loss of life and we are constantly striving to improve the control of military aircraft throughout the United States and in any populated areas. The results of this investigation should indicate the causes of this accident. If it is shown that the Air Force was in any way at fault, you may be assured that positive action will be taken to preclude, as nearly as possible, the recurrence of a similar incident.

When the final report on this accident is completed you will be advised of the recommendations and corrective action to be taken by the Air Force.

Sincerely yours,

V. J. ADDUCI,
Colonel, USAF
(For and in the absence of Joe W. Kelly, Major General, USAF, Director, Legislative Liaison).

CIVIL AERONAUTICS BOARD,
WASHINGTON, *February 20, 1958.*

Hon. THOMAS H. KUCHEL,
United States Senate,
Washington, D. C.

DEAR SENATOR KUCHEL: The interest and concern reflected in your letter of February 3, 1958, concerning the midair collision that occurred in the Los Angeles area are understood and appreciated.

An investigation of the subject collision was promptly initiated and is being carried out by the military. Accident investigators of the Civil Aeronautics Board have been working closely with the military on the scene to determine the extent to which the air traffic rules and air traffic control system might be involved.

With respect to your questions regarding the extent to which military aircraft are subject to regulations prescribed by civil authorities, this question is answered by the provisions of the Civil Aeronautics Act, sections 1 (4), (14), (30), and 610 (a) (1), (2), (3), (5), the effect of which is to exempt the aircraft of the Armed Forces from civil regulation as regards standards for their airworthiness and maintenance and for crew qualifications, but to place their operation under the air traffic rules of the Board.

The Supreme Court case referred to by you as holding that military aircraft are subject to civil control only when no Army-Navy regulations to the contrary are in effect, is *United States* v. *Causby* (328 U. S. 256 (1946)), and the reference is to footnote 2 on page 258 of the Court's opinion. No such issue was before the Court in that case and we do not believe that the Court meant to hold by those few words in the footnote that Armed Forces regulations could override the civil air traffic rules as regards flying by Armed Forces aircraft in unrestricted airspace in normal peacetime operations. It is unfortunate that the case is listed in the Federal Digest (a private compilation) as though it constituted such a holding. In any event, on the specific question whether the military services operate in accordance with the air traffic rules promulgated by the Civil Aeronautics Board, we refer to the letter Mr. Donald Quarles, as spokesman for the Department of Defense, wrote to you on April 20, 1957, in which this question was answered in the affirmative.

In regard to your question as to whether or not the airplanes involved in this collision were subject to the direction and supervision of a single controller, evidence available at this time indicates that they were not.

Air traffic control service utilized under these circumstances is normally limited to clearing aircraft in and out of the airspace immediately surrounding the airport. The collision occurred approximately 6 minutes after the aircraft had departed their respectives airports in clear weather. These airports are approximately 6 miles apart and preliminary information indicates that coordination between the two airport control towers is normally effected only when instrument weather conditions exist. The weather conditions are particularly significant since they primarily determine whether the visual flight rules (VFR) or the instrument flight rules (IFR) shall apply. Aircraft operated VFR are operated under conditions in which it is assumed that the pilots are able to see and avoid other aircraft and responsibility for collision avoidance falls on the pilot. Aircraft operated under IFR are operated under conditions in which it is assumed that pilots are not able to see and avoid other aircraft and responsibility for collision avoidance falls on air traffic control in controlled airspace. It is evident from early reports that Navy personnel in the Los Alamitos Naval Air Station control tower exercised local airport control while the Navy aircraft taxied out and took off from that airport. In the same manner, the Civil Aeronautics Administration tower controller at Long Beach, had cleared the Air Force aircraft to depart Long Beach Airport.

Your next question is whether the pilots of military aircraft, or other members of the armed services, have the right to veto air-traffic control directives. Pilots of military aircraft cannot veto either the civil air traffic rules or the instructions of air-traffic control except, of course, to the extent that every pilot is empowered to deviate from the air-traffic rules in emergencies. Additionally, certain discretionary authority has been granted the military to deviate from the air-traffic rules when prior notice is given to the Administrator. Section 60.1 (a) of the Board's Air Traffic Rules, as presently worded, provides for an exemption of military aircraft from the air-traffic rules "when appropriate military authority determines that noncompliance with this part is required and prior notice thereof is given to the Administrator (of Civil Aeronautics)." However, the Board very recently amended section 60.1 (a) of its rules, effective April 1, so as more clearly to express its intent that the military may deviate from the air-traffic rules without the consent of the Board only in cases required by "military emergency, on current military necessity essential to the defense of the United States."

In regard to your request for my views about the possible need for more vigorous and rigid measures to establish control of flight operations, recent amendments to the air-traffic rules reflect the increasing emphasis which has been devoted to developing and prescribing additional requirements which serve this purpose. For example, the Board, in February 1957, adopted an amendment to the Civil Air Regulations which established special operating rules for all flight operations conducted in the vicinity of major metropolitan airports. This is known as the high density zone rule and requires the observance of certain speed limits and certain two-way radio communication requirements. This amendment authorized the Administrator of Civil Aeronautics to designate such zones in any area where the volume of traffic has been found to adversely affect safety.

In addition, in the past year, the Board adopted certain pilot vigilance and restrictions on flight testing rules, improved cruising altitude rules, and established the continental control area. This new area is the first step in a comprehensive plan being developed in coordination with the Civil Aeronautics Administration for expanded and improved air-traffic control services. The rule already adopted expands the area in which air-traffic control service is provided to all of the airspace over the United States above 24,000 feet. The second phase of this plan, to be implemented when the necessary navigation, communication, and other facilities have been installed, calls for the lowering of this all-airspace control concept to 15,000 feet.

The extent to which a substantially greater number of aircraft can be included in the air-traffic control system depends upon the potential future capacity of the system. For the immediate future, the regulations will continue to include requirements, the objective of which is to facilitate the pilot's ability to observe and avoid other aircraft while operating in favorable weather conditions. As new and better facilities become available and our continued investigation makes it apparent that additional limitations or requirements are needed to achieve the highest practical degree of air safety, such limitations will be promptly imposed.

Sincerely yours,

JAMES R. DURFEE,
Chairman.

CARE IN DRAFTING MUTUAL SECURITY LEGISLATION

Mr. KUCHEL. Mr. President, editorially the Los Angeles Times yesterday made some blunt—and constructive—comments on the mutual security program which President Eisenhower has sent to the Congress.

Examples of waste and incompetence in the administration of the mutual security program are regrettable. Some of them are incredible.

In the consideration of mutual security authorization legislation at this session, I believe the Congress must with care set forth careful guidelines as to what is authorized, and in what manner, and as to what is not authorized. Improper administration has occurred, I believe, in great part because of imperfect legislative guidelines or, indeed, because of the lack of any guidelines at all.

In addition, we need the most efficient administrative personnel to handle this legislative responsibility.

Mr. President, I ask unanimous consent to have the text of the editorial printed at this point in the RECORD, as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE PRESIDENT ON FOREIGN AID

The President's earnestly expressed wish that a group of prominent citizens should go up and down the land to educate the people in the desperate necessity for foreign aid had led some of us to expect a request for a much larger appropriation than usual. But in his message yesterday, Mr. Eisenhower asked for no more than he did last year.

CONGRESS EYES CUT

But there was a reason for the urgent tone of his message: Last year he asked for a little less than $4 billion, as he does now, but Congress appropriated only $2,800,000,000. This year he asks for $3,942,100,000 as if this were the rockbottom price. There are, however, Senators and Representatives of both parties who believe the price can be cut, particularly in appropriations for economic as distinguished from military foreign aid.

The President's tersely reasoned sales talk to Congress—buy this, he says, or pay more for the alternative defense of isolated America—will unsettle some of the people who were firmly dug in. The fact is that some of the diehards were somewhat shaken in advance by the President and his associates and by the confused feeling of insecurity evoked by Russian rockets. Congressional reaction up to this point has been to spend eagerly and hopefully.

COUNTERMEASURES

If the President's premises are granted his case for foreign aid is pretty good. The requests are based on a foreign policy which is almost old enough to be traditional and consistent. It assumes that the Communists are bent on conquering the world with any available means and that we must counter their fire with a backfire of our own. It is not a passive policy or simply a policy of defense; it is a policy of action and reaction. It hasn't pacified the world but it has—so far—prevented the Communists from conquering a much larger part of it.

If one is to argue against foreign aid, one must go to the premises, not to the requests for appropriations. There is an assumption in our policy that the Communist pressure will continue more or less constant and that our counterpressure can for this reason be planned in advance. Some foreign-aid proponents seem so sure of this that they want Congress to appropriate not from year to year but on the long term.

Perhaps we should expect cold war of fairly even temperature for decades. But no commander, as Mr. Eisenhower would tell us, dares repose the fortunes of a compaign in a single plan, that is, to assume the enemy will move in only one way. Moreover, there have been some small signs that the enemy is planning a countermarch that would affect the position of some of the pins on our war map.

Premier Bulganin's unusual and persistent correspondence with President Eisenhower is hard to parse in the common grammar of the cold war. The Russian passivity during the Egyptian-Syrian wedding ceremonies is another curious circumstance. There should have been more dancing at that nuptial. Subtle changes, hard to explain, seem to be occurring in the relations of the European satellites and the "mother country." And just before President Eisenhower dispatched the message to Congress, the Red Chinese announced they were withdrawing their troops from Korea, where our foreign aid has been urgent and costly.

COLD WAR CHANGES

Such stirring may presage cold war changes that will call for great revisions in military foreign aid. There may have to be more of it, there may need to be less. Even Mr. Dulles can't really know.

In his plea for economic and technical aid for the undeveloped countries, which is much less than the military aid asked for, the President makes his best case and the one which could have the widest appeal to Americans. Spreading our know-how and our faith in self-help is a congenial activity to most of us. The opposition to this kind of foreign aid, and occasionally the open disgust with it, rises from its administration.

If we are going to stay in this business of improving the world materially, we must acquire a corps of civil servants who know how to carry the word. We need such people quite as much as we need scientists and engineers. The waste and blundering in this area of foreign aid is due to the ignorance, crassness, even the deceit of the carelessly recruited bureaucrats who go abroad to spend and teach, far enough away to hide their mistakes and their offenses against the foreign peoples until it is too late to correct the first or punish the latter.

THE RELATIONSHIP BETWEEN FREE TRADE, FREE IMMIGRATION, AND WORLD GOVERNMENT

Mr. MALONE. Mr. President, a great editor, Mr. E. F. Tompkins, of the New York Journal-American, has written five important articles regarding the relationship between free trade, free immigration, and world government.

The first article is entitled "Imported Dangers," and was published in the New York Journal-American on February 4. The second article, published on February 6, is entitled "The Purpose of Tariffs." The third article, published on February 11, is entitled "Killing Our Industries." The fourth article, published on February 13, is entitled "Free Trade Approach." The fifth article, which was published on February 18, is entitled "A Form of Protection."

FREE TRADE NOT A SEPARATE ENTITY

Mr. President, in a letter addressed to me, Mr. Tompkins stated:

The free-trade movement is not a separate entity. It is related in this country to the opposition to immigration regulations, and both by adoption or devolution are parts of the world government movement.

Mr. President, on Saturday, June 28, 1952, I said on the Senate floor—and my remarks were reprinted under the title "Free Economic System Versus Fabian Socialistic Program":

Mr. President, the international socialism plan calls for—

(a) Reduction of all barriers to the flow of international trade.

(b) Access to raw materials of all sorts for all nations.

(c) Access to markets for all nations.

(d) A world organization through which the nations can share freely in the supplies and the markets of the world.

At that time, I also said:

Mr. President, there can be only one result and only one final solution if these objectives are allowed to obtain, and that is, of course, the leveling of the living standards of the United States of America with the sweatshop-labor nations of the world.

FIVE ARTICLES BY E. F. TOMPKINS

Mr. President, I ask unanimous consent that the five articles to which I have referred, which were written by the distinguished editor, E. F. Tompkins, be printed at this point in the RECORD, as a part of my remarks.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Journal-American of February 4, 1953]

UNMAKING AMERICA: IMPORTED DANGERS

(By E. F. Tompkins)

President Truman startled the Nation in 1948 with his point 4, a program for nonmilitary foreign economic aid.

The Eisenhower administration now has a point 4 of its own which is an ideological counterpart of the Truman concept—point 4 in the President's state-of-the-Union message advocated mutual trade.

The Truman plank called for an immense distribution of American resources to develop the backward areas of the world—a multibillion-dollar process with no terminal date. The Eisenhower phrase "mutual trade" is actually a euphemism for unilateral free trade. And the demonstrated effect of free trade is to deliver to competitive foreign products our domestic market, on which our industries, and our standards of labor, and living depend.

Closely related to the free-trade idea is the persistent campaign to liberalize our immigration statutes. In its inception and temporary aspects, this continuing effort is actuated by altruistic motives. Civil responsibility requires, however, that the ultimate consequences of a proposed policy be considered. And even a cursory examination of worldwide ethnic trends brings forth a dual warning:

1. This country, with an explosive increase in native-born population overcrowding its schools and highways, cannot receive, year upon year, millions of new inhabitants from elsewhere;

2. An open-door immigration policy, which is a one-world objective, must eventuate in a vast increase in immigration which possibly could swell our population faster than our labor market could absorb it.

GHOST TOWNS

This two-sided question—free trade and unlimited immigration—must be surveyed from two directions:

(a) An imported competitive product necessarily displaces an American product in the domestic market, thus displacing American labor. Large-scale importation of competitive commodities may displace whole industries, such as textiles, and make ghost towns out of one-industry or single-plant communities. The only way for unprotected industries to combat alien competition in the home market is by reducing prices; and American prices cannot be reduced without reducing American wages.

(b) In a country as heavily settled and highly developed as this country has become, with permanent or frictional unemployment

of some 3 million persons, in such a country, even limited immigration tends to displace native-born workers, since immigrants need jobs. Large-scale immigration would create large-scale unemployment pools, with millions of idle workers on relief doles.

Unfortunately, relatively few of our politicians and publicists apprehend the problems inherent in mutual trade and liberal immigration. It is time they did, if the United States is to retain its national character and fulfill its manifest destiny in the leadership of mankind.

[From the New York Journal-American of February 6, 1958]

JOB INSURANCE: THE PURPOSE OF TARIFFS

(By E. F. Tompkins)

Is the United States to become a free-trade country—the only one in the world?

Are we to destroy even the vestiges of a system which for nearly 150 years shielded the American home market from destructive invasion by low-wage alien competition?

Do we want to import unemployment under an illusion of improving foreign economic conditions?

Should we internationalize our resources and means of livelihood?

These are questions that Congress must answer in passing upon the administration's point 4—its mutual-trade program.

The issue occurs in this form:

Constitutionally, all revenue measures, including tariffs, must originate in Congress. But the last protective tariff schedule was passed in 1930. In 1934, Congress passed a Reciprocal Trade Agreements Act, permitting the State Department to reduce tariff rates by making deals with foreign countries, without reference to Congress. For several years, this has been done through an unsanctioned General Agreement on Tariffs and Trade (GATT), under which the State Department has reduced the Congressional tariff wall by 70 percent.

The administration's point 4 asks Congress (1) to extend the Trade Agreements Act for 5 years, with authority to reduce our remaining tariffs by 25 percent; and (2) to vote the United States into an international Organization for Trade Cooperation (OTC), thereby sanctioning GATT.

In this controversy, the voice of history speaks loudly on the side of protectionism.

"The Tariff Act of 1789," says Encyclopedia Britannica, "was the first legislative measure passed by the United States * * * The spirit of the act of 1789 was protective."

Since then, several tariff laws have been enacted over the opposition of free-trade theorists.

Consequently, under the policy adopted 169 years ago, the high-wage American home market was developed—a domestic free-trade area, guarded from low-wage foreign competition in vulnerable industries by suitable import duties.

The administration program contemplates the final leveling of our protective tariff system within 5 years. This obviously implies American unemployment and a debasement of American wages in some industrial areas.

Within the same 5-year period, Western Europe is to establish a common market—a free-trade area of its own comparable in population to the American home market, which will be girded by tariff walls to protect European industry and employment from American competition.

Thus Europe is adopting the very policy that we are asked to abandon.

[From the New York Journal-American of February 11, 1958]

FREE-TRADE VIRUS: KILLING OUR INDUSTRIES

(By E. F. Tompkins)

Congress faces a bitter controversy over the administration's point 4—its mutual trade program—because of the great damage inflicted upon American industries and American employment by tariff reductions under the Reciprocal Trade Agreements Act, which the administration wants to continue.

One imperiled industry is mining.

Congress and the Tariff Commission have had from this industry numerous appeals for relief. Mining may seem to be a small segment of our economy, but, according to the Interior Department in 1957, when output was declining because of low wage foreign competition, total production of our mines amounted to $18.3 billion.

"Problems of the Nation's mining industries," the Congressional Quarterly says, "although limited to a relatively small area of the country, are assuming the status of a major issue."

In fact, 19 States are included in the small area, and the metals principally involved are listed as strategic by the Defense Department.

Senator BIBLE of Nevada recently completed an inspection.

"At no time in recent history," he reported, "has the mining industry of our country been in such a precarious position. * * * Most of the mines in America are closed, or their production curtailed until they are practically in a standby basis."

Market statistics support the finding.

Copper is an indispensable material in many manufactures. The big Phelps-Dodge Corp. has reduced its domestic copper production four times, to a total of 22 percent, since October 1956.

THREAT TO ECONOMY

"The industry now feels," it reports, "that foreign copper imports are a threat to the economy of domestic producers."

A bill has been jointly introduced in Congress by 14 Senators and 13 Representatives to impose an excise tax on copper imports that would offset ruinous tariff reductions made by the State Department under the Trade Agreements Act.

Other metallic industries are in similar or worse plights.

In 2 years, 719 out of 720 tungsten mines have been shut down, while lead and zinc production has hit a new low because of the great influx of cheaply produced foreign metals.

Without these domestic metals, the national defense would be maimed in war, and the great automotive industry might cease in time of peace.

Congress and the Tariff Commission know of many other industries, including textiles and fisheries, impaired by low tariffs.

All this grows out of the free-trade theory that international commerce can be magnified by abandoning the American tariff system.

[From the New York Journal-American of February 13, 1958]

WORLD GOVERNMENT: FREE-TRADE APPROACH

(By E. F. Tompkins)

It is hardly surprising to find advocates of world government supporting the administration's point 4—its tariff-wrecking Trade Agreements Extension Act and the companion project for United States membership in an international Organization for Trade Cooperation (OTC).

International free trade would be an early objective of a world legislature seeking to eliminate economic, political, military, and ethnic boundaries. Point 4 is obviously a free-trade program—hence it is a vestibule to world government. For—

Overt establishment of world government, by a single action, might be impossible. But world government can be brought about in stealthy stages, one at a time. Accordingly, Atlantic Union—a world government movement with some Congressional backing—represents a gradual process. Its purpose is to convert NATO (North Atlantic Treaty Organization) into a regional supergovernment, which would provide a foundation, both political and military, for denationalized global rule. Similarly, an OTC, in conjunction with our Trade Agreements Act, would comprise a form of internationalized economic dominion, more widely scaled than NATO, which could be merged into a world government with military and political attributes.

The American people are insufficiently aware of the progress already made toward economic supergovernment.

The process began in 1934 when a depression-scared and economically misinformed Congress gave the New Deal its original Reciprocal Trade Agreements Act. That measure authorized the State Department to reduce American tariffs, which had been fixed by Congress, through diplomatic negotiations with other countries.

The earliest attempt to generalize the whole procedure was made at a Habana conference which produced a world charter for an International Trade Organization (ITO). The charter was denounced at Washington as a Marxist instrument and was thereafter ignored by Congress.

Next, GATT (General Agreement on Tariffs and Trade) was set up, under State Department leadership, as a substitute for the discredited ITO.

Congress has likewise refused to recognize GATT. Nonetheless, tariff-reduction sessions of GATT have been held in Europe, with the United States making heavy tariff concessions to groups of foreign countries in the guise of agreements.

All GATT meetings are secret and the records are impounded.

And now comes the proposed Organization for Trade Cooperation as a substitute for ITO and a police agency for GATT.

[From the New York Journal-American of February 18, 1958]

IMMIGRATION LAWS: A FORM OF PROTECTION

(By E. F. Tompkins)

Opposition to tariffs is frequently conjoined with opposition to immigration legislation.

In fact, the conjunction is expressed in a political slogan of Marxist origin—"Free movement of goods and persons everywhere."

The composite idea confronts Congress in two separate propositions. One proposal is the administration's point IV program for free trade. The other is its recommendation that the selective immigration law be liberalized. And both are of prime importance, for tariffs and immigration restrictions have the same purpose—the protection of American jobs.

Of the two proposals, the second is the more dangerous, since it implies a permanent abandonment of immigration limitations at the very time when vast and unprecedented population pressures, abroad and at home, are making such limitations most necessary.

Competent students of the demographic problem are wondering today if the United States has the area and resources to support the native-born population that will be ours, and to maintain our standards of living, a few years from now, even if immigration were abolished entirely.

Last August, on the basis of official statistics, U. S. World & World Report presented an analysis of our domestic situation.

In only 18 years, it said, this country will have a population increase of 60 million persons—an increase greater than the present populations of the British Isles, France, West Germany, Italy or Spain. Our 1975 population will be 227 million, without immigration.

POPULATION SWELLING

At the same time, world population is swelling still more amazingly, according to a United Nations survey.

In 4 years (1951–55) world population grew from 2,519,000,000 to 2,691,000,000. The increase alone—172 million—exceeded the present population of the United States.

World population will be more than 3 billion in 10 years; unless checked, it will be 6 billion by the end of this century, and 13 billion in the year 2050.

The biggest growth is in overpopulated, underdeveloped regions, where few people are enjoying a decent standard of living and where the poor may be growing ever poorer.

"Unfortunately," the U. N. bulletin commented, "rapid population growth itself hinders programs of economic and social development in those areas."

All this presages vast migrations in a near future from overpopulated continents, if the migrants can find places to go; and hundreds of millions of them will want to come into this country, which itself is becoming densely crowded.

Obviously, the United States must rigorously maintain the principle of selective and restrictive immigration and restore the protective-tariff system—otherwise, the socialistic idea of free movement of goods and persons will simply alienize America instead of Americanizing aliens.

Mr. MALONE. Mr. President, I also ask unanimous consent to have printed in the RECORD, as a part of my remarks, the letter, dated February 18, 1958, sent to me by Mr. E. F. Tompkins.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NEW YORK JOURNAL-AMERICAN,
New York, N. Y., February 18, 1958.

Hon. GEORGE W. MALONE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: I acknowledge with sincere thanks your letter of February 6.

It relates to an editorial article published in the Journal American on February 6. Actually, that article was 1 of 5 on tariffs: attached is a reproduction of all 5.

The essential point which seems to be overlooked generally, and which I think you can emphasize, is this:

The free-trade movement is not a separate entity. It is related in this country to the opposition to immigration regulations, and both by adoption or devolution are parts of the world government movement.

Free traders do not seem to know that they have become passengers on a Marxist bandwagon. They are confused by their own special interests and an agreeable international economic philosophy which really belongs to their sociological enemies.

Advocates of more liberal immigration policies are concerned about temporary distresses in other countries and are unwilling or unable to look ahead for 25 to 50 years with respect to this country.

What we need is an American policy, comprising (a) a protective tariff system, and (b) selective and restrictive immigration laws. The combination wil keep us from importing mass unemployment and an excessive unassimilable population, and from being merged in world government.

If you accept these ideas, and can popularize them, you may be called a great American.

Sincerely,

E. F. TOMPKINS.

Mr. MALONE. Mr. President, the reprint to which I have referred shows that when I addressed the Senate on that occasion, I also said—as appears at page 37 of the reprint:

FREE TRADE AND FREE IMMIGRATION

It is an interesting situation to find Congress overriding the President's veto of the immigration bill, which restricts the importation of labor, while on the other hand the same Congress is in accord with the trade agreement policy, which imports cheap raw materials to break down our price level and take away jobs from our own workers.

The junior Senator from Nevada yesterday voted to override the President's veto, because he is against importation of large numbers of cheap foreign labor from Europe and Asia. On the other hand, he also votes against free trade, which brings products of those same people into this country to compete with the higher wage standard of living of American workers.

The junior Senator from Nevada has said many times that one cannot consistently vote for free trade and vote against free immigration.

I commend this series of fine articles to the Members of the Senate and House for study and reflection.

Members of Congress must realize that this pincers movement to destroy our workingmen and investors is of many parts—only one of which is presented to Congress at a time.

RACIAL INTEGRATION IN THE SCHOOLS

Mr. THURMOND. Mr. President, in this afternoon's edition of the Washington Evening Star there appears an Associated Press news article, datelined at Little Rock, Ark., under the headline "Little Rock Asks Court To Suspend Integration."

The article reports that the Little Rock School Board has asked the Federal district court to permit it to suspend racial integration at Central High School.

Mr. President, the folly of forced racial integration has been clearly demonstrated.

I hope the Federal district court will realize now that it was wrong last September in insisting on immediate compliance with its integration order.

I hope, too, that the administration in Washington has learned that the use of Federal troops for local police duty can only stir up bitterness and resentment.

At a later date, I shall have more to say on this subject on the Senate floor. The action of the Federal administration in this matter was illegal and irrational.

I ask unanimous consent that the article from the Evening Star be included in the body of the RECORD, as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LITTLE ROCK ASKS COURT TO SUSPEND INTEGRATION

LITTLE ROCK, ARK., February 21.—The city school board asked a Federal court yesterday to suspend racial integration at Central High School.

A strongly worded petition requested United States District Court to stay an order that allowed 9 Negro students to enter the previously all-white school last fall.

The petition virtually said that opposition to integration had made normal school conditions at Central High impossible. It said the school district, in its respect for the law of the land, was "left standing alone, the victim of extraordinary opposition on the part of the State government and apathy on the part of the Federal Government."

TERMS OF SUSPENSION

Suspension of the board's integration plan, which was put into effect under the protection of Federal troops last September, was asked until:

1. There is a clear definition of the concept "all deliberate speed" in the United States Supreme Court's 1954 ruling on school desegregation.

2. There are effective legal procedures by which the schools can be integrated without impairment of the quality of the educational program.

SERIES OF CLASHES

A series of racial clashes has occurred at Central High in recent months and Minnie Jean Brown, one of the Negro pupils, was expelled from the school last Monday for the rest of the current semester.

Minnie Jean, who plans to enter an interracial school in New York Ctiy, is the only Negro either expelled or suspended over racial incidents. Several whites have been suspended.

Gov. Orval E. Faubus said last night that he approved the board's action.

Virgil T. Blossom, superintendent of the school, said the status of the 8 Negroes now attending 2,000-pupil Central High remains unchanged pending possible court action.

United States District Judge Ronald N. Davies, of Fargo, N. Dak., holds jurisdiction in the integration case. Judge Davies enjoined Governor Faubus last fall from interfering with integration and rejected an earlier school board request for a stay in the integration order.

ADJOURNMENT UNTIL MONDAY

Mr. THURMOND. Mr. President, in accordance with the order previously entered, I move that the Senate now adjourn.

The motion was agreed to; and (at 4 o'clock and 10 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until Monday, February 24, 1958, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate February 21 (legislative day of February 19), 1958:

COAST AND GEODETIC SURVEY

Subject to qualifications provided by law, the following for permanent appointment to the grades indicated in the Coast and Geodetic Survey:

To be lieutenant

Clifford W. Tupper.

To be ensigns

Edward R. Babenco	Harold E. McCall
Anders E. Beyer	Wayne L. Mobley
Glenn DeGroot	Gordon N. Orr
Martin T. Egan	John S. Scarborough
David L. Kelley	Arthur E. Stark, Jr.

IN THE AIR FORCE

The officers named herein for appointment as Reserve commissioned officers in the United States Air Force under the provisions

of section 8351, title 10, United States Code, and the Reserve Officer Personnel Act of 1954:

To be major generals

Brig. Gen. Clarence A. Shoop, AO341066, California Air National Guard.

Col. Emanuel Schifani, AO663100, New Mexico Air National Guard.

To be brigadier generals

Brig. Gen. Edsel O. Clark, AO1699452, Ohio Air National Guard.

Col. John M. Campbell, AO355733, Nebraska Air National Guard.

Col. Alma G. Winn, AO264476, Utah Air National Guard.

Col. Frank A. Bailey, AO429343, Arkansas Air National Guard.

Col. Holt Atherton, AO430076, Texas Air National Guard.

Col. John P. Gifford, AO949201, Tennessee Air National Guard.

Col. Charles H. DuBois, Jr., AO429378, Missouri Air National Guard.

Col. George R. Doster, Jr., AO815665, Alabama Air National Guard.

Col. John H. Gibson, AO298256, Tennessee Air National Guard.

Col. Charles W. Sweeney, AO430633, Massachusetts Air National Guard.

Col. Philip E. Tukey, Jr., AO393591, Maine Air National Guard.

Col. Bernard M. Davey, AO801258, Georgia Air National Guard.

Col. James C. Grizzard, AO426152, Georgia Air National Guard.

CONFIRMATION

Executive nomination confirmed by the Senate February 21 (legislative day of February 19), 1958:

DISTRICT OF COLUMBIA

Harold A. Kertz, of the District of Columbia, to be a member of the Public Utilities Commission of the District of Columbia for the remainder of the term expiring June 30, 1959.

EXTENSIONS OF REMARKS

Service Rendered by the DAV

EXTENSION OF REMARKS
OF
HON. CHARLES E. POTTER
OF MICHIGAN
IN THE SENATE OF THE UNITED STATES
Friday, February 21, 1958

Mr. POTTER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement I have prepared relative to service rendered by the DAV.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR POTTER

As a life member of the DAV, I was impressed by the following statements in the editorial in the January 30, 1958, issue of its official publication:

"We also say adios to the DAV semimonthly and its 37 years of service to the DAV and to America's disabled veterans and bid welcome and success to the DAV Monthly and its 1958 news policy. Our paper is being changed to 12 issues a year in place of the 22 of the past for several reasons, including economy."

Particularly significant were the expressions "its 37 years of service to the DAV and to America's disabled veterans" and "for several reasons, including economy." Why should economy need to be a primary reason for such change, in view of its long period of service since its formation in 1920, which has so substantially benefited all of America's compensated disabled veterans—some 2 million—and their dependents.

All social-minded and patriotic Americans should be concerned about any diminishment of the DAV rehabilitation service program, as repeatedly emphasized by various Congressmen in their statements in the CONGRESSIONAL RECORD, as follows:

"Americans who help to provide security for America's disabled defenders thereby help to provide security for America." (Senator Homer T. Bone, of Washington, July 17, 1941.)

"Helping disabled veterans to help themselves and getting the help of the Nation for those who need help—a big dividend-paying investment in real Americanism—is the self-appointed task of the DAV." (Representative Andrew Edmiston, of West Virginia, September 24, 1942.)

"Seeing to it that America's disabled war veterans are adequately provided for is a big investment in the future patriotism of our youth. Providing adequately for the Nation's defenders is an investment in patriotism which brings huge dividend returns to every community, to every State, and to our country." (Representative Raymond S. Springer, of Indiana, May 27, 1943.)

"By promoting and providing for the welfare of America's disabled defenders and their dependents we thereby help to promote, protect, and preserve America and its democratic institutions. (Representative THOMAS E. MARTIN, of Iowa, July 7, 1943.)

"It is significant to remember, I believe, that an important factor in our all-out war efforts is for America adequately to provide for its present defenders, and their dependents, as well as for its disabled defenders and their dependents." (Representative OVERTON BROOKS, of Louisiana, December 14, 1943.)

"The determination of the DAV to see to it that America's disabled veterans are adequately provided for should be supported as a public investment in the future patriotism of our youth, and is practical patriotism which brings huge humanitarian and financial dividends to every community, to every State, and to our country." (Representative Walter G. Andrews, of New York, May 9, 1944.)

"It is definitely in the interest of all Americans that the fight for justice must be made for those who have sacrificed their youth and a part of their bodies or their health in our country's most hazardous occupation, its military and naval services during time of war." (Representative Joe Starnes, of Alabama, June 23, 1944.)

"Active servicemen, discharged veterans, and the dependents of veterans, have the privilege of requesting needed advice and assistance from the service officers of the several Congressional chartered service organizations: The Disabled American Veterans—referred to as the DAV—which is composed exclusively of American citizens who have been either wounded, gassed, injured, or disabled while serving honorably in the Armed Forces of the United States, or of some country allied with it, during time of war." (Representative JOHN LESINSKI, of Michigan, June 23, 1944.)

"Only through the active support of civic, business, and social leaders can the DAV realize the full success of its human and economic reconstruction program on behalf of our disabled ex-servicemen." (Senator ALEXANDER WILEY, of Wisconsin, July 2, 1945.)

"Americans who have sacrificed their bodies or their health to preserve the American way of living, deserve richly an opportunity for themselves to live a normal American life." (Senator Edwin C. Johnson, of Colorado, November 6, 1945.)

"The welfare of America's disabled defenders is inevitably linked with our country's future welfare and security, because our country's potential future war veterans will naturally be impressed by the fact that our Nation enables its disabled war veterans to become useful civilians." (Representative CHARLES E. BENNETT, of Florida, May 29, 1956.)

"Mr. Speaker, Americans who are grateful for the sacrifices of America's disabled defenders, of parts of their bodies or of their health, will generously support the vitally important service program sponsored by the Disabled American Veterans Service Foundation and so effectively operated by the Congressionally chartered 36-year-old (now 38) Disabled American Veterans—DAV." (Representative LAURENCE CURTIS, of Massachusetts, July 27, 1956.)

Very heartily do I concur with all of such statements. Because America's possible future war veterans will naturally be impressed if our country does not permit its disabled defenders to become mere forgotten heroes, but enables them to become self-sustaining tax-paying civilians, the future welfare and security of our country is inevitably linked up with the welfare of its disabled war veterans and their dependents.

Chartered by special act of Congress, the DAV was formed in 1920, to extend free expert, personalized rehabilitation assistance to, for, and by America's disabled defenders—to help them to help themselves.

Governmental benefits for handicapped war veterans are not automatically awarded. More claims have been denied than granted by the United States Veterans' Administration. Expert advice from an experienced service officer, who knows what is required, under many complicated laws, to justify favorable decision by the VA, is sorely needed by the average disabled veteran as to his claims for service connection, disability compensation, hospitalization, medical treatment, prosthetic appliances, vocational training, etc. Scores of thousands of disillusioned, disabled veterans are thus assisted each year in the proper preparation and presentation of their worthy claims for various governmental benefits—legally available only under certain conditions.

Because it must act as judge and jury, in effect, in deciding whether evidence submitted is sufficient proof of entitlement, the United States Veterans' Administration recognizes that the accredited service officers of service organizations can, and do, thus perform a very valuable service, and therefore furnishes office space to them, and the authority to look through official claim folders.

Because the DAV has less than 200,000 dues-paying members—less than 10 percent among the some 2 million American war veterans in receipt of monthly disability compensation checks—it has been enabled to maintain its nationwide setup of full-time service officers only by reason of the support

of social-minded Americans. Very helpful have been their donations, in response to their receipt of miniature automobile license tags, which have enabled the DAV to return about 100,000 sets of lost keys each year to their owners.

Unfortunately, because the DAV has not received enough of such donations, its nationwide staff of full-time national service officers has been gradually reduced from 450, the high figure in 1948, to about 150 at the present time.

The DAV deserves and needs more generous donations to enable it to extend much needed personalized services to many more scores of thousands of discouraged disabled veterans, including those who receive medical treatment in the some 170 hospitals of the United States Veterans' Administration—most of whom have not yet established the service connections of their disabilities.

The DAV itself owns and operates its Ident-O-Tag project at its National Headquarters at 5555 Ridge Avenue, Cincinnati, Ohio, mostly with handicapped veterans, their wives, widows, and other handicapped Americans, directly under DAV National Adjutant Vivian D. Corbly. A wounded veteran of World War II, Paul E. Frederick, Jr., of Cincinnati, is the present National Commander.

DAV National Service Officers serve under its National Director of Claims, Cicero F. Hogan. Located in DAV National Service Headquarters at 1701 18th Street NW., Washington, D. C., he also has a large staff of expert service officers to assist claimants as to their appeals to the Central Office of the Veterans' Administration.

Also located there are the Assistant National Director of Claims, Chester Cash; the DAV National Legislative Director, Maj. Omer W. Clark, former Deputy Administrator of Veterans' Affairs; his able and affable assistant, Elmer Freudenberger, also a former VA official; and John W. Burris, the DAV's National Director of Employment and National Civil Service Officer.

Although all DAV National Service Officers are grossly underpaid, they continue to serve because of their devotion to the welfare of less fortunate war veterans who have sacrificed a part of their bodies or their health, to protect our American way of living. The DAV has, unfortunately, needed to practice economy, at their expense—and now further economy with its national publication—in order to be able, with limited funds, to continue to serve as many war-handicapped veterans and their dependents as possible.

Such gradual decrease in the number of its full-time service officers has occurred notwithstanding the fact that, during the last 10 years, it has received appropriations aggregating $3,240,000 from its incorporated trustee, the Disabled American Veterans Service Foundation, 631 Pennsylvania Avenue NW., Washington, D. C.

The depleted reserves of the DAV Service Foundation can again be built up by more considerate supporters by their designations in insurance policies, assignments of certificates of stocks and bonds, bequests in wills, irrevocable trusts—which can reduce their taxes and increase their own future incomes—and by the establishment of Perpetual Rehabilitation Funds in multiples of $100—spontaneously started by some concerned disabled veterans in Montana recently—as to which only the interest earnings are available for appropriation to the DAV for its use in maintaining service offices in the State of origin thereof.

Ranging from $100 to $1,000, so far, each Perpetual Rehabilitation Fund is listed on a Memorial Honor Roll in the order in which received, with the name and State of location of each benefactor. Such benefactors include disabled veterans, DAV departments, chapters, and auxiliary units, and an increasing number of patriotic Americans.

An updated Memorial Honor Roll of Perpetual Rehabilitation Funds will be included in each DAV annual report to the United States Congress, which is then printed as a House Document by the United States Government Printing Office.

More and more social-minded Americans can thus perpetuate their concern for America's disabled defenders. Such reserve funds can thus gradually accrue, so as to assure future DAV ability to continue to maintain much needed rehabilitation service in each State.

Incidentally, the DAV Service Foundation is governed by 13 trustees, all prominent in and outside the DAV, including a Congressman; a retired Air Force general; a banker; a judge; a New York City police supervisor; a personnel expert for a large oil company; 3 lawyers; a general construction contractor; an undertaker; a National Service Officer; and a general insurance agent, John L. Golob, of Hibbing, Minn., who is the President and Chairman. Five of them are DAV past national commanders, as is also its Executive Secretary.

Donations to the DAV Service Foundation—toward support of its sponsored service program, as operated on a nationwide basis by the Congressionally chartered DAV—constitute investments in the future security of America which will bring huge dividend returns to many more distressed and disabled war veterans and their dependents, to their communities and their States, and to our country.

Euthusiastic Reaction to Senator Wiley's Special Report to Wisconsin Students

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Friday, February 21, 1958

Mr. WILEY. Mr. President, America must have better-trained, better-educated youngsters. This is the unanimous opinion voiced throughout the land.

America's educational system, its library system, are challenged as never before in our history to help equip youngsters for the complex problems of this space age.

Better training in science, better training in the liberal arts and the humanities—these have become musts if this Republic is to endure.

In order to do my part to help stimulate youngsters' thinking about their future careers, I have been happy to send out a special two-page report. It is addressed directly to high school and junior high school students of my State.

I am more than pleased to say that the response to this report has been perfectly wonderful.

Literally thousands of copies have been requested and distributed to interested teen-agers.

School principals, superintendents, librarians, guidance, and personnel officers of schools, parents, and others, have written in, stating how much they appreciated the report.

I mention this now not from a personal standpoint of taking any particular credit.

Rather I mention it because this report, or any comparable report sent out by other Members of the Congress, will help to fill a great need.

The youngsters of this land are ready, willing, and eager to receive such reports, and to respond to this challenge.

It is up to us to give them the wherewithal to do so.

The youngsters of America are not lazy. They are not indifferent to the needs of this country.

If we, their teachers, their parents and grandparents, stimulate our children, if we inspire them, if we give them helpful advice, then the youngsters will respond adequately.

Let us not criticize the teen-agers, let us help them.

I send to the desk now two items. The first is the actual text of my report on careers to the youngsters.

The second is a series of excerpts from a few of the many Wisconsinites who have responded so graciously to this report.

I may say that all of these messages from library and school officials are spontaneous; none were solicited; all of them are appreciated.

I ask unanimous consent that both items be printed in the CONGRESSIONAL RECORD.

There being no objection, the letters and excerpts were ordered to be printed in the RECORD, as follows:

SENATOR WILEY'S SPECIAL LETTER TO WISCONSIN STUDENTS ABOUT CHOOSING THE RIGHT JOB SO AS TO SERVE AMERICA AND YOURSELF

Someday, one of you reading this very letter, may be United States Senator from Wisconsin.

One of you may be in our House of Representatives. One of you may have succeeded Gov. Vernon Thomson, as chief executive of our State in Madison.

Perhaps others among you will include a future mayor of your hometown, a member of the State legislature from your area. Others of you may be in the executive branch of our Government in Washington or be leaders in our Armed Forces.

There are, among you, also, future scientists, lawyers, doctors, nurses, engineers, and every other calling known to man.

The purpose of this letter is to urge you to achieve the best that is within you by making the most of your education.

You have almost unlimited opportunities in this wonderful country of ours.

You are growing up in a great State. Some day, it may look to you—I mean you—as one of its finest citizens.

But, whether you personally become famous or not, a whole lifetime of opportunity and growth lies before you.

You can bring untold happiness to yourself, your mother and father, to other members of your family, to your teachers, and your friends.

"DISCOVER YOURSELF" AND USE YOUR TALENT

How? By doing the most important two things that anyone of us can do in this world: "Discover yourself" and then "do the very best with what you discover."

You, personally, have hidden talents and abilities which you have probably only begun to explore. In the years up ahead, there is probably some particular job, some profession, which you can perform better than almost any other kind of skill.

Your goal should be to find that type of work—the highest type—for which you are best suited. (Not the easiest type of work, nor even the best paying, but the kind that

will give you the most satisfaction and that will utilize the best that is within you.)

Far more important than simply making a living, is to make a whole life. In other words, develop your appreciation of the good things of life. All around you and me there are constructive things going on. There is goodness and honesty, purity and beauty, wholesome pleasures, and constructive activities. Participate in them and contribute to them.

Remember this, too: These days, as you know, your country urgently needs able citizens more than ever before.

We are in a tough, technical race with Soviet Russia. Victory in this race depends on you.

YOUR RUSSIAN COMPETITORS

On the other side of the world, there are youngsters, very much like you, studying in the Soviet school system. Those youngsters work very hard at school and after school. Many of them are studying science. When they grow up, they will help determine whether their country, Russia, is ahead of our country; not only in military affairs, but in civilian science, in industry, agriculture, and every other pursuit.

It is up to you to compete successfully with them.

But unlike them, you are going to have to compete—not being ordered to do so, but by your own self-determination and patriotism.

You are infinitely freer than a Soviet youngster. You have far more voluntary choices.

But you should use your freedom wisely. Please don't fritter it away. For example, don't just take easy courses, or read easy books, because they are snaps. Don't just try for passing grades.

Remember that the harder you work, the harder you study, the more you will tend to learn. And the greater will be the dividends to yourselves and to your country.

TWO FREE PRICELISTS OF JOB PUBLICATIONS

I want to mention now that your Federal Government has made available a number of publications which may help you to find your way in life. Two of these publications are free. They may be obtained by writing to my home office: 119½ Bridge Street, Chippewa Falls, Wis. Here they are:

1. Occupations—Professions and Job Descriptions. (An 11-page list issued by the Government Printing Office. It sets forth scores of booklets about different types of professions. Most of these booklets can then be obtained by sending 5 cents each to the Government Printing Office, or, sometimes 10 cents or 25 cents.)

2. Occupational Outlook. (A 2-page leaflet also published by the Government Printing Office. It lists publications also available for 5 cents, 10 cents, or so. Each describes the actual job outlook for jobs ranging from architects to diesel mechanics, draftsmen, lawyers, librarians, and others.)

3. Here is a third—available for a dime. How To Get and Hold the Right Job. (A splendid 19-page publication issued by the United States Employment Service. This can be purchased directly from the Superintendent of Documents, United States Government Printing Office, Washington, D. C.)

SEEK SOUND ADVICE

Even better help that is provided in these publications can come to you from person-to-person talks with people whose judgment you should respect. In this library, where you pick up this letter, is your friend—your librarian, who can be a most helpful aid to you. Your library itself represents an invaluable accumulation of the experience and the wisdom of vast numbers of people over a long period of time.

Your teachers can provide excellent counsel for you. Teachers have been wonderful sources of inspiration for most of us. Naturally, your parents, who know you so well, may give you the personal kind of guidance which almost no one else can possibly match.

Don't hesitate to consult with your clergyman, too. He can see in you, and in life, itself, very important things which might otherwise miss the attention of others.

Great opportunity lies before you. For your own good, for the good of those who love you and whom you love and respect, plan to make the most of your life.

Remember, however, that there are very few things that are worthwhile which don't require work—hard work, and lots of it. Many good things don't come easily. They come from long preparation, from devotion, from sacrifice.

That is why I hope you will work hard in your studies, so as to make the most of yourselves. I have faith in you.

One of you is going to occupy my job some day. One of you in our State may even be in the White House as the No. 1 citizen of our land. Why not?

There is no limit to the good you can accomplish if you set your mind to it and if you pick the right path.

Good luck, and let me hear from you.

Sincerely yours,

ALEXANDER WILEY.

GRASSROOTS REACTIONS TO SENATOR WILEY'S REPORT TO TEEN-AGERS ON SELECTING THE RIGHT CAREER

Thank you so much for your inspiring special letter for students. Please send 500 copies for distribution to all our students. (The Arrowhead High School, Hartland, Wis.)

Thank you so much for the wonderful letter you wrote to Wisconsin students. We greatly appreciate it. (Westboro Public School, Westboro, Wis.)

Will you kindly send 35 copies of your letter to Wisconsin students? I think it is very worthwhile and would like to place one in the hands of each of my social studies students. (Amberg, Wis.)

I have just completed reading your special letter to Wisconsin students concerning their choosing the right job. I am very much impressed by this letter and would like at least 50 more copies. (De Pere public schools, De Pere, Wis.)

Thank you for your letter about choosing the right job. May we have about 60 more copies? Our guidance leader is much impressed with your letter. (Durand High School, Durand, Wis.)

Thank you for your special letter to Wisconsin students. If possible, I would like enough copies so that each of our juniors and seniors may have one. (Tomorrow River Schools, Amherst, Wis.)

I shall be very happy to distribute copies of your wonderful letter of advice to students. It is most important today that we awaken our students to the seriousness of the business at hand. (Unity School District, Balsam Lake, Wis.)

After reading your special letter to Wisconsin students and the sound advice it contains, our librarian and I feel that it will be of great benefit to our students. It contains much the same advice that we constantly try to put across to our students, but coming from you it will carry the added prestige of your high office and they will perhaps be more attentive to it. I am sure it will be very helpful. Thank you for your generous interest. (Coleman public schools, Coleman, Wis.)

We would be especially pleased to have additional copies of your special letter to Wisconsin students. And thank you so much; we feel it to be very worthwhile and who knows what spark it may kindle. (Matheson Memorial Library, Elkhorn, Wis.)

Your special letter to Wisconsin students interested me because of its excellent guidance point of view. (Menasha High School, Menasha, Wis.)

We feel this letter is extremely helpful to us in working with our ninth-grade pupils in helping them to plan for the future. (Lincoln ninth-grade advisers, Lincoln Junior High School, Beloit, Wis.)

Please send us 50 letters of special letter to Wisconsin students for our senior class. (Cornell, Wis.)

SENATE

MONDAY, FEBRUARY 24, 1958

Rev. Everett K. Brown, minister, Mount Vernon Presbyterian Church, Alexandria, Va., offered the following prayer:

O God, who art infinite, eternal, and unchangeable; Thou who art the same yesterday, today, and forever: We confess our unworthiness to seek Thy help, for at best we have been unprofitable servants, and there is no good thing dwelling within us. Yet we rejoice in the knowledge that by Thy grace Thou art now willing and able to grant us Thy holy spirit, if we but ask with humble and believing hearts.

We pray, O God, that Thou wilt bring us to our knees and humble us, that we may know our need for Thee and our absolute dependence upon Thee.

Quicken within each of us, O God, a consciousness of our duty and our responsibility to Thee.

Open our minds to the counsels of Thine eternal wisdom.

Make us ever willing to follow the leading and the guiding of Thy holy spirit.

Grant to us now the consciousness of Thy presence, which can enable us at all times to stand without fear, and with courage for what is true and what is right.

Breathe into our souls Thy peace, which passeth all understanding.

We make this prayer in the name and for the sake of Jesus Christ, our Lord and our Saviour. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Friday, February 21, 1958, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF JOINT RESOLUTION AND BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following joint resolution and acts:

On February 20, 1958:

S. J. Res. 39. Joint resolution to authorize the construction of certain water conservation projects to provide for a more adequate

supply of water for irrigation purposes in the Pecos River Basin, N. Mex. and Tex.

On February 22, 1958:

S. 1040. An act to amend the acts known as the Life Insurance Act approved June 19, 1934, and the Fire and Casualty Act, approved October 9, 1940; and

S. 2920. An act to provide for small-business disaster loans in areas affected by excessive rainfall.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

LEAVE OF ABSENCE

Mr. JOHNSON of Texas. Mr. President, I should like to make two procedural requests, if I may have the attention of the minority leader. I am sure he will have no objection.

I ask unanimous consent that the Senator from Florida [Mr. HOLLAND] be given leave of the Senate today and tomorrow.

The VICE PRESIDENT. Without objection, it is so ordered.

AUTHORITY FOR MR. WILLIAM T. HEFFELFINGER TO BE PRESENT ON SENATE FLOOR DURING CONSIDERATION OF DEBT LIMIT INCREASE BILL

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that Mr. William T. Heffelfinger, fiscal assistant of the Treasury, be permitted to sit on the Senate floor while the debt limit increase bill is under consideration.

I may say that this request is made at the instance of the distinguished chairman of the Committee on Finance [Mr. BYRD].

The VICE PRESIDENT. Without objection, it is so ordered.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. JOHNSON of Texas. Mr. President, under the rule, there will be the usual morning hour, for the introduction of bills and the transaction of other routine business. In that connection, I ask unanimous consent that statements be limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

ORDER DISPENSING WITH CALL OF THE CALENDAR

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the call of the calendar be dispensed with.

The VICE PRESIDENT. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1568) to direct the Secretary of the Interior to convey certain public lands in the State of Nevada to the Colorado River Commission of Nevada acting for the State of Nevada.

The message also announced that the House had agreed to the concurrent resolution (S. Con. Res. 66) authorizing the enrollment, with certain changes, of the bill (S. 1805) for the relief of Acme Bag & Burlap Co. and others.

The message further announced that the House had agreed to the amendments of the Senate to the following joint resolutions:

H. J. Res. 417. Joint resolution for the relief of Mrs. Sabastiano Poletto, Hideo Konya, Edward H. Turri, and Mario Guiffre;

H. J. Res. 429. Joint resolution to facilitate the admission into the United States of certain aliens;

H. J. Res. 435. Joint resolution for the relief of certain aliens;

H. J. Res. 436. Joint resolution to facilitate the admission into the United States of certain aliens; and

H. J. Res. 437. Joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 969. An act to prescribe the weight to be given evidence of tests of alcohol in the blood, urine, or breath of persons tried in the District of Columbia for certain offenses committed while operating vehicles; and

S. 1805. An act for the relief of Acme Bag & Burlap Co. and others.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REMOVAL OF REQUIREMENT THAT PRESIDENT AND SENATE APPROVE DETAILING OF CERTAIN NAVAL OFFICERS

A letter from the Assistant Secretary of the Navy (Personnel and Reserve Forces), transmitting a draft of proposed legislation to remove the requirement that the President and the Senate must approve the detailing of retired naval officers to command when recalled to active duty, and for other purposes (with an accompanying paper); to the Committee on Armed Services.

PARTICIPATION IN MEETING COSTS OF MAINTAINING THE NATION'S CAPITAL CITY

A letter from the President, Board of Commissioners, District of Columbia, Washington, D. C., transmitting a draft of proposed legislation authorizing the Commissioners of the District of Columbia to borrow funds for capital improvement programs and amending provisions of law relating to Federal Government participation in meeting costs of maintaining the Nation's Capital City (with accompanying papers); to the Committee on the District of Columbia.

EXTENSION OF CERTAIN FUNCTIONS OF SECRETARY OF THE INTERIOR

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation providing for the extension of certain authorized functions of the Secretary of the Interior to areas other than the United States, its Territories and possessions (with an accompanying paper); to the Committee on Interior and Insular Affairs.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. JOHNSTON of South Carolina and Mr. CARLSON members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A concurrent resolution of the Legislature of the State of South Carolina; to the Committee on Agriculture and Forestry:

"Concurrent resolution memorializing Congress to enact legislation to provide for dairy support prices

"Whereas on December 18, 1957, Secretary of Agriculture Benson announced that dairy price supports for the marketing year beginning April 1, 1958, will be at 75 percent of parity; and

"Whereas the 75 percent of parity will result in a decrease to approximately $3.02 a hundredweight for 3.95 percent butterfat milk from the current support price of $3.25; and

"Whereas this decrease will reduce dairy income in the State of South Carolina approximately $1,500,000; and

"Whereas on January 16, 1958, the President of the United States in his message to the Congress of the United States for a revised farm, food, and fiber program, recommended that the dairy price support should be determined administratively between 60 and 90 percent of parity; and

"Whereas the recommended minimum of 60 percent of parity will result in a decrease to approximately $2.37 a hundredweight for 3.95 percent butterfat milk from the current support price of $3.25; and

"Whereas this decrease will reduce dairy income in the State of South Carolina approximately $5,280,000: Now, therefore, be it

"Resolved by the house of representatives (the senate concurring), That the General Assembly of the State of South Carolina does hereby memorialize and petition, and does respectfully urge the Congress of the United States to enact legislation to provide that the dairy support price for the marketing year starting April 1, 1958, shall be not less than the current $3.25 a hundredweight for 3.95 percent butterfat milk and the Secretary of Agriculture shall use a parity equivalent for manufacturing milk based on the 30-month period July 1946 to December 1948, both inclusive; be it further

"Resolved, That the secretary of the senate transmit a duly authenticated copy of this

resolution to the President of the United States Senate, to the Speaker of the United States House of Representatives, and to each member of the South Carolina delegation in Congress."

A concurrent resolution of the Legislature of the State of South Carolina; to the Committee on Appropriations:

"Concurrent resolution expressing the concern of the general assembly at the inequitable and unjust administration of the soil-bank program, and requesting Congress to appropriate funds to meet the Secretary of Agriculture's obligation to the farmers of South Carolina

"Whereas the farmers of South Carolina and the industries affected thereby have been seriously harmed as a result of the inequitable and irresponsible administration of the soil-bank program by Secretary Benson and the Republican administration; and

"Whereas the allocation of the public funds under the soil-bank program was handled in a highly misleading and unjust manner, and Secretary of Agriculture Benson, through publications and otherwise, has caused many farmers of the State to be lulled into a false sense of assurance that all who applied for soil-bank benefits would be accepted and that sufficient funds would be available to cover same; and

"Whereas many farmers applied within the first few days applications could be filed and have taken steps to place all or major portions of their crops in the soil-bank program and it is now too late to get out of the program: Now, therefore, be it

"Resolved by the senate (the house of representatives concurring), That the General Assembly of South Carolina expresses its deep concern in the manner of the administration of the soil-bank program and demands that the Secretary of Agriculture administer the program on a fair and equitable basis; be it further

"Resolved, That the Congress of the United States is requested to immediately appropriate sufficient funds to provide payment to all farmers who have applied for participation in the soil-bank program and stop the irresponsible and inequitable handling of that program; be it further

"Resolved, That a copy of this resolution be forwarded to the Speaker of the House of Representatives of the United States, the President of the Senate of the United States, the two United States Senators from South Carolina and the Members of the House of Representatives from South Carolina in the Congress of the United States, Secretary of Agriculture Ezra Taft Benson, and the Honorable D. D. Eisenhower, President of the United States of America."

A concurrent resolution of the Legislature of the State of New Hampshire; to the Committee on the Judiciary:

"Concurrent resolution memorializing the Congress of the United States to propose an amendment to the Federal Constitution relative to the imposition and collections of taxes on income by the States

"Whereas citizens of New Hampshire residing within this State but employed in the States of Vermont and Massachusetts are now imposed upon by being forced to pay income taxes to those States; and

"Whereas United States Senators STYLES BRIDGES and NORRIS COTTON, of New Hampshire, have joined with United States Senators from other States in proposing an amendment to the Federal Constitution to end the imposition of income taxes by one State upon the residents of other States: Now, therefore, be it

"Resolved by the Senate of the State of New Hampshire (the House of Representatives concurring), (1) The Congress of the United States is hereby memorialized to propose an amendment to the Federal Constitution by adding a new article to the amendments by which the several States would have no power to impose and collect taxes on income from whatever source derived except in respect to residents of the State imposing the tax; and be it further

"Resolved, That the secretary of state be instructed to forward a copy of this concurrent resolution to the President of the United States, the Vice President of the United States, the Speaker of the House of Representatives, and to each Member of the United States Senate.

"W. DOUGLAS SCAMMAN,
"Speaker of the House of Representatives.
"ERALSEY C. FERGUSON,
"President of the Senate."

A resolution of the Senate of the Commonwealth of Kentucky; ordered to lie on the table:

"Resolution memorializing the Congress of the United States to place the proposed postal rate increases on the classes of mail presently losing money

"Whereas the Senate Post Office Committee by a vote of 7 to 6 on Thursday, February 20, 1958, approved a bill which would increase the postal rates for first-class letters mailed out of town to 5 cents per letter, local first-class letters to 4 cents per letter, airmail letters to 8 cents per letter, and would increase by 30 percent the rate for second-class mail; and

"Whereas the proposed bill continues to favor the users of third- and fourth-class mail at the expense of the users of first- and second-class mail; and

"Whereas it is the third- and fourth-class types of mail which are primarily responsible for the deficit operation of the United States postal service; and

"Whereas the taxpayers and ordinary users of the mail under present rates are forced to subsidize certain types of mail-order businesses and periodicals; and

"Whereas the bill approved by the Senate Post Office Committee would not only continue this forced subsidization by the taxpayers and ordinary users of the mail, but would further increase this unfair burden: Now, therefore, be it

"Resolved by the Senate of the Commonwealth of Kentucky—

"SECTION 1. That the Congress of the United States is urged to place the proposed increases in postal rates on the classes of mail presently causing the deficit operation of the United States Post Office Department.

"SEC. 2. Should the Congress of the United States impose any increases in the postal rates, it is requested they be imposed on third and fourth classes of mail thereby relieving the excessive burden of subsidizing these types of mail from the taxpayers and ordinary users of the mail.

"SEC. 3. That the clerk of the senate is directed to forward copies of this resolution, duly authenticated, to the President and Chief Clerk of the United States Senate, to the Speaker and the Chief Clerk of the United States House of Representatives, to each of the Senators and Representatives from Kentucky now serving in the Congress, and to the Postmaster General of the United States."

A resolution adopted by the California Newspaper Publishers Association, Inc., of San Francisco, Calif., relating to freedom of information, and the free interchange of newsmen with other nations of the world; to the Committee on the Judiciary.

A resolution adopted by Licking Aerie 387, Fraternal Order of Eagles, Newark, Ohio, favoring the enactment of the bill (S. 3188) to prohibit discrimination because of age in the hiring and employment of persons by Government contractors; to the Committee on Labor and Public Welfare.

A resolution adopted by the board of directors of the Chamber of Commerce of Honolulu, T. H., favoring early completion of the improvements to Kahului Harbor, T. H.; to the Committee on Public Works.

RESOLUTION OF GENERAL ASSEMBLY OF THE STATE OF GEORGIA

Mr. TALMADGE. Mr. President, the 20 percent tobacco acreage reduction imposed last year by the Department of Agriculture has worked extreme financial hardship on the farmers of south Georgia who are dependent upon tobacco as their principal source of cash income.

Because of this cut many farmers have been forced to abandon their farm operations altogether—being unable to support themselves and their families on acreage allotments which, in many instances, were reduced to less than 1 acre. The general economy of the entire Georgia Tobacco Belt is suffering as a result.

The General Assembly of Georgia, wisely recognizing that what hurts Georgia's Tobacco Belt hurts the economy of the entire State, has adopted a resolution calling for a restoration of tobacco acreage allotments to the 1956 level.

Georgia growers, Mr. President, are producing a highly desirable type of tobacco for which there are ready cash markets and I consider there to be justice to their request that their acreage be restored. I concur fully with the resolution of the General Assembly of Georgia, and ask unanimous consent that it be printed in the body of the RECORD, and appropriately referred.

There being no objection, the resolution was referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

A resolution relative to restoring tobacco acreage allotments to the 1956 level; and for other purposes

Whereas as a result of the 20 percent reduction of tobacco acreage effective in 1957, farmers have suffered and are still suffering a further reduction in purchasing power; and

Whereas as a further result of the recent acreage reduction many farmers are unable to continue growing their small allotted tobacco acreage profitably and it has become necessary that they abandon their farm operations altogether; and

Whereas we know it to be a fact that merchants, businessmen, farmers, and the general economy of the entire Tobacco Belt are suffering the adverse effects of the recent acreage allotment reductions; and

Whereas the economic depression the farmers are experiencing because of the price squeeze they are in will eventually affect the overall national economy; and

Whereas if the farmers are allowed to prosper the overall economy of our Nation will greatly improve; and

Whereas the tillers of the soil constitute the very bedrock of our democracy and the farm families are our greatest bulwark against communism, and history records them as being the first to resist tyranny; and

Whereas among farm families of energetic, patriotic boys and girls reared on the farm close to nature juvenile delinquency is seldom heard of; and

Whereas these farm-reared children are a real contribution to our population and are well worth the cost of a healthy farm program; and

Whereas history records that any nation which destroyed its farm families by forcing the people from the rural areas into overcrowded urban areas where juvenile delinquency runs rampant, crime breeds, and general unrest prevails shall be destroyed also; and

Whereas the condition of the American farmers today constitutes a national emergency; while the country as a whole has been passing through a 10-year cycle of unprecedented inflation and increased income, the American farmers and small-business men have received less and less income above the cost of operations; and

Whereas the steady decrease in farm population and the steady decline in the number of operating farms are the most eloquent witnesses to the plight of American agriculture; and

Whereas it is a matter of general knowledge that cigarette-type tobacco imports as well as other agricultural products are steadily increasing and our domestic demands and use of cigarette tobacco is steadily increasing; and

Whereas reduced acreage of tobacco in the United States is encouraging increased planting of tobacco on foreign soils to the extent that the United States has dropped from 90 percent of world production of tobacco to less than 50 percent of world grown tobacco at this time; and

Whereas increased tobacco acreage is absolutely necessary to the tobacco farmer's survival as increased production will reduce the cost of production, thereby regaining and maintaining our foreign markets of tobacco; and

Whereas the program initiated reducing the support price of undesirable varieties of tobacco will cure about 90 percent of the tobacco industry ills; this program along with the tobacco acreage going into the soil-bank acreage reserve will reduce tobacco production sufficiently and in our opinion to a dangerously low level as the 1957 production is one-third less than the 1956 production. A 3-year supply on hand is nothing to be alarmed about as a 2½-year supply is necessary for tobacco to have ample time to mellow for manufacture: Now, therefore, be it

Resolved by the General Assembly of Georgia, That the Georgia delegation in the United States Congress and all other officials be requested to initiate the necessary steps to restore the 20 percent reduction in tobacco acreage allotments, thereby increasing our 1958 tobacco allotment, which requires a 25 percent increase in our 1957 tobacco acreage allotments, to restore the tobacco acreage allotments to the 1956 level; be it further

Resolved, That the secretary of state transmit a copy of this resolution to each member of the Georgia delegation in Congress and to the Secretary of Agriculture of the United States.

Mr. RUSSELL presented a resolution of the General Assembly of the State of Georgia, identical with the foregoing, which was referred to the Committee on Agriculture and Forestry.

RESOLUTION OF THE AMERICAN LIBRARY ASSOCIATION

Mr. WILEY. Mr. President, the librarians of my State, and of our Nation, have been deeply interested in the fulfillment of the Library Services Act designed to bring to some 27 million Americans in our rural areas benefits which they have not previously enjoyed from access to good books, and other informational materials.

Unfortunately we find that, because of the budgetary problems in the present and forthcoming fiscal year, funds which had been anticipated under the act have not been allocated.

The American Library Association, at its conference in Chicago on January 30, has, through its executive secretary, David Clift, brought to my attention a resolution urging more adequate funds under the act.

In this technical age, the sooner all Americans can get the benefit of library services, the stronger our country will become in terms of its prosperity, its well-being, and its ability to cope with its adversaries.

I present the resolution, and ask that it be incorporated in the RECORD and be thereafter referred to the Committee on Appropriations.

There being no objection, the resolution was referred to the Committee on Appropriations, and ordered to be printed in the RECORD, as follows:

RESOLUTION ON THE LIBRARY SERVICES ACT

Whereas a strong and well-rounded program of educational and informational services is indispensable for the preservation and progress of our democratic society, and the free public library is an essential and integral part of that educational program;

Whereas our free public libraries permit each person to continue his self-education throughout his lifetime, thus assisting him to develop to his full potential as a mature citizen and individual;

Whereas the lack of good library service in our rural areas has deprived more than 27 million Americans of the advantages of ready access to good books and other informational materials essential to the development of people, our greatest national resource;

Whereas the Library Services Act was passed by the 84th Congress for the express purpose of aiding the States in extending and developing public library services in rural areas without such service or with inadequate service;

Whereas this act authorizes an annual appropriation of $7,500,000 for a 5-year period to be used for grants to the States for improving rural library service, and this modest amount is the minimum for accomplishing the established goals;

Whereas the amount received in the first year of the act was only $2,050,000 and for the second year only $5 million, and the President's budget for 1958–59 recommends only $3 million for this purpose;

Whereas 45 States and 4 Territories have initiated programs through the stimulus of these limited Federal grants and have made definite progress in extending library service to their rural inhabitants;

Whereas this reduced appropriation would not only seriously hamper the ultimate attainment of the purpose of the act, but also cause immediate retrenchment in present operating plans and programs of the States and Territories;

Whereas the appropriation of the full $7,500,000 authorized under the act would enable the States to progress toward the goal of bringing library service to all the people of these United States: Therefore be it

Resolved, That the members of the American Library Association at their annual midwinter meeting at Chicago, on January 30, 1958, recommend to the 85th Congress, sitting in its 2d session, that it appropriate for fiscal 1958–59 the full $7,500,000 authorized by the Library Services Act; and be it further

Resolved, That copies of this resolution be sent to the President of the United States, to all Members of the Congress, to the Secretary of the Department of Health, Education, and Welfare and to the United States Commissioner of Education.

CONTINUED SUPPORT FOR FEDERAL AID TO VOCATIONAL EDUCATION—RESOLUTION

Mr. WILEY. Mr. President, I have received today from Marvin E. Brickson, president, and Earl Krueger, recording secretary, of the Madison Federation of Labor, AFL–CIO, a resolution which was adopted at a meeting of that organization last Monday, February 17.

Its purpose was to convey to President Eisenhower, and to the Congress, the strong support by the Madison federation of continued Federal aid for vocational education.

Mr. President, I, personally, likewise believe that, in view of the great technical challenge which confronts us, we have no alternative but to continue to give our vigorous support toward efforts to expand the pool of trained manpower in the United States.

That includes a continued strong apprenticeship training program, as well as other Federal steps to upgrade the skills of American working people.

I present the letter as sent by the Madison federation to the President. I ask unanimous consent that it be printed in the RECORD, and be thereafter appropriately referred.

There being no objection, the letter was referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

MADISON FEDERATION OF LABOR, AFL–CIO,
February 23, 1958.

Hon. DWIGHT D. EISENHOWER,
President of the United States,
United States Capital,
Washington, D. C.

DEAR MR. PRESIDENT: The following resolution was adopted unanimously by the delegates to the Madison Federation of Labor, AFL–CIO, in meeting on Monday, February 17, 1958, at the Labor Temple, 309 West Johnson Street, Madison, Wis.:

"Whereas the President of the United States has recommended in his budget message the elimination of Federal aids for vocational education by 1960; and

"Whereas an adequate supply of skilled manpower is essential to our national security and welfare; and

"Whereas these recommendations for the elimination of Federal aids are made at the same time that Federal aids are proposed for the training of scientists and engineers; and

"Whereas the neglect of promoting training programs for apprentices and skilled workers endangers our national security and welfare: Now, therefore, be it

"*Resolved*, That the Madison Federation of Labor, AFL–CIO, in meeting this 17th day of February 1958, vigorously protests the possible elimination of Federal aid for vocational education; and be it further

"*Resolved*, That the executive board of the Madison Federation of Labor, AFL–CIO, be empowered to take whatever action necessary to implement this resolution if and when any bills are introduced in Congress which would eliminate these vitally important Federal aids; and be it further

"*Resolved*, That copies of this resolution be directed to the President of the United

States, the Secretary of Labor, and our Members of Congress from the State of Wisconsin."

Sincerely yours,

MARVIN E. BRICKSON,
President.

EARL KRUEGER,
Recording Secretary.

RESOLUTIONS OF WOMAN'S CHRISTIAN TEMPERANCE UNION, CONCORD, N. H.

Mr. COTTON. Mr. President, I present two petitions from the Woman's Christian Temperance Union of Concord, N. H. One deals with legislation to prohibit the serving of alcoholic beverages on airlines, and the other with cabaret taxes. I ask unanimous consent that the petitions be printed in the RECORD, and appropriately referred.

There being no objection, the resolutions were received, appropriately referred, and ordered to be printed in the RECORD, as follows:

To the Committee on Interstate and Foreign Commerce:

WOMAN'S CHRISTIAN TEMPERANCE UNION OF CONCORD,
Concord, N. H., February 18, 1958.

Hon. NORRIS COTTON,
Senate Office Building,
Washington, D. C.

OUR DEAR SENATOR COTTON: We would like to have you present the following petition to the Senate and have note made of it in the CONGRESSIONAL RECORD:

S. 4 AND S. 593

In view of the increasing danger of travel on planes please do all you can to get one of these bills passed. We are anxious that lives shall be preserved and not endangered.

Thanking you,

Mrs. ERNEST A. EKHOLM,
Secretary.

To the Committee on Finance:

WOMAN'S CHRISTIAN TEMPERANCE UNION OF CONCORD,
Concord, N. H., February 18, 1958.

Hon. NORRIS COTTON, of New Hampshire,
Senate Office Building,
Washington, D. C.

OUR DEAR SENATOR COTTON: We would like to have you present the following petition to the Senate and have note of it in the CONGRESSIONAL RECORD:

EXCISE TAXES

Do not repeal or reduce any excise taxes at the present time, especially in view of the problem of national survival. If people can afford to go to the night clubs they are the ones that are to pay this extra 10 percent cabaret taxes.

Thanking you in advance,

Mrs. ERNEST A. ECKHOLM,
Secretary.

DAIRY PRICE SUPPORTS—RESOLUTION OF GRANITE STATE DAIRYMEN'S ASSOCIATION

Mr. COTTON. Mr. President, I ask unanimous consent to have printed in the RECORD, and appropriately referred, a resolution adopted by the Granite State Dairymen's Association at their annual meeting January 29, 1958.

Dairying is the most important agricultural industry in New Hampshire, accounting for more than 50 percent of the net farm income of New Hampshire farmers. Therefore, I believe the views of this association merit the careful attention of the Committee on Agriculture and Forestry and of the Senate.

It is noteworthy that the resolution indicates that the members of the association are taking a broad view of the national interest and a long range view of the dairy industry by urging a reduction in all price supports and not asking for special consideration.

There being no objection, the resolution was referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

GRANITE STATE DAIRYMEN'S ASSOCIATION,
Concord, N. H., February 13, 1958.

Senator NORRIS COTTON,
Senate Office Building,
Washington, D. C.

DEAR SENATOR COTTON: The following is a resolution adopted by the Granite State Dairymen's Association at their annual meeting held January 29, 1958:

"Whereas the present system of price supports are not solving the problems of farm surpluses and are expensive to the taxpayers, too: Be it

"Resolved, That we, the Granite State Dairymen's Association, go on record as favoring the gradual reduction of all price supports."

It is hoped that you will bear this resolution in mind in future legislation on price supports.

Yours very truly,

MAURICE L. CHAPIN,
Secretary.

RESOLUTION OF SOUTHERN MICHIGAN LAW ENFORCEMENT ASSOCIATION

Mr. LANGER. Mr. President, I present a resolution adopted by the Southern Michigan Law Enforcement Association, at Battle Creek, Mich., on January 7, 1958, favoring the enactment of legislation to amend the civil-rights law so as to provide that any person who shall falsely accuse any law enforcement officer of violating his civil rights shall be guilty of a crime. I ask unanimous consent that the resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION PASSED BY THE SOUTHERN MICHIGAN LAW ENFORCEMENT ASSOCIATION AT MEETING IN BATTLE CREEK, MICH., JANUARY 7, 1958

Whereas the Congress of the United States has passed laws providing for the protection of the civil rights of its citizens by declaring that violation of certain civil rights by law-enforcement officers shall constitute a crime and providing punishment therefor; and

Whereas it is the desire of the Southern Michigan Law Enforcement Association to implement said laws and protect the civil rights of all citizens; and

Whereas certain defendants in criminal actions have from time to time falsely accused law-enforcement officers of violating their civil rights; and

Whereas such false accusations have been an attempt to intimidate said law-enforcement officers in the performance of their duties; and

Whereas it is believed that law enforcement officers also have civil rights: Therefore, be it

"Resolved by the Southern Michigan Law Enforcement Association, That Congress be petitioned by this organization and requested to amend the civil-rights law to provide that any person who shall falsely accuse any law-enforcement officer of violating his civil rights shall be guilty of a crime and shall be punished therefor.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 1438. A bill to amend section 544 of title 28, United States Code, relating to the bonds of United States marshals (Rept. No. 1300);

S. 2239. A bill for the relief of Wadiha Salime Hamade (Rept. No. 1301);

S. 2493. A bill for the relief of Maria G. Aslanis (Rept. No. 1302);

S. 2613. A bill for the relief of Cedomilj Mihailo Ristic (Rept. No. 1303);

S. 2691. A bill for the relief of Hiroko Ozaki (Rept. No. 1304);

S. 2718. A bill for the relief of Haseep Milhem Esper (Rept. No. 1305); and

S. 2819. A bill for the relief of Mrs. Hermine Melamed (Rept. No. 1306).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 803. A bill for the relief of Claudio Guillen (Rept. No. 1307); and

S. 2712. A bill for the relief of Milosav Mares (Rept. No. 1308).

By Mr. EASTLAND, from the Committee on the Judiciary, with amendments:

S. 2538. A bill for the relief of Florica Bogden (Rept. No. 1309);

S. 2621. A bill for the relief of Olive V. Rabiniaux and her two minor children, Annette Marcella Rabiniaux and Rochelle Jean Rabiniaux (Rept. No. 1310);

S. 2650. A bill for the relief of Tokiyo Nakajima and her child (Rept. No. 1311);

S. 2657. A bill for the relief of Jesus Romero Sotelo-Lopez (Rept. No. 1312);

S. 2733. A bill for the relief of Natalia Kutowyj (Rept. No. 1313);

S. 2818. A bill for the relief of Sarina L. De Trabout, Lina Trabout, and Esther Trabout (Rept. No. 1314); and

S. 2849. A bill for the relief of Pog Moon Jung and Moo Wah Jung (Rept. No. 1315).

By Mr. LANGER, from the Committee on the Judiciary, without amendment:

S. 213. A bill to confer jurisdiction upon the United States Court of Claims to hear, determine, and render judgment upon claims of customs officers and employees to extra compensation for Sunday, holiday, and overtime services performed after August 31, 1931, and not heretofore paid in accordance with existing law (Rept. No. 1316).

By Mr. MANSFIELD (for Mr. JOHNSTON of South Carolina), from the Committee on Post Office and Civil Service, with amendments:

H. R. 5836. An act to readjust postal rates and to establish a Congressional policy for the determination of postal rates, and for other purposes (Rept. No. 1321).

EXTENSON OF ARMED FORCES DAIRY PRODUCTS PROGRAM—REPORT OF A COMMITTEE

Mr. ELLENDER. Mr. President, from the Committee on Agriculture and Forestry, I report an original bill to extend the Armed Forces dairy products program for 3 years, and I submit a report (No. 1318) thereon.

The VICE PRESIDENT. The report will be received and the bill will be placed on the calendar.

The bill (S. 3341) to extend the Armed Forces dairy products program for 3 years, reported by Mr. ELLENDER, from

the Committee on Agriculture and Forestry, was read twice by its title, and placed on the calendar.

CONTINUATION OF SPECIAL MILK PROGRAM FOR SCHOOLCHILDREN—REPORT OF A COMMITTEE

Mr. ELLENDER. Mr. President, from the Committee on Agriculture and Forestry, I report an original bill to continue the special milk program for children in the interest of improved nutrition by fostering the consumption of fluid milk in the schools, and I submit a report (No. 1319) thereon.

The VICE PRESIDENT. The report will be received and the bill will be placed on the calendar.

The bill (S. 3342) to continue the special milk program for children in the interest of improved nutrition by fostering the consumption of fluid milk in the schools, reported by Mr. ELLENDER, from the Committee on Agriculture and Forestry, was read twice by its title, and placed on the calendar.

EXTENSION OF ACCELERATED BRUCELLOSIS CONTROL PROGRAM—REPORT OF A COMMITTEE

Mr. ELLENDER. Mr. President, from the Committee on Agriculture and Forestry, I report an original bill to extend the accelerated brucellosis control program under section 204 (e) of the Agricultural Act of 1954 for 2 additional years, and I submit a report (No. 1320) thereon.

The VICE PRESIDENT. The report will be received and the bill will be placed on the calendar.

The bill (S. 3343) to extend the accelerated brucellosis control program under section 204 (e) of the Agricultural Act of 1954 for 2 additional years, reported by Mr. ELLENDER, from the Committee on Agriculture and Forestry, was read twice by its title, and placed on the calendar.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS—REPORT OF A COMMITTEE

Mr. EASTLAND. Mr. President, from the Committee on the Judiciary, I report an original concurrent resolution favoring the suspension of deportation in the cases of certain aliens, and I submit a report (No. 1317) thereon.

The VICE PRESIDENT. The report will be received, and the concurrent resolution will be placed on the calendar.

The concurrent resolution (S. Con. Res. 67) was placed on the calendar, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months:

A-6013531, Conrad, John Eddy.
A-6854175, Khan, Young.
A-5609821, Lago, Manuel.
A-8024172, Romero-Garcia, Jose Esteban.
A-5919886, Karlquist, Karl Runar.
A-10375272, Ming, Dan Ah.
A-4994479, Schmidt, Anton.
A-4778249, Tapia-Palacios, Leandro.
A-7927373, Antoncich, Anthony Joseph.
A-5270094, Grammatikos, Nicolaos T.
A-4403972, Li, Ru-Chao.
A-6899735, Garcia-Travesi, Carlos.
A-3470764, Hicks, Prudence.
A-3535360, Ares, Leonide Ituarta.
A-5987407, Gavaletz, James.
A-8001256, Kim, Lim Hong.
A-9561104, Yan, Sang.
A-2482835, Ali, Manan Bin.
A-7083633, Lyras, Sozon.
A-8976987, Olvera-Gonzalez, Juan Manuel.
A-9836556, Tamm, Salme.
A-8996122, Jing, Yee Fong.
A-6859008, Ornelas-Alvarado, Carlos.
A-7390668, Fong, Ng Ben.
A-6590561, Lopez, Vincent Manuel.
A-5091348, Panzani, Natale.
A-3247674, Pellegri, Fert.
A-7266069, Wong, Henry.
A-10256415, Freund, Eva.
A-9652037, Muk, Fong.
A-2627821, Reinhardt, Fritz Willy.
A-9752493, Juan, Han Heng.
A-4735205, Sponza, Pietro.
A-4572014, Lorusso, Mauro.
A-2716669, Pena-Morales, Victor.
A-5753916, Gonzalez-Campos, Francisco.

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary:

Leonard Page Moore, of New York, to be United States circuit judge, second circuit;

Herbert Barnes, of Delaware, to be United States marshal for the district of Delaware, vice Clarence H. Spence, term expired;

George M. Yeager, of Alaska, to be United States attorney for division No. 4, district of Alaska, vice Theodore F. Stevens, resigned;

Edward L. McCarthy, of Rhode Island, to be United States marshal for the district of Rhode Island;

Clark W. Gregory, of Michigan, to be United States marshal for the eastern district of Michigan;

William B. Butler, of Texas, to be United States attorney for the southern district of Texas; and

Axel J. Beck, of South Dakota, to be United States district judge for the district of South Dakota.

By Mr. DIRKSEN, from the Committee on the Judiciary:

Julius H. Miner, of Illinois, to be United States district judge for the northern district of Illinois, vice John P. Barnes, retired.

By Mr. ERVIN, from the Committee on the Judiciary:

Edwin M. Stanley, of North Carolina, to be United States district judge for the middle district of North Carolina.

BILLS AND A JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CARLSON:

S. 3332. A bill to provide for the issuance of a special postage stamp in commemoration of the 50th anniversary of the American Society of Animal Production; to the Committee on Post Office and Civil Service.

By Mr. ELLENDER (by request):

S. 3333. A bill to facilitate the insurance of loans under title I of the Bankhead-Jones Farm Tenant Act, as amended, and the act of August 28, 1937, as amended (relating to the conservation of water resources), and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. STENNIS:

S. 3334. A bill to authorize the Secretary of the Army or his designee to convey a portion of the former Camp McCain Military Reservation, Miss., to the State of Mississippi; to the Committee on Armed Services.

By Mr. FULBRIGHT:

S. 3335. A bill to provide for a National Capital Center of the Performing Arts which will be constructed, with funds raised by voluntary contributions, on part of the land in the District of Columbia made available for the Smithsonian Gallery of Art; to the Committee on Public Works.

By Mr. CAPEHART (for himself and Mr. HOBLITZELL):

S. 3336. A bill to extend the loan guaranty program for World War II veterans for 2 years, extend the direct loan program for a like period, authorize an interest rate on guaranteed and direct loans commensurate with that applicable to mortgages insured under section 203 of the National Housing Act, to increase the maximum direct loan to $13,500, and for other purposes; to the Committee on Banking and Currency.

(See the remarks of Mr. CAPEHART when he introduced the above bill, which appear under a separate heading.)

By Mr. POTTER:

S. 3337. A bill to amend the Medals of Honor Act in order to authorize awards for acts of heroism on vessels on the inland waterways of the United States engaged in interstate commerce; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. POTTER when he introduced the above bill, which appear under a separate heading.)

By Mr. DOUGLAS:

S. 3338. A bill for the relief of Erminio Neglia; and

S. 3339. A bill for the relief of Christos Fassoulis; to the Committee on the Judiciary.

By Mr. BARRETT (for himself, Mr. O'MAHONEY, and Mr. MUNDT):

S. 3340. A bill to exempt brand inspectors connected with the livestock raising industry from certain provisions of the Fair Standards Act of 1938; to the Committee on Labor and Public Welfare.

By Mr. ELLENDER:

S. 3341. A bill to extend the Armed Forces dairy products program for 3 years;

S. 3342. A bill to continue the special milk program for children in the interest of improved nutrition by fostering the consumption of fluid milk in the schools; and

S. 3343. A bill to extend the accelerated brucellosis control program under section 204 (e) of the Agricultural Act of 1954 for 2 additional years; placed on the calendar.

(See the remarks of Mr. ELLENDER when he reported the above bills from the Committee on Agriculture and Forestry which appear under separate headings.)

By Mr. HENNINGS (for himself, Mr. ANDERSON, Mr. CARROLL, Mr. CLARK, Mr. CHAVEZ, Mr. FLANDERS, Mr. HUMPHREY, Mr. IVES, Mr. JAVITS, Mr. LANGER, Mr. MAGNUSON, Mr. MORSE, Mr. MURRAY, Mr. NEUBERGER, Mr. PROXMIRE, and Mr. SYMINGTON):

S. 3344. A bill to prescribe procedures relating to the issuance of passports, to recognize the right of United States citizens and those owing allegiance to the United States to travel free of arbitrary governmental interference, and for other purposes; to the Committee on Foreign Relations.

(See the remarks of Mr. HENNINGS when he introduced the above bill, which appear under a separate heading.)

By Mr. HUMPHREY:

S. 3345. A bill authorizing the Secretary of the Army to compensate certain persons who sustained damages by reason of fluctuations in the water level of the Lake of the Woods; to the Committee on the Judiciary.

By Mr. MORSE:

S. 3346. A bill to require Members of Congress, certain other officers and employees of the United States, and certain officials of political parties to file statements disclosing the amount and sources of their incomes, the value of their assets, and their dealings in securities and commodities; to the Committee on Rules and Administration.

(See the remarks of Mr. MORSE when he introduced the above bill, which appear under a separate heading.)

By Mr. IVES (for himself and Mr. JAVITS):

S. J. Res. 154. Joint resolution authorizing the President to invite the States of the Union and foreign countries to participate in the International Aviation Show to be held in New York, N. Y., from September 6, 1958, to September 14, 1958; to the Committee on Foreign Relations.

CONCURRENT RESOLUTION

Mr. EASTLAND, from the Committee on the Judiciary, reported an original concurrent resolution (S. Con. Res. 67) favoring the suspension of deportation in the cases of certain aliens, which was placed on the calendar.

(See concurrent resolution printed in full, when reported by Mr. EASTLAND from the Committee on the Judiciary, which appears under the heading "Reports of Committees.")

RESOLUTION

Mr. MONRONEY submitted a resolution (S. Res. 264) favoring the establishment of an International Development Association in cooperation with the International Bank for Reconstruction and Development, which was referred to the Committee on Banking and Currency.

(See above resolution printed in full in the remarks of Mr. MONRONEY, which appear under a separate heading.)

AMENDMENT OF MEDALS OF HONOR ACT

Mr. POTTER. Mr. President, I introduce, for appropriate reference, a bill designed to amend the Medals of Honor Act in order to authorize awards for acts of heroism on vessels, on the inland waterways of the United States, engaged in interstate commerce.

The Medals of Honor Act was enacted on February 23, 1905, permitting the award of bronze medals of honor to persons who, by extreme daring, endanger their own lives in saving, or endeavoring to save, lives from any wreck, disaster, or grave accident, or in preventing or endeavoring to prevent such wreck, disaster, or grave accident, upon any railroad, within the United States, engaged in interstate commerce.

Public Law No. 50, 85th Congress, signed by the President on June 13, 1957, amended the Medals of Honor Act to authorize awards for acts of heroism involving any motor vehicle.

The history of our country is replete with acts of heroism by personnel on vessels and barges of our inland waterways. It is fitting and proper that these courageous people shall also be eligible for awards of honor for their heroic acts.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3337) to amend the Medals of Honor Act in order to authorize awards for acts of heroism on vessels on the inland waterways of the United States engaged in interstate commerce, introduced by Mr. POTTER, was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

PROCEDURES RELATING TO ISSUANCE OF PASSPORTS

Mr. HENNINGS. Mr. President, on behalf of myself and Senators ANDERSON, CARROLL, CLARK, CHAVEZ, FLANDERS, HUMPHREY, IVES, JAVITS, LANGER, MAGNUSON, MORSE, MURRAY, NEUBERGER, PROXMIRE, and SYMINGTON, I introduce, for appropriate reference, a bill which establishes new statutory provisions for the issuance of passports. It also provides new provisions regarding other aspects of foreign travel. The purpose of this bill is to solve many of the problems and complexities which have arisen under our present laws.

Mr. President, I have prepared a memorandum setting out the need for such legislation, and a summary of the provisions of the bill. I ask unanimous consent that this memorandum, and the text of the bill, which is very short, be printed, in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the memorandum and bill will be printed in the RECORD.

The bill (S. 3344) to prescribe procedures relating to the issuance of passports, to recognize the right of United States citizens and those owing allegiance to the United States to travel free of arbitrary governmental interference, and for other purposes, introduced by Mr. HENNINGS (for himself and other Senators), was received, read twice by its title, referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That this act may be cited as the Passport Act of 1958.

TITLE I. AUTHORITY TO ISSUE PASSPORTS—PERSONS ENTITLED TO PASSPORTS

SEC. 101. The Secretary of State for and on behalf of the United States may grant, issue, renew, or revoke passports in the United States and cause passports to be issued, renewed or revoked in foreign countries by diplomatic representatives of the United States, and by such consuls general, consuls, or vice consuls when in charge, as the Secretary of State may designate, and by the chief or other executive officer of the insular possessions of the United States or Territories over which the United States exercises trusteeship.

SEC. 102. (a) The Director of the Passport Office shall be appointed under the classified civil service and shall be compensated at the rate of GS-18 under the Classification Act of 1949 as amended.

The Director of the Passport Office shall report directly to the Secretary of State.

(b) The Director of the Passport Office may appoint passport agents within the United States and such appointments shall be under the civil service laws.

SEC. 103. Passports shall only be granted or issued to persons who are citizens or nationals of the United States or who owe allegiance to the United States. No person other than those enumerated above shall be included in a passport issued to another.

SEC. 104. A passport shall be issued upon a completed application to any person who is qualified under section 103 and does not fall within one or more of the following excepted classes:

(1) persons who are members of the Communist Party or any organization which is registered or as to which there is in effect a final order of the Subversive Activities Control Board requiring registration with the Attorney General of the United States as a Communist-action, Communist-front, or Communist-infiltrated organization, or who have terminated such membership under such circumstances as to warrant the conclusion that they continue to act in furtherance of the interests of the Communist movement or who, regardless of the formal state of their affiliation with the Communist Party, engage in activities which support the Communist movement under such circumstances as to show that they have engaged in such activities as a result of direction, domination, or control exercised over them by the Communist movement;

(2) persons under indictments or informations for felonies or treason; or

(3) persons who are free on bail pending appeals from a criminal conviction.

SEC. 105. The Secretary of State may authorize issuance of a passport to an applicant who falls within one or more of the excepted classes in section 104 if he shall determine that such issuance is in the national interest of the United States. Such passport may be limited with respect to duration and areas for which it is valid.

SEC. 106. A diplomatic passport may be issued only to the Vice President of the United States, the Secretary of State, ambassadors extraordinary and plenipotentiary, envoys extraordinary, ministers plenipotentiary, and officers of the Foreign Service of the United States, former Presidents and Vice Presidents and such other persons as the President may designate as his personal envoy to a foreign state or states.

SEC. 107. Special passports may be issued to other persons who are going abroad on official business for the United States Government.

SEC. 108. Upon application therefor, duly completed, a passport shall be issued, or the applicant shall be informed in writing of a denial thereof, within 60 days after the receipt of such application by any person authorized to act for the Secretary of State as set out in sections 101 and 102. A denial shall set forth the reasons therefor as specifically as is consistent with national security. Such denial shall also inform the applicant of his right to request a hearing before the Passport Review Board, established under section 301 of this act.

SEC. 109. A passport shall not be revoked or taken from the holder thereof except when such holder falls within one of the excepted classes set out in section 104. When a passport is revoked or taken from the holder thereof, such holder shall be informed in writing of the reasons therefor as specifically as is consistent with national security. Such information shall also inform the person of his right to request a hearing before the Passport Review Board.

TITLE II. REQUIREMENTS FOR ISSUANCE OF PASSPORTS

SEC. 201. Before a passport is issued to any person by or under authority of the United States, such person shall subscribe to and submit a written application, duly verified by his oath or affirmation before a person authorized to take passport applications containing a true recital of each and every matter of fact which may be required by law or by any rules authorized by law to be stated as a prerequisite to the issuance of any such passport.

SEC. 202. There shall be collected and paid into the Treasury of the United States quarterly a fee of $2 for executing each application for a passport and $9 for each passport issued to a citizen or person owing allegiance to or entitled to the protection of the United States: *Provided,* That nothing contained herein shall be construed to limit the right of the Secretary of State by regulation to authorize the retention by State officials of the fee of $2 for executing an application for a passport. No fee shall be collected for passports issued to officers or employees of the United States proceeding abroad in the discharge of their official duties, or to members of their immediate families, accompanying or residing with him abroad, or to seamen, or to widows, children, parents, brothers, and sisters of American soldiers, sailors, or marines, buried abroad whose journey is undertaken for the purpose and with the intent of visiting the graves of such soldiers, sailors, or marines, which facts shall be made a part of the application for the passport.

SEC. 203. Whenever a fee is erroneously charged and paid for the issuance of a passport to a person who is exempted from the payment of such a fee by section 202 of this act, the Department of the Treasury is authorized to refund to the person who paid such fee the amount thereof upon proper notice from the passport office.

SEC. 204. Whenever the appropriate officer within the United States of any foreign country refuses to visa a passport issued by the United States, the Department of State is authorized, upon request in writing and the return of the unused passport within 6 months from the date of issue, to request the Department of the Treasury to refund to the person to whom the passport was issued the issue fee of $9.

SEC. 205. All persons who shall be authorized to grant, issue, or verify passports, shall make return of the same to the Secretary of State, in such manner and as often as he shall require. Such returns shall specify the names and all other particulars of the persons to whom the same shall be granted, issued, or verified, as embraced in such passport.

SEC. 206. The validity of a passport shall be limited to a period of 3 years: *Provided,* That a passport may be renewed for a period of 2 years, upon the payment of a fee of $5 for such renewal: *Provided further,* That diplomatic or special passports, or passports issued under section 105 may be limited to a period of less than 3 years.

TITLE III. PROCEDURE FOR REVIEW OF PASSPORT DENIAL

SEC. 301. A Passport Review Board shall be established within the State Department. It shall consist of five officers of the Department to be designated by the Secretary of State. The Board shall act on all cases wherein hearings are properly requested, and its decision in any such case shall be the final administrative determination. The Board shall establish and make public its own rules of procedure, to be approved by the Secretary of State. The rules shall accord the applicant or passport holder the right to appear personally, to be represented by counsel, and to offer oral or documentary evidence. The applicant or passport holder shall receive a copy of the transcript of proceedings and be permitted to cross-examine all of the witnesses against him and examine all other evidence which is made a part of the open record in the case. The Board shall insure, consistent with national security, that all evidence and witnesses relied upon are produced and made a part of the open record.

SEC. 302. Any person who has been refused a passport or has had his passport revoked or taken from him may, within 60 days after notification of such action, file a request for a hearing before the Passport Review Board. The Board shall hold a hearing within 30 days of the filing of the request unless such time limit is waived by the person who so filed.

SEC. 303. The United States District Court for the District of Columbia shall have jurisdiction to hear and determine any appeal from a final decision of the Passport Review Board.

TITLE IV. RESTRICTIONS ON TRAVEL

SEC. 401. The Secretary of State may designate certain countries as "unsafe for travel," if the United States is unable to offer protection to citizens traveling in such countries due to the lack of diplomatic relations or to disturbances within the designated countries. The names of such countries shall be stamped on each passport.

SEC. 402. No person who holds a passport or is included on the passport of another, shall enter a country which to his knowledge has been designated as "unsafe for travel": except that this prohibition shall not apply to such person who has completed a sworn affidavit at a designated office of the State Department, or the office of any diplomatic representative of the United States, consul general, consul, or vice consul when in charge, in a form prepared by the Secretary of State, which sets out in substance that the affiant desires to enter a country or countries designated as unsafe for travel, and waives the protection of the United States while inside such country or countries.

SEC. 403. In time of war, as declared by Congress, the President may prescribe regulations governing the entering and leaving of the United States and travel by United States citizens and nationals in foreign countries which shall supersede any contrary provisions of this act.

SEC. 404. Whenever the Armed Forces of the United States are engaged in open hostilities, the President may prescribe regulations governing the travel of United States citizens and nationals in the combat area which shall supersede any contrary provisions of this act.

SEC. 405. It shall be unlawful for any United States citizen or national to travel to a foreign country (other than countries within the Western Hemisphere) without a passport.

TITLE V. PENALTIES

SEC. 501. Any person who violates the provisions of sections 402 or 405 shall be guilty of a misdemeanor and upon conviction be punished by imprisonment for a period not exceeding 1 year or by a fine not exceeding $1,000, or both.

SEC. 502. Any person who violates any regulation prescribed by the President under sections 403 and 404 shall be guilty of a felony and upon conviction be punished by imprisonment for a period not exceeding 5 years or by a fine not exceeding $5,000 or both.

SEC. 503. Nothing in this title shall be construed to apply to members of Armed Forces of the United States who enter a foreign country under official orders.

TITLE VI. LAWS REPEALED

SEC. 601. (a) The following acts or parts of acts and all amendments thereto are repealed:

(1) Section 4076 of the Revised Statutes (22 U. S. C. 212);

(2) Section 4077 of the Revised Statutes (22 U. S. C. 218);

(3) Section 1 of title IX of the act of June 15, 1917 (22 U. S. C. 213);

(4) Sections 1, 2, and 4 of the act of June 4, 1920 (22 U. S. C. 214, 215, 216);

(5) Sections 1, 2, and 3 of the act of July 3, 1926 (22 U. S. C. 211a, 217a, 214a).

(b) All other laws, or parts of laws, in conflict or inconsistent with this act are, to the extent of such conflict or inconsistency, repealed.

TITLE VII. EFFECTIVE DATE

SEC. 701. This act shall take effect 90 days after its enactment.

The memorandum presented by Mr. HENNINGS is as follows:

MEMORANDUM IN SUPPORT OF PASSPORT BILL

The present passport laws are based on a set of facts and a philosophy which is completely outdated. They were enacted in an environment where a passport was not necessary for travel abroad. In this environment, a passport was merely an identification document which identified the holder as a citizen of the United States, and requested protection from the foreign government. At this time, travelers were not required to have a passport. This environment was also one lacking in continuous national emergency such as we have had for the past 20 years. Under these conditions, Congress adequately fulfilled its obligation by authorizing the Secretary of State to issue passports under rules and regulation prescribed by the President.

In this past era, it was not improper to leave it up to the State Department to use its discretion in issuing and denying passports, because a passport was a more or less special request for protection of a traveler and should be held only by those of good character. At that time, if the person's character was doubtful, it may have been desirable that he have no special consideration shown to him by a foreign government at the request of the United States.

But today, the environment is greatly changed. A passport is necessary to enter almost every foreign country. It is unlawful for an American to travel abroad (other than countries within the Western Hemisphere) without a passport during a national emergency. A national emergency has existed for almost 20 years. So, today, to deny a passport is to deny the right to travel.

The right to move from place to place free of governmental restriction has long been a part of our democratic society. This right and freedom is complete only when it includes the right to move anywhere in the world. This right was recognized in the Declaration of Human Rights adopted by the United Nations. This right, like all others, is subject to certain restrictions. This right to travel must conform to the safety of our Nation. But conformity does not require that the right to travel be left to the sole discretion of the Secretary of State.

The Secretary of State under the present law has the power to use his discretion arbitrarily and capriciously. He may deny and revoke passports according to his personal whims. Apparently, up until this year, no Secretary of State has been willing to allow his decisions to be tested before the Supreme Court. They have changed their decisions when pushed to the wall. In this way, the question has become moot and not subject to the Supreme Court's jurisdiction.

The primary basis for denying passports should be national security, since the effect one person can have on our foreign policy in traveling abroad is infinitesimal. The field of national security is within the purview of the legislative branch of our Government as well as the executive. It is time that the Congress assume its obligation to the people in the field of passport law. Congress can no longer subject the right of the people to travel to the personal whims of the Secretary of State, whoever he may be. Congress must reassert its authority in this field.

The bill which I have introduced, if enacted, will protect the right to travel. It will require the Secretary of State to issue passports to all Americans with certain specific restrictions. These restrictions protect our national security by withholding passports

from Communists and Communist supporters. It also withholds passports from persons who are attempting to evade criminal justice.

The bill also insures due process to those who are denied passports. It requires the State Department to state why a passport has been denied, as specifically as is consistent with national security. It also provides an appellate procedure which is open to all those denied a passport.

The bill allows the President to declare certain countries unsafe for travel if the United States cannot furnish protection for travelers in such countries. But the bill allows a person to travel into such countries provided the person signs an affidavit waiving the protection of the United States and agrees to travel at his own risk. This provision upholds a person's right to travel to any part of the world while also protecting the foreign policy of the United States. A person has always been able to waive his constitutional rights as long as he does so voluntarily and with full knowledge. This provision merely extends this principle to a person's right to the protection of the United States while abroad. The fact that the person knows the country has been designated unsafe for travel and deliberately signs an affidavit waiving protection will insure that the act is done voluntarily and with full knowledge. By this procedure, an American can realize his freedom to travel anywhere in the world. And he will know where it is safe to travel and where it is not. If he insists on traveling where our Government cannot give protection, he may do so. But, beforehand, he must expressly waive this protection, thus bringing home to him explicitly the fact that he is going to a country where the United States cannot give protection.

This bill also provides that the Director of the Passport Office will be under the civil-service laws. This will stabilize the administration of the passport laws and allow the Office to operate efficiently according to sound business principles, for the Passport Office is strictly a business office and not a policymaking office.

The bill provides criminal penalties for violations of the passport laws. It extends the validity of a passport from 2 to 3 years, with an extension of 2 years. The bill retains the present provisions as to applications for a passport. It changes the fee provisions by raising the application fee from $1 to $2 in Federal courts to make it uniform with the present State-court fee.

The bill gives to the President power to control travel during time of war as declared by Congress or in areas where our troops are engaged in open hostilities, though there be no such declaration.

By passage of this bill, the Congress will resume its obligation in the field of passports, and the right to travel will be restored to our people.

There is one issue which I have not included in the bill, but which I think should be considered by the committee to which the bill is referred.

Under the present law, persons who are traveling abroad on official Government business must pay the application fee of $1 or $2, but the passport is issued free of charge. The person who obtains the passport then files a voucher and receives a remittance of his application fee. This causes the Passport Office a book loss of $9 for each free passport issued. The Passport Office is a business office, and should operate on a sound business basis. This could be accomplished by charging the applicant the full cost of a passport, and then he could file his voucher for $11, instead of $2. This would put the Passport Office on a sound financial basis.

FILING OF STATEMENTS OF INCOME DISCLOSURE BY MEMBERS OF CONGRESS AND OTHERS

Mr. MORSE. Mr. President, along the same lines on which I have previously spoken, and on which I spoke again last Friday, concerning my income-disclosure bill, which I first introduced in the Senate in 1946, and which has been periodically introduced on various occasions, through an oversight it has not been introduced this year. I therefore introduce, for appropriate reference, the bill, along with a résumé of the parliamentary record of this bill since it was first introduced in 1946. I ask unanimous consent that the bill, together with the résumé, be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill and résumé will be printed in the RECORD.

The bill (S. 3346) to require Members of Congress, certain other officers and employees of the United States, and certain officials of political parties, to file statements disclosing the amount and sources of their incomes, the value of their assets, and their dealings in securities and commodities, introduced by Mr. MORSE, was received, read twice by its title, referred to the Committee on Rules and Administration, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That each Member of the Senate and House of Representatives (including each Delegate and Resident Commissioner); each officer and employee of the United States who (1) receives a salary at a rate of $10,000 or more per annum or (2) holds a position of grade GS–15 or above, and each officer in the Armed Forces of the rank of colonel, or its equivalent, and above; and each member, chairman, or other officer of the national committee of a political party shall file annually with the Comptroller General a report containing a full and complete statement of—

(1) the amount and resources of all income and gifts (of $100 or more in money or value, or in the case of multiple gifts from one person, aggregating $100 or more in money or value) received by him or any person on his behalf during the preceding calendar year;

(2) the value of each asset held by or entrusted to him or by or to him and any other person and the amount of each liability owed by him, or by him together with any other person as of the close of the preceding year; and

(3) the amount and source of all contributions during the preceding calendar year to any person who received anything of value on his behalf or subject to his direction or control or who, with his acquiescence, makes payments for any liability or expense incurred by him.

SEC. 2. Each person required by the first section to file reports shall, in addition, file semiannually with the Comptroller General a report containing a full and complete statement of all dealings in securities or commodities by him, or by any person acting on his behalf or pursuant to his direction, during the preceding 6-month period.

SEC. 3. (a) Except as provided in subsection (b), the reports required by the first section of this act shall be filed not later than March 31 of each year; and the reports required by section 2 shall be filed not later than July 31 of each year for the 6-month period ending June 30 of such year, and not later than January 31 of each year for the 6-month period ending December 31, of the preceding year.

(b) In the case of any person required to file reports under this act whose service terminates prior to the date prescribed by subsection (a) as the date for filing any report, such report shall be filed on the last day of such person's service, or on such later date, not more than 3 months after the termination of such service, as the Comptroller General may prescribe.

SEC. 4. The reports required by this act shall be in such form and detail as the Comptroller General may prescribe. The Comptroller General may provide for the grouping of items of income, sources of income, assets, liabilities, and dealings in securities or commodities, when separate itemization is not feasible or not necessary for an accurate disclosure of a person's income, net worth, or dealings in securities and commodities.

SEC. 5. Any person who willfully fails to file a report required by this act or who willfully and knowingly files a false report shall be fined $2,000 or imprisoned for not more than 5 years, or both.

SEC. 6. (a) As used in this act—

(1) The term "income" means gross income as defined in section 22 (a) of the Internal Revenue Code.

(2) The term "security" means security as defined in section 2 of the Securities Act of 1933, as amended (U. S. C., title 15, sec. 77b).

(3) The term "commodity" means commodity as defined in section 2 of the Commodity Exchange Act, as amended (U. S. C., title 7, sec. 2).

(4) The term "dealings in securities or commodities" means any acquisition, holding, withholding, use, transfer, disposition, or other transaction involving any security or commodity.

(5) The term "person" includes an individual, partnership, trust, estate, association, corporation, or society.

(b) For the purposes of any report required by this act, a person shall be considered to be a Member of the Senate or House of Representatives, an officer or employee of the United States and of the armed services as described in the first section of this act, or a member, chairman, or other officer of the national committee of a political party, if he served (with or without compensation) in any such position during the period to be covered by such report, notwithstanding that his service may have terminated prior to December 31 of such calendar year.

SEC. 7. The Comptroller General shall have authority to issue, reissue, and amend rules and regulations governing the publication of reports, or any part of them. He shall prescribe fees to cover the cost of reproduction. In formulating such rules and regulations, he shall seek to maximize the availability of reports for purposes of informing the public and agencies and officials of the Federal and local governments, and to minimize use of such records for private purposes.

The résumé presented by Mr. MORSE is as follows:

INCOME DISCLOSURE BILLS

(Introduced by Senator WAYNE MORSE)

Seventy-ninth Congress, second session (1946): Senate Resolution 306, requiring Senators to file annual statements of income and financial transactions; referred to Committee on Banking and Currency.

Eightieth Congress, first session (1947): Senate Resolution 31, amending rules so as to require Senators to file annual statements of income and dealings in securities; referred to Rules Committee.

Senate Resolution 33, requiring Senators to file annual statements of income and

dealings in securities; referred to Rules Committee.

Eightieth Congress, second session (1948): S. 2086, to require certain members of legislative, judicial, and executive branches of Government to file statements relating to amount and sources of income and dealings in securities and commodities; referred to Rules Committee.

Eighty-first Congress, first session (1949): S. 109, to require certain members of legislative, judicial, and executive branches of the Government to file statements relating to amount and sources of income and dealings in securities and commodities; referred to Rules Committee.

Eighty-second Congress, first session (1951): S. 561, to require certain members of the legislative, judicial, and executive branches of the Government to file statements relating to amount and sources of income and dealings in securities and commodities; referred to Rules Committee.

Eighty-second Congress, second session, (1952): Senate Resolution 334, requiring annual reports showing names of persons employed by each Senator with their compensation; referred to Rules Committee.

Eighty-third Congress, first session (1953): S. 334, to require Members of Congress, certain other officers and employees of the United States, and certain officials of political parties to file statements disclosing the amount and sources of their incomes, the value of their assets, and their dealings in securities and commodities; referred to Rules Committee.

Eighty-fourth Congress, first session (1955): S. 2747, to require Members of Congress, certain other officers and employees of the United States, and certain officials of political parties to file statements disclosing the amount and sources of their incomes, the value of thir assets, and their dealings in securities and commodities; referred to Rules Committee.

REVISION OF BASIC COMPENSATION SCHEDULES OF CLASSIFICATION ACT OF 1949—AMENDMENTS

Mr. STENNIS (for himself and Mr. CARLSON) submitted amendments, intended to be proposed by them, jointly, to the bill (S. 734) to revise the basic compensation schedules of the Classification Act of 1949, as amended, and for other purposes, which were ordered to lie on the table, and to be printed.

TECHNICAL CHANGES IN FEDERAL EXCISE-TAX LAWS—AMENDMENTS

Mr. TALMADGE submitted an amendment, intended to be proposed by him, to the bill (H. R. 7125) to make technical changes in the Federal excise-tax laws, and for other purposes, which was referred to the Committee on Finance, and ordered to be printed.

Mr. MAGNUSON. Mr. President, on behalf of myself, and Senators SMATHERS, SCHOEPPEL, PURTELL, PASTORE, MONRONEY, BIBLE, THURMOND, BRICKER, BUTLER, POTTER, PAYNE, COTTON, and MORSE, I submit an amendment, intended to be proposed by us, jointly, to the bill (H. R. 7125) to make technical changes in the Federal excise-tax laws, and for other purposes.

The Senators who have participated in this action, who are mainly from the Committee on Interstate and Foreign Commerce, will have more to say later in explanation of the amendment.

The Senator from Florida [Mr. SMATHERS], the chairman of the subcommittee, has been holding lengthy and detailed hearings on the entire transportation problem, starting with the railroads and the trucklines, because the subject concerns their entire economy. But because time is of the essence, the members of the committee are submitting the amendment jointly. They have been doing yeoman work in examining the tangled, complex problem of the economy of the Nation's transportation system. We feel this is one of the ways in which we can be of some help, especially in these times.

The VICE PRESIDENT. The amendment will be received, printed, and referred to the Committee on Finance.

Mr. SMATHERS. Mr. President, the Subcommittee on Surface Transportation, in the course of conducting hearings on the deteriorating situation of the railroad industry has heard many railroad, trucking, and allied witnesses. Without exception, they have pointed out the desirability of allowing the for-hire transportation industry relief from the transportation excise tax of 3 percent on freight and 10 percent on passengers.

From the statements issued by Secretary of Commerce Weeks, it is clear that the downturn in the economy is now acknowledged to be a recession. In view of this situation, it is extremely important to take every practical step to arrest declines in the Nation's economic activity without delay. To the extent that this may be done by tax reductions, with minimum loss of necessary tax revenues, it is imperative that such steps be taken now.

When a man is feeling a bit run down, needed vitamins may be sufficient to restore him to full strength and vitality. But if he waits and puts off early remedies, he may find himself with a deepening malady and serious costs of delayed recovery. So it is with our economy.

There seems to be no other tax whose elimination could give more of a stimulant and restorative treatment to our economy at this particular time than the repeal of the 3-percent excise tax on the transportation of freight and the 10-percent tax on transportation of passengers. The net revenue loss to the Treasury on the transportation property tax, allowing for the fact that it is a deductible business expense for income-tax purposes, would not exceed $225 million, and might be considerably less than that. As was pointed out in the course of the hearings, if the tax is repealed one of three things probably would happen:

First, some shippers might continue to charge the same prices for their goods as now, in other cases they would—after the repeal of the tax, raise their prices by 3 percent. In this case the money involved would be added to their income, and therefore, be subject to the income tax.

Second, the carrier might raise his rates by 3 percent and the shipper still charge the same price for his products. In this case the income again would be mostly profit to the carrier and it would be subject to increased income tax.

Third, the carrier may leave his rates the same and the shipper might reduce his selling price by 3 percent. This, of course, is the hoped for result—and it would mean more money in the pocket of the consumer, thus giving our economy a modest boost.

These are all possibilities. Bear in mind that this transportation tax applies at every successive stage of production, from raw material to finished product. Not only does it apply at each stage of production and marketing involving transportation, but through standard markups it builds up to much larger amounts than would seem to be indicated by a seemingly nominal tax rate of 3 percent. If there are five transportation movements, there would be five 3 percent individual tax assessments on the transportation of the one item. It is this total cumulative impact that counts. That is precisely why this tax is such a serious drag on production, and business—particularly small business—throughout our entire economy.

The consumer in the end pays this punitive tax. It, therefore, obstructs not only production but checks consumer purchases. The economy is adversely affected from beginning to end. It affects every consumer, reaches into every home and pervades an entire economy, all that we eat and all that we wear is transported.

Shippers far distant from their markets are especially disadvantaged.

The people of the far West and the South are acutely aware of this fact. Farmers and other business enterprises, which have been particularly hard hit by this recession, would be given much needed relief. Shippers of bulk commodities, whose transportation bills mount high, would quickly react to relief from this onerous tax. Industries that would save considerable money by the repeal of this 3-percent tax would be encouraged to resume expenditures for plant and equipment on the scale needed to supply jobs and aid in our economic recovery. Hence, existing employment dislocations and unemployment in the affected industries would no longer be aggravated by the burdens of the transportation tax.

No less important, repeal of these taxes would help to arrest further deterioration of our essential transportation industries. The transportation industry, in its entirety, is an extremely important part of the national economy, comprising about 21 percent of the gross national product. Unless we continue to maintain a strong transportation system, which is undeniably essential to both commerce and defense, other efforts to strengthen our national defense would be largely nullified.

Small business particularly would benefit by repeal of the excise taxes on transportation because many small-business men cannot easily provide their own transportation services and by necessity use for-hire carriers, on which there is this 3-percent tax. A small-business man today who has to use common carriage on which he pays an extra 3-percent tax, cannot compete with his larger, more affluent competitor who has the

money to purchase a fleet of trucks and have his own articles free from the 3-percent excise tax. Consequently, repeal would lessen the tax burden on small business. Those small businesses that are being forced into purchasing their own transportation fleets because of this tax would thus be relieved of the uneconomic burden of purchasing equipment and operating such service.

The repeal of the 10-percent excise tax on passenger travel would also give widespread relief to the depressed economy. Enacted as a war emergency tax to discourage travel, this punitive tax continues to do just that at a time when it should be our policy to promote travel and economic recovery. The tax works hardships on many different groups who can ill afford to pay an extra premium for necessary transportation, it increases business costs, and it puts another economic handicap upon our essential public carriers.

The passenger tax yields the Treasury a little over $200 million annually and is not, therefore, a substantial part of our total tax structure. Moreover, for those engaged in travel for business purposes, the tax is a deductible expense, so that the net revenue loss from its repeal would probably not be much more than $100 million, and possibly less than that. In view of all of its undesirable consequences, and particularly since it acts as a deterrent to economic recovery, it would be shortsighted indeed to keep this penalty on personal transportation in effect any longer.

Thus, from every point of view, these unsound and burdensome taxes are an unhealthy obstruction to economic recovery and should be removed forthwith. The stimulus to the economy would be greatest where present dislocations are most in evidence. Happily, the revenue losses to the Treasury would be relatively small; indeed, they would be insignificant compared with the economic impetus which repeal would bring. The resulting uplift to our economy, now so urgently needed, might well mean that resurgent economic activities would bring in much more tax revenues than would be initially given up by repeal of this tax.

For these and other reasons, members of the committee have sponsored the amendment to the Internal Revenue Act designed to repeal the 3 percent excise transportation tax on property transportation and 10 percent tax on passenger service.

The proposed amendment reads as follows:

That parts I and II of subchapter C of chapter 33 of the Internal Revenue Code of 1954, as amended, being sections 4261, 4262, 4263, and 4264, dealing with the tax on the transportation of persons, and sections 4271, 4272, and 4273 dealing with the tax on the transportation of property, respectively, are hereby repealed.

SEC. 2. The amendment made by this act shall take effect on the first day of the month which begins more than 10 days after the date of the enactment of this act for transportation which begins on or after such first day.

Mr. President, not only do the majority of the members of the Subcommittee on Surface Transportation sponsor the amendment, but the entire remainder of the membership of the Committee on Interstate and Foreign Commerce also sponsor the amendment.

AMENDMENT OF INTERNAL REVENUE CODE—AMENDMENTS

Mr. CASE of South Dakota (for himself, Mr. MARTIN of Pennsylvania, Mr. MALONE, Mr. MUNDT, Mr. BENNETT, and Mr. FLANDERS) submitted an amendment, intended to be proposed by them, jointly, to the bill (H. R. 8381) to amend the Internal Revenue Code of 1954 to correct unintended benefits and hardships and to make technical amendments, and for other purposes, which was referred to the Committee on Finance and ordered to be printed.

Mr. IVES submitted an amendment, intended to be proposed by him, to House bill 8381, supra, which was referred to the Committee on Finance and ordered to be printed.

TRANSFER OF CERTAIN PROPERTY AND FUNCTIONS OF HOUSING AND HOME FINANCE ADMINISTRATOR TO SECRETARY OF INTERIOR—DISCHARGE OF COMMITTEE AND REREFERENCE OF BILL

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that the Committee on Banking and Currency be discharged from further consideration of S. 2594. S. 2594 is a bill which would transfer the rights and responsibility of the Federal Government with respect to a housing project—ALAS–50080—from the Housing and Home Finance Administrator to the Secretary of the Interior. Once this delegation of authority is completed, the Secretary of the Interior is authorized to take certain actions with respect to this housing which will benefit Indians who now occupy the project.

There is, I will concede, some reason for originally referring this bill to the Senate Banking and Currency Committee. It is true that the Banking and Currency Committee normally has jurisdiction over the activities of the Housing and Home Finance Agency and of the transfer of title of housing projects owned by the Federal Government. This bill, however, deals in the main with subjects other than the transfer of the Federal Government's interest in a housing project, and as the housing agency itself points out, the bill "involves social considerations as well as special local problems which are within the competence of the Bureau of Indian Affairs rather than of the housing agency."

Because the bill authorizes the Secretary of the Interior to take certain actions with respect to the affairs of Indians, it would seem more appropriate that this bill be referred to the Committee on Interior and Insular Affairs.

Mr. CARLSON. Mr. President, as the acting minority leader, I should like to inquire of the Senator from Arkansas if he, as the chairman of the Committee on Banking and Currency, has conferred with any of the minority members of the committee regarding this subject.

Mr. FULBRIGHT. I am afraid not.

Mr. CARLSON. I certainly have no objection personally——

Mr. FULBRIGHT. I wonder if the Senator would go over my statement at this point. The reason for my request is that the Department of the Interior has an interest in the field of Indian affairs.

Mr. CARLSON. I am sure the distinguished Senator from Arkansas realizes that I have no objection.

Mr. FULBRIGHT. I apologize for not having cleared the matter with the minority membership of the committee. I overlooked that.

Mr. CARLSON. I have no interest in it. However, I do have a responsibility on this side of the aisle at the present time.

Mr. FULBRIGHT. I understand.

Mr. CARLSON. I sincerely hope that the distinguished Senator will understand that.

Mr. FULBRIGHT. I will withhold my request until I have finished my remarks on another subject. Then I shall renew my request, after the Senator has had an opportunity to go over the statement I have made.

Mr. CARLSON. Mr. President, the distinguished ranking minority member of the Committee on Banking and Currency, the Senator from Indiana [Mr. CAPEHART], tells me he has no objection to the request of the Senator from Arkansas. I certainly have none.

The VICE PRESIDENT. Is there objection to the request of the Senator from Arkansas? The Chair hears none and it is so ordered.

Mr. FULBRIGHT. Mr. President, I thank the Senator from Kansas.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. CAPEHART:

Statement by him on the 10th anniversary of the communization of Czechoslovakia.

NOTICE OF HEARING ON NOMINATION OF JOHN M. ALLISON TO BE AMBASSADOR TO CZECHOSLOVAKIA

Mr. GREEN. Mr. President, as chairman of the Committee on Foreign Relations, I desire to announce that the Senate received today the nomination of John M. Allison, of the District of Columbia, to be Ambassador to Czechoslovakia, vice U. Alexis Johnson.

Notice is given that the nomination will be eligible for consideration by the Committee on Foreign Relations, at the expiration of 6 days, in accordance with the committee rule.

NOTICE CONCERNING CERTAIN NOMINATIONS BEFORE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

Don A. Tabbert, of Indiana, to be United States attorney for the southern district of Indiana for the term of 4 years, vice Jack Chapler Brown, resigned.

Roy McKinney Amos, of Indiana, to be United States marshal for the northern district of Indiana for a term of 4 years.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Monday, March 3, 1958, any representation or objections they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearings which may be scheduled.

NOTICE OF HEARING ON NOMINATION OF CLAUDE F. CLAYTON, TO BE UNITED STATES DISTRICT JUDGE, NORTHERN DISTRICT OF MISSISSIPPI

Mr. EASTLAND. Mr. President on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Monday, March 3, 1958, at 10 a. m., in room 424 Senate Office Building, upon the nomination of Claude F. Clayton, of Mississippi, to be United States district judge, for the northern district of Mississippi, vice Allen Cox, retired.

At the indicated time and place persons interested in the above nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Wyoming [Mr. O'MAHONEY], chairman, the Senator from North Carolina [Mr. ERVIN], and the Senator from Indiana [Mr. JENNER].

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, February 24, 1958, he presented to the President of the United States the following enrolled bills:

S. 969. An act to prescribe the weight to be given to evidence of tests of alcohol in the blood, urine, or breath of persons tried in the District of Columbia for certain offenses committed while operating vehicles; and

S. 1805. An act for the relief of Acme Bag and Burlap Co. and others.

VALLEY FORGE ADDRESS BY HERBERT HOOVER

Mr. SMITH of New Jersey. Mr. President, last Saturday our two ex-Presidents spoke to an America which is concerned over the state of the economy and is anxiously awaiting signs of recovery from the present recession.

Mr Truman spoke at the Democratic $100-a-plate campaign dinner here in Washington, while Mr. Hoover spoke at the Freedoms Foundation awards program at Valley Forge. The messages they brought our troubled people make an interesting study in contrast.

The Truman address, which received wide attention, and had an advance publicity buildup, offered the country nothing but doom and despair. It presented the Republican Party with the big campaign issue of 1958: namely, whether we are to return to Trumanism and the planned economy of the welfare state as the only solution of our problems. This would, of course, include a return to the New Deal and the Fair Deal policy.

At Valley Forge, in sharp contrast, Mr. Hoover rose to the heights in expressing his faith that America would rally again to a period of greatness. In his outstanding address he pointed out that our present economic difficulties arise, as did those of 1931, from the inheritance of the mistakes of the peace and the aftermaths of destruction from world war.

Mr. President, because of the timeliness and eloquence of Mr. Hoover's address, and because of its relevance to present conditions, I ask unanimous consent that it be published in the body of the RECORD at the conclusion of my remarks.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

[From the New York Times of February 23, 1958]

TEXT OF HOOVER'S ADDRESS AT THE VALLEY FORGE CEREMONIES

I wish to express my appreciation of the honor which you and the Freedoms Foundation have conferred upon me. I shall speak briefly but with a surprise statement for you at the end of this address.

We gather here on this 22d day of February 1958 to pay our homage to the 226th anniversary of the birth of George Washington. There is no place which more greatly marks his immortal grandeur than these fields of Valley Forge.

This national shrine needs no description; the events enacted here require no recounting to the American people. The very name, Valley Forge, swells within us pride in our Nation.

These peaceful fields hold a glory peculiarly their own. It was not the glory of war for which these fields are remembered. No great battle was fought here. It was not the pomp of victory, for no martial triumph was won here. It was not the scene where peace was signed by which independence of a great Nation was won. A thousand other fields mark the tombs of the courage, the glory, the valor, the skill, the martial triumph of our race. Yet, the instinct and the judgment of our people after the abrasion of the years has appraised this place as a foremost national shrine.

OUR DARKEST HOUR

It was the transcendent fortitude and steadfastness of these men who in adversity and in suffering through the darkest hour of our history held faithful to an ideal. Here men endured that a nation might live. It is a shrine to the things of the spirit and of the soul.

George Washington and his men at any moment could have surrendered their ideals to the widespread spirit of despair and discouragement. They could had abandoned their claims to freedom. They could have deserted their hopes and forsaken their faith.

Here Washington and his little band of hungry and almost naked patriots kept alive the spark of liberty in the world. They met this, the deepest crisis of the Revolution, with steadfast fortitude; they conserved their strength; they husbanded their resources; they seized the opportunity which, with the turn of the tide led on to victory. It was a triumph of character and idealism. Here was one of those moral victories that are the glory of the race. Without such victories the life of man would descend to a sheer materialism for "where there is no vision the people perish." There mankind could claim no distinction, sing no songs, dream no dreams, inspire no hope, and grasp no faith.

NATION'S IDEALS CITED

Our citizens in every war have flocked to arms at the call of country. They have responded willingly, because in every emergency they have had before them an ideal of liberty and the freedom of their country. Some wars in history have been instigated by old and cynical men for cruel or selfish reasons. Some wars have been fought for power and possessions. But war for liberty has endowed our race not alone with the precious possession of freedom but has inspired every succeeding generation with that idealism which is the outpouring of man's spirit.

An ideal is an unselfish aspiration. It is a thing of the spirit. Our ideals are the cement which binds our society. They provide the mainspring of progress. It is this spirit which has made possible the success of our great democratic experiment. They have tempered our acquisitiveness, have strengthened our sense of civic responsibility, and have made service to fellow man a part of our national character.

This peculiar significance of Valley Forge should strike with especial force in this particular moment of our national life. To each and every one of us it is an hour of unusual stress and trial. The Nation is beset with difficulties and confusions. These temporary reverses in the march of progress have been in part the penalty of the malign inheritances of world forces beyond our control.

SEES A PASSING TRIAL

Many have doubt and grave concern for the future. But no one who reviews the past and realizes the vast strength of our people can doubt that this, like a score of similar experiences in our history, is a passing trial. From this knowledge must come the courage and wisdom to improve and strengthen us for the future.

Numerous are the temptations under the distress of the day to turn aside from our true national purposes and from wise national policies and fundamental ideals of the men who built our Republic. Never was the lure of the rosy path to every panacea and of easy ways to imagined security more tempting.

For the energies of private initiative, of independence, and a high degree of individual freedom in our American system we are offered alluring substitutes with the specious claim that everybody collectively owes each of us individually a living rather than an opportunity to earn a living.

And the equally specious claim that hired representatives of scores of millions of people can do better than the people themselves, in thinking and planning their daily life.

Our Government was an experiment in securing to a people the maximum of individual freedom. And the human spirit has blossomed in independence and self-respect. It brought America to a greatness unparalleled in the history of the world.

Amid the scene of vastly growing complexity of life we must preserve the independence of the individual from the deadening restraints of government, yet by the strong arm of government equally assure his fair chance, his equality of opportunity from the encroachment of special privileges and greed or domination by any group or class.

We must not be misled by the claim that the source of all wisdom is in the Government. Wisdom is born out of experience, and most of all out of precisely such experience as is brought to us by the darkest moments. It is in meeting such moments that are born new insights, new sympathies, new powers, new skills. Such conflicts as we are in the midst of today cannot be won by any single stroke, by any one strategy sprung from the mind of any single genius. Rather, we must pin our faith upon the inventiveness, the resourcefulness, the initiative of every one of us. That cannot fail us if we keep the faith in ourselves and our future, and in the constant growth of our intelligence and ability to cooperate with one another.

RECALLS GLORY OF REVOLUTION

The memory of Americans who glory in Valley Forge even as they glory in Yorktown tell us the truth which echoes upward from this soil of blood and tears, that the way to the Nation's greatness is the path to self-reliance, independence, and steadfastness in time of trial and stress.

Valley Forge met such a challenge to steadfastness in times and terms of war. Our test is to meet this challenge in times and terms of peace. It is the same challenge. It is the same test of steadfastness of will, of clarity of thought, of resolution of character, of fixity of purpose, of loyalty to ideals and of unshaken conviction that they will prevail.

We, too, are writing a new chapter in American history. If we weaken, as Washington did not, we shall be writing the introduction to the decline of American character and the fall of American institutions. If we are firm and farsighted, as were Washington and his men, we shall be writing the introduction to a yet more glorious epoch in our Nation's progress. If, by the grace of God, we stand steadfast in our great traditions through this time of stress, we shall insure that we and our sons and daughters shall see these fruits increased manifold.

Valley Forge is our American synonym for the trial of human character through privation and suffering, and it is the symbol of the triumph of the American soul. If those few thousand men endured that long winter of privation and suffering, humiliated by the despair of their countrymen, yet held their countrymen to the faith, and by that holding held fast the freedom of America, what right have we to be of little faith? God grant that we may prove worthy of George Washington and his men of Valley Forge.

REVEALS SOURCE OF TALK

And now, Mr. Chairman, I turn to the surprise which I promised at the closing of this address.

You may recollect that 27 years ago the world was in the depths of the greatest economic depression in our history. It was an inheritance from mistakes in the peace and the aftermath of destruction from the First World War. Again today we inherit the mistakes of the peace and the aftermaths of destruction from the Second World War. Our people are today again confused and some are discouraged.

The address I have just made to you is, with slight elimination of less pertinent paragraphs, the identical address which I delivered on this spot on Memorial Day, 27 years ago in the depths of that period of anxiety and discouragement. But we rallied to a period of greatness as we will again today.

IMMEDIATE ACTION NEEDED TO PREVENT CUT IN DAIRY PRICE SUPPORTS

Mr. PROXMIRE. Mr. President, the Secretary of Agriculture has chosen April 1 as a day on which to deal a lethal blow to the dairy industry. On that day he is determined to add a cut in dairy price supports to the other burdens of that sorely beset industry.

This morning I appeared before the Senate Committee on Agriculture and Forestry, to make an urgent plea that this disaster be prevented. This is a matter of such overwhelming importance to the people of Wisconsin that I desire to repeat here the statement I made earlier today before the committee:

My State—Wisconsin—produces more dairy products than any other State in the Union. In recent years it has steadily accounted for about 15 percent of all of the Nation's dairy products.

Wisconsin will be the No. 1 victim of the dairy price support cut, announced by the Secretary of Agriculture to take effect April 1.

This is why I will say nothing in this appearance about the major piece of legislation I will introduce in this session—my long-term farm bill encompassing all commodities and featuring detailed legislation for dairy farmers. I will say nothing about it because, Mr. Chairman, my dairy farmers are literally threatened by the April 1 support cut with annihilation.

This unfortunately cannot be the time to talk about how to achieve long-term prosperity for dairy farmers. It must be the time to spend every minute of a precious opportunity such as this pleading for survival. That means fighting full time, all out against the April 1 support cut.

Because most Wisconsin milk is produced outside any marketing agreement area—beyond any protective umbrella of any sort—the April 1 cut would hit Wisconsin farmers directly, immediately, with full force and with no recourse.

University of Wisconsin economists have conservatively estimated that this reduction to 75 percent of parity will cost our State's dairy farmers between $43 million and $46 million a year. It will reduce their gross income by 8 percent. But because it will of course not diminish their costs it will slash their net income far more, conservatively by a cruel one-fifth.

This reduction in income comes after a steady, relentless 5-year month-after-month squeeze in a relentless vise between falling dairy income and skyrocketing farm costs.

The survivors of this dairy-farm depression are by any standard efficient and hard working.

They have earned time for this Congress to take a good, long, hard look at what has become a ruthless and destructive farm marketing system and to pass legislation correcting it.

There are a number of excellent bills introduced and before this committee which would not only increase dairy-farm income, but do so at a lower cost to the Nation's taxpayer than the present farm program, and without sacrificing the farmer's freedom. But everyone knows that none of these bills will be passed and signed into law before April 1. What we need is time, what we need is the enactment of legislation to stop the support cut.

The reduction of dairy-price supports to 75 percent of parity will not only lift hundreds of millions of dollars of urgently needed income out of the pockets of the Nation's dairy farmers, it will keep the dairy producers of America on the same endless treadmill of overproduction and underconsumption which has been so destructive in the past 5 years.

This cut will not reduce dairy production. The proof of this is overwhelming. For 5 years dairy prices have been falling—steadily year after year. During the same 5 years dairy production has been rising relentlessly and regularly until it is now a full 10 percent higher than in 1952. Dairy production in 1952 was 114.7 billion pounds. Last year it was 126.6 billion pounds. Obviously lower farm prices for dairy products will not cure the farmers' plight by diminishing supply.

This cut will not increase milk consumption. Again the proof is irresistible. The only way lower farm prices for dairy production could increase dairy consumption is through per capita retail sales. But since 1952 while the farmer has been getting less and less, the housewife has been buying less. In 1952, per capita consumption of dairy products was 694 pounds. Last year consumption was 680 pounds, a drop during the 5-year period of 2 percent. Fluctuation of per capita consumption was slight during this period. But it is overwhelmingly clear that slashing dairy-farm income will not help the farmer by increasing demand.

The consequences of this cut will be bad for dairy farmers immediately. The consequences will be progressively worse in the future.

The consuming housewife will not benefit.

From the standpoint of the national interest, this would seem to be the worst possible time to cut dairy-price supports. The economy is already in a slump. It would be hard to find a worse time to shove farm income down. Past depression in this country have been farm led and farm fed. The farmer is an important consumer. Certainly in his present plight this cut in dairy-price supports will mean a drastic and immediate cut in his purchases. Of course the Wisconsin economy will be especially hard hit. But the consequences will be national. It would be hard to find a more effective way to give the economy a downward shove, because we know very well from past experience that this reduction in farm income will not be balanced by a reduction in the prices housewives will pay for their milk. We know it will not result in an increase in dairy-product purchasing. We know this support cut, if it goes through, will do one thing. It will play an important part in decreasing dairy farmer purchasing and the business income and jobs that directly depend on it.

I cannot stress the timing of this support cut strongly enough. This Congress may be on the verge of doing a number of things to snap the economy out of its slump. Many of these proposals are good and constructive. But certainly the wise and conservative action at a time when the economy is getting into serious trouble is to hold onto the income protecting safeguards we already have. There is no antirecession measure that would do more for its cost to help the economy than action by this committee to arrest the threatened cut in price supports.

Mr. President, the cut in dairy-price supports which Secretary of Agriculture Benson has ordered to take effect on April 1 will be a terrible blow to the entire economy of Wisconsin, and one over which the farmers and businessmen of my State are deeply concerned.

I have received a great number of letters from farmers and farm organizations in Wisconsin opposing this price-support cut, and I have promised them to do everything I can, not only to prevent this blow to Wisconsin farmers, but to work for a new farm program which will lay the foundations for permanent farm prosperity.

Mr. President, I ask unanimous consent to have printed in the RECORD five resolutions I have received within the past few days from Wisconsin farm organizations in opposition to the announced price-support cuts.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

TWIN BLUFFS FARMERS UNION,
Juneau County, Wis.

Senator WILLIAM PROXMIRE,
Washington, D. C.

DEAR SENATOR PROXMIRE: As a representative group of 92 farm families of the townships of Orange, Lisbon, Fountain, and Clearfield of Juneau County, we urge that you as our representative in the Congress oppose Secretary Benson's proposed cut in farm prices. We, as small-farm operators, would suffer a serious loss of income from our dairy products which would force many to seek other employment in cities which already have employment problems.

Many farmers, due to age, would be unable to seek other employment; others who have just started farming would suffer severe losses on their current investments. Our milk prices have continually decreased while prices we have had to pay for machinery have risen at least 10 percent each year.

Again, we as an organization and as individuals, urge that you oppose this cut in farm prices.

LAWRENCE SCHULTZ,
President.

RICHLAND COUNTY
HOLSTEIN-FRIESIAN ASSOCIATION,
Richland Center, Wis., January 18, 1958.

Resolved, That the members of this association go on record as opposed to any cut in the present support price on dairy products until such time as a suitable program of self-help can be enacted and put into operation; be it further

Resolved, That a copy of this resolution be sent to each of the following, together with a plea that each may use any influence at his command to hold the line against the proposed cut announced by Secretary of Agriculture Ezra Taft Benson.

C. VICTOR GOODRICH,
Secretary.

WESTERN BURNETT COUNTY
FARMERS UNION,
Grantsburg, Wis.

Hon. WILLIAM PROXMIRE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR:

Whereas the Secretary of Agriculture has ordered a cut in the support of dairy products effective April 1, 1958, to 75 percent of parity; and

Whereas this area is dependent upon the income from dairying and the only other alternative we now have as farmers is to still further increase our production of such dairy products to compensate for the reduction in price if this is allowed to become effective; and

Whereas our cost of manufactured goods is still advancing without any power seeming to curtail such advance in the future: Therefore be it

Resolved, That the Western Burnett County Farmers Union go on record urging our honorable Senator to use the power of his high office to protest and vote against such an anticipated reduction in dairy products supports as advocated by the Secretary of Agriculture. Our enrollment is at present 84 members. This resolution was adopted February 11, 1958.

Thanking you for your support,

Very truly yours,

VERNON PETERSON,
President.

FLOYD GLAZE,
Secretary.

BARNEVELD ADVANCEMENT ASSOCIATION,
Barneveld, Wis.

Senator WILLIAM PROXMIRE,
United States Senate,
Washington, D. C.

DEAR SENATOR PROXMIRE: Our advancement association is appealing to you and your office to do all in your power to bring about the veto of Ezra Benson's order to cut milk supports in 1958.

Respectfully yours,

WILLIAM R. THOUSAND,
President.

FALUN COOPERATIVE CREAMERY,
Siren, Wis.

Senator WILLIAM PROXMIRE,
Senate Office Building,
Washington, D. C.:

At the annual meeting of the Falun Cooperative Creamery, Route 1, Siren, Burnett County, Wis., the following resolution was unanimously adopted:

"Whereas the Secretary of Agriculture has given notice that the support price of dairy products will be lowered as of April 1, 1958, to 75 percent of parity, and

"Whereas the main source of income to the farmers of this area is dependent on dairy, and their purchase power will be further curtailed by a reduction of at least 25 cents a hundredweight; and

"Whereas the costs of manufactured items to be used in agriculture have advanced and are steadily advancing, we therefore here gathered at the annual meeting of the Falun Cooperative Creamery, Route 1, Siren, Burnett County, Wis., this 4th day of February 1958, do urge you to use all the power of your high office to oppose any further reduction in the proposed price of dairy products."

A. E. JOHNSON,
Secretary-treasurer.

DISPOSITION OF GERMAN AND JAPANESE ASSETS BLOCKED AND VESTED UNDER THE TRADING WITH THE ENEMY ACT OF 1946

Mr. HRUSKA. Mr. President, on July 31, 1957, the administration submitted a statement indicating that it would propose a supplementary plan concerning disposition of German and Japanese assets blocked and vested under the Trading With the Enemy Act of 1946. A couple of weeks ago I addressed a letter to the White House with reference to the progress being made on this proposed supplementary plan. Under date of February 20, 1958, Mr. Gerald D. Morgan, special counsel to the President, replied to my letter, and I asked unanimous consent that the text of the letter be printed in the body of the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, February 20, 1958.

The Honorable ROMAN L. HRUSKA,
United States Senate,
Washington, D. C.

DEAR SENATOR HRUSKA: The President has asked me to reply to your letter of February 7 concerning the disposition of German and Japanese assets blocked and vested under the Trading With the Enemy Act of 1946.

As you know the administration shares your concern with respect to this problem and is most anxious to see it resolved. At the time of the July 31, 1957, announcement it appeared that the balance of liquidated assets was substantially greater than earlier estimates had indicated. Accordingly, it was expected that a fair and equitable distribution of the proceeds could soon be proposed.

However, the situation appears to be in a constant state of flux. On July 31 it seemed that the controversy concerning the General Aniline and Film Corp., involving $100 million, had been set at rest. Since that date the Supreme Court has granted certiorari in the action and the matter has been presented to the World Court. Inescapably the question arises as to whether or not it will be necessary to temporarily defer specific recommendation as to return until the situation is clarified.

The administration is very actively considering all aspects of the disposition of these assets with the purpose of making recommendations to the Congress at the earliest practicable date. I am certain you are fully cognizant that under the existing limitations the problem is not easy of resolution.

Sincerely,

GERALD D. MORGAN,
Special Counsel to the President.

TRIBUTE TO SENATOR HARRY F. BYRD, OF VIRGINIA

Mr. HRUSKA. Mr. President, those of us who have devoted any substantial amount of time to public service know that one of its most rewarding aspects consists of the close ties which we form with selected colleagues and the camaraderie resulting therefrom.

When prospect of termination of any of these ties arises, we are saddened. It means we will lose something fine and good, something hard to come by in a line of endeavor which may have its rewards, but which also has its many prices and its many disillusionments.

That feeling of sadness came to many upon announcement by the senior Senator from Virginia [Mr. BYRD] that he did not intend to run for reelection this year. But the sadness is not limited to Senator BYRD's colleagues. It is felt by many who have come to know and love him on a sustained, low-pressure basis during his many years of service to his country in Washington.

Among very notable examples in this respect is the head of the Washington bureau of the newspaper of my home town of Omaha, the Omaha World-Herald. Mr. John Jarrell has held that position for over 12 years, from the very inception of which he has obviously been a devotee of Senator HARRY F. BYRD.

This is clearly discernable from the tenor and spirit of his recent write-up occasioned by the Virginia Senator's announcement to retire from public life. This story not only outlines a splendid and accurate personality sketch, but likewise portrays the admiration and respect which the reporter holds for his subject—and justly and understandably so after all these years of close association.

I ask unanimous consent that this article be printed in the CONGRESSIONAL RECORD at this point.

I also ask consent, that there be printed in the RECORD editorial comments which appeared in many Nebraska newspapers when the senior Senator from Virginia announced his plans for retirement.

There being no objection, the article and editorials were ordered to be printed in the RECORD, as follows:

[From the Omaha (Nebr.) World-Herald of February 16, 1958]

BYRD WEALTHY BUT IT DOESN'T SHOW

WASHINGTON.—You walk into the big office, each wall of which is chock full of the original drawings of famed cartoonists. You step over the little black cocker spaniel, named Happy, snoozing on the rug.

Behind the littered desk, the rosy-cheeked, smiling man arises, offers his hand, invites you to a seat.

He talks frankly, answers questions freely. If he knows you and trusts you, he will provide background information that cannot be published, but which helps in understanding various complexities of Government.

INDEPENDENT

This is Harry Flood Byrd who, after 50 years in public life, has announced his retirement as United States Senator from Virginia.

A Democrat, of course, as were his forebears, he is an independent Democrat who usually was at cross purposes with his party's last two Presidents, Franklin D. Roosevelt and Harry S. Truman.

Harry Byrd, descendent of a famed Virginia family, but a poor boy who achieved wealth strictly on his own, first was elected to office—the City Council of Winchester—just before he was 21 years old.

GOVERNOR AT 39

At 28 he was a state senator. At 39 he was governor. For a quarter century he has been a United States Senator.

For years he has been leading the fight for economy in our Government. It has been pretty much a losing fight—the spenders have been in control in Washington all that time.

But without his rear-guard fighting, many people believe spending would have been greater, the national debt even higher.

Said to be the largest individual apple grower in the world, Senator BYRD is wealthy. But it doesn't show.

NO CADILLAC

While colleagues whose bank accounts are a fraction of his drive to work in their big cars, HARRY BYRD uses a Chevrolet. And only a few days ago, when Budget Director Percival Brundage asked Mr. BYRD's interpretation of a nonessential expenditure, he got a typical BYRD answer.

Automobile transportation is necessary for him to transact his work both in Washington and Virginia, said Mr. BYRD.

"Chevrolet transportation is completely adequate," Senator BYRD told Mr. Brundage. "I drive a Chevrolet. I don't own a Cadillac.

"A Cadillac would cost 3 times as much to buy, 3 times as much to operate. So that difference is for me a nonessential expenditure. A great many Chevrolet activities in the Federal Government are driving around in chauffeured Cadillacs."

DECLINED CABINET

Five years ago, when the Eisenhower administration came to power, Mr. BYRD could have been Secretary of the Treasury, a Democrat in a Republican administration. He turned it down. He is glad now, because he since has split with Mr. Eisenhower's administration over fiscal policy.

NO STEMWINDER

His Senate influence is not due to his oratory. Mr. BYRD isn't any stemwinder of a speaker.

In 1952 Mr. BYRD became disenchanted with Adlai Stevenson, the Democratic presidential nominee. So the Senator made a radio speech, in which he said he could not support Mr. Stevenson, and he told why.

Virginia went Republican for the first time since 1928.

Mr. BYRD supported Franklin Roosevelt enthusiastically in 1932. He liked the Roosevelt platform—reduction of Government spending, adherence to States rights. He still likes it. But Mr. Roosevelt abandoned the platform soon after he became President. That's when the two men parted.

RESENTMENT

He broke with Harry Truman over fiscal policy. He supported President Eisenhower's money policies until the administration spending began to climb.

Last year he strongly opposed that $71,900,000,000 budget and is credited with a big part in spurring the nationwide wave of resentment over big spending.

On retirement, he and Mrs. Byrd, an invalid, will spend their time at Rosemont, their beautiful home in the Shenandoah Valley, overlooking his orchards.

It is one of Virginia's garden spots and in the spring, when the dogwood is in bloom and the apple trees loaded with blossoms, it is a sight never to be forgotten. No one who has seen it blames the Senator for wanting to spend all his time there.

[From the Sidney (Nebr.) Telegraph of February 19, 1958]

LOSING OUR WATCHDOG

The Treasury—which consists of the money which belongs to you and us—will lose its stanchest watchdog when Senator HARRY BYRD, of Virginia, retires from office. The venerable southerner hasn't always had his way about fiscal policies, but he's made enough noise (and enough good sense) that he has headed off some pretty drastic schemes to spend money where it would do absolutely no good. Those of us who appreciate diligence to a job will recognize the void left in the Senate when Mr. BYRD steps out of office. His passing from the public scene will be welcomed with glee by many bureaucrats, but not by the people who have to fork over the money so Uncle Sam can continue to be the world's most prolific spender.

[From the Norfolk (Nebr.) Daily News of February 18, 1958]

SENATE LOSING ITS CONSERVATIVES

Senator HARRY BYRD's announcement that he would retire at the end of his term has cast a shadow over conservatives of both political parties in the upper House.

The shadow is deepened because the Virginian is only one of several Senators of rightist slant who have left or are about to leave the Senate. Some of these have retired, or are about to retire; others have died, and some have been defeated. Among those best known for their leadership, in addition to Senator BYRD, are these, listed by James Reston of the New York Times:

Walter F. George, of Georgia; Eugene D. Milliken, of Colorado; William F. Knowland, of California; Edward Martin of Pennsylvania; H. Alexander Smith of New Jersey; Joseph R. McCarthy, of Wisconsin, Herman Welker, of Idaho; and William Jenner, of Indiana.

These men will be missed for their leadership in opposing the present leftward trend, both in and out of the administration. But especially Senator BYRD will leave a vacancy hard to fill because of his persistent fight for budget cuts and economy in Government.

So far as their votes are concerned, those whose places are still to fill may be followed by conservatives. But this is much less than half the story.

Whoever takes their places in the Senate will have to start from the bottom with seniority zero. And seniority is important in making a Senator powerful. Conservative Democrats have taken a place of great influence on legislation, because it has been the practice in the South to send a favorite back for term after term. Those from other sections usually have a fight on their hands, both in the primary and at the election.

And the political breeze is beginning to veer to the left. The South is no more the stronghold of conservatism it used to be. Industrialization is turning it away from its traditional low tariff conviction. TVA has given it a bias toward public ownership. Conservatives of the Middle West have to meet conditions caused by the discontent of the farmers. And the threat of a recession is enough to turn many voters toward high spending and welfare policies they would not have supported before.

The future is full of political uncertainty which may turn the Congress further to the left than President Eisenhower and his advisers are willing to go.

The loss of rightist leadership in the Senate may speed the change.

[From the Kearney (Nebr.) Hub of February 19, 1958]

WITH BYRD RETIREMENT, SPENDING LID IS OFF

A number of Washington observers agree that the retirement of Senator HARRY F. BYRD, Virginia Democrat, at the end of this year, will mean that the lid on spending, upon which the Senator has been seated, will promptly blow off.

It is a sad commentary of our times that the spending mania has so permeated the atmosphere of Washington that the Virginia Senator is the lone defender of orderly Government spending.

There are politicians who will hotly debate Senator BYRD's sole interest in the Nation's financial welfare, but there are few who can refute the Virginian's effective interest in maintaining some semblance of financial responsibility.

Reading Senator BYRD's statements the past decade supports the belief that he is more statesman than politician—and in many respects—a better Republican than many who stand in the GOP ranks.

It can truthfully be said, too, that the financial views of Senator BYRD have not been shared by many of his colleagues in the Democratic Party.

The Virginia Senator never has been stampeded into the heady belief that this Nation can blithely spend its way to prosperity. He has stated many times that this free-wheeling spending is a two-way street—namely, that this Nation also can spend its way into bankruptcy.

When the history of this century is written, it may be discovered that many of our difficulties stemmed from the decline in statesmanship in the Senate. This will not apply to Senator BYRD.

Much of the confusion which exists in Washington and in the minds of Americans comes from the irresponsible statements of those elected to be leaders. Too many Senators, it appears, take the stump for those things which they believe are popular with the public. In other words, their primary concern seems to be the gaining of an imagined political advantage.

Holding a firm hand on Federal spending has not been a popular pastime, as Senator BYRD well knows. The giveaway boys have had the bit in their teeth too long. The Virginia Senator has remarked that he still believes in former President Roosevelt's original campaign platform back in the 1930's. The trouble is, the campaign promises were immediately dropped following Roosevelt's election.

It is hoped that other Senators will take up Senator BYRD's work following his retirement. This Nation needs qualified leadership and spokesmen who believe in more

than making headlines. We must at some time in the near future get off this inflationary binge, and return to sane fiscal policies. Senator BYRD has been taking that stand ever since the end of World War II.

The Nation will miss the services of this doughty gentleman from Virginia.

[From the Norfolk (Nebr.) Daily News of February 19, 1958]

ECONOMY BLOC LOSING LEADER

Senator BYRD's retirement from the Senate at the close of the current term could create a void at a time when his presence is most needed.

As everyone knows, the Virginia Democrat is the Senate's leader of the so-called economy bloc. His understanding of Federal fiscal policies and spending practices is exceeded by no man and his unswerving stand in support of balanced budgets and respect for debt limits have served as a deterrent against many Washington excesses, whether Democrat or Republican-inspired.

His leaving will coincide with the emergence of new assaults on the Public Treasury. His peculiar role in American politics, which he has performed so admirably, will be hard to fill.

[From the Hastings (Nebr.) Daily Tribune of February 20, 1958]

WATCHDOG RETIRES

With Senator THEODORE GREEN, of Rhode Island, pressing on toward his 90th birthday, 70 seems a tender age for Senator HARRY BYRD of Virginia to call it quits. Brother of the famed late explorer Richard E. Byrd, he has been a fixture in the Senate for 24 years.

The Senator is most celebrated, of course, for his long-time advocacy of economy in Government. He's been a faithful watchdog, standing at the Treasury door and barking loudly at those he regarded as questionable suitors for the Government's money hand.

BYRD is a financial conservative, and his departure from the chairmanship of the powerful Senate Finance Committee evidently will open that post to a more left-of-center fiscal leadership. The committee itself may take its cue from this development.

How you view the change will depend, naturally, on your own leanings in finance.

But wherever one may stand on the political scale, he must admit that BYRD, a true professional in politics, has followed his conservative economic task consistently and intelligently, without seeming to make a fetish out of it.

[From the Omaha (Nebr.) World-Herald of February 13, 1958]

WITHOUT HARRY BYRD

Since he came to the United States Senate 25 years ago, HARRY BYRD, of Virginia, has fought for responsible, prudent management of the Government's finances.

He became the one recognized authority in Congress on the complexities of the budget.

He was the man who knew most about spending, and as much as the best informed on taxation. Almost single-handedly he induced his fellow Senators and Representatives to establish a joint Congressional committee to check on executive department expenditures.

His was the voice of fiscal sanity from the days of the New Deal to the present worried time when panicky Congressmen are again laying plans to cure a business slump by raiding the Federal Treasury.

Often Senator BYRD's has been a lonely voice, and often it has not been heeded. He has seen the public debt climb to awesome heights, even while he warned of the dangers of increasing debt. He has stood firmly for taxes high enough to cover the vast Government spending, even when his fellow conservatives sometimes deserted him.

He has, in short, been a responsible man, consistent in his public acts and everlastingly dedicated to what he believes are the vital interests of his country. Even his strongest opponents concede his great integrity and his patriotism.

It is therefore little less than a calamity for the country that Mr. BYRD has found it necessary to announce his retirement from the Senate next January.

Only the most compelling personal reasons—his advancing age, the illness of his wife—could induce him to give up the fight.

At the same time he may have been influenced to some extent by the odds against fiscal prudence, as his colleagues blaze away with their spending guns.

This is not to say that the fight for sane finances is lost. A surprising stir has been noted among younger people—the National Young Republicans who met recently, for example—concerning the profligacy of Government and the dangers of unrestrained spending and mounting debt.

Yet the loss of HARRY BYRD next year will be a massive blow to the Senate. He is not merely a fiscal specialist, but an all-round Senator, an expert on defense problems, a moderate, conservative voice in the Congressional councils.

Now that he is going—and Senator KNOWLAND, and Indiana's JENNER as well—the Senate will have lost some of its best minds and most courageous hearts. The one great consolation is that though out of the Senate, they will still be around to give counsel and encouragement to their fellow Americans.

TENTH ANNIVERSARY OF COMMUNIZATION OF CZECHOSLOVAKIA

Mr. THURMOND. Mr. President, February 25 is the 10th anniversary of the communization of Czechoslovakia.

This communization did not occur all at once. The move toward communism and the stifling of democratic voices began in 1945, and continued, through a number of steps, until the process was completed and formalized on February 25, 1948.

During the decade since that date, the pendulum has not started a swing away from enslavement.

It is true that optimistic reports have been spread about. The communistic government of Czechoslovakia has encouraged politicians of the National Front who, under the guise of exiles, have preached the doctrine that communism in Czechoslovakia would gradually democratize itself.

These are the same illusions which brought communism to Czechoslovakia 10 years ago, when other leaders of that country believed that their Communist colleagues would democratize themselves.

On the occasion of the 10th anniversary of the completion of the communization of Czechoslovakia, we should express our sympathy for the enslaved victims of Communist aggression, and we should strengthen our efforts to bring about the return of full political and economic freedom, through peaceful means, to the nations and territories now under Communist rule.

EXECUTIVE DETERMINATION OF ROLES AND MISSIONS

Mr. MANSFIELD. Mr. President, there is an alarming indication that increasing attention in the Pentagon is being directed toward removing basic roles and missions of the armed services from existing statutes and making them subject only to executive determination.

Such a move is being advocated under the guise of strengthening the Secretary of Defense and streamlining the Defense Department. This may strengthen the executive agency, but it will weaken legislative authority and status in an area in which Congress has wisely and resolutely insisted on the exercise of its prerogative and responsibility since the founding of our country.

What are these roles and missions? Briefly, these constitute the specific provisions of the National Security Act of 1947, as amended, which set forth the fundamental and basic roles and missions of each of the armed services. In a sense these provisions of law constitute a charter for each branch of the armed services, a kind of directive from Congress stating the purpose for which Congress, in accordance with its constitutional responsibility, creates, provides for, and maintains each of the armed services.

It must be clearly understood that the statutory prescription of roles and missions is not a detailed statement of the specific day-to-day jobs, weapons, techniques, research projects, and routine activities. Rather, roles and missions in law are stated in broad, flexible and elastic terms, which do not make this statutory assigment of roles and missions a straitjacket, a restriction, or an impediment to scientific and technological progress.

I doubt if anyone today could prescribe in more fundamental and more flexible terms the roles and missions of the armed services as they were written into the National Security Act of 1947, with its subsequent amendment.

It must be clearly understood that the roles and missions of the National Security Act are separate and distinct from the detailed assignment of functions of the armed services. The functions of the armed services are the details of the jobs and duties of the armed services, stated in more specific terms than exists in law. Essentially, the functions, which are prescribed by the executive authority of the President or the Secretary of Defense, are adjustable from time to time to new techniques, new weapons, new scientific discoveries. Such functions are amplifications of the basic roles and missions prescribed by law.

So, in the combination of the wording of the roles and missions in the National Security Act as written by Congress and the detailed, adjustable assignment of specific functions by the Executive, there is a completely proper, workable, and successful device by which the legislative and the executive can exercise appropriate authority with respect to what the armed services are to do.

This matter of statutory prescriptions of roles and missions is no new issue. In fact, it was probably the fundamental issue connected with the National Security Act of 1947. It certainly received more attention from Congress in its consideration of that bill than any other feature of that law.

I should like to review briefly some of the pertinent facts in connection with the inclusion of roles and missions in the National Security Act of 1947, as amended.

As originally proposed, the National Security Act of 1947 did not include the statutory outline of roles and missions. Rather, it was proposed that an Executive order on roles and missions would be issued upon passage of the Security Act. However, Congress, in its wisdom, decided that it was not only the right of Congress to prescribe basic roles and missions for the armed services but it was an inescapable responsibility of Congress to so do. Such an attitude on the part of Congress was not readily accepted by the executive sponsors of the proposed National Security Act. Congress was resolute in its position and set forth in properly worded provisions the fundamental roles and missions of each of the armed services.

I should like to point out that Congress, alert to the practical realities of defense matters, recognized that two elements of the armed services were in jeopardy. Because they considered those elements to be necessary to the attainment of a properly balanced defense organization and because such jeopardy should not be permitted to continue, Congress was more precise in the prescription of roles and missions for naval aviation and the Marine Corps.

Congress reaffirmed in even more emphatic terms, through Public Law 416, 82d Congress, 2d session, its insistence upon a continued maintenance of a combat-ready Marine Corps as a national force in readiness. Congress underlined its attitude and determination in this respect by stating that the Commandant of the Marine Corps should have coequal status with other members of the Joint Chiefs of Staff in consideration of all matters pertaining to the Marine Corps and that, among other provisions, the Marine Corps should be maintained at a strength of 3 combat divisions and 3 air wings.

It was perfectly obvious at that time that powerful factions within the armed services bitterly opposed this Congressional decision.

There is not the slightest doubt in my mind that the Marine Corps will be destroyed as a combat force in readiness if present efforts to remove roles and missions from the law are successful. There is no place for the Marine Corps as it has developed, as Congress wants it, and as the country needs it, in the master plan of those who wish to centralize all military authority under somebody in the Pentagon.

It is just as certain that our balanced naval power, with its unsurpassed naval aviation, as well as its Marine landing forces, will be destroyed if the roles and missions are removed from statute. We will find the United States, which is in fact an island Nation dependent upon maritime power for economic and military survival, possessing a Navy which no longer will contain the unique American attribute of seapower—the balanced fleet.

This effort—and it is a persistent one—to remove roles and missions from law, is not only a matter of military importance, it is of basic constitutional importance which is impossible to overemphasize in matters of legislative-executive relationship. In a practical sense the statutory prescription of roles and missions is one of the few meaningful instruments by which Congress can discharge its proper responsibility with respect to defense policy. If roles and missions for the armed services, as now prescribed by law, are removed from existing statute and made subject to executive whim, little will remain for Congress to do except appropriate moneys for the Pentagon.

This effort, which is gaining momentum within the Pentagon today, is one of the most fundamental issues of our times. Congress could not, and I predict will not, look lightly or casually upon attempts to divest Congress of its authority and its responsibility to prescribe these basic roles and missions. Those persons who have, since 1947, refused to accept the decision of Congress to include roles and missions in the National Security Act must not be permitted to succeed with their efforts to undo this Congressional decision.

There has not, in recent years, been a more clear-cut manifestation of a Congressional mandate in defense policies than the Congressional determination to prescribe roles and missions rather than leave it to the Executive.

I do not believe that Congress will permit this Pentagon power play to succeed. I do not believe that Congress and the American people will ever permit the Pentagon to erase the statutory safeguards that assure a continued existence of the Marines as an ever-ready combat force.

STATEHOOD FOR ALASKA

Mr. CHURCH. Mr. President, the Democratic National Committee, at its meeting in Washington last Friday, adopted unanimously a resolution offered by the States of Washington, Oregon, Montana, and Idaho, and the Territories of Alaska and Hawaii. In substance, the resolution called upon the Congress to consider and act upon the statehood bills for Alaska and Hawaii separately, and, as a minimum, that the Alaskan statehood bill be acted upon favorably at this session of Congress.

I think it especially significant, Mr. President, that this resolution was placed before the Democratic National Committee, and urged most movingly, not by the national committeeman from Alaska, or by the national committeeman from Washington, Oregon, Montana, or Idaho, all of whom are signatories of the resolution; but the presentation was made by Dr. Ernest I. Murai, the national committeeman from Hawaii.

Mr. President, it is long past time for quibble and cavil on statehood. The Hawaiian Delegate to Congress, Hon. JOHN BURNS, has publicly acknowledged that statehood for Alaska has the best chance of passage this year; he knows, as all of us do, that to link the two bills together, under any arrangement, is a tactic to defeat both.

Dr. Murai told the Democratic National Committee that when, in 1956, the Hawaiian bill was where the Alaskan bill is now, the people of Hawaii prepared a flag with their 49th star in it. With the emotion of a dedicated man, he offered to Alaska this flag, should statehood come to Alaska this year.

The people of Hawaii know that if Alaska becomes our 49th State, statehood for Hawaii will follow in due course as inevitably as the day follows the night. Seeing this clearly, they refuse to be used as catspaws for forces who want statehood for neither Territory.

Mr. President, the Alaskan statehood bill has been reported favorably by both the Senate and House committees. The bill is now pending on the Senate Calendar, and there is no reason why it should not be promptly called up for consideration by the Senate and acted upon. Time is becoming a factor of critical importance. The longer we delay acting upon the Alaska statehood bill, the better the chance the measure will be buried under the logjam of legislation that will demand our attention in the closing months of this session.

For this reason, I am heartened by the forthright action that has been taken by the Democratic National Committee. The committee's resolution deserves our respectful attention. I ask unanimous consent that it be printed at this point in the body of the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION PRESENTED BY THE REPRESENTATIVES OF THE STATES OF IDAHO, OREGON, MONTANA, AND WASHINGTON AND THE TERRITORIES OF ALASKA AND HAWAII TO THE DEMOCRATIC NATIONAL COMMITTEE MEETING IN WASHINGTON, D. C., FEBRUARY 21, 1958

A cardinal principle of the Democratic platform for many years has been the immediate admission of Alaska and Hawaii into statehood. World events make such action more imperative than ever before.

S. 49, providing for the admission of Alaska as the 49th State, has been acted upon favorably by both committees having jurisdiction in the United States Senate and House of Representatives. Therefore, this bill is in a position to be passed promptly by the Congress, and we strongly urge such action.

We deplore and condemn the recent action of the Republican leader of the Senate whose latest announced strategy seeks to kill statehood for both Alaska and Hawaii. Although, while in Alaska during 1956, Senator KNOWLAND publicly announced that he would support the statehood bills separately, he has now demanded that one not be acted upon without the other. He is obviously attempting to prevent a vote on either during this session of Congress. The Democratic National Committee, therefore, urges upon the Democrats in Congress that the statehood bills be considered and acted upon separately, and, as a minimum, S. 49 for the admission of Alaska be acted upon favorably by the 85th Congress.

RETIREMENT OF LESLIE N. McCLELLAN, CHIEF ENGINEER OF THE BUREAU OF RECLAMATION

Mr. MURRAY. Mr. President, February 28 one of our most able and devoted Federal Government administrators—an engineer of national and international

renown—will retire after 45½ years of outstanding service in the field of water and land resources development work in our 17 great Western States.

I refer to Mr. Leslie N. McClellan, the Assistant Commissioner and Chief Engineer of the Bureau of Reclamation. I wish to offer tribute to him as a great administrator, engineer, and gentleman who has so skillfully and conscientiously directed the technical actions of that organization for the past 10 years.

Both he and Reclamation, which he is now leaving, were fledglings, so to speak, when he joined the Reclamation Service in 1911. He has been an integral part of its development to the point where today irrigation water has been made available to 7,658,000 areas of western farmland. Harvested crops supplied with Reclamation water gross nearly $1 billion annually, and Government costs of reclamation works are an amazing 93 percent reimbursable.

Under his capable guidance, practically all the great hydroelectric projects of the Bureau of Reclamation have been conceived and designed, including Grand Coulee and Hoover powerplants, Grand Coulee pumping plant, and the Central Valley, Colorado-Big Thompson, and Missouri River Basin projects. As a consequence, the Bureau of Reclamation is presently one of the largest producers of hydroelectric power in the world. Revenue from hydroelectric production during the last fiscal year was in excess of $10 million.

Born on March 27, 1888, in Middletown, Ohio, Leslie N. McClellan received his primary and secondary education in Ohio schools. He was graduated in 1911 from the University of Southern California with a degree of bachelor of science in electrical engineering. In the same year he joined the Reclamation Service as a junior engineer on the Salt River project in Arizona and progressed rapidly in his chosen profession until by 1917 he was the project's superintendent of power.

The crash of war drums then interrupted young McClellan's career and, answering his country's call to arms in World War I, he served as first lieutenant, Corps of Engineers, and Tank Corps of the United States Army.

Following his discharge from military duty in December 1918, he again resumed his service with Reclamation.

Destiny now began its work in earnest in elevating Engineer McClellan to professional leadership. Promotions followed each other, and by 1925 he was appointed Chief Electrical Engineer for the Bureau of Reclamation. In this capacity he directly supervised the design of such monumental installations as Hoover, Grand Coulee, and Shasta powerplants. Other great power-producing works such as those at Parker and Davis Dams attest to the outstanding brilliance and long, hard hours of work by this man.

Again recognition came, and by 1945 he was the Bureau's Assistant Chief Engineer, Electrical and Mechanical. More great power installations at Canyon Ferry and Hungry Horse Dams began taking shape under his direction, and in June 1948 he was named Chief Engineer and Director of the Design and Construction Division. In 1953 he was appointed Assistant Commissioner and Chief Engineer for the Bureau.

Under Mr. McClellan's technical influence, the fame of the Bureau of Reclamation as one of the great engineering organizations of the world has spread far abroad. Nearly 800 foreign engineers from 46 different countries have been tutored at the Bureau's Denver engineering headquarters in the engineering science of water-resources development during the past 12 years.

The peoples of many other nations have been assured of a better life because of great engineering projects now in progress that have had the technical help and guidance of the Bureau of Reclamation under the able supervision of the Chief Engineer. The vast Snowy Mountains hydroelectric scheme in Australia, the Chao Phya and Yanhee projects in Thailand, Bhakra Dam in India, WuSheh Dam in Formosa—to name a few—all bear enduring marks of the influence of this man.

His long and illustrious service in the field of engineering has brought him many honors and recognitions.

In 1946, in 1952, and again in 1956, he was a delegate to the International Conference on Large Electric High Tension Systems held in Paris, France. In 1951 he was a United States delegate to the Fourth Congress on Large Dams and also to the Fourth Meeting of the International Association for Hydraulic Research, both held in India. He was a United States delegate to the Fifth World Power Conference held in Vienna, Austria, in 1956. In 1957, he was a United States delegate to the Third Regional Conference on Water Resources sponsored by the Economic Commission for Asia and the Far East, which met in Manila.

Additional professional honors and affiliations bestowed upon Mr. McClellan have been many. He is a member of the International Conference on Large Electric High Tension Systems—C. I. G. R. E. He is a member of the United States Committee on Large Dams—U. S. C. O. L. D.—and a member of the United States National Committee of the International Commission on Irrigation and Drainage—I. C. I. D. He is a fellow, life member, and past vice president of the American Institute of Electrical Engineers; a member of the American Society of Civil Engineers; a member and past vice president of the Colorado Society of Engineers, and a registered professional engineer in the State of Colorado.

Mr. McClellan has been elected eminent member by the Eta Kappa Nu Association, a national electrical engineering honorary society. He is a member of Tau Beta Pi, an honorary engineering fraternity, and Sigma Psi, an honorary scientific fraternity.

In recognition of his magnificent contribution to the development of natural resources, and to human progress, both in this country and abroad, the United States Department of the Interior bestowed upon L. N. McClellan in 1952 its Gold Medal Award for Distinguished Service. Likewise, the Colorado Engineering Council of the Colorado Society of Engineers chose him in 1951 to receive its Gold Medal Award for distingushed engineering and humanitarian service. Only four others in the 22-year-old history of the award have been so recognized. The University of Colorado conferred upon him the honorary degree of doctor of engineering in recognition of his career as an engineering administrator in 1949. The Beavers, a prominent national organization of contractors and engineers in the heavy construction field, presented him with their Golden Beaver Award in January of this year.

In addition to being one of the world's outstanding engineers, Mr. McClellan has demonstrated exceptional administrative abilities. His natural Scotch ancestry was always apparent in the careful frugality he impressed upon his subordinates. Economy of design and construction, but still consistent with adequacy and safety, was always a prime consideration when he reviewed the plans for any structure.

Known among the Bureau's many construction contractors for his fair dealing in the administration of contracts and the supervision of construction, he nevertheless saw to it that the Government's interests were protected at all times.

He had unswerving conviction in the value of professional development of individuals and under his strong encouragement other Bureau engineers, following their Chief's example, hold an enviable reputation of achievement and recognition by national and international professional societies and organizations.

Mindful of the necessity for a careful development of young engineers, Mr. McClellan fostered a training and rotation program designed to bring out their maximum capabilities early in their professional lives. Both the Bureau and the individual now reap the dividends of this foresight.

The high admiration his associates have always had for his professional attributes extended to his traits of character—sincerity, modesty, unquestioned integrity. Of quiet dignity, he was never above extending a word of greeting or listening to the problems of an employee. His timely words of encouragement and advice always inspired others to produce their best efforts. Devotion to duty begets devotion in others and Mr. McClellan always gave his subordinates a prime example to follow.

The Reclamation Bureau is known the world over for its giant works—Hoover and Grand Coulee Dams and powerplants—the All-American Canal. It takes giant men to conceive and create giant works. The Reclamation Bureau has given to our great land both giant works and giant men.

And to the name of Leslie N. McClellan, engineer, administrator, gentleman, servant of the people of his beloved West, his country, and the vast underdeveloped areas across the seas, must be added this word—"giant." Giant in spirit, in vision, in ability, in works—Leslie N. McClellan has been one of reclamation's true giants.

As chairman of the Committee on Interior and Insular Affairs, which handles reclamation legislation, I feel I voice the sentiments of my colleagues in this tribute to Leslie McClellan.

ROMA H. SELLERS

The PRESIDING OFFICER (Mr. PROXMIRE in the chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 1714) for the relief of Roma H. Sellers, which was, on page 1, line 11, to strike out "the improper administering of an anesthetic" and insert "a toxic reaction to the medication used in preparation for and".

Mr. STENNIS. Mr. President, I move that the Senate concur in the amendment of the House.

The motion was agreed to.

INFLUENCE IN GOVERNMENT AND WHAT TO DO ABOUT IT

Mr. NEUBERGER. Mr. President, the public is currently once again confronted with the unappetizing spectacle of an investigation into charges of "fixing" and undue influence in the decisions of regulatory agencies charged with the public interest in areas affecting important industries and businesses, in which many millions of dollars are at stake. Because this seems to be a periodically recurring problem, and one which seems to reflect irrepressible weaknesses of human nature, such charges always receive much attention and lead to a great deal of soul searching. But the difficulty of finding a solution to the problem has, in my opinion, been magnified all out of proportion. This point has today been made with exceptional clarity and persuasiveness by Representative STEWART L. UDALL, of Arizona, in a letter to the Washington Post and Times Herald. Representative UDALL points out that the means of protecting itself, its individual members, and applicants before it, from any suspicion of misconduct, are already within the power of each of these administrative and regulatory agencies itself. No elaborate legislation on the subject of "ethics" or other Congressional supervision is needed, if the agencies desire to do their job in the manner which the public demands and is entitled to expect.

I draw particular attention to that paragraph of Mr. UDALL's letter in which he suggests that he would have agencies "limit inquiries from members of the legislative or executive departments to requests for status reports on pending applications, or simple appeals to expedite action" and that he "can state with confidence that Members of Congress would welcome such a rule." I think all of us could say "amen" to this statement by our colleague. His other recommendations, to "prescribe that all communications to individual commissioners concerning applications be made a part of the public file in each case," and to penalize applicants seeking to employ other forms of intervention, must—once they are so stated—seem to be something which the public would expect to be the rule as a matter of course.

Mr. President, as I have frequently said and written, the question of ethical practices in our administrative and regulatory procedures is only a tiny aspect of our major problem of the role of special interests in Government, and the one which is easiest to solve. With his characteristic thoughtfulness and power of analysis, Representative UDALL has shown us how. I ask unanimous consent to have printed in the RECORD the letter of Representative UDALL published in the Washington Post and Times Herald of February 24, 1958.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

[From the Washington Post and Times Herald of February 24, 1958]

ELIMINATING INFLUENCE

Your February 20 editorial on the FCC ("Knowing the Right People") put a finger squarely on the practice which has brought discredit to some of our regulatory agencies. I refer, of course, to the custom of permitting intercessions and ex parte conferences.

Obviously a commission cannot regain public confidence as long as it maintains two forums—one for official hearings, another where interested parties may exert their influence off the record. Until a line is drawn by the Commission between the proper and the improper, naturally all forms of intervention will be regarded as proper.

Short of such action, it is inevitable that the influence forum will be the decisive arena in some cases, for the merits are often evenly balanced and the public interest test is not always clear cut. When contesting applicants are thrown into such a catch-as-catch-can struggle, even the party which has won an examiner's recommendation is forced to proceed on the assumption that the only way to insure a ruling on the merits in the main forum is to get at least a stalemate in the forum of influence. This explains why applicants have frantically recruited their Washington friends and pressured them to pressure the Commissioners.

How can the forum of influence be eliminated? It is plain that elaborate remedial legislation is not needed. The FCC has the power to fix the character of its proceedings and regulate the conduct of applicants. Let them use this authority and declare forthwith a set of rules—and a code of ethics for individual Commissioners—which will give its actions judicial integrity. (Some of the other Commissions, notably the SEC, already have rules and customs worthy of emulation.)

As a starter, the Commission might (1) prescribe that all communications to individual Commissioners concerning applications be made a part of the public file in each case; (2) limit inquiries from members of the legislative or executive departments to requests for status reports on pending applications, or simple appeals to expedite action (I can state with confidence that Members of Congress would welcome such a rule); and (3) declare all other forms of intervention improper, and impose harsh penalties on applicants employing them.

Can anyone doubt that such rules would cause "influence" to disappear overnight?

The right to an impartial hearing is deeply imbedded in the thinking of our people, and decisions arrived at by unjudicial methods are suspect even when they are just. Under our system of justice there are no friends at court, only advocates of law and fact in open court. And understandably those who hold court after hours, or in the market place, should not expect that the decisions they hand down from the bench will stand upright in the public eye.

Today our citizens have a right to expect that even quasi-judicial public bodies will adhere to the best judicial practices. Nothing less will win and keep public esteem.

STEWART L. UDALL,
Representative of Second District, Arizona.

WASHINGTON.

HIGHWAY NUMBER DESIGNATIONS FOR LINCOLN HIGHWAY AND OLD OREGON TRAIL

Mr. NEUBERGER. Mr. President, for many decades, one of the most famous of transcontinental highways in North America has been U. S. 30—the Lincoln Highway. As one of the few continuous coast-to-coast highways—from Atlantic City, through Lincoln, Nebr., to Portland and Astoria, Oreg., where the Columbia River runs into the Pacific Ocean—the Lincoln Highway has been famous not only because of the illustrious name with which it is associated, but also because much of its course follows the historic Oregon Trail.

For many years, Americans wishing to retrace that famous route of the pioneers, from the plains of the Middle West over the Rocky Mountains, have been able to do it following the U. S. 30 signs across the land. The Lincoln Highway and the Oregon Trail have been firmly associated in the public mind. Now it seems that these two historic associations with one transcontinental highway are about to be destroyed in the process of renumbering the new National System of Interstate Highways.

The numbering of these interstate highways is not a Federal function; it is being carried out by a committee of the American Association of State Highway Officials. There are good reasons why a new number-grid will be applied to the new system, with numbers running from south to north and west to east, to minimize confusion with the old numbers. But, Mr. President, in the application of the new numbers, it would be possible to give a single, transcontinental route number to one interstate highway which, to a large extent, parallels the present Lincoln Highway. This could be done by giving it the designation number 80, instead of the present tentative proposal of having the number 82 given to only a fraction of the route, that from Portland to the vicinity of Salt Lake City, Utah. Perhaps the number 70 could be carried through to the Pacific coast at San Francisco, so as to give that great western center a terminus of a transcontinental route number comparable to present U. S. 40.

Mr. President, to show the great concern and importance with which this matter is viewed in the State of Oregon, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an editorial from the Portland Oregonian of February 4, 1958; a resolution sent me by both the Astoria and the Klamath County Chambers of Commerce; a letter dated January 31, 1958, from Mr. Thomas Vaughan, of the National Council of the American Association for State and Local History to Mr. Clifford T. Lord, president of that association; and, finally, a letter written last August 20 by the Oregon State highway engineer, Mr. W. C. Williams, to Mr. D. C. Greer, the chairman of the AASHO's route-numbering

committee. I believe these materials state very persuasively the case for maintaining a transcontinental route number, such as 90, for the celebrated Lincoln Highway and the old Oregon Trail, and I hope the AASHO will heed these requests.

There being no objection, the editorial, resolution, and letters were ordered to be printed in the RECORD, as follows:

[From the Portland (Oreg.) Oregonian of February 4, 1958]

PRESERVE THE TRAIL

To renumber the Interstate Highway System so that the Federal highway between Portland and Salt Lake City would be designated as merely a branch of the intercontinental route to San Francisco would be a serious violation of history.

The present U. S. 30, the Lincoln Highway, is a transcontinental route which follows, more or less, in its western stretches, the longest and one of the most famous wagon roads of all time—the Oregon Trail.

Under the renumbering plan announced for the Interstate Highway System, the old designations will be abandoned. Instead of U. S. 30, there will be a Route 80 across the continent. But it will not end at the mouth of the Columbia River, as does U. S. 30. Its western terminus will be San Francisco. The route between Salt Lake and Portland will be No. 82, a branch of the main route.

The Oregon Trail goes back to 1812, when a party of Astorians under Robert Stuart followed its approximate route from west to east. In 1824, Jed Smith took the first wagon train across the famous South Pass of the Rockies. Followed then several wagon journeys to and across the Continental Divide, until Marcus Whitman and Henry Spalding made wagon history in 1836 by reaching old Fort Boise on the Snake River. Then came the great caravans of covered wagons to Oregon in the 1840's.

It was not until the gold rush days that appreciable numbers of pioneers turned off the Oregon Trail to go to California instead of to Oregon. The part of the Interstate Highway route ending at San Francisco should be designated as the branch, not the section that reaches and follows the Columbia River. Those responsible for renumbering the highway system should be so informed. Chairman of this committee of the American Association of State Highway Officials is State Highway Engineer D. C. Greer, Austin, Tex.

Whereas in the highway modernization program of the United States, in cooperation with the several States, the official route numbering for the National System of Interstate and Defense Highways was assigned to the American Association of State Highway Officials; and

Whereas a committee of the American Association of State Highway Officials has designated as Route 80 the transcontinental highway extending between San Francisco and Philadelphia; and

Whereas Route 30 as a transcontinental highway has been abandoned; and

Whereas a new designation of Highway No. 82 has been given to the route from the vicinity of Salt Lake, Utah, to Portland, Oreg.; and

Whereas, upon examination, Route 82 is seen to be not more than a spur road connecting important communities of Idaho and Oregon; and

Whereas further examination would indicate a dead-end connection between Route 82 and Route 80; and

Whereas the use of U. S. 30 as a transcontinental route has been of inestimable value in attracting tourist and other travel to the Pacific Northwest, and this value will be destroyed by the proposed renumbering plan: Now, therefore, be it

Resolved, That urgent request be made upon C. R. McMillan, president of the American Association of State Highway Officials, and chief administrative officer of the South Carolina State Highway Department, for a revision of the numbering plan for the proposed Highways 80 and 82; be it further

Resolved, That we urge that Highway No. 80 be extended into the Pacific Northwest in behalf of securing the advantages in tourist appeal and traveling incentive of a transcontinental highway across Idaho and Oregon; and be it further

Resolved, That we make it entirely clear to the president of the American Association of Highway Officials and his committee on the renumbering plan that we regard the present proposed numbering as gross and unwarranted discrimination against this section of the United States; be it further

Resolved, That the situation herein described shall be called to the attention of our Senators and Representatives in the Congress, our State highway commission, and State highway engineers, and all of the business and civic organizations injuriously affected by the proposed big highway numbering plan; and be it finally

Resolved, That effort be inaugurated without cessation until justice has been done by designating Route 80 as extending between Philadelphia and Portland.

OREGON HISTORICAL SOCIETY,
Portland, Oreg., January 31, 1958.

CLIFFORD L. LORD,
President, American Association for State and Local History, Madison, Wis.

DEAR CLIFF: This is a time when the American Association for State and Local History can give great support on a national problem with serious regional implications.

The celebrated old Oregon Trail along the Columbia River Highway, and linking with Highway No. 30 (the Lincoln Highway) running to the Atlantic Ocean, is about to be changed as a result of a complete renumbering of the Federal system. As now planned, Highway No. 30 will be abandoned. The Federal road from Portland to Salt Lake City will be designated No. 82, a branch of Transcontinental Highway No. 80 to San Francisco.

Oregon residents and thousands of people who follow the route of the Oregon Trail every year are very upset with the proposed changes. This touches directly on our greatest overland trail traditions.

We are very anxious to have new Highway No. 80 run directly along the route of 30. Since no final decision has been made, San Francisco could be given some other more suitable number, thereby preserving our historic link with the Atlantic seaboard. The Oregon Trail is the greatest land route in the United States. We would lose far more than its identity in this proposed change.

A small gap now existing in Highway No. 40 poses no insuperable problem. This is a temporary situation with little relevance to the permanent designation of Federal numbers.

We urge that you call this matter to the attention of the national committee responsible for the renumbering of the Interstate System: American Association of State Highway Officials, Chairman D. C. Greer, State highway engineer, Austin, Tex.

With the forthcoming centennial of our State in 1959, this is particularly important. Without the trail there would have been no Oregon.

Very truly yours,

THOMAS VAUGHAN,
Member, National Council, American Association for State and Local History.

(Copies to: Senator Wayne Morse, Senator Richard L. Neuberger, Clement M. Silvestro, H. J. Swinney, Herbert Lundy, Roy Beadle, and W. C. Williams.)

STATE OF OREGON,
STATE HIGHWAY DEPARTMENT,
Salem, August 20, 1957.

Mr. D. C. GREER,
Chairman, Route Numbering Committee, AASHO, State Highway Building, Austin, Tex.

DEAR MR. GREER: It is with great reluctance that I write to you about a matter that is only in a formative stage. It has to do with the numbering of the National System of Interstate and Defense Highways and, more particularly, as it relates to an interstate route of great importance to the State of Oregon as well as, of course, many other States through which this route passes.

I am referring to U. S. 30 which, since the beginning of the United States route numbering system, has been a transcontinental route extending from ocean to ocean. I noted on the map on display at La Salle during the route numbering discussion that U. S. 30 was tentatively indicated as Interstate No. 80 as far west as Salt Lake City, Utah, then the 80 routing was extended into San Francisco over the existing U. S. 40 route, and that a stub of the Interstate System, No. 82, extended from Salt Lake City to Portland, Oreg. Such a plan will meet violent opposition in the State of Oregon and, I am quite certain, in the State of Idaho, as well. Frankly, I can see no useful purpose in the breaking up of a route so long and well known as U. S. 30. By that, I mean that whatever interstate number is given to the interstate route closely paralleling U. S. 30 should extend over the original designation, which, in this particular instance, is from Atlantic City, N. J., to Portland, Oreg.

U. S. 30 has for the Northwest a great commercial and historical attraction. As you know, the Northwest was settled by the pioneers who immigrated over the Oregon Trail beginning in the mid-1840's when the great wagon trains rolled across the States of Nebraska, Wyoming, Idaho, and into Oregon to the western regions. It is for this reason that it would indeed be a shock to the people of this Northwest region if the historic highway U. S. 30, the old Oregon Trail, were broken up and only a stub designated for the portion from Salt Lake to Portland.

It would seem that a suitable other interstate number could be assigned to the existing U. S. 40 terminating in San Francisco. I realize, of course, that there is a gap on the Interstate System of U. S. 40, being between Salt Lake City and Denver. I doubt, however, that this condition will continue forever, and it would seem that that route should be given a through interstate number and not break up the existing U. S. 30 transcontinental route. I hope that you and your committee will give this the utmost consideration in the development of your final recommendation. I realize that your committee has a tremendous task to perform, and even while I have disagreed with certain portions, as above, I wish to assure you that in my opinion you are doing a most excellent job.

Very cordially yours,

W. C. WILLIAMS,
State Highway Engineer.

TEXAS HIGHWAY DEPARTMENT,
Austin, Tex., September 3, 1957.

Mr. W. C. WILLIAMS,
State Highway Engineer,
State of Oregon,
Salem, Oreg.

DEAR DUTCH: I received your good letter of August 20 and I know exactly what you are talking about when you talk about the

numerology of the Interstate System. We too are going to be disappointed here in the Southwest in that some of our roads that formerly went from the Mexican border to the Canadian border with one number will not do so under this pattern. I frankly do not know the answer. But it is possible that as we stumble along with this thing we may be able to unravel it to the satisfaction of all concerned. The contents of your letter will be most carefully considered in the additional studies on the numerology.

Kindest personal regards.

Sincerely yours,

D. C. GREER,
State Highway Engineer.

STATE OF OREGON,
STATE HIGHWAY DEPARTMENT,
Salem, October 23, 1957.

Mr. D. C. GREER,
Chairman, Route Numbering Committee, AASHO, State Highway Building, Austin, Tex.

DEAR MR. GREER: It is now apparent that some additions and/or changes will be necessary in the marking of the Interstate System by reason of the recent additions announced by Secretary of Commerce Weeks.

I particularly call your attention to the new addition between Ogden, Utah, and Echo Junction, Utah. This routing, of course, will provide a much more direct routing from Interstate 80 to Interstate 82 than the former routing through Salt Lake City; in fact, it will save more than 40 miles in distance.

I would urgently recommend that Interstate 82, which now has its eastern terminus at its junction with Interstate 15 at Tremonton, Utah, be extended southeasterly to Echo Junction via Ogden. This would result in a dual numbering (Interstate 15 and Interstate 82) between Tremonton and Ogden, but such dual numbering is permissible: "The routes will be so marked as to give maximum continuity between major control points, and dual interstate numbering will be held to a minimum consistent with proper travel guidance." I consider the extension of Interstate 82, with a short section being common with Interstate 15, to be consistent with this idea. I further note that there are existing dual routings; for instance, Interstate 20 and Interstate 59 are common between Meridian, Miss., and Birmingham, Ala.

I further recommend that the portion of Interstate 82 now numbered 82S, from a point in southeastern Idaho to Tremonton, be numbered 82 and drop the S. 82N is a stub of 82 and is properly designated as 82N. This would result in Interstate 82 being continuous from Portland, Oreg., to its intersection with Interstate 80 at Echo Junction.

I would urge most careful consideration of the above recommendation, as otherwise there would be a hodgepodge of interstate numbering from Echo Junction to Tremonton, Utah, and the direct route from east to west, comprising Interstate 80 and Interstate 82 would have four different route numbers within a distance of less than 100 miles.

Very truly yours,

W. C. WILLIAMS,
State Highway Engineer.

AMERICAN ASSOCIATION OF
STATE HIGHWAY OFFICIALS,
Washington, D. C., October 28, 1957.

Mr. W. C. WILLIAMS,
State Highway Engineer, Oregon State Highway Department, Salem, Oreg.

DEAR MR. WILLIAMS: I have the copy of your letter of October 23 addressed to Mr. Greer, chairman of our committee on route numbering.

Please be advised that the matter of integrating the newly designated routes into the numerology system of the Interstate network will be before the route numbering committee at Chicago.

Yours truly,

A. E. JOHNSON,
Executive Secretary.

THE NEED FOR SCHOOL BUILDING CONSTRUCTION

Mr. HUMPHREY. Mr. President, I have received a letter from Finis E. Engleman, executive secretary of the American Association of School Administrators, in which he discusses the present business recession and the great need for school building construction. Mr. Engleman proposes that school building construction constitutes one of the best means of improving our economy. I want at this time to commend him and the association he represents for this proposal. I have taken the same position on this subject in a release issued on February 12. Mr. President, I ask unanimous consent that there be printed in the RECORD Mr Engleman's letter to me and my release.

There being no objection, the letter and news release were ordered to be printed in the RECORD, as follows:

AMERICAN ASSOCIATION OF
SCHOOL ADMINISTRATORS,
Washington, D. C., February 18, 1958.

The Honorable HUBERT H. HUMPHREY,
United States Senate,
Washington, D. C.

MY DEAR MR. HUMPHREY: I write to propose a Congressional action which in my judgment would result in two exceedingly significant and timely advantages to the people of the United States. They grow out of my observation of what at this moment constitutes two of the biggest problems facing the Nation. I refer to the recession in business and employment, which is seemingly growing more serious every day and must in some way be halted. The second is the need for school building construction which also is increasing in its seriousness.

I believe that both of these problems could be sufficiently met by quick action of the Congress. I therefore propose that a schoolhouse construction act, somewhat on the plan submitted by Representative KELLY in the last session of Congress, would be a suitable plan. I believe that it is generally agreed that building construction constitutes one of the best means of improving the economy. Surely increased school building would seemingly affect unemployment in nearly all aspects of labor and at the same time it would stimulate business in a great many directions. In the first place, heavy equipment such as trucks, cranes, and bulldozers would be in increased demand. Steel, masonry, and lumber would have an immediate pickup. Furthermore, industries producing window shades, many kinds of furniture, glass, floor coverings, plumbing accessories, stoves, boilers, slate, draperies, and the like would be relieved of their excess inventory rather quickly, and industries which produce these materials would again spring into full production.

While stimulating our economy, we would be, at the same time, strengthening the Nation by providing schools for our potential workers and leaders of tomorrow. This in itself justifies the expenditure, and certainly holds many advantages over almost any kind of construction, particularly public buildings such as post offices and the like.

Never before, in my judgment, have so many people been concerned over the improvement of our school system. I believe, too, that the Congress would hit a popular note by embarking on such an enterprise.

Sincerely,

FINIS E. ENGLEMAN,
Executive Secretary.

SENATOR HUMPHREY URGES TAX CUT, SCHOOL AND HOME CONSTRUCTION AS KEY ANTI-DEPRESSION MEASURES

Senator HUBERT H. HUMPHREY, Democrat, of Minnesota, today urged the administration to "put first things first" and to set an urgent priority on a "tax cut for 1 year to stimulate purchasing power, massive school construction, and slum clearance program and income-producing public works rather than pinning all its hopes on a post office construction program as the answer to the growing recession.

"A tax cut may temporarily reduce Government revenues," Senator HUMPHREY said, "but the drop in production and jobs in the current recession will be even more costly to the Government and indeed to the people. It is better to have an unbalanced budget than an unbalanced economy; by firming up jobs, production and construction, the budget will eventually be balanced."

The Minnesota Democrat, who introduced a school construction bill at the beginning of the 85th Congress last year, pointed out that a school construction program would provide a "very large number of individual construction projects with a minimum time delay in getting actual construction started." He urged that President Eisenhower lend his early support to the school construction legislation now pending before the Congress.

Commenting that at least the post office construction proposal is recognition by the administration of the principle that essential public works can and should be used to stimulate the economy, Senator HUMPHREY said that the President nevertheless has ignored the two most urgent public works needs: school construction and slum clearance.

"Our people need jobs and they need tax relief to restore purchasing power," Senator HUMPHREY declared. "And at the same time we badly need more classrooms, more public housing, and a strong and resolute attack on our city slums and blighted areas."

"Post offices are needed," he said, "but the administration should recognize what every parent and schoolchild knows—that we are slipping further back in classroom facilities and low-income housing. It is a little hard to swallow the implication that new post offices are more important than new schools and slum clearance."

"Priority should not only be given to schools and public housing and at least a $20 per capital cut in the personal income tax," Senator HUMPHREY declared, "but there is a broad field of income-producing public works which are also needed.

"For instance," he said, "the administration should take the brakes off rivers and harbors development for navigation improvement and public power facilities. And it should move to accelerate the highway program, which has been proceeding at a snail's pace."

"These income-producing public works will have a double effect on the economy, providing not only a 'shot in the arm' to the construction industry, and transportation and commerce, but also to the long-range revenue base of the Government," Senator HUMPHREY pointed out.

"Post office construction should be fitted into a priority of public works projects," Senator HUMPHREY urged. "It is one of several ways that the Federal Government can move to check the growing recession."

REDUCTION OF FUNDS FOR TUBERCULOSIS CONTROL

Mr. HUMPHREY. Mr. President, the more I study the President's budget, and the more my friends study the President's budget, the more amazed I become at the gulf between the President's protestations of intent and the cold, hard figures in his budget request.

Most recently, I was distressed to learn that the budget for grants to the States for tuberculosis control has been drastically cut from the present year's operation.

The State health officer for the State of Minnesota, Dr. Robert N. Barr, states that the proposed cut in funds will seriously reduce laboratory and followup programs and hinder control of tuberculosis and its early discovery.

Mr. President, in order that my colleagues may understand the serious implications of this budget cutback, I ask unanimous consent to have printed at this point in the RECORD a letter from Dr. R. N. Barr and a telegram addressed by Dr. Barr to Dr. Herman Hilleboe, president of the Association of State and Territorial Health Officers.

There being no objection, the communications were ordered to be printed in the RECORD, as follows:

STATE OF MINNESOTA,
DEPARTMENT OF HEALTH,
Minneapolis, February 18, 1958.

The Honorable HUBERT H. HUMPHREY,
United States Senate,
Washington, D. C.

DEAR SENATOR HUMPHREY: The enclosed telegram was sent February 17 to Dr. Herman Hilleboe, president, Association of State and Territorial Health Officers, to assist him in testimony before Congressman FOGARTY'S House subcommittee the last week in February. The executive committee, ASTHO, in January voted unanimously to request the Congress to increase the United States Public Health Service request for tuberculosis grants to States of $3 million, back to the current year's level of $4,500,000.

A great victory, over tuberculosis, is jeopardized by the proposal to reduce this assistance to States.

Respectfully,

R. N. BARR, M. D.,
Secretary and Executive Officer.

FEBRUARY 17, 1958.

Dr. HERMAN HILLEBOE,
President, the Association of State and Territorial Health Officers, New York State Health Department, Albany, N. Y.:

Minnesota Department of Health uses $53,200 Federal and $20,000 State funds for tuberculosis control. Proposed cut of $16,100 Federal is tragically unrealistic.

Funds are used for broad public health program of case finding and supervision, not for hospital or treatment costs. Laboratory services for diagnosis and followup of cases is major element of program. These services have been expanding in recent years and becoming more complex, as case finding intensified. For example, in 1946 the laboratory did 8,000 tuberculosis cultures; in 1957, 13,700. Department program also concentrates on supervision and followup of all known cases, based on central-records system and public health nursing services.

Proposed cut in funds will seriously reduce laboratory and followup programs, and thus hinder control of infectious disease and discovery of early cases. Tuberculosis remains the major communicable disease in Minnesota. Control efforts should currently be intensified and expanded rather than reduced.

R. N. BARR, M. D.,
Secretary and Executive Officer, Minnesota Department of Health, University Campus, Minneapolis, Minn.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. PROUTY in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

REVISION OF THE GI HOUSING LAW

Mr. CAPEHART. Mr. President, on behalf of myself and the Senator from West Virginia [Mr. HOBLITZELL] I introduce for appropriate reference a bill to extend for 2 years and to modify, realistically, so that it will really work, the existing legislation which we all know as the GI housing law.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3336) to extend the loan guaranty program for World War II veterans for 2 years, extend the direct loan program for a like period, authorize an interest rate on guaranteed and direct loans commensurate with that applicable to mortgages insured under section 203 of the National Housing Act, to increase the maximum direct loan to $13,500, and for other purposes, introduced by Mr. CAPEHART (for himself and Mr. HOBLITZELL), was received, read twice by its title, and referred to the Committee on Banking and Currency.

Mr. CAPEHART. Mr. President, I introduce the bill for two principal reasons:

First. The approximately 14 million eligible veterans are not now getting the benefits of the GI housing law because the 4½ percent limitation on interest rates is wholly unrealistic in the light of existing economic conditions.

Second. To provide thousands and thousands of well-paid jobs at a time when the Nation is facing something more than seasonal unemployment.

I may say at this point that the bill gives all of us a very fine opportunity to do something about unemployment, instead of merely talking about it.

Before I go into the details of the bill, let me say that to kill this bill by failure to pass it will be to deny the opportunity of homeownership already authorized by law for the some 14 million eligible veterans of World War II and the Korean war who have not used their GI entitlement. Likewise, it will deny thousands and thousands of jobs to workmen who need jobs.

Mr. President, the situation is this simple on the face of the facts: Since the enactment of the GI housing bill by the 78th Congress, 5,069,800 homes have been financed under the GI law.

By years—and I am only listing the years since 1951—the figures break down in this way:

In 1951, 377,530 houses were built.
In 1952, 312,908 houses were built.
In 1953, 322,780 houses were built.
In 1954, 527,851 houses were built.
In 1955—and I should like to call particular attention to these figures—669,058 houses were built.
In 1956, 507,144 houses were built.
In 1957, the number of houses built dropped to 248,827.

Last month applications received under this same legislation totaled only 7,680, which on a yearly basis would provide for 1958 less than 100,000 new and existing units financed under the law.

It is logical, therefore, to ask "Why?"

Let us face the facts. The facts are that the 4½-percent limitation on interest rates under the existing legislation simply will not attract the necessary money in the current market to make it possible for our veterans to take advantage of their homeownership rights under the law.

The only way I know to correct that is to provide a realistic interest rate. While there are some other important provisions in my bill, that is its basic purpose.

In other words, it is unrealistic to believe that a person will buy a 4½-percent GI housing mortgage when he can get a 5¼-percent FHA mortgage, both guaranteed by the Government. It does not make sense, in view of the fact that there has been a drop from 669,058 houses in 1955 to probably less than 100,000 in 1958, at a time when there is need for more employment.

Briefly, this is what my bill does:

First. Extends the existing veterans' housing direct-loan law from the current expiration date of July 1, 1958, to July 25, 1958. This is done for the reason that the loan-guaranty provision of the veterans' housing law expires on July 25, 1958, and a further provision of my bill extend both programs for 2 years, until July 25, 1960, so that both programs will expire at the same time.

Second. Provides that the interest rate on guaranty loans shall be modified from the existing maximum of 4½ percent to the same system of interest-rate calculation as now governs FHA sales housing loans under the National Housing Act, which, as we know, is adjustable to the needs of the economy. The current FHA rate is 5¼ percent.

Mr. President, I should like to say at this point that the GI housing bill was enacted in 1944. At that time Congress set the interest rate at 4 percent. It remained at that rate until 1948, at which time the Veterans' Administrator, with the consent of the Treasury Department, increased it to 4½ percent. An interest rate of 5 percent or 5½ percent is much more realistic today than 4 percent was in 1944. In other words, Congress could have set a lower rate in 1944, and there would have been a great deal of money available with which to purchase the mortgages.

Third. Increases from the present $10,000 maximum to a maximum of

$13,500 individual loans made under the direct loan provision of the law.

Fourth. Provides an authorization of not to exceed $100 million for the continuation of the direct loan program.

The purpose of that is to furnish mortgage money in thinly populated sections of the United States where mortgage money is not now available and ordinarily is hard to find.

Fifth. Removes the requirements that the Administrator of Veterans Affairs impose limitations on the discounts which may be absorbed on the sale of mortgages. This form of price control has twice been tried and found wanting. It hampers the free movement of mortgages and actually operates to the disadvantage of those it pretends to protect. Furthermore, by allowing the Administrator to regulate the interest rate upward and downward as called for by yields on similar investments, the necessity for wide discounts is eliminated. Mr. President, I have always considered that one of the responsibilities of Congress is to do those things which will create in private industry well-paying jobs which are absolutely essential to the security and happiness of our people.

I wish to repeat that statement. It is the responsibility of Members of Congress to do those things which will create in private industry well-paying jobs, which are absolutely essential to the security and happiness of our people.

I know of no other proposed legislation which would help to accomplish that result now as well as would this bill.

As you know, Mr. President, the job-creation possibilities in building a house are almost limitless. Beginning with the men who dig the basement, the benefits which accrue to all segments of our economy from the construction of a home are almost fantastic. From the standpoint of the actual construction labor alone, they range from the common laborer to the skilled workman. The benefits flow to the bricklayer, the stonemason, the carpenter, the plasterer, the painter, the electrician, the plumber, and the roofer.

Building construction provides jobs for the people who make the concrete blocks, the nails, the electrical wiring, the lighting fixtures, the refrigerators, the stoves, the washing machines, the furnaces, the plumbing equipment, and the hundreds of other items which go into the modern home.

It has been estimated that in the construction of a modern home there are used about 3,000 articles, the production of which is helpful to all phases of labor and the business community. It takes 2 man-years of labor to construct the average home. Mr. President, I know of no more logical step for Congress to take at this time than to pass the bill.

The philosophy of veterans housing legislation has long since been adopted by Congress and is not now at issue.

Under the GI housing bill some $42 billion has flowed into our economy. It has been a good investment. The loss ratio has been about six-tenths of 1 percent. Less than 36,000 out of more than 5 million loans have been defaulted. The actual dollar loss on home loans has been under $20 million. More than 1,127,000 veterans have paid their home loans in full. Of the 14 million persons eligible for loans under the GI bill, only 28,000 commitments are outstanding at the moment.

That gives some idea of the extent to which the number of loans has been reduced, and for only one reason, namely, that the mortgages cannot be sold. Likewise, we are given some idea of the extent to which employment would be increased if 500,000 GI houses could be built this year. This is not impossible, because 669,000 were built in 1955.

I recognize that there are now and always have been certain areas in the United States where prospective home buyers have extreme difficulty in arranging for mortgage credit. For the most part, these are the rural areas and small towns. That is why my bill includes a 2-year extension of the VA direct loan program.

There is a twofold purpose in increasing the loan maximum. First, the maximum was set in 1950, and there has been a substantial increase in the cost of residential construction since that date. Second, the increased earnings of Americans generally, and particularly veterans, makes it possible for them to desire and pay for better housing accommodations.

Mr. President, I believe that if we pass the bill we could well create a market for as many GI homes in 1958 as we provided in 1955. I said a moment ago that I do not think it is unreasonable to expect 500,000 houses to be built. I see no reason why as many should not be built in the next 12 months as were built in 1955.

That would mean 669,000 new home owners; 669,000 refrigerators; 669,000 construction jobs, each requiring 2 man-years of labor; 669,000 stoves; 669,000 furnaces; 669,000 washing machines; and 669,000 more of everything else that goes into the building of a house.

In other words, Mr. President, such a program would at once do effective work for the economy of our Nation; at the same time, it would provide the homes to which our veterans are entitled under the law.

I repeat: Congress has already adopted the philosophy in the GI housing law. It was first expressed in 1944, and since that date Congress has repeatedly renewed it.

Another consequence which will result from the reactivation of the GI loan program will be the elimination of some of the dangerous secondary borrowing devices which have recently sprung into use.

Published reports of the estimates of second mortgages behind primary conventional loans show a somewhat disturbing incidence of these cases in certain areas of the country. For example, the director of the Los Angeles office of FHA estimated that from 70 to 80 percent of all cases involving conventional mortgage financing also involved second mortgages or contracts. This dangerous practice can best be curbed by making available reasonable terms on alternative financing.

As I mentioned earlier, the bill will extend the entitlement of World War II veterans for a period of two years from its present termination date of July 25, 1958.

There still are about 10 million World War II veterans who have not made use of their loan guaranty benefit.

Korean veterans will, of course, have until January 31, 1965, to take advantage of a loan guaranteed by the Veterans Administration.

I am advocating the extension for World War II veterans because I know that many of them have delayed their home purchase plans fully intending to take advantage of their entitlement before the expiration date; but during the past 1½ years or more, when mortgage capital began to tighten, they have found it impossible to get a GI loan.

I think it only fair that we help those World War II veterans whose plans have thus been frustrated to take advantage of this benefit.

It is my firm conviction that the way to meet the present problem brought about by the backward step which our economy has taken is to help private industry do the job. I do not believe we can solve the problem of creating employment for all willing workers simply by pumping Federal funds into our economy. Certainly I favor some of the proposed public works programs. But in my opinion such programs should be limited to those which are necessary to do the jobs that private capital is unable to undertake. Except for the moderate direct loan program, upon which I commented earlier, I believe that, given the necessary assistance, private industry will take care of the need of providing better housing for Americans.

Mr. President, we cannot afford, at this time, to allow the GI program to die either through its natural termination or through disuse caused by an unrealistic interest rate. I say this both from the standpoint of those veterans who want to use their entitlement, but are unable to do so, as well as with an eye on a residential construction industry. Either of these reasons is an adequate motivating force, and the combination makes it a must.

Mr. President, I ask unanimous consent to have printed at the conclusion of my remarks the text of a statement made by the national economic commission of the American Legion, and also the text of a resolution adopted by the 1957 convention of the American Legion.

There being no objection, the statement and resolution were ordered to be printed in the RECORD.

(See exhibits A and B.)

Mr. CAPEHART. Mr. President, I quote from the resolution one paragraph which recommends exactly what the bill provides with respect to interest rates:

Resolved, by the American Legion in national convention assembled at Atlantic City, N. J., September 16–19, 1957, That appropriate legislation be enacted by the Congress to provide the Administrator of Veterans' Affairs with the same authority to regulate

interest on VA loans as the FHA Administrator now exercises over FHA loans, with authority within realistic limits to increase or decrease rates to meet changing conditions as they occur, in order to assure the continued flow of GI loans under private auspices.

Mr. President, the bill makes the interest rates flexible. It gives the Administrator the right to raise or lower them. I call that point to the attention of the Senate. A day may come—and I hope it will—when the Veterans' Administrator will lower the interest rates, depending on the economic conditions at that time.

But at the moment we are all talking and thinking about the 4½ million persons who are unemployed. Here is an opportunity, under the existing law which can be extended, to accomplish, under the same principle and in the same manner as has heretofore been so successful, the building of several hundred thousand GI homes. This will, in my opinion, put hundreds of thousands of unemployed persons to work.

I wish to point out one statement the American Legion's economic committee makes, as set forth in the exhibit:

The simple truth is that no one can possibly lend money today at 4½ percent.

Mr. President, I hope the Banking and Currency Committee will immediately hold hearings on the bill, and that Congress will pass it. I am sure the committee will hold hearings on it immediately, because the committee has a vital interest in this matter. By so doing we shall really do something worth while in respect to unemployment.

EXHIBIT A

The economic committee is deeply concerned over developments adversely affecting the GI home loan program.

For the past 8 months the VA statistics show that World War II and Korean veterans are finding it increasingly difficult to obtain loans at 4½ percent to purchase homes. In fact, it is estimated by the Veterans' Administration officials that for all intent and purposes the program will come to a halt by January 1958.

The simple truth is that no one can possibly lend money today at 4½ percent. Interest rates have risen progressively over the past 6 years, as a result of the tremendous demand for money for all purposes. The present fixed interest rate on GI home loans has thus become less and less attractive to investors.

As brought out in testimony before the convention committee, because of the absence of GI home loans in today's market, our veterans are currently faced with the following choices to borrow money to purchase homes:

1. Use of FHA loans with rates at 5¼ percent, plus one-half percent for FHA insurance; total of 5¾ percent.

2. Use of conventional financing requiring downpayments from 20 percent to 33⅓ percent with interest rates ranging from 5½ percent to 6 percent, and over; or

3. Use of second mortgages at rates of better than 6, 7, and up to 10 percent.

Each of these alternatives represented, in the committee's considered view, too high a price to pay for retention of a fixed interest rate—a rate which in effect is preventing the veteran from securing the GI loans to which he is entitled.

The committee, therefore, unanimously recommends adoption of the enclosed resolution.

EXHIBIT B

Whereas the American Legion has been the guiding force behind the GI bill of rights, which includes the GI home-loan program; and

Whereas the number of home loans being made under the GI bill is declining steadily because the interest rate is no longer competitive under current and foreseeable market conditions; and

Whereas the failure of the Congress to enact legislation to permit the interest rate on GI loans to be competitive, has prevented a continuing flow of funds from private sources into the GI home loan market; and

Whereas under present conditions home-purchasing veterans are being deprived of a GI loan, thereby limited to conventional and FHA loans, which are not as advantageous to veterans as would be GI loans with a competitive rate; and

Whereas the American Legion is already on record in favor of a flexible rate as recommended in the Collins' report, approved twice by the national executive committee: Now, therefore, be it

Resolved, by the American Legion in national convention assembled at Atlantic City, N. J., September 16–19, 1957, That appropriate legislation be enacted by the Congress to provide the Administrator of Veterans' Affairs with the same authority to regulate interest on VA loans as the FHA Administrator now exercises over FHA loans, with authority within realistic limits to increase or decerase rates to met changing conditions as they occur, in order to assure the continued flow of GI loans under private auspices; and be it further.

Resolved, That the legislative commission and the staff members of the economic commission be instructed to vigorously promote this program, and through all available media make a grassroots appeal to the Legion membership to actively support this movement in order to insure continuation of the GI home-loan program which has proven to be of such inestimable value to our country and its veterans.

TEMPORARY INCREASE OF PUBLIC-DEBT LIMIT

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the pending business be laid before the Senate.

The PRESIDING OFFICER. The Chair lays before the Senate the pending business.

The Senate resumed the consideration of the bill (H. R. 9955) to provide for a temporary increase in the public-debt limit.

Mr. RUSSELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. RUSSELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, the Senate Finance Committee has reported favorably the bill, H. R. 9955, to provide for a temporary increase in the Federal debt limit. Under provision of the bill the temporary increase would be $5 billion, thus raising the ceiling from $275 billion to $280 billion for a period from the date of enactment of the bill to June 30, 1959. As of July 1, 1959, under the bill the debt ceiling will revert to the permanent statutory limit of $275 billion.

The bill, of course, has been passed by the House; and as reported by the Senate Finance Committee, the language of the bill is identical with the provisions of the bill as passed by the House.

This is the fifth time since 1953 that a temporary increase in the ceiling has been requested, and the fourth time it has been granted.

In 1953, a $15 billion increase was requested; but it was rejected in the Senate Finance Committee. A $9 billion increase was requested in 1954 and the Senate Finance Committee reduced it to $6 billion for 1 year. In 1955, the $6 billion temporary increase was continued for an additional year. A temporary increase of $3 billion was granted for the year ended June 30, 1957.

As I have already stated, the ceiling reverted to the permanent $275 billion limit on last July 1, in the absence of any request by the administration for another increase.

The $5 billion temporary increase provided by the pending bill was requested by the Secretary of the Treasury in January of this year. The Senate Finance Committee has held rather exhaustive hearings on the subject, and has concluded—by a vote of 10 to 5—that an increase should be granted in the amount requested by the Secretary of the Treasury.

The statutory debt limitation is neither new nor novel. As such, statutory debt limitations have been in effect since World War I. Prior to that time a special act of Congress was required for each bond issue.

Fiscal officials of the Government time and time again have expressed their belief that there should be a statutory debt limit, and the value of limitation on the public debt is thoroughly documented.

In justifying this temporary increase the Secretary of the Treasury, the Honorable Robert B. Anderson, summarized the need at this time for a debt limit increase as follows:

1. The fact that cash balances have been running distressingly low.

2. There is need for more flexibility for more efficient and economical management of the debt.

3. Even with a balanced budget there will still be large seasonal fluctuations in receipts, which make operations under the $275 billion limitation most difficult.

Those were the main reasons advanced by the Secretary of the Treasury.

Frankly, Mr. President, on the basis of the figures submitted to the committee, the administration did not make a case for this $5 billion temporary increase. With the debt ceiling at $280 billion, according to the Treasury's own estimates, there will be times when the leeway under the ceiling will exceed $12 billion. As chairman of the committee, I am confident that its approval of this bill was largely based on the belief that the administration has overestimated income for the next year and has underestimated expenditures.

This situation could have been corrected, had the administration reduced nonessential spending when the budget was presented.

For the present fiscal year, the Congress cut appropriations by more than $5 billion. Yet, even before the Russian sputniks, the administration increased its expenditures estimate. This makes it clear that, with huge unexpended balances of funds already appropriated, control of expenditures has virtually been lost by the Congress.

I fear that raising the debt limit will open the door to another era of deficit spending and will result in starting again the inflationary spiral. The value of the dollar has already declined more than 50 percent since 1939.

It is this note of caution that, as chairman of the Finance Committee, I present to the Senate, for its action, H. R. 9955, in response to the vote of the Senate Finance Committee on reporting the bill.

Mr. HAYDEN. Mr. President, if no member of the Committee on Finance desires to speak at this time, I should like to make some remarks.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

POSTAGE RATES AND THE PUBLIC DEBT

Mr. HAYDEN. Mr. President, the bill, H. R. 9955, now under consideration by the Senate, as passed by the House of Representatives on January 23, 1958, provides for a temporary increase in the public debt limit from $275 to $280 billion. It comes to the Senate with a recommendation from the Committee on Finance, of which the distinguished Senator from Virginia [Mr. BYRD] is the chairman, that the increase be limited to $5 billion. The practical effect of the bill is to authorize the Secretary of the Treasury, Mr. Robert B. Anderson, to utilize the good faith and credit of the Government of the United States to borrow an additional 5,000 million dollars from the American people.

In a letter I addressed to him, which the Senator from Virginia was kind enough to include in the Finance Committee hearings, I pointed out that there would now be no necessity for any increase in the public debt limit if the operations of the Post Office Department had been financed on a break-even basis during the past 12 years. To demonstrate that fact, I listed the Post Office Department deficits for each year, which were:

Year:	Million
1946	$129
1947	206
1948	277
1949	577
1950	545
1951	565
1952	720
1953	650
1954	399
1955	363
1956	464
1957	522

The total is $5.4 billion.

Mr. President, these figures show that the greatest communication system in the world has been operated since 1945 at the greatest loss since it was first established by Benjamin Franklin.

My motive for bringing that fact to the attention of the Senate is to solicit help in relieving the Senators who are members of the Committee on Appropriations from what has become an intolerable burden. Year after year my committee has been compelled by the demonstrated needs of the postal service to recommend to the Senate for the Post Office Department appropriations of money which we know is not in the Treasury and which we are certain will have to be borrowed to pay the continuously increasing costs of providing mail service to the American people.

Every appropriations bill reads that the expenditures authorized to be made by its terms are to be paid "out of any money in the Treasury not otherwise appropriated." How, in good conscience, can the Senate insist that sums which are obviously required to keep the Post Office Department a going concern must continue to be borrowed? That issue will have to be considered by Members of this body very soon, because it is certain that another large Post Office Department deficiency bill will come over from the House of Representatives at an early date to provide the money required to keep the Department in operation for the remainder of the present fiscal year ending on the 30th of next June.

The size of the deficiency will depend to a considerable degree upon the final form in which the postal pay-increase bill, now on the Senate Calendar, becomes a law. My information is that for every month the increase in postal pay is made retroactive, the Treasury will have to provide $17 million.

The question naturally arises, Why has the Congress, year after year, neglected to put the Post Office Department on a sound financial basis? It is of record that every other civilized country in the world makes its postal system pay its own way. It is true that American postal workers receive higher pay than those performing similar services for other nations, but by their efficiency they earn what they may receive. There can be no legitimate objection to a pay increase at the present time if the revenues of the Post Office Department are increased in an amount sufficient to meet it.

The reason the Post Office Department has not been made to pay its own way is no great secret. It is common knowledge that those who profit by low postal rates have used every possible influence to prevent rate increases. The latest effort in that respect would have the Congress adopt the idea that the Post Office Department is a most benevolent eleemosynary institution with the major purpose of contributing to the public welfare by carrying and distributing the mails below cost as a public service.

That astounding assumption of why we have a Post Office Department is advanced in a report submitted on February 26, 1957, to the Senate Committee on Post Office and Civil Service by a Citizens Advisory Council consisting of the following-named persons:

Mr. Lovick Pierce, publishing agent, Methodist Publishing House, Nashville, Tenn.

Mr. Gene Robb, publisher, Albany Times Union, Albany, N. Y.

Mr. Albert M. Andersen, executive vice president, Reuben H. Donnelley Co., Chicago, Ill.

Mr. Walter D. Fuller, chairman of the board, Curtis Publishing Co., Philadelphia, Pa.

Mr. William C. Doherty, president, National Association of Letter Carriers, Washington, D. C.

Dr. Carey H. Bostian, chancellor, North Carolina State Agricultural College, Raleigh, N. C.

Dr. Pendleton Gaines, president, Wofford College, Spartanburg, S. C.

The findings of the Citizens Advisory Council were challenged in a resolution adopted at the regular quarterly meeting of the Advisory Board to the Postmaster General, held on April 11, 1957. The members of that Board, all nominated by the President and confirmed by the Senate, who approved the resolution are:

John S. Coleman, president, Burroughs Corp., Detroit, Mich.

James H. S. Ellis, president, the Kudner Agency, New York, N. Y.

Richard J. Gray, president, building and construction trades department, CIO–AFL, Washington, D. C.

Jack Rohe Howard, president, Scripps-Howard Newspapers, New York, N. Y.

Rowland Jones, Jr., president, American Retail Federation, Washington, D. C.

Charles M. White, chairman of the board, Republic Steel Corp., Cleveland, Ohio.

These six men, each occupying responsible positions, approved the following statements criticizing the report made to the Senate Committee by the Citizens Advisory Council. I quote them:

1. It exaggerates the costs of the public services rendered by the Post Office Department to a total of nearly $400 million yearly whereas the more accurate costs of legitimate public services including free mails for the blind and reduced postage rates for periodicals of certain nonprofit organizations and for books, films and related materials for educational use actually total less than $30 million.

2. It would continue to saddle the taxpayers of the country with huge expenses which should be paid by the actual users of the mails.

3. It fallaciously contends there is "no postal deficit at the present time" by using figures 3 years old which completely ignore hundreds of millions of dollars of added postal costs, principally pay increases and fringe benefits enacted by the Congress since then.

4. The composition of the Citizens Advisory Council, with 4 of its 7 members affiliated with the publishing industry, make its conclusions questionable.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. LAUSCHE. Would the Senator mind re-reading the names of the members of the Citizens Advisory Council?

Mr. HAYDEN. Not at all.

Mr. Lovick Pierce, publishing agent, Methodist Publishing House, Nashville, Tenn.

Mr. Gene Robb, publisher, Albany Times Union, Albany, N. Y.

Mr. Albert M. Andersen, executive vice president, Reuben H. Donnelley Co., Chicago, Ill.

Mr. Walter D. Fuller, chairman of the board, Curtis Publishing Co., Philadelphia, Pa.

Mr. William C. Doherty, president, National Association of Letter Carriers, Washington, D. C.

Dr. Carey H. Bostian, chancellor, North Carolina State Agricultural College, Raleigh, N. C.

Dr. Pendleton Gaines, president, Wofford College, Spartanburg, S. C.

Mr. LAUSCHE. That is, four of the seven members were connected with publishers?

Mr. HAYDEN. The assertion of the Citizens Advisory Council was challenged by the Postmaster General's advisory board, the members of which were nominated by the President and confirmed by the Senate.

Mr. LAUSCHE. I thank the Senator very much.

Mr. MARTIN of Pennsylvania. Mr. President, will the Senator from Arizona yield?

Mr. HAYDEN. I yield to the Senator from Pennsylvania.

Mr. MARTIN of Pennsylvania. I point out that on the Citizens Advisory Council is, for example, the chairman of the board of Curtis Publishing Co., which circulates the Saturday Evening Post and magazines of that kind. I call attention to that fact because publishers are very much interested in questions of that character.

Mr. HAYDEN. I can understand why that is so. A long time ago, during the Wilson administration, when I was a Member of the other House of Congress, I received letters from many small boys in Arizona who distributed the Saturday Evening Post, protesting against a bill then before the Congress which would result in the Saturday Evening Post costing so much that its publishers would not be able to let them continue selling the magazines for 5 cents. It was proposed by Mr. Burleson, the then Postmaster General, that there be an increase in the postal rates on advertising matter, and not on other reading material.

I replied to those small boys and said, "Don't you worry, son; you will still have a job, because I understand that the Saturday Evening Post gets $5,000 a page for its advertising, and to get advertising it has to have circulation, and you help get the circulation."

That is exactly what happened. The Saturday Evening Post continued to be sold for 5 cents.

Mr. MARTIN of Pennsylvania. Mr. President, will the Senator yield further?

Mr. HAYDEN. I yield.

Mr. MARTIN of Pennsylvania. For the same page of advertising, for which they then received $5,000, they now receive $25,000.

Mr. HAYDEN. That illustrates the present high cost of advertising.

The Citizens Advisory Council has gone to great lengths to show that the Post Office Department is performing public-welfare services which amounted to more than $392 million in 1955. The council asserts as a matter of principle that services of that kind should be paid for out of the Federal Treasury. The council would have Congress "pass the buck" from those who use the mails to the American taxpayers to the extent of about $400 million each year. The rejoinder of the Post Office Department is that its approved cost-accounting system can find only about $30 million which can properly be charged to public-welfare services for which the Department is not compensated.

The Post Office Department could be reimbursed for such costs by including in the postal rate bill, H. R. 5836, now under Senate committee consideration, the text of the bill, H. R. 5206, introduced by chairman of the House Committee on Post Office and Civil Service [Mr. MURRAY]. The estimated amounts to be credited to that Department on the books of the Treasury for such services based upon the ascertained cost thereof in 1956 are as follows:

Excess rate for foreign air carriers	$1,143,000
4th-class books, films, and related material	14,928,000
Reduced rates, nonprofit newspapers and magazines	2,144,000
Pan American Union penalty mail	59,000
Free-in-county mailing privilege for newspapers	839,000
Free postage and reduced rates matter for the blind	912,000
Free mailings, Pan American diplomatic corps; franking privilege of Edith Bolling Wilson, Grace C. Coolidge, and Anna Eleanor Roosevelt	195,000
Reduced rate 1 cent per pound, publications use of blind	50,000
Free mailing privileges, Pan American Sanitary Bureau	5,000
Reduced 2d-class rates on publications designated for classrooms and religious use	119,000
Reduced 3d-class rates, certain nonprofit organizations	5,990,000
Free postage on military absentee voting (data not available)	----------
Total	26,384,000

Another legislative proposal which should be included in the bill to increase postage rates is S. 2128, introduced by the Senator from South Carolina [Mr. JOHNSTON]. By the terms of that measure the Civil Service Commission and the Department of the Treasury would each be required to reimburse the Post Office Department for expenses incurred by it for services rendered. As all Senators know, the Post Office Department conducts examinations of applicants for various civil service positions, the annual cost of which is estimated at $1,744,000. The service performed for the Treasury Department consists of the sale of documentary stamps at an estimated cost of $244,000 a year.

There are ample precedents for the enactment of such legislation. The Treasury Department now reimburses the Post Office Department $675,000 for the sale of savings bonds and stamps. The Interior Department pays $134,000 for the sale of the so-called duck stamps. It costs the Department of Justice $239,000 for the distribution of the forms which aliens are required to fill out and sign each year. The Treasury Department now pays an estimated $1 million in postage for the distribution of income tax blanks; and charitable organizations such as CARE and Polio pay the regular postal rates.

Existing law also provides that the Post Office Department shall be reimbursed for the cost of handling Congressional and departmental mail. The estimated cost for franked Congressional mail for the next fiscal year is $2.3 million, and the estimated cost for penalty official mail from all sources is $41 million.

I shall not take the time of the Senate to go into the details of an extended series of what appear to me to be erroneous assumptions by the Citizens Advisory Council. It is obvious that if each and every one of its findings were correct, the taxpayers would have to foot the bill.

The fact remains that in past fiscal years the Post Office Department did collect enough money to pay its own way, the last instance being in 1945. But beginning with the fiscal year 1946, the Department has been in the red each year for 12 years and there is no apparent way for it to avoid a deficit for this fiscal year. It is a disgrace to allow that kind of a financial condition to exist in a Department which has been and can again be made fully self-sustaining.

I listened with interest when the Senator from Kansas [Mr. CARLSON], addressed the Senate on January 11. The Senator gave two sound reasons why 5 cents should be charged for mailing out-of-town letters. First, because it costs more to deliver them than it does letters for local distribution. And, second, because extra revenue amounting to $175 million a year could be made available for the installation in many post offices of modern automatic mailing equipment to face, sort, and cancel letters with a great saving of time and labor. This additional revenue could also be made available to construct new buildings where there is not sufficient room to install such equipment in existing post offices.

It is good to know that the Senate Committee on Post Office and Civil Service has adopted the proposal made by the Senator from Kansas which has the merit of a direct approach. The money is not to be borrowed. It does not involve a further strain upon the credit of the United States. The Post Office Department will pay a large proportion of the costs out of its own revenues.

I have made this digression in order to make it clear that there are regular and established ways whereby the Post Office Department need not continue to be operated at a loss of $2 million every working day. Such a loss is bad enough, but it is quite sure to be greater if justifiable increases are made in the pay rates of those in the working forces of the Department.

As yet I have been unable to discover a sound reason why those who use the mails should not pay all the costs of handling it. I can see no justification for requiring the American taxpayers to assume any part of the entire cost of operating the Post Office Department. I am sure that every member of the House and Senate Committees on Appropriation would be both relieved and pleased to know that the time has come when the Post Office Department has taken in enough money to pay all its costs. The sooner that happens the better it will be because every member of both committees is aware that increased expenditures for the national defense, combined with other urgent demands, are quite sure to result in an unbalanced Federal budget.

It is also certain that the members of the Senate Committee on Finance, who reported the bill now before the Senate to increase the public debt limit, will be happy to know that the Post Office Department, whose failure to pay its own way has made it necessary to enact the pending bill, will no longer be guilty of any such delinquency. Let me repeat, that there would be no occasion for that committee or the Senate to act on H. R. 9955 if the Post Office Department had been financed on a break-even basis during the past 12 years.

In conclusion, permit me to say that I cannot follow a line of reasoning which insists that it is better to borrow money and pay interest on it in order to provide for speeding up the delivery of the mails, than it is to have those who place letters in the mail and want them promptly delivered, to pay for improved service which is of direct benefit to them. No one has to mail a letter unless he wants to. He must consider that it is worth paying the postage on it or he would not mail it. He has no right to expect somebody else to pay any part of the cost. Certainly that somebody should not be the already overburdened taxpayers of our nation.

Mr. CARLSON. Mr. President, I have just heard the statement of the distinguished chairman of the Appropriations Committee [Mr. HAYDEN], in regard to the effect of postal rates on the deficit and on the Treasury of the United States. I compliment the chairman on his statement. As chairman of the Appropriations Committee the Senator from Arizona has carried the burden of the appropriations of Congress for years. He knows definitely and accurately what the deficit operations of the Post Office Department have cost our citizens.

I shall go into this question in some detail tomorrow. I shall not discuss it today. However, the chairman of the Committee on Appropriations has presented to the Senate a problem which the Senate will have an opportunity to meet tomorrow. I hope Members of the Senate will make a thorough study of his statement.

Mr. KERR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded, inasmuch as I understand that my friend from Nevada [Mr. MALONE] is prepared to speak on the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEADERSHIP RESPONSIBILITY FOR MAINTAINING CONFIDENCE

Mr. CURTIS. Mr. President, I rise to point out the responsibility that must rest upon those leaders in America who are preaching a doctrine of gloom and doom. There are individuals in public life who not only continue to harp upon some of the problems that always face a nation, and particularly a free nation, but they greatly exaggerate the facts.

It is my opinion that those who are preaching calamity and a sharp depression are doing a disservice to their country. They are inviting disaster. I believe that they are doing it unthinkingly, motivated by a desire for political advantage. There are those who feel that if they can convince the American people everything is wrong, they then cannot only take over the Government, but also are afforded an opportunity to carry out their pet projects in Government, which too often mean more expensive government and socialism.

Let us examine the situation. How important is confidence? Let us examine it on an individual basis. Is there anything more important in causing a young man or a young woman to succeed than the placing of confidence in that individual? If a youth is going through the natural throes of growing up which includes a period of perplexities and problems, is not the worst thing that can happen is to have that individual lose confidence in himself and have a feeling that no one else has confidence in him? Many an individual has not only become successful but has risen to greatness because of his strong feeling that others believed in him.

I wish to cite another example. If those near an individual continually, systematically and skillfully tell him that he is looking bad and that they feel he is on the verge of some tragic illness, will not that campaign against him bring about great danger that he will lose his fight and succumb to disease?

We could go on with innumerable cases to show how the pessimist, and the prophet of gloom and doom bring about the thing which they talk about. I am a great believer in athletics because an athletic contest fits an individual for the contests in life. But is there anything more disastrous than having the players lose confidence in the coach or in each other, or having the spectators lose confidence in everybody?

I do not wish to be a Pollyanna and suggest we do not have problems. We have some soft spots in our economy, including segments of agriculture and other economic problems, some of which may be local in character. I do not advocate that we put our heads under the sand. I advocate that in these situations we need calm appraisal, wise action, and an expression of confidence.

We must remember that our economy is basically sound, that our Nation has remained at peace, that our economy is growing and expanding, that our population is increasing, and that the demands for goods will continue to increase. We should remember that the greatest employment in the history of America has been ours in recent years. We should not lose sight of the fact that much of America's activity is based upon our growing and expanding economy, which in turn, means a construction program and a development program, which, of necessity, not only slows down but stops in winter months. We must remember that in periods of advance there must always be breathing spells and readjustments, and that an economy based upon an uninterrupted, fever-pitched, wartime economy likewise brings problems, the least of which is not inflation.

We must face our problems with wise actions. At the same time, I warn that the prophets of gloom and doom who, for their own political advantage, are preaching calamity and depression and disaster ahead, may by their program lead America into just such an unfortunate condition. Upon these prophets of gloom and doom, unless they change their ways, will rest the responsibility for disaster if it comes.

I shall never sell America short. Should America's economic system break down to the point of a major depression, the responsibility will rightly rest upon those leaders today who are scheming, plotting, planning, and propagandizing for a program of gloom and doom. If they succeed, the American people will not forget.

PROPOSED CUTBACKS IN SOIL CONSERVATION PRACTICE PAYMENTS

Mr. STENNIS. Mr. President, the administration's recommendation for a cutback in soil conservation practice payments from the present $250 million for fiscal year 1958, to $125 million for fiscal year 1959 is a backward step. It is a backward step our Nation cannot afford. I have been shocked and deeply concerned that the administration would propose such a drastic cut. I shall strongly oppose it for the following reasons:

Our soil is our greatest resource. It produces our essential raw products, food, and fiber.

The soil does not belong to our generation or to any one generation. It belongs to all generations, present and future. It must be preserved for all time.

It is our obligation to take active steps to preserve our soil. Such measures, however, are often very costly, and we cannot expect the present tiller of the soil to bear the full expense.

There are in the United States approximately 1,444,000,000 acres on which to produce agricultural crops and livestock. For every individual, there are approximately only 3 acres of cropland

and slightly over 6 acres of grazing land. Our population is estimated to reach 228 million by 1975, and 335 million by the year 2000. As the population increases, the average number of acres per capita will naturally decrease.

The Soil Conservation Service estimates that a total of over 282 million acres of land are severely eroded, plus 776 million acres moderately eroded, and more than 700 million acres slightly eroded. These figures emphasize the seriousness of the problem and the absolutely urgent need for taking a new look at our long-range conservation plans.

Wisely, for years, we have recognized the need for the Government's sharing in the cost of constructive practices for rebuilding and preserving our soil. This program, consisting of technical guidance and assistance by the Soil Conservation Service, and partial payments through the agricultural conservation program, has worked exceedingly well.

Our conservation reserve program, though constructive, is limited in application. Much of the land in critical need of adequate conservation practices cannot be placed in the conservation reserve, mainly because most of our small farmers cannot afford to tie up their land for from 3 to 5 to 15 years in such limited uses. Their land is their livelihood.

In 1957, only 82,588 farmers participated in the conservation reserve of the soil bank. Only one-third of the funds allocated were used. Of the total of $315 million allocated, only $108 million were used, leaving a balance of $207 million.

In Mississippi, only 1,544 contracts were signed, an average of less than 19 farmers per county. Less than one-sixth of the funds allocated to Mississippi for the conservation reserve were actually used. Obviously, the conservation reserve reaches only a fraction of the land needing conservation.

In contrast, let us look at the figures for the agricultural conservation program.

In 1956, 1,210,000 farmers participated in the agricultural conservation program, which reached 39 percent of the total cropland and 36 percent of the total farmland of the Nation.

In Mississippi, 33,856 farmers participated and shared in our State allocation of $6,621,000, an average of approximately 413 farmers per county. An estimated 30,000 additional applications were filed, but were denied because of shortage of funds. Our State office estimate an additional $3,500,000 would have been required if all requests and all applications filed for the calendar year 1957 had been met.

In Mississippi thousands of once wasted and idle acres have been converted into productive pastures and good cropland. In the past 18 years our farmers, through participation in the agricultural conservation program, have developed more than 16 million acres of green manure and cover crops and 2½ million acres of pasture; constructed adequate drainage systems on nearly 3 million acres; built nearly 54,000 dams, ponds, and reservoirs; and terraced almost 1 million acres.

A similar pattern is being followed in almost every other State. These constructive results speak for themselves and are apparent throughout the Nation. Yet these definite accomplishments represent only the beginning. There still remain the millions of badly eroded and unproductive acres.

Our agricultural conservation program must be expanded, not diminished.

Yet the administration now proposes a 50-percent reduction in this effective, proven nationwide soil-conservation program. What alternative is offered? An increase in the conservation reserve of the soil-bank program to $350 million for calendar year 1958, along with the request that the total authorization of $450 million be appropriated for calendar year 1959.

Early in this session I introduced Senate bill 2971, which would authorize the Secretary of Agriculture to use the unexpended portion of the funds appropriated for the conservation reserve in meeting the great demands and satisfying the thousands of applications for conservation practices under the agricultural conservation program.

My proposed legislation represents an effort to give those funds already appropriated for conservation a broader application and extend them to other conservation practices, rather than restrict their use to the narrow limits of the conservation reserve of the soil bank for which there has been no great demand.

I cannot accept the conservation reserve of the soil bank as a substitute for our broader conservation program which has stood the test of time and which has already produced such helpful and outstanding results.

I propose:

First. That agricultural conservation program payments for fiscal year 1959 be restored to the current fiscal year 1958 level of payments.

Second. That the unused portion of funds appropriated for the conservation reserve for fiscal year 1958 be made available for use in this broader, regular conservation program.

Third. That the Congress fully review our overall conservation plans throughout the Nation, with a view of expanding our agricultural conservation program practices for fiscal year 1960 and beyond.

Our efforts to preserve and rebuild our land on a sustained nationwide basis over the years must not be interrupted or neglected. The necessity for such a program, as well as its value, must be brought home constantly to the people.

It is all too easy, in this uncertain period, to call hastily for a cutback of essential programs of proven value in favor of glamorous ventures into space. However, we have not yet come up with a sputnik, a missile, a rocket or satellite that has reached so far into outer space as to discover new lands and new soils on which to grow our food and fiber. Until we do, we are compelled to concentrate our efforts even more to preserving and protecting our soil.

The hard facts are that as we move into the space era, our productive land will become more and more essential in the preservation of our Nation and our civilization.

The serious questions I have discussed here will, I am certain, have the attention of the Appropriations Committee. I shall certainly exert every effort as a member of that committee to restore funds for our agricultural conservation program, as well as to insure its expansion in future years.

Mr. President, I ask unanimous consent to have printed in the RECORD as a part of my remarks certain tables which I have had prepared dealing with the subject I have discussed.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Estimated ACP participation—1957 with comparison

State and region	Number of farms participating, 1956	Estimated number of farms participating, 1957
Maine	4,705	5,000
New Hampshire	1,892	2,000
Vermont	7,157	7,650
Massachusetts	2,877	3,800
Rhode Island	338	340
Connecticut	1,929	2,319
New York	20,098	22,500
New Jersey	3,157	3,117
Pennsylvania	25,976	21,852
North Atlantic	68,129	68,578
Ohio	38,965	39,200
Indiana	56,326	54,644
Illinois	65,048	70,900
Michigan	18,930	19,303
Wisconsin	25,234	33,293
Minnesota	62,225	48,750
Iowa	52,204	53,000
Missouri	55,559	54,942
North Dakota	46,427	46,004
South Dakota	31,185	31,500
Nebraska	34,222	40,000
Kansas	21,043	23,000
North Central	507,368	514,536
Delaware	1,519	2,080
Maryland	8,256	9,165
Virginia	25,254	23,775
West Virginia	13,609	14,200
North Carolina	71,029	78,782
South Carolina	14,932	20,500
Georgia	38,672	42,500
Florida	10,525	11,139
South Atlantic	183,796	202,141
Kentucky	48,344	55,000
Tennessee	54,731	56,000
Alabama	37,073	34,202
Mississippi	28,282	31,000
Arkansas	41,269	36,500
Louisiana	19,940	18,400
Oklahoma	34,438	33,597
Texas	75,620	79,075
South Central	339,697	343,774
Montana	11,879	13,950
Idaho	6,181	6,068
Wyoming	4,715	4,700
Colorado	11,574	10,500
New Mexico	4,403	4,984
Arizona	2,328	1,800
Utah	8,377	9,213
Nevada	745	754
Washington	8,749	9,937
Oregon	6,555	6,500
California	7,951	6,000
Western United States	73,457	74,406
Alaska	118	170
Hawaii	290	320
Puerto Rico	12,295	9,800
Virgin Islands	44	50
Insular	12,747	10,340
Total	1,185,194	1,213,725

Estimated earnings—1957 agricultural conservation program (preliminary estimate of Jan. 15, 1958)

[In thousands of dollars]

State and region	Net amount available for practices [1]	Estimated amount used for practices [2]	Indicated under-earnings [3]
Maine	944	944	0
New Hampshire	511	511	0
Vermont	1,090	[4] 1,190	−100
Massachusetts	538	538	0
Rhode Island	83	83	0
Connecticut	498	498	0
New York	4,698	4,698	0
New Jersey	710	710	0
Pennsylvania	4,990	4,990	0
North Atlantic	14,062	14,162	−100
Ohio	5,747	5,747	0
Indiana	5,516	4,696	820
Illinois	8,450	7,500	950
Michigan	4,842	4,842	0
Wisconsin	5,387	5,387	0
Minnesota	5,982	4,445	1,537
Iowa	9,159	9,159	0
Missouri	9,063	8,812	251
North Dakota	4,538	4,310	228
South Dakota	4,651	4,651	0
Nebraska	6,136	6,136	0
Kansas	6,354	6,354	0
North Central	75,825	72,039	3,786
Delaware	328	316	11
Maryland	1,273	1,268	6
Virginia	4,397	4,397	0
West Virginia	1,564	1,564	0
North Carolina	6,347	6,347	0
South Carolina	3,508	3,500	8
Georgia	7,276	7,276	0
Florida	2,691	2,634	57
South Atlantic	27,384	27,302	82
Kentucky	6,761	6,761	0
Tennessee	5,209	5,209	0
Alabama	6,111	6,094	17
Mississippi	6,457	6,457	0
Arkansas	4,744	4,700	44
Louisiana	4,200	4,200	0
Oklahoma	7,245	7,076	169
Texas	19,471	19,471	0
South Central	60,198	59,968	230
Montana	3,718	3,584	134
Idaho	1,740	1,740	0
Wyoming	2,032	2,032	0
Colorado	3,275	2,975	300
New Mexico	1,886	1,865	21
Arizona	1,520	1,520	0
Utah	1,310	1,310	0
Nevada	361	361	0
Washington	2,348	2,348	0
Oregon	2,198	2,198	0
California	5,567	4,000	1,567
West United States	25,955	23,933	2,022
Alaska	44	44	0
Hawaii	181	130	51
Puerto Rico	852	852	0
Virgin Islands	12	12	0
Insular	1,089	1,038	51
Total	204,513	198,442	6,171

[1] State allocation less amounts transferred under 5-percent and 1-percent agreements.
[2] Includes assistance for practice payments, CMS, and program services.
[3] Does not reflect possible amounts not used from the national reserve for small payment increases and the amounts transferred to other agencies under 5-percent and 1-percent agreements.
[4] Includes $100,000 of 1958 ACP money authorized under provisions of pt. 6, pars. 202 and 203, of the ACPS Handbook.

Report on conservation reserve program of the soil bank [1]

State	1957 allocation	Number of contracts	Estimated payments: Annual	Practice	Total
Alabama	$6,037,000	2,256	$493,000	$734,000	$1,227,000
Arizona	556,000	62	101,000	61,000	162,000
Arkansas	7,160,000	1,488	499,000	764,000	1,263,000
California	6,777,000	194	298,000	227,000	525,000
Colorado	6,237,000	2,379	3,494,000	1,603,000	5,097,000
Connecticut	589,000	6	1,000	2,000	3,000
Delaware	383,000	26	12,000	23,000	35,000
Florida	2,119,000	908	462,000	506,000	968,000
Georgia	7,422,000	5,058	1,855,000	2,331,000	4,186,000
Idaho	2,902,000	270	376,000	232,000	608,000
Illinois	12,569,000	359	144,000	295,000	439,000
Indiana	9,602,000	799	259,000	375,000	634,000
Iowa	15,850,000	1,266	602,000	566,000	1,168,000
Kansas	15,507,000	3,092	2,333,000	1,356,000	3,689,000
Kentucky	10,516,000	747	191,000	507,000	698,000
Louisiana	5,038,000	540	138,000	97,000	235,000
Maine	1,424,000	940	214,000	463,000	677,000
Maryland	2,147,000	341	143,000	164,000	307,000
Massachusetts	754,000	16	3,000	12,000	15,000
Michigan	8,929,000	3,013	896,000	970,000	1,866,000
Minnesota	11,274,000	8,213	5,273,000	3,240,000	8,513,000
Mississippi	6,311,000	1,544	513,000	587,000	1,100,000
Missouri	13,865,000	2,263	656,000	2,981,000	3,637,000
Montana	7,501,000	473	688,000	491,000	1,179,000
Nebraska	9,571,000	1,672	896,000	772,000	1,668,000
Nevada	$172,000	1	(2)	(2)	(2)
New Hampshire	482,000	46	$2,000	$12,000	$14,000
New Jersey	1,042,000	168	64,000	72,000	136,000
New Mexico	9,500,000	2,912	5,442,000	1,893,000	7,335,000
New York	9,258,000	2,529	744,000	1,479,000	2,223,000
North Carolina	4,943,000	1,357	275,000	504,000	779,000
North Dakota	12,970,000	3,673	4,780,000	2,680,000	7,460,000
Ohio	9,247,000	1,081	342,000	357,000	699,000
Oklahoma	8,809,000	5,591	3,355,000	2,290,000	5,645,000
Oregon	3,075,000	472	444,000	625,000	1,069,000
Pennsylvania	7,265,000	1,356	354,000	272,000	626,000
Rhode Island	87,000				
South Carolina	3,525,000	3,001	930,000	962,000	1,892,000
South Dakota	6,842,000	4,070	3,642,000	3,305,000	6,947,000
Tennessee	9,884,000	1,513	403,000	1,099,000	1,502,000
Texas	28,889,000	14,715	16,092,000	11,185,000	27,277,000
Utah	1,055,000	467	682,000	526,000	1,208,000
Vermont	1,427,000	169	11,000	40,000	51,000
Virginia	5,102,000	325	64,000	80,000	144,000
Washington	5,461,000	197	186,000	166,000	352,000
West Virginia	2,089,000	65	8,000	10,000	18,000
Wisconsin	12,162,000	3,461	1,230,000	1,440,000	2,670,000
Wyoming	1,074,000	196	233,000	138,000	371,000
Total	315,460,000	85,290	59,823,000	48,494,000	108,317,000

[1] Based on USDA reports through May 7, 1957.
[2] Less than $500.

Mr. FULBRIGHT. Mr. President, I should like to compliment the Senator from Mississippi on his statement and to associate myself with his observations about the importance of the program to which he has referred. I do not know of any other program which is more important than that one.

Mr. STENNIS. I thank the Senator from Arkansas.

INTEREST RATES FOR GOVERNMENT LENDING PROGRAMS

Mr. FULBRIGHT. Mr. President, I received a number of inquiries about the current status of S. 2427, the administration bill to increase interest rates on Government lending programs, which was referred on July 1 of last year to the Banking and Currency Committee. Some of these letters even suggest that the Banking and Currency Committee may be sidetracking the bill.

The President in his budget message of January 13 made the following statement:

In many cases, present legislation sets maximum interest rates that do not permit the Treasury or the lending agencies to cover present costs. At my request, legislation has been submitted to the Congress requiring that, insofar as consistent with the purposes of each program, all costs of future loans be paid by the borrowers who benefit from the loans. Such legislation, by removing or reducing hidden subsidies, would make a significant contribution toward better budgeting.

On January 28, 1958, the Director of the Budget Bureau told the Senate Finance Committee that the President "is recommending" such legislation.

Under these conditions I believe it would be desirable to make public the efforts the Banking and Currency Committee has made to give adequate consideration to this bill and the reason why

the Banking and Currency Committee has not been able to do so.

S. 2427 is derived from a draft bill which was sent informally by the Budget Bureau to the Congress on June 3, 1957. S. 2427 was introduced on July 1, 1957, and was referred to the Committee on Banking and Currency. Hearings were scheduled by the committee for July 22, 1957, and efforts were made to obtain information about the effect of the bill on the Government's various lending programs. A preliminary inquiry to the Budget Bureau brought a reply under date of July 9, 1957, containing a very limited amount of information. On July 11, 1957, I requested additional information from the Budget Bureau and from other agencies in charge of lending programs.

The information requested was, basically, what interest rates on Federal lending programs would be increased under the bill, and how far they would be increased under the bill. I felt then, and I still feel, that the bill cannot be intelligently considered without this information.

When it became apparent that the information requested would not be submitted by July 22, the hearing was postponed until early this session. At the time the postponement was announced, July 16, I made a statement on the floor and placed in the RECORD the Budget Bureau's letter of July 9 and my letters to the Budget Bureau and the agencies, of July 11.

Having received none of the information requested by the latter part of November, I wrote the Budget Bureau on November 25, calling attention to the passage of time and urging that this information be submitted before Congress reconvened.

The Director of the Budget Bureau replied on December 9. After a preliminary paragraph of acknowledgment, this letter read as follows:

In reply, I should like first to acknowledge that the information which you requested should have been provided to your committee before now. When your earlier letter was received, we undertook, after consultation with your staff, to obtain the proposed replies of the several lending agencies concerned before responding to the even more comprehensive questions addressed to this Bureau. Several agencies indicated aspects of the bill, as originally presented, which require clarification. Amendments to accomplish this were prepared and reviewed by the interested agencies. Final decisions are now in process which should clear the way for all of the agencies to submit their views.

Accordingly, I am confident that before Congress reconvenes the information you have requested can be supplied. I concur fully with you that facts of this type are essential for adequate appraisal of the legislation, and appreciate the opportunity to supply them.

Congress reconvened on January 7. I sent another followup letter to the Budget Bureau on January 22, 1958, calling attention to the need for having the information called for, pointing out the importance of planning the committee's schedule, and insisting that, if the administration should expect the committee to act on the proposed legislation at this session of Congress, the information requested be furnished without further delay. But up to the present moment none of the requested information has been received, and no proposed amendments, and no reports from the agencies or from the Budget Bureau have been received.

I think it is clear from this statement of the facts surrounding the Banking and Currency Committee's handling of the bill that the delay is entirely the result of the failure of the administration to let the committee know what bill, if any, it wants, what recommendations it wishes to make, and what would be the effect of the bill it sent to Congress last year.

I ask unanimous consent that my letters of November 25, 1957, and January 22, 1958, to the Budget Bureau, and the Budget Bureau's letter of December 9, 1957, be printed at this point in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON BANKING AND CURRENCY,
November 25, 1957.

Hon. PERCIVAL F. BRUNDAGE,
Director, Bureau of the Budget,
Washington, D. C.

DEAR MR. BRUNDAGE: On June 3, 1957, you wrote to the President of the Senate, urging the enactment of legislation which would require an increase in the interest rate charged in several Government lending programs. Your letter stated that this was in accordance with previous recommendations by the President.

The draft bill enclosed with your letter was introduced on July 1, 1957, as S. 2427, and was referred to this committee. A hearing was set for July 22, and information about the programs which would be affected by the bill was requested from you. The brief reply you sent on July 9 showed that substantial increases in interest rates would be required in a few major Federal loan programs, such as the Rural Electrification Administration program, the college housing program, and the Small Business Administration disaster loans. But your brief reply did not list all the loan programs which would be required to raise interest rates, or how much the interest rates would in fact be increased.

Consequently, I wrote you on July 11, in an effort to get adequate information for the benefit of the committee members. At the same time I wrote a number of agencies responsible for lending programs which it appeared would be affected by the bill. It soon became evident, however, that this information could not be obtained by July 22, the date set for the hearing, and it was necessary to postpone the hearing until the coming session. This postponement was announced in the Senate on July 16.

More than 4 months have elapsed since my request, on behalf of the committee, for information as to the effect of the bill on Government-lending programs. And more than 4 months have elapsed since my requests to the affected agencies for their reports on the bill. No replies have been received, either to my request to you or to my requests for the views of the agencies concerned.

I wish to call this to your attention at this time while there is still an opportunity to supply the information requested in advance of the coming session. I trust that you will take advantage of this opportunity to supply the information requested, which I consider essential to the consideration of S. 2427, and I trust that you will urge the affected agencies to submit their comments on this bill. I am, of course, instructing the committee staff to continue its study of the Government-lending programs, so as to provide the committee with the most complete information possible, even if you and the affected agencies are unable to reply to my letters of July 11.

Sincerely yours,
J. W. FULBRIGHT,
Chairman.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., December 9, 1957.

Hon. J. W. FULBRIGHT,
United States Senate,
Washington, D. C.

MY DEAR SENATOR FULBRIGHT: This will respond to your letter of November 25, 1957, calling attention to the absence of any reply from this Bureau to the questions contained in your letter of July 11, 1957, with respect to legislation pending before your committee (S. 2427) governing interest rates paid and charged by Government lending programs. You further ask that we supply the information requested in advance of the coming session and that we urge the other agencies concerned to reply to the letters addressed to them.

In reply, I should like first to acknowledge that the information which you requested should have been provided to your committee before now. When your earlier letter was received, we undertook, after consultation with your staff, to obtain the proposed replies of the several lending agencies concerned before responding to the even more comprehensive questions addressed to this Bureau. Several agencies indicated aspects of the bill, as originally presented, which require clarification. Amendments to accomplish this were prepared and reviewed by the interested agencies. Final decisions are now in process which should clear the way for all of the agencies to submit their views.

Accordingly, I am confident that before Congress reconvenes the information you have requested can be supplied. I concur fully with you that facts of this type are essential for adequate appraisal of the legislation, and appreciate the opportunity to supply them.

Sincerely yours,
PERCIVAL F. BRUNDAGE,
Director.

JANUARY 22, 1958.

Hon. PERCIVAL F. BRUNDAGE,
Director, Bureau of the Budget,
Washington, D. C.

DEAR MR. BRUNDAGE: You will recall our previous correspondence about S. 2427, a bill which would require an increase in the interest rate charged in several Government lending programs.

Since this bill was introduced, I have been attempting, on behalf of the committee, to obtain from you, and other Government agencies which might be concerned, information on the loan programs which would be required to raise interest rates and how much the interest rates would in fact be increased.

I wrote you on July 11 seeking this information, and, after more than 4 months had elapsed, I wrote you again on November 25. You finally acknowledged my letters on December 9, stating that the information which I requested should have been provided before that time. You indicated that several agencies had suggested clarifications, that amendments were being prepared and reviewed, and that final decisions were then in the process. You stated your confidence that before Congress reconvened the information I had requested could be supplied. You concurred fully with me that facts of this type are essential for adequate appraisal of the legislation.

Notwithstanding our correspondence, the President's budget message again refers to this matter, stating as follows:

"At my request, legislation has been submitted to the Congress requiring that, insofar as consistent with the purposes of each program, all costs of future loans be paid by the borrowers who benefit from the loans. Such legislation, by removing or reducing hidden subsidies, would make a significant contribution toward better budgeting."

It is not clear to me whether or not this reference is intended to imply that the President has recommended helpful legislation but that the Congress has not acted upon it. I am sure you will agree that, if this is the implication, it is entirely unwarranted and misleading.

The Senate Banking and Currency Committee was prepared to commence hearings on this legislation as early as last July 22, and, as you acknowledged in your letter of December 9, the facts we have requested of you and of the agencies concerned are essential to an adequate appraisal of the legislation.

The Senate Banking and Currency Committee expects a rather full schedule for the present session of the Congress. In order to meet our responsibilities, some planning of the committee's program is necessary. I am sure you will agree that this planning is difficult, if not impossible, as long as there is so much uncertainty about a complex and comprehensive bill of this nature. Therefore, I must insist that, if the administration expects this committee to have an opportunity to act on this legislation at this session of Congress, you must furnish us with the information we have requested without further delay.

Sincerely yours,

J. W. FULBRIGHT,
Chairman.

CONSTRUCTION OF U. S. S. "ARIZONA" MEMORIAL AT PEARL HARBOR

The PRESIDING OFFICER (Mr. TALMADGE in the chair). Following a precedent established on May 23, 1949, in an identical situation, the morning hour now having expired, the Chair lays before the Senate the unfinished business which will be stated.

The LEGISLATIVE CLERK. A bill (H. R. 5809) to authorize the construction of a U. S. S. *Arizona* memorial at Pearl Harbor.

TEMPORARY INCREASE OF PUBLIC DEBT LIMIT

The PRESIDING OFFICER. If there is no objection, the unfinished business will be temporarily laid aside, and the Senate will proceed to the further consideration of the pending business, which is House bill 9955.

There being no objection, the Senate resumed the consideration of the bill (H. R. 9955) to provide for a temporary increase in the public debt limit.

THE DEBT LIMIT RISE

THE INFLATION PART OF THE "PINCERS" PLAN TO DESTROY AMERICAN WORKINGMEN AND INVESTORS

Mr. MALONE. Mr. President, the current buildup to spend more of the taxpayers' money through raising the debt limit is predicated on the sputnik emergency. It can only mean further inflation.

We have lived on emergencies since 1933: World War II, the Korean war, and preparation for war.

There has been no indication nor implication that there will be a saving of the money which is now being expended on obsolete equipment; on foot soldiers throughout Europe and Asia, who will all be lost when and if the fight starts; nor the billions poured into these same nations to buy agreements and treaties, none of which will be worth the paper they are written on when the chips are down.

The ultimate objective is inflation, free imports, a division of the taxpayers' money with foreign nations, and ultimately free immigration, with a world government at the end of the rainbow, all under the United Nations, with the United States having one vote. Under this projected system, there is nowhere for our standard of living to go but down.

LIVING ON A WAR ECONOMY

We are now living on a war economy. We have allowed foreign nations to divide the American markets among themselves through free imports, and have priced ourselves out of the foreign markets through inflation.

If the amount given foreign nations to buy our goods and that part of our shipment abroad subsidized by our American taxpayers be deducted, our foreign trade at this time includes a lower percentage of our exportable goods than we were exporting in 1934, when the whole program was started.

FIFTEEN BILLION DOLLARS SAVED

The next war, if and when it comes, will be fought in the air and under the sea.

Fifteen billion dollars can be saved through stopping our plans for the surface defense of foreign nations and by stopping foreign aid.

This ignores, for the moment, the estimated saving of an additional $15 billion through the adoption of the Hoover Commission report and the Cordiner report, and the taking of the Government out of business.

SEVEN BILLION DOLLARS OF SAVING FOR MISSILES AND BOMBERS

Out of the $15 billion saved through stopping the foreign aid and the obsolete plans for the surface defense of Europe and Asia, $6½ billion or $7 billion could be assigned to missiles and to the continued construction of the needed air equipment, including B–52's or the most advanced fighters and bombers, thus maintaining our superiority until the missiles replace such manned equipment.

EIGHT BILLION DOLLARS OF SAVING FOR REDUCING DEBT AND TAXES

The remaining $8 billion or $8½ billion can be used to pay on the national debt and to reduce personal income taxes.

THE PINCERS MOVEMENT

The pincers movement to control and destroy the free American economic system includes five major operations:

First. In 1933 we followed England off the gold standard and immediately priced ourselves out of the world markets, through inflation.

Second. In 1934 Congress transferred its constitutional responsibility to regulate foreign trade through the adjustment of the duties, which we call tariffs, to the executive branch, with the full right to sacrifice and destroy all or any part of any industry in this Nation, if it was judged by him that his foreign policy of securing agreements and treaties with such foreign nations would be furthered.

Free imports—trade—will inevitably be tied to free immigration and the free movement of goods and people throughout the world.

Third. In 1947 the Executive did transfer that constitutional responsibility of Congress to regulate foreign trade, through the adjustment of such duties or tariffs, to Geneva, Switzerland, into the complete power of competitive foreign nations, under the auspices of the General Agreement on Tariffs and Trade—GATT—which he caused to be set up under the 1934 Trade Agreements Act as extended to June of 1958.

Under this act 36 foreign competitive nations have proceeded to divide the American markets among themselves, through multilateral trade agreements over which Congress has no control whatever.

Fourth. In 1946, following World War II, the Congress started the worldwide distribution of American taxpayers' money, through the $3¾ billion gift loan to England.

This gift loan was immediately followed by the so-called Marshall plan of $17 billion for 5 years—and now must be a permanent annual drain on the American taxpayer, according to the testimony of our Secretary of State.

We have now poured more than $70 billion of the taxpayers' money into the European and Asiatic nations, to build production facilities to compete with our own American workingmen and investors and build up their dollar balances to claim our gold reserves.

Fifth. Our tax dollars are going into four organizations for the sole purpose of financing foreign nations and American corporations and individuals in the construction of manufacturing and processing plants, including mining operations, in foreign nations to utilize the cheap foreign labor, and to import the products into this Nation to compete with American labor and investors.

FOUR ORGANIZATIONS FINANCING FOREIGN COMPETITION

The Export-Import Bank was established on February 12, 1934. It is completely financed by the American taxpayers, who are obligated by Congressional action to finance individuals and corporations up to $5 billion to build plants and operate mines in foreign nations with their sweatshop labor, and to import such goods into this Nation, in direct competition with American workingmen and investors. This organization is now asking for an addtional $2 billion for that purpose.

The International Bank for Reconstruction and Development was established on July 31, 1945; and the American taxpayers are obligated for $3.175 billion to finance foreign nations to build plants and mines to be operated by low-wage labor and import their goods into this country.

The International Monetary Fund was established on August 11, 1945; and Congress has obligated the taxpayers of the

Nation for $2.750 billion for the same purpose of financing foreign operations, using cheap foreign labor, and importing the goods into the United States.

The International Finance Corporation was established on August 11, 1955; and the Congress has obligated the taxpayers to the amount of $35.168 million for the purpose of financing foreign operations and production with cheap labor and to import the goods into this Nation under the free import policy.

It will be noted that the Import-Export Bank was established in the same year that the 1934 Trade Agreements Act, the free import act, was passed by Congress; that the International Bank for Reconstruction and Development was established in 1945; that the International Monetary Fund was established in 1945; and that the only new organization to finance foreign production is the International Finance Corporation, established in 1955.

GRANDIOSE INTERNATIONAL SOCIALIST SCHEME

The pincers movement, including the five methods of disbursing the wealth and markets of the United States throughout the world, is of course, an important part of the grandiose, international Socialist scheme again to make the economic system of this Nation a part of the nations of old Europe and Asia, and again to join us to the interminable trade wars of old Europe.

SENATE REPORT NO. 1627—SENATE DOCUMENT NO. 83

It will be remembered that in the committee I directed the preparation of Senate Report No. 1627 of the 83d Congress, and I personally delivered it to the President in July of 1954; also Senate Document No. 83 of the 84th Congress, in 1955.

WESTERN HEMISPHERE SELF-SUFFICIENT

In both of these reports the Interior and Insular Committee was definite in its recommendation that the Western Hemisphere could be made self-sufficient in the production of everything we need for war or peace, and said that it can be defended from North America.

Since the reports were made available, no one has believed that we had to get anything across a major ocean, for either war or peace.

No one has denied that the Western Hemisphere can be defended from North America.

TRAVELED 14,000 MILES IN RUSSIA

In 1955, I spent 2½ months behind the so-called Iron Curtain. It may be remembered that Mr. Churchill invented that catch phrase in his Missouri speech, during the Truman administration. I traveled 14,000 miles in Russia, inspecting their industries, powerplants, and raw-material areas.

RUSSIA SELF-SUFFICIENT—NO EFFECTIVE REVOLT—ALL POWER IN RUSSIA

At the end of that time I said that first, Russia would soon be self-sufficient in the production of everything she needs for war or peace; second, there would be no successful revolt; and, third, all of the military power in the Eastern Hemisphere had moved to Russia; no military power was left in Europe, since the colonial system was as dead as Julius Caesar and the airplane dominated the British Fleet.

MUST MAKE THE AMERICAN SYSTEM WORK

I further said that if those three things were true—and I believed them to be true—then it was up to us to make the American system work; and that it could not be done through a division of our wealth with the nations of the world.

AMERICA LIVING ON A WAR ECONOMY

I also said that the American system was being destroyed through a division of our markets and taxpayers' money through Europe and Asia—worldwide socialism in its worst form—and that America was living on a war economy, a very dangerous and superficial position. The "pincers" movement includes the free imports, which are destroying American industry, American jobs, and American investments.

ADMINISTRATION SHOCKED 2 YEARS LATER

Suddenly, last fall—1957—exactly 2 years later, all America woke one morning with the discovery that what I said in 1955 was correct—that Russia was self-sufficient; that no successful revolt was in prospect; and that Russia had complete charge of the Eastern Hemisphere, as far as war power was concerned.

UNITED STATES ONLY NATION IN WORLD NOT PROTECTED

We are the only Nation in the world that does not protect its workingmen's jobs and investors' money. Other nations use tariffs, quotas, import permits, exchange permits, and manipulation of the value of their money in terms of the dollar, to prevent imports of the goods they produce.

DIVISION OF AMERICAN MARKETS AND MONEY UNCONSTITUTIONAL

I have no doubt that the division of our markets and our taxpayers' money with the nations of the world is unconstitutional; however, even if it were constitutional, it is bad practice; and our people cannot stand it. Today, many of them are unemployed and broke.

POOR SUBSTITUTE FOR SOUND ECONOMY

The proposed increase in war expenditures and continued foreign aid are poor substitutes for a sound economy, when that economy can be based upon the Constitution, article I, section 8, with the American workingmen and investors able to compete for the American market on a fair and reasonable basis.

RETURN TO CONSTITUTIONAL GOVERNMENT

All Congress has to do this year is transfer the funds from obsolete uses to the required equipment, and lower the personal income taxes and the national debt.

The free imports legislation expires in June of this year. Then the power, in Geneva, Switzerland, of the competitive foreign nations to divide the American markets between them returns to the Tariff Commission, an agent of Congress; and then it will be able to regulate our foreign imports on the basis of fair and reasonable competition, and the American workingmen and investors will be back in business.

The American taxpayers and workingmen and investors have financed their own downfall, through their own Congress.

The "pincers" are closing. A return to the American system—the Constitution—is the first fundamental.

The continued pressure to increase the debt limit, the extension of the free imports legislation, and more billions to Europe is the cumulative result of the factors I have described; and I shall vote against all of them, as I have in the past.

Do not raise the national debt—lower it.

Do not extend the free-imports legislation.

Do not send more billions to Europe and Asia.

Do not raise the personal income tax—lower it.

Mr. COTTON. Mr. President, will the Senator from Nevada yield to me?

Mr. MALONE. I am happy to yield to the Senator from New Hampshire.

Mr. COTTON. I wish to commend the Senator from Nevada for his very able exposition of some of the factors involved in the question which is before the Senate today. Ordinarily, I would be reluctant to say anything about the debt limit problem, because I have great confidence in the distinguished Senators, one of whom is the Senator from Nevada, who have deliberated carefully on this matter in the Finance Committee. However, I should like to ask the Senator a couple of questions, if he will be so kind as to permit me. Laying aside for the moment the question which the Senator has so ably raised, as to whether the debt limit needs to be raised at all, does the Senator, from the evidence before his committee, feel that, if it must be raised, it is necessary to do it this week?

Mr. MALONE. The answer to the distinguished Senator from New Hampshire is no; in the humble opinion of the Senator from Nevada the debt limit does not have to be raised at all and certainly not this week. If I were convinced, however, that it should be raised, I would offer no objection to raising the debt limit now.

We have continually wasted at least $15 billion annually because of plans for the surface defense of Europe. We have our fleet in European waters now. We have troops in 73 nations, who would be either dead or on their way to the salt mines if another war started, simply because the next war will be fought under the sea and in the air, with supersonic airplanes, and missiles which will later take their place. No nation is going to fight with foot soldiers.

Any plans for the defense of Europe and Asia, including foot soldiers and surface ships not hunting submarines near our shores under the protection of the Air Force will be wiped out within minutes if in the way—and ignored and left to starve, as MacArthur used to treat the Japanese on fortified islands in the Southwest Pacific during World War II.

So instead of raising the debt limit, let us transfer $5 or $6 billion, or whatever it may require to provide for the adequate production of missiles and additional B–52's as the Senator from Nevada has suggested on many occasions.

TRANSFER FUNDS FROM OBSOLETE USES

Let us transfer the money to the manufacture of the weapons we shall use in the next war. Let us bring our foot soldiers home from the 73 foreign nations. Let us quit manufacturing surface ships which will have to be junked. Let us use half of the money, along with one-half of the money spent on foreign aid, which amounts to about $6 or $7 billion a year, in the missile and airplane field. We shall have to use B–52's until missiles take the place of the long-range bombers, by utilizing the remaining $8 billion to lower the national debt, instead of raising the debt limit. Then let us lower income taxes, through which everybody in the United States is being bled white.

I have predicted before—and mentioned it during Lincoln's birthday week in my home State—that the people of this Nation will rise against excessive taxes. They will really find out what Congress is doing, and simply go on a taxpayer's strike.

THE PINCER MOVEMENT

I also want to say to the distinguished Senator from New Hampshire that the five-part pincer movement is never presented to Congress all at one time. Such proposals are presented one at a time. First, the proposal to raise the debt limit is presented, which means further inflation. Then the bill for the extension of free imports is presented, which means imported unemployment. Then the bill for foreign aid—free dollars for Europe—is presented. Then there will come before Congress, one at a time, each one of the organizations set up by Congress, which I have already named, seeking to get authority to lend more money to foreign nations and to have American corporations establish mines and production plants in foreign nations, which will export materials to America free of duty.

I say to my distinguished friend from New Hampshire that the objective is a world government, with free trade, free immigration, and an average standard of living for all the countries of the world, which will mean that there will be nowhere for America to go but down.

Mr. COTTON. Mr. President, perhaps I did not make my question quite clear, and if the Senator will permit me to speak for a moment or two, without his losing the floor, I should like to suggest that what I was trying to do, with all due regard to the very able suggestions the Senator has made about our overall permanent policy, was to pinpoint the question we have before us this very afternoon.

I am a little disturbed. I understood the Senator to say that if it were thought necessary ultimately to increase the debt limit, we might as well do it today. I wish to suggest, for the Senator's consideration, with all due respect to the distinguished and able Senators on the committee, that it seems to me the timing of this action is very bad for the country. The bill raising the debt limit has passed the other body of Congress. Until the bill came to the floor of the Senate, it was in the hands of the Finance Committee of the Senate. It would be a matter of only a few hours, if the emergency arose and it became necessary, to complete passage of the bill and send it to the President for his signature.

I ask the distinguished Senator from Nevada to consider the timing of the bill. Admitting, for the sake of argument, which I understand clearly the distinguished Senator from Nevada does not admit, and I respect his viewpoint, that we are approaching a time when some increase in the debt limit will be necessary, in order to give the Treasury of the United States sufficient elbow room to do business, why must we make it practically the first official act of the Senate and the House in this session of Congress in 1958? We have not yet even passed a bill to raise the postal rates, in order to take care of the deficit in the Post Office Department. I think it is safe to say we have not performed one single act or passed a single bill which has as its objective the cutting down and restricting the expenditures of Government, when, from the fiscal standpoint, we are skating on such thin ice.

From a reading of the hearings, it is my understanding that Mr. Brundage, of the Bureau of the Budget, indicated that the critical time when we might be in difficulty would come between February 15 and March 15 of next year. Perhaps that time may come at an earlier date, but the psychological effect of increasing the debt limit by $5 billion as almost the first official act in this session will, to my mind, be extremely bad upon the public confidence and upon the people, who know that the time has come when in handling questions dealing with our fiscal solvency we must proceed very carefully.

What I wish to ask the distinguished Senator from Nevada, as a Member of the Senate, is this: Admitting the truth of all the Senator has said—or at least making the statement that I am fully appreciative of what the Senator has said about things that can be done to reduce the debt and to take care of the longtime viewpoint—would the Senator not agree with me that if the Senate should pass a bill increasing the debt limit today that action would have almost a disastrous impact upon the country?

I feel compelled to move to recommit the bill to the committee, simply because I should like to see the Senate pass a bill cutting expenditures before it sends word out to the country, "We are raising the debt limit."

Mr. MALONE. I will say to the Senator from New Hampshire that it is not likely we will pass any bill cutting foreign expenditures.

Mr. LANGER. Mr. President, will the Senator from Nevada yield to me?

Mr. MALONE. I shall be happy to yield to the Senator from North Dakota as soon as I finish answering the question of the Senator from New Hampshire.

Inflation started in 1933, when we went off the gold standard. We followed the English example, as usual in most of our major moves. Since that time we have lowered effective wages, through the lowered purchasing power of the dollar. Congress has continually lowered the purchasing power of insurance and pensions.

Therefore, I say to my distinguished friend, the Senator from New Hampshire, that I am against raising the debt limit today, tomorrow, in 6 months, or in a year from now. We need to make the American system work.

We cannot make the American system work by a division of our markets and taxpayers money with all the other nations of the world. The Congress passed an act in 1934 which resulted in having 36 competitive nations, sitting at Geneva, dividing our markets among them.

I shall be glad to vote with the Senator if the Senator will move to recommit the bill to the committee.

Mr. LANGER. Mr. President, will the Senator yield to me?

Mr. MALONE. I yield to the distinguished Senator from North Dakota.

Mr. LANGER. Mr. President, I ask unanimous consent that I may ask the distinguished Senator from New Hampshire [Mr. COTTON] a question, without the Senator from Nevada [Mr. MALONE] losing his right to the floor.

The PRESIDING OFFICER. Is there objection to the request of the Senator from North Dakota? The Chair hears none, and it is so ordered.

Mr. LANGER. I wish to ascertain whether it is not true that the mail the Senator from New Hampshire is receiving is much like the mail I receive. I have received scores and scores of letters from people who have asked, "Why has the Congress not adopted some of the recommendations of the Hoover Commission, which would save between $5 billion and $6 billion?" That is what they ask in their letters, yet at the present time we are considering raising the debt limit although we have not adopted the Hoover Commission's recommendations.

I wish to compliment the distinguished Senator from New Hampshire. I will vote for his motion to recommit the bill.

I ask the Senator from New Hampshire if his mail is not much like mine, with reference to the Hoover Commission recommendations?

Mr. COTTON. That is true with respect to my mail, also, and I venture to guess that it is true with respect to the mail of every other Senator.

I think the Senator will agree with me that I am emphasizing a point which is very important at the present time, which relates to the psychological effect on the people of this country. It may well be that if we adopted many of the recommendations of the Hoover Commission, next week the effects of those measures might not make themselves evident, and might not become evident for many months, or perhaps for another fiscal year. It is perhaps true that if we increase postal rates this week, to take care of some of the postal deficit, such action will not have its effect in time. It may well be that if some of the suggestions made by the very able and distinguished Senator from Nevada were acted upon immediately even before the end of the year perhaps we would have to give the Treasury some elbow room.

My feeling, however, is that this is a bad time to act on such a proposal as that now pending. I think the Senator from North Dakota will agree with me that word should not go out to the people of the country today that we are raising the debt limit, when we have under consideration all the recommendations of the Hoover Commission, as exemplified by bills on the calendar and in the committees, and when there are various other things we have been talking about doing, which we hope to do to conserve the financial resources of the Nation.

We should not permit the word to go out today that the first thing the Senate did, and the first thing the Congress of the United States did, in the present session, was to raise the debt limit. We cannot explain to the general public all the elements involved. If that word goes out, it will have a disastrous impact. We should not permit that to happen unless it is vitally necessary.

I invite the attention of both the distinguished Senators to page 2 of the hearings before the committee, when the Secretary of the Treasury, if I read the English language correctly, did not indicate the need was immediate, so far as the Government's being able to satisfy its necessary obligations was concerned. The Secretary said he wanted this action taken now, to make it easier to finance the debt.

I repeat that on pages 423 and 424 of the hearings it is shown that the Director of the Bureau of the Budget said, in effect, that so far as a pressing need was concerned, the pressing need would not come, in his opinion, until early next year. It is granted, of course, that financing operations would be easier for the Treasury if we give them today what they ask. It will have the effect of taking the lid off, if we send the word downtown, "Oh, yes; Congress is willing to raise the debt ceiling."

The effect upon the people of the country and upon their confidence in us, in their Government, and in what we intend to do—whether we have the tenacity and courage to do something—I think would be disastrous.

The bill can be called out of the committee any day, any week, for the next 3 or 4 months, if need requires it.

I hope my words will not be taken as an expression of a lack of confidence in the committee, when I say I desire to make a motion to recommit the bill, because I do not contend it is not going to be necessary to take the action which is requested. I am willing to accept the judgment of such distinguished Senators as the Senator from Virginia [Mr. BYRD] the Senator from Pennsylvania [Mr. MARTIN] and the other able Senators who have gone into this matter year after year, while serving as members of the Committee on Finance. However, I think we ought to do something else first. We are putting the cart before the horse.

It is my understanding that before this week is past we shall have a chance to vote upon whether we are going to take some action with regard to the deficit of the Post Office Department. There are other things we can do. If, after that time, it were found necessary to increase the debt limit temporarily, I think the people of the country would receive that information with much better grace, and it would not shake their confidence in us.

Mr. LANGER. I thank the distinguished Senator from New Hampshire. I hope he will make a request for a yea-and-nay vote on his motion to recommit the bill.

Mr. COTTON. I thank the Senator.

Mr. MARTIN of Pennsylvania. Mr. President, will the Senator from Nevada yield?

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Pennsylvania?

Mr. MALONE. I am happy to yield.

Mr. MARTIN of Pennsylvania. Mr. President, I should like to make a brief statement for the benefit of the Senator from New Hampshire.

The Government of the United States is much like a corporation or an individual when it comes to the matter of credit. The rasing of the debt ceiling at the present time will make it possible for the United States Government to have a very much more favorable market reaction when the Government goes into the market for additional funds. It is necessary for the Government of the United States to do some financing practically every week. That is one of the reasons for consideration of the bill at the present time. If the bill shall be enacted, the Government will have a greater advantage when it goes into the market.

Mr. MALONE. I should like to say, Mr. President, that I have listened to all the arguments of the Chairman of the Federal Reserve Board, Mr. Martin, and his arguments sound very good, however they always need more taxpayers' money.

It has been testified—Mr. Humphrey so stated in his testimony, under my cross examination, when the Senate Committee on Finance started its hearings last fall, with regard to the economic state of the Nation, as did Mr. Martin—that the 1948 dollar is worth in present day purchasing power 47 cents.

There is no question that the dollar is worth about 33 cents, or about one-third of what it was worth in 1934.

The confidence of the American people is already shaken. There is no question in my mind that when we lowered the purchasing power of the dollar to 33 cents, the "smart" financing was designed to make wages buy less, and finally to clamp them at that level.

The insurance upon which a man has been paying for 10 or 15 years, in order to send a boy or girl to school, or to leave an inheritance is worth a third of what it was in 1934 or less than one-half of what it was in 1948.

The banks and insurance companies do not promise to return purchasing power. They promise only to return the dollar. So there is no end to inflation, so long as we raise the debt limit and print more money. Mr. Martin, chairman of the Federal Reserve Board, under cross examination by me before the committee, as appears in part III of the published testimony printed by the Senate Finance Committee, stated that he had the authority to print the amount of money which in his judgment industry would need from 1 to 2 years ahead, whether it be $1 billion, or $3 billion, if he thought industry might need it. He could also reduce it.

There is no question of his authority to raise or lower the discount rate, which to a large extent controls investment. There is no question of his authority to fix stock-exchange margins. He can lower them or raise them. He has recently lowered them. He can make the required margin two percent or 98 percent. He largely controls the amount of stock sold on the stock exchange.

In closing I wish to thank my good friends from New Hampshire [Mr. COTTON], from Pennsylvania [Mr. MARTIN], and from North Dakota [Mr. LANGER], for entering into this debate. It involves one of the most important questions before the American people today.

The problem is to stop the pincers movement which threatens to destroy the economy of the United States.

It is my belief that the American people will act after they learn the entire plan, as I have outlined it in my brief discussion today, including free imports and the sending to Europe of billions of dollars of the taxpayers' money to build up dollar balances and to build plants to use the cheap labor and send the goods to this Nation. Mr. Dulles states that such aid must be permanent. The Senator from Nevada stated on the floor of the Senate in 1948 that if the so-called Marshall plan passed that it would become permanent.

Mr. COTTON. Mr. President, I ask unanimous consent that the Senator from Nevada may yield to me for the purpose of making a motion to recommit the bill without his losing the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. COTTON. Mr. President, I move that House bill 9955, a bill to provide for a temporary increase in the public debt limit, be recommitted to the Committee on Finance.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Hampshire [Mr. COTTON].

Mr. LANGER. Mr. President, I ask for the yeas and nays on that motion.

The yeas and nays were not ordered.

Mr. MALONE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). Without objection, it is so ordered.

Mr. KNOWLAND. Mr. President, I ask for the yeas and nays on the motion to recommit.

The yeas and nays were ordered.

Mr. CLARK. Mr. President, I rise in opposition to the motion to recommit.

Having listened to the colloquy between my distinguished colleagues, the Senator from New Hampshire [Mr. COTTON] and the Senator from Nevada [Mr. MALONE], I should like to state an opposing point of view.

In my judgment, the proposed action in raising the debt limit should have been taken as much as a year ago. Failure to raise the debt limit last year had serious consequences on our national-defense program. The timing now is good, not bad. The psychological impact of voting in support of the committee recommendation today will be good, not only throughout the United States, but also throughout the entire Free World. By raising the debt limit, Congress will show that it is prepared at least temporarily to eliminate an obsolete survival of a discredited economic theory.

I should like briefly to make four points. My first point is that the report of the committee—a committee headed by the distinguished senior Senator from Virginia [Mr. BYRD]—makes it clear beyond peradventure of a doubt that an increase in the debt limit is badly needed now in order to give our Government the flexibility it needs to finance the vast enterprises which it supervises, in particular in the defense of our country against the Russian threat. That is the opinion not only of so conservative a Member of the Senate as the senior Senator from Virginia [Mr. BYRD]—to whose abilities I am glad to pay tribute—but of practically every reponsible financier in the country.

My second point, Mr. President, is that fixing a debt limit is unsound in principle. I hope the day is not far off when we will abolish it as the obsolete survival to which I referred a moment ago.

If the debt limit is set too high, it is irrelevant so far as action by Congress is concerned. If it is set at a point where it takes effect, the executive branch is faced with this dilemma: It must either refuse to carry out programs which Congress has authorized, appropriated for, and intended to be carried out, or it must delay the payment of debts which the Government has contracted. Both of those things happened last fall.

The debt limit reduces the Government's ability to move quickly in the event of a military crisis, recession, or other circumstances which may require a speedup in spending. It is a self-imposed hobble by which the Government, having decided on a course of action, restrains itself from doing what it has set out to do. This point of view was never expressed better than it was on February 10, 1958, before the Joint Economic Committee by Ralph J. Watkins, Director of Economic Studies, Brookings Institution, certainly no leftwing organization, when Mr. Watkins said:

> Parenthetically, one wonders how long it will be, recession or no recession, before the executive branch of the Government will summon the courage to recommend to the Congress and fight strenuously for the complete repeal of the arbitrary debt ceiling that so ill serves the Nation at any time and all the more so in a time of such grave peril to our very survival.

Mr. President, I ask unanimous consent that at this point in my remarks somewhat longer excerpts from the testimony of Mr. Watkins be printed in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

EXCERPTS FROM TESTIMONY OF RALPH J. WATKINS, DIRECTOR OF ECONOMIC STUDIES, BROOKINGS INSTITUTION, BEFORE THE JOINT ECONOMIC COMMITTEE, FEBRUARY 10, 1958

I would lay the groundwork now for a prompt request to the Congress for repeal of the debt ceiling, to provide room for fiscal maneuver and to allay any lingering doubts as to the degree of resolution in countering recession.

Parenthetically, one wonders how long it will be, recession or no recession, before the executive branch of the Government will summon the courage to recommend to the Congress and fight strenuously for the complete repeal of the arbitrary debt ceiling that so ill serves the Nation at any time and all the more so in a time of such grave peril to our very survival. The debt ceiling in the past may have reflected primarily a lack of confidence in the fiscal soundness of the executive branch, but it seems clear that its continuance over the years reflects even more a lack of confidence in the Congress by the Congress—the fear that it may be tempted to spend more than should be spent. The desire for economy is commendable, but it is false economy and shameful as well to put hobbles on a great nation. Moreover, a debt ceiling that has fluctuated over the past four decades between $11½ billion and $300 billion cannot be said to have any ultimate significance. There must be a more intelligent way to achieve fiscal soundness.

Nor can business investment decisions be blamed for the crisis of confidence which shook American society last fall. That crisis may well have been precipitated by the cutbacks and stretch-outs in military procurement starting in the summer. They affected a wide range of industry all across the country and, added to the impact of evidence of slow payment of bills by Government, could hardly fail to influence business confidence adversely. The real culprit, given our defense needs, may have been the arbitrary debt ceiling.

With the advantage of hindsight, it is easy to add that courageous action by the administration to lift the debt ceiling would have been far preferable to the shock of defense cutbacks and stretch-outs.

Mr. CLARK. Mr. President, the position taken by Mr. Watkins was subsequently confirmed by three other distinguished economists, Roy Blough of Columbia University, Lester V. Chandler of Princeton, and John Kenneth Galbraith of Harvard.

Mr. President, my third point is that the debt limit had severely detrimental effects last fall.

Military cutbacks and stretchouts last fall were necessary in order not to exceed the debt ceiling. In addition, the Treasury Department had to execute some unusual transactions, through FNMA and otherwise, which resulted in borrowing at higher rates than would have been necessary with normal borrowing.

On May 22, 1957, Secretary Wilson issued an order withholding $500 million from 1957 funds appropriated for major procurement and production, research and development, and military construction.

The $500 million was allocated as follows: $100 million to the Army; $150 million to the Navy; and $250 million to the Air Force.

In testimony before the Senate Appropriations Subcommittee in May and June 1957, the Department of Defense officials made clear that the debt ceiling was the reason for the cutback.

Mr. President, I ask unanimous consent that excerpts from that testimony, as well as some excerpts from newspaper accounts of defense cutbacks last fall, may be printed at this point in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

EXCERPTS FROM THE TESTIMONY

W. J. MCNEIL, Assistant Secretary of Defense. Congress acts on the new obligational authority and considers the expenditures but takes no formal action on them as such. In the executive branch, they have the problem of financing. We have a debt ceiling.

* * * * * *

Mr. MCNEIL. We have been informed that, considering the anticipated revenues of the Government, and the statutory debt limit, expenditures for the Department of Defense must not substantially exceed the budget estimate of $38 billion during the coming year. The current monthly rate of expenditure, however, is now running considerably above the annual rate of $38 billion. * * * Secretary Wilson has asked that you be informed that steps are being taken which should bring defense expenditures into line with the President's budget submission, for fiscal year 1958.

* * * * * *

Senator SYMINGTON. Does this memorandum delay the ordering of needed equipment, and conflict with the previous statement of the requirements presented to the Congress?

Mr. MCNEIL. I do not like to hesitate on the answer to that question. Does it delay the ordering of equipment? Yes. Needed equipment? Undoubtedly there will be some needed equipment among the total.

* * * * * *

Senator SYMINGTON. Is it true that prior to the issuance of the May 22d memorandum, the production schedules had been adjusted downward for the Air Force in B–52's, KC–135's, three of our most modern fighters, C–133's, and several of our missiles; is that correct?

Maj. Gen. L. P. GERRITY, Assistant for Production Programing, Air Force. That is correct, Senator SYMINGTON.

* * * * * *

Senator SYMINGTON. Were fiscal considerations involved in these decisions for reduction, or did the Air Force commanders find that they did not need these modern weapons systems in such quantity so soon?

General ASENSIO. I am General Asensio, Comptroller, and I would say that the fiscal decisions were a governing influence in the adjustment, sir.

Senator SYMINGTON. Does the Bureau of the Budget, after the Congress has expressed its decision about the money, based on the program presented, does the Bureau of the Budget have the authority to arbitrarily alter the program?

Deputy Secretary of Defense DONALD A. QUARLES. My understanding of it is that the Bureau of the Budget does have not only legal authority but it has the obligation imposed on it in respect to the debt limit of the Government, and to the extent that expenditures threaten the debt limit, then I think it does have a solid authority to control it.

* * * * * *

Newspaper accounts throughout the fall, even after the launching of sputnik by the Russians, told of stretchouts and cutbacks in the most critical defense programs, including research and missile development and production. These resulted from the $38 billion ceiling on expenditures, which was in turn related to the debt ceiling.

Examples:

Washington Post and Times Herald, October 16: "A high Government source said last night that top officials still believe the present program vis-a-vis Russia is sound and pouring additional major sums in it would be unnecessary and unwise. This present administration stand has been taken in face of Congressional demands for an accelerated program, and unofficial Pentagon confirmation that long-range ballistic programs actually have been cut back under the administration economy program."

Washington Post and Times-Herald, October 17: "Hard-pressed Treasury aides are pulling rabbits from their hats and have several more in reserve to help them stay inside the $275 billion ceiling on the national debt. * * * Nobody * * * will say so, but military contractors report that the Government is paying its bills more slowly. This alleged foot-dragging is one way of conserving cash."

Washington Post and Times-Herald, October 20: "Pentagon spokesmen acknowledged yesterday that an August 17 order by former Defense Secretary Charles E. Wilson, which just came to light, will reduce current Army, Navy, and Air Force research and development budgets by at least $170 million, or a minimum of 10 percent."

New York Times, November 7: "Defense cutbacks resulting in the cancellation or stretchout of about 2,000 contracts to universities and colleges are causing havoc in basic research related to weapons of the missile age."

New York Times, November 8: "Lay-offs resulting from defense cutbacks are beginning to affect teams of engineers and scientists assembled at great expense for basic research on the weapons of tomorrow."

President Eisenhower, in his October 30 press conference, acknowledged that the debt ceiling was the root of the problem. He said: "McElroy * * * has been authorized already, and I think has announced, that there will be greater expenditures. Now, this touches a very sensitive point, because you know the last Congress did not authorize us even a temporary rise in the debt rate. * * * So the—he was supposed to keep within a particular figure for his expenditure for the year."

(NOTE.—The President did not ask the Congress in 1957 to increase the debt limit.)

Mr. CLARK. Mr. President, the Senator who took the lead in making clear at those hearings the adverse effects which the debt ceiling was having on our national defense was the distinguished junior Senator from Missouri [Mr. SYMINGTON], whom I commend for the great public service which he rendered on that occasion.

My fourth point is that the pending bill makes it possible that the same trouble will occur this fall, and virtually certain that it will occur in the fall of 1959, unless Congress acts again.

Presumably the $5 billion increase will be sufficient to tide us over until June 30, 1959; but virtually every competent observer and analyst has said that the President's revenue estimates are optimistic, and if the recession should deepen, and if we should decide to undertake the kind of military speedup and the kind of domestic public works program which, in my judgment, will become essential, $5 billion will not be sufficient.

In any case, since the increase in the bill is temporary and will expire on June 30, 1959, we are almost certain to be in trouble in the fall of 1959, because we can hardly expect to create by that time a surplus sufficient to offset the rise in the debt limit which is immediately necessary now.

Mr. President, I wonder how many Senators think in their hearts that we will go through this fiscal year without a deficit. I wonder how many would confidently aver that a deficit will not occur in 1959.

If the proposals—unwise, in my judgment—which call for a tax cut receive additional impetus, we can be certain that we really will have a deficit.

For all these reasons, I oppose the motion to recommit, and I commend the committee for the action it has taken, even though, in my judgment, it is entirely inadequate.

If there is to be a debt limit—and, I repeat, I do not think there should be one—let it be, at least, a debt limit which will bear some reasonable relationship to the gross national product and to the country's wealth. In 1945, the gross national product was $213,600,000,000. At that time, the debt was $278,700,000,000. That was higher than the figure today.

Today, the preliminary figures for 1957 show that the gross national product is $433,900,000,000, and the debt limit is still $275 billion.

In 1945, the debt was 130 percent of the gross national product. Today it is only 63 percent.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a table entitled "Relation of Federal Debt to Gross National Product," 1945–1957.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Relation of Federal debt to gross national product, 1945–57

Period	Total gross national product	Gross public debt and guaranteed issues at end of period [1]	Ratio of debt to GNP (percent)
1945	213.6	278.7	130
1946	209.2	259.5	124
1947	232.2	257.0	111
1948	257.3	252.9	98
1949	257.3	257.2	100
1950	285.1	256.7	90
1951	328.2	259.5	79
1952	345.4	267.4	77
1953	363.2	275.2	76
1954	361.2	278.8	77
1955	391.7	280.8	72
1956	414.7	276.7	67
1957 [2]	433.9	275.0	63

[1] A small portion of the amounts shown in this column are not subject to the debt limit.
[2] Preliminary.

Source: Economic Report of the President, January 1958.

Mr. CLARK. Mr. President, I realize that this argument will fall on deaf ears in the case of many of my colleagues. I like to think that we must be a little ahead of the times in this body. I have some personal confidence that the time will come when these economic theories will represent the views of a majority of the Senate, and not a minority.

In any event, I urge my colleagues at this time to vote against the motion to recommit and to stand behind the chairman of the committee, the distinguished senior Senator from Virginia [Mr. BYRD].

Mr. MORSE. Mr. President, I find the arguments of the Senator from Pennsylvania [Mr. CLARK] to be very convincing. I am pleased to associate myself with, certainly, the burden of his argument this afternoon.

If I have any difference of opinion with him, it is based upon an understanding of one comment he made—and that is still subject to further discussion—namely, the question concerning whether any form of tax reduction should take place at this time.

I am inclined to think that some tax reduction which would benefit the people in the lower income brackets would be helpful to industry, in that any saving in that group would go immediately into the cash registers of the small-business men of the country, who need this purchasing power.

Except for the matter of a tax cut, I associate myself completely with the very able argument the Senator from Pennsylvania has made, and I intend to stand with him on this issue.

Mr. CLARK. I thank my friend from Oregon, whose views are so much in accord with mine. I recognize his argument in support of a tax reduction, but my fear has been that many will use a tax reduction as an excuse to deny the appropriations necessary to put 5 million back to work, to provide the houses which are needed, to provide the urban renewal projects which are needed, to build the schools which are needed, to construct the roads which are needed; in short, to give us all the improvements in the public segment of the economy which the country so desperately needs. I should hate to see a tax reduction used as an excuse for any move along that line.

Mr. MORSE. I completely understand the Senator's point of view. I think we in Congress have a duty to make certain that a needed tax reduction for the benefit of the people in the lower income brackets is not used for the bad purpose for which the Senator from Pennsylvania points out there is danger it might be used.

As the Senator knows, in the discussions already had on the floor of the Senate, I am not one of the Senators who have been afraid to use the phrase "deficit spending" in time of a national crisis. When there is a great national economic crisis, I think the Government should not hesitate to engage in deficit spending, if that is necessary to protect the people from suffering.

It is only because I think we need to bring tax relief to those in the lower income brackets, by way of some increase in tax exemption, that I am a cosponsor of the Douglas bill.

Mr. CLARK. I thank the Senator from Oregon.

ENDORSEMENT BY SENATOR MORSE OF PRINCIPLE OF MULTILATERAL AID

Mr. MORSE. Mr. President, yesterday I was pleased and delighted to read in the New York Times of the new international loan fund to be proposed today by the Senator from Oklahoma [Mr. MONRONEY].

On February 10, I addressed the Senate on the subject of the military aid program of the United States, pointing out the many serious questions that have been raised as to its purpose and the effects it is producing around the world. I pledged that I would soon devote a similar speech to the economic aspects of foreign aid, and make some suggestion as to how I believe the United States could effectively use economic aid to raise living standards in the so-called underdeveloped countries.

One of the primary features of such aid must, I believe, be emphasis upon multilateral channels. If the concept of "foreign aid satellites" is ever to be removed from foreign aid, both from the minds of Americans and from the minds of recipient countries, I think such aid must be channeled through the United Nations.

Several devices have ben proposed. One is the Special United Nations Fund for Economic Development; another is the expansion of the World Bank, as proposed by the Senator from Oklahoma [Mr. MONRONEY], and by the government of West Germany; another would not involve development loans but would provide for a greatly expanded technical assistance program.

It is my intention to speak at length on these proposals very soon, presenting their merits and demerits. I am increasingly convinced that the problems of underdevelopment that today are the major factors of daily life in Asia, Africa, and the Middle East in particular, and in many other parts of the world, as well, are too big and too important to remain a football of the East-West struggle.

In my study of the task force reports made for the Special Senate Committee to Study the Foreign Aid Program, I found this very significant conclusion:

> Actually, the failure of the United Nation's technical assistance program to achieve far-reaching results does not stem from the way it is organized and administered. It stems from the simple fact that no money is available to pay for the capital goods and equipment, without which the work and the advice of the most talented and devoted experts can yield but meager results.

This was Study No. 11: Foreign Aid Activities of Other Free Nations, by Stuart Rice Associates.

There is presently no multilateral lending institution, except for the International Bank, whose loans have unqualified conditions for repayment and a comparatively high rate of interest. That means that nations seeking development capital—and nations that must seek it outside their own borders are not likely to be able to pay high rates of interest—must attach themselves to some extent either to the United States or to the Soviet Union as a means of developing their economies. I am convinced that the world must get away from that situation; and the best way to do it is to establish economic development assistance as a function of the United Nations.

That is why I think the junior Senator from Oklahoma has done the Nation and the world a great service by putting forward his proposal. I welcome his proposal, and I commend his action in advancing it. Not only does it have great merit in itself, but it opens a new dimension in economic aid—that of multilateral aid. It is the dimension which I think will prove vital to the success of economic development, because in my opinion economic development on a worldwide basis can be successful only if it can take place free from the power struggle between East and West.

Mr. President, in concluding my comments on this subject, I ask unanimous consent to have printed at this point in the RECORD, as part of my remarks, an article entitled "Monroney Urges a Second World Bank." The article was written by E. W. Kenworthy, and was published in the New York Times of yesterday, February 23.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MONRONEY URGES A SECOND WORLD BANK—IT WOULD MAKE LOW-INTEREST LOANS TO POOR NATIONS

(By E. W. Kenworthy)

WASHINGTON, February 22.—Senator A. S. MIKE MONRONEY will recommend to the Senate Monday the creation of a new international agency to make long-term, low-interest loans to underdeveloped nations.

The international development association—as the Oklahoma Democrat tentatively calls the agency—would be associated with the International Bank for Reconstruction and Development, familiarly known as the World Bank.

However, the new agency would limit itself to making loans that the World Bank, under present regulations, must reject.

STUDIED BY ADMINISTRATION

For the last 18 months Senator MONRONEY has been discussing with financial leaders here and abroad a new approach to the problem of financing economic development in countries that cannot always meet the loan terms of the World Bank, but would prefer to get credits through an international agency.

Senator MONRONEY said today that in the hope of getting a bipartisan approach to the problem, he had discussed his plan with many leaders in the present administration.

He said that while "there has been no final determination of the administration's position" on his proposal, administration leaders "are giving it a continuing study."

What Senator MONRONEY, like many other legislators, has been seeking is a change from the unilateral grants and loans that have been the basis of the United States foreign economic aid program for the last 12 years.

He has also been seeking a way to use foreign currencies that will accrue to the United States from the sale of agricultural surpluses. The proceeds are usually loaned back to the purchaser. In a few years, when repayments of these loans are in full swing, the United States will be faced with the problem of what to do with this accumulation of local currencies.

BILLION CAPITALIZATION

The Monroney plan envisages a new agency initially capitalized at $1 billion. Of this the United States would put up $300 million and other countries $700 million. These currencies would be convertible.

This $1 billion would provide the agency with the necessary hard money base. The subscribers would have the voting stock in the agency proportionate to their subscription, in the same way that voting stock is distributed in the world bank.

It has been suggested that for its purchase of capital stock the United States might use the $300 million appropriated by Congress last year for the development loan fund. This idea, it is thought, might be attractive to Congress because it would avoid any new appropriation for capital stock. The initial $300 million appropriated for the development loan fund remains intact, since no loans have been made.

It has also been suggested that the United States for a few years might use interest payments on earlier foreign aid loans at the rate of $75 million a year.

Similarly, it is believed, hard currency countries in Europe might find some of the money for capital stock purchases in their unexpended counterpart funds. Under mutual security agreements in past years, these countries set aside in their own currencies roughly the equivalent of the military aid they received. This was to be used for economic development. Not all of it has been expended.

NONVOTING STOCK PLANNED

The Monroney plan also provides for a nonvoting stock to be purchased with soft local currencies. It is here that the United States would find a use for the local currencies accruing from the sale of surplus farm commodities.

Out of this mixture of hard and soft currencies the international development association could make long-term multilateral loans at low interest rates.

Officials at the World Bank have pointed out to Senator MONRONEY that many times the bank has had to refuse a loan application because it did not regard the total loan requested as "bankable." That is, the bank did not believe the applicant able to repay the whole loan and meet the interest payments in hard currency, as the bank's rules require.

On the other hand, the bank has often regarded 50 to 80 percent of a loan request as "bankable." But for lack of an institution that would take the other 20 to 50 percent, the loan has been refused.

Mr. MONRONEY's agency, then, is envisaged as just such a secondary mortgage bank, which might supply what the World Bank could not. The interest rate of the new bank's loans would be 2 percent repayable over forty years, compared with World Bank terms of 4 to 6 percent over twenty years.

Senator MONRONEY gives this example of how the proposed bank might operate in conjunction with the World Bank:

Suppose a $400 million loan was requested by India and Pakistan for a joint, multipurpose river development project. The World Bank might decide that it could supply half the loan. The remainder would be provided by the new bank.

The new bank could make its loan in several currencies. Dollars could be used to purchase earth-moving equipment; deutschemarks for the erection of a cement factory; pounds, francs, and guilders for generating equipment and rupees for local labor.

AVOID "HANDOUT" LABEL

By getting development aid on an international, multilateral basis, Senator MONRONEY believes that the American people would no longer regard economic aid as a handout and underdeveloped countries would no longer feel they were accepting charity, with political strings attached.

Furthermore, the Senator has been told that such an agency could be created with

little addition to the personnel of the World Bank.

Loans at 2 percent, the Senator points out, would be competitive with those the Soviet bloc offers.

By contrast, loans under the development loan fund would carry interest from 3½ to 5¾ percent.

In a statement today, Senator MONRONEY said that the mutual-security programs of the past "served a splendid purpose," but that the world had now changed and a different aid concept was needed.

"The free and uncommitted nations of the world now expect and demand to progress on a basis of equality," he said. "There is no place in the world today for anything that can be construed as a handout. Instead we need to stress multilateral loans which can be made on a completely self-respecting basis."

He continued:

"Dozens of nations are emerging from colonialism. We must together finance those projects which will give them their economic independence. Every young nation needs an international line of credit and through a multilateral lending association the currencies of many nations can be used to provide it."

FINANCIAL DISCLOSURES BY MEMBERS OF CONGRESS

Mr. MORSE. Mr. President, in yesterday's magazine section of the New York Times there was published a very thought-provoking article entitled, "Who Polices the Policeman (Congress)?" The article was written by my colleague, the junior Senator from Oregon [Mr. NEUBERGER]. I ask unanimous consent to have the article printed in the RECORD, together with this comment by me:

I believe that the points the junior Senator from Oregon raises in his article are deserving of the careful attention of the appropriate committee of the United States Senate. Again, as I did last Friday afternoon on the floor of the Senate, I renew my recommendation for a consideration of my proposal of many years' standing in the Senate, namely, that the Congress pass a measure requiring that all officials of the Government, including Members of the Congress, who receive a Federal paycheck of $10,000 a year or more, be required once a year publicly to disclose the sources of all their income and its amount.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHO POLICES THE POLICEMAN (CONGRESS)?—INVESTIGATIONS OF CONFLICT-OF-INTEREST CASES RAISE A QUESTION IN POLITICAL MORALITY: SHOULD CONGRESS ITSELF BE EXEMPT FROM THE STANDARDS IT IMPOSES ON OTHERS?

(By RICHARD L. NEUBERGER)

WASHINGTON.—Once again the disturbing question of conflict of interest is racking the city that is our seat of government. This time those involved are predominantly members of powerful quasi-independent regulatory commissions, with particular emphasis on the personnel of the Federal Communications Commission, which allocates licenses for radio and television outlets. Some of these men have been charged by Congressional committees with accepting entertainment, travel expenses, speaking fees, and reception equipment from various segments of the industry that they are supposed to supervise. Wives and other members of their families are also said to have shared in this hospitality. Certain of the charges have been challenged, but the basic issue continues as one of the thornier problems confronting representative government like ours.

How can private obligations be squared with one's responsibility to the public?

In these cases conflict of interest has been interpreted to mean that Federal Commissioners may not be able to exercise their regulatory powers fairly and judicially when they are indebted for financial or social favors to those whom they must regulate. A television channel, after all, is a highly valuable piece of property. The dispensing of such property should never be influenced by any conflict of interest which stems from the showering of gifts upon the dispensator. Such is one crucial facet of the conflict-of-interest controversy.

Conflict of interest does not always take this form. Frequently it derives from a person's own acquisitions, rather than from offerings pressed upon him. During the very recent past, Senate committees investigating the qualifications of various Cabinet appointees of President Eisenhower have suggested that these men sell their stocks in industries negotiating contracts with the Government. Such suggestions have affected the corporate holdings of Presidential selections from the business world like ex-Secretary of the Treasury George M. Humphrey and his successor, Robert B. Anderson, and ex-Secretary of Defense Charles E. Wilson and the man who succeeded him, Neil H. McElroy.

The implication has been that an inevitable conflict of interest occurs when the head of a Government department must rule or pass upon contracts with a firm in which he himself retains an equity. It evidently would be taxing human nature too strenuously to expect strict impartiality in such circumstances.

Whenever the conflict-of-interest issue is raised on the floor of the Senate or House, or before a committee of either Chamber, the public stirs uneasily. The taint of corruption or shady dealings is sniffed in the land. Murmurings come from the political opposition, and often in highly inflammatory terms. The slurs over baked hams and deep freezes in the Truman administration still rankle Democrats and have not been forgiven. My Senate colleague from Oregon, WAYNE MORSE, has declared that President Eisenhower himself is guilty of a conflict of interest by accepting gifts of cattle and farm machinery for his Gettysburg estate.

The claim of conflict of interest, whether brought against Republican or Democratic regimes, invariably makes people commence to suspect that Government has departed a long way from the ideals of Thomas Jefferson, who said, "When a man assumes a public trust, he should consider himself as public property."

Yet, as a Member of the United States Senate, I have some uneasy feelings of my own over the entire conflict-of-interest question, especially because the voicing of this question in any particular episode almost always begins in the Halls of Congress. Congress has set itself up to scrutinize the ethics and morals of the executive branch of Government. But who watches Congress with respect to conflict of interest? Is the sentry unsullied? In other words, who polices the policeman?

Many different statutes pertain to the general matter of conflict of interest. One of these laws stipulates that "no person appointed to the office of Secretary of the Treasury shall directly or indirectly be concerned or interested in carrying on the business of trade or commerce, or be owner in whole or in part of any sea vessel, or purchase by himself, or another in trust for him, any public lands or other public property, or be concerned in the purchase or disposal of any public securities of any State, or of the United States. * * *"

This is all well and good. The Secretary of our Treasury must be above suspicion. No conflict of interest should ever attach to him. Yet the Secretary merely carries out the broad policies of taxation, of maritime customs and arrangements, of tariffs, of banking procedures, which are fixed for him by Congress. Why, then, do not these restraints apply to Members of the Senate and the House? They can own a sea vessel, buy any securities they please, negotiate to run their grazing herds on public lands, and be very much interested indeed in carrying on the business of trade and commerce. Furthermore, they can accept speaking fees. Some of these fees not only run to $1,000 or more, but are offered by organizations and groups directly interested in issues pending before Congress.

What is the theory behind such a double standard of morality? Can it possibly be the settled notion of the American people that an appointee of the President, serving as Secretary of the Treasury, is likely to be motivated by his own financial self-interest but that an elected Senator or Representative will be immune to any of these temptations? Is Congress a law unto itself?

"You can't make a Senator do anything," exclaimed a Senator, KARL E. MUNDT, of South Dakota, during the dispute between the Army and the late Senator Joseph R. McCarthy in 1954. This seems to be the situation which lurks behind Congressional exemption from the code imposed on executive agencies. A Senator, or his counterpart in the House of Representatives, can do no wrong. This may have been what was meant by Dr. George Galloway and his collaborator, Cabell Phillips, when they wrote 5 years ago, in a book about the legislative process: "No one ever investigates Congress."

Yet I fear that it has a corroding effect on Government generally, when a member of the President's Cabinet can be ordered to jettison his corporate portfolio by Senators who themselves may be dabbling in oil, cotton futures, television, hotel chains, or uranium. If Federal Commissioners are to be pilloried for accepting hacienda suites at Palm Springs or airplane tickets to Palm Beach, how can Senators and Representatives continue profitable associations with law firms retained by banks, railroads, labor unions, and utility companies?

I want to emphasize that my thesis implies no criticism of any specific Senators or Members of the House. All are only doing what comes naturally. This is a matter of group behavior and not individual sin. The pattern has become accepted over the years. Most of our lawmakers are fundamentally honorable and trustworthy, but custom and habit apparently justify many contradictions. Although celebrated careers as Congressional investigators have been built by looking for flyspecks in governmental bureaus, our country's annals record few instances when conflict of interest ever was applied to a Senator or Representative.

In fact, Daniel Webster of Massachusetts has just been selected by a bipartisan Senate committee as one of the five greatest Senators of our history, to be heralded in a special portrait gallery at the Capitol. The choice of Senator Webster was recently eulogized on the floor of the Senate. But Webster once wrote to Nicholas Biddle, president of the controversial Bank of the United States: "I believe that my retainer has not been renewed or refreshed as usual. If it be wished that my relation to the bank should be continued, it may be well to send me the usual retainers."

This was conflict of interest with a vengeance—even at the point of blunt threats. The Bank of the United States was in need of a Federal charter at the moment. Yet Senator Webster has been chosen in our

own time as one of the Senate's immortals. Why, in view of this, should lesser legislators worry about owning sea vessels or acquiring radio and television outlets?

I am encouraged by the fact that I am by no means the only member of Congress troubled by the double standard surrounding the current crisis over conflict of interest. Senator Paul H. Douglas of Illinois has lamented many times that members of the House and Senate may accept valuable gifts or speaking fees which could be the downfall of a bureaucrat in one of the executive departments. Senators THOMAS C. HENNINGS, JR., of Missouri, and ALBERT GORE, of Tennessee, have sought to provide for closer scrutiny over funds spent for lobbying, influence-peddling, and other avenues to Congressional favor. And Representative THOMAS M. PELLY, a Republican sent to the capital by the populous Seattle district, recently told his colleagues:

"I raise the question as to whether bankers should be on committees that consider matters of benefits to banks? Should members who own farms frame legislation to support the prices of crops they raise themselves? * * * It is pretty obvious that if I owned an oil well, I should not be free to participate in setting the rates for depletion. Members of Congress have raised their eyebrows and also their voices, at times, over situations involving the ethics of members of the executive branch of Government. It seems to me the standard we have set for ourselves is not as high as the standard we have set for others."

As a member of the Senate Committee on Post Office and Civil Service, I have heard Presidential appointees to the Postal Department asked if they had any properties which might benefit from special classes of mailing rates. Of course, a conflict of interest was at stake in their replies. Yet, a good many members of Congress are engaged in daily or weekly newspaper publishing, and no question ever seems to be raised when they vote on the second-class mailing schedules that apply to newspapers.

I am the author of quite a few books, but I can participate without criticism in Senate discussions deciding the fate of the separate mailing rate for book publishers. As a Senator, I am free to file for a radio-station wave length, to bid on national forest timber or to prospect for minerals on Federal land. Yet, as a Presidential appointee to the agencies handling these matters, I would be forbidden under the conflict-of-interest statute from any such undertakings. Ironically, the Senate and the House form the supreme policymaking arm of our country, which sets the rules for all these responsibilities of Government, and many more, besides.

However, it is not even in this realm that I regard Congress as being the most paradoxically immune to the conflict-of-interest standards by which it measures Federal bureaus. I think the greatest degree of irony and contrast is to be found in the freedom of candidates for the Senate and House to collect huge campaign funds.

William S. White of the New York Times, author of the Senate analysis, Citadel, has written that it requires a $200,000 exchequer to win election as a Senator in a state of small population and at least $1,000,000 in a large industrial state. This, it seems to me, narrows to a reductio ad absurdum, spectacle of a Senate committee breaking a poor Presidential appointee on the wheel because he owns some General Motors stock or is married to a woman who manufactures military uniforms.

To begin with, I believe that the native integrity of the average human being is most jeopardized by favors he has accepted from somebody else rather than because of any holdings which have long been his own. Our political system being what it is, most successful senatorial candidates take the oath of office after having received substantial benefactions from the political-action funds of labor organizations or from the owners of distilleries, sawmills, gas corporations, power companies, breweries, airlines, and mines.

If this is not conflict of interest, what is it? Such groups are as involved in legislation as was the Bank of the United States during Webster's era. Can it be that a Federal Communications Commissioner is susceptible to the loan of a color television set, but a Senator or Representative incurs no commensurate obligation because of a $5,000 campaign contribution from a leading stockholder in a broadcasting chain?

What is the solution to all this? Must we continue standards of behavior for the executive and legislative branches of Government under which one is expected to observe antiseptic purity while the other may fare forth every 2 years in quest of campaign treasuries of ever-increasing size? It is estimated that all the major political contests of 1956 cost at least $200 million for radio and television time, elaborate headquarters, paid managers and agents, signboards along miles and miles of trunk highways, and prodigious quantities of buttons, badges, balloons, and similar gadgets. This sum is sufficient to create more conflict-of-interest dilemmas than could be unearthed by Scotland Yard, the Royal Mounties, and the Federal Bureau of Investigation combined.

My recommendations for correction are these:

(1) The executive and legislative wings should be governed by conflict-of-interest laws as nearly similar as their differing structures and composition will permit.

(2) Neither administrative appointees nor Members of Congress should be required to divest themselves of their corporate holdings or other possessions. The mere public listing of these equities annually ought to be enough in a democracy to assure that such ownership will not be subject to abuse.

(3) This public listing should include a record of any speaking fees larger than $100, of any travel reimbursement from private sources higher than this amount, of any gifts greater than this value except from members of one's own family.

(4) President Theodore Roosevelt's recommendation of 1907 should be put into effect, which would liberate political candidates from the necessity of raising large purses from private donors by authorizing the Federal Government to finance each major party with a contribution of 20 cents per voter in presidential years and of 15 cents in the off-year elections.

(5) Enforcement of these statutes should be removed as far as possible from politics, through a special nonpartisan agency in the Office of the Comptroller General, which would supervise all laws dealing with conflict-of-interest or corrupt practices.

(6) The net financial worth of a Federal administrator or Member of Congress should be disclosed at the start of his public career, in much the same manner as Adlai E. Stevenson revealed his holdings in the presidential campaign of 1952. I am convinced this kind of yearly accounting would do far more to curtail favoritism or pocketlining than any number of artificial limitations, such as forbidding a Secretary to own a sea vessel or trying to prevent a Senator from establishing a law-firm connection in his home State.

(7) Adequate provision should be made by the Government for the office expenses and travel needs of Members of Congress, so they will not be under compulsion to compete for questionable speaking fees and otherwise feel an urgency to augment their incomes. I know that many Senators exhaust their $1,800 stationery allowance and $300 fund for postage stamps long before the year is ended. After that, these supplies are paid for by the Member himself. In addition, one round trip annually between the National Capital and a legislator's home State is rarely sufficient and plane or train fares across the continent to California, Oregon, or Nevada are expensive.

These proposals, in and of themselves, will not promote honesty in Government. The stain of corruption or careless ethics is not thus easily removed. Nor are rules ever a substitute for men and women of character and enduring integrity. But such a code would have the great virtue of placing the executive and legislative branches on the same moral footing. And one of its genuine additional benefits would be to provide for enforcement outside the ordinary political zones of Government. The Comptroller General is appointed for 15 years; that fact furnishes insulation from the hazards of each passing election.

Today, for example, we have statutes dealing with the disclosure of campaign contributors, but such laws are honored principally in the breach. My 1954 campaign in Oregon was comparatively underfinanced. My Republican adversary outspent me by at least 75 percent. I had not one billboard. I had a small 2-room office near the top of an unpretentious building, only two poorly paid employees and few printed brochures. My campaign had only limited television time—a few 1-minute spots and a single 15-minute program with my wife, who was a candidate for the legislature, on the night before the election.

Imagine my consternation, therefore, when I discovered that the senatorial contest in sparsely settled Oregon had reported a much larger expenditure to the Secretary of the Senate than extravagant campaigns in some of the States of greatest population. I decided, then and there, that few United States attorneys or attorneys general cared to invoke the rather ambiguous Corrupt Practices Act against United States Senators.

But until we end this double standard, until we make a Senator as scrupulous about conflict of interest as a Cabinet member must be, we shall merely be shadowboxing when we talk about coming to grips with shabbiness in Government. Nor will we be dealing fairly with Congress itself unless we promote affirmative and enlightened steps to free the average Senator or Representative from the humiliating necessity, every few years, of collecting a well-filled purse to finance his continuance in public office.

Mr. CLARK. Mr. President, will the Senator from Oregon yield to me?

Mr. MORSE. I yield.

Mr. CLARK. I should like to associate myself with the remarks of the distinguished senior Senator from Oregon. I wish to say that I should like to add my small amount of weight in urging our colleagues to pass such a bill. In my judgment the Members of Congress are in an untenable position when they talk about conflicts of interest among appointees to Federal agencies, while they deny complete access to their own finances.

Mr. MORSE. Mr. President, I wish to say to my friend, the Senator from Pennsylvania, that he is a most welcome partner in this cause of mine for full public disclosure. I have been pleading for it for a long time. I think I first introduced it in 1947.

Mr. LAUSCHE. Mr. President, will the Senator from Oregon yield to me?

Mr. MORSE. I yield.

Mr. LAUSCHE. I desire to associate myself, also, with the declarations made by the senior Senator from Oregon [Mr.

MORSE]. I believe that Members of Congress are in an indefensible position when they batter and clobber the members of Federal commissions and agencies because of their holdings of what are supposed to be interests in certain enterprises, which holdings conflict with the just performance of their duty, while at the same time the Members of Congress vote on measures in which many of them have profound fiscal interests, separate from the general interest that a taxpayer has in such measures. I believe enactment of the proposal made by the Senator from Oregon would be healthy and wholesome for the people of the country.

Mr. MORSE. Mr. President, the Senator from Ohio honors me in joining me in what I consider to be this public-interest cause.

A year ago, I believe, I had a study made—and later this year I shall use it in the debate—of the number of times in the past 25 years when a Member of the United States Senate asked that he be excused from voting on a particular measure because in his opinion he had in the issue then pending a personal interest such that, in fact, he would have to be considered one who had at least a conflict of interest or one who would be guilty of a conflict of interest if he cast his vote on that measure.

Mr. DOUGLAS subsequently said: Mr. President, the junior Senator from Oregon [Mr. NEUBERGER] has an unerring capacity to identify basic moral issues and to uncover the self-righteousness with which we sometimes decry the weaknesses of others, while ignoring faults in ourselves.

He has written an article entitled "Who Polices the Policeman—Congress?" which appeared yesterday in the New York Times magazine, and which makes the unanswerable point that the problem of our own possible conflict of interest should be the concern of Members of Congress, along with such conflicts in the case of officers of executive agencies and departments.

Unless we reject the double standard under which we insist upon executive purity in matters in which we tolerate very different practices by ourselves, we shall weaken the confidence of the people in Congress.

For the wider considerations of the proposals of the Senator from Oregon [Mr. NEUBERGER] for dealing with this problem, I ask unanimous consent to have printed in the RECORD our colleague's thoughtful article.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. MORSE. I will say to my friend, the Senator from Illinois, I had already introduced into the RECORD today the article written by the junior Senator from Oregon [Mr. NEUBERGER], and I am glad the Senator from Illinois shares my opinion of the article. I would like to have the RECORD show that the Senator associates himself with my opinion on the article.

Mr. DOUGLAS. Mr. President, I do. I withdraw my request to have the article printed in my name, and ask that my comments follow those of the senior Senator from Oregon. I thank the Senator from Oregon.

THE AL SARENA CASE

Mr. MORSE. I ask unanimous consent to have printed in the body of the RECORD, as a part of my remarks, an editorial which was published in the Milwaukee Journal of February 16, 1958. I wish to commend highly the journalistic courage of the editors of the Milwaukee Journal for pressing for a further discussion of the scandalous situation which developed in this country, and which was such an issue in the 1956 campaign—both in my campaign and in the campaigns of others. I refer to what is known as the Al Sarena case.

The heading of the article is "Now, How Do You Like Giveaway of Your Timber?"

The editorial goes on to point out, as I did in the campaign, that the conduct of the administration in respect to the Al Sarena matter was naught but scandal. The editorial closes with the following statement:

> The Eisenhower administration defends this as good business. It derided critics like the Journal who repeatedly called it a giveaway. The record speaks for itself. The Journal asserts again that the Al Sarena case was, and is, a scandalous giveaway of public timber under the shallow guise of granting mining rights.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NOW, HOW DO YOU LIKE "GIVEAWAY" OF YOUR TIMBER?

The Al Sarena "giveaway" which made headlines a few years back is 4 years old this month. Taxpayers ought to be interested in how the gift that the administration made to private enterprise is turning out.

The history is this: The Al Sarena Mining Co. held claims on 475 acres of Government timberland in the Rogue River National Forest in Oregon. For years it tried to get Government permission to "mine" the land. The Government refused. Government assays showed that there were not minerals enough to justify mining. To pay off, ore must assay at a minimum of $20 a ton. Government tests showed that the Al Sarena tract assayed "from $7.50 a ton to zero." Government officials contended that Al Sarena had its eye on gold in timber—not in the ground.

Then came the present administration. Clarence Davis, Solicitor and later Under Secretary of the Interior Department, let Al Sarena pick its own assayer. He was in Alabama—hundreds of miles from Oregon. Davis accepted the company's assay, overruling Government assayers, the Bureau of Land Management, and the Forest Service. "Umpire" ore samples, taken from the tract and held by the Government, were dumped in the Rogue River by an Al Sarena and a Bureau of Mines engineer. Thus, they could not be rechecked if the assay was challenged.

Al Sarena got its patents (permission to mine), paying the Government $5 an acre for the tract, or about $2,375. Appraisers estimated that the timber on the tract alone was worth $230,000 to $650,000.

Has Al Sarena mined the tract? Well, just before the 1956 Oregon elections, when the giveaway was a big issue, miners appeared, all in costume and with tools. Pictures were taken of them on the tract and sent to newspapers as proof that mining was going on. But did they mine or were they just plants?

The answer is this: There was no mining before 1955. And the regional forester of the United States Forest Service reported just last October that "to our knowledge, there has been no appreciable mining activity [on the Al Sarena tract] since 1955."

But there has been plenty of timber activity. The same regional forester reports that Al Sarena has taken 2,961,000 board-feet of timber from the tract through October 1957. Roughly, that's about $200 an acre gross return on each $5 of land investment—and in only 4 years and with the bulk of the timber still to be harvested. Any gold that was in the ground is still there. But the profit from the timber is in Al Sarena's pocket instead of the taxpayers'.

The Eisenhower administration defends this as good business. It derided critics like the Journal who repeatedly called it a giveaway. The record speaks for itself. The Journal asserts again that the Al Sarena case was and is a scandalous giveaway of public timber under the shallow guise of granting mining rights.

TEMPORARY INCREASE OF PUBLIC DEBT LIMIT

The Senate resumed the consideration of the bill (H. R. 9955) to provide for a temporary increase in the public-debt limit.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Hampshire to recommit the bill.

Mr. COTTON. Mr. President, I intend to take but a few moments of the time of the Senate. I have not had an opportunity, in my own time, to make plain and clear to the Senate the reasons for my motion to recommit the bill, which raises the ceiling on the national debt. I wish to make my reasons very plain.

I was very much interested in the statement of the able and distinguished junior Senator from Pennsylvania [Mr. CLARK] opposing the motion to recommit. Two matters which he mentioned impressed me very greatly, and I have much respect for him and for his opinion. One was the statement that he did not believe in any debt limit, anyway—any ceiling on the debt. The second was his statement in response to the question by the Senator from Oregon, when, if I understood him correctly, my friend from Pennsylvania said, "I want this ceiling raised so that the fact that we are close to the ceiling cannot be used as an excuse to deny appropriations for various causes," which he enumerated, and which I shall not enumerate, because I might misquote him, but which included aid to schools and various pump-priming projects which may be necessary and which he desires to have provided for.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. COTTON. I yield.

Mr. CLARK. I should like to make a brief correction. I mentioned schools, roads, urban redevelopment, and slum clearance. I am sure the Senator will accept a correction in the statement which he has just made. Those are not pump-priming projects, but projects we have desperately needed for years, recession or no recession.

Mr. COTTON. I thank the Senator. I appreciate his correction. I will agree to withdraw my statement about pump priming, but I cannot agree with the Senator that, at this particular time, in this year of 1958, all the items he has named are more important to this country than its fiscal solvency, desirable and nice though such projects may be.

Mr. President, in making my motion to recommit, I desire to make it crystal clear that the Senator from New Hampshire does not question the judgment of the able Senators on the Finance Committee who have come to the conclusion that, in the interest of flexibility, and in order to administer the fiscal affairs of this Government, the debt ceiling must very likely be raised somewhat in the near future. I am ready to accept that statement.

Then it may be asked of me: "If you are ready to accept it, why do you try to delay? Why do you try to recommit the bill to the committee? If it is to be done next month, or months later, or this year, why not do it now?" That is the question I want to answer.

I am making the motion to recommit with the question of timing in mind, and timing alone. I wish to repeat to the Senate now, with all the emphasis at my command, what I said briefly in my colloquy with the distinguished Senator from Nevada [Mr. MALONE]. I think we are all agreed that the people of this country are concerned. I think we are all agreed that it is most necessary, at this time, for the safety, the security, and the prosperity of the country, to have the public confidence.

Mr. President, if we raise the debt ceiling before we have done anything else to relieve the financial pressure it will inevitably have a terrific impact on the thinking of the people. Experts may talk all they want to about flexibility; but the passage of the bill means that the first action of the Senate of the United States, in the second session of this Congress, in 1958, before it did anything about the postal deficit, before it did anything about the various Hoover reorganization bills which are waiting to come upon this floor, before it did anything about some of the subsidies we are paying, before it passed one single solitary bill designed to rehabilitate the fiscal condition of the Treasury, was to raise the debt limit. Shall we face these issues, or is this to be a business-as-usual, politics-as-usual, pork-barrel-as-usual session?

Mr. POTTER. Mr. President, will the Senator yield?

Mr. COTTON. I yield to the distinguished Senator from Michigan.

Mr. POTTER. I am interested in the point the distinguished Senator has made. Is there any reason why action on the bill before the Senate, to increase the debt limit, cannot be postponed until after the Congress has acted on various appropriation bills to come before it? Is there anything in our fiscal structure today that necessitates raising the debt limit at this particular time?

Mr. COTTON. I thank the Senator for his very timely question. I was just about to reach that point. This is the answer to his question. First, I call attention to page 2 of the hearings of the committee, when the honorable Secretary of the Treasury outlined the fundamental reasons why the debt limit should be increased at this time. He said, as appears on page 2 of the hearings:

> Before doing so, however, I want to emphasize again that the need at this time for a debt limit increase is based on:
>
> 1. The fact that cash balances have been running distressingly low, as I will show in detail later.
>
> 2. There is need for more flexibility for more efficient and economical management of the debt.
>
> 3. Even with a balanced budget there will still be large seasonal fluctuations in receipts which make operations under the $275 billion limitation most difficult.

Then he went on to say, and I am giving the arguments for immediate action first:

> Some part of the debt is coming due each month, so that at all times the Treasury is faced with substantial refunding problems.

He goes on to indicate the need for flexibility. I do not discount the need for flexibility, but I note that he does not say that we have today, or this week, reached the point where, in order to maintain the fiscal integrity of the Treasury, the debt ceiling must be increased without delay.

Mr. BENNETT. Mr. President, will the Senator yield?

Mr. COTTON. I shall be glad to yield as soon as I have completed my quotation from the Secretary's statement, if the Senator does not mind.

Mr. BENNETT. I shall be happy to wait.

Mr. COTTON. I wish to refer to page 423 of the hearings. The distinguished chairman of the committee, the Senator from Virginia [Mr. BYRD] was questioning Mr. Brundage, of the Bureau of the Budget, as follows:

> The CHAIRMAN. Do you think a tight debt limit is a deterrent to unnecessary spending or not?
>
> Mr. BRUNDAGE. I think it is; yes.
>
> The CHAIRMAN. You approve of it
>
> Mr. BRUNDAGE. I don't mind saying that a debt limit, I think, is a good thing.
>
> The CHAIRMAN. There is not much reason to have a debt limit unless it is tight. You think it is a deterrent to unnecessary spending?
>
> Mr. BRUNDAGE. I do.
>
> Senator WILLIAMS. One proposal has been made that perhaps, even if we give the $5 billion to the Department, that we put two termination dates on it, that we let $2 billion expire February 1, 1959, and $3 billion to expire as requested. What would you say to that? That would give the Congress a chance to reappraise it in January of next year, and would give us control over this to a greater extent.
>
> Mr. BRUNDAGE. Well, I haven't discussed it with the Secretary of the Treasury, but I personally wouldn't think that would be an unreasonable way of handling it.
>
> Senator WILLIAMS. Would you think it would be advisable for Congress to keep control in such a manner?
>
> Mr. BRUNDAGE. You would then have been in session for another month, and this would give us the leeway through January 15, next year, which I think is desirable, and then, if the situation looked critical, the Department could come back again.

Later Mr. Brundage said:

> Well, I think the tough periods are going to be January 15 and March 15, next year. So I don't think it would be any better.

He meant he did not see any improvement.

> Making it a temporary extension, I think, is a good idea.

I should like to add one word, and then I will yield to the distinguished Senator.

Mr. Brundage subsequently supplied a statement for the record, because he said he wanted to confer with the Secretary of the Treasury. The statement was:

> After discussing this proposal with the Secretary of the Treasury, I find that it would not cover the difficult time between February 1 and March 15 of next year.

Mr. President, I should like to make one point, and then I shall gladly yield to my colleague.

Mr. President, it seems crystal clear from the evidence that the need for an increase in the debt ceiling at this time is to furnish flexibility, or to provide a more economical financing of the debt. I grant that those are necessary and laudable motives.

It seems equally clear that the actual desperate need with respect to the ceiling on the debt will not come, according to the evidence of the Bureau of the Budget, until next year, if it comes at all. The Senate will be in session, and Congress will presumably be in session, until at least next August and can act then in plenty of time to meet the need without prejudging the matter today.

My point is that if we grant that the time is coming when there will be a need and we cannot go home without giving to the Secretary of the Treasury full elbowroom to conduct the necessary fiscal and financial operations of the Government, even if we concede that within the next 3 or 4 weeks or months it would be a good thing to increase the debt ceiling to give a flexibility in the financing of the debt as it becomes due, my point is still valid, that there is nothing so pressing on this particular day to call for such action, and nothing of sufficient value to be derived therefrom as to call upon us to sacrifice all that we will lose in the effect upon the American people by enacting the bill into law now, before we enact one single bill of the many we are contemplating in the interests of economy.

When a Senator stands on this floor, as a Senator did a few minutes ago, and says, "I want this action taken because I do not want the debt limit to be used as an excuse to say 'No' to urban development, to aid to education, or to various other projects" that in itself gives away the whole story, Mr. President.

I am suggesting that Senators should not refuse to vote to recommit the bill simply because we may have to pass the bill later this session, because the bill can be passed at any time very expeditiously. The bill has been passed by the House. The bill will be in the Committee on Finance, and it can be brought before the Senate and passed before night, any day.

Before this week is over we will have the opportunity to do something about the postal deficit. Certainly we can take some action on bills which are in committees which would put into effect the recommendations of the Hoover Commission, as to which the people of this country have a vital interest.

Action to increase the debt limit at present is ill timed. A vote in favor of the motion to recommit will simply have the effect of saying, "Let us wait and prove our good faith—the good faith of the Congress to the people of the United States that some affirmative acts of economy will be taken, rather than head the procession and cause headlines to be written saying that the first thing the Senate did was to increase the debt limit."

I apologize to my friend, the Senator from Utah, for making him wait so long. I am glad to yield to him now.

Mr. BENNETT. Mr. President, does the Senator from New Hampshire realize that since the hearings were held it has been necessary for the Treasury to sell $100 million of the remaining $500 million of free gold because its balances reached the point where the Treasury could not finance its daily operations without taking that rather drastic step?

Does the Senator also realize that between now and the time income taxes are received we are in fact in the period of greatest crisis, which is the period between now and March 15?

The chances are that the Treasury may have to sell a part if not all of the remaining free gold holdings under the present situation. I believe this is a time of crisis. I think this is a time when, in order to protect the credit of the Treasury and to give the Secretary an opportunity to carry out his responsibilities, we must afford relief in this tremendously tight situation.

Does my colleague feel, after the committee has heard testimony regarding this matter, and after the committee has decided that this is the time to take action, Senators should be asked to send the bill back to committee and put it on the shelf, so that the committee may bring it out in the next time of crisis? I think the time of crisis is now, and this is the time to vote on the bill.

Mr. COTTON. Mr. President, I may say to the very able Senator from Utah, who is an expert in these matters, and in whose judgment I have the very greatest confidence, that the Senator from New Hampshire will freely admit that the Senator from Utah and the other distinguished members of the Senate Committee on Finance undoubtedly understand the technicalities of the situation regarding the fiscal matters much more clearly than does the Senator from New Hampshire. However, I am suggesting as a practical matter to my friend, the Senator from Utah, that he should bear in mind the fact that there are many millions of people in the United States who have the same rather simple and direct approach, and the same limited intelligence that characterizes the junior Senator from New Hampshire, and that the impact upon the confidence of the people is a matter of vital importance.

I am willing to accept the word of the Director of the Bureau of the Budget that the critical time will not come for at least a few weeks. I accept the word of the Secretary of the Treasury that the reason for taking the action requested today is to provide for some flexibility in financing the debt.

I say, as I have said before, that I certainly will accept the word of my distinguished friend, the Senator from Utah, who has studied this matter so thoroughly, and I will accept his word now that perhaps within 3 weeks or a month such action should be taken, and that perhaps we may sacrifice some financial gain and suffer some financial loss by waiting.

Nevertheless, I adhere to the point, Mr. President, that we are dealing not only with cold, hard statistical facts, but we are dealing with the feelings and the confidence of the people of the United States. Nobody can make me believe that a debt ceiling does not have some effect on spending. To be sure, a debt ceiling does not control the Appropriations Committees of the two bodies of the Congress, but it certainly has a distinct effect on spending by Government agencies. I have not had 10 years of service in the Congress without becoming more and more convinced of that.

I say that no matter what we may gain in the next month, insofar as financial advantage is concerned, which the Senator from Utah is so well able to expound, the loss will be greater if we take such action today. If the Senate will only pass one, two, or three measures to show the people of the country that we mean business so far as economy is concerned, the situation will be different. If we take care of the postal deficit, if we take care of some of the Hoover Commission recommendations as to reorganization plans, or if we get the ball rolling for fiscal stability, then we can do what is necessary to be done without such an adverse psychological impact, which I for one feel will be very serious.

Several Senators addressed the Chair.

Mr. COTTON. I yield to the distinguished Senator from Pennsylvania [Mr. MARTIN].

Mr. MARTIN of Pennsylvania. Mr. President, I appreciate very much the extremely fine statement made by the distinguished Senator from New Hampshire. I know the Senator is a very strong believer in sound fiscal policies. The Senator will agree, I feel sure, that there is nothing better, insofar as keeping the United States in good financial order is concerned, than to have smaller appropriations.

I want to ask the distinguished Senator if the size of the appropriations is not a matter in the hands of the Congress itself?

Mr. COTTON. Of course, the amount we appropriate is a matter in the hands of the Congress, but I am sure the Senator's memory goes back, as does mine, to the time when Congress appropriated various moneys and the President of the United States impounded them and did not spend them. The executive departments usually spend every cent we appropriate, but they do not have to spend every cent.

I agree with the distinguished Senator that the debt limit has no direct relation to the acts of the appropriating machinery of the Congress; but it has a very definite relationship to the spending of money by the executive departments. I am not suggesting that we starve the executive departments. I am not suggesting that we refuse to give them our confidence, or allow them the necessary flexibility. I am suggesting that the timing is bad. We have waited since the first of January until nearly the end of February. I am suggesting that I should like to see the Congress first do something to reassure the people of our intention to economize, before taking the proposed action.

Mr. MARTIN of Pennsylvania. Mr. President, will the Senator further yield?

Mr. COTTON. I gladly yield.

Mr. MARTIN of Pennsylvania. Does the distinguished Senator not feel that the statement made by the distinguished Senator from Utah [Mr. BENNETT] that we have already sold $100 million worth of our free gold, and that it may be necessary to sell more of it in the very near future, will have such a disturbing effect on the American public that we shall have a more difficult time refinancing bonds as they become due?

Mr. COTTON. In answer to the Senator—and again I accept his judgment as being based upon much more experience in these matters than I have had—let me say that personally I do not question his statement about the sale of the free gold. I have not the slightest criticism of the Finance Committee, but gold was being sold while the Finance Committee had the bill before it for a month. I can understand the situation. However, I say honestly to my dear friend from Pennsylvania that when the people of the country pick up their newspapers tomorrow morning, I do not believe they will be half so much disturbed over the fact that some Member has stated on the floor of the Senate that we have sold some of our so-called free gold as they will be over the fact that we are raising the debt limit before doing a single one of the things we pledged ourselves to do toward economy. I think the people will be more disturbed over the fact that it has been stated on the floor of the Senate that the debt limit should be increased so that it cannot be used as an excuse to deny appropriations for new fields of spending during this year.

Mr. POTTER. Mr. President, will the Senator yield?

Mr. COTTON. I yield to the Senator from Michigan.

Mr. POTTER. The Senator may recall that last year or the previous year former Secretary of the Treasury Humphrey appealed to the Congress to increase the debt limit from $275 billion to $278 billion. If it had not been for the resistance of the senior Senator from Virginia [Mr. BYRD] and other members of the Finance Committee, an increase would probably have gone into effect at that time. The same arguments were made as to the chaotic conditions which would result unless the debt limit were increased. It was not increased, and we did not have the chaotic conditions which were predicted.

Mr. COTTON. That is exactly true. All the same arguments were made.

I repeat that I have rather carefully studied the evidence and the hearings. All I can find is that it would be to the fiscal advantage of the Treasury manipulations to have greater flexibility. I have found nothing to the effect that there is a desperate situation which requires us to act on the pending proposal before we act on any of the measures looking toward economy.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. COTTON. I yield.

Mr. JAVITS. I appreciate the courtesy of my colleague from New Hampshire in yielding to me. I would not have interrupted my colleague except that I find my own views on the question of confidence diametrically opposed to his. I hope very much that he will comment on the question which I shall ask him.

I come from a great financial center, with which I am in very close touch. It is my deep conviction—and I shall address myself on the floor of the Senate to the bill when I have an opportunity to do so—that to fail to pass this measure today, and, instead, to adopt a motion to recommit the bill would be a shocking blow to the confidence of the people of the United States. I should like to give the Senator my reasons.

The people of the United States know that we are in an economic downturn, as well as a grave defense emergency. They want us to do something about it.

Before we can have bullets we must forge weapons. One of the weapons which we are informed by the administration itself is necessary is an increase in the debt ceiling. Therefore, it properly comes before we launch our offensive on the economic downcurrent, and on our position somewhat behind the Russians in missiles and rockets.

I have talked with a great many members of the financial community in New York, which is a pretty important community. If we fail to take the proposed action, we shall be guilty of causing the same thing that is happening in our economy generally.

I invite attention to the fact that our national income and our gross national product are at new all-time highs. The reason we are in an economic downturn is that industry has turned around in respect to its inventory position. For the third and fourth quarters of 1957 it was off by $5,700 million.

When we come to replenish the United States inventory the only thing we have to deal with is money. With all due respect to my colleague, I think it would be a shocking blow to the confidence of the people of the country if we should fail to act when the administration urges us to act. Then I think it could be said that we were afraid of the economy and doubted the probity of the United States.

Mr. COTTON. I am very glad to receive the Senator's contribution.

It did not prove to be a shocking blow to the confidence of the people of the country when, upon a previous occasion, a request was before us to raise the debt ceiling and we delayed raising it. I am informed that the cash balance in the Treasury as of today is $2.95 billion, or almost $3 billion. That does not mean that the same situation will prevail next month, or the month after that.

Moreover, let me say to the Senator that I do not want him to understand that my motion is predicated entirely on what the general public may think of it. It is predicated not only on the psychology of the people, but on the psychology of the Congress. It is true that the President asked to have the debt ceiling raised; but it is also true that again and again the President has asked for various economies. We are too much like little Johnny. We are ready to eat the ice cream and let the spinach wait.

I want to see something definite accomplished, rather than merely talked about, in the matter of availing ourselves of our resources and practicing economy.

On the question of forging weapons and bullets, let me say to the distinguished Senator from New York that for several years I served on the Appropriations Committee in the other body. I am entirely convinced that, with the appropriations which the Defense Department now has, if it will get down to brass tacks and eliminate duplications, and spend the money it has wisely, we shall have no need to worry very much about the money to take care of our weapons. We do not get well faster by giving a bonus to the doctor, or calling in three or four additional doctors. We can recover only just so fast. Science cannot be expedited entirely by so-called crash programs. When I am told that we must raise the debt ceiling, not tomorrow or next day, but today, because of bullets and weapons, that argument leaves me completely cold.

Mr. BENNETT. Mr. President, will the Senator yield?

Mr. COTTON. I yield.

Mr. BENNETT. The Senator's argument is not nearly so convincing to me as this one—and I ask if my colleague does not agree with me:

The Secretary of the Treasury does not commit funds for expenditure for weapons, housing developments, or anything else. He has the responsibility of paying the bills when they are presented to him.

The bills which he must meet today represent obligations which were incurred months ago, or perhaps years ago. However, they become due today. Unless we give him some leeway in obtaining the money to meet the bills, it seems to me that we are putting the pressure on the wrong man. The Secretary of the Treasury should be placed in such a position that when the bills from last year are presented, he can pay them. The effect of putting him in a straitjacket is to make it very difficult to operate, making it necessary to spread out the payment of the bills.

We are told that there is a cash balance today of something over $2 billion. There are spread all over the country small amounts in each of many banks. Because the Secretary of the Treasury has no way of knowing what bills may be presented tomorrow, he may be entirely out of cash tomorrow.

The Senator and I could not operate our personal affairs that close to the limit. The United States has a debt of $275 billion, and is spending approximately $300 million a day. The Secretary is asking that he may be sure of having 10 or 12 days of expense money in the bank when the bills come due. That is the reason why I believe the job must be done at this time, and that it will not do any good to postpone action until next week, because the same situation will exist then, and the same uncertainty will exist then. I hope we can straighten out the situation now.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. COTTON. First I should like to reply to the question of the distinguished Senator from Utah. He asked me if I agreed that something should be done to enable the Treasury Department to meet its obligations in paying the debts contracted by the Government. Of course the answer is yes. However, Mr. President, the Secretary of the Treasury, so far as I can determine—and no one has pointed to a syllable which is contrary to what I have ascertained—has not said that that day has now been reached. I assume that the distinguished Senator from Utah recalls that the committee of which he is a distinguished member has had the debt ceiling bill under consideration for about a month. Hearings have been held, and every member of the committee—and all the members are very able members, and, I am sure, are thoroughly conversant with the situation—believes that no further hearings are necessary. Therefore, should the bill raising the debt ceiling be recommitted, and the Secretary of the Treasury should pick up his telephone and call up the Committee on Finance and say, "The day has come when we need the ceiling raised, because the Government's word is no longer any good, and we must have action now," I am sure we will have action. However, I say that what is proposed to be done here is to put the cart before the horse. I am sorry that we are put in the position of voting on the pending bill before we have had an opportunity to vote on one single item of economy.

I wish to say further that within a few days after we take this action the view will be taken in certain quarters downtown—because the bureaucrats are still there—that our action is a good excuse for spending. It will be taken as a relaxing on the part of Congress.

A committee on which I serve will report a bill enabling TVA to issue bonds. Why can we not start collecting some of the money we have invested in TVA? Why can we not begin liquidating some of our other obligations? Apparently we will not do that.

It is perfectly plain to me, although it has not been said, that one of the main reasons for passing the debt-raising bill at this time is to give leeway and latitude for operations in the nature of a pump-priming. So far as I am concerned, I want to say here and now that I am just as much opposed to the expenditure of money for pump-priming operations under a Republican administration as I

ever was under a Democratic administration. That will lead us straight down to a controlled economy, to price controls and wage controls, and similar controls.

I shall not take much more time of the Senate. The reason I have made my motion is not that I have no confidence in the judgment of the members of the Committee on Finance, and it is not that I deny the things that have been said so well by the distinguished Senator from Utah [Mr. BENNETT]; I am merely suggesting that we wait at least a few weeks to see if Congress will not let the American people realize that before we pass this bill we will have at least done something—if it is only to take some action about the postal deficit—in the interest of solvency.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. COTTON. I yield.

Mr. CARLSON. The Senator from New Hampshire has referred to the financial condition of the Treasury on certain dates. He made a very fine statement in regard to the balances which are available, and the Senator from Utah [Mr. BENNETT] stated that those balances were scattered all over the United States. On December 31, 1957, our national debt was $274.6 billion, which meant that the Secretary of the Treasury had a leeway of $400 million. On January 27, 1958, the debt was $274.5 billion. The Secretary of the Treasury had a leeway of half a billion dollars. I believe the Secretary testified that it had been even lower than that in January. The Secretary of the Treasury spends $1½ billion every 5 days. He must meet the bills that come in. As the distinguished Senator from Utah has said, it is not the Secretary's fault. He wishes that he did not have to pay some of the bills, but he must pay them. The situation is so serious that I sincerely hope the bill will not be recommitted.

Mr. COTTON. Of course, when March 15 arrives and some money begins to flow back into the Treasury, the condition the Senator mentions will be changed, too. As one who has been fighting for months and years to do something to reduce the postal deficit, the Senator from Kansas will have an opportunity to act sometime this week. Many of us will help him.

Mr. LAUSCHE. Mr. President, will the Senator yield for a brief statement?

Mr. COTTON. If the Senator wishes, I shall yield the floor in a minute, after adding but one more sentence to what I have already said.

The PRESIDING OFFICER (Mr. CLARK in the chair). Does the Senator from New Hampshire yield the floor?

Mr. LAUSCHE. I should like to ask the Senator from New Hampshire a question before he yields the floor.

Mr. COTTON. I yield to the Senator from Ohio.

Mr. LAUSCHE. There has been some discussion between the Senator from New Hampshire and the Senator from Utah about the impact on the Treasury Department unless the $5 billion authorization is made so far as the debt limit is concerned, and it has been said that that impact would be fiscally adverse to the taxpayers. What would be the situation if the suggestion that was made by the distinguished senior Senator from Virginia [Mr. BYRD] were adopted? He suggested that, instead of authorizing a $5 billion increase, the increase be limited to $3 billion at this time. My question is, Would that not obviate the losses which the Senator from New Hampshire feels will be suffered and which the Senator from Utah described as being inevitable?

Mr. COTTON. I would say to the Senator from Ohio that the answer is "Yes." The Senator from New Hampshire would be very happy to have the opportunity to vote for an amendment increasing the debt limit by $3 billion instead of $5 billion. However, the Senator from New Hampshire realizes and believes, though he does not expect that he will prevail, that the time element is far more important than the amount. If we are going to increase the debt ceiling, I am not terribly concerned whether we make it $5 billion. The point is that he will have to raise the ceiling. Certainly sometime soon it will be necessary to raise it anyway. I know this is beginning to look like a dog with a bone, and I have repeated myself so much that I am sure the Senate is tired of listening, but the point is that the motion to recommit is based purely on a question of timing; that we should wait and see if we cannot send out to the people of the United States the news that we have done something else before we have raised the debt ceiling and incurred more spending. I wish we could hold up the bill. I wish that during the 8 or 10 days or 2 weeks while we were holding it up we could see some of the Hoover reorganization bills acted on by the Senate.

I wish we could, at least, not be behind the procession. I wish that as the people look to us for the leadership which they have a right to expect, they could see that we are putting first things first. In my humble opinion, the first thing is honest-to-God, downright economy.

Mr. LAUSCHE. Mr. President, there has been some discussion this afternoon concerning the stability of our economic position in 1957 as compared with 1945. I shall point out the relative positions, fiscally, in 1940, 1945, and 1957.

In 1940, the gross national product was $100 billion. The national debt was $50 billion. That meant there was $2 of product for every $1 of debt. I have chosen 1940 because that was the year preceding World War II.

An emergency developed. Unprecedented spending became necessary.

Then came the end of the war, and we found ourselves in this relative position: The gross national product was $213 billion. The national debt was $278 billion. The debt was greater than the national product.

In 1957, the gross national product was $433 billion. The gross national debt was $275 billion.

The point I make is that, financially, the country is substantially worse now than it was in 1940. In 1940, for every $1 of debt there was $2 of national product. In 1957, for every dollar of debt, there was about $1.65 of national product. In 1957, for every dollar of debt, the gross national product should have been twice the debt, which would have been $550 billion instead of $433 billion to put that year in a position comparable to 1940.

It is essential that we take into consideration the fact that an emergency spending program had to be initiated to cope with the problems of World War II. It should have been anticipated that following that war, the debt would have been paid off. That should have been done so that now there would be some fat upon which to draw, not only to meet the world threat, but also to meet the recession from which we are suffering. Let us not lull ourselves into security by thinking that because the gross national product is $433 billion we are better off than we were in 1940.

A word about the wisdom of having a debt limitation imposed upon the administration. In my judgment, the fact that there is a limit to the incurring of debt acts as a dissuading influence, not only upon the administration, but also upon Congress. If it does not, it should. If it does not, the evil of the situation lies upon the shoulders of those who occupy positions in Congress and in the administration.

In Ohio, debt cannot be incurred without the approval of the people. The experience has been that the law has worked wonderfully well. Industry is moving into Ohio. Ohio is in an excellent fiscal position. If there had not been a limitation upon the debt, I am quite certain that Ohio would not today occupy the economic position it does.

I shall not vote for the motion of the Senator from New Hampshire [Mr. COTTON], but I contemplate offering an amendment to conform with the judgment expressed by the senior Senator from Virginia [Mr. BYRD]. I have confidence in his knowledge of the facts, and I have confidence in his judgment.

May I ask the Senator from Virginia if it is not a fact that there were five votes in the committee in support of the proposal to authorize the raising of the debt limit by $3 billion.

Mr. BYRD. The Senator from Ohio is correct. There were 10 votes for increasing the debt limit by $5 billion; there were 5 votes for increasing it by $3 billion.

Mr. President, the distinguished Senator from Pennsylvania [Mr. MARTIN], called attention to the fact that the report on the bill was made by the Senator from Virginia. That is correct. I submitted the report as chairman of the Committee on Finance. The report represents the action by the committee. But the Senator from Pennsylvania was not, I think, in the Chamber when I stated I did not favor the $5 billion increase in the committee, and that I would favor a $3 billion increase.

I shall not vote to recommit the bill to the committee, because I am the chairman of the committee, and for the committee I reported the bill. But I shall vote for the amendment which the

Senator from Ohio [Mr. LAUSCHE] intends to offer to reduce the amount from $5 billion to $3 billion.

When in the committee I submitted my amendment for a $3 billion increase, I made a calculation, which I asked the Treasury either to confirm or deny. The calculation involved the use of the free gold held by the Treasury.

The Treasury Department estimated income from the use of this gold would be $500 million.

When Mr. Humphrey became Secretary of the Treasury there was $1 billion of this so-called free gold. He sold $500 million of it.

It is now contemplated that the remainder of the gold will be used. The Secretary of the Treasury says there is no objection to this action.

I am very frank to say that in the Committee on Finance there was a difference of opinion as to whether the budget estimates of revenue will be accurate. The Treasury Department, for example, estimated there would be an increase in individual income taxes of approximately $1,300,000,000 in the next fiscal year, as compared with the amount received in the last fiscal year.

The corporation income taxes were estimated at about the same amount as last year. The excise taxes were estimated to increase $382 million—making a total increase in the revenue for the next fiscal year, as compared to that of this fiscal year, of more than $1.6 billion. Upon that point was focused the attention of the committee.

I am confident—and I believe the other members of the committee who are now on the floor of the Senate will agree with me—that if the committee had been unanimous in the belief that the budget estimates would hold up, the committee would not have supported the proposed $5 billion increase. But there was a difference of opinion.

However, the Treasury still stands on these estimates of revenue. Sitting next to me is a representative of the Treasury; and the Treasury still says the estimates stand unchanged.

I felt that as a Senator, I could base my conclusions only upon information furnished by the Treasury Department as of the date when the committee acted. My calculation is set forth on page 21 of the report, if Senators desire to examine it. It will show that by authorizing an additional $3 billion in the debt limit and by using the free gold in the amount of $500 million, there would be substantial leeway throughout the 2 years involved. For example, on March 31 there would be $11,600,000,000; on April 15, $10 billion; and so forth. The lowest amount which would be available as leeway throughout the remainder of this fiscal year and next would be approximately $5 billion, and it would reach a high point of approximately $12 billion.

I respect the opinion of the members of the Senate Finance Committee who voted against my amendment offered in committee to authorize a $3 billion increase instead of the proposed $5 billion increase. They were convinced—as they will state, no doubt—that the estimates of revenue are too high.

I wish to say a word about the value of a tight debt limit. Members of the Senate will recall that when Mr. Humphrey became Secretary of the Treasury—and he is one of the ablest men with whom I have ever come in contact—the House passed a measure permanently increasing the debt limit from $275 billion to $290 billion—a $15 billion increase.

That proposal came to the Senate, and was referred to the Senate Finance Committee. After careful consideration—although Mr. Humphrey testified that unless that increase in the debt limit were authorized there would be a panic, and the Government could not pay its bills—the Senate Finance Committee completely rejected the recommendation for a $15 billion increase; and for 1 year the Treasury operated on the basis of the then existing debt limit of $275 billion. Then Mr. Humphrey, the following year, requested a $9 billion increase, and a $6 billion increase was granted, for 1 year. This was continued for another year. Last year the temporary increase was $3 billion, and this expired last June 30. At that time, neither Mr. Humphrey nor Mr. Anderson requested an increase in the debt limit.

Mr. President, ordinarily the debt limit would not be of such great importance; but at the present time we have a debt of $275 billion, and we cannot continue to pile deficit upon deficit. The debt limit is certainly a restraining influence upon the executive agencies of the Government, and even upon the Congress itself.

I believe we recognize that Congress has virtually lost control of the finances of the Government. Last year the Congress reduced the appropriations by more than $5 billion; yet the expenditure estimates as fixed by the executive branch of the Government, were increased $200 million more even before the first sputnik. That shows that the reductions made by the Congress in the appropriations are not always translated into expenditure reductions. Unexpended balances are used.

The unexpended balances now amount to approximately $70 billion. So the Congress could continue to reduce the appropriations for some years to come—in fact, for a good many years to come—but still there would be unexpended balances which could be used.

For that reason, Mr. President, I offered the amendment.

Although this debt ceiling will be a fairly tight one—and Mr. Anderson has agreed that there should be a tight debt ceiling; and the Director of the Bureau of the Budget has testified that he believed a tight debt ceiling would be advisable—I am convinced that unless there is a great error in these estimates of revenue which the Treasury says as of today are correct; the Treasury does not refer to the situation as of last November, but refers to the situation as of today—a $3 billion increase in the debt ceiling will be adequate, and will serve as a deterrent to unnecessary spending.

For that reason, Mr. President, I offered the amendment in the committee. The committee gave it the fullest consideration. I have the greatest confidence in the members of the Senate Finance Committee. They do their duty in a way that appears to them to be right and proper, and I have no criticism.

But I still believe that if Senators will examine page 21 of the hearings—and the figures set forth have not been challenged by the Treasury—and if Senators will study the figures as to the leeway, there will be no question regarding the point I have made.

Mr. SALTONSTALL. Mr. President, will the Senator from Virginia yield to me?

Mr. BYRD. I yield.

Mr. SALTONSTALL. Will the Senator from Virginia explain further about the $500 million of unused gold surplus which he says should not be in the Treasury?

Mr. BYRD. I do not think that there is any objection to it. It has been there for years.

Mr. SALTONSTALL. Does the Senator from Virginia mean it is simply a cash balance?

Mr. BYRD. No; it is actually gold, but it might be regarded as a Treasury asset. The gold can be used by the Treasury Department whenever it desires and the proceeds can be added to the cash balances which are available.

Mr. SALTONSTALL. In other words, the $500 million in gold is simply kept in the Treasury, and is not considered in connection with the question of whether there should be an increase in the debt limit; is that correct?

Mr. BYRD. No; it is gold which can be exchanged for cash, through the Federal Reserve; $100 million of it was used the other day, so the remainder is now actually $400 million.

I do not say it is undesirable to have it there; but I say there is no necessity to hold this gold, which is entirely separate from the other gold.

Mr. SALTONSTALL. In other words, it should be used, should it?

Mr. BYRD. My point is that by using the gold, we would avoid paying interest on money which otherwise would have to be borrowed. Neither Mr. Humphrey nor Mr. Anderson made any objection to using the gold.

Mr. BARRETT. Mr. President, will the Senator from Virginia yield to me?

Mr. BYRD. I yield.

Mr. BARRETT. I am somewhat impressed by the Senator's argument about the $3 billion. But upon looking over his own figures, it seems to me we would not need the $400 million which could be obtained by selling the gold.

Mr. BYRD. It would simply be discretionary. The Secretary of the Treasury would not have to use the gold if it was not required.

Mr. BARRETT. The Secretary of the Treasury has such authority at the present time, does he?

Mr. BYRD. Yes.

Mr. BARRETT. So the Senator from Virginia did not mean to include in the amendment a provision in regard to the $400 million of gold, did he?

Mr. BYRD. Oh, no. The fact is that the Secretary of the Treasury has such authority today.

Mr. BARRETT. I thank the Senator from Virginia; I think that is much better.

Mr. KERR. Mr. President, I appreciate what the distinguished chairman of the Finance Committee has said. As I understood him, he said he would not vote to have the bill recommitted.

The Finance Committee had the bill for nearly a month. The committee held hearings on the bill, which were about as extensive as any which have been held on a bill of comparable merit and importance since I have been a member of the committee.

In the committee, we had extended hearings and extended discussions, following which the bill was voted to be reported to the Senate in the form in which it had been passed by the House of Representatives. That was ordered on the basis of a vote of 10 to 5 in the committee.

The bill was reported to the Senate in exactly the form in which it was sent to the Congress by the distinguished Secretary of the Treasury, Mr. Anderson. In my judgment, he made a complete justification for the bill.

I did not feel that his predecessor had made a justification for the very large increase he requested in the public debt limit immediately upon his taking that office. I think the present Secretary of the Treasury has demonstrated in many ways his very fine ability to handle the job.

An argument which he made to the committee which was especially impressive upon me was that this additional leeway in the national debt limit would enable the Secretary of the Treasury to save the Treasury of the United States substantial sums of money in the form of interest on the public debt.

Many had become aware that as of about the end of last November money had become so tight and credit so difficult and interest rates so high that the Treasury was selling its 90-day bills at the rate of nearly 3¾ percent—almost like attaching a 4 percent coupon.

I congratulate the present Secretary of the Treasury for what I believe to be his leadership in bringing about a sufficient change in the fiscal policies controlling our debt management and monetary control program that, in a period of 90 days, he had been able to secure a rate of less than 1.60 on 90-day bills.

I do not know yet what the Treasury had to pay on the bills it sold today, but I am sure it was well under the very high figure it reached at its peak. In my judgment, Mr. Anderson made a complete justification for the increase in the debt limit on the basis of what the Government can save in the way of interest charged on the public debt.

I am not one who has made overly zealous effort to find a basis for agreement with the policies of the present administration, but I certainly felt the Secretary of the Treasury made a justification for his position. I remind Senators that, in my judgment, he was laboring under very difficult circumstances. He was in the posture of there being before the Finance Committee a forecast that there would be a $500 million surplus in fiscal 1959. I do not think there will be a $500 million surplus in fiscal 1959. I do not think there is a Senator on this floor who believes that there will be a surplus of $100 million in fiscal 1959.

The distinguished chairman of the committee took the position that he was justified in accepting the forecast of the President of the United States. I have the greatest respect for him in reaching that conclusion, but my observations of the fiscal forecasts of the President of the United States have not enabled me to reach a similar conclusion. I remind Senators that in the fiscal forecasts was one that there would be approximately $2 billion additional or increased revenue in fiscal 1959 over fiscal 1958. I would have to be far more optimistic in the expectation of an economic upturn than even has been the President of the United States to feel justified in forecasting a $2 billion increase in revenues in fiscal 1959 over fiscal 1958. I do not think there is a Senator on this floor who thinks that fiscal 1959 will show a $100 million increase over fiscal 1958. In order to reach that fiscal forecast, the President in his budget message assumed Congress will reduce its nondefense expenditures approximately $2 billion in fiscal 1959 as compared with fiscal 1958. In order for that to become reality, it will have to be done by the Members of this body, the Members of the House of Representatives concurring. I do not believe the Congress is going to reduce nondefense expenditures by $2 billion in fiscal 1959 as compared with fiscal 1958.

If Senators will permit me to indulge in a forecast on an assumption which I believe to be justified and valid, it is that there will be no increase in revenues in fiscal 1959, and that there will be no substantial decrease, if any, in nondefense appropriations in fiscal 1959 as compared with fiscal 1958.

If Senators will join me in that conclusion, then they can understand that there is, in addition to the considerations on which the Secretary of the Treasury felt justified in asking for a $5 billion increase, an additional $4 billion justification for his request, because the request was based an the assumption that there would be $2 billion more money in revenue and that there would be $2 billion less money spent. If Senators will agree that the Treasury will collect no more money and that we shall not spend less, then they can understand why the Finance Committee, even without the concurrence of our distinguished chairman, for whom we have the greatest respect and affection, brought to this floor the bill as it had been passed by the House and as it had been urged by the administration.

Mr. LONG. Mr. President, will the Senator yield?

Mr. KERR. I am glad to yield to the Senator from Louisiana.

Mr. LONG. I wonder if the Senator agrees with me that all we would accomplish by turning down the administration's request at this time would be to put pressure on the administration to cut down defense expenditures at a time when there is no good reason to cut down such expenditures, and put pressure on the administration to reduce expenditures for roads, flood control, and navigation, at a time when there is no good reason for cutting down such expenditures.

Mr. KERR. I think the Senator is eminently correct. In addition, I further point out that the Secretary of the Treasury is, in my judgment, trying to do everything he can to bring down interest rates on the public debt.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. KERR. I yield to the Senator from New York.

Mr. JAVITS. I do not know whether the Senator was in the Chamber when I engaged in the colloquy with my friend from New Hampshire on the matter of confidence. It is my view that failure to increase the debt limit would be a blow to confidence on the part of those in the country who think we must act. Therefore, favorable action on the bill would be one added reason for having confidence in the determination of the Government to do what was needed, both in respect of defense and economics, which is the concrete basis for anything else we want to do. I would deeply appreciate the Senator's view on that question.

Mr. KERR. Mr. President, I think that a realistic appraisal of the situation will convince Senators that if we are to make an effort in terms of similar appropriations for fiscal 1959 to those which prevailed in fiscal 1958, and if we are to provide increased appropriations for defense, in accordance with what I believe to be the conviction of Senators as to our necessities, we must be aware that with the same amount of tax collections as we now have coming into the Treasury we are going to require greater leeway in the amount of permissible public debt. Certainly I think the people of the country will regard our action with more respect and greater confidence, and as being more consistent with what we recognize to be our necessities, if we go about our business and pass the bill as it was reported to the Senate. We should not go through with what I believe to be actions which in my judgment would not be effective, because I think we would only postpone an action which all considerations persuade us needs to be taken and taken now.

Mr. JAVITS. I thank the Senator.

If the Senator will yield for one further point, I deeply appreciate the Senator's comment, and I desire to state that I have had the figures checked in regard to what really counts with a businessman. I know the Senator is a distinguished businessman himself. I refer to figures stating what we owe compared with what we have.

It appears that in 1946 the relationship of our national debt to our gross national product, or our national income, or whatever one wishes to call it, was roughly 124 percent, as compared with a standard today of just half that, or roughly 66 percent. In short, we have twice as much availability of coverage for our debt today as we had in 1946.

I deeply appreciate the Senator's comments, and I should like to ask the Senator to comment as to what those figures

mean in terms of our capability to meet the exigencies now, and our willingness to meet them.

Mr. KERR. I was interested in the remark of the distinguished Senator from Ohio [Mr. LAUSCHE], who I believe either misstated his conclusion, or arrived at an erroneous conclusion, when he said that our dollars of debt as of today as compared to our national product are in an unfavorable relationship as compared to 1946.

Mr. LAUSCHE. Nineteen hundred and forty.

Mr. KERR. And 1946. I believe the Senator referred to that year. I am quite certain that the Senator, if he will refer to his remarks, will find he referred to the national product and national debt in 1940, the national product and national debt in 1945, and the national product and national debt in 1957, and in each instance he gave the figures on the national debt and the gross national product.

Mr. LAUSCHE. That is correct, yes. In 1940 for every $2 of national product we had a dollar of debt.

Mr. KERR. I wonder if the Senator means national income, or gross national product.

Mr. LAUSCHE. Gross national product is what I said.

Mr. KERR. There is some difference, as I am sure the Senator is aware.

Mr. LAUSCHE. Yes. The figures which I gave were given to me by the Assistant to the Secretary of the Treasury.

Mr. KERR. But they were given to the Senator as figures on national debt and gross national product.

Mr. LAUSCHE. Yes, gross national product.

Mr. KERR. Gross national product, yes.

Mr. LAUSCHE. That is the figure I used.

Mr. KERR. Correct. However, I thought the Senator identified the figures as the national debt and the national income in his statement.

Mr. LAUSCHE. No; I said gross national product.

Mr. KERR. Then I misunderstood the Senator.

Mr. LAUSCHE. May I repeat? The figures which I gave were those which were given to me by the Assistant to the Secretary of the Treasury, and they show that as of 1940 we had $2 of gross national product for every dollar of debt.

Mr. KERR. What were the figures in 1946?

Mr. LAUSCHE. I can give the Senator the figures.

Mr. KERR. In 1946 I believe the national debt——

Mr. LAUSCHE. I will give the Senator the figures. In 1940 there was a gross national product of $100 million——

Mr. KERR. One hundred billion?

Mr. LAUSCHE. The gross national product was $100 billion. The national debt was $50 billion. Therefore, for every dollar of national debt we had $2 of gross national product.

In 1945 the gross national product was $213 billion and the national debt was $278 billion. We had less gross national product than we had national debt in that year.

Mr. KERR. Will the Senator give the figures again?

Mr. LAUSCHE. In 1945 the gross national product was $213 billion as compared to $278 billion in national debt. In 1957 the gross national product was $433 billion, as compared to $275 billion of national debt.

The point I desired to make was that to have been in equal strength fiscally in 1957, compared to the fiscal strength in 1940, our gross national product should have been $550 billion as compared to $275 billion of national debt. However, instead of having a gross national product of $550 billion, we had a gross national product of only $433 billion. The proportion was $1.65 of gross national product for every dollar of national debt. In 1940 the comparison was $2 of gross national product for every dollar of national debt.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. KERR. I wish to answer the other question first.

I will say to my good friend the Senator from Ohio that we are aware of the fact that 1945 was a year in the midst of a war.

I must say, as has been suggested by the Senator from New York [Mr. JAVITS], that the Senator from Oklahoma takes a great deal of comfort in the knowledge that so improved is our economy today and so dynamic has been its progress that although our gross national product of 1945 was less than our national debt, as of 1957 the situation has improved to the point where the relationship is four-hundred-and-thirty-billion-odd dollars of gross national product compared to $275 billion of national debt.

I agree with the Senator from New York that such a relationship is ample justification for the great confidence of all Americans in the dynamics of our economy.

I am not one who believes that we are within three or five billion dollars of the limit of what we are able to provide. I believe one of the most vociferous charges made against our country by the men in the Kremlin has been that the United States, with its system of capitalism, cannot afford to pay for its national defense requirements and at the same time spend the money necessary for the development of its natural resources and the progress of its economy.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. KERR. I am one who believes that we are amply able to finance the required defense of our country, and at the same time develop our natural resources and move forward in a steadily improving and increasing tempo of progress and growth.

I now yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I read in the newspapers last December that the Treasury was running out of funds, and that it had FNMA borrow some money on its own account, which ultimately cost the Federal Government more in interest rates than would have been the case if the Treasury had borrowed direct. But the Treasury could not borrow direct, because it had reached the debt limit, so it had some of the outside agencies borrow, and in that way we were able to keep going in respect to our cash position, and pay our bills. Is that true?

Mr. KERR. That is true.

Mr. SALTONSTALL. So, if we increase the debt limit by $5 billion, we shall, in the opinion of the majority of the members of the Finance Committee, based upon the knowledge they have, allow a little leeway, so that the Treasury can borrow funds next November or December, if it is necessary to do so. It does not have to use all the debt limit. We must rely on the Secretary of the Treasury not to use it if he does not need it.

Mr. KERR. I do not believe the present Secretary of the Treasury would use the authority unless he had to do so.

Mr. SALTONSTALL. I would expect him not to do so.

Mr. KERR. My confidence in him is such that I think he was sincere in telling us what he needed to meet his requirements, and to enable him to make a saving in interest on the public debt.

As I understand, as of last Monday Treasury bills brought 1.73. I believe that before the end of the week they were selling on the basis of 1.21. When we remember that only 3 months ago the Treasury Department was having to pay 3.76, we become aware of the really substantial sums the Secretary could save in interest on the public debt. When he tells us that he needs this additional leeway to enable him to handle his refinancing and his commitments in connection with the tremendous load of debt, it seems to me the least we should do would be to give him such authority, believing, first, that he needs it, and second, that he will not abuse the authority if we give it to him.

Mr. SALTONSTALL. My purpose in asking the question was to try to clarify in my own mind the situation as I understood it last December. The same situation might occur again next December, if we limit to too great an extent the direct borrowing by the Treasury, which presumably can be done at a lower rate than borrowing by some Government corporation. It is wiser to give additional leeway to the Secretary of the Treasury, rather than to force him to have some other Government agency borrow the money at higher interest rates, in order to keep the cash balance in the Treasury in a satisfactory condition.

Mr. KERR. In order to avoid exceeding the statutory limit.

Mr. SALTONSTALL. That is what I meant.

Mr. KERR. I remind the distinguished Senator that our grant to the Secretary of this additional authority would not, of itself, prevent the sale of additional securities by FNMA.

Mr. SALTONSTALL. I understand that.

Mr. KERR. However, in my judgment, the only way FNMA could obtain funds at the time to which the Senator

has referred was by selling its own securities at a higher rate of interest, because the debt ceiling then in effect was such that the Secretary of the Treasury could not furnish money to FNMA out of his own revenues and meet his other obligations.

Mr. SALTONSTALL. Ultimately the Government was forced to pay 1 percent interest more than would have been necessary if the money had been borrowed directly through the Treasury.

Mr. KERR. The Senator is correct.

So far as I know the $500 million in free gold which the present Secretary had when he went into office was all the free gold the Treasury of the United States had. It seems to me that I detected quite a note of discouragement in his voice when he responded to the questions asked him at the meeting of the Finance Committee, as to whether or not he could sell that $500 million of free gold. Yes; he could. However, the Senator from Oklahoma hopes that the Secretary will not wake up some morning and find that he can pay the obligations of the United States Treasury, entered into in good faith with its citizens, and due for payment, only by selling the last ounce of free gold owned by the Treasury of the United States.

I hope the Congress will not place the Secretary in such unhappy circumstances.

Mr. KNOWLAND. Mr. President, I wish to speak for only a moment in support of the report of the Senate Committee on Finance.

That report represents the position of the President of the United States, and the position of the Secretary of the Treasury. I know, from personal conversations with the Secretary of the Treasury, that he feels that this bill, which passed the House of Representatives by an overwhelming vote, and has been reported by a 2 to 1 vote from the Senate Committee on Finance, is essential to the proper fiscal management of the Government of the United States. This is the administration's position; and for the reasons which have been stated in the committee report and on the floor, I hope the motion to recommit will be defeated, and that the bill as reported by the Finance Committee will be passed by the Senate.

Mr. JAVITS. Mr. President, I shall take only a moment of the time of the Senate.

I have previously made the point that I think the defeat of the motion to recommit, and the enactment of the bill, are essential to confidence. I come from a great center of trade and commerce. It is my deep conviction that our economic downturn is the result of the hesitancy of confidence on the part of those who are largely responsible for management decisions in our country.

That is pointed out by today's figures, which show that today's downturn is really an inventory phenomenon.

I believe that the proposed action represents an expression of confidence by the United States Congress in our country. I believe the most important figures before us today—and the only reason for taking the time of the Senate now is to place them in the RECORD—are figures representing a comparison between the debt and what we had in terms of productive capacity.

I ask unanimous consent to have printed in the RECORD at this point as part of my remarks a table entitled, "Trends in Gross Public and Private Debt, 1946–56."

There being no objection, the table was ordered to be printed in the RECORD, as follows:

APPENDIX B.—*Trends in gross public and private debt, 1946–56*

[Dollar amounts in billions]

	Debt outstanding			Gross national product during calendar year	Debt outstanding as a percent of gross national product		
	Federal [1]	Private and State and local	Total		Federal [1]	Private and State and local	Total
Dec. 31, 1946	$259.5	$187.1	$446.6	$209.2	124.0	89.4	213.5
Dec. 31, 1947	257.0	217.0	474.0	232.2	110.7	93.5	204.1
Dec. 31, 1948	252.9	242.5	495.4	257.3	98.3	94.2	192.5
Dec. 31, 1949	257.2	256.3	513.5	257.3	100.0	99.6	199.6
Dec. 31, 1950	256.7	302.5	559.2	285.1	90.0	106.1	196.1
Dec. 31, 1951	259.5	339.6	599.1	328.2	79.1	103.5	182.5
Dec. 31, 1952	267.4	369.6	637.0	345.4	77.4	107.0	184.4
Dec. 31, 1953	275.2	397.9	673.1	363.2	75.8	109.6	185.3
Dec. 31, 1954	278.8	416.2	695.0	361.2	77.2	115.2	192.4
Dec. 31, 1955	280.8	469.3	750.1	391.7	71.7	119.8	191.5
Dec. 31, 1956	276.7	506.8	783.5	414.7	66.7	122.2	188.9

[1] Gross public debt and guaranteed issues.

Source: Office of the Secretary of the Treasury, Nov. 7, 1957.

Mr. JAVITS. The figures show that from 1946 to 1956, the percentage which our Federal debt bore to our gross national product was reduced by approximately 50 percent—from 124 percent to 66.7 percent. Incidentally, the figure I have mentioned is the lowest since the end of World War II.

I point out that in 1949, when we had, roughly, the same number of unemployed, a little more than 4 million, the percentage of national debt as compared to gross national product was exactly 100, whereas today it has been reduced by one-third.

There is one further consideration which I think is important, and that is that the percentage which the overall debt of the entire country—Federal, State, local, and private—bears to the gross national product of the country is very close to its postwar low. It stands at 188.9 percent. The only time it was lower was in 1951, when it was 182 percent.

It seems to me that this move demonstrates the strong financial position of the United States, and the fact that the Congress of the United States can today submit to a vote of confidence in the country, just as it is asking our citizens everywhere to vindicate our confidence in the economy.

Mr. KERR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KERR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. The question is on agreeing to the motion to recommit made by the Senator from New Hampshire [Mr. COTTON]. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from North Carolina [Mr. SCOTT] are absent on official business.

The Senator from Florida [Mr. HOLLAND] is absent by leave of the Senate.

I further announce that if present and voting, the Senator from New Mexico [Mr. ANDERSON], the Senator from Florida [Mr. HOLLAND], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from North Carolina [Mr. SCOTT] would each vote "nay."

Mr. DIRKSEN. I announce that the Senator from New Hampshire [Mr. BRIDGES] is absent on official business.

The Senator from Maryland [Mr. BUTLER] and the Senator from New Jersey [Mr. SMITH] are necessarily absent.

The Senator from Vermont [Mr. FLANDERS] is absent on official business for the Committee on Armed Services.

If present and voting, the Senator from Maryland [Mr. BUTLER], the Senator from Vermont [Mr. FLANDERS], and the Senator from New Jersey [Mr. SMITH] would each vote "nay."

The result was announced—yeas 12, nays 74, as follows:

YEAS—12

Cotton	Langer	Potter
Goldwater	Malone	Russell
Hruska	McClellan	Talmadge
Jenner	McNamara	Thurmond

NAYS—74

Aiken	Byrd	Clark
Allott	Capehart	Cooper
Barrett	Carlson	Curtis
Beall	Carroll	Dirksen
Bennett	Case, N. J.	Douglas
Bible	Case, S. Dak.	Dworshak
Bricker	Chavez	Eastland
Bush	Church	Ellender

Ervin	Knowland	Purtell
Frear	Kuchel	Revercomb
Fulbright	Lausche	Robertson
Gore	Long	Saltonstall
Green	Magnuson	Schoeppel
Hayden	Mansfield	Smathers
Hennings	Martin, Iowa	Smith, Maine
Hickenlooper	Martin, Pa.	Sparkman
Hill	Monroney	Stennis
Hoblitzell	Morse	Symington
Humphrey	Morton	Thye
Ives	Mundt	Watkins
Jackson	Murray	Wiley
Javits	Neuberger	Williams
Johnson, Tex.	Pastore	Yarborough
Kefauver	Payne	Young
Kerr	Proxmire	

NOT VOTING—10

Anderson	Holland	Scott
Bridges	Johnston, S. C.	Smith, N. J.
Butler	Kennedy	
Flanders	O'Mahoney	

So the motion to recommit was rejected.

Mr. LAUSCHE. Mr. President, I offer an amendment to H. R. 9955, on page 1, line 7, to strike out "$5,000,000,000" and insert in lieu thereof $3,000,000,000".

On this amendment, I ask for the yeas and nays.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 1, line 7, it is proposed to strike out "$5,000,000,000" and insert in lieu thereof "$3,000,000,000".

The PRESIDING OFFICER. On this amendment, the yeas and nays have been requested. Is there a sufficient second?

The yeas and nays were not ordered.

Mr. MONRONEY obtained the floor.

Mr. LAUSCHE. Mr. President, may we have another show of hands on my request for the yeas and nays on my amendment?

The PRESIDING OFFICER. Does the Senator from Oklahoma yield for that purpose?

Mr. MONRONEY. I shall be happy to yield to my distinguished colleague for such a request, if it is within the rules to ask for the yeas and nays again.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Ohio? The Chair hears none. On the second request of the Senator from Ohio for the yeas and nays, is there a sufficient second?

The yeas and nays were ordered.

PROPOSED INTERNATIONAL DEVELOPMENT ASSOCIATION

Mr. MONRONEY. Mr. President, I submit for appropriate reference a resolution, and I ask unanimous consent that it may be printed at this point in the RECORD.

There being no objection, the resolution (S. Res. 264) was referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

Resolved, That, recognizing the desirability of promoting a greater degree of international development by means of multilateral loans based on sound economic principles, rather than a system of unilateral grants or loans, it is the sense of the Senate that consideration should be given to the establishment of an International Development Association, in cooperation with the International Bank for Reconstruction and Development.

In order to achieve greater international trade, development, and economic well-being, such an agency should promote the following objectives:

1. Provide long-term loans available at a low rate of interest and repayable in local currencies to supplement World Bank loans and thereby permit the prompt completion of worthwhile development projects which could not otherwise go forward.

2. Permit maximum use of foreign currencies available to the United States through the sale of agricultural surpluses and through other programs by devoting a portion of these currencies to such loans.

3. Insure that funds necessary for international economic development can be made available by a process which eliminates any possible implications of interference with national sovereignty.

It is further the sense of the Senate that as a part of the United States economic aid program funds be subscribed to the capital stock of the International Development Association in cooperation with investments made by other participating countries.

Mr. MONRONEY. Mr. President, the resolution I have submitted would put the Senate on record as favoring a greater degree of international development by means of multilateral loans based on sound economic principles, rather than on a system of unilateral grants or loans. In this regard, it recommends that consideration be given to the establishment of an International Development Association, in cooperation with the International Bank for Reconstruction and Development.

In my judgment the United States must avoid the folly of rigid fixation on policies once valid but no longer effective. The world is not a static, unchanging picture. It is more like a growing family, with maturing and improving standards of knowledge and economic status, and with members desirous of achieving a rising standard of living through economic independence.

New challenges, such as those of Russia in the international development arena, should be met with better ideas, ideals, and plans.

If we insist on retreading badly worn Democratic tires, good in their day, but now worn down to the fabric, our foreign-aid program will be broken down while the world passes us by. A continuation of propaganda-inspired growing antagonisms, summed up in such disrespectful tags as Uncle Sugar, Uncle Shylock, and even Uncle Sap, must cease. But they will not be stopped by recalcitrant attitudes of a barren, holier-than-thou, false morality.

The Russians have started an intense economic offensive by offering loans for development purposes that are a better deal than ours. We can best meet this challenge by taking a lead in creating an international program of multilateral loans for economic development, mixing dollars and foreign local currencies.

The United States took the lead in helping to establish the International Bank for Reconstruction and Development, which has financed the construction of many worthwhile development projects. However, the World Bank cannot, over the 20-year term required by it, make project loans which might be good, but would be impossible of repayment in dollars or other hard currencies. Therein lies our opportunity.

Nor can we rely on unilateral grants and gifts to promote the risky but valuable projects. Times have changed. The free and uncommitted nations of the world now want progress on a basis of self-respect and equality. There is no longer any place for anything that even implies a handout.

We need to help set up a system of multilateral loans which can be made on a completely self-respecting basis. We must eliminate as quickly as possible the type of aid which, despite our honest intention, has been the subject of Communist propaganda which labels it not only as a charity program, but also as Uncle Sam's efforts to subvert the recipient nations. These untrue allegations that our aid implies a superior-inferior relationship with the receiving countries, have, in many cases, helped to destroy the leaders of governments friendly to us.

My resolution urges consideration of the establishment of an International Development Association to work in cooperation with the International Bank for Reconstruction and Development. Such an institution should probably have its capital stock subscribed from hard currencies of the United States and other participating countries, so as to give it a dollar and hard currency base. It should also have the use of local currencies, including a large portion of those which this Nation has accumulated from its large-scale disposal of agricultural surpluses.

Thus, much of the usable capital of the IDA would come from local currencies which are now frozen and of little or no use to any country. There may be some residual funds from the Marshall plan aid program which would also be available. The foreign aid dollar, already appropriated and spent, might well be recycled, for use again in world economic development. The IDA would give a greater flexibility to the use of foreign currencies and would promote international trade.

For example, one of the world's troubled spots is in the relationship between India and Pakistan. At the root of this dispute is far more than Kashmir. The struggle is for the use of the waters of the six-river watershed that originate in India and Tibet and flow through Pakistan.

Should India alone develop the waters of this great river system, Pakistan will perish through loss of water indispensable to its economy.

For a year or more, engineers of both Pakistan and India have worked together in trying to arrive at a joint plan for a huge TVA type of development for this section of Asia. The program probably would cost $400 million. Under the World Bank rules—requiring repayment in 20 years' time, at 4 percent interest, in hard currencies—this is not a bankable loan.

Under the plan of the International Development Association, however, the plan could be financed with safety and

with tremendous good for the development of two friendly nations whose disagreements now threaten trouble or perhaps even war in the Far East.

As a second-mortgage operation, the International Development Association could take perhaps 50 percent of the $400 million loan, subordinating its loan to the first claim of the World Bank. The loan could be made for 40 years, at 2 percent interest, to be repaid, not in dollars or hard currencies, but in local currencies of India and Pakistan.

In designating the dam, for example, the IDA could loan engineering funds in German deutschemarks. For earth-moving equipment, it could provide funds in French francs, with certain dollar or hard-currency additions. Cement could come from some 10 countries, and could be purchased in large part with local currencies, with only 10 or 20 percent in dollars. Thus, with a worldwide shopping list and a vault filled with many local currencies, for the first time wise banking administration could make full use of local currencies, including those accumulating from the sale of our agricultural surpluses.

Undoubtedly other members of the World Bank also could contribute local currencies which they have on hand, thus making flexible and judicious use of many frozen assets.

Mr. GORE. Mr. President, will the Senator from Oklahoma yield to me?

Mr. MONRONEY. I am happy to yield to my distinguished colleague, the Senator from Tennessee.

Mr. GORE. To what beneficial use—unless it be in some international development program—is the United States to put the enormous quantities of foreign currencies now within its call?

Mr. MONRONEY. I am very glad the Senator from Tennessee has asked that question, because we have seen such currencies pile up until now they have reached a total of nearly $2,500,000,000. We are lending some of these local currencies back to the countries which buy our surplus agricultural commodities. However, as the Senator from Tennessee found last year when he was in Burma, they are loath and unwilling to accept a unilateral loan from the United States, for fear that their governments would be charged with being satellites of Uncle Sam. Consequently, the money which the United States might be willing to loan unilaterally is not desired by many such countries. I am told that $78 million from the sale of our agriculture surpluses to Indonesia lies idle in the bank.

If we are not careful, in the next 5 years we may accumulate additional billions of local currencies, from the sale of our agricultural surpluses. If we do not find a means of using these section 480 funds, we shall find that we have sacrificed bales of cotton in warehouses for bales of currency.

We cannot justify a continuation of this very fine program of section 480 sales, which I have supported thoroughly, unless we find a way now to put the funds to work.

By mixing hard currencies with soft currencies in connection with a second-mortgage type of program, the necessary funds could be made available to countries which today cannot deal in dollars. Such second-mortgage loans could be made by an international development association. In that way the necessary funds could be made available.

Mr. GORE. Mr. President, will the Senator from Oklahoma yield further to me?

Mr. MONRONEY. I am very glad to yield.

Mr. GORE. Although the amount of foreign currencies now belonging to the United States is enormous, it would still appear to be within manageable proportions. However, if no constructive measure is advanced and if no realistic program is adopted, so as to put this enormous amount of currency to some good use, in the years ahead, shall we not run the risk of accumulating foreign currencies in such enormous quantities as to create a real danger to international exchange?

Mr. MONRONEY. If we attempted to use them unilaterally, in large-scale amounts, the stability of the foreign currencies might be destroyed.

Mr. GORE. Mr. President, will the Senator from Oklahoma yield once more?

Mr. MONRONEY. Mr. President, I am happy to yield, because of the great contribution the Senator from Tennessee is making to the development of the idea of recycling the aid given by the United States to other countries, so that those countries might in turn extend aid to others.

Mr. GORE. I thank the able Senator. If I understand the situation correctly, this foreign currency has no purchasing power in the United States. Is that correct?

Mr. MONRONEY. Absolutely none. We intended to use more for strategic materials, but our stockpile is apparently now considered adequate. We use a small part of it for our military expenditures and for our diplomatic establishments within the issuing countries; but it is only a fraction of the billions of dollars being generated by the sale of our agricultural commodities.

Mr. GORE. But all three instances of expenditure to which the Senator has alluded occur in other countries, not in ours. Is that correct?

Mr. MONRONEY. That is correct.

Mr. GORE. This quantity of foreign currency, however, does have a value in international exchange, does it not?

Mr. MONRONEY. Indeed, it does, and the use of it in a world bank that could carefully release amounts of foreign currencies in a judicious way, so it would not create inflation, would result in foreign currency beginning to move in world trade, instead of having all world trade tied to the American dollar. It is bad to have a dollar-scarce world. The more freely other countries can use their own currencies, the better off we all are.

Mr. GORE. Would it not be possible, since we possess more than $2 billion of foreign currency, representing good international exchange, to substitute the use of the international currency for the appropriation of American dollars, at least to some extent?

Mr. MONRONEY. The Senator is reading my mind, because that is a part of the proposed program. There cannot be a complete substitution of foreign currency. There must be a dollar or hard-currency base. But given such a base, there will be more opportunity to make use of currencies which today have little value in the world market.

Mr. GORE. I wish to thank the Senator for making the constructive suggestion by which foreign currencies might be put to beneficial use—a use for which the world is in great need, a use which will contribute to the development of foreign countries, and a use which will prevent a dangerous accumulation of unmanageable quantities of foreign currency.

Mr. MONRONEY. I am sure my distinguished friend and colleague also recognizes the dangers of tying up trade on a unilateral basis which makes the countries of the world indebted to us and gives us an unusable stockpile of currencies of many nations of the world. At some future time a movement will be started for total forgiveness of the increasing foreign-aid debt. Uncle Sam will probably be asked to forgive world loans. The Senator from Oklahoma proposes to put such loans through an international banking association, so such transactions will be handled on an international basis. The International Development Association would be similar to the World Bank, except it would furnish a second mortgage market for the 20 percent or 30 percent of projects which otherwise would not be bankable. The head of the World Bank confidentially told me he could have made 50 or 60 more bank loans, which would have made unnecessary some grants-in-aid, had he had available such a second mortgage operation.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield to the distinguished Senator from Missouri.

Mr. SYMINGTON. I am much impressed with the idea of the distinguished Senator from Oklahoma. In the cost to the people of the United States of the farm program, there was a difference of opinion as it was presented by the Department of Agriculture, and some members of the committee, as to the true cost. The difference ran into several billions of dollars. One of the charges placed in the cost balance sheet of the Department of Agriculture was that resulting from depreciation in foreign currencies received as a result of the operation of Public Law 480. As I listened to what the distinguished Senator had to say on the subject, it occurred to me that inasmuch as there probably would be an increasing flow of foreign currency, we probably would prevent further devaluation of such foreign currency; and therefore there would be less cost chargeable against the farmers for the price-support program.

Mr. MONRONEY. The Senator is hitting an important note, as he always does. Certainly, the farmers of America should not be charged with the depreciation in the value of foreign currency. But if the world is tied to the dollar

standard instead of the gold standard, then the other currencies that are used will decline in value. Only through usefulness in world trade do currencies have value. The bank I propose would for the first time provide for the use, in international trade, of local currencies of many small and new nations which have recently emerged from colonial status.

Mr. SYMINGTON. I should like to associate myself also with the statement of the distinguished Senator from Tennessee and congratulate the Senator from Oklahoma, who, as usual, has been constructive in the presentation of an idea to the Senate. As I have listened, it is my understanding that such a bank would further reduce the cost of the agricultural programs; and also would probably increase our good-will relations with other countries.

Mr. MONRONEY. I thank my distinguished colleague. I may say that with such multilateral loans we could look forward to more sales of our agricultural surpluses, because the receiving nations would prefer to have their currency working rather than hanging over their heads like the sword of Damocles. I think by judicious diplomacy we can negotiate to remove the strings by which countries are now tied. All the world will recognize the benefits from the establishment of an international development bank, and trying to bring other countries to an adequate economic development.

Mr. GORE. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield to the Senator from Tennessee.

Mr. GORE. Does not this discussion illustrate once again that it is not money, currencies, but goods and services which cross international boundary lines, and oceans to balance trade?

Mr. MONRONEY. The Senator is entirely correct. We hope to remove some of the problems brought about by having dollars and the pound sterling as the only currencies in which the world can deal. The shortage of those currencies could result in multiple disasters.

Mr. GORE. If our country continues to accumulate bales of lira, bales of yen, and bales of francs, will that not inevitably worsen the imbalance which presently exists?

Mr. MONRONEY. Sooner or later these currencies must be forgiven or written off or they must be used. If they are used injudiciously, then there will be an impact on the country of issue which could cause inflation, and could destroy instead of help the country to whom we have sold agricultural surpluses.

Thus other nations, which have been helped in their economic recovery, can in turn help others. However, a hard-currency base of dollars and other well-rated moneys will be necessary to make the IDA work.

Final details of the IDA would have to be worked out after careful hearings before the Senate Committee on Banking and Currency. Then the experts of the State Department, the World Bank, and those of other leading nations could refine the program to give it a sound charter and capital structure.

As a starter, it seems to me the International Development Association would need an original capital of $1 billion in dollars or hard currency. The United States would probably put up 30 percent of this amount or $300 million, based on our contribution to the establishment of the World Bank.

It might be possible, after full hearings, to commit the $300 million appropriated by the Congress last year for the establishment of the United States development loan program. It is my understanding that few, if any, of these millions have yet been used.

If the Congress chose this method and if the United States development loan program's funds were authorized for use in the IDA, no new appropriated funds would be required for the United States capital stock in the association.

Secretary Dulles is now asking in the current foreign program for an additional $625 million for his own United States development loan program.

This is a unilateral lending program which is operated in conjunction with the State Department. We appropriated $300 million last year, and we are being asked to appropriate $625 million this year, yet there has not been a single loan to date. I see no need for this additional money for more unilateral lending.

The United States' share of the capital stock of the proposed International Development Association would be less than half of the total which Secretary Dulles is asking as additional capital for his own unilateral development fund.

It is likely that more hard currency capital might be needed for 2 or 3 years. If this should prove true, the Congress could commit the $75 million in annual dollar earnings from interest on foreign loans made under previous aid programs and thus meet additional requirements without new appropriations.

The idea of subordinated loans is not a new one. It was used successfully in many programs under the Reconstruction Finance Corporation. The guaranty of home mortgages released a flood of home building because of the guaranties behind private mortgages. Our reclamation loans are another example. They are gilt-edged when the projects are used for the construction of a new dam which generates hydroelectric power. Power revenues pay off quickly and handsomely, while the long-term loans for irrigation pay off slowly but surely through development of undeveloped areas of the United States and from the sale over 50 years of irrigation water.

The IDA would have the triple advantage of (a) ultimately lessening the need for direct economic aid by making more effective use of local currencies, (b) promoting the sale of agricultural surpluses, and (c) promoting international trade and economic well-being.

This is not a sudden inspiration. I have discussed the idea with many leaders both in America and abroad over a period of 18 months. The response has been overwhelmingly favorable, both to the establishment of such an international association and to the judicious use of multilateral currencies. About the only argument I have heard against the proposal is that the local currencies under our control are already committed. This, of course, can be changed either by the unilateral action of the United States or by agreement among the countries affected.

I have sought bipartisan support for this matter, and have discussed it with leaders in the present administration at several levels, who are giving it continuing study. As of now there has been no final determination of the administration's position on the proposal.

Mr. BUSH rose.

Mr. MONRONEY. I yield to the Senator from Connecticut.

Mr. BUSH. I was going to ask the Senator to yield for a question, but the Senator is beginning to answer the question I had in mind, so I will withhold the question.

Mr. MONRONEY. I am happy to say that for over a month I have been having discussions with men high in the Department of State, in the Department of the Treasury, and in the World Bank. Generally, I have found acceptance of this idea of a multilateral approach as being the safe, sound, logical way to conduct the developmental activities of the future in the underdeveloped areas.

Sooner or later the United States is going to be called Uncle Sap, or Uncle Shylock, and be asked to forgive these unilateral development loans. If the procedure is all handled through an international bank the loan becomes an impersonal matter, and the local countries will respect their credit rating and pay off.

May I say that there has never been a default to the World Bank. One Latin American country almost defaulted, but the ambassador was called in and was told that his would be the first nation to default to the World Bank. He asked exactly how much time they would have to make good on the payment, and he was told that they would have only 24 hours. That country, within 24 hours, not only met the interest payment due, but paid a year ahead, so careful was it to protect its international credit.

Mr. BUSH. Mr. President, did I correctly understand the Senator to say he has specifically discussed this matter with the World Bank officers?

Mr. MONRONEY. I have indeed, sir. There is a news article which I will ask to have printed in the RECORD at the conclusion of my remarks, which appears in today's New York Times. It is written by Mr. E. W. Kenworthy and it describes an interview with Eugene R. Black of the World Bank, in regard to my proposal to establish an International Development Association. The headline is: "Black Asks Study of Second World Bank—Agency's Chief Sees Need for Credit Association Urged by MONRONEY."

The story starts:

WASHINGTON, February 23.—Eugene R. Black, President of the World Bank, said today that the bank "would be willing to explore" the idea of an affiliated agency that would make mixed-currency, low-interest loans to underdeveloped nations.

I am going to ask unanimous consent to have the article, which appears in the New York Times, printed in the RECORD at the conclusion of my remarks.

Mr. BUSH. I thank the Senator.

Mr. MONRONEY. I thank my distinguished colleague, who has had so much experience in fiscal and banking affairs.

Mr. President, the annual debate on the extent of United States economic aid will shortly come up again in Congress. It has gotten to be like the crocus—the annual harbinger of spring. We are likely to hear again the same old overworked arguments that have so often been bounced back and forth, and perhaps our greatest danger lies in apathy. As our own business recession continues, there is certain to be an increasing desire on the part of many to pull in our horns on economic aid, reciprocal trade, and other policies at a time when our international activities are perhaps more important than ever.

As an observer of Congressional affairs over 21 years, both as a Member of the House and of the Senate, I believe that our foreign-aid program, sorely needed at this time, is in the gravest possible danger of defeat or mutilation through crippling amendments.

Both at home and abroad the program calls for new ideas and ideals if it is to pass the Congress and if it is to perform its function in helping those new areas of the world which desperately need to develop their natural resources. The once young and vigorous foreign-aid program, bequeathed to this Republican administration by President Truman, is now old, tired, weary, haggard, and worn out.

No football coach could use the same old plays year after year in the same conference without a certainty of winding up in the cellar position. What is true with football, it is also true in foreign policy.

The Russian sputniks are merely the most flamboyant evidence of the growing challenge of communism. Not only are they apparently ahead of us in some scientific research and the development of intercontinental ballistic missiles, but now they are also stepping up their activities in the field of foreign aid, and it is quite evident that they will continue to do so. The scope of their loans and barter deals has steadily grown, and their international development aid has become a major strand in their whole fabric of world strategy.

The Communist economic penetration has been concentrated in the areas where we are weakest, the countries of Asia and Africa, especially those which make up the periphery of Communist geographical hegemony. These nations are currently the most susceptible to political and economic infiltration. Many have broken the bonds of western colonial power only within the last 10 or 12 years.

The so-called underdeveloped nations of the world include nearly 90 percent of the world's population. Coming on the heels of relinquished western control, it should be hardly surprising that the Russian propaganda with an anticolonial theme should fall on fairly fertile ground.

These nations have seen little demonstration of Russian imperialistic designs, and the Communists have been able to point to the military underpinning of much of the western aid, geared as it has been to such arrangements as the Baghdad pact and SEATO. Russian military aid has been given without reciprocal guaranties or alliances, which lends credence to the Russian charges.

The dropoff in world trade has accentuated the problems among the younger nations of the world. Until recently, the high degree of American economic activity has helped them more than foreign-aid programs. We bought much of their primary products—jute and tea, rubber, tin, and other critical materials. Now, however, prices of these commodities have fallen markedly, causing great losses in their income.

The answer does not lie in a greater degree of haphazard loans and grants solely from the United States. What is needed is a program of sustained activity in the field of international development which can draw in many nations so that loans can be extended on a multilateral basis.

The United States has more to gain from international development than merely a forestalling of Soviet strategy. As more nations break through the development barrier and are able to join that select group of countries with rising living standards and ability to carry out capital development from internal savings, the markets for western goods will simultaneously expand.

For all the Soviet talk about aid without strings, the underdeveloped nations are not so gullible as some might think. Much as Russians have tried, the Communist leaders have not been able to blot out the memory of Hungary. The biggest danger lies in these nations being forced by popular opinion to accept Russian help at face value and thus skate on the dangerous ice of Communist domination.

The greatest desire of these nations is economic independence and control of their own affairs. Our aim should be to regain the initiative from the Soviet. We need to help finance them in a way that is proof that we have mutual interests at heart rather than any desire for economic or military control. This, I believe, can be accomplished only by international leading and the use of an international development association such as I have proposed.

There are probably a great many miscellaneous objections which can be raised to an IDA bank, but a resolution would force serious consideration of it. I am convinced that most objections could be ironed out.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. BUSH. Does the Senator contemplate that these loans would be made by the agency only to governments, as is the case with the World Bank?

Mr. MONRONEY. That would be the logical assumption. The World Bank has a $100 million fund which is made available to private industry.

Mr. BUSH. That is a separate fund.

Mr. MONRONEY. It is a separate fund, but it is operated on along the lines of the same idea on which the proposed bank would be based.

The distinguished Senator is familiar with the underdeveloped countries in Asia. He knows that there is no capital structure to permit the development of large-scale dam projects or gigantic steel mills, or other things which are needed. If those countries are to build up a capitalistic system, they must have the tools with which to do it. Therefore, through the International Development Association, which I propose, which would be an international bank, subordinated capital could be made available. I would anticipate it would be made available largely to governments.

Mr. BUSH. Perhaps the Senator contemplates also that loans might be made to corporations or associations within countries—loans not guaranteed by the governments of the respective countries.

Mr. MONRONEY. The World Bank has a $100 million fund for this purpose. It is getting along quite well.

Mr. BUSH. Is the Senator referring to a new fund?

Mr. MONRONEY. It was created rather recently. So far there has been no need for additional capital. When there is, the World Bank will have no problem in raising funds on its own account, as it does in marketing its debentures, to build up this agency of the World Bank. But I do not wish to confuse the use of soft currency and hard currency in the development of larger projects for internal development of nations with the idea of loans to corporations wishing to undertake development in those countries.

One is a private-profit operation by business. The other represents an effort to bring about development in a given country of a productive system. If a country does not develop its resources, all there is left is Government ownership. We can prevent those countries from drifting into communism, but to do so we must assist their economic development.

Mr. BUSH. I thank the Senator. I was trying to determine whether the object was to lend to the governments themselves, or whether the Senator had a broader concept. As the Senator knows, the Export-Import Bank lends to corporations in various countries. If they have good credit, they can borrow good dollars.

Mr. MONRONEY. The loan would be for the purchase of American products. If a Japanese airline wanted a DC-6, we would lend it the money with which to buy it. If India wanted a Westinghouse electric plant, we would lend India the money with which to buy the electric plant. That is a direct loan, and a very wise one and well managed, when it is handled for the benefit of American manufacturers who wish to sell their products abroad to countries with good credit. I approve that program. I think it is a valuable instrument in our own commerce.

However, we are talking about world development. Today we are engaging in grants-in-aid and unilateral lending. We must get off that basis. It is destructive of our popularity abroad. It is destructive of the various governments which we try to help, and it is destructive of the long-range objective of building economic independence among the new nations.

Mr. BUSH. Is the Senator introducing a bill today, or merely presenting an idea?

Mr. MONRONEY. The Senator from Oklahoma has submitted a Senate resolution. The Senate is supposed to be the guardian of foreign policy. The resolution expresses the sense of the Senate that we should move toward multilateral lending and away from unilateral lending; that we should establish such an association as I have described; and that we should commit a part of our economic aid funds to such an objective.

As chairman of the Subcommittee on International Finance of the Committee on Banking and Currency, I shall welcome the comments of Members of the Senate as the hearings proceed. We wish to receive testimony from all the available experts. We need new ideas and ideals if we are to defeat the Communists in the economic cold war.

Mr. BUSH. I take it the Senator expects to have hearings.

Mr. MONRONEY. I hope hearings can be held within 10 days, and that the program can be considered in connection with this year's foreign-aid legislation.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. MONRONEY. I am happy to yield to the Senator from Kentucky who established such an enviable record as our Ambassador to India.

Mr. COOPER. I am very much interested in the Senator's very fine statement. It is true that, because of our Public Law 480 programs, the United States becomes the owner, or is owed large amounts of local currencies for surplus sold by the United States, and that it is difficult to find means of using these currencies.

Mr. MONRONEY. The Senator is correct.

Mr. COOPER. We own them; or they are owed us; but we have difficulty in using them or purchasing from the debtor countries their products, so that they can pay us for our agricultural surpluses. As I understand the Senator's idea, it is that if various countries make available their local currencies to the bank, it will spread throughout the world the availablity of credit and capital goods from countries other than the United States.

Mr. MONRONEY. A very simple illustration would be if India wanted to buy a $100 million hydroelectric project. They would go to Mr. Eugene Black of the World Bank and say, "We want $100 million." Mr. Black would say, "It will not pay out in 25 years at 4 percent in hard dollars; therefore we cannot make the loan. However, if you can get the International Development Association to take 30 percent of it, we believe we can make a bank loan on the remaining $70 million." The IDA could provide deutschemarks for the engineering, French francs for road-moving equipment, and so forth.

Mr. COOPER. The Senator's purpose is to widen the possibility of growth by spreading the availability of credit and capital goods.

Mr. MONRONEY. That is correct. My idea is to help the world develop so that those countries whom we have helped can now help others.

Mr. COOPER. I do not see the exact relationship between the Senator's proposal and future agricultural sales under Public Law 480.

Mr. MONRONEY. There are $2½ billion that are doing us no good.

Mr. COOPER. I do not agree with that statement.

Mr. MONRONEY. We cannot spend the money.

Mr. COOPER. In the future we will still have surpluses and we will still want to dispose of the surpluses. The Senator's proposal is much larger in its scope than the disposition of our surpluses, but how would they be affected by the proposal of the Senator from Oklahoma?

Mr. MONRONEY. We are now selling farm surplus for foreign currencies we cannot use, and appropriating more dollars for foreign aid. If these foreign currencies can be used for loans through a multilateral association, it will help in the economic development of underdeveloped countries, and reduce the need for undesirable unilateral aid. The more soft currency we have, the more help we can give. It works out to the advantage of both the recipients and ourselves.

Mr. President, I do not wish to delay the Senate unduly. I shall conclude my statement very shortly.

We should seek the testimony of the best authorities we can find. It can, and probably will, be modified and improved, but I believe the time is right to make a dramatic change and improvement in our methods of handling foreign aid.

If we will modernize our foreign-aid efforts by adopting a multilateral program, the result should be a great step forward in counteracting Russian attempts to subvert nations with their loan and aid program. We will have announced and will prove to the world that our desire for improvement of conditions of all men is one which involves no selfish or imperialistic designs.

Mr. President, I intend to hold hearings on this resolution very soon in the Senate Banking Committee's International Finance Subcommittee, of which I am chairman. I hope Senators, administrative officials, and others will study it carefully so that we may have good testimony at the time hearings are held.

Mr. President, I ask unanimous consent to have printed in the RECORD an article from the New York Times of today by E. W. Kenworthy, describing an interview with President Eugene R. Black of the World Bank regarding my proposal to establish an International Development Association.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BLACK ASKS STUDY ON SECOND WORLD BANK—AGENCY'S CHIEF SEES NEED FOR CREDIT ASSOCIATION URGED BY MONRONEY

(By E. W. Kenworthy)

WASHINGTON, February 23.—Eugene R. Black, President of the World Bank, said today that the bank "would be willing to explore" the idea of an affiliated agency that would make mixed-currency, low-interest loans to underdeveloped nations.

This idea has been advanced by Senator A. S. MIKE MONRONEY, Democrat, of Oklahoma. It was described in an article in today's New York Times.

Senator MONRONEY said yesterday that "the Russians have embarked on a program of loans for development purposes on better terms than we are offering."

"I think," the Senator went on, "we can best meet this challenge by stimulating an international program of multilateral loans for economic development, mixing dollars and foreign local currencies."

ASKED WORLD BANK LINK

Senator MONRONEY proposed that a new agency—which might be called the "International Development Association"—be created to make such loans.

This agency, he suggested, should be affiliated with the International Bank for Reconstruction and Development—the World Bank—whose lending authority is now limited to loans repayable in hard currency on terms corresponding to those of regular commercial banks.

Mr. Black commented today on the proposal as follows:

"I have seen the story in today's New York Times about a possible International Development Association affiliated with the World Bank.

"The general concept outlined by Senator MONRONEY seems to be one that the World Bank should be willing to explore.

"I have frequently said that in a number of countries a reasonable rate of development would require additional capital beyond what is available on a hard loan or bankable basis.

"And I have also said that that international administration of development financing, if it can be organized on a sensible economic and nonpolitical basis, is preferable to bilateral national administration.

"DISCUSSED POSSIBILITIES

"From time to time I have discussed various possible mechanisms of that international kind. Very recently, I have had a few talks with American Government officials, as well as with Senator MONRONEY, about an agency along the lines of the Times' story.

"These talks were very tentative, and as far as I know none of the United States officials has come to any definite conclusion on the subject, nor have I.

"This concept naturally involves a great many complex problems which would need to be carefully considered. However, my reaction is that the idea is very interesting and warrants further study."

Senator MONRONEY is hoping to promote just such further study. Tomorrow in the Senate he will introduce a resolution that will say:

"Recognizing the desirability of promoting a greater degree of international development by means of multilateral [multicurrency] loans based on sound economic principles, rather than a system of unilateral grants and loans, it is the sense of the Senate that consideration should be given to the establishment of an International Development Association, in cooperation with the International Bank for Reconstruction and Development."

Senator MONRONEY's plan would call for an initial hard-currency capitalization of $1 billion, represented by class A, voting stock. Supplementing this would be a further soft-currency capitalization, represented by class B, nonvoting stock.

The United States would contribute $300 million in hard currency, and other nations $700 million. The United States share would require no new appropriation if Congress decided to use the $300 million appropriated last year for the development loan fund, which is still intact.

For the grade B stock the United States could use local currencies accumulating from repayment of loans made out of the sale of agricultural surpluses.

Mr. MONRONEY. Mr. President, I also ask unanimous consent to have printed in the RECORD, following my remarks, an article entitled "The Great Challenge Is Not the Sputniks," written by Barbara Ward, and published in the New York Times magazine of February 23, 1958.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE GREAT CHALLENGE IS NOT THE SPUTNIKS

(By Barbara Ward)

The annual debate on foreign aid is about to begin in Congress; but it has been carried on for so many years, and the arguments in the controversy have been bandied back and forth so repeatedly, that there is real danger of staleness creeping into the whole discussion. Yet this, of all years, is the last in which to give the issue only tepid attention. Some of the ground may be familiar enough. But in two vital respects, the problem has taken on a new aspect and there is now fresh urgency to all the old arguments.

The first point is the scale of the Communists' entry into the field of foreign aid and their evident intention to stay there. In the last 4 years the scope of loans and barter deals made by the Soviet bloc has steadily widened. From piecemeal offers, they have begun to develop what looks like a generalized strategy.

At the recent Cairo conference organized by the Afro-Asian Communist-front organizations, the Russian delegates took the opportunity to offer sustained aid without strings to all underdeveloped nations. As proof of their intentions, they could point to the $1.9 billion in economic and military aid which the Soviet bloc has pledged since 1955. Meanwhile, the scale of the Russian economy and the number of trained Soviet technicians available for service abroad are steadily increasing. There is thus every reason to suppose that future assistance will be on a steadily expanding scale.

As a general instrument of propaganda, the Soviet offer is designed to influence all backward but ambitious nations—and they include nine-tenths of the human race. If a state of backwardness begins where per capita annual income is below, say, $300, very few areas escape. Western Europe, the white members of the British Commonwealth, above all North America—where the figure exceeds $1,500—are comfortably beyond the definition. But most of Asia and Africa—and large parts of Latin America—lie at the other extreme; annual incomes per head fall to $50 and below. It is at these levels that the desire to break out of the vicious circle of poverty breeding ever more poverty reaches revolutionary force. It is here that any policy of sustained capital aid from whatever source must find the most eager hearing.

But the specific programs of Soviet aid are not so generalized. They follow a more immediate strategy. Virtually all the nations which have received direct assistance in loans and trade deals lie along the geographical frontiers of Communist power. There have been occasional wider excursions—trade negotiations with Argentina, barter offers to the Sudan—but the bulk of the $1.9 billion has been expended along the periphery of the Communist world, from the Levant through Afghanistan and India and on into southeast Asia.

The nations on this fringe offer the Communists important entry points for both political and economic infiltration. All of them—virtually without exception—emerged from western colonial rule only in the last dozen years. Although Afghanistan, Iran, and Thailand were never formally taken over and Iraq attained a measure of independence in 1932, all the other states were still under British, French, or Dutch control as recently as 1946. To their peoples, the anticolonial theme of Russian propaganda is instantly familiar and, since Russian imperialism never impinged directly on them, the Russian pretense of disinterestedness, of aid without strings, seems plausible to many.

The Communists have, moreover, been able to play on anticolonial sentiment by underlining to Asian opinion the extent to which Western aid has been geared to military programs undertaken in alliance with the West. In western eyes such arrangements as the Baghdad and SEATO pacts may look like reasonable local efforts at self-defense. But in Asia, where in the past alliances between local states and Western colonizing powers often preceded colonial control, it is easy to arouse Asian suspicion that today's alliances could be the prelude to renewed colonial control tomorrow. Russia, in giving military aid, asks for no guaranties or alliances and is thus free to attack the western pacts.

Another Russian asset is the very urgency of Asian economic need. All these states face formidable obstacles. Only two of them—the oil states, Iran and Iraq—have sufficient capital for development. Even they lack trained technicians and adequate educated leadership. All the others are caught in a dilemma—their populations are so poor that they can barely save, but saving is the only escape from poverty. In these economies, where the beneficent spiral of saving breeding further saving cannot be set in motion, capital and technical aid are the first aims of policy.

The Russians, who face no annual open debate on the desirability or otherwise of foreign aid, who do not need to stress self-interest to secure popular consent at home for foreign spending, who can detail officials for foreign service in any field, who need make no precise economic accounting of strict profit and loss in their aid programs, have a capacity both for quick decision and for sustained effort which the western system inherently lacks. In 4 years they have come within sight of catching up with the whole western effort of a decade. In the key countries along the Asian fringe the amount of capital assistance provided by them has already outstripped the American total by about half a billion dollars.

But it is not simply the new Russian effort that is at issue. There is a second point to underline—the falling away of world trade in the wake of American business stagnation. It can be argued that in the last year the Communists have profited more by western mistakes and incoherences than by their own direct action. For among the underdeveloped areas are to be found most of the world's primary producers. Jute and tea from the Indian subcontinent and Ceylon, rubber and tin from Malaya, rice from Burma, cotton from Egypt, the Sudan, and Uganda—these are some of the products which underpin the unstable economies of Afro-Asian countries—and in the last decade an almost unbroken boom in world commodity prices, sustained, above all, by the high level of American economic activity, has done more than any foreign-aid programs, from whatever source, to create a surplus from which savings could be drawn.

But in the last year the picture has changed. World metal prices have fallen by 25 percent, fibers by 15 percent; since 1955—in the 2 years leading directly up to independence—Malaya's rubber prices have dropped by 50 percent. All in all, according to the latest United Nations figure, primary producers lost six hundred to seven hundred million dollars in export income in 1957 alone. This figure is more than half the total of American aid given to the Asian fringe since 1949. Thus Russia is expanding its program of aid and barter just at a time when normal trading has fallen away and has caused acute embarrassment to the local governments.

This, in essence, is the new situation which underlies this year's debate on foreign aid.

The old arguments—of Asian need of the West's interest in stable conditions, of the risks inherent in leaving the fringe states wide open to Communist blandishments—are all vitally reinforced by Russia's notable entry into direct, sustained competition in the field of aid and by the evidence that the whole Western trading position has been gravely weakened by the economic stagnation of the last year. In fact, the new conditions of 1958 might best be summed up by saying that, while the Russians have evolved a long-term economic strategy for the Asian fringe (and beyond it, for the underdeveloped areas everywhere), the Western powers appear to have no general policy of any sort.

Their patchwork of aid is not related to any long-term plan for sustained development nor do they coordinate their individual offers. The assistance they give with one hand is canceled by the purchases they no longer make with the other. The domestic breathing space becomes a near-hurricane by the time the effect of falling business activity at the center slashes export programs on the fringe. In short, if there is any assumption behind the foreign economic policy of the Western powers, it seems to be that the program can proceed by fits and starts, from emergency to emergency, and that neither care, study, forethought nor sustained effort is really required. So long as this illusion prevails, the Communists, with their long-term aims and determination, are likely to pull steadily ahead of the West in influence and sooner rather than later may reach their target of effective control.

This outcome would be all the more tragic for being unnecessary. The ingredients of a sustained and workable economic strategy for the free world have been discussed and canvassed and clarified in the West for more than a decade. In particular, since President Eisenhower first proposed a special fund for long-term lending, the advantages of a consistent, long-term loan program have been thoroughly explored.

The aim in each backward economy is to reach the phase where internal savings become self-sustaining. At primitive economic levels, there is no local surplus for saving, and capital-creating investments—in transport, in power, in improved agriculture—cannot be fully supplied domestically. For a number of years, external aid at low rates of interest or in interest-free loans or gifts, is needed to get this basic capital equipment into position. Then, as local output rises, aid can taper off and domestic savings take its place. The expanding economies will attract private investment. The emergency will have passed and more nations will have been drawn into the magic circle of modernized, advanced, technical societies. Such a program has a shape and a purpose and is self-liquidating. But nothing of the sort is

possible if aid may end from one year to the next. The sustained pattern is ruled out. The risk is that even the aid that is given will be wasted for lack of a proper context.

Yet, given the cooperation of all the developed countries of the West, the scale of such a program would not be extravagant; in fact, it is not much greater than the totals for economic and military aid given in a haphazard way today. One percent of the advanced nations' national incomes would provide between four and five billion dollars a year, and such a sum, made available over a decade, would be sufficient to get country after country through the sound barrier of sustained investment. It is a sobering thought that such a sum is spent every 3 weeks on military preparedness.

A long-term aid program on these lines is not even an innovation. Each year of the first Indian 5-year plan was underpinned by releases from India's sterling balances held in London. The most triumphant effort of postwar diplomacy—the Marshall plan—applied the principle of sustained aid to Europe with complete success.

Moreover, at the end of the war, when the Western world was perhaps more alert to the economic perils of the future than it is today after the long, recent spell of prosperity, the prospects for a functioning world economy included such institutions as the World Bank and the International Monetary Fund, both precisely designed to see that shortage of capital and disturbances in trade did not impede the growth of world commerce and prosperity. The error at the time was to set up these institutions with resources too modest for the task ahead. The error today seems to be in no longer even recognizing the essential nature of their functions. It can be argued that most direct and effective method of securing a strong revival of international trade and a sustained expansion of world resources at this time would be to triple the sums available to the World Bank for lending and to the Monetary Fund for strengthening the international currency system on which trade depends—and, incidentally, of ending the kind of massive currency speculation that disrupted Europe's economic stability so seriously last summer and fall.

No, it is not lack of knowledge or expertise or means or even experience that inhibits the West as it confronts the new, sweeping scale of Russian economic competition. It is quite simply a paralysis of imagination, a crisis of energy and will. Yet if the implications of this new challenge—both for evil and for good—do not stir Western minds and hearts, it is difficult to conceive what will.

The risks involve an almost apocalyptic disruption of the world's present relationships. To bring what remains of Asia under Communist dominance would give Russia control of the eastern Mediterranean, of the whole land bridge to Africa, of the shores of the Indian Ocean and of the sea approaches to Australia. Such an extension of control would inevitably alter the whole strategic balance of East-West military power.

The political consequences would be as dire. With India under Communist direction, all east and south Africa would fall open to Communist influence playing directly on the hundreds of thousands of Indian settlers in Africa and indirectly on the restive, race-conscious African masses. Europe would shrink to a beleaguered fringe of the vast Eurasian land mass. Japan would be a pitifully isolated appendage at the other limit.

The physical resources of the Atlantic world would, even in such conditions, probably be enough to sustain the economic life of the West. Not even Middle Eastern oil is indispensable. But there would be a vast disruption of trade, confidence and growth if the bulk of the world's remaining markets and sources of supply came under the arbitrary control of the Communist forces. No doubt, they would continue to trade, but, as Russia's satellites have learned, trade under such conditions is constantly at the mercy of politics. No stable economic relations can be maintained when crucial traffic may be cut off in a day as a means of political pressure.

Above all, the transfer to Communist allegiance of all the world's emergent peoples, the loss to Western concepts of freedom of the ancient cultures of Asia, the passage of the great African Continent from the tyranny of tribalism to the despotism of the absolute state—such disasters would test to the breaking point the spirit and courage of the free world. The risk is that they would so deepen the confusion of Western counsel, so damp the light of hope, give such rein to fear and extremism that Western society might lose the inner strength to withstand the strain. If the shock of seeing China lost to communism could help to create in America the miasma of McCarthyism, what new demagogs might not be brought forth by the loss of so much more?

But if the risks of Western inaction are immense, the gains to be secured from a successful Western initiative are on a comparable scale. Economically it has always been an illusion that in our interdependent international economy the Atlantic nations could continue to expand their economies and grow and prosper in a world otherwise condemned to stagnation and penury. The growing technical capacity of the West needs the markets and supplies of the rest of the world not much less urgently than the world needs Western capital and technique. To underpin the growth and prospects of others is the surest way of insuring our own.

Politically, too, there can be no doubt that the nations of free Asia desire, provided alternatives exist, to hold themselves free of Communist control. For all the Communists' talk of aid without strings, their aim is ultimate domination and the Asian governments are quite shrewd enough to know it. Hungary is not forgotten, in spite of all the Communists' efforts to cover it up. The danger is that, with no alternative sources of assistance, Asian leaders may be compelled by popular pressure to depend more and more dangerously upon Communist support. But given Western backing, they want what the West wants for them—independence and control of their own affairs.

Above all, a concerted long-term economic strategy would enable the Western powers to recover their own confidence and effectiveness, to regain the initiative from the Communists, and to restore in the world that image of Western power and purpose which was theirs when, in the hours of victory in 1945 or at the peak of the Marshall plan in Europe, they acted as a functioning partnership, pursuing not simple defense and security but a positive vision of an expanding, prosperous world.

The last 6 months—during which Russian sputniks in the skies and Russian propaganda below have circled the globe while the West sits hunched up in economic stagnation and political perplexity—have been a trial and tribulation to free men everywhere. Nothing could so break the spell of stagnancy and restore energy and hope as a fully thought-out, fully sustained and accepted strategy for worldwide economic growth. The risks of inaction have never been so alarming; the political rewards of vision can never have been so great.

CONVEYANCE OF CERTAIN PUBLIC LANDS IN STATE OF NEVADA—CONFERENCE REPORT

Mr. BIBLE. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1568) to direct the Secretary of the Interior to convey certain public lands in the State of Nevada to the Colorado River Commission of Nevada acting for the State of Nevada. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings pp. 2628–2629, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

THE AMERICAN WAY OF LIFE ENCOURAGES CULTURAL PURSUITS

Mr. WILEY. Mr. President, I was very much interested to read of a recent roundtable which was held under the joint auspices of Yale University and the Advertising Council of America.

The session was devoted to a consideration of cultural trends in the United States.

Around the table a group of outstanding American cultural spokesmen commented frankly regarding both cultural achievements in America and problems still confronting us.

They did not pull their punches. One may disagree with the panel sharply—as I do—on some of their own criticisms. But one nevertheless welcomes the panel's conclusion that Communist smears against the United States for our alleged anticultural "materialism"—such criticisms are unjustified and unfair.

The welcome fact was pointed out, for example, that, across the land, there are now more than 30 major symphony orchestras, plus 650 professional and semi-professional orchestras. All this is exclusive of college groups.

MONITOR ARTICLE DESCRIBES CULTURAL PROGRESS

Thus, despite our critics in the Soviet Union, the fact is that the American way of life encourages our people to seek more and more ways of constructive self-expression.

The American way—sometimes called people's capitalism—provides the leisure, the opportunity, and the challenge for men and women in all walks of life to realize their God-given potentialities.

I send to the desk a brief writeup of this roundtable conference, as carried in the February 18 issue of the Christian Science Monitor.

GERMAN FULBRIGHT FELLOW SALUTES UNITED STATES MUSIC

As a supplement to that writeup, I append an extremely interesting description of amateur orchestras in the United States.

This description came, not from an American, but, interestingly enough, from a perceptive citizen of West Germany, Mr. Hans-Heinz Dräger, who had visited the United States on a Fulbright grant.

Mr. Dräger commented on widespread interest in music throughout our country, both amateur and professional, in the course of an article which he wrote in a German magazine. The text of this article was received and translated by the music committee of the People-to-People Foundation.

FINE WORK OF PEOPLE-TO-PEOPLE FOUNDATION

It will be recalled that I had, on several occasions, pointed up the splendid work of the many committees of the People-to-People organization.

I commend the work of the music committee. It has struck a respondent chord among music-minded organizations in many countries of the world. It has opened up avenues of friendship, contact, and exchange which, I am sure, will prove most fruitful to the cultural pursuits of our own and other peoples.

I ask unanimous consent that both of these items, the one depicting the impact of culture, as seen through American eyes, the other as seen through foreign eyes, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Christian Science Monitor of February 18, 1958]

CAPITALISM, CULTURE LINKED—PANEL'S FINDING

(By Harry C. Kenney)

NEW YORK.—A panel discussion on the question of whether people's capitalism has weakened the American culture or strengthened it, has uncovered some facts, including:

1. More people now visit museums than pay admission to baseball games.

2. American painters, sculptors, novelists, poets, and musicians enjoy higher prestige abroad than ever before in our history.

3. Millions of Americans have either experimented with oil painting or have adopted it as a hobby.

4. Many an owner of an LP (long playing) record collection can hear more first-class music than did Beethoven in his whole lifetime.

5. Today, 30 major symphonies perform in this country, and the American Symphony lists 650 professional and semiprofessional orchestras (exclusive of college groups) across the country.

DISTINGUISHED PANEL

The panel, which was an American round-table discussion, under the joint auspices of Yale University and the Advertising Council, further gave lie to Communist claims that the people's capitalism in the United States had developed a Nation of "barbarians concerned only with material wealth, low-brow pleasures, and gadgets."

Members of the panel included: Henry M. Wriston (moderator), president emeritus, Brown University; Ralph F. Colin, lawyer, trustee, Museum of Modern Art; Lewis Galantiere, counselor, Free Europe Committee, Inc.; Russell Lynes, Jr., managing editor, Harper's magazine; Mark A. May, director, Institute of Human Relations, Yale University; Norman Holmes Pearson, associate professor, English, Yale University; Liston Pope, dean, Divinity School, Yale University; David M. Potter (rapporteur), Coe professor, American history, Yale University; Virgil Thomson, composer, music critic; Sylvester L. Weaver, Jr., president, Program Service, Inc.; Robert H. L. Wheeler, instructor, history, Yale University.

"MAIN STREET" RETREATS

A digest of the panel's thinking has been given in a pamphlet: "An Inquiry Into Cultural Trends." In this summary, the panel did not seek to reach agreement on the exact degree to which pressure to conform is still a factor detrimental to cultural self-expression on the part of the American people.

The members did agree, with varying shades of emphasis, that "such pressure has existed to an extent that has been significantly harmful in the past." But they also agreed that "the indications are that it is lessening, both in the sense that the small town no longer exercises the kind of tyranny which it did in the heyday of 'Main Street,'" and "groups of diverse national origin no longer feel so urgently compelled to conform to a Yankee pattern."

On the topic of cultural achievements, every member of the panel concurred in the view that the level of cultural activity in the United States is very high—"higher than at any time in our national past—and that the sum of cultural achievement is impressive."

In music, the appraisal was somewhat more mixed, but still very favorable. Mr. Thomson expressed his opinion that the finest soloists and conductors of today are about on a par with the finest in 1910, but he added that "there is a far larger supply of good second-rank people."

PAINTING RECOGNIZED

In the visual arts as in literature, members of the panel stated their strong conviction that American achievement has never been more impressive than it is today. Mr. Colin said he did not think there had ever been a time when the centers of art in France, England, and Italy had given to American painting the recognition that it is getting today—not only for "its immediate quality but also for its stimulation and originality."

The panel indicated that another way of gaging the cultural attainments, apart from the achievements of creative artists, is to measure the vigor of such leading cultural institutions as our universities.

With reference to these, Mr. Galantiere remarked upon the fact that at one time most American colleges were excessively provincial, and a first-rate education could be had at only a few institutions in the east. But American colleges have experienced so great a deprovincialization that today some of the best literary magazines in the country are published at smaller colleges.

CREATIVITY QUESTIONED

Frank opinion was expressed by Mr. Pearson who said that in the novel, and in painting and poetry, "ours is not a period of very remarkable original creativity."

Mr. Lynes noted "with regret" that "we have never had so much building and at the same time so little architecture." He cited as an example the multiplicity of identical glass-faced buildings along Park Avenue, all stemming out of ideas that date back to the twenties and thirties.

Mr. Galantiere adds that "with all our emphasis upon liberal education, we have far more education than we have liberality."

In a conclusion the panel emphasized: "While the extension of serious cultural values may still have hardly touched the majority in any direct way, it does touch increasingly large numbers of people. If it should later extend to the majority, the resources and the drives of a democratic capitalism will be the forces which have enabled it to do so."

A WEST GERMAN WRITES ON UNITED STATES MUSIC

(NOTE.—In response to a music committee inquiry regarding general knowledge of the American musical scene, the Bund Deutscher Liebhaberorchester (Association of German Amateur Orchestras) sent the following article, which was published in the magazine Das Liebhaberorchester and which reveals a very accurate knowledge of music in the United States. The author visited the United States on a Fulbright grant.)

(Translation.)

AMATEUR ORCHESTRAS IN THE UNITED STATES

(By Hans-Heinz Dräger)

Radio station KEAR in San Francisco, one of the many American radio stations for good music which sends concert music almost exclusively—(The daily program of KEAR is 17 hours long, from 7 a. m. until midnight)—stated with considerable pride, that the American public of 50 years ago walked out on concerts which did not offer a few jokes as well as music, adding that today more money is given out for music in America than for baseball. Actually, American musical life in the last decades has made enormous strides; the United States of America and Canada, while not yet the world's leading musical countries, are certainly the world's leading concert countries. Of course, much of this stems from the great American musical centers, above all from New York; in fact, the weekly music program of this metropolis, which takes up an entire page in the New York Times announcements, can compete in richness and quality with any European music festival.

But New York is not, as we are continually told here in Germany, America; true, it can be looked upon as a typical American concentrate, with its melting-pot of peoples, its business, and its enormous rolling-together of all efforts in all fields of endeavor. Without a doubt this metropolis is, in artistic matters, the critical standard. This is true of its press, of its concert agents (whose ten mightiest can make or break an artistic career) and it is true last but not least of its Philharmonic Orchestra, which is reviewed most critically, and which must fulfill the highest artistic demands, especially in view of its rivals from Boston and Philadelphia.

And yet New York musical life alone could not justify America's reputation as a musical country, nor could it alone hold this reputation where it is. How America came to be such a musical country can be explained by a few figures. In 1900 there were only seven orchestras in the States, worthy of mention. In 1920 the entire number was less than a hundred, while today there are at least 1,000 symphony orchestras in the United States.

Of these there are 32 so-called major orchestras, with budgets of over $100,000. Three of them, the New York, the Boston, and the Philadelphia, have budgets of over a million dollars, while the orchestras of Chicago, Cleveland, and Cincinnati are well over $500,000. Only 100 of all American orchestras are pure professional orchestras. This is one tenth of the total, and only 13 are State or city subsidized—200 are college orchestras, and the remaining 700 are called community orchestras, and almost 500 of these are in cities of less than 50,000 inhabitants. These orchestras frequently bear the name of their city, although most are private undertakings. Their income, beyond ticket sales, is largely from voluntary citizen contributions. In this the Symphony Women's Associations play an important role. Naturally, contributions are never sufficient to pay for an orchestra of professional musicians. The members of the community orchestras therefore consist, by and large, of amateurs.

This situation is completely different from that in Europe. It means that American musical life in great part is carried by amateur associations. Besides the orchestras, there are choruses, chamber music groups, record clubs, uncommercial radio and TV stations, and courses in music appreciation. Between all these groups and the communities there is usually, without any official status, a close collaboration. Many cities for example allow their orchestras, even when they have no civic funds, the use of a hall for practice and performances, and give instruments free for use, even undertaking organizational work. In every case, however, the bond between the orchestras and cities, be it close or loose, signifies the meaning of the amateur in public musical life is much greater than in the Old World.

It will seem strange to the European that the American musical amateurs play such a large public role; especially since in the Old World the value of amateur playing is largely in not competing with professional musicians, but in playing for his own joy, leaving public concerts to the others. Here for example we have the interesting example of soloists: In increasing number, soloists play in the concerts of the community orchestras. The ambition to supply these from the orchestra's own membership is stilled by the astonishing number of technically superb instrumentalists. It need not be added that frequently these soloists come from the concert masters of the great orchestras. In the program analysis in the newsletter of the American Symphony Orchestra League, where good and poor programs (without naming the orchestra or conductor) are studied, it is still stressed that the most important thing is that the orchestra performs.

Since amateurs and professionals so often sit in the same orchestra, the relationship is more one of cooperation than competition. We cannot here discuss the sociological aspects of this situation. Sharp American criticism deplores the fact that the artist has so little place in American society. As things are, the musical amateur—at least in the smaller cities—has no choice but to turn to public performance. To be sure, the times have passed when only gentlemen amateurs (such as Thomas Jefferson, Ben Franklin, and Francis Hopkinson) made good music. America is still a young continent. The fact that in the last 30 years the number of orchestras has increased tenfold tells us enough. Certainly programs of contemporary music are not as frequent as in Europe, where in a much smaller area the studios are increasing encouragingly. In San Francisco, in the last 4 years, only one orchestral work of Bartok (under Von Beinum) was heard, and Boris Blacher this year saw the San Francisco premier of his Paganini Variations. Here, up until now, radio and records fill the gap, and they do it with huge success. One must recall that to an American, music of Russia, France, Italy, and Germany are equally close, and only to make this inheritance familiar takes time. When a young conductor tried, 4 years ago (in Midland, Tex., city of 20,000 inhabitants) to found a symphony orchestra, a rancher told him—and this is typical of the situation—"We oldtimers in Texas had to go without things like good music, but we sure want to give it to our kids."

Special mention should be made of the youth orchestras and children's orchestras. In 1953 there were 50 groups of this kind (there are probably more now) which existed independently of schools. Youth orchestras give a public concert at least once a year, and the one in Seattle even offers a fully developed season of twelve concerts. These organizations are supported at times by the local district, in most cases by the community, either through clubs and universities or parents whose children play in the orchestras. Thus the only regular source of income of the Student's Symphony of Chicago, which was originally founded under the name of Northside Children's Orchestra, is from its members, who pay a monthly fee of $1.75. This orchestra contains two sections: One for the younger and less-practiced children, where they receive instruction, and a section which gives public concerts, the symphony group. Organizational and educational questions—and this applies to all orchestras—are covered in the Bulletin of the National Music Council, 177 East 79th Street, New York 21, N. Y., and in the Newsletter of the American Symphony Orchestra League, Post Office Box 164, Charleston, W. Va.

The picture would not be complete without the college and university orchestras. As in Europe, their size and their capabilities differ. Also, the older and more rarely heard musical literature is not the main subject of interest, but rather the regular concert symphonic literature. This is why the university orchestras do not call themselves collegium musicum but simply symphony orchestras. Every semester or quarter—the academic year is divided differently in the United States—the university orchestras give at least one public concert. The average quality of performance is astonishingly high. To take only one example: On the program of the orchestra of Stanford University, in California (one of the better American universities) the following may be noted: The Concerto Grosso Op. 6 No. 10, by Händel, In Memorium, by Douglas Moore, Blacher's Paganini Variations, Mozart's Symphony K 385, and Don Juan, by Richard Strauss. The performance was of such caliber that a Swiss student said she had rarely heard better in the Tonhalle in Zürich.

The picture is colorful. If one were to describe it as well as a visitor can, in one sentence, one could perhaps say: In Europe the music amateur is a demonstration of a need for sharing the musical experience, above and beyond a public performance; in America the amateur finds public musical life the only possibility for group playing. Both situations have advantages and disadvantages, show inhibiting and encouraging components, in both an artistic and sociological sense. There in America, as here, however, the great and constantly growing love for music is the common factor, and may well be the deciding one.

THE IMPORTATION OF GIRAFFES

Mr. SMATHERS. Mr. President, a citizen of the State of Florida won a resounding and a sweeping victory over Ezra Taft Benson, Secretary of Agriculture, last week when the United States Court of Appeals for the District of Columbia held for the first time, under legislation enacted in 1890 and 1903, that owners of private zoos have as much right to import giraffes as public zoos, and that Secretary Benson acted arbitrarily in denying private zoos this right.

Mr. Jack Pedersen is the owner and operator of one of the largest private zoos in the United States, known as Africa U. S. A., located in Boca Raton, Fla., in which he exhibits many types of animals to the public.

As far back as 1952, Mr. Pedersen sought permission from the Department of Agriculture to import giraffes for exhibition purposes at his private zoo. This permission was refused on the basis that he owned a private zoo as contrasted to a public zoo. He was also told that he did not operate under "acceptable governmental control," notwithstanding the fact that he has a city license, a county license, a State license, and is especially zoned for zoo operation by the city of Boca Raton—to say nothing of the plenary powers exercised over all animals by the sovereign State of Florida.

For a long time I have been interested in this case because the Secretary's action seemed arbitrary to me, in that I was unable to see where the statutes gave him the authority to discriminate against private zoos, thereby creating a monopoly in public zoos. As a matter of fact, I had several conversations with representatives from the Department of Agriculture and they admitted that they probably did not have that authority "but thought that they should have." To illustrate the obvious discrimination, a public zoo can import a giraffe for some $2,000, with the permission of the Secretary of Agriculture, and sell it to a private zoo or circus the next day for some $6,500.

In late 1956, Mr. Pedersen purchased two giraffes which had already been imported into the United States from Africa according to departmental regulations. Secretary Benson refused to release these animals from quarantine and has been holding the surviving giraffe—one died of heart failure in the quarantine station—at Mr. Pedersen's expense, which now amounts to some $2,100—not counting the many thousands of dollars spent litigating this case.

During the hearing in the United States District Court for the District of Columbia, in which he lost two decisions, Dr. Heemstra, director of the animal inspection division, testified that the "physical facilities and methods of maintaining animals at Africa U. S. A. are substantially equivalent to those of public zoos" and that operators of public zoos have a sense of public responsibility which may not be inherent in owners of private zoos. In other words, he makes the owners of private zoos, the ones who pay taxes, second-class citizens.

Circuit Judge Danaher, speaking for the court, said that an approved zoo is one which Dr. Heemstra approves; that acceptable governmental control is one the control of which is deemed by him to be acceptable; and that importation could not be conditioned upon the unregulated discretion of the bureau chief. As to the sense of public responsibility, which the Secretary urged on the court, that public zoos had and that private zoos did not have, the court said that—

> There is no evidence that owners of a private zoo or circus are any less anxious to preserve their investment than some political body.

Judge Danaher went on to say that the Secretary could not exercise an unfettered discretion to make whatever laws he may think may be needed or advisable and that he may not by regulation alter or amend a law enacted by Congress. A final slap was administered when the court said that—

> A Government officer may not impose an ad hoc system of licensure upon any citizen, or upon any group as compared with another because Congress has nowhere said that a

ruminant (giraffe) may be imported for public zoos only.

I ask unanimous consent that the United States court of appeals decision be printed in the body of the RECORD, and further ask that three news stories from the Washington papers, also be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

UNITED STATES COURT OF APPEALS FOR THE DISTRICT OF COLUMBIA CIRCUIT—No. 13909, JACK JAMES PEDERSEN, APPELLANT, v. EZRA TAFT BENSON, SECRETARY OF AGRICULTURE, APPELLEE—APPEAL FROM THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA—DECIDED FEBRUARY 13, 1958

Mr. Ernest C. Tucker for appellant.

Mr. Harry T. Alexander, assistant United States attorney, with whom Messrs. Oliver Gasch, United States attorney, and Lewis Carrol, assistant United States attorney, were on the brief, for appellee.

Before Danaher, Bastian, and Burger, circuit judges.

Danaher, circuit judge: An agent of one Demmer, as owner, received from the Secretary a permit to import five giraffes from Kenya, East Africa. After a period of detention at the Government quarantine station in New Jersey, three of the giraffes were sold and released to public zoos in various places in the United States, and two female giraffes were sold to one Freeman, but were not released. Appellant, intending to exhibit the giraffes at his private zoo, Africa U. S. A., in Boca Raton, Fla., purchased Freeman's interest. One giraffe died of a heart attack, and appellant, after futile efforts before the Department of Agriculture, filed action in the district court seeking release of the other. His complaint having been dismissed after hearings, this appeal followed.

There is no error in the refusal to impanel a three-judge court to consider appellant's attack on the constitutionality of the statute, a question first raised in appellant's application filed after the adverse judgment.[1] The case had gone forward on appellant's motion for preliminary injunction, and it was stipulated that the result of the hearings would be treated as a final disposition on the merits. Accordingly, we address ourselves to the issues raised before the district judge.

Dr. L. C. Heemstra, as Acting Chief of the Animal Inspection and Quarantine Branch of the Department of Agriculture, had transmitted to the importing agent a permit for importation of the giraffes with a covering letter dated July 30, 1956, from which we quote:

"This permit is issued with the further understanding that following completion of quarantine * * * the giraffes will be consigned to an approved zoological park under acceptable governmental control."

The Government tells us that the Secretary's administrative judgment was exercised adversely to the appellant, because his privately owned zoo, Africa U. S. A., lacks "acceptable governmental control, not being responsible to the city, county, or State. The Secretary would release the giraffe to appellant if he had affirmative governmental supervision. * * *" Again, the Secretary asserts that "the condition in the permit constituted * * * an ad hoc evaluation that the Department of Agriculture makes in each case upon application for a permit." It is said that the Secretary fears the giraffe, although free from disease, may be a potential carrier of the much dreaded foot-and-mouth disease.[2] Appellant argues that the Secretary's refusal to release his property is arbitrary, and that the condition in the permit is null and void in that neither statute nor regulation authorizes any such restrictive condition.

Giraffes are ruminants as defined by departmental regulation.[3] The importation of ruminants which are diseased or infected is prohibited.[4] Clearly the Department has not found that the five imported giraffes were infected or had been so exposed, for their importation was expressly permitted. Moreover, Dr. Heemstra's letter transmitting the permit recites that veterinary officials in Kenya had issued the proper certificate of their health. Presumably careful inspection thereafter was made as required,[5] indeed three of the giraffes were actually released to public zoos. How they can have been any less potential carriers than our subject animal is not suggested. In addition, the inspector in charge at the New Jersey quarantine station certified as of December 14, 1956, that the imported giraffes, held in quarantine for technical reasons, were in excellent health. It would seem, then, that all requirements of the statute as to the importation and quarantine of the animals had been fully met. The Secretary really does not contend otherwise. He points to no portion of the act of August 30, 1890,[6] which authorizes regulations providing for conditioned importation. If the animals are infected, their importation is prohibited. If they have been exposed to infection so as to be dangerous to other animals, they shall then either be placed in quarantine or dealt with according to the regulations of the Secretary. If they have been exposed to infection but not infected, they may be slaughtered and their value shall be ascertained and paid to the owner. Certainly the applicability of such regulations as the act authorizes must depend upon findings upon which, as the facts in the case require, either a prosecution may go forward or the valuation of slaughtered animals is to be determined.[7] No regulations under this act are shown to have been violated here. On the contrary, the animal is in excellent health and would be released tomorrow to an approved zoo.

The regulations say nothing whatever about what is an approved park or what may constitute acceptable governmental control. Such terminology appears only in Dr. Heemstra's letter to the importer. He testified in aid of the district court's understanding that such conditions reflect the Department's policy—itself undefined.

Asked how long he had been acting chief of the division in which capacity he might determine what permit would issue or not issue, Dr. Heemstra replied: "I have assumed these responsibilities and have been responsible for such work for about 5 years, since 1952 * * *."[8] In the past, no inspection had been made and there was no requirement that an applicant set forth any specified qualifications for a permit. Rather, it appears the officials consulted a publication of a private organization, Zoos and Aquariums, which lists the names of the zoos, the director of each, those who assist in obtaining animals, and the type of governmental supervision—by and large whether it is municipal, State, or Federal government. Another such reference work in evidence was the privately sponsored Zoological Parks, Aquariums, and Botanical Gardens edition of 1932 which describes the zoo, the extent of it, the number of animals, and something about its methods of operation. Thus in considerating an application for a permit, the Department considered the facts detailed in the application itself and these two publications. The Department would not have issued the permit had it been known that the animal was ultimately to go to Africa U. S. A., a privately owned and operated institution. No zoo owned by a private individual is permitted to import wild ruminants.

We may note that an approved zoo is one which Dr. Heemstra approves. A zoo under acceptable governmental control is one the control of which is deemed by him to be acceptable. The next succeeding chief of division may have entirely different ideas of what his tests shall be. No standards are specified by statute or by regulation. No criteria are available to guide a purchaser. There is no prohibition against the sale by a public zoo of an imported animal later exhibited by its purchaser. If any such zoo having been permitted to import a giraffe later sold it privately, this particular zoo, of course, would then no longer be eligible to receive imported animals. The traffic in such imported animals may rest entirely in the hands of the director of an eligible zoo. Thus, a public zoo may import an animal at a particular price and sell it at an enhanced price, without let or hindrance, except the possible sanction of noneligibility for future permits, depending upon the unregulated discretion of the Bureau Chief.

Such revelations impelled the trial judge to suggest an inspection of appellant's zoo, which was made by Dr. Heemstra, accompanied by Dr. Reed, Acting Director of the National Zoological Park in Washington, D. C., and Dr. Applewhite, Federal veterinarian in charge of the Department's disease control activities in Florida. All concurred in Dr. Heemstra's report, from which we quote their "Conclusions: Based upon the inspection of 'Africa U. S. A.' on January 22, 1957, it is my conclusion that physical facilities and methods of maintaining animals at Africa, U. S. A. are substantially equivalent to those of public zoos."[9]

---

[1] *Pigott* v. *Detroit, Toledo & Ironton Railroad Co.* (221 F. 2d 736, 742 (6 Cir. 1955), cert. denied, 350 U. S. 833 (1955)); cf. *Garment Workers* v. *Donnelly Co.* (304 U. S. 243, 250 (1938)); *Keyes* v. *Madsen* (86 U. S. App. D. C. 24, 179 F. 2d 40 (D. C. Cir. 1949), cert. denied, 339 U. S. 928 (1950)); *Citizens Protective League* v. *Clark* (81 U. S. App. D. C. 116, 155 F. 2d 290 (D. C. Cir. 1946), cert. denied, 329 U. S. 787 (1946)).

[2] Pursuant to regulation, he had already determined that such disease existed in various countries, including East Africa. See 9 C. F. R., sec. 94.1 (1949); cf. 9 C. F. R. 94.1 (4) (Supp. 1957).

[3] 9 C. F. R. 92.1 (f) (Supp. 1957): "All animals which chew the cud. * * *"

[4] 21 U. S. C. 104 (1952).

[5] Id. Sec. 105. See act of Aug. 30, 1890, 26 Stat. 416, 6–10, inclusive, which make no provision whatever for conditional importation of ruminants or for the issuance of regulations authorizing a permit system of import control.

[6] Now embodied in pertinent part in 21 U. S. C. 101–105 (1952).

[7] Cf. *United States* v. *Grimaud* (220 U. S. 506, 521 (1911)), where the Court sustained regulations relating to matters clearly indicated and authorized by Congress. "The Secretary * * * could not make rules and regulations for any and every purpose." Id. at 522.

[8] Quotations here and hereinafter are from testimony of Dr. Heemstra, unless otherwise indicated.

[9] The report also included the following:

"Veterinary service, when needed is provided by Dr. J. A. Owen, who maintains a practice in Boca Raton. Dr. Owen is an Ohio State graduate and is accredited by Agricultural Research Service for the inspection, testing, and certification of livestock for export and for interstate movement. Dr. Owen is 'on call' rather than on a retainer or contract basis for such services as are necessary. In interviewing Dr. Owen he stated that he was fully aware of his responsibility in the reporting of suspected cases of communicable diseases to State and Federal livestock sanitary officials."

Dr. Heemstra testified that "private and public veterinarians all report to the State and Federal authorities any diseased condition which in their opinion is dangerous and which is determined to be a contagious and infectious disease, a reportable disease," and that appellant's zoo meets all qualifications except for governmental control. This latter aspect, it was explained, permits the Department to feel that a public zoo is under "a body which has a sense of public responsibility for the general welfare, which may not be inherent in a private zoo." If there were "irregularities which had occurred or which were about to occur, we would be in a position to deal with what we believe to be a responsible public body in bringing this to their attention and instituting corrective measures."

There is no evidence that the owners of a private zoo or circus are any less anxious to preserve their investment than some political body. There is no suggestion, that the appellant's veterinarian is any less competent, because he is subject to call than an eligible zoo's veterinarian on a retainer basis. On the contrary, Dr. Heemstra reported that appellant's veterinarian, when interviewed, advised "he was fully aware of his responsibility."

The situation, as it seems to us, was summed up by the Florida State veterinarian, Dr. Campbell:

"Frankly, I feel that if foreign ruminant animals constitute a danger or threat to our domestic animal or livestock industry, the importation of such animals should be prohibited. If, in the opinion of the Department of Agriculture specialists, the possibility is but assumed to be remote that such animals are carriers and that the public interest would be served by allowing the importation of these animals, then the Department of Agriculture—which allows such importations—should accept the responsibility of providing what it considers to be adequate veterinary supervision."

There can be no question of the ultimate objective voiced by the Department or of the desirability of regulation essential to its attainment. But we perceive no basis, and none has been demonstrated, upon which a Government officer may impose an ad hoc system of licensure upon any citizen, or upon any one group as compared with another. If the law in the public interest, reflecting the policy of Congress, had prescribed that no ruminant may be imported except by a publicly owned zoo which meets prescribed conditions, generally applicable, that is one thing. But here importation was specifically permitted as to a shipment of animals, all alike. Any one animal was as much a potential carrier of hoof and mouth disease as the appellant's giraffe. If appellant's animal, or appellant's zoo, had failed to meet standards "prescribed by an agency of government authorized to prescribe such standards,"[10] again we would have had a very different problem. Here we find no regulations, no prescribed standards, no proscription by statute or otherwise, governing this appellant's purchase after expiration of the required quarantine period.

But, the Secretary argues, looking to the act of February 2, 1903,[11] section 2 [12] here applies. Thus the Secretary is authorized to "make such regulations and take such measures as he may deem proper to prevent the introduction or dissemination of the contagion of any contagious, infectious, or communicable disease of animals * * * from a foreign country into the United States or from one State * * * to another. * * *" Section 1 of the act deals with "the exportation and transportation of livestock from any place within the United States where he may have reason to believe such diseases may exist into and through any State * * * and to foreign countries."

The act of 1903 "is a measure intended to enable the Secretary to prevent the spread of disease among cattle and other livestock. He is authorized and directed from time to time 'to establish such rules and regulations concerning interstate transportation from any place where he may have reason to believe such diseases may exist * * * and all such rules and regulations shall have the force of law.' 'Whenever any inspector or assistant inspector of the Bureau of Animal Industry shall issue a certificate showing that such officer had inspected any cattle * * * which were about to be shipped * * * from such locality * * * and had found them free from * * * communicable disease, such animals, so inspected and certified, may be shipped, driven, or transported from such place' in interstate commerce 'without further inspection or the exaction of fees of any kind, except such as may at any time be ordered or exacted by the Secretary of Agriculture * * *.'" [13]

We have no doubt whatever that the Secretary in aid of the objective of the act may validly issue regulations governing the interstate transportation of animals from any place where communicable disease exists or where he may have reason to believe it exists. Appropriate regulations and the Secretary's order in their aid may even extend to the hides of slaughtered animals.[14] He may quarantine a State or any portion of it when he determines that cattle or other livestock therein are affected with any communicable disease,[15] and may issue valid regulations to effectuate the statutory intention. But he must issue them only in accordance with prescribed standards—he may not "exercise an unfettered discretion to make whatever laws he thinks may be needed or advisable * * *" [16] and "they are valid only as subordinate rules and when found to be within the framework of the policy which the legislature has sufficiently defined." [17]

Here the Secretary's regulations are silent as to approved zoos or acceptable governmental control. His regulations [18] provide for a permit in two sections [19] and health certificates,[20] both of which were here complied with. The Secretary may not by his regulations alter or amend a law; he may merely regulate the mode of making effective what Congress has enacted.[21] Congress has nowhere said that a wild ruminant may be imported for exhibition purposes only by a public zoo. Congress has never said that such an animal when allowed importation may not be sold to a private zoo. There is no regulation to any such effect. There is no regulation which says such an animal may be exhibited only in an approved zoo operated under acceptable governmental authority. There is no regulation which confers upon the Secretary or the Chief of the Bureau of Animal Husbandry the authority to prescribe what zoo may purchase and exhibit a ruminant, the importation of which has been permitted as according otherwise with all proper requirements.[22]

It follows that the appellant had the right to purchase the animal and, it would seem, should now be entitled to its release.[23] We do not envision a decree which commands the exercise by the Secretary of such discretion as may otherwise be reposed in him. We preclude simply his denial of release of the animal on the grounds we have decided are arbitrary.[24]

(Reversed.)

Bastian, circuit judge, dissenting: I regret that I cannot agree to the reversal of the judgment in this case, even though I agree in principle with all that my brother Danaher has written as to the dangers of executive power unguided by Congressional expression.

In this case, however, I do not believe the appellant is in position to complain. The license was not issued to him but to Demmer, who, so far as the record discloses, was satisfied with the permit as issued. Three of the five giraffes were disposed of in accordance with the permit. Two were sold to Freeman, who in turn sold them to Pederson. One giraffe has since died.

The time to have protested in court was by direct attack on the condition annexed to the permit when the permit was issued. This was not done, so far as the record before us discloses. Pederson seeks the advantage of the permit without its burden. He must have known of—or should have known of—the condition when he purchased the two animals. In my opinion, he is not in position to complain. I would affirm on that ground alone.

[From the Washington Evening Star of February 14, 1958]

AGENCY STICKS NECK OUT IN GIRAFFE COURT FIGHT

It isn't every day the Agriculture Department needs its legal talent to keep a giraffe, but today was one of 'em.

The Department has been arbitrary in refusing to release this giraffe from quarantine for display in a private zoo at Boca Raton, Fla., according to the United States Court of Appeals.

This slap on the wrist to the agency was delivered in an 11-page opinion ordering the animal be released from the Federal Quarantine Station in New Jersey.

Judge John A. Danaher criticized the Agriculture Department for, in effect, amending an act of Congress in its refusal to allow the giraffe to be taken to Africa U. S. A. in Boca Raton, Fla., merely on grounds the animal may be a potential carrier of the much dreaded foot-and-mouth disease.

Judge Danaher also objected to Government requirements that imported animals

---

[10] *Securities Comm'n* v. *Chenery Corp.* (318 U. S. 80, 92–93 (1943)).

[11] 32 Stat. 791

[12] Id., at 792, and see 21 U. S. C. 111 (1952).

[13] *Mintz* v. *Baldwin* (289 U. S. 346, 350–51 (1933)), and see *Mintz* v. *Baldwin* (2 F. Supp. 700 (D. C. N. Y. 1933)).

[14] *United States* v. *Pennsylvania Co.* (235 Fed. 961 (D. C. Pa. 1916)).

[15] *Thornton* v. *United States* (271 U. S. 414, 420 (1926)).

There is no suggestion here that foot-and-mouth disease exists or is believed to exist in New Jersey.

[16] *Schechter Corp.* v. *United States* (295 U. S. 495, 537–38 (1935)).

[17] *Panama Refining Co.* v. *Ryan* (293 U. S. 388, 429 (1935)).

[18] See 9 C. F. R. 92.1–92.29 (1949); cf. 9 C. F. R. 92.11–92.40 (Supp. 1957).

[19] 9 C. F. R. 924 (1949).

[20] Id., sec. 92.5.

[21] *Morrill* v. *Jones* (106 U. S. 466 (1882)); "Congress was willing to admit duty free all animals specially imported for breeding purposes; the Secretary thought this privilege should be confined to such animals as were adapted to the improvement of breeds already in the United States. In our opinion, the object of the Secretary could only be accomplished by an amendment of the law. That is not the office of a Treasury regulation." Id., at 467.

[22] Above all, neither the Secretary nor the Chief of the Bureau of Animal Husbandry may act without warrant of law. *Cf. Morgan* v. *United States* (304 U. S. 1 (1938)); *Morgan* v. *United States* (298 U. S. 468 (1936)).

[23] Even knowledge of the unauthorized, discriminatory, and unpublished (5 U. S. C. 1002 (1952)) conditions does not invalidate appellant's purchase of the animal to defeat his right. See 5 U. S. C. 1001 (f) (2) and 5 U. S. C. 1008 (a) (1952).

[24] *Cf. Perkins* v. *Eig* (307 U. S. 325, 350, (1939)).

can't be taken to a zoological park not approved by the Government.

The opinion says that a certificate of December 1956, shows that the controversial giraffe is one of five animals imported to this country earlier that year. He said that three of the animals were released from quarantine and sold to public zoos. A fourth died of a heart attack.

Jack J. Pedersen, owner of the long-necked creature in question, claimed in his appeal, that no Federal law authorizes the Agriculture Department to refuse quarantine release for an imported animal that will be taken to a private zoo.

[From the Washington Post of February 14, 1958]

COURT ORDERS GIRAFFE BACK TO OWNER, DECLARES UNITED STATES STUCK ITS NECK OUT

(By Harry Gabbett)

Jack James Pedersen, a Florida zookeeper, can have the young female giraffe the Government has been keeping from him (at his expense) for nearly 2 years, the United States Court of Appeals ruled yesterday.

In deciding that Agriculture Secretary Ezra Taft Benson acted arbitrarily in refusing the giraffe's release to its rightful owner, the appellate court cited two 1935 decisions which rapped early New Deal knuckles for exercising executive power unguided by Congressional expression.

The giraffe case began with the licensed importation of five of the animals from Kenya, East Africa, in the summer of 1956. Three of the animals, after the customary quarantine period, were sold and released to various acceptable public zoos. Two females were sold to a dealer from whom Pedersen subsequently purchased his.

Agriculture's Bureau of Animal Husbandry, concerned chiefly with preventing spread of hoof-and-mouth disease, argued successfully in the lower court that Pedersen's giraffe was a potential carrier of the affliction.

At the same time, however, the appellate court noted in yesterday's 2 to 1 reversal, Agriculture conceded the current health of the surviving animal, and the suitability of Pedersen's private zoo, known as Africa, U. S. A. at Boca Raton, Fla., as a giraffe's permanent home.

Only L. C. Heemstra, acting chief of Agriculture's Animal Inspection and Quarantine branch, however, could approve the approved zoological park under acceptable governmental control to which such wild ruminants may be consigned under Agriculture policy, the court noted further, adding:

The Secretary (of Agriculture) may not by his regulations alter or amend a law; he may merely regulate the mode of making effective what Congress has enacted.

[From the Washington Daily News of February 14, 1958]

COURT COMES TO GIRAFFE'S RESCUE

The United States Court of Appeals yesterday rescued a nameless, 2-year-old giraffe who has been detained for over a year for technical reasons at the Government quarantine station at Clifton, N. J.

It came from Kenya and had a proper entry permit and a health certificate which said it is in excellent health.

The Agriculture Department refused, however, to release it to Jack James Pedersen, who runs a private zoo, Africa U. S. A., in Boca Raton, Fla.

The Department said it only releases giraffes to public zoos. Mr. Pedersen sued Agriculture Secretary Ezra Taft Benson.

During the long court fight a second giraffe consigned to him and also quarantined grew listless, ran a fever, and finally died of a heart attack at the quarantine station.

The Agriculture Department conceded Mr. Pedersen's zoo is as well run and safe as any other.

The court said yesterday that no act of Congress requires favoring public over private zoos and that Mr. Benson's office went beyond its authority.

TEMPORARY INCREASE OF PUBLIC DEBT LIMIT

The Senate resumed the consideration of the bill (H. R. 9955) to provide for a temporary increase in the public debt limit.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Ohio [Mr. LAUSCHE].

Mr. KERR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KERR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded, and that the Senate return to the consideration of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LAUSCHE. Mr. President, if the amendment shall be adopted, it will reflect the reduction proposed by the five members of the committee who voted that the authorization be limited to $3 billion, and not to $5 billion. The difference between the bill and my amendment is that the bill authorizes an increase of $5 billion in the debt; the amendment which I have offered authorizes an increase of $3 billion.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Ohio. The yeas and nays having been ordered, the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senators from New Mexico [Mr. ANDERSON and Mr. CHAVEZ], the Senator from Minnesota [Mr. HUMPHREY], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Montana [Mr. MURRAY], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from North Carolina [Mr. SCOTT] are absent on official business.

The Senator from Florida [Mr. HOLLAND] is absent by leave of the Senate.

On this vote, the Senator from New Mexico [Mr. ANDERSON] is paired with the Senator from Florida [Mr. HOLLAND]. If present and voting, the Senator from New Mexico would vote "yea" and the Senator from Florida would vote "nay."

I further announce that if present and voting, the Senator from New Mexico [Mr. CHAVEZ], the Senator from Minnesota [Mr. HUMPHREY], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Montana [Mr. MURRAY], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from North Carolina [Mr. SCOTT] would each vote "nay."

Mr. DIRKSEN. I announce that the Senator from New Hampshire [Mr. BRIDGES] is absent on official business.

The Senator from Maryland [Mr. BUTLER] and the Senator from New Jersey [Mr. SMITH] are necessarily absent.

The Senator from Vermont [Mr. FLANDERS] is absent on official business for the Committee on Armed Services.

If present and voting, the Senator from Maryland [Mr. BUTLER], the Senator from Vermont [Mr. FLANDERS], and the Senator from New Jersey [Mr. SMITH] would each vote "nay."

The result was announced—yeas 27, nays 56, as follows:

YEAS—27

Allott	Frear	McClellan
Barrett	Goldwater	Mundt
Bricker	Hruska	Potter
Byrd	Jenner	Robertson
Cotton	Langer	Russell
Dworshak	Lausche	Schoeppel
Eastland	Magnuson	Stennis
Ellender	Malone	Talmadge
Ervin	Mansfield	Thurmond

NAYS—56

Aiken	Hayden	Morton
Beall	Hennings	Neuberger
Bennett	Hickenlooper	Pastore
Bible	Hill	Payne
Bush	Hoblitzell	Proxmire
Capehart	Ives	Purtell
Carlson	Jackson	Revercomb
Carroll	Javits	Saltonstall
Case, N. J.	Johnson, Tex.	Smathers
Case, S. Dak.	Kefauver	Smith, Maine
Church	Kerr	Sparkman
Clark	Knowland	Symington
Cooper	Kuchel	Thye
Curtis	Long	Watkins
Dirksen	Martin, Iowa	Wiley
Douglas	Martin, Pa.	Williams
Fulbright	McNamara	Yarborough
Gore	Monroney	Young
Green	Morse	

NOT VOTING—13

Anderson	Holland	O'Mahoney
Bridges	Humphrey	Scott
Butler	Johnston, S. C.	Smith, N. J.
Chavez	Kennedy	
Flanders	Murray	

So Mr. LAUSCHE's amendment was rejected.

The PRESIDING OFFICER (Mr. PROXMIRE in the chair). The bill is still open to amendment.

If there be no further amendment to be proposed, the question is on the third reading of the bill.

The bill was ordered to a third reading, and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (H. R. 9955) was passed.

Mr. JOHNSON of Texas. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. KNOWLAND. Mr. President, I move to lay on the table the motion to reconsider.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table.

The motion to lay on the table was agreed to.

CONSTRUCTION OF U. S. S. "ARIZONA" MEMORIAL AT PEARL HARBOR

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business, which will be stated.

The LEGISLATIVE CLERK. A bill, House Resolution 5809, to authorize construction of a U. S. S. *Arizona* memorial at Pearl Harbor.

READJUSTMENT OF POSTAL RATES

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of House Resolution 5836.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H. R. 5836) to readjust postal rates and to establish a Congressional policy for the determination of postal rates, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

ORDER OF BUSINESS

Mr. JOHNSON of Texas. Mr. President, so far as the Senator from Texas is aware, we expect no quorum calls or rollcalls for the remainder of the day. We will proceed to the consideration of the postal-rate bill tomorrow, and we may have several quorum or roll calls tomorrow and the next day.

TENTH ANNIVERSARY OF COMMUNIZATION OF CZECHOSLOVAKIA

Mr. MUNDT. Mr. President, tomorrow, the 25th of February, marks the 10th anniversary of the black day when Czechoslovakia went behind the Iron Curtain. I ask unanimous consent to have printed in the RECORD at this point a statement which I have prepared on that unhappy event in history.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MUNDT

The free peoples of the world and the people of the United States owe to the enslaved nations behind the Iron Curtain help and assistance to regain their freedom. On the 10th anniversary of the completion of the communization of the territory of Czechoslovakia on February 25, 1948, we should give the expression of our deep sympathies toward the subjugated nations and the nations which became victims of the Communist aggression and express our hopes that these nations again be fully free, politically and economically, that they again will enjoy full self-determination and democracy in their homelands in the future. We should encourage the enslaved and expelled Czechs, Slovaks, Sudeten Germans, Poles, Hungarians, and Carpatho-Ukrainians to strengthen their efforts to achieve freedom and we should encourage their exiles to increase their efforts to bring to the attention of the free world the fate of their people and to bring about a peaceful abolishment of communism in all countries and territories now behind the Iron Curtain.

It is the American tradition to be just toward all men and nations and to support those who strive and long for freedom. On the occasion of the 10th anniversary of the completion of communization of Czechoslovakia, we should reaffirm these principles and traditions of ours.

THE FARM PROBLEM

Mr. CHURCH. Mr. President, it is now clear that the administration will neither offer nor recommend a new farm program to this session of the Congress. It remains to be seen whether the Congress itself can fashion one.

In the face of this situation, and the fact that Idaho farmers are confronted with a problem that grows steadily worse, I believe that I owe it to them, as their Senator, to place on record here my views, as they generally relate to the farmers' predicament, so they may know where I stand, and what I shall be working for, during the remainder of the session.

Mr. President, during the past 4 years, the prices farmers must pay for the things they buy have risen, while the prices they receive for the things they produce have fallen sharply. As a result, the farmer is caught in a vicious cost-price squeeze. The prices he must pay for family living items, for farm equipment, and for such other necessary expenses as interest, freight costs, and taxes have risen steadily since 1953. On the other hand, the prices received by farmers for the things they produce have fallen, almost as steadily, during this same period. In 1952 the farmer, on the average, was receiving a fair price for his products. The parity ratio was 100. In 1954 it was 89. Last month it was 82. This is exactly as though the farmer had taken a pay cut of 18 cents from every dollar of earnings. Since 1951, while the average per capita income off the farm has increased from $1,833 to $2,018, the average per capita income for the farmer has fallen from $953 to $902. This is in spite of the fact that farm income is being divided among fewer and fewer farmers, each with a steadily growing investment in land and equipment. Last year alone, 1.8 million people left the farms—the largest migration away from the farms ever to occur in a single year in the history of our country.

Of course, farmers know what has happened to them better than I do; let us try to see why it has happened. All the farmers of America, together, have the capacity, at present, to produce more farm products than the country has been able to consume. This is a wonderful tribute to their energy and increasing efficiency. Unfortunately, our economic system does not operate to reward them for abundant production; it penalizes them. Let us see why this is so.

When the giants of the automobile industry find that they have the capacity to produce more cars than people will buy, they promptly cut back on production. They produce fewer cars, but every car they make is produced and sold at a profit. Similarly, when the United States Steel Corp. cannot sell, at a profit, all the steel it can produce, it cuts back on production. This corporation, now operating at only 55 percent of its capacity, avoids dumping on the market all the steel that it is capable of producing, to be sold at whatever price the market will bring. If it did this, it would soon be bankrupt.

The farmers' situation differs from that of the car maker or the steel manufacturer in at least two basic ways. If United States Steel cuts back its production, the cutback has an immediate impact upon the market, tending toward increasing the price for steel. This is so because there are very few manufacturers of steel, and, when any one of them cuts back on production, it immediately affects the supply of steel available on the market. But an individual farmer could shut down his farm completely without measurable effect on the market. If he grows hay, he cannot take his hay to market and say, "I am willing to sell it for $25 a ton, or for $20, or for $15." He must go to the market and say, "I have hay to sell. I must sell it to live. What will you give me for it?"

Now, there is another basic difference between the problem the farmers face, and the situation that confronts many other businesses. When the price for cars goes down, the market for cars can be expected to expand very rapidly. The same thing does not happen, however, in the case of most farm products. This is partly the result of the widening gap between what the farmer receives for his raw product, on the one hand, and what the housewife must pay for the finished product at the market place, on the other. The farmer's share of the dollar spent in the grocery store has fallen from 48 cents in 1951 to 39 cents in 1957. Consequently, the price to the farmer can be reduced as much as 15 cents or 20 cents on a given product, and the price to the consumer for that product in the grocery store may go down only a cent or two at the most, or may not go down at all. Moreover, when times are generally prosperous, and people are employed, they tend to buy about the same quantity of bread, potatoes, and even meat and dairy products, regardless of fluctuations in the price at the grocery store. The people have to eat, and they can eat only so much. So, when farm products are produced in surplus quantities, the market is ruined. The housewife does not benefit, in any proportionate way, from the reduced prices paid to the farmer, and the demand for farm products does not increase sufficiently to eliminate the surplus.

Those who say that the farm problem can be solved by the expanded markets that will result from lower prices simply do not take these fundamental facts into consideration. The economists say that demand for food is "inelastic." What they mean is that demand for food does not expand fast enough to compensate for lower prices. Overproduction results in a glutted market. Farmers understand this. Economists understand it. Evidently only the administration does not.

This is the reason that the Federal Government has tried, from the time of the great farm depression of the early thirties, to devise a farm program in which farmers might participate in large numbers, to end surpluses and bring overall farm production into line with demand, so that farmers might receive a

fair price in the market place for their food and fiber.

In order to accomplish this, I have no doubt that we must have some kind of farm program. The unregulated free market nearly ruined the American farmer in the early 1920's and again in the 1930's. Only those with very short memories have forgotten this.

Mr. LONG. Mr. President, will the Senator yield?

Mr. CHURCH. I am happy to yield to my friend from the great State of Louisiana.

Mr. LONG. I wonder if the thought has occurred to the Senator that one way to relieve the farm problem is to help make it possible for hungry people to eat? The cost of living has gone up during the past 2 years, since the last advance in welfare payments. It would seem to be a good idea to me that those who are underprivileged, or those who are on public relief, inasmuch as more than half of their funds go for food, should be given greater provision. That would be an advantage to the country, and there would be less poverty and malnutrition in this land of ours if the administration were willing to go along with some of us when we try to provide more liberally for those who are today hungry.

The Senator knows as well as I do that every time some of us try to provide an increase in welfare payments in order to meet the increase in the cost of living, the administration comes to Congress to oppose it.

Mr. CHURCH. I could not more completely agree with my good friend, the Senator from Louisiana, and I could not think of a better way to help put to good use the surplus food with which we now are confronted. Certainly, this food was meant for nourishment. There are many hungry mouths to feed, both in this country and abroad.

Mr. LONG. Will the Senator yield further?

Mr. CHURCH. I am happy to yield further.

Mr. LONG. Some people keep confusing us by talking about all sorts of complicated ways to handle the farm problem, in an attempt to say that no particular method will work.

I wonder if the thought has ever occurred to the Senator that, although the administration has been in power for 5 years, the farmers have not had enough income to meet parity during the entire 5 years—not in a single month—and not in a single month have the farmers done as well as they did in the worst month during the prior 12 years, before the present administration came into power. At the same time, the bankers have had an alltime high in income, with the highest interest rates that have prevailed in 20 years, and continuously high interest rates. I wonder if the thought has occurred to the Senator that perhaps this outfit really planned it that way all the time.

Mr. CHURCH. When I review the same record to which the Senator from Louisiana has been good enough to refer, I cannot help but think that the policies of this administration have been strangely calculated to favor the money lender, and to favor generally the people who need the benefits the least, but to clearly disfavor the interests of the American farmers.

Mr. LONG. Mr. President, will the Senator yield further?

Mr. CHURCH. Indeed I will, but I should like first to make a further comment: that the proof of this statement is to be found clearly in the record, from the very fact that last year, as I have already mentioned, a recordbreaking number of American farmers left the farms in a mass exodus to the cities. This, I think, is to be laid directly to the kind of farm program which has been innovated and administered during the past 4 years.

Mr. LONG. I am sure the Senator recalls that during the last presidential election and during the election 5 years ago there were quite a few of us who said that the Republicans really believed that the farmer was getting too much.

Mr. CHURCH. That is true.

Mr. LONG. We were not saying that all Republicans felt that way, but that was the prevailing view of Republicans in general. The Republicans felt 5 years ago that the farmer was getting too much, and perhaps feel that way now; but they do not feel the moneylenders, the bankers, and the millionaires are getting enough.

I ask the Senator if the record of this administration during the past 5 years has not demonstrated that is just about what they had in mind.

Mr. CHURCH. I could not possibly agree more with my good friend, the Senator from Louisiana. I would only add that later in my remarks I make reference to the very thing the Senator has so ably pointed out in the course of this colloquy. I thank the Senator for his participation.

To be sure, there were many things wrong with the farm program during the 20 years we watched it develop from 1932 to 1952. But the basic ingredients were there. Farmers will not receive a fair price for their commodities so long as the market is glutted with surpluses; every effort to control surpluses will fail, so long as it does not provide reasonable assurances to the farmer that he will receive a fair price for what he does produce.

Perhaps methods can be devised whereby the excess production can be removed from the domestic market, and used to feed the hungry, both here and abroad. When production controls are necessary, perhaps they can be made more effective by administering them on an overall, rather than a crop-by-crop, basis. Perhaps, also, effective production control cannot be realistically based on limiting acres, but needs, rather, to be based on limiting bushels or pounds. I do not know for sure.

But I am persuaded, for sure, that our farm program has taken the wrong direction during the past 4 years. There is little evidence that the soil bank is actually reducing surpluses. Flexible price supports have meant lower prices to the farmer, but they have neither eliminated farm surpluses, nor have they reduced the cost of food or clothing to the housewife. And every time the administration has lowered price supports, the cost of the support program has risen. It was $60 million in 1953, $800 million in 1955, and $1,300 million in 1957. Despite this, the administration now proposes a new law that will permit the further reduction of price supports.

The same medicine that has already weakened the patient, when given by the teaspoonful, we are now asked to administer by the tablespoonful.

What is even more discouraging to me is the philosophy with which the whole farm problem has been treated in recent years. Farmers have been told that the solution to their problems can only be found in lower price supports and less Government interference. Consumers, particularly those in the great metropolitan areas, have been deliberately encouraged to believe that it is contrary to their interest for the Government to try to maintain farm prosperity. The farmer has been portrayed as standing in line, hat in hand, for handouts of the taxpayers' money. By insisting on lowered price supports, those who administer this program have made it impossible for farmers to do anything but try to produce more and more, in a despairing effort to meet their bills and obligations. Then, to top it off, the resultant surpluses have been pointed to as evidence that no farm program is workable. In short, the farm program has been systematically dismantled by those who had the responsibility for administering it.

Now we come to the hardest question of all. What can be done about it? The farm bloc in Congress is now divided and demoralized. A new farm program is desperately needed, but the administration has offered no change in its approach, and Congress, which speaks with as many voices as there are Members, will be hard put to devise a comprehensive new program in this session. Consequently, a movement has developed to hold the line by enacting legislation that will prevent further reduction in price supports for the 1958 crop year. No one supposes that this approach constitutes a permanent solution to the farm problem. It is, at best, a stopgap measure, designed to halt the rising tide of farm bankruptcy during the coming year, in the hope that a new comprehensive farm program can be worked out in the meantime.

It is my hope, in the meantime, that we can reach the people who have been turned against the farmer. I hope we can make them see that what the farmer wants and needs is not a subsidy, but a fair price for his products in the market place. The workers who manufacture the combines and tractors which farmers are no longer able to buy, the merchants who sell hardware, clothing, and groceries to them and their families, and the consumers who are indifferent to the farmer's plight in the mistaken hope that it will lower their grocery bills, all can be made to understand, if the facts are presented to them fairly, that farm prosperity is an essential part of our country's prosperity, and that farm legislation is not special-interest legisla-

tion, but is, rather, a matter of overriding national concern, deserving the sympathetic and intelligent support of the people at large.

I do not know exactly what form new farm legislation will take. I think it should be designed to secure for farmers a fair return at the market place for their labor and investment. It ought not to guarantee any fixed income to every farmer, large or small, efficient or inefficient, full-time or part-time. But it must, as an irreducible minimum, be aimed toward making it possible for the efficient family-size farm to survive as the social and moral cornerstone of rural community life in America.

The PRESIDING OFFICER. What is the pleasure of the Senate?

RECESS

Mr. CHURCH. Mr. President, I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 33 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, February 25, 1958, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate February 24, 1958:

DIPLOMATIC AND FOREIGN SERVICE

John M. Allison, of the District of Columbia, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Czechoslovakia, vice U. Alexis Johnson.

UNITED STATES DISTRICT JUDGES

J. Smith Henley, of Arkansas, to be United States district judge for the eastern district of Arkansas, vice Thomas C. Trimble, retired.

Claude F. Clayton, of Mississippi, to be United States district judge for the northern district of Mississippi, vice Allen Cox, retired.

UNITED STATES MARSHAL

Peter Auburn Richmond, of Virginia, to be United States marshal for the western district of Virginia for a term of 4 years. He is now serving in this office under an appointment which expires March 11, 1958.

HOUSE OF REPRESENTATIVES

MONDAY, FEBRUARY 24, 1958

The House met at 12 o'clock noon.

Rev. Edgar N. Jackson, minister, Methodist Church, 464 East Boston Post Road, Mamaroneck, N. Y., offered the following prayer:

Eternal God, the source of all life, we are thankful to Thee for those inheritances that are ours coming from the lives of those whom we have so recently honored for their idealism, their courage, that way of life which can become ours. We are thankful for the privileges of government in a free land and for those who assume the responsibilities of it. We come before Thee not as those who would beg for a boon or a blessing. Rather, we know that Thou art always more willing to give than to receive, that in times of stress Thou dost give guidance, that in times of crises Thou dost give courage, and that in days when there may be great moments of doubting Thou canst give faith. So we come seeking that that courage and wisdom and faith that comes from Thee may be a living reality in all that we do. And that it may be for Thine own honor and glory. Amen.

The Journal of the proceedings of Thursday, February 20, 1958, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McGowan, one of its clerks, announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 5822. An act to amend section 406 (b) of the Civil Aeronautics Act of 1938 with respect to the reinvestment by air carriers of the proceeds from the sale or other disposition of certain operating property and equipment.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 1805. An act for the relief of persons and firms for the direct expenses incurred by them for fumigation of premises in the control and eradication of the khapra beetle.

The message also announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 66. Concurrent resolution authorizing the enrollment, with certain changes, of the bill (S. 1805) for the relief of Acme Bag & Burlap Co. and others.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

FEBRUARY 24, 1958.

The Honorable the SPEAKER,
House of Representatives.

SIR: I have the honor to transmit herewith a sealed envelope addressed to the Speaker of the House of Representatives from the President of the United States, received in the Clerk's Office on Friday, February 21, 1958.

Respectfully yours,
RALPH R. ROBERTS,
Clerk, United States House of Representatives.

ALFRED HANZAL—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 340)

The SPEAKER laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I return herewith, without my approval, H. R. 1495, entitled "An act for the relief of Alfred Hanzal." This bill would authorize and direct the Secretary of the Treasury to pay the sum of $322.67 to Alfred Hanzal, San Antonio, Tex. The payment of such sum would be in full settlement of all claims of Alfred Hanzal against the United States for refund of taxes which he erroneously paid under the Federal Insurance Contributions Act with respect to his remuneration (as owner of the Milam Building Barber Shop, San Antonio) during the period beginning January 1, 1937, and ending March 31, 1947, and which cannot now be refunded to him by the Internal Revenue Service because of the expiration of the applicable period of limitation.

The available information indicates that Alfred Hanzal paid taxes of $322.67 for the period January 1937 through March 1947 on his own earnings from his business which he erroneously reported under the Federal Insurance Contributions Act. In 1947 Mr. Hanzal was informed by the Internal Revenue Service that, under the then applicable law, an employer was not authorized to pay social security taxes on his own earnings and that it would not benefit him to continue payments. Mr. Hanzal therefore ceased making such payments. At the time he was informed of his error, Mr. Hanzal could have filed a claim for refund of the taxes paid by him within the preceding 4-year period of limitations prescribed by section 3313 of the Internal Revenue Code. Mr. Hanzal did not file such a claim although he did file a claim for refund of social security taxes erroneously paid on the wages of his father whom he employed in his business. This claim was allowed in 1947.

In addition to limiting the time within which it is possible for the Government to collect additional taxes or for a taxpayer to obtain refunds of tax overpayments, the Congress has determined it to be a sound policy to limit the period within which social security earning credit entries can be deleted or corrected except in the event of fraud or other limited and inapplicable circumstances. By virtue of this provision of law, Mr. Hanzal was assured social security protection from 1945 on, notwithstanding the fact that his payments were in error. Since a substantial benefit was received for the payments, their purpose was fulfilled and refund appears unnecessary on equitable grounds.

Also, the granting of special relief in this case, where a refund was not claimed in the time and manner required by law, would, in the absence of special circumstances which do not appear to exist here, constitute a discrimination against others similarly situated and would create an undesirable precedent.

Under the circumstances, therefore, I am constrained to withhold my approval of the bill.

DWIGHT D. EISENHOWER.
THE WHITE HOUSE, *February 20, 1958.*

The SPEAKER. The objections of the President will be spread at large upon the Journal; and, without objection, the bill and message are referred to the Committee on the Judiciary and ordered to be printed.

There was no objection.

EDWARD H. TURRI AND MARIO GUIFFRE

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the

Speaker's desk the joint resolution (H. J. Res. 417) for the relief of Mrs. Sabastiano Poletto, Hideo Konya, Edward H. Turri, and Mario Guiffre, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the joint resolution.

The Clerk read the Senate amendments, as follows:

Page 1, strike out all after line 2, over to and including "Notwithstanding" on page 2, line 14, and insert "That, notwithstanding."

Page 2, line 22, strike out "4" and insert "2."

Amend the title so as to read: "Joint resolution for the relief of Edward H. Turri and Mario Guiffre."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

ADMISSION INTO THE UNITED STATES OF CERTAIN ALIENS

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the joint resolution (H. J. Res. 429) to facilitate the admission into the United States of certain aliens, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the joint resolution.

The Clerk read the Senate amendments, as follows:

Page 2, lines 18 and 19, strike out "the minor child."

Page 2, line 20, after "natural-born" insert "minor."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. MARTIN. Mr. Speaker, reserving the right to object, will the gentleman be good enough to give us a word of explanation on this matter.

Mr. WALTER. Mr. Speaker, this resolution has to do with the status of an alien child of an American serviceman. Since the passage of the resolution, the child's age changed from 20 to 21 so the amendment was added in the other body to meet that situation.

Mr. MARTIN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

RELIEF OF CERTAIN ALIENS

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the joint resolution (H. J. Res. 435) for the relief of certain aliens, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the joint resolution.

The Clerk read the Senate amendments, as follows:

Page 2, strike out lines 1 to 19, inclusive, and insert:

"SEC. 2. The Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrant of arrest, and bonds, which may have issued in the case of Joseph (Josip) Torbar. From and after the date of the enactment of this act, the said Joseph (Josip) Torbar shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued."

Page 2, line 21, after "act," insert "Ludmilla Jungbauer,".

Page 3, line 6, after "available" insert ": *Provided*, That unless Ludmilla Jungbauer is entitled to care under the Dependents' Medical Care Act, a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act, and the provisions of this section of this act shall be applicable in her case upon compliance with such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

FACILITATING ADMISSION INTO THE UNITED STATES OF CERTAIN ALIENS

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the joint resolution (H. J. Res. 436) to facilitate the admission into the United States of certain aliens.

The Clerk read the title of the joint resolution.

The Clerk read the Senate amendments, as follows:

Page 2, strike out lines 1 to 6, inclusive, and insert:

"SEC. 3. In the administration of the Immigration and Nationality Act, section 202 (e) (1) shall not be applicable in connection with the application for an immigrant visa by Carolyn Foster: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act."

Page 2, strike out lines 12, 13, and 14.

Page 2, line 15, strike out "6" and insert "5."

Page 2, strike out lines 20 to 24, inclusive.

Page 2, line 25, strike out "8" and insert "6."

Page 3, line 5, strike out "9" and insert "7."

Page 3, strike out lines 10 to 14, inclusive.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

WAIVING CERTAIN PROVISIONS OF SECTION 212 (A) OF THE IMMIGRATION AND NATIONALITY ACT

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the joint resolution (H. J. Res. 437) to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens.

The Clerk read the title of the joint resolution.

The Clerk read the Senate amendments, as follows:

Page 1, strike out all after line 2 over to and including line 9 on page 3 and insert: "That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Joseph Juda Teuchberg may be issued a visa and be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act."

Page 3, line 10, strike out "7" and insert "2."

Page 3, line 18, strike out "8" and insert "3."

Page 3, line 18, strike out "provisions" and insert "provision."

Page 3, line 19, strike out "and (9)."

Page 4, line 1, strike out "9" and insert "4."

Page 4, line 9, strike out "10" and insert "5."

Page 5, strike out lines 9 to 13, inclusive.

Page 5, line 14, strike out "12" and insert "6."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

CONVEYANCE OF CERTAIN PUBLIC LANDS IN NEVADA

Mr. ENGLE. Mr. Speaker, I call up the conference report on the bill (S. 1568) to direct the Secretary of the Interior to convey certain public lands in the State of Nevada to the Colorado River Commission of Nevada acting for the State of Nevada, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1351)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1568) to direct the Secretary of the Interior to convey certain public lands in the State of Nevada to the Colorado River Commission of Nevada acting for the State of Nevada, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and

agree to the same with amendments as follows:

In lieu of the matter proposed to be inserted by the House amendment to section 4 (a) insert the following:

"SEC. 4. (a) The Commission, within three years after the effective date of this Act, shall submit to the Secretary a proposed plan of development for the entire transfer area, which plan shall include but need not be limited to the general terms and conditions under which individuals, governmental agencies or subdivisions, corporations, associations or other legal entities may acquire rights, title, or interests in and to lands within the transfer area."

In lieu of the matter proposed to be inserted by the House amendment to section 4 (c) insert the following:

"SEC. 4. (c) At the earliest practicable date following the effective date of this Act, the Secretary shall cause an appraisal to be made of the fair market value of the lands within the entire transfer area, including mineral and material values, if any; such appraisal when completed shall constitute the only basis for determining the compensation to be paid to the United States by the Commission for the transfer of any or all of the lands to which this Act is applicable."

And the House agree to the same.

In lieu of the matter proposed to be inserted by the House amendment to section 7 insert the following:

"SEC. 7. The Secretary is hereby authorized to perform any and all acts and to make such rules and regulations as may be necessary or proper in carrying out the provisions of this Act. He shall give particular attention in so doing to including in any conveyancing instruments executed under the authority of this Act such provisions as will in his judgment protect existing or future uses by the United States of lands within the transfer area, including, but not limited to, provision for reversion of title therein to the United States upon failure of the State or its successors in interest to strictly comply with the terms and conditions of any such conveyancing instrument: *Provided*, That the Secretary, after consultation with the Commission, shall determine the amount and location of all lands within the transfer area which may be required for future use by the United States, and he shall have until the filing by the Commission of the proposed plan of development provided by section 4 (a), to define and describe all such lands."

And the House agree to the same.

CLAIR ENGLE,
WAYNE N. ASPINALL,
GRACIE PFOST,
E. Y. BERRY,
CRAIG HOSMER,
Managers on the Part of the House.

CLINTON P. ANDERSON,
ALAN BIBLE,
GEORGE W. MALONE,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (S. 1568) to direct the Secretary of the Interior to convey certain public lands in the State of Nevada to the Colorado River Commission of Nevada acting for the State of Nevada, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

The language agreed upon by the conference committee and recommended for favorable action by the House is identical to that contained in S. 1568 as originally approved by the House with three exceptions as follows:

Section 4 (a): The period of time provided the Commission in section 4 (a) for the submission to the Secretary of a proposed plan of development for the entire transfer area was increased from "one year" to "three years" after the effective date of the act in the belief that the lesser period of time might be inadequate for the purpose.

Section 4 (c): The substitute language for this subsection does not change the basic intent of the language set forth in the House amendment. The substitute language would require that an appraisal be made of the fair market value of all lands within the entire transfer area as soon as practicable after the effective date of the act. Such appraisal shall constitute the only basis for determining the compensation to be paid to the United States by the Commission for the lands described in the act. It is anticipated that the fair market value for various areas or units of land within the entire transfer area may differ due to location, differences in topography, or other factors and that any such differences in value will be set forth in the appraisal which the Secretary shall cause to be made. Section 4 (c) of the House amendment was designed in large part to provide a simple procedure whereby the varying values of the lands within the transfer area would be taken into account through separate appraisals of the fair market value on a unit by unit basis—with the appraisal being made for a particular unit only upon receipt by the Secretary of an application for transfer of title to a unit of land desired by the Commission. The House managers recognize the advantages of the substitute language which requires that an appraisal be made of all the lands within the transfer area at one time and prior to negotiations rather than on a piecemeal basis over a period of years.

Section 7: By deleting the last sentence of section 7 of the House amendment and by adding the proviso agreed to by the committee of conference at the end of the section, the Secretary is given a period of time, until the filing by the Commission of the proposed plan of development provided by section 4 (a), in which to define and describe all lands within the transfer area which may be required for future use by the United States, Federal easements through the area constitute the only future uses by the United States which are contemplated in section 7.

Without this amendment, the title of all lands transferred to the State under the act might well be clouded by provisions placed in the conveyancing instruments for the protection of any future uses the United States may have to such lands. With the amendment only those lands defined and described by the Secretary on or before the filing by the Commission of the proposed plan of development of the entire transfer area will be so affected. The interests of the United States will be protected and the exact location of all lands within the area to which the United States will retain certain rights will be known before any land is conveyed.

CLAIR ENGLE,
WAYNE N. ASPINALL,
GRACIE PFOST,
E. Y. BERRY,
CRAIG HOSMER,
Managers on the Part of the House.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

ACME BAG & BURLAP CO. ET AL

Mr. LANE. Mr. Speaker, I ask unanimous consent for the immediate consideration of Senate Concurrent Resolution 66, authorizing the enrollment, with certain changes, of the bill (S. 1805) for the relief of Acme Bag & Burlap Co. and others.

The Clerk read the resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That in the enrollment of the bill (S. 1805) for the relief of Acme Bag & Burlap Co. and others, the Secretary of the Senate be, and he is hereby, authorized and directed to make the following corrections, namely, on page 5, in lines 1 and 2 of the engrossed bill, strike out "No part of the amount appropriated in this act in excess of 10 percent thereof" and in lieu thereof insert: "Not more than 10 percent of any payment provided for by this act"; and

On page 5, line 4, strike out "this claim" and in lieu thereof insert "the claim for which such payment is made."

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The resolution was concurred in.

A motion to reconsider was laid on the table.

UNEMPLOYMENT PROBLEM IN NEW ENGLAND AREA

Mr. LANE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, Mayor Deschambault, of Biddeford, Maine, when interviewed about the worst business recession to hit that area since the 1929 depression, said:

The thing I would like to see done the most is putting people back to work. I feel the Federal Government should do something. Some Government contracts for Saco-Lowell shops and Pepperell Mills should be awarded.

The mayor has pinpointed the issue, which is: "How to provide jobs and income for one-third of the total labor force in the Biddeford-Saco area that is unemployed."

A number of other communities have been in this same predicament at various times since the end of World War II, because of a recession in, or a collapse of, their one-industry economies.

The affected communities, and the States, are unable to provide immediate help in creating jobs for the unemployed. Through a long and difficult process, the communities and the States, with the cooperation of Industrial Development Committees, gradually succeed in changing and modernizing the industrial base of the affected community so as to provide new job opportunities.

Meanwhile, the victims suffer.

It is plain that the Federal Government is the only public agency with the means and the authority, through the

prompt award of contracts, to create job opportunities during the transitional period.

We have debated this problem for years, without legislating an effective formula to provide immediate help for these stricken areas. What is happening at Biddeford-Saco has happened elsewhere before, and will plague other communities in the future.

The channeling of Government contracts to labor-surplus areas is an unhurried procedure, slowed to a crawl by red-tape.

We must enact a formula for immediate job opportunities that will go into action as soon as any labor market area has been certified by the United States Department of Labor as having 12 percent or more of its total labor force unemployed. This would apply when such substantial labor surplus is not due primarily to seasonal or temporary factors. This automatic relief program must set in motion local public-works projects where a maximum of unskilled jobs can be created without delay from plans already approved for such emergencies.

Furthermore, it should give the President the power to award a limited amount of defense orders to such areas on a top priority basis unhampered by routine bidding restrictions—with the provision that such awards shall be given sufficient publicity to make certain that they meet the requirements of this formula for economic assistance to jobless areas.

We have delayed, year after year, our share of responsibility for the solution of this serious problem.

I suggest that we come to grips with it, at once, to help the people of Biddeford-Saco and as assurance for the people of other labor-market areas who may find themselves in a similar plight in the future.

DOES FOOD COME FIRST?

Mrs. SULLIVAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

Mrs. SULLIVAN. Mr. Speaker, the Department of Agriculture and a number of organizations such as the Farm Bureau, the Grange, the Food Chains Association, and others are sponsoring a big conference today on the general subject Food Is First. As I understand it, this is intended to show the importance of the food industry in our economy and the importance of the farmer, and so on.

I would be much more inclined to take this conference seriously if the sponsoring groups had shown a greater realization of the fact that we are today failing to provide adequate, nourishing diets for millions of our people—those on various forms of public welfare. Secretary Benson and the organizations joining him in this conference have bitterly opposed any plan for a systematic food stamp distribution system to distribute some of our surplus to our own needy. They are ignoring the biggest untapped market for American farm production—those Americans not now getting enough to eat.

While we ship four or five billion dollars worth of this food overseas to give away and even, in many instances, pay the ocean freight, I think we could also arrange to get some of it to American children and their parents in families where hunger is a daily fate. We need a food-stamp plan. Last year when I submitted my food-stamp bill as an amendment to Public Law 480, I am reminded that only one Member on the other side of the aisle was seen voting for it. I hope, with this spreading misery in our economy, that more Members on both sides of the aisle will support this solution to hunger in America.

THE AGRICULTURE DEPARTMENT AND THE SCHOOL-LUNCH PROGRAM

Mr. CHRISTOPHER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CHRISTOPHER. Mr. Speaker, Secretary Benson has broken faith with the school children, charges Fred V. Heinkel, president of the Missouri Farmers Asssociation.

Heinkel said:

> Congress did not increase the school-lunch appropriations last session because they were assured by the United States Department of Agriculture that there would be huge quantities of price-support commodities made available to the program. Aid in the form of commodities during the past couple of years has been a financial lifesaver to the schools.

The MFA leader argues:

> At a time when floods, unemployment, decreased reimbursements and a 15-percent increase in participation is troubling the school-lunch program in Missouri, Secretary of Agriculture Ezra Taft Benson has cut the donations of surplus commodities 50 percent. If Benson has all the surpluses he talks about why should he be so hardhearted and not make some of this food available to our schoolchildren?
>
> As of January 31 the State department of education records show that over 32 percent of the participating schools in Missouri were operating their lunch programs at a deficit.

In Missouri each school operating a lunch program is reimbursed at a rate of 4 cents for each class A lunch served—a lunch with a half pint of milk and a specified minimum serving of protein and vegetables. In addition surplus foods are donated to the schools as a part of the Government price-support program of the Department of Agriculture. In return for this assistance participating schools are required to furnish free lunches to needy children.

This year the reimbursement in Missouri was cut from 5 cents to 4 cents per plate lunch. A partial reimbursement of approximately 60 percent will be available for April and nothing will be left for the month of May.

Commodity offerings through January are 50 percent below those of a year ago. During the 1956–57 school year Missouri received 446 carloads of commodities, many of which were meat and poultry products. To date Missouri schools have received only 209 carloads carrying a much lower value, and the only meat item offered has been one allocation of ground beef purchased with funds set aside from the national school-lunch appropriation—not price-support commodity funds.

Heinkel added:

> Layoffs by industry, resulting in unemployment in our metropolitan areas of St. Louis and Kansas City, and in other areas throughout the State, plus the fact that we have had disastrous flooding conditions in the southeastern portion of our State this year have caused a decided increase in requests for free lunches. A visitor at a school in southeast Missouri where 450 lunches were served reported that 150 were served free to needy children.

Should the present trend of unemployment become greater the school-lunch program will be in for real trouble.

The National School Lunch Act was passed in 1946 and reads in part as follows:

> It is hereby declared to be the policy of Congress, as a measure of national security, to safeguard the health and well-being of the Nation's children, and so forth.

Persons employed in the highly industrial areas are drawn from all sections of the Nation. If we are to have better health and to improve the physical well-being of the persons needed to man our industrial plants, wherever they may be located, it seems important to me that the Federal Government should help and encourage the school-lunch program during these difficult times.

Heinkel concluded:

> The Communists rode to power in China on the backs of dispossessed farm people. Mussolini came to power in Italy telling the people he would give them land—and to fulfill this promise he drained the swamps of Italy. South America is in danger of going over to the Communists. And a big part of the reason is that most of the land is held by the few in the haciendas, while the majority of the people hunger for some land to live on.
>
> The American Civil War was not just a fight to free colored slaves of the South. The large plantation system of landownership had dispossessed the people, so that the "poor white trash" were as bad off or worse than the colored slaves. The few large landowners were living in luxury, while the majority lived in abject poverty.

Father Hylden Strides said in the Catholic Action News:

> We believe that the people who live on the land and work the land ought to own that land.

When Representative Ross Bass meets a city Congressman who argues that lower farm prices will mean lower prices to the consumer, the Tennessee Congressman asks, "Has a cut in price supports in the past meant lower prices to the consumer or a decrease in the cost of living?"

The Tennessee Congressman is exactly right. Although the farmers' parity in-

dex stands at 80, his net income is down 23 percent below what it was 5 years ago, and his debts are up 58 percent, the cost of living is still at an alltime high.

BRIG. GEN. CHARLES D. JONES, UNITED STATES AIR FORCE

Mr. IKARD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. IKARD. Mr. Speaker, tragedy has struck close by the Halls of Congress. Brig. Gen. Charles D. Jones, Deputy Director of Legislative Liaison for the Department of the Air Force, went down in his B–57 jet bomber while returning to Washington.

General Jones had only recently been assigned to serve as a liaison officer between Congress and the Air Force, but during that short period of time he had made many friends and laid the foundation for distinguished service to the Congress, the Air Force, and the Nation.

From his birthplace, Jackson, Miss., C. D. Jones went to the University of Notre Dame and graduated in 1932. His love of flying led him into the Air Corps in 1934 as a flying cadet, and in 1935, as a second lieutenant, he began a career which was to take him to many parts of the world, to try and to prove his strength, his courage, and his devotion to his ideas.

In November 1942, in the early stages of our invasion of North Africa, General Jones went ashore with the Army troops to establish liaison between Gen. John K. Cannon's tactical air forces and Gen. George S. Patton's ground forces. Later, while flying a B–17 bomber in a raid over Tunis, he was wounded and hospitalized. Back in combat again, this time on a B–25 mission over Rome, Italy, General Jones was shot down and made a prisoner of war. His liberation came more than a year later, in May 1945.

For his wartime exploits, General Jones was awarded the Silver Star, Distinguished Flying Cross, Air Medal, and Purple Heart. In addition he wore the Legion of Merit.

His first duty assignment as an officer was at Barksdale AFB, Shreveport, La. It was there that he met and married Dorthea Erickson. They were to return to Barksdale again for duty to renew old acquaintances among the people of Shreveport who knew and respected them.

Just before coming to Washington, General Jones was Chief of Staff, Allied Air Forces in Northern Europe, a job of tremendous responsibility.

I pay tribute now to a gallant airman. He will long be remembered by the people of Mississippi, the city of Shreveport, the Air Force, and the country he so nobly served.

OREGON PEARS

Mr. PORTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. PORTER. Mr. Speaker, through the courtesy of the Medford, Oreg., Pear Shippers Association, each Member of this House and of the other body last week received two luscious pears from Jackson County in my Congressional District.

These pears, one a Comice and the other a D'Anjou, were grown in the vicinity of Medford, Oreg., which is by all standards the winter pear capital of the world. Three million boxes of pears of all varieties were produced there last year. Many of you no doubt have received or bestowed these delicious morsels as gifts.

In the interests of a good appearance I have consulted with our friend, Tom Iorio, the Deputy Sergeant at Arms in charge of pairs for this House. He enthusiastically confirms my contention that these are live pears and are bound to be duly appreciated by every Member, even though there can be no partisan or other division as to their superb qualities.

SUPERLOBBY FOR THE FOREIGN GIVEAWAY PROGRAM

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Mr. Speaker, tomorrow morning a super lobby will wheel into action at the White House and the Statler Hotel to apply the screws to Congress to continue the annual multi-billion-dollar foreign giveaway program.

Who is putting up the cash for this lobby? One of the cosponsors tells me that what he calls the nub is $25,000 from two financial angels whom he declined to identify at this time. We do know that the White House, using taxpayer money, has furnished office space, office supplies and some personnel for this lobby.

According to tomorrow's program, former President Harry Truman, Adlai Stevenson and other Democrats, their tomahawks still dripping Eisenhower-Nixon-Dulles blood from their Saturday night, $100-a-plate pow-pow, will be in the front row tomorrow.

Evidently there is to be a 12-hour truce of convenience while both sides carry the torch for the foreigners and sink their tomahawks clear up to the hilt and right between the eyes of American taxpayers.

LOOK AFTER THE "LITTLE FELLOW"

Mr. YOUNGER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. YOUNGER. Mr. Speaker, it is unfortunate in my opinion that the country has to be subjected at this critical time to such an intemperate speech as was delivered by Mr. Harry Truman last Saturday evening, especially as it comes from a man who has received so many honors from our citizens. I suppose we can take comfort in the fact that frequently the human being, in his aging process, finds that his grey brain cells deteriorate more rapidly than his vocal cords.

The speech assumed that our people are poorly informed or have forgotten who and what party has been responsible for the Federal legislation during the last two Congresses. The fact is that in many ways the speech insults our intelligence in the five proposals which were made.

His first point was that his party should look after the little fellow. Personally, I oppose segregation of our people into groups by color, race, creed, or size, whether physical or mental. I can speak only for the people of the Ninth District in California, but there no soul is less precious in the sight of his God than Mr. Truman's; no citizen's vote is less important than Mr. Truman's; and no person has less right before the law than Mr. Truman. Our Bill of Rights made no mention of little fellows, the Constitution makes no mention of segregating our people into little fellows, and the Declaration of Independence makes no reference to the little fellow. Why should any citizen talk down to some of the people and call them little fellows. Isn't it about time for Congress to legislate for the welfare of all our people as a whole and not for groups?

Having segregated our people in his first point, he calls for integration in his second. If he has any new ideas of civil rights, why did he not ask his party to support the new civil-rights bills which are before the Senate and House, on which his party split 118 for and 107 against during the last session. Does he think he can erase the CONGRESSIONAL RECORD or does he work on the plan of the gutter politician who believes the public has a short memory.

In the third suggestion, he asks for steady economic growth. Why did he not chide his party for not reporting important economic legislation this year? We have been in session for almost 2 months with only 6 rollcalls and most of those 6 unimportant. I am sure the majority would find help on our side.

In the fourth suggestion, he takes up the nonpartisan question of foreign policy. Did he mention the number of people who were lost to communism while he was handling our foreign policy, as compared with the present administration? Did he mention that under his handling of our foreign policy we were at war before he had served as long as President Eisenhower? I am sure the majority will find willing help from this side of the aisle on any question which would promote a better foreign policy.

In his fifth suggestion—that of defense—he was treading on dangerous ground. Who defeated the restoration of $300 million for defense last session, much of which was for research and development? What President spent $117 million to protect the price of peanuts and only $3 million for missiles after it was known that missiles were the future weapon? For the past 4 years, his party has been in charge of the Congress and appropriations and must of necessity share the defense shortage, if any.

I would suggest to Mr. Truman a truth which he should have learned long before; namely, one in politics cannot afford to have all the enemies which he would like to have, because his speech sounds like envy which, like a flame, blackens that which it cannot reach.

MR. TRUMAN AND THE MISSILES

Mr. CEDERBERG. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CEDERBERG. Mr. Speaker, in view of certain utterances about the missile program by our former Chief Executive we may ask how much factual information about missiles was given to President Truman and his administration back in 1946?

Was the President of the United States, Harry Truman, informed that missiles would become basic weapons of war in the near future?

Conclusive and affirmative answers to these questions are found in the files of leading newspapers in that period.

Bear in mind that in 1946, World War II had just ended. The world was exhausted but at peace. Only the United States possessed atomic bombs and their design had not yet been stolen by fellow travelers and enemy spies in positions of public trust on the Government payroll.

On St. Patrick's Day in 1946, the man who served as management counsel to three-fourths of America's aircraft producers, Clinton Davidson, charged in the New York Times that our Government refused to put research scientists at work on developing supersonic planes and similar weapons. Here are Mr. Davidson's own words:

> The old expedient of just putting engineers to work and letting them call on Harvard or some other university won't suffice. The experts must be in the plant, available every moment.
>
> It is my personal opinion, that we Americans missed an opportunity after V–E Day. Our Government sent groups of experts to Germany. They found German scientists ready to discuss in detail the work they were doing. These same scientists were also willing to work for other countries. All they cared about was completion of their projects—nationality was incidental. Some of these scientists were brought over here to talk to groups. So far as we know, none were hired to work here. But hundreds of them are now working for another power finishing the secret weapons which might have won victory for Hitler had they been completed in time.

Since this information was available to the press and to the general public, obviously, it was available to President Truman.

General Eisenhower, then Army Chief of Staff, was fully aware in 1946 of the need for research and development exploration in the field of new weapons.

On May 3, 1946, announcement was made by the War Department of the formation of a new Research and Development Division with general staff status to serve as General Eisenhower's agency for exploration of military-scientific problems including atomic and electronic weapons of the future.

The press reported that the creation of this Division was a matter of personal interest to the Chief of Staff, General Eisenhower. One paper put it this way:

> General Eisenhower's directive pertaining to the new Division stressed the Army's need for full civilian assistance "in military planning as well as for the production of weapons" and the necessity for giving scientists and industrialists "the greatest freedom" in pushing research.
>
> "Officers of arms and services," he said, "must become fully aware of the advantage which the Army can derive from the close integration of civilian talent with military plans and developments."

What was known to the Army Chief of Staff was certainly known to the Nation's Commander in Chief, President Truman.

On June 14, 1946, Gen. Jacob L. Devers, commander of the Army Ground Forces, was quoted in the press as saying that artillery as we knew it would be replaced by another weapon "either an entirely new kind of gun or a guided missile."

The absolute necessity of developing new atomic-age weapons was again brought directly to President Truman the week of July 14, 1946.

This recommendation was contained in a 32-page report from the official United States Strategic Bombing Survey. The chairman of this civilian Survey Board was Franklin D'Olier, a founder and the first commander of the American Legion, a man who served his country frequently and well in many capacities.

Let me quote D'Olier's direct recommendations to President Truman:

> If the United States is not to be forced to hasty and inadequate mobilization every time the threat of aggression arises in the world, it is essential that in the field of military weapons and tactics she be technically not merely abreast of, but actually ahead of any potential aggressor.
>
> It is not generally realized the degree to which basic scientific research was neglected in the United States during the course of the war in order to concentrate on the belated development of the specific weapons immediately required, nor the degree to which we lagged behind Germany in advanced aerodynamics, jet propulsion and the development of guided missiles.
>
> In air armament and torpedoes, even the Japanese were ahead of us. One or two years' lag in either basic research or in the development of reliable military application of such research can only be made up with difficulty, if at all.
>
> This type of work has become so complex that expenditures for research and development in the order of $1 billion annually may be required to assure an acceptable degree of national security.

Here is direct and positive proof that the President of the United States was urged by his own official advisers to spend a billion dollars a year in research and development for several years, in order to assure national security.

Why did President and Commander in Chief Truman fail to pay attention? The Nation awaits this answer.

The United States received further warning on August 12, 1946, some three weeks after Franklin D'Olier's warning. The Times reported that a swarm of rocket bombs passed over Stockholm, Sweden, that Sunday night. It was believed in Washington that the missiles were launched from the German rocket experiment area of Peenemunde which had been captured by the Soviet.

The Soviet journal New Times denied the missile report and commented that the alleged missiles were nothing but a mirage.

The Swedes knew what was happening even if President Truman did not. The same day that the missiles were reported over Sweden, the United States Navy announced it would soon have a pilotless aircraft capable of carrying atomic bombs. The Navy also forecast that "a little further in the future are satellite vehicles, circling the earth hundreds of miles up, like moons."

> Interplanetary travel, in case someone feels the urge to visit far places, is only a short step from the satellite vehicle—

Said the Navy spokesman. Hence, by the middle of August 1946 we know beyond any doubt that the Commander in Chief of the United States forces knew full well what was to be expected in the realm of supersonic missiles with atomic warheads. Truman knew how we stood from official reports by his military and civilian advisors. He was warned and warned again of the vital and indispensible need for research and development in the field of new weapons.

Yet, we find to our dismay in the columns of the New York Times for August 23, 1946 that President Truman ordered drastic retrenchment in the program for research and development of future weapons.

This meant, according to the press, that the reduction will "hit hardest the development and research program at Wright Field, including those long-range projects and guided missile activities considered by the Army Air Force as vital to the security of the country."

In the same article, the commander in chief of the Army Air Force, General Carl Spaatz, said:

> We regret the necessity for this cut.

He reported that the heaviest cuts would be at Wright Field "where are being planned the super-heavy bombers of the future, the guided missiles and rockets that supposedly are to carry atomic warheads at supersonic speed if there is another war, and also the air defenses against these horrors."

Next day, the New York Times, in an editorial, expressed distress over Truman's arbitrary slash in the military budget after it has been approved and

the money appropriated by the Republican 80th Congress.

Says that editorial on August 24, 1946:

The most distressing part of the Army Air Force's plan for reductions as announced by General Spaatz is the cutback of the experimental work at Wright Field, Ohio. That would seem to be the one place where economy should be the least consideration. Yet it probably also is the one budget that can be most easily trimmed, since its work all has to do with the far future and other Air Force activities concern the immediate present. Perhaps the Force-wide survey that General Spaatz has ordered will indicate enough economies possible in other places to make it unnecessary to curtail experimental work.

What happened thereafter is a matter of record.

All research on supersonic long-range missiles came to a complete halt.

According to Department of Defense official figures, no further appropriations were made for long-range missile programs until fiscal year 1953 when Eisenhower and a Republican Congress approved the sum of 3 million. By 1956, the appropriation grew to $515 million and for 1958 will be in excess of $2 billion.

President Eisenhower was carrying out what Chief of Staff General Eisenhower told Congress on June 5, 1946—Truman's year of folly. Said the man who led the Allied Forces in Europe:

In the fields of guided missiles, electronic devices and high-speed performance aircraft, the possibilities are unlimited. It would be fatal to permit ourselves to be outdistanced.

Eisenhower also predicted the following February that the field of guided missiles was almost unexplored.

"Neglect to do so," Eisenhower told Congress, "could bring our country to ruin and defeat in an appallingly few hours."

Our Nation had to suffer the irreplaceable loss of 5 years of development time before Eisenhower could begin to remedy Truman's folly.

And now, one final item. Back in 1946, a project known as Operation Paperclip was created on orders from General Eisenhower. This authorized a task force to capture and bring to America German scientists who had developed the V–1 and V–2 rockets.

Some 86 of these inventors were taken to Wright Field in Dayton, Ohio, where the Army, under Chief of Staff Eisenhower, hired them for 1 year as civilian employees. The Germans were paid a paltry $2.20 to $11 a day plus $6 a day subsistence, according to a story which appeared in the New York Times for December 4, 1946. They were kept under a security guard and housed in wood barracks.

One of these men was Wernher von Braun, the man who put our own first satellite in orbit with the Army's Jupiter-C.

In the course of reporting on the presence of the Germans at Wright Field, the Times also quoted Von Braun as revealing that the Nazis were readying a 100-ton rocket with a 6-ton warhead to fire on the United States at the time Germany surrendered.

That rocket, intended for America, was never built, but we had the men in 1946 who knew how to build it and wanted to build it.

The men could not build it and did not build it simply because Truman in his folly stopped all long-range missile projects. The scientists were put to work on other projects and told to forget their dreams.

Eisenhower brought Von Braun over here and Eisenhower gave him and his associates their chance to see what they could do.

Let me add also that it was a Republican Congress which set up the funds for the scientists and Truman who impounded the money for other purposes. It was a second Republican Congress in 1952 which restored funds for long-range missiles and renewed the project after 5 years of lost development time.

At no time did the Truman Democrats take the missile search seriously. Only the Republican leadership faced the facts.

MR. TRUMAN'S SPEECH

Mr. BROOMFIELD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. BROOMFIELD. Mr. Speaker, I would like to take this opportunity to call the attention of my distinguished colleagues to the recent speech made by former President Harry Truman on Washington's Birthday.

It is perhaps fitting that Mr. Truman should make his remarks on a day marking the anniversary of a man who is said to have never told a lie. It is also somehow fitting that Mr. Truman hurled his pot of poisoned words only 2 days after Washington's Farewell Address was read on the floor of the House of Representatives. The Members of this distinguished body had ample opportunity to compare the words of a man who was dedicated to the cause of his country's betterment to one who is hoping for a collapse of our Nation's economy so he can pick at the bones like a ravenous buzzard.

It is also somehow fitting that George Washington's Birthday should be celebrated with oratory by a man who admitted that the job of President was too big for him, and who pleaded with the American people to help him perform his duties. It somehow follows a pattern that this man, in turn, should hurl charges of weakness and indecision at others.

In this man's way of thinking, it is also quite proper to charge that a military man doesn't make a good President on the birthday anniversary of our greatest general in history, Gen. George Washington.

Now Mr. Truman is screaming "depression and recession" and warning us of the grave calamities which are about to befall our Nation. Of course, Mr. Truman does not like to look at the facts, but the fact is that a larger percentage of our workforce was out of jobs during the Truman administration than ever were out of work during the Eisenhower administration.

At present, about 5.8 percent of our workforce is out of jobs. All Americans are deeply concerned, and I am certain that all of us here in Congress will do all in our power to get these people back to work as soon as possible. But during the Truman administration, 7.6 percent of our labor force was unemployed. Mr. Truman said this percentage—much larger than the unemployment we face today—was normal and even desirable. Following out Mr. Truman's line of reasoning, we need another half million or million workers without jobs before we reach a normal situation.

There has been much discussion over whether President Washington's bout with the cherry tree was fact or fable. But there is no doubt that Mr. Truman's futile efforts to chop at the sinews of our Nation's economy will prove fruitless. The United States is just too big for Harry Truman.

NINETEEN HUNDRED AND FIFTY-EIGHT ACADEMY AWARDS

Mr. HOLT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOLT. Mr. Speaker, the motion-picture industry has marshaled the greatest array of screen stars, talent, and personalities in its history for the 30th annual academy awards in Hollywood on Wednesday night, March 26.

The small gold statuette, called Oscar, and recognized over the world as a symbol of the best in motion-picture production, will be presented to nominees who have reached the pinnacle in performance and production.

Since three of the major studios are in my Congressional District and others are nearby I know how much the film industry has contributed to my State of California and to the pleasure and relaxation of the people of the world. The Oscar awards show will be televised by the National Broadcasting System on the night of March 26, and all Hollywood invites the people at home to tune in for a delightful evening.

Mr. Speaker, my State of California has grown to its great numbers in population because of many attractions and natural advantages. In the last half century the growth has been phenomenal and I think the motion-picture industry has done more than any other to let the people of the Nation and of the world know of these attractions and advantages. Through its pictures made in California, the industry has made my State a magnet to millions of people.

It happens that within my constituency there are three important Hollywood motion-picture studios, more than there are in any other single Congressional District. I was reared in the shadows of the huge stages in the Hollywood

area. Over the years, I have seen the film industry experience serious difficulties and enjoy vast successes.

From its infancy to its present worldwide proportions, the industry always has been able to overcome its trials and tribulations and to raise itself to new heights in the art of entertainment. At present it is undergoing a new series of stresses and strains; it is confronted by change and challenge.

These conditions do not dismay the industry because it is manned by optimistic and confident men and women; creative individuals sparked with genius.

Illustrative of the optimistic, confident, and constructive attitude of these exceptional people are their plans for the 30th annual academy awards presentation in Hollywood on Wednesday night, March 26. For the first time since the so-called Oscar awards were originated, the motion-picture people themselves are going to stage the show and with money out of their own pockets. They are putting up these funds so that it may be viewed by some 75 million people over the radio and television facilities of the National Broadcasting Co.

They have marshaled an array of motion-picture stars, talents, and personalities the like of which never before gathered for the occasion. In the language of the motion-picture press agent, it will be truly colossal.

The small gold statuette, called Oscar, and now recognized throughout the world as a symbol of the best in motion-picture production, will be presented to these nominees who have reached the pinnacle in performance and production.

The award of Oscars is Hollywood's way of encouraging constant improvement in picturemaking and performance for the entertainment of the people of the world. The people of the world recognize that in the motion-picture field, Americans are supreme. American films are the favorites around the globe.

Films of the Oscar presentation are to be shown throughout the Free World and in those Communist countries which admit them. I wish people of every country could witness this event, which will show, in real American style, how this country recognizes and stimulates free expression. It is commonly agreed that American films are the most effective medium for telling the American freedom story abroad without resorting to propaganda, and the impact on foreign audiences has a desirable effect on international understanding.

Hollywood's films produce happiness and relaxation for millions of people here and abroad in a tense world.

May I suggest to my colleagues that they set aside Wednesday night, March 26, to tune in the Oscar awards show with their families. I believe a delightful and an entertaining evening awaits all.

IS UNEMPLOYMENT IN THE MICHIGAN AUTOMOTIVE INDUSTRY BEING HELPED BY THE PURCHASE OF MERCEDES-BENZ SEDANS FOR UNITED STATES OFFICERS?

Mr. KNOX. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. KNOX. Mr. Speaker, under leave to extend my remarks, I should like to call attention to an article which appeared in the Evening Star of Saturday, February 22, 1958, relating to the purchase by the Thai Government with funds provided by American taxpayers of Mercedes-Benz automobiles. This announcement comes at a time when there is substantial unemployment in the United States automobile industry.

In November of 1957, along with other members of the Subcommittee on International Operations of the House Committee on Government Operations, I visited the Far East on an inspection trip to investigate how our foreign-aid funds are being used and to determine whether or not the so-called aid programs are effectively achieving their avowed purpose in strengthening the Free World. We made comprehensive investigations in the operation of projects in the Philippines, Taiwan, Vietnam, Cambodia, Thailand, Pakistan, Iran, Greece, and Spain.

I was shocked at the apparent lack of purpose for many of the projects inspected, and was appalled by the confusion existing among our representatives, and also among the government officials and nationals of these countries.

It is my opinion that the use of all foreign-aid funds and the purpose for which they shall be expended should be thoroughly understood and separately funded, and the use of the funds should be restricted to the specific purpose intended by the Congress. The International Cooperation Administration should be required to submit to Congress, with its annual budget presentation, an explanation of how the various defense support programs in each country have been determined and as to why a particular sum is requested. Our mutual security legislation should define with certainty the Congressional intent and authority with regard to objectives, standards, and criteria applicable to each category of aid. The need for such clarification is firmly demonstrated by the broad misuse of public funds appropriated for defense but reallocated to economic aid. The following article, appearing in the Evening Star of Saturday, February 22, 1958, clearly sets forth the misuse of funds under present mutual security legislation:

THAI BUYS CLASS CARS FOR USE OF UNITED STATES OFFICERS

BANGKOK, THAILAND, February 22.—American officers will soon ride around Thailand's capital in brandnew Mercedes-Benz sedans, which will make them about as inconspicuous on Bangkok's palm-lined streets as a delegation of Eskimos.

The Thai Government—which receives large shipments of United States military aid—paid for the cars under terms of the military assistance program.

American servicemen are not allowed to ship their own autos from home, and they will use the cars for anything from a trip to Thai Army headquarters to an afternoon outing with the family at the Royal Sports Club.

ASKED FOR CHEAPER CARS

Officers of the Joint United States Military Advisory Group (JUSMAG) display correspondence to show they asked for smaller and cheaper European cars, instead of the German Mercedes D190, the smallest model the company makes. JUSMAG tried to stay inconspicuous.

Col. Robert H. Adams, JUSMAG chief of staff, said the contract was handled exclusively by the Thai Defense Ministry.

But the general reaction by pedestrians is at first one of surprise, shortly followed by the remark: Oh well, the Americans can afford anything.

Actually, the D190 costs $2,300 delivered in Bangkok, or well below the cost here of medium-priced American cars. But Mercedes-Benz is regarded as a class car in Bangkok because foreigners without diplomatic privileges or Thais have to pay import duties and other fees which boost the price to about $4,000.

WILL REPLACE OLD CARS

The 40 Mercedes sedans arrived recently as part of an 82-car shipment. They will replace some rundown 1951 autos and augment a fleet of about 100 small English sedans used by the 251-man group.

The Thais say the Mercedes will be cheaper to maintain and will bring better trade-in prices.

Because of the large order, there have been rumors that some agent earned a tidy commission. The Mercedes-Benz representative denied this. Thai businessmen doubt the denial, however, and one engineer said: "There's no other way to do business in Thailand."

Mr. Speaker, we have thousands of unemployed in the automotive industry in the State of Michigan. The purchase of foreign-made cars with American taxpayers' dollars is not helping American industry nor the American people.

In addition to the newspaper article, I will also insert a copy of a news release I issued in connection with the foreign-aid program. The views I have expressed are based on firsthand knowledge acquired during the on-the-spot inspection trip made by the Subcommittee on International Operations.

The news release follows:

The Honorable VICTOR A. KNOX, Republican, of Michigan, of the House Committee on Government Operations, today issued a sharp criticism of the manner in which foreign-aid programs financed by American taxpayers are being administered overseas.

The Michigan legislator's views are based on firsthand impressions gained while on a hard-hitting, on-the-spot inspection trip with the Subcommittee on International Operations. Congressman KNOX expressed the view that existing inept program administration constitutes a squandering of tax revenues that could more realistically be used for meritorious purposes in the United States. He also expressed the view that equally as serious was the fact that we are squandering the opportunity to establish an enduring eco-

nomic partnership with our Free World allies through our American free-enterprise system.

The Michigan Congressman advocated the establishment of tax incentives and other inducements to encourage American business to undertake commercial enterprises in overseas areas. Mr. KNOX stated that such a policy would bring to bear the efficiency of competitive free enterprise to the problem of improving the economic welfare of our Free World allies at a considerable tax savings to the American people. He stressed the fact that such a step would provide enduring economic ties with other friendly countries that would prove more lasting than the temporary amity that exists under the present arrangement that is likely to turn to economic unrest in the beneficiary countries when the present foreign-aid program is terminated.

Congressman KNOX's complete statement follows:

"During the period from July 1945 through June 1957 the American taxpayers have been called upon to pay for upward of $60 billion for foreign aid in the form of economic and military grants. To investigate how these funds are being used and to determine whether or not the so-called aid programs are effectively achieving their avowed purpose of strengthening the Free World, the Subcommittee on International Operations of the House Committee on Government Operations last fall conducted a selective, but comprehensive on-the-spot inquiry into the overseas administration of these programs. I was shocked at the apparent lack of purpose for many of the projects visited. I was appalled by the confusion existing among not only our representatives in the countries visited, but also among the government officials and nationals of those countries as to just what the scheduled projects were intended to accomplish in the way of bettering the economies or enhancing the military capacities of the beneficiary countries. I was disheartened over the opportunity we are losing to accomplish enduring good in those countries if we would undertake a more realistic and businesslike approach to meeting the problems of assistance for underdeveloped countries.

"Part of the shortcomings of our Nation's aid programs must be attributed to the Congress for not providing in sufficient detail in the enabling legislation the specific practices and procedures that are to be followed under the program. The United States Congress carefully defines the purpose of, and authority for expenditures for domestic projects. The Congress should undertake to exercise a somewhat similar degree of control over foreign aid expenditures. To do less is to give the bureaucrat virtually a blank check drawn on the United States Treasury.

"I have reached this conviction as the result of the subcommittee trip and the shocking evidences of inept administration of the majority of the aid programs that were visited by the subcommittee in the Philippines, Taiwan, Vietnam, Cambodia, Thailand, Pakistan, Iran, Greece, and Spain.

"If Congress acts to impose more stringent control I am confident that such a step will result in substantial savings to the American taxpayers and will enhance the attainment of the basic purposes of our aid objectives.

"On February 19 the Subcommittee on International Operations issued the first in a series of reports based on the subcommittee inspection trip made in November 1957. This initial report relates only to the one aspect of the aid program concerned with defense support. In part that report deals with unsuccessful endeavors of the Congress to restrict the manner in which foreign aid funds are used.

"The report refers to the fact that an effort to correct some of the wrongdoing in mutual security legislation was made in the 1st session of the 85th Congress by writing into the law the requirement that defense support from the fiscal year 1958 should only be that economic aid that is necessary for specifically achieving a military objective. Any economic aid over and above that level, such as aid granted for the purpose of economic development, would be handled elsewhere, and specifically, the development loan fund was proposed for that service.

"The subcommittee uncovered numerous instances in which foreign aid personnel have disregarded the word 'specifically' without proper recognition to the intent of Congress. As a result, the programs have been carried on in the same manner as previously by using the label 'defense support' on programs that have no relationship or connection with defense programs.

"It is apparent that the foreign aid personnel are of the opinion that by using the label of defense support on economic aid projects they have less difficulty in securing funds from Congress. Such misrepresentation cannot be condoned and the responsible administrators must be brought to account. This justifies the recall of key foreign aid personnel who have charge of administering the programs, and personnel who have the needed conception and respect for the laws covering mutual security funds should be assigned to the positions.

"The Congress should amend the mutual-security legislation, strongly defining the objectives of Congressional intent with regard to objectives, standards, and criteria applicable to each category of aid. This should be done so clearly that misinterpretations are impossible. The need for such an amendment is firmly demonstrated by the broad misuse of public funds appropriated for defense, but reallocated to unauthorized economic aid.

"The use of all foreign-aid funds and the purpose for which they shall be expended should be thoroughly understood and separately funded and used specifically for the purpose intended by Congress.

"The International Cooperation Administration should be required to submit to Congress with its annual budget presentation an explanation of how the various defense-support programs in each country have been determined and as to why a particular sum is requested.

"It is my candid opinion that the rank and file of people of the countries we visited have no conception of the vast amount of American dollars that are being spent on projects, and in many instances they will not derive any direct benefits from them because of the primitive character of their economy. Some of the projects we visited are possibly some 20 or 30 years in advance of the overall standards of living now existing in the countries involved.

"I have reached the conviction that we could better accomplish our foreign-, military-, and economic-aid objectives by limiting Government aid exclusively to military expenditures and by placing in the hands of the American business community the challenge and opportunity of aiding in the economic development of these foreign allies. This latter approach could be successfully accomplished by providing realistic tax incentives for foreign investment and other inducements for American industry to ply their managerial know-how and efficiency to the advancement of all concerned. It is my view that such an arrangement would establish a lasting economic partnership among the United States and its Free World allies that would be impregnable to inroads by Communist imperialism.

"From time to time Members of Congress are highly criticized for inspection trips made of United States installations and missions in various parts of the world. As a Member of Congress who is called upon to vote on legislation involving millions and millions of dollars—tax dollars derived from the hard-earned wages of constituents—I should whenever possible personally observe how and where these moneys are being expended, be it in the United States or in foreign countries. Moreover, as a member of the Government Operations Committee it is my duty as a member of that committee, whose jurisdiction is defined in the Rules of the House of Representatives, 'to study the operation of Government activities at all levels with a view to determining its economy and efficiency.'"

HORRID ENORMITIES

Mrs. ST. GEORGE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Mrs. ST. GEORGE. Mr. Speaker, last Thursday we had the annual pleasure and instruction of listening to the reading of George Washington's Farewell Address. I quote from that address:

> I have already intimated to you the danger of parties in the State, . . . The alternate domination of one faction over another, sharpened by the spirit of revenge natural to party dissension, which in different ages and countries has perpetrated the most horrid enormities, is itself a frightful despotism. The disorders and miseries which result, gradually incline the minds of men to seek security and repose in the absolute power of an individual and sooner or later the chief of some prevailing faction, more able or more fortunate than his competitors, turns this disposition to the purposes of his own elevation on the ruins of public liberty.

Mr. Speaker, the American people were treated to seeing and hearing one of these horrid enormities on Saturday night.

It is indeed tragic to see the dignity of the office of the Chief Executive brought to so low a level, as it was in the partisan and political speech delivered last Saturday by a former holder of that high office. Never has the admonition of President Washington been more brazenly flouted.

Mr. Speaker, we have the consolation of knowing that the words of George Washington will endure as long as human history endures. We also know that the words of President Truman will shortly be consigned to the limbo of forgotten political trash, where they properly belong.

CZECHOSLOVAKIA

Mr. MARTIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN. Mr. Speaker, the sympathy of America, indeed, the sympathy of freedom-loving people everywhere,

will be extended tomorrow to the people of Czechoslovakia on the 10th anniversary of their subjection by the Communist regime of Soviet Russia.

The plight of the intelligent, God-fearing men and women of the once proud Republic of Czechoslovakia is the same as that of their neighbors behind the Iron Curtain. They are the victims of Communist oppression as are the people of Hungary, Poland, East Germany, Lithuania, Estonia, Latvia, and other small states. Here is the tragedy of millions of people crushed under the heel of Communist domination, bound in the chains of slavery by the whiplash of the police state, by the constant threat of the gun, the tank, and banishment from their homes and loved ones.

All of us know what the answer would be if these people had the right of self-determination and self-government. If a free election could be held, we know they would promptly cast off their chains and once again become free men and women.

In their discouragement, I would like to reassure the people of Czechoslovakia on this significant anniversary that they and their fellow sufferers behind the Iron Curtain have neither been forgotten nor have they been abandoned by America or the Free World.

These unfortunate people have the sympathetic understanding and the moral support of all who treasure freedom.

They must keep burning brightly in their hearts the crusading spirit of liberation. They must not, and I am sure they will not, passively accept their sad fate.

A ruthless dictatorship that depends upon fear and upon force to govern cannot endure as long as the passion for freedom lives.

The dreams of these tragic men and women behind the Iron Curtain will eventually prevail. The day will come when they can hold up their heads again in the pure light of freedom and human dignity.

MR. TRUMAN AN EXPERT IN BAMBOOZLING THE PEOPLE

Mr. McINTOSH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

Tnere was no objection.

Mr. McINTOSH. Mr. Speaker, Mr. Truman spoke as an expert when he talked about bamboozling the people. His speech was a masterpiece of that art.

Just a few calm examples of facts are needed to expose the nature of his entire tirade.

Mr. Truman said, for instance, that the Republicans want to turn public assistance over to the States or repeal it.

In 1952, $1,180,000,000 was spent by the Truman administration on public assistance. This year President Eisenhower has asked Congress for $1,809,000,000 for this purpose.

In 1952, 73 percent of the working force was covered by social security. Today, as the result of Eisenhower programs, coverage is almost universal.

In 1952, the average benefit drawn by the unemployed was 20 percent lower than it is today.

With our growing gross national product and national income, I do not believe that Mr. Truman's scare story—intended, of course, to cover up the empty record of his own administration—is going to have much effect among the people after 5 years of unprecedented peacetime prosperity by any standard.

THE BACKWARD LOOK

Mr. DINGELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DINGELL. Mr. Speaker, the other day former President Hoover gave his 27-year-old Prosperity Is Just Around the Corner speech. Americans will recall with grim humor that this same speech was given in time of substantial unemployment. They will also recall that Mr. Hoover proceeded to wait, sitting on his hands for prosperity to turn that corner. A not dissimilar situation faces America today. I should like to call attention to an editorial appearing in today's issue of the Washington Post and Times Herald entitled "The Backward Look." It says:

> If slogans and good intentions were enough to bring the Nation through a time of trial, the record of of Herbert Hoover as President of the United States during the depth of the great depression no doubt would be somewhat different.

I am sure my colleagues on the Republican side of the House recall that record. In conclusion, Mr. Speaker, after all this talk about prosperity being just around the corner from Messrs. Mitchell, Eisenhower, and that alltime expert on the subject, Mr. Hoover, I should like to read the last sentence of this editorial which says:

> Mr. Hoover has demonstrated the old maxim, in respect of his brand of Republicanism, that an elephant never forgets—but apparently he doesn't learn much either.

Mr. Speaker, I should like to call the attention of the House to the fact that the Republicans are now saying that there are about 4½ million unemployed and that this is not a very serious situation. But I wonder if any of them have talked to those people who are unemployed, or who are working part time?

The editorial from which I have quoted is in full as follows:

THE BACKWARD LOOK

If slogans and good intentions were enough to bring the Nation through a time of trial, the record of Herbert Hoover as President of the United States during the depth of the great depression no doubt would be somewhat different. Mr. Hoover tried an interesting trick on Saturday by delivering at Valley Forge virtually the same speech he had made there 27 years ago. It was a speech replete with exhortations to the individual to be of strong character, to rely on his own initiative and be suspicious of Government; and it was typical of the passiveness with which Mr. Hoover attempted to meet the problems of the depression.

Today the crisis is peculiarly one of national policy, both in the devising of means to combat the recession and assure expansion of the economy, and in the much broader challenge of competition with the Soviet Union. There are indeed the false panaceas of which Mr. Hoover speaks, but they are the notions that we can somehow get by on the cheap, without enormous national effort. Private initiative is as important as ever, but clearly it is no substitute for governmental decisions and impetus. Particularly in such fields as defense, economic planning, and the improvement of educational opportunities, the leadership must come from Washington despite Mr. Hoover's mistrust. Mr. Hoover has demonstrated the old maxim, in respect of his brand of Republicanism, that an elephant never forgets—but apparently he doesn't learn much either.

LOSS OF BUSINESS BECAUSE OF THE UNEMPLOYMENT SITUATION

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, it is in a state of confusion that I come into this well. I have just been reading the Chicago Tribune of this morning, and on page 1 I find a statement quoting one of the outstanding Republican statesmen of the Nation, a beloved colleague from Illinois, as saying that "if the Democrats were in the White House now they would be boasting about prosperity." Then follows a suggestion that the present recession, which all Americans, regardless of party, devoutly hope soon will clear up, is the product of Democratic imaginations.

Then I turn to page 6 of part 2 of the same Chicago Tribune of this morning, and here I find a news article under a headline reading: "Riders Losing Jobs, So CTA Is Losing Money." The subheadline reads: "Passengers Are Fewer by 12 Percent." The substance of this article is that Chicago Transit Authority, which operates the local transportation system in the city of Chicago, in the month of January failed by $340,459 to meet its January requirement for the depreciation account, which is money that must be set aside for the future replacement of equipment. The Chicago Tribune says that CTA places the blame for this loss on layoffs in industrial plants, pointing out that a considerable portion of the great loss in passengers during January was caused not only by people not having jobs to go to, but by fewer shoppers having money to spend.

I quote from the news article by Thomas Buck on page 6 of part 2 of this morning's Chicago Tribune:

> The CTA's monthly financial statement disclosed that riding in January dropped 12.02 percent to 45,932,834 passengers from 52,210,217 in January of last year. About 9 percent of the loss was attributed to the higher fares that became effective last July.

"There appears to be no reason other than the plant layoffs to account for the additional passenger loss," said a CTA spokesman. "The layoffs also have caused a reduction in the number of shoppers riding the transit system."

The biggest loss of riders occurred on surface lines, where January riding declined 12.84 percent to 36,553,184 from 41,936,157 a year earlier. Riding on the "L" subway system dropped 8.69 percent to 9,379,650 from 10,272,060.

Operating and maintenance expenses totaled $9,573,696, which was 1.43 percent less than $9,712,300 in January of last year. The reduction in these costs was attributed to operating economies and a relatively low bill for snow and ice removal in January.

Mr. Speaker, my confusion stems from the fact that the Chicago Tribune is a Republican newspaper. Goodness, what is ahead if even the stanch Republican Tribune has fallen for Democratic propaganda.

GREATER LAWRENCE NURSE WINS TOP NAVY POST

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, the name is Capt. Ruth A. Houghton, United States Navy.

She is a veteran of 22 years' service; the first United States Navy nurse to be promoted to the rank of captain; in a career that won top honors by her recent appointment as commander of the United States Navy Nurse Corps.

As her parents, Mr. and Mrs. John J. Kelley, now reside at 287 Main Street, Andover, Mass., which is a part of Greater Lawrence although located in the district represented by Congresswoman EDITH NOURSE ROGERS, I join with my colleague who is also a distinguished representative of her sex, to congratulate Captain Houghton.

The Lawrence Evening Tribune, in its biographical sketch of Captain Houghton, states that she was born in Methuen where she attended the public schools. She is a graduate of the School of Nursing, St. John's Hospital, Lowell; received her bachelor of science degree in nursing education from Boston College; and a master of science degree in nursing from the Catholic University of America, Washington, D. C. Prior to her transfer to Bethesda, she served in a number of naval installations including United States Navy hospitals and dispensaries in Coco Solo, C. Z.; Sydney, Australia; Milne Bay, New Guinea, and at the naval medical unit, Tripler Army Hospital, Honolulu, T. H.

As Lawrence has contributed more than its share of volunteers to the United States Navy, we are very proud of the advancement that has come to Captain Houghton. Her ability and her devotion to duty reflect credit on herself, her family, and the schools of this area.

Her experience is convincing proof of the careers that are open to young women who want to serve their country. Hard work and superior performance will earn recognition in the best American tradition.

In her new and responsible position we wish every happiness and success for Capt. Ruth A. Houghton.

FEDERAL RESERVE SYSTEM AND PRIVATE COMMERCIAL BANKS

The SPEAKER. Under previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 30 minutes.

Mr. PATMAN. Mr. Speaker, I desire to discuss a question that is now before the House Committee on Government Operations. I appeared before that committee this morning and in connection with my remarks here a copy of my testimony will be inserted.

MANUFACTURING OF MONEY

The greatest manufacturers in the United States are not manufacturers of automobiles, they are not manufacturers of road machinery or farm equipment, they are not manufacturers of food, they are manufacturers of money. The biggest manufacturers in the United States today are manufacturers and creators of money.

I regret the necessity of making so many talks on the floor of the House about this matter although I believe it is of great public interest. In view of the fact that we have been denied the privilege before our committee to discuss these questions properly and to bring out from the witnesses the information we desire to be brought out in the public interest, the only way I know is to come to the floor of the House and discuss them on the floor and put the speeches in the CONGRESSIONAL RECORD.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Michigan.

Mr. HOFFMAN. I am sorry I could not stay this morning but I had other matters I was pledged to. However, the gentleman said "the greatest manufacturers." What does he mean, in tonnage or value or what?

Mr. PATMAN. I mean in importance for trade, industry, and government.

Mr. HOFFMAN. That is to say, they put out the money?

Mr. PATMAN. Yes. Money is of great importance because money is credit, in addition to being a medium of exchange. Without money, of course, trade would be impossible.

Mr. HOFFMAN. We could not buy automobiles, we could not buy anything else without the money?

Mr. PATMAN. That is right.

Since the gentlemen asked me to yield, I will state that I talked today on a subject in which he is very much interested.

Mr. HOFFMAN. You mean the money? I will say I am.

Mr. PATMAN. In 1954, the gentleman did his job I think remarkably well as chairman of the Committee on Government Operations. The committee had the question of auditing the Federal Reserve banks before it. He had an understanding with the Chairman of the Board of Governors of the Federal Reserve System that all the internal audits that we wanted to see would be delivered to the Banking and Currency Committee of the House for our inspection. The gentleman did his part.

Mr. HOFFMAN. Let me tell the gentleman why. That is because the gentleman wanted it, and he has been on this subject so long that I thought certainly he knew all about it.

Mr. PATMAN. I compliment the gentleman on doing his full duty, as I have noticed over the years he always tries to do. I am not complaining about it at all. But I was talking on a subject that we had discussed in 1954. The audits were never examined. The chairman of the Committee on Banking and Currency did not realize the importance of this, as the rest of us did; so we were never able to examine those reports in the way and manner that we wanted to examine them.

So we did not have any examination of even the internal audits.

In connection with this subject, naturally, the question of banks comes up and the question of the Federal Reserve System in particular. Personally, I am strongly in favor of our commercial banking system. I think it is one of the finest and best systems in the world. The only objection I have to it is that the bankers are permitted to engage in policies and practices which are not always in the public interest. I do not blame the banks or the bankers in every instance for this, because they have not had proper supervision and guidance from the agencies of the Government charged with their supervision. For that reason they have not had matters called to their attention, which should have been called to their attention. Naturally, they have fallen into practices that they otherwise might not have picked up.

FEDERAL RESERVE

The Federal Reserve Banking System is all right. It is a fine System. As established in 1913, it was a sharp departure from our previous monetary system in the United States. It was a fine regional banking system. Each bank was autonomous and controlled its own affairs. It was very fine. But, without the knowledge of many people in the United States of America, in 1935, the Federal Reserve System was completely changed. Overnight it became a central bank for the United States. The respective regional banks lost their autonomy. They did not have any more power. The 1935 act took all the important powers away from the 12 Federal Reserve banks and placed them all here in Washington and in New York.

There is no important power remaining in a regional Federal Reserve bank today.

MOST IMPORTANT GROUP IN WORLD

There is no important power remaining with 11 of the 12 Federal Reserve banks. The New York Federal Reserve bank is different. This bank is the agent for the Open Market Committee which is composed of 12 members. These are the 7 members of the Board of Governors and 5 members who are selected by the representatives of the private banks. The Open Market Committee is the most powerful committee on earth. It has

more power over our economy than Congress has. We gave them that power. We should look over that power now and then. We should audit their reports. We should audit what they have done. We should investigate what they have done. But there has never been an investigation of the Federal Reserve Banking System or of the Open Market Committee. They have handled hundreds of billions of dollars of our printed money, and yet we have had no audit. A great deal of that money, in fact, most of it, has been returned because it is soiled and unfit for circulation and has been destroyed. But there is no proper audit made of the destruction of money. Imagine that. As Members of Congress, we have permitted this to go on. Not only is the Congress responsible, but each and every individual Member of the Congress, including myself, is responsible for this. We should change the Federal Reserve Act so that representatives of private banks cannot be on the Open Market Committee or other committees that determine interest rates and the supply of money. The railroad owners have just as much right to be on the ICC to determine freight rates.

OLD GOLDSMITHS

The private commercial banking system has the same system of issuing money and creating money and manufacturing money that the goldsmiths of old had. The old goldsmith found out that on dollars of gold he could give out receipts for several. These receipts came to be used as money, so the goldsmith could make loans of several dollars for every dollar he actually had deposited with him. Of course, if all the holders of these receipts came in and demanded the gold, the goldsmith would not have it. But knowing that very few of the people would ever come back and demand the gold, he was more or less safe. This became the commercial banking system which we adopted in this country. I do not object to it. I am all for the fractional reserve system, if it is used in the public interest. It is manufacturing money. It is in the bankers' interest and the banks' interest, but it should always be used in the public interest. There are things about this system today that should be looked into, to determine whether or not it is being used in the public interest. Our Government, the Federal Government, makes all the money and delivers all the money, and someone else gets the benefit of this money. Those who get the benefit of it should be accountable to the Congress of the United States, because Congress is charged with that duty. We should look into the way that the banks have handled this trust.

AUDIT COMPTROLLER OF CURRENCY

For this reason, I think the Federal Reserve banks should be audited, and I believe, too, the Comptroller of the Currency should also be audited.

I presented these views to the Committee on Government Operations this morning.

FDIC

It is even being contended that the Federal Deposit Insurance Corporation should not be audited by the Government. Honest and sincere people have come forth with the suggestion, and I know they are honest in their position, but I think it is wholly wrong; the FDIC should be under the audit controls of the General Accounting Office.

Mr. MULTER. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from New York.

Mr. MULTER. Am I not correct on these facts: the private banks, if they are insured by the Federal Deposit Insurance Corporation, are subjected to examination by that Corporation; the private banks which are members of the Federal Reserve System are subjected to examination by the Federal Reserve Board; if they are national banks, they are subjected to examination by the Comptroller of the Currency; and, if they are State banks, they are also subjected to examination by the State supervising authority. That is the law.

Mr. PATMAN. That is the law.

Mr. MULTER. But as to the Federal Reserve banks, nobody examines them except themselves. No outside agency does it. Is not that the point the gentleman is making?

Mr. PATMAN. That is right, yes.

Mr. MULTER. There is one other point the gentleman has previously made which ought to be stressed and that is this: The Federal Reserve System spends about $125 million a year for the operation of this System.

Mr. PATMAN. That is right.

Mr. MULTER. They do that entirely on their own; they report to nobody; they do not come before the Appropriations Committee; they take their receipts and spend them as they see fit and to whatever extent they see fit.

Mr. PATMAN. That is right.

Mr. MULTER. And there is no examination of it.

Mr. PATMAN. No examination. As the gentleman knows we have had a bill before the Committee on Banking and Currency for the last several months, and it was understood that the Chairman of the Federal Reserve Board would furnish to this committee at the request of a member any information desired. So I requested their internal audit reports for the last 6 years, and the audits were brought up, in part; these were examined. Now, remember, these were audits made by the Federal Reserve people, by auditors selected by them. In practically every instance their own auditors, their own employees, gave the instructions and the reports were made to themselves only. That is the kind of internal audit they have.

But even those audits contained startling and shocking information which I placed in the records of the Committee on Banking and Currency when I appeared there and gave my testimony February 7, this month. The Federal Reserve banks spend money in every way; they feel that they are footloose and fancy-free to spend the Government's money in any way they want to, because no one is looking over their shoulder; no one is examining their books; no one is investigating what they do; there is no accounting.

Imagine Government money being spent in the way it has been spent for 40 years and longer by the Federal Reserve System. For instance, a recent audit made by their own employees disclosed that they had a symposium of some kind and paid speakers up to $2,000 each for speeches and papers prepared on different subjects. They paid money for all kinds of purposes, big banquets and entertainments, stage people, and people who put on an entertainment for them. They have used money for every conceivable purpose a human being could use money for; not that I would object to a person spending his own money for those purposes, but for them to use the Government's money is quite a different thing, money for which no accounting is made. As the gentleman from New York [Mr. MULTER], said, they do not come to the Appropriations Committee; they are not audited by the General Accounting Office; there is no one to supervise what they do.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. GROSS. Does the gentleman know whether Eric Johnston, who is promoting the foreign aid lobby at the White House, was paid one of those $2,000 honorariums?

Mr. PATMAN. His name does not appear on the list that I saw.

Mr. GROSS. He can and does, with the greatest facility, warn businessmen of this country of the imminent danger of what he calls, and he coined the phrase, "socialized capitalism," but apparently he is perfectly willing to use American taxpayers to underwrite "socialized capitalism" all over the world.

Mr. PATMAN. I know Eric Johnston, and I consider him a great American regardless of how he stands on the foreign aid or any other public question. I believe he is honest, able, and sincere. Speaking of foreign aid, we have no way here in the United States of getting money for small business concerns that need capital, venture capital, and long-term loans.

SMALL BUSINESS DISCRIMINATED AGAINST

There is no place for a small-business man in the United States to go for that kind of money. In the foreign-aid bill that passed Congress last year there was a loan-development program for which $300 million was appropriated, making it possible for small and large business in all the countries of the world, except the Iron Curtain countries and the United States, to get loans from that fund. That is only one source of Federal funds being made available for loans abroad.

IFC

There is the International Finance Corporation, too. In all the countries in the world, except the Iron Curtain countries and the United States, small and large business can get loans from the IFC, even for venture capital, risk capital, but not here in the United States. The United States furnishes one-third of the capital for IFC.

EXPORT-IMPORT BANK

Then there is also the Export-Import Bank, with $5 billion of United States

Government money. People in every country in the world, except the Iron Curtain countries and the United States, can get consideration and actually get loans, small and large, from the Export-Import Bank of the United States, but not the people here in the United States, although we furnish all the capital for the Export-Import Bank.

WORLD BANK

The World Bank is set up in much the same way, to make loans to all countries and in all the countries in the world, except the Iron Curtain countries and the United States. Not to the people here in the United States. In other words, we are penalized the same as the Communist countries. I would not say that the Communist countries are penalized, because they are not entitled to a loan anyway, but why should we be placed in the class of the Communist countries?

Mr. GROSS. Some of these Communist countries are getting alleged loans, are they not?

Mr. PATMAN. That is my belief, but the people of the United States are not getting them; therefore, I say the gentleman is right in making reference to that, although reference to Mr. Johnston's activities do not logically belong in the statement I am making.

Mr. MULTER. The gentleman referred to the Federal Reserve Board and to the fact that we have no place for small-business men to go for loans, may I ask him: The Federal Reserve Act has a provision which permits the Federal Reserve banks to make loans to small-business men. But they have recommended that that authority be taken away from them because they have not used it. Is that correct?

Mr. PATMAN. Yes. Since 1934 the Federal Reserve banks have had that power under section 13 (b). They did not look with favor on it, however, and have used it very little; they are not using it any more than they can help. Very few times have they used that power. Now they have come before the Congress and asked that the authority be repealed and that the money for that purpose be sent to the United States Treasury. That is the reason several bills have been offered. The distinguished gentleman from New York [Mr. MULTER] offered one, the gentleman from Tennessee [Mr. EVINS] offered one, I have offered one, the majority leader of the Senate offered one, to establish 12 small business capital banks which would use that money that the Federal Reserve wants to turn over to the Treasury, that they have had for all these years and did not use. We want to put it to use. I believe we have a good, sound proposal, and I believe the Members of this House will vote for it when they have an opportunity.

CHARTERING OF BANKS BY FDIC

May I also suggest that certainly the Federal Deposit Insurance Corporation should be audited by the General Accounting Office? They have the power of life and death over a bank. They can refuse to insure the deposits of a new bank, a State bank for instance, and that State bank cannot get into the banking business. There are three people who pass on the question of insurance. One of them happens to be the Comptroller of the Currency, who also has the chartering privilege for national banks. He wears two hats. Under one hat he issues charters for national banks—or refuses to do so; under the other hat, as a member of the Federal Deposit Insurance Corporation Board of three members, he passes on the question whether or not a State bank can get insurance, which is the same as a charter.

BANKING MONOPOLY

There is a growing monopoly in the banking business that is extending out all over the country. It is monopolistic. Thirty-five years ago we had 30,000 banks in this country.

Today we have fewer than 14,000 banks. The tendency is toward fewer banks owned by fewer people. We must break that up; we must stop it. In the interest of the public it should be stopped. The Federal Deposit Insurance Corporation has $1.44 to protect every $100 liability. Do not forget that—$1.44 to protect every $100 liability. That is not enough. They should have more in that fund. But the bankers complain about having to pay the assessments, although they are small. They should be glad to pay those assessments up to a reasonable amount. But they do not want to do it.

Now, the greatest security the Federal Deposit Insurance Corporation has is the fact that they have a commitment from the Congress, which was passed here in the 80th Congress. This gives them the power to go into the Treasury and pick up $3 billion any time they need it. That is a commitment; that is in the law. They do not pay anything for this commitment, although bankers charge commitment fees when they give a commitment, which is all right. We are not charging the FDIC anything for this commitment of $3 billion. The point is that now on that account we are having to raise the national debt limit. I do not think there is any other reason for it except to make it possible for us to carry out this commitment. If the debt limit were right up to $275 billion and the FDIC needed to get $3 billion to save the banks, they could not get it, because it has got to be within the debt limit. Now, there is only one justification for raising the debt limit, and that is to make sure that that $3 billion is there. Naturally, the present debt limit should be raised by $2 billion, anyway, but it would not be necessary to raise it $5 billion, from $275 billion to $280 billion, except that the Treasury keeps an average of $3 billion on deposit—interest free—with the private banks. The only justification for it is to carry out these commitments to the banks to make it possible for the Treasury to have that extra $3 billion there when it is needed, and then tell me that an agency like that should not even be audited by the General Accounting Office? Why, certainly. It is bordering on the ridiculous to make such a claim as that. Certainly they should be audited along with the Federal Reserve banks and the Comptroller of the Currency and all other similar agencies.

They talk about an independent FDIC. They want to be independent like the Federal Reserve, but the Federal Reserve is not independent in the way it should be independent. It is not independent of the private bankers. This administration is saying that they were independent, but that is because they are doing exactly what the administration wants them to do. Any time they cross the administration and do something opposite to the administration wishes, they will be brought back into line. They are subject to laws just like any other agency of our Government, and the Constitution has something to say about that.

Mr. MULTER. Mr. Speaker, if the gentleman will yield further, may I direct your attention to the following sentence which appears in an article I placed in the RECORD on February 20:

> However, the bankers of most States still appear to be reaping a harvest aggregating many millions of dollars yearly from these antiquated and inflexible provisions, and will keep on doing so as long as taxpayers are kept in ignorance of their own tenderness to the banking fraternity.

Mr. PATMAN. Yes. It is in the bankers' interest that they be audited; it is in the bankers' interest that there should be some supervision; it is in the bankers' interest that they always operate in the public interest. Any time they get outside they are in jeopardy, and they are on the outside on many questions today. They are not fully serving the public interest as they should serve it, and certainly the Federal Reserve is not serving the public interest as was intended under the original act or under the act of 1935.

My testimony referred to is as follows:

FEDERAL AGENCIES SUPERVISING BANKS SHOULD BE SUBJECT TO THE SAME AUDIT CONTROL AS OTHER FEDERAL AGENCIES

Mr. Chairman, I appreciate the courtesy that this distinguished committee has extended to me.

I wish to comment on one important feature of this bill, H. R. 8332, which is to provide for an annual audit by the General Accounting Office of certain of the Federal agencies which are now not under audit control. These are what have been referred to as "mixed ownership" agencies, which operate in part on funds collected from private sources. They are as follows:

1. The Central Bank for Cooperatives and the regional banks for cooperatives.
2. Federal land banks.
3. Federal intermediate credit banks.
4. Federal home-loan banks.
5. Federal Deposit Insurance Corporation.

The bill would go a long way toward completing the job of making all Federal agencies subject to an annual audit by the General Accounting Office. Wholly owned Government agencies are supposed, of course, to have been under such audit control all along.

The general rule is that Federal agencies are not only under audit control of the General Accounting Office, but they are also under budget control with Presidential and Congressional supervision. There are notable exceptions to this rule, however, in the case of Federal agencies having to do with banks or banking, and particularly in the case of those having supervisory responsibilities over the private banks. I can see no justification whatever for the privileged status which has been accorded banks and banking functions. On the contrary, I can see considerable justification for bringing into the orbit of accountability and responsibility to

the Federal Government those Federal agencies engaged in banking functions, those handling the banking transactions of the Federal Government, and those supervising private banking. Certainly these agencies and the private banks they supervise enjoy exceptionally large uses of the powers and privileges of the Federal Government.

I am, therefore, greatly impressed with this bill, which would now make most of the Federal agencies having to do with banking accountable to the public, at least on the matter of their financial operations. I have not given sufficient consideration to the other features of the bill to be able to make any worthwhile suggestions on these; but I have no doubt whatever of the merit of bringing these agencies under public audit control.

The main purpose of my remarks today is, however, to call the committee's attention to the fact that the two banking agencies which should be in this bill, above all others, are conspicuously omitted from the bill.

These are: (1) the Federal Reserve System; and (2) the Office of the Comptroller of the Currency.

All the agencies presently covered by the bill are, of course, important. But, by comparison to the two agencies which are omitted, they are "peanuts," as we would say in Texas. Whether we measure importance by the amount of Federal funds an agency handles, or by the practical effects of the agency's operations on the general public, the two agencies omitted from the bill are infinitely more important than those included in the bill.

THE MOST IMPORTANT FEDERAL BANKING AGENCY SHOULD NOT BE OMITTED FROM THE BILL

The Federal Reserve System is no doubt the most important of the Federal banking agencies. The essential facts are these:

First. The System is 100 percent owned by the Government of the United States.

Second. Virtually all of the income of the System comes from the United States Treasury. The System holds a vast amount of interest-bearing obligations of the Federal Government and it gets its income by taking from the Treasury the regular interest payments on these securities.

Third. This vast amount of United States Government securities which the System holds has been purchased by issuing money on the credit of the United States. Specifically, the Federal Reserve System has acquired these securities by issuing Federal Reserve notes—that is, the folding money such as we have in our pockets. These notes are obligations of the United States, as is plainly stated on the face of them. The Federal Reserve System obtains these bills from the Bureau of Printing and Engraving, at no cost to the System, and then uses them in the open market to buy interest-bearing obligations of the United States. That is the way the System acquired the approximate $25 billion worth of United States Government securities on which it now collects interest.

Fourth. The Federal Reserve banks obtain some income from loans and other services to the private banks, but this income does not meet the cost of the services given to the private banks. In fact, it is a very small fraction of the cost of these services, and the private banks actually receive a tremendous subsidy from the System, which is an out-of-pocket cost to the Federal Government.

5. While the Federal Reserve System is fully owned by the Government, its operations and management are under mixed public and private responsibility. The top governing body, which is the Federal Reserve Board, is composed of public members, appointed by the President with the consent of the Senate. Their salaries, terms of office, and so forth, are fixed by law and they take the oath to the United States. On the other hand, the management and operations of the individual Federal Reserve banks is by private, or at best semipublic, officials and employees which are, however, fully and generously compensated for their services. These latter officials and employees not only manage and operate the individual Federal Reserve banks, they also have considerable to do with making the policies under which the entire system operates.

6. The Federal Reserve System is not now under public audit control, nor is it under any budget control or supervision, either by the President or the Congress. The System has never been audited by the General Accounting Office, or any other auditor which is independent of the System itself. It exists and operates, however, on a delegation of power which is reserved to the Congress by the Constitution. This is the power to create money and to regulate the value thereof.

Finally, the Federal Reserve System meets every condition and every purpose which has been advanced for this bill. It meets the purposes stated in the President's message; and it meets the purposes and criteria stated by the Director of the Bureau of the Budget, as well as those stated by several of the other administration officials who have recommended the bill. This will become clear by reference to the functions of the System. But before taking up these specific functions let me elaborate on several points concerning the ownership of the System and the source of its income about which misconceptions sometimes arise.

THE FEDERAL RESERVE SYSTEM IS 100 PERCENT FEDERALLY OWNED AND OPERATES ON FEDERAL FUNDS

One notion, which even a lot of the bankers have, is that the Federal Reserve banks are owned by the member banks. The fact of the matter is, however, that the Federal Reserve banks—the whole Federal Reserve System—is 100 percent owned by the Government of the United States. The member banks have no proprietary interest in the Federal Reserve banks. No authority on this subject holds that member banks have any ownership of the Federal Reserve banks.

Another idea which some people have is that the Federal Reserve System receives income by investing the reserves which are deposited in the Reserve banks by the private member banks. This idea is completely erroneous. The Federal Reserve System does not invest, or any way use for its own benefit, one penny of the private banks' money. This includes both the member banks' reserves and a small amount of money which the member banks have invested in the so-called stock of the Federal Reserve banks.

It is the existence of this so-called stock which gives rise to the mistaken notion that the private banks owned the Federal Reserve System. This so-called stock is, incidentally, an absurd thing. It amounts to only $325 million. Furthermore, the Reserve banks pay the member banks a high rate of interest for this money—6 percent. And, as I have indicated, the money is not invested by the System, and the System has no conceivable need for this money. While this so-called stock amounts only to $325 million, the Reserve banks have reserves of surplus earnings alone amounting to more than $800 million, and they have no conceivable need for these reserves either. Obviously, then, a part of these reserves should be used to retire the $325 million of stock, and thus stop interest payments on money which is neither invested nor needed for any safety factor.

Recently, I wrote a letter to our colleague, Representative HOWARD W. SMITH, on the subject of the ownership and source of income of the System which cites a number of authorities on the points I am making. This letter has appeared in the CONGRESSIONAL RECORD, and I will be glad to offer it for this committee's record. Furthermore, if the committee should wish a more detailed statement citing additional authorities, there is one in a speech of mine in the CONGRESSIONAL RECORD of February 6, 1958, at page 1871.

I might say here that the present Chairman of the Federal Reserve Board, as well as past Chairmen, are on the public record many times as stating: (1) The private banks do not own the Federal Reserve banks and have no proprietary interest whatever in those banks; and (2) that the Federal Reserve System does not invest either the reserves of the member banks, or the funds from the so-called stock which the member banks hold.

MISUSES OF FEDERAL RESERVE FUNDS COME OUT OF TAXPAYERS' POCKETS

As I have indicated, substantially all of the income of the Federal Reserve is from interest collected on United States Government securities held by the System. This interest is unearned, insofar as the System is concerned, because the System performs no services and invests no money to earn it. It simply has some non-interest-bearing obligations of the United States printed, then swaps these in the market for interest-bearing obligations of the United States.

In the last report we have, which is for the year 1956, the 12 Federal Reserve banks together reported earnings of $595.6 million. Of this, $571.8 million, or 96 percent, of the total income came from United States Government securities. In other words, the 12 banks together had actual earnings of only $24 million. Against these actual earnings they had expenses of $140 million. The difference between expenses and actual earnings, which is a loss of $116 million, was a direct subsidy to the private banks of the country. The private banks received the services performed, and paid nothing for them.

Now in contrast to the free services performed for the private banks, the Federal Reserve charges the other Federal agencies for services performed for them. Not included in either the income or the expense figures I have cited, was an expense of $18 million for which the System was reimbursed.

At the end of 1956, the Federal Reserve System showed on the liability side of its balance sheet $27.5 billion for Federal Reserve notes in circulation. In other words, there were $27.5 billion in such notes in peoples' pockets, in the cash registers of the Nation, and so on, which had been issued against the credit of the United States Government to buy the $25 billion worth of interest-bearing securities of the United States Government.

Under the practice of recent years, the Federal Reserve pays into the United States Treasury approximately 90 percent of its net income. That is to say, after taking approximately one-half billion dollars a year in unearned interest from the Treasury, then paying all the expenses for servicing the private banks, and paying generously and without restraint all kinds of unnecessary expenses, the System pays 90 percent of what is left over back into the Treasury. The other 10 percent is put into what they call a surplus reserve to be used at some time in the future, for what purpose no one has ever been able to figure out. This is also not invested.

In 1956 the System paid $401.5 million or 89 percent of its income, after expenses, into the Treasury. This payment is described in the Board's annual report as payment of interest on Federal Reserve notes.

Clearly then, the Federal Reserve System is operating on Federal funds; and any misuse of these funds and any unnecessary expenses met with these funds come out of the taxpayers' pocket. Certainly, then, the System should be audited by the Government.

Does the Federal Reserve System belong in this bill?

Allow me to quote from the letter of August 2, 1957, from Mr. W. Randolph Burgess, the then Acting Secretary of the Treasury, concerning the purposes of this bill. Mr. Burgess said:

"The criteria for determining whether a corporation or agency comes under the provisions of the act would not be based on private ownership of capital stock as at present, but on the use of Federal funds, or the availability to the corporation by statutory authority of such funds, or the use of the credit of the United States."

THE GOVERNMENT'S BUSINESS HANDLED BY THE FEDERAL RESERVE IS NOT AUDITED

Now there are some odd things about the Federal Reserve System. The officers, directors, and employees of the Federal Reserve banks are not Government employees. Their salaries are fixed without reference to civil service, or any other salary scale. For example, the salary of the president of the Federal Reserve Bank of New York is $60,000 a year, which makes him the highest paid official in the Government, except for the President of the United States, although he is not, strictly speaking, a Government employee.

These banks have their own salary scales. They have thought up their own retirement systems, and they have several extremely generous systems. They even pay about three-quarter million dollars a year for hospitalization and surgical insurance for their employees. They subsidize their cafeterias and dining rooms, by their own reckoning, to the extent of about 50 percent. They pay for amusements, entertainment of all kinds, and banquets. They pay for gifts to people who are not even employees of the bank; they send employees to school and pay for their training. In short, there seems to be no limit to the things that the Federal Reserve banks pay for with Government money.

Now if the committee would be interested to learn about some of the things that the Federal Reserve banks spend Government money for, I invite attention to my testimoney before the House Banking and Currency Committee on February 7, 1958.

In addition to handling funds for its general expenses, the Federal Reserve banks handle other financial transactions on behalf of the Federal Government which are gigantic. To illustrate:

1. The Reserve banks act as fiscal agents for the Treasury. In this they issue Government securities, keep custody of huge amounts of such securities and handle the redemption of these securities. These operations are not audited by the Government.

2. The Reserve banks supervise the Treasury tax and loan accounts with the private banks, and they collect and keep custody of securities which the private banks put up to secure the Treasury's deposits with these banks. At any one time these deposits usually run between $3 billion and $6 billion. These operations are not audited by the Government.

3. The Reserve banks handle the destruction of unfit Treasury currency. Billions of dollars a year are involved in this operation. It is not audited by the Government.

4. The Federal Reserve Bank of New York operates a foreign department which carries on a tremendous business with foreign and international banks, including the making of loans to such banks. This is not audited by the Government.

5. The Federal Reserve Bank of New York also operates the so-called open-market account of the system. The Government does not audit this operation.

I know that this committee has given some study to the open-market account, so, if I may, let me point out some of the features of this operation.

Most of the public is not aware of this open-market account or the Open-Market Committee. Yet these carry on one of the most important economic activities of the whole country. It is an activity which affects the pocketbook of every man, woman, and child in this country.

The Open Market Committee, of course, makes the general policy as to how much money there is to be in the private banking system. But the policy directives issued by this committee are extremely generalized—I could say vague.

The actual buying and selling of Government securities is handled by the Federal Reserve Bank of New York. This bank has been chosen as the agent for the committee. And within the bank there is a small unit known as the open-market account which does the actual buying and selling of Government securities. This buying and selling, which is supposed to be for the purpose of adjusting the amount of credit available in the private banking system, runs to fantastic amounts.

For example, the amount of Government securities bought and sold during the year 1956 almost equaled the amount of Government securities which the account held at the end of that year. As I have pointed out, this account held about $25 billion in Government securities at the end of 1956. During the year 1956, the account purchased a total of $11.9 billion worth of Government securities and sold $9.3 billion worth, making a total trade of $21.2 billion.

Now there are some highly peculiar things about how this trading in Government securities is carried on. The trading is an under-the-counter kind of trading, in which a very small group of "dealers" or speculators participate. Altogether there are only 17 of these so-called dealers with whom the open-market account trades. Furthermore, according to information I have been able to obtain, an even smaller group accounts for substantially all of the trading. The information I have shows that in 1956, 5 of these dealers accounted for 52 percent of all of the trading with the open-market account, and the 10 biggest dealers accounted for 88 percent of the trading.

This buying and selling of Federal securities, in which Federal funds are used, is carried on without any public reporting of what prices have been paid or received, and without any public reporting of whom the securities are sold to or bought from.

A small group of people who run the open-market account decide all of these matters. They decide when to buy or sell Government securities; they decide which securities to buy or sell; what quantities they will buy or sell; which dealers they will buy from or sell to, and what prices. Furthermore, they also make loans of Federal funds to these dealers to enable the dealers to carry and speculate in Government securities. And, in addition, they carry on similar trading with foreign central banks, although, for some mysterious reason, they do not trade with member banks of the Federal Reserve System, or trade even with the Federal Reserve banks themselves. Actually one man who is known as the manager of the account has the authority for making all of these decisions. These operations are not audited by the Government, and the public is told almost nothing about them. Everything about this open-market account is considered secret.

INTERNAL AUDITS OF THE FEDERAL RESERVE SYSTEM ARE NOT MADE PUBLIC

As I have indicated, the only auditing that is ever done of the Federal Reserve System, is a self-audit, made by the System's own employees. And, of course, self-audits in no way meet the basic purpose for which audits are made, either in private business or Government agencies. These self-audits of the Federal Reserve are in many instances made with the help of employees of the very bank that is being audited.

Yet even the audit reports which result from these self-audits are not made public; and certain portions of them cannot be seen even by appropriate committees of Congress under a cloak of confidentiality.

Recently, I did succeed in having Chairman Martin make available certain portions of these audit reports to the Committee on Banking and Currency of the House, for inspection of any interested member of that committee. Again, I would invite this committee's attention to my testimony to the Banking and Currency Committee on February 7, in which I have pointed out some of the things those reports show. I believe these things will leave no doubt about the need for putting the System under audit control.

Yet even so, I believe that we can assume that the notes I have made greatly understate the picture. The Federal Reserve Board refused to let the Banking and Currency Committee of the House examine, even on a confidential basis, certain parts of these audit reports. The Board's instructions to its auditors are to separate out, and put in separate reports or memorandums, materials dealing with a number of subjects which would normally be included in a complete audit report. Reports which we were not permitted to examine pertain to the following subjects:

1. Management—general comments.
2. Management—comments on newly appointed members of the official staff.
3. Officers of the Federal Reserve agent—newly appointed members of the Federal Reserve agent's staff.
4. Inattendance of directors.
5. Indebtedness, stock ownership in member banks, and outside business connections of officers and employees.
6. Schedule of above—item 5—for examiners, assistant examiners, and officers supervising the examination function.
7. Apparent or possible violations of the criminal provisions of the banking laws of the United States—involving officers or employees of State member banks.

Certainly then, the Federal Reserve System should be audited. The operations of the open market account should be audited; and the general expenses of the Federal Reserve System should be audited.

THE OFFICE OF THE COMPTROLLER OF THE CURRENCY IS NOT AUDITED

The Office of the Comptroller of the Currency is supposed to be a part of the Treasury Department, and it would be normally assumed that this Office is subject to regular audit by the General Accounting Office.

I was surprised to learn quite recently, however, that this is another one of those agencies which go on the theory that they are owned by the private banks. The private banks contribute the funds on which the Office operates, and these funds are spent without specific annual authorization from Congress, so the Comptroller's activities are not audited by the General Accounting Office. Specifically, these funds on which the Comptroller of the Currency operates come from fees levied on the banks for the Comptroller's examination of these banks.

It is a bad principle, I think, to make a supervisory agency dependent for its operating funds on the private corporations it is supposed to supervise, particularly so when there is no requirement for an independent audit.

Furthermore, some of the functions carried on by the Office of the Comptroller of the Currency are not specifically related to bank examinations or supervision. For example, this Office has control and custodial functions with the Federal Reserve notes—that is, the $5 bills, the $10 bills, and so on, which the Federal Reserve System has printed. All of this currency is delivered by the Bureau of Printing and Engraving to the Comptroller of the Currency, who then issues it to the Federal Reserve banks as they call for it.

And finally, as these bills become worn or damaged the Reserve banks send them back to the Comptroller of the Currency for destruction.

Through May of 1957, the Office of the Comptroller of the Currency had received from the Bureau of Printing and Engraving more than $154 billion of Federal Reserve currency. It had, according to a letter which the Comptroller of the Currency wrote me last year, issued somewhat more than $147 billion of these notes to the various Federal Reserve banks. Then the Office had received back for destruction unfit notes in excess of $107 billion.

These Federal Reserve notes are a liability on the Government of the United States. They are backed by no credit other than the credit of the United States. Yet the issuing, the custodial and the destruction operations of this currency are not audited by the General Accounting Office. Recently I was surprised to learn that these operations are not even audited by the Treasury's own internal auditors.

When the present Comptroller of the Currency, Mr. Gidney, was testifying before the Committee on Banking and Currency of the House last July, I asked him some questions about the audits of the currency handling in his Office, and Mr. Gidney seemed to be under the impression that these operations are audited twice—once by the Comptroller's auditors and once by the auditors of the Bureau of Accounts of the Treasury Department.

At a later time, I asked the General Accounting Office to assign to me an expert auditor, which was done. This man turned out to be Mr. Edward W. Stepnick, an auditor on the staff of the Civil Audit and Accounting Division of the GAO, and a licensed C. P. A. in the State of Illinois. I asked Mr. Stepnick to look into this matter of the extent to which currency handling in the Office of the Comptroller was audited. Mr. Stepnick did this and then wrote me an expert memorandum in which he says that the handling of Federal Reserve notes in the Office of the Comptroller of the Currency is not audited twice, nor even once. According to Mr. Stepnick's memorandum, the Bureau of Accounts of the Treasury Department does audit the Office of the Comptroller of the Currency, but only partially. Furthermore, this audit is made at the voluntary request of the Comptroller of the Currency, who specifies the scope of the audits to be made.

Mr. Chairman, I will offer a copy of Mr. Stepnick's memorandum for the committee's record. I want now to call particular attention to another statement which it contains. The statement is that such partial audits as are made of the Office of the Comptroller of the Currency, by the Treasury's own internal auditors, do not review transactions from the "standpoint of compliance with legal requirements specifically applicable to the functions of the Comptroller of the Currency."

Now this is an extremely serious matter.

What is happening in this country is that the Federal banking supervisory agencies are bringing about more and more monopoly in banking.

The Comptroller of the Currency issues charters for national banks. One of the most important things he does is to decide whether or not he will grant charters to people who wish to found new national banks.

Now what happens is that banks go out of business from time to time. This is bound to happen over the years, and it happens for a variety of reasons. Furthermore, banks merge, and in recent years they have been merging in great numbers. The result is, of course, fewer and fewer banks, unless the supervisory agencies allow new people to come into the business and establish new banks. And this they do very reluctantly, and only to an inadequate extent.

Before these agencies will allow a new bank to open business they make elaborate surveys and studies to make sure that the new bank will not take any substantial business away from the bank or banks already in the area.

The Comptroller of the Currency has, as I have indicated, life and death control over the question whether a charter for a new national bank will be granted. Likewise, the Federal Deposit Insurance Corporation has life or death control over the question whether a new State bank will be opened. The States are frequently willing to grant charters, but as a practical matter even a State bank cannot be started without FDIC insurance. And the FDIC has the same attitudes and behaves in the same manner to block new State banks as the Comptroller of the Currency does with reference to new national banks. In fact, the Comptroller of the Currency is a member of the Board of the FDIC.

Thirty-five years ago there were 30,000 banks in the country. Today there are less than 14,000 banks. This has happened despite the tremendous growth in the population, in business generally, and in the volume of banking business that has taken place over the past 35 years.

In the Home Loan Bank Board we find the same attitudes and behavior with reference to groups who want to start new savings and loan associations. This Board also has life or death control because it too can grant or refuse to grant deposit insurance; and as as a practical matter these associations cannot be formed without this insurance.

Banking and related businesses are not, of course, the only areas where our people are being denied equality of opportunity. But these are important. I feel that the thing that this committee and all Members of Congress should keep uppermost in mind is our traditional national goal of equality of opportunity. Then we should consciously, deliberately and vigorously pursue those courses which will help to restore equality of opportunity for our people.

CONCLUSIONS AND RECOMMENDATIONS

In conclusion, Mr. Chairman, I hope this committee will give serious consideration to the specific recommendations which I offer at this time. This is that H. R. 8332 be amended so as to provide for annual audits of the Federal Reserve System and the Office of the Comptroller of the Currency by the General Accounting Office.

PROPOSED CHANGES IN RENEWAL OF RECIPROCAL TRADE AGREEMENTS ACT

The SPEAKER pro tempore (Mr. LOSER). Under previous order of the House, the gentleman from West Virginia [Mr. BAILEY] is recognized for 90 minutes.

Mr. BAILEY. Mr. Speaker, our distinguished colleague, the gentleman from Georgia, Judge DAVIS, had previously arranged for a special order to conduct a panel discussion of proposed changes in the renewal of our Reciprocal Trade Agreements Act. The judge is ill this morning with an attack of the flu and we decided that the panel should proceed anyway. So I have asked for the time the judge would have used and at this time, Mr. Speaker, I ask unanimous consent that Judge DAVIS' remarks, which he would have made were he present, be inserted in the RECORD at this point.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

The matter referred to is as follows:

Mr. DAVIS of Georgia. Mr. Speaker, I have introduced a bill relating to the trade agreements program and wish to take a few minutes to acquaint this House with the background and setting of my bill and to set forth the reasons why in my estimation the bill is necessary and should be passed in place of the bill proposed by the White House.

Other Members, on both sides of the aisle, have introduced the same bill as mine and I make no claim to priority. Some of them may wish to say a few words a little later about the bill.

Mr. Speaker, the first Trade Agreements Act was passed June 12, 1934. We have now lived with this so-called reciprocal trade program almost 24 years. The act has been extended 10 times, but never for more than 3 years at a time. During this 24-year period our tariff has been reduced a full 75 percent, or from an average of slightly more than 50 percent on all dutiable items during the period from 1931–35 to a little over 12 percent today. Since a good half of our imports are entirely duty free the burden of our tariff on our imports as a whole is about 6 percent.

It is clear, therefore, that the United States has gone a long way on the road of freeing its trade. I am sure that no other country has surpassed our record, while most of them are far behind. Indeed many of them, after reducing their tariffs, have used other methods of restricting imports, such as import licenses, exchange control, devaluation of currency, import quotas, and so forth, thus nullifying many of the concessions they had granted to us. I do not say that these things were done dishonestly. In most instances the United States had no complaint because we had agreed that such restrictions could be used by other countries to protect their currency or, if they were economically underdeveloped countries, to build up their industries.

The fact is, however, that most other countries continued to restrict their imports much as they saw fit and could do so because we had accommodated them in the General Agreement on Tariffs and Trade (GATT) by giving them all the loopholes they needed.

This year the authority of the President to enter into additional trade agreements again expires. The administration now proposes a 5-year extension coupled with Presidential authority to reduce tariffs another 25 percent, at the rate of 5 or 10 percent per year.

It is appropriate therefore that we reexamine the whole ground on which this proposal is based.

Recently a copy of a letter written by the Secretary of Commerce, Mr. Sinclair Weeks, to one of our esteemed colleagues, the gentleman from New Jersey [Mr. KEAN], came to my desk for my information.

The letter was in reply to an inquiry of the Secretary of Commerce by the gentleman from New Jersey in which questions on the trade-agreements program were submitted to the Secretary.

I was much interested in the reply and wish to offer some comments on it. Mr. Weeks, in extolling the trade-agreements program, says that "one-fifth of United States cropland produced for foreign markets" in 1956. This should mean that 20 percent of our crops was exported. However, in the very next sentence he says that "about 11 percent of our total farm production is exported each year." Here is a 90-percent discrepancy between two adjacent sentences.

This great discrepancy led me to wonder what the actual facts might be. Many al-

leged facts have been used by the various executive departments that give out propaganda on the asserted benefits of the trade-agreements program. I refer you to the Department of State Bulletin dated December 2, 1957 (vol. XXXVII, No. 962), pages 871–876. There will be found one of the typical propaganda speeches delivered by one of the State Department officials. He spoke before the California Farm Bureau Federation.

In the first place he pointed to the exportation of $4.7 billion in farm products in 1 year. He failed to say that this was the highest dollar volume ever attained, but did say a little later that 40 percent of our farm exports last year were not paid for in dollars. He also admitted that of the 60 percent of our farm exports that were paid for in dollars, one-fifth were sold at prices below the United States market.

Also, be it noted that whereas he said that 59 percent of our raw cotton was exported last year, he failed to say that during the 2 previous years cotton exports had fallen to the lowest point in many years and then bounced back only because we began to export at world prices and also disposed of cotton for foreign currencies.

We can gather from these oversights how conscientious was the analysis presented in the speech. The State Department speaker also said that the exports of $4.7 billion in farm products represented the output of 60 million acres of our croplands.

This is a very interestng figure indeed. In 1956 the area of cropland harvested in this country (according to the Department of Agriculture) amounted to 320,384,000 acres. If it took 60 million acres of this to produce for exports, almost 20 percent of our cropland was devoted to export production.

Let us see how this claim of 60 million acres will stand up beside other figures quoted in the speech. He said that 13½ percent of the total cash farm income was derived from farm exports.

Yet again a little later the speechmaker says that last year the produce from 1 acre out of 5 moved abroad. To me 1 out of 5 comes to 20 percent, as already noted.

Why, if 20 percent of our cropland or 60 million acres was devoted to production for export, was only 13½ percent of the farmer's income derived from the exports?

Perhaps the propagandist's enthusiasm of the speechwriter got ahead of the facts in claiming 60 million acres of cropland for the export market. This figure can be tested in another way. We have figures on total farm income from the Department of Agriculture. This amounted in 1954 to $33.7 billion, in 1955 to $33.2 billion, and in 1956 to $34.3 billion.

Now, taking the highest dollar volume of farm exports attained, or $4.7 billion, we find that this was 13.6 percent of farm income based on the 1956 figure. From the Department of Agriculture we learn that cropland harvested amounted in 1954 to 339 million acres, in 1955 to 334 million acres and in 1956 to 320 million acres.

If we apply this 13.6 percent of the farmer's total income to the total acreage harvested in 1956, that is, 320 million acres, we come up with 43.7 million acres as the area needed to produce the exports of $4.7 billion. However, considering the fact that the farmer's income from the exported crops is distinctly less per bale, per bushel or per pound than the export sales price, we should, in order to be on the safe side, reduce the $4.7 billion by at least 10 percent. This would bring down the share of the total crop represented by the $4.7 billion. In other words 40 million acres would come much closer to the correct figure on acreage than 60 million acres.

Here, then, we have a 50-percent exaggeration.

In Mr. Weeks' letter we find these gross exaggerations of the State Department speaker repeated and extended.

In 1956, his letter says, our total exports were $17.2 billion. This, he says, amounted to 5.7 percent of the Nation's total output of goods and services. In the next paragraph, he says that some 4.5 million workers owe their jobs directly to foreign trade. He continues, saying "This is about 7 percent of our total employed labor force."

Once more, on contemplating these figures, doubts begin to form. Why did it require 7 percent of our total employed to produce only 5.7 percent of the Nation's total output of goods and services?

Have we tripped across another exaggeration?

What part of these figures are estimates? The figure of 4.5 million employed for exports is purely an estimate and it runs about 50 percent higher than other reliable figures. The 5.7 percent is not an estimate but is discarded by Mr. Weeks probably because it is not so impressive. If exports were 5.7 percent of the total goods and services produced in this country why should not this figure instead of 7 percent be used to calculate those employed on goods exported? If it were, we would come up with 3.7 million employed both directly and indirectly at exports, not merely directly. This is more than 800,000 below Mr. Weeks' figure since he does not include those indirectly employed.

Also we must keep in mind that so far as the number employed at exports is concerned, only a little over half this number would be affected by anything that might be done with the Trade Agreements Act. This follows from the fact that a good 50 percent of our imports are entirely free of duty and the exports corresponding to them should therefore be deducted from the total export figure.

If we do that we would find that only some 2 million workers are employed in that part of our exports that could be increased by further tariff reductions. This is only 40 percent of the shining figure of 4.5 million used by Mr. Weeks.

Mr. Weeks also makes much of the figures that indicate that between 20 and 33⅓ percent of our textile machinery, mining equipment, steel and rolling mill equipment, and 11 percent of our machine tools is exported. This is not particularly good news to the domestic textile industry and their employees or to the domestic mine owners and miners or to other manufacturers who contemplate with considerable misgiving the installation of modern equipment in foreign countries where it will be operated by cheap labor. They know from experience what it will mean in the form of cheap-goods competition from abroad in the future. They have tasted such competition and the rising unemployment figures of today reflect some of the effects of this very process. In recent years more and more modern equipment shipped from this country has been installed in factories overseas. Combined with the low wages prevailing in most countries this has given them a formidable and in many instances an insuperable competitive advantage over our own producers.

Is this what Mr. Weeks applauds? Is he pleading for more of this?

He says less foreign trade would mean fewer jobs in the production of automobiles and other things, such as telephones, TV sets, household appliances, etc.

Mr. Weeks might have selected a happier example than the automobile industry, which is just beginning to learn a few facts about the beauties of a low tariff.

Probably the most notable part of Mr. Weeks' letter is his complete silence about the unemployment that is caused by imports. This is an oversight or an act of evasion that is most serious in a high public official who presumably should be speaking for all the people and not merely the export and import interests.

Certainly this failure to face the facts of the case throws a revealing light on the whole letter, which seems to represent nothing more than executive lobbying in behalf of a bill that is before Congress. It is a case of advocating one side of an issue and is not an objective analysis.

It was, of course, to be expected that Mr. Weeks would enlist the aid of Russia, sputnik and the European Common Market in his campaign. More than objective analysis is needed to pump new life into the sagging and jumbled trade agreements program.

He states that "an economic offensive has been hurled against the free nations by the Communist leaders."

"Through programs of trade and aid" says Mr. Weeks, "the Soviet Union is making intensive efforts to divide the free world, to detach them one by one and draw them into the orbit of Communist influence."

This part of his letter should really have been directed to the Committee on Foreign Affairs and the Appropriations Committee, which have to do with foreign aid. I am sure that there is nothing in the trade agreements program that would help to arrest Russia if her challenge is half as great as pictured by Mr. Weeks. Russia operates State trading enterprises. Our trade is privately conducted commerce; and as such is not suited to the methods of economic warfare. If we expect to accept the reported Russian challenge GATT is about the last instrument in point of suitability that we could rely on.

The same goes for the question of facing the European Common Market. The members of that group could outvote us 6 to 1 in GATT. Yet the total population of the six countries falls short of ours.

Mr. Weeks uses the European Common Market as a reason for a 5-year extension of the trade program. This means simply that the State Department would like to have Congress silenced in the field of tariffs and trade for 5 more years. Such a period would take us to 1963. Two new Congresses would have come and gone by that time. Does this suggestion represent Mr. Weeks' concept of the function of Congress or of its place in the American system of government?

He says that during such 5-year period "there must be thorough-going preparations by the executive branch * * * and this must be followed by careful negotiations." I am wondering if the past 24 years have provided samples of the careful negotiations that Mr. Weeks now calls for. I don't think we need much more of that kind of care.

Mr. Weeks' letter offers answers to some other questions but the quality of the answers is about the same throughout. I shall be glad to learn what has been the impression created by Mr. Weeks' letter on other Members of this body.

My own impression is that besides being highly exaggerative on the side of export trade and evasive about the injurious effects of certain imports, the letter fails to meet the central issue. This is the qucstion of Congressional authority, Congressional function and Congressional responsibility. On this important matter the letter is completely silent; and well it might be.

The Congress has not been without blame in entrusting such important functions as foreign commerce regulation to the executive branch of the Government and then turning its head and asking no accounting of the use made of the delegated power. For years the State Department operated without much question or restraint from Congress and got the notion that it was within its rights to pass Congress by almost completely.

However, this indifference of Congress during the years when import competition meant little because of the war and the

high postwar prosperity, can no longer be condoned. We have for several years now been counting the chickens as they have come home to roost; and many of us have been thoroughly shaken out of either indifference or complacency. We can no longer contemplate with equanimity a system that in fair weather seemed to offer hopes of benefiting our export trade without at the same time pulling down upon our domestic industries a ruinous competition but that in less happy times forsakes these home industries in behalf of dubious diplomatic hopes or ventures.

And as we began inquiring to determine what was wrong we found that the stumbling block lay in the delegation of power to the Executive and the use that the State Department had made of it. Without Congressional realization of the fact, the elected representative body of the people all but lost its grip on the helm because of this delegation of power. The President as advised by the State Department had become installed as the skipper of our ship of foreign trade; and Congress was kept on the outer deck.

This is a most serious state of affairs and must be corrected lest we in Congress fail the people who sent us here. It is our business to regulate the foreign commerce of this country; and now that the manner of this regulation has come to be pregnant with meaning again we must rise to our responsibility.

The bill that I have introduced would give to the Congress the final word on Tariff Commission recommendations under the escape clause. Adoption of this measure would go far to undo the damage that has been done under the administration of the Trade Agreements Act in recent years. The Congress would look to the Tariff Commission to carry out the technical and detailed aspect of tariff and trade adjustment, item by item; but the Congress rather than the President would wield the veto power over the Commission's recommendations.

Beyond that my bill would give some instructions to the Tariff Commission to guide it in the establishment of import quotas, either in the form of tariff quotas or absolute quotas. The purpose of this provision is to bind the Commission more closely to the Congressional intent than is now the case.

There is also a provision that would strengthen the so-called national security amendment of the Trade Agreements Extension Act of 1955.

In order to accomplish the purposes of the bill a 1-year extension of the trade program is called for without, however, granting any new tariff-cutting powers to the President.

Mr. Speaker, this proposed withdrawal of the power of veto from the President over Tariff Commission recommendations is no reflection on any particular incumbent of the Presidency. It reflects rather the realization that the system is wrong and that all other legislation by Congress in this field will inevitably become a dead letter unless Congress does indeed recall to itself its constitutional function of regulating the foreign commerce of this country.

Mr. BAILEY. Mr. Speaker, I am in hearty agreement with the gentleman from Georgia [Mr. DAVIS], who has introduced a bill that would bring back to Congress what it should never have relinquished, namely, its authority to regulate our foreign commerce. I have joined him in introducing a bill that if passed will bring back a vital part of its power over tariffs and trade to the branch of the Government where our Constitution put it in the first place.

I do not have to tell this House that I have kept in close touch with the unfolding of the executive usurpation in this field since the signing of the General Agreement on Tariffs and Trade in 1947. I claim no particular foresight for this. My State of West Virginia was one of the first to suffer from the heavy impact of foreign competition under that agreement. Coal, pottery, and glassware, principal industries in West Virginia, were in the front lines of the import battle in the beginning. Industries that only later got hit were not yet aware what was in store for them.

Many things have happened in the past 10 years to awaken many other members to the dangers of the trade program. Not that I was alone 10 years ago, but our number was small. Today we have a different story. What some of us were telling this House from 5 to 10 years ago now makes sense to many who had not realized the truth of what we who were already on the firing line were saying. I find no fault with those who went along with the program while there was nothing for them to complain about.

The State Department propaganda was so high sounding and disarming that no one questioned it unless experience made it ring hollow or false. In the meantime the Department knew exactly what it was up to. It hoped that its grip on trade control would be so tightly fixed by the time that Congress became aware of what had happened that it would be too late; and let me tell you that their hope almost came true.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. BAILEY. I am glad to yield to the distinguished gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Speaker, on the point of our farm exports, let me give a few more details about the claim made by the Secretary of Commerce and variously by the State Department speakers and others who lay claim to the devotion of 20 percent of our total cropland or 60 million acres to production for the export market in 1957.

I have before me a fact sheet issued by the United States Department of Agriculture for the month of January 1958.

My interest goes to the comments of the gentleman from Georgia [Mr. DAVIS] who drew attention to this subject.

Total exports of agricultural products in 1957 rose to $4.7 billion as the gentleman has said. It is also a fact, as he says, that this was the highest dollar level reached by our exports of farm crops. But let us look at some of the figures of the preceding years. In 1956, only 1 year earlier, these exports amounted to only $3.5 billion. Two years earlier, that is, in 1954, they were only $2.9 billion.

What accounted for this great increase in the export of our farm products?

In 1953 exports of farm products under Government programs amounted to $0.4 billion. In 1957 this had risen to $1.9 billion, an increase of $1.5 billion. If we look at the table provided in the fact sheet we find that commercial exports for dollars increased from $2.4 billion in 1953 to only $2.8 billion in 1957.

Now, I draw two conclusions from these facts.

One is that the 1957 figure of exports as a basis for calculating the acreage devoted to the production of crops for export represents an unwarranted claim because 1957 exports were abnormally high. Second, the increase in exports in recent years is largely attributable to the sale abroad of farm products for foreign currencies, to the barter transactions, to the donations, and finally to the sale abroad of cotton at prices that are some 7 or 8 cents per pound below the price in this country.

The 60-million-acre figure, I agree with the gentleman from Georgia, is a great exaggeration. Only a little over 11 percent of our farm income came from exports in 1957. Eleven percent of our total cropland harvested comes to less than 40 million acres.

Nineteen fifty-seven having been a record year for the reasons already given, the acreage in preceding years was obviously much less; or more in the neighborhood of 25 million acres. This is considerably below the 60-million-acre claim.

Mr. Speaker, there is another estimate that is being given out as gospel, and it is about as far off the mark as the 60-million-acre estimate of farmland devoted to export production.

The gentleman from Georgia [Mr. DAVIS] has said that the estimate of 4½ million workers employed in producing for exports is exaggerated.

Let me call to his attention the fact that Secretary Weeks himself has run for cover.

In the letter from Mr. Weeks, dated February 3, 1958, to the Honorable ROBERT W. KEAN, of New Jersey, referred to by the gentleman from Georgia [Mr. DAVIS], it was said:

> Some 4.5 million workers owe their jobs directly to foreign trade.

Notice that Mr. Weeks said "directly" employed.

In his testimony before the House Committee on Ways and Means on February 17, Mr. Weeks changed the claim. He said:

> Foreign trade provides the livelihood for at least 4½ million workers, or about 7 percent of our labor force. This figure includes those engaged directly or indirectly in production or service for export, or in the distribution of imports, or in the first factory processing of imported materials.

This is a different story and falls far short of saying that our exports give employment to 4½ million workers as is so often claimed.

I hope that the gentleman from Georgia [Mr. DAVIS] will accept these comments as reinforcing his own complaint about the great exaggerations of which the freer traders have been and continue to be guilty in their claims in behalf of the wonders of the trade-agreements program.

I appreciate the gentleman's permitting me to call attention to this.

Mr. BAILEY. May I say to the gentleman from Iowa that Secretary Weeks

was entirely out of place in making a broad statement that our export business provided 4½ million jobs for American workers. He does not have any facts to prove that, and as proof of the statement I am just making, he is right now putting on a crash program to try to determine just how many jobs can be attributed to export business. He does not have those figures, but he was wrong, entirely wrong, in making a statement for public consumption that 4½ million of the jobs of the American people were due to our export business.

May I say to the gentleman from Iowa that I am sorry he did not raise the question why the Secretary of Commerce has not told the American people how many jobs it has cost the industries that have been forced out of business due to foreign imports. He should concern himself more with domestic matters, but no, he has to take over a part of the responsibility of the State Department in getting into the field of international politics.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman from Illinois.

Mr. MASON. I want to try to make clear what the gentleman from Iowa stated as the difference between four-billion-odd exports of agricultural commodities and two-billion-old sold for dollars. The other 2 billion is what we have practically given away in order to get rid of some of our surpluses. We have gone through the motions of selling that for currencies which we have no use for and which are impounded in the banks in foreign countries for their benefit and for their help and to pay for some installations that we make in those countries and to pay from those foreign currencies for some trips abroad by Congressmen.

Mr. BAILEY. I thank the gentleman from Illinois.

Mr. EDMONDSON. Mr. Speaker, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. May I commend the gentleman from West Virginia for the fight he consistently wages on the floor of this House and in its committees for American industries and American workingmen.

Today's newspapers from Oklahoma carry the news that our Governor is meeting with our corporation commission to consider further drastic cuts in oil allowables for our State. The proration which is already heavy and severe on the oil-producing States is becoming increasingly severe despite the so-called voluntary restriction on imports which was entered into some time ago. In the district which I have the honor to represent, we already have most of our lead and zinc mines shut down. We already have smelter employment drastically reduced and one of the Nation's principal smelters, in the town of Henryetta, Oklahoma, has been shut down since the 15th, throwing another 600 men in that particular industry out of work. We have our mill operation for lead and zinc curtailed. The overall impact of the lead and zinc industry shutdown in the State of Oklahoma was estimated before the Tariff Commission recently as directly and adversely affecting more than 10,000 people in their economic livelihood in eastern Oklahoma and in southern Missouri and Kansas.

Mr. Speaker, it is my opinion that we are going to have to do something about this escape clause and the way in which it is applied, if it is to have real meaning and significance. When you review the record of what has happened with respect to escape-clause recommendations by the Tariff Commission, you cannot escape the conclusion that the intent of the law is not being followed and that American industries are not receiving the consideration which the law was designed to give them. In the last 5 years, this President—this White House—reviewing the unanimous recommendations of the Tariff Commission for relief under the escape clause, have seen fit to give relief in only 2 out of 9 unanimous recommendations of the Tariff Commission. Now, whatever anybody may say about the Democratic party not taking heed of the plight of domestic industries under its reciprocal-trade program, the record stands clear and undisputed that, during the period that Mr. Truman was President and received recommendations of the Tariff Commission, he followed each and every unanimous recommendation of the Commission. In three cases sent to him, in which the Tariff Commission unanimously recommended relief under the escape clause, Mr. Truman, in each and every one of those instances, followed the recommendation of the Tariff Commission and afforded that relief. The present occupant of the White House has not been that reasonable and that considerate of the plight of American industry. He has refused to take care of industries that are severely damaged where those industries have made a good case before the Tariff Commission. Personally, I would like to see a reciprocal-trade program continue, if it is possible to have a program continued, under which the escape clause would have real meaning and significance for American industry. But, if it is simply to be a piece of writing which is not to be followed and is not to be respected by the administration that has to do with the actual operation of this law, then certainly there is a fatal defect in the law.

Mr. BAILEY. The gentleman must know, of course, that the legislation which is being introduced by some forty or fifty Members of the Congress today will be legislation that will restore to the Congress of the United States final control over the findings of the Tariff Commission which are not vested in the President. The gentleman is aware of that; is he not?

Mr. EDMONDSON. That is exactly where the Constitution of the United States places that responsibility and I, for one, see no way in which we, as Members of the Congress, can further shove off that responsibility in another direction when it very obviously is not being respected as a responsibility to American workingmen and American industry.

Mr. BAILEY. I deeply appreciate the remarks of the gentleman from Oklahoma. The gentleman has a problem there just as there are problems in practically all of the other Congressional Districts. I am sure his loyalty in this fight is going to be one of the outstanding factors that is going to bring us success in this fight.

Mr. LOSER. Mr. Speaker, I wish to associate myself with the remarks of the distinguished gentleman from Oklahoma [Mr. EDMONDSON] relative to the "escape clause" of the Reciprocal Trade Agreements Act. I plan to support the extension bill, yet I will support an amendment to the act that gives the Congress of the United States, rather than the President, the authority to accept or reject the recommendations of the Tariff Commission.

The textile industry in my district is depressed as the result of the importation of cotton goods from Japan.

The record of this administration clearly shows that the recommendations of the Tariff Commission on "escape clause" cases have been ignored in 90 percent of the hardship cases heard by it.

Therefore, I shall be happy to support an amendment to the Reciprocal Trade Agreements Act restoring to the Congress its right to regulate commerce between the nations of the world.

It seems to me that it is imperative that the Congress take such action as is necessary to protect American labor from imports from foreign countries that are calculated to reduce our standard of living, as well as subjecting American business to unfair competition. And all of this is accomplished with cotton sold to Japan for about 7 cents per pound less than it can be purchased by domestic manufacturers.

Mr. NEAL. Mr. Speaker, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman.

Mr. NEAL. I admire the gentleman for the manner in which he consistently takes to heart the interest of the producers of this country and the manner in which he presents these matters to the Congress.

I feel, however, that we might take some exception to the statement by the gentleman from Oklahoma that these claims that are being presented under the escape-clause provision have received satisfactory attention, because I believe the gentleman who now has the floor will agree with me that for the last 15 or 18 years we have had nothing but neglect of the glass and pottery industries of the State of West Virginia regardless of all efforts to get relief through the escape clause.

I would like to make one other observation if the gentleman will permit.

Mr. BAILEY. Before making that observation would the gentleman allow his colleague from West Virginia to comment to the extent that there was no plan for redress of grievances of any industry in this country, pottery, glassware, or any other? None of them had access to the Tariff Commission until I succeeded in writing a procedure into the act whereby any industry that felt

it was being harmed could apply to the Tariff Commission for a hearing, produce witnesses, be represented by an attorney; and if they proved injury the escape clause directs the Tariff Commission to adjust the import duties or to fix import quotas.

Mr. NEAL. When was that, about 1948?

Mr. BAILEY. 1951. In the case of those industries which did not have access to the Tariff Commission or found they could not meet the competition, they either had to convert to something else or go out of business. A lot of them went out of business, and a lot of them are going out of business today.

The comments of the gentleman from Oklahoma applied only to unanimous decisions of the Tariff Commission. Meanwhile, there have been split decisions, sometimes by a vote of 3 to 3 or a vote of 4 to 2. He was applying his comments to those decisions that were the unanimous findings of the Tariff Commission. It is true, however, that, out of nine rulings of the Tariff Commission, seven were turned down completely, and only two have been accepted by the President.

Mr. NEAL. I am glad to have that explanation. I want to agree with the gentleman from Oklahoma in saying that we certainly do need more controls back in the hands of Congress rather than leaving them to the uncertainties of the decisions of the Tariff Commission, complicated by the uncertainty of their fate after the Tariff Commission has made its decision.

Mr. BAILEY. I thank my colleague from West Virginia, and I am sure we are going to have his continued assistance in this fight.

Mr. FISHER. Mr. Speaker, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman from Texas.

Mr. FISHER. I should like to underscore the statements made by the gentleman from Oklahoma in regard to the disastrous effects that the excessive imports of oil are having on our domestic producers. We can multiply the effects already spoken of by many times throughout American industry, industries that are feeling the adverse effect of excessive imports of products produced at low cost and brought in to compete with American industries.

Many Members of Congress represent districts where industries flourish which are now feeling the pinch of competition; but, since the gentleman from Oklahoma referred to oil, I should like to make further reference to it. It will be recalled that only last summer the Office of Defense Mobilization made a report on this very subject after an exhaustive study of what was happening to our domestic oil industry as a result of these imports. An official made this statement:

> The Nation's security is being endangered by the flood of cheap foreign oil.

He then went on to cite statistics showing what the actual effect was. Then that was followed by the President's announcement of a voluntary 10-percent reduction. Voluntary reductions have been undertaken, I think, about three different times since 1955, but they never succeed. We hope this one has been, at least to some extent, successful. Certainly the record shows it has not been adequate in meeting the problem that was described by the Office of Defense Mobilization which prompted the issuance of the order.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman from Illinois.

Mr. MASON. We have had today the Secretary of the Treasury and the Secretary of State before our committee. We have been dealing with this tariff question and these problems in connection with zinc, lead, and oil. He has been questioned about that feature and what the hopes are that something can be done to protect our own industries. He could offer no hope whatever, only these voluntary agreements which a great Nation like ours must accept from these little nations with no legal requirements whatsoever. That is another reason why the power to approve or disapprove of the Tariff Commission's recommendations should be lodged in the Congress and not in the executive department.

Mr. FISHER. I thank the gentleman for his contribution.

Mr. Speaker, if I may pursue this oil matter a little further to add to the record that is being made here today in reference to these American industries that are suffering severely as a result of imports and which prompts us to search, as we are required to do, for some means, some way, of better coping with the situation. It certainly calls for a change from what we have had in the past. We have the old program. I think it has basic qualities that are good and sound; but in actual application we know from experience, that can be testified to by many Members who see their industries affected, that it has not worked as Congress intended it should.

In regard to the oil import situation, which is a good example of the effect of foreign competition on American industry, we are right now in the process, and this is not an understatement, of witnessing the destruction of an industry because of foreign imports. This provides a utopia for foreign producers. They do not have to pay taxes comparable to our domestic producers; they are not restricted in production, as is true of most of our producers, their tariff rates are negligible as compared with the domestic taxes that we pay on the same products, and their labor costs are of course much lower.

Mr. BAILEY. The gentleman will recall the fight I staged before the Tariff Commission and on the floor of the Congress over the new Venezuelan trade agreement in 1951 which cut the import duty on oil from 21 cents per barrel to 5¼ cents per barrel.

Mr. FISHER. I remember it quite well.

Mr. BAILEY. That deprived the Treasury of the United States on the import of oil alone of $214 million a year. That is the loss that resulted from that reduction of 14 and a fraction cents per barrel import duty. They talk about balancing the budget.

Mr. FISHER. In my own State of Texas, which accounts for a good part of the production of oil in this country, the independent producers are being literally choked to death today, gradually but surely. In Texas the State and Federal taxes on domestic oil amount to 75 cents a barrel, while the present tariff on the imported oil amounts to 5 to 10 cents a barrel. Because of these imports which come in under such favorable conditions and in ever-increasing quantities, the railroad commission has reduced production within the past few days to an alltime low of only 9 days out of a month, the lowest in all the history of the State. The allowable during February was 11 days. Imagine that. For no other reason except caused by the excessive imports of oil from foreign countries, we are not allowed to produce in Texas except 9 days a month. We have the oil reserves. People are going broke every day because of their commitments and investments, because they cannot develop their potential. There is no incentive for exploration any more. They can produce only 9 days a month. You can understand how it is literally wrecking that great industry so far as the independent producers are concerned. This all adds up to a mercy killing of a vital American industry. This means ghost towns, business failures, reduced explorations, unemployment, economic upheavals, higher taxes to replace depleted revenues from oil.

Now, what can be done about it? Quotas? This has been tried and has not, on a voluntary basis, helped very much. We must either impose mandatory quotas to cope with the crisis or increase the tariff to a level, on a sliding scale, to balance the production cost factors and place foreign competitors on a level with domestic producers; or something like that. I prefer the latter as the most feasible approach and certainly the most practical one from an administrative standpoint.

Now, if I may pursue this another moment—and I do not want to trespass on the gentleman's time; he is very generous and certainly is rendering a fine service in sponsoring this discussion here today—General Ernest O. Thompson, Texas railroad commissioner and one of the Nation's most respected authorities on petroleum, recently called attention to the gradual destruction that is being wrought by foreign competition and excessive imports, with particular reference to the Texas situation. This serves to point up the seriousness of the crisis and the imperative need for prompt and effective action by the Congress. He pointed out that the contrast between conditions in the domestic industry and in foreign producing areas which supply the major part of the crude oil brought into the United States is quite significant. Despite the much larger number of producing wells, crude-oil production in Texas is now at a lower level than in 1953, 5 years ago—imagine that—and for the United States as a whole, crude-oil production is up only 5.6 percent above 1953. Meanwhile, production in foreign areas has in-

creased quite substantially, as shown by the following tabulation:

Area	Crude oil production (thousand barrels daily)			Change, 1953 to November 1957	
	1953	1954	November 1957	Thousand barrels daily	Percent
Texas	2,792	2,669	2,722	−70	−2.5
Other States	3,666	3,673	4,100	+434	+11.8
United States	6,458	6,342	6,822	+364	+5.6
Canada	222	263	428	+206	+92.8
Venezuela	1,745	1,895	2,562	+817	+46.8
Middle East	2,431	2,749	3,704	+1,273	+52.4

Source: United States figures from Bureau of Mines. Foreign figures from World Oil.

Texas allowable

Barrels daily:	
March 1957	3,771,162
February 1958	2,999,660
Down	771,502
Reduction for March 1958	513,814
Daily cut	1,285,316

NOTE.—This makes 1,285,316 barrels daily cut in Texas oil allowable production since we were called upon for more crude for the Suez crisis. Thus it will be seen that Texas has reduced her oil allowable by more than the total crude oil imports into the United States. Surely this can mean nothing less than the fact that Texas oil production is being supplanted by imported crude in the market place.

So, Mr. Speaker, in respect to the oil industry and the effect of these excessive imports, it has gotten to the point now, certainly so far as the situation in Texas is concerned, where the independent producer is literally going out of business. He cannot survive on a 9-day-per-month production basis, and that adds to the many other instances of American industries which provide situations calling for some action, some relief by the Congress.

There are a number of other reasons why I think this legislation should be very thoroughly explored this year. Ever since 1934 it has always been a principal objective of the Trade Agreements Act that other nations remove their barriers against United States goods. The act was specific for the purpose of expanding foreign markets for the protection of the United States. Yet, the record shows that the barriers foreign nations raised against our goods have increased on a vast scale. A number of countries reduced their tariff levels, but the United States reduced its duty level appreciably more than did most of the others.

This is a two-way street. When they talk about the United States not doing its part in the world trade situation here are some facts.

The United Kingdom and France actually increased their tariff levels by 43 percent and 37 percent, respectively. Canada reduced hers by 13 percent, Italy by 24 percent, and Japan 39 percent. But the United States reduced hers by 66 percent. And yet we hear people these days talking about the United States not doing its part in removing trade barriers to encourage the easier flow of trade among the nations of the world. The facts simply do not substantiate that.

Mr. Speaker, one other passing reference. I see the very able and distinguished gentleman from Wyoming [Mr. THOMSON] on the floor. He is one of our leading authorities on the wool situation. Of course, we have been dealing with foreign competition in wool for about 50 years. It is not a new thing. Many industries have begun to feel the pinch in the last 5, 10, or 20 years. But wool producers have been fighting this battle for survival for the past 50 years.

Mr. Speaker, recently I was handed some figures which show that in this country excessive imports of finished textile goods, textile goods already manufactured and ready to be made into clothing, and so forth, threaten the employment of 80,000 workers. It is pointed out that the number of workers has dropped from 160,000 as a result of the liquidation of 280 mills since 1947.

Imagine what is happening in the textile industry in this country today; such a terrific drop. Two hundred and eighty mills have been closed since 1947.

As the result of all this, during the same time, domestic textile machinery in operation has dropped about 50 percent while imports of woven cloth have jumped about 735 percent to over 35 million yards in 1956.

Mr. Speaker, I appreciate the generosity of the gentleman from West Virginia [Mr. BAILEY] in yielding time, but these were a few observations that I think are pertinent to this particular discussion.

Mr. BAILEY. Mr. Speaker, may I say to the distinguished gentleman from Texas that I admire his stand-up-and-fight attitude when a major industry of his State is threatened with extinction. I am referring to the independent oil industry. May I inquire of the gentleman if that does not also affect some of the States bordering Texas, such as Oklahoma?

Mr. FISHER. As the gentleman from Oklahoma so well pointed out, the authorities in Oklahoma are about to consider a reduction of allowables there.

Mr. BAILEY. So a large area of the country and a major part of our oil production are included in the question at issue.

Mr. FISHER. Yes, indeed. I was simply pointing out something with which I was personally familiar.

Mr. EDMONDSON. Mr. Speaker, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. The fact of the matter is that our Governor has announced that further cuts in the allowables are inevitable. We are all aware that Texas has been carrying, really, the burden of proration much more heavily than other States, but I think Oklahoma's imposition of restrictions, next to that of Texas, is about as heavy as any in the United States. And we are going to have to cut further very definitely because of the market situation.

Mr. BAILEY. I thank the gentleman from Texas [Mr. FISHER] and the gentleman from Oklahoma [Mr. EDMONDSON].

Mr. FISHER. Mr. Speaker, if the gentleman will yield 1 minute further, may I say in conclusion that it is the idea of all of us not to destroy our machinery for working out trade relations, or concluding them or promoting better trade relations with foreign countries. It is not a matter of trying to destroy a system. It is a matter of trying to improve a system. So we do have one approach specifically that has been offered here. It may need some improvement itself, but certainly it is something that we should all study and make use of to the extent that it may be feasible and practical to apply it to help these American industries that are feeling this terrible pinch of excessive foreign imports at this time. We must encourage foreign trade. It is vital to our economic life. But we must be realistic in the application of our trade laws. Here we are seeking to find better methods to employ in promoting foreign trade and provide reasonable protection for our own taxpaying citizens.

Mr. HENDERSON. Mr. Speaker, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman from Ohio.

Mr. HENDERSON. I want to take this opportunity to compliment the gentleman on securing this time and on the position he is taking here. His district in West Virginia is not far from mine, nor is his opinion upon this subject far from mine.

Just recently we have had a very glaring example of the evils that have come from the practices that exist in the Fifteenth District of Ohio. We have had another pottery close its doors, a pottery that has been the backbone of its community for many, many years. That is not the first such closing of doors nor will it be the last unless the control of commerce can again be placed back in the hands of Congress where it belongs.

I join with the gentleman from West Virginia, the gentleman from Georgia [Mr. DAVIS], and others, in introducing a bill that would do just that, restore to the Congress the control of foreign commerce, to the end that it not be merely an instrumentality of our foreign policy but that it be an instrumentality of our internal economy and the industries upon which our employees and our economy depend.

Mr. Speaker, a century ago these lines were written by an erudite English wit named Charles Stuart Calverley:

> But ah! disasters have their use;
> And life might e'en be too sunshiny.

While line 2 contains a somewhat truculent connotation, the opening expression is exceedingly realistic. Men who share experiences of common grief more than often become fast friends. The causative is not necessarily born of the "misery loves company" philosophy; rather it is merely a natural attribute of human compassion and love of fellow man.

Today many of the communities of our country have been visited by an economic disaster which, I trust, will have its use in inciting Members of this Congress to action on a matter that is

at least partially responsible for this business and industrial blight.

I invite my colleagues to look at conditions that prevail in areas of Ohio's 15th Congressional District. Here you will find shutdowns and cutbacks in the pottery, handmade glass, ceramics, tile, and coal industries. Here are cases of destitution and hunger. There is a strange anomaly in the situation, for there are also many prosperous families in the very communities where misery stalks. In many instance, the reasons for the imbalance are obvious: the job of the idle resident of the community has been destroyed by unfair competition from abroad.

The issue before us today is whether Congress will restore to that idle worker the opportunity to earn a livelihood for his family and to regain the dignity which he finds only in the fruits of labor.

Mr. Speaker, given a reasonable amount of protection from the destructive forces of imports made in countries where wages and standards of living are far below those in this country, eastern Ohio's pottery and ceramic tile industries will remain vigorous and contribute importantly to the national economy. Without that protection, these industries are helpless; their employees are relegated to the ranks of the unemployed; local, State, and Federal taxes which would normally evolve from their payrolls are nonexistent.

You may have seen a recent statement by an official of the International Brotherhood of Operative Potters. He explained that equipment had been sent to Japan gratis in order that our friends in that country could build pottery plants to aid in her postwar recovery period. He pointed to other examples of benefits created in many parts of the world by American largess. Then he presented the shocking fact that pottery workers in this country are paid more in one hour than their counterparts elsewhere in the world receive for a full day's work. The net result? Here is how he explained it:

> Through the use of machinery made available from this country, foreign competition is now strangling our people.

The unemployed member of the handmade glass industry would most likely be at his job today if a just foreign trade policy were in effect. As for the coal miner, surely his career is endangered enough by competition from domestic fuels without subjecting him to the inequitable battle for markets against the gushers of foreign residual oil that have inundated our East Coast. It is true that the output of Ohio's mines does not normally gravitate into those areas now being served by residual oil from the refineries of Venezuela and the Dutch West Indies. We are nevertheless hurt as severely as if our consumers were the direct targets of the international oil firms. When coal produced in West Virginia, Pennsylvania, or east Kentucky is ousted from its traditional markets on the Atlantic seaboard, the tendency is for it to back up into other consuming areas, and of course Ohio is in close proximity to the mines of those States. I call to your attention this excerpt of a statement made before a Senate committee investigating cause of unemployment in 1950:

> Every time one of these huge new tankers ties up at an American dock, it brings not only a quarter of a million barrels of fuel oil, but it brings also job discharges for 63 American coal miners for a full year. We import not only low quality oil, but unemployment.

The statement was made by Adolph Pacifico, president of district 6, United Mine Workers of America. His remarks were prompted by the fact that a total of 74 million barrels of residual oil had been imported into the United States in the preceding year. You will be incensed to know that in 1957 more than 161 million barrels of foreign residual oil entered the fuel markets of this country.

Mr. Speaker, I ask my colleagues to help us recover from the disasters that have been inflicted upon us through the medium of a highly illogical trade policy. Since Congress is closest to the economy of our individual localities, and in order that we may carry out the mandates of the Constitution in the matter of internation commerce, I submit that it is incumbent upon us to make the necessary adjustments in the Trade Agreements Act. These include the return to Congress of the power of review over Tariff Commission decisions.

Mr. FLYNT. Mr. Speaker, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman from Georgia.

Mr. FLYNT. Mr. Speaker, some 3 years ago as a comparatively new Member of the House of Representatives, when one of the first orders of business at the first session of the 84th Congress was the consideration of the extension of the Reciprocal Trade Agreements Act, known in that session by the designation of H. R. 1, I opposed that legislation and opposed it as actively as I was able to. Even though my position at that time may have been and probably was misunderstood by certain of my colleagues in this body I made no apologies for my position then and I make no apologies for my position now.

One of the main reasons I opposed H. R. 1 in 1955 and one of the main reasons I now oppose the administration's proposal to extend the Reciprocal Trade Agreements Act for 5 additional years is that I believe it is being more poorly administered than any act being presently administered by the present Eisenhower administration. During 1955 in the district which I have the honor to represent we were then witnessing many of our textile manufacturing plants beginning to close up and go on short time and reduced wages. That trend is continuing at the present time. During the past 3 years there have been many conversions, there have been many liquidations, there have been many temporary and permanent closings of textile manufacturing plants in the area in which I live. Much of this is chargeable to the adverse effects brought about by the misadministration of the Reciprocal Trade Agreements Act.

At that time I opposed H. R. 1 because I had more confidence in the House of Representatives and the Congress of the United States than I had in any one man, whether he be the President of the United States or whether he occupy any other position of trust. I had then and I have now considerably more confidence in the House of Representatives and the Congress of the United States than I do in the present Secretary of State, Mr. John Foster Dulles. I have more confidence in the House of Representatives and its membership than I do in the Tariff Commission. I have confidence in the membership of the House of Representatives because this membership represents a thorough and a complete cross-section of the people of the United States more than any other group anywhere in this Nation. It was for that reason that in 1955 I wanted the Congress of the United States to again assume some of the responsibilities and powers delegated to the legislative branch of our Government in the Constitution and to recover some of those powers which had previously been abdicated by the Congress. I think if we are to preserve the position of strength, power, and influence that the United States presently has in the world, that we, as Members of the Congress of the United States must be willing to assume many of the responsibilities delegated to us by the basic instrument of Government of our Nation, the Constitution of the United States. It is primarily for that reason that I, today, find myself once again in strong opposition to the stated position of the Eisenhower administration. It is largely for that reason that I expect to oppose the President's proposal to extend the Trade Agreements Act for 5 more years and why I intend to support a substitute measure which has been introduced by the gentleman from West Virginia, the gentleman from Georgia [Mr. DAVIS], the gentleman from Ohio [Mr. HENDERSON], and other of my colleagues.

Let it not be said that I, as a Representative from the State of Georgia and as a citizen of the United States oppose international trade and commerce. I think international trade and commerce is second to none among the various segments of our economy in maintaining our strength both economically and our position of leadership in the entire world. Yet, I feel in this matter of international trade and commerce, if we are to have a so-called Reciprocal Trade Agreements Act, it should be truly reciprocal and that we with our allies and friends throughout the world must realize that reciprocal trade is truly a two-way street.

Mr. Speaker, if ever any nation has shown utmost good faith in this question of reciprocal trade, the United States of America has shown such utmost good faith. We have not resorted to arbitrary and artificial trade barriers, currency restrictions, import quotas, and other artificial types of trade barriers designed to circumvent the true intention of the Reciprocal Trade Agreements Act. Mr. Speaker, as I said a few minutes ago, one of the principal reasons why I oppose the proposed extension of the Reciprocal

Trade Agreements Act is because it is not being administered in accordance with the intent of the Congress.

Mr. Speaker, I wish to lend my full support to the proposal to bring back to Congress its power to regulate our foreign commerce. This should be regarded as desirable no matter what one's view might be on the question of protection or liberal trade policy.

I am a firm believer in the proposition that the Congress should carry out its constitutional responsibility of determining policy in the areas set aside for it by our fundamental law. I do not believe in granting to the executive branch such powers as will enable it to crowd the Congress itself out of the field in which it has full power to act according to its wisdom.

Mr. Speaker, my observation of the administration of the Trade Agreements Act during the time that I have been here leads me to conclude that it was a mistake to grant as broad powers to the Executive as were contained in the Trade Agreements Act; or perhaps I should say that it was a mistake to delegate powers to the Executive in words that could be interpreted as they have been and that could be used as they have been by the executive branch, and more particularly the State Department, to replace the Congress itself, in all but name, in the regulation of our foreign commerce.

The point has been reached where the Congress is so hedged in by unwarranted international trade commitments made by the State Department that no matter which way we turn we collide with one or more of these commitments.

No better example could be found than the experience of the textile industry. Here was a clear case where the exercise of its power to regulate foreign commerce confronted the Congress, either through direct legislation or through the normal procedures of agencies created by Congress for the specific purpose or through the application of administrative law.

All these avenues to a remedy were found to be blocked in one way or another. The State Department had been there and thrown roadblocks across these avenues in the form of international commitments.

Import quotas could not be imposed without violating article XI of the General Agreement on Tariffs and Trade, better known as GATT. In that article which is entitled "General Elimination of Quantitative Restrictions," the State Department took it into its own hands to agree on the part of the United States neither to establish nor maintain import quotas. Oh yes, a few exceptions were made, most of them to accommodate other countries and to gain their adherence to GATT.

The exceptions, however, are not the point. They, in any case, were to be purely transitory. What is in point and of the utmost seriousness is the fact that the State Department could believe itself to be authorized by the Trade Agreements Act to make such a far-reaching commitment in any international agreement.

What is involved here is not the question of whether import quotas in the minds of some people are good or bad. We are faced here with such a degree of arrogance and presumption that it should be challenged, subdued, and rebuked.

The State Department in 1947, in negotiating and signing the General Agreement on Tariffs and Trade, presumed to speak for future Congresses, not only for the Congress then sitting, and pledged them not to use import quotas under their constitutional authority to regulate the foreign commerce of this country. A more presumptuous self-arrogation of power by the executive branch may possibly be imagined; but let us face this one and answer it as it should be.

As matters stand the remedial legislation provided by Congress for the correction of errors made in the reduction of duties by delegates of the State Department is all but paralyzed. The will of Congress has been made clear. Escape clause legislation was passed in 1951. Several amendments were adopted in subsequent legislation to make clear the Congressional intent. In 1955, the last time that trade agreements legislation has been before us, additional amendments were adopted, again to establish the intent of Congress.

It is now clear that Congress might as well have kept silent. Its laws have fallen flat. Not a ripple of a difference can be detected between Executive action under the escape clause before and after the legislation.

Has Congress then fallen to so low an estate that its laws can be ignored?

What is the cause of this intolerable situation? Our committees have held extensive and painstaking hearings each time the Trade Agreements Act was up for extension. The bills have been debated on the floor of this House and in the other body. We conscientiously performed the legislative function. The President signed the bills into law.

But we have seen our action come to naught. Had we not spoken at all, the void, so far as effect is concerned, could have been no deeper than it has been.

This sorry state of affairs can be traced unmistakably to the doors of the State Department and those who abet its arrogance and presumptuousness in ignoring or treating with contempt the place of Congress in this field.

There can no longer be any question about this. The State Department pays more heed to GATT, which is really its own creation, than it does to Congress. It is eager to conform to GATT blandishments and rulings but bends itself unwillingly and grudgingly to the will of Congress, and then only when its powers of evasion are baffled.

When the textile industry was beset by ruinous import competition and no relief was in sight, the possibility of the escape clause and of section 22 of the Agricultural Adjustment Act as remedial measures were considered no less than direct legislation. Section 22 action was blocked by the Secretary of Agriculture. Escape clause action was dismissed by the Tariff Commission on the grounds that the action was too broad and should be segmented. This was done, and several cases relating to specific items such as velveteens, pillowcases, cotton blouses, ginghams, and so forth, were brought before the Commission by the industry.

One of these, velveteens, resulted in a unanimous recommendation by the Tariff Commission for an increase in the duty.

In the meantime, however, the Departments of State and of Commerce began negotiating behind the scene with Japan for arrangement, not an agreement, by which Japan would impose voluntary quotas on the exports of cotton goods to this country.

This arrangement, which was based on no legal or administrative procedure and which was negotiated in almost complete secrecy, without hearings of any kind and without minutes of the conferences held, pulled the rug out from under the Tariff Commission cases and collapsed them all. Thus was the regular order of the law's application destroyed by the very department of the Government that is supposed to enforce it. Here there was no thought of calling out the troops and upholding the majesty of the law at the point of bayonets.

Even the unanimous recommendation of the Tariff Commission on velveteens was unceremoniously set aside. In other words, the Executive will had clearly superseded the will of Congress. The will of Congress, as expressed through its agency, the Tariff Commission, was blown aside as so much chaff when it came into conflict with the appeasement policy of the State Department.

Mr. Speaker, in my mind the time has come in the course of the trade agreements administration when Congress must either fish or decide from here on to be satisfied with cutting bait and leaving the fishing to the executive branch. No longer is compromise possible. Every day that Congress lets go by, merely watching the State Department do as it pleases with our trade, making pawns of our industries in its not always so brilliant diplomatic moves, the deeper will that Department become entrenched in the exercise of its usurped power.

I say the time of further compromise is gone. Already the State Department, now abetted by the Commerce Department, has made such far-reaching international commitments that cut squarely across the field of Congressional responsibility, that, as I have already said, Congress is even now being ignored.

The Congress should do what is called for in the bill introduced by my distinguished colleague, the gentleman from Atlanta [Mr. DAVIS]. This bill would go a long way toward restoring to Congress the authority that belongs to it, that was placed there by the Constitution for a good reason and that we should exercise as befits our responsibility. The recommendations of the Tariff Commission, having been so largely disregarded and lightly respected by the President, should henceforth be routed directly to the Congress as the bill provides. After all, Congress created the Tariff Commission as an agency to assist the Congress in regulating foreign commerce and not as an agency to help the President conduct foreign policy.

Since the escape clause has been in existence, the President has accepted only nine of the Commission's recommendations.

This is only about a third of the cases sent to him by the Commission. He has rejected six of their unanimous recommendations. The cases approved by the President have generally been small ones, in terms of the amount of trade involved; for example, alsike clover seed, linen toweling, spring clothespins, hatters' fur, dried figs, women's fur felt hats within a limited value range, and safety pins. The only two of much commercial significance have been bicycles and watches. In the case of lightweight bicycles the President raised the duty only from 7½ percent to 11¼ percent, which was much less than the Commission recommended, whereas the duty had been reduced from 30 percent under the trade-agreements program.

The Tariff Commission itself has not been liberal in the finding of injury. Its own record shows a rejection of over half the cases as not proving sufficient injury. So there is certainly no danger of the Commission's running wild.

Also, it should be noted that while the Tariff Commission has recommended the imposition of import quotas in three cases, on industrial products, the President has refused to impose quotas. Here the President has obviously taken his cue from GATT.

The Davis bill would also change this by having quota recommendations come to Congress. The bill provides some guidelines to be followed by the Tariff Commission in setting quota limits.

Mr. Speaker, I am in full support of the bill introduced by the gentleman from Georgia [Mr. DAVIS] and am of the firm opinion that it represents one of the most important pieces of legislation facing this Congress.

I urge all who feel a concern over the place of Congress in our Government, all who wish to retain the responsiveness of Congress to the people who elect it, and all who believe that domestic industry and agriculture and the workers employed by them are entitled to consideration at least on a par with the claims of the diplomats who look after our foreign relations—I say all who feel that the State Department has gone too far in overriding the legitimate claims of our industries to reasonable safeguards against low-wage foreign competition should help see to it that this bill comes up for a vote; and should then support it.

Mr. BAILEY. Mr. Speaker, I want to thank the distinguished gentleman from Georgia.

I now yield to the gentleman from Washington [Mr. TOLLEFSON].

Mr. TOLLEFSON. Mr. Speaker, I want to commend the gentleman from West Virginia for the statement that he is making here today and I want also to commend him for the position he has taken in this House for many years on this subject of tariffs and on the subject of protection for injured American industry. I was glad to hear him say that the other Members of the House have introduced, or will introduce, bills which deal with this general subject and which I understand from what the gentleman has said will bring back to the Congress some of the obligations which were given to the Congress by the Constitution of the United States. I think that is good. As I recall the efforts of many Members of the Congress in connection with the extension of the Reciprocal Trade Agreements Act provisions, amendments were offered commonly called the peril-point and the escape-clause provisions which Congress adopted. As I remember it, and as I understand it to this day, Congress had in mind giving some avenue of relief to those industries which are being hurt and injured by imports of cheaply produced foreign products. As I view it now, our experience under the escape-clause and peril-point provision has indicated that relief has not been forthcoming. The gentleman from Oklahoma mentioned that out of nine unanimous decisions by the Tariff Commission only two were implemented, and in only two cases was relief granted.

Mr. BAILEY. If the gentleman would yield, I would be pleased to advise him that since the Reciprocal Trade Agreements Act went into effect in 1952, the Tariff Commission has acted on 73 cases; and out of the 73 only 9 have resulted in any relief whatever for industry.

Mr. TOLLEFSON. I am glad to have the exact figures, because I was just going to comment on the fact that in addition to the nine unanimous decisions there were a great number of other recommendations which have not been implemented; in other words, only 10 percent of the applicants that have come before the Tariff Commission for help have received any relief whatsoever.

Mr. BAILEY. The gentleman is correct.

Mr. TOLLEFSON. So I commend the gentleman who is addressing the House now and those who have introduced these bills, and I sincerely trust Congress will give consideration to them and act upon them.

I share the views expressed by our colleague the gentleman from Texas [Mr. FISHER] and the other gentlemen who have spoken in connection with our thinking about reciprocal trade legislation. At no point has anybody who has spoken indicated that he is opposed to efforts to expand and develop foreign trade; I am convinced that those gentlemen who are addressing the House today do not oppose trade with foreign nations; as a matter of fact, our desire is to improve the present reciprocal trade legislation.

We are concerned about one aspect of this foreign-trade proposition, and that is the injury being done to some industries in this country. The thing that has concerned me, I may say to the gentleman from West Virginia, is that so little concern has been evidenced about these injured domestic industries, many of which have been in existence for a century or a century and a half. I sincerely trust the House will take a good look at the bill the gentleman has introduced, and like measures, and act upon them to see that there is done that which Congress intended should be done.

Mr. Speaker, I have not been entirely satisfied with the trade-agreements program as it has been administered up to date. I have made enough statements before this House to leave no doubt about my position on this score.

Today I would like to tell you in one statement why I have been and continue to be opposed to important aspects of the trade-agreements program.

In the first place, I have never been able to see the wisdom or the equity of a program that robs Peter to pay Paul—a program, if you please, that does not hesitate to rob the State of Washington or some other area in order presumably to help, let us say Detroit or Pittsburgh or Toledo or some other area where the mass-production export industries are located. I say "presumably" because how it can help one industry by hurting another is not clear. To me this system of exposing one industry to injury with the idea of increasing the exports of another spells rank favoritism that cannot be justified by a Government that belongs to all the people—unless, indeed there exists a true remedy for the injury that may be inflicted.

Again, there has been the disposition of saddling individual industries with a burden of carrying the cost of what is thought to be for the benefit of the country as a whole. For example, it is said that peaceful international relations require that we do nothing to increase a tariff or establish an import quota for the protection of an injured industry lest we give offense to one or more friendly foreign countries. This simply means that we should sacrifice any industry that cannot meet import competition to the notion that doing so is the only way to hold the good will of these friendly nations.

To me this not only smacks of appeasement but represents an excellent way of losing the respect of our foreign friends. Nor do I go along with the idea that we should allow our industries to be driven out of business through refusal of a remedy against destructive import competition and then recognizing the national responsibility by offering financial and other help. This is too much like giving to imports the right of eminent domain in our market. Obviously it is only people who have nothing at stake, or think they do not, who call so valiantly for this type of sacrifice for the fancied general good, whatever that may be.

We should keep in mind two things. One is that the mere inability of an American industry to compete with imports in no way convicts that industry of inefficiency. This kind of indictment has been flung freely by economists who apparently go by the book and who would likely be lost without it. It should not be necessary to have to answer such an unrealistic indictment but it is being repeated by people who should know better.

The fact is that in most cases the inability to compete comes down to nothing more complex than the low wage rates paid in other countries. When the economists deny this they only succeed in discrediting themselves in the

eyes of those who day in and day out are confronted with the concrete problem of low-wage competition. If sometimes the economists wonder why their pronouncements carry no more weight than they do they should take a little time out to ask themselves how long they can go against the experience of mature people who are entirely capable of assessing the elements of competition.

Therefore an industry need have done nothing wrong nor have failed to be progressive in order to be marked for extinction if it cannot compete with imports.

It has generally been held that only the industries in which labor is a heavy factor in the cost of production were vulnerable to import competition. Of course, even if this were true, it would not diminish the right of such industries to remain in business if their only deficiency were the mere inability to compete with imports. The American worker is under no obligation to become a machine tender or a mere robot on an assembly line. If his work calls for skill and craftsmanship, so much the better.

But the supposition is not true. More and more of the mass-production industries are finding that vaunted higher productivity per man-hour in this country has been melting away. Even the great automotive industry is being confronted with a situation that calls for a reexamination of this notion. Office equipment manufacturing is finding itself in a similar situation. A prominent sewing machine company has gone out of business because it could not meet the heavy import competition. The leading mass-producer of coaster brakes gave up to imports a year or two ago.

So, I ask what is the worth of economic theories that fall by the wayside as soon as they are tested by the realities of trade and competition?

You may ask in turn why I am concerned about the economists. The reason is that the trade-agreements program was fathered by economists, is defended and extolled by economists and in some of its worst aspects represents the "thinking" of economists. This is one more point that I hold against the program. Also, the economists, or most of them who have testified, standing on what they deem to be immutable principles, blindly oppose import quotas and generally describe free trade as if it were the panacea for our trade problems and indeed for most of the world's warlike tendencies.

The economists will not concede that the principal source of the competitive advantage enjoyed in this country by most of the imports that come into competition with our producers lies in the lower wages paid abroad. They simply say that our higher productivity over other countries washes out their low-wage advantage; and they hold to this unrealistic position in the face of universal testimony by those who actually experience the competition that the foreign advantage lies precisely in the fact of lower wages paid abroad. This makes no impression on the economists because they cannot bear to see their deeply-rooted theory shattered.

Moreover, should they recognize the facts that are so evident to all who face them and to whom theory means little or nothing, these economists would be forced to change their attitude toward the trade-agreements program and admit that it falls somewhat short of their sanguine claims.

They might be forced to admit merit in the concept of the escape clause and the import quota, hard though such admission would be. Vested intellectual interest can be more sensitive and stubborn than vested property interests or at least can equal them in point of resistance against invasion.

The economist-ridden trade program has other defects. Much of the remainder comes from the fact that it has not only been the economists who promoted and built the program but State Department economists at that. I know that it has become something like a popular sport to blame the State Department for many of our troubles; and I do not subscribe to the notion that all would be well if certain matters were taken out of the hands of the Department.

What I do assert is that the presence in the State Department of a preponderance of free-trade economists during the period when the trade-agreements program was formulated and while the General Agreement on Tariffs and Trade was negotiated left a deep imprint on all that was done during those years and therefore on what we face today in the trade program. This fact is of much more than passing significance.

Why do I say that? I say it because the very heart of the controversy today is found in the question of who is responsible for and who should in fact regulate our foreign commerce.

The answer to this question should be simple. We should need to do no more than refer to the Constitution. We would find very quickly that the regulation of foreign commerce is a function of the Congress, whether by tariff or by import quota or otherwise.

Nevertheless the question has come to the fore very prominently in recent years precisely because under the system of administration followed under the trade-agreements program Congress has been read farther and farther out of any active and directive participation in the regulation of our foreign commerce.

This function has so far come under the domination of the executive, particularly through the power of the President to reject Tariff Commission recommendations under the escape clause, that Congress is left out of some of the most important aspects of regulating our foreign trade.

I certainly believe in the need for foreign markets and believe also that we should build up our trade as much as we can without at the same time causing more hardship and unemployment than the jobs we create through exports. As I said at the outset, I see no wisdom in robbing Peter to pay Paul. In other words, we should not make a national goal out of export expansion as such. Our efforts should be tempered by the well-known facts of the displacement of our own industries by imports.

It is the question of what should be done about injury to our domestic industries, farms and workers by imports, that has created the greatest issue in the trade-agreements administration. If the injured industries had a true remedy, instead of one in which the chances are nearly 10 to 1 against them, much of the strong feeling against the trade-agreements program on all sides might subside considerably. Nor do I mean by a remedy, the breadline or the dole or the uprooting of workers from their present occupations and communities to other areas for retraining and reemployment. I do not mean that retraining and reemployment may not become necessary under certain circumstances.

I do not say we should not follow or continue a trade policy that looks upon displacement of our own industries by imports as something incidental to trade expansion and subordinate to it. On the contrary, I think that trade expansion should be subordinate to the other consideration. We should not seek the expansion of trade at the expense of our other industries that must take the brunt of the import competition.

When injury does occur I think there should be a reasonable hope of a reasonable remedy. On the other hand, I feel that trade should not be restricted more than is absolutely necessary to prevent injury to our domestic economy. There should be no fat tariffs.

Under the present administration of the trade-agreements program there is no assurance of a remedy. This fact is becoming more widely known every day and is at the root of the demand for a change.

To me it makes sense that the Tariff Commission recommendations should come back to the branch of the Government that created the Commission, namely, the Congress, to help it carry out the detailed and technical aspects of one of its important functions, which is the regulation of foreign commerce and the establishment and adjustment of the tariff.

I therefore find myself in full accord with the bills that have been introduced in the past few days and which provide for transmittal of the recommendations of the Tariff Commission to the Congress rather than to the President. This change would not eliminate the President from exercising his influence on Tariff Commission recommendations. It would indeed withdraw from the Executive his veto power. It would also end the domination of our foreign-commerce regulation by the ideas and theories of the free-trade economists whose influence has been too much in evidence these past 10 years.

The President, on the other hand, has open access to Congress and could make representations against Tariff Commission recommendations if he believed that the promulgation of any given recommendation would seriously disturb our international relations and so could the Secretary of State. They would merely be deprived of their joint veto.

I commend the bill to all Members of the House and urge that it be adopted.

Mr. BAILEY. I want to thank the distinguished gentleman from Washington for his comments. He has been a stanch supporter of the idea of throwing greater safeguards around our domestic industry, and I appreciate having his support in this particular fight.

Mr. MASON. Mr. Speaker, will the gentleman yield for a little further testimony?

Mr. BAILEY. I shall be glad to yield to the gentleman from Illinois.

Mr. MASON. The gentleman from Illinois has been in this battle for 21 years, since he has been in Congress. He was one of the 13 Members of this House who in 1937 cast a vote against the first extension of the reciprocal trade agreements. There were only 13 of us at that time. I stated then that when I took my oath of office I took it seriously, that the Constitution placed upon the Congress the authority and responsibility of foreign-trade arrangements, and that I could not violate my oath of office at least by turning it over to someone else; and every time since that day 22 years ago I have voted against the continuation of the Trade Agreements Act, and I have been gladdened, shall I say, by the fact that those 13 of 21 years ago have gradually been increasing in the House until the last time we voted, I think on the motion to recommit, we had 199. I am hoping that when this matter comes before us again, unless the authority is brought back to the Congress, there will be 250 or more who will vote against it. That is my conviction, that is my hope. I certainly want to congratulate the gentleman who has the floor for his very effective opposition during every minute of the time since he has entered the Congress.

Mr. BAILEY. I thank the gentleman from Illinois.

Mr. THOMSON of Wyoming. Mr. Speaker, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman from Wyoming.

Mr. THOMSON of Wyoming. Mr. Speaker, it is with pleasure that I join with the distinguished gentleman from Georgia [Mr. DAVIS] and the very able gentleman from West Virginia who has the time [Mr. BAILEY], as well as many of my other colleagues, in sponsoring a substitute for the requested 5-year extension of the Reciprocal Trade Agreements Act in approximately its present form.

It is particularly significant that the gentleman from Georgia [Mr. Davis] is a principal sponsor of this substitute legislation. At this moment I am again called upon to pay tribute to the fine Congressman from Georgia whose services were lost to his State and the Nation by reason of his untimely demise during the last recess. His leadership on the predecessor of this substitute bill was a most significant contribution to our present probabilities of success. I was indeed gratified that our respected and able colleague from Georgia [Mr. DAVIS] would take it upon himself to carry on as one of the principal proponents of this much-needed amendment to our trade policy. He is eminently qualified. I regret his illness today, but am pleased to know that it is of a temporary nature.

Some who have spoken here today, including the able gentleman from West Virginia and the gentleman from Illinois [Mr. MASON], were able to correctly cite their recognition of the dangers of this act from shortly after its passage and going back to the year 1937. At this time, Mr. Speaker, I was in college and was reading and being indoctrinated with some of the pet economic theories of the day, which have now been so totally disproven. I congratulate these gentlemen on their early analysis and efforts to correct the situation. I assure you that it did not take me long to see the fallacies, as I was exposed to business realities and the realities of life. It is highly encouraging to find such enthusiasm for the several bills introduced recently as a substitute for a flat 5-year extension of the Reciprocal Trade Agreements Act. I would like to point out here and now that this substitute is in fact a trade act to promote sound trade, and is in no way designed to cut off trade, as some of the opponents would have us believe. As a matter of fact, the principal thing that would be accomplished by the adoption of the substitute is to take from the State Department, as an arm of the executive, the authority to veto proposed tariff revisions as recommended by the Tariff Commission, and to restore to Congress the power of approving or rejecting Tariff Commission decisions. Of course, it is elementary to any grade-school civic student that this is mandatory from the standpoint of compliance with the Constitution. Experience shows that such action is vital to the welfare of numerous American industries and their employees. Additionally, the very survival of many independent companies and individual businessmen depends upon our including in the trade program at least a modicum of protection for the American industrial worker, miner, rancher, and farmer.

The present policy of permitting the executive department of the Government to enjoy the power of veto over decisions of the Tariff Commission is in direct contradiction to that precept of the Constitution which places in Congress the authority to govern international commerce. The policy is a sham and a failure. It has been directly responsible for economic damage to our woolgrowers, our coal operators, our coal labor force, our oil industry, and to the railroads and trucklines which look to these industries for a large share of their revenue.

Other industries similarly affected by imports extend over most of our 48 States. Unfortunately, there appears to be a lack of awareness among some elements of other segments of our economy with respect to the danger that is implicit in the present trade program as it has been administered.

I should like to call to the attention of this Congress the fact that America's agricultural industries are also in grave peril under current conditions. The program inaugurated in 1934 to stimulate international trade is badly in need of new management, else a growing number of businesses in this country will be bankrupt. Armed with the authority to negotiate certain trade pacts, State Department officials have seized every opportunity to encroach further upon Congressional responsibilities. They have moved at full steam ahead without regard to the economic havoc that their reckless operation has created. Their current plans include an attempt to railroad through this Congress a membership for the United States in the Organization for Trade Cooperation. Close inspection of this proposal discloses that endorsement by Congress would have the effect of legalizing the General Agreement on Tariffs and Trade, thereby placing America's foreign-trade policies in the hands of a panel of internationalists sitting some 3,000 miles from the nearest part of the United States, with America having but one voice out of 37.

Under those circumstances, Mr. Speaker, America could expect little consideration so far as tariff schedules are concerned, and in addition would find that the protection afforded under section 22 of the Agricultural Adjustment Act in grave jeopardy. Our wheat farmers, cattlemen, and dairymen would have little chance to earn their subsistence in a climate where torrents of foreign grain and livestock were permitted to deluge American markets. The prospect may not appear at this time to contain a threat to the constituencies of all of my colleagues, yet I submit that a most unwholesome impact would eventually be felt throughout the communities of our land.

Let me repeat that I am encouraged by the growing number of Members of Congress in both the House and Senate who are no longer willing to tolerate the injustices inherent in our present trade program.

I particularly call the attention of my colleagues to the provision in my bill which would eliminate the inequities as to those industries first hit, such as wool, coal, basic minerals, pottery, and many others which, generally speaking, were those that were subject to foreign competition that was not affected by World War II and therefore did not have to rebuild before they could enter our markets at the conclusion of hostilities. This section merely provides that where, by law or through act of Congress, a minimum domestic production is fixed as being essential to the security and well-being of the United States, then imports will be restricted progressively at a rate so as not to disrupt the domestic industry until the minimum domestic goal is reached.

But why is it that we find so much opposition when that is all these bills would do? We find people saying that these bills are going to stifle trade between other nations and our Nation, in other words, practically eliminate our foreign trade. But that is not the intent of this legislation at all. We simply say that we are going to implement what always has been the law and make sure it is implemented by following the procedure that was recognized as being necessary by the Founding Fathers of this country when they provided in the Con-

stitution that control of interstate and foreign commerce should rest with the Congress of the United States. The experience of the past few years has certainly proved the wisdom of that.

I would like to take just a minute of time to point out some of the fallacies of the arguments that are thrown at us. We have heard a statement on the part of one of the members of the Cabinet that after all foreign trade provides 4½ million jobs directly for American workers. I do not know what you hear from your District or what you read in the paper, but from what I hear from my District and from what I read, we are doing so good that we are about to go broke. We have a continuing rise in unemployment. There are more people drawing unemployment compensation every day and we have more businesses closing or working only part time. So that argument falls on its face.

But we have not looked all the way. As I view this situation, I see a vicious circle. Here in America we are taxing our American citizens and putting them further into debt to the point where the interest payment alone on the national debt is now up to $7 billion a year. A substantial portion of this, over one-third of the debt, is to provide foreign economic aid, so that we can send our money abroad, in order to provide them with new factories and equipment and so that we can teach them the know-how of the American production system. In addition to that, for many years under the Western Hemisphere policy and under other tax policies, we gave favored tax treatment to American investors if they would make their investments abroad instead of making them at home. I ran into that as a businessman before coming to Congress.

Now, the effect of that is to provide a means for others, both foreign and American, to exploit cheap labor to put American producers out of business and American labor out of work. That program having proceeded to its only logical result once again—and I say once again because just before Korea the same result had developed—we are confronted with American producers either shutting down or operating on a part-time basis, and with rising unemployment as American workers are put out of work.

What a vicious circle. The American taxpayer is required to furnish money to provide unfair competition with Americans by taking advantage of cheap labor and low taxes abroad and is then being asked through taxes or increased debt to employe the peoples out of work here at home on public works projects. That, my friends, if something is not done, will continue ad infinitum and can lead only to national bankrupcty and total economic collapse.

As a temporary measure, we may have to speed up our public-works program, and I would be for that, if necessary. We must, though, get to the basic causes to avoid ruin.

I fully appreciate our world position and responsibility. I can understand that we cannot simply go to the conference tables on the world with a proposal to completely reverse past policy, and the proponents of this bill do not propose to do that. We are not changing our position in regard to the tariff policy or the foreign-trade policy a bit. All we are making sure of is that we are going to follow our position as it has been clearly expressed by Congress in the law, instead of ignoring the law and giving it all away by refusing to follow the recommendations of the Tariff Commission when we have reached the peril point and the escape clause should be placed in operation. Other nations of the Free World must certainly realize that if the United States goes under economically, then the whole Free World goes down with it; and if they do not recognize that, it is our responsibility to point this out to them. All we are saying to the other nations of the world is to tell them this story—to say we are not taking anything away from you and we are going to let you share in the increases according to historic percentages in those instances where an increase in tariff or a quota becomes operative. As a matter of fact, there are many instances where this could not conceivably be operative. I think the gentleman who is so well versed on this subject will agree with me that about 50 percent of our imports are on the duty-free list to begin with. We are not going to disturb those one bit.

Now, if the gentleman will indulge me just 1 minute, I would like to point out something that to me is very disturbing. The proponents of the straight extension of 5 years for the whole reciprocal-trade legislation are engaging in the techniques of the trial lawyer that all of us who did a little of that came to recognize so well.

Mr. BAILEY. Mr. Speaker, if I may interrupt, might I comment that they are putting on a Hollywood show that Eric Johnston runs.

Mr. THOMSON of Wyoming. That I certainly would agree with, something that would be frowned upon in our courts as unethical. But, nevertheless, there were certain techniques that were recognized. One of those was that if you were weak on the facts, then pound on the law; and if you were weak on both, to shout about the Constitution. But in this particular case the Constitution is clear that it is the responsibility of Congress, which is all we are trying to bring into effect. So in desperation the opponents of the substitute are indulging in trial-lawyer techniques of ignoring the facts of the case and ignoring the law, and they are setting up a bogey man and straw man and then building up a case to knock them over. It is just so as to the claim of providing employment for 4½ million men which I was glad to see pointed out. That will certainly not stand the scrutiny of close examination.

Mr. TOLLEFSON. Mr. Speaker, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman from Washington.

Mr. TOLLEFSON. The 4½ million jobs attributable to foreign trade, I am interested in that figure, but is there anything in the position of the gentleman from Wyoming or in our position to suggest that we want to eliminate those jobs under the proposals that are being discussed today?

Mr. THOMSON of Wyoming. Most certainly not.

Mr. TOLLEFSON. Is it not true that perhaps the implied suggestion in the statement that there are 4½ million jobs attributable to the foreign trade situation, or that those jobs would be eliminated if Congress acts favorably upon the bills which the gentleman from West Virginia has introduced, is without basis? Is there any truth in that at all?

Mr. THOMSON of Wyoming. Mr. Speaker, I would say to the gentleman that there is not. That figure, as was pointed out earlier by the gentleman from Iowa [Mr. GROSS], will not stand up under close examination. There are some people who are employed by reason of the goods that are imported; in the handling of them, and so forth. But those people are not going to be hurt a bit. The point is that we are going to stop the flow of additional imports harmful to American industry if that develops—that is, stop putting people out of work in the gentleman's tuna industry, or in the wool textile industry in New England, or the cotton textile industry in the South, the woolgrowing industry and oil industry of Wyoming and the West and all over the country—we can secure the jobs from both of these categories if we will use some reason. And the way to do that is to get control back into the hands of the Congress.

Mr. Speaker, I would like to point out that last night on an NBC program at 6:30 eastern standard time, one industry stood up and said, "You can recognize how important it is for us," and that was the steamship industry. I do not know how many Members remember, but in 1955, which was during my first session in this House, a bill came up, S. 2090, in July of that year, which provided that the American shipping industry should carry 50 percent of shipments sent abroad. They had to have that protection because they said they could not compete with cheap foreign labor with which they were forced into competition.

I would suggest to the gentlemen in the shipping industry that they should pause and consider. I, and the majority of my colleagues voted for that bill and it is law because we believed in the principles that I and my colleagues have spoken of today. The shipping industry spoke the same principles in 1955. The act will again come up for consideration. Will they again change their position then and if so can they hope to succeed? I have long contended that this issue must be decided on the basis of principle and that we should treat all segments alike. The proposed substitute does that. It is best for America and for every laboring man, every businessman and every farmer and rancher in America. It is realistically best for the Free World. It deserves our support.

I thank the gentleman from West Virginia.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman from Iowa.

Mr. GROSS. Mr Speaker, the gentleman from Wyoming [Mr. THOMSON] mentioned the program on television yesterday evening dealing with this subject of the Reciprocal Trade Agreements Act. I wonder if he heard the Japanese who was being interviewed somewhere on the West Coast with respect to Japanese imports of plywood. The interviewer asked this Japanese what would happen if the Japanese could not continue to produce plywood and pour it into this country. His answer was, in effect, that if they did not continue to have a ready and wide-open market for plywood in this country, using of course their cheap labor, they would go Communist. That was the plain inference; and he used the word "Communist." In other words, this is more foreign blackmail.

Mr. THOMSON of Wyoming. Mr. Speaker, I certainly did hear that statement. It is very nice to figure out how many acres go into production for export but I am thinking of the acreage that you could use if you were producing to take care of what is being imported. I looked that up for the cattle industry. In 1957 we exported 120 million pounds of carcass beef, but we imported 325 million pounds of carcass beef. The difference would represent 6 million acres of production if we were taking care of our own industry here.

Mr. GROSS. And you can add to that the imported Polish hams and the grain feed that goes into those Polish hams.

Mr. EDMONDSON. Mr. Speaker, will the gentleman yield for a unanimous-consent request?

Mr. BAILEY. I yield to the gentleman.

Mr. EDMONDSON. Mr. Speaker, I ask unanimous consent that the gentleman from Tennessee [Mr. LOSER] have permission to extend his remarks in the RECORD immediately following my own principal remarks in the course of this discussion.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. NEAL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. NEAL. Mr. Speaker, while the estimate of 4½ million persons are employed in the conduct of our foreign trade may be correct, it is well to remember that unemployment resulting from cutbacks in the production of light consumer goods, textiles, tools, pottery, and glass, to mention only a few of the hardest hit, has been a consistently growing problem affecting numerous communities as a direct result of the administration of the Reciprocal Trade Agreements Act. I daresay that a large number of the 4½ million people engaged in this endeavor are Federal employees whose salaries are supported by American taxpayers.

Reports stating the excess of exports over imports fail to make mention of the amount of Government tax moneys in grants, loans, and outright gifts to foreign countries to make it appear to them that they are conforming to the usual rules of international commerce.

No one can doubt the immediate benefits to industries producing military and durable goods for export since it keeps our major industries operating and keeps labor employed, but it is questionable whether the advantages accruing from such export policies can begin to balance the extra taxload imposed on the whole population for funds to support it.

In addition to the numerous small businesses that have been forced to close or curtail operations, the domestic oil industry and the coal industry have likewise been compelled to suspend employment as a result of competition from foreign imports. Does anyone know whether profits enjoyed by heavy industry, exporters and importers, international bankers, and others engaged in foreign trade would, in any way, compare with wages lost through unemployment, cost to the Government in unemployment compensation, profits derived from labor spending, and the various and sundry taxes which would otherwise be returned to the States and Federal Government?

Our foreign trade as now administered is too much of a oneway street with the American laborer and the taxpayer on the losing side. With foreign competitors fully restored to compete with us both in our home and foreign markets it is high time we turned toward adequate protection of American interests.

It is unrealistic to believe the United States can buy permanent friends through grants and gifts. It is equally true that as a free-trade Nation the United States will continue to see foreign nationals resorting to any and every trick to protect their own international trade interests when self-interest is dominant.

Mr. BAILEY. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. SAYLOR] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. SAYLOR. Mr. Speaker, one of the most influential men in drawing up the Constitution was James Wilson. He also was active in drafting the Pennsylvania Constitution of 1790, he served as Associate Justice of the United States Supreme Court, and he was the first professor of law at the College of Pennsylvania—later the University of Pennsylvania.

When the State of Pennsylvania held its convention to consider the Constitution of the United States, Judge Wilson carefully read aloud the introductory clause:

We, the people of the United States, in order to form a more perfect Union, establish justice, insure domestic tranquillity, provide for the common defense, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity, do ordain and establish this Constitution for the United States of America.

Then Judge Wilson offered this personal appraisal of the preamble:

It is not an unmeaning flourish. The expressions declare in a practical manner the principle of this Constitution. It is ordained and established by the people themselves.

Mr. Speaker, in the matter of foreign trade there has been a decided drift from the principles set forth in the Constitution and so effectively defined by this Pennsylvania patriot of two centuries ago. The present procedure, through which tariff concessions are made by the executive department, is not in conformity with article I, section 8, which stipulates that the regulation of commerce with foreign nations is a power of Congress. For more than two decades Congress has been surrendering ever-increasing authority over trade matters to State Department functionaries obviously more concerned with the fancies of the foreign legions than with America's own needs.

The Articles of Confederation were adopted in Pennsylvania. The Declaration of Independence was written and signed and the Constitution of the United States was drawn up in Pennsylvania. Perhaps it is largely because of this background that the people of this Commonwealth are so highly conscious of the precepts of the Constitution. We are extremely sensitive to any violations. We recognize that the present procedures are an arrogation of Congressional powers on the part of the executive department and thus contradictory to those principles set forth by our Founding Fathers. In addition, we feel that the present practice does not provide for the common defense or promote the general welfare. We therefore ask the representatives of the several States to join us in a rededication of the tenets expounded so forcefully by Judge Wilson 170 years ago.

It is doubtful if any other State has as wide a diversification of industrial activity as has Pennsylvania. A vast amount of the production of our fields, our mines, and our factories moves into overseas markets, much of it from our own seaport of Philadelphia. Through the years Pennsylvania has welcomed expansion of international commerce to whatever extension the domestic economy is not detrimentally affected. But Pennsylvania, rich in the history of a State which provided a substantial part of the foundation upon which this Nation was created, objects to transactions which tend to disturb the domestic tranquillity, weaken the common defense, and ignore the general welfare of our State and our Nation.

Mr. Speaker, Pennsylvania is probably suffering more from the present decline in business activity than any other State. From personal observation, I can attest that much of the unemployment now visiting us is directly attributable to the competition of imported commodities.

Here are the facts, Mr. Speaker. Pennsylvania industries subject to injury by indiscriminate admission of foreign commodities may be included among these general classifications: chemicals and allied products, clay,

glass, and stone products, food and kindred products, leather, lumber, metal products, bituminous coal and anthracite, textiles and textile products, tobacco, and miscellany of other industrial categories. It is also important to remember that our transportation system, particularly the railroads, is in constant danger of severe losses under the impact of residual oil imports, which cut sharply into the coal-hauling lines' principal source of revenue.

Many Members of the House represent regions whence similar or identical products come. Elsewhere numerous other articles native to a particular area are likewise in jeopardy because of the unfair competition from imported goods. What is the pleasure of my colleagues from these districts? Do you share with us the desire to provide the remedies necessary to make our trade policies reasonable and workable?

From time to time special pleas for tariff protection have come from every section of our great land. The difficulty in the past has been that too often there was a lack of unity among spokesmen for the respective areas. Localities injured by imports entered their suits from isolation booths. Perhaps now we can get all of these cases into a ward big enough to dominate the proceedings.

Time and again our cases have been diagnosed by competent authorities. The cause of the economic affliction has been established. The prescription calls for a sensible diet of imports rather than the intemperate course insisted upon by quacks in the State Department. The recent report on unemployment by the Department of Labor leaves no doubt as to the number of patients afflicted with industrial anemia. Those regions are crying out for a fast-acting remedy. We who have knowledge of the enervating effects of excessive imports on the business and industrial life of a community are—through strength of numbers—now able to insist upon corrective action. The time has come for us to band together—not merely as representatives of regions and of industries unique in our own localities—but as Americans disdainful of policies formulated for the exclusive benefit of a dictator or a military junta in South America or a potentate in an oriental country, or for the obvious advantage of shrewd European traders who, unlike our own diplomats, are guided by the desire to help their own spheres of influence in all their international dealings.

I ask that the House quickly adopt the legislation necessary to return the tariff-making powers to Congress and that we further amend the Reciprocal Trade Agreements Act in whatever ways are necessary to safeguard the domestic economy and security.

Mr. BAILEY. Mr. Speaker, this very day, when we propose to restore to Congress what we should never have let go, all sorts of warnings are issued, all sorts of dire predictions fill the air. Russia will drive us out of the world markets. We will lose our friends overseas. The European Common Market will ruin our trade with Europe—all of this, mind you, unless we allow the State Department to continue to work its magic in the world of diplomacy, using American industry, American mines, American farmers, and the jobs of American workers as pawns in its game.

Mr. Speaker, I for one do not concede the brilliance of State Department diplomacy, to be entrusted with the welfare of millions of our workers and the progress of much of our industry and agriculture. There is entirely too much at stake to have it placed at the mercy of the shifting uncertainties of international diplomacy.

Not by the remotest stretch of the imagination could it be held that it was the State Department that built the industrial power of this country. Leave it to the State Department and other departmental bureaucrats to run loose with this industrial power and they will make a shambles of it in a few more years.

The recent effort to make it appear that the Department of Commerce will henceforth be in control is too transparent to be taken seriously. In any case no executive department, regardless of its field of activity, would change the system enough to make any difference. The State Department would continue to call the shots and the home economy would pay the piper.

Let us not deceive ourselves. Those who believe that American industry should carry the burden of international politics the world over have one common aim, and that is to get Congress out of their way. It is very disturbing to them to think that Congress might not always do their bidding. They would like to map out their policy as a permanent blueprint of what this country, in concert with other countries of the world, is to do. That is why they have been so eager to get this country committed in international agreements such as GATT. That is also why they steadfastly have refused to submit GATT to Congress for approval or disapproval. The Congress might upset their game, which is to take the power of self-determination in tariff and trade matters away from the American people. It would therefore be much less trouble if Congress were silenced.

Should the people then change their minds about the trade-agreements program and expect their elected representatives to carry out their will, the State Department could hold up a hand and call a halt. We would be told that we have international commitments that must not be broken. Should we break them, we would be warned, the whole Free World would come falling down upon us. The fact that the State Department did not stop to ask whether it should have made the commitments in the first place would not only not be mentioned; the Department would claim, as it has already done, that it had the authority right along.

By just such weaving and in-and-out maneuvers has the State Department already reached the point where any attempt to reestablish the supremacy of Congress in its own field is denounced as something absurd or as going back to the days of the buggy whip. The space age is supposed to change the principles of our Government. The Congress is held to be too unwieldy for quick maneuvering while, of course, no such characterization could be applied to the State Department and its thousands of spokesmen throughout the world. Evidently they are adept at quick changes.

One wonders why the name of our foreign programs has to be changed every 2 years, from ECA to MSA to FOA to ICA. So many aliases do not inspire much confidence. Members of Congress at least do not find it necessary to change their names every 2 years in order to be reelected from time to time. True, these changeling agencies having to do with foreign aid have not always been under State Department direction, but they operate in the same general field and the uncertainty of their operations smacks of the same rawness as the Department's moonshine.

Why, then, should we deliver the future of this country, hog-tied, into their hands?

I say in all seriousness that, granted the unquestioned importance of our foreign relations, what we face today is not just another extension of the Trade Agreements Act. We face the question of whether the Congress is competent to carry out the functions that the Constitution placed upon us. We face the question of whether the American people are capable through their elected representatives to determine their own policies in foreign trade.

It is idle to say that Congress would still be supreme in its sphere when the State Department is in a position to make international commitments that put Congress over a barrel if it undertakes to go contrary to the State Department's policies.

Congress, to be sure, is not allwise. On that we can all agree. That is not the same as saying, however, that the State Department is wiser or that it knows better than Congress what is good for the American people. The State Department, were it really wise, would be glad to leave the reins in the hands of Congress and, therefore, be assured that we do not get in too deep in the changing and treacherous currents that swirl in incalculable directions in the international waters.

Mr. Speaker, the system under which our trade-agreements program has been administered, particularly since 1947, violates the basic concept of the separation of powers in our Government. Congress may legislate, as it did in 1951, in setting up the statutory escape clause and again in 1955 when it amended that clause, to make sure that its will would be carried out. Yet, once the Tariff Commission finishes its investigations and hearings under the escape clause its findings go to the President to do with as he sees fit. At that point Congress loses its power completely. The President has unlimited power to reject the Commission's recommendations, whether they be unanimous, by majority vote or split decisions. The President has, in fact, rejected six unanimous decisions of the Commission.

Today there are investigations being conducted by Congress to determine

whether undue influence is exercised by the executive branch over the work of the various commissions established by the Congress. In the case of the Tariff Commission, we have not simply interference, which, under the circumstances, is not necessary, but complete and final domination by the Executive. While we thus strain at gnats or worse in our examination of Executive interference with the other agencies we swallow camels with all their gnat attendants so far as the Tariff Commission is concerned.

Immediately it is said that the Tariff Commission's field is different. What it does affects foreign relations. That is true; but other laws and their administration also affect foreign relations and yet we do not throw the administration of these laws into the hands of the President and thence into an international pot stirred by 36 foreign hands. What, for example, about our immigration laws? Should we leave them to the State Department too? Why should we not leave this question to State Department negotiations with other countries? What of our merchant marine and shipbuilding subsidies? Should we turn these over to the State Department for international negotiation? And our farm price-support policies—why should the State Department not put them on the international bargaining table? Why not bind the hands of Congress against changing the level of price supports? Why not agree internationally that price supports will be reduced? If this sounds shocking let us remember that that is exactly what we have done with tariffs and quotas. We agreed to cut tariffs; we agreed to ban the use of quotas; we agreed to binding duty rates at existing levels. And while so doing we put handcuffs on Congress.

When a Supreme Court decision affects our international relations, why not give the President a veto in such cases?

Obviously what we have done with our tariff and trade problems is to let ourselves in for something for which there was no good reason. We invited foreign interference by our very approach. We threw into the common pot of foreign debate subjects that should have been withheld. We opened the way to foreign claims, protestations and grievances in matters that are ours to decide. Our foreign-trade delegates and free-trade philosophers were quick to seize the opportunity of making work for themselves and building empires to rule.

The time for a halt to all this loose-running and heady free-wheeling by doctors of free-trade philosophy has come. The frothing internationalists who would mutilate American industry to avoid the frowns of suave diplomats has already been tolerated too long.

Mr. Speaker, the bills that have been introduced in the past day or two, seeking restoration to Congress of its final authority over the escape clause is not only justified; it is long past due. The Congress has been exceedingly patient. It has made known its will from time to time in passing amendments to the Trade Agreements Act. It has then waited to see what would happen. Nothing was done differently by the White House or the State Department after the legislation from what went before.

The reason was that they took their cue and bearing, not from the Congress of the United States, but from GATT. It is to GATT and not to the Congress that the needle of the State Department compass points. Loyalty to GATT has already far surpassed loyalty to the elected representatives of the people; and unless the trend is arrested, stopped and reversed now, it will soon be too late.

The bill that I have introduced along with others would place an arresting hand on the State Department freebooters and bring them back under the sway of law. That is where they belong. Passage of the bill would also restore some common sense into our foreign-trade relations by once more giving the American people a hand in running their own affairs.

I commend the bill to you and hope that you will give it your support.

HALF-TRUTH HARRY TRUMAN FORGETS THE PEOPLE WANT THE TRUTH

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Illinois [Mr. SHEEHAN] is recognized for 20 minutes.

Mr. SHEEHAN. Mr. Speaker, former Democrat President Harry Truman spoke to his party stalwarts Saturday night and, in his accustomed manner, made numerous half-truths, wild statements and distortions which should be put in proper focus so that the American people can distinguish between fact and fiction and between half-truths and a truthful and full presentation of the facts.

I will not attempt at this time to cover all of the facts which should be presented to show that Mr. Truman, in the manner for which he has been noted, only gave the American public half of the actual picture which results in deliberately fooling the citizenry, but will only try to correct some of the economic half-truths which Mr. Truman dealt with.

Half-truth Harry should have heeded his own words in his speech when he said:

> The people want the truth.

Within seconds after his observation, he said:

> And in spite of the Republican recession, the Republicans manage to keep prices going upward.

I must admit that this contains a half-truth. The Republicans were faced with the almost impossible task, when they took over in 1953, of stopping the runaway inflation caused mainly by the sloppy socialistic subterfuges which the Democrats had adopted, supposedly to put our economy on the right course.

Mr. Truman does not tell the public about the actual facts of the drop in the purchasing power of the dollar from 1939 to 1952, while the Democrats were in control. Here are the facts:

[1935–39 consumer prices=100]

Date	Value of dollar	Change	Period
	Cents	*Cents*	
1939	101.4		
1946	75.0	49.4	12 years.
1950	58.8		
1952	52.7		
1953 (January)	52.0	2.3	5 years.
1957 (December)	49.7		

It can be noted that, from 1939 through 1952, when the Democrats were in power, the value of the dollar dropped nearly in half, and in 13 years averaged a yearly drop of 3.8 cents per year. In the 5 years that the Republicans controlled the economy, the drop only averaged about a half cent drop per year or .46 cents. In other words, the Republicans were eight times better than the Democrats in controlling inflation and protecting the purchasing power of the dollar. This Republican accomplishment has been a life-saving boon to all of our older citizens living on fixed incomes, on social security, on pensions, and on insurance annuities.

In his resort to the use of half-truths, by omitting the facts, Half-truth Harry did not tell his audience about the tremendous rise the Democrats caused in the cost of living based upon the price of consumer goods and services. Here are the facts based upon figures from the United States Bureau of Labor Statistics:

Cost of living based on price of consumer goods and services

[Index 1947–49=100]

August 1939	59.0
May 1945	76.7
August 1948	104.8
November 1948 (Truman reelected)	103.5
November 1952	114.3
December 1957	121.6

Simple arithmetic shows that under the Democrats from 1939 to 1952, 12 years, the cost of living hurtled upward into outer space at the rate of 4.6 points per year on the average for a total of 55.3 points. In the 5 years the Republicans controlled the economy, this rise averaged 1.46 points per year or a total of 7.3 points.

Half-truth Harry Truman should have told his audience that the Democrats, based on a yearly average rise in the cost of living, increased the cost of living three times greater than the Republicans, based on the yearly proportionate increase. In other words, the Democrats are more adept at reducing the purchasing power of the people.

Time limits my giving many more facts to show that Half-truth Harry distorts the facts when he stated that Republicans "keep prices going upward."

Mr. Truman said that the Republicans state they are betting on prosperity while accusing the Democrats of betting on a depression. He then asked, "What are the 5 million unemployed betting on?"

Here again are the usual Democrat demagogue tactics of distortion. In February 1950 Arthur Krock attributed this

view on unemployment to the then President Truman:

> From a peak of 59.6 millions of persons employed in civilian activities last September, the number has gone down to 56 millions, with 4.8 millions unemployed. A certain amount of unemployment, say from 3 to 5 millions, is supportable. It is a good thing that job seeking should go on at all times; this is healthy for the economic body.

In 1950, 5 millions of unemployed, according to Truman, are "supportable," but in 1958, less than this amount of unemployed are a "recession."

Certainly Half-truth Harry fits into the definition of a demagogue offered by President Eisenhower when he defined a demagogue on January 31, as "a person who rocks the boat himself so as to persuade everybody that there's a terrible storm on the water."

Many other Democrats have joined with Truman in predicting and hoping for a depression. They seem to worry more about political power than they do about the welfare of the citizens.

One of the foremost Democrats who have been predicting a depression since 1952 has been the Senator from Illinois [Mr. PAUL DOUGLAS]. In all of these cases, it appears to me that the wish is father of the thought. DOUGLAS, Truman, and others fit into Eisenhower's definition of political Cassandras, being persons who regularly "suggest that deep depression is just around the corner, and only panicky governmental intervention on a massive scale can stem disaster."

When one looks into the facts of unemployment during the last 30 years, one can understand why Truman dealt in generalities and not in facts.

From 1929 through 1932, unemployment went from 1,550,000 to 12,060,000, or from 3.2 percent to 23.6 percent of the labor force. But Mr. Roosevelt and the Democrats sold the voters on the idea of electing them and they would restore prosperity. Instead, our country continued into the Roosevelt depression. Here are the facts:

Year	Total unemployed	Percentage of unemployed
1933	12,830,000	24.9
1934	11,340,000	21.7
1935	10,610,000	20.1
1936	9,030,000	16.9
1937	7,700,000	14.3
1938	10,390,000	19.0
1939	9,480,000	17.2
1940	8,120,000	14.6

Then came 1941 and preparations for World War II which finally ended the Roosevelt depression. Where, during these peace years, did the Democrats return us to prosperity? It took a Democrat war to bring back full employment.

Right after World War II in 1946, under the Democrats, unemployment jumped up to 3.9 percent of the labor force, and in 1949 amounted to 5.5 percent and 1950 to 5 percent. I am of the opinion this would have gone higher except, again, the Democrats brought us into a war, the Korean war, bringing about a drop in unemployment.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. SHEEHAN. I yield.

Mr. GROSS. I thought the Korean episode was a police action.

Mr. SHEEHAN. You can call it what you will; I prefer to call it a war. Any action which takes many thousands of lives and 130,000 casualties is a war, regardless of what others may call it.

Mr. GROSS. But that was commonly known as Harry Truman's police action, was it not?

Mr. SHEEHAN. That is what the Democrats called it.

Mr. EDMONDSON. Mr. Speaker, will the gentleman yield for a question at that point?

Mr. SHEEHAN. I yield to the gentleman.

Mr. EDMONDSON. I just wonder if the gentleman can tell me how many people are employed today by the United States Army in Korea?

Mr. SHEEHAN. I do not know the answer to that; and in my figures the Army employed are taken out of the working force. I believe that is the way the Bureau of Labor Statistics handles it.

Mr. EDMONDSON. I understand, but I am merely making the point that there are some people being employed today in Korea as well as during the Korean war.

Mr. SHEEHAN. That is right.

The average yearly unemployment in 1957 was 4 percent and with January 1958, unemployment rising as it usually does after the Christmas season, all the Democrats are predicting chaos. Half-truth Harry tells his fellow demagogues to wait "until the Democrats have once more made the people prosperous, as we did from 1933 to 1953." But he failed to give them the facts so that the thinking American can know the real truth of the situation.

Half-truth Harry also dealt in numerous other distortions which I hope to correct by setting forth the actual facts later. Mr. Truman stated the Republicans did not stay ahead of Russia as a world power and also accused the Republicans of being responsible for our missile lag. I look forward to setting forth some pertinent truthful facts on both of these Truman half-truths at another time.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. SHEEHAN. I yield to the gentleman from Iowa.

Mr. GROSS. I seem to recall that in his speech over television Saturday evening, he spoke of recounting ballots. I wonder if anyone has ever found the ballots that were stolen from the court house safe in Kansas City not so many years ago when Truman was in the Senate of the United States?

Mr. SHEEHAN. No. Mr. Truman would not want to do that. Mr. Truman would not want to go into all of the big cities like Chicago, New York, and other places where notoriously and openly ballots are stolen by all of the Democratic-controlled machines. I never heard him holler or scream for a recount of any ballots in those districts.

Mr. GROSS. I wonder if anyone has told him who was responsible for the dynamiting of the safe in the court house at Kansas City and if by any stretch of the imagination it could be found to be the work of the old Pendergast gang in Kansas City?

Mr. SHEEHAN. I do not think we would have to stretch our imagination too far to come to that conclusion.

Mr. EDMONDSON. Mr. Speaker, will the gentleman yield?

Mr. SHEEHAN. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. The gentleman in the early part of his remarks spoke about the many socialistic programs of the New Deal and the Truman administration, which contributed to so much difficulty for the Eisenhower administration when it took over. Can the gentleman name a single one of those socialistic programs that has been eliminated or repealed by the Eisenhower administration?

Mr. SHEEHAN. I think the Eisenhower administration has done a tremendous job in trying to eliminate many of them. I do remember when we tried, if my memory is right, to repeal or do away last year with the ropemaking function of one of the Navy installations in order to put that into private hands. If my memory is correct, most of the membership on the Republican side of the aisle was for doing away with this activity, while the Members on the Democratic side wanted to continue the Government in the ropemaking business. They carried because they had a majority. If I could go to my files I could give the gentleman many instances to show that the Republican administration under Mr. Eisenhower has attempted to do away with many of these mistakes of the New Deal era.

Mrs. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. SHEEHAN. I yield to the gentlewoman from Illinois.

Mrs. CHURCH. I am sure the gentleman will remember that it took the President and the present administration quite a few months to take us out of a controlled economy and put us into free enterprise again.

Mr. SHEEHAN. The gentlewoman is right.

Mr. EDMONDSON. How much would that have to do with the rise in prices which we have experienced under the Eisenhower administration and its doing away with the planned economy?

Mr. SHEEHAN. I admitted Mr. Truman was right when he said prices continued to go up, but the rise was so small under the Republicans on a proportionate basis that there is no comparison at all.

Mr. EDMONDSON. The gentleman began his figures with 1939. I wonder if the gentleman would go back to the price level of 1932 and show us what happened then, and give us the prices from 1932 to 1939.

Mr. SHEEHAN. The Bureau of Labor statistics set a base in 1939, and that is

the reason I chose those particular figures. I do not know what the figures were before that.

Mr. JENSEN. Mr. Speaker, will the gentleman yield?

Mr. SHEEHAN. I yield to the gentleman from Iowa.

Mr. JENSEN. You do not have to go back to 1932 and make comparisons. Let us go back to the Cleveland era.

Mr. SHEEHAN. That is before my time.

Mr. JENSEN. I remember my father taking eggs to town for sale and having to bring them back because there was no market for them. He could not sell them. If they want to go back, we can go back too.

Mr. EDMONDSON. I wonder if the gentleman thinks there was anything like the agricultural depression in the Cleveland administration like there was in 1930, 1931, and 1932?

Mr. SHEEHAN. Of course, if the gentleman from Oklahoma wants to continue this discussion we can go on for hours and hours. I can show, if you will read President Hoover's memoirs, that in 1933, when the Democrats took over control of the Congress, Mr. Hoover appealed to the then President-elect Roosevelt, who had not taken office up to that time, to go to the Congress, which was Democratic controlled, and ask the Congress for laws to help the banks so that continued bank failures would not happen. Mr. Hoover points out in his memoirs that he got no cooperation at all; in fact, he did not even get an answer from Mr. Roosevelt. Yet, with the banks closing, the people losing all their money, and disaster facing the country, not a single action was taken until Mr. Roosevelt came in on March 4, and the next day, March 5, the banks were closed. In other words, the conclusion I reach is that the Democrats did not give a whoop for who lost money or how much; they were going to prove to the people that they saved the country by closing the banks after the people lost the money. The proof of the matter is that it took a war to bring back full employment.

Mr. EDMONDSON. Perhaps if Mr. Hoover had asked Mr. Roosevelt to go to the Congress with him for some relief action for the unemployed in advance or a request for action to aid the banks, he might have gotten a readier response from the man who brought the New Deal to Washington.

Mr. SHEEHAN. I do not agree with the gentleman. Regardless of who loses, whether the workingman loses the money in the bank—and that is where the greatest loss took place, through the closing of the banks, where the average man lost his life savings—that is just as important as employment, because the poor man had to be protected on his job as much as his savings.

TARIFFS AND FOREIGN TRADE

Mr. HENDERSON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HENDERSON. Mr. Speaker, today I have introduced a bill into the House of Representatives dealing with tariffs and foreign trade. It is similar in form to bills introduced by other Members who wish to protect American industry.

The Constitution of the United States is specific in its enumeration of powers. It recites that the Congress has power to regulate commerce with foreign nations. However the Congress of the United States has in the past and at the present permitted the power to regulate commerce to be placed in other hands. Recommendations of the Tariff Commission are subject to the veto of the Executive. Such power in the hands of the Executive means that the State Department has the opportunity to wield great influence in determining the trade policy of this Nation on the basis of those things that are convenient or advantageous to the United States from the point of view of international relations without giving any substantial regard to the impact upon domestic economy. The bill that I have introduced would provide that the decisions of the Tariff Commission, instead of being subject to the scrutiny of the executive branch, would be presented to the Congress of the United States where such power rightfully belongs.

Under the provisions of this bill, any recommendation of the Tariff Commission shall remain before the Congress for 60 days and if within that time there shall not have been passed by either of the two Houses a resolution rejecting the recommendation, that recommendation shall thereupon become effective. In the event the recommendation is made when the Congress is not in session, such recommendation should be put into effect provisionally after 30 days from the date of recommendation and become finally effective only if within 60 days after the convening of the next Congress, there shall not have been passed by either of the two Houses, a resolution rejecting such recommendation.

Mr. Speaker, the economy of America, the health of every segment of industry, must be given as great consideration as the international relations of our Nation. It is true that we are living in perilous times insofar as our standing among nations is concerned, as well as our prestige and our ability to retain our friendly allies. Yet these are also perilous times for the economy of the Nation. Recently a large pottery corporation in Cooksville, Ohio, in the 15th District, which I represent, closed its doors after many years of operation, after many years of providing employment for the men and women of that area. It requires no great imagination to realize the economic effect of the closing of an industry that had been the backbone of a community. Yet, it is not the first such business failure on the part of the pottery industry. In fact, it only serves to emphasize the seriousness of a trend that has been going on for some time. The pottery industry is sick because of the flagrant disregard for its welfare by the establishent of trade policies. The country is being flooded by cheaply produced and low-priced pottery, handmade glassware, ceramic tile, stainless steel utensils, tools, and toys brought in from abroad.

The coal industry is suffering from a competition of fuels, not only those fuels that are produced here in the United States but also by the dumping of residual fuel oil from abroad. These situations need to be corrected and no successful action has been taken on the part of this Nation to correct them.

The Congress of the United States, charged with the responsibility for commerce, must resume that responsibility. It must adopt a policy which will not only provide for a free flow of goods, but do it in such a way that the industries of this country will be benefited rather than harmed. Where tariff practices will not suffice to protect a vital American industry, safeguards must be established, so as to prevent a flooding of the American market of goods produced with slave-labor cost. Our potteries, our glass factories, our coal mines could operate in competition with goods from abroad if we are willing to see the American working man and woman receive the same type of wages as those received in the countries which have produced the imported goods, but we do not wish to see that happen nor do we want to witness the closing of factory after factory simply because of unfair trade. If trade and the product America produces is to be a factor in our dealings with nations, then let it be at the expense of all American industries rather than one or two or three segments. Pottery is willing to do its share, coal is willing to do its share, ceramic tile, bicycles, stainless steel utensils, and all other industries affected adversely by present trade practices, are willing to do their share in keeping America's position secure in international relations. But neither these industries, nor the employees who are employed by them, feel that they should be selected as sacrificial lambs so that other industries may become ever more prosperous from dollars obtained by the sale of cups and saucers and other goods produced by underpaid foreign labor.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. DAVIS of Georgia (at the request of Mr. FLYNT), for the remainder of this week, on account of illness.

To Mr. DOYLE, on account of official committee work away from the District of Columbia February 26 to 29, 1958.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. BAILEY, for 90 minutes, today.

Mr. MULTER, for 1 hour, on Wednesday next, February 26.

Mr. COFFIN, for 30 minutes, on tomorrow, February 25.

Mr. SHEEHAN, for 20 minutes, today.

Mr. BASS of New Hampshire (at the request of Mr. ALGER), for 45 minutes, on Thursday, February 27.

Mr. MEADER, for 30 minutes, tomorrow.

Mr. PATMAN, for 30 minutes, on Thursday next, and to revise and extend his remarks and include extraneous matter.

Mr. BEAMER (at the request of Mr. TEAGUE of California), for 30 minutes, on February 27, 1958.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. MULTER (at the request of Mrs. KELLY of New York) in two instances, in each to include related matter.

Mr. EDMONDSON and include a speech by Mr. ALBERT.

Mr. FOGARTY and include a speech he made yesterday.

Mrs. GREEN of Oregon and to include extraneous matter.

Mr. ANFUSO (at the request of Mr. DOYLE) in two instances and to include appropriate matter.

Mr. PELLY and to include an editorial.

Mr. CURTIS of Missouri and to include extraneous matter.

Mr. ALGER and to include extraneous matter.

Mr. BENTLEY.

Mr. HOSMER and to include a table.

Mr. DIXON in two instances and to include extraneous matter.

Mr. GARMATZ (at the request of Mr. EDMONDSON) and to include extraneous matter.

Mr. REUSS.

Mr. O'HARA of Illinois.

Mr. MASON and to include editorials.

Mr. LIBONATI (at the request of Mr. EDMONDSON) and to include extraneous matter.

Mr. LESINSKI (at the request of Mr. EDMONDSON) and to include extraneous matter.

Mr. UTT (at the request of Mr. TEAGUE of California) and to include extraneous matter.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 969. An act to prescribe the weight to be given evidence of tests of alcohol in the blood, urine, or breath of persons tried in the District of Columbia for certain offenses committed while operating vehicles; and

S. 1805. An act for the relief of Acme Bag and Burlap Co. and others.

ADJOURNMENT

Mr. EDMONDSON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 22 minutes p. m.), the House adjourned until tomorrow, Tuesday, February 25, 1958, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1635. A letter from the Assistant Secretary of the Navy (Personnel and Reserve Forces) transmitting a draft of proposed legislation entitled "A bill to remove the requirement that the President and the Senate must approve the detailing of retired naval officers to command when recalled to active duty, and for other purposes"; to the Committee on Armed Services.

1636. A letter from the President of the Board of Commissioners of the District of Columbia, transmitting a draft of proposed legislation entitled "A bill authorizing the Commissioners of the District of Columbia to borrow funds for capital improvement programs and amending provisions of law relating to Federal Government participation in meeting costs of maintaining the Nation's Capital City"; to the Committee on the District of Columbia.

1637. A letter from the Comptroller General of the United States, transmitting a report on review of Forest Service activities in Alaska, Department of Agriculture, 1957, pursuant to the Budget and Accounting Act, 1921 (31 U. S. C. 53), and the Accounting and Auditing Act of 1950 (31 U. S. C. 67); to the Committee on Government Operations.

1638. A letter from the Governor of the Canal Zone and President, Panama Canal Company transmitting a report of disposal of foreign excess property by the Panama Canal Company and Canal Zone Government for the year ending December 31, 1957, pursuant to the Federal Property and Administrative Services Act of 1949 (63 Stat. 398); to the Committee on Government Operations.

1639. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation entitled "A bill providing for the extension of certain authorized functions of the Secretary of the Interior to areas other than the United States, its Territories and possessions"; to the Committee on Interior and Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, pursuant to the order of the House of February 20, 1958, the following bill was reported on February 22, 1958:

Mr. DAWSON of Illinois: Committee on Government Operations. Twenty-first report of the Committee on Government Operations pertaining to use of defense support funds for economic and political purposes (Rept. No. 1374). Referred to the Committee of the Whole House on the State of the Union.

[Submitted February 24, 1958]

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ASPINALL: Committee on Interior and Insular Affairs. S. 1086. An act granting the consent and approval of Congress to a Bear River compact, and for related purposes; with amendment (Rept. No. 1375). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLS: Committee on Ways and Means. H. R. 7570. A bill to amend section 403 of the Social Security Amendments of 1954 to provide social security coverage for certain employees of tax-exempt organizations which erroneously but in good faith failed to file the required waiver certificate in time to provide such coverage; without amendment (Rept. No. 1376). Referred to the Committee of the Whole House on the State of the Union.

Mr. O'BRIEN of New York: Committee on Interior and Insular Affairs. H. R. 8483. A bill to authorize the extension of leases of certain lands in the Territory of Hawaii; without amendment (Rept. No. 1377). Referred to the Committee of the Whole House on the State of the Union.

Mr. O'BRIEN of New York: Committee on Interior and Insular Affairs. H. R. 9501. A bill to approve Joint Resolution 28, enacted by the Legislature of the Territory of Hawaii in the regular session of 1957, relating to the conditions and terms of right of purchase leases; without amendment (Rept. No. 1378). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLS: Committee on Ways and Means. H. R. 9509. A bill to amend paragraph 1774 of the Tariff Act of 1930 with respect to the importation of certain articles for religious purposes; with amendment (Rept. No. 1379). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLS: Committee on Ways and Means. H. R. 9919. A bill to amend the Tariff Act of 1930 to extend the privilege of substitution for the purpose of obtaining drawback upon reexportation to all classes of merchandise, and for other purposes; with amendment (Rept. No. 1380). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON of Illinois: Committee on Government Operations. House Joint Resolution 427. Joint resolution to grant to Kerr County, Tex., the reversionary interest of the United States in certain real property; with amendment (Rept. No. 1381). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BAILEY:

H. R. 10886. A bill to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, and for other purposes; to the Committee on Ways and Means.

By Mr. BAKER:

H. R. 10887. A bill to amend the Trade Agreements Extension Act of July 1, 1954, so as to assure the availability of materials essential to national security; to the Committee on Ways and Means.

By Mr. BASS of Tennessee:

H. R. 10888. A bill to amend part VIII of Veterans Regulation No. 1 (a) and the Veterans' Readjustment Assistance Act of 1952 to provide that World War II and Korean conflict veterans entitled to education under such provisions of law who did not utilize their entitlement may transfer their entitlement to their children; to the Committee on Veterans' Affairs.

By Mr. BERRY:

H. R. 10889. A bill to exempt brand inspectors connected with the livestock-raising industry from certain provisions of the Fair Labor Standards Act of 1938; to the Committee on Education and Labor.

H. R. 10890. A bill to authorize the conduct of school banks in Indian schools operated by the Bureau of Indian Affairs, and for other purposes; to the Committee on Interior and Insular Affairs.

H. R. 10891. A bill to authorize a $300 per capita payment to members of the Cheyenne River Sioux Tribe of South Dakota; to the Committee on Interior and Insular Affairs.

By Mr. BUDGE:

H. R. 10892. A bill to permit a civil action to be brought against an officer of the United States (in his official capacity), a person acting under him, or an agency of the United States in any judicial district of the United States where a plaintiff in such action resides; to the Committee on the Judiciary.

H. R. 10893. A bill to amend the Fair Labor Standards Act of 1938 to include in the definition of "agriculture" the maintenance and operation of ditches, canals, reservoirs, and

waterways when maintained and operated for farming purposes, and for other purposes; to the Committee on Education and Labor.

By Mr. CANNON:

H. R. 10894. A bill to authorize the payment of claims resulting from sonic blasts; to the Committee on the Judiciary.

By Mr. CHAMBERLAIN:

H. R. 10895. A bill to provide a tax incentive for the employment of physically handicapped workers; to the Committee on Ways and Means.

By Mr. COFFIN:

H. R. 10896. A bill to provide that a portion of all surplus cotton sold or exchanged for export by the Commodity Credit Corporation pursuant to authority in the Commodity Credit Corporation Charter Act, as amended, or the Agricultural Trade Development and Assistance Act of 1954, as amended, shall be processed cotton; to the Committee on Agriculture.

H. R. 10897. A bill to alleviate the critical shortage of high quality cotton and to protect farm income and for other purposes; to the Committee on Agriculture.

H. R. 10898. A bill to increase farm income and to expand markets for cotton by enabling cotton to be sold competitively in domestic and foreign markets; to the Committee on Agriculture.

H. R. 10899. A bill to provide additional cotton acreage for meeting existing shortages of upland cotton grading Strict Low Middling and better; to the Committee on Agriculture.

By Mr. COLLIER:

H. R. 10900. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income from certain amounts paid by a teacher for his further education; to the Committee on Ways and Means.

By Mr. COOLEY:

H. R. 10901. A bill to authorize the Secretary of Agriculture to grant easements for rights-of-way over national forest lands and other lands under the jurisdiction of the Forest Service, and for other purposes; to the Committee on Agriculture.

H. R. 10902. A bill to amend the Federal Seed Act of August 9, 1939 (53 Stat. 1275), as amended; to the Committee on Agriculture.

H. R. 10903. A bill to amend the Agricultural Adjustment Act of 1938, as amended, so as to establish uniform provisions for transfer of acreage allotments; to the Committee on Agriculture.

By Mr. CURTIS of Missouri.

H. R. 10904. A bill to amend the Internal Revenue Code of 1954 to allow a 30 percent credit against the individual income tax for amounts paid as tuition or fees to certain public and private institutions of higher education; to the Committee on Ways and Means.

By Mr. DELLAY:

H. R. 10905. A bill to provide a gradual increase, from $600 to $1,000 over a 4-year period, in the personal income tax exemptions of a taxpayer (including the exemption for a spouse, the exemption for a dependent, and the additional exemptions for old age and blindness); to the Committee on Ways and Means.

By Mr. FERNÓS-ISERN:

H. R. 10906. A bill to amend title 32 of the United States Code to provide that the National Guard of Puerto Rico shall be subject to the same provisions as apply to the National Guard of each of the States; to the Committee on Armed Services.

By Mr. FLOOD:

H. R. 10907. A bill to amend the Internal Revenue Code of 1954 to allow, for income tax and gift tax purposes, a deduction for contributions and gifts made to nonprofit corporations which are organized to promote industrial development in areas of substantial labor surplus; to the Committee on Ways and Means.

By Mr. GATHINGS:

H. R. 10908. A bill to establish a program of financial aid to students in higher education; to the Committee on Education and Labor.

By Mr. HENDERSON:

H. R. 10909. A bill to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, and for other purposes; to the Committee on Ways and Means.

By Mr. HOEVEN:

H. R. 10910. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income for certain amounts paid by a teacher to further his or her education; to the Committee on Ways and Means.

By Mr. IKARD:

H. R. 10911. A bill to provide for the nonrecognition of gain in certain cases where real property is compulsorily or involuntarily converted into property of a like kind; to the Committee on Ways and Means.

By Mr. MEADER:

H. R. 10912. A bill to amend section 104 of the Budget and Accounting Procedures Act of 1950; to the Committee on Government Operations.

By Mr. MONTOYA:

H. R. 10913. A bill to extend until June 30, 1961, the provisions of Public Law 815, 81st Congress, relating to assistance for school construction in areas adversely affected by Federal activities; to the Committee on Education and Labor.

By Mr. MOULDER:

H. R. 10914. A bill to protect the right of the blind to self-expression through organizations of the blind; to the Committee on Education and Labor.

H. R. 10915. A bill to provide for approval under title X of the Social Security Act of State plans for aid to the blind without regard to the existence in the State of other plans for assistance to blind persons financed entirely by the State; to the Committee on Ways and Means.

By Mr. PELLY:

H. R. 10916. A bill to authorize the construction of a superliner passenger vessel equivalent to the steamship *United States* and to provide for the payment of construction-differential subsidy and cost of national defense features incident thereto; to the Committee on Merchant Marine and Fisheries.

By Mr. RILEY:

H. R. 10917. A bill to amend the Railroad Retirement Act of 1937 to facilitate the process of retirement thereunder by permitting railroad workers to file proof of their age in advance of retirement; to the Committee on Interstate and Foreign Commerce.

By Mr. ROGERS of Colorado:

H. R. 10918. A bill to limit the applicability of the antitrust laws with respect to the operation and management of certain designated professional sports and games, and for other purposes; to the Committee on the Judiciary.

By Mr. SAYLOR:

H. R. 10919. A bill to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, and for other purposes; to the Committee on Ways and Means.

H. R. 10920. A bill to amend the Federal Coal Mine Safety Act so as to provide further for the prevention of accidents in coal mines; to the Committee on Education and Labor.

By Mr. SCHERER:

H. R. 10921. A bill to amend the Federal-Aid Highway Act of 1956 to permit States having toll roads, bridges, and tunnels made part of the Interstate System to designate other projects of equivalent mileage in the Federal-aid primary highway system, to increase the Federal share for such designated projects to 90 percent, and for other purposes; to the Committee on Public Works.

By Mr. TOLLEFSON:

H. R. 10922. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income for certain amounts paid by a teacher for his further education; to the Committee on Ways and Means.

By Mr. TRIMBLE:

H. R. 10923. A bill to protect the right of the blind to self-expression through organizations of the blind; to the Committee on Education and Labor.

By Mr. WINSTEAD:

H. R. 10924. A bill to amend title V of the Veterans' Benefits Act of 1957 to provide that each veteran treated in a Veterans' Administration facility shall, upon request, be assigned to a ward in which all patients are of the same race as the veteran making the request; to the Committee on Veterans' Affairs.

By Mr. BROOMFIELD:

H. R. 10925. A bill to amend and extend the Public Buildings Purchase Contract Act of 1954, as amended, the Post Office Department Property Act of 1954, as amended, and to require certain distribution and approval of new public buildings projects, and for other purposes; to the Committee on Public Works.

By Mr. BROYHILL:

H. R. 10926. A bill to validate payments of certain quarters allowances made in good faith, and pursuant to agreements by authorized officials, to employees of the Department of the Navy, but which were subsequently determined to be inconsistent with applicable regulations; to the Committee on the Judiciary.

By Mr. CRAMER:

H. R. 10927. A bill to transfer lands in the Anciote National Wildlife Refuge from the Fish and Wildlife Service to the National Park Service of the Department of the Interior and to dedicate these lands to the public as a national park; to the Committee on Merchant Marine and Fisheries.

By Mr. DAWSON of Illinois:

H. R. 10928. A bill to protect and enforce the constitutional right of all persons to the equal protection of the laws, and for other purposes; to the Committee on the Judiciary.

By Mr. HOLLAND:

H. R. 10929. A bill to amend the Federal Coal Mine Safety Act so as to provide further for the prevention of accidents in coal mines; to the Committee on Education and Labor.

H. R. 10930. A bill to provide for unemployment reinsurance grants to the States to revise, extend, and improve the unemployment-insurance program, and for other purposes; to the Committee on Ways and Means.

By Mrs. ST. GEORGE:

H. R. 10931. A bill to provide for the establishment of a United States Science Academy; to the Committee on Armed Services.

By Mr. UTT:

H. R. 10932. A bill to authorize an extension of the Los Angeles and Long Beach Harbors breakwater; to the Committee on Public Works.

H. R. 10933. A bill to provide for the establishment of a United States Science Academy; to the Committee on Armed Services.

By Mr. BOYLE:

H. J. Res. 547. Joint resolution designating October 31 of each year as Youth Honor Day; to the Committee on the Judiciary.

By Mr. HILLINGS:

H. Con. Res. 268. Concurrent resolution to express the sense of Congress that the United States take the lead in efforts to gain international agreement that outer space be

devoted to peaceful purposes; to the Committee on Foreign Affairs.

By Mr. JUDD:

H. Con. Res. 269. Concurrent resolution accepting the statue of Maria Sanford, to be placed in Statuary Hall; to the Committee on House Administration.

H. Con. Res. 270. Concurrent resolution authorizing the holding of ceremonies in the rotunda in connection with the presentation of a statue of the late Maria Sanford; to the Committee on House Administration.

By Mr. McCARTHY:

H. Con. Res. 271. Concurrent resolution accepting the statue of Maria Sanford, to be placed in Statuary Hall; to the Committee on House Administration.

H. Con. Res. 272. Concurrent resolution authorizing the holding of ceremonies in the rotunda in connection with the presentation of a statue of the late Maria Sanford; to the Committee on House Administration.

By Mr. MARSHALL:

H. Con. Res. 273. Concurrent resolution accepting the statue of Maria L. Sanford, to be placed in Statuary Hall; to the Committee on House Administration.

H. Con. Res. 274. Concurrent resolution authorizing the holding of ceremonies in the rotunda in connection with the presentation of a statue of the late Maria L. Sanford; to the Committee on House Administration.

By Mr. HYDE:

H. Res. 482. Resolution authorizing the printing as a House document of the pamphlet entitled "The American's Creed"; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. HILL: Memorial of the House of Representatives of the 41st General Assembly of the State of Colorado, the Senate concurring therein, memorializing the Congress of the United States to adopt a program to stabilize the metal mining industry of the Nation so as to permit mining communities and American workmen in the mines to maintain their important role in the economy of the United States and be protected from excessive imports; to the Committee on Ways and Means.

By the SPEAKER: Memorial of the Legislature of the State of Kentucky, memorializing the President and the Congress of the United States to act so as to maintain price supports of tobacco at 90 percent of parity; to the Committee on Agriculture.

Also, memorial of the Legislature of the State of Kentucky, memorializing the President and the Congress of the United States to place the proposed postal rate increases on the classes of mail presently losing money; to the Committee on Post Office and Civil Service.

Also, memorial of the Legislature of the State of Kentucky, memorializing the President and the Congress of the United States to expedite plans for a flood-control program along the Big Sandy River, and to make possible the canalisation of the Big Sandy River and tributaries; to the Committee on Public Works.

Also, memorial of the Legislature of the State of New Hampshire, memorializing the President and the Congress of the United States to propose an amendment to the Federal Constitution relative to the imposition and collections of taxes on income by the States; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of South Carolina, memorializing the President and the Congress of the United States to enact legislation to provide for dairy support prices; to the Committee on Agriculture.

Also, memorial of the Legislature of the State of South Carolina, memorializing the President and the Congress of the United States expressing deep concern in the manner of the administration of the soil bank program and demanding that the Secretary of Agriculture administer the program on a fair and equitable basis; to the Committee on Agriculture.

Also, memorial of the Legislature of the State of South Carolina, memorializing the President and the Congress of the United States not to authorize the imposition of a pay TV system upon the people; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANFUSO:

H. R. 10934. A bill for the relief of Salvatore Scelfo; to the Committee on the Judiciary.

By Mr. ASHLEY:

H. R. 10935. A bill for the relief of Mrs. Loo Shee Yee (also known as Low Shee); to the Committee on the Judiciary.

By Mr. BAKER:

H. R. 10936. A bill for the relief of Claude S. Reeder; to the Committee on the Judiciary.

By Mr. BOYLE:

H. R. 10937. A bill for the relief of Lt. Col. James A. Dearbeyne; to the Committee on Armed Services.

By Mr. CHELF:

H. R. 10938. A bill for the relief of Margaret Eckert Gernert; to the Committee on the Judiciary.

By Mr. DELLAY:

H. R. 10939. A bill for the relief of Giuseppe Linfante; to the Committee on the Judiciary.

H. R. 10940. A bill for the relief of Eleni Hangemanole; to the Committee on the Judiciary.

By Mr. EVINS:

H. R. 10941. A bill for the relief of Clemente Torrejon and Blanca Torrejon; to the Committee on the Judiciary.

By Mr. HILLINGS:

H. R. 10942. A bill for the relief of Leslie C. Jabara; to the Committee on the Judiciary.

By Mr. KLUCZYNSKI:

H. R. 10943. A bill to authorize and direct the Secretary of the Treasury to cause the vessel *Brigantine Yankee* owned by Brigantine Yankee, Inc., to be documented as a vessel of the United States with full coastwise privileges; to the Committee on Merchant Marine and Fisheries.

By Mr. MORRISON:

H. R. 10944. A bill for the relief of Te-Shao Wang; to the Committee on the Judiciary.

By Mr. PATTERSON:

H. R. 10945. A bill for the relief of John Kazlouskas; to the Committee on the Judiciary.

By Mr. POWELL:

H. R. 10946. A bill for the relief of Daisy Iris Lalor; to the Committee on the Judiciary.

By Mr. REUSS:

H. R. 10947. A bill for the relief of Ali Mohammed Ayeah; to the Committee on the Judiciary.

By Mr. RHODES of Arizona:

H. R. 10948. A bill for the relief of Thomas B. Appleton; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

419. By Mr. NIMTZ: Petition of Dorothy Stocker and 185 other citizens of Elkhart County, Ind., expressing opposition to any system of pay television; to the Committee on Interstate and Foreign Commerce.

420. Also, petition of Mrs. Alva Heiser and 21 other citizens of Plymouth, Ind., expressing opposition to any system of pay television; to the Committee on Interstate and Foreign Commerce.

421. Also, petition of Mrs. Eugene Calvert of Tyner, Ind., and 108 other citizens of Marshall County, Ind., expressing opposition to the advertising of alcoholic beverages over radio or television; to the Committee on Interstate and Foreign Commerce.

422. By Mr. NORBLAD: Petition of Rev. John Tuckness, of Milwaukee, Oreg., and numerous other citizens of the State of Oregon, urging support of the Siler bill, H. R. 4835, and the Langer advertising bill, S. 582; to the Committee on Interstate and Foreign Commerce.

423. Also, petition of Fannie L. Smith, of Jennings Lodge, Oreg., and numerous other citizens of the State of Oregon, urging support of the Siler bill, H. R. 4835, and the Langer advertising bill, S. 582; to the Committee on Interstate and Foreign Commerce.

424. Also, petition of Mildred DeHaven, of Dallas, Oreg., and numerous other citizens of the State of Oregon, urging support of the Siler bill, H. R. 4835, and the Langer advertising bill, S. 582; to the Committee on Interstate and Foreign Commerce.

425. Also, petition of Joy V. Calavan, of Turner, Oreg., and other citizens of the State of Oregon, urging support of the Siler bill, H. R. 4835, and the Langer advertising bill, S. 582; to the Committee on Interstate and Foreign Commerce.

426. Also, petition of Mr. and Mrs. Ivan Hein, of Alaho, Oreg., and other citizens of the State of Oregon, urging support of the Siler bill, H. R. 4835, and the Langer advertising bill, S. 582; to the Committee on Interstate and Foreign Commerce.

427. Also, petition of Philip L. Wolfe, of Dallas, Oreg., and numerous other citizens of the State of Oregon, urging support of the Siler bill, H. R. 4835, and the Langer advertising bill, S. 582; to the Committee on Interstate and Foreign Commerce.

428. By the SPEAKER: Petition of the city clerk, Boston, Mass., relative to overhauling the urban renewal program with a view to expediting those programs now in hand, and secondly, for the purpose of placing additional funds in the urban renewal program; to the Committee on Banking and Currency.

429. Also, petition of the clerk of Wayne County, Detroit, Mich., relative to going on record as calling upon the Congress to expand rather than decrease Federal aid to municipalities in those areas on which the Federal Government has traditionally aided the municipalities; to the Committee on Banking and Currency.

430. Also, petition of the general manager, California Newspaper Publishers Association, Inc., Los Angeles, Calif., relative to the Nation's press, and urging that the free exchange of newsmen be encouraged by the

national administration between this Nation and all nations of the world except where a state of war exists between the United States of America and any nation; to the Committee on Government Operations.

431. Also, petition of the chief clerk of the council, Philadelphia, Pa., requesting disapproval of the Harris-O'Hara bill, H. R. 6790 and H. R. 6791, which exempt producers of natural gas from regulation by the Federal Power Commission; to the Committee on Interstate and Foreign Commerce.

432. Also, petition of the president, Scottsbluff Chamber of Commerce, Scottsbluff, Nebr., relative to irresponsible statements creating false impressions, and the disservice that is being done to our people because of the policy of investigating committees allowing to be made public testimony of a nature that places this great Nation in a secondary light in the eyes of the world and its own people; to the Committee on Rules.

433. Also, petition of the president, Chamber of Commerce of Honolulu, Honolulu, T. H., relative to the planning, authorization, and financing of improvements to Kahului Harbor; to the Committee on Public Works.

EXTENSIONS OF REMARKS

Unfair Treatment of Kings Point Academy in Military Pay Bill

EXTENSION OF REMARKS
OF
HON. VICTOR L. ANFUSO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, February 24, 1958

Mr. ANFUSO. Mr. Speaker, under leave to extend my remarks, I am inserting into the RECORD the text of a statement which I am submitting to the Senate Armed Services Committee on the military pay increase bill, S. 3081, as it affects the United States Merchant Marine Academy at Kings Point, N. Y. I have also submitted a similar statement to the House Armed Services Committee on the companion bill, H. R. 9979.

My statement is as follows:

STATEMENT BY CONGRESSMAN VICTOR L. ANFUSO, SENATE ARMED SERVICES COMMITTEE, ON S. 3081

Mr. Chairman and members of the committee, I appreciate this opportunity to present my views before your esteemed committee on the bill S. 3081, to revise the method of computing the basic pay for members of the uniformed services.

Actually, I have no quarrel with this bill. I consider it a very meritorious and praiseworthy piece of legislation. All of us are extremely interested in improving the quality and the management of our military personnel, which this bill seeks to achieve. I am wholeheartedly in accord with the objectives of the bill, and most especially with the provision to increase the military pay. I feel we must do everything possible to retain the skilled officers and technicians in the Armed Forces, particularly at a time like this when skill is at a premium and is so necessary for the safety and the security of our Nation.

I want to direct your attention merely to one section in the bill which I consider detrimental and discriminatory. That is section 14 which seeks to deprive the uniformed officers and enlisted men of the United States Merchant Marine Academy at Kings Point from the proposed military pay increases and status benefits. Under this section, the Secretary of Commerce is given the authority to prescribe the pay and allowances for the officers and enlisted men at Kings Point, which may actually turn out to be pay cuts instead of increases as are to be granted to all other military personnel.

Adoption of this section would not only be discriminatory against the personnel at Kings Point, but will most certainly jeopardize the academic standing of a vital military educational institution by removing its excellent staff and faculty from their present protection within the framework of existing legislation governing the pay of these people. May I remind the members of this committee that in the Merchant Marine Act of 1936 it is specifically stated:

"The ranks, grades, and ratings for the personnel of the said Service (i. e., United States Maritime Service) shall be the same as are now or shall hereafter be prescribed for the personnel of the Coast Guard."

The Kings Point Academy was subsequently given the same pay status for its faculty and staff as was accorded the Coast Guard. Now an attempt is being made to deprive them of this legislative entitlement which goes back some two decades.

Aside from the fact that this constitutes a gross injustice, such action would most certainly result in demoralization at the Kings Point Academy and its future as an accredited educational institution would be seriously undermined. Approval of this section would undoubtedly encourage many of these people to leave Kings Point. In this way, the bill which is aimed to improve the quality of military personnel and keep them in the service, will achieve the exact opposite.

And one other point. We have been talking a great deal these past few months, ever since Russia launched her sputniks, about the vital role of education to our national security. All of us are keenly aware of the need for trained teachers on the college level and the urgency for training suitable personnel for our Nation's security needs. But what are we doing? We are putting a provision into a bill for military pay increases which will only serve to withhold such increases from a group of government college teachers who are giving training of a special sort to our youth.

It is difficult for me to understand the logic behind this kind of action. On the one hand, we are breaking our heads to think of ways to assure victory in the struggle for our national survival; on the other hand, we are doing everything to discourage those who are in the front-lines of the struggle.

Mr. Chairman, I urge you and the members of your committee to delete this section from the bill so as to enable the personnel at Kings Point to receive the same fair treatment as is given to other military personnel.

Statement by Hon. Homer E. Capehart, of Indiana, on 10th Anniversary of the Communization of Czechoslovakia

EXTENSION OF REMARKS
OF
HON. HOMER E. CAPEHART
OF INDIANA
IN THE SENATE OF THE UNITED STATES
Monday, February 24, 1958

Mr. CAPEHART. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement I have made on the 10th anniversary on the communization of Czechoslovakia.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR CAPEHART

Ten years ago, on February 25, 1948, the communization of Czechoslovakia was completed. This communization was effected, in the 3 years from 1945 to 1948. The nations of former Czechoslovakia, the Czechs, Slovaks, Sudeten Germans, Hungarians, Carpatho-Ukrainians, and Poles were subjected, enslaved or expropriated and expelled from their centuries-old homelands.

We Americans, as well as the other free peoples of the world, remember on the occasion of February 25, the fate of the Slovaks, Czechs, Hungarians, Poles, Sudeten Germans, and Ukrainians, and give the expression of our deep sympathies toward these unhappy peoples and of our hope that they again will be free and independent in the future, enjoying the full freedom, private property, and free enterprise, democracy and self-determination which we Americans consider to be our own and for which these nations are longing.

I believe that we should give our encouragement to the exiled leaders of these nations to strive actively for the return of freedom to their peoples, for the realization of a policy of liberation by peaceful means. As Americans, we believe that this world cannot be forever half free and half slave; we wish it to be fully free and we believe that the slavery and injustice, afflicted on all the peoples of former Czechoslovakia, will be terminated in a not too distant future.

A Salute to Finland

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, February 24, 1958

Mr. MULTER. Mr. Speaker, February 28 will be a celebrated Finnish cultural holiday. I wish to take this opportunity to offer a salute to this brave nation which is the outpost of the West.

The origins of this outstanding cultural heritage are most interesting. In the early 19th century a Finnish doctor, Elias Lonnrat, would wander off from his practice to travel among the common folk, collecting the ancient runes or folk lyrics which had been passed from generation to generation by word of mouth for over a thousand years. It began simply as a labor of love, but when the collected work, the Kalevala, was published, it became the outstanding symbol of all Finland.

The Kalevala proved to the Swedish-dominated intelligentsia that there was

an original Finnish culture and a literature in the distinct Finnish language. It became and remains the focal point of Finnish nationalism. Coming at a time of deep psychological need when the people had suffered under both the Swedish and Russian yokes, this poetry was a gift straight from heaven, the epic of the Finnish people written in their own language. The Kalevala provides the key to all that is Finnish. It is the mainspring for all Finnish creative activity. It is most fitting that the cultural holiday celebrated on February 28 should be named Kalevala Day.

Today Finland celebrates her proud cultural heritage, a record of outstanding continuous progress. Finland is one of the few countries that never experienced the institution of serfdom; her people have a strong tradition of independence that is reflected in the culture. In the 17th century an adult Finn who could not read often suffered public humiliation in the stocks; nor could anyone be married until he had learned his A B C's. This policy of education enforced by the church resulted in the fact that Finland's time of literacy is counted in centuries. Today with the influence of a modern system of education instituted after independence in 1918, Finland's literacy rate is almost 100 percent, one of the highest in the world. Higher education dates from the founding in 1640 of Helsinki University, which today has an enrollment of 10,000.

Most of the important cultural activities of Finland today can be traced in inspiration to the Kalevala which by now, through additional efforts of collectors, is a huge treasure house of folk literature. In the works of Jean Sibelius, Aleksis Kivi, and J. L. Runeberg, names famous for their contributions to world music and literature, can be traced the motifs of the Kalevala.

But the cultural heritage of Finland does not lie alone in her great names. It lies, as the Kalevala did for so many years, with the common people. Finland celebrates this holiday as a recognition of the cultural achievement of individual citizens. Books, foreign as well as Finnish, enjoy a huge circulation in Finland. There is a thriving legitimate theater fed by over 3,000 amateur theatrical groups. Helsinki boasts a ballet and an opera, as well as sharing symphony orchestras with several cities. Choirs and choral groups are a national activity. The native film industry produces about 20 films per year and imports a large number of others, chiefly from the United States. In the practical arts Finland, with the rest of Scandinavia, has established a worldwide reputation for modern crafts in glass, wood, and stone.

The United States is happy to acknowledge the heights of Finland's achievements and add congratulations on this day of celebration. We feel close ties with this courageous nation. In the period extending from 1893 to 1914 more than 200,000 Finns settled here in this country, enriching our own culture. Unfortunately, today, under our discriminatory immigration policy, the Finnish quota is only 569 annually. We should take immediate action to correct this unenlightened policy.

When Finland became independent in 1918, encouraged by Woodrow Wilson's 14 points, their constitution was modeled partly on the United States Constitution. We in the United States watched breathlessly the unequal struggle between Finland and the U. S. S. R. and cheered the pluck of the smaller country that lost some of its territory but not any of its freedom. Living in the daily shadow of the Soviet world, Finland gives a clear example to the Free World of democracy on guard.

Economically, Finland is as proud and independent as it is culturally and politically. In 1919, facing starvation, Finland received aid under the Hoover plan; they continued to repay every cent of that loan. In 1949 the 81st Congress of the United States decided to use the repayments to support a cultural exchange program between the two countries.

Even after World War II and the terrible devastation visited upon Finland by both Germany and Russia, Finland has steadfastly declined to ask for grants-in-aid, choosing instead loans which are being steadily repaid.

We of the United States are proud to claim Finland as a friend and partner in the Free World community. On this day of celebration it is well to again renew those ties of friendship that draw us closer together in this smaller, ideatorn world.

Don't Sell the Community College Short

EXTENSION OF REMARKS
OF
HON. HENRY ALDOUS DIXON
OF UTAH
IN THE HOUSE OF REPRESENTATIVES
Monday, February 24, 1958

Mr. DIXON. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

DON'T SELL THE COMMUNITY COLLEGE SHORT

"In the conditions of modern life the rule is absolute, the race which does not value trained intelligence is doomed. . . . Tomorrow science will have moved forward yet one more step, and there will be no appeal from the judgment which will then be pronounced on the uneducated."—ALFRED NORTH WHITEHEAD.

To win our race for scientific, economic, and cultural supremacy, the United States must have better schools and that at the earliest possible date. To my way of thinking the great immediately available power of the junior or community college to help transform the educational picture is being somewhat lost sight of in our haste to strengthen the high school and the university. This new, local, rapidly growing, easily accessible and less costly institution must definitely figure prominently in all State and Federal programs designed for purposes as follows:

First, to prevent wasted brainpower of the top one-half of upper 25 percent of high-school graduates in United States; second to seek out, encourage, and guide the gifted; third, to improve the curriculum in math and science; fourth, to strengthen teaching at all levels by retaining and developing the very best teachers through such incentives as more comparable salaries, the employment of more student assistants on college level, the exemption of money spent in professional improvement from income tax and the exaltation of the role of the teacher; fifth to provide interest-free loans, fellowships, scholarships, work opportunities and other inducements that will aid talented, deserving, and needy students to receive as much education as will result in profit to them and to society alike.

I hold no special brief for the community college. Neither do I appeal for any favors to this type of institution which we cannot accord the high school or the university. I do insist, however, that it receive, in proportion to its size and importance, equal treatment and public recognition.

I am apprehensive just at this time because of two things; first, the junior college and its important role is not being sufficiently recognized in our educational planning; and second, there is some likelihood that it will be left out of some programs as was the case in the initial draft of GI bills wherein only the senior colleges and their students were eligible.

It is my pleasure to include herewith one short segment of an article in February 21 U. S. News & World Report representing Dr. Milton S. Eisenhower's appraisal of the city or junior college.

Question. There has been a lot of talk about city colleges and junior colleges. What do you think about that as a possible partial solution to this problem?

Answer. There are many kinds of junior colleges. Some are a two years' extension upward of high schools. Some are independent institutions controlled and operated in the community. Others are branches of State universities.

I have had experience only with the third type. They are very helpful. You can offer good solid work with the same academic standards as those of the parent institution near the student's home. You save him money for the first two years. The student may then transfer to the senior campus for the last two years of the baccalaureate program.

To the extent that I know the other types of junior colleges—such as in Maryland, Kansas, and California—I can say that they do a good job, too.

Question. Is it a cheaper method of getting those first two years of college education?

Answer. It's cheaper for the student—not for the institution.

Estonian Independence Day, February 24, 1958

EXTENSION OF REMARKS
OF
HON. HENRY S. REUSS
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Monday, February 24, 1958

Mr. REUSS. Mr. Speaker, it is a great honor to join my friends of Estonian descent in commemorating Estonian Independence Day.

More than one chapter in Estonia's history speaks of valiant efforts to wrest political freedom from the clutches of oppression and tyranny. Today we mark her most notable success.

It was 40 years ago, on February 24, 1918, that Estonia proclaimed herself a republic. For years she stood as an esteemed member of the family of free nations. However, in 1940, over American protests, the Soviet Union occupied Estonia.

It is a tribute to their great religious faith, and to their love of freedom, that the Estonian people have not bowed down to the inhumane tactics of their oppressors.

Those noble people prize freedom.

Their actions offer continuing evidence of their bravery.

Estonian Independence Day

EXTENSION OF REMARKS
OF
HON. BARRATT O'HARA
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Monday, February 24, 1958

Mr. O'HARA of Illinois. Mr. Speaker, today we commemorate the anniversary of Estonian Independence. On this occasion we pay tribute to a heroic people who, having enjoyed the fruits of freedom and independence for two decades, are now the unwilling subjects of the U. S. S. R. The tragedy of Estonia is a telling, if tragic, lesson for the West.

By the terms of the peace treaty of 1920 that brought an end to Soviet-Estonian hostilities, Moscow recognized Estonian Independence and pledged to respect its national sovereignty and territorial integrity. This pledge became the base of all subsequent Soviet-Estonian relations. In 1932, both nations concluded a pact of nonaggression. A year later they became signatories to the London protocol defining aggression. And, of course, both nations were members of the League of Nations and were thus bound by its precepts and agreements to live in peace.

The first Soviet breach of faith occurred in autumn of 1939 when at gunpoint the Estonians were forced to conclude a pact of mutual assistance which permitted the stationing of Soviet forces on Estonian territory. In an obvious attempt to sanctify or legitimatize their illegal act the Soviets included in the pact an article which restated the Soviet pledge to preserve and respect Estonian sovereignty and territorial integrity. In less than a year, however, the Soviets invaded Estonia and forcibly annexed that country to the U. S. S. R. By this act of aggression the Russians destroyed the entire fabric of relations that had been carefully and hopefully—at least for the Estonians—built up since the peace treaty of 1920 and destroyed with it Estonian freedom and independence.

On this anniversary of Estonian Independence day it is well for the Free World to ponder the tragedy of this small Baltic nation. We look forward hopefully to the time when again the people of Estonia will enjoy the sweet fruits of freedom.

The Natural Gas Bill Controversy

EXTENSION OF REMARKS
OF
HON. NOAH M. MASON
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Monday, February 24, 1958

Mr. MASON. Mr. Speaker, on January 30, 1956, a little more than 2 years ago, before a foolish attempt was made by an oil company's attorney to influence a Senator to vote for the natural-gas bill by offering a sizable donation to his campaign fund—and long before the recent unfounded deliberate distortion of facts that occurred in connection with a Republican political campaign fund-raising dinner in Houston, Tex.—I issued a statement covering the natural-gas-bill controversy. What was true then is just as true today. If the principle of the gas bill was right then, it is just as right today. Even President Eisenhower in his veto message endorsed and approved the objective of the Harris natural-gas bill, although he felt obligated to veto the bill because of the unfortunate incident that occurred in the Senate in connection with its passage.

In his veto message President Eisenhower himself said:

> Legislation conforming to the basic objectives of H. R. 6645—the Harris natural-gas bill—is needed. It is needed because the regulation of producers of natural gas will discourage individual initiative and incentive to explore for and develop new sources of supply.

That quote from the President's veto message is an outright endorsement of the principles of the bill.

Mr. Speaker, the statement I issued on January 30, 1956, was as follows:

> Should the Federal Government regulate and control the price of natural gas at the wellhead? The House said "No" when it passed the Harris bill last summer. Briefly, the controversy came about as follows:
>
> In 1938 Congress passed the Natural Gas Act regulating the rates charged by the interstate pipelines for transporting gas. Since these carriers enjoy a monopoly in the field of transportation, it is only proper that their transportation rates—like all other interstate transportation agencies—should be regulated and controlled. However, in the Natural Gas Act of 1938 Congress said "the provisions of this act shall not apply to the production or gathering of natural gas," leaving the price charged for the production of gas to be determined by the operation of a free market.
>
> In 1954 the Supreme Court by a 5-to-3 split decision—in spite of the clear prohibition contained in the act—ruled that the Federal Government had the power to regulate and control the price of gas at the wellhead. Since this decision was contrary to the express provisions of the Natural Gas Act of 1938 and violates the specific provision of that act, bills were introduced by Congressman HARRIS and Senator FULBRIGHT to nullify the Court decision and to place the production of natural gas where it had always been—the price at the wellhead subject only to the control of a free market.
>
> The price of natural gas for heating homes is made up of three factors; namely: (1) The price to the producers at the wellhead; (2) the price charged by the pipelines for transportation; and (3) the price received by the local public utility for distribution.
>
> The last two factors are regulated and controlled as public monopolies, yet they get 90 percent of the price charged the consumer. The producer of the gas gets only 10 percent of the price charged.
>
> In other words, if the average Illinois consumer pays $70 per year for heating his home with gas, the producer gets only $7 of that total and the transportation and distributing agencies get $63. This figures out about 60 cents per month or 2 cents per day the consumer pays to the producer for the gas he uses. The balance of his bill goes to the pipeline owner and to the local distributing utility—each one of which has been and now is regulated and controlled by Government.

Mr. Speaker, I supported the Harris bill (H. R. 6645) in the House 2 years ago, and I expect to support H. R. 8525 whenever it comes before the House for action, because the principle of the bill and the objective of the bill are proper and desirable.

As a part of these remarks I include an editorial from the Houston Post pertaining to the dinner held in that city recently:

> OPPONENTS OF GAS BILL DISTORT LETTER BY PORTER FOR OWN ENDS
>
> The furor which has risen in Washington over a charge by a Washington newspaper that Monday night's dinner here for Representative JOSEPH W. MARTIN, Republican, of Massachusetts, House minority leader, was a gas lobby affair apparently intended in some way to influence the forthcoming vote in the House on the Harris-O'Hara natural gas bill is more than absurd. It is shocking. It indicates the extent to which opponents of the legislation will go to distort simple, honest actions and words.
>
> The charge stems from an unfortunate letter which Republican National Committeeman H. J. (Jack) Porter sent out to Texas Republicans, asking their support for the dinner, which had the dual purpose of honoring Representative MARTIN as a friend of Texas in Congress and raising funds for the Republican National Committee. In it Porter referred to the well-known fact that MARTIN had supported the natural gas bill during the previous times it was before the House.
>
> Holding dinners at which Congressional leaders are speakers for the purpose of raising funds is a standard practice of both parties. There is no taint attached to them. As a matter of fact, because the money raised goes to the national committees, it is probably far less subject to criticism than direct campaign donations to candidates.
>
> Why, then, should evil motives be attributed to such a dinner held here? Not by any stretch of a warped imagination could the affair be regarded as an attempt to influence Representative MARTIN, who knew nothing about the Porter letter and who already was on record as an advocate of the gas bill.
>
> Representative MARTIN, a former House Speaker, is too fine a man to be placed in such a position by such distortion of fact. When the Republican Party was at its lowest ebb of influence some years back, he was one of those largely responsible for keeping it going and staging a comeback.
>
> Why should it be deemed proper for dinners to be held in other States to raise money for the party while at the same time ascribing evil and chicanery to one held in TEXAS?

Fortieth Anniversary of Estonian Independence

EXTENSION OF REMARKS
OF
HON. ALVIN M. BENTLEY
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, February 24, 1958

Mr. BENTLEY. Mr. Speaker, February 24, 1958 marks the Fortieth Anniversary of the Proclamation of Independence of the Republic of Estonia and today's event is being commemorated all over the world by people of Estonian descent and those Estonian citizens who live in a free land.

Estonia has been incorporated into the Soviet Union by brute force and her people have now been Communist slaves for more than 10 years. However, they still long for the day of their deliverance from Soviet tyranny and their moral insistence against their totalitarian rulers remains unabated. They can preserve this spirit of resistance as long as they remain convinced that the United States will never abandon its own efforts on behalf of all the captive peoples and will continue to work for their freedom and right of self-determination.

It is therefore important that we take every opportunity to reassure the people of Estonia that our policy of liberation does continue. It is equally important to give encouragement to the anti-Communist spirit and activities of free Estonians throughout the world. There are many of them in my own State of Michigan to whom I would like to pay tribute on this occasion.

Mr. Speaker, it is my conviction that, just as the free flag of Estonia still flies in our own country, that this date will one day again see that flag flying in Estonia itself. The spirit of the brave people of Estonia will continue to resist communism until victory is theirs and until freedom returns to their country.

Poll of the 18th District of California

EXTENSION OF REMARKS
OF
HON. CRAIG HOSMER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Monday, February 24, 1958

Mr. HOSMER. Mr. Speaker, recently a poll of California's 18th District was taken on many important questions of the day. Four different ballots were used. I thought the results would be of interest to my colleagues. They are shown on the accompanying table:

[Percent]

18th Congressional District poll	Yes	No	Don't know
BALLOT NO. 1			
1. Some people say our defense could be boosted by junking our Joint Chiefs-of-Staff system for a German-type Supreme Staff. Do you think it would work?	35	41	24
2. Should the cost of mailing a letter be raised from 3 to 4 cents (along with bulk mail and other postal rates) to help cut Post Office Department deficits?	79	18	3
3. Do you think social-security taxes on employers and employees should be raised, and social-security benefits and coverage increased?	63	34	3
4. Are tight money and high interest rates for awhile, assuming they actually would stop inflation, better than not stopping it?	67	20	13
5. Even though it might drive a lot of small farmers to the wall, do you think we would be better off to drop farm price supports and the soil-bank program?	57	31	12
BALLOT NO. 2			
1. In view of increasing defense demands, do you think raising the $275,000,000,000 United States debt ceiling would be justified?	63	29	8
2. Would a disarmament agreement with the Soviets on weapons of war help toward peace even without other steps to eliminate major causes of war?	19	69	12
3. Are recent Russian "successes" due more to their own hard work and sacrifice of living standards than to so-called United States "mistakes"?	66	25	9
4. Should the Reciprocal Trade Agreements Act be extended another 5 years with authority to lower tariffs another 25 percent?	43	32	25
5. Should a law or constitutional amendment be written to say when and how a Vice President should take over when a President becomes disabled?	86	10	4
BALLOT NO. 3			
1. Defense and other fixed spending take up all but about $20 billion of our $72,000,000,000 budget. Do you think the $20,000,000,000 can be cut substantially?	43	45	12
2. Even if only a few of our allies would help in a showdown with the Reds, is our military aid program nevertheless helping to avert a showdown?	71	17	12
3. Assuming Government employees and pensioners should get raises, should taxes be raised to pay for them if not raising taxes would unbalance the budget?	47	44	9
4. Do you feel we could safely participate in an immediate and unconditional international ban on testing nuclear weapons?	21	72	7
5. Do you favor a multi-billion-dollar civil-defense shelter building program?	19	75	6
6. Do you think more money should be spent on our overseas propaganda efforts?	38	53	9
BALLOT NO. 4			
1. Should economies be made in Government domestic programs helping Americans in order to offset higher defense spending?	58	32	10
2. Do you believe that because of present world conditions we should wait a while before granting statehood to Hawaii and Alaska?	27	61	12
3. Do you think more emphasis on teaching science and math in the public schools would be a bigger factor in improving the education of United States youth than a broad Federal college scholarship program?	74	18	8
4. Do you favor legislation requiring labor unions to have their financial transactions audited once a year and the statements made public?	96	3	1
5. Should World War I veterans be granted a $100 per month pension at age 65?	50	38	12

The Late Honorable Dwight H. Green, Former Governor of Illinois

EXTENSION OF REMARKS
OF
HON. ROLAND V. LIBONATI
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Monday, February 24, 1958

Mr. LIBONATI. Mr. Speaker, the citizens of Illinois heard with the deepest regret that the Honorable Dwight H. Green, 61, died Thursday evening in the Presbyterian-St. Luke's Hospital, where he had been a patient since November 21 in a fight against lung cancer.

This regret was shared by thousands of his fellow citizens throughout the United States, as stated in the words of Democratic Mayor Richard J. Daley, of Chicago, who credited Mr. Green with sponsoring creation of the State housing board and pioneering legislation in neighborhood redevelopment acts, which established principles of sound government in future legislation affecting great cities in this field. Also, his labor legislation, dealing with workmen's and unemployment compensation, were strengthened under Governor Green's leadership. Again, legislation affecting mine safety laws were tightened under his administration. His programing of consolidated school districts and improvement of the educational system of Illinois pointed the way to educational advancement.

His appreciation of the members of the general assembly and their problems can best be understood by the passage of laws, during his two administrations, increasing salaries and the establishment of an adequate general assembly retirement system, providing pensions for legislators as a token of appreciation by an appreciative electorate for good public service.

Governor Green was a man of high principles, great ability, and strong personal integrity. He waged a constant fight, down through the years, to keep the Republican Party of Illinois faithful to the principles of conservatism. He was of unswerving loyalty in his political and personal friendships and retired his own importance to his party in the national picture, to advance the political aspirations of candidates for the presidential preferment of his party.

Dwight H. Green was Governor of Illinois during the war years, from 1941 through 1948, and because of his fiscal soundness of policy and regulated economy, he accumulated in the general revenue fund the enormous sum of in excess of $150 million.

A number of the present Members of the House of Representatives in Congress from Illinois served in the general assembly while the Honorable Dwight H. Green was Governor of the State, and knew him intimately, and personally express their true feelings of admiration, respect, and sadness at the death of this distinguished, loyal, and patriotic American. He served his Nation in war, his State in high public office, and his community in civic and public movements as chairman for the raising of moneys in the cancer drive fund, arthritis and rheumatism funds. There was no cause too great or too small to interest this busy man. He was loved by everyone because he had a genuine love for human beings and was of such a sensitive nature that no person left his presence without feeling that he had met a man who wanted so much to be a friend.

It is a law of man that seldom does a man die with as long a list of friendships as he enjoyed in his years of affluence and influence; but it is true of Governor Green that, what friends he did make, they will never diminish in number. His life of sacrifice to public service was without financial remuneration, but his badge of honor, carried through life, marked him as an honest man. No one can ask for more.

It is with deepest sympathy that we extend to his family, his widow, Mrs. Mabel Green, his daughters, Gloria and Nancy, and his sister, Mrs. Mary Shearer, our heartfelt condolences and the blessings and protection of God in his memory.

A Bill To Facilitate Construction of a Superliner Passenger Vessel

EXTENSION OF REMARKS
OF
HON. THOMAS M. PELLY
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1958

Mr. PELLY. Mr. Speaker, I have today introduced a bill to authorize the payment of construction differential and cost of national defense features of a superliner passenger vessel for operation in the North Atlantic to replace the Steamship *America* which is about to become obsolete.

This bill carries the language recommended by the Department of Commerce in its report on H. R. 9342, which is the original bill of the distinguished chairman of the House Merchant Marine and Fisheries Committee, Mr. BONNER.

In addition to the wording suggested by the administration amending Mr. BONNER's measure to authorize building of a sister ship to the steamship *United States*, I have added a provision so that for purposes of determining the fair cost of national defense features to be paid by the Government the normal commercial speed for the superliner shall be considered as 28.5 knots without a penalty if the ship averages a running speed up to but not exceeding 30.7 knots.

The impasse in negotiations between the United States Lines and the Federal Maritime Board has been over the factor of what should be considered the normal commercial speed.

My bill would have Congress set the new vessel's normal speed as 28.5 knots which is the average running speed of England's *Queen Mary* and *Queen Elizabeth*.

Testimony of Clarence Morse, Maritime Administrator, backed by the General Accounting Office was to the effect that he had construed 30.7 knots to be the normal commercial speed because this has been the average speed of the steamship *United States*.

Mr. Morse has stated an agreement could be reached between the United States Lines and the Maritime Board within the framework of the Merchant Marine Act of 1936 if 28.5 knots was established by Congress as the basic peacetime speed of the ship.

Mr. Speaker, in introducing this legislation I have sought to break the roadblock to an agreement under present policy and law without having the Government build the ship and sell it at a fixed price as provided by the chairman's bill. Certain strong objections raised by the administration would be eliminated by this new bill and I think it might encounter less obstacles before and after final passage.

I wish to emphasize, Mr. Speaker, the importance of an agreement between the proposed operator and the Government. The Navy says there is a vital need of the new ship as an auxiliary troop transport in the event of war, and that speed is the best safeguard against the submarine menace.

Likewise let me point out the economy of a privately built ship ready for use if necessary, as against Navy vessels with 100 percent Government cost of construction and maintenance.

The distinguished chairman of the House Maritime Committee has made valiant efforts to work out a means of arranging for construction of the new superliner. My purpose is to assist the chairman to harmonize the differences between the various parties of interest.

Wearing of the Leek

EXTENSION OF REMARKS
OF
HON. HENRY ALDOUS DIXON
OF UTAH
IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1958

Mr. DIXON. Mr. Speaker, there is an old Welsh saying, "Hateful is the man who does not love the land in which he was reared." So, with more than a few drops of Welsh blood, I must pay tribute in the Congress of the United States to the national symbol of my ancestral home, St. David.

As the arrival of March 17 has meant the wearing of the green for the Irish, for the Welsh March 1 has meant the wearing of the leek. This national flower of Wales was first worn in a battle against the Saxons on the advice of St. David to distinguish them from their enemies.

Much folklore is associated with our patron saint. Tradition has it that his birth was foretold 30 years earlier by an angel to St. Patrick. Some say that he lived to the ripe old age of 147 and a 10th century manuscript gives his death date as A. D. 601. But one thing is certain—during his life he towered among his fellows by his holiness, his wisdom and his eloquence to become the spirit of a vigorous nation.

Those who are Welsh may recall the tale of the bees that St. David blessed and sent to Ireland with their keeper, the monk Modomnoc. They kept so quiet during the trip that the sailors did not know they were there, but when they landed, they began at once to buzz around, build honeycombs, and make honey.

I like the comparison that has been made between these bees and the contributions that St. David's countrymen have made to America. Someone said: "When the Welsh settle in a place, they buzz loudly and contribute to their new home a certain tart and spicy sweetness—plus a sting when the occasion demands it."

As a sample of the honey the Welsh have contributed to America, there was Captain Jones who commanded the *Mayflower*, Roger Williams and William Penn who founded two colonies built on religious liberty, and Thomas Jefferson who voiced our Nation's fight for freedom from Great Britain in the Declaration of Independence.

Address of Congressman John E. Fogarty at the 50th Anniversary of Varnum Continentals, East Greenwich, R. I., September 21, 1957

EXTENSION OF REMARKS
OF
HON. JOHN E. FOGARTY
OF RHODE ISLAND
IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1958

Mr. FOGARTY. Mr. Speaker, under leave to extend my remarks I would like to include a speech which I delivered on the occasion of the 50th anniversary of the Varnum Continentals at the Varnum Memorial Armory, East Greenwich, R. I., on September 21, 1957:

ADDRESS OF CONGRESSMAN JOHN E. FOGARTY AT THE 50TH ANNIVERSARY OF VARNUM CONTINENTALS, EAST GREENWICH, R. I., SEPTEMBER 21, 1957

It is a distinct privilege to be invited to the hospitable town of East Greenwich and to share with Varnum Continentals and their friends in this golden anniversary of a proud military organization. I say proud,

justly proud, because it preserves the distinguishing mark of the soldier—his uniform—in the fundamental glory of its colors and its trappings at that crucial time in our country's history when our Colonies earned the right to be a nation. This organization preserved the uniform as we seek in this day to preserve the liberties and the opportunities that men who wore that uniform died to preserve for us. The courage and sacrifice of 180 years ago made possible this America of today.

In keeping with its patriotic principles and its basic obedience to the Commander in Chief of us all, it is a part of this celebration that we shall toast the President of the United States. That is the privilege entrusted to me and, conscious of all that it means in this troubled hour of world crises, I propose that toast—the President of the United States.

It is a happy coincidence that our President is our guest. He finds rest and respite from the cares of office in the city of Newport which is our common pride here in Rhode Island. There is nothing of party—there can be nothing of prejudice—as we all wish him a happy stay, and a refreshing return to the burdens of the White House to which the wishes of his fellow citizens, expressed in the democracy of the ballot, have called him.

The Newport upon which our President looks is a Newport of peace and plenty. He can hardly recognize in it the wartime Newport—the Newport of the Revolutionary War. Only from the history books will he know that it felt the hand of the oppressor—the British firebrand was applied to its homes—and men, women, and children were refugees from the cruelties of the invader.

But the East Greenwich of that time knew history at firsthand. It was to this town, a seaport town, that the refugees of that winter came in their suffering. And it was here out of the scanty supplies that a wartime East Greenwich could gather, that the inhabitants shared the little they had with their fellow countrymen in need.

And it was from here, musket in hand, that citizen left his plow, his books, his leisure, and set out for Massachusetts when the neighboring colony was hard pressed by the same British redcoat.

It was in that goodly throng that Nathaniel Greene marched as a private, while James Mitchell Varnum was in command.

This is the name you would perpetuate. And you have chosen well. For in the short span of his life it may be said that he summed up the ideals of obligation to his country, and symbolized the opportunities of that country, as almost a complete volume of duty and destiny.

America means opportunity for education. James Mitchell Varnum symbolized that as a graduate with honors in the very first class of Rhode Island College, later to be known as Brown University, in the year 1769. He sought to repay this opportunity to learn by teaching others. He moved on to the study of law and the civil liberties that are dear to us. He defended them, that they might pass untarnished from colonial court to the justice of a sovereign State in a confederation of States.

He was a citizen-patriot in the best sense that has given us a citizen army throughout all our history on the premise that if we are to deserve freedom, it shall be the duty of each of us to defend that freedom. He was a colonel among his neighbors, he was a general by choice of our Government, he was a general by selection of the immortal George Washington.

It was no empty title he earned in a war that was long and cruel. The cause to which great men pledged their lives, their fortunes, and their sacred honor, was fought in agony and privation. The battle of Rhode Island was bitter personal adventure to the men like Varnum who bore the brunt of it. It is hard for us to believe that our gentle State was ever the battleground of men's hates. But the American will never forget the name Valley Forge. It was more than a name to James Mitchell Varnum. It was the Gethsemane of the colonial cause. Amid its stark tragedy, no heart was braver than that of General Varnum. We can imagine the pride and satisfaction of General Washington as he named this lad of East Greenwich, the light of the camp.

We have seen Varnum as student, lawyer, and soldier. His neighbors next chose the role of statesman for him and elected him to the Continental Congress in May 1780. To this day we are indebted to him for the boldness of his ideas, the courage of his convictions, and his outspoken advocacy of liberties to chart a new nation to its destiny. He gave an example of the private citizen with an awareness of public duty which has been the bulwark of our democracy, the strength of our political system, the source of our leadership as nation after nation has passed from the prime position they once held among world governments. It is startling to recall that there does not now exist in the world any nation in the same form it knew when James Mitchell Varnum raised his voice in that Continental Congress of 1780.

Next we see Varnum in the role of expanding America, when what is now Ohio was proclaimed as the Far West. We of New England may have forgotten that we then considered the great State of Ohio as part of our territory and staked our claims there.

This was then our Northwest Territory. General Varnum accepted appointment as Federal judge for the Territory. It was truly a frontier with Marietta set for its capital and the white dwellers living behind stockades to protect them from the Indians. I mention this to indicate the sacrifice that Varnum made, leaving the comfort and peace of the neighborhood where he was admired and respected, the home that was the loveliest in all this colony, and enduring the hardships of journey by horseback to the perils and privations which were finally to claim his life. As surely as the soldier on the battlefield, General Varnum died in what others might call exile from familiar scenes but what he deemed to be his duty and an honor conferred upon him by the Nation he loved and served.

I have probably been telling you a familiar story; but I feel that here in the name of Varnum you commemorate more than the military, you pay tribute to true Americanism, to the qualities that we must be able to command in this hour if our Nation is to survive.

America has come of age in the 50 years that you mark today. The 20th century has seen a world explode more than once and has seen our country break out of its isolation into world responsibility. The musket has given way to the missile, yet the atomic age brings no more peace than the Colonies knew. The great ocean has narrowed and distance is no longer a defense. Mountains are leveled as jet planes break the sound barrier. Refugees come not from Newport but from far off Hungary. We declare that we have in the atom the greatest possibilities for peace and plenty. Yet a great part of the world hungers for food, and a greater part of the world hungers for security from war's alarms.

It is not my plan nor my privilege to settle here today all the problems of the world. But I submit that the security of America's future can lie in the pattern molded by the life of James Mitchell Varnum.

In a world where science challenges the secrets of nature we must have schools. We must have educated men and women, trained to meet the threats of any nation as Varnum's education prepared him for both Congress and military command.

We must have law and men to defend it, or life, liberty, and the pursuit of happiness will be the possession only of the powerful.

We must have military strength, which must also be the pride and the possession of the citizen. We must be bold enough to mark time with no chip on the shoulder, but we must be strong enough to surpass so that we may survive when our freedoms are assailed.

We must have public service. The private life and public duty, of which I have spoken, must command the respect and the response of all of us.

We must have men prepared to sacrifice. This is a sacrifice of service. It can be by the man in uniform. It can be by the man in public office. It can be by neighbor working for love of neighbor, for pride of the community, and for love of country. It is reborn in us as we appreciate the blessings God has bestowed upon this land of ours.

This is the kind of patriotism, I believe, that inspires this day. It reaches deeper than the uniform—into the human heart. It reaches back farther than 50 years. It reaches farther back than the Revolution. Farther than the name of Varnum even. But it is the inspiration of this day. It reaches back to the time when men first learned that they should live as brothers under the fatherhood of God.

Statement by the Honorable John Foster Dulles, Secretary of State, Before the House Committee on Ways and Means in Support of the President's Proposals for an Extension of the Trade Agreements Act, February 24, 1958

EXTENSION OF REMARKS

OF

HON. THOMAS B. CURTIS

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1958

Mr. CURTIS of Missouri. Mr. Speaker, the Secretary of State, Hon. John Foster Dulles, made an excellent statement in behalf of the President's proposals for an extension of the Trade Agreements Act before the Ways and Means Committee today. Although this statement will be contained in the printed hearings of the Ways and Means Committee, I believe it will be beneficial if the House membership had this statement available for consideration at this time. Accordingly, I am having it inserted in the RECORD.

The statement follows:

STATEMENT BY THE HONORABLE JOHN FOSTER DULLES, SECRETARY OF STATE, BEFORE THE HOUSE COMMITTEE ON WAYS AND MEANS IN SUPPORT OF THE PRESIDENT'S PROPOSALS FOR AN EXTENSION OF THE TRADE AGREEMENTS ACT, FEBRUARY 24, 1958

I

I am here to support the President's proposal to extend and strengthen the now-expiring Trade Agreements Act.

That proposal has two main aspects:

1. It is designed to benefit our national economy by enabling us to share more of the world's trade and commerce.

The Secretary of Commerce and the Secretary of Agriculture have convincingly shown the importance of the President's proposal from this domestic standpoint.

2. The President's proposal is also designed to help make the United States secure against external danger.

It is that aspect of the President's program that I today ask you to consider.

II

The reciprocal trade agreements legislation of the United States, enacted in 1934 and extended and strengthened since then on 10 different occasions, has by now become symbolic, the world over, of economic cooperation as a substitute for economic warfare. It stands for the proposition that everyone is better off by exchanging goods rather than by trying to be self-sufficient.

Following the depression of 1929, many nations sought to revive their economies by building up trade barriers in terms of tariffs, quotas, and currency barriers. The consequent decline in world trade brought about, by 1934, extreme nationalism in several countries and that was a major cause of World War II.

Since World War II, the trend has happily been in the other direction, at least so far as the free world is concerned. The United States, by far the greatest single economic unit, has been an indispensable leader in this respect. Our Trade Agreements Act, as renewed and strengthened from time to time, has reflected a purpose to build up, and not pull down, international trade.

Today this is more than ever important. That increased importance results from the grave dangers that we face from Communist imperialism.

III

I shall speak first of the physical danger that we face.

Since 1955 when the Trade Agreements Act was last extended, there have been revolutionary developments in the instrumentalities of war. Hydrogen bombs have been developed in quantity, with explosive power measured in terms of megatons, and not mere kilotons. The means of their delivery have been vastly increased, not merely by supersonic planes but by missiles hurled through outer space and traversing distances running into the thousands of miles.

For the first time in history, the United States is subject to major devastation from weapons launched from foreign soil.

That danger is met, and our peace is preserved, by one fact and one fact alone—that is that the free world is not disunited, but works together and provides dispersed power to retaliate against armed aggression. That dispersal is a vital element. If our retaliatory power were located only in the United States, it would not be a dependable deterrent for it might be largely obliterated by a sudden blow. It takes cooperation all around the world to assure that Soviet armed aggression will be deterred.

This cooperation cannot be sustained on a purely military basis, with disregard of economic factors. The United States is the economic heart of the free world. The economies of other free nations depend, in large part, on the flow of trade—their economic lifeblood—to and from the United States.

The dependable and effective use of joint military facilities in other lands faces inevitable collapse unless the governments and people associated with us feel that their relationship with the United States contributes not merely to military security but also to indispensable economic security.

Does this mean that our friends and allies may try to coerce us into trade arrangements which from our standpoint are improvident? It does not mean that. Never has any foreign government attempted to negotiate in those terms.

But there are certain facts of life that we must recognize. One is that representative governments cannot ignore the sentiments of their people. And other peoples will scarcely believe that we regard security as a two-way proposition, or that we take the Soviet Communist danger seriously, if we seem to be unconcerned about their economic welfare and force them to economic dependence on the potential enemy.

The peace of the United States, now more than ever, depends upon maintaining with other free peoples a sense of fraternity and of community. This implies willingness to cooperate with them in the field of trade and commerce.

IV

It would, however, be a great mistake to assume that the only danger our Nation faces is that from open armed attack. The greater danger comes from the political-economic warfare of international communism.

Its strategy involves subverting one country after another until finally the United States is isolated and its economy so depressed that, to use Mr. Stalin's words of 1924, the United States will consider it expedient voluntarily to make substantial concessions to the proletariat. That strategy was recently restated by Mr. Khrushchev in these words:

"We declare war upon you—excuse me for using such an expression—in the peaceful field of trade. We declare a war we will win over the United States. The threat to the United States is not the ICBM, but in the field of peaceful production. We are relentless in this and it will prove the superiority of our system."

It would be reckless to treat that threat as negligible. Soviet rulers have been rapidly developing their means of waging economic warfare against the United States and have now achieved an industrial level that enables them to export manufactured goods in increasing quantity and variety, and to take in exchange large amounts of natural products—agricultural and mineral—either for their own use or to dump on free-world markets. They hope thus to gain economic dominance, and subsequent political dominance, in many countries that seek an assured foreign market whereby to earn the means to pay for essential imports.

Already the Soviet bloc has initiated this technique in relation to Egyptian cotton and Syrian cotton and wheat. The Communist rulers no doubt hope thereby to gain a controlling influence over the Suez Canal and the Syrian pipelines, with which they could dominate the economy of Western Europe.

Similar Soviet-bloc efforts are manifest in relation to other areas.

If other free-world nations think that the United States market will be increasingly closed to them, that will immeasurably help the Soviet Communist bloc to prosecute their plan of economic encirclement and ultimate strangulation of the United States.

V

Some elements of United States industry seek to improve their competitive position by implying that any competition from abroad, merely because it is foreign, should on that account be debarred.

The United States cannot accept that viewpoint without endangering our whole Nation. There is, of course, a wide range of cases where foreign competition should be restrained, and is restrained, by protective action. But a general disposition to exclude foreign goods whenever they are competitive, would gravely disrupt economic, political and spiritual relationships which are required for our own welfare and for the defense of our peace and freedom.

It is neither un-American nor unpatriotic to have national policies designed to assure a congenial and friendly world environment. Since our earliest days it has been, and now is, accepted United States doctrine that our own peace and security interlock with conditions elsewhere. We have, when needed, paid a great price in blood and treasure to prevent other lands from falling under the control of hostile despotisms.

The first great foreign policy of the United States was the Monroe Doctrine. It declared that the peace and security of the United States would be endangered if hostile despotisms were to extend their political systems into any portion of this hemisphere. By the Caracas Declaration of March 1954, the American Republics declared that the domination or control of the political institutions of any American state by the international Communist movement would endanger the peace of America. The Congress of the United States in June 1954, with only one negative vote, endorsed that Caracas resolution.

If, indeed, the spread of international communism to this hemisphere endangers our peace, shall we seek by sound economic measures to prevent that? Or shall we adopt trade policies that will create the very danger we signaled?

Our second great foreign policy evolved in relation to Europe. In World War I and World War II, the United States incurred casualties of the order of 1 million and spent hundreds of billions of dollars rather than see the other side of the Atlantic fall under the domination of a hostile despotism. Now this threatens for the third time. Shall we have trade policies that will unite Western Europe with us in vigorous freedom? Or shall we renounce this waging of peace?

Our third great foreign policy evolved in relation to the western Pacific. We were unwilling that the Far East and the Pacific Ocean should fall under the domination of hostile war lords. In order to prevent that, we fought a long and hard Pacific war. Unless we have enlightened trade policies, we shall risk losing all that we thought we had won at so grievous a price.

Since the close of World War II, the United States has, by treaties or joint Congressional resolutions, proclaimed, as regards nearly 50 nations, that the peace and security of the United States would be endangered if these other nations were to fall into the clutches of Communist imperialism. But the Communists are not going to keep hands off merely because of bold treaty words or resounding Congressional proclamations. The Russian and Chinese Communists are tough. Our words will command respect only if we are seen to be ready to back them up.

If we are to avoid the grim alternatives of war or surrender, we must have the national policies and actions represented by our mutual-security program and by the Trade Agreements Act.

With these measures, the United States and its allies can peacefully win the cold war. President Eisenhower said last December in Paris: "There is a noble strategy of victory—not victory over any peoples, but victory for all peoples." The policies of the free world over recent years have been winning policies, and clearly so.

Armed aggression has been deterred, and the free world has cooperated successfully to resist Communist subversion.

In Eastern Europe, outbreaks in East Germany, Poland, and Hungary have shown the discontent of the captive peoples and their longing to become again free and self-respecting nations.

Within the Soviet Union itself there have been sensational political changes over the past 5 years which represent not merely personal struggles for power but a conflict of policies related to the growing desire of the people for more intellectual freedom, more personal security, and better living conditions.

It is by no means visionary to foresee the time when nations and peoples now being exploited by international communism for external adventures and world conquest, will have governments genuinely dedicated to promoting the welfare of their own people. Then indeed the international scene will be transformed.

However, this result will not be achieved unless the free-world nations stand firm on the policies that create a unity which nullifies both the military and the political-economic threats which now stem from Communist imperialism.

The imperialist leaders have, or believe they have, one asset on their side—that is the tendency of the democracies to get tired and not to be willing to persist in the efforts that are required to sustain free world unity and strength. If that unity ever collapses, then the Communists could feel that victory was within their grasp.

The essential is that we hold fast to policies which have demonstrated their worth and which if persisted in will assure that the ultimate victory will be that of the people, not of the despots.

VI

Let me take, by way of illustration, four key positions—north, south, east, and west.

To the north there is Canada. The United States and Canada are inescapably interdependent from the standpoint of continental defense. In 1957 Canada bought from us about $3.9 billion of goods and sold to us about $2.9 billion of goods. Canada has expressed its concern at the size of this adverse trade balance. If the Canadian Government and people were to assume that it is our purpose to make that trade balance still more adverse, there would inescapably be adverse repercussions on our joint North American defenses.

I turn to the south, to Venezuela. It supplies petroleum products which were vital to us and our allies during World War II and the Korean war. Later, Venezuelan petroleum prevented a major catastrophe when, in 1956, the Suez Canal was closed and the Iraqi-Syrian pipeline blown up. Venezuela bought from us, in 1957, about $1 billion and sold to us about $900 million of goods. If the Government of Venezuela considers that we intend to put up serious barriers to imports from Venezuela the consequences will not be in the interest of our national security.

I turn eastward to Europe, taking the United Kingdom as an example. The British people are authors and stanch defenders of free institutions. We have a varied and vital military cooperation with the United Kingdom. We have just concluded with it our first IRBM agreement. The United Kingdom lives by participation in world trade. In 1957 it bought about $1.1 billion of United States goods and sold to us about $775 million of goods.

If the United States were to adopt policies that would set in motion a series of worldwide trade restrictions and high tariff policies, the effect upon the United Kingdom would be grievous.

If we turn now to the Far East, we have the case of Japan. Japan is our second largest market for American goods generally and our best market for agricultural products. Japan has a population of some 90 million. They live in an area about the size of California, but with no comparable natural resources. The Japanese must manufacture and trade to live. They are, indeed, the only important industrial nation in the Far East. They bought from the United States in 1957 about $1.250 billion of goods, and sold to us about $600 million of goods.

In the period of the early thirties, when world markets were closing and international trade declining, the leadership of Japan passed to those who believed that Japan, in order to earn a decent livelihood, would have to impose its rule over China and Southeast Asia to insure adequate markets and sources of raw material. That led to war. Today the Soviet Union and Communist China eagerly covet the use of the industrial power of Japan for their military and economic warfare purposes. The Japanese resist that unholy alliance. But surely our trade policies ought to help to make it possible for Japan to gain a livelihood within the free world.

There is no suggestion that the United States should eliminate all restrictions on all imports from these four countries, or from any other countries. Actually, special measures have recently been taken to limit imports from each of the four countries I have specifically mentioned. For example, there is a Government-sponsored voluntary restriction which limits oil imports including those from Venezuela and from Canada. There is an increased duty on bicycles from the United Kingdom, as a result of escape clause action. There are Japanese imposed restrictions on textiles, flatware, and other goods sold to the United States.

Surely a system that contributes so much to our political and military security, which takes account of the needs of our domestic industry and which provides our farmers and industrial workers with vast markets, should be effectively continued.

As other witnesses have testified, there is developing a new situation in Europe as a result of the common market treaty which will create a common market without trade barriers as between six countries of Western Europe. It remains to be seen whether those responsible for the common market will adopt liberal trade policies or protectionist policies as regards others. The decisive period in this respect is from now through 1962. Much will depend upon the example of the United States and the bargaining power of the United States. This is a particular reason for extending the act for 5 years and strengthening it as requested by the President.

George Washington gives pertinent advice in his Farewell Address. He counsels that our national policies should be formulated, not on a basis of sectionalism, but on the basis of overall national interest. "Every portion of our country," he says, "finds the most commanding motives for carefully guarding and preserving the union of the whole." And that union, he adds, should be "directed by an indissoluble community of interest, as one nation."

Almost every national policy hurts some and benefits others. The form of our taxation; the nature of our defense purchases; the location of Government operations—all of these and other national policies inevitably tip the scales of competition. Often, and certainly in the field of trade, those few who may be hurt are more vocal than the many who may gain. I do not complain that those who may be hurt are vocal. That is their right. But the Congress has a duty. The determining factor should, as George Washington said, be the "guarding and preserving of the union of the whole."

The Trade Agreements Act stands as a worldwide symbol of enlightened statesmanship. Failure to renew and strengthen that act as the President has requested would set back the clock and endanger our Republic and each and every person in it. That is the paramount consideration.

Tycoon's Success Formula

EXTENSION OF REMARKS
OF
HON. EDITH GREEN
OF OREGON
IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1958

Mrs. GREEN of Oregon. Mr. Speaker, recently the Interstate Commerce Commission, utilizing procedures designed to weaken greatly public trust and confidence in the work of that Commission, granted a general freight increase to the Nation's railroads. These rates will operate so as to discriminate unfairly and unjustly against the West.

Many persons—including myself—protested the unseemly haste with which these rate raises were "railroaded through" the Commission.

I ask unanimous consent that there be printed at this point in my remarks the letter I addressed to the Honorable Howard G. Freas, Chairman of the Interstate Commerce Commission, protesting against these unseemly procedures.

But there is a further episode in connection with this rate increase which falls clearly within the jurisdiction of the Subcommittee on Government Oversight. I refer to the activities of Mr. Owen Clarke, who, just before he stepped out as Chairman of the Commission, issued the order setting in motion these hasty procedures. Having done so, he left the Commission and took a position with the Chesapeake & Ohio Railroad.

Mr. Clarke's hasty departure leaves many unanswered questions relative to the judicial type of conduct expected of one occupying a position such as did Mr. Clarke.

I have already addressed a letter to the Subcommittee on Government Oversight asking that this matter be investigated.

I desire also to call the attention of my colleagues to a pointed editorial appearing in the International Woodworker for February 12, 1958 in which the many unanswered questions concerning Mr. Clarke's appointment are raised. Under unanimous consent, I include the editorial in full in the CONGRESSIONAL RECORD:

JANUARY 21, 1958.

Hon. HOWARD G. FREAS,
Chairman, Interstate Commerce Commission, Washington, D. C.

MY DEAR MR. CHAIRMAN: This is in reference to *Ex parte 212* relating to the requested general railroad freight increase.

I wish to protest most strongly, in the first place, the procedures adopted by the Commission in this case. As categorized in a communication received from the Governor of Oregon, "the Commission handling of the present railroad freight-rate increase procedure (*Ex parte 212*) * * * has been extremely damaging to the public welfare including that of the State of Oregon."

The Governor, in his communication, went on to say:

"On December 27, while Clarke was still chairman, the Commission issued an order scheduling hearings concerning *Ex parte 212* under the so-called short-form procedure. This order generally provided that all statements, all evidence, all exhibits, all showings of any description made or submitted by the public in defense of the public interest must be prepared and on file with the Commission at Washington, D. C., on or before January 20, 1958."

"This order and the supporting statements of the railroads which, of necessity, have to be answered by the public by January 20, were not received by this office or any Pacific coast commission prior to January 6 or 7, 1958. This left exactly 6 working days in which to review voluminous statements of railroad officials and thereafter prepare evidence and exhibits in opposition to the proposed rail increases. It is utterly impossible for the Oregon Public Utility Commissioner's staff properly to prepare any

type of responsible exhibits or evidence in this short space of time."

I cannot agree too strongly with these statements by the Governor. To give opponents such an extremely short time to review the voluminous, 174 page, complicated and complex tariff proposed by the railroads is preposterous.

I urge the Commission, therefore, to extend the date for the filing of replies and to extend the time permitted for oral arguments. The possible serious economic consequences to the economy of Oregon warrant, in my opinion, the Commission's giving all parties a full and fair opportunity to present to it all the facts.

It should be borne in mind that if the Commission should permit these new tariffs to go into effect subject to refund provisions upon subsequent investigation, it will not be of assistance to those many shippers in my State who will have no refund coming because the increased rates priced them out of the market. Equity demands, therefore, that the Commission have before it all possible relevant facts before it arrives at any decision permitting the proposed increased rates to go into effect even on a temporary basis subject to later scrutiny.

This is a matter of such grave importance that I am calling it specifically to the attention of Congressman MOULDER, chairman, Subcommittee on Government Oversight, with the request that during the course of his current investigation, he make certain that this matter is thoroughly studied and legislative safeguards be proposed to prevent a repetition of such an incident.

I wish to protest, in the second place, the proposed tariff because of its discriminatory features against shipments from the West. I protest specifically as discriminatory the 2 percent increase proposed in line haul transportation because its being put into effect would have such a disasterous effect upon the shipment of lumber products. I protest, also, the extraordinary high increases on accessorial or special service charges, some representing an increase of as much as 82 percent. I do hope that the Commission will go into each and every one of these proposed increases thoroughly and painstakingly before permitting them to become effective.

I urge the Commission, in its review of this matter, to give the utmost consideration to this question of discrimination against Western shippers. The transportation tax already works unfairly against this group. We should be careful not to compound this unfairness.

During the last weeks, I have received a surprisingly large number of letters from individuals and concerns in my district who would be seriously injured by the allowance of these increases, and who have felt so strongly about it that they have taken the time and the trouble to write. These letters are on file in my office and are available for your inspection.

Sincerely yours,

EDITH GREEN.

[From the Portland (Oreg.) International Woodworker of February 12, 1958]

TYCOON'S SUCCESS FORMULA

The American people must look like a flock of lambs to the gluttons of industry.

That's the only reason we can figure for their calloused disregard of principle, not to mention the already low standards of business ethics currently in vogue, as they fleece the public at every opportunity.

The case we have in mind involves the curious ethics of one Owen Clarke, until recently Chairman of the Interstate Commerce Commission, the so-called public agency charged with regulating interstate transportation in the people's interest.

Mr. Clarke is now a vice president of the Chesapeake & Ohio Railroad.

He was hurriedly appointed following the scheduling of a shotgun hearing on railroad requests for a rate increase in the western area of the United States.

The railroads decided that they needed a 2-percent increase in rates on lumber and lumber products shipped from the Western United States and a flat 10-percent increase in loghauling rates in the same area.

Mathematical genius is no requirement to see that this will raise havoc with the competitive position of the West in relation to the South, where freight rates already bestow sizable advantages.

This did not, however, stop Mr. Clarke from deciding, on the 27th of December, that a hearing was necessary. He proceeded to notify interested western public utility commissions and generously gave them until January 20 to answer the voluminous briefs prepared over the past several months by the railroads.

Irate westerners had no more than screamed with their first pains of anguish when Mr. Clarke forthwith resigned from the ICC and became, overnight, a vice president of the C. & O.

Meanwhile, in the words of Howard Morgan, public utilities commissioner for Oregon, there has been a noticeable lack of publicity on the salary to be paid Mr. Clarke, or the duties of his office, by either him or the C. & O.

We can't help but wonder at this reticence. Mr. Clarke has climbed rapidly up the ladder of success, but unlike Horatio Alger, seems bashful about giving out the formula.

He ought to be bashful. Nothing more shameful in the history of public regulatory bodies has happened in recent years.

It is a commonly accepted standard among public utility economists that you don't go from a public body like the ICC directly to the payroll of those you are supposedly regulating without the elapse of a couple of years or more.

The fact that he went directly to the C. & O. shows better than anything else he could have done that he did sell out to the railroads.

Another serious factor in this case is the effort of Mr. Clarke's action on the public reputation of the ICC. No one can now assume that any decision rendered by that body during Clarke's tenure of office was honestly and impartially arrived at.

It's a fair conclusion, in our opinion, that Clarke's every act as Chairman of the ICC was taken with a view to increasing his value to the railroads. Apparently the C. & O. put up the highest ante.

We recommend to the Congress that they give Mr. Clarke's promotion the benefit of a thorough public investigation, so that others may learn this tycoon's success formula.

Foreign Aid

EXTENSION OF REMARKS

OF

HON. JAMES B. UTT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1958

Mr. UTT. Mr. Speaker, you have heard about the tree that grew in Brooklyn. Now I will tell you about one of the bureaucratic trees that grows in Washington. In 1948 the Economic Cooperation Administration, which has had several fancy names, the last of which is the International Cooperation Administration—ICA—had 500 employees. By 1953 it had 4,000. In 1957 it had nearly 13,000, and still appears to be growing.

Last year when Congress cut over a billion dollars from the ICA budget—foreign aid—we were told that this cut would practically put them out of business. However, within a month after adjournment ICA expanded its personnel by at least 1,000 employees. Of course, in last year's authorization there was a sleeper in the form of lending authority to foreign enterprises which, in fact, will turn out to be free grants, for the simple reason that the borrower has to prove that he cannot borrow from private banking concerns nor from the World Bank nor from the Export-Import Bank. Most of the capital for these two banks is supplied by the American Government. Now, if the risk is too great for these two liberal lending institutions, they can apply to ICA for a loan.

The administration's request for foreign aid for the coming fiscal year is around $4 billion. In order to give you some idea as to how much $4 billion is, may I say that it is four times the total assessed valuation of Orange County, including our oil, our industries, our farmland, our homes, and Disneyland thrown in. It is equal to one-half of the total income taxes collected from the State of California in one year.

Much ado has been made about unmoral lobbyist tactics. In fact, President Eisenhower vetoed the Natural Gas Act of 1956 solely upon the ground of ill-advised lobby pressure, centered around the $2,500 campaign donation offered to a certain Senator. Two weeks ago there was great indignation shown because a certain man in Texas indicated in a letter that some of the money raised at the $100-a-plate dinner in Houston would be used to promote the Natural Gas Act of 1958, and the President and the Chairman of the Republican National Committee quickly issued a statement that none of that money would be accepted by the national committee.

Against this backdrop let us take a look at what happened in Washington on February 25, tomorrow. A national committee of 1,500, headed by "one worlder" Eric Johnston, gathered for the express purpose of raising a million and a half dollars of tax-free money for the avowed purpose of lobbying a single bill through Congress which would cost the American taxpayers $4 billion. The jewel of consistency is certainly tarnished. In order to make this committee more palatable, high-ranking Democrats throughout the Nation have been included in order to keep the leftwing commentators from blasting the project out of water. Present at this meeting were President Eisenhower and ex-President Truman, Vice President Nixon and Adlai Stevenson, Secretary Dulles and ex-Secretary Acheson, and so on down the line, with each Republican having his Democrat counterpart.

The tab for this clambake was picked up partially by certain large corporations which would profit immensely through the sale of heavy equipment under the foreign-aid program and partially by the President's contingent fund.

The American taxpayer should condition himself to the greatest "snow job" in history. If, after 10 years and the expenditure of $70 billion on this program, the American taxpayer is convinced that it is not a proper role for our Government to play, why should his intelligence be insulted by such a fiasco? I received an invitation from Eric Johnston—on White House stationery—and the content of this report was my reply. They propose to spend on this lobby job about $9,000 for every million inhabitants in our country. The 28th Congressional District has nearly 1 million population, and I propose to spend at least $5,000 in my district as an offset to this propaganda, and I sincerely hope that the Internal Revenue Bureau will be as gracious with me in allowing this amount as a tax deduction as they were with the Eric Johnston committee.

At least, I will close this report in a lighter vein by resurrecting an old bromide of the Truman administration. The Prince of Monaco was visiting the White House and the President asked him if there were any Communists in Monaco. The Prince replied that there were absolutely none. The President said, "That's too bad; we can't give you any foreign aid." The Prince hurried home to his castle and sent a telegram to the Foreign Minister of France, Bidault, "You've got a lot of Communists. Send me a dozen; I need them desperately." Bidault replied, "I'm sorry; I can't let you have any Communists because I need every one I've got here; otherwise the United States will cut our credit."

Washington Report of Hon. Bruce Alger, of Texas

EXTENSION OF REMARKS
OF
HON. BRUCE ALGER
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1958

Mr. ALGER. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include my newsletter of February 22, 1958, a weekly report to constituents:

WASHINGTON REPORT

(By Hon. BRUCE ALGER, Fifth District, Texas)

FEBRUARY 22, 1958.—Heavy snow blocked roads, giving Government workers an enforced vacation. No traffic moved without snow tires or chains. As a result, the legislative week was lighter. Texas children would have loved this week in Washington.

George Washington's birthday is commemorated each year in the House by the reading of his Farewell Address, given as he retired from the Presidency. Every citizen could benefit from his counsel in this message. Some Members of Congress recognized a startling contrast to both the form and spirit of our Government today—as represented specifically by the President's foreign-aid message, received Wednesday, and generally by our huge Federal bureaucracy. Washington advised against alliances with foreign powers, partiality toward favorite nations, big public debt, and devices of "small, artful, enterprising minority" to control or change government. He praised constitutional checks, stressed the need of enlightened public opinion, and declared "religion and morality lead to political prosperity." This message suggests that jet aircraft replacing horse and buggy do not change the basic good sense of constitutional principles. They are applicable today. Surface conditions change, certainly, but basic principles endure.

The Yellowtail Dam land-purchase bill slid through the House on a voice vote, but not before the minority views of 10 Republicans on the Interior Committee were heard. The bill proposed to spend $2.5 million of taxpayers' money for the land for another public power and reclamation project, when the land was appraised as worth $50,000. The RECORD shows only one Texan voted to send the bill back to the committee (197 to 151). So the bill passed. Who's for saving the taxpayers?

Tax cuts and increased Government spending are surprising legislative companions and are being mentioned here by some Members. Reducing income and increasing outgo is obviously impractical, but is a part of the unreal economic world of Federal Government and politics. The real danger is the threat to the value of our money through inflation. Unfortunately, as experience shows, Government has the power to water the dollar. Could it be the need for some politicians to generate issues that accounts for some trying to scare us into a depression, as stated this week in the CONGRESSIONAL RECORD? (Analogy—demogogs rock the boat themselves to convince others there is a storm at sea.) This is the logical result of Government transgressing its legitimate function. Since New Deal days, the Federal Government has taken the lead in economics and economic theory, while politically spending the tax dollars. Naturally, therefore, the administration is optimistic, the opposition party is pessimistic. Somewhere in between is the truth—and it should be the truth, not politically-motivated appraisals, that the public should have. Fortunately, Government is not yet so influential on the Nation's economy as some allege it to be—yet it is possible to talk ourselves into recession and it is possible to build Federal Government beyond the point of return to free enterprise. Only the people, in their knowing and studying the truth, can keep Government in its proper place.

Disarmament talk on our part as a result of Russia's alleged "desire for a breather" is now creeping into Washington columns and conversations. As one Washington columnist put it, "Russia has industrial and farm problems, needs a respite in competition with the West. From this respite could come better understanding and peace." How gullible can some be? Isn't this carrying Marquis of Queensbury rules a little far? Should we weaken our defenses for Russia's benefit? How can we trust the Communists?

The mutual security message from the President opened the year's controversy over foreign aid. After years of trial and error—the heavy cost to taxpayers, the mistakes and mismanagement, the misunderstanding with foreign recipients—these and other considerations cause me to view the economic program with distrust. We seem to "dance to Russia's tune." Weakening ourselves economically to help others is not strengthening us or the team. We want respect before friendship. We cherish ideals of freedom and honor before peace and appeasement. It is our strength and example that attracts allies. We can't buy them. "Example is the school of mankind and they will learn at no other," as one homily goes. The United States must be the example. Or as Washington said, "There can be no greater error than to expect or calculate upon real favors from nation to nation." Even some of our military aid can be challenged. Our allies could become "neutrals" in a hurry in a hot war to save their own hides. This is human nature. More about mutual security funds later.

Fortieth Anniversary of Lithuanian Independence

EXTENSION OF REMARKS
OF
HON. EDWARD A. GARMATZ
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1958

Mr. GARMATZ. Mr. Speaker, it has been 40 years since Lithuania was proclaimed an independent country, ending 123 years of Russian rule. What joy and happiness there must have been in that nation at that time. And what progress they made in every area, after their freedom from Russian domination. The Lithuanian people proved that they were ready and able to assume their place among the free and sovereign nations of the world. But, unfortunately, this independence, this progress, this happiness was shortlived. In 1940 the country was again invaded by Soviet troops, and up to this time is still under Soviet control.

As an American, I am grateful and proud that our Government has never recognized the present Lithuanian regime as representative of the people and has not accorded it diplomatic recognition. But I feel we must do more than that. We must take positive action. Through the United Nations, we must support a firm policy to help Lithuania and all the other captive nations of Eastern Europe to regain their freedom and independence.

We must make it possible to bring more refugees from these countries to the United States. The Americans of Lithuanian descent have added much to our culture and will continue to do so if given the opportunity. We must do everything possible to assist in safeguarding the cultural heritage of Lithuania, whose language and literature are among the oldest in the Western World. On February 15 the Council of Lithuanian Societies of Baltimore again observed Republic of Lithuania Day, and it was my privilege to attend. At this gathering, the following resolution was unanimously adopted:

Resolution unanimously adopted after due deliberation by American citizens of Lithuanian descent, of the city of Baltimore, at the commemoration of the 40th anniversary of Lithuania's Independence held under the auspices of the Council of Lithuanian Societies of Baltimore at Lithuanian Hall on the 15th day of February 1958:

"Whereas 40 years have elapsed since February 16, when the Council of Lithuania at Vilnius proclaimed to the world the determination of the Lithuanian people to become an independent nation; and

"Whereas during its brief period of freedom the Republic of Lithuania capably managed its own affairs and successfully and progressively raised the economical, cultural, and educational standards of its people; and

"Whereas as American citizens, we are proud of the fact that the United States Government publicly condemned the flagrant Soviet acts of aggression and violence against Lithuania, Latvia, and Estonia, and still recognizes their independence; and

"Whereas freedom-loving people everywhere are placing their hopes, their destinies and their future in the steadfast and unconditional adherence by the free democracies to the principles of justice and humanity: Now, therefore, be it

"*Resolved*, That we Americans of Lithuanian descent, being fully aware of the graveness of the international situation and concerned over the fate of the Lithuanian Nation, urge the Government of the United States to continue to combat the forces of aggression until true and lasting peace is achieved."

Both the mayor of Baltimore and the Governor of Maryland issued special proclamations, which read as follows:

PROCLAMATION BY MAYOR THOMAS D'ALESANDRO, JR., DESIGNATING SUNDAY, FEBRUARY 16, 1958 AS REPUBLIC OF LITHUANIA DAY IN BALTIMORE

Whereas every year, on February 16, the Lithuanian colonies throughout the Nation gather together to commemorate the Independence Day of Lithuania, now temporarily under the domination of a ruthless dictator nation, whose armed might has for the time being crushed all opposition on the part of the freedom-loving people of Lithuania and other nations who eagerly look forward to the day when liberty and justice will prevail throughout the earth; and

Whereas despite cruel and tyrannical suppression, the freedom-loving people of Lithuania never cease to work and pray for liberation from the bonds of enslavement, and look forward with earnest yearning to that happy day when all of Lithuania will be able to enjoy the blessings of peace and contentment; and

Whereas the city of Baltimore is justly proud of the many citizens of Lithuanian birth or ancestry, who have made many important contributions to the civic and industrial welfare of our community, and who have been able to enjoy the freedom denied their compatriots in Lithuania.

Now, therefore, I, Thomas D'Alesandro, Jr., mayor of the city of Baltimore, do hereby proclaim Sunday, February 16, 1958, as Republic of Lithuania Day in Baltimore, and do urge all our citizens to give serious thought to the many cultural and economic contributions made to the welfare of the world by Lithuanians of the past and present, and to join with the people of Lithuania here and in their native country in prayers for the return of peace, so ardently desired by freedom-loving humanity.

In witness whereof, I have hereunto set my hand and caused the great seal of the city of Baltimore to be affixed this 5th day of February, in the year of our Lord, one thousand nine hundred and fifty-eight.

THOMAS D'ALESANDRO, JR.,
Mayor.

EXECUTIVE DEPARTMENT, ANNAPOLIS, MD., GOVERNOR'S PROCLAMATION, REPUBLIC OF LITHUANIA DAY, FEBRUARY 16, 1958

Lithuania is enslaved, her people have been deported and mass-murdered, religion is ruthlessly suppressed and freedom obliterated.

But it is not easy to shackle a liberty-loving nation. It is doubly difficult when that nation has known the great experience of freedom.

Lithuania has known and gloried in that experience.

We—as Americans—cannot ignore these yearnings for our own basic beliefs. We share the struggles of Lithuania to break the Kremlin yoke.

Showing their faith in a free future, Americans of Lithuanian descent continue to celebrate this day—February 16—as Lithuania's Independence Day.

In recognition of the courage of the Lithuanian people and in support of all men who fight for freedom, I, Theodore R. McKeldin, Governor, proclaim February 16—the 40th anniversary of Lithuania's Independence—as Republic of Lithuania Day throughout Maryland.

Given under my hand and the great seal of the State of Maryland, at the city of Annapolis, this 15th day of January, in the year of our Lord, nineteen hundred and fifty-eight.

THEODORE R. MCKELDIN,
Governor.
CLAUDE B. HELLMANN,
Secretary of State.

The group was honored by the presence of the Honorable Joseph Kajeckas, Chargé d'Affaires ad interim of Lithuania, who addressed them in the Lithuanian language. A translation of his remarks follows:

This anniversary of Lithuania's independence is out of the ordinary. It is the first such anniversary in many years without the late Minister Povilas Zadeikis among us. We grieve at this, but we realize that although the time of his service is past, the aspirations of the country he served remain unchanged, because their source—Lithuania's glorious past, undying rights and national tradition—remains likewise unchanged. Let us open the curtain somewhat on the glorious past.

According to Prof. Clarence Manning, of Columbia University:

"The Lithuanians had established a powerful and independent state in Europe during the Middle Ages. They were able to check the German drive to the east for centuries. They protected Europe against the Mongols and the Tatars. They furnished a power and a government behind which the Eastern Slavs could live in peace and safety with a freedom that was unknown in Muscovite Russia. They blessed their subjects with more human freedoms than in the neighboring countries. They encouraged education and toleration, and they played their part in the general development of European civilization."

We know, however, how the greed of powerful neighbors overwhelmed the progressive, humanistic state of Lithuania, the darkness of a seemingly endless night descending on Lithuania. That night continued until the momentous February 16 that we commemorate today.

Four decades have passed since that day when a group of Lithuanian patriots in Vilnius proclaimed Lithuania a free and independent state, thus fulfilling the prayers and aspirations of many years. Let us recall the path of suffering that was traversed: Unsuccessful insurrections to restore Lithuania's honor; the period of the suppression of the press, accompanied by the smuggling of books into Lithuania; the school of suffering, when mothers secretly taught their children while at the spinning wheel; the exile of persons to Siberia for the use of prayerbooks and texts in the Lithuanian language; the persecution of Muravyov; Kraziai; impressment into military service; Russification; economic subjugation; and even the erasing of Lithuania's name from the map. Such was the fate of Lithuanian sons and daughters, deprived of their ancient state. Such was the sad tale of Lithuania's subjugation.

"Let Lithuania be darkened and silent," the oppressor had said.

But with the act of February 16, the chains of slavery were broken. Lithuania's breast sighed its relief as the weary nation took on its new life, as Lazarus come from the grave. With the act of February 16, she turned the imposed shameless page of her history, the story of her suffering, and dedicated herself to the work of reconstruction. Fortunate were those who lived to see that day, but how many were there who closed their eyes on life with the sight of their nation's plight still before them.

One of those who died such an untimely death is the man whose 100th anniversary we celebrate this year, Vincas Kudirka. During the years of freedom, I was fortunate enough to have been able to visit his tomb on the banks of the Sesupe, and during this jubilee year, I remember that visit with pride. That man, besides his numerous writings and the composition of the national anthem, left for his countrymen the advice, "My Lithuania, when your enemies sink their teeth into you, you will survive only if, as a hydra, you grow several heads when one is severed." Today more than ever, the systematic extermination of the Lithuanian nation goes on. Thus, it is appropriate for us to keep Kudirka's warning in mind. At the time when Lithuanian heads in the homeland are being cut off by the enemy's slaughtering, it is at least possible for Lithuanians abroad to help save the situation. Their heads and hearts can be saved for the Lithuanian cause; they not only can, but should be saved, since Lithuania's cause is also the cause of the whole Free World. If the light of liberty is extinguished anywhere in the world, the prospect of peace and freedom for all nations is made just that much darker. John Donne rightly said "Ask not for whom the bell tolls: It tolls for thee."

"As many as the dying leaves of autumn," fell Lithuania's sons in defense of her freedom. Let us especially remember on this occasion the brave men who were the signers of Lithuania's Declaration of Independence. Most of them have either passed away or were killed, and to honor their memory and in general to honor all those brave men who gave their lives for Lithuania, I now propose a minute of silent prayer. (* **)

I will not enumerate the blessings of Lithuania's freedom. There are too many among you who have been witnesses to those blessings, and you know them full well. Neither will I detail the darkness and cruelty of Lithuania's present enslavement. Between Lithuania's past freedom and present enslavement, the contrast is enough to sadden the hearts of all men who cherish human dignity and the beautiful and good acts of a brave nation.

On February 16, though, we remember past celebrations, when people having decked their homes with the tricolored symbols of their country, rejoiced in the proud displays and songs of the Lithuanian Army on parade. In villages and towns, men, women, and children of all ages joined their hearts in happy song, while organizations came in bands to the house of prayer to thank their God for the blessings of His peace and the fruits of liberty under the independence won through so many centuries at such a price; they came in throngs to the Tomb of the Unknown Soldier to honor his heroism and of all those who fell in loyalty to his own cause; they went to the public halls to enumerate their achievements, to feasts, toasting a nation reborn in freedom. The invalids of the wars of independence were proud of their sacrifices for the fatherland. That day was always the greatest of occasions for a Lithuanian: The day of his rejoicing and the day of his honor.

So it was in the days of freedom. And now? The conquered banner of our country has been furled; either it is cruelly mangled by the invader's boot, or reverently hidden by men who still keep its faith. Going to church together in organized groups is prohibited.

The Lithuanian anthem, during the jubilee year of its composer, is silenced. Lithuania's military uniform is no longer seen, and the soldiers' happy song has died. Silence holds its dominion over the Unknown Soldier's sarcophagus: A cruel and alien hand has scattered and desecrated its honored stones. The enemy's sacrilegious power left no room for the crosses which once stood by that holy shrine, but has irreverently plucked out the symbols of a brave nation's suffering. The bugle's tribute to the colors at this tomb is no longer heard at sunset; the liberty bell, like America's own, that Lithuanian-Americans had given their country, no longer tolls its angelus in accompaniment to the soldiers' prayers as our nation's flag began its descent. That pregnant moment at the sunset when Lithuania's amber, green, and red gave over its domination of our country's rolling fields and peaceful plains to the stillness of night is gone now, and lives only in the memories of men whose burning faith in a once strong, grand, and proud national heritage can never leave their hearts.

The ugliest side of present-day imperialistic communism consists in the fact that they justify the murder and extermination of innocent people, innocent Lithuanians, as being virtuous. If the annihilation of a person or of a nation serves communism, then, in their jargon, "that is good and to be praised." If the trampling on of solemn treaties serves communism, in their dictionary, that is good and meritorious. If lying serves communism, then one can lie as much as possible; the more you lie, the better Communist you are. To serve their purposes, the notions of freedom, independence, democracy, coexistence, peace, colonialism, etc. are distorted beyond recognition.

Let us glance briefly at the record of imperialistic communism's lies, violence and treachery. With Lithuania, the Kremlin had numerous well-written and valid treaties, among them the treaty of nonaggression, but it trampled on these treaties with the clearest of consciences. Stalin isn't blamed for this by his successors; the undertakers of Lithuania's freedom, Molotov and Dekanozov, did not suffer because of the violation of those treaties: they were punished for something else; for the cruel deportation of innocent Lithuanians and Baltic people in general to Siberia, Serov also was not punished. He remains even now firmly entrenched in the Kremlin's upper echelons.

The Soviets speak of the creation of a neutral zone in Eastern Europe. Long ago, such a zone existed in the Baltic States without the helping hand of the Kremlin. The Baltic States freely declared themselves neutral on the eve of the last World War. What better conditions for peaceful coexistence could one dream of? However, such conditions were not suitable of the Kremlin's carnivorousness.

This month, there is being distributed in the United States a Soviet propaganda magazine in which Moscow praises itself for a new discovery in economics. They supposedly have done away with unemployment in Lithuania, and for this they seek credit. We give them that credit, but it cries to heaven for vengeance, after having killed Lithuanians, after having deported hundreds of thousands of them, after having sent countless other as volunteers to labor in their virgin lands, after having frightened away tens of thousands of Lithuanians as refugees to the Western World, they praise themselves for having gotten rid of unemployment. But brains aren't necessary for such a discovery: all one needs is a guiltless thirst for blood, and the discovery produced is called barbarism. The Soviet version of their discovery is understandable, however, when we remember that lies and deceit were and are now the Soviet's sputniks: fellow travelers.

Gen. Mark Clark, who negotiated with the Communists for about 10 years, was right when he stated that "There is no decency in the Communists. They'll cheat, they will lie, they will murder, they will do anything to attain their end of world domination, and they will sign a solemn pledge today, fully intending to abrogate that pledge the next day."

Albert Camus, the 1957 Nobel Prize winner, said that "the Hungarian revolt blew to bits the biggest lie of the century: a lie that tried to pass off a regime of police tyranny as a proletarian revolution."

But let us return to our commemoration. Let us, on this solemn occasion, give thanks to those who so much deserve it. First, let us give thanks to the suffering Lithuanian nation. She, by her perseverance, safeguards the aspirations of the Lithuanian people, which aspirations created the basis for the act of February 16. She is preserving those aspirations also at present for a future resurrection of the nation. We are grateful to the signatories of the act of February 16; we especially wish that the three living signers of that act may live to see it renewed in a new birth of freedom. We give thanks to the Lithuanian Army, thanks to which we enjoyed 22 years of independence.

We are grateful to the Government of this country, especially President Eisenhower and Secretary of State John Foster Dulles for their nonrecognition of Lithuania's occupation by force, and for their numerous meaningful statements in that regard, together with the statement that Mr. Dulles made on this particular commemoration this year.

We thank the governors of the several States and mayors of cities of this country for their highly esteemed proclamations throughout the years; also we thank numerous Senators and Congressmen for their many stirring speeches supporting the aspirations of the Lithuanian nation and sympathizing with her plight.

In general, we thank all friends of Lithuania and the great-hearted American people for the various ways in which they have supported Lithuania's cause.

Finally, we thank all our own countrymen and Lithuanian-Americans: those who organize in liberation efforts; federations; alliances; organizations; sponsors of Lithuanian-language radio programs; the reverend clergy; writers and journalists; teachers, especially the sisters in our Lithuanian schools, and all those individual persons who in one way or another have rendered their aid toward Lithuania's liberation, the easing of her plight, and the raising of Lithuania's good name above her great sorrow.

The Lithuanian nation will remain eternally grateful for such wholehearted and noble efforts. She has a long memory as regards her benefactors in the hour of misfortune. Today, Lithuania is stepping into the 5th decade of proclaimed independence, but is also finishing the 18th long year of slavery. She has not yet reached the crest of her Golgotha. One can still not see the end of her way of the cross. But in her suffering and anxiety, she is greater than the so-called Man of the Year for 1957, just as Nero's persecuted Christians were greater than the Emperor who was powerful enough to hold the lives of men in his balance. In the first road of suffering to Golgotha, the long arm of the Roman law was required to force a bystander, Simon of Cyrene, to help carry Christ's cross.

Lithuanians need no police power to help carry the cross of their suffering nation: a Lithuanian heart is sufficient. Thus, especially in this jubilee year, which is also the jubilee year of our country's patron, St. Casimir, let us be determined to bring down the cloud over Lithuania's horizon, to light the fire of freedom once more in her sky, to ease the suffering of Lithuania, to help it keep and persevere in the hope of freedom until the Easter morn and the resurrection of that oppressed nation. For rise it must: it cannot have suffered so much in vain. God bless our common efforts to this end.

In this connection I would also like to insert in the RECORD a translation of a message broadcast by Mr. Kajeckas to the Lithuanian nation, over the Voice of America program, on the 40th anniversary of Lithuanian Independence.

Fellow countrymen, free Lithuanians are well aware of your thoughts which you hide from the occupant on February 16th. We are members of the same body, and we feel in unison. Therefore, while observing this anniversary, we are mourning your lot, and deeply sympathize with you.

This year we are also observing the memory of Vincas Kudirka. This is the centennial anniversary of his birth. On all the continents, free Lithuanians are singing his anthem which is banned in his own homeland.

Three days later is the 20th anniversary of the death of Adomas Jakštas. A great many of you remember him. According to Vaižgantas, he was the third pillar of the Lithuanian nation, beside Basanavičius and Kudirka. He escaped exile to Siberia only because he happened to die on the eve of Lithuania's dusk.

A free Lithuanian today renews his determination to work and to make sacrifices for the sacred rights of Lithuania, and a brighter tomorrow. We firmly believe in that morrow. You must believe, also.

Lithuanian day is celebrated in America en masse and in solemnity. Gratitude is voiced to the United States Government for not recognizing, until this day, the act of violence against Lithuania. The Lithuanian tricolor waves proudly above the Legation of Lithuania in Washington, to remind of your rights and of the injustice done to you. This tricolor waves proudly and freely, just a few blocks away from the Embassy of the oppressor of the Lithuanian people. The Lithuanian Legation receives visitors, fellow nationals and others, who call to pay respects to the representatives of a free Lithuania, your representative, and to wish for his people freedom, and an end to suffering.

Captive brothers and sisters, I greet you most sincerely on this honorable anniversary. I wish you undaunted hope and perseverance in your trial. I also voice my thanks to you. You and your parents have preserved the nation's aspirations which formed the basis for the act of February 16th. By your suffering under the injustice and by your perseverance you continue to attest to the world that the Lithuanian people's aspirations remain alive and that the nonrecognition of the occupation correctly reflects your will.

During this anniversary year of independence and Kudirka, let us seek strength from Lithuania's past: Let thy sons seek strength from thy past.

Let us take strength and solace also from the other honorable anniversary—that of St. Casimir. This year is the 500th anniversary of his birth. His interceding for Lithuania to God is influential and certain. Lithuania is closest to his heart.

May God protect you during this jubilee year, and bring closer to you the dawn of real freedom, so well earned by your suffering.

Secretary of State Dulles, on the 40th anniversary of the declaration of Lithuanian, Latvian, and Estonian independence, issued the following statement, which I believe should be included in the RECORD:

This year marks the 40th anniversary of the declarations of national independence of the peoples of Lithuania, Latvia, and Estonia. Although in 1920 the Soviet Union recognized their independence, renouncing

forever all sovereign rights in the Baltic States, in 1940 the Soviet Government forcibly incorporated Lithuania, Latvia, and Estonia into the Soviet Union. This action was quickly denounced by the United States Government.

The United States remains convinced that relations between all nations must be governed by the principle of equality and guided by justice and law. It believes that the peoples of Lithuania, Latvia, and Estonia have a firm right to choose their own political, economic, and cultural systems. Determination, industry, and love of freedom characterize the peoples of these Baltic States. These qualities have enabled their kinsmen here to make a valuable contribution to the development of the United States. The United States Government is confident that the same qualities will carry the peoples of Lithuania, Latvia, and Estonia successfully through the present tragic days and enable them to regain the rights of which they have been unjustly deprived.

Let's Cure the Scientist Shortage Now

EXTENSION OF REMARKS
OF
HON. VICTOR L. ANFUSO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, February 24, 1958

Mr. ANFUSO. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to insert an article written by me and published in the March 1958 issue of the magazine Mechanix Illustrated, which has just come off the press.

The article deals with the proposal contained in my bill, H. R. 9610, to establish a United States Science Academy, how this institution would be set up and how it could contribute to our national security. I am glad to bring it to the attention of all my colleagues.

It reads as follows:

LET'S CURE THE SCIENTIST SHORTAGE NOW

(By VICTOR L. ANFUSO, Member of Congress, Eighth Congressional District, New York)

A military man of increasing importance in this age of ICBM's and sputniks is the soldier-scientist. The manpower shortage in this field is acute and growing steadily worse—and yet the problem is being handled in the conventional business-as-usual manner.

There is currently little encouragement for the young scientist to join the armed services. In fact, any young men who want to be soldier-scientists under present conditions are being unrealistic. They stand a fine chance of being utilized as motor mechanics or telephone operators.

Recently a young draftee known to the academic and scientific worlds as a mathematical genius was discovered in the Army, assigned as a clerk-typist at Fort Lee, Va. Pvt. Ernest Shult was only one victim of the Armed Forces' so-called "Classification System," and his case might be considered humorous if it were not so tragic. Today we cannot afford to waste a single scientist in a position that does not take full advantage of his talent and knowledge.

Repeatedly, we now hear these warnings: "Don't get hysterical. We do not have to copy Russia's totalitarian methods of regimenting science." I agree. But let's not lose sight of the fact that the Russians don't have to worry about placing enough scientists with their armed forces. The Kremlin presses a button and gets all the scientific manpower it needs, where it needs it.

I believe our free system can be just as effective if we establish a United States Science Academy. I have drafted a bill for a law creating the United States Science Academy, and by now the bill should be under active consideration in Congress. Talks I have had with some of my colleagues and various science leaders regarding the Science Academy have been encouraging. As a matter of fact, after contacting the White House I have reason to expect approval of the bill from the President, and bi-partisan support for it in Congress.

If passed unchanged, my bill will contain the following provisions:

1. The establishment of a permanent United States Science Academy under the Department of Defense.

2. The purpose of the Academy will be to train selected citizens, to be known as cadets, for service as officer-scientists with any of the Armed Forces.

3. Cadets will be between 17 and 25 years old and will receive a minimum of 4 years training.

4. Upon graduation, all cadets will be required to serve a minimum of 3 years in the Armed Forces of the United States.

5. Admission to the Academy will be by competitive examinations supervised by the National Science Foundation.

6. Candidates shall also be named by foreign nations who are allies of the United States, provided such candidates can pass a strict security check.

7. Physical standards will be minimized; by de-emphasizing brawn we may get more brain into the Armed Forces. We should not forget that one of this country's most brilliant scientists, the great Steinmetz, was a badly deformed cripple.

8. The atmosphere at the Science Academy will be studious but not overmilitarized. The cadet's standing as a scientist will be the only consideration—not his military knowledge. We already have three service Academies.

In all other respects, for purposes of administration, the science cadet will receive a completely free education, pay, housing, medical care, and supervision, under the same rules now governing other service Academies.

Since this is an entirely new venture, there is no way of estimating now the cost of establishing the Science Academy, which I hope will be equipped with the finest facilities that money can buy. No doubt, it will run into many millions of dollars, to be financed out of the Defense Department's budget. It may mean a tax increase somewhere along the line. But how else can we meet such a challenge as was reported recently from Russia—that the Communists are going to establish an entire "scientific town" with a population of 20,000, 10 major research institutes, a large new university, and housing accommodations for the best scientific brains to be gathered from all parts of Russia?

Perhaps you may have noticed that nowhere in my bill is the sex of acceptable cadets mentioned. That was deliberate. I believe the academy should be coeducational. I realize this may arouse some opposition to the bill; I hope not, for we have neglected too long the vast, untapped potential of scientific contributions from American women.

It has been estimated that at some Russian atomic projects, as many as half the scientists are women. In this country we have a handful of women scientists in good jobs. Our Science Academy might very well attract such brilliant cadets as Joyce Myron, the 18-year-old student from the Drexel Institute of Technology, who dazzled millions of Americans when she displayed a staggering knowledge of atomic energy on TV's $64,000 Question.

What will the United States Science Academy accomplish that other private technical schools and universities cannot?

In the first place, it will assure our Armed Forces of a definite, reliable, and steady number of highly trained scientist-officers. We must remember that graduates of private schools are under no compulsion whatsoever to join the Armed Forces. Just the opposite is usually true. We have to snare many of them through the draft, if and when we can. We even have difficulties obtaining them as civilians attached to the Armed Forces because we cannot pay the high salaries of private industry.

On the other hand, the incentive for becoming a science cadet is quite strong. The cadet will not only get a free education, but he will get paid for it. He will be free to devote all his time and energies to his first love, science, and not to waiting on tables or jerking sodas in order to pay his tuition, room, and board.

Although it has been estimated that some 40 percent of our top high-school graduates never go on to college because they cannot afford it, money will not stand in the way of recruiting a science cadet for Uncle Sam.

One reason America is graduating only half the number of science students as Russia, say the experts, is the fact that scientists in America lack public respect and prestige. Says Dr. Edward Teller, noted "father" of the hydrogen bomb: "In Russia, a boy thinks about a career as a scientist, the way a young girl in our society thinks about becoming a movie star."

The United States Science Academy should prove a glittering attraction for young Americans, and should do much toward restoring the tarnished prestige of scientists in this country. The science cadet will enjoy the prestige and dignity that comes with graduation from West Point or Annapolis.

I first began to give serious thought to the problem of training scientists for our Armed Forces back in 1955 and 1956 when, as a member of the NATO Parliamentary Conference, I attended secret briefings by Generals Gruenther and Norstad. I came away from these meetings considerably disturbed by the news that Russia was drawing ahead of us in the science race.

I thought about the Nation getting such great military leadership from West Point and Annapolis—then why not the same for the world of science from a United States Science Academy? When our own complacency was shattered by the sputniks, I decided the time had come to act.

I am confident that adding a Science Academy as this Nation's fourth defense bastion will add greatly to our national soundness and strength.

Whether you agree or disagree with the idea of a Science Academy, it is at least worthy of public discussion and debate in Congress, and I am sure your Representative would be pleased to have your views and suggestions—and so would I.

Oklahoma Salutes Carl Albert

EXTENSION OF REMARKS
OF
HON. ED EDMONDSON
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Monday, February 24, 1958

Mr. EDMONDSON. Mr. Speaker, on last Saturday night, people all over the country were aroused and inspired by

the ringing messages of Democratic leaders who assembled at the dinner honoring former President Truman.

Oklahomans who were present, and our State's representation was both large and enthusiastic, were more than proud of the stirring speech delivered by the Democratic whip in the House, the Honorable CARL ALBERT.

The speech delivered by my colleague from the Third District in Oklahoma was both a convincing indictment of an administration dominated by an autocratic Bureau of the Budget, and a clarion call for a return to the constructive leadership supplied by the Democratic Party.

The text of the speech follows:

SPEECH BY CONGRESSMAN CARL ALBERT, DEMOCRATIC WHIP, THIRD DISTRICT, OKLAHOMA, AT TRUMAN DINNER, WASHINGTON, D. C., FEBRUARY 22, 1958

The Democratic Members of the House of Representatives rejoice in the opportunity to join Democrats throughout the Nation in paying tribute to one of the great leaders of all time. In our legislative objectives we proudly take our cues from the Truman record. On that guide line and under the magnificent leadership of SAM RAYBURN and JOHN MCCORMACK in the House and LYNDON JOHNSON and MIKE MANSFIELD in the Senate, we will write a legislative record beneficial to the American people and we will chart the course of an overwhelming Democratic victory in November.

It is appropriate that we commemorate the services of President Truman on George Washington's Birthday. Just as the Father of our Country steered the infant Republic into a new venture in the science and theory of government, so President Truman with magnificent statesmanship guided this Nation into its new responsibilities as leader of the Free World in the perilous days following World War II. It was President Truman who met the first threat of Communist expansion after World War II head-on with the Greek-Turkish loan. It was President Truman who defeated the Communist threat in Germany with the Berlin airlift. It was President Truman who inaugurated the Marshall plan and resurrected Western Europe from the ashes of war. It was President Truman who halted Communist aggression in Korea and thereby saved the Korean Republic and made the United Nations an effective, workable institution for world peace and spared it the fate the League of Nations had suffered a quarter of a century before. It was President Truman who conceived the NATO organization and gave to the Atlantic Community a unified approach to the threat of Communist expansion. The point 4 program of President Truman gave new hope to mankind, hope that has added lustre to the American flag throughout the world. This translation of America's generosity and sincerity into concrete programs for the benefit of our fellowmen has done more to advance the cause of world peace and brotherly love than anything else in our time.

When President Truman was in the White House he was President in fact as well as in name. When the President sent his budget to Capitol Hill we in Congress knew that it was his budget. We knew that he and his administration understood it and that they would defend it. The thought never entered our minds that some budget officer would be telling us in a few weeks that it did not mean what it said or that some Cabinet official would dare us to touch it under penalty of having funny things happen to our hair.

When President Truman left the White House he left a vacuum that has never been filled. Not one constructive thing has been added to the Truman accomplishments to meet the cold war threat. Eisenhower's one contribution to American diplomacy has been John Foster Dulles, Sputnik I of the Republican Party, with his "brinks, massive retaliations, and junkets through outer space." There was never a more sterile administration in all the history of this country.

Herein lies our great problem, our principal difficulty. Our trouble at home and abroad is not with our scientists or military leaders. Our trouble is at the summit. It is the lack of effective leadership at the top management level of the Government.

The experts tell us that defense-wise we are in mortal danger. Yet defense since World War II has cost over $400 billion. Our strength or lack of it cannot be measured in terms of dollars spent. The only realistic way to measure our defense is in terms of the power of our potential enemy. The Rockefeller fund panel which measured our defense in those terms asked for an increase in the order of $3 billion. The President's supplemental budget for this fiscal year raises the current defense budget some $1.3 billion above the Wilson level, which Wilson himself claimed would be offset by the increased cost of inflation. During the last 3 or 4 years warnings have been sounded by scientists, military men, and Congressional investigating committees that we were falling behind Russia in the race for ballistic missiles. These warnings failed to jolt the White House or the Secretary of Defense into action.

In 1952 the combined military strength of the United States was greater than that of any other nation. Today we are winning the race for second place. On every single day during the Truman administration the lead time of American arms over Russia was maintained on the side of our own safety. Every day since the Eisenhower administration took over Russia has been closing the gap.

The Roosevelt and Truman administrations developed the A bomb, the H bomb, the atomic cannon, the jet plane, sonar, radar and proximity fuzes. They developed guided missiles and atomic submarines. They made outstanding advances in landing craft and in aircraft carriers which produced such giants as the *Forrestal*.

In 1952 the United States was the undisputed leader of the world in scientific knowledge. Today we find ourselves wearing an international dunce cap, while the rest of the world concludes that our short-sighted policies have almost given the game to the Kremlin.

The budget ceiling has ruled too many decisions. A budget ceiling is important, but if survival is at stake it must be seen in perspective. Our military policy is dominated by the Bureau of the Budget, cloistered and removed from responsibility to the American people. This Agency's withholding of funds appropriated by the Congress is the real bottleneck in our defense.

On the home front, the White House has had no control, if indeed any knowledge, of the economic policies of its own administration. These have been controlled in the Departments of Treasury and Agriculture. Hard money, high interest rates, and low farm prices have brought about a depression by design. Under Humphrey and Benson we have seen interest income exceed net farm income for the first time in history. Hard money and high interest rates have drained billions from the purchasing power of the American people while corporate profits have soared to new heights. Small business failures rose from 856 in 1955 to 1,192 in 1957, while giant mergers have increased as never before. No wonder the soup lines are forming. No wonder we have 5½ millions unemployed. Yet they keep telling us the economy is basically sound. They are talking more and more like Herbert Hoover every day. While they are not yet claiming that "prosperity is just around the corner," they are insisting that it is coming in July.

Democrats in Congress have reason to doubt that responsible management can be had from this administration. While Russia is spending more on the development of hydroelectric power projects than at any other time in history, the Eisenhower administration has decreed there will be no new starts in the development of the watersheds of this country. Today when the need for electricity on the farms of this country is greater than ever before the administration is sponsoring a bill which would turn the rural electrification program over to the Wall Street bankers. The Republican Party does not and has never set itself the task of improving the status of ordinary people. As elected officials they fail to represent the common body and follow philosophies prescribed by the select few which they, in fact, represent. Our country and the world can no longer tolerate the subjugation of our common interests by the Madison Avenue-Wall Street combine.

The Eisenhower administration is simply not going to furnish the leadership that will do the job. Indecisive, vacillating, and hand tied by the cliches of the Republican Party, this administration is not competent to cope with the issues of the day. Subservient to the moneyed interests, inimical to the laboring interests, cruel to the farming interests, and indifferent to small business, this administration has forfeited its right to the respect and support of the American people.

This country needs an overwhelming working majority of Democrats in the 86th Congress. This country needs Democrats in public office throughout the land. This is the answer to the Republican crisis in 1958. The Democratic Party and the Democratic Party alone has the formula, the program, and the leadership that will make this country strong and will keep this country free, prosperous, and at peace.

Economic Conditions in the United States

EXTENSION OF REMARKS

OF

HON. JOHN LESINSKI

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1958

Mr. LESINSKI. Mr. Speaker, America today is facing a grave situation in which firm and positive leadership must be exerted immediately if we are to maintain our Nation's economy and security at a high level. This is not a situation to be handled by platitudes and rosy promises of better things to come, such as President Hoover attempted to do 27 years ago. It is odd that the former President, during whose administration our Nation suffered the greatest depression in history, should at this time repeat his prosperity-is-just-around-the-corner speech, in an attempt to dismiss the present recession as he did the previous one. Let us hope and pray that forceful leadership and definite action will deliver us from the Hoover administration type of prosperity.

I believe that it is time for President Eisenhower to exert the leadership the American public expects of him. He has from time to time, but not often enough,

evidenced the qualities of leadership the country needs, the most recent example of which is his letter to the Premier Bulganin. However, I feel that at this time the President must give careful thought and action to the needs of America, for whatever decisions he makes regarding Russia, a prolonged depression in our economy, without measures to correct it, could so weaken the Nation that the stand he takes could not be supported.

The recent proposal to initiate a $2 billion Post Office Department renovation and construction program to alleviate the current depression has merit, because these projects have been needed in many areas for quite some time. However, such a program should have been conducted sooner, for the lack of facilities has made many operations slow and cumbersome.

Our economy has, since the Korean war, been supported by some twenty to forty billion dollars a year for defense purposes. In the light of those expenditures, the $2 billion which is proposed is a mere drop in the bucket for, while providing some relief, it is not sufficient when you consider that it will be spread out over 3 to 5 years. We must take action immediately to survey the needs of the entire Nation and provide forceful measures to improve and strengthen the economy.

The President and his deputies should come down to earth and take definite action to meet the actual needs of our economy today, instead of talking about possible future improvements.

One of the steps I suggest is an immediate cut in taxes, not for the privileged few—whom the administration seems to favor—but for the small taxpayers, the ones who will put the additional money right back into circulation. I believe that, with the President's leadership, measures to remove the loopholes and special concessions in our present tax laws could be enacted. My bill, H. R. 9683, is a move in that direction and would not result in the loss of any money to the Treasury. In addition to cuts in income taxes, excise taxes, such as the one on automobiles, should be eliminated.

I would also suggest that definite steps be taken to improve the income of our Nation's farmers. Surely the President and his Secretary of Agriculture are aware of the fact that throughout history, whenever the farmers' income has declined, the rest of the economy also becomes depressed. The present policies fostered and promoted by the present Secretary of Agriculture should be abandoned and a progressive and constructive program established. Because of technical advancements in agriculture which enhance production, I do not believe that acreage control is the answer to the farm-surplus problem. I therefore strongly urge that a measure, similar to my bill, H. R. 6157, be enacted to place limitations directly upon agricultural commodities.

In addition, proper programs of public works for civil defense, reclamation, flood control, irrigation, soil conservation, and other needed projects be initiated without further delay. Defense contracts should be channeled into those areas where unemployment is widespread.

Another helpful move would be to increase the annuities of the retired folks so they will not have to go out and obtain jobs to make ends meet.

I would again emphasize that the need for implementation of these programs is urgent; and, while we all have faith in the future of America, we should take action today to prove that faith. It is of little comfort to a man who has been out of work for 5 or 6 months, who has exhausted his unemployment benefits, who is facing foreclosure on his home, and who is worrying about how he is going to feed, clothe, and provide needed medical care for his family, to be told that in the months ahead things will be better. He and the 4.5 million like him need help now.

I have been noting the reports on the upsurge of the number of crimes and incidents of juvenile delinquency and would raise the question as to what extent the unemployment situation has contributed to those conditions. A man facing the situation mentioned in the paragraph above, could very easily be tempted to resort to illegal means to maintain himself and his family.

The President has surrounded himself with men of business, many of whom are of high caliber and ability in their respective fields. However, one thought must be kept in mind, a businessman as such is out to make money either for himself or for the stockholders in his company. So at the expense of the buying public, he must show a profit. And the approach of the various members of the administration has been just that, to sacrifice the good of the public for the benefit of special interests. There is a need in Government for business advice and ability, but the leadership should be in the hands of those who are aware of the overall problems of the Nation, for we in Government must give due consideration to all segments of the economy if we wish to act for the welfare of the entire Nation.

In view of present conditions I would suggest further that the President replace the majority of the members of his Cabinet with men of high caliber who have their feet on the ground, are aware of the total picture within the country, and will produce forceful and practical solutions to the problems not only of defense but of our Nation's prosperity and well-being. Lack of coordinated effort, inefficiency, and laxity should not be condoned by any President.

Many people are saying that history will condemn the Eisenhower administration for failure to exert leadership when it was most urgently needed. If the President wishes to retain in the eyes of the American public the fine reputation he gained during World War II, unblemished by the actions of his chancellor, Mr. Adams, and the other leaders in his administration, he must exercise the leadership the American public expects of him.

If the President should, perchance, get by the censors and read these remarks, I would assure him that I offer my comments sincerely and honestly, and would suggest that he invite some of the small farmers and businessmen around his Gettysburg farm to talk with him about their problems. I am sure that if he spoke frankly with some people other than those associated with big business, he would find that, with few exceptions, their respect for him has declined. I make this observation as a result of conversations I have had with individuals who had admired and voted for him.

Recognizing that the President does need relaxation away from the burdensome duties of his great office, I believe a few minutes apart from his putter, bridge table, or easel to exert the leadership the people of this Nation expect of him would bring back his prestige, not as a Republican President, but as an American who believes in the future of America and is willing to provide leadership for action to insure that future.

Senator Kennedy's Address at the Golden Jubilee Banquet of B'nai Zion

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, February 24, 1958

Mr. MULTER. Mr. Speaker, the distinguished Senator from Massachusetts, the Honorable JOHN F. KENNEDY, delivered an outstanding address at the golden jubilee banquet of B'nai Zion, held at the Hotel Commodore in New York City on February 9, 1958.

Sharing the platform with Senator KENNEDY on that occasion were Simcha Pratt, Consul General of Israel, in New York; Dr. Harris J. Levine, president of the Jewish National Fund of America, who was the toastmaster of the evening; and Nathaniel S. Rothenberg, president of B'nai Zion. As dinner chairman, I had the honor of making the opening remarks.

Members of Congress who attended this important event were the honorable VICTOR ANFUSO, EMANUEL CELLER, ISIDORE DOLLINGER, LEONARD FARBSTEIN, JAMES HEALEY, LESTER HOLTZMAN, EDNA KELLY, EUGENE KEOGH, ALFRED SANTANGELO, and LUDWIG TELLER.

Senator KENNEDY's remarks were as follows:

ADDRESS BY SENATOR JOHN F. KENNEDY AT 50TH ANNIVERSARY DINNER, B'NAI ZION, HOTEL COMMODORE, NEW YORK CITY, FEBRUARY 9, 1958

It is a great pleasure to be here tonight in tribute to the 50 years of B'nai Zion and in honor of the special mission of the Jewish National Fund.

It is heartening to spend an evening where the focus is set on works of peace and social improvement, on the courageous and far-sighted efforts your organization has made to alleviate deep human needs. For the years of crisis, through which we have been passing for more than two decades, have left no more bitter heritage than the homelessness and landlessness of millions. Your works constitute one of the great social achievements of our time, combining the highest idealistic vision with the greatest practical vigor. And what work could be more heartwarming or

more enduring than the great forest at Jerusalem. Your children and grandchildren when they visit Israel will find your monument.

There have always been skeptics scoffing at the possibility of making deserts bloom and rocky soils productive. In this regard, our own history as a nation and Israel's have many parallels—in the diversity of their origins, in their capacity to reach the unattainable, in the receptivity to new ideas and social experimentation.

In this country, throughout much of the 19th century, warnings were repeatedly proclaimed that mid-America and its plains beyond the 100th parallel could never be settled and made productive. One writer, traveling from Illinois to Oregon in 1839, spoke of the Great American Desert "burnt and arid * * * whose solemn silence is seldom broken by the tread of any other animal than the wolf or the starved and thirsty horse which bears the traveler across its wastes." The sterility of the plains, and their implacable resistance to civilizing influence or settlement, were themes of major writers, such as Francis Parkman in The Oregon Trail or Washington Irving in his Astoria. At best, these writers argued, a kind of nomadic existence could be salvaged from the mid-American land mass, from these "bare" and "wasted" plains with their "level monotony."

But on the Great American Plains—as decades later in the great Palestinian plains and valleys—determined settlers learned the truth of the epigram that "Rain follows the plow." By 1881 a great western town builder and scientist, Charles Dana Wilber, was saying: "In this miracle of progress, the plow was the advance messenger—the unerring prophet—the procuring cause."

These words sound deep resonances in the minds and memories of those who have observed the gradual Zionist fulfillment in Israel. History records several such breakthroughs—great efforts in which spiritual conviction and human endurance have combined to make realities out of prophecies. The Puritans in Massachusetts, the Mormons in Salt Lake City, the Scotch-Irish in the western territories were all imbued with the truth of the old Jewish thought that a people can have only as much sky over its head as it has land under its feet.

The Jewish National Fund, which for 47 years foreshadowed the existence of an independent Jewish state, and assembled long in advance a perpetual trust in land for the Jewish people, symbolizes this magnificent achievement. Just as our own West has sustained progress against the impacts of serious farm depressions, crop failures, credit crises, and droughts, so, too, Israel has had to exist on narrow margins of survival, on a constant climate of hostility and outside danger. Yet it has endured and its integrity remains unimpaired, and this success can be in a large measure attributed to the National Fund.

I cannot hope—nor pretend—to solve tonight all of the complex riddles of the Middle East. But I would like to suggest some perspectives which might help to clarify our thinking about that area and to indicate what lines our longer-range efforts might take. To do this requires, first of all, that we dispel a prevalent myth about the Middle East.

This myth—with which you are all too familiar—is the assertion that it is Zionism which has been the unsettling and fevered infection in the Middle East, the belief that without Israel there would somehow be a natural harmony throughout the Middle East and the Arab world. Quite apart from the values and hopes which the State of Israel enshrines—and the past injuries which it redeems—it twists reality to suggest that it is the democratic tendency of Israel which has injected discord and dissension into the Near East. Even by the coldest calculations, the removal of Israel would not alter the basic crisis in the area. For, if there is any lesson which the melancholy events of the last 2 years and more taught us, it is that, though Arab States are generally united in opposition to Israel, their political unities do not rise above this negative position. The basic rivalries within the Arab world, the quarrels over boundaries, the tensions involved in lifting their economies from stagnation, the cross pressures of nationalism—all of these factors would still be there, even if there were no Israel.

The Middle East illustrates the twin heritage of modern nationalism. In one of its aspects it reflects a positive search for political freedom and self-development; in another, it is the residue of distintegration and the destruction of old moorings. The Arab States, though some have had significantly varying lines of development, have all too often used Israel as a scapegoat and anti-Zionism as a policy to divert attention away from the hard tasks of national and regional development, and from special area problems.

One of these problems, that of the Arab refugees, which has lain like a naked sword between Israel and the Arab States, is a matter on which the books cannot be closed and which must be further resolved through negotiation, resettlement, and outside international assistance. But to recognize the problem is quite different from saying that the problem is insoluble short of the destruction of Israel, or only by the unilateral repudiation of the 1949 borders, or must be solved by Israel alone. Israel today stands as an example for all the Middle East, in spotlighting how economic modernization may be spurred and accelerated against high odds, great physical barriers, and constantly growing populations, as well as against all Communist blandishments. The growing influence of the Soviet Union in the Middle East and the further diminution of direct Western influence in that area as a whole, we shall in all likelihood have to face as realities. And it is sheer delusion to underestimate the cutting force of Arab nationalism or hope to create puppet regimes or pocket Western kingdoms in that area. This would only intensify anti-Western feeling in the Middle East and imperil Western relations with all uncommitted states.

Israel, on the other hand, embodying all the characteristics of a Western democracy and having long passed the threshhold of economic development, shares with the West a tradition of civil liberties, of cultural freedom, of parliamentary democracy, of social mobility. It has been almost untouched by Soviet penetration. Some of the leadership groups in the Arab States also draw inspiration and training from Western sources. But too often in these nations the leadership class is small, its popular roots tenuous, its problems staggering. In too many of the countries of the Middle East the Soviet model holds special attraction, the more so since the United States and its Western allies have not been able to develop more than tentative and often only expedient policies which hardly come to grips with the root causes of political disintegration and economic backwardness. To countries with relatively primitive or top-heavy economies and low industrial capacity, the Russian and even the Chinese passage to modernity in a generation's time inspires confidence and imitation—even as does Egypt's move in less than 10 years from a seemingly subjugated state to at least a strategic power. We now know that Soviet attraction is not grounded on threat or bluster alone, and that there are tensions and a critical restlessness which would exist even if there were not a Communist threat. Communism presents to many in that area the glamor of novelty, the breaking of fresh ground, of seeming to offer a disciplined, coherent, and irresistible answer to the overwhelming problems of economic management and progress.

In this light a simple military response is not adequate. For, apart from bequeathing to the United States latent anti-colonial resentments, military pacts and arms shipments are themselves new divisive forces in an area shot through with national rivalries, without historic frontiers, without, for the most part, skilled classes and political administrators who can pilot new states through the treacherous tides running through the Middle East.

Military pacts provide no long-term solutions. On the contrary, they tend dangerously to polarize the Middle East, to attach us to specific regimes, to isolate us very often from the significant nationalist movements. Little is accomplished by forcing the uncommitted nations to choose rigidly between alliance with the West or submission to international communism. Indeed, it is to our self-interest not to force such a choice in many places, especially if it diverts nations from absorbing their energies in programs of real economic improvement and takeoff. In the Middle East we are moving perilously close to an arms race which, in the long run, will be of benefit to no one. No other area stands more in need of a real disarmament effort. The real mutual advantages for gradual demilitarization rather than buildup are unequalled. Already we have used the area for a pilot test of the United Nations Emergency Force; and this might well be supplemented by a similar international device to regulate arms traffic.

The contours of the outstanding economic and political issues in the Middle East lend themselves uniquely also to a regional approach. The project-by-project, country-by-country pattern of assistance is particularly ill-adapted in this area. The great river basins of the Middle East are international—the Jordan, the Nile, the Tigris, and the Euphrates. And there are other nations in the West besides the United States which can make important contributions in economic and technical assistance. There has been no lack of pointers toward what a regional policy might include—a multilateral regional development fund for both economic improvement and refugee resettlement, the Jordan River multipurpose scheme, a food pool making imaginative use of our agricultural surpluses, and, as a coordinating agency, a Middle East Development Authority to pool capital and technical aid in that area. This would encourage and provide incentive for realistic and constructive plans and projects, encourage a higher and more diversified level of private investment, and enable Arab leaders to participate in economic planning and administration.

Unfortunately, all these and other plans have so far lacked the active political leadership which can break the paralysis of purpose. Only external Soviet aggression, which is only one danger to the Middle East, has been the subject of high-level policy planning. No greater opportunity exists for the United States than to take the lead in such an effort which could diminish the internal bickering in that tense and troubled area, and bend new energies to new more promising, and more constructive ventures.

Needless to say, such proposals and programs should not be used as veiled techniques for placing new economic sanctions and pressures on Israel. Nor should they detract from our support of Israel's immediate needs. There is no reason why the United States should not conclude at once the $75 million loan promised through the Export-Import Bank, and make it clear that we will not sanction any barrier to free shipping on the Gulf of Aqaba, which is an international waterway. The choice today is not between either the Arab States or Israel. Ways must be found of supporting the

legitimate aspirations of each. The United States, whose President was first to recognize the new State of Israel, need have no apologies—indeed should pride itself—for the action it took. But neither should we foreclose any effort which promises a regeneration of a much wider segment of the Middle East.

The Jewish state found its fulfillment during a time when it bore witness, to use the words of Markham, to humanity betrayed, "plundered, profaned, and disinherited."

But it is yet possible that history will record this event as only the prelude to the betterment and therapy—not merely of a strip of land—but of a broad expanse of almost continental dimensions. Whether such a challenge will be seized, cannot be determined by the United States alone. But as we observe tonight the inspiring experience of Israel, we know that we must make the effort—and that we can once again demonstrate that "rain follows the plow."

In his book One Man's America, Alistair Cooke tells the story which well illustrates our point. On the 19th of May 1780, as he describes it, in Hartford, Conn., the skies at noon turned from blue to gray and by midafternoon had blackened so densely that, in that religious age, men fell on their knees and begged a final blessing before the end came. The Connecticut house of representatives was in session. And as some men fell down in the darkened chamber and others clamored for an immediate adjournment, the speaker of the house, one Colonel Davenport, came to his feet, and he silenced the din with these words. "The day of judgment is either approaching or it is not. If it is not, there is no cause for adjournment. If it is, I choose to be found doing my duty. I wish, therefore, that candles may be brought."

Members of B'nai Zion, you who are here gathered tonight deserve thanks, for you have in truth brought candles to illuminate your people's way.

SENATE

TUESDAY, FEBRUARY 25, 1958

(Legislative day of Monday, February 24, 1958)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Richard E. Nowers, assistant minister, Foundry Methodist Church, Washington, D. C., offered the following prayer:

O God, who in the days of old didst make Thyself plain to prophets and seers in times of great difficulty, we in these days do ask, not for perfect happiness, but, rather, for power to shape trials and problems into victories. We ask, not for a perfect world, but for the power to change and refashion it more closely after Thy will. May all the work and deliberation of this hour further our progress toward this goal. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Monday, February 24, 1958, was dispensed with.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting a nomination was communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE—ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bill and joint resolutions, and they were signed by the Vice President:

H. R. 9955. An act to provide for a temporary increase in the public debt limit;

H. J. Res. 417. A joint resolution for the relief of Edward H. Turri and Mario Guiffre;

H. J. Res. 429. A joint resolution to facilitate the admission into the United States of certain aliens;

H. J. Res. 435. A joint resolution for the relief of certain aliens;

H. J. Res. 436. A joint resolution to facilitate the admission into the United States of certain aliens; and

H. J. Res. 437. A joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the Public Roads Subcommittee of the Committee on Public Works was authorized to meet during today's session of the Senate.

On request of Mr. MANSFIELD, and by unanimous consent, the Subcommittee on Internal Security of the Committee on the Judiciary was authorized to meet during the session of the Senate today.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business, to consider the nominations of the Executive Calendar.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGE REFERRED

The VICE PRESIDENT laid before the Senate a message from the President of the United States submitting the nomination of Raymond A. Hare, of West Virginia, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary to the United Arab Republic, which was referred to the Committee on Foreign Relations.

The VICE PRESIDENT. If there be no reports of committees, the nominations on the calendar will be stated.

UNITED STATES CIRCUIT JUDGE

The Chief Clerk read the nomination of Leonard Page Moore, of New York, to be United States circuit judge for the second circuit.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

UNITED STATES DISTRICT JUDGES

The Chief Clerk read the nomination of Julius H. Miner, of Illinois, to be United States district judge for the northern district of Illinois.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Edwin M. Stanley, of North Carolina, to be United States district judge for the middle district of North Carolina.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Axel J. Beck, of South Dakota, to be United States district judge for the district of South Dakota.

Mr. JOHNSON of Texas. Mr. President, by request, I ask that the nomination of Mr. Beck, of South Dakota, go over. I should like to have the South Dakota Senators know that the Senator from Tennessee [Mr. KEFAUVER] has requested that the Senate wait before acting on this nomination.

The VICE PRESIDENT. Without objection, the nomination will be passed over.

Mr. KEFAUVER subsequently said: Mr. President, this morning, upon the presentation of the nominations on the Executive Calendar, the majority leader, at my suggestion, asked that the nomination of Axel J. Beck of South Dakota, to be a district judge for the district of South Dakota, be passed over. I wish to make a brief explanation of my reason for making the request.

The American Bar Association, in cooperation with the State bar associations, does the country and the Senate and the Committee on the Judiciary a great service by voluntarily making investigations of the fitness of nominees and giving the Committee on the Judiciary and the Senate the benefit of their information and advice.

I was informed this morning—and in fact read in one of the newspapers—that the American Bar Association had not acted favorably upon this nomination. I therefore wanted it passed over until I could find out what the objection was. If it is of a substantial nature, I shall move that the nomination be recommitted to the Committee on the Judiciary for further hearings. However, I thought, in fairness, I should state the reason for the action I took.

UNITED STATES ATTORNEYS

The Chief Clerk read the nomination of George M. Yeager, of Alaska, to be United States attorney for a term of 4 years for division No. 4, district of Alaska.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of William B. Butler, of Texas, to be

United States attorney for the southern district of Texas for a term of 4 years.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

UNITED STATES MARSHALS

The Chief Clerk read the nomination of Herbert Barnes, of Delaware, to be United States marshal for the district of Delaware for a term of 4 years.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Clark W. Gregory, of Michigan, to be United States marshal for the eastern district of Michigan for a term of 4 years.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Edward L. McCarthy, of Rhode Island, to be United States marshal for the district of Rhode Island for a term of 4 years.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the President be notified forthwith of these confirmations.

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there may be the usual morning hour for introduction of bills and the transaction of other routine business, with statements limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I announce, for the information of all Senators, that this afternoon it is expected there will be some yea-and-nay votes in the Senate. However, if by 6 o'clock it is found impossible for the Senate to complete its consideration of the postal-rate bill, including the various amendments which will be proposed to it, I do not expect to ask the Senate to remain in session and to take any yea-and-nay votes after 6 o'clock, in view of the meeting the President will address this evening, which a number of Senators expect to attend.

I should like to have all Senators be on notice that we expect to have votes taken during the afternoon; but if I can arrange it, no votes will be taken after 6 p. m. today.

Mr. SALTONSTALL. Mr. President, will the distinguished majority leader yield for a question?

Mr. JOHNSON of Texas. I yield.

Mr. SALTONSTALL. I assume that it is the intention of the majority leader to have the debate on the bill continue until final action is taken on it.

Mr. JOHNSON of Texas. I shall not insist on any debate; I shall be ready to vote when the amendments have been explained.

I anticipate that there will be considerable debate all afternoon today, and probably all day tomorrow. We do not plan to have any other controversial measure taken up until this one is disposed of.

Mr. SALTONSTALL. I thank the Senator from Texas.

MORNING BUSINESS

The VICE PRESIDENT. Routine business is now in order, with the limitation on statements adopted on request of the Senator from Texas [Mr. JOHNSON].

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

SUPPLEMENTAL REPORT ON IRON AND STEEL SCRAP

A letter from the Secretary of Commerce, transmitting, pursuant to law, a supplemental report on iron and steel scrap dated February 17, 1958 (with an accompanying report); to the Committee on Banking and Currency.

REPORTS PRIOR TO RESTORATION OF BALANCES, CORPS OF ENGINEERS

A letter from the Engineer Comptroller, Department of the Army, Washington, D. C., transmitting, pursuant to law, reports prior to restoration of balances entitled "General Expenses, Corps of Engineers, Civil" and "United States Section, St. Lawrence River Joint Board of Engineers, Corps of Engineers, Civil" (with accompanying reports); to the Committee on Government Operations.

PAYMENT OF TRAVEL COSTS FOR CERTAIN PERSONS

A letter from the Chairman, United States Civil Service Commission, Washington, D. C., transmitting a draft of proposed legislation to provide for the payment of travel and transportation costs for persons selected for appointment to certain positions in the continental United States and Alaska, and for other purposes (with accompanying papers); to the Committee on Government Operations.

ORDER FOR CANCELLATION AND ADJUSTMENT OF CERTAIN IRRIGATION CHARGES—AUTHORIZATION FOR APPROVAL OF SUCH ORDER

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, an order canceling and adjusting irrigation charges of certain non-Indian landowners on the Wind River Indian irrigation project, Wyoming, and a draft of proposed legislation to approve the order for such cancellation (with accompanying papers); to the Committee on Interior and Insular Affairs.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A resolution adopted by the National Aeronautic Association, at Omaha, Nebr., favoring the enactment of legislation to provide increased support of scientific laboratory research in aeronautics in Government laboratories, and also increased support for research and development in the military services and through military contracts with private industry and educational institutions; to the Committee on Armed Services.

The petition of Philip Ickler, of Oakland, Calif., praying for the enactment of legislation providing an increase of old-age pensions to $50 a month; to the Committee on Finance.

A resolution adopted by the National Aeronautic Association, at Omaha, Nebr., relating to the sciences in educational programs; to the Committee on Labor and Public Welfare.

A resolution adopted by Motor City Aerie 2265, Fraternal Order of Eagles, Detroit, Mich., favoring the enactment of the bill (S. 3188) to prohibit discrimination because of age in the hiring and employment of persons by Government contractors; to the Committee on Labor and Public Welfare.

CONCURRENT RESOLUTION OF THE SOUTH CAROLINA LEGISLATURE

Mr. THURMOND. Mr. President, on behalf of myself, and my colleague, the senior Senator from South Carolina [Mr. JOHNSTON], I present, for appropriate reference, a concurrent resolution of the South Carolina Legislature, favoring the enactment of legislation to provide dairy support prices.

The VICE PRESIDENT. The concurrent resolution will be received and appropriately referred.

(See the above concurrent resolution printed in full when laid before the Senate by the Vice President on February 24, 1958, p. 2566, CONGRESSIONAL RECORD.)

RESOLUTION OF BOARD OF SUPERVISORS, SULLIVAN COUNTY, N. Y.

Mr. JAVITS. Mr. President, I ask unanimous consent to have printed in the RECORD as a petition a resolution adopted by the supervisors of Sullivan County, N. Y., seeking an armory and a National Guard unit there.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION SEEKING FUNDS FOR COUNTY ARMORY

Whereas the New York National Guard evidenced a keen interest in the formation of a National Guard unit in Sullivan County and the construction of a new armory within Sullivan County; and

Whereas, as a result of such interest, and the desire of the people of the county of Sullivan to have a National Guard unit and an armory within the county, the Board of Supervisors of the County of Sullivan, pursuant to the provisions of section 177-a of the Military Law of the State of New York, passed a resolution on April 9, 1956, offering to purchase an armory site which was acceptable to the New York National Guard and to convey the same to the State of New York as a gift, with the understanding and upon the condition that the same was to be used for the construction and erection of an armory; and

Whereas the State of New York accepted such offer and its Attorney General was authorized to acquire title to the said armory site and the county was authorized to take title to the said property for such purpose, and in fact did on January 15, 1957, take title thereto; and

Whereas the board of supervisors by resolution duly authorized the conveyance of

the said armory site and a deed was executed and delivered by the county of Sullivan to the State of New York on June 14, 1957, which is being held in escrow by the State pending the filing of certain maps by the New York State Department of Public Works; and

Whereas the county of Sullivan was notified by the New York National Guard that the necessary moneys had been appropriated for the construction of the said armory, and on the strength thereof a National Guard unit was duly organized in the county of Sullivan, known as Company A, 101st Armored Cavalry; and

Whereas this board did on or about November 20, 1957, receive notification from the Chief of Staff to the Governor of the State of New York on Military Affairs, that it was necessary to inactivate the said National Guard unit and suspend plans for the construction of a new armory in Sullivan County because of the cutback in Federal funds both for maintenance of the National Guard and for the construction of new armories; and

Whereas the county of Sullivan has in good faith acted upon the agreement to contruct an armory and has spent over the sum of $15,0000 for the acquisition of the said armory site, and as a result of the inactivation of its National Guard unit and the suspension of plans for the construction of a new armory, is left with property for which it has no use; and

Whereas the inactivation of the National Guard unit may seriously affect the national defense, in view of the fact that Sullivan County is within 100 miles of the city of New York and very definitely enters into the defense of such city, and an armory and National Guard unit in the county of Sullivan would be a very necessary adjunct to its defense, and to disband the unit may discourage its members so that it would prove difficult in the future to reactivate such a unit in the county: Now, therefore, be it

Resolved, That the board of supervisors in the county of Sullivan in the State of New York does hereby urgently request the Governments of the United States and of the State of New York to reconsider the action taken by inactivating Company A, 101st Armored Cavalry, in the county of Sullivan and by suspending plans for the construction of a new armory in Sullivan County, and that the necessary funds be appropriated to continue the National Guard unit within Sullivan County and for the construction of a new armory in Sullivan County; and be it further

Resolved, That copies of this resolution be forwarded to the President of the United States, the Secretary of Defense, the Governor of the State of New York, the Honorable Irving M. Ives and the Honorable Jacob K. Javits, United States Senators representing the State of New York, the Honorable Katharine St. George, Member of Congress for the 28th District, representing Sullivan County, the Honorable E. Ogden Bush, New York State senator, and the Honorable Hyman E. Mintz, member of the assembly, and that they be urged to take the necessary steps for such reactivation and construction, and to support the same.

CONTROL OF SALE OF NATURAL GAS—RESOLUTIONS

Mr. JAVITS. Mr. President, I ask unanimous consent to have printed in the RECORD 2 petitions in the form of resolutions, 1 from the supervisors of Schenectady County, N. Y., and the other from the Common Council of Syracuse, N. Y., in opposition to the so-called natural gas bill.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

RESOLUTION 34, RESOLUTION OPPOSING H. R. 8525, NATURAL GAS ACT

Whereas the approval by Congress of H. R. 8525, known as the Natural Gas Act, would in effect result in substantial rate increases in the cost of natural gas for thousands of families in our community: Now, therefore, be it

Resolved, That the Schenectady County Board of Supervisors go on record as opposing said legislation as being discriminatory as well as inflationary; and be it further

Resolved, That copies of this resolution be forwarded to Congressman BERNARD W. KEARNEY and to United States Senators IRVING M. IVES and JACOB K. JAVITS.

Whereas consideration of the Harris-O'Hara natural-gas bill as amended, is now pending in the House of Representatives for an early consideration; and

Whereas it is the purpose of this bill to amend the Natural Gas Act to remove from the jurisdiction of the Federal Power Commission, the present power of regulation of contract prices for natural gas sold by producers to pipeline companies, prior to its entry into interstate transmission lines; and

Whereas the city of Syracuse with a population of 230,000 persons and a metropolitan area of 400,000 persons receives the majority of its supply of natural gas through Niagara Mohawk Power Corp. who purchases from New York State Natural Gas Co. through various out-of-State natural-gas companies; and

Whereas the number of gas users in the Syracuse area has increased from 67,141 in 1950 to approximately 100,000 in 1958; and

Whereas the cost of distribution of Niagara Mohawk Power Corp. has substantially increased since 1950, which cost has been passed on to the consumer; and

Whereas Syracuse area heating-gas consumers have an estimated $20 million invested in gas heating equipment and would be at the mercy of producers without Federal control and are financially unable to convert their investment to coal or oil heating units; and

Whereas the passage of this bill would be injurious to millions of consumers in that it would impose an additional financial burden upon them and increase inflationary pressures: Now, therefore, be it

Resolved, That this common council urges the Congress of the United States to protect the homeowners of Syracuse and central New York by defeating the Harris-O'Hara natural-gas bill which would remove the regulation of contract prices for natural gas sold by producers to pipeline companies from the jurisdiction of the Federal Power Commission, for the reason that heating gas is a commodity necessary for use by residents of central New York, and thereby constitutes a public utility that affects the health, welfare, and safety of our residents and one that should be regulated and controlled by responsible governmental authority.

FEDERAL AIRPORT AID PROGRAM—RESOLUTION

Mr. JAVITS. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the supervisors of Schenectady County, N. Y., concerning the endorsement of the CAA Federal airport aid program.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION 27, ENDORSEMENT OF CAA FEDERAL AIRPORT AID PROGRAM

Whereas the Board of Supervisors of Schenectady County, N. Y., believes in the great possibilities of commercial air service, and to foster, encourage, and promote public air service, appropriates annually large sums of money for the operation, maintenance, improvement, and personnel of Schenectady County Airport; and

Whereas the Schenectady County Board of Supervisors believes that the remarkable growth of aviation will continue and even accelerate during the next several years; and

Whereas the Board of Supervisors of Schenectady County believes that business flying as well as air-carrier service has become so deeply integrated into the economic structure of our Nation, that continuous expansion and development of our airports is essential in the interest of the economic security of the entire Nation; and

Whereas the Board of Supervisors of Schenectady County believes that adequate and usable standby status of the Nation's civil airports is an essentially necessary part of our national defense structure; and

Whereas our airports are so deeply integrated into our defense logistics, which must rely on civil supply lines, that failure of the Federal Government to participate in the large and necessary cost in further developing and expanding these important facilities might well result in failure of the internal supply system of our Nation at a time of utmost need; and

Whereas the Federal aid airports program is efficiently and capably administered by the Airports Branch of the Civil Aeronautics Administration and should be extended for an additional period of time: Now, therefore, be it

Resolved, That the Congress and Senate of the United States of America be and are here petitioned to pass legislation providing for a substantial increase in the sum of money made available annually for the implementation and operation of this vital Federal air airports program; and be it further

Resolved, That copies of this resolution be mailed to the President of the United States, Congressman BERNARD W. KEARNEY, United States Senators IRVING M. IVES and JACOB K. JAVITS, the Secretary of Commerce, and the Administrator of the Civil Aeronautics Administration.

RESOLUTION OF COUNTY COMMISSIONERS ASSOCIATION OF NORTH DAKOTA

Mr. LANGER. Mr. President, I present a resolution adopted by the County Commissioners Association of North Dakota, of Hunter, N. Dak., favoring the enactment of legislation providing a parity of income for the American farmer. I ask unanimous consent that the resolution may be printed in the RECORD, and appropriately referred.

There being no objection, the resolution was referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Whereas the economic structure of our township, county, State, and Federal Government is based on the existence and the purchasing power of the American farmer; and

Whereas the price supports for farm products have been reduced and the Secretary of Agriculture has advocated further re-

ductions which may result in wrecking the whole farm program and lead to unlimited production and ruinous prices for farm products; and

Whereas other industries are being protected by subsidies and Federal legislation, and labor is also protected by Federal and State legislation and by the power of their labor unions; and

Whereas the American farmer is unable through his own organization to control production and demand prices that will provide a parity of income; and

Whereas it is evident that the Federal Government is the only agency powerful enough to support the price of farm products; and

Whereas the cost of price supports of farm products in the past has been small in comparison to the benefits to the whole economy of the United States and failure to provide the necessary protection can result in a national depression and thereby endanger our defense program and the very means of maintaining peace: Now, therefore, be it

Resolved, That the county commissioners of North Dakota, acting as a body, go on record recommending to our Congressmen and Senators from the State of North Dakota that they do everything in their power to pass legislation to obtain a parity of income for the American farmer; and be it further

Resolved, That a copy of this resolution be sent to each of our Congressmen and Senators.

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce, with an amendment:

S. 2255. A bill to amend section 607 (d) of the Merchant Marine Act, 1936, as amended (Rept. No. 1322).

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BRICKER:

S. 3347. A bill for the relief of Franco Torresi; to the Committee on the Judiciary.

S. 3348. A bill to amend section 335 (f) of the Agricultural Adjustment Act of 1938, as amended, relating to wheat fed or used for seed or food on the farm; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. BRICKER when he introduced the last above-mentioned bill, which appear under a separate heading.)

By Mr. MAGNUSON (by request):

S. 3349. A bill to repeal and amend certain statutes fixing or prohibiting the collection of fees for certain services under the navigation and vessel inspection laws; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. MAGNUSON when he introduced the above bill, which appear under a separate heading.)

By Mr. ANDERSON (for himself and Mr. BARRETT):

S. 3350. A bill to amend section 161 of the Atomic Energy Act of 1954; to the Joint Committee on Atomic Energy.

By Mr. BEALL (for himself and Mr. JAVITS):

S. 3351. A bill to amend title IV of the Housing Act of 1950 to authorize loans under the college housing loan program for the construction of science buildings and libraries at educational institutions; to the Committee on Banking and Currency.

By Mr. FLANDERS (for himself and Mr. COOPER):

S. 3352. A bill to assist the local educational agencies of the States in initiating, expanding, and improving science and mathematics instruction in their public secondary schools by providing grants to be used for the acquisition of necessary laboratory and related facilities; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. FLANDERS when he introduced the above bill, which appear under a separate heading.)

By Mr. FLANDERS (for himself, Mr. BRICKER, Mr. ALLOTT, and Mr. COOPER):

S. 3353. A bill to amend the Internal Revenue Code of 1954 so as to recognize certain expenses incurred by teachers for their further education as expenses incurred in carrying on a trade or business; to the Committee on Finance.

(See the remarks of Mr. FLANDERS when he introduced the above bill, which appear under a separate heading.)

By Mr. LAUSCHE:

S. 3354. A bill for the relief of Fuad E. Kattuah; to the Committee on the Judiciary.

By Mr. BUTLER:

S. 3355. A bill to prescribe the time in which an arrested person shall be taken before a court, commissioner, or other judicial officer; to the Committee on the Judiciary.

By Mr. HUMPHREY:

S. 3356. A bill to provide that seat belts sold or shipped in interstate commerce for use in motor vehicles shall meet certain safety standards; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. HUMPHREY when he introduced the above bill, which appear under a separate heading.)

By Mr. SMATHERS:

S. 3357. A bill for the relief of Arturo Ernesto Audrain y Campos; and

S. 3358. A bill for the relief of John Demetriou Asteron; to the Committee on the Judiciary.

By Mr. LANGER:

S. 3359. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income for certain amounts paid by a teacher for his further education; to the Committee on Finance.

By Mr. CARROLL:

S. 3360. A bill for the relief of Bertha Nicholson; to the Committee on Finance.

By Mr. BIBLE (by request):

S. J. Res. 155. Joint resolution authorizing the Commissioners of the District of Columbia to borrow funds for capital improvement programs and amending provisions of law relating to Federal Government participation in meeting costs of maintaining the Nation's Capital City; to the Committee on the District of Columbia.

(See the remarks of Mr. BIBLE when he introduced the above joint resolution, which appear under a separate heading.)

AMENDMENT OF AGRICULTURAL ADJUSTMENT ACT OF 1938, RELATING TO FEED WHEAT PENALTIES

Mr. BRICKER. Mr. President, I introduce, for appropriate reference, a bill to amend section 335 (f) of the Agricultural Adjustment Act of 1938, as amended, relating to wheat fed or used for seed or food on the farm. I ask unanimous consent that the bill, together with a statement, prepared by me, relating to the bill, may be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill and statement will be printed in the RECORD.

The bill (S. 3348) to amend section 335 (f) of the Agricultural Adjustment Act of 1938, as amended, relating to wheat fed or used for seed or food on the farm, introduced by Mr. BRICKER, was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That section 335 (f) of the Agricultural Adjustment Act of 1938, as amended, is amended to read as follows:

"(f) A producer shall be exempt from any obligation under this act to pay the penalty on, deliver to the Secretary, or store the farm marketing excess with respect to any farm for any crop of wheat harvested in 1954 or subsequent years on the following conditions:

"(1) That none of such crop of wheat is removed from such farm except to be processed for use as human food on such farm or with respect to wheat of the 1954, 1955, 1956, or 1957 crop to be placed in off-farm storage or delivered to the Secretary in accordance with applicable regulations in order to avoid or postpone the payment of any penalty due under the provisions of this act;

"(2) That such entire crop of wheat is used on such farm for seed, human food, or feed for livestock, including poultry, owned by any such producers, or a subsequent owner or operator of the farm; and

"(3) That such producers and their successors comply with all regulations prescribed by the Secretary for the purpose of determining compliance with the foregoing conditions."

Failure to comply with any of the foregoing conditions shall cause the exemption to become immediately null and void unless such failure is due to circumstances beyond the control of such producers as determined by the Secretary. In the event an exemption becomes null and void the provisions of this act shall become applicable to the same extent as if such exemption had not been granted. No acreage planted to wheat in excess of the farm-acreage allotment for a crop covered by an exemption hereunder shall be considered in determining any subsequent wheat-acreage allotment or marketing quota for such farm.

In accordance with regulations issued by the Secretary in the case of wheat of the 1954, 1955, 1956, or 1957 crop upon which the producer qualifies for an exemption as herein provided, such producer shall be entitled to a refund of any penalty paid by him under the act with respect to such wheat, or of the value, as determined by the Secretary, of any such wheat delivered to the Secretary in accordance with applicable regulations in order to avoid or postpone payment of the penalty, and shall be authorized to remove from storage any such wheat stored under applicable regulations to avoid or postpone payment of the penalty under this act for use on the farm for any purpose authorized by the exemption hereunder. There is hereby authorized to be appropriated sums necessary for the payment of the refunds provided for herein, and in addition sums collected as wheat penalties which are on special deposit for refund of excess collections, may be used to make the refunds provided for herein.

If any producer on the farm votes in any referendum under section 336, beginning with the referendum applicable to the 1960 crop, no producer on the farm shall be eligible for exemption under this section with respect to the crop to which such referendum is applicable.

SEC. 2. Section 114 of the Soil Bank Act (70 Stat. 196) is amended by changing clause (2) in the first sentence thereof to read as follows: "(2) in the case of a farm which is not exempted from marketing quota penalties under section 335 (f) of the Agricultural Adjustment Act of 1938, as amended, the wheat acreage on the farm exceeds the larger of the farm wheat-acreage allotment under such title or 15 acres, or."

The statement presented by Mr. BRICKER is as follows:

FEED WHEAT PENALTIES

(Statement by Senator BRICKER)

The bill I have introduced provides that wheat used for feed, seed, or food on the farm where grown shall be exempt, without limitation, from marketing penalties. It also provides that penalties paid by producers of such wheat in 1954, 1955, 1956, and 1957 be refunded by the Department of Agriculture. Unpaid penalties on feed wheat crops of those years would be canceled.

This bill would have one more important effect. It would relieve the farmer from having to petition the Department of Agriculture to grow his own wheat to feed himself or his livestock and poultry.

The purpose of this proposed legislation is to eliminate from our agricultural laws features that are repugnant to free people. These features are little understood by the general public. Among other than farm people it is commonly believed that the farmer who is fined by the Government has failed to abide by an acreage allotment on which he has been given a subsidy, compliments of the taxpayers. This is seldom the case of those penalized in the Central and Eastern States. Seldom is any Government benefit accepted, either directly or indirectly. These farmers send no wheat to market to add to the glut in Government warehouses. Instead, they have fallen victim of an unsound law that seeks through fixed wheat acreage quota for every farm in the commercial wheat area to control the production of wheat for sale.

In 1955 and 1957, the Senate passed bills similar to this one, recognizing the traditional right of the farmer to harvest the necessary amount of wheat to feed his own livestock and poultry for his own seed and food. Both times the Senate bills failed to pass the House. However, in 1957, the House passed a substitute bill granting a 30-acre exemption provided the farmer would apply to the Department of Agriculture. The Senate, having the choice of seeing no relief granted or accepting the limited exemption, agreed to the House bill, which became Public Law 85-203.

The limited exemption in that law is an arbitrary restriction on a basic right of the farmer and the provision that requires him to petition the Federal Government to exercise that right is unnecessary redtape. This application requirement upon the feed wheat farmer is regulation for regulation's sake and will invite bureaucratic abuse of the independent-minded farmer. It is entirely exclusive of that part of the law governing the marketing of wheat. Unless it is removed it is bound to result in further penalties against the feed wheat producer, not because he has exceeded the 30-acre limitation or has illegally marketed wheat, but solely because he failed to make an application to the Government to grow his crop.

The type of inquisition which my bill would eliminate is demonstrated by three cases in Ohio. Suits have been brought in Federal court against a farmer from Holmes County, 1 from Darke County and 1 from Columbiana County. They are suspected of having harvested excess-quota wheat. However, they refused to permit agents of the county ASC committee to come on their land to measure wheat acreage. Here is the reason for the legal actions in the Government's own words:

The amount of penalty is not known in cases of this nature inasmuch as the producer refused to permit ASC personnel to measure his wheat acreage. The suit by the Government is intended to compel the producer to file a report stating the amount of wheat harvested, and to pay any penalty which may be determined.

The present law, in effect, requires the feed wheat producer to prove his own innocence. This bill would place on the Government, where it belongs, the burden of proving guilt of noncompliance.

While our own farmers may be fined for growing more than a given amount for their own use, the amount of feed and seed wheat that may be imported is unlimited. On June 8, 1957, the Canadian steamship, *Sir Thomas Shaughnessy*, unloaded at Huron, Ohio, 43,778 bushels of wheat imported for livestock and poultry feed purposes. Such shipments are a regular occurrence. I am informed by the Grain Division of the Department of Agriculture that no law, regulation or international agreement, outside the pure-food laws, restrict the importation of feed and seed wheat. During the 1957-58 harvest year, 7.2 million bushels were imported. Importations for previous years during which the penalty provision has been in effect on domestic excess-quota wheat are 6.7 million bushels for 1956-57, 8.7 million bushels for 1955-56, and 2.9 million bushels for 1954-55.

The Department of Agriculture is authorized under section 22 of the Agriculture Act to seek import controls on feed wheat through the Tariff Commission, but it believes the importation rate of recent years does not justify such action. With that view I agree. But the fact that millions of bushels of feed and seed wheat are imported each year further illustrates the absurdity of Government fines being imposed upon our own farmers who want no part of agricultural subsidies, but who want merely to grow enough wheat to feed their own stock and seed their own fields.

REPEAL OF CERTAIN STATUTES RELATING TO COLLECTION OF CERTAIN FEES

Mr. MAGNUSON. Mr. President, by request, I introduce for appropriate reference a bill to repeal and amend certain statutes fixing or prohibiting the collection of fees for certain services under the navigation and vessel inspection laws. I ask unanimous consent that a letter addressed by the Vice President by the Acting Secretary of the Treasury, requesting the proposed legislation, be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 3349) to repeal and amend certain statutes fixing or prohibiting the collection of fees for certain services under the navigation and vessel inspection laws, introduced by Mr. MAGNUSON, by request, was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The letter presented by Mr. MAGNUSON is as follows:

TREASURY DEPARTMENT,
Washington, February 10, 1958.

The PRESIDENT OF THE SENATE,
Washington, D. C.

MY DEAR MR. PRESIDENT: There is transmitted herewith a proposed bill "to repeal and amend certain statutes fixing or prohibiting the collection of fees for certain services under the navigation and vessel inspection laws."

The proposed legislation would repeal certain statutes prohibiting the charging or collection of fees for certain services rendered to vessel owners by the Bureau of Customs and the United States Coast Guard. It would further repeal fees presently fixed by statute for other services rendered by the Bureau of Customs to vessel interests and thus permit the Secretary of the Treasury, under general authority, to fix fees to be collected upon the rendering of any of these services.

The services for which a fee may or may not now be charged are more specifically set forth in a memorandum accompanying this letter.

It will be appreciated if you will lay the draft bill transmitted herewith before the Senate. A similar proposal has been transmitted to the House of Representatives.

The Department has been advised by the Bureau of the Budget that there is no objection to the submission of this proposed legislation to the Congress.

Very truly yours,

A. GILMORE FLUES,
Acting Secretary of the Treasury.

MEMORANDUM TO ACCOMPANY A BILL TO REPEAL AND AMEND CERTAIN STATUTES FIXING OR PROHIBITING THE COLLECTION OF FEES FOR CERTAIN SERVICES UNDER THE NAVIGATION AND VESSEL INSPECTION LAWS

The proposed legislation would repeal the statutory provisions against the charging and collection of fees by collectors or other officers of customs or by the United States Coast Guard for any of the following services:

Measurement of tonnage and certifying same; issuance of a license or granting of a certificate of registry record, or enrollment; endorsement of change of master; certifying and receiving manifest, including master's oath and permit; granting permit to vessels licensed for the fisheries to touch and trade; payment of entry and clearance fees for vessels engaged in the foreign and coasting trade on the northern, northeastern and northwestern frontiers; payment of clearance fees for vessels making daily trips between any port in the United States and any port in the Dominion of Canada wholly upon interior waters; granting certificate of payment of tonnage dues; recording bill of sale, mortgage, hypothecation, or conveyance, or the discharge of mortgage or hypothecation; furnishing certificate of title; furnishing a crew list; certificate of protection to seamen; bill of health; shipping or discharging of seamen as provided by title 53, Revised Statutes, sections 563 and 646 of title 46; apprenticing boys to the merchant service; inspecting, examining and licensing steam vessels including inspection certificate and copies thereof; and licensing of master, engineer, pilot, or mate of a vessel.

In addition it would abolish certain fees which are prescribed by statute for entry and clearance of vessels, post entry, granting permits to proceed, receiving manifest, change of name of vessel, recording bills of sale, mortgages, hypothecations or other instruments, issuing certificates of ownership and issuing abstracts of title.

The repeal or amendment of these statutes is necessary in order that the Secretary of the Treasury may in his discretion set fees under the provisions of section 501 of the act of August 31, 1951 (5 U. S. C. 140).

It is contemplated that, in those regulations, fees will be established for, but not necessarily limited to, admeasurement of vessels, registry of vessels, issuance of enrollments and licenses, or licenses, renewals of licenses, issuance of special certificates to vessels, authorization for changes of names of vessels, furnishing and recording abstracts of title of vessels, recording of evidence of

title to, and encumbrances upon, vessels and the discharge of the latter, entry and clearance of vessels, furnishing certificates of ownership of vessels furnishing copies of documents, records, or other papers filed in offices of collectors of customs or in the Bureau of Customs, and certifying such copies.

It is also contemplated that, in addition to any fees which may be established in those regulations, there will also be prescribed therein charges for services performed by customs officers at places other than their official stations, as, for example, admeasuring or readmeasuring vessels at such places, entering or clearing vessels at points which are not ports of entry, furnishing customs supervision over vessels at such points, and the like. It is anticipated that any such charge will reimburse the Government for the compensation of the customs officer concerned while absent from his official station as well as for any expenses incurred by him in connection with any such services rendered by him.

Certain obsolete portions of section 4382 of the Revised Statutes, as amended (U. S. C., 1952 edition, title 46, sec. 330), section 4383 of the Revised Statutes (U. S. C., 1952 edition, title 46, sec. 333) and the act of June 19, 1886 (U. S. C., 1952 edition, title 46, sec. 331) have been included in the comparative print although it is probable that they have been repealed by implication or at least superseded. They are the 16th, 18th, 24th, and 25th items of Revised Statute 4382; the reference to naval officer in Revised Statute 4383; and the last sentence of the act of June 19, 1886.

PROPOSED FEDERAL ACTION TO IMPROVE THE QUALITY OF AMERICAN EDUCATION

Mr. FLANDERS. Mr. President, for years previous to the appearance of Sputnik 1 and Sputnik 2, I have had a deep concern about modern education. I have expressed that concern on the floor of the Senate, and it is a matter of record.

I have now prepared a series of bills which, to my mind, represent a proper approach to the subject of improving education in our country. As a background for the bills, I ask unanimous consent to have printed in the RECORD at this point, as a part of my remarks, an address which I delivered in Richmond last week. The address is entitled "Education for Survival," and was delivered before the joint dinner of engineers and scientists in Richmond, Va., on February 21 last.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

EDUCATION FOR SURVIVAL

(By RALPH E. FLANDERS, United States Senator, Vermont, joint dinner, engineers and scientists, Richmond, Va., February 21, 1958)

Mr. Chairman, Mr. Governor, Mr. Mayor, students, teachers, and engineers, the subject of my talk is Education for Survival as has already been announced. The title was selected because it gives, in your speaker's judgment, a realistic appraisal of the importance of the education which we are offering to our young people. So long as we were thinking about guiding these boys and girls in terms of social adjustment, so long were we thinking in terms other than of the survival of our Nation as a stronghold, and I mean a "strong" hold of freedom. So long as we hesitated to set hard tasks for our young people and felt that their personalities would be injured by testing them on the performance of those tasks and giving them the high or low credit due to that performance, so long did we refuse to prepare these future citizens for the kind of a world they are living in and the kind of a challenge they must meet.

I have no information as to the prevalence of modern educational views in Virginia; nor have I sought to get such information. I am thoroughly acquainted with the progress which modern education has made in my own State. As a citizen of that State, I have done what I could to correct the dangerous weaknesses which have appeared in our educational system and to provide for Vermont young people the kind of challenging education which will develop them and make the State strong through the strength of its citizens.

I have likewise been seriously concerned with the state of education in the country as a whole. I have seen it softened; I have seen it graded down to meet the requirements of students who, while strong in other subjects, might be weak in a particular subject. I have seen those sum totals of individual student weaknesses translated into overall low standards by which all the students are measured, whatever their particular abilities may be.

Again, speaking from the standpoint of my knowledge of my own State and of many other sections of the country, and without knowing the particular situation in Virginia, I am saying here tonight that we are not preparing our young people for survival. We are preparing them for an irresponsible enjoyment of life without reference to that time, relentlessly approaching, when an imperial communism shall emasculate Western civilization.

We are, in fact, facing something larger than a crisis determined by differences between two ideologies, or by trade barriers, or even by political infiltration—serious though that may be. What we are facing is the question as to whether the Western World with its ideals of freedom, justice, and the worth of the individual shall have its civilization defeated and go down before nations and ideals which do not recognize the worth of the individual and have no regard for his freedom.

Into this situation there came the blessedest intervention from the heavens that our generation has seen. The Russians launched Sputnik I. Immediately there was forced upon the attention of every American citizen the fact that in the Soviet Government we are not dealing with a backward race of people deficient in scientific and industrial capacity. We are dealing with our peers in engineering knowledge and with those who are more than our peers in gaining the attention and holding the reluctant respect of those peoples of the world who are neutral and uncommitted. Sputnik I was indeed a blessed event and in the light which it shed, our deficiencies were illuminated. It gave us notice; now we must act.

The decay of our educational standards can be attributed at least to two sources. One is the spread of educational theories based on the philosophy of a Vermonter named John Dewey and spread through his disciple, Dr. Kilpatrick, to Teachers College, Columbia University, New York, which has come to dominate the education of our children in most of the country.

Morally this system of education is based on the pragmatic philosophy of John Dewey which admits of no moral standards or laws. Whatever works is right. Unfortunately, this has led to an extreme of experimentalism on the part of students who have come under the influence of this philosophy, particularly in our larger cities and under the ministrations of its extreme adherents.

In addition to this moral weakness, modern education is more concerned with what goes under the current phrase of "togetherness" than it is with individual responsibility and individual achievement. If the pupils can work together harmoniously, the main objective of the new education has been achieved. Whether this working together is on a high or low intellectual level is not of great importance. Social adjustment is the great end product of modern education.

Under the combined softening influences of pragmatism and social adjustment, our educational system as a whole has gone into decay. As a result the Nation has been almost consciously directed by its educators toward an ultimate all-engulfing decadence.

The appearance of the first satellite was therefore a great historical event. There are three aspects to this event. Of these the first is that it provides a smashing achievement in propaganda. In the eyes of the neutral world, teetering on the fence, it seems at the moment that from now on the nations of the world will look to the Soviet Government for leadership in science. It is true that our satellite, then not yet launched, is devised for research and not for propaganda. Russian science has awakened us to a realization of the importance of the propaganda of action, as distinguished from the propaganda of words.

The second aspect is scientific. The launching of so heavy a body to such a height and with the needed velocity makes it clear that the problem of propulsion for an intercontinental ballistic missile had been solved completely and without question. As to this we were left behind. We do not know that the succeeding problems of guidance and of reentry into our atmosphere without destruction was likewise solved; but we can assume that the scientific competence which solved the first will find the answers for the other two.

The third aspect is one for the long view. We must not lower our guard against an atomic attack which will destroy civilization on both sides of the Iron Curtain. Yet, while our guard remains up, we must prepare ourselves for the more likely event that the cold war will increase in its intensity and be prolonged indefinitely in its duration. Western civilization and Christian ethics must be prepared for decades, perhaps generations, of attack. This attack will end only when the West is worn out and surrenders, or when internal troubles sap the Soviet strength. We must see to it that we are prepared for this prolonged and intensified cold war. We must outlast the Soviet attack.

The available alternatives to this prolonged cold war are mutual atomic destruction, triggered by carelessness or recklessness; or an inspected, controlled disarmament, based on mutual self-interest rather than on unavailable mutual confidence. Of these alternatives the first is unlikely, but possible. The second is difficult but not impossible, and must persistently be sought. Meanwhile, we must prepare our defenses and offenses for the long, cold war, continuing into the indefinite future.

The weak spot in our defenses lies in the present state of education of this Nation. Our children are being trained for a safe existence, in which it is assumed that a satisfactory way of life has been achieved so that the remaining objective is social adjustment. Our children are to become happy, cooperative ants in this paradise of an anthill. The thought that someone might step on the anthill does not occur to those who, in too great a measure, are dominating the instruction of our children.

Instead of criticizing in detail the elements of the education for which our teachers are being trained and our children are being conditioned, let us proceed at once to define positively the nature of the education which will meet the threatening future.

A first requirement is that we must build up our endurance and staying power. We are in for the long pull, and the education of our children must prepare them for life as it is and will be—a generation of endurance and intelligent determination. Someone has imagined for them a life of easy-going, pleasant living together. As prophecy this is false.

A second requirement is that the hard studies—mathematics and science—must regain their position in the curriculum.

Third, our children must be taught to read, write, and spell, and that in good English.

Fourth, they need to master at least one foreign language, for we are living in a closely knit world—perhaps an encircled and besieged world. We must have the means of intercommunication. Without free communication neither adequate defense nor safe disarmament will be possible.

Fifth, our children must be both well rounded and well grounded in the basic disciplines. A nation of narrow specialists will fail. They must know the past, its influence on the present, and its portents for the future. But we must do more than skim over the surface of history.

In the sixth place, our steadfastness of purpose must be buttressed by a familiarity with the great literature of the past. There must be sustaining food for the spirit as well as for the mind. The Supreme Court decisions forbid any teaching of religion and the Bible has been thrown out of our public schools. It has not been thrown out of our homes and churches, where its influence must be sustained. But the King James version is still great literature and, as such, selected passages can still be taught in the schools.

Last of all, our young people must be built up physically to the highest pitch which their inheritance permits, for physical fitness supports the moral endurance which our situation demands.

Now how shall we accomplish all this? Let us first set forth a direct program which meets the above requirements in every way.

In high school the academic standards will be set high, to meet the well-rounded education which our future requires. These standards will be high by our present practice. They are no higher than were required two generations ago in this country, no higher than are required now in foreign countries, no higher than are required in America's best private schools. The budding scholar should not have to go to an expensive private school or to study abroad to get an education fitting him or her for the tough world ahead of us.

For the sake of our scientific progress and balancing our now unbalanced curriculum, particular emphasis will be placed on mathematics, physics, and chemistry.

These stiff courses will require the soft-pedaling of some extracurricular activities which are beginning to overshadow the curriculum of the modern school. The amount of supervision required for these is one of the reasons for the teacher shortage. An important point about this thoroughgoing proposal is that it serves both the brilliant and the normal pupil now, as its general structure has served generations in the past.

There remain the problems of the manually centered boy and girl. At some point beyond the acquirement of the basic three R's vocational training must be offered. There is likewise the case of the incorrigible to be considered. We now entertain him in school until he reaches working age. With the virtual disappearance of exploitive child labor, we might drop the limit of compulsory schooling to 15.

The above-described courses would meet the requirements of the tough age of the cold war into which we are heading. The body, the mind, and the spirit would be prepared, not only for the maximum of public service, but as well for experiencing the maximum satisfactions of life. But the change would be so drastic that it could not be effected overnight. Indeed, it could not be effected quickly at all except as it would be imposed by the arbitrary power of the Federal Government. We must, therefore, look for less violent approaches.

I have prepared and found considerable support for a series of measures intended to promote education for survival. These measures are offered as an alternative to the administration's program which, so far as scholarships are concerned, focuses on quantity rather than quality.

The scholarship bill, instead of creating 10,000 scholarships, offers 1,000 very valuable ones. The program, extending through 4 years, would offer those with the highest rank in their examinations a maximum of $2,500 a year for 4 years of college education. This maximum would go to those pupils who are without means of their own and whose parents have no means. As a minimum, a $500 grant would be made the first year no matter how well to do the pupil and his parents may be. It is the intention to establish these national scholarships on a Nobel-prize basis.

This scholarship provision should stimulate parents and scholars to ask for a real education instead of a phony one. It should grade high schools by their ability in meeting these requirements. It should grade States by their ability to provide their young people with scholastic training. Besides this, it leaves something over for the States to use in scholarships in proportion to the number of national scholars which each has been able to produce.

The bill provides for geographical distribution of the 1,000 scholarships—5 go to the highest ranking applicants in each State and 3 to Hawaii, Alaska, and Puerto Rico. The balance of the 751 scholarships are awarded in accordance with the examination results irrespective of where the candidates reside.

There are other important features of this bill and I will be glad to answer any questions you may have with regard to them after I have finished with my prepared talk.

A second bill is an extension of the National Science Foundation program for teacher training into the field of humanities and for 25 percent of the candidates down into the elementary schools which today are too often not preparing their pupils for high school. You will note that none of this money is to be used for teachers' colleges as such. It is directed toward the teaching of subjects rather than teaching teachers how to sell modern education to parents.

As a further relief for teachers there is a bill amending the Internal Revenue Code recognizing postgraduate education for teachers as a deductible business expense.

There is a bill for providing grants to secondary schools to be used for the acquisition of laboratory and related facilities.

My final bill is directed toward improving the standard of scientific apparatus in educational institutions. It would remove the very heavy import duty on such equipment, presently as high as 50 percent on some items, when bought for an educational organization. There are at present certain items of superior quality or unique design the like of which is not made in this country and must be bought abroad. Since only about 10 percent of the business of the scientific apparatus makers is for educational institutions, a lowering of this duty cannot do great damage to the domestic industry. It can be of importance to the schools and colleges.

Two things will be noted in this program. The first is that I am not proposing a crash program to produce mathematicians, scientists and engineers. The future of this country and of western civilization depends on the well-rounded citizen. For that reason as much attention is given to the humanities as to the sciences.

The second thing that will be clearly understood from a study of this proposal is that it is intended to change the ideals and the direction of education of our children. It is intended to make men and women of them. It is intended to make intelligent citizens of them. It is intended to train them to meet the challenges of everyday living. Above all, its purpose is to train them to meet the challenge of the survival of our civilization.

Mr. FLANDERS. Mr. President, this address is the thread on which the bills to which I am now referring are strung. So I shall now proceed with the introduction of the bills and submission of various amendments.

Some little time ago I introduced Senate bill 3157, to establish national scholarships.

This proposal is designed to stimulate academic competition in the high schools. It would provide a total of 1,000 generous scholarships annually for four years of study in the sciences or the humanities. Administration of the program would be in the hands of recognized scholars in various specialties, both science and nonscience, to insure that the scholarships are awarded on the basis of intellectual achievement. It could also be expected to stimulate competition between the States, since it would provide a measure of the excellence of the various school systems, according to the number of national scholars produced by each of the States. Unlike other bills being considered by the Labor and Public Welfare Committee, this bill would not discourage private organizations from continuing their active interest and support of academic scholarships.

I am submitting amendments, in the nature of a substitute, which would amend that bill and materially improve it. In the amendments I have the cosponsorship of Senators COOPER, BRICKER, and COTTON. I send the amendments to the desk for appropriate reference.

The VICE PRESIDENT. The amendments will be received, referred to the Committee on Labor and Public Welfare, and printed.

Mr. FLANDERS. Mr. President, there is still one earlier bill which I propose to amend, and that is S. 3156, which is designed to help alleviate the present nationwide shortage of qualified and effective teachers in the science, mathematics, and humanities fields. S. 3156 proposes to double the present enrollment in the National Science Foundation Institutes and create a similar program for teachers of the humanities. This program will assist colleges and universities in their efforts to provide elementary- and secondary-school teachers with a better knowledge of the subjects they wish to teach. In the course of 4 years, approximately 100,000 teachers will be afforded an opportunity to attend either a summer or academic year institute. Admission to the institutes will be controlled by the various schools involved.

I now submit to that bill, earlier presented, an amendment, of which Sena-

tors BRICKER and COOPER are cosponsors. I ask that it be appropriately referred.

The VICE PRESIDENT. The amendment will be received, referred to the Committee on Labor and Public Welfare, and printed.

Mr. FLANDERS. Mr. President, I am introducing also a bill in which the Senator from Kentucky [Mr. COOPER] joins me as cosponsor, to assist local educational agencies of the States in initiating, expanding, and improving science and mathematics instruction in their public secondary schools. It is intended to provide grants of $50 million per year for a 4-year period. This money is to be used for the acquisition of necessary laboratory and related facilities. The sums appropriated shall be allotted to the States on the basis of their relative numbers of students enrolled in grades 9, 10, 11, and 12 in public school. The United States Commissioner of Education shall pay to such States an amount equal to one-half of the expenditures for such year for projects for local educational agencies approved by the State educational agency under the State plan.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3352) to assist the local educational agencies of the States in initiating, expanding, and improving science and mathematics instruction in their public secondary schools by providing grants to be used for the acquisitions of necessary laboratory and related facilities, introduced by Mr. FLANDERS (for himself and Mr. COOPER), was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

Mr. FLANDERS. Mr. President, there is still another bill which I am introducing, to amend the Internal Revenue Code of 1954, so as to recognize certain expenses incurred by teachers for their further education as expenses incurred in carrying on a trade or business. In the introduction of the bill, I am joined by Senators BRICKER, ALLOTT, and COOPER.

Many States require that teachers return to summer school at stated intervals at the expense of the teacher. Conscientious teachers in States not requiring this frequently do so, and it is certainly desirable that they be encouraged to continue this practice. S. 3353 permits expenditures incurred by the teacher for furthering his or her education to be considered professional business expense and, as such, tax deductible. It is hoped that this would encourage additional participation in summer school training programs.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3353) to amend the Internal Revenue Code of 1954 so as to recognize certain expenses incurred by teachers for their further education as expenses incurred in carrying on a trade or business, introduced by Mr. FLANDERS (for himself, Mr. BRICKER, Mr. ALLOTT, and Mr. COOPER), was received, read twice by its title, and referred to the Committee on Finance.

Mr. THYE. Mr. President, will the Senator yield?

Mr. FLANDERS. I am glad to yield.

Mr. THYE. I had introduced a bill which proposed granting the same benefit to persons in the teaching profession who wished to attend summer schools in order to improve their teaching qualifications. I believe such a proposal is a very worthy amendment of the Internal Revenue Code. It is long overdue. Whether my bill or the Senator's bill is enacted into law is not very important; it is important that such an amendment be enacted this year.

Mr. FLANDERS. I am glad to have the support of the Senator. I appreciate it very much. It is evident that we can join forces on this project.

Mr. COOPER. Mr. President, I appreciate very much the opportunity of joining with the Senator from Vermont in the introduction of the bills to which he has referred. As a member of the Committee on Labor and Public Welfare, I shall take part in the consideration of many bills which have been introduced and will be introduced on the subject of education. In fact, I have joined in the sponsorship of several bills, and in the past years I have sponsored a bill which would have provided Federal aid for education, both for school construction and toward paying teachers' salaries.

I must say that the bills which the Senator from Vermont is initiating today are unique and are different from bills which have been introduced heretofore. The bills relating to the training of teachers and to scholarships for students set up very high standards. In that respect they are different from the bills which have been heretofore introduced. The emphasis is upon quality. They also suggest that a large reservoir of quality exists now, if teachers and students can be drawn from those who are fitted for the scholarships and the training which the bills propose. It is an addition to the suggestions which have been made in the Senate heretofore.

Mr. FLANDERS. I am grateful for the comment and interest and support of the Senator from Kentucky on these bills.

In conclusion, Mr. President, it should be noted that these proposals, while carefully thought out, are still subject to modification as additional information indicates. It should also be noted that the entire program is directed to an improvement in quality of education. It does this with a minimum of Government expense and without any measure of Government control over the normal functioning of the educational system. Rather it would encourage active participation in the system to increase personal effectiveness.

I would like to conclude my remarks by making a comparison of the cost of my bills and the administration bills, remembering that the administration bills are directed more toward increasing the quantity of education than the quality. Fortunately, quality can be obtained at considerably less expense than quantity. The cost of the various bills I have described for the 4-year program will total $404,832,200. The total for the administration 4-year program totals $1,800,000,000. Therefore, the cost of my proposals is considerably less than a quarter of the cost of the administration program.

SAFETY STANDARDS FOR SEAT BELTS USED IN CERTAIN MOTOR VEHICLES

Mr. HUMPHREY. Mr. President, I introduce, for appropriate reference, a bill to provide that seat belts sold or shipped in interstate commerce for use in motor vehicles shall meet certain safety standards. This bill is a companion bill to House bill 7882, introduced in the House by the distinguished Representative from Alabama, KENNETH A. ROBERTS.

Mr. President, the Society of Automotive Engineers, Inc., has published a set of SAE standards for motor vehicle seat belt assemblies, following the report of the motor vehicle seat belt committee of that organization. In other words, there are definite standards agreed upon by the most competent engineers in the country, and it would seem imperative that these standards be met by all manufacturers and assemblers.

I introduce this proposed legislation in the hope that action may be speeded upon this important safety bill.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3356) to provide that seat belts sold or shipped in interstate commerce for use in motor vehicles shall meet certain safety standards, introduced by Mr. HUMPHREY, was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

STATE OF THE NATION'S CAPITAL

Mr. BIBLE. Mr. President, the Commissioners of the District of Columbia yesterday, in a most persuasive statement to a joint meeting of the Senate and House District Committees, presented a message on the state of the Nation's Capital. The meeting was held in the House committee hearing room and was attended by 6 Senators and 16 Representatives.

On behalf of the three Senators from the Senate Committee on the District of Columbia who were unable to be present, I believe it only fair to state that they were prevented from appearing by unforeseen travel difficulties and other committee assignments of long standing. Chairman MCMILLAN, of the House Committee on the District of Columbia, in his opening statement to the group on behalf of the Representatives who were necessarily absent, indicated that similar factors were operative in their case.

Mr. President, in the words of my distinguished colleague from the State of Pennsylvania [Mr. CLARK], this joint meeting has significance as one of those rare turns in the road which presage an era of joint action by the two great legislative bodies in facing up to the problems of the District. The splendid presentation by the Commissioners of their program, and the justifications

that they advanced for it, deserve the most careful consideration of the Congress. It is my hope, as it is my intention as chairman of the Senate Committee on the District of Columbia, to take early action on the recommendations.

Many of the problems dealt with by the Commissioners are interrelated, and therefore, the method of presentation of these problem areas in one package, which in my judgment is a most healthy innovation, permits us, for the first time to my knowledge, to obtain an overall picture of needs and solutions. While I may not necessarily accept in toto the proposals made, I believe it correct to say in general that the approach of the Commissioners was sound and that the results of the meeting should be beneficial.

The report is a comprehensive one. Is contains draft legislation, and it urges passage of measures already before the Congress. Among the matters discussed are the public-welfare program, the public schools, public health, urban renewal, zoning and housing, crime, prisons and parole, civil defense, public utilities, salary structure and a suggested program for improvement of District activities.

The Commissioners propose to provide us with draft bills covering such important subjects as: borrowing authority for school and capital works projects totaling $100 million and an increase in the Federal payment authorization from $23 million to $32 million; salary increase legislation for District employees similar to the pattern of the classified salary increase proposals now under consideration by the Senate; legislation to improve the rehabilitation of the chronic alcoholic; amendments to the District Inheritance Tax Act; and amendments to the act relating to the levying and collecting of assessments for public improvements. In addition there are a number of other measures of a more specialized nature.

Mr. President, basic to the approach of the Commissioners to the two legislative committees, and through them to the Congress, is a frank realization that the problems which face the District are primarily financial in nature. The recommendations of the Commissioners are suggested solutions to this fiscal need. So long as we maintain our close scrutiny of the District government in carrying out our constitutional mandate, I submit that we in the Congress, should heed this plea that has been so well presented.

In closing, Mr. President, it would indeed be ungracious of me to neglect to compliment and thank our hosts of yesterday, the District Committee of the House of Representatives. Chairman McMillan and his most able and distinguished colleagues accorded us every courtesy. I hope that as a result of the meeting yesterday morning, we can again, and soon, come together to work out in a spirit of harmony and cooperation, whatever honest differences of viewpoint we may, in the future, entertain on this important, necessary, and constructive report on the Nation's Capital.

Mr. President, by request, I introduce a joint resolution for appropriate reference, and I ask unanimous consent that it be printed in the RECORD.

The VICE PRESIDENT. The joint resolution will be received and appropriately referred; and, without objection, the joint resolution will be printed in the RECORD.

The joint resolution (S. J. Res. 155) authorizing the Commissioners of the District of Columbia to borrow funds for capital improvement programs and amending provisions of law relating to Federal Government participation in meeting costs of maintaining the Nation's Capital City, introduced by Mr. BIBLE (by request), was received, read twice by its title, referred to the Committee on the District of Columbia, and ordered to be printed in the RECORD, as follows:

Whereas under the Constitution the Congress must "exercise exclusive legislation in all cases whatsoever" over the District of Columbia; and

Whereas the metropolitan area embracing the District of Columbia has now become an economic unit and it is neither equitable nor economically feasible for residents and businesses of the District to be taxed at a higher level than those of the environs of the District; and

Whereas the area of the District is fixed and the District may not annex territory; and

Whereas the United States Government is the principal employer of the area; and

Whereas it is necessary to maintain the District at a standard commensurate with its constitutional position as the Nation's Capital: Therefore, be it

Resolved, etc., That it is hereby declared to be the policy of the Congress, in exercising its exclusive legislative authority over the District of Columbia, to provide financial support, over and above that which can be derived from taxing District residents and businesses at rates comparable to those of surrounding communities, to the extent necessary to make the District a modern, attractive, and efficient community that meets the requirements to be the capital of the United States.

SEC. 2. (a) A program of construction to meet capital needs of the government of the District of Columbia is hereby authorized. Such program shall include, without limitation, projects relating to activities to meet the needs of the public in the fields of education, health, welfare, public safety, recreation and other general government activities.

(b) To assist in financing the cost of constructing facilities required for activities financed by the General Fund of the District, the Commissioners are hereby authorized to accept loans for the District from the United States Treasury and the Secretary of the Treasury is hereby authorized to lend to the Commissioners such sums as may hereafter be appropriated: *Provided*, That the total principal amount of loans advanced pursuant to this section shall not exceed $100 million: *Provided further*, That any loan for use in any fiscal year must first be specifically requested of the Congress in connection with the budgets submitted for the District. with a full statement of the work contemplated to be done and the need thereof, and such work must be approved by the Congress: *And provided further*, That such approval shall not be construed to alter or to eliminate the procedures for consultation, advice, and recommendation provided in the National Capital Planning Act of 1952 (66 Stat. 781). Such loans shall be in addition to any other loans heretofore or hereafter made to the Commissioners for any other purpose, and when advanced shall be deposited in the Treasury of the United States to the credit of the General Fund of the District.

(c) The loans authorized pursuant to this section, or any part or parts thereof, shall be advanced to the Commissioners on their requisition therefor, shall be available to the Commissioners for carrying out the said construction program, and shall be available until expended.

(d) Loans made under this section during any 6-month period (beginning with the 6-month period ending December 31, 1958) shall be at a rate of interest determined by the Secretary of the Treasury as of the beginning of such period, which, in his judgment, would reflect the cost of money to the Treasury for borrowings at a maturity approximately equal to one-half of the period of time the loan is outstanding.

(e) Any loan advanced pursuant to this section shall be repaid to the Secretary of the Treasury in substantially equal payments, including principal and interest, within a period of 30 years beginning on July 1 of the second fiscal year following the date on which each such advance is credited to the General Fund.

(f) No loans shall be advanced pursuant to this section after June 30, 1968.

SEC. 3. Subsection (a) of section 2 of article VI of the District of Columbia Revenue Act of 1947 (D. C. Code, sec. 47–2501b) is amended to read as follows:

"SEC. 2. (a) There are hereby authorized to be appropriated, in addition to the sums appropriated under section 1 of this article, as annual payments by the United States toward defraying the expenses of the government of the District of Columbia, the sum of $9 million for each of the fiscal years 1955 and 1956, the sum of $12 million for each of the fiscal years 1957 and 1958, and the sum of $21 million for the fiscal year 1959 and for each fiscal year thereafter: *Provided*, That so much of the aggregate annual payments by the United States appropriated under this article to the credit of the general fund as in excess of $13 million for each of the fiscal years 1955 and 1956, $16 million for each of the fiscal years 1957 and 1958 and $25 million for the fiscal year 1959 and subsequent fiscal years shall be available for capital outlay only, and then on a cumulative total basis only to the extent of not more than 50 percent of the cumulative total of capital outlay appropriations payable from such general fund which becomes available for expenditure on and after July 1, 1954."

SEC. 4. As used in this act the term "District" means the District of Columbia and the term "Commissioners" means the Board of Commissioners of the District of Columbia.

Mr. BIBLE. Mr. President, I ask unanimous consent that the statement on the state of the Nation's Capital given to the joint meeting of the Senate and House Committees on the District of Columbia by the District Commissioners, be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATE OF THE NATION'S CAPITAL

The Commissioners, on behalf of the citizens of the District of Columbia, deeply appreciate this opportunity to meet with members of the several committees of the Congress which, pursuant to the Constitution, exercises exclusive legislation in all cases whatsoever over the District of Columbia.

Our hope is that this presentation will provide you with a perspective that will better facilitate your legislative activities. To that end, I shall try to point out the prob-

lems and legislation that are the most important, but in the interest of time, I shall be unable to describe all problems and legislation in detail, or even to mention them all. To compensate partially for this lack, we are attaching elaborations on a number of these subjects, and a list of some needed legislation.

District problems in some respects are obviously similar to those of other cities, but in some respects a unique situation is involved. The District is a central city, with rigid boundaries in a rapidly expanding metropolitan area. Just as in all metropolitan areas, the lower income groups gravitate to the older section where rents are lower, automobiles are not required, and health, welfare, and other municipal facilities are better developed. Thus, the District has all of the problems of a central city; but in addition it is required to be a suitable capital for the United States. In many respects it is a showcase. It quite properly has requirements imposed by such Federal agencies as the Fine Arts Commission. Being a home for persons of low income and at the same time an outstanding capital city, however, poses a serious financial problem and results in an imperative need for many important legislative actions. Among these is the need for an increased public works program, including better (but minimal) facilities for several of our institutions.

Related to the trend of lower income groups to gravitate to the city is a trend for the higher income groups to move to the suburbs. This has caused our expenses for welfare, education, health, hospitals, and law enforcement to spiral notably in the last few years, increasing from $75 million in 1952 to a proposed expenditure of $115 million in the fiscal year of 1959—an increase of 53 percent. All other general government activities have increased from $27 million to $38 million in the same period, or about 41 percent. Contrasted with this increase in level of expenditures is the fact that the total personal income in the District of Columbia in the same period of time has increased from $1.94 billion to an estimated $2.1 billion, or by only 8 percent. These conditions, and continuing inflation, have produced an impending financial crisis in our general fund.

Because the Congress does control the District of Columbia, we are urgently requesting that the Congress establish a policy as to what type of community the District of Columbia shall be. Many Federal policies envisage the District as being an outstanding community. On the other hand, other Federal actions apparently are based on the assumption that the District should be a lower standard community, a self-sustaining community that meets only minimum health, safety, welfare, educational, and other needs. The two are not compatible.

The proposals of the Commissioners to the Congress, for resolving the matter of Federal policy with regard to the Nation's Capital, are contained in a draft of legislation which the Commissioners are submitting to the Congress today. The policy aspects of this proposed legislation are as follows:

"Whereas under the Constitution the Congress must exercise exclusive legislation in all cases whatsoever over the District of Columbia; and

"Whereas the metropolitan area embracing the District of Columbia has now become an economic unit, and it is neither equitable nor economically feasible for residents and businesses of the District to be taxed at a higher level than those of the environs of the District; and

"Whereas the area of the District is fixed and the District may not annex territory; and

"Whereas the United States Government is the principal employer of the area; and

"Whereas it is necessary to maintain the District at a standard commensurate with its constitutional position as the Nation's Capital: Therefore be it

"*Resolved, etc.*, That it is hereby declared to be the policy of the Congress, in exercising its exclusive legislative authority over the District of Columbia, to provide financial support, over and above that which can be derived from taxing District residents and businesses at rates comparable to those of surrounding communities, to the extent necessary to make the District a modern, attractive, and efficient community that meets the requirements to be the capital of the United States."

I have mentioned the foregoing matters to give you a quick, partial perspective. I would now like to turn to problems of specific District activities:

PUBLIC WELFARE

Probably in no other place is the effect of our population shift so apparent as in our welfare activities. There is an increase in the numbers of the aged, and also in the numbers of the younger age group. This is coupled with an increasing percentage of low income, unskilled, and socially handicapped persons. The result of these and other contributing factors is a great increase in the number of people in necessitous circumstances. Statistical studies, however, do not indicate that there currently is an intentional movement into the District "to get relief," since most recipients of public welfare have been in the District of Columbia over 5 years. Over the past two decades there has been a movement of families into the city from rural areas where employment opportunities have been limited. Many such families are unable to adjust to the more highly organized urban environment and eventually break down economically and socially. This is reflected in increased public assistance caseloads and greater demands for child-welfare services. In the past 6 months alone, the number of families receiving public assistance increased from 8,887 to 9,401, representing a total of 18,889 individuals. Public assistance applications during 1957 were more than 50 percent higher than during 1952.

Since there is so much widespread need, the Commissioners during the past year have instituted a program of distributing Federal surplus food to needy families in addition to their other benefits, and we have also made significant revisions in the regulations governing the payment of public assistance to the end that a number of inequities have now been eliminated.

It also is recommended, in the fiscal year 1959 budget, that the presently inadequate public-assistance grants be increased to provide for more realistic payments. For example, a typical family of 4 now receives only $146.91 per month, whereas under the proposed budget standard this same family would receive $172.27.

The Commissioners urgently recommend the enactment at this session of Congress of S. 1849, a bill consolidating the 5 public-assistance programs, 3 of which are now in substantive legislation and 2 are in the annual appropriation acts. The bill also establishes uniform qualifications for eligibility for assistance, and uniform procedures for fixing amounts of grants, as well as uniform administrative standards.

PUBLIC SCHOOLS

The public schools of the District of Columbia have also felt the effects of our shifting population, and their rapid increase in enrollment is continuing. The present total membership in our public schools is 111,114 pupils, compared with 100,887 pupils 5 years ago. By 1964 we anticipate 133,000 pupils, even though the total District population will be only slightly higher than at present.

This has led to a continuing need for additional teachers and school buildings. The need to improve instruction in the elementary schools also has become obvious. The Commissioners, after extensive consideration of board of education recommendations, have concluded that it is necessary and in the best interests of the community to endorse a 30-to-1 pupil-teacher ratio in the elementary schools, which (as it is achieved) will require still additional teachers and a proportionately greater number of classrooms for our elementary pupils.

PUBLIC HEALTH

The shifting population of the District is likewise having its effect upon public health activities and hospitals. Several surveys during the past year made it plain that many of our health and hospital programs need extensive overhauling. A study of alcoholism, as part of the work of a Committee on Prisons, Probation, and Parole, clearly reveals the need for a new program for working with the problems of the alcoholic from the medical viewpoint. Many deficiencies in District of Columbia General Hospital were pointed out in an investigation conducted by the House Appropriations Committee; and during the past year a hospital consultant, engaged by the Commissioners, recommended many major changes and modifications in the hospital program. Representative of some of the policy problems involved are: revised criteria for determining eligibility for indigent care in our hospitals; the need for an expanded preventive medical program with emphasis on school health and psychiatric matters; and the rising pressures for providing facilities for those afflicted with chronic disease.

The Commissioners and the Director of Public Health are giving concentrated attention to those problems which are within their authority to solve, but in addition favorable consideration of the fiscal year 1959 health and hospital budget estimates will be required in order to provide the facilities with which to move on toward suitable solutions.

URBAN RENEWAL, ZONING, AND HOUSING

The shift of population is intensifying the need for urban renewal, although age and deterioration of structures are also major factors.

The full facilities of the District have been concentrated on this problem in the past few years, and a total of 4 urban renewal areas, involving approximately 1,500 acres in and around the central area of the city, have been designated for clearance, rehabilitation, or conservation. The planning for three of these areas in the Southwest, involving over 600 acres, has been completed. Clearance has been partially completed and reconstruction is about to commence. The planning for 900 acres in the Northwest is now in progress. Surveys have been completed on two other potential urban renewal areas, involving approximately 200 acres, with no decision yet as to further action.

In addition, a housing code has been adopted, and enforcement commenced, with a related acceleration in actions to condemn seriously insanitary buildings.

Because of area slum clearance, highway construction, school construction, and other public activities that eliminate existing housing, numerous families are being displaced with only limited accommodations available for adequate rehousing of low-income families. The National Capital Housing Authority is endeavoring to provide public-housing units but is having extreme difficulty in finding suitable sites. The Commissioners have authorized an additional 2,500 units to meet needs through 1960, but thus far the Authority has found sites for only 174 of these units. Little undeveloped land remains in the District to permit public

housing construction and the limitations on site development imposed by the present Housing Act almost precludes the clearance of slum areas for public housing.

For the District of Columbia to continue to make progress on urban renewal, and to provide reasonably adequate public housing, it is essential that continued and substantial Federal financial assistance be made available.

The present work of the District to revise and modernize its zoning regulations is related to the problem of maintaining a city which is physically attractive and desirable as a place in which to live and conduct one's work. To that end the Commissioners are rushing the final work on revising the zoning regulations, and the Zoning Commission expects to enact a new code of zoning regulations in the near future. The present code of zoning regulations was one of the earliest in the country and has had only spot revisions since its adoption 37 years ago.

CRIME, PRISONS, PROBATION, AND PAROLE

The recent study of prisons, probation, and parole matters resulted in many recommendations being made to improve our activities in these fields. Consideration of the recommendations of this group led the Commissioners to propose additional probation and parole activities directed toward better rehabilitation of convicted persons and a reduction of prison population. If the additional staff necessary for these activities can be obtained in the fiscal year 1959, we feel that a slight decline of prison population can be maintained and possibly accelerated.

To further carry out this carefully planned attack on the problem of reducing our prison population through better rehabilitation and guidance of the convicted persons, the Commissioners are recommending legislation relating to the rehabilitation of chronic alcoholics so as to provide for the civil commitment of chronic alcoholics on petition by relatives or others; to provide for a longer period of rehabilitation treatment; to provide for the conditional release and possible recommitment of persons found to be chronic alcoholics; and to increase to 10 percent that portion of certain liquor-license fees to be devoted to the rehabilitation of chronic alcoholics.

CIVIL DEFENSE

The District government and representatives of Maryland and Virginia have expended a great deal of effort in the past 2 years in an attempt to develop adequate plans to provide methods of survival for the public in the event of an air attack. The studies have been made in the face of complete lack of shelter facilities and with the realization that in the near future there will be little or no time for evacuation. The Commissioners feel that it is imperative that planning must be accelerated and measures offering the greatest chance of survival be put into effect.

In part, the District's program will depend upon Federal Government action in establishing a shelter policy and shelter facilities for its own employees. In addition, our program will depend upon the passage of S. 2728. This bill will correct many of the present deficiencies in the authority of the Commissioners to act on civil defense matters. Finally, any reasonably satisfactory program will require more funds to be made available in our budget, and accordingly a substantial budget increase has been recommended for fiscal year 1959.

PUBLIC UTILITIES

The year 1957 marked the first full year of operation by D. C. Transit System Inc., under its new franchise. The change in ownership has created new regulatory problems requiring consideration by the Public Utilities Commission, as, for example, the franchise requirement that the Commission make an annual determination as to whether the transit company is entitled to relief from the District of Columbia motor fuel tax, and the franchise requirement for conversion from railway operation to bus operation. The principal feature, however, is that progress has been made in improving the mass transit situation. Continued progress has been made in the expansion of the gas, electric, and telephone utilities to meet increased demands.

SALARIES

Successful administration of the District government depends in large part upon the caliber of the personnel it can attract. Through experience we know that this fact makes the salary scale of great importance. While we cannot discuss all salaries here, we should like to mention several key ones. First is that of the Superintendent of Schools, which we have recommended be raised to $22,000 per year.

Further, we would like to call attention to the fact that in the face of pending salary increases for classified employees of the Federal and District Governments, it will be necessary and desirable to provide increased salaries for our policemen, firemen, teachers, and school officers. The Commissioners are studying such legislation with a view to submitting recommended legislation that would provide increases for policemen, firemen, teachers, and school officers generally comparable to those anticipated for classified employees.

In view of the different provisions of law applicable to our 6,000 per diem employees, consideration of salary increases for this group of our employees is presently underway. A wage survey was recently completed that indicates that an increase for this group of employees will be adopted by the Commissioners early in this calendar year. The amount of the increase is not yet determined, however.

The Commissioners also believe that consideration should be given to the salaries of the Commissioners themselves, and suggest a salary level commensurate with that paid the members of Federal Commissions pursuant to the Executive Pay Act, Public Law 854, 84th Congress, sections 105 and 106a. This would provide a basic rate of $20,000, with $20,500 for the president of the Board, which is commensurate with amounts paid mayors and councils of other large cities in the United States.

PROGRAM FOR IMPROVEMENT

Let us keep in mind that machinery has been set up to help solve many of our problems. Two highlight developments should be mentioned. One is the creation of the joint Congressional committee to study such problems and propose remedial action. We are enthusiastic about that committee and we intend to give it every possible assistance.

The other highlight is the establishment of the Washington Metropolitan Regional Conference last year. This conference is composed of the governing bodies of Fairfax County, Arlington County, Falls Church, and Alexandria, Va.; Prince Georges and Montgomery Counties, Md.; a representative from each House of the General Assemblies of Virginia and Maryland; a member of the District of Columbia Committee of the United States Senate; a member of the District of Columbia Committee of the United States House of Representatives; and the three members of the Board of Commissioners of the District of Columbia.

This conference, through its steering committee and other committees, has made some progress toward solution of a number of regional problems. It particularly has served to bring together the governing bodies of the jurisdictions involved in a mutually constructive set of circumstances that bodes well for the future cooperative solution of many of the area problems which are becoming increasingly critical as urbanization progresses with such rapidity.

We should now like to offer some more specific suggestions on how the District can continue to move forward during the coming year—in particular how actions of the Congress can help make that possible.

Obviously, the solution to most of these problems will require legislation. I have already mentioned some proposed legislation, and I shall later mention a few other items and also give you a complete list.

The most far-reaching item of legislation is concerned with the public-works program. I have already described the policy behind it. In brief, we propose that the Congress adopt a policy that does two things:

1. Clearly establishes the goal for the District of Columbia to be an outstanding city, and suitable to be the Capital of this great Nation.

2. Accepts responsibility of financing this Capital City to the extent expenditures cannot be met by taxing District residents and businesses at rates roughly equal to those in surrounding communities.

The public-works program is proposed to provide $145.5 million of general-fund facilities for the 6-year period commencing in fiscal year 1959. The content of this program and its financing were the subject of intensive studies during the past year by outstanding civic leaders and by the Commissioners' staff assistants. As a result of these studies, it is very apparent that the District of Columbia general fund is in very precarious financial condition.

After a similar study of the tax picture, the Commissioners also have come to the conclusion that additional local taxation is not feasible and would be detrimental to the economy. The level of taxation in the District of Columbia has been increased by more than $30 million in the past 4 years, and the aggregate of all taxes applicable to the District resident is now higher than that of most of our suburban neighbors.

The analyses of this problem indicate that a loan authority of $100 million should be obtained from the Federal Government to partially finance the capital outlay over the next 6 years, and an increase of $9 million should be made in the annual Federal payment to the general fund, raising this payment from the presently authorized amount of $23 million to $32 million. Without additional financing, public-works construction cannot be carried out. In fact, we cannot continue to provide the general government services now needed.

It is our belief that the Federal Government has this responsibility to the District, because it controls and establishes the policies and expenditures of the District, because it has a large part of the property that ordinarily would be taxable in another community, because it imposes extra requirements on the District as a result of the District being the Nation's Capital; and finally because it is the principal employer of the District.

The highway funds to finance the District's portion of the highway program of $176 million in the 6 years ending with fiscal year 1964 appear to be adequate through fiscal year 1963. However, by about 1964 it appears certain that there will be a need for substantial additional funds. In subsequent years, the deficit of available funds will be much greater, to the extent that by about 1969 the possible deficit may be $66 million for the program. Until more data can be developed on this subject, however, the Commissioners have no proposals to provide more financing for the highway fund.

Our water and sanitary sewage public-works programs are similar to the highway program in that financing problems of a major nature are not indicated for at least several years. Some reasonable increase in charges for water and sanitary sewage service may be necessary in the near future to

carry out the 1959–64 portions of these programs, amounting to $10.5 million for water supply and distribution, and $14.5 million for sanitary sewage works.

We also wish to report that the highway-construction program has been delayed on some of its major projects, but work is now proceeding toward the construction of a Potomac River bridge near Constitution Avenue, a decision has been made on the proposed location of U. S. Route 240, and the Southwest Freeway is presently under construction. An early decision will be required to increase the authorization for the 14th Street Bridges from $7 million to a total of $16 million to permit construction of a replacement for the deteriorated southbound 14th Street structure. This legislation has passed both Houses and is now awaiting a conference meeting. It is urgently recommended that early action be taken on this matter.

A further problem in the matter of water supply is related to the growth of the metropolitan area. It is certain that the time is not far distant when the unregulated flows of the Potomac River will at times be insufficient for public-water-supply purposes. Flow regulation must inevitably be developed through water storage. It is to be expected that some part of its costs must be paid by the various water systems of the area, including that of the District of Columbia. There are therefore future costs to be borne by the water system which have not been anticipated in any of the financial arrangements made to date.

On the subject of pollution abatement, it now appears that, insofar as the District and nearby Maryland are concerned, pollution abatement in the Potomac River will be substantially achieved in the near future. By slightly increasing the size of the recommended District facilities pertaining to pollution abatement, the facilities could accommodate all or any part of Fairfax County. The District's plan, therefore, can constitute the backbone of a metropolitan sewage-disposal system and thereby provide the solution of one of the major problems confronting metropolitan communities.

There are many more problems and legislative matters pertaining to the District; but we will take only the time necessary to identify the following additional legislative matters as being of major importance:

S. 1846 and H. R. 6907, bills to provide for an elected legislative assembly, an elected delegate to the House of Representatives, and for an appointed governor and lieutenant governor for the District of Columbia.

S. 2275 and H. R. 7300, bills to amend the Alcoholic Beverage Control Act so as to permit established licensed businesses to continue in areas rezoned from commercial to residential.

Legislation to define what constitutes a reasonable period of time between arrest and arraignment. (In this connection, please refer to the more detailed discussion of crime problems in sec. 8 hereof.)

S. 969 prescribing the weight to be given to evidence of tests of alcohol in the blood, urine, or breath of persons tried for driving while drunk, negligent homicide, or manslaughter committed in the operation of a motor vehicle.

H. R. 7785 to provide for the appointment of an additional judge for the juvenile court.

S. 1039 and H. R. 4405 to require taxicabs to carry $10,000/$20,000 personal injury and $5,000 property damage insurance. The Commissioners, however, recommend that the minimum coverage be $25,000/$50,000 for bodily injury and $10,000 property damage.

The matter of overall importance, however, is our request for a determination by the Congress as to what kind of a National Capital is desired, and how it should be financed. We at this time submit legislation which we recommend to achieve these objectives, and request your early consideration of it.

Thank you for your interest and for this opportunity to appear before you.

BOARD OF COMMISSIONERS,
DISTRICT OF COLUMBIA, *February 21, 1958.*

Mr. MORTON. Mr. President, will the Senator yield?

Mr. BIBLE. I am happy to yield to the Senator from Kentucky.

Mr. MORTON. I am, indeed, sorry I could not have been with the Senator at the meeting yesterday. I had an engagement of long standing which involved several departments of government and some constituents from my own State, which made it necessary for me to be absent. Since then I have read the statement to which the Senator has referred, and looked through most of the data which have been furnished me as a member of the committee. I was very much impressed by, and I wish to associate myself with, the excellent statement just given by the capable and outstanding chairman of the Senate committee.

Mr. BIBLE. I thank the Senator very much for his comments. I am sure all Senators understand why he could not be present at the meeting.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. BIBLE. I yield to the Senator from New York.

Mr. JAVITS. I also, am a member of the Committee on the District of Columbia, and because of travel difficulties was unable to arrive in Washington in time to attend the meeting.

I should like to associate myself with the statements of the distinguished chairman of our committee.

I should like to say that what happened yesterday bears out the urgent need for the number one legislative recommendation made by the Commissioners which is enactment of home-rule legislation. I am delighted that our chairman is going to give the recommendations—and I have no doubt that one in particular—very urgent attention.

Mr. President, the Congress has a dual responsibility in its consideration of any legislation for the District of Columbia. The first is the intrinsic responsibility associated with the weighing of any bill before us. But the second burden we bear is even greater: We formulate here the policies of government for some 800,000 American citizens who have no voice in their own government, nor even the opportunity to determine how the taxes they pay, which are imposed by others, are spent for their own benefit.

The Board of Commissioners of the District of Columbia is to be congratulated for inaugurating a state of the Nation's Capital report detailing, in a form parallel to the Presidential state of the Union message, the progress and the problems, and the where-we-are and the where-we-are-going of our Capital City. Well documented and well considered, the report sets a precedent which it is hoped will be followed in future years.

Worthy of note is the fact that the number one legislative recommendation of the Commissioners is the enactment of home-rule legislation. This Congress has the moral obligation to enact expeditiously legislation giving to the American citizens residing in the Capital City a vote and the right to a voice in the determination of their own affairs. To continue to deny residents of the District of Columbia the ballot is to deny our own democratic heritage. There is, too, an implied obligation to our own constituencies that the time and energies devoted to pressing national affairs be not diluted by the Congress acting as a city council, a role which it must assume.

Mr. President, I ask unanimous consent to have printed in the RECORD editorials from the February 24 Washington Evening Star and the February 25 Washington Post and Times Herald commenting on the state of the Nation's Capital which bespeak the manifold obligations of the Congress toward its Washington wards.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Washington Evening Star of February 24, 1958]

STATE OF THE CAPITAL

We commend the Commissioners for their able presentation on the state of the Nation's Capital. They paint a gloomy picture of what it is now and the threatening aspects of the immediate future—unless corrective steps are taken.

Against that background, the Commissioners are asking questions that demand answers. Only Congress can supply them. Exercising exclusive control over this seat of government, what does Congress propose to do with it? Does it wish to see an outstanding city, worthy of being the Capital of a great Nation? Or does it intend to preside over its deterioration as a second-rate community, barely able to maintain minimum standards in health, education, welfare, and public protection needs?

The answer sought by the Commissioners is legislative reaffirmation by Congress of its intent to assume its just financial responsibility toward upkeep and development of this Federal City. The extent of that responsibility would be measured by the difference between revenues from fair and adequate local taxes and the total cost of meeting demonstrable needs. In money, the Commissioners estimate that difference as $32 million, an increase of $9 million above the presently authorized Federal payment. Accompanying that increase would be new loan authorizations of $100 million, partially to finance needed public works over the next 6 years.

There is nothing novel in this formula. Should Congress adopt it, the Appropriations Committees, as in the past, can repudiate it at will. What is really needed is a return to Congressional policy, written into law, under which Congress obligates itself to appropriation of Federal funds in some fixed ratio to locally derived tax revenue. For unless Congress is willing to commit itself to meeting its financial responsibilities on a matching basis with local revenues, the District's assumption of additional debt will merely invite another financial crisis within a few years.

The new approach by the Commissioners is to measure what represents a fair and just tax obligation for the District of Columbia by a yardstick consisting of comparisons with the self-assumed tax obligations in adjacent Maryland and Virginia. Some efforts in that direction have been made in the recent past. But in their current presentation to Congress, the Commissioners have

gone into great detail to make the comparisons precise. They conclude, on the basis of such comparison, that the aggregate of local taxes in the District of Columbia is higher than in the suburbs; that additional local taxation is not feasible and, if imposed, would be of further detriment to an already shaken local economy.

Measured by any yardstick, the increases in local taxation and in local government costs in the past decade are extraordinary. In the past four years alone, tax levels in the District have been increased by more than $30 million. The increases were imposed with the understanding that Congress would increase the Federal payment, an understanding repeatedly ignored in appropriations practice. So we continue from one financial crisis to another, brought about by a blind, visionless and unworkable policy of soaking the unrepresented local taxpayer with a financial obligation the all-powerful Federal Government refuses to assume.

More critical than the impending deficits, however, is the future of this beautiful city. Its changing population, the influx of low income groups and the flight of the higher income groups beyond its fixed boundaries; the steady increase in tax exempt property and the diminishing sources of local taxation pose problems to which Congress must give realistic study before it is too late. It is getting pretty late as it is.

[From the Washington Post and Times Herald of February 25, 1958]

STATE OF THE CAPITAL

The Commissioners have submitted to Congress, for the first time, a comprehensive report on the state of the Nation's Capital. Even a cursory review of the well-documented statement suggests that this kind of a presentation—in place of the haphazard, piecemeal messages which have been customary—was long overdue. For if Congress intends to continue acting as a combination city council-county commission-State legislature for Washington, it faces a staggering task. The list of urgent legislation, embracing virtually every aspect of local affairs, would be enough to keep any ordinary State or local governing body busy through a long session.

How Congress can be expected to find the time to deal adequately with this vast assortment of complex problems is difficult to imagine. But find the time it must, unless it is willing, and quickly, again to delegate its local legislative functions to an elected District government, as administrations of both parties repeatedly have asked. It is unfortunate that the Commissioners chose not to emphasize this alternative.

In a sense, the strongest case for home rule is implicit in the kind of presentation the Commissioners made to the joint session of the House and Senate District Committees. Few Members of Congress sensitive to the growing burden of their national duties in this period of swift growth and change in domestic and international affairs can in good conscience undertake the local governing task which the Commissioners' message sets forth—unless they are also on record for restoring local government.

One fundamental and essentially simple part of this task, however, cannot be delegated. For Washington is not just another city. It has been and remains the special creature of the Federal Union, carved from a cow pasture to be the seat of government. The District's taxpayers are providing enough and more to support a normal city, more than some of their better-off neighbors in the Virginia and Maryland suburbs pay for local government. But if Congress wants to maintain the District as a fitting Capital, this special and added burden must be borne by the Federal Government. For half a century Congress has preserved and multiplied the restrictions on land use and local taxation which are essential to maintaining this special character for Washington. But never has Congress seemed to recognize that these restrictions are matters of municipal economics, that they cost money, and that other money must be forthcoming if the restrictions are not merely to result in decay.

The city's tax base is steadily eroding as higher income residents and some of the business which they support seek better conditions outside the central city. Most cities face this problem. But none is so hobbled in its efforts to meet the situation as is the District. If the state of the Nation's Capital is not to grow steadily worse, Congress must reaffirm, in terms of an adequate Federal payment, its wish that Washington be a fitting seat of government. And it must also decide either to work overtime to handle the enormous backlog of vital local legislation or assign this job to elected representatives of the city's taxpayers.

Mr. BIBLE. I appreciate the Senator's contribution. I wish to say that the Senator from New York [Mr. JAVITS] is a very valued member of our committee. I assure him now that number one on our agenda for consideration is the home-rule legislation.

Mr. BEALL. Mr. President, will the Senator yield?

Mr. BIBLE. I yield to the Senator from Maryland.

The VICE PRESIDENT. The time of the Senator from Nevada has expired.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senator from Nevada may be granted 2 additional minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. BIBLE. I am glad to yield to the Senator from Maryland.

Mr. BEALL. Mr. President, I was present at the committee meeting yesterday. It was a most interesting meeting. In the 15 years I have been a member of the District of Columbia Committee, that was the first time I had ever known of a joint meeting by the committees of the two Houses.

Our chairman, the distinguished Senator from Nevada [Mr. BIBLE], is to be congratulated for having brought about this meeting. Not only did he make a very fine presentation today, but the meeting yesterday, bringing the two bodies together, certainly can do only good for the District of Columbia and for our country.

Mr. BIBLE. I appreciate the kind sentiments of the Senator from Maryland, who is a very valuable member of the Senate committee.

ADJUSTMENT OF POSTAL RATES—AMENDMENTS

Mr. SALTONSTALL. Mr. President, on behalf of myself, the Senator from New Hampshire [Mr. BRIDGES], the Senator from Ohio [Mr. BRICKER], the Senator from Florida [Mr. SMATHERS], and the Senator from Kentucky [Mr. COOPER], I submit an amendment to the bill (H. R. 5836) to readjust postal rates and to establish a Congressional policy for the determination of postal rates, and for other purposes. The amendment would strike from the postal rate bill all changes in the weight and size of parcel-post packages. I give notice that at the proper time, I shall call up the amendment. In the meantime, I ask that it be printed and lie on the table.

The VICE PRESIDENT. The amendment will be received, printed, and lie on the table.

Mr. SPARKMAN submitted an amendment, intended to be proposed by him, to House bill 5836, supra, which was received, ordered to lie on the table, and be printed.

Mr. HAYDEN submitted an amendment, intended to be proposed by him, to House bill 5836, supra, which was ordered to lie on the table, and to be printed.

Mr. JOHNSTON of South Carolina submitted amendments, intended to be proposed by him, to House bill 5836, supra, which were ordered to lie on the table, and to be printed.

Mr. MONRONEY submitted an amendment, intended to be proposed by him, to House bill 5836, supra, which was ordered to lie on the table, and to be printed.

PRICE SUPPORTS ON DAIRY PRODUCTS

Mr. JAVITS. Mr. President, New York is the second largest dairy State in the Nation. The impact on the overall economy of the State of the proposed support price reduction for milk, announced by the Secretary of Agriculture, could be seriously adverse, especially since no corresponding decrease is contemplated which would reduce the price of grain feeds which the dairy farmers must purchase. The coordination of price supports for milk and milk products and grain feeds is the key to this situation.

I also represent the largest consumers' market in the United States in the New York metropolitan area. This market is a heavy consumer of milk and milk products.

There is no question that I have supported and shall continue to support the flexible parity support price approach to the present farm problems. I also believe that a great revolution is taking place in agriculture, requiring the use of fewer people and larger units of farm production, and that it is essential to conform ourselves to this revolution in the interests of the consumers of the Nation.

I believe tremendous foreign policy possibilities for peace are inherent in the use of agricultural surpluses, so as to enable the peoples abroad, especially in underdeveloped areas, to devote themselves to some industrialization and to enable them to live upon a standard at least not worse than they had before, while some of the people are taken off the land.

The use of the surpluses will enable us to do what the Communists do with the rule of the sword and whip, which has been so much in evidence in their farm collectivization programs. However, it is necessary to make all these activities move along together.

A legal situation is involved, in that the Secretary of Agriculture may find it necessary, legally, to reduce the support price for milk and milk products, be-

cause of the surpluses of those commodities, whereas he may not be able to do the necessary coordinating for barley, oats, and grain sorghums, which are used as feed for dairy cattle.

In full recognition of all these problems, and in no sense in opposition to the fundamental policy of endeavoring to rationalize our whole agricultural situation in the light of the revolution which is taking place on the farms, I propose to introduce a joint resolution to call for deferring the operation of the reduction in support prices for dairy products while Congress considers the legal situation and how to prevent serious injury to the dairy farmers as the result of such reduction, by making an overall approach to their problems at this session.

I respectfully submit that such an approach would give the Secretary of Agriculture, who at this time is under very heavy attack, an opportunity to testify before the appropriate Congressional committees as to the validity of his position and the legal situation in which he finds himself, so the Congress may perhaps give him some legal relief, which he may need in order to coordinate the price of feed with the price of milk.

Again I emphasize that, in my opinion, fundamentally the farmers of the country must tell us what they want to have done with the $5 billion, approximately, which the Congress is appropriating for agriculture, and which I entirely favor, in order to help the farmers make the necessary transition in connection with the revolution which is occurring on the farms. However, while that is done, we need to avoid, insofar as we humanly can, dislocation and serious damage to those who engage in farming for a living. That is the purpose of my joint resolution.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. BUTLER:

Statement by him in commemoration of Brotherhood Week.

Statement prepared by him regarding Lithuanian Independence Day.

By Mr. TALMADGE:

Address entitled "Federal Judiciary Selection: The Letter, But the Spirit?" delivered by Senator STENNIS before the southern regional meeting of American Bar Association, Atlanta, Ga., on February 21, 1958.

By Mr. GORE:

Resolution on emergency public works grants, adopted by board of directors, Tennessee Municipal League, and excerpt from text of address by President Eisenhower before National Food Conference, as published in the New York Times of February 25, 1958.

By Mr. KNOWLAND:

Article entitled "Labor Should Be Free in Our Republic," written by him for publication in the American Mercury magazine for March 1958.

By Mr. CASE of New Jersey:

Letter from Mr. Harry B. Haines, publisher of the Paterson Evening News, editorial from the Evening News, and statement by Senator CASE of New Jersey, regarding the threat of a depression in the United States, and what to do about it.

NOTICE OF HEARING ON NOMINATION OF RAYMOND A. HARE TO BE AMBASSADOR TO THE UNITED ARAB REPUBLIC

Mr. GREEN. Mr. President, as chairman of the Committee on Foreign Relations, I desire to announce that the Senate received today the nomination of Raymond A. Hare, of West Virginia, to be Ambassador of the United States to the United Arab Republic.

Notice is given that the nomination will be eligible for consideration by the Committee on Foreign Relations at the expiration of 6 days, in accordance with the committee rule.

NOTICE OF HEARING ON S. 1642, FOR THE RELIEF OF CLAUDE E. CRAWFORD

Mr. ERVIN. Mr. President, on behalf of a special subcommittee of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Tuesday, March 11, 1958, at 10:30 a. m., in room 424, Senate Office Building, on S. 1642, a bill for the relief of Claude E. Crawford.

At the indicated time and place, all persons interested in the proposed legislation may make such representations as may be pertinent.

The subcommittee consists of the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Wisconsin [Mr. WILEY], and myself, chairman.

THE PRAYERS OF THE FREE WORLD FOR LIBERTY FOR CZECHOSLOVAKIA

Mr. JOHNSON of Texas. Mr. President, to a free world, this is an unhappy anniversary. Ten years ago, the forces of communism seized control of Czechoslovakia—one of the most freedom-loving nations in Europe.

On the basis of the whole proud history of the Czechoslovakian people, it is apparent that they wanted no part of communism, and want no part of it today. The seizure of power was tyranny without any show of legality.

A people who have struggled for their independence over the centuries cannot be kept in chains forever. We can be certain that the spark of freedom is still within the minds and souls of the Czechs, and the prayers of the Free World for their eventual liberty are with them.

Mr. SPARKMAN. Mr. President, this year, 1958, marks the 40th anniversary of the founding of the Czechoslovak Republic. Today, February 25, marks the 10th anniversary of the Communist coup that resulted in the enslavement of the brave millions who make their homes in their once free and prosperous country.

Over the years the people of Czechoslovakia have struggled for independence and the right to choose freely the kind of government they want. Many times they have been subjugated and abused by ruthless and cruel leaders of more powerful nations. They have always eventually regained their freedom, to take their place once again alongside other nations that believe in the dignity of the individual.

Theirs in many ways has been a glorious history and an inspiration to those everywhere who seek to live in peace and dignity with their fellow men.

Thus, I feel confident that within time—and, I trust, in the near future—these brave and liberty-loving people will once again find it possible to rid themselves of their oppressors and to enjoy the freedom for which they so strongly yearn, and which they have so truly earned.

Mr. KNOWLAND. Mr. President, today, February 25, 1958, commemorates the 10th anniversary of the last day of freedom of the Czechoslovakian nation, whose tragic history is difficult to equal in mankind's struggle for fredom.

Born out of World War I, the young Republic of Czechoslovakia fell an early victim of Nazi aggression in 1938–39. At its rebirth in 1945, following World War II, under President Eduard Benes, Czechoslovakia enjoyed a measure of traditional democracy while under the heavy threat of its Soviet neighbor.

The end of freedom in Czechoslovakia came a decade ago today, when President Benes' government collapsed from external and internal Communist pressure. While freedom has been temporarily stifled in Czechoslovakia, it is my strong belief, and I think the hope of free men everywhere, that years of oppression and totalitarian domination have not crushed the love of freedom in the hearts of the Czechoslovakian people. On the contrary, I believe they have strengthened it. The flame of freedom has not gone out. Hitler's blitzkrieg could not crush it out, and communism's godless tyranny cannot destroy it.

The Czechoslovakian people know what a precious thing freedom is because they know what it is to live without it.

To the enslaved people of Czechoslovakia on this dark day in their struggle for freedom and to all the oppressed people of the world in their fight against tyranny, they should know that their cause will not be forgotten.

Mr. LAUSCHE. Mr. President, I am certain that on this, the 25th of February, the tenth anniversary of the date on which Soviet troops struck at free Czechoslovakia and converted that nation from freedom to slavery, the people of Ohio would want me to send a message to the noble and brave Czechoslovakian people.

In my judgment the spirit of freedom reigns throughout the whole of Czechoslovakia. No people with a cultural background equivalent to that possessed by the Czechoslovakian people will for any protracted period be the slaves of communism, regardless of the force brought to bear upon them. Their artists, their sculptors, their literary men, and their musicians have for nearly a thousands years written and sung the song of liberty. In my opinion, from the hills of Czechoslovakia and

from its valleys, its fallen heroes speak, waiting for the day when freedom will be restored to that land.

As early as 1300, Czechoslovakia established its first institution of higher learning. Through the years there has lived the spirit of freedom among Czechoslavian people. It remains unquenched and undiminished. I believe that the Soviet power understands that fact today. Under compulsion the people of Czechoslovakia bowed to the tyranny of the despotic communistic government; but in soul and in spirit, and in will, they proclaim to the world, through their flag flying from public buildings, that they are brothers in the fullest degree to all men and women who believe in liberty.

Mr. BARRETT. Mr. President, today marks the 10th anniversary of the communization of Czechoslovakia. The good people of that country will long remember February 25, 1948, for on that dark day Dr. Eduard Benes, the Czechoslovak President, approved the new and complete Communist government under the leadership of Prime Minister Klement Gottwald, and it was later ratified by the National Front Parliament.

The groundwork for this action was carefully laid 3 years earlier. At that time most of the country's industry and agriculture had been socialized. The national committees and the people's courts under Soviet domination had taken over. Freedom of press and freedom of speech were no longer tolerated. Only pro-Communist political parties were permitted to operate. Under these conditions it is easy to understand how it was possible for the National Front regime to take autocratic control of the country in 1945. The Communist bosses carried out their nefarious designs and schemes by expelling 3 million Sudeten Germans who had lived for centuries in that land. The same treatment was accorded to the Hungarians.

The Czech and Slovak peoples are living in Communist slavery today under the terror of the Communist state security system. They live in a deep apathy serving their Communist masters through fear.

We know that if these enslaved peoples are to be free again, they must exert every effort to regain their freedom and their liberation; and this must be accomplished without war. If this is to be done, than our country must remain strong. The West must continue strong, and the non-Communist world must maintain superiority not only in arms, but in the scientific field.

On this occasion we express our sympathies to the enslaved nations. We should assure the Slovak people that some day they will regain their independence, and also assure the Czech people that they too will again be free. The Sudeten German and Hungarian expellees should be encouraged to fight for the right to return to their homes. We should encourage them to strive for their freedom and independence whether they are at home or in exile. They should know that they have the moral support of free men the world over.

Mr. HUMPHREY. Mr. President, twice within one decade the democratic republic of Czechoslovakia has been placed under the yoke of dictatorial tyranny. History cannot erase the Munich pact any more than it can erase the Communist coup d'etat of February 25, 1948.

Thomas Masaryk, the immigrant to America who returned to his homeland to plant the seeds of freedom which grew into the democratic State of Czechoslovakia, and Eduard Benes, who contributed so untiringly to the League of Nations for international understanding and cooperation, worked for the security of their country through a strong alliance with France and on strong bonds of friendship with the United States and Great Britain. Their hopes and dreams of perpetuating a free and democratic Czechoslovakia have been crushed by the ominous power of the Soviet Union. Today, Czechoslovakia is a Soviet satellite, but the number of Czechoslovak exiles who risked their lives to flee from their Communist dominated country is the greatest testimonial to the works of Masaryk and Benes and to their innate and deep love of freedom.

It may be argued that geographically and racially Czechoslovakia should maintain a strong alliance with Russia, but the hearts and minds of men are not bound by geographical nor racial ties. Where freedom is crushed and tyranny prevails, when subjugation is substituted for independence, the dream of democracy may grow dim. It is incumbent upon us to keep the dream of Czechoslovak independence alive. To those exiled from their unhappy homeland we must offer refuge and assistance; to the subjugated people in Czechoslovakia we must offer hope. The liberation of the nations of central and eastern Europe and the restoration of their freedom and independence is the prayer of free peoples everywhere as we commemorate the 40th anniversary of the Czechoslovak Republic and recall that on this day, 10 years ago, the last vestige of democracy was stripped from the Czech Government and communism took its place.

SENATOR HARRY F. BYRD, OF VIRGINIA

Mr. ROBERTSON. Mr. President, few men in public life today have been so closely associated for so long a period of time as have the two present Senators from Virginia. They were born on the same street, in the same town, and in the same year, only 13 days apart. They both commenced their political careers by being elected to the State Senate of Virginia in 1915, where they were deskmates and the closest of friends. In 1925, the senior Senator from Virginia [Mr. BYRD], with the active support of the junior Senator from Virginia, was elected Governor of Virginia; and during the following 4 years, the junior Senator from Virginia served in the cabinet of his friend and former State senate colleague. In March of 1933, both Virginia Senators came to the Congress of the United States—the senior Senator, Hon. HARRY F. BYRD, to the United States Senate; and the junior Senator to the House of Representatives. In the fall of 1946, the junior Senator was elected to succeed the distinguished Senator Carter Glass.

After 42 years of such close friendship and association, first, in the State, and later, in national political affairs, I was deeply moved to receive from my senior colleague a confidential note written on February 11, stating that he would not be a candidate for reelection to the Senate because in the years that remained to him he wanted to be privileged to spend more time with his beloved wife. Recognizing the obligation which Senator BYRD owes to his wife, I could do no more than express my great regret over his proposed retirement from the Senate, which I did in the following statement to the press, which I issued on February 12:

> I have been deeply moved and greatly distressed by the announcement of my warm personal and political friend of the past 42 years that he will not be a candidate for reelection to the Senate. But for the promise he made his beloved wife that he would not run again, he would be flooded with petitions from all sections of the State to reconsider his decision.
>
> Not since the early days of the Republic has a Virginia Senator equaled the national reputation enjoyed by Senator BYRD. And, not in this century, will the retirement of a United States Senator, after 25 years of service, be more universally regretted.

Mr. President, I have been personally familiar with the political history of Virginia for nearly 50 years, and I have been for many years a student of the political history of my native State throughout its entire period of statehood. Therefore, I can say without fear of contradiction that never in the history of the Commonwealth of Virginia has there been such an insistent demand, not only from the State itself, but from all sections of the Nation, that a man richly entitled to retire on the basis of service beyond the call of duty should continue in public service.

Since the insistent demands from so many people in Virginia, including a resolution unanimously adopted by the General Assembly of Virginia, come from the personal friends of Senator BYRD, who are, of course, aware of the physical handicap of his wife, I interpret the demand for Senator BYRD's candidacy to succeed himself in the Senate to be conditioned, of necessity, upon the fact that throughout such service Senator BYRD will be expected to give full consideration to his wife's health and will be relieved from unessential activities expected of a United States Senator that would take him away from home. If, therefore, Mr. President, the lovely wife of Senator BYRD should release him from the promise made to her some 6 years ago that he would not be a candidate for reelection in 1958, I express the earnest hope that, for the best interests of Virginia and of our Nation, my friend and distinguished colleague, Senator BYRD, will reconsider his decision not to stand for reelection.

Mr. TALMADGE. Mr. President, Virginia, throughout its long history, has had a tradition of electing patriotic and distinguished public servants, and Virginia has maintained that tradition to the present time. Her two distinguished Members in the United States Senate are

without peer in this body. Senator BYRD is known throughout the length and breadth of our country as a man who is frugal with the public's money. He is known as a friend and a protector of the taxpayers of the United States of America.

I join with the distinguished junior Senator from the State of Virginia in the hope that Senator BYRD will reconsider his statement that he will not be a candidate, and that he will again be a candidate to continue his distinguished service in this body.

SEVENTIETH BIRTHDAY OF SECRETARY OF STATE JOHN FOSTER DULLES

Mr. CASE of South Dakota. Mr. President, Marquis Childs, in his column in the Washington Post and Times Herald of this morning, calls attention to the fact that this is the 70th anniversary of the birth of John Foster Dulles, Secretary of State. At the conclusion of the article he writes:

> How history may finally appraise Dulles' stewardship, no one can say. But of his stamina and his dogged determination in holding onto a job second in difficulty only to that of the President, there can be no doubt.

I thought it might be appropriate to read into the RECORD today a poem entitled "The Job." It was written by the late Badger Clark, poet laureate of South Dakota, and reads as follows:

But, God, it won't come right! it won't come right!
I've worked it over till my brain is numb.
The first flash came so bright,
Then more ideas after it—flash flash!—I thought it some
New constellation men would wonder at.
Perhaps it's just a firework—flash! fizz! spat!
Then darker darkness and scorched pasteboard and sour smoke.

But, God, the thought was great,
The scheme, the dream—why, till the first charm broke
The thing just built itself while I, elate,
Laughed and admired it. Then it stuck,
Half done, the lesser half, worse luck!
You see, it's dead as yet, a frame, a body—and the heart,
The soul, the fiery vital part
To give it life, is what I cannot get. I've tried—
You know it—tried to catch live fire
And pawed cold ashes. Every spark has died.
It won't come right! I'd drop the thing entire,
Only—I can't! I love my job.

You, who ride the thunder,
Do you know what it is to dream and drudge and throb?
I wonder.
Did it come at you with a rush, your dream, your plan?
Yes, with rapt face and sparkling eyes,
If so, I know how you began.
Swinging the hot globe out between the skies,
Marking the new seas with their white beach lines,
Sketching in sun and moon, the lightning and the rains,
Sowing the hills with pines,
Wreathing a rim of purple round the plains.
I know you laughed then, while you caught and wrought
The big, swift rapturous outline of your thought.

And then—
Men.
I see it now.
O God, forgive my pettish row!
I see your job. While ages crawl
Your lips take laboring lines, your eyes a sadder light,
For man, the fire and flower and center of it all—

Man won't come right!
After your patient centuries
Fresh starts, recasting, tired Gethsemanes
And tense Golgothas, he, your central theme,
Is just a jangling echo of your dream.
Grand as the rest may be, he ruins it.

Why don't you quit?
Crumple it all and dream again! But no;
Flaw after flaw, you work it out, revise, refine—

Bondage, brutality, and war, and woe
The sot, the fool, the tyrant and the mob—
Dear God, how you must love your job!
Help me, as I love mine.

I read the poem, Mr. President, because it seems to me that the man who Marquis Childs says occupies a position second only in importance and difficulty to that of the President has this tremendous job of trying to work out the dream for man and of man. I read this in tribute to Mr. Dulles as Secretary of State, on the 70th anniversary of his birth, and as encouragement to him.

The poem appears in Skylines and Woodsmoke, and is used by permission of the copyright holder.

TRIBUTE TO THE LATE SENATOR NEELY BY COMMITTEE ON THE DISTRICT OF COLUMBIA

Mr. BEALL. Mr. President, on Saturday, January 18, 1958, the late Matthew Mansfield Neely, chairman of the Senate Committee on the District of Columbia, passed away.

At a meeting of the full Committee on the District of Columbia held on February 20, 1958, the committee unanimously adopted a resolution expressing our great loss. I ask unanimous consent to have this resolution made a part of the CONGRESSIONAL RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

COMMITTEE ON THE DISTRICT OF COLUMBIA, SENATE OF THE UNITED STATES, TRIBUTES TO THE LATE CHAIRMAN, SENATOR MATTHEW M. NEELY

Whereas it was with sadness that the members of the committee learned of the death of their chairman, Senator Matthew M. Neely, of West Virginia, on January 18, 1958;

Whereas his distinguished service as chairman of the committee marked the deliberations of the 81st, 82d, 84th, and 85th Congresses, and as a member of the committee during the 69th, 70th, and 83d Congresses he was again untiring in his devotion to the search for just solutions in the problems of the District of Columbia;

Whereas by his energy, intelligence, and ability he earned the respect and affection of his colleagues, and by his record of accomplishment he has earned an enduring place in the history of our age: Therefore be it

Resolved by the members of the Committee on the District of Columbia assembled, That we hereby express to his family our profound sympathy and acknowledge our deep personal loss in the departure of a friend, teacher, and dedicated leader.

ALAN BIBLE, Chairman, WAYNE MORSE, J. ALLEN FREAR, Jr., JOSEPH S. CLARK, WILLIAM PROXMIRE, J. GLENN BEALL, THRUSTON B. MORTON, JACOB K. JAVITS, JOHN D. HOBLITZELL, Jr.

INVITATION TO VISIT MINNESOTA DURING CENTENNIAL YEAR, 1958

Mr. THYE. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an invitation extended by Mr. George W. Heffelfinger, president of the Minneapolis Grain Exchange, to all Members of the Senate and of the House and to anyone else who may so desire, to visit the State of Minnesota during the centennial year of 1958.

Minneapolis is the home of the world's largest cash grain market, and the members of the Minneapolis Grain Exchange are prepared to welcome any and all visitors during the coming year.

So that everyone may be made more aware of the activities of the Minneapolis Grain Exchange, I ask unanimous consent also to have printed at this point in the RECORD a brief description of what one might find on a visit to the Minneapolis Grain Exchange.

There being no objection, the invitation and description were ordered to be printed in the RECORD, as follows:

MINNEAPOLIS GRAIN EXCHANGE,
Minneapolis, Minn., February 6, 1958.

To All Senators and Congressmen:

MINNESOTA CELEBRATES ITS 100TH BIRTHDAY

May we extend to you an invitation to visit our great State of Minnesota in 1958. Many special events have been planned in every county of Minnesota, and the citizens of our State look forward to your visit. The public parks—10,000 lakes for fishing, swimming and boating—our fine highways, and many other attractions will make your trip to Minnesota a pleasant one.

Many industries in the State have planned special programs to celebrate Minnesota's centennial year. In Minnesota's largest city is located the world's largest cash grain market. It would, of course, please us if you included a stop at the Minneapolis Grain Exchange when you plan your trip to Minnesota to help celebrate centennial year.

The enclosed brochure explains in part the services offered by this public market place which has served grain producers and grain processors for most of Minnesota's 100 years.

Sincerely,

GEORGE W. P. HEFFELFINGER,
President.

YOUR TRIP TO THE MINNEAPOLIS GRAIN EXCHANGE

Today in America we enjoy a greater abundance of high-quality goods than ever before in history. These goods are made available by millions of people whom we call producers and distributors.

The channels through which this vast flow of goods reaches the consumer are the market places of America. They are the places where buyers and sellers meet and where sales are made when buyer and seller agree on a price.

Here in the upper Midwest is the largest cash market for grain in the entire world. It is the Minneapolis Grain Exchange at Fourth Street and Fourth Avenue, South, in the city of Minneapolis. This market place

demonstrates the free, open, competitive market that characterizes America.

A tour of the Minneapolis Grain Exchange shows how a large commodity market operates and offers students an opportunity to view firsthand some of the economic principles of our free economy.

The Minneapolis Grain Exchange, which is one of several such exchanges in the United States, serves four States—Minnesota, South Dakota, North Dakota, and Montana. It is a potent force in the economy of this region. It directly or indirectly affects the banker, the farmer, the elevator operator, the miller, the distiller, the brewer, the consumer. The more than 500 members, representing commercial firms, local elevators, and large manufacturers of grain products, constitute one of the largest employer groups in the area.

The buying and selling and movement of grain and grain products through the facilities of the exchange represent top sources of revenue to the railroads and to the telephone and telegraph companies. The grain industry is one of the largest users of bank credit, and the millers, elevators, warehouses, and other establishments of its many members represent huge capital investments.

PROTECTION AGAINST DISEASES OF LIVESTOCK AND POULTRY

Mr. THYE. Mr. President, S. 2192, a bill to provide greater protection against the introduction and dissemination of diseases of livestock and poultry, and for other purposes, was introduced by me some time ago. I am most desirous of having all Senators alerted by having this proposal brought to their attention. That is why I am making these brief remarks about the bill.

Title I would give the Secretary of Agriculture the authority to properly dispose of animals which have been brought into this country or moved interstate in violation of a Federal quarantine, or which have been found on such movement to be infected or exposed to a dangerous communicable disease. Presently, the Department is powerless to seize and dispose of many such animals regardless of the disease involved, but can only proceed against the violator through normal court action. The disposal of animals under the proposed new authority would be in conformity with the requirements of the situation. For example, one action might be taken in the case of foot-and-mouth disease and an entirely different action in the case of a less dangerous disease.

This title also recognizes the dilemma in which the Department and the industry would find itself in the event of an emergency outbreak of foot-and-mouth disease and the inability of an individual State to carry its share of the eradication effort. The proposed legislation would give the Secretary power to act in case of an extreme emergency, such as an unchecked outbreak of foot-and-mouth disease. Such an outbreak would be one in which the Secretary would have to act without the financial support of the State.

The Department has close cooperative arrangements with all the States looking to prevent any such emergency condition through prompt cooperative action. In most circumstances these arrangements would be most successful, but, in light of the ever-increasing international traffic, the recent outbreaks of foot-and-mouth disease in Canada and Mexico, and the possibilities of biological warfare against our livestock, we must be prepared to act immediately in case of an outbreak of an extremely dangerous foreign disease affecting livestock and poultry.

In addition, title I pertains to payments of indemnities, the cleaning of facilities, and the authority to inspect. The provisions regarding importation into the United States are necessary to deal adequately with such long incubation diseases as scrapie and with livestock that have at one time or other been diseased or exposed to foot-and-mouth disease.

Title II of the bill, for the most part, amends current legislation to make the present laws more applicable to any disease of animals as may be necessary to protect livestock and poultry. Furthermore, it specifically includes rabies of livestock as a disease, and provide that the Department may cooperate with the States to suppress such disease, and it permits such cooperation with regard to other communicable diseases of livestock or poultry.

Rabies of livestock is becoming more and more of a problem in my State and quite a number of other States. While the numbers of infected animals involved are not large, the number has been increasing over the years. Last year there were 727 cases. Rabies is such a terrible disease that each case represents a great danger not only to the farmer's animals, but also his family.

Title III of the bill would clarify the types of diseases which are included within such terms as "communicable," "contagious," and "infectious" as used in the present laws. This title also would relieve some uncertainty as to the coverage of Agricultural Research Service employees under the statutes prohibiting assault upon or interference with the work of certain Federal employees.

PROPOSED INTERNATIONAL DEVELOPMENT ASSOCIATION

Mr. MANSFIELD. Mr. President, this morning there appears in the Baltimore Sun an editorial entitled "New Development Plan." It refers to the plan submitted on yesterday by our distinguished colleague, the junior Senator from Oklahoma [Mr. MONRONEY], who has proposed the establishment of a new lending organization with the purpose of getting away from the making of grants, and bringing about some sort of world development system.

I am delighted that Mr. Eugene Black, the President of the World Bank, is so much impressed with this proposal. I hope the Banking and Currency Committee will hold hearings on it at the earliest possible opportunity, to the end that some arrangement of this sort will be put into operation, so as to enable the United States to get away from the making of grants and to develop with the other nations of the world the idea of interdependence, based on loans, and taking into cognizance the particular types of currencies which have been developed in the various countries.

I ask unanimous consent that the editorial to which I have referred be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

NEW DEVELOPMENT PLAN

Senator MONRONEY has proposed a new world lending organization and President Eugene R. Black of the World Bank has made a significantly prompt statement of favorable interest. The World Bank is one of the successes of the postwar reconstruction program—and such successes have been painfully few. The prestige of this success enhances anything Mr. Black has to say about redevelopment plans and makes all the more important his receptiveness to the MONRONEY idea.

In brief, Mr. MONRONEY proposes a new, international, billion-dollar development banking institution. The United States would take, say, $300 million of its capital out of funds already appropriated. The MONRONEY outfit would work under the wing of the World Bank but would differ from the senior institution in that it could lend and be paid to some extent in "soft" currencies, those not readily convertible into other money. The statutes of the World Bank restrict its dealings to hard-money terms. But the hard currencies, of which the universally convertible United States dollar and the Swiss franc are typical, are relatively hard to come by.

It follows that many would-be borrowers at the World Bank have to be refused because they can offer no prospect of paying off in convertible currencies. Or perhaps the fractional payments in these currencies of which alone they are capable force the World Bank to reduce its advances to such countries below what they could really use.

But under the MONRONEY plan, such a borrowing country could concentrate the proceeds of its small hard-money loan on expenditures on, say, the heavy equipment which is apt to be most available in hard-money countries. Then it could spend some of its borrowed hard money, but more of the proceeds of its soft-money MONRONEY-organization loans, in soft-money countries for fibers, minerals, lumber, or the simple manufactured goods which might be available there. All in all, the MONRONEY scheme looks not merely toward an expanded bankability all over the world. It looks, too, to an expanded volume of general world trade. No wonder trade and development people are pricking up their ears in the Congress and in the capital generally.

Mr. NEUBERGER. Mr. President, I should like to associate myself with the commendation expressed by the distinguished junior Senator from Montana [Mr. MANSFIELD] of the proposal voiced so ably on yesterday, on the Senate floor, by the distinguished junior Senator from Oklahoma [Mr. MONRONEY], who favors a new development in the field of international monetary reform and loans.

RESULTS OF UNILATERAL AID TO FOREIGN COUNTRIES

Mr. MONRONEY. Mr. President, today the Washington Post and Times Herald published on page 1 a very interesting letter from a Vietnamese girl. The letter was addressed to Mr. Alfred Friendly, the managing editor of the Post, and reflects a point of view which my personal experience has shown is shared by tens of millions of

people throughout Asia. The writer of the letter says:

I would also like to let you know what I think about America. These questions are my doubts toward your country. If you answer my questions, I am sure that all the other Vietnamese will appreciate it.

Among the questions she asked are the following:

1. Does American Government help us because of friendly reasons or by its own interests?

As for me I think that American Government help Vietnamese people because of these principal reasons:

(a) Commercial point of view: Vietnam will be a big market for the commerce and industry of America.

(b) Strategic point of view: Vietnam will be used to stop communism.

2. Is it right that the policy of American Government is to assimilate all the countries living under its help?

3. Will Americans go home soon or will they stay in Vietnam for a hundred years?

4. Do American people know that Ngo Dinh Diem is an American puppet as some of the Vietnamese think?

5. Do American people know that 95 percent Vietnamese people don't like them?

Mr. President, I believe this letter proves the point I tried to make in my address to the Senate yesterday, in which I urged the establishment of an International Development Association to work in conjunction with the World Bank.

The purpose of my proposal is to get away from unilateral grants-in-aid and unilateral loans. Today, unfortunately, the United States is being portrayed—largely as the result of Communist propaganda—in the role of Uncle Shylock. This results from the State Department's insistence upon the continuance of an outmoded policy of unilateral grants-in-aid to other countries.

The letter to which I have referred shows that when our aid is given unilaterally, it is interpreted as an effort to convert to satellite status the countries we aid.

We must work through multinational channels if we are to give the economic aid which is so badly needed by these countries and still avoid the unfounded charge that the United States is trying to subvert the nations which have recently emerged from colonial status.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the full text of the letter published this morning in the Washington Post.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SHE ASKS FOR AN ANSWER

(The letter printed below was recently received by the managing editor of the Washington Post and an answer was made to it. It seemed to the editors, however, that the questions posed by the writer, a teen-age Vietnamese girl, reflected so well the "doubts towards your country," which millions of people throughout the world may share, that the letter deserved wider circulation. It may be, also, that many Americans would like to give their answers to the questions. The Washington Post will forward replies to her and, given the permission of those who respond, will publish some of them at a later date.)

Mr. ALFRED FRIENDLY,
Managing Editor, the Washington Post and Times Herald, Washington, D. C.

DEAR MR. FRIENDLY: I am a little Vietnamese girl. I saw your name in a newspaper and decided to write to you because your name sounded the nicest.

Here are some questions I would like to know about America, for now, Vietnamese people are living under the help of your country.

I would also like to let you know what I think about America. These questions are my doubts toward your country. If you answer my questions, I am sure that all the other Vietnamese will appreciate it.

1. Does American Government help us because of friendly reasons or by its own interests?

As for me I think that American Government help Vietnamese people because of these principal reasons:

(a) Commercial point of view: Vietnam will be a big market for the commerce and industry of America.

(b) Strategic point of view: Vietnam will be used to stop communism.

2. Is it right that the policy of American Government is to assimilate all the countries living under its help?

3. Will Americans go home soon or will they stay in Vietnam for a hundred years?

4. Do American people know that Ngo Dinh Diem is an American puppet as some of the Vietnamese think?

5. Do American people know that 95 percent Vietnamese people don't like them?

Mr. Friendly, I found that although we live under the help of Americans but we don't like Americans, we don't get along with Americans.

6. What do Americans think about Vietnamese people? Do they consider us as Negroes in America?

7. Is President Eisenhower influenced by big capitalists such as General Motors, General Electric, or other interests?

8. Why are there still a lot of white Americans do not get along with black Americans? Do they still have the impression that black Americans are their slaves?

I think America is a democratic and free country so such a colored separation must be ended. The trouble at Little Rock, do you think that was a big shame hung over America?

9. What do Americans think about the Russian manmade moon and the 150 atomic submarines?

I think that's a big mortification for American Government.

10. Do you agree with me that Americans do not have manmade moon because American spies could not work in Russia? (Russians control their country very rigid.)

11. How can Hollywood make James Deane more popular than President Eisenhower in Vietnam?

If America is really a democratic country, I am sure that your Government will let you answer all of my questions.

Sincerely yours and thanks,

Miss LEMY.[1]

INGREDIENTS AND REQUIREMENTS IN CONGRESSIONAL INVESTIGATIONS

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an article entitled "Where the Chips Fall" by C. P. Ives, of the Baltimore Sun. Mr. Ives' analysis of the variable ingredients and requirements in Congressional investigations is most interesting. His incisive viewpoint seems worthy of our attention and consideration.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Baltimore Morning Sun of February 24, 1958]

WHERE THE CHIPS FALL

(By C. P. Ives)

Suppose that at the height of the recent investigations into Communist infiltration of the Government a Red-baiting chief of counsel for a Senate investigating committee had fallen out with his committee because he said it was shielding Government personalities mixed up with communism. Suppose the counsel had thereupon bundled up a batch of confidential committee documents and lugged them off for the unauthorized inspection and the voluble comment of a super Red baiter in the other House.

Suppose that all during this spectacular exercise in parliamentary disorder, names were dripping out of the peripatetic documents and out of the lobby hearsay, names tied into allegations of wholly unproven subversion and criminality, names of Presidents, of Presidents' wives and their in-laws, of Vice Presidents and Cabinet members, etc.

We know what would have happened because it all did happen in the Communist inquiries and on infinitely less provocation. There would have been outcries against witch-hunting, against guilt by association, against the smearing of innocents.

Just such expostulations in the Communist investigations led, as a matter of fact, to basic reforms in investigating procedures. In 1955 the House of Representatives adopted a series of investigating ground rules reported for a special committee by Representative CLYDE DOYLE.

The Doyle rules granted certain important protection to witnesses and were thereafter at the disposal of people before the Commie-hunting committee of the House. But when the Subcommittee on Legislative Oversight proposed the same privilege for witnesses in its current inquiry into the Federal Communications Commission, there was an almost total lack of enthusiasm on the liberal and intellectual left.

The fact is that the riotous agencies investigation of these last few weeks is further proof of the sociological maxim formulated by Prof. Reinhard Bendix, of the University of California: "Taking a negative approach to business * * * is a matter of course in intellectual circles." Or, to put it another way, while you mustn't bully people mixed up with communism, man, it's different with businessmen and their pals in Government.

Not, however, that this may be said of all those who raised a shout against committee abuses in the communism investigations. The American Civil Liberties Union, for one, eloquent against committee roughhandedness then is eloquent against roughhandedness now.

The day after the Legislative Oversight Committee began probing into the affairs of FCC Chairman Doerfer, the ACLU got off a telegram to the committee chairman demanding the right of cross-examination for witnesses. This was exactly the claim made by the ACLU in the communism investigations and the reasons were identical:

"The charges made concern possible violations of law, and because of their gravity, the right of cross-examination of witnesses by the accused if he desires, should be allowed."

Now the Legislative Oversight Committee has not accorded the right of cross-examination, nor did the Doyle rules when originally adopted by the House. The reason is clear enough, and is cited, though held insufficient, by the ACLU itself.

In brief, cross-examination is peculiarly a court procedure, one appropriate and indeed

[1] A pseudonym.

essential when guilt is being established or innocence sustained. But it is elaborate, time consuming, subject to a variety of technical rules, all keyed as much to the legal maxim that it is better for many guilty men to escape than for one innocent man to suffer, as to mere objective factfinding. And just for these reasons, the wariest Congressional investigators are against bringing into their factfinding process a technique designed for quite different purposes.

But the sidelines and lobbies are crowded with people who wanted unfriendly witnesses in the communism inquiries to be able to cross-examine, but have shown no such anxiety in behalf of the men before the FCC investigation. The simple across-the-board fairmindedness of the Civil Liberties Union is not a universal phenomenon on the left.

And one further reflection is in order. The agencies' probe shows that the committees have come quite unparalyzed through the many efforts to paralyze them in the communism inquiries. They still operate with effectiveness, turning up skulduggery in the agencies as effectively as they turned up (and still turn up) subversive infiltration. The moral is that if you want to keep an instrument sharp, you can't be too selective about where the chips fall.

READJUSTMENT OF POSTAL RATES

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded, and the Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H. R. 5836) to readjust postal rates and to establish a Congressional policy for the determination of postal rates, and for other purposes.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HOBLITZELL in the chair). Without objection, it is so ordered.

The committee amendment strikes out all after the enacting clause and inserts a complete substitute for the bill.

Under the precedents of the Senate, in such a case, the committee substitute is not regarded as an amendment in the first degree, but as original text for the purpose of amendment.

Any amendment proposed to the committee substitute is therefore an amendment in the first degree only, and it itself is subject to amendment, which would be in the second degree.

When no further amendment is to be proposed, the vote will be taken on the substitute, whether or not amended.

If the committee substitute is agreed to, no further amendment is in order.

Mr. CARLSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CARLSON. Am I to understand from the statement of the Chair that during the consideration of the postal rate bill the substitute bill will be open to amendment; that once it is amended, and agreed to as amended, no further amendment may be offered?

The PRESIDING OFFICER. When the committee amendment is agreed to, no further amendment will be possible under the rules.

OPPOSITION TO POSTAL RATE INCREASES

Mr. MORSE. Mr. President, before I proceed to discuss the subject to which I wish to direct my major attention this afternoon, I should like to insert a few items in the RECORD.

I have received a telegram from Miss Eleanor Stephens, State librarian of the State of Oregon, in opposition to the proposed book rate increase in the pending bill. She says:

SALEM, OREG., *February 24, 1958.*

Hon. WAYNE L. MORSE,
United States Senate,
Washington, D. C.:

Will you please support the amendment which Senator RALPH W. YARBOROUGH is offering to postal rate bill, H. R. 5836, which strikes out the book rate increase. Oregon citizens and libraries borrow heavily from the Oregon State Library and need the best possible rate for interlibrary loans.

ELEANOR STEPHENS,
State Librarian.

I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a similar telegram on this phase of the postal rate problem, which I have received from Mr. Glen W. Cruson, representing the Oregon printing industry.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

PORTLAND, OREG., *February 24, 1958.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

The 66⅔-percent increase in third-class postal rates is discriminatory, especially in view of earlier increases, and will drastically reduce production in Oregon printing plants, thereby adding to unemployment. Mail users here are canceling advertising plans beyond probable date of increase. All Oregon business and employment will suffer as result—request intensive efforts to reduce rate voted by Post Office Committee and to prevent tying rate bill to salary bill.

GLENN W. CRUSON,
Oregon Printing Industry.

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks certain telegrams in support of the position I have taken in opposition to a 5-cent postage stamp on first-class mail and therefore a 5-cent tax on the letterwriters of America.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

NEW YORK, N. Y., *February 24, 1958.*

Senator WAYNE MORSE,
Washington, D. C.:

Saw reports of your splendid speech against first-class postal increase. In this connection let me call your attention to amendment to be offered on Senate floor tomorrow to strike proposed 25-percent increase in book rate. Hope you will support this amendment which avoids even more unfair load on schools, libraries, and particularly on western book buyers who rely on mails.

KEN MCCORMICK.

PARIS, ILL., *February 24, 1958.*

Senator MORSE of Oregon,
Senate Office Building,
Washington, D. C.:

I want to thank you for your courageous fight against the increase in postal rates. The increase will have a bad effect on the country's recovery. You should make public every Member of Congress who publishes a newspaper who is making the public pay their transportation.

ALVA F. ADAMS.

YANKTON, S. DAK., *February 24, 1958.*

Hon. WAYNE MORSE,
United States Senator,
Senate Office Building,
Washington, D. C.:

DEAR SENATOR MORSE: We small-business men appreciate your effort in the fight against postal-rate raises. Anything you can do to prevent its final passage in the Senate will be a help to every citizen.

SID GURNEY,
Gurney, Inc.

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a statement by Horace H. Nahm, president of Hooven Letters, Inc., of New York City, president of the Association of First Class Mailers.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF HORACE H. NAHM, PRESIDENT, HOOVEN LETTERS, INC., NEW YORK CITY, PRESIDENT, ASSOCIATION OF FIRST-CLASS MAILERS, BEFORE SENATE POST OFFICE AND CIVIL SERVICE COMMITTEE, FEBRUARY 6, 1958.

My name is Horace H. Nahm. I live on Long Ridge Road, Stamford, Conn. I am president of Hooven Letters, Inc., of 352 Fourth Avenue, New York City, a director of the Advertising Club of New York, a past director of the Direct Mail Advertising Association, and the American Institute of Graphic Arts, and also president of the Association of First Class Mailers, an organization of some 350 individuals and business firms. It is in the latter capacity that I appear today to protest the proposed increases in first-class mail rates.

Mr. Summerfield has told you that your constituents are willing and even anxious to pay higher postal rates. If you believe it is true that your constituents are anxious to pay 66⅔ percent more on their out-of-town first-class mail (which is two-thirds of all first-class mail) and 33⅓ percent more on their local mail, then you have every right and every reason to vote for his proposal. If any such willingness exists, it is as a result of the specious propaganda that has been fed to the American public by the Post Office Department at great expense to the public.

If, on the other hand, you share your constituents' displeasure at the rising cost of living and agree with them and me that the Government should not inflate a price over which it has absolute control, then you will take a hard, second look at this proposal and, I hope, defeat it.

The direct rate increase is only part of the story. Mr. Summerfield's assistant, Mr. Gillette, admitted before this committee on January 28 that the increase in postage rates would be passed on by business firms in the form of higher prices.

In other words, this $700 million rate increase may well turn out to be a billion-dollar boost in business and living costs at a time when the people are crying out for relief. For some businesses, such as public utilities, the higher costs will be built into their rate bases as a matter of law. If the costs are not passed on by business, then

profits will be reduced and Internal Revenue will be the loser.

Everybody loses under this proposal. The Treasury will gain considerably less than the estimated $700 million increase in revenue for the reason that these drastically higher rates will undoubtedly reduce mail volume, and this will reduce revenue. Look at the record of the Government post card when increased from 1 to 2 cents. The Post Office will not gain, for a rate increase will not make it more efficient. The people will not gain, for they will be faced with higher prices for the thing they buy, higher rates for the postage they pay for, and absolutely no promise of better postal service.

Not only that, but the costs of local and State governments will also increase—to be met by higher taxes. Our association recently sent out a questionnaire to the States and representative cities, asking them how they would be affected by an increase in postage rates. The replies have only started to come in, but I do have a report here from Atlantic City, N. J., a city of only 61,600 population. Last year Atlantic City's postage bill (municipal government only) was $14,164.81, almost entirely first class. This would be increased almost $5,000 under the rate increase now before you. This drain on hard-pressed city and State budgets will, I am sure, be reflected all across the country. Municipal officials and, in turn, their constituents, will be aware of the fact that this is a Congressionally administered price increase.

The increase to the Federal Government will also be significant. As just one example, the Treasury Department mails out about 211 million checks per year. At 5 cents instead of 3, the postage for that 1 item will come to over $10½ million instead of just under $6½ million. All the other Federal agencies from which Mr. Summerfield collects postage will have similar experiences.

The misleading information about this rate increase is typical of that which the people have been fed for the past several years. The greatest amount of misinformation centers on the so-called deficit, which is, roughly, less than half the size claimed for it since some $400 million of Post Office costs are considered by this committee's own advisory council to be public-welfare costs that ought to be met out of general revenues and not postal receipts.

Even as far back as 6 years the accounting firm of Price Waterhouse & Co. found the Post Office was giving away or selling below cost $274,470,674 in measurable public services.

Millions of Americans have read Senator JOHNSTON's revealing article in the February Reader's Digest. I can assure you they take a dim view of paying two-thirds more for postage stamps when the so-called deficit is created by such things as the annual census of deer and grouse on the Upper Michigan Peninsula. And that's not all.

Maintaining a rural post office where the postmaster's salary far exceeds receipts is probably an essential deficit enterprise, but it is a public-welfare cost which should be shared by all the people and not just the mail users. The same goes for the 135 horseback mail routes, the 96 shallow-draft boat routes, and the 32 private-airplane routes. These are essential public services. They come under the general-welfare clause of the Constitution.

Selling duck stamps for the Department of the Interior may be a legitimate post-office activity, but it is a public welfare item whose costs should be met out of general revenues and not postal receipts.

The 20 million pounds of mail carried free for the blind each year is obviously in the public interest, but should the bill be paid by the people as mail users or by the people as general taxpayers?

These are only a few examples of the nonpostal costs and the outright subsidies included in the so-called deficit. They all add up to a considerable amount of legitimate public service rendered by the Post Office Department, but Mr. Summerfield is consistently silent on this role his Department plays, preferring to persuade the people that the Post Office is a crass business enterprise and not a governmental service. He fails to point out to the people that his department recovers more of its appropriation through charges for its services than any other agency of Government. In fact, he never refers to his Congressional appropriation as an appropriation; he calls it a deficit the minute he receives it.

I have heard it reported that the General Accounting Office has made a secret report on the costs of Mr. Summerfield's information, or what I would call publicity, program. I would hope that this committee obtain a copy of this report and let the people know what is in it.

Gentlemen, you cannot escape this hard fact: First-class mail, the historic moneymaker of the Post Office Department, is being asked to pay (by Summerfield's own admission) 140 percent of its costs in order to make up the losses in other classes of mail and to meet the public-welfare costs of the postal system.

I believe you can rightfully look for a strong popular protest if this extra load is saddled on first-class mail. The reason is that people generally suspect that first-class mail is paying its way, and they are right. It is paying its way. In table 99 of the 1956 cost ascertainment report of the Department (the latest figures obtainable by the public), first-class letter mail, which makes up 93 percent of all first-class mail, is shown by the Department's own figures to return an excess of revenue over expenses. It is not until the Department introduces a new estimated reallocation of costs for intangible factors (table 100) that first class is alleged to be a money-loser—and to the tune of $346,170,000. In other words, only by saddling first class with losses in other classes and with public-welfare costs can it be shown to lose money.

The amount arbitrarily added to first-class costs is $316,305,667. This is followed by a $167,550,431 credit to second class. This figure juggling flies in the face of the fact that compared to second-class mail, first class produces over 15 times the total revenue, represents less than one-third the total weight of the two classes, 3½ times the revenue per piece, one-thirteenth the weight per piece and 47 times the revenue per pound. Yet for some strange reason it is proposed to load $316,305,667 additional on first-class cost figures and subtract $167,550,431 from second class.

We do not intend this comparison between first and second class to imply that second-class rates should be raised a little or a lot. As a matter of fact, everyone knows that a great deal of the second-class deficit results from the one-eighth-cent minimum on lightweight publications. As a matter of policy, Congress has always provided for a low second-class rate as a means of disseminating news, culture, information, and literature to the people, and I believe this policy will be continued to a greater or lesser extent. We simply use these figures to show the magnitude and the unfairness of the load proposed to be put on the accepted profitmaker of the Post Office.

I am sure you are aware that Mr. Summerfield is even hinting at 6 cents as the proper rate for first-class mail. He attempts to justify this rate on the ground that the dollar is worth half today what it was in 1932 when the present 3-cent rate replaced the old 2-cent rate. Is Mr. Summerfield saying that anything that has not increased 100 percent in price since 1932 should immediately be raised to that level? What kind of economics is that? And how does this square with the President's request that we all hold the line?

Mr. Summerfield fails to point out that the 1932 increase was not a postal-rate increase in the ordinary sense; it was initiated by the revenue-raising House Ways and Means Committee as a tax to be paid regardless of the cost of service.

For 26 years first-class mail has more than paid its share of the postal service. It should not be subjected to another increase, which would be purely a tax on the users of the mails.

The split rate proposed by Mr. Summerfield (local and nonlocal) would be administratively difficult if not impossible. Several years ago the Post Office felt it would be impossible, but now it is minimizing the difficulties in its eagerness to raise the rates.

I think Senator Proxmire has a valid point when he suggests that the split rate would work a hardship on the small-town user, particularly the small-business man—so much of whose correspondence is out of town and thus subject to the top rate of 5 cents. The small-business man is having a very rough time. The need to protect his solvency is well understood and much lipservice is given him. How is it reasonable to increase his postal bill, one of his basic costs of doing business, and at the same time talk of helping him to survive?

The suggestion is made that 1 cent of the 2-cent rate increase be used for post-office modernization. Unquestionably, the post office needs modernization. We have the statement of the former Assistant Postmaster General, Mr. Stans, made in a speech in Milwaukee a few years ago, that the Department is "antiquated, antediluvian, obsolete, and tradition-ridden." Despite the Postmaster General's claim that he is handling a greater volume with fewer people, it is well known that the man-years of employment in the Post Office is up considerably. But why should the user be forced to foot this bill? For 40 years the Post Office has wasted millions of the user's money, and now it proposes to slug him with a two-thirds increase to make up for it.

It makes much more sense, as Senator JOHNSTON has proposed, to authorize the Post Office Department to borrow $2 billion from the Federal employees retirement fund for this purpose. This money now draws 2½-percent interest. The Post Office could pay 3½ percent, thereby adding more to the fund and at the same time reducing the interest rate on money it can borrow elsewhere.

Cards and airmail are also a part of first class. I will not use up any more of your time discussing these increases, since I appeared before your committee as recently as August 20, 1957, to protest against them, and they are not changed in the new Summerfield proposal. Suffice it to say that the proposed increases on cards and airmail are still unrealistic and still unjustified.

But for the rest of my testimony I beg your indulgence for a brief repetition of what I have said in several appearances before this committee and its counterpart in the House of Representatives. I want to repeat them, because they are even more pertinent today than they were a year ago. These remarks concern (1) efficiency in the Post Office Department, and (2) the effect of postal rate increases on business.

(1). If the catch phrase that is bandied about, "the Post Office Department should operate like a business, and its users pay their way," is to have genuine validity, then the inescapable conclusion must follow that it must be operated in a businesslike way. It must be treated as a medium to receive and deliver mail, with the same freedom as any business to eliminate wasteful practices in buildings, personnel, transportation, and purchasing practices.

It requires a curious double standard of thinking and speaking to clamor loudly for businesslike balancing of intake of revenue from users against costs and yet disregard the well-known facts of life of traditional post office operating practices. Compare the technological advances of any widely operated organization such as the phone company, a public utility, an auto manufacturer, with the lack of progress in the Post Office Department.

(2) Most small businesses depend on first-class mail to conduct their business activities, some for advertising and promotion, all for mailing bills, checks, and correspondence with customers and suppliers. First-class mail is often their precious substitute for manpower in their competition with big business.

It is unfair and discriminatory to load any part of the public service and deficit breeding practices of the post office on the small-business man—he can't afford it. Don't soak the small-business man with unfair postage-rate increases.

Incidentally, about a year ago the President of the American Newspaper Publishers Association, a representative of the National Editorial Association, representatives of 3d and 4th class mail users and I as representative of 1st class mailers went to see Secretary of Commerce Weeks personally and pleaded with him to conduct a survey of the impact of these proposed rate increases on business. Absolutely nothing has come of it. And when Mr. Weeks appeared before the House Post Office Committee last year he indicated his Department had no information on the subject and conceded that the views of the Small Business Administration had never been sought.

The impact of postal rate increases on department stores, specialty shops, and others with their monthly bills and statements will be drastic. They will experience a radical cost increase at a time when they are struggling to make a profit. It will create another cost of doing business which they will of course pass along to the public if they can.

As to big public utilities and insurance companies, they will be loaded with a tremendous cost of notices, regular bills, etc., an added cost to be passed along to the public in future rate making.

As to big business it is just another cost to come off their profit statement—and half or more of it off their tax bill.

Now as to the use of first-class mail as advertising. About 10 percent of all first-class mail is advertising—or roughly 3 billion pieces. These are a part of the great business building effort that is the foundation of our prosperity. A decrease resulting from increased postage rates can have an adverse effect of unknown dimension on our economy. One of the recommendations of the Senate advisory group is that the executive branch be directed to make a survey of the impact of increased postal rates on the economy.

In general, however, postal rate increases will directly reduce corporate and unincorporated business profits. The result is reduced tax payments perhaps of 30 percent to 50 percent of the amount of the increase. Budgetwise the Post Office Department's gain is the Department of Internal Revenue's loss.

Certainly, businessmen are willing to pay their own fair share of postal costs. However, before rates are increased the Congress should make a true statement of postal policy and not burden business with post office practices not based on the service they require which is the delivery of the mail.

A final word on this matter of the impact of postal rate increases on business. You are aware, no doubt, of the fact that both the National Association of Manufacturers and the United States Chamber of Commerce go along with the Summerfield rate increases. When the government economy committee of the NAM attacked the so-called post office deficit, I was asked to become a member of the postal affairs committee, and I submitted a memorandum which in my opinion covered certain vital points overlooked by the NAM. For example, the NAM's postal policy statement made very little mention of the functions of the United States mail as a vital economic factor in the distribution of goods produced by manufacturers.

In my memorandum I quoted the following statement from David F. Austin, executive vice president, United States Steel Corp., before the 61st Congress of American industry in New York City:

"Unfortunately, today too many people think production is the key to the solution of all our problems, despite the fact that it is obvious that we can produce from now until the end of time, and unless we sell the output, the result is an unhealthy inventory and a sales-liquidation problem entailing frightful losses. This is not a visionary picture; it has happened often and can happen again. It has always been true that too many people go into business because they know how to make a product, while too few people go into business because they know how to sell a product. The sellers—the merchandisers—the commercial men—are the prime movers in the economic picture. It is much more important for a business to own a market than a mill."

It is variously estimated that $15 billion to $25 billion worth of merchandise is moved by sales or sales promotion by the United States mail. Just as tinkering with tariffs threaten the economic welfare of American manufacturers—so tinkering with United States mail postage rates threatens a considerable segment of the manufacturers of the United States.

Small tariff changes may seem insignificant to the uninformed—but carry heavy impact. The manufacturers who depend on the mails for orders and sales promotion are similarly affected by seemingly small changes in the postal rates.

It is a fallacy to think that small manufacturers are the only ones affected. Many large manufacturers may sell 10 to 30 percent or more of their output to mail-order sellers who will be affected. Large soap, food, automobile, and other manufacturers use the United States mail for large sales promotion efforts.

The small retailers and small-business man depend on the United States mails for sales and sales promotion. The prosperity and purchasing power of the small retailer and business man is of vital interest to NAM. The United States mails are a basic factor in his ability to compete with big organizations and to pay wages and profits and to make customers for the products of industry. Big manufacturers, Du Pont and many others publish educational material to help their small customers use direct mail more effectively to move merchandise.

Many efforts are being made to help the small-business man, among them tax relief on small corporation and business profits. It would be a negation of this effort if the small-business mans' most effective advertising and business medium—first- and third-class mail—were to be burdened by rate increases.

Much more could be said, but in brief: From coast to coast the economics of the distribution of an estimated fifteen to twenty-five billion dollars' worth of merchandise is dependent in one way or another on the United States mails.

There is another important factor in this economic picture—the individual user of the mails. If postage stamps cost too much he will be proportionately reluctant to order by mail—to send in inquiries in response to advertising, to mail greeting cards and perhaps to pay his monthly bills. Public utilities with their millions of bills, department stores, retail stores, all will be unfairly burdened.

Before the citizen user of the mail is taxed to pay the public service and excessive costs of the Post Office Department, the Congress should definitely make a statement of postal policy and then set rates—not have a stamp tax on the user of first-class mail to the benefit of the other classes, or of the general public.

Gentlemen, all I am suggesting here today is that the Congress keep the horse in front of the cart: That you first establish a basic postal policy, at the same time giving the Post Office Department all impetus available toward a big-scale modernization program that will make the American people proud of their postal service, and then examine rates realistically.

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a very able article written by the chairman of the Senate Committee on Post Office and Civil Service, the distinguished Senator from South Carolina [Mr. JOHNSTON]. The article which is entitled "How To End Our Post Office Mess Permanently," was published in a recent issue of the Reader's Digest.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HOW TO END OUR POST OFFICE MESS—PERMANENTLY

(By Senator OLIN D. JOHNSTON, Chairman, U. S. Senate Committee on Post Office and Civil Service)

For 13 years I have been sitting on the Senate Post Office and Civil Service Committee; for 7 of those years as its chairman. This is not a popular committee; few Senators seek membership on it. No committee involves more headaches or attracts such pressure from politicians, lobbyists, Government employee unions and plain citizens. For the Post Office is not only the Department most intimately in touch with the entire population; it is also the most misunderstood and maligned. And, frankly, it is in a mess.

The proportions of this mess are staggering.[1] Although mail volume has doubled during the past 15 years, the increased business has not brought costs down; instead inflation and inefficient handling have pushed deficits way up—to the point where the Department spends $2 million more per day than it receives. Service has become poorer, deliveries less frequent. Even the Postmaster General admits that the operations are "deplorable."

It has long been my ambition to see the United States Post Office, the largest in the world, become the most modern and efficient. Because of that goal and because my committee work has given me access to full information, I consider it my duty to set down the straight facts of the present situation and to offer a plan which, if carried out, would go a long way toward putting the post office on a proper basis.

Two basic points must be kept in mind as we consider this subject:

First, our post office was not designed to make money for the Government. Created by the Continental Congress in 1775, it was conceived as a service to the people, in contrast to the practice in other countries, where post offices were run as money-makers for kings.

Second, the money you pay for such post office purchases as stamps does not go to the post office. Every cent the post office receives goes into the general fund of the

[1] See Our Horse and Buggy Mails, the Reader's Digest, May 1957.

treasury. Every cent it spends comes from appropriations by Congress. When revenues are less than the Congressional appropriations, we have the familiar post office deficit.

Few people realize, however, that every post office deficit is partly a "phantom" deficit because it results from charging as costs a huge variety of operations, which the post office carries on for other Government agencies or in the interest of the Nation's general welfare. I doubt that many citizens know, for instance, that rural postal carriers each fall take a deer and grouse census on the Michigan Peninsula. Or that, in acting as agent for the Department of Interior in selling migratory bird hunting stamps (wherever you live, if you want to hunt waterfowl, you must have a "duck" stamp in addition to your State hunting license) our post offices last year sold 2,332,014 such stamps.

Every year our post offices register aliens for the Department of Justice—2,565,262 in January 1957 alone. In addition, every time an alien changes his address he must reregister—meaning more post-office work. In 1,400 communities the post office is the only place where citizens can buy or redeem Government savings bonds and stamps. Also, the post offices sell the Treasury Department stamps used whenever a transfer of property, stocks, or bonds requires a Federal tax.

Federal agencies continually turn to the Post Office Department when they are faced with a job that necessitates reaching into every nook and cranny of the land. The post offices store and distribute income-tax forms by the millions for the Internal Revenue Service, help make surveys of vacancies for the Federal Housing Administration, assist civil service in spreading information about examinations for Government positions. Some post offices provide the only notary service in their communities. When a war veteran dies, three out of four families turn to a post office to file application for a flag for the funeral. Post offices also receive and transmit funds for many volunteer charities—12 nationwide campaigns a year (heart, cancer, polio, and others)—that are advertised over radio and television with the familiar final word: "Just hand or mail to your postmaster."

Did you know of all the free postal services provided for the blind? Books, pamphlets and other reading material in raised characters or on records are carried free. So are magazines for the blind, if they carry no advertising and there is no subscription charge. Altogether in a year the Post Office carries free more than 20 million pounds of such mail.

Among other free services is the delivery of newspapers in the county of publication—some 380 million copies last year. Also, there is free registered mail for Government agencies, free mail for the Pan-American Union and Pan-American Sanitary Bureau, free mail for widows of Presidents. Publications issued by nonprofit fraternal, religious, and scientific groups are moved at special low rates set without relation to cost. In 1956 more than one and a half billion pieces of such nonprofit mail were handled. Also, low rates of postage are charged for all the 25,000 newspapers and magazines that are delivered by second-class mail—a recognition of their educational value.

One of the most valuable services performed by our post offices is the distribution of books at low cost. A 2-pound book can be mailed anywhere in the United States for 12 cents, less than one fourth the charge for mailing a parcel-post package of that weight across the country—and we are a better-read Nation as a result. Libraries get an extra-special rate. I graduated from a small college in South Carolina which can borrow a book from the large libraries at the University of Virginia or Duke or Georgia Tech, for example, at a mailing cost of only 5 cents. Last year for libraries alone the Post Office delivered about 7 million books.

The postal card, once called the poor man's letter, is another public service. It was started 85 years ago because Congress thought the public should have a 1-cent communications medium. More than 3 billion post and postal cards are mailed annually, and even at today's 2-cent rate the sender pays only about two-thirds of the mailing cost. We also mail about a billion Christmas cards in unsealed envelopes, with a loss of about 1 cent on each.

Rural free delivery is perhaps the most conspicuous contribution to public welfare. Senator FRANK CARLSON, chairman of the Post Office Committee when the Republicans last controlled the Senate, once said: "I do not see how anyone could justify R. F. D. except as a service by the Government to its citizens."

When I was born in 1896, R. F. D. was just getting under way experimentally, a milestone in relieving the drabness and loneliness of farm life. It has played a major role in advancing the national economy since. R. F. D. carriers today number 18,300, drive a total of 1,500,000 miles each weekday, and serve 35 million people. Areas with as few as three families per square mile get R. F. D. and 11,569 even more sparsely populated areas are handled by contract. There are 135 horseback routes, 96 carriers using shallow-draft boats, and 32 routes using planes—for instance, out of Sandusky, Ohio, to a group of islands in Lake Erie. In fiscal 1956 the expenses of R. F. D. exceeded revenues by $205 million.

Many of our third- and fourth-class post offices exist simply as places where people come to pick up their mail. They don't take in enough revenue to equal the postmaster's salary. In 1956, these 28,058 offices had revenues of $58 million against expenditures for postmasters and clerks of $113 million. Obviously, some third- and fourth-class offices are considered political necessities; these might be dropped and good mail service provided by other means. But, in the main, public service rather than profit or loss must be the postal yardstick.

All of these services are part of the great tradition of the United States Post Office. We do not want to see them curtailed. Back in 1865 the Post Office spent $749,900 on routes from Kansas to California which brought in revenues of only $23,900. The first letters sent to Alaska cost $450 apiece to deliver. That type of public service is what built and unified this country. Similarly, our costly rural free delivery, our preferential treatment of scientific and other publications, our special low library rates—all these help build a stronger Nation. How much do they cost?

Last February a Citizens' Advisory Council, set up by Senate resolution, reported to our committee that public services performed by the Post Office in 1955 cost $392,400,000. These were the measurable items and did not include the costs of 11 services I have enumerated here. Before the council investigated, the accounting firm of Price Waterhouse & Co. made a study for the Post Office Committee. It found that in 1952 the total value of measurable public services that the Post Office was giving away or selling below cost came to $274,470,674.

My own opinion is that these public services cost the Post Office well over $300 million, but I have no intention of getting into a bookkeeping debate. Instead, I wish to point out what I believe we should do to make our Post Office the best in the world:

1. Establish a basic postal policy. Congress should adopt a modern Post Office policy which defines precisely what costs are to be borne by mail users and what costs are to be borne by the Government because they are public services. When you mail a letter, its stamp should be expected to pay for postal services and not for public services such as counting grouse or surveying housing. The Hoover Commission put it this way: "There are good reasons why the nationwide facilities of the Postal Establishment should be available to perform certain functions for other departments and agencies of the Government. There should be no question, however, that the Post Office is entitled to reimbursement in some manner for such services."

2. Raise postal rates rationally: Once we determine what true mail costs are and agree on uniform, permanent ground rules for meeting them, we may still be compelled to raise postal rates. The first-class letter rate will probably have to be raised to 4 cents. (I think most people are reasonable enough to be willing to pay 1 cent more—a 33⅓ percent increase—for an item in 1958 than they paid for it in the depression 1930's.) Second-class rates have already been increased 30 percent, but they'll probably have to be increased further. Similarly, there must be a rise in third-class rates, already increased 50 percent. I would not say precisely what increases should be made; I do not believe anyone can make a businesslike forecast of that until Congress sets the fundamental postal policy.

3. Modernize the postal system: Neither a new postal policy nor higher rates will solve the basic Post Office problems. They spring from antiquated plants, equipment and processes. That's agreed on by Post Office officials, postmasters, and management firms which have investigated. It's the reason increased volume doesn't bring down costs. So I believe we should launch a long-range, big-scale modernization program for the construction of efficient buildings, streamlining of facilities, development of advanced mechanical devices.

It takes huge sums to get efficient physical facilities for any nationwide communications system. Since the end of World War II the Bell Telephone System, for instance, has obtained from the public $10 billion of new capital for the expansion and modernization of its physical plants. In the long run, when correctly handled, these investments pay for themselves. To pay for the Post Office modernization, I have proposed that the Postmaster General be authorized to borrow $2 billion from the Federal employees' retirement fund. Retirement funds are now invested in Treasury bonds at an interest rate of 2½ percent. The Post Office could pay 3½ percent interest for the use of the money, thereby adding to the fund for the benefit of Federal employees. Since the Post Office must now pay 4 percent interest on the limited money it can borrow, all would gain from this proposal.

4. Increase employee efficiency. Postal employees have received but one small increase in wages since 1951. Many are compelled to take extra jobs after hours in order to meet the present high cost of living. If we are to expect maximum efficiency from a worker, we must pay him a wage that will enable him to concentrate on his skill. An adequate increase in postal wages is necessary and would, in my opinion, pay big dividends in production.

If these four steps are taken by Congress, I believe that in a few years we can get out of this postal mess and have the best mail service in the world.

HIGH HELLS CANYON, THE DAM THAT WON'T DIE

Mr. MORSE. Mr. President, I now turn to a subject which for some years past I have discussed from time to time on the floor of the Senate.

Mr. President, the high Hells Canyon Dam simply will not lie down and die. The gravediggers have been hard at work; the administration and private utility pallbearers have been wearing their swallowtail coats and striped pants for 5 years, ready to carry it out; the propagandists have written and rewritten its obituary. But the proposed high dam is too vital to oblige.

There are two basic reasons for this: First, it remains the best engineering development on the Snake River, without which the Columbia Basin would be underdeveloped for all time; and, second, the people of the Pacific Northwest know it is so. That knowledge continues to spread across the country.

FPC DECISION PROVES HIGH HELLS CANYON NEED

The latest evidence of the superiority of and need for high Hells Canyon is contained in the recent Federal Power Commission decision in the Mountain Sheep-Pleasant Valley case.

On January 20, 1958, the Federal Power Commission issued its decision in that case denying the Pacific Northwest Power Co. license applications for two relatively small dams in the Middle Snake River. If the basic criteria used in that decision had been applied in the Hells Canyon case, the Federal Power Commission would have thrown out the Idaho Power Co. applications.

In the first place, in the recent case the Federal Power Commission placed considerable emphasis upon the 1948 Corps of Engineers 308 Report for comprehensive, multipurpose development of the Columbia Basin. That report is the only comprehensive plan for the basin. In the Hells Canyon decision the Federal Power Commission gave reasons for ignoring it. In the recent case it cited the 308 Report with apparent approval and placed some reliance upon it. In the 308 Report a high Hells Canyon Dam was found to be a key structure for upstream water storage for both flood control and power. Hells Canyon was a most important part of the 308 Report. In contrast, Nez Perce—which the Federal Power Commission found so superior to the company proposal as to preclude the private license—was discussed, but not included as a principal project. It was not included in the phase C stage—the first stage of basic basin control.

The Federal Power Commission stressed "that any combination of projects which includes Nez Perce is consistently superior to any combination of projects which does not include Nez Perce." I refer to page 6 of the decision. This is exactly the case with high Hells Canyon. Indeed, the Bureau of Reclamation, in exploring alternatives on the Snake River, reported several years ago that Hells Canyon and Nez Perce were the best basic combinations of any set of dams in the Snake River Basin.

Furthermore, the Federal Power Commission emphasized the superiority of Nez Perce over the company proposals for flood control and power benefits at site and at downstream projects at a cost which is substantially less than the value of the benefits. No such factors were considered by the Federal Power Commission in the Hells Canyon case; to the contrary, the whole effort was to obscure the admitted and documented superiority of the high Hells Canyon Dam as found by the Federal Power Commission examiner and not overruled.

FLOOD STORAGE

The Federal Power Commission decision discusses, for the first time, so far as the Federal Power Commission is concerned, the crucial need for flood-control storage in the Columbia River and the difficulty of obtaining it at economic projects. It points out that 20 to 21 million acre-feet of storage will be required to reduce the flow at The Dalles to 800,000 cubic feet per second. Actually, there is much evidence that a greater reduction is needed requiring even more storage. But let us take the 20 million acre-feet storage requirement. Says the Federal Power Commission:

> Of the total amount of storage needed under the main control plan, only 5,190,000 acre-feet is presently available. * * * There is a present outlook for an additional 4,700,000 acre-feet from projects proposed in the main control plan.

In other words, less than half is available or in prospect. In explaining the lack of adequate prospective flood-control storage, the Federal Power Commission notes:

> The main control plan contemplated storage capacity of 2,300,000 acre-feet in the Hells Canyon reach of the Snake River whereas the project authorized by our license will provide 1 million acre-feet of storage capacity.

That one sentence contains a volume of natural resource history. I shall repeat the sentence:

> The main control plan contemplated storage capacity of 2,300,000 acre-feet in the Hells Canyon reach of the Snake River whereas the project authorized by our license will provide 1 million acre-feet of storage capacity.

Some persons express astonishment when I point out what this administration is doing to the heritage of this country in regard to the full development of our river basins. The Government's own Federal Power Commission must admit that it is going along with an underdevelopment program of 1 million acre-feet storage which would be available under the Idaho Power Co. scheme, in contrast to the 2,300,000 acre-feet storage which the Army engineers point out would be there to protect the American people if the high Hells Canyon Dam were built.

It is one of the reasons why this issue will not die. It is one of the reasons why this issue will not accommodate Dwight D. Eisenhower and lie down and die, so that it can be buried. It is going to rise again and again to plague the history of his administration, a history of a shocking betrayal of the American people in the field of natural resources. In my judgment, no President in all our history has been so guilty of ignorance in regard to our natural resources programs as has Dwight D. Eisenhower.

It is a sad thing that his palace guard does not give him the facts and that he does not make sure he receives them, so that at least he would be apprised of what the Corps of Army Engineers and the FPC have said with respect to the relative relationship between the storage capacity of the Hells Canyon Dam project and the program which his underlings seek to foist upon America.

What I am talking about is once again a great moral obligation which the leaders of Government owe to future generations of American boys and girls in the matter of natural resources. What I am talking about again on the floor of the Senate—and it is not the last time I shall talk about it—is the duty we have to protect the water resources of future generations of Americans. As our population increases by the millions in the decades ahead, water will become even more and more precious to our civilization. Civilizations climb only when there are adequate water resources for the people, for agriculture, for industry.

We cannot justify, I may say to the President of the United States, on moral grounds a failure to give the American people a maximum development of the water potentials of river basins, not only those of the West but of every river basin in the United States.

I am one Senator who is going to continue to fight in the Senate and to work in the Senate for the maximum development of the water resources of the United States, not for their underdevelopment.

I suggest that the President of the United States read the pregnant sentence in the decision of the Federal Power Commission. I read it once more in my speech this afternoon. This is what his own Federal Power Commission states:

> The main control plan contemplated storage capacity of 2,300,000 acre-feet in the Hells Canyon reach of the Snake River whereas the project authorized by our license will provide 1 million acre-feet of storage capacity.

I say that one sentence contains a volume of history.

That one sentence summarizes the tragic waste of Hells Canyon. What the FPC does not disclose is that the high Hells Canyon Dam would provide the full amount of storage for that reach of the river called for by the main control plan.

LOSS OF HELLS CANYON IMPERILS CONSERVATION VALUES

My colleague, the junior Senator from Oregon [Mr. NEUBERGER], and I have warned for several years that sacrifice of the vital storage of a high Hells Canyon Dam would increase pressure for development at other sites, less desirable for the present and in the immediate future because of fish and wildlife considerations. Our warnings were endorsed by great conservationists led by Dr. Ira Gabrielson, the distinguished career biologist who is the dean of American conservationists.

We saw our prediction come true in the drive for Bruce's Eddy Dam on the Clearwater River.

The January FPC decision is another piece of major evidence. For the FPC said that construction of Nez Perce would make up the storage deficit which would be created by the Idaho Power

Co. underdevelopment of the Hells Canyon reach.

THE PROBLEM AT NEZ PERCE

As is well known, and as the FPC recognized, the objection to early construction of Nez Perce is the problem of fish passage. Nez Perce would be a high dam below the point at which the Salmon River enters the Snake River. The Salmon is the principal spawning stream of migratory salmon and steelhead trout. That fish run is of major commercial and sports value.

Some progress has been made on fish passage problems but the problem has not been solved. All hope that it will be and soon. But, it will take time, money and intensive study and experimentation.

Conservationists oppose Nez Perce because of the fish problem. My own position has been—and I repeat it today—that Nez Perce should not be undertaken until the fish problem has been studied exhaustively and every alternative solution checked and studied. That lies in the indeterminate future; a vigorous start upon the studies should be made now.

Furthermore, I point out that the 20 million acre-feet of storage to reduce flow at The Dalles to 800,000 cubic feet per second is the minimum for control of the 1894 flood. There is little doubt that more is needed for two major reasons: (1) floods larger than that of 1894 are possible—witness the 1955 snowpacks which exceeded those which made the 1894 flood; (2) population, industrial and commercial development are greater than when the 1948 studies were made, and they are growing in the Columbia flood plane.

I wish to stress the fact that one standard we have to keep our eyes on in regard to flood control in the Pacific Northwest, if we are to protect the increased population since 1894 in this section of the country from a flood that could wipe out not only great property values, but thousands of lives, is the 1894 flood.

I wish to point out in this speech again today that it is that flood from which the Army engineers do their gaging and their calculating. They point out to us that the 1894 flood can repeat itself; in fact, for days and days in 1955 there was great concern on the part of the Army engineers that it would be exceeded. They kept in daily contact with the representatives from the Pacific Northwest, because the snow packs in 1955 were such that had there been a sudden thaw, there would have swept down on the populations of the Pacific Northwest, as the Army engineers told me in public hearings, a flood which could have exceeded the 1894 flood.

We who make the fights in the Senate for maximum flood control in the Pacific Northwest are trying to prevent, in the future, a great human disaster. It happens to be the challenge of statesmanship. I believe that each of us has the solemn obligation, when we have a body of expert opinion such as the Army engineers have given us, to act in accordance with that expert opinion.

I care not from what State we come, whether it be an arid area or a surplus water area, we cannot justify sitting silent in the Senate and playing with this danger. To the contrary, we have a duty and a trust to perform, and that duty and trust is to proceed, before the disaster occurs, to enact the legislation which is necessary to provide maximum flood control in the Pacific Northwest.

I think it is perfectly clear that the danger is a continuing one. I shall persist in doing what I can to get the maximum flood control storage in the Pacific Northwest, irrespective of all the abuse to which I may be subjected from the private utilities-controlled press in my State. If Hells Canyon Dam did not generate a kilowatt-hour of power, the American people ought still to build it. If not one single kilowatt-hour of power ever came out of Hells Canyon Dam, the dam ought to be built by the American people for flood control. We cannot justify the sacrifice of storage facilities adequate to control 2,300,000 acre-feet of floodwater.

In addition to its great value as a flood control dam, the American people would get the other multipurpose development benefits from the high Hells Canyon Dam.

Today on the natural resources issue I want to stress, more than I have ever done before in the Senate, the matter of flood control. I want to stress this kind of conservation of the water resources of the country for future generations. I believe that this is an exceedingly critical subject.

In my limited way, I seek to walk in the footprints of the great liberals who have trod the carpet of the Senate Chamber before me—men such as Norris, Borah and the senior La Follette—who sought to awaken the American people to the doctrine of trusteeship in the field of natural resources. As I seek to walk in their footprints—I cannot walk in their shoes; that I well know; but I can at least try to walk in their footprints—I am trying to awaken the American people to the fact that as citizens they have a tremendous responsibility to do those things which are necessary, to preserve and conserve the water resources of America.

I have been asked before, and I repeat the question today, Why did I support the upper Colorado River project? It was not good politics in my State to do so, I may say. But I supported it because the upper Colorado River project is almost entirely a water conservation project. That project is needed so that the increased population in that multistate area of the United States 50, 75, or 100 years from today will have the water supply it needs, and so that the American boys and girls of that time can enjoy what we call the American way of life.

Oh, I know, when I talk this way, that some will say, "I will not be here 50, 75, or 100 years from today." True it is; but there is not much to citizenship if we have no higher conception of it than that. I think the right to be a citizen in a free society is a very precious right. It carries with it great moral obligations. One of the great moral obligations is the obligation, which I keep stressing, of seeking to protect our natural resources, so that future generations will find them in an even better condition than that in which they now are.

That will not be the case if we follow the Eisenhower line. That will not be the case unless we change the policies of this administration in the field of natural resources. That will not be the case unless, in our time, we do the things which are necessary to stop the underdevelopment of the river basins of the Nation and the building of the impediments within them which will result in setting back, for years and decades, the full development of the river basins. We have not much time.

I know it is said that already too many impediments have been built in the Snake Basin for us to change our course. In the remainder of my speech, I shall set forth my reasons why I think that is not true. But at this point I wish to emphasize the question of our duty in relation to flood control.

The truth is: We ultimately need the full control that high Hells Canyon and Nez Perce would provide. The logical first development is Hells Canyon, so that ample time will be afforded to explore solutions of the Nez Perce fish passage problem.

BROWNLEE WILL NOT PREVENT HIGH DAM CONSTRUCTION

The Idaho Power Co. has undertaken construction of the first of the two dams for which the FPC issued licenses, Brownlee, under the terms of the license, must be completed and in operation by December 31 of this year. Because of inadequate diversion facilities, the construction site was flooded last year. The company has claimed that this mishap did not put it behind schedule.

Let us assume that Brownlee can be completed under the terms of the license. It will cost approximately $76 million. It lies in the pool area of the high Hells Canyon Dam. The claim is that it would constitute an insuperable physical and financial barrier to construction of the high dam.

Is that really so? Would the full cost of $76 million have to be paid by the Federal Government in order to flood out Brownlee to fill the Hells Canyon Reservoir, and would that $76 million be a net addition to the cost of the high dam? The evidence is that most of the $76 million would not be a loss. It may be that the Federal Government would not lose anything by the transaction and might even come out ahead.

About $7 million of the total cost of acquiring Brownlee would be chargeable against land acquisition and relocation costs. In other words, some of the cost of Brownlee is for items the Federal Government would have to finance in any event in order to construct the high Hells Canyon Dam.

At a conservative estimate, the Brownlee generators and other equipment would have a sale or use value of another $15 million. They would not be a dead loss; on the contrary, their sale or use elsewhere would have a value of

about $15 million. So directly recoverable costs of acquiring Brownlee would total, conservatively, $22 million.

Brownlee would not have to be flooded out until it became necessary to fill the high Hells Canyon pool some years in the future. It could be operated by the Federal Government and its power sold.

If the power were sold at the price it would cost the company to generate it, that is, 4.6 mills per kilowatt-hour, the Federal Government could realize a profit of over $10 million, assuming a 10-year period of operation.

But, even if power were sold at a lower figure—and I would favor selling it at a lower figure—the net cost to the United States would be substantially reduced.

The high dam is so excellent an investment that the additional cost of several million would be paid back with interest and with ease from Federal power sales. The benefit to cost ratio would be only slightly affected and would continue favorable to a substantial degree.

I introduce for the RECORD, the computations for taking over and operating Brownlee as presented to the Oregon State Water Board by James T. Marr, president of the National Hells Canyon Association.

I ask unanimous consent that the table be printed at this point in the RECORD, as a part of my remarks.

The PRESIDING OFFICER (Mr. PROXMIRE in the chair). Is there objection?

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Possible Federal program for operating and replacing Brownlee Dam

	Million
The total capital cost of Brownlee (between IPC and FPC estimates) is assumed at	$76
Deductions for usable land and relocations	−7
Brownlee cost to be amortized during Hells Canyon construction period of 10 years	69

Salable power output of Brownlee is estimated at 2 billion kilowatt-hours per year (FPC examiner). Sold to IPC at 4.6 mills per kilowatt-hour, annual power revenue would be $9.2 million.

Interest is assumed at 3 percent on unamortized investment, and operation and maintenance costs at $0.8 million per year.

All figures, except those specified, have been obtained from the Federal Power Commission Staff Brief; and all amounts are in million dollars.

Year	Unamortized investment	Costs			Net profit	Balance
		Interest	Operation and maintenance	Total		
1	$69.0	2.07	0.8	2.87	[1]4.0	$65
2	65.0	1.95	.8	2.75	[1]6.0	59
3	59.0	1.77	.8	2.57	6.6	52.4
4	52.4	1.57	.8	2.38	6.8	45.6
5	45.6	1.37	.8	2.17	7.0	38.6
6	38.6	1.16	.8	1.96	7.2	31.4
7	31.4	.94	.8	1.74	7.5	23.9
8	23.9	.72	.8	1.52	7.7	16.2
9	16.2	.49	.8	1.29	7.9	8.3
10	8.3	.25	.8	1.05	8.15	.15

[1] Allowance is made here for the possibility that IPC may not be able to use the entire power output of Brownlee during the first 2 years.

	Million
Unamortized investment at end of 10th year	$0.15
Cost of cutting Brownlee channel	4.00
Total remaining Brownlee costs	4.15

Salvage value of generators, etc., from Brownlee Dam is about $15 million.

	Million
Salvage value	$15.00
Remaining costs	−4.15
Net profit to Government	10.85

Mr. MORSE. Mr. President, at first blush, the idea of condemning an existing dam seems wasteful and costly. However, the figures show that this need not be the case.

It is unfortunate that the smaller company dam is there, and must eventually be flooded out. Certainly it would have been more desirable not to have had it there in the first place and, instead, to have been building the high dam during the past 4 or 5 years.

But we must take the situation as we find it, complicated, as it has been, by 5 years of Eisenhower administration mishandling.

Mr. President, for future historic reference, I wish to say today in the course of this speech on the floor of the Senate, that is is my prediction that if the Congress does not follow the course of action I am recommending here today, but if, instead, the Congress permits an underdevelopment program for this particular river basin, and if the pigmy dam proposal of the Idaho Power Co. is completed, and if the administration continues to sell short future generations of American boys and girls by means of underdevelopment of the Snake River and the Columbia River, then within 50 years—and mark my prophecy as to the length of time—Brownlee Dam will be torn down, and a high dam will be built. That will be for one, inescapable reason: As time passes, the American people will come to recognize that they have not made the wisest use of those waters, and their water needs will become so acute that then they will recall what a few of us had to say on the floor of the Senate during the historic debates from 1947 through 1958, and they will find the prediction which I make today. By that time they will come to recognize that there is no substitute for full river-basin development.

The sad thing is that at that time it will be so much more costly to the taxpayers, than would be the case at this time, if now, before it is too late, we take action to prevent any greater waste than will be suffered if the Congress proceeds to adopt the proposal which I make today, namely, to take over Brownlee Dam from the Idaho Power Co., operate it for the period of time necessary until high Hells Canyon Dam is built, and then, when the time comes to fill the basin for the high Hells Canyon Dam, remove the generators and other equipment at Brownlee Dam which can be used, sell the rest of it for salvage, dynamite the concrete, and give to the American people the benefit of full river-basin development.

I believe that over a 10-year period the loss which will be suffered by following the proposal I made will be exceedingly small, if there is any, and the American people will have preserved for their benefit the 2,300,000 acre-feet of flood control which I am urging, and which the Army engineers have said will come from a high dam at Hells Canyon.

But, Mr. President, it would be far more wasteful and costly to leave in place for 50 or 100 years an inadequate dam which constantly wastes the full and rich potential of the best remaining dam site in the country.

NATIONAL STAKE IN HELLS CANYON

Full development of Hells Canyon is not a matter of merely local concern. The Nation as a whole—every region and every State—has a stake in Hells Canyon.

For example, every defense emergency in recent history has required enormous blocks of low-cost power. Without Muscle Shoals Dam in World War I, and without TVA, Bonneville, and Grand Coulee in World War II and since, our defense efforts would have been inadequate. There is every reason to believe that this continues to be the case. Yet the Federal Government is permitting critical power shortages to develop across the Nation. The full, low-cost power production of the Snake and Columbia Basins is needed, in order to insure against shortages in a defense emergency which could come upon us at any time.

HELLS CANYON FOR EMPLOYMENT

As many of us have predicted, the Nation is experiencing a major crisis in unemployment. We need a vigorous public-works program. On last Friday, I spoke on this subject in the Senate. I referred then to the inexcusable proposal to stretch out the public-road program from 13 years to 24 years, when 37,000 of the American people, on the average, are killed each year on the American highways, and when 100,000 of the American people are seriously injured annually as a result of highway accidents. All the expert testimony given before our Senate committees shows that those fatalities and injuries cannot be reduced unless highways capable of handling modern automobile traffic are built.

The testimony shows that the present large number of highway fatalities and injuries cannot be reduced by means of the adoption of a modern-safety program alone. That is for the simple, scientific reason that the roads of the Nation simply cannot handle the traffic caused by modern automobiles. We must build highways which are capable from an engineering standpoint of handling that traffic.

So, Mr. President, as I said last Friday, and as I repeat today, a moral issue is raised, namely, how in the world can one justify a stretchout from 13 years to 24 years, as recommended by the Eisenhower administration, in the case of a roadbuilding program, when 37,000 Americans are killed annually on the highways, and when the experts say that if the number of highway fatalities is to be reduced, the Congress must provide for the construction of roads which will accommodate modern automobiles?

As I pointed out last Friday, that does not mean that 37,000 highway fatalities

will be eliminated annually, even if the best of roads are constructed. But the experts say that the construction of such roads will greatly reduce the number of highway fatalities.

Mr. President, who can set a price tag on the lives of 1,000 Americans? Who can state what they are worth? Who can say what we should be willing to pay, in order to save those lives? Does anyone wish to set a price on them, for me? Could anyone do that, and then walk into church next Sunday? Of course not.

Mr. President, when we really come to grips with the issue, we know what our consciences say to us. If the experts are correct and if it is possible to save thousands of the lives which annually are being lost on the highways of the Nation, the price of the program cannot be too high. That is why all the green lights should be on, so as to have a speed-up, not a stretchout, of the roadbuilding program called for in the legislation passed last year by the Congress.

Mr. President, I still believe that when we answer these problems on the basis of the moral values involved, we also make the best economic answer. Let me say to my reactionary colleagues that we also make the best political answer, because although it may take a long time, as is usually the case, eventually the average American citizen will see through expediency; and sooner or later he will see through a policy which is based upon politics, rather than morality. Eventually the voters will catch up with the politicians who are following a reactionary course of action which does not protect the welfare of the people themselves.

Mr. President, I say respectfully that in my judgment the Congress will make a great mistake if it does not speed up the roadbuilding program, if it does not speed up the dambuilding program, if it does not speed up the school-construction program, if it does not speed up the hospital-construction program, and if it does not speed up the needed public-works programs, all of which will be of benefit to the welfare of the American people.

Mr. DWORSHAK. Mr. President, will the Senator from Oregon yield to me?

Mr. MORSE. I yield.

Mr. DWORSHAK. The senior Senator from Oregon is known for his tolerance and forebearance. Therefore, Mr. President, it is somewhat difficult to understand why at this time he would seek to heap so much venom and criticism upon the President of the United States, inasmuch as the Senator from Oregon certainly recalls that at the memorable convention which was held in Chicago in 1952, he was one of the leading and most ardent advocates of the nomination and the election of Dwight Eisenhower to be President of the United States. Is not that true?

Mr. MORSE. The Senator from Idaho is completely correct. As I have said so many times, I make my fair share of mistakes. I think the only difference between my mistakes and my colleague's is that when I make one, it is a "lulu," and that mistake surely was a "lulu" when I made it in 1952.

Mr. DWORSHAK. The Senator from Oregon has some very forthright opinions about water-resource development in the Northwestern States. The Senator from Oregon admits he is mistaken at times. How will his colleagues in the Senate be able to determine if the Senator from Oregon is or is not mistaken at a time when he proposes certain policies respecting water-resource developments?

Mr. MORSE. They will have to take the evidence presented. That is their responsibility. If they think the Senator from Oregon is mistaken, then they ought to vote accordingly; but they ought to vote on the evidence and not on the ad hominem implications of the Senator from Idaho, not because the Senator from Oregon is for or against something. They ought to vote on what the evidence is. I have been presenting the evidence of the Army engineers and the Federal Power Commission this afternoon, and I am endorsing it. I think it is pretty good evidence on which to rely.

Mr. DWORSHAK. Mr. President, will the Senator yield further?

Mr. MORSE. I am always happy to yield to my friend.

Mr. DWORSHAK. The Senator has cited the need of comprehensive water resource development in the Columbia River Basin. The Senator certainly recognizes that resorting continually to political controversy and discussions achieves very little objectively in attaining the goal which apparently is in the mind of the Senator from Oregon. Therefore, I should like to ask the Senator if he realizes and concedes that there may be some justification for having greater cooperation among the Senators from the Northwestern States and a correlation of engineering data and information compiled by the Army Engineers Corps and the Bureau of Reclamation, so that decisive action can be taken on what is considered to be the best method of utilizing the valuable water resources in those States. Would the Senator be willing to accept the suggestion recently made by the senior Senator from the State of Washington that the Senators from the Columbia River Basin hold a conference, at which no partisan politics will be engaged in, and endeavor to make a conscientious effort to reevaluate and reappraise the data which have been made available in that area? In such manner it may be possible to eliminate quibbling over what should be done, eliminate the political aspects of the situation, and try to take action which will accomplish the most for the Columbia Basin and for the entire country.

Mr. MORSE. I am very glad to have the comment and question asked by my friend. I shall reply to the comment first, and then I shall answer his question.

With regard to a part of his comments, I may say that there are Members of the Senate who for years maintained the fight for Muscle Shoals. George Norris even had to overcome a Hoover veto on Muscle Shoals before that great conservation project in the Tennessee Valley was made available to our generation and generations yet to come.

In regard to that part of the Senator's comments which dealt with this continuing fight, I wish to say that I am in favor of such a conference as has been suggested, in an effort to protect the interests of the American people. That was one of the issues between us and the Eisenhower administration. We have taken that challenge to the people. We took it to the people in my State in 1956.

Some months ago the two Senators from Oregon, joined by other Senators from the Pacific Northwest, sent to the White House a letter urging a conference which would give us a chance to discuss a reevaluation of the whole natural resource problem of the Pacific Northwest. The Senator will recall that very well.

The Senator will also recall that early in his term the present Secretary of the Interior made a statement that was subject to the interpretation that this administration was ready for a reexamination of the whole problem of natural resources in the Pacific Northwest. The two Senators from Oregon and the Senators from our neighboring States interpreted that as placing upon them a duty to cooperate. I do not have it on my desk, but I can get it, and I ask unanimous consent to have printed in the RECORD, the communication we sent to the White House.

There being no objection, the communication was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON LABOR
AND PUBLIC WELFARE,
May 8, 1957.

The PRESIDENT,
The White House,
Washington, D. C.

DEAR MR. PRESIDENT: Resumption of the Federal program for development of Columbia River water resources is of paramount concern to the people of the States which we represent. Need for greater Federal participation in providing flood control, navigation, irrigation, and hydroelectric power facilities has been reflected in the mandate from the electorate of Pacific Northwest States.

Recent action of administrative agencies concerned with water-resource policy indicates widespread confusion as to objectives and means of implementing a full and comprehensive program for use of Columbia Basin resources. This administrative breakdown is especially evident in connection with the Hells Canyon reach of the Snake River. Although the Federal Power Commission has licensed a private company to build 3 dams in Hells Canyon, the Department of the Interior has proposed a high storage dam which would flood out 1 and possibly 2 of these units. The staff of the Federal Power Commission has recommended construction of another project which would be impossible to construct if the Interior Department proposal were approved. A third agency, the Corps of Engineers, has disclosed plans for a complete restudy of the Middle Snake River, including the Hells Canyon section. The inconsistency and irreconcilability of these conflicting proposals is evident.

Because of this chaotic situation and because of the basic conservation principles involved in proper use of the Hells Canyon area, we urgently request a conference with you at the earliest convenient date so that we may present to you the views of our constituents prior to the time that further Congressional action is taken on a bill to authorize a

high Federal dam at Hells Canyon. We believe that such a meeting would have beneficial results in restoring the hopes of the people of the Pacific Northwest that their precious water resources will not continue to be needlessly and recklessly wasted.

Respectfully,

JAMES E. MURRAY,
WARREN G. MAGNUSON,
WAYNE L. MORSE,
MIKE MANSFIELD,
HENRY M. JACKSON,
RICHARD L. NEUBERGER,
FRANK CHURCH,
United States Senators.

Mr. MORSE. Mr. President, the two Senators from Oregon have always stood ready and willing to sit down with other delegations from the Pacific Northwest to see if we can work out programs to attain the objectives we seek. I am willing to do it, but we cannot do it by ourselves. It has to be done with some cooperation from the administration.

After we have such conferences—and I am for them—then we ought to have some conferences with respect to other regions of the country, because the Northwest is not the only place where our natural resources are being wasted. There are many other sections of the country where quick action is needed to protect our natural resources.

The senior Senator from Idaho will never find me a bit reluctant in wanting a bipartisan conference at any time on the natural-resource issue. I will welcome it. But I think it ought to start downtown. It ought to start, I believe, at the Department of the Interior level, and, even better, at the White House level. I think there ought to be a White House conference, to see how near we can come to ironing out, or at least reducing, our areas of difference. But I do not intend to remain silent about this matter, because the problem confronting us is serious. That is why I raise my voice again here today. I am perfectly willing to stand on the record I have made in these historic debates by documenting what I have in the way of evidence. Time after time I have come to the Senate floor, as I am now doing, with the Army engineers' evidence, and I repeat the key sentence again, to the effect that the Federal Power Commission itself admits that the difference in water storage is the difference between 2,300,000 acre-feet for high Hells Canyon Dam and 1,000,000 acre-feet in the Idaho Power Co. projects it has approved.

I have pointed out the warnings of the Army engineers as to the potential danger of a repetition of the flood of 1894. We are simply not ready for such a flood in the Pacific Northwest. If the 1894 flood is repeated, I may say to my friend from Idaho, there will be many people in Idaho, as well as many people in Oregon, who will drown.

The Senator will find me, I may say, panting in a rush to such a conference, if he can arrange one, but I think the Senators on the Republican side of the aisle ought to have it started at the White House level. I can assure the Senator I would be the most surprised man in the Senate if I proposed such a conference and the White House sent word, "Come on."

Mr. President, repeating what I was saying about the need for public works, I think we should proceed with a road-building program, with a dam-building program, with a school-construction program, and with a hospital program.

A thought flashes through my mind, and I wish to refer to it, since I may not think of it again for days while here in the Chamber. I went over to the old Supreme Court room the other day, and I saw the pictures which the Senator from Louisiana [Mr. ELLENDER] took on his trips through Russia. I wish they could be shown in every school building in America.

There were many, many things which stood out in that great educational experience I had under the tutelage of the Senator from Louisiana, as he discussed his observations on Russia, but there was one thing which startled me the most, and that was an observation the Senator made as he showed pictures of Russian hospitals, of a Russian surgical operation, and of personnel in a Russian hospital. One of the most startling things the Senator pointed out to us was that per capita—per capita—the Russians have more doctors than we have in the United States. I recognize the cold statistics need to be very carefully analyzed, because I know that, so far as I am concerned, I would much rather have the average American doctor treat me than have the average Russian doctor treat me. I do not know what the facts are, but I have some suspicions—and let us hope they are true—that the United States is still ahead of Russia in medical training.

However, the point the Senator from Louisiana made was that the Russians are concentrating upon a great effort in building up their hospitals and expanding their medical services. That is one reason why I think that in the medical field, as in the field of education, we should not take a chance of falling behind the Russians. We can outdo the Russians, in my opinion, in any field to which we really apply ourselves.

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. MORSE. I yield to the Senator from Idaho.

Mr. DWORSHAK. The Senator from Oregon indicated he was not entirely satisfied with the prospect of having a Russian doctor administer to him. Would the Senator have any objection to a Republican doctor taking care of him?

Mr. MORSE. I have a good one, but he never uses his Republican knife on me.

Mr. President, I desire to dwell a bit longer on the suggestion of my friend from Idaho, because I think he has made a good one. I am in dead earnest about this matter. I should like to see held such a bipartisan conference as he has mentioned. I authorize the Senator here and now to tell the President of the United States that I will go to Atlanta, I will go to Phoenix, I will go to Denver—and although I do not play golf I would even go to Burning Tree some afternoon if he would like to have a conference in a locker room—or anywhere else to get this movement started. The Senator has my power of attorney to deliver that message.

With all facetiousness aside, and speaking in dead seriousness, I wish to thank the Senator from Idaho for the suggestion he has made. I think we should do something more than simply engage in discussion and public debate in the Chamber of the Senate. I think we should do everything we can to arrange such a conference. The Senator may be assured he will have my cooperation.

Mr. President, I have nearly concluded my speech.

To provide economic stability in the Pacific Northwest, where seasonal unemployment is chronic, we need industry, which new supplies of low-cost power would make possible.

The rest of the Nation has a stake in this matter. The new jobs in my region would mean greater purchasing power for the products of other regions. Wherever low-cost power is available in substantial amounts consumer purchases of electrical appliances boom. Is not that what is needed in the unemployed manufacturing centers of Pennsylvania, Ohio, Massachusetts, Connecticut, and New Jersey—to mention only a few areas suffering from unemployment?

HELLS CANYON, LOW-COST FERTILIZER FOR MIDWEST FARMERS

Farmers caught in the cost-price squeeze have a great stake in lower production costs and higher yields as well as the long-term fertility of their fields.

Hells Canyon power would mean a whole new phosphate fertilizer industry in Idaho. This new industry would supply fertilizer throughout the West and Midwest at savings of from $15 to $18 a ton.

Based upon 1955 use of P205 fertilizer the savings to farmers would come to more than $18 million for 1 year. The lower cost would stimulate use and lower unit costs of production which farmers desperately need.

Mr. President, the table which I shall now have included in the RECORD has been prepared to present the State-by-State distribution of savings in the cost of fertilizer which would result if we could have the project for which I am pleading. I ask unanimous consent that the table be printed in the RECORD at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 1.—*Estimated savings in cost of P205 consumed in 1955 by 23 States within market area of western phosphate beds and assuming availability of power from Hells Canyon Dam* [1]

	1955 savings with Hells Canyon power available
Ohio	$2,435,416
Indiana	2,655,750
Illinois	1,951,762
Michigan	1,541,898
Wisconsin	1,011,300
Minnesota	1,279,443
Iowa	1,627,839
Missouri	1,278,370

[1] Estimated savings per ton of P205 based on majority report of Senate Interior and Insular Affairs Committee on the 1957 Hells Canyon bill (S. 555), p. 32. Saving per ton of P205 estimated at $16.50 per ton—the midpoint between the $15 to $18 per ton estimates of savings by the majority report.

TABLE 1.—*Estimated savings in cost of P205 consumed in 1955 by 23 States within market area of western phosphate beds and assuming availability of power from Hells Canyon Dam*—Continued

	1955 savings with Hells Canyon power available
North Dakota	$342,672
South Dakota	135,168
Nebraska	377,833
Kansas	729,217
Montana	138,220
Wyoming	57,205
Idaho	191,284
Colorado	177,669
New Mexico	112,299
Arizona	241,642
Utah	70,488
Nevada	5,990
Washington	225,165
Oregon	207,240
California	1,240,701
Total	18,034,587

Source: Available Phosphoric Acid (P205): Consumption by Regions and States and Territories, Calendar Years 1954 and 1955, U. S. Department of Agriculture.

THE VETO THREAT TO HELLS CANYON

Mr. MORSE. Mr. President, on the merits, it seems quite clear that the need for the high Hells Canyon Dam is as great as ever and that its construction is economically feasible.

Further, it is clear that the high dam would be a good investment for the whole country, not merely the Pacific Northwest. Interest in and support for the project is nationwide. For example, it was an issue in the Wisconsin senatorial election last summer. The Senator from Wisconsin [Mr. PROXMIRE] the victorious candidate, strongly supported the high dam as a conservation measure and because of the fertilizer benefits to the sorely beset farmers of his State.

There is an excellent chance, indeed, when the chips are down, a probability, that the House of Representatives would pass the bill.

Yet, newspaper discussions freely predict a Presidential veto and even some supporters of the high dam participate in the counsel of despair that a veto is inevitable and that it could not be overridden.

To this I reply: who knows?

No one can foretell what the attitude of the President will be next June or July. The variables in that situation are numerous. Advisers who have counseled the President on this controversy may be replaced; the voters of Oregon, Wash., and Idaho have already retired several officials who opposed the high dam.

Growing unemployment in the northwest region and across the country will build the pressure for a real public works program. Among the best projects—possibly the best project of the kind—would be the high dam in an area suffering from grave unemployment. It would utilize products now in oversupply from industries—such as the electrical industry—which are suffering severe unemployment.

Another flood threat—such as we experienced in 1955—could again focus attention upon the irresponsibility of wasting the flood storage potential of the Hells Canyon site.

Growing defense requirements for metals such as titanium and magnesium, whose manufacture require a large amounts of electric power, can build pressure for the high dam.

Growing interest in the high dam among farmers and conservationists could very well cause Republicans in Congress to prevail upon the White House occupant to reverse the anti-Hells Canyon program which has been so suicidal in terms of both resource development and politics.

The Hells Canyon bill has been postponed until June 2 for further consideration in the House Interior Committee. Within the intervening 4 months, a great deal can and will happen. Events have favored the high dam; they will continue to favor the high dam because it is the right development at the keystone site for future Columbia Basin development. We can help such events happen, as we have done in the past. We can and will continue to bring the facts of this historic battle to the American people.

A veto is not inevitable; if it should come, let the American people know who is responsible for confirming this unconscionable giveaway of an irreplaceable resource.

In closing, let me give a word of respectful advice to the leadership of the Democratic Party in the House.

With the able assistance of the Senator from Texas [Mr. JOHNSON], majority leader in the Senate, we passed the Hells Canyon Dam bill in the Senate. Many individuals were responsible for its passage. Of course, most important were those who voted for it. However, it required a great deal of discussion and a great amount of time to present the facts to colleagues in the Senate before the majority vote for Hells Canyon was obtained in the Senate.

Year in and year out the senior Senator from Oregon stood on the floor of the Senate and fought for the passage of that bill. Therefore, I do not take one iota of credit away from any other Member of the Senate for the passage of the Hells Canyon Dam bill when I pay the tribute I wish to pay to the majority leader, the Senator from Texas, in connection with that bill.

I take no credit away from my teammate and colleague [Mr. NEUBERGER], who stood shoulder to shoulder with me in this fight.

I take no credit away from the Senator from Idaho [Mr. CHURCH], for the great speech he made and the support he gave us in regard to the Hells Canyon Dam bill last year.

I take no credit away from the two liberal Senators from Washington [Mr. MAGNUSON and Mr. JACKSON], and the great chairman of the Senate Interior Committee [Mr. MURRAY] and his colleague from Montana [Mr. MANSFIELD], when I pay this tribute to the majority leader. But let the RECORD show that, in my judgment, we would not have succeeded last year had it not been for the "green light" which the majority leader of the Senate gave to my bill, and had it not been for the support which he gave to the bill in conference after conference with individual Senators as we pointed out that it is Democratic Party policy to conserve and develop the natural resources of the United States for the greatest public benefit.

Therefore, with this great victory won in the Senate, I now say to the Democratic leadership of the House of Representatives that they have an unequaled responsibility of statesmanship to make clear to the country that it is still Democratic Party policy to conserve and develop the natural resources of America.

So I hope the Democratic leadership of the House of Representatives will duplicate the statesmanship of the majority leader of the Senate and give a green light to the Hells Canyon Dam bill in the House.

It is no answer to the senior Senator from Oregon for that Democratic leadership to say that there is trouble in committee. The rules of procedure in the House permit taking a bill away from a committee when the general welfare of the American people calls for that kind of parliamentary procedure.

I close this speech by saying that this great issue now rests squarely on the desks of the Democratic leadership of the House of Representatives. The people of the Pacific Northwest are asking the question, "What are you going to do about it?"

READJUSTMENT OF POSTAL RATES

The Senate resumed the consideration of the bill (H. R. 5836) to readjust postal rates and to establish a Congressional policy for the determination of postal rates and for other purposes.

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a telegram which I have received from Mr. M. M. Oppegard, of the Grand Forks (N. Dak.) Herald. Mr. Oppegard is one of the leading citizens of my State. His telegram relates to the subject matter of the bill now before the Senate for consideration.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

GRAND FORKS, N. DAK., *February 24, 1958.*
Senator WILLIAM LANGER,
Senate Office Building,
Washington, D. C.:

Urge that you support postal program for increased rates with knowledge newspapers do not want subsidation. But while willing pay their fair share also want other media do likewise. Believe essential Congress take closer look at post office efficiency, outmoded methods, etc., and require clear statement from Post Office Department separating newspapers from all other second-class mail. We believe it unwise to decrease rural free delivery.

Regards.

M. M. OPPEGARD,
Grand Forks Herald.

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a telegram which I have received from Mr. George J. Burger, vice president of the National Federation of Independent Business, with headquarters at

Washington, D. C., on the subject of the proposed postal-rate increase.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *February 25, 1958.*

Hon. WILLIAM LANGER,
Senate Office Building,
Washington, D. C.:

We have just today completed a poll of our entire nationwide membership, all independent business and professional men, on the President's proposal to increase postal rate on nonlocal first-class mail to five cents. Arguments for and against the proposition were presented by the federation to our membership and the result of the poll is as follows: 37 percent for the proposition, 61 percent against, 2 percent no vote.

In view of this, in behalf of small business, we urge that the Senate vote "No" on the proposition.

Bear in mind millions of small businesses will be seriously injured through this added expense to operating their businesses.

I trust your office will bring this message to your immediate attention.

GEORGE J. BURGER,
Vice President, National Federation of Independent Business.

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an editorial entitled "In Defense of the Mail," from the Postmark for May-June 1957, official organ of the National Federation of Post Office Clerks, on the subject of the proposed postal rate increase.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

IN DEFENSE OF THE MAIL

During the recent departmental strike against providing the public with their accustomed mail service, a picture appeared in the daily paper showing several high officials of the St. Paul post office surrounded by mail of one class or another. At least four times in the accompanying article this material entrusted to the custody of the Post Office Department was referred to in derogatory terms such as "junk" or "mud."

The propriety of putting out such publicity apparently with the sanction of high officials is questionable. The people, our distant bosses by the way, paid the legal rate set by law for receiving service in handling of that mail; they likewise are paying taxes to make up the difference between revenue and costs. Their mail is important to them. Our relations with the public during these times of stress are certainly not enhanced by disparaging publicity about the merits of one piece of mail over another.

The corner-grocery men, those who are still left, struggling to maintain an honest living, surviving fierce competition possibly by the skin of their teeth and an occasional circular certainly doesn't consider their messages as "junk" mail. Is it "junk" because an adult member delivers it and thereby supports himself and his family? If the same advertising is placed in a newspaper and delivered by scab, nonunion child labor, does that somehow elevate the operation in any respect? (There is an international newsboy union.) Has the rate of postage anything to do with the intrinsic importance of the mailing piece? The tests run by the Direct Mailers Association have proved in nearly all tests that third-class bulk-rate mail is every bit as effective as first-class mail.

It is questionable that anyone has the right or ability to determine just how valuable a piece of third-class mail is. Do you throw your Christmas cards away unread because they came unsolicited? Do carriers or clerks turn down Christmas overtime because of the cheap rate and unsolicited nature of the matter?

Back in 1925 a piece of dirt cheap mail was read by a Minneapolis postal clerk. Because an advertisement therein hit just one right person, in the person of Tom Doig, Minnesota shortly thereafter secured enactment of a State credit-union law. In the years to follow Tom Doig became head of a credit-union movement numbering 10 million members, and head of a credit-union insurance company which today is close to $3 billion in size. Today some 200,000 credit-union members in Minnesota have found the medium which can keep them and their families from economic and financial bondage—because a piece of low-rate mail dropped into a fertile mind. Truly, it would be difficult to evaluate each piece of mail handled in the post office.

Sober reflection must make postal employees realize that the mail which is so often callously berated is our bread and butter mail, filling up slack periods in schedules, keeping industry going, and in general being the spark that activates our business world. Rates of postage, procedures of processing the mail are completely separate issues that have no bearing on the relative importance of mail to senders, receivers and the middlemen, the postal employees.

Progress is not a question of creating unnecessary work, but the reverse, eliminating duplication of effort, unnecessary handling, needless expense. As a parting question, would you rather struggle 40 hours a week to process "dignified" mail that has a coldly printed name and address on it from impersonal lists for sale to any buyer, or would a 30-hour week be a more happier goal even if simplified addresses were necessary to keep operating costs at the same level?

Brothers, let's defend the mail—all the mail—it's our life blood.

THE EDITOR.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. MORTON in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. MORTON in the chair). Without objection, it is so ordered.

UNITED STATES LOSES SUPPORT IN UNITED NATIONS

Mr. HUMPHREY. Mr. President, the Chronicle of United Nations Activities, recently released, indicates that the United States again lost support in the United Nations in the 12th General Assembly. Sixty-one percent of the members of the United Nations voted less often with the United States in 1957 than in 1956.

Two years ago I had occasion to bring to the attention of the United States Senate a similar decline in United States support at the U. N. I believe that these deteriorating statistics are themselves strong evidence of the decline in American prestige and influence on basic world problems.

I ask unanimous consent that the full text and tables of this report be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

UNITED STATES LOSES SUPPORT IN UNITED NATIONS

The political support that the United States gained in the XI (1956) General Assembly was lost, in part, in the XII (1957) General Assembly. Sixty-one percent of the countries voted less often with the United States in 1957 than in 1956. This compares with the fact that 100 percent voted with the United States more in 1956 compared to 1955.

TABLE 1.—*Support for the United States by number of countries*

	1956 compared to 1955		1957 compared to 1956	
	Number	Percent	Number	Percent
Number of countries increasing agreement	59	100	30	38
Number of countries decreasing agreement	0	0	48	61
Number of countries with no change			1	1
Total	59	100	79	100

HOW THIS STUDY WAS MADE

The study is based on every rollcall vote taken during the 1957 General Assembly. Countries are analyzed as to how they voted when the United States took a pro or con position. Abstentions by the United States are not included in the analysis.

Of the 98 rollcall votes taken during the 12th General Assembly, the United States voted "Yes" 48 times, voted "No" 26 times, and abstained 23 times. The 76 United States yes and no votes are the basis of this report.

In this study every rollcall, both in the plenary as well as in the seven main committees is measured equally. No differentiation is made as to the issues upon which the vote was taken. The votes cover most of the major issues confronting the 1957 Assembly—disarmament, Algeria, Korea, Hungary, Chinese representation, cessation of nuclear tests, Syria-Turkey dispute, European Common Market, and non-self-governing territories, U. N. emergency force, international trade, Indians in South Africa, and peaceful coexistence. Not included in the study are the votes on race conflict in South Africa, west Iran, and Cyprus—issues on which the United States abstained.

Two principal statistical measures emerge:

(1) Agreement: Degree of alinement of a country's voting policies with the United States voting policies.

(2) Disagreement: The degree of opposition of a country's voting policies to the voting policies of the United States.

A country has four alternatives open to it on any question. It can vote "Yes," "No," abstain, or be absent. Because of these alternatives, the degree of agreement plus disagreement do not in most cases add up to 100 percent. For example, two countries, A and B, can both agree with the United States 50 percent of the time, but country A could vote in opposition to the United States 10 percent of the time (being absent or abstaining the other 40 percent of the time), while country B could vote against the United States the other 50 percent of

the time (never abstaining or being absent). It is therefore necessary, in analyzing the political support that a country receives, to consider both the agreement and disagreement scores. In this report the agreement with the United States is presented. The next report will present disagreement with the United States.

FIFTY PERCENT MARK

In 1956, 63 percent of the countries voted with the United States 50 percent or more of the time; in 1957 the number of countries dropped to 55 percent. Similarly, countries that voted with the United States less than 50 percent of the time, rose 37 percent to 45 percent.

THE NEW U. N. MEMBERS

Of the 22 new countries admitted to the U. N. since the end of 1955, 8 countries supported the United States 50 percent or more of the time, while 14 countries supported it less than 50 percent of the time.

The new U. N. members who voted with the United States 50 percent or more were: Austria, Finland, Ireland, Italy, Japan, Malaya, Portugal, and Spain.

The countries voting less than 50 percent were: Albania, Bulgaria, Cambodia, Ceylon, Ghana, Hungary, Jordan, Laos, Libya, Morocco, Nepal, Rumania, Sudan, and Tunisia.

AGREEMENT BY BLOC

The main support for the United States in the United Nations generally comes from Latin American and NATO countries, and a portion of the Commonwealth. Least support comes from the east European bloc, the Arab League, and the Asian-African bloc.

In 1957, the United States made gains among the Latin American and NATO blocs, and lost support among the Asian-African, Arab League, and east European blocs. In general, the supporters of the United States supported it more. Nonsupporters of the United States supported it less.

LATIN AMERICA

Latin America continued in 1957 to be a major source of support for the United States. The 3 countries that agreed with the United States 90 percent or more were all Latin American. Fifteen of the 20 countries in this bloc voted with the United States more than 7 out of 10 times.

The biggest decrease of support in the Latin American bloc was registered by Mexico (30 percent), Bolivia, Guatemala, and Haiti also broke sharply with the prevailing pattern of Latin American voting policies.

Latin American agreement with the United States ranged from 94.7 percent to 43.4 percent.

TABLE 2.—*Latin American agreement with the United States*

Country	Percent agreed with United States, 1957	Percent increase from 1956	Percent decrease from 1956
Colombia	94.7	16.3	
Brazil	90.8	.6	
Chile	90.8	8.4	
Cuba	88.2	5.8	
Honduras	85.5	10.0	
Venezuela	85.5	8.0	
Dominican Republic	82.9	1.5	
Ecuador	81.6	.2	
Peru	81.6		0.7
Argentina	77.6		2.8
Nicaragua	77.6	4.1	
El Salvador	75.0	7.4	
Panama	73.7	3.1	
Costa Rica	72.4	.8	
Urguay	71.1		7.3
Paraguay	68.4	1.7	
Bolivia	47.4		15.3
Haiti	47.4		24.2
Guatemala	46.1		18.6
Mexico	43.4		30.1

NATO

Eight out of 13 NATO countries increased their agreement with United States voting policies in 1957. Despite a decrease in agreement by 3 countries in 1957, 12 out of 13 NATO countries continued to support the United States more than three-quarters of the time. The only country deviating from the NATO pattern was Greece, who agreed with the United States a little more than half the time.

Support for United States policies in NATO ranged from 88.2 to 52.6 percent.

TABLE 3.—*NATO agreement with the United States*

Country	Percent agreed with United States, 1957	Percent increase from 1956	Percent decrease from 1956
Canada	88.2		5.9
Iceland	88.2	15.7	
United Kingdom	88.2	0	0
Denmark	86.8	.5	
Italy	86.8	3.5	
Netherlands	86.8	1.5	
Luxembourg	85.5	9.0	
Norway	85.5	1.2	
Belgium	84.2		5.0
Turkey	84.2	10.7	
France	82.9	8.4	
Portugal	76.3		4.7
Greece	52.6		15.0

COMMONWEALTH

Members of the Commonwealth are split in their agreement with United States voting policies. On the one hand, Australia, Canada, New Zealand, and United Kingdom are strong supporters of the United States—almost 90 percent. On the other hand, Ceylon, Ghana, and India agreed with the United States a little more than 30 percent of the time. Between the two groups stood Malaya and Pakistan. During 1957, the United States did not register any increase of agreement for its voting policies from the Commonwealth countries. Support for United States policies ranged from 88.2 percent to 6.6 percent.

The Union of South Africa, except for some special issues, boycotted most of the sessions of the Assembly. On the 76 pro or con United States votes analyzed in this report, the Union of South Africa was absent 68 times.

TABLE 4.—*Commonwealth agreement with the United States*

Country	Percent agreed with United States, 1957	Percent increase from 1956	Percent decrease from 1956
Australia	88.2		2.0
Canada	88.2		5.9
New Zealand	88.2		1.0
United Kingdom	88.2	0	0
Pakistan	69.7		5.8
Malaya	50.0	(1)	(1)
Ceylon	34.2		10.9
India	34.2		4.0
Ghana	31.6	(1)	(1)
Union of South Africa	6.6		30.7

[1] Not a member of the United Nations in 1956.

EASTERN EUROPE

The Eastern European bloc agreed with the United States less in 1957 than in 1956. Countries that showed the biggest drop in agreement were Poland and the U. S. S. R.—a 6-percent decrease. The 11-percent increase in Hungarian agreement was due to the fact that Hungary boycotted most of the 1956 Assembly but was present throughout the 1957 Assembly.

The range of agreement was from 23.7 to 22.4 percent.

TABLE 5.—*Eastern Europe agreement with the United States*

Country	Percent agreed with United States, 1957	Percent increase from 1956	Percent decrease from 1956
Albania	23.7		4.7
Bulgaria	23.7		2.8
Byelorussia	23.7		3.8
Hungary	23.7	11.0	
Romania	23.7		1.8
Ukraine	23.7		3.8
Czechoslovakia	22.4		5.1
Poland	22.4		6.0
U. S. S. R.	22.4		6.0

BANDUNG CONFERENCE

Twenty-four of the 29 countries of the Bandung Conference (Asian-African bloc) decreased their agreement with the United States in 1957 compared with 1956. Countries that decreased their agreement 10 percent or more were Iran, Iraq, Ceylon, Burma, Nepal, Indonesia, Afghanistan, Syria, and Morocco. Two countries, Japan and Turkey, increased their support by more than 10 percent. Support for the United States in the Bandung Conference ranged from 84.2 to 18.4 percent.

TABLE 6.—*Bandung Conference support for the United States*

Country	Percent agreed with United States, 1957	Percent increase from 1956	Percent decrease from 1956
Turkey	84.2	10.7	
Japan	77.6	21.1	
Thailand	71.1		2.4
Pakistan	69.7		5.8
Philippines	69.7		2.8
Liberia	64.5		2.2
Malaya	50.0	(1)	(1)
Iran	48.7		19.9
Ethiopia	47.4		8.5
Iraq	46.1		18.6
Laos	46.1		1.9
Tunisia	44.7	5.0	
Lebanon	42.1		2.2
Libya	38.2	.9	
Ceylon	34.2		10.9
India	34.2		4.0
Cambodia	32.9		9.3
Burma	31.6		14.5
Ghana	31.6	(1)	(1)
Nepal	31.6		11.5
Jordan	30.3	3.8	
Indonesia	28.9		12.3
Afghanistan	27.6		11.6
Sudan	26.3		7.5
Egypt	25.0		5.4
Saudi Arabia	23.7		1.8
Yemen	23.7		9.6
Syria	19.7		16.6
Morocco	18.4		10.7

[1] Not a member of the United Nations in 1956.

ARAB LEAGUE

Next to the Soviet bloc, the Arab League agreed with the United States least. With the exception of Jordan and Libya, all Arab League countries showed a decrease of support. Iraq, the sole Arab League member of the Baghdad Pact, continued to be the leading supporter of the United States in this bloc. Egypt, Yeman, and Syria were among the countries in this bloc that agreed with the United States the least. Agreement with United States voting policies ranged from 46.1 to 19.7 percent.

TABLE 7.—*Arab League agreement with the United States*

Country	Percent agreed with United States, 1957	Percent increase from 1956	Percent decrease from 1956
Iraq	46.1		18.6
Lebanon	42.1		2.2
Libya	38.2	0.9	
Jordan	30.3	3.8	
Sudan	26.3		7.5
Egypt	25.0		5.4
Saudi Arabia	23.7		1.8
Yemen	23.7		9.6
Syria	19.7		16.6

COUNTRIES NOT IN ANY BLOC

Of the 8 countries that do not belong to the 6 major blocs in the United Nations, the United States registered gains with Austria, China, Israel, and Spain, and lost with Finland, Ireland, Sweden and Yugoslavia. The biggest increase was with China—over 20 percent; the biggest loss was with Ireland—almost 20 percent. Five of these eight countries agreed with the United States more than three-quarters of the time. Agreement with the United States among the uncommitted states ranged from 82.9 percent to 26.3 percent.

TABLE 8.—*Agreement with the United States by countries not in any bloc*

Country	Percent agreed with United States, 1957	Percent increase from 1956	Percent decrease from 1956
Spain	82.9	7.4	
Sweden	82.9		2.4
China	77.6	21.1	
Austria	76.3	9.6	
Israel	75.0	8.0	
Ireland	65.8		19.4
Finland	59.2		5.5
Yugoslavia	26.3		14.9

TABLE 9.—*Summary table: Voting in relation to United States, XII General Assembly*

Country	Number of—			
	Votes with United States	Votes against United States	Abstentions	Absences
Afghanistan	21	27	28	0
Albania	18	51	7	0
Argentina	59	3	14	0
Australia	67	3	6	0
Austria	58	0	18	0
Belgium	64	3	9	0
Bolivia	36	7	15	18
Brazil	69	2	5	0
Bulgaria	18	51	7	0
Burma	24	33	19	0
Byelorussia	18	51	7	0
Cambodia	25	14	37	0
Canada	67	1	8	0
Ceylon	26	33	16	1
Chile	69	3	4	0
China	59	0	17	0
Colombia	72	1	3	0
Costa Rica	55	6	7	8
Cuba	67	1	4	4
Czechoslovakia	17	49	10	0
Denmark	66	4	6	0
Dominican Republic	63	0	10	3
Ecuador	62	4	7	3
Egypt	19	34	23	0
El Salvador	57	7	6	6
Ethiopia	36	24	14	2
Finland	45	7	24	0
France [1]	63	4	7	0
Ghana	24	27	18	7
Greece	40	19	16	1
Guatemala	35	24	17	0
Haiti	36	22	11	7
Honduras	65	0	5	6
Hungary	18	52	6	0
Iceland	67	0	2	7
India [2]	26	29	20	0
Indonesia	22	32	22	0
Iran	37	23	14	2
Iraq	35	23	18	0
Ireland	50	4	17	5
Israel	57	4	14	1
Italy	66	1	9	0
Japan	59	5	12	0
Jordan	23	14	18	21
Laos	35	2	11	28
Lebanon	32	15	11	18
Liberia	49	14	13	0
Libya	29	9	15	23
Luxembourg	65	1	4	6
Malaya [3]	37	12	24	1
Mexico	33	24	17	2
Morocco	14	32	19	11
Nepal	24	22	27	3
Netherlands	66	3	7	0
New Zealand	67	3	6	0
Nicaragua	59	1	4	12
Norway	65	4	7	0
Pakistan	53	5	18	0
Panama	56	8	11	1
Paraguay	52	1	3	20
Peru	62	2	9	3
Philippines	53	10	9	4
Poland	17	53	6	0
Portugal	58	3	14	1
Romania	18	51	7	0
Saudi Arabia	18	27	25	6
Spain	63	1	11	1
Sudan	20	23	29	4
Sweden	63	6	7	0
Syria	15	35	23	3
Thailand	54	6	15	1
Tunisia	34	23	17	2
Turkey	64	1	8	3
Ukraine	18	51	7	0
Union of South Africa	5	3	0	68
U. S. S. R.	17	51	8	0
United Kingdom	67	3	6	0
United States	76	0	0	0
Uruguay	54	8	14	0
Venezuela	65	3	8	0
Yemen	18	30	26	2
Yugoslavia [1]	20	36	18	0

[1] Did not participate in 2 rollcalls.
[2] Did not participate in 1 rollcall.
[3] Base—74 rollcalls; entered U. N. after opening of Assembly.

POLITICAL FUND RAISING

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an article entitled "Money, Politics, and the Minnesota Story," written by John C. Obert, and published in a recent issue of Nieman Reports.

In 1956 I directed the attention of the Senate to the name of a distinguished Minnesotan, John C. Obert, who was awarded the first Nieman Scholarship ever to be given a newsman from a non-daily paper. I mentioned at that time Mr. Obert's interest and connection with the bipartisan political fund raising effort. I know the article will be of tremendous interest to my colleagues.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MONEY, POLITICS AND THE MINNESOTA STORY

(By John C. Obert)

On February 2, 1957, just a year after South Dakota's hitherto colorless FRANCIS CASE took the floor of the Senate to flip the lid on what the Alsops called "Pandora's box of campaign money scandals," a special Senate Elections Subcommittee issued a report calling for "imperative and immediate" Congressional action to plug election loopholes discovered in a comprehensive investigation of the 1956 general elections.

The majority report, filed by Subcommittee Chairman Senator ALBERT GORE, Democrat, Tennessee, and Senator MIKE MANSFIELD, Democrat, Montana, was emphatic in declaring that "few, if any, reforms are more direly needed in our democratic society." To this broad assertion even Senator CARL CURTIS, Republican, Nebraska, the minority subcommittee member who failed to concur in the report, agreed.

While the subcommittee report did not submit specific legislative proposals, it did call for "mass contributions" to political campaigns or possibly even "Government assumption of the cost and responsibility for their conduct." The report clearly emphasized the need for a broader base of campaign giving by the electorate and "less private subsidization."

In its recommendations, the subcommittee presented 10 broad conclusions which it held could be used to bulwark pending and proposed legislation. Included was a call for more realistic limitations on campaign spending and tighter reporting procedures.

Since the release of the report last winter, a number of political writers have examined the findings. The report was a good one, without doubt the most conscientious and comprehensive of its kind. The subject of money in politics is hydraheaded, indeed, and provides a rich vein of material for any enterprising journalist.

By this time, of course, most newspapermen and many discerning readers are cognizant of the basic problem. How, in this day of stratospheric campaign costs, is the money-pressed candidate to escape from mortgaging his political soul to the well-heeled contributor?

The subcommittee report listed reported campaign expenditures totaling $33 million, but took pains to point out that considerably more than this was actually collected and spent by the parties and candidates.

Studies conducted by Dr. Alexander Heard, of the University of North Carolina, would indicate that the actual cost of political campaigns in 1956 approximated $200 million. This is an eyebrow lifter in itself, but when it is pointed out that this money was contributed by less than 5 percent of the people who voted, one can begin to appreciate the conscientious Senator GORE's concern.

The Gore subcommittee's own investigation revealed that of the total $33 million reported spent, the bulk of this money was contributed by strikingly few persons. The report lists contributions of $500 or more each by 2,600 persons. Four hundred persons contributed $5,000 or more each, and 12 families alone gave a total of $1,153,735, 90 percent of which went to Republicans. Lansdell K. Christie, of New York City, the largest single contributor, gave $70,564 to the Democrats.

This poses an immediate question. If the Corrupt Practices Act limits individual contributions to $5,000, how can so few give so much? The answer to this leads directly into one muzzle of the double-barreled problem of campaign financing.

The Corrupt Practices Act places restrictions only on contributions to bona fide campaign committees, central and national committees, and candidates' committees. Thus an individual contributor may give $5,000 to the National Republican or Democratic Committee then make additional contributions to a baker's dozen of unofficial, but just as financially effective, committees. In the recent campaign, for instance, we saw the organization of such unlikely groups as "Bald-Headed Men for Stevenson" and "Left-Handed Golfers for Ike" committees. Such committees collect and spend campaign contributions, sometimes very effectively, but what governmental agency watchdogs their operations?

This certainly is not to imply that the heavy contributor who spreads his money

among a number of committees to circumvent the Corrupt Practices Act is doing so to further his own interests (in the narrow sense). A vast majority of the big money givers contribute with no strings attached and in full public view.

But some do not. And there's the rub. For it is the shady contributions, those offered and accepted under the table, hidden in the welcome shadows of an inadequate reporting system, which create the specter of the bought-and-kept public official and cause grave concern in the heart of anyone sincerely interested in the public weal.

Some qualified observers are certain, for instance, that of the $200 million Dr. Heard believes was spent in American elections in 1956, one-quarter of the total, or $50 million, in other words, was under-the-table money.

Much has already been written about this. Writers have examined the question of limits on spending, tighter reporting requirements, the weaknesses in present election laws and the sources of shady campaign money. And all of this is good, providing it is not just hatchet work. For the more light that can be shed on the money-in-politics problem, the quicker a means can be found to alleviate it.

This article proposes to take up in detail only two of the many facets of the problem: One, the question of broadening the base of campaign contributions; and, two, the contribution reporting issue. The latter, happily enough, is woven into the former and both can be discussed in the context of two unusual experiments conducted in Minnesota in 1956.

Since 1952, when Beardsley Ruml's inconclusive $5 Certificate Plan was tried among Democratic voters, a number of other schemes for broadening the base of contributions have been concocted. The search for a truly effective plan was intensified after the Case incident early in 1956.

Of those which received any serious consideration, two stand out, and one is really not a new idea at all. This was the proposal made by Senator RICHARD NEUBERGER, Democrat of Oregon, last spring.

NEUBERGER suggested that the Congress appropriate campaign money from the Federal Treasury. The long history of the money-in-politics problem is evidenced by the fact that President Theodore Roosevelt first proposed this plan in 1907.

The Neuberger plan has definite merit in that it would provide no-strings-attached money for the candidates as well as an almost foolproof system of reporting receipts and expenditures.

What's wrong with it then? Two objections come to mind immediately. First, it is difficult, indeed, to imagine an American public already cynical about so-called "spend-happy" lawmakers favoring a plan for Federal subsidization of personal political ambitions. Second, it is just as difficult to envisage State and local political units relinquishing control of campaign purse strings to the Federal Government, or, more accurately, the national committees which would get the Federal money and distribute it among candidates.

Yet, as Dr. Heard has put it, "State and Federal Governments should move toward every sort of innovation that offers prospects of success, and the lead may best be taken by the States."

Minnesota did take the lead last spring. It did so first by elevating political giving to the same respected status as is accorded giving to other worthy causes. Then one Minnesota city, Alexandria, responded to an amazing degree to the first all-inclusive door-to-door appeal for political funds ever carried out in this Nation.

Both experiments were the inspiration of Byron "Barney" Allen, Minnesota's State commissioner of agriculture, former national Democratic committeeman, one-time candidate for Governor and inveterate political reformer.

Early in 1956 Allen drew up a bill calling for State income tax law recognition of political contributions. This bill allowed campaign contributions to be used as credits against taxable net income. The maximum amount of such contributions which a Minnesotan may use as a credit is $100, unless he or she is an officer of a political party. A national committeeman, committeewoman, State chairman, or State chairwoman, for instance, can claim a credit of up to $1,000 in campaign contributions, a Congressional District committeeman or committeewoman up to $350 and a county chairman or chairwoman up to $150.

It was a signal victory for Allen when his bill was passed with bipartisan support and was signed into law by Gov. Orville Freeman.

But Allen's bill did more than offer dignity and tax relief to political giving. It built into Minnesota's State income-tax law protection for the political candidate that candidates never had before. For under the new provision, a candidate for office can deduct, as a legitimate exemption from taxation, a certain amount of unreimbursed campaign expenses he or she personally paid. Such deductions range from $5,000 for a candidate for governor or United States Senator to $100 for a candidate for presidential elector from a Congressional District and down to one-fourth the annual salary of the office for candidates for lower posts.

Allen's Minnesota income-tax amendment bill got an unexpected boost when FRANCIS CASE blew the roof off the United States Senate with his revelation that he had been offered $2,500 by the president of Superior Oil Co. shortly before the Senate voted on the controversial Harris natural gas bill early that winter. CASE's story did something else, too. It brought back to public attention a plan for conducting a mass appeal for many small campaign contributions initially put forward in 1955 by Philip Graham, publisher of the Washington Post and Times Herald.

Graham's plan called for an intensive advertising program, carried out across the Nation, to educate rank-and-file citizens to their responsibility of financing political campaigns through their many, modest contributions.

He first brought his idea before the board of directors of the Advertising Council of America in June of 1955. Graham had been appointed to an ad hoc committee to explore new campaign ideas. The board voted to adopt the Graham proposal as a campaign, subject to finding a bipartisan client with make-ready money to sponsor the campaign and subject to final approval by the public policy committee of the council. A subcommittee was appointed to supervise the project when it got under way.

The Advertising Council prepares advertising materials which are distributed to newspapers, radio stations, billboard companies, and the like. The amount of advertising which would be donated to Graham's campaign cannot, of course, be ascertained until it is tried. But it is believed that in a national election year the project would have enough appeal to warrant the donation of $10 million in advertising. It was thought, for instance, that the Republican and Democratic National Committees might want to suggest to their advertising contributors that this would be a worthy project to support.

After it was suggested to Graham that he should seek a bipartisan group of political figures or statesmen to supervise the advertising content, he spoke to Republican National Committeeman Len Hall and Democratic National Committeeman Paul Butler. Both were reported enthusiastic about the project. Butler approached ex-President Harry Truman and obtained his consent to serve as national cochairman of the campaign. Ex-President Herbert Hoover was approached to serve as the other cochairman—and turned it down. By this time Graham and other backers of the plan felt it was too late to start on a base other than having ex-Presidents as cochairmen and the project was dropped for the 1956 campaign.

Back in Minnesota, Byron Allen read of the Graham plan. Intrigued, he wrote Graham and expressed his interest in election law reforms and mass fund appeals. Graham invited Allen to come to Washington and swap ideas, and Allen accepted. Out of this meeting grew the idea for the Alexandria experiment.

Graham's plan called for an intensive advertising program to put rank-and-file voters in the mood to contribute modestly in political campaigns. The advertising would urge people to send their contributions to the party of their choice. It was planned to have this advertising campaign culminate in a week when both Democrats and Republicans would be conducting door-to-door appeals among voters of their respective party affiliations.

Allen concurred with the core of the Graham plan, but he had some ideas of his own. He was disturbed, for instance, with the almost certain plight of party committees trying to conduct partisan door-to-door campaigns for money in those areas where there were no voter registration records to serve as guides. Then, too, Allen was familiar with other features of small-town sociology. People in such communities, he knew, were often reluctant to divulge their political sympathies to anyone. In the intimate atmosphere of the small town, friends avoid political discussion, employees avoid espousing a political creed which their employers denounce, and businessmen avoid taking a political stand for fear of antagonizing customers.

And then Allen came up with an idea which was to capture press, radio and television attention some months later with its dramatically unprecedented nature.

Why, he reasoned, couldn't the two major parties join forces in carrying out a real door-to-door campaign? Whey couldn't a Democrat and a Republican make up a canvassing team which had a legitimate reason for approaching every voter in a community?

Persons thus approached, he believed, would have the option of: (1) Making their contribution to the party of their choice; (2) contributing to a joint fund which would be divided among the parties on the basis of the party vote cast at the last previous election in that community.

The second category would take care of those persons who felt an obligation to take the matter of campaign financing out of the hands of the special interests but wanted to preserve their political anonymity. This category would also include those who considered themselves independent voters, and in Minnesota, the independent voter is no mean statistic. It is estimated that up to 40 percent of the electorate consider themselves free of party ties.

Allen took his idea to the Hill and sounded out a number of Senators and Congressmen. Everywhere he found the same reaction: "Sounds good, but will it work?"

There was only one way to find out. Allen returned to Minnesota and took his plan to the Park Region Echo, a semiweekly newspaper in Alexandria.

The rest is history. The Echo agreed to assume, on a local level, the role the Advertising Council of America would play if the Graham mass political fund plan appeal were to be adopted on a national scale. As city editor, I was picked to head the promotion and was dispatched to St. Paul for a week to bone up on the subject of campaign money.

When I returned, the campaign started. We published a call for a mass meeting of

political, civic, fraternal, religious, and educational leaders and a front-page editorial spelling out what we hoped to do in Alexandria.

A bipartisan steering committee was organized to spearhead the Nation's first bipartisan political fund raising campaign and a series of editorials, front page articles, and feature material came off our press.

But the battle was far from won. The State Republican finance committee objected strenuously and we lost some key conservative support.

For several months the impending campaign was on-again-off-again. Then two months later when the much-ballyhooed experiment seemed about to die aborning, unexpected support suddenly materialized. Senator HUBERT HUMPHREY, Democrat, of Minnesota, and Senator EDWARD THYE, Republican, of Minnesota, sent encouraging letters for publication in our newspaper. The back of the opposition was broken, and the final organizational work was swiftly completed.

On a cold, wet night the first week in May, 80 Alexandrians turned up at the high school auditorium to accept their canvassing assignments. On hand to cover the first night of the drive were reporters and photographers from the St. Paul newspapers, the Washington Post, the Minneapolis Tribune, and the Associated Press. Radio and television crews from Minneapolis also arrived to record the event.

The results of that first night's canvass confounded the skeptics and surprised the most enthusiastic boosters of the plan. Eighty-six percent of the Alexandrians approached that night responded with a contribution. This was a record which surpassed anything the popular March of Dimes drive or the Red Cross campaign had ever accomplished in our community.

Over a 3-night period, the teams of Democratic and Republican canvassers approached 1,000 voters in this city of 6,300 and collected $1,200. The final figure represented a 76 percent response.

Time ran out on the Alexandrian canvass before it could be completed. Once the vacation season starts this little northern resort city becomes such a beehive of recreational activity as to preclude any such serious endeavors as political fund raising. After 3 nights the campaign was discontinued. Alexandria felt it had proved a point. The public will respond if it is given all the whys and what-fors.

There was more to it than that, of course. The element of community pride in pioneering something which had attracted national attention was no small factor in the phenomenal response. But the encouraging feature was the fact that people knew why they were being asked for money and knew why they were giving it.

The Alexandria experiment sought no impressive amount of money. The steering committee announced publicly that it was aiming for a high percentage of response, not an impressive money total. And because it was an isolated experiment, canvassers did not ask regular party contributors to make their full contribution to the experimental campaign. Many of these people gave a token contribution of a dollar and reserved the bulk of their giving for the partisan appeals.

One of the most interesting results of the experiment was the fact that it bore out one of Allen's original contentions. People, particularly people in a small community, are reluctant to divulge their politics. Of the 930 people who contributed to the experimental campaign, only 20 chose to earmark their contributions for a specific party. Nine hundred and ten people gave their money to the bipartisan fund to be divided on the basis of the party vote cast in the last previous election.

Leaders of the Alexandria experiment feel these figures have, or should have, particular significance in the planning of any nationwide mass appeal for political funds. On the basis of these figures, only 20 of 1,000 Alexandrians would have contributed political campaign money if the drive had been conducted on a strictly partisan basis.

Now let us examine for a moment the significance of the monetary results of the Alexandria drive. What would it mean if the Alexandria results were translated into national terms? One answer was proffered by an editorial published in the Kansas City Star after the first night of the Alexandria canvas. The editorial was as follows:

"GOT $1 FOR A GOOD CAUSE?

"The town of Alexandria, Minn., has hit the political map with a bang. Some 435 of its householders who were solicited for campaign contributions responded to a surprising degree and yielded a total of $715.95 to be used as a common fund by the two parties. One kindly old lady rang the bell with 50 cents for the Republicans and the same for the Democrats 'because they're both good people.' * * * And do you know how much each party would have for its national campaign if the average voter contributed only the amount turned in by the nice old lady in Alexandria? Well, sir, it would be nearly $31 million apiece. How the party treasuries would jingle with that volume of cash. * * * It would be wholesome if campaign funds could be had mainly from millions of citizens instead of the comparatively few big fellows, pressure groups and office seekers, all of whom may expect something for themselves in return. The widespread contributions would help to end numerous abuses and serve to arouse needed popular interest in public affairs. Perhaps the modest experiment in Alexandria has started something."

Perhaps it has. Perhaps someday the Alexandria experiment will find its way into Federal legislation in the form of a Senate-granted charter which would establish a national bipartisan commission to direct a coast-to-coast appeal for campaign funds. With the promotional help of the Advertising Council, already pledged to Graham's plan, Alexandrians feel that far more than the $62 million the Kansas City Star predicted could be raised in this manner.

Encouraging is the fact that the other Minnesota experiment, Allen's State income tax amendment affecting political contributions, was emulated in one provision of the ill-fated Johnson-Knowland clean elections bill which, for a time, seemed likely to be passed in the 1st session of the 85th Congress.

In November of 1956 the McClellan Special Committee to Investigate Political Activities, Lobbying, and Campaign Contributions summoned Allen and the writer to Washington to tell the story of the Alexandria experiment. We did, but two of the favorable aspects of the Allen plan for raising campaign money were never explored at this hearing.

To date no one has written or said anything about how the Allen plan would facilitate accurate reporting of campaign contributions.

Now supposing on the dubious strength of its very limited try-out in Alexandria, the Allen plan was considered effective enough to raise the required amount of campaign money and was adopted on a nationwide scale. What would this do to the old bogey of reporting?

Conceivably it would solve the problem overnight. Why? Because all money collected in an appeal such as this is immediately turned over to the county political committees. There it is counted and a public report made. Furthermore, if the plan were adopted nationally, each county would conduct its own canvass and each of the party committees in that county would report its receipts to the State and, subsequently, the national committees. Each county committee would retain a part of the money for local campaigning and turn the remainder over to the State and national committees.

If the required amount of money could be raised in a broad appeal program such as this, there would be no need for the bastard committees which now raise hob with reporting requirements and open the trapdoor for shady contributing.

There is still another, though closely related, advantage to the Allen plan. Because all campaign money would be handled only by the bona fide political committee, county, State, and National party organization, now hanging on the ropes from the current onslaughts of moderation, ticket splitting, and nonpartisanship, could not help but be strengthened. And strengthened it must be if America is to salvage the vigor of its two-party system.

Thus, in an ironic sort of way, the Allen plan would use a bipartisan means to achieve partisan ends. There is a perversity, too, in the pluralistic aspect of the scheme. The Allen approach to mass fund raising makes use of the group, or social, ethic in encouraging a whole community to take part in the campaign, as the right thing to do, in order to preserve the strength, the integrity and, if you please, the individualism of opposing elements within that community—to wit, the two political parties. Superficially, at least, this would seem to constitute an accidental resolving of the conformity-individualism conflict in one part of the contemporary American scene.

John Obert is city editor of the Park Region Echo, Alexandria, Minn. He was a Nieman Fellow last year.

(NOTE.—For the editorials, the news stories, and the feature material during the bipartisan fund raising campaign in Alexandria the Park Region Echo was given the American Political Science Association's award for distinguished reporting of public affairs in 1956. It was the only nondaily newspaper so honored.)

MISMANAGEMENT IN ASC COMMITTEE ELECTIONS

Mr. HUMPHREY. Mr. President, at my request, the staff of the Committee on Agriculture and Forestry made a preliminary investigation of charges by Governor Freeman, of Minnesota, of irregularities in the 1957 Minnesota farmer community committee elections. Specifically, the Governor charged, first, that many farmers were sent more than one ballot, and, second, that the ballot return envelopes were insufficiently identified so that duplicate and unauthorized ballots could not be excluded. The staff investigation found the Governor's charges correct in all respects.

The staff investigation disclosed that:

First. A number of farmers received ballots which they were not entitled to vote.

Second. In 6 counties the outer ballot return envelopes bore no identification. In one of these counties—Kandiyohi—the inner ballot envelopes, which should have borne no identification, were identified by township number. In this county, which was one of those named by the Governor, the statements of the county office manager varied from the fact as to the marking method used, and were inconsistent in other respects with statements of other witnesses.

Third. In three counties the outer ballot return envelopes were identified by township number only.

Fourth. In 20 counties the outer ballot return envelopes were identified by township and farm number only.

Fifth. In one county which identified outer return envelopes by township and farm number ballots which were returned in envelopes bearing no identification were counted.

Sixth. In one county ballots were accepted over the counter without outer return envelopes by clerks who did not know and, consequently, did not inform the voters that such envelopes were required. These ballots were not counted.

Seventh. In one county, contrary to regulation, outer return envelopes were removed and duplicate ballots were destroyed by county office employees before the election tabulation board met.

Eighth. The outer return envelopes, contrary to regulation, were destroyed after removal of the ballots in at least 12 counties.

Ninth. Tie votes were decided by methods not consistent with the regulations in four counties.

Tenth. Election results were certified in blank, the blanks being filled in later, in three counties.

Eleventh. In one county a correct count of the votes would have changed the election results for one office.

Twelfth. In one county a member of the county tabulation board was also a candidate for community committee membership.

Thirteenth. In one county, in an effort to keep the election results secret until the county convention, the ballots were kept at the FHA office instead of the county ASC office and the notices to elected committeemen were prepared at the FHA office instead of by the ASC county office manager.

Fourteenth. In one county the action of the county election board designating community election boards—which nominate candidates for the community committees—was ambiguous, making it impossible to determine who was intended to be appointed to the community election boards.

From findings of the staff investigation, the conclusion appears inevitable that the Minnesota State ASC office was extremely negligent and careless in administration of election procedures, failed to properly inform county committees and office managers, and otherwise contributed to serious misunderstandings, confusion and irregularities bringing discredit upon the program and discouraging participation of farmers in selecting their own representatives in accordance with the intent of Congress. The widespread nature of the errors in election procedure reflect serious discredit upon both the State headquarters staff of the ASC and the State fieldman charged with the responsibility of supervising work of the office managers.

The gross mismanagement confirmed by the investigation emphasizes the urgent need for Congress to more clearly define the authority of elected farmer committeemen and set forth proper election procedures in law to protect in the future the integrity of the elected county committee system of farm-program guidance, for which I have legislation pending.

Mr. President, as a part of the statement I have just made, relating to mismanagement in election procedures, I ask unanimous consent to have printed in the RECORD a letter dated October 1, 1957, which was addressed to the chairman of the Senate Committee on Agriculture and Forestry [Mr. ELLENDER] by the Honorable Orville L. Freeman, Governor of Minnesota. The letter contains another of the Governor's charges.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

EXHIBIT A

ST. PAUL, MINN., *October 1, 1957.*

Hon. ALLEN ELLENDER,
Chairman, Government Operations Committee, United States Senate, Senate Office Building, Washington, D. C.

DEAR SENATOR ELLENDER: Within the past several days a number of instances of irregularities in local ASC elections throughout the State have come to my attention. These irregularities call for further investigation and I request that you authorize a complete review of the very questionable procedures followed in Minnesota. To elaborate, may I point out these several and specific instances:

1. More than one ballot, contrary to good election procedure, has been mailed to individual farmers. I have repeated examples of the receipt of more than one ballot. To name only two, both the speaker of the house of representatives in Minnesota and our securities commissioner and former treasurer, Arthur Hanse, received multiple ballots.

2. This irregularity is magnified by the fact that contrary to regulations there are a number of instances of insufficient identification on ballots sent out to voters:

A. In Kandiyohi and Roseau Counties, I am informed that ballots were mailed out with only the township number for return identification. In the case of Kandiyohi County, I am further informed that local officials checked with the State ASC office and were told to go ahead with the election. On that basis in Becker and Sibley Counties, ballots were mailed with only the township and farm number of return identification according to our information. Proper procedure in these elections dictates that some registration system be set up so that those who vote can be identified in the same manner as is done in our regular elections. In the cases where only a township number appears on the outside envelope, it is impossible to tell what persons participated in the election. The inclusion of the farm number with the township makes this task somewhat less difficult but still time consuming.

Furthermore, in Renville County, ballots were prepared and sent out without identification of any kind on the outside return envelope containing the ballot. Only the watchfulness of local farmers themselves caused this error to be rectified and an entire new set of properly identified envelopes mailed to the farmers of that county. An identical mistake in the Redwood County elections was prevented only by the courtesy of an interested Renville County farmer who took the time to check with the Redwood office and informed them of the trouble that had occurred in Renville County.

Proper election procedure is one of the basic signs of good government, and I do not feel that we can afford to take these procedures lightly for our election system is one of the foundation stones of democracy. The State ASC Committee is responsible for the conduct of these elections, and I believe that had they done their job properly, there would have been no difficulty in these elections. Please feel free to call on me or my staff for any additional help we can give you in this matter.

This telegram has also been sent to Senator MCCLELLAN and a copy has been forwarded to Senators HUBERT HUMPHREY and EDWARD J. THYE.

ORVILLE L. FREEMAN,
Governor.

Mr. HUMPHREY. Mr. President, if anyone wants further evidence concerning the report I have made today, the staff report is available. It has not been printed by the Government Printing Office; however, it is available in mimeographed form, as well as in the form prepared by the staff of the chairman of the Senate Committee on Agriculture and Forestry.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. LANGER. I wish the distinguished Senator from Minnesota would give a current opinion, to supplement the one he gave a year and a half ago, about Mr. Benson's appointing the State committees and chiefs of committees.

Mr. HUMPHREY. I certainly disagree with the methods which have been employed in selecting both the office managers and the State committees. I believe that should be left to the farmers in their own free election processes.

Mr. LANGER. I quite agree with the Senator. I have wondered what became of the bill the Senator introduced on this subject.

Mr. HUMPHREY. The bill was reported by the subcommittee which made the study, and is now pending before the full committee. I hope it will soon be brought to the attention of the Senate.

Mr. LANGER. I hope that action may be taken very soon. We in North Dakota have the same situation which the distinguished Senator has said exists in Minnesota, namely, universal dissatisfaction with the methods by which the committees are being selected.

Mr. HUMPHREY. I thank the Senator from North Dakota, a great friend of agriculture, and who has dedicated his public life to the benefit of the people, whom in part he so ably and conscientiously represents.

Mr. LANGER. I thank the Senator from Minnesota.

PARTICIPANTS IN CONFERENCE ON FOREIGN ASPECTS OF UNITED STATES NATIONAL SECURITY

Mr. WILEY. Mr. President, like a number of other Members of the Senate, it has just been my privilege to attend the afternoon session of the Conference on Foreign Aspects of United States National Security.

This is the vital, historic assembly to which I was pleased to refer in my remarks of last Thursday, which are to be found on pages 2491–2492 of the CONGRESSIONAL RECORD.

Today, we heard a most impressive address by the former President of the

United States, the Honorable Harry S Truman.

Tonight, it will be our honor and privilege to hear our President, Dwight D. Eisenhower.

I want to commend Mr. Eric Johnston and all others who have labored in the Lord's vineyard to make this conference a success. They can feel a well-deserved sense of satisfaction in knowing that they have contributed most significantly to meeting the No. 1 challenge of our time—namely, that of the survival, not only of this Republic, but of the entire human race.

A host of outstanding speakers will join, and have joined, with President Eisenhower, former President Truman, Vice President Nixon, and others, in making this conference the success it must be and already has become. I hope that out of this conference will come the drive which will assure fulfillment of goals of Senate bill 3318, the Mutual Security Act for the coming fiscal year, which I am pleased to cosponsor with the distinguished chairman of our committee, the senior Senator from Rhode Island [Mr. GREEN].

I send to the desk two items: The first is the program of today's conference, including a list of the honor guests. The second is a list of participants of the conference.

I bring the latter list particularly to the attention of my colleagues because they will find here a blue-ribbon group composed of some of the most outstanding men and women in the 48 States. They will find here leaders from every walk of life—those who are taking time out from their crowded schedule, in order to consult among themselves and with the leaders of this land.

Thus, the participants will then be able to return to the grass roots of America and to "carry the message to Garcia," to deliver to the American people the message on how important mutual security is for American survival.

I commend these participants for their public spirit in participating in these sessions. The fact that so representative a group of worthy individuals has assembled is a heartwarming indication of the support for this program throughout the land. I hope it will not be just latent support or potential support, but that it will be an articulate support, so that the Members of the Senate Foreign Relations and House Foreign Affairs Committees and the Senate and House Appropriations Committees will truly know that the country is definitely behind this program.

That fact is, I believe, borne out by every public opinion poll on this issue which has been taken in recent times.

I ask unanimous consent that both the lists to which I have referred be printed at this point in the body of the RECORD.

There being no objection, the lists were ordered to be printed in the RECORD, as follows:

CONFERENCE ON FOREIGN ASPECTS OF UNITED STATES NATIONAL SECURITY, HOTEL STATLER, WASHINGTON, D. C., FEBRUARY 25, 1958

Conference chairman: Mr. Eric Johnston.

Conference cochairmen: Mrs. J. Ramsay Harris, Mr. Erle Cocke, Jr.

8 to 9:30, registration.

9:30, morning session:

The National Anthem: United States Army Band.

Conference invocation: Charles W. Lowry, Ph. D. (Oxon.), executive director, Foundation for Religious Action in the Social and Civil Order.

Welcome: Mr. Eric Johnston.

9:40, The Free World and Mutual Security: the Honorable John Foster Dulles, Secretary of State.

10, address: the Honorable Adlai E. Stevenson.

10:20, Military Assistance: the Honorable Neil H. McElroy, Secretary of Defense.

10:40, recess.

10:55, The Soviet Economic and Trade Offensive: the Honorable Allen W. Dulles, Director, Central Intelligence Agency.

11:15, The Moral Foundations of United States Foreign Assistance: Rev. Edwin T. Dahlberg, president, National Council of Churches of Christ in the United States of America; Rabbi Theodore L. Adams, president, Synagogue Council of America; Bishop Fulton J. Sheen, Auxiliary Bishop of New York.

12, luncheon recess.

12:30, luncheon session:

Invocation: Dr. Abraham J. Feldman, rabbi, Temple Beth Israel, Hartford, Conn.

Toastmaster: the Honorable Dean G. Acheson, former Secretary of State.

Address: the Honorable Harry S. Truman, former President of the United States.

2:30, afternoon session.

2:30, the Proposed Mutual Security Program: The Honorable Richard M. Nixon, Vice President of the United States.

Question and answer panel: The Honorable Richard M. Nixon; the Honorable C. Douglas Dillon, Deputy Under Secretary of State; the Honorable Mansfield D. Sprague, Assistant Secretary of Defense; the Honorable James H. Smith, Jr., Director, International Cooperation Administration; the Honorable Dempster McIntosh, Manager, Development Loan Fund.

4, Science, Technology, and Free World Development: Dr. James R. Killian, Jr., Special Assistant to the President for Science and Technology.

4:15, recess.

4:30, panel on post-conference education: Mr. Eric Johnston, Mr. Erle Cocke, Jr., Mrs. J. Ramsay Harris.

8, dinner session.

Invocation: His Eminence, Samuel Cardinal Stritch, archbishop of Chicago.

Address: The Honorable Dwight D. Eisenhower, President of the United States.

Conference benediction: Rt. Rev. Henry Knox Sherrill, the presiding bishop of the Episcopal Church.

Music. United States Marine Band.

HONOR GUESTS AT LUNCHEON

Hon. Harry S Truman, former President of the United States.

Hon. Dean G. Acheson, former Secretary of State.

Mrs. Dean G. Acheson.

Rabbi Theodore L. Adams, president, Synagogue Council of America.

Hon. Carl Albert, majority whip of the House.

Hon. George V. Allen, Director, United States Information Agency.

Hon. Leslie C. Arends, minority whip of the House.

Col. Jacob M. Arvey, Democratic National Committeeman from Illinois.

Hon. A. S. J. Carnahan, Member, House of Representatives.

Hon. Clarence Cannon, chairman, House Appropriations Committee.

Hon. Robert B. Chiperfield, ranking Republican, House Foreign Affairs Committee.

Mr. Earl Cocke, Jr., Cochairman of Conference.

Hon. C. Douglas Dillon, Deputy Under Secretary of State.

Hon. Everett M. Dirksen, minority whip of the Senate.

Hon. Allen W. Dulles, Director, Central Intelligence Agency.

Dr. Milton S. Eisenhower, president, Johns Hopkins University.

Dr. Abraham J. Feldman, Rabbi, Temple Beth Israel, Hartford, Conn.

Hon. William C. Foster, executive vice president, Olin Mathieson Chemical Corp.

Hon. Orville L. Freeman, Governor of Minnesota.

Hon. Theodore F. Green, chairman, Senate Foreign Relations Committee.

Hon. Charles A. Halleck, Member, House of Representatives.

Mrs. J. Ramsay Harris, cochairman of conference.

Hon. Thomas C. Hennings, Jr., secretary, Democratic Policy Committee.

Hon. Christian A. Herter, Under Secretary of State.

Hon. Paul G. Hoffman, former Administrator, Economic Cooperation Administration.

Hon. Lyndon B. Johnson, majority leader of the Senate.

Dr. Mordecai W. Johnson, president, Howard University.

Hon. Eric Johnston, Chairman of Conference.

Dr. James R. Killian, special assistant to the President for science and technology.

Hon. William F. Knowland, minority leader of the Senate.

Dr. Charles W. Lowry, executive director, Foundation for Religious Action.

Hon. Joseph W. Martin, Jr., minority leader of the House.

Hon. Dempster McIntosh, Manager, Development Loan Fund.

Hon. Chester E. Merrow, Member, House of Representatives.

Hon. Thomas E. Morgan, chairman, House Foreign Affairs Committee.

Hon. Charles S. Murphy, former special counsel to the President.

Mr. Stan Musial, St. Louis Cardinals, St. Louis, Mo.

Mrs. Merriweather Post, board of directors, General Foods Corp.

Hon. Sam Rayburn, Speaker of the House.

Hon. Leverett Saltonstall, chairman, Republican Conference.

Bishop Fulton J. Sheen, auxiliary bishop of New York.

Hon. James H. Smith, Jr., Director, International Cooperation Administration.

Hon. Mansfield D. Sprague, Assistant Secretary of Defense.

Hon. Adlai E. Stevenson, former Governor of Illinois.

Hon. Robert F. Wagner, Jr., mayor of New York City.

Hon. Alexander Wiley, ranking Republican, Foreign Relations Committee.

HONOR GUESTS AT DINNER

Hon. Dwight D. Eisenhower, President of the United States.

Hon. Richard M. Nixon, Vice President of the United States.

Mrs. Richard M. Nixon.

Hon. Sherman Adams, the Assistant to the President.

Mrs. Sherman Adams.

Rabbi Theodore L. Adams, president, Synagogue Council of America.

Hon. Carl Albert, majority whip of the House.

Hon. Leslie C. Arends, minority whip of the House.

Hon. Eugene R. Black, President, International Bank for Reconstruction and Development.

Dr. Ralph J. Bunche, Under Secretary of the United Nations.

Hon. Clarence Cannon, chairman, House Appropriations Committee.

Hon. Robert B. Chiperfield, ranking Replican, House Foreign Affairs Committee.

Mr. Gardner Cowles, president, Cowles Magazines, Inc.
Mr. Erle Cocke, Jr., Cochairman of Conference.
Hon. Thomas E. Dewey, former Governor of New York.
Hon. C. Douglas Dillon, Deputy Under Secretary of State.
Hon. Everett M. Dirksen, minority whip of the Senate.
Hon. John Foster Dulles, Secretary of State.
Mrs. John Foster Dulles.
Dr. Milton S. Eisenhower, president, Johns Hopkins University.
Mr. Henry Ford II, president, Ford Motor Co.
Hon. Theodore F. Green, chairman, Foreign Relations Committee.
Gen. Alfred M. Gruenther, president of the American Red Cross.
Hon. Charles A. Halleck, Member, House of Representatives.
Mrs. J. Ramsey Harris, Cochairman of Conference.
Hon. Thomas C. Hennings, Jr., secretary, Democratic policy committee.
Hon. Christian A. Herter, Under Secretary of State.
Hon. Lyndon B. Johnson, majority leader of the Senate.
Hon. Eric Johnston, Chairman of Conference.
Mr. Danny Kaye, good will ambassador for UNICEF.
Hon. William F. Knowland, minority leader of the Senate.
Hon. Joseph W. Martin, Jr., minority leader of the House.
Mr. George Meany, president, AFL–CIO.
Hon. Perle Mesta, former Ambassador to Luxembourg.
Hon. Thomas E. Morgan, chairman, House Foreign Affairs Committee.
Hon. Sam Rayburn, Speaker of the House.
Hon. Anna Rosenberg, former Assistant Secretary of Defense.
Gen. David Sarnoff, chairman of the board, Radio Corporation of America.
Rt. Rev. Henry Knox Sherrill, the presiding bishop of the Episcopal Church.
Hon. James H. Smith, Jr., Director of International Cooperation Administration.
Mr. Joseph P. Spang, Jr., chairman of the board, Gillette Co.
Dr. Frank Stanton, president, Columbia Broadcasting System.
Hon. Adlai E. Stevenson, former Governor of Illinois.
His Eminence Samuel Cardinal Stritch, archbishop of Chicago.
Hon. John Taber, ranking Republican, House Appropriations Committee.
Hon. Robert F. Wagner, Jr., mayor of New York City.
Hon. Earl Warren, Chief Justice of the United States.
Mrs. Earl Warren.
Hon. Samuel C. Waugh, President and Chairman, Export-Import Bank.
Hon. Alexander Wiley, ranking Republican, Foreign Relations Committee.

CONFERENCE ON FOREIGN ASPECTS OF UNITED STATES NATIONAL SECURITY, FEBRUARY 25, 1958, WASHINGTON, D. C.

LIST OF PARTICIPANTS

Mr. Charles Aaron, president, National Jewish Welfare Board, New York City.
Mrs. June Abendshein, president, AMVETS Auxiliary, Washington, D. C.
Mr. and Mrs. Dean G. Acheson, Washington, D. C.
Dr. Arthur S. Adams, president, American Council on Education, Washington, D. C.
Mr. Joe H. Adams, Miami, Fla.
John Quincy Adams, the Manhattan Refrigerating Co., New York, N. Y.
The Assistant to the President and Mrs. Sherman Adams, Washington, D. C.
Rabbi Theodore L. Adams, president, Synagogue Council of America, New York, N. Y.
Mr. Omer C. Aderhold, president, University of Georgia, Athens, Ga.
Miss Bertha S. Adkins, Republican National Committee, Washington, D. C.
Mr. E. W. Aiton, director, 4–H Clubs, USDA, Washington, D. C.
Mrs. William Akin, Dallas, Tex.
Mr. Meade Alcorn, Republican National Committee, Washington, D. C.
Mrs. Stewart Alexander, president, Women's National Republican Club, Inc., New York City.
Mr. George V. Allen, Director, United States Information Agency, Washington, D. C.
Mr. Robert S. Allen, Bell Syndicate, Washington, D. C.
Mr. Stanley Allen, executive secretary, American Council of World Veterans Federation, New York City.
Mr. William M. Allen, president, Boeing Airplane Co., Seattle, Wash.
Dr. Thomas Alphin, American Medical Association, Chicago, Ill.
Mr. Stewart Alsop, New York Herald Tribune Syndicate, Washington, D. C.
Dr. William Alstadt, president, American Dental Association, Chicago, Ill.
Mr. Leon Ames, president, Screen Actors Guild, Hollywood, Calif.
Mrs. Arthur Forrest Anderson, National Social Welfare Assembly, New York City.
Mrs. Edward E. Anderson, New York, N. Y.
Mrs. Eugenie Anderson, Red Wing, Minn.
Mr. Samuel W. Anderson, Washington, D. C.
Mr. Joseph Andreoli, vice president, General Tire & Rubber Co., Akron, Ohio.
Mr. Stanley Andrews, Michigan State University, East Lansing, Mich.
Miss Elizabeth Arden, New York, N. Y.
Mr. Hamilton Fish Armstrong, editor, Foreign Affairs, New York City.
Mr. Edwin Arnold, Deputy Director for Technical Services, ICA, Washington, D. C.
Mr. H. Park Arnold, president, Kiwanis International, Chicago, Ill.
Col. Jacob M. Arvey, Chicago, Ill.
Dr. Max Ascoli, the Reporter, New York City.
Miss Ethel Askerooth, Washington, D. C.
Mr. Robert E. Asher, Brookings Institution, Washington, D. C.
Col. Maynard R. Ashworth, Sr., Columbus, Ga.
Mr. Warren H. Atherton, Atherton & Dozier, Stockton, Calif.
Mr. Rollin S. Atwood, regional director, Latin America, ICA, Washington, D. C.
Miss H. Elsie Austin, executive director, National Council of Negro Women, Washington, D. C.
Mr. W. B. Aycock, chancellor, University of North Carolina, Chapel Hill, N. C.
Mr. John S. Badeau, Near East Foundation, New York, N. Y.
Mr. Samuel Bagley, Hobby Hill, Rockville, Md.
Mrs. David D. Baker, United Church Women, New York City.
Mr. Edgar R. Baker, managing director, Time-Life International, New York City.
Mr. John C. Baker, president, Ohio University, Athens, Ohio.
Mary Alice Baldinger, executive director, National Civil Liberties Clearing House, Washington, D. C.
Mr. Robert Baldwin, vice chairman, Committee on Foreign Trade Education, New York City.
Mr. William H. Baldwin, Public Relations Counsel, New York City.
Miss Alice Ball, United States Book Exchange, Washington, D. C.
Mr. Edmund F. Ball, president, Ball Brothers Co., Muncie, Ind.
Mr. Erwin Balluder, vice president, Pan American World Airways, New York City.
Mr. Charles A. Bane, Chicago Council on Foreign Relations, Chicago, Ill.
Mr. George M. Barakat, executive director, American Middle East Relief, New York City.
Mr. William E. Barlow, president, Vision Incorporated, New York City.
Mr. and Mrs. George Barnes, Potomac, Md.
Mr. Robert G. Barnes, special assistant, Mutual Security, Department of State, Washington, D. C.
Mr. Frank H. Bartholomew, president, United Press, New York City.
Mr. Henry B. Bass, Enid, Okla.
Mr. Roy Battles, assistant to master, National Grange, Washington, D. C.
Mrs. John S. Bauman, National Council of Women of U. S. A., New York City.
Mr. James P. Baxter 3d, president, Williams College, Williamstown, Mass.
Mr. Leonard B. Beach, dean, Graduate School, Vanderbilt University, Nashville, Tenn.
Mr. W. R. Beach, secretary, General Conference of Seventh Day Adventists, Takoma Park, Md.
Mr. Charles E. Beard, president, Braniff International Airways, Dallas, Tex.
Mr. George H. Becker, Jr., special assistant to Secretary, Department of Commerce, Washington, D. C.
Mr. Ralph Becker, Washington, D. C.
Mrs. Olive Ann Beech, president, Beech Aircraft Corp., Wichita, Kans.
Mrs. Frederick Beggs, Washington, D. C.
Dr. J. W. Behnken, president, Missouri Synod of the Lutheran Church, St. Louis, Mo.
Mrs. Allison Bell, American Association of University Women, Washington, D. C.
Mr. Daniel W. Bell, American Security and Trust Co., Washington, D. C.
Mr. Elliott V. Bell, chairman, executive committee, McGraw-Hill Publishing Co., New York City.
Mr. John O. Bell, regional director, Near East, ICA, Washington, D. C.
Miss Lucille Bell, American Association for U. N., Washington, D. C.
Mrs. Rachel Bell, Committee for National Foreign Trade Policy, Washington, D. C.
Mrs. C. A. Bender, women's division, Methodist Church, New York City.
Mr. Andrew H. Berding, Assistant Secretary of State, Washington, D. C.
Read Admiral John J. Bergen, Navy League of the United States, Washington, D. C.
Mr. Elmer Berger, executive director, American Council for Judaism, New York City.
Miss Becky Bergesen, For America, Washington, D. C.
Mr. Vernon E. Bergstrom, director, Lutheran Refugee Service, New York, N. Y.
Mr. Herbert Berman, New York, N. Y.
Mr. L. H. Bernheim, chairman, women's division, National Jewish Welfare Board, New York City.
Mr. Servaas Beurt, Indianapolis, Ind.
Mr. Andrew J. Biemiller, director, AFL–CIO legislative department, Washington, D. C.
Mr. R. M. Binney, vice president, foreign division, First National Bank of Boston, Boston, Mass.
Mr. Kenneth Birkhead, American Veterans Committee, Washington, D. C.
Mr. William C. Birthright, AFL–CIO, Indianapolis, Ind.
Mr. Eugene W. Biscailuz, sheriff, Los Angeles County, Los Angeles, Calif.
Mrs. Maurice Bisgyer, B'nai B'rith Women's Supreme Council, Washington, D. C.
Mr. Maurice Bisgyer, executive vice president, B'nai B'rith, Washington, D. C.
Mrs. Donald F. Bishop, League of Women Voters, Philadelphia, Pa.
Dr. Desmond W. Bittinger, moderator, Brethren Service Commission, Elgin, Ill.
Hon. Eugene R. Black, president, International Bank for Reconstruction and Development, Washington, D. C.

Prof. John D. Black, Economics of Agriculture, Harvard University, Cambridge, Mass.

Mr. Justin Blackwelder, executive secretary, Atlantic Union Committee, Washington, D. C.

Mr. William McC. Blair, Chicago, Ill.

Mr. and Mrs. Thomas D. Blake, Washington, D. C.

Mrs. Werner J. Blanchard, League of Women Voters, Dayton, Ohio.

Mr. Richard Blanding, World Affairs Council of Rhode Island, Providence, R. I.

Mr. W. H. Blanding, executive secretary, Toastmaster's International, Santa Ana, Calif.

Mrs. Paul Blanshard, Unitarian Fellowship for Social Justice, Washington, D. C.

Mr. Jacob Blecheisen, Rosiclare Lead & Fluorspar Mining Co., Rosiclare, Ill.

Mr. William Block, publisher, Pittsburgh Post Gazette, Pittsburgh, Pa.

Miss Margaret Blocker, Route 4, Hendersonville, N. C.

Dr. Robert Blum, San Francisco, Calif.

Rabbi Aaron H. Blumenthal, president, Rabbinical Assembly of America, New York, N. Y.

Mr. Samuel E. Bogley, Chevy Chase, Md.

Mr. Jesse B. Bogue, executive secretary, American Association of Junior Colleges, Washington, D. C.

Mrs. Richard Bolling, Washington, D. C.

Mr. Kenyon C. Bolton, Cleveland Council on World Affairs, Cleveland, Ohio.

Mr. Sanford H. Bolz, American Jewish Congress, Washington, D. C.

Mr. Howard R. Boozer, acting director, Washington International Center, Washington, D. C.

Mr. Joseph L. Borda, special executive assistant, NAM, Washington, D. C.

Rev. Charles F. Boss, Jr., general secretary, Methodist Church Board of World Peace, New York City.

Mr. Richard S. Boutelle, president, Fairchild Engineering & Airplane Corp., Hagerstown, Md.

Mr. Richard L. Bowditch, chairman of board, C. H. Sprague & Son Co., Boston, Mass.

Dr. John G. Bowen, assistant executive secretary, National Council of Catholic Men, Washington, D. C.

Mr. James P. Bradley, Ware, Mass.

Mr. Russell L. Bradley, executive director, National Conference of Christians and Jews, Washington, D. C.

Mr. Joseph E. Brady, AFL–CIO, Cincinnati, Ohio.

Dr. Helen D. Bragdon, general director, American Association of University Women, Washington, D. C.

Mr. Frederick C. Bramlage, Junction City, Kans.

Hon. Vance Brand, member, Board of Directors of the Export-Import Bank, Washington, D. C.

Col. Lyon W. Brandon, Jackson, Miss.

Dr. Harvie Branscomb, chancellor, Vanderbilt University, Nashville, Tenn.

Mr. A. Marvin Braverman, Washington, D. C.

Mr. Homer L. Brinkley, executive vice president, National Council of Farmer Cooperatives, Washington, D. C.

Mr. Albert T. Brod, Washington, D. C.

Dr. George Brodschi, International Center, University of Louisville, Louisville, Ky.

Mrs. Wright W. Brooks, United Church Women, Washington, D. C.

Mr. Benjamin H. Brown, Council on World Affairs, Cleveland, Ohio.

Mr. Cecil Brown, president, Overseas Press Club, New York, N. Y.

Dr. Francis J. Brown, American Council on Education, Washington, D. C.

Mr. George T. Brown, assistant to the president, AFL–CIO, Washington, D. C.

Mr. Louis M. Brown, president, Eberhard Faber Pencil Co., Wilkes-Barre, Pa.

Mrs. Rollin Brown, president, National Congress of Parents and Teachers, Chicago, Ill.

Mrs. Rudd Brown, LaCanada, Calif.

Mr. S. Perry Brown, Beaumont, Tex.

Mr. Sevellon Brown III, editor, Providence Journal, Providence, R. I.

Hon. Wilber M. Brucker, Secretary of the Army, Washington, D. C.

Hon. C. Farris Bryant, Ocala, Fla.

Maj. Gen. Kenneth Buchanan, Washington, D. C.

Miss Pearl S. Buck, Perkasie, Pa.

Mr. Roy J. Bullock, Arlington, Va.

Hon. Ralph J. Bunche, United Nations, New York City.

Mr. Earl Bunting, director, O'Sullivan Rubber Corp., Washington, D. C.

Mr. Bernard Burford, secretary, Optimist International, St. Louis, Mo.

Adm. Arleigh Burke, Chief of Naval Operations, Washington, D. C.

Mr. William J. Burke, Lake Katrine, Ulster County, N. Y.

Mr. Frederick Burkhardt, president, American Council of Learned Societies, New York City.

Mrs. Ruth Burleson, Washington, D. C.

Dr. Arthur E. Burns, George Washington University, Washington, D. C.

Mr. Harmon Burns, Jr., Catholic Association for International Peace, Washington, D. C.

Dr. Frederick S. Bushmeyer, National Council of Churches of Christ of the United States of America, Washington, D. C.

Mr. Robert H. Bush, Des Moines, Iowa.

Mr. Herbert Buschman, the LeTourneau Co., Longview, Tex.

Mr. Julius N. Cahn, Bethesda, Md.

Mrs. Moise S. Cahn, president, National Council of Jewish Women, New York City.

Dr. Gordon M. Cairns, dean of agriculture, Maryland University, College Park, Md.

Mr. Harry B. Caldwell, Greensboro, N. C.

Mr. John T. Caldwell, president, University of Arkansas, Fayetteville, Ark.

Dr. C. Willard Camalier, assistant secretary, American Dental Association, Washington, D. C.

Mr. Jameson G. Campaigne, Indianapolis Star, Indianapolis, Ind.

Mr. A. Boyd Campbell, chairman of the board, Mississippi School Supply Co., Jackson, Miss.

Mr. Carl C. Campbell, foreign trade division, National Cotton Council of America, Memphis, Tenn.

Mr. Kenneth H. Campbell, manager, foreign commerce, Chamber of Commerce of the United States, Washington, D. C.

Mr. Wallace J. Campbell, Cooperative League of the United States of America, Washington, D. C.

Mr. Cass Canfield, Harper Bros., Mount Kisco, N. Y.

Mr. Erwin D. Canham, editor, Christian Science Monitor, Boston, Mass.

Mr. Frank Capra, Hollywood, Calif.

Mr. James B. Carey, president, International Union of Electric, Radio, and Machine Workers, Washington, D. C.

Mr. C. Emanuel Carlson, executive secretary, Baptist Joint Committee on Public Affairs, Washington, D. C.

Col. John T. Carlton, Reserve Officers' Association of the United States of America, Washington, D. C.

Mr. Oliver Carmichael, Fund for the Advancement of Education, Asheville, N. C.

Very Rev. Edward J. Carney, O. S. A., Lawrence, Mass.

Mr. Claude Carpenter, Jr., administrative assistant to the Governor, Little Rock, Ark.

Mr. Robert K. Carr, American Association of University Professors, Washington, D. C.

Mr. William G. Carr, executive secretary, National Education Association, Washington, D. C.

Mr. Rafael Carrion, Jr., president, Banco Popular de Puerto Rico, San Juan, P. R.

Mr. Edward W. Carter, president, Broadway-Hale Stores, Los Angeles, Calif.

Dr. E. Finley Carter, director of research, Stamford Research Center, Menlo Park, Calif.

Mr. Ugo Carusi, Washington, D. C.

Mr. Ralph E. Casey, president, American Merchant Marine Institute, New York City.

Mr. Jay H. Cerf, Foreign Policy Clearing House, Washington, D. C.

Comdr. A. W. Chapin, president, Naval Reserve Association, Washington, D. C.

Mr. David B. Charnay, Allied Public Relations Associates, New York City.

Mr. Frank M. Charrette, Director, Office of Statistics and Reports, ICA, Washington, D. C.

Mr. M. A. Chase, executive secretary, American Ethical Union, New York City.

Mr. Benjamin H. Chasin, national commander, Jewish War Veterans, Washington, D. C.

Maj. Gen. C. W. Christenberry, USA (Ret.), president, American Korean Foundation, New York City.

Miss Esther Christiansen, Altrusa International, Washington, D. C.

Mr. Yaroslav Chyz, associate director, Common Council for American Unity, New York City.

Mr. R. D. Chumney, Richmond, Va.

Dr. Dale D. Clark, Farmington, Utah.

Mr. Warren I. Cikins, Washington, D. C.

Dr. J. Calvitt Clarke, international director, Christian Children's Fund, Richmond, Va.

Mr. Henry B. Clay, Shreveport, La.

Mr. Kenneth Clark, Motion Picture Association of America, Washington, D. C.

Mr. Philander P. Claxton, Jr., Legislative Management Office, Department of State, Washington, D. C.

Mr. Peter H. Clayton, Chicago, Ill.

Mr. Donald F. Clifford, executive vice president, United States National Student Association, Washington, D. C.

Mr. David H. Clift, executive secretary, American Library Association, Chicago, Ill.

Dr. Everett R. Clinchy, president, National Conference of Christians and Jews, New York City.

Mr. Royal Cloyd, Council of Liberal Churches, Boston, Mass.

Mr. and Mrs. Erle Cocke, Jr., Atlanta, Ga.

Mr. Harry B. Coffee, president, Union Stock Yards Company of Omaha, Omaha, Nebr.

Mr. Bernard J. Cogan, American Veterans Committee, Washington, D. C.

Mr. Benjamin V. Cohen, Washington, D. C.

Mr. David L. Cohn, Washington, D. C.

Mr. Lester L. Colbert, president, Chrysler Corp., Detroit, Mich.

Mr. Albert L. Cole, president, Boys Clubs of America, New York City

Mr. Clarence L. Coleman, Jr., president, American Council for Judaism, New York City.

Mrs. Jud Collier, Mumford, Tex.

Mr. Thomas P. Collier, vice president, Bruce Payne & Associates, Chicago, Ill.

Mr. Seaborn P. Collins, Las Cruces, N. Mex.

Mr. Gerhard Colm, National Planning Association, Washington, D. C.

Mr. William F. Combs, United States Inter-American Council, New York City.

Mr. Henry Steele Commager, Saturday Review of Literature, New York City.

Mr. Bernard Confer, New York, N. Y.

Mrs. Emma L. Conlon, president, Zonta International, Chicago, Ill.

Mr. Arthur J. Connell, Middletown, Conn.

Mr. Alistair Cooke, Manchester Guardian, Long Island, N. Y.

Mr. Edgar H. Cook, national president, Fleet Reserve Association, Washington, D. C.

Gen. Orval R. Cook, president, Aircraft Industries Association of America, Washington, D. C.

Mr. Robert T. Corbin, Regular Veterans Association, Washington, D. C.

Mr. Philip Cortney, president, Coty International Corp., New York City.

Mr. Glenn M. Coulter, American Bar Association, Detroit, Mich.

Mr. Norman Cousins, editor, Norwalk, Conn.
Mrs. J. Cheever Cowdin, New York, N. Y.
Mr. Myron M. Cowen, Washington, D. C.
Mr. Gardner Cowles, president, Cowles Magazines, New York City.
Lt. Col. Howard E. Cox, Military Order of the World Wars, Washington, D. C.
Mrs. Wayne Coy, Committee for a National Foreign Trade Policy, Washington, D. C.
Gov. George N. Craig, Washington, D. C.
Mr. Boyd Crawford, Falls Church, Va.
Mr. A. Luke Crispe, Brattleboro, Vt.
Mr. James M. Crowe, American Chemical Society, Washington, D. C.
Mrs. Harriett S. Crowley, Washington, D. C.
Mr. Claud Curlin, United World Federalists, Washington, D. C.
Col. Robert Cushman, Office of the Vice President of the United States, Washington, D. C.
Rev. Edwin T. Dahlberg, president, National Council of Churches, St. Louis, Mo.
Mr. William B. Dale, Stanford Research Institute, Washington, D. C.
Mr. William Dalton, vice president, American Society of Association Executives, Chicago, Ill.
Mr. John Daly, ABC news correspondent, New York City.
Dr. Robert P. Daniels, president, Virginia State College, Petersburg, Va.
Mr. W. C. Daniel, Dan River Mills, Danville, Va.
Mr. Rudolph T. Danstedt, National Association of Social Workers, Washington, D. C.
Mr. Van B. Darby, Atlanta Chamber of Commerce, Atlanta, Ga.
Mr. Carter L. Davidson, director, Chicago Council on Foreign Relations, Chicago, Ill.
Rabbi Max D. Davidson, vice president, Synagogue Council of America, New York City.
Mrs. Camille Davied, executive editor, McCall's magazine, New York City.
Mr. Bertram G. Davis, American Legion, Washington, D. C.
Mrs. Clifford Davis, Washington, D. C.
Mrs. Will B. Davis, Church of Christ Scientist, Boston, Mass.
Mr. Donald S. Dawson, Trenton, N. J.
Mr. James V. Day, director of public relations, the American Legion, Washington, D. C.
Mr. Peter Day, president, Associated Church Press, New York City.
Mr. Joseph B. De Cola, Young Republican National Federation, Washington, D. C.
Mr. H. Armand deMasi, Journal American, New York City.
Mr. George C. Denney, Jr., Washington, D. C.
Miss Faustine Dennis, treasurer, DAR, Washington, D. C.
Mr. Wayne Denny, Colorado State Chamber of Commerce, Cortex, Colo.
Mr. John Denson, Newsweek, New York City.
Mr. Thomas E. Dewey, New York, N. Y.
Mrs. Frances W. Diehl, San Francisco, Calif.
Mr. George J. Dietz, American Farm Bureau Federation, Washington, D. C.
Hon. C. Douglas Dillon, Deputy Under Secretary of State, Washington, D. C.
Judge E. J. Dimock, New York, N. Y.
Mr. George S. Dinwiddie, president, New Orleans Public Service, New Orleans, La.
Mr. George Dixon, Washington, D. C.
Mr. Joseph M. Dodge, chairman of the board, Detroit Bank & Trust, Detroit, Mich.
Mr. William C. Doherty, president, National Association of Letter Carriers, Washington, D. C.
Mr. John F. Donnelly, Holland, Mich.
Mr. C. LeRoy Doty, Jr., executive secretary, Brethren Service Commission, Washington, D. C.
Miss Barbara Douglas, Washington, D. C.
Mrs. Betty J. Douglas, League of Women Voters, Washington, D. C.
Hon. James H. Douglas, Secretary of the Air Force, Washington, D. C.
Mr. Inman H. Douglass, manager, Washington committee on publications, Church of Christ Scientist, District of Columbia.
Mr. Dan B. Dowling, president, American Association of Editorial Cartoonists, New York City.
Mr. Robert W. Dowling, president, City Investing Co., New York City.
Mr. Mortimer D. Doyle, executive vice president, National Lumber Manufacturing Association, Washington, D. C.
Miss Dixie Drake, League of Women Voters, Bloomington, Ind.
Mr. Roscoe Drummond, New York Herald Tribune, Washington, D. C.
Mrs. Richard Dudman, Washington, D. C.
Mrs. Violett P. Duffie, WAC–VETS Association, Silver Spring, Md.
Col. John J. Duffy, National War College, Washington, D. C.
Mr. Jerome F. Duggan, St. Louis, Mo.
Hon. Allen W. Dulles, Director, Central Intelligence Agency, Washington, D. C.
The Secretary of State and Mrs. John Foster Dulles, Washington, D. C.
Mrs. Milton Dunn, League of Women Voters, Washington, D. C.
Mr. Read P. Dunn, Jr., National Cotton Council of America, Memphis, Tenn.
Mr. Stephen F. Dunn, National Association of Manufacturers, Washington, D. C.
Mrs. Patricia Durning, Panorama Heights, Longmount, Colo.
Mrs. Roy S. Durstine, New York, N. Y.
Mr. William Dwight, president, American Newspaper Publishing Associates, Holyoke, Mass.
Mrs. Harold D. Dyke, League of Women Voters, Syracuse, N. Y.
Dr. Clifford Earle, board of Christian education, Presbyterian Church in United States, Philadelphia, Pa.
Mr. John Edelman, Textile Workers of America, Washington, D. C.
Mr. Peter Edson, Newspaper Enterprise Association, Washington, D. C.
Mrs. India Edwards, Washington, D. C.
Mr. Clark M. Eichelberger, executive director, American Association for the U. N., New York City.
Hon. Dwight D. Eisenhower, President of the United States, Washington, D. C.
Dr. Milton S. Eisenhower, president, Johns Hopkins University, Baltimore, Md.
Dr. Paul E. Elicker, executive secretary, National Association Secondary School Principals, Washington, D. C.
Mr. John Ellis, editor, Fort Worth Star Telegram, Fort Worth, Tex.
Mr. George M. Elsey, American National Red Cross, Washington, D. C.
Dr. John F. Enders, Harvard University, Brookline, Mass.
Mr. Irving M. Engel, president, American Jewish Committee, New York City.
Mr. Samuel G. Engel, president, Screen Producers Guild, Beverly Hills, Calif.
Mr. Grover W. Ensley, executive director, National Association of Mutual Savings Banks, New York City.
Mrs. E. Arthur Evans, Miami, Fla.
Mr. L. M. Evans, president, National Small Businessmen's Association, Washington, D. C.
Miss Mary Evans, Washington, D. C.
Dr. Richard M. Fagley, Committee of the Churches on International Affairs, New York City.
Mr. Kenneth Ray Farabee, president, United States National Student Association, Austin, Tex.
Mr. William T. Faricy, president, Association of American Railroads, Washington, D. C.
Mrs. Joseph R. Farrington, Honolulu Star Bulletin, Honolulu, T. H.
Mrs. Albert E. Farwell, National Congress of Parents and Teachers, Washington, D. C.
Mr. B. P. Faubion, National Council of YMCA's, New York, N. Y.
Mr. Abraham Feinberg, New York, N. Y.
Dr. Abraham J. Feldman, Temple Beth Israel, Hartford, Conn.
Maj. Gen. Herman Feldman, executive vice president, Quartermaster Association, Washington, D. C.
Mr. Harold E. Fellows, president, National Association of Radio & TV Broadcasters, Washington, D. C.
Dr. Dorothy B. Ferebee, National Council of Negro Women, Washington, D. C.
Mr. C. M. Ferguson, director of extension work, 4–H Club, Washington, D. C.
Judge Homer Ferguson, Washington, D. C.
Mr. Frank Ferree, president, Volunteer Border Relief, Harlingen, Tex.
Miss Muriel Ferris, League of Women Voters, McLean, Va.
Dr. Leon I. Feuer, rabbi, chairman, Central Conference of American Rabbis, Toledo, Ohio.
Mr. Moses I. Feuerstein, president, Union of Orthodox Jewish Congress of America, New York City.
Mr. Ted Fiedler, National Association of Wheat Growers, Dodge City, Kans.
Dr. R. R. Figuhr, president, General Conference of Seventh Day Adventists, Takoma Park, Md.
Miss Eleanor H. Finch, executive director, American Society of International Law, Washington, D. C.
Dr. D. A. Fitzgerald, deputy director of operations, ICA, Washington, D. C.
Mr. William Fitzgerald, special assistant to director, ICA, Washington, D. C.
Mr. Harry W. Flannery, Catholic Association for International Peace, Washington, D. C.
Miss Doris Fleeson, United Features Syndicate, Washington, D. C.
Mr. John T. Fleetwood, Tribune Publishing Co., Cartersville, Ga.
Mr. Robert C. Folwell III, Friends' Peace Committee, Philadelphia, Pa.
Mr. Ivon Ford, Taylorsville, Miss.
Mr. Henry Ford II, president, Ford Motor Co., Dearborn, Mich.
Mr. W. W. Forster, editor, Pittsburgh Press, Pittsburgh, Pa.
Miss Margaret E. Forsyth, YWCA World Emergency Fund, New York, N. Y.
Mr. Abe Fortas, Washington, D. C.
Mr. Peter Fosco, AFL–CIO, Washington, D. C.
Gov. Joe Foss, Pierre, S. Dak.
Mr. William C. Foster, executive vice president, Olin Mathieson Chemical Corp., Washington, D. C.
Rev. Gordon H. Fournier, Society for the Propagation of the Faith, Washington, D. C.
Mr. Cody Fowler, Tampa, Fla.
Dr. Edgar Fowler, Chevy Chase, Md.
Mr. Fred C. Foy, president, Koppers Co., Inc., Pittsburgh, Pa.
Mr. Arthur B. Foye, president, Far East American Council Commerce & Industry, New York City.
Hon. Clarence Francis, New York, N. Y.
Mr. George S. Franklin, Jr., Council on Foreign Relations, New York City.
Mr. Robert W. Frase, American Book Publishers Council, Washington, D. C.
Mr. Louis E. Frechtling, Department of State, Washington, D. C.
Mr. George Frederick, Brighton, Mass.
Mr. Allen I. Freehling, Miami, Fla.
Governor and Mrs. Orville Freeman, St. Paul, Minn.
Mr. Richard W. Freeman, New Orleans, La.
Mrs. Eleanor Clark French, New York, N. Y.
Dr. Miriam Freund, president, Hadassah Women's Zionist Organization of America, New York City.
Mr. Leopold Friedman, Lowe's Theatres, Inc., New York City.
Mrs. Alfred Friendly, Washington, D. C.
Mr. Clayton Fritchey, Northern Virginia Sun, Washington, D. C.
Mr. Nolen J. Fuqua, president, National Association of Soil Conservation Districts, Duncan, Okla.

Mr. Robert P. Furey, vice president, foreign division, the Hanover Bank, New York City.
Mrs. Irene McCoy Gaines, president, National Association of College Women's Clubs, Chicago, Ill.
Mr. H. Rowan Gaither, New York, N. Y.
Dr. Walter Gallan, president, United Ukrainian American Relief Committee, Philadelphia, Pa.
Mr. Frederic R. Gamble, president, American Association of Advertising Agencies, New York City.
Miss Elizabeth M. Garber, League of Women Voters, Washington, D. C.
Mr. Philip Garey, vice president, Council International Progress in Management, New York City.
Mr. Robert L. Garner, president, International Finance Corp., Washington, D. C.
Mr. B. A. Garside, executive director, Aid Refugee Chinese Intellectuals, Inc., New York City.
Mrs. Margaret Gary, executive editor, Woman's Day, New York City.
Hon. Thomas S. Gates, Jr., Secretary of the Navy, Washington, D. C.
Mr. Bob Geerdes, the LeTourneau Co., Longview, Tex.
Mr. Stanley Gerwitz, vice president, Air Transport Co., Washington, D. C.
Miss Olga B. Gechas, United States Commission for the United Nations, Washington, D. C.
Mr. George S. Geffs, Janesville, Wis.
Mr. Theodore Geiger, National Planning Association, Washington, D. C.
Mr. Richard G. Gettell, president, Mount Holyoke College, South Hadley, Mass.
Mr. Stanley Gerwitz, vice president, Air Transport Association, Washington, D. C.
Dr. Ray Gibbins, Congregational Christian Church Council for Social Action, New York City.
Mr. William Conrad Gibbons, American Political Science Association, Washington, D. C.
Mrs. Peter Gibson, president, National Federation of Republican Women, Washington, D. C.
Dr. Weldon B. Gibson, Stanford Research Institute, Menlo Park, Calif.
Miss Chloe Gifford, first vice president, General Federation of Women's Clubs, Washington, D. C.
Mr. Donald H. Gill, assistant secretary of public affairs, National Association of Evangelicals, Washington, D. C.
Mr. Michael D. Gill, Republican National Committee, Washington, D. C.
Dr. Beulah Gillaspie, president, American Home Economics Association, Washington, D. C.
Mrs. Elsie Gilmore, Lavonia, Mich.
Mr. John S. Gleason, Jr., national commander, American Legion, Indianapolis, Ind.
Mr. Edmund J. Gleazer, Jr., president, American Association of Junior Colleges, Washington, D. C.
Mr. Phillip M. Glick, Washingotn, D. C.
Mrs. Jessie Gneshin, National Ladies Auxiliary, Jewish War Veterans, Washington, D. C.
Mr. Charles H. Godsoe, national secretary, Propeller Club of the United States, New York City.
Mr. John H. Goff, chairman, World Trade Council, Atlanta Chamber, Atlanta, Ga.
Dr. Robert F. Goheen, president, Princeton University, Princeton, N. J.
Mr. Robert L. Goldberg, North Central Association of Colleges and Secondary Schools, Chicago, Ill.
Mr. Richard P. Golick, national commander, Military Order of the Purple Heart, Washington, D. C.
Mrs. Maurice S. Goodman, Carrie Chapman Catt Memorial Fund, New York City.
Mr. Nathaniel H. Goodrich, American Jewish Committee, Washington, D. C.
Miss Dorothy Gordon, New York Times Youth Forum, New York City.
Mr. Bernard Y. Goto, University of Hawaii, Honolulu, T. H.
Mr. Bruce Gould, Ladies' Home Journal, New York, N. Y.
Mrs. Beatrice Blackmar Gould, editor, Ladies' Home Journal, Philadelphia, Pa.
Miss Martha Graham, New York, N. Y.
Mr. William L. Graham, Wichita, Kans.
Mr. Lester B. Granger, president, the Urban League, New York City.
Mr. Theodore Granik, director, American Forum of the Air, Washington, D. C.
Mr. James F. Green, Omaha, Nebr.
Miss Phyliss Greene, associate editor, Internatonal Review Service, United Nations, New York City.
Mrs. Vincent L. Greene, Dorchester, Mass.
Mrs. Albert M. Greenfield, Philadelphia, Pa.
Mr. Paul H. Griffith, Washington, D. C.
Mr. Melville Bell Grosvenor, president and editor, National Geographic, Washington, D. C.
Mr. Walter Gruber, Lakenburg Thalmann & Co., New York City.
Gen. Alfred M. Gruenther, president, American National Red Cross, Washington, D. C.
Mrs. Barbara Gunderson, Rapid City, S. Dak.
Mrs. Oscar Gunderson, Waukegan, Ill.
Mrs. William S. Gutwillig, New York, N. Y.
Mr. H. W. Haight, president, Creole Petroleum Corp., Caracas, Venezuela.
Right Rev. Henry M. Hald, president, National Catholic Education Association, Washington, D. C.
Mr. Radford Hall, executive secretary, National Cattlemen's Association, Denver, Colo.
Mr, Robert S. Hall, McKinsey & Co., Inc., Washington, D. C.
Dr. Wilton L. Halverson, Glendale, Calif.
Mr. Gove Hambidge, executive secretary, Society for International Development, Kensington, Md.
Mr. Claude A. Hamilton, Sioux Falls, S. Dak.
Lady Malcolm Douglas-Hamilton, Western World magazine, New York City.
Mr. E. A. Hammesfahr, National Industrial Conference Board, New York City.
Mr. James Hand, Rolling Ford, Miss.
Dr. Emerson G. Hangen, First Congregational Church, Long Beach, Calif.
Mr. Thomas Hanlon, Washington, D. C.
Mrs. Frank S. Hanna, president, Association of Junior Leagues of America, New York City.
Mr. John A. Hannah, president, Michigan State University, East Lansing, Mich.
Mr. Elliott S. Hanson, Peola Mills, Va.
Dr. Charles M. Hardin, University of Chicago, Chicago, Ill.
Mr. Murray Glenn Harding, executive director, Koinonia Foundation, Pikesville, Md.
Mr. Henry Harnischfeger, executive vice president, Harnischfeger Corp., Milwaukee, Wis.
Dr. M. T. Harrington, president, Texas A. and M., College Station, Tex.
Mr. and Mrs. J. Ramsay Harris, Denver, Colo.
Dr. Rufus C. Harris, president, Tulane University, New Orleans, La.
Whitney R. Harris, Southwestern Bell Telephone Co., Dallas, Tex.
Dr. Edwin D. Harrison, president, Georgia Institute of Technology, Atlanta, Ga.
Mr. George M. Harrison, president, Brotherhood of Railway Clerks, Cincinnati, Ohio.
Mr. and Mrs. Gilbert A. Harrison, Washington, D. C.
Hon. R. D. Harrison, Norfolk, Nebr.
Mr. Selig S. Harrison, New Republic magazine, Washington, D. C.
Maj. Gen. William H. Harrison, Jr., National Guard Association, Washington, D. C.
Mr. Luke E. Hart, supreme knight, Knights of Columbus, New Haven, Conn.
Mr. Robert W. Hartley, Brookings Institution, Washington, D. C.
Mr. Edmund Hartmann, president, Writers Guild of America, West Hollywood, Calif.
Mr. A. F. Hartung, president, International Woodworkers of America, Portland, Oreg.
Mr. Curtis Hatch, president, Wisconsin Farm Bureau Federation, Madison, Wis.
Mr. William F. Hauck, assistant national adjutant, American Legion, Washington, D. C.
Mr. H. Field Haviland, Jr., Brookings Institution, Washington, D. C.
Mr. David P. Haxton, secretary general, Junior Chamber International, Miami Beach, Fla.
Mr. A. J. Hayes, president, International Association of Machinists, Washington, D. C.
Mr. Samuel P. Hayes, Jr., Foundation for Research on Human Behavior, Ann Arbor, Mich.
Mr. Kit H. Haynes, director of information, National Council of Farmer Cooperatives, Washington, D. C.
Mr. Patrick Healy, Jr., executive director, American Municipal Association, Washington, D. C.
Mr. August Heckscher, director, The Twentieth Century Fund, New York, N. Y.
Miss Dorothy Height, president, National Council of Negro Women, Washington, D. C.
Hon. Loy W. Henderson, Deputy Under Secretary of State, Washington, D. C.
Mr. Roy F. Hendrickson, executive secretary, National Federation of Grain Cooperatives, Washington, D. C.
Mr. Ray Henle, Three Star Extra, Washington, D. C.
Mr. Laurin L. Henry, Brookings Institute, Washington, D. C.
Mrs. William Wm. Henry, director, National Congregation of College Parents & Teachers, Dover, Del.
Mr. Alfred O. Hero, executive secretary, World Peace Foundation, Boston, Mass.
Mr. W. R. Herod, president, International General Electric Co., New York City.
Mr. John Hersey, Southport, Conn.
Lt. Gen. Lewis B. Hershey, Director, Selective Service, Bethesda, Md.
Hon. Christian A. Herter, Under Secretary of State, Washington, D. C.
Mr. Ben F. Hilbun, president, Mississippi State College, State College, Miss.
Mr. Dumond Peck Hill, Alexandria, Va.
Mrs. Edwin I. Hilson, New York, N. Y.
Mr. Thomas D. Hinton, Marsh & McLennan, Inc., Boston, Mass.
Rt. Rev. Msgr. Frederick G. Hochwalt, secretary, National Catholic Education Association, Washington, D. C.
Mrs. Clare Giannini Hoffman, San Mateo, Calif.
Mr. Michael L. Hoffman, International Bank for Reconstruction & Development, Washington, D. C.
Mr. Paul G. Hoffman, Pasadena, Calif.
Mr. Bryce P. Holcombe, AFL–CIO, Lafayette, Ind.
Mr. John R. Holden, National Commander, AMVETS, Washington, D. C.
Mr. Henry F. Holland, New York, N. Y.
Mr. Edward D. Hollander, ADA, Washington, D. C.
Mr. Pat M. Holt, Bethesda, Md.
Mr. Thad Holt, Norton & Holt, Birmingham, Ala.
Dr. H. C. Honneger, president, Pestalozzi Foundation, New York City.
Miss Vada Horsch, National Association of Manufacturers, New York City.
Miss Mildred Horton, executive secretary, American Home Economics Association, Washington, D. C.
Mr. Lewis M. Hoskins, executive secretary, Friends Service Committee, Philadelphia, Pa.
Miss Alma A. Hostetler, Washington, D. C.
Mr. Paris Houston, Falls Church, Va.
Mr. Gene Howard, national executive director, AMVETS, Washington, D. C.
Mrs. I. Ray Howard, executive secretary, Maryland Council on World Affairs, Baltimore, Md.
Gen. Raymond F. Hufft, New Orleans, La.

Mr. John D. Hughes, Indianapolis, Ind.
Mrs. Mildred Hughes, vice president, Far East-America Council of Commerce and Industry, New York City.
Mr. Thomas R. Hughes, Minneapolis, Minn.
Mr. Richard A. Humphrey, American Council on Education, Washington, D. C.
Mr. Reed O. Hunt, executive vice president, Crown Zellerbach Corp., San Francisco, Calif.
Mr. James H. Hunter, president, American Textile Machinery Co., North Adams, Mass.
Mr. Richard A. Hunter, American Textile Machinery Association, North Adams, Mass.
Dr. Robert M. Hutchins, Fund for the Republic, New York, N. Y.
Mr. John B. Hutson, Washington, D. C.
Mr. Glenn A. Hutt, president, Armed Forces Chemical Association, Washington, D. C.
Mr. Arthur C. Hyde, Rockville, Md.
Mrs. McCall Imes, president, Federation of Women's Clubs of the District of Columbia, Washington, D. C.
Mrs. James W. Irwin, YWCA, Washington, D. C.
Mr. John N. Irwin II, Deputy Assistant Secretary of Defense, Washington, D. C.
Mr. Ernest Ives, Chicago, Ill.
Dr. Homer A. Jack, Unitarian Church, Evanston, Ill.
Dr. Orris E. Jackson, United Spanish War Veterans, Washington, D. C.
Mrs. Betty M. Jacob, Swarthmore, Pa.
Mr. Guilford S. Jameson, Deputy Director, Congressional Relations, ICA, Washington, D. C.
Mr. Christopher G. Janus, Bache & Co., Chicago, Ill.
Rev. Longinas Jankus, executive director, United Lithuanian Relief Fund, Brooklyn, N. Y.
Mr. Benjamin A. Javits, New York, N. Y.
Mr. W. Richard Jeeves, vice president, Parke, Davis & Co., Detroit, Mich.
Mr. Jack T. Jennings, Cooperative League of the United States of America, Chicago, Ill.
Mr. W. Croft Jennings, Columbia, S. C.
Mr. Finn B. Jensen, professor of economics, Lehigh University, Bethlehem, Pa.
Miss Florence H. Jensen, national president, Woodmen Circle, Omaha, Nebr.
Mr. Saul E. Joftes, B'nai B'rith, Washington, D. C.
Mrs. Louise M. John, West Chester, Pa.
Mr. Howard C. Johnson, assistant to chairman, U. S. Steel Corp., New York, N. Y.
Bishop Jas. T. Johnson, Church of Jesus Christ of Latter Day Saints, Washington, D. C.
Mr. John H. Johnson, president and editor, Johnson Publishing Co., Inc., Chicago, Ill.
Dr. Joseph E. Johnson, president, Carnegie Endowment for International Peace, New York, N. Y.
Col. Louis Johnson, Council of National Organizations, Washington, D. C.
Dr. Mordecai W. Johnson, president, Howard University, Washington, D. C.
Mr. Willard Johnson, National Student Association, UCLA, Los Angeles, Calif.
Hon. and Mrs. Eric Johnston, Washington, D. C.
Mr. William H. Johnstone, Bethlehem Steel Co., Bethlehem, Pa.
Mr. Jenkin Lloyd-Jones, Tulsa Tribune, Tulsa, Okla.
Mr. Lewis Webster Jones, president, Rutgers University, New Brunswick, N. J.
Mr. Bryce M. Jordan, Maine Potato Growers, Inc., Presque Isle, Maine.
Miss Bertha C. Joseph, Washington, D. C.
Mr. E. A. Jyrong, Napa, Calif.
Dr. Elizabeth S. Kahler, president, American Medical Women's Association, New York, N. Y.
Mr. Edgar F. Kaiser, president, Kaiser Motors Corp., Toledo, Ohio.
Mr. Garfield I. Kass, Washington, D. C.
Rabbi Jay Kaufman, Union of American Hebrew Congregations, New York, N. Y.
Mr. Danny Kaye, Beverly Hills, Calif.
Mr. Ira D. Kaye, San Pedro, Calif.
Hon. Henry Kearns, Assistant Secretary of Commerce, Washington, D. C.
Mr. J. Ward Keener, president, B. F. Goodrich Co., Akron, Ohio.
Dr. Ward Keesecker, Berkeley Springs, W. Va.
Mrs. Avonne Eyre Keller, National Cartoonists Society, New York City.
Mr. George J. Kelly, American Bankers Association, Washington, D. C.
Mr. Harry X. Kelly, president, Mississippi Shipping Co., New Orleans, La.
Mrs. J. Pat Kelly, president, American Legion Auxiliary, Indianapolis, Ind.
Judge Raymond J. Kelly, Federal Court, Juneau, Alaska.
Mr. Robert F. Kelly, Washington, D. C.
Senator Rogers Kelley, Edinburg, Tex.
Mrs. Ruby M. Kendrick, National Association of Colored Women's Clubs, Washington, D. C.
Mr. I. L. Kenen, executive director, American Zionist Council, Washington, D. C.
Mrs. Goldie Kennedy, Ventura, Calif.
Mr. Roger G. Kennedy, executive director, Dallas Council on World Affairs, Dallas, Tex.
Mr. Meyer Kestnbaum, president, Hart Schaffner & Marx, Chicago, Ill.
Mr. Frank S. Ketcham, Washington, D. C.
Mr. Omar B. Ketchum, Veterans of Foreign Wars, Washington, D. C.
Mr. Leon Keyserling, Washington, D. C.
Mr. George Killion, American President Lines, San Francisco, Calif.
Dr. J. R. Killian, Jr., special assistant to President for science and technology, Washington, D. C.
Dr. Harold C. Kilpatrick, executive secretary, Texas Council of Churches, Austin, Tex.
Mr. Monroe Kimbrell, American Bankers Association, Thomson, Ga.
Mr. Howard C. Kingdom, Conneaut, Ohio.
Rev. Byon W. Kinlaw, Third Street Baptist Church, Dayton, Ohio.
Mr. William T. Kirk, International Social Service, New York, N. Y.
Dr. Grayson Kirk, president, Columbia University, New York, N. Y.
Mrs. Lynn Kirk, American Association for the U. N., Washington, D. C.
Mr. E. M. Kirkpatrick, American Political Science Association, Washington, D. C.
Mr. W. J. Kirn, vice president, First National Bank, Colorado Springs, Colo.
Mr. Wilmer J. Kitchen, executive secretary, World University Service, New York, N. Y.
Rev. A. Klaupiks, American Baptist Relief, Washington, D. C.
Rabbi Israel Klavan, executive secretary, Rabbinical Council of America, New York, N. Y.
Maj. Gen. Julius Klein, Chicago, Ill.
Mrs. Hibbard Kline, Jr., Syracuse, N. Y.
Mr. Marshall Knappen, Committee on Foreign Policy Legislation, Washington, D. C.
Mr. O. A. Knight, president, Oil, Chemical & Atomic Workers International Union, Denver, Colo.
Miss Elizabeth L. Knox, Hartford, Conn.
Mr. William E. Knox, president, Westinghouse Electric International Co., New York, N. Y.
Dr. Harry C. Koch, Evangelical and Reformed Church, Washington, D. C.
Col. F. H. Kohloss, United States Army (retired), Society of American Military Engineers, Washington, D. C.
Mr. William B. Kolb, Philadelphia, Pa.
Mr. Arnold Kotz, American Society for Public Administration, Chicago, Ill.
Mr. Sam Krakow, American National Red Cross, Woodlawn, Md.
Mrs. Bessie S. Kranz, B'nai B'rith Women's Supreme Council, Washington, D. C.
Dr. Walter Krause, State University of Iowa, Iowa City, Iowa.
Mr. and Mrs. Louis C. Krauthoff, Committee for a National Trade Policy, Washington, D. C.
Miss Germaine Krettek, American Library Association, Washington, D. C.
Rev. Walter D. Kring, American Unitarian Association, New York, N. Y.
Mr. Arthur Krock, New York Times, Washington, D. C.
Mr. Martin Kruskopf, the Birmingham News, Birmingham, Ala.
Mrs. Catherine G. Kuhne, National Federation of Business and Professional Women's Clubs, Washington, D. C.
Mr. Matthew J. Kust, Washington, D. C.
Mr. Dan Lacy, American Book Publishers Council, New York City.
Mr. James Lambie, the White House, Washington, D. C.
Mr. Page Lamoreaux, Napa, Calif.
Dr. Bernard Lander, dean graduate school, Yeshiva University, New York City.
Mr. Burton A. Landy, Miami, Fla.
Mr. James A. Lane, Huntsville, Ala.
Mr. William A. Lang, the Lang Co., Inc., Salt Lake City, Utah.
Mr. Marshall J. Langer, Miami, Fla.
Maj. Gen. C. T. Lanham, Chevy Chase, Md.
Mrs. John F. Latimer, League of Women Voters, Washington, D. C.
Mr. Sam L. Latimer, Columbia, S. C.
Dr. Frank C. Laubach, New York, N. Y.
Prof. Walter H. C. Laves, University of Indiana, Bloomington, Ind.
Mr. Ralph Lazarus, President Federated Department Stores, Cincinnati, Ohio.
Mr. Benjamin Lazrus, the Synagogue Council of America, New York City.
Maj. Gen. Edmond H. Leavey, president, International Telephone & Telegraph Corp., New York City.
Mr. Irwin Lechliter, Washington, D. C.
Mrs. John G. Lee, president, League of Women Voters of the United States, Washington, D. C.
Mr. Laurence F. Lee, president, Peninsular Life Insurance Co., Jacksonville, Fla.
Mr. Pendleton E. Lehde, Foreign Policy Association of New Orleans, New Orleans, La.
Miss Rose Leibbrand, National Federation of Business and Professional Women's Clubs, Washington, D. C.
Mr. Robert F. Lenhart, secretary, Committee for Economic Development, New York City.
Mr. R. G. LeTourneau, president, R. G. LeTourneau, Inc., Longview, Tex.
Mrs. I. Lee Levy, National Council of Jewish Women, New York City.
Mr. Read Lewis, executive director, Common Council for American University, New York City.
Mr. Richmond Lewis, president, Charles C. Lewis Co., Springfield, Mass.
Mrs. Richmond Lewis, Suffield, Conn.
Miss Mary Lightle, American National Red Cross, Washington, D. C.
Mr. Milton C. Lightner, president, National Association of Manufacturers, New York City.
Rev. Theodore G. Lilley, First Presbyterian Church, Cedar Rapids, Iowa.
Mr. G. Gould Lincoln, Washington Evening Star, Washington, D. C.
Mr. Harold F. Linder, New York, N. Y.
Miss Malvina Lindsay, Washington Post and Times Herald, Washington, D. C.
Miss H. Lineweaver, Department of Social Education and Action, Presbyterian Church, Washington, D. C.
Dr. William B. Lipphard, executive secretary, Associated Church Press, New York City.
Mr. Jenkin Lloyd-Jones, editor, the Tulsa Tribune, Tulsa, Okla.
Mr. and Mrs. J. Norman Lodge, Chevy Chase, Md.
Dr. A. William Loos, executive director, Church Peace Union, New York City.
Mrs. Katie Louchheim, Democratic National Committee, Washington, D. C.
Mrs. J. Spencer Love, Greensboro, N. C.
Mr. Melvin Gordon Lowenstein, New York, N. Y.
Dr. C. W. Lowry, Foundation for Religious Action in the Social and Civil Order, Washington, D. C.
Miss Myrna Loy, New York, N. Y.

Mrs. Carol R. Lubin, New York, N. Y.
Mr. George W. Lucas, executive secretary, National Fraternal Council of Churches, Dayton, Ohio.
Miss Vera M. Lundquist, Washington, D. C.
Mr. John C. Lynn, American Farm Bureau Federation, Washington, D. C.
Mr. James MacCracken, Tolstoy Foundation, Inc., New York City.
Col. John R. MacFaden, Hermosa Beach, Calif.
Mr. L. D. MacIntyre, president, American Ethical Union, New York, N. Y.
Dr. Douglas MacLaury, Harrogate, Tenn.
Gen. A. C. McAuliffe, American Chemical Co., New York City.
Mr. John L. McCaffrey, president, International Harvester Co., Chicago, Ill.
Mr. C. Walter McCarty, editor, Indianapolis News, Indianapolis, Ind.
Mr. John C. McClintock, assistant vice president, United Fruit Co., Boston, Mass.
Mrs. Ida McColloch, Washington, D. C.
Mr. Charles P. McCormick, McCormick Tea Co., Baltimore, Md.
Mr. Charles P. McCurdy, Jr., executive secretary, National University Extension Association, Washington, D. C.
Mr. Robert M. McCurdy, Pasadena, Calif.
Mr. Vincent P. McDevitt, American Bar Association, Philadelphia, Pa.
Mr. David J. McDonald, AFL–CIO, Pittsburgh, Pa.
Mr. E. C. McDonald, Metropolitan Life Insurance Co., Washington, D. C.
Mr. John W. McDonald, Jr., executive secretary, ICA, Washington, D. C.
Mr. George C. McGhee, McGhee Production Co., Dallas, Tex.
Mr. N. Floyd McGowan, president, National Lumber Manufacturers Association, Washington, D. C.
Hon. Dempster McIntosh, manager, Development Loan Fund, Washington, D. C.
Mr. Stanley McIntosh, Motion Picture Association, Washington, D. C.
Mr. David O. McKay, president, Church of Latter-Day Saints, Salt Lake City, Utah.
Mr. Douglas McKay, American Bar Association, Columbia, S. C.
Mr. Frederick C. McKee, Pittsburgh, Pa.
Mr. Lyman D. McKee, president, American Dairy Association, Chicago, Ill.
Mr. Porter McKeever, Committee for Economic Development, New York City.
Mrs. H. E. McKinstry, League of Women Voters, Boston, Mass.
Mr. N. McKitterick, International Bank for Reconstruction and Development, Washington, D. C.
Miss Leila McKnight, Young Democratic Clubs of America, Washington, D. C.
Dean Ernest E. McMahon, New Brunswick, N. J.
Mrs. Marian H. McVitty, United World Federalists, Hartford, Conn.
Miss Eva M. Mack, National Association of Women Lawyers, Chicago, Ill.
Mr. William B. Macomber, Jr., Assistant Secretary of State, Washington, D. C.
Mr. Bela C. Maday, executive secretary, Coordinated Hungarian Relief, Washington, D. C.
Mr. Patrick Murphy Malin, executive director, American Civil Liberties Union, New York City.
Mr. N. H. Mallon, Dallas Council on World Affairs, Dallas, Tex.
Mrs. Cora P. Maloney, Buffalo, N. Y.
Mr. Thomas C. Mann, Assistant Secretary of State, Washington, D. C.
Mr. Stanley Marcus, president, Neiman-Marcus Co., Dallas, Tex.
Mr. and Mrs. Carl Marcy, Arlington, Va.
Miss Stella Margold, Boston, Mass.
Mrs. Olga Margolin, National Council of Jewish Women, Washington, D. C.
Mr. Lester Markel, the New York Times, New York, N. Y.
Mrs. Naomi Marshall, Commission on Foreign Trade Education, New Orleans, La.
Commissioner Norman S. Marshall, the Salvation Army, New York City.
Mr. Jackson Martindell, president, American Institute of Management, New York City.
Mr. Lloyd A. Mashburn, AFL–CIO, Takoma Park, Md.
Dr. Kenneth L. Maxwell, executive director, National Council of Churches of Christ, New York City.
Miss Margaret Mealey, executive secretary, National Council of Catholic Women, Washington, D. C.
Mr. George Meany, president, AFL–CIO, Washington, D. C.
Mr. Robert C. Meissner, Chicago, Ill.
Mr. Ward Melody, Acting Director, Office of Public Reports, ICA, Washington, D. C.
Mrs. Maurice Mendle, St. Louis, Mo.
Mr. Allen W. Merrell, Ford Motor Co., Dearborn, Mich.
Mr. Anthony F. Merrill, Department of State, Washington, D. C.
The Honorable Perle Mesta, Washington, D. C.
Mrs. Kay Clancy Metz, Quaker Oats Co., Chicago, Ill.
Mr. Thurl Metzger, executive secretary, Heifer Project, Inc., North Manchester, Ind.
Dr. A. J. Meyer, Harvard Center for Middle Eastern Studies, Cambridge, Mass.
Mr. Charles A. Meyer, Sears, Roebuck & Co., Chicago, Ill.
Mr. Troy H. Middleton, president, Louisiana State University, Baton Rouge, La.
Mr. Benjamin Milk, Washington, D. C.
Mr. Robert C. Miller, National Association of TV & Radio Farm Directors, Shreveport, La.
Mr. John Miller, executive secretary, National Planning Association, Washington, D. C.
Mr. Orrie Miller, assistant executive secretary, Mennonite Central Committee, Washington, D. C.
Mr. Lawrence McK. Miller, Jr., Friends General Conference, Philadelphia, Pa.
Mr. Merlin G. Miller, Cooperative League of the United States of America, Chicago, Ill.
Mr. Raymond W. Miller, Public Relations Research Associates, Washington, D. C.
Mr. Robert W. Miller, Public Relations Research Associates, Washington, D. C.
Mrs. Ruth Weir Miller, executive director, World Affairs Council of Philadelphia, Philadelphia, Pa.
Miss Ruth Millett, NEA Service, New York, N. Y.
Mr. W. D. Milsop, general manager, Eastern States Farmers' Exchange, West Springfield, Mass.
Mr. Clarence M. Mitchell, National Association for Advancement of Colored People, Washington, D. C.
Dr. M. D. Mobley, American Vocational Association, Washington, D. C.
Mr. Joseph W. Montgomery, vice president, United Fruit Co., New Orleans, La.
Mr. John D. J. Moore, vice president, W. R. Grace & Co., New York City.
Mr. Preston J. Moore, Stillwater, Okla.
Mr. Jose A. Mora, Secretary General, Organization of American States, Washington, D. C.
Mrs. Zelma Reeves Morrison, Spokane, Wash.
Miss Lucile Morsch, president, American Library Association, Washington, D. C.
Dr. Marston Morse, Institute for Advanced Study, Princeton, N. J.
Mr. Robert H. Morse, Jr., president, Fairbanks Morse Co., Chicago, Ill.
Mr. Edgar Ansel Mowrer, General Features, Washington, D. C.
Dr. Raymond T. Moyer, regional director, Far East, ICA, Washington, D. C.
Hon. Frederick H. Mueller, Assistant Secretary of Commerce, Washington, D. C.
Mr. Forrest D. Murden, special assistant to Henry Ford II, Dearborn, Mich.
Mr. Charles S. Murphy, Washington, D. C.
Dr. G. D. Murphy, Jr., El Dorado, Ark.
Mr. John E. Murphy, Controller, ICA, Washington, D. C.
Mr. John J. Murphy, AFL–CIO, Washington, D. C.
Mr. Ray Murphy, Manhasset, N. Y.
Mr. Richard J. Murphy, executive director, Young Democratic Clubs of America, Washington, D. C.
Hon. Robert Murphy, Deputy Under Secretary of State, Washington, D. C.
Dr. Walter Murphy, president, Society of Business Magazine Editors, Washington, D. C.
Mr. Stan Musial, St. Louis Cardinals, St. Louis, Mo.
Mrs. Leedy (Belle) Myers, Ladies Auxiliary to Veterans of Foreign Wars, Kansas City, Mo.
Mr. Benjamin H. Namm, New York, N. Y.
Mr. Frederick C. Nash, general counsel, Department of Commerce, Washington, D. C.
Mr. John W. Nason, president Foreign Policy Association, New York City.
Mr. Alfred C. Neal, president, Committee for Economic Development, New York City.
Mr. Lloyd K. Neidlinger, executive director, United States Council of the International Chamber of Commerce, New York City.
Mrs. Edith W. Nelson, president, Altrusa International, Chicago, Ill.
Dr. Allan Nevins, Columbia University, New York, N. Y.
Mr. Herschel D. Newsom, National Grange, Washington, D. C.
Mrs. Grace Nicholas, executive director, General Federation of Women's Clubs, Washington, D. C.
Mr. Raymond H. Nichols, publisher the Vernon Daily Record, Vernon, Tex.
Mr. Paul H. Nitze, Washington, D. C.
The Vice President of the United States and Mrs. Richard M. Nixon, Washington, D. C.
Mr. Charles R. Norberg, Washington, D. C.
Mr. Roy M. North, Washington, D. C.
Miss Lois C. Northcott, National Federation of Business and Professional Women's Clubs, Washington, D. C.
Mr. Barnet Nover, Denver Post, Washington, D. C.
Mr. Charles B. Nutting, president, Foreign Policy Association of Pittsburgh, Pittsburgh, Pa.
Dr. J. Warren Nystrom, Chamber of Commerce of the United States, Washington, D. C.
Mr. Carl F. Oechsle, Deputy Assistant Secretary, Department of Commerce, Washington, D. C.
Miss Agnes Ohlson, president, American Nurses Association, New York City.
Mr. John Ohly, Deputy Director, Progress and Planning, ICA, Washington, D. C.
Mr. Arnold T. Ohrn, Baptist World Alliance, Washington, D. C.
Mr. James F. O'Neil, publisher, the American Legion magazine, New York City.
Mr. Patrick H. O'Neill, South American Gold & Platinum Co., New York City.
Dr. Dwayne Orton, president, Council for International Progress in Management, New York City.
Miss Genevieve H. Oslund, General Federation of Women's Clubs, Washington, D. C.
Mr. J. Allen Overton, Jr., deputy general counsel, Department of Commerce, Washington, D. C.
Miss Deborah Owen, Vassar College, Poughkeepsie, N. Y.
Miss Charlotte E. Owen, Executive Council of Volunteer Agencies, for Foreign Service, New York City.
Mrs. Dudley Owen, Washington, D. C.
Mr. Henry D. Owen, Policy Planning Staff, Department of State, Washington, D. C.
Mr. Vaux Owen, National Federation of Federal Employees, Washington, D. C.
Mrs. Alvin M. Owsley, Dallas, Tex.

Mr. Levinus K. Painter, Five Years Meeting of Friends, Collins, N. Y.
Miss Hazel Palmer, president, National Federation of Business and Professional Women's Clubs, Washington, D. C.
Rabbi David H. Panitz, Synagogue Council of America, Washington, D. C.
Mrs. Helenka Pantaleoni, UNICEF-United Nations, New York, N. Y.
Dr. Jan Papanek, president, American Fund for Czechoslovak Refugees, New York City.
Mr. Thomas E. Paradine, New York, N. Y.
Mrs. Alexander Shipman Parr, Association of Junior Leagues of America, New York City.
Mr. Leonard H. Pasqualicchio, Washington, D. C.
Gen. Randolph McC. Pate, commandant, United States Marine Corps, Washington, D. C.
Mr. F. C. W. Paton, vice president, Gulf Oil Corp., Pittsburgh, Pa.
Miss Alicia Patterson, publisher, Newsday, Garden City, Long Island, N. Y.
Mr. Morehead Patterson, president, American Machine & Foundry Co., New York City.
Mrs. Norman F. Patton, League of Women Voters, Wilkes-Barre, Pa.
Lt. Gen. Willard S. Paul, Retired Officers Association, Washington, D. C
Mr. Drew Pearson, Bell Syndicate, Washington, D. C.
Mrs. David Peck, New York, N. Y.
Miss Content Peckham, Time magazine, New York, N. Y.
Mr. Claiborne Pell, vice president, International Rescue Committee, Washington, D. C.
Mrs. C. H. L. Pennock, director of field work, Vassar College, Poughkeepsie, N. J.
Dr. Almon R. Pepper, National Council of the Protestant Episcopal Church, New York City.
Mr. John A. Perkins, American Society for Public Administration, Chicago, Ill.
Dr. John L. Peters, World Neighbors, Inc., Washington, D. C.
Mr. Lynn G. Peterson, Los Angeles, Calif.
Mr. O. E. Peterson, executive secretary, Kiwanis International, Chicago, Ill.
Mrs. Alonzo Pettes, Sterling Advocate, Sterling, Colo.
Mr. Rafael Pico, president, Government Development Bank, San Juan, P. R.
Mrs. W. F. Pfeiffer, League of Women Voters, Alexandria, Va.
Hon. Phelps Phelps, Washington, D. C.
Mr. Eugene Phillips, Atlanta, Ga.
Mr. J. M. Phillips, Jr., executive vice president, Salem Brosius, Inc., Carnegie, Pa.
Mr. Paul L. Phillips, AFL–CIO, Albany, N. Y.
Mrs. Robert J. Phillips, League of Women Voters, St. Charles, Ill.
Mr. William E. Phillips, Seventh-Day Adventist Welfare Service, Washington, D. C.
Miss Irma Piepho, National Council of Catholic Women, Washington, D. C.
Mr. Warren Lee Pierson, Trans World Airlines, New York City.
Mrs. Charlotte Willkie Pihl, Music Research Foundation, Washington, D. C.
Mr. H. Ladd Plumley, president, State Mutual Life Assurance Co., Worcester, Mass.
Mr. C. I. Pontius, president, University of Tulsa, Tulsa, Okla.
Mr. Frank M. Porter, president, American Petroleum Institute, New York City.
Miss Sylvia Porter, New York, N. Y.
Rev. Willis Hubert Porter, associate general secretary, American Baptist Convention, New York City.
Mrs. Merriweather Post, Washington, D. C.
Mr. Jackob S. Potofsky, AFL–CIO, New York City.
Mr. Nelson Poynter, St. Petersburg Times, St. Petersburg, Fla.
Mr. Edward S. Prentice, Stanford Research Institute, Menlo Park, Calif.
Dr. Joachim Prinz, American Jewish Congress, New York City.
Dr. Nathan M. Pusey, president, Harvard University, Cambridge, Mass.
Hon. Donald A. Quarles, Deputy Secretary of Defense, Washington, D. C.
Dr. Isidor I. Rabi, Columbia University, New York, N. Y.
Mr. George W. Rabinoff, National Social Welfare Assembly, New York City.
Admiral Arthur W. Radford, U. S. N. (Ret.), Washington, D. C.
Mr. William M. Rand, South Lincoln, Mass.
Dr. Darrell Randall, Cleveland Heights, Ohio.
Mr. Warren A. Ranney, Grange League, Ithaca, N. Y.
Mrs. Percy Rappaport, American Women's Voluntary Service, New York City.
Mr. Stephen Raushenbush, Public Affairs Institute, Washington, D. C.
Mr. Malcolm W. Reed, executive vice president, United States Steel, Pittsburgh, Pa.
Dr. Sidney L. Regner, executive vice president, Central Conference of American Rabbis, New York City.
Mrs. Ogden Reid, New York Herald Tribune, New York, N. Y.
Mr. Ogden R. Reid, New York Herald Tribune, New York, N. Y.
Mr. Richard Reid, Catholic News, New York, N. Y.
Mr. Robert H. Reid, National Educational Association, Washington, D. C.
Mr. Whitelaw Reid, Purchase, N. Y.
Dr. Herman F. Reissig, United Church of Christ, New York, N. Y.
Dr. Charles E. Renn, Johns Hopkins University, Baltimore, Md.
Mr. Theodore Repplier, president, the Advertising Council, New York City.
Dr. Carl Reuss, American Lutheran Church, Columbus, Ohio.
Mr. Walter P. Reuther, AFL–CIO, Detroit, Mich.
Mr. Richard W. Reuter, CARE, Inc., New York, N. Y.
Mr. R. J. Reynolds, Sapalo Island, Ga.
Mr. R. S. Reynolds, Jr., president, Reynolds Metals Co., Richmond, Va.
Senator Samuel W. Reynolds, Omaha, Nebr.
Mr. Charles S. Rhyne, president, American Bar Association, Washington, D. C.
Mr. Andrew E. Rice, American Veterans Committee, Washington, D. C.
Mr. James P. Rice, executive director, United HIAS Service, New York City.
Mr. Lynn D. Richardson, vice president, Military Sales, Washington, D. C.
Miss Wilda Richardson, executive director, Pilot Club International, Macon, Ga.
Mr. Granville Ridley, Murfreesboro, Tenn.
Mr. Emil Rieve, AFL–CIO, New York, N. Y.
Mr. James H. Righter, publisher, Buffalo Evening News, Buffalo, N. Y.
Mr. Walter M. Ringer, chairman of the board, Foley Manufacturing Co., Minneapolis, Minn.
Mr. Paul Ringler, Milwaukee Journal, Milwaukee, Wis.
Hon. James P. Ringley, Chicago, Ill.
Mrs. Jane G. Rishworth, executive secretary, American Legion Auxiliary, Indianapolis, Ind.
Mr. L. W. Robert, Jr., Robert & Company Associates, Atlanta, Ga.
Mr. Frank Roberts, Chrysler Corp., Washington, D. C.
Miss Dorothy Robins, American Association University Women, Washington, D. C.
Miss Alice E. Robinson, Democratic National Committee, Washington, D. C.
Mrs. Dorothy Robinson, Women's International League for Peace and Freedom, Washington, D. C.
Mr. Gilbert Robinson, special assistant, trade agreements, Department of Commerce, Washington, D. C.
Miss June M. Robinson, Department of State, Washington, D. C.
Mr. William E. Robinson, president, the Coca-Cola Co., New York City.
Mr. Wendell L. Rockey, executive director, World Relief Commission, NAE, Long Island City, N. Y.
Miss Helen Jean Rogers, United States National Student Association, Cambridge, Mass.
Mr. and Mrs. H. Chapman Rose, Cleveland, Ohio.
Mrs. Anna M. Rosenberg, New York, N. Y.
Mr. Lessing J. Rosenwald, Jenkinstown, Pa.
Mr. Michael Ross, AFL-CIO, Washington, D. C.
Dr. Walter W. Rostow, Center for International Studies, Massachusetts Institute of Technology, Cambridge, Mass.
Mrs. George Roudebusch, St. Louis, Mo.
Mr. Richard L. Roudebush, commander in chief, VFW, Kansas City, Mo.
Miss Martha Rountree, Washington, D. C.
Mrs. Willard G. Rouse, Baltimore, Md.
Dr. Porter Routh, executive secretary, Southern Baptist Convention, Nashville, Tenn.
Dr. W. Harold Row, Brethren Service Commission, Elgin, Ill.
Mr. Seymour J. Rubin, American-Jewish Committee, Washington, D. C.
Mrs. Oscar Ruebhausen, League of Women Voters, New York City.
Mr. William B. Ruggles, editor, Dallas News, Dallas, Tex.
Mr. Dean Rusk, president, the Rockefeller Foundation, New York City.
Miss Billye N. Russell, international president, Pilot Club International, Macon, Ga.
Mr. Harold Russell, American Council of World Veterans Federation, New York City.
Mr. Skull Rutford, Institute of Agriculture, University of Minnesota, St. Paul, Minn.
Mr. Stanley H. Ruttenberg, AFL-CIO, Washington, D. C.
Mr. Leonard J. Saccio, general counsel, ICA, Washington, D. C.
Miss Christine Sadler, McCall's magazine, Washington, D. C.
Mr. McGruder E. Sadler, president, Texas Christian University, Ft. Worth, Tex.
Mrs. Edith S. Sampson, Chicago, Ill.
Mr. Glenn B. Sanberg, American Society of Association Executives, Washington, D. C.
Mr. William Sands, editor, M. E. Journal, Washington, D. C.
Gen. David Sarnoff, chairman, Radio Corporation of America, New York City.
Mrs. David E. Satterfield, Jr., Richmond, Va.
Mr. John C. Satterfield, Jackson, Miss.
Dr. Richard P. Saunders, Save the Children Federation, Norwalk, Conn.
Mr. Walter Schaefer, assistant to director for finance, ICA, Washington, D. C.
Mr. Walter M. Schapiro, president, Lawson International Co., New York, N. Y.
Mr. Paul F. Scheetz, Foreign Policy Association of Pittsburgh, Pittsburgh, Pa.
Miss Catherine Schellens, Washington, D. C.
Mr. Harry Scherman, chairman of the board, Book-of-the-Month Club, New York City.
Miss Dorothy Schiff, publisher, New York Post, New York City.
Dean Helen Schleman, National Association of Women Deans and Counselors, Berkeley, Calif.
Dr. Fredrick Schiotz, Evangelical Lutheran Church, Minneapolis, Minn.
Mr. Joseph Schlang, the Synagogue Council of America, New York City.
Mr. William C. Schmeisser, Jr., Washington, D. C.
Mr. William F. Schmick, publisher, the Baltimore Sun, Baltimore, Md.
Mr. Theodore W. Schultz, University of Chicago, Chicago, Ill.
Mr. Sol A. Schwartz, president, RKO Theatres, New York City.
Mr. Earl B. Schwulst, chairman, the Bowery Savings Bank, New York, N. Y.
Mr. Rosario Scibilia, executive director, Catholic War Veterans, Washington, D. C.

Mr. Thomas J. Scott, Washington, D. C.
Mr. W. K. Scott, deputy director for management, ICA, Washington, D. C.
Mr. Richard B. Scudder, publisher, Newark News, Newark, N. J.
Mrs. Eva Scully, president, American Vocational Association, Washington, D. C.
Dr. Glenn T. Seaborg, University of California, Berkeley, Calif.
Mr. Harry W. Seamans, Department of State, Washington, D. C.
Mrs. Evelyn M. Seufert, Englewood, N. J.
Mr. Eric Severeid, Alexandria, Va.
Dr. Boyd C. Shafer, executive secretary, American Historical Association, Washington, D. C.
Mr. Alex Shakow, Swarthmore College, Swarthmore, Pa.
Mr. Donald J. Shank, Institute of International Education, New York City.
Dr. George Pope Shannon, American Association of University Professors, Washington, D. C.
Mr. Joseph G. Shapiro, Synagogue Council of America, Bridgeport, Conn.
Rabbi Solomon J. Sharfman, president, Rabbinical Council of America, New York, N. Y.
Mr. Edward J. Shaughnessy, Peola Mills, Va.
Mrs. George H. Shaw, New York, N. Y.
Mr. Andrew B. Shea, president, Pan American-Grace Airways, New York City.
Mr. Charles E. Shearer, Jr., Junior Chamber of Commerce of the United States, Tulsa, Okla.
Bishop Fulton J. Sheen, Auxiliary Bishop of New York, New York City.
Mr. Robert L. Shelby, Denver, Colo.
Mrs. Hale G. Shenefield, Washington, D. C.
Mr. Ethan A. H. Shepley, chancellor, Washington University, St. Louis, Mo.
Mrs. John W. Sheppard, American National Red Cross, Greenwich, Conn.
Rt. Rev. Henry Knox Sherrill, New York, N. Y.
Mrs. Avery Sherry, Thiensville, Wis.
Mr. R. Kelvin Shivers, Washington, D. C.
Mr. Charles H. Shuff, Deputy Assistant Secretary of Defense, Washington, D. C.
Dr. George N. Shuster, president, Hunter College, New York City.
Mr. John A. Sibley, Atlanta, Ga.
Mr. Marvin J. Silberman, Synagogue Council of America, New York, N. Y.
Mr. Dudley L. Simms, Lions International, Charleston, W. Va.
Mrs. Savilla Simons, executive secretary, National Board of the YWCA, New York City.
Mr. John S. Sinclair, president, National Industrial Conference Board, New York City.
Mr. Russell Singer, executive vice president, American Automobile Association, Washington, D. C.
Miss Helen J. Sioussat, Columbia Broadcasting System, New York City.
Mr. A. G. Skina, Commonwealth Services, New York City.
Mrs. James M. Skinner, Jr., Philadelphia, Pa.
Mr. Spyros P. Skouras, Mamaroneck, N. Y.
Mr. Walter C. Skuce, Owens-Corning Fiberglass Corp., Washington, D. C.
Mrs. Al Slaughter, Dallas, Tex.
Mrs. Mira P. Sleicher, General Federation of Women's Clubs, Washington, D. C.
Mr. Charles R. Sligh, Jr., executive vice president, National Association of Manufacturers, New York City.
Mr. Robert B. Smallwood, chairman of the board, Lipton Tea Co., Hoboken, N. J.
Miss Alice Smith, Denver, Colo.
Mr. Charles M. Smith, National Council of Churches of Christ, Washington, D. C.
Mr. J. Kingsbury Smith, International News Service, New York City.
Hon. James H. Smith, Jr., Director, International Cooperation Administration, Washington, D. C.
Mrs. Haven Smith, chairman, American Farm Bureau Women's Committee, Chicago, Ill.
Dr. Kerry Smith, executive secretary, Association for Higher Education, Washington, D. C.
Mr. Milan D. Smith, Church of Jesus Christ of Latter Day Saints, Washington, D. C.
Mr. Paul E. Smith, National Education Association, Washington, D. C.
Mr. Shirley D. Smith, Public Relations Society of America, New York City.
Mr. Theodore Smith, executive director, United States Committee for the U. N., Washington, D. C.
Mr. Edward F. Snyder, Friends Committee on National Legislation, Washington, D. C.
Dr. Harold E. Snyder, director, Washington Seminar on International Affairs, Washington, D. C.
Mr. Raub Snyder, International Development Services, New York City.
Mr. William T. Snyder, Mennonite Central Committee, Akron, Pa.
Mrs. Helen P. Solon, Trenton, N. J.
Mr. Lauren K. Soth, Des Moines Register and Tribune, Des Moines, Iowa.
Mr. Hobart A. Spalding, Washington, D. C.
Mr. Joseph P. Spang, Jr., chairman of the board, Gillette Co., Boston, Mass.
Mrs. Everett Spangler, chairman, Country Women's Council, United States of America, Omaha, Nebr.
Mr. Anthony B. Sparboe, vice president, Pillsbury Mills, Inc., Minneapolis, Minn.
Mr. Jerome H. Spingarn, National Planning Association, Washington, D. C.
Mrs Natalie Spingarn, Washington, D. C.
Hon. Mansfield D. Sprague, Assistant Secretary of Defense, Washington, D. C.
Mr. Floyd Springer, Jr., S. C. Johnson and Son, Racine, Wis.
The Honorable Lynn U. Stambaugh, vice president, Export-Import Bank, Washington, D. C.
Mr. Myles Standish, Philadelphia, Pa.
Mr. C. Maxwell Stanley, Muscatine, Iowa.
Mr. Frank W. Stanton, president, Columbia Broadcasting Co., New York, N. Y.
Mrs. Benjamin Stapleton, Jr., Englewood, Colo.
Mr. and Mrs. A. K. Steiner, Arlington, Va.
Mr. Ernest G. Stellings, president, Theatre Owners of America, New York City.
Mr. John Stephenson, Arthur Little, Inc., Cambridge, Mass.
Mr. Gustave Stern, New York, N. Y.
Mr. William Stern, Fargo, N. Dak.
Mr. William P. Steven, editor, Minneapolis Star Tribune, Minneapolis, Minn.
Mr. Roger I. Stevens, New York, N. Y.
Miss Thelma Stevens, Methodist Church, Women's Division of Christian Service, New York City.
Hon. Adlai E. Stevenson, Libertyville, Ill.
Mrs. Grace Stevenson, Adult Education Association of the United States of America, Chicago, Ill.
Mr. William E. Stevenson, president, Oberlin College, Oberlin, Ohio.
Mrs. Annalee Stewart, Women's International League for Peace and Freedom, Washington, D. C.
Mrs. Anne G. Stillings, Quota Club International, Washington, D. C.
Mr. William I. Stoddard, secretary, American Shipowners, New York City.
Mr. William C. Stolk, president, American Can Co., New York City.
Mr. E. T. Stone, editor, Seattle Post Intelligencer, Seattle, Wash.
Mr. George Stratis, National Council of American Importers, New York City.
Miss Anna Lord Strauss, Carrie Chapman Catt Memorial Fund, New York City.
Mr. Peter Strauss, Harvard Business School, Cambridge, Mass.
Mr. and Mrs. Wallace N. Streeter, National Council of Churches of Christ, Washington, D. C.
Mr. Clarence K. Streit, president, Federal Union, Inc., Washington, D. C.
Mr. Clifford S. Strike, president, F. H. McGraw & Co., Hartford, Conn.
Samuel Cardinal Stritch, Chicago, Ill.
Mr. James A. Suffridge, president, Retail Clerks International Association, Washington, D. C.
Mr. Robert O. Swain, executive director, International Road Federation, Washington, D. C.
Mr. Milo K. Swanton, Wisconsin Council of Agricultural Cooperatives, Madison, Wis.
Dr. Francis X. Swietlik, president, American Relief for Poland, Chicago, Ill.
Mr. William S. Swingle, president, National Foreign Trade Council, New York City.
Mr. J. D. Sykes, vice president, Ralston Purina Mills, St. Louis, Mo.
Rabbi Marc H. Tanenbaum, executive director, Synagogue Council of America, New York City.
Msgr. Paul Tanner, National Catholic Welfare Conference, Washington, D. C.
Mr. Jesse W. Tapp, Bank of America, Los Angeles, Calif.
Mr. Willis M. Tate, president, Southern Methodist University, Dallas, Tex.
Mr. Jay Taylor, National Livestock and Meat Board, Amarillo, Tex.
Mr. Bradley R. Taylor, Rhinelander, Wis.
Dr. Clyde W. Taylor, National Association of Evangelicals, Washington, D. C.
Miss Elizabeth P. Taylor, Little Rock, Ark.
Gen. Maxwell D. Taylor, Chief of Staff, United States Army, Washington, D. C.
Miss Ruth H. Tegtmeyer, vice president, Transportation Association of America, Washington, D. C.
Mr. Maurice Tempelsman, president, American Coldset Corp., Teterboro, N. J.
Mr. Benmont Tench, Jr., Gainesville, Fla.
Mr. A. W. Tenney, Future Farmers of America, Washington, D. C.
Mr. Russell I. Thackrey, executive secretary, American Association of Land-Grant Colleges, Washington, D. C.
Mr. P. W. Thayer, dean, School of Advanced International Studies, Johns Hopkins University, Washington, D. C.
Mr. Charles Allen Thomas, Monsanto Chemical Co., St. Louis, Mo.
Mr. Edwin J. Thomas, president, Goodyear Tire & Rubber Co., Akron, Ohio.
Mr. A. C. Thompson, National Retail Merchants Association, Richmond, Va.
Mr Arthur T. Thompson, National Farmer's Union, Washington, D. C.
Miss Julia C. Thompson, director, American Nurses Association, Washington, D. C.
Mrs. Homer Thornberry, Washington, D. C.
Mr. Roland Tibbetts, executive vice president, Junior Chamber of Commerce, Tulsa, Okla.
Mr. Stuart G. Tipton, president, Air Transport Association, Washington, D. C.
Mr. John H. Tobler, assistant to director, National Security Council, ICA, Washington, D. C.
Mr. Elmore R. Torn, Taylor, Tex.
Mrs. Raphael Tourover, Hadassah, the Women's Zionist Organization of America, Washington, D. C.
Mr. Edward Townsend, the First Boston Corp., New York City.
Mr. George Trenchard, Firestone Tire & Rubber Co., Akron, Ohio.
Mr. Robert L. Trescher, Philadelphia, Pa.
Mr. Matt Triggs, American Farm Bureau Federation, Washington, D. C.
Hon. Harry S Truman, Independence, Mo.
Mr. Chester J. Trumbo, Minneapolis, Minn.
Mrs. Bertha Tuma, Washington, D. C.
Mr. Roul Tunley, Woman's Day, New York, N. Y.
Gen. Nathan F. Twining, Chairman, Joint Chiefs of Staff, Washington, D. C.
Mr. Charles G. Twyman, the Loomis School, Windsor, Conn.
Mrs. Margaret G. Twyman, New York, N. Y.

Mrs. Millard E. Tydings, Havre de Grace, Maryland.
Mr. Charles Tyroller, Washington, D. C.
Mr. T. Graydon Upton, president, Bankers' Association for Foreign Trade, Philadelphia, Pa.
Mr. William Roy Vallance, Interamerican Bar Association, Washington, D. C.
Rev. Robert E. Van Densen, National Lutheran Council, Washington, D. C.
Mr. Stuart H. VanDyke, regional director, Africa & Europe, ICA, Washington D. C.
Mrs. DeForest Van Slyck, Washington, D. C.
Mr. Richard C. Vierbuchen, president, Junior Chamber of Commerce of Washington, D. C.
Rev. James L. Vizzard, S. J., Washington, D. C.
Dr. Wernher Von Braun, Huntsville, Ala.
Mrs. Marjorie Vinal, director, World Affairs Council of Rhode Island, Providence, R. I.
Mrs. Dorothy Waddington, executive director, Fashion Group, Inc., New York City.
Com. J. Addington Wagner, Battle Creek, Mich.
Dr. Gerhard Wagner, president, Mannesmann Tube Co., New York, N. Y.
Mayor Robert F. Wagner, Jr., Mayor of New York City.
Mr. Walter W. Walb, vice president, American Hoist & Derrick Co., Fort Wayne, Ind.
Mr. Harold A. Wallace, president, American Society of Association Executives, Washington, D. C.
Mrs. A. H. Walker, National Women's Party, Washington, D. C.
Mr. C. C. Walther, president, New Orleans Foreign Policy Association, New Orleans, La.
Dr. Judson C. Ward, Jr., Emory University, Atlanta, Ga.
Mrs. Bowden D. Ward, Kingwood, W. Va.
Mr. Louis Ware, president, International Minerals and Chemicals Co., Chicago, Ill.
Mr. Roane Waring, Memphis, Tenn.
Mr. Milo Joseph Warner, Toledo, Ohio.
The Honorable and Mrs. Earl Warren, Washington, D. C.
Mr. Alan T. Waterman, director, National Science Foundation, Washington, D. C.
Miss Eleanor Waters, Catholic Association for International Peace, Washington, D. C.
Mr. John C. A. Watkins, publisher, Providence Journal, Providence, R. I.
Mr. John Watson, New York, N. Y.
Hon. Samuel C. Waugh, president, Export-Import Bank, Washington, D. C.
Lt. Gen. Walter L. Weible, executive vice president, Association of the United States Army, Washington, D. C.
Mr. Edward Weeks, the Atlantic Monthly, Boston, Mass.
Mr. Leo Weisfield, Weisfield & Goldberg, Inc., Seattle, Wash.
Dr. Samson R. Weiss, executive vice president, Union of Orthodox Jewish Congregations of America, New York City.
Mr. Fred S. Weissman, executive secretary, Selfhelp of Emigres from Central Europe, New York City.
Mr. C. Maurice Welting, Ohio Farm Bureau, Columbus, Ohio.
Mr. Bernard Weitzer, Jewish War Veterans, Washington, D. C.
Mr. Joseph C. Welman, president, American Bankers Association, Washington, D. C.
Mr. William B. Welsh, Young Democratic Clubs of America, Washington, D. C.
Mr. Howard Wenzel, Harvard Business School, Cambridge, Mass.
Mr. Albert C. F. Westphal, Washington, D. C.
Mrs. F. K. Weyerhaeuser, St. Paul, Minn.
Mr. John P. White, Legislative Management Office, Department of State, Washington, D. C.
Mr. Morton B. White, executive director, American Council on NATO, New York City.
Mrs. Sargent White, treasurer, National Council of Catholic Women, Washington, D. C.
Gen. Thomas D. White, Chief of Staff, United States Air Force, Washington, D. C.
Dr. William R. White, president, Baylor University, Waco, Tex.
Mr. Charles S. Whitehouse, special assistant, Department of State, Washington, D. C.
Mr. H. Harold Whitman, the First National City Bank of N. Y., New York City.
Mr. L. F. Whittemore, chairman, Brown Co., Boston, Mass.
Mr. John J. Wicker, Jr., Richmond, Va.
Mr. John Wickwire, Salem Brosius, Inc., Pittsburgh, Pa.
Mr. Otis L. Wiese, editor, McCall's magazine, New York City.
Mr. J. R. Wiggins, secretary, American Society of Newspaper Editors, Washington, D. C.
Mr. Roy Wilkins, executive secretary, National Association for Advancement of Colored People, New York City.
Mr. Francis O. Wilcox, Assistant Secretary of State, Washington, D. C.
Mr. Alanson Willcox, American Hospital Association, Washington, D. C.
Dr. Henry I. Willet, American Association of School Administrators, Washington, D. C.
Mr. David C. Williams, Americans for Democratic Action, Washington, D. C.
Mr. J. Harvie Williams, American Good Government Society, Washington, D. C.
Mr. John D. Williams, chancellor, University of Mississippi, Oxford, Miss.
Mr. Jack Williams, Fargo, N. Dak.
Mr. Langbourne M. Williams, president, Freeport Sulphur Co., New York City.
Mr. Paul D. Williams, Richmond, Va.
Rev. Richard Williams, National Council of the Protestant Episcopal Church, New York City.
Mrs. Wendell Willkie, New York, N. Y.
Mr. Donald R. Wilson, Albany Times-Union, Albany, N. Y.
Mr. Edward Foss Wilson, Chicago, Ill.
Mr. E. Raymond Wilson, executive secretary, Friends Committee on National Legislation, Washington, D. C.
Mr. Gill Robb Wilson, editor and publisher, Flying, New York City.
Mr. James R. Wilson, Jr., the American Legion, Washington, D. C.
Mr. Logan Wilson, president, University of Texas, Austin, Tex.
Mr. Robert R. Wilson, president, American Society of International Law, Washington, D. C.
Mr. Thomas Wilson, New York, N. Y.
Mrs. Robert Whitelaw Wilson, Washington, D. C.
Mrs. Frederick Witt, Stevensburg, Va.
Mrs. M. F. Wittichen, president general, United Daughters of the Confederacy, Coral Gables, Fla.
Mr. Samuel W. Witwer, Chicago, Ill.
Mr. William J. Woestendiek, editorial director, Newsday, Hempstead, Long Island, N. Y.
Dr. Helmuth Wohlthat, Chambers Chemical Corp., New York, N. Y.
Mrs. Robert B. Wolf, Philadelphia, Pa.
Mr. C. Tyler Wood, assistant to director for evaluation, ICA, Washington, D. C.
Mrs. William H. Wood, League of Women Voters, Bladensburg, Md.
Mrs. Chase G. Woodhouse, director, Service Bureau for Women's Organizations, Hartford, Conn.
Mr. Donald B. Woodward, Vick Chemical Co., New York, N. Y.
Mr. C. E. Woolman, president, Delta Air Lines, Atlanta, Ga.
Mr. Paul Wooton, editor, New Orleans Times-Picayune, New Orleans, La.
Mr. Martin H. Work, executive director, National Council of Catholic Men, Washington, D. C.
Rev. David A. Works, president, North Conway Foundation, North Conway, N. H.
Mr. F. L. Wormald, Association of American Colleges, Washington, D. C.
Dr. Ruth Wright, New York, N. Y.
Mr. Howard N. Yates, executive vice president, Colorado State Chamber of Commerce, Denver, Colo.
Mr. J. Banks Young, National Cotton Council of America, Washington, D. C.
Mr. W. B. Young, dean, College of Agriculture, University of Connecticut, Storrs, Conn.
Mrs. Mildred Younger, Los Angeles, Calif.
Mrs. Emily N. Ziegler, president, American Federation of Soroptimist Clubs, Philadelphia, Pa.
Mr. Jerome M. Ziegler, executive director, American Foundation for Political Education, Chicago, Ill.
Mr. Raymond R. Zimmerman, American Council on Education, Washington, D. C.
Rev. Spiros Zodhiates, New York, N. Y.
Mr. Eugene Zorn, Jr., American Bankers Association, New York, N. Y.

READJUSTMENT OF POSTAL RATES

The Senate resumed the consideration of the bill (H. R. 5836) to readjust postal rates and to establish a Congressional policy for the determination of postal rates and for other purposes which had been reported from the Committee on Post Office and Civil Service with an amendment to strike out all after the enacting clause and insert:

TITLE I—POSTAL POLICY

Short title

SEC. 101. This title may be cited as the "Postal Policy Act of 1958".

Findings

SEC. 102. The Congress hereby finds that—

(1) the postal establishment was created to unite more closely the American people, to promote the general welfare, and to advance the national economy;

(2) the postal establishment has been extended and enlarged through the years into a nationwide network of services and facilities for the communication of intelligence, the dissemination of information, the advancement of education and culture, and the distribution of articles of commerce and industry. Furthermore, the Congress has encouraged the use of these broadening services and facilities through reasonable and, in many cases, special postal rates;

(3) the development and expansion of these several elements of postal service, under authorization by the Congress, have been the impelling force in the origin and growth of many and varied business, commercial, and industrial enterprises which contribute materially to the national economy and the public welfare and which depend upon the continuance of these elements of postal service;

(4) historically and as a matter of public policy there have evolved, in the operations of the postal establishment authorized by Congress, certain recognized and accepted relationships among the several classes of mail. It is clear, from the continued expansion of the postal service and from the continued encouragement by the Congress of the most widespread use thereof, that the postal establishment performs many functions and offers its facilities to many users on a basis which can only be justified as being in the interest of the national welfare;

(5) while the postal establishment, as all other Government agencies, should be operated in an efficient manner, it clearly is not a business enterprise conducted for profit or for raising general funds, and it would be an unfair burden upon any particular user or class of users of the mails to compel them to bear the expenses incurred by reason of special rate considerations granted or facilities provided to other users of the mails, or to underwrite those expenses incurred by the postal establishment for services of a nonpostal nature; and

(6) the public interest and the increasing complexity of the social and economic fabric of the Nation require an immediate, clear, and affirmative declaration of Congressional policy with respect to the public service activities of the postal establishment as the basis for the creation and maintenance of a sound and equitable postal-rate structure which will assure efficient service, produce adequate postal revenues, and stand the test of time.

Declaration of policy

SEC. 103. (a) In order to provide a more stable basis for the postal-rate structure through the establishment of general principles, standards, and related requirements with respect to the determination and allocation of postal revenues and expenses, and in accordance with these general principles, standards, and related requirements, to provide a means by which the postal-rate structure may be fixed and adjusted by action of the Congress, from time to time, as the public interest may require, in the light of periodic reviews of the postal-rate structure, periodic studies and surveys of expenses and revenues, and periodic reports and recommendations, required to be made by the Postmaster General as provided by section 105 of this title, the Congress hereby emphasizes, reaffirms, and restates its function under the Constitution of the United States of forming postal policy.

(b) It is hereby declared to be the policy of the Congress that the post office is a public service.

(c) The general principles, standards, and related requirements referred to in subsection (a) of this section are as follows:

(1) In the determination and adjustment of the postal-rate structure, due consideration should be given to—

(A) the preservation of the inherent advantages of the postal service in the promotion of social, cultural, intellectual, and commercial intercourse among the people of the United States;

(B) the development and maintenance of a postal service adapted to the present needs, and adaptable to the future needs, of the people of the United States;

(C) the promotion of adequate, economical, and efficient postal service at reasonable and equitable rates and fees;

(D) the effect of postal services and the impact of postal rates and fees on users of the mails;

(E) the requirements of the postal establishment with respect to the manner and form of preparation and presentation of mailings by the users of the various classes of mail service;

(F) the value of mail;

(G) the value of time of delivery of mail; and

(H) the quality and character of the service rendered in terms of priority, secrecy, security, speed of transmission, use of facilities and manpower, and other pertinent service factors.

(2) The collection, transportation, and delivery of first-class mail is the primary function of the postal establishment. The cost of first-class mail shall be (A) the entire amount of the expenses allocated to first-class mail in the manner provided by this title plus (B) an amount determined to be the fair value of all extraordinary and preferential services, specially designed facilities, and other factors relating thereto. The costs of other classes of mail and special services (except the fourth-class mail) shall be computed on an incremental or "out of pocket" cost basis.

(3) Those services, elements of service, and facilities rendered and provided by the postal establishment in accordance with law, including services having public service aspects, which, in whole or in part, are held and considered by the Congress from time to time to be public services for the purposes of this title shall be administered on the following basis:

(A) the sum of such public service items as determined by Congress should be assumed directly by the Federal Government and paid directly out of the general fund of the Treasury and should not constitute direct charges in the form of rates and fees upon any user or class of users of such public services, or of the mails generally; and

(B) nothing contained in any provision of this title should be construed as indicating any intention on the part of the Congress (i) that such public services, or any of them, should be limited or restricted or (ii) to derogate in any way from the need and desirability thereof in the public interest.

(4) For the purpose of the determination and adjustment of the postal-rate structure, postal rates and fees shall be adjusted from time to time so that the total amount of all postal revenues shall be approximately equal to the total amount of the non-public-service expenses incurred by the postal establishment.

Identification of and appropriations for public services

SEC. 104. (a) The following shall be considered to be public services for the purpose of this title—

(1) the total loss resulting from the transmission of matter in the mails free of postage or at reduced rates of postage as provided by statute, including the following:

(A) subsection (a) (3) of section 5 of the Act of June 23, 1874, as amended (U. S. C., title 39, sec. 283 (a) (3)), relating to reduced rate of postage on newspapers or periodicals of certain nonprofit organizations;

(B) sections 5 and 6 of the Act of March 3, 1877, as amended (U. S. C., title 39, sec. 321), relative to certain matter sent free through the mails;

(C) section 25 of the Act of March 3, 1879, as amended (U. S. C., title 39, sec. 286), and subsection (b) of section 2 of the Act of October 30, 1951 (U. S. C., title 39, sec. 289a (b)), relating to free-in-county mailing privileges;

(D) the Act of April 27, 1904, as amended (U. S. C., title 39, sec. 331), relating to free postage and reduced postage rates on reading matter and other articles for the blind;

(E) the Act of February 14, 1929 (U. S. C., title 39, sec. 336), granting free mailing privileges to the diplomatic corps of the countries of the Pan American Postal Union;

(F) the Act of April 15, 1937 (U. S. C., title 39, sec. 293c), granting reduced rates to publications for use of the blind;

(G) the Act of June 29, 1940 (U. S. C., title 39, sec. 321–1), granting free mailing privileges to the Pan American Sanitary Bureau;

(H) the Act of May 7, 1945 (59 Stat. 707), and other provisions of law, granting free mailing privileges to individuals;

(I) the second and third provisos of subsection (a) of section 2 of the Act of October 30, 1951 (U. S. C., title 39, sec. 289a, subsec. (a)), granting reduced second-class postage rates to certain organizations;

(J) the fifth proviso of section 3 of the Act of October 30, 1951 (U. S. C., title 39, sec. 290a–1), granting reduced third-class postage rates to certain organizations;

(K) section 302 of the Federal Voting Assistance Act of 1955 (U. S. C., title 5, sec. 2192), granting free postage, including free airmail postage, to post cards, ballots, voting instructions, and envelopes transmitted in the mails under authority of the Federal Voting Assistance Act of 1955; and

(L) section 204 (d) and (e) of the Act of July 3, 1948, as amended (U. S. C., title 39, sec. 292a (d)–(e)), and as further amended by section 205 of this Act, granting reduced fourth-class postage rates for books, films, recordings, and related materials for educational use;

(2) the loss resulting from the operation of such public welfare postal services as the star route system, rural free delivery, third and fourth class post offices;

(3) the loss incurred in performing non-postal services, such as the sale of documentary stamps for the Department of the Treasury;

(4) the loss incurred in performing special services such as cash on delivery, insured mail, special delivery, and money orders;

(5) the cost of the free handling of registered mail for the post office and other Federal agencies;

(6) the cost of transportation subsidies borne by the postal establishment in compliance with or resulting from the nonenforcement of Federal statutes;

(7) the additional cost of transporting United States mail by foreign air carriers at a Universal Postal Union rate in excess of the rate prescribed for United States carriers; and

(8) other services provided in the interests of the public welfare, the costs of which exceed revenues therefrom.

(b) There is hereby authorized to be appropriated to the revenues of the Post Office Department for each fiscal year from any money in the Treasury not otherwise appropriated an amount, which shall be deemed to be attributable to the public services enumerated under subsection (a) of this section, equal to 15 per centum of the total estimated expenditures of the Post Office Department for such year. Such appropriations shall be available to enable the Postmaster General to pay in to postal revenues at quarterly or other intervals such sums as may be necessary to reimburse the Post Office Department for such amount attributable to public services.

Reviews, studies, surveys, reports, and recommendations of Postmaster General

SEC. 105. (a) The Postmaster General is authorized and directed to initiate and conduct, through the facilities of the postal establishment, either on a continuing basis or from time to time, as he deems advisable, but not less often than every two years, a review of the postal-rate structure and a study and survey of the expenses incurred and the revenues received in connection with the several classes of mail, and the various classes and kinds of services and facilities provided by the postal establishment, in order to determine, on the basis of such review, study, and survey for each class and kind of service or facility provided by the postal establishment, the need for adjustment of postal rates and fees in accordance with the policy set forth in this title.

(b) The Postmaster General shall submit to the Senate and the House of Representatives not later than April 15 of each alternate fiscal year, beginning with the fiscal year ending June 30, 1960, a report of the results of the review, study, and survey conducted pursuant to subsection (a) of this section. Such report shall include—

(1) information with respect to expenses and revenues which is pertinent to the allocation of expenses and the determination and adjustment of postal rates and fees in accordance with the policy set forth in this title;

(2) such other information as is necessary to enable the Congress, or as may be required by the Congress or an appropriate committee thereof, to carry out the purposes of this title.

TITLE II—POSTAL RATE INCREASES

Short title

SEC. 201. This title may be cited as the "Postal Rate Increase Act, 1958".

First-class mail

SEC. 202. (a) The first section of the joint resolution of June 30, 1947 (61 Stat. 213; 39 U. S. C. 280), is amended (1) by striking out "3 cents for each ounce or fraction thereof" in that part which precedes the proviso, and

by inserting in lieu thereof "5 cents for each ounce or fraction thereof when mailed for nonlocal delivery prior to July 1, 1961, and 4 cents for each ounce or fraction thereof when mailed for nonlocal delivery on or after July 1, 1961, or when mailed for local delivery," and (2) by adding at the end thereof the following new paragraph:

"For the purposes of this section 'mailed for local delivery' shall include mail which originates within the delivery limits of a post office for delivery to an addressee located within the delivery limits of such post office. In large cities with adjacent areas of dense population having two or more post offices, the Postmaster General may, in his discretion and under such regulations as he may prescribe, regard any first-class matter mailed at one of such offices and addressed for delivery at another of such offices as matter 'mailed for local delivery'."

(b) Section 1 of the Act of October 30, 1951 (65 Stat. 672; 39 U. S. C. 280), as amended, is further amended—

(1) by striking out "2 cents" wherever appearing in subsection (a) and inserting in lieu thereof "3 cents"; and

(2) by striking out "2 cents" in subsection (b) and inserting in lieu thereof "3 cents".

(3) by adding at the end of such section a new subsection as follows:

"(c) Notwithstanding the provisions of subsection (a), the rate of postage on any single postal card or private mailing or post card conforming to the conditions prescribed by the Act of May 19, 1898, shall be 2 cents if the address and any message on such card are wholly in original handwriting. For the purpose of this subsection, the term 'handwriting' shall not include typewritten matter, any matter which is a reproduction or imitation of handwriting prepared by mechanical, photographic, or other process, or any matter, whether or not handwritten, which is attached to any such card. The Postmaster General may, by appropriate regulation, provide for the preparation and sale of postal cards of a distinctive color for transmission at the rate prescribed by this subsection."

(c) Section 201 of the Postal Rate Revision and Federal Employees Salary Act of 1948 (62 Stat. 1261; 39 U. S. C. 463a) is amended—

(1) by striking out "6 cents" in the first sentence and inserting in lieu thereof "8 cents"; and

(2) by striking out "4 cents" in the second sentence and inserting in lieu thereof "5 cents".

Second-class mail

SEC. 203. (a) Section 2 (a) of the Act of October 30, 1951 (65 Stat. 672; 39 U. S. C. 289a), is amended by striking out the word "and" preceding clause (3) and by inserting immediately before the colon which precedes the first proviso a comma and the following: "and (4) such postage is further adjusted to the amounts set forth in the following table, on the dates specified:

	July 1, 1958 (cents per pound or fraction thereof)	July 1, 1959 (cents per pound or fraction thereof)	July 1, 1960 (cents per pound or fraction thereof)
Nonadvertising portion	2.1	2.3	2.5
Advertising portion:			
First and second zones	2.2	2.6	3.0
Third zone	3.0	3.5	4.0
Fourth zone	4.5	5.2	6.0
Fifth zone	6.0	7.0	8.0
Sixth zone	7.7	8.7	10.0
Seventh zone	9.2	11.0	12.0
Eighth zone	11.0	12.5	14.0"

(b) Section 2 (a) of such Act of October 30, 1951, is amended by striking out the last two provisos and inserting in lieu thereof the following: *"Provided further,* That on and after July 1, 1958, the rate of postage on newspapers or periodicals maintained by and in the interests of religious, educational, scientific, philanthropic, agricultural, labor, veterans', or fraternal organizations or associations, not organized for profit and none of the net income of which inures to the benefit of any private stockholder or individual, shall be the rate per pound or minimum rate required to be paid on publications generally reduced by 50 per centum: *And provided further,* That on and after July 1, 1958, the rate of postage on any religious, educational, or scientific publications designed specifically for use in school classrooms or in religious instruction classes shall be the rate per pound or minimum rate required to be paid on publications generally, reduced by 35 per centum."

(c) Section 2 (c) of such Act of October 30, 1951, is amended by striking out "one-eighth of 1 cent" and inserting in lieu thereof "one-fourth of 1 cent effective July 1, 1958, three-eighths of 1 cent effective July 1, 1959, and one-half of 1 cent effective July 1, 1960, except that the per copy rates prescribed for publications covered by section 25 of the Act of March 3, 1879, as amended (39 U. S. C. 286), shall be continued".

(d) Section 2 (d) of such Act of October 30, 1951, is amended by striking out the words "two ounces" where they appear the second time and inserting in lieu thereof the word "ounce".

(e) The third clause of section 14 of the Act of March 3, 1879, as amended (39 U. S. C. 226), is amended effective on and after the date of enactment of this Act to read as follows:

"Third. It must be formed of printed sheets: *Provided,* That publications produced by the stencil, mimeograph, or hectograph process or in imitation of typewriting shall not be regarded as printed within the meaning of this clause."

(f) Section 202 (a) of the Act of February 28, 1925, as amended (39 U. S. C. 283), is amended by adding the following new paragraph:

"(4) For the purpose of this section, the portion of a publication devoted to advertisements shall include all advertisements inserted in such publication and attached permanently thereto."

(g) Section 203 of the Postal Rate Revision and Federal Employees Salary Act of 1948 (62 Stat. 1262; 39 U. S. C. 291b), is amended—

(1) by striking out "10 cents a pound or fraction thereof" and inserting in lieu thereof "12 cents a pound or fraction thereof regardless of the weight of the individual copies"; and

(2) by adding at the end thereof a new sentence reading "The rates provided in this section shall remain in effect until otherwise provided by Congress.".

Third-class mail

SEC. 204. Section 3 of the Act of October 30, 1951 (65 Stat. 673; 39 U. S. C. 290a–1), is amended—

(1) by striking out so much of such Act as precedes the first proviso and inserting in lieu thereof the following: "The rate of postage on third-class matter shall be 3 cents for the first two ounces or fraction thereof, and 1½ cents for each additional ounce or fraction thereof up to but not including sixteen ounces in weight:";

(2) in the first proviso contained in such section, by striking out "$10" and inserting in lieu thereof "$20";

(3) in the second proviso contained in such section—

(A) by striking out "14 cents" and inserting in lieu thereof "16 cents"; and

(B) by striking out "1 cent" wherever appearing therein and inserting in lieu thereof "2 cents when mailed prior to July 1, 1959, and 2½ cents when mailed on or after such date";

(4) by striking out the third and fourth provisos contained in such section; and

(5) by striking out the last proviso and inserting in lieu thereof the following: *"And provided further,* That on and after July 1, 1958, the rates of postage on third-class matter mailed by religious, educational, scientific, philanthropic, agricultural, labor, veterans', or fraternal organizations or associations, not organized for profit and none of the net income of which inures to the benefit of any private stockholder or individual, shall be the rates prescribed by this section, except that the minimum charge per piece for third-class matter mailed in bulk by such organizations or associations shall be 50 per centum of the minimum charge prescribed by this section for such mailings."

Fourth-class mail

SEC. 205. (a) Section 204 (a) of the Postal Rate Revision and Federal Employees Salary Act of 1948 (39 U. S. C. 292a (a)), as amended, is amended by striking out the words "over eight ounces" wherever they appear and inserting in lieu thereof "sixteen ounces or over".

(b) Sections 204 (d) and (e) of such Act (39 U. S. C. 292a (d) and (e)) are amended to read as follows:

"(d) The following materials when in parcels not exceeding seventy pounds in weight may be sent at the postage rate of 10 cents for the first pound and 5 cents for each additional pound or fraction thereof, and this rate shall continue until otherwise provided by the Congress: (1) books permanently bound for preservation consisting wholly of reading matter or scholarly bibliography or reading matter with incidental blank spaces for students' notations and containing no advertising matter other than incidental announcements of books; (2) sixteen-millimeter films and sixteen-millimeter film catalogs except when sent to commercial theaters; (3) printed music whether in bound form or in sheet form; (4) printed objective test materials and accessories thereto used by or in behalf of educational institutions in the testing of ability, aptitude, achievement, interests, and other mental and personal qualities with or without answers, test scores, or identifying information recorded thereon in writing or by mark; (5) phonograph recordings; and (6) manuscripts for books, periodical articles, and music.

"(e) (1) The following materials when in parcels not exceeding seventy pounds in weight when loaned or exchanged between (A) schools, colleges, or universities and (B) public libraries, religious, educational, scientific, philanthropic, agricultural, labor, veterans', or fraternal organizations or associations not organized for profit and none of the net income of which inures to the benefit of any private stockholder or individual, or between such organizations and their members or readers or borrowers, shall be charged with postage at the rate of 4 cents for the first pound and 1 cent for each additional pound or fraction thereof, except that the rates now or hereafter prescribed for third- or fourth-class matter shall apply in every case where such rate is lower than the rate prescribed in this subsection, and this rate shall continue until otherwise provided by the Congress: (i) books consisting wholly of reading matter or scholarly bibliography or reading matter with incidental blank spaces for students' notations and containing no advertising matter other than incidental announcements of books; (ii) printed music, whether in bound form or in sheet form; (iii) bound volumes of academic theses in typewritten or other duplicated form and bound volumes of periodicals; (iv) phonograph recordings; and (v) other library materials in printed, duplicated, or photographic form or in the form of unpublished manuscripts.

"(2) The rate provided in paragraph (1) for books may apply to sixteen-millimeter films, filmstrips, transparencies for projection and slides, microfilms, sound recordings, and catalogs of such materials when sent in parcels not exceeding seventy pounds in weight to or from (A) schools, colleges, or universities and (B) public libraries, religious, educational, scientific, philanthropic, agricultural, labor, veterans', or fraternal organizations or associations, not organized for profit and none of the net income of which inures to the benefit of any private stockholder or individual.

"(3) Public libraries, organizations, or associations, before being entitled to the rates specified in paragraphs (1) and (2) of this subsection, shall furnish to the Postmaster General, under such regulations as he may prescribe, satisfactory evidence that none of their net income inures to the benefit of any private stockholder or individual."

(c) (1) The Act entitled "An Act to readjust the size and weight limitations on fourth-class (parcel post) mail", approved October 24, 1951 (65 Stat. 610; 39 U. S. C. 240a), is amended by striking out so much thereof as precedes the first semicolon and inserting in lieu thereof the following: "That on fourth-class matter the limit of size shall be eighty-four inches in girth and length combined and the limit of weight shall be sixteen ounces or over and not exceeding forty pounds".

(2) The first section of such Act is further amended by striking out the words "over eight ounces" where they appear the second time in such section and inserting in lieu thereof the words "sixteen ounces or over".

(3) Section 207 (a) of the Act of February 28, 1925 (39 U. S. C. 240), as amended, is amended by striking out the words "in excess of eight ounces" and inserting in lieu thereof the words "sixteen ounces or over".

Subscription order, bill, and receipt forms

SEC. 206. The final clause in the first sentence of the Act of January 20, 1888 (25 Stat. 1; 39 U. S. C. 249), is amended by striking out the following: ", but the same shall be in such form as to convey no other information than the name, place of publication, subscription price of the publication to which they refer and the subscription due thereon".

Investigation and study by Postmaster General of dimensional categories for first- and third-class mail envelopes

SEC. 207. (a) The Postmaster General is authorized and directed to conduct a thorough investigation and study of the feasibility and desirability of—

(1) the establishment, by regulation of the Postmaster General, of such number of categories (but not less than two categories) of specified length and width dimensions for envelopes to be used for the transmission of first-class and third-class mail, as the Postmaster General may determine to be necessary or desirable to increase the efficient handling of the mail; and

(2) the establishment of an additional charge on any such mail transmitted in an envelope which does not conform in length and width to one of such dimensional categories for envelopes.

(b) The Postmaster General shall submit to the Senate and House of Representatives, on or before February 1, 1959, a report of the results of such investigation and study, together with his recommendations with respect thereto, including his recommendations for any necessary legislation.

Determination of class of post office and compensation of postmaster and certain employees

SEC. 208. No part of the gross postal receipts of any post office, which are determined in accordance with estimates of the Postmaster General to be attributable to the increases in postage rates provided by this Act, shall be counted for the purpose of determining the classes of the respective post offices and the compensation and allowances of postmasters and other employees whose compensation or allowances are based on the annual gross receipts of such post offices. Nothing contained in this section shall operate to relegate a post office to a class or receipts category below the class or receipts category to which such post office may be assigned on the basis of gross postal receipts accruing during the last complete calendar year prior to the date of enactment of this Act or, in the case of a post office which was in existence on such date of enactment but which was not in existence during the whole of such calendar year, on the basis of gross postal receipts accruing during the last quarter prior to the date of enactment of this Act.

Salary step increases

SEC. 209. (a) Subsection (a) of section 401 of the Postal Field Compensation Act of 1955, as amended (39 U. S. C. 981 (a)), is amended by striking out the words "salary level PFS–9 or a lower salary level of".

(b) Subsection (b) of such section (39 U. S. C. 981 (b)) is repealed.

SEC. 210. (a) The last paragraph of section 207 (b) of the Act of February 28, 1925, as amended (45 Stat. 942; 39 U. S. C. 247), is amended by inserting before the word "greater" the following: "more than 8 per centum".

(b) The paragraph under the heading "General Provisions" under the appropriations for the Post Office Department contained in chapter IV of the Supplemental Appropriation Act, 1951 (64 Stat. 1050; 31 U. S. C. 695), is amended by striking out "the receipt of revenue from fourth-class mail service sufficient to pay the cost of such service" and inserting "that the cost of fourth-class mail service will not exceed by more than 8 per centum the revenues therefrom".

Repeals

SEC. 211. (a) The following laws are hereby repealed—

(1) The Act of June 9, 1930 (U. S. C., title 39, sec. 793), relating to certification of estimated amounts of postage that would have been collected on certain free or reduced-rate mailings, which the Postmaster General is required to make to the Secretary of the Treasury and to the Comptroller General of the United States;

(2) Paragraph (4) of section 202 (a) of the Act of February 28, 1925 (45 Stat. 941; 39 U. S. C. 283 (4));

(3) Section 202 (b) of the Act of February 28, 1925 (43 Stat. 1066; 39 U. S. C. 283 (b)); and

(4) Section 204 of the Act of February 28, 1925 (43 Stat. 1067; 39 U. S. C. 288).

(5) The last sentence of section 4 (a) of the Civil Service Retirement Act as contained in the Civil Service Retirement Act Amendments of 1956 (70 Stat. 747) is hereby repealed, and hereafter the amounts contributed by the Post Office Department to the civil service retirement and disability fund in compliance with such section 4 (a) of the Civil Service Retirement Act shall be considered as costs of providing postal service for the purpose of establishing postal rates.

Effective date

SEC. 212. (a) The provisions of sections 203 (c), 206, 207, and 209 of this title shall take effect on the date of enactment of this Act.

(b) The rates of postage prescribed by this title, except as otherwise provided herein, shall become effective on July 1, 1958.

(c) The rates of postage prescribed by section 203 (a) and (c) of this title shall become effective as provided in such section 203 (a) and (c).

(d) The permit fee prescribed by section 204 (2) of this title shall become effective on January 1, 1959.

(e) The size and weight limits prescribed by section 205 of this title shall become effective on July 1, 1958.

(f) Section 211 shall become effective on July 1, 1958.

TITLE III—POSTAL MODERNIZATION FUND

Establishment of Fund

SEC. 301. There is hereby established in the Treasury of the United States a trust fund to be known as the "Postal Modernization Fund" (hereinafter referred to as "the Fund"). The Fund is hereby appropriated for the purposes set forth in section 303.

Payment of certain postal receipts into the Fund

SEC. 302. There shall be paid into the Fund out of receipts of postage on first-class mail the sum of $175,000,000 during each fiscal year, beginning with the fiscal year ending June 30, 1959, and ending with the fiscal year ending June 30, 1961.

Expenditure from Fund

SEC. 303. Moneys paid into the Fund, together with any income thereof under section 304 (b), shall be available until expended for obligation by the Postmaster General for the purpose of—

(1) conducting research, either directly or through private or other organizations, for the purpose of developing, acquiring, and placing into operation improved equipment and facilities for the performance of the postal function;

(2) constructing or otherwise acquiring buildings and other related property which will more efficiently serve the needs of the postal service, and for improving existing facilities.

Management of Fund

SEC. 304. (a) It shall be the duty of the Secretary of the Treasury to hold the Fund, and (after consultation with the Postmaster General) to report to the Congress not later than the first day of January of each year (beginning with 1960) on the financial condition of the Fund as of the end of the next preceding fiscal year.

(b) It shall be the duty of the Secretary of the Treasury to invest such portion of the Fund as is not, in his judgment, after consultation with the Postmaster General, required to meet current withdrawals. Such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States.

Report of Postmaster General

SEC. 305. The Postmaster General shall include in his annual report to the President for each year a detailed report of his activities during such year under this title.

Mr. JOHNSTON of South Carolina. Mr. President, I submit amendments to the postal bill which correct certain errors in the draftsmanship of the bill. The need for the amendments was called to my attention by the distinguished junior Senator from Oklahoma [Mr. MONRONEY]. I appreciate his kindness in calling these errors to my attention.

The PRESIDING OFFICER. The amendments will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 35, between lines 3 and 4, it is proposed to insert the following: "Domestic Airmail."

On page 37, between lines 19 and 20, insert the following: "Controlled Circulation Publications."

On page 39, to strike out lines 1 and 2 and insert in lieu thereof the following:

(4) by striking out the third proviso contained in such section;

(5) in the fourth proviso contained in such section, by striking out "3 cents" and inserting in lieu thereof "6 cents."

On page 39, at the beginning of line 3, to strike out "(5)" and insert "(6)."

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. KNOWLAND. Reserving the right to object, is the Senator from South Carolina merely offering these as pending amendments?

Mr. JOHNSTON of South Carolina. The amendments merely make corrections in the bill reported by the committee.

Mr. KNOWLAND. Are they in conformity with the action of the committee?

Mr. JOHNSTON of South Carolina. They are in conformity with the action of the committee.

Mr. KNOWLAND. Is it understood that the bill is still treated de novo, and that no parliamentary situation exists which would foreclose the offering of other amendments?

Mr. JOHNSTON of South Carolina. That is true. There should be no question whatsoever in that regard.

Mr. MONRONEY. Mr. President, will the Senator from South Carolina yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. MONRONEY. In checking over the bill as reported by the full committee, three errors were found. The first dealt with the failure to include the subhead on "Domestic Airmail," which had very little effect on the bill.

The second had to do with the controlled circulation publications, over which there has been great controversy. The subhead and the new section numbers were omitted in the bill as it came to the Senate.

The committee, by a unanimous vote, decided to adopt the provisions of the House bill concerning controlled circulation publications, and left them as a part of third-class mail. There has been a consistent effort over the years to give the second-class treatment to controlled circulation publications that have no paid circulation. For that reason, the omission of the subtitle "Controlled Circulation Publications" and the numbering of the bill's provisions on this subject as though they were a part of the section relating to second-class mail, might be interpreted administratively as indicating that it was the sense of the Senate that controlled circulation publications should be handled as second-class, paid-circulation mail.

In carefully checking the bill, I realized that the text as reported did not correspond to the text on which the full committee voted.

It is to correct that clerical error, let us say, that the distinguished chairman of the committee is offering the amendment, so that there can be no question of the Senate's decision to continue controlled circulation publications as third-class mail.

The third error occurs on page 39 of the bill. On that page there is a section which deals with third-class mail. According to the best advice I have obtained, the bill as reported would eliminate the 3-cent penalty which now applies to third-class mail which is irregular in size, because of the difficulty of handling it, whereas the committee voted to increase the penalty to 6 cents.

I have conferred with the chairman of the committee. He assures me that these three mistakes were unintentionally made in connection with the drafting of the reported bill, with some bad advice from the Post Office Department.

When a Senate committee reports a bill, by a vote of the members of the full committee, I believe the bill exactly as voted to be reported should come before the Senate, and that it should not be modified by the staff or by anyone else, even in accordance with the wishes of the Post Office Department.

Mr. KNOWLAND. Mr. President, will the Senator from South Carolina yield to me?

Mr. JOHNSTON of South Carolina. I am happy to yield.

Mr. KNOWLAND. I fully concur in the statement the Senator has made. I merely wish to make certain that, inasmuch as the bill is presumably before us in the way it was reported by the committee, we shall not find ourselves in a parliamentary situation in which we would later be foreclosed from submitting amendments to these portions. If these are clerical errors, certainly they should be handled in such a way.

Mr. MONRONEY. Mr. President, if the amendments which have been submitted by the chairman of the committee are agreed to en bloc, by unanimous consent, that will expedite the handling of the bill, and will clarify the situation.

I believe that my distinguished colleague, the Senator from Kansas [Mr. CARLSON], who has worked so hard on the bill, will agree with me that, when these amendments are agreed to, the bill will again be in the form it was when the committee voted to report it to the Senate.

Mr. CARLSON. Mr. President, I concur. I think these amendments will, when adopted, put the bill in the shape it was in when the committee voted to report it, and the shape it was in when we thought it was reported to the Senate.

The PRESIDING OFFICER. The question is on agreeing to the amendments of the Senator from South Carolina [Mr. JOHNSTON], which, without objection, will be considered en bloc.

The amendments were agreed to.

Mr. JOHNSTON of South Carolina. Mr. President, I wish it clearly understood that these amendments will simply place the bill in the form it was in when it was reported by the committee. The errors were called to my attention only today. Therefore, I have called the attention of the Senate to them.

Mr. President, we now approach the crossroads; soon the case will be in the hands of the jury, the Congress, which must decide what shall be done in regard to postal rates.

This afternoon the Senate has before it one of the most controversial measures to come before it in recent years.

The Senate Post Office and Civil Service Committee spent days and, in fact, months in working on the bill. It held hearings, and tried to expedite the handling of the bill as much as possible, following the reassembling of Congress in January.

By the way, Mr. President, I should like to say that the committee voted 7 to 6. Of the 7 Senators who voted affirmatively, 5 were Republicans and 2 were Democrats. So there was not a division along party lines. One Republican Senator voted in favor of the bill the subcommittee reported; that was the Senator from North Dakota [Mr. LANGER], whom I have always found trying to help the little fellow.

Mr. President, my colleagues will find that if the postal rate on letters is increased from 3 cents to 5 cents, the first-class mail will more than pay its way, almost to the extent of $250 million. I ask my colleagues to keep that point in mind.

The subcommittee did not believe that was proper; therefore, the subcommittee did not vote to raise first class to 5 cents. Instead, it voted in favor of increasing the first-class rate from 3 cents to 4 cents. If that is done, the first-class mail will more than pay its own way. I contend that first-class mail should more than pay its own way, in view of the preferential treatment it receives.

Mr. LONG. Mr. President, will the Senator from South Carolina yield to me?

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). Does the Senator from South Carolina yield to the Senator from Louisiana?

Mr. JOHNSTON of South Carolina. I yield.

Mr. LONG. Can the Senator from South Carolina tell me how close second-class mail and third-class mail will come to paying their own way, under the provisions of the pending bill?

Mr. JOHNSTON of South Carolina. I think the Senator from Louisiana will find on page 6 of the report the costs regarding the various classes of mail. It should be remembered that the pending bill, if enacted, will result in an estimated increase of $747 million.

Mr. LONG. Can the Senator from South Carolina tell me what percentage of the cost of carrying them, the second-class mail and third-class mail will pay, if the pending bill is enacted?

Mr. JOHNSTON of South Carolina. Does the Senator from Louisiana want me to refer to the old method of cost ascertainment, or to the new one? He was formerly a member of the committee.

Mr. LONG. I should like to know the Senator's best judgment on the matter, whichever he thinks is correct.

Mr. JOHNSTON of South Carolina. In the case of second-class mail, the bill, if enacted, will bring in a total of $99,656,000. The cost will be $167,500,000. In other words, there will be a deficit of approximately $68,400,000, in the case of

the second-class mail. The Senator from Louisiana was formerly on the committee and he helped make the investigation which was conducted at one time. So I am very glad he is participating in the debate. He knows that much of the second-class mail is handled at less than cost. In other words, a considerable amount of philanthropic and other mail is carried at less than half the charge of other groups. I refer to the handling of the veterans organizations, farm magazines, labor publications, and so forth.

Mr. LONG. Can the Senator from South Carolina relate the rate on second-class mail to the cost of carrying it? What percentage of the cost of carrying it will the second-class mail pay?

Mr. JOHNSTON of South Carolina. That is what I have just stated. I have referred to the overall situation.

Mr. LONG. The Senator from South Carolina gave the absolute figure.

Mr. JOHNSTON of South Carolina. I gave the total.

Mr. LONG. Can the Senator from South Carolina tell me what percentage of its cost the second-class mail will pay, under the provisions of the pending bill?

Mr. JOHNSTON of South Carolina. It will be in the ratio of 99 to 167. In other words, it will be in the neighborhood of 60 percent. So much free mail is included, that it is hard to determine the proper figure.

Mr. LONG. Can the Senator from South Carolina state what percentage of its cost he estimates the third-class mail will pay, if the pending bill is enacted?

Mr. JOHNSTON of South Carolina. The pending bill, if enacted, will result in a profit in the amount of $25 million. The subcommittee did not think the bill should go that far, so as to make this class of mail more than pay its own way, inasmuch as it does not receive preferential treatment. I think I have stated correctly the attitude of the subcommittee on that point.

Mr. LONG. Then it is correct to say that if the pending bill is enacted, the third-class mail will more than pay its own way?

Mr. JOHNSTON of South Carolina. Yes, I believe that is true.

Mr. LONG. I thank the Senator from South Carolina.

Mr. MORTON. Mr. President, will the Senator from South Carolina yield to me?

Mr. JOHNSTON of South Carolina. I yield.

Mr. MORTON. In the case of the second-class mail, under the rates proposed in the present committee print, is it not the judgment of the chairman of the committee, who has had many years of experience in this field, that, aside from public-service and general-welfare items, the items of second-class mail which are charged for will more than pay the out-of-pocket expense they cause?

Mr. JOHNSTON of South Carolina. Yes, they will more than pay the out-of-pocket expense they cause. In the report on the bill we have stated that 15 percent of the service performed is a free public service, and a great deal of that occurs in the case of the second-class mail.

Mr. MORTON. Yes.

Mr. JOHNSTON of South Carolina. So when we speak of having the second-class mail pay its own way, it must be remembered that much of the public service charges are now levied against second-class mail.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. JOHNSTON of South Carolina. I yield.

Mr. LANGER. Is there anything in the bill dealing with red tag mail?

Mr. JOHNSTON of South Carolina. Nothing whatever.

Mr. LANGER. My recollection is that in the testimony before the House Committee it was claimed that the handling of a magazine such as Life cost the taxpayers $8 million a year. Is that correct?

Mr. JOHNSTON of South Carolina. I myself would not want to use that figure, because I do not believe it is accurate. I would not want any statement of that kind placed in the RECORD as coming from me.

Mr. LANGER. My recollection is very clear that the figures showed that in 1953 the handling of Life magazine alone cost the taxpayers more than $8 million.

Mr. JOHNSTON of South Carolina. In all fairness, I think it should be stated that the committee does not believe that the statement is a fair one. Many items were not taken into consideration by the Department when it computed that figure.

Mr. LANGER. I think the Senator is mistaken. I believe the testimony, which is in the record, shows that the red tag end of handling Life magazine cost the taxpayers $8 million. There was a long list of magazines which was placed in the record, which list was furnished the committee by the Post Office Department.

Mr. JOHNSTON of South Carolina. Someone may have testified to that, but I personally would hesitate to put my approval on that statement. In all fairness, I would have to disagree to that statement.

Mr. LANGER. I come now to the second part of my question. The Senator is familiar with the long list of magazines which the Postmaster General has discretion to treat as first-class mail; is he not?

Mr. JOHNSTON of South Carolina. That is true; newspapers and magazines.

Mr. LANGER. Does the record not show that the handling of such matter cast the taxpapers between $68 million and $69 million?

Mr. JOHNSTON of South Carolina. I do not believe the record will show that kind of information. The figures on second-class mail used by the Post Office Department have not, in my opinion, been based on sound accounting principles.

Mr. LANGER. We have the situation, have we not, wherein Life magazine is treated preferentially, given red-tag treatment, and the Saturday Evening Post is not receiving such service because it has not applied for it. Is that true?

Mr. JOHNSTON of South Carolina. I am not here defending any particular magazine, but I will say Life magazine does a certain service which some of the other magazines do not. There is additional work involved on their part for the preferential treatment.

Mr. LANGER. I am not criticizing the Postmaster General for picking out a certain class of magazine, because there was no discrimination shown as between magazines favoring different political parties.

Mr. JOHNSTON of South Carolina. That is correct. Some magazines were chosen and others were not.

Mr. LANGER. The fact remains that the preferential treatment has cost the taxpayers between $68 million and $69 million.

Mr. JOHNSTON of South Carolina. As I said a while ago, some magazines are given preferential treatment. Some pay only about 50 percent of what other publishers have to pay, and some pay practically nothing for the preferential treatment. However, I do not think general purpose magazines should carry the burden of the cost of the magazines to which it was seen fit to give special treatment, any more than I think the payers of first-class mail service ought to carry the burdens of all other classes of mail.

Mr. LANGER. The Senator from North Dakota agrees fully with what the Senator from South Carolina has just said, the fact nevertheless remains that for the preferential treatment of 30, 40 or 50 magazines—whatever the number was that the Postmaster General furnished in his list—the taxpayers are paying a cost of $68 million or $69 million. Is that correct?

Mr. JOHNSTON of South Carolina. Not merely because of preferential treatment. Preferential treatment results in very little additional cost. The mere fact that preferential treatment is given does not necessarily mean that is the reason for all the cost, but such treatment does result in some additional cost, because the mail is being treated as first-class mail. Many people do not understand that second-class mail is handled after first-class mail goes out. If it were not for second-class and third-class mail, probably the employees in the post offices would have nothing to do after first-class and red tag mail had been sent out.

Mr. LANGER. Would the distinguished chairman have any objection to his assistant's getting the part of the record to which I have made reference, so that I might in the next day or two read it for the benefit of the Senate?

Mr. JOHNSTON of South Carolina. I have no objection. We want the RECORD to be accurate.

Mr. LANGER. It was my impression that the testimony of the Postmaster General himself showed that the taxpayers were suffering the loss I have stated.

Mr. JOHNSTON of South Carolina. Mr. President, most of the recommendations of the subcommittee, that spent so many months on this subject, were ignored by the full committee. The members of the full committee have their reasons for the way they voted, but the members of the subcommittee also had

very good reasons for their recommendations to the full committee.

As chairman of the full committee, and also chairman of the subcommittee, I feel that I must support the subcommittee recommendations, because those recommendations were arrived at after long sessions of hearings, debate, and consideration.

I do not at this time desire to go into arguments on the different classes. I shall offer amendments at the proper time to reduce certain rates in the proposal now before the Senate.

At this point I wish to make a plea for the one part of the bill that was left unchanged by the full committee.

The Senate committee report which accompanies H. R. 5836 spells out in elaborate detail the need and justification of a postal-rate policy. I believe this is the most important section of the postal rate bill, because it will lay the groundwork for fair consideration of all future rate increases to be proposed by the executive department and acted upon by the Congress.

I, for one, do not believe the Post Office Department should be performing service for various and sundry other agencies of the Government, and then charging that off to the business users of the mail or the private user either.

I believe we are often too quick in our condemnation of the Post Office Department because it does not fully recover its costs of operation. Compared with other Government departments and agencies, the Post Office Department does a magnificent job. The Post Office Department is the only major Government department which recovers 85 percent of its total cost. That is an excellent record considering all the free and special services provided by this Department in the interests of our national welfare.

Does any one complain that the United States Patent Office does not fully recover its costs? The last report I had was that it recovers about 50 percent. The Senator from North Dakota [Mr. LANGER] and I serve on the committee which has responsibility in that regard. Does any one complain that the Civil Aeronautics Administration, which maintains the airways of the Nation, recovers little or nothing from the airlines which utilize this system? Likewise, many other Government departments perform a variety of services which would have had to be abandoned long ago if the departments had been forced to collect fees from the public to match the costs of providing the services.

The alleged Post Office deficit in many respects is a phantom deficit because included in its loss figures are sums for many vital and important public services. The Post Office Department registers the 2½ million aliens, and reregisters them every time they change their addresses. The post offices store and distribute income tax forms by the millions for the Internal Revenue Service, help make surveys of vacancies for the Federal Housing Administration, and assists the Civil Service in spreading information about examinations for Government positions. Some post offices provide the only notary service in their communities. When a war veteran dies, 3 out of 4 families turn to the Post Office Department to file application for a flag for the funeral. Post offices receive and transmit funds for many volunteer charities, such as heart, cancer, and others.

The Post Office Department provides a great mass of free postal services, such as those provided for the blind. I have been advised that the postal employees carry as much as 20 million pounds of free mail for the blind. Among other free services is the delivery of newspapers in the county of publication—some 380 million copies last year. Also, there is free registered mail for Government agencies, free mail for the Pan American Union and Pan American Sanitary Bureau, and free mail for widows of former Presidents.

Publications issued by nonprofit fraternal, religious, and scientific groups are mailed at special low rates without relation to costs. In 1956 more than 1½ billion pieces of such nonprofit mail were handled. Also, special concessions were granted on about seven million books handled by the Post Office Department last year.

The Congress of the United States gave special rates to libraries. Should the Post Office Department carry on such activities? If such activities are to be carried on, should the Post Office costs be recovered from the other classes

In our detailed listing of public services rural free delivery is perhaps the most conspicuous. My colleague the Senator from Kansas [Mr. CARLSON], chairman of the Senate Post Office and Civil Service Committee, when the Republicans last controlled the Senate, once said:

> I do not see how anyone could justify RFD except as a service by the Government to its citizens.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. CARLSON. The chairman of the committee has discussed some of the free services of the Post Office Department. I think quite often our citizens do not realize how many free services are given by the Post Office Department.

Early this year I asked the Postmaster General to furnish me a list of services which the Post Office Department renders, and I should like to state a few of them for the RECORD. I also ask unanimous consent to have the entire letter printed in the RECORD, either at this point or following the Senator's speech, if he does not desire to have it interrupted.

For instance, the following are services of the type rendered without reimbursement:

First. The Armed Forces ask that relatives of deceased servicemen be located.

Second. The Housing Administration asks that former tenants be found.

Third. The Veterans' Administration asks that the Post Office deliver flags for veterans' funerals.

Fourth. The Agriculture Department requests that the Post Office personnel report on the sighting of doves. I do not know how many people realize the Post Office Department goes out hunting birds, but that is done.

Fifth. The Post Office Department answers inquiries from Selective Service.

Sixth. The Federal Bureau of Investigation enlists the aid of the Post Office Department on occasion in law enforcement.

Other activities include the sale of savings stamps for the Treasury Department. The Post Office Department is reimbursed by the Treasury Department for this service, on an established basis.

Another service is the sale of bird-hunting stamps for the Department of the Interior.

In addition, charitable organizations ask that money be received by postmasters for health funds, such as "polio" funds.

There is also the distribution of applicant forms for alien registrations.

The Post Office Department distributes income-tax blanks for the Treasury Department.

Widows and children are certified in January and July for continued pension benefits.

Mr. President, those are some of the items which should be included in the RECORD, in order that citizens may know how much free service the Post Office Department renders.

Mr. JOHNSTON of South Carolina. Mr. President, those are simply a few of the services rendered. One could go on and on.

For instance, considering the work for the FBI alone, every day the 38,000 post offices in the United States receive from the FBI pictures of criminals, with letters, and the personnel of the Post Office Department must read the letters to see what is requested. Sometimes it is necessary to place the pictures on the bulletin board. At other times they must watch for some person at the window, in an endeavor to catch the man if he appears there.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kansas that the information supplied by the Postmaster General be printed in the RECORD?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OFFICE OF THE POSTMASTER GENERAL,
Washington, D. C., January 3, 1958.

Hon. FRANK CARLSON,
United States Senate,
Washington, D. C.

DEAR SENATOR CARLSON: This is in reply to your letter of December 27, 1957, requesting information concerning certain nonpostal services performed by the Post Office Department for other Government agencies.

The following are services of this nature performed for other Government agencies without reimbursement:

1. The Armed Forces ask that relatives of deceased servicemen be located.

2. The Housing Administration asks that former tenants be found.

3. The Veterans' Administration asks that we deliver flags for veterans' funerals.

4. The Agriculture Department requests that we report on the sighting of doves.

5. We answer inquiries from Selective Service.

6. The Federal Bureau of Investigation enlists our aid on occasion in law enforcement.

In testimony before the House Committee on Post Office and Civil Service, 84th Congress, 2d session, during the hearings on H. R. 9228, the former Deputy Postmaster General, Mr. Maurice H. Stans, stated that none of the above items cost the Department as much as $25,000 a year. In all probability the cost of these services amounts—in the aggregate—to about $100,000 annually.

The article in the Reporter of Direct Mail Advertising to which you refer contains reference to other postal services which are not listed above. These services, with an explanation as to why they are no longer a financial burden on the Department, are listed below:

1. The sale of savings stamps for the Treasury Department.

The Department is reimbursed by the Treasury for this service.

2. The sale of bird hunting stamps for the Department of the Interior.

The Department is reimbursed by the Department of the Interior for this service.

3. Charitable organizations ask that money be received by postmasters for health funds, such as polio.

Postage at regular first-class rates is paid on these mailings. It is estimated that the savings from the bulk handling of this mail offset the slight cost of correspondence involved in making these arrangements.

4. The distribution of applicant forms for alien registrations.

The Department is reimbursed for the cost of this service by the Department of Justice.

5. We distribute income-tax blanks for the Treasury Department.

The Treasury Department pays for the distribution of tax blanks to taxpayers at regular rates of postage. A limited number of additional tax blanks is made available at post offices but the cost is insignificant.

6. Widows and children are certified in January and July for continued pension benefits.

This service is no longer required.

In addition, the Post Office Department sells documentary stamps for the Treasury Department and distributes information for the Civil Service Commission. Post Office expenditures to provide these services amounted in fiscal 1956 to $180,000 and $1,700,000, respectively. During the first session of the current Congress identical bills (S. 2128 and H. R. 7908) were introduced in the House and Senate which, if enacted, would provide reimbursement in the above amounts.

In summation, the nonpostal services performed by the Post Office Department for other Government agencies in fiscal 1956 amounted to a total of about $2 million of which approximately $1.9 million will be reimbursed to the Department if legislation now before the Congress is enacted during the present session of the Congress.

I hope I have answered your questions satisfactorily and send best wishes for a happy and prosperous New Year.

Sincerely yours,

ARTHUR E. SUMMERFIELD,
Postmaster General.

Mr. JOHNSTON of South Carolina. Mr. President many of our third- and fourth-class post offices exist simply as places where people come to pick up their mail. They do not take in enough revenue to equal the postmaster's salary. In 1956, these 28,000 offices had revenues of $58 million against expenditures for postmasters and clerks of $113 million. In the main, public service rather than profit or loss must be the postal yardstick in appraising these establishments.

As the report points out, the committee's findings of public services totaling 15 percent of post-office costs are based on studies by two advisory groups; that is, the advisory group appointed by me for the past 2 years and the advisory group appointed by the Senator from Kansas [Mr. CARLSON] when he was chairman of the committee.

Senators are familiar with the Carlson report issued by the Senate Post Office and Civil Service Committee in 1954. That report carried a study made by the accounting firm of Price Waterhouse & Co., which found that in 1952 the total value of measurable public services that the post office was giving away or selling below cost came to about $275 million. Last February a Citizen's Advisory Council, set up by a Senate resolution, reported to our committee that public service performed by the Post Office Department in 1955 cost approximately $392 million. Over and above this figure there were many items of public services that could be precisely measured but definitely existed.

Based on the findings of these two groups, the committee has recognized that a 15-percent public-service value in postal operations is reasonable and proper.

With the adoption of a basic postal policy I am sure the Congress will find the task of determining postal rates considerably simplified. The Post Office Department has stated in hearing that once a basic policy is adopted they can adjust their accounting system to produce the necessary results. I hope the Senate will give the basic postal policy carried in title I of H. R. 5836 its careful consideration. I am sure that the committee's findings set forth under this title should go a long way toward influencing your efforts to adopt a rational set of postal-rate increases.

Second-class rates have already been increased 30 percent since 1951 and third-class rates have been increased 50 percent since that date.

I make a plea for reason in the matter of setting rates, and hope that the results of the deliberations of the Senate will find consistency with postal policy. I commend title I and the report on this title to the careful consideration of Senators.

Mr. President, later in this discussion I shall offer amendments to make further adjustments in first-class, second-class, and third-class mail.

I do not believe the Post Office Department was ever designed to make a profit, yet the committee proposal would, when fully effective, show a profit of over $150 million annually for the Department.

After taking into consideration the public service aspects as outlined in the policy statement, the profit would be more than $600 million annually.

I desire at this time to place in the RECORD a list of States and cities showing, for several, the postal bills. Increase these by 60 percent and we can readily see the impact of this bill on State and local governments. Where will the States and cities get the additional revenues needed to meet this cost? From taxes, of course. I want Senators to realize the impact of this bill before voting to accept or reject its provisions.

I hold in my hand reports which I have received from the governors of various States; also reports from mayors of various cities in the United States showing how the bill would affect the cost of postal service. It might be useful to read a list of some of the cities.

Let us go first to California. Los Angeles, Calif., spends $306,342 annually for total postage. That sum would be increased by 60 percent. Of that sum, $270,287 is spent for first-class mail alone.

Chicago, Ill., spends $320,000 annually for total postage; of that sum it spends $266,000 for first-class mail.

These amounts will be increased by 60 percent. It is stated by some that the increase can be passed on to business. In many instances the increase absorbed by business can be deducted from income-tax returns to the extent of 52 percent.

Baltimore, Md., spends $183,000 annually in total postage; for first-class, $164,700. All these amounts will be increased by 60 percent under the terms of the bill.

Boston, Mass., spends $143,318.36 in total postage. Of that sum, $136,152.44 is spent for first-class mail.

Newark, N. J., spends $84,535 annually in total postage; for first-class, $73,381.50.

As I read these figures, the question comes to my mind, How will the increase be paid? The answer is, by taxes in the particular States. The cities and States will have to have the money to buy the stamps, or cut down on the stamps they buy.

California spent for stamps $1,926,500; that is, the State alone, and I am not speaking of the people in the State, but only of the State government. Of that, $1,290,755 was for first-class mail. Again I say, it will mean a 60-percent increase in the figures I have read, if the bill is passed.

Arizona: I wish the senior Senator from Arizona [Mr. HAYDEN] were in the Chamber so that he could hear about Arizona. The figure is $259,952.89.

People forget that so much money is spent for stamps. The amount is $2.5 billion, approximately.

Let us take Kansas. The amount spent is $616,000. The figure in Kansas will be increased by 60 percent.

Let us consider South Carolina, my own State. Three hundred and twenty-five thousand dollars is spent for stamps annually in my State. That amount will be increased 60 percent if the bill is passed.

Virginia: The figure is $500,000, or half a million dollars.

It is not always only the taxpayers who are going to be charged directly with the increase in the amount to be spent for postage, but also the governments—State, city, and county. Of course, I have said nothing yet about counties.

I wish also to refer to the State of Oregon. Oregon spends $590,000 for stamps. That will be increased by 60

percent if the pending bill goes into effect.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. CARLSON. I wonder whether the distinguished Senator will total the figures, to see if they equal the $600 million which the taxpayers, rather than the State and local governments, are putting up through income tax and other taxes in order to take care of this amount.

Mr. JOHNSTON of South Carolina. That is the question that came up in our hearings, when the committee considered the subject. Those matters are covered in hearings, so that the people can discover what the States and counties and cities are paying. Taxes will have to be levied to pay the expense.

Some people will be put out of business, particularly some of the businesses that are now operating on a small margin. There was a fear that we would go too far particularly with respect to second- and third-class mail. The committee was warned many times that exorbitant increases would force many businesses to the wall. I do not know how many will have to close up. I do know we should be very careful at a time when the Federal Government and both political parties are crying out for relief for the unemployed and are saying, "We are going to cut taxes," to solve the present unemployment.

I say that the various cities and States will have to increase their taxes to make up a part of the amount which will have to be spent for postage. At the same time a great many businesses which are now having difficulty will be squeezed entirely out of existence.

That is one reason why I have fought some of the proposals which have been made. I believe we should increase the rates. I think certainly we ought to increase the first-class rate to 4 cents, which would bring in more than $380 million, and we should make other increases. However, I believe that in some instances we have gone a little too far, particularly in connection with second- and third-class mail.

I believe the Senator from Kansas [Mr. CARLSON] will agree with me about a great many of these things. We held hearings day in and day out. The Senator from Kansas attended a great many of those hearings, whereas other Members who are attempting to write this bill did not attend more than 1 or 2 of the hearings, although we had about 30 or 40 hearings in all.

Mr. President, I ask unanimous consent to have printed in the RECORD the reports I am receiving from the various States. All of them have not yet been received from the cities. I should like to have them all printed in the RECORD.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. CARLSON. Mr. President, I shall not let this opportunity pass without complimenting the chairman of the committee. This has been a long and tedious road of hard work, and the chairman has been very generous and very kind. He heard witnesses for months, and has spent years studying this problem. While he and I do not always agree on every item, we do agree on general principles. The chairman has made to the Senate today, for the first time, a very outstanding policy statement on postal legislation. I commend it to the Members of the Senate. It may be that the policy will be revised before we get through, but it is basic and it is sound and one that we will be looking back to for years to come.

I wish to compliment the chairman of the committee. I know the country will benefit from the bill which has been reported.

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent that Mr. Edwin A. Riley, Director of the Postal Services Division, Bureau of Operations of the Post Office Department, be permitted to sit on the floor. A great many questions will be asked, I am sure, on the subject under discussion, and we should like to have the benefit of his knowledge.

The PRESIDING OFFICER. Is there objection?

Mr. CARLSON. Mr. President, reserving the right to object—and I shall certainly not object—if it should develop that the minority should wish to have someone sit on the floor also, I sincerely hope the chairman will agree that we may have that permission.

Mr. JOHNSTON of South Carolina. I shall be very glad to accede to any such request. As Senators know, Mr. Riley is thoroughly informed on the subject under discussion, and I believe it would be helpful to have him on the floor.

Mr. CARLSON. This is a subject matter on which we need all the help we can get.

Mr. JOHNSTON of South Carolina. There can be no question about that.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LANGER. Mr. President, I also wish to compliment the distinguished Senator from South Carolina. He has devoted many, many hours and weeks and months of work, not only to the postal increase bill, but to the pay bill also. As the former chairman of the committee, I know the hundred and one details which arise in connection with bills of this kind, when they are considered in committee, because it is the same kind of bill that was considered when I was chairman of the committee. I know that the distinguished Senator from South Carolina was bothered even on Saturdays and Sundays by men from all parts of the United States taking his time in an effort to show him what the increase in the postal rates on second- and third- and fourth-class would mean to their particular businesses. It is a long, tedious process. I do not know of any committee in the Senate whose chairman does more work and gets less credit than the chairman of the Committee on Post Office and Civil Service. The Senator from South Carolina will agree with me that there is never any opportunity for headlines in connection with that work, unless it is criticism. There is no glory in the work. It represents a terrific amount of hard work. I wish publicly to testify to the fact that the distinguished Senator from South Carolina, who is a Democrat—and I am a Republican—has done an outstanding job as chairman of the committee.

Mr. JOHNSTON of South Carolina. Mr. President, I appreciate what the Senator from North Dakota has said. He is a very faithful member of the committee. At one time he was the chairman, and for many years he was the ranking Republican member of the committee. I can always depend upon him.

The present ranking Republican member of the committee [Mr. CARLSON], who also was at one time the chairman of the committee, disagrees with me about a few matters. For example, as to the rate for first-class mail. I do not think the increase for first-class mail should be to 5 cents. He thinks it should be, in order to enable the Post Office Department to carry forward its modernization program. I do not think so. I think the modernization program can be carried out without a 5-cent rate.

The retirement fund, which receives $150 million every year, is now being used by the Government. I think the Post Office Department should be allowed to borrow some of that money, and that a 5-cent first-class postage rate should not be imposed upon the taxpayers at this time, when it is necessary to provide relief wherever possible.

It used to be said that prosperity was just around the corner. Now it is said that it will be along in June or July, which is simply another way of saying the same thing.

But in order to bring about prosperity, the Government has acknowledged that it must do something. There is talk now about a tax reduction, even though the budget is not balanced. The Democrats are talking about a reduction in taxes, as are the Republicans also. Why is there such a suggestion? The object is to prime the old pump, and to put people throughout the United States back to work again.

We who are members of the Committee on Post Office and Civil Service had better watch out. The Post Office does business with a great many small enterprises throughout the United States. Instead of imposing additional financial burdens in the form of increased postage rates, we should consider how far we should go. I realize that there must be some increase, but how much of an increase there should be is a question which all of us must decide now.

Mr. CARLSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CARLSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NEUBERGER. Mr. President, it is not easy to vote an increase in postal rates, particularly in the rate for first-class mail. The easy thing is to tolerate ever-mounting deficits in the Post Office budget—deficits which must be paid by the general run of taxpayers, but which nevertheless are less subject to direct political criticism than is the raising of first-class postal rates.

I am a member of the Senate Subcommittee on Postal Rates, so I have had to face up to this question earlier than have most of my colleagues. My entire experience with this problem leads me to believe that perhaps postal rates should not be set, in the first instance, by a political body like Congress, but that this should be initially an administrative function subject to Congressional review and potential disapproval. Rates might be fixed, after notice, hearings, and perhaps some appellate review, by the Post Office Department in accordance with broad Congressional criteria of service and cost distribution. Then such rates could be sent to Congress and become effective after a certain period of time, unless disapproved, on the precedent of the system which has been used with respect to governmental reorganization plans submitted by the executive.

I have asked the Postmaster General, who has fought so strenuously for rate increases before our committee, whether he would favor this sort of ratemaking procedure, and if so, to send me legislation incorporating his recommendations.

I ask unanimous consent, Mr. President, to have my letter to the Postmaster General printed in the RECORD at the end of my remarks.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

(See exhibit A.)

Mr. NEUBERGER. Mr. President, programs similar to this are used in most nations, such as Great Britain and Canada, so that in accordance with general, overall policies, postage rates can be determined by audits and cost accounting, rather than by political pressures.

Postage stamps are not the only thing sold by our Government. The Government also sells national forest timber stumpage, it sells waterpower through the Bonneville system and the TVA; it sells transportation on the Alaska Railroad, it sells innumerable documents and maps and books. Congress does not fix these charges. They are set by certain rigid standards which involve professional appraisals, the collection of amortization costs, or other fiscal yardsticks. Why should not postal rates be subject to similar professional and technical standards?

Mr. President, the purpose of Senate hearings is to bring facts and information before the Members of this body. I entered our recent hearings strongly opposed to any substantial increase in postal rates, particularly in the first-class rate. Yet I think hearings will be of scant benefit unless we are susceptible to evidence which will change our minds. I changed my mind on this issue, because the evidence demonstrated to me that my original premises had been wrong.

NEEDED PAY RAISES WILL ADD TO POSTAL DEFICIT

Certain basic facts are incontrovertible. The post office deficit is now running at a rate of approximately $700 million a year. In addition, there is on the Senate calendar my own bill—the bill introduced by the chairman of the Committee on Post Office and Civil Service, which I cosponsored and which was reported out by the subcommittee of which I am chairman—to raise the salaries of post office employees, who are trying to meet inflated living costs with pay that is shamefully and woefully inadequate. I believe that enactment of this bill is merited. A majority of Senators supported this bill last summer, before the President of the United States vetoed it. I have every faith they will support it again. The cost of the bill is about $270 million.

In other words, the existing post office deficit, plus the thoroughly merited pay increase for postal employees, will soon result in a total post office deficit of about $1 billion annually, unless postage rates are increased. This is not a theory; it is a condition.

Thus, the basic question facing the Senate is comparatively simple: Shall the potential deficit of $1 billion be closed by increasing rates to users of the mail service; or shall it be carried by the taxpayers of the United States, when they pay their income taxes and other Federal levies?

A postal deficit of $1 billion a year, to be sustained through general revenues of Government, means $1 billion less available each year to be spent on Federal aid to school construction throughout the Nation, or on harbor dredging along the Oregon seacoast, on public works along the Columbia River, on the National Cancer Institute and its urgent research projects, on missiles and nuclear weapons for our defense, or on the conservation of fish, timber, and wildlife. Or it means $1 billion a year more in taxes, or else another $1 billion annual addition to the national debt. Those are the choices facing us. I am not aware of any others, if we do not wish to increase postal rates. Certain it is that, if service is to be maintained and if American post office workers are to receive a living wage from the richest Government in the world, the Post Office Department will soon be spending $1 billion more each year than it takes in from postal revenues.

DEFICIT HAS BEEN $5 BILLION IN PAST DECADE

As the distinguished President pro tempore, the chairman of our Committee on Appropriations, Senator CARL HAYDEN, has recently pointed out to me, the Post Office deficit for during the past decade has added up to about $5 billion. Actually, for the postwar period, fiscal 1956 to fiscal 1957, the total Post Office deficit stands at $5,417,000,000. This represents what the taxpayers have paid for the Post Office, over and above what postal revenues have been collected by it. If that deficit had not been incurred, Congress might have devoted $5.4 billion to expenditures on health and education, national security, and public works of the types I have already enumerated. It might have reduced taxes, during those years, in an amount totaling $5.4 billion; or it might have saved $5.4 billion of our present national debt—which we have just again voted permission to increase—and with it, saved the taxpayers the annual interest charges on that part of the national debt attributable to our accumulated postal deficits.

Mr. President, the annual reports of the Post Office Department show that, for the fiscal years 1946–57, of which I speak, the interest burden of the taxpayers attributable to the cumulative postal deficits of those years alone, adds up to $658 million. Just in interest on the deficit of the postwar years, without touching the $5.4 billion principal itself, the taxpayers have paid out $658 million. To choose an illustration which will be particularly meaningful, in my part of the country, that is just about enough money to have built two Hells Canyon dams. That much in interest alone might have been saved, if Congress had chosen to limit the deficit rather than spend the money on something else or reduce taxes.

But actually none of these rather happy choices was available to the American public and their representatives in Government. Instead, $5 billion was collected from the taxpayers of the Nation to pay for postal deficits. That is now past history. But what shall be our policy for the future, when even far larger deficits loom?

Shall low postage rates be subsidized by all the taxpayers, or shall users of the mails pay a greater percentage of the cost of service than they have been carrying?

ALL RATE CLASSES MUST SHARE INCREASED COSTS

Confronted with the deficit figures, even most opponents of rate increases are prepared to admit that something needs to be done to begin closing the ever-widening gap between mail costs and mail revenues. But, as in any issue of this kind, the other fellow is always the one who should pay more. The question is how the increases are to be distributed among different classes of mail users.

Mr. President, I think we would not expect the mail users themselves to agree on that question. As to the pending bill, it is fair to say that the Committee on Post Office and Civil Service has sought to provide, in its fallible judgment, the least objectionable distribution of a disagreeable burden. I doubt that we have made any class of mail users particularly happy. Perhaps additional adjustments and amendments in the bill are justified. But anyone who wishes to attack the major, substantial outlines of the way the increases were distributed—rather than just being against increases altogether—must demonstrate concretely some better way of raising an equal amount of additional revenues from post-office operations.

Immediate protest has, of course, been concentrated on the increased rates for first-class mail—specifically, the increase

of letter rates to 4 cents for local mail and 5 cents out of town. Before the committee hearings or report were even published, this increase already found vociferous critics—including, I regret to say, one of my closest Democratic colleagues—who has called it a brazen imposition and similar undesirable things.

In fact, the attacks on the increase in the first-class rate have almost obscured the fact that second- and third-class rates have been equally included in the rate bill. Perhaps this is not surprising, since first-class mail is the mail used by individuals. The letter stamps, including the airmail stamp, are the stamps with which individuals are most familiar. It is, therefore, this particular increase which will be singled out for public attention, and which may be expected to be controversial and unpopular. Furthermore, besides the fact that actually second- and third-class rates are also being raised, and also over the objections of those particular classes of users, we should not lose sight of the fact that the great bulk of first-class mail is business mail, just as much as is second and third class.

In each class of mail, the protesting users are persons who in their business routine rely on postal services to such an extent that their business costs will be materially increased by increased rates. Some of these use second-class, some third-, many first-class mail. No one wants his costs increased, even though some rise in postal rates is, in the light of the growing deficit, inevitable. I believe, and the majority of the committee so voted, that the increase could not be concentrated within any single class, and that no class should bear a disproportionate increase in the rates applicable to that particular class.

Yet, instead of looking at the relative percentage increase made in the different classes, the argument is stressed that first-class mail is virtually paying its way; therefore it should not be raised, and all the needed increase should be put into those that do not, notably second class.

RATES CANNOT EXACTLY REFLECT COSTS OF SPECIFIC SERVICE

This argument is refuted both by logic and by history. Logically, insistence on rates based on cost of different classes of service is subject to the reductio ad absurdum. Does it reflect cost to have a 3-cent stamp for the social note to your neighbor around the corner and the same 3-cent stamp for a letter from Boston, Mass., to Pendleton, Oreg.? It is a simple hop by plane from Washington to Chicago, but mail must be handled many times between, say, Atlanta and Boise—yet do both letters not carry the same 6 cents postage, under present rates?

Assuming first class and airmail as a whole now pay their way, so far as the cost-ascertainment formula is valid, does that mean the person who buys any particular 3-cent stamp is paying for the cost of delivering his particular letter? Of course not. Depending on where he lives, the destination of the letter, the season of the year, a dozen other factors, he may be getting a bargain, or he may be subsidizing some other user of the mails. Yet if we tried to apply the principle that every mail user should pay only the costs of the service he requires, we would ensnarl both rates and service in a redtape of cost accounting and rate schedules that would certainly accomplish what could not be done by rain, nor snow, nor dark of night.

All of us realize it is cheaper to deliver letters between crowded New York metropolitan areas than along remote rural routes outside of Enterprise, Oreg., or Lewiston, Idaho. Yet not one of us would destroy the uniform mailing-rate privileges for people in farflung countryside areas, because that could endanger the whole valuable system which we know as rural free delivery.

I emphasize the fallacy which it seems to me is bound up in the contention that each class of mail should carry its own weight. This argument has been used by those who attack 5-cent postage for first-class mail. It is just as logical, it seems to me, to say that every letter should carry its own weight. That would mean, of course, that a letter sent from Portland, Oreg., to New York City would require a far higher rate of postage than a letter sent from Washington, D. C., a few miles to Annapolis, Md. We might just as validly claim that all mail should be self-supporting within a certain State, within the State of Idaho or the State of Nebraska, or that all mail should be regionally self-supporting within a certain geographical area. If we try to cite such alternatives as that, we see very soon how really absurd is the suggestion that we should try to separate each class of mail from every other class in making rates conform to costs.

Obviously, therefore, we have used simple and uniform rates for first-class and airmail, irrespective of costs of service to different users within those categories; and no one to my knowledge has protested bitterly because his valentine note to the girl next door has cost as much to mail as his father's insurance bill, which came all the way from Omaha.

What has been true within first class has historically also been the case as between the different classes. When rate increases are up for debate, some people suddenly discover something sacrosanct in the principle that no class should pay more than the costs allocated to it by the Department's cost ascertainment formulas. Strange, that so little protest has been raised about the 3-cent stamp during the past quarter of a century.

For I am informed by statistical experts of the Post Office Department that first-class mail, all through our history has carried more than its share of the cost. This has been done, I am told, because the entire routine and pattern of Post Office operations are geared to the immediate and expeditious handling of first-class mail.

FIRST-CLASS MAIL HAS ALWAYS PAID MORE THAN ITS COSTS

Let us look at some facts.

In every major postal system in the civilized world, first-class mail traditionally yields more revenue than is spent in its direct handling and delivery.

Historically, in our own Nation, Congress has maintained this policy. It has not been challenged or disputed to any degree, by either the Democratic or Republican Party. In the years 1926 through 1941, first-class mail paid an average of 140.5 percent of its direct costs. This revenue from first-class mail has contributed 50 percent or more to the Department's operating costs. In 1945 the ratio of revenues to expenditures for first-class mail was 164.7 percent.

Since then, because of rising costs, the ratio has steadily declined. In 1956, the year-end expense coverage of first-class mail was down to 96.8 percent, which is about 35 percent of total departmental operating costs.

If we pass the pending bill, the bill which I support, to provide for a 5-cent out-of-town rate and a 4-cent rate for local mail delivery, the first-class expense-coverage ratio will be about 138.8 percent. I stress that this figure will be less than the 140.5 percent average during the years 1926 through 1941, but it will be more nearly in line with the historic precedent which has guided the Nation's post office system.

Thus history offers as little support as does logic for the claim that first-class mail should not pay more than its own way. It also contradicts such emotional appeals as the claim that such a policy toward first-class rates imposes an unjust burden on mothers who write their sons in far-away military posts. The year 1942, for instance, was marked by many millions of young Americans in distant military outposts in America and overseas. I, myself, was then stationed in Alaska. In that year, the first-class letters sent to these young men by their relatives had to bear 156.6 percent of the costs attributable to first-class mail. In 1945, when far more millions of Americans were overseas, first-class mail rates brought in 164.7 percent of costs. Yet I do not recall in those years any vehement attacks on the 3-cent stamp, on the ground that its excess revenues over first-class costs represented a sinister tax on mothers and wives writing to servicemen. The Presidents in the White House in 1942 and 1945 were Franklin D. Roosevelt and Harry Truman, respectively. The Postmasters General were their appointees. Did critics of the present bill then, or do they now, pretend to claim that Presidents Roosevelt and Truman were plotting with publishers and other second- and third-class users against the so-called little fellow, and against the families of servicemen because the 3-cent stamp was paying from 156 to 164 percent of first-class costs in those years?

Mr. President, because I have mentioned the great Democratic Presidents of the United States, Franklin D. Roosevelt and Harry S Truman, I should like to read a telegram which I received only today from a famous former Postmaster General of the United States. This is the telegram:

I strongly endorse the action of the Senate Post Office and Civil Service Committee in proposing increases of postal rates to 5

cents for out-of-town letters and 4 cents for local letters. The badly needed added revenues produced by this action paid for almost entirely by the large business users of the mails will enable the Post Office Department to use $175 million a year as its share of a $2 billion program to build new post offices and modernize present ones. These added revenues will also put the Post Office Department on a more nearly self-supporting basis in accordance with the best American traditions. This nonpartisan program deserves the support of the entire Congress. You may release my message to the press if you think it will prove helpful.

That telegram is signed "James A. Farley."

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. NEUBERGER. I yield.

Mr. CARLSON. Do I correctly understand the distinguished Senator from Oregon has received a telegram from former Postmaster General James A. Farley advocating that the bill pending before the Senate at the present time, as reported by the committee, be approved and passed, in order to modernize and improve our postal operations?

Mr. NEUBERGER. The able Senator from Kansas is absolutely correct.

If I am not mistaken, James A. Farley served as Postmaster General of the United States longer than anybody else in modern times, if, indeed, not longer than anybody else in the history of the postal service.

Mr. CARLSON. Mr. President, will the Senator yield further?

Mr. NEUBERGER. I yield.

Mr. CARLSON. I should like to state it was my privilege to serve in the House of Representatives during the time the Honorable James A. Farley was Postmaster General. I had the privilege of knowing him at that time. Mr. Farley not only was a great Postmaster General, but he was a great American and a truly patriotic citizen.

Mr. NEUBERGER. I thank the Senator from Kansas. I cannot say that I shared with the Senator the opportunity of being in the Congress when Mr. Farley headed the Post Office Department. However, I have had the opportunity of meeting Mr. Farley on many occasions and talking with him. It seems to me that Mr. Farley's very forthright telegram should serve in some degree as a reply to the criticism voiced by former President Truman on Saturday night, when he assailed the proposal for a 5-cent letter rate.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. NEUBERGER. I yield.

Mr. JOHNSTON of South Carolina. Is it not also true that the increase from a 2-cent rate to a 3-cent rate for first-class mail came about in 1932?

Mr. NEUBERGER. The Senator is correct.

Mr. JOHNSTON of South Carolina. Mr. Farley did not assume his duties as Postmaster General until the Democrats took over in 1933. Is that not correct?

Mr. NEUBERGER. That is correct.

Mr. JOHNSTON of South Carolina. At that time, under the 3-cent rate, first-class mail was paying far more than its share of the cost of operation; but Mr. Farley had to go along with what was the condition at that time, did he not?

Mr. NEUBERGER. All during Postmaster General Farley's regime in the Post Office Department the first-class-mail users were paying a far higher proportion of the total cost of operating the Post Office Department than they would be called upon to sustain if the Senate and the House of Representatives adopt the 5-cent first-class rate which is presently under consideration by the Senate.

Mr. JOHNSTON of South Carolina. Is it correct to state that no change in the first-class rate was made during Mr. Farley's administration?

Mr. NEUBERGER. The Senator is quite correct. The first-class rate was not increased while Postmaster General Farley was in the Post Office Department, because under the standards of prices, costs, and wages at that time the first-class mail was bearing far more than its pro rata share of the cost of operation of the Department. There was no need to increase the rate.

I cited earlier figures. For example, in the years 1926 through 1941—which includes, if I am not mistaken, 8 years when Mr. Farley was Postmaster General—the first-class mail paid an average of 140.5 percent of its direct cost. Even if we adopt the 5-cent first-class stamp, which is presently under consideration, we will have a first-class expense coverage ratio of only about 138.8 percent, and thus even with a 5-cent first-class stamp the first-class mail will bear a smaller proportion of the total cost of the Department than it bore when Postmaster General Farley was administering the Department.

Mr. GORE. Mr. President, will the Senator yield?

Mr. NEUBERGER. I am happy to yield to the Senator from Tennessee.

Mr. GORE. What change has there been in the volume of the respective classes of mail?

Mr. NEUBERGER. I cannot tell the distinguished Senator from Tennessee the exact changes in volume. Of course, all mail in every single category has increased enormously in volume, as the country has become more prosperous and as the mail service has become more popular.

Mr. GORE. Would the percentage share of the revenue provided by each particular classification of mail not have more meaning if we had the facts on the percentage increase in the volume of each class of mail?

Mr. NEUBERGER. I fail to follow the reasoning of the distinguished Senator as to how that information would have much bearing on the percentage of the total cost of the operations of the Department which the first-class mail might reasonably bear. What I feel should be considered by the Senate is the relationship of first-class mail to the total operations of the Department.

It is my understanding, from discussions with the career employees of the Post Office Department, that virtually during the entire history of this country first-class mail has borne far more than its actual pro rata share, under the cost-ascertainment system of the Department. We have been in a period now for a quarter of a century when there has been no increase in the first-class mail rate. During that interval, as the distinguished Senator from Tennessee well knows, the cost of everything purchased by the Department has risen. That includes the cost of trucks, gasoline, electric lights, telephones, buildings, stationery, printing, and every possible commodity the Department purchases.

Gradually the historic proportion carried by the first-class mail has dwindled. As I pointed out a few moments ago, in 1956, the year-end expense coverage of first-class mail was down to 96.8 percent, and that contrasts with the fact that between 1926 and 1941 first-class mail paid an average of 140.5 percent, and in 1945, for example, the ratio of revenues to expenditures for first-class mail was 164.7 percent.

Mr. GORE. Mr. President, will the Senator yield?

Mr. NEUBERGER. I am happy to yield.

Mr. GORE. A postmaster recently told me that in his opinion an undue proportion of the time of the employees in his post office was consumed in handling so-called junk mail. Is it the view of the able junior Senator from Oregon that the pending bill provides sufficiently equitable and fair increases in postal rates for so-called junk mail? I know that is a term which is not very pleasing to any particular category of users of mail service, but that is the term which the postmasters use, and that is the term I use when I drop most of it in the waste basket.

Mr. NEUBERGER. Let me say to my warm friend and seatmate from Tennessee that the protests which I have been receiving from the organizations which mail third-class matter, which is the so-called junk mail, indicate that they think the bill before the Senate loads on them very heavy additional rates.

Let us see what the bill would do. The present piece rate for the so-called circular mail, which prevails with respect to most of this mail, is 1½ cents. The bill which we are debating, and on which we shall soon vote, would increase that rate to 2 cents the first year, and to 2½ cents the second year and thereafter. I think the Senator will agree that that is quite a substantial increase, in view of the fact that the third-class mail users have borne quite heavy increases, dating back to 6 or 7 years ago, if I am not mistaken. By contrast, first-class mail rates have not been increased for more than a quarter of a century.

Mr. GORE. Is it the Senator's view that if the Congress were to increase the rate even more steeply, there would result a more expeditious handling of first-class mail?

Mr. NEUBERGER. The Post Office Department requires a considerable amount of second-class and third-class mail to have an integrated operation. Let me explain what I mean.

I came new to the committee and to the Senate, and I tried to familiarize myself with the operations of the Post Of-

fice Department, which is a very complex Department. This is what I learned from the very able officials of the Post Office Department:

The standard schedule and routine of each post office are geared to first-class mail. First-class mail receives priority in handling, delivery, and all its processes. However, there are slack periods in every post office when the first-class mail has been sorted, routed, and delivered.

Unless there were substantial amounts of second-class mail, consisting mainly of newspapers and magazines, and third-class mail, consisting mainly of circulars, there would be very little to do for the substantial crew in each post office. I believe that this bill provides substantial increases for users of second-class and third-class mail.

Let me explain to the Senator from Tennessee what happened. When the bill came before the committee originally, very substantial additional increases beyond the original proposals in the bill were voted for second-class and third-class users. The able Senator from Kansas [Mr. CARLSON], the ranking Republican member of the committee, is present in the Chamber. I think he will agree with me that the committee went far beyond the bill before it at the time we met, in providing higher mail rates for second-class and third-class users. I honestly believe that those classes should not at this time receive a higher increase than they are called upon by the proposed bill to bear. If we went too far, there might possibly even be a net loss in revenue.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. NEUBERGER. I yield.

Mr. CARLSON. The Senator from Tennessee has raised a point which will be the subject of much discussion before we conclude action upon the pending legislation. I receive many letters complaining about third-class mail, which people say they do not wish to receive.

Mr. GORE. Do they also describe it as "junk" mail?

Mr. CARLSON. I did not intend to use that term, because that is an unfortunate name for it.

Mr. GORE. It may be unfortunate, but it is the term which millions of people use in describing it.

Mr. CARLSON. Third-class mail brings $200 million in revenue to the Post Office Department.

Mr. GORE. And probably costs $400 million in extra clerks.

Mr. CARLSON. No; it does not. It is my opinion that if we were to eliminate it—and I would be opposed to eliminating it—the number of personnel would be reduced only very slightly. I do not believe we would substantially reduce the number of personnel. We must handle first-class and second-class mail. First-class mail receives preferential treatment. Second-class mail comes next; and third-class mail is handled during slack periods in the office. I think the elimination of third-class mail would involve a distinct loss to the Department.

There is discussion with respect to increasing rates. I believe that we should be very careful about the rate on third-class mail. It is the business builder of the Nation in the Senator's State as well as in my State. If a man starts selling smoked hams, for example, he cannot pay $30,000 for a full-page advertisement in Life, Look, or some other magazine. However, he can buy a few stamps and send out some circulars. The third-class mail service has been the business builder of the Nation. It has been building small business for years. I sincerely hope that the Senate will give serious consideration to that factor.

Mr. NEUBERGER. Is it not true that the third-class mail users, through their organizations and acting individually in various States which we help to represent, have protested to us vigorously, vehemently, and persistently, against the increase proposed in the pending bill?

Mr. CARLSON. I think we conducted some very good hearings on the third-class mail rate, and that we reported too high a rate. I believe that those who are protesting are making a very good case and I sincerely hope that no one will suggest increases.

Mr. NEUBERGER. I thank the Senator from Kansas.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. NEUBERGER. I yield.

Mr. JOHNSTON of South Carolina. In 1951 our committee—and at that time the Senator from Rhode Island [Mr. PASTORE] and the Senator from Louisiana [Mr. LONG] were members of the committee—recommended an increase in this rate from 1 cent to 1½ cents. At the present time the rate is 1½ cents. The subcommittee had before it a proposal to increase the rate to 2 cents. We thought that was sufficient. If it were increased from 1½ cents to 2½ cents, we found that that service would overpay its way by approximately $25 million.

We must bear in mind that many people advocate the elimination of third-class mail. However, like the Senator from Kansas, after listening to the various witnesses, I became convinced that that service means a great deal to business throughout the Nation. It is estimated that between $12 billion and $15 billion of business is done through third-class mail. It is a stimulant to business. It is used by small businesses which cannot afford to buy a full-page advertisement from the newspapers, or half a page, or even a quarter of a page.

We must bear in mind that there is no preferential treatment whatsoever in connection with third-class mail. First-class and second-class mail must be handled first. Then, and not until then, third-class mail is handled.

It was also brought out in the subcommittee hearings that the Post Office Department officials doubted whether they could lay off any employees or save any money if third-class mail were eliminated, because it was only a fill-in, to use the post office facilities during slack periods. I hope Senators will realize that factor in dealing with third-class mail.

Mr. NEUBERGER. I thank the distinguished chairman of the committee for his observation. I think we should bear in mind that the proposed increase in third-class mail rates would just about preserve the existing ratio in cost as between third-class mail and first-class mail.

Today the prevailing rate for third-class is a cent and a half apiece, and that for first class is 3 cents apiece. If the pending bill is enacted in its present form, after a period of approximately a year and a half or 2 years has elapsed, third-class mail will be costing 2½ cents apiece and first class for out-of-town delivery will be costing 5 cents apiece; therefore, the same 2-to-1 ratio in cost will prevail.

COST ALLOCATION CANNOT DETERMINE RATES

Mr. President, if we thus recognize that costs alone have not and cannot be the measure of fairness of postal rate changes, we must consider whether there are other compelling reasons why first-class rates should not be raised, and other classes should bear the entire burden.

Let us be very clear that this bill contains substantial rate increases for newspapers and magazines which send their publications through the mails. It contains substantial rate increases for firms which use third-class mailing permits to advertise via the postal service.

These are the firms which have been described by the distinguished chairman of the Committee on Post Office and Civil Service.

Many small periodicals and many small businesses contend that these increases will be a heavy burden on them. It is up to those who make the charge that the new first-class rate is an advertisers' plot, to tell us just what further increases they propose in these second-class and third-class rates, if any.

EVERY FAMILY HAS STAKE IN ALL CLASSES OF MAIL

Who would claim that he is able to determine the ultimate economic impact of any specific postal rate structure on any American family, any particular group, or even on himself? Take second-class rates, for example. Many families subscribe to magazines. Is the delivery of these magazines by the postman a service to these subscribers, or to the publishers and advertisers? Obviously, the answer is, to both. Who can trace how a shift in rates will be distributed and find its way back eventually, in some cases in the form of increased subscription rates, in other cases in increased costs of the advertised goods the family buys?

The same family sends first-class letters. It receives second- and third-class mail. And it pays Federal taxes—its own income taxes and, to an indeterminable extent, corporate income taxes passed on in the form of higher prices. When we shift a part of the present excessive postal deficit from the taxpayers to the postal users, who will pretend to predict the ultimate total impact on a supposed "typical" American family, which must be wholly mythical, anyway?

Mr. CLARK. Mr. President, will the Senator yield?

Mr. NEUBERGER. I yield.

Mr. CLARK. The Senator will recall that for a part of the last session I was a member of the Committee on Post Office and Civil Service, and resigned for reasons with which the Senator from Oregon is familiar. At about the middle of the hearings I was very much concerned about the problem of second-class mail, particularly the large national magazines, some of them weighing a great deal and containing enormous amounts of advertising material which was very profitable to the publishers. Those magazines were carried for what appeared to be pretty much of a free ride so far as the postal rates were concerned.

I wonder whether the Senator could enlighten me as to why, for example, the Rhodes amendment, which was in the House bill, was dropped, and whether—and this is somewhat an allied question—the proposed increases of 20 percent a year for 3 years on second-class mail rates, so far as advertising is concerned, will maintain the present differential between first-class rates, if the Senator's view prevails, and the second-class rates; or whether, in effect, the first-class rate is getting a heavier boost if we go to 5 cents than the national magazine rates are getting in the second-class category.

Mr. NEUBERGER. To begin with, the distinguished Senator from Pennsylvania, who was such an able member of the Committee on Post Office and Civil Service, must remember that in 1951, if I am not mistaken, second-class periodicals had to bear a substantal increase. The proposed increase amounts to a second substantial increase they will have received in relatively recent years. First class, by comparison, has remained absolutely static as to rates for one year more than a quarter of a century.

Mr. CLARK. If I may ask the Senator to yield briefly once more, was there not good reason for that, because on any kind of cost accounting basis first-class mail was yielding a profit and second-class mail was running a deficit, and therefore the increase in 1951 would seem to be justified on that ground?

Mr. NEUBERGER. It seems to me that we have recommended increases which are justified, which are merited, and which are fair for periodicals and newspapers under the second-class rates in the pending bill. I wish to point out to the able Senator from Pennsylvania that the choice before the committee was whether we would adopt these increases or increases substantially less. It was by majority vote of the committee that the present increases were adopted. Some members of the committee wanted to limit the increase on second-class mail to only three 10 percent increases on all content, whether it be of an editorial or advertising nature.

Mr. CLARK. I do not wish to press the Senator with respect to what occurred within the subcommittee.

Mr. NEUBERGER. This was in full committee.

Mr. CLARK. However, it was my understanding that the changes which are incorporated in the pending bill were the ones which were recommended by the subcommittee, of which the distinguished junior Senator from Oregon was chairman.

Mr. NEUBERGER. No; the Senator from Pennsylvania, I regret to say, is not correct in that regard. The Senator from Oregon was the chairman of the Federal Pay Subcommittee of the Committee on Post Office and Civil Service; not the chairman of the subcommittee which considered the matter of postal rates.

Mr. CLARK. Would the Senator indulge me by telling me who the chairman of that subcommittee was?

Mr. NEUBERGER. The chairman of that subcommittee was the distinguished chairman of the full committee, the able senior Senator from South Carolina [Mr. JOHNSTON]. The other members of that subcommittee—and I will be verified as to accuracy by the chairman of the committee—were the distinguished junior Senator from Texas [Mr. YARBOROUGH], and the junior Senator from Oregon, on the Democratic side; the distinguished senior Senator from Kansas [Mr. CARLSON] and—I will ask the senior Senator from Kansas to tell me who the other minority member of that subcommittee was.

Mr. CARLSON. The junior Senator from Kentucky [Mr. MORTON].

Mr. NEUBERGER. That is right. The junior Senator from Kentucky [Mr. MORTON].

Mr. YARBOROUGH. Mr. President, will the Senator yield?

Mr. NEUBERGER. I yield.

Mr. YARBOROUGH. It is true, is it not, that the subcommittee did not recommend the 5-cent postal rate?

Mr. NEUBERGER. The subcommittee—if we must go into details as to what happened—took no action within itself on the highly controversial aspect of the pending bill, not only with regard to the 5-cent postage rate, but in connection with the controversial second- and third-class rates. It was decided by the subcommittee and by the distinguished chairman and distinguished ranking minority member—who were both members of the subcommittee—to pass these conflicts for final decision to the full committee. I ask the Senator from Texas if that is not correct. Therefore, none of the disputes over first- and second- and third-class rates was resolved in the subcommittee.

Mr. YARBOROUGH. Mr. President, will the Senator yield further?

Mr. NEUBERGER. I yield.

Mr. YARBOROUGH. When H. R. 5836 went from the subcommittee to the full committee, it provided a 4-cent rate, did it not?

Mr. NEUBERGER. Not only a 4-cent rate for first-class mail, but substantially lower increases for second-class mail and third-class mail. I will ask the distinguished Senator from Texas if that is not also correct.

Mr. YARBOROUGH. I believe that is correct. They were raised, however——

Mr. NEUBERGER. In the full committee the proposed rates for first-class, second-class, and third-class mail were raised.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. NEUBERGER. I yield.

Mr. MONRONEY. Is it not also a fact that an amendment was added in the full committee which repeals the law which prohibits the inclusion of the Post Office Department's contributions to the postal workers retirement fund as a cost for postal ratemaking purposes? Will that not have the effect of raising the fourth-class rate by 5 percent or more?

Mr. NEUBERGER. That is correct.

Mr. MONRONEY. Therefore no single class of postal user has been favored in the pending bill. We regret that Uncle Sam's increasing costs make necessary increased rates to meet a part of the postal deficit. Without the increased rates provided in the pending bill, this deficit will total nearly $900 million. The bill, either as it now comes to the Senate, as amended by the committee to provide for the nickel postage stamp, or as I hope it will be further amended to provide for only a 4-cent postage stamp, will cover all of the costs legitimately chargeable to the Post Office Department and still provide a slight surplus. These rates will cover all the costs of carrying the mail and the increased pay to the postal workers which I hope will be attached to the bill.

Mr. NEUBERGER. I am glad the Senator from Oklahoma brought to our attention the amendment sponsored by the able Senator from Kentucky, because that also applied to parcel post and included the increases which the full committee provided. His amendment brought about that henceforth the very substantial contribution made by the Department to the retirement of postal employees must be computed for ratemaking purposes in the postal structure.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. NEUBERGER. I yield.

Mr. CLARK. I am trying to get an answer to my question, because I am in a quandary as to how to vote on the amendment which my good friend from Oklahoma intends to propose. If I felt that the second-class rates had been increased to a point where national magazines having extensive advertising, and making a large profit, were carrying their share of the load, I would have less hesitancy in voting for a 5-cent first-class rate.

But if, as I fear, all that is happening is that a part of the load which legitimately should be carried by these very profitable concerns is being shifted over to the first-class mail users, then I would certainly be inclined to support the amendment of the Senator from Oklahoma.

I should be happy to have the Senator from Oregon answer my question.

Mr. NEUBERGER. It is impossible, with a slide rule, to tell exactly to what extent the very complex rate structure should apply to the various users. But this basic fact applies to the first-class rate:

From 1926 to 1941, first-class mail paid an average of 140.5 percent of its direct costs. In other words, it paid more than its direct costs.

In 1945, the percentage went as high as 164.7.

But by 1956, because the first-class-mail rate did not change, and because the cost of virtually everything else went up in the interim, the expense coverage of first-class mail, at the end of 1956, was down to 98.6 percent.

If we adopt the rate structure proposed by the pending bill, the first-class-mail expense coverage ratio will be approximately 138.8 percent. This still will be slightly less than the 140.5 percent average during the years from 1926 to 1941.

Mr. CLARK. Can the Senator give us comparable figures for that portion of the second-class mail which carries advertising?

Mr. NEUBERGER. For second-class as a whole——

Mr. CLARK. That is partly editorial and partly advertising. We all know that the big money is made by the magazines which carry advertising. Is there any breakdown as to them?

It was my understanding that Life magazine was receiving an annual subsidy of $9 million. I wondered if I had been incorrectly informed.

Mr. NEUBERGER. It is my understanding that virtually all publications sent through the mail, not only Life magazine, but also some very small weekly newspapers in Oregon——

Mr. CLARK. Some whose politics might be different from those of Life magazine.

Mr. NEUBERGER. I trust that the rate is not based on a political basis.

Mr. CLARK. I do not care to make it political; I was making an observation.

Mr. NEUBERGER. I believe, based on the material submitted to us, that the Post Office Department is applying the mailing privileges without regard to the political bias of the publication involved.

Mr. CLARK. At least in theory.

Mr. NEUBERGER. We find, in the ratio of revenues to expenditures in second-class mail, that it was, in the year 1955, approximately 21 percent.

Mr. CLARK. Excuse me; what was 21 percent?

Mr. NEUBERGER. The expense coverage percentage.

Mr. CLARK. So there was a 79 percent deficit.

Mr. NEUBERGER. That is correct.

Mr. CLARK. That was for second-class mail as a whole?

Mr. NEUBERGER. That was for second-class mail as a whole, as I understand from the testimony of the Post Office Department at the hearings.

Mr. CLARK. Perhaps I can shorten this discussion by asking this question: What will be the percentage of coverage if the increases in second-class mail recommended by the committee are adopted by the Senate and enacted?

Mr. NEUBERGER. All I can say is that according to the table, if the bill as it came from the House were passed by the Senate, second-class coverage would have gone up——

Mr. CLARK. For second-class mail?

Mr. NEUBERGER. For second-class mail. It would have gone up from 22.9 percent to 29.2 percent.

Mr. CLARK. How about the provision in the Senate committee bill?

Mr. NEUBERGER. I am looking in the report, which reached our desks only today. I have not had an opportunity to examine the report to determine that question.

I am informed by the Senator from Idaho [Mr. CHURCH] that that figure is not set forth. I regret that it is not contained in the committee report. I wish it had been provided.

Mr. CLARK. If I may make one concluding observation, I shall then desist.

I find it very difficult to vote for a 5-cent postage rate on first-class mail which will be utilized to continue the subsidy to the large national magazines which are paying, in my judgment, quite inadequate second-class rates.

Mr. NEUBERGER. Does the Senator from Pennsylvania want to offer an amendment to increase the second-class rates?

Mr. CLARK. I should be happy to do so, but I suspect that such an amendment would find cold comfort on the floor of the Senate.

Mr. NEUBERGER. It seems to me that the Senator from Pennsylvania, if he is critical of the second-class rates provided in the bill, should offer an amendment to provide higher second-class rates.

As I pointed out earlier, we are confronted with a postal deficit which will reach $1 billion a year if we pass the postal pay bill. It is easy to criticize a bill on the Senate floor; but unless those who criticize it will provide some alternative, we shall have a $1 billion postal deficit.

Let me state how the Senate bill differs from the House bill in respect to second-class rates, because the Senator from Pennsylvania is concerned with the second-class rates.

If I am not mistaken—I am willing to stand corrected by the Senator from Kansas [Mr. CARLSON] and the Senator from Kentucky [Mr. MORTON]—the bill which came from the House provided for four annual increases of 15 percent in the mailing charges, regardless of the nature of the content. Is that correct?

Mr. MORTON. The Senator is correct.

Mr. NEUBERGER. The bill has been changed by the Senate committee to some degree, and I think in a manner which the Senator from Pennsylvania would favor, if I judge correctly his recent remarks. The Senate committee bill provides for three annual 20-percent increases on advertising content, and three 10-percent increases on editorial content.

Mr. CLARK. I point out to my friend from Oregon that the Senate committee version eliminates the Rhodes amendment.

Mr. NEUBERGER. The Senate committee version eliminates the Rhodes amendment.

Mr. CLARK. That amendment, in my opinion, would have corrected most of this evil.

Mr. NEUBERGER. The Rhodes amendment would have applied a $100,000 ceiling, so that the larger newspapers and magazines could not have shared in some of the benefits. I think the Rhodes amendment had quite a good deal of superficial appeal.

Still, I wonder, if we decide, as it has been decided ever since the country was founded, that various publications and periodicals should be carried through the mails at somewhat modest rates, whether we should put a ceiling on, say, a publication which has large circulation and deny it most of this benefit. I wonder if we want to deny most of this benefit, for example, to the enlightened Milwaukee Journal, published in the State of the able junior Senator from Wisconsin; or if we want to deny it to an enlightened, informative newspaper like the New York Times.

Mr. CLARK. Personally, I would.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. NEUBERGER. I yield.

Mr. PROXMIRE. I may say, in behalf of the Milwaukee Journal, that its position has always been that the second-class users should pay their way. The Milwaukee Journal says it would be delighted to meet the cost, whatever it is, of the increased postal rates in order to enable second-class mail to pay its way.

Mr. NEUBERGER. Will the Senator from Wisconsin sponsor an amendment to provide that second-class mail shall pay its entire cost?

Mr. PROXMIRE. I point out to the distinguished Senator from Oregon that I am the most junior Democratic Member of the Senate. I am sitting at the feet of Senators, such as the junior Senator from Oregon, who have many years experience in this matter. I am new here.

If the Senator from Oregon will offer such an amendment, I shall be delighted to support it; or if any other Member of this body will offer such an amendment, I shall support it.

Mr. NEUBERGER. When the Senator from Wisconsin refers to my service in the Senate as being many years, he is as chronologically uninformed as some other Members of the Senate are uninformed about postal matters.

Mr. PROXMIRE. I was speaking relatively in relation to my brief service, which is a matter of a few weeks, not a matter of many weeks or months, as is that of the junior Senator from Oregon.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. NEUBERGER. I am happy to yield.

Mr. CARLSON. I wish to give the Senator from Pennsylvania some figures to which I think he is entitled.

The total revenue from second-class mail, based upon the 1956 cost-ascertainment report, was $61,970,000.

Taking only the second class publishers' pound rates, which are for magazines and newspapers, the revenue in 1956 from that class of mail was $52.3 million. In 1957, it was $52 million.

The bill before the Senate today increases those rates $25.3 million.

Mr. CLARK. Mr. President, will the Senator from Oregon yield, so that I may ask my friend from Kansas a question?

Mr. NEUBERGER. I yield.

Mr. CLARK. I thank the Senator from Kansas for his figures. I am not

entirely certain that I understand them. Do I correctly understand that if the bill shall be passed, second-class mail carrying advertising will come close to yielding 80 percent of its direct cost? Perhaps I misunderstood the Senator's statement.

Mr. CARLSON. No, Mr. President; the Senator correctly understood me. I stated the actual figures, as reached by the cost ascertainment method.

We get into difficulty when we discuss whether the full cost or whether 80 percent of the cost will be paid, because there are various methods of figuring. The Senator is a member of the committee, and he has heard of the cost ascertainment method.

The figure I gave, namely $61,970,000, is the actual revenue in 1956, based on the cost ascertainment report, which shows that the cost of carrying such mail, according to the figures of the Post Office Department, is $314,542,000. I should like to add—for I believe this is of interest in connection with our discussion of second-class mail—that we hear much discussion about the percentage of its revenue which the Department receives from magazines and periodicals.

Based on the 1956 cost-ascertainment report, the magazines and periodicals of general interest paid, in 1956, a postage bill of $30,623,000, out of that $61,970,000.

The daily newspapers paid $14,603,000. Those exempt from the zone rates paid $5,158,000. Other items—for instance, agricultural publications and business and professional publications—are also included.

However, the magazines and periodicals paid approximately 50 percent of the second-class mail revenue.

Mr. CLARK. I thank the Senator from Kansas.

Mr. MORTON. Mr. President, will the Senator from Oregon yield to me?

The PRESIDING OFFICER (Mr. TALMADGE in the chair). Does the Senator from Oregon yield to the Senator from Kentucky?

Mr. NEUBERGER. I yield.

Mr. MORTON. There is one point which we must bear in mind, I believe, in connection with the overall cost of handling second-class mail, according to the cost ascertainment report of the Post Office Department. That is that most of the public-service costs are in connection with the handling of second-class mail, as the chairman of the committee has pointed out.

The Post Office Department performs for the citizens in general from $50 million to $400 million of public service. According to the cost-ascertainment report of the Department, most of these expenses are in connection with the carrying of second-class mail.

The major magazines are packaged and are made ready for distribution by zones, and are shipped in solid carload lots between post offices. The hearings contain adequate testimony showing that, under present rates, the major magazines pay more than the out-of-pocket expense to which they put the Post Office Department for carrying them. Furthermore, the pending bill would raise their rates 10 percent a year, for 3 years, on editorial matter; and 20 percent a year for 3 years on advertising matter.

Mr. NEUBERGER. I think those are very substantial rate increases, in view of the fact that these classes have had to bear considerable increases stemming from the 1951 action taken by the Congress.

Mr. MONRONEY. Mr. President, will the Senator from Oregon yield to me?

Mr. NEUBERGER. I yield.

Mr. MONRONEY. I am very sympathetic with the purpose of the junior Senator from Pennsylvania, who wishes to have the magazines, particularly those with extensive advertising, pay a just share of their mailing cost.

I should like to point out that if the postage rate on the magazines of general interest is doubled, only $30 million will be added to the postal revenue. By doubling the rate, we would almost certainly insure that a number of magazines would be put out of business. For instances, Collier's magazine has already had to go out of business. The effect would be to concentrate the publishing business in a very few hands.

Mr. CLARK. Does the Senator from Oklahoma believe that the Luce publications would have to go out of business in that event?

Mr. MONRONEY. No; I think the Luce publications are the very ones which would be able to bear the additional cost and which would survive. The Senator should also remember that the publications would not pay the increase out of their own pockets. Instead, it would be paid by the general public, by means of a comparable increase in the rates charged by the magazines themselves.

While doubling the present magazine rates would add only $30 million of revenue, raising the airmail rate from 6 cents to 8 cents, as provided by the bill, would add $34 million. I use that as an illustration, because, after all, the purpose of the bill is to produce sufficient revenue to make up for the continuing, enlarging postal deficit; and obviously we wish to keep the mail users in business.

That is why the committee decided—and decidedly very wisely, I believe—that the magazines should pay three increases of 20 percent on their advertising content; but should pay three increases of only 10 percent of their editorial content, this being the public-service part of their content.

That will help the small magazines which are largely devoted to intellectual matters and public discussion, and which are therefore in the general public interest. I refer to magazines such as the Atlantic Monthly. Such magazines carry only small amounts of advertising. The manager of the Atlantic Monthly discussed his problem with me. When I explained to him the effect of the action of the committee, he said, "We can live with that."

If that is so, the Luce publications do not need an amendment—such as will be offered from the Republican side of the aisle—to reduce the three annual increases from 20 percent to 15 percent each. I do not think we should change this provision of the wise bill which was reported by the committee. Except for the provision calling for a 5-cent first-class rate, I believe the bill is a good one, and will bear rather equally on all classes of postal users.

Mr. CLARK. Mr. President, I thank my friend, the Senator from Oklahoma. I shall withdraw from the debate. In doing so, I point out that the debate has convinced me of the validity and good sense of the Rhodes amendment.

Mr. LAUSCHE. Mr. President, will the Senator from Oregon yield to me?

Mr. NEUBERGER. I yield.

Mr. LAUSCHE. I should like to obtain some information in connection with the figures given by the Senator from Kansas [Mr. CARLSON]. Did I correctly understand him to say that the cost of delivering the second-class mail is approximately $315 million?

Mr. CARLSON. Based on the 1956 cost-ascertainment report, that was the estimate of the Post Office Department. But we have more recent figures which show that at the present time it is less than half that amount. Other members of the committee, including myself, have complained that the cost-ascertainment system can be used to prove almost any contention.

I believe the most recent figures show that the cost is approximately half of the $315 million.

Mr. LAUSCHE. The total income from second-class mail is approximately $62 million; is that correct?

Mr. CARLSON. That is correct.

Mr. LAUSCHE. The amount paid by the magazines and periodicals is $30,600,000, is it?

Mr. CARLSON. That is correct, or about 50 percent of the second-class mail revenue.

Mr. LAUSCHE. What cost charges should be made against the magazines and periodicals, in order to break even?

Mr. CARLSON. The table which relates to the 1956 cost-ascertainment report shows, as I have stated, that the total cost of carrying this class of mail was $314 million. The magazines' share, based on that computation, would be $95,429,000.

Mr. LAUSCHE. Is the Senator from Kansas able to state what the assignable cost would be under the reduced figure which has just been given?

Mr. CARLSON. It would be approximately half of that.

Mr. LAUSCHE. One-half of $95 million?

Mr. CARLSON. That is correct.

Mr. LAUSCHE. In other words, the cost would be $47,500,000, as against the $30 million now collected?

Mr. CARLSON. That is correct.

Mr. LAUSCHE. I should like to ask a question of the Senator from Oregon: What was the maximum increase which was recommended to the committee, in the case of second-class mail?

Mr. NEUBERGER. During the hearings and discussion, three separate proposals came before the committee. Again, I should like to have my colleagues check on the accuracy of what I shall say, because I am speaking from memory.

We had the House proposals on second-class mail, which were four annual increases of 15 percent each in the rates

for second-class mail. We had a proposal which was before us in the full committee for three 10-percent annual increases. Then we had the proposal which was made by a number of members of the committee for three annual 20-percent increases on that part of a publication containing advertising matter, and three 10-percent increases in the part devoted to editorial and informational content.

It was this final plan which was adopted by the committee.

The distinguished Senator from Ohio will see, I believe, if he studies the three proposals, it was the final plan which was included in the bill that exacts the greatest amount from the large publications with an extensive quantity of advertising, which the able junior Senator from Pennsylvania [Mr. CLARK] was criticizing a short time ago.

They were the three alternatives which were before us.

Mr. LAUSCHE. The maximum figure was adopted by the committee with regard to second-class mail. Is that correct?

Mr. NEUBERGER. On that portion of it devoted to advertising.

Mr. LAUSCHE. From what has been said, it would seem the argument might be made that, on a comparative basis, the second-class charges, as compared with the first-class charges, are inadequate, and that defect might be remedied by bringing the charges on first-class mail down or the recommended charges on second-class mail up. I understand the Senator from Oregon would not be averse to increasing the second-class charges.

Mr. NEUBERGER. We believe we have brought out a balanced bill which is in proportion, because we have to retain in mind the fact that second- and third-class mail rates sustained a very substantial increase 6 or 7 years ago. This is a second, very sizable, increase in rates on those categories in the past 6 or 7 years, whereas this is the first increase in the rates for first-class mail in over a quarter of a century.

I honestly believe we have before us a bill which is reasonable and in proportion. I believe the best demonstration of that is a comparison of first-class and third-class rates, because they lend themselves to a little better contrast. In 1951 the rate on each unit of third-class circular mail was 1 cent. At that time the rate was increased to a penny and a half. Therefore, as of now, under existing rates, the third-class rate is 1½ cents. The first-class mail rate is 3 cents. The pending bill would increase circular third-class mail—so-called junk mail, which is not a fair description—to 2½ cents at the end of 2 years. First-class mail would be increased to 5 cents. So the same ratio of 1 to 2 would still prevail between first-class and third-class mail.

Mr. McNAMARA. Mr. President, will the Senator yield?

Mr. NEUBERGER. I yield to the Senator from Michigan.

Mr. McNAMARA. Perhaps the Senator from Oregon has covered in his remarks the increase in the postal rate applying to library books. I do not know whether he has. I am informed that there is a proposed 25-percent increase immediately in the charges for the mailing of library books. Is that correct?

Mr. NEUBERGER. I may say to the very able Senator from Michigan that I myself have some very strong misgivings about the increase proposed for the book rate and the library rate. When the committee concluded its deliberations, each one of us reserved to himself the right to oppose certain sections of the bill if he saw fit in his conscience to do so. I believe it is under that particular commitment, that the able Senator from Oklahoma will make his motion to change the first-class rate in the bill.

If I understand correctly, the book rate has had a disproportionate increase in recent years, as compared with other rates. I share the view of the Senator from Michigan, unless I misunderstood his view—

Mr. McNAMARA. I am sure the Senator did not.

Mr. NEUBERGER. The easiest way might be, when the Senate finally votes on the various parts of the bill, to modify the increase provided in the book and library rate.

Mr. McNAMARA. The indication from pages 40 and 41 of the bill is that the rate on school and library books will be increased from 8 to 10 cents for the first pound and from 4 to 5 cents for each additional pound or fraction thereof. I think that is a most unjustifiable increase.

Mr. JOHNSTON of South Carolina. Mr. President, if the Senator from Oregon will yield, I should like to set the record straight. We are not proposing any increase in the cost of mailing books by public libraries, religious, educational, scientific, philanthropic, agricultural, labor, veterans, or fraternal organizations.

Mr. McNAMARA. Does not the provision on pages 40 and 41 of the bill so indicate?

Mr. JOHNSTON of South Carolina. The proposal is to increase the rate from 8 to 10 cents for the first pound, and from 4 to 5 cents for each additional pound or fraction thereof, but that increase does not include what the Senator from Michigan is talking about. The Senator upon examination will see that the books to which he has referred are an exception, and that there will be no increase for those items.

Mr. McNAMARA. The wide interpretation placed on this provision is that the bill provides for an increase in the rates for mailing library books. It further requires libraries to get a permit, something they have not had to do heretofore.

Mr. JOHNSTON of South Carolina. That is not an accurate statement. The Senator may say to those who have asked him about it that that interpretation is not correct.

Mr. McNAMARA. Is there no increase proposed for the cost of shipping library books in the bill now before the Senate.

Mr. JOHNSTON of South Carolina. There is not any.

Mr. McNAMARA. Not any at all?

Mr. JOHNSTON of South Carolina. Not any at all.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. NEUBERGER. I yield to the Senator from Oklahoma.

Mr. MONRONEY. I, too, had a call from my State librarian today. I explained to him very carefully the only change made with regard to the mailing of library books is that the libraries will have to register their right to enjoy the special rate. The purpose of that is to prevent the extension of the right granted to libraries so that that privilege can be used commercially by those who may try to cheat and use the special rate. When I explained to my State librarian that we were trying to safeguard this privilege to the libraries he said he was very happy to go to the trouble of registering, to make sure that they are accorded that privilege. The book rate is raised slightly. He said he had no objection so long as others were paying a proportionate increase.

Mr. McNAMARA. If the Senator from Oregon will yield further, I am very much confused by this colloquy. Apparently there is a special rate established in the bill, something different from the existing rate, which can be gotten around by the librarian if he follows a certain procedure. It looks like he will go uphill and downhill and wind up in the same place.

Mr. NEUBERGER. I yield to the chairman of the committee so he may make a reply.

Mr. JOHNSTON of South Carolina. Mr. President, since this question has come up we have received a couple of inquiries. For that reason, I think it would be well to place into the RECORD a statement on the matter, which I now read:

I would like to insert in the RECORD a statement clarifying one technical point. Subsection (b) of section 205, lines 5 through 10 on page 42, requires public libraries and certain other types of nonprofit organizations to furnish to the Postmaster General evidence concerning their nonprofit status. The Post Office Department has assured us that it does not desire to establish any new procedures under this provision. The inclusion of the name of the nonprofit organization upon the shipping label will normally be considered sufficient evidence that the shipment qualifies for the rate provided in section 204 (e) of the postal rate revision and Federal Employees Salary Act of 1948, as amended, and as further amended by this act. Existing regulations of the Post Office Department provide for the acceptance of certain types of shipments under this rate without any special permit or authorization, and the Department has stated that if this portion of the bill is approved as it stands, it will attempt to make these procedures uniform for all types of shipments.

Mr. NEUBERGER. I should like to say a word to the Senator from Michigan [Mr. McNAMARA] about the book rate. The bill provides that the rates on books shall be increased, from 8 cents a pound or fraction thereof and 4 cents on each additional pound, to 10 cents for the first pound and 5 cents for each additional pound.

In relatively recent years the book rate has also sustained a substantial increase.

It was my feeling that, because of the earlier increase, the advance in the book rates was somewhat disproportionate. I made no protest about that in the committee, because I thought I could not do so with propriety, being an author of books myself. Therefore, I did not raise the issue in the committee.

Mr. McNAMARA. Mr. President, will the Senator yield further?

Mr. NEUBERGER. I yield.

Mr. McNAMARA. I think this colloquy has brought out that there is some exception provided for library books, one way, in the shipping of the books from the library to the book user. If the book user has to return the book, apparently he will have to pay at a rate other than the so-called special rate. How does such a person obtain a permit to exempt himself from the regular book rate? Apparently that exemption is provided on one-half the transaction, but much of the circulation of books from libraries today is done by mail, both to and from the user. If there is any time that we ought to give further consideration to this matter, it is now.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield to me?

Mr. NEUBERGER. Yes.

Mr. JOHNSTON of South Carolina. The Senator will find that matter is taken care of by the address and wording on the label. The book can be sent back to the library at the same rate.

Mr. NEUBERGER. If I am not mistaken, the State Library of Oregon, when it sends books to subscribers in small communities or in rural areas, where there are not local library facilities, sends the book from the State library mailing department, and also sends along a special label.

Mr. JOHNSTON of South Carolina. The Senator is correct.

Mr. NEUBERGER. The recipient of the book may place the special label on the book when he desires to return it, after he has finished reading the book. It is my understanding that this special provision in the bill will take care of such instances, and the books will be mailed not only by the Oregon State Library but by every bona fide library in the Nation under that arrangement.

Mr. JOHNSTON of South Carolina. That is correct.

Mr. McNAMARA. Mr. President, will the Senator yield further?

Mr. NEUBERGER. I yield.

Mr. McNAMARA. This colloquy has brought out something which was not developed in the report. Are these stickers or special labels to which the Senator refers to be provided by the Post Office Department, or do they have to be provided by the library?

Mr. NEUBERGER. I think they have to be provided by the library.

Mr. JOHNSTON of South Carolina. That does not change the existing law.

Mr. NEUBERGER. The Post Office Department issues regulations to cover such matters.

The Senator from Michigan is always helpful in assisting us in the illumination of problems with regard to legislation, and I thank him for his comments.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. NEUBERGER. I yield.

Mr. LAUSCHE. I am thankful that the Senator from Michigan [Mr. McNAMARA] has asked those questions, because I have received a number of communications with regard to the same subject. My communications, however, also included a query as to educational films and other audio-visual equipment. Is there a provision in the bill to increase the rate on educational films received and sent by schools?

Mr. JOHNSTON of South Carolina. No.

Mr. LAUSCHE. The bill does not so provide?

Mr. JOHNSTON of South Carolina. No.

Mr. LAUSCHE. Those items fall in the same category as books?

Mr. JOHNSTON of South Carolina. They are in the same category.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. NEUBERGER. I yield to the Senator from Montana.

Mr. MANSFIELD. Is it not true that the Post Office Department at the present time is subsidizing second-class mail to the extent of a quarter of a billion dollars, and subsidizing third-class mail to the extent of another quarter of a billion dollars a year?

Mr. NEUBERGER. The presently estimated postal deficit is about $700 million. By that amount the Post Office Department will fall short of collecting in revenues its full costs.

I should like to ask the able Senator from Kansas [Mr. CARLSON], who, I think, has just given those figures in answer to a question put by the Senator from Ohio, if he will repeat his answer for the information of the Senator from Montana.

Mr. MANSFIELD. If the Senator will yield, I will repeat my question to the Senator from Kansas.

Is it true that the Government at the present time is subsidizing second-class mail to the extent of a quarter of a billion dollars a year and subsidizing third-class mail to the extent of a quarter of a billion dollars a year?

Mr. CARLSON. I will say to the Senator from Montana that I discussed this question with respect to the second-class mail at some length a short time ago. I do not happen to have with me the figures with respect to the third-class mail, but I can obtain them.

I stated at the time of the previous colloquy that the second-class publications—all of those going through the mail—based on the 1956 cost ascertainment system brought in revenues of $61,976,000, and that based on the cost ascertainment system used by the Post Office Department in 1956 the cost of transporting such mail was $314,502,000. In other words, the Post Office Department was charging that much cost to second-class mail. It did not cost that much, but that is the figure the Department gave.

Since that time, in 1957, which is the past year, the Department has changed the cost allocation for the second-class mail. The cost is now about half that amount. I do not have the exact figure, but it is about half as much.

Mr. MANSFIELD. On the basis of the figures given for 1956, then, it would appear that the Government has been subsidizing second-class mail to the extent of roughly a little more than a quarter of a billion dollars. I noticed that the Senator from Kansas gave no figures for 1957, but stated that he has been informed by the Post Office Department that the subsidy has relatively speaking been cut in half. Is that a correct understanding?

Mr. CARLSON. If the Senator will yield further on that point, I should like to say the figure is based on a new method of cost ascertainment in that case.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. NEUBERGER. I yield.

Mr. JOHNSTON of South Carolina. I should like to answer that question. I happen to have in my hand the table furnished by the Post Office Department. Under the new cost ascertainment system, second-class mail shows a deficit of $101,659,647.

Mr. MANSFIELD. What is the figure for the third-class mail?

Mr. JOHNSTON of South Carolina. That is the figure for second-class mail.

Mr. MANSFIELD. Yes. What is the figure for the third-class mail?

Mr. JOHNSTON of South Carolina. For the third-class mail under the new cost ascertainment system there is shown a deficit of $108,629,081. That is the new cost ascertainment figure.

I should like to invite the Senator's attention to the fact that so far as first-class mail is concerned we have been taking into consideration a lot of free service.

Mr. MANSFIELD. That is the next question I was going to ask.

Mr. JOHNSTON of South Carolina. I refer to the carrying of newspapers and other such items, which should go second class.

Mr. MANSFIELD. Are the first-class mail operations conducted at a profit?

Mr. JOHNSTON of South Carolina. No.

Mr. MANSFIELD. With a 3-cent rate on first-class mail, is there a profit?

Mr. JOHNSTON of South Carolina. No. With the 3-cent rate there is not a profit. Under the allocation it is very close, but when the operations are put under the new allocation, first-class mail does not show a profit. I refer to the new way of allocating expense.

Mr. MANSFIELD. How much was the loss in operations last year on first-class mail under the 3-cent rate?

Mr. JOHNSTON of South Carolina. Under the new cost accounting system the deficiency in revenue is about $346 million.

Mr. MANSFIELD. Wait a while. As to first-class mail, how much was the loss?

Mr. JOHNSTON of South Carolina. That is the new ascertainment figure that is shown.

Mr. MANSFIELD. It is stated that the operation of the first-class mail at a

3-cent rate costs the Government $346 million?

Mr. JOHNSTON of South Carolina. According to the new ascertainment figures, it does.

Mr. MANSFIELD. There must be something wrong somewhere, because first-class mail is the only aspect of the different classes of mail which has been in effect paying its own way. I thought there might be a small loss, but nothing to the extent of $346 million.

Mr. JOHNSTON of South Carolina. The Senator should bear in mind that the new system of cost ascertainment charges against the first-class mail a percentage for having preferred treatment.

Mr. MANSFIELD. Can we not simply use figures which speak for themselves, instead of developing new phrases which nobody understands? In 1956 we knew that it cost the Post Office Department, or the Government, a quarter of a billion dollars to carry the deficit on the second-class mail and a quarter of a billion dollars to carry the deficit on the third-class mail. Now we have a new cost ascertainment system, and I do not know what we are talking about.

Mr. NEUBERGER. Let me invite the attention of the distinguished Senator from Montana to two pertinent tables which appear on page 31 of the hearings on postal rates before a subcommittee of the Committee on Post Office and Civil Service of the United States Senate.

Mr. President, I ask unanimous consent that at this point in my remarks the two tables appearing on page 31 of the hearings may be printed in the RECORD.

The PRESIDING OFFICER (Mr. CHURCH in the chair). Is there objection to the request of the Senator from Oregon?

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Ratio of revenues to expenditures [1] 1st-, 2d-, and 3d-class mail, 1926–56

	Expense coverage (percent)		
	1st class	2d class	3d class
1926	129.8	29.2	97.5
1927	131.7	29.4	94.1
1928	132.5	28.9	91.3
1929	131.0	24.1	76.7
1930	129.0	25.5	74.1
1931	121.0	22.1	71.4
1932	112.2	18.5	63.7
1933	146.1	18.4	64.3
1934	158.1	21.5	74.4
1935	150.1	18.9	72.2
1936	144.2	19.4	73.2
1937	151.1	21.5	78.1
1938	150.2	21.5	75.3
1939	152.0	21.5	74.6
1940	154.4	22.6	74.1
1941	155.2	23.6	78.8
1942	156.6	23.8	75.6
1944	146.1	21.4	71.4
1945	164.7	20.1	76.8
1946	131.5	18.3	61.5
1947	126.4	19.7	56.2
1948	130.0	20.2	56.4
1949	112.9	19.0	51.3
1950	111.9	18.9	53.1
1951	113.8	18.7	53.8
1952	105.4	16.9	46.2
1953	108.8	18.3	57.0
1954	105.9	19.7	62.1
1955	105.4	21.0	59.9
Average 1926 through 1941	140.5	22.9	77.1
1956: Allocated postal costs, plus current pay increases and costs paid by other Government departments	96.8	19.5	52.3
If H. R. 5836 is passed: Allocated postal costs, plus pay increases, and costs paid by other Government departments	130.1	29.2	77.7

[1] Without regard to reallocation of cost to recognize differential in service or value of mails.

The table clearly indicates that the present expense coverage is below the 1926–41 average and that the postal rate adjustments proposed in H. R. 5836 can be justified on the basis of these historical relationships.

Summary of allocations of revenues and cost to classes of mail and services with computations necessary to reflect factors not carried in Post Office Department accounts, fiscal year 1956

[In millions of dollars]

Class of service	Allocated budgetary expenditures	Nonbudgetary cost or revenue additions: Cost paid by other Government agencies	Nonbudgetary cost or revenue additions: Public service revenue or cost factors (credit)	Nonbudgetary cost or revenue additions: Increased cost not wholly reflected	Estimated reallocation of cost for intangible factors	Adjusted cost for revenue requirements	Total revenues	Deficiency in revenues [1]
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1st-class mail	978.0	55.8	----------	9.8	+316.3	1,359.9	1,013.7	346.2
Domestic airmail	127.5	4.8	----------	.8	+32.4	165.5	150.9	14.6
2d-class mail	318.4	17.1	3.1	2.7	−167.6	167.6	65.9	101.7
Controlled circulation	7.7	.4	----------	.1	−2.0	6.1	5.7	.4
3d-class mail	471.9	28.9	6.0	4.7	−124.9	374.6	266.0	108.6
Subtotal	1,903.5	107.0	9.1	18.1	+54.2	2,073.7	1,502.2	571.5
4th-class mail	607.9	29.6	15.0	3.7	----------	626.2	592.8	33.4
International mail	81.0	2.6	1.1	.4	----------	82.9	85.5	(2.6)
Government mail	36.0	1.9	2.8	.4	----------	35.5	34.5	1.0
Special services	264.8	15.1	----------	2.9	−57.9	224.9	224.9	---------
All other services	19.7	1.0	15.3	----------	+8.7	9.1	9.1	---------
Total	2,912.9	157.2	43.3	25.5	----------	3,052.3	2,449.0	603.3

[1] Does not include any amounts for Department's modernization program, possible railroad rate increases, or depreciation of public buildings used in the postal service.

Mr. NEUBERGER. Mr. President, I should like to read to the able Senator from Montana the heading above this particular chart. If I am not mistaken, the chart was brought before the committee by Mr. Maurice Stans, who was at that time Deputy Postmaster General. The heading is: "Summary of Allocations of Revenues and Cost to Classes of Mail and Services With Computations Necessary to Reflect Factors Not Carried in Post Office Department Accounts, Fiscal Year 1956."

These are the deficiencies in revenue for various classes of mail listed under the heading in the chart provided by the Post Office Department——

Mr. MANSFIELD. Can the Senator give us the first-class deficiency?

Mr. NEUBERGER. The first-class deficiency is listed as $346.2 million; domestic air mail, $14.6 million; second-class mail, $101.7 million; controlled circulation, $0.4 million; third-class mail $108.6 million; fourth-class mail, $33.4 million; Government mail, $1 million; and so forth, for a total of $603.3 million.

Let me say to the able Senator from Montana that the complex variety of charts, which must be analyzed and interpreted by individuals as frail as he and I—at least speaking for myself—set forth very plainly to me why postal rates should be set administratively, as they are in most other countries.

Mr. MANSFIELD. It has been my understanding that first-class mail paid its own way, or almost paid its own way. However, on the basis of the figures submitted by the distinguished Senator from Oregon and the distinguished Senator from South Carolina, chairman of the subcommittee, are we to understand that the loss suffered in connection with first-class mail is $346 million a year?

Mr. NEUBERGER. The only thing I can say is that that is the information we have, according to the computation brought to our subcommittee by the then Deputy Postmaster General of the United States.

Mr. MANSFIELD. For 1957?

Mr. NEUBERGER. This is for fiscal year 1956.

Immediately after this chart appeared in the proceedings, Mr. Stans, who was then Deputy Postmaster General—I believe he has since been succeeded by Mr. Sessions, and the RECORD should show that fact—spoke as follows:

Mr. STANS. First-class mail is not bearing its fair share of the burden of increased cost. Letter mail revenues which in 1946 covered 41 percent of total postal costs now cover only about 32 percent. Even if this bill is enacted—

That was a 4-cent bill—

letter mail will still not have faced the same proportion of increase in rates that second- and third-class mail have met in the last 25 years. Second-class mail, for example, will have increased 63 percent over the level of 25 years ago, and third-class rates will have increased 104 percent as compared with an increase of only 33 percent for letter mail.

Those are the words of the Deputy Postmaster General of the United States.

Mr. MANSFIELD. Mr. President, will the Senator from Oregon yield for a further question, and a request?

Mr. NEUBERGER. I yield.

Mr. MANSFIELD. We have been discussing the question of subsidies this afternoon. The word "subsidy" is a horrid word. We pay subsidies to the farmers. We pay subsidies through the Post Office Department, to take care of our citizens. I wonder if it would be possible to obtain a compilation listing the amount and number of subsidies

paid by the Government of the United States, not only to farmers, but to various newspapers, magazines, railroads, steamship lines, and airlines. I should like to obtain as clear and complete a picture as possible of the subsidy situation, so that we may know what we are talking about when we discuss subsidies. I can think of no better committee of which to make such a request than the Committee on Post Office and Civil Service.

Mr. NEUBERGER. The distinguished chairman of the committee is present in the Chamber. I think he would have much more influence than I would have in requesting such information, if, indeed, that type of information is available. If it were available on an accurate basis, I agree with the Senator from Montana that it would be most useful and valuable for the Senate to have such information before it.

Mr. MANSFIELD. The reason I make the request is that I am becoming somewhat tired of the farmer being singled out as the only one who has his nose in the public trough. I think the entire picture should be laid bare. I should like to request the distinguished chairman of the committee, the Senator from South Carolina [Mr. JOHNSTON], to do what he can to provide the Congress and the people with as complete a picture as possible of the subsidies paid by our Government to all segments and elements of our economy.

Mr. NEUBERGER. I will allow the chairman to reply. That is a big order.

Mr. JOHNSTON of South Carolina. Mr. President, that is a big order. The Post Office Department would have to gather the information, and it would require a great deal of time to do it.

However, it may be said that practically every newspaper and every magazine is subsidized to a certain extent, beginning with the small county newspapers, which now are given free delivery within the county.

Mr. MANSFIELD. I want this information to go beyond the Post Office Department.

Mr. JOHNSTON of South Carolina. It would be difficult to obtain it. It would be difficult to show the cost. County newspapers, for example, are simply carried free of charge.

Mr. NEUBERGER. Mr. President, in the pending bill we cannot deal with all the other subsidies. What the bill attempts to do is to reduce, to some degree, the huge deficit facing the Post Office Department.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. NEUBERGER. I yield.

Mr. MANSFIELD. I have been trying for years to find out just what is being paid in subsidies by the Government of the United States. I cannot get the picture. I am told day after day how much the farmer is costing the Government. I want to find out what the business segments and the other elements of our economy are being paid by the Government of the United States, or, to use a word which is unpleasant politically in some quarters, to what extent they are being subsidized by the United States. I think the people and the Congress are entitled to such information. I have been trying for years to obtain it.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. NEUBERGER. I yield.

Mr. JOHNSTON of South Carolina. I suggest to the Senator from Montana that he read the report of the Citizens Advisory Council. It is voluminous, but it will give information along the line of that which he desires.

Mr. NEUBERGER. Mr. President, does the Senator from Montana believe that it would be advisable to increase the rates provided in the bill for second-class and third-class mail users, who are predominantly the business users?

Mr. MANSFIELD. I am unable to answer the Senator definitely at this time. I am seeking information, and I am raising questions in the hope that I can find answers, so that I may make up my mind definitely as to what would be in the best interests of the public in deciding on the measure which is now before the Senate.

Mr. CHURCH. Mr. President, will the Senator yield?

Mr. NEUBERGER. I yield.

Mr. CHURCH. I should like to comment on the colloquy which has taken place between the distinguished Senator from Oregon and the distinguished Senator from Montana.

A few minutes ago the distinguished Senator from Montana asked some questions relating to third-class mail, second-class mail, and first-class mail. Obviously the purpose of his questions was to ascertain how much of its way third-class mail is paying, how much of its way second-class mail is paying, and how much of its way first-class mail is paying.

For many years we have had a method of bookkeeping in the Post Office Department which everyone understood. The ingredients of that method were understood by all. When that method was used, the figures made sense.

When the Postmaster General first came before the Committee on Post Office and Civil Service, he was using that method of bookkeeping, the so-called method of allocated costs. I remember very clearly—because it was in response to questions which I put to the Postmaster General—that he told me then that third-class mail, on the basis of the traditional method of allocated costs, was paying 54 percent of its way, under current rates; that second-class mail was paying 21 percent of its way; that first-class mail was paying 97 percent of its way, or nearly its full cost; and that air mail was paying 100 percent of its way. That was on the basis of a well-understood system of accounting, a traditional system which had long been used by the Post Office Department.

I suggest to the Senator from Montana that one of the reasons the Post Office Department has now suddenly come up with a brand-new system of accounting, which no one, including all the members of the committee, I am sure, thoroughly understands, is that on the basis of the old system, which everyone understood, the Department could hardly make out a case which would justify a 5-cent stamp.

Now the Department comes up with a new system. I defy any member of the committee to explain what the ingredients of the new system are. It is coincidental, at least, that the new system suddenly justifies a nickel stamp by allocating to first-class mail, for the first time, an enormous deficit which heretofore has not existed.

I suggest to the Senator from Montana that in the interest of good public policy it is hardly the time to change the bookkeeping system in the Post Office Department, when we are trying to determine what the fair rate should be.

I prefer to refer to a standard of measurement which has been well known and well understood, by which standard, according to the testimony given by the Postmaster General himself, first-class mail was paying nearly its own way and air mail was paying its own way. For that reason I do not feel that the 66⅔-percent increase which the nickel stamp would bring about is justified in the public interest.

Mr. MANSFIELD. Will the Senator from Oregon yield so that I may ask the Senator from Idaho a question on that point?

Mr. NEUBERGER. I yield.

Mr. MANSFIELD. Am I to understand, according to what the Senator from Idaho has said, that in the year 1956 the loss attributed to first-class mail, with 3-cent postage, was just under $30 million, and that in the year 1957, with the use of a new accounting procedure, the loss has amounted to $346 million?

Mr. CHURCH. The Senator is correct.

Mr. MANSFIELD. In other words, the increase in the loss has been from $29.9 million to $346 million?

Mr. CHURCH. The Senator is correct.

Mr. NEUBERGER. I should like to comment on the observations by the Senator from Idaho and the Senator from Montana. If the criticism of the Senator from Idaho is valid, is he opposed also to a 4-cent stamp, as he is opposed to a 5-cent stamp?

Mr. CHURCH. Let me make it perfectly clear that I am not opposed to increasing the first-class rate by 1 cent. I recognize the need of increasing postal revenues for the purpose of modernizing the Post Office Department and for materially reducing the enormous Post Office deficit. If I am to be responsible, I must recognize that need, especially if I am to vote to increase the wages and salaries to be paid the Post Office employees. I know we cannot substantially increase postal revenues without making an adjustment in the first-class rate. The question is, What is the fairest adjustment to make? I believe no case for a nickel stamp has been made which is persuasive to me.

Mr. NEUBERGER. The Senator from Idaho is not then convinced by the fact that even if we vote for a nickel stamp the first-class mail will not bear as high a proportionate share of its total cost as it has in the years from 1926 through 1941? That is not at all convincing to him, is it?

Mr. CHURCH. I would say to my good friend from Oregon that the argument that we should determine what a fair and equitable rate for first-class mail is on the basis of the historic experience of the Post Office Department in previous years does not seem to me to be persuasive.

The fact that the first-class rate paid more than its own way by 120 percent or by 140 percent in any given number of years—and one can cite those years which will best bring out that which will be most conducive to the argument—does not seem to be pertinent.

The pertinent question is what, in the public interest, should the first-class rate bear? Is it in the public interest that letter writers should pay not only the full cost of the Post Office Department in handling letter mail, but that it should pay, in addition, 20 or 30 or 40 percent more in order to subsidize other classes of mail?

I recognize, as the Senator from Oregon well knows, that we will add an additional amount, over and above the actual out-of-pocket cost of handling first-class mail, in order to make up for the preferential treatment first-class mail receives.

I am willing to add it, and I think the 4-cent rate, increasing the present rate by 33⅓ percent, is a fair measure, taking into consideration the preferential treatment that this mail gets. That is why I am in favor of increasing the rate by 1 cent.

Mr. NEUBERGER. The Senator from Idaho says that the historic pattern of operation of the Post Office Department should have no bearing here. By that implication, there have been in the Senate and the House during all the past years men and women who did not represent the public interest. If it is wrong to have first-class mail bear more than its share of the cost under a cost-ascertainment system, why did not illustrious Senators like Senator Borah from Idaho and Senator McNary from my State and the great Senator Norris from Nebraska do something about it? They were in the Senate in the years when first-class mail bore a far heavier share of the cost than it is called upon to carry under the 5-cent stamp. There is no record that those distinguished champions of the people raised such an issue.

I daresay the reason those great Senators did not raise that issue is that every post-office department in the civilized world must gear its operations, physically and financially, to first-class mail. The personnel is built around it. The buildings are adapted to it. The entire routine of the department is adjusted to it.

Let me read a few points which were brought before us by the Deputy Postmaster General, showing how everything is geared to first-class mail. He pointed out why it is nearly impossible or extremely difficult to work out an accurate cost-accounting system. Let me read a few points. I read from page 30 of the hearings:

> 2. In business areas of cities, mail is both collected and delivered. Second and third delivery trips are also extended to business offices every day. The only purpose of the second and third delivery trips is to expedite delivery of first-class letters, but letter carriers also take along second- and third-class mail that is ready for distribution. In the cost-ascertainment system, the cost of these delivery trips is allocated on the basis of the classes of mail handled. However, the second and third delivery trips would not be necessary at all if it were not for the need of expediting letter mail. The Post Office Department spends approximately $52 million annually to provide collection service and second and third delivery trips. This expense could be avoided almost entirely if it were not for first-class matter.

If we are going to get away from this basis and adopt a totally different pattern of adjusting postal costs, then I say we are going to be in grave danger indeed.

The Senator from Idaho and I help to represent States which have vast rural areas. If we are to adopt that kind of a system, and say that second- and third-class mail should bear their full share of the cost, but we will not increase the postage on first-class mail in accordance with the historic pattern of the United States and approximately every other country in the Free World, then we are not very far from saying that each separate letter should bear its fair share of the cost.

It is my understanding that every individual letter delivered on remote rural free delivery routes, in States with vast mountainous districts like Oregon and Idaho, costs many, many, many times what it costs to deliver a letter in New York City or Washington, D. C., or Chicago, Ill.

Does the Senator wish to come to a system in which a letter delivered on a route out of New Meadows, Idaho, or Joseph, Oreg., will cost 15 or 20 times what a letter delivered in an apartment house in New York City will cost? I do not.

Mr. CHURCH. In response to the comment made by my good and amiable friend the Senator from Oregon, I would say, first of all, that it does not seem to me that the issue before the Senate involves what our former colleagues 10 or 20 or 30 years ago did or should have done with respect to the question which is now before us. The question before us is what is a fair rate to impose on first-class mail in the light of the current facts.

I have already indicated that on the basis of the old, traditional system of allocating costs in the Post Office Department, under current rates first-class mail is almost paying its own way.

I have also indicated, in view of some of the things to which the Senator from Oregon has referred, such as the preferential treatment given first-class mail and the way the Post Office is established to accommodate the needs of first-class mail; and further, in view of the large Post Office deficit and the need for modernization, that I am willing to increase the rate for first-class mail by as much as 33⅓ percent. I do this precisely in order that first-class mail shall bear its just burden, having in mind the very considerations which the Senator from Oregon has specified.

But the plain fact of the matter is that the 5-cent stamp is being asked for not in order that first-class mail shall bear its just burden; no, indeed. The 5-cent stamp is being asked for by this administration and by its Postmaster General for the purpose of modernizing the Post Office Department. That is the burden of the administration's case; that was the burden of the Postmaster General's argument every time he came before the committee. The proposal has nothing to do with what should be the burden of first-class mail in the public interest; it has, rather, to do with the need for modernizing the Post Office Department. The proposal is not to spread the entire cost of the modernization program over all the users of the mail, second and third class included, but to let it be borne entirely by the letter writers and others who use first-class mail. It seems to me that that is the major proposal in the light of the argument made for it by the administration. It has nothing to do with what costs first-class mail should justly bear in the public interest, but is a case which is clearly unwarranted and undesirable. I, for one, cannot support it for that reason.

Mr. NEUBERGER. Mr. President, will the Senator yield for a question?

Mr. CHURCH. The Senator from Oregon has the floor.

Mr. NEUBERGER. I understand; but I wish to ask the able Senator from Idaho a question.

Will the Senator from Idaho offer an amendment, today or tomorrow, to increase the second-class rates above those recommended by the committee?

Mr. CHURCH. Let me make my position clear on that point. As the Senator from Oregon well knows, the bill involves very substantial increases in both second- and third-class rates. As he also well knows, I supported in the committee an amendment pointed toward increasing the rates for both second- and third-class mail even further than the level recommended by the subcommittee.

Mr. NEUBERGER. For the purpose of accuracy in the RECORD, there was no specific recommendation by the subcommittee. The subcommittee did not adjudicate the various issues but left it to the full committee. I say that in fairness to the members of the subcommittee.

Mr. CHURCH. In that statement I concur. But the bill before the Senate would increase the second-class rates 10 percent a year for 3 years on editorial matter, and 20 percent a year for 3 years on advertising matter. That represents a very large increase in rates.

As for third-class mail, the bill would increase the rate from 1½ cents to 2 cents in the coming year, and from 2 cents to 2½ cents in the year following.

Mr. NEUBERGER. That is correct.

Mr. CHURCH. That is another very large increase in rates. If we were to take second-class mail all by itself, and if we were to increase the rates enough to take care of the entire cost of the Post Office for handling this mail, then, as the Senator from Oregon well knows, it would be necessary to increase the rate 300 percent or more. The dislocating effect that such action would have upon business everywhere in the Nation would be disastrous.

So in view of that, in fairness to the public interest, I have supported the substantial increases, as large as business could possibly accommodate, both in second- and third-class rates; and I am also supporting an increase in the first-class rate which seems to me to be fairly designed to make certain that first-class mail carries its just share of the burden within the Post Office Department.

I think this is all in the public interest; but I cannot see how a nickel stamp for first-class mail is justified.

Mr. NEUBERGER. The money will have to be obtained somewhere. The Senator from Idaho does not want to increase second- and third-class rates further, because he does not want to place an undue burden on business. The Senator wants to cut back the proposed first-class rate to 4 cents.

Mr. CHURCH. Cut it back? That is a 33⅓-percent increase.

Mr. NEUBERGER. I said "the proposed first-class rate." The Senator from Idaho proposes that the postal deficit that will then be left shall be collected generally from the taxpayers of the United States.

Mr. CHURCH. I should like to answer that proposition.

Mr. NEUBERGER. Will the Senator let me finish, please? I have the floor. I am trying to be brief.

Is it not true that while the Senator from Idaho is unwilling to raise the rates on second- and first-class mail further, and wants the first-class rate increase held to 4 cents, he is proposing a general levy on all the taxpayers of the United States to subsidize, if I may use the word first introduced by the able Senator from Montana [Mr. MANSFIELD], the users of the mails?

Mr. CHURCH. Has the Senator from Oregon finished his question?

Mr. NEUBERGER. I have.

Mr. CHURCH. I think I can best answer the question in this way: The rate schedule I support is a schedule which will vastly increase the revenues of the Post Office Department in a way which fully conforms with the postal policy contained in the bill.

The committee, after learned and exhaustive study, which I do not, on the floor, propose to contest, has said that it is in the public interest to recognize that the Post Office Department performs certain public services the cost of which ought to be borne by the taxpayers at large. The committee, in its considered judgment, has said that this service ought to constitute about 15 percent of the cost of the operation of the Post Office Department.

We can pass a postage rate bill which will not include a nickel stamp for first-class postage. We can increase the first-class rate to 4 cents, we can adopt the postage rates for second-class mail as contained in the bill, and we will still raise enough revenue to permit us to increase the wages of the post office employees, and end in the coming years with an operating deficit which will be in an amount smaller than the 15 percent contained in the postal policy of the bill, which is justly and properly allocable to the public interest, and therefore should rightly be borne by the taxpayers at large.

I cannot see anything in the whole case which justifies a nickel stamp for first-class mail—and that in spite of the splendid presentation which has been made this afternoon by my good friend, the distinguished junior Senator from Oregon.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. NEUBERGER. I yield.

Mr. CARLSON. I wish to ask the Senator from Idaho if he was operating here today as a rural carrier or as a city carrier. I have noticed that he operated very effectively over the entire floor; but under the rules of the Senate a Senator is supposed to speak from the seat he occupies, instead of over the entire floor.

Mr. NEUBERGER. I think we were all pleased with the oratory of the distinguished Senator from Idaho.

Mr. LAUSCHE. Mr. President, will the Senator from Oregon yield?

Mr. NEUBERGER. I yield.

Mr. LAUSCHE. Perhaps the Senator from Kansas can help in the answering of my question. In the event the bill is passed as recommended, and the wage increase is granted, what will be the deficit which will exist at the end of the year?

Mr. CARLSON. Mr. President, I hesitate to take the time, but I have the figures before me: If House bill 5836, as passed by the House of Representatives—in other words, the bill which calls for the 4-cent rate—is enacted, and if the Senate pay bill (S. 27), which now is on the calendar, is enacted, according to the figures given me by the Bureau of the Budget, the deficit will be $495 million.

Mr. LAUSCHE. By what amount will that be reduced if the rate for first-class mail is increased to 5 cents?

Mr. CARLSON. If House bill 5836 is amended so as to provide for a 5-cent first-class rate on non-local mail, and if Senate bill 27, as it is now on the calendar, is enacted, the deficit will be $321 million.

Mr. LAUSCHE. Then, even though the bill as recommended by the committee, and to which support has been given by the Senator from Oregon——

Mr. JOHNSTON of South Carolina. Mr. President, let us keep the record straight. The $175 million will have no effect on the postal deficit, for it will be spent for other purposes.

Mr. NEUBERGER. However, it will be spent by the Post Office Department.

Mr. JOHNSTON of South Carolina. It will be spent by the Post Office Department for modernization. That will be an additional expense.

Mr. NEUBERGER. Surely the distinguished chairman of the committee is not opposed to modernization of the Post Office Department.

Mr. LAUSCHE. Then, Mr. President——

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). Does the Senator from Oregon yield; and, if so, to whom?

Mr. NEUBERGER. I yield to the Senator from Ohio [Mr. LAUSCHE], to permit him to continue his questioning of the Senator from Kansas [Mr. CARLSON].

Mr. LAUSCHE. I thank the Senator from Oregon.

Then, Mr. President, I understand that a part of the deficit will result, allegedly, from capital improvements which will be made by means of the construction of new post-office structures.

Mr. CARLSON. I should like very much to keep the record straight. The chairman of the committee has made a very accurate statement. If one additional cent is charged, the Post Office Department will set aside $175 million for capital improvements, for modernization of the Post Office Department. That will relieve the Appropriations Committees and the Congress from voting for appropriations for that purpose, whereas in past years we have been voting for such appropriations. So there will be that much difference.

Mr. JOHNSTON of South Carolina. Also, if the bill including the 15-percent provision is enacted, the budget of the Post Office Department will be more than balanced.

Mr. CARLSON. Mr. President, of course I cannot agree with that statement.

Mr. JOHNSTON of South Carolina. Let the Senator from Kansas figure out for himself what 15 percent of $3 billion is. I think he will find that it amounts to $450 million.

Mr. LAUSCHE. That is to say, the committee has tried to make the Post Office Department self-sustaining, or as nearly so as possible; is that correct?

Mr. MORTON. Mr. President, will the Senator from Oregon yield to me?

Mr. NEUBERGER. I yield.

Mr MORTON. There are certain expenditures—although no one agrees as to what their exact amount is—which are made by the Post Office Department in the public interest. The committee has decided, based on its report, that the answer is $394 million. Someone else might decide that the answer is $250 million. Someone else might decide that the answer is $500 million. However, the Post Office Department spends a substantial amount of money in the general public interest, not for any particular user of the mail. Many of those items have been stated today for the RECORD, so I shall not repeat them.

I believe that the committee is trying to get the Post Office operations on a break-even basis, taking into consideration what we believe to be the necessary public-service operations which should be paid for out of the general tax revenues.

My own feeling is that the amount is somewhere in the neighborhood of $200 million.

Mr. LAUSCHE. What is wrong with trying to make the second-class mail come closer than it now does to paying for the service it receives? I fail to understand why there is hesitancy about placing a greater burden on the second-class mail.

Mr. MORTON. Mr. President, if the Senator from Oregon will yield again to me, I shall attempt to answer.

Most of the public-service items to which I have referred come under the

second-class mail; certainly many of them do. For instance, in that connection I refer to the free distribution of county newspapers and similar items.

The trouble is that when we begin to deal with the second-class mail problem, we think only of large newspapers and magazines. As a matter of fact, the major magazines are about paying for the out-of-pocket expenses to which they put the Post Office Department, in order to carry them. But the other items—most of the public-service items—come in the second-class category, and that distorts the entire picture.

For instance, in the case of a magazine such as the Saturday Evening Post, the Post Office Department is just about receiving from the publisher of the Saturday Evening Post the out-of-pocket expense entailed by distributing it. The Saturday Evening Post comes to the Post Office Department already wrapped, and sorted by cities and by zones, and is shipped in carload lots between post offices—for instance, to the Chicago Post Office, and so forth.

On the other hand, many post office services in the second-class group—I believe the chairman of the committee has a list of them—are handled at 25 percent or 50 percent of the cost, because that is a policy the Congress has established; and I am in favor of it. I refer to the distribution of religious papers and similar items.

That is why I believe it is easy to become confused in approaching the second-class mail problem, because the second-class mail includes many items of that sort, many items of a public-service nature.

Mr. LAUSCHE. Mr. President, I shall support the amendment if I become convinced that the second-class mail is not paying its fair share, but is being subsidized to the extent of the amounts stated during the debate today.

Mr. NEUBERGER. But, Mr. President, one of the mistakes commonly made, not only by the public, but also by the Members of the Congress, is in attributing to the so-called large newspapers and magazines, which occasionally make convenient whipping boys, all the second-class mail costs which relate in some cases, to the handling of farm periodicals, labor publications, church journals, publications of eleemosynary and charitable groups, and so forth. That is not fair.

Mr. President, I should like to conclude my remarks; several of the things I shall have to say bear on the point which has been made by the Senator from Idaho [Mr. CHURCH].

Mr. CARLSON. Mr. President, will the Senator from Oregon yield very briefly to me?

Mr. NEUBERGER. I yield.

Mr. CARLSON. Earlier today the distinguished Senator from Oregon read a telegram from a former Postmaster General, James A. Farley, who urged enactment of the pending bill.

Since the Senator from Oregon began to speak this afternoon, another former Postmaster General has sent, from Kansas City, Mo., a telegram dated 2 p. m., which would be 3 p. m. by the time in Washington, D. C. The telegram reads as follows:

KANSAS CITY, MO., *February 25, 1958.*
Hon. ARTHUR E. SUMMERFIELD,
Postmaster General,
Post Office Department,
Washington, D. C.:

It is imperative that postage rates be readjusted upward promptly. The much needed increase in postage rates is long overdue. I appeared before the House committee on April 19, 1956, and supported the bill that passed the House. I filed a written statement with the Civil Service on April 1, 1957, supporting H. R. 5836 which passed the House.

The total postal deficit over the last 10 years is more than the increase in the national debt just authorized by the Senate committee. The postal employees are greatly in need of a salary increase which will add to the operating cost of the Post Office Department. There should be early improvement in the space and facilities of Federal buildings and leased quarters for postal purposes in the interest of better postal services. That program is overdue.

I sincerely and urgently support the rate bills now pending before the Congress and hope for early enactment.

J. M. DONALDSON,
Former Postmaster General.

I should like to say that it was my privilege to serve on this committee while Mr. Donaldson was Postmaster General. At that time he kept urging that the rates be increased.

Mr. MONRONEY. Mr. President, will the Senator from Oregon yield, so that I may ask a question for clarification?

Mr. NEUBERGER. I yield.

Mr. MONRONEY. Mr. Donaldson says, in the telegram, that he supports "the rate bills now pending before the Congress." But the bill passed by the House of Representatives calls for a 4-cent rate on first-class mail, whereas the bill reported by the Senate committee calls for a 5-cent rate on first-class mail. Which rate does Mr. Donaldson support?

Mr. CARLSON. I shall read again the last part of his telegram:

I sincerely and urgently support the rate bills now pending before the Congress and hope for early enactment.

I assume that is the bill before the Senate today.

Mr. MONRONEY. Does the Senator from Kansas mean the bill before the Senate, or does he mean the bill passed by the House of Representatives? The Congress is a bicameral body. The House has voted for a 4-cent rate on first-class mail, and the Senate committee favors a 5-cent rate on first-class mail.

Mr. NEUBERGER. Mr. President, I assume that the wires to Kansas City are still open. I believe it would be a simple matter for the able Senator from Kansas to communicate with former Postmaster-General Donaldson and to receive from him a clarification of his telegram, before the Senate begins its session on tomorrow.

Mr. CARLSON. So far as I am concerned, I do not believe we need a clarification. However, I shall be glad to obtain one.

Mr. MONRONEY. Mr. Donaldson referred specifically, in his telegram, to the fact that he appeared before the House committee and supported the bill which had been passed by the House of Representatives. That bill calls for a 4-cent rate on first-class mail. Are we to rely on the testimony he gave before the House committee, in favor of a 4-cent rate on first-class mail; or are we to rely on his endorsement of "the rate bills now pending before the Congress"? In that connection, let me point out that the bill pending before the Senate, as reported by the Senate committee, calls for a 5-cent rate on first-class mail. So are we to understand that Mr. Donaldson favors a 4-cent rate or a 5-cent rate? If he favors both, perhaps he means that in the final analysis, he advocates a 4½ cent rate on first-class mail. From his telegram, I do not know exactly what he does mean.

Mr. NEUBERGER. Mr. President, I should like to conclude my statement.

The PRESIDING OFFICER. The Senator from Oregon has the floor.

Mr. NEUBERGER. Mr. President, in this situation, the easy way for opponents of the committee's bill has been to pick only on the first-class increases, on the understandable assumption that people would be concerned primarily about the cost of the postal stamp they themselves use the most. Yet it is worthwhile to examine just to what extent first-class mail is used for the personal message service about which the tears are being shed.

The Post Office Department, I am informed, has undertaken extensive studies to determine just how much the average American family uses first-class mail service. These surveys have shown that the typical home sends out about 10 or 12 letters a month. This means that the new first-class rate will cost the average home not more than 20 cents a month. In other words, the new rates may cost a family between $2 and $2.50 a year.

By contrast, the average American home is contributing, through personal income-tax payments, about $7.25 a year—or more than 60 cents a month—to pay its share of the existing $700 million postal deficit. Should we pass my postal pay bill, as I trust we shall do, the deficit will reach about $1 billion unless we vote rate increases. Without a rate increase, this would raise proportionately the money taken from the average family, in personal income taxes, to carry the postal deficit.

Other surveys made by the Post Office Department, via actual mail counts at typical postal outlets, have revealed that more than 75 percent of all first-class mail originates with businesses, organizations, and corporations. For them it usually is, by the way, a tax-deductible cost. Should these firms pay a larger share of postal operating costs, or should the general taxpayer do so? That is the choice which faces the Senate today.

Some Senators would have us believe that the 5-cent stamp is a cruel imposition on the average family. Today, the average family is helping to subsidize the 75 percent of the first-class mail which is sent by business firms and corporations—department stores, banks, utilities, and the like. The chief way the

average family contributes to this subsidy is through income taxes, which are taken out of the wage earner's salary each week or month. Of course, Senators bitterly attacking the first-class rate increases may think that these taxes are less visible or identifiable than the new postage stamps, but they are nonetheless real.

Now let us take a searching and inquiring look to determine just who pays the major share of Federal income taxes, which currently help to subsidize low mail rates. These taxes are not plucked off trees or sent from distant outer space. To a material degree, these taxes come from the wages of the working men and women of America, as I am sure they would be first to attest.

Arguments based on "typical" first-class mail use by families, and on "average" income tax payments, may quite justifiably be criticized for not being a precise enough measure of the relative impact of taxes and first-class postal rates on different groups of Americans. A more indicative measure is to show the source of the income taxes which now must contribute so heavily to making up the postal deficit.

TWO LOWEST TAX BRACKETS PAY 35 PERCENT OF POSTAL DEFICIT

Last autumn, for a quite different purpose, I asked the Library of Congress to make up for me a chart of the distribution of Federal income tax collections among different income groups, by tax rate brackets.

Out of all Federal revenues that support each year's Federal operating budget, about one-half are collected by the Federal income tax on individuals. The chart shows, Mr. President, that of these income taxes, about 70 percent—in other words, about 35 percent of all Federal revenue—is collected from income taxpayers in the lowest two taxable income brackets. These brackets, furthermore, include 94 percent of all personal income taxpayers in the country. Mr. President, I ask unanimous consent that this chart appear in the RECORD at this point in my remarks.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

Illustration of distribution of income tax among income brackets (estimated 1956 figures)

Highest applicable income tax rate (percent) [1]	Taxable income bracket	Estimated number of taxpayers by income brackets [2]	Percentage of taxpayers by income brackets	Estimated collection from income taxpayers by income brackets [3]	Percentage of total collections from income taxpayers
	Total	*Millions* 78,571	100.00	*Millions* 31,518	100.00
20	Not over $2,000	60,347	76.81	18,365	58.27
22	$2,000 to $4,000	13,290	16.91	4,117	13.06
26	$4,000 to $6,000	2,754	3.51	1,656	5.25
30	$6,000 to $8,000	651	.83	1,100	3.49
34	$8,000 to $10,000	399	.51	883	2.80
38	$10,000 to $12,000	331	.42	715	2.27
43	$12,000 to $14,000	178	.23	608	1.93
47	$14,000 to $16,000	130	.17	512	1.62
50	$16,000 to $18,000	86	.11	421	1.34
53	$18,000 to $20,000	114	.15	346	1.10
56	$20,000 to $22,000	55	.07	292	.93
59	$22,000 to $26,000	77	.10	457	1.45
62	$26,000 to $32,000	66	.08	463	1.47
65	$32,000 to $38,000	23	.03	309	.98
69	$38,000 to $44,000	23	.03	222	.70
72	$44,000 to $50,000	14	.02	172	.55
75	$50,000 to $60,000	8	.01	208	.66
78	$60,000 to $70,000	12	.02	146	.46
81	$70,000 to $80,000	4	.01	87	.28
84	$80,000 to $90,000	3	(4)	65	.21
87	$90,000 to $100,000	1	(4)	47	.15
89	$100,000 to $150,000	3	(4)	142	.45
90	$150,000 to $200,000	1	(4)	63	.20
91	Over $200,000	1	(4)	123	.40

[1] Not strictly applicable to heads of households taxpayers.
[2] Married couples filing joint returns are counted as 2 taxpayers, each with ½ of the combined income.
[3] Does not include the alternative tax and is before the 87-percent limitation, the retirement income credit, and the dividend received credit.
[4] Less than 0.01 percent.

NOTE.—Figures are rounded and will not necessarily add to totals.

Mr. NEUBERGER. Mr. President, roughly speaking, we may conclude that about one-third of the postal deficit each year is borne directly by the 94 percent of American families in the first two income-tax brackets. I repeat that I would not be so foolhardy as to try tracing the indirect impact of postal rates on the one hand and the corporate income-tax contributions to the postal deficit on the other. But the direct income-tax impact is relatively clear. Out of every $100 million of the postal deficit, as much as $35 million is made up out of the direct income taxes of individuals in the first 2 tax brackets, and they include the working men and women of America.

Yet there is no evidence, to my knowledge, that people in lower income brackets write more letters than people in higher brackets. If anything, given the facts of leisure, of social activity, of inclinations, the opposite seems more probable. In any case, there is no basis at all for regarding an increase in the letter rate—which, according to the Post Office survey I have mentioned, will mean perhaps $2 or $3 a year to most families—as a particular imposition on families in lower income brackets, when related to the impact of present deficits on their taxes, for, I repeat, if we cut the deficit $100 million, we save these families—94 percent of all taxpayers—$35 million in future income taxes.

BUSINESS, NOT PERSONAL, MAIL USE IS TRUE ISSUE

No, Mr. President, the controversy over rates is not a controversy between individual letterwriters on the one hand and greedy, subsidized business mail users on the other. As I have shown, the private mail user already bears a heavy share of the postal deficit in his annual tax bill. And in the last analysis, all Americans are individuals, and in one form or another, we share the cost and the benefits of postal service somehow—whether as magazine publishers or as readers, as advertisers or as consumers, as letterwriters or as taxpayers. But the real current controversy, as we have seen it before the Senate Postal Rates subcommittee, has been between different classes of business-mail users—the only users of postal services to whom mail rates are significant enough as a cost of business, and I repeat that this includes three-fourths of all first-class mail, too. There, and not between them and the private, individual letterwriter, the difficult compromises and decisions have had to be made. To the extent that some important social or economic objective may be said to have received inadequate attention in those decisions, let us debate them in the Senate and, if necessary, make minor amendments. But let us be honest and realistic, rather than emotional, about the true business nature of the problems with which we are dealing, and let us not lose sight of the overriding objective of eliminating to a major extent the immense deficit which now, each year, adds to the present and future burden on every American taxpayer.

In conclusion, Mr. President, I should like to say that there are many critics of the rate bill which has been reported by the Senate Committee on Civil Service and Post Office. It seems to me the burden of proof is on those critics. If they are dissatisfied with the bill, they should submit specific amendments to it. But when they submit the amendments, particularly if they are amendments to cut drastically the proposed increases in postal rates, they should face up to the facts which I have just outlined. They should face up to the fact that every $35 million out of each $100 million of the Post Office deficit has to be carried by the taxpayers in the lower income brackets, which means very largely the working people and the small farmers of the United States.

Mr. President, I wish to thank the many able Senators who are present on the floor, especially the Senator from Kansas [Mr. CARLSON], the Senator from Kentucky [Mr. MORTON], the Senator from Ohio [Mr. LAUSCHE], the Senator from Oklahoma [Mr. MONRONEY], the Senator from Pennsylvania [Mr. CLARK], the able chairman of the committee, the Senator from South Carolina [Mr. JOHNSTON], the Senator from Idaho, who is the present occupant of the chair [Mr. CHURCH], the Senator from Montana [Mr. MANSFIELD], and many other Senators who have contributed to the informative discussion today.

EXHIBIT A

UNITED STATES SENATE,
COMMITTEE ON POST OFFICE
AND CIVIL SERVICE,
February 24, 1958.

The Honorable ARTHUR E. SUMMERFIELD,
The Postmaster General,
Washington, D. C.

DEAR MR. POSTMASTER GENERAL: In the course of the recent extensive hearings on postal rates, I have been impressed by the evidence presented concerning the manner in which postal rates are set by other democratic governments than our own. I have become interested in the idea that some manner of determining postal rates could be devised which would relieve Congress of the necessity of sitting in judgment over extremely complex and conflicting evidence as to cost accounting and the impact of small, specific, detailed, differences in particular rates, while leaving overall postal ratemaking policy subject to democratic control by general statutory standards and by Congressional supervision.

I am writing you, therefore, to obtain your opinion on the desirability of such a change in the manner in which postal rates might in the future be set by our Government.

I wonder whether a ratemaking procedure could be devised which might comprise:

(1) A general statutory statement of Congressional policy and standards as to services to be rendered and allocation of costs, including a statutory ceiling on total annual Post Office deficit;

(2) Initial determination of proposed rates and rate changes by the Postmaster General, including full protection of private interests affected in rate-change planning, by provisions for fair administrative procedures of notice, hearing, etc., including perhaps an appellate board or commission;

(3) A procedure for submission of any proposed rate changes by the Post Office Department to the Congress, patterned upon the executive reorganization acts under which reorganization plans become effective unless disapproved in Congress within a specified period;

(4) An annual report to Congress on revenues and costs from Post Office operations, including an explanation of cost allocations to different classes of mail, their relationship to the rate structure, and isolating and identifying remaining subsidies.

The above is only one possible approach which has occurred to me in the course of our recent consideration of postal rates; it is not meant to represent a definite proposal or fixed conclusion on my part. However, I shall be interested in your comments on this approach. I would appreciate knowing whether you favor a change toward administrative ratemaking for our postal system, perhaps in a form subject to the executive-reorganization type of Congressional review I have mentioned. If you do, I would appreciate your sending me for my study and consideration draft legislation which would incorporate your recommendations in this respect.

Respectfully,

RICHARD L. NEUBERGER,
United States Senator.

Mr. MORTON subsequently said: Mr. President, I ask unanimous consent that following the remarks of the Senator from Oregon there may be printed in the RECORD a statement on this subject by the present Postmaster General.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY POSTMASTER GENERAL ARTHUR E. SUMMERFIELD

The large advertisement by the Association of First Class Mailers (a group of business users of the mails) in a Washington paper today is one of the most highhanded, brazen, and misleading efforts ever made by a lobbying group to further its own selfish interests.

The statements made by this group, which profits from below-cost postage rates, are a slander upon the integrity and common sense of the Congress and the Post Office Department.

After extensive hearings, the Senate Post Office and Civil Service Committee approved a Senate version of a postal-rate bill with a 4-cent, local-letter rate and a proposed temporary 5-cent rate for out-of-town mail, with the fifth cent—amounting to $175 million annually—to be set aside for vital postal-facilities improvements.

Previously, the House of Representatives, by a nearly 2-to-1 majority, voted rate increases of 4 cents for first-class mail.

To accuse these legislators and postal officials of advocating a hidden tax upon the people of the United States is a shocking display of business immorality. Certainly, this small lobby group does not truly represent the American business community as a whole, which is on record as favoring postal-rate increases that will place the Post Office Department on a more nearly self-supporting basis.

The obviously false statements made in this advertisement are easily corrected by a straightforward review of the facts.

This advertisement says that "first-class mail has been more than paying its way since 1932."

The fact is the loss on first-class mail in 1956 was $29.8 million. In 1957 it will be even greater. These losses, it should be noted, are the allocated costs exclusive of the charges for the many costly preferential services given first-class mail.

In every major postal system in the world, first-class mail traditionally yields more revenue than is spent in its handling and delivery.

Historically, in the United States, the Congress has accepted this policy in setting postal rates. In the years 1926 through 1941, first-class mail has contributed 50 percent or more to the Department's operating costs. Today's figure is down to 35 percent.

The paid advertisement refers to the Post Office Department's proposed building program to construct 12,000 new post offices and modernize 2,500 of the 3,300 presently owned Government post offices as the same discredited-lease program that has been underway for some time.

Here are the facts about this highly successful program.

In the past 4 years, over 2,000 new postal buildings have been built to the Post Office Department's specifications by private investors and leased to the Department for long-term periods. The rentals per square foot paid on these new leased buildings is less than that previously paid for less satisfactory space.

These leased buildings are good deals for the Government since no capital funds, which would have to be raised by taxes, are needed. They pay local municipal taxes, give small investors a safe outlet for their savings, and are cheaper to maintain and operate than comparable space in Government-owned buildings.

Based on recent studies completed by the Post Office Department, the Nation's new post offices would cost an estimtaed one-third less under the President's $2 billion modernization program than under public works.

Detailed cost data show that on 18 typical leased postal buildings annual costs are 80 cents a square foot, compared with $1.30 on Government-owned buildings.

The concluding statement in the advertisement has the brazen audacity to malign the Members of Congress in these words: "Those who vote for the nickel stamp will be voting to saddle first-class mail users—and that's everybody—with a one-half-billion-dollar stamp tax."

First, the half-billion-dollar figure is a typical irresponsible and erroneous distortion. The temporary extra cent per out-of-town first-class letters would produce $175 million in new revenue per year for 3 years, not $500 million.

Second, it is not a tax. It is an effort to make the actual users of the mails pay more of the costs of using the mails, rather than requiring all taxpayers to foot the postage bills of a relatively small group of commercial users of the mails.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. NEUBERGER. I yield to the Senator from Kansas.

Mr. CARLSON. I wish to compliment the Senator from Oregon for a very thorough and outstanding discussion of this problem, which is a very difficult one. We have been wrestling with the problem for years. The junior Senator from Oregon has devoted much time to the question. He has been very sincere in his statements and studies. I feel he has rendered a real service and has made a contribution to the Nation in his presentation in the Senate this afternoon, because he has laid aside all thoughts of everything except getting the Post Office Department on a paying basis and having a modernization program which will result in a more efficient handling of the mails for years to come.

Mr. NEUBERGER. I thank the Senator from Kansas for his characteristically generous remarks. It is always a genuine pleasure to work with the Senator from Kansas.

Mr. MORTON. Mr. President, will the Senator yield?

Mr. NEUBERGER. I yield to the Senator from Kentucky.

Mr. MORTON. I wish to join in the statement of the Senator from Kansas commending our distinguished colleague from Oregon for a very able presentation and for the very great patience he has shown this afternoon. I shall not take his time or the time of the Senate at this late hour to make comments on the accounting procedures which were used or have been used or are now being used by the Post Office Department. I should like to develop that subject tomorrow.

I commend the present occupant of the chair, the Senator from Idaho [Mr. CHURCH], for his ability to comprehend the cost ascertainment system so quickly. I have wrestled with the problem for 11 years. I realize my intellectual capabilities are of a rather low level, but it has seemed to me that the system is archaic.

Mr. NEUBERGER. I should like to thank the Senator from Kentucky for his very kind observation in regard to me. In my service on the subcommittee and on the full committee, I have learned a great deal from the Senator from Kentucky, whose experience in postal matters is so much greater and of such longer duration than my own.

I notice, Mr. President, that some Senators appear to desire recognition, and unless there is further interrogation of me, I am prepared to yield the floor.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. NEUBERGER. I yield to the Senator from New York.

Mr. JAVITS. I should like to join with my colleagues from Kansas and Kentucky in congratulating the Senator from Oregon upon his presentation, which I found to be most informed and stimulating.

If the Senator will indulge me, I should like to say his address proves something, in addition, for the Senator from Oregon is known to be an outstanding liberal, and he is demonstrating that liberals know how to be hardheaded and businesslike when they are faced with a very difficult business proposition. I gather hope and pleasure from the fact that the Senator has taken the stand he has upon this measure, relating to a great enterprise of a business character operated by the United States, in the determination that the Post Office Department shall pay its way so far as humanly possible, that it shall perform humanitarian service where possible, and that it shall pay its employees fair wages and not penalize them because they work for an agency which is associated with the Federal Government.

Mr. NEUBERGER. I thank the distinguished Senator from New York for his very kind observations. Inasmuch as the junior Senator from New York raised the question of postal pay, I should like to make one other very brief comment.

One of the principal reasons I joined in backing the bill to increase postal rates, which is under consideration, is that I am a sponsor along with the distinguished chairman of the full committee of the bill which is on the calendar, to increase the pay of post office employees.

As the Senator from New York has so eloquently pointed out in the Chamber on numerous occasions, the families of many letter carriers and mail clerks are in dire financial need. I did not feel I would be playing fair with those people if I received from them credit and praise for sponsoring the bill to increase their meager salaries, unless I had the political courage to try to raise the funds to pay for the increased salaries. That is one of the reasons I have taken the stand I took in the Senate today.

Mr. JAVITS. If the Senator will yield further, I wish to associate myself completely with that principle, and I am following it as well as I humanly can.

Mr. NEUBERGER. I thank the able Senator from New York.

Mr. MONRONEY. Mr. President——

The PRESIDING OFFICER (Mr. CHURCH in the chair). The Senator from Oklahoma.

Mr. MONRONEY. I should like to compliment my distinguished colleague from Oregon on the splendid presentation he has made. The fact that I disagree with the Senator as to the amount of increase needed in the rate on first-class mail in no degree lessens my deep respect for his ability, his courage, and his opinion that the 5-cent postage stamp would be better than a 4-cent postage stamp. I know the Senator has arrived at his conclusion after much soul searching. Our differences are only to this degree, and we are completely together on all the other matters.

Mr. NEUBERGER. My difference with the able Senator from Oklahoma on this bill is only in that one category, and it has been a pleasure to work on the committee with the Senator from Oklahoma. I want to thank him again for his kind references.

Mr. MONRONEY. I thank the Senator very much.

Mr. President, I have sent to the desk an amendment which would reduce from 5 cents to 4 cents the first-class letter rate. The amendment would provide for a universal 4-cent postage stamp instead of the hybrid 5 cent-4 cent postage stamp which is proposed in the committee amendment, which is now pending before the Senate.

Mr. President, I intend to address myself at some length tomorrow to the advantages of the universal 4-cent first class rate, and why such a rate will not bring about as great a loss of revenue as many people suppose. Forty-four percent of all first-class mail moves in the intracity transportation and delivery, and the committee amendment provides that the rate for such mail shall be 4 cents. Therefore, that 44 percent of the first-class mail would produce the same revenue.

The only portion of the mail which would affect the revenue would be the 56 percent of the first-class mail which is the out-of-town mail delivered beyond the metropolitan area limits of many of our major cities, where the 5-cent postage stamp would obtain.

I think the loss or revenue as between the 4-cent and 5-cent rates would not be too great. There would be a protection, in addition, for the mail users, since they would know whether they should put the 4-cent stamp or the 5-cent stamp on a letter mailed, for instance, in Washington, which was going to Bethesda or Chevy Chase or Alexandria. We would, under the procedure I propose, avoid much untoward confusion by having a simple universal 4-cent postage stamp.

For that reason, Mr. President, I ask unanimous consent that my amendment, which I have sent to the desk, be printed and lie on the table. I shall call the amendment up tomorrow.

The PRESIDING OFFICER. Does the Senator from Oklahoma wish to offer his amendment, so that it will become the pending question?

Mr. MONRONEY. Mr. President, I wish to offer the amendment, so that it may become the pending question, and I ask that it be printed.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 33, beginning with the quotation mark in line 14, it is proposed to strike out through line 4, on page 34, and to insert in lieu thereof the following: "four cents for each ounce or fraction thereof."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma [Mr. MONRONEY].

Mr. MONRONEY. Mr. President, I send to the desk another amendment, also sponsored by the chairman of the committee, the Senator from South Carolina [Mr. JOHNSTON], the Senator from North Carolina [Mr. SCOTT], the Senator from Oregon [Mr. NEUBERGER], the Senator from Idaho [Mr. CHURCH], the Senator from Texas [Mr. YARBOROUGH], and the Senator from Wisconsin [Mr. PROXMIRE]; all the Democratic members of the Senate Committee on Post Office and Civil Service.

The amendment would provide a new title for the bill, which would be the postal pay bill as reported on January 23 by the Committee on Post Office and Civil Service of the Senate.

Mr. President, I ask that the amendment be printed and lie on the table, so that it can be called up before the completion of the consideration of the bill which is now before the Senate.

The PRESIDING OFFICER. The amendment be received, printed, and lie on the table.

Mr. NEUBERGER. Mr. President, will the Senator yield so that I may ask a question?

Mr. MONRONEY. I am happy to yield to the Senator from Oregon.

Mr. NEUBERGER. For the purpose of information, is the amendment which the Senator has submitted on behalf of all of the Democratic members of the Post Office and Civil Service Committee in effect the bill which is presently on the calendar, which includes the cost-of-living adjustment for the first five grades of postal workers?

Mr. MONRONEY. It is the amendment reported by the committee on January 23. I am not certain whether it is identical with the bill on the calendar, or whether it is a committee amendment which has been reported to the original bill. The distinguished chairman of the committee would know.

Mr. NEUBERGER. The distinguished chairman of the committee reported the committee amendment some weeks ago, I believe.

Mr. JOHNSTON of South Carolina. That is true.

Mr. MONRONEY. The amendment which I am offering now, which I have asked to have lie on the table, is the committee amendment reported January 23.

Mr. JOHNSTON of South Carolina. That is the committee amendment to the bill as amended.

Mr. MONRONEY. It is a substitute committee amendment for the bill reported by the committee. It is an amendment which I and the other Democratic members of the committee propose to offer as a new title to the rate bill.

Mr. NEUBERGER. The reason I asked the question of the distinguished Senator was that I was somewhat confused as to whether it was the bill under consideration last August, which had no retroactive feature and lacked certain other features, or whether it was the amendment recently reported by the full committee.

Mr. MONRONEY. The distinguished Senator was speaking at the time the other Democratic members were thinking of what should be done for the postal workers. I knew that the Senator had been one of the authors of the bill and had done much work with regard to the bill, and I thought the Senator would like to have the very latest

information, in the light of the current condition existing. For that reason I polled the other members and talked to all the other members of the committee on the Democratic side, who were unanimously in favor of offering the amendment as a new title to the rate bill.

Mr. NEUBERGER. And, of course, I join in that wish.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. MONRONEY. I am happy to yield.

Mr. CARLSON. I have just heard the amendment offered by the Senator from Oklahoma, and, as I understand it, the amendment will lie on the desk?

Mr. MONRONEY. Yes.

Mr. CARLSON. This procedure would not preclude the offering of other amendments?

Mr. MONRONEY. The amendment is not before the Senate. I have merely requested that it be printed and lie on the table, which will make it easier to consider it tomorrow. It will be easier for me to offer the amendment and have it considered by the Senate.

Mr. JOHNSTON of South Carolina. Mr. President, I have two amendments to submit. One would be applicable in the event the 5-cent nonlocal first-class letter rate remains in the bill. The second amendment would apply in the event the rate for first-class letters is fixed at a flat 4 cents.

In either case the main purpose of the amendments is the same.

First. They would authorize the establishment of an earmarked fund available to the Post Office Department for research, modernization, and building purposes.

Second. The Post Office Department would pay into the fund the amount of money it is required by law to pay into the civil service retirement fund. In the case of a 5-cent stamp the revenue from the additional 1 cent would also be paid into the fund.

Third. The plan would last for a 4-year period if there is not a 5-cent rate and for 3 years if the 5-cent rate is adopted.

Fourth. The Post Office Department would pay only interest on such money as it uses out of the fund for a stated period of years, after which time it would pay interest plus 5 percent of the principal each year.

Mr. President, these amendments overcome objections inherent in other proposals and, at the same time, the Post Office Department will be able to modernize as it should.

I send my amendments to the desk and ask that they be printed and lie on the table. One will be offered if the amendment of the Senator from Oklahoma [Mr. MONRONEY] fails, while the other will be offered if his amendment carries.

The PRESIDING OFFICER. The amendments will be printed and will lie on the table.

Mr. MONRONEY. Mr. President, I submit another amendment which I intend to propose tomorrow, to strike out the language beginning with line 14 on page 47, and continuing through line 9 on page 49. I ask that the amendment be printed and lie on the table.

The PRESIDING OFFICER. The amendment will be printed and will lie on the table.

RECESS

Mr. MONRONEY. Mr. President, I move that the Senate now stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 32 minutes p. m.), the Senate took a recess until tomorrow, Wednesday, February 26, 1958, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate February 25 (legislative day of February 24), 1958:

Raymond A. Hare, of West Virginia, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the United Arab Republic.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 25 (legislative day of February 24), 1958:

UNITED STATES CIRCUIT JUDGE

Leonard Page Moore, of New York, to be United States circuit judge, second circuit.

UNITED STATES DISTRICT JUDGES

Julius H. Miner, of Illinois, to be United States district judge for the northern district of Illinois.

Edwin M. Stanley, of North Carolina, to be United States district judge for the middle district of North Carolina.

UNITED STATES ATTORNEYS

George M. Yeager, of Alaska, to be United States attorney for a term of 4 years for division No. 4, District of Alaska.

William B. Butler, of Texas, to be United States attorney for the southern district of for a term of 4 years.

UNITED STATES MARSHALS

Herbert Barnes, of Delaware, to be United States marshal for the district of Delaware for a term of 4 years.

Clark W. Gregory, of Michigan, to be United States marshal for the eastern district of Michigan for a term of 4 years.

Edward L. McCarthy, of Rhode Island, to be United States marshal for the district of Rhode Island for a term of 4 years.

HOUSE OF REPRESENTATIVES

TUESDAY, FEBRUARY 25, 1958

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Acts 24: 16: *Herein do I exercise myself, to have always a conscience void of offense toward God, and toward men.*

Eternal God, our Father, sustained by Thy gracious providence, we enter upon a new day, beseeching Thee that we may discharge faithfully the duties and responsibilities of our high vocation.

May we be tireless in our efforts, unwavering in our loyalty, unfaltering in our courage, and invincible in our hope as we strive to establish on earth Thy kingdom of peace.

Guide us by Thy spirit in our endeavor to find a just and righteous solution to the many difficult social, political, and economic problems which confront our day and generation.

Help us to acquire and cultivate a nobler skill in the fine art of brotherly living.

Hear us in Christ's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 9955. An act to provide for a temporary increase in the public debt limit.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 1714. An act for the relief of Roma M. Sellers.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1568) entitled "An act to direct the Secretary of the Interior to convey certain public lands in the State of Nevada to the Colorado River Commission of Nevada acting for the State of Nevada."

The message also announced that the Vice President has appointed Mr. JOHNSTON of South Carolina and Mr. CARLSON members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers referred to in the report of the Archivist of the United States No. 58–9.

COMMITTEE ON ARMED SERVICES

Mr. BROOKS of Louisiana. Mr. Speaker, I ask unanimous consent that Subcommittee No. 1 of the Committee on Armed Services be permitted to sit during general debate this afternoon and during the remainder of the week while the House is in session.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

CREDIT IN DISASTER AREAS

Mr. JONES of Missouri. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. JONES of Missouri. Mr. Speaker, I would like to invite the attention of the Members to H. R. 10954, a bill which would provide additional emergency credit to farmers in areas which suffered production disasters in 1957, who are now unable to secure credit from normal channels for the purpose of paying debts

which were created in the essential operation of their farms last year.

These would be Government-guaranteed loans made through established lending agencies, including banks, production credit associations, and the Farmers Home Administration, for the purpose of refinancing unsecured indebtedness, and would be repayable over a period of years up to a maximum of 5 years.

These loans, secured by the personal obligation of the borrower, while of direct benefit to the farmer, would also result in great indirect benefits to thousands of small businesses, who, in extending credit last year, now find themselves in a position of being unable to continue with their normal operations. They are the type of small business, not large enough to qualify for loans under the regulations of the Small Business Administration, but who do play a vital role in the economy of many of our smaller communities.

I hope that my colleagues will take time to familiarize themselves with the provisions and purposes of this legislation, which is so badly needed in many sections of the country, particularly those areas where unprecedented rains and floods last year wrought damage which can be calculated in the billions of dollars.

If this Congress can justify gifts of millions of dollars for the benefit of farmers in foreign lands, surely we can make it possible for our small American farmers to borrow money, which will be repaid, on which they will pay interest.

CZECHOSLOVAKIA

Mr. BOLAND. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. MACHROWICZ] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MACHROWICZ. Mr. Speaker, I want to join with all American friends of Czechoslovakia to pay tribute today to the gallant people who long for the freedom and independence of which they have been forcibly deprived by the Commnuists. Forty years ago Czechoslovakia was set up as a true parliamentarian state. Her final constitution was created in accordance with that of the United States and in its pattern. Her cultural, political, and economic orientation was exclusively toward the West. The notorious Munich dictate of 1938 brought to a temporary end the progress of that country toward freedom and democracy. Czechoslovakia was dismembered and despite valiant uprisings, has remained to this day under Nazi and later Communist control. But the Czechs and the Slovaks have not given up their fight against communism.

Our investigations and studies by the Congressional Committee on Communist Aggression a few years ago, disclosed that no amount of tyranny has been able to suppress the innate determination of the Czechs and Slovaks to regain their freedom and independence under a democratic regime. I salute these people and wish them an early realization of their goal.

SALARY INCREASE FOR POSTAL AND CLASSIFIED CIVIL-SERVICE EMPLOYEES

Mr. YOUNGER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. YOUNGER. Mr. Speaker, in a short time, I hope, we will have before us for passage a salary increase for the postal and classified civil-service employees. Each time the Congress turns its attention to this problem, it becomes increasingly evident how woefully inadequate we are to equitably solve this problem. It has become a political football where Congress is even urged, just to embarrass the administration, to pass a bill which on its face is headed for a Presidential veto. The Federal employees have suffered enough in the past from such procedure and it would seem that the employees would rise up and prevent a recurrence of this procedure.

It is my firm conviction that our Federal employees will never receive an equitable wage until the determination of that wage is taken out of the Congress and placed in the hands of some type of a wage board with power to adjust pay by locality on a comparison of like employment. It certainly can be worked out in some manner, just as we had to do it for the blue collar workers on an hourly basis.

A national salary rate for the postal and classified civil-service employees is just as unfair and inequitable as it would be for the blue-collar workers. Here is a sample of the variance given to the blue-collar workers to adjust for local conditions in the last wage survey:

San Francisco

Laborer	$2.09
Helper	2.24
Benchmark trades	2.67

Washington, D. C.

Laborer	$1.65
Helper	1.83
Benchmark trades	2.39

Atlanta, Ga.

Laborer	$1.59
Helper	1.72
Benchmark trades	2.31

When will Congress start treating the postal and classified civil-service workers with the same degree of equity which we apply to our blue-collar workers?

HON. JOHN FOSTER DULLES

Mr. JUDD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and etxend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. JUDD. Mr. Speaker, I want to join the distinguished gentleman from Pennsylvania [Mr. WALTER] in extending congratulations and good wishes to our Secretary of State, Mr. Dulles, on his 70th birthday. And may he continue long in good health and continue long his important work as our representative in world diplomacy.

Some people have said Secretary Dulles is too inflexible. They say our enemies and some in friendly countries do not like him because they say he is unwilling to make further concessions to the Soviet Union. To me these are the very strongest things in his favor. How many more concessions does anybody think we can make—and still stay free? Besides, does anybody believe that anything the Soviet Union wants us to do would be in our interest? Why should any Americans be urging us to do what the Soviet Union urges us to do? Do they forget so easily what happened just 10 years ago to Czechoslovakia which tried to coexist peacefully with the Soviet Union by making concessions?

Some have charged that Secretary Dulles is unwilling to negotiate with the Soviet Union leaders. No, it is they who are unwilling to negotiate with him, and for good reason—they know they cannot pull the wool over his eyes. They cannot get him to fall into their traps. They know he stands guard first and always over our interests and that of all free peoples.

I think more and more Americans are beginning to realize that in the difficult task he has of seeing through and resisting the Communist blandishments and enticements and threats in order to stand four-square for our country and for freedom around the world, Mr. Dulles deserves the fullest support of all Americans. We salute and honor him today.

The SPEAKER. The time of the gentleman from Minnesota has expired.

CZECHOSLOVAKIA

Mr. COLLIER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. COLLIER. Mr. Speaker, 10 years ago today Czechoslovakia, a nation of frugal, freedom-loving people, fell under the yoke of Russian communism. It was a black day in the history of Europe, a day which stands as one of mankind's betrayal of man. These 10 years have been a terrible tribulation toward the people of this once proud Republic. But despite a decade of Soviet terror and enslavement, the people of Czechoslovakia are still bitterly anti-Communist, and I know from folks in my district who have recently visited relatives behind the Iron Curtain there, that the Czech nation is still courageously hopeful for the day of liberation.

There are many who have left Czechoslovakia who still have ties in their homeland of blood and sentiment. They are still deeply concerned at the fate which

has overtaken the people of a nation living in perpetual terror and the dark night of Soviet slavery.

The coup d'etat of Czechoslovakia was accomplished by intimidation, infiltration, and purging of all who dared oppose the doctrines of Kremlin ideology. In the face of the sad plight of the peace-loving nation which only 3 years before had felt the heavy blow of Nazi invaders, we in America should look upon the Czech people with admiration and respect for the gallant resistance which they offered to the brutal strangulation process of the invader. It is hard to conceive that mankind, reaching an era of modern civilization, should ever witness the days when the rights of peace-loving peoples should be trampled upon in such a manner.

The spirit of the Czech people may temporarily be dampened by the lack of the brute force that would be necessary to remove these shackles. Perhaps some of the older folks have accepted with bitter resignation the sad fate of their people. But as long as there remains the spark of freedom within the hearts and souls of the Czechs, the day of reckoning is sure to come.

Czechoslovakia's sacrifice offers the reason to people of the Free World that peace and the individual rights of man are indivisible. The works and deeds of Thomas G. Masaryk and their effect upon the heritage of the Czech nation will never be extinguished.

Other small nations have suffered the same fate as Czechoslovakia. In the hearts of all people who have enjoyed the material and esthetic benefits of the free way of life will remain the spark of desire to regain it, perhaps at the cost of human life. But some day it will be achieved and the spirit of freedom in the souls of the nations enslaved by communism will prevail over all else.

NORTH KOREAN HIJACKING OF AMERICAN PLANE

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, we have been told that today is the 70th birthday of Secretary Dulles. We all congratulate him.

It is also the day when the National Conference on Foreign Aspects of United States National Security is being held. In that connection I read an excerpt from a letter dated February 19:

> No doubt you know of the missing plane hijacked into North Korea February 16, 1958, with two Americans aboard. One of these boys, the one acting as co-pilot, was our son.

We spend some money—billions, I have been told—to get the friendship of other nations. Some of us who have read a little bit remember that one time way back in the War of 1812, was it not, we went to war to establish the doctrine of freedom of the seas because the English were searching our ships, impressing our seamen.

What do you think of a foreign policy of giving away billions of dollars—and the newspaper this morning says we are to have four bases in Britain—and here comes along, how can you describe it, the North Korean nation, a little bit of the Chinese nation, and hijacks a plane, kidnaps two American citizens, and we do nothing about it. What do you think of our inaction at this time?

The letter to which reference was made reads:

> DEAR SIR: No doubt you know of the missing plane hijacked into North Korea February 16, 1958, with two Americans aboard. One of these boys, the one acting as copilot, was our son, Lt. Col. Howard W. McClellan, 7763A—PROV. MAAG—Korea, APO 301, San Francisco, Calif.
>
> He has been stationed there since August 1, 1957.
>
> The feelings and sentiments of our city and surrounding community is running high, and they as well as us, his parents, request a quick and prompt action by our Government in this matter.
>
> However, we do not wish to interfere in any steps that's being taken, that would jeopardize his safety as well as the other man who was acting pilot.
>
> Would you deem it advisable and grant us permission to get up a petition with several drawn up and placed in local downtown business places for these people of Buchanan to sign, and then forward them on to the President of the United States.
>
> For the sake of his wife and six children, we pray you may be able to aid us in this matter. Thanking you in advance for a quick reply.
>
> Sincerely,
> Mr. and Mrs. SAMUEL J. MCCLELLAN.

After the expenditure of billions upon billions of dollars, the installation of over 900 military bases outside of the continental United States, and the giving of munitions of war of almost every description to other nations, apparently we are today without a friend in the world—our citizens kidnaped, not only on this last occasion but several other times previously, and the only action we have taken to force respect has been the demand and the payment of a few paltry dollars. That seems to be the result of our present foreign policy. It is humiliating—it is cowardly—and it is the result of our own apologetic attitude, our failure to assert our rights.

PERMISSION TO SIT DURING SESSIONS OF HOUSE

Mr. KILDAY. Mr. Speaker, I ask unanimous consent that Subcommittee No. 2 of the Committee on the Armed Services may sit during general debate in the House this week.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

THE SITUATION OF THE AMERICAN FARMERS

Mr. WILSON of Indiana. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. WILSON of Indiana. Mr. Speaker, we have before us today an unfortunate situation whereby many American farmers have been "left out on a limb" by the Federal Government. I propose immediate action to remedy the condition, and I have just introduced legislation for that purpose. I hope this action will be expedited, and I believe many of my colleagues in this body feel likewise.

My proposal would immediately provide an additional $250 million for the acreage reserve or soil bank program. This is imperative, since present funds are insufficient and thousands of farmers everywhere may not receive payments they were told would be available.

Mr. Speaker, a sum of $750 million was made available for the soil bank in fiscal 1957. Due to various factors, this amount was not fully used. This led to the belief that $500 million for fiscal 1958 would be sufficient, and such was the amount appropriated. We now find this amount is far short of the actual need for carrying out the soil bank program.

In my own Congressional District and in many other areas of Indiana and elsewhere, the evident shortage of the soil bank program has left a void and a state of confusion highly aggravating to farm folks.

If we are to have effective production controls this year, these additional funds as proposed in my legislation must be made available at once. Such action would show the Federal Government's intent to keep faith with its farmers and administer programs as planned and publicized.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 12]

Arends	Diggs	Morgan
Belcher	Engle	Moulder
Blatnik	Everett	Passman
Blitch	Forand	Poff
Bow	Gavin	Porter
Breeding	Gordon	Powell
Brown, Mo.	Grant	Radwan
Buckley	Green, Pa.	Rivers
Burdick	Hays, Ark.	Roberts
Carnahan	Hays, Ohio	Rogers, Colo.
Celler	Hébert	Rogers, Tex.
Chiperfield	Ikard	Shelley
Christopher	Karsten	Shuford
Colmer	Kitchin	Sieminski
Davis, Ga.	McGregor	Vorys
Davis, Tenn.	Macdonald	Williams, N. Y.
Dawson, Ill.	Magnuson	Wilson, Calif.
Dent	Merrow	

The SPEAKER. On this rollcall, 365 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

SECOND SUPPLEMENTAL APPROPRIATION, 1958

Mr. WHITTEN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 10881) making supplemental appropriations for the fiscal year ending June 30, 1958, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited not to exceed 2 hours, and to be controlled one-half by the gentleman from New York [Mr. TABER] and the other half by myself.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Mississippi.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H. R. 10881, with Mr. WALTER in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. Mr. Speaker, I yield myself 5 minutes.

Mr. Chairman, the agricultural section of this bill provides appropriations to restore the capital impairment of the Commodity Credit Corporation. As the membership realizes, I am sure, the Commodity Credit Corporation has been used for a number of years to carry on various activities of the Government. In turn, we have restored the capital impairment by appropriation. In the present bill we have 18 million-odd dollars which was used for animal disease eradication; one million dollars plus, which is the restoration of money expended for grading and classing activities; $489,500,000 for the soil-bank program of last year. The disposal of various commodities in world trade as a part of our foreign policy, through Public Law 480 requires another $1,725,549,473.

These appropriation are made for the purpose of restoring capital impairment of the Commodity Credit Corporation. I think the Members will thoroughly understand it, but the other section of this bill, which perhaps needs some discussion, is the provision whereby the committee has increased or made funds available for the acreage reserve program. The acreage reserve part of the conservation program was announced last year as $500 million. The Department of Agriculture had the authority to scale down the rates offered, or they had the authority to scale down the acreage so that all farmers could get into the program as was guaranteed under the law. Instead of pointing out such rights, however, the Department announced to the farmers of this country that they would have until March 7 to sign up to put their acreage into the acreage reserve program and stated there was ample authority to include all.

In many areas of the country the farmers have been trying to get into the office to sign up and put their share of land into the acreage reserve program. At the time they had been advised that they had until March 7; they went to the proper place to sign up, and then the signup was so much greater than the $500 million that had been authorized by the Congress last year that after 3 days the doors were closed; and these farmers who had not signed up were told they could not participate in the program.

That is the situation with which the committee is confronted. First, the Department had advised the farmers that they had to sign up under a law which provides as follows:

> The Secretary shall make provisions for the limits within which each farm may participate in the acreage reserve program in such a manner as to achieve the national reserve acreage goals and—

Listen to this—

> And give the producers a fair and equitable opportunity to participate in the acreage reserve program.

Mr. Chairman, it is my belief that this is a most unsound program. I am convinced that this program was passed in the first instance, so as to put some money in the hands of the farmers just prior to the elections of 1956, when farm income was way down. Be that as it may, and in spite of the fact that many of us had doubts about it, the law was enacted. Last year the House cut this program out for the present year, but it was restored in the other body; and in conference it was retained at the $500 million level.

It is my belief that this program will, in the end, do untold damage to American agriculture. I am convinced that with the same amount of money we have in this program, by a proper system of price supports and sales in foreign markets at competitive prices, we could generate business and do something to reverse the downturn in our economy, and stop this increasing unemployment we hear so much about.

But, be that as it may, and in spite of my belief, this law was passed last year by the Congress, and the farmers were told that they had until March 7 to sign up to get their fair chance to participate in this program.

I am the chairman of this subcommittee and speak the sentiments of nearly all the members of the subcommittee. It is our feeling, while many of us believe the program itself was unsound, that when the law says to each farmer that he is entitled to a fair and equitable opportunity to participate in the program, and he has gone to the right place to sign up within the time he was told he had the right to sign up, that there is an obligation on the part of the Government to raise the ceiling to protect that right.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. WHITTEN. Mr. Chairman, I yield myself 5 additional minutes.

Mr. Chairman, the committee feels that since the law says to each farmer that he is entitled to his fair and equitable opportunity to participate, and since the Department was unwilling to scale down the rate of payment per acre or to scale down the acreage but attempted to close the door, leaving half without the program and half in it, there is an obligation on our part to raise the ceiling within the limit of the law so that all can be treated alike.

At the time this bill was acted on by our subcommittee, we talked to the Department of Agriculture and they advised us it would take an increase of $175 million to include all farmers who tried to participate. In the meantime the Department had scaled down the time limit within which farmers could sign up. They moved it back from March 7 to February 20.

The Department notified each farmer of the change in date; so it is my belief that every farmer has full knowledge that he must have taken action by February 20.

The Department stated this morning that they have signups or attempted signups that will equal the full amount authorized under the law, which is $750 million. Our committee met just a few minutes ago and voted to offer a committee amendment to raise the amount you see in the bill by another $75 million, which is the maximum allowed under the law.

I cannot see anything we can do except to go along with this committee action because, again, the law says each farmer is entitled to participate in the program if he went to the right place at the right time; and there is no way to exclude him from the program.

Mr. Chairman, it remains my opinion that this is an unsound program. The same amount of money could have done a great deal more good if used in connection with price supports.

Mr. DIES. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Texas.

Mr. DIES. This sum of money as provided in the bill is not in excess of the $500 million; is it?

Mr. WHITTEN. The amount of money here is not an appropriation. The basic law authorized the $750 million program. Last year the Congress authorized only a $500 million program. The Department refused to scale the applications back, either by limiting the acreage or by limiting payments, to bring it within the $500 million.

Mr. DIES. And the Department knew we had voted to limit it to $500 million?

Mr. WHITTEN. It did.

Mr. DIES. As a matter of fact, the House defeated it when the matter first came before us but it was put in conference?

Mr. WHITTEN. That is right.

Mr. DIES. Notwithstanding this limitation that we put on it they refused to abide by it?

Mr. WHITTEN. They have refused to abide by it except in this way: After seeing the line of people in front of the office trying to sign up, they adopted a first-come-first-served proposition. Un-

der the law, where each farmer is given the right to participate, you cannot have a line of 500 people and let the first 200 people come in, then slam the door on the others. Involved here is the obligation to hundreds of thousands of farmers. It is they who would be penalized if action is not taken.

Mr. DIES. The effect of this is to increase the amount for soil conservation?

Mr. WHITTEN. It is for this acreage reserve.

Mr. DIES. Yes.

Mr. WHITTEN. That is made necessary because the Department attempted to follow a policy of telling them all they had until March 7 to sign up, then when they lined up in front of the place to sign up, suddenly after 3 days the door was closed leaving in some instances fully half of the would-be participants out of the program.

Mr. DIES. If they can do that in this instance, they can do it in every instance. When Congress limits an appropriation, they can open the door and create a situation similar to this, and the same arguments would then be used, that since they through their mistake led the farmers to believe that they would receive more money, therefore the Congress has to come in and appropriate an excessive amount. It seems to me that is a dangerous sort of situation.

Mr. WHITTEN. It is a dangerous situation. But may I ask the gentleman from Texas what he would do if he were the subcommittee?

Mr. DIES. I think we ought to fire a few people in the Department of Agriculture.

Mr. WHITTEN. The law says frankly that the farmers shall be given a fair and equitable opportunity to participate in the acreage reserve program. He was notified he had until March 7 to sign up. He went to the right place at the right time, only to find that under the Department's policy they had finally announced a first-come-first-served proposition; and those who were successful in getting in received the full amount, while the others were thrown out. It does leave us with an obligation, as I see it, to provide for those excluded, but it is unfortunate that this situation has arisen.

Mr. DIES. In other words, a majority of the Members of the House went on record last year opposed to the entire program. However, it went to the Senate and the Senate put it in, and it came back in conference, and as I recall the argument was used that we ought to do it for various reasons, and the House yielded on the $500 million. Now, because of the action of the Department of Agriculture, in very clear and plain violation of the law, we are going to not only reverse our action on the $500 million, but we are going to increase the total amount; is that it?

Mr. WHITTEN. That is what it amounts to.

Mr. TABER. Mr. Chairman, will the gentleman yield for a clarification?

Mr. WHITTEN. I yield to the gentleman from New York.

Mr. TABER. I have here the appropriation bill that was passed and became law August 2. In it, on page 10, it appears that the appropriation made was not $500 million, as has been stated here, but it was $600 million.

Mr. WHITTEN. Well, may I say to the gentleman from New York that everybody who has discussed this with me, and all newspapers I have read have referred to it as an appropriation. Actually, this is the announcement of a program, the ceiling on a program. The appropriation that the gentleman mentions was the appropriation for the preceding year's program. This is not an appropriation, but it is the announcement of this year's program, the funds for which will be in the next appropriation bill. So, the announced program last year was $500 million, though the appropriation for the preceding year was $600 million.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. The point I would like to bring out—and the gentleman from Mississippi has already spoken of this—is that we are faced with the basic question of deciding today on a moral commitment on the part of the Congress to the farmers of the United States. Now, that is what we are deciding, regardless of what you might personally think of the program itself. I believe the gentleman from Mississippi will agree with me in my analysis of what is the basic issue to be decided here today.

Mr. WHITTEN. I do not think there is any question but what that is true.

Mr. HARRISON of Virginia. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Virginia.

Mr. HARRISON of Virginia. I understand the basic purpose of this program is to reduce the production of crops. To what extent has that been successful?

Mr. WHITTEN. The proponents of the measure offered it in that guise, but it is my personal belief that it is a relief bill made necessary by the decline in farm income. But, that is not the basis on which it was offered to the Congress.

Mr. HARRISON of Virginia. Has it reduced the production of crops?

Mr. WHITTEN. Well, that is open to question. In my opinion it has amounted to little in that direction.

Mr. HARRISON of Virginia. The Congress wrote a limitation to give certain producers under this act $3,000. Has that provision been followed?

Mr. WHITTEN. Well, there again the Comptroller General held that a producer, the word used in the amendment, meant that one farmer could have five farms and participate in $3,000 per farm.

Mr. HARRISON of Virginia. Does the gentleman agree with that interpretation?

Mr. WHITTEN. Personally, I do not.

Mr. HARRISON of Virginia. Now, had that interpretation been followed, had the clear language of Congress to limit the allocation of $3,000 to any one producer been followed, would this fund have been bankrupt as it is today?

Mr. WHITTEN. We were not able to get any estimate from the Department as to how much money has been expended by reason of the interpretation, so I am not able to say.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. TABER. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, first I am going to refer to a matter that was discussed chiefly by the gentleman from Mississippi. There was no moral commitment on this thing at all. It was all dependent upon an appropriation that might be made. Now, there is no more reason why they could not cut down the amount of acreage that any particular farmer might have than anything in the world.

These payments that were contracted for under this proposition are so outlandish that in my opinion it is perfectly ridiculous for them to come here in this way.

Here is the story as I get it right out of the records of the committee, right out of the books. The contracts called for payments in Alabama of anywhere from $19 an acre up to $77 an acre. For Arizona from $76 an acre to $160 an acre. For Arkansas from $14 an acre for wheat up to $87 as a peak for cotton. These are moderately low figures. I do not have time to cover all of them.

The next one of substantial size is that for Louisiana, running from $34 an acre up to $112. Nevada from $77 up to $126. New Mexico from $35 up to $126. There the average figure per acre was given as $21.25. New York ran from $24 to $37. Tennessee ran from $14 to $106; Texas from $8 to $113. The average of these so-called payments will run somewhere around $40 an acre. To me that is outlandish.

I believe if they would go ahead and divide this money up proportionately among those who have already signed up, we would be doing more for them than any of them ever expected. I think we ought to stick to something that has been done for them that is exceedingly liberal.

Last year we knocked out the appropriation on the floor. It is too bad that it cannot stay knocked out.

There are many other things in the bill, but I am not going to go into any detailed statement at this time. They are set out in the report and pretty well itemized. If any Member has any question concerning the other departments covered under the bill I should be glad to answer the questions. The large item is for veterans in the independent offices part of the bill. In this particular case, almost all of it for veterans, the amount is $316 million.

The Health, Education, and Welfare item relates practically entirely to school construction funds in impacted districts. There is also the addition of old-age pensions that have been caused by conditions throughout the country.

Mr. HARRISON of Virginia. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. HARRISON of Virginia. According to the evidence in this case and the statement of the committee staff, there has been paid to one farmer in Colorado the sum of $346,546.56 and an additional sum of $792,809.82 to the tenants on the farm. Is that true?

Mr. TABER. That seems to be what appears in the hearings. I was not present at the hearings, but I expect that is correct. I do not suppose the committee can report anything else but what happens. That of course could not come this year. That is a 1957 item.

Mr. HARRISON of Virginia. But the 1957 law provides that—

> No part of this appropriation shall be used to formulate and administer an acreage reserve program which would result in total compensation being paid to any one producer in excess of $3,000.

Mr. TABER. Yes; but that would apply only to the new contracts that were made for the calendar year 1958 and not to the 1957 operations.

Mr. HARRISON of Virginia. Am I correctly informed, now, that on the 1958 crop the Department is not imposing the $3,000 limitation?

Mr. TABER. I understand they are limited to the $3,000.

Mr. HARRISON of Virginia. Is that correct, may I ask the gentleman from Mississippi?

Mr. WHITTEN. If the gentleman will yield, the interpretation they give is that according to the Comptroller General if a farmer has five farms they limit him to his part of the $3,000 on each of the five farms, but do not hold the producer to one $3,000 item. I differ with that interpretation, but it was rendered by the Comptroller General.

Mr. TABER. I would think the committee would want to have some corrective language on that if that is the interpretation. Frankly, I do not believe in this program at all. I voted last year to throw it out. I am going to vote to throw it out this year, because I do not think we ought to encourage the sort of operation that is involved here. We are going so far in these statements that the amount of payments in a great many cases exceeds the average value of the farmland in the State.

Mr. REUSS. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Wisconsin.

Mr. REUSS. The gentleman has just stated that he hopes that corrective amendments will be offered so as to make clear the intent of Congress that that $3,000 limitation shall apply to a producer whether he produces on one farm or 10 farms or a hundred farms. I am glad to report to the gentleman that that amendment will be offered at the appropriate time, and I hope that the House will overwhelmingly adopt it.

Mr. TABER. I would think that would be the least the House would do. Frankly, I would hope the House would throw out that entire part of the bill.

Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota [Mr. H. CARL ANDERSEN].

Mr. H. CARL ANDERSEN. Mr. Chairman, I believe there is a misunderstanding as to the provisions of present law and that misunderstanding should be corrected. The discussion that has just taken place does not take cognizance of the fact that the conferees on the agricultural appropriation bill last year definitely expressed the intent of Congress relative to the use of the term "producer" in the language limiting acreage-reserve payments.

It is unfortunate that these questions have been raised at this time because, as far as I am concerned, the remarks by the gentleman from Wisconsin and others accomplish nothing more than to confuse the real issue before us. The intent of Congress is absolutely clear. The conferees discussed this interpretation and came to the same conclusion as have the Secretary of Agriculture and the Comptroller General.

Our interpretation is the only logical one under the circumstances. The conferees arrived at this interpretation simply because they did not want to discriminate against tenant farmers who should certainly be made eligible for participation in any worthwhile farm program. They did not want to have the Congress say to a tenant farmer that simply because he operates a farm owned by somebody else he cannot take advantage of this acreage-reserve program if the tenant on another farm owned by that same man signs up. How would you make a decision between tenants? We hear criticism of the first-come-first-served policy when funds are limited—would you want that to apply as between tenants?

In virtually all of our farm legislation we consider a producer to be a farm operator—whether he be the owner of that farm or the tenant on one of several farms owned by another man. It was clearly the intent of Congress last year that we would not discriminate against these tenant farmers, Mr. Chairman, and the Department has properly interpreted our intent.

The CHAIRMAN. The time of the gentleman has expired.

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from Utah [Mr. DAWSON].

Mr. DAWSON of Utah. Mr. Chairman, I want to commend the committee for the time and effort they have spent in examining some of the projects that we are so concerned with in my area—one in particular, the Glen Canyon Dam, which is one of the key features of the upper Colorado project and which is of particular concern to us. The prime contract on this dam was let in 1957 for $107 million, $27 million under the engineer's estimate which is quite commendable. At the present time there are employed at this dam site approximately 2,500 workmen. The work is proceeding in a very economical manner. A request was made of the committee for an additional $10 million to carry on this work between the first of the year and the time that the general appropriation bill comes before us. The committee has recommended the $10 million. However, there is a proviso in the bill that the funds must be secured by transfers from other departments within the Department of the Interior. This gives us some concern, but I assume the committee has in mind appropriating the $10 million. If I am wrong about that, I hope that any member of the committee will correct me. Our concern arises from the fact that if the funds are not available by transfers from other departments, then we are going to be laying off 2,500 men who now work on this dam and we are going to have a very serious problem on our hands. I inquired of the Department to ascertain if they could tell me where they could secure these funds by way of transfer. I received from the Department, at my request, a statement of reserves or savings applicable to annual appropriations as of January 31, 1958. The statement is as follows:

DEPARTMENT OF THE INTERIOR

Statement of reserves for savings applicable to annual appropriations as of Jan. 31, 1958

Bureau and appropriation	Amount of reserve by appropriation	Total for bureau
Departmental offices:		
Office of Oil and Gas	$11,450	
Office of the Solicitor	11,125	
Office of Minerals Mobilization	750	
		$23,325
Bureau of Indians Affairs:		
Education and welfare services	2,176,000	
Resources management	200,000	
General administrative expenses	17,000	
		2,393,000
Geological Survey: Surveys, investigations and research	430,000	
		430,000
Bureau of Mines:		
Conservation and development of mineral resources	496,000	
Health and safety	87,000	
		583,000
National Park Service:		
Management and protection	13,000	
Maintenance and rehabilitation of physical facilities	10,000	
		$23,000
Fish and Wildlife Service:		
Bureau of Sport Fisheries and wildlife management and investigations of resources	540,000	
		540,000
Bureau of Commercial Fisheries, management and investigations of resources	40,000	
		40,000
Bureau of Reclamation:		
Operation and maintenance	1,000,000	
		1,000,000
Total, Department of the Interior		5,032,325
Deduct transfers to other appropriations in 2d supplemental appropriation bill, 1958 (other than Bureau of Reclamation):		
Office of Territories: Trust Territory of the Pacific Islands	1,350,000	
Bureau of Land Management: Management of lands and resources	700,000	
Southeastern Power Administration: Operation and maintenance	359,000	
		2,409,000
Balance of reserves available for transfer to Bureau of Reclamation		2,623,325

No determination has been made since the second supplemental appropriation bill for 1958 was reported of the extent to which additional savings may be available from definite annual appropriations for transfer to the Bureau of Reclamation for use in meeting the purpose for which the $20 million supplemental estimates were recommended. It is reasonably believed that very little additional savings will accrue inasmuch as the $5,032,325 reserves as of January 31, 1958, represent substantial savings in such appropriations.

The Bureau of Reclamation has no definite information as to how much unobligated bal-

ance there may be in the construction program than the $2,442,161 shown in the 1959 budget. As the Committee on Appropriations has stated in its report, past years' experiences are that such balances are in excess of those estimated. The Bureau of Reclamation has indicated that as much as $5 million additional may be unobligated at the close of the current fiscal year. Much of this amount will be derived through the delay in awarding contracts for work currently authorized but for one reason or another not placed under contract. The use of such unanticipated additional unobligated balance would in most instances result in the cancellation of the work authorized, and would require another appropriation to reinstitute the work.

The only other source of funds to be derived by transfer for the Trinity River and Glen Canyon projects would be from the curtailment of work on other Reclamation projects or other programs of the Department of the Interior, such as the Bureau of Indian Affairs, Bureau of Land Management, Geological Survey, Bureau of Mines, National Park Service, Fish and Wildlife Service, and Office of Territories.

This statement discloses that the total which could be transferred from all departments within the Interior Department is only $5,032,000. Of that amount this second supplemental bill has already committed a total of $2,409,000 leaving a balance of reserves available for transfer to the Bureau of Reclamation of $2,623,325. That amount is all that they can see in sight to apply not only on the $10 million which is appropriated for the Glen Canyon Dam, but also an additional $10 million for the Trinity project in California. I hope the committee will give very careful consideration to these figures. I repeat again that I assume the Appropriations Committee is committed to the proposition and they are not going to close this project, but that they are going to give us $10 million from other sources within the Interior Department if they are available, and if not available then a direct appropriation will be agreed to. If I am wrong in this assumption I would appreciate being corrected. After a discussion of this matter with some members of the committee, I understand there is some dispute as to whether additional funds from other sources will be available. I hope they are available, but I can tell the committee that if we are forced to close down it is going to throw this whole project out of kilter, because we are paying interest on the construction funds during course of construction. This is one of the few projects that does that. Up to June of this year we will be paying in excess of $700,000 in interest charges during course of construction. So if we are held up and not permitted to proceed in an economical manner as construction is now going forward we are certain to burden this project down with interest, and eventually the Federal Government itself and the people in my area will suffer the consequences. Therefore I sincerely hope and assume this committee is committed to the proposition that they will see that the $10 million is made available either from transfers, and if these are not available, then by direct appropriation. If I am wrong I hope to be corrected at this time.

Mr. WHITTEN. Mr. Chairman, I yield 5 minutes to the gentleman from Colorado [Mr. ASPINALL].

Mr. ASPINALL. Mr. Chairman, I rise to speak about the same matter that has been brought to our attention by my colleague the gentleman from Utah [Mr. DAWSON].

The amount of money which has been set aside by the legislation now under consideration for two large irrigation projects, the Glen Canyon project, and the Trinity project in California, are subject to a provision that the funds be derived by transfer from any definite annual appropriations available to the Department of the Interior for the fiscal year 1958 and from the appropriation "Construction and rehabilitation." May I say that I have read the report from our great Committee on Appropriations, and I have also read, rather studiously, the hearings relative to this particular request. I am inclined to be quite sympathetic toward the feeling of the Committee on Appropriations in that the actions of certain representatives of the Bureau of Reclamation and the Department of the Interior and of the Bureau of the Budget do not lead to the best relationships between this great legislative body and some of the bureaus and departments downtown.

What alarms me, however, is the matter which has been brought to our attention rather forcefully by the gentleman from Utah [Mr. DAWSON]. He has told us very clearly what our information from the Department of Interior shows us as to the possible sources of prospective funds to take care of these two $10 million supplemental appropriation authorizations. As a member of the Committee on Interior and Insular Affairs, most certainly the Subcommittee on Irrigation and Reclamation, and with those of us who are interested in all of the activities of the Department of Interior, I, and I am certain that my committee colleagues are with me in this respect, do not wish to be brought into any departmental struggles or fights as to the use of appropriations which have heretofore been authorized for specific uses.

Appropriations were made for fiscal 1958 for the Department of the Interior for certain definite uses. It now appears that the Committee on Appropriations that we obtain funds for further construction work on the Glen Canyon and Trinity projects from the following sources: from the Office of Oil and Gas Administration $11,450 may be available, from the Office of the Solicitor $11,125 may be available, from the Office of Minerals Mobilization $750, all of which total $23,325. Now, here is one suggested source which tears the hearts out of some of us, and that is, from the Bureau of Indian Affairs from appropriations heretofore approved for welfare services, general administrative expenses and resources management, the total of which is recommended to be transferred, although they are unquestionably needed for the purpose for which they were originally appropriated is $2,393,000. From the Geological Survey, which is very important in the current activities of our Federal Government, $430,000. From the Bureau of Mines $583,000 at a time when we must firm up our domestic mining industry. From the National Parks Service $23,000. From the Fish and Wildlife Service $540,000. From the Bureau of Commercial Fisheries $40,000. From the Bureau of Reclamation, Operation and Maintenance, which hits at the heart of every other area in the United States interested in reclamation and irrigation, $1 million. Those figures are as of the 31st of December. It is stated also in this message from the Department that perhaps there will be an additional $4,500,000 to $6,000,000 of funds heretofore appropriated for specific purposes that will not be used in fiscal 1958 because such funds may not be committed within the next 4 months. It must be kept in mind that those moneys have been heretofore specifically set aside to certain areas for irrigation and reclamation development in those particular areas. What is suggested by the Committee on Appropriations will, in my opinion, lead to untold difficulties within the various bureaus and agencies of the Department of Interior. It may also cause misunderstandings and strife between the Members of Congress, themselves.

Mr. Chairman, when contractors bid on large dam and reservoir projects, they do so on the basis of a construction period and schedule set out in the contract and on the basis of the construction work going forward at an efficient rate. The construction is set up in such a way as to meet the seasonal requirements due to expected river flows. Certain work must be completed at a particular time of year or there is danger of heavy losses due to flooding.

When these large construction jobs have to be shut down, or there is a stretchout in a construction period after construction is under way, it is extremely costly both to the Federal Government and the contractors. At the time contracts are signed, the contractors have a right to assume that every effort will be made to meet the construction schedules set out in the contracts.

When a job is shut down or there is a stretchout in the construction period, the losses to the Federal Government occur in at least three ways. First of all, the administration and supervision expense continues during stretchout periods and much of the time work is not in process due to shutdowns. If supervisory personnel are released, the job of reassembling an organization is very difficult and expensive. In the case of a stretchout, of course, the administrative and supervisory expense is required for a longer time.

The second reason shutdowns or stretchouts in the construction period add additional costs to the Government is that there is a delay in completing the project, which in turn means a carrying charge to the Federal Government and a delay in revenues and benefits from the project. Until the revenues and benefits are available, there is an interest cost to the Federal Government for the money already invested and, in addition, every year's delay in completion will mean the loss of a year's revenue. In other words, the sooner the project is

completed and placed in operation, the sooner the return on the investment will start, and the sooner the public will receive the benefits.

The third reason why shutdowns or stretchouts in construction periods are costly to the Federal Government is because this practice will lead contractors to consider this as a possibility and bid higher on later jobs.

In addition to being costly to the Federal Government, shutdowns or stretchouts in the construction period once construction is under way are even more costly to the contractors. A contractor assembles his labor force and supervisory personnel and brings in his heavy construction equipment to do a job on a certain schedule. Normally on reservoir and dam jobs these forces and equipment are assembled in remote areas where housing and other services have to be provided. If construction is shut down, the construction forces will be disbanded and it will be difficult and expensive to build them up again at a later date. Also, expensive construction equipment will be left idle with very little likelihood that it can be economically moved and used elsewhere. While stretchouts in the construction period are not quite so damaging to the contractors as shutdowns, they do tie up his equipment and supervisory personnel for a longer period of time.

Either shutdowns or stretchouts in the construction period can be extremely damaging to contractors where they prevent or interfere with construction at the most favorable season of the year. Normally, the river must be controlled during construction activities and certain work must be completed during certain seasons. If the work is not completed, there is a risk that the work which is done may be completely lost due to floods. In many instances work has to be done at a particular period in the year or it has to be delayed for a whole year.

It seems unfair to require contractors to set up their organizations and schedule their construction activities to meet a construction schedule placed in the contract by the Federal Government and require the contractors to pay penalties for failure to meet such a construction schedule and, at the same time, give no consideration to heavy additional costs to the contractors when construction is delayed due to no fault of their own. The end result of such a practice will be that contractors will start adding in their bids a contingency for the possibility of shutdowns and delays which will result in higher bids and additional losses to the Federal Government.

The CHAIRMAN. The time of the gentleman from Colorado has expired.

Mr. ASPINALL. Mr. Chairman, I ask unanimous consent that the gentleman from California [Mr. ENGLE] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. ENGLE. Mr. Chairman, I want to speak briefly on the item in the bill relating to supplemental funds to prevent the shutting down of construction activities on the Trinity River project, California. I note that the committee has disallowed the budget request of $10 million but has included language in the bill to permit the transfer of not to exceed $10 million from other appropriations available to the Department of the Interior to continue construction work. The same language is applicable to the $10 million budget request for the Glen Canyon project on the Colorado River.

The committee has thus recognized the necessity for keeping these projects going and the additional cost involved both to the Federal Government and to the contractors if construction activities are shut down. The problem then is going to be to find the money to transfer. The committee apparently has information which indicates that it will be possible for the Department of the Interior to transfer $20 million from other appropriations for this purpose. However, I understand that the transfer of such an amount will not be possible and I suspect that when it comes right down to making any transfers, it is going to be a very difficult problem.

I assume that since the Appropriations Committee of the other body has already expressed itself as favoring the inclusion of additional funds to keep these projects going, that committee is going to consider very carefully the availability of funds for transfer. If the other body should determine that funds are not available from other Department of the Interior appropriations and should approve the budget request, it is my sincere hope that the House conferees will agree to such an allowance in consideration of the necessity of keeping the construction going.

Last May, during the committee's consideration of the regular appropriation bill and its consideration of funds for the Trinity project, I urged that the administration's request of about $17 million for the Trinity project be increased by an additional $17 million to keep the construction moving at an efficient rate and prevent a shutdown of construction activities. I pointed out at that time that on the basis of the construction schedule submitted by the contractors—a schedule based upon the allowable construction time in the contract—the amount included for the Trinity Dam was $10 million short and the amount for the Clear Creek Tunnel was $7.7 million short. I subsequently made the same request of the Appropriations Committee of the other body and although the other body did not include additional funds, it recognized that the funds included in the bill were not sufficient to maintain construction of the dam and tunnel on an efficient and economic schedule, and the report of the committee included a recommendation to the Department of the Interior and to the Bureau of the Budget that a supplemental request for additional funds be submitted. Recognizing the serious implications of allowing construction to stop, the administration submitted such a supplemental request and it is this request which the committee has disallowed.

Unless these additional funds are made available from some source, construction work will be suspended almost immediately on both the Clear Creek Tunnel and the Trinity Dam. I am advised that if construction work is stopped on the dam, it will be shut down for a whole year because the construction program is tied in with river stages and river control. If construction work on the tunnel is suspended, it will result in 7 months delay. These delays, of course, will be extremely costly both to the Federal Government and the contractors.

With respect to the Federal Government, the administration and supervisory expenses for the most part will continue even though the job is shut down. There will be a continuing interest charge to the Federal Government for the money already expended and a delay of at least a year in the time when revenues and benefits from the project will be available. In addition, construction job shutdowns result in the contractors bidding higher on later jobs to cover such a possibility.

As for the contractors, their heavy equipment will be standing idle, their labor and supervisory forces assembled in the project area will be disbanded, and it will be very difficult to build them up again. Several thousand people will be put out of work, contributing to the already serious unemployment situation.

These facts emphasize the seriousness of this situation. I cannot urge too strongly that we must be certain, before final action by the Congress on this bill, that there must be assurance that construction activities on these vitally needed projects will not stop.

Mr. TABER. Mr. Chairman, I yield 1 minute to the gentleman from Arizona [Mr. RHODES].

Mr. RHODES of Arizona. Mr. Chairman, I desire to associate myself with the remarks of the gentleman from Colorado who has just spoken, and the gentleman from Utah [Mr. DAWSON]. I feel very grateful that the Committee on Appropriations has seen fit to include appropriations for the Glen Canyon project and the Trinity River project, although I am sorry that in order to spend the money, the Interior Department may find it necessary to cut into other worthwhile and necessary functions. I am confident, however, that the members of this committee, many of whom have always been so zealous in their concern for our Indian citizens, national parks, and the like, will make certain that ultimately funds will be provided not only for those two great reclamation projects, but for all of the other vital functions of the Interior Department.

Mr. TABER. Mr. Chairman, I yield 2 minutes to the gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. Mr. Chairman, I am sure that the Members from the Upper Colorado Basin and from the Trinity River, Calif., project feel grateful to the committee for the action of the committee in permitting the Department to transfer up to $10 million for the Upper Colorado-Glen Canyon project and also $10 million for the Trinity River project in California.

I do want to call the attention to the fact that with hardly a single exception

the Bureau of the Budget has reduced the requests made by the Army engineers and the Bureau of Reclamation for projects all over America and below the 1958 fiscal year appropriations for such projects. For example, the Missouri River borders on my District, where funds were reduced below last year for channel improvements and flood control from Sioux City to Council Bluffs. It was reduced over $2 million below last year. They reduced another project in my District, where we are trying to take hundreds of farmers out of the floodwaters, $300,000 below last year.

Now, I am not complaining, because some of us are trying to save a few dollars here and there and trying to get along with a little less in all these different functions of Government, or, at least, I hope this Congress will take that attitude in the final analysis. However, the other day the House was not caring to save when they voted against my amendment to save $23 million in personnel hire for the Interior Department alone by the attrition method. It is clear the Democrats in control of the House are not interested in reducing Federal expenditures, since only one single Democrat voted for my amendment. The committee has been very liberal with the Upper Colorado River project and the Trinity River project in California in recommending this transfer of $10 million for each project. I hope, however, that the Department of the Interior will not transfer funds from such important functions as the education funds for our Indian children, and so forth.

Mr. WHITTEN. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois, [Mr. YATES].

Mr. YATES. Mr. Chairman, it was Voltaire who said:

> History is the patter of silken slippers descending the stairs to the thunder of hobnailed boots climbing up from below.

For some time we have worn the silken slippers of complacency. For some time we have ignored the thunder of the Russian hobnailed boots coming up—we have ignored their development of all types of atomic airpower weapons including jet bombers, supersonic fighters, intermediate intercontinental ballistic missiles, hydrogen bombs which are megaton in dimension—we have dismissed all of their achievements indicating scientific progress of a most impressive magnitude as the work of captured German scientists or stolen secrets. The life and death struggle for supremacy in which we are engaged with the Soviet Union will not permit us to underestimate their capabilities.

It was thought for a while that the Russian space satellites had blasted us out of our smugness. There was general agreement with Eric Sevareid when he stated at the time the sputniks were launched:

> The presence of the ball must put an end to certain persistent and parochial myths. The myths that science favors America first and that nature has some special interest in the survival of Americans; the giant myth of official secrecy, probably as responsible as anything else for our relative slowness in the field of rockets; the myth that our breaking through the national debt ceiling would be a more ominous event than the Russians' breaking through the ceiling of earth.

We became suddenly aware of the fact that while we were devoting our technological and industrial prowess to extending the fins of our latest automobiles and turning out more resplendent appliances, the Soviet Union was moving to conquer space. While the administration had been under-financing our military and thinking in terms of "a bigger bang for a buck," with fewer bucks being allocated to maintain a strong military posture, the Russians were moving forward. It became painfully apparent that Russia had outdistanced us both in imagination and skill in reaching for the stars.

We were going to reform. We were going to appreciate the need for intellectuals and intellectualism, and scientists and men of letters became the wise men to whom we turned for advice to meet the Russian challenge. For the first time since he has occupied the White House, the President even invited some scientists to the White House for dinner. The missile program was thrown into high gear.

Rocketry and missile firings which had been among the most closely guarded secrets of our military now received front-page publicity as Jupiters, Atlases, and Vanguards competed for space to attract the public eye. Every effort was made by the administration to create the impression that the administration had not been sleeping—and if it had been, that it was now very wide awake.

We looked desperately to the day when our own satellite would soar around the earth. After two failures in firing the Vanguard missile, the Army successfully projected the Explorer satellite into its orbit. Apparently this was both good and bad, for while it gave us a feeling of accomplishment the Explorer now seems to have brought back the feeling of relaxation which marked our presputnik attitudes.

Such an attitude is again manifesting itself in the action taken by the Appropriations Committee in reducing the appropriations for the National Advisory Committee for Aeronautics. In the face of the changing Russian space campaign, it is incredible that the appropriations for NACA should be cut. This agency is as essential to our national security as the Department of Defense itself. And yet the Appropriations Committee has cut its appropriation by 30 percent, from $5 million to $3½ million.

NACA had requested $7 million from the Bureau of the Budget as a supplemental appropriation in order to participate in the stepped-up missiles, rockets and high-speed space program. The Bureau of the Budget cut this request by $2 million. Now the Appropriations Committee has made a further cutback to $3½ million, so that in all NACA has suffered a reduction of 50 percent from its original request. Is this the action of an administration—is this the action of a Congress alerted and determined to keep pace with the Russian threat?

The reductions make no sense. The regular appropriation bill for fiscal year 1959 will be considered in a few weeks. If reductions are required, they should be made in that bill, for that bill will not become law for another 6 months. However, this supplemental bill will be passed shortly. Reductions in this bill will only result in losing 6 months' valuable time.

If we hope to enter outer space, the NACA must be our space ship to take us there, for this agency was established for that very purpose—to attack and conquer the problems of flight. But the actions of the Bureau of the Budget and the Appropriations Committee have added unnecessary anchors to weigh down the stepped-up program. It is like giving a soldier a gun with which to engage the enemy and then taking away his ammunition from him.

But what is even more significant—and much more dangerous—the Appropriations Committee has inserted a limitation which forbids NACA from hiring any new employees. Take a look at the bill. It grants $3½ million, none of which may be used for personnel services. Does this make sense to you? Does it make sense that the committee should authorize NACA to purchase rockets, to purchase tools, to purchase power—but not to purchase the manpower necessary to operate the additional equipment?

Mr. Chairman, it is difficult for me to sponsor an amendment which is not favored by my good friend, the gentleman from Texas, who is chairman of our Appropriations Subcommittee. He will speak in favor of this reduction. There is no finer man in this Congress than ALBERT THOMAS. There is no more gentlemanly or charming person. I have the highest admiration and respect for him as I am sure everyone in this House has. We all have the greatest affection for him, not only for his outstanding and lovable personal qualities, but as well for his grasp and understanding of the matters within the purview of his appropriations subcommittee. He is rarely wrong—but in this instance he is surely in error. Don't take my word for it. Nor should you take the word of our good friend from Texas, able as he is. Listen, instead, to the words of one who is assuredly much more proficient in the field. Listen to Jimmy Doolittle. Jimmy Doolittle, who is a real flyer, and who is Chairman of the NACA, has been able to combine the practical knowledge of his combat flying with the searing urge of the scientist and engineer to break out into space. Gen. Jimmy Doolittle, who wants to do a job for his country. I read from his letter of submittal of the 43d annual report of the National Advisory Committee for Aeronautics for the year 1957 to President Eisenhower:

> Fifteen years ago this month the Bell P–59, powered by General Electric I–16 engines, made America's first jet-propelled flight. Ten years ago this month the X–1, piloted by Capt. Charles E. Yeager, made the world's first supersonic flight. Since then research airplanes have exceeded three times the speed of sound and tactical military aircraft have flown at twice sonic velocity. The strides we have made in perfecting ballistic missiles capable of spanning intercontinental distances have been no less significant.
>
> Now our leadership is being challenged. Within recent days the Russians have demonstrated once again a very high degree of technical competence in aeronautics. They

have shown they are determined to achieve world leadership in this area.

Our national security requires that we, rather than Russia, be first to find answers to the formidable questions that now limit the performance of aircraft and missiles. We can succeed in this objective only if we are prepared to make the necessary investments of money in research facilities and scientific talent. Early acceleration of our research programs to the extent necessary is earnestly recommended.

And I read now from General Doolittle's letter of transmittal of the NACA report to the Congress of the United States:

Limitations on military expenditures mean that utmost care must be exercised by the military services in deciding which new airplane and missile designs shall be developed. It is necessary that the National Advisory Committee for Aeronautics be able to provide the new basic information needed by the military and industry to insure success of the new airplane and missile designs that are selected for procurement. Only an adequately manned and financed NACA can do this.

General Doolittle concludes:

The pressure for governmental economy, coupled with the effect of rising costs, has resulted in the general level of NACA research effort compared to that of the Soviets being lessened when it should be increasing. Thus, America's relative position in aeronautical science has been deteriorating. There is an urgent need at this time for a genuine increase in the level of research effort.

Now let us turn to the hearings before our subcommittee. At page 131 the following colloquy appears:

Mr. YATES. Will the amount you are requesting in the supplemental budget permit the NACA to do the job you are supposed to do under the law?

Dr. DOOLITTLE. It will permit us to do a reasonably good job. We could do a better job with the whole amount. If we do not get this much, I feel, we will be wholly unable to meet the national requirements.

Let me invite your attention too, to the colloquy which took place on page 134 between the gentleman from Massachusetts [Mr. BOLAND] and General Doolittle:

Mr. BOLAND. The original request was for $8 million?

Dr. DRYDEN. $7 million.

Mr. BOLAND. And it was reduced to $5 million?

Dr. DRYDEN. That is correct.

Mr. BOLAND. In what area will the reduction take effect?

Dr. DOOLITTLE. I would say we will do five-sevenths of the work with the $5 million as we would do with $7 million, and this is still a good effort, but not as good as we would have preferred.

Mr. BOLAND. Where does it apply, generally?

Dr. DOOLITTLE. Across the board; however, let me point out we are getting more and more into the high-speed area. We may even be asked to do more. If we are asked to do more we will have to have the financial support to permit us to do it.

Mr. Chairman, I think you should know that when NACA appeared before our Appropriations Subcommittee, the following appeared in its justification and shocked our subcommittee:

Under the minimum budget available for the current year, we are unable properly to meet our responsibilities in these areas. Many facilities are understaffed as our current budget requires a reduction in staff throughout the year. Funds are lacking for the procurement of electric power to permit efficient utilization of existing facilities and progress is being delayed by a shortage of funds to procure rockets. Many needed modifications to existing facilities are being deferred. The shortage of funds is requiring the committee to reduce its research effort at a time when it should be increasing.

These are grave statements, but this is a time which calls for the truth. If the people at NACA believe they cannot carry out their responsibilities for lack of funds and personnel, it is not only proper, it is their duty to bring this situation to the attention of Congress. In reply, the argument may be made that NACA has 8,000 employees; that it is one of the biggest agencies in the Government, and surely it should be able to do its work with 8,000 employees.

Mr. Chairman, I wish NACA had another 8,000 employees working to keep the United States secure in the space age. Our Nation would be much better off if we had the qualified scientists, the designers, the engineers, the dedicated people to staff this critical organization which is so important charting our path to outer space. One would think that the employment of 8,000 people by this agency was the limit of our endurance. There is nothing magical in the number 8,000, and it must be remembered that 8,000 people can only do so much. Problems with which they must deal are so infinitely complex and intricate, so numerous, that tremendous numbers of people are required to cope with them.

There is a vast difference between the germ of an idea and the fact of creation. The consummation of a single project makes necessary the employment of myriads of people to investigate and research an enormous amount of details.

It will also be argued that the appropriations for this agency have been increased annually, that its appropriations for the current fiscal year were raised from $64 to $71 million. Why, then, did they not hire the necessary personnel they needed from that appropriation?

Mr. Chairman, the NACA has fewer employees now than it had at the start of the fiscal year. But it will be said this cannot be true. After all, the agency received an additional $6,800,000 during this fiscal year.

Mr. Chairman, this is what happened to the $6,800,000 increase in the regular NACA budget:

How $6.8 million increase provided in 1958 regular NACA budget is being used

1958 appropriation	$71,000,000
1957 appropriation	64,176,500
Increase, 1958 over 1957	6,823,500

BREAKDOWN OF TOTAL INCREASE

Personal services	3,256,000
Rental of data reduction equipment	270,000
Electric power	138,000
Supplies, equipment, modifications	88,000
Retirement contributions	3,041,000
Miscellaneous	30,500
	6,823,500

How $6.8 million increase provided in 1958 regular NACA budget is being used—Con.

BREAKDOWN OF PERSONAL SERVICES INCREASE

Top-of-grade adjustments	$284,000
Wage board adjustments	1,320,000
Within-grade advancements (Ramspecks)	180,000
Cost of employees on duty for part of 1958	[1] 867,000
Position reclassifications	394,000
Excess day in 1958	191,000
Miscellaneous	20,000
Total personal service increase	3,256,000

[1] This is the partial year cost for personnel whose positions, after their separation, are not being refilled because of lack of funds. While this money did provide some increase in effort (approximately 140 man-years), its effectiveness is being lost because funds are insufficient to retain the people the full year.

Mr. Chairman, if the urgency of the challenge of the conquest of new frontiers for human knowledge is not adequate to support the work being done at the National Advisory Committee for Aeronautics, certainly the latest information as to the extent of the research being planned by the Russians should compel us to approve the full amount. This is an item which appeared in the Washington Post last Sunday:

FOUR AND ONE-HALF BILLION DOLLARS ALLOTTED BY REDS FOR SCIENCE

Moscow, February 22.—The Soviet Academy of Sciences mapped out yesterday a program to spend 18.2 billion rubles (about $4½ billion) allotted for scientific development in 1958.

The academy presidium, including about a dozen of the nation's top scientists, heard a pep talk by Russia's planning boss, Deputy Premier Joseph Kuzmin. The Communist Party organ, Pravda, said Kuzmin stressed the need for Russia to attain and keep the top world spot in all branches of science.

And if this were not enough to cause us to sit up and take notice, let me read to you from another article which appeared in the Washington Post on the same day:

REDS' ANTARCTIC WORK AMAZES WESTERNERS

WELLINGTON, NEW ZEALAND, February 22.—Western Antarctic scientists attending a 5-day symposium here are reported to be staggered by the amount of work done by Russians in Antarctica and its waters.

Russia's Dr. P. A. Shoumsky, one of the world's leading glaciologists, produced graphs, charts, and formulas developed by Soviet ice specialists which one American scientist described as being well in advance of anything carried out by the United States.

The symposium, attended by 70 scientists from 7 nations, ended today with a discussion on how future Antarctic research can best be carried out.

Delegates have exchanged information on data and experiences gained during their expeditions to the world's least-known continent.

Largest delegations were from the United States and Russia.

There is only one way to keep up with the pace and quality of the work currently being exhibited by the Soviets and that is to increase the excellence of our own scientific resources. We cannot do this by an appropriations-as-usual policy. If the Soviet Union can afford

$4½ billion in research, most of which is apparently basic research, can we do less if we hope for scientific preeminence?

NACA is an agency whose efforts are devoted almost exclusively to basic research. There is little that a basic research agency can point to in listing its accomplishments, but we do know that NACA has a long and proud record of progress in the conquest of flight. Indeed, it was the research done by NACA scientists which paved the way for the use of the bluntnose cone used on our missiles. The Jupiter C which projected the Explorer into its orbit employed the blunt nose design by NACA.

And now NACA is engaged in experiments of the most vital importance. On page 127 of the hearings in response to my question as to what we should do to help NACA carry out its mission, the following is the reply of Dr. Dryden:

Dr. DRYDEN. It—

The supplemental appropriation—

will permit us to begin increasing our personnel; it will permit sufficient funds to buy rockets to carry forward the program in this area, which is applicable to ballistic missiles; it will permit the purchase of enough electric power to be able to schedule the tests required in the new chemical bomber program and the new satellite vehicles and the Polaris missile program.

The chemically fueled bomber is of extreme importance.

This is a bomber that will fly nonstop over roughly the same distance as a B–52, and make that flight at a speed very much greater than the best the B–52 can manage.

A year or so ago, the Air Force was reconciled to the idea that the best it could obtain in the way of performance from such a new large bomber would be what the engineers call high subsonic cruise plus supersonic dash, similar to the B–58. In other words, a bomber that would fly most of the way to and from the target at 600 miles per hour plus, about the same as the B–52, and then dash at supersonic speed—perhaps 1,000 miles per hour—to and away from the target. Even a large bomber with this kind of performance was extremely difficult to design and build.

Both bomber builders that were invited to submit designs had the benefit of the supersonic research the NACA has been doing since the end of World War II, and they practically breathed down the necks of the NACA scientists to get the very latest results. The Air Force also knew how far along the NACA work had progressed.

About a year ago, a strange and wonderful thing happened. It was as if the pieces of a jigsaw puzzle began falling into place. Almost simultaneously, research programs that had been underway at the NACA laboratories in Virginia, California, and Ohio, began to pay off. The result—this is an oversimplification but it is not an overstatement—was that the companies and the Air Force suddenly realized it would not be much harder to design a long-range bomber that could fly its whole mission supersonic than to design one that would fly subsonic most of the way, and only a small fraction of the flight supersonic. Not only that, but the top speed of the prospective bomber was raised to Mach 3, about 2,000 miles per hour.

This new supersonic bomber, the WS–110–A, will require refinement in all design details to a degree that probably has never before been attempted in modern engineering practice. What follows, about the NACA contributions to the design, in no way detracts from the enormously difficult task that faces North American Aviation, Inc., winner of the competition, in designing and constructing this airplane.

Three main factors are involved, in each of which design practice must be pushed to the limit of man's capability. These are: First, aerodynamic efficiency; second, structural efficiency; and third, propulsion efficiency. In each of these categories, the NACA has made contributions that are absolutely vital.

One big reason for confidence in the ultimate success of the project information is that NACA supersonic research has been proven right in the past. Only this month, the Air Force announced its B–58 medium-range bomber, the Convair Hustler, had been flown supersonic continuously for an hour and a half. This airplane makes use of a great many NACA innovations. To name only three: First, its wing incorporates NACA-developed camber, a sort of droop that for reasons that are very technical greately improves flight efficiency; second, it incorporates the NACA area-rule concept, shaping the fuselage and wing to obtain much better efficiency at supersonic speed; and third, the powerplant installations, and the engines themselves, reflect advanced NACA research data. The B–58 demonstrated spectacularly that the supersonic data that the NACA has proved out with models installed in its wind tunnels and fired by rockets from its field station at Wallops Island, off the Virginia coast, are if anything, conservative.

NACA work on the WS–110–A program has been on a crash basis for nearly a year now. It is likely to continue that way until the airplane takes to the air a couple of years from now.

Without the research information produced at the NACA laboratories, there could have been no all-supersonic long-range chemical-bomber program.

Mr. Chairman, I plead today for the appropriation which will keep an essential agency vital and dynamic. But I plead for more than an appropriation or consideration for a Government agency. I plead for understanding and for realization of the position our country occupies in time and space. Now—today—we face our moment of truth in the vast span of history. In the words of Eric Sevareid:

Never before has it been so hard for a people to understand the era in which they live; yet never before has it been so imperative that they do understand. We must know * * * that we are living in the first stages of an accelerating scientific revolution that is changing the position and power of nations, the face of our earth, the habits of our daily lives as much, and possibly much more, than did the industrial revolution after the static centuries that preceded it.

Mr. Chairman, we can continue to enjoy our creature comforts, we can continue to regard ourselves with an air of superiority, we can continue to wear our silken slippers of complacency. But we cannot do so for long. Sooner than we think, I fear, we will not be able to close our ears to the thunder of the hobnailed boots.

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from Wyoming [Mr. THOMSON].

Mr. THOMSON of Wyoming. Mr. Chairman, I also want to express my appreciation to members of the committee for recognizing the importance of the work being continued on Glen Canyon Dam and, for that matter, on the Trinity. I am in a little different position from some other Members representing States of the Upper Colorado River Basin, in that this project does not mean any more to me directly than it would mean to any Member of Congress, with one exception. Since there is a basin fund and this is a revenue-producing project, ultimately excess revenues from the power generated on the dam will go to the basin fund to assist in water development, and Wyoming will participate in those revenues to a small extent. Otherwise, the project has no more meaning to me than it would to any of you. It is way down in the State of Arizona, almost the length of the United States away from the State that I represent.

My concern is about something that I think deserves our attention for a few minutes. Perhaps the matter can be clarified for myself and for other Members of the House. To me, it is a wise decision to keep this project going. Suggestions have been made by several that we should start several new projects to provide employment. If that becomes necessary and they are good projects, I would be for doing this. Certainly, though, we should not stop construction—and I say that even though this is many miles away from the district I represent—on a good project that is now employing over 2,000 men who would be put out of work if we do not provide these funds. From reading the hearings, I notice that almost 1,000 of those come from the State of Missouri that is even farther away from this project than is the State which I have the honor to represent. Materials for the project are coming from all over the Nation. Contrary to the provision with regard to most projects, the Upper Colorado River projects bear interest during construction. To stretch out construction is to unfairly burden the people of the area who must pay for the added costs in the form of power rates. I think everyone will agree with the wise decision of the committee that funds should be provided to allow construction on these projects to proceed without interruption. Some of us, though, are genuinely concerned about the language in the bill providing for these funds "to be derived by transfer from any definite annual appropriations available to the Department of the Interior for the fiscal year 1958 and from the appropriation 'Construction and rehabilitation'."

Again, my concern about this is somewhat different than has been heretofore expressed. Much has been said about the figures furnished by the Department of the Interior. I am not going into those in detail, though I have discussed them carefully with the Department, being one of those who requested the figures. These funds that have been reserved, or in other words have been saved by prudent management, would be turned back to the Congress for reappropriation when the time comes to consider the general appropriation for 1959. The total of the reserved funds is $5,032,325. This is not, though, the sum that is available from prior savings without curtailing any of the Department of the Interior activities. Within the bill that we are now considering, $2,409,000 of these funds have already been utilized by other transfers. This means that there would only be a balance of $2,623,325 that can be made available under this transfer of authority from reserved funds, or in other words, savings. In addition to that, within the Bureau of Reclamation construction and rehabilitation fund, there is about $2,400,000 available. The Interior Department advises me that this might be expanded to as much as $5 million. Even so, the maximum available without curtailing other activities would be $7½ million. But in this language, if I understand it correctly, and I hope I can be corrected if I do not, we are saying that the funds of $20 million are to be derived from any definite annual appropriations available to the Department of the Interior for the fiscal year 1958, and therefore the balance of at least $12½ million to make up the $20 million would have to come from cutting back other activities. If this is the fact, I think it should concern every Member of this House. It could be an activity in your district or in my district. It could be from Fish and Wildlife funds, either commercial or sports, and could involve doing away with a wildlife refuge in New York; it could be from funds for Indians in North Carolina; it could be from National Park Service funds and could affect a park in Florida; it could be the Geological Survey funds and strike at ground-water surveys in Nebraska; it could be from Bureau of Mines funds and stop coal research or cut back a health and safety program in Pennsylvania; or it could be taken from oil and gas, minerals mobilization, or the Bureau of Land Management. If that is the effect of this language, and I think it is, then it would be my hope that the committee would give this very careful further consideration as the bill progresses through the Senate and into conference. This committee, as I have observed it, has been adamant in preventing this very sort of thing from happening and for that I congratulate them. I would dislike seeing that policy changed, inadvertently or otherwise. As a matter of fact, the policy is written into the law because every Member of Congress is interested in it, and I refer to title 31, United States Code, section 628.

After reading the hearings and the committee report, when I see this language I wonder if we are not doing something which we will regret and that I frankly admit I would be tempted to do if I were a member of the Appropriations Committee. The Commissioner of Reclamation is severely criticized. As a Member of Congress from a reclamation State, I must join in that criticism. On the basis of the facts as I know them, I do not believe that he has kept faith with the directions of this Congress, nor has he accurately reported his intentions to the Congress. I say this with some reluctance. This contract was let in April of 1957. It was apparent from that time and even before the original appropriation bill had cleared the House that this situation would develop under the terms of the contract. Because of my concern as to transfers, I went to the Commissioner and discussed it with him last spring. At that time it was suggested that they should be coming before us for more money then. I am not going into the full details of what subsequently happened, but I will say that I am equally critical of what has been done, if not more so than is the committee. I have repeatedly said that we people in the reclamation States must be zealous in sorting the bad out of reclamation, or we will lose the good along with the bad. By the bad, I refer to bad practices just as much as to bad projects. This is a bad practice, but is there not a possibility that the committee, in their dissatisfaction with the Commissioner, is destroying something that they as a committee and we as Congressmen have very, very jealously guarded? That something is our right to tell the departments where to spend the money, and we have repeatedly complained about departments taking money from one project for another or transferring it from one activity to another. Here, though, it seems to me under this language we are opening the door wider than any department has ever sought to do. We are making virtually all funds appropriated to the Interior Department for the fiscal year 1958 available for transfer. In fact, we are going further, in that we are directing the Secretary to proceed with construction on these projects and to do so by transferring funds. As I have previously pointed out, these funds could be transferred from almost any vital activity in almost any district in the United States. I agree with the general policy previously followed that such should be the prerogative of Congress. If I am correct in my analysis of this, I sincerely hope that the committee will correct this situation before the bill becomes law. I do not know what will happen when this section is up for amendment. The project itself is outside of my district and I do not think it would be proper for me to offer an amendment. Regardless of what happens, though, this should receive further thought and consideration before it becomes law.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. THOMSON of Wyoming. I yield to the gentleman from Iowa.

Mr. JENSEN. As I understand, the money that is to be transferred comes from budget reserves. None of this money which will be transferred to these two projects will come out of appropriated funds which were appropriated last year for fiscal 1958, except the amounts which the Bureau of the Budget put in reserve.

I do not agree with that kind of business because when the Congress appropriates the money we are supposed to know what we are appropriating for. We possibly do not always do that. Possibly we make mistakes sometimes. But after all, I do not think it is the business of the Bureau of the Budget to do the appropriating.

Mr. WHITTEN. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. REUSS].

Mr. REUSS. Mr. Chairman, I rise to go back to the soil bank acreage reserve amendment which has been alluded to here earlier this afternoon. What happened was that last year the Congress appropriated $500 million for the soil bank acreage reserve for the crop year 1958. It also tacked on a $3,000 per producer limitation amendment.

The senior conference committee member from the other body, the Senator from Georgia [Mr. RUSSELL] made very clear in the CONGRESSIONAL RECORD on June 11, 1957, what was happening there.

He said:

> The $3,000 limitation was proposed because we proposed that the total amount be reduced to $500 million. Therefore, we proposed the $3,000 limitation in order to assure that all the smaller producers would be able to participate in the program.

Thus spoke Senator RUSSELL. Now what happened? No sooner had the Congress adjourned and gone home than Secretary of Agriculture Benson proceeded to flout the will of the Congress and to disregard the $3,000 per producer limitation. As the hearings of the subcommittee show, a vast corporation-type farm such as the Garvey Farms of Kansas and Colorado, with dozens and scores and hundreds of farms stretched out over many counties and 2 States, has been paid apparently unlimited sums by Secretary Benson.

What is the position we are in? The soil bank is broke. The half billion dollars we voted for has been oversubscribed $750 million worth by applications so far filed by farmers. When the Department of Agriculture is asked to extract out of that amount that which has been paid in violation of the $3,000 limitation, they say they cannot do it.

Now Robin Hood many years ago acquired a reputation for taking from the rich and giving to the poor. Secretary Benson has applied Robin Hood in reverse. He is taking from the poor, the family-sized farms that we wanted to help, and giving the money to the rich, the large corporation farm that does not need this aid. I hope when we are under the 5-minute rule, when an amendment that I am going to introduce reapplying that $3,000 limitation is brought up, that the Congress by its ringing voice will tell Secretary Benson that we want the law obeyed and we want the soil bank restricted to $3,000 per producer whether he owns 1 farm or 100 farms.

Mr. AVERY. Mr. Chairman, will the gentleman yield?

Mr. REUSS. I yield to the gentleman from Kansas.

Mr. AVERY. Apparently, the gentleman is not in agreement with the subcommittee report then because, as I read the subcommittee report here, it states very clearly that the reason there was a shortage of funds was because our per acre payment was not scaled down commensurate with the amount of money made available. Is that not what the gentleman reads in the report?

Mr. REUSS. That is what I read in the report and that is one of the reasons for the shortage. But another very important reason for the shortage has been this robbery of the soil bank by the Secretary of Agriculture, which has resulted in $500 million that we set aside for the family-sized farm being squandered on large corporation farms that do not deserve the taxpayers' money.

Mr. AVERY. The gentleman, in effect then, would be associating himself with the Secretary of Agriculture in subscribing to lower supports because he is associating himself with supporting the idea of a lower rate of payment.

Mr. REUSS. God forbid that at any time I should ever associate myself with the Secretary of Agriculture.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. REUSS. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. I just want to ask the gentleman what the effect of his amendment will be on the tenant farmer. When the point was made a little bit ago, I was a little bit concerned about the effect of the limitation.

Mr. REUSS. I am glad the gentleman asked me that because both in the amendment introduced last summer and in the amendment that I am going to introduce today, the tenant farmer and the sharecropper will be protected by this $3,000 limitation. In other words, if 1 tremendous farm has 100 tenants on it, each tenant, of course, should get his $3,000 maximum. What we are against is applying it to the large farming corporation that may operate dozens of separate farms.

Mr. H. CARL ANDERSEN. Mr. Chairman, I yield 1 minute to the gentleman from Washington [Mr. HORAN].

Mr. HORAN. Mr. Chairman, I take this time because I think we should have some clarification here. We felt that the sharecropper and the tenant farmer would suffer under the provision that the gentleman has stated—and that it would be a $3,000 limitation whether he had 1 farm or 100 farms. Obviously, if he has 100 farms, he will have some sharecroppers and people on a tenant-farmer basis. When you use the term "producer" that is rather broad. But, we felt the $3,000 limitation should be against the producer and not against the ownership of the property. I think the gentleman should make himself clear on that.

Mr. REUSS. I thank the gentleman for giving me this opportunity to make myself clear, although I point out that I made myself clear all last year in letters to the Secretary of Agriculture and to the Comptroller General. I shall make myself clear again.

The CHAIRMAN. The time of the gentleman has expired.

Mr. REUSS. Would the gentleman yield some additional time since I would like to clarify this matter?

Mr. WHITTEN. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. REUSS. Let me say that tenants and sharecroppers, as well as owners, are under the amendment which we adopted last summer, and under an amendment which we will consider this afternoon, entitled to a $3,000 maximum for each producer. The person who is not entitled to more than $3,000 is the operator of many farms who would get a total, and has gotten a total, of hundreds of thousands of dollars. We do not want him to go on getting all this money. My amendment does not affect in any way the tenant farmer or the sharecropper, who, of course, is entitled to his $3,000. That is the sense of the amendment.

Mr. RHODES of Arizona. Mr. Chairman, will the gentleman yield?

Mr. REUSS. I yield.

Mr. RHODES of Arizona. Does the gentleman not agree that if his amendment is adopted there is no possibility of the large farmer going into the soil bank? The idea of the soil bank is to take land out of production, whether it belongs to big farmers or little ones. No large farmer will go into soil bank for $3,000. Therefore, the small farmer will be bought out for $3,000, and the crops will be grown by the large farmer.

Mr. REUSS. If Secretary Benson would apply the law as Congress intended, it is quite true that the large corporation farmer would be able to come into the soil bank only for $3,000. That, in my opinion, is as it should be.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. TABER. Mr. Chairman, I yield 2 minutes to the gentleman from Indiana [Mr. BRAY].

Mr. BRAY. Mr. Chairman, I rise in support of the amendment that will be made by the Agriculture Subcommittee on Appropriations for the soil bank. I am thankful for the opportunity given to us at this time to make a material contribution to solving the Nation's farm problems. We who have supported the soil bank have never considered it a cure-all for all of our agricultural problems. We are aware of its shortcomings. But we are left with the conviction that it offers the best immediate hope of reducing production and our sizable commodity surplus, and of giving a more equitable return to the farmer for his investment and labor.

The Department of Agriculture requested for this year's program a total of $1 billion for the soil bank program, including both the acreage and conservation reserves. The committee recommendation to the House last year allowed an acreage reserve program of only $500 million. Then, on a day which is still bitter in the memories of some of us, the House voted to eliminate the program altogether for this year. I opposed that action, and I felt it was a sad and unfortunate blow at our farmers.

The Senate restored the program, allowing the same $500 million for acreage reserve, and this was accepted by the House. So we have had a program for this year, but in county after county in Indiana there has been a demand for inclusion in the program which far outdistanced the funds available. In fact, unless we adopt this amendment, most of the farmers in Indiana who desire to come under the soil bank will be unable to do so. There are more than 18,000 in my State alone who will be denied this opportunity. The interest in the acreage reserve program this year is encouraging, and indicates that this program can do much to reduce production. The Government has implied that those who wish to participate should be given an opportunity to do so, and the Congress will be honoring this promise of the Government by voting the additional funds required for the program.

The administration and Congress have in effect allowed and encouraged all farmers who so desired to come under the provisions of the soil bank. Unless this amendment is adopted many farmers, in fact a majority, will be denied that privilege granted to others. I believe that, regardless of a Congressman's opinion as to the merits of the soil bank, this body has a moral obligation to carry out the commitment that we have made.

I am indebted to the gentleman from Mississippi [Mr. WHITTEN], chairman of the subcommittee, for his cooperation and understanding in facing this need. I have discussed this matter with various members of his committee and want to express my appreciation that this additional amendment has been included.

The additional sum of $175 million as reported by the committee would be of help, but it would not do the job. The Department urgently needs an additional amount of $250 million to realize the full potential of the acreage reserve this year. In Indiana, there are more than 18,000 farmers who have been denied participation in the program because the funds for commitments are exhausted. They offer more than 328,000 acres to be placed in the reserve this year, which would reduce production substantially, conserve and enhance the quality of their land, and increase farm income both directly and indirectly. This additional appropriation will give them an opportunity to participate.

I believe this program is justified on its own merits, and I believe it was equally justified when it was considered last year, but if we need any additional argument in favor of its adoption, the economic downturn of recent weeks should provide a convincing statement. Here is a relatively simple and direct way to improve the economic conditions of this Nation's farmers. This is the first opportunity that we have had to see the real capabilities of the soil bank. If it will not work we should abandon it, not strangle it by insufficient appropriations. Farm income, it has been shown, vitally affects the entire economy. A substantial improvement in farm income will undoubtedly stimulate business activity and partially restore the upward direction of our economy.

Mr. WHITTEN. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. RHODES].

Mr. RHODES of Pennsylvania. Mr. Chairman, my remarks are directed at the section of H. R. 10881 providing additional funds for United States participation in the Brussels Fair.

Last month I joined Senator HUBERT HUMPHREY in introducing legislation to appropriate the full $2,054,000 requested in supplemental funds to enable us to secure the type of representation in Brussels that is in keeping with our role as leaders of the Free World.

The $1 million voted by the committee is a step in the right direction. However, in view of the importance of the Brussels Fair to our overall foreign policy, I do not feel that this amount is sufficient to meet the Soviet challenge at this diplomatic and cultural level. It is my hope that the Senate will approve the full amount requested for this project so that we can compete on more even terms with the Russian propaganda offensive at the fair.

The importance of the Brussels Fair from a diplomatic standpoint cannot be overestimated. Two hundred thousand people from all walks of life are expected to visit the exhibits daily and will observe and compare our efforts with those of the Soviet and other nations, and judge our economic, cultural, and political achievements by what they see.

It is a matter involving our national pride and our prestige as leaders of the Free World, as well as being a matter of diplomacy. At the fair we have the unusual opportunity of presenting the best aspects of our free civilization to the people of Europe and of the world. These are people unreached through our normal diplomatic channels and who represent the vast area of public opinion on which all free governments base their policies.

Let there be no mistake about it, the Russians are making every effort to win a spectacular propaganda victory at the Brussels Fair. They are preparing a massive demonstration of their achievements, especially in the cultural field, endeavoring to convince the people of the world that emphasis on military, engineering, and scientific programs has not prevented their cultural advancement.

During the past several months, there have been many disturbing reports that we are not equipped to make the type of showing at the Brussels Fair which is necessary in view of the vast undertaking of the Russians and other Iron Curtain countries. These reports have come from many well-respected sources having no personal ax to grind. They have been publicized in our newspapers, magazines, and via television. As public attention has focused on the inadequacies of our own efforts, there has been a nationwide demand for additional funds to fill the gaps in our Brussels Fair program to prevent a major psychological defeat at the hands of the master propagandists of the Kremlin.

By appropriating sufficient funds for our participation in the fair, Congress can deprive the Soviets of a propaganda victory. I hope that we will make this sound investment which can provide such great returns in the cold war struggle for the loyalties of the peoples of other nations of the world.

Mr. ROONEY. I wonder if the distinguished gentleman from Pennsylvania has any idea as to how much the Soviet Union will expend in Brussels?

Mr. RHODES of Pennsylvania. I have no idea but I believe it will be substantially more than we are prepared to spend.

Mr. ROONEY. Has the gentleman read the $60 million figure in the newspapers?

Mr. RHODES of Pennsylvania. I doubt whether it is $60 million.

Mr. ROONEY. I hope the distinguished gentleman from Pennsylvania will listen to what the committee will have to say about this figure of $60 million for Soviet participation which has been carried in every newspaper in this country. If this committee cannot blow that figure down to its correct size, then we must be slipping.

The distinguished gentleman submitted to the committee a statement which appears at pages 511 and 512 of the printed hearings in which he said that the Philadelphia Symphony Orchestra was going to play in Brussels at the fair and that the city of Philadelphia "has generously provided the necessary funds for the appearance. The fact is, and I now refer to page 430 of the same printed committee hearings, that they will be there at the expense of the State Department. The total amount if the pending appropriation bill for the Brussels Fair is approved would be over $13 million, as compared to an all-time high of $1,500,000 for previous American participation in any overseas international fair.

Mr. RHODES of Pennsylvania. I am afraid the gentleman underestimates the amount the Soviets will spend.

Mr. TABER. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. SCUDDER].

Mr. SCUDDER. Mr. Chairman, I am very appreciative of the item in this appropriation bill providing $10 million for the Trinity River project in California. However, I want to warn the Appropriations Committee that when they consider the 1959 budget for the Trinity River project, they take into consideration the fact that when this project was authorized we provided that the Secretary of the Interior should negotiate with any power company who would be willing to construct the power facilities of that project. The Secretary has carried on a lengthy investigation and has made his recommendation.

Before the Committee on Interior and Insular Affairs there is now pending a bill introduced by myself to carry out the recommendation of the Secretary of the Interior. He has negotiated an agreement with the Pacific Gas & Electric Co. of California by which they will construct all power facilities amounting to $60 million and will distribute the power and pay to the Federal Government for falling water over a 50-year period $165 million. At the same time they will pay to the Federal, State, and local governments $145 million in taxes. Furthermore, 93 percent of the power consumers in northern California will benefit as against a few who have contractional and preference rights on the power being developed. I believe the committee should give serious consideration to further appropriations having in mind that the large majority will benefit if the partnership development is permitted.

I am very hopeful my bill will be reported by the committee and to you in the very near future, because I feel that we have an opportunity to demonstrate that the Federal Government in cooperation with private enterprise can do a better job and benefit the maximum of our citizens and save money for the taxpayer at the same time.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. WHITTEN. Mr. Chairman, I yield 1 minute to the gentleman from Oklahoma [Mr. EDMONDSON].

Mr. EDMONDSON. Mr. Chairman, I want to express my earnest hope that regardless of the viewpoint which Members of the House have as to the merits of the soil bank, and I know there are serious objections and questions about the merits of the soil bank in the minds of many, all will be aware of the moral obligation which we owe to the farmers who were not able to get in under the wire, although they were there when the doors opened on the morning this soil bank was first made available this year.

I know that in my own hometown over 300 farmers were standing in the halls over and beyond the number that were able to sign up on the day that the soil bank was opened. These hundreds of farmers in that county and in other counties were literally left standing at the altar through the failure of the Congress to provide adequate funds, or through the failure of the Department of Agriculture to properly allocate those funds for the farmers.

It is a great pity, Mr. Chairman, that Agriculture Department executives elected to administer available funds upon a first-come, first-served basis that did not assure fair and equal opportunity for all farmers to share in these reserve funds, on a pro rata basis. Such a procedure would have been fair to all, would have kept more farmers in actual production, and would have had less impact upon community economy.

Since another procedure was followed, and we now have a first-class mess on our hands, it becomes necessary to provide the necessary money to insure fair treatment for all of our farmers.

I trust the committee amendment to provide this money will be adopted by an overwhelming vote.

Mr. TABER. Mr. Chairman, I yield 1 minute to the gentleman from Maine [Mr. MCINTIRE].

Mr. MCINTIRE. Mr. Chairman, I would like to direct a question to the chairman of the subcommittee. There has been, as he knows—and we know of his great interest in the legislation before the Cotton Subcommittee of the House Committee on Agriculture—considerable testimony relative to a possi-

ble shortage of white cotton before the 1958 crop may be brought in. Can the gentleman advise me what, in his opinion, is the effect of the authorization in this bill on that situation. Will there be additional acreage taken out of cotton by virtue of the legislation pending before the House today?

Mr. WHITTEN. It is my belief that every acre of cotton that is rented to the Government could well have been planted to cotton this year. But the Congress and the Government did announce the program under a law which says that every farmer is entitled to his chance to participate. The farmers went to the place to sign up and the Department wanted to pay them all out. The first ones who happened to get in line were signed up and the others were left out.

I would point out to the gentleman that under the law each farmer is entitled to participate and, therefore, we feel obligated to go on. The effect is not good on agriculture, the cotton farmer, or the cotton industry. It is my belief that the Secretary of Agriculture under existing law has ample authority to increase the cotton acreage. I spent two afternoons trying to persuade the Secretary that that was the thing to do. This will not be helpful but it is the thing which I believe we are obligated to do.

The CHAIRMAN. The time of the gentleman from Maine has expired.

Mr. WHITTEN. Mr. Chairman, I yield 2 minutes to the gentleman from Georgia [Mr. BROWN].

Mr. BROWN of Georgia. Mr. Chairman, the farmers made their plans based upon the acreage-reserve program announced by the Department of Agriculture for the year 1958.

The Government has allotted $180 million to the cotton farmers under the rule of first come, first served. The portion allotted to my State will aid only about half of the farmers who wish to participate in the program, and it is certainly inequitable and unfair. The Government has refused to distribute the funds in the State on an equitable, pro rata basis.

It seems to me the only way to clear up the mess, under the circumstances, is to appropriate more money. Justice can only be served through a pro rata distribution and this should be the rule throughout the Nation in keeping with the American spirit of equal treatment for all men.

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. HOEVEN].

Mr. HOEVEN. Mr. Chairman, I want to address my remarks to the acreage reserve program feature of this bill. Earlier this month I introduced a bill to set aside the appropriation of $500 million for the acreage reserve program and to authorize the full $750 million figure to be made available for 1958 as recommended by the administration last year. I introduced the bill because the farmers in my Congressional District and throughout the Corn Belt were deeply concerned about the oversubscription of the acreage reserve program this year. The farmers apparently were not told that they would have to sign up on a first-come first-served basis; they were given a fixed sign-up period and with every indication that they would be eligible to put land into the soil bank if they signed up within a given time. Subsequently, they found that the signup had been halted due to the lack of funds. I am, therefore, pleased that the subcommittee of the Committee on Agriculture Appropriations is concurring with my views in this matter and that they are now ready to submit an amendment which would insert the figure of $250 million instead of the $175 million. Thus the sum of $750 million is the total amount to be made available for 1958. The Department of Agriculture has furnished me with some figures regarding oversubscriptions for the program this year. As of the closing date, March 20, 1958, the signups were as follows:

Wheat, $107 million or $7 million above allocations.

Corn, $313 million, or $120 million above allocations.

Cotton, $283 million, or $103 million above allocations.

Now the figures above allocations total about $230 million, so with the additional appropriation of $250 million we should be in the clear. We certainly want to do what is fair in this emergency.

Our farmers acted in good faith, and I do sincerely hope that the $250 million figure will be approved. In doing so we will not only be keeping faith with the farmers, we will also be taking a lot of land out of production, the very thing we want to do in trying to alleviate the surplus problem. Furthermore, the full amount appropriated is going to be a real shot in the arm as far as the agricultural economy of this country is concerned.

Mr. WHITTEN. I yield 3 minutes to the gentleman from Minnesota [Mr. MCCARTHY].

Mr. McCARTHY. Mr. Chairman, I think there have been implications at least of dissatisfaction with the administration of this program by Ezra Taft Benson. For the sake of the record this point should be noted, however, that before the administration prepared this bill, when Benson was opposed to the soil bank program the Secretary said he could not administer the program. I think the record of the last 2 years proves that he was right.

Mr. Chairman, I would like to ask the chairman of the committee whether the limitation with regard to the time before which these payments must be made, the September 15 date, is still in the law or whether it would be necessary to put it in by amendment.

Mr. WHITTEN. That continues as an expression of the Congress in connection with the original $500 million program. This $175 million being in addition to an existing program, it would be my understanding that the September 15 date would apply to this equally as much as it applied to the original program.

Mr. McCARTHY. Therefore it would not be necessary to offer an amendment?

Mr. WHITTEN. That would be my interpretation.

Mr. McCARTHY. We can assume then that the Secretary of Agriculture will abide by the intent of Congress as it was expressed last year when the $500 million was authorized.

Mr. WHITTEN. Since this is in addition to an existing program, and the existing program has that requirement in it, I would think that he would be bound by the original provision.

Mr. McCARTHY. The effect, then, is to provide an additional $250 million through which the Government can meet the commitments which it has made and somehow to make up for deficiencies in the administration of the program under Ezra Taft Benson.

Mr. WHITTEN. May I say this? I have tried every way in the world to get the Department to include all farmers on a fair basis, within the limits of the present program. They refused to act. I got the Department witnesses before us, including the Solicitor, and they agreed that they had a right under the $500 million program to scale the rates down, by acreage, to come within the $500 million program. They agreed they had the right to scale down the rate offered per acre. They refused to take any action, but attempted to permit the first ones there to get the full amount, the others being denied the right to participate, although they were in the same place trying to sign up. It is to relieve that situation that the committee felt that it had to take action.

Mr. McCARTHY. The first year's experience under the program did not indicate that production was in any significant way scaled down. We can look upon this principally as a device by which farm income which should have been raised through other devices might be raised somewhat closer to what the farmer has a right to expect. I favor the additional appropriation.

Mr. WHITTEN. In my judgment, this is purely and simply a relief bill.

Mr. TABER. Mr. Chairman, I yield 4 minutes to the gentleman from North Carolina [Mr. JONAS].

Mr. JONAS. Mr. Chairman, I was shocked a little while ago to hear the gentleman from Wisconsin call the Secretary of Agriculture a robber on the floor of the House. The basis of that charge was that the Secretary had incorrectly interpreted the word "producer" as used in the $3,000 limitation placed in the appropriation bill last year to support the Acreage Reserve Program.

While I am not a spokesman for the Secretary of Agriculture and have never discussed the subject with him, I do believe in fair play and do not believe he deserves to be called a robber on the floor of the House of Representatives.

I voted for the $3,000 limitation last year and, in fact, I voted for a $2,500 limitation and my comment today should therefore not be construed as supporting or even approving the interpretation of the word "producer" as used by the Department in connection with the Soil Bank Program this last year.

I take this time for the purpose of calling attention to the fact that, before the Secretary of Agriculture made his

interpretation of the word "producer", as a result of which so much criticism has been directed at him today, he requested and received from the Comptroller General of the United States a decision approving his interpretation of that word. Now the Comptroller General of the United States is a creature of the Congress and not the Executive Department. The Comptroller General serves in the capacity of a watchdog for Congress over executive acts. I think the Secretary of Agriculture was well advised to put the question up to the Comptroller General himself and receive his interpretation of the word "producer" before beginning the program. Since he followed the decision of the Comptroller General, the use of the word robber seems to me to be very harsh and unfair.

The letter from the Comptroller General to the Secretary of Agriculture appears on pages 205, 206, and 207 of the hearings on the Second Supplemental Appropriation Bill, 1958. This letter was dated August 26, 1957 and was in answer to a letter from the Assistant Secretary of Agriculture, dated August 9, 1957, asking the Comptroller General to interpret the meaning of the word "producer" as used in the appropriation bill last year. The letter from the Comptroller General is too long for inclusion here but I should like to include, as a part of my remarks, the following paragraph from that letter which contains his decision:

In view of the foregoing comments, you are advised that we concur in the understanding of your Department that the Congress considered the applicability of the $3,000 limitation to each producer regarding a particular farming unit, rather than as a ceiling on the amount of compensation that can be paid to him for all farms in which he may have an interest. The acreage reserve payment illustrations outlined in the letter are based upon this understanding and appear unobjectionable.

Mr. WHITTEN. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, I shall read the language which appears in the act. The reference is to Public Law 85, page 128. The particular section reads in part as follows:

> That no part of this appropriation shall be used to formulate and administer an acreage reserve program which would result in total compensation being paid to producers in excess of $500 million with respect to the 1958 crops, or in total compensation being paid to any one producer in excess of $3,000 with respect to the 1958 crops.

That quite definitely says you cannot pay one producer over $3,000, if I understand the English language.

The Comptroller General, in reading the basic Acreage Reserve Act, read the preamble of it and the provisions that were included in the original act, which was for the purpose of taking out as much land as possible wherever it was and even if it was all under one ownership.

It is my opinion that when the Congress limited payment to any one producer to $3,000, the whole soil bank acreage reserve program became a new type of act in effect. It is my belief the Comptroller General's opinion is in error insofar as the language in the act is concerned, particularly if they fail to take into account the change in the law which was brought about when we put a limitation on the payment to one producer.

Mr. JONAS. Do you agree that the Comptroller General agreed with the Secretary of Agriculture, and will you not agree that it is proper for the Secretary of Agriculture to inquire of the Comptroller General?

Mr. WHITTEN. As we said in the report, and as I said in the committee, the Comptroller General held with the Secretary of Agriculture that he was acting within the law. I would like to point out, however, that the Secretary of Agriculture did not ask for an interpretation of the act. The Department of Agriculture says: "We have interpreted thus and so and ask for the approval of the Comptroller General." And that is the kind of ruling the Department received.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. HOLIFIELD. I voted for the Harrison amendment which set this limitation last year, and my understanding then was exactly as the subcommittee chairman has explained today. I was under the impression that the $2,500 limitation which was changed to the $3,000 limitation did apply to one producer and was not to be considered as applying to the man who owned 10 farms so that, by that fact, he got $30,000. I certainly understood it the way the gentleman explained it.

Mr. WHITTEN. In reading the language again, you will find he can sign up as many farms as he wants to; but the act says you cannot pay him any more compensation than $3,000. I think that is quite clear.

Mr. HOLIFIELD. Certainly, it was clear to me in my mind.

Mr. HARRISON of Virginia. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. HARRISON of Virginia. Is it not also a fact that in the letter seeking the opinion of the Comptroller General that the Department of Agriculture stated unless that interpretation was approved the act could not be administered, and in making his reply the Comptroller General laid great emphasis on the fact that the Department of Agriculture said the act could not be enforced unless such an interpretation was made.

The CHAIRMAN. The time of the gentleman has expired.

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, I have asked for this time to obtain a little enlightenment on the appropriations to be found on page 15 of the bill under chapter VIII, Department of State. For instance, an additional amount for salaries and expenses, $375,000. To what agency would that go?

Mr. ROONEY. I would say in answer to the inquiry of the distinguished gentleman from Iowa that last year this 85th Congress made certain changes in the Immigration and Nationality Act to provide for the issuance of about 80,000 additional immigrant visas, and the resultant increase in workload has required additional expenditures. The committee went into the matter and reduced the requested amount to the extent of $72,000, recommending the amount of $375,000 for salaries and expenses of the State Department so as to insure the issuance of approximately 29,000 of these additional visas by June 30, 1958.

Mr. GROSS. I thank the gentleman.

Now, the item of $250,000 for international contingencies?

Mr. ROONEY. The committee made a reduction to the extent of $50,000 in that item which is for American representation in the activities of the new International Atomic Energy Agency which is headed up in Vienna, Austria, by our distinguished former colleague, the gentleman from New York, Mr. Cole. This would provide the funds for the establishment of the office of the American representative to the Agency and all the various trimmings that go with the United States being represented at an international agency in Vienna, such as the International Atomic Energy Agency.

Mr. GROSS. I think I understand the third appropriation in the amount of $9,690,563. That is to support the United Nations debating society police force; is that correct?

Mr. ROONEY. That is for the United States share of funds voted by the U. N. General Assembly as an assessment to maintain the United Nations Emergency Force which is on duty and has been on duty since the Suez Canal trouble in the Middle East.

Mr. GROSS. Is this a commitment or is it called a voluntary contribution, or what?

Mr. ROONEY. Insofar as the Committee on Appropriations is concerned, this is a proffered check for $9,690,563, to be signed. Action with regard to this amount has already taken place under Ambassador Lodge and his staff at the United Nations; and under the commitments made by Ambassador Lodge and the American representatives at the United Nations, the United States will contribute to the extent of about 47 percent of the present total amount for the U. N. Emergency Force.

Mr. GROSS. Is this an advance payment?

Mr. ROONEY. No. This has already been voted on in the U. N. and already committed. We must pay the bill. This is the amount of our dues.

Mr. GROSS. In other words, the satellite countries, the Communist countries, although they helped vote this tax upon the American people, did not contribute one lousy dime to this United Nations police force in 1957, did they?

Mr. ROONEY. I guess the latter part is an accurate statement. They have not contributed up to now.

Mr. GROSS. Nor is there any indication that they will contribute a dime this year.

Mr. ROONEY. Insofar as this particular U. N. fund is concerned, they are in default. It seems that some of our people are ashamed to refer to the Soviet bloc being in default.

Mr. GROSS. Let me say the Russian bloc has three votes in the General Assembly of the United Nations to our one. They belong but they pay nothing.

Mr. ROONEY. If they do not pay their dues they should not have a vote.

Mr. GROSS. I agree with the gentleman, but they are there, and I will offer an amendment to knock out this appropriation when the time comes. It probably will not be adopted, but I will try it.

Mr. ROONEY. I will do my best in opposing it.

The CHAIRMAN. The time of the gentleman from Iowa [Mr. GROSS] has expired.

Mr. TABER. Mr. Chairman, I yield 1 minute to the gentleman from Utah [Mr. DIXON].

Mr. DIXON. Mr. Chairman, I ask unanimous consent to revise and extend my remarks, and include a statement.

The CHAIRMAN. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. DIXON. Mr. Chairman, Merritt-Chapman & Scott Corp. of New York City received the prime contract for Glen Canyon Dam with a low bid of $107,955,122. The Bureau of Reclamation estimate was approximately 25 percent higher.

Total funds received by Merritt-Chapman & Scott Corp. are $7,400,000. They used these funds by the end of January, but to keep moving efficiently they are spending their own funds. By doing this the contractor is preventing a disjointed development schedule which is the cheapest way of building the dam. Their payroll is $100,000 a week. Their earning rate for appropriations is $2 million to $2½ million per month.

As of February 1, the project was 7.4 percent complete, but 11.3 percent of the time schedule had elapsed. They must be allowed to keep up with their schedules or the prime contractor will delay orders which could radically delay the project. For example, there would undoubtedly be a delay on the order of cableways—cost approximately $3 million—and aggregate and concrete equipment if appropriations are not forthcoming. These are necessary to concrete the diversion tunnels and carry excavation out of the canyon.

A delay in completion of the cable system could delay the completion of the diversion tunnels, and even a month delay in the diversion tunnels might mean a year delay in the project. This is because they cannot work in the bottom of the river until they complete the tunnels and of course the diversion must be made at low water with rapid excavation and concrete pouring to meet the possibility of floods.

A delay could mean unemployment for part of the more than 1,000 workers from various parts of the country. For example, one subcontractor comes from Missouri. These workers would be stranded 135 miles from the nearest town.

Such a delay would be wasteful to the taxpayers, since the Government payroll would continue. Further waste would be incurred by the delay in completing the dam which would delay repayment to the Treasury. The net revenues from Glen Canyon, which would be the largest source of repayment, would be of a magnitude of $20 million a year.

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from Colorado [Mr. HILL].

Mr. HILL. Mr. Chairman, I was quite interested in the remarks that have been made concerning the payment of our soil conservation fund. There is a very interesting slant to some of the remarks that have been made. I have not been able to clarify my own thinking, but if an honest-to-goodness farmer owned and operated five different farms under five different farmers who leased land from him, why should the Secretary consider that as one payment to one farmer?

It is not because the farmer who owned the land did business with 10 different farmers—and certainly by no stretch of the imagination can you figure that the same man was receiving 10 different payments, because those 10 farmers are farming the farms in a different way; they might be in a different county; they might be in different counties; they might be on entirely different crops.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield.

Mr. WHITTEN. This language reads very plainly. It just says that the Department cannot use any money to pay to any one producer total compensation in excess of $3,000. So, however sympathetic we might feel to a given case, the law says you cannot pay one producer over $3,000.

Mr. HILL. I have stated the understanding I had when the bill was adopted on the floor of this House. I remember arguing that very question.

Mr. WHITTEN. It does not say a thing about that.

Mr. HILL. I do not agree. It was the distinct understanding of the gentleman speaking. There is a difference in the type of operations and character of crops grown. A man might grow cotton in the gentleman's State and at the same time grow wheat on the flat lands of Colorado. There is no relationship between the two operations.

Mr. WHITTEN. The gentleman is making a good argument.

Mr. HILL. It is not a good argument; that is the plain truth.

Mr. WHITTEN. But the language, I think, is controlling. It says, however we may feel, that one producer cannot be paid over $3,000.

Mr. HILL. On the committee bill in our committee that is exactly the way we interpreted it.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield.

Mr. H. CARL ANDERSEN. The opinion expressed by our good chairman, the gentleman from Mississippi [Mr. WHITTEN], is not in accordance with the majority opinion of the conferees. The majority opinion of the conferees last summer, acting on the full appropriation bill for Agriculture, is exactly what the gentleman from Colorado has just told the House, because if we did not we would rule out 9 of the 10 tenants on those 10 farms referred to as an example, owned by 1 owner, and that would do an injustice to 9 tenants. It would say to them: "You cannot come in under any way whatsoever," because one owner is not going to be foolish enough to put his land under soil bank unless he can get adequate compensation. Therefore as a result he will not permit his tenants to come under any program. That is the basic reasoning as laid down by the conferees relative to this question; and, in my opinion, Mr. Benson is absolutely correct and justified in what he did.

Mr. HILL. I thank the gentleman.

Mr. REUSS. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield.

Mr. REUSS. I appreciate the contribution the gentleman from Colorado has made. May I ask him to insert in the debate this afternoon any legislative history which appears in the CONGRESSIONAL RECORD or any other official document which the gentleman from Colorado [Mr. HILL] has which supports that? Also, I ask the gentleman from Minnesota to insert anything from the CONGRESSIONAL RECORD or any official document or conference report which bears out this supposed intent of the conferees or of any other Member of Congress. Because as I read the legislative history it is crystal clear that Congress meant to limit the payments under the soil-bank acreage reserve to $3,000 to one producer whether he had one farm or a hundred farms.

Mr. HILL. That is correct. When you say "producer," do you mean the man who owns and operates the various farms? The gentleman is just as right as he can be, but not right far enough. But if one man owned all 10 farms and they were operated by 10 lessees he certainly would be entitled to the payment.

Mr. REUSS. That is precisely what Mr. Benson is doing out there.

The CHAIRMAN. The time of the gentleman from Colorado has expired.

Mr. H. CARL ANDERSEN. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. HILL. Regardless of what you and I say I shall be glad to give you some information from the report of our committee. I know that was my own understanding. Since I have only a minute and I want to talk of something else I will continue this discussion when we have more time.

I would like to say just a word to the House about the fact that I am today introducing a bill which will facilitate the insurance of loans under title I of the Bankhead-Jones Act; I am putting it in the hopper at this moment. It is a bill that will give the Farmers Home Administration an opportunity in the sale of direct farm ownership and soil

and water conservation loans to private investors. I will put my statement in the RECORD at this point, and I hope you will read it and that we do not get into any argument when you come to passing that legislation concerning whether it is for one farm or two, because it is for only one.

The proposed Farmers' Home Administration legislation will give more flexibility in the insured loan program. More specifically:

First. The sale of direct farm ownership and soil and water conservation loans to private investors would be authorized when the borrower has acquired at least a 10 percent equity in his farm. These direct loans would be converted to an insured basis at the time of sale.

Second. The amount to be retained by the Government out of interest payments by the borrower on a direct loan converted to an insured basis would be at least one percent. The Government would be authorized to retain more than one percent when the difference between the interest paid to the holder of the insured loan and the amount paid by the borrower as "interest" exceeds one percent.

Third. Farm ownership and soil and water conservation loans could be made from the mortgage insurance fund and sold in blocks, as insured loans, to private investors. Not more than $5 million could be borrowed from the Treasury for this purpose. These funds would be available on a revolving basis.

Fourth. The amendments would authorize the sale of a farm ownership or soil and water conservation loan, if an investor desires to purchase the loan. Such sales would be on a noninsured basis and would save the borrower most of the expense involved in refinancing.

Fifth. The National Banking Act would be amended to permit a bank to exceed the present limit on the amount it could loan to any individual. At present, this limit is 10 percent of the bank's capital and surplus. The proposed amendment would permit a bank to lend up to 25 percent of its capital and surplus to one individual if the excess over the 10 percent involves an insured farm ownership or soil and water conservation loan.

Mr. TABER. Mr. Chairman, I yield 2 minutes to the gentlewoman from Ohio [Mrs. BOLTON].

Mrs. BOLTON. Mr. Chairman, I shall not discuss any of the financial matters involved in this bill at the present time. But I would like to say that I was in the Gaza Strip last fall and observed the results of the presence of United Nations troops there. Instead of tensions, instead of depredations every night, instead of agonies, deaths, and other constant fear, there was peace and relaxation in that little narrow strip. Why? Because the United Nations troops were there, each nation in its own little area. We have no troops there ourselves. This meant that people could go out at night, they could go out after dark, and they knew that nothing was going to happen to them.

I just want to bring this picture to you for your thinking because there is such need to break tensions, to make people feel that, after all, there can be such a thing as peace in the world.

Mr. TABER. Mr. Chairman, I yield the balance of the time on this side to the gentleman from Minnesota [Mr. H. CARL ANDERSEN].

Mr. H. CARL ANDERSEN. Mr. Chairman, I do not believe that the discussion today has touched at all upon the basic purpose back of the acreage-reserve program.

The basic purpose is to take good average cropland out of production, thereby reducing production of commodities in surplus and improving markets for such commodities. The figures show—and these are direct from the Department of Agriculture as of February 20, just 4 days ago—that if this House today will go on record for this $250 million additional for the acreage reserve, it will mean as far as cotton is concerned that we will take 5,106,000 acres out of production. Just think for a minute how many bales of cotton this means which will not be produced for storage in a Government warehouse. I am talking about the entire $750 million program. Why should we go ahead and produce enormous quantities of a commodity which is creating market difficulties because of surplus stocks? It is estimated with the $174,600,000 allocated to cotton out of the $750 million, we will take 5,106,000 acres out of production.

Let us look at rice for a minute. On rice we will take 150,000 acres of land out of production and thus help to bring to the farmers of America a better price for what they do produce.

Let us look at wheat. Five million four hundred and forty-six thousand acres of wheat will not be produced to be put into these tin cans in the Midwest, which will do nobody any good except roll up huge storage charges for the taxpayers to pay and give critics of farm programs something to talk about. If the House will agree to this action today, there will be a total of 7,258,000 acres of corn, good average producing cornland, in the United States of America which will not produce corn this year. Give that an average of 40 bushels to the acre, we are taking nearly 300 million bushels of corn out of production. I think that it is good, basic common sense to do that, and I think we should keep in mind the basic purposes of the acreage reserve.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from New York.

Mr. TABER. I am wondering why, if a man takes his land out of production, he needs a tenant.

Mr. H. CARL ANDERSEN. We are talking about the acreage reserve and it affects only a small portion of each farm.

Remember the basic purpose of this act. I see before me at least 20 or 30 Members who for 19 years here have been fighting for a fair price for the farmers of America for what they produce. Now we are trying desperately to help to give to those farmers what we call parity in the marketplace. What has been the trouble? We have been producing a little bit too much and now we do have the opportunity to take good producing land out of production, and I say it is simply good common sense to do so.

But, what is another basic feature relative to what we are doing here today? The chairman of my subcommittee, the gentleman from Mississippi [Mr. WHITTEN], rightly touched upon it. We are fulfilling a moral commitment to the farmers of the United States when we write into the law this language: "The limits within which each farmer may participate in the acreage reserve program shall be established in such manner as the Secretary determines is reasonably calculated to give producers a fair and equitable opportunity to participate in the acreage reserve program." Are you going to tell those 300 farmers down in that one county in Oklahoma, which the gentleman from Oklahoma [Mr. EDMONDSON], mentioned, that just simply because there was not enough money voted, the Congress of the United States is not going to live up to its moral commitment? I am not, nor is the gentleman from Oklahoma [Mr. EDMONDSON] who joined us last year in our fight to prevent the mistake we hope here today to correct. And he is entitled to the consideration he seeks for those 300 farmers he so ably represents. Last year we had a different fight on the floor of the House here. The fight was whether or not we should have the acreage reserve program. It failed by five votes on a record rollcall here in the House of Representatives. The Senate put it in by a large majority. The conferees put in the $500 million.

As far as I am concerned, Mr. Chairman, it is my intention to vote to give to the farmers of America that moral commitment which the United States Congress and the Government has held out to them. I sincerely hope that there will be full acceptance of the amendment which will shortly be offered in behalf of our subcommittee by the chairman of our subcommittee the gentleman from Mississippi [Mr. WHITTEN] which will reinstate the entire $250 million of the authorized $750 million.

Mr. CANNON. Mr. Chairman, in yesterday's Washington Post there appeared opposite the editorial page an article directly referring to this bill. The article states that it is a favorite practice of the Congress to cut appropriations in the regular money bills when the economy spotlight is on and then vote it back later on in supplemental appropriation bills. It asserts that we are doing just that in the supplemental bill before us today; that in this bill we are merely putting back in the budget the money we cut out last year. And it goes on to state that last year Congress cut $4.5 billion from President Eisenhower's new money requests for the year which ended June 30, 1958.

As a matter of fact—and no one disputes this because it is the fact—we cut from the President's budget last year $5.7 billion instead of the $4.5 billion

mentioned. The $5.7 billion is shown in an official administration release of last October. And in this bill we are not putting that money back. We put back, from the cuts made in the independent offices bill last year, a portion of the veterans' compensation and pensions item, due to the fact that no one could say at the time exactly how much money would be needed, how many demands there would be, because that was simply a mathematical computation to carry out the law. So in this bill we do put back some, but not all, of the money we cut out last year, $129 million, for compensation and pensions, under the Veterans' Administration.

We put back in this bill $30 million cut out last year for Veterans' Administration readjustment benefits, but again only a portion, under circumstances similar to the compensation item. And we put back all of the money cut out last year for servicemen's indemnities, but that is less than $2 million. At the time we passed the bill last year we could not precisely estimate how much that would be, and neither could the President. We made an estimate and the estimate was a little bit too slow. There is one other item—public assistance grants, $79 million—where we missed a bit and that is restored in this bill.

But let me call attention to the important fact: We are putting back a total of only $239,972,500, which is less than 5 percent of the $5.7 billion overall cut from the budget last year. In other words, more than 95 percent of the money we cut out last year is not being put back.

Mr. Chairman, as a matter of fact, this supplemental bill is extraordinarily large because of the way the budget has juggled the figures to produce a favorable looking but misleading comparison between the 1959 budget and the 1958 budget. The bare totals shown in the 1959 budget reflect an apparent decrease in total obligating authority of about $2.6 billion compared to fiscal year 1958. If the budget had been put together properly, they would show a further increase, not a decrease, just as the spending side of the budget shows a further increase.

Last year, obligational authority enacted for fiscal 1958 aggregated approximately $5.7 billion less than the President's original budget requests. At the close of the last session, the President estimated he would submit to the current session supplemental and deficiency requests approximating $0.7 billion. Now, he indicates $6.6 billion.

Approximately 83 percent, or $5.5 billion, of the $6.6 billion figure represents items lifted from the 1959 budget, or otherwise proposed to be submitted during fiscal 1958 notwithstanding a showing in the 1959 budget that there is no demonstrated need for anywhere near this amount during fiscal 1958. They are not true supplements to the 1958 appropriations. Again in round figures, therefore, only about 17 percent, or $1.1 billion, represents what might be termed supplemental and deficiency additions to 1958 appropriations heretofore made.

The following table summarizes the situation:

	Billions	Percent
1. Defense, H. R. 10146 (lifted from 1959 budget and advanced to 1958 to buy time)	$1.3	19
2. Reimbursement to CCC for past expenditures (under normal budget timetable, these would have appeared as part of fiscal 1959 totals)	2.2	34
3. Additional Export-Import Bank lending authority (although the 1959 budget shows uncommitted lending authority of $0.3 billion at end of fiscal 1958)	2.0	30
Subtotal	5.5	83
4. All other items (including $400 million contingency reserve)	1.1	17
Total	6.6	100

I am reminded in this connection of a poem from the pen of our old friend Bret Harte in which he said:

> That for ways that are dark
> And tricks that are vain,
> The heathen Chinee is peculiar.

May I say, Mr. Chairman, that for ways that are dark and tricks that are vain, every budget submitted in the last several years has been peculiar.

Let us take the budget submitted in 1955 for the fiscal year 1956. That was one of the most extraordinary documents ever written and submitted to the American Congress. It said at the close of the budget, that the Defense Department was going to cut it by $1¾ billion—and that is quite a substantial sum. They were going to cut the 1956 budget by $1¾ billion. Where were they going to cut it? From what items did they propose to take it? They didn't specify. It was merely entered as a one-line "unallocated reduction" which was to be allocated as the year proceeded.

But did they allocate it? No. Instead of cutting $1¾ billion, as they said they would, in order to bring their budget down low enough to avoid the castigation of the public, they not only used the entire $1¾ billion but they used more. They spent every cent of the $1¾ billion they said they were not going to spend and in addition they spent $41 million more, so that the actual defense spending in 1956, over the original budget estimate, was $1,791,000,000. If there ever was a case of absolute duplicity, of positive intent to mislead the people, there it was, in the budget the President sent down to Congress for fiscal 1956. He said we are going to cut out this $1¾ billion, but instead of cutting out the $1¾ billion they added $41 million, so that they spent altogether above the President's budget $1,791,000,000 for the Defense Department alone.

For ways that are dark and tricks that are vain the administration's budget is peculiar. The trick was vain because everyone saw through that. Everybody sees through it now. And every budget that has followed has carried that same character of legerdemain.

Take last year's budget, the fiscal 1958 budget. The minute the budget was submitted to us, the highest fiscal officer in the Government, the Secretary of the Treasury himself, came out and said it ought to be cut, and hoped it would be cut, and urged the Congress to cut it.

Later in the session the President sent out a secret letter and, in substance, said to every bureau and agency, regardless of what the budget says, regardless of what the Congress has provided, regardless of how much was requested of Congress, I request you to cut your funds down at least as low as the 1957 budget, if not lower.

But the representatives of the departments, with this letter in their pockets—every one of them came down here before our committees and asked for the full amount of the budget. But the news of the letter leaked. We got wind of it. And when the next agency came before us with a request for the full amount of the President's budget, we asked him, "Can't you get along with a little less than the amount provided here in the budget? Can't you absorb some of these items? Can't you reduce your expenditures just a little?" "No," they said, "we have to have every dollar of it." I asked, "Didn't you get a letter from the President telling you to cut it back to the 1957 budget or lower?" Well, they had to acknowledge they did. "When did you get this letter." "About a week or 10 days ago." And yet they were down here deliberately misleading our committees by telling us they had to have every cent of the original budget.

Oh, Mr. Chairman, for budgets that are dark and tricks that are vain this administration is peculiar.

Now, let us take a further look. In the fiscal year 1956, the President's original spending estimate was $62.4 billion. They actually spent $66.5 billion. In other words, for the fiscal year 1956 they spent $4.1 billion more than they first estimated they would spend.

For the fiscal year 1957, their original estimate was $65.9 billion. The actual expenditure was $70.3 billion. That year they spent even more above the budget than they spent the year before. That year they spent $4.4 billion more than the original budget.

For the fiscal year 1958, the current year, they first advised they proposed to spend $71.8 billion. They recently told us they expect to spend $72.8 billion.

From these facts, the announcements and the promises and the estimates made by this administration to the Congress appear to bear little relation to what they actually intend to spend and what they actually do spend.

And here last session when they said the budget estimates could not be cut; we cut them $5,700,000,000. They could not deny when they made their midyear estimate that we had cut their budget that much and that we had saved the country over $5 billion the President asked us to approve. I submit to you that is an amount sufficient to make a difference to every taxpayer in the country. Now they say, through the newspapers and here on the floor, "You are just putting back what you took out last year."

As I have shown, we have put back less than 5 percent of what we cut out

last year. And that small amount consists of items on which it was impossible to make an accurate computation at the time.

But we are holding in excess of 95 percent of the economies we made last year. Approximately $5 billion we cut from the President's budget and took off the backs of the people and the taxpayers of the country.

Mr. Chairman, all the previous budgets of this administration have taken great delight in making misleading and unfair comparisons with expenditures in the fiscal year 1953, the last full war year in Korea, and with the last budget submitted for fiscal 1954 by the previous administration. That budget, of course, was written and submitted at a time when the war in Korea was still under way. They have made repeated comparisons of these last several peacetime budgets with the wartime budgets of 1953 and 1954 fiscal years. Of course, it is absurd to compare peacetime budgets with wartime budgets.

But they had to quit making such unfair and absurd comparisons in the 1959 budget submitted last month. The chickens have come home to roost. The reason is obvious. It is because the 1959 budget proposes to spend about $2 billion more than was spent in the last full war year, fiscal 1953.

There is another trick in this budget. It is submitted as a supplemental and deficiency bill for 1958. As a matter of fact most of it is merely a page lifted out of the 1959 budget and inserted in the 1958 budget. Over 78 percent of the $2.8 billion carried by this bill is accounted for by items which would normally be budgeted as part of the fiscal 1959 totals rather than the 1958 totals. The obvious purpose is to produce a misleading reduction in obligating authority as between the 2 years. Had the President handled these items in the routine way in the 1959 budget it would have shown an increase in the request for new obligating authority in 1959 instead of a decrease. That would have shown a continuing increase in expenditures. That is what they are trying to hide.

For budgets that are dark and tricks that are vain this administration is peculiar.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

All time has expired.

The Clerk will read.

The Clerk read as follows:

ACREAGE RESERVE PROGRAM

For an additional amount for "Acreage reserve program," fiscal year 1958, $250,000, which shall be available to formulate and administer an acreage reserve program in accord with the provisions of subtitles A and C of the Soil Bank Act (7 U. S. C. 1821–1824 and 1802–1814), with respect to the 1958 crops, in an amount not to exceed $175 million in addition to the amount specified for such purposes in Public Law 85–118.

Mr. TABER. Mr. Chairman, I make a point of order against the paragraph on page 4, lines 1 to 9 of the bill on the ground that it changes existing law. I refer the chairman to the language of the appropriation bill which became law on the 2d day of August. I refer the chairman to the language on page 10 of that bill. In the bill that became law, this particular setup received $500 million. The language of the paragraph in the pending bill reads: "not to exceed $175 million in addition to the amount specified for such purposes in Public Law 85–118."

Mr. WHITTEN. Mr. Chairman, I desire to be heard in opposition to the point of order.

I would call attention to section 103 of the Soil Bank Act. The first part of section 103 provides as follows:

Notwithstanding any other provision of law, the Secretary of Agriculture (hereinafter referred to as the Secretary) is authorized and directed to formulate and carry out an acreage reserve program for the 1956, 1957, 1958, and 1959 crops.

And then it lists the various commodities.

Then I call attention to subsection (c) of section 105 of that Soil Bank Act, which reads as follows:

The total compensation paid producers for participating in the acreage reserve program with respect to any year's crops shall not exceed $750 million, and with respect to any commodity for any year shall not exceed the amount shown below.

And then it lists the amounts.

So I respectfully submit that in the basic law the Secretary is authorized to carry on such a program. The limits fixed by that law are $750 million. The amendment which is carried in this bill is well within that $750 million limitation.

I point then to section 120 of the same act, which reads as follows:

The Secretary is authorized to utilize the facilities, services, authorities, and funds of the Commodity Credit Corporation in discharging his functions and responsibilities under this title, including payment of costs of administration for the programs authorized under this title: *Provided*, That the Secretary shall, prior to February 1, 1957, or such earlier date as may be practicable, submit to the Congress a full program of all operations under this title—

And then it goes on and says what his actions may be, and then further the law says:

There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this title, including such amounts as may be required to make payments to the Corporation for its actual costs incurred or to be incurred under this section.

I respectfully refer to the action of the committee last year. At that time, notwithstanding that $750 million was authorized in the basic law, and that the Congress was authorized to appropriate money in that full amount and that the Secretary was authorized to spend the money in carrying out that program, the Congress did provide the following language:

That no part of this appropriation shall be used to formulate and administer an acreage reserve program which would result in total compensation being paid to producers in excess of $500 million.

In other words, last year's Congress said that no part of last year's appropriation could be used for a program in excess of $500 million. The basic law, however, said that $750 million was the limit.

I respectfully point out that the language in this bill merely provides for further appropriations in line with the basic authority, and provides for money to carry out an enlarged program over that which could be carried on from last year's appropriation; but in both instances it was within the authority of the Congress, because it is still less than the total amount authorized in the basic law, and it is in line for the Department of Agriculture to carry on such a program.

I therefore submit that the committee is in order in providing for an increase, as long as it is under the basic Soil Bank Act.

Mr. TABER. Mr. Chairman, I would like to call the Committee's attention to this: that this is not an item in appropriation but is an amendment to a previous law which was passed last summer.

The CHAIRMAN (Mr. WALTER). The Chair is ready to rule.

The language objected to by the gentleman from New York [Mr. TABER] provides for an additional amount. This of course means an additional amount to that provided for in the authorization contained in Public Law 540 of the 84th Congress.

The Chair therefore feels that in view of the fact that there are ample funds authorized to carry out this program, and that the appropriation herein proposed is within the authorized amount, the point of order cannot be sustained.

The Chair overrules the point of order.

Mr. WHITTEN. Mr. Chairman, I offer an amendment which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. WHITTEN: On page 4, line 8, strike out "$175,000,000" and insert in lieu thereof "$250,000,000."

Mr. WHITTEN. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, as I have pointed out, the Department of Agriculture took the view that the $500 million would be ample to take care of the farmers who wished to participate in the program. I would recall to your mind that the basic act provides that the Secretary shall set up this program under such rules and regulations as will give producers a fair and equitable opportunity to participate in the agricultural reserve program.

In the belief by the Department that $500 million would give that right to all farmers, no allocations were made to the States, nor by the States to the counties, but the Department of Agriculture announced that farmers had up to March 7 to come in and sign up. So many farmers went in and signed up, as they had the right to do, within the times the Department specified, that there were long lines at practically every sign-up office in the country; and after about 3 days when the Department began to realize that the sign-ups would exceed the total amount authorized last year, they attempted to put into effect a first-come-first-served order. In other words, those who had signed up within

those first few days would be paid in full, but those who had the misfortune not to get signed up were left out entirely.

We called the Department witnesses before us and the Department admitted to us they had the authority to scale the acreage back, to bring everybody within the limit, so everybody would be treated alike. They admitted that they had the right to scale the payments of money down to treat everybody alike, but they flatly refused to take either course, and it left thousands of farmers out of the program, in spite of the law giving them a right to be included.

This amendment is offered on behalf of the committee following discussion with the Department of Agriculture this morning. They advised us that many farmers went to the proper place at the proper time and attempted to take advantage of their rights under the law to a fair opportunity to participate. This amendment would insure that all farmers be treated alike.

As I said earlier, and as I have said many times, I think this program is directed in the wrong direction, that it will do damage rather than good; but be that as it may, it is a program that is in the law; it is the program that the Department is attempting to implement, and in the absence of this amendment some farmers who went to the right place at the right time would be deprived of their rights, without any advance notice, while others get the full compensation.

I therefore trust the amendment will be adopted. I feel it is a good amendment.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. H. CARL ANDERSEN. Is it not a a fact that the full subcommittee is in agreement on the gentleman's amendment?

Mr. WHITTEN. I believe with one exception, and that is the gentleman from New York, who made the point of order.

Mr. H. CARL ANDERSEN. I am speaking of the subcommittee.

Mr. WHITTEN. The gentleman from New York is ex officio a member and a very good one, and he is a very good friend. I believe he is also ex officio a member of the subcommittee. The regular subcommittee is in agreement.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. EDMONDSON. Does the Department of Agriculture have the names of those who signed up but who could not be served?

Mr. WHITTEN. The testimony before our committee was that after they stopped letting farmers sign up they did take their names and continued to do so until February 20. However, let me point out that the provision of the act is, "all those who sign up or attempted to sign up." Therefore the language is broad enough to take care of them, and I also point out that we do not spell out what we mean by "attempt."

Mr. HALLECK. Mr. Chairman, I move to strike out the last word and rise in support of the amendment.

Mr. Chairman, I have not taken the time of the Committee or the House this session, and I rather doubt whether I should take the floor at this time. By that, however, I do not want to apologize for what I am about to say, because I think it is time that it be said.

I would like to remind my friends on my right, for whom I have the greatest affection, the Democrats in the House of Representatives, that for 24 of the last 28 years you have been in control of the House of Representatives. You have been in control by substantial majorities. You presently have a majority of some 30 votes. In the 80th Congress, in which I was privileged to be the leader, we had a slightly larger majority than that. In the more recent 83d Congress we had a majority of 3. We had 221 on the Republican side of the House.

Why do I mention that? There is not any question in the minds of us who come from agricultural areas that there is on the farmer today a cost-price squeeze that has put him at the bottom of the totempole as far as the economic prosperity of this great land of ours is concerned. I would point out to you that the former President, to whom I just listened at a luncheon at the Statler Hotel a few minutes ago, speaking in the realm of things that are supposed to be nonpartisan, campaigned in 1948 against the record of the Republican 80th Congress. One of the things about which he talked the most was the failure of the Republican 80th Congress to do something for the farmers. I must say as I look back that obviously he spoke with some effect. I went out to Independence, Mo., when his library was dedicated and I took occasion to say out there in the little speech I made that as far as I was concerned no hatchets were buried in the cornerstone. I stand on that statement.

He made quite a speech the other night at the great meeting that you Democrats had here, and I am for those great meetings, too. I like them. One thing struck me about his speech: he apparently forgot when he was criticizing a lot of things that he was talking about a Democratic Congress and not a Republican Congress. For 3 years and 2 months you Democrats have had control of the Congress of the United States, or since the 83d Congress. You had control before that for 4 years under President Truman.

Why am I led at this time to say something about that? This committee in filing its report in respect to the deficiency that is now apparent in funds provided for the soil bank had the effrontery to blame it on the Department of Agriculture. I say "effrontery" and I stand on that. Your charges will not stand up. You can apologize, you can explain, you can say anything you want to, but the plain fact is that the administration asked for $750 million to carry on this program in the House and, apparently in great glee, you sabotaged the program, even as you sabotaged the program we wanted for the corn farmers of the Middle West.

The other body put some of the money back in. So, now, here today you are coming back and saying we have to have the money that you refused to give the administration last year.

Here is the point I want to make clear, because as far as I am concerned, you are not going to get away with this attempt to duck your own shortcomings. You cannot blame the administration, you cannot blame Benson, you cannot blame me for the very failings in which you have indulged on your side as you have run the Congress of the United States. I want the farmers of the country and particularly out of my District to know what really happened and who is at fault. It was a Democrat Congress that failed to make the money available in the first place. I have had 15 or 20 letters from my District. They have complained to me about my shortcomings and about the President's shortcomings in this matter. They complain that when they came in to sign up for this program they were told, "We are out of money." Out in Indiana at the moment we are 97-percent oversubscribed on the basis of the original allocation.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. HALLECK. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HALLECK. Now, all I want to do is to just have the facts known. I have listened to my good friend from Mississippi who has said, "Well, the department might have prorated the money; they might have done this or they might have done that." Well, the best way to meet the situation was to provide the money in the first place that was indicated to be necessary for this program.

Now, I took the floor last year to oppose the striking out of this program. I do not know whether it is the best program in the world or not. It is the only one we have got for the farmers this year. But, you are the people who joined up against most of us on the Republican side to cut out the money, thereby bringing this confusion throughout all of the farm areas today.

I have been trying to find out lately when you are going to come up with a farm program. You are mighty free and long on criticism, but I have not seen you come up with anything, and I do not think you are going to come up with anything. You will not take what the administration offers, yet, apparently, you are not going to do anything yourselves. As a matter of fact, time is running out. The crop season will soon be here, so apparently although you have had complete control of the Government so far as legislation is concerned, you yet are unwilling to do anything.

Let me just say this one thing further to those of you who complain. The administration can collect no taxes except as the Congress votes them. The

administration can spend no money except as the Congress votes it. We can have no farm program except as the Congress votes it and appropriates the money for it. The executive branch of the Government can only implement the program it has, so I think the time has come when the shoe ought to be put on the proper foot, and that is on the foot of the Democrat Congress that has failed to meet its responsibility.

Mr. WHITTEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, our distinguished friend from Indiana does a marvelous job with matters with which he deals. However, there were hearings in connection with this bill in which witnesses from the Department of Agriculture testified. Those witnesses testified, on behalf of the Department and the administration, that when they announced the sign-up they had every reason to believe $500 million was more than ample to meet the requests of all comers. They admitted they had neglected to serve notice that the farmers would have to scale back so as to come within the announced program, if the program was oversubscribed, because they did not think it was necessary. Unfortunately for my friend from Indiana, those witnesses, including the Solicitor of the Department of Agriculture, testified they did have authority to scale back the amount of acres per farmer, to scale back the rates of pay so as to treat all farmers alike under the law. But, this administration, speaking through those witnesses, testified that they thought it was fair, after the farmers went to the office, for them to announce first-come first-served, to slam the door, and leave half of them completely out and half in; and, so help me, they testified in their judgment that was giving each farmer a fair and equitable opportunity to participate, as required by law. That is in the record.

You know, down in the South sometimes they say we are not too good Democrats; we are too independent of Democratic policy, and I am probably not the spokesman to answer the gentleman on Republican policy; but let me tell you this, under the laws that were passed by Democratic Congresses, laws which still exist, the President and the Secretary of Agriculture tomorrow can raise farm prices and bring back the prosperity that will employ these unemployed people in our cities. The authority is in the law now. There is no requirement that the Secretary reduce prices. Unfortunately, Secretary Benson, who is a very affable and lovable fellow, asked for a law authorizing him to reduce price supports. He is using that authority; and farm income has gone down as fast, and in almost the same percentage, as he has reduced price supports. Yet under that law he could increase price supports, and thereby prices, tomorrow.

The records of his own Department prove that the Secretary has been wrong on every proposal he has tried to put into effect. Those records show that as he reduced price supports, production went up. As he reduced price supports, farm income went down.

In his efforts, he has spent more out of the Treasury than all the Secretaries of Agriculture from 1932 to 1952. Truly he seems willing to spend any amount necessary to prevent the user of farm commodities from paying a fair price. His records show that during the period he has been Secretary of Agriculture, those middlemen between the farmer and the consumer have been getting a bigger and bigger slice of the consumer dollar. We see the Secretary of Labor speaking up for his group, getting what he says is fair play for his crowd. We see the Secretary of Commerce speaking up for his crowd. And every time, a bigger part of that income dollar is taken by some other group we find Secretary Benson up here asking the Congress to give him authority to reduce the farmer's share, in order to absorb the increasing take of the middleman, those between the farmer and the consumer.

Yes, my friend, in the period that the gentleman's Secretary has been in office, the middleman's take of the consumer's dollars has increased from 50 percent of the consumer's dollar to 60 percent. Unfortunately, each time the rail rates are increased, or each time new service is put in by Safeway groceries, or each time Safeway splits its stock 3 for 1 because they are making so much money, we find the Secretary of Agriculture agreeing that the farmer should reduce his price which means the farmer has to absorb that increase.

Mr. Chairman, under democratic laws today, the President and the Secretary could raise price supports and put some purchasing power in the hands of the American farmer. And before my friend says anything about this acreage-reserve program, I suggest he read the record, because what I said and what is in this report is supported by the testimony of the Secretary's own witnesses, including the Solicitor of the Department of Agriculture.

Mr. Chairman, it is time we realized that we have to keep a sense of balance between agriculture, industry, and labor. You cannot let farm income go down without its being felt in Detroit and Chicago and St. Louis. You cannot let farm income go down for a period of 5 years and 2 months, as it has under this Secretary, without your administration wanting more money to take care of the unemployed. The authority to restore farm income is in the law. All we need is executive action to implement it.

Mr. VURSELL. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I think it is fair to say that for the 1957 crop year in connection with the soil bank, there was a constant fight and a delay largely on the majority side of the Congress which stalled the passage of any soil-bank legislation until it was too late to give it a fair trial for that crop year.

Then when we came to appropriate for the 1958 crop year, the only yardstick they had to go by in the Department of Agriculture was what they had done in 1957 with the result that probably and doubtless honestly they thought that the $750 million would take care of all of the acreage reserve farmers who desired to take advantage of the law. The result was that that was their request and, of course, you know the story. That was beaten down to $500 million in our committee. It was defeated on the floor of the House by the same forces referred to by the gentleman from Indiana [Mr. HALLECK]. Now we come to the proposition: What are we going to do now? We had thought in our committee that probably $175 million added to the present amount would take care of the signups, but the signups have been heavier this year because they have had a little more time, with the result they think now it will take $750 million. That will pretty well implement the law as the Congress passed it, as it should have passed it, and as the Department of Agriculture forecasts at the present time.

I think what we ought to do is make it $750 million, clean it up with the $750 million that was requested. Then I think we ought to limit the amount that the Congress and not Secretary Benson put into the law, that allowed too great amounts to be taken out by certain farmers, corporations, and so forth. I am for that limitation and I am for this increase back to the $750 million as passed last year.

There have been some attacks as to how well this law has been administered. I want to give you the facts that I got from the Department of Agriculture this morning.

The average price per acre for 1957 for land put in the acreage reserve which was paid to the farmers was, for the wheat farmer, $20.04 per acre on the national average; for the corn farmer, $42.66 per acre on the national average; for the rice farmer, $63.18; and so on down the line for the cotton farmer and the tobacco farmer.

Now let us see how it will be for the crop this year. In 1958 the corn farmer will be paid $42.90; the rice farmer, $67.19; the cotton farmer, $55.41.

It would appear that on the general average these prices are really not too high. The corn farmer of Illinois will average over 65 bushels to the acre. If he gets a net of $42.66 it is not too much out of reason, considering the high cost of most farmland.

The theory of this law, as I understood it, was to try to reduce this overproduction. If we are going to reduce overproduction, and I am supporting this bill as I did last year in the belief it will or should make the amount payable practical enough to have a heavy usage, enough to put the productive acres in and reduce the piling up mountain high of continuous surpluses in the hope it will bring about a situation that will inure as a net increase to the farmers of America.

Whether we ever have another soil bank or not, it would seem to me that we ought to go through with this proposition, but I am satisfied that this heavy signup is going to reduce greatly the surplus in this country. If it does, it will probably do just exactly what the majority of this Congress wants, reduce the surpluses of this country, which will benefit all of the farmers.

Mr. PRESTON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I do not know what prompted the gentleman from Indiana [Mr. HALLECK] to come out into the limelight today. He has been basking in the shadows, during this session.

I rather think perhaps, he had in mind a necessity for saying something that might offset the unfavorable publicity to the Republican Party as a result of the story appearing recently in the paper about 25 Members of the House of Representatives from the Republican side who are so unhappy with Benson's farm policies that they had a caucus to organize to try to do something about it. I have seen the gentleman from Indiana [Mr. HALLECK] pull some heavy loads in my day since I have been in the Congress, but when he comes here and undertakes to pull across Secretary Benson and sell him to the farmers of America, he is tackling the biggest load he has ever tried to pull. I do not know what my amiable friend, the gentleman from Indiana [Mr. HALLECK], was thinking when he talks about a Democratic Congress not doing anything about a farm program. We passed a 90-percent bill here, the same type of law that gave the American farmers prosperity for years and this administration vetoed that measure. We have been suffering with this sliding scale bill of Secretary Benson and that is what has brought the American farmers to destruction and disaster. The gentleman from North Carolina [Mr. COOLEY] sponsored the 90-percent bill and put it through the House and it was passed by the other body, and then the President vetoed it. That is where the trouble is and I am afraid it is too late. You can call on him to resign or you can plead with him and importune him to resign, but I think it is a little too late now. We in the Democratic Party have known for a long time that he is our secret weapon. Do not take him away from us now. Let us have him until November. He cannot do any worse in November than he has already done. It is a pity that we had to bring in some partisan politics on the soil bank debate. We would not have had a word said along that line if the gentleman from Indiana had not decided to castigate the Democrats a little. But, this is a political year and he has a right to do it. But, let us not overlook the fact that whether you be a Democrat or Republican, if we do not provide for additional funds for the soil bank, it is not going to be a healthy atmosphere that we will be going back to when we go home. I urge you to vote for the amendment providing $250 million additional funds.

Mr. AVERY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I assure you I do not intend to take the floor here to continue any political debate. I think the biggest trouble with our agricultural economy now is that it has been debated politically for too many hours on the floor. I have taken the floor rather to inquire of my friend, the gentleman from Mississippi, if he could clarify just a little bit more as to who might be eligible to participate in the soil bank by these extra funds being made available, assuming they will be made available also by the other body as well. I wrote the gentleman's words down, as I understood them—"That those who had signed up or who had attempted to sign up would be available now to come back in and place a portion of their allotted acres into the reserve phase of the soil-bank program." Are those the gentleman's words?

Mr. WHITTEN. May I repeat: We had witnesses before our committee and they recognized this situation. The Department had given notice by mail to all farmers that the sign-up date had been scaled back to February 20. The testimony was that they had written every farmer to that effect. In most counties, according to what the departmental people testified, after they quit taking signups, they listed all who came to the office to sign up. Someone said, "Well, perhaps that did not happen on all occasions." So, because you have to draw the line somewhere, the best provision we could suggest was that carried in the bill, as follows: "Those who signed up or attempted to sign up." We used the word "attempted" knowingly, because it is broad enough to include anybody who made an overt act to actually participate within the time prescribed, which was prior to February 20 regarding corn and cotton and the major commodities.

Mr. AVERY. I would like to have this clarified just a little bit more because I can foresee a lot of problems developing. Is the gentleman saying that unless there is a written record in some of these county ASC offices, the farmer will not be eligible to participate in the program? Is that clearly stated?

Mr. WHITTEN. May I say that my language was completely the opposite to that. It is my information that in practically every county, and as far as I know in all counties, that those who did not sign up were registered and had their names listed. But just in case that might not have been true everywhere, we used the word "attempted," so as to be a little broader, so that anyone who might not have been able to get his name down would be eligible if he made any attempt to sign up.

Mr. AVERY. I appreciate the gentleman's attempt to make this fit the situation, but there are 105 counties in Kansas, about 22 commercial corn counties. I can foresee a situation whereby in county B might have kept a rather accurate record of where farmers made an attempt to sign up. If they have not done it, how are we going to explain in county B why they cannot come into the program, whereas in county A they can?

Mr. WHITTEN. I wish it were possible for me to satisfy my friend, but if the farmer he describes attempted to sign up within the prescribed time, he is included. Would the gentleman say that a farmer who did not even attempt to sign up should be included?

Mr. AVERY. No; but what represents an "attempt" is what I am trying to get the gentleman to say. Does it have to be in written form or can a farmer say, "I was in here a week ago Thursday and now I am back again"?

Mr. WHITTEN. It would be a matter of proof. As a lawyer, I would say any overt act he took toward getting signed up would be sufficient to be called an attempt.

Mr. AVERY. But the gentleman is not saying that the Department of Agriculture should take the responsibility of saying who is eligible and who is not?

Mr. WHITTEN. Well, the bill has not yet passed. Would the gentleman offer any language that he thought would be more preferable or broader?

Mr. AVERY. If I had a little time to work on this, probably I could.

Mr. WHITTEN. If you try to spell out "attempt," the minute you start spelling out what an attempt is, you would exclude everything you did not include.

Mr. AVERY. Well, I thank the gentleman. It will serve as a guide for the local ASC office to try to work the will of Congress.

Mr. COOLEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am prompted to take the floor because of the remarks of our distinguished colleague from Indiana [Mr. HALLECK]. It seems to me the remarks are rather unfortunate in the light of what has taken place in this country, all of which is so well known to all of us. It seems to me that he has indicted the Committee on Agriculture. I want to say that that indictment is altogether unwarranted. I do not know of any more devoted public servants in any legislative body that are the members of our Committee on Agriculture. I say that for the Republicans as well as for the Democrats. Our committee has ben remarkably free from partisan politics. We have tried desperately to improve the farm program which has been built in this Nation over the last 20 years. If we want to look back at what has happened, we need look only at the figures in the Department of Agriculture and we will know the whole story.

When Mr. Benson came into office he took over a price-support program on basic agricultural commodities that showed a profit. He took over a price-support program on all commodities, rotten eggs, potatoes, peanuts, wool and and everything else. It had been operated for more than 20 years and only showed a loss of $1,064 million. In the short time Mr. Benson has been in office just 4½ or 5 years—he has lost three times as much money as we lost in the 20-odd years preceding Mr. Benson.

Mr. HARRISON of Virginia. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. HARRISON of Virginia. Am I correct in understanding that the cost of operating the Department of Agriculture was something over $2 billion?

Mr. COOLEY. And the income was $14 billion. At the time Benson took over.

Mr. HARRISON of Virginia. Is that correct?

Mr. COOLEY. I think that is correct.

Mr. HARRISON of Virginia. Am I correct in stating that today the income

of the farmers has dropped to $11 billion, but the expense of the Department of Agriculture has risen to $5 billion?

Mr. COOLEY. That is substantially correct.

Mr. HARRISON of Virginia. I do not want to interrupt the gentleman, but one further question: If Congress can be persuaded to increase appropriations to the Department of Agriculture to the sum of six or eight billion dollars can we look forward to the day when the income of the farmer will disappear entirely?

Mr. COOLEY. I think the gentleman's logic is sound.

I would like to say this in all sincerity, that Mr. Benson as Secretary has had more money and more personnel, more committees, and more authority than any other Secretary of Agriculture in all history, and I do not believe he has done a job which any Republican can say sincerely he is proud of.

It is rather strange, but the other day, yesterday, in fact, the President and Secretary Benson appeared on the same program. The President spoke with Mr. Benson sitting there beside him. He was speaking about food, but he did not mention Mr. Benson's name; he did not praise him nor did he mention the fact he was even present.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. McCORMACK. I have a recollection that within the past few days there was quite a demand from the Republican side that the President fire Mr. Benson.

Mr. COOLEY. That has been rumored around. I will tell you what I think about it: I think the President is not going to fire him, and I am sure he is not going to resign; so we may as well be frank with ourselves and realize that we are going to have Benson as long as Mr. Eisenhower is in the White House.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. HALLECK. Of course, the gentleman from North Carolina is fair, and I appreciate the fact that he has yielded to me. The gentleman spoke of the money Mr. Benson had lost in the farm program; could he have lost any less and stayed within the law that is presently on the books?

Mr. COOLEY. Yes. I will tell you what he did; he paralyzed our cotton trade. For 3 long years our export trade in cotton was absolutely stopped, and paralyzed, but when we forced the disposal program on him, within 40 days he sold over a million bales of cotton, and we were able to dispose of tremendous quantities of our surplus under the provisions of Public Law 480 under which he bartered surplus commodities for strategic materials which are now in less expensive storage. That was under the program by which he bartered away about one billion dollars worth of our surplus commodities. But without reason he abandoned that program.

He has invested in surplus commodities now almost three times the amount we had invested in surplus commodities when we turned the program over to him. Farm income has gone down at the rate of $1 billion a year. Farm mortgages have gone up at the rate of $1 billion a year, and the Government has been losing more than $1 billion a year on the farm program under Mr. Benson.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent that the gentleman from North Carolina may proceed for 5 additional minutes.

Mr. HOFFMAN. Mr. Chairman, reserving the right to object, is the gentleman going to talk politics?

Mr. COOLEY. No; I am just trying to yield to the gentleman from Indiana.

Mr. HOFFMAN. Unless you are going to talk politics I must object.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. COOLEY. I yield to the gentleman from Indiana.

Mr. HALLECK. Would the Secretary have lost any more or any less money had the 90 percent rigid support been maintained?

Mr. COOLEY. I do not think he would have lost any more money. That is my answer; and I do not believe that this last thing that he did to the dairy farmers of the country will ever be appreciated by the members of your own party.

Mr. HALLECK. Will the gentleman yield for a further question?

Mr. COOLEY. Yes.

Mr. HALLECK. When does the gentleman's committee propose to bring up some legislation on the farm program?

Mr. COOLEY. Now, just sit down and let me tell you. Whenever your Secretary of Agriculture makes up his mind that he wants to do something for the farmers of America, our committee is ready to go. We have offered to him the two price systems which were written by Clifford Hope, a very distinguished member of the gentleman's party. He repudiated and rejected that.

We offered him a system that continued the 90 percent parity price which Clifford Hope voted for. He rejected that.

We offered him a compensatory payment program and he rejected that.

He has rejected everything except the one proposition to give him power to further reduce commodity prices. Your 83d Congress gave him the flexible price support program. Has he accepted it? No. He wants to flex it a little more. He has flexed and fleeced these American farmers the like of which no other American Secretary of Agriculture has ever done.

Mr. HALLECK. I have always thought that the primary responsibility for legislation and the initiation of legislation, and certainly for its final enactment is in the Congress of the United States as the legislative branch. May I say further that, in my opinion, to seek as a gentleman, for whom I have the highest regard, has, to shift all of the responsibility to the administration is to beg the question for his great committee, and it is a great committee. But if you have a program, if you have something you think will solve this problem, you ought to get that heads together and report it out instead of criticizing and waiting for somebody else to act.

Mr. COOLEY. I will answer the gentleman from Indiana. During the entire time that the Secretary of Agriculture has been in office, has any man in position of leadership in the Republican Party introduced a single bill of his of major importance? Not one, until this session, and that was introduced by the gentleman from Colorado. It is now pending before our committee.

The gentleman says the responsibility is ours. Let me take the responsibility. I take the responsibility and point to the record that under the programs provided and turned over to him, we had operated for 11 consecutive years and during every one of those 11 consecutive years prior to Benson, farm commodities were selling at or above 100 percent parity. Since Mr. Benson has taken office the parity index has gone down from 100 percent to 80 percent. That program is there and I challenge Mr. Benson to advocate the repeal of a single vital part or parcel of that program. He has not, up to this time, advocated the repeal of any part of it. He has not advocated a new law except the soil-bank law and now he damns and condemns that and wants us to repeal it. He admits that is a failure. We all know of 10 different people getting checks for more than $100,000. You are ashamed of it, I am ashamed of it, he is ashamed of it. Now he wants the program repealed, and I, for one, am willing to have him repeal the program.

Another thing, he has taken money out of the pockets of the dairy farmers, but he has not done anything for the consumer. Everything he has done has been wrong and the gentleman from Indiana knows it.

Mr. HALLECK. First of all, the gentleman spoke in respect to anyone in any position on this side having sponsored this program.

Mr. COOLEY. Benson does not have a program.

Mr. HALLECK. I happened to be the majority leader in the 83d Congress and I took a considerable share of the responsibility for that legislation. For that I make no apology. I would like to remind the gentleman that I am sorry he is pressing his attack on the administration and the Secretary so far as to indicate to me that this must be said: In these 11 or 12 years the gentleman is talking about under this program, wars have intervened and they have had much to do with it. The gentleman talks about this program, but fundamentally we are operating under a Democratic law, and since the law is on the books you people must take your share of the responsibility.

Mr. COOLEY. Why do you not repeal some part of the Democratic law? You will not advocate the repeal of it. There is not an intelligent man on your side who will advocate the repeal of any part of that program and Mr. Benson has not come out to repeal any of it.

We are operating under laws enacted during Democratic administrations. Through these many laws we provided a farm program which has worked well, with proper administration, both in times of peace and in times of war. Our trouble is not bad legislation but rather, bad administration of good legislation. As I have said, Mr. Benson has not and will not advocate the repeal of a single one of these laws to which I have referred. His only complaint is that we will not give him authority to drive commodity prices to even lower levels. The bill he has proposed will be repudiated by our committee and should it be presented to this House, I am certain that it will be repudiated here. We have numerous subcommittees working on the problem of producers, but I doubt very much that we will be able to agree upon general farm legislation which will be acceptable to Mr. Benson. During the last session, we tried to deal with the problems of the producers of feed grains. We wanted to do away with the commercial corn area and to deal with corn on a nationwide basis along with other feed grains. Now Mr. Benson seems to agree, and many of our Republican friends seem to agree that we were right last year in our efforts to deal with the problems of corn and other feed grains. Last year some of us wanted to abolish the acreage reserve part of the soil conservation program, but Mr. Benson wanted the program continued. Now, apparently, he is even convinced that the program has been a failure and should be repealed. We gave him the bank and now the bank is insolvent. Congress gave him flexible supports but still he is not satisfied. He wants more flexible supports. We offered him high supports and he rejected our proposal. I do not believe that the farmers of the Nation can stand Mr. Benson for 2 more years. We are now in an agricultural depression and on our way down the road to a national depression of great magnitude, unless we can check and change the downward trend in farm income.

Mr. ARENDS. Mr. Chairman, I move to strike the requisite number of words.

I would like to direct what I have to say to the special attention of the gentleman from North Carolina, chairman of the House Committee on Agriculture. To reemphasize what the gentleman from Indiana [Mr. HALLECK] has said, a very definite and a very great responsibility with respect to our agriculture program lies with his committee.

The gentleman from North Carolina [Mr. COOLEY] may be disturbed about what happened to the one commodity—cotton—down in his part of the country. But what did the gentleman, occupying the important chairmanship that he does, play such a major role in helping cut the throats of the corn farmer when we had up for consideration last year vitally needed emergency corn legislation. Is it the gentleman's attitude that if he, and the commodity in which he is especially interested, cannot have what he and the producers from his area want, no other commodity of some other section of the country is entitled to fair consideration? What took place on the floor last year, in which the gentleman played such a leading role, indicates that such must be his attitude, with the result that the corn farmer and our agriculture economy as a whole suffers.

Now, the record has been written, and facts are facts. I repeat, the gentleman led a part of that fight, and as a result he and his colleagues denied the corn farmers of the great Midwest the opportunity to enter into the emergency corn-acreage program that they wanted. It was a program which would have solved a great part of the problem of the oversupply of corn. But you would not permit that.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. ARENDS. I yield.

Mr. COOLEY. Your colleagues right now are trying to do for corn and feed grains what we tried to for you last year. Now, I was for the corn bill. I was willing to let the corn boys write the ticket, as well as the gentleman from Texas [Mr. POAGE], and we offered to give you all the money needed from cotton, $96 million, and all the money you needed from peanuts and turn it into a feed-grain program, and you refused to accept the money or use the money. If you did not have legislation, you cannot blame it on the Democrats, because every Democrat was perfectly willing to give you all the money that was left in the soil-bank program for your use.

Mr. ARENDS. You certainly were not willing to let us have the emergency corn bill.

Mr. COOLEY. No.

Mr. ARENDS. All right. You admit it.

Mr. COOLEY. The thing about it is that we wanted the feed-grain bill and not the corn bill.

Mr. ARENDS. Now, I just happened to sit on the aisle last year when the amendment was offered by the gentleman from Virginia [Mr. HARRISON] to the appropriation bill to strike from the bill $500 million for the program. I saw the gentleman from North Carolina vote to support this amendment offered by the gentleman from Virginia.

Mr. COOLEY. Yes.

Mr. ARENDS. You sought to defeat the purpose of this legislation by not implementing it with the necessary funds. I cannot understand that kind of procedure. I cannot understand what you were trying to do.

Mr. COOLEY. You do not understand legislative history. The House struck out the soil bill, the acreage-reserve part of it.

Mr. ARENDS. Who struck it out?

Mr. COOLEY. The House.

Mr. ARENDS. Not by votes from my side of the aisle but by votes from his side under his leadership.

Mr. COOLEY. Yes, they did.

Mr. ARENDS. Not this side.

Mr. COOLEY. Never mind. Mr. Benson now agrees that the House was right when they defeated the acreage-reserve program.

Mr. ARENDS. The vote to strike the $500 million from the agriculture appropriation bill was 192 to 187. I think less than 40 out of the total on this side of the aisle voted to strike it out. Let us be fair about this. You have taken what seems to me to be an arbitrary attitude. I am willing to meet the issue head on. I will say that your responsibility as chairman of that committee has been nil in bringing to the floor of this House legislation for the farmer, regardless of who the Secretary is.

Mr. COOLEY. Let me answer that. You say we did not favor the corn bill. We wanted to do away with the commercial corn area, and now the gentleman does. Mr. Benson did not want it, and now he does.

Mr. ARENDS. We have not made that history yet.

Mr. COOLEY. We made it on the floor of the House. Now, let me say this, we will bring in a corn bill whenever the Republicans will sit down with us and write one that they approve.

Mr. ARENDS. That is what the gentleman says, but I wonder if what he does will actually bear out his words. On a basis of what took place, under his leadership, in connection with the emergency corn legislation and the agriculture appropriation bill we have good reason for grave doubts.

Mr. TABER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I am going to do something a little different than anybody else generally does; I am going to talk on this amendment. If it has merits, perhaps it should be considered. If it has not, it should be voted down. I have been into it quite carefully. I feel obliged to vote it down. What does it do? The acreage allotments that were made under this so-called soil program were at a terrific price running up as high as $160 an acre on cotton when the average price for land in that particular territory was $27.06. In my own State of New York the highest price paid was $37 an acre and the land was appraised at $123, so they gave only a little bit less than a third of the value of the land for rental.

You know and I know that for 15 percent of the value of agricultural land you can rent it. It has to be very high-priced land to get anything more than that.

The law provides that this money must be divided fairly and equitably among the people who apply for it. That does not mean that the same amount should be paid to one farmer as another per acre. But it does mean that all of them should be given a chance. If the Department of Agriculture has made a mistake and failed to divide up the money among all the applicants so that they all had a square deal, they can still go ahead and do it. And they said so in the hearings. If anyone wants to read the hearings on that, they run along for about 10 or 15 pages at about page 120. He will find that they admit that this program could be allocated on a basis with the $500 million they already have so that they would all get their share. Frankly, I believe that they would get more than they have been expecting to get, in most cases. For that reason I think it is absolutely ridiculous for us to adopt this

amendment and appropriate $250 million more for this program. I hope this amendment will be voted down.

Mr. DIES. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, when this matter was before the House last year the majority of us voted against the soil-bank program because this was generally conceded to be an unsound, unworkable, and harmful program. There was very little said in its behalf, but there was a great deal of information given to the House in reference to the many abuses of the program. It appeared to be the general consensus of opinion that a great deal of money had been wasted and that the farmers had received no real benefit from it. There was a well-grounded fear that its passage would alienate the sympathy of the nonfarm population to the extent that in time all farm programs would be scrapped.

When the bill went to the Senate the soil-bank program was restored in conference. Now we are told that the $500 million allocated to the program is insufficient to take care of the applicants because the Agriculture Department miscalculated with respect to the number of applicants and have refused to reallocate the $500 million among all qualified applicants. Because of this refusal on the part of the Agriculture Department, we are told that we must appropriate an additional $250 million for a program which is generally regarded as unsound. It is conceded that the Agriculture Department can now reallocate the funds so as to give all the applicants their fair share. But since the Department refuses to do this, we are told that we must increase the original appropriation.

Mr. Chairman, if this argument is valid, the Congress is at the mercy of the various agencies of the Government. All that any agency need do is to ignore the amount authorized by Congress and come back for a supplemental authorization. To me this appears to be extremely dangerous. More and more Congress is becoming a rubberstamp. During the 20 years I have served in this body, Congress has lost much of its prestige and power. The blame can be placed at our own door. The Department of Agriculture knew that Congress had limited the funds authorized to $500 million. There was no excuse for the Department of Agriculture to administer the act in such a way as to exceed this limitation. The farmers knew that there was only $500 million available for this program; no one was deceived. The only fair way for the Department to proceed at this time is to reallocate the funds but to stay within the amount which Congress authorized. We can compel them to do so by a simple resolution.

If this were a sound and constructive program, we might be justified in increasing the authorization, but no one thinks that it is sound. No one can defend it. If it is right to spend our children's earnings to pay people not to work land, then it is equally right to spend their money to pay people not to work in factories, in offices, or anywhere else. If this program is justified as a means of reducing farm surplus, why would not the same kind of program be justified in reducing labor surplus? We now have some four or five million surplus laborers. Would anyone suggest that we have the right to eliminate this surplus by paying 5 million laborers in America not to work? The principle is the same. It is frequently said that we have too many lawyers. Would it be right to pay the surplus lawyers not to work?

The ultimate effect of this kind of legislation is to destroy any hope we have of establishing a sound and workable farm program. The farmers need all the friends they can get because they are in a minority. You cannot win friends for the farmers by taxing people to pay farmers not to work land. Heretofore, the payments made to our farmers were based upon sound conservation principles. If the farmer received money from the Treasury, he was required to do something to build up his land for the benefit of future generations. You must remember that future generations must pay the bill because we are now operating on deficits as well as taxes. Have we any right to bequeath the burden of debt to future generations unless we give them some benefit in return? There is nothing more important to them than the conservation of our soil. It is not right to take money from one citizen who is compelled to work to earn the money in order to give that money to another citizen for not farming land.

I know that there have been more abuses in connection with this soil-bank program than in connection with any agricultural program that I have seen in the past 30 years. It is a fact that can be verified in every community that there are people who use this program to buy land. Think of how unfair and utterly ridiculous it is to tax the American people for a program that enables some people to buy land without doing any work. As far as I am concerned, I am tired of being taxed for such purposes when I know that the farmer is not being benefited by it. I voted against it last year. The Senate put it on. Now I am told that regardless of my vote last year and the fact that based upon honest convictions I could not support it, I ought to vote for it this year because employees in the Department of Agriculture refused to follow the law. Of course, if they can do this in connection with this authorization, they can do it in every other instance. Congress distinctly said, "We are going to authorize $500 million for this program, and that is all." The Department knew that. It was plain understandable language. If any department of government can bring about an increase in appropriations by disregarding the law or through mistakes, then we are at the mercy of the departments.

It certainly seems to me that since the Congress limited the amount to $500 million, the Department ought to be compelled now to allocate that money among all the qualified applicants. They can do it. Of course, it may make some people angry, but my observation is that most of the farmers think we are crazy because we passed the measure in the first instance. The average farmer knows that it is not right. You and I know that it is not right. It is not right and never will be right to tax people who have to work for a living in order to give it to somebody for doing nothing, absolutely nothing. If you can do it for the farmers, you can do it for the independent merchant; you can do it for everyone else in our economy. We have come to the time that our Government has forgotten the vast unorganized segment of our population in America, the millions of people that are not organized and do not have a lobby, and are not able to exert influence. They are the ones who are paying the bill.

Since I have been in Congress, I have supported sound and honest farm programs and I shall continue to do so, but I will not support a program which says to a man, "All you need do is let your land lie idle." The farmer has an honest case for parity because he is compelled to buy in a closed market and sell in an open market. Many of the products that he buys are produced by industries which are protected from foreign competition by the tariff. Furthermore, many industries are able to stabilize their prices which the farmer cannot do.

I do not believe that the farmers favor this program. Naturally, every farmer is going to try to get his share of it, but that does not mean that he favors it. I think that what he wants is equality of opportunity with all other producers. He wants his fair share of the national income He cannot survive if he is compelled to sell his products at low prices and pay high prices for the things which he must have.

This soil-bank program is not any answer to the farm problem. It is purely political. But we do not have the money to indulge in politics.

Mr. HOFFMAN. Mr. Chairman, I move to strike out the last word and ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. Mr. Chairman, the Committee has just listened to—I do not know whether it is right to say it this way or not, but you know what I mean—a most shameful indictment of the Congress by the gentleman from Texas. Unfortunately, the gentleman from Texas laid the facts on the line. Whether we can be shamed into doing what we ought to do is something else again.

It is a little difficult for me to understand the attitude of the Democratic Party as expressed today in the consideration of this bill. One gentleman on the Democratic side condemned Mr. Benson. He called attention to the fact—it is only rumor as far as I am concerned—that a few Republicans, some of them on the Agriculture Committee, do not approve of Mr. Benson. It has been said they want him to resign. Later the gentleman from North Carolina [Mr. COOLEY] talked the same way.

Years ago I resigned from the Committee on Agriculture. It must be 18

or maybe 20 years ago. Why? I could not figure out any legislation which would solve the farmers' problems, and apparently the committee has not been able to do it yet. There is no legislative road that leads to prosperity while ignoring the laws of nature. Wallace offered some ideas, they were adopted, but did not work. Now the papers tell me that you, the gentleman from North Carolina [Mr. COOLEY], and others on your side, have a new economic adviser, Mr. Reuther. He was at your dinner. I recall very, very distinctly that wonderful work of art, on the front page of a publication put out by the UAW-CIO. The dues of the workers paid for it. It was a beautiful little book filled with political "hokum." The employees did not know anything about it. They just paid for it. And on that front page was a picture of Mr. Reuther and lo and behold, our dear friend and colleague, Mr. COOLEY. So you got him down here the other evening at the $100 dinner. You are not the only ones. He has been down to see—why, three Presidents have had him down here to tell them how to run things and he answered with a proposition of a higher wage policy, of increasing business to be given to other nations, to aid other nations to make automobiles. And so autos were made abroad, shipped back here, and the members of the union that Reuther represents are increasingly, sad to say, losing their jobs and the employers in Michigan are paying unemployment compensation and that is beginning to be quite a burden. But soon that fund may be exhausted. Then I do not know whether the farmers and others will pay for the support of the unemployed workers or what will be done.

In any event, if the proposition is that we keep Benson on our side—and I have never heard that he was not honest. Does anyone question his honesty or his integrity or his sincerity in his belief of the policies which he advocates? He inherited unsound policies from the Democratic Congress. Not so far as I know. Honesty and sincerity may be a novelty to some folks. Benson seems to have both in large measure. But, if you want us to keep Benson as a political liability to us and a benefit to you, I am perfectly willing to go along and you can keep Reuther. You have had him for some time and he has brought unemployment to Michigan. Follow his advice, if you wish—it will lead to disaster—I want none of it. He wants policies which will destroy employers, bring hardship to all. I want none of it—for his political support—we, all of us, get hardship and especially in Michigan.

Mr. JENSEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, we can talk till Doomsday. We can appropriate money by the billions and keep on appropriating every year by the billions in an attempt to cure the farm problem, and when we get all through we will just about be where we started. We never get to the source of the ailment. I want to remind the Members of the House that years ago our horses and mules used to eat the production from 43 million acres of our land. Then the iron horse came along. The iron horse did not consume that grain and we did not feed him that grain in liquid form as we should have done, hence we have this problem facing us year after year. There were bills introduced in the Congress in the early thirties which provided that 10 percent grain alcohol should be mixed with our motor fuels. But, oh no. The oil interests fought to a standstill and killed those bills. Had any one of those bills been enacted by the Congress of the United States, we would never have had this farm problem which is caused by the great surpluses that pile up year after year and cost billions and billions of dollars every year to purchase and store.

Two years ago Senator MUNDT and I introduced a bill which provided that 5 percent grain alcohol should be mixed with all our motor fuel. During that session Congress did pass a bill providing that the President appoint a commission to study new industrial uses for farm products. He appointed that commission. They met here in Washington, D. C., for many months. Senator MUNDT and I testified before that commission in support of our bill. They treated us wonderfully nice and showed a lot of interest in our bill, but there sat a couple of chemists or engineers, and they shook their heads. One said it could not recommend a 5 percent mix for certain reasons.

The commission's report said:

> If we use a 10 percent mix it would soon use up so much of our surplus grain that we would not have enough left over for our natural uses.

Can you imagine? So they gave an unfavorable report on our bill. I asked a very important member of the House Committee on Agriculture, a Member from Texas, if we could be heard before his committee in support of our grain alcohol bill. He said, "Oh, yes, but I would have to be against it because we produce oil in Texas, hence so long as the southerners are in the saddle in Congress they can stop our bill from becoming law. They are not very interested in corn. I do not blame them for taking care of their own farmers, but they should give the grain farmer a break once in a while. If we could use up this surplus grain in power alcohol it would very soon be a big help to the south, east, north, and west to the farm business, labor, and everybody. It would stabilize farm prices on a higher level and the whole economy would benefit. But, oh, we can't get our bill passed, so in desperation I made a proposal which you will find on page 687 in the CONGRESSIONAL RECORD of January 20 last, to balance the budget and stabilize farm income.

Mr. WHITTEN. Mr. Chairman, I wonder if we could reach some agreement as to limitation of time. I ask unanimous consent that all debate on this amendment and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Virginia [Mr. HARRISON].

Mr. HARRISON of Virginia. Mr. Chairman, there is one thing you cannot say about Secretary Benson. You cannot say that he is inconsistent. Whenever any proposal is made to reduce any of the figures for the big farmer he is consistently against it. Whenever any proposal is made to continue any payments or subsidy to any of the smaller, general, family-sized farmers of the country he is consistently opposed to it.

Let me illustrate. One of these farm programs which goes to the small family-sized farm, the payments under the agricultural-conservation program go to all farmers, yet the total payments under that program do not equal the amount to be added here today to this soil bank, but the Secretary is opposed to the agricultural-conservation program; he wants to cut the benefits down to those farms.

I would like to read to you a few cases that are being paid under the soil-bank plan. There is the case of the Baughman farms in Colorado where the farm-owners have been paid $346,000 and the tenants $792,000 more.

There is the Garvey farm at Colby, Kans., paid under this program $318,000. No wonder the soil bank is going broke.

Mr. WHITTEN. That was under last year's program.

Mr. HARRISON of Virginia. Yes; but it has been paid, and the program now with the limitation that the Congress voted being disregarded again we will find a situation where these larger farmers are being paid this money. There is the case of Jack Harris, who was paid $235,000 and then went out and planted 4,639½ acres of cotton with no allotment.

There are 67 farm corporations that have been paid more than $50,000 each year under last year's program.

The purposes of this program have failed. Its basic purpose was to reduce the production of crops; it has not done so.

My friend, the gentleman from Minnesota, Mr. ANDERSEN, has said: "Give us this money and we will reduce those programs." This soil bank is like the old horse who was always going to go but has never gone yet, and it is costing the taxpayers of this country fabulous sums. It is for the benefit of a limited number of people who already have been subsidized. So I say to this soil program, Mr. Chairman—while not subscribing to the words to which my friend from North Carolina took exception, that the Secretary of Agriculture is a robber—I would not subscribe to that, but I say that the soil-bank program is a daylight robbery, and my farmers are not getting their share of the boodle. I urge the defeat of this amendment.

The CHAIRMAN. The gentleman from Missouri [Mr. JONES] is recognized.

Mr. JONES of Missouri. Mr. Chairman, I find myself in a rather embarrassing situation, having been opposed to the soil bank, yet coming here to support an amendment to pay more money for the operation of the soil bank. The reason I do so is because I believe in equity being done, and I know the way

the Department of Agriculture through their directives from Washington made it impossible for the local committees to operate the program and be fair to the people who should be given the most consideration.

In one county in my District there were 600 farmers who had participated in the soil bank last year who intended to participate in the soil bank this year, and who, prior to the sign-up date, had their farms measured and had their farm plan made ready and expected to be included in the soil bank. But when they went to the office to sign up during the first week they were told that there was such a crowd there for them to wait until later because there was plenty of money to go around and they could sign up then. But what happened? A majority of those people found themselves outside the soil bank. I say that the Secretary of Agriculture is directly responsible for making the additional funds necessary today. Had he used ordinary good judgment, had he operated the program on a basis of the money that was available, and had he followed the same plan which had been followed last year, there would have been sufficient money without any additional appropriation.

I believe the law means what it says when it is stated that all producers should be given a fair and equitable opportunity to participate in this acreage reserve program. They did not have that opportunity on a first-come, first-served basis. In my home county with reference to the number of people who appeared first to sign up for cotton, 85 percent of that number signed up their entire acreage in cotton and took all the money, so that people who came in later found themselves unable to get anything. The Secretary of Agriculture indicated he is not willing to go back and revise and adjust this program. If he would do that there would be no necessity for this appropriation. I think it is still not too late to announce he will go back and distribute this money on an equitable basis, a pro rata basis, and it would be sufficient. But under the circumstances, since the Secretary has used such poor judgment, since he has been so unfair and unwilling to follow the law, I am going to support this additional appropriation to bring the money up to a sufficient amount to meet the sign-ups.

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. Mr. Chairman, I would like to point out again that under the law, each farmer is entitled to a fair and equitable opportunity to participate. The farmers went to the place where they were told to go, where they had a right to sign up. The Department has taken the view that those who signed up during the first 2 or 3 days would get the full amount of payment, and those who were precluded from signing up would get nothing. In spite of the things that have been said here today about the soundness or lack of soundness of this program, in view of the law which gives all farmers a fair and equitable opportunity, I do not see anything that the Congress can do except to adopt this amendment so that those who went to the right place within the right time to sign up may have the same treatment as those who were signed up during the first 2 or 3 days. I hope the amendment will be agreed to.

Mr. Chairman, our committee has already agreed that this will be the last year that our committee will support this program. In this last year we should certainly see that all farmers are treated alike.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. The gentleman has expressed exactly the convictions that obtain in this part of the subcommittee. I hope this amendment will prevail.

Mr. WHITTEN. This is not the case of the Department being on trial or the program being on trial. All agree this is an unsound program. Involved here is a question of whether half of the farmers are going to be paid and the other half, having gone to the right place at the proper time to sign up are to be left out completely, although the law says that they have a right to participate.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. WHITTEN].

The question was taken; and on a division (demanded by Mr. TABER) there were—ayes 120, noes 57.

So the amendment was agreed to.

Mr. LAIRD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LAIRD: On page 4, line 9, before the period insert "*Provided*, That no part of this amount shall be used to authorize compensation to any one individual in excess of $2,500."

Mr. LAIRD. Mr. Chairman, this amendment provides for a limitation of the acreage reserve payment on an individual basis rather than producer basis. The limitation on a producer unit basis which was written into the bill last year does not apply. I believe it is important that the word "producer" not be used and that a limitation on these funds in the amount of $2,500 for individual farmers be placed in this bill. As a member of the House Agricultural Committee in the 84th Congress, I proposed a limitation not only on acreage reserve payments but also on price-support payments.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. LAIRD. I yield to the gentleman from Texas.

Mr. POAGE. I just wonder if the gentleman means to place a limitation on corporations when he takes away the word "producer" which includes both individuals and corporations. Does he not leave corporations drawing any amount and place a limitation simply upon natural persons or individuals?

Mr. LAIRD. No; I do not think that that applies. I have checked on this and I find that "individual" is a much more limiting phrase than "producer." That is the reason I have used the word "individual." I feel that price supports also should have a per individual limitation and so proposed in the House Agricultural Committee in the 2d session of the 84th Congress. This idea of a limitation on the amount of price supports and on the amount of acreage reserve payments is nothing new to me. I feel that it is important, however, to tie it up to the individual farmer rather than the producing unit. A limitation on price-support payments has been recommended by President Eisenhower.

Mr. HARRISON of Virginia. Mr. Chairman, will the gentleman yield?

Mr. LAIRD. I yield to the gentleman from Virginia.

Mr. HARRISON of Virginia. I favor the gentleman's amendment in what he is attemping to do. But, you know, we thought he had done this once, and this time I hope we will be sure that when we do it we will have done it.

Mr. LAIRD. I am using the term "individual" rather than the term "producer."

Mr. HARRISON of Virginia. In that connection, I call attention to an exchange of correspondence between the Department of Agriculture and the Comptroller General on the existing amendment, and in that exchange of correspondence it is said that the technical word that has been heretofore used to limit it to an individual is the word "participant." Is the gentleman familiar with that correspondence?

Mr. LAIRD. I am.

Mr. HARRISON of Virginia. I wonder if the gentleman would not think, in the light of that correspondence, that the word "participant" would be better than "individual."

Mr. LAIRD. Participant perhaps would be better than individual. "Producer" is not a good word to use and that is why I was using the word "individual."

Mr. HARRISON of Virginia. We have discovered that, but let us be sure that we get the right language now.

Mr. MASON. Mr. Chairman, if the gentleman will yield, I would say that the two words should go together.

Mr. HARRISON of Virginia. Mr. Chairman, I was wondering if the gentleman would accept a modification of his amendment?

Mr. LAIRD. I would be very happy to accept the suggestion of the gentleman from Virginia that the language be "individual participant."

Mr. MASON. That is it.

Mr. LAIRD. Mr. Chairman, I ask unanimous consent that my amendment be changed so that after the word "individual" the word "participant" may be added in line with the colloquy which I have had with the gentleman from Virginia [Mr. HARRISON].

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin that he be permitted to modify his amendment?

Mr. HARRISON of Virginia. Mr. Chairman, reserving the right to object, is the gentleman sure that the use of the words "individual participant" will not allow farm corporations to escape from this limitation? They are not individuals.

Mr. LAIRD. I have been assured that as far as the use of the word "individual" is concerned it will cover a corporation.

Mr. HARRISON of Virginia. Why not say "individual or corporate participant"?

Mr. LAIRD. If the gentleman will offer that amendment, I shall accept it.

Mr. Chairman, I withdraw my unanimous-consent request.

Mr. HARRISON of Virginia. Mr. Chairman, I ask unanimous consent that the amendment of the gentleman from Wisconsin [Mr. LAIRD] may be changed to read "individual or corporate participant."

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia [Mr. HARRISON] that the amendment of the gentleman from Wisconsin [Mr. LAIRD] be modified as indicated?

There was no objection.

The CHAIRMAN. The Clerk will report the amendment as modified.

The Clerk read as follows:

Amendment offered by Mr. LAIRD: On page 4, line 9, before the period insert *"Provided*, That no part of this amount shall be used to authorize compensation to any one individual or corporate participant in excess of $2,500."

Mr. WHITTEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we have already a $500 million program, which has been increased so as to treat fairly those farmers who were precluded from signing up along with those who signed up earlier. The limitation on those who signed up earlier is $3,000. Under this amendment, those who came in now would be limited to $2,500. I doubt that we should treat these farmers who went to the proper place, at the proper time, to sign up any less fairly than we treated those who came in earlier. I do not believe the gentleman from Wisconsin [Mr. LAIRD] has that in mind. If his amendment provided for $3,000 instead of $2,500, personally I should be glad to approve it. But if the figure is $2,500 or some other figure, you would come to a point where those who had signed up earlier would be receiving one amount, while those who tried to sign up but could not would be getting a different figure. Therefore, I hope the amendment will be defeated.

Mr. REUSS. Mr. Chairman, I offer a substitute amendment to the amendment of the gentleman from Wisconsin [Mr. LAIRD].

The Clerk read as follows:

Amendment offered by Mr. REUSS as a substitute for the amendment offered by Mr. LAIRD: On page 4, line 9, add the following language: "No part of this appropriation shall be used to formulate, administer or implement an acreage reserve program which would result in total compensation being paid to any one producer in excess of $3,000."

Mr. REUSS. Mr. Chairman, mine is a very simple amendment.

Mr. BOYLE. Mr. Chairman, will the gentleman yield?

Mr. REUSS. I yield to the gentleman from Illinois.

Mr. BOYLE. In light of the discussion which took place perhaps the gentleman would like to amend his substitute amendment on its face to provide in lieu of producer the more acceptable phrase individual or corporate participant?

Mr. REUSS. Mr. Chairman, I thank the gentleman, but I do not want to change the language of my amendment because it seems to me the clearest kind of language which we can arrive at to accomplish our purpose. That language is to require that the acreage reserve program be so administered that no producer, whether he be owner or tenant or sharecropper, whether he operates one farm or many farms, shall get more than $3,000 for his 1958 crop. I think the discussion here on the floor a moment ago about the amendment offered by my friend and colleague [Mr. LAIRD] was that there might be difficulties with it which would be resolved by my substitute amendment.

This substitute amendment, and indeed the Laird amendment itself, is necessary because of what has happened under the soil bank. Repeated reference has been made here this afternoon to the huge sums, up into the hundreds and thousands of dollars, that have been paid to one producer who happens to operate a number of farms.

We do not wish to repeat the abuses of 1957 in which Secretary of Agriculture Benson paid out huge sums to large producers for not growing crops. Among the 1957 payments by Secretary Benson were the following:

Harris Ranches, Sahuarita, Ariz., cotton, $209,701.80.

Ray Flanagan, Red Top, Calif., cotton and rice, $138,122.20.

Tierra Prieta Ranch, Eloy, Ariz., cotton, $135,107.45.

Sutter Basin Corp., Ltd., Robbins, Calif., wheat and rice, $128,442.88.

Westlake Farms, Stratford, Calif., cotton, $125,942.50.

Robert Pelletier, Bakersfield, Calif., cotton, $124,378.80.

J. H. Williams, Natchitoches, La., cotton, $120,088.50.

Crews Farm, Pecos, Tex., cotton, $107,200.

Vista Del Llano, Firebaugh, Calif., wheat, $103,411.02.

A staff study by the House Committee on Appropriations, and reported on pages 208–209 of the hearings on this bill, shows that payments of almost one-third of a million dollars were made to Garvey Farms in Colby, Kans.:

Garvey farms and family interests: Payments totaling $318,734.29 were made to Garvey Farms of Colby, Kans., and to individual members of the Garvey family. Although individual payments were made to Garvey Farms and to members of the family, the staff considered all payments as having gone to one interest.

This firm also owns large tracts of land in the States of Colorado and Kansas. It does not operate the land on a tenant basis, but utilizes hired help in its farm operations. Therefore, the firm receives the full amount of each acreage reserve agreement executed.

When the 1958 Agricultural Appropriations Act came before this body last year, we put into it a $3,000 limitation in exactly the same form used today by me.

The legislative history last year is crystal clear that Congress meant to limit payments to $3,000 to any one producer, no matter how many farms that one producer had. For example, the gentleman from Virginia [Mr. ABBITT], a member of the Agriculture Committee, said:

The whole idea behind this amendment • • • is simply to prohibit large operators from seeking and securing enormous Government subsidies. It is intended to limit payments so that the only ones who will participate are the family-sized farmers. (CONGRESSIONAL RECORD, vol. 103, pt. 5, p. 7034.)

Later the gentleman from Mississippi [Mr. WHITTEN], who is chairman of the Subcommittee on Department of Agriculture and Related Agencies Appropriations, and who was also senior manager in the conference for the House, said:

Apparently, the temper of the membership of both the Senate and the House was that a restriction should be placed on the total amount of any one payment. (CONGRESSIONAL RECORD, vol. 103, pt. 8, p. 11107.)

This colloquy then transpired:

Mr. BREEDING. Does this limitation of $3,000 apply to a landowner's holdings or to the producer on his land?

Mr. WHITTEN. The limitation is to any one producer. • • •

Mr. BREEDING. I have one constituent who has 50 tenants. Does this landowner receive only $3,000, or would he receive a portion or payment, for each of those 50 tenant-operated farms?

Mr. WHITTEN. It would be my thought that he would be one producer and would get a limitation of $3,000. • • •

Mr. BREEDING. I would like to make this further remark, that if we put this limitation on at $3,000, it will automatically cut out 40 percent of the operators in the summer fallow wheat-producing area of the United States from participation in the soil bank.

Mr. WHITTEN. May I add that some of the examples that have been brought to our committee would lead to the belief that somebody should be cut out. (CONGRESSIONAL RECORD, vol. 103, pt. 5, p. 7034.)

And in the other body, the Senator from Georgia [Mr. RUSSELL], the senior manager for the Senate in the conference committee, said:

I think one producer could be a man who owns several farms and works them all by self-help. But if he had a tenant on each farm, each tenant would be a producer. (CONGRESSIONAL RECORD, vol. 103, pt. 10, p. 13283.)

In other words, Garvey Farms, which owns many farms and works them all, is one producer, and subject to the $3,000 limitation.

There has been reference made by my friend from North Carolina [Mr. JONAS] to a letter written by the Department of Agriculture last summer, on August 9, 1957, to the Comptroller General, and the Comptroller General's reply of August 26. Hearings, pp. 203–207. The letter written by the Department of Agriculture on August 9, 1957, omitted entirely to give the clear legislative history of the limitation which I have just given. Thus it was that the Comptroller General, who unfortunately did not bother to do his own research into the legislative history, likewise in his opinion of August 26, 1957 completely ignored the legislative history to which I have just referred.

It is no wonder that the subcommittee chairman, the gentleman from Mississippi [Mr. WHITTEN], had this to say when these letters were placed in the RECORD:

I would respectfully differ with the construction which the Comptroller General has given. We are all familiar with the intent of the original act; it was to take land out of production. I would say, however, in my opinion that, when the Congress adopted the amendment limiting the payment per producer, quite definitely that changed the intent of the act to one of something of a relief payment, in line with certain other actions that were taken on other laws. Particularly is that true since the basis for the limitation was the large amounts that were paid as shown by our prior investigation (hearings, p. 207).

The limitation of $3,000 to any one producer means clearly that one producer, whether he be an owner, a tenant, or a sharecropper, or whether he has one farm or many farms, is entitled to $3,000. It is a clear and simple amendment, and I hope it is adopted.

Mr. HOLT. Mr. Chairman, will the gentleman yield?

Mr. REUSS. I yield to the gentleman from California.

Mr. HOLT. Can a corporation receive payment under the gentleman's amendment?

Mr. REUSS. Surely, a corporation can receive payment up to $3,000.

Mr. HOLT. Can it receive payment over $3,000?

Mr. REUSS. Certainly not.

Mr. HOLT. I notice the gentleman did not mention "corporation" in his amendment.

Mr. REUSS. That is right. The word "producer" is advisedly used. That is one of the reasons I have a little difficulty with the amendment offered by the gentleman from Wisconsin [Mr. LAIRD], that the word "individual" or "individual participant" might conceivably be construed to rule out a corporation.

Mr. HOLT. Would it not be safe to put the word "corporation" in the gentleman's amendment?

Mr. REUSS. I think not. I would like to use the same language that Congress weighed so carefully last year and which the legislative history so clearly delineated as limiting payments to one producer whether he owned one farm or a hundred.

Mr. BOYLE. Mr. Chairman, will the gentleman yield?

Mr. REUSS. I yield to the gentleman from Illinois.

Mr. BOYLE. Is it the gentleman's notion that there are at least 10 producers in the United States that have received payments in excess of $50,000 in derogation of the specific Congressional intent that payments should be held to a ceiling of $3,000?

Mr. REUSS. I cannot tell exactly how many violations of the $3,000 per producer limitation there have been, because the Department of Agriculture refuses to give us the figures on it.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

(By unanimous consent, at the request of Mr. HARRISON of Virginia, Mr. REUSS was permitted to proceed for 2 additional minutes.)

Mr. HARRISON of Virginia. Mr. Chairman, will the gentleman yield?

Mr. REUSS. I yield.

Mr. HARRISON of Virginia. I am still concerned about the use of the word "producer." In the letter from the Department of Agriculture to the Comptroller General seeking this ruling nullifying the plain intent of the Congress, the Department says this:

The term "participant" has been used by the Congress in the same connection in previous appropriation acts and has been construed to mean that the limitation applies to a person with respect to all farms in which he has an interest. It appears that Congress by the use of the word "producer" in connection with the soil bank appropriation rather than the word "participant" clearly meant to distinguish between the two programs.

Now that does not mean anything to me, but if that play on words is going to be used as an excuse to distort the intent of the legislative enactment, then does the gentleman not think that we should take direct notice of that play on words and write into the law the technical words that they say were necessary to accomplish our purpose?

Mr. REUSS. That could surely be done and if the gentleman thinks it would improve the substitute amendment, I will be glad to ask unanimous consent, Mr. Chairman, that the word "producer" in the substitute amendment be changed to read "participant" although the two are, of course, as any 3-year-old could tell you, identical.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin [Mr. REUSS] to modify the amendment?

There was no objection.

The CHAIRMAN. The Clerk will report the amendment as modified.

The Clerk read as follows:

Amendment offered by Mr. REUSS as a substitute for the amendment offered by Mr. LAIRD: On page 4,, line 9, add the following language: "No part of this appropriation shall be used to formulate, administer, or implement an acreage-reserve program which would result in total compensation being paid to any one participant in excess of $3,000."

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. REUSS. I will yield to the gentleman in just a second, after I have made the point in response to the gentleman from Virginia that in the opinion of the author of this substitute amendment, the change just made has no significance. Participant is as good a word and no better than producer and producer is as good a word as participant, and with the use of either word it applies to owner, landlord, tenant, sharecropper, and either word limits him to $3,000 whether he has 1 farm, 10 farms, or 100 farms.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MARSHALL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I regret to have to stand up here and oppose my good friend, the gentleman from Wisconsin. He has been very conscientious and very sincere in offering his amendment. You know, oddly enough, I was going to support his amendment until he added to it. But when he added to it, he made it impossible for me to support his amendment. I will tell you why he made it impossible because now you are establishing a different set of rules. You have farmers who have entered into agreements. You have farmers who have signed up. Some of them may be placed under the $500 million; and you have some others that come under this additional authorization that we are making today of $250 million. Therefore, you have two different sets of rules for farmers who have signed up. If that is not confusion enough, how in the world are you going to go out here at this day and time, after you have published in the Federal Register the rates of pay and after you have set all the rules and after the Department of Agriculture and the Comptroller General has ruled, and whether they have ruled rightly or wrongly is not the question, but they have entered into those rules and they have entered into those regulations and they have publicized that, and now we are almost on the verge of a planting season and we start to change the rules here in the Congress. That is plainly and simply what we are doing. What kind of business is that for the Congress to be getting into that sort of thing?

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. I yield.

Mr. H. CARL ANDERSEN. The gentleman from Minnesota [Mr. MARSHALL] is absolutely correct. If we accept the amendment as recently changed by the gentleman from Wisconsin, it will make two different funds and two different regulations out of the same general appropriation for the same program; will it not? It will make the program impossible of operation.

Mr. MARSHALL. I would hate to administer a program, I would hate to see the Congress of the United States impose rules, such as that. It would mean that as far as we are concerned we are assuming some responsibilities in this year's crop that we ought not to assume. That is why I feel that both of these amendments should be defeated.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. I yield.

Mr. MAHON. Is it not true that people enter into agreements with tenants about the first of the year? The year is from January 1 to December 31. Is it not true that landlords and tenants have already made arrangements and they are already planting cotton in southern Texas where contracts have been made? For us to change the rules now and disturb those contracts would bring on an impossible situation which would certainly bring the Congress into considerable contempt among the farmers of the country who understand this program.

Mr. MARSHALL. It is also true that they have entered into agreements prior to February 20. The gentleman is talking about leasing arrangements, but they have made application for contracts which expire on the 20th of February. It would mean undue confusion. The

farmers would not know which agreement they had applied for. It would mean some would be in and some would be out. I cannot imagine anything more confusing right at the planting season than for something like this to happen.

Mr. REUSS. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. I yield. I have such high regard for the gentleman that I know that had he recognized exactly what he was doing with this thing he would not have offered his amendments.

Mr. REUSS. Not half as high as the regard I have for the gentleman; but I think, however, the gentleman is wrong on this. The original substitute amendment proposed by me, "producer" goes to the new $250 million. The improved language which I accepted at the suggestion of the gentleman from Virginia [Mr. HARRISON] in no way changes the sense of that. Both "producer" and "participant"—call him what you will—we are now providing what we provided last summer, that anybody who operates a farm can get only $3,000 under acreage reserve, no matter whether he operates 1 farm or 20 farms. We are not changing that in any way. If any large corporate farms have signed, with the hope of getting another $300,000, frankly I cannot feel very sorry if he does not get it.

Mr. TABER. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from Wisconsin [Mr. LAIRD].

The Clerk read as follows:

Amendment offered by Mr. TABER as an amendment to the amendment offered by Mr. LAIRD: In lieu of 2,500 insert the figure 3,000.

Mr. TABER. Mr. Chairman, I do this for the purpose of fixing it so there can be no qualms on the part of anybody about doing the right thing. The right thing is to have this $3,000 limitation in there and have it so clear that there can be no question about it. I am afraid that that is the only way you could do it. Let us get over this idea of being so squeamish about a lot of things. Let us try to do our job and do it as near right as we can.

Mr. POAGE. Mr. Chairman, I move to strike out the last word.

I take this time to ask the chairman of the subcommittee if we pass this bill as it now stands, without either the Laird amendment or the Reuss amendment, if we pass it just as it stands, will it not have in it the same $3,000 limitation for the additional money that applies to the original $500 million?

Mr. WHITTEN. It is my further thought in view of the language used in the bill that this is an additional amount to an existing program.

Mr. POAGE. Subject to all the limitations in the original act?

Mr. WHITTEN. I would take it that any common-sense determination of it would be that the $3,000 applied to both programs.

Mr. POAGE. The bill brought in today in no way removes any of the limitations that were placed on the appropriations last year, does it?

Mr. WHITTEN. It is my opinion that the funds would be commingled; and, based on that, that the $3,000 limit would carry forward.

Mr. POAGE. That is exactly my opinion.

Mr. WHITTEN. That being true, I oppose the amendment because I think it would go forward whether we adopt the amendment or not.

Mr. TABER. Mr. Chairman, will the gentleman yield for a question?

Mr. POAGE. I will gladly yield, but first let me yield to the gentleman from Wisconsin [Mr. REUSS].

Mr. REUSS. I thank the gentleman. I see the point of the gentleman from Texas. The unfortunate thing, however, is that the $3,000 limitation as it is in existing legislation has been so distorted—well, I will not use a harsher word—by Secretary Benson that we cannot really feel that the will of Congress is being done. Therefore, I feel it is necessary to get in that new $3,000 limitation to the participant or producer as the case may be so that it may be clear that we want it to apply to one farm and to more than one farm.

Mr. POAGE. I now yield to the gentleman from New York.

Mr. TABER. I would like to read this proviso from the appropriation bill:

Provided further, That no part of this appropriation which would result in total compensation being paid to the subscribers in excess of $500 million with respect to the 1958 crops, or the total compensation being paid to any one producer in excess of $3,000 with respect to the 1958 crop—

Clearly that limitation is entirely limited to the $500 million.

Mr. POAGE. You mean in the original bill?

Mr. TABER. In the original bill. It would not go further and apply to the bill that is now before us.

Mr. POAGE. That would be true unless this is an amendment to the original appropriation. We oftentimes amend "the act of 1936 as amended." Is not this "the act of 1957 as amended"?

Mr. TABER. This is not an amendment; if it were, it would be out of order. It has been ruled by the Chair today that it is a supplementary appropriation, independent.

Mr. WHITTEN. Mr. Chairman, I wonder if we cannot close debate. I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 10 minutes.

Mr. MAHON. Mr. Chairman, I would like 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The CHAIRMAN. The Chair has noted the Members seeking recognition and will divide the time amongst them. It will amount to 2½ minutes each.

The gentleman from Texas [Mr. MAHON] is recognized for 2½ minutes.

Mr. MAHON. Mr. Chairman, I do not believe all the Members standing wanted time.

(By unanimous consent, Mr. WHITTEN yielded 1½ minutes of his time to Mr. MAHON).

The CHAIRMAN. The gentleman from Texas is recognized for 4 minutes.

Mr. MAHON. Mr. Chairman, the adoption of these amendments in my judgment would represent a most unfair action on the part of the Congress and I urge the House to vote them down. It would be an inexcusable betrayal of the farmers of the country. I am not speaking for the acreage-reserve program. We already have it whether it is good or bad. It is bad in many respects. It has been held that individual farm owners of one or more than one farm can get soil-bank acreage payments on each separate farm. Under that interpretation, corn farmers, wheat farmers, cotton farmers, and others have made agreements for farm operations for 1958. The tenants and landlords have entered into binding contracts. They have made their plans for this crop year. They have already signed up. Most of them who will be in the soil-acreage program have already signed up. It must be understood they have been notified by their Government out of Washington what the situation would be, what the rate of pay would be, and how the funds would be distributed. After those binding contracts have been entered into on or before January 1, the beginning of the farm year, for this Congress to come in now and say it will change the ground rules, that those contracts are invalid, that farmers cannot proceed as had already been agreed to under the interpretation of the law, would be such an indefensible action on the part of the Congress that it would bring a storm of indignation and protests from the people. I do not see why we want to even entertain for a moment any such ridiculous breach of faith. For myself, I want to disclaim any part of this sort of action which would lead the farmer to believe, and properly so, that he could have no confidence in Congress or in the Government or in the regulations. To be against the soil bank is all right, but to be in favor of bad faith and a betrayal of trust is a different situation. The amendments would be equivalent to a breach of trust.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. I think the gentleman is absolutely correct. I feel the adoption of either one of these amendments would make the entire program unworkable from an administration viewpoint. The gentleman is correct when he says he wants no part in the offering of such amendments.

Mr. MAHON. If the Members of the House realized the situation I do not believe they would vote for the amendments to change the rules in the middle of the game.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Texas.

Mr. POAGE. Is the whole purpose of this appropriation not to keep faith where the Government has made a commitment?

Mr. MAHON. Yes. We will be keeping faith by making this appropriation. I hope we will not by adopting these amendments practice an even greater

breach of faith than the denial of the appropriation would have been.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. BOYLE].

Mr. BOYLE. Mr. Chairman, I rise in support of the Reuss amendment. In connection with the amendment, from everything that has been said today, it appears that the soil bank is no longer a bank, but it is empty. Since it is empty we are faced with the proposition of voting additional money to carry on its further function and operation, that of affording the opportunity for all producers to participate in the program as was guaranteed by the Soil Bank Act.

It is with considerable misgivings that I note a large number of farmers were turned away, particularly when it was reported by the announcement of the Department of Agriculture in its program for spring-planted crops last November as a basis for entering into 1958 acreage reserve agreements, that they would have a signing up period from January 13 through March 7, 1958.

The testimony is indisputable that the rates offered by the Department to farmers in cotton and corn areas caused them to sign up or attempt to sign up with such speed that they exhausted the authorized fund of $500 million within a period of a few days of the signing up period. It appears that the situation amounts in equity jurisprudence to estoppel. I do not think that the farmers who did not sign up have any rights of a contractual nature; they really have no basis to complain that they are being forced to abide by a new set of rules or a new bundle of rights. Anything we do today is really a gratuity in the interest of equity and good conscience. Personally, I do not care too much about the soil bank. In actual operation it has failed to justify its existence.

Surely in all good conscience since the Department of Agriculture held the signing-up date to and including March 7, it is now unfair to select only certain producers on a first-come-first-served basis.

It appears that the rationale in either the substitute amendment or the amendment itself is to keep any one producer from probably getting as much as $300,000 if he has a sufficient number of farms.

A look at the language of Public Law 85–118, 71st United States Statutes at Large, pages 189–196, shows that the language haec verba is univocal and unequivocal when it says:

> No part of this appropriation shall be used to formulate and administer an acreage reserve program which would result in total compensation being paid to any one producer in excess of $3,000 with respect to the 1958 crops.

When it says one producer, it means just what it says. The design of the legislation was to protect the family farmer, the small farmer.

Although I do not feel it necessary under the existing language of the act, I have no quarrel with the amendment offered by the gentleman from Wisconsin [Mr. LAIRD] which says the same thing only in different language:

> To any one individual or corporation participating in excess of $3,000.

Mr. McGOVERN. Mr. Chairman, I would like to join the gentleman from Mississippi [Mr. WHITTEN] in supporting the proposed supplemental appropriation of $250 million for the acreage reserve portion of the 1958 soil bank. I will also support the amendment to be offered by the gentleman from Wisconsin [Mr. REUSS] limiting the amount any one producer may receive under the acreage reserve to $3,000.

From the very outset, I have stated publicly that the soil bank is no solution to the farm problem and I say that again today. But poor as the program is, we must provide enough funds to cover the farmers who have come to sign up for it in good faith. Regardless of our personal views on the soundness of the soil bank, we cannot hold out the hope of contracts to the farmers and then tell them at the last minute that the funds are exhausted.

The Department of Agriculture had announced that farmers would have until March 7 to sign up for the acreage reserve feature of the plan. Suddenly, with lines of farm applicants waiting to sign their contracts, the Department announced that the program would have to be placed on a first come, first served basis. The Department has inadvisedly seen fit to place such a loan interpretation on the $3,000 limit to any one producer which the Congress passed last summer, that they have used available funds much faster than would otherwise have been the case.

To date the soil bank acreage reserve has not materially reduced farm surpluses, it has not cut farm program costs, and worst of all it has failed to restore adequate income to American farmers. The program has been of little or no benefit to most of the family-size farmers of the Nation.

There is no doubt in my mind that the same amount of money which we have poured into the soil bank could have produced much better results if it had been invested in a farm price support program geared to the family-size farm.

I believe that the farmer wants to farm; he does not want to depend for his annual income on some scheme which pays him a small sum for letting his land go unworked. Naturally farmers will in many instances sign up for the acreage reserve payments when they are confronted with the kind of depressed farm prices that have been established by Secretary Benson.

Much can be said in support of the conservation reserve section of the soil bank, but the acreage reserve is nothing more than a stopgap which should be replaced as soon as possible by a genuine price protection program for farm commodities.

For the present, we have no other reasonable alternative than to vote the necessary appropriations to meet our moral obligations to the farmers who have planned for acreage reserve sign-ups in 1958.

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. Mr. Chairman, it is my opinion that any department would follow the $3,000 limitation, that is imposed already by law, on the $500 million program. For that reason I have not seen the necessity of offering an amendment here. However, the same language carried in the earlier amendment would do no harm. I would like to point out that whatever the feelings of the Congress might have been in passing the original soil-bank bill, when there was no limitation on the number of acres that you might put in, it was one type of law, but the minute you put in $3,000 per producer, you made it a people's bill, changing the original intent of the act. And, I think the intention of the $3,000 provision was for the purpose of seeing that no producer could be paid more than $3,000 if he had 100 farms. That is the way the language reads to me, but that is not the way the Comptroller General's opinion held. For that reason I would say whether this amendment is adopted or not, I take the view that the program would be tied down by the $3,000 already in existence.

The CHAIRMAN. The time of the gentleman from Mississippi [Mr. WHITTEN] has expired. All time has expired.

The question is on the amendment offered by the gentleman from New York [Mr. TABER] to the amendment offered by the gentleman from Wisconsin [Mr. LAIRD].

The question was taken; and the Chairman being in doubt, the Committee divided and there were—ayes 115, noes 24.

So the amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from Wisconsin [Mr. REUSS].

The substitute amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. LAIRD] as amended by the amendment of the gentleman from New York [Mr. TABER].

The question was taken; and on a division (demanded by Mr. MAHON) there were—ayes 137, noes 17.

So the amendment, as amended, was agreed to.

Mr. CANNON. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. WALTER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 10881) making supplemental appropriations for the fiscal year ending June 30, 1958, and for other purposes, had come to no resolution thereon.

SUPPLEMENTAL APPROPRIATIONS FOR GLEN CANYON DAM

Mr. DAWSON of Utah. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. DAWSON of Utah. Mr. Speaker, the failure of the Appropriations Committee to furnish $10 million in new appropriations for the continued orderly construction of Glen Canyon Dam is, in my opinion, a classical example of penny-wise and pound-foolish.

It is true that the committee has authorized the Department of Interior to transfer funds from "any definite annual appropriations available" for Glen Canyon. If the committee intended by this blank check to sugarcoat the bitter pill of no new funds, it was unsuccessful. The trouble is that the blank check is drawn on a bank without assets. The Department does not have funds in the amount of $10 million to transfer to Glen Canyon unless the committee intends it to discontinue such programs as the educational and welfare services to Indians and other similar functions.

Let us examine the present status of Glen Canyon Dam and it will become apparent to Members of this body what damage will be done if Congress fails to approve the $10 million requested for the remainder of the current fiscal year.

The prime contract on Glen Canyon was awarded in April 1957. The firm contract price was $107.9 million. This figure, by the way, was $27.6 million under engineer's estimate. Since that time, work has progressed rapidly. There are now approximately 2,500 workers who have moved into the isolated area where the dam is being built.

No one doubts—and the committee does not contend—that eventually this prime contract will be completed and the full amount paid. The only question appears to be at what speed should work proceed. Should it proceed at a pace that contractor determines would be the most economical or should it proceed at a rate determined by a group of lay Congressmen who have never even seen the project. I do not contend that we should turn over the pursestrings of the Treasury to a contractor. But I do contend that the Appropriations Committee—after a large contract has been entered into—should give serious weight to the funding requirements necessary for the contractor to operate at a speed he determines to be most economical.

Suppose, through lack of appropriations, this contractor is required to close down until new appropriations are made available next fiscal year. What will happen to the 2,500 workers who have moved to this isolated site? Who will pay their unemployment compensation? Who will furnish relief checks? Is this economy? The $10 million supplemental appropriation will be spent sometime. Is the contractor—whose only interest is building the project as economically as possible—not the best judge of when it should be spent?

An unnecessary delay in the construction of Glen Canyon places an unfair burden on the residents of the Upper Colorado River Basin States. These people are obligated to repay the entire cost of this project through power and water purchases. Under the terms of the authorizing legislation, they are also charged interest at the rate of 2⅞ percent on all funds advanced for the proportion of this project chargeable to power. And this interest is charged during the construction period. It is no small item. By June 30, 1958—if this $10 million supplemental request is approved—nearly three-quarters of a million dollars in interest will have accrued. To add to the amount of this interest burden by unnecessarily delaying the completion of this project is not only unfair to the people who must repay its cost but it threatens the feasibility of the entire project.

At this point I am submitting for the RECORD a breakdown of interest charges that already have been added to the amount that our people are obligated to repay to the Federal Treasury:

Colorado River storage project, Glen Canyon unit

Rate of interest (percent)	2⅞
Interest charged to June 30, 1957	$67,647
Estimated interest to June 30, 1958, exclusive of $10,000,000 supplemental	397,436
Estimated interest to June 30, 1958, including $10,000,000 supplemental	707,937
PURPOSE OF SUPPLEMENTAL	
Glen Canyon Dam and Reservoir:	
Prime contract	$7,073,000
Colorado River Bridge contract	817,500
Minor contracts	172,000
Noncontract costs	150,000
Glen Canyon powerplant and switchyard: Prime contract	12,000
Service facilities:	
Water supply system	100,000
Miscellaneous camp facilities	770,000
Minor contracts	495,500
Noncontract costs	410,000
Total	10,000,000

The action of the committee in refusing to appropriate supplemental funds, and consequently delaying construction of Glen Canyon Dam, may have a costly impact on other Government projects throughout the United States.

When a contractor submits a firm bid for a project whose construction stretches over a period of years, he assumes that Congress will not unduly delay his work by not appropriating the funds he needs. How else can he submit a firm bid, except upon that assumption.

If contractors through bitter experience find that construction is turned off and on like a water faucet, they will begin to feather their bids in order to cushion the expensive impact of these delays. The bids received on all Government contracts will be higher.

Mr. Speaker, I think members of the committee were sincere in their belief that the Department of the Interior could find the additional funds the contractor needs in order to keep operating until next year's appropriations are available. I cannot and will not believe the committee intends to add unnecessary interest charges to the bill our people must repay. I can only hope that when the committee reexamines the ability of the Department to raise funds from other functions—reexamines this ability and finds it wanting, as I did—that they will agree that the additional $10 million in new funds should be granted.

DISPOSAL OF CERTAIN UNCOMPLETED VESSELS

Mr. BOLLING, from the Committee on Rules, on behalf of Mr. MADDEN, reported the following privileged resolution (H. Res. 483, Rept. No. 1392), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 8547) to authorize the disposal of certain uncompleted vessels. After general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

AMENDMENT OF COMMODITY EXCHANGE ACT

Mr. BOLLING, from the Committee on Rules, on behalf of Mr. TRIMBLE, reported the following privileged resolution (H. Res. 484, Rept. No. 1393), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 376) to amend the Commodity Exchange Act to prohibit trading in onion futures in commodity exchanges. After general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

PERISHABLE AGRICULTURAL COMMODITIES

Mr. BOLLING, from the Committee on Rules, on behalf of Mr. DELANEY, reported the following privileged resolution (H. Res. 485, Rept. No. 1394), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4504) to encourage the improvement and development of marketing facilities for handling perishable agricultural commodities. After general debate, which shall be confined

to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

AMENDMENT OF COMMODITY EXCHANGE ACT

Mr. COOLEY. Mr. Speaker, I ask unanimous consent to file a supplemental report to accompany the bill, H. R. 376. The purpose of the supplemental report is to correct the original report so as to comply with rule XIII of the Rules of the House of Representatives.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

THE COMMUNIST COUP IN CZECHOSLOVAKIA

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, the Czechoslovaks are one of the most hard working, talented, and dauntless of all the peoples of Europe. By dint of perseverance and persistence they manage to make themselves politically independent and economically self-supporting under the most adverse circumstances. They are brave and courageous in fighting for their heritage and for their ideals, such as freedom and independence. People with such sterling attributes certainly deserve a better lot than has been theirs during most of modern times.

For centuries their country was parceled out among powerful Germanic monarchs, and they were held down under oppressive foreign regimes. Nevertheless they never gave up their centuries-old dream of national independence and freedom. Their dream came true in 1918, at the end of World War I. At once they set out to make their recreated country an outpost of genuine democracy in the very heart of Europe. Thanks to the able leadership of the great Thomas Masaryk and his devoted supporters, they succeeded supremely well in this difficult and worthy task. For two decades the Czechs and Slovaks were free and they made the most of their freedom. Then, in 1938, came the Nazis who brutally put an end to Czechoslovak freedom. In the ensuing war the Czechoslovaks were almost forgotten. The Czechs, however, again succeeded in regaining their freedom at the end of World War II.

But the freedom thus regained in 1945 was a mere shadow of the real freedom they enjoyed during the interwar years. From 1945 on for several years while they tried to withstand totalitarian threats and pressures from the U. S. S. R., the Communists were determined to employ all the trickery and treachery in their efforts to destroy Czechoslovak democracy. This they did 10 years ago, attaining their goal on February 25, 1948.

Once in power the Communists have never relaxed their hold on Czechoslovaks. They have done their worst to suppress all forms of freedom in the country. They have been particularly harsh on religious leaders. Early in 1951 they placed Archbishop Beran under arrest, and since then he has been not only barred from performing his duty, but we do not even know of his fate. The archbishop and all his unfortunate countrymen are isolated from the Free World in their beloved homeland. Still those stout-hearted and tough Czechoslovaks have not given up their hope for freedom, even though they have suffered during the last 10 years under inhuman Communist tyranny. We all hope and pray on this day that soon they will attain their freedom, and in freedom enjoy peace.

WILKES-BARRE AND HANOVER TOWNSHIP FLOOD CONTROL PROJECT

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FLOOD. Mr. Speaker, today I introduced an amendment to the Flood Control Act of 1936 to provide for the repair and improvement of flood control works that have been damaged by unusual subsidence of such flood control levees.

My amendment specifically refers to the flood control projects at Wilkes-Barre and Hanover Township which have suffered damage due to mining operations, according to the findings of the Army Corps of Engineers who have investigated these projects from time to time.

I will shortly introduce a broader amendment to the organic act of 1936 that will apply to the basic authorities that were incorporated in the body of the act when it was enacted 22 years ago.

A broader amendment to this act is necessary because of the widespread concern with the subsidence problem in other areas throughout the United States not affected directly by mining operations, such as subsidence caused by the passage of subterranean streams through limestone areas and areas affected by subsidence through removal of oil and gases from subterranean soil structures.

As important as the legislative process is, referring to the amendment to the act, in the event that the Wilkes-Barre and Hanover Township flood control projects are found now to be inadequate in safeguarding these areas against possible flood damage, I then will request emergency funds to do the reconstruction work necessary.

Such Federal emergency funds are authorized to be used by the Army engineers when flood control projects have deteriorated to the point where they may become ineffective in warding off serious damage caused by unusually heavy snowfalls or rainfalls.

As we all know, the recent heavy snowfall in the Susquehanna Watershed could cause serious damage if the runoff comes all at once due to prolonged warm days and mild evenings. Just as soon as I am advised by the engineers that there is a definite danger of flooding, I shall immediately request emergency funds so that they can take appropriate action in preventing a recurrence of the terrible experience which befell our valley in 1936 and on a few other occasions.

This problem is a difficult one because of the constantly changing weather factors which at times cannot be forecast with any degree of accuracy.

In any event the situation in our area will have to be watched very closely this year in view of the damage that has been caused to certain parts of the flood control system which, he said, was originally designed to cope with a flooding condition of the magnitude of that of 1936. Due to the heavy snowfall I have requested the Weather Bureau and Army engineers to coordinate their activities to assure the maximum protection and assistance of these Government agencies will be made available to communities in the county bordering the Susquehanna and Lackawanna Rivers and at Duryea as well.

MONEY AND CREDIT AND PROSPERITY

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PHILBIN. Mr. Speaker, on several previous occasions in speeches and statements I have dealt with the tight-money policy, so-called, which, in effect, has been more responsible than perhaps any other factor in releasing and promoting recessionary forces in our economy presently responsible for unemployment and serious depressed conditions in many areas of the Nation.

We are now able to observe just how harmful the results of this policy have been to date. To make matters even worse, it is believed by many economists and statesmen in other countries that our tight-money policy has been responsible for recessionary developments in other parts of the Free World. I recently heard a broadcast by a distinguished, Conservative member of the British House of Commons strongly setting forth this view and have read authoritative articles in a similar tenor.

It has been urged in the past that the use of certain monetary- and credit-control devices to affect marginal buying, rediscount rates, bond purchases, and reserve requirements and the like

could eventually cope with almost any domestic economic disturbance. Up to this time, we have had affirmative proof that these controls can operate to produce a recession and substantial unemployment. Now, however, we are waiting for proof that the use of these controls can eliminate a recession and restore confidence, prosperity, and employment.

I recognize that the determination of when and under what circumstances these controls should be used is not a political question and is not decided by the Congress.

Shortly after the advent of the present administration back in 1953, in a rather lengthy speech, I urged sympathetic support for the then-new President by Congress and the country. And I strongly pleaded at that time that no action be taken by the exercise of monetary controls designed to produce recessionary effects. I communicated these views to appropriate officials of the Government. I am sorry to say that it was not long afterward when interest and rediscount rates were raised. Not long afterward, when it became apparent to everyone that this was a bad mistake, the rates were reduced. But subsequently they were again raised with dire results we see today, and recent efforts to change them downward again have not yet been effective.

It is clear to me—and I think to many who have far more experience and authoritativeness regarding monetary questions than I profess to have—that past and recent exercises of monetary controls have been ill-considered, ill-timed, and productive of great mischief in our economic system, and in some foreign economic systems. Of late, interest and rediscount rates have been lowered, to be sure, and only recently has action been taken regarding bank reserves, even though our situation seems to be getting worse all the time, so far as employment is concerned. Rates on marginal stock purchases have been reduced, which has increased stock speculation.

We are now informed officially by the Secretary of Labor that he expects unemployment to go beyond the 4 million point during February. Many competent authorities believe it has already gone beyond that point and will go even higher. Some believe it will go over the 5 million mark.

Some people high in the administration are evidently relying upon increased spending for defense and related purposes to end the recession. No doubt this will be a helpful factor in bringing back employment, but it will take some time for this factor alone to produce results in the form of reemployment of several millions of our idle citizens.

It is evident to me that an attack must be made upon the present recession upon a much broader and deeper front. I believe that the agencies concerned should give immediate consideration to the further reduction of reserve requirements. I believe that the Congress should move to reduce taxes across the board for people and businessmen. I believe that Congress should consider the inauguration of a program looking toward large-sized public works projects—roads, public buildings, and improvements. I believe that Congress urgently must do something to stimulate credit for small-business men, who, like the workers, are currently squeezed in the paradox of inflated prices and unemployment.

I realize that some economists and well-informed financial and business people believe that the recession will be shortlived. However, much damage has already been done, and I do not believe we can afford to take chances with the prosperity of the country and the welfare of millions of workers and their families, not to speak of the many businessmen and commercial organizations who are directly concerned here.

Economic cycles are peculiar and unpredictable. They are frequently touched off, not so much by economic factors, as by psychological factors and public opinion. Once the confidence of the buying public, the consumers and businessmen is affected and diminished, it usually takes a considerable time to restore it.

Undoubtedly, in the last few months confidence all along the line has been greatly affected. Businessmen have been hampered by lack of credit and many have been and still are unwilling to risk venturing capital under uncertain conditions. Public confidence has been psychologically penetrated by feelings that have swept over the country and some parts of the world that we have moved into a downward economic cycle.

I agree that there should be no political meddling with monetary controls. But Congress has a duty to speak out and give its opinions about the effects of these controls. Congress also has the distinct duty to pursue tax reduction, credit expansion and public works projects in an effort to reverse the trend toward depression and recession and put the Nation on its upward path to full prosperity and full employment.

I am very optimistic about the future of America and I do not believe it is wise for anyone to sell America short. We are a great Nation, strong and powerful in every way. We have a superb industrial structure and the world's highest productive economy. Our business system is without an equal in the world and has demonstrated time and time again its power and effectiveness in providing steadily increasing, higher standards of living.

We are on the threshold of the great space age in which revolutionary developments will occur. We must be prepared to implement them and to cushion their effects on our economic and political institutions because they are bound to be sweeping and radical in character and unimaginably extensive in scope.

It is important, too, to remember that in our economy and society at the present time, great, unforeseen new needs and demands are steadily developing, arising from modern inventions and technological progress. These factors are making themselves known in many ways and are moving in the direction of an expanding dynamic economy greater each year.

Inflation can be a danger, to be sure. As I have stated many times, I think we should be less concerned about inflation now than we should be about deflation and recession which are already apparent in many areas throughout our Nation and in other nations.

I hope that the Congress will make resolute efforts in these areas in order to strengthen and revitalize our economy and our great productive system and keep them strong and healthy and in a state of readiness to buttress the defense program and to maintain economic stability and prosperity.

In a word, I would reiterate what I have said so many times before that—

A strong, powerful America, invincible in arms, fearless and courageous in approach, standing before the world as a great beacon light of freedom, unafraid in a dangerous time, resolved to retain its liberties even at the cost of sacrifice and blood, strong militarily, economically, socially, educationally and, above all, spiritually, is of paramount importance so that our Nation may grow and develop and find that higher destiny which surely awaits it, if it retains its spiritual values, its beliefs in democracy and its faith in an ordered society under God based on the supremacy of the rights and dignity of the individual.

This recession was manmade. With the right policy, it can be stopped dead in its tracks. The idea that people have to be put through the economic wringer every time there is a business cycle is ancient history in modern economy.

To relieve the people of staggering price and tax burdens, inflated living costs and to bring rocketed prices of necessaries of life and ordinary everyday commodities down to reasonable levels must be accomplished without further delay.

And small business must promptly have access to ample credit. I do not believe that we can afford to dodder around or fold our hands in hopeful complacency.

It will be necessary, I believe, to tackle these questions immediately and most vigorously, because dangerous forces have been released in the economy, which are spreading throughout the Nation and the world and must be checked now without further equivocation.

PROTECT OUR COAL INDUSTRY

Mr. NEAL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. NEAL. Mr. Speaker, in connection with the so-called recession which our friends of the opposition make so much of, I would like to say to the House that there is one industry, the economic prop of my State of West Virginia, that has been, off and on, in a constant state of feast or famine for the past 30 or more years.

In brief, I refer to the bituminous coal industry, sometimes an unwanted

industrial orphan, but, in times of crisis, an honored guest at the economic table.

Along with the railroads, I can think of no other two industries so indispensable to our welfare, in fact, our national survival, in a time of crisis. You may say what you will concerning the future of atomic energy, but it is still coal which is the keystone of our economy.

Were it not for coal, we would have no steel industry.

Were it not for coal, our vast production of electric power would not have been possible.

It is quite true that our scientists hold out the promise of a bright and glowing tomorrow in the field of energy production through atomic energy, solar ovens, and various other devices, but we must be realistic for the moment and consider the fact that our coal industry has been the mainstay of three great war efforts since 1917.

While I am not one of those who feels that the answer to every problem is Government control and bureaucratic regulation, I do think that the Congress should bend over backward in every respect when it considers legislation admittedly harmful to coal.

For instance, the coal interests are before us in this session with a proposition that the depletion allowance should be raised from 10 to 15 percent. What could be fairer to an industry where unemployment is rising, where production and freight costs have placed many a producer in an untenable position? Our oil and gas producers with less investment per well than the capital outlay for one medium-size coal operation receive a 27½ percent depletion allowance, which underscores the illogic of keeping coal at 10 percent.

In addition to the tax handicaps under which it operates, coal as an industry employing great numbers of people, must compete every day in every year with competing fuels which are largely laborless. Because of its large labor force, coal mining supports the entire economies of great areas.

So that my colleagues may better understand the picture, I would like to point out that my home State of West Virginia has enough recoverable coal reserves to supply the entire United States for at least a century at present rates of production.

Our annual production in West Virginia since the early 1940's has never dropped below 100 million tons annually. The labor force needed to insure this production is just under 100,000 men out of a total State population of around 2 million.

The coal industry is directly responsible in West Virginia for the payment of more than 50 percent of all tax revenues. Its indirect benefits are enormous. There is not, I would say, one dollar of tax revenue going into State or local treasuries which has not at some point in its circulation been touched by the influence of either the coal industry's prosperity or its depression.

West Virginia annually leads all of the States, where coal is found, in total production. In 1956, for instance, we produced 143,377,000 tons, more than 100 million tons more than the second highest producer.

Coal is responsible for the prosperity of at least three major coal-carrying railroads.

In addition to carrying the lion's share of the cost of our Government, it shoulders the burden of pumping into consumer trade the flow of dollars which keeps our merchants, small and large, in a solvent condition.

Because of its availability in profusion in West Virginia, it has attracted great new steam generating plants as part of the vast complex of the American Gas & Electric Co. which has, in turn, brought about the creation of a chemical industry in both the Kanawha and Ohio River Valleys which make them two of the most important areas of modern American industrial production.

One wonders that had it not been for the availability of this profuse supply of relatively cheap and reliable fuel the story of the creation of a new chemical industry in these areas might have been different.

There is currently much speculation, optimism, and dreams of the day when atomic energy will displace all other forms of energy as the propulsive power for our industrial machine.

Yet, what is the story here on the basis of the one installation already complete and in operation at Shippingport, Pa.?

An atomic reactor, financed by the Federal Government to the tune of $70 million has been installed there. The installed kilowatt cost at Shippingport is $1,168 with average capital carrying charges per kilowatt-hour averaging out to 26.6 mills.

In striking contrast, the latest and most modern steam generating plants, fueled by coal, produce electric power for 3.5 mills as an average capital carrying charge and the installed kilowatt cost averages $153.

You can thus see that it will be a long, long time before we can rely upon other, more exotic forms of energy than coal.

I have made this recital, Mr. Speaker, to try in small measure to point out to the House the great need for giving the coal industry the economic protection it asks.

It is our reliance in war, our mainstay in peace, and our industrial hope for the foreseeable future.

BIRTHDAY ANNIVERSARY OF THE SECRETARY OF STATE

Mr. WALTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALTER. Mr. Speaker, today—February 25, 1958—the Secretary of State celebrates his 70th birthday. I would like to take this occasion briefly to pay a tribute to the service rendered his country by this dedicated American.

For more than 50 years Secretary Dulles has been a close student of foreign affairs. During much of this time he has served the Government in many capacities in the field of foreign affairs, in the armed services and in the Congress.

In recent months there have been numerous and, in many instances vituperative attacks made upon Mr. Dulles. In most instances these have come from a miscellaneous conglomeration of leftists, one-worlders, fellow travelers and those whose primary concern is not the welfare of the United States, but, rather, the advancement of an international philosophy of government whose primary purpose is destruction of our own system of government and our civilization.

There are those who have denounced Secretary Dulles because they say he is not popular abroad. This is a matter of no concern to me. No man who is concerned primarily with the welfare and interests of the United States will win a worldwide popularity contest. Indeed, if any Secretary of State were to be primarily concerned with his international popularity, he probably could not discharge the obligations of his oath of office. All too often there is a penalty for courageous leadership.

Mr. Dulles' popularity reaches its lowest ebb in the Kremlin and in the chancelleries of the Iron Curtain countries. That is because they know that he is determined to protect the interests of the United States and that since the rise to power of the Communists in the Soviet Union he has constantly been aware of the fact that their primary objective is world domination through world revolution. They know that he has never allowed himself to be misled as to the true Communist objective of destroying and dominating this country. Also, Secretary Dulles in view of the persistent record of broken treaties and broken pledges by the Communists over the years, has not allowed himself to be disillusioned into the futile belief that the Communists have changed and that an agreement with them today or tomorrow which does not provide for enforcement provisions is any more valid than any of the past agreements which they have flagrantly violated.

Recently, Secretary Dulles has been denounced in the leftist press because on occasions he has invoked the principles of natural and moral law and has pointed out the fact that ours is essentially a religious civilization, whereas communism is antireligious and indeed has as one of its basic tenets the denial of the existence of God. I must confess that although I have been in public life for 25 years, I was somewhat surprised to see this new basis of attack on our Secretary of State.

Considering the nature, motives, and background of his chief and most persistent public critics, I am inclined to apply to the Secretary the words which Desdemona used speaking of Othello "I love him for the enemies he has made."

It seems to have become an unfortunate truism that a Secretary of State cannot serve in office for an extended

period without becoming the object of persistent carping criticism. Dean Acheson, when he served in that position, had the same experience. I am as disheartened now to see some of the unmerited criticism directed at Secretary Dulles as I was to see equally unmerited criticism heaped upon his predecessor.

Although I have not in all instances agreed with Mr. Dulles' views, still I feel that I cannot let this occasion past without publicly paying tribute to this sincere, courageous, dedicated and perspicacious American.

IMPORTED OIL

Mr. SILER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. SILER. Mr. Speaker, I am happy to join with my distinguished colleagues who desire to reentrust in Congress the power over America's foreign trade laws. I also support proposals to provide the tariff and quota safeguards necessary for the economic well-being and the security of our country.

My active opposition to trade policies responsible for vast volumes of unemployment in the United States dates back to my first year in Congress. As a resident of an area the mining activity of which has been restricted because foreign residual oil has pillaged our markets, I have frankly been astounded that our Government could permit such conditions to exist. I have felt all along that the powerful interests which stand to profit handsomely under present policies have successfully misrepresented our case in other parts of the country, else the legislation needed to protect our working people would not be so long in coming.

An example of this erroneous presentation took place on a television program just last night. Perhaps some of my colleagues watched that presentation during the dinner hour. The commentator responsible for the misstatement was no doubt unconscious of his error, yet it is typical of the distortion and sophistry that has become so widespread.

In summation of a filmed series of meetings and interviews on both sides of the controversial trade issue, the commentator remarked:

> The mine worker wants us to go back to coal furnaces rather than import oil.

Mr. Speaker, I am a regular reader of the United Mine Workers Journal, which contains many references to the damage which foreign residual oil inflicts upon the domestic coal industry. I have been told of the testimony by Thomas Kennedy, vice president of the United Mine Workers of America, who has appeared before a number of Congressional committees in opposition to excessive imports of residual oil. I have been told of the same opposition by President John L. Lewis, by other officials, and by the general rank and file among the UMWA membership.

I should like at this time to challenge anyone who charges that the mine worker wants fuel users to go back to coal furnaces rather than import oil.

In the first place, Mr. Speaker, the statement is ridiculous because there is no competition between coal furnaces and imported residual oil, the product on which miners and operators alike have continually asked restrictions. Residual oil is a heavy, slow-flowing substance that cannot be used in home heating. I hope that Members of Congress fully understand this point, and in all fairness to the mineworker—and in the interest of good reporting—I trust that the commentator who went so far off the track last night will find it convenient to make the necessary correction on a later program.

Secondly, neither management nor labor in the coal industry has ever asked for legislation to force use of coal instead of oil in home heating. Of a certainty, the coal industry would enjoy serving the millions of homes that are now burning oil, but no one in the industry would complain of markets lost through fair competitive methods. In place of this domestic market which has largely turned to other fuels, the coal industry is striving to increase usage among industrial consumers—such as electric utilities, cement mills, aluminum plants, and other manufacturers.

We do believe that residual oil imports should be restricted, Mr. Speaker. They have invaded east-coast utilities and other markets, thereby causing heavy market losses and resulting in serious unemployment in the coal fields. We do not believe that American workers should lose their jobs because international shippers are able to bring in a competitive product that can be sold at whatever price is necessary to undersell coal. Members of Congress who are experiencing losses in business activity in their own districts will be inclined to agree with me, I am sure.

I am confident that the bills introduced in Congress on this subject will receive sympathetic understanding from many of my colleagues who heretofore did not realize the true position of the coal industry with regard to imported oil. Your support of this legislation will be appreciated by many humble workers in the coal mines and by that important industry itself and by the citizens generally in my section of the country.

LOANS FOR NEEDY STUDENTS IN CERTAIN FIELDS OF SCIENCE

Mr. RODINO. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. RODINO. Mr. Speaker, today, when Americans and free people are rejoicing over the presence of the first star of the Free World in outer space, our basic problems in educating scientific manpower still require our urgent attention.

During the past few weeks Congress has demonstrated its awareness of the educational needs of this Nation because of recent developments which have either, first, challenged the American educational system; second, called for reorganization of the American educational system; third, called for special attention to certain areas of study; or fourth, called attention to certain outstanding needs of the American student.

I have long been particularly concerned with two phases of the education problem as it exists today, the provision of loans to assist students in meeting the cost of post-high-school education, in general, and the provision of loans to assist students who wish to pursue post-high-school study in certain science fields.

On January 3, 1958, I introduced a bill which calls for Federal loans to students who desire to continue their post-high-school education. In supporting this proposal, I called attention to the national need for the pursuit of higher education by larger numbers of our capable students.

I rise today in support of a second proposal which relates to loans for post-high-school study but which is aimed to help students who are particularly interested in science. I believe that my second proposal is necessary because in addition to the national need for a generally well educated populace, there is a specially expressed need for professionally and technically trained people in the fields of the exact sciences. This need, we must always remember, exists not only because of recently demonstrated Soviet scientific know-how, but because of man's increasing dependence upon science for the development of new means by which to meet his material needs of food, safety and shelter.

The proposal to which I now speak, H. R. 10068, introduced on January 16, represents a step toward the fulfillment of the educational goal of many of our young people who desire to pursue post-high-school studies in preparation for careers in science. The establishment of a Federal science scholarship fund, as provided for by the bill, I hope will serve as an incentive for many students with scientific aptitude, who have not yet decided upon a field of study, to become scientists.

These are no longer the days of the tinkerer and putterer when one could, in his leisure, if he felt a need, experiment and perhaps make some vital contribution to science and humanity. Though the contributions of people of this sort have in the past been of immeasurable value, today, our chemists, physicists, biologists and other professionally trained scientific personnel direct organized research toward the solution of certain problems which are either basic to man, or essential to expanded boundaries and national defense. The young man or woman who would assume this vital role in our society, must be highly educated in a specialized field, and all those who would assist him must also have specialized training.

Doubtless many of our youth will go on to higher education at their own expense and pursue scientific studies. Many other students of outstanding scientific aptitude will receive financial assistance through foundations, private groups, alumnae groups, and so forth. However, there are many more capable young people who still lack the financial ability to pay for 4 years of college, and possible postgraduate study. America needs these young people. We need the scientific knowledge these young people can bring to the country. We need their talent in Government, in industry, and on the battleground against disease and human suffering.

It is most gratifying to note in a report of the Office of Education in 1957, that young America is showing an increased interest in mathematics and science for the first time in almost half a century. As more and more emphasis is placed on the importance of science courses in schools throughout the country, there will probably be a continued increase in the proportion of pupils taking such courses. This means that more high-school graduates will have an interest in science and a desire to continue their studies. We cannot afford to have this desire stymied by our national failure to provide financial support.

As you know, the amount that students spend in attending college has doubled since 1939–40. According to Lawrence G. Derthick, United States Commissioner of Education, the average expenditure in 1939–40 was $747 for a student in a public college and $1,023 for a private college student. Today, the averages are about $1,500 for full-time undergraduate students attending public colleges and about $2,000 a year for a student in a private college. Even students living with their parents and attending college spent an average in 1952–53 of $1,000 a year.

In a study of more than 15,000 students from 110 colleges, conducted by Dr. Ernest V. Hollis, Director of the College and University Administration Branch of the United States Office of Education, it was noted that about 10 percent of the men students and 8 percent of the women were from families with annual incomes of less than $3,000. The average family in the lowest family income group devoted about one-fifth of its income to its child in college. In the higher income groups, the average was less than one-tenth. Families supplied 41 percent of the money for the college students, 29 percent came from student's own savings and students earned 17 percent after entering college. Other sources of money for the college students were scholarships, 5 percent; veterans' and vocational rehabilitation programs, 5 percent; loans, 1 percent; and miscellaneous, 2 percent.

All of us know that an individual's potential achievement or his scientific aptitude cannot be associated with his parent's pocketbook. Obviously, what we need is a system of loans for the pursuit of scientific studies. I believe that my student-loan bill provides a definite step toward the immediate fulfillment of this urgent national need.

The appropriations called for in my proposal would enable needy and scholastically qualified students to obtain loans up to $1,000 a year for the first 4 years of study in any educational institution of college-grade studies and $1,500 a year for the first 4 years of study in any educational institution of post-college-grade studies. The bill provides for the repayment of the loan beginning in the second year after the advances to the student have ceased and continuing through 10 successive years at an interest rate of 1 percent per year from the date of advance to the date of repayment. I believe these obligations can easily be met by those young people who, upon the completion of their studies, will be in great demand by industry, government and research groups and organizations as first-class scientists.

The cooperative arrangements between the States and the Federal Government in the administration of the provisions of the bill provide for harmony, and in no way interfere with the student or the educational institutions. There is no compulsion for State participation, since each State is free to choose whether to participate in the program or not. Of necessity, the bill contains adequate safeguard measures for the prevention of misuse by students and for the protection of State and Federal funds.

We will make a contribution to our Nation and to the world if through investments such as I have proposed just one of these young people makes discoveries that lead to the curing of the ills and diseases that now affect mankind in all parts of the world. I sincerely urge you to give this bill your close consideration.

FINE WORK OF THE JUNIOR CHAMBER INTERNATIONAL AND COMMENDATION OF ITS RETIRING PRESIDENT

Mr. PRICE. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. KING] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. KING. Mr. Speaker, the future leaders of our great Nation and of nations throughout the Free World will of course come from our younger generation. It may sound somewhat trite but we all recognize that our hopes and aspirations for a better world are wrapped up in the training and development which our young men and women receive.

I want to emphasize to my colleagues in the House the importance of the highly commendable work which is being done by a fine organization in this country and in many nations of the world in developing leadership and in affording a training ground for those who will be called upon in later years to make decisions which will affect people throughout the world. I am here referring to the Junior Chamber International, an organization of young leaders which is a federation of national junior chambers of commerce and has organizations in 50 countries with a membership of some 325,000.

I have another purpose in mind today in addition to discussing the fine work of this outstanding organization. My second purpose is to commend and congratulate the retiring president of the Junior Chamber International, Mr. Ira D. Kaye of San Pedro, Calif., whom I am proud to state is a constituent of mine. Mr. Kaye was elected president of the Junior Chamber International at the 11th world congress of the organization held in Wellington, New Zealand in November of 1956, and rendered during the year in which he was president, leadership of a high quality which has seen expansion and strengthening of the organization, fostering of good will among the free peoples of the world and notable contributions to peaceful international relations.

While I am sure most Members of the House are aware of the work of their local Junior Chamber of Commerce, there may be some who are not as familiar with the Junior Chamber International. For the benefit of those who may not be familiar with the Junior Chamber International, I would like to give a thumbnail sketch of its history and its laudable purposes.

Junior Chamber International was born at an organizational conference in Mexico City on December 11, 1944, a date which has since been honored annually as JCI Day. Following World War II, the Junior Chamber movement gained great impetus and expanded in nations throughout the Free World until it reached every continent. In both numbers and influence it has now become one of our most significant organizations working toward better understanding and thus contributing importantly to world peace. Today, as I have said, there are national organizations in 50 countries, and the Junior Chamber movement has spread to 89 nations with a total individual membership of around 325,000.

Among the functions of the JCI, according to its constitution, are "to coordinate the activities of its members, to encourage and advance understanding, to sponsor the extension of Junior Chamber associations, and to promote and develop international trade."

The administrative staff of the organization, which is known as the world secretariat, is established in Miami Beach, Fla. At that location, the secretary general maintains permanent files, issues bulletins, publishes a monthly news magazine with worldwide circulation, maintains liaison with JCI's widespread membership, and serves as a center for the collection and dissemination of information on Jaycee activities around the globe. The legislative body of the JCI is the international council, consisting of the president of every member national Junior Chamber organization in the world.

Once each year each national president heads his delegation to a world congress where the program for the following year and the budget are considered and adopted, and where the overall policy of the organization is established

and new international officers are elected.

The national officers—which make up the executive committee—consist of the world president, six national vice presidents, a vice president for commissions, the treasurer, and the secretary general. Between congresses, the executive committee acts on behalf of and is responsible to the international council.

At this point, Mr. Speaker, I wish to commend the laudatory work of Mr. Ira D. Kaye, the retiring president of the organization. Competition for this office is always very stiff and spirited as between the candidates from the several countries, and it is a high honor and privilege to be elected to this office. Mr. Kaye's election was no doubt due to his broad experience in junior chamber matters, his knowledge of world affairs, his ability to express himself freely and openly, and his sincere devotion to democratic principles and desire to help his fellow man. During his term as president, I am advised that he has traveled in excess of 225,000 miles, visiting junior chambers of commerce in over 65 countries on every continent of the globe. Ira Kaye has been the enthusiastic leader of the hundreds of thousands of young men that compose the individual membership of this fine organization, and he has demonstrated those qualities of leadership which have contributed immensely to the promotion of good will between the younger generations of the free nations of the world. He has demonstrated his capacity to make personal sacrifices in order to bring about better understanding among peoples of the world, and he has shown the sincerity and strong desire to build a broad base of good will upon which a firm foundation of peace can be constructed.

During his travels throughout the world, he has met with heads of governments and with key business and community leaders in many nations of the world. This young man is to be highly commended for the valuable contributions which he has made and deserves expressions of appreciation from all who are interested in true community understanding and peaceful relationships among the peoples of the world.

I join with all of the many friends of Ira Kaye and with all of the many friends of the junior chamber of commerce movement in wishing him and the organization success and achievement in the days and months ahead.

TAX REDUCTION

Mr. BAKER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. BAKER. Mr. Speaker, I have today introduced two tax bills providing methods of granting necessary tax reduction to the American people. The first bill would provide a permanent reduction in tax rates of 10 percent across-the-board and would constitute the first step in what should be a program of very substantial tax reduction if we are to preserve in the long run the economic vitality that is so essential to our free enterprise system. The second tax bill is temporary in character and would apply with respect to fiscal year 1959 and is directed toward the reversal of the present decline in the level of economic activity. The second bill would inject in excess of $4 billion in purchasing power into our economy. On the occasion of introducing this legislation I issued a press release and I will include that release at this point in the RECORD as a part of my remarks:

The Honorable HOWARD H. BAKER, Republican, Tennessee, a member of the House Committee on Ways and Means, today announced the introduction of two individual income-tax bills that would amend the Internal Revenue Code so as to grant tax reduction to the American people.

The first bill Mr. BAKER termed a greatly needed first step in enacting into permanent law an individual income-tax rate reduction that would impose a less onerous tax burden on the American people. The first step as provided by Mr. BAKER's bill would reduce individual income-tax rates by 10 percent across-the-board effective July 1, 1958. It is estimated that 80 million taxpayers would benefit under the bill. They would realize a $1.9 billion tax saving in calendar year 1958 and the full year effect would be a tax saving of $3.7 billion.

Mr. BAKER's second bill is directed toward the reversal of the current economic downturn by providing a temporary tax reduction for fiscal year 1959 amounting to $4.4 billion. The temporary reduction would be accomplished with respect to calendar year 1958 by granting to all individual income taxpayers a 20 percent tax reduction effective July 1, 1958. With respect to calendar year 1959 the 20 percent tax reduction would be effective from January 1, 1959 through June 30, 1959. The reduction would be reflected in payroll withholding for the first salary or wage payment made after June 30, 1958.

Under the bill the tax reduction realized by any individual taxpayer (other than an individual filing a joint return or qualifying as a head of household) could not exceed $80. Married couples filing a joint return would be allowed tax reduction of not to exceed $160 and in the case of heads of household the maximum reduction allowed would be $120.

Mr. BAKER stated that the temporary tax cut proposed in the second legislative measure he introduced today "would make a significant contribution toward restoring the domestic economy to a pasture of full employment and steady economic growth." After June 30, 1958, the proposal would immediately inject into the economy a substantial increase in purchasing power without the danger of again placing the Nation on the path of inflation. By making the tax reduction temporary in character, the Congress would have the opportunity of reexamining the fiscal posture of the Federal Government and the national economic status to determine the need for a continuation of the temporary tax reduction prior to the time of the scheduled termination date of the reduction. Mr. BAKER expressed the view that the temporary tax reduction proposal coupled with the other positive actions already taken by the Federal Government such as easing monetary restraints and accelerating defense procurement and other Federal expenditures would have the desirable consequence of ameliorating the present depressed level of economic activity.

With respect to the permanent tax reduction proposed by Mr. BAKER, the Tennessee Legislator expressed the view that such a permanent tax saving would provide the means to American citizens to increase not only their consumer expenditures but also enhance the savings and investment capital available for business growth and expansion.

Mr. BAKER stated that he would act immediately to urge study of these legislative proposals by the Committee on Ways and Means.

REPEAL OF FEDERAL AUTOMOTIVE EXCISE TAX

Mr. CHAMBERLAIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CHAMBERLAIN. Mr. Speaker, today I have been informed that the Michigan Legislature has passed recently a concurrent resolution urging that Congress take early action to repeal the Federal excise tax on automotive vehicles and products. My bill, H. R. 3022, which would repeal this excise is currently pending before the House Committee on Ways and Means. I have written a letter to the chairman urging that hearings be held at an early date.

This action by the Michigan Legislature points up the urgency of the need for repeal of this tax. Unemployment in Michigan is now estimated to be 320,000, directly related to the 26 percent decline in automotive production.

The resolution states in part: "The greatest share of the impact of unemployment resulting from the excise tax on motor vehicles is unfairly borne by Michigan which now has more than 10 percent of its labor force unemployed."

But the effect of the current decline in automotive production goes far beyond the borders of the State. In total assets of manufacturing corporations, those engaged in the production of motor vehicles and parts ranked sixth in the United States in 1956 with a total of $15.8 billion. In total net sales, the automotive industry ranked fourth with a total of $24.3 billion. But these figures represent only part of the story. I wish to remind the House again that it is estimated that 1 out of every 6 businesses and 1 out of every 7 gainfully employed workers in the United States are dependent for a livelihood on the manufacture, distribution, servicing, and commercial use of motor vehicles.

The Michigan Legislature has recognized the need for repeal of this excise tax as a stimulant for production and a countermeasure for the present recession. Because I believe that the resolution urging repeal of the Federal automotive excise should be brought to the attention of my colleagues, I include it in connection with my remarks at this point in the RECORD:

Concurrent resolution requesting the Congress of the United States to alleviate unemployment and to counter the growing industrial recession in Michigan and other industrial States by repealing the Federal excise tax on motor vehicles

Whereas the current recession in industrial production is worsening at an alarming rate, resulting in widespread unemployment

and increasing alarm amongst the people of Michigan and other States of the Union; and

Whereas unless effective countermeasures are taken in time, the recession may begin to feed upon itself and precipitate a ruinous spiral of deflation and depression; and

Whereas business analysts have counted upon strong public acceptance of 1958 automobiles as a major sustaining force in our economy not only because of the thousands of persons employed directly in the manufacture of automobiles and parts therefor, but also because the automobile industry is a large user of steel, glass, rubber products, rail transportation, and other goods and services; and

Whereas the business recession is spreading in these related industries resulting in lower Federal and State tax revenues and increasing unemployment with its welfare burdens and inevitable human misery; and

Whereas the loss of revenue from the repeal of the excise tax on motor vehicles would be largely if not wholly regained through an increase in business activity and the resulting increase in income-tax collections; and

Whereas any other effective method of countering the growing recession could be expected to be very costly; and

Whereas it is believed that the immediate repeal of the excise tax on motor vehicles would supply an important impetus to the sale of motor vehicles and to business activity and employment in automobile factories and related industries throughout Michigan and the United States; and

Whereas the brunt of this discriminatory tax is being borne by the unemployed worker; and

Whereas the greatest share of the impact of unemployment resulting from the excise tax on motor vehicles is unfairly borne by Michigan which now has more than 10 percent of its labor force unemployed: Now, therefore, be it

Resolved by the senate (the house of representatives concurring), That the people of Michigan respectfully request the Congress of the United States to repeal the excise tax on motor vehicles; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States, the Secretary of Labor, the President of the Senate, the Speaker of the House of Representatives, and the United States Senators and Representatives from Michigan.

Adopted by the senate January 30, 1958.

FRED I. CHASE,
Secretary of the Senate.

Adopted by the house February 20, 1958.

NORMAN E. PHILLEO,
Clerk of the House of Representatives.

FOREIGN AID

Mr. BALDWIN. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. HENDERSON] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HENDERSON. Mr. Speaker, today, in the city of Washington, there has been assembled a great convention of noted personalities with the common denominator of selling Congress and the Nation on the idea of continuing our foreign-aid spree. I want to say at the outset of these remarks that I believe the foreign-aid program is truly one of the greatest lobbying campaigns against the taxpayers of America in our history.

Yesterday, the Times Recorder of Zanesville, Ohio, carried an editorial entitled, "Failures of Foreign Aid," which quoted our colleague, Representative MARGUERITE CHURCH, as saying, "If the program is as good and as necessary as its adherents have claimed for 10 years, I wonder why it is necessary to make so superlative an effort in this 10th year to obtain the support of Congress." I certainly agree with our colleague in that statement and compliment her for saying in such concise terms what many of my constituents are thinking.

Yesterday, I was talking with a resident of the 15th District of Ohio, the district which I represent, and his statement also rang the bell on this foreign aid idea. He said, "Why don't they ask some of us peasants what we think about the foreign aid give-away program?" Indeed, the peasants, as he referred to himself, have seldom been consulted on this program, and if they were, if the taxpayers working in the factories and fields, could have their say effectively, they would have terminated the wasteful practices of foreign aid many years ago. It is in this area that the democratic processes sometimes slip a cog. Sources for the program gravitate toward a nucleus which sometimes seem very far removed from the thinking of the American people. This coterie is well organized and articulate. The taxpayers, on the other hand, have no such organization, but Mr. Speaker, they have been speaking to me in letters, in conversations on the street, and in their replies to my public opinion polls. This year in my current poll, I asked the question of many thousands of my constituents, "Do you favor the expenditure for foreign aid of $4 billion in military and economic assistance and an increase program of loans to friendly foreign countries?" The response has been an overwhelming "no" and on the reverse side of the questionnaire, in hundreds of cases, are amplifications of that answer expressing a sense of outrage that our Government is so unresponsive to the popular will in matters of foreign policy. I am sure that the same feeling extends beyond borders of the 15th District, and throughout much of the country.

There must now be some realization of the widespread opposition to foreign aid or such a concerted campaign as we are seeing today would hardly be necessary. The editorial to which I have already referred in the Zanesville Times Recorder quotes our Republican leader JOE MARTIN as saying that the foreign aid funds request faces "a hard fight" and quotes the Senate Democrat Leader JOHNSON as saying there are "grave questions which must be resolved."

The House Government Operations Committee has called for reexamination of the military aid program and it has been pointed out that among other things there has been a diversion of large quantities of American war material for purposes other than intended by Congress. This committee has already distinguished itself for the objective work it has done to find the unconscionable waste accompanying our vast foreign aid effort. It has shown that behind the glittering generalities which always seem to be in vogue when its proponents discuss this program is what I suspect is a disgusting succession of boondoggles and waste of funds. Wherever the committee has looked, it seems to have uncovered such intolerable conditions. It is time that even the proponents start tempering their excessive enthusiasm with a hard look at the foreign aid realities of the past decade.

Mr. Speaker, the program has become so swollen with dollars and international politics that Congress has lost all control of it. Here, we are asked to vote more funds for more boondoggles and we are thought unreasonable if we ask the forbidden question, What good has the program accomplished? Even those to whom the control has been delegated have not prevented our foreign aid program from becoming an instrumentality which is working hardships on both the American people, who pay the bills, and American prestige which is at stake today. We have been paying millions of dollars to Marshal Tito thinking that when he broke with Stalin, that we could purchase his friendship. We should have learned the lesson that foreign aid has not brought an ally. "The French are able to carry on colonial wars because of our support, the British maintain their expensive welfare services because our dollars have been available for other government needs" the editorial in the Zanesville Times Recorder rightly points out. The Tunisians have been threatening to turn to Russia unless we supply economic aid. In this case, foreign aid to France has served to push an Arab nation, Tunisia, into the arms of Russia.

Mr. Speaker, other pots will boil in international politics as a result of misguided dollars from the pockets of the people of the United States. However, much as we need allies in this period of crisis, let us remember our so-called allies need us even more. We need imagination in the conduct of our foreign affairs that requires a deemphasis of dollar diplomacy and a return to principles without a price tag.

A SMALL BUSINESS INVESTMENT CORPORATION

Mr. MULTER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include a bill I introduced today.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MULTER. Mr. Speaker, I have today introduced a bill designed to meet the need of small businesses for equity capital. This bill would create a Small Business Investment Corporation, which would invest its funds in small concerns which had established their qualifications and need for such investments. Initially, the Corporation would be financed from both governmental and private resources. Eventually, the Government interest would be liquidated and we would then have a totally private operation meeting one of the persistent needs of small business.

One might legitimately ask why the Congress should now create a new agency

to deal with problems of small-business finance. The question is particularly justified since the House in the last session, by a vote of 393 to 2, voted to make the Small Business Administration permanent, and this legislation is now pending before the Senate. However, the answers are clear and simple. The Small Business Administration fulfills necessary and useful functions. The small-business problems which it handles will continue in the future and its necessary work in this area should be continued.

However, the Small Business Administration does not and cannot, as presently constituted, provide any permanent solution to the investment problems of small business. True, it provides long-term loans; but it has become clear in recent years that there is an important complementary financial need on the part of many small businesses. This is the need for equity capital—often referred to as risk capital. This is the reason I suggest creation of a complementary investment corporation rather than one which would compete with the Small Business Administration.

Let me explain this point. The House Committee on Small Business, under the able chairmanship of the Honorable WRIGHT PATMAN, conducted extensive hearings on the financial problems of small business. Representatives of small and large business were heard. Testimony was taken from economists and many experts in the field of finance. The Honorable Edward T. McCormick, president of the American Stock Exchange, recommended in his statement to the committee on November 22, 1957, that Congress should set up a closed-end investment trust with both the Government and private investors participating in the initial capitalization. The purpose of the trust would be to provide equity capital for small business.

There emerged from these hearings several important conclusions.

Small-business concerns require permanent capital which can be kept invested without the need to meet frequent interest payments. The most logical source for such funds is investment capital. However, it is apparent that small-business concerns, though they have good records and bright prospects, cannot compete for such money with the well-known large firms. Big business enjoys a near monopoly of currently available investment funds.

Equity capital will permit greater flexibility in the business operation of the firm. Expansion to increase production and develop new ideas becomes possible. The credit base is expanded permitting borrowing from the commercial banks and easing relations with suppliers and customers.

Let me summarize the arguments which, I think, indicate favorable action on this measure should not be delayed.

The bill establishes a mechanism which may well be the solution to a permanent problem of small business.

It provides its own procedure for removing government from the investment business.

The Corporation will eventually become a wholly privately owned institution.

This is the most simple direct way of meeting the problem and the agency will not be in competition with any existing Government agency.

On February 3, 1958, I introduced a bill, H. R. 10453, which is the same as that of the distinguished gentleman from Texas [Mr. PATMAN], and of many others, and which is referred to as the small-business capital bank bill.

I am still in favor of the general principle of that bill. I offer my bill as another approach to the same problem.

My bill differs from theirs in two important respects. First, it provides for immediate participation in this financing by the general public.

Secondly, it omits the lending function found in those bills.

I am firmly convinced that the two functions cannot be continued successfully in one institution or in one organization.

The lending officer must be schooled in the philosophy of advancing money for a fee—interest—fixed at the time of the advance for a limited time, and conditioned on a promise of repayment based on reasonable assurance of such repayment.

The investing officer must be schooled in a philosophy which is almost the direct opposite, to wit: appraising the risk probabilities that will warrant advancing money for an indefinite time with no promise of refund but with reasonable assurance that profits will be earned sufficient to return the advance in varying installments—dividends—which continue even after the original capital has been paid back out of profits.

The business and banking world has long recognized that those two functions should be kept separate and distinct.

In closing, I would like to repeat this thought about the American free enterprise economy and the plight of small business. If we truly believe in free enterprise and competition, now is the time to stop procrastinating. Later may be too late. We must now take action and breathe life into what remains of competition if we are sincere about our belief in the traditional American values. The responsibility is ours. Let us reassert our faith in our way of life and fulfill our pledges and responsibilities by enacting the programs which we know are necessary to maintain a healthy competitive economy.

My bill is as follows:

A bill to establish a Small Business Investment Corporation to furnish needed equity capital to small-business concerns in the United States, and for other purposes

Be it enacted, etc., That this act may be cited as the "Small Business Investment Corporation Act."

STATEMENT OF FINDINGS AND PURPOSE

SEC. 2. The Congress hereby finds that the small-business concerns of the United States are in increasing need of equity capital to finance their growth and development. The Congress further finds that such growth and development are essential to the continued vitality and expansion of our national economy, but that it cannot be achieved with funds obtained on a loan basis, and that the necessary equity capital is unavailable. It is therefore declared to be the policy of the Congress and the purpose of this act to provide the small-business concerns of the United States with an adequate source of equity capital and thereby to promote their growth and development in the interest of a sound, vital, and expanding national economy.

DEFINITIONS

SEC. 3. (a) As used in this act—

(1) the term "Corporation" means the Small Business Investment Corporation, established by section 4;

(2) the term "Board" means the Board of Directors of the Small Business Investment Corporation, created by section 5;

(3) the term "United States" (when used in a geographical sense) includes the several States, the Territories of Alaska and Hawaii, the District of Columbia, and the Commonwealth of Puerto Rico; and

(4) the term "small-business concern" means a business concern which (A) is independently owned and operated, (B) is not dominant in its field of operation, and (C) meets the more detailed definition of the term prescribed under subsection (b).

(b) As soon as possible after the date of the enactment of this act, the Board shall prescribe for each industry a detailed definition of the term "small-business concern," using as criteria the number of employees, the dollar volume of business, and such other factors as may be deemed relevant; and from time to time thereafter the Board shall revise such definition to the extent it deems necessary in the light of changing conditions in the national economy or in any specific industry or industries. Whenever any such definition has been prescribed or revised and made public, it shall thereafter remain in effect for purposes of this act with respect to the industry concerned until subsequently revised in the manner provided in the preceding sentence.

ESTABLISHMENT OF THE SMALL BUSINESS INVESTMENT CORPORATION

SEC. 4. (a) There is hereby established a body corporate to be known as the Small Business Investment Corporation. The principal office of the Corporation shall be located in the District of Columbia, but it shall establish such other offices throughout the United States as may be necessary and appropriate to carry out effectively the purpose of this act.

(b) It shall be the objective of the Corporation to carry out the purpose of this act by supplying needed equity capital to small business concerns throughout the United States in accordance with the provisions of this act.

BOARD OF DIRECTORS

SEC. 5. (a) the Corporation shall be governed and administered by a Board of Directors, which shall consist of 5 members chosen as provided in this section.

(b) Until such time as all of the capital stock subscribed for by the Secretary of the Treasury under section 8 (a) and all of the obligations purchased by the Secretary of the Treasury under section 8 (b) have been retired, the Board shall be appointed by the President by and with the advice and consent of the Senate. The members shall be appointed from among private individuals (not holding any office in the Federal Government) who are experienced in small business and familiar with its financing and other problems, with the objective that there be on the Board a fair representation of the public interest as well as of the particular interests and needs of small business.

(c) Each member of the Board shall be appointed for a term of six years; except that of the members first appointed, 2 shall be appointed for terms of 2 years and 2 for terms of 3 years, and 1 for a term of 4 years, as designated by the President at the time of

appointment. Any member subsequently appointed to fill a vacancy shall be appointed only for the unexpired portion of his predecessor's term.

(d) The annual rate of basic compensation of each member of the Board shall be $20,000.

(e) Each member of the Board, in addition to receiving compensation as provided by law, shall be reimbursed for necessary travel, subsistence, and other expenses actually incurred in the discharge of his duties as such member, without regard to any other laws relating to allowances for such expenses.

(f) As soon as practicable after the first members of the Board have been appointed as provided in subsection (a), the members shall meet, subscribe to the oath of office, and organize by electing from among the membership a Chairman, a Vice Chairman, and a Secretary. The Chairman, Vice Chairman, and Secretary shall be elected annually for terms of 1 year, and shall serve until their respective successors are elected and take office. No member of the Board who is elected to the office of Chairman, Vice Chairman, or Secretary shall be reelected to such office for a second consecutive term. The Chairman shall preside at all meetings and the Vice Chairman shall preside in the absence or disability of the Chairman. The Board may, in the absence or disability of both the Chairman and Vice Chairman, elect any of its members to act as Chairman pro tempore. Three members shall constitute a quorum of the Board for the transaction of business, and the Board may function notwithstanding vacancies provided a quorum is present. The Board shall meet at such times and places as it may fix and determine; but shall hold at least 12 regularly scheduled meetings a year; and special meetings may be held on call of the Chairman or any 2 members.

(g) The Board shall adopt such rules and regulations as it deems appropriate for the transaction of the business of the Corporation, and shall keep permanent and complete records of its acts and proceedings.

(h) Notwithstanding any other provision of this section, after the retirement of all of the capital stock subscribed for by the Secretary of the Treasury under section 8 (a) and all of the obligations purchased by the Secretary of the Treasury under section 8 (b), the Board shall be chosen and its rights, duties, and obligations determined as provided in section 11. The constitution and bylaws of the Corporation provide for cumulative voting in the election of members of the Board after the retirement of such stock and obligations.

EXECUTIVE DIRECTOR

SEC. 6. (a) The Board shall appoint an Executive Director, who shall serve at the pleasure of the Board and shall, subject to its provision and direction, be responsible for the execution of the functions of the Corporation.

(b) The Board shall fix the compensation of the Executive Director, but his annual rate of basic compensation shall not exceed $17,500. In addition to receiving such compensation, the Executive Director shall be reimbursed for necessary traveling and subsistence expenses, or paid a per diem allowance in lieu thereof within the limitations prescribed by law, while away from his official station upon official business.

(c) The Executive Director shall comply with all orders and directions which he receives from the Board; but as to all third persons his acts shall be presumed to be in compliance with the orders and directions of the Board.

(d) The Executive Director, subject to the direction of the Board and in accordance with the civil-service laws and regulations and the Classification Act of 1949, shall appoint and fix the compensation of such officers, employees, and other personnel (including attorneys, experts, assistants, clerks, and laborers) as may be necessary to carry out the functions, powers, and duties vested in the Corporation and the Board. All such functions, powers, and duties, except as otherwise specifically provided in this act or as otherwise directed by the Board, shall be exercised and performed by the Executive Director and may be exercised and performed by him through such officers, employees, or other personnel of the Corporation as he may designate.

CORPORATE POWERS

SEC. 7. The Corporation shall have power—

(1) to prescribe, by its Board, a constitution and bylaws, consistent with this act, regulating its organization and financial structure and the manner in which its business shall be conducted both before and after the time when all of its capital stock subscribed for by the Secretary of the Treasury under section 8 (a) and all of its obligations purchased by the Secretary of the Treasury under section 8 (b) have been retired;

(2) to adopt and use a corporate seal;

(3) to have succession until it is dissolved in accordance with its constitution and bylaws;

(4) to make contracts;

(5) to sue and be sued, complain, interplead, and defend, in any court of law or equity, as fully as a natural person;

(6) to acquire, hold, operate and dispose of any property (real, personal, or mixed) whenever necessary or appropriate in carrying out its lawful functions; and

(7) to exercise, by its board or its duly authorized officers or agents, subject to law, all such incidental powers as shall be necessary to carry out the functions vested in it by this act.

INITIAL CAPITALIZATION AND PROVISION OF FUNDS

SEC. 8. (a) The Corporation shall have an initial capitalization of $20,000,000, one-half of which shall be subscribed for and paid in by the Secretary of the Treasury immediately upon the establishment of the Corporation, and which shall be returned in full at the earliest practicable time in accordance with section 10. The other half shall be offered for sale to the general public at par. The stock shall have a par value of $100 per share.

(b) In order to secure additional funds to carry out the purpose of this act, the Corporation is authorized to issue and have outstanding obligations having such maturities and bearing such rate or rates of interest as may be determined by the board to be redeemable at the option of the board at or before maturity in such manner as may be stipulated in such obligations. The aggregate amount of the obligations so issued shall be $500,000,000, all of which may be sold to private investors and of which not more than $250,000,000 shall be issued to, and purchased by, the Secretary of the Treasury as soon as practicable after the date of the enactment of this act. Each obligation sold to a private investor shall contain language clearly indicating that neither it nor the interest thereon is guaranteed by the United States or constitutes a debt or obligation of the United States or of any agency or instrumentality other than the Corporation, and may be purchased by the Corporation in the open market at any time and at any price.

ASSISTANCE TO SMALL-BUSINESS CONCERNS

SEC. 9. (a) The board shall promulgate standards to determine the eligibility of small-business concerns for assistance under this act, taking into account the need for such assistance, the financial soundness of such concerns and their potential for growth and development, and such other factors as it may deem relevant.

(b) The board shall use the funds available to the Corporation under section 8, and any funds available to the Corporation from other sources, to invest in and hold the stock of incorporated small-business concerns in the United States which meet the standards promulgated under subsection (a) and which will use the equity capital thus provided, in a manner determined by the board to be in furtherance of the purpose of this act, for their growth, development, expansion, inventory, modernization, and other long-term operating purposes.

(c) As a condition for obtaining any assistance under this act, simultaneously with the purchase by the Corporation of the stock of any small business, such small business shall purchase and pay for stock in the Corporation equal to at least 10 percent of the amount paid by the Corporation to such small business as an investment therein.

(d) Any stock acquired and held under subsection (b) may be sold by the board in the open market at any time (after first giving the issuing small-business concern an opportunity to repurchase or retire such stock), and the proceeds from such sale set aside to be used again in acquiring and holding stock of small-business concerns under subsection (b), whenever the board determines that the sale of such stock and the reuse of such proceeds will be in furtherance of the purpose of this act.

PAYMENT OF EXPENSES AND DISTRIBUTION OF EARNINGS

SEC. 10. The dividends received by the Corporation on stock acquired and held by it under section 9, and any other income earned or received by the Corporation, together with any funds available from the initial capitalization of the Corporation under section 8 (a), shall be used to pay the operating expenses of the Corporation (including salaries of officers and employees) and to pay interest on the outstanding obligations of the Corporation issued under section 8 (b); and any portion of such dividends and other income remaining after the payment of such expenses and interest and not used in the acquisition of stock under section 9 (b) shall be set aside and used, at such times and in such proportions as may be specified by the board, for the following purposes:

(1) to retire the capital stock which was subscribed for by the Secretary of the Treasury under section 8 (a);

(2) to retire the obligations issued to and purchased by the Secretary of the Treasury under section 8 (b); and

(3) to make distributions of earnings to the holders of obligations issued to private investors under section 8 (b);

(4) to pay dividends on its capital stock. The proceeds from the retirement of the capital stock and obligations described in paragraphs (1) and (2) shall be deposited by the Secretary of the Treasury in the Treasury of the United States as miscellaneous receipts.

TERMINATION OF GOVERNMENTAL STATUS

SEC. 11. When all of the capital stock subscribed for by the Secretary of the Treasury under section 8 (a) and all of the obligations issued to and purchased by the Secretary of the Treasury under section 8 (b) have been retired as provided in section 10, and effective as of the close of the regular terms of office of the members of the board whose terms expire next after the retirement of all such stock and obligations, the Corporation shall be governed and administered solely and exclusively by and under its constitution and bylaws and its board of directors chosen as provided therein; and the provisions of this act relating to the appointment of directors, the rights, duties, and obligations of directors, officers, and employees of the Corporation, the organization and financing of the Corporation, its powers, and the manner in which its business shall be conducted shall cease to be in effect.

ANNUAL REPORTS

SEC. 12. Until such time as all of the capital stock subscribed for by the Secretary of the Treasury under section 8 (a) and all of the obligations issued to and purchased by the Secretary of the Treasury under section 8 (b) have been retired as provided in section 10, the Corporation shall submit annually to the Congress a full and complete report of its activities and operations under this act.

REGULATIONS

SEC. 13. The board shall prescribe and publish such regulations, and take such other actions, as may be necessary and appropriate in carrying out the purpose of this act and in exercising its functions and duties under this act.

CATHOLIC PRESS MONTH

Mr. KEATING. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEATING. Mr. Speaker, in the month of February 1958, our thoughts turn to the Catholic press of America, that galaxy of publications, covering all the territory of the continental United States, and embracing topics ranging from time to eternity. It is good for us to stop and think of what a glorious possession we have in this manifestation of the American free press; a network of diocesan newspapers giving well-grounded reports and thoughtful opinions on events and pronouncements within the Catholic Church, as well as an independent Catholic viewpoint on national and world happenings; numerous weeklies and monthlies of devotion, of entertainment and literature, of political and religious opinion; and weigthy quarterlies of philosophy, history, and other learned disciplines.

This great collection of varied publications is living up to the ideal of friendly and cooperative competition, and shares the light of Catholic doctrine, the warmth of Christian charity, and the strength of a firm system of moral principles. This is a journalism whose first concern is moral and religious: a journalism whose aim is always high, and whose influence on the community is strong for good.

I find pleasure and profit in reading the fine diocesan weekly paper of my own district, the Catholic Courier-Journal, of Rochester, N. Y. It is typical of the excellent papers published by the various dioceses throughout the country. Therefore, I am thinking particularly of this popular and respected paper I know so well, as I salute the Catholic press of America, and wish it long continued and increasing success.

WHEAT PRODUCTION

Mr. BALDWIN. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. HENDERSON] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HENDERSON. Mr. Speaker, as we all know, a great many of our farmers have been victimized by complex Government programs which have penalized them severely in the guise of offering assistance. In many of these programs, the assistance, particularly to small farmers, has been negligible or non-existent and the regimentation of controls seems to have become the paramount consideration. As an example, I cite the controls on a farmer's right to grow wheat for seed and feed for use on his own farm. I firmly believe that the present law regulating and restricting such production is bad legislation and should be repealed. For this reason, I am introducing a bill today designed to remove such restrictions. I am very pleased to join with our senior Senator from Ohio, Senator JOHN W. BRICKER, who is introducing similar legislation in the Senate.

After 2 years of lengthy discussion, we enacted a bill last year which took one first halting step toward the kind of legislation which I believe is needed. Within the existing maze of controls and restrictions, this new law permits farmers to grow up to 30 acres of wheat provided that all of the crop is used for feed or seed on their own premises. This means, of course, that none of the wheat enters the commercial market.

When the bill was considered, I supported it with reservations. In my opinion, it was a step in the right direction. However, I pointed out then that the new law requires farmers to make an application with their county ASC committees for an exemption from the penalty provisions of the wheat marketing quota laws if they wish to take advantage of the 30-acre provision. If they do not file such an application, they are subject to fines and penalties even though their wheat production never entered the market place and was used entirely within the boundaries of their own farms. Fines are imposed not for exceeding the 30-acre limitation, but for asserting the right to grow any wheat at all without the written permission of the Department of Agriculture. This, I believe, is a ridiculous provision which approaches a philosophy of controls for the sake of controls. This aspect of our agricultural laws is a manifestation of bureaucratic and authoritarian policies devised by the Congress. It needs to be pointed out here that the President and the Department of Agriculture have requested the Congress to remove these restrictions on repeated occasions. It is high time that we look at this situation and start untying the straitjacket in which our farmers have been placed—all for the rather bankrupt promise that if restrictions are endured with good grace, the economic condition of farmers will be improved.

If we are to begin to extricate American agriculture from the tangle of controls that beset it today, we must start at just such a point as I am recommending. My bill would accomplish this beginning in three ways. First, it would eliminate the 30-acre provision in the present law and allow farmers the freedom of growing the wheat they require for the operation of their own farms. Secondly, it would eliminate the necessity for farmers to obtain the permission of their county ASC committees to exercise this right. Thirdly, it would forgive the fines and penalties which have been levied against farmers for such wheat violations since the 1954 crop year.

With respect to fines imposed since 1954, there may be some justification for punitive action if a farmer violates a Government regulation under which he receives some grant or Government subsidy. However, when a farmer grows wheat for use on his own farm and, as a result, is fined by his Government, a basic individual right is violated. These farmers have not collected 1 cent for the wheat they have grown—not 1 cent from the Government in the form of a subsidy and not 1 cent of profit since they have not marketed their wheat. At the same time these fines were imposed, we saw the importation from abroad of nearly 7 million bushels of seed and feed wheat into this country. Thus, we have the absurd situation of fining our farmers for growing the wheat they need while we permit importers to dump feed and seed wheat into the market with impunity. These 7 million bushels would satisfy the needs of thousands of small farmers who had to buy their requirements from this supply of foreign wheat because their own Government forbade them from growing what they were capable of producing for their own needs.

The bill which I am introducing today contains the same essential provisions which were included in legislation passed by the Senate in both the 84th and 85th Congresses. It is also related to legislation which I have urged the Congress to enact for the past 3 years. On March 2, 1955, when I first introduced the bill to release farmers from these restrictions, I said:

> It is a regrettable situation when our farm people are not permitted to produce enough grain to maintain the economic balance of their farms. I feel certain that Congress did not intend to so restrict the agricultural industry, but that the restriction was accidentally imposed by the wording of the legislation. My proposal would amend the existing law in such a way that there would be no acreage controls where grain is consumed on the premises of a given farm.

In view of the action which Congress took last year there is no longer any basis for the feeling the inequities still in this law are not intentional and considered. I am certain that justice and reason will eventually prevail and I am calling for the Congress to act now rather than at some time in the distant future when popular indignation may force it to act.

This bill in no way constitutes a threat to the wheat program despite the apparent sensitivity which certain large wheat producers display when this subject is mentioned. To maintain a proper perspective, I want to point out that this bill would accord farmers the same freedom with respect to growing wheat for their own use that they now have with respect to other seed and feed crops. Why granting this fair treatment should generate such a storm of

controversy and resistance in the Congress is difficult to understand. Controversy notwithstanding, I think it is time we look at the facts and let our action here be motivated by reason and fairness. I regret to say that this is not the case under the present law, even though it is several shades better than the law which prevailed until last year.

In closing, let me say that it may not be possible to unravel quickly the tangle of controls imposed on the farmer today. This system has developed over years of Congressional tinkering with agriculture—a system which too often can be translated into the theorem that the large farmers and corporate agriculturists get the support and the small farmer gets the controls. As odious as these controls are, some fear has been expressed that a drastic and serious reaction might follow any overnight release from the regimentation in which the farmer finds himself. Nevertheless, there are some restrictions such as I attack in my bill, which can be abolished without harm. The most violent reaction that could result would be the astonishment of the American farmer that some small measure of his lost freedom to manage his own affairs has been returned to him.

It is my earnest hope that the Committee on Agriculture will see fit to consider this bill and permit it to be brought to this floor for debate.

BUILD PLANTS TO CONVERT SALT WATER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. ROOSEVELT] may extend his remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, I would like to call the attention of the House to a resolution which I have introduced that would effectuate the work that is being very ably carried out by the Saline Water Department of the Department of the Interior.

Mr. Speaker, I cannot emphasize too strongly the vital character of this work. Since the enactment in 1952 of the Saline Water Conversion Act the program has made significant strides in a field that has great implication of benefit to the water-poor here and throughout the world.

In this country the problem of adequate water supply is reaching crisis proportions. In my own State of California this crisis is being met by a long-term water plan involving an estimated expenditure of $15 billion for conventional constructions such as dams, reservoirs, and aqueducts. California is not in an exceptional situation. Similar plans are being forced all over the country. Moreover, arid areas in various parts of the country are wastelands for the purpose of contributing to the economy, because of lack of water, or the unsuitable nature of the existing water.

Clearly there is a crying need for expansion of water facilities into new fields. Even with the institution of water plans similar to that of California, the present inadequacies cannot help but be renewed in the future. Further, a supplementary method of deriving potable water must be the only answer to feeding lands which have no fit water supply to draw from, but do have, as is often the case, a water supply too high in saline content for human consumption or irrigation purposes.

The research and development work of the Saline Water Department holds the answer to these key questions. Starting in 1952 from a point where conversion of saline water was in its experimental infancy, the Department has acted as the focal point for research, both by stimulating the interest of private and public organizations and coordinating the activities in the field, and by conducting research and technical development through grants and contracts with individuals and institutions.

In the short space of 6 years, conversion of saline water has become not the experimental possibility that it was, which high costs blocked in practical application, but an operating reality. In 1956 desalting plants manufactured by a Cambridge, Mass., firm began to turn out 86,400 gallons of pure water a day on the Island of Bahrein in the Persian Gulf—enough to supply the drinking and cooking needs of a community of 5,000. On Morro Bay in California, the Pacific Gas & Electric Co. is using converted sea water for its industrial needs, and to supply the water needs of its personnel.

I want to underscore the point that the impact of progress has ostensibly been made by private industry. It is my contention that the time has come for the Government to reap some of the benefits of its support of the Saline Water Department's programs, and to pull together under one administration the working product of the research that has been done. Conversion of salt and brackish water has progressed to the point at which no further significant value can be derived from additional experimental work. Small pilot plants have contributed vital information to the total body of knowledge in the field, but their use has been outlived. They have demonstrated that saline water conversion is a fact. Now it is time for the next step. Full scale demonstration plants that are actually set up to provide fresh water for commercial and municipal use are the necessary link between research and the wide practical application of that research.

My resolution will provide for three such plants, each to meet differing needs and each using methods best applicable to those needs. Adequate appropriation is provided, part of which is to be used to study distribution systems in each locality.

In addition to the intrinsic value of such plants in meeting the water needs of communities, public construction on the large scale that will be involved will have a beneficial effect on the economy by providing employment for both construction and operation of the plants.

Even more important is the compelling significance that this demonstration will have throughout the world. In a day when Soviet scientific advances have undermined American prestige abroad, the value of successful demonstration plants is increased tremendously. The gift of water to the Middle East, to Africa, and to many parts of Asia will win more good will for the United States than any sputnik ever could. The contest between East and West in scientific development and invention is becoming more and more intense. We have the means at hand to push ahead in an area that can personally affect the lives of millions of people. Now, of all times, we must not pass up the opportunity to make the push, and to show to the world our concern for the well-being of people everywhere.

MONEY TO OPERATE THE CIVIL RIGHTS COMMISSION

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. ROOSEVELT] may extend his remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, almost 6 months have now passed since the Civil Rights Commission presumably could have become operative through the President's signature of the Civil Rights Act of 1957 on September 9. Violations of the civil rights of our citizens continue to occur. It is small comfort indeed to know that Congress has acted to protect those rights, when the machinery for protection cannot be used.

The action of the Judiciary Committee of the other body yesterday is some encouragement. While Mr. Tiffany cannot yet take office as staff director of the Commission, he is at least now on the payroll. His first official act should certainly be a justification for the appropriation that will put the Commission in business. Apparently everything awaits this justification. In any event, there can be no excuse now for further delay. The Commission, as represented by Mr. Tiffany, and the Appropriations Committees must act together with speed to finally fulfill the law. For the benefit of those who, like myself, believe this matter is most important, I shall log the days that elapse before the Appropriations Committee receives justification from the Civil Rights Commission.

CRISIS IN THE COTTON INDUSTRY

The SPEAKER. Under previous order of the House, the gentleman from Maine [Mr. COFFIN] is recognized for 30 minutes.

Mr. COFFIN. Mr. Speaker, I am taking the time of the House today to talk about the crisis in the cotton economy. It used to be that this meant scattered industrial interests in the northeast corner of our Nation. It now stretches the full length of the eastern seaboard, runs across the middle and Deep South and ends in the West. It now covers the landowner, the producer, the broker, the

manufacturer, the exporter, the laborer, the consumer.

The problem is big enough, broad enough, and bad enough to warrant the immediate attention of both the legislative and executive branches of Government.

This is the situation we face today.

First. The ordinary problems of the industry—competition with other fibers and synthetics, competition with low-cost cotton imports—have been sharply aggravated by the forces of nature. Largely because of the unfavorable weather at harvest time last fall, the 1957 cotton crop is far below average in quality. As a result, a shortage of the better grades of cotton is developing. At the same time many cotton textile mills, not only in Maine and in other New England States, but in the South are either closed or are operating at partial capacity. They cannot pay current market prices for high quality cotton and sell their products in competition with domestic goods made from synthetic fibers or sell them in competition with goods made abroad from lower-priced cottons. Since 1950 New England has lost 130,000 textile jobs, 20,000 in the past year. The present shortage of good cotton threatens to be the last straw needed to break the camel's back.

Second. The cumulative effect of all of the cotton problems could further the already tragic attrition in a once thriving industry—at a time when unemployment is rife. Few, if any, opportunities exist to take up the slack.

Third. It lies within the power of Government to stave off a final disaster in the industry by legislation which will not be excessively costly or difficult to administer. The wealth of proposals on both sides of the Capitol are evidence of the existence of practicable legislative weapons in our arsenal.

Fourth. The time for solution is short. If action is to take place in time to help our farms and our industries during the current year, by helping make more high-grade cotton available, it should be done within the next 3 weeks.

Fifth. There is an appalling lack of unity in constructive thinking. Indeed, we may be in the position of the donkey who starved to death because he found himself between two stacks of hay and could not make up his mind which one to eat. Unless a new focus is placed on common objectives, and a new willingness to compromise comes into being on the part of the administration, farm and manufacturing groups, and the Members of Congress, idle farms, closed factories, and even more widespread unemployment will be the evidence of our failure to solve our own problems in a time of need.

It seems to me that there is enough common recognition of basic needs to justify the coming together of all elements of the cotton economy and the two branches of Government. These are the following:

First. If we are to remain strong as a Nation we cannot consider the cotton farmer, the manufacturer, or the textile worker—or any significant proportion of them—expendable.

Second. Notwithstanding the ultimate philosophy or goals of the administration, farm groups, manufacturers, or Members of Congress, there is a need for immediate action this year to prevent the excesses of hasty, unplanned, unprepared-for liquidations, unemployment, and farm closings. Even those who would like to see the Government get out of the cotton business cannot sensibly urge this step at a time when shortages and the recession conspire against any alternative way of earning a living.

Third. There is a need for more good-quality cotton as soon as possible. Prompt legislation can help serve this aim.

Fourth. There is a need for preventing any serious dislocation in the total income received by farmers, particularly the smaller units which are less able to survive quick and drastic changes in price levels. Legislation can help prevent such a dislocation.

Fifth. There is a need to help manufacturing establishments offset the two-fold drain on their markets caused by (a) using their tax moneys to (b) make low-price cotton available to their overseas competitors. Legislation can help to some extent by placing all cotton prices, domestic and foreign, on the same basis; by giving the mills a discount in the price of a certain proportion of their cotton; or by stimulating in other ways an increased ability to develop foreign markets. Should a one-price system be adopted, mills caught with a high-cost inventory, which would otherwise be unable to make the transition to lower price cotton, should be provided with a cost-differential cushion during the transition.

Sixth. There is a need to prevent large increases in the prices to consumers of textile products—which would occur should the short supply of higher grade cotton continue.

Seventh. There is a need to be as economical as possible in undertaking any cotton program, but it is generally realized that the lack of any program will be infinitely more costly to this Nation in the closing of farms and factories.

These, then, are the bases on which a cotton program for the immediate future can be built.

Mr. Speaker, I have just introduced four bills which seek, in different ways, to provide at least some roadblocks to chaos in cotton. I shall attempt to show how each of these fits into a balanced cotton program. I claim no authorship of these bills, except as to details which I shall mention. Indeed, such is the number of proposals on hand, that one who would seek timely action is well advised to rely as much as possible on existing proposals rather than to try to introduce at this date a radically new approach.

First. My first bill—H. R. 10899—identical to that of the gentleman from Missouri [Mr. JONES]—H. R. 10510—would seek to stimulate a greater supply of high-quality cotton. Under this proposal, a producer would be allowed to increase his cotton acreage by 25 percent over his present allotment under the price-support program. He would receive the present support price on cotton produced under his current acreage allotment. The cotton grown on the additional acreage would not be supported.

This would impose on the farmer little or no risk arising from a commitment to existing acreage. There would be no cost to the Government. It would stimulate a larger supply of better grade cotton, with resulting lower price premiums for these grades, and would thus be of ultimate benefit to the mills.

Second. The second bill—H. R. 10897—is identical with a bill introduced by the gentlemen from Texas [Mr. KILGORE]—H. R. 10580. This bill seeks simply to stimulate a greater supply of high-quality cotton by allowing producers to increase their acreage over current allotments by 30 percent, and receive a support price of 75 percent of parity for cotton produced on their new total acreage. If a producer chose not to increase his acreage under this program he would receive the current higher support price. He has his choice. In addition, the Commodity Credit Corporation would be directed, on August 1, 1958, and thereafter, to sell any of its stocks for 80 percent of parity plus carrying charges, or a market price, whichever is higher. This would, therefore, stimulate increased production of good cotton and make relatively low price cotton available to the manufacturer and ultimately the consumer. Our mills would be much more competitive with foreign manufacturers. This program would not, in my opinion, be excessively costly.

In fact, I would consider either of these two bills a rockbottom minimum if we are to do anything at all. Under present circumstances of supply, if there were to be continued opposition to such proposals as these, we would, Mr. Speaker, be justified in concluding that the cotton economy is deemed expendable.

Third. A third bill—H. R. 10896—is similar, but not identical, to that introduced by the gentleman from Maine [Mr. MCINTIRE]—H. R. 10624. This bill would simply direct that no less than 25 percent of surplus cotton sold or exchanged for export under the authority of the Commodity Credit Corporation Charter Act or the Agricultural Trade Development and Assistance Act shall be in the form of cotton textiles or products thereof. My proviso would waive this mandate wherever substantial damage to the existing markets of friendly countries might take place if this proposal were applied.

The objective of this bill is similar to H. R. 7446, which I, along with other Members, including the chairman of the Agriculture Committee, introduced last year. That bill seeks to help our mills develop or regain foreign markets from which they have been deprived, partly at least because of our double standard which enables foreign competitors, who have lower labor costs, to acquire American raw cotton at lower prices than those available to United States manufacturers.

The theory of the friendly nation proviso is that a strenuous effort should be made, without substantial prejudice

to existing alliances, or friendly relationships, to explore areas where there is need for textile products, where a present service can be rendered, and a future market developed. I do not believe such an effort has been made. It would seem singularly strange if such areas did not exist. My information, for example, is that some parts of Latin America would fill this description.

Fourth. My fourth bill—H. R. 10898—differs from the other three in that it contemplates a more long-range approach. It would protect the income of producers, yet eliminate the current export subsidy programs on cotton by allowing market prices to prevail both in domestic and foreign markets. This is the approach of the bill introduced last year by the gentleman from Missouri [Mr. JONES]—H. R. 9134—with one significant addition. This additional provision is designed to meet the problem which would confront a number of mills on passage of the bill. Since cotton would then be sold at a market price less than that presently applicable to domestic manufacturing, mills with high cost inventories would be threatened with the irony of liquidation at the very moment of success in stabilizing the cotton economy.

To avoid this precipitate inventory devaluation, I have added the following provision:

The Commodity Credit Corporation shall, upon the presentation of satisfactory evidence, reimburse cotton textile mills for losses on 1958 or older cotton and cotton goods on hand October 1, 1959, at a rate per pound of cotton or its equivalent in processed or semiprocessed goods equal to the difference between (a) the average spot market price of middling inch cotton for the 12 calendar weeks immediately preceding October 1, 1959, as determined and announced by the Secretary and (b) the average spot market price of middling inch cotton for the 12 calendar weeks immediately following October 1, 1959.

Mr. Speaker, I believe that a combination of the proposals I have described will provide a sound approach to the crisis in cotton. There may well be other proposals equally worthy of consideration. The vital point is that the executive branch, the Committee on Agriculture, and all interested Members manifest a spirit of concern, imaginative thinking, and constructive compromise. Only in such a spirit, now, lies a hopeful answer to the question: Is the cotton economy expendable?

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. COFFIN. I yield to the gentleman from Iowa.

Mr. GROSS. Is not the Tariff Commission doing anything for you in the northeast who are being punished by imports?

Mr. COFFIN. At the present time, so far as I know, there is no proceeding under way on behalf of the cotton textile industry before the Tariff Commission.

Mr. GROSS. Some of us would welcome the gentleman to join us in the move we have started to try to do something about the extension of the Reciprocal Trade Agreements Act. We would be very happy to have the gentleman's support.

Mr. COFFIN. I recognize the work that the gentleman is doing, but it should not be necessary that we would have to have recourse to higher tariffs.

It ought to be that we could stimulate within our own country the opportunity to explore other areas where there could be markets without going back to the last ditch of tariff protection.

Mr. GROSS. I might say to the gentleman there are at least a few of us around here who feel that this continued foreign aid is an instrument by which the production of American manufacturers is being cut. We are building these industries and supplying them with material to send back to this country on a virtually free-trade basis. Some of us think that by cutting foreign aid to an irreducible minimum we will be helping the people of this country in more ways than one.

Mr. COFFIN. I appreciate the gentleman's remarks. He and I have taken opposite sides on that question. I think that within the context of the foreign aid program more ought to be done to see what the impact of that program might be on affected industries in various areas of our own country.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. COFFIN. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I want to congratulate the gentleman from Maine [Mr. COFFIN] for his very able speech, particularly for the fight he is making to see that proper compensatory considerations are given to the textile industry and other affected industries. I have always been a strong supporter of the reciprocal trade law, but where American industry is adversely affected compensatory considerations properly could be extended without interfering with the Reciprocal Trade Agreements law, because, in my opinion, defeat of the Reciprocal Trade Agreements law would have a disastrous effect on the foreign policy of our own country. Immediately upon defeat, if that should take place, there would be a stunning realization of that fact, on the part of the American people. Within our power to legislate, I must say within the domestic action that we take, the Congress of the United States and the executive branch can and should take steps so that an American industry seriously affected would receive compensatory considerations. As I understand it, that is the manner in which the gentleman approaches the question.

Mr. COFFIN. That is correct. I may say to the distinguished majority leader that I look upon the business of reciprocal trade as a two-way street. One street affects our dealings with nations overseas. But at the same time there are problems that should be tackled by a strong and imaginative leadership at home. I think my leader will agree with me.

Mr. McCORMACK. I may say that the Democratic platform, of which committee I was chairman in the 1956 convention, speaks for itself in that particular respect.

Mr. GROSS. I am disturbed by those—and I see the campaign beginning—who now advocate compensatory payments that arise out of conditions, such as the pouring of billions of dollars into foreign countries to build up industries and to provide them with low cost materials to ship back into this country. If we are going to provide compensatory payments, we are going to pay the freight both ways for the foreigners.

Mr. McCORMACK. Is the gentleman undertaking to quote me? I said compensatory considerations. There are many ways that can be done without payment. It could include payments, I will agree to that, but not necessarily confined to that.

Mr. GROSS. I would think compensatory considerations would certainly mean compensatory payments—compensation for business loss.

Mr. McCORMACK. I may say to the gentleman it might not necessarily mean that. It could embrace it but not necessarily be confined to that.

Mr. COFFIN. I would like to say to my friend and the other Members in the Chamber that I much appreciate their listening to this description of a very serious problem that I know is not confined to my District.

THE CIVIL RIGHTS ACT OF 1958

The SPEAKER. Under previous order of the House, the gentleman from Illinois [Mr. DAWSON] is recognized for 20 minutes.

Mr. DAWSON of Illinois. Mr. Speaker, I have introduced a bill H. R. 10928, entitled "A bill to protect and enforce the constitutional rights of all persons to the equal protection of the laws, and for other purposes," which, I hope, will be enacted by this Congress as "The Civil Rights Act of 1958."

The Federal courts have opened the way for America to fulfill its traditional goal of equal justice under law for all persons. The false doctrine of legalized separation, which was used to support the many cruel and indecent discriminations inflicted upon millions of Americans solely because of their ancestry or color, is now dissipated. No longer may government power be legally used to compel racial segregation.

Much progress has been made during the past 4 years in giving increased meaning to the blessings of liberty and constitutional rights for many Americans. This progress has been accompanied by, indeed it has been due to, the support of the majority of Americans, including the churches, professions, business, labor, veterans, and the rank and file of Americans.

However, there are still many areas, and many groups, that refuse to comply with the requirements of the Constitution and the courts. They foment strife and violence in an effort to preserve an outmoded system of caste and second-class citizenship, and to deny the basic right of equal justice to many American citizens simply because of their race, color, or religion.

The Congress is dutybound to protect the constitutional rights of the people whom it represents. The Civil Rights Act enacted last September was an ini-

tial, but minimum, step in that direction. The events of the past 5 months have shown, however, that this act is not enough—that more must be done to give vitality to the glorious promise of our Constitution.

The bill which I have introduced will not create new civil rights; it will simply provide additional practical means for protecting the existing rights to equal protection of the law which are now guaranteed by our Constitution. Title I will authorize the Secretary of Health, Education, and Welfare to provide technical assistance to aid, through educational means, in preventing or eliminating denials of constitutional rights based on racial or religious grounds. Title II will authorize Federal grants of funds needed by States or school districts to desegregate their public schools in compliance with the decisions of the Federal Courts. Title III will authorize the Secretary of Health, Education, and Welfare to work out plans for desegregation of public schools in cooperation with the affected communities.

This bill will also authorize the Attorney General to seek the aid of the courts to achieve elimination of public-school segregation, to protect the constitutional rights to equal protection of the laws for persons who because of poverty or community hostility are unable to institute court suits, to prevent interference with officials who are seeking to provide equal protection of the laws, to prevent interference with persons obeying a court order protecting such rights; and to protect those who are being denied their constitutional rights because they have protested actions which deny such rights to others.

This bill will put the Government squarely on the side of the protection of constitutional rights. It is high time that this be done. More than 10 years ago, President Truman, standing before the Lincoln Memorial, said in his profound speech of June 29, 1947:

> Civil rights today means not only protection of the people against the Government, but protection of the people by the Government.

That is indeed the true measure of fulfillment of our national destiny and tradition.

Mr. Speaker, our Nation cannot afford the passive, do-as-little-as-possible attitude which the President and the Attorney General have been expressing. Plans and programs must be provided to deal with the mounting crisis of widespread resistance to law and order and to protect the constitutional rights of all Americans. Unless we do so, we may see increased violence and disregard of law which will weaken our national strength and unity. Mr. Speaker, I hope that this bill will be promptly enacted.

USE OF DEFENSE SUPPORT FUNDS FOR ECONOMIC AND POLITICAL PURPOSES

The SPEAKER. Under previous order of the House, the gentleman from Virginia [Mr. HARDY] is recognized for 10 minutes.

Mr. HARDY. Mr. Speaker, yesterday I transmitted to my colleagues in the House and the Senate copies of a report by the International Operations Subcommittee, entitled "Use of Defense Support Funds for Economic and Political Purposes." The report, which was unanimously approved by both the subcommittee and the full Government Operations Committee, is based largely on the findings of the subcommittee during a 4-week trip last fall to some nine countries, including those of Southeast Asia, in which American foreign-aid programs are operated.

One of the most serious defects of our aid program, which we found was common to every country we visited, is that the people do not appear to realize that what we are trying to accomplish is for our mutual benefit. They do not seem to understand us, and too often this results in downright distrust. Frankly, I believe that it is understandable since most of them can only guess what we are like through their observation of the way our aid program is being carried out.

We are supporting and helping to train enlarged military forces and furnishing quantities of military hardware. We are building numerous monumental projects, such as the several superhighways under construction in Southeast Asia. But we are spending mighty little of this money on activities which will produce an immediate impact on the average citizen of these countries. The lack of planning and the haphazard spending in certain countries are hurting our own prestige and may be doing little, if anything, to help the economy of the host country. For example, in one country the International Cooperation Administration has spent much time improving and increasing local plywood production. Production within the next 6 months is expected to be increased 300 percent—that is about 200 percent more than can be consumed locally. This sounds fine until you discover that the absence of export opportunities had been overlooked and nothing had been done to develop a market for this surplus production. Since the break-even point is approximately 80 percent of capacity it is easy to see that the plywood industry of that country may soon be bankrupt. That kind of aid does no one any good.

In another country we found that ICA had built a cement mill in a location so isolated that it had no way of shipping its finished product to the market.

We are building highways that go nowhere, from the standpoint of tapping economic resources, and fumbling along on capital projects which have taken so long that American engineers and construction processes are becoming a laughingstock among the natives. One fertilizer factory has taken so long to complete that the local government has begged us to let them take it over so that they can get it finished. A textile mill which has been under construction for 5 years is standing idle because it is not equipped to turn out anything but "grey goods" for which there is no market.

The people see these things, and it is small wonder that they have questions.

This morning I read in the Washington Post a letter from a young Vietnamese girl. Her letter demonstrates an awareness of many of the problems that lie in the path of clear friendship and understanding between the people of Vietnam and those of the United States. Her inquiries go, of course, far beyond the subject of foreign aid. They show, however, in my opinion, that she put a lot of thought on these problems. She appears to be honestly seeking answers. I think she should have a chance to get them.

There is no better way for this girl to find the answers to her questions, it seems to me, than to visit this country and get them firsthand. I believe also that this girl can help us by explaining just how the Vietnamese feel about America, point up to us why they feel that way and where our effort to develop a close relationship and an enduring friendship with them has fallen short.

Accordingly, I have today, with the approval of Mr. DAWSON, chairman of the Committee on Government Operations, extended to her an invitation to visit the United States, confer with my subcommittee in order that we may discuss the questions she has raised, and other questions troubling us, that I feel sure she can help us answer—for the benefit of the committee, the Congress, and the country.

Since her identity is known only to the managing editor of the Washington Post, Mr. Alfred Friendly, I have directed the letter of invitation to him, with the request that he forward it to this courageous young lady as expeditiously as possible.

The letter from this Vietnamese girl reads as follows:

Mr. ALFRED FRIENDLY,
Managing Editor, the Washington Post and Times Herald, Washington, D.C.

DEAR MR. FRIENDLY: I am a little Vietnamese girl. I saw your name in a newspaper and decided to write to you because your name sounded the nicest.

Here are some questions I would like to know about America, for now Vietnamese people are living under the help of your country.

I would also like to let you know what I think about America. These questions are my doubts toward your country. If you answer my questions, I am sure that all the other Vietnamese will appreciate it.

1. Does American Government help us because of friendly reasons or by its own interests?

As for me I think that American Government help Vietnamese people because of these principal reasons:

(a) Commercial point of view: Vietnam will be a big market for the commerce and industry of America.

(b) Strategic point of view: Vietnam will be used to stop communism.

2. Is it right that the policy of American Government is to assimilate all the countries living under its help?

3. Will Americans go home soon or will they stay in Vietnam for a hundred years?

4. Do American people know that Ngo Dinh Diem is an American puppet as some of the Vietnamese think?

5. Do American people know that 95 percent Vietnamese people don't like them?

Mr. Friendly, I found that although we live under the help of Americans but we don't like Americans, we don't get along with Americans.

6. What do Americans think about Vietnamese people? Do they consider us as Negros in America?

7. Is President Eisenhower influenced by big capitalists such as General Motors, General Electric, or other interests?

8. Why are there still a lot of white Americans do not get along with black Americans? Do they still have the impression that black Americans are their slaves?

I think America is a democratic and free country so such a colored separation must be ended. The trouble at Little Rock, do you think that was a big shame hung over America?

9. What do Americans think about the Russian man-made moon and 150 atomic submarines?

I think that's a big mortification for American Government.

10. Do you agree with me that Americans do not have man-made moon because American spies could not work in Russia?

(Russians control their country very rigid.)

11. How can Hollywood make James Dean more popular than President Eisenhower in Vietnam?

If America is really a democratic country, I am sure that your Government will let you answer all of my questions.

Sincerely yours and thanks,

Miss Lê-My.[1]

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. HARDY. I yield to the gentleman from Iowa.

Mr. GROSS. The report which the gentleman calls attention to came to my desk this morning. I had only a chance to look it over very casually and very briefly, but I certainly commend it to every Member of the House of Representatives.

Mr. HARDY. I thank the gentleman very much.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

BELIEVE IN AMERICA WEEK

The SPEAKER. Under previous order of the House, the gentleman from New Jersey [Mr. CANFIELD] is recognized for 5 minutes.

Mr. CANFIELD. Mr. Speaker, calling for an end to defeatist attitudes and the restoration of American sanity, courage, and progressiveness, the Paterson (N. J.) Evening News today carries a leading editorial projecting a Believe in America Week, this to be proclaimed by the governors of our 48 States.

This inspiring and challenging editorial emphasizes that a country is only so strong as its people are willing to be strong and it asks such questions as:

How mixed up can we get?

Are we rock-and-roll crazy?

What about American resourcefulness, ingenuity, determination, and knowledgeability?

It holds that people can talk themselves into being sick and in essence our America is now in the throes of a psychosomatic slump.

Forty-eight proclamations by 48 governors, the Paterson News concludes, can help prevent a depression by adopting an antidote, this antidote being 48 proclamations urging the American people to maintain their faith and belief in America.

The editorial reads as follows:

A PLAN TO END DEPRESSION TALK IN THE UNITED STATES

No cause, no purpose, nothing is of avail unless there is a deep and abiding belief in it.

A country is only so strong as its people are willing to be strong, and its progress and growth and strength are measured by the dedication of its citizens.

America was born of a principle, the right to the pursuit of life, liberty, and happiness. The Pilgrims crossed what were then still uncharted, foreboding seas, to come to a land of wilderness, to found a land of freedom.

So this is America, greatest country in the world, principal bastion of freedom, around which radiates the hope of millions upon millions of people against the slavery of despotism and dictatorship.

Men and women have died by the millions to preserve America, to keep it thriving, pulsating.

Must we die, should our only willingness to fight for these United States be in the blood of our young pouring out in battle? Should we not fight just as courageously to maintain a happy life?

These are days different than when Washington lived. Now we have two kinds of war, the war on the battlefield, in the air, of the atom and the rocket, and the cold war. Each is devastating in its finality.

THE CHALLENGE TO THE UNITED STATES

A country like the United States, steeped in democracy and willing to free deadly Communist spies just to preserve our own priceless free-speech heritage, must be on the alert 24 hours a day, 365 days a year, against the deadly preachments and onslaught of conniving communism.

The Machiavellian Soviet leaders, aware of our penchant for freedom and protection of it in all its connotations, dont' want a killing war.

But they do want to keep the cold war aboiling, to mix a metaphor. They send up a sputnik, and in 24 hours, a nation that was economy bent, suddenly goes panicky and and is ready to spend billions to counteract it. The Commies proclaim the newly discovered virtues of their wonderful school system in which every boy and girl is a budding scientist ready to discover some new and frightfully superior wonder to envelop America. So liberty-loving and fun-seeking Americans panic all over again—more schools, more universities, more colleges—make everybody a scientist.

How mixed up can we get? Are we rock-and-roll crazy? What about American resourcefulness, ingenuity, determination, knowledgeability?

Have we lost it all?

Do we have to have a depression because the propagandists say conditions are bad?

Of course conditions aren't the best. You can't tell a man who's out of a job that he's making good pay. Just as you can't convince the fellow who has a headache that he's in tiptop shape.

WE CAN TALK OURSELVES INTO IT

But by the same token, we can talk ourselves into being sick. A fellow will walk down the street feeling tops, all's well with the world. Another will come along and tell him he doesn't look well. By golly, within 30 seconds, the clouds are in the skies, the poor victim is beginning to feel sick to his stomach and in 5 minutes, all's wrong with the world.

Doctors call this condition psychosomatic. The illness is more mental than physical.

A person with nothing wrong can overnight become a real patient with an illness as bad as if it weren't fancied. You're as sick as you believe you are.

America is now in the throes of a psychosomatic slump.

The more we talk about depressions and about how bad business is, the worse we shall become.

The "disease" is contagious. People who are doing well—perhaps better than ever—begin to worry. They reason: Maybe conditions are bad.

Better retrench. Won't buy that new car we had planned; make last year's suit do; cancel out the new clothes; forget about a new refrigerator, or gas or electric stove—was gonna buy a new heating system for the house, or pick up an air conditioner in anticipation of a hot summer.

Cancel all these things out. Better warn sister Josie, cousin Emil; have a chat with those nice neighbors next door.

Depression: The cry begins to echo through the land. The politicians, those hearty fellows who love to spout and maybe thus hurt the fellow in the other party, make the halls resound with their mournful wailing. Their bellies are full; they're continuing to reap their own harvests.

But their pitiful cries about the plight of the Nation add to the heart-rending scene.

So people stop buying. Business slows down in the stores. Clerks are laid off.

MANUFACTURING A DEPRESSION

The stores stop buying, cancel their orders in the factories. So factories shut down.

Auto dealers are loaded with cars because the people who could buy aren't. They've heard about a depression. So the auto factories shut down.

No autos? No refrigerators? No gas stoves?

So the steel mills shut down.

Thus is a depression born.

Well, Mister and Missus America, we've got enough built-in safeguards against depression in this country to make it unlikely to happen.

If there is a depression, it will be man-made, made by all of us.

So we propose that something be done about it.

Let's start believing in America.

If all over this land of ours, those of us who need things and have postponed buying them, were to start buying what we need, stores would hum, mills would start booming, and the unemployed would in short order be back on the job.

America can be as healthy as its people want it to be.

BELIEVE IN AMERICA WEEK

We propose that every governor in every State in the United States, proclaim Believe in America Week, say, from March 23 to 29.

Believing in America will only be translating into tangible action the inherent, abiding faith of our Founding Fathers and of our people since the United States came into being—that this is the greatest country on earth.

The Communists would love a depression in the United States.

So what's not to the liking of the Commies is what's good for us in this country.

To every governor in these United States, we are sending this message of Believe in America Week, in the solemn and deep feeling that the best answer to a threatened depression is to prevent it.

And the best way to prevent it is to adopt the antidote. The best antidote is to do something about it instead of waiting for the ailment to creep up on us.

Believe in America?

Well, say so, and make your word count with action.

---

[1] A pseudonym.

THREAT TO FM RADIO

The SPEAKER. Under previous order of the House, the gentleman from Massachusetts [Mr. PHILBIN] is recognized for 5 minutes.

Mr. PHILBIN. Mr. Speaker, many people interested in FM radio transmission and broadcasting are deeply aroused concerning the current radio frequency study of the Federal Communications Commission, which they believe may possibly result in drastic changes in the FM broadcast band.

The numerous communications I have received protesting any interference by the FCC with current FM broadcast bands, without exception express strong opposition to interference with present radio broadcast frequencies. These people are concerned on two basic grounds—first, the present desirable programing would be affected and, secondly, that changes in the broadcast band would render obsolete existing equipment and require new equipment, as was the case in the early days of FM broadcasting when changes were made that not only inconvenienced the listeners, but cost them large sums to replace equipment outmoded by the new orders.

I think that the fact of the matter is that the American public, in increasing numbers, is listening to FM radio as a means of escape from some radio and television programs that they feel do not live up to their standards. I have received a large number of complaints, too voluminous to reproduce here, about current audio and visual programs.

It is my opinion, as the result of these complaints, that there is widespread dissatisfaction among the American people with the many present radio and television programs and that this situation is causing an increasing number of people to be more or less indifferent to the use of their radio and television sets. On the whole, this sentiment poses real problems for the great communications industry identified with public broadcasting.

I have had innumerable people write and inform me that they are not listening to some current programs, and are carefully selecting their airwave viewing and listening. This situation points up the importance of FM radio listening, which, I think, has increased in the past few years, not only because of reduced interest in some regular programs, but also because of the growing national interest in good music—both classical and popular.

It is quite evident, I think, that there is a great increase in daily listeners to the selective programs of FM broadcasting, which, in the main, give the people what they want without intolerable accompaniments.

"Hi-fi" has undoubtedly, not only richly improved the broadcasting techniques, but it has attracted many listeners. The combination of fidelity in reproduction and selectivity in presenting desirable classical and popular musical and other interesting programs has brought good music and educational subjects right into the homes of the American people to a greater extent than ever before.

The rapid development of electronic techniques has encouraged millions of people to purchase new sets—FM radio tuners, amplifiers, and speaker systems, which have improved and clarified reception to a remarkable degree. Naturally, the people, who are benefiting so much as the result of FM broadcasting, look with real concern and anxiety upon any regulation of FCC, which would render their equipment obsolete because their previous experience in this regard is well remembered.

So far as the public is concerned, the FCC action in 1945, changing the FM band, appears in retrospect, not only to have been pointless, but harmful to the postwar FM industry and those interested in the production and listening side of it. I think that the Nation could profitably dispense with a repetition of this sorry experience. It will be recalled that in 1945, the FCC changed the FM band from about 50 megacycles to the present 88 to 108 megacycles and at once rendered much FM radio broadcasting and receiving equipment obsolete. This move virtually stifled a new industry just beginning to serve the American people to their satisfaction. It was annoying and costly to many people.

The FCC study includes in its agenda a proposed reduction of the present inadequate FM band. Since a wider band is much less susceptible to noise and interference than ordinary broadcasts, FM permits wide range, high fidelity sound production. To narrow the FM band would, it can be seen, have serious effects upon FM receivers by reducing the accuracy of the reception and increasing the likelihood of conflicting stations. This would be most unfortunate.

Another proposal to change the FM band to a higher frequency would also render obsolete all current receivers and transmitters and reduce the coverage area to ranges of about 25 miles, which, in the case of my own State of Massachusetts, would restrict our metropolitan area stations to a relatively small, geographical area and would leave most of the State uncovered.

If this were done, it would mean that my district and other districts in central Massachusetts would be deprived of such outstanding FM programing as live broadcasts of the Boston Symphony, recorded lectures from our great Massachusetts schools, colleges, and universities, which are located in the Boston area, and lectures from the Boston Museum of Fine Arts.

Such a restriction would practically eliminate for most of Massachusetts about 600 hours of most desirable listening on the air waves monthly by Boston FM stations.

In my opinion, this is one of the most important functions which radio and television can serve; that is, to promote the educational and cultural interests of the American people. Any medium, which can bring good music, sculpture, art, literature, science, medicine, language and the humanities and liberal arts into the homes of the public, not only deserves to be encouraged, but its broadcasts should be put on high priority.

No special economic and financial interests should be allowed to deprive the American people of the benefits of education, culture, science, and spiritual enlightenment that can come over our FM programs and air waves. Instead of being unduly restricted, these programs should be greatly expanded, in order to bring the real values of life, of religion, of democracy, of learning, spiritual truth and moral principle into the everyday family life of average Americans.

This general question of auditory and visual communication is one of the most vital which we are considering in the Congress. Defense and national security are essential, to be sure, but in the last analysis there can be no real defense or national security, unless down deep in the hearts and minds of the American people, there is that moral tone, national pride, integrity of purpose, dedication of spirit, purity of motive, and finally, the spunk and determination to protect our way of life at all costs. If we fail in developing and conserving our way of life, or, what is worse, if we stand by complacently and unmoved to see its most precious values desecrated and debased in the press and on the air waves by modern pagans and radical ideologists, there will in time, I fear, be no way of life worth saving, nor will there be the spirit, the will, the power to save it when its basic values have been grossly distorted and its defenders disarmed.

I think that this fundamental question has been very unwisely handled from the start. To what extent selfish interests have been able to dictate policy in this field, I am not prepared to state; but it is my view that there is ample room here for vigorous searching by Members of Congress and by our appropriate committees to dig out the facts and to put our great communication and related industries on the proper beam so that they will be truly responsive to the heartbeats of America and to the demands of our people in this advanced, atomic-space age.

I urge that the Federal Communications Commission, in considering the question of FM broadcast, may proceed very carefully and deliberately in this area with the thought in mind that the wrong decision would cause disruption and chaos, not only in new business enterprises of importance in the Nation, but also to the American listening public, which is entitled to some escape from clatter, clack, and sordidness and to full opportunity for that cultural advancement and intellectual development we need in this great, growing Republic.

I include as part of my remarks the following interesting provocative news articles on this subject, which recently appeared in the Worcester, Mass., Evening Gazette and the Christian Science Monitor, published in Boston, both able articles touching upon serious FM problems now confronting us:

[From the Worcester Gazette of December 14, 1957]

FCC STUDYING SHIFT IN RADIO FREQUENCY

(By Douglas Trussell)

WASHINGTON.—The Federal Communications Commission is studying a possible reshuffling of certain broadcast frequencies

affecting the Nation's more than 12 million FM radio sets.

The investigation is part of a look at a broad area of the radio band running between 25 and 890 magacycles to see if present assignments are in tune with the public need. Frequency modulation, the static-free postwar phenomenon, has only a comparatively small chunk of the radio spectrum under study—88 to 108 megacycles. But an abrupt change in frequency allocations, FM protests to the FCC indicate, may mean a hardship.

If other users encroach on their space, or if the Government earmarks another location on the dial for FM, any listening customers who find themselves with outmoded sets will be lost.

Besides the statements from FM broadcasters seeking to keep their current assignments on the radio band, the Commission this week started sifting through a huge batch of documents from other interests using the frequencies in question. Some want to expand their operations and demand that the current system of megacycle assignments be overhauled. The FCC even has a request from one applicant that space on the dail be earmarked for rockets and satellites so that beep-beeps can be turned in on the family radio. Some frequency-modulation people claim it all adds up to a drive to edge them out.

The FM industry is asserting itself with special vigor in order to recover from losses of the past few years. Last year the number of FM stations was about 550 compared to the more than 1,000 stations licensed in 1948. This year, however, pointed to a comeback, with the number of stations and production of sets on the upswing. For one thing, the hi-fi rage with its accent on "fine" listening, has educated a good segment of the public in favor of the kind of perfect reproduction, especially of music, that FM can come close to reproducing—supplying background music for eating places, supermarkets, dentists' waiting rooms, and other subscribers.

It's this latter feature of the industry's revived operations that has caused another worry, however, for FM broadcasters. Even apart from fears over what may happen to their frequency assignment, many station owners are troubled by an FCC order that will force them to convert to a new transmission system to carry subsidiary services. FM stations supplying background music to special subscribers now use the so-called simplexing method. This means that FM listeners at home hear the same programs that are beamed to the special subscribers. The FCC, though, has directed stations with subsidiary operations to switch to a new system—multiplexing—which channels a different program to the background-music customer and the general public.

The worry of many broadcasters in this case is not so much a loss of customers as it is a dollars-and-cents proposition. The change-over to multiplexing, they claim, will be expensive; also, they insist the new system hasn't been perfected. The FCC, on the other hand, says the conversion is needed to prevent stations from concentrating on the profitable-subsidiary services at the expense of the general listening public that wants high-quality programing. Less than a week ago, however, the Commission relented and gave FM stations more time in which to convert to multiplexing by extending the conversion deadline from January 1 to March 1.

In the meantime, the question of a possible frequency change—which will have more direct impact on the FM fan—is before the FCC. A quick decision is not anticipated. More likely, the Commission will schedule a series of public hearings at which the pros and cons of such a move can be debated at length.

[From the Christian Science Monitor of December 11, 1957]

FCC PROPOSAL POSES THREAT TO HI-FI BAND

(By Albert D. Hughes)

BOSTON.—Are the high-fidelity broadcasting stations and the great numbers of hi-fi sets owned by good-music enthusiasts throughout the Nation—representing millions of dollars of investment—headed for obsolescence?

They will be unless the Federal Communications Commission's recently proposed order of rulemaking is changed. This order would reallocate the entire spectrum of radio frequencies in the band between 25 and 890 megacycles.

What concerns the frequency modulation (FM) broadcasters—and should alert hi-fi listeners—is the FCC's proposal to reduce FM band width in the portion of the radio spectrum they now occupy in order to make room for more stations. The extra frequency allocations are being sought, it is learned, by the trucking industry for mobile communications.

Narrowing the FM channels, it is pointed out by radio engineers, would almost completely eliminate the hi-fi elements from FM broadcasting. Band width promotes high fidelity, they point out, and its reduction would negate the value of the money which has been spent to send out and receive programs at their fullest fidelity.

APPEALS BROADCAST

Concern over these proposed changes has reached such a pitch that station WXHR, one of the Boston area's good-music stations in Cambridge, has been broadcasting appeals to listeners to write their Senators and Representatives in Congress to head off the proposed changes.

Suggestions also have been made that listeners write directly to their Massachusetts representatives on the House Interstate and Foreign Commerce Committee, under whose scrutiny comes the operations of the FCC. These Members are Representative JOHN W. HESELTON, Republican, of Deerfield, and Representative TORBERT H. MACDONALD, Democrat, of Malden.

The peril to FM listeners, according to local radio industry opinion, lies in the fact that such powerful groups as the National Association of Manufacturers and the Electronic Industry Association favor the changes.

One suggestion has been proposed that the FM channels be moved up into the higher frequency portion of the spectrum, perhaps in the area where the languishing ultra-high-frequency television stations are operating.

Radio-engineering opinion again states that this move would drastically reduce the coverage area of FM stations from about 100 miles down to 25 miles. In Greater Boston alone, it is said, this reduction in service area would deprive approximately 150,000 urban and "exurban" listeners of FM programs they are now hearing.

A case could be made for the contention that the reductions of FM channels and alloting of some of them to the trucking interests would be a direct violation of the "public interest, convenience and necessity" clause by which the Commission is presumed to judge its allocations. For in so doing, it is said, the FCC would turn over frequencies which are in wide public use to the restricted use by a private group.

There are several aspects favoring FM broadcasting, it has been said, which should make the FCC consider long and thoughtfully before it approved a proposal to limit it.

QUALITY STRESSED

The most important of these aspects is the fact that FM, long a stepchild of the radio industry, has found its way into public listening esteem because of the sheer quality of the job it has done. For most FM broadcasters their efforts have been very nearly a labor of love. There certainly has not been much profit in FM broadcasting—until very recently with the growth of listeners.

It is estimated that in Greater Boston alone approximately 50 percent of all radio homes have FM reception available in some form. In fact, it is further explained, that in such cities as Los Angeles, San Francisco, Chicago, Washington, Philadelphia, and New York, FM listeners constitute the same percentage of radio listeners.

Programwise, FM broadcasters have a record which the conventional AM broadcasters would find it hard to match. In Boston, where opinion holds that FM stations have made an outstanding performance, broadcasts of the Boston Symphony Orchestra, for instance, are also relayed by other local FM stations and, in addition, are picked up by a rural New York State network of five FM stations.

Station WGBH–FM and TV, Boston's educational radio and television station, relays French and British plays produced by the national broadcasting organizations of those countries, provides recorded lectures and music from the great universities, colleges, and schools in the area, and broadcasts art features from the Boston Museum of Fine Arts.

Station WXHR, in particular, broadcasts 18 hours of fine music a day, a program unmatched in this city and perhaps in other cities with FM stations. In the good-music field alone, Boston FM stations put out some 600 hours of recorded music a month, including two to three full-length operas and vocal works.

MORALITY IN GOVERNMENT

Mr. PELLY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. PELLY. Mr. Speaker, sometimes I wonder if it would not be feasible to allocate valuable TV channels by competitive bidding. In the 83d Congress, I remember, as a then member of the House Interstate and Foreign Commerce Committee, being dissatisfied with the answer of the then chairman of the Federal Communications Commission as to how selections between applicants were made. There seemed to be some vague criteria for awarding radio channels. For example, it was said the Commission preferred not to award a radio channel to a newspaper in order to stimulate competition in the communications field, so there was some basis of selection. However, I recall it was stated that competition was not a factor in the award of TV franchises. There was no set formula spelled out to us and since the latter franchises, by my understanding, could each be worth $1 million, I have never been happy with the system.

The current investigation of the House Committee on Legislative Oversight is bringing to public light this situation and the manner in which there has been interceding and attempts to influence the decision of the Federal Communications Commission in the award of licenses for radio and television outlets.

Statements of various witnesses before the subcommittee are shocking, and

while the hearing is not a trial nor a place or time to fix individual guilt, the system stands indicted as wrong. Of whatever type, omission or commission, the error of our way is proved beyond a doubt.

Mr. Speaker, as with a court of law the facts should determine the action of a commission. Any more than with a judge, there should be no communication with a commissioner except of record.

Our judicial system operates, I am glad to say, under a well-established code of ethics. So should quasi-independent regulatory commissions and, likewise, Members of Congress. Financial or social favors, or conflicts of interest, should be spelled out as improper.

In H. R. 10631, which I introduced on February 10, 1958, suggested codes of official conduct are set forth. In connection with the executive branch of Government, in this bill an amendment to the Administrative Procedure Act is proposed so that it would be improper conduct for any officer or employee in the executive branch of the Government—(a) to engage, directly or indirectly, in any personal business transaction or private arrangement for personal profit which accrues from or is based upon his official position or authority or upon confidential information which he gains by reason of such position or authority; (b) to accept, directly or indirectly, any valuable gift, favor, or service from any person with whom he transacts business on behalf of the United States; (c) to discuss or consider future employment by any person outside the Government with whom he is transacting business on behalf of the United States; (d) to divulge confidential commercial or economic information to any unauthorized person, or to release any such information in advance of the time prescribed for its authorized release; or (e) to become unduly involved, through frequent or expensive social engagements, with any person outside the Government with whom he transacts business on behalf of the United States.

Likewise it would be improper conduct for any officer or employee in the executive branch of the Government who, on behalf of the United States, participates in the negotiation of contracts, the making of loans, the granting of subsidies, the fixing of rates, or the issuance of valuable permits or certificates to act in any manner in any official transaction or decision which affects chiefly a person, first, by whom he has been employed or with whom he has had any economic interest within 2 years prior to the time of such transaction or decision, or second, with whom he has any economic interest at the time of such transaction or decision.

Also, it would be improper conduct for any former officer or employee in the executive branch of the Government (a) at any time, to appear before the agency of the Government in which he was formerly employed in connection with any case or other matter with which he was directly connected while an officer or employee; or (b) at any time, to participate in the preparation of any such case or other matter.

Furthermore, it would be improper conduct for any former officer or employee in the executive branch of the Government of Grade GS–15 or above, or of equivalent rank, for a period of 2 years after the termination of his services as an officer or employee, to appear before the agency of the Government in which he was formerly employed as the representative of any person outside the Government.

Any of the improprieties which have been stated, of course, would involve another party, one who would employ knowingly, or give to or discuss with or persuade, or involve through entertainment any guilty Government officer or employee. My bill provides any such person or persons would be guilty of improper conduct.

The bill provides, in turn, for penalties such as dismissal or a procedure barring an appearance before an agency of the Government or from doing business with it.

As for the code for the legislative branch, the bill amends the Legislative Reorganization Act of 1946 so that it shall be improper conduct for any Member of Congress or employee in the legislative branch of the Government (a) to engage, directly or indirectly, in any personal business transactions or private arrangement for personal profit which accrues from or is based upon his official position or authority or upon confidential information which he gains by reason of such position or authority; (b) to accept, directly or indirectly, any unusual and valuable gift, favor, or service from any person directly affected by or having a substantial interest in the action taken by the Congress with respect to any legislation; (c) to vote in a Congressional committee or on the floor of Congress, or to act in any official capacity on any legislation in which such Member or employee has a substantial and direct financial interest, unless prior to such vote or action such Member of employee shall disclose to the Secretary of the Senate in the case of Members and employees of the Senate or the Clerk of the House of Representatives in the case of Members and employees of such House, and there is published in the CONGRESSIONAL RECORD upon the instance of such Secretary or Clerk, a full statement of the nature and extent of such interest, and of such Member's or employee's intention not to disqualify himself for such vote or action; (d) to discuss or consider future employment by any person outside the Government with whom such Member or employee in the course of his official duties is carrying on any discussion or transaction with respect to any legislation directly affecting such person or in which such person has a substantial interest; (e) to divulge confidential information acquired within the course of his official duties to any unauthorized person, or to release any such information in advance of the time prescribed for its authorized release; (f) to become unduly involved, through frequent or expensive social engagements, with any person outside the Government with whom such Member of employee in the course of his official duties is carrying on any discussion or transaction with respect to any legislation directly affecting such person or in which such person has a substantial interest; (g) to intercede other than by an appearance of record with any agency or department of the Government in any attempt to influence it in any specific case in the exercise of its judicial or quasi-judicial functions; or (h) to accept, directly or indirectly, any valuable gift, favor, service, or compensation from any person in whose behalf such Member or employee intercedes with any agency or department of the Government.

For the purpose of paragraph (a) of this section, a personal business transaction or private arrangement for personal profit which accrues from or is based upon a Member's or employee's official position or authority shall not include a transaction or arrangement for the making of a personal appearance, delivery of a speech, lecture or address, or preparation of an article or other matter for publication by a Member or employee, which is not in the performance of any of his official duties and for which he receives only a fee or compensation related to the value of the services performed unless said transaction or arrangement is with an individual or organization sponsoring legislation or registered under the Federal Lobbying Act.

The bill provides that it shall be improper conduct for any former Member of Congress, who directly or indirectly solicits, collects, or receives money or any other thing of value as compensation for his services in, or to be used principally in, influencing the action taken by the Congress with respect to any legislation (a) to attempt, directly or indirectly, to influence such action without complying with the provisions of the Federal Regulation of Lobbying Act; or (b) to exercise his right of access to the floor of Congress in any effort to influence such action.

The bill recognizes, as with the officials and employees of the executive branch, improper conduct as outlined for the legislative branch would involve persons having a substantial interest in any action of the Congress and its legislation. Any such person who would give to, discuss with, persuade, or become involved in a way improper for Members or employees of the legislative branch would likewise be deemed to act improperly, and similarly penalties are provided.

In the case of a Member of Congress a statement of any misconduct, after notice and hearing by the Speaker of the House or the President of the Senate, would be published in the CONGRESSIONAL RECORD.

Finally, let me say that the bill calls for disclosure of certain information as follows:

Each Member of the Senate and House of Representatives—including each Delegate and Resident Commissioner, each officer and employee of the United States—including each officer and enlisted person in the Armed Forces who, first, receives a salary at the rate of $10,000 or more per annum or, second holds a position of grade GS–15 or above,

or of equivalent rank, and each member, chairman, or other officer of the national committee of a political party, shall file annually with the Comptroller General a report containing a full and complete statement of, first, the amount and sources of all income received by him during the preceding calendar year; and second, the value of each asset held by him, or by him and his spouse jointly, and the amount of each liability owed by him, or by him and his spouse jointly, as of the close of the preceding year.

Then in addition each person would be required to file a report semiannually with the Comptroller General containing a full and complete statement of all dealings in securities or commodities by him, or by any person acting on his behalf or pursuant to his direction, during the preceding 6-month period.

The reports shall contain or be verified by a written declaration that it is made under penalties of perjury. Any person who willfully fails to file a report or who willfully and knowingly files a false report shall be fined $2,000 or imprisoned for not more than 5 years, or both.

In conclusion, Mr. Speaker, let me strongly urge my colleagues to consider the importance of such legislation. It is timely and highly important to establish a system of honor and integrity in public service.

CLERK TO THE PARLIAMENTARIAN

Mr. McCORMACK. Mr. Speaker, I offer a resolution (H. Res. 486) and ask for its immediate consideration.

The Clerk read the resolution as follows:

Resolved, That effective March 1, 1958, the basic compensation of the Clerk to the Parliamentarian of the House shall be at the rate of $5,000 per annum. The additional amount necessary to carry out this resolution shall be paid out of the contingent fund of the House until otherwise provided by law.

The resolution was agreed to.

A motion to reconsider was laid on the table.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. ROBERTS (at the request of Mr. RAINS), for an indefinite period, on account of illness in the family.

To Mr. ASHMORE, for the remainder of the week, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. DAWSON of Illinois (at the request of Mr. PRICE), for 20 minutes, today, and to revise and extend his remarks.

Mr. MEADER (at the request of Mr. LAIRD) vacated the special order he had for today and received permission to address the House for 30 minutes tomorrow.

Mr. BEAMER vacated the special order granted him for Thursday next.

Mr. PHILBIN, for 5 minutes, today.

Mr. BAILEY, for 20 minutes, tomorrow.

Mr. HARDY, for 10 minutes, today.

Mr. CANFIELD (at the request of Mr. BALDWIN), for 5 minutes, today.

Mr. DORN of New York (at the request of Mr. BALDWIN), for 15 minutes, tomorrow.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mrs. KEE.

Mr. YATES to revise and extend his remarks made in Committee of the Whole and include extraneous matter.

Mr. RODINO and to include extraneous matter.

Mr. COOLEY (at the request of Mr. PRICE) and to include extraneous matter.

Mr. BROWNSON and include extraneous matter.

Mr. McCORMACK on the subject Estonia Independence Day.

Mr. DAGUE and to include a newspaper article.

Mr. O'KONSKI.

Mr. JONAS to include in his remarks today a letter from the Comptroller of the United States to the Secretary of Agriculture.

Mr. KEATING and to include extraneous matter.

Mr. ROOSEVELT (at the request of Mr. McCORMACK) and to include extraneous matter.

Mrs. GRANAHAN.

Mr. CANNON to include extraneous matter in his remarks made today.

ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 9955. An act to provide for a temporary increase in the public debt limit;

H. J. Res. 417. Joint resolution for the relief of Edward H. Turri and Mario Guiffre;

H. J. Res. 429. Joint resolution to facilitate the admission into the United States of certain aliens;

H. J. Res. 435. Joint resolution for the relief of certain aliens;

H. J. Res. 436. Joint resolution to facilitate the admission into the United States of certain aliens; and

H. J. Res. 437. Joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens.

BILL AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, a bill and joint resolutions of the House of the following titles:

H. R. 9955. An act to provide for a temporary increase in the public debt limit;

H. J. Res. 417. Joint resolution for the relief of Edward H. Turri and Mario Guiffre;

H. J. Res. 429. Joint resolution to facilitate the admission into the United States of certain aliens;

H. J. Res. 435. Joint resolution for the relief of certain aliens; and

H. J. Res. 436. Joint resolution to facilitate the admission into the United States of certain aliens.

ADJOURNMENT

Mr. COFFIN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 33 minutes p. m.), the House adjourned until tomorrow, Wednesday, February 26, 1958, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1640. A letter from the Secretary of Commerce, relative to furnishing additional material relating to iron and steel scrap in connection with executive communication No. 414, dated February 1, 1957, pursuant to section 2 of Public Law 631, 84th Congress; to the Committee on Banking and Currency.

1641. A letter from the Chairman, United States Civil Service Commission, transmitting a draft of proposed legislation entitled "A bill to amend section 7 of the Administrative Expenses Act of 1946, as amended, to provide for the payment of travel and transportation cost for persons selected for appointment to certain positions in the continental United States and Alaska, and for other purposes"; to the Committee on Government Operations.

1642. A letter from the Secretary of Commerce, transmitting certain reports for partial restoration of the balances withdrawn from the appropriations "Salaries and expenses, Bureau of Foreign Commerce" (1361800), and "Export control, Bureau of Foreign Commerce" (1361801), pursuant to Public Law 798, 84th Congress; to the Committee on Government Operations.

1643. A letter from the Archivist of the United States, transmitting a report on lists or schedules covering records proposed for disposal by certain Government agencies, pursuant to the act approved July 6, 1945 (59 Stat. 434); to the Committee on House Administration.

1644. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation entitled "A bill to approve the order of the Secretary of the Interior canceling and adjusting irrigation charges, Wind River Indian irrigation project, Wyoming"; to the Committee on Interior and Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. COOLEY: Committee on Agriculture. Supplemental report. H. R. 376. A bill to amend the Commodity Exchange Act to

prohibit trading in onion futures in commodity exchanges; without amendment (Rept. No. 1036, pt. 2). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H. R. 10843. A bill to amend section 114 of the Soil Bank Act with respect to compliance with corn acreage allotments; without amendment (Rept. No. 1382). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H. R. 10316. A bill to exclude Ottawa County, Mich., from the commercial corn-producing area during 1958; without amendment (Rept. No. 1383). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. S. 846. An act for the establishment of a National Outdoor Recreation Resources Review Commission to study the outdoor recreation resources of the public lands and other land and water areas of the United States, and for other purposes; with amendment (Rept. No. 1386). Referred to the Committee of the Whole House on the State of the Union.

Mr. O'BRIEN of New York: Committee on Interior and Insular Affairs. H. R. 4634. A bill to amend the act entitled "An act to create a legislative assembly in the Territory of Alaska, to confer legislative power thereon, and for other purposes" with respect to the incorporation of certain businesses; without amendment (Rept. No. 1387). Referred to the Committee of the Whole House on the State of the Union.

Mr. O'BRIEN of New York: Committee on Interior and Insular Affairs. H. R. 8476. A bill to amend the Hawaiian Homes Commission Act, 1920, to extend the period of tax exemption of original lessees from 5 to 7 years; without amendment (Rept. No. 1388). Referred to the Committee of the Whole House on the State of the Union.

Mr. O'BRIEN of New York: Committee on Interior and Insular Affairs. H. R. 9461. A bill to amend the joint resolution of the Legislature of the Territory of Hawaii, as amended by the act of August 23, 1954, to permit the granting of patents in fee simple to certain occupiers of public lands; without amendment (Rept. No. 1389). Referred to the Committee of the Whole House on the State of the Union.

Mr. BLATNIK: Committee on Public Works. H. R. 5033. A bill to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Friar Point, Miss., and Helena, Ark.; without amendment (Rept. No. 1390). Referred to the House Calendar.

Mr. BLATNIK: Committee on Public Works. H. R. 9653. A bill to provide that the Fort Gaines lock and dam on the Chattahoochee River shall hereafter be known and designated as the Walter F. George lock and dam; without amendment (Rept. No. 1391). Referred to the House Calendar.

Mr. MADDEN: Committee on Rules. House Resolution 483. Resolution for consideration of H. R. 8547, a bill to authorize the disposal of certain uncompleted vessels; without amendment (Rept. No. 1392). Referred to the House Calendar.

Mr. TRIMBLE: Committee on Rules. House Resolution 484. Resolution for consideration of H. R. 376, a bill to amend the Commodity Exchange Act to prohibit trading in onion futures in commodity exchanges; without amendment (Rept. No. 1393). Referred to the House Calendar.

Mr. DELANEY: Committee on Rules. House Resolution 485. Resolution for consideration of H. R. 4504, a bill to encourage the improvement and development of marketing facilities for handling perishable agricultural commodities; without amendment (Rept. No. 1394). Referred to the House Calendar.

Mr. O'BRIEN of New York: Committee on Interior and Insular Affairs. H. R. 8482. A bill to authorize the commissioner of public lands of the Territory of Hawaii to exchange certain public lands for private lands of equal value required for public highway purposes; with amendment (Rept. No. 1406). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. CHELF: Committee on the Judiciary. House Joint Resolution 529. Joint resolution for the relief of certain aliens; with amendment (Rept. No. 1384). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 8348. A bill for the relief of Michael Romanoff; with amendment (Rept. No. 1385). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 1329. A bill for the relief of Massman-Patti-Tanner Mitchell; with amendment (Rept. No. 1395). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 6731. A bill for the relief of Harry Slatkin; without amendment (Rept. No. 1396). Referred to the Committee of the Whole House.

Mr. BURDICK: Committee on the Judiciary. H. R. 7944. A bill for the relief of the Spera Construction Co.; without amendment (Rept. No. 1397). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 8433. A bill for the relief of Capt. Laurence D. Talbot (retired); without amendment (Rept. No. 1398). Referred to the Committee of the Whole House.

Mr. BURDICK: Committee on the Judiciary. H. R. 9990. A bill for the relief of Dr. Raymond A. Vonderlehr; without amendment (Rept. No. 1399). Referred to the Committee of the Whole House.

Mr. BURDICK: Committee on the Judiciary. H. R. 9991. A bill for the relief of Felix Garcia; without amendment (Rept. No. 1400). Referred to the Committee of the Whole House.

Mr. BURDICK: Committee on the Judiciary. H. R. 9992. A bill for the relief of James R. Martin and others; without amendment (Rept. No. 1401). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 10220. A bill for the relief of William E. Nash; without amendment (Rept. No. 1402). Referred to the Committee of the Whole House.

Mr. BURDICK: Committee on the Judiciary. S. 573. An act conferring jurisdiction upon the United States Court of Claims to hear, determine, and render judgment upon a certain claim of Mrs. Walter E. von Kalinowski; without amendment (Rept. No. 1403). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. S. 674. An act for the relief of Cale P. Haun and Julia Fay Haun; without amendment (Rept. No. 1404). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. S. 888. An act for the relief of Alex P. Collins; without amendment (Rept. No. 1405). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BAKER:

H. R. 10949. A bill to provide a temporary reduction in the individual income tax; to the Committee on Ways and Means.

H. R. 10950. A bill to provide that, effective July 1, 1958, the individual income tax shall be reduced by 10 percent; to the Committee on Ways and Means.

By Mr. FLOOD:

H. R. 10951. A bill to amend the Flood Control Act of 1936 with respect to the flood-control project on the North Branch of the Susquehanna River, in Wilkes-Barre and Hanover Townships, Pa.; to the Committee on Public Works.

By Mr. HOLT:

H. R. 10952. A bill to amend the provisions of law providing programs of financial assistance in the construction and operation of schools in areas affected by Federal activities to eliminate certain restrictions herein; to the Committee on Education and Labor.

By Mr. JACKSON:

H. R. 10953. A bill to amend the Tariff Act of 1930 to permit temporary free importation under bond for exportation, of articles to be repaired, altered, or otherwise processed under certain conditions, and for other purposes; to the Committee on Ways and Means.

By Mr. JONES of Missouri:

H. R. 10954. A bill to provide for emergency credit to farmers and stockmen in certain disaster areas to refinance certain indebtedness, and for other purposes; to the Committee on Agriculture.

By Mr. KEOGH:

H. R. 10955. A bill to amend title II of the Social Security Act to permit any instrumentality of two or more States to obtain social security coverage, under its agreement, for those of its employees who are in policemen's or firemen's positions covered by a retirement system and who desire such coverage; to the Committee on Ways and Means.

By Mr. LONG:

H. R. 10956. A bill making appropriations for the fiscal year ending June 30, 1959, to maintain the Army at the strength authorized by law; to the Committee on Appropriations.

By Mr. McINTIRE:

H. R. 10957. A bill to facilitate the insurance of loans under title I of the Bankhead-Jones Farm Tenant Act, as amended, and the act of August 28, 1937, as amended (relating to the conservation of water resources), and for other purposes; to the Committee on Agriculture.

H. R. 10958. A bill to amend the Tariff Act of 1930 as it relates to spring clothespins; to the Committee on Ways and Means.

By Mr. MASON:

H. R. 10959. A bill to reduce the individual income tax by 10 percent, effective January 1, 1958; to the Committee on Ways and Means.

By Mr. PELLY:

H. R. 10960. A bill to amend section 41 of the Longshoremen's and Harbor Workers' Compensation Act so as to provide a system of safety rules, regulations, and safety inspection and training, and for other purposes; to the Committee on Education and Labor.

By Mrs. ROGERS of Massachusetts (by request):

H. R. 10961. A bill to provide ocular and dental outpatient treatment for certain veterans; to the Committee on Veterans' Affairs.

By Mr. SAUND:

H. R. 10962. A bill to amend the public assistance provisions of the Social Security Act to provide increased payments, eliminate

certain inequities and restrictions, and permit a more effective distribution of Federal funds; to the Committee on Ways and Means.

By Mr. BROYHILL:

H. R. 10963. A bill to prohibit the immediate demolition of certain dwellings being acquired in connection with the Chantilly Airport site, Virginia, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HENDERSON:

H. R. 10964. A bill to amend the Agricultural Adjustment Act of 1938 to provide for penalties paid by certain wheat producers on account of wheat which was used on the farm in certain prior years; to the Committee on Agriculture.

By Mr. HILL:

H. R. 10965. A bill to facilitate the insurance of loans under title I of the Bankhead-Jones Farm Tenant Act, as amended, and the act of August 28, 1937, as amended (relating to the conservation of water resources), and for other purposes; to the Committee on Agriculture.

By Mr. McGOVERN:

H. R. 10966. A bill to establish a comprehensive family farm income improvement and protection program, to provide additional consumer safeguards, to enable farmers to keep market supplies of farm commodities in reasonable balance with demand therefor, and for other purposes; to the Committee on Agriculture.

By Mr. ROOSEVELT:

H. R. 10967. A bill to establish a comprehensive family farm income improvement and protection program, to provide additional consumer safeguards, to enable farmers to keep market supplies of farm commodities in reasonable balance with demand therefor and for other purposes; to the Committee on Agriculture.

By Mr. SAUND:

H. R. 10968. A bill to amend title V of the Agricultural Act of 1949 to require additional agreements from employers with respect to certain agricultural workers, and for other purposes; to the Committee on Agriculture.

By Mr. SPENCE:

H. R. 10969. A bill to extend the Defense Production Act of 1950, as amended; to the Committee on Banking and Currency.

By Mr. TALLE:

H. R. 10970. A bill to extend the Defense Production Act of 1950, as amended; to the Committee on Banking and Currency.

By Mr. WHITTEN:

H. R. 10971. A bill for the purpose of erecting in Walnut, Miss., a Federal and post-office building; to the Committee on Public Works.

By Mr. McFALL:

H. R. 10972. A bill to amend the Federal Airport Act in order to extend the time for making grants under the provisions of such act; to the Committee on Interstate and Foreign Commerce.

By Mr. NIMTZ:

H. R. 10973. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income for certain amounts paid by a teacher for his further education; to the Committee on Ways and Means.

By Mr. DENT:

H. R. 10974. A bill to amend title II of the Society Security Act to increase benefits, to increase the earnings includible in computing benefits, to eliminate age requirements for spouse's benefits, to reduce retirement age (with full benefits for both men and women) to 60, to reduce the outside earnings permitted without deductions from benefits, and for other purposes; to the Committee on Ways and Means.

By Mr. HOLLAND:

H. R. 10975. A bill to amend title II of the Social Security Act to increase benefits, to increase the earnings includible in computing benefits, to eliminate age requirements for spouse's benefits, to reduce retirement age (with full benefits for both men and women) to 60, to reduce the outside earnings permitted without deductions from benefits, and for other purposes; to the Committee on Ways and Means.

By Mr. LANE:

H. R. 10976. A bill to provide a 5-year program of assistance to enable depressed segments of the fishing industry in the United States to regain a favorable economic status, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. LIBONATI:

H. R. 10977. A bill to amend title II of the Social Security Act to increase benefits, to increase the earnings includible in computing benefits, to eliminate age requirements for spouse's benefits, to reduce retirement age (with full benefits for both men and women) to 60, to reduce the outside earnings permitted without deductions from benefits, and for other purposes; to the Committee on Ways and Means.

By Mr. O'KONSKI:

H. R. 10978. A bill to prohibit the charging of a fee to view telecasts in private homes; to the Committee on Interstate and Foreign Commerce.

By Mr. ZABLOCKI:

H. R. 10979. A bill to prohibit discrimination because of age in the hiring and employment of persons by Government contractors; to the Committee on the Judiciary.

By Mr. MULTER:

H. R. 10980. A bill to establish a Small Business Investment Corporation to furnish needed equity capital to small-business concerns in the United States, and for other purposes; to the Committee on Banking and Currency.

By Mr. SHEEHAN:

H. J. Res. 548. Joint resolution designating October 31 of each year as Youth Honor Day; to the Committee on the Judiciary.

By Mr. HILL:

H. J. Res. 549. Joint resolution designating the week of November 21-27, 1958, as National Farm-City Week; to the Committee on the Judiciary.

By Mr. HORAN:

H. Con. Res. 275. Concurrent resolution to celebrate the 20th anniversary of the Civil Aeronautics Administration; to the Committee on the Judiciary.

By Mr. O'HARA of Minnesota:

H. Con. Res. 276. Concurrent resolution accepting the statue of Maria Sanford, presented by the State of Minnesota, to be placed in Statuary Hall; to the Committee on House Administration.

H. Con. Res. 277. Concurrent resolution to place temporarily in the rotunda of the Capitol a statue of Maria Sanford, and to hold ceremonies on such occasion; to the Committee on House Administration.

By Mr. ANFUSO:

H. Con. Res. 278. Concurrent resolution requesting further negotiations between the United States and the Republic of Panama with respect to the Panama Canal; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BROWNSON:

H. R. 10981. A bill for the relief of Maria Cristina White and Beverly Ann White; to the Committee on the Judiciary.

By Mr. BURNS of Hawaii:

H. R. 10982. A bill for the relief of Kau Ci Wun; to the Committee on the Judiciary.

H. R. 10983. A bill for the relief of Leonard James Staples, his wife, Joyce Mary Staples, and their two minor children, Leonard Staples, Jr., and Wayne Staples; to the Committee on the Judiciary.

H. R. 10984. A bill for the relief of Chok Yuen Ng; to the Committee on the Judiciary.

By Mr. DELANEY:

H. R. 10985. A bill for the relief of Grazia Rosselli; to the Committee on the Judiciary.

By Mr. JACKSON:

H. R. 10986. A bill for the relief of Mrs. Madeline Storm; to the Committee on the Judiciary.

By Mr. MACHROWICZ:

H. R. 10987. A bill for the relief of Wladyslaw Olynik; to the Committee on the Judiciary.

By Mr. PATTERSON:

H. R. 10988. A bill for the relief of Anthony P. Bushman; to the Committee on the Judiciary.

By Mr. RAY:

H. R. 10989. A bill for the relief of Sister Alphonsus Marie (Miss Mary Grace Padovano); to the Committee on the Judiciary.

H. R. 10990. A bill for the relief of Sister Mary Dulcis (Miss Mary Teresa Di Iola); to the Committee on the Judiciary.

H. R. 10991. A bill for the relief of Sister Marie Bernard (Miss Nicolina Cusa); to the Committee on the Judiciary.

H. R. 10992. A bill for the relief of Sister Eucharia (Miss Philomena Iannucci); to the Committee on the Judiciary.

By Mr. SAUND:

H. R. 10993. A bill for the relief of Kiiko Nemoto; to the Committee on the Judiciary.

By Mr. BOLAND:

H. Res. 487. Resolution to refer to the Court of Claims the bill (H. R. 9552) for the relief of Harvey-Whipple, Inc.; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

434. By Mr. BROWNSON: Petition of Mrs. Lucy Burkhart, Indianapolis, Ind., and 23 others calling for the passage of legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce and its broadcasting over the air, a practice which nullifies the rights of the United States under the 21st amendment to control the sale of such beverages; to the Committee on Interstate and Foreign Commerce.

435. By Mr. BUSH: Petition of John Q. Timbrell and other citizens of Columbia County, Pa., petitioning the Congress for favorable action on a bill to grant pensions for all veterans of World War I; to the Committee on Veterans' Affairs.

436. By Mr. NIMTZ: Petition of John F. Kubley and 120 other citizens of Plymouth, Ind., expressing opposition to any system of paid television; to the Committee on Interstate and Foreign Commerce.

437. By the SPEAKER: Petition of the executive director, American Municipal Association, Washington, D. C., relative to "the inadequate performance of the Civil Aeronautics Board," and recommending investigation and remedial legislation to provide for more efficient regulated air service; to the Committee on Interstate and Foreign Commerce.

438. Also, petition of the chairman, Conference of Americans of Central-Eastern-European Descent, New York, N. Y., relative to proposing a policy of full inclusion of naturalized citizens in claim settlements in accordance with the concepts of Public Law 857, 81st Congress; to the Committee on Interstate and Foreign Commerce.

EXTENSIONS OF REMARKS

Lithuanian Independence Day

EXTENSION OF REMARKS
OF
HON. JOHN MARSHALL BUTLER
OF MARYLAND
IN THE SENATE OF THE UNITED STATES
Tuesday, February 25, 1958

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement prepared by me commemorating the 40th anniversary of Lithuanian independence.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR JOHN MARSHALL BUTLER COMMEMORATING THE 40TH ANNIVERSARY OF LITHUANIAN INDEPENDENCE

When we speak of Lithuania, we refer to more than a country—we have in mind a brave and gallant people whose fine qualities contribute to the traditions of many other nations in which they may live. It has been said that one of the most important factors of America's success has been its ability to accept and preserve the rich heritage and culture that the forefathers brought with them from their homelands across the seas.

America at its greatest reflects the traditions of other lands just as our history records the many brave and gallant deeds and the manifold contributions of peoples of many national origins.

The people of Lithuania have made a notable contribution to America. Although Lithuania is not a large nation, its peoples' deep religious faith, reverence for freedom and independence, tenacity and gallantry, and resistance to oppression have kept this nation among the most important in Europe for countless centuries. We in America, as well as the people of the other nations of the world, are greatly indebted to Lithuania.

It is, therefore, most appropriate that freedom-loving people throughout the world pause to do homage to Lithuania upon its 40th anniversary of independence.

During the early days of governmental development in Europe, Lithuania set the pattern of noble principles which henceforth would be the mark of the Lithuanian nation. Indeed, this early period from 1200 to 1450 is often referred to as the golden age of Lithuanian history. Unfortunately, the glories, the prosperity and the freedom of these days were not to last. Union with Poland, the rise of Prussia and Austria compromised Lithuanian independence in the centuries to come. Finally, in 1795, Lithuania, along with Poland, suffered the tragic fate of being partitioned among the then powerful nations of Europe and it was Lithuania's unhappy lot to be annexed to the Russian Empire.

Imperial Russia throughout the 19th and 20th centuries was no less oppressive than the dominance of Soviet Russia today. The harshest policies were invoked to crush and destroy the Lithuanian people. Patriots were deported, heroes executed, and schools and universities closed. The national language was outlawed and the name of Lithuania was even removed from all maps. However, with steadfast devotion to their high principles, the Lithuanian people carried on under adversity and on the 16th of February 1918 asserted their independence.

Ranking among the great tragedies of history are those dark days in 1939 when, without provocation, Soviet Russia seized Lithuania by military force. Once again the freedom, independence and democracy cherished by the Lithuanian people became both a memory of the past and a dream for the future. The tragedy of world events during the past two decades brings remorse and sadness to the hearts of all of us. The merciless depravity of the Communist dictators, their never-ending cruelties and relentless pressure to stamp out every trace of Lithuania's great national heritage continue without pause. As in the past, however, these efforts have been totally unsuccessful. Lithuania is neither broken nor discouraged by the stark realities of the present. The will to resist grows stronger with every outrage committed against them. While the future remains to be told, one factor has been established for all time—the undying will of the Lithuanian people to be free.

We in America, as well as her countless friends throughout the Free World, will also remain true in our struggle to free Lithuania and the other freedom-loving nations of Europe which are now under the Communist yoke. We shall take courage from the valor of the Lithuanian people of today and of the past. We shall be sustained by their devotion to our common cause. We shall continue to struggle with every resource at our command to overcome the Communist conspiracy which would enslave the entire world and which now has gallant Lithuania within its grasp. We will be steadfast in the principle that all peoples can live in peace, at liberty and with honor.

I salute the people of Lithuania and join with free people throughout the world in praying that liberty and independence will soon be restored to them.

Estonia Is Still on the Map

EXTENSION OF REMARKS
OF
HON. JAMES ROOSEVELT
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 25, 1958

Mr. ROOSEVELT. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement on commemorating the 40th anniversary of the proclamation of independence of the Republic of Estonia:

ESTONIA IS STILL ON THE MAP

Maps are very important, but they never tell the human story behind the lines and colors. When one looks at a map of Europe today, he sees that the Baltic States are all the same color, usually red. They are red because they have been incorporated into the U. S. S. R. One of freedom's brightest beacons, Estonia, has been swallowed up by the Russian octopus.

Before 1940 a map of Europe would have shown a small, proud Estonia crowning the eastern shore of the Baltic Sea. Its people were an ethnically distinct group, proud of their history, dating from 3300 B. C., with an individual culture, a growing economy, and a love of independence that had survived a long succession of foreign rulers. Probably the single most important fact is that Estonia is a buffer state, a state caught between two larger powers.

Estonia had been independent from its early beginning until the 13th century. Then it found itself a pawn in the power politics of larger, aggressive neighbors, culminating in Russian rule in 1710.

Estonia, nonetheless, remained an outpost of Western culture, preserving its own spirit of independence and catching the fervor of 19th-century European nationalism to press its politically more backward rulers for reforms. With reforms painfully gained, the Estonian people were able to progress economically and culturally. The emancipation of peasants and the growth of an intellectual element were the firm basis for a national awakening. By the time of World War I Estonian nationalist movements in full force were seeking autonomy.

When the czar fell, Estonians gained from the Russian provisional government the permission to form an ethnic Estonian province under the authority of a popularly elected Estonion National Council which was to seek the status of an autonomous state in the Russian Republic. With the aid of the confusion in Russia itself, Estonia proceeded rapidly toward realizing their centuries-old dream of complete independence.

World War I broke upon the heads and hopes of Estonia and faced them with a new occupation by German troops who invaded Estonia in the wake of the retreating Bolsheviks. One day before Germany completed its operation, on February 24, 1918, the executive committee of Estonia proclaimed that "as of today Estonia within its historical and ethnic boundaries, is an independent, democratic republic, neutral in the present war."

Estonia's neutrality was respected as little by Germany as by Russia. The small Baltic state was faced with the difficult task of fighting both nations at once.

Success finally came to the valiant nation in 1920 when the U. S. S. R. signed a peace treaty renouncing all rights to Estonian territory. In 1932 a further guaranty was agreed upon, a nonaggression pact. Estonia was building its foundations of sovereignty upon the treacherous sands of Soviet paper promises.

World War II began for the successfully independent Estonia publicly with a declaration of neutrality, privately by its secret consignment to Russia as a result of the infamous Ribbentrop-Molotov agreement.

Russia began immediately to push all its efforts toward the seizure of Estonia. Estonia was forced to sign a mutual assistance pact on the grounds that it could not guarantee Baltic security. Russia then presented an ultimatum on June 16, 1940; acceptance would mean military occupation. The people of Estonia, faced with overwhelming odds, grimly resigned themselves to their fate, their only hope that an international crime of such proportions would not go unpunished.

The Western World was quick to recognize the illegality and immorality of the Soviet behavior. Sumner Welles, American Under Secretary of State, said on July 23, 1940, that the independence and territorial integrity of the Baltic States were deliberately annihilated by devious processes. The United States has consistently refused to recognize the forcible annexation of Estonia. We realize that the Estonian people are a strong bulwark of anticommunism. We acknowledge the sufferings of these people who are steadfastly refusing to surrender their integrity, their patriotism, their religion, and their culture, even at the cost of their lives.

Some people have escaped from the horror that is Estonia today. They stand in the midst of the free world community and ask for our aid and sympathy. They know better than we the terrible price of freedom; they stand as burning examples of man's unquenchable desire for independence. They stand as reminders that there is still a part of the world living in darkness in this progressive 20th century.

Emergency Public Works Grants

EXTENSION OF REMARKS
OF
HON. ALBERT GORE
OF TENNESSEE
IN THE SENATE OF THE UNITED STATES
Tuesday, February 25, 1958

Mr. GORE. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a resolution adopted by the Tennessee Municipal League, which urges a public works program to provide employment opportunities for those who are now unemployed.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION ON EMERGENCY PUBLIC WORKS GRANTS BY FEDERAL GOVERNMENT ADOPTED BY BOARD OF DIRECTORS, TENNESSEE MUNICIPAL LEAGUE, FEBRUARY 10, 1958

Resolved, That Mayor Ben West of Nashville be requested to confer with members of the Tennessee Congressional delegation concerning a PWA-type Federal program of emergency grants for State and local public works projects;

Resolved further, That any such program should incorporate the principle of direct city-Federal relationships in grants for projects under municipal jurisdiction, and similar direct contacts for projects under State or county jurisdiction;

Resolved further, That any such program enacted by Congress should include grants for the following types of public works facilities: public buildings, fire halls, etc.; streets, sidewalks, curbs, and bridges; drainage; parks and playgrounds; schools; docks, and harbor facilities; hospitals; sewerage, and water systems; incinerators; refuse disposal equipment; airports; and similar projects.

It is believed that in lieu of establishing a new public works agency to achieve the fastest economic relief to distressed areas, the authorization of funds to the Army Corps of Engineers and Bureau of Reclamation for water resource development will give the best results.

Such a program could be carried out as follows:

1. Institute widespread program of local flood prevention and drainage projects to provide maximum employment by use of hand labor for channel clearing, brush removal, snagging, etc. Much of this could be put under way in a short time because of small amount of engineering needed. This is best for rural areas. (See following list for representative examples.)

2. Replace funds deleted by Bureau of the Budget from Corps of Engineers and Bureau of Reclamation fiscal year 1959 construction program and add to this any additional funds which can be efficiently utilized for continuing projects or new starts in original fiscal year 1959 program.

3. Urge passage of omnibus rivers and harbors bill by House resolution to provide authorization for new, well-justified projects.

4. Provide funds for any worthwhile projects already authorized but in deferred status or in the new omnibus bill.

5. Urge passage of bills authorizing municipal and industrial water supply, recreation, etc., to be credited as monetary benefits.

6. Urge passage of a bill which would revise criteria for establishing benefit-cost ratio to permit crediting of economic benefits to regions caused by impact of the project on both construction employment and future industrial development potential.

CONGRESSIONAL RESPONSIBILITY

The responsibility for the authorization of Federal projects, and of controlling the funds appropriated for their construction, rests with Congress.

The Bureau of the Budget is infringing upon and thwarting the authority of Congress by selecting projects for construction and allocating funds appropriated by Congress for such specific projects.

We are opposed to these practices of the Bureau of the Budget and recommend that Congress now reassert its constitutional authority and responsibility and direct that the funds appropriated by Congress be expended for the specific purposes for which the appropriations are made, and that Congress prevent attempts by the Bureau of the Budget to exercise control over the mandates of Congress.

BENEFITS

We urge Congress to establish a formula which will assign an economic value to all benefits, direct and indirect, resulting from water resource projects, including domestic and industrial water supply, irrigation, pollution abatement, enhanced land values, recreational advantages and economic benefits associated therewith, as well as those benefits presently recognized, and that such values be used in computing the benefits-to-cost ratio of all such projects.

Public-works improvements available for immediate construction—Clearing, channel improvement, or levee projects for flood control

TENNESSEE	
Oneida, Tenn. (Pine Creek)	$200,000
Collins River, Tenn. (agricultural area)	100,000
Woodbury, Tenn. (Stones River)	25,000
Franklin, Tenn. (Harpeth River)	100,000
Spring City, Tenn. (Piney River)	50,000
Soddy, Tenn. (Soddy Creek)	150,000
Big Brush Creek, Tenn. (agricultural area)	400,000
Fayetteville, Tenn. (Elk River)	50,000
Chambers Creek, Miss.-Tenn. (agricultural area)	400,000
Owl Creek, Tenn. (agricultural area)	50,000
Lake County (Harris ditch)	300,000
Wolf River	2,900,000
Loosahatchie River	2,000,000
Dyersburg flood protection	290,000
Obion and Forked Deer Rivers	8,000,000
ALABAMA	
Bear Creek, Ala. (agricultural area)	3,000,000
Huntsville, Ala. (Pinhook Creek)	150,000
Flint River, Ala. (agricultural area)	800,000
Mud Creek, Ala. (agricultural area)	150,000
Paint Rock River, Ala. (agricultural area)	700,000
KENTUCKY	
Cumberland, Ky. (Poor Fork)	50,000
Harlan, Ky. (Clover Fork)	50,000
Corbin, Ky. (Lynn Camp Creek)	1,000,000
Laurel River, Ky. (agricultural area)	400,000
Hopkinsville, Ky. (Little River)	1,000,000
Clarks River, Ky. (agricultural area)	800,000
Channel Lake No. 9—Reelfoot	122,000
Obion and Mayfield Creeks, Bayou Duchein	4,500,000

Mr. GORE. Mr. President, I wish to point out in connection with this matter that on yesterday President Eisenhower delivered an address, as reported in the New York Times of February 25, 1958, before the National Food Conference.

I ask unanimous consent that there be printed at this point in my remarks three paragraphs from the President's address, as reported in the New York Times.

There being no objection, the excerpt from the address was ordered to be printed in the RECORD, as follows:

But I beg of you, let's don't be trapped into expenditures that have no useful purpose except to hand out something—that have no useful purpose except that of helping a man exist for the moment.

Let's do it by the means of doing things that need to be done in our country.

Naturally, we have to provide for our own security, but we have today on the shelves of Government all sorts of worthy projects, some of which have been already approved by the Congress—or indeed where annual or partial appropriations have been made. If those things are useful—and we know that they are because they have been approved both by the Congress and by the executive studies—then let's use this time of slack employment to push these projects. When we have full employment, that is no time, as I see it, to be pushing Federal projects to compete with private industry. It would be far better to push these projects when there is the time of slack employment. I think it's just ordinary horse sense. I think all of us agree. So let's do that.

Estonian Independence Day

EXTENSION OF REMARKS
OF
HON. JOHN W. McCORMACK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 25, 1958

Mr. McCORMACK. Mr. Speaker, the year 1918 saw the end of the bloodiest and costliest war the world had known until that time. Belligerents and neutrals alike were glad to see the human carnage stop and they all welcomed the return of peace. To some peoples 1918 ushered in a new era; it brought them a prize for which they had been fighting for generations and even for centuries. In that year they regained their national independence and freedom. The Estonians were one of these peoples.

The Estonians had settled in their historic land long before our present era. There in the northernmost outpost of Europe they led a quiet and contented, but strenuous and hardy life. They constituted one of the smallest and homogenous ethnic groups in Europe, seldom numbering more than 1 million people. But they succeeded in maintaining their national identity and freedom. In 1710, however, their country was overrun by the Russians and they were forced to accept the Russian regime imposed upon them. For more than 200 years they lived under Russian oppressive rule and they never liked it. Their chief desire during all that time was to be free, but they were unable to attain their freedom without help from others. But some events in the course of the First World War worked in their favor. With the Russian revolution of 1917 czarist autocracy was overthrown and that government's authority over other nationalities was shattered. Thus Estonians felt free, and on February 24,

1918, they proclaimed their independence.

That was exactly 40 years ago, and unfortunately the new and independent Estonia born on that memorable day is no more. It became one of the first victims in the course of World War II. Since then the unhappy Estonians are suffering under totalitarian tyranny. But their hope for freedom and their desire for independence is not dead. It is living in the hearts and minds of Estonians still struggling for their liberty. Their sincere friends in the Free World join them in the celebration of the 40th anniversary of Estonia's Independence Day and hope that soon they will attain their cherished goal of freedom with justice.

Address by Hon. John Stennis, of Mississippi, Before the Southern Regional Meeting of the American Bar Association

---

EXTENSION OF REMARKS

OF

HON. HERMAN E. TALMADGE

OF GEORGIA

IN THE SENATE OF THE UNITED STATES

Tuesday, February 25, 1958

Mr. TALMADGE. Mr. President, on Friday, February 21, the able and distinguished junior Senator from Mississippi [Mr. STENNIS] addressed the southern regional meeting of the American Bar Association, held in Atlanta, Ga. His subject was Federal Judiciary Selection: The Letter—But the Spirit?

The address—eloquent, erudite, and grounded in the Senator's outstanding record as a trial judge himself—is of great interest to all who value the Nation's judiciary and wish to see it fulfill its appointed constitutional role.

I ask unanimous consent, Mr. President, to have the text of the address of the junior Senator from Mississippi as delivered on that occasion printed in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

FEDERAL JUDICIARY SELECTION: THE LETTER—BUT THE SPIRIT?

(Remarks of United States Senator JOHN STENNIS, of Mississippi, southern regional meeting, American Bar Association, bar activity section, selection of Federal judiciary, Dinkler Plaza Hotel, Atlanta, Ga., February 21, 1958)

First, let me heartily commend, as well as thank, the American Bar Association for your long, patient, and painstaking effort to improve the system of selecting members of the Federal judiciary. You have been concerned. You have worked hard. Your labors have borne some fruit. You must continue your good work.

CONSTITUTIONAL BACKGROUND

When the Constitution of the United States was drawn, approved, and ratified, it represented the best thinking of great men of stature. It has endured; its fundamental principles have withstood the test of time. It has served us well through the unparalleled growth of our country during its history, until we are now a nation of 172 million people.

Great care and detail was used in framing the provisions of this charter, but two latent defects have become apparent in recent years. At the time of the Constitution's adoption, these omissions were considered points of strength contributing to the independence of the Federal judiciary. These points are:

1. The Constitution does not undertake to restrict in great detail the jurisdiction of the Federal judiciary.

2. It does not prescribe qualifications for holders of judicial offices.

The prevalent belief at the time of the Constitutional Convention was that the judiciary was the least dangerous branch of government, having neither the power of the purse available to Congress nor the Armed Forces controlled by the executive branch. The emphasis was on making the judiciary independent. Some thought the bench would go begging.

Further, debates on the Constitution at that time clearly show that it was thought only a limited few highly trained lawyers would ever be considered for service on the Supreme Court; it was thought that only those most experienced and learned in the law would ever be appointed.

WARNINGS BY GEORGE MASON

In the constitutional debates Elbridge Gerry and George Mason and others warned that there was no limit of judiciary power and that it could absorb and destroy the judiciaries of the several States. Alexander Hamilton rejected such arguments and asserted, "The supposed danger of judiciary encroachments * * * is, in reality, a phantom." He said that the members selected would be chosen with a view to those qualifications which fit men for the stations of judges. His arguments prevailed.

In 1958 it is apparent that the Federal judiciary is neither weak nor helpless; the judicial self-restraint so relied on by Hamilton and others is greatly open to question. I am not here to condemn nor to criticize. I believe a new system of selecting members of the Federal judiciary is a constructive step and an essential step in strengthening this branch of our Government.

TWO RESTRICTIONS

This great document, which established the separation of powers in Government, is replete with regard to checks and balances, has only two restrictions relating to the Supreme Court.

The first is that justices were to be nominated by the President and, by and with the advice and consent of the Senate, appointed to the Court.

The second is that Congress was designated to regulate the appellate jurisdiction of the Supreme Court.

The only reference to judges of inferior courts to be established by Congress relates to protection of their salary and tenure while serving in office.

In the process of selection of the Federal judiciary, the letter of the Constitution is followed now except for one interesting departure, which will be discussed later. But the question I pose here today is whether the spirit of the Constitution is followed in the present process of selecting Federal judges. And further, has not his problem grown beyond the personal grasp of any Chief Executive, and therefore does it not require the combined effort of many minds of those isolated at least in part from other public affairs?

PRESENT METHOD OF NOMINATION

First, let us examine the process of nomination now employed. The role of confidential adviser to the President is filled by the Department of Justice. Among the factors considered are: (1) The experience of the individual; (2) his character; and (3) political affiliations and activity. It is ironical that this latter consideration, which often appears to control judicial appointments, actually eliminates many good men who are eminently qualified as to character and particularly as to experience.

When the idea of political reward dominates the selection process it automatically eliminates many sitting Federal judges and many extremely capable State jurists of many years of experience who have forgone political activity because of their devotion to duty on the bench. Thus political experience is often inconsistent with judicial experience, yet all too often the former prevails as the criterion upon which the selection is made.

After considering the recommendations of the Department of Justice, the President personally makes the nomination, but the actual screening or narrowing the field of selection of eligibles has already been performed through the resources of the Department of Justice. Except in rare cases, the President does not have and cannot have personal knowledge of the individual, much less his judicial capacity.

The Department's other duties frequently call for it to be the agency of Government which hails American citizens into our Federal courts. In the majority of Federal cases the citizen is the defendant. When he is involved in a suit against the United States he is forced to appear in a United States court; against United States attorneys selected and employed by the Department of Justice; before a United States judge who owes his appointment to selection by the Department of Justice. This judge is sometimes a candidate for promotion, dependent on recommendations of the Department of Justice. Many defendants are bound to feel that the cards are pretty well stacked against them.

Independence of the judiciary and public confidence in the independence of the judiciary are not always the same but they are equally important. Public confidence in the impartiality of Federal judges is absolutely necessary. The people must not feel that the Department of Justice may influence the outcome of decisions by methods other than those based on legal merit. In order to bolster public confidence in impartiality, the process of selection of Justices should be removed from the Department of Justice.

The process could be changed by law, but such a course is not absolutely necessary. It could be accomplished by unilateral action of the Executive. In either event, it will be changed only when the sustained force of public opinion against continuation of this practice is manifested throughout the country.

ADVISORY COMMISSION

The Congress could by statute prohibit the Department of Justice from filling this role and establish an advisory commission to perform this service for the President. The commission could and should be composed on a nonpartisan basis of outstanding individuals, both lawyers and laymen, who would make selections on a nonpolitical basis. I believe that any step in this direction would be an improvement in the present process of nomination. I believe that some such step is absolutely essential in modern government. This is not intended as any criticism whatsoever of the present Attorney General.

SENATE SHALL "ADVISE AND CONSENT"

Let us now turn to the other side of the coin, the process of confirmation. The Constitution provides in article II, section 2, that (the President) shall nominate, and by and with the advice and consent of the Senate shall appoint . . . Judges of the Supreme Court. * * *" Careful reflection on the words of this constitutional mandate leads to the logical conclusion that two separate duties are imposed on the Senate

by its terms: to give "advice" and to "consent."

The phrase "advice and consent" has an ancient and honorable English and American constitutional history. It comes down through Magna Carta. It was used in the Second Charter of the Massachusetts Bay Colony in 1691. In 1787, those who championed a strong Executive and those who championed a strong Legislature chose these historical words when they agreed certain powers should rest with the President with "the advice and consent" of the Senate.

At the present time—and it has been the practice since Washington's second term—the Senate as an instrument of Government merely gives consent to the nomination. Confirmation is consent. There is no advice officially given although the duty and responsibility are plain.

This advice which the Senate has been so reluctant to give could be, and probably should be, given by Senate resolution or Senate rule establishing minimum qualifications for appointments to the Supreme Court.

This I have sought to do by resolution introduced in the 84th and 85th Congresses, as follows:

"Resolved, That from and after the date of adoption of this resolution, at least one of each two successive nominees confirmed by the Senate for the office of Associate Justice of the Supreme Court shall, at the time of the confirmation, have had at least ten years of judicial service. For the purpose of this paragraph, 'judicial service' means service as a justice of the United States (as defined in sec. 451 of title 28, United States Code), a judge of a court of appeals or district court, or a justice or judge of the highest court of a State or of any other State court having general jurisdiction."

The proposal has gathered islands of support. But its chances for early passage are doubtful so long as the bar and public generally do not bring the sustained support of informed public opinion behind this proposal. The only objection which has been offered is that it interferes with the Presidential prerogative and power of nomination. I personally view it only as an exercise of a long neglected Senate responsibility. I believe that the language and meaning of the constitutional provision are clear and that a knowledge of history and the facts will sustain this point of view without additional legalistic arguments.

Thus, in Congress I believe that two steps should be taken to improve the selection of the Federal judiciary:

REMOVE DEPARTMENT OF JUSTICE

1. Removal of the Department of Justice from its role as chief advisor on judicial appointments. Substitute instead an advisory judicial commission, bipartisan and objective, who might solicit qualitative recommendations from local individuals, members of the legal profession and associations and other groups, on a confidential basis.

The appointment of Federal judges is another instance of a highly important Presidential function that is now entirely beyond the possibility of personal attention of the President due to the overwhelming demands of his office created by our new role in world affairs and the increased burdens of the Federal Government in domestic affairs. A new method is absolutely essential.

Frankly, I think the selective processes must be placed largely in the hands of persons who are not directly connected with the Federal Government. We cannot imagine a condition any time soon where any Federal official could equal the statement made in America in 1947 by the lord chancellor of England, Viscount Gowitt, whose prerogative it was to name men to the English bench when he said, "I am able to tell you * * * that I have never let political considerations weigh with me to the slightest degree in trying to get the fittest man. I have never appointed, incidentally, a member of my own party."

SENATE STANDARDS

2. Establishment by United States Senate action of very high standards for confirmation of Supreme Court nominations. I have already enlarged on this in connection with my remarks on the Senate resolution that I have introduced. Personally, I would apply the test of judicial experience to one of every two of the appointees and a minimum of 10 years of actual courtroom practice to one of every two of the appointees.

In the same manner, the United States Senate could set up standards for approval of nominations to the Circuit Court of Appeals, in which case I think the requirements for trial practice should be at least 10 years experience or at least 5 years of judicial experience. And by the same method, standards could be established for the approval of nominations to the district courts, which should include 10 years of actual courtroom practice and trial experience.

All these recommendations follow the letter and spirit of the Constitution and would give greater independence to the Federal judiciary as well as restore public confidence that future appointments are made from those best qualified.

ULTIMATE POWER STILL THE PRESIDENT'S

In conclusion, I want to emphasize above all other things the absolute necessity of a new outlook, a new sentiment, and a new method for making the selections of all Federal judges and Justices of the United States Supreme Court. This can be done without changing the ultimate power and responsibility of the President of the United States, the highest elective official in our form of government. We thus insure protection against any new menace arising from a new system. The ultimate responsibility of actual final nomination should remain with the President. It is the method that must be changed to meet practical conditions.

In all events, an informed and a sustained public opinion is essential in order to have a change for the better. Among other hazards, unless we improve the system, life tenure and other independence for members of the judiciary are seriously threatened.

Foreign Aid and Reciprocal Trade

EXTENSION OF REMARKS
OF
HON. ELIZABETH KEE
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 25, 1958

Mrs. KEE. Mr. Speaker, two of the most controversial issues which Congress will face this session are now before the House. They are: First, a proposed $4 billion foreign-aid program; and second, the Reciprocal Trade Agreements Act.

The debate on these two issues will be long and at times bitter. There is renewed determination on the part of an increasing number of House Members to force changes in the tariff-cutting reciprocal trade-agreements program to insure adequate protection for domestic industries. West Virginia people know from bitter experience what unfair competition from imports means. Other sections of the country are now experiencing the same economic hardship as a result of the program and Representatives from these areas can be expected to join the fight.

The foreign-aid issue was put before the House in a message from President Eisenhower. The arguments he used could well have been lifted word for word from messages on the same subject sent to Congress by former President Truman 10 years ago. Essentially, they are the same scare words, threats of defections by our friends if we do not continue aid on a massive scale and of a larger draft.

It is obvious, from talking with other Members of the Congress, that something more than rehashed arguments were expected. We have heard a great deal of talk from administration sources about a new look in the aid program. The truth is we are asked to approve the same old program.

It is safe to say that the House is going to take a long, hard look at the President's request. The administration's reluctance to take positive action to alleviate conditions of chronic unemployment in a growing number of sections or to act in a bold manner to reverse the current downward drift in the economy only serve to emphasize the size of the request for assistance overseas.

Many Congressmen are asking this question: "If it is wise and desirable to help other countries build sound economies, why is it not just as important to enable all sections to participate in prosperity at home?" These Members are not necessarily opposed to foreign aid. They are, however, determined that in times of mounting unemployment and economic recession more attention be paid to domestic problems.

This is not an unreasonable request. I am sure this point will be brought home to the administration in a most forceful manner before the debate on foreign aid is over.

It was only 2 years ago that President Eisenhower and Secretary Dulles assured Congress that the time had arrived to cut back on foreign aid and to work toward its gradual elimination. Now they are saying just the opposite. They want Congress to increase the appropriation and to spread our commitments even wider.

The President's economic-aid message poses many serious and grave questions. Before I try to answer them, I want to hear what Mr. Dulles and other administration witnesses have to say to the House Foreign Affairs Committee and to study all other testimony before reaching any definite decision.

Herbert Hoover at Valley Forge

EXTENSION OF REMARKS
OF
HON. PAUL B. DAGUE
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 25, 1958

Mr. DAGUE. Mr. Speaker, my home county is a proud county of a proud State, Chester County, Pa. It is the oldest rural county in Pennsylvania and all of its land titles date back to William Penn. It has many places of historic greatness and because it originally em-

braced an area now occupied by 23 other counties it continues to lay rightful claim to many historic spots outside its present confines. One of these hallowed shrines is Valley Forge.

Each year on Washington's Birthday in commemoration not only of the birth of the Father of Our Country but also as reminder of the great heritage we have in the ordeal endured by the ragged Continentals in the winter of 1777-78, a great and increasingly influential organization known as Freedom's Foundation—which has its headquarters at Valley Forge—holds its Awards Day when recognition is made of those who have contributed in some manner toward keeping alive and on the ascendency those principles and that fortitude which are synonymous with Valley Forge.

This year the foundation's highest award—its George Washington Medal—was bestowed upon America's most distinguished living American, Herbert Hoover, who came to Valley Forge to receive the decoration and took the occasion to deliver a timely address, at the conclusion of which he pointed that he had delivered identically the same speech on the same spot 27 years previously at a time when America was faced with a grave economic crisis. Mr. Hoover pointed out that that was a period of anxiety and discouragement.

"But," he said, "we rallied to a period of greatness as we will again today."

Anyone who heard Mr. Hoover at Valley Forge last Saturday and then later in the day heard the tirade of vilification that came from another former President of the United States here in Washington could not help but make a comparison and conclude that training and associations leave their marks.

Labor Should Be Free in Our Republic

EXTENSION OF REMARKS

OF

HON. WILLIAM F. KNOWLAND

OF CALIFORNIA

IN THE SENATE OF THE UNITED STATES

Tuesday, February 25, 1958

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an article entitled "Labor Should Be Free in Our Republic," which I prepared for the American Mercury for March 1958.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LABOR SHOULD BE FREE IN OUR REPUBLIC

(By WILLIAM F. KNOWLAND)

Long ago I learned that one of the penalties of public life is that abuse and deliberate misrepresentation of one's views and actions too often take place. It is one reason many able men and women will not offer themselves for public elective office. I have, however, great faith that the people can see through the political smog created by designing partisans and will separate fact from fiction. I want to outline some basic principles in which I believe.

As a free people we must always be on guard against the concentration of excessive power in government, industry, or in labor.

After much suffering and sacrifice, our basic American freedoms were achieved. We were able to establish and maintain, up to now, the concept of a government by consent of the governed. Power without responsibility is detrimental to the individual and to the preservation of the free way of life. The Constitution of the United States, with its guaranties of religious, economic, and political freedom, was instituted by men who knew that the power of government had to be diffused by men who knew that checks and balances were necessary if freedom for the individual was to be preserved.

At the turn of the century, as a matter of national policy, it became necessary to limit the expansive power of big industry. The passage of the Sherman and Clayton Antitrust Acts established traffic signals along our economic highway to protect the American people.

There has been much misrepresentation of my views regarding labor-management relations by those who seek to confuse rather than to inform. I believe that the right of an individual to join a labor organization should be protected by State and Federal law. I have supported such legislation both as a member of the California State Legislature and in the Congress of the United States. I believe in collective bargaining. It is, and will remain, protected by law. The right of collective bargaining calls for responsible conduct on the part of management and labor. It calls for negotiation in good faith. Collective bargaining should not, and must not, degenerate into coercive bludgeoning.

No group in industry or in labor should have the power to strangle the economic life of 170 million Americans. This is too much power for responsible leaders in industry or labor to want, and far too much power for irresponsible men to be allowed to have.

Just as monopolistic power in government cannot be countenanced by a free people, so it is true that monopolistic industrial or labor-union power cannot be allowed unchecked control over a vital segment of our national life. Neither industrial nor labor organizations should be above the law or be given powers which no nongovernmental agency should have.

The unions of the Scandinavian countries are based on voluntary and not compulsory membership. The late American labor leader, Samuel Gompers, supported voluntary and not compulsory unionism.

We are all concerned, or should be, regarding the rights of American citizens under our Constitution. Our right of employment is a basic civil right of the first magnitude.

Compulsory unionism denies the worker a freedom of choice.

1. It denies to millions of men and women the opportunity to earn a living except by agreeing to pay dues, initiation fees and assessments, and to submit to the discipline of a private organization.

2. It makes captive those of the membership who may oppose the economic or political policies of the union or may violently object to the coercive methods or the corruption of the leadership, yet cannot resign without losing their ability to work for a decent livelihood.

What American would want to live in a community without churches? Yet who would want to join a church except by free consent? To contribute except by voluntary action? To remain a member if his convictions dictated otherwise?

So it is with civic, veteran, farm and fraternal groups. The type of leadership, the benefits spiritual or material, the social or recreational assets of the organization are the criteria upon which free men and women should make their voluntary determination to join, to remain, or to leave. Why should industrial or business workers be denied the same freedom of choice? Compulsory membership, in effect, passes the taxing or disciplining power of a sovereign government on to a private organization.

Those who do not contribute to the United Crusade, Red Cross, cancer, or tuberculosis societies or belong to one of our two great political parties, benefit nevertheless. To that extent they are free riders. But would we want to substitute compulsion for voluntary giving and participation?

The disclosures before the special Senate Labor and Industry Investigating Committee were shocking to the previously uninformed public and to the membership of many labor organizations. It was shown that there are both labor and business leaders who will not of their own free will or morality, abide by rules of fair play.

I believe the rank and file of the members of labor organizations need additional protection, and toward that end I am having Congressional legislation prepared. Such legislation, which I call labor's bill of rights, will include the following points:

1. The membership should be able to elect its officers by secret ballot and to have votes so cast be the only ones that are counted.

2. When their officers have become incompetent, have shown lack of integrity in the handling of union funds, or for other reasons the union members have determined that the officers should no longer represent them, the membership should have the power to recall the officers by secret ballot.

3. The rank and file of the membership of a labor organization should not be taken out on strike except by a majority secret ballot of the membership. Certainly, the economic consequences to the worker, his wife and family, to the community, the State, and the Republic can be of such serious consequences that the members should have the power to make that determination by secret ballot.

4. The administration of the welfare funds of the union members should be protected in the same way that bank deposits and insurance funds are protected.

5. The initiation fees, dues, and assessments of members should be fully protected and handled with the most strict accountability and integrity.

All union financial transactions should be audited, and a full accounting should be made to the membership.

6. Union members should have the power to correct arbitrary and unlawful acts of union officials without fear of retaliation. Minority members should have the same kind of safeguards secured as for minority stockholders in similar situations.

7. National officers should not have the power to take over local unions without membership approval, except for limited periods and under adequate safeguards to the local membership. Nor should they, by creation of paper locals or extensive setting up of trusteeships over local unions, be able to perpetuate themselves in power.

These are issues of concern to the public at large as well as to the individual worker. They need to be raised and met.

Because I have raised these issues of voluntary union membership and a bill of rights for labor I have been marked by some for political liquidation. If I never hold public office another day of my life I shall not cease to bring this issue before the people of my Republic and my State.

In the meeting of the problems of our generation, we must show the same courage and common sense as the men who gave us our Republic and, in the past, have helped to maintain it. As Republicans, Democrats, or independents we can all join in subscribing to the oath of Thomas Jefferson when he said:

"I have sworn upon the altar of God eternal hostility to every form of tyranny over the mind of man."

Recommendations for Legislative Action to Alleviate the Perils of Unemployment

EXTENSION OF REMARKS
OF
HON. PETER W. RODINO, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 25, 1958

Mr. RODINO. Mr. Speaker, the New Jersey State Congress of Industrial Organizations, through its president, Paul Krebs, addressing the New Jersey Congressional delegation at a conference called today for the purpose of considering methods of alleviating the perils of unemployment and to inspire full employment in the Nation and State, offered a two-pronged campaign to meet the situation.

Significant recommendations covering a short-term program and a long-range stability program were presented to the New Jersey Members of Congress.

The State CIO said the short-term program is designed to assure immediate help to those currently suffering hardship as a result of unemployment and to create new jobs as quickly as possible. Such measures will not merely help relieve immediate problems, but can be used to meet similar situations in the future, and in addition, some of them will provide a substantial cushion to protect the economy against spiraling recessions, which tend to grow from the losses of purchasing power suffered by laid-off workers.

The specific short-term recommendations include the following:

First. Immediate action by Congress to enact minimum Federal standards of unemployment compensation to assure that all States will provide adequate unemployment compensation benefits and duration, and other reasonable eligibility requirements, including a provision to limit disqualifications because of strikes to 4 weeks.

Second. Provision for Federal supplementation of State benefits until the States have had time to bring their laws into conformity with the minimum Federal standards.

Third. Legislation to protect laid-off workers unable to make payments on home mortgages by a Federal moratorium for the period of their involuntary unemployment.

Fourth. Consumer purchasing power should be stimulated by increasing the personal income-tax exemptions from the current $600 to a minimum of $800. This will be immediately reflected in higher take-home pay checks due to reduced withholding taxes and will enable low- and middle-income families to increase their spending, thus providing employment. It will also provide large families with the most dependents with the most help.

Fifth. Telescope production schedules on defense contracts currently in production in distressed areas to provide maximum employment with a minimum of delay.

Sixth. Construction schedules on public works in distressed areas for which contracts have already been let should be telescoped to provide maximum employment opportunities immediately. Other projects planned for such areas should be gotten under way with a minimum of delay.

In presenting its recommendations for the long-range stability program, the State CIO council stated that "it is not sufficient to concern ourselves only with the immediate crisis. There are numerous measures which should be undertaken with a view to strengthening the economy and helping to prevent repetition of similar unemployment crises in the future, as well as policies designed to insure swifter and more effective action if unemployment should threaten."

The long-range stability program included the following:

First. Federal financial aid to municipalities to clear property of obsolete plants and to replace them with new, modern, and diversified facilities to provide new employment opportunities.

Second. Increase the purchasing power of millions of low-wage workers by amending the Fair Labor Standards Act to provide a minimum wage of $1.25 an hour, with extended coverage.

Third. Raise Social Security Act pensions to levels adequate to provide an American standard of living to retired workers and their dependents, extend coverage to groups not presently covered and provide pensions for disabled workers regardless of age.

Fourth. Present policies in the allocation of defense contracts should be liberalized to permit effective use in counteracting unemployment. The remnants of the policy of industrial dispersion, completely senseless in the era of the H-bomb, must be ended so that work can be made available to areas where there are idle workers already housed and already provided with essential community facilities.

Fifth. Speed implementation of Federal programs for highway construction.

Sixth. Federal aid for the construction of schools to wipe out the current deficit of 300,000 classrooms and to build the additional 265,000 classrooms which will be needed by 1960.

Seventh. Federal aid for the construction of hospitals to wipe out the current deficit of 838,000 beds and to provide additional beds required by our expanding population.

Eighth. Federal aid to assure construction of 2 million housing units per year, including middle-income, as well as low-income housing, to provide good homes in healthy neighborhoods for all Americans.

Ninth. Grants and long-term low interest loans to States, counties, and municipalities for the construction of public buildings, airports, and other public facilities.

Tenth. Establishment of a permanent Commission on Technological Change composed of representatives of labor, farmers, management, and Government, to keep under constant review developments in automation, atomic and solar energy, and other innovations and to make appropriate recommendations to Congress and the President to assure that the fruits of technological advance are fairly shared and full employment achieved and maintained.

Eleventh. Federal aid to education to provide scholarships, increased salaries for teachers, and adequate funds for research.

Twelfth. Immediate restoration of farm-price supports to 90 percent of parity, more extensive use of farm surpluses to relieve hunger both at home and abroad and development of a new and sound farm program.

Thirteenth. Liberalization of Government lending policies to help small business and stricter control over the exercise of monopoly power by mammoth corporations.

Fourteenth. Vigorous prosecution of the Kefauver subcommittee's investigation of wage-price-profit relationships to expose the reasons for existing high prices and to deter further inflation.

Fifteenth. Legislation to impose public responsibility on the exercise of vast power of the Federal Reserve Board to throttle business activity and employment by cutting off the supply of money and credit.

I believe, Mr. Speaker, that recognizing the sense of urgency that exists to meet this grave problem which faces America, all Members of Congress should seriously consider the above proposals.

Lithuania's Desperate Ordeal

EXTENSION OF REMARKS
OF
HON. KATHRYN E. GRANAHAN
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 25, 1958

Mrs. GRANAHAN. It had been my purpose to join on Thursday, February 13, in the tributes in the House to the people of Lithuania and their determination again to be free. Unfortunately, illness prevented my being here at that time.

Had I been in attendance, I would have made the following statement:

LITHUANIA'S DESPERATE ORDEAL

Mr. Speaker, the city in which my Congressional District is located, the city of Philadelphia, is much like our Capital City of Washington, D. C., in that it is a city built around the concept of freedom. On every side, we in Philadelphia have reminders in brick and stone of the events which led to America's own freedom and of great men who helped to bring about our freedom. It is almost possible, while walking near Independence Hall and our other shrines of the Revolution, to see those events of so many years ago.

Consequently, we in Philadelphia are very much aware of the yearnings of all peoples in all countries where freedom is denied to enjoy the blessings of liberty as we enjoy them.

Each day, our hearts go out to those held captive by the yoke of communism in those nations behind the Iron Curtain, and we symphathize in their desperate ordeal and dedicate ourselves to do everything we can to speed the day when they will again be

free. On this day, we feel particularly sorrowful for the people of Lithuania, as they recall other times in other eras of their history when they enjoyed freedom.

The enslavement of Lithuania is one of the worst crimes of the Soviet Union. God grant that deliverance comes soon.

The Threat of a Depression in the United States

EXTENSION OF REMARKS
OF
HON. CLIFFORD P. CASE
OF NEW JERSEY
IN THE SENATE OF THE UNITED STATES
Tuesday, February 25, 1958

Mr. CASE of New Jersey. Mr. President, New Jersey's senior Senator [Mr. SMITH] and I each received yesterday similar letters from Mr. Harry B. Haines, publisher of one of New Jersey's fine newspapers, the Paterson Evening News. In his letters to us, Mr. Haines spelled out his real concern that, in effect, America is worrying itself into a worse economic situation than is actually the case. With the same letter, Mr. Haines forwarded to us an editorial from the Paterson Evening News which appeared on February 25 urging the proclamation by the governor in every State of a Believe in America Week from March 23 to March 29.

The motivation of the Paterson Evening News is surely to be commended, and I know that our colleagues in the Senate will be very much interested in this proposal which, after all, affects all our States.

I ask unanimous consent to have printed in the RECORD Mr. Haines' letter, the editorial, and the public statement which I made when I was asked to comment on this proposal.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

THE PATERSON EVENING NEWS,
Paterson, N. J., February 22, 1958.

Hon. CLIFFORD P. CASE,
United States Senate,
Washington, D. C.

DEAR CLIFF: There is no more important problem before the Nation today than our economy which is threatened more by a psychosomatic illness than by an actual malady. Americans are talking themselves into what could easily become a major depression.

I have been giving serious thought to the matter and have come up with a program that I think can put an end to the defeatist attitude which is permeating the national scene, and, restore once again inherent American sanity, courage and progressiveness.

I enclose a reprint of an article which will appear on the first page of the Paterson Evening News on Tuesday, February 25, and I urge you to read it thoroughly. I especially direct your attention to the summation in which it is proposed "that every Governor in every State of the United States proclaim Believe in America Week from March 23 to March 29.

You will note that the essence of this page one editorial discussion is the grave impact on our economy by the negative attitude Americans have taken which has lead to a chain reaction of a suspension of necessary buying in all phases of everyday life. Our proposal is that Americans be galvanized into an affirmative attitude and that during this week of Believe in America, the trend will be changed as a result of which there can very speedily be restored great facets of reemployment in industries which are now so sorely beset.

Immediately upon receipt of this letter would you please be kind enough to acknowledge to me what you hope to be able to do in the United States Senate; in the Department of Commerce, Labor and other agencies which might be affected by a movement of this kind?

Emphatic public pronouncement by yourself and by other statesmen and leaders whose interest you may be able to stimulate will serve to bring this matter into proper national focus and I am supremely confident that thus, in a dramatic stroke, we will be able to turn the present-day tide of doubt and fear into one of courage and optimism.

As one deeply concerned about our great country, I appeal to you for your energetic enlistment in what I think you will agree is a paramount cause before the country.

With every good wish, believe me to be
Sincerely yours,

HARRY B. HAINES,
Publisher.

[From the Paterson (N. J.) Evening News of February 25, 1958]

A PLAN TO END DEPRESSION TALK IN THE UNITED STATES

No cause, no purpose, nothing is of avail unless there is a deep and abiding belief in it.

A country is only so strong as its people are willing to be strong—and its progress and growth and strength are measured by the dedication of its citizens.

America was born of a principle—the right to the pursuit of life, liberty, and happiness. The Pilgrims crossed what were then still uncharted, foreboding seas, to come to a land of wilderness, to found a land of freedom.

So this is America, greatest country in the world, principal bastion of freedom, around which radiates the hope of millions upon millions of people against the slavery of despotism and dictatorship.

Men and women have died by the millions to preserve America, to keep it thriving, pulsating.

Must we die—should our only willingness to fight for these United States be in the blood of our young pouring out in battle? Should we not fight just as courageously to maintain a happy life?

These are days different than when Washington lived. Now we have two kinds of war—the war on the battlefield, in the air, of the atom, and the rocket and the cold war. Each is devastating in its finality.

THE CHALLLENGE TO THE UNITED STATES

A country like the United States, steeped in democracy and willing to free deadly Communist spies just to preserve our own priceless free-speech heritage, must be on the alert 24 hours a day, 365 days a year, against the deadly preachments and onslaught of conniving communism.

The Machiavellian Soviet leaders, aware of our penchant for freedom and protection of it in all its connotations, don't want a killing war.

But they do want to keep the cold war aboiling, to mix a metaphor. They send up a sputnik, and in 24 hours, a nation that was economy-bent suddenly goes panicky and is ready to spend billions to counteract it. The Commies proclaim the newly discovered virtues of their wonderful school system in which every boy and girl is a budding scientist ready to discover some new and frightfully superior wonder to envelop America. So liberty-loving and fun-seeking Americans panic all over again—more schools, more universities, more colleges—make everybody a scientist.

How mixed up can we get? Are we rock-and-roll crazy? What about American resourcefulness, ingenuity, determination, knowledgeability?

Have we lost it all?

Do we have to have a depression because the propagandists say conditions are bad?

Of course conditions aren't the best. You can't tell a man who's out of a job that he's making good pay. Just as you can't convince the fellow who has a headache that he's in tiptop shape.

WE CAN TALK OURSELVES INTO IT

But by the same token, we can talk ourselves into being sick. A fellow will walk down the street feeling tops, all's well with the world. Another will come along and tell him he doesn't look well. By golly, within 30 seconds, the clouds are in the skies, the poor victim is beginning to feel sick to his stomach and in 5 minutes, all's wrong with the world.

Doctors call this condition psychosomatic. The illness is more mental than physical.

A person with nothing wrong can overnight become a real patient with an illness as bad as if it weren't fancied. You're as sick as you believe you are.

America is now in the throes of a psychosomatic slump.

The more we talk about depressions and about how bad business is, the worse we shall become.

The disease is contagious. People who are doing well, perhaps better than ever, begin to worry. They reason: Maybe conditions are bad.

Better retrench. Won't buy that new car we had planned; make last year's suit do; cancel out the new clothes, forget about a new refrigerator, or gas or electric stove, was gonna buy a new heating system for the house, or pick up an air conditioner in anticipation of a hot summer.

Cancel all these things out. Better warn Sister Josie, Cousin Emil, have a chat with those nice neighbors next door.

Depression: The cry begins to echo through the land. The politicians, those hearty fellows who love to spout and maybe thus hurt the fellow in the other party, make the halls resound with their mournful wailing. Their bellies are full, they're continuing to reap their own harvests.

But their pitiful cries about the plight of the Nation add to the heart-rending scene.

So people stop buying. Business slows down in the stores. Clerks are laid off.

MANUFACTURING A DEPRESSION

The stores stop buying, cancel their orders in the factories. So factories shut down.

Auto dealers are loaded with cars because the people who could buy aren't. They've heard about a depression. So the auto factories shut down.

No autos? No refrigerators? No gas stoves?

So the steel mills shut down.

Thus is a depression born.

Well, Mr. and Mrs. America, we've got enough built-in safeguards against depression in this country to make it unlikely to happen.

If there is a depression, it will be man-made, made by all of us.

So we propose that something be done about it.

Let's start believing in America.

If all over this land of ours, those of us who need things and have postponed buying them, were to start buying what we need, stores would hum, mills would start booming, and the unemployed would in short order be back on the job.

America can be as healthy as its people want it to be.

BELIEVE-IN-AMERICA WEEK

We propose that every Governor in every State in the United States proclaim Believe-in-America Week, say from March 23 to March 29.

Believing in America will only be translating into tangible action the inherent, abiding faith of our Founding Fathers and of our people since the United States came into being—that this is the greatest country on earth.

The Communists would love a depression in the United States.

So what's not to the liking of the Commies is what's good for us in this country.

To every governor in these United States, we are sending this message of Believe-in-America Week, in the solemn and deep feeling that the best answer to a threatened depression is to prevent it.

And the best way to prevent it is to adopt the antidote. The best antidote is to do something about it instead of waiting for the ailment to creep up on us.

Believe in America?

Well, say so—and make your word count with action.

STATEMENT BY SENATOR CLIFFORD P. CASE, NEW JERSEY, ON BELIEVE-IN-AMERICA WEEK, MARCH 23–29, PROPOSED BY PATERSON (N. J.) EVENING NEWS

The Paterson Evening News one of New Jersey's fine newspapers, has highlighted an extremely important aspect of America's economic strength—our confidence in America and in ourselves.

Surely, this most commendable effort should be supported to the hilt. At the same time, all those in private life and at the State and local as well as the national level of government—must give our unremitting attention to discover and carry out specific measures to spur an upturn in economic activity and in employment, with particular attention to the distressed areas which exist in New Jersey and other parts of the country.

Brotherhood Week

EXTENSION OF REMARKS
OF
HON. JOHN MARSHALL BUTLER
OF MARYLAND
IN THE SENATE OF THE UNITED STATES
Tuesday, February 25, 1958

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement I made recently in connection with Brotherhood Week.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR JOHN MARSHALL BUTLER, REPUBLICAN, OF MARYLAND

Brotherhood Week is dedicated to the purpose of bringing together Christians and Jews in a bond of brotherhood and good fellowship. It serves to remind all of us that we are children of God seeking to carry out His will in our journey through life. It reminds us that we are all brothers and as such we must learn to live and work together in the interest of all people regardless of religious or political faiths. It reminds us that prejudice and hate can destroy us and each thing we hold dear. The emotion of hate is an emotion we cannot entertain and enjoy mental and physical health. It festers with us and grows like a cancerous tumor to bring eventual destruction of our soul. Prejudice is akin to hate and ultimately builds up to hate. It has no place in the teachings of God.

Today godless communism threatens the liberty of free men and their right to worship God as they see fit. It acknowledges no difference between the faith of the Christian and the faith of the Jews. In fact all faith in a Supreme Being is outlawed in the Communist philosophy. We all know the answer to such godless dogma. We know that all of us who believe—Christians and Jews alike—must unite in brotherhood. So strong can such a brotherhood become that we can defeat the evils of communism, preserve our religion and our belief in the dignity of man.

Such a brotherhood composed of God-fearing people throughout the world is our refuge against Communist domination. We must in these hours of trial turn as one to God. For then we shall find salvation.

Brotherhood Week is a sincere effort to bring good people of all faiths together in a spirit of understanding and in the tradition of good neighbors. I am indeed proud that in my own small way I am permitted to make a contribution to this noble purpose.

It is my prayer that the seeds that we have sown will blossom into full flower. That in our time we will come to witness the elimination of war and hate through the brotherhood of man. This is as God intended it. When we achieve brotherhood we can truly beat our swords into plowshares and peace and good will will cast a permanent ray of sunshine on the earth. And then God in His heaven will smile on us and we shall feel His nearness as never before.

Remarks by Secretary of Labor James P. Mitchell at the 75th Anniversary Banquet of the Civil Service

EXTENSION OF REMARKS
OF
HON. CHARLES B. BROWNSON
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 25, 1958

Mr. BROWNSON. Mr. Speaker, since the advent of democratic government, one of the most significant and important reforms to take place has been the replacing of the so-called spoils system with a comprehensive program of gathering to the Nation's rolls dedicated and capable career employees. One of our country's proudest moments had its 75th anniversary January 18 of this year. It was on this date in 1883 that our first Civil Service Act became law.

The Honorable James P. Mitchell, Secretary of Labor, as the principal speaker at the Indianapolis banquet in commemoration of the act's 75th anniversary, not only traced the progress of the program's development, but also presented the challenge which the future holds in store for all who are friends of the civil service.

Secretary Mitchell's remarks show him to be well deserving of the praise lauded upon him in the following quote from the Federal agencies banquet committee's general chairman, John T. Sempa's invitation:

It would do us great honor if you will accept this invitation to attend as the principal speaker at our banquet. We are certain that there is no person in our country who has greater interest than you do in the welfare of all employees of the Federal Government and private industry; therefore, your message will be of intense interest and enlightenment to us.

So that all Members of Congress and others interested in this vital subject many have the benefits of Secretary Mitchell's remarks, I ask that his speech be inserted in the CONGRESSIONAL RECORD.

The address follows:

REMARKS BY SECRETARY OF LABOR JAMES P. MITCHELL AT THE 75TH ANNIVERSARY BANQUET OF THE CIVIL SERVICE, INDIANAPOLIS, IND., JANUARY 18, 1958

It is a real pleasure to meet with you, who are friends of the civil service here tonight.

Prior to the passage of the Civil Service Act 75 years ago today, the famed spoils system was the usual method of operation in the United States Government. As you know this system held that Government was the prize of the winning political party, to be cut up and distributed to the party favorite.

This philosophy, that left administrative chaos, abuse and inefficiency in its wake, was finally done away with by the merit system.

The Civil Service Act has been responsible for attracting a core of dedicated career employees who guarantee to this country efficient and capable Government administration, responsive to the needs and wishes of the people, and unprejudiced by considerations of political favor.

I am extremely pleased to have this opportunity today to say that in the years I have been in Government, and they are mounting up now, I have observed and worked with civil servants on every level and I have taken the greatest pleasure in going back to the critics of Government service in other parts of the country and telling them point blank that nowhere in the world is any organization so fortunate to have so many thousands of capable, dedicated, enthusiastic, intelligent, and topflight people as Government.

What really astonishes me is the degree of ignorance that exists in regard to the Government's work. Ask people what Government is and does in some places and they reply it is a big, expensive organization with headquarters in Washington that eats up the taxpayer's dollars by sending memos back and forth like a colossal ping-pong game.

Seventy-four years ago there were 14,000 men and women in Government. Today there are better than 2 million. The Government has grown precisely in proportion to the needs of the expanding population and growing country. What does the Government do?

Over half of all Government civilian employees work for the Defense Department, manning the complex defense establishment that is the shield of the Free World. They design and fire our missiles. They help in the operations of the Army, Navy, and Air Force—freeing our 2 million servicemen for active training. Another 25 percent of all Government employees work for the Post Office. The rest are engaged in many different kinds of work. They print our money and then collect it back in taxes. They risk their lives in the underworld to maintain our laws, control the trade in narcotics, and guard our borders against undesirable aliens. They represent us to other nations. They operate dams. They bring the benefits of electricity to millions of farm families. They maintain extensive repositories of knowledge and conduct practical experiments with farm animals and farm soils as you here in Indiana certainly know. They administer laws like the Fair Labor Standards Act.

In short, the number of Federal employees that sit at desks and write memorandums is a fraction of the total, and an important fraction. Government is the biggest and busiest business in the country. It's big because the United States is big. It's busy because our responsibilities are many and our needs constantly growing.

Like all good things, the Federal service gets better with improvement, and constant attention to improvement is the price of good government.

In recent years there has been tremendous improvement, generated from the President's conviction that the people in Federal service represent the Nation's best. A new appointment system was established that opened the way to full, permanent careers under the merit system for qualified persons. A low-cost group life insurance plan was established. Unemployment-compensation benefits have ben extended to Government workers for the first time. The ban on permanent promotions was removed and the ceiling on the total number of permanent appointments allowed has been lifted. A pay raise was granted. These are just a few of the improvements that have been made in recent years. But the need for improvement is constantly growing along with the need for more and different Government services.

One need is that of bringing the Government pay scale into a reasonable balance with that of private industry.

Just 4 days ago the President outlined his recommendations for Federal pay raises. There is a widening gap between Federal and non-Federal salaries, and these recommendations are designed to close that gap as well as improve Federal service generally. I want to present these recommendations for your consideration now:

First, Classification Act adjustments will be proposed to provide an increase of at least 6 percent to all grades of employees.

The emphasis in this adjustment is on the middle and top brackets which include the scientific, engineering, and managerial positions upon which the security of our country in a large measure rests. The present salaries of such professional men are not commensurate with the responsibility they carry compared with non-Federal professional men with equivalent responsibility. On the other hand, the raise has been extended across all Federal grades, as a matter of simple need and justice.

Secondly, the entrance level for college recruitment and intermediate salary rates for scientific, professional, and managerial grades will be adjusted upward.

Thirdly, pay incentives are provided for those who demonstrate marked proficiency in doing their work.

And finally, numerical limitations on the three highest grades have been removed altogether. The elimination of this ceiling permits more reasonable salaries for key scientists and executives.

These four steps—increasing the general pay level, offering higher entrance pay to college graduates, eliminating the ceiling on the top grades, and providing incentive payments for high proficiency—are steps toward the challenging future. They are not yet law and their eventual form will depend upon the deliberations of Congress. Nonetheless, they display in positive form the President's interest in making the Government equal to the challenge that confronts us.

That challenge can be stated in a single word: manpower. The tasks that the Government is called upon to perform are growing more and more complex, while the incentives for entering and remaining in Government service grow less impelling as industry service becomes more attractive.

Let me give you an example. Just last week, in Washington, the first President's Award for Distinguished Federal Civilian Service were announced. The recipients included an engineer who had developed the Sidewinder guided missile, a soil scientist whose studies into the nature of matter had opened entire new chemical fields, a career ambassador who had represented the country during a tense international situation, a Bureau chief with a remarkable record of maintaining the Constitution and enforcing our laws, and a department official who had made impressive contributions to the development of legislation.

These awards typify and bring into focus the manpower situation of Federal service. From one end of the occupational ladder to the other, Government is represented. This places Government in competition with private industry for the skilled manpower it needs. It is hoped the President's pay and other proposals gain for Government its fair share of the manpower pool.

A vital and important element in attracting, retaining, and developing to their highest capabilities men and women of exceptional ability is the 75-year-old merit system. For by offering to applicants a guaranty that their careers will be advanced on the basis of merit, without any other consideration, the Government can demonstrate its character as a fair and honest employer. By offering to those already in Federal service a guaranty that Government can more than match all the advantages offered by other employment, the civil service and proposed improvements will continue to maintain a solid, sound, and progressive core of workers to carry the Nation's work forward. Certainly, no more stimulating challenge could confront you and could be more worthy of your complete and continued dedication on this 75th anniversary.

What Is Parity for the Farm Housewife?

EXTENSION OF REMARKS
OF
HON. HAROLD D. COOLEY
OF NORTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1958

Mr. COOLEY. Mr. Speaker, the farm families of America have no greater champion than our distinguished colleague, Mrs. COYA KNUTSON, of Minnesota. Mrs. KNUTSON is a devoted and dedicated American servant and is at all times interested in the well-being of those who till the soils of her State and Nation. She is the only woman ever to serve on the House Committee on Agriculture. As chairman of that great committee I have daily observed her in the performance of her duties. She is a tireless and effective worker and is at all times especially interested in the welfare of the farm housewives of the Nation.

Last week Mrs. KNUTSON addressed the 20th annual National Farm Institute at Des Moines, Iowa, on the subject What Is Parity for the Farm Housewife? I think that many people who have the interest of agriculture at heart will want to read this speech. I, therefore, have asked unanimous consent that the text be printed in the CONGRESSIONAL RECORD:

WHAT IS PARITY FOR THE FARM HOUSEWIFE?
(Speech presented by Congresswoman COYA KNUTSON, 9th District, Minnesota, before the 20th annual National Farm Institute, Des Moines, Iowa, February 14–15, 1958)

Last fall I talked to women in my District who told me about some very surprising changes taking place among farm women.

Their searching eyes, asking and looking for answers in my face to their problems when they told me for the first time since they had lived on the farm the past 25 to 30 years it was necessary for them to seek employment outside the farm home. This was not easy since in my District there are very few opportunities for jobs.

However, in this particular area was a lefse factory. Lefse is a flat, Norwegian potato cake—a good way to use leftover cold mashed potatoes at home—which is becoming a favorite commercial product.

The women were employed for $5 a day but it took them out of the home all day and the children, after school, came home to an empty house. This appalling disease of home absenteeism has invaded even the rural people of our land. It will be difficult to measure until sometime in the future, what effect this kind of exodus will have on our farm families.

Farm women know more about parity than we realize. They have learned about it the hard way—by doing without electricity, by doing without running water in the home, by raising families without central heating. They learned about parity by doing without modern kitchen and laundry equipment for many years after they were common in the urban home.

Millions of farm women now breathe a prayer of thanks for REA every washday or oftener as they use electricity to lighten their household tasks. As recently as 23 years ago only 11 percent of the farm families enjoyed central station electric service.

Hundreds of thousands of housewives are now drawing running water at a kitchen sink as a result of the improved parity position of agriculture in the 1930's, 1940's, and 1950–52. But there are still too many farm wives who cannot enjoy that labor-saving luxury.

When farm income falls below parity, farm women and children suffer even more than the men who operate the farms.

Farm-production expenses and farm investments come first. The farm housewife and her family get along with the income left after paying the farm bills. Today her husband obtains a return for his labor which approximates only 40 percent of the hourly wages of her urban cousins.

If you men in the audience will pardon me this morning, I want to talk particularly to the women. I know farm women are much more interested in dollars than in percentage ratios, so I am going to talk about farm parity in terms of family income.

May I give you some plain figures. In 1956 families on the 2.2 million commercial farms received $5,415 as family income. Over half the farms, the 2.7 million low-income farms were eliminated to obtain this figure. And how does this compare with income of nonfarm families?

In 1956, all nonfarm families, including those on "skid row," public relief, and social security averaged $6,900 or 27 percent higher than those on commercial farms.

Let me name a few more income comparisons which bear on the parity position of the housewife: Roughly one-fourth of the farm family income on commercial farms came from nonfarm sources in 1956. Since 1947–49 family incomes from farming on commercial farms have dropped 19 percent while the incomes of nonfarm families, again including those on skid row, have increased 41 percent.

And before we leave these income comparisons let me point out that the average commercial farm family had a large investment in farmland, livestock, and machinery which a nonfarm family does not have. If one deducts interest on his farming investment, families on commercial farms received incomes in 1956 of $3,615 or only 52 percent as high as the average of all

nonfarm families—again including those on social security and public relief.

Friends, I come from a district where most of the farms produce for commercial markets and my farm families are not at all happy with the disparity between their incomes and those of their urban relatives. They are disturbed by the reports in the press that farm groups and Members of Congress representing rural districts are badly split on what should be done about our low farm income while nonfarm income is booming.

They are very much disturbed by the continued attacks on existing farm programs and the "sweep sirup" about increased farm income just around the corner if only the Secretary of Agriculture is given authority to lower price support levels.

Farm families in my District think this is economic nonsense. They believe it will take stronger medicine than this to restore farm income to a parity position. I am told that polls taken in your State indicate a similar lack of confidence in the effectiveness of simply lowering price supports.

Contrary to popular belief, farm-minded Members of Congress are not widely split. Commodity groups are not at war with one another. If there ever was a day when one commodity group tried to solve its problems by dumping them on other farm groups, that day is past. A united approach of agricultural commodity groups appears strong enough to pass comprehensive farm legislation this year. Thirty-five commodity groups have set up six different committees for study. Some Republicans are talking of having enough votes to override a veto of the farm bill, providing compensatory payments are included to get industrial Democrats' votes. They all agree on the parity-income concept to replace price parity in their approach to farm legislation. This concept is actually in the Agricultural Adjustment Act of 1938, section 301 (a) (2). However, present bills are designed to clarify and make specific this section.

There are more differences within commodity groups than between groups as to the type of Government assistance desired.

Those of you who are dairymen know how difficult it has been for you to agree on specific programs. Feed-grain and livestock producers find it especially difficult to agree on a program. I am told that even the peanut growers are having some difficulty in agreeing on a new approach to their price and income problems.

But the pressure of economic events is forcing these commodity groups to reach agreements. Some of the largest commodity groups such as producers of sugar beets, sugar cane, wool, cotton, wheat, rice, and dairy products are largely agreed on desirable programs for their commodities.

There are wide areas of agreement between the leaders of these commodity groups. All agree that each commodity has unique marketing problems—that each commodity should be treated on the basis of its needs. The common purpose of each proposed program is to promote orderly production and marketing and to improve the bargaining power of the producers when they take their product to market.

It is evident from recent meetings of the House Committee on Agriculture that there is no split in the farm bloc providing we consider all commodities at the same time and give equal attention to the producers from the different regions.

The experience of both the sugar and wool producers indicate that a commodity group can agree on a program—and if it is a reasonable program, farm-minded Members of Congress will get together and pass the desired legislation.

Nonfarm people have shifted in their thinking about the desirability of reducing farm price supports. At first they were all for farm price support reductions. They expected food prices and expenditures for farm programs to drop.

They have been bitterly disappointed in both respects—retail food prices reached an all-time high in August 1957 in spite of a 16 percent drop in farm prices since 1952. Expenditures for farm programs in the year just closed also reached an all-time high and promises to continue at about the same level in the immediate future.

Now that unemployment is increasing in most of our urban areas more and more nonfarm Congressmen are saying we must hold the line on farm income supports and not allow a further reduction in farm income to create even more unemployment.

Remember that farmers are laboring people's best customers, buying steel, rubber, appliances, automobiles, machinery, and great amounts of gasoline, oil, and electricity. By the same token, laboring people are the farmers best customers. They have common interests and common goals.

The premise on which every bargaining takes place between labor and management is that laboring people should have parity income. That is the basis of the cost-of-living automatic pay increases in some collective bargaining agreements. Farmers as well as other workers deserve this insurance and full employment, or at least a steady income with which to buy labor's products. In this way, labor is not thrown out of work because of farmers' inability to buy and the whole exchange continues on an even keel.

You are all familiar with the theme song that past farm price support programs have wrecked our markets and are a millstone around the necks of farmers. Using the misleading figures supplied by our own Secretary of Agriculture every city newspaper has carried stories on the high cost of farm price support programs. But neither the city nor the farm papers have carried comparable stories citing the benefits of these programs either to farmers or to other groups such as our school children.

Why hasn't our Secretary of Agriculture prepared a summary of the benefits of farm-price support programs comparable to his summary of costs? When he does I am confident he will have to tell us that on a year-to-year basis farm price support programs have increased farm income $2 to $3 for each $1 of Government expenditure—in addition to accelerating technological advances.

Why hasn't our Secretary of Agriculture told you that each year for the past 4 years farm price support programs have removed from $1.8 billion to $3.2 billion of farm products from commercial markets and either distributed these products outside regular trade channels or kept them in storage?

Why hasn't he told you that except for this removal of products from commercial markets farm income would have dropped even further since 1952?

With net farm income already down to the $12 billion level isn't it reasonable to suppose that in the absence of these price support programs it would have dropped at least another 25 percent? Many think the drop would have been even greater.

We have heard again and again that the way to achieve parity for the farmer and his wife is to lower price supports and expand markets.

Surely we must expand our markets as rapidly as possible. But why hasn't our Secretary of Agriculture told us that in spite of all the promotional efforts of producer groups, food processors, retail food distributors and the Government, United States farmers received fewer dollars for the larger quantities of food delivered to consumers in this country in each of the last 2 years than they received for the smaller quantities they delivered 5 years earlier?

When talking about market expansion, he should have told you that the farm value of the food consumed by United States civilians in 1956 and 1957 was only $18.8 and $19.5 billion as compared with $20.1 and $19.0 billion in 1952 and 1953. In 1956–57 as compared with 4 years earlier, farmers incurred sharply higher costs and delivered 14 percent more products to consumers who had substantially higher incomes, yet received fewer total dollars for them. Frankly, I think these official USDA figures make the prospects for farm family income very poor indeed if plans for its improvement depend on lower price supports and market expansion.

But we cannot continue existing programs indefinitely. Under indifferent and confused administration they are merely reshuffling our surpluses. Feed grains are now at record levels and still increasing. Existing programs also are costing too much. They are not adapted to meeting the problems of agriculture today.

It has been suggested, but not by me, that one method of reducing costs is merely to give the Secretary of Agriculture authority to lower price supports. It is costing about $2 to $3 billion a year to maintain supports at current levels. These costs can be eliminated by reducing price supports to free market levels. But farm income would drop even more than the price support costs. This can best be illustrated right now where Mr. Secretary of Agriculture wants to lower dairy supports by April 1. The lowering of supports from 83 to 75 percent will cost the dairy farmers a $200 million to $250 million loss of income to save the Commodity Credit Corporation about $100 million. This is the point that is passed over in painting the rosy picture of lower price supports, greater flexibility and more freedom in agriculture.

But this is not the only road open to United States farmers and their wives. Commodity groups are developing plans and proposals which will lower government costs, increase producer flexibility, yet bettering farm income.

These groups know that they are faced with still lower incomes in the immediate future if the Secretary of Agriculture is given more authority to lower price supports. They know they are faced with lower incomes if they do not devise new programs to replace the old ones which are proving to be ineffective and too costly. Sliding-scale parity worked fine when the farmer raised his own horsefeed 20 years ago. It does not work when he feeds expensive gasoline.

These commodity groups realize that they have common interests even though each must take a different road to reach its goal of orderly production and marketing with improved bargaining power for its members.

I did not come to this great National Farm Institute to bring a message of gloom and doom. In this connection I am reminded of the conversation I had with a farm woman in a poor agricultural area a few years ago. She said, "Mrs. KNUTSON, do you know what parity means to the farm women in this community? It means moving the little house out back up next to the bedrooms."

For the farm women in this great Midwest, parity means even more than this. Perhaps it means family progress such as was reported by Johnnie after visiting his urban cousins who had moved from the rural community two years earlier. Returning home from his visit, Johnnie's mother asked the normal question, "How are Aunt Jane and Uncle George getting along?" Johnnie's reply was, "Oh, just fine, but they have moved their bathroom inside and are eating out of doors now."

I take pride in the progress made in modernizing the farm homes in the 1940's and early 1950's. I am joining efforts with farm leaders and with those Members of Congress who are trying to develop a farm program which will maintain farm family incomes at

levels which will permit the repair and replacement of these modern conveniences as they wear out.

We also would like to see farm family incomes reach a parity where they can enjoy as many leisure hours each week as urban families. We are greatly encouraged by the developments in recent weeks. In view of all the factors in the situation I can assure you there is basis for optimism that a good farm program can be developed in this session of Congress. By a good farm program I mean one which will make it possible for farm families to make economic progress comparable to that of nonfarm families.

I know that it is coming. I know the grassroots sentiment. I know this sentiment is seeping up through commodity groups and through the Congressional representatives. Therefore, there is no split in the farm bloc. If it isn't recognized by farm representatives, we will see a terrific revolution this fall in farm areas.

Rumanian Independence—Russian Destruction

EXTENSION OF REMARKS
OF
HON. KENNETH B. KEATING
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 25, 1958

Mr. KEATING. Mr. Speaker, we commemorate today another in the tragically long list of Soviet power-grabs. Thirteen years ago today the Kremlin reached out the clutching claw of Communist despotism and enslaved the people of Rumania.

Few acts of history can be more truly described as a stab in the back. Although forced in the earlier stages of World War II to fight at the side of the Nazis, from September 1944 until the end of the war the Rumanian armed forces turned on their oppressors and fought gallantly with the Allies. No more fitting tribute to their ability can be found than the statement by the London Times that, despite the small size of their forces, they were the fourth most important force in the allied camp.

Despite this, despite the fact that Rumania was spending its blood and treasure to destroy the forces that had beseiged Moscow and Leningrad and Stalingrad, the Soviets took advantage of this very fact to crush the newly won independence of the Rumanian nation. Stripped of their defenses by reason of the army's absence at the front the people were overwhelmed by the masses of the Red army. By any standard this was pure, unadulterated treachery.

Even for a regime with a history so replete with deceit, deception, and hypocrisy as the Kremlin's this was unbelievably callous. Only 2 weeks before at the Yalta Conference Stalin had made pious pledges of support for democracy and free elections in all of liberated Europe. In cynical disregard of these pledges the hoards of the Red army moved in to create their own special brand of terror.

The years of occupation have more than lived up to the portent of this rape of Rumanian sovereignty. Systematic regimentation has been established by a rule of terror. The Rumanian people live in constant dread of the tramp of booted feet, the sharp knock on the door, the sudden trip to the grim walls of the concentration camp. Thousands have been torn from the arms of their loved ones for no more than an uncautious word; torn away to become human fuel for the Communist industrial machine.

Mr. Speaker, we live today in a time of strange contrasts. Our knowledge of ourselves and our physical world is growing by leaps and bounds. We have begun to tap the unknown of space. Soon the human race will soar from this planet, no longer earth bound. Yet at the very time that the human body is being unleashed there are vast areas of the world where the human spirit is being systematically crushed, brought to the level of the basest animals. The very knowledge that has been employed to free man has been perverted to debase him.

Despite the inroads made through this diabolic use of modern knowledge, the people of Rumania remain dedicated to democracy. Enslaved as they are, their minds still hold the bright hope of freedom. Many, in the face of death, have retaliated. Through sabotage and espionage they have kept alive the glimmer of resistance that perpetuates their faith in life, liberty, and the pursuit of happiness.

We must be ever mindful of the tragedy of these fine people and of others like them around the world. So long as they remain entombed in the marble mausoleum of atheistic communism our own freedom is in jeopardy. So long as tyranny remains extant anywhere in the world, the cause of freedom is threatened. The virulent disease of despotism must be ruthlessly stamped out, wherever it is found, before the liberty we all prize so highly will be secure.

I join with all freedom-loving peoples everywhere in the fervent hope that the day may not be far off when the torch of liberty will burn away the ropes that bind the Rumanian people, and all peoples now caught in the net of tyranny.

Assemblyman Vic Wallin Talks Sense About Awarding Scholarships

EXTENSION OF REMARKS
OF
HON. ALVIN E. O'KONSKI
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 25, 1958

Mr. O'KONSKI. Mr. Speaker, much has been said about helping to finance the education of qualified students. I believe a sensible approach has been outlined in a conversation with me by Assemblyman Vic Wallin, of Grand View, Wis.

Vic Wallin approaches the subject with thought that the welfare of all people is bettered by equality of educational opportunities. Equality is extended in our schools from the 1st grade through the 12th, but from then on, education is quite preferential, the preference being ability to pay.

Colleges and universities are financed mainly through taxation, gifts, and student fees. If our university is a fair example, then the student fees amount to about 10 percent of the total cost. The 90 percent financed from other sources can only have its reward by good use of the knowledge gained by the students in their many and varied fields of technical training. Because of higher education, the reward to everyone has been of great value. It is true, as in all groups, every so often there is that someone who uses the advantage of his higher education solely for his own selfish aims. He forgets that his advantage was made possible only because of men dedicated to education. He forgets that he learned by simply reading of the discoveries that required perhaps years and years of thinking research by others. He forgets that the taxpayer he is exploiting, paid the major cost of his advantage of higher learning.

But we can be thankful that the great large majority of those with higher education not only better their own standard, but also the standard of all, if facts bear this out as being true, then it seems reasonable to suppose that higher education should be made available to more students.

It seems quite apparent that the deterring factor of so many students not entering college, or taking specialized training, is financial. This is evidenced by the fact of scholarships provided, certain limited loans made available, special training provided by private industry, and so forth.

The potential of creative thinking is certainly not centered solely in the minds of those blessed with sufficient financial needs. But creative thinking, like a seed, develops in relation to the richness of the soil in which it is planted. Educational training is merely a special soil to develop that potential thinking that might otherwise lie dormant.

But the potential of a young mind is not a recognized security for a bank loan.

To make higher education totally free would not be advisable. Being practical, we know that all minds cannot absorb higher learning. With students paying part of the cost, it serves as a screening. But that cost should not be beyond the reach of a worthy student with sufficient initiative to be willing to obligate himself.

Many students with good minds have been desirous of furthering their education, but with no funds to back them, they must seek work, some with intention of saving money to get that higher learning. But time slips by, and likewise the desire for schooling. And if romance enters the picture, the financial impact further removes the possibility of schooling. How much has been lost? Who knows? If a young person can get a 20-year loan to build a home, doesn't it seem reasonable that an educational loan to a worthy student could be of equal value, or perhaps many, many times more?

The question is, Should and can loans be made to worthy students without sacrificing incentive, nor placing them in the class of charity? The writer believes such loans can be made—loans which are just as basic and just as American as any bank or other type loan.

That thought has been brought out by the personal experience of the writer, who had the opportunity to help three deserving students to help themselves. Two of the loans were small, though highly important to the student. The writer merely served as endorser to a bank loan. This was done for two reasons. First, it made the student recognize he had an obligation to pay, one that could jeopardize his reputation if he failed, except for good and sufficient reason. Second, he knew he was paying for the use of that money. It took away the thought of charity. With a bit of friendly help, he was financing his own needs.

The third student required a larger loan. It was also a bank loan, secured by endorsement. But in this case the student was asked to take out an insurance policy as a loan protection, as well as being an aid to peace of mind.

All three students repaid their loans as agreed. All three today have positions of responsibility. They have not only bettered themselves, but the people they serve. All because they had an opportunity to help themselves.

Based on that experience, the following plan is suggested:

First. The student must have a required scholastic standing.

Second. The student must be of good moral character.

Third. The student could borrow the funds needed, in periods as needed.

Fourth. The student would take out a term-insurance policy, as a loan protection.

Fifth. The loan would bear interest after completion of the schooling.

Sixth. The loan would be repaid by 10 percent of the earnings of the student.

Now, let us evaluate the plan. The first requirement would better assure training to a qualified mind.

The second requirement would tend to reduce the moral risk of the loan.

Advancing the funds as needed would serve as guidance to the student, and better assure that the funds were only used for purpose advanced.

Term insurance can be had at nominal cost. Covering such things as death, permanent injury, and such other risks as may be determined by those in best position to know. Coverage extending only on the unpaid portion of loan.

Interest rate low, to cover operation cost only.

Repayment of loan based on 10 percent of earnings. A flat sum requirement might lead to default through no fault of the student. No one can tell the economic level of the future, nor the earning level of any profession. But just about anyone can live on 10 percent less than their earnings. This system would actually make the loan self-paying. If the education gained cannot increase the student's earning power by 10 percent, then the education gained has been wasted. A long-term educational requirement will require a larger loan, but the potential of earning power and repayment is also increased.

True, students that are minors, there may be a question of loan recovery by law in case of default. However, it seems doubtful that anyone gaining a higher position by reason of education, would risk same by exposure of default in paying a debt that actually gave him that position.

Under this plan, the funds supposedly would be perpetuated. The whole question would resolve on the honesty of the youth given the opportunity to help themselves. The writer has faith in the honesty of those earnestly seeking to better themselves.

Now comes the important question. Where would the loan funds come from? The Government? It could, but first it would seem advisable that a plan should have first proven its worth under our free-enterprise system.

There is a source of funds available that could well be used for such testing. Whether its ability, luck, a mixture of both, or something else, the fact remains that everyone doesn't make a million dollars. But many that do, give large sums for scholarships, for research, for charity, and so forth. They establish funds to promote and aid certain causes, in the form of foundations. These are all worthy.

But what greater research can there be, than finding a system to release the potential creative thinking now permitted to lie dormant because of the lack of funds, funds that would keep on working through repayment.

It would require more of course, but supposing a fund of only $1 million dollars were set up. The program would have to be limited? Perhaps limited to a given area, but primarily limited to its true purpose of loans only to those worthy students whose schooling would otherwise end.

Some might require a loan for only 1 year, or 2 years. Others may be full term of 4 years, or even longer if such course required. With the increased earning power, on the 10 percent basis, the loan could be repaid in a relatively few short years. A million dollar fund would not take care of a great multitude of students, but it would be well sufficient to measure results. And once proven, more funds would be forthcoming.

Certainly no student that is really desirous of higher education would object to borrowing money for that education, when he knows full well that his increased earnings alone would repay that loan in a reasonable time. And as he starts paying, that same money can be used for another deserving student.

We are generous in our loans for material things. Perhaps it is time we consider some loans to tap and develop the true source of our wealth. The Creator did not distribute the thinking minds on the basis of dollar possession.

But the lack of dollars at the time when of greatest worth, has kept far too many good-thinking minds from being developed to fuller use. A potential of knowledge lost to the world because thinking development lacks a loan value.

As of today, the far larger share of higher education is paid by others than the student. That cost is not based primarily on quality of minds trained, but rather on the student's ability to pay his lesser share. But even on that basis, higher education is paying huge dividends to all.

Therefore, why should we continue to hold solely to a dollar system that denies many qualified minds from developing its true potential, when we know the thinking minds have not been distributed on the dollar basis.

Research in the field of higher education to find a system of more equality of opportunity, seems to be both due and worthy.

Since the above was written, the papers carried a front-page headline that it had been proposed that the Government grant a yearly scholarship of $750, up to four years, to students with special mind ability. There is no desire to detract from the value of scholarships, but this seems much like rewarding a student for being born with a special talent. This brings to mind the Biblical story of the talents, where the reward was not based on the talent or talents possessed, but on the use of same.

Therefore, if such scholarship constituted a certificate of recognition, and carried a repayable loan value of same amount, the end result would be the same as far as educational opportunity is concerned, and this same fund could be used again and again for the same purpose of developing other gifted minds to fuller extent. It could well be a gain to all.

